

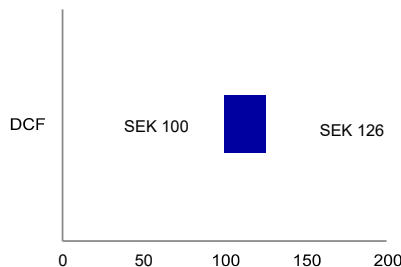
## KEY DATA

Stock country	Sweden
Bloomberg	ORX.SS
Reuters	ORX.ST
Share price (close)	SEK 58.20
Free Float	89%
Market cap. (bn)	EUR 0.20/SEK 2.10
Website	www.orexo.com
Next report date	04 Nov 2020

## PERFORMANCE



## VALUATION APPROACH



## ESTIMATE CHANGES

Year	2020E	2021E	2022E
Sales	-7%	-5%	13%
EBIT (adj)	-181%	-119%	-30%

Source: Nordea estimates

## Nordea Markets - Analysts

Klas Pyk  
Analyst

## Investing for the future

The ongoing pandemic has caused an increase in depression and alcohol and substance abuse. At the same time, social distancing has triggered a need for digital provision of healthcare solutions. This bodes well for Orexo's newly launched digital therapies for depressions and alcohol abuse. While the future sales of the digital offering could be several times Orexo's current revenues, the launch process implies significant short-term investment. We take a more conservative approach to the sales potential of Orexo's digital offering than the company, but nevertheless increase our DCF-based fair value to SEK 100-126 (72-82) per share.

## Organic decline for Zubsolv sales despite overall market growth

Sales totalled SEK 179.1m in Q2 2020, of which SEK 172.5m were for Zubsolv US. Despite the market's strong unit growth of 15% y/y, Zubsolv sales declined by 8.7% organically, partly due to COVID-19. Despite the poor sales performance, the US Pharma (Zubsolv) segment delivered an EBIT margin of 51.5% for the quarter, up from 45.4% in Q2 2019, driven by an improved gross margin. We nevertheless argue that the decline in sales highlights the importance of Orexo diversifying its commercial portfolio, eg through digital therapies. EBIT for the group was SEK -13.3m in Q2, down from SEK 52.2m in Q2 last year, driven by costs related to the launch of its digital offerings and increased R&D expenditure.

## Well-equipped to invest for the future

Parts of Orexo's digital offering are already commercially available, even though a broad launch is planned for September. The launch will imply meaningful investments for the remainder of the year, in turn burdening short-term earnings. Orexo expects opex for 2020 to reach SEK 750-800m, up from SEK 557m in 2019. We pencil in opex of SEK 770m, taking down our EBIT estimate to SEK -136m for the full year, assuming only a minor revenue contribution from vorvida and deprexis in 2020. Given the company's cash balance of SEK 677m, however, we argue that Orexo is well-equipped to invest for future growth. Orexo estimates that its digital portfolio has sales potential of USD 420-650m five years post launch. We believe that COVID-19 has created an increased need for digital healthcare solutions, but nevertheless take a conservative approach. We model sales of USD ~160m by 2025 and an EBIT margin of 45%, in line with its current US operations. The higher near-term costs make us reduce our 2020-22 forecasts significantly, but the potential of the digital launch leads us to increase our DCF-based fair value to SEK 100-126 per share (72-82).

## SUMMARY TABLE - KEY FIGURES

SEKm	2016	2017	2018	2019	2020E	2021E	2022E
Total revenue	706	644	783	845	743	823	1,017
EBITDA (adj)	74	78	117	224	-92	-5	202
EBIT (adj)	52	57	96	183	-118	-40	167
EBIT (adj) margin	7.3%	8.9%	12.2%	21.6%	-15.9%	-4.8%	16.5%
EPS (adj)	0.84	0.67	3.92	4.82	-2.52	-0.96	4.07
EPS (adj) growth	114.7%	-20.5%	485.5%	23.0%	-152.4%	62.1%	524.5%
DPS (ord)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EV/Sales	2.0	2.2	2.3	2.1	2.5	2.3	1.7
EV/EBIT (adj)	27.4	24.7	18.8	9.6	n.m.	n.m.	10.5
P/E (adj)	44.7	61.6	15.0	13.0	n.m.	n.m.	14.3
P/BV	4.2	4.3	4.4	3.1	3.3	3.5	2.8
Dividend yield (ord)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF Yield bef A&D, lease	5.0%	4.3%	11.7%	13.1%	-11.0%	-3.2%	8.0%
Net debt	115	-9	-269	-473	-230	-169	-307
Net debt/EBITDA	1.6	-0.1	-2.3	-2.1	n.m.	n.m.	-1.5
ROIC after tax	6.4%	8.1%	15.0%	29.1%	-16.3%	-4.8%	18.3%

