

Ferronordic

Capital Goods
Sweden

KEY DATA

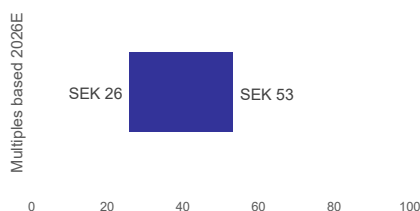
Stock country	Sweden
Bloomberg	FNM SS
Reuters	FNMA.ST
Share price (close)	SEK 44.75
Free float	83%
Market cap. (bn)	EUR 0.06/SEK 0.65
Website	https://ferronordic.com
Next report date	14 Nov 2025

PERFORMANCE



— Ferronordic Source: LSEG Data & Analytics
— Sweden OMX Stockholm All-Share (Rebased)

VALUATION APPROACH (SEK PER SHARE)



Source: Nordea estimates

ESTIMATE CHANGES

Year	2025E	2026E	2027E
Sales	2%	2%	1%
EBIT (adj)	-10%	2%	2%

Source: Nordea estimates

Nordea IB & Equity - Analysts

Anders Åkerblom
Analyst

Agnieszka Vilela
Managing Director

Still on the same track

We lower 2025E adjusted EBIT by 10% yet keep 2026E-27E adjusted EBIT largely intact (+2%), as we find weakness in Q2 partly due to temporary effects. We are encouraged by the positive (+10%) market growth in the US and Ferronordic's substantial market share gain in Germany, also having managed to deliver healthy cash flows and decrease leverage sequentially. While profitability was weak, we expect a healthier market environment in 2026 to yield ~2.5% y/y organic growth (following 0.7% y/y in 2025E) and to support cost absorption and ~180bp y/y adjusted EBIT margin expansion for 2026E, driving ~80% y/y adjusted EBIT growth. However, we find this earnings recovery already largely reflected in estimates, with the stock trading at 2926E adjusted EV/EBIT of ~12.5x, a 10% premium to peers. We derive a slightly higher multiples-based fair value range of SEK 26-53, corresponding to 11-13x 2026E adjusted EV/EBIT.

Q2 2025 outcome

Ferronordic delivered Q2 sales of SEK 1,088m (-2% y/y), with adjusted EBIT of SEK -5m (including a SEK -5m inventory writedown), implying a margin of -0.5%. In the US, the company had sales of SEK 695m, with adjusted EBIT of SEK 26m, down 49% y/y and implying a 3.8% margin (down 360bp y/y). In Germany, the company showed sales of SEK 366m, with adjusted EBIT of SEK -13m (SEK -27m in Q2 2025), implying a -3.6% margin, yet up 460bp y/y. The weaker US performance was partly due to the margin-dilutive effect of the company's decision to sell certain low-utilisation rental machines, yielding SEK 19m in sales yet reducing gross profit by SEK 2m. The company also had elevated maintenance costs; management stated at the conference call that it is taking measures to address this.

2026 expectations

While the miss in Q2 stemmed from the most important US-based business, we believe the ~360bp y/y adjusted EBIT margin fell owing to excessive and temporary effects. We also find management's view of tariff-induced pricing dynamics to be neutral relative to domestic peers' positive, as this ensures its long-term competitiveness. For 2026, we expect the US to grow adjusted EBIT ~4% y/y, with Germany being the main earnings driver (with adjusted EBIT of SEK 36m for 2026E), at a 1.7% margin.

Valuation

Ferronordic trades at 2026E adjusted EV/EBIT of 12.4x, a 10% premium to the peer group median of 11.2x.

SUMMARY TABLE - KEY FIGURES

SEKm	2021	2022	2023	2024	2025E	2026E	2027E
Total revenue	6,211	5,621	2,863	4,720	4,608	4,717	4,896
EBITDA (adj)	576	455	25	383	423	476	508
EBIT (adj)	510	372	-80	21	110	199	217
EBIT (adj) margin	8.2%	6.6%	-2.8%	0.4%	2.4%	4.2%	4.4%
EPS (adj, SEK)	25.23	17.40	-5.04	-6.19	-11.89	4.62	5.90
EPS (adj) growth	64.3%	-31.1%	-129.0%	-22.8%	-91.9%	138.9%	27.7%
DPS (ord, SEK)	0.00	7.50	0.10	0.10	-2.38	1.15	1.77
EV/Sales	0.8	0.0	0.8	0.6	0.6	0.5	0.5
EV/EBIT (adj)	10.0	0.4	n.m.	139.5	23.7	12.4	10.8
P/E (adj)	13.4	4.4	n.m.	n.m.	n.m.	9.7	7.6
P/BV	4.4	0.6	0.6	0.6	0.5	0.5	0.4
Dividend yield (ord)	0.0%	9.8%	0.1%	0.2%	-5.3%	2.6%	4.0%
FCF Yield bef A&D, lease	4.9%	-10.7%	-14.5%	-1.7%	7.8%	15.9%	21.4%
Net debt	199	-957	1,349	2,003	1,954	1,816	1,694
Net debt/EBITDA	0.4	-1.2	n.m.	5.2	4.6	3.8	3.3
ROIC after tax	36.4%	25.1%	-3.0%	0.5%	2.3%	4.4%	4.8%

Source: Company data and Nordea estimates

Q2 2025 deviation

Ferronordic delivered a weak report, showing ~160bp q/q EBIT margin compression led by the US, which showed a pronounced adjusted EBIT margin decline of ~360bp y/y and ~260bp q/q, to 3.8%. In the US, the company seemingly lost some market share, with market growth of 10% in Q2 in Ferronordic's sales area and revenue up by 4% y/y in local currency (-4% in SEK), suggesting market share loss. In Germany, however, the company showed a more positive picture, with new truck sales for Ferronordic up 53% in units and revenue up 10% relative to a market decline of 27%. The adjusted EBIT margin in Germany grew by 460bp y/y yet remains negative, at -3.6%.

