

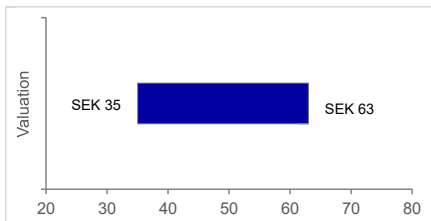
KEY DATA

Stock country	Sweden
Bloomberg	SRNKEB.SS
Reuters	SRNKEB.ST
Share price (close)	SEK 22.85
Free Float	58%
Market cap. (bn)	EUR 0.06/SEK 0.64
Website	www.serneke.se
Next report date	03 May 2023

PERFORMANCE



VALUATION APPROACH



ESTIMATE CHANGES

Year	2023E	2024E	2025E
Sales	-3%	-3%	-3%
EBIT (adj)	-31%	-12%	-7%

Source: Nordea estimates

Nordea IB & Equity - Analysts

David Flemmich
Senior Analyst, Sector Coordinator

Staffan Bülow
Analyst

Focus on profitability

Serneke delivered a mixed set of numbers for Q4, with sales of SEK 2.4bn down 4% y/y and 13% better than we had expected, and an EBIT margin of -6.8% compared with our 1.2% forecast. The margin shortfall was partly due to the construction segment, which came in below our expectations. Serneke attributes the quarter's negative margin to construction inflation, structural changes implemented in the company and increased provisions for disputes in connection with older projects. Consequently, we take a more cautious stance on margins and lower our EBIT margin assumptions by 80 bp for 2023 and 30 bp for 2024; we now expect EBIT margins of 2.1% and 3.1%, respectively. Meanwhile, Serneke targets an EBIT margin of more than 6%. The share is trading at low-single-digit earnings multiples.

Q4 outcome

Serneke's results were mixed. Net sales came in at SEK 2.4bn, down 4% y/y and 13% above our forecast. EBIT totalled SEK -167m, down from SEK 71m in Q4 2021 and below our SEK 26m estimate. The EBIT margin of -6.8% was below our 1.2% forecast, as the construction business showed a weaker margin of -3.4% and project development came in short of our forecast. Order intake of SEK 0.97bn was on the weaker side versus our estimate of SEK 1.9bn.

Revisions

Due to order intake missing our forecast, we lower our sales estimate for 2023-25 by 3%. Also, as profitability was weaker than we had expected, we cut construction business EBIT margins by 10-30 bp for 2032E-25E and reduce profitability in the development business to 6-9% (8-9%). We lower our group EBIT estimates by 7-31% for 2023-25.

Valuation

The construction peer group currently trades at a median of 11x 2023E EV/EBIT and 9x 2023E P/E. In our SOTP-based valuation approach, we lower our fair value EV/EBIT multiples to reflect the current market and estimate revisions. In our bear case, we calculate 3x 2023E EV/EBIT for the construction business and 8x in our bull case. We also include a potential excess value of SEK 9-18 per share from the Karlstad building rights. This takes our fair value range to SEK 35-63 (42-71).

SUMMARY TABLE - KEY FIGURES

SEKm	2019	2020	2021	2022	2023E	2024E	2025E
Total revenue	6,725	6,871	8,735	9,205	8,647	8,680	9,305
EBITDA (adj)	-59	-49	265	-79	209	300	394
EBIT (adj)	-84	-79	235	-109	179	270	364
EBIT (adj) margin	-1.2%	-1.1%	2.7%	-1.2%	2.1%	3.1%	3.9%
EPS (adj, SEK)	-3.64	-4.27	12.39	-8.30	4.90	7.47	10.10
EPS (adj) growth	-112.2%	-17.3%	389.9%	-167.0%	159.0%	52.5%	35.3%
DPS (ord, SEK)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EV/Sales	0.4	0.2	0.1	0.0	0.0	0.0	0.0
EV/EBIT (adj)	n.m.	n.m.	2.8	0.0	1.2	0.8	0.6
P/E (adj)	n.m.	n.m.	4.4	n.m.	4.7	3.1	2.3
P/BV	0.6	0.7	0.6	0.3	0.3	0.2	0.2
Dividend yield (ord)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF Yield bef A&D, lease	-31.1%	-26.1%	8.8%	-118.8%	-29.1%	-3.0%	2.6%
Net debt	1,224	20	-873	-625	-437	-417	-434
Net debt/EBITDA	n.m.	n.m.	-3.3	n.m.	-2.1	-1.4	-1.1
ROIC after tax	-1.8%	-1.7%	5.1%	-2.2%	3.2%	4.6%	5.8%

