

Eltel

Price hikes and cost cuts to continue

- Q4e: Cost cuts and price hikes lift earnings
- Minor estimate changes, EBITA +1% on FX
- Trading at 11x '24e EV/EBITA

Q4e: seasonally weaker, but an improvement y-o-y

We expect Eltel to report Q4 sales of EUR 230m, up 3% y-o-y, of which +6% organic and -3% from FX. The Norwegian business will most likely continue to struggle while Denmark and Finland are doing notably better. On earnings, we expect a sequential downturn from the strong Q3 due to seasonal effects, with particularly harsh weather this year in Q4; however, we expect a significant y-o-y earnings improvement. This should be driven by two factors: positive effects from the ongoing cost savings programs and more price hikes on contracts to offset higher material costs, which had not been done in Q4'22. All in all, we estimate EBITA of EUR 4.4m (-4.0m), for a margin of 1.9% (-1.8%).

Minor estimate revisions, weaker EUR a 1% boost

We leave our organic estimates mostly unchanged, although EBITA comes up 1% for '24e-'25e on updated FX assumptions, as the weaker EUR should provide a slight tailwind for Eltel.

Share trading at 11x '24e EV/EBITA

Coming off a strong Q3 report, when the poor earnings trend from previous quarters was broken, we are more optimistic about a continued margin expansion, as the company's efforts of offset cost inflation with price hikes is starting to show in the numbers. Replicating this strong performance in Q4 would, in our view, be a big step towards increasing confidence that Eltel can reach its year-end '25e EBITA margin target of 5% (we have 2.9% for FY'25e). Finally, the share is trading at 11x '24e EV/EBITA.

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EURm	2021	2022	2023e	2024e	2025e
Sales	813	824	840	867	889
EBITDA	47	28	29	54	59
EBITDA margin (%)	5.7	3.4	3.5	6.2	6.6
EBIT adj.	12	-2	3	20	24
EBIT adj. margin (%)	1.5	-0.2	0.4	2.3	2.7
Pretax profit	9	-11	-17	2	6
EPS	0.03	-0.10	-0.11	0.01	0.04
EPS adj.	0.03	-0.09	-0.07	0.02	0.05
Sales growth (%)	-13.4	1.4	1.9	3.3	2.6
EPS growth (%)	-8.5	-448.8	18.3	-108.9	299.1

Source: ABG Sundal Collier, Company Data

Reason: Preview of results

Commissioned research

Not rated

Capital Goods

ELTEL-SE/ELTEL SS

Share price (SEK) 17/1/2024 7.02
Fair value range 8.0-10.0

MCap (SEKm) 1,100
MCap (EURm) 97
No. of shares (m) 156.6
Free float (%) 45.9
Av. daily volume (k) 0

Next event Q4 Report 14 February 2024

Performance



	2023e	2024e	2025e
P/E (x)	-5.5	61.4	15.4
P/E adj. (x)	-8.6	39.6	13.5
P/BVPS (x)	0.46	0.46	0.45
EV/EBITDA (x)	8.0	4.1	3.6
EV/EBIT adj. (x)	77.5	11.5	8.8
EV/sales (x)	0.28	0.26	0.24
ROE adj. (%)	-5.4	1.2	3.3
Dividend yield (%)	0.0	0.0	0.0
FCF yield (%)	3.9	30.4	35.1
Le. adj. FCF yld. (%)	-19.5	7.0	11.8
Net IB debt/EBITDA (x)	4.4	2.2	1.8
Le. adj. ND/EBITDA (x)	12.7	2.3	1.6

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.

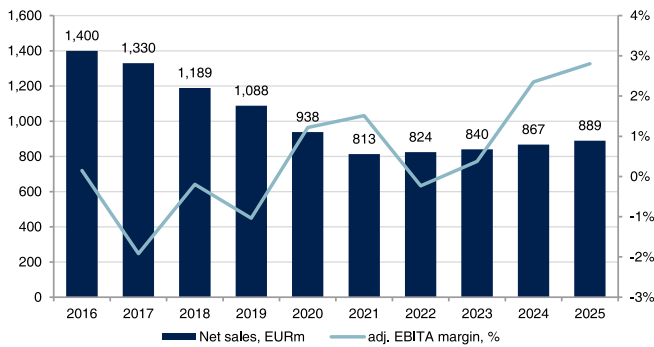
Company description

Etel is a leading Nordic field service provider for critical power and communication networks – infranets. The company builds, maintains and upgrades these essential lifelines for national network operators and owners. For example, Etel provides infrastructure that allows renewable energy generation, electric vehicle charging and high-capacity communication networks. Etel has divided its business operations into two business areas: Power and Communication. Meanwhile, the company has divided its business segments into four different geographical areas: Finland, Sweden, Norway and Denmark.

