Sdiptech

Capital Goods
Sweden

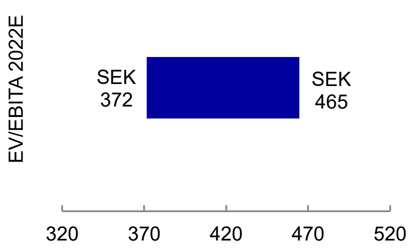
KEY DATA

Stock country	Sweden
Bloomberg	SDIPB SS
Reuters	SDIPb.ST
Share price (close)	SEK 454.0
Free Float	56%
Market cap. (bn)	EUR 1.50/SEK 15.25
Website	www.sdiptech.se
Next report date	22 Jul 2021

PERFORMANCE

Source: Refinitiv

VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2021E	2022E	2023E
Sales	2%	-1%	-1%
EBIT (adj)	-5%	-6%	-4%

Source: Nordea estimates

Nordea Markets - Analysts
Victor Hansen
Analyst

Carl Ragnerstam
Analyst

This large cap keeps on rolling

Sdiptech will report its Q2 results on 22 July. We expect a solid quarter with 18% y/y sales growth and 37% y/y EBITA* growth, despite meaningful divestments, thanks to operational momentum and pandemic-impacted y/y comparables. We make only small estimate revisions but lift our multiples-based valuation range to SEK 372-465 (300-375). This represents a 2022E EV/EBITA range of 25-31x (21-25x), which at the midpoint suggests a price in line with key peers, which are trading at 2022E EV/EBITA of 28x.

Solid growth in spite of divestments

We expect Q2 sales of SEK 579m, up 18% y/y (organic 7%; M&A 12%; FX -1%), but down 12% q/q. This y/y growth estimate is driven by both focus segments: SIS up 75% y/y (organic 4%; M&A 73%; FX -2%) and W&E up by 57% y/y (organic 13%; M&A 45%; FX -1%). For PTS, we estimate Q2 sales -49% y/y (M&A -46%) following the divestments this year. We forecast EBITA* will improve by 37% y/y to SEK 113m, owing to a ~2.5 pp margin uplift, primarily due to structural effects from PTS and despite the margin-dilutive acquisition of the refrigeration company GAH (consolidated in SIS).

M&A set to continue

Sdiptech has had a busy six months in terms of M&A. Most of the deals related to divestments in PTS, but there were two acquisitions – Rolec and Ficon. We estimate that net sales of SEK ~150m have been divested, yet roughly SEK ~100m has been added to EBITA (pro-forma). The recent platform acquisitions have been substantial in size and focused on the UK, on average adding sales of SEK ~290m, but our research suggests that M&A multiples are lower in the UK than in the Nordics. We expect the M&A pace to improve as society reopens and we pencil in SEK 25-58m of EBITA from unannounced acquisitions for 2021 and beyond.

Trading above peers after our minor estimate revisions

We make only minor estimate revisions of -1% to 2% for sales, 0-2% for EBITA* for 2021-23, and we raise our EBITA* margin by 0.1 pp for 2021-23. We upgrade our future M&A sales estimate to SEK 110m (63m) for the rest of 2021. The share, which recently started trading on the Nasdaq Stockholm Main Market, is valued at 30x EV/EBITA based on our 2022 estimates, which is 8% above key peers at 28x. Our valuation range suggests a ±10% EV/EBITA multiple discrepancy to key peers (25-31x).

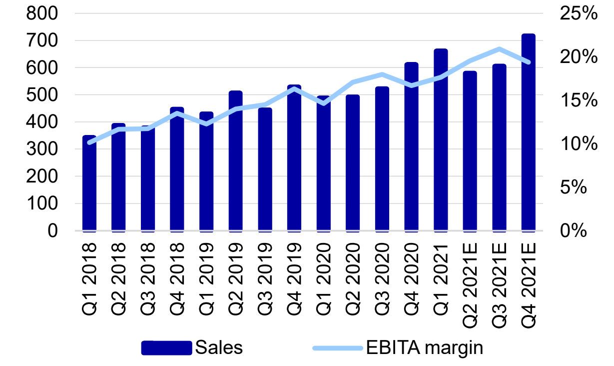
SUMMARY TABLE - KEY FIGURES

SEKm	2017	2018	2019	2020	2021E	2022E	2023E
Total revenue	1,164	1,554	1,908	2,113	2,562	2,839	3,153
EBITDA (adj)	204	213	358	403	566	671	756
EBIT (adj)	156	143	222	310	446	540	611
EBIT (adj) margin	13.4%	9.2%	11.6%	14.7%	17.4%	19.0%	19.4%
EPS (adj, SEK)	2.74	3.68	4.86	5.41	8.13	9.92	11.50
EPS (adj) growth	7.0%	34.1%	32.2%	11.3%	50.4%	22.0%	15.9%
DPS (ord, SEK)	0.00	0.00	0.00	0.00	0.00	0.00	5.70
EV/Sales	1.4	1.3	1.8	4.3	6.8	6.1	5.5
EV/EBIT (adj)	10.8	13.8	15.7	29.6	38.8	32.2	28.3
P/E (adj)	16.9	11.3	15.4	42.5	55.8	45.8	39.5
P/BV	1.4	1.2	1.9	4.6	6.5	5.7	5.0
Dividend yield (ord)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.3%
FCF Yield bef A&D, lease	2.8%	4.3%	9.4%	5.3%	1.9%	2.4%	2.7%
Net debt	254	694	1,176	1,311	1,227	1,281	1,195
Net debt/EBITDA	1.2	3.3	3.3	3.3	2.2	1.9	1.6
ROIC after tax	10.4%	6.9%	7.8%	8.3%	9.7%	10.1%	10.5%

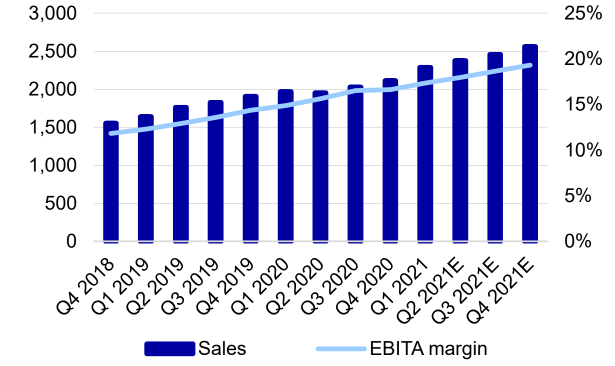
Source: Company data and Nordea estimates

