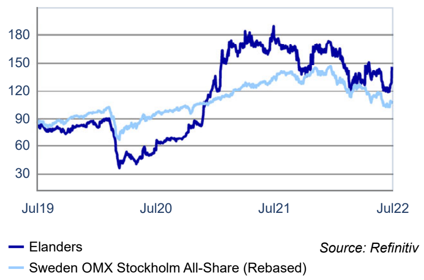
Elanders

Consumer Goods
Sweden

KEY DATA

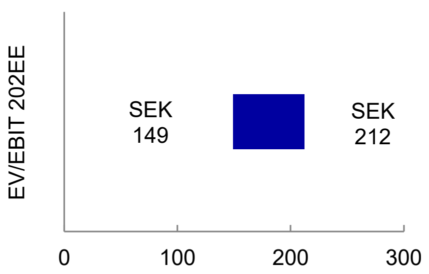
Stock country	Sweden
Bloomberg	ELANB SS
Reuters	ELANb.ST
Share price (close)	SEK 146.6
Free Float	50%
Market cap. (bn)	EUR 0.48/SEK 5.18
Website	www.elanders.com
Next report date	17 Oct 2022

PERFORMANCE



Source: Refinitiv

VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

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

Source: Nordea estimates

Nordea Markets - Analysts
Carl Ragnerstam
Analyst

Gustav Berneblad
Analyst

Cautiously optimistic heading into H2

Elanders presented a strong Q2 report, with 11% organic growth for Supply Chain Solutions, driven by new businesses and higher shipping rates. Despite facing significant headwinds in the quarter, Elanders managed to achieve an impressive adjusted EBIT margin of 5.7%, with another strong contribution from Bergen Logistics. As such, we upgrade adjusted EBIT by 10-11% for 2022E-24E. Owing to weaker consumer sentiment, we are only cautiously optimistic heading into H2, although we continue to view Elanders's business model as much more resilient today. Given the recent peer multiple contractions, we adjust our multiples-based equity fair value range to SEK 149-212 (152-209).

Organic growth driven by Supply Chain Solutions in Q2

Elanders presented a strong Q2 report, with group sales of SEK 3,525m (up 27% y/y; ~6% organic and ~14% M&A). The group organic growth was solely driven by Supply Chain Solutions, which grew 11% organically in Q2, primarily driven both by new business and higher shipping rates. However, Print & Packaging Solutions is still facing tough comparisons related to its subscription boxes. Excluding this effect, the segment actually saw an organic sales increase of more than 10%, indicating that the underlying business is on a positive delta. Despite the headwinds from the Chinese lockdowns, higher energy and material costs, and component shortages, Elanders managed to grow adjusted EBIT by 52% y/y, posting a margin uplift of 94 bp, implying a margin of 5.7%, which we view as very impressive.

Positive earnings revisions of 10-11% for 2022-24

Encouraged by the continuous strong performance of Bergen Logistics and Elanders's ability to mitigate the cost inflation while reporting a positive delta within Print & Packaging Solutions, we upgrade 2022E-24E adjusted EBIT by 10-11%. However, we remain cautiously optimistic as we head into H2, given the company's significant retail exposure and the slowdown in consumer sentiment, which already has affected several of its customers.

Discount to logistics sector of 16%

With ~65% non-cyclical revenue exposure and 80% of revenues stemming from Supply Chain Solutions, Elanders has managed to significantly diversify its business in the last couple of years, leading to a more resilient business model. Elanders currently trades at 2023E EV/EBIT of ~11x, implying a discount of 16% to logistics peers.

SUMMARY TABLE - KEY FIGURES

SEKm	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	10,742	11,254	11,050	11,732	14,044	14,640	15,207
EBITDA (adj)	725	1,409	1,426	1,465	1,841	1,889	1,938
EBIT (adj)	458	509	546	564	816	933	989
EBIT (adj) margin	4.3%	4.5%	4.9%	4.8%	5.8%	6.4%	6.5%
EPS (adj, SEK)	7.16	7.13	9.19	8.65	12.89	14.94	16.07
EPS (adj) growth	33.9%	-0.4%	29.0%	-5.8%	48.9%	15.9%	7.6%
DPS (ord, SEK)	2.90	0.00	3.10	4.00	4.60	4.80	5.00
EV/Sales	0.5	0.6	0.6	1.0	0.8	0.7	0.7
EV/EBIT (adj)	12.3	13.9	13.0	20.2	13.4	11.3	10.3
P/E (adj)	12.2	12.2	13.0	20.1	11.4	9.8	9.1
P/BV	1.1	1.1	1.5	1.9	1.4	1.3	1.2
Dividend yield (ord)	3.3%	0.0%	2.6%	2.3%	3.1%	3.3%	3.4%
FCF Yield bef A&D, lease	9.5%	16.7%	23.2%	3.5%	4.0%	10.2%	10.7%
Net debt	2,539	3,994	2,854	5,249	5,738	5,348	4,938
Net debt/EBITDA	3.5	3.2	2.0	3.5	3.1	2.8	2.5
ROIC after tax	5.8%	5.9%	6.4%	5.4%	6.3%	7.3%	7.7%