DEVIATION TABLE

SEKm	Actual	NDA est.	Deviation		Actual		Actual	
	Q2 2025	Q2 25E		vs. actual	Q1 25	q/q	Q2 24	y/y
Sales	1,088	965	123	13%	1,206	-10%	1,095	-1%
Adj. EBIT	(5)	28	-33	-118%	13	-137%	(4)	25%
Adj. EBIT margin	-0.5%	2.9%	-	-3.3pp	1.1%	-1.6pp	-0.4%	-0.1pp
EPS (SEK)	(3.51)	(0.30)	-3.21	1072%	(10.32)	-66%	(5.57)	-37%
Revenue	1,088	965	123	13%	1,206	-10%	1,095	-1%
Cost of sales	(911)	(794)	(117)	15%	(1,009)	-10%	(893)	2%
Gross profit	177	171	6	4%	197	-10%	202	-12%
Sales expenses	(64)	(43)	(21)	48%	(63)	2%	(59)	8%
G&A expenses	(117)	(100)	(17)	17%	(132)	-11%	(157)	-25%
Other income	1	-	1	-	13	-	15	-
Other expenses	(2)	-	(2)	-	(1)	-	(5)	-
EBIT	(5)	28	(33)	-118%	13	-137%	(4)	25%
Non recurring items (NRI)	0	0	0		0	-	0	-
Sales per segment								
USA	695	565	130	23%	762	-9%	707	-2%
Germany	366	342	24	7%	402	-9%	332	10%
CIS	26	58	(32)	-55%	42	-38%	56	-54%
Adjusted EBIT								
USA	26	45.2	-19	-42%	48	-46%	51	-49%
Germany	(13)	(6.8)	(6)	90%	(9)	41%	(27)	-52%
CIS	-1	1.7	-3	-160%	1	-169%	-1	0%

Source: Company data and Nordea estimates

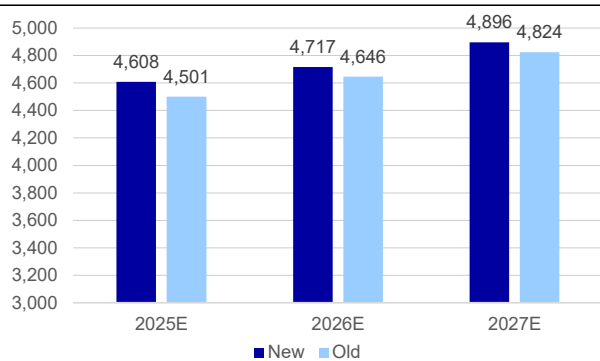
Estimate revisions

FERRONORDIC: ESTIMATE REVISIONS

SEKm	New estimates			Old estimates			Δ		
	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
Sales breakdown									
Equipment Sales	2,561	2,593	2,648	2,532	2,581	2,636	1%	0%	0%
Aftermarket Sales	1,735	1,813	1,934	1,686	1,782	1,901	3%	2%	2%
Contracting Services & other	312	311	314	283	284	286	10%	10%	10%
Group	4,608	4,717	4,896	4,501	4,646	4,824	2%	2%	1%
Gross profit	778	804	843	773	788	827	1%	2%	2%
Adj. EBITDA	423	476	377	404	439	372	5%	8%	1%
Adj. EBIT	110	199	217	122	196	213	-10%	2%	2%
Margins									
Gross margin	16.9%	17.0%	17.2%	17.2%	17.0%	17.1%	-0.3 pp	0.1 pp	0.1 pp
EBITDA margin	9.2%	10.1%	7.7%	9.0%	9.5%	7.7%	0.2 pp	0.6 pp	0.0 pp
EBIT margin	2.4%	4.2%	4.4%	2.7%	4.2%	4.4%	-0.3 pp	0.0 pp	0.0 pp
Per business area									
USA									
Sales	2,683	2,654	2,749	2,568	2,576	2,668	4%	3%	3%
Gross profit	507	504	528	514	502	526	-1%	0%	0%
EBITDA	420	418	439	393	382	402	7%	9%	9%
EBIT	197	205	219	196	202	216	1%	2%	2%
Adjusted EBIT	197	205	219	196	202	216	1%	2%	2%
Gross margin	18.9%	19.0%	19.2%	20.0%	19.5%	19.7%	-1.1 pp	-0.5 pp	-0.5 pp
EBIT margin	7.3%	7.7%	8.0%	7.6%	7.8%	8.1%	-0.3 pp	-0.1 pp	-0.1 pp
Germany									
Sales	1,737	1,866	1,943	1,714	1,841	1,917	1%	1%	1%
Gross profit	242	269	284	228	253	267	6%	6%	6%
EBITDA	66	94	102	67	94	103	-2%	0%	0%
EBIT	-22	32	34	-16	33	35	39%	-3%	-3%
Adjusted EBIT	-22	32	34	-16	33	35	39%	-3%	-3%
Gross margin	13.9%	14.4%	14.6%	13.3%	13.8%	14.0%	0.6 pp	0.6 pp	0.6 pp
EBIT margin	-1.3%	1.7%	1.8%	-0.9%	1.8%	1.9%	-0.3 pp	-0.1 pp	-0.1 pp
CA									
Sales	188	197	204	219	230	239	-14%	-14%	-14%
Gross profit	29	31	32	31	32	34	-6%	-6%	-6%
EBITDA	7	14	15	9	13	14	-25%	7%	5%
EBIT	4	11	12	7	10	12	-40%	5%	3%
Adjusted EBIT	4	11	12	7	10	12	-40%	5%	3%
Gross margin	15.4%	15.5%	15.7%	14.0%	14.1%	14.3%	1.4 pp	1.4 pp	1.4 pp
EBIT margin	2.1%	5.5%	6.0%	3.0%	4.5%	4.9%	-0.9 pp	1.0 pp	1.0 pp

