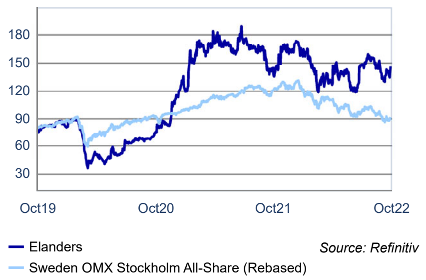
Elanders

Consumer Goods
Sweden

KEY DATA

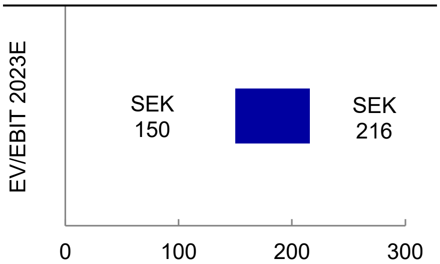
Stock country	Sweden
Bloomberg	ELANB SS
Reuters	ELANb.ST
Share price (close)	SEK 147.2
Free Float	50%
Market cap. (bn)	EUR 0.47/SEK 5.20
Website	www.elanders.com
Next report date	

PERFORMANCE



Source: Refinitiv

VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2022E	2023E	2024E
Sales	4%	5%	5%
EBIT (adj)	3%	2%	2%

Source: Nordea estimates

Nordea IB & Equity - Analysts
Carl Ragnerstam
Analyst

Gustav Berneblad
Analyst

Demand holding up better than feared

Elanders presented a strong Q3 report, with group organic growth of 12% y/y and 81% adjusted EBIT growth, which we find impressive given the cost inflation and general weakening in consumer sentiment seen in Q3. The softer demand for certain product groups in Electronics was partly offset by stronger demand for heat pumps, highlighting the strengths in Elanders' broad end-market exposure. In addition, we view the positive commentary from management on the demand situation in Fashion & Lifestyle (both in North America and Europe) as encouraging and an indication that demand is holding up better than feared. We therefore raise adjusted EBIT by 2-3% for 2022E-24E and adjust our multiples-based equity fair value range to SEK 150-216 (144-208).

Surprisingly strong growth in Q3

Elanders presented a strong Q3 report with group sales of SEK 3,979m, up 39% y/y (+12% organically) and 12% ahead of our estimates. The main growth was driven by Supply Chain Solutions, which grew 45% y/y (15% organically), with a large contribution from Bergen Logistics along with new businesses and higher shipping rates for freight forwarding volumes. Excluding the negative impact from the subscription box business, the underlying business for Print & Packaging Solutions progressed well and grew 10% organically, driven by both price increases and stronger demand for photobooks, calendars and other similar products. However, the margin continues to be burdened by higher costs from e.g. material, energy prices and fuel costs, while supply chain disturbances led to irregular capacity utilisation. Despite this, the company managed to grow adjusted EBIT by 81% y/y, posting a margin uplift of 1.1 pp, implying a margin of 5.1%.

Positive estimate revisions of 2-3%

Following the stronger-than-expected report, the rather positive commentary from management related to the supply chain situation, and the better-than-feared demand situation for Fashion & Lifestyle in North America and Europe, we feel somewhat more optimistic heading into Q4. In addition, Elanders' ability to capitalise in the short term on lower consumer demand and inventory build-up from customers through warehousing products, along with softer demand for TVs, household appliances and printers partly being offset by higher demand for heat pumps, highlights the resiliency of the business model. We thus raise our estimates by 2-3% for 2023-24, although we stay conservative per a potential slowdown in 2023.

SUMMARY TABLE - KEY FIGURES

SEKm	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	10,742	11,254	11,050	11,732	14,871	15,326	15,918
EBITDA (adj)	725	1,409	1,426	1,497	1,926	1,955	2,016
EBIT (adj)	458	509	546	596	862	920	978
EBIT (adj) margin	4.3%	4.5%	4.9%	5.1%	5.8%	6.0%	6.1%
EPS (adj, SEK)	7.16	7.13	9.19	9.56	13.19	13.15	15.79
EPS (adj) growth	33.9%	-0.4%	29.0%	4.0%	38.0%	-0.3%	20.1%
DPS (ord, SEK)	2.90	0.00	3.10	3.50	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	19.1	13.9	11.9	10.7
P/E (adj)	12.2	12.2	13.0	18.2	11.2	11.2	9.3
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%	2.0%	3.1%	3.3%	3.4%
FCF Yield bef A&D, lease	9.5%	16.7%	23.2%	3.5%	-5.8%	12.5%	10.4%
Net debt	2,539	3,994	2,854	5,249	6,720	5,650	5,184
Net debt/EBITDA	3.5	3.2	2.0	3.5	3.4	2.9	2.6
ROIC after tax	5.8%	5.9%	6.4%	5.7%	6.5%	6.9%	7.5%

