

Ecoclimate

Moving towards profitability

- Sales of SEK 62m, up 26% y-o-y, EBIT -4.9m (-25.8m)
- Circular Energy continues growth, production at capacity
- Sees relatively good order intake in challenging market

Q3: Promising improvements on profitability

In the seasonally softer Q3, sales were SEK 62m, up 26% y-o-y, of which 42% organic. Sales growth was mainly driven by the 155% increase seen in the Circular Energy segment. EBIT was SEK -4.9m (-25.8m) for a margin of -8% (-53%), and management stated that it is now seeing its structure and sales work starting to affect the numbers. The EBIT converted into EPS of SEK -0.10 (-0.78). Lease-adj. FCF was SEK -10.6m, and the company ended the quarter with a cash balance of SEK 42m.

Creating demand in a tough market

Following the Q3 numbers, we leave '23e-'25e sales largely unchanged but raise '23e EBIT by SEK 6m and '24e-'25e EBIT by 15-2%, as the company delivered profitability above our expectations. Management states that order intake remains relatively good across all segments given the tough market. In a faltering construction market, the company has been in successful discussions with tenants' associations to improve their energy efficiency and cost base with the help of Ecoclimate's technologies, resulting in increased demand and order intake for Evertherm, and the company now has sufficient orders to produce at capacity into '24e.

Trading at 9-5x '24e-'25e EV/EBIT

The share is up 35% L3M (vs. Swedish small caps -9%), and is currently trading at 0.8-0.6x '23e-'25e sales, and 9-5x '24e-'25e EV/EBIT on our updated estimates.

Analyst(s): henric.hintze@abgsc.se, +46 8 566 294 89
adrian.gilani@abgsc.se, +46 8 566 286 92

SEKm	2021	2022	2023e	2024e	2025e
Sales	157	255	331	390	427
EBITDA	-4	-28	10	48	72
EBITDA margin (%)	-2.4	-11.1	3.0	12.4	16.9
EBIT adj.	1	-29	10	37	57
EBIT adj. margin (%)	0.8	-11.4	3.1	9.5	13.3
Pretax profit	-14	-57	-28	28	51
EPS	-0.31	-1.27	-0.63	0.49	0.88
EPS adj.	0.06	-0.60	-0.11	0.68	1.01
Sales growth (%)	1.5	62.0	29.9	17.8	9.7
EPS growth (%)	-309.4	309.6	-50.4	-176.8	81.8

Source: ABG Sundal Collier, Company Data

Reason: Post-results comment

Commissioned research

Not rated

Renewable Energy

Estimate changes (%)

	2023e	2024e	2025e
Sales	-0.9	-0.7	-0.4
EBIT	-42.2	14.6	1.5
EPS	-19.9	17.9	1.5

Source: ABG Sundal Collier

ECC.B-SE/ECC SS

Share price (SEK)	9/11/2023	5.24
-------------------	-----------	------

MCap (SEKm)	241
MCap (EURm)	19
No. of shares (m)	41.2
Free float (%)	80.3
Av. daily volume (k)	3

Next event Q4 Report 15 February 2024

Performance



	2023e	2024e	2025e
P/E (x)	-8.3	10.8	5.9
P/E adj. (x)	-48.0	7.7	5.2
P/BVPS (x)	1.04	0.95	0.82
EV/EBITDA (x)	24.0	4.9	3.0
EV/EBIT adj. (x)	23.5	6.4	3.8
EV/sales (x)	0.72	0.61	0.50
ROE adj. (%)	-2.1	13.3	17.3
Dividend yield (%)	0.0	0.0	0.0
FCF yield (%)	-16.5	3.9	6.4
Le. adj. FCF yld. (%)	-19.6	0.6	3.1
Net IB debt/EBITDA (x)	-0.4	-0.1	-0.4
Le. adj. ND/EBITDA (x)	-0.6	-0.3	-0.5

Disclosures and analyst certifications are located on pages 9-10 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.

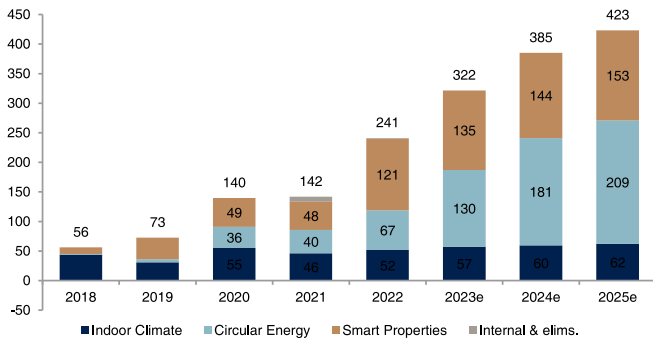
Company description

Ecoclimate is a property technology (proptech) company that offers products and services in three segments: Circular Energy, Indoor Climate and Property Automation. The company aims to be a wholesale provider of proptech solutions that increase properties' energy efficiency and improve indoor climate and comfort. The products have environmental advantages as well as financial incentives for property owners.

Risks

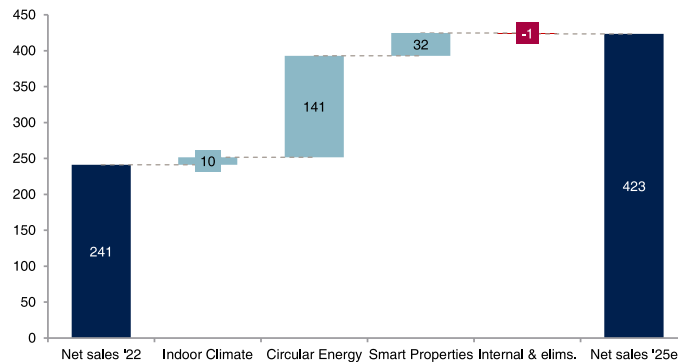
Risks include competing technologies for energy efficiency taking large market shares and Ecoclimate not managing to scale up operations and increase profitability. Also, the company has an active M&A agenda, which comes with M&A identification, valuation, and integration risks.