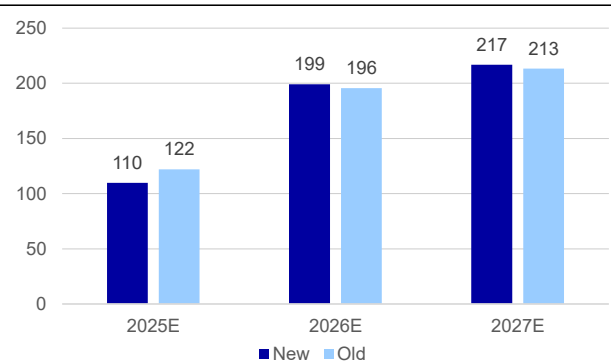
Source: Nordea estimates

SALES: NEW VS. OLD ESTIMATES (SEKm)



Source: Nordea estimates

ADJUSTED EBIT: NEW VS. OLD ESTIMATES (SEKm)



Source: Nordea estimates

Valuation

FERRONORDIC: PEER VALUATION TABLE

	MCAP SEKm	P/E (adj.)			EV/EBIT (adj.)			FCF Yield (adj.)			EV/EBITDA (adj.)			EV/Sales		
		2024	2025E	2026E	2024	2025E	2026E	2024	2025E	2026E	2024	2025E	2026E	2024	2025E	2026E
Alta Equipment Group Inc	2,586				43.6x	85.6x	55.3x	-6.5%	-34.4%	17.9%	7.6x	7.2x	7.3x	0.7x	0.7x	0.7x
Barloworld Ltd	12,068	11.0x	11.7x	10.9x	6.7x	8.1x	7.5x				5.9x	5.6x	5.3x	0.7x	0.6x	0.7x
Finning International Inc	54,504	14.5x	14.7x	13.3x	10.8x	11.3x	10.9x	8.0%	3.4%	6.5%	7.9x	7.7x	7.2x	1.0x	0.9x	0.9x
Meko AB	4,907	6.9x	12.5x	7.4x	11.6x	15.5x	11.2x				7.3x	5.8x	5.4x	0.7x	0.6x	0.6x
Toromont Industries Ltd	80,756	21.5x	23.9x	21.4x	16.0x	17.4x	15.8x	1.9%	2.5%	3.6%	12.6x	11.9x	11.0x	2.2x	2.1x	2.0x
Average	30,964	13.5x	15.7x	13.2x	17.7x	27.6x	20.1x	1.1%	-9.5%	9.3%	8.3x	7.6x	7.2x	1.0x	1.0x	1.0x
Median	12,068	12.8x	13.6x	12.1x	11.6x	15.5x	11.2x	1.9%	2.5%	6.5%	7.6x	7.2x	7.2x	0.7x	0.7x	0.7x
Ferronordic*	652	nm	nm	9.7x	140x	23.7x	12.4x	8.5%	7.8%	15.8%	7.5x	6.2x	5.2x	0.6x	0.6x	0.5x
<i>Premium (+) discount (-) to median</i>		-	-	-20%	-	53%	10%	7pp	5pp	9pp	-2%	-15%	-28%	-14%	-17%	-20%

