

8 November 2023

Commissioned research: Aspo – A minority stake (15.4%) of ESL Shipping was sold for EUR 30m

Marketing material commissioned by Aspo

Aspo sells 15.4% of its ESL Shipping segment for EUR 30m to OP Suomi Infra Ky. Some divestments in the ESL Shipping segment has been expected to happen in this year. The company could also try to sell two Supramax vessels but the timing of these transactions has been uncertain. Aspo could invest more than EUR 150m in new vessels in the coming years why money and other financing instruments are needed. By assuming EUR 25m underlying sustainable EBIT for ESL Shipping segment, the transaction indicates EV/EBIT valuation of 12x for the segment. We have used EV/EBIT 9-10x for ESL Shipping segment in our SOTP calculation. For next year we have forecasted EUR 36m EBIT in a group level of which EUR 24m is related to ESL Shipping segment. Net debt was EUR 153m in a group level in September and even EUR 183m when including EUR 30m hybrid. Some EUR 135m of debt is allocated to ESL Shipping segment. So, the divestment price leaves EUR 56m enterprise value (inc. hybrid loan) for other business areas where combined EBIT could be EUR 12m in 2024, giving EV/EBIT of 5x for other segments combined.

SUMMARY TABLE - KEY FIGURES

EURm	2020	2021	2022	2023E	2024E	2025E
Total revenue	501	583	643	539	567	592
EBITDA (adj)	52	77	87	61	71	77
EBIT (adj)	19	44	55	28	36	41
EBIT (adj) margin	3.9%	7.6%	8.6%	5.1%	6.3%	6.9%
EPS (adj, EUR)	0.38	1.07	1.37	0.52	0.66	0.82
EPS (adj) growth	-8.9%	182.2%	27.4%	-61.7%	26.3%	24.6%
DPS (ord, EUR)	0.35	0.45	0.46	0.47	0.48	0.49
EV/Sales	0.9	0.9	0.7	0.6	0.6	0.5
EV/EBIT (adj)	22.5	11.9	7.7	12.3	9.4	7.7
P/E (adj)	22.1	10.6	6.0	11.5	9.1	7.3
P/BV	2.3	2.8	1.8	1.3	1.2	1.2
Dividend yield (ord)	4.2%	4.0%	5.6%	7.8%	8.0%	8.2%
FCF Yield bef A&D, lease adj	16.9%	3.8%	12.9%	13.2%	11.2%	19.0%
Net debt	170	167	167	152	148	129
Net debt/EBITDA	3.3	2.5	2.6	2.9	2.1	1.7
ROIC after tax	5.6%	13.4%	17.0%	8.4%	10.8%	12.6%

Source: Company data and Nordea estimates

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