Group and divisional development

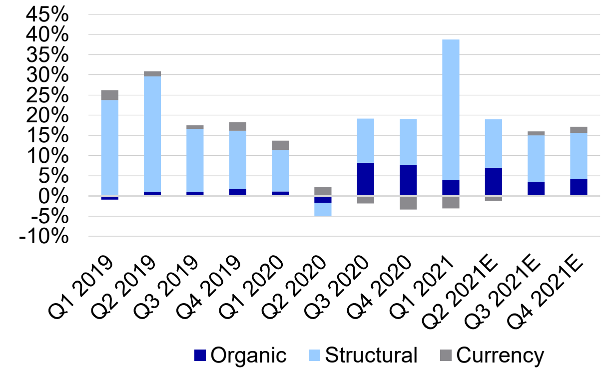
SDIPTECH: SALES (SEKm) AND EBITA* MARGIN (%)



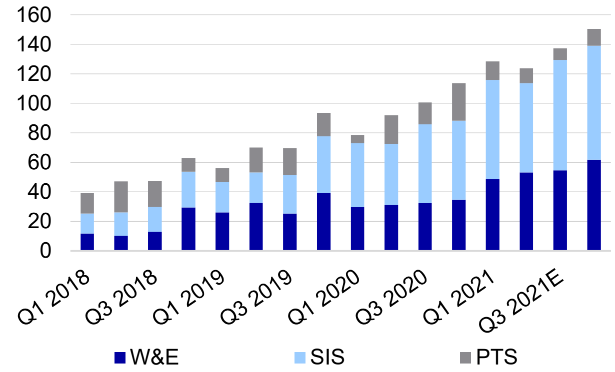
SDIPTECH: SALES (SEKm) AND EBITA* MARGIN (%), LTM



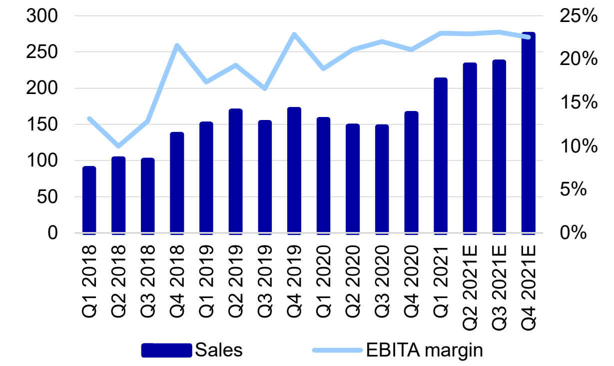
SDIPTECH: SALES GROWTH PER PARAMETER



SDIPTECH: EBITA PER SEGMENT (SEKm)

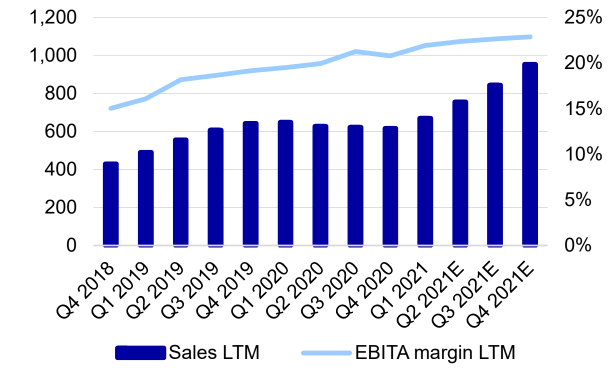


WATER & ENERGY: SALES (SEKm) AND EBITA* MARGIN (%)



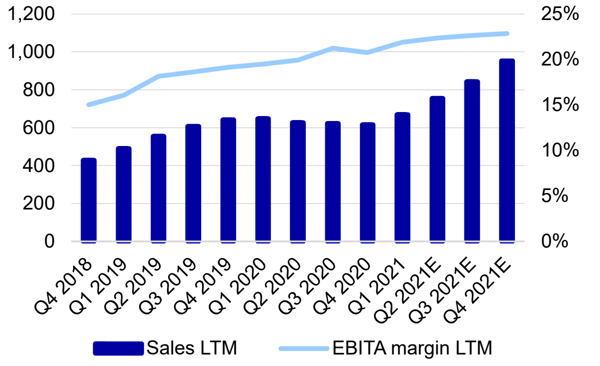
*Sdiptech's own EBITA measure, adjusted for M&A costs and a re-evaluation of earn outs

WATER & ENERGY: SALES (SEKm) AND EBITA* MARGIN (%), LTM

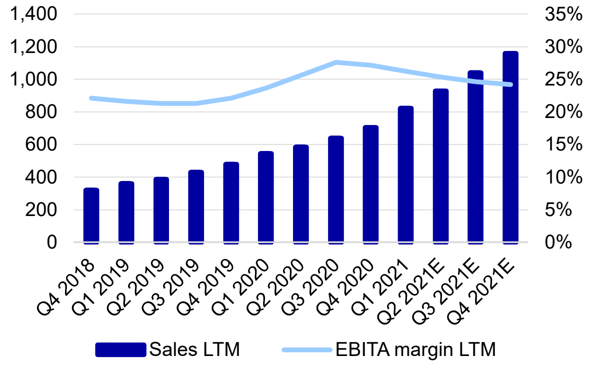


Source for all charts on this page: Company data and Nordea estimates

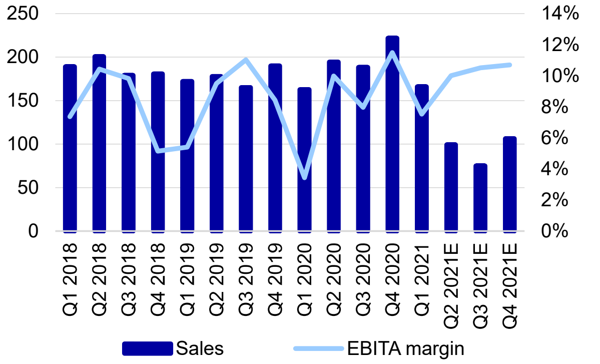
SPECIAL INFRASTRUCTURE SOLUTIONS: SALES (SEKm) AND EBITA* MARGIN (%)



