

RESULTS UPDATE

29 January 2025
Sweden
Transportation

Research analysts:

Markus Almerud

Elanders

Share price: SEK84.6

Fair value range: SEK112.0–151.0

Expecting a gradual recovery over the course of 2025

Demand is recovering, except for Automotive

Due primarily to Automotive, organic growth was lower than we had expected in Q4 (0% vs. our 5%). Leaving aside Automotive however, demand is recovering according to the company, which corresponds to our market observations. Fashion, which is one of the most important end user segments as it is more profitable than the group average, continued to see an acceleration in the number of requests throughout the quarter, with further acceleration in January. We expect 6% organic growth in 2025.

Expect margin to recover in 2025

Thanks to cost savings in the US fashion segment, which will consolidate Bergen Logistics' warehouse in Pennsylvania with the one in Atlanta, and the closure of parts of the subscription box operations and the road operations, we expect the EBITA margin to continue to expand over the course of the year.

Marginal estimate changes

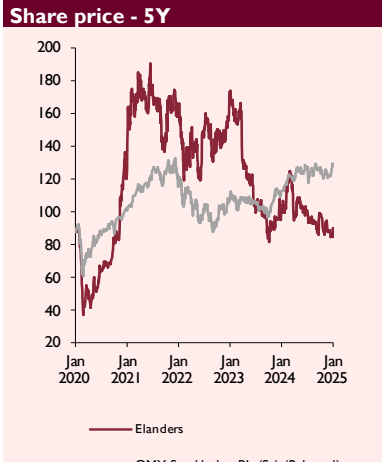
With FCF per share of SEK35, cash flow remained strong in Q4, and we expect the strong cash flow generation to continue, which we consider necessary in order to pay down debt. We only make marginal changes to our adj. EPS estimates (-2% for 2025e, 3% for 2026e and 2% for 2027e) and our fair value range goes to SEK112–151 (109–152).

Structural growth drivers are intact

We expect secular trends such as reshoring and buildups of alternative value chains to secure supply to continue, which in our view will drive investment in logistics. This would benefit companies such as Elanders. We believe that the pressure on organic growth experienced in the past year is cyclical rather than structural, and that the long-term growth drivers are intact. There was nothing in the report that changes this view.

Upcoming events

- AGM 2025: 23 Apr 2025
- Q1 Report: 23 Apr 2025
- Q2 Report: 11 Jul 2025
- Q3 Report: 22 Oct 2025

Changes in this report				Key figures (SEK)					Share price - 5Y				
	From	To	Chg	2024	2025e	2026e	2027e						
EPS adj. 2025e	11.3	11.0	-2%	14,143	14,368	14,585	15,262	Sales (m)					
EPS adj. 2026e	13.6	14.0	+3%	2,197	2,300	2,443	2,606	EBITDA (m)					
EPS adj. 2027e	15.7	16.1	+2%	786	902	1,024	1,121	EBIT (m)					
				5.01	7.99	11.0	13.1	EPS					
				7.64	11.0	14.0	16.1	EPS adj.					
				4.15	4.15	4.50	4.65	DPS					
				2%	2%	2%	5%	Sales growth Y/Y					
				-35%	44%	27%	15%	EPS adj. growth Y/Y					
				5.6%	6.3%	7.0%	7.3%	EBIT margin					
				11.1	7.7	6.0	5.3	P/E adj.					
				15.6	13.1	11.2	9.9	EV/EBIT					
				13.7	11.8	10.2	9.0	EV/EBITA					
				5.6	5.2	4.7	4.3	EV/EBITDA					
				0.7	0.7	0.7	0.6	P/BV					
				4.9%	4.9%	5.3%	5.5%	Dividend yield					
				41.6%	48.7%	53.0%	56.3%	FCF yield					
				24.0%	25.4%	27.1%	29.0%	Equity/Total Assets					
				5.9%	6.6%	7.5%	8.3%	ROCE					
				6.8%	9.4%	11.4%	12.3%	ROE adj.					
				4.1	3.9	3.5	3.1	Net IB debt/EBITDA					
									High/Low (12M)				SEK124.8/84.4
									Perf.	3M	6M	12M	YTD
									Abs.	-15.1	-16.1	-15.3	-3.6
									Rel.	-15.9	-17.7	-29.0	-9.4

