

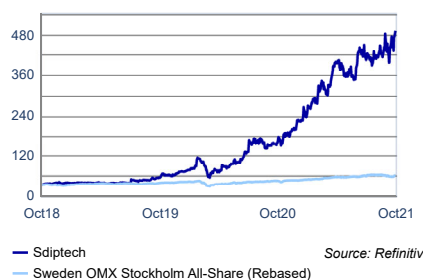
Sdipotech

Capital Goods
Sweden

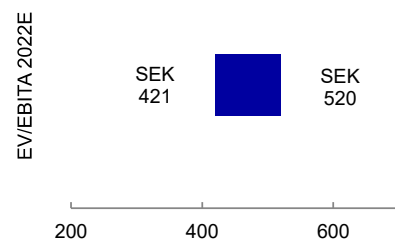
KEY DATA

Stock country	Sweden
Bloomberg	SDIPB.SS
Reuters	SDIPB.ST
Share price (close)	SEK 494.0
Free Float	56%
Market cap. (bn)	EUR 1.75/SEK 17.47
Website	www.sdipotech.se
Next report date	26 Oct 2021

PERFORMANCE



VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2021E	2022E	2023E
Sales	0%	3%	4%
EBIT (adj)	-1%	2%	4%

Source: Nordea estimates

Nordea Markets - Analysts

Victor Hansen
AnalystCarl Ragnerstam
Analyst

Hallo Nederland!

Sdipotech will report its Q3 2021 results on 26 October. We expect a solid quarter with growth of 17% y/y in sales (of which 11% is M&A) and 26% in EBITA. Since our update in July, Sdipotech has acquired two companies and entered the Netherlands. The M&A target was also raised to SEK 120-150m (from SEK 90m) of EBITA* yearly. We raise our forecasts by 0-4% for sales and 0-6% for EBITA* to incorporate 40-50% of the new M&A target, but with some near-term cost pressure weighing on the margin. As the EV/EBITDA multiple has declined following two acquisitions, Sdipotech is now trading at 31x 2022E, compared to peers at 28x. We raise our multiples-based fair value range to SEK 421-520 (SEK 383-447), ~30x 2022E EV/EBITDA at the midpoint.

Q3 expectations

We forecast growth in sales of 16.5% (M&A: 11%; organic: 3%; currency: 2%) and in EBITA* of 26% on a 1.8 pp margin increase y/y, partly due to a change in business mix, as most of PTS has been divested. We note that Sdipotech faces somewhat tough comparables, as H2 2020 benefitted from pent-up demand, while H2 this year is expected to be impacted by upward cost pressure (e.g. freight, components), which will weigh on the margin.

First acquisition in the Netherlands and raised M&A targets

Sdipotech acquired its first company in the Netherlands in October, adding ~6% to 2022E sales and 7.5% to EBITA, at a valuation of 9x EV/EBT despite the 26% EBT margin, thus providing a meaningful multiple arbitrage. We believe Certus could be a winner on the back of investments in logistics and port technology, and it is encouraging that management is keeping 15% of the shares, which ensures skin in the game. Staying on the M&A topic, we raise our annual future M&A estimate by SEK 14m to SEK 60m of EBITA, translating to 6-9% yearly M&A growth ahead and representing 40-50% of the updated M&A EBITA* target (SEK 120-150m).

Estimate revisions and valuation

We lift our 2021-23 estimates by 0-4% for sales and 0-6% for EBITA*, and revise the EBITA* margin by -0.1 pp to +0.3 pp. The share is trading at 31x EV/EBITDA based on our 2022 estimates, which is slightly above key peers. Our equity valuation suggests a range of +5% to -15% 2022E EV/EBITDA versus key peers (26.5-32.7x).

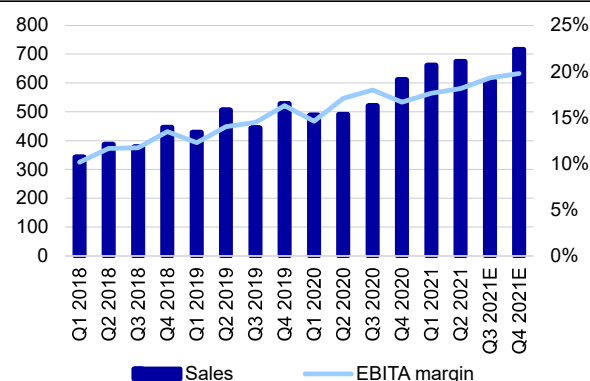
SUMMARY TABLE - KEY FIGURES

SEKm	2017	2018	2019	2020	2021E	2022E	2023E
Total revenue	1,164	1,554	1,908	2,113	2,662	3,012	3,392
EBITDA (adj)	204	213	358	403	536	688	790
EBIT (adj)	156	143	222	310	405	539	621
EBIT (adj) margin	13.4%	9.2%	11.6%	14.7%	15.2%	17.9%	18.3%
EPS (adj, SEK)	2.74	3.68	4.86	5.41	7.48	10.14	11.78
EPS (adj) growth	7.0%	34.1%	32.2%	11.3%	38.4%	35.4%	16.2%
DPS (ord, SEK)	0.00	0.00	0.00	0.00	0.00	0.00	5.90
EV/Sales	1.4	1.3	1.8	4.3	7.0	6.1	5.4
EV/EBIT (adj)	10.8	13.8	15.7	29.6	46.0	34.3	29.7
P/E (adj)	16.9	11.3	15.4	42.5	66.0	48.7	41.9
P/BV	1.4	1.2	1.9	4.6	7.2	6.3	5.5
Dividend yield (ord)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.2%
FCF Yield bef A&D, lease	2.8%	4.3%	9.4%	5.3%	1.6%	2.4%	2.8%
Net debt	254	694	1,176	1,311	1,122	971	936
Net debt/EBITDA	1.2	3.3	3.3	3.3	2.1	1.4	1.2
ROIC after tax	10.4%	6.9%	7.8%	8.3%	8.9%	10.7%	11.5%

