

Lagercrantz Group

Extrapolating higher margins

- Adj. EBITA was 4% better than ABGSCe and cons
- We raise '21/22e EBITA 6% on M&A and higher margins
- No longer valued at a discount to peer group

Impressive margins, once again

Lagercrantz reported a solid set of numbers once again, mainly on the back of impressive margins. However, sales were slightly disappointing at SEK 1,118m, -4% vs. ABGSCe and Infront consensus. Organic growth was -3% as the pandemic is still affecting business activity. On the other hand, the pandemic is driving continued marketing and travel savings, which supported the stellar EBITA margins of 17.2% (13.7%). All segments except Communications contributed to the 7% better than ABGSCe EBITA, coming in at SEK 192m. Niche products was the main driver of the beat, coming in 12% better than ABGSCe on sales and 17% on EBITA. However, earnings were slightly boosted by a non-recurring item of SEK 6m relating to an earn-out. Hence, adj. EBITA was SEK 186m for a margin of 16.6%, reducing the real earnings beat to 4% vs. ABGSCe and cons.

Estimates up on M&A and higher margin assumptions

We increase our '21/22e-'22/23e EBITA by 6-5%, mainly on increased margin assumptions and recent acquisitions, along with updated FX. The rather large acquisition of CW Lundberg contributes c. 4%. However, we expect a downtick in margins as costs gradually increase over the coming quarters, but EBITA growth should continue progressing upwards with organic growth of 8% in FY '21/22e. We forecast adj. EBITA margins of 14.9-15.4% for FY '21/22-'23/24e, and a 10% adj. EBITA CAGR for '20/21e-'23/24e. We have yet to implement the new segment structure and will return with new estimates in due time to reflect the change in reporting.

Valued in line with peers on updated estimates

The share is up 23% over the last three months, trading at 26x NTM EV/EBITDA on our updated numbers, which is in line with the peer average (+12% vs. Lifco, -4% vs. Indutrade, -9% vs. Addtech). In 2020, Lagercrantz's share has seen a significant rerating (as have peers) and is trading at a 71% premium relative to its average 5Y NTM EV/EBITDA of 16x.

Analyst(s): erik.cassel@abgsc.se, +46 8 566 286 25

SEKm	2019	2020	2021e	2022e	2023e
Sales	4,180	4,091	4,793	5,043	5,305
EBITDA	717	774	887	928	979
EBITDA margin (%)	17.2	18.9	18.5	18.4	18.4
EBIT adj	489	530	617	658	709
EBIT adj margin (%)	11.7	13.0	12.9	13.0	13.4
Pretax profit	460	502	601	642	693
EPS rep	1.79	1.90	2.35	2.51	2.71
EPS adj	2.21	2.32	2.82	3.00	3.23
Sales growth (%)	6.3	-2.1	17.2	5.2	5.2
EPS growth (%)	7.3	5.9	23.9	6.8	7.9

Source: ABG Sundal Collier, Company data

Reason: Post-results comment

Company sponsored research

Not rated

Estimate changes (%)

	2021e	2022e	2023e
Sales	4.2%	4.3%	0.0%
EBIT (rep)	6.2%	5.5%	0.0%
EPS (rep)	5.9%	5.3%	0.0%

Source: ABG Sundal Collier

Share price (SEK) 10/05/2021 90.6

Capital Goods, Sweden
LAGRb.ST/LAGRB SS

MCap (SEKm) 18,478
MCap (EURm) 1,825
Net debt (EURm) 97

No. of shares (m) 204
Free float (%) 88
Av. daily volume (k) 100

Next event Q1 report: 16 Jul

Performance



Absolute (%) 1m 3m 12m
7.7 24.9 105.5

Source: FactSet

	2021e	2022e	2023e
P/E (x)	38.5	36.1	33.4
P/E adj (x)	32.1	30.2	28.1
P/BVPS (x)	8.67	7.60	6.71
EV/EBITDA (x)	22.0	20.5	18.9
EV/EBIT adj (x)	31.6	28.9	26.1
EV/sales (x)	4.07	3.77	3.49
ROE adj (%)	28.9	26.9	25.5
Dividend yield (%)	1.2	1.3	1.4
FCF yield (%)	3.9	3.8	4.0
Lease adj. FCF yld (%)	3.9	3.8	4.0
Net IB debt/EBITDA	1.1	0.5	-0.0
Lease adj. ND/EBITDA	1.0	0.4	-0.2

Please refer to important disclosures at the end of this report

This research product is commissioned and paid for by the company covered in this report. As such, this report is deemed to constitute an acceptable minor non-monetary benefit (i.e. not investment research) as defined in MiFID II.

