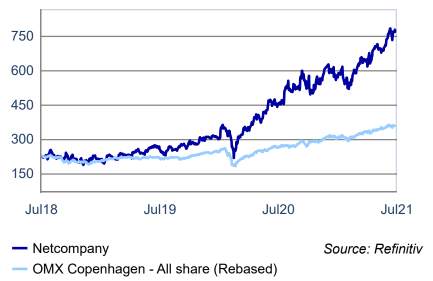
Netcompany

Telecom Equipment and IT
Denmark

KEY DATA

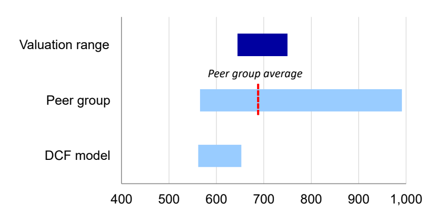
Stock country	Denmark
Bloomberg	NETC DC
Reuters	NETCG.CO
Share price (close)	DKK 775
Free Float	85%
Market cap. (bn)	EUR 5.21/DKK 38.75
Website	www.netcompany.com
Next report date	18 Aug 2021

PERFORMANCE



Source: Refinitiv

VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2021E	2022E	2023E
Sales	0%	0%	0%
EBIT (adj)	0%	0%	0%

Source: Nordea estimates

Nordea Markets - Analysts
Claus Almer
Director

Jesper Herholt Jensen
Managing Director, Sector Coordinator

Solid performance likely continued in Q2

We expect Netcompany's solid performance continued in Q2, which may trigger a positive revision to its 2021 guidance, or at least a comment that it expects to meet the upper end of its guidance range. We expect broad-based solid performance, including a normalisation in the Netherlands (q/q). Continued progress in the UK may have had a moderately negative impact on margins, as Netcompany is using more senior resources from its Danish operation in the UK, but without being able to charge the same rates. Thanks to multiple expansion in the peer group, our updated valuation, based on DCF and the peer group, now suggests a fair value range of DKK 645-745 (up from DKK 620-720).

Broad-based performance

We expect limited impact from COVID-19 on revenue, while reduced costs for travel and events likely boosted profitability. We expect Dutch operations are normalising after the election, although we still forecast flattish development q/q, and that the UK operation is enjoying solid momentum. The latter is partly serviced using resources from the Danish operation, as capacity within the UK division is limited by reduced use of independent consultants. Netcompany was awarded a multi-year Dutch development contract worth more than EUR 50m in July.

Should at least meet the high end of 2021 guidance

Netcompany guides for 15-20% LCY organic revenue growth (Nordea: 19.4%) and a 23-25% adjusted EBITA margin (LCY). In its Q1 report, Netcompany added that the higher end of the guidance range was more realistic than the lower end. This should be compared to consensus expecting 20.2% revenue growth, including a 0.7 pp positive currency effect, and a 25.5% EBITA margin (Nordea: 25%).

Personnel: An increasingly tight labour market

Like many other IT companies, Netcompany is exposed to an increasingly tight labour market, particularly in Denmark. Although the situation remains manageable, we believe Netcompany's resources in Poland and Vietnam may become even more important in the future.

Ahead of the Q2 report: We leave our estimates unchanged

As we stick to our estimates, we are still at the very high end of the EBITA guidance range, but 2% below the company-compiled consensus.

SUMMARY TABLE - KEY FIGURES

DKKm	2017	2018	2019	2020	2021E	2022E	2023E
Total revenue	1,416	2,053	2,454	2,839	3,406	3,951	4,623
EBITDA (adj)	435	555	674	809	921	1,105	1,334
EBIT (adj)	306	399	516	645	816	1,006	1,238
EBIT (adj) margin	21.6%	19.4%	21.0%	22.7%	24.0%	25.4%	26.8%
EPS (adj, DKK)	3.33	4.14	7.84	9.36	12.48	15.57	19.24
EPS (adj) growth	241.4%	24.3%	89.5%	19.4%	33.3%	24.7%	23.6%
DPS (ord, DKK)	0.00	0.00	0.00	1.00	2.00	2.00	2.00
EV/Sales	n.a.	5.8	6.8	11.1	11.3	9.6	8.1
EV/EBIT (adj)	n.a.	30.0	32.3	48.9	47.3	37.8	30.1
P/E (adj)	n.a.	53.2	40.4	66.5	62.1	49.8	40.3
P/BV	n.a.	6.1	7.7	12.8	12.9	10.5	8.5
Dividend yield (ord)	n.a.	0.0%	0.0%	0.2%	0.3%	0.3%	0.3%
FCF Yield bef A&D, lease	n.a.	1.2%	2.5%	1.6%	1.3%	1.8%	2.1%
Net debt	1,070	998	826	402	-108	-716	-1,468
Net debt/EBITDA	2.7	1.9	1.2	0.5	-0.1	-0.6	-1.1
ROIC after tax	8.8%	10.7%	13.3%	16.3%	25.6%	30.4%	35.9%

Source: Company data and Nordea estimates

Q2 2021 preview

Q2 2021 details to be released at ~07.30 CET on 18 August

The investor call is scheduled to start at 11.00 CET: Dial-in details are not yet available.

Solid Q2 performance expected

NETCOMPANY: Q2 2021 ESTIMATES (DKKm)

	2020				2021			NDA vs	Q2,	H2		H2
	Q1	Q2	Q3	Q4	Q1	Q2E	Cons	Cons	y/y	2020	2021E	y/y
Revenue	**696**	**676**	**695**	**773**	**855**	**830**	**821**	**1%**	**27%**	**1,468**	**1,722**	**17%**
Production cost	421	416	401	445	529	524	499	5%	27%	847	1,034	22%
Gross profit	**275**	**260**	**293**	**328**	**326**	**305**	**322**	**-5%**	**25%**	**621**	**688**	**11%**
Sales & marketing	4	4	4	5	6	8	-	-	61%	9	17	89%
Administration	106	95	94	99	103	105	-	-	9%	193	227	18%
Special items	0	0	0	0	0	0	0	-	-	0	0	-
EBITA	**164**	**161**	**195**	**224**	**216**	**193**	**195**	**-1%**	**34%**	**419**	**444**	**6%**
Amortisation	25	25	25	24	9	9	-	-	-64%	49	18	-62%
EBIT	**139**	**136**	**170**	**200**	**207**	**184**	**-**	**-**	**52%**	**370**	**425**	**15%**
Net financial items	-19	-16	-6	-152	37	-7	-	-	-	-158	-16	-
Pre-tax profit	**120**	**120**	**164**	**48**	**244**	**177**	**189**	**-7%**	**104%**	**212**	**409**	**93%**
Taxes	27	24	36	43	45	39	42	-7%	86%	79	99	25%
Net profit	**93**	**96**	**128**	**5**	**200**	**138**	**147**	**-6%**	**108%**	**133**	**310**	**133%**
EPS	1.9	2.0	2.6	0.1	4.1	2.8	-	-	107%	2.7	6.1	126%
EPS growth, y/y	-5.5%	55.6%	24.9%	-96.0%	114.8%	40.7%	-	-	-	-41.1%	126.1%	-
Revenue growth, organic	**13.4%**	**12.5%**	**17.3%**	**15.1%**	**22.9%**	**22.8%**	**21.6%**	**-**	**-**	**-**	**-**	**-**
Revenue growth, y/y	16.4%	13.9%	17.3%	15.1%	23.0%	22.8%	21.6%	-	-	16.2%	17.3%	-
Gross margin	39.5%	38.4%	42.2%	42.4%	38.1%	36.8%	39.3%	-	-	42.3%	39.9%	-
Costs (Revenue - EBITA adj)	531	514	499	549	639	637	626	2%	24%	1,049	1,278	22%
Costs growth, q/q	-	-3%	-3%	10%	16%	0%	-2%	-	-	-	-	-
EBITA, adj	164	161	195	224	216	193	195	-1%	34%	419	444	6%
EBITA margin, adj	23.6%	23.9%	28.1%	28.9%	25.3%	23.3%	23.7%	-	-	28.5%	25.8%	-
Incremental EBITA margin, adj	17.2%	42.7%	30.5%	42.9%	32.7%	20.5%	24.6%	-	-	-	9.8%	-
EBIT margin	20.0%	20.1%	24.5%	25.9%	24.2%	22.1%	-	-	-	25.2%	24.7%	-
Tax rate	22.4%	19.9%	21.9%	89.5%	18.2%	22.0%	22.2%	-	-	37.3%	24.2%	-
Revenue visibility	2,132	2,484	2,720	-	2,765	-	-	-	11%	-	-	-
% of FY revenue	75.1%	87.5%	95.8%	-	81.2%	-	-	-	-	-	-	-
In/out orders	304	352	236	119	634	-	-	-	80%	355	-	-
Growth, y/y	46.9%	10.2%	-16.2%	78.1%	108.5%	-	-	-	-	1.8%	-	-
12-month performance:												
Revenue (12m)	2,552	2,634	2,737	2,839	2,998	3,152	3,144	0%	14%	-	-	-
Revenue growth (12m)	19.6%	18.4%	17.7%	15.7%	-	-	-	-	-	-	-	-
EBITA adj (12M)	634	669	701	744	797	828	775	7%	19%	-	-	-
EBITA margin, adj (12M)	24.9%	25.4%	25.6%	26.2%	26.6%	26.3%	24.7%	-	-	-	-	-