Source: Company data and Nordea estimates

Q2 deviation

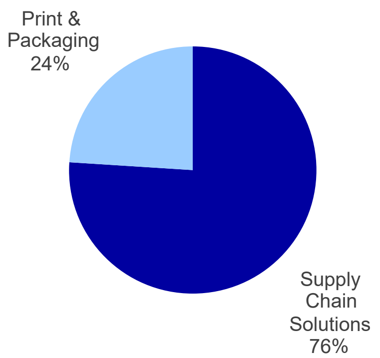
ELANDERS: Q2 DEVIATION TABLE

SEKm	Actual Q2 22	NDA est. Q2 22E	Deviation vs. actual		Actual Q1 22	q/q	Actual Q2 21	y/y
Net sales	**3,525**	**3,179**	**346**	**11%**	**3,371**	**5%**	**2,769**	**27%**
Gross profit	525	436	89	21%	492	7%	383	37%
EBITA	264	178	86	48%	187	41%	145	82%
Amortisation of intangibles	(23)	(19)	(4)	21%	(22)	5%	(13)	77%
EBIT	241	159	82	51%	165	46%	132	83%
Earnings per share (SEK)	3.91	2.55	1	53%	2.40	63%	2.35	67%
Adj. EBITA	224	178	46	26%	187	20%	145	54%
Adj. EBIT	**201**	**159**	**42**	**26%**	**165**	**22%**	**132**	**52%**
Adj. EBITA margin	6.4%	5.6%		0.8pp	5.5%	0.8pp	5.2%	1.1pp
Adj. EBIT margin	**5.7%**	**5.0%**		**0.7pp**	**4.9%**	**0.8pp**	**4.8%**	**0.9pp**
Supply Chain Solutions	2,914	2,635	279	11%	2,769	5%	2,168	34%
Print & Packaging Solutions	643	566	77	14%	637	1%	622	3%
Group functions	11	10	1	10%	10	10%	10	10%
Eliminations	(43)	(32)	(11)	34%	(45)	-4%	(31)	39%
Group net sales	**3,524**	**3,179**	**345**	**11%**	**3,371**	**5%**	**2,769**	**27%**
Supply Chain Solutions	193	153	40	27%	156	24%	115	68%
Print & Packaging Solutions	18	18	0	2%	22	-18%	26	-31%
Group functions	(10)	(11)	1		(13)	-23%	(9)	11%
Adj group EBIT	**201**	**159**	**42**	26%	**165**	**22%**	**132**	**52%**
Supply Chain Solutions	6.6%	5.8%		0.8pp	5.6%	-84pp	5.3%	1.3pp
Print & Packaging Solutions	2.8%	3.1%		-0.3pp	3.5%	31pp	4.2%	-1.4pp
Adj EBIT margin	**5.7%**	**5.0%**		**0.7pp**	**4.9%**	**-70pp**	**4.8%**	**0.9pp**

Source: Company data and Nordea estimates

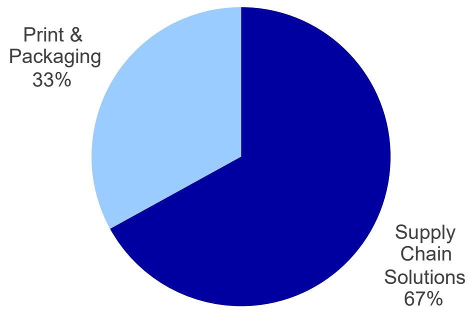
Selected charts

ELANDERS: REVENUE SPLIT BY SEGMENT (%)



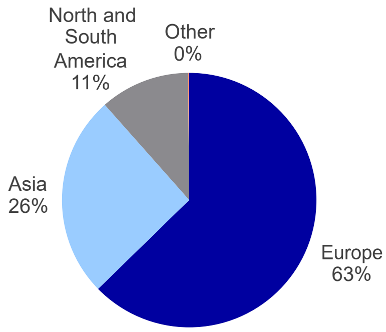
Source: Company data and Nordea estimates

ELANDERS: EBITA SPLIT BY SEGMENT (%)



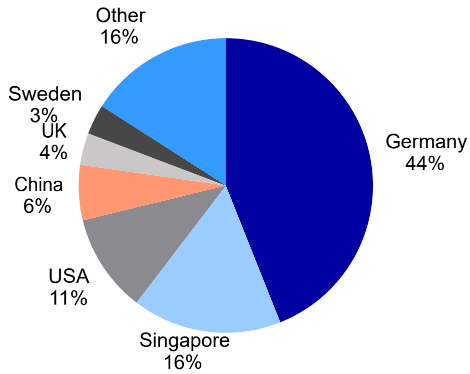
Source: Company data and Nordea estimates

ELANDERS: SALES SPLIT BY REGION (%)



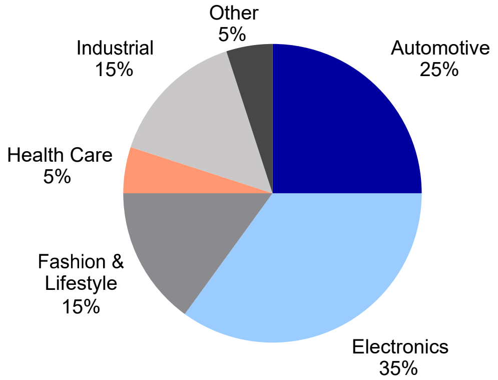
Source: Company data and Nordea estimates

ELANDERS: SALES SPLIT BY COUNTRY (%)



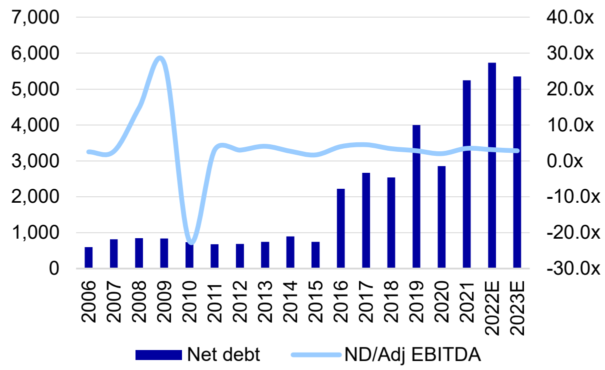
Source: Company data and Nordea estimates

ELANDERS: SALES SPLIT BY END MARKET (%)



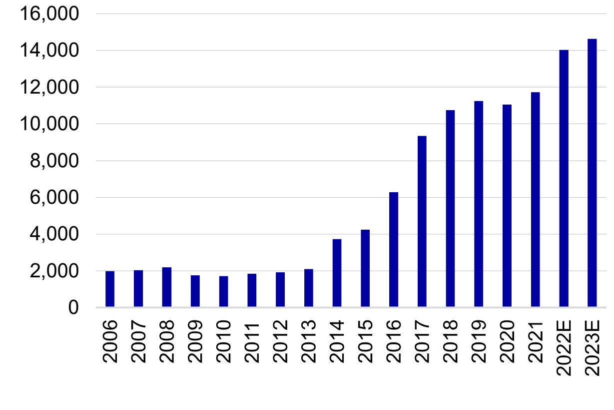
Source: Company data and Nordea estimates

ELANDERS: GROUP LEVERAGE (SEKm), NET DEBT/EBITDA



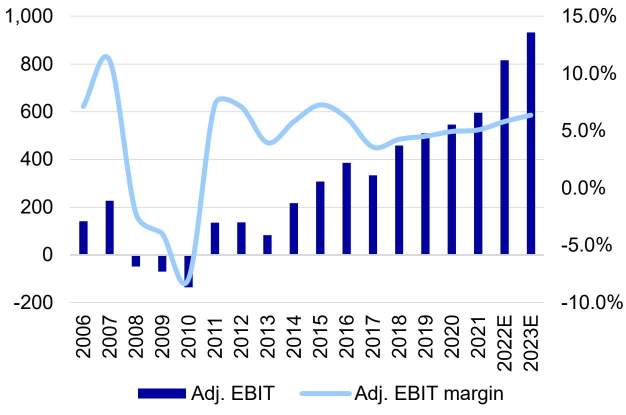
Source: Company data and Nordea estimates

ELANDERS: GROUP NET SALES DEVELOPMENT (SEKm)