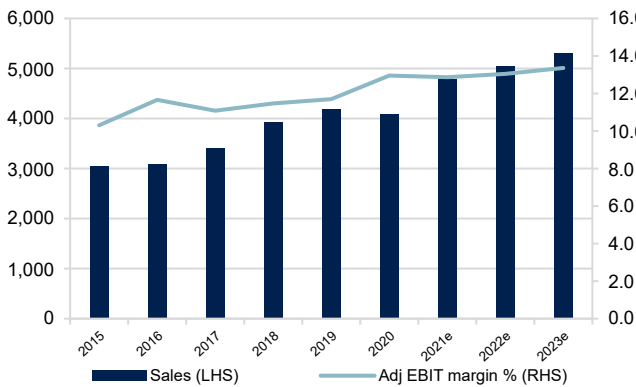
Company description

Lagercrantz is a technology trading company group in expansive niches offering value creating technology to corporate customers. The operations are conducted according to a decentralized model with 50+ independent companies divided into 4 divisions, Electronics, Mechatronics, Communications and Niche Products. Acquiring new companies is a central part of the business model. Lagercrantz has an increasing proportion of proprietary products, which enables enhanced control of the value chain and supports higher margins. The share is listed on Nasdaq Stockholm, Mid Cap, since 2001.

Risks

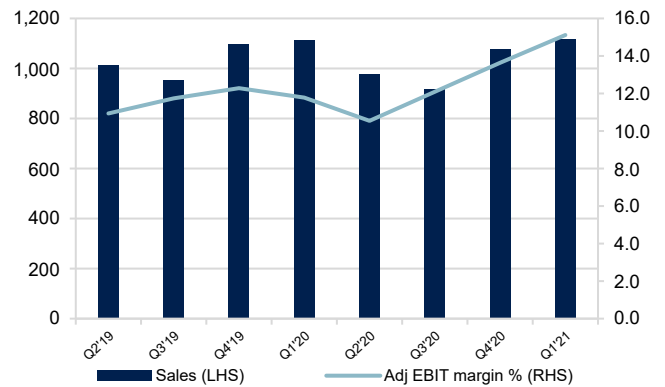
Poor development in individual subsidiaries, overall weaker market conditions, abrupt competition in a specific niche-area. Inflated acquisitions multiple.

Annual sales and adj. EBIT margin



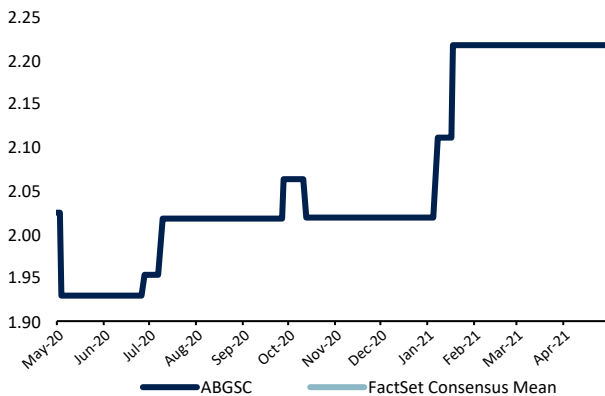
Source: ABG Sundal Collier, Company data

Quarterly sales and adj. EBIT margin



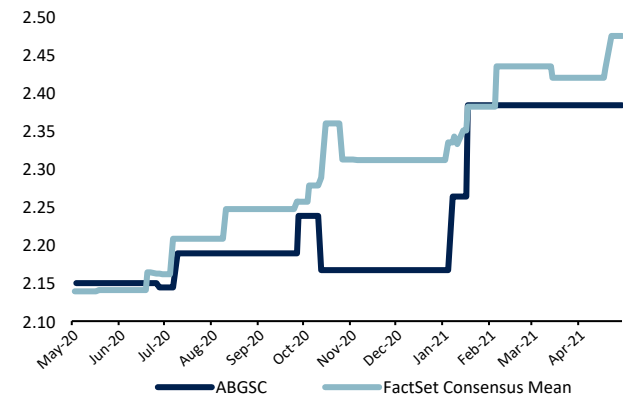
Source: ABG Sundal Collier, Company data