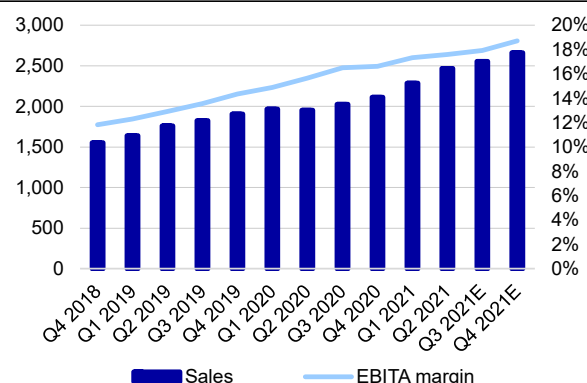
Source: Company data and Nordea estimates

Group and divisional development

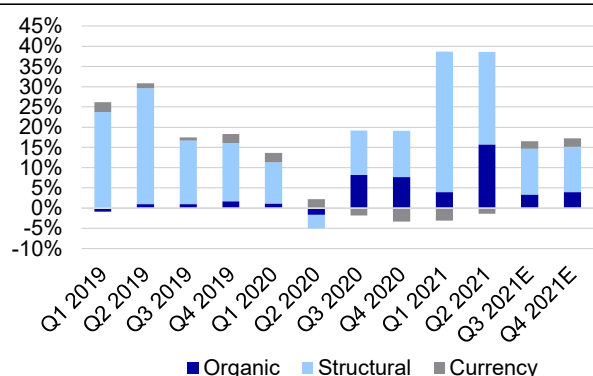
SDIPTTECH: SALES (SEKm) AND EBITA* MARGIN (%)



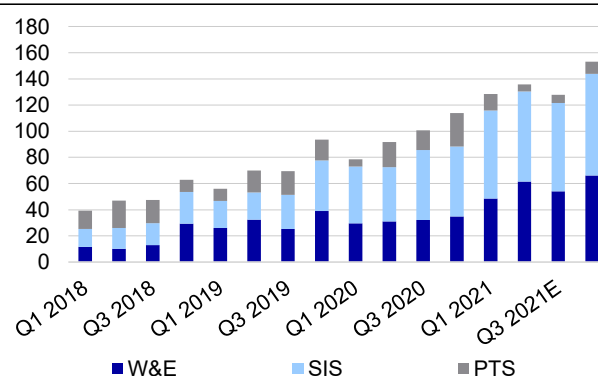
SDIPTTECH: SALES (SEKm) AND EBITA* MARGIN (%), LTM



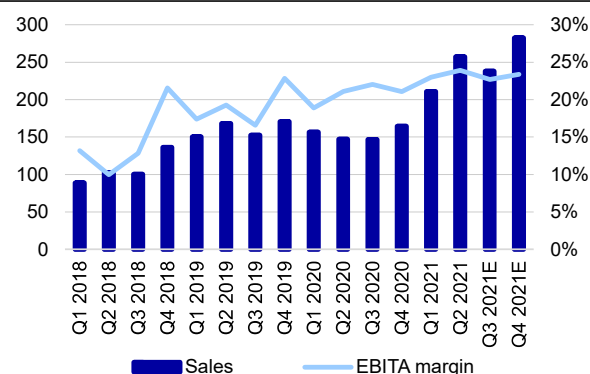
SDIPTTECH: SALES GROWTH PER PARAMETER



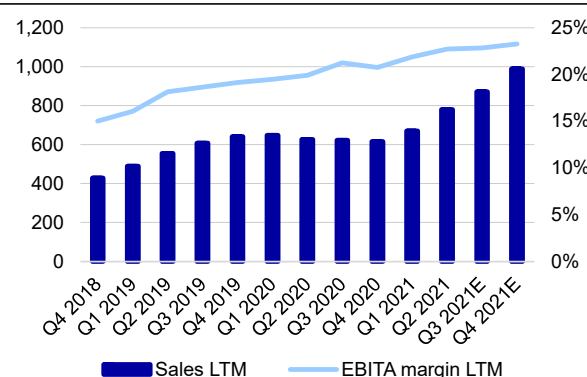
SDIPTTECH: EBITA PER SEGMENT (SEKm)