Source: Company data, company-compiled consensus and Nordea estimates

2021 guidance: At least the high end of the range

With its Q1 report, Netcompany added to its 2021 guidance that the higher end of the range was now more likely than the lower end of the range.

Based on continued solid performance and limited negative impact from COVID-19, we expect Netcompany to be heading for the high end of the guidance, at least.

NETCOMPANY: GUIDANCE AND UPDATED CONSENSUS (DKKm)

	2020	2021 guidance			2021E		2022E		2023E
		Low	High	Mid	Nordea	Cons	Nordea	Cons	Nordea
Revenue	**2,839**	**~3.3bn**	**~3.4bn**	**3,352**	**3,406**	**3,412**	**3,951**	**4,040**	**4,623**
Revenue growth, y/y	15.7%	-	-	18.1%	20.0%	20.2%	16.0%	18.4%	17.0%
FX effect, Revenue	-1.1%	-	-	15.5%	0.6%	0.7%	0.0%	0.0%	0.0%
Revenue growth, organic	16.0%	-	-	-1510.3%	20.0%	20.2%	16.0%	18.4%	17.0%
Revenue growth, LCY+organic	**17.1%**	**15%**	**20%**	**17.5%**	**19.4%**	**19.5%**	**16.0%**	**18.4%**	**17.0%**
Costs	2,094	~2.5	~2.6	2,547	2,553	2,543	2,926	2,992	3,381
Growth	14.0%	~20%	~22%	21.6%	21.9%	21.4%	14.6%	17.7%	15.6%
EBITA, adj	**744**	**~755**	**~855**	**805**	**853**	**869**	**1,026**	**1,048**	**1,241**
EBITA margin, adj	26.2%	~23	~25%	24.0%	25.0%	25.5%	26.0%	25.9%	26.9%

Source: Company data, company-compiled consensus and Nordea estimates

We leave our estimates unchanged and we are broadly in line with pre-Q2 company-collected consensus.

NETCOMPANY: ESTIMATE REVISIONS (DKKm)

	New			Old			Change			Consensus			Nordea vs cons.		
	2021E	2022E	2023E	2021E	2022E	2023E	2021E	2022E	2023E	2021E	2022E	2023E	2021E	2022E	2023E
Revenue	**3,406**	**3,951**	**4,623**	**3,406**	**3,951**	**4,623**	**0%**	**0%**	**0%**	**3,412**	**4,040**	**4,734**	**-0%**	**-2%**	**-2%**
Revenue growth, organic	20.0%	16.0%	17.0%	20.0%	16.0%	17.0%	-	-	-	20.2%	18.4%	17.2%	-	-	-
Revenue growth, y/y	20.0%	16.0%	17.0%	20.0%	16.0%	17.0%	-	-	-	20.2%	18.4%	17.2%	-	-	-
Costs	2,553	2,926	3,381	2,553	2,926	3,381	0%	0%	0%	2,543	2,992	3,494	0%	-2%	-3%
EBITA, adj	**853**	**1,026**	**1,241**	**853**	**1,026**	**1,241**	**0%**	**0%**	**0%**	**869**	**1,048**	**1,241**	**-2%**	**-2%**	**0%**
EBITA margin, adj	25.0%	26.0%	26.9%	25.0%	26.0%	26.9%	-	-	-	25.5%	25.9%	26.2%	-	-	-
EBITA	**853**	**1,026**	**1,241**	**853**	**1,026**	**1,241**	**0%**	**0%**	**0%**	**869**	**1,048**	**1,241**	**-2%**	**-2%**	**0%**
Pre-tax profit	830	998	1,233	830	998	1,233	0%	0%	0%	823	987	1,203	1%	1%	3%
Net profit	**647**	**778**	**962**	**647**	**778**	**962**	**0%**	**0%**	**0%**	**643**	**768**	**938**	**1%**	**1%**	**3%**
EPS	12.9	15.6	19.2	12.9	15.6	19.2	0%	0%	0%	-	-	-	-	-	-

Source: Company-compiled consensus and Nordea estimates

Valuation: DKK 645-750 per share

Our valuation of Netcompany is based on the combination of our DCF model and a peer group valuation. Both methods have their strengths and weaknesses, but we believe they yield a reliable valuation range when evaluated together.

As there are few suitable peers for Netcompany, our valuation range is derived from the combination of a DCF model and a peer group valuation.

The valuation is sensitive to the number of years with high revenue growth – if Netcompany were to extend the number of years with revenue growth above 20%, this would have a significant impact on our valuation.

Our DCF-based 12-month fair value (WACC: 6.0%) is DKK 610 per share (up from DKK 595), based on the assumptions outlined below.

NETCOMPANY: DCF MODEL ASSUMPTIONS

Averages and assumptions	2021-30	2032-36	2037-41	2042-46	2047-51	LT
Sales growth, CAGR	11.9%	10.0%	10.0%	6.3%	2.5%	-
EBIT-margin	23.8%	22.0%	20.0%	11.0%	1.9%	-
Capex/depreciation, x	0.5	1.1	1.1	1.1	1.1	-
Capex/sales	1.0%	0.5%	0.4%	0.4%	0.4%	-
NWC/sales	18.0%	18.0%	18.0%	18.0%	18.0%	-
FCFF, CAGR	11.0%	9.0%	7.7%	-5.9%	-32.8%	2.0%

Source: Nordea estimates

The model is sensitive to revenue growth and the EBIT margin is relatively high, although this should be expected given the company's high-growth profile.

Our peer group valuation is based on IT companies with similar growth, above-average margins, and a focus on "new world IT". Geographical exposure plays a smaller role in our selection of peers. Within this group, we find the following companies particularly suitable:

- Epam
- Globant
- Endava
- Kainos

Although the company Reply shares some of the same characteristics as Netcompany, we exclude it from our peer group valuation, as its expected growth (according to Refinitiv consensus) is somewhat lower than for Netcompany.