EPS estimate changes, 2021e, SEK



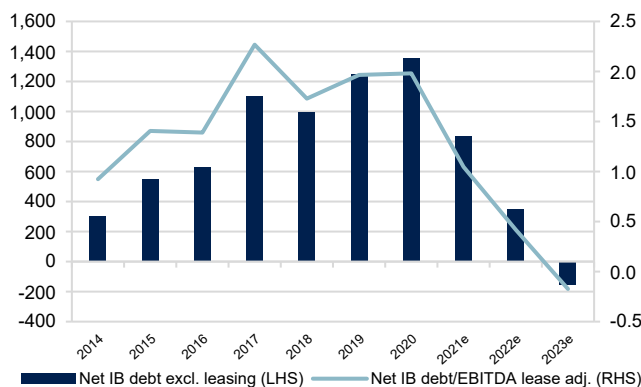
Source: ABG Sundal Collier, FactSet

EPS estimate changes, 2022e, SEK



Source: ABG Sundal Collier, FactSet

Lease adj. net debt and ND/EBITDA



Source: ABG Sundal Collier, Company data

12month forward-looking P/E



Source: ABG Sundal Collier, Company data

Q4 deviation vs. ABGSCe and Infront consensus

(SEKm) (FY: Apr-March)	Last year	Actual	ABGSC				
	Q4 19/20	Q4 20/21	Q4 20/21e	Dev, %	Dev, SEKm	Cons	Dev (%)
Net sales	1,112	1118	1,166	-4%	-48	1,168	-4%
EBITA	152	192	179	7%	13	178	8%
Adj EBITA	152	186	179	4%	7	178	4%
EBIT	131	169	158	7%	11	155	9%
Adj EBIT	131	163	158	3%	5	155	5%
PTP	126	166	152	9%	14	150	11%
Net profit, reported	101	126	122	4%	4	118	7%
Gross margin	37.1%	38.6%	38.3%	0.3%		38.6%	0.0%
EBITA margin	13.7%	17.2%	15.4%	1.8%		15.2%	1.9%
Adj EBITA margin	13.7%	16.6%	15.4%	1.3%		15.2%	1.4%
EBIT margin	11.8%	15.1%	13.6%	1.5%		13.3%	1.8%
Adj EBIT margin	11.8%	14.6%	13.6%	1.0%		13.3%	1.3%
Pure EO	0	6	0				
Sales breakdown:							
Organic	-2%	-3%	0%				
M&A	4%	7%	6%				
FX	1%	-4%	-1%				
Total Y/Y	3%	1%	5%				
Per segment	Last year	Actual	ABGSC				
Sales	Q4 19/20	Q4 20/21	Q4 20/21e	Dev, %	Dev, SEKm		
Electronics	278	258	280	-8%	-22		
Mechatronics	356	330	359	-8%	-29		
Communications	239	214	246	-13%	-32		
Niche Products	239	316	282	12%	34		
EBITA							
Electronics	16	37	31	19%	6		
Mechatronics	59	63	60	5%	3		
Communications	43	39	44	-12%	-5		
Niche Products	41	61	52	17%	9		
Eliminations	-7	-8	-10	-18%	2		
EBITA margin							
Electronics	5.8%	14.3%	11.1%	3.2%			
Mechatronics	16.6%	19.1%	16.7%	2.4%			
Communications	18.0%	18.2%	18.1%	0.1%			
Niche Products	17.2%	19.3%	18.5%	0.8%			

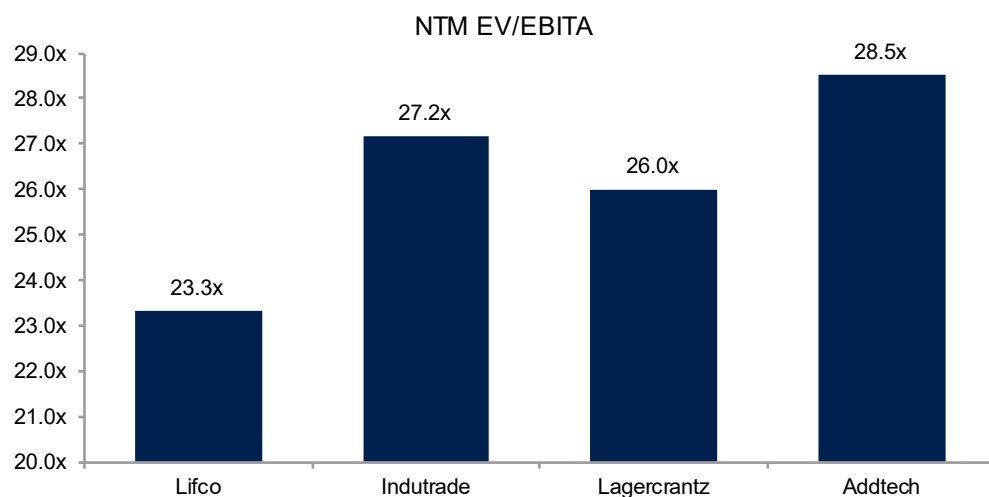
Source: ABG Sundal Collier, company data