Risks

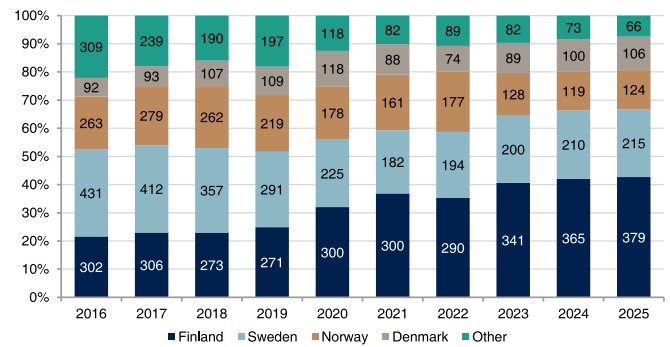
There are many competitors but few customers in Etel’s markets. Thus the company is exposed to fierce price competition and substantial customer dependency. In 2020, the two largest customers accounted for 37% of sales. If one or several customers were to reduce their investment levels, the impact on Etel would be notable. Furthermore, the business model is highly seasonal and weather-sensitive, meaning that abnormal weather conditions may affect the company’s results.

Sales and adj. EBITA margin



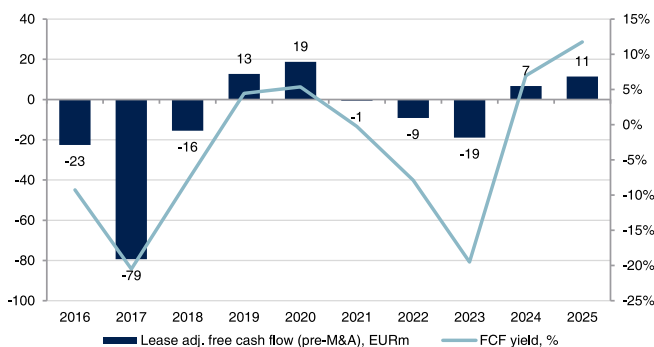
Source: ABG Sundal Collier estimates, company data

Regional sales split



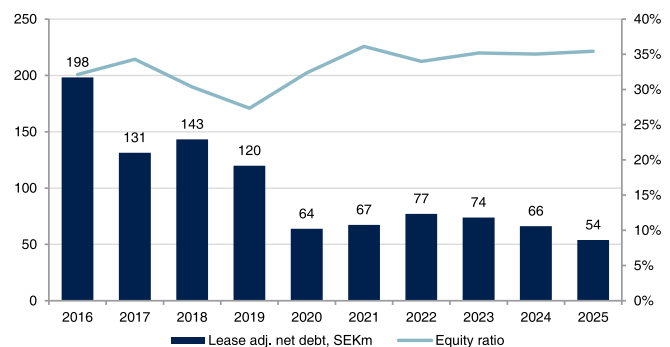
Source: ABG Sundal Collier estimates, company data