Source: Company data and Nordea estimates

Valuation approach

We use a SOTP-based valuation for Serneke, with 2023E EV/EBIT multiples of 3x for the construction business (Serneke Sweden) in our bear case and 8x in our bull case. We use a mark-to-market scenario for the building rights in Karlastaden. We do not include other building rights in our estimates. We derive an excess value of SEK 9-18 per share for Karlastaden. The value depends on whether Serneke enters into JVs or carries out projects on its own. We arrive at a fair value range of SEK 35-63 (42-71) per share.

VALUATION APPROACH

	EBIT			EBIT-margin			Bear	Value 23E		Avg. /alue 23E	Per		Bull	Value 23E		Per
	21	22	23E	21	22	23E		SEKm	share		SEKm	share		SEKm	share	
Serneke Sweden	57	-79	103	0.7%	-0.9%	1.2%	3x	310	11	5x	516	18	8x	826	29	
Building rights Karlastaden																
Excess value per sqm	4,000															
Total area (sqm)	125,000															
Total excess value (SEKm)	500															
- per share	18						*	250	9	**	375	13	***	500	18	
	21	22	23E													
Net debt (+)/net cash (-)	-873	-625	-437					-437	-15.6		-437	-15.6		-437	-15.6	
SOTP								997	35		1,328	47		1,763	63	

*50% JV, ** 25% JV, *** 0% JV

Source: Company data and Nordea estimates

VALUATION MULTIPLES

	Price		EV/Sales			EV/EBITDA			EV/EBIT			P/E		
	(SEK)	Mcap (SEK)	2022	2023E	2024E	2022	2023E	2024E	2022	2023E	2024E	2022	2023E	2024E
Nordic Construction														
Ncc AB	167.7	9,344	0.3	0.3	0.3	5.4	5.1	5.1	10.2	9.7	9.7	9.5	8.3	8.3
Skanska AB	234.2	78,423	0.4	0.4	0.4	5.3	7.4	7.4	6.7	9.6	9.6	8.3	13.4	13.4
Peab AB	114.2	16,724	0.5	0.5	0.5	8.0	8.3	8.3	13.0	13.6	13.6	9.4	8.7	8.7
Wastbygg Gruppen AB (publ)	105.8	1,260	0.4	0.4	0.4	-43.2	11.3	11.3	-43.2	12.6	12.6	-85.7	8.2	8.2
ByggPartner Gruppen AB (publ)	88	607	0.3	n.a	n.a	6.7	n.a	n.a	8.1	n.a	n.a	5.4	n.a	n.a
Veidekke ASA	135.6	15,330	0.3	0.3	0.3	5.0	5.0	5.0	8.1	8.4	8.4	12.0	13.8	13.8
YIT Oyj	44.1	6,044	0.5	0.5	0.5	8.5	9.6	9.6	10.6	12.9	12.9	8.2	10.4	10.4
20th percentile		999	0.3	0.3	0.3	-14.3	5.0	5.0	-13.3	8.9	8.9	-31.0	8.2	8.2
Median		9,344	0.4	0.4	0.4	5.4	7.9	7.9	8.1	11.2	11.2	8.3	9.5	9.5
80th percentile		41,404	0.5	0.5	0.5	8.2	10.6	10.6	11.5	13.3	13.3	10.5	13.6	13.6
Nordic Residential Developers														
Bonava AB (publ)	78.25	2,493	0.6	0.7	0.7	10.7	9.0	9.0	10.7	9.1	9.1	5.8	4.2	4.2
JM AB	408.6	14,204	1.4	1.5	1.5	10.7	14.9	14.9	10.7	14.9	14.9	7.5	13.2	13.2
Besqab AB (publ)	185	1,018	2.4	1.8	1.8	12.3	39.3	39.3	12.3	28.7	28.7	-4.0	6.8	6.8
Median		2,493	1.4	1.5	1.5	10.7	14.9	14.9	10.7	14.9	14.9	5.8	6.8	6.8
SERNEKE Group AB (publ)	22.0	650	0.0	0.0	0.0	-0.3	1.0	0.8	-0.2	1.2	0.9	-2.7	4.5	2.9
SERNEKE Low	43	1,208	0.1	0.1	0.1	-7.4	3.7	2.6	-7.4	3.7	2.6	-5.2	8.8	5.8
SERNEKE High	75	2,106	0.2	0.2	0.2	-18.7	8.0	5.6	-13.6	9.3	6.2	-9.0	15.3	10.0

