

## COMPANY UPDATE

## Energy & Utility

**Fair value: SEK70.0–135.0**

Share price: SEK52.7

# Eolus

## Divesting the Pienava wind power development project

We have reinstated our estimates and a fair value range of SEK70–135 per share after the recently completed bond transaction that DNB Carnegie participated in. We view Eolus’s announcement of the Pienava wind power development project divestment in Latvia as positive.

**Eolus has announced the divestment of the Pienava wind power development project in Latvia.** The buyer is Latvenergo, the state-owned utility in Latvia. The project is relatively large, at 147 MW with an expected annual production of 475 GWh. While we view the project to be of higher quality than the average project given its size, which should generate a price premium, Latvia is requiring higher risk premiums from an investor's perspective, in our view, which should generate a discount. On balance, we therefore expect the project to be in line with our estimates. We believe the transaction is positive from an investor perception perspective, as Eolus has managed to close it in still-challenging markets. The Pienava project has carried a higher risk due to Latvia's geographical location, and the divestment reduces the risk in the project portfolio, in our view.

**Fair value range based on a blended model of multiple valuation and DCF.** We reach a fair value range of SEK70–135/share using a blended EV/EBIT multiple and DCF model. The multiple approach is based on Eolus’s historical 12M forward EV/EBIT based on a 6-year rolling window, with three years of reported numbers and three years of forecasts. Excluding periods of low profitability, we believe a fair range is 4–12x. Our DCF model is based on a WACC of 10% and a long-term growth rate of 2%. The DCF high end based on the company’s 10Y historical EBITDA margin of 14.2% from 2028e, and the low end based on the last 10 years, excluding the high-margin years 2023 and 2024, which returns an average margin of 8.9%, i.e. in this scenario we treat these two years as outliers that will not be repeated.

DNB Carnegie is, or has been, lead or co-lead manager in a public offering of financial instruments issued by the company in the past two months.

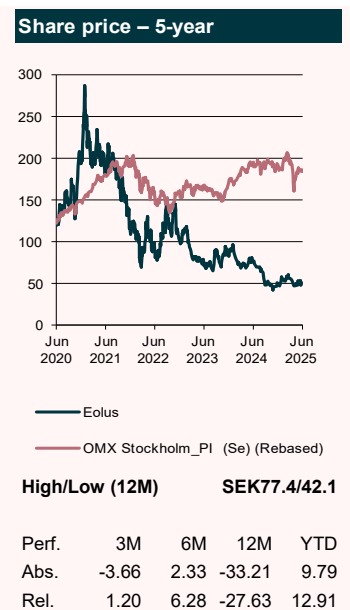
Changes in this report			
	From	To	Change
EPS adj. 2025e	14.8	14.8	+0%
EPS adj. 2026e	8.9	8.9	+0%
EPS adj. 2027e	14.9	14.9	-%

## Upcoming events

Key facts	
No. shares (m)	24.9
Market cap. (USDm)	139
Market cap. (SEKm)	1,313
Net IB Debt. (SEKm)	162
Adjustments (SEKm)	2
EV (2025e) (SEKm)	1,477
Free float	83.3%
Avg. daily vol. ('000)	77
BBG	EOLUB SS
Fiscal year end	December
Share price as of (CET)	12 Jun 2025 17:29

Source: DNB Carnegie (estimates). FactSet. Infront &amp; company data

Key figures (SEK)	2024	2025e	2026e	2027e
Sales (m)	885	3,663	1,754	2,142
EBITDA (m)	300	477	292	480
EBIT (m)	290	465	281	469
EPS	6.22	14.8	8.87	14.9
EPS adj.	6.22	14.8	8.87	14.9
DPS	2.25	2.75	3.25	3.75
Sales growth Y/Y	-63%	314%	-52%	22%
EPS adj. growth Y/Y	-73%	138%	-40%	68%
EBIT margin	32.8%	12.7%	16.0%	21.9%
P/E adj.	8.5	3.6	5.9	3.5
EV/EBIT	11.2	3.2	4.6	1.7
EV/EBITA	11.2	3.2	4.6	1.7
EV/EBITDA	10.8	3.1	4.4	1.7
P/BV	0.8	0.7	0.6	0.5
Dividend yield	4.3%	5.2%	6.2%	7.1%
FCF yield	-136.9%	147.9%	19.2%	43.8%
Equity/Total Assets	38.3%	64.6%	71.2%	72.1%
ROCE	9.0%	13.6%	10.2%	15.6%
ROE adj.	9.8%	20.2%	10.8%	16.3%
Net IB debt/EBITDA	6.8	0.3	-0.1	-1.1



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Please see the last two pages for important disclosures. This report was completed and disseminated at 13 June 2025, 16:13 CET  
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## Equity story

### Near term: within 12M

We expect project sales activity to pick up in the near term relative to a sluggish 2024, when Eolus only divested one project. We expect one project to be divested in the US, which has already been announced in early 2025. We also include project sales in Sweden and Latvia in our forecasts for the next 6–12 months. Finally, we expect revenue from construction management contracts to pick up as some projects are approaching construction phase.

