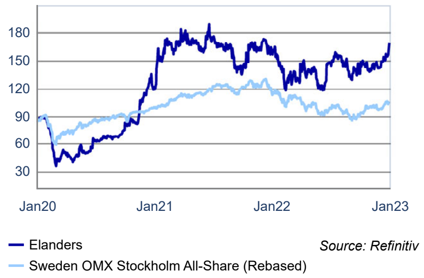
Elanders

Consumer Goods
Sweden

KEY DATA

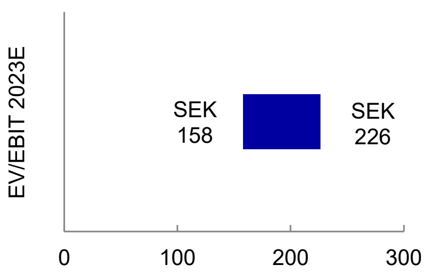
Stock country	Sweden
Bloomberg	ELANB SS
Reuters	ELANb.ST
Share price (close)	SEK 170.0
Free Float	50%
Market cap. (bn)	EUR 0.54/SEK 6.01
Website	www.elanders.com
Next report date	21 Apr 2023

PERFORMANCE



Source: Refinitiv

VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2023E	2024E	2025E
Sales	0%	0%	0%
EBIT (adj)	2%	2%	2%

Source: Nordea estimates

Nordea IB & Equity - Analysts
Carl Ragnerstam
Analyst

Gustav Berneblad
Analyst

The nearshoring trend is finally here

Elanders presented yet another solid report for Q4 2022, growing adjusted EBIT by 37% y/y. Entering 2023, we believe that the nearshoring trend, coupled with new customer contracts in Print and exposure to heat pumps, should partly offset a weakening macroeconomic situation. Furthermore, management's guidance for a potential SEK 400m working capital release could help, yielding FCF of roughly SEK 800m, corresponding to 14% of the market cap, which is a solid cushion for the share. As such, we lower our multiples-based fair value range to SEK 158-226 (159-229).

Somewhat soft organic growth but strong margins

Net sales in Q4 were SEK 4,099m, up 22% y/y (+5% organically) and 1% short of our expectation of SEK 4,133m. While Print & Packaging sales beat our expectation by 6% and were up 25% y/y, Supply Chain Solutions was slightly muted, at 2% below our expectation, but still up 4% organically (we expected 8%). According to the company, demand is still healthy for fashion in the US, while demand is weakening slightly for consumer goods, such as televisions, computers and fashion, in Europe and Asia. Adjusted EBIT was SEK 309m in Q4, up 37% y/y and beating our expectation by 3%. This implies a solid 7.5% margin, up 80 bp y/y and 3% above our estimate. The margin uplift is a result of strong operational performance in Supply Chain Solutions, partly driven by the newly acquired Bergen Logistics.

Minor positive revisions driven by the nearshoring trend

On the back of the report, we nudge up FY 2023E-25E EBIT by 2%, due to the higher-than-expected margin in Supply Chain Solutions. Looking ahead to 2023, we expect demand to vary, with soft performance in some consumer-related end markets, such as fashion Europe, white goods and electronics; however, this is likely to be offset by strong demand for Bergen Logistics, taking a significant share in the US, coupled with exposure to the heat pump market. Furthermore, the company guides that the nearshoring trend – discussed for years – is finally becoming visible in incoming customer projects, especially in the automotive industry. This is clearly beneficial for Elanders, with its strong global presence, but especially in Europe. As such, we expect Elanders to handle a softening macroeconomic situation well, with a mere 2% group organic contraction in 2023 and 14% y/y EBIT growth stemming from the phase-out of low-margin volumes, coupled with price increases in Supply Chain Solutions.

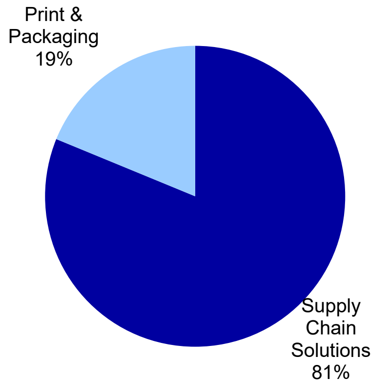
SUMMARY TABLE - KEY FIGURES

SEKm	2019	2020	2021	2022	2023E	2024E	2025E
Total revenue	11,254	11,050	11,732	14,974	15,456	15,948	16,561
EBITDA (adj)	1,409	1,426	1,497	1,967	2,034	2,093	2,147
EBIT (adj)	509	546	596	877	997	1,054	1,103
EBIT (adj) margin	4.5%	4.9%	5.1%	5.9%	6.4%	6.6%	6.7%
EPS (adj, SEK)	7.13	9.19	9.56	13.95	13.02	16.14	17.11
EPS (adj) growth	-0.4%	29.0%	4.0%	46.0%	-6.7%	24.0%	6.0%
DPS (ord, SEK)	0.00	3.10	3.60	4.15	4.40	5.00	5.20
EV/Sales	0.6	0.6	1.0	0.8	0.9	0.8	0.7
EV/EBIT (adj)	13.9	13.0	19.1	14.4	13.3	12.1	11.1
P/E (adj)	12.2	13.0	18.2	10.7	13.1	10.5	9.9
P/BV	1.1	1.5	1.9	1.4	1.5	1.3	1.2
Dividend yield (ord)	0.0%	2.6%	2.1%	2.8%	2.6%	2.9%	3.1%
FCF Yield bef A&D, lease	16.7%	23.2%	3.5%	0.3%	13.3%	9.6%	9.8%
Net debt	3,994	2,854	5,249	7,276	7,180	6,665	6,149
Net debt/EBITDA	3.2	2.0	3.5	3.8	3.5	3.2	2.9
ROIC after tax	5.9%	6.4%	5.7%	5.8%	6.1%	6.6%	7.0%

