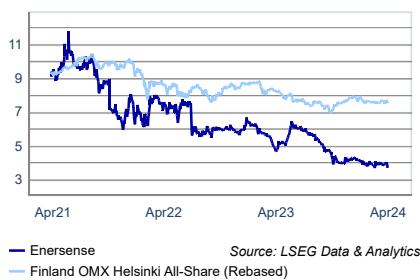


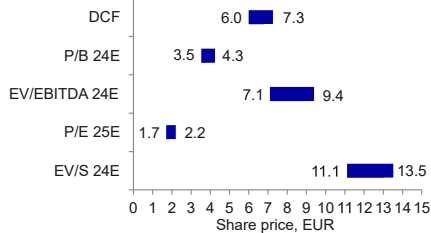
KEY DATA

Stock country	Finland
Bloomberg	ESENSE.FH
Reuters	ESENSE.HE
Share price (close)	EUR 3.74
Free float	57%
Market cap. (bn)	EUR 0.06/EUR 0.06
Website	www.enersense.com
Next report date	01 Aug 2024

PERFORMANCE



VALUATION APPROACH (EUR PER SHARE)



Source: Nordea estimates

ESTIMATE CHANGES

Year	2024E	2025E	2026E
Sales	2%	3%	3%
EBIT (adj)	-30%	-24%	-21%

Source: Nordea estimates

Nordea IB & Equity - Analysts

Pasi Väisänen
DirectorSvante Krokfors
Director

Rising interest rates have led to project delays

Full-year revenue and EBIDA guidance from the company remains intact but we lower our 2024 EBITDA forecast due to weak profitability in the offshore business. Q1 was better than we expected due to wind power milestone payments that we expected later in 2024. Revenue growth was 31% in Q1 y/y and we expect over 10% revenue growth for the full year. The order backlog declined by 3% q/q and 15% y/y but the company expects order intake to improve in the near future. Our long-term estimates are unchanged and we reiterate our fair value range for Enersense of EUR 5.8-7.4 per share. Our valuation approach is based on a DCF model, backed by a peer group comparison.

Q1 net sales were 3% above our estimate

Enersense's Q1 net sales of EUR 98.1m was above our forecast of EUR 95.6m in Q1. EBITDA would have been EUR 3.1m (3.2% of group sales) in Q1 without the EUR 7m milestone payment and without the EUR 5.6m investments in strategic focus areas. Political strikes did not have any meaningful impact on the company's operations in Q1 but relative profitability needs to improve to reach the EBITDA guidance midpoint of EUR 20m in 2024. The goal is for the EBITDA of the offshore business to turn positive by the end of the year. The EV charging business is also improving but still burdened profitability in Q1. Investments in offshore operations, EV chargers and the ERP system combined took EUR 12m from EBITDA in 2023, and we expect this cost burden to lessen this year. Overall, the high interest rate environment has delayed many projects in charging, onshore wind and in offshore operations.

Reported equity ratio was 22.8% in Q1

The guidance midpoint indicates 10% y/y revenue growth. Our revenue growth forecast for 2024 is 11%, and our new EBITDA forecast is EUR 18.7m (old EUR 20.9m) compared to full-year EBITDA guidance of EUR 15-25m. The company is trading at 46% below the peer group average on 2024E EV/EBITDA. Risks related to profitability and the balance sheet are affecting valuation multiples. The cumulative net result has been EUR -24.5m for the past nine quarters which has led to a relatively low equity ratio. We note that Enersense received a waiver from financiers because the adjusted equity ratio was under the covenant level as of the end of March 2024. Enersense is negotiating to further specify the covenant level for the full-year 2024. Interest expenses could be EUR 4m lower in 2025 y/y, which will help to improve the overall net result.

