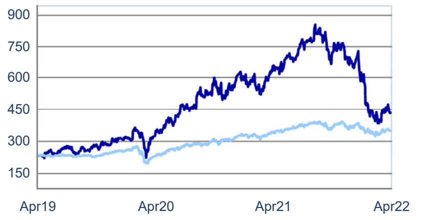
Netcompany

Telecom Equipment and IT
Denmark

KEY DATA

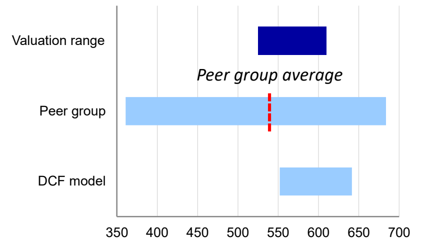
Stock country	Denmark
Bloomberg	NETC DC
Reuters	NETCG.CO
Share price (close)	DKK 432.4
Free Float	85%
Market cap. (bn)	EUR 2.94/DKK 21.62
Website	www.netcompany.com
Next report date	05 May 2022

PERFORMANCE



Source: Refinitiv

VALUATION APPROACH (DKK)



Source: Nordea estimates

ESTIMATE CHANGES

Year	2022E	2023E	2024E
Sales	0%	0%	0%
EBIT (adj)	0%	0%	0%

Source: Nordea estimates

Nordea Markets - Analysts
Claus Almer
Director

Jesper Herholt Jensen
Managing Director, Sector Coordinator

Solid performance, but up against tough comps

While we believe performance was solid in Q1, we expect revenue growth faces a tough comparison as Q1 2021 was very strong. Last year, COVID-19 restrictions reduced travel and hence equally increased the number of billable hours (at unchanged costs). As a net effect, we estimate flattish Q1 EBITDA y/y. However, our estimates are 11% below company-compiled consensus for EBITDA and 4% below for revenue. Our Netcompany Intrasoft estimates carry high uncertainty, given the limited track record we have with the company. Our updated combined DCF and peer group valuation is DKK 525-610 per share (555-645), due to multiple contraction.

10% organic Q1 2022 revenue growth versus tough comparison

We estimate 10% Q1 organic revenue growth (consensus: 13%), while the consolidation of Netcompany Intrasoft lifts reported revenue growth to 53% (consensus: 60%). Besides the tough comparison following the low impact from holidays, Netcompany has also terminated some specific services, which for 2022 is guided to dilute revenue growth by 3 pp. The profit level is challenged by the consolidation of the below-group-average Intrasoft, but also by normalising travel, events and so on. As a net effect, we estimate flattish Q1 EBITA and a 15.7% EBITA margin, down from the extraordinarily strong 25.3% in Q1 2021.

Cost inflation: Netcompany appears to be in control

Q1 is the quarter when employees receive their annual salary increases, which in 2022 we expect will amount to ~7%, on average. In addition, the higher number of employees, consolidation of Intrasoft (which also delivered a solid Q1 2021 performance) and normalising travel and commercial activity have likely also contributed to higher costs. As a net effect, we expect the higher revenue will be offset by a higher cost base. Hence, we estimate flattish Q1 EBITDA of DKK 233m (consensus: DKK 262m).

CMD: Bullish management and ample growth opportunities

Netcompany hosted its CMD on 5 April in Copenhagen. No new medium- or long-term targets were announced. However, in our view management appeared rather bullish about ample untapped growth opportunities for the Danish business, growing investment momentum in digitalisation across Europe and an overall ~1% market share in Europe. No larger acquisitions should be expected in 2022, we believe.

SUMMARY TABLE - KEY FIGURES

DKKm	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	2,053	2,454	2,839	3,632	5,492	6,313	7,263
EBITDA (adj)	555	674	809	881	1,122	1,311	1,532
EBIT (adj)	399	516	645	742	892	1,090	1,292
EBIT (adj) margin	19.4%	21.0%	22.7%	20.4%	16.2%	17.3%	17.8%
EPS (adj, DKK)	4.14	7.84	9.36	10.94	13.80	16.75	19.95
EPS (adj) growth	24.3%	89.5%	19.4%	16.8%	26.1%	21.4%	19.1%
DPS (ord, DKK)	0.00	0.00	1.00	0.00	0.00	0.00	0.00
EV/Sales	5.8	6.8	11.1	10.2	4.2	3.5	3.0
EV/EBIT (adj)	30.0	32.3	48.9	49.9	25.9	20.5	16.6
P/E (adj)	53.2	40.4	66.5	64.4	31.3	25.8	21.7
P/BV	6.1	7.7	12.8	11.6	5.8	4.7	3.9
Dividend yield (ord)	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%
FCF Yield bef A&D, lease	1.2%	2.5%	1.6%	1.0%	2.0%	3.4%	4.0%
Net debt	998	826	402	1,817	1,470	724	-152
Net debt/EBITDA	1.9	1.2	0.5	2.2	1.3	0.6	-0.1
ROIC after tax	10.7%	13.3%	16.3%	17.6%	16.4%	19.4%	22.5%

Source: Company data and Nordea estimates

Q1 2022 preview

Q1 2022 details to be released at ~07.30 CET on 5 May
Dial-in details are not yet available.

NETCOMPANY: Q1 2022 ESTIMATES (DKKm)

	2020				2021				2022		Q1,	NDA vs
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1E	Cons	y/y	cons
Revenue, Core	-	-	-	-	-	-	-	867	941	962	-	-2%
Revenue, Expand	-	-	-	-	-	-	-	286	370	402	-	-8%
Revenue	**696**	**676**	**695**	**773**	**855**	**827**	**798**	**1,152**	**1,311**	**1,364**	**53%**	**-4%**
Production cost	421	416	401	445	529	533	470	766	918	-	73%	-
Gross profit	**275**	**260**	**293**	**328**	**326**	**293**	**328**	**386**	**393**	**-**	**21%**	**-**
Sales & marketing	4	4	4	5	6	6	6	19	11	-	74%	-
Administration	106	95	94	99	103	121	123	157	177	-	72%	-
Special items	0	0	0	0	0	0	-30	-8	0	-	-	-
EBITA	**164**	**161**	**195**	**224**	**216**	**167**	**170**	**203**	**206**	**-**	**-5%**	**-**
EBIT	139	136	170	200	207	158	161	178	176	-	-15%	-
Net financial items	-19	-16	-6	-152	37	-12	-12	11	-2	-	-	-
Pre-tax profit	**120**	**120**	**164**	**48**	**244**	**146**	**149**	**189**	**174**	**-**	**-29%**	**-**
Taxes	27	24	36	43	45	33	41	35	38	-	-14%	-
Net profit	**93**	**96**	**128**	**5**	**200**	**112**	**109**	**154**	**135**	**-**	**-32%**	**-**
EPS	1.9	2.0	2.6	0.1	4.1	2.3	2.2	3.1	2.7	-	-33%	-
EPS growth, y/y	-5.5%	55.6%	24.9%	-96.0%	114.8%	16.8%	-15.3%	2958.4%	-33.3%	-	-	-
Revenue growth, y/y	16.4%	13.9%	17.3%	15.1%	23.0%	22.4%	14.9%	49.1%	53.3%	59.5%	-	-
Revenue growth, organic	13.4%	12.5%	17.3%	15.1%	22.9%	21.1%	14.9%	14.1%	10.0%	-	-	-
Gross margin	39.5%	38.4%	42.2%	42.4%	38.1%	35.5%	41.2%	33.5%	30.0%	-	-	-
Costs (Revenue - EBITA adj)	531	514	499	549	639	660	598	942	1,106	-	73%	-
Costs growth, q/q	-	0	0	0	-	0	0	1	17%	-	-	-
EBITDA	**180**	**177**	**212**	**241**	**235**	**187**	**191**	**231**	**233**	**262**	**-1%**	**-11%**
EBITDA, Core	180	177	212	241	235	187	221	211	196	226	-17%	-13%
EBITDA, Expand	-	-	-	-	-	-	-	28	37	36	-	-
EBITDA margin, Core	-	-	-	-	-	-	-	24.3%	20.8%	23.5%	-	-
EBITDA margin, Expand	-	-	-	-	-	-	-	9.7%	10.0%	8.8%	-	-
EBITA, adj	**164**	**161**	**195**	**224**	**216**	**167**	**200**	**210**	**206**	**-**	**-5%**	**-**
EBITA margin, adj	23.6%	23.9%	28.1%	28.9%	25.3%	20.2%	25.1%	18.3%	15.7%	-	-	-
Incremental EBITA margin, adj	17.2%	42.7%	30.5%	42.9%	32.7%	3.5%	4.4%	-3.5%	15.7%	-	-	-
EBIT margin	20.0%	20.1%	24.5%	25.9%	24.2%	19.1%	20.2%	15.5%	13.4%	-	-	-
Tax rate	22.4%	19.9%	21.9%	89.5%	18.2%	22.9%	27.2%	18.5%	22.0%	-	-	-

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

We leave our estimates unchanged.

