

Netcompany

Telecom Equipment and IT Denmark

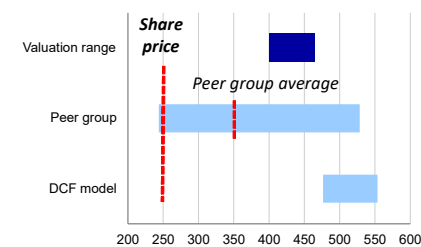
KEY DATA

Stock country	Denmark
Bloomberg	NETC.DC
Reuters	NETCG.CO
Share price (close)	DKK 252.9
Free Float	85%
Market cap. (bn)	EUR 1.68/DKK 12.42
Website	www.netcompany.com
Next report date	04 May 2023

PERFORMANCE



VALUATION APPROACH



ESTIMATE CHANGES

Year	2023E	2024E	2025E
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

Sales and costs reshaping the personnel pyramid

Both we and company-compiled consensus expect Netcompany to have continued solid revenue growth (12-13% y/y) for Q1, although we expect EBITDA to decline y/y, likely driven by salary inflation and costs linked to reducing the number of full-time employees (FTE) (by ~50-75) – not to prepare for lower activity, but rather to reshape the personnel pyramid to better fit the business model. These costs will likely impact both Q1 and Q2. While embedded in 2023 guidance (~1.5 pp margin dilution), the quarterly timing is as of yet undisclosed. We continue to believe Netcompany will exceed its FY EBITDA margin guidance, as we foresee 18.9%, versus guidance for 15-18% (consensus: 17.7%), but we expect a possible guidance upgrade to be more likely for H2. Our updated combined DCF and peer group valuation points to a trimmed fair value range of DKK 400-465 (410-520) per share, owing to slightly lower peer multiples.

Q1 2023E versus Q1 last year: several adjustments to be made

In Q1 2022, Netcompany had some problematic projects in Norway that burdened revenue (and profitability) by DKK 10m, and a high sick leave rate, which cost DKK 5m. This means easier comps for Q1 2023, but this is offset by layoff costs (FTE churn was low in H2 2022), higher salary increases than usual due to inflation (not entirely offset by higher sales prices), and moving the head office (2023 guidance: -1 pp margin impact).

Revenue growth, but profitability under pressure

As part of its 2023 EBITDA margin guidance, Netcompany has embedded a ~1.5 pp margin dilution for FTE adjustments. These costs will mainly materialise in Q1 and Q2, suggesting that the H1 margin impact could be around -3 pp. However, as this implies a cost of DKK ~90m, the magnitude may be smaller (FTE reductions: DKK ~30-50m).

2023 guidance: not the base case, in our view

Based on the high end of the 15-18% EBITDA margin guidance range, Netcompany foresees flattish 2023 EBITDA y/y, even though the 12% revenue growth in this scenario should add at least DKK 100m in profit. The midpoint of the guidance range implies that EBITDA could decline by as much as DKK ~200m, including the positive effects from revenue growth. We believe the relocation of the company's head office will likely have an impact below EBITDA (depreciation), and we struggle to see employee costs outgrowing revenue by DKK ~100m, not least since 2022 was hard hit by sickness rates (no invoicing), churn and project failures (H1: DKK ~70m).

SUMMARY TABLE - KEY FIGURES

DKKm	2019	2020	2021	2022	2023E	2024E	2025E
Total revenue	2,454	2,839	3,632	5,545	6,101	7,016	7,928
EBITDA (adj)	674	809	881	1,112	1,151	1,323	1,495
EBIT (adj)	516	645	742	839	903	1,055	1,207
EBIT (adj) margin	21.0%	22.7%	20.4%	15.1%	14.8%	15.0%	15.2%
EPS (adj, DKK)	7.84	9.36	10.94	12.31	12.86	15.78	18.52
EPS (adj) growth	89.5%	19.4%	16.8%	12.6%	4.4%	22.7%	17.3%
DPS (ord, DKK)	0.00	1.00	0.00	0.00	0.00	0.00	0.00
EV/Sales	6.8	11.1	10.2	2.9	2.2	1.9	1.5
EV/EBIT (adj)	32.3	48.9	49.9	19.4	15.1	12.3	10.1
P/E (adj)	40.4	66.5	64.4	23.9	19.7	16.0	13.7
P/BV	7.7	12.8	11.6	4.2	3.0	2.6	2.2
Dividend yield (ord)	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF Yield bef A&D, lease	3.1%	2.1%	2.9%	3.3%	3.8%	4.8%	5.8%
Net debt	826	402	1,817	1,536	948	330	-414
Net debt/EBITDA	1.2	0.5	2.2	1.4	0.8	0.2	-0.3
ROIC after tax	13.4%	16.3%	17.7%	15.8%	0.0%	-18.8%	-41.7%

Source: Company data and Nordea estimates

Q1 2023 preview

Q1 2023 report to be released at ~07:30 CET on 4 May

The Q1 investor presentation is scheduled for 11:00 CET. Dial-in details are not yet available.

Q1 2023 expectations

How Q1 2023 ended depends, as always, on the result of revenue growth and the utilisation rate. However, it is also sensitive to the timing of the costs associated with layoffs and other "one-off" costs that are embedded in the 2023 EBITDA margin guidance.

NETCOMPANY: Q1 2023 ESTIMATES (DKKm; EPS IN DKK)

	2021				2022				2023		Q1, y/y	NDA vs cons
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1E	Cons		
Revenue, Core	855	827	798	867	973	887	944	1,009	1,111	-	14%	-
Revenue, Expand	-	-	-	286	399	419	405	511	438	-	10%	-
Revenue	855	827	798	1,152	1,372	1,306	1,348	1,519	1,550	1,538	13%	1%
Production cost	529	533	470	766	954	942	877	999	1,149	-	20%	-
Gross profit	326	293	328	386	417	364	471	520	401	-	-4%	-
Sales & marketing	6	6	6	19	9	10	11	12	9	-	6%	-
Administration	103	121	123	157	181	199	185	199	202	-	11%	-
Special items	0	0	-30	-8	0	0	-1	6	0	-	-	-
EBITA	216	167	170	203	227	156	275	315	189	-	-17%	-
EBIT	207	158	161	178	194	123	240	281	162	-	-17%	-
Net financial items	37	-12	-12	11	-16	-23	-19	-25	-17	-	-	-
Pre-tax profit	244	146	149	189	178	101	221	256	145	-	-18%	-
Taxes	45	33	41	35	45	16	52	41	30	-	-35%	-
Net profit	200	112	109	154	132	85	170	216	116	-	-13%	-
EPS	4.1	2.3	2.2	3.1	2.7	1.7	3.5	4.3	2.3	-	-15%	-
EPS growth, y/y	114.8%	16.8%	-15.3%	2958.4%	-33.3%	-24.9%	56.1%	39.7%	-14.6%	-	-	-
Revenue growth, y/y	23.0%	22.4%	14.9%	49.1%	60.4%	58.0%	68.9%	31.9%	13.0%	12.1%	-	-
Revenue growth, organic	22.9%	21.1%	14.9%	14.1%	13.8%	6.9%	18.2%	17.0%	14.0%	-	-	-
Gross margin	38.1%	35.5%	41.2%	33.5%	30.4%	27.9%	34.9%	34.2%	25.8%	-	-	-
Costs (Revenue - EBITDA adj)	620	660	598	942	1,145	1,150	1,073	1,204	1,360	-	19%	-
Costs growth, q/q	-	6%	-9%	57%	-	0%	-7%	12%	13%	-	-	-
Costs growth, y/y	20%	28%	20%	71%	84%	74%	79%	28%	19%	-	-100%	-
EBITDA	235	187	191	231	259	189	308	355	224	235	-14%	-5%
EBITDA adj.	235	187	221	238	259	189	308	355	224	235	-14%	-5%
EBITA, adj	216	167	200	210	227	156	275	315	189	-	-17%	-
EBITA margin, adj	25.3%	20.2%	25.1%	18.3%	16.5%	12.0%	20.4%	20.8%	12.2%	-	-	-
Incremental EBITA margin, adj	32.7%	3.5%	4.4%	-3.5%	2.0%	-2.2%	13.6%	28.6%	-21.1%	-	-	-
EBIT margin	24.2%	19.1%	20.2%	15.5%	14.2%	9.5%	17.8%	18.5%	10.4%	-	-	-
Tax rate	18.2%	22.9%	27.2%	18.5%	25.6%	15.5%	23.4%	16.0%	20.3%	-	-	-
Revenue visibility	2,765	3,065	3,274	3,632	4,544	4,977	5,296	5,545	-	-	-	-
% of FY revenue	76.1%	84.4%	90.1%	100.0%	74.5%	81.6%	86.8%	90.9%	-	-	-	-
In/out orders	634	299	209	-	719	433	320	248	-	-	-	-
Growth, y/y	108.5%	-15.0%	-11.4%	-	13.4%	44.8%	52.7%	-	-	-	-	-
Revenue (12m)	2,998	3,149	3,253	3,632	4,148	4,627	5,178	5,545	5,723	5,711	38%	0%
Revenue growth (12m)	-	-	-	-	38.4%	46.9%	59.2%	52.7%	38.0%	37.7%	-	-
Gross margin (12M)	40.2%	39.4%	39.2%	36.7%	34.3%	32.3%	31.6%	32.0%	30.7%	23.7%	-	-
EBITDA adj, 12M	-	-	-	881	906	908	995	1,112	1,076	1,087	19%	-1%
EBITDA margin, adj (12M)	-	-	-	24.3%	21.8%	19.6%	19.2%	20.0%	18.8%	19.0%	-	-
EBITA adj (12M)	797	802	806	793	804	793	868	973	936	746	16%	25%
EBITA margin, adj (12M)	26.6%	25.5%	24.8%	21.8%	19.4%	17.1%	16.8%	17.6%	16.4%	13.1%	-	-