Source: Company data and Nordea estimates

## Estimate revisions

We make significant revisions to our estimates, as we have previously not included the earnings impact from Orexo's launch of its digital offering. Our forecast is based on only a minor sales contribution from Deprexis and Vorvida in 2020.

### OREXO: ESTIMATE REVISIONS

	New estimates			Old estimates			Diff. %		
	2020E	2021E	2022E	2020E	2021E	2022E	2020E	2021E	2022E
<b>Net revenues</b>	<b>705.3</b>	<b>768.8</b>	<b>952.7</b>	<b>796.9</b>	<b>866.0</b>	<b>902.5</b>	<b>-11%</b>	<b>-11%</b>	<b>6%</b>
<b>Gross profit</b>	618.9	675.7	854.9	704.4	766.4	798.7	<b>-12%</b>	<b>-12%</b>	<b>7%</b>
Gross margin, %	87.7%	86.0%	85.0%	88.4%	88.5%	88.5%	-0.7pp	-2.5pp	-3.5pp
<b>EBITDA</b>	<b>-109.7</b>	<b>-21.9</b>	<b>178.1</b>	<b>173.0</b>	<b>242.0</b>	<b>267.7</b>	<b>-163%</b>	<b>-109%</b>	<b>-33%</b>
EBITDA margin, %	-16%	-3%	19%	22%	28%	30%	-37.3pp	-30.8pp	-11.0pp
NRI	0	0	0	0	0	0	nm.	nm.	nm.
<b>Adj. EBITDA</b>	<b>-109.7</b>	<b>-21.9</b>	<b>178.1</b>	<b>173.0</b>	<b>242.0</b>	<b>267.7</b>	<b>-163%</b>	<b>-109%</b>	<b>-33%</b>
Adj. EBITDA margin, %	-19.3%	-7.4%	15.0%	18.4%	24.7%	26.5%	-37.7pp	-32.1pp	-11.5pp
<b>EBIT</b>	<b>-136.3</b>	<b>-56.9</b>	<b>143.1</b>	<b>146.4</b>	<b>213.9</b>	<b>239.2</b>	<b>-193%</b>	<b>-127%</b>	<b>-40%</b>
EBIT margin, %	-19.3%	-7.4%	15.0%	18.4%	24.7%	26.5%	-37.7pp	-32.1pp	-11.5pp

Source: Company data and Nordea estimates

# Detailed estimates

## OREXO: DETAILED ESTIMATES

SEKm	2019				2020				2019	2020E	2021E	2022E
	Q1	Q2	Q3	Q4	Q1	Q2	Q3E	Q4E				
<b>Net sales</b>	<b>174</b>	<b>201</b>	<b>231</b>	<b>238</b>	<b>175</b>	<b>179</b>	<b>169</b>	<b>179</b>	<b>845</b>	<b>705</b>	<b>769</b>	<b>953</b>
- whereof Zubsolv US	162	184	183	191	164	173	161	172	719	670	633	619
Gross profit	149	170	205	215	155	159	148	157	739	619	676	855
Gross, margin	85.5%	84.4%	88.8%	90.3%	88.6%	88.9%	87.2%	87.5%	87.5%	87.7%	86.0%	85.0%
EBITDA	-37	60	114	86	39	-9	-68	-72	224	-110	-22	178
EBITDA margin, %	-21.1%	30.0%	49.4%	36.1%	22.3%	-5.0%	-40.0%	-40.1%	26.5%	-15.5%	-2.8%	18.7%
IP litigation costs	49	3	-3	1	0	0	0	0	50	0	0	0
<b>Adjusted EBITDA</b>	<b>12</b>	<b>64</b>	<b>111</b>	<b>87</b>	<b>39</b>	<b>-9</b>	<b>-68</b>	<b>-72</b>	<b>273</b>	<b>-110</b>	<b>-22</b>	<b>178</b>
Adjusted EBITDA margin, %	6.9%	31.6%	48.1%	36.3%	22.4%	-5.0%	-40.0%	-40.2%	32.3%	-15.5%	-2.8%	18.7%
<b>EBIT</b>	<b>-48</b>	<b>53</b>	<b>106</b>	<b>72</b>	<b>34</b>	<b>-13</b>	<b>-74</b>	<b>-82</b>	<b>183</b>	<b>-136</b>	<b>-57</b>	<b>143</b>
EBIT margin	-27.4%	26.2%	45.8%	30.1%	19.4%	-7.4%	-44.0%	-46.0%	21.6%	-19.3%	-7.4%	15.0%
Net income	-35	55	112	39	83	-33	-65	-95	171	-110	-49	123
EPS									4.8	-3.1	-1.4	3.5