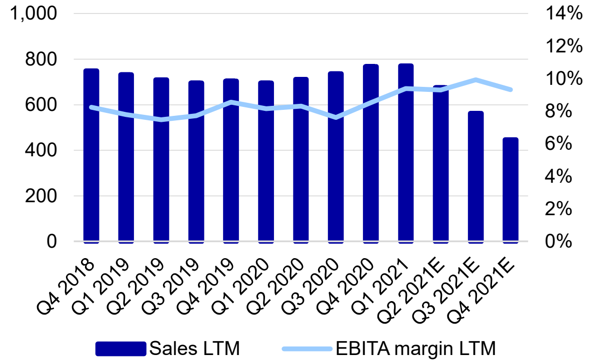
SPECIAL INFRASTRUCTURE SOLUTIONS: SALES (SEKm) AND EBITA* MARGIN (%), LTM



PROPERTY TECHNICAL SERVICES: SALES (SEKm) AND EBITA* MARGIN (%)



PROPERTY TECHNICAL SERVICES: SALES (SEKm) AND EBITA* MARGIN (%), LTM



*Sdiptech's own EBITA measure, adjusted for M&A costs and a re-evaluation of earn outs

Source for all charts on this page: Company data and Nordea estimates

Estimate revisions

After a change of analyst, we remove our previous adjustment for M&A amortisations in our adjusted earnings estimates, thus causing a negative adjusted earnings revision in our reported numbers and forecasts. The underlying earnings revisions are reflected in our EBITA revisions, as shown in the table below.

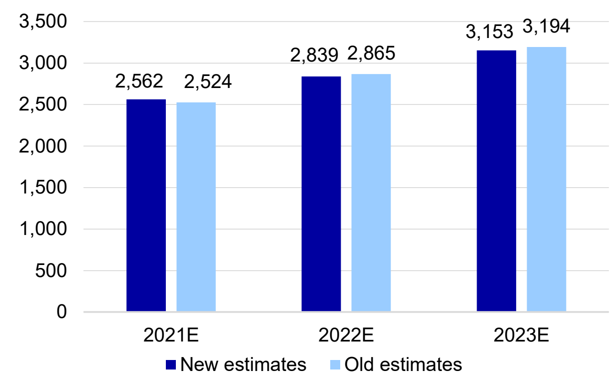
SDIPTECH: ESTIMATE REVISIONS

	New estimates			Old estimates			Revisions		
SEKm	**2021E**	**2022E**	**2023E**	**2021E**	**2022E**	**2023E**	**2021E**	**2022E**	**2023E**
Sales									
WE	953	1,145	1,288	912	1,123	1,259	4%	2%	2%
SIS	1,160	1,360	1,524	1,109	1,324	1,512	5%	3%	1%
PTS	446	334	341	499	419	423	-11%	-20%	-19%
Central	4	0	0	4	0	0	-	-	-
Group	**2,562**	**2,839**	**3,153**	**2,524**	**2,865**	**3,194**	**2%**	**-1%**	**-1%**
EBITA*									
WE	218	255	288	210	253	283	4%	1%	2%
SIS	280	324	364	268	318	363	5%	2%	0%
PTS	42	27	28	48	33	34	-13%	-17%	-17%
Central	-45	-45	-44	-42	-40	-44	8%	13%	0%
Group	**494**	**561**	**636**	**484**	**564**	**636**	**2%**	**0%**	**0%**
M&A Costs	-22	-8	-8	-20	-8	-8	12%	0%	0%
Non M&A Amortization	11	20	20	11	20	12	2%	0%	67%
Revaluation of earn-outs	-3	0	0	-3	0	0	-	-	-
EBITA	**481**	**573**	**648**	**472**	**576**	**640**	**2%**	**0%**	**1%**
Adjusted EBITA	**483**	**573**	**648**	**475**	**576**	**640**	**2%**	**0%**	**1%**
EBITA* Margin									
WE	22.9%	22.3%	22.4%	23.0%	22.5%	22.5%	-0.2pp	-0.2pp	-0.1pp
SIS	24.2%	23.8%	23.9%	24.2%	24.0%	24.0%	0.0pp	-0.2pp	-0.2pp
PTS	9.3%	8.2%	8.3%	9.6%	7.9%	8.0%	-0.3pp	0.3pp	0.3pp
Group	**19.3%**	**19.8%**	**20.2%**	**19.2%**	**19.7%**	**19.9%**	**0.1pp**	**0.1pp**	**0.2pp**

*Sdiptech's own EBITA measure, adjusted for M&A costs and a re-evaluation of earn outs

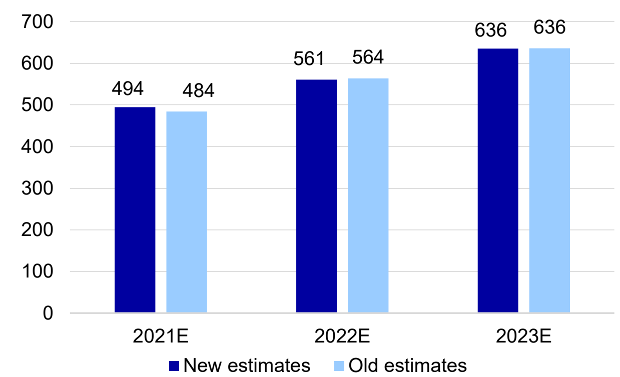
Source: Nordea estimates

GROUP SALES: NEW VS OLD ESTIMATES (SEKm)



Source: Nordea estimates

ADJUSTED EBITA: NEW VS OLD ESTIMATES (SEKm)