Source: Carnegie Research, FactSet, Millstream & company data

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Equity story

Near term: 6–12m

We expect organic growth to continue to recover throughout 2025. The recovery in volumes, together with implemented cost savings, should support the margin and we expect Elanders to reach its EBITA margin target of 7% in 2025. The closure of the road transportation business in Germany, which will be implemented from H2(25), will likely further support the margin.

Long term: 5Y+

Since 2016 Elanders has transformed from a printing group into a logistics provider. We do not feel this is properly understood in the market. We expect the reshoring trend to continue, and that the diversification of supply chains will lead to increased investments in logistics, which would benefit companies such as Elanders and should change the perception of the stock. Furthermore, since at least 2019 cash flow has been very strong, which is also not reflected in the valuation, in our view.

Key risks:

- Downturn in business cycle
- Outsourcing of logistics services decreasing
- Online print growth declines
- Difficulties to integrate acquisitions and future acquisitions falling short of expectations

Company description

Elanders is a global logistics company offering a broad service range of integrated solutions within supply chain management. The business is mainly operated through two business areas, Supply Chain Solutions and Print & Packaging Solutions. In Supply Chain Solutions (~80% of sales) it handles and optimises customers flows of raw materials, components, ready products, money and information throughout the entire lifecycle of the products, from suppliers and manufacturers to the end customer. Elanders has more than 100 years of experience in printing services.

Key industry drivers

- Business cycle
- Reshoring and investments in the logistics
- Continuous diversification of value chains

Industry outlook

- We expect a gradual recovery of the general business environment throughout 2025
- We expect continuous reshoring and build-up of alternative supply chains

Largest shareholders

Carl Bennet	50.2%
Svolder	12.1%
Fjärde AP-fonden	8.5%

Cyclicality

Cyclicality: N/A

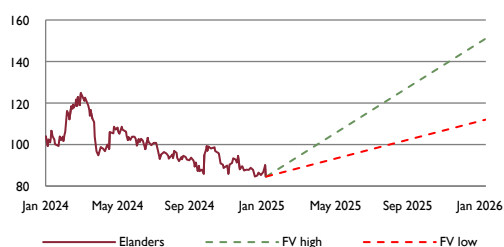
Key peers

Kuehne & Nagel, DSV, DHL, Schenker

Valuation and methodology

Our fair value range is based on a mix of multiples and sum-of-the-parts (SOTP). In our multiples-based analysis we apply a P/E of 16x and EV/EBITA of 14x on 2026e earnings, which is largely in line with peers, in upside and downside scenarios, and discount the values back to today. In our SOTP we use EV/EBITA 14x for Supply Chain Solutions and 13x for Print & packaging Solutions, with the higher multiple for Supply Chain Solutions explained by the higher underlying growth rate.

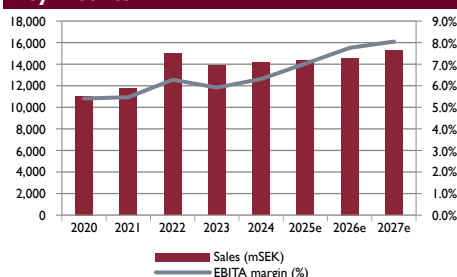
Fair value range 12m



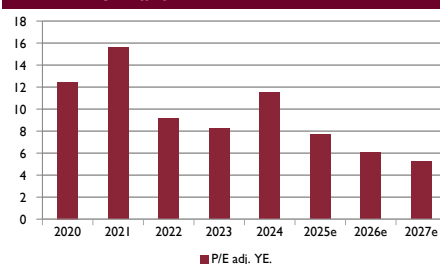
The upper part of the range reflects a recovery in sales throughout 2025 with continued growth in 2026, with a 3-year sales CAGR of 2% and an EBITA CAGR of 6%.

