Netcompany

Telecom Equipment and IT
Denmark

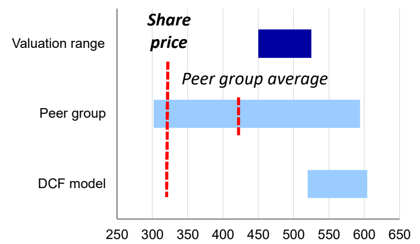
KEY DATA

Stock country	Denmark
Bloomberg	NETC DC
Reuters	NETCG.CO
Share price (close)	DKK 312.4
Free Float	85%
Market cap. (bn)	EUR 2.10/DKK 15.62
Website	www.netcompany.com
Next report date	25 Jan 2023

PERFORMANCE

Source: Refinitiv

VALUATION APPROACH (DKK/SHARE)



Source: Nordea estimates

ESTIMATE CHANGES

Year	2022E	2023E	2024E
Sales	0%	0%	0%
EBIT (adj)	0%	0%	0%

Source: Nordea estimates

Nordea IB & Equity - Analysts
Claus Almer
Director

Jesper Herholt Jensen
Managing Director, Sector Coordinator

Positive trend looks set to continue

We expect Netcompany to deliver according to its 2022 guidance, resulting in a solid Q4 that includes 28% y/y revenue growth and a 23.1% EBITDA margin (up 3.1 pp y/y). Focus in the report will likely be on 2023 guidance, churn and FTE growth. The latter is typically a strong indicator for how management regards its growth potential/pipeline quality. We and consensus forecast 10% revenue growth in 2023, which might prove too cautious, but this is sensitive to the macroeconomic development. Management might also start off the year with a more careful approach by underpromising and overdelivering. We maintain our estimates ahead of the Q4 2022 report, and our updated combined DCF- and multiple-based fair value is unchanged at DKK 445-520.

Q4 2022E: 23% revenue growth for Core

Estimating (organic) revenue growth for Q4 is made difficult as Intrasoft was included for two months in Q4 2021, which means only Intrasoft's December revenue will be labelled as inorganic in Q4 2022. We forecast reported Q4 y/y revenue growth of 28% (company-compiled consensus: 26.8%), an organic growth rate of ~16.6%, and 15.7% growth based on pro forma Q4 2021 revenue (DKK 1,276m). We estimate a 23.1% Q4 EBITDA margin (up 3.1 pp y/y and 0.2 pp q/q). We expect that churn rates have continued decreasing, while the level of sick leave remains a question mark, although we do not expect it to be much different than a typical Q4.

2023 guidance: 10% revenue growth

We and consensus forecast 10% revenue growth for 2023. Although we estimate a flattish EBITDA margin at 20.0%, consensus is slightly more positive at 20.6% for 2023 (2022: 20.0%). We expect Netcompany to guide on fewer lines than in the past, equal to revenue and EBITDA (margin) guidance.

Orders: Solid Q4

Netcompany was awarded 14 public projects in Q4, according to public information, of which the majority were in Greece and other EU countries. We note though that most of the wins are smaller in size.

Equity market concerns likely to ease

The share price has been volatile for internal and external reasons. Q3 2022 proved that Netcompany was on track, which we expect the Q4 2022 results to mirror.

SUMMARY TABLE - KEY FIGURES

DKKm	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	2,053	2,454	2,839	3,632	5,501	6,051	6,953
EBITDA (adj)	555	674	809	881	1,098	1,208	1,412
EBIT (adj)	399	516	645	742	833	962	1,145
EBIT (adj) margin	19.4%	21.0%	22.7%	20.4%	15.1%	15.9%	16.5%
EPS (adj, DKK)	4.14	7.84	9.36	10.94	12.01	14.42	17.28
EPS (adj) growth	24.3%	89.5%	19.4%	16.8%	9.8%	20.0%	19.8%
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	3.1	2.7	2.2
EV/EBIT (adj)	30.0	32.3	48.9	49.9	20.6	17.1	13.6
P/E (adj)	53.2	40.4	66.5	64.4	26.0	21.7	18.1
P/BV	6.1	7.7	12.8	11.6	4.4	3.6	3.0
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%	2.7%	4.9%	4.9%
Net debt	998	826	402	1,817	1,511	794	8
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%	15.3%	0.0%	-20.5%

Source: Company data and Nordea estimates

Q4 2022 preview

Q4 2022 report to be released at ~07.30 CET on 25 January

The Q4 investor presentation is scheduled for 11.00 CET. Dial-in details are not yet available.

NETCOMPANY: Q4 2022 ESTIMATES (DKKm)