Lease adj. free cash flow and FCF yield



Source: ABG Sundal Collier estimates, company data

Lease adj. net debt and equity ratio



Source: ABG Sundal Collier estimates, company data

Estimate changes

	Old estimates			New estimates			% change			Change (EURm)		
	2023e	2024e	2025e	2023e	2024e	2025e	2023e	2024e	2025e	2023e	2024e	2025e
Net sales	838	860	881	840	867	889	0%	1%	1%	2	7	8
COGS	-758	-765	-782	-760	-772	-790	0%	1%	1%	-2	-7	-8
SG&A	-83	-75	-75	-83	-76	-76	0%	0%	0%	0	0	0
EBITDA	29	54	58	29	54	59	1%	1%	1%	0	0	0
Adj. EBITA	3.1	20	25	3.2	20	25	3%	1%	1%	0	0	0
D&A	-32	-34	-34	-32	-34	-34	0%	0%	0%	0	0	0
EBIT	-3	19	24	-3	20	24	nm	1%	1%	0	0	0
Net financials	-14	-18	-18	-14	-18	-18	nm	nm	nm	0	0	0
Tax	-1	0	0	-1	0	0	nm	nm	nm	0	0	0
Net profit	-18	1	6	-18	2	6	nm	nm	nm	0	0	0
Diluted EPS	-0.11	0.01	0.04	-0.11	0.01	0.04	nm	nm	nm	0	0	0
Growth & margins												
Gross margin	9.5%	11.0%	11.3%	9.5%	11.0%	11.2%	0.0pp	-0.1pp	-0.1pp			
EBITDA margin	3.4%	6.2%	6.6%	3.5%	6.2%	6.6%	0.0pp	0.0pp	0.0pp			
Adj. EBITA margin	0.4%	2.3%	2.8%	0.4%	2.3%	2.8%	0.0pp	0.0pp	0.0pp			
EBIT margin	-0.4%	2.2%	2.7%	-0.4%	2.3%	2.7%	0.0pp	0.0pp	0.0pp			
<i>Sales growth (y-o-y)</i>	1.7%	2.6%	2.5%	1.9%	3.3%	2.6%	0.2pp	0.6pp	0.1pp			
<i>Adj. EBITA growth (y-o-y)</i>	-262.5%	553.3%	22.5%	-266.8%	542.7%	22.4%	nm	-10.7pp	-0.1pp			
Divisional sales												
Finland	339	363	378	341	365	379	0%	0%	0%	2	2	2
Sweden	200	206	208	200	210	215	0%	2%	3%	0	4	6
Norway	128	118	123	128	119	124	0%	1%	0%	0	1	0
Denmark	89	100	106	89	100	106	0%	0%	0%	0	0	0
Other	82	73	66	82	73	66	0%	0%	0%	0	0	0
Divisional operative EBITA												
Finland	8	18	21	8	18	21	1%	0%	0%	0	0	0
Sweden	2	3	4	2	3	4	0%	2%	3%	0	0	0
Norway	-1	4	5	-1	4	5	0%	1%	0%	0	0	0
Denmark	5	5	5	5	5	5	0%	0%	0%	0	0	0
Other business & elims	-2	-1	-1	-2	-1	-1	0%	0%	0%	0	0	0
Group functions	-9	-9	-9	-9	-9	-9	0%	0%	0%	0	0	0