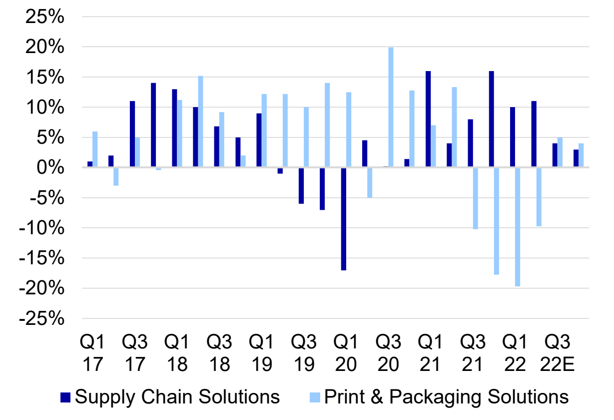
Source: Company data and Nordea estimates

ELANDERS: GROUP ADJUSTED EBIT AND EBIT MARGIN (SEKm AND %)



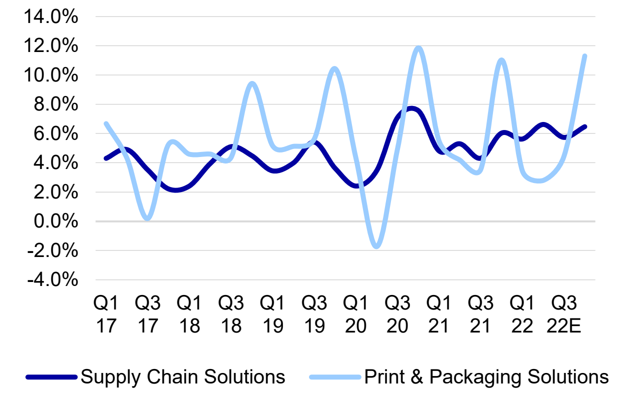
Source: Company data and Nordea estimates

ELANDERS: ORGANIC GROWTH BY SEGMENT (%)



Source: Company data and Nordea estimates

ELANDERS: EBIT MARGIN DEVELOPMENT BY SEGMENT (%)



Source: Company data and Nordea estimates

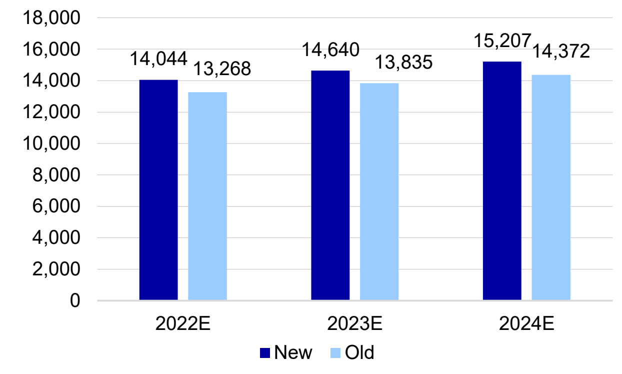
Estimate revisions

ELANDERS: ESTIMATE REVISIONS (SEKm; EPS IN SEK)

	New estimates			Old estimates			Difference %		
SEKm	**2022E**	**2023E**	**2024E**	**2022E**	**2023E**	**2024E**	**2022E**	**2023E**	**2024E**
Net sales	**14,044**	**14,640**	**15,207**	**13,268**	**13,835**	**14,372**	**6%**	**6%**	**6%**
Cost of goods sold	-12,023	-12,594	-13,081	-11,397	-11,902	-12,364	5%	6%	6%
Gross profit	**2,021**	**2,046**	**2,125**	**1,871**	**1,933**	**2,009**	**8%**	**6%**	**6%**
EBITA	938	1,002	1,048	813	912	955	15%	10%	10%
Amortisation of intangibles	-82	-70	-59	-79	-67	-57	n.a	n.a	n.a
EBIT	856	933	989	734	845	898	17%	10%	10%
Net financials	-124	-172	-171	-114	-172	-171	9%	0%	0%
PTP	732	760	818	620	672	**727**	18%	13%	13%
Income tax	-211	-228	-245	-174	-202	-218	22%	13%	13%
Net profit	521	532	572	446	471	**509**	17%	13%	13%
Earnings per share (SEK)	14	15	16	12	13	14	18%	13%	13%
Adj. EBITA	898	1,002	1,048	813	912	955	10%	10%	10%
Adj. EBIT	**816**	**933**	**989**	**734**	**845**	**898**	**11%**	**10%**	**10%**
Tax on EO	-12	0	0	0	0	0	n.a	n.a	n.a
Adj. Net profit	469	532	572	446	471	509	5%	13%	13%
Adj. EPS	13	15	16	12	13	14	6%	13%	13%
Adj. EBITA margin	6.4%	6.8%	6.9%	6.1%	6.6%	6.6%	0.3pp	0.3pp	0.2pp
Adj. EBIT margin	5.8%	6.4%	6.5%	5.5%	6.1%	6.2%	0.3pp	0.3pp	0.3pp
Adj. Incremental margin	9.5%	19.5%	9.9%	9.0%	19.5%	9.9%	0.5pp	0.0pp	0.0pp
Net sales per segment									
Supply Chain Solutions	11,465	12,038	12,580	10,893	11,437	11,952	5%	5%	5%
Print & Packaging Solutions	2,697	2,724	2,751	2,483	2,508	2,533	9%	9%	9%
Group functions	40	40	41	40	40	41	0%	0%	0%
Eliminations	-159	-162	-165	-148	-151	-154	7%	7%	7%
Group net sales	**14,043**	**14,640**	**15,207**	**13,268**	**13,835**	**14,372**	**6%**	**6%**	**6%**
Adj EBIT per segment									
Supply Chain Solutions	703	818	872	643	752	803	9%	9%	9%
Print & Packaging Solutions	155	158	161	134	137	139	15%	15%	15%
Group functions	-42	-43	-44	-43	-44	-45	-2%	-2%	-2%
Group EBIT	**816**	**933**	**989**	**734**	**845**	**898**	**11%**	**10%**	**10%**
Adj. EBIT margin									
Supply Chain Solutions	6.5%	6.8%	6.9%	5.9%	6.6%	6.7%	0.6pp	0.2pp	0.2pp
Print & Packaging Solutions	5.8%	5.8%	5.8%	5.4%	5.5%	5.5%	0.3pp	0.3pp	0.3pp
Group	**6.1%**	**6.4%**	**6.5%**	**5.5%**	**6.1%**	**6.2%**	**0.6pp**	**0.3pp**	**0.3pp**