	2021				2022					Q4,	NDA vs
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4E	Cons	y/y	cons
Revenue	**855**	**827**	**798**	**1,152**	**1,372**	**1,306**	**1,348**	**1,475**	**1,461**	**28%**	**1%**
Production cost	529	533	470	766	954	942	877	957	-	25%	-
Gross profit	**326**	**293**	**328**	**386**	**417**	**364**	**471**	**518**	**-**	**34%**	**-**
Sales & marketing	6	6	6	19	9	10	11	13	-	-28%	-
Administration	103	121	123	157	181	199	185	197	-	25%	-
Special items	0	0	-30	-8	0	0	-1	0	-	-	-
EBITA	**216**	**167**	**170**	**203**	**227**	**156**	**275**	**308**	**-**	**52%**	**-**
Amortisations	9	9	9	24	33	33	35	33	-	**35%**	-
EBIT	**207**	**158**	**161**	**178**	**194**	**123**	**240**	**275**	**-**	**54%**	**-**
Net financial items	37	-12	-12	11	-16	-23	-19	-8	-	-	-
Pre-tax profit	**244**	**146**	**149**	**189**	**178**	**101**	**221**	**266**	**-**	**41%**	**-**
Taxes	45	33	41	35	45	16	52	66	-	**89%**	-
Net profit	**200**	**112**	**109**	**154**	**132**	**85**	**170**	**201**	**-**	**31%**	
										-	-
EPS	4.1	2.3	2.2	3.1	2.7	1.7	3.5	4.0	-	31%	-
EPS growth, y/y	114.8%	16.8%	-15.3%	2958.4%	-33.3%	-24.9%	56.1%	30.5%	-	-	-
Revenue growth, organic	22.9%	21.1%	14.9%	14.1%	13.8%	6.9%	18.2%	16.6%	-	-	-
Revenue growth, y/y	23.0%	22.4%	14.9%	49.1%	60.4%	58.0%	68.9%	28.0%	26.8%	-	-
Gross margin	38.1%	35.5%	41.2%	33.5%	30.4%	27.9%	34.9%	35.1%	-	-	-
Costs (Reveneue - EBITDA)	620	640	607	921	1,112	1,117	1,040	1,134	-	23%	-
Costs growth, q/q	17%	3%	-5%	52%	-	0%	-7%	9%	-	-	-
Costs growth, y/y	20%	29%	26%	73%	79%	75%	71%	23%	-	-	-
EBITDA	**235**	**187**	**191**	**231**	**259**	**189**	**308**	**341**	**338**	**48%**	**1%**
EBITDA margin	**27.4%**	**22.6%**	**23.9%**	**20.0%**	**18.9%**	**14.5%**	**22.9%**	**23.1%**	**23.1%**	**-**	**-**
EBITA, adj	216	167	200	210	227	156	275	308	-	46%	-
EBITA margin, adj	25.3%	20.2%	25.1%	18.3%	16.5%	12.0%	20.4%	20.9%	-	-	-
Incremental EBITA margin, adj	32.7%	3.5%	4.4%	-3.5%	16.5%	-13.4%	20.8%	15.9%	-	-	-
EBIT margin	24.2%	19.1%	20.2%	15.5%	14.2%	9.5%	17.8%	18.6%	-	-	-
Tax rate	18.2%	22.9%	27.2%	18.5%	25.6%	15.5%	23.4%	24.7%	-	-	-
12-month:											
Revenue (12m)	2,998	3,149	3,253	3,632	3,851	4,302	5,178	5,501	5,486	51%	0%
EBITA adj (12M)	797	802	806	793	804	793	868	966	658	22%	47%
EBITA margin, adj (12M)	26.6%	25.5%	24.8%	21.8%	20.9%	18.4%	16.8%	17.6%	12.0%	-	-

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

Consensus: 10% 2023 revenue growth expected

Consensus now expects, Netcompany will deliver according to its 2022 guidance. For 2023, consensus expects 10% revenue growth y/y and the EBITDA margin to improve by 0.6 pp to 20.6%. Compared to our estimates, we are in line as to 2023 revenue growth, while we expect a flattish EBITDA margin.

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	3,880	3,845	3,865	-	4,252	-	4,974	-
Revenue, Expand	286	1,652	1,659	1,654	1,636	-	1,799	-	1,979	-
Revenue	**3,632**	**5,465**	**5,540**	**5,502**	**5,501**	**5,491**	**6,051**	**6,030**	**6,953**	**-**
Revenue growth, y/y	28.0%	50%	52%	51%	51.5%	51.2%	10.0%	9.8%	14.9%	-
Revenue growth, organic	**17.0%**	**14%**	**16%**	**15%**	**15.5%**	**-**	**10.0%**	**-**	**14.9%**	**-**
Costs (Revenue - EBITA adj.)	2,877	-	-	-	4,534	-	4,979	-	5,698	-
Growth	1.3%	-	-	-	57.6%	-	9.8%	-	14.5%	-
Special items	-38	-	-	-	0	-	0	-	0	-
EBITDA adj.	**881**	**>~1.09bn**	**-**	**-**	**1,098**	**1,098**	**1,208**	**1,243**	**1,412**	**-**
EBITDA, Core	856	-	-	-	933	-	1,026	-	1,202	-
EBITDA, Expand	25	-	-	-	165	-	182	-	210	-
EBITDA margin, adj.										
Group	24.3%	>20%	-	-	20.0%	20.0%	20.0%	20.6%	20.3%	-
Core	25.6%	23.0%	25.0%	24.0%	24.1%	-	24.1%	-	24.2%	-
Expand	8.8%	9.0%	11.0%	10.0%	10.1%	-	10.1%	-	10.6%	-
EBITA, adj.:	755	-	-	-	966	-	1,072	-	1,255	-
Netcompany Core	736	800	895	845	834	-	926	-	1,085	-
Netcompany Intrasoft	19	-	-	-	132	-	146	-	170	-
EBITA margin, adj.:	20.8%	-	-	-	17.6%	-	17.7%	-	18.1%	-
Netcompany Core	22.0%	21.0%	23.0%	22.0%	21.6%	-	21.8%	-	21.8%	-
Netcompany Intrasoft	6.8%	-	-	-	8.1%	-	8.1%	-	8.6%	-

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

Valuation: DKK 445-520 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 445-520 per share.

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.

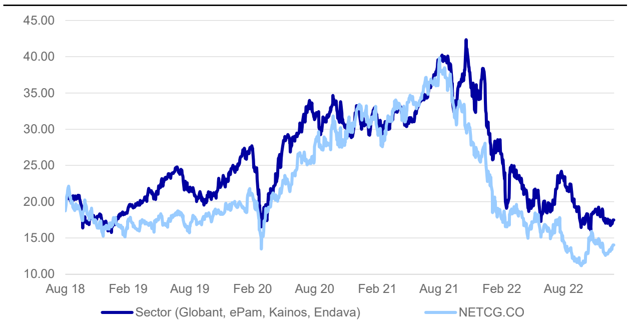
NETCOMPANY: DCF MODEL ASSUMPTIONS

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

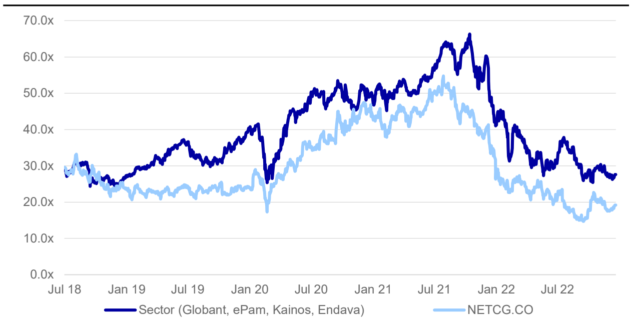
The model is sensitive to revenue growth and the EBIT margin is relatively high, although this should be expected given the company's high-growth profile.