Source: ABG Sundal Collier estimates, company data

Income statement, quarterly

Income statement (EURm)	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	182	210	194	226	184	209	207	224	188	208	213	230
COGS	-163	-188	-172	-201	-167	-188	-187	-207	-178	-190	-191	-202
Gross profit	19	23	21	25	17	21	20	17	10	19	22	28
SG&A	-20	-18	-18	-18	-20	-21	-16	-21	-22	-20	-17	-23
EBITDA	7.5	12.7	11.9	14.5	5.1	7.9	11.5	3.3	-3.7	5.6	12.7	13.6
Depreciation	-8.2	-8.4	-7.8	-7.4	-7.5	-7.3	-7.4	-7.3	-7.9	-7.1	-7.7	-9.2
EBITA	-0.7	4.3	4.1	7.0	-2.4	0.5	4.1	-4.0	-11.6	-1.5	5.9	4.4
<i>Items affecting comparability</i>	0.0	-0.1	0.0	2.5	0.0	0.0	0.0	0.0	-6.1	0.0	0.0	0.0
Adj. EBITA	-0.7	4.4	4.1	4.5	-2.4	0.5	4.1	-4.0	-5.5	-1.5	5.9	4.4
Amortization	-0.1	0.0	-0.1	-0.1	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	-0.2
EBIT	-0.8	4.3	4.0	6.9	-2.5	0.4	4.1	-4.0	-11.6	-1.5	5.0	4.2
Net financials	-1.3	-1.3	-1.4	-1.7	-1.8	-1.7	-2.2	-3.9	-2.9	-3.0	-3.1	-5.0
PTP	-2.1	3.0	2.6	5.2	-4.3	-1.3	1.9	-7.9	-14.5	-4.5	1.9	-0.8
Tax	-0.6	-1.4	-0.8	-1.1	-0.2	-1.3	-2.2	0.2	-0.6	-0.1	-0.1	0.2
Net profit	-2.7	1.6	1.8	4.1	-4.4	-2.6	-0.3	-7.7	-15.1	-4.6	1.8	-0.6
Margin and growth metrics	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23e
Sales growth	-23%	-14%	-15%	-1%	1%	-1%	7%	-1%	2%	0%	3%	3%
EBITDA growth	3%	-61%	-24%	99%	-32%	-38%	-3%	-77%	-173%	-29%	10%	311%
EBITA growth	-67%	-81%	-32%	-512%	243%	-88%	0%	-157%	383%	-400%	44%	-209%
Adj. EBITA growth	-67%	57%	-39%	13%	243%	-89%	0%	-189%	129%	-400%	44%	-209%
EBIT growth	-64%	-81%	-31%	-463%	213%	-91%	2%	-158%	364%	-475%	22%	-205%
Gross margin	10.4%	10.8%	11.0%	11.0%	9.2%	10.0%	9.5%	7.7%	5.5%	8.9%	10.5%	12.0%
EBITDA margin	4.1%	6.0%	6.1%	6.4%	2.8%	3.8%	5.6%	1.5%	-2.0%	2.7%	6.0%	5.9%
Adj. EBITA margin	-0.4%	2.1%	2.1%	2.0%	-1.3%	0.2%	2.0%	-1.8%	-2.9%	-0.7%	2.8%	1.9%
EBITA margin	-0.4%	2.0%	2.1%	3.1%	-1.3%	0.2%	2.0%	-1.8%	-6.2%	-0.7%	2.8%	1.9%
EBIT margin	-0.4%	2.0%	2.1%	3.0%	-1.4%	0.2%	2.0%	-1.8%	-6.2%	-0.7%	2.3%	1.8%
Segment data	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												
Finland	61	80	78	81	59	72	79	80	64	85	97	95
Sweden	41	45	40	56	44	49	44	57	49	51	42	59
Norway	34	42	38	46	42	47	44	44	32	32	32	32
Denmark	26	25	18	19	18	18	18	21	22	21	22	24
Total other	20	19	20	23	22	23	22	22	21	18	21	21
Group	182	210	194	226	184	209	207	224	188	208	213	230
Operative EBITA												
Finland	0.7	3.1	4.8	4.0	0.9	3.6	4.9	-1.2	-2.3	0.8	4.8	4.7
Sweden	-0.8	-1.6	-0.2	0.8	-1.8	-0.4	0.0	1.2	0.5	0.9	0.2	0.3
Norway	1.2	2.7	2.9	2.4	1.4	1.3	1.6	-2.2	-1.6	-0.8	0.7	0.9
Denmark	1.3	2.6	0.2	0.1	0.2	0.0	0.1	0.4	1.3	1.1	1.1	1.2
Other business and elims	-0.9	-0.5	-2.2	1.7	-0.6	-1.9	-1.8	0.2	-1.0	-0.9	0.3	-0.4
Group functions	-2.2	-1.9	-1.5	-2.0	-2.5	-2.0	-0.8	-2.4	-2.4	-2.7	-1.2	-2.4
Group	-0.7	4.4	4.1	4.5	-2.4	0.5	4.1	-4.0	-5.5	-1.5	5.9	4.4

