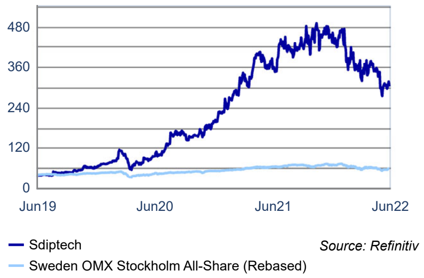
Sdiptech

Capital Goods
Sweden

KEY DATA

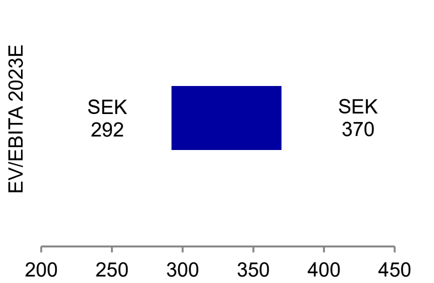
Stock country	Sweden
Bloomberg	SDIPB SS
Reuters	SDIPb.ST
Share price (close)	SEK 307.2
Free Float	56%
Market cap. (bn)	EUR 1.05/SEK 10.93
Website	www.sdiptech.se
Next report date	21 Jul 2022

PERFORMANCE



Source: Refinitiv

VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2022E	2023E	2024E
Sales	6%	11%	10%
EBIT (adj)	5%	11%	9%

Source: Nordea estimates

Nordea Markets - Analysts
Victor Hansen
Analyst

Carl Ragnerstam
Analyst

Revving up the engine

Sdiptech has recently closed two acquisitions, with its latest on 1 June, bringing this year's deal count to four and the acquired EBITA to SEK 125m, versus SEK ~160m for 2021. Looking ahead, we find additional firepower as we forecast financial net debt/EBITDA of 1.6x for 2023, including future M&A. We raise our 2022-24 estimates by 5-11% for EBITA (6-11% for EBITA*) and by 6-11% for sales due to the recent M&A. The share is trading at a 15.8x EV/EBITA for 2023E, below key peers at 19x. Our equity valuation of SEK 292-370 (335-402) suggests a range of 15-20x EV/EBITA for 2023.

Two deals in less than a month

Sdiptech has now acquired four companies YTD, with Resource Data Management Ltd (13 May) and e-l-m Kragelund A/S (1 June) being the most recent ones. The latter also represents the first acquisition in Denmark. Combined, these two deals add SEK 88m to annual EBITA (pro forma). In total, the four deals in 2022 YTD add SEK ~125m in acquired EBITA, versus SEK ~160m in pro forma EBITA acquired in 2021 (excluding divestments).

Still M&A headroom

We estimate an 8x EV/EBITA acquisition multiple (in line with Sdiptech's recent history, we calculate), which implies a total acquisition spend of SEK ~1.2bn for 2022 (of which SEK ~200m from future M&A). We forecast a financial net debt of 1.6x EBITDA for 2023, which we think leaves room for additional M&A. Hence, we pencil in SEK 25m in EBITA for 2022 from future M&A, which implies SEK 150m of acquired EBITA YTD for Sdiptech. For 2023-25, we forecast SEK 52-64m in annual EBITA add from future M&A, representing about 40-50% of its yearly M&A EBITA target (SEK 120-150m).

Estimate revisions

We raise our 2022-24 estimates by 5-11% for EBITA (6-11% for EBITA*) and by 6-11% for sales. Our estimate revisions are mainly due to the two most recent acquisitions and currency movements (up 0.2-0.3 pp). We do not make any significant estimate revisions for the underlying (organic) business other than raising financial and M&A costs due to recent M&A.

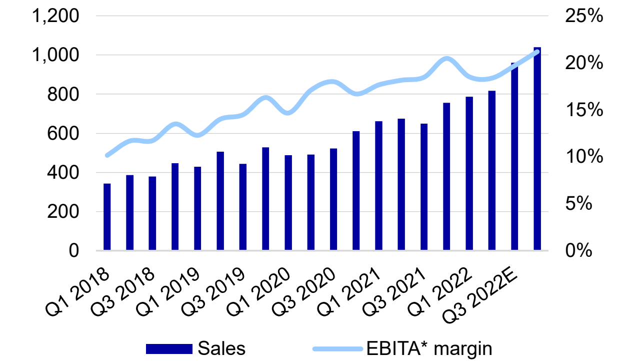
SUMMARY TABLE - KEY FIGURES

SEKm	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	1,496	1,826	2,088	2,719	3,589	4,259	4,695
EBITDA (adj)	213	358	403	509	822	1,023	1,121
EBIT (adj)	143	222	310	367	615	777	850
EBIT (adj) margin	9.6%	12.1%	14.9%	13.5%	17.1%	18.2%	18.1%
EPS (adj, SEK)	3.68	4.86	5.41	6.76	11.01	14.03	15.52
EPS (adj) growth	34.1%	32.2%	11.3%	24.9%	63.0%	27.4%	10.6%
DPS (ord, SEK)	0.00	0.00	0.00	0.00	0.00	5.60	6.20
EV/Sales	1.3	1.9	4.4	6.9	3.9	3.2	2.9
EV/EBIT (adj)	13.8	15.7	29.6	51.3	22.6	17.8	16.3
P/E (adj)	11.3	15.4	42.5	69.8	27.9	21.9	19.8
P/BV	1.2	1.9	4.6	6.6	3.8	3.2	2.9
Dividend yield (ord)	0.0%	0.0%	0.0%	0.0%	0.0%	1.8%	2.0%
FCF Yield bef A&D, lease	4.3%	9.4%	5.3%	2.0%	3.5%	5.0%	6.1%
Net debt	694	1,176	1,311	2,127	2,970	2,865	2,909
Net debt/EBITDA	3.3	3.3	3.3	4.2	3.6	2.8	2.6
ROIC after tax	6.9%	7.8%	8.3%	6.9%	8.5%	9.4%	9.7%