### Long term outlook: 5Y+

We see good growth prospects for investments in renewable energy. We expect increased demand from electrification of the vehicle fleet and CO<sub>2</sub>-intensive industries such as steel, combined with reduced supply. Onshore wind and solar, combined with battery storage, offer the cheapest supply of new energy capacity without jeopardising the functionality of the electrical grid. We also expect the current low Nordic electricity prices to converge to approach European prices, offering good demand for projects in Eolus's main market, Sweden. The US market is also an attractive market, in our view, due to the challenges presented by old and often outdated electricity infrastructure.

### Key risks:

- Lack of recurring revenue makes for substantial earnings volatility between quarters and years
- The mature project pipeline is mostly made up of a few large projects, which increases potential volatility further
- The EU giving up its climate ambitions, leading to investments in fossil fuel power production instead of cheap renewable energy

## Company description

Eolus is a pure developer of renewable energy projects, with a broad geographical scope and presence in many technologies in the renewable industry, such as offshore and onshore wind, solar, and energy storage. Geographical coverage is widespread, with the biggest exposure in Sweden, Finland, Poland and the US. Eolus's track record is strong, with solid top-line CAGR of 6% over the past ten years, despite a relatively weak 2024. EBIT has grown by 21% CAGR(13/14–24), and the EBIT margin expanded from 16% in 2013/14 to 35% in 2024. The project portfolio, having ranged between 2 GW and 5 GW in 2007/08–18/19, has now expanded to 26 GW, offering substantial upside to sales and profits.

### Key industry drivers

- Transition to a low-carbon economy
- Higher electricity demand from electrification
- Lower electricity supply from ageing nuclear production

### Industry outlook

- We expect strong demand for renewable energy due to attractive costs and the positive environmental impact
- Convergence of low Nordic electricity prices to the higher European prices

### Largest shareholders, capital

Domneåns Kraft AB	9.5%
Avanza Pension	6.3%
Nordnet Pensionsförsäkring	4.1%

### Cyclicality

Cyclicality: No  
Not cyclical

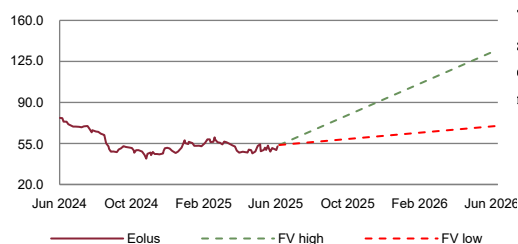
### Key peers

Arise, Magnora, Cloudberry, Energiekontor, PNE, ABO, Orrön

## Valuation and methodology

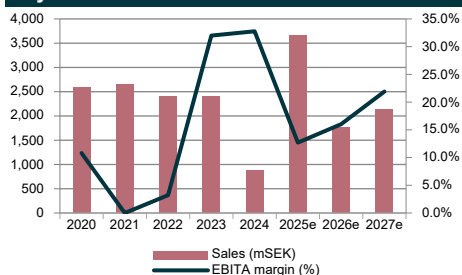
We use a blended EV/EBIT multiple and DCF model to arrive at our fair value range. The multiple approach is based on Eolus's historical 12M forward EV/EBIT based on a 6-year rolling window, with three years of reported numbers and three years of forecasts. Excluding periods of low profitability, we believe a fair range is 4–12x. Our DCF is based on a WACC of 10% and a long-term growth rate of 2%. The DCF high end is based on the company's 10Y historical EBITDA margin of 14.2% from 2028e, and the low end is based on the last 10 years, excluding the high-margin years 2023 and 2024, which returns an average margin of 8.9%, i.e. in this scenario we treat these two years as outliers that will not be repeated.

### Fair value range 12M

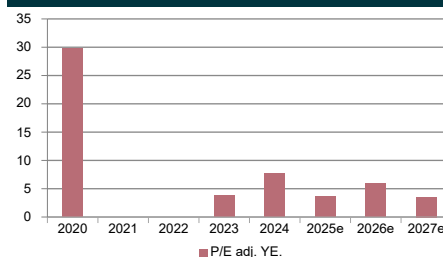


The high end of our fair value range is based on an EBITDA margin of 14.2% from 2028e and valuing Eolus at the high end of the historical EV/EBIT multiple range of 4–12x. The low end of the fair value range is based on an EBITDA margin of 8.9% from 2028e and valuing Eolus in the low end of the historical 4–12x EV/EBIT multiple range.