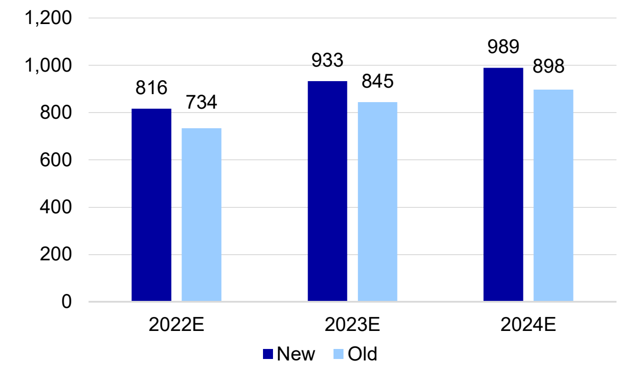
Source: Nordea estimates

NET SALES: NEW ESTIMATES VS OLD ESTIMATES (SEKm)



Source: Nordea estimates

ADJUSTED EBIT: NEW ESTIMATES VS OLD ESTIMATES (SEKm)



Source: Nordea estimates

Valuation

ELANDERS: PEER VALUATION TABLE

		Mcap.	Adj. 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**
Agility	-	70,926	19.9x	18.9x	-	-	28.4x	27.5x	49.0x	46.7x	1.2%	1.7%	-	-	3.5%	3.5%
CH Robinson	-	132,464	10.6x	12.1x	-	-	11.4x	13.3x	13.3x	15.5x	2.1%	2.2%	1.1x	1.1x	22.1%	19.3%
DSV	BUY	250,560	9.6x	10.2x	11.4x	12.7x	11.4x	12.7x	14.1x	16.0x	0.8%	0.8%	1.1x	1.1x	16.3%	13.9%
Elanders		5,183	5.9x	5.6x	12.2x	10.5x	13.4x	11.3x	11.4x	9.8x	3.1%	3.3%	3.1x	2.8x	6.3%	7.3%
Expeditors	-	173,589	7.8x	10.2x	-	-	8.1x	10.8x	12.5x	16.5x	1.2%	1.2%	-	-	37.6%	24.9%
ID Logistics	-	15,749	6.5x	5.7x	20.9x	18.0x	21.0x	18.3x	28.1x	23.8x	0.0%	0.0%	2.0x	1.6x	0.0%	0.0%
J.B Hunt	-	182,767	9.3x	9.0x	-	-	13.4x	13.1x	17.4x	16.4x	0.9%	1.0%	0.6x	0.6x	21.1%	19.1%
Kerry Logistics	-	41,027	4.9x	5.2x	-	-	6.1x	7.4x	9.3x	10.4x	3.5%	3.1%	0.3x	0.1x	13.2%	12.7%
Huehne & Nagel	-	306,293	6.0x	9.0x	8.1x	9.9x	7.4x	12.0x	11.1x	19.0x	4.2%	3.4%	-	-	76.6%	50.0%
Landstar	-	58,135	8.6x	10.6x	-	-	9.5x	12.1x	12.3x	15.2x	0.6%	0.6%	-	-	40.3%	30.5%
Old Dominion	-	324,822	14.7x	13.8x	-	-	16.9x	16.0x	23.3x	21.6x	0.4%	0.4%	-	-	33.0%	30.8%
XPO Logistics	-	58,758	5.8x	5.5x	-	-	8.5x	8.1x	8.7x	8.3x	0.0%	0.0%	2.0x	1.5x	16.8%	16.4%
Average		**135,023**	**9.1x**	**9.6x**	**13.1x**	**12.8x**	**13.0x**	**13.5x**	**17.5x**	**18.3x**	**1.5%**	**1.5%**	**1.5x**	**1.3x**	**23.9%**	**19.0%**
Median		**101,695**	**8.2x**	**9.6x**	**11.8x**	**11.6x**	**11.4x**	**12.4x**	**12.9x**	**16.2x**	**1.0%**	**1.1%**	**1.1x**	**1.1x**	**18.9%**	**17.8%**
Elanders		**5,183**	**5.9x**	**5.6x**	**12.2x**	**10.5x**	**13.4x**	**11.3x**	**11.4x**	**9.8x**	**3.1%**	**3.3%**	**3.1x**	**2.8x**	**6.3%**	**7.3%**
vs. peer average	-	-	-35%	-42%	-7%	-18%	3%	-16%	-35%	-46%	1.6pp	2.2pp	108%	124%	-18pp	-10pp
vs. peer median	-	-	-27%	-42%	3%	-9%	17%	-9%	-12%	-39%	2.1pp	2.2pp	169%	147%	-13pp	-10pp
vs. ID Logistics	-	-	-9%	-3%	-42%	-42%	-36%	-38%	-59%	-59%	3.1pp	3.3pp	51%	73%	6pp	7pp
vs. XPO Logistics	-	-	2%	2%	nm	nm	57%	40%	30%	18%	3.1pp	3.3pp	52%	93%	-11pp	-9pp

Source: Company data and Nordea estimates

Detailed estimates

ELANDERS: QUARTERLY ESTIMATES (SEKm; EPS IN SEK)

(SEKm)	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22E	Q4 22E
Net sales	2,734	2,769	2,865	3,364	3,371	3,525	3,406	3,742
Cost of goods sold	-2,352	-2,386	-2,500	-2,850	-2,879	-3,000	-2,929	-3,215
Gross profit	382	383	365	514	492	525	477	527
Sales and administrative expenses	-265	-259	-264	-331	-338	-356	-312	-366
Other operating income	17	12	15	38	26	83	17	42
Other operating expenses	-6	-5	-5	-12	-16	-11	-4	69
EBITDA	341	343	342	456	421	499	431	530
Depreciation	-23	-21	-41	-38	-44	-46	-44	-49
EBITA	142	145	124	228	187	263	197	291
Amortisation of intangible acq related assets	-14	-13	-13	-19	-22	-22	-19	-19
EBIT	128	132	111	209	165	241	178	272
Net financials	-25	-22	-23	-28	-36	-36	-26	-26
PTP	103	110	88	181	129	205	152	246
Income tax	-35	-24	-31	-61	-41	-63	-41	-66
Net profit	68	86	57	120	88	142	111	179
Earnings per share (SEK)	1.95	2.35	1.56	3.25	2.40	3.87	2.92	4.82
Adj. EBITDA	341	343	342	472	421	459	431	530
Adj. EBITA	142	145	124	244	187	223	197	291
Adj. EBIT	128	132	111	225	165	201	178	272
Tax on EO	0	0	0	5	0	-12	0	0
Adj. Net profit	68	86	57	109	88	170	111	179
Adj. EPS	1.95	2.35	1.56	2.95	2.40	4.66	2.92	4.82
Gross margin	14.0%	13.8%	12.7%	15.3%	14.6%	14.9%	14.0%	14.1%
EBITDA margin	12.5%	12.4%	11.9%	13.6%	12.5%	14.2%	12.7%	14.2%
EBITA margin	5.2%	5.2%	4.3%	6.8%	5.5%	7.5%	5.8%	7.8%
EBIT margin	4.7%	4.8%	3.9%	6.2%	4.9%	6.8%	5.2%	7.3%
Incremental margin	37.7%	-162.2%	-75.9%	-7.1%	5.8%	14.4%	12.4%	16.6%
Adj. EBITDA margin	12.5%	12.4%	11.9%	14.0%	12.5%	13.0%	12.7%	14.2%
Adj. EBITA margin	5.2%	5.2%	4.3%	7.3%	5.5%	6.3%	5.8%	7.8%
Adj. EBIT margin	4.7%	4.8%	3.9%	6.7%	4.9%	5.7%	5.2%	7.3%
Adj. Incremental margin	37.7%	-162.2%	-75.9%	-7.1%	5.8%	14.4%	12.4%	16.6%