The lower part of the range assumes a slower recovery with a 3-year sales CAGR of 0% and an EBITA CAGR of 4%.

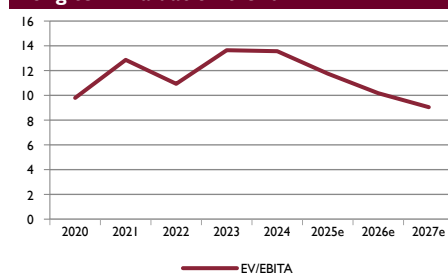
Key metrics



PE 12m forward



Long term valuation trend

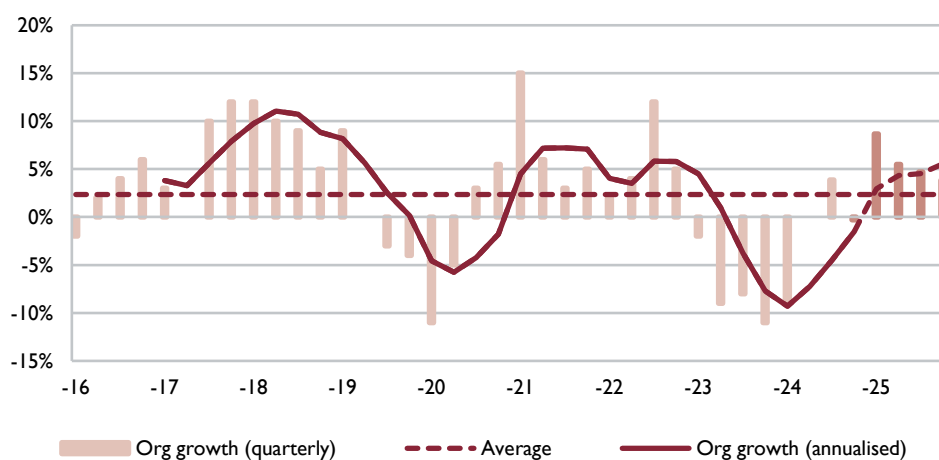


Source: Carnegie Research & company data

Elanders in key charts

Organic growth has passed its trough and we expect it to continue to accelerate in coming quarters

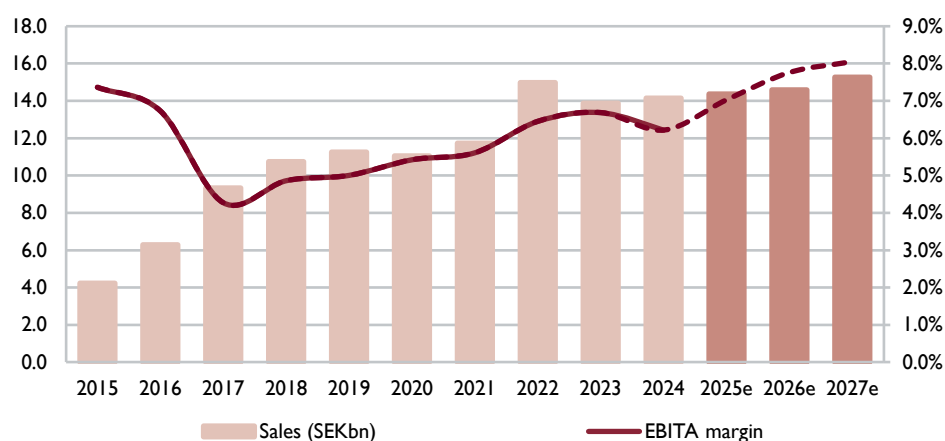
Elanders organic growth



Source: Company data, Carnegie Research

With organic growth returning, cost savings materialising and the closure of unprofitable units, we expect the margin to expand in the coming years