* Commissioned research

Source: LSEG Data & Analytics, company data and Nordea estimates

Detailed estimates

DETAILED ESTIMATES, BY QUARTER

(SEKm)	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25E	Q4 25E
Revenue	705	631	674	643	915	1,172	1,095	1,141	1,312	1,206	1,088	1,094	1,219
Cost of sales	-608	-546	-590	-568	-782	-941	-893	-937	-1,096	-1,009	-911	-903	-1,007
Gross profit	97	85	84	75	133	231	202	204	216	197	177	192	212
Sales expenses	-52	-42	-48	-49	-50	-65	-59	-58	-57	-63	-64	-66	-69
G&A expenses	-62	-57	-57	-59	-147	-154	-157	-129	-147	-132	-117	-80	-88
Other income	8	0	10	9	5	12	15	-8	-12	13	1	0	0
Other expenses	-4	0	0	-4	-3	-3	-5	-8	2	-1	-2	0	0
EBIT	-13	-14	-10	-28	-62	21	-4	2	2	13	-5	46	55
Finance income	2	5	10	8	8	3	1	2	3	5	1	0	0
Finance costs	-5	-7	-8	-11	-23	-30	-41	-39	-37	-37	-31	-33	-33
Net FX gains/(losses)	103	23	88	-84	-49	95	-35	-49	66	-129	-15	0	0
EBT	87	8	80	-115	-126	89	-79	-84	34	-148	-49	13	22
Income tax	-37	-1	-16	26	37	-19	-2	-4	-25	-2	-2	-3	-5
Net income	-21	7	64	-89	-89	70	-81	-88	9	-150	-51	10	18
EPS (SEK)	-1.43	0.46	4.27	-6.06	-6.06	4.82	-5.57	-6.06	0.62	-10.32	-3.51	0.71	1.23
Pre-tax adjustments	0	0	0	0	-34	0	0	0	0	0	0	0	0
After-tax adjustments	0	0	0	0	-27	0	0	0	0	0	0	0	0
Adj. EBIT	-13	-14	-10	-28	-28	21	-4	2	2	13	-5	46	55
Adj. PTP	87	8	80	-115	-92	89	-79	-84	34	-148	-49	13	22
Adj. Net income	-21	7	64	-89	-62	70	-81	-88	9	-150	-51	10	18
Adj. EPS (SEK)	-1.43	0.46	4.27	-6.06	-4.24	4.82	-5.57	-6.06	0.62	-10.32	-3.51	0.71	1.23

Source: Company data and Nordea estimates

DETAILED ESTIMATES: DIVISIONS, BY QUARTER

(SEKm)	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25E	Q4 25E
USA*													
Sales	-	721	727	691	308	699	707	686	720	762	695	590	636
Gross profit	-	126	127	121	82	169	156	182	179	135	121	121	130
EBITDA	-	83	84	79	39	108	131	131	130	95	104	106	114
EBIT	-	51	51	58	25	60	51	53	65	48	26	59	64
Adjusted EBIT	-	51	51	58	36	60	51	53	65	48	26	59	64
Germany													
Sales	615	548	595	575	555	440	332	372	559	402	366	444	525
Gross profit	82	68	73	66	47	57	38	14	40	56	50	62	73
EBITDA	17	24	22	7	-35	4	0	-18	-18	13	9	20	24
EBIT	-2	5	2	-16	-62	-12	-27	-40	-41	-9	-13	-2	3
Adjusted EBIT	-2	5	2	-16	-39	-12	-27	-40	-41	-9	-13	-2	3
CA													
Sales	89	83	80	69	53	34	56	82	33	42	26	61	59
Gross profit	15	17	11	9	5	6	8	9	-3	6	6	8	8
EBITDA	6	8	8	1	-5	-2	0	3	-9	2	0	2	2
EBIT	5	7	7	0	-6	-3	-1	3	-10	1	-1	2	2
Adjusted EBIT	5	7	7	0	-6	-3	-1	3	-10	1	-1	2	2

*Certain historical margin assumptions made by Nordea; USD/SEK translated by Nordea; USA: Q1-Q3 2023 shows Rudd Equipment results prior to acquisition; Q4 2023 shows sales only from 30 November in Q4 2023 (i.e. once consolidated).

Source: Company data and Nordea estimates

DETAILED ESTIMATES: MARGINS, BY QUARTER

Margins	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25E	Q4 25E
Group													
Gross margin	13.8%	13.5%	12.5%	11.7%	14.5%	19.7%	18.4%	17.9%	16.5%	16.3%	16.3%	17.5%	17.4%
EBITDA margin	1.0%	1.0%	1.5%	-0.8%	-2.2%	7.3%	9.5%	8.9%	6.9%	6.9%	8.8%	10.6%	10.5%
EBIT margin	-1.8%	-2.2%	-1.5%	-4.4%	-6.8%	1.8%	-0.4%	0.1%	0.2%	1.1%	-0.5%	4.2%	4.5%
Adjusted EBIT margin	-1.8%	-2.2%	-1.5%	-4.4%	-3.1%	1.8%	-0.4%	0.1%	0.2%	1.1%	-0.5%	4.2%	4.5%
USA*													
Gross margin	-	17.5%	17.5%	17.5%	26.7%	24.2%	22.1%	26.5%	24.9%	17.7%	17.3%	20.5%	20.5%
EBITDA margin	-	11.5%	11.5%	11.5%	12.7%	15.5%	18.5%	19.1%	18.1%	12.5%	15.0%	18.0%	18.0%
EBIT margin	-	7.0%	7.0%	8.5%	8.1%	8.6%	7.2%	7.7%	9.0%	6.3%	3.8%	10.0%	10.0%
Adjusted EBIT margin	-	7.0%	7.0%	8.5%	11.7%	8.6%	7.2%	7.7%	9.0%	6.3%	3.8%	10.0%	10.0%
Germany													
Gross margin	13.3%	12.4%	12.3%	11.5%	8.5%	13.0%	11.4%	3.8%	7.2%	13.9%	13.6%	14.0%	14.0%
EBITDA margin	2.8%	4.4%	3.7%	1.2%	-6.3%	0.9%	0.0%	-4.8%	-3.2%	3.2%	2.5%	4.5%	4.5%
EBIT margin	-0.3%	0.9%	0.3%	-2.8%	-11.2%	-2.7%	-8.1%	-10.8%	-7.3%	-2.3%	-3.5%	-0.5%	0.5%
Adjusted EBIT margin	-0.3%	0.9%	0.3%	-2.8%	-7.0%	-2.7%	-8.1%	-11%	-7.3%	-2.3%	-3.5%	-0.5%	0.5%
CA													
Gross margin	16.9%	20.4%	14.4%	13.7%	8.9%	17.6%	14.3%	11.0%	-9.1%	13.9%	24.0%	14.0%	14.0%
EBITDA margin	6.7%	9.6%	10.0%	1.5%	-9.4%	-5.9%	0.0%	3.7%	-27%	4.8%	0.0%	4.0%	4.0%
EBIT margin	5.6%	8.4%	8.6%	0.4%	-11%	-8.8%	-1.8%	3.7%	-30%	3.5%	-3.7%	2.9%	2.9%
Adjusted EBIT margin	5.6%	8.4%	8.6%	0.4%	-11%	-8.8%	-1.8%	3.7%	-30%	3.5%	-3.7%	2.9%	2.9%

