

Aerospace & Defence

Key data

Price (SEK)*	21.6
Country	Sweden
Bloomberg	GOMX SS
Reuters	GOMX.ST
Free float	77.0%
Market cap (SEKm)	1,129
Net debt (current Y/E) (SEKm)	-14
No. of shares (m)	52.3
Next event	Q1: 26-Apr

* Price as at 16.40 CET on 8 February 2021

CEO	Niels Buus
CFO	Troels Dalsgaard Normolle

Company description

GomSpace is a 'new space' company that was founded in 2007 by Ph.D. students at the Aalborg University in Denmark. Since, GomSpace has developed into a leading nanosatellite manufacturer with a global reach and c.130 employees. GomSpace was listed on Nasdaq First North in 2016.

Ownership structure

BNY Mellon SA/NV FRKN Jyske Bank	10.9%
Hansen & Langeland Aps	10.0%
BNP Paribas SEC Services Paris, WB	4.5%
SAXO Bank A/S Client assets	4.2%
Sparekassen Kronjylland	3.6%

Source: Company data (31 December 2020)

Estimate changes

	21E	22E	23E
Sales	7.2%	0.5%	n.m.
EBITDA	1.1%	-3.8%	n.m.
EBIT (adj.)	n.m.	1.6%	n.m.
EPS (adj.)	n.m.	n.m.	n.m.

Source: Danske Bank Equity Research estimates

Analyst(s)

Viktor Högberg
Siri Ladow

Find our research here:
<https://research.danskebank.com>

Important disclosures and certifications are contained from page 10 of this report

GomSpace

2021 revenue guidance slightly higher than expected

Q4 revenue was already pre-announced and was 48% above our initial estimate. A thorough cost-cutting programme in recent years and some favourable items reducing costs in Q4 helped EBIT turn positive for the first time in some years. GomSpace guides for 8-21% revenue growth in 2021 and we believe the upper-end is more likely. On the back of higher peer multiples, we raise our valuation range from SEK9-27 to SEK15-27.

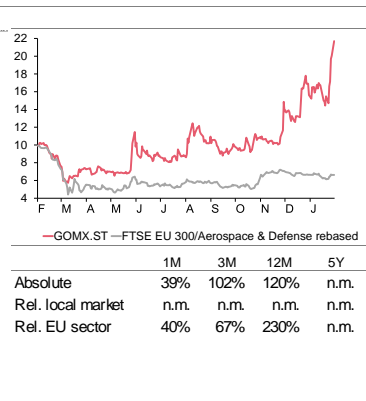
- Q4 20 review.** Q4 revenue and EBIT were better than we had initially estimated. GomSpace pre-announced Q4 sales (in a range) and this was 48% better than our initial estimate. Also, EBIT was slightly positive in Q4, at SEK0.3m (-SEK17m in Q4 19). This was the first time since 2016 that EBIT was in positive territory. Although we note that some items reduced costs in Q4 that helped EBIT, we still think it indicates that GomSpace is executing well on its target to reach positive operational cash flow. Q4 order intake roughly matched revenue recognition and the order backlog was roughly unchanged q/q at SEK209m. GomSpace announced 2021 revenue guidance of SEK210-235m, indicating 8-21% growth. This is in line with/slightly better than our previous estimate of SEK214m. Once lockdowns finally ease, we believe there is potential for further orders.
- Pandemic increases risk of client delays.** We expect satellite launch delays in this nascent market, with many of GomSpace's most important clients currently facing delays due to funding issues or a crowded/grounded launch market. Most companies need to pass certain milestones (such as satellite launches) to ensure further financing, which adds to delays. Commercial orders have higher gross margins than science orders.
- Estimate revisions.** We keep our 2021-22 estimates basically intact.
- Valuation.** Based on our estimates, GomSpace trades at EV/sales of 4.9x for 2021 and 3.6x for 2022. We continue to see value in the shares but acknowledge that this is not without risk, as clients need to progress further with their projects in order for this to materialise. In other words, the outlook for commercial orders needs to become clearer, which might take until later in 2021 or 2022. On the back of mainly higher peer group multiples, we raise our valuation range from SEK9-27 to SEK15-27.