NETCOMPANY: PEER GROUP VALUATION

		Share price	MCAP EURbn	Grw, 2020-23E Rev	Grw, 2020-23E EBIT	Grw, 2020-23E EPS	EBIT mrg 2021E	P/E 2021E	P/E 2022E	P/E 2023E	EV/EBITDA 2021E	EV/EBITDA 2022E	EV/EBITDA 2023E	EV/EBIT 2021E	EV/EBIT 2022E	EV/EBIT 2023E	PEG 20-23E	Share price 1M	Share price YTD
Key peers																			
Epam	US	3,474	26.3	26%	26%	26%	17.2%	71.3x	57.5x	45.2x	45.0x	36.5x	29.6x	45.1x	36.6x	29.6x	2.8x	6%	54%
Globant	Lux	1,516	8.1	30%	35%	27%	16.0%	71.0x	58.2x	49.6x	41.7x	34.2x	27.6x	43.5x	35.6x	28.7x	2.6x	5%	11%
Endava	UK	788	5.8	28%	38%	27%	19.0%	73.6x	61.2x	51.5x	44.0x	36.0x	29.5x	39.4x	32.2x	26.4x	2.7x	10%	64%
Kainos	UK	146	2.4	19%	34%	33%	21.7%	45.5x	44.9x	42.4x	34.6x	33.1x	30.6x	34.6x	33.1x	30.6x	1.4x	12%	37%
Reply	UK	1,100	5.5	12%	15%	16%	13.7%	39.9x	35.7x	31.9x	22.3x	20.4x	18.5x	22.3x	20.4x	18.5x	2.5x	4%	55%
Average (ex Reply)	**-**	**-**	**10.7**	**26%**	**33%**	**28%**	**18.5%**	**65.4x**	**55.5x**	**47.2x**	**41.3x**	**34.9x**	**29.3x**	**40.6x**	**34.4x**	**28.8x**	**2.4x**	**8%**	**42%**
Netcompany (cons.)	DK	782	5.2	18%	25%	26%	25.6%	57.5x	46.7x	38.5x	40.7x	33.6x	28.7x	41.5x	34.2x	29.2x	2.2x	10%	26%
IT service companies:																			
IBM	US	120	107.3	2%	19%	16%	17.7%	13.2x	12.0x	11.2x	9.2x	9.0x	8.9x	9.2x	9.0x	8.9x	0.8x	-2%	13%
Accenture	IE	267	169.6	10%	12%	12%	15.4%	35.9x	32.1x	29.3x	20.0x	18.2x	16.7x	21.1x	19.1x	17.5x	3.0x	8%	21%
Cognizant	US	59	30.9	8%	9%	11%	15.9%	17.5x	15.8x	14.5x	10.5x	9.6x	9.1x	10.5x	9.6x	9.1x	1.7x	-1%	-15%
Atos	FR	40	30.2	1%	-2%	-2%	7.6%	20.0x	19.7x	17.4x	12.9x	11.9x	10.6x	12.9x	11.9x	10.6x	-12.0x	-0%	5%
Cap Gemini	FR	178	77.2	7%	12%	16%	12.5%	35.0x	30.6x	26.7x	23.9x	21.2x	18.7x	23.9x	21.2x	18.7x	2.2x	2%	28%
CGI Group	CA	76	134.1	3%	7%	11%	16.7%	36.1x	30.2x	27.0x	25.2x	21.1x	19.3x	25.2x	21.1x	19.3x	3.4x	-4%	11%
DXC Technology	US	34	36.6	-7%	-11%	-9%	9.6%	31.3x	27.0x	24.3x	21.0x	17.8x	15.9x	21.0x	17.8x	15.9x	-3.3x	8%	53%
Sopra Steria	FR	175	11.1	5%	20%	23%	8.2%	21.2x	18.5x	16.9x	12.8x	10.7x	9.7x	15.0x	12.5x	11.4x	0.9x	3%	17%
HCL	IN	11	4.4	8%	10%	11%	20.5%	9.8x	7.0x	6.0x	4.8x	4.4x	3.9x	4.8x	4.4x	4.0x	0.9x	-24%	-47%
Infosys	IN	18	29.9	11%	15%	13%	23.7%	22.3x	20.1x	17.7x	13.2x	12.3x	11.3x	13.2x	12.3x	11.3x	1.7x	10%	40%
Tata	IN	36	18.7	8%	10%	9%	26.1%	21.0x	19.3x	17.9x	12.5x	12.0x	11.9x	11.4x	10.9x	10.9x	2.4x	-0%	12%
Wipro	IN	7	8.5	10%	12%	11%	18.0%	16.6x	11.2x	9.3x	5.3x	4.9x	4.5x	5.3x	4.9x	4.5x	1.5x	2%	54%
Tech Mahindra	IN	13	3.5	6%	12%	8%	15.0%	16.9x	14.3x	12.7x	8.4x	7.5x	7.0x	8.5x	7.6x	7.1x	2.0x	8%	32%
Average, ex India	**-**	**-**	**74.6**	**4%**	**8%**	**10%**	**12.9%**	**26.3x**	**23.2x**	**20.9x**	**16.9x**	**14.9x**	**13.6x**	**17.3x**	**15.3x**	**13.9x**	**0.4x**	**2%**	**17%**
Average	**-**	**-**	**50.9**	**6%**	**10%**	**10%**	**15.9%**	**22.8x**	**19.8x**	**17.8x**	**13.8x**	**12.4x**	**11.4x**	**14.0x**	**12.5x**	**11.5x**	**0.4x**	**1%**	**17%**
Nordic peers:																			
Trifork	DK	24	0.5	-	-	-	10.4%	3.2x	2.6x	2.1x	22.5x	18.3x	15.1x	40.3x	28.7x	21.5x	-	-3%	-
NNIT	DK	134	0.4	5%	17%	29%	8.1%	22.0x	17.6x	15.9x	9.0x	8.6x	8.1x	19.4x	15.4x	13.9x	0.8x	4%	10%
TietoEvry	FI	28	3.3	2%	6%	6%	12.9%	11.9x	11.2x	10.7x	7.7x	7.7x	7.5x	11.4x	11.0x	10.5x	1.9x	7%	4%
KnowIT	SE	29	0.6	22%	25%	15%	9.5%	21.1x	19.3x	16.0x	11.9x	10.2x	7.3x	15.8x	13.0x	9.9x	1.4x	6%	-5%
Average	**-**	**-**	**1.2**	**10%**	**16%**	**17%**	**10.2%**	**14.6x**	**12.7x**	**11.2x**	**12.8x**	**11.2x**	**9.5x**	**21.7x**	**17.0x**	**14.0x**	**1.3x**	**4%**	**3%**
SimCorp	DK	875	4.7	8%	11%	13%	27.5%	44.7x	40.6x	36.3x	32.5x	29.4x	26.5x	35.8x	31.9x	28.6x	3.5x	9%	-4%
Others:																			
Europe IT consult. 1)	-	-	-	8%	8%	10%	7.6%	22.9x	24.1x	20.5x	17.1x	13.7x	13.6x	22.0x	19.4x	16.4x	2.2x	3%	23%
Global IT consult. 2)	-	-	-	7%	10%	18%	21.2%	37.6x	29.4x	28.5x	19.8x	17.1x	235.7x	33.0x	28.3x	21.9x	2.0x	1%	19%
Average, total	**-**	**-**	**-**	**11%**	**15%**	**17%**	**14.7%**	**32.6x**	**28.3x**	**25.0x**	**21.0x**	**17.9x**	**59.9x**	**26.3x**	**22.3x**	**18.5x**	**1.7x**	**3%**	**21%**
Netcompany, NDA	**DK**	**782**	**5.2**	**18%**	**24%**	**27%**	**25.4%**	**62.9x**	**50.2x**	**40.6x**	**42.2x**	**34.8x**	**28.4x**	**47.6x**	**38.2x**	**30.6x**	**2.3x**	**10%**	**26%**
- One-off, PPA adj.	**DK**	**782**	**5.2**	**18%**	**18%**	**17%**	**21.6%**	**68.6x**	**54.2x**	**48.0x**	**42.2x**	**34.8x**	**28.4x**	**45.5x**	**37.5x**	**30.5x**	**4.0x**	**10%**	**26%**

Source: Refinitiv and Nordea estimates

VALUATION: NETCOMPANY (OUR ESTIMATES) VS PEER GROUP VALUATION

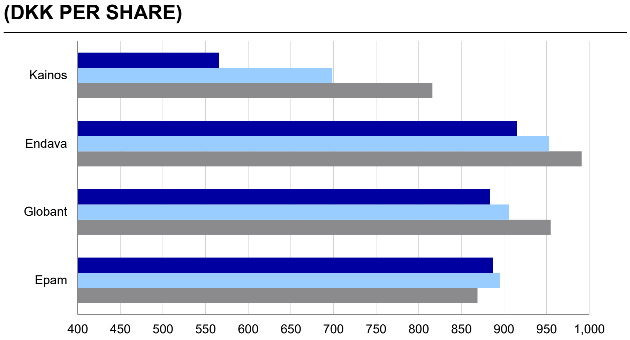
	Grw, 2020-23E Rev	Grw, 2020-23E EBIT	Grw, 2020-23E EPS	EV/EBIT 2021E	EV/EBIT 2022E	EV/EBIT 2023E	PEG 20-23E	Share price 1M	Share price YTD
Key peers	**Underperf.**	**Underperf.**	**Underperf.**	**Premium**	**Premium**	**Premium**	**Premium**	**Outperf.**	**Underperf.**
IT service companies:	Outperf.	Outperf.	Outperf.	Premium	Premium	Premium	Premium	Outperf.	Outperf.
- Ex India	Outperf.	Outperf.	Outperf.	Premium	Premium	Premium	Premium	Outperf.	Outperf.
Nordic peers:	Outperf.	Outperf.	Outperf.	Premium	Premium	Premium	Premium	Outperf.	Outperf.
Europe IT consult. 1)	Outperf.	Outperf.	Outperf.	Premium	Premium	Premium	Premium	Outperf.	Outperf.
Global IT consult. 2)	Outperf.	Outperf.	Underperf.	Premium	Premium	Premium	Premium	Outperf.	Outperf.