Source: Company data and Nordea estimates

Deviation table and estimate changes

SERNEKE: DEVIATION TABLE (SEKm; EPS IN SEK)

SEKm	Actual		NDA est.		Actual		Actual	
	Q4 22A	Q4 22E	vs. actual		Q3 22	q/q	Q4 21	y/y
Net Sales	2,440	2,161	279	13%	2,055	19%	2,543	-4%
EBIT	(167)	26	(193)	-740%	(39)	328%	71	-335%
EBIT-margin	-6.8%	1.2%		-8.1%	-1.9%	-495%	2.8%	-9.6%
of which non-recurring		-	-		-		-	-
EBIT adj	(167)	26	(193)	-740%	(39)	328%	71	-335%
EBIT adj - margin	-6.8%	1.2%		-8.1%	-1.9%	-495%	2.8%	-9.6%
Pre-tax profit	(233)	19	(252)	-1321%	(87)	168%	74	-415%
Net profit	(269)	15	(284)	-1884%	(92)	192%	87	-409%
EPS	(9.5)	0.5	(10.0)	-1884%	(3.3)	192%	3.1	-407%
Order Intake	974	1,924	(950)	-49%	2,684	-64%	1,749	-44%
Order backlog	11,759	11,759	-	0%	11,994	-2.0%	12,101	-3%
Segment mix	Actual		NDA est.		Actual		Actual	
	Q4 22A	Q4 22E	vs. actual		Q3 22	q/q	Q4 21	y/y
Sales								
Sweden	2,545	2,159	386	18%	1,932	32%	2,389	7%
Project development	536	100	436	436%	607	-12%	580	-8%
Other sales	45	37	8	20%	47	-4%	42	7%
Eliminations	(686)	(136)	(550)	406%	(531)	29%	(468)	47%
Total Serneke	2,440	2,161	279	13%	2,055	19%	2,543	-4.1%
EBIT reported ex restructuring								
Sweden	(86)	22	(108)	-498%	(25)	244%	32	-369%
- margin, %	-3.4%	1.0%		-4.4%	-1.3%	-2.1%	1.3%	-4.7%
Project development	(23)	12	(35)	-292%	(8)	188%	74	-131%
- margin, %	-4.3%	12.0%		-16.3%	-1.3%	-3.0%	12.8%	-17%
Other & Eliminations	(57)	(8)	(50)	nm	(6)	nm	(35)	nm.
- margin, %	-8.9%	-7.6%		-1.2%	-1.2%	-7.7%	-8.2%	-1%
Total EBIT	(166)	26	(192)	-736%	(39)	326%	71	-334%
- margin, %	-6.8%	1.2%		-8.0%	-1.9%	-4.9%	2.8%	-9.6%

Source: Company data and Nordea estimates

ESTIMATE REVISIONS (SEKm; EPS IN SEK)