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

Consensus: At the higher end of the guidance range

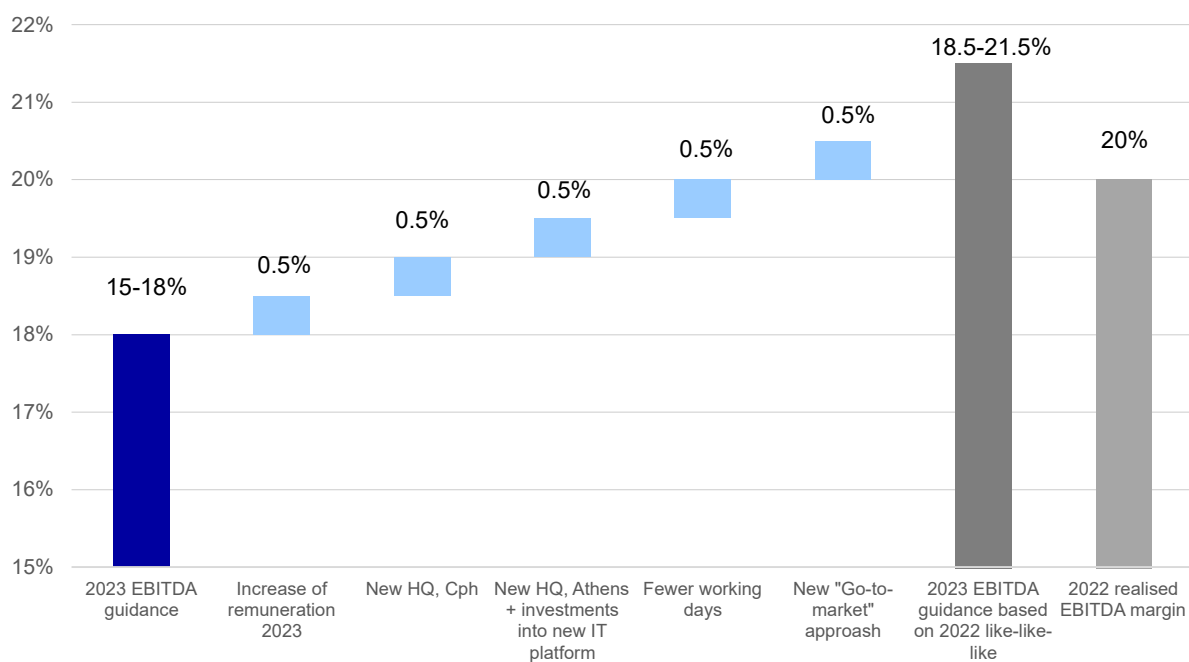
Company-collected consensus is in the higher end of the guidance range. For 2023, consensus expects 9% revenue growth y/y and for the EBITDA margin to decline by 2.4 pp, to 17.7% versus 15-18% margin guidance.

NETCOMPANY: GUIDANCE AND UPDATED CONSENSUS (DKKm)

	2022	2023 guidance			2023E		2024E		2025E	
		Low	High	Mid	Nordea	Cons	Nordea	Cons	Nordea	Cons
Revenue, Core	3,846	-	-	-	4,231	-	6,978	-	7,885	-
Revenue, Expand	1,670	-	-	-	1,837	-	2,113	-	2,429	-
Revenue	5,545	5,988	6,210	6,099	6,101	6,055	7,016	6,796	7,928	7,607
Revenue growth, y/y	52.7%	8.0%	12.0%	10.0%	10.0%	9.2%	15.0%	12.2%	13.0%	11.9%
Revenue growth, organic	14.7%	8.0%	12.0%	8.0%	10.0%	-	15.0%	-	13.0%	-
Costs (Revenue - EBITDA adj.)	4,571	-	-	-	5,087	4,981	5,850	5,521	6,612	6,140
Growth	58.9%	-	-	-	11.3%	9.0%	15.0%	10.8%	13.0%	23.3%
Special items	0	-	-	-	0	-	0	-	0	-
EBITDA adj.	1,112	898	1,118	1,008	1,151	1,074	1,323	1,276	1,495	1,467
EBITDA, Core	906	-	-	-	923	-	1,062	-	1,195	-
EBITDA, Expand	206	-	-	-	227	-	261	-	300	-
EBITDA margin, adj.	20.1%	15.0%	18.0%	16.5%	18.9%	17.7%	18.9%	18.8%	18.9%	19.3%
EBITA, adj.:	973	-	-	-	1,013	-	1,165	-	1,317	-
EBITA margin, adj.:	17.6%	-	-	-	16.6%	-	16.6%	-	16.6%	-

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

NETCOMPANY: 2023 EBITDA MARGIN GUIDANCE BRIDGE



Source: Company data and Nordea

Valuation: DKK 400-465 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-based valuation suggests a fair value of DKK 400-465 (was DKK 410-520) 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 515 per share, based on the assumptions outlined below.

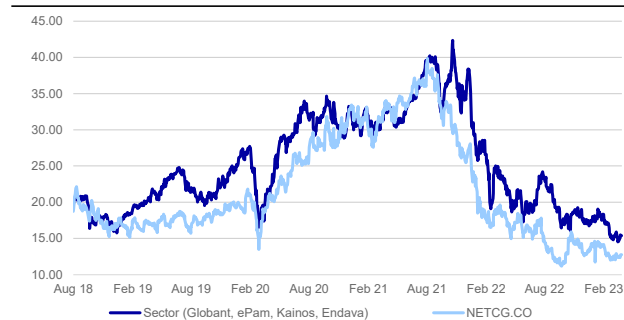
NETCOMPANY: DCF MODEL ASSUMPTIONS

Averages and assumptions	2023-30	2031-33	2034-38	2039-43	2044-48	2049-53	LT
Sales growth, CAGR	10.5%	10.0%	10.0%	7.5%	5.0%	2.5%	-
EBIT-margin	15.7%	14.9%	14.0%	13.0%	7.6%	2.3%	-
Capex/depreciation, x	1.3	1.2	1.1	1.1	1.1	1.1	-
Capex/sales	3.9%	2.5%	2.5%	2.4%	2.4%	2.4%	-
NWC/sales	17.9%	17.9%	17.9%	17.9%	17.9%	17.9%	-
FCFF, CAGR	13.1%	3.5%	8.4%	7.3%	-6.3%	-24.4%	2.0%

Source: Nordea estimates

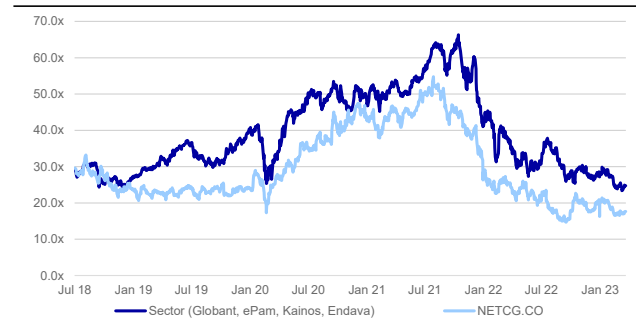
The model is sensitive to revenue growth and the EBIT margin is relatively high, although this should be expected given the company's high-growth profile.