Key financials

Year-end Dec (SEK)	2019	2020	2021E	2022E	2023E
Revenues (m)	136	195	229	311	410
Revenues growth	-11.2%	42.8%	17.8%	35.8%	31.8%
EBITDA (m)	-81.6	1.4	29.0	65.5	96.7
EBIT adj. (m)	-114	-32.3	-3.2	29.0	58.2
EBIT growth	2.3%	71.7%	90.1%	n.m.	n.m.
Pre-tax profit (m)	-147	-49.7	-3.2	25.0	59.2
EPS adj.	-2.90	-0.87	-0.06	0.48	1.11
DPS	0.00	0.00	0.00	0.00	0.00
Dividend yield					
FCFE yield (pre-IFRS16)	-22.9%	2.0%	-5.1%	-0.0%	3.5%
EBIT margin (adj.)	-83.6%	-16.6%	-1.4%	9.3%	14.2%
Net debt/EBITDA (x)	0.6	-52.8	-0.5	-0.2	-0.5
ROIC	-64.6%	-17.2%	-1.2%	11.8%	21.5%
EV/sales (x)	4.0	4.0	4.9	3.6	2.6
EV/EBITDA (adj.) (x)	n.m.	n.m.	38.5	17.1	11.2
EV/EBITA (adj.) (x)	n.m.	n.m.	n.m.	24.8	14.0
EV/EBIT (adj.) (x)	n.m.	n.m.	n.m.	38.6	18.6
P/E (adj.) (x)	n.m.	n.m.	n.m.	45.2	19.4

Source: Company data, Danske Bank Equity Research estimates

Price performance



Source: FactSet

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Q4 20 summary

GomSpace had already pre-announced Q4 sales, which was 48% better than our initial estimate (Q4 revenue was up 88% y/y). The better-than-expected Q4 revenue was due to earlier-than-expected execution on sub-contracting contracts, i.e. it could be a revenue shift from 2021 to 2020. Q4 EBIT turned slightly positive at SEK0.3m (Q4 19: SEK-17m). This is the first positive EBIT figure since 2016.

In Q4, GomSpace publicly announced five orders/customer contracts. The order book at end-Q4 was SEK210m, on par with the Q3 backlog.

Targets

GomSpace announced 2021 revenue guidance of SEK210-235m. This is in line with/slightly better than our previous estimate of SEK214m.

Table 1: Deviation of actual results from estimates for Q4 20

SEKm	Q4 20A	Danske Q4 20E	Deviation	Q4 19A
Revenues (Q4 was known)	72.3	48.7	48%	38.4
Gross profit	23.8	14.9	60%	3.8
Margin	33%	31%	2.3%	10%
Opex	-15.0	-11.2	-34%	-11.8
Adj. EBITDA	8.8	3.7	-135%	-8.0
D&A	-8.5	-8.2	-4%	-8.6
Adj. EBIT	0.3	-4.4	107%	-16.6
PTP	-4.6	-5.5	16%	-46.1
Net profit	-4.3	-5.2	18%	-40.6
Revenue growth	88%	27%	61%	-5%
EBIT growth	n.m.	n.m.	n.m.	-63%
EBITDA margin	12%	8%	n.m.	-21%
EBIT margin	-100%	-30%	-70%	-43%

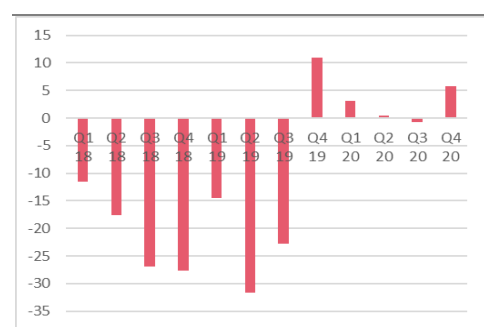
Source: Company data, Danske Bank Equity Research estimates

Cash flow

On the back of working capital contribution turning negative after a sizeable release in Q3, free cash flow in Q4 was negative. For full-year 2020, free cash flow was SEK27.8m (the change in working capital added c.SEK35m). Nevertheless, together with improvements in EBIT, we believe it shows GomSpace is executing well on its target of positive operational cash flow – which is an important step in restoring investor confidence, we believe.

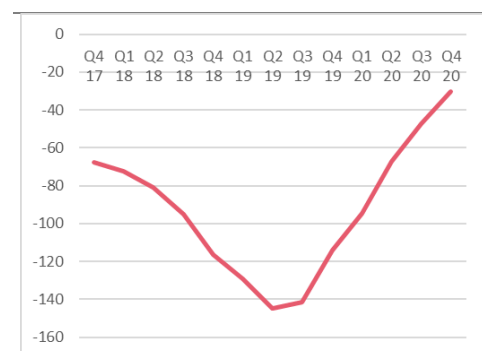
GomSpace ended Q4 with a comforting cash position of SEK135m, with limited debt.

