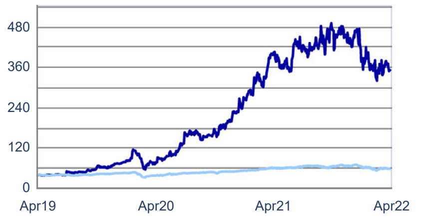
Sdiptech

Capital Goods
Sweden

KEY DATA

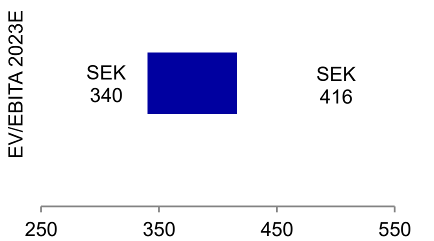
Stock country	Sweden
Bloomberg	SDIPB SS
Reuters	SDIPb.ST
Share price (close)	SEK 356.2
Free Float	56%
Market cap. (bn)	EUR 1.22/SEK 12.67
Website	www.sdiptech.se
Next report date	29 Apr 2022

PERFORMANCE



Source: Refinitiv

VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2022E	2023E	2024E
Sales	3%	3%	3%
EBIT (adj)	1%	1%	-1%

Source: Nordea estimates

Nordea Markets - Analysts
Victor Hansen
Analyst

Carl Ragnerstam
Analyst

Q1 likely to mark the bottom for the growth rate

Sdiptech's Q1 report is due on 29 April. We expect a solid quarter with 15% y/y sales growth and EBITA* up 25%, with a stronger y/y margin despite short-term headwinds from cost inflation. We note that M&A growth will ramp up again after Q1 (due to previous divestments) and forecast ~18%, on average, for Q2-Q4, vs 2% in Q1. Over the longer term, we think Sdiptech is in a good position to reach its organic growth ambitions, given tailwinds from exposure to green infrastructure, such as Rolec (24% of 2021 EBITA). We raise our 2022-24 estimates by 3% for sales and 0-2% for EBITA due to M&A and price hikes, and a lower margin. We lower our multiples-based fair value range to SEK 340-416 (SEK 367-442), representing 18-22x 2023E EV/EBITA, similar to key peers at 20x 2023E EV/EBITA and 19x currently.

Q1 expectations

We expect Q1 net sales of SEK 754m, which represents 15% y/y growth (of which 8% organic, 2% M&A and 5% FX), aided by price hikes. This sales growth is net of divestments (SEK -82m in Q1 and SEK -20m in Q2), which dampens M&A growth. For EBITA*, we pencil in SEK 145m (up 25% y/y) for a 19.2% margin, up 1.6 pp y/y due to business mix, but down 1 pp q/q, mainly due to cost inflation, which we also expect to affect Q2. Note that we pencil in 41% adjusted EBITA growth y/y, versus 25% for EBITA*.

Tailwind from energy exposure

We think Sdiptech is in a good position to reach its organic EBITA growth target of 5-10% y/y, as its combined exposure to energy-optimisation trends comprised more than 40% of 2021 EBITA (our calculations). For instance, Sdiptech's largest portfolio company, Rolec, represented 24% of 2021 EBITA (annualised). Since being acquired in February 2021, earnings have grown by 15% (annualised and current FX) and the EBT margin expanded ~3 pp to 33%. Looking ahead, Rolec's market (EV chargers in the UK) is set to grow at a 30% CAGR until 2030 (to 300,000 chargers), according to the UK government. Note that Rolec's growth will be considered organic as of Q1.

Estimate revisions

We raise our 2022E-24E sales by 3% due to expected price hikes and M&A, while we upgrade EBITA by 0-2%, due to a 0.3-0.7 pp lower margin. We lower 2022E margins due to cost inflation. Beyond 2022, we expect a lower long-term margin for Rolec due to increased competition. We now estimate a ~20% group EBITA* margin ahead, similar to guidance.

SUMMARY TABLE - KEY FIGURES

SEKm	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	1,496	1,826	2,088	2,719	3,367	3,787	4,231
EBITDA (adj)	213	358	403	509	790	897	1,003
EBIT (adj)	143	222	310	367	601	684	765
EBIT (adj) margin	9.6%	12.1%	14.9%	13.5%	17.8%	18.1%	18.1%
EPS (adj, SEK)	3.68	4.86	5.41	6.76	11.39	13.14	14.94
EPS (adj) growth	34.1%	32.2%	11.3%	24.9%	68.6%	15.4%	13.7%
DPS (ord, SEK)	0.00	0.00	0.00	0.00	0.00	5.30	6.00
EV/Sales	1.3	1.9	4.4	6.9	4.4	3.9	3.5
EV/EBIT (adj)	13.8	15.7	29.6	51.3	24.4	21.4	19.3
P/E (adj)	11.3	15.4	42.5	69.8	31.3	27.1	23.8
P/BV	1.2	1.9	4.6	6.6	4.3	3.8	3.4
Dividend yield (ord)	0.0%	0.0%	0.0%	0.0%	0.0%	1.5%	1.7%
FCF Yield bef A&D, lease	4.3%	9.4%	5.3%	2.0%	3.4%	4.3%	4.9%
Net debt	694	1,176	1,311	2,127	1,987	1,922	2,034
Net debt/EBITDA	3.3	3.3	3.3	4.2	2.5	2.1	2.0
ROIC after tax	6.9%	7.8%	8.3%	6.9%	9.1%	9.8%	10.1%

