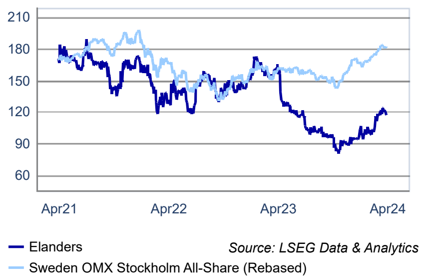
Elanders

Consumer Goods
Sweden

KEY DATA

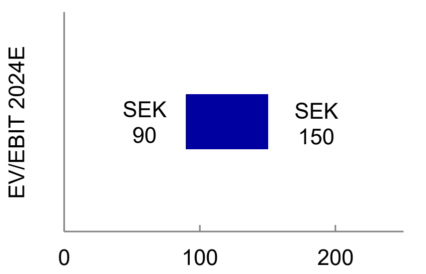
Stock country	Sweden
Bloomberg	ELANB SS
Reuters	ELANb.ST
Share price (close)	SEK 118.0
Free float	50%
Market cap. (bn)	EUR 0.36/SEK 4.17
Website	www.elanders.com
Next report date	19 Apr 2024

PERFORMANCE



Source: LSEG Data & Analytics

VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2024E	2025E	2026E
Sales	-1%	-1%	0%
EBIT (adj)	-3%	-2%	-2%

Source: Nordea estimates

Nordea IB & Equity - Analysts
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Analyst

Expecting margins to trough in Q1

Despite the recent acquisition of Bishopsgate, we lower adjusted EBIT by 2-3% for 2024E-26E ahead of Elanders' Q1 2024E report. We continue to struggle to find short-term data points that indicate rebounding demand. Visibility is low, but we look for margins to reach a trough in Q1 2024E, and successively increase from here – supported by recent margin-accretive M&A, new customer contracts, and the phase-out of the buy-and-sell operations. As such, we remain highly encouraged that Elanders will be well suited to better capitalise on the returning demand with a solid margin trajectory in the longer term. We now pencil in a lease-adjusted net debt/EBITDA of 2.9x for 2024E, and lower our multiples-based fair value range to SEK 90-150 (94-157).

Q1 2024 expectations

We expect Elanders to deliver net sales of SEK 3,143m (-12% y/y, -11% organic) for Q1 2024 (19 April). We assume Supply Chain Solutions will be the main drag on the top line. Although the customer segment Health Care has likely held up well, its small size (4% of group sales in 2023) is unlikely to cushion the weaker sentiment across the larger end markets. Positively, we only expect a low-single-digit organic decline in Print & Packaging solutions, as we expect demand from online print to remain solid. While the phase-out of the buy-and-sell business is not beneficial to the top line, we still expect this to be supportive to margins. Therefore, despite significantly lower volumes on a y/y basis, along with Elanders facing overcapacity, we estimate a group adjusted EBITA margin of 6.3%, up ~30bp y/y, suggesting adjusted EBITA of SEK 199m, down 9% y/y.

Estimates and valuation

Ahead of the Q1 result, we lower adjusted EBITA by 2-3% for 2024E-26E, as we still struggle finding positive data points from its larger end markets. Visibility remains low, but we expect margins to reach the trough in Q1 and then successively increase throughout the year, supported by 1) the recent margin-accretive acquisitions of Bishopsgate and KAMMAC; 2) ramping up larger customers in Fashion during H1 2024; 3) the phase-out and exit from low margin businesses. Despite the high leverage, we view Elanders as a more robust and diversified company today, one which we argue is set to better capitalise on rebounding demand. We lower our multiples-based fair value range to SEK 90-150 (94-157), implying ~11-13x EV/EBIT for 2024E.

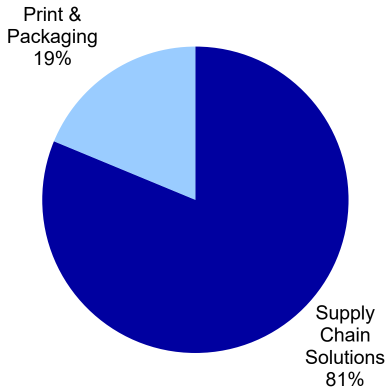
SUMMARY TABLE - KEY FIGURES

SEKm	2020	2021	2022	2023	2024E	2025E	2026E
Total revenue	11,050	11,732	14,974	13,866	14,246	14,882	15,460
EBITDA (adj)	1,426	1,497	1,967	2,076	2,312	2,371	2,417
EBIT (adj)	546	596	877	832	980	1,060	1,106
EBIT (adj) margin	4.9%	5.1%	5.9%	6.0%	6.9%	7.1%	7.2%
EPS (adj, SEK)	9.19	9.56	13.95	10.05	10.66	13.71	15.86
EPS (adj) growth	29.0%	4.0%	46.0%	-27.9%	6.0%	28.7%	15.7%
DPS (ord, SEK)	3.10	3.60	4.15	4.15	5.00	5.20	5.50
EV/Sales	0.6	0.9	0.8	0.8	0.8	0.8	0.7
EV/EBIT (adj)	13.0	17.9	13.6	14.0	12.3	11.1	10.0
P/E (adj)	13.0	18.2	10.7	9.6	11.1	8.6	7.4
P/BV	1.5	1.9	1.4	0.9	1.0	1.0	0.9
Dividend yield (ord)	2.6%	2.1%	2.8%	4.3%	4.2%	4.4%	4.7%
FCF Yield bef A&D, lease	22.7%	4.2%	3.8%	9.6%	20.8%	20.3%	22.3%
Net debt	2,854	4,511	6,560	8,191	7,826	7,553	6,804
Net debt/EBITDA	2.0	3.0	3.4	4.2	3.4	3.2	2.8
ROIC after tax	5.8%	5.4%	5.8%	4.7%	5.5%	6.3%	6.7%

Source: Company data and Nordea estimates

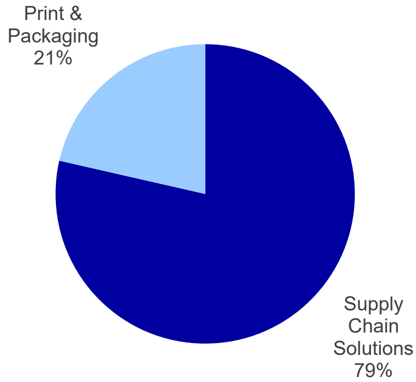
Selected charts

ELANDERS: REVENUE SPLIT BY SEGMENT (%), 2023



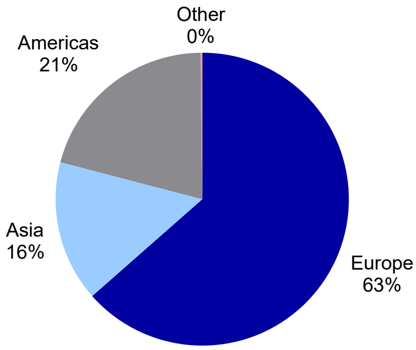
Source: Company data and Nordea estimates

