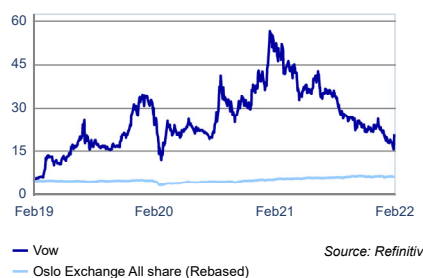


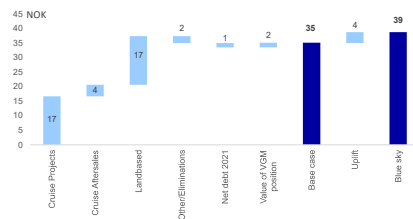
KEY DATA

Stock country	Norway
Bloomberg	VOW NO
Reuters	VOW.OL
Share price (close)	NOK 21.22
Free Float	36%
Market cap. (bn)	EUR 0.24/NOK 2.42
Website	www.vowasa.no
Next report date	25 Aug 2022

PERFORMANCE



VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2022E	2023E	2024E
Sales	1%	-2%	0%
EBIT (adj)	0%	-5%	0%

Source: Nordea estimates

Nordea Markets - Analysts

Sander Lie
AnalystHans-Erik Jacobsen
Managing Director

Long-term story remains attractive

Vow published its H2 update on 23 February with numbers slightly below our expectations. However, the report contained several positive datapoints validating the equity story. The order backlog remains high, providing clear visibility on 2022 revenue. The Landbased segment delivered its first ever positive EBITDA and we have seen an increasing number of cruise ships in service from Q3 and Q4 2021. We still believe in Vow's green credentials and flag that the Landbased segment will become a significant growth engine. Following the report, we make only minor revisions to our 2022E-2024E estimates and reiterate our SOTP-based fair value range of NOK 35-39 per share.

H2 slightly below expectations but positive datapoints

In H2 2021 revenue came in at NOK 253m, 1% above our estimate and Infront consensus. Recurring EBITDA hit NOK 23m; we expected NOK 31m. The main reason for the deviation was higher-than-expected Cruise Projects costs and group overhead costs. Despite the slightly softer numbers than expected, we note several positive datapoints. First, the order backlog remains at high levels (NOK 1,291m, from NOK 952m at the start of 2021). This underpins clear visibility for 2022, with the company guiding for almost a doubling of revenue y/y. Further, margins should also recover from 2022 and onwards as cruise ship activity picks up in the wake of the pandemic and we assume more demand for Aftersales.

Reiterating our fair value range

We make only minor estimate revisions for 2022E-24E and reiterate our SOTP-based fair value of NOK 35-39 per share. We argue that the long-term story remains attractive for Vow, with Landbased as a significant growth leg. The company has already entered partnerships with large industrial players such as ArcelorMittal and Repsol, and we argue that the company has the capacity to become a powerhouse for decarbonising industrial processes and energy production. We expect that Aftersales will contribute significantly to top-line growth and margin expansion in 2022E-24E as cruise activity picks up following an easing of the pandemic restrictions, after a long period of negative EBITDA contribution.

SUMMARY TABLE - KEY FIGURES

NOKm	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	330	381	460	454	888	1,102	1,260
EBITDA (adj)	39	46	47	44	134	199	254
EBIT (adj)	36	35	25	19	114	178	233
EBIT (adj) margin	10.8%	9.2%	5.4%	4.3%	12.9%	16.2%	18.5%
EPS (adj, NOK)	0.30	0.15	0.12	-0.01	0.73	1.23	1.51
EPS (adj) growth	154.6%	-50.9%	-16.5%	-107.2%	8,300.7%	68.2%	22.9%
DPS (ord, NOK)	0.20	0.00	0.00	0.00	0.00	0.00	0.00
EV/Sales	1.3	8.2	9.3	6.3	2.9	2.3	1.9
EV/EBIT (adj)	12.3	89.8	171.7	147.6	22.3	14.0	10.5
P/E (adj)	15.1	n.m.	n.m.	n.m.	29.0	17.2	14.0
P/BV	4.7	13.1	12.9	5.1	3.9	3.1	2.6
Dividend yield (ord)	4.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF Yield bef A&D, lease	4.5%	-0.6%	-1.8%	-9.0%	1.6%	1.8%	2.3%
Net debt	-4	133	138	166	123	67	10
Net debt/EBITDA	-0.1	5.0	3.6	4.9	0.9	0.3	0.0
ROIC after tax	36.5%	13.5%	5.4%	3.0%	14.4%	20.1%	23.3%