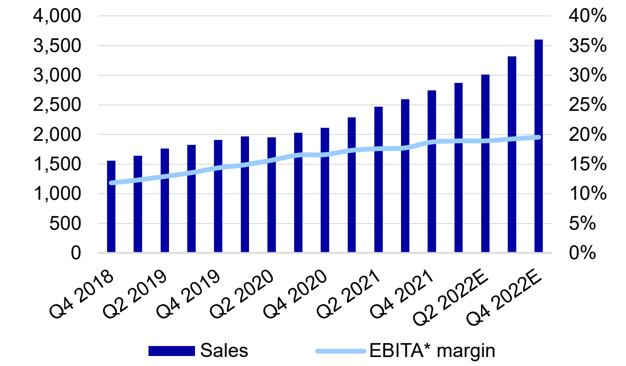
Source: Company data and Nordea estimates

Group and divisional development

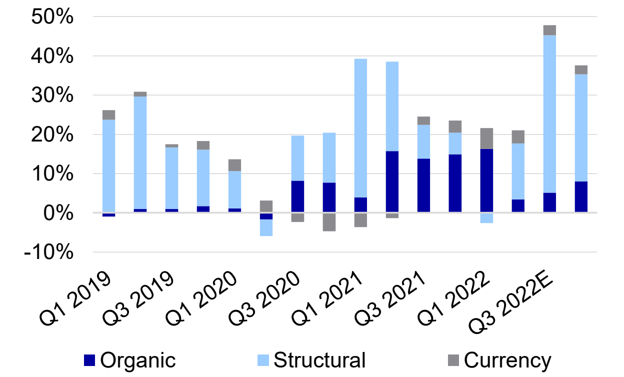
SDIPTECH: SALES (SEKm) AND EBITA* MARGIN (%)



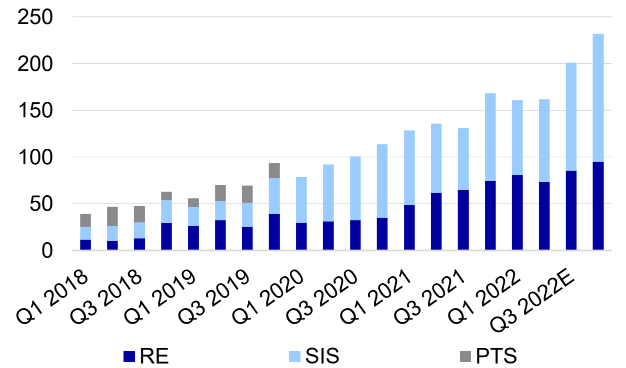
SDIPTECH: SALES (SEKm) AND EBITA* MARGIN (%), LTM



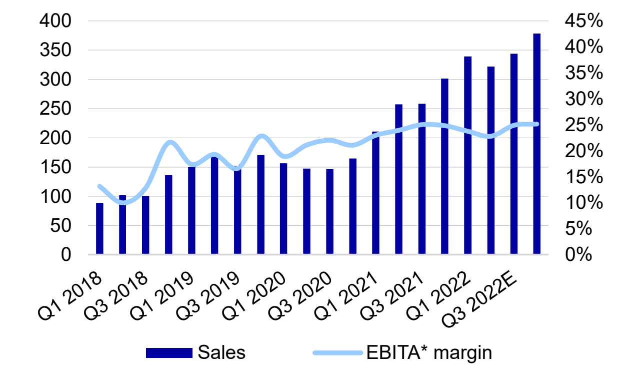
SDIPTECH: SALES GROWTH PER PARAMETER



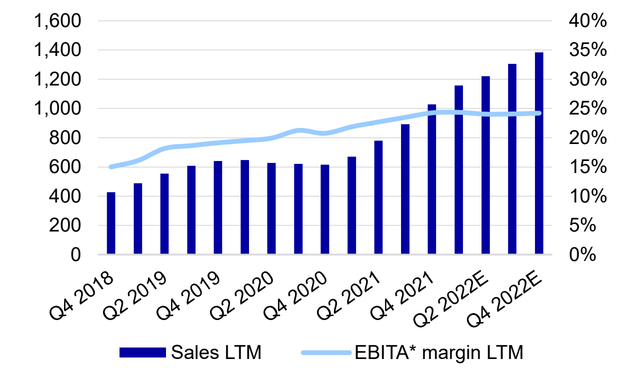
SDIPTECH: EBITA PER SEGMENT (SEKm)



