

Axactor

Well-positioned in attractive NPL markets

- Cash EBITDA 2% ahead of consensus in Q2'21
- A whole new world – IRRs are not where they used to be
- Strong cost position and ready to add new NPL volumes

Better opex vs. consensus drove the cash EBITDA beat in Q2

Cash EBITDA came in at EUR 65.7m in Q2, up 48% y-o-y and 26% q-o-q. This was 2% ahead of the IR-collected consensus and 1% shy of our estimate. The beat vs. consensus was driven by better cost performance as gross revenues were in line. Collection performance was 99% in Q2, which means that the curves now seem to be well-aligned with current performance. In addition, Axactor has also raised the expected savings for the cost reduction programme by EUR 1.2m, which will be positive for the 3PC margin. It is also positive to note the B1 rating from Moody's and B from S&P, which are likely to facilitate a lower funding cost if existing debt is refinanced.

ABGSCe gross IRRs of ~18-19% the next two years

Gross IRR on Axactor's current book is reported to be 15.8%, while one-off acquisitions in H1'21 were underwritten with an IRR of 22% and the contracted forward flow volumes with an IRR of 23%. This is significantly above the 2017-2018 levels when Axactor made most of its NPL investments. Although increased investment activity in the sector could lead to some price pressure, we believe that the end of debt moratorias (particularly in Spain and Italy) will increase the volume of offered NPLs in the market significantly and keep NPL prices at attractive levels for the debt collectors. To better reflect this, we factor in gross IRRs of ~18-19% on new investments for the next 18 months, but this is likely subject to upside given the current outlook for Axactor's markets. Apart from this, we make only minor changes to our estimates, factoring in the raised cost savings and higher amortisation on the REO book.

DCF fair value uplift to NOK 9-30/share on higher IRRs

On the back of the Q2 report we make only minor revisions to our cash EBITDA estimates for 2021e-2023e, while we note that the higher IRRs on the front-book raises our DCF fair value range to NOK 9-30/share.

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EURm	2019	2020	2021e	2022e	2023e
Sales	285	205	262	298	301
EBITDA	92	36	92	138	162
EBITDA margin (%)	32.3	17.5	35.1	46.3	53.9
EBIT adj	84	91	85	128	153
EBIT adj margin (%)	29.4	44.6	32.4	43.0	50.6
Pretax profit	33	-28	29	77	101
EPS rep	0.11	-0.08	0.09	0.22	0.26
EPS adj	0.10	0.14	0.10	0.22	0.26
Sales growth (%)	37.8	-28.1	27.6	13.8	1.3
EPS growth (%)	307.2	-177.9	212.9	136.5	18.0

Source: ABG Sundal Collier, Company data

Reason: Post-results comment

Company sponsored research

Not rated

Estimate changes (%)

	2021e	2022e	2023e
Sales	0.2%	0.0%	-0.2%
EBIT (rep)	-3.5%	-1.3%	-0.9%
EPS (rep)	-7.3%	-2.3%	-1.4%

Source: ABG Sundal Collier

Share price (NOK)	17/08/2021	10.0
Fair value range (per share)		9.0-30.0

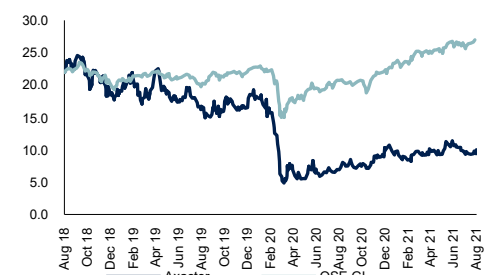
Financials, Norway
 AXA.OL/AXA NO

MCap (NOKm)	3,021
MCap (EURm)	290
Net debt (EURm)	868

No. of shares (m)	302
Free float (%)	100
Av. daily volume (k)	14

Next event Q3 report: 27 Oct

Performance



	1m	3m	12m
Absolute (%)	1.9	4.4	46.2

Source: FactSet

	2021e	2022e	2023e
P/E (x)	10.3	4.4	3.7
P/E adj (x)	9.4	4.4	3.7
P/BVPS (x)	0.66	0.57	0.50
EV/EBITDA (x)	12.6	8.7	7.4
EV/EBIT adj (x)	13.7	9.4	7.9
EV/sales (x)	4.43	4.05	3.99
ROE adj (%)	8.3	14.0	14.4
Dividend yield (%)	0	0	0
FCF yield (%)	-9.0	-16.2	1.4
Lease adj. FCF yld (%)	-9.0	-16.2	1.4
Net IB debt/EBITDA	9.4	6.6	5.6
Lease adj. ND/EBITDA	nm	nm	nm

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.

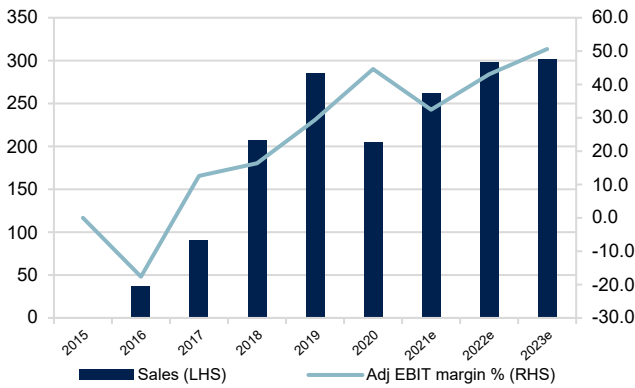
Company description

Axactor is a pan-European debt collector with operations in Finland, Germany, Italy, Norway, Spain and Sweden. Headquartered in Oslo, Norway, Axactor was established in late 2015 and has grown to become one of the ten-largest players in the industry, with support from its cornerstone- and co-investor Geveran. Its core business areas are purchased debt and 3PC (third-party collection), focusing on well-developed NPL markets with a legal environment beneficial for collection. Through its streamlined “One Axactor” operating model, it has developed a scalable, no legacy and low-complexity NPL platform.