Note: Netcompany's EBIT and EPS growth is adjusted for one-offs and excludes PPA

Source: Refinitiv and Nordea estimates

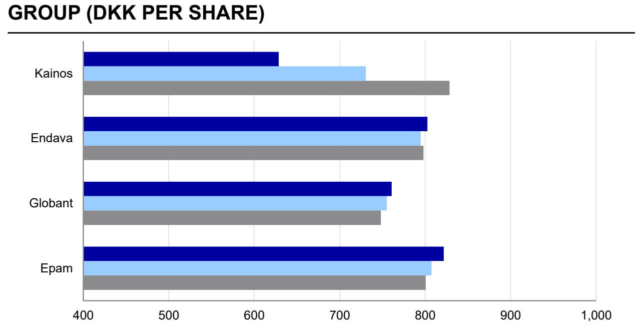
Based on our estimates and Refinitiv consensus, Netcompany should show an EBIT margin that is superior to most of its peers. The forecast revenue and EBIT growth rates for 2020-23 are lower than for its key peers, while expected EPS growth is on a par with the average for key peers.

NETCOMPANY: P/E VALUATION BASED ON KEY PEER GROUP (DKK PER SHARE)



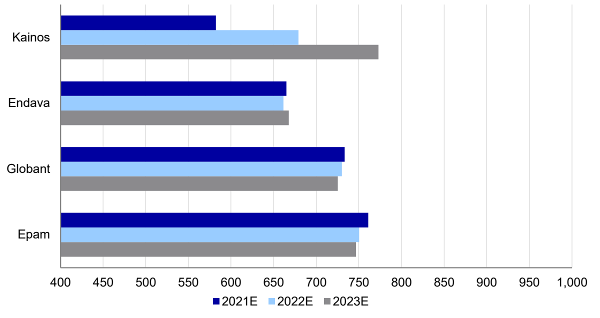
Source: Refinitiv and Nordea

NETCOMPANY: EV/EBITDA VALUATION BASED ON KEY PEER GROUP (DKK PER SHARE)



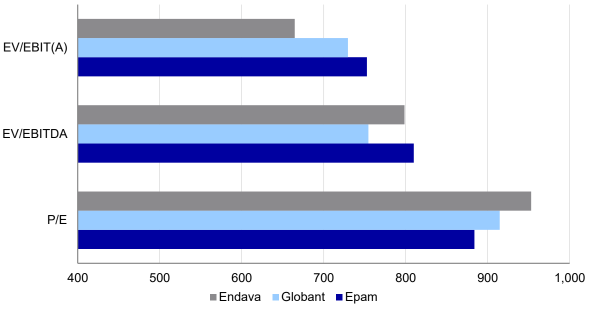
Source: Refinitiv and Nordea

NETCOMPANY: EV/EBIT(A) VALUATION BASED ON KEY PEER GROUP (DKK PER SHARE)



Source: Refinitiv and Nordea

NETCOMPANY: AVERAGE VALUATION (DKK PER SHARE), 2021E-23E



Source: Refinitiv and Nordea

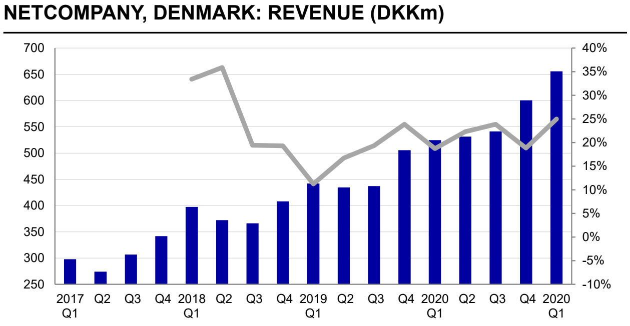
Netcompany: Quarterly numbers

NETCOMPANY: QUARTERLY NUMBERS (DKKm AND DKK)