Source: Company data and Nordea estimates

ELANDERS: QUARTERLY SALES AND EBIT BRIDGE

(SEKm)	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22E	Q4 22E
Net sales								
Supply Chain Solutions	2,060	2,168	2,292	2,684	2,769	2,914	2,773	3,009
Print & Packaging Solutions	694	622	592	698	637	643	656	761
Group functions	10	10	10	10	10	10	10	10
Eliminations	-29	-31	-29	-28	-45	-43	-33	-38
Total sales	**2,735**	**2,769**	**2,865**	**3,364**	**3,371**	**3,524**	**3,406**	**3,742**
Sales bridge								
Volume	14%	6%	3%	7%	3%	6%	4%	3%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	0%	1%	2%	9%	20%	14%	9%	3%
FX	-8%	-9%	-2%	0%	6%	7%	6%	6%
Other	0%	0%	0%	0%	0%	0%	0%	0%
Total growth	**6%**	**-2%**	**3%**	**17%**	**23%**	**27%**	**19%**	**11%**
Sales bridge								
Volume	353	169	107	200	53	166	117	98
Price/Mix	0	0	0	0	0	0	0	0
Structural	11	30	43	268	540	384	250	91
FX	-202	-243	-63	10	164	205	173	189
Other	0	0	0	0	0	0	0	0
Total growth	**163**	**-44**	**87**	**478**	**758**	**755**	**541**	**378**
Growth per segment quarterly								
(%)	**Q1 21**	**Q2 21**	**Q3 21**	**Q4 21**	**Q1 22**	**Q2 22**	**Q3 22E**	**Q4 22E**
Supply Chain Solutions								
Volume	16%	4%	8%	16%	10%	11%	4%	3%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	1%	1%	2%	11%	24%	16%	11%	3%
FX	-9%	-9%	-2%	0%	6%	7%	6%	6%
Other	0%	0%	0%	0%	0%	0%	0%	0%
Total growth	**8%**	**-4%**	**8%**	**27%**	**34%**	**34%**	**21%**	**12%**
Print & Packaging Solutions								
Volume	7%	13%	-10%	-18%	-20%	-10%	5%	4%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	0%	0%	0%	5%	5%	6%	0%	0%
FX	-6%	-6%	-2%	1%	6%	7%	6%	5%
Other	0%	0%	0%	0%	0%	0%	0%	0%
Total growth	1%	8%	-12%	-12%	-8%	3%	11%	9%
EBIT per segment quarterly								
(SEKm)	**Q1 21**	**Q2 21**	**Q3 21**	**Q4 21**	**Q1 22**	**Q2 22**	**Q3 22E**	**Q4 22E**
Supply Chain Solutions	99	115	99	146	156	233	159	195
Print & Packaging Solutions	38	26	21	77	22	18	29	86
Group functions	-9	-9	-10	-14	-13	-10	-10	-9
Group EBIT	**128**	**132**	**111**	**209**	**165**	**241**	**178**	**272**
Adj. EBIT per segment quarterly								
Supply Chain Solutions	99	115	99	162	156	193	159	195
Print & Packaging Solutions	38	26	21	77	22	18	29	86
Group functions	-9	-9	-10	-14	-13	-10	-10	-9
Adj group EBIT	**129**	**132**	**111**	**225**	**165**	**201**	**178**	**272**
EBIT margin per segment quarterly								
Supply Chain Solutions	4.8%	5.3%	4.3%	5.4%	5.6%	8.0%	5.7%	6.5%
Print & Packaging Solutions	5.5%	4.2%	3.5%	11.0%	3.5%	2.8%	4.4%	11.3%
EBIT margin	**4.7%**	**4.8%**	**3.9%**	**6.2%**	**4.9%**	**6.8%**	**5.2%**	**7.3%**
Adj. EBIT margin per segment quarterly								
Supply Chain Solutions	4.8%	5.3%	4.3%	6.0%	5.6%	6.6%	5.7%	6.5%
Print & Packaging Solutions	5.5%	4.2%	3.5%	11.0%	3.5%	2.8%	4.4%	11.3%
Adj EBIT margin	**4.7%**	**4.8%**	**3.9%**	**6.7%**	**4.9%**	**5.7%**	**5.2%**	**7.3%**

Source: Company data and Nordea estimates

ELANDERS: ANNUAL ESTIMATES (SEKm; EPS IN SEK)

