Netcompany

Telecom Equipment and IT
Denmark

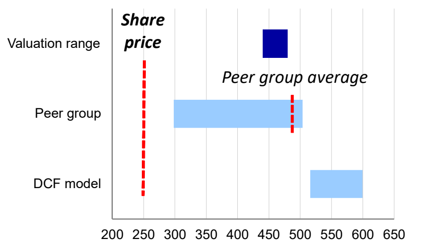
KEY DATA

Stock country	Denmark
Bloomberg	NETC DC
Reuters	NETCG.CO
Share price (close)	DKK 242.4
Free Float	85%
Market cap. (bn)	EUR 1.63/DKK 12.12
Website	www.netcompany.com
Next report date	03 Nov 2022

PERFORMANCE

Source: Refinitiv

VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2022E	2023E	2024E
Sales	0%	-4%	-4%
EBIT (adj)	-4%	-10%	-9%

Source: Nordea estimates

Nordea IB & Equity - Analysts
Claus Almer
Director

Jesper Herholt Jensen
Managing Director, Sector Coordinator

Profit warning is consensus scenario, not ours

Given its H1 performance, the burning question post-Q2 was if Netcompany would issue a profit warning later in 2022. Based on company-compiled consensus and the share price in absolute and relative terms, this scenario seems to have been priced in. However, we still believe Netcompany will deliver according to its 2022 guidance, and thus see revenue growth and profitability picking up in H2. At end-Q2, it had 2022 revenue visibility of DKK 5.bn; versus its minimum DKK 5.4bn revenue guidance, this demands an in/out H2 order intake in line with the past. Ahead of the Q3 report, we have reduced 2023E revenue growth by 5 pp to 10% due to the looming recession, increased depreciations and interest costs. This, in combination with peer group multiple contraction, means our combined SOTP- and DCF-based valuation suggests a DKK 440-510 per share valuation range (was DKK 535-620). No refinancing before 2025.

Q3 2022E: Revenue growth and margin to improve

We expect Netcompany to deliver 19% organic and 69% reported revenue growth (consensus: 65%), partly due to an easier comparison period. Since its higher activity level should contribute to profitability, we forecast a 21.8% EBITDA margin (consensus: 21.3%), up 7.3 pp q/q. Intrasoft will likely see a larger negative impact from the timing of the summer holiday than Core, while we expect that the still higher-than-normal level of sickness will be less important in absolute terms.

2022 guidance: Consensus expects a margin miss

Compared to the minimum 20% group EBITDA adjusted margin guidance, consensus (median) expects 19.3% (Nordea: 20.0%), which translates to a 2022 adjusted EBITDA of DKK 1.05bn versus the DKK 1.07bn minimum guidance, indicating that consensus expects a profit warning.

2023E: Still growing, in our view

Forecasting how 2023 will play out is fraught with greater uncertainty than usual, as is the case for most companies. However, we note that the company managed to grow its revenue during the global financial crises. Growth was 15% in 2008 and 8% in 2009, and although it was a smaller company at the time, Netcompany was somewhat more exposed to the private, more cyclical sector. We note that H1 2022 revenue and EBITA have been hit by DKK ~60m y/y due to a higher level of sick leave (DKK 40m), and to project losses in Norway (DKK 15m) and the Netherlands (DKK 5m).

SUMMARY TABLE - KEY FIGURES

DKKm	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	2,053	2,454	2,839	3,632	5,537	6,091	7,001
EBITDA (adj)	555	674	809	881	1,105	1,216	1,421
EBIT (adj)	399	516	645	742	843	984	1,168
EBIT (adj) margin	19.4%	21.0%	22.7%	20.4%	15.2%	16.2%	16.7%
EPS (adj, DKK)	4.14	7.84	9.36	10.94	12.13	14.76	17.64
EPS (adj) growth	24.3%	89.5%	19.4%	16.8%	10.9%	21.7%	19.5%
DPS (ord, DKK)	0.00	0.00	1.00	0.00	0.00	0.00	0.00
EV/Sales	5.8	6.8	11.1	10.2	2.5	2.1	1.7
EV/EBIT (adj)	30.0	32.3	48.9	49.9	16.2	13.1	10.4
P/E (adj)	53.2	40.4	66.5	64.4	20.0	16.4	13.7
P/BV	6.1	7.7	12.8	11.6	3.3	2.8	2.3
Dividend yield (ord)	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%
FCF Yield bef A&D, lease	1.2%	2.5%	1.6%	1.0%	3.1%	5.9%	6.4%
Net debt	998	826	402	1,817	1,512	793	5
Net debt/EBITDA	1.9	1.2	0.5	2.2	1.4	0.7	0.0
ROIC after tax	10.7%	13.3%	16.3%	17.6%	15.6%	0.0%	-20.7%

Source: Company data and Nordea estimates

Q3 2022 preview

Q3 2022 report to be released at ~07.30 CET on 3 November

The Q3 investor presentation is scheduled for 11.00 CET. Dial-in details are +45 78150109, +44 3333009267, +1 6467224904 and https://streams.eventcdn.net/netcompany/q3-2022/register.

NETCOMPANY: Q3 2022 ESTIMATES (DKKm)

	2021				2022				Q3 grw.,	NDA vs	2022	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3E	Cons	y/y	cons	Q4E	y/y
Revenue	**855.1**	**826.7**	**798.0**	**1,152.2**	**1,371.5**	**1,305.8**	**1,345.0**	**1,318.9**	**69%**	**2%**	**1,515.2**	**32%**
Production cost	529.5	533.3	469.6	766.3	954.2	941.7	875.8	-	86%	-	953.3	24%
Gross profit	**325.7**	**293.4**	**328.4**	**385.9**	**417.3**	**364.1**	**469.2**	**-**	**43%**	**-**	**561.9**	**46%**
Sales & marketing	6.1	6.1	5.7	18.8	8.8	9.5	10.7	-	88%	-	13.8	-27%
Administration	103.2	120.6	122.8	156.8	181.5	198.5	198.5	-	62%	-	217.8	39%
EBITA, adj	216.3	166.7	199.9	210.3	226.9	156.1	260.0	-	30%	-	330.4	57%
Special items	0.0	0.0	-30.0	-7.7	-0.2	0.1	0.0	-	-	-	0.0	-
EBITA	**216.3**	**166.7**	**169.9**	**202.6**	**226.9**	**156.1**	**260.0**	**-**	**53%**	**-**	**330.4**	**63%**
Amortisation	9.2	9.0	9.0	24.2	32.6	32.7	32.7	-	263%	-	32.0	32%
EBIT	**207.1**	**157.7**	**160.9**	**178.3**	**194.3**	**123.5**	**227.3**	**-**	**41%**	**-**	**298.3**	**67%**
Net financial items	36.9	-12.0	-11.8	10.8	-16.4	-22.6	-16.0	-	-	-	-9.1	-
Pre-tax profit	**244.0**	**145.7**	**149.1**	**189.1**	**177.8**	**100.9**	**211.3**	**-**	**42%**	**-**	**289.3**	**53%**
Taxes	44.5	33.3	40.6	34.9	45.5	15.6	46.5	-	14%	-	73.3	110%
Net profit	**199.5**	**112.4**	**108.5**	**154.2**	**132.3**	**85.3**	**164.8**	**-**	**52%**	**-**	**216.1**	**40%**
EPS	4.1	2.3	2.2	3.1	2.7	1.7	3.3	-	49%	-	4.3	40%
EPS growth, y/y	114.8%	16.8%	-15.3%	2958.4%	-33.3%	-24.9%	49.1%	-	-	-	40.1%	-
Revenue growth, organic	22.9%	21.1%	14.9%	14.1%	13.8%	6.9%	18.7%	-	-	-	31.5%	-
Revenue growth, y/y	23.0%	22.4%	14.9%	49.1%	60.4%	58.0%	68.5%	65.3%	-	-	31.5%	-
Gross margin	38.1%	35.5%	41.2%	33.5%	30.4%	27.9%	34.9%	-	-	-	37.1%	-
EBITDA adj.	**234.7**	**186.6**	**221.1**	**238.5**	**259.5**	**188.7**	**292.8**	**281.0**	**32%**	**4%**	**364.4**	**53%**
EBITDA margin adj.	27.4%	22.6%	27.7%	20.7%	18.9%	14.5%	21.8%	21.3%	-	-	24.1%	-
Costs (Reveneue - EBITA adj)	638.8	660.0	598.1	941.9	1,144.6	1,149.7	1,085.0	-	81%	-	1,184.8	26%
Costs growth, q/q	-	3.3%	-9.4%	57.5%	21.5%	0.4%	-5.6%	-	-	-	9.2%	-
EBITA core, adj	216.5	166.7	169.9	181.3	202.2	114.0	226.4	212.5	33%	7%	330.4	82%
EBITA margin core, adj	25.3%	20.2%	21.3%	20.9%	20.8%	12.9%	23.9%	-	-	-	21.8%	-
EBITA expand, adj	0.0	0.0	0.0	21.1	24.9	42.2	33.6	-	-	-	0.0	-
EBITA margin expand, adj	-	-	-	7.4%	6.2%	10.1%	8.4%	-	-	-	-	-
EBITA margin, adj	25.3%	20.2%	25.1%	18.3%	16.5%	12.0%	19.3%	-	-	-	21.8%	-
Incremental EBITA margin, adj	32.7%	3.5%	4.4%	-3.5%	16.5%	-13.4%	18.0%	-	-	-	18.2%	
EBIT margin	24.2%	19.1%	20.2%	15.5%	14.2%	9.5%	16.9%	-	-	-	19.7%	-
Tax rate	18%	23%	27%	18%	26%	15%	22%	-	-	-	25%	-
Revenue visibility	2,765.4	3,064.5	3,273.8	-	4,543.6	4,976.7	5,326.7	-	-	-	-	-
% of FY revenue	76%	84%	90%	-	82%	90%	96%	-	-	-	-	-
In/out orders	633.7	299.1	209.3	72.6	718.8	433.1	350.0	-	-	-	210.8	-
Growth, y/y	109%	-15%	-11%	-39%	13%	45%	67%	-	-	-	190%	-
Revenue (12m)	2,998.2	3,149.3	3,252.6	3,632.0	3,851.3	4,302.0	5,174.4	5,148.4	59%	1%	5,537.5	52%
EBITA adj (12M)	796.6	802.0	806.5	793.2	803.7	793.2	872.9	-	8%	-	994.6	25%
EBITA margin, adj (12M)	26.6%	25.5%	24.8%	21.8%	20.9%	18.4%	16.9%	-	-	-	18.0%	-