Source: Nordea estimates

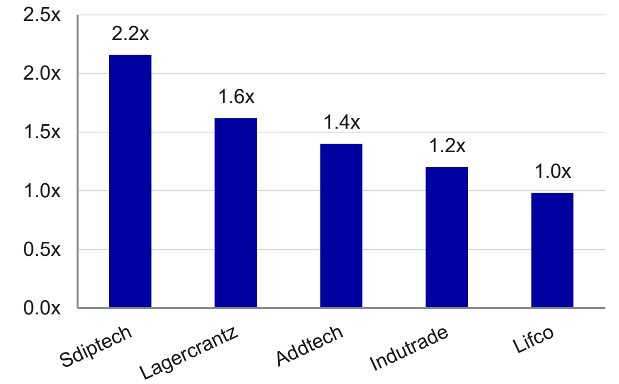
Valuation

KEY COMPOUNDERS: PEER VALUATION TABLE

Stock	Rec.	Mcap. SEKm	EV/EBITDA 2021E	EV/EBITDA 2022E	EV/EBITA 2021E	EV/EBITA 2022E	adj. EV/EBIT 2021E	adj. EV/EBIT 2022E	adj. P/E 2021E	adj. P/E 2022E	Div. yield 2021E	Div. yield 2022E	ND/EBITDA 2021E	ND/EBITDA 2022E	ROE 2021E	ROE 2022E
Addtech	BUY	43,616	26.6x	23.5x	31.0x	27.3x	37.3x	32.1x	47.8x	41.1x	1.0%	1.1%	1.4x	1.0x	24.4%	24.4%
Indutrade	HOLD	86,400	25.4x	23.2x	30.9x	28.3x	31.3x	28.7x	38.6x	35.2x	0.8%	0.9%	1.2x	0.9x	20.5%	19.3%
Lagercrantz	HOLD	21,318	22.6x	20.4x	28.1x	25.3x	32.1x	28.8x	39.6x	35.7x	1.2%	1.4%	1.6x	1.3x	26.6%	25.4%
Lifco	HOLD	101,881	28.0x	26.4x	31.0x	29.1x	35.6x	33.5x	46.4x	43.5x	0.7%	0.7%	1.0x	0.6x	23.1%	21.1%
Sdiptech	N.R.	15,254	30.5x	25.9x	36.0x	30.3x	38.8x	32.2x	55.8x	45.8x	0.0%	0.0%	2.2x	1.9x	13.6%	13.4%
Average		**53,694**	**26.6x**	**23.9x**	**31.4x**	**28.1x**	**35.0x**	**31.1x**	**45.7x**	**40.3x**	**0.7%**	**0.8%**	**1.5x**	**1.1x**	**21.7%**	**20.7%**
Median		**43,616**	**26.6x**	**23.5x**	**31.0x**	**28.3x**	**35.6x**	**32.1x**	**46.4x**	**41.1x**	**0.8%**	**0.9%**	**1.4x**	**1.0x**	**23.1%**	**21.1%**
Sdiptech	**N.R.**	**15,254**	**30.5x**	**25.9x**	**36.0x**	**30.3x**	**38.8x**	**32.2x**	**55.8x**	**45.8x**	**0.0%**	**0.0%**	**2.2x**	**1.9x**	**13.6%**	**13.4%**
vs. peer average			14%	9%	15%	8%	11%	4%	22%	14%	-0.7pp	-0.9pp	47%	70%	-8.0pp	-7.8pp
vs. peer median			14%	10%	16%	7%	9%	0%	20%	11%	-0.8pp	-0.9pp	54%	98%	-9.5pp	-7.8pp

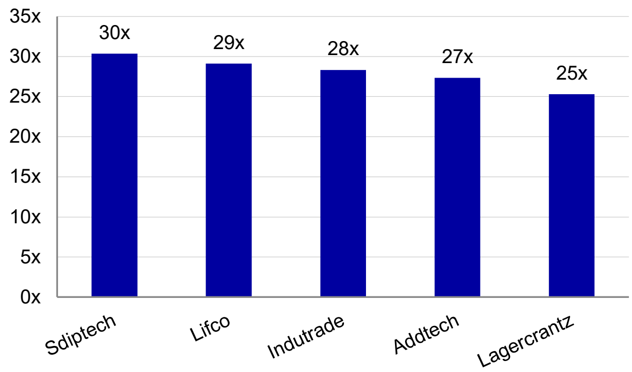
Source: Refinitiv and Nordea estimates

2021E NET DEBT/EBITDA (x)



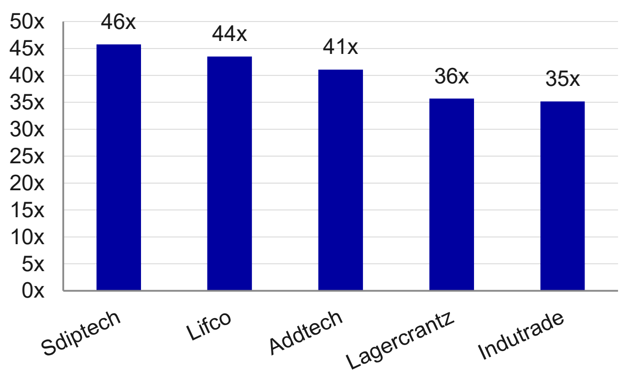
Source: Refinitiv and Nordea estimates

2022E EV/EBITA (x)



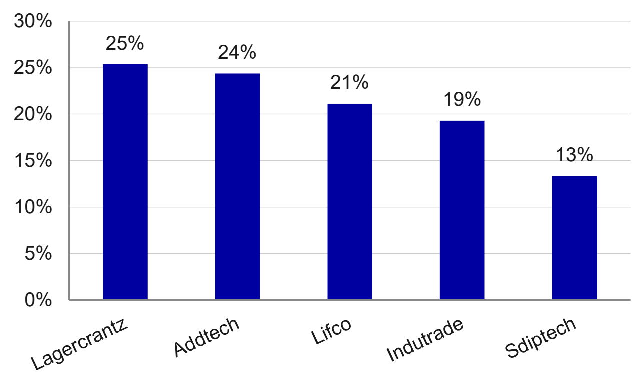
Source: Refinitiv and Nordea estimates

2022E P/E (x)



Source: Refinitiv and Nordea estimates

2022E ROE (%)