ELANDERS: ADJUSTED EBIT SPLIT BY SEGMENT (%), 2023



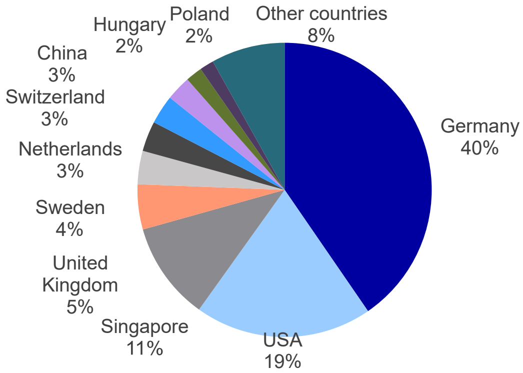
Source: Company data and Nordea estimates

ELANDERS: SALES SPLIT BY REGION (%), 2023



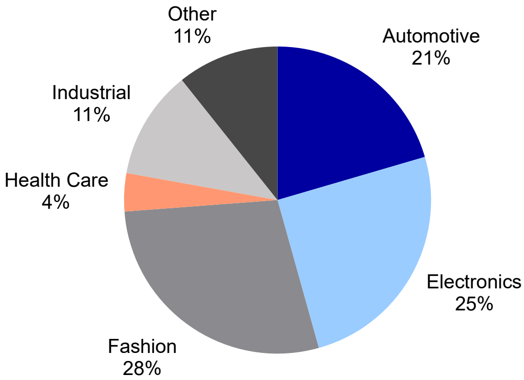
Source: Company data and Nordea estimates

ELANDERS: SALES SPLIT BY COUNTRY (%), 2023



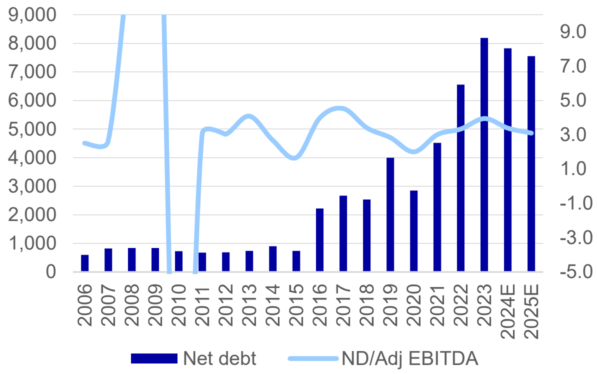
Source: Company data and Nordea estimates

ELANDERS: SALES SPLIT BY END MARKET (%), 2023



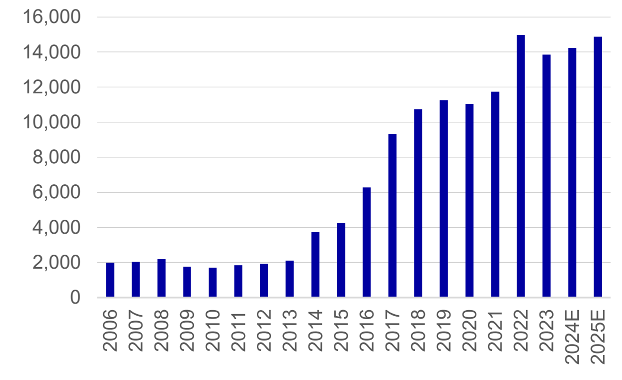
Source: Company data and Nordea estimates

ELANDERS: GROUP LEVERAGE (SEKm), NET DEBT/EBITDA (x)



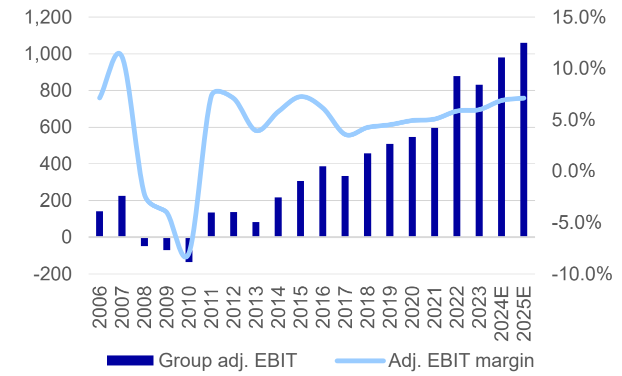
Source: Company data and Nordea estimates

ELANDERS: GROUP NET SALES DEVELOPMENT (SEKm)



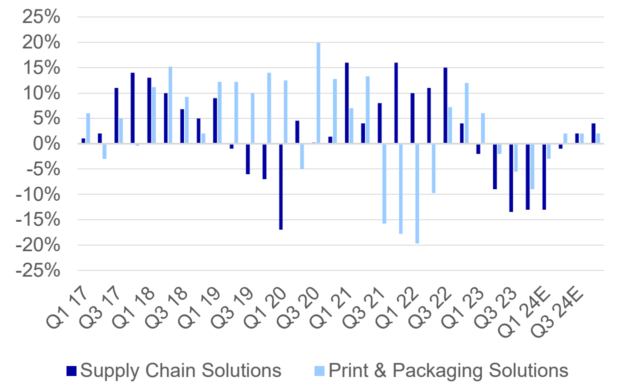
Source: Company data and Nordea estimates

ELANDERS: GROUP ADJUSTED EBIT (SEKm) AND EBIT MARGIN (%)



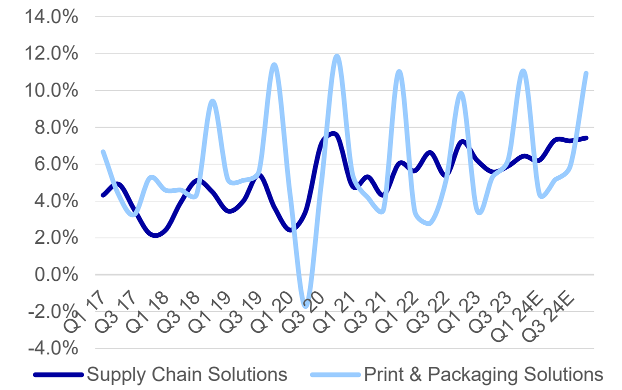
Source: Company data and Nordea estimates

ELANDERS: ORGANIC GROWTH BY SEGMENT (%)



Source: Company data and Nordea estimates

ELANDERS: EBIT MARGIN DEVELOPMENT BY SEGMENT (%)