EV/EBITDA: NETCOMPANY VS. SECTOR (x)



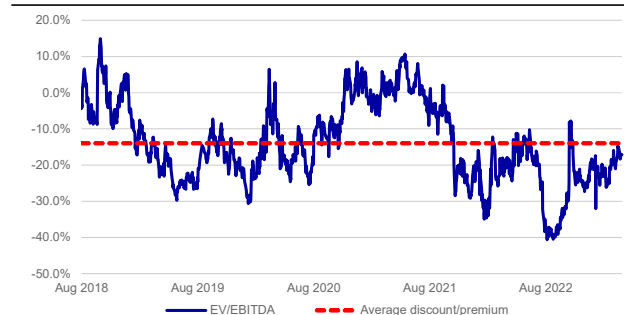
Source: Refinitiv and Nordea

P/E: NETCOMPANY VS. SECTOR (x)



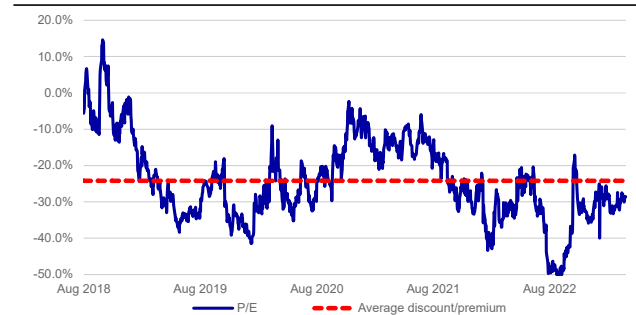
Source: Refinitiv and Nordea

DISCOUNT, EV/EBITDA: NETCOMPANY VS. SECTOR (%)



Source: Refinitiv and Nordea

DISCOUNT, P/E: NETCOMPANY VS. SECTOR (%)



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 see the following companies as particularly suitable:

- Epam
- Globant
- Endava
- Kainos

NETCOMPANY: PEER GROUP VALUATION

	Share price	MCAP EURbn	Grw, 2022-25E			EBIT mrg 2023E	P/E			EV/EBITDA			EV/EBIT			PEG 22-25E	Share price			
			Rev	EBIT	EPS		2023E	2024E	2025E	2023E	2024E	2025E	2023E	2024E	2025E		1M	12M	YTD	
Key peers																				
Epam	US	2,002	15.5	16%	17%	16%	17.1%	26.3x	21.2x	17.7x	16.4x	13.0x	10.8x	16.4x	13.1x	10.8x	1.7x	4%	2%	-10%
Globant	Lux	1,075	6.1	20%	27%	20%	15.7%	27.7x	22.5x	17.9x	15.1x	12.5x	10.1x	15.2x	12.6x	10.2x	1.4x	0%	-32%	-6%
Endava	UK	420	3.2	21%	21%	18%	19.6%	23.1x	19.7x	16.2x	14.4x	11.6x	9.5x	14.4x	11.6x	9.5x	1.3x	-13%	-48%	-19%
Kainos	UK	117	1.9	15%	12%	10%	17.7%	32.6x	30.0x	27.2x	22.7x	20.2x	17.9x	22.9x	20.3x	18.0x	3.3x	9%	10%	-10%
Reply	UK	828	4.1	13%	12%	11%	13.3%	20.7x	18.6x	17.3x	11.9x	10.8x	9.8x	12.0x	10.9x	9.8x	1.9x	-4%	-21%	4%
Average (ex Reply)	-	-	6.7	18%	19%	16%	17.5%	27.4x	23.3x	19.7x	17.2x	14.4x	12.1x	17.2x	14.4x	12.1x	1.9x	-0%	-17%	-11%
Netcompany (cons.)	DK	250	1.7	12%	10%	13%	15.1%	18.8x	15.8x	13.3x	13.2x	11.4x	9.9x	13.4x	11.6x	10.0x	1.4x	4%	-42%	-15%
IT service companies:																				
IBM	US	116	105.6	5%	8%	5%	18.0%	13.5x	12.7x	12.3x	10.2x	10.0x	10.1x	10.1x	10.0x	10.0x	2.7x	3%	1%	-9%
Accenture	IE	254	160.3	2%	4%	5%	15.7%	24.1x	22.2x	20.3x	14.6x	13.4x	12.1x	15.4x	14.1x	12.7x	4.5x	11%	-13%	5%
Cognizant	US	55	27.8	4%	5%	6%	16.0%	13.5x	12.4x	11.4x	8.0x	7.5x	6.9x	8.0x	7.5x	6.9x	2.3x	3%	-29%	5%
Atos	FR	11	32.3	-0%	19%	59%	4.7%	19.8x	17.7x	15.8x	12.0x	10.8x	9.8x	12.2x	10.9x	9.9x	0.3x	-2%	-5%	3%
Cap Gemini	FR	169	63.7	6%	9%	9%	12.7%	23.6x	21.6x	19.2x	15.8x	14.5x	13.1x	15.8x	14.5x	13.0x	2.6x	-3%	-21%	-8%
CGI Group	CA	92	129.4	4%	4%	6%	16.6%	27.5x	24.6x	22.1x	18.6x	16.8x	15.1x	18.6x	16.8x	15.1x	4.3x	-3%	-11%	-0%
DXC Technology	US	23	22.4	-4%	-3%	8%	8.8%	17.6x	15.5x	13.8x	10.6x	9.5x	8.6x	10.6x	9.5x	8.6x	2.3x	-5%	-34%	-6%
Sopra Steria	FR	195	10.6	7%	10%	15%	8.8%	19.1x	16.4x	14.2x	10.8x	9.4x	8.3x	12.2x	10.5x	9.4x	1.3x	-4%	-20%	7%
HCL	IN	12	1.3	10%	10%	9%	18.9%	5.5x	3.5x	2.9x	3.8x	3.5x	3.1x	3.8x	3.5x	3.1x	0.6x	-22%	-49%	26%
Infosys	IN	15	29.2	10%	7%	7%	21.9%	14.7x	13.3x	12.2x	9.1x	8.5x	7.7x	9.2x	8.5x	7.8x	2.0x	-2%	-12%	8%
Tata	IN	35	21.9	9%	9%	9%	25.3%	19.6x	18.0x	16.7x	12.3x	11.6x	11.3x	11.1x	10.4x	10.2x	2.2x	7%	33%	16%
Wipro	IN	4	5.3	8%	4%	4%	16.1%	7.3x	6.4x	5.6x	3.8x	3.7x	3.7x	3.8x	3.7x	3.7x	2.1x	4%	-18%	-4%
Tech Mahindra	IN	12	3.9	10%	5%	4%	13.5%	11.7x	10.4x	9.3x	6.9x	6.4x	6.0x	7.1x	6.5x	6.1x	2.8x	-1%	15%	38%
Average, ex India	-	-	69.0	3%	7%	14%	12.7%	19.8x	17.9x	16.1x	12.6x	11.5x	10.5x	12.9x	11.7x	10.7x	2.3x	-0%	-16%	-0%
Average	-	-	47.2	5%	7%	11%	15.1%	16.7x	15.0x	13.5x	10.5x	9.7x	8.9x	10.6x	9.7x	9.0x	2.3x	-1%	-13%	6%
Nordic peers:																				
Trifork	DK	22	0.4	12%	22%	23%	11.6%	35.2x	23.5x	19.6x	14.6x	12.1x	10.6x	23.0x	18.3x	15.3x	1.6x	-3%	-	12%
NNIT	DK	68	0.2	6%	-232%	-	7.1%	-	-	-	7.6x	6.6x	5.5x	418.1x	10.4x	9.2x	-	-2%	-23%	4%
TietoEvyry	FI	30	3.6	3%	10%	5%	12.2%	12.5x	11.7x	11.2x	8.4x	7.9x	7.9x	12.1x	11.3x	10.6x	2.3x	6%	28%	14%
KnowIT	SE	21	0.6	6%	5%	10%	7.0%	20.6x	16.6x	14.3x	9.7x	9.1x	8.3x	17.0x	14.0x	12.2x	2.0x	17%	-18%	18%
Average	-	-	1.2	7%	-48%	13%	9.5%	22.8x	17.3x	15.0x	10.1x	8.9x	8.1x	117.6x	13.5x	11.8x	2.0x	4%	-5%	12%
SimCorp	DK	516	2.7	9%	15%	12%	23.0%	28.0x	23.2x	20.0x	20.6x	17.3x	14.9x	24.5x	18.8x	16.0x	2.4x	3%	8%	8%
Others:																				
Europe IT consult. 1)	-	-	-	6%	12%	13%	8.1%	23.6x	26.1x	22.4x	10.4x	8.1x	8.5x	12.4x	13.1x	10.8x	1.8x	1%	8%	25%
Global IT consult. 2)	-	-	-	7%	12%	15%	22.8%	25.7x	25.0x	24.9x	14.8x	12.9x	280.6x	20.5x	20.0x	15.8x	1.7x	4%	-1%	3%
Average, total	-	-	-	9%	0%	14%	14.6%	23.3x	21.3x	19.1x	12.6x	10.8x	63.6x	35.6x	14.1x	11.9x	1.9x	2%	-5%	7%
Netcompany, NDA	DK	250	1.7	13%	13%	15%	15.0%	19.5x	15.9x	13.5x	12.0x	10.0x	8.4x	15.3x	12.6x	10.5x	1.3x	4%	-42%	-16%