Source: Company data and Nordea estimates

Detailed estimates

DEVIATION TABLE, H2 2021

NOKm	Actual	NDA est.	Deviation		Consensus	Deviation		Actual	
	H2 2021	H2 2021	vs. actual		H2 2021	vs. actual		H2 2020	y/y
Total revenues	253	251	1	1%	249	4	1%	212	19%
y/y	19.2%	18.5%		0.7pp	17.5%		1.7pp	6.3%	12.8pp
Gross profit	97	88	9	11%	n.a			83	17%
Margin	38.6%	35.0%		3.6pp	n.a			39.2%	-0.6pp
Opex	-74	-57	-18	31%	n.a			-61	
EBITDA recurring	23	31	-8	-26%	31	-8	-25%	22	5%
Margin	9.2%	12.5%		-3.3pp	12.4%		-3.3pp	10.5%	-1.3pp
y/y	4.5%			4.5pp	39.6%		-35.1pp		
EBIT	3	22	-19	-87%	22		-87%	3	11%
Net financials	329	-4	333	n.m	-5		n.m	-9	n.m
Pre-tax profit	332	18	314	n.m	17		n.m	-7	n.m
Recurring net income	-4	14	-18	n.m	13		n.m	0	n.m
EPS recurring	-0.03	0.12	-0.16	n.m	0.11		-130%	0.00	n.m

Source: Infront and Nordea estimates

ESTIMATE REVISIONS

NOKm	New estimates			Old estimates			Difference		
	2021	2022E	2023E	2021	2022E	2023E	2021	2022E	2023E
Total revenues	454	888	1,102	453	882	1,127	0%	1%	-2%
Growth	-1.3%	95.5%	24.2%	-1.6%	95.0%	27.8%	0.3pp	0.6pp	-3.6pp
Gross profit	171	311	386	162	309	395	6%	1%	-2%
Margin	37.8%	35.0%	35.0%	35.8%	35.0%	35.0%	2.0pp	0.0pp	0.0pp
EBITDA recurring	43.5	134.4	199.0	51.7	134.0	208.8	-16%	0%	-5%
Margin	9.6%	15.1%	18.1%	11.4%	15.2%	18.5%	-1.8pp	0.0pp	-0.5pp
EBIT	9.5	114.3	178.5	28.4	113.9	188.3	-67%	0%	-5%
Pre-tax profit	332	103	167	18	106	180	1766%	-3%	-7%
Net income to shareholders	333.2	83.6	140.6	13.7	85.7	150.7	2339%	-2%	-7%
EPS recurring	-0.01	0.73	1.23	0.15	0.75	1.32	-106%	-2%	-7%

Source: Company data and Nordea estimates

GROUP P&L, ANNUAL

NOKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Total revenues	146	200	172	247	330	381	460	454	888	1,102	1,260
Growth	-14.3%	37.5%	-14.3%	43.9%	33.4%	15.5%	20.8%	-1.3%	95.5%	24.2%	14.3%
Cost of goods sold	-99	-136	-124	-171	-230	-259	-296	-283	-577	-716	-819
Gross profit	46	64	48	76	100	121	164	171	311	386	441
Margin	31.8%	31.9%	28.0%	30.7%	30.3%	31.9%	35.7%	37.8%	35.0%	35.0%	35.0%
Employee expense	-23	-28	-28	-29	-37	-48	-80	-88	-116	-123	-123
Other operating expenses	-19	-24	-23	-20	-23	-28	-37	-40	-60	-64	-64
EBITDA recurring	4	11	-3	26	39	46	47	44	134	199	254
Margin	3.0%	5.6%	-1.5%	10.7%	11.9%	12.0%	10.2%	9.6%	15.1%	18.1%	20.1%
EBIT	1	9	-6	22	36	16	17	9	114	178	233
Margin	0.6%	4.3%	-3.4%	8.8%	10.8%	4.1%	3.6%	2.1%	12.9%	16.2%	18.5%
Net financial items	-13	-2	1	-4	-2	-25	11	323	-11	-11	-11
Pre-tax profit	-13	7	-5	18	34	-9	28	332	103	167	222
Income tax	3	-3	0	-5	-7	-6	-1	1	-23	-37	-49
Income from associated companies	0	0	0	0	0	0	0	0	3	10	0
Net income to shareholders	-9	4	-5	13	27	-15	27	333	84	141	173
EPS recurring	0.02	0.10	-0.06	0.12	0.30	0.15	0.12	-0.01	0.73	1.23	1.51