NETCOMPANY: GUIDANCE AND UPDATED CONSENSUS (DKKm)

	2021	2022 guidance			2022E		2023E		2024E	
		Low	High	Mid	Nordea	Cons	Nordea	Cons	Nordea	Cons
Revenue, Core	3,346	3,815	3,982	3,899	3,882	3,925	4,542	4,638	5,314	5,323
Revenue, Expand	286	1,560	1,684	1,622	1,611	1,650	1,772	1,796	1,949	1,952
Revenue	**3,632**	**5,375**	**5,666**	**5,521**	**5,492**	**5,575**	**6,313**	**6,434**	**7,263**	**7,275**
Revenue growth, y/y	28.0%	48%	56%	-	51.2%	53.5%	14.9%	15.4%	15.0%	13.1%
Revenue growth, organic	17.0%	13%	18%	-	16.0%	-	14.9%	-	15.0%	-
Costs	2,877	-	-	-	4,480	-	5,129	-	5,876	-
Growth	37.4%	-	-	-	55.7%	-	14.5%	-	14.6%	-
EBITA, adj	**755**	**-**	**-**	**-**	**1,012**	**-**	**1,185**	**-**	**1,387**	**-**
EBITA margin, adj	20.8%	-	-	-	18.4%	-	18.8%	-	19.1%	-
Special items	-38	-	-	-	0	-	0	-	0	-
Organic revenue growth	17.0%	13%	18%	15.5%	16.0%	-	14.9%	-	15.0%	-
EBITDA adj.	**881**	**>~1.07bn**	**-**	**-**	**1,122**	**1,147**	**1,311**	**1,383**	**1,532**	**1,636**
EBITDA, Core	856	>~955	-	-	984	1,006	1,150	1,220	1,345	1,454
EBITDA, Expand	25	>~140	-	-	139	141	161	163	187	181
EBITDA margin, adj.										
Group	24.3%	**>20%**	-		20.4%	20.6%	20.8%	21.5%	21.1%	22.5%
Core	25.6%	>25%	-		25.3%	25.6%	25.3%	26.3%	25.3%	27.3%
Expand	8.8%	>9%	-		8.6%	8.5%	9.1%	9.1%	9.6%	9.3%
EBITA, adj.:										
Group	755	-	-		1,012	-	1,185	-	1,387	-
Netcompany Core	736	>877	-		906	-	1,059	-	1,239	-
Netcompany Intrasoft	19	-	-		106	-	126	-	148	-
EBITA margin, adj.:										
Group	20.8%	-	-		18.4%	-	18.8%	-	19.1%	-
Netcompany Core	20.8%	>23%	>23%		18.4%	-	18.8%	-	19.1%	-
Netcompany Intrasoft	6.8%	-	-		6.6%	-	7.1%	-	7.6%	-

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

Valuation: DKK 525-610 per share

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

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

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

Our DCF-based 12-month fair value (WACC: 6.0%) is DKK 600 per share, based on the assumptions outlined below.

NETCOMPANY: DCF MODEL ASSUMPTIONS

Averages and assumptions	2022-30	2033-37	2038-42	2043-47	2048-52	LT
Sales growth, CAGR	11.1%	10.0%	10.0%	6.3%	2.5%	-
EBIT-margin	18.2%	15.0%	14.0%	8.1%	2.3%	-
Capex/depreciation, x	0.4	1.1	1.1	1.1	1.1	-
Capex/sales	1.1%	0.5%	0.4%	0.4%	0.4%	-
NWC/sales	24.0%	24.0%	24.0%	24.0%	24.0%	-
FCFF, CAGR	17.2%	7.3%	8.1%	-4.9%	-23.3%	2.0%

Source: Nordea estimates

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

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

- Globant
- Endava
- Kainos

We have decided to exclude Epam from our peer group due to the considerable uncertainty arising from its high share of employees located in Russia and Ukraine.

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

Our peer group valuation suggests a DKK 360-685 per share range (average: DKK 535). The valuation is based on an equally weighted P/E, EV/EBITDA and EV/EBIT(A).

NETCOMPANY: PEER GROUP VALUATION

		Share	MCAP	Grw, 2021-24E			EBIT mrg	P/E			EV/EBITDA			EV/EBIT			PEG	Share price		
		price	EURbn	Rev	EBIT	EPS	2023E	2022E	2023E	2024E	2022E	2023E	2024E	2022E	2023E	2024E	21-24E	1M	3M	YTD
Key peers																				
Epam	US	2,049	15.7	27%	27%	26%	16.8%	35.8x	23.6x	17.6x	21.9x	14.8x	10.9x	21.8x	14.8x	10.9x	1.4x	49%	-48%	-55%
Globant	Lux	1,658	9.3	31%	31%	30%	15.6%	48.6x	38.6x	30.4x	27.9x	22.0x	17.6x	27.7x	21.9x	17.4x	1.6x	7%	-11%	-23%
Endava	UK	840	6.3	31%	29%	28%	19.6%	49.0x	40.3x	35.2x	32.1x	26.1x	21.1x	31.6x	25.7x	20.7x	1.7x	15%	-9%	-27%
Kainos	UK	113	1.9	19%	10%	8%	19.2%	33.0x	30.5x	28.0x	24.3x	22.0x	19.8x	24.4x	22.0x	19.8x	4.0x	2%	-24%	-34%
Reply	UK	1,085	5.4	14%	13%	13%	13.8%	31.6x	28.6x	25.6x	18.1x	16.4x	14.9x	18.1x	16.4x	15.0x	2.4x	4%	-9%	-18%
Average (ex Reply)	**-**	**-**	**8.3**	**27%**	**24%**	**23%**	**17.8%**	**41.6x**	**33.2x**	**27.8x**	**26.5x**	**21.2x**	**17.3x**	**26.4x**	**21.1x**	**17.2x**	**2.2x**	**18%**	**-23%**	**-35%**
Netcompany (cons.)	DK	438	2.9	26%	22%	23%	19.1%	27.6x	22.6x	18.5x	19.5x	16.8x	14.1x	19.8x	17.0x	14.3x	1.2x	8%	-30%	-38%
IT service companies:																				
IBM	US	116	104.5	-1%	7%	4%	19.6%	12.8x	11.9x	11.5x	9.7x	9.3x	9.2x	9.9x	9.4x	9.4x	3.3x	2%	-6%	-6%
Accenture	IE	302	191.3	17%	18%	19%	15.5%	30.2x	27.0x	24.2x	17.8x	16.2x	14.8x	18.6x	16.9x	15.4x	1.6x	5%	-13%	-21%
Cognizant	US	80	41.7	10%	11%	13%	16.0%	18.9x	16.9x	15.2x	11.6x	10.6x	9.7x	11.6x	10.6x	9.7x	1.4x	-2%	-2%	-3%
Atos	FR	22	37.3	1%	28%	16%	5.2%	23.1x	20.3x	17.9x	14.8x	12.9x	11.5x	14.4x	12.6x	11.3x	1.4x	-5%	-16%	-14%
Cap Gemini	FR	190	88.6	8%	13%	13%	13.0%	32.5x	27.6x	24.1x	22.4x	19.1x	16.9x	22.4x	19.1x	16.9x	2.6x	-4%	-7%	-8%
CGI Group	CA	74	164.0	5%	7%	11%	16.8%	35.9x	31.2x	27.7x	25.0x	21.8x	19.4x	25.3x	22.1x	19.6x	3.2x	3%	-4%	-1%
DXC Technology	US	28	37.1	1%	21%	34%	10.6%	25.2x	22.6x	19.8x	16.9x	14.9x	13.3x	16.9x	14.9x	13.3x	0.7x	-5%	-19%	-22%
Sopra Steria	FR	170	15.0	6%	12%	16%	9.0%	22.7x	19.8x	17.5x	14.2x	12.1x	10.7x	15.4x	13.1x	11.7x	1.4x	-5%	-18%	-21%
HCL	IN	14	2.4	16%	13%	11%	19.7%	9.2x	6.4x	5.1x	4.9x	4.4x	3.8x	4.9x	4.4x	3.8x	0.8x	-15%	-31%	-41%
Infosys	IN	21	32.7	20%	19%	19%	23.9%	19.5x	17.1x	15.5x	11.8x	10.7x	9.7x	11.8x	10.7x	9.8x	1.0x	9%	-7%	-12%
Tata	IN	45	18.1	17%	17%	18%	25.5%	16.9x	15.7x	14.3x	10.7x	10.3x	9.9x	9.7x	9.4x	9.0x	1.0x	-1%	-3%	-9%
Wipro	IN	7	7.0	21%	18%	17%	18.2%	8.4x	7.1x	5.9x	3.7x	3.6x	3.5x	3.7x	3.7x	3.5x	0.5x	0%	-8%	-5%
Tech Mahindra	IN	17	3.4	19%	23%	19%	15.4%	12.7x	11.3x	10.0x	6.9x	6.5x	5.9x	7.0x	6.6x	5.9x	0.7x	12%	9%	8%
Average, ex India	**-**	**-**	**85.0**	**6%**	**15%**	**16%**	**13.2%**	**25.2x**	**22.2x**	**19.7x**	**16.5x**	**14.6x**	**13.2x**	**16.8x**	**14.9x**	**13.4x**	**1.5x**	**-2%**	**-11%**	**-12%**
Average	**-**	**-**	**57.2**	**11%**	**16%**	**16%**	**16.0%**	**20.6x**	**18.1x**	**16.1x**	**13.1x**	**11.7x**	**10.6x**	**13.2x**	**11.8x**	**10.7x**	**1.5x**	**-1%**	**-10%**	**-12%**
Nordic peers:																				
Trifork	DK	28	0.5	13%	3%	8%	12.4%	82.9x	62.6x	25.2x	18.4x	15.7x	13.1x	29.4x	23.9x	20.1x	10.9x	4%	-22%	-32%
NNIT	DK	89	0.3	5%	109%	-	7.2%	-	-	-	8.6x	6.9x	5.9x	59.1x	11.7x	9.3x	-	2%	-21%	-22%
TietoEvry	FI	23	2.8	3%	1%	5%	12.6%	10.5x	9.5x	8.9x	6.9x	6.4x	6.3x	10.2x	9.1x	8.8x	2.1x	-1%	-13%	-15%
KnowIT	SE	29	0.8	12%	16%	7%	8.6%	20.5x	17.6x	18.1x	11.1x	10.0x	9.3x	17.9x	15.1x	14.2x	3.0x	3%	-14%	-21%
Average	**-**	**-**	**1.1**	**8%**	**33%**	**6%**	**10.2%**	**38.0x**	**29.9x**	**17.4x**	**11.3x**	**9.7x**	**8.7x**	**29.2x**	**15.0x**	**13.1x**	**5.4x**	**2%**	**-17%**	**-22%**
SimCorp	DK	482	2.6	10%	10%	12%	25.9%	23.6x	21.0x	18.7x	17.5x	15.8x	13.9x	19.1x	17.0x	15.3x	2.0x	-11%	-30%	-33%
Others:																				
Europe IT consult. 1)	-	-	-	6%	12%	11%	8.3%	22.3x	24.2x	19.8x	11.7x	9.0x	8.3x	15.2x	13.3x	10.6x	2.0x	1%	-3%	-0%
Global IT consult. 2)	-	-	-	10%	15%	22%	23.4%	25.9x	27.1x	24.5x	15.9x	13.4x	280.6x	21.7x	20.6x	16.3x	1.2x	5%	-2%	-1%
Average, total	**-**	**-**	**-**	**12%**	**20%**	**16%**	**15.2%**	**29.7x**	**26.5x**	**21.1x**	**15.7x**	**13.0x**	**65.1x**	**21.1x**	**16.4x**	**13.6x**	**2.4x**	**5%**	**-11%**	**-14%**
Netcompany, NDA	**DK**	**438**	**2.9**	**26%**	**20%**	**22%**	**17.3%**	**31.8x**	**26.2x**	**22.0x**	**20.9x**	**17.6x**	**14.6x**	**26.2x**	**21.2x**	**17.3x**	**1.4x**	**8%**	**-30%**	**-38%**