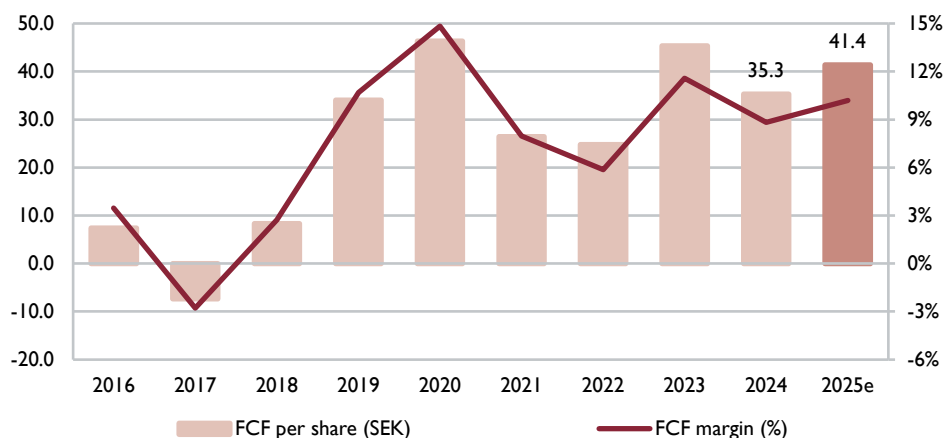
Elanders sales and EBITA margin



Source: Company data, Carnegie Research

Elanders has generated SEK25-48 per share since 2019, and we expect this strong cash flow generation to continue

Elanders FCF per share and FCF margin



Source: Company data, Carnegie Research

Valuation and risks

Our fair value range is based on a mix between target multiples and sum-of-the-parts (SOTP). Based on our estimates, we arrive at a fair value range of SEK112–151.

Assumptions

In our multiples-based calculation we use P/E 16x and EV/EBITA of 14x. Our bear case is based on a slower recovery than we have in our base case. The values reached are outlined in the table below.

The upper part of the range reflects a recovery in sales throughout 2025 with continued growth in 2026, with a 3-year sales CAGR of 2% and an EBITA CAGR of 6%. The lower part of the range assumes a slower recovery with a 3-year sales CAGR of 0% and an EBITA CAGR of 4%.

Multiple-based calculations

<u>P/E based</u>	Upside	Downside
2026 EPS (SEK)	11.0	8.2
P/E multiple	16x	16x
Value end of 2025 (SEK)	176	132
PV per share	161	121
 <u>EV/EBITA based</u>		
2026 EBITA (SEKm)	1,131	988
EV/EBITA multiple	14x	14x
EV end 2025 (SEKbn)	15.8	13.8
PV EV (SEKbn)	14.5	12.7
Current net debt (SEKbn)	9.0	9.0
Equity value (SEKbn)	5.5	3.6
No shares (m)	35	35
Value per share (SEK)	155	103

Source: Carnegie Research

In our SOTP we use EV/EBITA 14x for Supply Chain Solutions and 13x for Print and Packaging Solutions. The higher growth prospects for Supply Chain Solutions are behind the higher multiple.

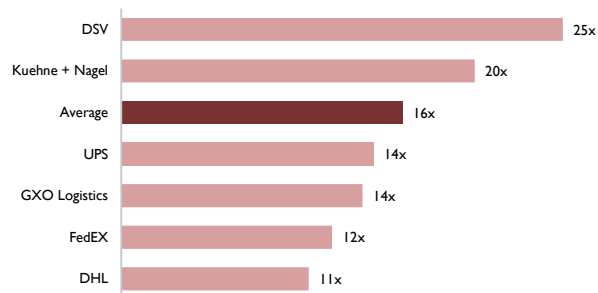
The upper part of the range reflects a recovery in sales throughout 2025 with continued growth in 2026, with a 3-year sales CAGR of 2% and an EBITA CAGR of 6%. The lower part of the range assumes a slower recovery with a 3-year sales CAGR of 0% and an EBITA CAGR of 4%.