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:

- Epam
- Globant
- Endava
- Kainos

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	12M	YTD
Key peers																				
Epam	US	2,376	18.4	24%	22%	22%	16.7%	32.5x	27.9x	22.7x	20.8x	17.7x	14.2x	21.0x	17.9x	14.4x	1.5x	-5%	-36%	6%
Globant	Lux	1,156	6.5	30%	29%	28%	15.1%	33.2x	27.8x	22.7x	18.2x	15.4x	12.7x	18.3x	15.5x	12.7x	1.2x	-10%	-33%	0%
Endava	UK	540	4.1	31%	31%	31%	19.5%	35.1x	27.8x	22.1x	20.8x	17.4x	13.7x	20.9x	17.4x	13.7x	1.1x	-7%	-39%	3%
Kainos	UK	124	2.1	22%	10%	7%	18.1%	38.3x	34.7x	31.8x	26.5x	24.4x	21.6x	26.6x	24.5x	21.7x	5.3x	-11%	-8%	-5%
Reply	UK	873	4.4	17%	16%	15%	13.5%	24.9x	21.7x	19.6x	13.6x	12.4x	11.3x	13.7x	12.5x	11.4x	1.6x	-2%	-26%	10%
Average (ex Reply)	**-**	**-**	**7.8**	**27%**	**23%**	**22%**	**17.3%**	**34.8x**	**29.5x**	**24.8x**	**21.6x**	**18.7x**	**15.6x**	**21.7x**	**18.8x**	**15.6x**	**2.3x**	**-8%**	**-29%**	**1%**
Netcompany (cons.)	DK	313	2.1	22%	15%	15%	17.0%	22.5x	19.5x	16.2x	15.4x	14.0x	12.0x	15.6x	14.2x	12.2x	1.5x	-5%	-49%	6%
IT service companies:																				
IBM	US	135	121.8	-1%	4%	3%	17.7%	16.0x	15.1x	14.4x	11.8x	11.1x	10.7x	11.5x	10.8x	10.5x	5.4x	-3%	8%	4%
Accenture	IE	261	164.1	15%	16%	17%	15.5%	26.4x	24.6x	22.5x	13.7x	14.0x	13.0x	14.3x	14.7x	13.6x	1.6x	-4%	-22%	6%
Cognizant	US	59	30.4	6%	8%	10%	16.0%	14.5x	13.6x	12.5x	8.6x	8.1x	7.6x	8.7x	8.2x	7.6x	1.4x	8%	-27%	12%
Atos	FR	13	33.2	-0%	13%	-0%	3.7%	22.0x	20.0x	17.9x	12.9x	12.3x	11.0x	13.1x	12.5x	11.2x	-174.9x	3%	-19%	4%
Cap Gemini	FR	171	71.2	11%	13%	15%	12.4%	28.1x	25.6x	22.2x	18.0x	17.4x	15.2x	18.0x	17.4x	15.2x	1.9x	-4%	-21%	-0%
CGI Group	CA	80	140.3	7%	8%	12%	16.7%	32.8x	29.2x	25.7x	21.1x	19.8x	17.7x	21.1x	19.8x	17.7x	2.7x	1%	-13%	4%
DXC Technology	US	27	24.5	-3%	13%	29%	9.7%	17.8x	18.9x	16.4x	10.8x	11.6x	10.2x	11.0x	11.8x	10.5x	0.6x	-1%	-39%	0%
Sopra Steria	FR	151	11.1	6%	11%	15%	8.6%	16.1x	17.0x	14.6x	10.6x	11.0x	9.4x	10.7x	11.1x	9.4x	1.1x	-4%	-40%	-1%
HCL	IN	12	1.4	14%	10%	7%	18.6%	11.6x	6.8x	4.7x	5.2x	5.1x	4.0x	5.2x	5.1x	4.0x	1.6x	33%	-59%	44%
Infosys	IN	17	29.4	18%	14%	14%	22.1%	16.1x	14.7x	13.3x	10.0x	9.4x	8.6x	10.1x	9.5x	8.7x	1.1x	-2%	-15%	10%
Tata	IN	38	19.0	15%	14%	14%	25.2%	19.0x	17.4x	16.1x	11.2x	10.7x	10.3x	10.0x	9.6x	9.2x	1.3x	-3%	9%	-1%
Wipro	IN	4	6.1	17%	10%	9%	16.0%	7.9x	8.2x	6.3x	3.5x	4.1x	3.9x	3.4x	4.0x	3.8x	0.9x	6%	-15%	9%
Tech Mahindra	IN	11	3.1	16%	15%	11%	13.3%	10.9x	10.0x	9.1x	6.6x	6.2x	5.6x	6.7x	6.2x	5.7x	1.0x	0%	-8%	7%
Average, ex India	**-**	**-**	**74.6**	**5%**	**11%**	**13%**	**12.5%**	**21.7x**	**20.5x**	**18.3x**	**13.4x**	**13.2x**	**11.9x**	**13.6x**	**13.3x**	**12.0x**	**-11.9x**	**-1%**	**-22%**	**3%**
Average	**-**	**-**	**50.4**	**9%**	**11%**	**12%**	**15.0%**	**18.4x**	**17.0x**	**15.0x**	**11.1x**	**10.8x**	**9.8x**	**11.1x**	**10.8x**	**9.8x**	**-11.9x**	**2%**	**-20%**	**7%**
Nordic peers:																				
Trifork	DK	22	0.4	11%	-3%	2%	9.8%	35.7x	33.3x	26.2x	16.5x	15.2x	12.9x	27.3x	25.2x	20.0x	17.7x	6%	-	13%
NNIT	DK	74	0.2	4%	94%	-	5.4%	-	-	-	9.6x	7.6x	6.4x	0.0x	16.1x	11.5x	-	10%	-35%	13%
TietoEvry	FI	28	3.3	3%	-0%	4%	11.7%	12.2x	11.7x	10.9x	8.7x	8.1x	7.8x	12.8x	11.6x	11.1x	3.0x	2%	4%	6%
KnowIT	SE	18	0.5	15%	15%	-0%	7.3%	15.4x	14.8x	14.2x	8.6x	8.2x	8.0x	12.0x	11.8x	10.5x	-44.3x	-2%	-41%	0%
Average	**-**	**-**	**1.1**	**8%**	**26%**	**2%**	**8.5%**	**21.1x**	**19.9x**	**17.1x**	**10.8x**	**9.8x**	**8.8x**	**13.0x**	**16.2x**	**13.2x**	**-7.8x**	**4%**	**-24%**	**8%**
SimCorp	DK	488	2.6	8%	6%	7%	23.0%	27.6x	24.8x	22.5x	21.1x	18.4x	16.6x	23.4x	20.0x	17.8x	3.8x	2%	-27%	2%
Others:																				
Europe IT consult. 1)	-	-	-	6%	11%	11%	8.1%	23.6x	26.1x	22.4x	10.1x	7.6x	7.9x	13.8x	14.6x	11.0x	2.2x	4%	20%	19%
Global IT consult. 2)	-	-	-	7%	13%	9%	23.1%	26.9x	25.7x	23.5x	14.8x	12.6x	280.6x	19.8x	19.3x	15.9x	3.0x	2%	8%	7%
Average, total	**-**	**-**	**-**	**12%**	**17%**	**11%**	**14.4%**	**25.0x**	**23.7x**	**20.6x**	**13.7x**	**11.9x**	**64.5x**	**15.9x**	**15.9x**	**13.1x**	**-2.4x**	**1%**	**-9%**	**8%**
Netcompany, NDA	**DK**	**313**	**2.1**	**24%**	**16%**	**16%**	**15.9%**	**26.1x**	**21.7x**	**18.1x**	**15.7x**	**14.0x**	**11.5x**	**20.7x**	**17.6x**	**14.1x**	**1.6x**	**-5%**	**-49%**	**6%**

