

Enersense

Business Services
Finland

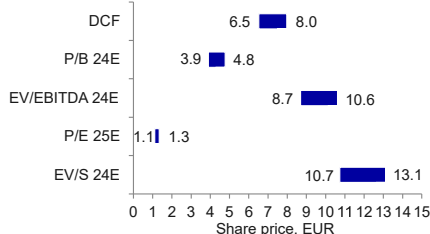
KEY DATA

Stock country	Finland
Bloomberg	ESENSE.FH
Reuters	ESENSE.HE
Share price (close)	EUR 4.15
Free float	57%
Market cap. (bn)	EUR 0.07/EUR 0.07
Website	www.enersense.com
Next report date	26 Apr 2024

PERFORMANCE



VALUATION APPROACH (EUR PER SHARE)



ESTIMATE CHANGES

Year	2024E	2025E	2026E
Sales	6%	5%	6%
EBIT (adj)	8%	3%	4%

Source: Nordea estimates

Nordea IB & Equity - Analysts

Pasi Väisänen
DirectorSvante Krokfors
Director

Revenue growth will remain strong

The guidance midpoint indicates 10% y/y revenue growth (LSEG Data & Analytics consensus is 6%) for 2024. However, the EBITDA margin could fall slightly below consensus (5.6%). Despite a small headwind, offshore operations could reach breakeven this year. The ordinary dividend distribution is zero but the company proposes a EUR 0.10 return of capital to be paid up to two instalments, giving a yield of 2.4%. We slightly upgrade our estimates but reiterate a fair value range for Enersense of EUR 6.4-7.8 per share. Our valuation approach is based on a DCF model, backed by a peer group comparison.

Cost burden should lessen in 2024

Q4 2023 net sales of EUR 108m were above market consensus of EUR 98m but EBITDA was EUR 7.7m, 14% below consensus of EUR 9.0m. International operations have improved their profitability during the last year but Smart Industry is the biggest segment and it reported only a 2.1% EBIT margin in Q4. Investments in offshore operations, EV chargers and the ERP system combined took EUR 12m from EBITDA in 2023, but this cost burden should lessen this year. Our new revenue growth forecast for 2024 is 11% (previously 8.5%), and our new EBITDA forecast is EUR 22m (EUR 21m).

Some of the wind power projects are on hold

Investments in the renewable energy and power grids offer significant and long-term growth potential for Enersense. Declining power prices combined with higher interest rates, however, have postponed some wind power investments. The company's financial target of EUR 100m EBITDA by 2027 could also be postponed if wind power investments remain modest in 2024-25. The company is expected to release some information about the funding of its own 600MW wind power portfolio this year.

2024E EV/EBITDA valuation is 28% below peers

Revenue growth is strong and the earnings improvement momentum is positive, but the company trades at 28% below the peer group average on 2024E EV/EBITDA. The annual average net result was EUR -9.5m in 2022-23, but we forecast a positive net result for this year. The reported equity ratio was 26% in December, making its financial position a bit tight, but its own wind power portfolio could be funded with partnerships and sales gains from other completed wind power construction projects.

SUMMARY TABLE - KEY FIGURES

EURm	2020	2021	2022	2023	2024E	2025E	2026E
Total revenue	147	239	282	363	402	422	443
EBITDA (adj)	10	19	14	15	22	24	25
EBIT (adj)	5	9	5	5	12	14	15
EBIT (adj) margin	3.2%	3.9%	1.7%	1.4%	3.0%	3.3%	3.3%
EPS (adj, EUR)	0.33	0.49	-0.48	-0.55	0.02	0.08	0.09
EPS (adj) growth	243.5%	50.9%	-197.3%	-15.6%	104.5%	207.9%	18.9%
DPS (ord, EUR)	0.00	0.10	0.10	0.10	0.10	0.10	0.10
EV/Sales	0.5	0.4	0.4	0.3	0.3	0.2	0.2
EV/EBIT (adj)	15.2	10.0	21.6	20.6	8.7	7.6	7.1
P/E (adj)	25.4	13.9	n.m.	n.m.	n.m.	54.3	45.6
P/BV	3.9	1.9	1.5	1.4	1.3	1.4	1.4
Dividend yield (ord)	0.0%	1.5%	1.8%	2.3%	2.4%	2.4%	2.4%
FCF Yield bef A&D, lease	16.1%	-13.2%	-12.8%	-36.7%	2.8%	3.0%	3.6%
Net debt	9	1	12	37	36	36	36
Net debt/EBITDA	0.9	0.1	1.0	2.5	1.7	1.5	1.5
ROIC after tax	18.4%	18.4%	6.1%	5.1%	11.1%	12.9%	13.8%