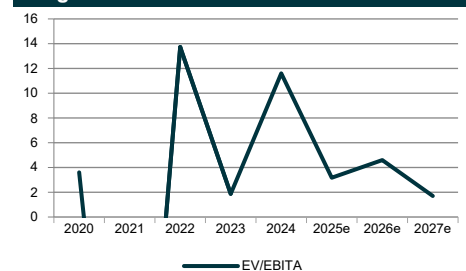
### Key metrics



### PE 12-months forward



### Long-term valuation trend

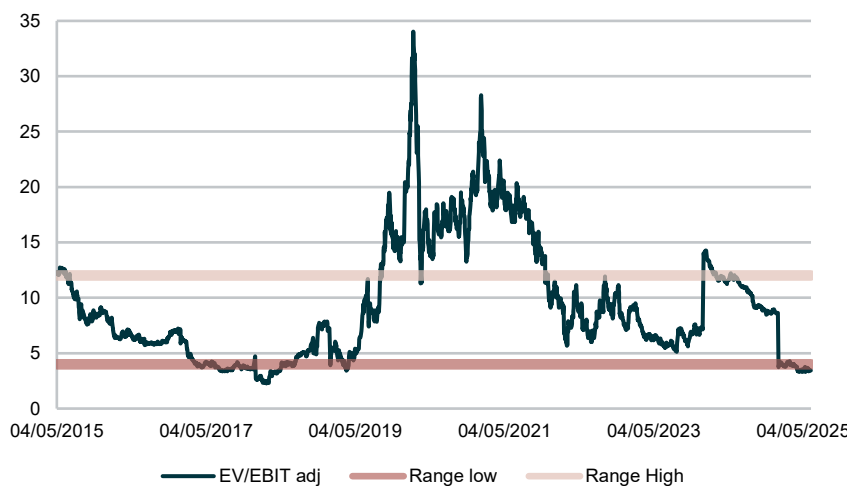


Source: DNE Carnegie (estimates) & company data

## Valuation and risks

We use a blended EV/EBIT multiple and DCF model to arrive at our fair value range. The multiple approach is based on Eolus's historical 12M forward EV/EBIT based on a 6-year rolling window, with three years of reported numbers and three years of forecasts.

### Eolus's historical EV/EBIT multiples



Source: DNB Carnegie (estimates), company, FactSet

Excluding periods of low profitability, we believe a fair range is 4–12x, which we apply to the 6-year window.

#### Fair value calculation, high end of range

EBIT average 2022a-2027e	391
EV/EBIT Multiple	12
Enterprise value	4,697
Net debt, 2025e	162
Equity value	4,535
Shares	24.9
Fair value value per share	182

Source: DNB Carnegie (estimates) & company

#### Fair value calculation, low end of range

EBIT average 2022a-2027e	391
EV/EBIT Multiple	4
Enterprise value	1,566
Net debt, 2025e	162
Equity value	1,404
Shares	24.9
Fair value value per share	56

Source: DNB Carnegie (estimates) & company

Our DCF is based on a WACC of 10% and a long-term growth rate of 2%. The DCF high end is based on Eolus's 10Y historical EBITDA margin of 14.2% from 2028e.

DCF assumptions - Summary	2025e	2026e	2027e	4-5	Average year			Terminal period
					6-10	11-15	16-20	
Total sales growth	313.9%	-52.1%	22.1%	2.0%	2.0%	2.0%	2.0%	2.0%
EBITDA margin	13.0%	16.7%	22.4%	14.2%	14.2%	14.2%	14.2%	14.2%
Depreciation % of sales	-0.3%	-0.6%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%
EBITA margin	12.7%	16.0%	21.9%	13.7%	13.7%	13.7%	13.7%	13.7%
Amortisations % of sales	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EBIT margin	12.7%	16.0%	21.9%	13.7%	13.7%	13.7%	13.7%	13.7%
Capex % of sales	-0.3%	-0.6%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%
Paid tax rate	-2.3%	-2.3%	-2.3%	-2.3%	-2.3%	-2.3%	-2.3%	-2.3%
NWC to sales	53.4%	110.6%	82.1%	82.1%	82.1%	82.1%	82.1%	82.1%
Sales	3,663	1,754	2,142	2,207	2,366	2,613	2,884	3,060
<b>EBITDA</b>	<b>477</b>	<b>292</b>	<b>480</b>	<b>313</b>	<b>336</b>	<b>371</b>	<b>410</b>	<b>434</b>
Capex	-10	-10	-10	-10	-11	-12	-13	-16
Taxes	-47	-41	-70	-7	-7	-8	-9	10
Other	1,558	17	180	-36	-38	-42	-46	3,994
<b>Free cash flow</b>	<b>1,979</b>	<b>258</b>	<b>581</b>	<b>261</b>	<b>279</b>	<b>309</b>	<b>341</b>	<b>4,422</b>
Discounted FCF	1,887	223	458	178	137	94	65	689
Share of total discounted FCF	37%	4%	9%	7%	13%	9%	6%	14%
<b>Valuation</b>	<b>SEKm</b>	<b>Per share</b>	<b>WACC assumptions</b>					
EV (discounted FCF)	5,095	204.6	Risk-free rate					
- Net debt (2024)	-2,050	-82.3	Market risk premium					
+ Associates	0	0.0	Adjusted Beta					
- Minority interest	0	0.0	Country risk premium					
- Outstanding warrants	0	0.0	Liquidity risk premium					
Other debt adjustments	0	0.0	ESG risk (-1% to +1%)					
<b>Equity value at YE (25)</b>	<b>3,045</b>	<b>122.2</b>	<b>Cost of equity</b>					
Time adjustment	132	5.3	Risk-free rate					
Dividend	-56	-2.3	Credit spread					
<b>Current equity value</b>	<b>3,121</b>	<b>125.3</b>	Cost of debt (Rf + credit spread)					
			Taxes					
			After-tax cost of debt					
			<b>Equity weight</b>					
			<b>WACC</b>					