Estimate changes

	Old			New			Change (%)			Change (SEKm)		
	20/21	21/22e	22/23e	20/21	21/22e	22/23e	20/21	21/22e	22/23e	20/21	21/22e	22/23e
Net sales	4,139	4,600	4,836	4,091	4,793	5,043	-1%	4%	4%	-48	193	207
COGS	-2,545	-2,833	-2,979	-2,513	-2,943	-3,106	-1%	4%	4%	32	-110	-127
SG&A	-835	-943	-997	-804	-963	-1,009	-4%	2%	1%	31	-20	-12
Other income/expenses	12	0	0	22	0	0	<i>nmf</i>	<i>nmf</i>	<i>nmf</i>	10	0	0
EBITDA	758	823	860	774	887	928	2%	8%	8%	16	64	68
Adj EBITDA	758	823	860	774	887	928	2%	8%	8%	16	64	68
D&A	-239	-242	-237	-244	-270	-270	2%	12%	14%	-5	-28	-33
w hich of amortization	-84	-92	-97	-86	-96	-101	2%	4%	4%	-2	-4	-4
EBITA	603	673	720	616	713	759	2%	6%	5%	13	40	39
Adj EBITA	603	673	720	616	713	759	2%	6%	5%	13	40	39
EBIT	519	581	623	530	617	658	2%	6%	6%	11	36	35
Adj EBIT	519	581	623	530	617	658	2%	6%	6%	11	36	35
Net financials	-31	-15	-15	-28	-16	-16	-10%	7%	7%	3	-1	-1
Tax	-104	-113	-122	-114	-120	-128	9%	6%	5%	-10	-7	-6
EO items	0	0	0	0	0	0	<i>nmf</i>	<i>nmf</i>	<i>nmf</i>			
Net profit	384	453	487	388	481	514	1%	6%	5%	4	28	27
EPS diluted (SEK)	2.57	2.22	2.39	2.59	2.36	2.52	1%	6%	5%	0	0	0
Adj EBITA margin	14.6%	14.6%	14.9%	15.1%	14.9%	15.0%	0.5%	0.3%	0.1%			
EBITA grow th	7%	12%	7%	9%	16%	6%	2%	4%	0%			
Organic sales grow th	-3.2%	7.9%	5.2%	-3.9%	8.2%	5.2%	-1%	0%	0%			

Source: ABG Sundal Collier, company data

Valuation vs. peer group



Source: ABG Sundal Collier, company data

ESG profile

Risks and opportunities

At the core of Lagercrantz's business model lies decentralisation of its c.50 subsidiaries. While ESG goals and initiatives are taken at group level, the direct exposure and implementation lies with each individual subsidiary. This leaves the majority of the work in the hands of the managing directors. One of the main challenges facing Lagercrantz is to ensure that corporate guidelines are met across the value chain. With an increasing portion of product companies, a more and more relevant environmental issue is related to transports, waste and product safety. A large part of Lagercrantz's focus lies in labour management, where health and safety are of significant importance along with having a committed and competent workforce.

ESG initiatives

Lagercrantz' Code Of Conduct was developed in line with the UN Global Compact, the ILO's core conventions and the OECD Guideline for Multinational Enterprises. Lagercrantz invests in its employees to ensure both personal development and to maintain competitive competence within its businesses. Examples include Business Improvement Modules (BIM) and E-learning. As part of minimising its environmental impact, efforts are made to combine freights among subsidiaries when feasible. Many of the companies within the group work with quantitative environmental goals, and 52% of the companies are ISO-certified. Four of the companies work with the handling of drain water. Lagercrantz does not recognise any environmental threats that could harm the drain water businesses.

Key issues*	ABGSC weight
Environment	40%
Carbon emissions	
Pollution and waste	
Raw material sourcing	
Social	30%
Health and safety	
Labour management	
Product safety and quality	
Governance	30%
Business ethics	
Corruption and instability	
Corporate governance	
Previous ESG incidents	
None	
Exposure to ESG Trends	
Building energy efficiency, Renewable energy, Plastic waste	

Social and governance data			
	2016	2017	2018
Women in workforce %	23	27	29
Women in management %	10	15	15
Women in board %	29	25	25
CEO salary, SEKm p.a.	8.1	7.9	9.2
Employee turnover %	na	13.6	12
Employee absence %	na	4.6	4.3
Person responsible for sustainability:	Kristina Mackintosh		
Senior management:	Yes		

ESG Data			
	2016	2017	2018
Energy usage, MWh/sales	na	6.17	5.26
CO2 emissions/sales	na	2.22	2.3

*based on the MSCI framework but not using all the parameters.