Source: Company data and Nordea estimates

Quarterly segment estimates

SEGMENT ESTIMATES BY QUARTER (EURm; EPS IN EUR)

	Q122	Q222	Q322	Q422	Q123	Q223	Q323	Q423	Q124E	Q224E	Q324E	Q424E
Smart Industry												
Net sales (EURm)	16.6	18.7	15.3	22.1	26.1	26.8	26.7	34.1	33.2	33.3	30.3	31.3
Sales growth y/y (%)	-26%	-20%	-18%	5%	57%	43%	74%	54%	27%	24%	14%	-8%
EBITDA (EURm)	-1.0	-0.1	1.1	-0.8	1.1	1.0	2.5	0.7	1.5	1.3	2.5	1.4
EBITDA margin (%)	-6.0%	-0.5%	7.2%	-3.7%	4.2%	3.7%	9.3%	2.1%	4.6%	3.9%	8.2%	4.4%
Power												
Net sales (EURm)	20.8	14.0	14.6	25.6	15.2	22.3	21.9	28.0	22.7	23.4	23.8	29.6
Sales growth y/y (%)	92%	17%	16%	86%	-27%	59%	51%	9%	49%	5%	9%	6%
EBITDA (EURm)	8.8	0.6	1.1	8.7	0.1	1.6	1.1	7.9	1.6	1.7	1.7	9.5
EBITDA margin (%)	42.4%	4.3%	7.6%	34.1%	0.7%	7.2%	5.2%	28.2%	7.1%	7.2%	7.0%	32.0%
Connectivity												
Net sales (EURm)	9.3	10.2	13.7	14.0	10.8	13.6	16.4	17.0	14.6	15.1	15.6	16.4
Sales growth y/y (%)	10%	-10%	11%	6%	16%	33%	19%	22%	35%	11%	-5%	-4%
EBITDA (EURm)	-0.7	-0.5	1.1	0.5	0.0	-0.1	1.4	1.1	0.7	0.8	1.1	1.1
EBITDA margin (%)	-7.5%	-5.2%	8.0%	3.4%	-0.4%	-0.9%	8.3%	6.3%	5.0%	5.4%	7.2%	6.5%
International												
Net sales (EURm)	13.5	16.8	20.8	35.8	22.9	23.5	29.1	28.7	27.3	27.5	28.8	28.8
Sales growth y/y (%)	16%	14%	42%	99%	70%	40%	40%	-20%	19%	17%	-1%	0%
EBITDA (EURm)	-0.9	-0.1	0.2	-3.1	0.1	1.1	0.9	1.9	1.1	1.0	1.2	1.2
EBITDA margin (%)	-6.7%	-0.6%	1.0%	-8.8%	0.4%	4.7%	3.1%	6.5%	4.2%	3.7%	4.1%	4.2%
Group												
Net sales	60.2	59.8	64.4	97.6	75.0	86.3	94.2	107.8	97.9	99.3	98.5	106.2
Sales growth %	12.9%	-2.9%	10.5%	48.0%	24.6%	44.3%	46.2%	10.5%	30.5%	15.1%	4.6%	-1.5%
EBITDA (EURm)	3.2	-2.8	1.9	1.1	-0.1	3.0	3.9	7.7	3.1	2.9	4.5	11.2
EBITDA margin (%)	5.4%	-4.6%	3.0%	1.1%	-0.1%	3.5%	4.2%	7.1%	0.0%	0.0%	0.0%	0.0%
Depreciation and amortisation	0.0	0.0	0.0	0.0	-2.2	-2.4	-2.3	-2.3	-2.4	-2.4	-2.4	-2.4
Reported EBIT	3.2	-2.8	1.9	1.1	-2.3	0.6	1.6	5.3	0.8	0.5	2.1	8.7
Reported EBIT margin	5.4%	-4.6%	3.0%	1.1%	-3.1%	0.7%	1.7%	4.9%	0.8%	0.5%	2.1%	8.2%
Group adj. EBIT												
Adj. EBIT margin												
Net financials	-3.7	-0.7	-0.8	-5.3	-1.5	-2.6	-2.8	-7.0	-2.0	-1.8	-2.2	-5.6
Pre-tax profit	-0.5	-3.5	1.1	-4.2	-3.8	-1.9	-1.2	-1.7	-1.3	-1.3	-0.1	3.2
Income tax	-0.8	-0.7	0.0	-1.3	0.0	0.0	0.1	-0.7	0.3	0.3	0.0	-0.6
Tax rate %	-170%	-20%	-2%	-32%	0%	1%	4%	-41%	20%	20%	20%	20%
Reported net profit for the period	-1.3	-4.1	1.2	-5.6	-3.8	-1.9	-1.1	-2.4	-1.0	-1.1	-0.1	2.5
Reported EPS	-0.08	-0.25	0.07	-0.34	-0.23	-0.11	-0.07	-0.14	-0.06	-0.06	0.00	0.15
Adj. EPS	-0.07	-0.24	0.08	-0.28	-0.23	-0.11	-0.07	-0.14	-0.06	-0.06	0.00	0.15