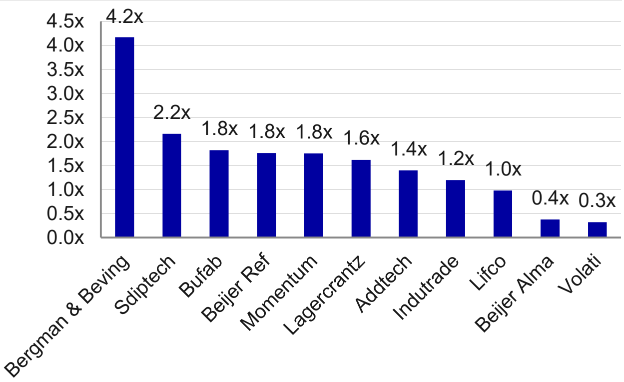
Source: Refinitiv and Nordea estimates

COMPOUNDERS: PEER VALUATION TABLE

		Mcap.	EV/EBITDA		EV/EBITA		adj. EV/EBIT		adj. P/E		Div. yield		ND/EBITDA		ROE	
Stock	**Rec.**	**SEKm**	**2021E**	**2022E**	**2021E**	**2022E**	**2021E**	**2022E**	**2021E**	**2022E**	**2021E**	**2022E**	**2021E**	**2022E**	**2021E**	**2022E**
Addtech	BUY	43,616	26.6x	23.5x	31.0x	27.3x	37.3x	32.1x	47.8x	41.1x	1.0%	1.1%	1.4x	1.0x	24.4%	24.4%
Bergman & Beving	-	4,109	12.3x	10.6x	-	-	20.8x	17.5x	21.4x	18.3x	1.9%	2.3%	4.2x	3.4x	-	-
Beijer Alma	BUY	11,582	12.0x	10.6x	15.7x	14.5x	16.2x	15.0x	20.5x	19.4x	2.6%	3.6%	0.4x	0.2x	21.0%	19.7%
Beijer Ref	HOLD	64,078	35.1x	31.0x	44.6x	38.8x	46.8x	41.2x	61.8x	53.9x	0.7%	0.7%	1.8x	1.4x	21.2%	21.1%
Bufab	-	11,292	17.4x	16.3x	21.7x	20.0x	22.7x	20.8x	28.4x	25.5x	1.0%	1.1%	1.8x	1.4x	18.7%	18.2%
Indutrade	HOLD	86,400	25.4x	23.2x	30.9x	28.3x	31.3x	28.7x	38.6x	35.2x	0.8%	0.9%	1.2x	0.9x	20.5%	19.3%
Lagercrantz	HOLD	21,318	22.6x	20.4x	28.1x	25.3x	32.1x	28.8x	39.6x	35.7x	1.2%	1.4%	1.6x	1.3x	26.6%	25.4%
Lifco	HOLD	101,881	28.0x	26.4x	31.0x	29.1x	35.6x	33.5x	46.4x	43.5x	0.7%	0.7%	1.0x	0.6x	23.1%	21.1%
Momentum	-	9,405	9.3x	8.7x	-	-	16.6x	14.5x	16.6x	14.5x	1.9%	2.3%	1.8x	1.3x	-	-
Sdiptech	N.R.	15,254	30.5x	25.9x	36.0x	30.3x	38.8x	32.2x	55.8x	45.8x	0.0%	0.0%	2.2x	1.9x	13.6%	13.4%
Volati	BUY	10,545	14.5x	12.5x	20.0x	18.0x	21.5x	19.4x	38.1x	28.2x	0.8%	0.9%	0.3x	0.4x	10.3%	16.6%
Average		**34,498**	**21.3x**	**19.0x**	**28.8x**	**25.7x**	**29.1x**	**25.8x**	**37.7x**	**32.8x**	**1.1%**	**1.4%**	**1.6x**	**1.2x**	**19.9%**	**19.9%**
Median		**15,254**	**22.6x**	**20.4x**	**30.9x**	**27.3x**	**31.3x**	**28.7x**	**38.6x**	**35.2x**	**1.0%**	**1.1%**	**1.6x**	**1.3x**	**21.0%**	**19.7%**
Sdiptech	**N.R.**	**15,254**	**30.5x**	**25.9x**	**36.0x**	**30.3x**	**38.8x**	**32.2x**	**55.8x**	**45.8x**	**0.0%**	**0.0%**	**2.2x**	**1.9x**	**13.6%**	**13.4%**
vs. peer average			43%	37%	25%	18%	34%	25%	48%	39%	-1.1pp	-1.1pp	35%	53%	-6.3pp	-6.3pp
vs. peer median			35%	27%	17%	11%	24%	12%	45%	30%	-1.0pp	-1.1pp	33%	51%	-7.3pp	-6.3pp

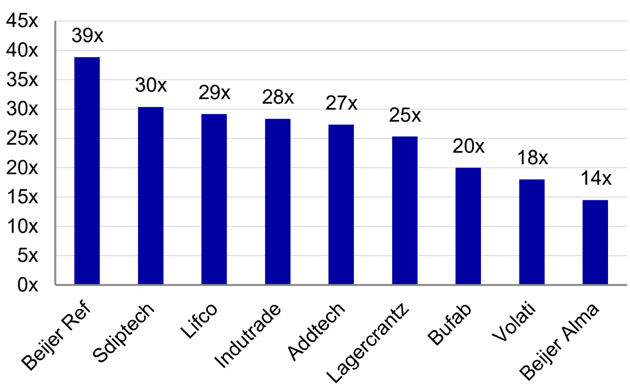
Source: Refinitiv and Nordea estimates

2021E NET DEBT/EBITDA (x)



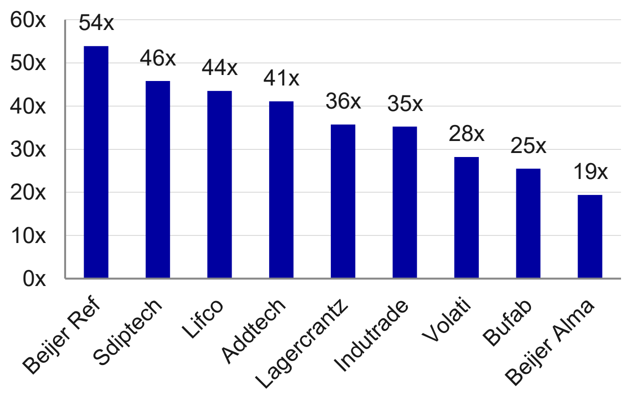
Source: Refinitiv and Nordea estimates

2022E EV/EBITA (x)



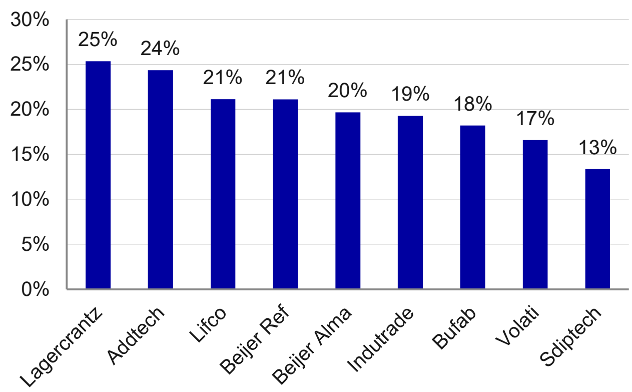
Source: Refinitiv and Nordea estimates

2022E P/E (x)



