Elanders

Consumer Goods
Sweden

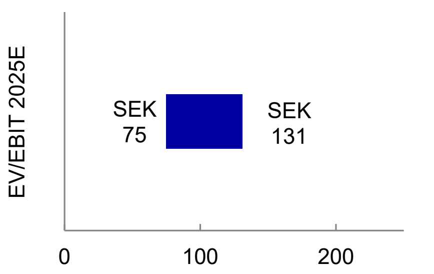
KEY DATA

Stock country	Sweden
Bloomberg	ELANB SS
Reuters	ELANb.ST
Share price (close)	SEK 89.20
Free float	50%
Market cap. (bn)	EUR 0.28/SEK 3.15
Website	www.elanders.com
Next report date	17 Oct 2024

PERFORMANCE

Source: LSEG Data & Analytics

VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2024E	2025E	2026E
Sales	0%	0%	0%
EBIT (adj)	0%	0%	0%

Source: Nordea estimates

Nordea IB & Equity - Analysts
Gustav Berneblad
Analyst

Carl Ragnerstam
Director

Increased earnings growth ahead

We lower adjusted EBITA by 2-4% for 2024E-26E ahead of Elanders' Q3 2024 report. We acknowledge the worsening sentiment and several profit warnings, but expect another quarter of flat y/y organic growth, amid easier comps and some improving demand for Electronics. We expect Fashion in the US to remain somewhat depressed. Driven by recent margin-accretive M&A and easier comps, however, we estimate 10% y/y adjusted EBITA growth for Q3, and we expect Q4 2024 to mark the first quarter with clear positive y/y organic growth. With lease-adjusted net debt/EBITDA of 3.2x 2025E, we welcome recent interest rate cuts, which should support longer-term demand. Coupled with the completed and ongoing internal efficiency efforts, we argue that Elanders can better capitalise on the rebounding demand. We thus pencil in 15% y/y adjusted EBITA growth for 2025. Our multiples-based fair value range is trimmed to SEK 75-131 (79-138), implying 2025E EV/EBITA of 10-12x.

Q3 2024 expectations

We expect a decent Q3 report from Elanders on 17 October, with net sales of SEK 3,393m, up 4% y/y (0% organically, -2% FX, 12% structural), but still negatively impacted by the phase-out of the buy-and-sell operations (-6% y/y). Despite the worsening macro and consumer weakness, we expect the easier comps to drive flat y/y organic growth. For Supply Chain Solutions (SCS), we continue to expect the more positive tone regarding demand within Electronics to continue, while we expect Fashion in Europe to perform well on a y/y basis, driven by Elanders ramping up two larger customers. Negatively, we fear that the significant broad-based decline within Automotive will exacerbate current headwinds, while Fashion will likely remain under pressure in the US, driving -1% y/y organic growth for SCS. For Print & Packaging Solutions, we expect low-single-digit organic growth for Q3, driven by online print. Supported by recent margin-accretive M&A of KAMMAC and Bishopsgate, we forecast group adjusted EBITA of SEK 233m, up 10% y/y, implying a margin of 6.9% – up 40bp y/y.

Estimates and valuation

We lower adjusted EBITA ahead of the Q3 report by 2-4% for 2024E-26E, due to recent FX movements and early signs of significantly worsening sentiment during the latter part of Q3 in several of the company's end markets, paired with recent profit warnings. Supported by easier comps, however, we expect positive organic sales growth to return in Q4, and lower interest rates should support more favourable longer-term demand.

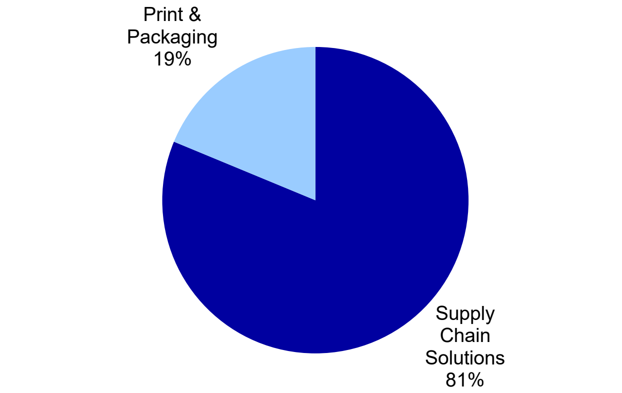
SUMMARY TABLE - KEY FIGURES

SEKm	2020	2021	2022	2023	2024E	2025E	2026E
Total revenue	11,050	11,732	14,974	13,866	13,859	14,385	14,932
EBITDA (adj)	1,426	1,497	1,967	2,078	2,287	2,470	2,532
EBIT (adj)	546	596	877	834	832	975	1,040
EBIT (adj) margin	4.9%	5.1%	5.9%	6.0%	6.0%	6.8%	7.0%
EPS (adj, SEK)	9.19	9.42	13.75	9.05	6.12	9.77	12.08
EPS (adj) growth	28.1%	2.5%	46.0%	-34.2%	-32.4%	59.6%	23.7%
DPS (ord, SEK)	3.10	3.60	4.15	4.15	4.15	4.94	5.38
EV/Sales	0.6	0.9	0.8	0.8	0.9	0.8	0.8
EV/EBIT (adj)	13.0	17.9	13.6	13.9	14.3	12.3	11.2
P/E (adj)	13.0	18.5	10.9	10.6	14.6	9.1	7.4
P/BV	1.5	1.9	1.4	0.9	0.8	0.8	0.7
Dividend yield (ord)	2.6%	2.1%	2.8%	4.3%	4.7%	5.5%	6.0%
FCF Yield bef A&D, lease	22.7%	4.2%	3.8%	9.6%	31.1%	30.6%	32.5%
Net debt	2,854	4,511	6,560	8,191	8,685	8,786	8,452
Net debt/EBITDA	2.0	3.0	3.4	4.2	3.9	3.6	3.3
ROIC after tax	6.0%	5.7%	6.1%	4.9%	4.6%	5.2%	5.5%