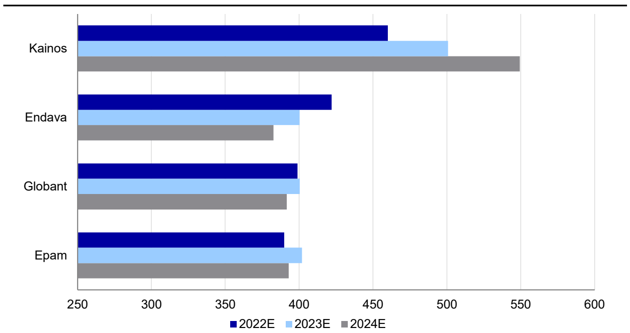
Source: Refinitiv and Nordea estimates

VALUATION: NETCOMPANY (OUR ESTIMATES) VS PEER GROUP VALUATION

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

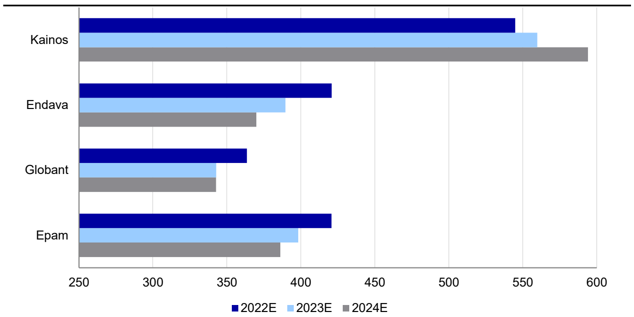
Source: Refinitiv and Nordea estimates

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



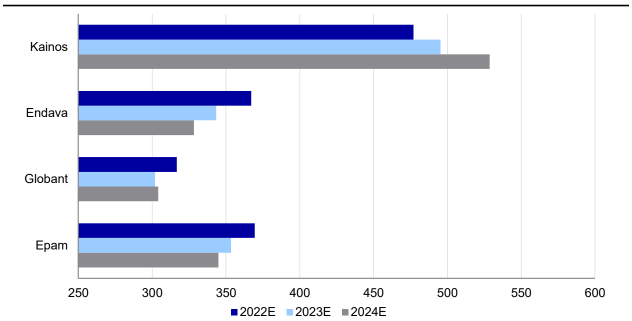
Source: Refinitiv and Nordea

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



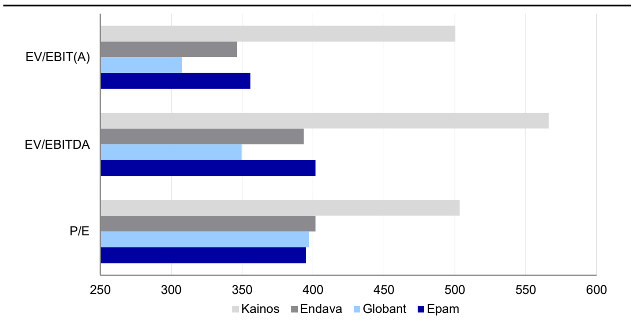
Source: Refinitiv and Nordea

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	Q3
Revenue	**598**	**593**	**592**	**671**	**696**	**676**	**695**	**773**	**855**	**827**	**798**	**1,152**	**1,372**	**1,306**	**1,348**
Production cost	364	370	336	387	421	416	401	445	529	533	470	766	954	942	877
Gross profit	**234**	**223**	**256**	**284**	**275**	**260**	**293**	**328**	**326**	**293**	**328**	**386**	**417**	**364**	**471**
Sales & marketing	3	3	3	3	4	4	4	5	6	6	6	19	9	10	11
Administration	84	93	89	101	106	95	94	99	103	121	123	157	181	199	185
Special items	-1	-3	-1	0	0	0	0	0	0	0	-30	-8	0	0	-1
EBITA	**146**	**123**	**164**	**180**	**164**	**161**	**195**	**224**	**216**	**167**	**170**	**203**	**227**	**156**	**275**
Amortisation	26	25	26	25	25	25	25	24	9	9	9	24	33	33	35
EBIT	**120**	**99**	**138**	**155**	**139**	**136**	**170**	**200**	**207**	**158**	**161**	**178**	**194**	**123**	**240**
Net financial items	6	-21	-4	5	-19	-16	-6	-152	37	-12	-12	11	-16	-23	-19
Pre-tax profit	**126**	**78**	**134**	**160**	**120**	**120**	**164**	**48**	**244**	**146**	**149**	**189**	**178**	**101**	**221**
Taxes	28	16	31	34	27	24	36	43	45	33	41	35	45	16	52
Net profit	**99**	**62**	**102**	**126**	**93**	**96**	**128**	**5**	**200**	**112**	**109**	**154**	**132**	**85**	**170**
Revenue visibility	1,786	2,106	2,387	-	2,132	2,484	2,720	-	2,765	3,065	3,274	-	4,544	4,977	5,296
% of FY revenue	72.8%	85.8%	97.3%	-	75.1%	87.5%	95.8%	-	76.1%	84.4%	90.1%	-	82.6%	90.5%	96.3%
In/out orders	207	319	282	67	304	352	236	119	634	299	209	73	719	433	320
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%	52.7%
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	3.5
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%	56.1%
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%	23.4%
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%	68.9%
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%	34.9%
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%	20.8%
EBITA, adj	**147**	**126**	**164**	**180**	**164**	**161**	**195**	**224**	**216**	**167**	**200**	**210**	**227**	**156**	**275**
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%**	**20.4%**
FCF	74	80	126	116	95	103	149	-80	10	-36	180	0	10	-36	180
Revenue, public	351	342	356	407	433	442	436	466	502	488	462	759	875	837	885
Revenue, private	247	252	236	264	262	233	258	307	353	339	336	394	497	469	463
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%	18.2%
Revenue growth, Expand	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Netcompany Denmark:															