Source: ABG Sundal Collier, Company data

Income statement, annual

Income statement (EURm)	2015	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Net sales	1,255	1,400	1,330	1,189	1,088	938	813	824	840	867	889
COGS	-1,090	-1,280	-1,235	-1,081	-1,005	-839	-725	-749	-760	-772	-790
Gross profit	165	120	95	108	83	99	88	75	80	95	100
SG&A	-105	-118	-122	-116	-94	-75	-74	-77	-83	-76	-76
EBITDA	72	15	-13	5	30	63	47	28	29	54	59
Depreciation	-12	-13	-13	-12	-39	-38	-32	-30	-32	-34	-34
EBITA	61	2	-27	-7	-10	26	15	-2	-3	20	25
<i>Items affecting comparability</i>	-2	0	-1	-5	2	14	2	0	-6	0	0
Adj. EBITA	62	2	-26	-2	-11	11	12	-2	3	20	25
Amortization	-14	-69	-158	-2	-2	-1	0	0	0	-1	-1
EBIT	47	-67	-185	-9	-11	25	15	-2	-3	20	24
Net financials	-11	-13	-12	-9	-12	-10	-6	-9	-14	-18	-18
PTP	32	-80	-197	-18	-23	15	9	-11	-17	2	6
Tax	11	-2	-8	-4	-3	-10	-4	-4	-1	0	0
Net profit	43	-82	-205	-22	-25	5	5	-15	-18	2	6
Margin and growth metrics	2015	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Sales growth (y-o-y)	0%	12%	-5%	-11%	-9%	-14%	-13%	1%	2%	3%	3%
EBITDA growth (y-o-y)	0%	-79%	-189%	-138%	482%	112%	-26%	-40%	5%	86%	8%
EBITA growth (y-o-y)	0%	-97%	-1371%	-73%	37%	-363%	-42%	-113%	54%	-795%	22%
Adj. EBITA growth (y-o-y)	0%	-97%	-1314%	-91%	391%	-201%	8%	-115%	-267%	543%	22%
EBIT growth (y-o-y)	0%	-245%	174%	-95%	22%	-321%	-42%	-114%	56%	-727%	23%
Gross margin	13.2%	8.6%	7.2%	9.1%	7.6%	10.6%	10.8%	9.1%	9.5%	11.0%	11.2%
EBITDA margin	5.8%	1.1%	-1.0%	0.4%	2.7%	6.7%	5.7%	3.4%	3.5%	6.2%	6.6%
Adj. EBITA margin	5.0%	0.2%	-1.9%	-0.2%	-1.0%	1.2%	1.5%	-0.2%	0.4%	2.3%	2.8%
EBITA margin	4.8%	0.2%	-2.0%	-0.6%	-0.9%	2.7%	1.8%	-0.2%	-0.3%	2.3%	2.8%
EBIT margin	3.7%	-4.8%	-13.9%	-0.8%	-1.0%	2.6%	1.8%	-0.2%	-0.4%	2.3%	2.7%
Segment data	2015	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Net sales											
Finland	314	302	306	273	271	300	300	290	341	365	379
Sweden	489	431	412	357	291	225	182	194	200	210	215
Norway	113	263	279	262	219	178	161	177	128	119	124
Denmark	88	92	93	107	109	118	88	74	89	100	106
Total other	251	309	239	190	197	118	82	89	82	73	66
Group	1,255	1,400	1,330	1,189	1,088	938	813	824	840	867	889
Operative EBITA											
Finland					5	7	13	8	8	18	21
Sweden					-18	-4	-2	-1	2	3	4
Norway					17	14	9	2	-1	4	5
Denmark					6	5	4	1	5	5	5
Other business and elims, EBITA					-11	-3	-2	-4	-2	-1	-1
Group functions					-10	-8	-8	-8	-9	-9	-9
Group	62	2	-26	-2	-11	11	12	-2	3	20	25