Source: Refinitiv and Nordea estimates

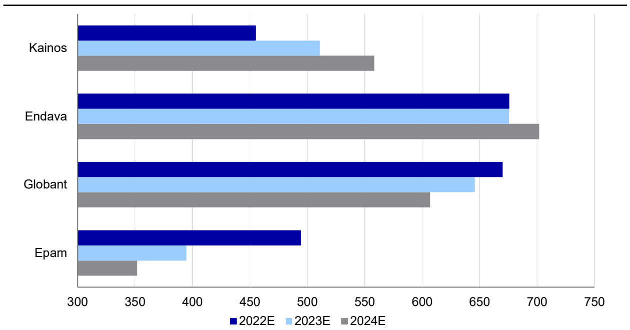
VALUATION: NETCOMPANY (OUR ESTIMATES) VS PEER GROUP VALUATION

	Grw, 2021-24E			EV/EBIT			PEG	Share price	
	Rev	EBIT	EPS	2022E	2023E	2024E	21-24E	1M	YTD
Key peers	**Underperf.**	**Underperf.**	**Underperf.**	**Discount**	**Discount**	**Discount**	**Premium**	**Underperf.**	**Underperf.**
IT service companies:	Outperf.	Outperf.	Underperf.	Premium	Premium	Premium	Premium	Outperf.	Underperf.
- Ex India	Outperf.	Outperf.	Underperf.	Premium	Premium	Premium	Premium	Outperf.	Underperf.
Nordic peers:	Outperf.	Underperf.	Outperf.	Discount	Premium	Premium	Discount	Outperf.	Underperf.
Europe IT consult. 1)	Outperf.	Outperf.	Outperf.	Premium	Premium	Premium	Premium	Outperf.	Underperf.
Global IT consult. 2)	Outperf.	Outperf.	Underperf.	Premium	Discount	Discount	Premium	Outperf.	Underperf.

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

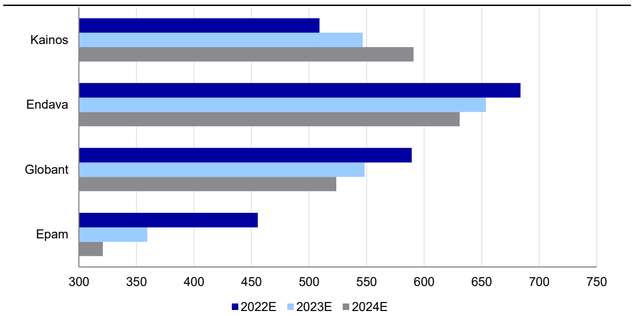
Source: Refinitiv and Nordea estimates

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



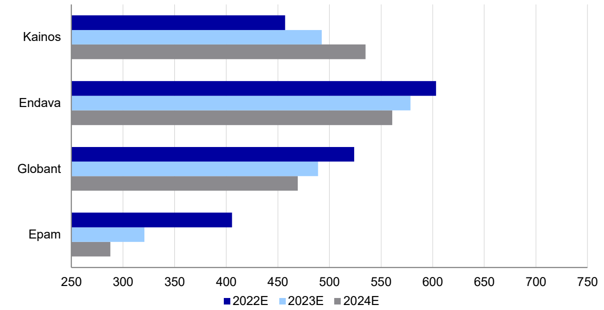
Source: Refinitiv and Nordea

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



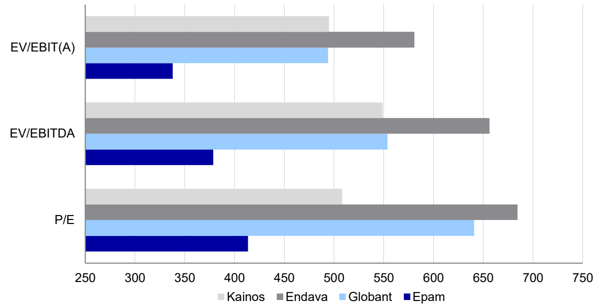
Source: Refinitiv and Nordea

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



Source: Refinitiv and Nordea

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



Source: Refinitiv and Nordea

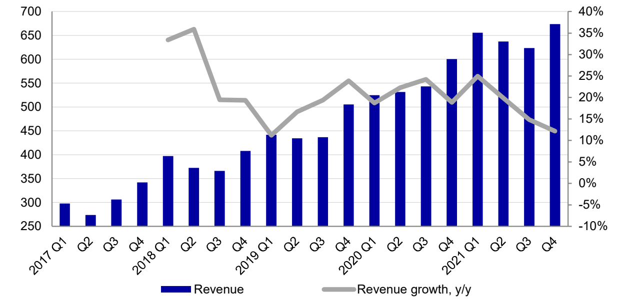
Netcompany: Quarterly numbers

NETCOMPANY: QUARTERLY NUMBERS (DKKm; EPS IN DKK)