Sales estimates by segment



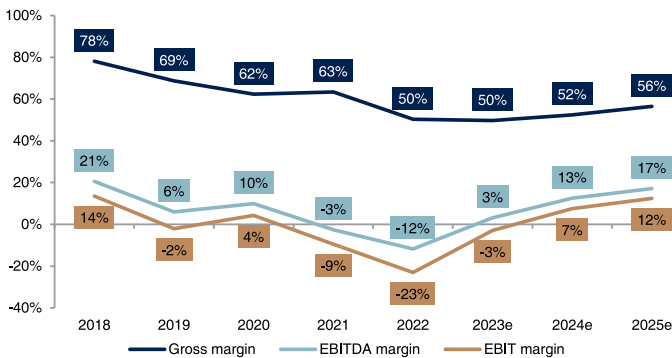
Source: ABG Sundal Collier, company data

'22-'25e sales bridge by segment



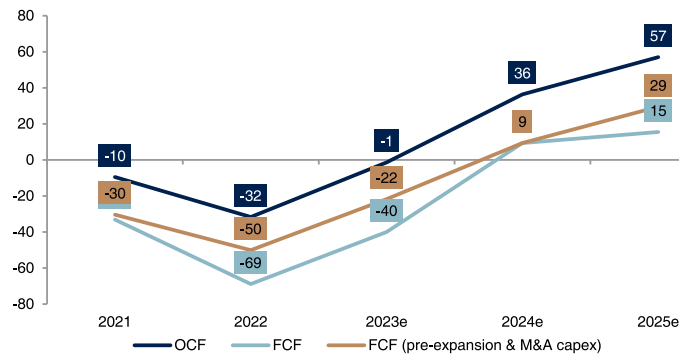
Source: ABG Sundal Collier, company data

Margin development



Source: ABG Sundal Collier estimates, company data

Operating cash flow, FCF, and pre-expansion FCF



Source: ABG Sundal Collier estimates, company data

Estimate changes, '23e-'25e

Estimate changes	Old forecast			New forecast			% change			SEKm change		
	2023e	2024e	2025e	2023e	2024e	2025e	2023e	2024e	2025e	2023e	2024e	2025e
Income statement												
Net sales	322	382	419	322	385	423	-0.1%	0.7%	0.9%	0	3	4
Total sales	334	392	429	331	390	427	-0.9%	-0.7%	-0.4%	-3	-3	-2
Adj. EBITDA*	26	53	76	30	56	76	15.5%	7.0%	1.0%	4	4	1
EBIT	-16	25	52	-10	29	53	n.m	14.6%	1.5%	7	4	1
PTP	-35	25	51	-28	28	51	n.m	14.8%	1.5%	7	4	1
Net profit	-37	19	40	-29	22	41	n.m	17.9%	1.5%	7	3	1
Growth and margins												
Net sales y-o-y	33.4%	18.8%	9.7%	33.3%	19.8%	9.9%	-0.1pp	0.9pp	0.3pp			
EBITDA y-o-y	-1454.4%	106.0%	43.1%	-1664.7%	90.7%	35.2%	-210.4pp	-15.3pp	-7.9pp			
Gross margin	49.6%	52.5%	57.6%	49.7%	52.4%	56.4%	0.1pp	-0.1pp	-1.2pp			
EBIT margin	-5.1%	6.6%	12.4%	-3.0%	7.5%	12.4%	2.2pp	0.9pp	0.1pp			
Segment revenue												
Indoor Climate	54	56	58	57	60	62	6.4%	6.4%	6.4%	3	4	4
Circular Energy	120	168	194	130	181	209	7.7%	7.7%	7.7%	9	13	15
Smart Properties	148	158	167	135	144	153	-8.8%	-8.8%	-8.8%	-13	-14	-15
Internal & eliminations	0	0	0	0	0	0				0	0	0
Segment adj. EBITDA*												
Indoor Climate	0	2	3	1	3	4	-424.9%	70.0%	27.7%	2	1	1
Circular Energy	12	32	47	17	38	52	37.9%	18.0%	12.2%	5	6	6
Smart Properties	18	23	30	16	20	24	-13.7%	-14.9%	-18.9%	-3	-3	-6
Internal & eliminations	-5	-4	-4	-5	-4	-4				0	0	0
Segment adj. EBITDA* margin												
Indoor Climate	-0.7%	3.4%	5.0%	2.2%	5.5%	6.0%	3.0pp	2.0pp	1.0pp			
Circular Energy	10.4%	19.0%	24.0%	13.3%	20.8%	25.0%	2.9pp	1.8pp	1.0pp			
Smart Properties	12.4%	14.5%	18.0%	11.7%	13.6%	16.0%	-0.7pp	-1.0pp	-2.0pp			

Source: ABG Sundal Collier, *company definition that excludes expansion costs for taking market share