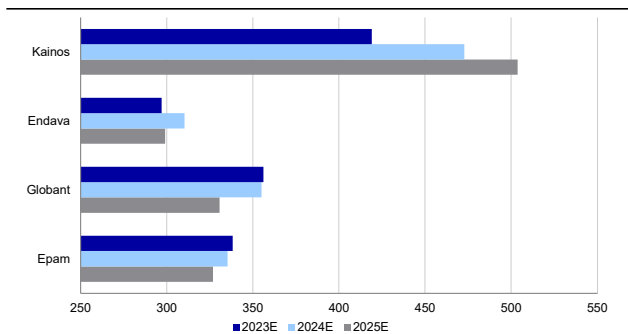
Source: Refinitiv and Nordea estimates

VALUATION: NETCOMPANY (OUR ESTIMATES) VS. PEER GROUP VALUATION

	Grw, 2022-25E			EV/EBIT			PEG 22-25E	Share price	
	Rev	EBIT(A)	EPS	2023E	2024E	2025E		1M	YTD
Key peers	Underperf.	Underperf.	Underperf.	Discount	Discount	Discount	Premium	Outperf.	Underperf.
IT service companies:	Outperf.	Outperf.	Underperf.	Premium	Premium	Premium	Discount	Outperf.	Underperf.
Nordic peers:	Outperf.	Outperf.	Underperf.	Discount	Discount	Discount	Premium	Underperf.	Underperf.
Europe IT consult. 1)	Outperf.	Outperf.	Underperf.	Premium	Discount	Discount	Premium	Outperf.	Underperf.
Global IT consult. 2)	Outperf.	Outperf.	Underperf.	Discount	Discount	Discount	Premium	Outperf.	Underperf.