	2018				2019				2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue	**517**	**503**	**490**	**543**	**598**	**593**	**592**	**671**	**696**	**676**	**695**	**773**	**855**	**827**	**798**	**1,152**
Production cost	319	306	282	329	364	370	336	387	421	416	401	445	529	533	470	766
Gross profit	**198**	**196**	**208**	**214**	**234**	**223**	**256**	**284**	**275**	**260**	**293**	**328**	**326**	**293**	**328**	**386**
Sales & marketing	3	4	2	3	3	3	3	3	4	4	4	5	6	6	6	19
Administration	68	73	69	81	84	93	89	101	106	95	94	99	103	121	123	157
Special items	-8	-27	0	0	-1	-3	-1	0	0	0	0	0	0	0	-30	-8
EBITA	**120**	**93**	**136**	**131**	**146**	**123**	**164**	**180**	**164**	**161**	**195**	**224**	**216**	**167**	**170**	**203**
Amortisation	29	29	29	28	26	25	26	25	25	25	25	24	9	9	9	24
EBIT	**91**	**64**	**107**	**102**	**120**	**99**	**138**	**155**	**139**	**136**	**170**	**200**	**207**	**158**	**161**	**178**
Net financial items	-25	-65	-8	-10	6	-21	-4	5	-19	-16	-6	-152	37	-12	-12	11
Pre-tax profit	**67**	**-2**	**99**	**92**	**126**	**78**	**134**	**160**	**120**	**120**	**164**	**48**	**244**	**146**	**149**	**189**
Taxes	15	15	21	23	28	16	31	34	27	24	36	43	45	33	41	35
Net profit	**51**	**-17**	**78**	**68**	**99**	**62**	**102**	**126**	**93**	**96**	**128**	**5**	**200**	**112**	**109**	**154**
Revenue visibility	1,461	1,676	2,025	-	1,786	2,106	2,387	-	2,132	2,484	2,720	-	2,765	3,065	3,274	-
% of FY revenue	-	81.6%	98.6%	-	72.8%	85.8%	97.3%	-	75.1%	87.5%	95.8%	-	76.1%	84.4%	90.1%	-
In/out orders	281	215	349	28	207	319	282	67	304	352	236	119	634	299	209	73
Growth, y/y	-	-	-	-	-26.3%	48.3%	-19.3%	137.0%	46.9%	10.2%	-16.2%	78.1%	108.5%	-15.0%	-11.4%	-38.8%
EPS	1.0	-0.3	1.6	1.4	2.0	1.3	2.1	2.5	1.9	2.0	2.6	0.1	4.1	2.3	2.2	3.1
EPS growth, y/y	39.2%	-	77.5%	52.0%	94.2%	-	32.3%	83.8%	-5.5%	55.6%	24.9%	-96.0%	114.8%	16.8%	-15.3%	2958.4%
Tax rate	23.1%	-	21.0%	25.3%	21.9%	20.5%	23.4%	21.2%	22.4%	19.9%	21.9%	89.5%	18.2%	22.9%	27.2%	18.5%
Revenue growth, y/y	55.3%	66.2%	45.3%	22.5%	15.6%	18.0%	20.8%	23.5%	16.4%	13.9%	17.3%	15.1%	23.0%	22.4%	14.9%	49.1%
Gross margin	38.3%	39.1%	42.4%	39.4%	39.1%	37.5%	43.2%	42.3%	39.5%	38.4%	42.2%	42.4%	38.1%	35.5%	41.2%	33.5%
EBITDA	130	103	148	140	158	137	178	196	180	177	212	241	235	187	191	231
EBITDA margin	25.1%	20.5%	30.1%	25.8%	26.5%	23.1%	30.1%	29.2%	25.9%	26.3%	30.5%	31.2%	27.4%	22.6%	23.9%	20.0%
Incremental EBITA margin, adj	17.4%	7.9%	12.6%	15.4%	24.1%	40.2%	27.3%	38.6%	17.2%	42.7%	30.5%	42.9%	32.7%	3.5%	4.4%	-3.5%
EBITA, adj	**128**	**90**	**136**	**131**	**147**	**126**	**164**	**180**	**164**	**161**	**195**	**224**	**216**	**167**	**200**	**210**
EBITA margin, adj	**24.7%**	**17.8%**	**27.8%**	**24.0%**	**24.6%**	**21.3%**	**27.7%**	**26.8%**	**23.6%**	**23.9%**	**28.1%**	**28.9%**	**25.3%**	**20.2%**	**25.1%**	**18.3%**
EBITA margin	23.2%	18.4%	27.8%	24.0%	24.5%	20.8%	27.6%	26.8%	23.6%	23.9%	28.1%	28.9%	25.3%	20.2%	21.3%	17.6%
EBIT margin	17.6%	12.7%	21.9%	18.8%	20.2%	16.7%	23.2%	23.0%	20.0%	20.1%	24.5%	25.9%	24.2%	19.1%	20.2%	15.5%
PTP margin	12.9%	-0.3%	20.2%	16.9%	21.1%	13.1%	22.6%	23.8%	17.2%	17.7%	23.6%	6.2%	28.5%	17.6%	18.7%	16.4%
FCF	**84**	**24**	**48**	**23**	**74**	**80**	**126**	**116**	**95**	**103**	**149**	**-80**	**10**	**-36**	**180**	**0**
Revenue, Public	286	268	278	321	351	342	356	407	433	442	436	466	502	488	462	759
Revenue, private	231	235	213	222	247	252	236	264	262	233	258	307	353	339	336	394
Revenue growth, Public	87.3%	84.4%	47.8%	31.2%	22.7%	27.5%	28.4%	26.8%	23.5%	29.5%	22.4%	14.5%	15.9%	10.4%	5.8%	62.8%
Revenue growth, private	28.2%	49.5%	42.2%	11.8%	6.8%	7.2%	10.8%	18.8%	6.2%	-7.2%	9.6%	16.2%	34.6%	45.1%	30.2%	28.3%
Development revenue	223	217	260	305	330	290	299	339	356	347	380	434	518	513	488	269
Maintenance revenue	294	285	230	239	268	303	293	332	340	328	315	339	338	313	310	597
Netcompany Denmark:																
Revenue, Denmark	397	372	366	408	442	435	437	505	525	532	543	601	656	637	624	674
Revenue growth, Denmark	33.4%	35.9%	19.4%	19.3%	11.2%	16.7%	19.4%	23.9%	18.7%	22.3%	24.3%	18.8%	25.0%	19.9%	14.9%	12.2%
Gross profit, DK	-	-	-	-	192	183	213	238	229	236	265	282	280	247	286	289
Gross margin, DK	-	-	-	-	43.4%	42.1%	48.8%	47.1%	43.6%	44.4%	48.7%	47.0%	42.7%	38.7%	45.9%	42.9%
EBITA adj. before HQ costs, DK	115	107	131	127	130	119	152	169	157	170	199	209	202	166	205	195
EBITA margin adj. before HQ costs, DK	29.0%	28.6%	35.9%	31.2%	29.4%	27.3%	34.8%	33.5%	29.9%	31.9%	36.7%	34.8%	30.8%	26.1%	32.8%	28.9%
Netcompany Norway:																
Revenue, Norway	43	41	40	47	55	47	45	53	55	43	44	58	73	68	58	68
Revenue growth, Norway	21.4%	45.2%	29.8%	19.7%	29.3%	14.1%	13.2%	12.4%	-0.4%	-8.7%	-3.1%	9.0%	32.6%	59.6%	32.5%	16.9%
Gross profit, Norway	-	-	-	-	23	15	14	14	15	5	9	14	21	17	13	14
Gross margin, Norway	-	-	-	-	41.7%	32.0%	30.0%	27.0%	27.3%	12.4%	20.2%	24.6%	29.3%	24.7%	23.0%	20.5%
EBITA adj. before HQ costs, Norway	10	8	8	7	15	7	7	6	8	6	3	6	13	6	2	-2
EBITA margin adj. before HQ costs, Norway	23.0%	19.7%	18.7%	15.6%	27.0%	14.7%	15.9%	10.7%	13.8%	13.8%	6.4%	10.8%	18.1%	8.2%	3.8%	-2.9%
Netcompany UK:																
Revenue, UK	77	89	84	88	101	104	96	95	98	80	80	82	105	101	99	102
Revenue growth, UK	-	-	-	122.0%	30.5%	17.3%	13.7%	8.5%	-2.3%	-23.2%	-16.2%	-14.5%	6.8%	25.7%	22.9%	25.4%
Gross profit, UK	-	-	-	-	19	24	25	28	25	11	9	18	21	25	29	31
Gross margin, UK	-	-	-	-	18.7%	22.5%	26.5%	29.1%	25.4%	13.3%	11.3%	21.6%	20.4%	24.8%	29.2%	29.9%
EBITA adj. before HQ costs, , UK	8	10	6	5	11	12	16	16	11	0	-3	8	11	7	12	14
EBITA margin adj. before HQ costs, UK	10.1%	11.7%	7.1%	5.7%	11.0%	11.8%	16.6%	16.5%	11.5%	-0.1%	-3.9%	9.6%	10.0%	6.8%	12.1%	13.4%
Netcompany Holland:																
Revenue, Netherlands	-	-	-	-	-	7	14	16	18	21	29	31	22	20	17	23
Revenue growth, Netherlands	-	-	-	-	-	-	-	-	-	197.2%	107.9%	88.5%	22.0%	-3.3%	-40.5%	-25.8%
Gross profit, Netherlands	-	-	-	-	-	1	4	3	6	8	11	13	3	5	0	2
Gross margin, Netherlands	-	-	-	-	-	18.3%	25.0%	20.9%	31.1%	36.5%	36.1%	43.6%	12.5%	26.0%	0.6%	10.5%
EBITA adj. before HQ costs, , Netherlands	-	-	-	-	-	-1	-2	-3	1	2	6	9	-2	-2	-8	-7
EBITA margin adj. before HQ costs, Netherlands	-	-	-	-	-	-15.5%	-13.6%	-17.2%	6.2%	11.4%	20.6%	30.3%	-10.6%	-9.3%	-48.0%	-29.4%
12-month performance:																
Revenue (12m)	1,600	1,801	1,953	2,053	2,134	2,224	2,326	2,454	2,552	2,634	2,737	2,839	2,998	3,149	3,253	3,632
Revenue growth (12m)	-	-	-	45.0%	33.3%	23.5%	19.1%	19.5%	19.6%	18.4%	17.7%	15.7%	17.5%	19.6%	18.8%	28.0%
- DK (12M)	-	-	-	26.5%	20.4%	16.4%	16.5%	17.8%	19.7%	21.1%	22.3%	20.9%	22.6%	21.9%	19.6%	17.8%
- Norway (12M)	-	-	-	27.9%	29.9%	22.9%	19.2%	17.2%	9.1%	3.6%	0.1%	-0.5%	8.6%	23.8%	32.0%	33.8%
- UK (12M)	-	-	-	-	-	-	34.0%	17.1%	8.9%	-2.0%	-8.9%	-14.1%	-11.9%	-0.5%	9.0%	19.5%
- Netherlands (12M)	-	-	-	-	-	-	-	-	-	-	-	-	86.1%	47.4%	6.9%	-16.8%
EBITA adj (12M)	434	450	469	484	504	540	568	617	634	669	701	744	797	802	806	793
EBITA margin, adj (12M)	27.1%	25.0%	24.0%	23.6%	23.6%	24.3%	24.4%	25.2%	24.9%	25.4%	25.6%	26.2%	26.6%	25.5%	24.8%	21.8%
- DK (12M)	29.9%	30.4%	30.5%	31.1%	31.2%	30.7%	30.7%	31.3%	31.4%	32.4%	33.0%	33.4%	33.5%	31.9%	31.1%	29.6%
- Norway (12M)	23.5%	23.7%	22.0%	19.2%	20.6%	19.4%	18.7%	17.3%	13.7%	13.5%	11.3%	11.3%	13.0%	11.5%	10.6%	7.1%
- UK (12M)	-	-	12.6%	8.6%	9.0%	9.1%	11.4%	13.9%	14.0%	11.6%	6.7%	4.7%	4.4%	6.0%	9.6%	10.6%
- Netherlands (12M)	-	-	-	-	-	-	-	-	-8.5%	-1.7%	8.0%	19.1%	15.0%	10.9%	-3.6%	-23.4%
Incremental EBITA margin (12M)	-	-	-	12.9%	13.1%	21.3%	26.6%	33.2%	31.2%	31.5%	32.3%	33.0%	36.4%	25.7%	20.5%	6.2%