Source: Company data and Nordea estimates

Q2 deviation

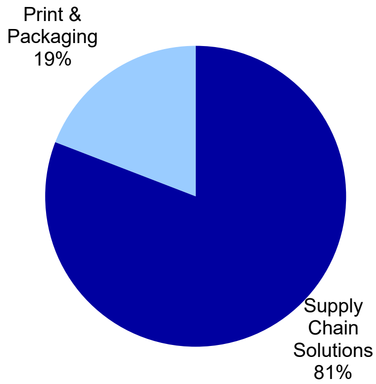
ELANDERS: Q2 DEVIATION TABLE

SEKm	Actual Q3 22	NDA est. Q3 22E	Deviation vs. actual		Actual Q2 22	q/q	Actual Q3 21	y/y
Net sales	**3,979**	**3,549**	**430**	**12%**	**3,525**	**13%**	**2,865**	**39%**
Gross profit	562	497	65	13%	525	7%	365	54%
EBITA	216	200	16	8%	263	-18%	124	74%
Amortisation of intangibles	(23)	(19)	(4)	21%	(22)	5%	(13)	77%
EBIT	193	181	12	7%	241	-20%	111	74%
Earnings per share (SEK)	3.10	2.98	0	4%	3.87	-20%	1.56	99%
Adj. EBITA	224	200	24	12%	223	0%	124	81%
Adj. EBIT	**201**	**181**	**20**	**11%**	**201**	**0%**	**111**	**81%**
Adj. EBITA margin	5.6%	5.6%		0.0pp	6.3%	-0.7pp	4.3%	1.3pp
Adj. EBIT margin	**5.1%**	**5.1%**		**0.0pp**	**5.7%**	**-0.7pp**	**3.9%**	**1.2pp**
Supply Chain Solutions	3,325	2,883	442	15%	2,914	14%	2,292	45%
Print & Packaging Solutions	686	689	(3)	0%	643	7%	592	16%
Group functions	11	10	1	10%	10	10%	10	10%
Eliminations	(43)	(33)	(10)	30%	(43)	0%	(29)	48%
Group net sales	**3,979**	**3,549**	**430**	**12%**	**3,524**	**13%**	**2,865**	**39%**
Supply Chain Solutions	179	159	20	13%	193	-7%	99	81%
Print & Packaging Solutions	34	32	2	6%	18	89%	21	62%
Group functions	(12)	(10)	(2)		(10)	20%	(10)	20%
Adj group EBIT	**201**	**181**	**20**	11%	**201**	**0%**	**111**	**81%**
Supply Chain Solutions	5.4%	5.5%		-0.1pp	6.6%	-1pp	4.3%	1.1pp
Print & Packaging Solutions	5.0%	4.6%		0.3pp	2.8%	2pp	3.5%	1.4pp
Adj EBIT margin	**5.1%**	**5.1%**		**0.0pp**	**5.7%**	**-1pp**	**3.9%**	**1.2pp**

Source: Company data and Nordea estimates

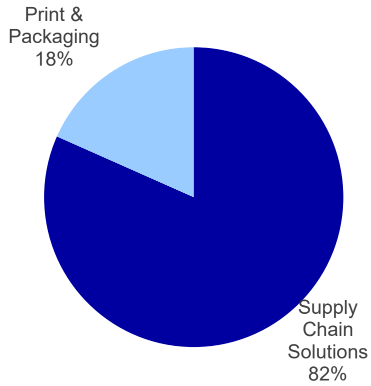
Selected charts

ELANDERS: REVENUE SPLIT BY SEGMENT (%), 2022E



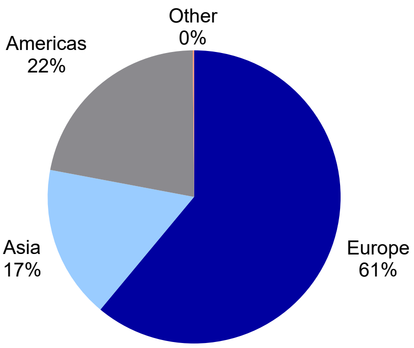
Source: Company data and Nordea estimates

ELANDERS: EBITA SPLIT BY SEGMENT (%), 2022E



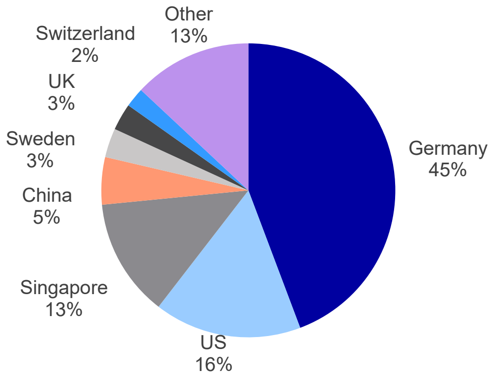
Source: Company data and Nordea estimates

ELANDERS: SALES SPLIT BY REGION (%), 2022E



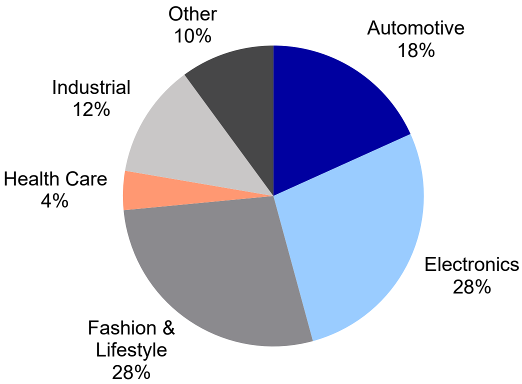
Source: Company data and Nordea estimates

ELANDERS: SALES SPLIT BY COUNTRY (%), 2021



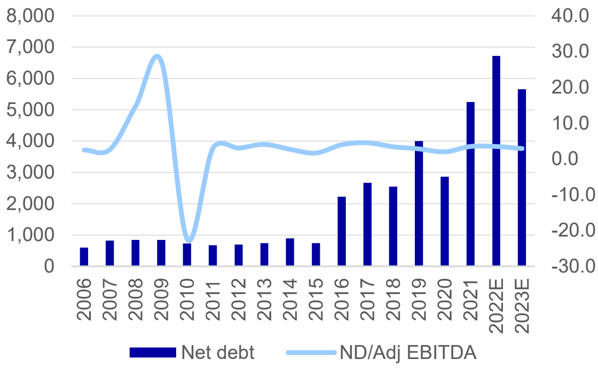
Source: Company data and Nordea estimates

ELANDERS: SALES SPLIT BY END MARKET (%), Q3 LTM 2022



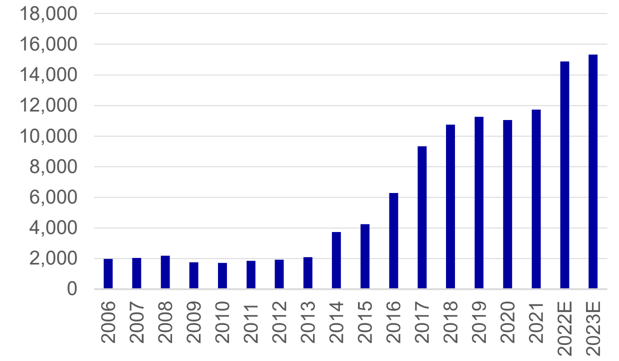
Source: Company data and Nordea estimates