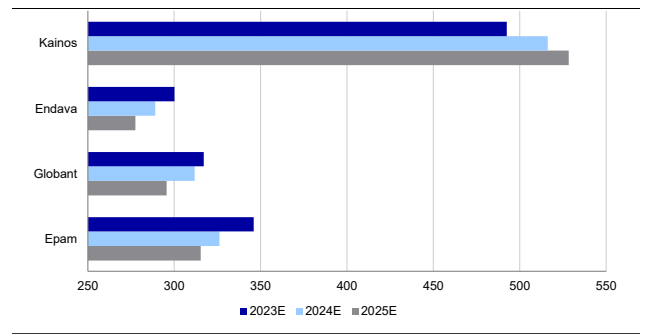
Source: Refinitiv and Nordea estimates

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



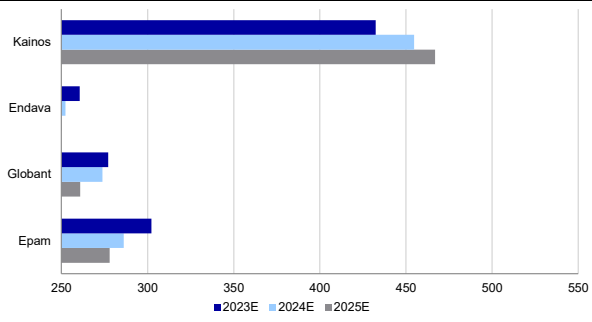
Source: Refinitiv and Nordea

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



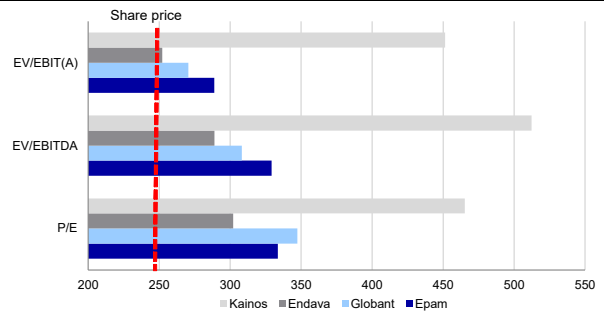
Source: Refinitiv and Nordea

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	Q4
Revenue	598	593	592	671	696	672	695	773	855	827	798	1,152	1,372	1,306	1,348	1,519
Production cost	364	370	336	387	421	416	401	445	529	533	470	766	954	942	877	999
Gross profit	234	223	256	284	275	260	293	328	326	293	328	386	417	364	471	520
Sales & marketing	3	3	3	3	4	4	4	5	6	6	6	19	9	10	11	12
Administration	84	93	89	101	106	95	94	99	103	121	123	157	181	199	185	199
Special items	-1	-3	-1	0	0	0	0	0	0	0	-30	-8	0	0	-1	6
EBITA	146	123	164	180	164	161	195	224	216	167	170	203	227	156	275	315
Amortisation	26	25	26	25	25	25	25	24	9	9	9	24	33	33	35	34
EBIT	120	99	138	155	139	136	170	200	207	158	161	178	194	123	240	281
Net financial items	6	-21	-4	5	-19	-16	-6	-152	37	-12	-12	11	-16	-23	-19	-25
Pre-tax profit	126	78	134	160	120	120	164	48	244	146	149	189	178	101	221	256
Taxes	28	16	31	34	27	24	36	43	45	33	41	35	45	16	52	41
Net profit	99	62	102	126	93	96	128	5	200	112	109	154	132	85	170	216
Revenue visibility	1,786	2,106	2,387	-	2,132	2,484	2,720	2,839	2,765	3,065	3,274	5,545	4,544	4,977	5,296	6,101
% of FY revenue	72.8%	85.8%	97.3%	-	75.1%	87.5%	95.8%	100.0%	76.1%	84.4%	90.1%	152.7%	74.5%	81.6%	86.8%	100.0%
In/out orders	207	319	282	67	304	352	236	119	634	299	209	-	719	433	320	804
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%	-	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	4.3
EPS growth, y/y	94.2%	-	32.3%	83.8%	-5.6%	55.6%	24.9%	-96.0%	114.8%	16.8%	-15.3%	2958.4%	-33.3%	-24.9%	56.1%	39.7%
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%	16.0%
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%	31.9%
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%	34.2%
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%	16.0%
EBITA, adj	147	126	164	180	164	161	195	224	216	167	200	210	227	156	275	315
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%	20.8%
FCF	74	80	126	116	95	103	149	-80	10	-36	180	-944	10	-36	180	268
Revenue, public	351	342	356	407	433	442	436	466	502	488	462	759	875	837	885	998
Revenue, private	247	252	236	264	262	233	258	307	353	339	336	394	497	469	463	521
Revenue, Core	598	593	592	671	696	676	695	773	855	827	798	867	973	887	998	1,119
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%	16.4%
Revenue growth, Expand	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	78.7%
Netcompany Denmark:																
Revenue, Denmark	442	435	437	505	525	532	543	601	656	637	624	674	755	679	714	759
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%	12.7%
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%	44.1%
EBITA adj. before HQ costs, DK	130	119	152	169	157	170	199	209	202	166	205	195	192	143	242	217
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%	28.6%
Netcompany Norway:																
Revenue, Norway	55	47	45	53	55	43	44	58	73	68	58	68	78	56	72	89
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%	31.7%
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%	22.4%
EBITA adj. before HQ costs, Norway	15	7	7	6	8	6	3	6	13	6	2	-2	-1	-19	-3	0
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%	0.0%
Netcompany UK:																
Revenue, UK	101	104	96	95	98	80	80	82	105	101	99	105	143	134	132	146
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%	28.9%	36.3%	33.0%	34.1%	38.5%
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%	29.1%	30.0%	26.8%	26.8%	28.4%
EBITA adj. before HQ costs, UK	11	12	16	16	11	0	-3	8	11	7	12	14	27	15	19	21
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%	13.0%	18.5%	11.3%	14.0%	14.6%
Netcompany Netherlands:																
Revenue, Netherlands	-	7	14	16	18	21	29	31	22	20	17	23	29	18	26	36
Revenue growth, Netherlands	-	-	-	-	-	197.2%	107.9%	88.5%	22.0%	-3.3%	-40.5%	-25.8%	33.1%	-11.8%	50.9%	58.6%
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%	19.5%
EBITA adj. before HQ costs, Netherlands	-	-1	-2	-3	1	2	6	9	-2	-2	-8	-7	-1	-12	-2	-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%	-6.1%
Netcompany Intrasoft:																
Revenue, Intrasoft	-	-	-	-	-	-	-	-	-	-	-	286	399	419	405	511
Revenue growth, Intrasoft	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	78.7%
Gross margin, Intrasoft	-	-	-	-	-	-	-	-	-	-	-	17.6%	17.1%	21.0%	19.3%	22.8%
EBITA adj. before HQ costs, Intrasoft	-	-	-	-	-	-	-	-	-	-	-	21	25	42	32	69
EBITA margin adj. before HQ costs, Intrasoft	-	-	-	-	-	-	-	-	-	-	-	7.5%	6.2%	10.1%	7.8%	13.4%
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	5,545
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%	52.7%
- 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%	12.2%
- 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%	10.4%
- UK (12M)	-	-	34.0%	17.1%	8.9%	-2.0%	-8.9%	-14.1%	-11.9%	-0.5%	9.0%	20.4%	29.0%	30.9%	33.3%	35.5%
- Netherlands (12M)	-	-	-	-	-	-	-	-	86.1%	47.4%	6.9%	-16.8%	-13.0%	-14.7%	6.2%	32.8%
- Intrasoft (12M)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-30.5%	-374.4%
EBITA adj (12M)	504	540	568	617	634	669	701	744	797	802	806	793	804	793	868	973
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%	17.6%
- 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%	28.2%	28.2%	27.3%
- 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.		

Netcompany: Annual numbers

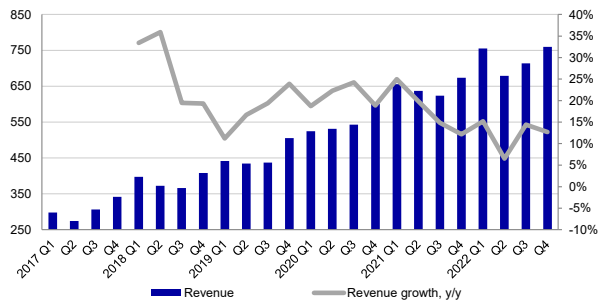
NETCOMPANY: ANNUAL NUMBERS (DKKm; EPS IN DKK)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Revenue	629	758	900	1,416	2,053	2,454	2,839	3,632	5,545	6,101	7,016	7,928
Production cost	-	447	527	803	1,237	1,458	1,683	2,299	3,772	4,214	4,846	5,477
Gross profit	-	311	373	613	817	996	1,155	1,333	1,772	1,886	2,169	2,451
Sales & marketing	-	4	4	10	12	12	17	37	41	45	52	59
Administration	-	100	121	201	290	367	394	503	764	828	952	1,076
Special items	-	0	-35	-33	-34	-4	0	-38	0	0	0	0
EBITDA	157	228	233	402	520	669	809	843	1,112	1,151	1,323	1,495
Depreciation	8	9	32	34	40	56	65	88	139	137	158	178
Amortisation	-2	12	0	0	0	0	0	0	0	0	0	0
EBITA	150	207	201	369	480	613	744	755	973	1,013	1,165	1,317
Amortisation	2	0	74	96	115	102	99	51	134	110	110	110
EBIT	149	207	127	273	365	511	645	704	839	903	1,055	1,207
Net financial items	1	0	-62	-73	-109	-14	-193	24	-83	-66	-65	-45
Pre-tax profit	150	208	65	200	256	497	452	728	757	837	990	1,162
Taxes	15	20	44	59	74	109	130	153	154	194	201	236
Net profit	134	188	21	141	181	389	322	575	603	643	789	926
One-off items	0	0	-35	-33	-34	-4	0	-38	0	0	0	0
EPS	-	-	-	2.8	3.7	7.9	6.4	11.7	12.3	12.9	15.8	18.5
EPS growth, y/y	-	-	-	-	29.7%	116.7%	-18.6%	82.4%	4.5%	4.8%	22.7%	17.3%
Tax rate	10.2%	9.6%	67.1%	29.7%	29.1%	21.9%	28.7%	21.1%	20.3%	23.2%	20.3%	20.3%
Revenue growth, y/y	36.6%	20.5%	18.7%	57.4%	45.0%	19.5%	15.7%	28.0%	52.7%	10.0%	15.0%	13.0%
Gross margin	-	41.1%	41.4%	43.3%	39.8%	40.6%	40.7%	36.7%	32.0%	30.9%	30.9%	30.9%
EBITDA margin	24.9%	30.1%	25.9%	28.4%	25.3%	27.3%	28.5%	23.2%	20.1%	18.9%	18.9%	18.9%
EBITA, adj	150	207	236	402	514	617	744	755	973	1,013	1,165	1,317
EBITA margin, adj	23.9%	27.4%	26.3%	28.4%	25.0%	25.2%	26.2%	20.8%	17.6%	16.6%	16.6%	16.6%
EBITA margin	23.9%	27.4%	22.3%	26.0%	23.4%	25.0%	26.2%	20.8%	17.6%	16.6%	16.6%	16.6%
EBIT margin	23.6%	27.4%	14.1%	19.3%	17.8%	20.8%	22.7%	19.4%	15.1%	14.8%	15.0%	15.2%
Net profit, adj.	136	188	106	241	298	471	399	644	707	729	875	1,012
CFFO	-	217	117	195	227	559	718	1,151	773	721	793	934
Capex	-4	-18	-2,539	-150	-27	-65	-102	-1,254	-244	-161	-175	-190
FCF	-	207	-2,422	45	200	495	616	-103	529	560	617	744
Revenue, public	-	312	368	730	1,152	1,456	1,778	2,209	3,567	3,923	4,512	5,099
Revenue, private	-	447	531	686	901	998	1,061	1,421	1,950	2,145	2,466	2,787
Revenue, Core	-	758	900	1,416	2,053	2,454	2,839	3,349	3,846	4,231	6,978	7,885
Revenue, Expand	-	-	-	-	-	-	-	281	1,670	1,837	2,113	2,429
Revenue growth, Core	-	-	18.7%	57.4%	45.0%	19.5%	15.7%	18.0%	14.8%	10.0%	64.9%	13.0%
Revenue growth, Expand	-	-	-	-	-	-	-	-	494.3%	10.0%	15.0%	15.0%
Development revenue	-	347	439	647	1,005	1,258	1,517	2,302	2,640	2,904	3,340	3,774
Maintenance revenue	-	411	461	769	1,048	1,196	1,322	1,328	2,876	3,164	3,638	4,111
Netcompany Denmark:												
Revenue, Denmark	629	758	888	1,220	1,544	1,819	2,200	2,592	2,915	3,188	3,666	4,076
Revenue growth, Denmark	36.6%	20.5%	18.7%	37.4%	26.5%	17.8%	21.0%	17.8%	12.5%	9.4%	15.0%	11.2%
EBITA adj. before HQ costs, DK	150	207	234	358	461	544	706	712	762	736	818	887
EBITA margin adj. before HQ costs, DK	23.9%	27.4%	26.4%	29.4%	29.8%	29.9%	32.1%	27.5%	26.1%	23.1%	22.3%	21.7%
Intrasoft												
Revenue, Intrasoft	-	-	-	-	-	-	-	281	1,670	1,837	2,113	2,429
Revenue growth, Intrasoft	-	-	-	-	-	-	-	-	494.3%	10.0%	15.0%	15.0%
EBITA adj. before HQ costs, Intrasoft	-	-	-	-	-	-	-	19	173	190	219	252
EBITA margin adj. before HQ costs, Intrasoft	-	-	-	-	-	-	-	6.9%	10.4%	10.4%	10.4%	10.4%
Netcompany UK												
Revenue, UK	-	-	-	62	338	395	340	410	555	611	702	808
Revenue growth, UK	-	-	-	-	446.2%	16.7%	-13.8%	20.4%	35.5%	10.0%	15.0%	15.0%
EBITA adj. before HQ costs, UK	-	-	-	12	23	48	9	34	80	87	115	148
EBITA margin adj. before HQ costs, UK	-	-	-	20.0%	6.8%	12.2%	2.8%	8.2%	14.3%	14.3%	16.3%	18.3%
Netcompany Norway												
Revenue, Norway	-	-	12	134	171	203	200	267	295	339	390	449
Revenue growth, Norway	-	-	-	1044.4%	27.9%	18.6%	-1.7%	33.8%	10.4%	15.0%	15.0%	15.0%
EBITA adj. before HQ costs, Norway	-	-	2	31	31	32	12	12	-23	0	10	22
EBITA margin adj. before HQ costs, Norway	-	-	17.1%	23.1%	17.9%	15.9%	6.0%	4.6%	-7.7%	0.0%	2.5%	5.0%
Netcompany Netherlands												
Revenue, Netherlands	-	-	-	-	-	37	99	82	109	125	144	166
Revenue growth, Netherlands	-	-	-	-	-	-	163.7%	-16.8%	32.8%	15.0%	15.0%	15.0%
EBITA adj. before HQ costs, Netherlands	-	-	-	-	-	-7	17	-22	-19	0	4	8
EBITA margin adj. before HQ costs, Netherlands	-	-	-	-	-	-17.4%	17.0%	-27.0%	-17.1%	0.0%	2.5%	5.0%