	2017				2018				2019				2020				2021
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Revenue	**333**	**302**	**338**	**443**	**517**	**503**	**490**	**543**	**598**	**593**	**592**	**671**	**696**	**676**	**695**	**773**	**855**
Production cost	192	179	171	261	319	306	282	329	364	370	336	387	421	416	401	445	529
Gross profit	**141**	**124**	**166**	**182**	**198**	**196**	**208**	**214**	**234**	**223**	**256**	**284**	**275**	**260**	**293**	**328**	**326**
Sales & marketing	2	2	3	3	3	4	2	3	3	3	3	3	4	4	4	5	6
Administration	43	48	47	64	68	73	69	81	84	93	89	101	106	95	94	99	103
Special items	0	-2	-14	-16	-8	-27	0	0	-1	-3	-1	0	0	0	0	0	0
EBITA	**96**	**72**	**103**	**99**	**120**	**93**	**136**	**131**	**146**	**123**	**164**	**180**	**164**	**161**	**195**	**224**	**216**
Amortisation	24	23	23	27	29	29	29	28	26	25	26	25	25	25	25	24	9
EBIT	**72**	**49**	**80**	**72**	**91**	**64**	**107**	**102**	**120**	**99**	**138**	**155**	**139**	**136**	**170**	**200**	**207**
Net financial items	-24	-18	-18	-12	-25	-65	-8	-10	6	-21	-4	5	-19	-16	-6	-152	37
Pre-tax profit	**48**	**31**	**62**	**61**	**67**	**-2**	**99**	**92**	**126**	**78**	**134**	**160**	**120**	**120**	**164**	**48**	**244**
Taxes	12	8	19	20	15	15	21	23	28	16	31	34	27	24	36	43	45
Net profit	**36**	**22**	**43**	**40**	**51**	**-17**	**78**	**68**	**99**	**62**	**102**	**126**	**93**	**96**	**128**	**5**	**200**
Revenue visibility	-	-	-	-	1,461	1,676	2,025	-	1,786	2,106	2,387	-	2,132	2,484	2,720	-	2,765
% of FY revenue	-	-	-	-	-	81.6%	98.6%	-	72.8%	85.8%	97.3%	-	75.1%	87.5%	95.8%	-	81.2%
In/out orders	-	-	-	-	281	215	349	28	207	319	282	67	304	352	236	119	634
Growth, y/y	-	-	-	-	-	-	-	-	-26.3%	48.3%	-19.3%	137.0%	46.9%	10.2%	-16.2%	78.1%	108.5%
EPS	0.7	0.5	0.9	0.9	1.0	-0.3	1.6	1.4	2.0	1.3	2.1	2.5	1.9	2.0	2.6	0.1	4.1
EPS growth, y/y	-	-	-	-	39.2%	-	77.5%	52.0%	94.2%	-	32.3%	83.8%	-5.5%	55.6%	24.9%	-96.0%	114.8%
Tax rate	25.2%	27.4%	30.3%	33.4%	23.1%	-	21.0%	25.3%	21.9%	20.5%	23.4%	21.2%	22.4%	19.9%	21.9%	89.5%	18.2%
Revenue growth, y/y	-	-	-	-	55.3%	66.2%	45.3%	22.5%	15.6%	18.0%	20.8%	23.5%	16.4%	13.9%	17.3%	15.1%	23.0%
Gross margin	42.2%	40.9%	49.3%	41.1%	38.3%	39.1%	42.4%	39.4%	39.1%	37.5%	43.2%	42.3%	39.5%	38.4%	42.2%	42.4%	38.1%
EBITDA	-	-	106	-	130	103	148	140	158	137	178	196	180	177	212	241	235
EBITDA margin	-	-	31.5%	-	25.1%	20.5%	30.1%	25.8%	26.5%	23.1%	30.1%	29.2%	25.9%	26.3%	30.5%	31.2%	27.4%
Incremental EBITA margin, adj	-	-	-	-	17.4%	7.9%	12.6%	15.4%	24.1%	40.2%	27.3%	38.6%	17.2%	42.7%	30.5%	42.9%	32.7%
EBITA, adj	**96**	**74**	**117**	**115**	**128**	**90**	**136**	**131**	**147**	**126**	**164**	**180**	**164**	**161**	**195**	**224**	**216**
EBITA margin, adj	**28.8%**	**24.5%**	**34.7%**	**26.0%**	**24.7%**	**17.8%**	**27.8%**	**24.0%**	**24.6%**	**21.3%**	**27.7%**	**26.8%**	**23.6%**	**23.9%**	**28.1%**	**28.9%**	**25.3%**
EBITA margin	28.8%	23.7%	30.4%	22.3%	23.2%	18.4%	27.8%	24.0%	24.5%	20.8%	27.6%	26.8%	23.6%	23.9%	28.1%	28.9%	25.3%
EBIT margin	21.6%	16.3%	23.7%	16.3%	17.6%	12.7%	21.9%	18.8%	20.2%	16.7%	23.2%	23.0%	20.0%	20.1%	24.5%	25.9%	24.2%
PTP margin	14.4%	10.2%	18.3%	13.7%	12.9%	-0.3%	20.2%	16.9%	21.1%	13.1%	22.6%	23.8%	17.2%	17.7%	23.6%	6.2%	28.5%
FCF	**39**	**-15**	**44**	**-23**	**84**	**24**	**48**	**23**	**74**	**80**	**126**	**116**	**95**	**103**	**149**	**-80**	**0**
Revenue (12m)	-	-	-	1,416	1,600	1,801	1,953	2,053	2,134	2,224	2,326	2,454	2,552	2,634	2,737	2,839	2,998
Revenue growth (12m)	-	-	-	-	-	-	-	45.0%	33.3%	23.5%	19.1%	19.5%	19.6%	18.4%	17.7%	15.7%	-
EBITA adj (12M)	-	-	-	402	434	450	469	484	504	540	568	617	634	669	701	744	797
EBITA margin, adj (12M)	-	-	-	28.4%	27.1%	25.0%	24.0%	23.6%	23.6%	24.3%	24.4%	25.2%	24.9%	25.4%	25.6%	26.2%	26.6%
Incremental EBITA margin (12M)	-	-	-	-	-	-	-	12.9%	13.1%	21.3%	26.6%	33.2%	31.2%	31.5%	32.3%	33.0%	36.4%
Revenue, Public	153	145	188	245	286	268	278	321	351	342	356	407	433	442	436	466	502
Revenue, private	180	157	150	199	231	235	213	222	247	252	236	264	262	233	258	307	353
Revenue growth, Public	-	-	-	-	87.3%	84.4%	47.8%	31.2%	22.7%	27.5%	28.4%	26.8%	23.5%	29.5%	22.4%	14.5%	15.9%
Revenue growth, private	-	-	-	-	28.2%	49.5%	42.2%	11.8%	6.8%	7.2%	10.8%	18.8%	6.2%	-7.2%	9.6%	16.2%	34.6%
Development revenue	141	132	163	211	223	217	260	305	330	290	299	339	356	347	380	434	518
Maintenance revenue	192	170	175	232	294	285	230	239	268	303	293	332	340	328	315	339	338
Netcompany Denmark:																	
Revenue, Denmark	298	274	307	342	397	372	366	408	442	435	437	505	525	532	541	601	656
Revenue growth, Denmark	-	-	-	-	33.4%	35.9%	19.4%	19.3%	11.2%	16.7%	19.4%	23.9%	18.7%	22.3%	23.9%	18.8%	25.0%
EBITA adj. before HQ costs, DK	88	69	112	98	115	107	131	127	130	119	152	169	157	170	199	209	202
EBITA margin adj. before HQ costs, DK	29.5%	25.3%	36.6%	28.5%	29.0%	28.6%	35.9%	31.2%	29.4%	27.3%	34.8%	33.5%	29.9%	31.9%	36.8%	34.8%	30.8%
EBITA margin adj, Dk (12M)	-	-	-	30.1%	29.9%	30.4%	30.5%	31.1%	31.2%	30.7%	30.7%	31.3%	31.4%	32.4%	33.0%	33.4%	33.5%
Netcompany Norway																	
Revenue, Norway	35	28	31	40	43	41	40	47	55	47	45	53	55	43	44	58	73
Revenue growth, Norway	-	-	-	-	21.4%	45.2%	29.8%	19.7%	29.3%	14.1%	13.2%	12.4%	-0.4%	-8.7%	-3.1%	9.0%	32.6%
EBITA adj. before HQ costs, Norway	8	5	8	11	10	8	8	7	15	7	7	6	8	6	3	6	21
EBITA margin adj. before HQ costs, Norway	22.2%	16.6%	26.2%	26.8%	23.0%	19.7%	18.7%	15.6%	27.0%	14.7%	15.9%	10.7%	13.8%	13.8%	6.4%	10.8%	29.3%
EBITA margin adj, Norway (12M)	-	-	-	23.3%	23.5%	23.7%	22.0%	19.2%	20.6%	19.4%	18.7%	17.3%	13.7%	13.5%	11.3%	11.3%	16.7%
Netcompany UK																	
Revenue, UK	-	-	-	40	77	89	84	88	101	104	96	95	98	80	80	82	105
Revenue growth, UK	-	-	-	-	-	-	-	122.0%	30.5%	17.3%	13.7%	8.5%	-2.3%	-23.2%	-16.2%	-14.5%	6.8%
EBITA adj. before HQ costs, , UK	-	-	-	12	8	10	6	5	11	12	16	16	11	0	-3	8	21
EBITA margin adj. before HQ costs, UK	-	-	-	31.3%	10.1%	11.7%	7.1%	5.7%	11.0%	11.8%	16.6%	16.5%	11.5%	-0.1%	-3.9%	9.6%	20.4%
EBITA margin adj, UK (12M)	-	-	-	-	-	-	12.6%	8.6%	9.0%	9.1%	11.4%	13.9%	14.0%	11.6%	6.7%	4.7%	7.5%
Netcompany Holland																	
Revenue, Netherlands	-	-	-	-	-	-	-	-	-	7	14	16	18	21	29	31	22
Revenue growth, Netherlands	-	-	-	-	-	-	-	-	-	-	-	-	-	197.2%	107.9%	88.5%	22.0%
EBITA adj. before HQ costs, , Holland	-	-	-	-	-	-	-	-	-	-1	-2	-3	1	2	6	9	-2
EBITA margin adj. before HQ costs, Holland	-	-	-	-	-	-	-	-	-	-15.5%	-13.6%	-17.2%	6.2%	11.4%	20.6%	30.3%	-10.6%
EBITA margin adj, Holland (12M)	-	-	-	-	-	-	-	-	-	-	-	-	-8.5%	-1.7%	8.0%	19.1%	15.0%

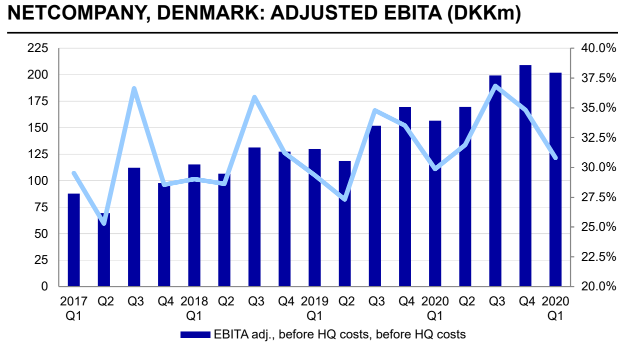
Source: Company data and Nordea

NETCOMPANY, DENMARK: REVENUE (DKKm)



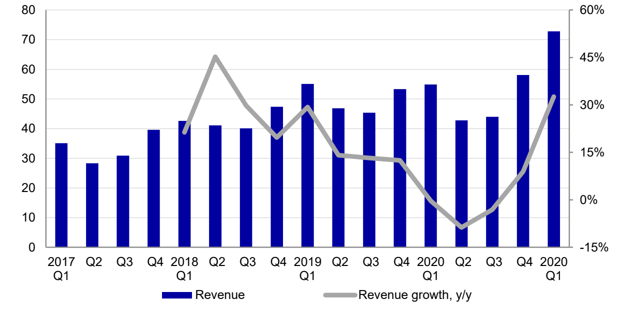
Source: Company data and Nordea estimates