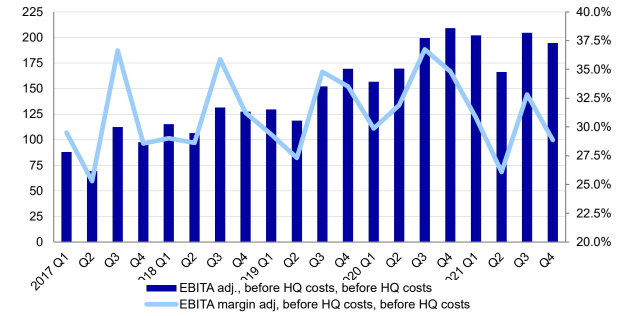
Source: Company data and Nordea

NETCOMPANY, DENMARK: REVENUE (DKKm)



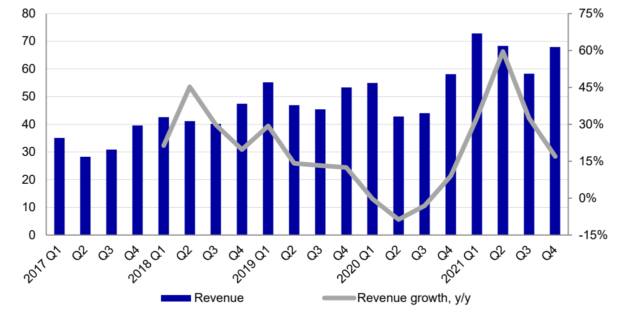
Source: Company data and Nordea estimates

NETCOMPANY, DENMARK: ADJUSTED EBITA (DKKm)



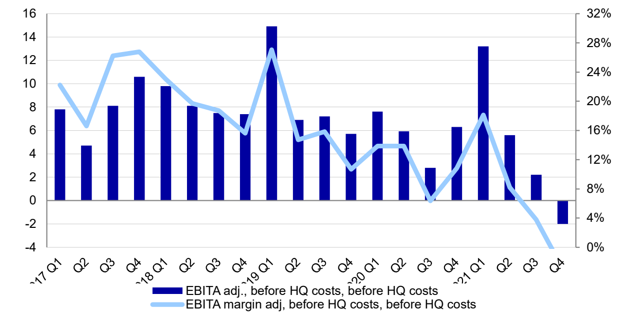
Source: Company data and Nordea estimates

NETCOMPANY, NORWAY: REVENUE (DKKm)



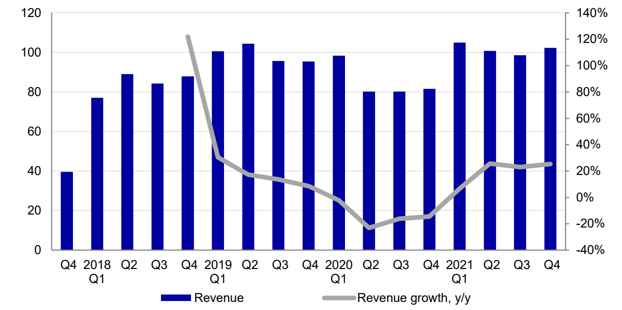
Source: Company data and Nordea

NETCOMPANY, NORWAY: ADJUSTED EBITA (DKKm)



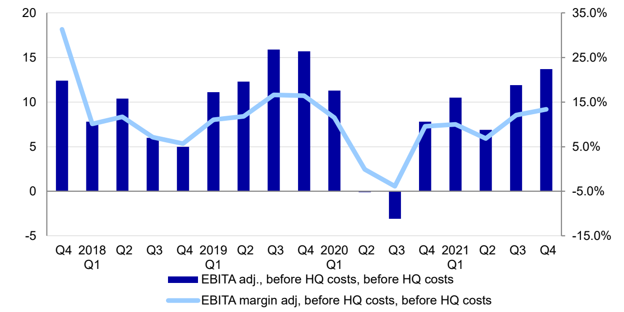
Source: Company data and Nordea

NETCOMPANY, UK: REVENUE (DKKm)



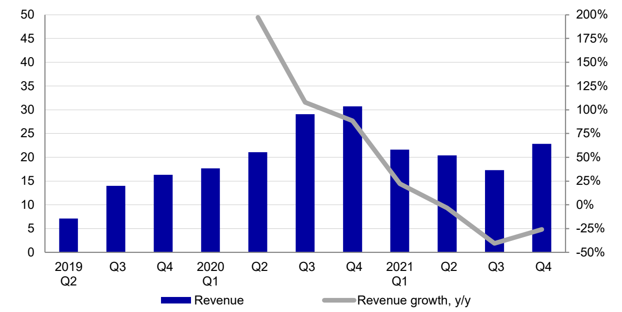
Source: Company data and Nordea

NETCOMPANY, UK: ADJUSTED EBITA (DKKm)



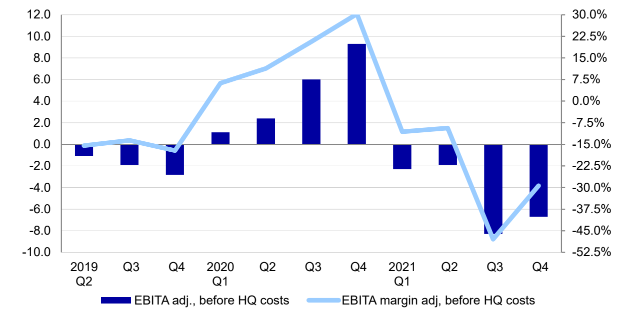
Source: Company data and Nordea

NETCOMPANY, HOLLAND: REVENUE (DKKm)



Source: Company data and Nordea

NETCOMPANY, HOLLAND: ADJUSTED EBITA (DKKm)