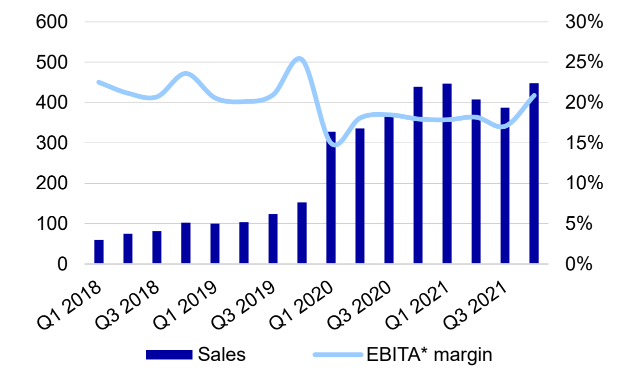
RESOURCE EFFICIENCY: SALES (SEKm) AND EBITA* MARGIN (%)



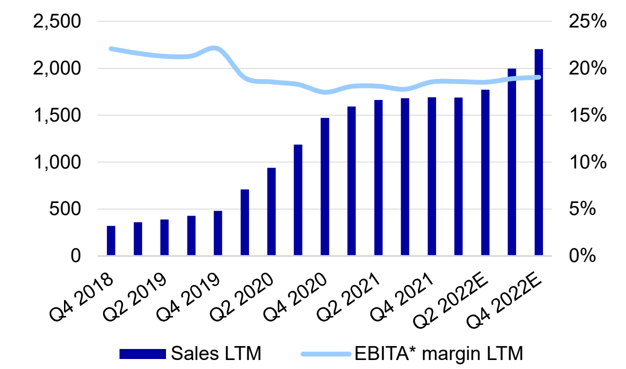
RESOURCE EFFICIENCY: SALES (SEKm) AND EBITA* MARGIN (%), LTM



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



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



*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	1,384	1,552	1,713	1,395	1,580	1,763	-1%	-2%	-3%
SIS	2,205	2,707	2,982	1,982	2,263	2,521	11%	20%	18%
Other	14	16	20	14	16	20	-	-	-
Group	**3,604**	**4,275**	**4,715**	**3,391**	**3,859**	**4,304**	**6%**	**11%**	**10%**
Sales bridge									
Organic	7.3%	6.0%	3.7%	7.4%	6.0%	3.7%	-0.1pp	0.0pp	0.0pp
Structural	21.6%	12.9%	6.6%	14.1%	8.2%	7.8%	7.5pp	4.7pp	-1.2pp
Currency	3.0%	-0.2%	0.0%	2.7%	-0.4%	0.0%	0.3pp	0.2pp	0.0pp
Sales growth	**32.0%**	**18.7%**	**10.2%**	**24.2%**	**13.8%**	**11.5%**	**7.8pp**	**4.9pp**	**-1.2pp**
EBITA* bridge									
RE	335	366	391	337	372	403	-1%	-2%	-3%
SIS	420	558	616	381	466	521	10%	20%	18%
Central costs	-53	-53	-53	-53	-53	-53	0%	0%	0%
Group EBITA*	**702**	**871**	**954**	**664**	**786**	**870**	**6%**	**11%**	**10%**
M&A Costs	-16	-17	-18	-13	-16	-16	23%	5%	10%
Non M&A Amortization	17	20	21	17	20	21	0%	0%	0%
Revaluation of earn-outs	-6	0	0	-6	0	0	-	-	-
EBITA	**697**	**874**	**958**	**663**	**790**	**875**	**5%**	**11%**	**9%**
Adjusted EBITA	**697**	**874**	**958**	**663**	**790**	**875**	**5%**	**11%**	**9%**
EBITA* Margin									
RE	24.2%	23.6%	22.8%	24.2%	23.6%	22.8%	0.0pp	0.0pp	0.0pp
SIS	19.1%	20.6%	20.7%	19.2%	20.6%	20.7%	-0.1pp	0.0pp	0.0pp
Group	**19.6%**	**20.5%**	**20.3%**	**19.7%**	**20.5%**	**20.3%**	**-0.1pp**	**0.0pp**	**0.0pp**
Sales bridge - RE	**35%**	**12%**	**10%**	**36%**	**13%**	**12%**	**-1.1pp**	**-1.1pp**	**-1.2pp**
Organic	13%	5%	4%	13%	5%	4%	0.0pp	0.0pp	0.0pp
Structural	18%	7%	7%	20%	8%	8%	-1.5pp	-1.2pp	-1.2pp
Currency	3%	0%	0%	3%	0%	0%	0.4pp	0.2pp	0.0pp
Sales bridge - SIS	**30%**	**23%**	**10%**	**17%**	**14%**	**11%**	**13.2pp**	**8.5pp**	**-1.2pp**
Organic	4%	6%	4%	4%	6%	4%	0.0pp	-0.1pp	0.0pp
Structural	26%	17%	7%	13%	8%	8%	12.9pp	8.6pp	-1.2pp
Currency	1%	0%	0%	1%	0%	0%	0.3pp	0.1pp	0.0pp