Source: Company data and Nordea estimates

Annual segment estimates

ANNUAL ESTIMATES BY SEGMENT (EURm; EPS IN EUR)

Segments	2018	2019	2020	2021	2022	2023	2024E	2025E
Smart Industry								
Net sales (EURm)	n.a.	51.6	78.4	85.5	72.7	113.6	128.2	134.5
Sales growth y/y (%)	n.a.	n.a.	52%	9%	-15%	56%	13%	5%
EBITDA (EURm)	n.a.	1.3	6.2	15.4	0.3	5.3	6.7	7.3
EBITDA margin (%)	n.a.	n.a.	7.9%	18.0%	0.4%	4.7%	5.2%	5.4%
Power								
Net sales (EURm)	n.a.	n.a.	18.9	49.1	61.0	87.4	99.5	105.5
Sales growth y/y (%)	n.a.	n.a.	n.a.	160%	24%	43%	14%	6%
EBITDA (EURm)	n.a.	n.a.	1.0	2.4	19.2	10.7	14.4	16.0
EBITDA margin (%)	n.a.	n.a.	5.3%	4.9%	31.5%	12.3%	14.5%	15.2%
Connectivity								
Net sales (EURm)	n.a.	n.a.	23.4	45.3	47.2	57.8	61.6	64.7
Sales growth y/y (%)	n.a.	n.a.	n.a.	93%	4%	22%	7%	5%
EBITDA (EURm)	n.a.	n.a.	1.5	1.6	0.4	2.3	3.7	4.0
EBITDA margin (%)	n.a.	n.a.	6.3%	3.5%	0.8%	3.9%	6.1%	6.2%
International								
Net sales (EURm)	n.a.	6.4	26.8	59.0	87.0	104.3	112.4	116.9
Sales growth y/y (%)	n.a.	n.a.	316%	121%	47%	20%	8%	4%
EBITDA (EURm)	n.a.	-0.6	1.7	1.7	-3.9	4.0	4.6	4.9
EBITDA margin (%)	n.a.	-9.1%	6.5%	2.9%	-4.5%	3.8%	4.1%	4.2%
Group								
Net sales	47.4	58.1	147.5	239.1	282.0	363.3	401.9	421.9
Sales growth %	0.7%	22.6%	154.0%	62.2%	17.9%	28.8%	10.6%	5.0%
EBITDA (EURm)	-1.7	0.1	9.8	16.6	12.2	14.5	21.7	23.8
EBITDA margin (%)	-3.5%	0.1%	6.6%	7.0%	4.3%	4.0%	5.4%	5.6%
Depreciation and amortisation	0.0	-1.0	-5.0	-9.8	-8.7	-9.3	-9.6	-9.9
Reported EBIT	-1.7	-1.0	4.8	6.8	3.5	5.3	12.1	13.9
Reported EBIT margin	-3.5%	-1.7%	3.2%	2.9%	1.2%	1.4%	3.0%	3.3%
Group adj. EBIT	-1.7	-1.0	4.8	9.4	4.9	5.3	12.1	13.9
Adj. EBIT margin	-3.5%	-1.7%	3.2%	3.9%	1.7%	1.4%	3.0%	3.3%
Net financials	0.0	-0.4	-1.9	-3.3	-10.0	-13.8	-11.6	-12.3
Pre-tax profit	-1.7	-1.4	2.9	3.6	-6.6	-8.6	0.5	1.6
Income tax	0.0	0.0	-0.5	0.4	-2.8	-0.6	-0.1	-0.3
Tax rate %	0%	0%	17%	-12%	-43%	-7%	20%	20%
Reported net profit for the period	-1.7	-1.4	2.4	4.0	-9.4	-9.2	0.4	1.3
Reported EPS	-0.30	-0.23	0.33	0.30	-0.57	-0.55	0.02	0.08
Adj. EPS	-0.30	-0.23	0.33	0.49	-0.48	-0.55	0.02	0.08