Source: Company data and Nordea estimates

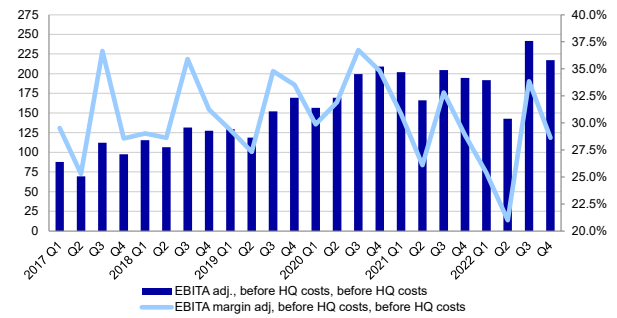
Quarterly charts

NETCOMPANY, DENMARK: REVENUE (DKKm)



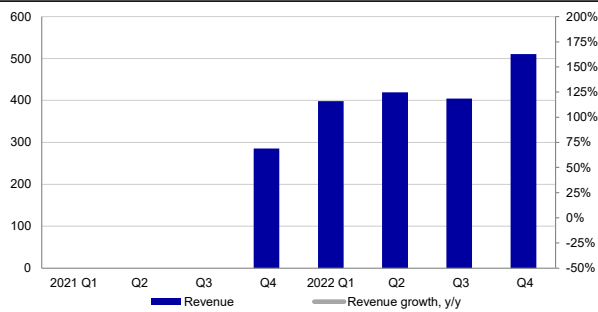
Source: Company data and Nordea

NETCOMPANY, DENMARK: EBITA (DKKm)



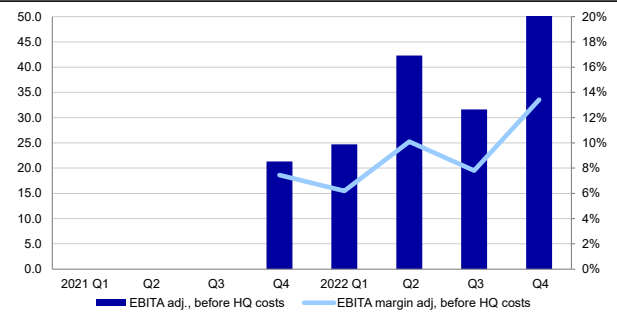
Source: Company data and Nordea

NETCOMPANY, INTRASOFT: REVENUE (DKKm)



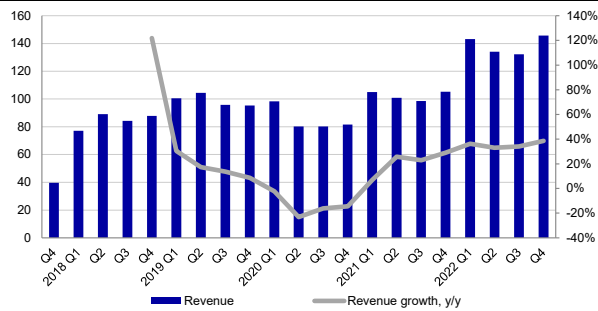
Source: Company data and Nordea

NETCOMPANY, INTRASOFT: EBITA (DKKm)



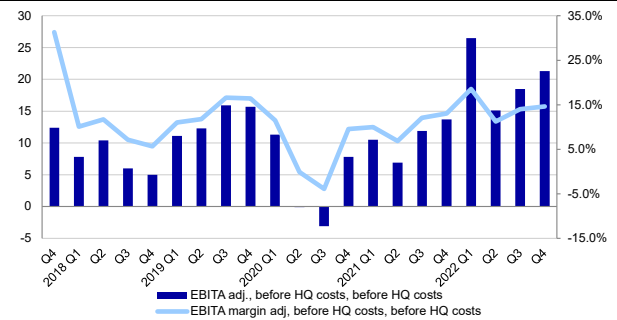
Source: Company data and Nordea

NETCOMPANY, UK: REVENUE (DKKm)



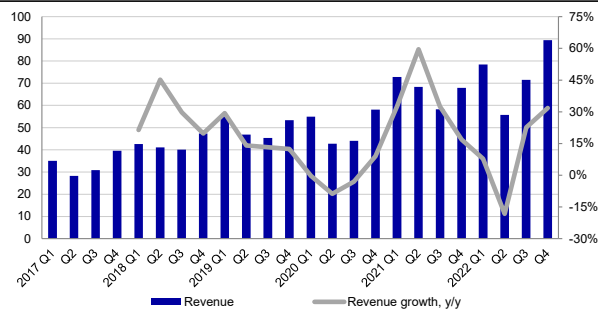
Source: Company data and Nordea

NETCOMPANY, UK: EBITA (DKKm)