Source: ABG Sundal Collier, Company data

Income Statement (EURm)	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Sales	1,400	1,330	1,189	1,088	938	813	824	840	867	889
COGS	-1,280	-1,235	-1,081	-1,005	-839	-725	-749	-760	-772	-790
Gross profit	120	95	108	83	99	88	75	80	95	100
Other operating items	-105	-109	-103	-53	-36	-42	-47	-51	-41	-41
EBITDA	15	-13	5	30	63	47	28	29	54	59
Depreciation and amortisation	-13	-13	-12	-39	-38	-32	-30	-32	-34	-34
of which leasing depreciation	0	0	0	-28	-27	-30	-29	-29	-25	-25
EBITA	2	-27	-7	-10	26	15	-2	-3	20	25
EO Items	0	-1	-5	2	14	2	0	-6	0	0
Impairment and PPA amortisation	-69	-158	-2	-2	-1	-0	-0	-0	-1	-1
EBIT	-67	-185	-9	-11	25	15	-2	-3	20	24
Net financial items	-13	-12	-9	-12	-10	-6	-9	-14	-18	-18
Pretax profit	-80	-197	-18	-23	15	9	-11	-17	2	6
Tax	-2	-8	-4	-3	-10	-4	-4	-1	0	0
Net profit	-82	-205	-22	-25	5	5	-15	-18	2	6
Minority interest	1	1	1	1	1	1	0	0	0	0
Net profit discontinued	0	0	0	0	0	0	0	0	0	0
Net profit to shareholders	-81	-204	-21	-25	6	6	-15	-18	2	6
EPS	-1.33	-1.56	-0.15	-0.17	0.03	0.03	-0.10	-0.11	0.01	0.04
EPS adj.	-0.15	-0.29	-0.08	-0.16	0.01	0.03	-0.09	-0.07	0.02	0.05
Total extraordinary items after tax	0	-1	-6	2	5	1	0	-6	0	0
Leasing payments	0	0	0	-28	-27	-30	-29	-29	-25	-25
Tax rate (%)	-2.8	-3.9	-22.8	-11.9	64.7	43.2	-31.2	-3.7	-3.7	-3.7
Gross margin (%)	8.6	7.2	9.1	7.6	10.6	10.8	9.1	9.5	11.0	11.2
EBITDA margin (%)	1.1	-1.0	0.4	2.7	6.7	5.7	3.4	3.5	6.2	6.6
EBITA margin (%)	0.1	-2.0	-0.6	-0.9	2.7	1.8	-0.2	-0.3	2.3	2.8
EBIT margin (%)	-4.8	-13.9	-0.8	-1.0	2.6	1.8	-0.2	-0.4	2.3	2.7
Pre-tax margin (%)	-5.7	-14.8	-1.5	-2.1	1.6	1.1	-1.4	-2.0	0.2	0.7
Net margin (%)	-5.9	-15.4	-1.9	-2.3	0.6	0.6	-1.8	-2.1	0.2	0.7
Growth Rates y-o-y	-	-	-	-	-	-	-	-	-	-
Sales growth (%)	11.5	-5.0	-10.6	-8.5	-13.8	-13.4	1.4	1.9	3.3	2.6
EBITDA growth (%)	-79.1	-188.7	-138.8	471.2	112.1	-26.0	-40.6	4.6	86.2	8.5
EBITA growth (%)	-96.7	-1,435.0	-73.8	38.6	-362.9	-42.0	-112.2	62.8	-794.8	22.4
EBIT growth (%)	-244.6	NM	-95.0	21.7	-321.4	-41.5	-113.8	55.8	-726.8	23.4
Net profit growth (%)	-290.3	148.9	-89.2	14.9	-120.9	-5.7	-397.2	19.4	-108.9	299.1
EPS growth (%)	-294.0	17.3	-90.5	11.1	-118.2	-8.5	-448.8	18.3	-108.9	299.1
Profitability	-	-	-	-	-	-	-	-	-	-
ROE (%)	-20.7	-66.1	-8.1	-10.8	2.8	2.6	-7.0	-8.6	0.8	2.9
ROE adj. (%)	-2.9	-14.5	-5.0	-10.9	0.8	2.1	-6.9	-5.4	1.2	3.3
ROCE (%)	-10.1	-33.6	-1.9	-2.2	5.7	3.7	-0.5	-0.7	5.4	6.7
ROCE adj. (%)	0.3	-4.6	-0.4	-2.3	2.7	3.2	-0.4	1.0	5.7	6.9
ROIC (%)	0.4	-5.7	-2.0	-2.6	2.3	2.3	-0.7	-0.9	6.2	7.7
ROIC adj. (%)	0.4	-5.4	-0.6	-3.0	1.0	1.9	-0.7	1.0	6.2	7.7
Adj. earnings numbers	-	-	-	-	-	-	-	-	-	-
EBITDA adj.	15	-12	10	28	49	44	28	35	54	59
EBITDA adj. margin (%)	1.1	-0.9	0.8	2.6	5.2	5.4	3.4	4.2	6.2	6.6
EBITDA lease adj.	15	-12	10	-0	22	15	-2	6	29	33
EBITDA lease adj. margin (%)	1.1	-0.9	0.8	-0.0	2.4	1.8	-0.2	0.7	3.3	3.7
EBITA adj.	2	-26	-2	-11	11	12	-2	3	20	25
EBITA adj. margin (%)	0.1	-1.9	-0.2	-1.0	1.2	1.5	-0.2	0.4	2.3	2.8
EBIT adj.	-12	-34	-4	-13	11	12	-2	3	20	24
EBIT adj. margin (%)	-0.9	-2.6	-0.4	-1.2	1.1	1.5	-0.2	0.4	2.3	2.7
Pretax profit Adj.	-11	-38	-11	-23	2	7	-11	-11	2	7
Net profit Adj.	-13	-45	-14	-26	1	4	-15	-11	2	7
Net profit to shareholders adj.	-12	-45	-13	-25	2	5	-15	-11	2	7
Net adj. margin (%)	-0.9	-3.4	-1.2	-2.4	0.1	0.5	-1.8	-1.3	0.3	0.8

Source: ABG Sundal Collier, Company Data

Cash Flow (EURm)	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
EBITDA	15	-13	5	30	63	47	28	29	54	59
Net financial items	-13	-12	-9	-12	-10	-6	-9	-14	-18	-18
Paid tax	-3	-4	-3	1	-4	-3	-5	-1	0	0
Non-cash items	-1	-5	1	-5	-16	-8	-4	-4	-2	-2
Cash flow before change in WC	-1	-34	-5	14	33	31	10	10	34	38
Change in working capital	-8	-32	8	38	16	-8	6	-2	0	0