Source: Company data and Nordea estimates

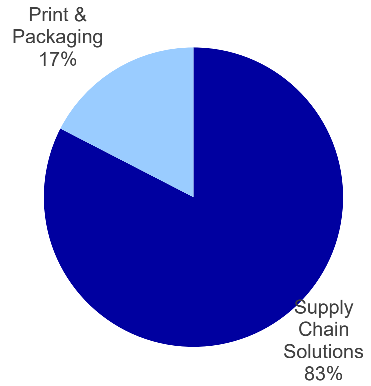
Selected charts

ELANDERS: REVENUE SPLIT BY SEGMENT (%), 2022



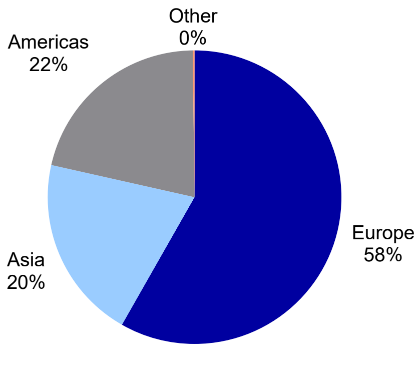
Source: Company data and Nordea

ELANDERS: EBITA SPLIT BY SEGMENT (%), 2022



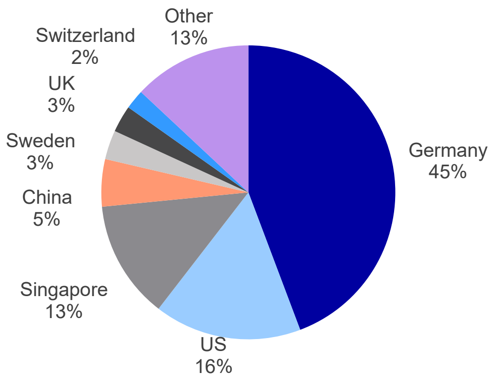
Source: Company data and Nordea estimates

ELANDERS: SALES SPLIT BY REGION (%), 2022



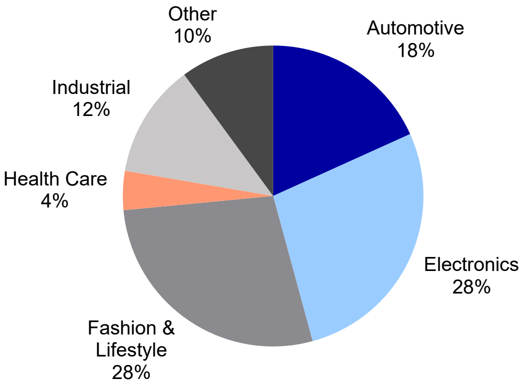
Source: Company data and Nordea

ELANDERS: SALES SPLIT BY COUNTRY (%), 2022



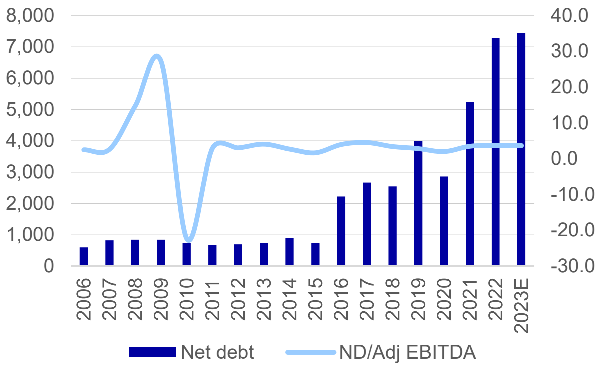
Source: Company data and Nordea

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



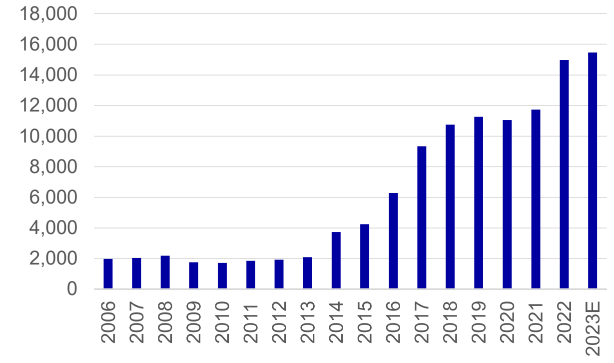
Source: Company data and Nordea estimates

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



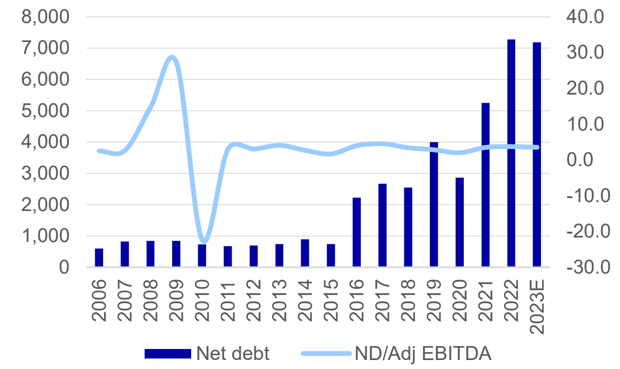
Source: Company data and Nordea estimates

ELANDERS: GROUP NET SALES DEVELOPMENT (SEKm)



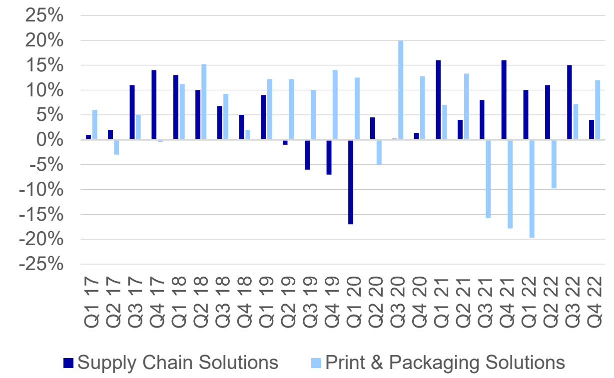
Source: Company data and Nordea estimates

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



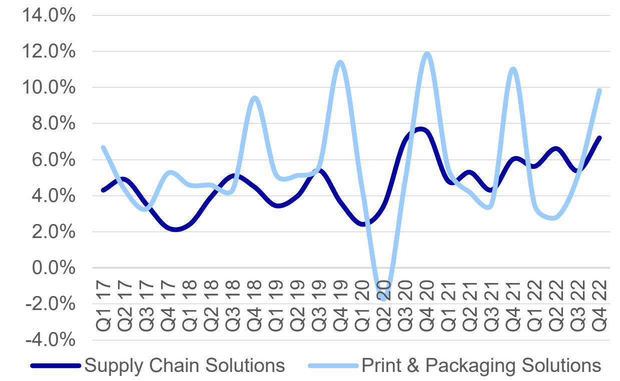
Source: Company data and Nordea estimates

ELANDERS: ORGANIC GROWTH BY SEGMENT (%)



Source: Company data and Nordea estimates

ELANDERS: EBIT MARGIN DEVELOPMENT BY SEGMENT (%)



Source: Company data and Nordea estimates

Q4 deviation

Net sales in Q4 were SEK 4,099m, up 22% y/y (+5% organically) and 1% short of our expectation of SEK 4,133m. While Print & Packaging sales beat our expectation by 6% and were up 25% y/y, Supply Chain Solutions was slightly muted at 2% below our expectation, but still up 4% organically (we expected 8%). According to the company, demand is still healthy for fashion in the US, but weakening slightly for consumer goods, such as televisions, computers and fashion, in Europe and Asia. Adjusted EBIT was SEK 309m in Q4, up 37% y/y and beating our expectation by 3%. This implies a solid 7.5% margin, up 80 bp y/y and 30% above our estimate. The margin uplift is a result of strong operational performance in Supply Chain Solutions, partly driven by the newly acquired Bergen Logistics.