Source: Refinitiv and Nordea estimates

2022E ROE (%)



Source: Refinitiv and Nordea estimates

Detailed estimates

SDIPTECH: DETAILED QUARTERLY ESTIMATES

SEKm	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021E	Q3 2021E	Q4 2021E
Net sales	484	483	516	604	658	579	605	717
- of which future M&A	*0*	*0*	*0*	*0*	*0*	*0*	*33*	*77*
Other operating income	4	8	6	7	4	0	0	0
Total sales	**488**	**492**	**522**	**612**	**662**	**579**	**605**	**717**
Direct expenses	-184	-188	-206	-247	-265	-232	-244	-289
Other external expenses	-49	-46	-50	-69	-70	-32	-25	-40
Employee expenses	-165	-157	-160	-187	-204	-182	-188	-223
D&A on tangible non-current assets	-17	-18	-14	-24	-23	-20	-21	-25
D&A on intangible non-current assets	-3	-4	-6	-7	-10	-7	-7	-8
Adjusted EBIT	**69**	**78**	**87**	**77**	**93**	**106**	**120**	**131**
Non-recurring items	0	0	0	0	-3	0	0	0
EBIT	**69**	**78**	**87**	**77**	**91**	**106**	**120**	**131**
Financial income	8	0	27	0	9	0	0	0
Financial expense	-9	-29	-7	-17	-14	-13	-13	-13
Pre-tax profit	**69**	**49**	**107**	**60**	**85**	**94**	**108**	**118**
Tax	-17	-11	-20	-17	-21	-23	-27	-29
Results from discontinued operations	0	0	0	0	0	0	0	0
Minorities	0	-1	-1	-4	-2	-2	-2	-2
Net profit	**52**	**37**	**87**	**39**	**63**	**69**	**79**	**88**
Sales growth	**14.7%**	**7.7%**	**16.8%**	**17.8%**	**35.9%**	**19.7%**	**17.3%**	**18.6%**
of which organic	1.1%	-1.7%	8.2%	7.7%	3.9%	7.0%	3.4%	4.2%
of which structural	11.9%	10.4%	11.3%	12.3%	25.4%	14.0%	12.9%	12.9%
of which FX	1.7%	-1.0%	-2.6%	-2.2%	6.6%	-1.3%	1.0%	1.5%
EBITA* growth	**37%**	**32%**	**45%**	**21%**	**64%**	**37%**	**36%**	**38%**
Adjusted EBITA growth	**117%**	**-27%**	**73%**	**-9%**	**44%**	**38%**	**38%**	**66%**
Sales per business area								
Water & Energy	157	147	147	165	211	232	236	274
Special Infrastructure Solutions	165	142	181	218	281	248	294	336
Property Technical Services	163	194	188	222	166	99	75	106
Other	4	8	6	7	4	0	0	0
Total	**488**	**492**	**522**	**612**	**662**	**579**	**605**	**717**
EBITA* per business area								
Water & Energy	30	31	32	35	49	53	54	62
Special Infrastructure Solutions	43	41	53	54	67	61	75	77
Property Technical Services	6	19	15	26	13	10	8	11
Other	-8	-9	-8	-13	-12	-11	-11	-12
Group EBITA*	**71**	**83**	**93**	**101**	**116**	**113**	**126**	**139**
Adjustment for revaluation of earn-outs	0	0	0	-13	-3	0	0	0
Acquisition costs	0	-2	-2	-5	-15	-3	-2	-2
Non M&A related amortisation & impairment	-	-	-	2	2	3	3	3
EBITA	**71**	**80**	**91**	**84**	**100**	**113**	**127**	**140**
Adjusted EBITA	**71**	**80**	**91**	**84**	**103**	**113**	**127**	**140**
EBITA* margin								
Water & Energy	18.9%	21.1%	22.0%	21.1%	23.0%	22.9%	23.1%	22.5%
Special Infrastructure Solutions	26.3%	29.2%	29.5%	24.6%	24.0%	24.5%	25.5%	23.0%
Property Technical Services	3.4%	10.0%	8.0%	11.5%	7.5%	10.0%	10.5%	10.7%
Group	**14.5%**	**16.8%**	**17.8%**	**16.5%**	**17.6%**	**19.5%**	**20.9%**	**19.4%**
EBITA margin	**14.5%**	**16.3%**	**17.4%**	**13.8%**	**15.2%**	**19.5%**	**21.1%**	**19.5%**
Adjusted EBITA margin	**14.5%**	**16.3%**	**17.4%**	**13.8%**	**15.6%**	**19.5%**	**21.1%**	**19.5%**

*Sdiptech's own EBITA measure, adjusted for M&A costs and a re-evaluation of earn outs