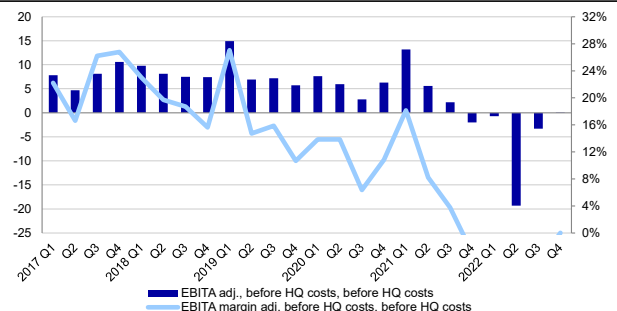
Source: Company data and Nordea

NETCOMPANY, NORWAY: REVENUE (DKKm)



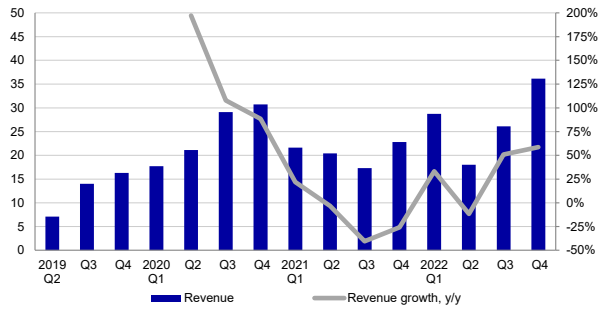
Source: Company data and Nordea

NETCOMPANY, NORWAY: EBITA (DKKm)



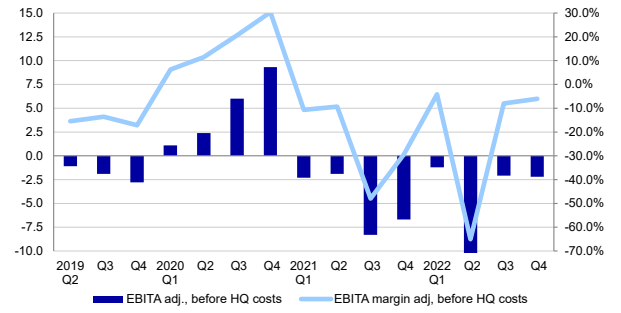
Source: Company data and Nordea estimates

NETCOMPANY, NETHERLANDS: REVENUE (DKKm)



Source: Company data and Nordea

NETCOMPANY, NETHERLANDS: EBITA (DKKm)



Source: Company data and Nordea

Reported numbers and forecasts

INCOME STATEMENT

DKKm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Total revenue	758	900	1,416	2,053	2,454	2,839	3,632	5,545	6,101	7,016	7,928
Revenue growth	20.5%	18.7%	57.4%	45.0%	19.5%	15.7%	28.0%	52.7%	10.0%	15.0%	13.0%
of which organic	20.5%	17.1%	37.0%	25.5%	17.7%	15.5%	17.0%	14.7%	10.0%	15.0%	13.0%
of which FX	0.0%	0.0%	0.3%	0.1%	0.0%	-1.1%	0.9%	0.0%	0.0%	0.0%	0.0%
EBITDA	228	233	402	520	669	809	843	1,112	1,151	1,323	1,495
Depreciation and impairments PPE	-21	-32	-34	-40	-56	-65	-88	-139	-137	-158	-178
of which leased assets	0	-11	-19	-24	-37	-42	-54	-90	-105	-116	-131
EBITA	207	201	369	480	613	744	755	973	1,013	1,165	1,317
Amortisation and impairments	0	-74	-96	-115	-102	-99	-51	-134	-110	-110	-110
EBIT	207	127	273	365	511	645	704	839	903	1,055	1,207
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	0	-62	-73	-110	-14	-47	-33	-70	-66	-65	-45
of which lease interest	0	0	-1	-1	-3	-4	-4	0	0	0	0
Changes in value, net	0	0	0	0	0	0	0	0	0	0	0
Pre-tax profit	208	65	200	254	497	598	671	769	837	990	1,162
Reported taxes	-20	-44	-59	-74	-109	-130	-153	-154	-194	-201	-236
Net profit from continued operations	188	21	141	180	389	468	517	616	643	789	926
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	188	21	141	180	389	468	517	616	643	789	926
EPS, DKK	3.75	0.43	2.81	3.60	7.77	9.36	10.35	12.31	12.86	15.78	18.52
DPS, DKK	-2.33	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00
of which ordinary	-2.33	0.00	0.00	0.00	0.00	1.00	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	30.1%	25.9%	28.4%	25.3%	27.3%	28.5%	23.2%	20.1%	18.9%	18.9%	18.9%
EBITA	27.4%	22.3%	26.0%	23.4%	25.0%	26.2%	20.8%	17.6%	16.6%	16.6%	16.6%
EBIT	27.4%	14.1%	19.3%	17.8%	20.8%	22.7%	19.4%	15.1%	14.8%	15.0%	15.2%

Adjusted earnings

EBITDA (adj)	228	268	435	555	674	809	881	1,112	1,151	1,323	1,495
EBITA (adj)	207	236	402	514	617	744	793	973	1,013	1,165	1,317
EBIT (adj)	207	162	306	399	516	645	742	839	903	1,055	1,207
EPS (adj, DKK)	3.75	0.97	3.33	4.14	7.84	9.36	10.94	12.31	12.86	15.78	18.52

Adjusted profit margins in percent

EBITDA (adj)	30.1%	29.8%	30.7%	27.0%	27.5%	28.5%	24.3%	20.1%	18.9%	18.9%	18.9%
EBITA (adj)	27.4%	26.3%	28.4%	25.0%	25.2%	26.2%	21.8%	17.6%	16.6%	16.6%	16.6%
EBIT (adj)	27.4%	18.0%	21.6%	19.4%	21.0%	22.7%	20.4%	15.1%	14.8%	15.0%	15.2%

Performance metrics

CAGR last 5 years											
Net revenue	23.7%	22.4%	28.7%	34.8%	31.3%	30.2%	32.2%	31.4%	24.3%	23.4%	22.8%
EBITDA	20.6%	16.6%	31.2%	41.7%	33.7%	28.8%	29.3%	22.6%	17.2%	14.6%	13.1%
EBIT	19.3%	4.0%	23.2%	35.5%	28.0%	25.5%	40.8%	25.2%	19.9%	15.6%	13.4%
EPS	23.8%	-23.0%	9.9%	19.6%	23.7%	20.0%	89.2%	34.3%	29.0%	15.2%	14.6%
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	24.7%	20.9%	20.1%	19.5%	19.6%	19.9%	20.2%	18.5%	17.5%	16.5%	15.6%
Average EBITDA margin	26.7%	25.8%	26.7%	26.8%	27.1%	27.3%	26.2%	23.9%	22.3%	20.8%	19.6%

VALUATION RATIOS - ADJUSTED EARNINGS

DKKm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
P/E (adj)	n.a.	n.a.	n.a.	53.2	40.4	66.5	64.4	23.9	19.7	16.0	13.7
EV/EBITDA (adj)	n.a.	n.a.	n.a.	21.6	24.8	39.0	42.1	14.6	11.8	9.8	8.2
EV/EBITA (adj)	n.a.	n.a.	n.a.	23.3	27.0	42.4	46.7	16.7	13.4	11.1	9.3
EV/EBIT (adj)	n.a.	n.a.	n.a.	30.0	32.3	48.9	49.9	19.4	15.1	12.3	10.1