*Certain historical margin assumptions made by Nordea; USD/SEK translated by Nordea; USA: Q1-Q3 2023 shows Rudd Equipment results prior to acquisition; Q4 2023 shows sales only from 30 November in Q4 2023 (i.e. once consolidated).

Source: Company data and Nordea estimates

DETAILED ESTIMATES, BY YEAR

(SEKm)	2018	2019	2020	2021	2022	2023	2024	2025E	2026E
Revenue	3,241	3,747	4,635	6,211	5,621	2,863	4,720	4,608	4,717
Cost of sales	-2,627	-2,972	-3,837	-5,102	-4,502	-2,486	-3,867	-3,830	-3,913
Gross profit	614	775	797	1,110	1,119	377	853	778	804
Sales expenses	-138	-162	-219	-256	-288	-189	-239	-261	-163
G&A expenses	-190	-238	-264	-357	-364	-320	-587	-417	-422
Other income	4	8	24	13	356	24	7	14	-7
Other expenses	-17	-26	-11	-27	-130	-7	-14	-3	-13
EBIT	274	358	328	483	693	-114	21	110	199
Finance income	7	6	12	23	19	31	9	6	4
Finance costs	-9	-58	-59	-49	-68	-49	-147	-134	-119
Net FX gains/(losses)	-5	12	-5	-5	21	-22	78	-144	0
EBT	267	318	276	451	666	-153	-40	-161	84
Income tax	-58	-68	-54	-112	-156	46	-50	-12	-17
Net income	209	251	222	339	439	-107	-90	-173	67
EPS (SEK)	14.25	17.26	15.25	23.33	30.22	-7.38	-6.19	-11.89	4.62
Pre-tax adjustments	0	-7	-2	-27	321	-34	0	0	0
After-tax adjustments	0	-6	-1	-22	257	-27	0	0	0
Adj. EBIT	274	365	330	510	372	-80	21	110	199
Adj. PTP	267	325	277	478	345	-119	-40	-161	84
Adj. Net income	209	256	223	361	182	-81	-90	-173	67
Adj. EPS (SEK)	14.25	17.64	15.34	24.81	12.54	-5.54	-6.19	-11.89	4.62

Source: Company data and Nordea estimates

DETAILED ESTIMATES: DIVISIONS, BY YEAR

(SEKm)	2018	2019	2020	2021	2022	2023	2024	2025E	2026E
US*									
Sales	-	-	-	-	-	2446	2812	2683	2654
Gross profit	-	-	-	-	-	456	686	507	504
EBITDA	-	-	-	-	-	285	500	420	418
EBIT	-	-	-	-	-	25	229	197	205
Adjusted EBIT	-	-	-	-	-	36	229	197	205
Germany									
Sales	-	-	983	1,367	1,770	2,272	1,703	1,737	1,866
Gross profit	-	-	84	149	214	254	149	242	269
EBITDA	-	-	-29	-6	52	18	-32	66	94
EBIT	-	-	-66	-71	-29	-71	-120	-22	32
Adjusted EBIT	-	-	-57	-43	-29	-48	-120	-22	32
CA**									
Sales	3,241	3,747	3,652	143	203	285	205	188	197
Gross profit	614	773	714	25	37	43	20	29	31
EBITDA	322	494	533	0	10	12	-8	7	14
EBIT	274	358	394	13	14	9	-11	4	11
Adjusted EBIT	274	358	383	13	14	9	-11	4	11

*Certain historical margin and FX assumptions (related to the US acquisition) made by Nordea