ELANDERS: Q4 DEVIATION TABLE

	Actual	NDA est.	Deviation		Actual		Actual	
SEKm	**Q4 22**	**Q4 22E**	**vs. actual**		**Q3 22**	**q/q**	**Q4 21**	**y/y**
Net sales	**4,099**	**4,133**	**(34)**	**-1%**	**3,979**	**3%**	**3,364**	**22%**
Gross profit	651	628	23	4%	562	16%	514	27%
EBITA	273	319	(46)	-14%	216	26%	228	20%
Amortisation of intangibles	(22)	(19)	(3)	16%	(23)	-4%	(19)	16%
EBIT	251	300	(49)	-16%	193	30%	209	20%
Adj. EBITA	331	319	12	4%	225	47%	244	36%
Adj. EBIT	**309**	**300**	**9**	**3%**	**202**	**53%**	**225**	**37%**
Adj. EBITA margin	8.1%	7.7%		0.4pp	5.7%	2.4pp	7.3%	0.8pp
Adj. EBIT margin	**7.5%**	**7.3%**		**0.3pp**	**5.1%**	**2.5pp**	**6.7%**	**0.8pp**
Supply Chain Solutions	3,259	3,332	(73)	-2%	3,325	-2%	2,684	21%
Print & Packaging Solutions	874	828	46	6%	686	27%	698	25%
Group functions	11	10	1	10%	11	0%	10	10%
Eliminations	(45)	(38)	(7)	18%	(43)	5%	(28)	61%
Group net sales	**4,099**	**4,133**	**(34)**	**-1%**	**3,979**	**3%**	**3,364**	**22%**
Supply Chain Solutions	235	218	17	8%	179	31%	162	45%
Print & Packaging Solutions	86	91	(5)	-6%	35	146%	77	12%
Group functions	(12)	(9)	(3)		(12)	0%	(14)	-14%
Adj group EBIT	**309**	**300**	**9**	3%	**202**	**53%**	**225**	**37%**
Supply Chain Solutions	7.2%	6.5%		0.7pp	5.4%	2pp	6.0%	1.2pp
Print & Packaging Solutions	9.8%	11.0%		-1.2pp	5.1%	5pp	11.0%	-1.2pp
Adj EBIT margin	**7.5%**	**7.3%**		**0.3pp**	**5.1%**	**2pp**	**6.7%**	**0.8pp**

Source: Company data and Nordea estimates

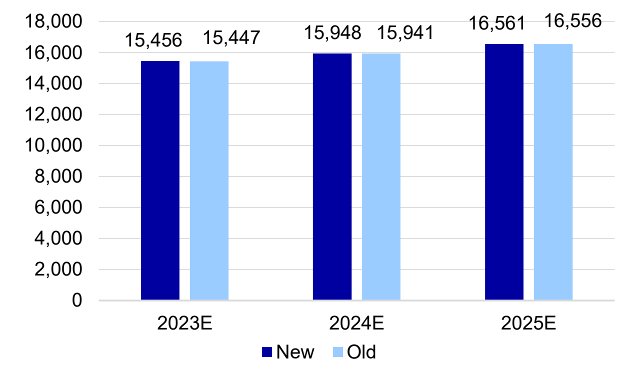
Estimate revisions

ELANDERS: ESTIMATE REVISIONS (EPS IN SEK)

	New estimates			Old estimates			Difference %		
SEKm	**2023E**	**2024E**	**2025E**	**2023E**	**2024E**	**2025E**	**2023E**	**2024E**	**2025E**
Net sales	**15,456**	**15,948**	**16,561**	**15,447**	**15,941**	**16,556**	**0%**	**0%**	**0%**
Cost of goods sold	-13,254	-13,719	-14,246	-13,247	-13,713	-14,243	0%	0%	0%
Gross profit	**2,202**	**2,229**	**2,314**	**2,200**	**2,228**	**2,314**	**0%**	**0%**	**0%**
EBITA	1,073	1,118	1,158	1,054	1,100	1,139	2%	2%	2%
Amortisation of intangibles	-76	-65	-55	-76	-65	-55	0%	0%	0%
EBIT	997	1,054	1,103	978	1,035	1,084	2%	2%	2%
Net financials	-299	-233	-233	-260	-175	-175	15%	33%	33%
PTP	698	820	870	718	860	909	-3%	-5%	-4%
Income tax	-209	-246	-261	-215	-258	-273	-3%	-5%	-4%
Net profit	488	574	609	502	602	637	-3%	-5%	-4%
Earnings per share (SEK)	13	16	17	13	17	18	-3%	-5%	-4%
Adj. EBITA	1,073	1,118	1,158	1,054	1,100	1,139	2%	2%	2%
Adj. EBIT	**997**	**1,054**	**1,103**	**978**	**1,035**	**1,084**	**2%**	**2%**	**2%**
Tax on EO	0	0	0	0	0	0	n.a	n.a	n.a
Adj. Net profit	488	574	609	502	602	637	-3%	-5%	-4%
Adj. EPS	13	16	17	13	17	18	-3%	-5%	-4%
Adj. EBITA margin	6.9%	7.0%	7.0%	6.8%	6.9%	6.9%	0.1pp	0.1pp	0.1pp
Adj. EBIT margin	6.4%	6.6%	6.7%	6.3%	6.5%	6.5%	0.1pp	0.1pp	0.1pp
Adj. Incremental margin	24.9%	11.6%	8.0%	25.0%	11.6%	8.0%	-0.1pp	0.0pp	0.0pp
Net sales per segment									
Supply Chain Solutions	12,547	13,011	13,597	12,617	13,084	13,672	-1%	-1%	-1%
Print & Packaging Solutions	3,021	3,051	3,081	2,942	2,972	3,001	3%	3%	3%
Group functions	40	40	41	40	40	41	0%	0%	0%
Eliminations	-152	-155	-158	-152	-155	-158	0%	0%	0%
Group net sales	**15,456**	**15,948**	**16,561**	**15,447**	**15,941**	**16,556**	**0%**	**0%**	**0%**
Adj EBIT per segment									
Supply Chain Solutions	851	906	952	828	883	930	3%	3%	2%
Print & Packaging Solutions	188	191	194	192	195	198	-2%	-2%	-2%
Group functions	-42	-43	-44	-42	-43	-44	0%	0%	0%
Group EBIT	**997**	**1,054**	**1,103**	**978**	**1,035**	**1,084**	**2%**	**2%**	**2%**
Adj. EBIT margin									
Supply Chain Solutions	6.8%	7.0%	7.0%	6.6%	6.8%	6.8%	0.2pp	0.2pp	0.2pp
Print & Packaging Solutions	6.2%	6.3%	6.3%	6.5%	6.5%	6.6%	-0.3pp	-0.3pp	-0.3pp
Group	**6.4%**	**6.6%**	**6.7%**	**6.3%**	**6.5%**	**6.5%**	**0.1pp**	**0.1pp**	**0.1pp**