Risks

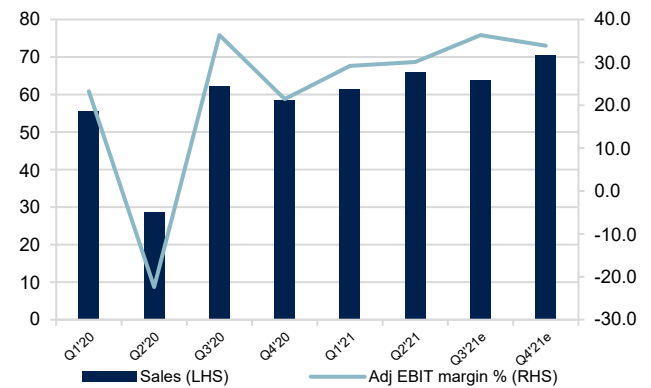
Investment risk, macro risk and regulatory risk are the biggest risks in the Axactor investment case. We see investment risk as the largest risk as we estimate that the company will have high capex going forward, and an investment into a ‘bad’ portfolio and/or company could have a detrimental impact on earnings in the coming years. Furthermore, changes in the macro environment could affect cash collection and the 3PC business.

Annual sales and adj. EBIT margin EURm



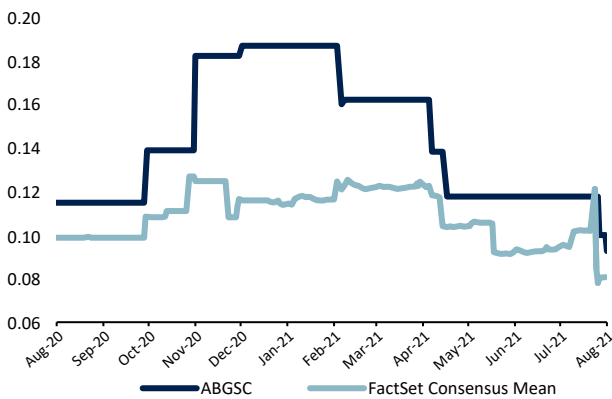
Source: ABG Sundal Collier, Company data

Quarterly sales and adj. EBIT margin



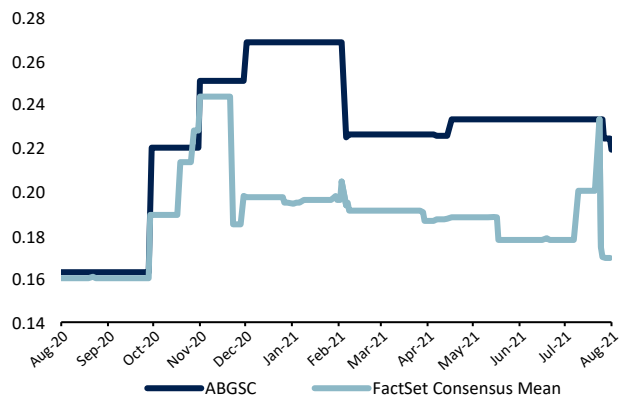
Source: ABG Sundal Collier, Company data

EPS estimate changes, 2021e, EUR



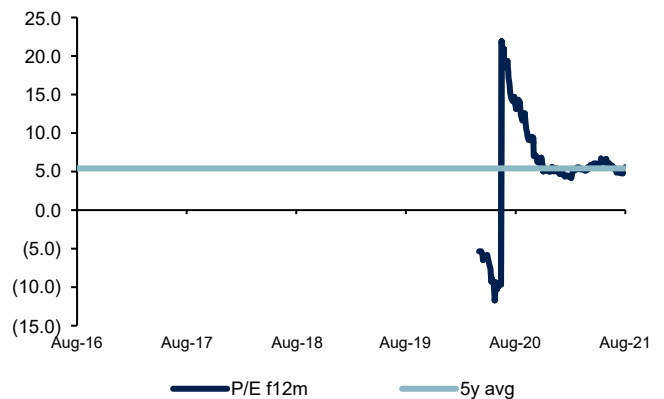
Source: ABG Sundal Collier, FactSet

EPS estimate changes, 2022e, EUR



Source: ABG Sundal Collier, FactSet

12-month forward-looking P/E



Source: ABG Sundal Collier, Company data

Q2'21 deviation table

EURm	Outcome	ABGSCe				IR consensus			q-o-q		y-o-y	
		Q2'21	Q2'21	Deviation	2%	Q2'21	Deviation	2%	Q1'21 growth	8%	Q2'20 growth	n.m.
Net Revenue	65.9	64.4	1.5	2%	64.3	1.6	2%	61.0	8%	28.7	n.m.	
Total operating cost	-43.7	-40.4	-3.3	8%	-41.3	-2.4	6%	-43.3	1%	-58.6	-25%	
EBITDA reported	22.2	24.1	-1.9	-8%	23.0	-0.8	-3%	17.7	25%	-30.0	n.m.	
EBITDA-margin	33.7%	37.4%	-3.7%		35.8%	-2.1%		29.1%		n.m.		
Depreciation and amortisation	-2.3	-2.5	0.2	-8%	-2.6	0.3	-12%	-2.6	-11%	-2.6	-12%	
EBIT reported	19.8	21.6	-1.8	-8%	20.3	-0.5	-2%	15.2	31%	-32.6	n.m.	
EBIT-margin	30.1%	33.5%	-3%		31.6%	-1.5%		24.8%		n.m.		
Net financials	-11.8	-12.3	0.5	-4%	-12.2	0.4	-3%	-16.8	-30%	-14.4	-18%	
tax	-3.6	-2.7	-0.9	34%	-2.9	-0.7	25%	-1.7	n.m.	2.5	n.m.	
Net profit	4.4	6.6	-2.2	-34%	5.3	-0.9	-17%	-3.4	n.m.	-44.4	n.m.	
Net profit to minorities	2.8	2.5	0.2	9%	1.4	1.4	98%	2.0		17.7		
Net profit (after minority)	7.2	9.1	-2.0	-22%	6.7	0.5	7%	-1.4	n.m.	-26.7	n.m.	
ERC	2,174	2,157	17.7	1%				2,227	-2%	2,253	-4%	
Change ERC q-o-q	-53	-71	17.7	-25%								
CAPEX	12.4	17.0	-4.6	-27%	20.8	-8.4	-40%	16	-23%	62	-80%	

Source: Company data, ABG Sundal Collier, IR consensus 16 August. Note: we count ERC as ERC NPLs (reported) + REO book value