	New			Old			Difference (SEKm)			Difference (%)		
	2023E	2024E	2025E	2023E	2024E	2025E	2023E	2024E	2025E	2023E	2024E	2025E
Total Sales	8,647	8,680	9,305	8,912	8,935	9,962	(265)	(255)	(657)	-3%	-3%	-7%
EBIT	179	270	364	259	307	393	(81)	(36)	(29)	-31%	-12%	-7%
non recurring	-	-	-	-	-	-	-	-	-	-	-	-
EBIT adj.	179	270	364	259	307	393	(81)	(36)	(29)	-31%	-12%	-7%
EBIT margin (adj.)	2.1%	3.1%	3.9%	2.9%	3.4%	3.9%				-0.8%	-0.3%	0.0%
Pre-tax	175	266	360	259	307	385	(85)	(40)	(25)	-33%	-13%	-6%
Net profit	139	211	286	206	244	306	(67)	(32)	(20)	-33%	-13%	-6%
EPS	5	7	10	7	9	11	(2)	(1)	(1)	-33%	-13%	-6%
EPS adj	5	7	10	7	9	11	(2)	(1)	(1)	-33%	-13%	-6%
DPS	-	-	-	-	-	-	-	-	-	-	-	-
Order intake	7,164	7,307	7,673	8,284	8,450	8,700	(1,120)	(1,143)	(1,028)	-14%	-14%	-12%
Segment sales												
Sweden	8,276	8,359	9,028	8,862	8,950	9,786	(585)	(591)	(758)	-7%	-7%	-8%
Invest	1,697	1,714	1,731	1,697	1,714	1,731	0	0	-	0%	0%	0%
International	-	-	-	-	-	-	-	-	-	nm.	nm.	nm.
Group functions	169	178	196	180	189	209	(10)	(11)	(14)	-6%	-6%	-7%
Eliminations	(1,496)	(1,571)	(1,649)	(1,827)	(1,918)	(1,764)	331	347	115	nm.	nm.	nm.
Total Sales	8,647	8,680	9,305	8,912	8,935	9,962	(265)	(255)	(657)	-3%	-3%	-7%
EBIT adj.												
Sweden	103	125	217	133	161	245	(30)	(36)	(28)	-22%	-22%	-11%
margin %	1.2%	1.5%	2.4%	1.5%	1.8%	2.5%				-0.3%	-0.3%	-0.1%
Invest	93	154	156	136	154	156	(42)	0	-	-31%	0%	0%
margin %	5.5%	9.0%	9.0%	8.0%	9.0%	9.0%				-250%	0%	0%
Other and eliminations	(18)	(9)	(8)	(9)	(9)	(7)	(9)	(1)	(1)	nm.	nm.	nm.
Sales growth y/y												
Sweden	-6%	0%	7%	0%	0%	7%				-6%	0%	0%
Invest	-264%	51%	35%	209%	18%	27%				-472%	33%	7%
Total Sales growth	-6%	0%	7%	0%	0%	7%				-6%	0%	0%

Source: Company data and Nordea estimates

Detailed estimates

QUARTERLY AND ANNUAL ESTIMATES (SEKm; EPS IN SEK)