SUMMARY TABLE - KEY FIGURES

EURm	2020	2021	2022	2023	2024E	2025E	2026E
Total revenue	147	239	282	363	402	426	449
EBITDA (adj)	10	19	14	15	19	21	22
EBIT (adj)	5	9	5	5	8	10	11
EBIT (adj) margin	3.2%	3.9%	1.7%	1.4%	2.0%	2.3%	2.4%
EPS (adj, EUR)	0.33	0.49	-0.48	-0.55	-0.30	0.10	0.14
EPS (adj) growth	243.5%	50.9%	-197.3%	-15.6%	46.7%	134.9%	35.6%
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	0.2	0.2	0.2
EV/EBIT (adj)	15.2	10.0	21.6	20.6	12.7	10.2	9.1
P/E (adj)	25.4	13.9	n.m.	n.m.	n.m.	36.2	26.7
P/BV	3.9	1.9	1.5	1.4	1.4	1.4	1.3
Dividend yield (ord)	0.0%	1.5%	1.8%	2.3%	2.7%	2.7%	2.7%
FCF Yield bef A&D, lease	22.6%	-13.2%	-12.8%	-36.7%	-0.6%	3.8%	3.4%
Net debt	9	1	12	37	38	38	37
Net debt/EBITDA	0.9	0.1	1.0	2.5	2.1	1.8	1.7
ROIC after tax	18.5%	18.4%	6.1%	5.1%	7.4%	9.5%	10.6%

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	Q124	Q224E	Q324E	Q424E
Industry												
Net sales (EURm)	16.6	18.7	15.3	22.1	26.1	26.8	26.7	34.1	37.0	36.5	37.2	39.0
Sales growth y/y (%)	-26%	-20%	-18%	5%	57%	43%	74%	54%	42%	36%	39%	15%
EBITDA (EURm)	-1.0	-0.1	1.1	-0.8	1.1	1.0	2.5	0.7	-2.7	1.5	3.0	1.8
EBITDA margin (%)	-6.0%	-0.5%	7.2%	-3.7%	4.2%	3.7%	9.3%	2.1%	-7.2%	4.1%	8.0%	4.7%
Power												
Net sales (EURm)	20.8	14.0	14.6	25.6	38.1	45.8	51.1	56.7	51.1	47.8	49.2	50.7
Sales growth y/y (%)	92%	17%	16%	86%	83%	226%	251%	122%	34%	4%	-4%	-11%
EBITDA (EURm)	8.8	0.6	1.1	8.7	0.3	2.7	2.1	9.8	8.0	1.8	1.9	2.0
EBITDA margin (%)	42.4%	4.3%	7.6%	34.1%	0.7%	5.9%	4.0%	17.2%	15.6%	3.8%	3.9%	4.0%
Connectivity												
Net sales (EURm)	9.3	10.2	13.7	14.0	10.8	13.6	16.4	17.0	10.1	14.2	14.5	15.2
Sales growth y/y (%)	10%	-10%	11%	6%	16%	33%	19%	22%	-7%	5%	-11%	-11%
EBITDA (EURm)	-0.7	-0.5	1.1	0.5	0.0	-0.1	1.4	1.1	-0.6	0.8	1.0	1.0
EBITDA margin (%)	-7.5%	-5.2%	8.0%	3.4%	-0.4%	-0.9%	8.3%	6.3%	-5.7%	5.4%	7.2%	6.5%
International												
Net sales (EURm)	13.5	16.8	20.8	35.8	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Sales growth y/y (%)	16%	14%	42%	99%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA (EURm)	-0.9	-0.1	0.2	-3.1	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA margin (%)	-6.7%	-0.6%	1.0%	-8.8%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Group												
Net sales	60.2	59.8	64.4	97.6	75.0	86.3	94.2	107.8	98.1	98.5	100.9	104.9
Sales growth %	12.9%	-2.9%	10.5%	48.0%	24.6%	44.3%	46.2%	10.5%	30.9%	14.1%	7.1%	-2.7%
EBITDA (EURm)	3.2	-2.8	1.9	1.1	-0.1	3.0	3.9	7.7	4.5	3.9	5.7	4.6
EBITDA margin (%)	5.4%	-4.6%	3.0%	1.1%	-0.1%	3.5%	4.2%	7.1%	4.6%	3.9%	5.7%	4.4%
Depreciation and amortisation	0.0	0.0	0.0	0.0	-2.2	-2.4	-2.3	-2.3	-2.8	-2.7	-2.6	-2.7
Reported EBIT	3.2	-2.8	1.9	1.1	-2.3	0.6	1.6	5.3	1.7	1.2	3.1	1.9
Reported EBIT margin	5.4%	-4.6%	3.0%	1.1%	-3.1%	0.7%	1.7%	4.9%	1.8%	1.2%	3.0%	1.9%
Group adj. EBIT												
Adj. EBIT margin												
Net financials	-3.7	-0.7	-0.8	-5.3	-1.5	-2.6	-2.8	-7.0	-6.2	-1.7	-2.0	-1.7
Pre-tax profit	-0.5	-3.5	1.1	-4.2	-3.8	-1.9	-1.2	-1.7	-4.4	-0.5	1.1	0.2
Income tax	-0.8	-0.7	0.0	-1.3	0.0	0.0	0.1	-0.7	-1.1	0.1	-0.2	0.0
Tax rate %	-170%	-20%	-2%	-32%	0%	1%	4%	-41%	-24%	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	-5.5	-0.4	0.9	0.2
Reported EPS	-0.08	-0.25	0.07	-0.34	-0.23	-0.11	-0.07	-0.14	-0.33	-0.03	0.05	0.01
Adj. EPS	-0.07	-0.24	0.08	-0.28	-0.23	-0.11	-0.07	-0.14	-0.33	-0.03	0.05	0.01