(SEKm)	2017	2018	2019	2020	2021	2022E	2023E	2024E
Net sales	9,342	10,742	11,254	11,050	11,732	14,044	14,640	15,207
Cost of goods sold	-8,008	-9,331	-9,780	-9,532	-10,088	-12,023	-12,594	-13,081
Gross profit	1,334	1,411	1,474	1,518	1,644	2,021	2,046	2,125
Sales and administrative expenses	-1,067	-1,034	-1,145	-1,050	-1,119	-1,372	-1,420	-1,462
Other operating income	79	112	66	13	82	168	174	179
Other operating expenses	-38	-30	-33	-44	-28	38	132	147
EBITDA	563	747	1,260	1,426	1,482	1,881	1889	1938
Depreciation	-192	-203	-156	-169	-123	-183	-256	-249
EBITA	371	522	416	599	639	938	1002	1048
Amortisation of intangible acq related assets	-63	-64	-56	-53	-59	-82	-70	-59
EBIT	308	458	360	546	580	856	933	989
Net financials	-80	-93	-143	-131	-98	-124	-172	-171
PTP	228	365	217	415	482	732	760	818
Income tax	-64	-107	-63	-86	-151	-211	-228	-245
Net profit	164	258	154	329	331	521	532	572
Earnings per share (SEK)	4.64	7.19	4.19	9.19	9.11	14.02	14.94	16.07
Adj. EBITDA	589	747	1,409	1,426	1,498	1,841	1889	1938
Adj. EBITA	397	522	565	599	655	898	1002	1048
Adj. EBIT	334	458	509	546	596	816	933	989
Tax on EO	7	0	43	0	5	-12	0	0
Adj. Net profit	197	258	346	329	352	469	532	572
Adj. EPS	5.55	7.16	9.79	9.19	9.70	12.56	14.94	16.07
Gross margin	14.3%	13.1%	13.1%	13.7%	14.0%	14.4%	14.0%	14.0%
EBITDA margin	6.0%	7.0%	11.2%	12.9%	12.6%	13.4%	12.9%	12.7%
EBITA margin	4.0%	4.9%	3.7%	5.4%	5.4%	6.7%	6.8%	6.9%
EBIT margin	3.3%	4.3%	3.2%	4.9%	4.9%	6.1%	6.4%	6.5%
Incremental margin	-1.3%	10.7%	-19.1%	-91.2%	5.0%	11.9%	12.8%	9.9%
Adj. EBITDA margin	6.3%	7.0%	12.5%	12.9%	12.8%	13.1%	12.9%	12.7%
Adj. EBITA margin	4.2%	4.9%	5.0%	5.4%	5.6%	6.4%	6.8%	6.9%
Adj. EBIT margin	3.6%	4.3%	4.5%	4.9%	5.1%	5.8%	6.4%	6.5%
Adj. Incremental margin	-1.7%	8.9%	10.0%	-18.1%	7.3%	9.5%	19.5%	9.9%

Source: Company data and Nordea estimates

ELANDERS: ANNUAL SALES AND EBIT BRIDGE

(SEKm)	2017	2018	2019	2020	2021	2022E	2023E	2024E
Net sales								
Supply Chain Solutions	7,007	8,526	8,775	8,408	9,204	11,465	12,038	12,580
Print & Packaging Solutions	2,220	2,244	2,564	2,728	2,606	2,697	2,724	2,751
Group functions	35	47	37	40	40	40	40	41
Eliminations	-129	-75	-122	-126	-117	-159	-162	-165
Total sales	**9,342**	**10,946**	**11,254**	**11,050**	**11,733**	**14,043**	**14,640**	**15,207**
Sales bridge								
Volume	7%	8%	1%	0%	7%	4%	4%	4%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	42%	1%	0%	0%	3%	11%	0%	0%
FX	0%	5%	4%	-2%	-4%	6%	0%	0%
Other	0%	0%	0%	0%	0%	0%	0%	0%
Total growth	**49%**	**15%**	**5%**	**-2%**	**6%**	**20%**	**4%**	**4%**
Sales bridge								
Volume	405	848	69	14	828	435	595	563
Price/Mix	0	0	0	0	0	0	0	0
Structural	2,624	48	-51	5	352	1,265	0	0
FX	28	503	477	-227	-497	731	0	0
Other	0	0	0	0	0	0	0	0
Total growth	**3,058**	**1,399**	**495**	**-208**	**684**	**2,431**	**595**	**563**
Growth per segment annual								
(%)	**2017**	**2018**	**2019**	**2020**	**2021**	**2022E**	**2023E**	**2024E**
Supply Chain Solutions								
Volume	10%	8%	-2%	-3%	11%	7%	5%	5%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	65%	1%	0%	0%	4%	13%	0%	0%
FX	1%	6%	4%	-1%	-5%	6%	0%	0%
Other	0%	0%	0%	0%	0%	0%	0%	0%
Total growth	**75%**	**22%**	**3%**	**-4%**	**9%**	**25%**	**5%**	**5%**
Print & Packaging Solutions								
Volume	2%	9%	12%	10%	-3%	-5%	1%	1%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	2%	0%	-2%	0%	1%	3%	0%	0%
FX	0%	4%	4%	-4%	-3%	6%	0%	0%
Other	0%	0%	0%	0%	0%	0%	0%	0%
Total growth	3%	1%	14%	6%	-4%	3%	1%	1%
EBIT per segment annual								
(SEKm)	**2017**	**2018**	**2019**	**2020**	**2021**	**2022E**	**2023E**	**2024E**
Supply Chain Solutions	253	346	220	435	459	743	818	872
Print & Packaging Solutions	93	132	174	147	162	155	158	161
Group functions	-32	-20	-34	-36	-42	-42	-43	-44
Group EBIT	**308**	**458**	**360**	**546**	**579**	**856**	**933**	**989**
Adj. EBIT per segment annual								
Supply Chain Solutions	258	346	362	435	475	703	818	872
Print & Packaging Solutions	109	132	181	147	162	155	158	161
Group functions	-32	-20	-34	-36	-42	-42	-43	-44
Adj group EBIT	**334**	**458**	**509**	**546**	**596**	**816**	**933**	**989**
EBIT margin per segment annual								
Supply Chain Solutions	3.6%	4.1%	2.5%	5.2%	5.0%	6.5%	6.8%	6.9%
Print & Packaging Solutions	4.2%	5.9%	6.8%	5.4%	6.2%	5.8%	5.8%	5.8%
EBIT margin	**3.3%**	**4.2%**	**3.2%**	**4.9%**	**4.9%**	**6.1%**	**6.4%**	**6.5%**
Adj. EBIT margin per segment annual								
Supply Chain Solutions	3.7%	4.1%	4.1%	5.2%	5.2%	6.1%	6.8%	6.9%
Print & Packaging Solutions	4.9%	5.9%	7.1%	5.4%	6.2%	5.8%	5.8%	5.8%
Adj EBIT margin	**3.6%**	**4.2%**	**4.5%**	**4.9%**	**5.1%**	**5.8%**	**6.4%**	**6.5%**