Source: Company data and Nordea estimates

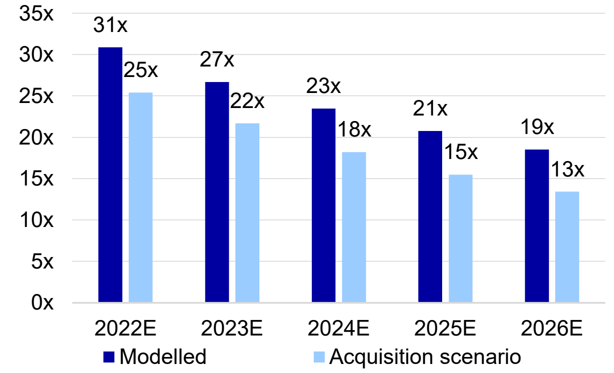
M&A scenario

M&A SCENARIO AND VALUATION

SEKm	2022E	2023E	2024E	2025E	2026E
Extra scenario M&A spend	1,100	700	750	800	800
Total annual M&A spend	**1,362**	**1,151**	**1,265**	**1,316**	**1,317**
Net debt / EBITDA incl. contingent consideratior	3.2	3.1	3.1	3.0	2.8
Scenario: acquisition assumptions					
EV/sales	1.6	1.6	1.6	1.6	1.7
EV/EBITA	8.0	8.0	8.0	8.0	8.0
EBITA margin	20%	20%	20%	20%	21%
Target company sales	**685**	**431**	**462**	**488**	**484**
Target company EBITA	**138**	**88**	**94**	**100**	**100**
Depreciation	23	15	16	17	16
Scenario: acquired sales and EBITA (50/50)	**2022E**	**2023E**	**2024E**	**2025E**	**2026E**
Accumulated added sales	685	901	1,347	1,822	2,308
Accumulated added EBITA	138	181	272	369	469
Depreciation	23	31	46	62	79
After acquisitions	**2022E**	**2023E**	**2024E**	**2025E**	**2026E**
Sales	**4,052**	**4,688**	**5,578**	**6,509**	**7,466**
Adj. EBITA	**813**	**950**	**1,131**	**1,329**	**1,535**
EBITDA	951	1,109	1,321	1,551	1,789
Acquired sales	20%	24%	32%	39%	45%
Acquired EBITA	20%	24%	32%	38%	44%
Net financials	-76	-88	-103	-124	-142
Pre-tax profit	647	758	903	1,060	1,226
Tax	-156	-183	-218	-256	-295
Net profit	491	575	685	805	930
EPS (SEK)	**13.81**	**16.16**	**19.26**	**22.62**	**26.15**
Financing cost (2.5%)	28	45	64	84	104
Free cash flow	517	674	816	974	1,139
whereof from acq companies	88	129	196	270	348
Dividend (unchanged in scenario)	0	0	189	213	242
Net debt after acquisitions	3,000	3,477	4,113	4,669	5,090
Net debt/EBITDA	**3.2x**	**3.1x**	**3.1x**	**3.0x**	**2.8x**
Share price (SEK)	350.6				
No. of shares (m)	35.6	35.6	35.6	35.6	35.6
Market cap	12,474				
EV (incl. lease & earn-outs)	**15,474**	**15,951**	**16,588**	**17,144**	**17,564**
P/E	25.4x	21.7x	18.2x	15.5x	13.4x
EV/EBITA (adj.)	19.0x	16.8x	14.7x	12.9x	11.4x

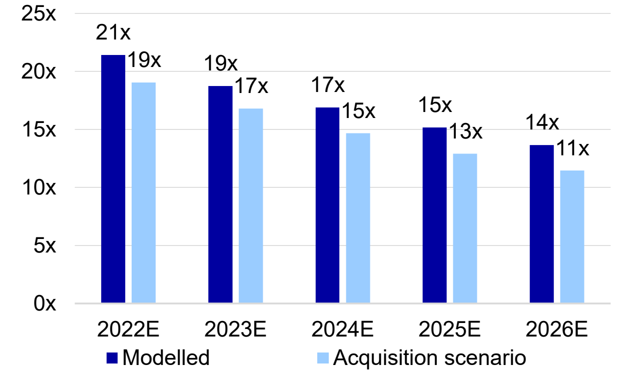
Source: Company data and Nordea estimates

P/E VALUATION: MODELLED VS SCENARIO (x)



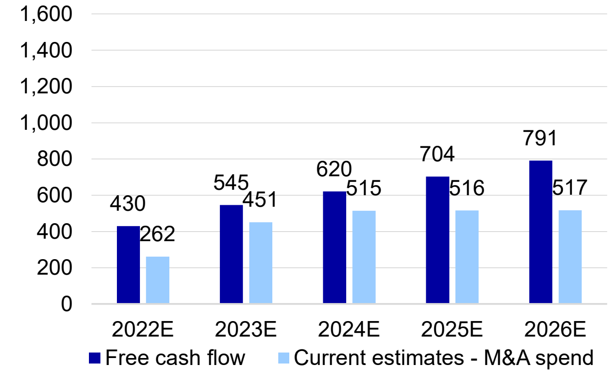
Source: Nordea estimates

EV/EBITA VALUATION: MODELLED VS SCENARIO (x)



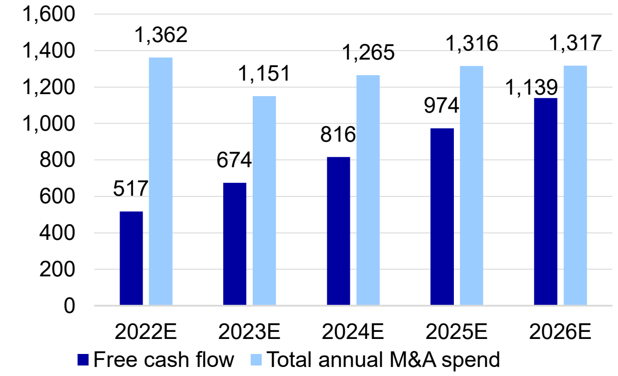
Source: Nordea estimates

MODELLED: FCF (PRE-M&A) AND M&A SPEND (SEKm)



Source: Nordea estimates

SCENARIO: FCF (PRE-M&A) AND M&A SPEND (SEKm)



Source: Nordea estimates

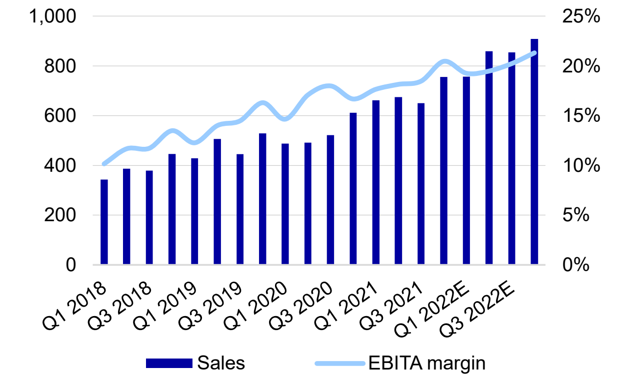
CURRENT ESTIMATES AND VALUATION

SEKm	2022E	2023E	2024E	2025E	2026E
Sales	**3,367**	**3,787**	**4,231**	**4,687**	**5,158**
Sales growth	24%	12%	12%	11%	10%
Organic	6%	4%	4%	4%	4%
FX	4%	0%	0%	0%	0%
M&A	14%	8%	8%	7%	6%
Adj. EBITA	**676**	**768**	**859**	**961**	**1,066**
Adj. EBITA margin	20.1%	20.3%	20.3%	20.5%	20.7%
Depreciation	115	129	144	160	176
Adj. EBITDA	790	897	1,003	1,120	1,242
EPS (SEK)	11.39	13.14	14.94	16.88	18.94
Net debt (incl. lease & earn-outs)	**1,987**	**1,922**	**2,034**	**2,089**	**2,086**
Net debt / (adj.) EBITDA	2.5x	2.1x	2.0x	1.9x	1.7x
Acquisition spend	262	451	515	516	517
Share price (SEK)	350.60				
No. of shares (m)	35.6	35.6	35.6	35.6	35.6
Market cap	12,474				
EV (incl. lease & earn-outs)	**14,462**	**14,396**	**14,508**	**14,563**	**14,560**
P/E (adj.)	30.9x	26.7x	23.5x	20.8x	18.5x
EV/EBITA (adj.)	21.4x	18.7x	16.9x	15.2x	13.7x

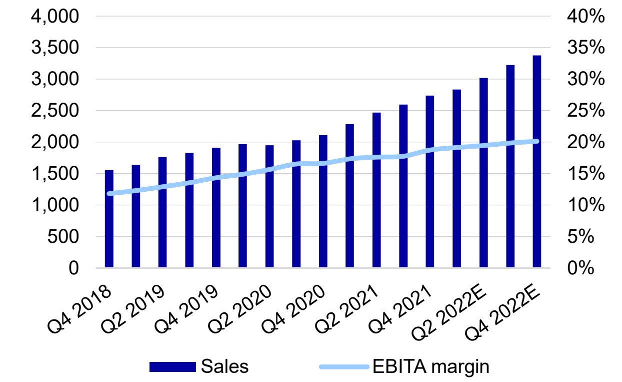
Source: Company data and Nordea estimates