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

Source: Nordea estimates

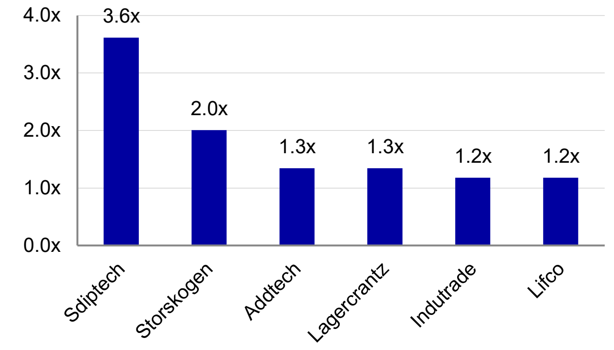
Valuation

KEY COMPOUNDERS: PEER VALUATION TABLE

		Mcap.	EV/EBITDA		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	43,024	19.1x	17.1x	22.1x	19.8x	26.2x	22.9x	32.2x	28.4x	1.1%	1.3%	1.3x	1.0x	15.1%	16.5%
Indutrade	HOLD	80,306	19.0x	17.4x	22.7x	21.0x	23.0x	21.3x	27.7x	25.6x	1.2%	1.4%	1.2x	0.8x	16.0%	16.2%
Lagercrantz	HOLD	19,346	17.1x	15.5x	20.8x	18.8x	23.8x	21.5x	29.3x	27.0x	1.7%	1.9%	1.3x	1.0x	12.6%	13.5%
Lifco	HOLD	87,119	20.0x	19.0x	22.1x	21.1x	25.8x	24.4x	32.8x	31.0x	0.8%	0.9%	1.2x	0.8x	14.0%	14.4%
Sdiptech	N.R.	10,930	16.9x	13.5x	19.9x	15.8x	22.6x	17.8x	27.9x	21.9x	0.0%	1.8%	3.6x	2.8x	8.5%	9.4%
Storskogen	BUY	28,871	9.0x	7.6x	11.4x	9.4x	13.2x	10.6x	16.4x	10.9x	1.0%	1.4%	2.0x	1.9x	8.9%	9.6%
Average		**44,933**	**16.9x**	**15.0x**	**19.8x**	**17.7x**	**22.4x**	**19.8x**	**27.7x**	**24.1x**	**1.0%**	**1.4%**	**1.8x**	**1.4x**	**12.5%**	**13.3%**
Median		**35,947**	**18.1x**	**16.3x**	**21.4x**	**19.3x**	**23.4x**	**21.4x**	**28.6x**	**26.3x**	**1.0%**	**1.4%**	**1.3x**	**1.0x**	**13.3%**	**13.9%**
Sdiptech	**N.R.**	**10,930**	**16.9x**	**13.5x**	**19.9x**	**15.8x**	**22.6x**	**17.8x**	**27.9x**	**21.9x**	**0.0%**	**1.8%**	**3.6x**	**2.8x**	**8.5%**	**9.4%**
vs. peer average		-76%	0%	-10%	0%	-11%	1%	-10%	1%	-9%	-1.0pp	0.4pp	103%	102%	-4.0pp	-3.9pp
vs. peer median		-70%	-6%	-17%	-7%	-18%	-3%	-17%	-3%	-17%	-1.0pp	0.5pp	169%	181%	-4.8pp	-4.6pp

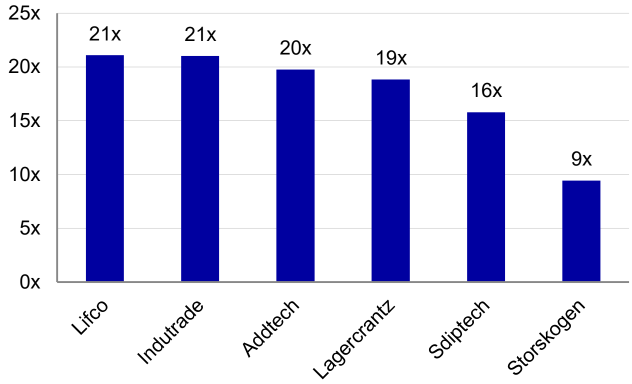
Source: Refinitiv and Nordea estimates

2022E NET DEBT/EBITDA (x) (INC EARN-OUTS & LEASING)



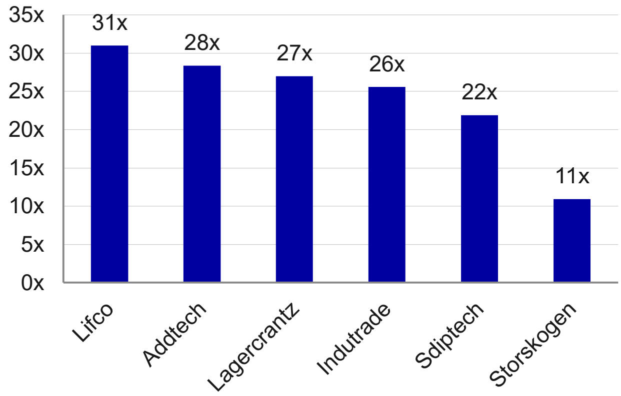
Source: Refinitiv and Nordea estimates

2023E EV/EBITA (x)



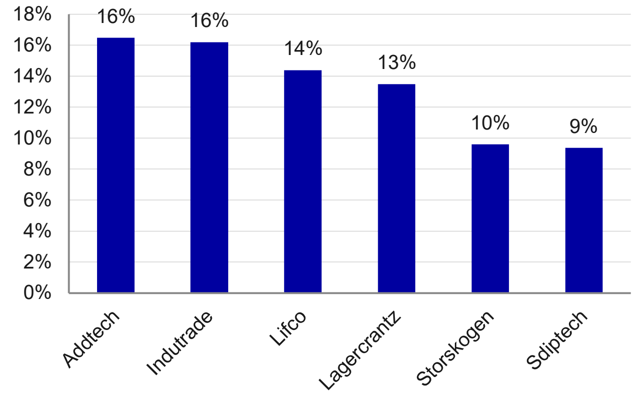
Source: Refinitiv and Nordea estimates

2023E P/E (x)