Source: DNB Carnegie (estimates) & company

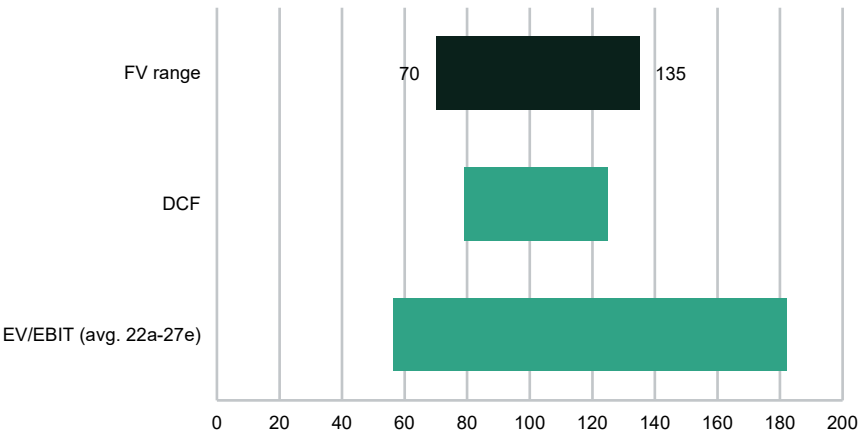
The low end is based on the EBITDA margin in the last 10 years, excluding the high-margin years 2023 and 2024, which returns a margin of 8.9%, i.e. in this scenario we treat these two years as outliers that will not be repeated.

DCF assumptions - Summary	2025e	2026e	2027e	4-5	Average year			Terminal period
					6-10	11-15	16-20	
Total sales growth	313.9%	-52.1%	22.1%	2.0%	2.0%	2.0%	2.0%	2.0%
EBITDA margin	13.0%	16.7%	22.4%	8.9%	8.9%	8.9%	8.9%	8.9%
Depreciation % of sales	-0.3%	-0.6%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%
EBITA margin	12.7%	16.0%	21.9%	8.4%	8.4%	8.4%	8.4%	8.4%
Amortisations % of sales	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EBIT margin	12.7%	16.0%	21.9%	8.4%	8.4%	8.4%	8.4%	8.4%
Capex % of sales	-0.3%	-0.6%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%
Paid tax rate	-2.3%	-2.3%	-2.3%	-2.3%	-2.3%	-2.3%	-2.3%	-2.3%
NWC to sales	53.4%	110.6%	82.1%	82.1%	82.1%	82.1%	82.1%	82.1%
Sales	3,663	1,754	2,142	2,207	2,366	2,613	2,884	3,060
<b>EBITDA</b>	<b>477</b>	<b>292</b>	<b>480</b>	<b>196</b>	<b>211</b>	<b>233</b>	<b>257</b>	<b>272</b>
Capex	-10	-10	-10	-10	-11	-12	-13	-16
Taxes	-47	-41	-70	-4	-5	-5	-6	6
Other	1,558	17	180	-36	-38	-42	-46	2,179
<b>Free cash flow</b>	<b>1,979</b>	<b>258</b>	<b>581</b>	<b>146</b>	<b>157</b>	<b>173</b>	<b>191</b>	<b>2,442</b>
Discounted FCF	1,887	223	458	100	77	53	36	381
Share of total discounted FCF	47%	6%	11%	5%	10%	7%	5%	10%
<b>Valuation</b>	<b>SEKm</b>	<b>Per share</b>	<b>WACC assumptions</b>					
EV (discounted FCF)	3,980	159.8	Risk-free rate					
- Net debt (2024)	-2,050	-82.3	Market risk premium					
+ Associates	0	0.0	Adjusted Beta					
- Minority interest	0	0.0	Country risk premium					
- Outstanding warrants	0	0.0	Liquidity risk premium					
Other debt adjustments	0	0.0	ESG risk (-1% to +1%)					
<b>Equity value at YE (25)</b>	<b>1,930</b>	<b>77.5</b>	<b>Cost of equity</b>					
Time adjustment	84	3.4	Risk-free rate					
Dividend	-56	-2.3	Credit spread					
<b>Current equity value</b>	<b>1,958</b>	<b>78.6</b>	Cost of debt (Rf + credit spread)					
			Taxes					
			After-tax cost of debt					
			<b>Equity weight</b>					
			<b>WACC</b>					

Source: DNB Carnegie (estimates) & company

Summary of valuation methods and fair value range

Eolus fair value range



Source: DNB Carnegie

## Risks and uncertainties

### Volatile revenue and profits

Project development revenue and earnings are volatile between quarters and years. Although the risk of major losses is relatively low, given the low operational leverage compared to e.g. manufacturing companies, the significant earnings volatility can transform into share price volatility. This can ultimately affect the cost of capital from the equity investor perspective.