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



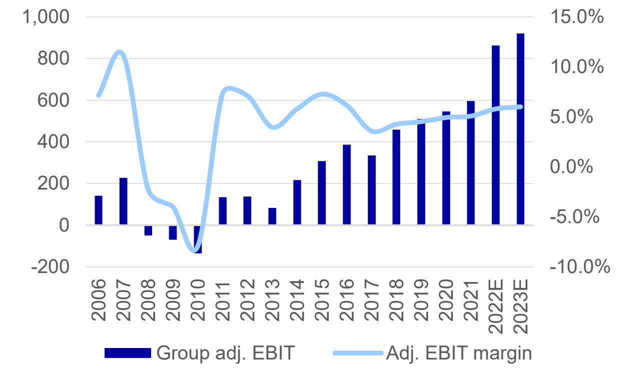
Source: Company data and Nordea estimates

ELANDERS: GROUP NET SALES DEVELOPMENT (SEKm)



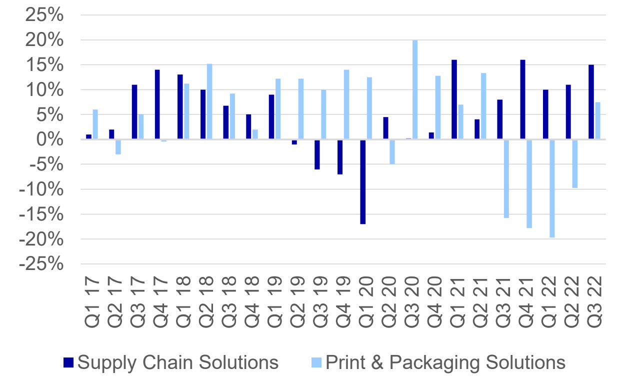
Source: Company data and Nordea estimates

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



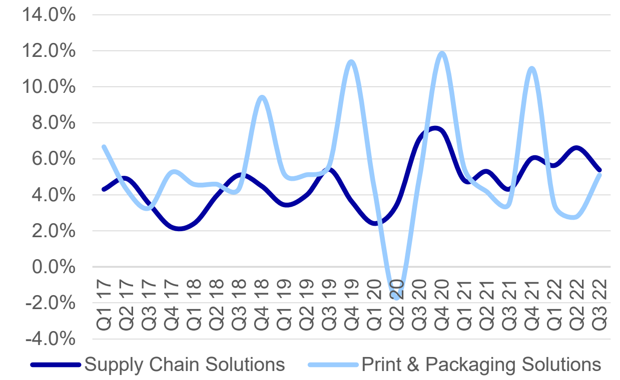
Source: Company data and Nordea estimates

ELANDERS: ORGANIC GROWTH BY SEGMENT (%)



Source: Company data and Nordea estimates

ELANDERS: EBIT MARGIN DEVELOPMENT BY SEGMENT (%)



Source: Company data and Nordea estimates

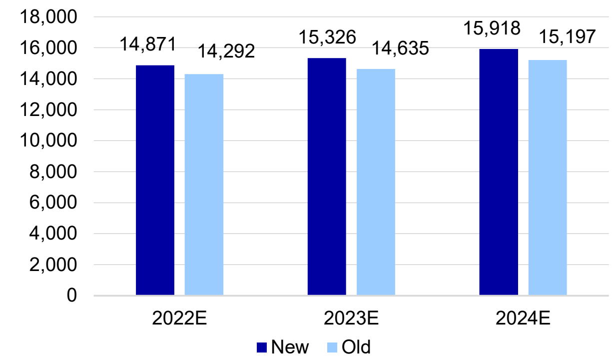
Estimate revisions

ELANDERS: ESTIMATE REVISIONS (SEKm; EPS IN SEK)

	New estimates			Old estimates			Difference %		
SEKm	**2022E**	**2023E**	**2024E**	**2022E**	**2023E**	**2024E**	**2022E**	**2023E**	**2024E**
Net sales	**14,871**	**15,326**	**15,918**	**14,292**	**14,635**	**15,197**	**4%**	**5%**	**5%**
Cost of goods sold	-12,684	-13,144	-13,693	-12,194	-12,551	-13,073	4%	5%	5%
Gross profit	**2,186**	**2,182**	**2,224**	**2,099**	**2,084**	**2,124**	**4%**	**5%**	**5%**
EBITA	979	996	1,043	956	981	1,026	2%	1%	2%
Amortisation of intangibles	-86	-76	-65	-82	-76	-65	n.a	n.a	n.a
EBIT	893	920	978	874	905	961	2%	2%	2%
Net financials	-166	-216	-175	-124	-174	-176	34%	24%	-1%
PTP	727	704	803	750	731	**785**	-3%	-4%	2%
Income tax	-205	-211	-241	-216	-219	-235	-5%	-4%	2%
Net profit	522	493	562	534	512	**549**	-2%	-4%	2%
Earnings per share (SEK)	14	13	16	14	14	15	-2%	-4%	2%
Adj. EBITA	948	996	1,043	916	981	1,026	4%	1%	2%
Adj. EBIT	**862**	**920**	**978**	**834**	**905**	**961**	**3%**	**2%**	**2%**
Tax on EO	-9	0	0	-12	0	0	n.a	n.a	n.a
Adj. Net profit	483	493	562	482	512	549	0%	-4%	2%
Adj. EPS	13	13	16	13	14	15	0%	-4%	2%
Adj. EBITA margin	6.4%	6.5%	6.6%	6.4%	6.7%	6.7%	0.0pp	-0.2pp	-0.2pp
Adj. EBIT margin	5.8%	6.0%	6.1%	5.8%	6.2%	6.3%	0.0pp	-0.2pp	-0.2pp
Adj. Incremental margin	8.5%	12.7%	9.9%	9.3%	20.8%	9.9%	-0.8pp	-8.2pp	0.0pp
Net sales per segment									
Supply Chain Solutions	12,230	12,562	13,127	11,653	11,914	12,450	5%	5%	5%
Print & Packaging Solutions	2,768	2,877	2,906	2,757	2,833	2,861	0%	2%	2%
Group functions	41	40	40	40	40	40	3%	0%	0%
Eliminations	-169	-152	-155	-159	-152	-155	6%	0%	0%
Group net sales	**14,870**	**15,326**	**15,918**	**14,291**	**14,635**	**15,197**	**4%**	**5%**	**5%**
Adj EBIT per segment									
Supply Chain Solutions	738	778	834	715	777	831	3%	0%	0%
Print & Packaging Solutions	169	184	187	161	170	173	5%	8%	8%
Group functions	-44	-42	-43	-42	-42	-43	5%	0%	0%
Group EBIT	**862**	**920**	**978**	**834**	**905**	**961**	**3%**	**2%**	**2%**
Adj. EBIT margin									
Supply Chain Solutions	6.4%	6.2%	6.4%	6.5%	6.5%	6.7%	-0.1pp	-0.3pp	-0.3pp
Print & Packaging Solutions	5.8%	6.4%	6.4%	5.8%	6.0%	6.0%	-0.1pp	0.4pp	0.4pp
Group	**6.0%**	**6.0%**	**6.1%**	**6.1%**	**6.2%**	**6.3%**	**-0.1pp**	**-0.2pp**	**-0.2pp**