Source: Refinitiv and Nordea estimates

2023E ROIC (%)



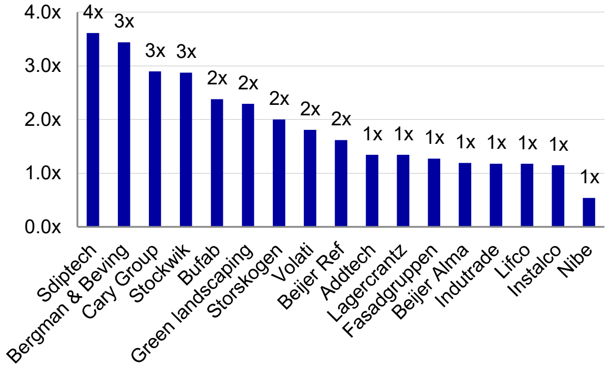
Source: Refinitiv and Nordea estimates

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	43,024	19.1x	17.1x	22.1x	19.8x	26.2x	22.9x	32.2x	28.4x	1.1%	1.3%	1.3x	1.0x	15.1%	16.5%
Bergman & Beving	-	3,207	8.6x	7.9x	-	-	14.2x	13.1x	13.3x	12.4x	2.9%	3.2%	3.4x	3.1x	-	-
Beijer Alma	BUY	12,052	11.0x	9.3x	13.4x	12.2x	13.9x	12.6x	16.2x	15.1x	2.5%	3.0%	1.2x	0.9x	14.2%	14.1%
Beijer Ref	BUY	57,017	23.9x	19.3x	29.4x	23.4x	31.1x	25.2x	40.2x	32.1x	0.8%	0.9%	1.6x	1.1x	12.2%	14.2%
Bufab	-	11,910	13.8x	12.8x	16.2x	14.8x	16.9x	15.4x	18.9x	17.1x	1.6%	1.8%	2.4x	1.6x	13.6%	13.1%
Cary Group	-	7,364	13.8x	13.2x	19.5x	15.6x	20.0x	18.5x	24.3x	19.7x	0.8%	0.9%	2.9x	2.1x	12.2%	13.5%
Fasadgruppen	BUY	5,514	11.8x	9.9x	13.3x	11.0x	14.2x	11.8x	16.2x	14.1x	1.2%	1.5%	1.3x	0.7x	13.1%	14.1%
Green landscaping	-	3,714	9.2x	8.7x	12.5x	11.6x	17.7x	16.4x	16.5x	15.1x	0.0%	1.6%	2.3x	1.6x	-	-
Indutrade	HOLD	80,306	19.0x	17.4x	22.7x	21.0x	23.0x	21.3x	27.7x	25.6x	1.2%	1.4%	1.2x	0.8x	16.0%	16.2%
Instalco	BUY	12,482	13.4x	11.7x	15.8x	13.0x	16.9x	13.5x	20.5x	16.7x	1.5%	1.7%	1.1x	0.6x	14.0%	16.6%
Lagercrantz	HOLD	19,346	17.1x	15.5x	20.8x	18.8x	23.8x	21.5x	29.3x	27.0x	1.7%	1.9%	1.3x	1.0x	12.6%	13.5%
Lifco	HOLD	87,119	20.0x	19.0x	22.1x	21.1x	25.8x	24.4x	32.8x	31.0x	0.8%	0.9%	1.2x	0.8x	14.0%	14.4%
Momentum	-	2,866	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nibe	BUY	172,166	27.0x	23.7x	31.6x	27.6x	33.9x	29.6x	43.9x	38.5x	0.5%	0.5%	0.5x	0.0x	15.6%	17.2%
Sdiptech	N.R.	10,930	16.9x	13.5x	19.9x	15.8x	22.6x	17.8x	27.9x	21.9x	0.0%	1.8%	3.6x	2.8x	8.5%	9.4%
Storskogen	BUY	28,871	9.0x	7.6x	11.4x	9.4x	13.2x	10.6x	16.4x	10.9x	1.0%	1.4%	2.0x	1.9x	8.9%	9.6%
Volati	HOLD	11,371	14.4x	12.1x	18.9x	15.6x	20.9x	17.1x	27.2x	22.2x	1.1%	1.4%	1.8x	1.4x	12.6%	14.1%
Stockwik	N.R.	462	7.7x	6.7x	10.9x	8.9x	14.8x	12.1x	35.0x	24.8x	0.0%	0.0%	2.9x	2.4x	7.5%	8.8%
Average		**31,651**	**15.1x**	**13.3x**	**18.8x**	**16.2x**	**20.5x**	**17.9x**	**25.8x**	**21.9x**	**1.1%**	**1.5%**	**1.9x**	**1.4x**	**12.7%**	**13.7%**
Median		**11,981**	**13.8x**	**12.8x**	**19.2x**	**15.6x**	**20.0x**	**17.1x**	**27.2x**	**21.9x**	**1.1%**	**1.4%**	**1.6x**	**1.1x**	**13.1%**	**14.1%**
Sdiptech	**N.R.**	**10,930**	**16.9x**	**13.5x**	**19.9x**	**15.8x**	**22.6x**	**17.8x**	**27.9x**	**21.9x**	**0.0%**	**1.8%**	**3.6x**	**2.8x**	**8.5%**	**9.4%**
vs. peer average		-65%	12%	2%	6%	-3%	10%	-1%	8%	0%	-1.1pp	0.4pp	91%	99%	-4.2pp	-4.3pp
vs. peer median		-9%	22%	6%	4%	1%	13%	4%	2%	0%	-1.1pp	0.5pp	123%	151%	-4.6pp	-4.7pp