Source: Company data and Nordea estimates

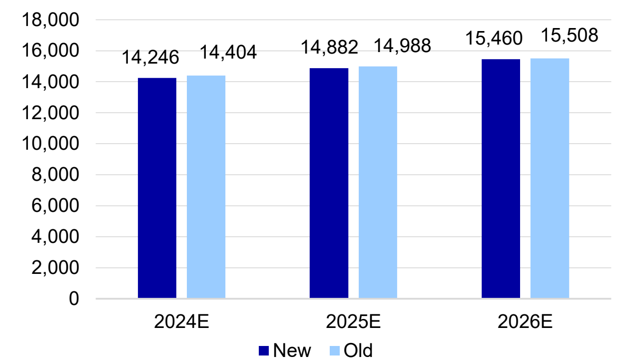
Estimate revisions

ELANDERS: ESTIMATE REVISIONS (SEKm; EPS IN SEK)

	New estimates			Old estimates			Difference %		
SEKm	**2024E**	**2025E**	**2026E**	**2024E**	**2025E**	**2026E**	**2024E**	**2025E**	**2026E**
Net sales	**14,246**	**14,882**	**15,460**	**14,404**	**14,988**	**15,508**	**-1%**	**-1%**	**0%**
EBITA	1,044	1,131	1,167	1,094	1,155	1,186	-5%	-2%	-2%
Amortisation of intangibles	-84	-71	-61	-84	-71	-61	0%	0%	0%
EBIT	960	1,060	1,106	1,010	1,083	1,125	-5%	-2%	-2%
Net financials	-444	-361	-298	-399	-311	-277	11%	16%	7%
PTP	515	698	808	611	772	848	-16%	-10%	-5%
Income tax	-155	-210	-243	-183	-232	-254	-16%	-10%	-5%
Net profit	361	489	566	428	541	594	-16%	-10%	-5%
Earnings per share (SEK)	10.09	13.71	15.86	11.99	15.18	16.65	-16%	-10%	-5%
Adj. EBITA	1,064	1,131	1,167	1,094	1,155	1,186	-3%	-2%	-2%
Adj. EBIT	**980**	**1,060**	**1,106**	**1,010**	**1,083**	**1,125**	**-3%**	**-2%**	**-2%**
Tax on EO	6	0	0	0	0	0	n.a	n.a	n.a
Adj. Net profit	387	489	566	428	541	594	-10%	-10%	-5%
Adj. EPS	11	14	16	12	15	17	-10%	-10%	-5%
Adj. EBITA margin	7.5%	7.6%	7.5%	7.6%	7.7%	0.0%	-0.1pp	-0.1pp	7.5pp
Adj. EBIT margin	6.9%	7.1%	7.2%	7.0%	7.2%	0.0%	-0.1pp	-0.1pp	7.2pp
Adj. Incremental margin	39.0%	12.5%	8.0%	33.2%	12.5%	0.0%	5.8pp	0.0pp	8.0pp
Net sales per segment									
Supply Chain Solutions	11,732	12,319	12,873	11,870	12,404	12,900	-1%	-1%	0%
Print & Packaging Solutions	2,650	2,703	2,730	2,670	2,723	2,750	-1%	-1%	-1%
Group functions	44	44	45	44	44	45	0%	0%	0%
Eliminations	-180	-184	-187	-180	-184	-187	0%	0%	0%
Group net sales	**14,246**	**14,882**	**15,460**	**14,404**	**14,988**	**15,508**	**-1%**	**-1%**	**0%**
Adj EBIT per segment									
Supply Chain Solutions	831	907	951	860	929	969	-3%	-2%	-2%
Print & Packaging Solutions	181	185	188	182	186	189	-1%	-1%	-1%
Group functions	-32	-33	-33	-32	-33	-33	0%	0%	0%
Group EBIT	**980**	**1,060**	**1,106**	**1,010**	**1,083**	**1,125**	**-3%**	**-2%**	**-2%**
Adj. EBIT margin									
Supply Chain Solutions	7.1%	7.4%	7.4%	7.2%	7.5%	7.5%	-0.2pp	-0.1pp	-0.1pp
Print & Packaging Solutions	6.8%	6.9%	6.9%	6.8%	6.8%	6.9%	0.0pp	0.0pp	0.0pp
Group	**6.7%**	**7.1%**	**7.2%**	**7.0%**	**7.2%**	**7.3%**	**-0.3pp**	**-0.1pp**	**-0.1pp**

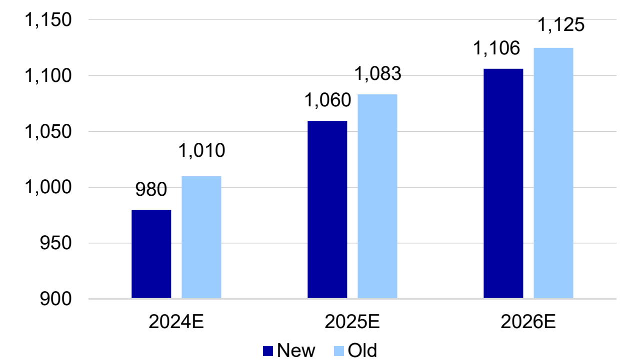
Source: Nordea estimates

NET SALES: NEW ESTIMATES VS. OLD ESTIMATES (SEKm)



Source: Nordea estimates

ADJUSTED EBIT: NEW ESTIMATES VS. OLD ESTIMATES (SEKm)