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

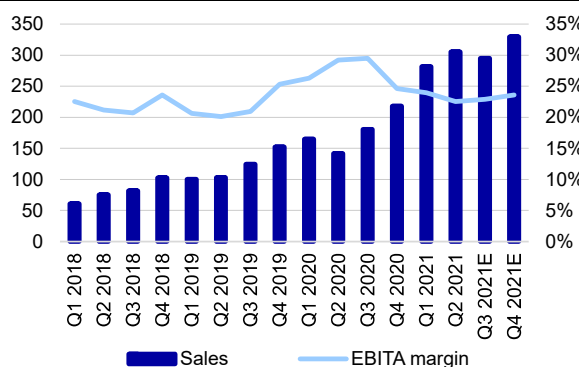
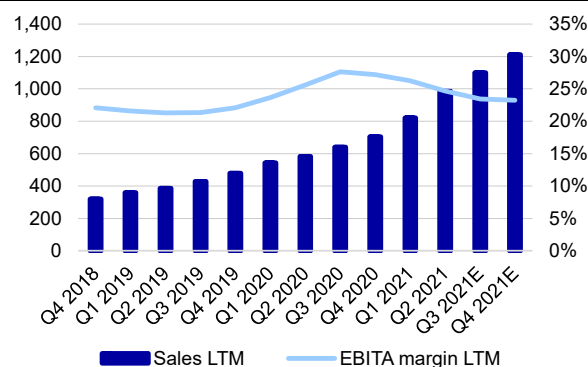
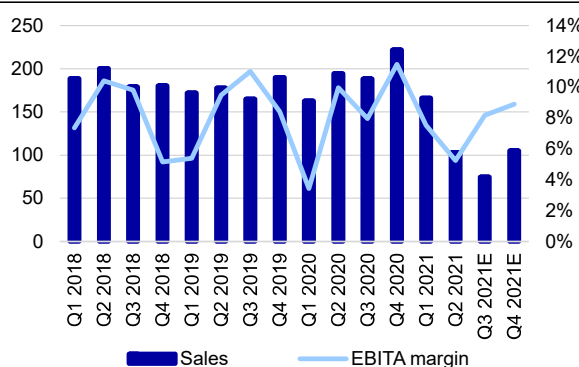
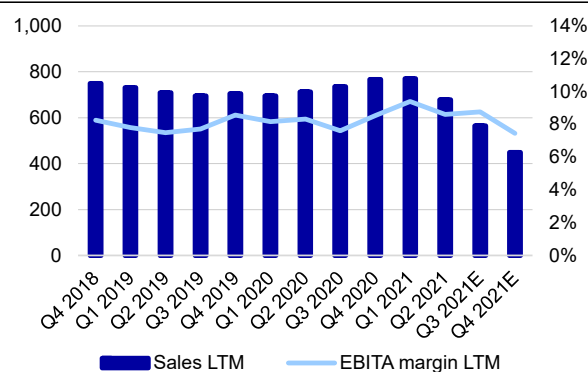


WATER & ENERGY: SALES (SEKm) AND EBITA* MARGIN (%), LTM



*Sdipitech'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

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

M&A impact – Certus automation

EARNINGS IMPACT FROM ACQUIRING CERTUS AUTOMATION (SDIPTECH ESTIMATES FROM BEFORE OUR PREVIEW REVISIONS)

	Sdiptech	Target*	Adjustments	Pro-forma	
SEKm	2022E	2022E	2022E	2022E	Change
Sales	3,294	192	-	3,487	5.8%
Adj. EBITA	673	51	-	723	7.5%
Projected synergies	-	-	0.0	-	-
Adj. EBITA incl. synergies	-	-	-	723	7.5%
Amortisation	-60	-	-1.1	-61	1.9%
Net financials	-29	-	-	-	-
Financing cost of acquisition	-	-	-8.3	-	-
Net financials, pro-forma	-	-	-	-37	-
Pre-tax profit	584	51	-9	625	7.1%
Tax	-157	-13	2	-167	6.6%
Tax rate	26.9%	25.0%	-	26.8%	-0.1pp
Minorities	-1	-6	-	-7	-
Preferred share payment	-15	-	-	-15	-
Net profit to equity	410	32	-7	436	6.2%
EPS (Currency)	11.60	-	-	12.32	6.2%
Shares (m)	35.4	-	0.00	35.4	0.0%
P/E	37.5	-	-	35.4	-2.2x
EV/EBITA (adj.)	25.3	-	-	24.2	-1.1x
Share price (SEK)	435.5	-	-	435.5	-

Deal details and assumptions

Total price offer (EV)	456	
- of which cash (incl earn-out)	413	91% of EV
- of which shares	0	0% of EV
Price tag, EV/EBITA 2022E	9.0x	
Price tag, EV/S 2022E	2.4x	
EBITA margin of Certus Automation	26.3%	
Projected synergies	0	
Synergies as % of added sales	0%	
Financing cost	2.0%	
Tax rate of Certus Automation	25.0%	