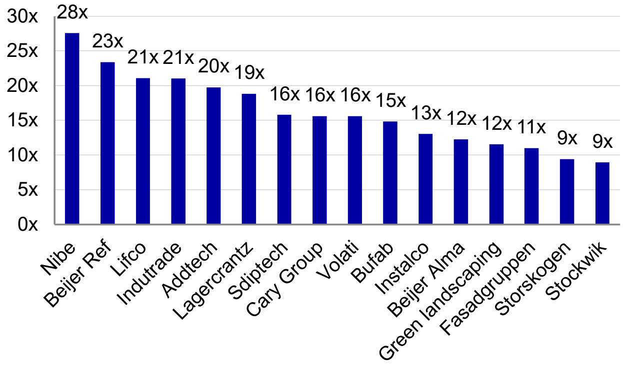
Source: Refinitiv and Nordea estimates

2022E NET DEBT/EBITDA (x) (INC EARN-OUTS & LEASING)



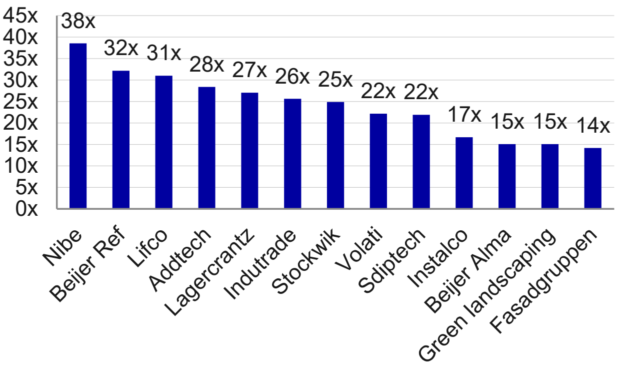
Source: Refinitiv and Nordea estimates

2023E EV/EBITA (x)



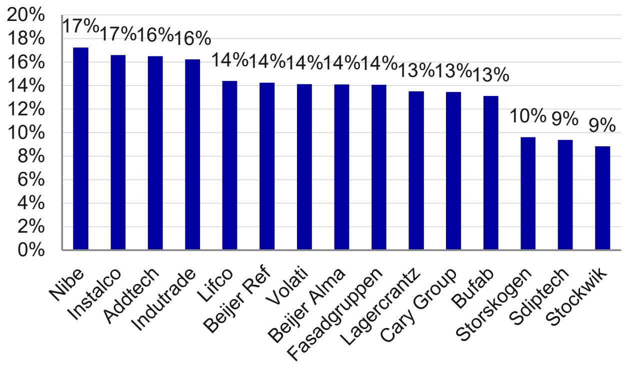
Source: Refinitiv and Nordea estimates

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 2022	Q2 2022E	Q3 2022E	Q4 2022E
Net sales	**658**	**665**	**646**	**749**	**784**	**813**	**957**	**1036**
- of which future M&A (aggregated)	*0*	*0*	*0*	*0*	*0*	*0*	*55*	*115*
Other operating income	4	9	4	7	4	4	4	4
Total sales	**662**	**675**	**650**	**756**	**787**	**816**	**960**	**1040**
Direct expenses	-265	-282	-286	-320	-320	-346	-407	-437
Other external expenses	-70	-83	-53	-112	-75	-69	-68	-61
Employee expenses	-204	-188	-175	-198	-225	-225	-263	-286
D&A on tangible non-current assets	-23	-21	-21	-26	-27	-28	-33	-36
D&A on intangible non-current assets	-10	-12	-13	-17	-18	-19	-22	-24
Adjusted EBIT	**93**	**88**	**103**	**83**	**122**	**130**	**167**	**196**
Non-recurring items	-3	0	0	0	0	0	0	0
EBIT	**91**	**88**	**103**	**83**	**122**	**130**	**167**	**196**
Financial income	9	3	6	0	0	0	0	0
Financial expense	-14	-12	-13	-19	-16	-18	-20	-21
Pre-tax profit	**85**	**80**	**95**	**64**	**106**	**112**	**147**	**175**
Tax	-21	-22	-18	-17	-30	-27	-35	-42
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**	**76**	**85**	**111**	**133**
Sales growth	**35.9%**	**37.6%**	**25.3%**	**24.0%**	**19.0%**	**22.2%**	**48.1%**	**38.3%**
of which organic	3.9%	15.7%	3.6%	13.3%	13.3%	3.4%	5.1%	8.0%
of which structural	25.4%	16.9%	8.9%	6.6%	1.4%	15.5%	40.4%	28.0%
of which FX	6.6%	5.0%	12.8%	4.1%	4.3%	3.3%	2.6%	2.3%
EBITA* growth	**64%**	**46%**	**29%**	**52%**	**25%**	**24%**	**58%**	**43%**
Adjusted EBITA growth	**44%**	**23%**	**25%**	**18%**	**36%**	**48%**	**64%**	**121%**
Sales per business area								
Resource efficiency	211	257	259	301	340	322	344	379
Special Infrastructure Solutions	447	408	388	448	444	491	613	657
Property Technical Services	0	0	0	0	0	0	0	0
Other	4	9	4	7	4	4	4	4
Total	**662**	**675**	**650**	**756**	**787**	**816**	**960**	**1040**
EBITA* per business area								
Resource efficiency	49	62	65	75	81	73	86	95
Special Infrastructure Solutions	80	74	66	94	80	88	115	137
Property Technical Services	0	0	0	0	0	0	0	0
Other	-12	-15	-12	-15	-16	-13	-13	-13
Group EBITA*	**116**	**121**	**119**	**153**	**145**	**149**	**188**	**219**
Adjustment for revaluation of earn-outs	-3	0	-0.7	-39.75	-5.8	0	0	0
Acquisition costs	-15	-2	-1	-4	-4	-5	-4	-4
Non-M&A-related amortisation & impairment	2	2	2	4	5	4	4	4
EBITA	**100**	**121**	**120**	**114**	**140**	**149**	**189**	**220**
Adjusted EBITA	**103**	**101**	**115**	**99**	**140**	**149**	**189**	**220**
EBITA* margin								
Resource efficiency	23.0%	23.9%	25.0%	24.8%	23.8%	22.8%	24.9%	25.2%
Special Infrastructure Solutions	17.9%	18.2%	17.1%	20.9%	18.0%	18.0%	18.8%	20.8%
Property Technical Services	-	-	-	-	-	-	-	-
Group	**17.6%**	**17.9%**	**18.4%**	**20.3%**	**18.4%**	**18.3%**	**19.6%**	**21.1%**
EBITA margin	**15.2%**	**17.9%**	**18.5%**	**15.1%**	**17.8%**	**18.2%**	**19.6%**	**21.2%**
Adjusted EBITA margin	**15.6%**	**14.9%**	**17.7%**	**13.2%**	**17.8%**	**18.2%**	**19.6%**	**21.2%**