Cash Flow (EURm)	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Operating cash flow	-9	-65	3	51	49	22	16	8	34	39
Capex tangible fixed assets	-13	-14	-19	-12	-4	1	-4	-5	-4	-4
Capex intangible fixed assets	0	0	0	0	0	0	0	0	0	0
Acquisitions and Disposals	0	0	0	0	0	0	0	0	0	0
Free cash flow	-22	-79	-16	40	45	23	12	4	29	34
Dividend paid	-16	-1	-1	-1	-1	-0	-0	0	0	0
Share issues and buybacks	0	149	0	0	0	0	0	23	0	0
Leasing liability amortisation	-1	-0	0	-27	-26	-24	-22	-23	-23	-23
Other non-cash items	-13	43	-12	-94	89	7	16	-12	1	1
Balance Sheet (EURm)	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Goodwill	420	287	282	264	265	265	256	250	250	250
Other intangible assets	70	42	43	41	38	40	35	35	34	33
Tangible fixed assets	38	33	30	28	20	12	11	13	10	8
Right-of-use asset	0	0	4	77	59	53	47	40	37	35
Total other fixed assets	66	33	32	87	20	20	23	45	45	45
Fixed assets	594	394	391	497	402	389	372	383	377	371
Inventories	8	10	13	15	12	17	25	25	26	27
Receivables	393	356	338	230	202	192	177	172	178	182
Other current assets	0	35	35	0	35	0	0	0	0	0
Cash and liquid assets	85	33	53	65	26	32	48	15	22	33
Total assets	1,080	828	830	807	677	631	622	595	602	613
Shareholders equity	340	277	244	213	212	220	204	209	211	217
Minority	7	7	8	8	8	8	7	7	7	7
Total equity	347	284	252	221	219	228	211	217	218	225
Long-term debt	4	119	112	76	28	26	35	23	24	24
Pension debt	8	11	13	15	17	14	6	4	3	2
Convertible debt	0	0	0	0	0	0	0	0	0	0
Leasing liability	0	0	4	79	61	54	48	53	53	53
Total other long-term liabilities	58	10	21	50	14	14	14	25	25	25
Short-term debt	280	45	84	109	62	74	90	62	62	62
Accounts payable	293	245	241	202	197	179	164	181	186	191
Other current liabilities	91	113	102	56	79	42	54	31	31	32
Total liabilities and equity	1,080	828	830	807	677	631	622	595	602	613
Net IB debt	206	142	160	213	142	136	131	127	119	107
Net IB debt excl. pension debt	198	131	148	199	125	122	125	123	117	105
Net IB debt excl. leasing	206	142	156	135	81	82	83	74	66	54
Capital employed	639	459	466	499	387	396	390	359	359	365
Capital invested	553	427	412	434	361	364	342	344	338	332
Working capital	18	43	42	-13	-27	-11	-16	-14	-14	-14
EV breakdown	-	-	-	-	-	-	-	-	-	-
Market cap. diluted (m)	39	81	97	97	97	97	97	97	97	97
Net IB debt adj.	206	142	160	213	142	136	131	127	119	107
Market value of minority	7	7	8	8	8	8	7	7	7	7
Reversal of shares and participations	-1	-1	-2	-1	0	-1	0	0	0	0
Reversal of conv. debt assumed equity	-	-	-	-	-	-	-	-	-	-
EV	252	230	263	317	247	240	235	231	224	211
Total assets turnover (%)	128.6	139.4	143.4	132.9	126.4	124.2	131.5	138.0	144.8	146.3
Working capital/sales (%)	0.9	2.3	3.6	1.4	-2.1	-2.3	-1.6	-1.8	-1.6	-1.6
Financial risk and debt service	-	-	-	-	-	-	-	-	-	-
Net debt/equity (%)	59.5	50.1	63.6	96.6	64.8	59.8	62.0	58.5	54.6	47.6
Net debt / market cap (%)	531.9	175.1	165.1	219.5	146.3	140.3	134.9	130.7	122.8	110.1
Equity ratio (%)	32.1	34.3	30.4	27.3	32.4	36.1	34.0	36.4	36.2	36.6
Net IB debt adj. / equity (%)	59.5	50.1	63.6	96.6	64.8	59.8	62.0	58.5	54.6	47.6
Current ratio	0.73	1.08	1.03	0.85	0.81	0.82	0.81	0.78	0.81	0.85
EBITDA/net interest	1.2	1.1	0.6	2.6	6.4	8.2	3.0	2.1	3.0	3.3
Net IB debt/EBITDA (x)	13.7	-10.6	30.8	7.2	2.3	2.9	4.7	4.4	2.2	1.8
Net IB debt/EBITDA lease adj. (x)	13.7	-11.7	15.6	-449.0	3.7	5.6	-48.9	12.7	2.3	1.6
Interest coverage	0.2	2.1	0.7	0.8	2.5	2.6	0.2	0.2	1.1	1.4