Source: Company data and Nordea estimates

# Valuation

Based on our updated forecast, we derive a DCF-based fair value range of SEK 100-126, using a WACC of 8-10%

In our DCF model, we use our explicit forecast for Orexo until 2025, plus a set of general assumptions until 2050, as outlined below. The DCF model uses a stringent approach, with ROIC equalling WACC in the terminal year, preventing the model from extrapolating above-market returns in perpetuity.

## OREXO: DCF MODEL ASSUMPTIONS

	2020-25	2026-30	2031-35	2036-40	2041-45	2046-50	Sust.
Sales growth, CAGR	21.0%	4.0%	3.0%	2.5%	2.5%	2.5%	
EBIT-margin, excluding associates	19.7%	16.5%	16.5%	16.5%	16.5%	16.5%	4.7%
Capex/depreciation, x	2.0	1.0	1.0	1.0	1.0	1.0	
Capex/sales	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	
NWC/sales	28.1%	30.0%	30.0%	30.0%	30.0%	30.0%	
FCFF, CAGR	-219.2%	-6.3%	3.8%	2.9%	2.5%	-25.4%	2.5%

Source: Company data and Nordea estimates

## DCF MODEL SENSITIVITY, SALES GROWTH AND EBIT MARGIN CHANGE (SEK/SHARE)

		Sales growth change				
		-1.0pp	-0.5pp		+0.5pp	+1.0pp
EBIT margin change	+1.0pp	112	114	117	119	122
	+0.5pp	110	112	114	117	119
		107	109	112	114	116
	-0.5pp	105	107	109	111	114
	-1.0pp	103	105	107	109	111

Source: Company data and Nordea estimates

## DCF MODEL SENSITIVITY, WACC AND SALES GROWTH CHANGE (SEK/SHARE)

		WACC				
		8.0%	8.5%	9.0%	9.5%	10.0%
Sales growth change	+1.0pp	132	124	116	110	104
	+0.5pp	129	121	114	108	102
		126	118	112	106	100
	-0.5pp	123	116	109	104	98
	-1.0pp	120	113	107	102	97

Source: Company data and Nordea estimates

## DCF MODEL SENSITIVITY, WACC AND EBIT MARGIN CHANGE (SEK/SHARE)

		WACC				
		8.0%	8.5%	9.0%	9.5%	10.0%
EBIT margin change	+1.0pp	132	124	117	110	104
	+0.5pp	129	121	114	108	102
		126	118	112	106	100
	-0.5pp	122	115	109	103	98
	-1.0pp	119	113	107	101	96