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

Consensus is below 2022 EBITDA guidance

Slightly lower 2023 revenue growth

As a consequence of the looming recession, we trim our 2023 revenue growth estimate to 10% (was 15%), which has a negative impact on 2023 and the subsequent years. We have also increased our estimates for depreciations and financial costs. We note that Netcompany has no real refinancing needs before 2025.

Netcompany is impacted by inflation in different ways. On the one hand, it is able to adjust its hourly rates for contracts that have an adjustment clause, but the majority of these are adjusted at the start of the year, so there will be a lag in the effect. The company will also likely experience salary inflation, although its employee model should make this manageable.

Consensus for the 2022 EBITDA margin of 19.3% is below the minimum 20% 2022 guidance, which translates to a DKK 1.05bn EBITDA compared to the minimum DKK 1.07bn 2022 EBITDA guidance.

NETCOMPANY: GUIDANCE AND UPDATED CONSENSUS (DKKm)

	2021	2022 guidance			2022E		2023E		2024E	
		Low	High	Mid	Nordea	Cons	Nordea	Cons	Nordea	Cons
Revenue, Core	3,346	3,815	3,982	3,899	3,902	3,804	4,292	-	5,022	-
Revenue, Expand	286	1,560	1,684	1,622	1,636	1,671	1,799	-	1,979	-
Revenue	**3,632**	**5,375**	**5,666**	**5,521**	**5,537**	**5,453**	**6,091**	**6,247**	**7,001**	**-**
Revenue growth, y/y	28.0%	48%	56%	-	52.5%	50.1%	10.0%	14.6%	14.9%	-
Revenue growth, organic	**17.0%**	**13%**	**18%**	**-**	**16.6%**	**-**	**10.0%**	**-**	**14.9%**	**-**
Costs (Revenue - EBITA adj.)	2,877	-	-	-	4,564	-	5,012	-	5,737	-
Growth	1.3%	-	-	-	58.7%	-	9.8%	-	14.5%	-
Special items	-38	-	-	-	0	-	0	-	0	-
EBITDA adj.	**881**	**>~1.07bn**	**-**	**-**	**1,105**	**1,052**	**1,216**	**1,276**	**1,421**	**-**
EBITDA, Core	856	-	-	-	940	869	1,034	-	1,211	-
EBITDA, Expand	25	-	-	-	165	178	182	-	210	-
EBITDA margin, adj.										
Group	24.3%	**>20%**	**-**		20.0%	19.3%	20.0%	20.4%	20.3%	-
Core	25.6%	-	-		24.1%	22.9%	24.1%	-	24.1%	-
Expand	8.8%	-	-		10.1%	10.6%	10.1%	-	10.6%	-
EBITA, adj.:	755	-	-		973	-	1,079	-	1,263	-
Netcompany Core	736	-	-		841	781	933	-	1,093	-
Netcompany Intrasoft	19	-	-		132	-	146	-	170	-
EBITA margin, adj.:	20.8%	-	-		17.6%	-	17.7%	-	18.0%	-
Netcompany Core	22.0%	-	>23%		21.6%	-	21.7%	-	21.8%	-
Netcompany Intrasoft	6.8%	-	-		8.1%	-	8.1%	-	8.6%	-

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

Valuation: DKK 440-510 per share

Our valuation of Netcompany is based on a combination of our DCF model and a peer group valuation. Both methods have their strengths and weaknesses, but we believe they yield a reliable valuation range when combined. Our updated combined DCF and peer group valuation suggest a fair value of DKK 440-510 per share (previously DKK 535-620).

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

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

Our DCF-based 12-month fair value (WACC: 6.3%) is DKK 560 per share, based on the assumptions outlined below.

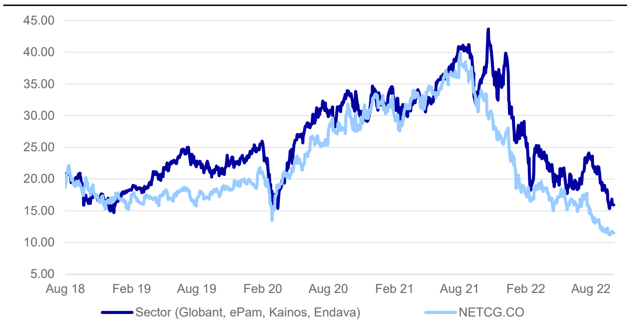
NETCOMPANY: DCF MODEL ASSUMPTIONS

Averages and assumptions	2022-30	2031-32	2033-37	2038-42	2043-47	2048-52	LT
Sales growth, CAGR	10.4%	10.0%	10.0%	10.0%	6.3%	2.5%	-
EBIT-margin	17.1%	16.1%	15.0%	14.0%	8.2%	2.4%	-
Capex/depreciation, x	0.4	0.7	1.1	1.1	1.1	1.1	-
Capex/sales	1.1%	0.5%	0.5%	0.4%	0.4%	0.4%	-
NWC/sales	24.0%	24.0%	24.0%	24.0%	24.0%	24.0%	-
FCFF, CAGR	16.8%	-0.9%	8.2%	8.1%	-4.6%	-21.9%	2.0%

Source: Nordea estimates

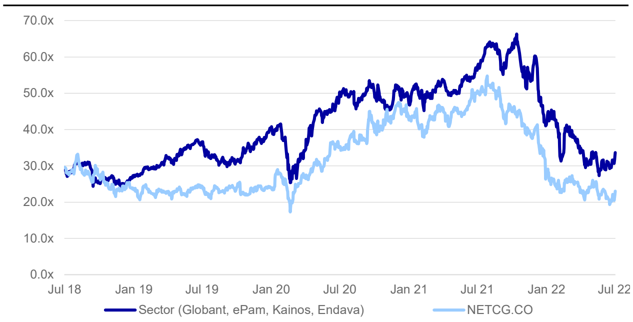
The model is sensitive to revenue growth and the EBIT margin is relatively high, although this should be expected given the company's high-growth profile.

EV/EBITDA: NETCOMPANY VS SECTOR (x)



Source: Refinitiv and Nordea

P/E: NETCOMPANY VS SECTOR (x)



Source: Refinitiv and Nordea

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

- Globant
- Endava
- Kainos

We exclude Epam from our peer group owing to the considerable uncertainty arising from its high share of employees that were located in Russia and Ukraine before the outbreak of the war.

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

Our peer group valuation suggests a DKK 455-665 per share range (average: DKK 575). The valuation is based on an equally weighted P/E, EV/EBITDA and EV/EBIT(A).