Q2'21: Forecast - Cash

EURm	Outcome	ABGSCe				IR consensus			q-o-q		y-o-y	
		Q2'21	Q2'21	Deviation	2%	Q2'21	Deviation	2%	Q1'21 growth	8%	Q2'20 growth	n.m.
Net revenue	65.9	64.4	1.5	2%	64.3	1.6	2%	61.0	8%	28.7	n.m.	
Gross revenues	95.2	96.5	-1.3	-1%	94.8	0.4	0%	84.9	12%	70.8	34%	
Opex ex. REO amortisation	-30.0	-29.9	-0.1	0%	-30.7	0.7	-2%	-32.8	-9%	-26.4	14%	
Cash EBITDA	65.7	66.6	-0.9	-1%	64.1	1.6	2%	52.1	26%	44.4	48%	
Cash-EBITDA margin	68.7%	69.0%	0%		67.6%	1%		61.4%		62.7%		

Source: Company data, ABG Sundal Collier, IR consensus 16 August. Note: we count ERC as ERC NPLs (reported) + REO book value

Estimate changes

Estimate revisions	New			Old			Chg %		Chg		Chg %		Chg	
	2021e	2022e	2023e	2021	2022e	2023e	2021	2021	2022e	2022e	2023e	2023e	2021	2021
Gross collection	330	388	399	329	382	395	0%	0	2%	6	1%	4		
Other revenue	52	63	67	53	64	68	-2%	-1	-2%	-1	-2%	-1		
Gross revenues	381	451	465	382	445	462	0%	-1	1%	5	1%	3		
Net Revenue	262	298	301	261	298	302	0%	0	0%	0	0%	0		
EBITDA reported	92	138	162	95	140	164	-3%	-3	-1%	-2	-1%	-2		
EBITDA-margin (%)	35%	46%	54%	36%	47%	54%		-1%		-1%		0%		
Cash EBITDA	260	321	332	259	316	330	1%	1	2%	5	1%	2		
Cash-EBITDA margin	68%	71%	71%	68%	71%	71%		1%		0%		0%		
Depreciation and amortisation	-10	-10	-10	-10	-10	-10	-3%	0	-2%	0	-2%	0		
EBIT (reported)	82	128	153	85	130	154	-4%	-3	-1%	-2	-1%	-1		
EBIT-margin (%)	31%	43%	51%	33%	44%	51%		-1%		-1%		0%		
Net profit (after minority)	28	66	78	30	68	79	-7%	-2	-2%	-2	-1%	-1		
Net profit adj. (after minority)	39	66	78	38	68	79	0%	0	-2%	-2	-1%	-1		
EPS (after minority)	0.09	0.22	0.26	0.10	0.22	0.26	-7%	-0.01	-2%	-0.01	-1%	0.00		
EPS adj. (after minority)	0.13	0.22	0.26	0.13	0.22	0.26	0%	0.00	-2%	-0.01	-1%	0.00		
ERC (reported NPL + est REO)	2,371	2,567	2,656	2,349	2,552	2,645	1%	22	1%	15	0%	11		
CAPEX	200	290	245	205	290	245	-2%	-5	0%	0	0%	0		
Return on Equity (%)	8%	14%	14%	8%	14%	14%		-0.5%		-0.1%		0.0%		
ROE adj (%)	10%	14%	14%	10%	14%	14%		0.1%		-0.1%		0.0%		

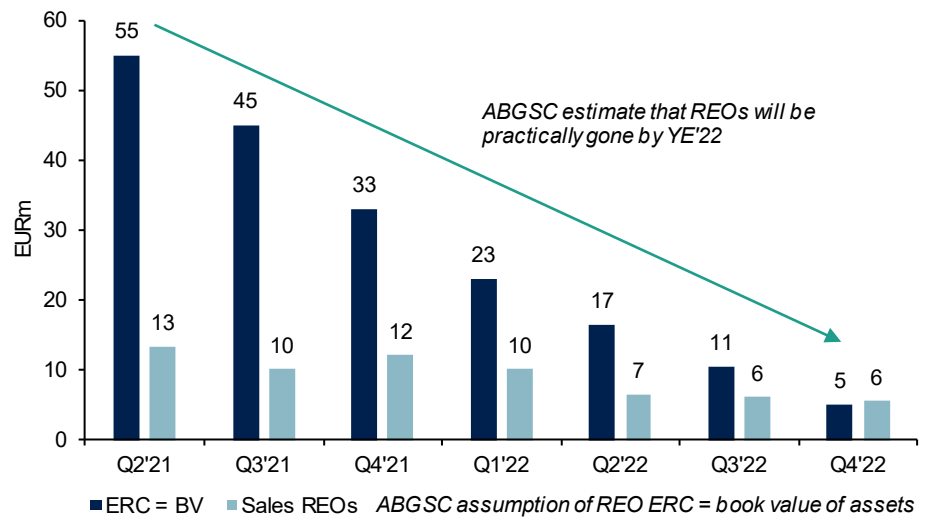
Source: Company data, ABG Sundal Collier

ABG estimates vs. IR-collected consensus

EURm	ABG			IR consensus			Difference		
	2021e	2022e	2023e	2021e	2022e	2023e	2021e	2022e	2023e
Gross collection	330	388	399	329	372	391	0.1%	4.2%	2.1%
Other revenue	52	63	67	54	66	72	-3.8%	-5.1%	-7.2%
Gross revenue	381	451	465	383	439	462	-0.5%	2.8%	0.7%
Net revenue	262	298	301	263	290	297	-0.6%	2.6%	1.6%
EBITDA	92	138	162	94	129	153	-2.6%	6.9%	5.9%
EBITDA margin	35%	46%	54%	36%	45%	52%	-0.7%	1.8%	2.2%
EBIT	82	128	153	84	119	144	-2.3%	7.6%	6.2%
Net profit (after minority)	28	66	78	24	53	69	18.8%	26.3%	13.4%
Cash EBITDA	260.2	320.6	331.8	256	306	322	1.8%	4.9%	2.9%
Cash EBITDA margin	68%	71%	71%	67%	70%	70%	1.5%	1.4%	1.6%
CAPEX	200	290	245	205	322	283	-2.5%	-9.9%	-13.4%