SOTP

<u>Supply Chain Solutions</u>	Upside	Downside
2026 EBITA (SEKm)	941	797
EV/EBITA multiple	14x	14x
EV end 2025 (SEKbn)	13.2	11.2
PV EV (SEKbn)	12.1	10.2
Pro rata net debt (SEKbn)	7.3	7.3
Equity value (SEKbn)	4.8	3.0
No shares (m)	35	35
Value per share (SEK)	136	84
 <u>Print & Packaging Solutions</u>		
2026 EBITA (SEKm)	229	206
EV/EBITA multiple	13x	13x
EV end 2025 (SEKbn)	3.0	2.7
PV EV (SEKbn)	2.7	2.5
Pro rata net debt (SEKbn)	1.9	1.9
Equity value (SEKbn)	0.8	0.5
No shares (m)	35	35
Value per share (SEK)	23	15
 <u>Corporate</u>		
2026 EBITA (SEKm)	-38	-38
EV/EBITA multiple	14	14
EV end 2025 (SEKbn)	-0.5	-0.5
PV EV (SEKbn)	-0.5	-0.5
No shares (m)	35	35
Value per share (SEK)	-14	-14
 <u>Summary</u>		
Supply Chain	136	84
Print & Packaging	23	15
Corporate	-14	-14
Total	145	85

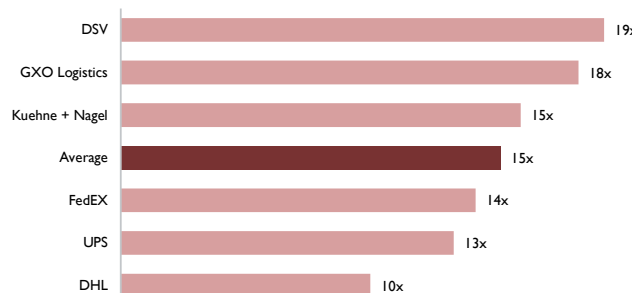
Source: Carnegie Research

P/E 2025 Elanders peers



Source: Factset, Carnegie Research

EV/EBIT 2025 Elanders peers



Source: Factset, Carnegie Research

Risks

Elanders faces several potential risks that could impact its operations and financial performance. Below we have outlined the risks that we consider to be the most significant for the company. Note that the list should not be considered exhaustive, and is presented in no particular order.

- Market and economic risks:** Demand in end markets is cyclical in end markets such as fashion and electronics. Even though Supply Chain Solutions is affected by structural growth drivers, which should drive growth over time, swings could be substantial in the short term. While digital print drives growth in Paper & Packaging Solutions, the ongoing decline of traditional print is a headwind.
- Operational risks:** Price changes in transportation costs have had a significant impact on sales and earnings in the past couple of years and could do so again. The component shortage in 2021–22 that followed the pandemic particularly impacted the automotive and market and made sales unpredictable and volatile.
- Strategic risks:** Elanders is active in contract logistics and is as such dependent on its customers outsourcing all or parts of their supply chains. If customers were to start to insource these services to a large extent, we could see sales getting under secular pressure. In Print & Packaging solutions we could see a faster deterioration of traditional printing services and a slower pickup of digital print than we have expected.
- Regulatory and compliance risks:** Trade barriers, sanctions or tariffs could pose a risk to global trade, which could decrease volumes for contract logistics providers. Harsher environmental and climate regulations could also make trade more difficult.
- Technological risks:** Elanders is often deeply integrated into its customers' operations and as such it is vulnerable to the increase in cyber-attacks. It is also highly dependent on IT Infrastructure and on advanced IT systems for core operations. Finally, if warehouse automation keeps increasing it could lead to a concentration to the largest players that have been able to invest heavily in automation systems.