NETCOMPANY: PEER GROUP VALUATION

		Share	MCAP	Grw, 2021-24E			EBIT mrg	P/E			EV/EBITDA			EV/EBIT			PEG	Share price		
		price	EURbn	Rev	EBIT	EPS	2023E	2022E	2023E	2024E	2022E	2023E	2024E	2022E	2023E	2024E	21-24E	1M	3M	YTD
Key peers																				
Epam	US	2,501	19.3	31%	29%	28%	16.1%	33.3x	26.5x	20.9x	21.0x	16.6x	13.1x	20.9x	16.6x	13.0x	1.2x	-14%	0%	-50%
Globant	Lux	1,310	7.4	36%	36%	34%	15.5%	34.4x	27.9x	22.4x	19.6x	15.7x	12.7x	19.6x	15.7x	12.8x	1.0x	-17%	-12%	-45%
Endava	UK	513	3.8	32%	30%	33%	18.8%	30.4x	25.5x	20.6x	19.4x	15.6x	12.4x	19.4x	15.6x	12.4x	0.9x	-13%	-29%	-60%
Kainos	UK	104	1.7	21%	10%	8%	18.3%	29.3x	29.5x	26.4x	22.3x	20.8x	18.2x	22.3x	20.9x	18.3x	3.9x	-15%	-0%	-36%
Reply	UK	821	4.1	16%	15%	16%	13.7%	23.4x	18.9x	18.2x	12.9x	11.8x	10.8x	13.0x	11.9x	10.9x	1.5x	4%	-13%	-38%
Average (ex Reply)	**-**	**-**	**8.1**	**30%**	**26%**	**25%**	**17.2%**	**31.8x**	**27.3x**	**22.6x**	**20.6x**	**17.2x**	**14.1x**	**20.6x**	**17.2x**	**14.1x**	**1.8x**	**-15%**	**-10%**	**-48%**
Netcompany (cons.)	DK	241	1.6	23%	16%	15%	16.4%	18.1x	14.9x	12.3x	12.9x	11.0x	10.0x	13.1x	11.2x	10.2x	1.2x	-10%	-35%	-66%
IT service companies:																				
IBM	US	132	119.0	2%	8%	6%	18.5%	14.4x	13.3x	12.5x	10.4x	9.9x	9.3x	10.4x	9.9x	9.3x	2.2x	4%	2%	-3%
Accenture	IE	273	172.7	18%	19%	20%	15.5%	25.2x	23.7x	21.4x	14.2x	13.7x	12.5x	15.0x	14.4x	13.2x	1.3x	2%	-6%	-35%
Cognizant	US	61	31.7	12%	14%	16%	16.1%	13.3x	12.1x	11.1x	8.0x	7.4x	6.8x	8.0x	7.4x	6.8x	0.8x	0%	-13%	-32%
Atos	FR	10	34.2	-0%	5%	-1%	3.0%	21.0x	19.4x	17.5x	13.5x	11.9x	10.7x	13.5x	11.9x	10.7x	-21.8x	14%	11%	-22%
Cap Gemini	FR	164	77.3	11%	15%	14%	12.7%	28.0x	25.8x	22.3x	19.3x	17.3x	15.0x	19.3x	17.3x	15.0x	1.9x	9%	-2%	-21%
CGI Group	CA	79	141.2	8%	9%	14%	16.7%	30.5x	27.2x	24.2x	21.3x	18.6x	16.6x	21.3x	18.6x	16.6x	2.2x	5%	-1%	-16%
DXC Technology	US	29	25.7	1%	16%	33%	9.5%	17.3x	18.4x	15.8x	11.5x	11.4x	10.0x	11.5x	11.4x	10.0x	0.5x	-5%	-8%	-47%
Sopra Steria	FR	131	11.2	6%	11%	15%	8.7%	16.7x	17.5x	14.8x	10.8x	9.9x	8.6x	12.0x	11.1x	9.6x	1.1x	-2%	1%	-41%
HCL	IN	13	1.1	17%	12%	10%	18.4%	7.8x	5.2x	3.7x	4.7x	4.6x	3.8x	4.7x	4.6x	3.7x	0.8x	21%	-9%	-73%
Infosys	IN	18	28.3	21%	17%	18%	22.0%	15.8x	14.1x	12.8x	9.8x	9.0x	8.2x	9.8x	9.0x	8.1x	0.9x	1%	-4%	-24%
Tata	IN	39	18.8	18%	17%	17%	24.9%	17.3x	15.9x	14.5x	11.1x	10.5x	10.0x	9.9x	9.4x	9.0x	1.0x	3%	-4%	-5%
Wipro	IN	5	6.8	21%	14%	12%	16.0%	7.9x	8.2x	6.3x	3.7x	4.1x	3.8x	3.8x	4.2x	3.9x	0.7x	5%	-7%	-10%
Tech Mahindra	IN	13	2.7	20%	19%	14%	13.5%	9.5x	8.8x	7.9x	5.9x	5.5x	5.0x	6.0x	5.6x	5.1x	0.7x	-5%	-15%	-17%
Average, ex India	**-**	**-**	**76.6**	**7%**	**12%**	**15%**	**12.6%**	**20.8x**	**19.7x**	**17.5x**	**13.6x**	**12.5x**	**11.2x**	**13.9x**	**12.7x**	**11.4x**	**-0.6x**	**3%**	**-2%**	**-27%**
Average	**-**	**-**	**51.6**	**12%**	**14%**	**15%**	**15.0%**	**17.3x**	**16.1x**	**14.2x**	**11.1x**	**10.3x**	**9.3x**	**11.2x**	**10.4x**	**9.3x**	**-0.6x**	**4%**	**-4%**	**-27%**
Nordic peers:																				
Trifork	DK	19	0.4	12%	-3%	2%	9.8%	29.4x	26.4x	20.7x	14.7x	13.3x	11.3x	24.7x	22.0x	17.4x	16.1x	-7%	-30%	-54%
NNIT	DK	52	0.2	4%	94%	-	5.4%	-	-	-	7.5x	5.9x	5.0x	0.0x	12.5x	8.9x	-	-14%	-28%	-55%
TietoEvry	FI	23	2.8	3%	0%	4%	11.9%	10.2x	9.7x	9.1x	7.5x	7.0x	6.7x	10.9x	9.9x	9.4x	2.5x	-4%	-5%	-15%
KnowIT	SE	19	0.5	14%	19%	8%	8.3%	13.0x	13.1x	11.8x	7.8x	7.2x	7.1x	11.7x	10.6x	9.6x	1.6x	-10%	-27%	-43%
Average	**-**	**-**	**1.0**	**8%**	**27%**	**5%**	**8.8%**	**17.6x**	**16.4x**	**13.9x**	**9.4x**	**8.3x**	**7.5x**	**11.8x**	**13.8x**	**11.3x**	**6.7x**	**-9%**	**-23%**	**-42%**
SimCorp	DK	420	2.2	9%	8%	9%	24.0%	23.8x	20.2x	17.9x	17.8x	15.3x	13.7x	19.6x	16.6x	14.6x	2.7x	-9%	-23%	-41%
Others:																				
Europe IT consult. 1)	-	-	-	6%	11%	11%	8.0%	23.6x	26.1x	22.4x	9.8x	6.6x	7.5x	13.7x	10.8x	9.5x	2.2x	0%	-4%	-14%
Global IT consult. 2)	-	-	-	10%	15%	10%	23.8%	25.8x	24.8x	22.1x	14.0x	11.8x	280.6x	19.3x	18.2x	15.2x	2.5x	0%	-6%	-12%
Average, total	**-**	**-**	**-**	**13%**	**19%**	**13%**	**14.6%**	**23.2x**	**22.1x**	**19.0x**	**13.0x**	**10.8x**	**63.8x**	**15.3x**	**14.1x**	**11.9x**	**2.5x**	**-4%**	**-9%**	**-28%**
Netcompany, NDA	**DK**	**241**	**1.6**	**24%**	**16%**	**17%**	**16.2%**	**19.8x**	**16.3x**	**13.6x**	**12.4x**	**11.0x**	**8.9x**	**16.2x**	**13.6x**	**10.8x**	**1.1x**	**-10%**	**-35%**	**-66%**