	2022				2023				2021	2022	2023E	2024E	2025E
	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23E	Q2 23E	Q3 23E	Q4 23E					
SUMMARY INCOME STATEMENT													
Sales													
Sweden	2,026	2,709	1,932	2,545	2,116	2,064	1,974	2,121	8,103	9,212	8,276	8,359	9,028
Invest	501	472	607	536	424	424	424	424	1,686	2,116	1,697	1,714	1,731
International	-	-	-	-	-	-	-	-	-	-	-	-	-
Group functions	46	46	47	45	44	42	41	43	154	184	169	178	196
Eliminations	-521	-569	-531	-686	-381	-373	-360	-382	-1208	-2307	-1496	-1571	-1649
Total Sales	2,052	2,658	2,055	2,440	2,203	2,157	2,079	2,207	8,735	9,205	8,647	8,680	9,305
Sales growth y/y													
Sweden	14%	34%	0%	7%	4%	-24%	2%	-17%	16%	14%	-10%	1%	8%
Invest	49%	6%	89%	-8%	-15%	-10%	-30%	-21%	419%	26%	-20%	1%	1%
International	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total Sales growth	5%	17%	4%	-4%	7%	-19%	1%	-10%	27%	5%	-6%	0%	7%
EBIT													
Sweden	10	22	-25	-86	11	21	30	42	57	-79	103	125	217
Invest	60	69	-8	-23	8	17	34	34	319	98	93	154	156
International	-5	-4	9	-1	-1	-1	-1	-1	-17	-1	-4	0	0
Other and Eliminations	-29	-26	-15	-57	-4	-4	-4	-4	-124	-127	-14	-9	-8
Total EBIT	36	61	-39	-167	15	33	59	72	235	-109	179	270	364
Non recurring items	0	0	0	0	0	0	0	0	0	0	0	0	0
Total EBIT adj.	36	61	-39	-167	15	33	59	72	235	-109	179	270	364
EBIT margin													
Sweden	0.5%	0.8%	-1.3%	-3.4%	0.5%	1.0%	1.5%	2.0%	0.7%	-0.9%	1.2%	1.5%	2.4%
Invest	12.0%	14.6%	-1.3%	-4.3%	2.0%	4.0%	8.0%	8.0%	18.9%	4.6%	5.5%	9.0%	9.0%
International	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total EBIT margin	1.8%	2.3%	-1.9%	-6.8%	0.7%	1.5%	2.8%	3.3%	2.7%	-1.2%	2.1%	3.1%	3.9%
Financial net	2	4	-48	-66	-1	-1	-1	-1	21	-108	-4	-4	-4
Pre-tax	38	65	-87	-233	14	32	58	71	256	-217	175	266	360
Tax	17	7	-5	-36	-3	-7	-12	-15	92	-17	-36	-55	-74
Net profit	55	72	-92	-269	11	25	46	56	348	-234	139	211	286
EPS	2.0	2.5	-3.3	-9.5	0.4	0.9	1.6	2.0	12.4	-8.3	4.9	7.5	10.1
EPS adj	2.0	2.5	-3.3	-9.5	0.4	0.9	1.6	2.0	12.4	-8.3	4.9	7.5	10.1
Order intake	1,837	1,598	2,684	974	1,855	1,614	2,711	984	6,344	7,093	7,164	7,307	7,673
y/y	56%	-28%	125%	-44%	1%	1%	1%	1%	-40%	12%	1%	2%	5%
Order backlog	11,966	11,234	11,994	10,582	10,321	9,871	10,607	9,470	11,860	9,741	8,629	7,577	6,222
y/y	-9%	-16%	-5%	-13%	-14%	-12%	-12%	-11%	-13%	-18%	-11%	-12%	-18%

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	3,107	3,978	5,605	5,934	6,725	6,871	8,735	9,205	8,647	8,680	9,305
Revenue growth	72.6%	28.0%	40.9%	5.9%	13.3%	2.2%	27.1%	5.4%	-6.1%	0.4%	7.2%
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	143	515	438	609	-59	-384	265	-79	209	300	394
Depreciation and impairments PPE	0	-68	-20	-22	-25	-30	-30	-30	-30	-30	-30
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
EBITA	143	447	418	587	-84	-414	235	-109	179	270	364
Amortisation and impairments	0	0	0	0	0	0	0	0	0	0	0
EBIT	143	447	418	587	-84	-414	235	-109	179	270	364
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	-16	-17	-18	-37	-27	-88	21	-108	-4	-4	-4
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	127	430	400	550	-111	-502	256	-217	175	266	360
Reported taxes	25	0	-78	46	29	144	92	-17	-36	-55	-74
Net profit from continued operations	152	430	322	596	-82	-358	348	-234	139	211	286
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	152	430	322	596	-82	-358	348	-234	139	211	286
EPS, SEK	9.00	23.16	13.76	26.59	-3.64	-15.82	12.39	-8.30	4.90	7.47	10.10
DPS, SEK	0.00	0.00	4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
of which ordinary	0.00	0.00	4.00	0.00	0.00	0.00	0.00	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	4.6%	12.9%	7.8%	10.3%	-0.9%	-5.6%	3.0%	-0.9%	2.4%	3.5%	4.2%
EBITA	4.6%	11.2%	7.5%	9.9%	-1.2%	-6.0%	2.7%	-1.2%	2.1%	3.1%	3.9%
EBIT	4.6%	11.2%	7.5%	9.9%	-1.2%	-6.0%	2.7%	-1.2%	2.1%	3.1%	3.9%