Source: Company data and Nordea estimates

Annual segment estimates

ANNUAL ESTIMATES BY SEGMENT (EURm; EPS IN EUR)

Industry								
Net sales (EURm)	n.a.	51.6	78.4	85.5	72.7	113.6	149.7	158.7
Sales growth y/y (%)	n.a.	n.a.	52%	9%	-15%	56%	32%	6%
EBITDA (EURm)	n.a.	1.3	6.2	15.4	0.3	5.3	3.6	8.9
EBITDA margin (%)	n.a.	n.a.	7.9%	18.0%	0.4%	4.7%	2.4%	5.6%
Power								
Net sales (EURm)	n.a.	n.a.	18.9	49.1	61.0	191.7	198.8	210.8
Sales growth y/y (%)	n.a.	n.a.	n.a.	160%	24%	214%	4%	6%
EBITDA (EURm)	n.a.	n.a.	1.0	2.4	19.2	14.7	13.7	9.5
EBITDA margin (%)	n.a.	n.a.	5.3%	4.9%	31.5%	7.7%	6.9%	4.5%
Connectivity								
Net sales (EURm)	n.a.	n.a.	23.4	45.3	47.2	57.8	54.0	56.7
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	2.2	3.5
EBITDA margin (%)	n.a.	n.a.	6.3%	3.5%	0.8%	3.9%	4.1%	6.2%
International								
Net sales (EURm)	n.a.	6.4	26.8	59.0	87.0	n.a.	n.a.	n.a.
Sales growth y/y (%)	n.a.	n.a.	316%	121%	47%	n.a.	n.a.	n.a.
EBITDA (EURm)	n.a.	-0.6	1.7	1.7	-3.9	n.a.	n.a.	n.a.
EBITDA margin (%)	n.a.	-9.1%	6.5%	2.9%	-4.5%	n.a.	n.a.	n.a.
Group								
	2018	2019	2020	2021	2022	2023	2024E	2025E
Net sales	47.4	58.1	147.5	239.1	282.0	363.3	402.4	426.2
Sales growth %	0.7%	22.6%	154.0%	62.2%	17.9%	28.8%	10.8%	5.9%
EBITDA (EURm)	-1.7	0.1	9.8	16.6	12.2	14.5	18.7	20.9
EBITDA margin (%)	-3.5%	0.1%	6.6%	7.0%	4.3%	4.0%	4.6%	4.9%
Depreciation and amortisation	0.0	-1.0	-5.0	-9.8	-8.7	-9.3	-10.8	-11.1
Reported EBIT	-1.7	-1.0	4.8	6.8	3.5	5.3	7.9	9.8
Reported EBIT margin	-3.5%	-1.7%	3.2%	2.9%	1.2%	1.4%	2.0%	2.3%
Group adj. EBIT	-1.7	-1.0	4.8	9.4	4.9	5.3	7.9	9.8
Adj. EBIT margin	-3.5%	-1.7%	3.2%	3.9%	1.7%	1.4%	2.0%	2.3%
Net financials	0.0	-0.4	-1.9	-3.3	-10.0	-13.8	-11.5	-7.7
Pre-tax profit	-1.7	-1.4	2.9	3.6	-6.6	-8.6	-3.6	2.1
Income tax	0.0	0.0	-0.5	0.4	-2.8	-0.6	-1.2	-0.4
Tax rate %	0%	0%	17%	-12%	-43%	-7%	-34%	20%
Reported net profit for the period	-1.7	-1.4	2.4	4.0	-9.4	-9.2	-4.9	1.7
Reported EPS	-0.30	-0.23	0.33	0.30	-0.57	-0.55	-0.30	0.10
Adj. EPS	-0.30	-0.23	0.33	0.49	-0.48	-0.55	-0.30	0.10