Source: Company data and Nordea estimates

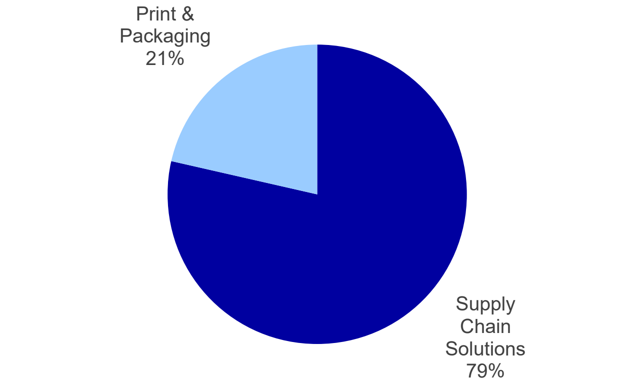
Selected charts

ELANDERS: REVENUE SPLIT BY SEGMENT (%), 2023



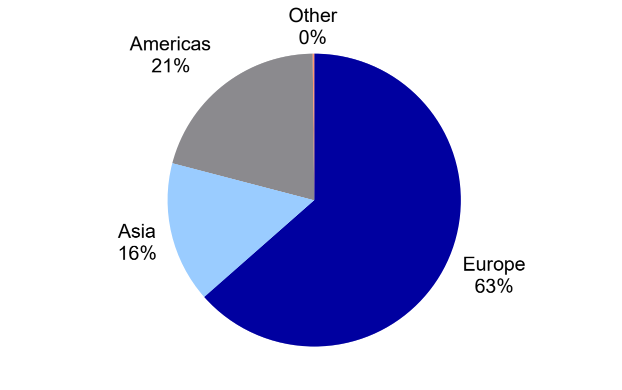
Source: Company data and Nordea

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



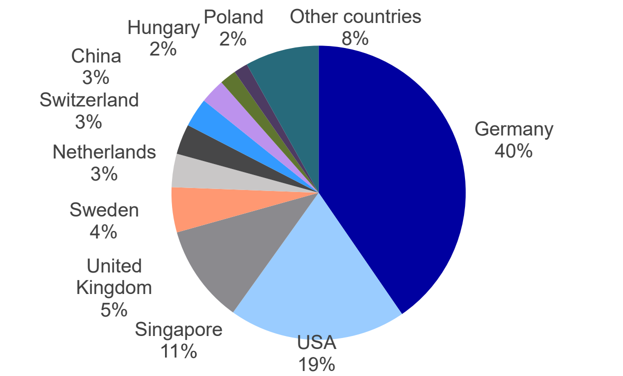
Source: Company data and Nordea

ELANDERS: SALES SPLIT BY REGION (%), 2023



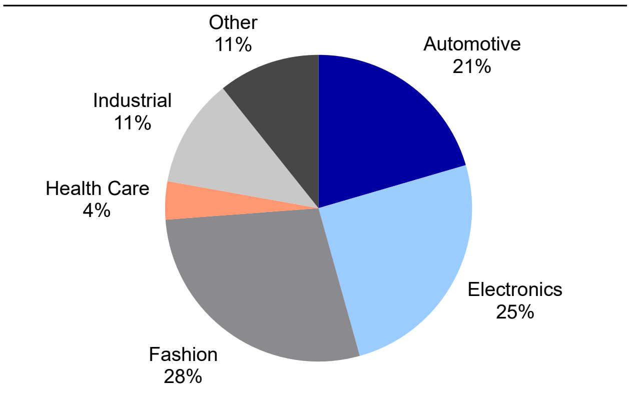
Source: Company data and Nordea

ELANDERS: SALES SPLIT BY COUNTRY (%), 2023



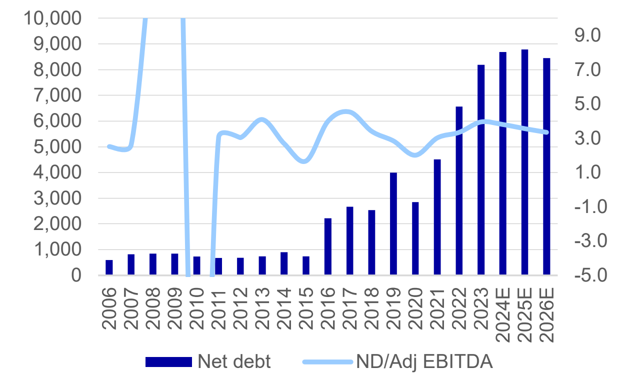
Source: Company data and Nordea

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



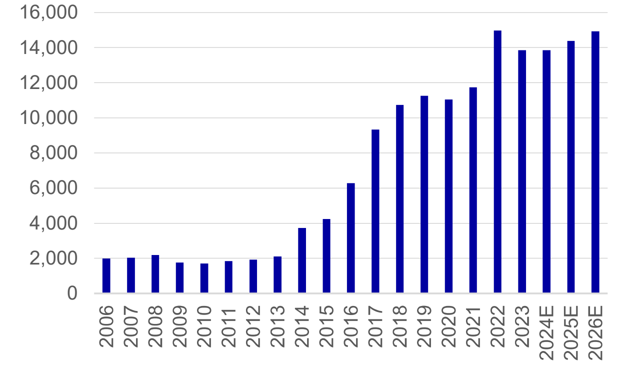
Source: Company data and Nordea

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



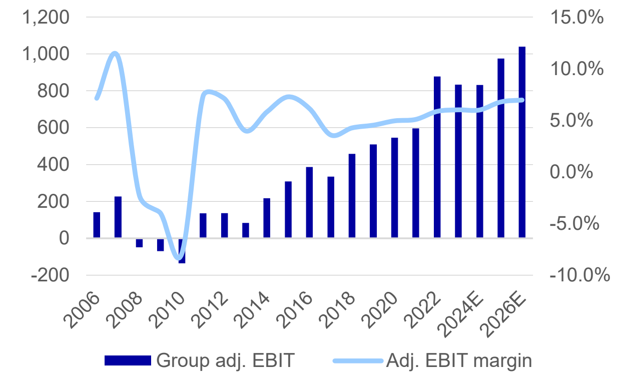
Source: Company data and Nordea estimates

ELANDERS: GROUP NET SALES DEVELOPMENT (SEKm)