Source: Nordea estimates

Valuation

ELANDERS: PEER VALUATION TABLE

		Mcap.	Adj. EV/EBITDA		Adj. EV/EBITA		Adj. EV/EBIT		Adj. P/E		Div. yield		ND/EBITDA		ROIC	
Stock	**Rec.**	**SEKm**	**2024E**	**2025E**	**2024E**	**2025E**	**2024E**	**2025E**	**2024E**	**2025E**	**2024E**	**2025E**	**2024E**	**2025E**	**2024E**	**2025E**
CH Robinson	-	89,380	14.8x	12.6x	16.6x	14.6x	17.4x	14.4x	22.4x	17.7x	3.5%	3.7%	2.1x	1.8x	19.0%	22.9%
DSV	BUY	274,440	12.7x	11.8x	16.6x	15.3x	16.7x	15.3x	20.5x	17.6x	0.7%	0.7%	1.7x	1.9x	11.7%	12.6%
Elanders		4,208	5.0x	4.8x	10.7x	9.9x	11.6x	10.5x	9.9x	7.8x	4.2%	4.4%	3.2x	3.0x	5.8%	6.6%
Expeditors	-	180,289	16.7x	15.8x	21.5x	20.6x	18.1x	17.1x	24.8x	23.1x	1.2%	1.2%	-	-	32.2%	25.0%
ID Logistics	-	24,956	7.0x	6.2x	26.3x	22.8x	22.7x	20.8x	33.5x	27.7x	0.0%	0.0%	1.8x	1.5x	7.7%	8.8%
J.B Hunt	-	216,815	11.6x	10.1x	-	-	19.4x	16.4x	25.1x	20.8x	0.8%	0.9%	0.6x	0.5x	14.0%	15.8%
Kerry Logistics	-	21,724	5.9x	5.7x	-	-	9.4x	8.9x	10.5x	9.9x	3.1%	3.3%	-	-	8.4%	9.4%
Kuehne + Nagel	-	368,291	12.5x	11.8x	19.1x	19.6x	18.3x	17.1x	24.8x	23.2x	3.1%	3.4%	-	-	88.3%	92.7%
Landstar	-	72,070	17.4x	14.4x	-	-	20.5x	17.0x	28.8x	23.3x	0.7%	0.7%	-	-	29.7%	35.5%
Old Dominion	-	509,386	21.1x	18.9x	-	-	25.2x	22.4x	33.6x	29.7x	0.5%	0.6%	-	-	30.6%	30.9%
XPO Logistics	-	152,904	14.2x	12.0x	-	-	23.5x	18.0x	34.9x	26.4x	0.0%	0.0%	2.4x	1.9x	11.6%	13.9%
Average		**164,242**	**12.6x**	**11.3x**	**18.5x**	**17.1x**	**18.4x**	**16.2x**	**24.4x**	**20.6x**	**1.6%**	**1.7%**	**2.0x**	**1.7x**	**21.6%**	**22.8%**
Median		**121,142**	**12.7x**	**11.8x**	**17.9x**	**17.4x**	**18.3x**	**17.0x**	**24.8x**	**23.1x**	**0.8%**	**0.9%**	**2.0x**	**1.9x**	**12.8%**	**14.8%**
Elanders		**4,208**	**5.0x**	**4.8x**	**10.7x**	**9.9x**	**11.6x**	**10.5x**	**9.9x**	**7.8x**	**4.2%**	**4.4%**	**3.2x**	**3.0x**	**5.8%**	**6.6%**
vs. peer average	-	-	-60%	-58%	-42%	-42%	-37%	-35%	-59%	-62%	2.6pp	3.5pp	62%	71%	-16pp	-8pp
vs. peer median	-	-	-61%	-60%	-40%	-43%	-36%	-38%	-60%	-66%	3.4pp	3.5pp	63%	61%	-7pp	-8pp

Source: Company data and Nordea estimates

Detailed estimates

ELANDERS: QUARTERLY ESTIMATES (SEKm; EPS IN SEK)

(SEKm)	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24E	Q2 24E	Q3 24E	Q4 24E
Net sales	3,371	3,525	3,979	4,099	3,589	3,450	3,253	3,574	3,143	3,517	3,704	3,882
Cost of goods sold	-2,879	-3,000	-3,417	-3,448	-3,064	-2,877	-2,671	-2,906	-2,624	-2,923	-3,052	-3,199
Gross profit	492	525	562	651	525	573	582	668	519	594	652	683
Sales and administrative expenses	-338	-356	-380	-410	-405	-401	-413	-432	-344	-397	-457	-456
Other operating income	26	83	36	51	25	24	26	55	50	56	63	95
Other operating expenses	-16	-11	-26	-41	-18	-24	-8	-54	-67	-16	-3	-13
EBITDA	430	506	466	538	420	479	500	569	479	568	589	656
Depreciation	-33	-31	-30	-33	-26	-27	-27	-30	-41	-46	-48	-50
Leases	-210	-212	-220	-232	-245	-257	-262	-275	-260	-263	-265	-275
EBITA	187	263	216	273	149	195	211	264	179	259	276	331
Amortisation of intangible acq related assets	-22	-22	-23	-22	-22	-23	-23	-27	-21	-21	-21	-21
EBIT	165	241	193	251	127	172	188	237	158	238	255	310
Net financials	-36	-36	-42	-70	-77	-73	-82	-94	-118	-113	-109	-104
PTP	129	205	151	181	50	99	106	143	40	124	146	205
Income tax	-41	-63	-35	-41	-25	-34	-39	-42	-12	-37	-44	-62
Net profit	88	142	115	140	25	65	67	101	28	87	102	144
Earnings per share (SEK)	2.40	3.87	3.04	3.87	0.68	1.80	1.86	2.70	0.76	2.43	2.86	4.04
Adj. EBITDA	430	466	475	596	488	493	500	594	499	568	589	656
Adj. EBITA	187	223	225	331	217	209	211	289	199	259	276	331
Adj. EBIT	165	201	202	309	195	186	188	262	178	238	255	310
Tax on EO	0	-12	2	13	34	5	0	7	6	0	0	0
Adj. Net profit	88	170	109	95	-9	56	67	84	14	87	102	144
Adj. EPS	2.40	4.66	2.84	2.61	-0.29	1.54	1.86	2.20	0.36	2.43	2.86	4.04
Gross margin	14.6%	14.9%	14.1%	15.9%	14.6%	16.6%	17.9%	18.7%	16.5%	16.9%	17.6%	17.6%
EBITDA margin	12.8%	14.4%	11.7%	13.1%	11.7%	13.9%	15.4%	15.9%	15.3%	16.1%	15.9%	16.9%
EBITA margin	5.5%	7.5%	5.4%	6.7%	4.2%	5.7%	6.5%	7.4%	5.7%	7.4%	7.4%	8.5%
EBIT margin	4.9%	6.8%	4.9%	6.1%	3.5%	5.0%	5.8%	6.6%	5.0%	6.8%	6.9%	8.0%
Incremental margin	5.8%	14.4%	7.4%	5.7%	-17.3%	92.0%	0.7%	2.6%	-6.8%	97.6%	14.8%	23.4%
Adj. EBITDA margin	12.8%	13.2%	11.9%	14.5%	13.6%	14.3%	15.4%	16.6%	15.9%	16.1%	15.9%	16.9%
Adj. EBITA margin	5.5%	6.3%	5.7%	8.1%	6.1%	6.1%	6.5%	8.1%	6.3%	7.4%	7.4%	8.5%
Adj. EBIT margin	4.9%	5.7%	5.1%	7.5%	5.4%	5.4%	5.8%	7.3%	5.7%	6.8%	6.9%	8.0%
Adj. Incremental margin	5.8%	14.4%	7.4%	5.7%	-17.3%	92.0%	0.7%	2.6%	-6.8%	97.6%	14.8%	23.4%