Source: Refinitiv and Nordea estimates

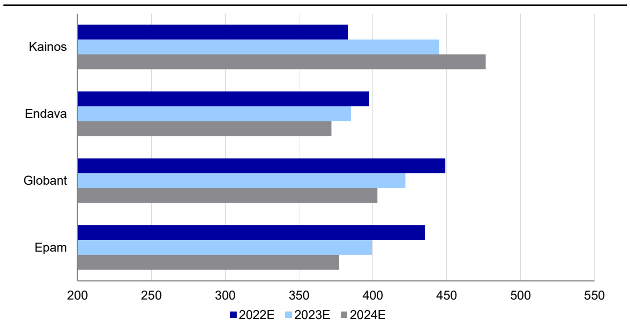
VALUATION: NETCOMPANY (OUR ESTIMATES) VS PEER GROUP VALUATION

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

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

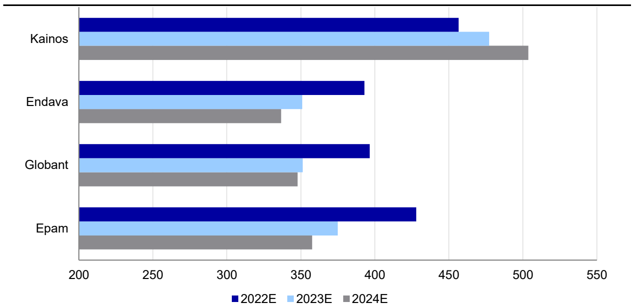
Source: Refinitiv and Nordea estimates

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



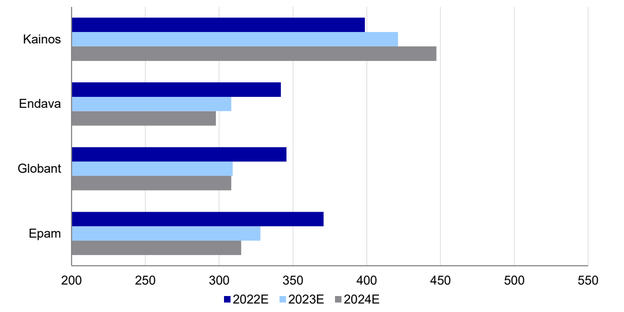
Source: Refinitiv and Nordea

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



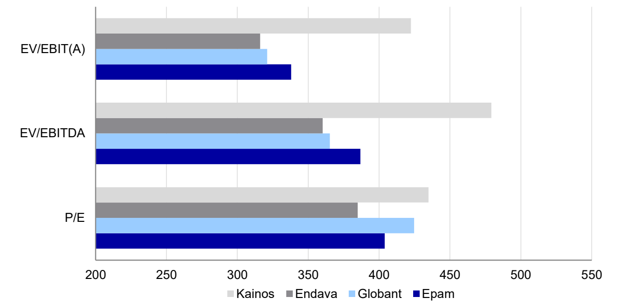
Source: Refinitiv and Nordea

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



Source: Refinitiv and Nordea

NETCOMPANY: AVERAGE VALUATION (DKK PER SHARE), 2022E-24E



Source: Refinitiv and Nordea

Netcompany: Quarterly reported numbers

NETCOMPANY: QUARTERLY NUMBERS (DKKm; EPS IN DKK)

	2019				2020				2021				2022	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Revenue	**598**	**593**	**592**	**671**	**696**	**676**	**695**	**773**	**855**	**827**	**798**	**1,152**	**1,372**	**1,306**
Production cost	364	370	336	387	421	416	401	445	529	533	470	766	954	942
Gross profit	**234**	**223**	**256**	**284**	**275**	**260**	**293**	**328**	**326**	**293**	**328**	**386**	**417**	**364**
Sales & marketing	3	3	3	3	4	4	4	5	6	6	6	19	9	10
Administration	84	93	89	101	106	95	94	99	103	121	123	157	181	199
Special items	-1	-3	-1	0	0	0	0	0	0	0	-30	-8	0	0
EBITA	**146**	**123**	**164**	**180**	**164**	**161**	**195**	**224**	**216**	**167**	**170**	**203**	**227**	**156**
Amortisation	26	25	26	25	25	25	25	24	9	9	9	24	33	33
EBIT	**120**	**99**	**138**	**155**	**139**	**136**	**170**	**200**	**207**	**158**	**161**	**178**	**194**	**123**
Net financial items	6	-21	-4	5	-19	-16	-6	-152	37	-12	-12	11	-16	-23
Pre-tax profit	**126**	**78**	**134**	**160**	**120**	**120**	**164**	**48**	**244**	**146**	**149**	**189**	**178**	**101**
Taxes	28	16	31	34	27	24	36	43	45	33	41	35	45	16
Net profit	**99**	**62**	**102**	**126**	**93**	**96**	**128**	**5**	**200**	**112**	**109**	**154**	**132**	**85**
Revenue visibility	1,786	2,106	2,387	-	2,132	2,484	2,720	-	2,765	3,065	3,274	-	4,544	4,977
% of FY revenue	72.8%	85.8%	97.3%	-	75.1%	87.5%	95.8%	-	76.1%	84.4%	90.1%	-	82.1%	89.9%
In/out orders	207	319	282	67	304	352	236	119	634	299	209	73	719	433
Growth, y/y	-26.3%	48.3%	-19.3%	137.0%	46.9%	10.2%	-16.2%	78.1%	108.5%	-15.0%	-11.4%	-38.8%	13.4%	44.8%
EPS	2.0	1.3	2.1	2.5	1.9	2.0	2.6	0.1	4.1	2.3	2.2	3.1	2.7	1.7
EPS growth, y/y	94.2%	-	32.3%	83.8%	-5.5%	55.6%	24.9%	-96.0%	114.8%	16.8%	-15.3%	2958.4%	-33.3%	-24.9%
Tax rate	21.9%	20.5%	23.4%	21.2%	22.4%	19.9%	21.9%	89.5%	18.2%	22.9%	27.2%	18.5%	25.6%	15.5%
Revenue growth, y/y	15.6%	18.0%	20.8%	23.5%	16.4%	13.9%	17.3%	15.1%	23.0%	22.4%	14.9%	49.1%	60.4%	58.0%
Gross margin	39.1%	37.5%	43.2%	42.3%	39.5%	38.4%	42.2%	42.4%	38.1%	35.5%	41.2%	33.5%	30.4%	27.9%
Incremental EBITA margin, adj	24.1%	40.2%	27.3%	38.6%	17.2%	42.7%	30.5%	42.9%	32.7%	3.5%	4.4%	-3.5%	16.5%	-13.4%
EBITA, adj	**147**	**126**	**164**	**180**	**164**	**161**	**195**	**224**	**216**	**167**	**200**	**210**	**227**	**156**
EBITA margin, adj	**24.6%**	**21.3%**	**27.7%**	**26.8%**	**23.6%**	**23.9%**	**28.1%**	**28.9%**	**25.3%**	**20.2%**	**25.1%**	**18.3%**	**16.5%**	**12.0%**
FCF	74	80	126	116	95	103	149	-80	10	-36	180	0	10	-36
Revenue, public	351	342	356	407	433	442	436	466	502	488	462	759	875	837
Revenue, private	247	252	236	264	262	233	258	307	353	339	336	394	497	469
Revenue, Core	598	593	592	671	696	676	695	773	855	827	798	867	973	887
Revenue, Expand	-	-	-	-	-	-	-	-	-	-	-	286	399	419
Revenue growth, Core	15.6%	18.0%	20.8%	23.5%	16.4%	13.9%	17.3%	15.1%	23.0%	22.4%	14.9%	12.1%	13.8%	7.3%
Revenue growth, Expand	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Netcompany Denmark:														