Adjusted earnings

EBITDA (adj)	143	515	438	609	-59	-49	265	-79	209	300	394
EBITA (adj)	143	447	418	587	-84	-79	235	-109	179	270	364
EBIT (adj)	143	447	418	657	-84	-79	235	-109	179	270	364
EPS (adj, SEK)	9.00	23.16	13.76	29.98	-3.64	-4.27	12.39	-8.30	4.90	7.47	10.10

Adjusted profit margins in percent

EBITDA (adj)	4.6%	12.9%	7.8%	10.3%	-0.9%	-0.7%	3.0%	-0.9%	2.4%	3.5%	4.2%
EBITA (adj)	4.6%	11.2%	7.5%	9.9%	-1.2%	-1.1%	2.7%	-1.2%	2.1%	3.1%	3.9%
EBIT (adj)	4.6%	11.2%	7.5%	11.1%	-1.2%	-1.1%	2.7%	-1.2%	2.1%	3.1%	3.9%

Performance metrics

CAGR last 5 years											
Net revenue	n.a.	34.8%	40.8%	39.0%	30.2%	17.2%	17.0%	10.4%	7.8%	5.2%	6.3%
EBITDA	n.m.	114.5%	356.9%	107.1%	n.m.	n.m.	-12.4%	n.m.	-19.3%	n.m.	n.m.
EBIT	n.a.	193.0%	n.m.	105.5%	n.m.	n.m.	-12.1%	n.m.	-21.2%	n.m.	n.m.
EPS	n.a.	n.m.	n.m.	102.8%	n.m.	n.m.	-11.8%	n.m.	-28.7%	n.m.	n.m.
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	3.4%	6.5%	7.3%	8.4%	6.0%	3.3%	2.2%	0.6%	-0.5%	0.4%	2.1%
Average EBITDA margin	3.6%	7.1%	7.8%	8.9%	6.5%	3.8%	2.6%	0.9%	-0.1%	0.7%	2.4%

VALUATION RATIOS - ADJUSTED EARNINGS

SEKm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
P/E (adj)	n.a.	4.5	6.5	2.0	n.m.	n.m.	4.4	n.m.	4.7	3.1	2.3
EV/EBITDA (adj)	n.a.	3.7	5.3	3.1	n.m.	n.m.	2.5	0.0	1.0	0.8	0.5
EV/EBITA (adj)	n.a.	4.3	5.6	3.2	n.m.	n.m.	2.8	0.0	1.2	0.8	0.6
EV/EBIT (adj)	n.a.	4.3	5.6	2.9	n.m.	n.m.	2.8	0.0	1.2	0.8	0.6

VALUATION RATIOS - REPORTED EARNINGS

SEKm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
P/E	n.a.	4.5	6.5	2.3	n.m.	n.m.	4.4	n.m.	4.7	3.1	2.3
EV/Sales	n.a.	0.48	0.42	0.32	0.39	0.21	0.08	0.00	0.02	0.03	0.02
EV/EBITDA	n.a.	3.7	5.3	3.1	n.m.	n.m.	2.5	0.0	1.0	0.8	0.5
EV/EBITA	n.a.	4.3	5.6	3.2	n.m.	n.m.	2.8	0.0	1.2	0.8	0.6
EV/EBIT	n.a.	4.3	5.6	3.2	n.m.	n.m.	2.8	0.0	1.2	0.8	0.6
Dividend yield (ord.)	n.a.	0.0%	4.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield	n.a.	-7.2%	-13.0%	-15.7%	-31.1%	-26.1%	8.8%	-118.8%	-29.1%	-3.0%	2.6%
FCF Yield bef A&D, lease adj	n.a.	-6.7%	-0.7%	13.7%	-31.1%	-26.1%	8.8%	-118.8%	-29.1%	-3.0%	2.6%
Payout ratio	0.0%	0.0%	29.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: Company data and Nordea estimates