Source: Company data and Nordea estimates

# Reported numbers and forecasts

## INCOME STATEMENT

SEKm	2012	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
<b>Total revenue</b>	<b>326</b>	<b>429</b>	<b>570</b>	<b>643</b>	<b>706</b>	<b>644</b>	<b>783</b>	<b>845</b>	<b>743</b>	<b>823</b>	<b>1,017</b>
Revenue growth	63.5%	31.6%	32.8%	12.8%	9.7%	-8.8%	21.7%	7.9%	-12.1%	10.8%	23.6%
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	-62	-90	-12	-150	74	78	117	224	-92	-5	202
Depreciation and impairments PPE	-6	-5	-5	-4	-5	-4	-4	-8	-21	-19	-19
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
EBITA	-68	-94	-17	-154	70	74	112	215	-113	-24	183
Amortisation and impairments	-11	-46	-8	-15	-18	-17	-17	-33	-5	-16	-16
EBIT	-79	-140	-25	-169	52	57	96	183	-118	-40	167
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	-8	-14	-28	-22	-16	-28	-4	-3	26	2	2
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
<b>Pre-tax profit</b>	<b>-88</b>	<b>-153</b>	<b>-53</b>	<b>-191</b>	<b>36</b>	<b>30</b>	<b>92</b>	<b>179</b>	<b>-92</b>	<b>-38</b>	<b>169</b>
Reported taxes	2	-2	-4	-7	-7	-7	46	-9	3	4	-25
Net profit from continued operations	-86	-155	-57	-198	29	23	138	171	-89	-34	144
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	-86	-155	-57	-198	29	23	138	171	-89	-34	144
<b>EPS</b>	<b>-2.98</b>	<b>-4.87</b>	<b>-1.73</b>	<b>-5.74</b>	<b>0.84</b>	<b>0.67</b>	<b>3.92</b>	<b>4.82</b>	<b>-2.52</b>	<b>-0.96</b>	<b>4.07</b>
DPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
of which ordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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	-19.0%	-20.9%	-2.2%	-23.4%	10.5%	12.1%	14.9%	26.5%	-12.4%	-0.6%	19.9%
EBITA	-21.0%	-21.9%	-3.1%	-24.0%	9.9%	11.5%	14.4%	25.5%	-15.2%	-2.9%	18.0%
EBIT	-24.3%	-32.5%	-4.4%	-26.2%	7.3%	8.9%	12.2%	21.6%	-15.9%	-4.8%	16.5%

## Adjusted earnings

EBITDA (adj)	-62	-90	-12	-150	74	78	117	224	-92	-5	202
EBITA (adj)	-68	-94	-17	-154	70	74	112	215	-113	-24	183
EBIT (adj)	-79	-140	-25	-169	52	57	96	183	-118	-40	167
EPS (adj)	-2.98	-4.87	-1.73	-5.74	0.84	0.67	3.92	4.82	-2.52	-0.96	4.07

## Adjusted profit margins in percent

EBITDA (adj)	-19.0%	-20.9%	-2.2%	-23.4%	10.5%	12.1%	14.9%	26.5%	-12.4%	-0.6%	19.9%
EBITA (adj)	-21.0%	-21.9%	-3.1%	-24.0%	9.9%	11.5%	14.4%	25.5%	-15.2%	-2.9%	18.0%
EBIT (adj)	-24.3%	-32.5%	-4.4%	-26.2%	7.3%	8.9%	12.2%	21.6%	-15.9%	-4.8%	16.5%

## Performance metrics

CAGR last 5 years											
Net revenue	n.a.	n.a.	n.a.	n.a.	28.7%	14.6%	12.8%	8.2%	2.9%	3.1%	9.6%
EBITDA	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	20.9%
EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	n.m.	n.m.	n.m.	n.m.	n.m.	23.9%
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	n.m.	n.m.	n.m.	n.m.	n.m.	43.5%
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.	-13.5%	-7.5%	0.3%	6.0%	7.2%	4.6%	6.8%
Average EBITDA margin	n.a.	n.a.	n.a.	-14.5%	-9.0%	-3.3%	3.2%	9.5%	10.8%	8.4%	10.6%

## VALUATION RATIOS - ADJUSTED EARNINGS

SEKm	2012	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
P/E (adj)	n.m.	n.m.	n.m.	n.m.	44.7	61.6	15.0	13.0	n.m.	n.m.	14.3
EV/EBITDA (adj)	n.m.	n.m.	n.m.	n.m.	19.0	18.2	15.5	7.8	n.m.	n.m.	8.6
EV/EBITA (adj)	n.m.	n.m.	n.m.	n.m.	20.3	19.2	16.0	8.1	n.m.	n.m.	9.6
EV/EBIT (adj)	n.m.	n.m.	n.m.	n.m.	27.4	24.7	18.8	9.6	n.m.	n.m.	10.5