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

Source: Company data and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT

SEKm	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**	**3,589**	**4,259**	**4,695**
Revenue growth	n.a.	n.a.	88.0%	39.0%	38.8%	22.0%	14.4%	30.2%	32.0%	18.7%	10.2%
of which organic	n.a.	n.a.	n.a.	0.0%	0.0%	0.8%	3.5%	10.7%	7.3%	6.0%	3.7%
of which FX	n.a.	n.a.	n.a.	7.9%	14.1%	4.5%	-1.1%	7.0%	3.0%	-0.2%	0.0%
EBITDA	0	61	120	204	213	358	403	506	822	1,023	1,121
Depreciation and impairments PPE	0	-3	-8	-15	-23	-67	-73	-90	-125	-148	-164
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
EBITA	0	59	111	189	190	291	330	416	697	874	958
Amortisation and impairments	0	0	0	-33	-47	-69	-20	-51	-82	-97	-107
EBIT	n.a.	59	111	156	143	222	310	364	615	777	850
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	-75	-96	-100
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**	**541**	**681**	**751**
Reported taxes	n.a.	-12	-24	-27	-30	-44	-64	-78	-135	-164	-181
Net profit from continued operations	0	40	80	93	96	165	220	247	406	517	570
Discontinued operations	0	0	0	0	33	0	0	0	0	0	0
Minority interests	0	-6	-10	-6	-4	-4	-6	-1	-1	-3	-2
Net profit to equity	0	20	56	73	111	147	201	232	391	499	552
EPS, SEK	**n.a.**	**0.99**	**2.56**	**2.74**	**3.68**	**4.86**	**6.24**	**6.68**	**11.01**	**14.03**	**15.52**
DPS, SEK	n.a.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.60	6.20
of which ordinary	n.a.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.60	6.20
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%	22.9%	24.0%	23.9%
EBITA	n.a.	14.2%	14.3%	17.5%	12.7%	15.9%	15.8%	15.3%	19.4%	20.5%	20.4%
EBIT	n.a.	14.2%	14.3%	14.5%	9.6%	12.1%	14.9%	13.4%	17.1%	18.2%	18.1%
Adjusted earnings											
EBITDA (adj)	0	29	120	204	213	358	403	509	822	1,023	1,121
EBITA (adj)	0	27	111	189	190	291	330	418	697	874	958
EBIT (adj)	0	27	111	156	143	222	310	367	615	777	850
EPS (adj, SEK)	n.a.	-0.59	2.56	2.74	3.68	4.86	5.41	6.76	11.01	14.03	15.52
Adjusted profit margins in percent											
EBITDA (adj)	n.a.	7.1%	15.4%	18.9%	14.2%	19.6%	19.3%	18.7%	22.9%	24.0%	23.9%
EBITA (adj)	n.a.	6.4%	14.3%	17.5%	12.7%	15.9%	15.8%	15.4%	19.4%	20.5%	20.4%
EBIT (adj)	n.a.	6.4%	14.3%	14.5%	9.6%	12.1%	14.9%	13.5%	17.1%	18.2%	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%	27.2%	23.3%	20.8%
EBITDA	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	45.8%	33.5%	32.1%	36.9%	25.7%
EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	39.6%	26.8%	31.5%	40.2%	30.8%
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	44.7%	21.1%	32.1%	30.7%	26.1%
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%	14.1%	15.8%	16.8%
Average EBITDA margin	n.a.	n.a.	n.a.	n.a.	n.a.	17.1%	17.9%	18.3%	19.6%	21.5%	22.3%