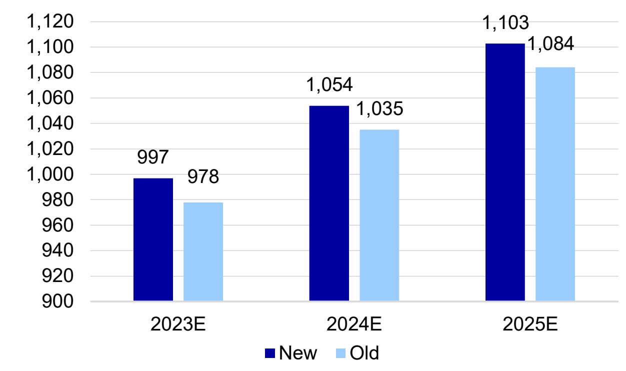
Source: Nordea estimates

NET SALES: NEW VERSUS OLD ESTIMATES (SEKm)



Source: Nordea estimates

ADJUSTED EBIT: NEW VERSUS 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	-	52,677	11.7x	11.1x	-	-	17.0x	15.9x	1.8x	1.6x	34.4%	39.9%	-	-	6.6%	7.2%
CH Robinson	-	113,351	12.8x	12.2x	11.6x	12.6x	13.9x	13.9x	17.0x	15.6x	2.5%	2.6%	1.6x	1.6x	26.6%	28.1%
DSV	BUY	272,160	9.5x	13.1x	11.2x	17.0x	11.3x	17.1x	14.1x	20.8x	0.7%	0.7%	1.2x	2.0x	17.7%	11.1%
Elanders	NO RATING	5,636	6.4x	6.3x	13.0x	12.0x	14.4x	12.9x	10.7x	12.2x	2.8%	2.8%	3.8x	3.5x	5.8%	6.1%
Expeditors	-	174,835	11.0x	12.5x	11.0x	14.1x	11.7x	13.2x	18.2x	19.7x	1.3%	1.3%	-	-	29.5%	39.8%
ID Logistics	-	18,061	6.6x	6.2x	21.7x	19.6x	21.5x	20.0x	24.3x	20.6x	0.0%	0.0%	2.0x	1.7x	0.0%	0.0%
J.B Hunt	-	201,940	10.2x	9.6x	-	-	15.4x	14.4x	20.2x	18.5x	0.9%	0.9%	0.5x	0.1x	16.5%	16.7%
Kerry Logistics	-	36,498	5.2x	5.5x	-	-	7.5x	8.5x	8.9x	9.6x	3.7%	3.6%	-	-	13.1%	13.6%
Kuehne & Nagel	-	297,381	9.3x	10.3x	12.3x	14.3x	12.9x	15.0x	19.5x	22.6x	3.5%	3.3%	-	-	68.0%	74.8%
Landstar	-	62,249	12.2x	11.6x	-	-	13.9x	13.6x	18.4x	17.9x	0.7%	0.7%	-	-	33.9%	37.4%
Old Dominion	-	360,536	17.2x	15.6x	-	-	20.1x	18.2x	27.4x	25.0x	0.4%	0.4%	-	-	32.3%	30.1%
XPO Logistics	-	44,751	6.9x	6.2x	-	-	11.4x	9.7x	11.8x	10.0x	0.0%	0.0%	2.2x	1.8x	28.7%	31.1%
Average		**136,673**	**9.9x**	**10.0x**	**13.5x**	**14.9x**	**14.2x**	**14.4x**	**16.0x**	**16.2x**	**4.3%**	**4.7%**	**1.9x**	**1.8x**	**23.2%**	**24.7%**
Median		**87,800**	**9.9x**	**10.7x**	**11.9x**	**14.2x**	**13.9x**	**14.1x**	**17.6x**	**18.2x**	**1.1%**	**1.1%**	**1.8x**	**1.7x**	**22.1%**	**22.4%**
Elanders	**NO RATING**	**5,636**	**6.4x**	**6.3x**	**13.0x**	**12.0x**	**14.4x**	**12.9x**	**10.7x**	**12.2x**	**2.8%**	**2.8%**	**3.8x**	**3.5x**	**5.8%**	**6.1%**
vs. peer average	-	-	-35%	-37%	-3%	-20%	1%	-10%	-33%	-24%	-1.5pp	1.6pp	99%	99%	-17pp	-16pp
vs. peer median	-	-	-35%	-41%	9%	-16%	3%	-9%	-39%	-33%	1.7pp	1.6pp	106%	106%	-16pp	-16pp
vs. ID Logistics	-	-	-3%	2%	-40%	-39%	-33%	-36%	-56%	-41%	2.8pp	2.8pp	87%	111%	6pp	6pp
vs. XPO Logistics	-	-	-7%	2%	nm	nm	26%	33%	-9%	23%	2.8pp	2.8pp	73%	101%	-23pp	-25pp

Source: Refinitiv and Nordea estimates

Detailed estimates

ELANDERS: QUARTERLY ESTIMATES (EPS IN SEK)

(SEKm)	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23E	Q2 23E	Q3 23E	Q4 23E
Net sales	3,371	3,525	3,979	4,099	3,772	3,712	4,005	3,968
Cost of goods sold	-2,879	-3,000	-3,417	-3,448	-3,206	-3,192	-3,444	-3,412
Gross profit	492	525	562	651	566	520	561	555
Sales and administrative expenses	-338	-356	-380	-410	-376	-373	-380	-411
Other operating income	26	83	36	51	29	87	36	49
Other operating expenses	-16	-11	-26	-41	-20	-3	15	142
EBITDA	430	506	466	538	457	488	493	596
Depreciation	-33	-31	-30	-45	-49	-48	-52	-52
EBITA	187	263	216	273	218	250	251	355
Amortisation of intangible acq related assets	-22	-22	-23	-22	-19	-19	-19	-19
EBIT	165	241	193	251	199	231	232	336
Net financials	-36	-36	-42	-70	-75	-75	-75	-75
PTP	129	205	151	181	124	156	157	261
Income tax	-41	-63	-35	-41	-37	-47	-47	-78
Net profit	88	142	115	140	87	109	110	183
Earnings per share (SEK)	2.40	3.87	3.04	3.87	2.26	2.89	2.91	4.97
Adj. EBITDA	430	466	475	596	457	488	493	596
Adj. EBITA	187	223	225	331	218	250	251	355
Adj. EBIT	165	201	202	309	199	231	232	336
Tax on EO	0	-12	2	13	0	0	0	0
Adj. Net profit	88	170	109	95	87	109	110	183
Adj. EPS	2.40	4.66	2.84	2.61	2.26	2.89	2.91	4.97
Gross margin	14.6%	14.9%	14.1%	15.9%	15.0%	14.0%	14.0%	14.0%
EBITDA margin	12.8%	14.4%	11.7%	13.1%	12.1%	13.1%	12.3%	15.0%
EBITA margin	5.5%	7.5%	5.4%	6.7%	5.8%	6.7%	6.3%	8.9%
EBIT margin	4.9%	6.8%	4.9%	6.1%	5.3%	6.2%	5.8%	8.5%
Incremental margin	5.8%	14.4%	7.4%	5.7%	8.4%	-5.5%	150.4%	-64.7%
Adj. EBITDA margin	12.8%	13.2%	11.9%	14.5%	12.1%	13.1%	12.3%	15.0%
Adj. EBITA margin	5.5%	6.3%	5.7%	8.1%	5.8%	6.7%	6.3%	8.9%
Adj. EBIT margin	4.9%	5.7%	5.1%	7.5%	5.3%	6.2%	5.8%	8.5%
Adj. Incremental margin	5.8%	14.4%	7.4%	5.7%	8.4%	-5.5%	150.4%	-64.7%