Interim figures

	2025e	2025e		2026e	2026e		2027e	2027e	
Elanders - Estimate changes	Old	New	Chg	Old	New	Chg	Old	New	Chg
Sales	14,312	14,368	0%	14,527	14,585	0%	15,200	15,262	0%
Growth	1%	2%	+62 bps	1%	2%	+2 bps	5%	5%	+0 bps
Organic	5%	6%	+63 bps	5%	5%	+0 bps	5%	5%	+0 bps
Acq/div	-4%	-4%	-1 bps	-3%	-3%	+1 bps	0%	0%	+0 bps
Currency	0%	0%	+0 bps	0%	0%	+0 bps	0%	0%	+0 bps
Adj EBITA	1,010	1,009	0%	1,120	1,131	1%	1,216	1,228	1%
Adj EBITA margin	7.1%	7.0%	-3 bps	7.7%	7.8%	+5 bps	8.0%	8.0%	+5 bps
PPA	-105	-107	2%	-105	-107	2%	-105	-107	2%
EO	0	0	n.m	0	0	n.m	0	0	n.m
EBIT	905	902	0%	1,015	1,024	1%	1,111	1,121	1%
EBIT margin	6.3%	6.3%	-4 bps	7.0%	7.0%	+4 bps	7.3%	7.3%	+4 bps
Pre-tax profit	435	432	-1%	557	594	7%	669	707	6%
Net profit	296	294	-1%	379	404	7%	455	481	6%
EPS	8.3	8.0	-4%	10.6	11.0	3%	12.8	13.1	2%
EPS adj	11.3	11.0	-2%	13.6	14.0	3%	15.7	16.1	2%
Sales									
Supply Chain Solutions	11,533	11,618	1%	11,660	11,749	1%	12,243	12,337	1%
Print & Packaging Solutions	2,924	2,887	-1%	3,011	2,973	-1%	3,102	3,063	-1%
Other	-144	-137	-5%	-144	-137	-5%	-144	-137	-5%
Group	14,312	14,368	0%	14,527	14,585	0%	15,200	15,262	0%
Organic sales growth									
Supply Chain Solutions	5%	6%	+77 bps	5%	5%	+0 bps	5%	5%	+0 bps
Print & Packaging Solutions	3%	3%	+0 bps	3%	3%	+0 bps	3%	3%	+0 bps
Group	5%	6%	+63 bps	5%	5%	+0 bps	5%	5%	+0 bps
Adj. EBITA									
Supply Chain Solutions	826	836	1%	927	941	1%	1,014	1,029	1%
Print & Packaging Solutions	226	212	-6%	235	229	-2%	244	238	-2%
Other	-42	-38	-10%	-42	-38	-10%	-42	-38	-10%
Group	1,010	1,009	0%	1,120	1,131	1%	1,216	1,228	1%
Adj. EBITA margin									
Supply Chain Solutions	7.2%	7.2%	+3 bps	8.0%	8.0%	+5 bps	8.3%	8.3%	+5 bps
Print & Packaging Solutions	7.7%	7.3%	-40 bps	7.8%	7.7%	-9 bps	7.9%	7.8%	-9 bps
Group	7.1%	7.0%	-3 bps	7.7%	7.8%	+5 bps	8.0%	8.0%	+5 bps

