

2 February 2023

## Commissioned research: Vow – Awarded three Safesteril contracts

Marketing material commissioned by Vow

This morning, Vow announced that the company has received orders for three Safesteril food safety systems (plants for processing of dehydrated products in the food, pharmacy and petfood industries), for a total value of EUR 2m (c. NOK 22m on today's exchange rate). As for the contract, two are in new European market segments and one is with a Chinese customer, with the orders expected to come into the company's order intake for the first quarter in the company's landbased segment.

We see the latest announcement as positive for several reasons. First, the order showcases the flexibility of Vow's product offerings which provide access to new market opportunities. Second, we see the latest announcement as building further momentum in the company's fast-growing landbased segment (for example, recent other announcements in this space include a new tire-recycling facility). Which is of course in addition to the company's traditional cruise and aftermarket segments. Going forward, we look to the company's H2 report on 23<sup>rd</sup> February 2023 where we expect key topics to be around the landbased segment and the development of key projects/markets in this space.

### SUMMARY TABLE - KEY FIGURES

NOKm	2019	2020	2021	2022E	2023E	2024E
Total revenue	381	460	454	789	1,102	1,260
EBITDA (adj)	46	47	44	107	199	252
EBIT (adj)	35	25	19	83	179	231
EBIT (adj) margin	9.2%	5.4%	4.3%	10.5%	16.2%	18.3%
EPS (adj, NOK)	0.15	0.12	-0.01	0.31	1.13	1.52
EPS (adj) growth	-50.9%	-16.5%	-107.2%	3,549.8%	267.6%	34.1%
DPS (ord, NOK)	0.00	0.00	0.00	0.00	0.00	0.00
EV/Sales	8.2	9.3	6.3	3.1	2.2	1.8
EV/EBIT (adj)	89.8	171.7	147.6	29.2	13.3	10.0
P/E (adj)	n.m.	n.m.	n.m.	64.3	17.5	13.1
P/BV	13.1	12.9	5.1	3.8	3.0	2.5
Dividend yield (ord)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF Yield bef A&D, lease adj	-0.6%	-1.8%	-9.0%	1.5%	1.9%	3.1%
Net debt	133	138	166	153	99	29
Net debt/EBITDA	5.0	3.6	4.9	1.5	0.5	0.1
ROIC after tax	13.5%	5.4%	3.0%	10.4%	19.9%	23.0%

Source: Company data and Nordea estimates

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