Group and divisional development

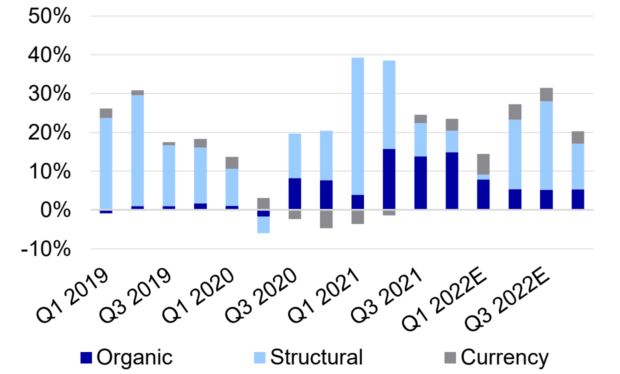
SDIPTECH: SALES (SEKm) AND EBITA* MARGIN (%)



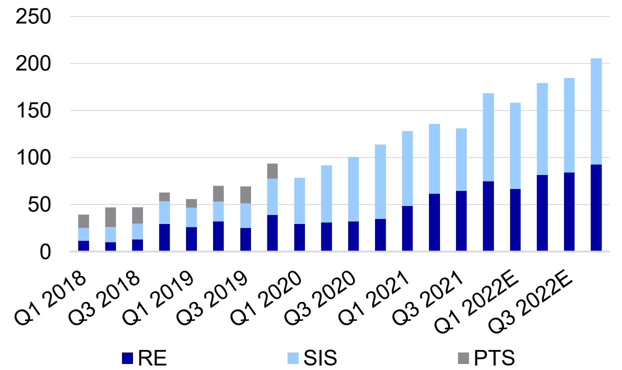
SDIPTECH: SALES (SEKm) AND EBITA* MARGIN (%), LTM



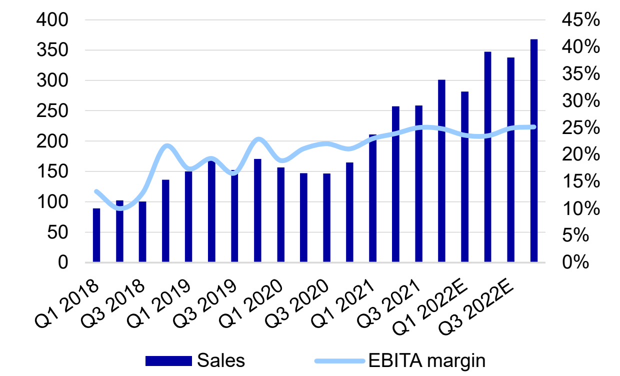
SDIPTECH: SALES GROWTH PER PARAMETER



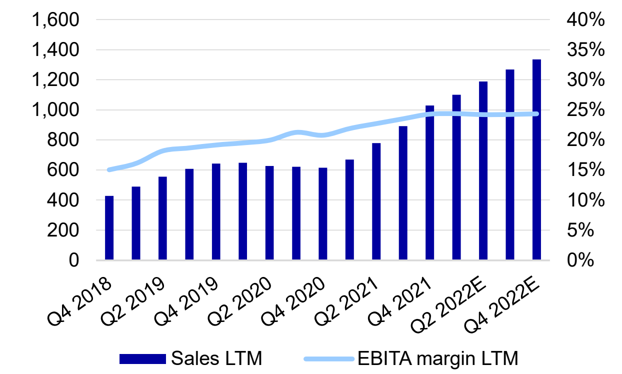
SDIPTECH: EBITA PER SEGMENT (SEKm)



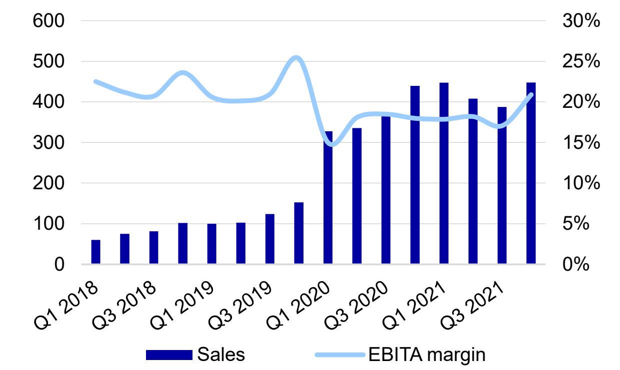
RESOURCE EFFICIENCY: SALES (SEKm) AND EBITA* MARGIN (%)



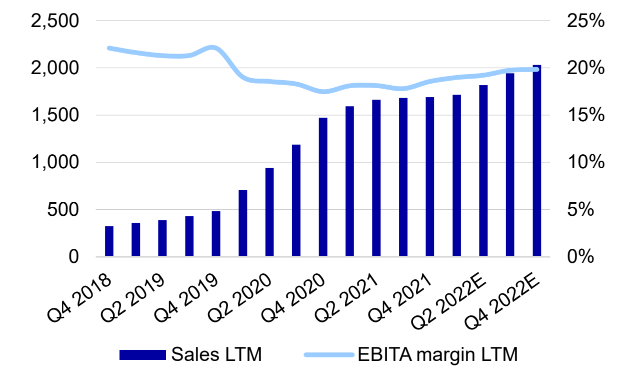
RESOURCE EFFICIENCY: SALES (SEKm) AND EBITA* MARGIN (%), LTM



SPECIAL INFRASTRUCTURE SOLUTIONS: SALES (SEKm) AND EBITA* MARGIN (%)