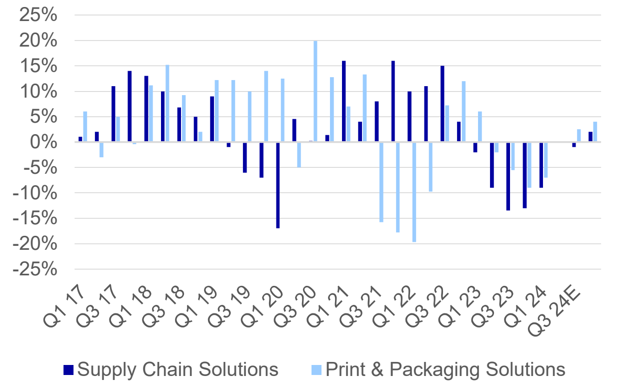
Source: Company data and Nordea estimates

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



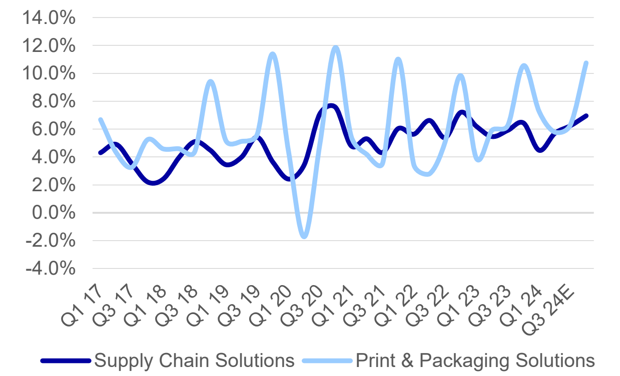
Source: Company data and Nordea estimates

ELANDERS: ORGANIC GROWTH BY SEGMENT (%)



Source: Company data and Nordea estimates

ELANDERS: EBIT MARGIN DEVELOPMENT BY SEGMENT (%)



Source: Company data and Nordea estimates

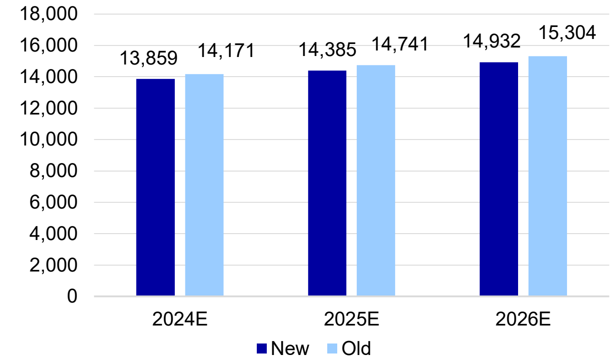
Estimate revisions

ELANDERS: ESTIMATE REVISIONS (SEKm; EPS IN SEK)

	New estimates			Old estimates			Difference %		
SEKm	**2024E**	**2025E**	**2026E**	**2024E**	**2025E**	**2026E**	**2024E**	**2025E**	**2026E**
Net sales	**13,859**	**14,385**	**14,932**	**14,171**	**14,741**	**15,304**	**-2%**	**-2%**	**-2%**
EBITA	866	1,083	1,149	900	1,129	1,170	-4%	-4%	-2%
Amortisation of intangibles	-107	-108	-109	-107	-103	-99	0%	5%	11%
EBIT	759	975	1,040	793	1,026	1,072	-4%	-5%	-3%
Net financials	-507	-476	-423	-511	-492	-423	-1%	-3%	0%
PTP	253	499	617	282	534	649	-10%	-7%	-5%
Income tax	-81	-150	-185	-90	-160	-195	-10%	-7%	-5%
Net profit	171	349	432	192	374	454	-11%	-7%	-5%
Earnings per share (SEK)	4.73	9.77	12.08	5.31	10.46	12.70	-11%	-7%	-5%
Adj. EBITA	**939**	**1,083**	**1,149**	**973**	**1,129**	**1,170**	**-3%**	**-4%**	**-2%**
Adj. EBIT	832	975	1,040	866	1,026	1,072	-4%	-5%	-3%
Adj. EBITA margin	**6.8%**	**7.5%**	**7.7%**	**6.9%**	**7.7%**	**7.6%**	**-0.1pp**	**-0.1pp**	**0.0pp**
Adj. EBIT margin	6.0%	6.8%	7.0%	6.1%	7.0%	7.0%	-0.1pp	-0.2pp	0.0pp
Adj. Incremental margin	23.0%	27.2%	11.8%	10.6%	28.2%	8.0%	12.4pp	-0.9pp	3.8pp
Net sales per segment									
Supply Chain Solutions	11,101	11,562	12,082	11,420	11,934	12,471	-3%	-3%	-3%
Print & Packaging Solutions	2,892	2,951	2,981	2,888	2,946	2,975	0%	0%	0%
Group functions	51	52	53	48	48	49	6%	7%	7%
Eliminations	-183	-180	-184	-183	-187	-190	0%	-4%	-4%
Group net sales	**13,861**	**14,385**	**14,932**	**14,173**	**14,741**	**15,304**	**-2%**	**-2%**	**-2%**
Adj EBIT per segment									
Supply Chain Solutions	652	777	839	684	847	890	-5%	-8%	-6%
Print & Packaging Solutions	223	230	233	225	222	225	-1%	4%	4%
Group functions	-79	-32	-33	-79	-42	-43	0%	-25%	-25%
Group EBIT	**796**	**975**	**1,040**	**830**	**1,026**	**1,072**	**-4%**	**-5%**	**-3%**
Adj. EBIT margin									
Supply Chain Solutions	5.9%	6.7%	6.9%	6.0%	7.1%	7.1%	-0.1pp	-0.4pp	-0.2pp
Print & Packaging Solutions	7.7%	7.8%	7.8%	7.8%	7.5%	7.6%	-0.1pp	0.3pp	0.3pp
Group	**5.5%**	**6.8%**	**7.0%**	**5.6%**	**7.0%**	**7.0%**	**-0.1pp**	**-0.2pp**	**0.0pp**