*EBT for target, i.e. assuming that I and A is 0

Source: Nordea estimates

Estimate revisions

SDIPTTECH: ESTIMATE REVISIONS

SEKm	New estimates			Old estimates			Δ		
	2021E	2022E	2023E	2021E	2022E	2023E	2021E	2022E	2023E
Sales									
WE	989	1,168	1,335	996	1,162	1,305	-1%	1%	2%
SIS	1,211	1,488	1,693	1,205	1,407	1,573	0%	6%	8%
PTS	449	356	364	451	362	370	0%	-2%	-2%
Central	13	0	0	13	0	0	-	-	-
Group	2,662	3,012	3,392	2,664	2,932	3,248	-0.1%	2.7%	4.4%
Sales bridge									
Organic	6.8%	4.5%	4.0%	6.8%	4.5%	4.0%	0.0pp	0.0pp	0.0pp
Structural	16.2%	9.0%	8.6%	16.3%	5.6%	6.8%	-0.1pp	3.4pp	1.8pp
Currency	3.9%	0.2%	0.0%	3.9%	0.4%	0.0%	0.0pp	-0.2pp	0.0pp
Sales growth	26.9%	13.7%	12.6%	27.0%	10.6%	10.8%	-0.1pp	3.2pp	1.8pp
EBITA* bridge									
WE	230	264	302	234	259	292	-2%	2%	4%
SIS	281	345	396	278	327	368	1%	6%	8%
PTS	33	30	31	35	31	32	-4%	-2%	-2%
Central	-49	-46	-46	-49	-46	-46	0%	0%	0%
Group EBITA*	496	594	684	498	571	645	-0.5%	4.0%	5.9%
M&A Costs	-24	-12	-16	-21	-8	-8	14%	50%	100%
Non M&A Amortization	9	12	16	9	20	20	0%	-42%	-22%
Revaluation of earn-outs	-23	0	0	-23	0	0	-	-	-
EBITA	458	593	683	463	583	657	-1%	2%	4%
Adjusted EBITA	464	593	683	469	583	657	-1%	2%	4%
EBITA* Margin									
WE	23.3%	22.6%	22.7%	23.5%	22.3%	22.4%	-0.2pp	0.3pp	0.3pp
SIS	23.2%	23.2%	23.4%	23.1%	23.2%	23.4%	0.1pp	0.0pp	0.0pp
PTS	7.4%	8.5%	8.6%	7.8%	8.5%	8.6%	-0.3pp	0.0pp	0.0pp
Group	18.7%	19.7%	20.2%	18.8%	19.5%	19.9%	-0.1pp	0.2pp	0.3pp
Sales bridge - WE									
Organic	8%	5%	5%	8%	5%	5%	0.0pp	0.0pp	0.0pp
Structural	53%	13%	10%	54%	11%	8%	-1.1pp	1.5pp	2.0pp
Currency	0%	0%	0%	0%	0%	0%	0.0pp	-0.1pp	0.0pp
Sales bridge - SIS									
Organic	6%	5%	4%	6%	5%	4%	-0.1pp	0.0pp	0.0pp
Structural	66%	19%	10%	65%	12%	8%	1.2pp	6.7pp	2.0pp
Currency	-1%	0%	0%	-1%	0%	0%	-0.3pp	-0.6pp	0.0pp
Sales bridge - PTS									
Organic	4%	3%	2%	4%	3%	2%	0.0pp	-0.2pp	0.0pp
Structural	-44%	-23%	0%	-44%	-23%	0%	0.0pp	-0.1pp	0.0pp
Currency	-1%	0%	0%	-1%	0%	0%	-0.3pp	-0.6pp	0.0pp

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

Source: Nordea estimates

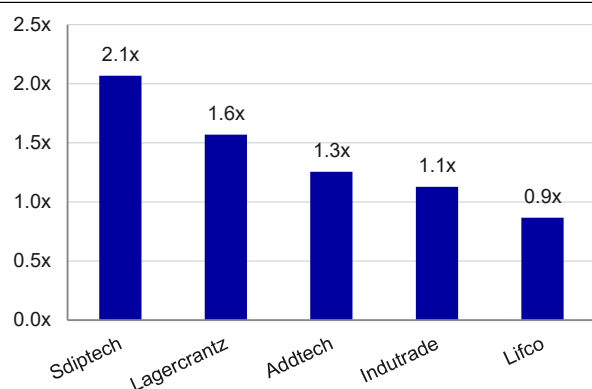
Valuation

KEY 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	46,308	26.1x	23.2x	30.7x	27.0x	37.2x	31.5x	47.9x	40.6x	0.9%	1.0%	1.3x	0.8x	25.6%	25.7%
Indutrade	HOLD	90,172	24.9x	23.1x	30.1x	28.2x	30.5x	28.6x	37.6x	35.0x	0.7%	0.8%	1.1x	0.8x	22.0%	19.9%
Lagercrantz	HOLD	22,173	22.4x	20.5x	27.8x	25.5x	32.0x	29.3x	39.7x	36.5x	1.1%	1.4%	1.6x	1.2x	27.5%	25.4%
Lifco	HOLD	112,555	28.7x	27.0x	31.6x	29.9x	36.2x	34.5x	47.5x	45.0x	0.6%	0.6%	0.9x	0.4x	24.6%	22.1%
Sdiptech	N.R.	17,470	34.3x	26.8x	40.7x	31.1x	46.0x	34.3x	66.0x	48.7x	0.0%	0.0%	2.1x	1.4x	12.8%	13.7%
Average		57,736	27.3x	24.1x	32.2x	28.3x	36.4x	31.7x	47.8x	41.2x	0.7%	0.8%	1.4x	0.9x	22.5%	21.3%
Median		46,308	26.1x	23.2x	30.7x	28.2x	36.2x	31.5x	47.5x	40.6x	0.7%	0.8%	1.3x	0.8x	24.6%	22.1%
Sdiptech	N.R.	17,470	34.3x	26.8x	40.7x	31.1x	46.0x	34.3x	66.0x	48.7x	0.0%	0.0%	2.1x	1.4x	12.8%	13.7%
vs. peer average			26%	11%	27%	10%	26%	8%	38%	18%	-0.7pp	-0.8pp	50%	52%	-9.7pp	-8.4pp
vs. peer median			31%	16%	33%	11%	27%	9%	39%	20%	-0.7pp	-0.8pp	65%	73%	-11.8pp	-8.4pp

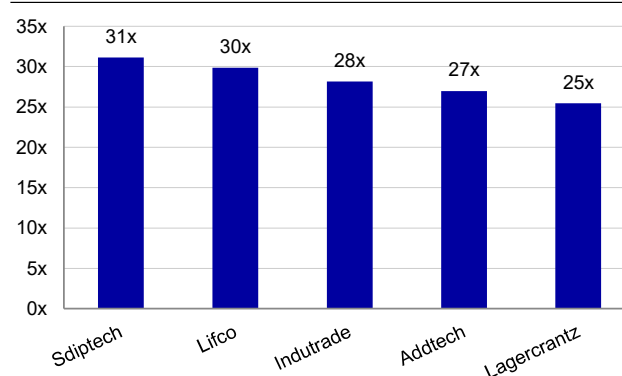
Source: Refinitiv and Nordea estimates

2021E NET DEBT/EBITDA (x)