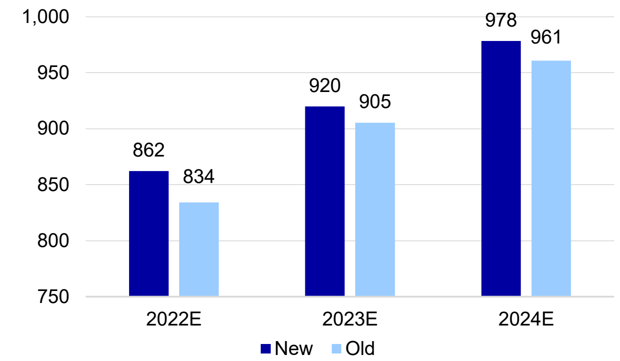
Source: Nordea estimates

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	-	65,779	16.4x	12.3x	-	-	23.6x	17.2x	3.5x	2.2x	-	-	-	-	0.0%	0.0%
CH Robinson	-	132,828	8.7x	11.5x	-	-	9.2x	12.7x	10.9x	15.1x	2.1%	2.2%	0.9x	1.1x	24.7%	21.2%
DSV	BUY	226,080	8.1x	11.0x	28.1x	25.9x	9.6x	14.4x	30.2x	11.6x	0.4%	0.4%	1.9x	1.5x	19.8%	11.4%
Elanders		5,205	6.2x	5.6x	12.5x	11.8x	13.9x	11.9x	18.2x	11.2x	2.6%	2.0%	3.2x	2.0x	5.8%	5.9%
Expeditors	-	166,312	6.8x	9.4x	-	-	7.0x	9.9x	11.2x	15.8x	1.3%	1.4%	-	-	43.0%	28.4%
ID Logistics	-	16,985	7.3x	6.4x	25.1x	21.7x	24.2x	21.7x	28.8x	24.2x	0.0%	0.0%	2.5x	2.0x	0.0%	0.0%
J.B Hunt	-	191,438	8.9x	8.9x	-	-	13.0x	13.0x	16.9x	16.9x	0.9%	1.0%	0.6x	0.6x	21.3%	18.7%
Kerry Logistics	-	33,510	4.1x	4.8x	-	-	5.2x	6.9x	6.2x	7.8x	5.2%	4.2%	0.3x	-	15.6%	13.1%
Huehne & Nagel	-	283,994	5.3x	8.0x	5.9x	7.9x	6.4x	10.7x	9.2x	15.1x	6.3%	3.8%	-	-	52.7%	34.4%
Landstar	-	59,486	8.5x	10.6x	-	-	9.3x	12.0x	12.3x	15.5x	0.7%	0.8%	-	-	40.1%	30.5%
Old Dominion	-	327,793	13.8x	13.7x	-	-	16.0x	15.8x	22.2x	21.6x	0.4%	0.4%	-	-	35.2%	33.0%
XPO Logistics	-	60,860	5.5x	5.4x	-	-	8.1x	7.9x	8.1x	8.0x	0.0%	0.0%	2.0x	1.5x	14.7%	13.9%
Average		**130,856**	**8.3x**	**9.0x**	**17.9x**	**16.8x**	**12.1x**	**12.8x**	**14.8x**	**13.8x**	**1.8%**	**1.5%**	**1.6x**	**1.4x**	**22.7%**	**17.5%**
Median		**99,303**	**7.7x**	**9.2x**	**18.8x**	**16.8x**	**9.4x**	**12.3x**	**11.7x**	**15.1x**	**0.9%**	**1.0%**	**1.9x**	**1.5x**	**20.5%**	**16.3%**
Elanders		**5,205**	**6.2x**	**5.6x**	**12.5x**	**11.8x**	**13.9x**	**11.9x**	**18.2x**	**11.2x**	**2.6%**	**2.0%**	**3.2x**	**2.0x**	**5.8%**	**5.9%**
vs. peer average	-	-	-25%	-38%	-30%	-30%	14%	-8%	23%	-19%	0.8pp	1.0pp	94%	38%	-17pp	-10pp
vs. peer median	-	-	-20%	-39%	-33%	-29%	47%	-4%	55%	-26%	1.7pp	1.0pp	64%	35%	-15pp	-10pp
vs. ID Logistics	-	-	-15%	-13%	-50%	-46%	-43%	-45%	-37%	-54%	2.6pp	2.0pp	25%	-2%	6pp	6pp
vs. XPO Logistics	-	-	12%	3%	nm	nm	72%	50%	126%	39%	2.6pp	2.0pp	61%	35%	-9pp	-8pp