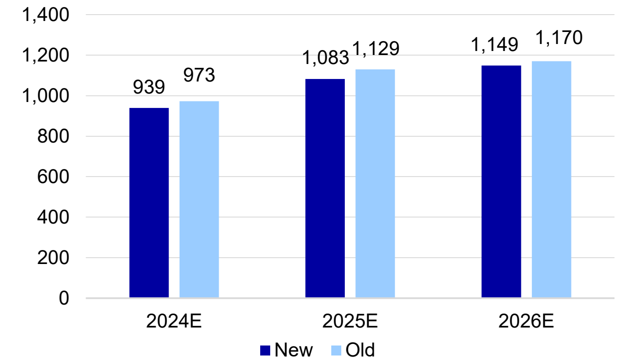
Source: Nordea estimates

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



Source: Nordea estimates

ADJUSTED EBITA: 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	-	128,185	18.3x	16.3x	-	-	20.8x	18.4x	25.6x	22.6x	2.3%	2.5%	1.9x	1.6x	20.9%	23.3%
DSV	NO RATING	334,800	15.0x	14.0x	19.8x	18.2x	19.8x	18.3x	26.4x	22.4x	0.6%	0.6%	1.7x	1.9x	11.6%	12.4%
Elanders		3,299	5.3x	4.9x	12.8x	11.2x	14.5x	12.4x	15.3x	9.6x	4.4%	5.3%	3.9x	3.6x	4.6%	5.2%
Expeditors	-	183,561	17.3x	16.5x	-	-	18.5x	17.9x	25.6x	23.9x	1.2%	1.2%	-	-	35.2%	38.6%
ID Logistics	-	28,203	7.5x	6.9x	24.8x	22.1x	25.3x	22.4x	39.3x	30.8x	0.0%	0.0%	2.2x	2.0x	7.4%	8.5%
J.B Hunt	-	177,324	11.8x	10.2x	-	-	22.4x	17.8x	30.6x	23.0x	1.0%	1.1%	0.9x	0.8x	10.8%	13.5%
Kerry Logistics	-	20,317	5.2x	5.4x	-	-	8.0x	8.5x	10.1x	10.3x	3.4%	3.3%	0.5x	0.6x	10.3%	9.6%
Kuehne + Nagel	-	333,882	11.6x	11.2x	17.8x	18.7x	17.1x	16.5x	22.1x	21.7x	3.4%	3.5%	-	-	28.3%	29.3%
Landstar	-	66,856	18.2x	14.7x	-	-	22.1x	17.2x	31.7x	24.8x	0.8%	0.8%	-	-	28.3%	35.3%
Old Dominion	-	425,261	21.2x	18.6x	-	-	25.8x	22.6x	35.0x	30.5x	0.6%	0.6%	-	-	28.4%	29.8%
XPO Logistics	-	130,958	12.9x	11.3x	-	-	20.8x	17.6x	30.9x	24.6x	0.0%	0.0%	2.5x	2.0x	12.0%	13.4%
Average		**154,336**	**12.3x**	**11.5x**	**18.8x**	**17.6x**	**18.5x**	**16.9x**	**24.9x**	**20.8x**	**2.1%**	**2.4%**	**2.0x**	**1.8x**	**16.9%**	**18.7%**
Median		**129,572**	**12.4x**	**11.3x**	**18.8x**	**18.5x**	**20.3x**	**17.7x**	**26.0x**	**22.8x**	**1.1%**	**1.1%**	**1.9x**	**1.9x**	**11.8%**	**13.4%**
Elanders		**3,299**	**5.3x**	**4.9x**	**12.8x**	**11.2x**	**14.5x**	**12.4x**	**15.3x**	**9.6x**	**4.4%**	**5.3%**	**3.9x**	**3.6x**	**4.6%**	**5.2%**
vs. peer average	-	-	-57%	-57%	-32%	-36%	-22%	-27%	-39%	-54%	2.4pp	4.2pp	99%	100%	-12pp	-8pp
vs. peer median	-	-	-57%	-56%	-32%	-39%	-29%	-30%	-41%	-58%	3.4pp	4.2pp	103%	89%	-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 24	Q2 24	Q3 24E	Q4 24E
Net sales	3,371	3,525	3,979	4,099	3,589	3,450	3,253	3,574	3,268	3,503	3,393	3,694
Cost of goods sold	-2,879	-3,000	-3,417	-3,448	-3,064	-2,877	-2,671	-2,906	-2,703	-2,921	-2,796	-3,044
Gross profit	492	525	562	651	525	573	582	668	565	582	597	650
Sales and administrative expenses	-338	-356	-380	-410	-405	-401	-413	-432	-441	-468	-399	-419
Other operating income	26	83	36	51	25	24	26	55	31	27	39	66
Other operating expenses	-16	-11	-26	-41	-18	-24	-8	-54	-27	-1	-31	-14
EBITDA	430	506	466	538	421	480	501	569	461	514	582	658
Depreciation	-33	-31	-30	-33	-26	-27	-27	-30	-25	-47	-44	-48
Leases	-210	-212	-220	-232	-245	-257	-262	-275	-281	-299	-304	-300
EBITA	187	263	216	273	150	196	212	264	155	168	233	310
Amortisation of intangible acq related assets	-22	-22	-23	-22	-22	-23	-23	-27	-26	-27	-27	-27
EBIT	165	241	193	251	128	173	189	237	129	141	206	283
Net financials	-36	-36	-42	-70	-77	-73	-82	-94	-111	-135	-134	-127
PTP	129	205	151	181	51	100	107	143	18	6	73	156
Income tax	-41	-63	-35	-41	-25	-34	-39	-42	-10	-3	-22	-47
Net profit	88	142	115	140	26	66	68	101	8	3	51	109
Earnings per share (SEK)	2.40	3.87	3.04	3.87	0.68	1.83	1.88	2.69	0.20	0.06	1.41	3.07
Adj. EBITDA	430	466	475	596	489	494	501	594	486	561	582	658
Adj. EBITA	187	223	225	331	218	210	212	289	180	215	233	310
Adj. EBIT	165	201	202	309	196	187	189	262	154	188	206	283
Tax on EO	0	-12	2	13	34	5	0	7	14	24	0	0
Adj. Net profit	88	170	109	95	-9	57	68	83	-4	74	51	109
Adj. EPS	2.40	4.66	2.84	2.61	-0.29	1.57	1.88	2.19	-0.13	2.05	1.41	3.07
Gross margin	14.6%	14.9%	14.1%	15.9%	14.6%	16.6%	17.9%	18.7%	17.3%	16.6%	17.6%	17.6%
EBITDA margin	12.8%	14.4%	11.7%	13.1%	11.7%	13.9%	15.4%	15.9%	14.1%	14.7%	17.1%	17.8%
EBITA margin	5.5%	7.5%	5.4%	6.7%	4.2%	5.7%	6.5%	7.4%	4.7%	4.8%	6.9%	8.4%
EBIT margin	4.9%	6.8%	4.9%	6.1%	3.6%	5.0%	5.8%	6.6%	3.9%	4.0%	6.1%	7.7%
Incremental margin	5.8%	14.4%	7.4%	5.7%	-17.2%	90.7%	0.6%	2.7%	-0.3%	-60.4%	12.4%	38.5%
Adj. EBITDA margin	12.8%	13.2%	11.9%	14.5%	13.6%	14.3%	15.4%	16.6%	14.9%	16.0%	17.1%	17.8%
Adj. EBITA margin	5.5%	6.3%	5.7%	8.1%	6.1%	6.1%	6.5%	8.1%	5.5%	6.1%	6.9%	8.4%
Adj. EBIT margin	4.9%	5.7%	5.1%	7.5%	5.4%	5.4%	5.8%	7.3%	4.7%	5.4%	6.1%	7.7%
Adj. Incremental margin	5.8%	14.4%	7.4%	5.7%	-17.2%	90.7%	0.6%	2.7%	-0.3%	-60.4%	12.4%	38.5%