Source: Company data and Nordea estimates

DIVISIONAL SUMMARY, ANNUAL

NOKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Revenues											
Cruise Projects	107	62	43	165	230	236	309	294	447	497	533
Cruise Aftersales	49	49	55	90	106	130	53	52	141	173	187
Landbased	0	0	0	0	0	19	97	108	300	432	540
EBITDA											
Cruise Projects	-1	3	-5	24	35	39	71	69	112	127	139
Cruise Aftersales	1	6	6	12	16	21	0	0	16	28	34
Landbased	0	0	0	0	0	-2	-10	-7	23	60	97
Other and Eliminations	4	2	-3	-10	-11	-12	-14	-19	-16	-16	-16
EBITDA margin											
Cruise Projects	-0.9%	5.3%	-12.5%	14.5%	15.1%	16.3%	22.9%	23.6%	25.0%	25.5%	26.0%
Cruise Aftersales	2.6%	11.9%	10.8%	13.3%	14.9%	15.8%	-0.4%	0.8%	11.5%	16.0%	18.0%
Landbased	n.a	n.a	n.a	n.a	n.a	-7.9%	-10.5%	-6.6%	7.5%	14.0%	18.0%

Source: Company data and Nordea estimates

GROUP P&L, SEMI-ANNUAL

NOKm	H1 2016	H2 2016	H1 2017	H2 2017	H1 2018	H2 2018	H1 2019	H2 2019	H1 2020	H2 2020	H1 2021	H2 2021	H1 2022E	H2 2022E
Total revenues	85	87	117	131	147	183	181	199	248	212	201	253	366	521
Growth y/y	-11.6%	-16.9%	38.2%	50.6%	25.0%	40.1%	23.8%	8.9%	36.7%	6.3%	-18.7%	19.2%	81.9%	106.4%
Cost of goods sold	-59	-65	-83	-89	-101	-129	-128	-131	-167	-129	-127	-155	-238	-339
Gross profit	26	22	35	42	45	55	53	68	81	83	74	97	128	182
Margin	31.0%	24.9%	29.4%	32.1%	30.9%	29.8%	29.2%	34.3%	32.8%	39.2%	36.7%	38.6%	35.0%	35.0%
Employee expense	-14	-14	-13	-16	-18	-20	-19	-29	-39	-41	-40	-49	-49	-67
Other operating expenses	-11	-11	-11	-10	-11	-12	-12	-16	-17	-20	-14	-25	-25	-35
EBITDA recurring	1	-3	10	16	16	23	23	23	25	22	20	23	54	80
Margin	0.7%	-3.6%	8.9%	11.9%	11.1%	12.6%	12.5%	11.6%	9.9%	10.5%	10.1%	9.2%	14.8%	15.4%
EBIT	-1	-5	9	14	15	21	19	-3	14	3	7	3	44	70
Margin	-0.6%	-6.0%	7.8%	10.5%	10.2%	11.3%	10.2%	-1.4%	5.7%	1.2%	3.3%	1.1%	12.0%	13.5%
Net financial items	1	0	-1	-2	1	-3	2	-26	21	-9	-7	329	-6	-6
Pre-tax profit	0	-5	8	12	16	18	20	-29	35	-7	0	332	39	65
Income tax	0	0	-2	-3	-4	-3	-5	-1	-8	6	0	2	-8	-14
Income from associated compan	0	0	0	0	0	0	0	0	0	0	0	0	2	2
Net income to shareholders	0	-5	6	9	12	14	15	-30	27	0	0	334	32	52
EPS	0.00	-0.05	0.06	0.09	0.13	0.15	0.16	-0.29	0.25	0.00	0.00	2.92	0.28	0.45
EPS recurring	0.01	-0.07	0.07	0.15	0.11	0.19	0.15	0.00	0.13	0.00	0.02	-0.03	0.28	0.45