Revenue, Denmark	442	435	437	505	525	532	543	601	656	637	624	674	755	679	714
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%	6.5%	14.4%
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%	36.3%	47.7%
EBITA adj. before HQ costs, DK	130	119	152	169	157	170	199	209	202	166	205	195	192	143	242
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%	21.0%	33.8%
Netcompany Norway:															
Revenue, Norway	55	47	45	53	55	43	44	58	73	68	58	68	78	56	72
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%	-18.3%	22.6%
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%	-6.5%	16.4%
EBITA adj. before HQ costs, Norway	15	7	7	6	8	6	3	6	13	6	2	-2	-1	-19	-3
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%	-34.6%	-4.6%
Netcompany UK:															
Revenue, UK	101	104	96	95	98	80	80	82	105	101	99	102	143	134	132
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%	34.1%
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%	26.8%
EBITA adj. before HQ costs, UK	11	12	16	16	11	0	-3	8	11	7	12	14	27	15	19
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%	14.0%
Netcompany Netherlands:															
Revenue, Netherlands	-	7	14	16	18	21	29	31	22	20	17	23	29	18	26
Revenue growth, Netherlands	-	-	-	-	-	197.2%	107.9%	88.5%	22.0%	-3.3%	-40.5%	-25.8%	33.1%	-11.8%	50.9%
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%	21.8%
EBITA adj. before HQ costs, Netherlands	-	-1	-2	-3	1	2	6	9	-2	-2	-8	-7	-1	-12	-2
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%	-8.0%
Netcompany Intrasoft:															
Revenue, Intrasoft	-	-	-	-	-	-	-	-	-	-	-	286	399	419	405
Revenue growth, Intrasoft	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross margin, Intrasoft	-	-	-	-	-	-	-	-	-	-	-	17.6%	17.1%	21.0%	19.3%
EBITA adj. before HQ costs, Intrasoft	-	-	-	-	-	-	-	-	-	-	-	21	25	42	32
EBITA margin adj. before HQ costs, Intrasoft	-	-	-	-	-	-	-	-	-	-	-	7.5%	6.2%	10.1%	7.8%
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	5,178
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%	59.2%
- 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%	12.1%	12.1%
- 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%	7.1%	6.3%
- 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%	32.6%
- Netherlands (12M)	-	-	-	-	-	-	-	-	86.1%	47.4%	6.9%	-16.8%	-13.0%	-14.7%	6.2%
- Intrasoft (12M)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-30.5%
EBITA adj (12M)	504	540	568	617	634	669	701	744	797	802	806	793	804	793	868
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%	16.8%
- 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%	26.2%	28.2%
- 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%	-8.0%
- 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%	14.2%
- Netherlands (12M)	-	-	-	-	-8.5%	-1.7%	8.0%	19.1%	15.0%	10.9%	-3.6%	-23.4%	-15.6%	-27.4%	-25.8%
- Intrasoft (12M)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.0%
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%	3.3%

Source: Company data and Nordea

Netcompany: Annual numbers

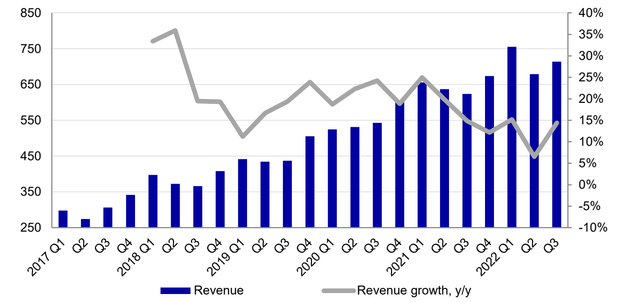
NETCOMPANY: ANNUAL NUMBERS (DKKm; EPS IN DKK)