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 24	Q2 24	Q3 24E	Q4 24E
Net sales												
Supply Chain Solutions	2,769	2,914	3,325	3,259	2,903	2,815	2,603	2,781	2,627	2,861	2,731	2,882
Print & Packaging Solutions	637	643	686	874	719	675	686	833	679	673	695	844
Group functions	10	11	11	11	12	12	12	12	13	13	12	13
Eliminations	-45	-43	-43	-45	-47	-52	-47	-50	-50	-43	-45	-45
Total sales	**3,371**	**3,525**	**3,979**	**4,099**	**3,587**	**3,450**	**3,254**	**3,576**	**3,269**	**3,504**	**3,393**	**3,694**
Sales bridge												
Volume	3%	6%	13%	6%	-1%	-8%	-12%	-12%	-9%	0%	0%	2%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Structural	20%	14%	16%	4%	-2%	-2%	1%	4%	5%	8%	12%	5%
FX	6%	7%	9%	12%	8%	8%	6%	4%	0%	1%	-2%	-3%
Other	0%	0%	0%	0%	0%	-1%	-13%	-8%	-6%	-6%	-6%	-1%
Total growth	**23%**	**27%**	**39%**	**22%**	**6%**	**-2%**	**-18%**	**-13%**	**-9%**	**2%**	**4%**	**3%**
Growth per segment quarterly												
(%)	**Q1 22**	**Q2 22**	**Q3 22**	**Q4 22**	**Q1 23**	**Q2 23**	**Q3 23**	**Q4 23**	**Q1 24**	**Q2 24**	**Q3 24E**	**Q4 24E**
Supply Chain Solutions												
Volume	10%	11%	15%	4%	-2%	-9%	-14%	-13%	-9%	0%	-1%	2%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Structural	24%	16%	21%	6%	-2%	-2%	2%	5%	7%	10%	15%	7%
FX	6%	7%	10%	12%	9%	9%	6%	4%	1%	1%	-2%	-4%
Other	0%	0%	0%	0%	0%	-1%	-16%	-11%	-8%	-8%	-8%	-2%
Total growth	**34%**	**34%**	**45%**	**21%**	**5%**	**-3%**	**-22%**	**-15%**	**-10%**	**2%**	**5%**	**4%**
Print & Packaging Solutions												
Volume	-20%	-10%	7%	12%	6%	-2%	-6%	-9%	-7%	0%	3%	4%
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%	-1%	-3%
Other	0%	0%	0%	0%	0%	1%	1%	1%	1%	-1%	0%	0%
Total growth	-8%	3%	16%	25%	13%	5%	0%	-5%	-6%	0%	1%	1%
EBIT per segment quarterly												
(SEKm)	**Q1 22**	**Q2 22**	**Q3 22**	**Q4 22**	**Q1 23**	**Q2 23**	**Q3 23**	**Q4 23**	**Q1 24**	**Q2 24**	**Q3 24E**	**Q4 24E**
Supply Chain Solutions	156	233	179	187	180	154	154	159	92	134	170	201
Print & Packaging Solutions	22	18	26	76	-40	26	43	83	49	39	44	91
Group functions	-13	-10	-12	-12	-12	-7	-8	-5	-13	-32	-8	-8
Group EBIT	**165**	**241**	**193**	**251**	**128**	**173**	**189**	**237**	**129**	**141**	**206**	**283**
Adj. EBIT per segment quarterly												
Supply Chain Solutions	156	193	179	235	180	154	154	179	118	163	170	201
Print & Packaging Solutions	22	18	35	86	28	40	43	88	49	39	44	91
Group functions	-13	-10	-12	-12	-12	-7	-8	-5	-13	-50	-8	-8
Adj group EBIT	**165**	**201**	**202**	**309**	**196**	**187**	**189**	**262**	**154**	**152**	**206**	**283**
EBIT margin per segment quarterly												
Supply Chain Solutions	5.6%	8.0%	5.4%	5.7%	6.2%	5.5%	5.9%	5.7%	3.5%	4.7%	6.2%	7.0%
Print & Packaging Solutions	3.5%	2.8%	3.8%	8.7%	-5.6%	3.9%	6.3%	10.0%	7.3%	5.8%	6.3%	10.8%
EBIT margin	**4.9%**	**6.8%**	**4.9%**	**6.1%**	**3.6%**	**5.0%**	**5.8%**	**6.6%**	**3.9%**	**4.0%**	**6.1%**	**7.7%**
Adj. EBIT margin per segment quarterly												
Supply Chain Solutions	5.6%	6.6%	5.4%	7.2%	6.2%	5.5%	5.9%	6.4%	4.5%	5.7%	6.2%	7.0%
Print & Packaging Solutions	3.5%	2.8%	5.1%	9.8%	3.9%	5.9%	6.3%	10.6%	7.3%	5.8%	6.3%	10.8%
Adj EBIT margin	**4.9%**	**5.7%**	**5.1%**	**7.5%**	**5.5%**	**5.4%**	**5.8%**	**7.3%**	**4.7%**	**4.3%**	**6.1%**	**7.7%**