Chart 1: Operational cash flow (before changes in working capital), quarterly (SEKm)



Source: Company data, Danske Bank Equity Research

Chart 2: EBIT, rolling 12 months (SEKm)



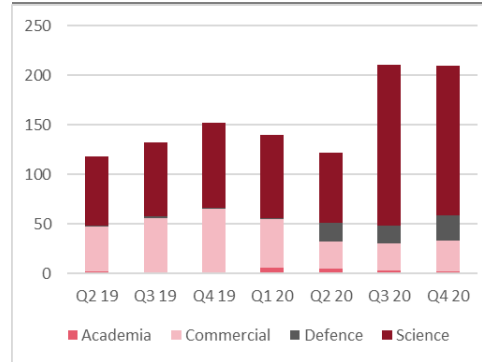
Source: Company data, Danske Bank Equity Research

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Order intake

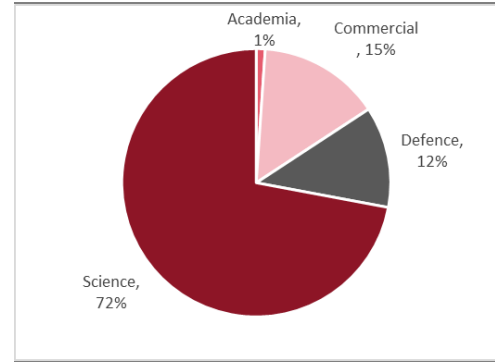
In Q4, GomSpace's order intake was SEK73m, as detailed below. During the quarter, GomSpace announced orders from ESA, the Colombian Air Force and an existing customer in North America. It has not announced any orders since the quarter-end (to 31 January 2021).

Chart 3: Order backlog Q4 20 (SEKm)



Source: Company data, Danske Bank Equity Research

Chart 4: Order backlog, 31 December 2020



Source: Company data, Danske Bank Equity Research

Project pipeline

We highlight three important projects that could scale up to significant volume orders over the next two to four years. Note that the project pipeline is not limited to these projects. Clients securing funding are key for the success of the projects.

Notable recent orders

- Q4 20:** SEK5.1m order to be delivered in 2021 from an existing North American customer in the geo-intelligence industry. The order is for GomSpace to deliver its software defined radio modules and antenna systems. We believe the customer is the same as that detailed below from Q4 19 and indicates to us that GomSpace can compete with US-based competitors as well as European ones.
- Q3 20:** EUR11.0m order (of which EUR6.1m would be directly to GomSpace, the rest to partners) from ESA for the Hera project (Juventas CubeSat), running until 2024, for a nanosatellite to measure asteroids. This is a large order adding to the Science order backlog. While gross margins on these orders are lower than for commercial projects, we find it positive for GomSpace to have a solid Science backlog until the outlook for the commercial market becomes clearer.
- Q2 20:** SEK19m order for a Norwegian military communications satellite (for the research institute Norwegian Defence Research Establishment [FFI]), with the launch planned in October 2021. We assume revenue recognition is spread out until Q3 21.
- Q4 19:** Order for Lockheed Martin Space (US)/Orbital Micro Systems (UK). This is an important contract to build a 6U nanosatellite for Lockheed Martin, with the end-customer being Orbital Micro System. Lockheed Martin is set to finance the design/build process but, more importantly, it is due to provide technical assistance, review, test and, if satisfied, approve the work done by GomSpace – a strategically important quality stamp. The contract is worth SEK17m, with revenue recognition throughout 2020. It is the first deal with Lockheed Martin for GomSpace and is part of an industrial co-operation commitment to Denmark (but we note there were still other competitors for this contract).
- Q4 19:** GomSpace announced a SEK18.6m order for UnseenLabs (France) in Q1 20 at the client's request but had taken and booked it in Q4 19. The order from UnseenLabs is to conclude the design and delivery of nanosatellite platforms, a continuation of the

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collaboration between the two companies. UnseenLabs aims to provide maritime surveillance systems. The contract was due for fulfilment in 2020.

- **Q4 19:** This North American geo-intelligence customer order was a SEK8m order with delivery in 2020 for an existing North American customer, to provide GomSpace's software defined radio and antennas for a customer in the geo-intelligence industry. In addition, it is strategically important for a Danish company to supply intelligence payload to what we believe is a US company.

While we estimate that neither Aistech nor Kleos account for a material part of the current order backlog, below we highlight some parts of the landscape for commercial satellite companies.

Aistech

Aistech is a peer to Aerial & Maritime with a similar proposition, i.e. to offer aircraft tracking over the North and South Poles and different types of asset tracking. The company entered into a framework delivery agreement with GomSpace in September 2017 for delivery of up to 100 satellites by 2022. The contract is worth up to EUR12.5m. The first 10 satellites in the Danu constellation were scheduled for launch in late 2019. However, the Danu constellation launches have been delayed, possibly due to funding. If the initial phase of this constellation is successful, we believe it is likely the company will place additional orders with GomSpace. Further to the equipment-supply agreement, GomSpace also entered a five-year data supply agreement, which started in 2018. The agreement is worth USD1-8m, with the range driven by optionality in the agreement.