	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**	**5,501**	**6,051**	**6,953**
Production cost	-	-	447	527	803	1,237	1,458	1,683	2,299	3,730	4,100	4,689
Gross profit	**-**	**-**	**311**	**373**	**613**	**817**	**996**	**1,155**	**1,333**	**1,770**	**1,950**	**2,265**
Sales & marketing	-	-	4	4	10	12	12	17	37	42	47	54
Administration	-	-	100	121	201	290	367	394	503	762	832	956
Special items	-	-	0	-35	-33	-34	-4	0	-38	0	0	0
EBITDA	**91**	**157**	**228**	**233**	**402**	**520**	**669**	**809**	**843**	**1,098**	**1,208**	**1,412**
Depreciation	9	8	9	32	34	40	56	65	88	132	136	156
Amortisation	0	-2	12	0	0	0	0	0	0	0	0	0
EBITA	**81**	**150**	**207**	**201**	**369**	**480**	**613**	**744**	**755**	**966**	**1,072**	**1,255**
Amortisation	2	2	0	74	96	115	102	99	51	133	110	110
EBIT	**80**	**149**	**207**	**127**	**273**	**365**	**511**	**645**	**704**	**833**	**962**	**1,145**
Net financial items	1	1	0	-62	-73	-109	-14	-193	24	-66	-34	-38
Pre-tax profit	**81**	**150**	**208**	**65**	**200**	**256**	**497**	**452**	**728**	**767**	**928**	**1,107**
Taxes	8	15	20	44	59	74	109	130	153	179	207	244
Net profit	**73**	**134**	**188**	**21**	**141**	**181**	**389**	**322**	**575**	**588**	**721**	**864**
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	11.8	14.4	17.3
EPS growth, y/y	-	-	-	-	-	29.7%	116.7%	-18.6%	82.4%	0.3%	22.5%	19.8%
Tax rate	9.3%	10.2%	9.6%	67.1%	29.7%	29.1%	21.9%	28.7%	21.1%	23.3%	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%	51.5%	10.0%	14.9%
Gross margin	-	-	41.1%	41.4%	43.3%	39.8%	40.6%	40.7%	36.7%	32.2%	32.2%	32.6%
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**	**966**	**1,072**	**1,255**
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%**	**18.1%**
EBITA margin	17.7%	23.9%	27.4%	22.3%	26.0%	23.4%	25.0%	26.2%	20.8%	17.6%	17.7%	18.1%
EBIT margin	17.3%	23.6%	27.4%	14.1%	19.3%	17.8%	20.8%	22.7%	19.4%	15.1%	15.9%	16.5%
Net profit, adj.	75	136	188	106	241	298	471	399	644	692	807	950
CFFO	-	-	217	117	195	187	460	581	466	547	799	880
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**	**481**	**728**	**799**
Revenue, public	-	-	312	368	730	1,152	1,456	1,778	2,209	2,551	2,807	3,284
Revenue, private	-	-	447	531	686	901	998	1,061	1,421	1,314	1,445	1,691
Revenue, Core	-	-	758	900	1,416	2,053	2,454	2,839	3,346	3,865	4,252	4,974
Revenue, Expand	-	-	-	-	-	-	-	-	286	1,636	1,799	1,979
Revenue growth, Core	-	-	-	18.7%	57.4%	45.0%	19.5%	15.7%	17.9%	15.5%	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	2,066	2,272	2,658
Maintenance revenue	-	-	411	461	769	1,048	1,196	1,322	1,558	1,800	1,980	2,316
Netcompany Denmark:												
Revenue, Denmark	461	629	758	888	1,220	1,544	1,819	2,200	2,590	2,985	3,195	3,760
Revenue growth, Denmark	15.0%	36.6%	20.5%	18.7%	37.4%	26.5%	17.8%	21.0%	17.7%	15.2%	7.1%	17.7%
EBITA adj. before HQ costs, DK	81	150	207	234	358	461	544	706	712	757	809	922
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%	25.4%	25.3%	24.5%
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

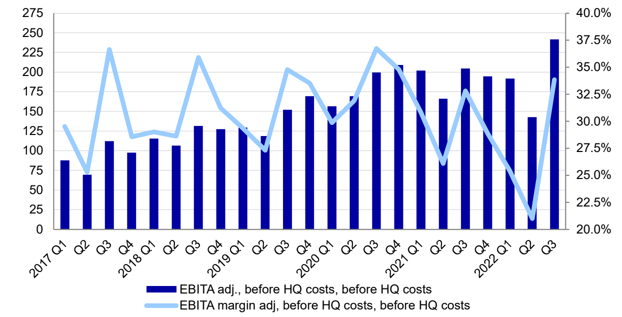
Quarterly charts

NETCOMPANY, DENMARK: REVENUE (DKKm)



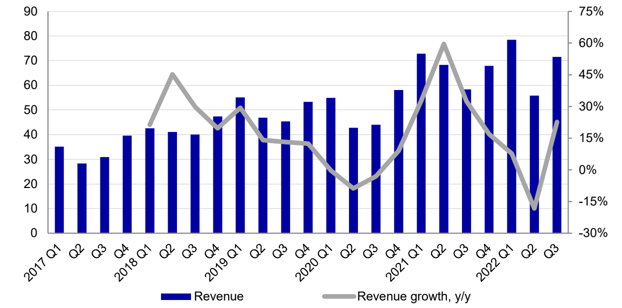
Source: Company data and Nordea

NETCOMPANY, DENMARK: EBITA (DKKm)



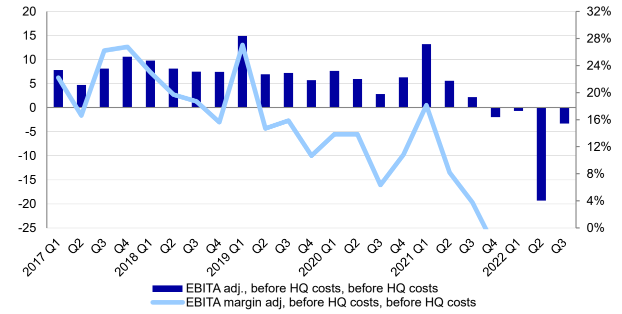
Source: Company data and Nordea

NETCOMPANY, NORWAY: REVENUE (DKKm)