BALANCE SHEET

SEKm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Intangible assets	23	23	23	23	23	24	25	30	30	30	30
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	0	0	0	0	0	0	0	0	0	0	0
of which goodwill	23	23	23	23	23	24	25	30	30	30	30
Tangible assets	74	404	990	335	298	416	351	330	382	439	502
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
Shares associates	0	424	446	122	145	148	160	158	158	158	158
Interest bearing assets	0	30	10	51	37	1,354	1,900	2,356	2,356	2,356	2,356
Deferred tax assets	37	48	0	0	0	15	108	91	0	0	0
Other non-IB non-current assets	0	0	0	0	0	0	0	0	0	0	0
Other non-current assets	274	231	213	563	158	199	181	214	214	214	214
Total non-current assets	408	1,160	1,682	1,094	661	2,156	2,725	3,179	3,140	3,197	3,260
Inventory	4	2	1	1	1	1	1	4	4	4	4
Accounts receivable	588	589	845	972	825	1,012	966	937	1,729	1,910	2,047
Short-term leased assets	0	0	0	0	0	0	0	0	0	0	0
Other current assets	641	1,115	1,445	3,099	4,085	2,589	2,647	2,741	2,162	2,170	2,419
Cash and bank	11	571	431	389	162	234	575	252	64	44	61
Total current assets	1,244	2,277	2,722	4,461	5,073	3,836	4,189	3,934	3,959	4,128	4,532
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	1,652	3,437	4,404	5,555	5,734	5,992	6,914	7,113	7,099	7,325	7,792
Shareholders equity	453	1,469	1,821	2,272	2,179	1,946	2,467	2,252	2,391	2,602	2,888
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	453	1,469	1,821	2,272	2,179	1,946	2,467	2,252	2,391	2,602	2,888
Deferred tax	0	0	29	157	128	0	0	0	0	0	0
Long term interest bearing debt	107	436	641	826	1,246	840	467	1,701	1,701	1,701	1,701
Pension provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term provisions	0	120	158	223	183	187	202	202	207	212	217
Other long-term liabilities	291	208	152	83	162	31	71	82	82	82	82
Non-current lease debt	0	0	0	0	0	0	0	0	0	0	0
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	398	764	980	1,289	1,719	1,058	740	1,985	1,990	1,995	2,000
Short-term provisions	13	10	8	13	12	2	0	0	0	0	0
Accounts payable	349	541	799	991	958	1,058	1,344	1,352	1,270	1,275	1,367
Current lease debt	0	0	0	0	0	0	0	0	0	0	0
Other current liabilities	292	525	742	824	689	1,160	1,228	1,242	1,167	1,171	1,256
Short term interest bearing debt	147	128	54	166	177	768	1,135	282	282	282	282
Total current liabilities	801	1,204	1,603	1,994	1,836	2,988	3,707	2,876	2,719	2,728	2,904
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	1,652	3,437	4,404	5,555	5,734	5,992	6,914	7,113	7,099	7,325	7,792
Balance sheet and debt metrics											
Net debt	243	-37	254	552	1,224	20	-873	-625	-437	-417	-434
of which lease debt	0	0	0	0	0	0	0	0	0	0	0
Working capital	592	640	750	2,257	3,264	1,384	1,042	1,088	1,458	1,637	1,848
Invested capital	1,000	1,800	2,432	3,351	3,925	3,540	3,767	4,267	4,599	4,835	5,109
Capital employed	707	2,033	2,516	3,264	3,602	3,554	4,069	4,235	4,374	4,585	4,871
ROE	41.5%	44.7%	19.6%	29.1%	-3.7%	-17.4%	15.8%	-9.9%	6.0%	8.5%	10.4%
ROIC	13.5%	25.4%	15.7%	18.0%	-1.8%	-1.7%	5.1%	-2.2%	3.2%	4.6%	5.8%
ROCE	20.7%	33.4%	n.a.	22.7%	-2.4%	-2.2%	6.2%	-2.6%	4.1%	6.0%	7.7%
Net debt/EBITDA	1.7	-0.1	0.6	0.9	n.m.	n.m.	-3.3	n.m.	-2.1	-1.4	-1.1
Interest coverage	8.1	16.4	n.a.	15.9	-3.1	-4.7	-11.2	-1.0	44.7	67.6	91.1
Equity ratio	27.4%	42.7%	41.3%	40.9%	38.0%	32.5%	35.7%	31.7%	33.7%	35.5%	37.1%
Net gearing	53.6%	-2.5%	13.9%	24.3%	56.2%	1.0%	-35.4%	-27.8%	-18.3%	-16.0%	-15.0%