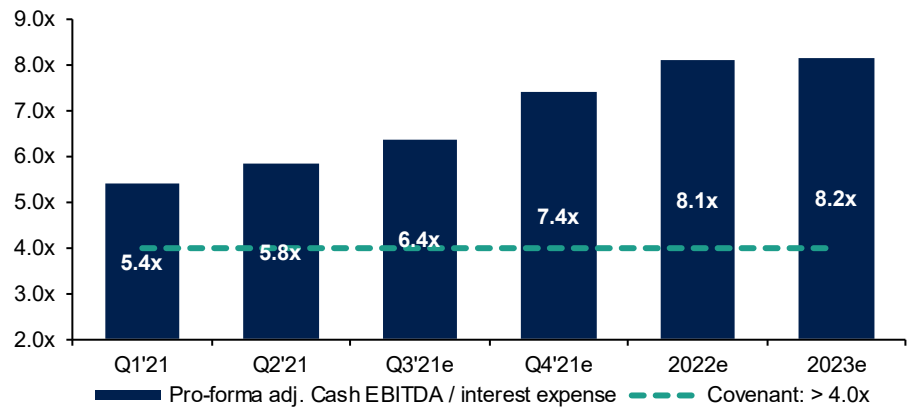
Source: ABG Sundal Collier, IR collected consensus 16 August

REOs practically phased-out by YE'22e



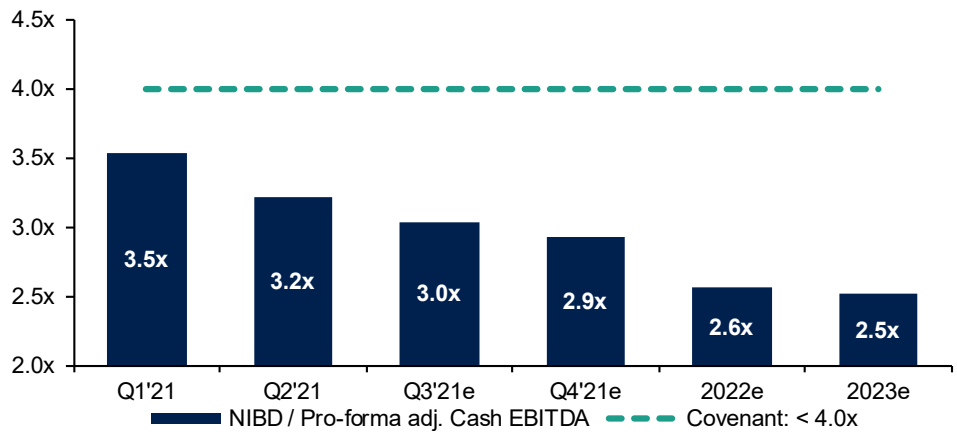
Source: ABG Sundal Collier, company data

Interest coverage ratio



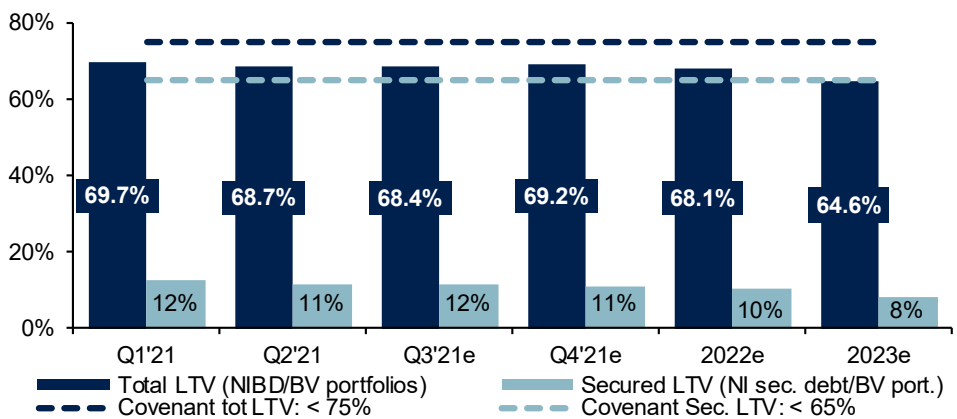
Source: ABG Sundal Collier, company data

Leverage ratio



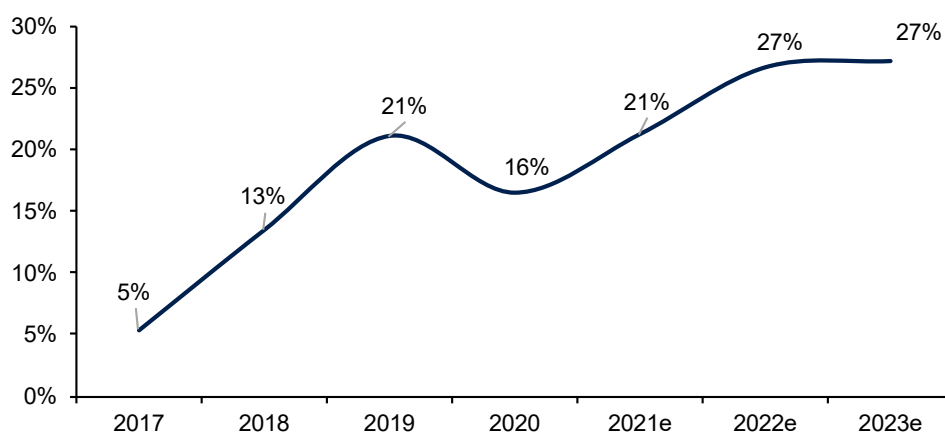
Source: ABG Sundal Collier, company data

Total loan-to-value (LTV) and secured loan-to-value



Source: ABG Sundal Collier, company data

Funds from operations / gross interest-bearing debt (FFO/GIBD)



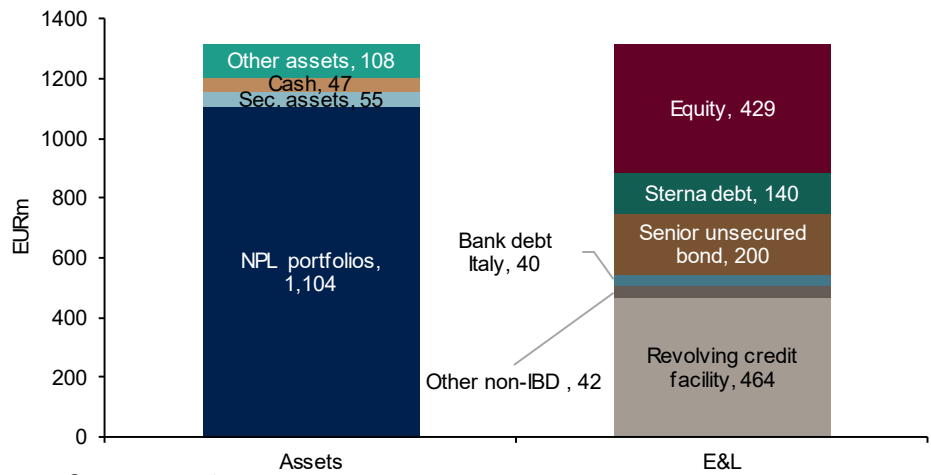
Source: ABG Sundal Collier, company data