Lagercrantz Group

Income Statement (SEKm)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Sales	1,015	954	1,099	1,112	977	918	1,078	1,118
COGS	-641	-605	-672	-700	-599	-574	-653	-687
Gross profit	374	349	427	412	378	344	425	431
Other operating items	-208	-186	-233	-218	-217	-174	-217	-196
EBITDA	166	163	194	194	161	170	208	235
Depreciation and amortisation	-36	-37	-38	-42	-37	-38	-40	-43
EBITA	130	126	156	152	124	132	168	192
EO items	0	-6	0	0	0	0	0	0
Impairment and PPA amortisation	-19	-20	-21	-21	-21	-21	-21	-23
EBIT	111	106	135	131	103	111	147	169
Net financial items	-6	-6	-6	-5	-10	-7	-8	-3
Pretax profit	105	100	129	126	93	104	139	166
Tax	-23	-22	-24	-25	-23	-23	-28	-40
Net profit	82	78	105	101	70	81	111	126
Minority interest	0	0	0	0	0	0	0	0
Net profit discontinued	0	0	0	0	0	0	0	0
Net profit to shareholders	82	78	105	101	70	81	111	126
EPS	1.21	1.15	1.55	1.49	1.03	0.40	0.54	0.62
EPS Adj	1.49	1.45	1.86	1.80	1.34	0.50	0.65	0.73
Total extraordinary items after tax	0	-6	0	0	0	0	0	0
Tax rate (%)	21.9	22.0	18.6	19.8	24.7	22.1	20.1	24.1
Gross margin (%)	36.8	36.6	38.9	37.1	38.7	37.5	39.4	38.6
EBITDA margin (%)	16.4	17.1	17.7	17.4	16.5	18.5	19.3	21.0
EBITA margin (%)	12.8	13.2	14.2	13.7	12.7	14.4	15.6	17.2
EBIT margin (%)	10.9	11.1	12.3	11.8	10.5	12.1	13.6	15.1
Pretax margin (%)	10.3	10.5	11.7	11.3	9.5	11.3	12.9	14.8
Net margin (%)	8.1	8.2	9.6	9.1	7.2	8.8	10.3	11.3
Growth rates Y/Y	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Sales growth (%)	7.1	6.6	8.7	3.2	-3.7	-3.8	-1.9	0.5
EBITDA growth (%)	31.7	23.5	29.3	16.2	-3.0	4.3	7.2	21.1
EBIT growth (%)	15.6	5.0	13.4	-3.0	-7.2	4.7	8.9	29.0
Net profit growth (%)	7.9	6.8	19.3	-2.9	-14.6	3.8	5.7	24.8
EPS growth (%)	7.9	6.8	19.3	-2.9	-14.6	3.8	5.7	24.8
Adj earnings numbers	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
EBITDA Adj	166	169	194	194	161	170	208	235
EBITDA Adj margin (%)	16.4	17.7	17.7	17.4	16.5	18.5	19.3	21.0
EBITA Adj	130	132	156	152	124	132	168	192
EBITA Adj margin (%)	12.8	13.8	14.2	13.7	12.7	14.4	15.6	17.2
EBIT Adj	111	112	135	131	103	111	147	169
EBIT Adj margin (%)	10.9	11.7	12.3	11.8	10.5	12.1	13.6	15.1
Pretax profit Adj	124	126	150	147	114	125	160	189
Net profit Adj	101	104	126	122	91	102	132	149
Net profit to shareholders Adj	101	104	126	122	91	102	132	149
Net Adj margin (%)	10.0	10.9	11.5	11.0	9.3	11.1	12.2	13.3