### High dependence on the political landscape

Investments in power generation are highly dependent on political decisions. Investment returns in both onshore wind power and solar power are at or above market cost of capital on average, so the company does not need subsidies. However, power generation investments are still dependent on infrastructure decisions such as building permits, grid connections, or social impact such as wildlife impact. As exemplified by Sweden over the past few years, massive resistance at e.g. the municipal level can slow down renewable project realisation significantly.

### The perception of low cyclicalities has been challenged

The renewable industry is relatively young and has lived most of its life in a low inflation and low-interest rate environment (2009–21). As the most recent years have demonstrated, macroeconomic factors such as rising interest rates can have an impact on project demand.

### Offshore wind is generally dependent on subsidies

When the Swedish state decided to not subsidise grid connections at sea, several investors, e.g. Vattenfall, decided to halt offshore wind projects. Even though other factors might also have affected the decision, we view the low electricity prices in the Nord pool price area as one potential additional factor, as offshore wind power is in general dependent on subsidies. Many other European countries outside Sweden still offer subsidies. However, given the state of fiscal deficits in countries such as Germany, the risk is that offshore wind will not be state backed going forward.

### Increasing need for energy storage as share of renewable energy grows

A higher share of renewable energy in the total energy mix increases electricity price volatility. Meteorological conditions are in general impacting big geographical areas in a similar way, creating an adverse price/volume mix for owners of renewable energy assets in these areas. Substantial energy storage capacity is therefore necessary for a continued expansion of weather-dependent renewable energy investments. Other industries such as steel or cement need to step in and build e.g. massive hydrogen production plants. If these investments do not materialise, demand for weather dependent renewable energy projects will probably be negatively impacted.

### Production costs for other energy sources reaching current market prices

If production costs for other sources of energy such as tidal power, wave power or fusion power can meet the current market prices, current technology, e.g. wind and solar power will most likely be challenged. The biggest disruptive threat comes from nuclear power. If the Small Modular Reactor (SMR) technology reaches production costs according to the most optimistic forecasts, we believe nuclear will most likely be the future preferred energy source. The combination of stable, non-weather-dependent power generation and small-scale plants enhancing modularity and thus reducing grid investments, makes for an attractive combination.

## Interim figures

SEKm	2024				2025				2024	2025e	2026e	2027e
	Q1	Q2	Q3	Q4	Q1	Q2e	Q3e	Q4e				
Sales	49	71	30	736	1,975	100	638	878	885	3,663	1,754	2,142
Growth	-84%	-96%	-84%	325%	3931%	41%	2026%	19%	-63%	314%	-52%	22%
<b>Adj EBIT</b>	<b>-29</b>	<b>-25</b>	<b>-94</b>	<b>437</b>	<b>165</b>	<b>-24</b>	<b>62</b>	<b>261</b>	<b>290</b>	<b>465</b>	<b>281</b>	<b>469</b>
<b>Adj EBIT margin</b>	<b>-59.2%</b>	<b>-35.2%</b>	<b>-313.3%</b>	<b>59.4%</b>	<b>8.4%</b>	<b>-23.7%</b>	<b>9.8%</b>	<b>29.8%</b>	<b>32.8%</b>	<b>12.7%</b>	<b>16.0%</b>	<b>21.9%</b>
EO	0	0	0	0	0	0	0	0	0	0	0	0
EBIT	-29	-25	-94	437	165	-24	62	261	290	465	281	469
EBIT margin	-59.2%	-35.2%	n.m.	59.4%	8.4%	-23.7%	9.8%	29.8%	33%	13%	16%	22%
Net financials	0	-19	7	-4	-35	-4	2	2	-16	-35	-5	-5
Pre-tax Profit	-29	-44	-87	433	130	-28	64	263	272	430	276	464
Tax	-3	-5	8	-117	-40	-10	-5	-7	-117	-62	-55	-93
Tax rate	-10%	-11%	9%	27%	31%	-36%	8%	3%	43%	14%	20%	20%
Net profit	-32	-49	-79	315	90	-38	59	256	155	368	221	371
EPS (SEK)	-1.3	-2.0	-3.2	12.6	3.6	-1.5	2.4	10.3	6.2	14.8	8.9	14.9
<b>EPS Adj (SEK)</b>	<b>-1.3</b>	<b>-2.0</b>	<b>-3.2</b>	<b>12.6</b>	<b>3.6</b>	<b>-1.5</b>	<b>2.4</b>	<b>10.3</b>	<b>6.2</b>	<b>14.8</b>	<b>8.9</b>	<b>14.9</b>