Source: Company data and Nordea estimates

DIVISIONAL SUMMARY, SEMI-ANNUAL

NOKm	H1 2016	H2 2016	H1 2017	H2 2017	H1 2018	H2 2018	H1 2019	H2 2019	H1 2020	H2 2020	H1 2021	H2 2021	H1 2022E	H2 2022E
Revenues														
Cruise Projects	47	-4	78	88	99	131	122	114	160	149	149	145	200	247
Cruise Aftersales	49	5	44	46	51	55	64	66	40	14	18	34	65	76
Landbased	0	0	0	0	0	0	0	19	48	49	34	74	101	199
EBITDA														
Cruise Projects	0	-5	11	13	13	22	18	21	35	36	38	31	49	63
Cruise Aftersales	4	2	5	7	8	7	10	10	5	-5	-1	1	5	11
Landbased	0	0	0	0	0	0	0	-2	-7	-3	-9	2	8	14
Other and Eliminations	-3	0	-5	-5	-5	-6	-6	-6	-8	-6	-11	-11	-8	-8
EBITDA margin														
Cruise Projects	0.0%	126.2%	13.9%	15.1%	13.1%	16.5%	14.6%	18.2%	21.8%	24.1%	25.7%	21.5%	24.5%	25.4%
Cruise Aftersales	7.5%	42.3%	10.3%	16.0%	16.3%	13.6%	16.1%	15.6%	12.1%	-36.8%	-3.3%	3.0%	7.7%	14.8%
Landbased	n.a	n.a	n.a	n.a	n.a	n.a	n.a	-7.9%	-14.8%	-6.3%	-26.9%	2.7%	8.0%	7.2%

Source: Company data and Nordea estimates

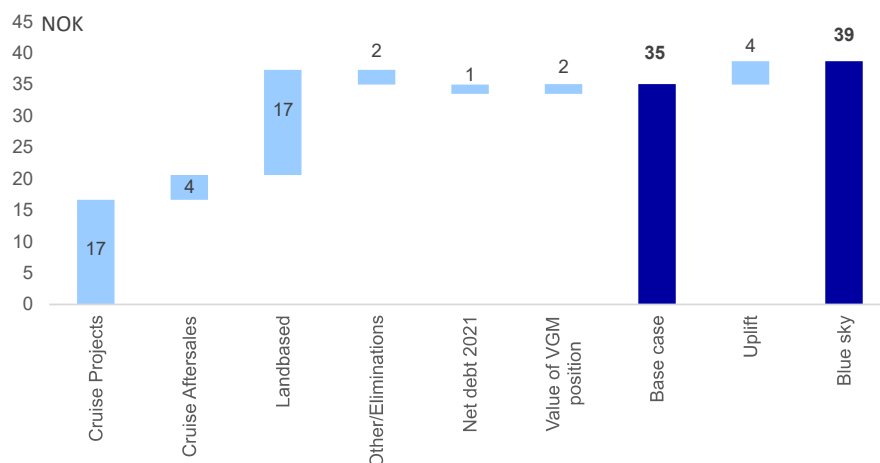
Valuation

We derive a fair value range of NOK 35-39 per share

We estimate a fair value range of NOK 35-39 per share based on SOTP valuation. Our base case includes 2025 estimates for Cruise Projects, Aftersales and Landbased, which we discount back to today at a WACC of 7%. Our blue-sky scenario factors in an additional EBITDA increase of NOK 30m for the Landbased segment.

Our blue-sky scenario factors in an additional EBITDA contribution of NOK 30m for 2025 from the Landbased segment, yielding an upper value of NOK 39 per share

SOTP PER SHARE



Source: Company data and Nordea estimates

EQUITY VALUE DERIVATION

NOKm	EBITDA 2025E	Multiple	EV	Per share
Cruise Projects	151.4	15x	2,332	20
Cruise Aftersales	35.8	15x	552	5
Landbased	135.0	17x	2,349	21
EV			5,233	46
PV of EV			4,269	37
Other/Eliminations	-16.0	17x	-270	-2
Net debt 2021			-166	-1
Equity value			3,832	34
Market value of VGM position (31%)			176	2
Total equity value			4,008	35
Landbased blue sky EBITDA lift	30.0	17x	525	4
Total equity value blue sky				39