Source: Company data and Nordea estimates

ELANDERS: QUARTERLY SALES AND EBIT BRIDGE

(SEKm)	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23E	Q2 23E	Q3 23E	Q4 23E
Net sales								
Supply Chain Solutions	2,769	2,914	3,325	3,259	3,083	3,037	3,322	3,105
Print & Packaging Solutions	637	643	686	874	717	702	710	891
Group functions	10	10	11	11	10	10	10	10
Eliminations	-45	-43	-43	-45	-38	-38	-38	-38
Total sales	**3,371**	**3,524**	**3,979**	**4,099**	**3,772**	**3,712**	**4,005**	**3,968**
Sales bridge								
Volume	3%	6%	13%	6%	3%	-2%	-3%	-5%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	20%	14%	16%	4%	0%	0%	0%	0%
FX	6%	7%	9%	12%	8%	7%	4%	1%
Other	0%	0%	0%	0%	0%	0%	0%	0%
Total growth	**23%**	**27%**	**39%**	**22%**	**12%**	**5%**	**1%**	**-3%**
Sales bridge								
Volume	53	166	373	175	101	-68	-122	-181
Price/Mix	0	0	0	0	0	0	0	0
Structural	540	384	471	148	16	16	0	0
FX	164	205	270	412	285	240	148	50
Other	0	0	0	0	0	0	0	0
Total growth	**758**	**755**	**1,114**	**735**	**401**	**188**	**26**	**-131**
Growth per segment quarterly								
(%)	**Q1 22**	**Q2 22**	**Q3 22**	**Q4 22**	**Q1 23E**	**Q2 23E**	**Q3 23E**	**Q4 23E**
Supply Chain Solutions								
Volume	10%	11%	15%	4%	2%	-3%	-4%	-6%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	24%	16%	21%	6%	1%	1%	0%	0%
FX	6%	7%	10%	12%	9%	7%	4%	1%
Other	0%	0%	0%	0%	0%	0%	0%	0%
Total growth	**34%**	**34%**	**45%**	**21%**	**11%**	**4%**	**0%**	**-5%**
Print & Packaging Solutions								
Volume	-20%	-10%	7%	12%	6%	4%	1%	1%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	5%	6%	0%	0%	0%	0%	0%	0%
FX	6%	7%	9%	13%	7%	5%	3%	1%
Other	0%	0%	0%	0%	0%	0%	0%	0%
Total growth	-8%	3%	16%	25%	13%	9%	4%	2%
EBIT per segment quarterly								
(SEKm)	**Q1 22**	**Q2 22**	**Q3 22**	**Q4 22**	**Q1 23E**	**Q2 23E**	**Q3 23E**	**Q4 23E**
Supply Chain Solutions	156	233	179	187	180	216	203	251
Print & Packaging Solutions	22	18	26	76	30	25	38	95
Group functions	-13	-10	-12	-12	-11	-11	-10	-10
Group EBIT	**165**	**241**	**193**	**251**	**199**	**231**	**232**	**336**
Adj. EBIT per segment quarterly								
Supply Chain Solutions	156	193	179	235	180	216	203	251
Print & Packaging Solutions	22	18	35	86	30	25	38	95
Group functions	-13	-10	-12	-12	-11	-11	-10	-10
Adj group EBIT	**165**	**201**	**202**	**309**	**199**	**231**	**232**	**336**
EBIT margin per segment quarterly								
Supply Chain Solutions	5.6%	8.0%	5.4%	5.7%	5.8%	7.1%	6.1%	8.1%
Print & Packaging Solutions	3.5%	2.8%	3.8%	8.7%	4.2%	3.6%	5.4%	10.6%
EBIT margin	**4.9%**	**6.8%**	**4.9%**	**6.1%**	**5.3%**	**6.2%**	**5.8%**	**8.5%**
Adj. EBIT margin per segment quarterly								
Supply Chain Solutions	5.6%	6.6%	5.4%	7.2%	5.8%	7.1%	6.1%	8.1%
Print & Packaging Solutions	3.5%	2.8%	5.1%	9.8%	4.2%	3.6%	5.4%	10.6%
Adj EBIT margin	**4.9%**	**5.7%**	**5.1%**	**7.5%**	**5.3%**	**6.2%**	**5.8%**	**8.5%**

Source: Company data and Nordea estimates

ELANDERS: ANNUAL ESTIMATES (EPS IN SEK)