Source: Company data and Nordea estimates

Peer group financials and valuation

PEER GROUP FINANCIALS

	SALES (EURm)				SALES GROWTH				EBIT MARGIN			
	2022	2023	2024E	2025E	2022	2023	2024E	2025E	2022	2023	2024E	2025E
Vinci SA	62 265	69 619	71 424	73 676	25%	12%	5%	3%	11%	12%	12%	12%
Abb Ltd	27 514	29 209	30 966	32 487	2%	9%	5%	5%	13%	16%	16%	16%
Engie SA	93 865	95 369	89 349	86 690	62%	40%	-6%	-3%	12%	10%	10%	10%
Skanska AB	14 650	15 047	14 630	15 237	13%	2%	4%	4%	5%	2%	4%	4%
Bilfinger SE	4 312	4 300	4 870	5 238	15%	8%	10%	8%	2%	4%	5%	5%
Bravida Holding AB	2 361	2 648	2 634	2 724	20%	12%	0%	3%	6%	6%	6%	6%
Caverion Oyj	2 352	2 491			10%	6%			3%	4%		
Instalco AB	1 083	1 285	1 298	1 367	36%	18%	2%	5%	6%	6%	7%	7%
YIT Oyj	2 403	2 163	1 985	2 013	-9%	-10%	-8%	1%	4%	2%	2%	3%
Eltel AB	824	850	879	907	1%	3%	5%	3%	1%	0%	2%	3%
Netel Holding AB (publ)	282	311	329	349	30%	10%	7%	6%	6%	5%	6%	6%
Group median					15.4%	9.5%	4.5%	3.6%	6.2%	4.7%	5.8%	6.3%
Enersense (Nordea)	239	282	363	402	17.9%	28.8%	10.6%	5.0%	1.2%	1.4%	3.0%	3.3%
diff. from median (pp)					2.6	19.4	6.2	1.3	-5.0	-3.2	-2.8	-3.0

Source: LSEG Data & Analytics and Nordea estimates

PEER GROUP MULTIPLES (x)