**Including Russian operations in CA during 2018-20

Source: Company data and Nordea estimates

DETAILED ESTIMATES: MARGINS, BY YEAR

Margins	2018	2019	2020	2021	2022	2023	2024	2025E	2026E
Group									
Gross margin	19.0%	20.7%	17.2%	17.9%	19.9%	13.2%	18.1%	16.9%	17.0%
EBITDA margin	9.9%	13.2%	10.9%	8.8%	13.8%	-0.3%	8.1%	9.2%	10.1%
EBIT margin	8.4%	9.5%	7.1%	7.8%	12.3%	-4.0%	0.4%	2.4%	4.2%
Adjusted EBIT margin	8.4%	9.7%	7.1%	8.2%	6.6%	-2.8%	0.4%	2.4%	4.2%
US*									
Gross margin	-	-	-	-	-	18.7%	24.4%	18.9%	19.0%
EBITDA margin	-	-	-	-	-	11.6%	17.8%	15.6%	15.7%
EBIT margin	-	-	-	-	-	1.0%	8.1%	7.3%	7.7%
Adjusted EBIT margin	-	-	-	-	-	1.5%	8.1%	7.3%	7.7%
Germany									
Gross margin	-	-	8.5%	10.9%	12.1%	11.2%	8.7%	13.9%	14.4%
EBITDA margin	-	-	-2.9%	-0.5%	2.9%	0.8%	-1.9%	3.8%	5.0%
EBIT margin	-	-	-6.7%	-5.2%	-1.6%	-3.1%	-7.0%	-1.3%	1.7%
Adjusted EBIT margin	-	-	-5.8%	-3.2%	-1.6%	-2.1%	-7.0%	-1.3%	1.7%
CA**									
Gross margin	19.0%	20.6%	19.5%	17.5%	18.2%	14.9%	9.8%	15.4%	15.5%
EBITDA margin	9.9%	13.2%	14.6%	0.0%	4.9%	4.2%	-3.9%	3.6%	7.0%
EBIT margin	8.4%	9.5%	10.8%	9.1%	6.9%	3.0%	-5.4%	2.1%	5.5%
Adjusted EBIT margin	8.4%	9.5%	10.5%	9.1%	6.9%	3.0%	-5.4%	2.1%	5.5%

*Certain historical margin and FX assumptions (related to the US acquisition) made by Nordea