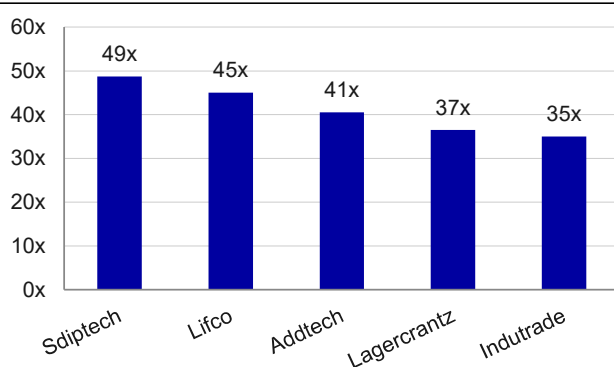
Source: Refinitiv and Nordea estimates

2022E EV/EBITA (x)



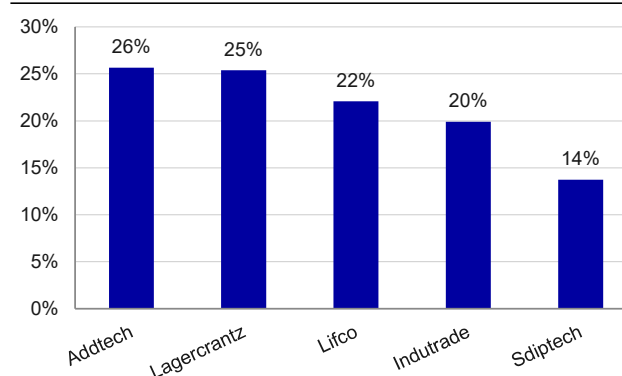
Source: Refinitiv and Nordea estimates

2022E P/E (x)



Source: Refinitiv and Nordea estimates

2022E ROE (%)



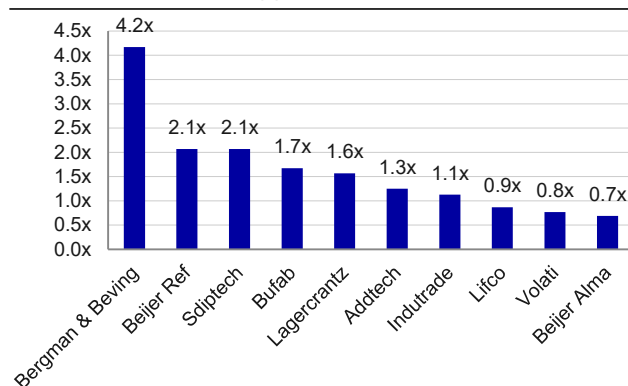
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COMPOUNDERS: PEER VALUATION TABLE

Stock	Rec.	Mcap. SEKm	EV/EBITDA		EV/EBITA		adj. EV/EBIT		adj. P/E		Div. yield		ND/EBITDA		ROE	
			2021E	2022E	2021E	2022E	2021E	2022E	2021E	2022E	2021E	2022E	2021E	2022E	2021E	2022E
Addtech	BUY	46,308	26.1x	23.2x	30.7x	27.0x	37.2x	31.5x	47.9x	40.6x	0.9%	1.0%	1.3x	0.8x	25.6%	25.7%
Bergman & Beving	-	4,436	13.2x	11.2x	-	-	22.3x	18.6x	23.3x	18.9x	1.8%	2.1%	4.2x	3.3x	-	-
Beijer Alma	BUY	12,896	12.6x	11.0x	16.0x	14.3x	16.4x	14.8x	20.3x	18.6x	2.3%	3.3%	0.7x	0.5x	23.1%	22.0%
Beijer Ref	HOLD	67,874	39.6x	31.3x	50.8x	39.2x	52.3x	42.0x	68.5x	54.7x	0.6%	0.7%	2.1x	1.5x	20.0%	22.2%
Bufab	-	13,594	18.8x	17.7x	22.9x	21.4x	23.9x	22.2x	30.9x	28.2x	0.8%	0.9%	1.7x	1.3x	21.0%	19.8%
Indutrade	HOLD	90,172	24.9x	23.1x	30.1x	28.2x	30.5x	28.6x	37.6x	35.0x	0.7%	0.8%	1.1x	0.8x	22.0%	19.9%
Lagercrantz	HOLD	22,173	22.4x	20.5x	27.8x	25.5x	32.0x	29.3x	39.7x	36.5x	1.1%	1.4%	1.6x	1.2x	27.5%	25.4%
Lifco	HOLD	112,555	28.7x	27.0x	31.6x	29.9x	36.2x	34.5x	47.5x	45.0x	0.6%	0.6%	0.9x	0.4x	24.6%	22.1%
Momentum	-	11,795	-	10.5x	-	-	20.0x	17.7x	20.0x	18.0x	1.5%	1.9%	-	1.2x	-	-
Sdiptech	N.R.	17,470	34.3x	26.8x	40.7x	31.1x	46.0x	34.3x	66.0x	48.7x	0.0%	0.0%	2.1x	1.4x	12.8%	13.7%
Volati	BUY	12,244	16.8x	15.6x	21.5x	20.2x	22.6x	21.4x	30.9x	30.8x	1.0%	0.8%	0.8x	0.9x	14.6%	17.6%
Average		37,411	23.7x	19.8x	30.2x	26.3x	30.9x	26.8x	39.3x	34.1x	1.0%	1.2%	1.6x	1.2x	21.3%	20.9%
Median		17,470	23.7x	20.5x	30.1x	27.0x	30.5x	28.6x	37.6x	35.0x	0.9%	0.9%	1.4x	1.2x	22.0%	22.0%
Sdiptech	N.R.	17,470	34.3x	26.8x	40.7x	31.1x	46.0x	34.3x	66.0x	48.7x	0.0%	0.0%	2.1x	1.4x	12.8%	13.7%
vs. peer average			45%	35%	35%	18%	49%	28%	68%	43%	-1.0pp	-0.9pp	27%	16%	-8.4pp	-8.3pp
vs. peer median			45%	31%	35%	15%	51%	20%	76%	39%	-0.9pp	-0.9pp	46%	19%	-9.1pp	-8.3pp