SPECIAL INFRASTRUCTURE SOLUTIONS: SALES (SEKm) AND EBITA* MARGIN (%), LTM



Note: *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

Estimate revisions

SDIPTECH: ESTIMATE REVISIONS

	New estimates			Old estimates			Δ		
SEKm	**2022E**	**2023E**	**2024E**	**2022E**	**2023E**	**2024E**	**2022E**	**2023E**	**2024E**
Sales									
RE	1,335	1,506	1,688	1,319	1,491	1,674	1%	1%	1%
SIS	2,032	2,280	2,543	1,944	2,176	2,432	5%	5%	5%
Other	12	16	20	12	16	20	-	-	-
Group	**3,379**	**3,803**	**4,251**	**3,275**	**3,683**	**4,126**	**3%**	**3%**	**3%**
Sales bridge									
Organic	5.8%	4.2%	3.8%	4.6%	4.2%	3.8%	1.3pp	0.0pp	0.0pp
Structural	14.1%	8.3%	7.9%	12.6%	8.2%	8.2%	1.5pp	0.1pp	-0.3pp
Currency	3.9%	0.0%	0.0%	2.9%	0.0%	0.0%	1.1pp	0.0pp	0.0pp
Sales growth	**23.8%**	**12.5%**	**11.7%**	**20.0%**	**12.4%**	**12.0%**	**3.8pp**	**0.1pp**	**-0.3pp**
EBITA* bridge									
RE	325	351	382	327	362	408	-1%	-3%	-6%
SIS	403	470	525	391	448	502	3%	5%	5%
Central costs	-50	-51	-52	-50	-51	-52	0%	0%	0%
Group EBITA*	**677**	**770**	**856**	**667**	**759**	**858**	**2%**	**1%**	**0%**
M&A Costs	-12	-16	-16	-12	-16	-16	-	-	-
Non M&A Amortization	10	14	19	10	14	19	-	-	-
Revaluation of earn-outs	0	0	0	0	0	0	-	-	-
EBITA	**676**	**768**	**859**	**665**	**758**	**861**	**2%**	**1%**	**0%**
Adjusted EBITA	**676**	**768**	**859**	**665**	**758**	**861**	**2%**	**1%**	**0%**
EBITA* Margin									
RE	24.3%	23.3%	22.7%	24.8%	24.3%	24.4%	-0.4pp	-1.0pp	-1.7pp
SIS	19.8%	20.6%	20.7%	20.1%	20.6%	20.7%	-0.3pp	0.0pp	0.0pp
Group	**20.1%**	**20.3%**	**20.2%**	**20.4%**	**20.7%**	**20.9%**	**-0.3pp**	**-0.4pp**	**-0.7pp**
Sales bridge - RE	**30%**	**13%**	**12%**	**28%**	**13%**	**12%**	**1.6pp**	**-0.2pp**	**-0.3pp**
Organic	6%	5%	4%	5%	5%	4%	1.0pp	0.0pp	0.0pp
Structural	20%	8%	8%	20%	9%	8%	-0.6pp	-0.3pp	-0.3pp
Currency	4%	0%	0%	3%	0%	0%	1.2pp	0.1pp	0.0pp
Sales bridge - SIS	**20%**	**12%**	**12%**	**15%**	**12%**	**12%**	**5.2pp**	**0.3pp**	**-0.3pp**
Organic	6%	4%	4%	4%	4%	4%	1.5pp	0.0pp	0.0pp
Structural	14%	8%	8%	10%	8%	8%	3.7pp	0.4pp	-0.3pp
Currency	1%	0%	0%	1%	0%	0%	0.0pp	-0.1pp	0.0pp

Note: *Sdiptech's own EBITA measure, adjusted for M&A costs and a re-evaluation of earnouts

Source: Nordea estimates

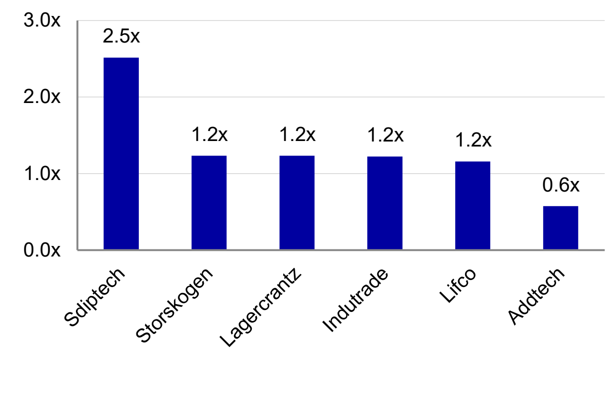
Valuation

KEY COMPOUNDERS: PEER VALUATION TABLE

		Mcap.	EV/EBITDA		adj. EV/EBITA		adj. EV/EBIT		adj. P/E		Div. yield		ND/EBITDA		ROIC	
Stock	**Rec.**	**SEKm**	**2022E**	**2023E**	**2022E**	**2023E**	**2022E**	**2023E**	**2022E**	**2023E**	**2022E**	**2023E**	**2022E**	**2023E**	**2022E**	**2023E**
Addtech	BUY	48,274	22.3x	19.9x	25.8x	23.0x	30.1x	26.7x	38.8x	34.8x	1.0%	1.1%	0.6x	0.2x	18.6%	27.5%
Indutrade	HOLD	86,654	21.3x	19.5x	25.6x	23.6x	25.9x	23.9x	31.4x	28.8x	1.1%	1.3%	1.2x	0.9x	15.3%	15.6%
Lagercrantz	HOLD	21,359	18.6x	17.0x	22.8x	20.7x	26.2x	23.7x	32.8x	29.7x	1.5%	1.7%	1.2x	0.9x	13.4%	14.1%
Lifco	HOLD	101,472	23.4x	21.9x	25.9x	24.2x	30.0x	28.0x	38.0x	35.8x	0.7%	0.8%	1.2x	0.7x	13.9%	14.6%
Sdiptech	N.R.	12,474	18.3x	16.1x	21.4x	18.7x	24.1x	21.1x	30.8x	26.7x	0.0%	1.5%	2.5x	2.1x	9.1%	9.8%
Storskogen	BUY	39,742	11.0x	9.2x	13.8x	11.4x	15.4x	12.2x	19.2x	13.9x	0.8%	1.1%	1.2x	1.5x	9.9%	11.0%
Average		**51,663**	**19.2x**	**17.3x**	**22.5x**	**20.3x**	**25.3x**	**22.6x**	**31.8x**	**28.3x**	**0.9%**	**1.2%**	**1.3x**	**1.1x**	**13.4%**	**15.4%**
Median		**44,008**	**20.0x**	**18.2x**	**24.2x**	**21.8x**	**26.1x**	**23.8x**	**32.1x**	**29.3x**	**0.9%**	**1.2%**	**1.2x**	**0.9x**	**13.7%**	**14.4%**
Sdiptech	**N.R.**	**12,474**	**18.3x**	**16.1x**	**21.4x**	**18.7x**	**24.1x**	**21.1x**	**30.8x**	**26.7x**	**0.0%**	**1.5%**	**2.5x**	**2.1x**	**9.1%**	**9.8%**
vs. peer average		-76%	-5%	-7%	-5%	-8%	-5%	-7%	-3%	-6%	-0.9pp	0.3pp	90%	102%	-4.3pp	-5.7pp
vs. peer median		-72%	-8%	-12%	-11%	-14%	-8%	-12%	-4%	-9%	-0.9pp	0.3pp	105%	133%	-4.5pp	-4.6pp

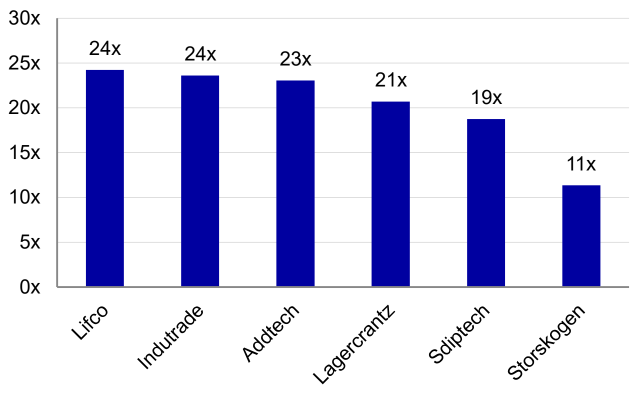
Source: Refinitiv and Nordea estimates

2022E NET DEBT/EBITDA (x) (INC EARNOUTS & LEASING)