	P/E				EV/EBIT				P/B			
	2022	2023	2024E	2025E	2022	2023	2024E	2025E	2022	2023	2024E	2025E
Vinci SA	12.5	13.9	13.6	12.7	11.5	10.4	10.1	9.5	2.8	2.5	2.3	2.2
Abb Ltd	23.0	22.0	22.4	20.5	14.4	16.7	16.4	15.3	7.1	6.3	5.6	4.9
Engie SA	7.5	6.6	8.4	9.0	14.3	6.9	7.5	7.8	1.0	1.1	1.1	1.1
Skanska AB	8.3	15.1	13.1	12.0	9.7	17.3	10.4	9.3	1.6	1.4	1.3	1.3
Bilfinger SE	38.1	15.0	10.7	9.1	7.0	n.a.	n.a.	n.a.	1.5	1.4	1.2	1.2
Bravida Holding AB	17.9	13.5	15.0	12.9	14.2	9.9	11.0	9.9	2.4	2.1	2.1	1.9
Caverion Oyj	21.3	37.5			12.8	13.1			5.4	6.7		
Instalco AB	20.2	17.7	14.9	12.4	16.4	16.5	14.5	12.6	3.5	2.9	2.6	2.3
YIT Oyj	8.2	138.7	0.0	22.3	13.9	128.6	30.0	18.0	0.4	0.4	0.4	0.4
Eltel AB	n.a.	n.a.	32.1	16.1	42.0	120.4	10.5	8.4	0.5	0.5	0.5	0.5
Netel Holding AB (publ)	13.2	16.2	5.1	3.9	12.0	8.3	5.7	4.8	0.5	0.5	0.5	0.5
Group median	15.6	15.7	13.4	12.6	13.9	14.8	10.5	9.5	1.6	1.4	1.3	1.2
Enersense (Nordea)	n.a.	175.2	54.3	45.6	21.6	20.7	8.5	7.4	1.5	1.4	1.3	1.3
diff. from median	n.a.	1019%	306%	264%	55%	40%	-19%	-23%	-6%	-4%	2%	5%

Source: LSEG Data & Analytics and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Total revenue	37	47	47	58	147	239	282	363	402	422	443
Revenue growth	114.4%	27.5%	0.7%	22.6%	154.0%	62.2%	17.9%	28.8%	10.6%	5.0%	4.9%
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	4	2	-2	0	10	17	12	15	22	24	25
Depreciation and impairments PPE	0	0	0	-1	-5	-10	-9	-9	-10	-10	-10
of which leased assets	0	0	0	0	-4	-8	-8	-8	-8	-8	-8
EBITA	4	2	-2	-1	5	7	3	5	12	14	15
Amortisation and impairments	0	0	0	0	0	0	0	0	0	0	0
EBIT	4	2	-2	-1	5	7	3	5	12	14	15
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	0	0	0	-2	-3	-10	-14	-12	-12	-13
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	4	2	-2	-1	3	4	-7	-9	1	2	2
Reported taxes	0	0	0	0	0	0	-3	-1	0	0	0
Net profit from continued operations	4	2	-2	-1	2	4	-9	-9	0	1	1
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	4	2	-2	-1	2	4	-9	-9	0	1	1
EPS, EUR	345.64	152.90	-0.30	-0.23	0.33	0.30	-0.57	-0.55	0.02	0.08	0.09
DPS, EUR	0.00	0.00	0.00	0.00	0.00	0.10	0.10	0.10	0.10	0.10	0.10
of which ordinary	0.00	0.00	0.00	0.00	0.00	0.10	0.10	0.10	0.10	0.10	0.10
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	10.6%	3.7%	-3.5%	0.1%	6.6%	7.0%	4.3%	4.0%	5.4%	5.6%	5.6%
EBITA	10.6%	3.7%	-3.5%	-1.7%	3.2%	2.9%	1.2%	1.4%	3.0%	3.3%	3.3%
EBIT	10.6%	3.7%	-3.5%	-1.7%	3.2%	2.9%	1.2%	1.4%	3.0%	3.3%	3.3%