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	**3,730**	**4,237**	**6,285**	**9,342**	**10,742**	**11,254**	**11,050**	**11,732**	**14,044**	**14,640**	**15,207**
Revenue growth	77.9%	13.6%	48.4%	48.6%	15.0%	4.8%	-1.8%	6.2%	19.7%	4.2%	3.9%
of which organic	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
of which FX	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA	293	427	519	563	725	1,260	1,426	1,481	1,881	1,889	1,938
Depreciation and impairments PPE	-99	-115	-132	-192	-203	-844	-827	-843	-943	-886	-890
of which leased assets	0	0	0	0	0	-688	-658	-720	-760	-700	-700
EBITA	194	312	387	371	522	416	599	638	938	1,002	1,048
Amortisation and impairments	-19	-20	-40	-63	-64	-56	-53	-58	-82	-70	-59
EBIT	175	292	347	308	458	360	546	580	856	933	989
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	-35	-33	-44	-80	-93	-143	-131	-98	-124	-172	-171
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	**140**	**259**	**303**	**228**	**365**	**217**	**415**	**482**	**732**	**760**	**818**
Reported taxes	-52	-85	-82	-64	-107	-63	-86	-151	-211	-228	-245
Net profit from continued operations	88	174	221	164	258	154	329	331	521	532	572
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	0	0	0	-1	-5	-6	-4	-9	-25	-4	-4
Net profit to equity	88	174	221	163	253	148	325	322	496	528	568
EPS, SEK	**3.49**	**6.18**	**7.48**	**4.61**	**7.16**	**4.19**	**9.19**	**9.11**	**14.02**	**14.94**	**16.07**
DPS, SEK	1.10	2.20	2.60	2.60	2.90	0.00	3.10	4.00	4.60	4.80	5.00
of which ordinary	1.10	2.20	2.60	2.60	2.90	0.00	3.10	4.00	4.60	4.80	5.00
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	7.8%	10.1%	8.3%	6.0%	6.7%	11.2%	12.9%	12.6%	13.4%	12.9%	12.7%
EBITA	5.2%	7.4%	6.2%	4.0%	4.9%	3.7%	5.4%	5.4%	6.7%	6.8%	6.9%
EBIT	4.7%	6.9%	5.5%	3.3%	4.3%	3.2%	4.9%	4.9%	6.1%	6.4%	6.5%
Adjusted earnings											
EBITDA (adj)	335	443	558	589	725	1,409	1,426	1,465	1,841	1,889	1,938
EBITA (adj)	236	328	426	397	522	565	599	622	898	1,002	1,048
EBIT (adj)	217	308	386	334	458	509	546	564	816	933	989
EPS (adj, SEK)	5.16	6.75	8.80	5.35	7.16	7.13	9.19	8.65	12.89	14.94	16.07
Adjusted profit margins in percent											
EBITDA (adj)	9.0%	10.5%	8.9%	6.3%	6.7%	12.5%	12.9%	12.5%	13.1%	12.9%	12.7%
EBITA (adj)	6.3%	7.7%	6.8%	4.2%	4.9%	5.0%	5.4%	5.3%	6.4%	6.8%	6.9%
EBIT (adj)	5.8%	7.3%	6.1%	3.6%	4.3%	4.5%	4.9%	4.8%	5.8%	6.4%	6.5%
Performance metrics											
CAGR last 5 years											
Net revenue	16.3%	20.0%	27.9%	37.2%	38.7%	24.7%	21.1%	13.3%	8.5%	6.4%	6.2%
EBITDA	40.8%	74.6%	21.4%	21.9%	32.4%	33.9%	27.3%	23.3%	27.3%	21.1%	9.0%
EBIT	n.m.	n.m.	25.9%	21.1%	41.8%	15.6%	13.3%	10.8%	22.7%	15.3%	22.4%
EPS	n.m.	n.m.	20.1%	18.1%	54.5%	3.7%	8.3%	4.0%	24.9%	15.9%	30.9%
DPS	n.m.	n.m.	39.1%	34.1%	29.4%	n.m.	7.1%	9.0%	12.1%	10.6%	n.m.
Average last 5 years											
Average EBIT margin	3.6%	5.6%	5.5%	4.7%	4.6%	4.2%	4.1%	4.2%	4.8%	5.2%	5.9%
Average EBITDA margin	8.0%	9.4%	8.9%	7.7%	7.4%	8.3%	9.2%	10.1%	11.5%	12.7%	12.9%

VALUATION RATIOS - ADJUSTED EARNINGS											
SEKm	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022E**	**2023E**	**2024E**
P/E (adj)	6.9	9.4	12.1	15.3	12.2	12.2	13.0	20.1	11.4	9.8	9.1
EV/EBITDA (adj)	5.4	5.7	9.6	9.4	7.8	5.0	5.0	7.8	5.9	5.6	5.2
EV/EBITA (adj)	7.6	7.7	12.6	14.0	10.8	12.5	11.8	18.3	12.2	10.5	9.7
EV/EBIT (adj)	8.3	8.2	13.9	16.7	12.3	13.9	13.0	20.2	13.4	11.3	10.3

VALUATION RATIOS - REPORTED EARNINGS											
SEKm	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022E**	**2023E**	**2024E**
P/E	10.2	10.2	14.2	17.8	12.2	20.8	13.0	19.1	10.5	9.8	9.1
EV/Sales	0.48	0.60	0.85	0.60	0.52	0.63	0.64	0.97	0.78	0.72	0.67
EV/EBITDA	6.1	5.9	10.3	9.9	7.8	5.6	5.0	7.7	5.8	5.6	5.2
EV/EBITA	9.3	8.1	13.9	15.0	10.8	17.0	11.8	17.9	11.7	10.5	9.7
EV/EBIT	10.3	8.7	15.5	18.1	12.3	19.7	13.0	19.7	12.8	11.3	10.3
Dividend yield (ord.)	3.1%	3.5%	2.4%	3.2%	3.3%	0.0%	2.6%	2.3%	3.1%	3.3%	3.4%
FCF yield	-14.9%	12.7%	-50.2%	-11.3%	10.3%	38.8%	38.1%	-5.4%	18.7%	23.7%	24.2%
FCF Yield bef A&D, lease adj	13.1%	12.5%	7.0%	-9.0%	9.5%	16.7%	23.2%	3.5%	4.0%	10.2%	10.7%
Payout ratio	21.3%	32.6%	29.6%	48.6%	40.5%	0.0%	33.7%	46.2%	35.7%	32.1%	31.1%