Aistech is held privately and we have no insight into its financials but assume it will need to raise equity in order to fulfil its commitments to GomSpace. In July 2018, GomSpace signed a follow-up order, under the initial frame agreement, worth EUR1.4m and delivered on this order in Q1 19. We believe the orders announced by GomSpace relate to the Danu project but, on top of this, Aistech has another planned constellation, the Hydra constellation. To our knowledge, Aistech planned to schedule its first four satellites for launch in 2020 and plans that the total constellation will contain 30 satellites. Despite no insight, we believe the global shutdowns add to delays. Although the planned constellation is smaller than Danu (100), the satellites are larger (six units versus two units for Danu), so the supply value for this constellation could very well be similar to the EUR12.5m in potential order value for the equipment for Danu. Given normal lead times, if the constellation moves ahead and if GomSpace is the supplier, we believe we could also see orders for the Hydra constellation within the next couple of years.

Kleos Space

Kleos Space is a Luxembourg-based space technology operator listed on the Australian Securities Exchange. Kleos Space aims to guard borders, protect assets and save lives by delivering global activity-based intelligence and geolocation as a service. The first Kleos Space satellite system, known as Kleos Scouting Mission (KSM), is set to perform a technology demonstration that would be the keystone for a subsequent global high-capacity constellation. GomSpace has won the initial EUR2.4m order to develop the scouting mission and, if successful, we expect the order to scale up as the constellation builds out further.

Kleos accounted for 28% of group revenues in Q4 18 (SEK11m) and 10% in Q1 19 (SEK3m). Recently, KSM passed a milestone, the Critical Design Review, and after several delays (partly due to the pandemic) KSM1 was launched in November 2020.

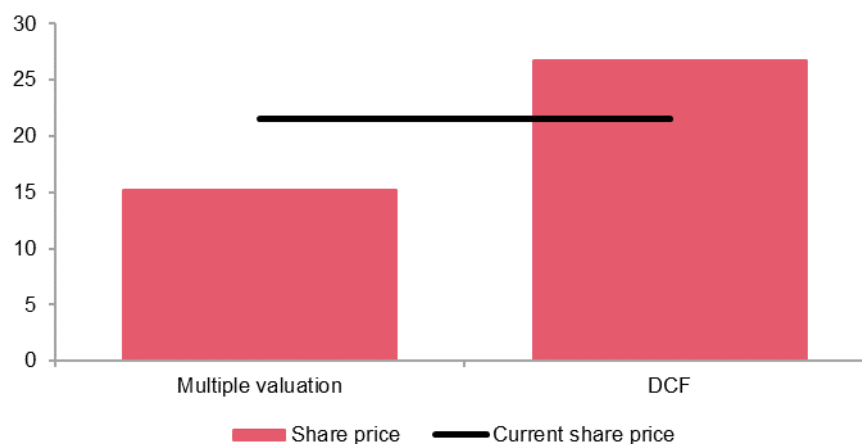
Valuation

We still see significant long-term potential following the uncertainty regarding previously removed orders and writedowns in 2020, even though risk is set to stay high in the short term,

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as illustrated by the current mismatch between capacity and activity level. On the back of higher peer multiples, we raise our valuation range from SEK9-27 to SEK15-27.

Chart 5: Value per share potential with different valuation approaches (SEK)



Source: Danske Bank Equity Research estimates

In our DCF, with a long-term market share approaching 10% and WACC of 11.1% (previously 11.9%), the value is SEK27. In this scenario, GomSpace reaches SEK1.5bn sales in 2027. We base our multiple valuation on EV/EBIT 2022E of 27x (previously 16x), reflecting the Nordic tech peer group's 2022E multiple (now not discounted), based on FactSet consensus, which gives us a value of SEK15 per share (previously SEK9). We note the Nordic Tech peer group 2022E multiples have expanded significantly lately. In this report we also remove our one-year discount factor, as we are now in 2021. If we use 2023E EBIT as a basis for our multiple valuation, the non-discounted value would increase to SEK32 per share. In light of the uncertain outlook regarding timing of customer orders, we await more visibility before using our 2023 estimates as a basis for the multiple valuation.

Risks

The most tangible risk we see for GomSpace is execution risk, as the company is gearing up for a significant increase in production. The industrialisation of production was set to commence in 2018 but due to customer delays, production and revenues have yet to scale up significantly. However, going from low- to high-volume production is an inherently risky phase in a company's growth profile, as demonstrated by the current overcapacity situation. Another risk is customers' ability to secure external funding and meet their obligations to GomSpace. The large customers, and potential customers, are typically start-up companies aiming to build a satellite communication constellation. The predominant source of funding is externally raised equity and debt.