Source: Company data and Nordea

Netcompany: Annual numbers

NETCOMPANY: ANNUAL NUMBERS (DKKm; EPS IN DKK)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Revenue	**461**	**629**	**758**	**900**	**1,416**	**2,053**	**2,454**	**2,839**	**3,632**	**5,492**	**6,313**	**7,263**
Production cost	-	-	447	527	803	1,237	1,458	1,683	2,299	3,692	4,222	4,833
Gross profit	**-**	**-**	**311**	**373**	**613**	**817**	**996**	**1,155**	**1,333**	**1,801**	**2,091**	**2,429**
Sales & marketing	-	-	4	4	10	12	12	17	37	43	49	56
Administration	-	-	100	121	201	290	367	394	503	746	857	986
Special items	-	-	0	-35	-33	-34	-4	0	-38	0	0	0
EBITDA	**91**	**157**	**228**	**233**	**402**	**520**	**669**	**809**	**843**	**1,122**	**1,311**	**1,532**
Depreciation	9	8	9	32	34	40	56	65	88	110	126	145
Amortisation	0	-2	12	0	0	0	0	0	0	0	0	0
EBITA	**81**	**150**	**207**	**201**	**369**	**480**	**613**	**744**	**755**	**1,012**	**1,185**	**1,387**
Amortisation	2	2	0	74	96	115	102	99	51	120	95	95
EBIT	**80**	**149**	**207**	**127**	**273**	**365**	**511**	**645**	**704**	**892**	**1,090**	**1,292**
Net financial items	1	1	0	-62	-73	-109	-14	-193	24	-8	-16	-13
Pre-tax profit	**81**	**150**	**208**	**65**	**200**	**256**	**497**	**452**	**728**	**884**	**1,074**	**1,279**
Taxes	8	15	20	44	59	74	109	130	153	195	236	281
Net profit	**73**	**134**	**188**	**21**	**141**	**181**	**389**	**322**	**575**	**690**	**837**	**997**
One-off items	0	0	0	-35	-33	-34	-4	0	-38	0	0	0
EPS	-	-	-	-	2.8	3.7	7.9	6.4	11.7	13.8	16.7	19.9
EPS growth, y/y	-	-	-	-	-	29.7%	116.7%	-18.6%	82.4%	17.5%	21.4%	19.1%
Tax rate	9.3%	10.2%	9.6%	67.1%	29.7%	29.1%	21.9%	28.7%	21.1%	22.0%	22.0%	22.0%
Revenue growth, y/y	15.0%	36.6%	20.5%	18.7%	57.4%	45.0%	19.5%	15.7%	28.0%	51.2%	14.9%	15.0%
Gross margin	-	-	41.1%	41.4%	43.3%	39.8%	40.6%	40.7%	36.7%	32.8%	33.1%	33.5%
EBITDA margin	19.8%	24.9%	30.1%	25.9%	28.4%	25.3%	27.3%	28.5%	23.2%	20.4%	20.8%	21.1%
EBITA, adj	**81**	**150**	**207**	**236**	**402**	**514**	**617**	**744**	**755**	**1,012**	**1,185**	**1,387**
EBITA margin, adj	**17.7%**	**23.9%**	**27.4%**	**26.3%**	**28.4%**	**25.0%**	**25.2%**	**26.2%**	**20.8%**	**18.4%**	**18.8%**	**19.1%**
EBITA margin	17.7%	23.9%	27.4%	22.3%	26.0%	23.4%	25.0%	26.2%	20.8%	18.4%	18.8%	19.1%
EBIT margin	17.3%	23.6%	27.4%	14.1%	19.3%	17.8%	20.8%	22.7%	19.4%	16.2%	17.3%	17.8%
Net profit, adj.	75	136	188	106	241	298	471	399	644	783	912	1,071
CFFO	-	-	217	117	195	187	460	581	466	945	881	1,028
Capex	-16	-4	-18	-2,539	-150	-27	-65	-102	-1,779	-66	-74	-84
FCF	**-**	**-**	**207**	**-2,422**	**45**	**160**	**396**	**479**	**-1,313**	**879**	**807**	**945**
Revenue, Public	-	-	312	368	730	1,152	1,456	1,778	2,209	2,562	2,998	3,508
Revenue, private	-	-	447	531	686	901	998	1,061	1,421	1,319	1,544	1,806
Revenue growth, Public	-	-	-	18.3%	98.2%	57.8%	26.3%	22.1%	24.3%	16.0%	17.0%	17.0%
Revenue growth, private	-	-	-	19.0%	29.1%	31.4%	10.8%	6.3%	34.0%	30.0%	25.0%	20.0%
Development revenue	**-**	**-**	**347**	**439**	**647**	**1,005**	**1,258**	**1,517**	**1,788**	**2,074**	**2,427**	**2,840**
Public customers	-	-	137	167	440	575	738	920	1,320	1,531	1,791	2,095
Private customers	-	-	210	272	206	430	520	597	983	544	636	744
Maintenance revenue	**-**	**-**	**411**	**461**	**769**	**1,048**	**1,196**	**1,322**	**1,558**	**1,807**	**2,115**	**2,474**
Public customers	-	-	175	202	290	577	718	858	890	1,032	1,207	1,412
Private customers	-	-	236	260	479	471	478	463	439	776	907	1,062
Netcompany Denmark:												
Revenue, Denmark	461	629	758	888	1,220	1,544	1,819	2,200	2,590	3,001	3,485	4,099
Revenue growth, Denmark	15.0%	36.6%	20.5%	18.7%	37.4%	26.5%	17.8%	21.0%	17.7%	15.9%	16.1%	17.6%
EBITA adj. before HQ costs, DK	81	150	207	234	358	461	544	706	712	829	941	1,076
EBITA margin adj. before HQ costs, DK	17.7%	23.9%	27.4%	26.4%	29.4%	29.8%	29.9%	32.1%	27.5%	27.6%	27.0%	26.3%
Netcompany Norway												
Revenue, Norway	-	-	-	12	134	171	203	200	267	314	377	433
Revenue growth, Norway	-	-	-	-	1044.4%	27.9%	18.6%	-1.7%	33.8%	17.5%	20.0%	15.0%
EBITA adj. before HQ costs, Norway	-	-	-	2	31	31	32	12	12	24	40	57
EBITA margin adj. before HQ costs, Norway	-	-	-	17.1%	23.1%	17.9%	15.9%	6.0%	4.6%	7.6%	10.6%	13.1%
Netcompany UK												
Revenue, UK	-	-	-	-	62	338	395	340	407	468	561	645
Revenue growth, UK	-	-	-	-	-	446.2%	16.7%	-13.8%	19.5%	15.0%	20.0%	15.0%
EBITA adj. before HQ costs, , UK	-	-	-	-	12	23	48	9	34	48	69	92
EBITA margin adj. before HQ costs, UK	-	-	-	-	20.0%	6.8%	12.2%	2.8%	8.2%	10.2%	12.2%	14.2%
Netcompany Holland												
Revenue, Netherlands	-	-	-	-	-	-	37	99	82	99	118	136
Revenue growth, Netherlands	-	-	-	-	-	-	-	163.7%	-16.8%	20.0%	20.0%	15.0%
EBITA adj. before HQ costs, , Netherlands	-	-	-	-	-	-	-7	17	-22	5	9	14
EBITA margin adj. before HQ costs, Netherlands	-	-	-	-	-	-	-17.4%	17.0%	-27.0%	5.0%	7.5%	10.0%
Intrasoft												
Revenue, Intrasoft	-	-	-	-	-	-	-	-	-	286	1,611	1,772
Revenue growth, Intrasoft	-	-	-	-	-	-	-	-	-	-	463.9%	10.0%
EBITA	-	-	-	-	-	-	-	-	-	15	106	126
EBITA margin	-	-	-	-	-	-	-	-	-	5.2%	6.6%	7.1%

Source: Company data and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT

DKKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	**629**	**758**	**900**	**1,416**	**2,053**	**2,454**	**2,839**	**3,632**	**5,492**	**6,313**	**7,263**
Revenue growth	36.6%	20.5%	18.7%	57.4%	45.0%	19.5%	15.7%	28.0%	51.2%	14.9%	15.0%
of which organic	n.a.	20.5%	17.1%	37.0%	25.5%	17.7%	15.5%	17.0%	16.0%	14.9%	15.0%
of which FX	n.a.	0.0%	0.0%	0.3%	0.1%	0.0%	-1.1%	0.9%	0.0%	0.0%	0.0%
EBITDA	157	228	233	402	520	669	809	843	1,122	1,311	1,532
Depreciation and impairments PPE	-7	-21	-32	-34	-40	-56	-65	-88	-110	-126	-145
of which leased assets	0	0	-11	-19	-24	-37	-42	-54	-54	-63	-72
EBITA	150	207	201	369	480	613	744	755	1,012	1,185	1,387
Amortisation and impairments	-2	0	-74	-96	-115	-102	-99	-51	-120	-95	-95
EBIT	149	207	127	273	365	511	645	704	892	1,090	1,292
of which associates	0	0	0	0	0	0	0	0	0	0	0
Associates excluded from EBIT	0	0	0	0	0	0	0	0	0	0	0
Net financials	1	0	-62	-73	-110	-14	-47	-33	-8	-16	-13
of which lease interest	0	0	0	-1	-1	-3	-4	-4	-4	-4	-4
Changes in value, net	0	0	0	0	0	0	0	0	0	0	0
Pre-tax profit	**150**	**208**	**65**	**200**	**254**	**497**	**598**	**671**	**884**	**1,074**	**1,279**
Reported taxes	-15	-20	-44	-59	-74	-109	-130	-153	-195	-236	-281
Net profit from continued operations	134	188	21	141	180	389	468	517	690	837	997
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	134	188	21	141	180	389	468	517	690	837	997
EPS, DKK	**2.69**	**3.75**	**0.43**	**2.81**	**3.60**	**7.77**	**9.36**	**10.35**	**13.80**	**16.75**	**19.95**
DPS, DKK	-2.00	-2.33	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00
of which ordinary	-2.00	-2.33	0.00	0.00	0.00	0.00	1.00	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	24.9%	30.1%	25.9%	28.4%	25.3%	27.3%	28.5%	23.2%	20.4%	20.8%	21.1%
EBITA	23.9%	27.4%	22.3%	26.0%	23.4%	25.0%	26.2%	20.8%	18.4%	18.8%	19.1%
EBIT	23.6%	27.4%	14.1%	19.3%	17.8%	20.8%	22.7%	19.4%	16.2%	17.3%	17.8%
Adjusted earnings											
EBITDA (adj)	157	228	268	435	555	674	809	881	1,122	1,311	1,532
EBITA (adj)	150	207	236	402	514	617	744	793	1,012	1,185	1,387
EBIT (adj)	149	207	162	306	399	516	645	742	892	1,090	1,292
EPS (adj, DKK)	2.69	3.75	0.97	3.33	4.14	7.84	9.36	10.94	13.80	16.75	19.95
Adjusted profit margins in percent											
EBITDA (adj)	24.9%	30.1%	29.8%	30.7%	27.0%	27.5%	28.5%	24.3%	20.4%	20.8%	21.1%
EBITA (adj)	23.9%	27.4%	26.3%	28.4%	25.0%	25.2%	26.2%	21.8%	18.4%	18.8%	19.1%
EBIT (adj)	23.6%	27.4%	18.0%	21.6%	19.4%	21.0%	22.7%	20.4%	16.2%	17.3%	17.8%
Performance metrics											
CAGR last 5 years											
Net revenue	23.1%	23.7%	22.4%	28.7%	34.8%	31.3%	30.2%	32.2%	31.1%	25.2%	24.2%
EBITDA	16.8%	20.6%	16.6%	31.2%	41.7%	33.7%	28.8%	29.3%	22.8%	20.3%	18.0%
EBIT	15.5%	19.3%	4.0%	23.2%	35.5%	28.0%	25.5%	40.8%	26.7%	24.5%	20.4%
EPS	19.2%	23.8%	-23.0%	9.9%	19.6%	23.7%	20.0%	89.2%	37.4%	36.0%	20.7%
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	24.8%	24.7%	20.9%	20.1%	19.5%	19.6%	19.9%	20.2%	18.9%	18.5%	18.1%
Average EBITDA margin	26.4%	26.7%	25.8%	26.7%	26.8%	27.1%	27.3%	26.2%	24.1%	22.9%	22.0%