## VALUATION RATIOS - REPORTED EARNINGS

SEKm	2012	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
P/E	n.m.	n.m.	n.m.	n.m.	44.7	61.6	15.0	13.0	n.m.	n.m.	14.3
EV/Sales	4.05	12.46	8.14	3.82	2.01	2.21	2.30	2.07	2.46	2.29	1.72
EV/EBITDA	n.m.	n.m.	n.m.	n.m.	19.0	18.2	15.5	7.8	n.m.	n.m.	8.6
EV/EBITA	n.m.	n.m.	n.m.	n.m.	20.3	19.2	16.0	8.1	n.m.	n.m.	9.6
EV/EBIT	n.m.	n.m.	n.m.	n.m.	27.4	24.7	18.8	9.6	n.m.	n.m.	10.5
Dividend yield (ord.)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield	2.4%	-2.3%	4.1%	-4.1%	5.5%	4.2%	11.4%	11.9%	-11.0%	-3.2%	8.0%
FCF Yield bef A&D, lease adj	1.9%	-0.2%	5.7%	-4.9%	5.0%	4.3%	11.7%	13.1%	-11.0%	-3.2%	8.0%
Payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: Company data and Nordea estimates

**BALANCE SHEET**

SEKm	2012	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
Intangible assets	135	195	259	155	138	121	104	114	232	264	276
of which R&D	106	164	224	147	132	117	100	100	103	103	103
of which other intangibles	3	4	7	8	6	5	4	14	129	161	173
of which goodwill	26	26	27	0	0	0	0	0	0	0	0
Tangible assets	35	33	29	25	22	20	20	79	98	98	98
of which leased assets	0	0	0	0	0	0	0	57	76	76	76
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	0	0	3	18	25	28	93	86	95	95	95
Other non-IB non-current assets	19	0	1	2	8	7	10	0	0	0	0
Other non-current assets	0	0	0	0	0	0	0	1	2	0	0
Total non-current assets	189	228	293	200	193	177	227	280	426	457	469
Inventory	28	383	488	403	344	250	174	132	119	132	163
Accounts receivable	18	36	142	168	179	218	296	273	240	266	328
Short-term leased assets	0	0	0	0	0	0	0	0	0	0	0
Other current assets	19	19	32	51	21	31	0	0	0	0	0
Cash and bank	228	106	285	198	282	328	590	817	553	492	631
Total current assets	293	544	946	820	826	827	1,060	1,221	912	889	1,122
Assets held for sale	0	0	0	0	0	0	0	0	0	0	0
<b>Total assets</b>	<b>482</b>	<b>772</b>	<b>1,239</b>	<b>1,020</b>	<b>1,019</b>	<b>1,004</b>	<b>1,287</b>	<b>1,501</b>	<b>1,338</b>	<b>1,346</b>	<b>1,591</b>
Shareholders equity	191	161	468	270	310	329	476	706	617	583	727
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	191	161	468	270	310	329	476	706	617	583	727
Deferred tax	0	0	0	0	0	0	0	0	0	0	0
Long term interest bearing debt	118	104	494	494	398	319	321	290	250	250	250
Pension provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term provisions	4	10	9	7	1	6	7	11	11	11	11
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	33	52	52	52
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	122	114	503	501	399	325	327	334	313	313	313
Short-term provisions	0	0	0	122	164	201	266	269	237	262	324
Accounts payable	20	138	29	35	36	46	0	0	0	0	0
Current lease debt	0	0	0	0	0	0	0	21	21	21	21
Other current liabilities	149	359	239	92	110	104	218	171	150	166	205
Short term interest bearing debt	0	0	0	0	0	0	0	0	0	0	0
Total current liabilities	169	497	268	249	310	350	483	461	408	450	551
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
<b>Total liabilities and equity</b>	<b>482</b>	<b>772</b>	<b>1,239</b>	<b>1,020</b>	<b>1,019</b>	<b>1,004</b>	<b>1,287</b>	<b>1,501</b>	<b>1,338</b>	<b>1,346</b>	<b>1,591</b>
<b>Balance sheet and debt metrics</b>											
Net debt	-108	136	212	296	115	-9	-269	-473	-230	-169	-307
of which lease debt	0	0	0	0	0	0	0	55	74	74	74
Working capital	-104	-59	394	495	398	351	252	234	209	231	286
Invested capital	85	169	686	695	591	527	479	514	635	688	755
Capital employed	309	266	962	765	708	648	797	1,051	940	907	1,050
ROE	-89.8%	-87.9%	-18.0%	-53.6%	10.0%	7.3%	34.3%	28.8%	-13.5%	-5.6%	21.9%
ROIC	n.m.	-86.8%	-4.6%	-19.3%	6.4%	8.1%	15.0%	29.1%	-16.3%	-4.8%	18.3%
ROCE	-48.7%	-48.3%	-4.0%	-19.6%	7.0%	8.5%	13.3%	19.8%	-11.9%	-4.3%	17.1%
Net debt/EBITDA	n.m.	n.m.	n.m.	n.m.	1.6	-0.1	-2.3	-2.1	n.m.	n.m.	-1.5
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	39.7%	20.9%	37.8%	26.5%	30.5%	32.8%	37.0%	47.1%	46.1%	43.3%	45.7%
Net gearing	-56.2%	83.9%	45.2%	109.7%	37.2%	-2.7%	-56.5%	-66.9%	-37.3%	-28.9%	-42.3%