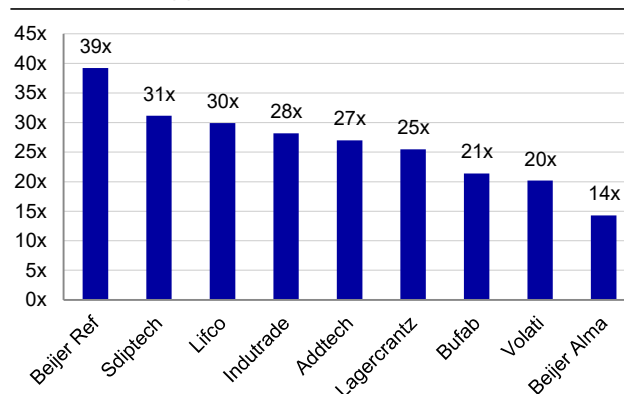
Source: Refinitiv and Nordea estimates

2021E NET DEBT/EBITDA (x)



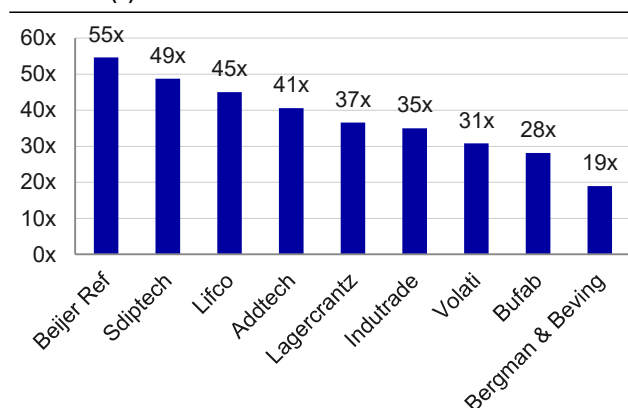
Source: Refinitiv and Nordea estimates

2022E EV/EBITA (x)