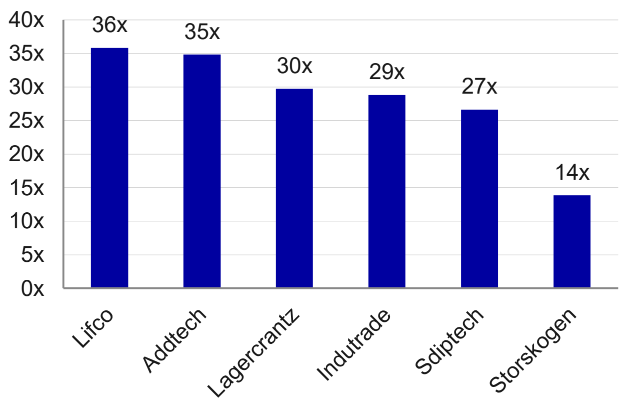
Source: Refinitiv and Nordea estimates

2023E EV/EBITA (x)



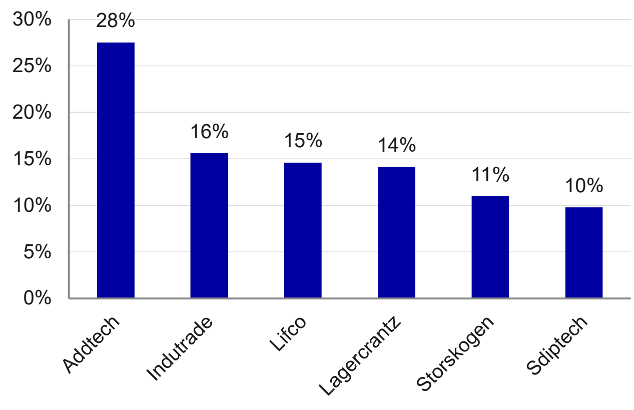
Source: Refinitiv and Nordea estimates

2023E P/E (x)



Source: Refinitiv and Nordea estimates

2023E ROIC (%)



Source: Refinitiv and Nordea estimates

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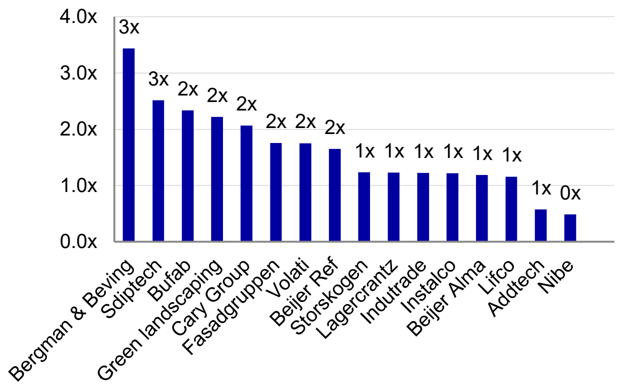
		Mcap.	EV/EBITDA		adj. EV/EBITA		adj. EV/EBIT		adj. P/E		Div. yield		ND/EBITDA		ROIC	
Stock	**Rec.**	**SEKm**	**2022E**	**2023E**	**2022E**	**2023E**	**2022E**	**2023E**	**2022E**	**2023E**	**2022E**	**2023E**	**2022E**	**2023E**	**2022E**	**2023E**
Addtech	BUY	48,274	22.3x	19.9x	25.8x	23.0x	30.1x	26.7x	38.8x	34.8x	1.0%	1.1%	0.6x	0.2x	18.6%	27.5%
Bergman & Beving	-	3,530	9.2x	8.5x	-	-	15.2x	13.6x	14.6x	-	2.6%	3.0%	3.4x	2.8x	-	-
Beijer Alma	BUY	12,956	11.7x	10.2x	14.7x	13.4x	15.2x	13.8x	17.8x	16.6x	2.3%	2.8%	1.2x	0.9x	13.9%	13.8%
Beijer Ref	BUY	64,382	26.8x	22.0x	32.9x	26.6x	35.1x	28.7x	45.3x	36.8x	0.7%	0.8%	1.7x	1.2x	12.1%	14.0%
Bufab	-	13,443	14.6x	13.5x	17.1x	15.7x	17.7x	16.1x	21.9x	19.8x	1.4%	1.5%	2.3x	1.6x	12.7%	12.9%
Cary Group	-	9,991	16.6x	15.8x	24.0x	19.8x	24.0x	22.2x	32.9x	28.7x	0.6%	0.6%	2.1x	1.4x	12.2%	13.5%
Fasadgruppen	BUY	6,860	16.1x	13.7x	18.1x	15.2x	19.2x	16.3x	21.9x	19.3x	0.9%	1.1%	1.8x	1.1x	12.8%	14.2%
Green landscaping	-	4,380	11.4x	10.8x	15.8x	14.8x	23.0x	21.0x	21.4x	19.6x	0.0%	1.2%	2.2x	1.6x	-	-
Indutrade	HOLD	86,654	21.3x	19.5x	25.6x	23.6x	25.9x	23.9x	31.4x	28.8x	1.1%	1.3%	1.2x	0.9x	15.3%	15.6%
Instalco	BUY	15,063	16.6x	14.5x	19.6x	16.2x	20.7x	16.8x	24.8x	20.9x	1.3%	1.4%	1.2x	0.6x	13.0%	15.2%
Lagercrantz	HOLD	21,359	18.6x	17.0x	22.8x	20.7x	26.2x	23.7x	32.8x	29.7x	1.5%	1.7%	1.2x	0.9x	13.4%	14.1%
Lifco	HOLD	101,472	23.4x	21.9x	25.9x	24.2x	30.0x	28.0x	38.0x	35.8x	0.7%	0.8%	1.2x	0.7x	13.9%	14.6%
Momentum	-	3,577	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nibe	BUY	213,192	33.1x	29.8x	39.4x	34.6x	42.3x	37.1x	55.3x	48.4x	0.4%	0.4%	0.5x	0.0x	15.5%	17.1%
Sdiptech	N.R.	12,474	18.3x	16.1x	21.4x	18.7x	24.1x	21.1x	30.8x	26.7x	0.0%	1.5%	2.5x	2.1x	9.1%	9.8%
Storskogen	BUY	39,742	11.0x	9.2x	13.8x	11.4x	15.4x	12.2x	19.2x	13.9x	0.8%	1.1%	1.2x	1.5x	9.9%	11.0%
Volati	HOLD	12,244	15.9x	13.7x	20.7x	17.6x	22.4x	19.0x	29.8x	25.4x	1.0%	1.2%	1.8x	1.4x	12.5%	13.8%
Average		**39,388**	**17.9x**	**16.0x**	**22.5x**	**19.7x**	**24.2x**	**21.3x**	**29.8x**	**27.0x**	**1.0%**	**1.3%**	**1.6x**	**1.2x**	**13.2%**	**14.8%**
Median		**13,443**	**16.6x**	**15.2x**	**21.4x**	**18.7x**	**23.5x**	**21.0x**	**30.3x**	**26.7x**	**1.0%**	**1.2%**	**1.4x**	**1.2x**	**12.9%**	**14.0%**
Sdiptech	**N.R.**	**12,474**	**18.3x**	**16.1x**	**21.4x**	**18.7x**	**24.1x**	**21.1x**	**30.8x**	**26.7x**	**0.0%**	**1.5%**	**2.5x**	**2.1x**	**9.1%**	**9.8%**
vs. peer average		-68%	2%	0%	-5%	-5%	0%	-1%	3%	-1%	-1.0pp	0.2pp	54%	80%	-4.1pp	-5.0pp
vs. peer median		-7%	10%	6%	0%	0%	3%	0%	2%	0%	-1.0pp	0.3pp	74%	86%	-3.8pp	-4.3pp