Source: ABG Sundal Collier, Company Data

Share Data (EURm)	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Actual shares outstanding	63	131	157	157	157	157	157	157	157	157
Actual shares outstanding (avg)	63	131	157	157	157	157	157	157	157	157

Share Data (EURm)	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
All additional shares	2	69	25	0	-0	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
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	0.00	0.00
Reported earnings per share	-1.33	-1.56	-0.15	-0.17	0.03	0.03	-0.10	-0.11	0.01	0.04

Source: ABG Sundal Collier, Company Data

Valuation and Ratios (EURm)	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Shares outstanding adj.	63	131	157	157	157	157	157	157	157	157
Diluted shares adj.	63	131	157	157	157	157	157	157	157	157
EPS	-1.33	-1.56	-0.15	-0.17	0.03	0.03	-0.10	-0.11	0.01	0.04
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EPS adj.	-0.15	-0.29	-0.08	-0.16	0.01	0.03	-0.09	-0.07	0.02	0.05
BVPS	5.42	2.11	1.56	1.36	1.35	1.40	1.30	1.34	1.35	1.39
BVPS adj.	-2.41	-0.39	-0.51	-0.59	-0.58	-0.54	-0.56	-0.49	-0.47	-0.42
Net IB debt/share	3.29	1.08	1.02	1.36	0.91	0.87	0.84	0.81	0.76	0.68
Share price	7.02	7.02	7.02	7.02	7.02	7.02	7.02	7.02	7.02	7.02
Market cap. (m)	39	81	97	97	97	97	97	97	97	97
Valuation	-	-	-	-	-	-	-	-	-	-
P/E (x)	-0.5	-0.4	-4.2	-3.8	20.6	22.6	-6.5	-5.5	61.4	15.4
EV/sales (x)	0.18	0.17	0.22	0.29	0.26	0.30	0.29	0.28	0.26	0.24
EV/EBITDA (x)	16.7	-17.2	50.6	10.7	3.9	5.2	8.5	8.0	4.1	3.6
EV/EBITA (x)	126.0	-8.6	-37.6	-32.7	9.7	16.2	-130.8	-78.9	11.0	8.5
EV/EBIT (x)	-3.7	-1.2	-28.6	-28.3	9.9	16.6	-117.7	-74.3	11.5	8.8
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCF yield (%)	-56.2	-97.1	-16.0	40.8	46.4	23.9	12.8	3.9	30.4	35.1
Le. adj. FCF yld. (%)	-58.2	-97.6	-16.0	13.1	19.4	-0.6	-9.5	-19.5	7.0	11.8
P/BVPS (x)	0.11	0.29	0.40	0.46	0.46	0.44	0.48	0.46	0.46	0.45
P/BVPS adj. (x)	-0.48	-8.30	-2.57	-1.91	-1.82	-2.17	-1.87	-2.37	-2.46	-2.93
P/E adj. (x)	-4.0	-2.1	-7.8	-3.9	83.3	22.0	-6.7	-8.6	39.6	13.5
EV/EBITDA adj. (x)	16.7	-18.9	26.3	11.3	5.0	5.4	8.5	6.6	4.1	3.6
EV/EBITA adj. (x)	126.0	-9.0	-119.6	-28.1	21.6	19.4	-130.8	73.0	11.0	8.5
EV/EBIT adj. (x)	-20.3	-6.8	-59.8	-24.8	23.0	19.9	-117.7	77.5	11.5	8.8
EV/CE (x)	0.4	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Investment ratios	-	-	-	-	-	-	-	-	-	-
Capex/sales (%)	1.0	1.0	1.6	1.1	0.5	0.1	0.5	0.6	0.5	0.5
Capex/depreciation	1.0	1.0	1.5	1.1	0.4	-0.4	39.0	1.8	0.5	0.5
Capex tangibles / tangible fixed assets	35.2	41.7	61.6	42.5	22.0	7.8	36.4	36.6	42.7	57.7
Capex intangibles / definite intangibles	--	--	--	--	--	--	--	--	--	--
Depreciation on intang / def. intang	--	--	--	--	--	--	--	--	--	--
Depreciation on tangibles / tangibles	34.66	40.80	40.40	40.00	54.00	18.97	0.93	20.77	82.72	109.04

Source: ABG Sundal Collier, Company Data

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Production of report: 1/17/2024 10:02.

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