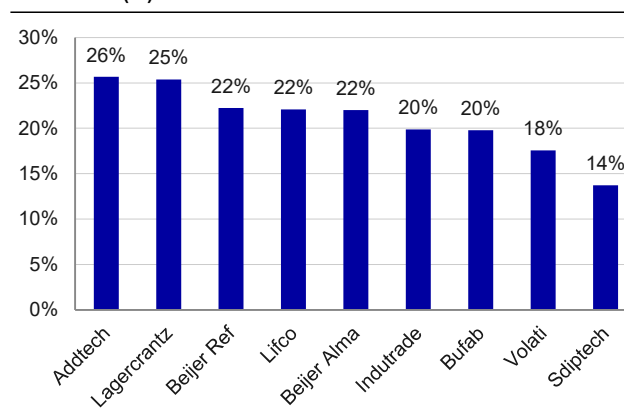
Source: Refinitiv and Nordea estimates

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 2021	Q3 2021E	Q4 2021E
Net sales	484	483	516	604	658	665	608	717
- of which future M&A	0	0	0	0	0	0	17	40
Other operating income	4	8	6	7	4	9	0	0
Total sales	488	492	522	612	662	675	608	717
Direct expenses	-184	-188	-206	-247	-265	-282	-248	-295
Other external expenses	-49	-46	-50	-69	-70	-83	-38	-44
Employee expenses	-165	-157	-160	-187	-204	-188	-184	-216
D&A on tangible non-current assets	-17	-18	-14	-24	-23	-21	-19	-23
D&A on intangible non-current assets	-3	-4	-6	-7	-10	-12	-11	-13
Adjusted EBIT	69	78	87	77	93	92	106	126
Non-recurring items	0	0	0	0	-3	-4	0	0
EBIT	69	78	87	77	91	88	106	126
Financial income	8	0	27	0	9	3	3	3
Financial expense	-9	-29	-7	-17	-14	-12	-13	-13
Pre-tax profit	69	49	107	60	85	80	97	116
Tax	-17	-11	-20	-17	-21	-22	-26	-31
Results from discontinued operations	0	0	0	0	0	0	0	0
Minorities	0	-1	-1	-4	-2	1	1	1
Net profit	52	37	87	39	63	60	72	86
Sales growth	14.7%	7.7%	16.8%	17.8%	35.9%	37.6%	17.8%	18.7%
of which organic	1.1%	-1.7%	8.2%	7.7%	3.9%	15.7%	3.4%	4.0%
of which structural	11.9%	10.4%	11.3%	12.3%	25.4%	16.9%	12.6%	12.7%
of which FX	1.7%	-1.0%	-2.6%	-2.2%	6.6%	5.0%	1.8%	2.1%
EBITA* growth	37%	32%	45%	21%	64%	46%	26%	41%
Adjusted EBITA growth	117%	-27%	73%	-9%	44%	28%	27%	65%
Sales per business area								
Water & Energy	157	147	147	165	211	257	238	283
Special Infrastructure Solutions	165	142	181	218	281	305	295	329
Property Technical Services	163	194	188	222	166	103	75	105
Other	4	8	6	7	4	9	0	0
Total	488	492	522	612	662	675	608	717
EBITA* per business area								
Water & Energy	30	31	32	35	49	62	54	66
Special Infrastructure Solutions	43	41	53	54	67	69	68	78
Property Technical Services	6	19	15	26	13	5	6	9
Other	-8	-9	-8	-13	-12	-15	-11	-11
Group EBITA*	71	83	93	101	116	121	117	142
Adjustment for revaluation of earn-outs	0	0	0	-13	-3	-20.3	0	0
Acquisition costs	0	-2	-2	-5	-15	-2	-2	-5
Non-M&A-related amortisation & impairment	-	-	-	2	2	2	2	2
EBITA	71	80	91	84	100	101	117	139
Adjusted EBITA	71	80	91	84	103	121	117	139
EBITA* margin								
Water & Energy	18.9%	21.1%	22.0%	21.1%	23.0%	23.9%	22.7%	23.4%
Special Infrastructure Solutions	26.3%	29.2%	29.5%	24.6%	24.0%	22.5%	22.9%	23.6%
Property Technical Services	3.4%	10.0%	8.0%	11.5%	7.5%	5.3%	8.2%	8.9%
Group	14.5%	16.8%	17.8%	16.5%	17.6%	17.9%	19.3%	19.8%
EBITA margin	14.5%	16.3%	17.4%	13.8%	15.2%	14.9%	19.3%	19.4%
Adjusted EBITA margin	14.5%	16.3%	17.4%	13.8%	15.6%	17.9%	19.3%	19.4%

*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	2,662	3,012	3,392
Revenue growth	n.a.	n.a.	n.a.	90.4%	47.6%	33.5%	22.8%	10.7%	26.0%	13.2%	12.6%
of which organic	n.a.	n.a.	n.a.	n.a.	0.0%	0.0%	0.8%	4.1%	6.8%	4.5%	4.0%
of which FX	n.a.	n.a.	n.a.	n.a.	7.9%	14.1%	4.5%	-1.1%	3.9%	0.2%	0.0%
EBITDA	0	0	61	120	204	213	358	403	543	688	790
Depreciation and impairments PPE	0	0	-3	-8	-15	-23	-67	-73	-85	-95	-107
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
EBITA	0	0	59	111	189	190	291	330	457	593	683
Amortisation and impairments	0	0	0	0	-33	-47	-69	-20	-46	-55	-62
EBIT	n.a.	n.a.	59	111	156	143	222	310	412	539	621
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	-33	-34	-29
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	379	504	592
Reported taxes	n.a.	n.a.	-12	-24	-27	-30	-44	-64	-100	-136	-159
Net profit from continued operations	0	0	40	80	93	96	165	220	279	368	433
Discontinued operations	0	0	0	0	0	33	0	0	0	0	0
Minority interests	0	0	-6	-10	-6	-4	-4	-6	2	4	-1
Net profit to equity	0	0	20	56	73	111	147	201	266	358	417
EPS, SEK	n.a.	n.a.	0.99	2.56	2.74	3.68	4.86	6.24	7.67	10.14	11.78
DPS, SEK	n.a.	n.a.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.90
of which ordinary	n.a.	n.a.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.90
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%	20.4%	22.9%	23.3%
EBITA	n.a.	n.a.	14.1%	14.1%	16.2%	12.2%	15.2%	15.6%	17.2%	19.7%	20.1%
EBIT	n.a.	n.a.	14.1%	14.1%	13.4%	9.2%	11.6%	14.7%	15.5%	17.9%	18.3%

Adjusted earnings

EBITDA (adj)	0	0	93	120	204	213	358	403	536	688	790
EBITA (adj)	0	0	91	111	189	190	291	330	451	593	683
EBIT (adj)	0	0	91	111	156	143	222	310	405	539	621
EPS (adj, SEK)	n.a.	n.a.	2.56	2.56	2.74	3.68	4.86	5.41	7.48	10.14	11.78

Adjusted profit margins in percent

EBITDA (adj)	n.a.	n.a.	22.5%	15.1%	17.5%	13.7%	18.7%	19.1%	20.2%	22.9%	23.3%
EBITA (adj)	n.a.	n.a.	21.8%	14.1%	16.2%	12.2%	15.2%	15.6%	16.9%	19.7%	20.1%
EBIT (adj)	n.a.	n.a.	21.8%	14.1%	13.4%	9.2%	11.6%	14.7%	15.2%	17.9%	18.3%

Performance metrics

CAGR last 5 years											
Net revenue	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	38.5%	27.5%	20.9%	16.9%
EBITDA	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	45.8%	35.4%	27.5%	30.0%
EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	39.6%	29.9%	28.1%	34.1%
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	44.7%	24.5%	29.9%	26.2%
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%	13.2%	14.5%	16.1%
Average EBITDA margin	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	16.4%	17.2%	18.3%	19.6%	21.3%