Source: Company data and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT

SEKm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Total revenue	**n.a.**	**n.a.**	**414**	**789**	**1,164**	**1,554**	**1,908**	**2,113**	**2,562**	**2,839**	**3,153**
Revenue growth	n.a.	n.a.	n.a.	90.4%	47.6%	33.5%	22.8%	10.7%	21.3%	10.8%	11.1%
of which organic	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
of which FX	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA	0	0	61	120	204	213	358	403	569	671	756
Depreciation and impairments PPE	0	0	-3	-8	-15	-23	-67	-73	-88	-97	-108
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
EBITA	0	0	59	111	189	190	291	330	481	573	648
Amortisation and impairments	0	0	0	0	-33	-47	-69	-20	-32	-33	-37
EBIT	n.a.	n.a.	59	111	156	143	222	310	449	540	611
of which associates	0	0	0	0	0	0	0	0	0	0	0
Associates excluded from EBIT	0	0	0	0	0	0	0	0	0	0	0
Net financials	0	0	-6	-7	-36	-17	-13	-26	-44	-47	-42
of which lease interest	0	0	0	0	0	0	0	0	0	0	0
Changes in value, net	0	0	0	0	0	0	0	0	0	0	0
Pre-tax profit	**0**	**0**	**52**	**104**	**120**	**127**	**209**	**284**	**405**	**493**	**569**
Reported taxes	n.a.	n.a.	-12	-24	-27	-30	-44	-64	-100	-122	-141
Net profit from continued operations	0	0	40	80	93	96	165	220	305	371	428
Discontinued operations	0	0	0	0	0	33	0	0	0	0	0
Minority interests	0	0	-6	-10	-6	-4	-4	-6	-6	-6	-7
Net profit to equity	0	0	20	56	73	111	147	201	285	351	407
EPS, SEK	**n.a.**	**n.a.**	**0.99**	**2.56**	**2.74**	**3.68**	**4.86**	**6.24**	**8.21**	**9.92**	**11.50**
DPS, SEK	n.a.	n.a.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.70
of which ordinary	n.a.	n.a.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.70
of which extraordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit margin in percent											
EBITDA	n.a.	n.a.	14.8%	15.1%	17.5%	13.7%	18.7%	19.1%	22.2%	23.6%	24.0%
EBITA	n.a.	n.a.	14.1%	14.1%	16.2%	12.2%	15.2%	15.6%	18.8%	20.2%	20.5%
EBIT	n.a.	n.a.	14.1%	14.1%	13.4%	9.2%	11.6%	14.7%	17.5%	19.0%	19.4%
Adjusted earnings											
EBITDA (adj)	0	0	93	120	204	213	358	403	566	671	756
EBITA (adj)	0	0	91	111	189	190	291	330	478	573	648
EBIT (adj)	0	0	91	111	156	143	222	310	446	540	611
EPS (adj, SEK)	n.a.	n.a.	2.56	2.56	2.74	3.68	4.86	5.41	8.13	9.92	11.50
Adjusted profit margins in percent											
EBITDA (adj)	n.a.	n.a.	22.5%	15.1%	17.5%	13.7%	18.7%	19.1%	22.1%	23.6%	24.0%
EBITA (adj)	n.a.	n.a.	21.8%	14.1%	16.2%	12.2%	15.2%	15.6%	18.7%	20.2%	20.5%
EBIT (adj)	n.a.	n.a.	21.8%	14.1%	13.4%	9.2%	11.6%	14.7%	17.4%	19.0%	19.4%
Performance metrics											
CAGR last 5 years											
Net revenue	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	38.5%	26.6%	19.5%	15.2%
EBITDA	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	45.8%	36.6%	26.9%	28.8%
EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	39.6%	32.2%	28.1%	33.6%
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	44.7%	26.2%	29.3%	25.6%
DPS	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Average last 5 years											
Average EBIT margin	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	11.9%	12.5%	13.8%	15.2%	17.0%
Average EBITDA margin	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	16.4%	17.2%	18.8%	20.2%	21.9%

VALUATION RATIOS - ADJUSTED EARNINGS

SEKm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
P/E (adj)	n.a.	n.a.	n.a.	n.a.	16.9	11.3	15.4	42.5	55.8	45.8	39.5
EV/EBITDA (adj)	n.a.	n.a.	n.a.	n.a.	8.3	9.3	9.7	22.8	30.6	25.9	22.9
EV/EBITA (adj)	n.a.	n.a.	n.a.	n.a.	8.9	10.4	12.0	27.8	36.2	30.3	26.7
EV/EBIT (adj)	n.a.	n.a.	n.a.	n.a.	10.8	13.8	15.7	29.6	38.8	32.2	28.3

VALUATION RATIOS - REPORTED EARNINGS

SEKm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
P/E	n.a.	n.a.	n.a.	n.a.	16.9	11.3	15.4	36.8	55.3	45.8	39.5
EV/Sales	n.a.	n.a.	n.a.	n.a.	1.45	1.28	1.83	4.34	6.76	6.13	5.49
EV/EBITDA	n.a.	n.a.	n.a.	n.a.	8.3	9.3	9.7	22.8	30.5	25.9	22.9
EV/EBITA	n.a.	n.a.	n.a.	n.a.	8.9	10.4	12.0	27.8	36.0	30.3	26.7
EV/EBIT	n.a.	n.a.	n.a.	n.a.	10.8	13.8	15.7	29.6	38.6	32.2	28.3
Dividend yield (ord.)	n.a.	n.a.	n.a.	n.a.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.3%
FCF yield	n.a.	n.a.	n.a.	n.a.	-8.7%	-19.1%	-14.5%	-2.4%	-2.2%	-0.2%	0.7%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	n.a.	2.8%	4.3%	9.4%	5.3%	1.9%	2.4%	2.7%
Payout ratio	n.a.	n.a.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	49.6%