Source: DNB Carnegie (estimates) &amp; company

## Financial statements

Profit & loss (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Sales	1,389	2,091	2,591	2,656	2,393	2,394	885	3,663	1,754	2,142
COGS	-1,077	-1,793	-2,109	-2,485	-2,047	-1,297	-199	-2,701	-1,025	-1,175
<b>Gross profit</b>	<b>311</b>	<b>297</b>	<b>482</b>	<b>171</b>	<b>346</b>	<b>1,097</b>	<b>686</b>	<b>963</b>	<b>729</b>	<b>967</b>
Other income & costs	-90	-174	-194	-191	-255	-321	-386	-485	-437	-487
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
<b>EBITDA</b>	<b>222</b>	<b>123</b>	<b>288</b>	<b>-20</b>	<b>91</b>	<b>776</b>	<b>300</b>	<b>477</b>	<b>292</b>	<b>480</b>
Depreciation PPE	-15	-5	-8	-5	-14	-10	-10	-12	-11	-11
Depreciation lease assets	0	0	0	0	0	0	0	0	0	0
Amortisation development costs	0	0	0	0	0	0	0	0	0	0
Amortisation other intangibles	0	0	0	0	0	0	0	0	0	0
Impairments / writedowns	0	0	0	0	0	0	0	0	0	0
<b>EBITA</b>	<b>207</b>	<b>118</b>	<b>280</b>	<b>-25</b>	<b>77</b>	<b>766</b>	<b>290</b>	<b>465</b>	<b>281</b>	<b>469</b>
Amortization acquisition related	0	0	0	0	0	0	0	0	0	0
Impairment acquisition related	0	0	0	0	0	0	0	0	0	0
<b>EBIT</b>	<b>207</b>	<b>118</b>	<b>280</b>	<b>-25</b>	<b>77</b>	<b>766</b>	<b>290</b>	<b>465</b>	<b>281</b>	<b>469</b>
Share in ass. operations and JV	-5	0	0	0	3	-2	-2	0	0	0
Net financial items	-4	-2	-98	-15	29	-44	-16	-35	-5	-5
of which interest income/expenses	-4	-2	-98	-15	29	-44	-16	-35	-5	-5
of which interest on lease liabilities	0	0	0	0	0	0	0	0	0	0
of which other items	0	0	0	0	0	0	0	0	0	0
<b>Pre-tax profit</b>	<b>199</b>	<b>116</b>	<b>183</b>	<b>-40</b>	<b>109</b>	<b>720</b>	<b>272</b>	<b>430</b>	<b>276</b>	<b>464</b>
Taxes	-5	17	16	16	8	-147	-117	-62	-55	-93
Post-tax minorities interest	0	0	0	5	-122	0	0	0	0	0
Discontinued operations	0	0	0	0	0	0	0	0	0	0
<b>Net profit</b>	<b>194</b>	<b>133</b>	<b>199</b>	<b>-19</b>	<b>-5</b>	<b>573</b>	<b>155</b>	<b>368</b>	<b>221</b>	<b>371</b>
Adjusted EBITDA	222	123	288	-20	91	776	300	477	292	480
Adjusted EBITA	207	118	280	-25	77	766	290	465	281	469
Adjusted EBIT	207	118	280	-25	77	766	290	465	281	469
Adjusted net profit	194	133	199	-19	-5	573	155	368	221	371
Sales growth Y/Y	28.2%	50.6%	23.9%	2.5%	-9.9%	0.0%	-63.0%	313.9%	-52.1%	22.1%
EBITDA growth Y/Y	234.9%	-44.4%	133.6%	-chg	+chg	752.7%	-61.3%	59.1%	-38.8%	64.4%
EBITA growth Y/Y	383.6%	-42.8%	136.6%	-chg	+chg	894.8%	-62.1%	60.4%	-39.6%	66.9%
EBIT growth Y/Y	383.6%	-42.8%	136.6%	-chg	+chg	894.8%	-62.1%	60.4%	-39.6%	66.9%
EBITDA margin	16.0%	5.9%	11.1%	-0.8%	3.8%	32.4%	33.9%	13.0%	16.7%	22.4%
EBITA margin	14.9%	5.7%	10.8%	nm	3.2%	32.0%	32.8%	12.7%	16.0%	21.9%
EBIT margin	14.9%	5.7%	10.8%	-0.9%	3.2%	32.0%	32.8%	12.7%	16.0%	21.9%
Tax rate	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%
Cash flow (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
EBITDA	222	123	288	-20	91	776	300	477	292	480
Paid taxes	3	-59	0	-26	-24	-76	-111	-47	-41	-70
Change in NWC	32	487	-689	-75	-142	-792	-2,066	1,558	17	180
Non cash adjustments	-11	25	-66	41	-105	-27	113	0	0	0
Discontinued operations	0	0	0	0	0	0	0	0	0	0
<b>Total operating activities</b>	<b>242</b>	<b>567</b>	<b>-484</b>	<b>-97</b>	<b>-192</b>	<b>-151</b>	<b>-1,797</b>	<b>1,954</b>	<b>263</b>	<b>586</b>
Capex tangible assets	-1	-2	-16	-4	-5	-2	-2	-10	-10	-10
Capitalised development costs	0	0	0	0	0	0	0	0	0	0
Capex - other intangible assets	0	-96	0	0	0	0	0	0	0	0
Acquisitions/divestments	0	-1	21	1	-28	43	2	0	0	0
Other non-cash adjustments	0	-1	0	0	0	0	0	0	0	0
<b>Total investing activities</b>	<b>-1</b>	<b>-101</b>	<b>4</b>	<b>-3</b>	<b>-33</b>	<b>41</b>	<b>0</b>	<b>-10</b>	<b>-10</b>	<b>-10</b>
Net financial items	-4	-2	-98	-15	29	-44	-16	-35	-5	-5
Lease payments	0	0	0	0	0	0	0	0	0	0
Dividend paid and received	-37	-37	-37	-50	-37	-37	-56	-56	-68	-81
Share issues & buybacks	0	0	0	0	0	0	1	0	0	0
Change in bank debt	334	-66	110	-208	113	143	1,607	-1,800	0	0
Other cash flow items	0	0	0	290	77	10	21	0	0	0
<b>Total financing activities</b>	<b>297</b>	<b>-103</b>	<b>73</b>	<b>32</b>	<b>153</b>	<b>116</b>	<b>1,573</b>	<b>-1,856</b>	<b>-68</b>	<b>-81</b>
Operating cash flow	242	567	-484	-97	-192	-151	-1,797	1,954	263	586
Free cash flow	240	469	-500	-101	-197	-153	-1,799	1,944	253	576
Net cash flow	538	363	-406	-67	-72	6	-224	88	184	495
Change in net IB debt	203	429	-517	141	-185	-137	-1,831	1,888	184	495
Capex / Sales	0.1%	0.1%	0.6%	0.2%	0.2%	0.1%	0.2%	0.3%	0.6%	0.5%
NWC / Sales	26.5%	7.0%	13.5%	29.4%	32.4%	46.1%	283.5%	74.7%	111.1%	86.3%