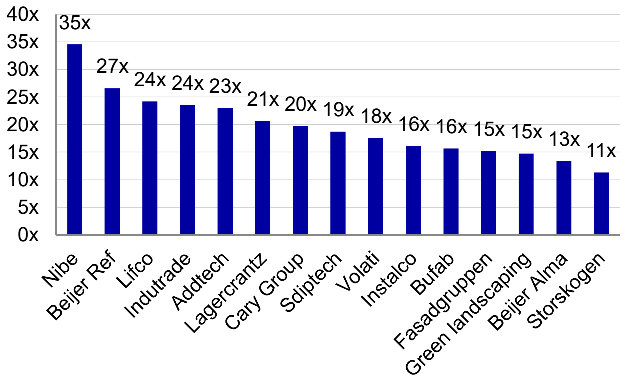
Source: Refinitiv and Nordea estimates

2022E NET DEBT/EBITDA (x) (INCL. EARNOUTS & LEASING)



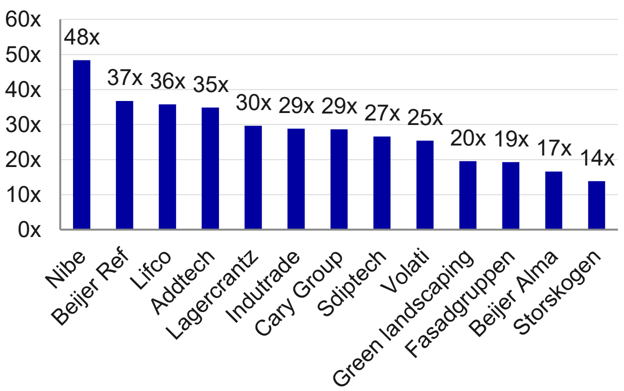
Source: Refinitiv and Nordea estimates

2023E EV/EBITA (x)



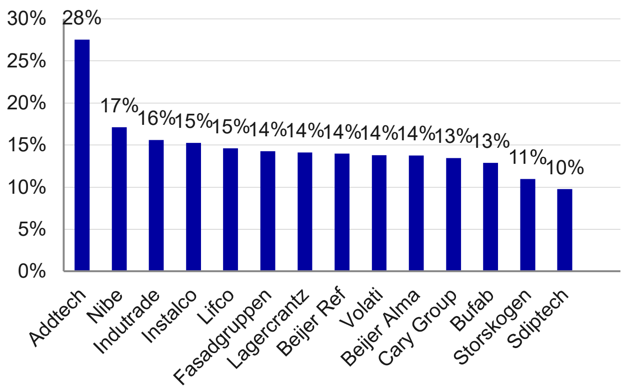
Source: Refinitiv and Nordea estimates

2023E P/E (x)



Source: Refinitiv and Nordea estimates

2023E ROIC (%)



Source: Refinitiv and Nordea estimates

Detailed estimates

SDIPTECH: DETAILED INTERIM ESTIMATES

SEKm	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022E	Q2 2022E	Q3 2022E	Q4 2022E
Net sales	658	665	646	749	754	856	851	906
- of which future M&A	*0*	*0*	*0*	*0*	*0*	*40*	*55*	*55*
Other operating income	4	9	4	7	3	3	3	3
Total sales	**662**	**675**	**650**	**756**	**757**	**859**	**854**	**909**
Direct expenses	-265	-282	-286	-320	-320	-367	-367	-388
Other external expenses	-70	-83	-53	-112	-54	-61	-54	-50
Employee expenses	-204	-188	-175	-198	-213	-235	-232	-248
D&A on tangible non-current assets	-23	-21	-21	-26	-26	-29	-29	-31
D&A on intangible non-current assets	-10	-12	-13	-17	-17	-19	-19	-20
Adjusted EBIT	**93**	**88**	**103**	**83**	**128**	**147**	**153**	**172**
Non-recurring items	-3	0	0	0	0	0	0	0
EBIT	**91**	**88**	**103**	**83**	**128**	**147**	**153**	**172**
Financial income	9	3	6	0	0	0	0	0
Financial expense	-14	-12	-13	-19	-12	-12	-12	-12
Pre-tax profit	**85**	**80**	**95**	**64**	**116**	**135**	**141**	**160**
Tax	-21	-22	-18	-17	-28	-33	-34	-39
Results from discontinued operations	0	0	0	0	0	0	0	0
Minorities	-2	1	0	0	0	0	0	0
Net profit	**63**	**60**	**77**	**47**	**88**	**102**	**107**	**121**
Sales growth	**35.9%**	**37.6%**	**25.3%**	**24.0%**	**14.6%**	**28.6%**	**31.7%**	**20.9%**
of which organic	3.9%	15.7%	3.6%	13.3%	7.8%	5.3%	5.2%	5.3%
of which structural	25.4%	16.9%	8.9%	6.6%	1.5%	19.3%	23.1%	12.5%
of which FX	6.6%	5.0%	12.8%	4.1%	5.3%	4.0%	3.5%	3.2%
EBITA* growth	**64%**	**46%**	**29%**	**52%**	**25%**	**38%**	**44%**	**26%**
Adjusted EBITA growth	**44%**	**23%**	**25%**	**18%**	**41%**	**65%**	**49%**	**94%**
Sales per business area								
Resource efficiency	211	257	259	301	282	347	338	368
Special Infrastructure Solutions	447	408	388	448	473	508	513	538
Property Technical Services	0	0	0	0	0	0	0	0
Other	4	9	4	7	3	3	3	3
Total	**662**	**675**	**650**	**756**	**757**	**859**	**854**	**909**
EBITA* per business area								
Resource efficiency	49	62	65	75	67	82	84	93
Special Infrastructure Solutions	80	74	66	94	92	98	101	113
Property Technical Services	0	0	0	0	0	0	0	0
Other	-12	-15	-12	-15	-13	-13	-13	-13
Group EBITA*	**116**	**121**	**119**	**153**	**145**	**167**	**172**	**193**
Adjustment for revaluation of earn-outs	-3	-20.3	-5.5	-39.75	0	0	0	0
Acquisition costs	-15	-2	-1	-4	-3	-3	-3	-3
Non-M&A-related amortisation & impairment	2	2	2	4	3	3	3	3
EBITA	**100**	**101**	**115**	**114**	**145**	**166**	**172**	**193**
Adjusted EBITA	**103**	**101**	**115**	**99**	**145**	**166**	**172**	**193**
EBITA* margin								
Resource efficiency	23.0%	23.9%	25.0%	24.8%	23.6%	23.5%	24.9%	25.2%
Special Infrastructure Solutions	17.9%	18.2%	17.1%	20.9%	19.4%	19.2%	19.6%	21.0%
Property Technical Services	-	-	-	-	-	-	-	-
Group	**17.6%**	**17.9%**	**18.4%**	**20.3%**	**19.2%**	**19.4%**	**20.2%**	**21.2%**
EBITA margin	**15.2%**	**14.9%**	**17.7%**	**15.1%**	**19.1%**	**19.4%**	**20.1%**	**21.2%**
Adjusted EBITA margin	**15.6%**	**14.9%**	**17.7%**	**13.2%**	**19.1%**	**19.4%**	**20.1%**	**21.2%**