The launch of satellites could become a constraining factor in the event of high growth in the segment. A reduction in launch costs is a critical driver for the small-satellite market growing to the high end of industry analysts' expectations. Based on our current projections for the market and GomSpace's growth, we do not see launch capacity constraints as an issue but these could limit growth significantly above our estimates.

Demand for low Earth orbit (LEO) based services is the core of small-satellite demand. This includes imagery-based intelligence, sensing activities such as radio-frequency mapping, automatic identification systems and weather monitoring. The demand for such services in space, in turn, requires continued downward pressure on costs (satellite assembly, increased modularisation and increased automation). In addition, it requires continued rapid technology

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development for components and systems. Our conclusion from visiting GomSpace's production facilities is that we are seeing exactly the increase in modularisation and automation of production that the research institute said is required to support growth in the small-satellite industry.

Competing systems developing more quickly than expected could hamper growth in small satellites. This includes breakthroughs when it comes to the relative value propositions and technology development of larger satellites. Other breakthroughs that risk hurting the relative benefits of small satellites could be terrestrial or airborne platforms.

The COVID-19 pandemic has resulted in some customer delays, as launch facilities have been closed. Further lockdowns could result in further delays, which could affect both revenue and order intake negatively for GomSpace.

Understanding the nature of an emerging, venture capital-funded industry

GomSpace operates in an emerging new industry, with projects funded to a high degree by venture capital. Even if we are convinced that the potential is significant, the outcome of the planned projects is very difficult to forecast, given that they rely on external equity funding. This makes communication with the equity market very difficult, as there are a number of projects with significant potential but GomSpace's management does not control the funding of the projects. Consequently, the chances of success and the actual timing of projects are very difficult to forecast. Company forecasts based on these uncertain projects increase the volatility in the company's demand and, consequently, the accuracy of long-term forecasts. This is important to understand when investing in GomSpace. Our view remains that it is the right strategy to industrialise volume production of nanosatellites in order to achieve a market-leading position and drive growth in the industry.

Key figures

Table 2: Key figures and estimates

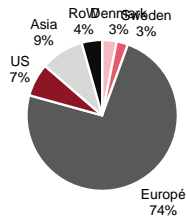
SEKm	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21E	Q2 21E	Q3 21E	Q4 21E	2020	2021E	2022E	2023E
Revenues	40.5	42.7	39.1	72.3	48.2	51.9	58.2	70.9	195	229	311	410
Gross profit	9.8	4.8	9.2	23.8	14.6	16.1	18.8	24.4	48	74	138	198
Gross margin	24%	11%	24%	33%	30%	31%	32%	34%	24%	32%	44%	48%
EBITDA	0.1	-9.3	1	8.8	4.2	4.3	9.1	11.4	0.6	29	65.5	98.7
EBITDA margin	0%	-22%	2%	12%	9%	8%	16%	16%	0%	13%	21%	24%
EBIT	-8.5	-14.9	-7.2	0.3	-3.9	-3.8	1	3.4	-32.3	-3.2	29	59.2
EBIT margin	-21%	-35%	-18%	0%	-8%	-7%	2%	5%	-17%	-1%	9%	14%
PTP	-8.2	-25.6	-9.3	-4.6	-3.9	-3.8	1	3.4	-49.7	-3.2	25	55.2
Net profit	-7.5	-24.4	-7.4	-4.3	-3.7	-3.6	1	3.2	-45.6	-3	25	55.2
Revenue												
Sales of satellite solutions	31.7	31.9	33	54.3	38	40.5	45.6	55.1	151	179	233	300
Sales of platforms, payloads and subsystems	8.7	9.5	7.5	17.9	10.2	11.3	12.6	15.8	44	50	60	69
Constellation management	0	0	0	0	0	0	0	0	0	0	19	42
Other	0	0.2	0	0	0.1	0.1	0	0	0	0	0	0
Total	40.5	41.6	40.5	72.2	48.2	51.9	58.2	70.9	195	229	311	410

Source: Company data, Danske Bank Equity Research estimates

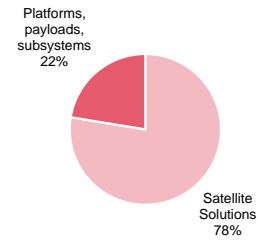
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Company summary