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	71,750	73,927	25%	12%	5%	3%	11%	12%	12%	12%
Abb Ltd	27,514	29,209	31,279	32,886	2%	9%	5%	5%	13%	16%	16%	17%
Engie SA	93,865	82,565	84,903	80,600	62%	-12%	-11%	-5%	12%	10%	10%	11%
Skanska AB	14,650	15,047	14,176	14,849	13%	2%	5%	5%	5%	2%	4%	4%
Bilfinger SE	4,312	4,486	4,906	5,238	15%	4%	10%	7%	2%	4%	5%	5%
Bravida Holding AB	2,361	2,648	2,528	2,614	20%	12%	0%	3%	6%	6%	6%	6%
Caverion Oyj	2,352	2,491			10%	6%			3%	4%		
Instalco AB	1,083	1,285	1,234	1,314	36%	18%	1%	6%	6%	6%	7%	7%
YIT Oyj	2,403	2,163	1,992	2,019	-9%	-10%	-8%	1%	4%	2%	2%	3%
Eitel AB	824	850	817	842	1%	3%	-3%	3%	1%	0%	0%	3%
Netel Holding AB (publ)	282	311	317	337	30%	10%	6%	6%	6%	5%	6%	6%
Group median					15.4%	5.9%	2.5%	4.1%	6.2%	4.7%	5.6%	6.2%
Enersense (Nordea)	239	282	363	402	17.9%	28.8%	10.8%	5.9%	1.2%	1.4%	2.0%	2.3%
diff. from median (pp)					2.6	22.9	8.2	1.8	-5.0	-3.2	-3.6	-3.9

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	12.9	12.0	11.5	10.4	9.6	9.1	2.6	2.3	2.1	1.9
Abb Ltd	23.0	22.0	23.2	21.1	14.4	16.7	17.2	15.8	7.5	6.7	6.1	5.3
Engie SA	8.1	19.1	9.0	9.7	14.3	6.5	8.4	8.8	1.0	1.2	1.2	1.2
Skanska AB	8.3	15.1	13.2	11.9	9.6	11.7	10.4	9.2	1.6	1.4	1.3	1.3
Bilfinger SE	38.1	7.4	11.2	9.5	6.5	6.4	6.5	5.6	1.6	1.5	1.3	1.3
Bravida Holding AB	17.9	13.5	12.4	10.7	14.2	10.9	10.3	9.1	2.0	1.7	1.7	1.6
Caverion Oyj	21.3	36.2			12.8	13.5			5.4	6.7		
Instalco AB	20.2	18.1	15.9	12.9	16.4	15.9	14.7	12.6	3.5	2.9	2.7	2.3
YIT Oyj	8.2	138.7	0.0	43.6	13.9	128.6	29.5	19.5	0.4	0.5	0.5	0.5
Eitel AB	n.a.	n.a.	0.0	11.6	40.2	1,023.2	0.0	7.4	0.4	0.4	0.4	0.4
Netel Holding AB (publ)	13.2	16.2	6.3	4.7	12.0	7.4	6.5	5.5	0.6	0.6	0.6	0.5
Group median	15.6	17.1	11.8	11.8	13.9	11.7	10.0	9.1	1.6	1.5	1.3	1.3
Enersense (Nordea)	n.a.	-14.7	36.2	26.7	21.6	20.7	12.5	9.9	1.5	1.4	1.3	1.3
diff. from median	n.a.	-186%	207%	127%	55%	76%	26%	9%	-7%	-9%	-1%	0%