Income statement, quarterly

Income statement	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23e
Net sales	30.3	39.8	26.9	44.7	54.4	57.4	49.1	82.2	75.2	90.6	61.7	94.0
<i>y-o-y %</i>	-11%	3%	0%	13%	79%	44%	82%	84%	38%	58%	26%	14%
<i>organic %</i>	-11%	3%	0%	13%	27%	10%	21%	20%	32%	65%	42%	14%
<i>M&A %</i>	0%	0%	0%	0%	52%	35%	61%	64%	6%	-8%	-16%	0%
Other income	3.8	2.1	2.8	6.6	4.0	3.3	3.0	3.3	4.2	2.9	1.2	0.9
Total sales	34.2	42.0	29.8	51.3	58.4	60.7	52.0	85.5	79.4	93.5	63.0	94.9
COGS	-15.4	-18.4	-14.3	-19.2	-31.0	-32.7	-27.3	-44.1	-42.8	-48.9	-31.7	-47.6
Gross profit	18.8	23.6	15.4	32.1	27.4	28.0	24.7	41.4	36.6	44.6	31.3	47.3
<i>Gross margin</i>	62%	59%	57%	72%	50%	49%	50%	50%	49%	49%	51%	50%
Other external costs	-3.8	-5.8	-2.9	-10.3	-8.4	-11.8	-10.3	-14.7	-13.7	-18.1	-11.4	-16.0
Personell expenses	-14.8	-13.1	-10.2	-18.0	-16.9	-20.5	-19.4	-26.4	-23.9	-12.6	-27.6	-20.7
Non-recurring items	-1.7	-2.8	-7.5	-2.6	-6.5	-4.2	-5.9	-9.9	-4.5	-7.0	-4.2	-4.0
EBITDA	-1.6	1.9	-5.2	1.1	-4.4	-8.5	-10.9	-4.6	-2.9	4.4	-0.1	8.7
<i>EBITDA margin</i>	-5%	5%	-19%	3%	-8%	-15%	-22%	-6%	-4%	5%	0%	9%
Adj. EBITDA*	0.1	4.7	2.3	3.8	2.0	-4.3	-5.0	5.3	1.6	11.3	4.0	12.7
<i>Adj. EBITDA margin</i>	0%	12%	9%	8%	4%	-7%	-10%	6%	2%	13%	6%	13%
D&A	-2.7	-2.7	-3.0	-2.2	-3.2	-4.8	-15.0	-4.2	-5.1	-4.7	-4.8	-4.9
EBIT	-4.3	-0.8	-8.2	-1.0	-7.6	-13.3	-25.8	-8.8	-8.1	-0.3	-4.9	3.8
<i>EBIT margin</i>	-14%	-2%	-30%	-2%	-14%	-23%	-53%	-11%	-11%	0%	-8%	4%
Adj. EBIT	-2.6	2.0	-0.7	1.6	-1.2	-9.1	-19.9	1.1	-3.5	6.7	-0.8	7.8
<i>Adj. EBIT margin</i>	-9%	5%	-2%	4%	-2%	-16%	-41%	1%	-5%	7%	-1%	8%
Net financial items	-0.2	-0.1	-0.6	-0.1	0.0	-0.1	-9.6	8.4	-0.1	-18.7	0.2	-0.1
PTP	-4.6	-0.9	-8.7	-1.1	-7.6	-13.4	-35.4	-0.4	-8.2	-19.0	-4.7	3.7
Taxes	0.1	-0.3	-0.1	2.5	0.0	0.1	-0.4	-0.8	-0.1	-0.1	-0.1	-0.8
Net profit	-4.5	-1.2	-8.8	1.4	-7.6	-13.4	-35.8	-1.2	-8.3	-19.0	-4.8	2.9
Segment breakdown	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23e
Net sales												
Indoor Climate	10.0	11.2	10.2	14.8	11.8	16.5	9.3	12.8	12.7	18.2	12.3	14.2
<i>y-o-y %</i>	-24%	-31%	-11%	3%	18%	47%	-9%	-14%	7%	11%	31%	11%
<i>organic %</i>								0%	0%	0%	0%	11%
<i>M&A %</i>								0%	0%	0%	0%	0%
Circular Energy	5.1	12.8	8.8	12.9	13.9	15.3	10.3	29.9	28.4	34.6	26.2	40.4
<i>y-o-y %</i>	-50%	n.a.	144%	87%	173%	20%	17%	132%	104%	127%	155%	35%
<i>organic %</i>								0%	0%	0%	0%	35%
<i>M&A %</i>								0%	0%	0%	0%	0%
Smart Property	15.2	11.6	6.2	14.7	27.5	25.7	29.5	39.4	34.2	37.8	23.2	39.4
<i>y-o-y %</i>	51%	-3%	-32%	-17%	80%	121%	375%	169%	24%	47%	-21%	0%
<i>organic %</i>								75%	24%	47%	-21%	0%
<i>M&A %</i>								94%	0%	0%	0%	0%
Internal & eliminations	0.0	4.2	1.7	2.3	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adj. EBITDA*												
Indoor Climate	-0.9	0.0	0.6	2.4	-0.6	0.3	-1.4	0.4	-1.0	1.1	0.4	0.9
<i>EBITDA margin</i>	-9%	0%	6%	16%	-5%	2%	-15%	3%	-8%	6%	3%	6%
Circular Energy	-1.7	4.8	0.8	1.4	1.0	-1.2	-4.1	1.9	-0.3	5.9	3.5	8.1
<i>EBITDA margin</i>	-33%	37%	9%	11%	7%	-8%	-40%	6%	-1%	17%	13%	20%
Smart Property	3.0	1.9	0.5	5.7	1.8	2.2	1.8	5.2	6.0	4.0	1.0	4.7
<i>EBITDA margin</i>	20%	16%	9%	39%	7%	8%	6%	13%	17%	11%	4%	12%
Internal & eliminations	-0.3	-1.9	0.3	-5.7	-0.2	-5.6	-1.3	-2.1	-3.0	0.3	-0.9	-1.0

Source: ABG Sundal Collier, Company data, ABG Sundal Collier, *company definition that excludes expansion costs for taking market shares