Source: DNB Carnegie (estimates) &amp; company data



## Financial statements, cont.

Balance sheet (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Acquired intangible assets	0	0	0	0	0	0	0	0	0	0
Other fixed intangible assets	96	54	25	11	4	0	0	0	0	0
Capitalised development	0	0	0	0	0	0	0	0	0	0
Tangible assets	81	57	30	26	43	258	280	278	277	276
Lease assets	0	0	0	0	0	0	0	0	0	0
Other IB assets (1)	0	0	0	0	0	0	0	0	0	0
Other non-IB assets	0	0	56	22	114	46	40	40	40	40
<b>Fixed assets</b>	<b>177</b>	<b>111</b>	<b>111</b>	<b>59</b>	<b>161</b>	<b>304</b>	<b>320</b>	<b>318</b>	<b>317</b>	<b>316</b>
Inventories (2)	575	472	429	843	772	1,202	3,772	1,795	1,864	1,666
Receivables (2)	53	25	16	71	95	39	7	90	42	52
Prepaid exp. & other NWC items (2)	350	346	561	287	323	687	107	539	254	312
IB current assets (1)	0	0	0	0	0	0	0	0	0	0
Other current assets	0	0	0	0	0	0	0	0	0	0
Cash & cash equivalents (1)	740	1,103	691	625	568	575	356	444	628	1,123
<b>Current assets</b>	<b>1,718</b>	<b>1,947</b>	<b>1,697</b>	<b>1,826</b>	<b>1,758</b>	<b>2,503</b>	<b>4,242</b>	<b>2,867</b>	<b>2,788</b>	<b>3,153</b>
<b>Total assets</b>	<b>1,895</b>	<b>2,058</b>	<b>1,808</b>	<b>1,885</b>	<b>1,919</b>	<b>2,807</b>	<b>4,562</b>	<b>3,185</b>	<b>3,105</b>	<b>3,469</b>
Shareholders' equity	814	888	1,037	984	983	1,510	1,666	1,978	2,130	2,421
Minorities	2	2	-1	280	61	69	79	79	79	79
<b>Total equity</b>	<b>816</b>	<b>890</b>	<b>1,036</b>	<b>1,264</b>	<b>1,044</b>	<b>1,579</b>	<b>1,745</b>	<b>2,057</b>	<b>2,209</b>	<b>2,500</b>
Deferred tax	0	6	21	18	2	2	2	25	39	62
LT IB debt (1)	156	152	135	21	231	528	808	8	8	8
<b>LT liabilities</b>	<b>242</b>	<b>160</b>	<b>228</b>	<b>104</b>	<b>308</b>	<b>639</b>	<b>848</b>	<b>64</b>	<b>77</b>	<b>101</b>
ST IB debt (1)	165	151	251	165	79	164	1,598	598	598	598
Payables (2)	279	229	169	186	274	112	128	251	119	146
Accrued exp. & other NWC items (2)	393	628	124	166	214	313	243	215	102	125
<b>Current liabilities</b>	<b>837</b>	<b>1,008</b>	<b>544</b>	<b>517</b>	<b>567</b>	<b>589</b>	<b>1,969</b>	<b>1,065</b>	<b>818</b>	<b>869</b>
<b>Total equity and liabilities</b>	<b>1,895</b>	<b>2,058</b>	<b>1,808</b>	<b>1,885</b>	<b>1,919</b>	<b>2,807</b>	<b>4,562</b>	<b>3,185</b>	<b>3,105</b>	<b>3,469</b>
Net IB debt (=1)	-419	-800	-305	-439	-258	117	2,050	162	-22	-517