VALUATION RATIOS - REPORTED EARNINGS

DKKm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
P/E	n.a.	n.a.	n.a.	61.1	40.8	66.5	68.1	23.9	19.7	16.0	13.7
EV/Sales	n.a.	n.a.	n.a.	5.84	6.80	11.11	10.20	2.93	2.23	1.85	1.54
EV/EBITDA	n.a.	n.a.	n.a.	23.1	24.9	39.0	43.9	14.6	11.8	9.8	8.2
EV/EBITA	n.a.	n.a.	n.a.	25.0	27.2	42.4	49.0	16.7	13.4	11.1	9.3
EV/EBIT	n.a.	n.a.	n.a.	32.9	32.6	48.9	52.6	19.4	15.1	12.3	10.1
Dividend yield (ord.)	n.a.	n.a.	n.a.	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield	n.a.	n.a.	n.a.	1.8%	3.1%	2.0%	-0.3%	3.6%	4.7%	5.7%	6.8%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	1.6%	3.1%	2.1%	2.9%	3.3%	3.8%	4.8%	5.8%
Payout ratio	n.m.	0.0%	0.0%	0.0%	0.0%	10.7%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: Company data and Nordea estimates

BALANCE SHEET

DKKm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Intangible assets	4	2,373	2,604	2,485	2,551	2,451	3,896	3,880	3,870	3,865	3,865
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	4	489	495	376	286	187	524	507	607	712	823
of which goodwill	0	1,884	2,109	2,109	2,264	2,264	3,372	3,372	3,262	3,152	3,042
Tangible assets	20	41	55	117	146	135	317	332	361	389	420
of which leased assets	12	25	31	83	101	89	235	247	247	247	247
Shares associates	0	0	0	0	0	70	110	105	105	105	105
Interest bearing assets	0	0	0	0	0	0	0	0	0	0	0
Deferred tax assets	11	0	0	1	4	9	17	33	33	33	33
Other non-IB non-current assets	0	0	0	0	0	0	0	0	0	0	0
Other non-current assets	-11	0	0	-1	-4	19	28	56	56	56	56
Total non-current assets	24	2,414	2,658	2,602	2,697	2,684	4,369	4,406	4,425	4,448	4,480
Inventory	0	0	0	0	0	0	0	0	0	0	0
Accounts receivable	180	258	445	458	531	459	1,032	1,112	1,223	1,407	1,590
Short-term leased assets	11	19	24	37	42	54	90	105	116	131	146
Other current assets	174	103	139	268	305	484	1,068	1,235	1,471	1,688	1,904
Cash and bank	111	60	194	108	132	359	459	336	523	632	868
Total current assets	477	441	802	869	1,011	1,356	2,649	2,788	3,333	3,858	4,507
Assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total assets	501	2,855	3,461	3,471	3,708	4,039	7,018	7,194	7,758	8,305	8,987
Shareholders equity	300	1,261	1,644	1,806	2,072	2,429	3,031	3,520	4,163	4,952	5,878
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	7	6	6	6	6
Total Equity	300	1,261	1,644	1,806	2,072	2,429	3,038	3,526	4,169	4,959	5,884
Deferred tax	0	111	112	89	73	66	134	111	111	111	111
Long term interest bearing debt	0	1,178	1,265	1,106	959	761	2,276	1,872	1,572	1,072	572
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	6	14	18	54	65	57	148	181	190	204	217
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	6	1,303	1,395	1,249	1,128	1,057	2,671	2,178	1,873	1,387	900
Short-term provisions	5	9	30	36	4	0	9	12	13	15	17
Accounts payable	19	27	51	54	44	40	329	265	336	386	436
Current lease debt	6	12	14	29	39	35	99	85	90	96	103
Other current liabilities	180	222	336	310	441	478	877	1,127	1,278	1,463	1,647
Short term interest bearing debt	0	28	0	0	0	0	0	0	0	0	0
Total current liabilities	210	297	431	430	528	554	1,312	1,489	1,716	1,960	2,202
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	516	2,860	3,469	3,485	3,728	4,039	7,021	7,193	7,758	8,305	8,987
Balance sheet and debt metrics											
Net debt	-111	1,118	1,070	998	826	402	1,817	1,536	948	330	-414
of which lease debt	12	25	31	83	104	93	247	266	279	300	320
Working capital	155	113	198	361	351	424	895	954	1,081	1,246	1,411
Invested capital	180	2,527	2,856	2,963	3,048	3,108	5,264	5,360	5,506	5,694	5,891
Capital employed	312	2,492	2,940	2,996	3,134	3,282	5,560	5,665	6,021	6,331	6,777
ROE	73.2%	2.7%	9.7%	10.4%	20.0%	20.8%	19.0%	18.8%	16.7%	17.3%	17.1%
ROIC	87.4%	9.4%	8.9%	10.7%	13.4%	16.3%	17.7%	15.8%	0.0%	-18.8%	-41.7%
ROCE	79.5%	11.7%	11.6%	13.8%	18.1%	20.7%	17.0%	15.5%	15.5%	17.1%	18.4%
Net debt/EBITDA	-0.5	4.8	2.7	1.9	1.2	0.5	2.2	1.4	0.8	0.2	-0.3
Interest coverage	65.3	2.0	3.4	8.0	10.9	10.7	18.1	8.7	13.6	16.3	26.9
Equity ratio	58.2%	44.1%	47.4%	51.8%	55.6%	60.1%	43.2%	48.9%	53.7%	59.6%	65.4%
Net gearing	-37.1%	88.7%	65.1%	55.3%	39.9%	16.5%	59.8%	43.6%	22.7%	6.7%	-7.0%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

DKKm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
EBITDA (adj) for associates	228	233	402	520	669	809	843	1,112	1,151	1,323	1,495
Paid taxes	-21	-34	-35	-167	-116	-126	-198	-234	-194	-201	-236
Net financials	7	65	79	80	33	22	40	75	-66	-65	-45
Change in provisions	5	4	21	6	-33	-4	9	3	1	2	2
Change in other LT non-IB	0	0	0	0	31	115	-79	-142	-14	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	-11	-132	-177	-119	-38	-132	39	19	0	0	0
Funds from operations (FFO)	208	137	290	319	547	684	655	832	878	1,059	1,216
Change in NWC	9	-20	-95	-92	12	34	496	-59	-127	-165	-165
Cash flow from operations (CFO)	217	117	195	227	559	718	1,151	773	751	894	1,051
Capital expenditure	-10	-23	-30	-27	-27	-27	-61	-199	-161	-175	-190
Free cash flow before A&D	207	94	165	200	532	691	1,091	574	590	719	862
Proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Acquisitions	0	-2,516	-120	0	-37	-75	-1,194	-46	0	0	0
Free cash flow	207	-2,422	45	200	495	616	-103	529	590	719	862
Free cash flow bef A&D, lease adj	207	83	146	176	495	649	1,036	484	485	603	731
Dividends paid	-100	-116	0	0	0	0	-49	0	0	0	0
Equity issues / buybacks	0	0	0	0	-175	0	-100	-131	0	0	0
Net change in debt	0	0	0	0	-200	-198	1,515	-600	-300	-500	-500
Other financing adjustments	0	0	0	0	-34	-55	-74	7	-103	-110	-126
Other non-cash adjustments	-8	2,487	90	-287	-69	-126	-1,243	10	0	0	0
Change in cash	99	-52	135	-87	25	227	100	-123	187	109	236
Cash flow metrics											
Capex/D&A	46.5%	22.0%	23.3%	17.5%	17.4%	16.2%	n.m.	n.m.	n.m.	n.m.	n.m.
Capex/Sales	1.3%	2.6%	2.1%	1.3%	1.1%	0.9%	1.7%	3.6%	2.6%	2.5%	2.4%
Key information											
Share price year end (/current)	n.a.	n.a.	n.a.	220	317	623	705	294	253	253	253
Market cap.	n.a.	n.a.	n.a.	11,000	15,850	31,125	35,225	14,710	12,645	12,645	12,645
Enterprise value	n.a.	n.a.	n.a.	11,998	16,676	31,527	37,049	16,253	13,599	12,981	12,237
Diluted no. of shares, year-end (m)	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0

Source: Company data and Nordea estimates

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Completion Date

18 Apr 2023, 02:15 CET

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