Source: Company data and Nordea estimates

ELANDERS: QUARTERLY SALES AND EBIT BRIDGE

(SEKm)	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24E	Q2 24E	Q3 24E	Q4 24E
Net sales												
Supply Chain Solutions	2,769	2,914	3,325	3,259	2,979	2,887	2,664	2,855	2,553	2,932	3,102	3,146
Print & Packaging Solutions	637	643	686	874	645	603	624	757	624	620	636	770
Group functions	10	11	11	11	12	12	12	12	11	11	11	11
Eliminations	-45	-43	-43	-45	-47	-52	-47	-50	-45	-45	-45	-45
Total sales	**3,371**	**3,525**	**3,979**	**4,099**	**3,589**	**3,450**	**3,253**	**3,574**	**3,143**	**3,517**	**3,704**	**3,882**
Sales bridge												
Volume	3%	6%	13%	6%	-1%	-8%	-12%	-12%	-11%	0%	2%	4%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Structural	20%	14%	16%	4%	0%	0%	0%	7%	9%	11%	12%	5%
FX	6%	7%	9%	12%	8%	8%	6%	4%	0%	1%	0%	0%
Other	0%	0%	0%	0%	-2%	-3%	-12%	-12%	-10%	-10%	0%	0%
Total growth	**23%**	**27%**	**39%**	**22%**	**6%**	**-2%**	**-18%**	**-13%**	**-12%**	**2%**	**14%**	**9%**
Growth per segment quarterly												
(%)	**Q1 22**	**Q2 22**	**Q3 22**	**Q4 22**	**Q1 23**	**Q2 23**	**Q3 23**	**Q4 23**	**Q1 24E**	**Q2 24E**	**Q3 24E**	**Q4 24E**
Supply Chain Solutions												
Volume	10%	11%	15%	4%	-2%	-9%	-14%	-13%	-13%	-1%	2%	4%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Structural	24%	16%	21%	6%	1%	1%	0%	9%	11%	14%	15%	7%
FX	6%	7%	10%	12%	9%	9%	6%	4%	0%	1%	0%	-1%
Other	0%	0%	0%	0%	0%	-1%	-12%	-12%	-13%	-12%	0%	0%
Total growth	**34%**	**34%**	**45%**	**21%**	**8%**	**-1%**	**-20%**	**-12%**	**-14%**	**2%**	**16%**	**10%**
Print & Packaging Solutions												
Volume	-20%	-10%	7%	12%	6%	-2%	-6%	-9%	-3%	2%	2%	2%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Structural	5%	6%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
FX	6%	7%	9%	13%	7%	6%	5%	3%	0%	1%	0%	0%
Other	0%	0%	0%	0%	-11%	-11%	-8%	-7%	0%	0%	0%	0%
Total growth	-8%	3%	16%	25%	1%	-6%	-9%	-13%	-3%	3%	2%	2%
EBIT per segment quarterly												
(SEKm)	**Q1 22**	**Q2 22**	**Q3 22**	**Q4 22**	**Q1 23**	**Q2 23**	**Q3 23**	**Q4 23**	**Q1 24E**	**Q2 24E**	**Q3 24E**	**Q4 24E**
Supply Chain Solutions	156	233	179	187	185	161	157	164	138	214	225	233
Print & Packaging Solutions	22	18	26	76	-45	18	39	79	27	32	38	84
Group functions	-13	-10	-12	-12	-12	-7	-8	-5	-8	-8	-8	-8
Group EBIT	**165**	**241**	**193**	**251**	**127**	**172**	**188**	**237**	**158**	**238**	**255**	**310**
Adj. EBIT per segment quarterly												
Supply Chain Solutions	156	193	179	235	185	161	157	184	158	214	225	233
Print & Packaging Solutions	22	18	35	86	23	32	39	84	27	32	38	84
Group functions	-13	-10	-12	-12	-12	-7	-8	-5	-8	-8	-8	-8
Adj group EBIT	**165**	**201**	**202**	**309**	**195**	**186**	**188**	**262**	**178**	**238**	**255**	**310**
EBIT margin per segment quarterly												
Supply Chain Solutions	5.6%	8.0%	5.4%	5.7%	6.2%	5.6%	5.9%	5.7%	5.4%	7.3%	7.3%	7.4%
Print & Packaging Solutions	3.5%	2.8%	3.8%	8.7%	-7.0%	3.0%	6.3%	10.4%	4.4%	5.1%	5.9%	10.9%
EBIT margin	**4.9%**	**6.8%**	**4.9%**	**6.1%**	**3.5%**	**5.0%**	**5.8%**	**6.6%**	**5.0%**	**6.8%**	**6.9%**	**8.0%**
Adj. EBIT margin per segment quarterly												
Supply Chain Solutions	5.6%	6.6%	5.4%	7.2%	6.2%	5.6%	5.9%	6.4%	6.2%	7.3%	7.3%	7.4%
Print & Packaging Solutions	3.5%	2.8%	5.1%	9.8%	3.5%	5.3%	6.3%	11.1%	4.4%	5.1%	5.9%	10.9%
Adj EBIT margin	**4.9%**	**5.7%**	**5.1%**	**7.5%**	**5.4%**	**5.4%**	**5.8%**	**7.3%**	**5.7%**	**6.8%**	**6.9%**	**8.0%**

Source: Company data and Nordea estimates

ELANDERS: ANNUAL ESTIMATES (SEKm; EPS IN SEK)

(SEKm)	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Net sales	10,742	11,254	11,050	11,732	14,974	13,866	14,246	14,882	15,460
Cost of goods sold	-9,331	-9,780	-9,532	-10,088	-12,744	-11,518	-11,798	-12,516	-13,064
Gross profit	1,411	1,474	1,518	1,644	2,230	2,348	2,448	2,366	2,396
Sales and administrative expenses	-1,034	-1,145	-1,050	-1,119	-1,484	-1,651	-1,653	-1,716	-1,772
Other operating income	112	66	13	82	196	130	264	274	283
Other operating expenses	-30	-33	-44	-28	-94	-104	-99	136	199
EBITDA	747	1,260	1,426	1,482	1,940	1,969	2,292	2,443	2,417
Depreciation	-203	-156	-169	-123	-127	-110	-185	-261	-254
Leases	-22	-688	-658	-720	-874	-1039	-1063	-1051	-1057
EBITA	522	416	599	639	939	820	1,044	1,131	1,167
Amortisation of intangible acq related assets	-64	-56	-53	-59	-89	-95	-84	-71	-61
EBIT	458	360	546	580	850	725	960	1,060	1,106
Net financials	-93	-143	-131	-98	-184	-326	-444	-361	-298
PTP	365	217	415	482	666	399	515	698	808
Income tax	-107	-63	-86	-151	-180	-140	-155	-210	-243
Net profit	258	154	329	331	485	259	361	489	566
Earnings per share (SEK)	7.19	4.19	9.19	9.11	13.19	7.03	10.09	13.71	15.86
Adj. EBITDA	747	1,409	1,426	1,498	1,967	2,076	2,312	2,443	2,417
Adj. EBITA	522	565	599	655	966	927	1,064	1,131	1,167
Adj. EBIT	458	509	546	596	877	832	980	1,060	1,106
Tax on EO	0	43	0	5	7	38	6	0	0
Adj. Net profit	258	346	329	352	520	403	387	489	566
Adj. EPS	7.16	9.79	9.19	9.70	14.16	11.12	10.82	13.71	15.86
Gross margin	13.1%	13.1%	13.7%	14.0%	14.9%	16.9%	17.2%	15.9%	15.5%
EBITDA margin	7.0%	11.2%	12.9%	12.6%	13.0%	14.2%	16.1%	16.4%	15.6%
EBITA margin	4.9%	3.7%	5.4%	5.4%	6.3%	5.9%	7.3%	7.6%	7.5%
EBIT margin	4.3%	3.2%	4.9%	4.9%	5.7%	5.2%	6.7%	7.1%	7.2%
Incremental margin	10.7%	-19.1%	-91.2%	5.0%	8.3%	11.3%	61.9%	15.7%	8.0%
Adj. EBITDA margin	7.0%	12.5%	12.9%	12.8%	13.1%	15.0%	16.2%	16.4%	15.6%
Adj. EBITA margin	4.9%	5.0%	5.4%	5.6%	6.5%	6.7%	7.5%	7.6%	7.5%
Adj. EBIT margin	4.3%	4.5%	4.9%	5.1%	5.9%	6.0%	6.9%	7.1%	7.2%
Adj. Incremental margin	8.9%	10.0%	-18.1%	7.3%	8.7%	4.1%	39.0%	12.5%	8.0%