Net working capital (NWC) (=2)	306	-14	713	849	702	1,503	3,515	1,957	1,940	1,760
Capital employed (CE)	1,223	1,200	1,474	1,527	1,390	2,365	4,182	2,710	2,876	3,189
Capital invested (CI)	483	97	768	886	749	1,761	3,795	2,235	2,217	2,036
Equity / Total assets	43%	43%	57%	67%	54%	56%	38%	65%	71%	72%
Net IB debt / EBITDA	-1.9	-6.5	-1.1	22.0	-2.8	0.2	6.8	0.3	-0.1	-1.1
<b>Per share data (SEK)</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025e</b>	<b>2026e</b>	<b>2027e</b>
Adj. no. of shares in issue YE (m)	24.91	24.91	24.91	24.91	24.91	24.91	24.91	24.91	24.91	24.91
Diluted no. of Shares YE (m)	24.91	24.91	24.91	24.91	24.91	24.91	24.91	24.91	24.91	24.91
EPS	7.80	5.33	7.97	-0.77	-0.20	23.0	6.22	14.8	8.87	14.9
EPS adj.	7.80	5.33	7.97	-0.77	-0.20	23.0	6.22	14.8	8.87	14.9
CEPS	8.58	5.53	8.29	-0.57	0.24	23.5	6.70	15.3	9.31	15.4
DPS	1.50	1.50	2.00	1.50	1.50	2.25	2.25	2.75	3.25	3.75
BVPS	32.7	35.6	41.6	39.5	39.5	60.6	66.9	79.4	85.5	97.2
<b>Performance measures</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025e</b>	<b>2026e</b>	<b>2027e</b>
ROE	26.4%	15.6%	20.6%	-1.9%	-0.5%	46.0%	9.8%	20.2%	10.8%	16.3%
Adj. ROCE pre-tax	20.5%	9.8%	21.2%	-1.5%	8.6%	41.0%	9.0%	13.6%	10.2%	15.6%
Adj. ROIC after-tax	38.1%	39.8%	63.2%	-3.0%	9.2%	59.6%	10.2%	15.1%	12.3%	21.6%
<b>Valuation</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025e</b>	<b>2026e</b>	<b>2027e</b>
FCF yield	18.3%	35.6%	-38.0%	-7.7%	-15.0%	-11.6%	-136.9%	147.9%	19.2%	43.8%
Dividend yield YE	3.2%	1.4%	0.8%	1.2%	1.4%	2.5%	4.7%	5.2%	6.2%	7.1%
Dividend payout ratio	19.2%	28.1%	25.1%	-195.0%	-747.2%	9.8%	36.2%	18.6%	36.7%	25.2%
Dividend + buy backs yield YE	3.2%	1.4%	0.8%	1.2%	1.4%	2.5%	4.6%	5.2%	6.2%	na
EV/Sales YE	0.53	0.92	2.16	1.00	0.99	0.97	3.67	0.40	0.74	0.37
EV/EBITDA YE	3.3	15.7	19.4	neg.	26.1	3.0	10.8	3.1	4.4	1.7
EV/EBITA YE	3.5	16.3	20.0	neg.	30.8	3.0	11.2	3.2	4.6	1.7
EV/EBITA adj. YE	3.5	16.3	20.0	neg.	30.8	3.0	11.2	3.2	4.6	1.7
EV/EBIT YE	3.5	16.3	20.0	neg.	30.8	3.0	11.2	3.2	4.6	1.7
P/E YE	5.9	20.6	29.7	nm	nm	3.9	7.7	3.6	5.9	3.5
P/E adj. YE	5.9	20.6	29.7	nm	nm	3.9	7.7	3.6	5.9	3.5
P/BV YE	1.41	3.07	5.69	3.13	2.68	1.46	0.72	0.66	0.62	0.54
Share price YE (SEK)	46.2	110	237	124	106	88.7	48.0	53.7		

Source: DNB Carnegie (estimates) &amp; company data

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