(SEKm)	2018	2019	2020	2021	2022E	2023E	2024E	2025E
Net sales	10,742	11,254	11,050	11,732	14,974	15,456	15,948	16,561
Cost of goods sold	-9,331	-9,780	-9,532	-10,088	-12,744	-13,254	-13,719	-14,246
Gross profit	1,411	1,474	1,518	1,644	2,230	2,202	2,229	2,314
Sales and administrative expenses	-1,034	-1,145	-1,050	-1,119	-1,484	-1,539	-1,576	-1,625
Other operating income	112	66	13	82	196	201	205	212
Other operating expenses	-30	-33	-44	-28	-94	134	195	201
EBITDA	747	1,260	1,426	1,482	1,940	2,034	2,093	2,147
Depreciation	-203	-156	-169	-123	-139	-201	-270	-264
EBITA	522	416	599	639	939	1073	1,118	1,158
Amortisation of intangible acq related assets	-64	-56	-53	-59	-89	-76	-65	-55
EBIT	458	360	546	580	850	997	1,054	1,103
Net financials	-93	-143	-131	-98	-184	-299	-233	-233
PTP	365	217	415	482	666	698	820	870
Income tax	-107	-63	-86	-151	-180	-209	-246	-261
Net profit	258	154	329	331	485	488	574	609
Earnings per share (SEK)	7.19	4.19	9.19	9.11	13.19	13.02	16.13	17.10
Adj. EBITDA	747	1,409	1,426	1,498	1,967	2,034	2,093	2,147
Adj. EBITA	522	565	599	655	966	1,073	1,118	1,158
Adj. EBIT	458	509	546	596	877	997	1,054	1,103
Tax on EO	0	43	0	5	7	0	0	0
Adj. Net profit	258	346	329	352	520	488	574	609
Adj. EPS	7.16	9.79	9.19	9.70	14.16	13.02	16.13	17.10
Gross margin	13.1%	13.1%	13.7%	14.0%	14.9%	14.2%	14.0%	14.0%
EBITDA margin	7.0%	11.2%	12.9%	12.6%	13.0%	13.2%	13.1%	13.0%
EBITA margin	4.9%	3.7%	5.4%	5.4%	6.3%	6.9%	7.0%	7.0%
EBIT margin	4.3%	3.2%	4.9%	4.9%	5.7%	6.4%	6.6%	6.7%
Incremental margin	10.7%	-19.1%	-91.2%	5.0%	8.3%	30.5%	11.6%	8.0%
Adj. EBITDA margin	7.0%	12.5%	12.9%	12.8%	13.1%	13.2%	13.1%	13.0%
Adj. EBITA margin	4.9%	5.0%	5.4%	5.6%	6.5%	6.9%	7.0%	7.0%
Adj. EBIT margin	4.3%	4.5%	4.9%	5.1%	5.9%	6.4%	6.6%	6.7%
Adj. Incremental margin	8.9%	10.0%	-18.1%	7.3%	8.7%	24.9%	11.6%	8.0%

Source: Company data and Nordea estimates

ELANDERS: ANNUAL SALES AND EBIT BRIDGE

(SEKm)	2018	2019	2020	2021	2022E	2023E	2024E	2025E
Net sales								
Supply Chain Solutions	8,526	8,775	8,408	9,204	12,267	12,547	13,011	13,597
Print & Packaging Solutions	2,244	2,564	2,728	2,606	2,840	3,021	3,051	3,081
Group functions	47	37	40	40	42	40	40	41
Eliminations	-75	-122	-126	-117	-176	-152	-155	-158
Total sales	**10,946**	**11,254**	**11,050**	**11,733**	**14,973**	**15,456**	**15,948**	**16,561**
Sales bridge								
Volume	8%	1%	0%	7%	7%	-2%	3%	4%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	1%	0%	0%	4%	13%	0%	0%	0%
FX	5%	4%	-2%	-4%	9%	5%	0%	0%
Other	0%	0%	0%	0%	0%	0%	0%	0%
Total growth	**15%**	**5%**	**-2%**	**6%**	**28%**	**3%**	**3%**	**4%**
Sales bridge								
Volume	848	69	14	791	768	-271	494	616
Price/Mix	0	0	0	0	0	0	0	0
Structural	48	-51	5	390	1,543	31	0	0
FX	503	477	-227	-497	1,051	722	0	0
Other	0	0	0	0	0	0	0	0
Total growth	**1,399**	**495**	**-208**	**684**	**3,362**	**483**	**494**	**616**
Growth per segment annual								
(%)	**2018**	**2019**	**2020**	**2021**	**2022E**	**2023E**	**2024E**	**2025E**
Supply Chain Solutions								
Volume	8%	-2%	-3%	11%	10%	-3%	4%	5%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	1%	0%	0%	4%	16%	0%	0%	0%
FX	6%	4%	-1%	-5%	9%	5%	0%	0%
Other	0%	0%	0%	0%	0%	0%	0%	0%
Total growth	**22%**	**3%**	**-4%**	**9%**	**33%**	**2%**	**4%**	**5%**
Print & Packaging Solutions								
Volume	9%	12%	10%	-4%	-3%	3%	1%	1%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%
Structural	0%	-2%	0%	3%	3%	0%	0%	0%
FX	4%	4%	-4%	-3%	9%	4%	0%	0%
Other	0%	0%	0%	0%	0%	0%	0%	0%
Total growth	1%	14%	6%	-4%	9%	6%	1%	1%
EBIT per segment annual								
(SEKm)	**2018**	**2019**	**2020**	**2021**	**2022E**	**2023E**	**2024E**	**2025E**
Supply Chain Solutions	346	220	435	459	755	851	906	952
Print & Packaging Solutions	132	174	147	162	142	188	191	194
Group functions	-20	-34	-36	-42	-47	-42	-43	-44
Group EBIT	**458**	**360**	**546**	**579**	**850**	**997**	**1,054**	**1,103**
Adj. EBIT per segment annual								
Supply Chain Solutions	346	362	435	475	763	851	906	952
Print & Packaging Solutions	132	181	147	162	161	188	191	194
Group functions	-20	-34	-36	-42	-47	-42	-43	-44
Adj group EBIT	**458**	**509**	**546**	**596**	**877**	**997**	**1054**	**1103**
EBIT margin per segment annual								
Supply Chain Solutions	4.1%	2.5%	5.2%	5.0%	6.2%	6.8%	7.0%	7.0%
Print & Packaging Solutions	5.9%	6.8%	5.4%	6.2%	5.0%	6.2%	6.3%	6.3%
EBIT margin	**4.2%**	**3.2%**	**4.9%**	**4.9%**	**5.7%**	**6.4%**	**6.6%**	**6.7%**
Adj. EBIT margin per segment annual								
Supply Chain Solutions	4.1%	4.1%	5.2%	5.2%	6.2%	6.8%	7.0%	7.0%
Print & Packaging Solutions	5.9%	7.1%	5.4%	6.2%	5.7%	6.2%	6.3%	6.3%
Adj EBIT margin	**4.2%**	**4.5%**	**4.9%**	**5.1%**	**5.9%**	**6.4%**	**6.6%**	**6.7%**