Source: Company data and Nordea estimates

**CASH FLOW STATEMENT**

SEKm	2012	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
<b>EBITDA (adj) for associates</b>	<b>-62</b>	<b>-90</b>	<b>-12</b>	<b>-150</b>	<b>74</b>	<b>78</b>	<b>117</b>	<b>224</b>	<b>-92</b>	<b>-5</b>	<b>202</b>
Paid taxes	0	-2	-4	0	0	0	0	0	0	0	0
Net financials	-8	-11	-28	-25	-28	-35	-32	-8	26	2	2
Change in provisions	4	6	-1	119	37	42	66	8	-32	26	62
Change in other LT non-IB	-19	19	-4	-16	-13	-3	-68	16	-10	2	0
Cash flow to/from associates	-53	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	77	16	13	25	-3	28	43	13	0	0	0
<b>Funds from operations (FFO)</b>	<b>-61</b>	<b>-62</b>	<b>-36</b>	<b>-47</b>	<b>68</b>	<b>110</b>	<b>125</b>	<b>253</b>	<b>-107</b>	<b>25</b>	<b>266</b>
Change in NWC	90	-201	-452	-62	89	36	117	38	25	-23	-54
<b>Cash flow from operations (CFO)</b>	<b>29</b>	<b>-263</b>	<b>-487</b>	<b>-109</b>	<b>156</b>	<b>147</b>	<b>242</b>	<b>291</b>	<b>-82</b>	<b>2</b>	<b>211</b>
Capital expenditure	-2	251	739	3	-91	-85	0	0	-144	-67	-47
<b>Free cash flow before A&amp;D</b>	<b>27</b>	<b>-12</b>	<b>252</b>	<b>-107</b>	<b>66</b>	<b>61</b>	<b>242</b>	<b>291</b>	<b>-226</b>	<b>-65</b>	<b>164</b>
Proceeds from sale of assets	13	0	0	22	7	0	0	10	0	0	0
Acquisitions	-6	-108	-72	-4	-1	-2	-6	-36	0	0	0
Free cash flow	34	-120	180	-89	71	60	236	265	-226	-65	164
Free cash flow bef A&D, lease adj	27	-12	252	-107	66	61	242	291	-226	-65	164
Dividends paid	0	0	0	0	0	0	0	0	0	0	0
Equity issues / buybacks	-52	19	342	4	2	0	0	2	0	0	0
Net change in debt	0	0	0	0	0	0	0	-56	-40	0	0
Other financing adjustments	0	0	0	0	0	0	0	0	3	4	-25
Other non-cash adjustments	246	-22	-343	-1	11	-14	26	16	0	0	0
Change in cash	228	-123	179	-86	84	46	262	227	-263	-62	139
<b>Cash flow metrics</b>											
Capex/D&A	8.7%	n.m.	n.m.	-14.1%	n.m.	n.m.	0.0%	0.0%	n.m.	n.m.	n.m.
Capex/Sales	0.5%	-58.5%	n.m.	-0.4%	12.8%	13.3%	0.0%	0.0%	19.4%	8.2%	4.6%
<b>Key information</b>											
Share price year end (/current)	50	164	136	63	38	41	59	63	58	58	58
Market cap.	1,430	5,214	4,431	2,164	1,300	1,428	2,071	2,221	2,057	2,057	2,057
Enterprise value	1,322	5,349	4,643	2,460	1,415	1,420	1,802	1,749	1,827	1,888	1,749
Diluted no. of shares, year-end (m)	28.8	31.8	32.7	34.5	34.6	34.7	35.2	35.4	35.3	35.3	35.3

Source: Company data and Nordea estimates

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