Note: *Sdiptech's own EBITA measure, adjusted for M&A costs and a re-evaluation of earnouts

Source: Company data and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT

SEKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	**n.a.**	**412**	**776**	**1,078**	**1,496**	**1,826**	**2,088**	**2,719**	**3,367**	**3,787**	**4,231**
Revenue growth	n.a.	n.a.	88.0%	39.0%	38.8%	22.0%	14.4%	30.2%	23.8%	12.5%	11.7%
of which organic	n.a.	n.a.	n.a.	0.0%	0.0%	0.8%	4.1%	9.3%	5.8%	4.2%	3.8%
of which FX	n.a.	n.a.	n.a.	7.9%	14.1%	4.5%	-1.1%	7.0%	3.9%	0.0%	0.0%
EBITDA	0	61	120	204	213	358	403	506	790	897	1,003
Depreciation and impairments PPE	0	-3	-8	-15	-23	-67	-73	-90	-115	-129	-144
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
EBITA	0	59	111	189	190	291	330	416	676	768	859
Amortisation and impairments	0	0	0	-33	-47	-69	-20	-51	-75	-84	-94
EBIT	n.a.	59	111	156	143	222	310	364	601	684	765
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	-6	-7	-36	-17	-13	-26	-39	-48	-43	-40
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**	**52**	**104**	**120**	**127**	**209**	**284**	**325**	**552**	**641**	**725**
Reported taxes	n.a.	-12	-24	-27	-30	-44	-64	-78	-133	-155	-175
Net profit from continued operations	0	40	80	93	96	165	220	247	419	487	550
Discontinued operations	0	0	0	0	33	0	0	0	0	0	0
Minority interests	0	-6	-10	-6	-4	-4	-6	-1	-1	-4	-4
Net profit to equity	0	20	56	73	111	147	201	232	404	468	532
EPS, SEK	**n.a.**	**0.99**	**2.56**	**2.74**	**3.68**	**4.86**	**6.24**	**6.68**	**11.39**	**13.14**	**14.94**
DPS, SEK	n.a.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.30	6.00
of which ordinary	n.a.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.30	6.00
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	n.a.	14.8%	15.4%	18.9%	14.2%	19.6%	19.3%	18.6%	23.5%	23.7%	23.7%
EBITA	n.a.	14.2%	14.3%	17.5%	12.7%	15.9%	15.8%	15.3%	20.1%	20.3%	20.3%
EBIT	n.a.	14.2%	14.3%	14.5%	9.6%	12.1%	14.9%	13.4%	17.8%	18.1%	18.1%
Adjusted earnings											
EBITDA (adj)	0	29	120	204	213	358	403	509	790	897	1,003
EBITA (adj)	0	27	111	189	190	291	330	418	676	768	859
EBIT (adj)	0	27	111	156	143	222	310	367	601	684	765
EPS (adj, SEK)	n.a.	-0.59	2.56	2.74	3.68	4.86	5.41	6.76	11.39	13.14	14.94
Adjusted profit margins in percent											
EBITDA (adj)	n.a.	7.1%	15.4%	18.9%	14.2%	19.6%	19.3%	18.7%	23.5%	23.7%	23.7%
EBITA (adj)	n.a.	6.4%	14.3%	17.5%	12.7%	15.9%	15.8%	15.4%	20.1%	20.3%	20.3%
EBIT (adj)	n.a.	6.4%	14.3%	14.5%	9.6%	12.1%	14.9%	13.5%	17.8%	18.1%	18.1%
Performance metrics											
CAGR last 5 years											
Net revenue	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	38.3%	28.5%	25.6%	20.4%	18.3%
EBITDA	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	45.8%	33.5%	31.1%	33.3%	22.9%
EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	39.6%	26.8%	30.9%	36.7%	28.1%
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	44.7%	21.1%	33.0%	29.0%	25.2%
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.	12.4%	13.0%	13.0%	14.3%	15.8%	16.8%
Average EBITDA margin	n.a.	n.a.	n.a.	n.a.	n.a.	17.1%	17.9%	18.3%	19.7%	21.4%	22.2%

VALUATION RATIOS - ADJUSTED EARNINGS

SEKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
P/E (adj)	n.a.	n.a.	n.a.	16.9	11.3	15.4	42.5	69.8	31.3	27.1	23.8
EV/EBITDA (adj)	n.a.	n.a.	n.a.	8.3	9.3	9.7	22.8	37.0	18.6	16.3	14.7
EV/EBITA (adj)	n.a.	n.a.	n.a.	8.9	10.4	12.0	27.8	45.0	21.7	19.0	17.1
EV/EBIT (adj)	n.a.	n.a.	n.a.	10.8	13.8	15.7	29.6	51.3	24.4	21.4	19.3

VALUATION RATIOS - REPORTED EARNINGS

SEKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
P/E	n.a.	n.a.	n.a.	16.9	11.3	15.4	36.8	70.5	31.3	27.1	23.8
EV/Sales	n.a.	n.a.	n.a.	1.57	1.33	1.91	4.39	6.92	4.36	3.86	3.48
EV/EBITDA	n.a.	n.a.	n.a.	8.3	9.3	9.7	22.8	37.2	18.6	16.3	14.7
EV/EBITA	n.a.	n.a.	n.a.	8.9	10.4	12.0	27.8	45.3	21.7	19.0	17.1
EV/EBIT	n.a.	n.a.	n.a.	10.8	13.8	15.7	29.6	51.6	24.4	21.4	19.3
Dividend yield (ord.)	n.a.	n.a.	n.a.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.5%	1.7%
FCF yield	n.a.	n.a.	n.a.	-8.7%	-19.1%	-14.5%	-2.3%	-4.2%	1.3%	0.7%	0.8%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	2.8%	4.3%	9.4%	5.3%	2.0%	3.4%	4.3%	4.9%
Payout ratio	n.a.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	40.3%	40.2%