Income statement, annual

Income statement	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Net sales	3.2	30.7	56.1	72.7	139.7	141.7	241.2	321.6	385.2	423.4
<i>y-o-y %</i>	-46%	847%	82%	30%	92%	1%	70%	33%	20%	10%
<i>organic %</i>				30%	8%	2%	18%	37%	20%	10%
<i>M&A %</i>				0%	84%	0%	53%	-4%	0%	0%
Other income	5.1	8.5	16.2	16.1	15.1	15.4	13.5	9.2	4.4	4.0
Total sales	8.4	39.3	72.3	88.7	154.8	157.2	254.7	330.8	389.6	427.4
COGS	-1.2	-9.6	-28.5	-38.8	-67.8	-67.3	-133.3	-161.7	-183.3	-184.4
Gross profit	7.2	29.7	43.8	49.9	87.0	89.9	121.4	159.9	201.9	239.0
<i>Gross margin</i>	221%	97%	78%	69%	62%	63%	50%	50%	52%	56%
Other external costs	-4.0	-8.6	-10.8	-12.1	-18.3	-22.8	-45.2	-59.2	-64.0	-72.0
Personell expenses	-3.1	-11.2	-21.5	-29.5	-53.0	-56.1	-91.7	-84.9	-81.4	-84.7
Non-recurring items	0.0	0.0	0.0	-4.0	-1.7	-14.7	-26.5	-19.7	-8.0	-4.0
EBITDA	0.1	10.0	11.5	4.4	13.9	-3.7	-28.4	9.9	48.5	72.3
<i>EBITDA margin</i>	4%	32%	21%	6%	10%	-3%	-12%	3%	13%	17%
Adj. EBITDA*	0.1	10.0	11.5	8.3	15.6	11.0	-1.9	29.6	56.5	76.3
<i>Adj. EBITDA margin</i>	4%	32%	21%	11%	11%	8%	-1%	9%	15%	18%
D&A	-0.1	-1.1	-3.9	-5.9	-8.0	-9.7	-27.2	-19.5	-19.6	-19.6
EBIT	0.1	8.9	7.6	-1.5	6.0	-13.4	-55.6	-9.5	28.9	52.7
<i>EBIT margin</i>	2%	29%	14%	-2%	4%	-9%	-23%	-3%	7%	12%
Adj. EBIT	0.1	8.8	7.6	2.4	7.7	1.3	-29.1	10.1	36.9	56.7
<i>Adj. EBIT margin</i>	2%	29%	14%	3%	5%	1%	-12%	3%	10%	13%
Net financial items	0.0	-0.2	-0.6	-0.4	-0.5	-1.0	-1.3	-18.7	-0.4	-1.3
PTP	0.0	8.7	7.0	-1.9	5.5	-14.4	-56.9	-28.3	28.5	51.4
Taxes	0.0	-1.8	-2.5	-0.3	-0.9	2.3	-1.4	-1.0	-6.0	-10.6
Net profit	0.0	6.8	4.5	-2.3	4.6	-12.2	-58.3	-29.3	22.5	40.8
Segment breakdown	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Net sales										
Indoor Climate			44.1	30.8	55.3	46.3	51.7	57.4	59.7	62.1
<i>y-o-y %</i>				-30%	79%	-16%	12%	11%	4%	4%
<i>organic %</i>							0%	11%	4%	4%
<i>M&A %</i>							0%	0%	0%	0%
Circular Energy			1.0	5.3	35.6	39.5	67.3	129.6	181.4	208.6
<i>y-o-y %</i>				446%	578%	11%	70%	92%	40%	15%
<i>organic %</i>							0%	92%	40%	15%
<i>M&A %</i>							0%	0%	0%	0%
Smart Property			11.1	36.6	48.8	47.7	120.9	134.6	144.0	152.7
<i>y-o-y %</i>				230%	33%	-2%	153%	11%	7%	6%
<i>organic %</i>							0%	11%	7%	6%
<i>M&A %</i>							0%	0%	0%	0%
Internal & eliminations			0.0	0.0	0.0	8.2	1.3	0.0	0.0	0.0
Adj. EBITDA*										
Indoor Climate			8.7	4.3	1.7	2.1	-1.3	1.3	3.3	3.7
<i>EBITDA margin</i>			20%	14%	3%	5%	-2%	2%	5%	6%
Circular Energy			0.5	1.1	3.7	5.3	-2.4	17.2	37.7	52.2
<i>EBITDA margin</i>				21%	10%	13%	-4%	13%	21%	25%
Smart Property			2.3	3.0	7.8	11.1	10.9	15.7	19.5	24.4
<i>EBITDA margin</i>			21%	8%	16%	23%	9%	12%	14%	16%
Internal & eliminations			0.0	0.0	2.5	-7.6	-9.2	-4.6	-4.0	-4.0

Source: ABG Sundal Collier, Company data, ABG Sundal Collier, *company definition that excludes expansion costs for taking market shares