Cash flow statement

EUR'000						
Cash Flow (direct method)	2018	2019	2020	2021e	2022e	2023e
EBITDA	46,300	92,140	35,852	91,904	137,946	162,444
Portfolio amortisation & revaluation	88,332	157,398	176,112	167,769	182,659	169,330
Other non cash items	1,374	1,256	577	168	0	0
Cash EBITDA (adj. option cost)	136,006	250,794	212,541	259,841	320,605	331,774
Interest paid	-34,495	-49,863	-52,561	-62,896	-50,806	-51,077
Taxes paid	-2,543	-4,741	-5,515	-6,714	-19,465	-25,351
Funds from operations (FFO)	98,968	196,190	154,465	190,231	250,335	255,346
Working capital	2,783	-679	-543	-3,491	-989	-76
Operating cash flow (CFO)	101,751	195,511	153,922	186,740	249,346	255,270
Portfolio investments	-555,649	-401,429	-211,823	-207,154	-290,000	-245,000
Investment in subsidiary	-1,086	0	0	0	0	0
Purchase tangible & intangible assets	-6,995	-9,642	-6,114	-5,665	-6,228	-6,273
Purchase of financial assets	0	-250	442	0	0	0
Interest received	17	98	25	0	0	0
Free cash flow (FCF)	-461,962	-215,712	-63,548	-26,079	-46,882	3,997
Proceeds from borrowings	600,651	303,984	81,631	268,475	130,500	80,850
Repayment of debt	-156,791	-80,089	-84,395	-312,584	-86,593	-80,056
Dividends	0	0	0	0	0	0
Proceeds share issue & minorities	38,468	-865	43,772	47,092	0	0
Share/bond/trans. issue cost	-31	0	-959	-1,460	0	0
Net cash flow (NCF)	20,335	7,318	-23,499	-24,556	-2,974	4,791
Total cash at beginning of period	50,482	70,777	75,396	50,725	27,103	24,129
FX effects of cash	-40	-2,699	-1,171	934		
Total cash at the end of the period	70,777	75,396	50,725	27,103	24,129	28,920

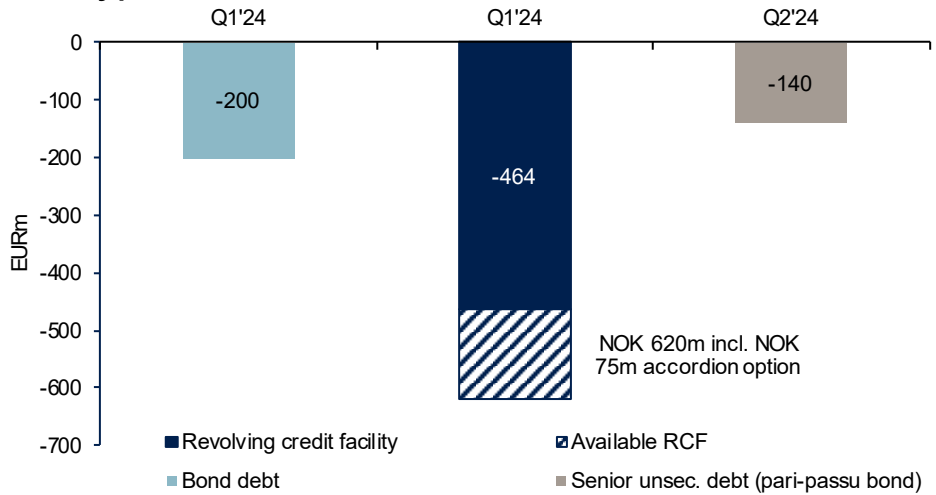
Source: ABG Sundal Collier, company data

Balance sheet composition Q2'21



Source: Company reports

Maturity profile GIBD as of Q2'21



Source: Company reports. GIBD = gross interest bearing debt

DCF valuation using Gordon growth terminal value

DCF with Gordon growth terminal value

DCF valuation - Axactor								
EURm	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e
Cash flow from operations	187	249	255	305	288	298	310	322
Interest cost after tax	32	38	38	38	37	38	38	38
Capex	-213	-296	-251	-261	-246	-246	-246	-247
Free cash flow to firm	6	-9	42	81	78	89	101	114
Discounted free cash flow	6	-8	36	65	59	63	67	70

Valuation summary	
PV DCF	359
PV terminal value	1,309
Enterprise value	1,667
Net debt Q2'21	796
Equity value	871
Number of shares	302
NOK/EUR	0.1
Value per share (NOK)	30

Assumptions	
Risk-free rate	1.3% Norwegian 10yr treasury bond
Beta	1.4 Bloomberg adj. 5yr weekly data
Market risk premia	6.7% ABGSCe market return of 8%
Cost of equity	10.8% Capital asset pricing model
Cost of debt	7.0% Based on last refinancing
Tax-rate	25.0% Long-term norm. tax-rate
Terminal growth	1.3% Equal to risk-free rate
WACC	6.70% Latest market cap and NIBD

Source: ABG Sundal Collier, Axactor, Bloomberg

WACC								
Growth	P/share	6.0%	6.3%	6.5%	6.7%	7.4%	7.8%	8.2%
	-0.4%	24.7	22.4	20.3	18.7	13.8	11.4	9.3
	0.3%	29.8	27.0	24.5	22.6	16.9	14.2	11.7
	0.8%	34.2	31.0	28.1	26.0	19.5	16.4	13.7
	1.3%	39.6	35.9	32.5	30.0	22.6	19.1	16.0
	1.8%	46.3	41.8	37.7	34.8	26.2	22.1	18.6
	2.3%	54.8	49.2	44.2	40.7	30.4	25.7	21.7
	2.8%	65.9	58.7	52.5	48.1	35.6	30.1	25.3

DCF valuation using exit multiple and assuming steady state in 2025

DCF with exit multiple and steady state in 2025

DCF valuation - Axactor					
EURm	2021e	2022e	2023e	2024e	2025e
Cash flow from operations	187	249	255	305	288
Interest cost after tax	32	38	38	38	37
Capex	-213	-296	-251	-261	-246
Free cash flow to firm	6	-9	42	81	78
Discounted free cash flow	6	-8	36	65	59