Source: Company data and Nordea estimates

Detailed estimates

ELANDERS: QUARTERLY ESTIMATES (SEKm; EPS IN SEK)

Elanders quarterly estimates (SEKm)	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22E
Net sales	2,734	2,769	2,865	3,364	3,371	3,525	3,979	3,996
Cost of goods sold	-2,352	-2,386	-2,500	-2,850	-2,879	-3,000	-3,417	-3,388
Gross profit	382	383	365	514	492	525	562	607
Sales and administrative expenses	-265	-259	-264	-331	-338	-356	-380	-353
Other operating income	17	12	15	38	26	83	36	45
Other operating expenses	-6	-5	-5	-12	-16	-11	-26	-5
EBITDA	341	343	342	456	430	506	466	555
Depreciation	-23	-21	-41	-38	-33	-31	-30	-52
EBITA	142	145	124	228	187	263	216	313
Amortisation of intangible acq related assets	-14	-13	-13	-19	-22	-22	-23	-19
EBIT	128	132	111	209	165	241	193	294
Net financials	-25	-22	-23	-28	-36	-36	-42	-52
PTP	103	110	88	181	129	205	151	242
Income tax	-35	-24	-31	-61	-41	-63	-35	-65
Net profit	68	86	57	120	88	142	115	177
Earnings per share (SEK)	1.95	2.35	1.56	3.25	2.40	3.87	3.04	4.75
Adj. EBITDA	341	343	342	472	430	466	475	555
Adj. EBITA	142	145	124	244	187	223	225	313
Adj. EBIT	128	132	111	225	165	201	202	294
Tax on EO	0	0	0	5	0	-12	2	0
Adj. Net profit	68	86	57	109	88	170	109	177
Adj. EPS	1.95	2.35	1.56	2.95	2.40	4.66	2.84	4.75
Gross margin	14.0%	13.8%	12.7%	15.3%	14.6%	14.9%	14.1%	15.2%
EBITDA margin	12.5%	12.4%	11.9%	13.6%	12.8%	14.4%	11.7%	13.9%
EBITA margin	5.2%	5.2%	4.3%	6.8%	5.5%	7.5%	5.4%	7.8%
EBIT margin	4.7%	4.8%	3.9%	6.2%	4.9%	6.8%	4.9%	7.4%
Incremental margin	37.7%	-162.2%	-75.9%	-7.1%	5.8%	14.4%	7.4%	13.5%
Adj. EBITDA margin	12.5%	12.4%	11.9%	14.0%	12.8%	13.2%	11.9%	13.9%
Adj. EBITA margin	5.2%	5.2%	4.3%	7.3%	5.5%	6.3%	5.7%	7.8%
Adj. EBIT margin	4.7%	4.8%	3.9%	6.7%	4.9%	5.7%	5.1%	7.4%
Adj. Incremental margin	37.7%	-162.2%	-75.9%	-7.1%	5.8%	14.4%	7.4%	13.5%

Source: Company data and Nordea estimates

ELANDERS: QUARTERLY SALES AND EBIT BRIDGE

Elanders Sales bridge Quarterly (SEKm)	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22E
Net sales								
Supply Chain Solutions	2,060	2,168	2,292	2,684	2,769	2,914	3,325	3,222
Print & Packaging Solutions	694	622	592	698	637	643	686	802
Group functions	10	10	10	10	10	10	11	10
Eliminations	-29	-31	-29	-28	-45	-43	-43	-38
Total sales	**2,735**	**2,769**	**2,865**	**3,364**	**3,371**	**3,524**	**3,979**	**3,996**
Sales bridge								
Volume	14%	6%	3%	7%	3%	6%	14%	5%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	0%	1%	2%	9%	20%	14%	17%	3%
FX	-8%	-9%	-2%	0%	6%	7%	9%	10%
Other	0%	0%	0%	0%	0%	0%	0%	0%
Total growth	**6%**	**-2%**	**3%**	**17%**	**23%**	**27%**	**39%**	**19%**
Sales bridge								
Volume	353	169	69	199	53	166	375	166
Price/Mix	0	0	0	0	0	0	0	0
Structural	11	30	80	268	540	384	478	114
FX	-202	-243	-63	10	164	205	261	352
Other	0	0	0	0	0	0	0	0
Total growth	**163**	**-44**	**87**	**478**	**758**	**755**	**1,114**	**632**

Growth per segment quarterly (%)	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22E
Supply Chain Solutions								
Volume	16%	4%	8%	16%	10%	11%	15%	5%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	1%	1%	2%	11%	24%	16%	21%	4%
FX	-9%	-9%	-2%	0%	6%	7%	9%	11%
Other	0%	0%	0%	0%	0%	0%	0%	0%
Total growth	**8%**	**-4%**	**8%**	**27%**	**34%**	**34%**	**45%**	**20%**
Print & Packaging Solutions								
Volume	7%	13%	-16%	-18%	-20%	-10%	7%	6%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	0%	0%	6%	5%	5%	6%	0%	0%
FX	-6%	-6%	-2%	1%	6%	7%	8%	9%
Other	0%	0%	0%	0%	0%	0%	0%	0%
Total growth	1%	8%	-12%	-12%	-8%	3%	16%	15%

EBIT per segment quarterly (SEKm)	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22E
Supply Chain Solutions	99	115	99	146	156	233	179	210
Print & Packaging Solutions	38	26	21	77	22	18	26	94
Group functions	-9	-9	-10	-14	-13	-10	-12	-9
Group EBIT	**128**	**132**	**111**	**209**	**165**	**241**	**193**	**294**
Adj. EBIT per segment quarterly								
Supply Chain Solutions	99	115	99	162	156	193	179	210
Print & Packaging Solutions	38	26	21	77	22	18	35	94
Group functions	-9	-9	-10	-14	-13	-10	-12	-9
Adj group EBIT	**129**	**132**	**111**	**225**	**165**	**201**	**202**	**294**
EBIT margin per segment quarterly								
Supply Chain Solutions	4.8%	5.3%	4.3%	5.4%	5.6%	8.0%	5.4%	6.5%
Print & Packaging Solutions	5.5%	4.2%	3.5%	11.0%	3.5%	2.8%	3.8%	11.7%
EBIT margin	**4.7%**	**4.8%**	**3.9%**	**6.2%**	**4.9%**	**6.8%**	**4.9%**	**7.4%**
Adj. EBIT margin per segment quarterly								
Supply Chain Solutions	4.8%	5.3%	4.3%	6.0%	5.6%	6.6%	5.4%	6.5%
Print & Packaging Solutions	5.5%	4.2%	3.5%	11.0%	3.5%	2.8%	5.1%	11.7%
Adj EBIT margin	**4.7%**	**4.8%**	**3.9%**	**6.7%**	**4.9%**	**5.7%**	**5.1%**	**7.4%**