VALUATION RATIOS - ADJUSTED EARNINGS

DKKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
P/E (adj)	n.a.	n.a.	n.a.	n.a.	53.2	40.4	66.5	64.4	31.3	25.8	21.7
EV/EBITDA (adj)	n.a.	n.a.	n.a.	n.a.	21.6	24.8	39.0	42.0	20.6	17.0	14.0
EV/EBITA (adj)	n.a.	n.a.	n.a.	n.a.	23.3	27.0	42.4	46.7	22.8	18.9	15.5
EV/EBIT (adj)	n.a.	n.a.	n.a.	n.a.	30.0	32.3	48.9	49.9	25.9	20.5	16.6

VALUATION RATIOS - REPORTED EARNINGS

DKKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
P/E	n.a.	n.a.	n.a.	n.a.	61.1	40.8	66.5	68.1	31.3	25.8	21.7
EV/Sales	n.a.	n.a.	n.a.	n.a.	5.84	6.80	11.11	10.20	4.20	3.54	2.96
EV/EBITDA	n.a.	n.a.	n.a.	n.a.	23.1	24.9	39.0	43.9	20.6	17.0	14.0
EV/EBITA	n.a.	n.a.	n.a.	n.a.	25.0	27.2	42.4	49.0	22.8	18.9	15.5
EV/EBIT	n.a.	n.a.	n.a.	n.a.	32.9	32.6	48.9	52.6	25.9	20.5	16.6
Dividend yield (ord.)	n.a.	n.a.	n.a.	n.a.	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%
FCF yield	n.a.	n.a.	n.a.	n.a.	1.5%	2.5%	1.5%	-3.7%	2.3%	3.7%	4.3%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	n.a.	1.2%	2.5%	1.6%	1.0%	2.0%	3.4%	4.0%
Payout ratio	n.m.	n.m.	0.0%	0.0%	0.0%	0.0%	10.7%	0.0%	0.0%	0.0%	0.0%

Source: Company data and Nordea estimates

BALANCE SHEET

DKKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Intangible assets	1	4	2,373	2,604	2,485	2,551	2,451	3,896	3,787	3,703	3,619
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	1	4	489	495	376	286	187	524	535	546	557
of which goodwill	0	0	1,884	2,109	2,109	2,264	2,264	3,372	3,252	3,157	3,062
Tangible assets	14	20	41	55	117	146	135	317	316	316	315
of which leased assets	0	12	25	31	83	101	89	235	235	235	235
Shares associates	0	0	0	0	0	0	70	113	113	113	113
Interest bearing assets	0	0	0	0	0	0	0	0	0	0	0
Deferred tax assets	11	11	0	0	1	4	9	17	17	17	17
Other non-IB non-current assets	0	0	0	0	0	0	0	0	0	0	0
Other non-current assets	3	4	5	9	13	16	19	26	26	26	26
Total non-current assets	30	39	2,420	2,667	2,616	2,716	2,684	4,369	4,260	4,175	4,090
Inventory	0	0	0	0	0	0	0	0	0	0	0
Accounts receivable	146	180	258	445	458	531	459	1,032	1,208	1,389	1,598
Short-term leased assets	0	11	19	24	37	42	54	54	63	72	82
Other current assets	190	174	103	139	268	305	484	1,104	1,405	1,612	1,850
Cash and bank	13	111	60	194	108	132	359	459	457	703	1,080
Total current assets	349	477	441	802	869	1,011	1,356	2,649	3,133	3,776	4,609
Assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total assets	**379**	**516**	**2,860**	**3,470**	**3,486**	**3,728**	**4,039**	**7,018**	**7,393**	**7,951**	**8,700**
Shareholders equity	213	300	1,261	1,644	1,806	2,072	2,429	3,038	3,728	4,565	5,563
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	213	300	1,261	1,644	1,806	2,072	2,429	3,038	3,728	4,565	5,563
Deferred tax	0	0	111	112	89	73	66	134	134	134	134
Long term interest bearing debt	0	0	1,178	1,265	1,106	959	761	2,276	1,776	1,276	776
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	6	14	18	54	65	57	148	186	200	215
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	0	6	1,303	1,395	1,249	1,128	1,057	2,671	2,215	1,737	1,262
Short-term provisions	0	5	9	30	36	4	0	9	13	15	18
Accounts payable	12	19	27	51	54	44	40	329	497	571	657
Current lease debt	1	6	12	14	29	39	35	99	124	133	143
Other current liabilities	149	180	222	336	310	441	478	877	817	929	1,058
Short term interest bearing debt	5	0	28	0	0	0	0	0	0	0	0
Total current liabilities	166	210	297	431	430	528	554	1,312	1,451	1,648	1,875
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	**379**	**516**	**2,860**	**3,469**	**3,485**	**3,728**	**4,039**	**7,021**	**7,393**	**7,951**	**8,700**
Balance sheet and debt metrics											
Net debt	-13	-111	1,118	1,070	998	826	402	1,817	1,470	724	-152
of which lease debt	1	12	25	31	83	104	93	247	310	333	358
Working capital	175	155	113	198	361	351	424	931	1,300	1,501	1,734
Invested capital	205	195	2,533	2,865	2,977	3,067	3,108	5,300	5,560	5,676	5,824
Capital employed	218	312	2,492	2,940	2,996	3,134	3,282	5,560	5,813	6,174	6,696
ROE	83.8%	73.2%	2.7%	9.7%	10.4%	20.0%	20.8%	18.9%	20.4%	20.2%	19.7%
ROIC	65.0%	81.0%	9.3%	8.8%	10.7%	13.3%	16.3%	17.6%	16.4%	19.4%	22.5%
ROCE	83.7%	79.5%	11.7%	11.6%	13.8%	18.1%	20.7%	17.0%	15.7%	18.2%	20.1%
Net debt/EBITDA	-0.1	-0.5	4.8	2.7	1.9	1.2	0.5	2.2	1.3	0.6	-0.1
Interest coverage	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Equity ratio	56.1%	58.2%	44.1%	47.4%	51.8%	55.6%	60.1%	43.3%	50.4%	57.4%	63.9%
Net gearing	-6.1%	-37.1%	88.7%	65.1%	55.3%	39.9%	16.5%	59.8%	39.4%	15.9%	-2.7%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

DKKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
EBITDA (adj) for associates	**157**	**228**	**233**	**402**	**520**	**669**	**809**	**843**	**1,122**	**1,311**	**1,532**
Paid taxes	0	-21	-34	-35	-167	-116	-126	-198	-195	-236	-281
Net financials	0	7	65	79	80	33	22	40	-8	-16	-13
Change in provisions	0	5	4	21	6	-33	-4	9	5	2	2
Change in other LT non-IB	1	-1	9	-3	-6	26	134	-77	6	9	10
Cash flow to/from associates	0	0	0	0	0	0	0	0	0	0	0
Dividends paid to minorities	0	0	0	0	0	0	0	0	0	0	0
Other adj to reconcile to cash flow	n.a.	-11	-141	-174	-114	-33	-152	37	0	0	0
Funds from operations (FFO)	**n.a.**	**208**	**137**	**290**	**319**	**547**	**684**	**655**	**930**	**1,070**	**1,250**
Change in NWC	n.a.	9	-20	-95	-133	-87	-103	-189	-369	-201	-233
Cash flow from operations (CFO)	**n.a.**	**217**	**117**	**195**	**187**	**460**	**581**	**466**	**561**	**869**	**1,017**
Capital expenditure	0	-10	-23	-30	-27	-27	-27	-53	-66	-74	-84
Free cash flow before A&D	**n.a.**	**207**	**94**	**165**	**160**	**433**	**554**	**413**	**495**	**795**	**933**
Proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Acquisitions	0	0	-2,516	-120	0	-37	-75	-1,726	0	0	0
Free cash flow	n.a.	207	-2,422	45	160	396	479	-1,313	495	795	933
Free cash flow bef A&D, lease adj	n.a.	207	83	146	136	396	512	358	440	732	861
Dividends paid	n.a.	-100	-116	0	0	0	0	-49	0	0	0
Equity issues / buybacks	n.a.	0	0	0	0	-175	0	-150	0	0	0
Net change in debt	n.a.	0	0	0	0	-200	-198	1,515	-500	-500	-500
Other financing adjustments	0	0	0	0	0	-34	-55	-74	4	-49	-57
Other non-cash adjustments	n.a.	-8	2,487	90	-246	30	11	18	0	0	0
Change in cash	12	99	-52	135	-87	25	227	100	-1	246	376
Cash flow metrics											
Capex/D&A	0.0%	46.5%	22.0%	23.3%	17.5%	17.4%	16.2%	n.m.	n.m.	n.m.	n.m.
Capex/Sales	0.0%	1.3%	2.6%	2.1%	1.3%	1.1%	0.9%	1.5%	1.2%	1.2%	1.2%
Key information											
Share price year end (/current)	n.a.	n.a.	n.a.	n.a.	220	317	623	705	432	432	432
Market cap.	n.a.	n.a.	n.a.	n.a.	11,000	15,850	31,125	35,225	21,620	21,620	21,620
Enterprise value	n.a.	n.a.	n.a.	n.a.	11,998	16,676	31,527	37,042	23,090	22,344	21,468
Diluted no. of shares, year-end (m)	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0

Source: Company data and Nordea estimates

Disclaimer and legal disclosures

Origin of the report
This publication or report originates from: Nordea Bank Abp, including its branches Nordea Danmark, Filial af Nordea Bank Abp, Finland, Nordea Bank Abp, filial i Norge and Nordea Bank Abp, filial i Sverige (together "Nordea") acting through their units Nordea Markets and Equity Sales & Research.