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	27.9	21.9	19.8
EV/EBITDA (adj)	n.a.	n.a.	n.a.	8.3	9.3	9.7	22.8	37.0	16.9	13.5	12.4
EV/EBITA (adj)	n.a.	n.a.	n.a.	8.9	10.4	12.0	27.8	45.0	19.9	15.8	14.5
EV/EBIT (adj)	n.a.	n.a.	n.a.	10.8	13.8	15.7	29.6	51.3	22.6	17.8	16.3

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	27.9	21.9	19.8
EV/Sales	n.a.	n.a.	n.a.	1.57	1.33	1.91	4.39	6.92	3.87	3.24	2.95
EV/EBITDA	n.a.	n.a.	n.a.	8.3	9.3	9.7	22.8	37.2	16.9	13.5	12.4
EV/EBITA	n.a.	n.a.	n.a.	8.9	10.4	12.0	27.8	45.3	19.9	15.8	14.5
EV/EBIT	n.a.	n.a.	n.a.	10.8	13.8	15.7	29.6	51.6	22.6	17.8	16.3
Dividend yield (ord.)	n.a.	n.a.	n.a.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.8%	2.0%
FCF yield	n.a.	n.a.	n.a.	-8.7%	-19.1%	-14.5%	-2.3%	-4.2%	-7.5%	1.2%	1.7%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	2.8%	4.3%	9.4%	5.3%	2.0%	3.5%	5.0%	6.1%
Payout ratio	n.a.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.9%	39.9%

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	4,757	5,027	5,342
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	1,032	1,115	1,214
of which goodwill	n.a.	287	806	1,055	1,452	1,870	2,268	3,183	3,724	3,912	4,128
Tangible assets	0	19	50	81	108	258	319	436	594	580	569
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	5,351	5,607	5,911
Inventory	n.a.	28	34	63	96	117	215	324	427	507	559
Accounts receivable	n.a.	75	156	217	309	333	375	498	658	780	860
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	273	324	357
Cash and bank	n.a.	89	126	330	325	156	279	369	728	1,250	1,686
Total current assets	0	303	411	679	866	745	984	1,398	2,087	2,862	3,463
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**	**7,438**	**8,469**	**9,374**
Shareholders equity	n.a.	471	428	973	1,088	1,223	1,716	2,524	2,901	3,386	3,725
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	9	11
Total Equity	n.a.	497	461	1,006	1,121	1,259	1,756	2,529	2,907	3,395	3,736
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	3,151	3,567	4,047
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	3,436	3,853	4,333
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	409	485	534
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	272	323	356
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	1,094	1,221	1,304
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**	**7,438**	**8,469**	**9,374**
Balance sheet and debt metrics											
Net debt	0	84	512	254	694	1,176	1,311	2,127	2,970	2,865	2,909
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	677	804	886
Invested capital	0	414	980	1,271	1,828	2,451	3,136	4,807	6,028	6,411	6,797
Capital employed	0	670	1,098	1,590	2,139	2,591	3,346	5,025	6,606	7,510	8,332
ROE	n.a.	n.a.	12.4%	10.5%	10.8%	12.7%	13.7%	10.9%	14.4%	15.9%	15.5%
ROIC	n.m.	9.6%	12.0%	10.4%	6.9%	7.8%	8.3%	6.9%	8.5%	9.4%	9.7%
ROCE	n.m.	7.9%	12.6%	11.6%	7.7%	9.4%	10.5%	8.8%	10.6%	11.0%	10.7%
Net debt/EBITDA	n.m.	1.4	4.3	1.2	3.3	3.3	3.3	4.2	3.6	2.8	2.6
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%	39.0%	40.0%	39.7%
Net gearing	n.a.	16.9%	111.1%	25.2%	61.9%	93.5%	74.7%	84.1%	102.2%	84.4%	77.9%

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**	**822**	**1,023**	**1,121**
Paid taxes	0	-12	-24	-27	-30	-44	-53	-94	-135	-164	-181
Net financials	0	-6	-7	-36	-17	-13	-26	-39	-75	-96	-100
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**	**624**	**762**	**840**
Change in NWC	0	-85	-36	1	-121	31	92	-7	-164	-126	-82
Cash flow from operations (CFO)	**n.a.**	**-32**	**122**	**70**	**89**	**313**	**451**	**385**	**459**	**636**	**758**
Capital expenditure	n.a.	-110	-3	-30	-35	-100	-38	-51	-72	-85	-94
Free cash flow before A&D	**0**	**-142**	**119**	**40**	**54**	**213**	**413**	**334**	**388**	**551**	**664**
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	-1,203	-417	-480
Free cash flow	0	-195	-240	-121	-240	-330	-182	-698	-815	134	184
Free cash flow bef A&D, lease adj	0	-142	119	40	54	213	413	334	388	551	664
Dividends paid	0	-14	-14	-14	-14	-14	-15	-21	-14	-14	-213
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	1,203	417	480
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	360	522	436
Cash flow metrics											
Capex/D&A	n.a.	n.m.	33.3%	63.0%	50.3%	73.5%	40.9%	36.0%	34.7%	34.7%	34.7%
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	307	307	307
Market cap.	n.a.	n.a.	n.a.	1,400	1,257	2,273	7,825	16,674	10,930	10,930	10,930
Enterprise value	n.a.	n.a.	n.a.	1,687	1,984	3,485	9,176	18,806	13,907	13,804	13,851
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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