Valuation summary	
PV DCF	158
PV exit value	1,260
Enterprise value	1,418
Net debt Q2'21	796
Equity value	621
Number of shares	302
NOK/EUR	0.10
Value per share (NOK)	21

Assumptions	
WACC	6.70% Latest market cap and NIBD
EV/EBITDA 12m fw d.	9.8 5yr median of peers
EBITDA (reported)	171 Exit-year 2025
Exit value	1,672 EV 2025
PV exit value	1,260 Discounted back

Source: ABG Sundal Collier, Axactor, Bloomberg, FactSet

WACC								
EV/EBITDA (exit multiple)	P/share	6.0%	6.3%	6.5%	6.7%	7.4%	7.8%	8.2%
	7.8x	13.7	13.3	12.9	12.6	11.5	10.8	10.2
	8.3x	16.0	15.5	15.1	14.8	13.6	13.0	12.3
	8.8x	18.2	17.8	17.3	17.0	15.8	15.1	14.4
	9.3x	20.5	20.0	19.6	19.2	17.9	17.2	16.5
	9.8x	22.8	22.3	21.8	21.4	20.1	19.3	18.6
	10.3x	25.1	24.5	24.0	23.6	22.2	21.4	20.7
	10.8x	27.4	26.8	26.3	25.8	24.4	23.5	22.7
	11.3x	29.6	29.1	28.5	28.0	26.5	25.7	24.8
	11.8x	31.9	31.3	30.7	30.3	28.7	27.8	26.9

Income Statement (EURm)	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021e	Q4 2021e
Sales	56	29	62	58	61	66	64	71
COGS	-41	-59	-32	-37	-43	-44	-38	-44
Gross profit	14	-30	30	21	18	22	26	26
Other operating items	0	0	0	0	-0	-0	0	-0
EBITDA	14	-30	30	21	18	22	26	26
Depreciation and amortisation	-3	-3	-3	-3	-3	-2	-2	-2
EBITA	12	-33	28	18	15	20	23	24
EO items	-1	-26	5	6	-3	0	0	0
Impairment and PPA amortisation	0	0	0	0	0	0	0	0
EBIT	12	-33	28	18	15	20	23	24
Net financial items	-15	-14	-14	-21	-14	-13	-12	-12
Pretax profit	6	-47	12	1	-2	8	11	12
Tax	-2	3	-6	3	-2	-4	-3	-3
Net profit	3	-44	7	3	-3	4	8	9
Minority interest	2	18	-3	-1	2	3	3	3
Net profit discontinued	0	0	0	0	0	0	0	0
Net profit to shareholders	5	-27	4	3	-1	7	11	12
EPS	0.03	-0.14	0.02	0.01	-0.00	0.02	0.04	0.04
EPS Adj	0.00	-0.01	0.01	-0.02	0.01	0.02	0.04	0.04
Total extraordinary items after tax	5	-25	2	7	-5	1	0	0
Tax rate (%)	38.4	5.4	47.1	399.0	101.6	45.2	28.0	27.0
Gross margin (%)	25.4	-104.6	48.7	36.5	29.5	33.6	40.2	37.4
EBITDA margin (%)	25.4	-104.6	48.7	36.5	28.9	33.6	40.2	37.4
EBITA margin (%)	20.7	-113.7	44.5	31.4	24.7	30.1	36.4	33.9
EBIT margin (%)	20.7	-113.7	44.5	31.4	24.7	30.1	36.4	33.9
Pretax margin (%)	10.1	-163.8	19.7	1.1	-2.7	12.1	17.5	16.6
Net margin (%)	6.2	-154.9	10.4	5.7	-5.5	6.6	12.6	12.1
Growth rates Y/Y	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021e	Q4 2021e
Sales growth (%)	-24.5	-60.4	-3.1	-21.8	10.4	129.8	2.4	20.7
EBITDA growth (%)	-36.2	-chg	51.5	-10.4	25.6	+chg	-15.5	23.6
EBIT growth (%)	-42.1	-chg	59.2	-12.5	31.6	+chg	-16.4	30.3
Net profit growth (%)	-25.4	-chg	77.8	-48.9	-chg	+chg	23.8	155.9
EPS growth (%)	-25.4	-chg	77.8	-48.9	-chg	+chg	23.8	155.9
Adj earnings numbers	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021e	Q4 2021e
EBITDA Adj	16	-4	25	16	21	22	26	26
EBITDA Adj margin (%)	27.9	-13.3	40.6	26.5	33.4	33.6	40.2	37.4
EBITA Adj	13	-6	23	13	18	20	23	24
EBITA Adj margin (%)	23.2	-22.4	36.4	21.4	29.2	30.1	36.4	33.9
EBIT Adj	13	-6	23	13	18	20	23	24
EBIT Adj margin (%)	23.2	-22.4	36.4	21.4	29.2	30.1	36.4	33.9
Pretax profit Adj	-2	-21	8	-9	4	6	11	12
Net profit Adj	-1	-20	4	-4	1	3	8	9
Net profit to shareholders Adj	1	-2	2	-4	3	6	11	12
Net Adj margin (%)	-2.1	-68.8	7.1	-6.5	1.8	4.9	12.6	12.1