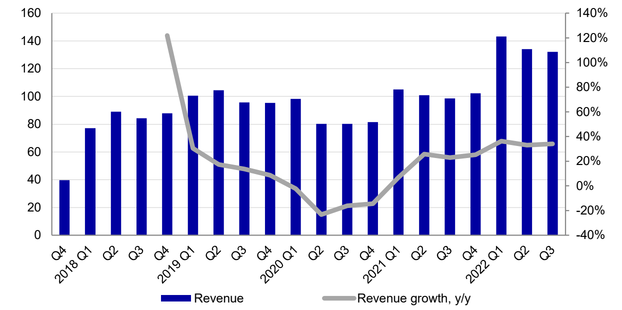
Source: Company data and Nordea

NETCOMPANY, NORWAY: EBITA (DKKm)



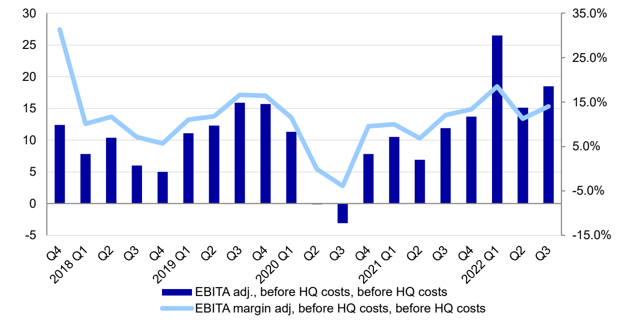
Source: Company data and Nordea estimates

NETCOMPANY, UK: REVENUE (DKKm)



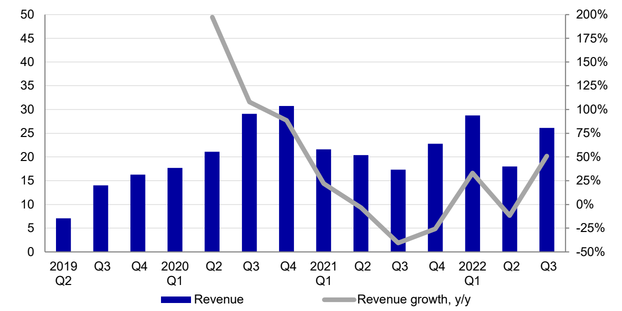
Source: Company data and Nordea

NETCOMPANY, UK: EBITA (DKKm)



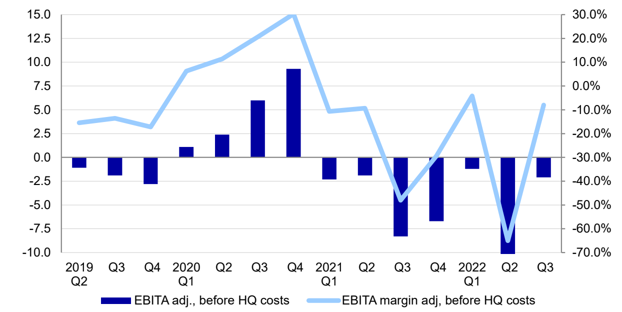
Source: Company data and Nordea

NETCOMPANY, NETHERLANDS: REVENUE (DKKm)



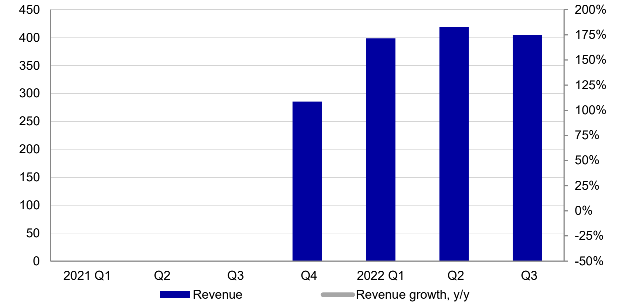
Source: Company data and Nordea

NETCOMPANY, NETHERLANDS: EBITA (DKKm)