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	13,859	14,385	14,932
Cost of goods sold	-9,331	-9,780	-9,532	-10,088	-12,744	-11,518	-11,464	-11,867	-12,318
Gross profit	1,411	1,474	1,518	1,644	2,230	2,348	2,394	2,518	2,614
Sales and administrative expenses	-1,034	-1,145	-1,050	-1,119	-1,484	-1,651	-1,726	-1,668	-1,721
Other operating income	112	66	13	82	196	130	163	228	236
Other operating expenses	-30	-33	-44	-28	-94	-104	-73	-103	-88
EBITDA	747	1,260	1,426	1,482	1,940	1,971	2,215	2,470	2,532
Depreciation	-203	-156	-169	-123	-127	-110	-164	-187	-300
Leases	-22	-688	-658	-720	-874	-1,039	-1,184	-1,200	-1,192
EBITA	522	416	599	639	939	822	866	1,083	1,149
Amortisation of intangible acq related assets	-64	-56	-53	-59	-89	-95	-107	-108	-109
EBIT	458	360	546	580	850	727	759	975	1,040
Net financials	-93	-143	-131	-98	-184	-326	-507	-476	-423
PTP	365	217	415	482	666	401	253	499	617
Income tax	-107	-63	-86	-151	-180	-140	-81	-150	-185
Net profit	258	154	329	331	485	261	171	349	432
Earnings per share (SEK)	7.19	4.19	9.19	9.11	13.19	7.08	4.73	9.77	12.08
Adj. EBITDA	747	1,409	1,426	1,498	1,967	2,078	2,287	2,470	2,532
Adj. EBITA	522	565	599	655	966	929	939	1,083	1,149
Adj. EBIT	458	509	546	596	877	834	832	975	1,040
Tax on EO	0	43	0	5	7	37	23	0	0
Adj. Net profit	258	346	329	342	505	330	221	349	432
Adj. EPS	7.16	9.79	9.19	9.42	13.75	9.05	6.13	9.77	12.08
Gross margin	13.1%	13.1%	13.7%	14.0%	14.9%	16.9%	17.3%	17.5%	17.5%
EBITDA margin	7.0%	11.2%	12.9%	12.6%	13.0%	14.2%	16.0%	17.2%	17.0%
EBITA margin	4.9%	3.7%	5.4%	5.4%	6.3%	5.9%	6.3%	7.5%	7.7%
EBIT margin	4.3%	3.2%	4.9%	4.9%	5.7%	5.2%	5.5%	6.8%	7.0%
Incremental margin	10.7%	-19.1%	-91.2%	5.0%	8.3%	11.1%	-454.1%	41.0%	11.8%
Adj. EBITDA margin	7.0%	12.5%	12.9%	12.8%	13.1%	15.0%	16.5%	17.2%	17.0%
Adj. EBITA margin	4.9%	5.0%	5.4%	5.6%	6.5%	6.7%	6.8%	7.5%	7.7%
Adj. EBIT margin	4.3%	4.5%	4.9%	5.1%	5.9%	6.0%	6.0%	6.8%	7.0%
Adj. Incremental margin	8.9%	10.0%	-18.1%	7.3%	8.7%	3.9%	23.0%	27.2%	11.8%

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	11,102	11,101	11,562	12,082
Print & Packaging Solutions	2,244	2,564	2,728	2,606	2,840	2,913	2,892	2,951	2,981
Group functions	47	37	40	40	43	48	51	52	53
Eliminations	-75	-122	-126	-117	-176	-196	-183	-180	-184
Total sales	**10,946**	**11,254**	**11,050**	**11,733**	**14,974**	**13,867**	**13,861**	**14,385**	**14,932**
Sales bridge									
Volume	8%	1%	0%	7%	7%	-9%	-2%	5%	4%
Price/Mix	0%	0%	0%	0%	0%	0%	0%	0%	0%
Structural	1%	0%	0%	4%	13%	1%	8%	0%	0%
FX	5%	4%	-2%	-4%	9%	7%	-1%	-1%	0%
Other	0%	0%	0%	0%	0%	-6%	-6%	0%	0%
Total growth	**15%**	**5%**	**-2%**	**6%**	**28%**	**-7%**	**0%**	**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%	1%	9%	1%	0%
FX	6%	4%	-1%	-5%	9%	7%	-1%	-1%	0%
Other	0%	0%	0%	0%	0%	-7%	-7%	0%	0%
Total growth	**22%**	**3%**	**-4%**	**9%**	**33%**	**-9%**	**0%**	**4%**	**5%**
Print & Packaging Solutions									
Volume	9%	12%	10%	-4%	-3%	-3%	0%	3%	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%	-1%	-1%	0%
Other	0%	0%	0%	0%	0%	1%	0%	0%	0%
Total growth	1%	14%	6%	-4%	9%	3%	-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	647	597	777	839
Print & Packaging Solutions	132	174	147	162	142	112	223	230	233
Group functions	-20	-34	-36	-42	-47	-32	-61	-32	-33
Group EBIT	**458**	**360**	**546**	**579**	**850**	**727**	**759**	**975**	**1,040**
Adj. EBIT per segment annual									
Supply Chain Solutions	346	362	435	475	763	667	652	777	839
Print & Packaging Solutions	132	181	147	162	161	199	223	230	233
Group functions	-20	-34	-36	-42	-47	-32	-79	-32	-33
Adj group EBIT	**458**	**509**	**546**	**596**	**877**	**834**	**796**	**975**	**1,040**
EBIT margin per segment annual									
Supply Chain Solutions	4.1%	2.5%	5.2%	5.0%	6.2%	5.8%	5.4%	6.7%	6.9%
Print & Packaging Solutions	5.9%	6.8%	5.4%	6.2%	5.0%	3.8%	7.7%	7.8%	7.8%
EBIT margin	**4.2%**	**3.2%**	**4.9%**	**4.9%**	**5.7%**	**5.2%**	**5.5%**	**6.8%**	**7.0%**
Adj. EBIT margin per segment annual									
Supply Chain Solutions	4.1%	4.1%	5.2%	5.2%	6.2%	6.0%	5.9%	6.7%	6.9%
Print & Packaging Solutions	5.9%	7.1%	5.4%	6.2%	5.7%	6.8%	7.7%	7.8%	7.8%
Adj EBIT margin	**4.2%**	**4.5%**	**4.9%**	**5.1%**	**5.9%**	**6.0%**	**5.7%**	**6.8%**	**7.0%**