Source: ABG Sundal Collier, Company data

Income Statement (EURm)	na	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
Sales	na	0	37	90	207	285	205	262	298	301
COGS	na	0	-44	-75	-161	-193	-169	-169	-160	-139
Gross profit	na	0	-6	15	46	92	36	92	138	162
Other operating items	na	0	0	0	0	0	0	-0	0	0
EBITDA	na	0	-6	15	46	92	36	92	138	162
Depreciation and amortisation	na	0	-3	-5	-6	-10	-11	-10	-10	-10
Of which leasing depreciation	na	0	0	0	0	0	0	0	0	0
EBITA	na	0	-10	9	40	82	25	82	128	153
EO items	na	0	-3	-2	6	-2	-66	-3	0	0
Impairment and PPA amortisation	na	0	0	0	0	0	0	0	0	0
EBIT	na	0	-10	9	40	82	25	82	128	153
Net financial items	na	0	-2	-7	-34	-51	-65	-51	-51	-51
Pretax profit	na	0	-12	2	6	33	-28	29	77	101
Tax	na	0	1	1	-4	-12	-3	-12	-19	-25
Net profit	na	0	-11	3	2	21	-31	18	58	76
Minority interest	na	0	0	0	2	-5	16	10	9	2
Net profit discontinued	na	0	0	0	0	0	0	0	0	0
Net profit to shareholders	na	0	-11	3	4	16	-15	28	66	78
EPS	na	0	-0.01	0.00	0.03	0.11	-0.08	0.09	0.22	0.26
EPS Adj	na	0	-0.01	0.00	0.01	0.10	0.14	0.10	0.22	0.26
Total extraordinary items after tax	na	0	-3	-3	2	0	-60	-3	0	0
Leasing payments	na	0	0	0	0	0	0	0	0	0
Tax rate (%)	na	ns	6.1	31.0	61.3	35.7	9.6	39.8	25.2	25.0
Gross margin (%)	na	nm	-17.5	16.5	22.4	32.3	17.5	35.3	46.3	53.9
EBITDA margin (%)	na	nm	-17.5	16.5	22.4	32.3	17.5	35.1	46.3	53.9
EBITA margin (%)	na	nm	-25.9	10.6	19.5	28.8	12.2	31.4	43.0	50.6
EBIT margin (%)	na	nm	-25.9	10.6	19.5	28.8	12.2	31.4	43.0	50.6
Pretax margin (%)	na	nm	-32.1	2.2	3.0	11.4	-13.8	11.2	26.0	33.6
Net margin (%)	na	nm	-30.1	2.9	1.2	7.4	-15.2	6.7	19.4	25.2
Growth rates Y/Y	na	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
Sales growth (%)	na	na	na	142.2	130.4	37.8	-28.1	27.6	13.8	1.3
EBITDA growth (%)	na	na	high	328.4	212.5	99.0	-61.1	156.3	50.1	17.8
EBIT growth (%)	na	na	high	198.7	324.6	103.6	-69.5	228.1	56.1	19.1
Net profit growth (%)	na	na	high	123.2	-8.0	781.0	-248.4	156.5	228.7	31.6
EPS growth (%)	na	na	high	116.0	1,512.2	307.2	-177.9	212.9	136.5	18.0
Profitability	na	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
ROE (%)	na	na	-12.2	1.2	1.7	6.0	-5.2	7.5	14.0	14.4
ROE Adj (%)	na	na	-8.5	2.5	0.8	5.9	8.6	8.3	14.0	14.4
ROCE (%)	na	na	-7.7	2.1	4.3	7.1	2.7	6.1	9.2	10.3
ROCE Adj(%)	na	na	-4.9	2.6	3.6	7.1	6.9	6.4	9.2	10.3
ROIC (%)	na	na	-8.9	3.3	2.0	4.7	2.2	3.8	7.0	7.8
ROIC Adj (%)	na	na	-6.1	3.9	1.7	4.8	7.9	3.9	7.0	7.8
Adj earnings numbers	na	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
EBITDA Adj	na	0	-3	17	40	94	102	95	138	162
EBITDA Adj margin (%)	na	nm	-9.2	18.5	19.3	32.9	49.9	36.2	46.3	53.9
EBITDA lease Adj	na	0	0	0	0	0	0	0	0	0
EBITDA lease Adj margin (%)	na	nm	0	0	0	0	0	0	0	0
EBITA Adj	na	0	-7	11	34	84	91	85	128	153
EBITA Adj margin (%)	na	nm	-17.6	12.6	16.4	29.4	44.6	32.4	43.0	50.6
EBIT Adj	na	0	-7	11	34	84	91	85	128	153
EBIT Adj margin (%)	na	nm	-17.6	12.6	16.4	29.4	44.6	32.4	43.0	50.6
Pretax profit Adj	na	0	-8	4	0	32	27	34	77	101
Net profit Adj	na	0	-8	6	0	21	9	20	58	76
Net profit to shareholders Adj	na	0	-8	6	2	16	25	31	66	78
Net Adj margin (%)	na	nm	-21.1	6.2	0.0	7.3	4.6	7.8	19.4	25.2