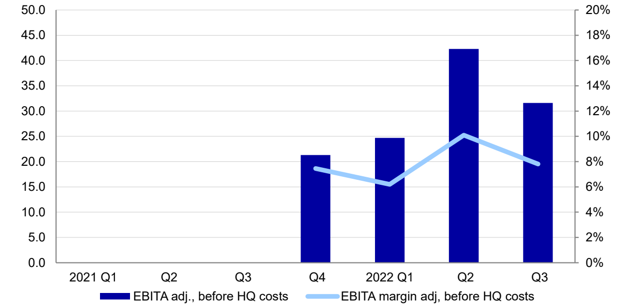
Source: Company data and Nordea

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**	**5,501**	**6,051**	**6,953**
Revenue growth	36.6%	20.5%	18.7%	57.4%	45.0%	19.5%	15.7%	28.0%	51.5%	10.0%	14.9%
of which organic	n.a.	20.5%	17.1%	37.0%	25.5%	17.7%	15.5%	17.0%	15.5%	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	1,098	1,208	1,412
Depreciation and impairments PPE	-7	-21	-32	-34	-40	-56	-65	-88	-132	-136	-156
of which leased assets	0	0	-11	-19	-24	-37	-42	-54	-54	-60	-69
EBITA	150	207	201	369	480	613	744	755	966	1,072	1,255
Amortisation and impairments	-2	0	-74	-96	-115	-102	-99	-51	-133	-110	-110
EBIT	149	207	127	273	365	511	645	704	833	962	1,145
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	-54	-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**	**779**	**928**	**1,107**
Reported taxes	-15	-20	-44	-59	-74	-109	-130	-153	-179	-207	-244
Net profit from continued operations	134	188	21	141	180	389	468	517	600	721	864
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	600	721	864
EPS, DKK	**2.69**	**3.75**	**0.43**	**2.81**	**3.60**	**7.77**	**9.36**	**10.35**	**12.01**	**14.42**	**17.28**
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%	18.1%
EBIT	23.6%	27.4%	14.1%	19.3%	17.8%	20.8%	22.7%	19.4%	15.1%	15.9%	16.5%
Adjusted earnings											
EBITDA (adj)	157	228	268	435	555	674	809	881	1,098	1,208	1,412
EBITA (adj)	150	207	236	402	514	617	744	793	966	1,072	1,255
EBIT (adj)	149	207	162	306	399	516	645	742	833	962	1,145
EPS (adj, DKK)	2.69	3.75	0.97	3.33	4.14	7.84	9.36	10.94	12.01	14.42	17.28
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%	18.1%
EBIT (adj)	23.6%	27.4%	18.0%	21.6%	19.4%	21.0%	22.7%	20.4%	15.1%	15.9%	16.5%
Performance metrics											
CAGR last 5 years											
Net revenue	23.1%	23.7%	22.4%	28.7%	34.8%	31.3%	30.2%	32.2%	31.2%	24.1%	23.2%
EBITDA	16.8%	20.6%	16.6%	31.2%	41.7%	33.7%	28.8%	29.3%	22.2%	18.4%	16.1%
EBIT	15.5%	19.3%	4.0%	23.2%	35.5%	28.0%	25.5%	40.8%	25.0%	21.4%	17.5%
EPS	19.2%	23.8%	-23.0%	9.9%	19.6%	23.7%	20.0%	89.2%	33.7%	32.0%	17.3%
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%	17.2%
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	26.0	21.7	18.1
EV/EBITDA (adj)	n.a.	n.a.	n.a.	n.a.	21.6	24.8	39.0	42.0	15.6	13.6	11.1
EV/EBITA (adj)	n.a.	n.a.	n.a.	n.a.	23.3	27.0	42.4	46.7	17.7	15.3	12.5
EV/EBIT (adj)	n.a.	n.a.	n.a.	n.a.	30.0	32.3	48.9	49.9	20.6	17.1	13.6

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	26.0	21.7	18.1
EV/Sales	n.a.	n.a.	n.a.	n.a.	5.84	6.80	11.11	10.20	3.11	2.71	2.25
EV/EBITDA	n.a.	n.a.	n.a.	n.a.	23.1	24.9	39.0	43.9	15.6	13.6	11.1
EV/EBITA	n.a.	n.a.	n.a.	n.a.	25.0	27.2	42.4	49.0	17.7	15.3	12.5
EV/EBIT	n.a.	n.a.	n.a.	n.a.	32.9	32.6	48.9	52.6	20.6	17.1	13.6
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%	3.1%	5.3%	5.4%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	n.a.	1.2%	2.5%	1.6%	1.0%	2.7%	4.9%	4.9%
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	3,774	3,675	3,576
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	402	413	424
of which goodwill	0	0	1,884	2,109	2,109	2,264	2,264	3,372	3,372	3,262	3,152
Tangible assets	14	20	41	55	117	146	135	317	294	279	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	4,225	4,110	3,993
Inventory	0	0	0	0	0	0	0	0	0	0	0
Accounts receivable	146	180	258	445	458	531	459	1,032	1,210	1,331	1,530
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	1,347	1,546	1,773
Cash and bank	13	111	60	194	108	132	359	459	165	244	530
Total current assets	349	477	441	802	869	1,011	1,356	2,649	2,782	3,189	3,910
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**	**7,007**	**7,299**	**7,903**
Shareholders equity	213	300	1,261	1,644	1,806	2,072	2,429	3,038	3,563	4,284	5,148
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	3,563	4,284	5,148
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	186	195	210
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	2,115	1,430	954
Short-term provisions	0	5	9	30	36	4	0	9	13	15	17
Accounts payable	12	19	27	51	54	44	40	329	498	547	629
Current lease debt	1	6	12	14	29	39	35	99	124	130	140
Other current liabilities	149	180	222	336	310	441	478	877	694	893	1,016
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	1,329	1,585	1,801
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**	**7,007**	**7,299**	**7,903**
Balance sheet and debt metrics											
Net debt	-13	-111	1,118	1,070	998	826	402	1,817	1,511	794	8
of which lease debt	1	12	25	31	83	104	93	247	310	326	350
Working capital	175	155	113	198	361	351	424	931	1,366	1,436	1,658
Invested capital	205	195	2,533	2,865	2,977	3,067	3,108	5,300	5,591	5,546	5,650
Capital employed	218	312	2,492	2,940	2,996	3,134	3,282	5,560	5,549	5,585	5,973
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%	15.3%	0.0%	-20.5%
ROCE	83.7%	79.5%	11.7%	11.6%	13.8%	18.1%	20.7%	17.0%	15.4%	17.3%	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	12.0	32.1	34.2
Equity ratio	56.1%	58.2%	44.1%	47.4%	51.8%	55.6%	60.1%	43.3%	50.9%	58.7%	65.1%
Net gearing	-6.1%	-37.1%	88.7%	65.1%	55.3%	39.9%	16.5%	59.8%	42.4%	18.5%	0.2%

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**	**1,098**	**1,208**	**1,412**
Paid taxes	0	-21	-34	-35	-167	-116	-126	-198	-179	-207	-244
Net financials	0	7	65	79	80	33	22	40	92	-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	6	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	-163	0	0
Funds from operations (FFO)	**n.a.**	**208**	**137**	**290**	**319**	**547**	**684**	**655**	**859**	**974**	**1,142**
Change in NWC	n.a.	9	-20	-95	-133	-87	-103	-189	-312	-70	-221
Cash flow from operations (CFO)	**n.a.**	**217**	**117**	**195**	**187**	**460**	**581**	**466**	**547**	**904**	**921**
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**	**481**	**832**	**840**
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	481	832	840
Free cash flow bef A&D, lease adj	n.a.	207	83	146	136	396	512	358	427	772	771
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	-13	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	7	-53	-54
Other non-cash adjustments	n.a.	-8	2,487	90	-246	30	11	18	-232	0	0
Change in cash	12	99	-52	135	-87	25	227	100	-294	79	286
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	294	312	312
Market cap.	n.a.	n.a.	n.a.	n.a.	11,000	15,850	31,125	35,225	15,620	15,620	15,620
Enterprise value	n.a.	n.a.	n.a.	n.a.	11,998	16,676	31,527	37,042	17,131	16,414	15,628
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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