**Including Russian operations in CA during 2018-20

Source: Company data and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT											
SEKm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Total revenue	2,567	3,241	3,747	4,635	6,211	5,621	2,863	4,720	4,608	4,717	4,896
Revenue growth	54.8%	26.3%	15.6%	23.7%	34.0%	-9.5%	-49.1%	64.9%	-2.4%	2.4%	3.8%
of which organic	36.2%	32.2%	11.4%	16.2%	6.9%	16.7%	20.6%	-21.8%	0.7%	2.4%	3.7%
of which FX	18.6%	-6.0%	4.0%	-16.1%	-0.9%	5.1%	7.5%	0.2%	-3.3%	0.0%	0.0%
EBITDA	214	322	494	504	548	776	-9	383	423	476	508
Depreciation and impairments PPE	-26	-48	-136	-176	-66	-83	-105	-362	-313	-277	-291
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
EBITA	187	274	358	328	483	693	-114	21	110	199	217
Amortisation and impairments	0	0	0	0	0	0	0	0	0	0	0
EBIT	187	274	358	328	483	693	-114	21	110	199	217
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	6	-7	-39	-53	-31	-27	-39	-61	-271	-115	-109
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	193	267	318	276	452	666	-153	-40	-161	84	108
Reported taxes	-42	-58	-68	-54	-112	-156	46	-50	-12	-17	-22
Net profit from continued operations	151	209	251	222	339	510	-107	-90	-173	67	86
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	87	207	251	222	339	510	-107	-90	-173	67	86
EPS, SEK	8.06	14.25	17.26	15.25	23.35	35.07	-7.38	-6.19	-11.89	4.62	5.90
DPS, SEK	1.73	7.50	4.25	7.50	0.00	7.50	0.10	0.10	-2.38	1.15	1.77
of which ordinary	1.73	3.75	4.25	7.50	0.00	7.50	0.10	0.10	-2.38	1.15	1.77
of which extraordinary	0.00	3.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit margin in percent											
EBITDA	8.3%	9.9%	13.2%	10.9%	8.8%	13.8%	-0.3%	8.1%	9.2%	10.1%	10.4%
EBITA	7.3%	8.4%	9.5%	7.1%	7.8%	12.3%	-4.0%	0.4%	2.4%	4.2%	4.4%
EBIT	7.3%	8.4%	9.5%	7.1%	7.8%	12.3%	-4.0%	0.4%	2.4%	4.2%	4.4%
Adjusted earnings											
EBITDA (adj)	214	322	501	503	576	455	25	383	423	476	508
EBITA (adj)	187	274	365	330	510	372	-80	21	110	199	217
EBIT (adj)	187	274	365	330	510	372	-80	21	110	199	217
EPS (adj, SEK)	8.06	14.25	17.74	15.36	25.23	17.40	-5.04	-6.19	-11.89	4.62	5.90
Adjusted profit margins in percent											
EBITDA (adj)	8.3%	9.9%	13.4%	10.9%	9.3%	8.1%	0.9%	8.1%	9.2%	10.1%	10.4%
EBITA (adj)	7.3%	8.4%	9.7%	7.1%	8.2%	6.6%	-2.8%	0.4%	2.4%	4.2%	4.4%
EBIT (adj)	7.3%	8.4%	9.7%	7.1%	8.2%	6.6%	-2.8%	0.4%	2.4%	4.2%	4.4%
Performance metrics											
CAGR last 5 years											
Net revenue	1.4%	5.5%	9.9%	25.8%	30.2%	17.0%	-2.5%	4.7%	-0.1%	-5.4%	-2.7%
EBITDA	13.0%	16.0%	23.5%	31.1%	29.1%	29.4%	n.m.	-5.0%	-3.5%	-2.8%	-8.1%
EBIT	48.0%	39.6%	39.0%	40.0%	35.9%	29.9%	n.m.	-43.5%	-19.7%	-16.2%	-20.7%
EPS	n.m.	n.m.	n.m.	n.m.	50.4%	34.2%	n.m.	n.m.	n.m.	-27.7%	-30.0%
DPS	n.m.	n.m.	n.m.	n.m.	n.m.	34.1%	-51.6%	-52.8%	n.m.	n.m.	-25.1%
Average last 5 years											
Average EBIT margin	4.5%	6.2%	7.8%	7.9%	8.0%	9.1%	7.6%	5.9%	5.0%	4.0%	2.0%
Average EBITDA margin	7.8%	8.8%	10.3%	10.6%	10.2%	11.3%	10.0%	9.2%	8.8%	9.1%	8.2%
VALUATION RATIOS - ADJUSTED EARNINGS											
SEKm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
P/E (adj)	18.7	8.9	9.2	10.2	13.4	4.4	n.m.	n.m.	n.m.	9.7	7.6
EV/EBITDA (adj)	6.1	4.8	6.1	4.5	8.9	0.3	96.3	7.5	6.2	5.2	4.6
EV/EBITA (adj)	7.0	5.6	8.4	6.9	10.0	0.4	n.m.	139.5	23.7	12.4	10.8
EV/EBIT (adj)	7.0	5.6	8.4	6.9	10.0	0.4	n.m.	139.5	23.7	12.4	10.8
VALUATION RATIOS - REPORTED EARNINGS											
SEKm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
P/E	18.7	8.9	9.4	10.3	14.4	2.2	n.m.	n.m.	n.m.	9.7	7.6
EV/Sales	0.51	0.48	0.82	0.49	0.82	0.03	0.83	0.61	0.57	0.52	0.48
EV/EBITDA	6.1	4.8	6.2	4.5	9.3	0.2	n.m.	7.5	6.2	5.2	4.6
EV/EBITA	7.0	5.6	8.6	6.9	10.6	0.2	n.m.	139.5	23.7	12.4	10.8
EV/EBIT	7.0	5.6	8.6	6.9	10.6	0.2	n.m.	139.5	23.7	12.4	10.8
Dividend yield (ord.)	1.1%	2.9%	2.6%	4.8%	0.0%	9.8%	0.1%	0.2%	-5.3%	2.6%	4.0%
FCF yield	8.9%	6.8%	-21.5%	28.2%	1.9%	65.9%	-121.3%	8.5%	7.8%	15.9%	21.4%
FCF Yield bef A&D, lease adj	8.8%	6.6%	-21.6%	28.1%	4.9%	-10.7%	-14.5%	-1.7%	7.8%	15.9%	21.4%
Payout ratio	21.5%	52.6%	24.0%	48.8%	0.0%	43.1%	n.m.	n.m.	20.0%	25.0%	30.0%