Income Statement (SEKm)	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Sales	8	39	72	89	155	157	255	331	390	427
COGS	-1	-10	-28	-39	-68	-67	-133	-162	-183	-184
Gross profit	7	30	44	50	87	90	121	169	206	243
Other operating items	-7	-20	-32	-46	-73	-94	-150	-159	-158	-171
EBITDA	0	10	12	4	14	-4	-28	10	48	72
Depreciation and amortisation	-0	-0	-2	-4	-5	-7	-24	-16	-16	-16
of which leasing depreciation	0	0	0	-3	-4	-4	-4	-4	-4	-4
EBITA	0	10	9	0	9	-11	-52	-6	32	56
EO Items	0	0	-0	-4	-2	-15	-26	-20	-8	-4
Impairment and PPA amortisation	0	-1	-2	-2	-3	-3	-4	-4	-4	-4
EBIT	0	9	8	-2	6	-13	-56	-10	29	53
Net financial items	-0	-0	-1	-0	-0	-1	-1	-19	-0	-1
Pretax profit	0	9	7	-2	5	-14	-57	-28	28	51
Tax	-0	-2	-2	-0	-1	2	-1	-1	-6	-11
Net profit	0	7	4	-2	5	-12	-58	-29	22	41
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	0	7	4	-2	5	-12	-58	-29	22	41
EPS	-	-	0.24	-0.08	0.15	-0.31	-1.27	-0.63	0.49	0.88
EPS adj.	-	-	0.30	0.17	0.27	0.06	-0.60	-0.11	0.68	1.01
Total extraordinary items after tax	0	0	-0	-5	-1	-12	-27	-20	-6	-3
Leasing payments	0	0	0	-3	-4	-4	-4	-4	-4	-4
Tax rate (%)	0.5	21.3	35.7	-17.5	16.7	15.6	-2.5	-3.5	21.0	20.6
Gross margin (%)	85.7	75.6	60.6	56.3	56.2	57.2	47.7	51.1	52.9	56.8
EBITDA margin (%)	1.7	25.4	16.0	4.9	9.0	-2.4	-11.1	3.0	12.4	16.9
EBITA margin (%)	0.5	24.3	12.9	0.6	5.6	-6.9	-20.4	-1.7	8.3	13.2
EBIT margin (%)	0.8	22.6	10.5	-1.7	3.9	-8.5	-21.8	-2.9	7.4	12.3
Pre-tax margin (%)	0.3	22.1	9.7	-2.2	3.6	-9.2	-22.4	-8.5	7.3	12.0
Net margin (%)	0.3	17.4	6.2	-2.6	3.0	-7.8	-22.9	-8.8	5.8	9.6
Growth Rates y-o-y	-	-	-	-	-	-	-	-	-	-
Sales growth (%)	16.1	369.3	84.0	22.8	74.5	1.5	62.0	29.9	17.8	9.7
EBITDA growth (%)	-11.3	7,057.5	15.7	-62.3	219.9	-126.9	659.0	-135.0	387.4	49.2
EBITA growth (%)	-69.4	21,827.2	-2.5	-94.7	1,662.8	-224.6	380.5	-88.9	-660.6	73.5
EBIT growth (%)	-55.3	NM	-14.3	-120.3	-487.7	-324.6	NM	-82.9	-403.1	82.7
Net profit growth (%)	-79.2	25,466.4	-34.1	-151.0	-300.0	-366.2	378.6	-49.9	-176.8	81.8
EPS growth (%)	--	--	--	-134.3	-282.0	-309.4	309.6	-50.4	-176.8	81.8
Profitability	-	-	-	-	-	-	-	-	-	-
ROE (%)	0.1	14.1	5.0	-1.9	3.1	-5.1	-20.5	-11.9	9.2	14.9
ROE adj. (%)	0.0	15.5	6.9	3.7	5.9	1.2	-9.7	-2.1	13.3	17.3
ROCE (%)	0.4	17.3	8.0	-1.2	3.8	-5.5	-18.1	-3.4	10.8	18.1
ROCE adj. (%)	0.2	18.7	9.8	3.5	6.6	1.6	-8.3	5.0	15.2	20.7
ROIC (%)	0.3	18.7	10.2	0.7	6.0	-6.2	-27.7	-2.6	10.7	17.3
ROIC adj. (%)	0.3	18.7	10.2	6.3	7.2	2.3	-13.6	6.3	13.4	18.5
Adj. earnings numbers	-	-	-	-	-	-	-	-	-	-
EBITDA lease adj.	0	10	12	6	12	7	-5	26	53	73
EBITDA lease adj. margin (%)	1.7	25.4	16.0	6.4	7.8	4.7	-2.2	7.9	13.6	17.0
EBITA adj.	0	10	9	4	10	4	-25	14	40	60
EBITA adj. margin (%)	0.5	24.3	12.9	5.0	6.7	2.5	-10.0	4.2	10.4	14.1
EBIT adj.	0	9	8	2	8	1	-29	10	37	57
EBIT adj. margin (%)	0.8	22.5	10.5	2.8	5.0	0.8	-11.4	3.1	9.5	13.3
Pretax profit Adj.	0	9	9	4	10	3	-27	-5	40	59
Net profit Adj.	0	8	6	4	9	3	-28	-5	32	48
Net profit to shareholders adj.	0	8	6	4	9	3	-28	-5	32	48
Net adj. margin (%)	0.1	19.1	8.6	5.0	5.6	1.8	-10.8	-1.6	8.3	11.1

Source: ABG Sundal Collier, Company Data

Cash Flow (SEKm)	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
EBITDA	0	10	12	4	14	-4	-28	10	48	72
Net financial items	-0	-0	-1	-0	-0	-1	-1	-19	-0	-1
Paid tax	-0	-1	-2	-0	-1	-0	-0	-1	-6	-11
Non-cash items	0	0	-1	-0	0	2	-1	0	0	0
Cash flow before change in WC	0	9	8	4	12	-3	-31	-10	42	60
Change in working capital	-5	6	11	-12	6	-7	-1	8	-6	-3
Operating cash flow	-5	15	19	-8	18	-10	-32	-1	36	57
Capex tangible fixed assets	-0	-0	-1	-1	-1	-9	-6	-9	-12	-13