Revenue, Denmark	442	435	437	505	525	532	543	601	656	637	624	674	755	683
Revenue growth, Denmark	11.2%	16.7%	19.4%	23.9%	18.7%	22.3%	24.3%	18.8%	25.0%	19.9%	14.9%	12.2%	15.2%	7.1%
Gross margin, DK	43.4%	42.1%	48.8%	47.1%	43.6%	44.4%	48.7%	47.0%	42.7%	38.7%	45.9%	42.9%	37.9%	36.9%
EBITA adj. before HQ costs, DK	130	119	152	169	157	170	199	209	202	166	205	195	192	160
EBITA margin adj. before HQ costs, DK	29.4%	27.3%	34.8%	33.5%	29.9%	31.9%	36.7%	34.8%	30.8%	26.1%	32.8%	28.9%	25.4%	23.4%
Netcompany Norway:														
Revenue, Norway	55	47	45	53	55	43	44	58	73	68	58	68	78	55
Revenue growth, Norway	29.3%	14.1%	13.2%	12.4%	-0.4%	-8.7%	-3.1%	9.0%	32.6%	59.6%	32.5%	16.9%	7.8%	-18.9%
Gross margin, Norway	41.7%	32.0%	30.0%	27.0%	27.3%	12.4%	20.2%	24.6%	29.3%	24.7%	23.0%	20.5%	17.1%	-6.1%
EBITA adj. before HQ costs, Norway	15	7	7	6	8	6	3	6	13	6	2	-2	-1	-19
EBITA margin adj. before HQ costs, Norway	27.0%	14.7%	15.9%	10.7%	13.8%	13.8%	6.4%	10.8%	18.1%	8.2%	3.8%	-2.9%	-0.9%	-34.8%
Netcompany UK:														
Revenue, UK	101	104	96	95	98	80	80	82	105	101	99	102	143	134
Revenue growth, UK	30.5%	17.3%	13.7%	8.5%	-2.3%	-23.2%	-16.2%	-14.5%	6.8%	25.7%	22.9%	25.4%	36.3%	33.0%
Gross margin, UK	18.7%	22.5%	26.5%	29.1%	25.4%	13.3%	11.3%	21.6%	20.4%	24.8%	29.2%	29.9%	30.0%	26.8%
EBITA adj. before HQ costs, UK	11	12	16	16	11	0	-3	8	11	7	12	14	27	15
EBITA margin adj. before HQ costs, UK	11.0%	11.8%	16.6%	16.5%	11.5%	-0.1%	-3.9%	9.6%	10.0%	6.8%	12.1%	13.4%	18.5%	11.3%
Netcompany Netherlands:														
Revenue, Netherlands	-	7	14	16	18	21	29	31	22	20	17	23	29	18
Revenue growth, Netherlands	-	-	-	-	-	197.2%	107.9%	88.5%	22.0%	-3.3%	-40.5%	-25.8%	33.1%	-11.8%
Gross margin, Netherlands	-	18.3%	25.0%	20.9%	31.1%	36.5%	36.1%	43.6%	12.5%	26.0%	0.6%	10.5%	23.3%	-15.6%
EBITA adj. before HQ costs, Netherlands	-	-1	-2	-3	1	2	6	9	-2	-2	-8	-7	-1	-12
EBITA margin adj. before HQ costs, Netherlands	-	-15.5%	-13.6%	-17.2%	6.2%	11.4%	20.6%	30.3%	-10.6%	-9.3%	-48.0%	-29.4%	-4.2%	-65.0%
Netcompany Intrasoft:														
Revenue, Intrasoft	-	-	-	-	-	-	-	-	-	-	-	286	399	419
Revenue growth, Intrasoft	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross margin, Intrasoft	-	-	-	-	-	-	-	-	-	-	-	17.6%	17.1%	21.0%
EBITA adj. before HQ costs, Intrasoft	-	-	-	-	-	-	-	-	-	-	-	21	25	42
EBITA margin adj. before HQ costs, Intrasoft	-	-	-	-	-	-	-	-	-	-	-	7.5%	6.2%	10.1%
12-month performance:														
Revenue (12m)	2,134	2,224	2,326	2,454	2,552	2,634	2,737	2,839	2,998	3,149	3,253	3,632	3,851	4,302
Revenue growth (12m)	33.3%	23.5%	19.1%	19.5%	19.6%	18.4%	17.7%	15.7%	17.5%	19.6%	18.8%	28.0%	28.5%	36.6%
- DK (12M)	20.4%	16.4%	16.5%	17.8%	19.7%	21.1%	22.3%	20.9%	22.6%	21.9%	19.6%	17.8%	15.4%	12.3%
- Norway (12M)	29.9%	22.9%	19.2%	17.2%	9.1%	3.6%	0.1%	-0.5%	8.6%	23.8%	32.0%	33.8%	25.4%	6.9%
- UK (12M)	-	-	34.0%	17.1%	8.9%	-2.0%	-8.9%	-14.1%	-11.9%	-0.5%	9.0%	19.5%	28.2%	30.1%
- Netherlands (12M)	-	-	-	-	-	-	-	-	86.1%	47.4%	6.9%	-16.8%	-13.0%	-14.7%
- Intrasoft (12M)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EBITA adj (12M)	504	540	568	617	634	669	701	744	797	802	806	793	804	793
EBITA margin, adj (12M)	23.6%	24.3%	24.4%	25.2%	24.9%	25.4%	25.6%	26.2%	26.6%	25.5%	24.8%	21.8%	20.9%	18.4%
- DK (12M)	31.2%	30.7%	30.7%	31.3%	31.4%	32.4%	33.0%	33.4%	33.5%	31.9%	31.1%	29.6%	28.6%	26.8%
- Norway (12M)	20.6%	19.4%	18.7%	17.3%	13.7%	13.5%	11.3%	11.3%	13.0%	11.5%	10.6%	7.1%	7.3%	-4.7%
- UK (12M)	9.0%	9.1%	11.4%	13.9%	14.0%	11.6%	6.7%	4.7%	4.4%	6.0%	9.6%	10.6%	12.5%	12.7%
- Netherlands (12M)	-	-	-	-	-8.5%	-1.7%	8.0%	19.1%	15.0%	10.9%	-3.6%	-23.4%	-15.6%	-27.4%
- Intrasoft (12M)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Incremental EBITA margin (12M)	13.1%	21.3%	26.6%	33.2%	31.2%	31.5%	32.3%	33.0%	36.4%	25.7%	20.5%	6.2%	20.9%	-0.3%