Source: Company data and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT											
SEKm	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023E**	**2024E**	**2025E**
Total revenue	**4,237**	**6,285**	**9,342**	**10,742**	**11,254**	**11,050**	**11,732**	**14,974**	**15,456**	**15,948**	**16,561**
Revenue growth	13.6%	48.4%	48.6%	15.0%	4.8%	-1.8%	6.2%	27.6%	3.2%	3.2%	3.8%
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	427	519	563	725	1,260	1,426	1,481	1,940	2,034	2,093	2,147
Depreciation and impairments PPE	-115	-132	-192	-203	-844	-827	-843	-1,001	-961	-975	-989
of which leased assets	0	0	0	0	-688	-658	-720	-862	-760	-770	-780
EBITA	312	387	371	522	416	599	638	939	1,073	1,118	1,158
Amortisation and impairments	-20	-40	-63	-64	-56	-53	-58	-89	-76	-65	-55
EBIT	292	347	308	458	360	546	580	850	997	1,054	1,103
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	-33	-44	-80	-93	-143	-131	-98	-184	-299	-233	-233
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	**259**	**303**	**228**	**365**	**217**	**415**	**482**	**666**	**698**	**821**	**870**
Reported taxes	-85	-82	-64	-107	-63	-86	-151	-180	-209	-246	-261
Net profit from continued operations	174	221	164	258	154	329	331	485	488	575	609
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	0	0	-1	-5	-6	-4	-9	-19	-28	-4	-4
Net profit to equity	174	221	163	253	148	325	322	466	460	571	605
EPS, SEK	**6.18**	**7.48**	**4.61**	**7.16**	**4.19**	**9.19**	**9.11**	**13.19**	**13.02**	**16.14**	**17.11**
DPS, SEK	2.20	2.60	2.60	2.90	0.00	3.10	3.60	4.15	4.40	5.00	5.20
of which ordinary	2.20	2.60	2.60	2.90	0.00	3.10	3.60	4.15	4.40	5.00	5.20
of which extraordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit margin in percent											
EBITDA	10.1%	8.3%	6.0%	6.7%	11.2%	12.9%	12.6%	13.0%	13.2%	13.1%	13.0%
EBITA	7.4%	6.2%	4.0%	4.9%	3.7%	5.4%	5.4%	6.3%	6.9%	7.0%	7.0%
EBIT	6.9%	5.5%	3.3%	4.3%	3.2%	4.9%	4.9%	5.7%	6.4%	6.6%	6.7%
Adjusted earnings											
EBITDA (adj)	443	558	589	725	1,409	1,426	1,497	1,967	2,034	2,093	2,147
EBITA (adj)	328	426	397	522	565	599	654	966	1,073	1,118	1,158
EBIT (adj)	308	386	334	458	509	546	596	877	997	1,054	1,103
EPS (adj, SEK)	6.75	8.80	5.35	7.16	7.13	9.19	9.56	13.95	13.02	16.14	17.11
Adjusted profit margins in percent											
EBITDA (adj)	10.5%	8.9%	6.3%	6.7%	12.5%	12.9%	12.8%	13.1%	13.2%	13.1%	13.0%
EBITA (adj)	7.7%	6.8%	4.2%	4.9%	5.0%	5.4%	5.6%	6.5%	6.9%	7.0%	7.0%
EBIT (adj)	7.3%	6.1%	3.6%	4.3%	4.5%	4.9%	5.1%	5.9%	6.4%	6.6%	6.7%
Performance metrics											
CAGR last 5 years											
Net revenue	20.0%	27.9%	37.2%	38.7%	24.7%	21.1%	13.3%	9.9%	7.5%	7.2%	8.4%
EBITDA	74.6%	21.4%	21.9%	32.4%	33.9%	27.3%	23.3%	28.1%	22.9%	10.7%	8.5%
EBIT	n.m.	25.9%	21.1%	41.8%	15.6%	13.3%	10.8%	22.5%	16.8%	24.0%	15.1%
EPS	n.m.	20.1%	18.1%	54.5%	3.7%	8.3%	4.0%	23.4%	12.7%	31.0%	13.2%
DPS	n.m.	39.1%	34.1%	29.4%	n.m.	7.1%	6.7%	9.8%	8.7%	n.m.	10.9%
Average last 5 years											
Average EBIT margin	5.6%	5.5%	4.7%	4.6%	4.2%	4.1%	4.2%	4.7%	5.2%	5.8%	6.1%
Average EBITDA margin	9.4%	8.9%	7.7%	7.4%	8.3%	9.2%	10.1%	11.4%	12.6%	13.0%	13.0%

VALUATION RATIOS - ADJUSTED EARNINGS											
SEKm	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023E**	**2024E**	**2025E**
P/E (adj)	9.4	12.1	15.3	12.2	12.2	13.0	18.2	10.7	13.1	10.5	9.9
EV/EBITDA (adj)	5.7	9.6	9.4	7.8	5.0	5.0	7.6	6.4	6.5	6.1	5.7
EV/EBITA (adj)	7.7	12.6	14.0	10.8	12.5	11.8	17.4	13.0	12.3	11.4	10.6
EV/EBIT (adj)	8.2	13.9	16.7	12.3	13.9	13.0	19.1	14.4	13.3	12.1	11.1

VALUATION RATIOS - REPORTED EARNINGS											
SEKm	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023E**	**2024E**	**2025E**
P/E	10.2	14.2	17.8	12.2	20.8	13.0	19.1	11.4	13.1	10.5	9.9
EV/Sales	0.60	0.85	0.60	0.52	0.63	0.64	0.97	0.84	0.86	0.80	0.74
EV/EBITDA	5.9	10.3	9.9	7.8	5.6	5.0	7.7	6.5	6.5	6.1	5.7
EV/EBITA	8.1	13.9	15.0	10.8	17.0	11.8	17.9	13.4	12.3	11.4	10.6
EV/EBIT	8.7	15.5	18.1	12.3	19.7	13.0	19.7	14.8	13.3	12.1	11.1
Dividend yield (ord.)	3.5%	2.4%	3.2%	3.3%	0.0%	2.6%	2.1%	2.8%	2.6%	2.9%	3.1%
FCF yield	12.7%	-50.2%	-11.3%	10.3%	38.8%	38.1%	-5.4%	15.7%	25.9%	22.4%	22.8%
FCF Yield bef A&D, lease adj	12.5%	7.0%	-9.0%	9.5%	16.7%	23.2%	3.5%	0.3%	13.3%	9.6%	9.8%
Payout ratio	32.6%	29.6%	48.6%	40.5%	0.0%	33.7%	37.7%	29.7%	33.8%	31.0%	30.4%