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	426	449
Revenue growth	114.4%	27.5%	0.7%	22.6%	154.0%	62.2%	17.9%	28.8%	10.8%	5.9%	5.3%
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	19	21	22
Depreciation and impairments PPE	0	0	0	-1	-5	-10	-9	-9	-11	-11	-11
of which leased assets	0	0	0	0	-4	-8	-8	-8	-8	-8	-8
EBITA	4	2	-2	-1	5	7	3	5	8	10	11
Amortisation and impairments	0	0	0	0	0	0	0	0	0	0	0
EBIT	4	2	-2	-1	5	7	3	5	8	10	11
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	-8	-8
of which lease interest	0	0	0	0	0	0	0	0	1	1	1
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	-4	2	3
Reported taxes	0	0	0	0	0	0	-3	-1	-1	0	-1
Net profit from continued operations	4	2	-2	-1	2	4	-9	-9	-5	2	2
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	-5	2	2
EPS, EUR	345.64	152.90	-0.30	-0.23	0.33	0.30	-0.57	-0.55	-0.30	0.10	0.14
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%	4.6%	4.9%	5.0%
EBITA	10.6%	3.7%	-3.5%	-1.7%	3.2%	2.9%	1.2%	1.4%	2.0%	2.3%	2.4%
EBIT	10.6%	3.7%	-3.5%	-1.7%	3.2%	2.9%	1.2%	1.4%	2.0%	2.3%	2.4%

Adjusted earnings

EBITDA (adj)	4	2	-2	0	10	19	14	15	19	21	22
EBITA (adj)	4	2	-2	-1	5	9	5	5	8	10	11
EBIT (adj)	4	2	-2	-1	5	9	5	5	8	10	11
EPS (adj, EUR)	345.64	152.90	-0.30	-0.23	0.33	0.49	-0.48	-0.55	-0.30	0.10	0.14

Adjusted profit margins in percent

EBITDA (adj)	10.6%	3.7%	-3.5%	0.1%	6.6%	8.0%	4.8%	4.0%	4.6%	4.9%	5.0%
EBITA (adj)	10.6%	3.7%	-3.5%	-1.7%	3.2%	3.9%	1.7%	1.4%	2.0%	2.3%	2.4%
EBIT (adj)	10.6%	3.7%	-3.5%	-1.7%	3.2%	3.9%	1.7%	1.4%	2.0%	2.3%	2.4%

Performance metrics

CAGR last 5 years											
Net revenue	n.a.	n.a.	n.a.	n.a.	53.7%	45.3%	43.1%	50.3%	47.3%	23.6%	13.4%
EBITDA	n.m.	n.m.	n.m.	n.m.	52.7%	33.6%	47.9%	n.m.	224.3%	16.4%	6.1%
EBIT	n.a.	n.a.	n.a.	n.a.	32.4%	11.8%	15.0%	n.m.	n.m.	15.4%	9.9%
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	-75.6%	n.m.	n.m.	n.m.	-20.6%	-14.1%
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%	2.0%	1.9%	1.9%
Average EBITDA margin	n.a.	n.a.	n.a.	2.5%	4.1%	4.9%	4.8%	4.9%	5.0%	4.8%	4.6%

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.	36.2	26.7
EV/EBITDA (adj)	n.a.	n.a.	n.m.	285.4	7.4	4.9	7.8	7.5	5.4	4.8	4.4
EV/EBITA (adj)	n.a.	n.a.	n.m.	n.m.	15.2	10.0	21.6	20.6	12.7	10.2	9.1
EV/EBIT (adj)	n.a.	n.a.	n.m.	n.m.	15.2	10.0	21.6	20.6	12.7	10.2	9.1