Source: ABG Sundal Collier, Company data

Lagercrantz Group

Income Statement (SEKm)	2014	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
Sales	2,846	3,057	3,096	3,411	3,932	4,180	4,091	4,793	5,043	5,305
COGS	-1,932	-1,993	-1,960	-2,171	-2,488	-2,618	-2,513	-2,943	-3,106	-3,265
Gross profit	914	1,064	1,136	1,240	1,444	1,562	1,578	1,850	1,936	2,040
Other operating items	-587	-672	-684	-754	-869	-845	-804	-963	-1,009	-1,061
EBITDA	327	392	452	486	575	717	774	887	928	979
Depreciation and amortisation	-24	-29	-33	-49	-55	-153	-158	-174	-169	-164
Of which leasing depreciation	0	0	0	0	0	-84	-84	-84	-84	-84
EBITA	303	363	419	437	520	564	616	713	759	815
EO items	0	0	0	0	0	-6	0	0	0	0
Impairment and PPA amortisation	-27	-48	-58	-59	-69	-81	-86	-96	-101	-106
EBIT	276	315	361	378	451	483	530	617	658	709
Net financial items	-11	-8	-9	-20	-20	-23	-28	-16	-16	-16
Pretax profit	265	307	352	358	432	460	502	601	642	693
Tax	-62	-66	-78	-72	-91	-94	-114	-120	-128	-139
Net profit	203	241	274	286	341	366	388	481	514	554
Minority interest	0	0	0	0	0	0	0	0	0	0
Net profit discontinued	0	0	0	0	0	0	0	0	0	0
Net profit to shareholders	203	241	274	286	341	366	388	481	514	554
EPS	0.60	1.18	1.34	1.40	1.67	1.79	1.90	2.35	2.51	2.71
EPS Adj	0.68	1.41	1.62	1.69	2.00	2.21	2.32	2.82	3.00	3.23
Total extraordinary items after tax	0	0	0	0	0	-6	0	0	0	0
Leasing payments	0	0	0	0	0	-88	-88	-88	-88	-88
Tax rate (%)	23.4	21.5	22.2	20.1	21.0	20.4	22.7	20.0	20.0	20.0
Gross margin (%)	32.1	34.8	36.7	36.4	36.7	37.4	38.6	38.6	38.4	38.4
EBITDA margin (%)	11.5	12.8	14.6	14.2	14.6	17.2	18.9	18.5	18.4	18.4
EBITA margin (%)	10.6	11.9	13.5	12.8	13.2	13.5	15.1	14.9	15.0	15.4
EBIT margin (%)	9.7	10.3	11.7	11.1	11.5	11.6	13.0	12.9	13.0	13.4
Pretax margin (%)	9.3	10.0	11.4	10.5	11.0	11.0	12.3	12.5	12.7	13.1
Net margin (%)	7.1	7.9	8.9	8.4	8.7	8.8	9.5	10.0	10.2	10.5
Growth rates Y/Y	2014	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
Sales growth (%)	11.8	7.4	1.3	10.2	15.3	6.3	-2.1	17.2	5.2	5.2
EBITDA growth (%)	14.3	19.9	15.3	7.5	18.3	24.7	7.9	14.6	4.6	5.5
EBIT growth (%)	14.0	14.1	14.6	4.7	19.3	7.1	9.7	16.4	6.7	7.7
Net profit growth (%)	14.7	18.7	13.7	4.4	19.2	7.3	6.0	23.9	6.8	7.9
EPS growth (%)	13.8	97.4	13.7	4.4	19.2	7.3	5.9	23.9	6.8	7.9
Profitability	2014	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
ROE (%)	23.6	24.7	24.6	22.9	24.3	22.9	21.9	24.1	22.5	21.4
ROE Adj (%)	26.7	29.7	29.8	27.6	29.2	28.4	26.8	28.9	26.9	25.5
ROCE (%)	23.8	21.4	20.1	16.9	17.4	16.6	15.8	16.9	16.7	16.7
ROCE Adj(%)	26.2	24.6	23.3	19.5	20.1	19.5	18.4	19.5	19.3	19.2
ROIC (%)	19.2	17.7	16.5	14.3	14.5	13.8	12.7	15.3	17.4	20.0
ROIC Adj (%)	19.2	17.7	16.5	14.3	14.5	14.0	12.7	15.3	17.4	20.0
Adj earnings numbers	2014	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
EBITDA Adj	327	392	452	486	575	723	774	887	928	979
EBITDA Adj margin (%)	11.5	12.8	14.6	14.2	14.6	17.3	18.9	18.5	18.4	18.4
EBITDA lease Adj	327	392	452	486	575	635	686	799	840	891
EBITDA lease Adj margin (%)	11.5	12.8	14.6	14.2	14.6	15.2	16.8	16.7	16.7	16.8
EBITA Adj	303	363	419	437	520	570	616	713	759	815
EBITA Adj margin (%)	10.6	11.9	13.5	12.8	13.2	13.6	15.1	14.9	15.0	15.4
EBIT Adj	276	315	361	378	451	489	530	617	658	709
EBIT Adj margin (%)	9.7	10.3	11.7	11.1	11.5	11.7	13.0	12.9	13.0	13.4
Pretax profit Adj	292	355	410	417	501	547	588	697	743	799
Net profit Adj	230	289	332	345	410	453	474	577	615	661
Net profit to shareholders Adj	230	289	332	345	410	453	474	577	615	661
Net Adj margin (%)	8.1	9.5	10.7	10.1	10.4	10.8	11.6	12.0	12.2	12.5