Source: Company data and Nordea estimates

BALANCE SHEET

SEKm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Intangible assets	0	0	288	806	1,068	1,477	1,969	2,539	3,055	3,369	3,615
of which R&D	n.a.	n.a.	0	0	8	15	59	0	0	0	0
of which other intangibles	n.a.	n.a.	0	0	5	10	40	271	489	620	720
of which goodwill	n.a.	n.a.	287	806	1,055	1,452	1,870	2,268	2,566	2,749	2,895
Tangible assets	0	0	19	50	81	108	258	319	421	469	497
of which leased assets	n.a.	n.a.	0	0	0	0	0	185	185	185	185
Shares associates	n.a.	n.a.	0	0	0	0	0	0	0	0	0
Interest bearing assets	n.a.	n.a.	0	0	0	0	0	0	0	0	0
Deferred tax assets	n.a.	n.a.	0	0	0	0	0	0	0	0	0
Other non-IB non-current assets	n.a.	n.a.	0	0	0	0	0	0	0	0	0
Other non-current assets	n.a.	n.a.	23	3	2	2	14	10	0	0	0
Total non-current assets	0	0	329	858	1,151	1,587	2,241	2,869	3,476	3,838	4,112
Inventory	n.a.	n.a.	28	34	63	96	117	215	261	289	321
Accounts receivable	n.a.	n.a.	75	156	217	309	333	375	454	503	559
Short-term leased assets	n.a.	n.a.	0	0	0	0	0	0	0	0	0
Other current assets	n.a.	n.a.	111	95	69	136	138	115	139	154	171
Cash and bank	n.a.	n.a.	89	126	330	325	156	279	1,299	1,652	2,062
Total current assets	0	0	303	411	679	866	745	984	2,153	2,599	3,114
Assets held for sale	0	0	167	0	0	0	0	n.a.	n.a.	n.a.	n.a.
Total assets	**0**	**0**	**799**	**1,269**	**1,830**	**2,453**	**2,986**	**3,853**	**5,629**	**6,437**	**7,226**
Shareholders equity	n.a.	n.a.	471	428	973	1,088	1,223	1,716	2,459	2,795	3,188
Of which preferred stocks	n.a.	n.a.	175	175	175	175	175	175	175	175	175
Of which equity part of hybrid debt	n.a.	n.a.	0	0	0	0	0	0	0	0	0
Minority interest	n.a.	n.a.	26	33	33	33	36	40	46	52	59
Total Equity	n.a.	n.a.	497	461	1,006	1,121	1,259	1,756	2,505	2,848	3,247
Deferred tax	n.a.	n.a.	0	0	0	0	0	0	0	0	0
Long term interest bearing debt	n.a.	n.a.	173	486	448	663	1,197	1,396	2,330	2,738	3,063
Pension provisions	n.a.	n.a.	0	0	0	0	0	0	0	0	0
Other long-term provisions	n.a.	n.a.	0	0	0	0	0	0	0	0	0
Other long-term liabilities	n.a.	n.a.	0	0	0	0	0	0	0	0	0
Non-current lease debt	n.a.	n.a.	0	0	0	0	69	123	123	123	123
Convertible debt	n.a.	n.a.	0	0	0	0	0	0	0	0	0
Shareholder debt	n.a.	n.a.	0	0	0	0	0	0	0	0	0
Hybrid debt	n.a.	n.a.	0	0	0	0	0	0	0	0	0
Total non-current liabilities	0	0	173	493	459	678	1,283	1,588	2,522	2,930	3,254
Short-term provisions	n.a.	n.a.	0	0	0	0	0	0	0	0	0
Accounts payable	n.a.	n.a.	77	98	137	180	227	263	318	353	392
Current lease debt	n.a.	n.a.	0	0	0	0	0	0	0	0	0
Other current liabilities	n.a.	n.a.	52	66	92	120	151	175	212	235	261
Short term interest bearing debt	n.a.	n.a.	0	152	136	355	66	72	72	72	72
Total current liabilities	0	0	129	316	365	655	445	509	602	660	725
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	**0**	**0**	**799**	**1,269**	**1,830**	**2,453**	**2,986**	**3,853**	**5,629**	**6,437**	**7,226**
Balance sheet and debt metrics											
Net debt	0	0	84	512	254	694	1,176	1,311	1,227	1,281	1,195
of which lease debt	n.a.	n.a.	0	0	0	0	69	123	123	123	123
Working capital	0	0	85	122	120	241	210	267	324	359	399
Invested capital	0	0	414	980	1,271	1,828	2,451	3,136	3,800	4,197	4,511
Capital employed	0	0	670	1,098	1,590	2,139	2,591	3,346	5,030	5,781	6,504
ROE	n.a.	n.a.	n.a.	12.4%	10.5%	10.8%	12.7%	13.7%	13.6%	13.4%	13.6%
ROIC	n.m.	n.m.	32.8%	12.0%	10.4%	6.9%	7.8%	8.3%	9.7%	10.1%	10.5%
ROCE	n.m.	n.m.	27.0%	12.6%	11.6%	7.7%	9.4%	10.5%	10.7%	10.0%	9.9%
Net debt/EBITDA	n.m.	n.m.	1.4	4.3	1.2	3.3	3.3	3.3	2.2	1.9	1.6
Interest coverage	n.a.	n.a.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Equity ratio	n.a.	n.a.	59.0%	33.7%	53.2%	44.4%	41.0%	44.5%	43.7%	43.4%	44.1%
Net gearing	n.a.	n.a.	16.9%	111.1%	25.2%	61.9%	93.5%	74.7%	49.0%	45.0%	36.8%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

SEKm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
EBITDA (adj) for associates	**0**	**0**	**61**	**120**	**204**	**213**	**358**	**403**	**569**	**671**	**756**
Paid taxes	0	0	-12	-24	-27	-30	-44	-53	-100	-122	-141
Net financials	0	0	-6	-7	-36	-17	-13	-16	-44	-47	-42
Change in provisions	0	0	0	0	0	0	0	0	0	0	0
Change in other LT non-IB	0	0	-23	27	5	3	-10	56	10	0	0
Cash flow to/from associates	0	0	0	0	0	0	0	0	0	0	0
Dividends paid to minorities	0	0	0	0	0	0	0	0	0	0	0
Other adj to reconcile to cash flow	0	0	33	43	-77	40	-10	-30	0	0	0
Funds from operations (FFO)	**0**	**0**	**54**	**158**	**69**	**210**	**281**	**359**	**435**	**502**	**573**
Change in NWC	0	0	-85	-36	1	-121	31	92	-57	-35	-40
Cash flow from operations (CFO)	**n.a.**	**n.a.**	**-32**	**122**	**70**	**89**	**313**	**451**	**378**	**467**	**534**
Capital expenditure	n.a.	n.a.	-110	-3	-30	-35	-100	-38	-77	-85	-95
Free cash flow before A&D	**0**	**0**	**-142**	**119**	**40**	**54**	**213**	**413**	**301**	**381**	**439**
Proceeds from sale of assets	0	0	0	0	0	0	0	0	274	0	0
Acquisitions	n.a.	n.a.	-53	-359	-161	-293	-542	-599	-935	-408	-324
Free cash flow	0	0	-195	-240	-121	-240	-330	-186	-360	-26	115
Free cash flow bef A&D, lease adj	0	0	-142	119	40	54	213	413	301	381	439
Dividends paid	0	0	-14	-14	-14	-14	-14	-15	-14	-14	-14
Equity issues / buybacks	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	347	473	0	0
Net change in debt	n.a.	n.a.	254	291	346	253	174	53	935	408	324
Other financing adjustments	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-26	-14	-14	-15
Other non-cash adjustments	0	0	44	-1	-6	-4	1	0	0	0	0
Change in cash	0	0	89	37	204	-5	-169	123	1,019	353	410
Cash flow metrics											
Capex/D&A	n.a.	n.a.	n.m.	33.3%	63.0%	50.3%	73.5%	40.9%	64.2%	65.2%	65.2%
Capex/Sales	n.a.	n.a.	26.6%	0.4%	2.6%	2.3%	5.2%	1.8%	3.0%	3.0%	3.0%
Key information											
Share price year end (/current)	n.a.	n.a.	n.a.	n.a.	46	42	75	230	454	454	454
Market cap.	n.a.	n.a.	n.a.	n.a.	1,400	1,257	2,273	7,825	16,055	16,055	16,055
Enterprise value	n.a.	n.a.	n.a.	n.a.	1,687	1,984	3,485	9,176	17,328	17,388	17,309
Diluted no. of shares, year-end (m)	0.0	0.0	20.3	23.1	30.3	30.3	30.3	34.0	35.4	35.4	35.4

Source: Company data and Nordea estimates

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