Source: Company data and Nordea estimates

ELANDERS: ANNUAL ESTIMATES (SEKm; EPS IN SEK)

Elanders annual estimates (SEKm)	2017	2018	2019	2020	2021	2022E	2023E	2024E
Net sales	9,342	10,742	11,254	11,050	11,732	14,871	15,326	15,918
Cost of goods sold	-8,008	-9,331	-9,780	-9,532	-10,088	-12,684	-13,144	-13,693
Gross profit	1,334	1,411	1,474	1,518	1,644	2,186	2,182	2,224
Sales and administrative expenses	-1,067	-1,034	-1,145	-1,050	-1,119	-1,427	-1,481	-1,525
Other operating income	79	112	66	13	82	190	195	200
Other operating expenses	-38	-30	-33	-44	-28	-58	24	79
EBITDA	563	747	1,260	1,426	1,482	1,957	1,955	2,016
Depreciation	-192	-203	-156	-169	-123	-146	-199	-268
EBITA	371	522	416	599	639	979	996	1,043
Amortisation of intangible acq related assets	-63	-64	-56	-53	-59	-86	-76	-65
EBIT	308	458	360	546	580	893	920	978
Net financials	-80	-93	-143	-131	-98	-166	-216	-175
PTP	228	365	217	415	482	727	704	803
Income tax	-64	-107	-63	-86	-151	-205	-211	-241
Net profit	164	258	154	329	331	522	493	562
Earnings per share (SEK)	4.64	7.19	4.19	9.19	9.11	14.07	13.15	15.79
Adj. EBITDA	589	747	1,409	1,426	1,498	1,926	1,955	2,016
Adj. EBITA	397	522	565	599	655	948	996	1,043
Adj. EBIT	334	458	509	546	596	862	920	978
Tax on EO	7	0	43	0	5	-9	0	0
Adj. Net profit	197	258	346	329	352	483	493	562
Adj. EPS	5.55	7.16	9.79	9.19	9.70	12.94	13.15	15.79
Gross margin	14.3%	13.1%	13.1%	13.7%	14.0%	14.7%	14.2%	14.0%
EBITDA margin	6.0%	7.0%	11.2%	12.9%	12.6%	13.2%	12.8%	12.7%
EBITA margin	4.0%	4.9%	3.7%	5.4%	5.4%	6.6%	6.5%	6.6%
EBIT margin	3.3%	4.3%	3.2%	4.9%	4.9%	6.0%	6.0%	6.1%
Incremental margin	-1.3%	10.7%	-19.1%	-91.2%	5.0%	10.0%	5.8%	9.9%
Adj. EBITDA margin	6.3%	7.0%	12.5%	12.9%	12.8%	13.0%	12.8%	12.7%
Adj. EBITA margin	4.2%	4.9%	5.0%	5.4%	5.6%	6.4%	6.5%	6.6%
Adj. EBIT margin	3.6%	4.3%	4.5%	4.9%	5.1%	5.8%	6.0%	6.1%
Adj. Incremental margin	-1.7%	8.9%	10.0%	-18.1%	7.3%	8.5%	12.7%	9.9%

Source: Company data and Nordea estimates

ELANDERS: ANNUAL SALES AND EBIT BRIDGE

Elanders Sales bridge Annual (SEKm)	2017	2018	2019	2020	2021	2022E	2023E	2024E
Net sales								
Supply Chain Solutions	7,007	8,526	8,775	8,408	9,204	12,230	12,562	13,127
Print & Packaging Solutions	2,220	2,244	2,564	2,728	2,606	2,768	2,877	2,906
Group functions	35	47	37	40	40	41	40	40
Eliminations	-129	-75	-122	-126	-117	-169	-152	-155
Total sales	**9,342**	**10,946**	**11,254**	**11,050**	**11,733**	**14,870**	**15,326**	**15,918**
Sales bridge								
Volume	7%	8%	1%	0%	7%	7%	0%	4%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	42%	1%	0%	0%	4%	13%	0%	0%
FX	0%	5%	4%	-2%	-4%	8%	3%	0%
Other	0%	0%	0%	0%	0%	0%	0%	0%
Total growth	**49%**	**15%**	**5%**	**-2%**	**6%**	**27%**	**3%**	**4%**
Sales bridge								
Volume	405	848	69	14	791	760	-12	594
Price/Mix	0	0	0	0	0	0	0	0
Structural	2,624	48	-51	5	390	1,516	31	0
FX	28	503	477	-227	-497	982	437	0
Other	0	0	0	0	0	0	0	0
Total growth	**3,058**	**1,399**	**495**	**-208**	**684**	**3,258**	**457**	**594**

Growth per segment annual (%)	2017	2018	2019	2020	2021	2022E	2023E	2024E
Supply Chain Solutions								
Volume	10%	8%	-2%	-3%	11%	10%	-1%	5%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	65%	1%	0%	0%	4%	16%	0%	0%
FX	1%	6%	4%	-1%	-5%	9%	3%	0%
Other	0%	0%	0%	0%	0%	0%	0%	0%
Total growth	**75%**	**22%**	**3%**	**-4%**	**9%**	**33%**	**3%**	**5%**
Print & Packaging Solutions								
Volume	2%	9%	12%	10%	-4%	-4%	2%	1%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	2%	0%	-2%	0%	3%	3%	0%	0%
FX	0%	4%	4%	-4%	-3%	8%	2%	0%
Other	0%	0%	0%	0%	0%	0%	0%	0%
Total growth	3%	1%	14%	6%	-4%	6%	4%	1%