Source: Company data and Nordea

Netcompany: Annual numbers

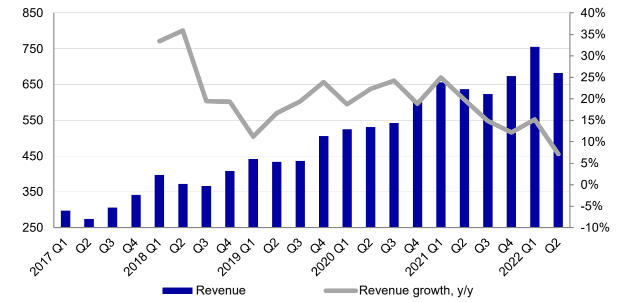
NETCOMPANY: ANNUAL NUMBERS (DKKm; EPS IN DKK)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Revenue	**461**	**629**	**758**	**900**	**1,416**	**2,053**	**2,454**	**2,839**	**3,632**	**5,537**	**6,091**	**7,001**
Production cost	-	-	447	527	803	1,237	1,458	1,683	2,299	3,725	4,095	4,683
Gross profit	**-**	**-**	**311**	**373**	**613**	**817**	**996**	**1,155**	**1,333**	**1,813**	**1,996**	**2,318**
Sales & marketing	-	-	4	4	10	12	12	17	37	43	47	54
Administration	-	-	100	121	201	290	367	394	503	796	870	1,000
Special items	-	-	0	-35	-33	-34	-4	0	-38	0	0	0
EBITDA	**91**	**157**	**228**	**233**	**402**	**520**	**669**	**809**	**843**	**1,105**	**1,216**	**1,421**
Depreciation	9	8	9	32	34	40	56	65	88	132	137	158
Amortisation	0	-2	12	0	0	0	0	0	0	0	0	0
EBITA	**81**	**150**	**207**	**201**	**369**	**480**	**613**	**744**	**755**	**973**	**1,079**	**1,263**
Amortisation	2	2	0	74	96	115	102	99	51	130	95	95
EBIT	**80**	**149**	**207**	**127**	**273**	**365**	**511**	**645**	**704**	**843**	**984**	**1,168**
Net financial items	1	1	0	-62	-73	-109	-14	-193	24	-64	-34	-38
Pre-tax profit	**81**	**150**	**208**	**65**	**200**	**256**	**497**	**452**	**728**	**779**	**950**	**1,131**
Taxes	8	15	20	44	59	74	109	130	153	181	212	249
Net profit	**73**	**134**	**188**	**21**	**141**	**181**	**389**	**322**	**575**	**598**	**738**	**882**
One-off items	0	0	0	-35	-33	-34	-4	0	-38	0	0	0
EPS	-	-	-	-	2.8	3.7	7.9	6.4	11.7	12.0	14.8	17.6
EPS growth, y/y	-	-	-	-	-	29.7%	116.7%	-18.6%	82.4%	2.0%	23.3%	19.5%
Tax rate	9.3%	10.2%	9.6%	67.1%	29.7%	29.1%	21.9%	28.7%	21.1%	23.2%	22.3%	22.0%
Revenue growth, y/y	15.0%	36.6%	20.5%	18.7%	57.4%	45.0%	19.5%	15.7%	28.0%	52.5%	10.0%	14.9%
Gross margin	-	-	41.1%	41.4%	43.3%	39.8%	40.6%	40.7%	36.7%	32.7%	32.8%	33.1%
EBITDA margin	19.8%	24.9%	30.1%	25.9%	28.4%	25.3%	27.3%	28.5%	23.2%	20.0%	20.0%	20.3%
EBITA, adj	**81**	**150**	**207**	**236**	**402**	**514**	**617**	**744**	**755**	**973**	**1,079**	**1,263**
EBITA margin, adj	**17.7%**	**23.9%**	**27.4%**	**26.3%**	**28.4%**	**25.0%**	**25.2%**	**26.2%**	**20.8%**	**17.6%**	**17.7%**	**18.0%**
EBITA margin	17.7%	23.9%	27.4%	22.3%	26.0%	23.4%	25.0%	26.2%	20.8%	17.6%	17.7%	18.0%
EBIT margin	17.3%	23.6%	27.4%	14.1%	19.3%	17.8%	20.8%	22.7%	19.4%	15.2%	16.2%	16.7%
Net profit, adj.	75	136	188	106	241	298	471	399	644	700	812	956
CFFO	-	-	217	117	195	187	460	581	466	543	801	882
Capex	-16	-4	-18	-2,539	-150	-27	-65	-102	-1,779	-66	-72	-81
FCF	**-**	**-**	**207**	**-2,422**	**45**	**160**	**396**	**479**	**-1,313**	**477**	**730**	**801**
Revenue, public	-	-	312	368	730	1,152	1,456	1,778	2,209	2,576	2,833	3,315
Revenue, private	-	-	447	531	686	901	998	1,061	1,421	1,326	1,459	1,707
Revenue, Core	-	-	758	900	1,416	2,053	2,454	2,839	3,346	3,902	4,292	5,022
Revenue, Expand	-	-	-	-	-	-	-	-	286	1,636	1,799	1,979
Revenue growth, Core	-	-	-	18.7%	57.4%	45.0%	19.5%	15.7%	17.9%	16.6%	10.0%	17.0%
Revenue growth, Expand	-	-	-	-	-	-	-	-	-	472.7%	10.0%	10.0%
Development revenue	-	-	347	439	647	1,005	1,258	1,517	1,788	2,085	2,294	2,684
Maintenance revenue	-	-	411	461	769	1,048	1,196	1,322	1,558	1,817	1,998	2,338
Netcompany Denmark:												
Revenue, Denmark	461	629	758	888	1,220	1,544	1,819	2,200	2,590	3,022	3,236	3,807
Revenue growth, Denmark	15.0%	36.6%	20.5%	18.7%	37.4%	26.5%	17.8%	21.0%	17.7%	16.7%	7.1%	17.7%
EBITA adj. before HQ costs, DK	81	150	207	234	358	461	544	706	712	764	816	931
EBITA margin adj. before HQ costs, DK	17.7%	23.9%	27.4%	26.4%	29.4%	29.8%	29.9%	32.1%	27.5%	25.3%	25.2%	24.4%
Netcompany Norway												
Revenue, Norway	-	-	-	12	134	171	203	200	267	314	377	433
Revenue growth, Norway	-	-	-	-	1044.4%	27.9%	18.6%	-1.7%	33.8%	17.5%	20.0%	15.0%
EBITA adj. before HQ costs, Norway	-	-	-	2	31	31	32	12	12	24	40	57
EBITA margin adj. before HQ costs, Norway	-	-	-	17.1%	23.1%	17.9%	15.9%	6.0%	4.6%	7.6%	10.6%	13.1%
Netcompany UK												
Revenue, UK	-	-	-	-	62	338	395	340	407	468	561	645
Revenue growth, UK	-	-	-	-	-	446.2%	16.7%	-13.8%	19.5%	15.0%	20.0%	15.0%
EBITA adj. before HQ costs, UK	-	-	-	-	12	23	48	9	34	48	69	92
EBITA margin adj. before HQ costs, UK	-	-	-	-	20.0%	6.8%	12.2%	2.8%	8.2%	10.2%	12.2%	14.2%
Netcompany Netherlands												
Revenue, Netherlands	-	-	-	-	-	-	37	99	82	99	118	136
Revenue growth, Netherlands	-	-	-	-	-	-	-	163.7%	-16.8%	20.0%	20.0%	15.0%
EBITA adj. before HQ costs, Netherlands	-	-	-	-	-	-	-7	17	-22	5	9	14
EBITA margin adj. before HQ costs, Netherlands	-	-	-	-	-	-	-17.4%	17.0%	-27.0%	5.0%	7.5%	10.0%
Intrasoft												
Revenue, Intrasoft	-	-	-	-	-	-	-	-	-	286	1,636	1,799
Revenue growth, Intrasoft	-	-	-	-	-	-	-	-	-	-	472.7%	10.0%
EBITA	-	-	-	-	-	-	-	-	-	132	146	170
EBITA margin	-	-	-	-	-	-	-	-	-	46.4%	8.9%	9.5%

Source: Company data and Nordea estimates

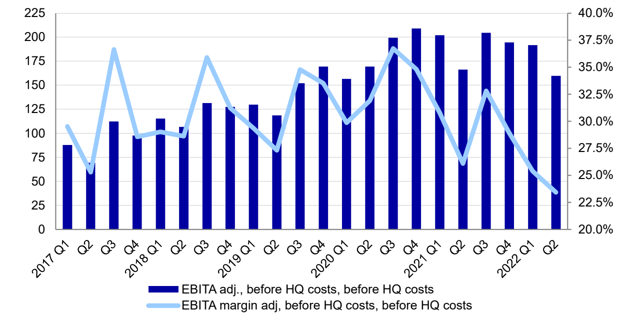
Quarterly charts

NETCOMPANY, DENMARK: REVENUE (DKKm)



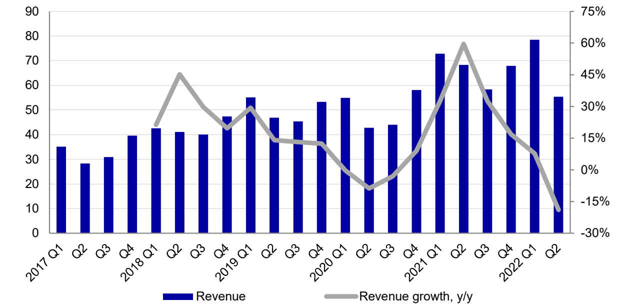
Source: Company data and Nordea

NETCOMPANY, DENMARK: EBITA (DKKm)



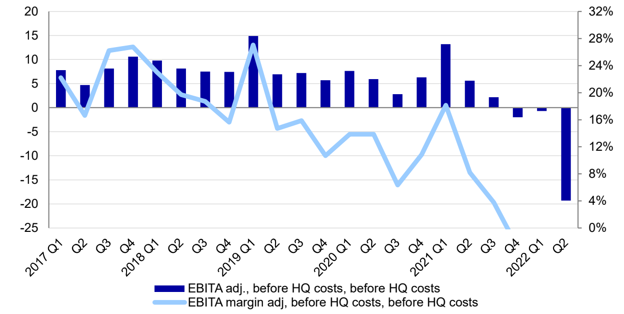
Source: Company data and Nordea

NETCOMPANY, NORWAY: REVENUE (DKKm)



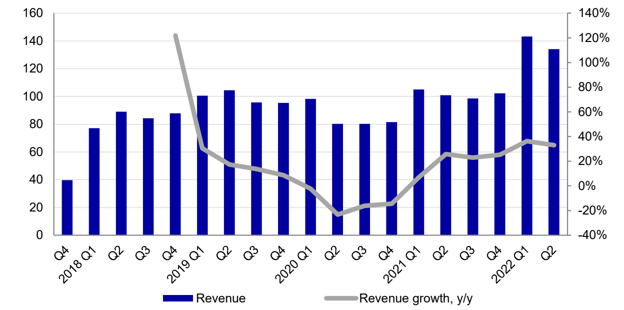
Source: Company data and Nordea

NETCOMPANY, NORWAY: EBITA (DKKm)



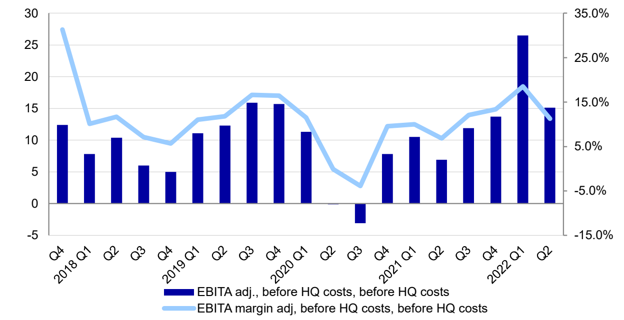
Source: Company data and Nordea estimates

NETCOMPANY, UK: REVENUE (DKKm)



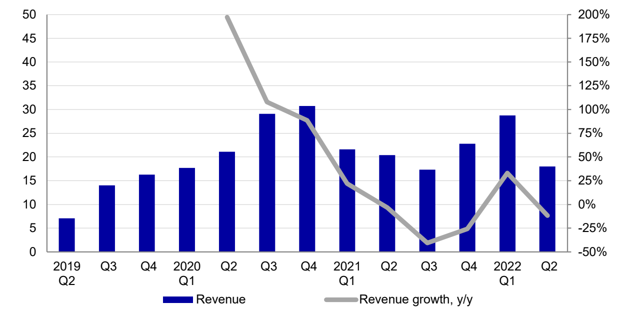
Source: Company data and Nordea

NETCOMPANY, UK: EBITA (DKKm)