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**	**13,859**	**14,385**	**14,932**
Revenue growth	48.4%	48.6%	15.0%	4.8%	-1.8%	6.2%	27.6%	-7.4%	-0.1%	3.8%	3.8%
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	1,971	2,215	2,470	2,532
Depreciation and impairments PPE	-132	-192	-203	-844	-827	-843	-1,001	-1,149	-1,348	-1,387	-1,383
of which leased assets	0	0	0	-688	-658	-720	-874	-1,039	-1,184	-1,200	-1,192
EBITA	387	371	522	416	599	638	939	822	866	1,083	1,149
Amortisation and impairments	-40	-63	-64	-56	-53	-58	-89	-95	-107	-108	-109
EBIT	347	308	458	360	546	580	850	727	759	975	1,040
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	-507	-476	-423
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**	**401**	**252**	**499**	**617**
Reported taxes	-82	-64	-107	-63	-86	-151	-180	-140	-81	-150	-185
Net profit from continued operations	221	164	258	154	329	331	485	261	171	349	432
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	250	167	345	427
EPS, SEK	**7.48**	**4.61**	**7.16**	**4.19**	**9.19**	**9.11**	**13.19**	**7.08**	**4.73**	**9.77**	**12.08**
DPS, SEK	2.60	2.60	2.90	0.00	3.10	3.60	4.15	4.15	4.15	4.94	5.38
of which ordinary	2.60	2.60	2.90	0.00	3.10	3.60	4.15	4.15	4.15	4.94	5.38
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%	16.0%	17.2%	17.0%
EBITA	6.2%	4.0%	4.9%	3.7%	5.4%	5.4%	6.3%	5.9%	6.3%	7.5%	7.7%
EBIT	5.5%	3.3%	4.3%	3.2%	4.9%	4.9%	5.7%	5.2%	5.5%	6.8%	7.0%
Adjusted earnings											
EBITDA (adj)	558	589	725	1,409	1,426	1,497	1,967	2,078	2,287	2,470	2,532
EBITA (adj)	426	397	522	565	599	654	966	929	939	1,083	1,149
EBIT (adj)	386	334	458	509	546	596	877	834	832	975	1,040
EPS (adj, SEK)	8.44	5.14	7.16	7.18	9.19	9.42	13.75	9.05	6.12	9.77	12.08
Adjusted profit margins in percent											
EBITDA (adj)	8.9%	6.3%	6.7%	12.5%	12.9%	12.8%	13.1%	15.0%	16.5%	17.2%	17.0%
EBITA (adj)	6.8%	4.2%	4.9%	5.0%	5.4%	5.6%	6.5%	6.7%	6.8%	7.5%	7.7%
EBIT (adj)	6.1%	3.6%	4.3%	4.5%	4.9%	5.1%	5.9%	6.0%	6.0%	6.8%	7.0%
Performance metrics											
CAGR last 5 years											
Net revenue	27.9%	37.2%	38.7%	24.7%	21.1%	13.3%	9.9%	5.2%	4.3%	5.4%	4.9%
EBITDA	21.4%	21.9%	32.4%	33.9%	27.3%	23.3%	28.1%	22.1%	11.9%	11.6%	11.3%
EBIT	25.9%	21.1%	41.8%	15.6%	13.3%	10.8%	22.5%	9.7%	16.1%	12.3%	12.4%
EPS	20.1%	18.1%	54.5%	3.7%	8.3%	4.0%	23.4%	-0.2%	2.5%	1.2%	5.8%
DPS	39.1%	34.1%	29.4%	n.m.	7.1%	6.7%	9.8%	7.4%	n.m.	9.8%	8.4%
Average last 5 years											
Average EBIT margin	5.5%	4.7%	4.6%	4.2%	4.1%	4.2%	4.7%	4.9%	5.3%	5.7%	6.0%
Average EBITDA margin	8.9%	7.7%	7.4%	8.3%	9.2%	10.1%	11.4%	12.8%	13.8%	14.6%	15.5%

VALUATION RATIOS - ADJUSTED EARNINGS

SEKm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
P/E (adj)	12.6	16.0	12.2	12.2	13.0	18.5	10.9	10.6	14.6	9.1	7.4
EV/EBITDA (adj)	9.6	9.4	7.8	5.0	5.0	7.1	6.0	5.6	5.2	4.9	4.6
EV/EBITA (adj)	12.6	14.0	10.8	12.5	11.8	16.3	12.3	12.5	12.7	11.1	10.1
EV/EBIT (adj)	13.9	16.7	12.3	13.9	13.0	17.9	13.6	13.9	14.3	12.3	11.2

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	13.6	18.9	9.1	7.4
EV/Sales	0.85	0.60	0.52	0.63	0.64	0.91	0.79	0.84	0.86	0.83	0.78
EV/EBITDA	10.3	9.9	7.8	5.6	5.0	7.2	6.1	5.9	5.4	4.9	4.6
EV/EBITA	13.9	15.0	10.8	17.0	11.8	16.8	12.7	14.2	13.7	11.1	10.1
EV/EBIT	15.5	18.1	12.3	19.7	13.0	18.4	14.0	16.0	15.6	12.3	11.2
Dividend yield (ord.)	2.4%	3.2%	3.3%	0.0%	2.6%	2.1%	2.8%	4.3%	4.7%	5.5%	6.0%
FCF yield	-50.2%	-11.3%	10.3%	38.8%	38.1%	-5.4%	15.7%	22.7%	25.4%	39.5%	53.9%
FCF Yield bef A&D, lease adj	7.0%	-9.0%	9.5%	16.7%	22.7%	4.2%	3.8%	9.6%	31.1%	30.6%	32.5%
Payout ratio	30.8%	50.6%	40.5%	0.0%	33.7%	38.2%	30.2%	45.9%	67.8%	50.6%	44.5%