Sales breakdown by geographical area



Sales breakdown by division



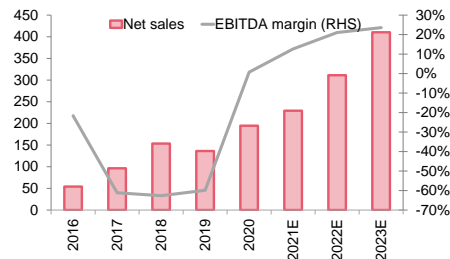
Company information

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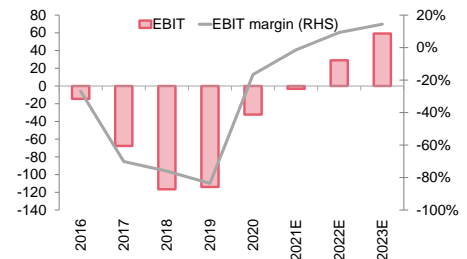
Main shareholders

Name	Votes (%)	Capital (%)
BNY Mellon SA/NV FRKN Jyske Bank, v	10.9%	10.9%
Hansen & Langeland Aps	10.0%	10.0%
BNP Paribas SEC Services Paris, W8IM	4.5%	4.5%
SAXO Bank A/S Client assets	4.2%	4.2%
Sparekassen Kronjylland	3.6%	3.6%

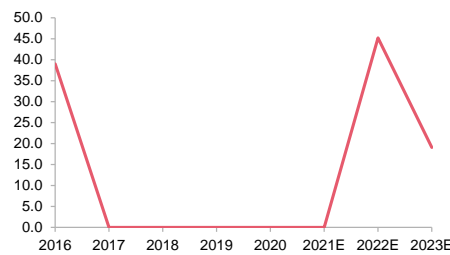
Net sales and EBITDA margin (SEKm)



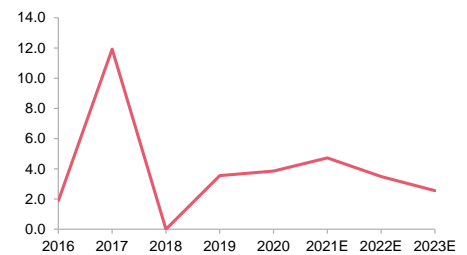
EBIT and EBIT margin (SEKm)



P/E NTM (x)



EV/sales NTM (x)