Source: Carnegie Research

Interim figures

Carnegie estimates	2023	2024	2025												
SEKm	Q4	Q1	Q2	Q3	Q4	Q1e	Q2e	Q3e	Q4e	2023	2024	2025e	2026e	2027e	
Sales	3,574	3,268	3,503	3,598	3,774	3,464	3,669	3,542	3,693	13,867	14,143	14,368	14,585	15,262	
Growth	-13%	-9%	2%	11%	6%	6%	5%	-2%	-2%	-7%	2%	2%	2%	5%	
Organic	-11%	-9%	0%	4%	0%	9%	5%	5%	4%	-9%	-2%	6%	5%	5%	
Currency	-2%	1%	-1%	-3%	0%	-1%	1%	0%	0%	-5%	0%	0%	0%	0%	
Acquisitions	0%	0%	2%	10%	6%	-2%	-2%	-6%	-6%	7%	4%	-4%	-3%	0%	
Adj EBITA	289	180	215	237	247	215	247	250	299	927	879	1,009	1,131	1,228	
Adj EBITA margin	8.1%	5.5%	6.1%	6.6%	6.5%	6.2%	6.7%	7.0%	8.1%	6.7%	6.2%	7.0%	7.8%	8.0%	
PPA	-26	-26	-27	-27	-27	-26	-26	-26	-29	-96	-107	-107	-107	-107	
EO	-25	-25	-47	138	-52	0	0	0	0	-107	14	0	0	0	
EBIT	238	129	141	348	168	189	221	224	270	724	786	902	1,024	1,121	
EBIT margin	6.7%	3.9%	4.0%	9.7%	4.5%	5.4%	6.0%	6.3%	7.3%	5%	6%	6%	7%	7%	
Net financials	-95	-111	-136	-134	-127	-125	-120	-115	-110	-326	-507	-470	-430	-414	
Pre-tax Profit	143	18	5	214	41	64	101	109	159	398	279	432	594	707	
Tax	-42	-10	-3	-26	-55	-20	-32	-35	-51	-140	-95	-138	-190	-226	
Tax rate	30%	56%	60%	12%	134%	32%	32%	32%	32%	35%	34%	32%	32%	32%	
Net profit	100	8	2	188	-14	43	68	74	108	258	184	294	404	481	
EPS (SEK)	2.65	0.23	0.03	5.26	-0.48	1.22	1.90	2.06	2.80	7.0	5.0	8.0	11.0	13.1	
EPS Adj (SEK)	4.13	1.44	1.70	2.12	1.28	1.96	2.64	2.80	3.62	11.7	7.6	11.0	14.0	16.1	
Sales	2024														
SEKm	Q4	Q1	Q2	Q3	Q4					2023	2,024	2025e	2026e	2027e	
Supply Chain Solutions	2,781	2,627	2,861	2,977	3,011	2,809	3,002	2,901	2,906	11,102	11,476	11,618	11,749	12,337	
Print & Packaging	833	679	673	656	796	693	698	676	820	2,913	2,804	2,887	2,973	3,063	
Other	-40	-38	-31	-35	-33	-38	-31	-35	-33	-149	-137	-137	-137	-137	
Group	3,574	3,268	3,503	3,598	3,774	3,464	3,669	3,542	3,693	13,866	14,143	14,368	14,585	15,262	
Organic sales growth	2024														
Y/Y	Q4	Q1	Q2	Q3	Q4					2023	2,024	2025e	2026e	2027e	
Supply Chain Solutions	-13%	-9%	0%	5%	1%	10%	6%	5%	4%	-10%	-1%	6%	5%	5%	
Print & Packaging	-9%	-7%	0%	-2%	-5%	3%	3%	3%	3%	-3%	-4%	3%	3%	3%	
Group	-11%	-9%	0%	4%	0%	9%	5%	5%	4%	-9%	-2%	6%	5%	5%	
Adj EBITA	2024														
SEKm	Q4	Q1	Q2	Q3	Q4					2023	2,024	2025e	2026e	2027e	
Supply Chain Solutions	204	142	189	214	177	183	216	215	222	753	722	836	941	1,029	
Print & Packaging	90	51	41	32	71	45	45	44	77	208	195	212	229	238	
Group items	-5	-13	-15	-9	-1	-13	-15	-9	-1	-34	-38	-38	-38	-38	
Group	289	180	215	237	247	215	247	250	299	927	879	1,009	1,131	1,228	
Adj EBIT margin	2024														
	Q4	Q1	Q2	Q3	Q4					2023	2,024	2025e	2026e	2027e	
Supply Chain Solutions	7.3%	5.4%	6.6%	7.2%	5.9%	6.5%	7.2%	7.4%	7.7%	6.8%	6.3%	7.2%	8.0%	8.3%	
Print & Packaging	10.8%	7.5%	6.1%	4.9%	8.9%	6.5%	6.5%	6.5%	9.4%	7.1%	7.0%	7.3%	7.7%	7.8%	
Group	8.1%	5.5%	6.1%	6.6%	6.5%	6.2%	6.7%	7.0%	8.1%	6.7%	6.2%	7.0%	7.8%	8.0%	