Cash Flow (SEKm)	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Capex intangible fixed assets	-9	-10	-17	-18	-12	-12	-12	-13	-15	-15
Acquisitions and Disposals	0	-11	-4	-10	-15	-3	-19	-17	0	-14
Free cash flow	-14	-6	-2	-37	-10	-33	-69	-40	9	15
Dividend paid	0	0	0	0	0	0	0	0	0	0
Share issues and buybacks	17	9	40	6	31	142	-0	-0	0	0
Leasing liability amortisation	0	0	0	-3	-4	-4	-7	-7	-8	-8
Other non-cash items	2	-4	3	2	-1	6	-38	14	0	14
Balance Sheet (SEKm)	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Goodwill	0	10	12	21	34	34	81	68	68	68
Other intangible assets	15	21	33	42	55	68	70	80	92	103
Tangible fixed assets	1	31	30	28	26	29	31	31	30	30
Right-of-use asset	0	0	0	5	7	5	11	15	20	24
Total other fixed assets	0	2	1	18	20	20	19	18	18	18
Fixed assets	16	64	76	114	142	156	212	211	227	243
Inventories	6	7	6	8	7	11	27	35	42	47
Receivables	1	6	10	11	29	29	50	68	81	89
Other current assets	2	2	10	8	4	9	13	14	17	19
Cash and liquid assets	5	17	57	29	46	153	76	27	29	36
Total assets	30	96	158	170	229	358	378	356	396	434
Shareholders equity	28	69	112	128	169	307	261	232	254	295
Minority	0	0	0	0	0	-0	-0	0	0	0
Total equity	28	69	112	128	169	307	261	232	254	295
Long-term debt	0	5	3	2	1	0	28	13	13	-1
Pension debt	0	0	0	0	0	0	0	0	0	0
Convertible debt	0	0	0	0	0	0	0	0	0	0
Leasing liability	0	0	0	5	7	5	11	11	11	11
Total other long-term liabilities	0	7	7	7	7	7	10	11	11	11
Short-term debt	0	1	1	1	1	0	0	0	0	0
Accounts payable	1	4	11	8	13	18	38	42	50	55
Other current liabilities	1	10	23	19	30	20	29	48	57	62
Total liabilities and equity	30	96	158	170	229	358	378	356	396	434
Net IB debt	-5	-11	-52	-21	-36	-147	-37	-4	-5	-27
Net IB debt excl. pension debt	-5	-11	-52	-21	-36	-147	-37	-4	-5	-27
Net IB debt excl. leasing	-5	-11	-52	-26	-44	-153	-48	-15	-16	-38
Capital employed	28	75	116	136	179	313	300	256	278	305
Capital invested	23	57	60	107	132	160	225	228	249	269
Working capital	6	0	-9	1	-3	10	22	28	34	37
EV breakdown	-	-	-	-	-	-	-	-	-	-
Market cap. diluted (m)	0	0	99	147	161	205	240	242	242	242
Net IB debt adj.	-5	-11	-52	-21	-36	-147	-37	-4	-5	-27
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	-	-	-	-	-	-	-	-	-	-
EV	-5	-11	47	126	125	58	203	239	237	216
Total assets turnover (%)	41.3	62.4	57.1	54.2	77.7	53.6	69.3	90.2	103.6	103.0
Working capital/sales (%)	38.7	8.8	-6.0	-4.9	-0.8	2.4	6.5	7.6	7.9	8.3
Financial risk and debt service	-	-	-	-	-	-	-	-	-	-
Net debt/equity (%)	-17.8	-16.6	-46.8	-16.1	-21.5	-47.9	-14.0	-1.6	-2.0	-9.0
Net debt / market cap (%)	--	--	-52.9	-14.0	-22.5	-71.8	-15.2	-1.5	-2.1	-11.0
Equity ratio (%)	92.1	72.0	71.0	75.0	73.8	85.9	69.2	65.1	64.2	68.1
Net IB debt adj. / equity (%)	-17.8	-16.6	-46.8	-16.1	-21.5	-47.9	-14.0	-1.6	-2.0	-9.0
Current ratio	5.80	2.08	2.31	2.01	1.95	5.28	2.47	1.62	1.58	1.63
EBITDA/net interest	3.8	50.9	19.2	10.7	29.3	3.6	21.4	0.5	121.1	56.9
Net IB debt/EBITDA (x)	-35.4	-1.1	-4.5	-4.7	-2.6	39.4	1.3	-0.4	-0.1	-0.4
Net IB debt/EBITDA lease adj. (x)	-35.4	-1.1	-4.5	-4.5	-3.6	-20.7	8.7	-0.6	-0.3	-0.5
Interest coverage	1.2	48.8	15.5	1.2	18.3	10.5	39.1	0.3	81.1	44.3

Source: ABG Sundal Collier, Company Data

Share Data (SEKm)	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Actual shares outstanding	0	0	19	28	31	39	46	46	46	46
Actual shares outstanding (avg)	0	0	19	28	31	39	46	46	46	46
All additional shares	0	0	19	9	3	0	0	0	0	0
Issue month	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Share Data (SEKm)	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Assumed dil. of shares from conv.	0	0	0	0	0	0	0	0	0	0
As. dil. of shares from conv. (avg)	0	0	0	0	0	0	0	0	0	0
Conv. debt not assumed as equity	0	0	0	0	0	0	0	0	0	0
No. of warrants	0	0	0	0	0	0	0	0	0	0
Market value per warrant	0	0	0	0	0	0	0	0	0	0
Dilution from warrants	0	0	0	0	0	0	0	0	0	0
Issue factor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Actual dividend per share	-	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reported earnings per share	0.00	0.00	0.25	-0.09	0.15	-0.31	-1.27	-0.63	0.49	0.88

Source: ABG Sundal Collier, Company Data

Valuation and Ratios (SEKm)	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Shares outstanding adj.	0	0	19	28	31	39	46	46	46	46
Diluted shares adj.	0	0	19	28	31	39	46	46	46	46
EPS	-	-	0.24	-0.08	0.15	-0.31	-1.27	-0.63	0.49	0.88
Dividend per share	-	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EPS adj.	-	-	0.30	0.17	0.27	0.06	-0.60	-0.11	0.68	1.01
BVPS	-	-	5.93	4.55	5.47	7.85	5.71	5.02	5.50	6.39
BVPS adj.	-	-	3.52	2.30	2.57	5.23	2.41	1.82	2.05	2.69
Net IB debt/share	-	-	-2.77	-0.74	-1.18	-3.76	-0.80	-0.08	-0.11	-0.57
Share price	5.24	5.24	5.24	5.24	5.24	5.24	5.24	5.24	5.24	5.24
Market cap. (m)	0	0	99	147	161	205	240	242	242	242
Valuation	-	-	-	-	-	-	-	-	-	-
P/E (x)	--	--	22.0	-64.2	35.3	-16.8	-4.1	-8.3	10.8	5.9
EV/sales (x)	-0.59	-0.29	0.64	1.42	0.81	0.37	0.80	0.72	0.61	0.50
EV/EBITDA (x)	-35.4	-1.1	4.0	29.0	9.0	-15.5	-7.2	24.0	4.9	3.0
EV/EBITA (x)	-113.1	-1.2	5.0	256.8	14.4	-5.4	-3.9	-41.2	7.3	3.8
EV/EBIT (x)	-77.3	-1.3	6.1	-82.0	20.9	-4.3	-3.7	-25.1	8.2	4.1
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCF yield (%)	0.0	0.0	-2.1	-25.3	-6.4	-16.2	-28.7	-16.5	3.9	6.4
Le. adj. FCF yld. (%)	0.0	0.0	-2.1	-27.0	-8.6	-18.2	-31.7	-19.6	0.6	3.1
P/BVPS (x)	--	--	0.88	1.15	0.96	0.67	0.92	1.04	0.95	0.82
P/BVPS adj. (x)	5.24	5.24	1.49	2.28	2.04	1.00	2.17	2.87	2.55	1.94
P/E adj. (x)	--	--	17.6	30.7	19.6	84.6	-8.7	-48.0	7.7	5.2
EV/EBITDA adj. (x)	-35.4	-1.1	4.0	15.1	8.0	5.3	-107.4	8.1	4.2	2.8
EV/EBITA adj. (x)	-113.1	-1.2	5.0	28.2	12.1	14.8	-8.0	17.2	5.9	3.6
EV/EBIT adj. (x)	-77.3	-1.3	6.1	51.7	16.3	44.8	-7.0	23.5	6.4	3.8
EV/CE (x)	-0.2	-0.2	0.4	0.9	0.7	0.2	0.7	0.9	0.9	0.7
Investment ratios	-	-	-	-	-	-	-	-	-	-
Capex/sales (%)	104.5	25.6	23.7	21.6	8.7	13.2	7.2	6.6	6.9	6.4
Capex/depreciation	91.4	24.1	7.7	15.6	7.9	6.0	0.9	1.8	2.2	2.2
Capex tangibles / tangible fixed assets	18.6	0.7	2.0	3.4	5.4	29.5	20.8	28.7	39.0	42.4
Capex intangibles / definite intangibles	56.3	46.5	50.2	43.6	22.0	17.9	17.0	16.5	16.8	14.4
Depreciation on intang / def. intang	0	0	0	0	0	0	0	0	0	0
Depreciation on tangibles / tangibles	15.44	1.32	7.45	4.40	6.61	11.95	63.85	39.77	41.81	41.39