NETCOMPANY, DENMARK: ADJUSTED EBITA (DKKm)



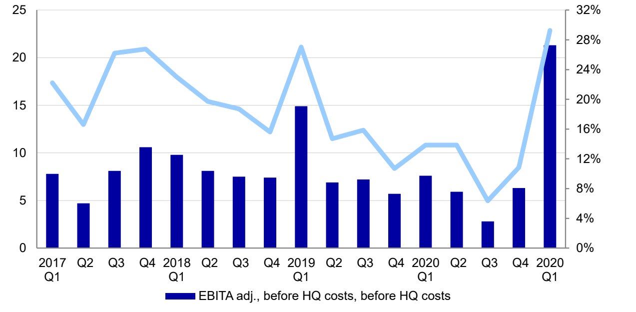
Source: Company data and Nordea estimates

NETCOMPANY, NORWAY: REVENUE (DKKm)



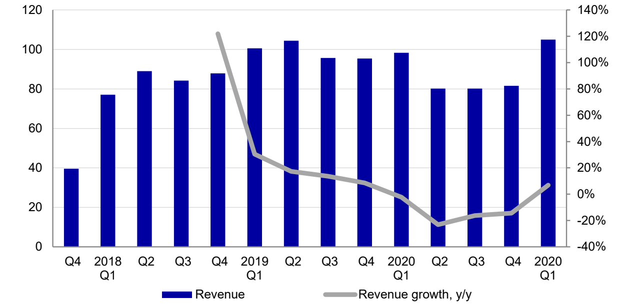
Source: Company data and Nordea

NETCOMPANY, NORWAY: ADJUSTED EBITA (DKKm)



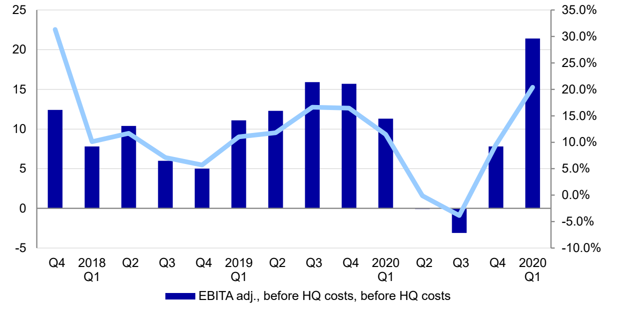
Source: Company data and Nordea

NETCOMPANY, UK: REVENUE (DKKm)



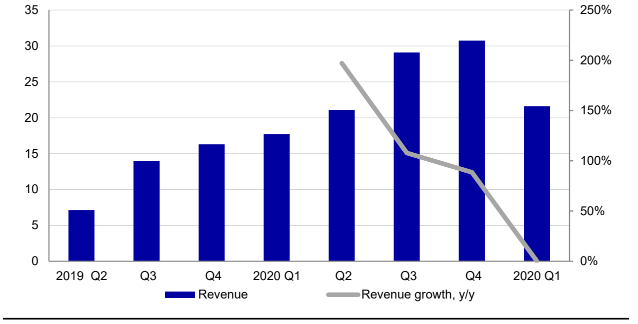
Source: Company data and Nordea

NETCOMPANY, UK: ADJUSTED EBITA (DKKm)



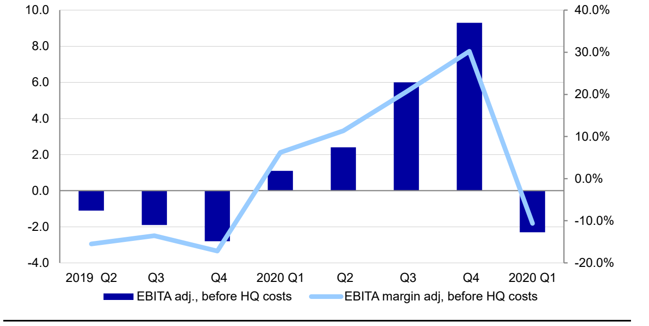
Source: Company data and Nordea

NETCOMPANY, HOLLAND: REVENUE (DKKm)



Source: Company data and Nordea

NETCOMPANY, HOLLAND: ADJUSTED EBITA (DKKm)



Source: Company data and Nordea

Netcompany: Full-year numbers

NETCOMPANY: FULL-YEAR NUMBERS (DKKm AND DKK)

	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Revenue	**19,682**	**18,192**	**18,000**	**18,750**	**20,646**	**16,441**	**16,284**	**17,869**	**18,908**
Production cost	14,736	13,611	13,403	14,057	15,797	12,576	12,358	13,410	14,193
Gross profit	**4,946**	**4,581**	**4,597**	**4,693**	**4,849**	**3,865**	**3,926**	**4,459**	**4,715**
S&D	1,480	1,463	1,462	1,470	1,479	1,367	1,206	1,365	1,421
Administration cost	1,654	1,560	1,465	1,454	1,414	1,400	1,442	1,582	1,674
Other costs/extra ordinare items	66	30	62	57	52	36	36	36	36
EBITDA	**1,878**	**1,588**	**1,732**	**1,824**	**2,008**	**1,134**	**1,242**	**1,475**	**1,584**
Special non-recurring items	-5	-30	51	-2	0	-24	-15	0	0
Depreciation	291	269	268	239	233	215	211	159	127
EBITA	**1,582**	**1,289**	**1,515**	**1,585**	**1,663**	**771**	**907**	**1,193**	**1,333**
Goodwill	441	408	400	365	377	343	293	293	293
EBIT	**1,141**	**881**	**1,115**	**1,220**	**1,286**	**428**	**614**	**900**	**1,040**
Net financial items	-256	-54	-319	-161	-115	-47	-52	-52	-52
PTB	**885**	**827**	**796**	**1,059**	**1,171**	**381**	**562**	**848**	**988**
Tax	282	237	379	248	373	155	169	254	296
Discontinued operation	-178	-68	-343	-176	-22	-21	-10	0	0
Minority interest	-4	-4	2	7	-1	0	0	-1	-1
Net profit	**421**	**518**	**76**	**642**	**775**	**205**	**383**	**593**	**691**
One-off costs	-321	-172	-93	3	0	0	0	0	0
EBITA, before one-off costs	**1,903**	**1,461**	**1,608**	**1,582**	**1,663**	**771**	**907**	**1,193**	**1,333**
EPS	9	11	2	13	16	4	8	12	14
EPS growth	-47.6%	23.3%	-85.8%	760.0%	20.2%	-72.9%	82.3%	54.7%	16.5%
EBITDA margin	9.5%	8.7%	9.6%	9.7%	9.7%	6.9%	7.6%	8.3%	8.4%
EBITA margin	8.0%	7.1%	8.4%	8.5%	8.1%	4.7%	5.6%	6.7%	7.0%
EBITA margin, adj.	9.7%	8.0%	8.9%	8.4%	8.1%	4.7%	5.6%	6.7%	7.0%
EBIT margin	5.8%	4.8%	6.2%	6.5%	6.2%	2.6%	3.8%	5.0%	5.5%
Tax rate	31.9%	28.7%	47.6%	30.0%	31.9%	40.7%	30.0%	30.0%	30.0%
Net debt	3,674	2,525	1,545	1,922	2,492	1,808	1,748	1,364	873
Revenue									
Revenue, Mining	10,917	9,939	9,769	10,557	12,169	10,620	11,045	12,260	12,566
Revenue, Cement	8,965	8,427	8,430	8,204	8,477	5,821	5,239	5,609	6,342
Revenue growth	-6.8%	-7.6%	-1.1%	4.2%	10.1%	-20.4%	-1.0%	9.7%	5.8%
Revenue growth, Mining	-5.9%	-9.0%	-1.7%	8.1%	15.3%	-12.7%	4.0%	11.0%	2.5%
Revenue growth, Cement	-1.3%	-6.0%	0.0%	-2.7%	3.3%	-31.3%	-10.0%	7.1%	13.1%
Gross margin	**25.1%**	**25.2%**	**25.5%**	**25.0%**	**23.5%**	**23.5%**	**24.1%**	**25.0%**	**24.9%**
Gross margin bef. allocated costs, Cement	-	22.9%	22.4%	21.9%	22.2%	21.6%	23.1%	24.1%	24.1%
Gross margin bef. allocated costs, Mining	-	24.0%	28.2%	28.0%	25.2%	25.3%	25.3%	26.0%	26.0%
EBITA	**1,582**	**1,289**	**1,515**	**1,585**	**1,663**	**771**	**907**	**1,193**	**1,333**
EBITA, before shared cost, Cement	-	1,156	1,223	1,070	1,148	515	548	661	709
EBITA, before shared cost, Mining	-	-	1,862	1,972	1,974	1,710	1,814	1,987	2,079
EBITA margin	**8.0%**	**7.1%**	**8.4%**	**8.5%**	**8.1%**	**4.7%**	**5.6%**	**6.7%**	**7.0%**
EBITA margin, before shared cost, Cement	-	-	14.5%	13.0%	13.5%	8.8%	10.5%	11.8%	11.2%
EBITA margin, before shared cost, Mining	-	-	19.1%	18.7%	16.2%	16.1%	16.4%	16.2%	16.5%
Order intake, group	**18,490**	**18,303**	**19,170**	**21,747**	**19,554**	**18,524**	**17,145**	**18,455**	**19,219**
Orders, Mining	11,136	9,621	10,403	12,866	12,064	12,811	11,536	12,113	12,718
- Orders, Mining (service)	-	6,508	6,974	7,441	7,534	6,888	7,232	7,594	7,974
- Orders, Mining (capital)	-	3,113	3,429	5,425	4,530	5,923	4,304	4,519	4,745
Orders, Cement	7,553	8,940	8,889	8,881	7,490	5,713	5,609	6,342	6,501
- Orders, Cement (service)	-	3,513	3,735	3,466	3,716	2,934	3,344	3,512	3,599
- Orders, Cement (capital)	-	5,427	5,154	5,415	3,774	2,779	2,264	2,831	2,901
Order growth	**7.1%**	**-1.0%**	**4.7%**	**13.4%**	**-10.1%**	**-5.3%**	**-7.4%**	**7.6%**	**4.1%**
Orders, Mining	17.3%	-13.6%	8.1%	23.7%	-6.2%	6.2%	-10.0%	5.0%	5.0%
Orders, Cement	-4.7%	18.4%	-0.6%	-0.1%	-15.7%	-23.7%	-1.8%	13.1%	2.5%
Order backlog (DKKm)	**14,956**	**14,083**	**13,734**	**16,218**	**14,192**	**14,874**	**15,735**	**16,321**	**16,632**
Order backlog, Mining	**6,871**	6,233	6,261	8,350	7,683	9,085	9,576	9,429	9,581
Order backlog, Cement	8,085	7,850	7,473	7,872	6,509	5,789	6,159	6,892	7,051