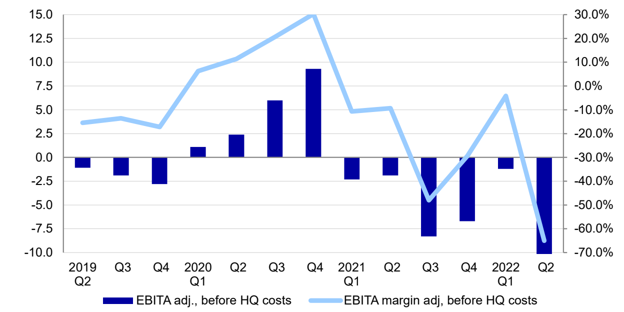
Source: Company data and Nordea

NETCOMPANY, NETHERLANDS: REVENUE (DKKm)



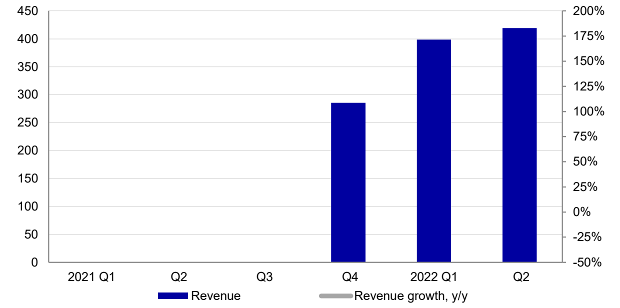
Source: Company data and Nordea

NETCOMPANY, NETHERLANDS: EBITA (DKKm)



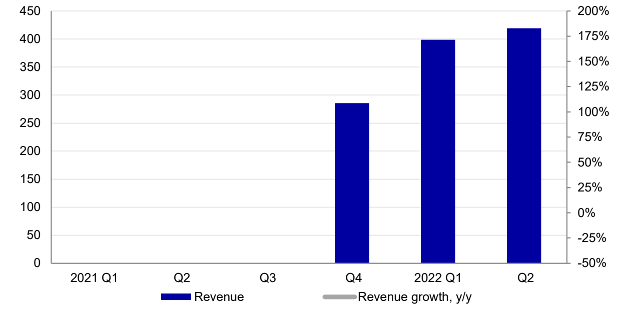
Source: Company data and Nordea

NETCOMPANY, INTRASOFT: REVENUE (DKKm)



Source: Company data and Nordea

NETCOMPANY, INTRASOFT: EBITA (DKKm)



Source: Company data and Nordea

Reported numbers and forecasts

INCOME STATEMENT

DKKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	**629**	**758**	**900**	**1,416**	**2,053**	**2,454**	**2,839**	**3,632**	**5,537**	**6,091**	**7,001**
Revenue growth	36.6%	20.5%	18.7%	57.4%	45.0%	19.5%	15.7%	28.0%	52.5%	10.0%	14.9%
of which organic	n.a.	20.5%	17.1%	37.0%	25.5%	17.7%	15.5%	17.0%	16.6%	10.0%	14.9%
of which FX	n.a.	0.0%	0.0%	0.3%	0.1%	0.0%	-1.1%	0.9%	0.0%	0.0%	0.0%
EBITDA	157	228	233	402	520	669	809	843	1,105	1,216	1,421
Depreciation and impairments PPE	-7	-21	-32	-34	-40	-56	-65	-88	-132	-137	-158
of which leased assets	0	0	-11	-19	-24	-37	-42	-54	-54	-60	-69
EBITA	150	207	201	369	480	613	744	755	973	1,079	1,263
Amortisation and impairments	-2	0	-74	-96	-115	-102	-99	-51	-130	-95	-95
EBIT	149	207	127	273	365	511	645	704	843	984	1,168
of which associates	0	0	0	0	0	0	0	0	0	0	0
Associates excluded from EBIT	0	0	0	0	0	0	0	0	0	0	0
Net financials	1	0	-62	-73	-110	-14	-47	-33	-56	-34	-38
of which lease interest	0	0	0	-1	-1	-3	-4	-4	-4	-4	-4
Changes in value, net	0	0	0	0	0	0	0	0	0	0	0
Pre-tax profit	**150**	**208**	**65**	**200**	**254**	**497**	**598**	**671**	**787**	**950**	**1,131**
Reported taxes	-15	-20	-44	-59	-74	-109	-130	-153	-181	-212	-249
Net profit from continued operations	134	188	21	141	180	389	468	517	606	738	882
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	0	0	0	0	0	0	0	0	0	0	0
Net profit to equity	134	188	21	141	180	389	468	517	606	738	882
EPS, DKK	**2.69**	**3.75**	**0.43**	**2.81**	**3.60**	**7.77**	**9.36**	**10.35**	**12.13**	**14.76**	**17.64**
DPS, DKK	-2.00	-2.33	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00
of which ordinary	-2.00	-2.33	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00
of which extraordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit margin in percent											
EBITDA	24.9%	30.1%	25.9%	28.4%	25.3%	27.3%	28.5%	23.2%	20.0%	20.0%	20.3%
EBITA	23.9%	27.4%	22.3%	26.0%	23.4%	25.0%	26.2%	20.8%	17.6%	17.7%	18.0%
EBIT	23.6%	27.4%	14.1%	19.3%	17.8%	20.8%	22.7%	19.4%	15.2%	16.2%	16.7%
Adjusted earnings											
EBITDA (adj)	157	228	268	435	555	674	809	881	1,105	1,216	1,421
EBITA (adj)	150	207	236	402	514	617	744	793	973	1,079	1,263
EBIT (adj)	149	207	162	306	399	516	645	742	843	984	1,168
EPS (adj, DKK)	2.69	3.75	0.97	3.33	4.14	7.84	9.36	10.94	12.13	14.76	17.64
Adjusted profit margins in percent											
EBITDA (adj)	24.9%	30.1%	29.8%	30.7%	27.0%	27.5%	28.5%	24.3%	20.0%	20.0%	20.3%
EBITA (adj)	23.9%	27.4%	26.3%	28.4%	25.0%	25.2%	26.2%	21.8%	17.6%	17.7%	18.0%
EBIT (adj)	23.6%	27.4%	18.0%	21.6%	19.4%	21.0%	22.7%	20.4%	15.2%	16.2%	16.7%
Performance metrics											
CAGR last 5 years											
Net revenue	23.1%	23.7%	22.4%	28.7%	34.8%	31.3%	30.2%	32.2%	31.4%	24.3%	23.3%
EBITDA	16.8%	20.6%	16.6%	31.2%	41.7%	33.7%	28.8%	29.3%	22.4%	18.5%	16.2%
EBIT	15.5%	19.3%	4.0%	23.2%	35.5%	28.0%	25.5%	40.8%	25.3%	21.9%	18.0%
EPS	19.2%	23.8%	-23.0%	9.9%	19.6%	23.7%	20.0%	89.2%	33.9%	32.6%	17.8%
DPS	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Average last 5 years											
Average EBIT margin	24.8%	24.7%	20.9%	20.1%	19.5%	19.6%	19.9%	20.2%	18.6%	17.9%	17.3%
Average EBITDA margin	26.4%	26.7%	25.8%	26.7%	26.8%	27.1%	27.3%	26.2%	23.9%	22.6%	21.5%

VALUATION RATIOS - ADJUSTED EARNINGS

DKKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
P/E (adj)	n.a.	n.a.	n.a.	n.a.	53.2	40.4	66.5	64.4	20.0	16.4	13.7
EV/EBITDA (adj)	n.a.	n.a.	n.a.	n.a.	21.6	24.8	39.0	42.0	12.3	10.6	8.5
EV/EBITA (adj)	n.a.	n.a.	n.a.	n.a.	23.3	27.0	42.4	46.7	14.0	12.0	9.6
EV/EBIT (adj)	n.a.	n.a.	n.a.	n.a.	30.0	32.3	48.9	49.9	16.2	13.1	10.4