Source: ABG Sundal Collier, Company Data

Analyst Certification

We, ABGSC Renewable Energy Research, Henric Hintze and Adrian Gilani, analyst(s) with ABG Sundal Collier ASA, ABG Sundal Collier Denmark, filial af ABG Sundal Collier ASA, Norge, ABG Sundal Collier AB and/or ABG Sundal Collier Limited (hereinafter collectively referred to as "ABG Sundal Collier"), and the author(s) of this report, certify that notwithstanding the existence of any such potential conflicts of interests referred to below, the views expressed in this report accurately reflect my/our personal view about the companies and securities covered in this report. I/We further certify that I/We has/have not been, nor am/are or will be, receiving direct or indirect compensation related to the specific recommendations or views contained in this report.

This report is produced by ABG Sundal Collier, which may cover companies either in accordance with legal requirements designed to promote the independence of investment research ("independent research") or as commissioned research. Commissioned research is paid for by the subject company. As such, commissioned research is deemed to constitute an acceptable minor non-monetary benefit (i.e., not investment research) as defined in MiFID II.

Analyst valuation methods

ABG Sundal Collier analysts may publish valuation ranges for stocks covered under Company Sponsored Research. These valuation ranges rely on various valuation methods. One of the most frequently used methods is the valuation of a company by calculation of that company's discounted cash flow (DCF). Another valuation method is the analysis of a company's return on capital employed relative to its cost of capital. Finally, the analysts may analyse various valuation multiples (e.g. the P/E multiples and the EV/EBITDA multiples) relative to global industry peers. In special cases, particularly for property companies and investment companies, the ratio of price to net asset value is considered. Valuation ranges may be changed when earnings and cash flow forecasts are changed. They may also be changed when the underlying value of a company's assets changes (in the cases of investment companies, property companies or insurance companies) or when factors impacting the required rate of return change.

Important Company Specific Disclosure

The following disclosures relate to the relationship between ABG Sundal Collier and its affiliates and the companies covered by ABG Sundal Collier referred to in this research report.

Unless disclosed in this section, ABG Sundal Collier has no required regulatory disclosures to make in relation to an ownership position for the analyst(s) and members of the analyst's household, ownership by ABG Sundal Collier, ownership in ABG Sundal Collier by the company(ies) to whom the report(s) refer(s) to, market making, managed or co-managed public offerings, compensation for provision of certain services, directorship of the analyst, or a member of the analyst's household, or in relation to any contractual obligations to the issuance of this research report.

ABG Sundal Collier has undertaken a contractual obligation to issue this report and receives predetermined compensation from the company covered in this report.

ABG Sundal Collier is not aware of any other actual, material conflicts of interest of the analyst or ABG Sundal Collier of which the analyst knows or has reason to know at the time of the publication of this report.

Production of report: 11/9/2023 20:30.

All prices are as of market close on 8 November, 2023 unless otherwise noted.

Disclaimer

This report has been prepared by ABG Sundal Collier ASA, ABG Sundal Collier Denmark, filial af ABG Sundal Collier ASA, Norge, ABG Sundal Collier AB and/or ABG Sundal Collier Limited and any of their directors, officers, representatives and employees (hereinafter collectively referred to as "ABG Sundal Collier"). This report is not a product of any other affiliated or associated companies of any of the above entities.

This report is provided solely for the information and use of professional investors, who are expected to make their own investment decisions without undue reliance on this report. The information contained herein does not apply to, and should not be relied upon by, retail clients. This report is for distribution only under such circumstances as may be permitted by applicable law. Research reports prepared by ABG Sundal Collier are for information purposes only. The recommendation(s) in this report is (are) has/have no regard to specific investment objectives and the financial situation or needs of any specific recipient. ABG Sundal Collier and/or its affiliates accepts no liability whatsoever for any losses arising from any use of this report or its contents. This report is not to be used or considered as an offer to sell, or a solicitation of an offer to buy. The information herein has been obtained from, and any opinions herein are based upon, sources believed reliable, but ABG Sundal Collier and/or its affiliates make no representation as to its accuracy or completeness and it should not be relied upon as such. All opinions and estimates herein reflect the judgment of ABG Sundal Collier on the date of this report and are subject to change without notice. Past performance is not indicative of future results.