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	143	515	438	609	-59	-384	265	-79	209	300	394
Paid taxes	0	-6	-2	46	28	54	92	15	-36	-55	-74
Net financials	0	-17	-30	-37	-26	-88	21	-49	-4	-4	-4
Change in provisions	10	117	36	70	-41	-6	13	0	5	5	5
Change in other LT non-IB	25	-51	10	-419	484	-187	-35	-5	91	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	-253	-569	-260	-341	-438	252	-219	-195	4	0	0
Funds from operations (FFO)	-75	-11	192	-72	-52	-359	137	-313	269	246	321
Change in NWC	111	56	-145	337	-593	7	-22	-383	-370	-179	-211
Cash flow from operations (CFO)	36	45	47	265	-645	-352	115	-696	-101	67	110
Capital expenditure	-10	-175	-62	-81	211	-20	20	-44	-86	-87	-93
Free cash flow before A&D	26	-130	-15	184	-434	-372	135	-740	-188	-20	17
Proceeds from sale of assets	4	0	0	222	0	0	0	0	0	0	0
Acquisitions	0	-10	-257	-618	0	0	0	0	0	0	0
Free cash flow	30	-140	-272	-212	-434	-372	135	-740	-188	-20	17
Free cash flow bef A&D, lease adj	26	-130	-15	184	-434	-372	135	-740	-188	-20	17
Dividends paid	0	0	0	-93	0	0	0	0	0	0	0
Equity issues / buybacks	36	598	0	-65	0	122	170	0	0	0	0
Net change in debt	0	0	139	-338	200	150	135	100	0	0	0
Other financing adjustments	n.a.	n.a.	-15	122	0	-1,500	0	0	0	0	0
Other non-cash adjustments	-139	102	0	544	7	1,672	-99	317	0	0	0
Change in cash	-73	560	-140	-42	-227	72	341	-323	-188	-20	17
Cash flow metrics											
Capex/D&A	n.m.	n.m.	n.m.	n.m.	n.m.	66.7%	-66.7%	n.m.	n.m.	n.m.	n.m.
Capex/Sales	0.3%	4.4%	1.1%	1.4%	-3.1%	0.3%	-0.2%	0.5%	1.0%	1.0%	1.0%
Key information											
Share price year end (/current)	n.a.	105	89	60	62	58	55	22	23	23	23
Market cap.	n.a.	1,950	2,088	1,347	1,394	1,423	1,536	623	647	647	647
Enterprise value	n.a.	1,913	2,342	1,899	2,618	1,443	663	-2	210	229	212
Diluted no. of shares, year-end (m)	16.9	18.6	23.4	22.4	22.6	24.7	28.1	28.3	28.3	28.3	28.3

Source: Company data and Nordea estimates

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Nordea Bank Abp	Nordea Bank Abp, filial i Sverige	Nordea Danmark, Filial af Nordea Bank Abp, Finland	Nordea Bank Abp, filial i Norge
Nordea IB & Equity Division, Equity Research Visiting address: Aleksis Kiven katu 7, Helsinki FI-00020 Nordea Finland	Nordea IB & Equity Division, Equity Research Visiting address: Smålandsgatan 17 SE-105 71 Stockholm Sweden	Nordea IB & Equity Division, Equity Research Visiting address: Grønjordsvej 10 DK-2300 Copenhagen S Denmark	Nordea IB & Equity Division, Equity Research Visiting address: Essendropsgate 7 N-0107 Oslo Norway
Tel: +358 9 1651 Fax: +358 9 165 59710	Tel: +46 8 614 7000 Fax: +46 8 534 911 60	Tel: +45 3333 3333 Fax: +45 3333 1520	Tel: +47 2248 5000 Fax: +47 2256 8650
Reg.no. 2858394-9 Satamaradankatu 5 Helsinki			