Source: Company data and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT

NOKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	146	200	172	247	330	381	460	454	888	1,102	1,260
Revenue growth	-14.3%	37.5%	-14.3%	43.9%	33.4%	15.5%	20.8%	-1.3%	95.5%	24.2%	14.3%
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	2	11	-3	25	39	27	39	34	134	199	254
Depreciation and impairments PPE	-1	-1	-1	-2	-1	-6	-21	-24	-20	-21	-21
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
EBITA	1	10	-5	23	39	21	18	10	114	178	233
Amortisation and impairments	0	-2	-1	-2	-3	-5	-1	0	0	0	0
EBIT	1	9	-6	22	36	16	17	10	114	178	233
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	-13	-2	1	-4	-2	-25	11	323	-11	-11	-11
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	-13	7	-5	18	34	-9	28	332	103	167	222
Reported taxes	3	-3	0	-5	-7	-6	-1	1	-23	-37	-49
Net profit from continued operations	-9	4	-5	13	27	-15	27	333	81	131	173
Discontinued operations	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Minority interests	0	0	0	0	0	0	0	0	3	10	0
Net profit to equity	-9	4	-5	13	27	-15	27	333	84	141	173
EPS, NOK	-0.10	0.05	-0.05	0.13	0.28	-0.15	0.25	2.92	0.73	1.23	1.51
DPS, NOK	n.a.	n.a.	n.a.	n.a.	0.20	0.00	0.00	0.00	0.00	0.00	0.00
of which ordinary	n.a.	n.a.	n.a.	n.a.	0.20	0.00	0.00	0.00	0.00	0.00	0.00
of which extraordinary	n.a.	n.a.	n.a.	n.a.	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Profit margin in percent

EBITDA	1.4%	5.6%	-2.0%	10.1%	11.9%	7.0%	8.4%	7.4%	15.1%	18.1%	20.1%
EBITA	0.9%	5.1%	-2.6%	9.5%	11.7%	5.5%	3.8%	2.1%	12.9%	16.2%	18.5%
EBIT	0.6%	4.3%	-3.4%	8.8%	10.8%	4.1%	3.6%	2.1%	12.9%	16.2%	18.5%

Adjusted earnings

EBITDA (adj)	4	11	-3	26	39	46	47	44	134	199	254
EBITA (adj)	4	10	-4	25	39	40	26	19	114	178	233
EBIT (adj)	3	9	-5	23	36	35	25	19	114	178	233
EPS (adj, NOK)	0.02	0.10	-0.06	0.12	0.30	0.15	0.12	-0.01	0.73	1.23	1.51

Adjusted profit margins in percent

EBITDA (adj)	3.0%	5.6%	-1.5%	10.7%	11.9%	12.0%	10.2%	9.6%	15.1%	18.1%	20.1%
EBITA (adj)	2.5%	5.1%	-2.2%	10.0%	11.7%	10.5%	5.6%	4.3%	12.9%	16.2%	18.5%
EBIT (adj)	2.2%	4.3%	-2.9%	9.4%	10.8%	9.2%	5.4%	4.3%	12.9%	16.2%	18.5%

Performance metrics

CAGR last 5 years											
Net revenue	n.a.	n.a.	n.a.	n.a.	14.2%	21.2%	18.1%	21.5%	29.2%	27.3%	27.1%
EBITDA	n.m.	n.m.	n.m.	n.m.	13.3%	67.0%	27.8%	n.m.	40.0%	38.4%	57.0%
EBIT	n.a.	n.a.	n.a.	n.a.	12.4%	78.5%	14.1%	n.m.	39.3%	37.9%	71.5%
EPS	n.a.	n.a.	n.a.	n.a.	38.7%	n.m.	39.8%	n.m.	41.2%	34.8%	n.m.
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.	4.9%	5.6%	5.7%	5.3%	5.3%	7.6%	10.2%	13.2%
Average EBITDA margin	n.a.	n.a.	n.a.	6.0%	6.8%	7.4%	7.9%	8.7%	10.8%	13.2%	15.8%