The compensation of our research analysts is determined exclusively by research management and senior management, but not including investment banking management. Compensation is not based on specific investment banking revenues, however, it is determined from the profitability of the ABG Sundal Collier group, which includes earnings from investment banking operations and other business. Investors should assume that ABG Sundal Collier ASA, ABG Sundal Collier Denmark, filial af ABG Sundal

Collier ASA, Norge and/or ABG Sundal Collier AB is seeking or will seek investment banking or other business relationships with the companies in this report.

The research analyst(s) responsible for the preparation of this report may interact with trading desk and sales personnel and other departments for the purpose of gathering, synthesizing and interpreting market information. From time to time, ABG Sundal Collier and/or its affiliates and any shareholders, directors, officers, or employees thereof may (I) have a position in, or otherwise be interested in, any securities directly or indirectly connected to the subject of this report, or (II) perform investment banking or other services for, or solicit investment banking or other services from, a company mentioned in this report. ABG Sundal Collier and/or its affiliates rely on information barriers to control the flow of information contained in one or more areas of ABG Sundal Collier, into other areas, units, groups or affiliates of ABG Sundal Collier.

Norway: ABG Sundal Collier ASA is regulated by the Financial Supervisory Authority of Norway (Finanstilsynet)

Denmark: ABG Sundal Collier Denmark, filial af ABG Sundal Collier ASA, Norge, is regulated by the Financial Supervisory Authority of Norway (Finanstilsynet) and the Danish Financial Supervisory Authority (Finanstilsynet)

Sweden: ABG Sundal Collier AB is regulated by the Swedish Financial Supervisory Authority (Finansinspektionen)

UK: This report is a communication made, or approved for communication in the UK, by ABG Sundal Collier Limited, authorised and regulated by the Financial Conduct Authority in the conduct of its business.

US: This report is being distributed in the United States (U.S.) in accordance with FINRA Rule 1220 by ABG Sundal Collier Inc., an SEC registered broker-dealer and a FINRA/SIPC member which accepts responsibility for its content and its compliance with FINRA Rule 2241. Research reports distributed in the U.S. are intended solely for "major U.S. institutional investors," and "U.S. institutional investors" as defined under Rule 15a-6 of the Securities Exchange Act of 1934 and any related interpretive guidance and no-action letters issued by the Staff of the U.S. Securities and Exchange Commission ("SEC") collectively ("SEC Rule 15a-6"). Each major U.S. institutional investor and U.S. institutional investor that receives a copy of this research report, by its acceptance of such report, represents that it agrees that it will not distribute this research report to any other person. This communication is only intended for major U.S. institutional investors and U.S. institutional investors. Any person which is not a major U.S. institutional investor, or a U.S. institutional investor as covered by SEC Rule 15a-6 must not rely on this communication. The delivery of this research report to any person in the U.S. is not a recommendation to effect any transactions in the securities discussed herein, or an endorsement of any opinion expressed herein. Any major U.S. institutional investor or U.S. institutional investor receiving this report which wishes to effect transactions in any securities referred to herein should contact ABG Sundal Collier Inc., not its affiliates. Further information on the securities referred to herein may be obtained from ABG Sundal Collier Inc., on request.

Singapore: This report is distributed in Singapore by ABG Sundal Collier Pte. Ltd, which is not licensed under the Financial Advisors Act (Chapter 110 of Singapore). In Singapore, this report may only be distributed to institutional investors as defined in Section 4A(1)(c) of the Securities and Futures Act (Chapter 289 of Singapore) ("SFA"), and should not be circulated to any other person in Singapore.

Canada: This report is being distributed by ABG Sundal Collier ASA in Canada pursuant to section 8.25 of National Instrument 31-103 or an equivalent provision and has not been tailored to the needs of any specific investor in Canada. The information contained in this report is not, and under no circumstances is to be construed as, a prospectus, an advertisement, a public offering or an offer to sell the securities described herein, in Canada or any province or territory thereof. No securities commission or similar regulatory authority in Canada has reviewed or considered this report, the information contained herein or the merits of the securities described herein and any representation to the contrary is an offence. Under no circumstances is this report to be construed as an offer to sell such securities or as a solicitation of an offer to buy such securities in any jurisdiction of Canada. Any offer or sale of the securities described herein in Canada may only be made in accordance with applicable securities laws and only by a dealer properly registered under such securities laws, or alternatively, pursuant to an applicable dealer registration exemption, in the Canadian jurisdiction in which such offer or sale is made.

This report may not be reproduced, distributed, or published by any recipient for any purpose whatsoever without the prior written express permission of ABG Sundal Collier.

Additional information available upon request. If reference is made in this report to other companies and ABG Sundal Collier provides research coverage for those companies, details regarding disclosures may be found on our website www.abgsc.com.

© Copyright 2023 ABG Sundal Collier ASA

Norway	Sweden	Denmark	United Kingdom	USA	Germany	Singapore
Ruseløkkveien 26, 8th floor 0251 Oslo	Regeringsgatan 25, 8th floor 111 53 Stockholm	Forbindelsesvej 12, 2100 Copenhagen	10 Paternoster Row, 5th floor London EC4M 7EJ	140 Broadway, Suite 4604 New York, NY 10005	Schillerstrasse 2, 5. OG 60313 Frankfurt	10 Collyer Quay Ocean Financial Center
Norway Tel: +47 22 01 60 00 Fax: +47 22 01 60 60	Sweden Tel: +46 8 566 286 00 Fax: +46 8 566 286 01	Denmark Tel: +45 35 46 61 00 Fax: +45 35 46 61 10	UK Tel: +44 20 7905 5600 Fax: +44 20 7905 5601	USA Tel: +1 212 605 3800 Fax: +1 212 605 3801	Germany Tel +49 69 96 86 96 0 Fax +49 69 96 86 96 99	#40-07, Singapore 049315 Tel +65 6808 6082