Source: FactSet, Company data, Danske Bank Equity Research estimates

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Summary tables

INCOME STATEMENT										
Year end Dec, SEKm	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Net sales	26.6	34.1	54.1	96.4	153	136	195	229	311	410
Cost of sales & operating costs	-23.4	-34.9	-65.9	-155	-249	-218	-193	-200	-246	-314
EBITDA	3.2	-0.8	-11.7	-58.9	-96.1	-81.6	1.4	29.0	65.5	96.7
EBITDA, adj.	3.2	-0.8	-11.7	-58.9	-96.1	-81.6	1.4	29.0	65.5	96.7
Depreciation	-0.1	-0.4	-0.8	-3.9	-9.6	-20.7	-20.4	-19.0	-20.4	-20.4
EBITA	3.1	-1.2	-12.5	-62.8	-106	-102	-19.0	10.0	45.1	78.3
EBIT incl. EO, bef. ass.	1.8	-2.4	-14.5	-67.6	-117	-114	-32.3	-3.2	29.0	59.2
EBIT, adj.	1.8	-2.4	-14.5	-67.6	-117	-114	-32.3	-3.2	29.0	59.2
Associated income			21.4	4.6	-2.1	-26.0	-9.0			
Financial items, net	-0.2	-0.8	-1.4	-3.5	-4.1	-6.7	-8.4	0.0	-4.0	0.0
Pre-tax profit	1.6	-3.1	5.5	-66.5	-123	-147	-49.7	-3.2	25.0	59.2
Taxes	-0.4	0.8	3.5	12.5	10.3	-5.1	4.1	0.2		
Net profit, rep.	1.2	-2.4	9.0	-54.0	-112	-152	-45.6	-3.0	25.0	59.2
Net profit, adj.	1.2	-2.4	9.0	-54.0	-112	-152	-45.6	-3.0	25.0	59.2
CASH FLOW										
SEKm	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
EBITDA	3.2	-0.8	-11.7	-58.9	-96.1	-81.6	1.4	29.0	65.5	96.7
Change in working capital	-4.4	-9.7	-4.7	43.5	-18.7	-34.6	34.8	-54.9	-23.4	-14.6
Net interest paid	-0.2	-0.7	-1.3	-1.4	-3.6	-4.6	-3.6		-4.0	
Taxes paid	0.1			2.3	5.3	7.7	-0.4	0.2		
Other operating cash items	0.1		0.4	6.2	10.6	20.4	11.2			
Cash flow from operations	-1.1	-11.2	-17.4	-8.4	-103	-92.6	43.4	-25.8	38.0	82.1
Capex	-1.3	-6.1	-12.1	-55.8	-81.8	-32.7	-16.7	-24.0	-30.0	-34.0
Div to min										
Free cash flow	-2.4	-17.3	-29.4	-64.2	-184	-125	26.8	-49.8	8.0	48.1
Disposals/(acquisitions)			-2.9	-24.1						
Free cash flow to equity	-2.4	-17.3	-32.3	-88.3	-184	-125	26.8	-49.8	8.0	48.1
Dividend paid										
Share buybacks										
New issue common stock		8.9	125	95.4	356					
Incr./(decr.) in debt	0.0	3.8	2.4	20.1	0.8	-6.0	1.0			
Minorities & other financing CF			-22.1	-2.8	1.1	-10.9	-19.5	-9.7	-10.0	-10.0
Cash flow from financing	0.0	12.7	105	113	358	-17.0	-18.4	-9.7	-10.0	-10.0
Disc. ops & other	0.0	0.1	-14.4	2.7						
Incr./(decr.) in cash	-2.4	-4.5	58.5	24.4	174	-142	8.3	-59.5	-2.0	38.1
BALANCE SHEET										
SEKm	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Cash & cash equivalents	1.5	1.3	73.8	95.6	269	127	136	76.0	74.0	112
Inventory	3.5	2.9	4.3	9.8	34.8	24.1	26.4	39.0	56.0	73.9
Trade receivables	9.1	16.8	52.1	65.8	97.0	37.2	21.7	59.6	84.0	115
Other current assets	0.0	0.0	0.0	0.0		25.2	31.1	41.3	56.0	73.9
Goodwill			3.7	3.7	3.2	3.7	3.7	3.7	3.7	3.7
Other intangible assets	4.4	8.4	27.3	62.4	115	117	114	123	133	141
Fixed tangible assets	0.5	0.7	6.4	21.3	37.9	31.1	22.3	15.4	9.0	6.6
Associated companies			36.7	41.9	34.6	11.8				
Other non-current assets			4.8	12.7	16.2	5.2	5.6	5.6	5.6	5.6
Total assets	19.1	30.1	209	313	609	437	403	406	464	575
Shareholders' equity	7.7	13.8	146	185	442	296	247	244	269	329
Of which minority interests										
Current liabilities	8.0	4.6	46.4	93.8	131	59.6	86.0	91.7	124	176
Interest-bearing debt	2.2	10.8	13.5	34.0	36.2	23.8	30.2	30.2	30.2	30.2
Pension liabilities										
Oth non-curr. liabilities	1.1	0.9	3.1			2.9	7.6	7.6	7.6	7.6
Total liabilities	11.3	16.3	63.0	128	167	141	156	161	194	246
Total liabilities and equity	19.1	30.1	209	313	609	437	403	406	464	575
Net debt	0.6	9.5	-60.3	-61.6	-233	-103	-105	-45.8	-43.8	-82.0