VALUATION RATIOS - REPORTED EARNINGS

DKKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
P/E	n.a.	n.a.	n.a.	n.a.	61.1	40.8	66.5	68.1	20.0	16.4	13.7
EV/Sales	n.a.	n.a.	n.a.	n.a.	5.84	6.80	11.11	10.20	2.46	2.12	1.73
EV/EBITDA	n.a.	n.a.	n.a.	n.a.	23.1	24.9	39.0	43.9	12.3	10.6	8.5
EV/EBITA	n.a.	n.a.	n.a.	n.a.	25.0	27.2	42.4	49.0	14.0	12.0	9.6
EV/EBIT	n.a.	n.a.	n.a.	n.a.	32.9	32.6	48.9	52.6	16.2	13.1	10.4
Dividend yield (ord.)	n.a.	n.a.	n.a.	n.a.	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%
FCF yield	n.a.	n.a.	n.a.	n.a.	1.5%	2.5%	1.5%	-3.7%	3.6%	6.4%	6.9%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	n.a.	1.2%	2.5%	1.6%	1.0%	3.1%	5.9%	6.4%
Payout ratio	n.m.	n.m.	0.0%	0.0%	0.0%	0.0%	10.7%	0.0%	0.0%	0.0%	0.0%

Source: Company data and Nordea estimates

BALANCE SHEET

DKKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Intangible assets	1	4	2,373	2,604	2,485	2,551	2,451	3,896	3,777	3,693	3,609
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	1	4	489	495	376	286	187	524	535	546	557
of which goodwill	0	0	1,884	2,109	2,109	2,264	2,264	3,372	3,242	3,147	3,052
Tangible assets	14	20	41	55	117	146	135	317	295	278	260
of which leased assets	0	12	25	31	83	101	89	235	235	235	235
Shares associates	0	0	0	0	0	0	70	113	113	113	113
Interest bearing assets	0	0	0	0	0	0	0	0	0	0	0
Deferred tax assets	11	11	0	0	1	4	9	17	17	17	17
Other non-IB non-current assets	0	0	0	0	0	0	0	0	0	0	0
Other non-current assets	3	4	5	9	13	16	19	26	26	26	26
Total non-current assets	30	39	2,420	2,667	2,616	2,716	2,684	4,369	4,228	4,128	4,025
Inventory	0	0	0	0	0	0	0	0	0	0	0
Accounts receivable	146	180	258	445	458	531	459	1,032	1,218	1,340	1,540
Short-term leased assets	0	11	19	24	37	42	54	54	60	69	78
Other current assets	190	174	103	139	268	305	484	1,104	1,417	1,556	1,785
Cash and bank	13	111	60	194	108	132	359	459	300	317	605
Total current assets	349	477	441	802	869	1,011	1,356	2,649	2,994	3,281	4,008
Assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total assets	**379**	**516**	**2,860**	**3,470**	**3,486**	**3,728**	**4,039**	**7,018**	**7,222**	**7,409**	**8,033**
Shareholders equity	213	300	1,261	1,644	1,806	2,072	2,429	3,038	3,644	4,382	5,264
Of which preferred stocks	0	0	0	0	0	0	0	0	0	0	0
Of which equity part of hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Minority interest	0	0	0	0	0	0	0	0	0	0	0
Total Equity	213	300	1,261	1,644	1,806	2,072	2,429	3,038	3,644	4,382	5,264
Deferred tax	0	0	111	112	89	73	66	134	134	134	134
Long term interest bearing debt	0	0	1,178	1,265	1,106	959	761	2,276	1,676	976	476
Pension provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term liabilities	0	0	0	0	0	0	0	0	0	0	0
Non-current lease debt	0	6	14	18	54	65	57	148	187	196	211
Convertible debt	0	0	0	0	0	0	0	0	0	0	0
Shareholder debt	0	0	0	0	0	0	0	0	0	0	0
Hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Total non-current liabilities	0	6	1,303	1,395	1,249	1,128	1,057	2,671	2,116	1,431	955
Short-term provisions	0	5	9	30	36	4	0	9	13	15	17
Accounts payable	12	19	27	51	54	44	40	329	501	551	633
Current lease debt	1	6	12	14	29	39	35	99	124	131	140
Other current liabilities	149	180	222	336	310	441	478	877	823	899	1,022
Short term interest bearing debt	5	0	28	0	0	0	0	0	0	0	0
Total current liabilities	166	210	297	431	430	528	554	1,312	1,462	1,595	1,813
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	**379**	**516**	**2,860**	**3,469**	**3,485**	**3,728**	**4,039**	**7,021**	**7,222**	**7,409**	**8,033**
Balance sheet and debt metrics											
Net debt	-13	-111	1,118	1,070	998	826	402	1,817	1,512	793	5
of which lease debt	1	12	25	31	83	104	93	247	311	327	351
Working capital	175	155	113	198	361	351	424	931	1,311	1,446	1,669
Invested capital	205	195	2,533	2,865	2,977	3,067	3,108	5,300	5,539	5,574	5,694
Capital employed	218	312	2,492	2,940	2,996	3,134	3,282	5,560	5,631	5,685	6,091
ROE	83.8%	73.2%	2.7%	9.7%	10.4%	20.0%	20.8%	18.9%	18.2%	18.4%	18.3%
ROIC	65.0%	81.0%	9.3%	8.8%	10.7%	13.3%	16.3%	17.6%	15.6%	0.0%	-20.7%
ROCE	83.7%	79.5%	11.7%	11.6%	13.8%	18.1%	20.7%	17.0%	15.2%	17.4%	19.8%
Net debt/EBITDA	-0.1	-0.5	4.8	2.7	1.9	1.2	0.5	2.2	1.4	0.7	0.0
Interest coverage	61.4	65.3	2.0	3.4	8.0	10.9	10.7	18.1	14.2	32.8	34.9
Equity ratio	56.1%	58.2%	44.1%	47.4%	51.8%	55.6%	60.1%	43.3%	50.5%	59.2%	65.5%
Net gearing	-6.1%	-37.1%	88.7%	65.1%	55.3%	39.9%	16.5%	59.8%	41.5%	18.1%	0.1%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

DKKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
EBITDA (adj) for associates	**157**	**228**	**233**	**402**	**520**	**669**	**809**	**843**	**1,105**	**1,216**	**1,421**
Paid taxes	0	-21	-34	-35	-167	-116	-126	-198	-181	-212	-249
Net financials	0	7	65	79	80	33	22	40	-56	-34	-38
Change in provisions	0	5	4	21	6	-33	-4	9	5	1	2
Change in other LT non-IB	1	-1	9	-3	-6	26	134	-77	7	6	9
Cash flow to/from associates	0	0	0	0	0	0	0	0	0	0	0
Dividends paid to minorities	0	0	0	0	0	0	0	0	0	0	0
Other adj to reconcile to cash flow	n.a.	-11	-141	-174	-114	-33	-152	37	0	0	0
Funds from operations (FFO)	**n.a.**	**208**	**137**	**290**	**319**	**547**	**684**	**655**	**880**	**977**	**1,146**
Change in NWC	n.a.	9	-20	-95	-133	-87	-103	-189	-380	-135	-223
Cash flow from operations (CFO)	**n.a.**	**217**	**117**	**195**	**187**	**460**	**581**	**466**	**499**	**842**	**923**
Capital expenditure	0	-10	-23	-30	-27	-27	-27	-53	-66	-72	-81
Free cash flow before A&D	**n.a.**	**207**	**94**	**165**	**160**	**433**	**554**	**413**	**433**	**770**	**842**
Proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Acquisitions	0	0	-2,516	-120	0	-37	-75	-1,726	0	0	0
Free cash flow	n.a.	207	-2,422	45	160	396	479	-1,313	433	770	842
Free cash flow bef A&D, lease adj	n.a.	207	83	146	136	396	512	358	379	710	773
Dividends paid	n.a.	-100	-116	0	0	0	0	-49	0	0	0
Equity issues / buybacks	n.a.	0	0	0	0	-175	0	-150	0	0	0
Net change in debt	n.a.	0	0	0	0	-200	-198	1,515	-600	-700	-500
Other financing adjustments	0	0	0	0	0	-34	-55	-74	8	-53	-54
Other non-cash adjustments	n.a.	-8	2,487	90	-246	30	11	18	0	0	0
Change in cash	12	99	-52	135	-87	25	227	100	-159	17	289
Cash flow metrics											
Capex/D&A	0.0%	46.5%	22.0%	23.3%	17.5%	17.4%	16.2%	n.m.	n.m.	n.m.	n.m.
Capex/Sales	0.0%	1.3%	2.6%	2.1%	1.3%	1.1%	0.9%	1.5%	1.2%	1.2%	1.2%
Key information											
Share price year end (/current)	n.a.	n.a.	n.a.	n.a.	220	317	623	705	242	242	242
Market cap.	n.a.	n.a.	n.a.	n.a.	11,000	15,850	31,125	35,225	12,120	12,120	12,120
Enterprise value	n.a.	n.a.	n.a.	n.a.	11,998	16,676	31,527	37,042	13,632	12,913	12,125
Diluted no. of shares, year-end (m)	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0

Source: Company data and Nordea estimates

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Completion Date

24 Oct 2022, 21:49 CET

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