Source: ABG Sundal Collier, Company data

Cash Flow Statement (EURm)	na	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
EBITDA	na	0	-6	15	46	92	36	92	138	162
Net financial items	na	0	-2	-7	-34	-51	-65	-51	-51	-51
Paid tax	na	0	0	1	-4	-12	-3	-12	-19	-25
Non-cash items	na	0	1	8	90	167	186	161	183	169
Cash flow before change in WC	na	0	-8	16	99	196	154	190	250	255
Change in WC	na	0	-6	-8	3	-1	-1	-3	-1	-0
Operating cash flow	na	0	-14	8	102	196	154	187	249	255
CAPEX tangible fixed assets	na	0	-76	-355	-556	-401	-212	-207	-290	-245
CAPEX intangible fixed assets	na	0	-2	-5	-7	-10	-6	-6	-6	-6
Acquisitions and disposals	na	0	-48	-1	-1	0	0	0	0	0
Free cash flow	na	0	-139	-354	-462	-215	-64	-26	-47	4
Dividend paid	na	0	0	0	0	0	0	0	0	0
Share issues and buybacks	na	0	0	0	0	0	0	0	0	0
Lease liability amortisation	na	0	0	0	0	0	0	0	0	0
Other non cash items	na	0	116	107	39	14	35	56	3	10
Balance Sheet (EURm)	na	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
Goodwill	na	0	53	54	56	56	55	56	56	56
Other intangible assets	na	0	22	25	29	40	35	33	33	33
Tangible fixed assets	na	0	128	471	929	1,171	1,203	1,242	1,342	1,408
Right-of-use asset	na	0	0	0	0	0	0	0	0	0
Total other fixed assets	na	0	1	1	1	1	1	1	1	1
Fixed assets	na	0	205	551	1,015	1,268	1,294	1,331	1,432	1,498
Inventories	na	0	0	0	0	0	0	0	0	0
Receivables	na	0	6	9	10	13	7	9	9	9
Other current assets	na	0	8	13	12	15	15	13	15	15
Cash and liquid assets	na	0	65	50	71	75	51	27	24	29
Total assets	na	0	283	622	1,108	1,372	1,367	1,380	1,480	1,551
Shareholders equity	na	0	183	260	264	281	304	439	505	583
Minority	na	0	0	32	64	97	74	7	-2	0
Total equity	na	0	183	292	328	378	379	445	503	583
Long-term debt	na	0	25	238	568	466	579	864	939	79
Pension debt	na	0	0	0	0	0	0	0	0	0
Convertible debt	na	0	0	0	0	0	0	0	0	0
Leasing liability	na	0	0	0	0	0	0	0	0	0
Total other long-term liabilities	na	0	9	9	15	22	12	10	10	10
Short-term debt	na	0	49	61	167	464	357	31	0	861
Accounts payable	na	0	7	4	5	6	6	8	9	9
Other current liabilities	na	0	10	19	26	36	34	21	18	8
Total liabilities and equity	na	0	283	622	1,108	1,372	1,367	1,380	1,480	1,551
Net IB debt	na	0	9	248	664	855	885	868	915	911
Net IB debt excl. pension debt	na	0	9	248	664	855	885	868	915	911
Net IB debt excl. leasing	na	0	0	0	0	0	0	0	0	0
Capital invested	na	0	202	549	1,006	1,255	1,276	1,324	1,429	1,505
Working capital	na	0	-3	-2	-8	-13	-18	-7	-3	7
EV breakdown	na	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
Market cap. diluted (m)	na	1,311	3,634	4,830	314	292	189	290	290	290
Net IB debt Adj	na	0	9	248	664	855	885	868	915	911
Market value of minority	na	0	0	0	0	0	0	0	0	0
Reversal of shares and participations	na	0	0	0	0	0	0	0	0	0
Reversal of conv. debt assumed equity	na	0	0	0	0	0	0	0	0	0
EV	na	1,311	3,643	5,078	977	1,146	1,074	1,158	1,205	1,201
Capital efficiency	na	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
Total assets turnover (%)	na	na	26.2	19.8	23.9	23.0	15.0	19.0	20.8	19.9
Working capital/sales (%)	na	na	-4.5	-2.9	-2.5	-3.8	-7.8	-4.9	-1.7	0.6
Financial risk and debt service	na	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
Net debt/equity	na	nm	0.05	0.85	2.02	2.26	2.34	1.95	1.82	1.56
Net debt/market cap	na	0	0.00	0.06	1.71	3.00	5.67	2.99	3.16	3.14
Equity ratio (%)	na	nm	64.6	46.9	29.6	27.5	27.7	32.3	34.0	37.6
Net IB debt adj./equity	na	nm	0.05	0.85	2.02	2.26	2.34	1.95	1.82	1.56
Current ratio	na	nm	1.19	0.85	0.47	0.20	0.18	0.82	1.77	0.06
EBITDA/net interest	na	na	-3.39	2.17	1.56	1.80	0.56	1.80	2.71	3.18
Net IB debt/EBITDA	na	nm	-1.46	16.76	14.33	9.27	24.70	9.45	6.63	5.61
Net IB debt/EBITDA lease Adj	na	nm	nm	nm	nm	nm	nm	nm	nm	nm
Interest cover	na	nm	-4.76	1.38	1.36	1.60	0.39	1.61	2.52	2.99

Source: ABG Sundal Collier, Company data

Valuation and Ratios (EURm)	na	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
Shares outstanding adj.	na	597	1,226	1,516	154	155	185	302	302	302
Fully diluted shares Adj	na	652	1,282	1,702	173	155	185	302	302	302
EPS	na	0	-0.01	0.00	0.03	0.11	-0.08	0.09	0.22	0.26
Dividend per share Adj	na	0	0	0	0	0	0	0	0	0
EPS Adj	na	0	-0.01	0.00	0.01	0.10	0.14	0.10	0.22	0.26
BVPS	na	0	0.15	0.17	1.71	1.81	1.64	1.45	1.67	1.93
BVPS Adj	na	0	0.10	0.13	1.29	1.33	1.26	1.22	1.44	1.70
Net IB debt / share	na	0	0.0	0.2	4.3	5.5	4.8	2.9	3.0	3.0
Share price	na	2.01	2.83	2.84	1.81	1.88	1.02	0.96	0.96	0.96
Market cap. (m)	na	1,199	3,477	4,303	280	292	189	290	290	290
Valuation	na	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
P/E	na	nm	-282.4	1,765.9	70.0	17.8	-12.4	10.3	4.4	3.7
EV/sales	na	nm	98.27	56.56	4.72	4.02	5.24	4.43	4.05	3.99
EV/EBITDA	na	nm	-561.6	342.7	21.1	12.4	30.0	12.6	8.7	7.4
EV/EBITA	na	nm	-379.0	535.2	24.3	14.0	43.0	14.1	9.4	7.9
EV/EBIT	na	nm	-379.0	535.2	24.3	14.0	43.0	14.1	9.4	7.9
Dividend yield (%)	na	0	0	0	0	0	0	0	0	0
FCF yield (%)	na	0	-4.4	-7.7	-147.2	-74.2	-33.9	-9.0	-16.2	1.4
Lease adj. FCF yield (%)	na	0	-4.4	-7.7	-147.2	-74.2	-33.9	-9.0	-16.2	1.4
P/BVPS	na	nm	19.01	16.55	1.06	1.04	0.62	0.66	0.57	0.50
P/BVPS Adj	na	nm	27.68	21.51	1.41	1.42	0.81	0.79	0.67	0.56
P/E Adj	na	nm	-403.6	831.7	148.0	17.9	7.5	9.4	4.4	3.7
EV/EBITDA Adj	na	nm	-1,068.8	305.5	24.5	12.2	10.5	12.2	8.7	7.4
EV/EBITA Adj	na	nm	-557.5	449.6	28.9	13.7	11.7	13.7	9.4	7.9
EV/EBIT Adj	na	nm	-557.5	449.6	28.9	13.7	11.7	13.7	9.4	7.9
EV/cap. employed	na	nm	14.2	8.6	0.9	0.9	0.8	0.9	0.8	0.8
Investment ratios	na	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
Capex/sales	na	nm	209.7	401.5	271.9	144.1	106.3	81.3	99.5	83.4
Capex/depreciation	na	nm	2,486.4	6,767.5	9,361.5	4,062.6	2,010.6	2,165.9	3,008.5	2,540.7
Capex tangibles/tangible fixed assets	na	nm	59.1	75.4	59.8	34.3	17.6	16.7	21.6	17.4
Capex intangibles/definite intangibles	na	nm	55.7	82.3	68.1	51.6	40.3	40.5	44.4	44.6
Depreciation on intangibles/definite intai	na	nm	0	0	0	0	0	0	0	0
Depreciation on tangibles/tangibles	na	nm	2.4	1.1	0.6	0.9	0.9	0.8	0.7	0.7

Source: ABG Sundal Collier, Company data

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