Source: ABG Sundal Collier, Company data

Cash Flow Statement (SEKm)	2014	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
EBITDA	327	392	452	486	575	717	774	887	928	979
Net financial items	-11	-8	-9	-20	-20	-23	-28	-16	-16	-16
Paid tax	-62	-66	-78	-72	-91	-94	-114	-120	-128	-139
Non-cash items	123	-59	0	0	0	0	0	0	0	0
Cash flow before change in WC	377	259	365	394	465	600	632	751	784	824
Change in WC	-109	-2	10	-85	-3	-53	93	43	-12	-13
Operating cash flow	268	257	375	309	462	547	725	793	771	812
CAPEX tangible fixed assets	-38	-70	-47	-37	-73	-92	-92	-67	-71	-74
CAPEX intangible fixed assets	0	0	0	0	0	0	0	0	0	0
Acquisitions and disposals	-128	-288	-208	-542	-141	-268	-268	0	0	0
Free cash flow	102	-101	120	-270	248	187	365	726	701	737
Dividend paid	-102	-119	-136	-135	-203	-169	-203	-216	-231	-250
Share issues and buybacks	0	0	0	0	0	0	0	0	0	0
Lease liability amortisation	0	0	0	0	0	0	0	0	0	0
Other non cash items	-129	-29	-61	-69	63	-414	-273	13	15	18
Balance Sheet (SEKm)	2014	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
Goodwill	628	802	912	1,248	1,373	1,510	1,661	1,827	2,010	2,211
Other intangible assets	355	505	567	710	675	766	733	438	129	-197
Tangible fixed assets	167	206	224	251	266	338	528	538	549	562
Right-of-use asset	0	0	0	0	0	142	58	-26	-110	-194
Total other fixed assets	11	10	10	11	14	23	21	21	21	21
Fixed assets	1,161	1,523	1,713	2,220	2,328	2,779	3,001	2,798	2,599	2,403
Inventories	313	379	401	492	528	562	655	666	700	737
Receivables	552	613	655	786	859	891	803	1,055	1,109	1,167
Other current assets	0	0	0	0	0	0	0	0	0	0
Cash and liquid assets	80	67	122	134	139	117	151	674	1,158	1,665
Total assets	2,106	2,582	2,891	3,632	3,854	4,349	4,610	5,192	5,567	5,972
Shareholders equity	917	1,032	1,197	1,303	1,508	1,684	1,855	2,132	2,430	2,753
Minority	0	0	0	0	0	0	0	0	0	0
Total equity	917	1,032	1,197	1,303	1,508	1,684	1,855	2,132	2,430	2,753
Long-term debt	314	563	687	1,169	1,066	1,298	1,443	1,443	1,443	1,443
Pension debt	68	55	63	67	67	67	67	67	67	67
Convertible debt	0	0	0	0	0	0	0	0	0	0
Leasing liability	0	0	0	0	0	142	142	142	142	142
Total other long-term liabilities	0	0	0	0	0	0	0	0	0	0
Short-term debt	0	0	0	0	0	0	0	0	0	0
Accounts payable	807	932	944	1,093	1,213	1,158	1,103	1,408	1,485	1,567
Other current liabilities	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	2,106	2,582	2,891	3,632	3,854	4,349	4,610	5,192	5,567	5,972
Net IB debt	302	551	628	1,102	994	1,390	1,501	978	494	-13
Net IB debt excl. pension debt	234	496	565	1,035	927	1,323	1,434	911	427	-80
Net IB debt excl. leasing	302	551	628	1,102	994	1,248	1,359	836	352	-155
Capital invested	1,219	1,583	1,825	2,405	2,502	3,074	3,356	3,110	2,923	2,740
Working capital	58	60	112	185	174	295	355	312	325	337
EV breakdown	2014	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
Market cap. diluted (m)	5,271	5,420	5,693	5,523	5,870	9,982	15,557	18,536	18,536	18,536
Net IB debt Adj	302	551	628	1,102	994	1,390	1,501	978	494	-13
Market value of minority	0	0	0	0	0	0	0	0	0	0
Reversal of shares and participations	0	0	0	0	0	0	0	0	0	0
Reversal of conv. debt assumed equity	0	0	0	0	0	0	0	0	0	0
EV	5,573	5,971	6,321	6,625	6,864	11,372	17,058	19,514	19,029	18,523
Capital efficiency	2014	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
Total assets turnover (%)	142.9	130.4	113.1	104.6	105.0	101.9	91.3	97.8	93.7	92.0
Working capital/sales (%)	0.1	1.9	2.8	4.4	4.6	5.6	7.9	7.0	6.3	6.2
Financial risk and debt service	2014	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
Net debt/equity	0.33	0.53	0.52	0.85	0.66	0.83	0.81	0.46	0.20	-0.00
Net debt/market cap	0.10	0.13	0.12	0.19	0.16	0.17	0.14	0.05	0.03	-0.00
Equity ratio (%)	43.5	40.0	41.4	35.9	39.1	38.7	40.2	41.1	43.6	46.1
Net IB debt adj./equity	0.33	0.53	0.52	0.85	0.66	0.83	0.81	0.46	0.20	-0.00
Current ratio	1.17	1.14	1.25	1.29	1.26	1.27	1.36	1.61	1.90	2.17
EBITDA/net interest	29.73	49.00	50.22	24.30	29.49	31.17	27.64	56.34	58.95	62.19
Net IB debt/EBITDA	0.92	1.41	1.39	2.27	1.73	1.94	1.94	1.10	0.53	-0.01
Net IB debt/EBITDA lease Adj	0.92	1.41	1.39	2.27	1.73	1.97	1.98	1.05	0.42	-0.17
Interest cover	27.55	45.38	46.56	21.85	26.67	24.52	22.00	45.28	48.20	51.77