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	66.0	48.7	41.9
EV/EBITDA (adj)	n.a.	n.a.	n.a.	n.a.	8.3	9.3	9.7	22.8	34.7	26.8	23.3
EV/EBITA (adj)	n.a.	n.a.	n.a.	n.a.	8.9	10.4	12.0	27.8	41.3	31.1	27.0
EV/EBIT (adj)	n.a.	n.a.	n.a.	n.a.	10.8	13.8	15.7	29.6	46.0	34.3	29.7

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	64.4	48.7	41.9
EV/Sales	n.a.	n.a.	n.a.	n.a.	1.45	1.28	1.83	4.34	7.00	6.13	5.44
EV/EBITDA	n.a.	n.a.	n.a.	n.a.	8.3	9.3	9.7	22.8	34.3	26.8	23.3
EV/EBITA	n.a.	n.a.	n.a.	n.a.	8.9	10.4	12.0	27.8	40.7	31.1	27.0
EV/EBIT	n.a.	n.a.	n.a.	n.a.	10.8	13.8	15.7	29.6	45.3	34.3	29.7
Dividend yield (ord.)	n.a.	n.a.	n.a.	n.a.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.2%
FCF yield	n.a.	n.a.	n.a.	n.a.	-8.7%	-19.1%	-14.5%	-2.4%	-1.5%	1.0%	0.4%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	n.a.	2.8%	4.3%	9.4%	5.3%	1.6%	2.4%	2.8%
Payout ratio	n.a.	n.a.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	50.1%

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	2,946	3,102	3,403
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	435	486	598
of which goodwill	n.a.	n.a.	287	806	1,055	1,452	1,870	2,268	2,511	2,616	2,805
Tangible assets	0	0	19	50	81	108	258	319	374	362	379
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	3,320	3,463	3,782
Inventory	n.a.	n.a.	28	34	63	96	117	215	279	316	356
Accounts receivable	n.a.	n.a.	75	156	217	309	333	375	476	539	607
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	145	164	184
Cash and bank	n.a.	n.a.	89	126	330	325	156	279	1,319	1,703	2,158
Total current assets	0	0	303	411	679	866	745	984	2,219	2,722	3,306
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	5,540	6,186	7,088
Shareholders equity	n.a.	n.a.	471	428	973	1,088	1,223	1,716	2,440	2,785	3,187
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	39	35	36
Total Equity	n.a.	n.a.	497	461	1,006	1,121	1,259	1,756	2,479	2,819	3,223
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	2,246	2,479	2,899
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	2,438	2,671	3,091
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	331	374	421
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	220	249	281
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	623	696	774
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	5,540	6,186	7,088
Balance sheet and debt metrics											
Net debt	0	0	84	512	254	694	1,176	1,311	1,122	971	936
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	350	396	445
Invested capital	0	0	414	980	1,271	1,828	2,451	3,136	3,670	3,859	4,228
Capital employed	0	0	670	1,098	1,590	2,139	2,591	3,346	4,920	5,493	6,317
ROE	n.a.	n.a.	n.a.	12.4%	10.5%	10.8%	12.7%	13.7%	12.8%	13.7%	14.0%
ROIC	n.m.	n.m.	32.8%	12.0%	10.4%	6.9%	7.8%	8.3%	8.9%	10.7%	11.5%
ROCE	n.m.	n.m.	27.0%	12.6%	11.6%	7.7%	9.4%	10.5%	9.8%	10.3%	10.5%
Net debt/EBITDA	n.m.	n.m.	1.4	4.3	1.2	3.3	3.3	3.3	2.1	1.4	1.2
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%	44.0%	45.0%	45.0%
Net gearing	n.a.	n.a.	16.9%	111.1%	25.2%	61.9%	93.5%	74.7%	45.3%	34.4%	29.0%

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	543	688	790
Paid taxes	0	0	-12	-24	-27	-30	-44	-53	-100	-136	-159
Net financials	0	0	-6	-7	-36	-17	-13	-16	-33	-34	-29
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	420	518	602
Change in NWC	0	0	-85	-36	1	-121	31	92	-82	-46	-50
Cash flow from operations (CFO)	n.a.	n.a.	-32	122	70	89	313	451	338	472	552
Capital expenditure	n.a.	n.a.	-110	-3	-30	-35	-100	-38	-53	-60	-68
Free cash flow before A&D	0	0	-142	119	40	54	213	413	285	412	484
Proceeds from sale of assets	0	0	0	0	0	0	0	0	311	0	0
Acquisitions	n.a.	n.a.	-53	-359	-161	-293	-542	-599	-850	-233	-420
Free cash flow	0	0	-195	-240	-121	-240	-330	-186	-255	179	64
Free cash flow bef A&D, lease adj	0	0	-142	119	40	54	213	413	285	412	484
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	850	233	420
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	1,040	384	455
Cash flow metrics											
Capex/D&A	n.a.	n.a.	n.m.	33.3%	63.0%	50.3%	73.5%	40.9%	40.5%	40.2%	40.2%
Capex/Sales	n.a.	n.a.	26.6%	0.4%	2.6%	2.3%	5.2%	1.8%	2.0%	2.0%	2.0%
Key information											
Share price year end (/current)	n.a.	n.a.	n.a.	n.a.	46	42	75	230	494	494	494
Market cap.	n.a.	n.a.	n.a.	n.a.	1,400	1,257	2,273	7,825	17,470	17,470	17,470
Enterprise value	n.a.	n.a.	n.a.	n.a.	1,687	1,984	3,485	9,176	18,631	18,475	18,442
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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