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.	36.2	26.7
EV/Sales	n.a.	n.a.	0.48	0.26	0.49	0.39	0.38	0.30	0.25	0.23	0.22
EV/EBITDA	n.a.	n.a.	n.m.	285.4	7.4	5.6	8.7	7.5	5.4	4.8	4.4
EV/EBITA	n.a.	n.a.	n.m.	n.m.	15.2	13.7	30.5	20.6	12.7	10.2	9.1
EV/EBIT	n.a.	n.a.	n.m.	n.m.	15.2	13.7	30.5	20.6	12.7	10.2	9.1
Dividend yield (ord.)	n.a.	n.a.	0.0%	0.0%	0.0%	1.5%	1.8%	2.3%	2.7%	2.7%	2.7%
FCF yield	n.a.	n.a.	0.0%	-20.3%	22.6%	-4.4%	-4.3%	-25.5%	12.8%	17.5%	17.6%
FCF Yield bef A&D, lease adj	n.a.	n.a.	0.0%	-20.3%	22.6%	-13.2%	-12.8%	-36.7%	-0.6%	3.8%	3.4%
Payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	20.3%	n.m.	n.m.	n.m.	96.8%	71.4%

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	21	21	21
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	109	109	109
Inventory	0	0	0	0	4	7	13	18	18	20	21
Accounts receivable	8	9	8	10	24	22	34	40	40	45	49
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	10	11	12
Total current assets	11	13	14	15	57	74	121	105	106	115	123
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	214	224	231
Shareholders equity	4	3	9	7	16	49	62	52	45	45	46
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	46	46	47
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	24	28	29
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	95	100
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	126	135	142
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	214	224	231
Balance sheet and debt metrics											
Net debt	3	6	5	5	9	1	12	37	38	38	37
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	-26	-26	-27
Invested capital	7	8	14	12	30	52	78	88	83	82	82
Capital employed	9	10	16	13	45	80	113	100	94	94	96
ROE	n.m.	52.6%	-28.4%	-16.5%	20.9%	12.5%	-16.9%	-16.0%	-10.0%	3.7%	5.0%
ROIC	52.7%	18.0%	-11.9%	-6.0%	18.5%	18.4%	6.1%	5.1%	7.4%	9.5%	10.6%
ROCE	52.4%	17.3%	-12.6%	-6.5%	16.8%	15.2%	5.6%	4.9%	8.1%	10.4%	11.5%
Net debt/EBITDA	0.9	3.3	n.m.	87.8	0.9	0.1	1.0	2.5	2.1	1.8	1.7
Interest coverage	n.m.	n.m.	n.m.	-2.3	2.5	2.1	0.4	0.4	0.7	1.2	1.3
Equity ratio	31.9%	19.1%	47.4%	32.2%	13.8%	33.1%	27.0%	24.3%	21.2%	20.3%	19.9%
Net gearing	n.a.	204.5%	53.7%	64.8%	52.3%	2.5%	19.0%	69.9%	83.8%	82.2%	80.1%

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	19	21	22
Paid taxes	0	0	0	0	0	1	0	-3	-1	0	-1
Net financials	0	0	0	0	-2	-3	-3	-1	-12	-8	-8
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	6	13	14
Change in NWC	n.a.	n.a.	n.a.	-1	-4	-16	-3	-12	5	1	0
Cash flow from operations (CFO)	n.a.	n.a.	n.a.	-1	2	-16	4	-15	10	13	14
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	8	11	11
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	8	11	11
Free cash flow bef A&D, lease adj	0	0	0	-2	14	-12	-12	-26	0	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	-2	1	1
Cash flow metrics											
Capex/D&A	n.m.	n.m.	n.m.	75.8%	n.m.	n.m.	96.6%	33.0%	22.6%	24.2%	25.8%
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	62	62	62
Enterprise value	n.a.	n.a.	23	15	73	94	106	109	100	100	99
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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Completion Date

29 Apr 2024, 04:08 CET

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