Source: Company data and Nordea estimates

BALANCE SHEET

SEKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Intangible assets	1,297	1,269	3,081	3,136	3,218	3,229	3,085	4,517	4,435	4,365	4,306
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	1,297	1,269	3,081	3,136	3,218	3,229	3,085	2,017	1,935	1,865	1,806
of which goodwill	0	0	0	0	0	0	0	2,500	2,500	2,500	2,500
Tangible assets	583	533	1,047	1,075	1,056	2,139	2,255	3,372	3,018	3,029	3,044
of which leased assets	0	0	0	0	0	1,207	1,164	1,081	736	713	690
Shares associates	0	0	0	0	0	0	0	352	352	352	352
Interest bearing assets	0	0	0	0	0	0	0	0	0	0	0
Deferred tax assets	0	0	0	0	0	0	0	0	0	0	0
Other non-IB non-current assets	0	0	0	0	0	0	0	0	0	0	0
Other non-current assets	0	0	0	0	0	0	297	0	0	0	0
Total non-current assets	1,880	1,802	4,128	4,211	4,274	5,368	5,637	8,241	7,805	7,746	7,702
Inventory	254	266	295	390	468	335	233	400	479	499	518
Accounts receivable	844	825	1,396	1,795	1,762	1,740	624	1,822	2,181	2,274	2,362
Short-term leased assets	0	0	0	0	0	658	720	438	700	700	700
Other current assets	136	139	312	333	511	448	324	0	0	0	0
Cash and bank	457	529	651	679	722	655	1,101	898	965	1,332	1,719
Total current assets	1,690	1,758	2,654	3,197	3,463	3,836	3,002	3,558	4,325	4,805	5,299
Assets held for sale	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total assets	**3,570**	**3,560**	**6,782**	**7,408**	**7,737**	**9,204**	**8,639**	**11,799**	**12,130**	**12,551**	**13,001**
Shareholders equity	1,348	1,488	2,411	2,453	2,707	2,777	2,908	3,304	3,658	4,024	4,422
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	4	0	25	29	33
Total Equity	1,348	1,488	2,411	2,453	2,707	2,777	2,912	3,304	3,683	4,053	4,455
Deferred tax	86	83	233	208	199	320	188	0	0	0	0
Long term interest bearing debt	25	20	2,646	2,504	2,442	2,214	1,990	4,413	4,413	4,413	4,413
Pension provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term provisions	0	0	0	0	0	0	0	253	0	0	0
Other long-term liabilities	0	0	0	0	0	0	0	0	0	0	0
Non-current lease debt	0	0	0	0	0	1,259	1,278	913	830	807	784
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	111	103	2,879	2,712	2,641	3,793	3,456	5,579	5,243	5,220	5,197
Short-term provisions	0	0	0	0	1	1	0	0	0	0	0
Accounts payable	784	722	1,263	1,403	1,569	1,597	1,588	1,457	1,744	1,818	1,888
Current lease debt	0	0	0	0	0	639	639	639	639	639	639
Other current liabilities	0	0	0	0	1	1	0	0	0	0	0
Short term interest bearing debt	1,327	1,247	228	840	819	398	44	821	821	821	821
Total current liabilities	2,111	1,969	1,491	2,243	2,390	2,636	2,271	2,917	3,204	3,278	3,348
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	**3,570**	**3,560**	**6,781**	**7,408**	**7,738**	**9,206**	**8,639**	**11,800**	**12,130**	**12,551**	**13,001**
Balance sheet and debt metrics											
Net debt	895	738	2,223	2,665	2,539	3,994	2,854	5,249	5,738	5,348	4,938
of which lease debt	0	0	0	0	0	1,898	1,917	1,552	1,469	1,446	1,423
Working capital	449	507	740	1,115	1,171	925	-407	765	916	955	992
Invested capital	2,329	2,309	4,868	5,326	5,445	6,293	5,230	9,006	8,721	8,701	8,694
Capital employed	2,700	2,755	5,285	5,797	5,968	7,287	6,863	10,090	10,386	10,733	11,112
ROE	7.4%	12.3%	11.3%	6.7%	9.8%	5.4%	11.4%	10.4%	14.2%	13.8%	13.5%
ROIC	7.1%	9.0%	7.3%	4.5%	5.8%	5.9%	6.4%	5.4%	6.3%	7.3%	7.7%
ROCE	9.2%	11.3%	9.6%	6.0%	7.8%	7.7%	7.7%	6.7%	8.0%	8.8%	9.1%
Net debt/EBITDA	3.1	1.7	4.3	4.7	3.5	3.2	2.0	3.5	3.1	2.8	2.5
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	37.8%	41.8%	35.6%	33.1%	35.0%	30.2%	33.7%	28.0%	30.2%	32.1%	34.0%
Net gearing	66.4%	49.6%	92.2%	108.6%	93.8%	143.8%	98.0%	158.9%	155.8%	132.0%	110.8%

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	**293**	**427**	**519**	**563**	**725**	**1,260**	**1,426**	**1,481**	**1,881**	**1,889**	**1,938**
Paid taxes	-61	-85	-104	-133	-127	-114	-41	-128	-211	-228	-245
Net financials	0	0	0	0	1	-143	-131	-98	-124	-172	-171
Change in provisions	0	0	0	0	1	0	-1	253	-253	0	0
Change in other LT non-IB	0	0	0	0	0	0	-297	297	0	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	20	-66	-71	-75	-149	229	310	-603	0	0	0
Funds from operations (FFO)	**251**	**276**	**344**	**355**	**451**	**1,232**	**1,266**	**1,202**	**1,292**	**1,488**	**1,522**
Change in NWC	-89	-8	-13	-419	4	104	461	-139	-151	-39	-37
Cash flow from operations (CFO)	**162**	**269**	**331**	**-64**	**455**	**1,336**	**1,727**	**1,063**	**1,141**	**1,449**	**1,485**
Capital expenditure	-44	-46	-112	-196	-161	-133	-88	-128	-174	-220	-228
Free cash flow before A&D	**118**	**223**	**219**	**-260**	**294**	**1,203**	**1,639**	**935**	**967**	**1,230**	**1,257**
Proceeds from sale of assets	-252	4	-1,794	-67	24	-7	-28	0	0	0	0
Acquisitions	0	0	0	0	0	0	0	-1,267	0	0	0
Free cash flow	-134	227	-1,575	-327	318	1,196	1,611	-332	967	1,230	1,257
Free cash flow bef A&D, lease adj	118	223	219	-260	294	515	981	215	207	530	557
Dividends paid	-18	-29	-58	-92	-93	-129	58	-112	-141	-163	-170
Equity issues / buybacks	121	0	695	0	0	0	0	0	0	0	0
Net change in debt	223	-125	1,029	462	-225	-1,152	-1,119	0	0	0	0
Other financing adjustments	0	0	0	0	0	1	-655	-720	-759	-700	-700
Other non-cash adjustments	49	0	31	-15	43	17	532	1,609	0	0	0
Change in cash	241	72	122	28	43	-67	446	-203	67	367	387
Cash flow metrics											
Capex/D&A	37.1%	34.1%	65.1%	76.9%	60.3%	14.8%	10.0%	14.2%	17.0%	23.0%	24.0%
Capex/Sales	1.2%	1.1%	1.8%	2.1%	1.5%	1.2%	0.8%	1.1%	1.2%	1.5%	1.5%
Key information											
Share price year end (/current)	36	63	106	82	87	87	120	174	147	147	147
Market cap.	899	1,787	3,140	2,899	3,083	3,083	4,229	6,152	5,183	5,183	5,183
Enterprise value	1,795	2,525	5,363	5,564	5,622	7,077	7,087	11,401	10,946	10,560	10,155
Diluted no. of shares, year-end (m)	25.2	28.2	29.6	35.4	35.4	35.4	35.4	35.4	35.4	35.4	35.4

Source: Company data and Nordea estimates

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