Source: Company data and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT

DKKm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Total revenue	**461**	**629**	**758**	**900**	**1,416**	**2,053**	**2,454**	**2,839**	**3,406**	**3,951**	**4,623**
Revenue growth	15.0%	36.6%	20.5%	18.7%	57.4%	45.0%	19.5%	15.7%	20.0%	16.0%	17.0%
of which organic	n.a.	n.a.	20.5%	17.1%	37.0%	25.5%	17.7%	16.0%	20.0%	16.0%	17.0%
of which FX	n.a.	n.a.	0.0%	0.0%	0.3%	0.1%	0.0%	-1.1%	0.0%	0.0%	0.0%
EBITDA	91	157	228	233	402	520	669	809	921	1,105	1,334
Depreciation and impairments PPE	-10	-7	-21	-32	-34	-40	-56	-65	-68	-79	-92
of which leased assets	0	0	0	-11	-19	-24	-37	-42	-51	-59	-69
EBITA	81	150	207	201	369	480	613	744	853	1,026	1,241
Amortisation and impairments	-2	-2	0	-74	-96	-115	-102	-99	-37	-20	-3
EBIT	80	149	207	127	273	365	511	645	816	1,006	1,238
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	1	1	0	-62	-73	-110	-14	-47	-9	-8	-5
of which lease interest	0	0	0	0	-1	-1	-3	-4	-4	-4	-4
Changes in value, net	0	0	0	0	0	0	0	0	0	0	0
Pre-tax profit	**81**	**150**	**208**	**65**	**200**	**254**	**497**	**598**	**807**	**998**	**1,233**
Reported taxes	-8	-15	-20	-44	-59	-74	-109	-130	-183	-220	-271
Net profit from continued operations	73	134	188	21	141	180	389	468	624	778	962
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	0	0	0	0	0	0	0	0	0	0	0
Net profit to equity	73	134	188	21	141	180	389	468	624	778	962
EPS, DKK	**1.47**	**2.69**	**3.75**	**0.43**	**2.81**	**3.60**	**7.77**	**9.36**	**12.48**	**15.57**	**19.24**
DPS, DKK	n.a.	-2.00	-2.33	0.00	0.00	0.00	0.00	1.00	2.00	2.00	2.00
of which ordinary	0.60	-2.00	-2.33	0.00	0.00	0.00	0.00	1.00	2.00	2.00	2.00
of which extraordinary	n.a.	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	19.8%	24.9%	30.1%	25.9%	28.4%	25.3%	27.3%	28.5%	27.0%	28.0%	28.9%
EBITA	17.7%	23.9%	27.4%	22.3%	26.0%	23.4%	25.0%	26.2%	25.0%	26.0%	26.9%
EBIT	17.3%	23.6%	27.4%	14.1%	19.3%	17.8%	20.8%	22.7%	24.0%	25.4%	26.8%
Adjusted earnings											
EBITDA (adj)	91	157	228	268	435	555	674	809	921	1,105	1,334
EBITA (adj)	81	150	207	236	402	514	617	744	853	1,026	1,241
EBIT (adj)	80	149	207	162	306	399	516	645	816	1,006	1,238
EPS (adj, DKK)	1.47	2.69	3.75	0.97	3.33	4.14	7.84	9.36	12.48	15.57	19.24
Adjusted profit margins in percent											
EBITDA (adj)	19.8%	24.9%	30.1%	29.8%	30.7%	27.0%	27.5%	28.5%	27.0%	28.0%	28.9%
EBITA (adj)	17.7%	23.9%	27.4%	26.3%	28.4%	25.0%	25.2%	26.2%	25.0%	26.0%	26.9%
EBIT (adj)	17.3%	23.6%	27.4%	18.0%	21.6%	19.4%	21.0%	22.7%	24.0%	25.4%	26.8%
Performance metrics											
CAGR last 5 years											
Net revenue	n.a.	23.1%	23.7%	22.4%	28.7%	34.8%	31.3%	30.2%	30.5%	22.8%	17.6%
EBITDA	n.m.	16.8%	20.6%	16.6%	31.2%	41.7%	33.7%	28.8%	31.6%	22.4%	20.7%
EBIT	n.m.	15.5%	19.3%	4.0%	23.2%	35.5%	28.0%	25.5%	45.0%	29.8%	27.7%
EPS	n.a.	19.2%	23.8%	-23.0%	9.9%	19.6%	23.7%	20.0%	96.5%	40.8%	39.8%
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	26.2%	24.8%	24.7%	20.9%	20.1%	19.5%	19.6%	19.9%	21.5%	22.7%	24.4%
Average EBITDA margin	27.8%	26.4%	26.7%	25.8%	26.7%	26.8%	27.1%	27.3%	27.3%	27.4%	28.0%

VALUATION RATIOS - ADJUSTED EARNINGS

DKKm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
P/E (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	53.2	40.4	66.5	62.1	49.8	40.3
EV/EBITDA (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	21.6	24.8	39.0	41.9	34.4	27.9
EV/EBITA (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	23.3	27.0	42.4	45.3	37.1	30.0
EV/EBIT (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	30.0	32.3	48.9	47.3	37.8	30.1