Adjusted earnings

EBITDA (adj)	4	2	-2	0	10	19	14	15	22	24	25
EBITA (adj)	4	2	-2	-1	5	9	5	5	12	14	15
EBIT (adj)	4	2	-2	-1	5	9	5	5	12	14	15
EPS (adj, EUR)	345.64	152.90	-0.30	-0.23	0.33	0.49	-0.48	-0.55	0.02	0.08	0.09

Adjusted profit margins in percent

EBITDA (adj)	10.6%	3.7%	-3.5%	0.1%	6.6%	8.0%	4.8%	4.0%	5.4%	5.6%	5.6%
EBITA (adj)	10.6%	3.7%	-3.5%	-1.7%	3.2%	3.9%	1.7%	1.4%	3.0%	3.3%	3.3%
EBIT (adj)	10.6%	3.7%	-3.5%	-1.7%	3.2%	3.9%	1.7%	1.4%	3.0%	3.3%	3.3%

Performance metrics

CAGR last 5 years											
Net revenue	n.a.	n.a.	n.a.	n.a.	53.7%	45.3%	43.1%	50.3%	47.2%	23.4%	13.1%
EBITDA	n.m.	n.m.	n.m.	n.m.	52.7%	33.6%	47.9%	n.m.	234.4%	19.4%	8.5%
EBIT	n.a.	n.a.	n.a.	n.a.	32.4%	11.8%	15.0%	n.m.	n.m.	23.7%	16.7%
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	-75.6%	n.m.	n.m.	n.m.	-25.2%	-21.2%
DPS	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	0.0%
Average last 5 years											
Average EBIT margin	n.a.	n.a.	n.a.	2.0%	2.3%	2.0%	1.6%	1.8%	2.3%	2.4%	2.6%
Average EBITDA margin	n.a.	n.a.	n.a.	2.5%	4.1%	4.9%	4.8%	4.9%	5.2%	5.2%	5.1%

VALUATION RATIOS - ADJUSTED EARNINGS

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
P/E (adj)	n.a.	n.a.	n.m.	n.m.	25.4	13.9	n.m.	n.m.	n.m.	54.3	45.6
EV/EBITDA (adj)	n.a.	n.a.	n.m.	285.4	7.4	4.9	7.8	7.5	4.8	4.4	4.2
EV/EBITA (adj)	n.a.	n.a.	n.m.	n.m.	15.2	10.0	21.6	20.6	8.7	7.6	7.1
EV/EBIT (adj)	n.a.	n.a.	n.m.	n.m.	15.2	10.0	21.6	20.6	8.7	7.6	7.1

VALUATION RATIOS - REPORTED EARNINGS

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
P/E	n.a.	n.a.	n.m.	n.m.	25.4	22.8	n.m.	n.m.	n.m.	54.3	45.6
EV/Sales	n.a.	n.a.	0.48	0.26	0.49	0.39	0.38	0.30	0.26	0.25	0.24
EV/EBITDA	n.a.	n.a.	n.m.	285.4	7.4	5.6	8.7	7.5	4.8	4.4	4.2
EV/EBITA	n.a.	n.a.	n.m.	n.m.	15.2	13.7	30.5	20.6	8.7	7.6	7.1
EV/EBIT	n.a.	n.a.	n.m.	n.m.	15.2	13.7	30.5	20.6	8.7	7.6	7.1
Dividend yield (ord.)	n.a.	n.a.	0.0%	0.0%	0.0%	1.5%	1.8%	2.3%	2.4%	2.4%	2.4%
FCF yield	n.a.	n.a.	0.0%	-20.3%	22.6%	-4.4%	-4.3%	-25.5%	14.4%	14.7%	15.3%
FCF Yield bef A&D, lease adj	n.a.	n.a.	0.0%	-20.3%	16.1%	-13.2%	-12.8%	-36.7%	2.8%	3.0%	3.6%
Payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	20.3%	n.m.	n.m.	402.7%	130.8%	110.0%