Source: Company data and Nordea estimates

ELANDERS: ANNUAL SALES AND EBIT BRIDGE

(SEKm)	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Net sales									
Supply Chain Solutions	8,526	8,775	8,408	9,204	12,267	11,385	11,732	12,319	12,873
Print & Packaging Solutions	2,244	2,564	2,728	2,606	2,840	2,629	2,650	2,703	2,730
Group functions	47	37	40	40	43	48	44	44	45
Eliminations	-75	-122	-126	-117	-176	-196	-180	-184	-187
Total sales	**10,946**	**11,254**	**11,050**	**11,733**	**14,974**	**13,866**	**14,246**	**14,882**	**15,460**
Sales bridge									
Volume	8%	1%	0%	7%	7%	-9%	-2%	4%	4%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%	0%
Structural	1%	0%	0%	4%	13%	2%	9%	0%	0%
FX	5%	4%	-2%	-4%	9%	7%	0%	0%	0%
Other	0%	0%	0%	0%	0%	-7%	-6%	0%	0%
Total growth	**15%**	**5%**	**-2%**	**6%**	**28%**	**-7%**	**3%**	**4%**	**4%**
Growth per segment annual									
(%)	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024E**	**2025E**	**2026E**
Supply Chain Solutions									
Volume	8%	-2%	-3%	11%	10%	-10%	-2%	5%	5%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%	0%
Structural	1%	0%	0%	4%	16%	3%	12%	0%	0%
FX	6%	4%	-1%	-5%	9%	7%	0%	0%	0%
Other	0%	0%	0%	0%	0%	-7%	-7%	0%	0%
Total growth	**22%**	**3%**	**-4%**	**9%**	**33%**	**-7%**	**3%**	**5%**	**5%**
Print & Packaging Solutions									
Volume	9%	12%	10%	-4%	-3%	-3%	1%	2%	1%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%	0%
Structural	0%	-2%	0%	3%	3%	0%	0%	0%	0%
FX	4%	4%	-4%	-3%	9%	5%	0%	0%	0%
Other	0%	0%	0%	0%	0%	-9%	0%	0%	0%
Total growth	1%	14%	6%	-4%	9%	-7%	1%	2%	1%
EBIT per segment annual									
(SEKm)	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024E**	**2025E**	**2026E**
Supply Chain Solutions	346	220	435	459	755	667	811	907	951
Print & Packaging Solutions	132	174	147	162	142	90	181	185	188
Group functions	-20	-34	-36	-42	-47	-32	-32	-33	-33
Group EBIT	**458**	**360**	**546**	**579**	**850**	**725**	**960**	**1,060**	**1,106**
Adj. EBIT per segment annual									
Supply Chain Solutions	346	362	435	475	763	687	831	907	951
Print & Packaging Solutions	132	181	147	162	161	177	181	185	188
Group functions	-20	-34	-36	-42	-47	-32	-32	-33	-33
Adj group EBIT	**458**	**509**	**546**	**596**	**877**	**832**	**980**	**1060**	**1106**
EBIT margin per segment annual									
Supply Chain Solutions	4.1%	2.5%	5.2%	5.0%	6.2%	5.9%	6.9%	7.4%	7.4%
Print & Packaging Solutions	5.9%	6.8%	5.4%	6.2%	5.0%	3.4%	6.8%	6.9%	6.9%
EBIT margin	**4.2%**	**3.2%**	**4.9%**	**4.9%**	**5.7%**	**5.2%**	**6.7%**	**7.1%**	**7.2%**
Adj. EBIT margin per segment annual									
Supply Chain Solutions	4.1%	4.1%	5.2%	5.2%	6.2%	6.0%	7.1%	7.4%	7.4%
Print & Packaging Solutions	5.9%	7.1%	5.4%	6.2%	5.7%	6.7%	6.8%	6.9%	6.9%
Adj EBIT margin	**4.2%**	**4.5%**	**4.9%**	**5.1%**	**5.9%**	**6.0%**	**6.9%**	**7.1%**	**7.2%**