Source: ABG Sundal Collier, Company data

Lagercrantz Group

Valuation and Ratios (SEKm)	2014	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
Shares outstanding adj.	204	204	204	204	204	204	204	204	204	204
Fully diluted shares Adj	340	205	205	205	205	205	205	205	205	205
EPS	0.60	1.18	1.34	1.40	1.67	1.79	1.90	2.35	2.51	2.71
Dividend per share Adj	1.5	1.8	2.0	2.0	3.0	2.5	1.0	1.1	1.1	1.2
EPS Adj	0.68	1.41	1.62	1.69	2.00	2.21	2.32	2.82	3.00	3.23
BVPS	4.50	5.06	5.87	6.39	7.40	8.26	9.09	10.45	11.91	13.49
BVPS Adj	-0.32	-1.35	-1.38	-3.21	-2.65	-2.90	-2.64	-0.65	1.43	3.62
Net IB debt / share	1.5	2.7	3.1	5.4	4.9	6.8	7.4	4.8	2.4	-0.1
Share price	15.50	26.50	27.83	27.00	28.70	48.80	76.00	90.55	90.55	90.55
Market cap. (m)	3,160	5,403	5,675	5,505	5,852	9,950	15,509	18,478	18,478	18,478
Valuation	2014	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
P/E	26.0	22.5	20.8	19.3	17.2	27.3	40.1	38.5	36.1	33.4
EV/sales	1.96	1.95	2.04	1.94	1.75	2.72	4.17	4.07	3.77	3.49
EV/EBITDA	17.0	15.2	14.0	13.6	11.9	15.9	22.0	22.0	20.5	18.9
EV/EBITA	18.4	16.5	15.1	15.2	13.2	20.2	27.7	27.4	25.1	22.7
EV/EBIT	20.2	19.0	17.5	17.5	15.2	23.5	32.2	31.6	28.9	26.1
Dividend yield (%)	9.7	6.6	7.2	7.4	10.5	5.1	1.3	1.2	1.3	1.4
FCF yield (%)	1.9	-1.9	2.1	-4.9	4.2	1.9	2.3	3.9	3.8	4.0
Lease adj. FCF yield (%)	1.9	-1.9	2.1	-4.9	4.2	1.9	2.3	3.9	3.8	4.0
P/BVPS	3.45	5.24	4.74	4.22	3.88	5.91	8.36	8.67	7.60	6.71
P/BVPS Adj	-47.88	-19.65	-20.12	-8.40	-10.84	-16.81	-28.77	-138.78	63.53	25.00
P/E Adj	22.9	18.8	17.1	16.0	14.3	22.0	32.8	32.1	30.2	28.1
EV/EBITDA Adj	17.0	15.2	14.0	13.6	11.9	15.7	22.0	22.0	20.5	18.9
EV/EBITA Adj	18.4	16.5	15.1	15.2	13.2	20.0	27.7	27.4	25.1	22.7
EV/EBIT Adj	20.2	19.0	17.5	17.5	15.2	23.3	32.2	31.6	28.9	26.1
EV/cap. employed	4.3	3.6	3.2	2.6	2.6	3.6	4.9	5.2	4.7	4.2
Investment ratios	2014	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
Capex/sales	1.3	2.3	1.5	1.1	1.9	2.2	2.2	1.4	1.4	1.4
Capex/depreciation	158.3	241.4	142.4	75.5	132.7	133.3	124.3	74.5	82.9	93.0
Capex tangibles/tangible fixed assets	22.8	34.0	21.0	14.7	27.4	27.2	17.4	12.5	12.9	13.2
Capex intangibles/definite intangibles	0	0	0	0	0	0	0	0	0	0
Depreciation on intangibles/definite intai	0	0	0	0	0	0	0	0	0	0
Depreciation on tangibles/tangibles	14.4	14.1	14.7	19.5	20.7	20.4	14.0	16.8	15.5	14.2

Source: ABG Sundal Collier, Company data

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