Source: Company data and Nordea estimates

BALANCE SHEET

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Intangible assets	0	0	4	4	40	45	68	68	68	68	68
of which R&D	n.a.	n.a.	n.a.	0	0	0	0	0	0	0	0
of which other intangibles	0	0	4	0	14	19	40	40	40	40	40
of which goodwill	n.a.	n.a.	n.a.	4	26	26	28	28	28	28	28
Tangible assets	0	0	2	3	19	22	22	21	22	24	25
of which leased assets	n.a.	n.a.	1	1	6	13	11	11	11	11	12
Shares associates	0	0	1	1	1	2	11	14	14	14	14
Interest bearing assets	n.a.	n.a.	n.a.	0	0	0	0	0	0	0	0
Deferred tax assets	n.a.	n.a.	n.a.	1	1	1	1	1	1	1	1
Other non-IB non-current assets	n.a.	n.a.	n.a.	0	0	0	0	0	0	0	0
Other non-current assets	n.a.	n.a.	n.a.	0	1	4	7	4	4	4	4
Total non-current assets	0	1	7	9	62	73	110	109	110	111	112
Inventory	0	0	0	0	4	7	13	18	20	20	21
Accounts receivable	8	9	8	10	24	22	34	40	45	48	50
Short-term leased assets	n.a.	n.a.	1	1	3	4	6	8	8	8	8
Other current assets	1	2	2	2	8	12	29	27	30	31	32
Cash and bank	2	2	3	1	18	29	39	11	12	12	13
Total current assets	11	13	14	15	57	74	121	105	114	119	124
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	12	14	20	24	119	147	230	214	224	230	237
Shareholders equity	4	3	9	7	16	49	62	52	51	50	50
Of which preferred stocks	n.a.	n.a.	n.a.	0	0	0	0	0	0	0	0
Of which equity part of hybrid debt	n.a.	n.a.	n.a.	0	0	0	0	0	0	0	0
Minority interest	n.a.	0	0	0	2	1	0	0	0	0	0
Total Equity	n.a.	3	9	7	18	50	63	52	51	51	51
Deferred tax	n.a.	n.a.	n.a.	0	0	1	7	6	6	6	6
Long term interest bearing debt	0	0	1	0	4	10	30	28	28	28	28
Pension provisions	n.a.	n.a.	n.a.	0	0	1	0	0	0	0	0
Other long-term provisions	n.a.	n.a.	n.a.	0	0	1	1	0	0	0	0
Other long-term liabilities	n.a.	n.a.	n.a.	0	0	2	1	0	0	0	0
Non-current lease debt	n.a.	n.a.	n.a.	1	6	13	11	9	8	8	9
Convertible debt	n.a.	n.a.	n.a.	0	0	0	0	0	0	0	0
Shareholder debt	n.a.	n.a.	n.a.	0	0	0	0	0	0	0	0
Hybrid debt	n.a.	n.a.	n.a.	0	0	0	0	0	0	0	0
Total non-current liabilities	0	0	1	1	10	28	49	44	42	43	43
Short-term provisions	n.a.	n.a.	n.a.	0	2	1	1	0	0	0	0
Accounts payable	2	4	3	4	17	15	36	26	29	30	32
Current lease debt	n.a.	n.a.	n.a.	1	3	4	6	6	8	8	8
Other current liabilities	n.a.	n.a.	n.a.	6	52	46	71	81	89	94	98
Short term interest bearing debt	6	7	6	4	14	3	3	4	4	4	4
Total current liabilities	8	11	9	15	88	69	118	117	131	136	143
Liabilities for assets held for sale	n.a.	n.a.	n.a.	0	0	0	0	0	0	0	0
Total liabilities and equity	12	15	19	23	115	147	230	214	224	230	237
Balance sheet and debt metrics											