EBIT per segment annual (SEKm)	2017	2018	2019	2020	2021	2022E	2023E	2024E
Supply Chain Solutions	253	346	220	435	459	778	778	834
Print & Packaging Solutions	93	132	174	147	162	160	184	187
Group functions	-32	-20	-34	-36	-42	-44	-42	-43
Group EBIT	**308**	**458**	**360**	**546**	**579**	**893**	**920**	**978**
Adj. EBIT per segment annual								
Supply Chain Solutions	258	346	362	435	475	738	778	834
Print & Packaging Solutions	109	132	181	147	162	169	184	187
Group functions	-32	-20	-34	-36	-42	-44	-42	-43
Adj group EBIT	**334**	**458**	**509**	**546**	**596**	**862**	**920**	**978**
EBIT margin per segment annual								
Supply Chain Solutions	3.6%	4.1%	2.5%	5.2%	5.0%	6.4%	6.2%	6.4%
Print & Packaging Solutions	4.2%	5.9%	6.8%	5.4%	6.2%	5.8%	6.4%	6.4%
EBIT margin	**3.3%**	**4.2%**	**3.2%**	**4.9%**	**4.9%**	**6.0%**	**6.0%**	**6.1%**
Adj. EBIT margin per segment annual								
Supply Chain Solutions	3.7%	4.1%	4.1%	5.2%	5.2%	6.0%	6.2%	6.4%
Print & Packaging Solutions	4.9%	5.9%	7.1%	5.4%	6.2%	6.1%	6.4%	6.4%
Adj EBIT margin	**3.6%**	**4.2%**	**4.5%**	**4.9%**	**5.1%**	**5.8%**	**6.0%**	**6.1%**

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**	**14,871**	**15,326**	**15,918**
Revenue growth	77.9%	13.6%	48.4%	48.6%	15.0%	4.8%	-1.8%	6.2%	26.8%	3.1%	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	1,957	1,955	2,016
Depreciation and impairments PPE	-99	-115	-132	-192	-203	-844	-827	-843	-978	-959	-973
of which leased assets	0	0	0	0	0	-688	-658	-720	-832	-760	-770
EBITA	194	312	387	371	522	416	599	638	979	996	1,043
Amortisation and impairments	-19	-20	-40	-63	-64	-56	-53	-58	-86	-76	-65
EBIT	175	292	347	308	458	360	546	580	893	920	978
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	-166	-216	-175
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**	**727**	**704**	**803**
Reported taxes	-52	-85	-82	-64	-107	-63	-86	-151	-205	-211	-241
Net profit from continued operations	88	174	221	164	258	154	329	331	522	493	562
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	0	0	0	-1	-5	-6	-4	-9	-25	-28	-4
Net profit to equity	88	174	221	163	253	148	325	322	497	465	558
EPS, SEK	**3.49**	**6.18**	**7.48**	**4.61**	**7.16**	**4.19**	**9.19**	**9.11**	**14.07**	**13.15**	**15.79**
DPS, SEK	1.10	2.20	2.60	2.60	2.90	0.00	3.10	3.50	4.60	4.80	5.00
of which ordinary	1.10	2.20	2.60	2.60	2.90	0.00	3.10	3.50	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%	13.2%	12.8%	12.7%
EBITA	5.2%	7.4%	6.2%	4.0%	4.9%	3.7%	5.4%	5.4%	6.6%	6.5%	6.6%
EBIT	4.7%	6.9%	5.5%	3.3%	4.3%	3.2%	4.9%	4.9%	6.0%	6.0%	6.1%
Adjusted earnings											
EBITDA (adj)	335	443	558	589	725	1,409	1,426	1,497	1,926	1,955	2,016
EBITA (adj)	236	328	426	397	522	565	599	654	948	996	1,043
EBIT (adj)	217	308	386	334	458	509	546	596	862	920	978
EPS (adj, SEK)	5.16	6.75	8.80	5.35	7.16	7.13	9.19	9.56	13.19	13.15	15.79
Adjusted profit margins in percent											
EBITDA (adj)	9.0%	10.5%	8.9%	6.3%	6.7%	12.5%	12.9%	12.8%	13.0%	12.8%	12.7%
EBITA (adj)	6.3%	7.7%	6.8%	4.2%	4.9%	5.0%	5.4%	5.6%	6.4%	6.5%	6.6%
EBIT (adj)	5.8%	7.3%	6.1%	3.6%	4.3%	4.5%	4.9%	5.1%	5.8%	6.0%	6.1%
Performance metrics											
CAGR last 5 years											
Net revenue	16.3%	20.0%	27.9%	37.2%	38.7%	24.7%	21.1%	13.3%	9.7%	7.4%	7.2%
EBITDA	40.8%	74.6%	21.4%	21.9%	32.4%	33.9%	27.3%	23.3%	28.3%	21.9%	9.9%
EBIT	n.m.	n.m.	25.9%	21.1%	41.8%	15.6%	13.3%	10.8%	23.7%	15.0%	22.1%
EPS	n.m.	n.m.	20.1%	18.1%	54.5%	3.7%	8.3%	4.0%	25.0%	12.9%	30.4%
DPS	n.m.	n.m.	39.1%	34.1%	29.4%	n.m.	7.1%	6.1%	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%	5.1%	5.7%
Average EBITDA margin	8.0%	9.4%	8.9%	7.7%	7.4%	8.3%	9.2%	10.1%	11.5%	12.6%	12.8%

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	18.2	11.2	11.2	9.3
EV/EBITDA (adj)	5.4	5.7	9.6	9.4	7.8	5.0	5.0	7.6	6.2	5.6	5.2
EV/EBITA (adj)	7.6	7.7	12.6	14.0	10.8	12.5	11.8	17.4	12.6	11.0	10.0
EV/EBIT (adj)	8.3	8.2	13.9	16.7	12.3	13.9	13.0	19.1	13.9	11.9	10.7