Source: Company data and Nordea estimates

BALANCE SHEET

SEKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Intangible assets	0	288	806	1,068	1,477	1,969	2,539	3,848	4,009	4,316	4,667
of which R&D	n.a.	0	0	8	15	59	0	0	0	0	0
of which other intangibles	n.a.	0	0	5	10	40	271	665	708	812	932
of which goodwill	n.a.	287	806	1,055	1,452	1,870	2,268	3,183	3,301	3,504	3,736
Tangible assets	0	19	50	81	108	258	319	436	414	420	430
of which leased assets	n.a.	0	0	0	0	0	185	196	196	196	196
Shares associates	n.a.	0	0	0	0	0	0	0	0	0	0
Interest bearing assets	n.a.	0	0	0	0	0	0	0	0	0	0
Deferred tax assets	n.a.	0	0	0	0	0	0	0	0	0	0
Other non-IB non-current assets	n.a.	0	0	0	0	0	0	0	0	0	0
Other non-current assets	n.a.	23	3	2	2	14	10	11	0	0	0
Total non-current assets	0	329	858	1,151	1,587	2,241	2,869	4,294	4,423	4,736	5,097
Inventory	n.a.	28	34	63	96	117	215	324	401	451	504
Accounts receivable	n.a.	75	156	217	309	333	375	498	617	694	775
Short-term leased assets	n.a.	0	0	0	0	0	0	0	0	0	0
Other current assets	n.a.	111	95	69	136	138	115	207	256	288	322
Cash and bank	n.a.	89	126	330	325	156	279	369	771	1,287	1,690
Total current assets	0	303	411	679	866	745	984	1,398	2,045	2,720	3,291
Assets held for sale	0	167	0	0	0	0	n.a.	n.a.	n.a.	n.a.	n.a.
Total assets	**0**	**799**	**1,269**	**1,830**	**2,453**	**2,986**	**3,853**	**5,692**	**6,468**	**7,456**	**8,388**
Shareholders equity	n.a.	471	428	973	1,088	1,223	1,716	2,524	2,915	3,368	3,697
Of which preferred stocks	n.a.	175	175	175	175	175	175	175	175	175	175
Of which equity part of hybrid debt	n.a.	0	0	0	0	0	0	0	0	0	0
Minority interest	n.a.	26	33	33	33	36	40	5	6	10	14
Total Equity	n.a.	497	461	1,006	1,121	1,259	1,756	2,529	2,920	3,378	3,711
Deferred tax	n.a.	0	0	0	0	0	0	0	0	0	0
Long term interest bearing debt	n.a.	173	486	448	663	1,197	1,396	1,948	2,210	2,660	3,175
Pension provisions	n.a.	0	0	0	0	0	0	0	0	0	0
Other long-term provisions	n.a.	0	0	0	0	0	0	0	0	0	0
Other long-term liabilities	n.a.	0	0	0	0	0	0	0	0	0	0
Non-current lease debt	n.a.	0	0	0	0	69	123	135	135	135	135
Convertible debt	n.a.	0	0	0	0	0	0	0	0	0	0
Shareholder debt	n.a.	0	0	0	0	0	0	0	0	0	0
Hybrid debt	n.a.	0	0	0	0	0	0	0	0	0	0
Total non-current liabilities	0	173	493	459	678	1,283	1,588	2,234	2,496	2,946	3,461
Short-term provisions	n.a.	0	0	0	0	0	0	0	0	0	0
Accounts payable	n.a.	77	98	137	180	227	263	309	383	431	482
Current lease debt	n.a.	0	0	0	0	0	0	0	0	0	0
Other current liabilities	n.a.	52	66	92	120	151	175	206	256	287	321
Short term interest bearing debt	n.a.	0	152	136	355	66	72	413	413	413	413
Total current liabilities	0	129	316	365	655	445	509	929	1,052	1,132	1,216
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	**0**	**799**	**1,269**	**1,830**	**2,453**	**2,986**	**3,853**	**5,692**	**6,468**	**7,456**	**8,388**
Balance sheet and debt metrics											
Net debt	0	84	512	254	694	1,176	1,311	2,127	1,987	1,922	2,034
of which lease debt	n.a.	0	0	0	0	69	123	135	135	135	135
Working capital	0	85	122	120	241	210	267	513	635	715	798
Invested capital	0	414	980	1,271	1,828	2,451	3,136	4,807	5,059	5,451	5,896
Capital employed	0	670	1,098	1,590	2,139	2,591	3,346	5,025	5,678	6,587	7,434
ROE	n.a.	n.a.	12.4%	10.5%	10.8%	12.7%	13.7%	10.9%	14.9%	14.9%	15.0%
ROIC	n.m.	9.6%	12.0%	10.4%	6.9%	7.8%	8.3%	6.9%	9.1%	9.8%	10.1%
ROCE	n.m.	7.9%	12.6%	11.6%	7.7%	9.4%	10.5%	8.8%	11.2%	11.2%	10.9%
Net debt/EBITDA	n.m.	1.4	4.3	1.2	3.3	3.3	3.3	4.2	2.5	2.1	2.0
Interest coverage	n.a.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Equity ratio	n.a.	59.0%	33.7%	53.2%	44.4%	41.0%	44.5%	44.4%	45.1%	45.2%	44.1%
Net gearing	n.a.	16.9%	111.1%	25.2%	61.9%	93.5%	74.7%	84.1%	68.0%	56.9%	54.8%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

SEKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
EBITDA (adj) for associates	**0**	**61**	**120**	**204**	**213**	**358**	**403**	**506**	**790**	**897**	**1,003**
Paid taxes	0	-12	-24	-27	-30	-44	-53	-94	-133	-155	-175
Net financials	0	-6	-7	-36	-17	-13	-26	-39	-48	-43	-40
Change in provisions	0	0	0	0	0	0	0	0	0	0	0
Change in other LT non-IB	0	-23	27	5	3	-10	56	82	11	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	33	43	-77	40	-10	-20	-63	0	0	0
Funds from operations (FFO)	**0**	**54**	**158**	**69**	**210**	**281**	**359**	**392**	**620**	**700**	**789**
Change in NWC	0	-85	-36	1	-121	31	92	-7	-122	-79	-84
Cash flow from operations (CFO)	**n.a.**	**-32**	**122**	**70**	**89**	**313**	**451**	**385**	**497**	**621**	**705**
Capital expenditure	n.a.	-110	-3	-30	-35	-100	-38	-51	-67	-76	-85
Free cash flow before A&D	**0**	**-142**	**119**	**40**	**54**	**213**	**413**	**334**	**430**	**545**	**620**
Proceeds from sale of assets	0	0	0	0	0	0	0	311	0	0	0
Acquisitions	n.a.	-53	-359	-161	-293	-542	-595	-1,343	-262	-451	-515
Free cash flow	0	-195	-240	-121	-240	-330	-182	-698	168	95	105
Free cash flow bef A&D, lease adj	0	-142	119	40	54	213	413	334	430	545	620
Dividends paid	0	-14	-14	-14	-14	-14	-15	-21	-14	-14	-203
Equity issues / buybacks	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	347	494	0	0	0
Net change in debt	n.a.	254	291	346	253	174	53	354	262	451	515
Other financing adjustments	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-26	n.a.	-14	-15	-15
Other non-cash adjustments	0	44	-1	-6	-4	1	-4	18	0	0	0
Change in cash	0	89	37	204	-5	-169	123	89	402	516	403
Cash flow metrics											
Capex/D&A	n.a.	n.m.	33.3%	63.0%	50.3%	73.5%	40.9%	36.0%	35.5%	35.5%	35.5%
Capex/Sales	n.a.	26.7%	0.4%	2.8%	2.3%	5.5%	1.8%	1.9%	2.0%	2.0%	2.0%
Key information											
Share price year end (/current)	n.a.	n.a.	n.a.	46	42	75	230	472	356	356	356
Market cap.	n.a.	n.a.	n.a.	1,400	1,257	2,273	7,825	16,674	12,674	12,674	12,674
Enterprise value	n.a.	n.a.	n.a.	1,687	1,984	3,485	9,176	18,806	14,667	14,605	14,721
Diluted no. of shares, year-end (m)	0.0	20.3	23.1	30.3	30.3	30.3	34.0	35.4	35.6	35.6	35.6

Source: Company data and Nordea estimates

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