Source: Company data and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT

SEKm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Total revenue	**6,285**	**9,342**	**10,742**	**11,254**	**11,050**	**11,732**	**14,974**	**13,866**	**14,246**	**14,882**	**15,460**
Revenue growth	48.4%	48.6%	15.0%	4.8%	-1.8%	6.2%	27.6%	-7.4%	2.7%	4.5%	3.9%
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	519	563	725	1,260	1,426	1,481	1,940	1,969	2,292	2,371	2,417
Depreciation and impairments PPE	-132	-192	-203	-844	-827	-843	-1,001	-1,149	-1,248	-1,240	-1,251
of which leased assets	0	0	0	-688	-658	-720	-874	-1,039	-1,063	-1,051	-1,057
EBITA	387	371	522	416	599	638	939	820	1,044	1,131	1,167
Amortisation and impairments	-40	-63	-64	-56	-53	-58	-89	-95	-84	-71	-61
EBIT	347	308	458	360	546	580	850	725	960	1,060	1,106
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	-44	-80	-93	-143	-131	-98	-184	-326	-444	-361	-298
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	**303**	**228**	**365**	**217**	**415**	**482**	**666**	**399**	**515**	**698**	**808**
Reported taxes	-82	-64	-107	-63	-86	-151	-180	-140	-155	-210	-243
Net profit from continued operations	221	164	258	154	329	331	485	259	361	489	566
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	0	-1	-5	-6	-4	-9	-19	-10	-4	-4	-5
Net profit to equity	221	163	253	148	325	322	466	249	357	485	561
EPS, SEK	**7.48**	**4.61**	**7.16**	**4.19**	**9.19**	**9.11**	**13.19**	**7.03**	**10.09**	**13.71**	**15.86**
DPS, SEK	2.60	2.60	2.90	0.00	3.10	3.60	4.15	4.15	5.00	5.20	5.50
of which ordinary	2.60	2.60	2.90	0.00	3.10	3.60	4.15	4.15	5.00	5.20	5.50
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	8.3%	6.0%	6.7%	11.2%	12.9%	12.6%	13.0%	14.2%	16.1%	15.9%	15.6%
EBITA	6.2%	4.0%	4.9%	3.7%	5.4%	5.4%	6.3%	5.9%	7.3%	7.6%	7.5%
EBIT	5.5%	3.3%	4.3%	3.2%	4.9%	4.9%	5.7%	5.2%	6.7%	7.1%	7.2%
Adjusted earnings											
EBITDA (adj)	558	589	725	1,409	1,426	1,497	1,967	2,076	2,312	2,371	2,417
EBITA (adj)	426	397	522	565	599	654	966	927	1,064	1,131	1,167
EBIT (adj)	386	334	458	509	546	596	877	832	980	1,060	1,106
EPS (adj, SEK)	8.80	5.35	7.16	7.13	9.19	9.56	13.95	10.05	10.66	13.71	15.86
Adjusted profit margins in percent											
EBITDA (adj)	8.9%	6.3%	6.7%	12.5%	12.9%	12.8%	13.1%	15.0%	16.2%	15.9%	15.6%
EBITA (adj)	6.8%	4.2%	4.9%	5.0%	5.4%	5.6%	6.5%	6.7%	7.5%	7.6%	7.5%
EBIT (adj)	6.1%	3.6%	4.3%	4.5%	4.9%	5.1%	5.9%	6.0%	6.9%	7.1%	7.2%
Performance metrics											
CAGR last 5 years											
Net revenue	27.9%	37.2%	38.7%	24.7%	21.1%	13.3%	9.9%	5.2%	4.8%	6.1%	5.7%
EBITDA	21.4%	21.9%	32.4%	33.9%	27.3%	23.3%	28.1%	22.1%	12.7%	10.7%	10.3%
EBIT	25.9%	21.1%	41.8%	15.6%	13.3%	10.8%	22.5%	9.6%	21.7%	14.2%	13.8%
EPS	20.1%	18.1%	54.5%	3.7%	8.3%	4.0%	23.4%	-0.4%	19.2%	8.3%	11.7%
DPS	39.1%	34.1%	29.4%	n.m.	7.1%	6.7%	9.8%	7.4%	n.m.	10.9%	8.8%
Average last 5 years											
Average EBIT margin	5.5%	4.7%	4.6%	4.2%	4.1%	4.2%	4.7%	4.9%	5.6%	6.0%	6.4%
Average EBITDA margin	8.9%	7.7%	7.4%	8.3%	9.2%	10.1%	11.4%	12.8%	13.8%	14.4%	15.0%

VALUATION RATIOS - ADJUSTED EARNINGS

SEKm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
P/E (adj)	12.1	15.3	12.2	12.2	13.0	18.2	10.7	9.6	11.1	8.6	7.4
EV/EBITDA (adj)	9.6	9.4	7.8	5.0	5.0	7.1	6.0	5.6	5.2	5.0	4.6
EV/EBITA (adj)	12.6	14.0	10.8	12.5	11.8	16.3	12.3	12.5	11.3	10.4	9.5
EV/EBIT (adj)	13.9	16.7	12.3	13.9	13.0	17.9	13.6	14.0	12.3	11.1	10.0

VALUATION RATIOS - REPORTED EARNINGS

SEKm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
P/E	14.2	17.8	12.2	20.8	13.0	19.1	11.4	13.7	11.7	8.6	7.4
EV/Sales	0.85	0.60	0.52	0.63	0.64	0.91	0.79	0.84	0.85	0.79	0.71
EV/EBITDA	10.3	9.9	7.8	5.6	5.0	7.2	6.1	5.9	5.3	5.0	4.6
EV/EBITA	13.9	15.0	10.8	17.0	11.8	16.8	12.7	14.2	11.5	10.4	9.5
EV/EBIT	15.5	18.1	12.3	19.7	13.0	18.4	14.0	16.0	12.5	11.1	10.0
Dividend yield (ord.)	2.4%	3.2%	3.3%	0.0%	2.6%	2.1%	2.8%	4.3%	4.2%	4.4%	4.7%
FCF yield	-50.2%	-11.3%	10.3%	38.8%	38.1%	-5.4%	15.7%	22.7%	28.5%	27.0%	38.6%
FCF Yield bef A&D, lease adj	7.0%	-9.0%	9.5%	16.7%	22.7%	4.2%	3.8%	9.6%	20.8%	20.3%	22.3%
Payout ratio	29.6%	48.6%	40.5%	0.0%	33.7%	37.7%	29.7%	41.3%	46.9%	37.9%	34.7%