Source: Company data, Danske Bank Equity Research estimates

Summary tables

PER SHARE DATA	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
No. of shares, fully diluted (y.e.) (m)			24.5	26.3	52.3	52.3	52.3	52.3	52.3	52.3
No. of shares, fully diluted (avg.) (m)			14.6	25.9	28.6	52.3	52.3	52.3	52.3	52.3
EPS (SEK)			0.62	-2.09	-3.93	-2.90	-0.87	-0.06	0.48	1.13
EPS adj. (SEK)			0.62	-2.08	-3.93	-2.90	-0.87	-0.06	0.48	1.11
DPS (SEK)			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CFFO/share (SEK)			-1.2	-0.3	-3.6	-1.8	0.8	-0.5	0.7	1.6
Book value/share (SEK)			5.96	7.06	8.45	5.66	4.73	4.68	5.15	6.28
MARGINS AND GROWTH	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
EBITDA margin	12.1%	-2.4%	-21.6%	-61.1%	-62.7%	-59.9%	0.7%	12.6%	21.0%	23.6%
EBITDA margin	11.6%	-3.5%	-23.2%	-65.1%	-68.9%	-75.0%	-9.8%	4.4%	14.5%	19.1%
EBIT margin	6.6%	-6.9%	-26.8%	-70.1%	-76.0%	-83.6%	-16.6%	-1.4%	9.3%	14.4%
EBIT adj margin	6.6%	-6.9%	-26.8%	-70.1%	-76.0%	-83.6%	-16.6%	-1.4%	9.3%	14.2%
Sales growth	n.m.	27.9%	58.8%	78.1%	59.1%	-11.2%	42.8%	17.8%	35.8%	31.8%
EBITDA growth	n.m.	n.m.	n.m.	n.m.	-63.0%	15.1%	n.m.	n.m.	n.m.	47.7%
EBITA growth	n.m.	n.m.	n.m.	n.m.	-68.3%	3.3%	81.4%	n.m.	n.m.	73.7%
EPS adj growth				n.m.	-88.5%	26.1%	70.0%	93.3%	n.m.	n.m.
PROFITABILITY	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
ROIC (after tax, incl. GW, adj.)	18.8%	-10.6%	20.8%	-51.5%	-70.0%	-64.6%	-17.2%	-1.2%	11.8%	21.5%
ROIC (after tax, excl. GW, adj.)	18.8%	-10.6%	21.5%	-53.5%	-71.6%	-65.6%	-17.5%	-1.2%	12.0%	21.8%
ROE (adj.)	17.8%	-22.0%	11.2%	-32.6%	-35.9%	-41.2%	-16.8%	-1.2%	9.7%	19.5%
ROIC (adj.) - WACC	7.7%	-21.8%	9.6%	-62.7%	-81.1%	-75.7%	-28.3%	-12.3%	0.7%	10.4%
MARKET VALUE	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Share price (SEK)			24.0	62.4	10.2	11.2	16.4	21.6	21.6	21.6
No. shares reduced by buybacks (m)			24.5	26.3	52.3	52.3	52.3	52.3	52.3	52.3
Mkt cap used in EV (m)			588	1,638	532	588	855	1,129	1,129	1,129
Net debt, year-end (m)	1	10	-60	-62	-233	-49	-74	-14	-12	-50
MV of min/ass and oth (m)	0	0	-426	-426	-426	0	0	0	0	0
Enterprise value (m)			102	1,150	n.m.	539	782	1,115	1,117	1,079
VALUATION	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
EV/sales (x)			1.88	11.93	n.m.	3.96	4.02	4.87	3.59	2.63
EV/EBITDA (x)			n.m.	n.m.	n.m.	n.m.	n.m.	38.5	17.1	11.2
EV/EBITA (x)			n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	24.8	14.0
EV/EBIT (x)			n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	38.6	18.6
P/E (reported) (x)			39.0	n.m.	n.m.	n.m.	n.m.	n.m.	45.2	19.1
P/E (adj.) (x)			39.0	n.m.	n.m.	n.m.	n.m.	n.m.	45.2	19.4
P/BV (x)			4.03	8.84	1.20	1.99	3.46	4.62	4.19	3.44
EV/invested capital (x)			1.3	10.4	n.m.	2.2	4.4	4.8	4.3	3.9
Dividend yield										
Total yield (incl. buybacks)										
FCFE-yield			-5.00%	-3.92%	-34.64%	-21.33%	3.13%	-4.41%	0.71%	4.26%
FINANCIAL RATIOS	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Net debt/EBITDA (x)	0.2	-11.5	5.2	1.0	2.4	0.6	-52.8	-0.5	-0.2	-0.5
Net debt/equity (x), year-end	0.1	0.7	-0.4	-0.3	-0.5	-0.2	-0.3	-0.1	-0.0	-0.2
Dividend payout ratio			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest coverage (x)	9.8	-2.4	-7.3	-8.4	-15.0	-15.8	-3.0			
Cash conversion (FCF/net profit)	-196.3%	n.m.	-327.8%	n.m.	n.m.	n.m.	n.m.	n.m.	32.2%	81.3%
Capex/sales	4.8%	17.8%	22.3%	57.9%	53.3%	24.0%	8.6%	10.5%	9.6%	8.3%
NWC/sales	17.2%	44.3%	18.4%	-18.9%	0.9%	19.8%	-3.5%	21.0%	23.0%	21.0%
QUARTERLY P&L			Q1 20	Q2 20	Q3 20	Q4 20	Q1 21E	Q2 21E	Q3 21E	Q4 21E
Sales (m)			40.5	42.7	39.1	72.3	0.0	0.0	0.0	229
EBITDA (m)			-2.6	-9.3	-1.8	6.0	0.0	0.0	0.0	29.0
EBIT before non-recurring items (m)			-8.5	-17.7	-7.2	3.1	0.0	0.0	0.0	-3.2
Net profit (adj.) (m)			-7.5	-27.2	-7.4	-3.5	0.0	0.0	0.0	-3.0
EPS (adj.) (SEK)			-0.14	-0.52	-0.14	-0.07	0.00	0.00	0.00	-0.06
EBITDA margin			-6.5%	-21.7%	-4.6%	8.4%	n.m.	n.m.	n.m.	12.6%
EBIT margin (adj.)			-21.0%	-41.3%	-18.5%	4.3%	n.m.	n.m.	n.m.	-1.4%

Source: Company data, Danske Bank Equity Research estimates

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