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	11.2	9.3
EV/Sales	0.48	0.60	0.85	0.60	0.52	0.63	0.64	0.97	0.80	0.71	0.66
EV/EBITDA	6.1	5.9	10.3	9.9	7.8	5.6	5.0	7.7	6.1	5.6	5.2
EV/EBITA	9.3	8.1	13.9	15.0	10.8	17.0	11.8	17.9	12.2	11.0	10.0
EV/EBIT	10.3	8.7	15.5	18.1	12.3	19.7	13.0	19.7	13.4	11.9	10.7
Dividend yield (ord.)	3.1%	3.5%	2.4%	3.2%	3.3%	0.0%	2.6%	2.0%	3.1%	3.3%	3.4%
FCF yield	-14.9%	12.7%	-50.2%	-11.3%	10.3%	38.8%	38.1%	-5.4%	9.0%	27.1%	25.2%
FCF Yield bef A&D, lease adj	13.1%	12.5%	7.0%	-9.0%	9.5%	16.7%	23.2%	3.5%	-5.8%	12.5%	10.4%
Payout ratio	21.3%	32.6%	29.6%	48.6%	40.5%	0.0%	33.7%	36.6%	34.9%	36.5%	31.7%

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	4,468	4,392	4,328
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	1,943	1,867	1,803
of which goodwill	0	0	0	0	0	0	0	2,500	2,525	2,525	2,525
Tangible assets	583	533	1,047	1,075	1,056	2,139	2,255	3,372	2,992	2,899	2,832
of which leased assets	0	0	0	0	0	1,207	1,164	1,081	604	511	408
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	7,813	7,644	7,512
Inventory	254	266	295	390	468	335	233	400	744	644	669
Accounts receivable	844	825	1,396	1,795	1,762	1,740	624	1,822	2,454	2,529	2,626
Short-term leased assets	0	0	0	0	0	658	720	438	760	770	780
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	411	898	1,271
Total current assets	1,690	1,758	2,654	3,197	3,463	3,836	3,002	3,558	4,368	4,841	5,346
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**	**12,180**	**12,484**	**12,857**
Shareholders equity	1,348	1,488	2,411	2,453	2,707	2,777	2,908	3,304	3,678	3,980	4,369
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	53	57
Total Equity	1,348	1,488	2,411	2,453	2,707	2,777	2,912	3,304	3,703	4,033	4,426
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	758	675	582
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	5,171	5,088	4,995
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	1,847	1,903	1,977
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	3,307	3,363	3,437
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**	**12,180**	**12,484**	**12,857**
Balance sheet and debt metrics											
Net debt	895	738	2,223	2,665	2,539	3,994	2,854	5,249	6,720	5,650	5,184
of which lease debt	0	0	0	0	0	1,898	1,917	1,552	1,397	1,314	1,221
Working capital	449	507	740	1,115	1,171	925	-407	765	1,350	1,269	1,318
Invested capital	2,329	2,309	4,868	5,326	5,445	6,293	5,230	9,006	9,163	8,913	8,830
Capital employed	2,700	2,755	5,285	5,797	5,968	7,287	6,863	10,090	10,334	10,581	10,881
ROE	7.4%	12.3%	11.3%	6.7%	9.8%	5.4%	11.4%	10.4%	14.2%	12.1%	13.4%
ROIC	7.1%	9.0%	7.3%	4.5%	5.8%	5.9%	6.4%	5.7%	6.5%	6.9%	7.5%
ROCE	9.2%	11.3%	9.6%	6.0%	7.8%	7.7%	7.7%	7.0%	8.4%	8.8%	9.1%
Net debt/EBITDA	3.1	1.7	4.3	4.7	3.5	3.2	2.0	3.5	3.4	2.9	2.6
Interest coverage	5.0	8.9	7.9	3.9	4.9	2.5	4.2	5.9	5.4	4.3	5.6
Equity ratio	37.8%	41.8%	35.6%	33.1%	35.0%	30.2%	33.7%	28.0%	30.2%	31.9%	34.0%
Net gearing	66.4%	49.6%	92.2%	108.6%	93.8%	143.8%	98.0%	158.9%	181.5%	140.1%	117.1%

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**	**1,957**	**1,955**	**2,016**
Paid taxes	-61	-85	-104	-133	-127	-114	-41	-128	-205	-211	-241
Net financials	0	0	0	0	1	-143	-131	-98	-166	-216	-175
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**	**1,333**	**1,528**	**1,600**
Change in NWC	-89	-8	-13	-419	4	104	461	-139	-573	81	-49
Cash flow from operations (CFO)	**162**	**269**	**331**	**-64**	**455**	**1,336**	**1,727**	**1,063**	**760**	**1,609**	**1,551**
Capital expenditure	-44	-46	-112	-196	-161	-133	-88	-128	-231	-199	-239
Free cash flow before A&D	**118**	**223**	**219**	**-260**	**294**	**1,203**	**1,639**	**935**	**529**	**1,410**	**1,312**
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	-62	0	0
Free cash flow	-134	227	-1,575	-327	318	1,196	1,611	-332	467	1,410	1,312
Free cash flow bef A&D, lease adj	118	223	219	-260	294	515	981	215	-303	650	542
Dividends paid	-18	-29	-58	-92	-93	-129	58	-112	-124	-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	-831	-760	-770
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	-487	488	373
Cash flow metrics											
Capex/D&A	37.1%	34.1%	65.1%	76.9%	60.3%	14.8%	10.0%	14.2%	21.7%	19.2%	23.0%
Capex/Sales	1.2%	1.1%	1.8%	2.1%	1.5%	1.2%	0.8%	1.1%	1.6%	1.3%	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	5,205	5,205	5,205
Enterprise value	1,795	2,525	5,363	5,564	5,622	7,077	7,087	11,401	11,950	10,908	10,446
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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