Source: Company data and Nordea estimates

BALANCE SHEET

SEKm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Intangible assets	3,081	3,136	3,218	3,229	3,085	4,517	4,923	5,813	5,943	6,267	6,207
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	3,081	3,136	3,218	3,229	3,085	2,017	1,268	1,361	1,348	1,277	1,216
of which goodwill	0	0	0	0	0	2,500	3,655	4,452	4,595	4,991	4,991
Tangible assets	1,047	1,075	1,056	2,797	2,255	3,372	4,970	5,279	3,970	3,639	3,300
of which leased assets	0	0	0	1,865	1,737	2,674	4,152	4,536	3,099	2,718	2,341
Shares associates	0	0	0	0	0	0	0	0	0	0	0
Interest bearing assets	0	0	0	0	0	0	0	0	0	0	0
Deferred tax assets	0	0	0	0	287	341	387	393	393	393	393
Other non-IB non-current assets	0	0	0	0	0	0	0	0	0	0	0
Other non-current assets	0	0	0	0	11	11	66	66	66	66	66
Total non-current assets	4,128	4,211	4,274	6,026	5,637	8,241	10,345	11,551	10,372	10,365	9,965
Inventory	295	390	468	335	233	400	619	349	484	506	526
Accounts receivable	1,396	1,795	1,762	1,740	1,344	1,822	2,139	2,038	1,994	2,084	2,164
Short-term leased assets	0	0	0	0	0	0	0	0	1,051	1,057	1,054
Other current assets	312	333	511	448	324	438	567	586	527	551	572
Cash and bank	651	679	722	655	1,101	898	904	1,107	1,712	1,611	1,980
Total current assets	2,654	3,197	3,463	3,178	3,002	3,559	4,229	4,080	5,769	5,809	6,296
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	**6,782**	**7,408**	**7,737**	**9,204**	**8,639**	**11,800**	**14,575**	**15,631**	**16,141**	**16,174**	**16,262**
Shareholders equity	2,411	2,453	2,707	2,777	2,908	3,277	3,835	3,825	4,035	4,343	4,720
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	4	27	36	40	44	48	53
Total Equity	2,411	2,453	2,707	2,777	2,912	3,304	3,870	3,864	4,078	4,390	4,772
Deferred tax	233	208	199	320	188	234	237	374	374	374	374
Long term interest bearing debt	2,646	2,504	2,442	2,214	2,137	3,162	3,667	3,930	4,557	4,557	4,557
Pension provisions	0	0	0	0	0	99	78	78	78	78	78
Other long-term provisions	0	0	0	0	0	19	34	34	34	34	34
Other long-term liabilities	0	0	0	0	0	0	0	0	0	0	0
Non-current lease debt	0	0	0	1,259	1,131	2,066	3,485	3,669	3,282	2,908	2,528
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	2,879	2,712	2,641	3,793	3,456	5,579	7,500	8,084	8,325	7,951	7,570
Short-term provisions	0	0	1	1	0	139	169	157	161	168	175
Accounts payable	1,263	1,403	1,569	1,597	1,588	875	893	850	873	912	948
Current lease debt	0	0	0	639	639	689	801	1,001	1,001	1,001	1,001
Other current liabilities	0	0	1	1	0	1,082	1,191	1,054	1,083	1,131	1,175
Short term interest bearing debt	228	840	819	398	44	132	150	620	620	620	620
Total current liabilities	1,491	2,243	2,390	2,636	2,271	2,917	3,204	3,682	3,738	3,833	3,919
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	**6,781**	**7,408**	**7,738**	**9,206**	**8,639**	**11,800**	**14,574**	**15,630**	**16,141**	**16,174**	**16,262**
Balance sheet and debt metrics											
Net debt	2,223	2,665	2,539	3,994	2,854	4,511	6,560	8,191	7,826	7,553	6,804
of which lease debt	0	0	0	1,898	1,770	2,755	4,286	4,670	4,283	3,909	3,529
Working capital	740	1,115	1,171	925	313	704	1,242	1,069	1,049	1,096	1,139
Invested capital	4,868	5,326	5,445	6,951	5,950	8,945	11,587	12,620	11,421	11,461	11,104
Capital employed	5,285	5,797	5,968	7,287	6,863	9,352	11,973	13,084	13,538	13,476	13,478
ROE	11.3%	6.7%	9.8%	5.4%	11.4%	10.4%	13.1%	6.5%	9.1%	11.6%	12.4%
ROIC	7.3%	4.5%	5.8%	5.6%	5.8%	5.4%	5.8%	4.7%	5.5%	6.3%	6.7%
ROCE	9.6%	6.0%	7.8%	7.7%	7.7%	7.4%	8.2%	6.6%	7.4%	7.8%	8.2%
Net debt/EBITDA	4.3	4.7	3.5	3.2	2.0	3.0	3.4	4.2	3.4	3.2	2.8
Interest coverage	7.9	3.9	4.9	2.5	4.2	5.9	4.6	2.2	2.2	2.9	3.7
Equity ratio	35.6%	33.1%	35.0%	30.2%	33.7%	27.8%	26.3%	24.5%	25.0%	26.8%	29.0%
Net gearing	92.2%	108.6%	93.8%	143.8%	98.0%	136.5%	169.5%	212.0%	191.9%	172.0%	142.6%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT											
SEKm	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024E**	**2025E**	**2026E**
EBITDA (adj) for associates	**519**	**563**	**725**	**1,260**	**1,426**	**1,481**	**1,940**	**1,969**	**2,292**	**2,371**	**2,417**
Paid taxes	-104	-133	-127	-114	-41	-128	-196	-242	-155	-210	-243
Net financials	0	0	1	-143	-131	-98	-184	-326	-444	-361	-298
Change in provisions	0	0	1	0	-1	257	25	-13	4	7	7
Change in other LT non-IB	0	0	0	0	-297	-55	-100	-6	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	-71	-75	-149	229	310	-254	98	29	0	0	0
Funds from operations (FFO)	**344**	**355**	**451**	**1,232**	**1,266**	**1,202**	**1,582**	**1,411**	**1,697**	**1,808**	**1,884**
Change in NWC	-13	-419	4	104	461	-139	-476	371	91	-47	-43
Cash flow from operations (CFO)	**331**	**-64**	**455**	**1,336**	**1,727**	**1,063**	**1,106**	**1,782**	**1,788**	**1,761**	**1,841**
Capital expenditure	-112	-196	-161	-133	-88	-128	-229	-180	-242	-238	-232
Free cash flow before A&D	**219**	**-260**	**294**	**1,203**	**1,639**	**935**	**877**	**1,602**	**1,546**	**1,523**	**1,609**
Proceeds from sale of assets	-1,794	-67	24	-7	-28	0	0	0	0	0	0
Acquisitions	0	0	0	0	0	-1,267	-46	-832	-356	-396	0
Free cash flow	-1,575	-327	318	1,196	1,611	-332	831	770	1,189	1,127	1,609
Free cash flow bef A&D, lease adj	219	-260	294	515	962	258	200	325	869	846	932
Dividends paid	-58	-92	-93	-129	58	-112	-136	-165	-147	-177	-184
Equity issues / buybacks	695	0	0	0	0	0	0	0	0	0	0
Net change in debt	1,029	462	-225	-1,152	-1,119	0	0	756	627	0	0
Other financing adjustments	0	0	0	1	-655	-720	-861	-110	-1,064	-1,051	-1,057
Other non-cash adjustments	31	-15	43	17	532	1,609	357	-119	0	0	0
Change in cash	122	28	43	-67	446	-203	6	203	605	-101	368
Cash flow metrics											
Capex/D&A	65.1%	76.9%	60.3%	14.8%	10.0%	14.2%	21.0%	14.5%	18.2%	18.2%	17.7%
Capex/Sales	1.8%	2.1%	1.5%	1.2%	0.8%	1.1%	1.5%	1.3%	1.7%	1.6%	1.5%
Key information											
Share price year end (/current)	106	82	87	87	120	174	150	96	118	118	118
Market cap.	3,140	2,899	3,083	3,083	4,229	6,152	5,304	3,398	4,172	4,172	4,172
Enterprise value	5,363	5,564	5,622	7,077	7,087	10,691	11,899	11,628	12,042	11,772	11,029
Diluted no. of shares, year-end (m)	29.6	35.4	35.4	35.4	35.4	35.4	35.4	35.4	35.4	35.4	35.4

Source: Company data and Nordea estimates

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