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	6,220	6,508	6,399
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	1,425	1,317	1,208
of which goodwill	0	0	0	0	0	2,500	3,655	4,452	4,795	5,191	5,191
Tangible assets	1,047	1,075	1,056	2,797	2,255	3,372	4,970	5,279	5,491	5,506	5,508
of which leased assets	0	0	0	1,865	1,737	2,674	4,152	4,536	4,579	4,579	4,579
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	12,170	12,472	12,366
Inventory	295	390	468	335	233	400	619	349	416	432	448
Accounts receivable	1,396	1,795	1,762	1,740	1,344	1,822	2,139	2,038	2,037	2,086	2,165
Short-term leased assets	0	0	0	0	0	0	0	0	0	0	0
Other current assets	312	333	511	448	324	438	567	586	527	547	567
Cash and bank	651	679	722	655	1,101	898	904	1,107	1,205	1,104	1,437
Total current assets	2,654	3,197	3,463	3,178	3,002	3,559	4,229	4,080	4,184	4,168	4,618
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**	**16,354**	**16,640**	**16,984**
Shareholders equity	2,411	2,453	2,707	2,777	2,908	3,277	3,835	3,825	3,845	4,043	4,296
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	3,888	4,091	4,348
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	4,533	4,509
Pension provisions	0	0	0	0	0	99	78	78	81	85	90
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	3,711	3,711	3,711
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	8,758	8,738	8,718
Short-term provisions	0	0	1	1	0	139	169	157	157	163	169
Accounts payable	1,263	1,403	1,569	1,597	1,588	875	893	850	850	882	915
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	1,081	1,122	1,165
Short term interest bearing debt	228	840	819	398	44	132	150	620	620	643	668
Total current liabilities	1,491	2,243	2,390	2,636	2,271	2,917	3,204	3,682	3,708	3,811	3,918
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**	**16,354**	**16,640**	**16,984**
Balance sheet and debt metrics											
Net debt	2,223	2,665	2,539	3,994	2,854	4,511	6,560	8,191	8,685	8,786	8,452
of which lease debt	0	0	0	1,898	1,770	2,755	4,286	4,670	4,712	4,712	4,712
Working capital	740	1,115	1,171	925	313	704	1,242	1,069	1,049	1,060	1,100
Invested capital	4,868	5,326	5,445	6,951	5,950	8,945	11,587	12,620	13,219	13,533	13,467
Capital employed	5,285	5,797	5,968	7,287	6,863	9,352	11,973	13,084	13,778	13,980	14,238
ROE	11.3%	6.7%	9.8%	5.4%	11.4%	10.4%	13.1%	6.5%	4.4%	8.8%	10.2%
ROIC	7.6%	4.7%	6.0%	5.8%	6.0%	5.7%	6.1%	4.9%	4.6%	5.2%	5.5%
ROCE	9.6%	6.0%	7.8%	7.7%	7.7%	7.4%	8.2%	6.7%	6.2%	7.0%	7.4%
Net debt/EBITDA	4.3	4.7	3.5	3.2	2.0	3.0	3.4	4.2	3.9	3.6	3.3
Interest coverage	7.9	3.9	4.9	2.5	4.2	5.9	4.6	2.2	1.5	2.0	2.5
Equity ratio	35.6%	33.1%	35.0%	30.2%	33.7%	27.8%	26.3%	24.5%	23.5%	24.3%	25.3%
Net gearing	92.2%	108.6%	93.8%	143.8%	98.0%	136.5%	169.5%	212.0%	223.4%	214.8%	194.4%

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**	**1,971**	**2,215**	**2,470**	**2,532**
Paid taxes	-104	-133	-127	-114	-41	-128	-196	-242	-81	-150	-185
Net financials	0	0	1	-143	-131	-98	-184	-326	-507	-476	-423
Change in provisions	0	0	1	0	-1	257	25	-13	4	10	10
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	27	0	0	0
Funds from operations (FFO)	**344**	**355**	**451**	**1,232**	**1,266**	**1,202**	**1,582**	**1,411**	**1,630**	**1,854**	**1,935**
Change in NWC	-13	-419	4	104	461	-139	-476	371	191	-11	-40
Cash flow from operations (CFO)	**331**	**-64**	**455**	**1,336**	**1,727**	**1,063**	**1,106**	**1,782**	**1,821**	**1,843**	**1,895**
Capital expenditure	-112	-196	-161	-133	-88	-128	-229	-180	-162	-201	-194
Free cash flow before A&D	**219**	**-260**	**294**	**1,203**	**1,639**	**935**	**877**	**1,602**	**1,659**	**1,642**	**1,701**
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	-856	-396	0
Free cash flow	-1,575	-327	318	1,196	1,611	-332	831	770	803	1,246	1,701
Free cash flow bef A&D, lease adj	219	-260	294	515	962	258	200	325	982	965	1,024
Dividends paid	-58	-92	-93	-129	58	-112	-136	-165	-147	-147	-175
Equity issues / buybacks	695	0	0	0	0	0	0	0	0	0	0
Net change in debt	1,029	462	-225	-1,152	-460	814	-126	756	627	0	0
Other financing adjustments	0	0	0	1	0	0	0	-110	-1,185	-1,200	-1,192
Other non-cash adjustments	31	-15	43	17	-105	75	211	-119	0	0	0
Change in cash	122	28	43	-67	446	-203	6	203	98	-101	334
Cash flow metrics											
Capex/D&A	65.1%	76.9%	60.3%	14.8%	10.0%	14.2%	21.0%	14.5%	11.1%	13.5%	13.0%
Capex/Sales	1.8%	2.1%	1.5%	1.2%	0.8%	1.1%	1.5%	1.3%	1.2%	1.4%	1.3%
Key information											
Share price year end (/current)	106	82	87	87	120	174	150	96	89	89	89
Market cap.	3,140	2,899	3,083	3,083	4,229	6,152	5,304	3,398	3,154	3,154	3,154
Enterprise value	5,363	5,564	5,622	7,077	7,087	10,691	11,899	11,628	11,882	11,987	11,658
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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