Source: Company data and Nordea estimates

BALANCE SHEET

SEKm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Intangible assets	1,269	3,081	3,136	3,218	3,229	3,085	4,517	4,923	4,847	4,782	4,727
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	1,269	3,081	3,136	3,218	3,229	3,085	2,017	1,268	1,192	1,127	1,072
of which goodwill	0	0	0	0	0	0	2,500	3,655	3,655	3,655	3,655
Tangible assets	533	1,047	1,075	1,056	2,139	2,255	3,372	5,071	4,785	4,716	4,642
of which leased assets	0	0	0	0	1,207	1,164	1,081	2,000	1,714	1,611	1,498
Shares associates	0	0	0	0	0	0	352	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	297	0	0	0	0	0
Total non-current assets	1,802	4,128	4,211	4,274	5,368	5,637	8,241	10,346	9,984	9,851	9,722
Inventory	266	295	390	468	335	233	400	619	515	532	552
Accounts receivable	825	1,396	1,795	1,762	1,740	624	1,822	2,139	2,009	2,073	2,153
Short-term leased assets	0	0	0	0	658	720	438	567	770	780	790
Other current assets	139	312	333	511	448	324	0	0	0	0	0
Cash and bank	529	651	679	722	655	1,101	898	904	1,556	1,978	2,391
Total current assets	1,758	2,654	3,197	3,463	3,836	3,002	3,558	4,229	4,851	5,363	5,886
Assets held for sale	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total assets	**3,560**	**6,782**	**7,408**	**7,737**	**9,204**	**8,639**	**11,799**	**14,575**	**14,835**	**15,214**	**15,608**
Shareholders equity	1,488	2,411	2,453	2,707	2,777	2,908	3,304	3,870	4,134	4,549	4,977
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	4	0	19	47	51	55
Total Equity	1,488	2,411	2,453	2,707	2,777	2,912	3,304	3,889	4,181	4,600	5,032
Deferred tax	83	233	208	199	320	188	0	0	0	0	0
Long term interest bearing debt	20	2,646	2,504	2,442	2,214	1,990	4,413	5,268	5,268	5,268	5,268
Pension provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term provisions	0	0	0	0	0	0	253	271	271	271	271
Other long-term liabilities	0	0	0	0	0	0	0	0	0	0	0
Non-current lease debt	0	0	0	0	1,259	1,278	913	1,961	1,878	1,785	1,682
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	103	2,879	2,712	2,641	3,793	3,456	5,579	7,500	7,417	7,324	7,221
Short-term provisions	0	0	0	1	1	0	0	0	0	0	0
Accounts payable	722	1,263	1,403	1,569	1,597	1,588	1,457	1,596	1,647	1,700	1,765
Current lease debt	0	0	0	0	639	639	639	639	639	639	639
Other current liabilities	0	0	0	1	1	0	0	0	0	0	0
Short term interest bearing debt	1,247	228	840	819	398	44	821	951	951	951	951
Total current liabilities	1,969	1,491	2,243	2,390	2,636	2,271	2,917	3,186	3,237	3,290	3,355
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	**3,560**	**6,781**	**7,408**	**7,738**	**9,206**	**8,639**	**11,800**	**14,575**	**14,835**	**15,214**	**15,608**
Balance sheet and debt metrics											
Net debt	738	2,223	2,665	2,539	3,994	2,854	5,249	7,276	7,180	6,665	6,149
of which lease debt	0	0	0	0	1,898	1,917	1,552	2,600	2,517	2,424	2,321
Working capital	507	740	1,115	1,171	925	-407	765	1,162	877	905	940
Invested capital	2,309	4,868	5,326	5,445	6,293	5,230	9,006	11,508	10,861	10,756	10,662
Capital employed	2,755	5,285	5,797	5,968	7,287	6,863	10,090	12,708	12,917	13,243	13,572
ROE	12.3%	11.3%	6.7%	9.8%	5.4%	11.4%	10.4%	13.0%	11.5%	13.1%	12.7%
ROIC	9.0%	7.3%	4.5%	5.8%	5.9%	6.4%	5.7%	5.8%	6.1%	6.6%	7.0%
ROCE	11.3%	9.6%	6.0%	7.8%	7.7%	7.7%	7.0%	7.7%	7.8%	8.1%	8.2%
Net debt/EBITDA	1.7	4.3	4.7	3.5	3.2	2.0	3.5	3.8	3.5	3.2	2.9
Interest coverage	8.9	7.9	3.9	4.9	2.5	4.2	5.9	4.6	3.3	4.5	4.7
Equity ratio	41.8%	35.6%	33.1%	35.0%	30.2%	33.7%	28.0%	26.6%	27.9%	29.9%	31.9%
Net gearing	49.6%	92.2%	108.6%	93.8%	143.8%	98.0%	158.9%	187.1%	171.7%	144.9%	122.2%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT											
SEKm	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023E**	**2024E**	**2025E**
EBITDA (adj) for associates	**427**	**519**	**563**	**725**	**1,260**	**1,426**	**1,481**	**1,940**	**2,034**	**2,093**	**2,147**
Paid taxes	-85	-104	-133	-127	-114	-41	-128	-196	-209	-246	-261
Net financials	0	0	0	1	-143	-131	-98	-184	-299	-233	-233
Change in provisions	0	0	0	1	0	-1	253	18	0	0	0
Change in other LT non-IB	0	0	0	0	0	-297	297	0	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	-66	-71	-75	-149	229	310	-603	4	-50	0	0
Funds from operations (FFO)	**276**	**344**	**355**	**451**	**1,232**	**1,266**	**1,202**	**1,582**	**1,475**	**1,614**	**1,653**
Change in NWC	-8	-13	-419	4	104	461	-139	-476	285	-28	-35
Cash flow from operations (CFO)	**269**	**331**	**-64**	**455**	**1,336**	**1,727**	**1,063**	**1,106**	**1,760**	**1,586**	**1,619**
Capital expenditure	-46	-112	-196	-161	-133	-88	-128	-229	-201	-239	-248
Free cash flow before A&D	**223**	**219**	**-260**	**294**	**1,203**	**1,639**	**935**	**877**	**1,559**	**1,347**	**1,370**
Proceeds from sale of assets	4	-1,794	-67	24	-7	-28	0	0	0	0	0
Acquisitions	0	0	0	0	0	0	-1,267	-46	0	0	0
Free cash flow	227	-1,575	-327	318	1,196	1,611	-332	831	1,559	1,347	1,370
Free cash flow bef A&D, lease adj	223	219	-260	294	515	981	215	15	799	577	590
Dividends paid	-29	-58	-92	-93	-129	58	-112	-136	-147	-156	-177
Equity issues / buybacks	0	695	0	0	0	0	0	0	0	0	0
Net change in debt	-125	1,029	462	-225	-1,152	-1,119	0	0	0	0	0
Other financing adjustments	0	0	0	0	1	-655	-720	-861	-760	-770	-780
Other non-cash adjustments	0	31	-15	43	17	532	1,609	357	0	0	0
Change in cash	72	122	28	43	-67	446	-203	6	652	422	413
Cash flow metrics											
Capex/D&A	34.1%	65.1%	76.9%	60.3%	14.8%	10.0%	14.2%	21.0%	19.4%	23.0%	23.8%
Capex/Sales	1.1%	1.8%	2.1%	1.5%	1.2%	0.8%	1.1%	1.5%	1.3%	1.5%	1.5%
Key information											
Share price year end (/current)	63	106	82	87	87	120	174	150	170	170	170
Market cap.	1,787	3,140	2,899	3,083	3,083	4,229	6,152	5,304	6,011	6,011	6,011
Enterprise value	2,525	5,363	5,564	5,622	7,077	7,087	11,401	12,599	13,237	12,727	12,214
Diluted no. of shares, year-end (m)	28.2	29.6	35.4	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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