VALUATION RATIOS - REPORTED EARNINGS

DKKm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
P/E	n.a.	n.a.	n.a.	n.a.	n.a.	61.1	40.8	66.5	62.1	49.8	40.3
EV/Sales	n.a.	n.a.	n.a.	n.a.	n.a.	5.84	6.80	11.11	11.34	9.63	8.06
EV/EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	23.1	24.9	39.0	41.9	34.4	27.9
EV/EBITA	n.a.	n.a.	n.a.	n.a.	n.a.	25.0	27.2	42.4	45.3	37.1	30.0
EV/EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	32.9	32.6	48.9	47.3	37.8	30.1
Dividend yield (ord.)	n.a.	n.a.	n.a.	n.a.	n.a.	0.0%	0.0%	0.2%	0.3%	0.3%	0.3%
FCF yield	n.a.	n.a.	n.a.	n.a.	n.a.	1.5%	2.5%	1.5%	1.4%	1.9%	2.3%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	n.a.	n.a.	1.2%	2.5%	1.6%	1.3%	1.8%	2.1%
Payout ratio	n.a.	n.m.	n.m.	0.0%	0.0%	0.0%	0.0%	10.7%	16.0%	12.8%	10.4%

Source: Company data and Nordea estimates

BALANCE SHEET

DKKm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Intangible assets	2	1	4	2,373	2,604	2,485	2,551	2,451	2,414	2,394	2,391
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	2	1	4	489	495	376	286	187	187	187	187
of which goodwill	0	0	0	1,884	2,109	2,109	2,264	2,264	2,227	2,207	2,204
Tangible assets	20	14	20	41	55	117	146	135	161	189	221
of which leased assets	0	0	12	25	31	83	101	89	98	106	115
Shares associates	0	0	0	0	0	0	0	70	70	70	70
Interest bearing assets	0	0	0	0	0	0	0	0	0	0	0
Deferred tax assets	11	11	11	0	0	1	4	9	9	9	9
Other non-IB non-current assets	0	0	0	0	0	0	0	0	0	0	0
Other non-current assets	4	3	4	5	9	13	16	19	19	19	19
Total non-current assets	37	30	39	2,420	2,667	2,616	2,716	2,684	2,673	2,680	2,709
Inventory	0	0	0	0	0	0	0	0	0	0	0
Accounts receivable	107	146	180	258	445	458	531	459	551	639	747
Short-term leased assets	0	0	11	19	24	37	42	51	59	69	79
Other current assets	101	190	174	103	139	268	305	487	636	737	863
Cash and bank	1	13	111	60	194	108	132	359	306	687	1,409
Total current assets	209	349	477	441	802	869	1,011	1,356	1,551	2,132	3,098
Assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total assets	**246**	**379**	**516**	**2,860**	**3,470**	**3,486**	**3,728**	**4,039**	**4,224**	**4,812**	**5,807**
Shareholders equity	108	213	300	1,261	1,644	1,806	2,072	2,429	3,003	3,681	4,543
Of which preferred stocks	0	0	0	0	0	0	0	0	0	0	0
Of which equity part of hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Minority interest	0	0	0	0	0	0	0	0	0	0	0
Total Equity	108	213	300	1,261	1,644	1,806	2,072	2,429	3,003	3,681	4,543
Deferred tax	7	0	0	111	112	89	73	66	66	66	66
Long term interest bearing debt	6	0	0	1,178	1,265	1,106	959	761	261	61	61
Pension provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term liabilities	0	0	0	0	0	0	0	0	0	0	0
Non-current lease debt	0	0	6	14	18	54	65	57	63	68	74
Convertible debt	0	0	0	0	0	0	0	0	0	0	0
Shareholder debt	0	0	0	0	0	0	0	0	0	0	0
Hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Total non-current liabilities	13	0	6	1,303	1,395	1,249	1,128	1,057	580	401	424
Short-term provisions	0	0	5	9	30	36	4	0	0	0	0
Accounts payable	14	12	19	27	51	54	44	40	48	56	65
Current lease debt	4	1	6	12	14	29	39	35	39	42	46
Other current liabilities	79	149	180	222	336	310	441	478	554	633	730
Short term interest bearing debt	28	5	0	28	0	0	0	0	0	0	0
Total current liabilities	125	166	210	297	431	430	528	554	641	731	840
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	**246**	**379**	**516**	**2,860**	**3,469**	**3,485**	**3,728**	**4,039**	**4,224**	**4,812**	**5,807**
Balance sheet and debt metrics											
Net debt	3	-13	-111	1,118	1,070	998	826	402	-108	-716	-1,468
of which lease debt	4	1	12	25	31	83	104	93	102	110	120
Working capital	115	175	155	113	198	361	351	428	584	687	815
Invested capital	152	205	195	2,533	2,865	2,977	3,067	3,111	3,257	3,368	3,524
Capital employed	146	218	312	2,492	2,940	2,996	3,134	3,282	3,365	3,852	4,723
ROE	83.5%	83.8%	73.2%	2.7%	9.7%	10.4%	20.0%	20.8%	23.0%	23.3%	23.4%
ROIC	46.5%	65.0%	81.0%	9.3%	8.8%	10.7%	13.3%	16.3%	25.6%	30.4%	35.9%
ROCE	58.9%	83.7%	79.5%	11.7%	11.6%	13.8%	18.1%	20.7%	24.6%	27.9%	28.9%
Net debt/EBITDA	0.0	-0.1	-0.5	4.8	2.7	1.9	1.2	0.5	-0.1	-0.6	-1.1
Interest coverage	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Equity ratio	44.0%	56.1%	58.2%	44.1%	47.4%	51.8%	55.6%	60.1%	71.1%	76.5%	78.2%
Net gearing	3.1%	-6.1%	-37.1%	88.7%	65.1%	55.3%	39.9%	16.5%	-3.6%	-19.4%	-32.3%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT											
DKKm	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021E**	**2022E**	**2023E**
EBITDA (adj) for associates	**91**	**157**	**228**	**233**	**402**	**520**	**669**	**809**	**921**	**1,105**	**1,334**
Paid taxes	0	0	-21	-34	-35	-167	-116	-126	-183	-220	-271
Net financials	0	0	7	65	79	80	33	22	-9	-8	-5
Change in provisions	0	0	5	4	21	6	-33	-4	0	0	0
Change in other LT non-IB	-1	1	-1	9	-3	-6	26	134	17	15	17
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	n.a.	n.a.	-11	-141	-174	-114	-33	-152	0	0	0
Funds from operations (FFO)	**n.a.**	**n.a.**	**208**	**137**	**290**	**319**	**547**	**684**	**746**	**893**	**1,075**
Change in NWC	n.a.	n.a.	9	-20	-95	-133	-87	-103	-156	-103	-128
Cash flow from operations (CFO)	**n.a.**	**n.a.**	**217**	**117**	**195**	**187**	**460**	**581**	**590**	**789**	**947**
Capital expenditure	0	0	-10	-23	-30	-27	-27	-27	-34	-40	-46
Free cash flow before A&D	**n.a.**	**n.a.**	**207**	**94**	**165**	**160**	**433**	**554**	**556**	**750**	**901**
Proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Acquisitions	0	0	0	-2,516	-120	0	-37	-75	0	0	0
Free cash flow	n.a.	n.a.	207	-2,422	45	160	396	479	556	750	901
Free cash flow bef A&D, lease adj	n.a.	n.a.	207	83	146	136	396	512	505	690	832
Dividends paid	n.a.	n.a.	-100	-116	0	0	0	0	-50	-100	-100
Equity issues / buybacks	n.a.	n.a.	0	0	0	0	-175	0	0	0	0
Net change in debt	n.a.	n.a.	0	0	0	0	-200	-198	-500	-200	0
Other financing adjustments	0	0	0	0	0	0	-34	-55	-59	-69	-79
Other non-cash adjustments	n.a.	n.a.	-8	2,487	90	-246	30	11	0	0	0
Change in cash	-15	12	99	-52	135	-87	25	227	-53	381	722
Cash flow metrics											
Capex/D&A	0.0%	0.0%	46.5%	22.0%	23.3%	17.5%	17.4%	16.2%	n.m.	n.m.	n.m.
Capex/Sales	0.0%	0.0%	1.3%	2.6%	2.1%	1.3%	1.1%	0.9%	1.0%	1.0%	1.0%
Key information											
Share price year end (/current)	n.a.	n.a.	n.a.	n.a.	n.a.	220	317	623	775	775	775
Market cap.	n.a.	n.a.	n.a.	n.a.	n.a.	11,000	15,850	31,125	38,750	38,750	38,750
Enterprise value	n.a.	n.a.	n.a.	n.a.	n.a.	11,998	16,676	31,527	38,642	38,034	37,282
Diluted no. of shares, year-end (m)	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0

Source: Company data and Nordea estimates

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