Source: Company data and Nordea estimates

BALANCE SHEET

SEKm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Intangible assets	6	6	12	8	81	85	244	273	280	280	280
of which R&D	0	0	0	0	0	0	0	25	32	32	32
of which other intangibles	6	6	12	8	81	85	244	248	248	248	248
of which goodwill	0	0	0	0	0	0	0	0	0	0	0
Tangible assets	136	263	700	507	1,006	560	1,828	2,317	2,235	2,194	2,099
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
Shares associates	0	0	0	0	0	0	0	0	0	0	0
Interest bearing assets	0	0	0	0	0	0	0	0	0	0	0
Deferred tax assets	42	41	51	65	105	78	127	132	139	146	153
Other non-IB non-current assets	0	0	0	0	0	0	0	0	0	0	0
Other non-current assets	0	0	0	0	0	0	0	0	0	0	0
Total non-current assets	184	310	763	579	1,192	724	2,199	2,722	2,653	2,619	2,531
Inventory	633	741	1,290	1,014	1,432	460	1,443	1,253	1,129	1,156	1,199
Accounts receivable	243	319	322	393	535	344	630	617	576	566	587
Short-term leased assets	0	0	0	0	0	0	0	0	0	0	0
Other current assets	3	2	84	37	46	1	6	11	11	11	11
Cash and bank	352	357	519	604	768	1,688	426	363	412	550	672
Total current assets	1,231	1,418	2,214	2,048	2,781	2,493	2,506	2,244	2,128	2,282	2,470
Assets held for sale	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total assets	1,414	1,727	2,978	2,628	3,973	3,217	4,705	4,966	4,781	4,901	5,001
Shareholders equity	611	656	890	806	1,101	1,873	1,622	1,499	1,325	1,427	1,495
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	611	656	890	806	1,101	1,873	1,622	1,499	1,325	1,427	1,495
Deferred tax	1	1	7	5	7	1	277	281	281	281	281
Long term interest bearing debt	22	28	377	422	588	437	730	1,050	1,050	1,050	1,050
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	0	0	0	0	0	0	0	0	0
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	23	31	391	428	617	460	1,020	1,338	1,338	1,338	1,338
Short-term provisions	13	17	22	26	39	1	12	8	8	8	8
Accounts payable	737	982	917	1,188	1,809	573	997	794	783	802	832
Current lease debt	0	0	0	0	0	0	0	0	0	0	0
Other current liabilities	12	15	21	19	28	16	8	11	11	11	11
Short term interest bearing debt	19	26	735	161	379	295	1,046	1,316	1,316	1,316	1,316
Total current liabilities	780	1,040	1,696	1,393	2,255	884	2,062	2,129	2,118	2,137	2,168
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	1,414	1,727	2,978	2,628	3,973	3,217	4,704	4,966	4,781	4,901	5,001
Balance sheet and debt metrics											
Net debt	-312	-303	689	-20	199	-957	1,349	2,003	1,954	1,816	1,694
of which lease debt	0	0	0	0	0	0	0	0	0	0	0
Working capital	130	64	756	238	176	216	1,075	1,076	922	920	955
Invested capital	314	374	1,519	818	1,368	940	3,274	3,798	3,575	3,539	3,486
Capital employed	651	710	2,003	1,390	2,068	2,604	3,397	3,865	3,691	3,793	3,861
ROE	16.4%	32.7%	32.4%	26.1%	35.6%	34.3%	-6.1%	-5.8%	-12.2%	4.9%	5.9%
ROIC	49.2%	62.1%	30.0%	22.0%	36.4%	25.1%	-3.0%	0.5%	2.3%	4.4%	4.8%
ROCE	36.1%	41.3%	27.4%	20.1%	30.8%	16.8%	-1.6%	0.8%	3.1%	5.4%	5.8%
Net debt/EBITDA	-1.5	-0.9	1.4	0.0	0.4	-1.2	n.m.	5.2	4.6	3.8	3.3
Interest coverage	30.7	31.6	6.3	5.7	10.4	10.5	-1.7	0.2	0.9	1.7	2.0
Equity ratio	43.2%	38.0%	29.9%	30.7%	27.7%	58.2%	34.5%	30.2%	27.7%	29.1%	29.9%
Net gearing	-51.0%	-46.2%	77.4%	-2.5%	18.1%	-51.1%	83.2%	133.6%	147.5%	127.3%	113.3%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

SEKm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
EBITDA (adj) for associates	214	322	494	504	548	776	-9	383	423	476	508
Paid taxes	0	0	-85	-71	-170	-127	-6	-19	-12	-17	-22
Net financials	-6	7	-58	-59	-55	-85	-58	-104	-271	-115	-109
Change in provisions	3	4	5	3	13	-38	11	-4	0	0	0
Change in other LT non-IB	0	3	-6	-20	-19	27	-57	-12	-7	-7	-7
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	-44	-68	17	19	164	392	77	-191	0	0	0
Funds from operations (FFO)	168	267	367	377	481	945	-43	53	133	337	370
Change in NWC	-20	-106	-698	316	-24	-730	16	-533	154	2	-35
Cash flow from operations (CFO)	148	161	-330	693	457	215	-27	-480	288	339	335
Capital expenditure	-7	-38	-181	-49	-217	-334	-122	465	-237	-236	-196
Free cash flow before A&D	141	123	-511	643	240	-119	-149	-15	51	103	139
Proceeds from sale of assets	3	3	2	3	8	854	0	88	0	0	0
Acquisitions	0	0	0	0	-153	0	-1,093	0	0	0	0
Free cash flow	144	126	-509	646	95	735	-1,242	73	51	103	139
Free cash flow bef A&D, lease adj	141	123	-511	643	240	-119	-149	-15	51	103	139
Dividends paid	-58	-30	-109	-62	-109	0	-109	0	-1	35	-17
Equity issues / buybacks	0	0	0	0	0	0	0	1	0	0	0
Net change in debt	-28	0	802	-402	253	233	105	-108	0	0	0
Other financing adjustments	-12	2	-3	-114	-81	-65	-17	-9	0	0	0
Other non-cash adjustments	108	-94	-18	16	6	18	1	-20	0	0	0
Change in cash	153	4	163	84	164	920	-1,262	-63	49	138	122
Cash flow metrics											
Capex/D&A	25.8%	80.1%	n.m.	28.1%	n.m.	n.m.	n.m.	n.m.	75.8%	85.2%	67.3%
Capex/Sales	0.3%	1.2%	4.8%	1.1%	3.5%	5.9%	4.3%	-9.9%	5.1%	5.0%	4.0%
Key information											
Share price year end (/current)	151	127	163	157	337	77	70	59	45	45	45
Market cap.	1,615	1,849	2,369	2,287	4,897	1,115	1,024	857	650	650	650
Enterprise value	1,303	1,546	3,058	2,267	5,096	158	2,373	2,860	2,604	2,467	2,344
Diluted no. of shares, year-end (m)	10.7	14.5	14.5	14.5	14.5	14.5	14.5	14.5	14.5	14.5	14.5

Source: Company data and Nordea estimates

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