VALUATION RATIOS - ADJUSTED EARNINGS

NOKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
P/E (adj)	68.3	10.1	n.m.	35.6	15.1	n.m.	n.m.	n.m.	29.0	17.2	14.0
EV/EBITDA (adj)	41.5	9.6	n.m.	16.1	11.2	68.4	91.4	65.5	19.0	12.5	9.6
EV/EBITA (adj)	50.4	10.8	n.m.	17.1	11.4	78.1	165.7	147.6	22.3	14.0	10.5
EV/EBIT (adj)	56.6	12.6	n.m.	18.3	12.3	89.8	171.7	147.6	22.3	14.0	10.5

VALUATION RATIOS - REPORTED EARNINGS

NOKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
P/E	n.m.	22.6	n.m.	32.6	16.6	n.m.	n.m.	8.0	29.0	17.2	14.0
EV/Sales	1.26	0.54	0.66	1.72	1.33	8.22	9.29	6.27	2.87	2.26	1.93
EV/EBITDA	89.4	9.6	n.m.	17.0	11.2	117.8	110.8	84.5	19.0	12.5	9.6
EV/EBITA	144.7	10.8	n.m.	18.2	11.4	150.0	243.0	299.8	22.3	14.0	10.5
EV/EBIT	211.2	12.6	n.m.	19.5	12.3	199.7	256.1	299.8	22.3	14.0	10.5
Dividend yield (ord.)	0.0%	0.0%	0.0%	0.0%	4.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield	-34.1%	15.3%	-14.4%	1.3%	4.5%	-3.4%	-1.8%	-9.0%	1.6%	1.8%	2.3%
FCF Yield bef A&D, lease adj	-34.1%	15.3%	-14.4%	1.3%	4.5%	-0.6%	-1.8%	-9.0%	1.6%	1.8%	2.3%
Payout ratio	0.0%	0.0%	0.0%	0.0%	65.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: Company data and Nordea estimates

BALANCE SHEET

NOKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Intangible assets	19	24	29	31	38	237	311	525	525	525	525
of which R&D	19	24	29	31	38	98	172	386	386	386	386
of which other intangibles	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0	0	0
of which goodwill	n.a.	n.a.	n.a.	n.a.	n.a.	139	139	139	139	139	139
Tangible assets	2	3	4	2	3	42	37	47	117	188	261
of which leased assets	0	0	0	0	0	21	21	21	21	21	21
Shares associates	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0	0	0
Interest bearing assets	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Deferred tax assets	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other non-IB non-current assets	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0	0	0
Other non-current assets	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total non-current assets	21	28	33	34	42	278	348	572	642	713	786
Inventory	6	6	4	4	4	18	10	18	37	46	52
Accounts receivable	33	61	58	59	63	134	149	122	239	297	340
Short-term leased assets	0	0	0	0	0	0	0	0	0	0	0
Other current assets	80	55	28	53	78	85	176	255	282	336	375
Cash and bank	4	19	4	6	7	86	27	141	184	240	298
Total current assets	122	141	93	122	152	322	362	536	742	918	1,064
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	143	168	126	155	194	600	710	1,109	1,384	1,631	1,850
Shareholders equity	45	50	45	58	93	229	320	525	621	774	926
Of which preferred stocks	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0	0	0
Of which equity part of hybrid debt	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0	0	0
Minority interest	0	0	0	0	0	1	1	1	1	1	1
Total Equity	45	50	45	58	93	230	321	526	622	775	927
Deferred tax	2	4	3	7	14	26	32	33	44	57	64
Long term interest bearing debt	0	1	1	1	1	86	104	230	230	230	230
Pension provisions	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other long-term provisions	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other long-term liabilities	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Non-current lease debt	0	0	0	0	0	21	21	21	21	21	21
Convertible debt	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0	0	0
Shareholder debt	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0	0	0
Hybrid debt	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0	0	0
Total non-current liabilities	2	4	4	8	15	133	157	285	296	309	316
Short-term provisions	0	1	1	1	0	2	0	0	0	0	0
Accounts payable	52	64	40	58	70	104	164	169	337	419	479
Current lease debt	0	0	0	0	0	0	0	0	0	0	0
Other current liabilities	17	22	12	9	14	21	28	73	73	73	73
Short term interest bearing debt	28	27	24	21	2	111	40	56	56	56	56
Total current liabilities	96	114	76	89	86	237	232	298	466	548	608
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	143	168	126	155	194	600	710	1,109	1,384	1,631	1,850
Balance sheet and debt metrics											
Net debt	24	9	22	16	-4	133	138	166	123	67	10
of which lease debt	0	0	0	0	0	21	21	21	21	21	21
Working capital	50	35	38	49	62	112	143	153	148	186	215
Invested capital	71	63	70	83	103	390	491	725	790	900	1,001
Capital employed	73	78	71	80	96	448	486	833	929	1,082	1,234
ROE	-78.1%	9.4%	-10.2%	24.3%	35.2%	-9.1%	9.8%	78.9%	14.6%	20.2%	20.3%
ROIC	5.7%	12.3%	-7.2%	28.8%	36.5%	13.5%	5.4%	3.0%	14.4%	20.1%	23.3%
ROCE	25.1%	19.9%	-4.3%	39.0%	45.3%	14.0%	5.9%	54.7%	13.0%	17.7%	20.1%
Net debt/EBITDA	11.7	0.8	n.m.	0.7	-0.1	5.0	3.6	4.9	0.9	0.3	0.0
Interest coverage	0.8	n.m.	-0.5	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Equity ratio	31.5%	29.6%	36.1%	37.3%	48.1%	38.1%	45.1%	47.3%	44.9%	47.4%	50.0%
Net gearing	52.9%	17.1%	47.6%	28.2%	-4.3%	57.7%	43.1%	31.6%	19.8%	8.7%	1.1%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

NOKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
EBITDA (adj) for associates	2	11	-3	25	39	27	39	34	134	199	254
Paid taxes	-1	0	-1	-1	-1	0	-2	-28	-11	-24	-42
Net financials	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	11	323	-11	-11	-11
Change in provisions	-1	1	0	1	-1	2	-2	0	0	0	0
Change in other LT non-IB	0	0	0	0	0	0	0	0	0	0	0
Cash flow to/from associates	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Dividends paid to minorities	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other adj to reconcile to cash flow	-12	-4	-10	-4	0	14	-23	-313	11	11	-23
Funds from operations (FFO)	-11	8	-14	21	37	43	23	15	123	175	178
Change in NWC	-33	17	8	-11	-6	-50	-32	-10	6	-39	-29
Cash flow from operations (CFO)	-44	25	-6	10	31	-7	-9	5	128	136	150
Capital expenditure	-10	-9	-7	-5	-11	-10	-64	-246	-90	-92	-94
Free cash flow before A&D	-54	15	-13	5	20	-17	-73	-241	38	44	56
Proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Acquisitions	0	0	0	0	0	-85	0	0	0	0	0
Free cash flow	-54	15	-13	5	20	-103	-73	-241	38	44	56
Free cash flow bef A&D, lease adj	-54	15	-13	5	20	-17	-73	-241	38	44	56
Dividends paid	n.a.	n.a.	n.a.	n.a.	n.a.	-10	0	0	0	0	0
Equity issues / buybacks	n.a.	n.a.	n.a.	n.a.	n.a.	111	0	0	0	0	0
Net change in debt	-17	1	-2	-2	-18	86	29	31	0	0	0
Other financing adjustments	0	-1	-1	-1	-1	-6	-14	323	3	10	0
Other non-cash adjustments	0	0	0	0	0	0	-1	1	1	1	1
Change in cash	3	16	-16	2	1	79	-59	115	43	56	58
Cash flow metrics											
Capex/D&A	n.m.	n.m.	n.m.	n.m.	n.m.	91.7%	n.m.	n.m.	n.m.	n.m.	n.m.
Capex/Sales	6.8%	4.7%	4.3%	1.9%	3.4%	2.6%	14.0%	54.1%	10.1%	8.3%	7.4%
Key information											
Share price year end (/current)	2	1	1	4	5	30	38	23	21	21	21
Market cap.	159	100	92	409	442	2,997	4,133	2,681	2,425	2,425	2,425
Enterprise value	183	109	113	425	438	3,131	4,272	2,848	2,549	2,493	2,436
Diluted no. of shares, year-end (m)	96.4	96.5	96.5	96.2	96.4	99.9	108.9	114.3	114.3	114.3	114.3

Source: Company data and Nordea estimates

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