Nordea Bank Abp is supervised by the European Central Bank and the Finnish Financial Supervisory Authority and the branches are supervised by the European Central Bank and the Finnish Financial Supervisory Authority and the Financial Supervisory Authorities in their respective countries.

Content of report
This report has been prepared solely by Nordea Markets or Equity Sales & Research.

Opinions or suggestions from Nordea Markets credit and equity research may deviate from one another or from opinions presented by other departments in Nordea. This may typically be the result of differing time horizons, methodologies, contexts or other factors.

The information provided herein is not intended to constitute and does not constitute investment advice nor is the information intended as an offer or solicitation for the purchase or sale of any financial instrument. The information contained herein has no regard to the specific investment objectives, the financial situation or particular needs of any particular recipient. Relevant and specific professional advice should always be obtained before making any investment or credit decision

Opinions or ratings are based on one or more methods of valuation, for instance cash flow analysis, use of multiples, behavioural technical analyses of underlying market movements in combination with considerations of the market situation and the time horizon. Key assumptions of forecasts or ratings in research cited or reproduced appear in the research material from the named sources. The date of publication appears from the research material cited or reproduced. Opinions and estimates may be updated in subsequent versions of the report, provided that the relevant company/issuer is treated anew in such later versions of the report.

Validity of the report
All opinions and estimates in this report are, regardless of source, given in good faith, and may only be valid as of the stated date of this report and are subject to change without notice.

No individual investment or tax advice
The report is intended only to provide general and preliminary information to investors and shall not be construed as the basis for any investment decision. This report has been prepared by Nordea Markets or Equity Sales & Research as general information for private use of investors to whom the report has been distributed, but it is not intended as a personal recommendation of particular financial instruments or strategies and thus it does not provide individually tailored investment advice, and does not take into account the individual investor's particular financial situation, existing holdings or liabilities, investment knowledge and experience, investment objective and horizon or risk profile and preferences. The investor must particularly ensure the suitability of an investment as regards his/her financial and fiscal situation and investment objectives. The investor bears the risk of losses in connection with an investment.

Before acting on any information in this report, it is recommendable to consult (without being limited to) one's financial, legal, tax, accounting, or regulatory advisor in any relevant jurisdiction.

The information contained in this report does not constitute advice on the tax consequences of making any particular investment decision. Each investor shall make his/her own appraisal of the tax and other financial merits of his/her investment.

Sources
This report may be based on or contain information, such as opinions, estimates and valuations which emanate from: Nordea Markets' or Equity Sales & Research analysts or representatives, publicly available information, information from other units of Nordea, or other named sources.

To the extent this publication or report is based on or contain information emanating from other sources ("Other Sources") than Nordea Markets or Equity Sales & Research ("External Information"), Nordea Markets or Equity Sales & Research has deemed the Other Sources to be reliable but neither Nordea, others associated or affiliated with Nordea nor any other person, do guarantee the accuracy, adequacy or completeness of the External Information.

Limitation of liability
Nordea or other associated and affiliated companies assume no liability as regards to any investment, divestment or retention decision taken by the investor on the basis of this report. In no event will Nordea or other associated and affiliated companies be liable for direct, indirect or incidental, special or consequential damages (regardless of whether being considered as foreseeable or not) resulting from the information in this report.

Risk information
The risk of investing in certain financial instruments, including those mentioned in this report, is generally high, as their market value is exposed to a lot of different factors such as the operational and financial conditions of the relevant company, growth prospects, change in interest rates, the economic and political environment, foreign exchange rates, shifts in market sentiments etc. Where an investment or security is denominated in a different currency to the investor's currency of reference, changes in rates of exchange may have an adverse effect on the value, price or income of or from that investment to the investor. Past performance is not a guide to future performance. Estimates of future performance are based on assumptions that may not be realized. When investing in individual shares, the investor may lose all or part of the investments.

Conflicts of interest
Readers of this document should note that Nordea Markets or Equity Sales & Research has received remuneration from the company mentioned in this document for the production of the report. The remuneration is not dependent on the content of the report.

Nordea, affiliates or staff in Nordea, may perform services for, solicit business from, hold long or short positions in, or otherwise be interested in the investments (including derivatives) of any company mentioned in the report.

To limit possible conflicts of interest and counter the abuse of inside knowledge, the analysts of Nordea Markets and Equity Sales & Research are subject to internal rules on sound ethical conduct, the management of inside information, handling of unpublished research material, contact with other units of Nordea and personal account dealing. The internal rules have been prepared in accordance with applicable legislation and relevant industry standards. The object of the internal rules is for example to ensure that no analyst will abuse or cause others to abuse confidential information. It is the policy of Nordea that no link exists between revenues from capital markets activities and individual analyst remuneration. Nordea and the branches are members of national stockbrokers' associations in each of the countries in which Nordea has head offices. Internal rules have been developed in accordance with recommendations issued by the stockbrokers associations. This material has been prepared following the Nordea Conflict of Interest Policy, which may be viewed at www.nordea.com/mifid.
Please find a list of all recommendations disseminated by Nordea Equities during the preceding 12-month period here: https://research.nordea.com/compliance

Distribution restrictions
The securities referred to in this report may not be eligible for sale in some jurisdictions. This report is not intended for, and must not be distributed to private customers in the UK or the US or to customers in any other jurisdiction where restrictions may apply.

This publication or report may be distributed in the UK to institutional investors by Nordea Bank Abp London Branch of 6th Floor, 5 Aldermanbury Square, London, EC2V 7AZ, which is under supervision of the European Central Bank, Finanssivalvonta (Financial Supervisory Authority) in Finland and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority in the United Kingdom. Details about the extent of our regulation by the Financial Conduct Authority and Prudential Regulation Authority are available from us on request.

Nordea Bank Abp ("Nordea") research is not "globally branded" research. Nordea research reports are intended for distribution in the United States solely to "major U.S. institutional investors," as defined in Rule 15a-6 under the Securities Exchange Act of 1934. Any transactions in securities discussed within the research reports will be chaperoned by Nordea Securities LLC ("Nordea Securities"), an affiliate of Nordea and a SEC registered broker dealer and member of FINRA. Nordea Securities does not employ research analysts and has no contractual relationship with Nordea that is reasonably likely to inform the content of Nordea research reports. Nordea makes all research content determinations without any input from Nordea Securities.

The research analyst(s) named on this report are not registered/qualified as research analysts with FINRA. Such research analyst(s) are also not registered with Nordea Securities and therefore may not be subject to FINRA Rule 2241 or FINRA Rule 2242 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

Analyst Shareholding

Nordea analysts do not hold shares in the companies that they cover.
No holdings or other affiliations by analysts or associates.

Fair value and sensitivity

We calculate our fair values by weighting DCF, DDM, SOTP, asset-based and other standard valuation methods. Our fair values are sensitive to changes in valuation assumptions, of which growth, margins, tax rates, working capital ratios, investment-to-sales ratios and cost of capital are typically the most sensitive.
It should be noted that our fair values would change by a disproportionate factor if changes are made to any or all valuation assumptions, owing to the non-linear nature of the standard valuation models applied (mentioned above). As a consequence of the standard valuation models we apply, changes of 1-2 percentage points in any single valuation assumption can change the derived fair value by as much as 30% or more. All research is produced on an ad hoc basis and will be updated when the circumstances require it.

Marketing Material

This research report should be considered marketing material, as it has been commissioned and paid for by the subject company, and has not been prepared in accordance with the regulations designed to promote the independence of investment research and it is not subject to any legal prohibition on dealing ahead of the dissemination of the report. However, Nordea Markets analysts are according to internal policies not allowed to hold shares in the companies/sectors that they cover.

Market-making obligations and other significant financial interest

Nordea has no market-making obligations in Netcompany shares.

As of 13/04/2022, Nordea Abp holds no positions of 0.5% or more of shares issued by Netcompany.

As of the publication of this report, the issuer does not hold a position exceeding 5% of the total shares issued in Nordea Abp.

Investment banking transactions

In view of Nordea's position in its markets readers should assume that the bank may currently or may in the coming three months and beyond be providing or seeking to provide confidential investment banking services to the company/companies

Issuer Review

This report has not been reviewed by the Issuer prior to publication.

Completion Date

14 Apr 2022, 22:17 CET

Nordea Bank Abp	Nordea Bank Abp, filial i Sverige	Nordea Danmark, Filial af Nordea Bank Abp, Finland	Nordea Bank Abp, filial i Norge
Nordea Markets Division, Research Visiting address: Aleksis Kiven katu 7, Helsinki FI-00020 Nordea Finland	**Nordea Markets Division, Research** Visiting address: Smålandsgatan 17 SE-105 71 Stockholm Sweden	**Nordea Markets Division, Research** Visiting address: Grønjordsvej 10 DK-2300 Copenhagen S Denmark	**Nordea Markets Division, Research** Visiting address: Essendropsgate 7 N-0107 Oslo Norway
Tel: +358 9 1651 Fax: +358 9 165 59710	Tel: +46 8 614 7000 Fax: +46 8 534 911 60	Tel: +45 3333 3333 Fax: +45 3333 1520	Tel: +47 2248 5000 Fax: +47 2256 8650
Reg.no. 2858394-9 Satamaradankatu 5 Helsinki			