Net debt	3	6	5	5	9	1	12	37	36	36	36
of which lease debt	n.a.	n.a.	n.a.	2	9	17	17	15	16	16	17
Working capital	7	7	7	2	-32	-21	-32	-21	-24	-25	-27
Invested capital	7	8	14	12	30	52	78	88	86	86	85
Capital employed	9	10	16	13	45	80	113	100	99	99	100
ROE	n.m.	52.6%	-28.4%	-16.5%	20.9%	12.5%	-16.9%	-16.0%	0.8%	2.5%	3.0%
ROIC	52.7%	18.0%	-11.9%	-6.0%	18.5%	18.4%	6.1%	5.1%	11.1%	12.9%	13.8%
ROCE	52.4%	17.3%	-12.6%	-6.5%	16.8%	15.2%	5.6%	4.9%	12.2%	14.0%	14.8%
Net debt/EBITDA	0.9	3.3	n.m.	87.8	0.9	0.1	1.0	2.5	1.7	1.5	1.5
Interest coverage	n.m.	n.m.	n.m.	-2.3	2.5	2.1	0.4	0.4	1.1	1.1	1.2
Equity ratio	31.9%	19.1%	47.4%	32.2%	13.8%	33.1%	27.0%	24.3%	22.6%	21.9%	21.2%
Net gearing	n.a.	204.5%	53.7%	64.8%	52.3%	2.5%	19.0%	69.9%	71.2%	71.8%	72.0%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
EBITDA (adj) for associates	4	2	-2	0	10	17	12	15	22	24	25
Paid taxes	0	0	0	0	0	1	0	-3	0	0	0
Net financials	0	0	0	0	-2	-3	-3	-1	-12	-12	-13
Change in provisions	0	0	0	0	3	0	0	-1	0	0	0
Change in other LT non-IB	0	0	0	-1	-1	-1	-5	2	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	-4	-2	2	1	-3	-12	3	-15	0	0	0
Funds from operations (FFO)	0	0	0	0	6	1	7	-3	10	11	12
Change in NWC	n.a.	n.a.	n.a.	-1	-4	-16	-3	-12	3	2	2
Cash flow from operations (CFO)	n.a.	n.a.	n.a.	-1	2	-16	4	-15	12	13	13
Capital expenditure	0	0	0	-1	12	12	-8	-3	-2	-3	-3
Free cash flow before A&D	0	0	0	-2	14	-4	-4	-18	10	10	10
Proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Acquisitions	0	0	0	0	0	0	0	0	0	0	0
Free cash flow	0	0	0	-2	14	-4	-4	-18	10	10	10
Free cash flow bef A&D, lease adj	0	0	0	-2	10	-12	-12	-26	2	2	2
Dividends paid	0	0	0	0	0	0	-4	-2	-2	-2	-2
Equity issues / buybacks	0	0	0	0	7	28	2	0	0	0	0
Net change in debt	0	0	0	2	-3	-8	23	-8	0	0	0
Other financing adjustments	n.a.	n.a.	n.a.	n.a.	n.a.	0	-1	0	-8	-8	-8
Other non-cash adjustments	2	0	1	0	0	0	0	0	0	0	0
Change in cash	2	0	1	-1	16	11	10	-27	0	0	1
Cash flow metrics											
Capex/D&A	n.m.	n.m.	n.m.	75.8%	n.m.	n.m.	96.6%	33.0%	25.4%	27.1%	28.9%
Capex/Sales	0.0%	0.0%	0.0%	1.3%	-8.2%	-4.8%	3.0%	0.8%	0.6%	0.6%	0.7%
Key information											
Share price year end (/current)	n.a.	n.a.	3	2	8	7	6	4	4	4	4
Market cap.	n.a.	n.a.	18	11	62	92	94	72	68	68	68
Enterprise value	n.a.	n.a.	23	15	73	94	106	109	105	105	105
Diluted no. of shares, year-end (m)	0.0	0.0	5.6	5.9	7.4	13.4	16.5	16.5	16.5	16.5	16.5

Source: Company data and Nordea estimates

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