Source: Company data, Carnegie Research

Financial statements

Profit & loss (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Sales	10,742	11,254	11,050	11,733	14,975	13,867	14,143	14,368	14,585	15,262
COGS	-9,330	-9,780	-9,479	-10,088	-12,744	-11,519	-11,731	-11,800	-11,870	-12,371
Gross profit	1,412	1,474	1,572	1,645	2,231	2,348	2,412	2,568	2,716	2,891
Other income & costs	-687	-189	-141	-177	-290	-381	-215	-269	-273	-286
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
EBITDA	725	1,285	1,431	1,468	1,940	1,967	2,197	2,300	2,443	2,606
Depreciation PPE	-191	-144	-142	-143	-173	-178	-223	-197	-200	-210
Depreciation lease assets	0	-712	-674	-669	-812	-952	-1,068	-1,078	-1,094	-1,145
Amortisation development costs	0	0	0	0	0	0	0	0	0	0
Amortisation other intangibles	-11	-16	-18	-15	-16	-17	-13	-15	-17	-23
Impairments / writedowns	0	0	0	0	0	0	0	0	0	0
EBITA	523	413	598	641	940	820	893	1,009	1,131	1,228
Amortization acquisition related	-64	-54	-52	-61	-91	-96	-107	-107	-107	-107
Impairment acquisition related	0	0	0	0	0	0	0	0	0	0
EBIT	459	359	546	580	849	724	786	902	1,024	1,121
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
Net financial items	-93	-143	-132	-98	-183	-326	-507	-470	-430	-414
of which interest income/expenses	-93	-143	-132	-98	-183	-326	-507	-470	-430	-414
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
Pre-tax profit	366	216	414	482	666	398	279	432	594	707
Taxes	-108	-63	-122	-151	-180	-140	-95	-138	-190	-226
Post-tax minorities interest	-5	-5	-5	-9	-17	-10	-7	-11	-15	-18
Discontinued operations	0	0	0	0	0	0	0	0	0	0
Net profit	254	148	287	322	470	248	177	283	389	463
Adjusted EBITDA	725	1,435	1,431	1,485	1,966	2,074	2,183	2,300	2,443	2,606
Adjusted EBITA	523	563	598	658	966	927	879	1,009	1,131	1,228
Adjusted EBIT	459	509	546	597	875	831	772	902	1,024	1,121
Adjusted net profit	318	308	339	395	580	413	270	390	496	570
Sales growth Y/Y	15.0%	4.8%	-1.8%	6.2%	27.6%	-7.4%	2.0%	1.6%	1.5%	4.6%
EBITDA growth Y/Y	28.6%	77.3%	11.3%	2.6%	32.2%	1.4%	11.7%	4.7%	6.2%	6.7%
EBITA growth Y/Y	40.8%	-21.1%	44.9%	7.3%	46.6%	-12.8%	8.9%	13.0%	12.1%	8.6%
EBIT growth Y/Y	48.9%	-21.8%	52.2%	6.3%	46.4%	-14.7%	8.5%	14.8%	13.5%	9.5%
EBITDA margin	6.7%	11.4%	12.9%	12.5%	13.0%	14.2%	15.5%	16.0%	16.7%	17.1%
EBITA margin	4.9%	3.7%	5.4%	5.5%	6.3%	5.9%	6.3%	7.0%	7.8%	8.0%
EBIT margin	4.3%	3.2%	4.9%	4.9%	5.7%	5.2%	5.6%	6.3%	7.0%	7.3%
Tax rate	29.4%	29.1%	29.5%	31.3%	27.0%	35.3%	34.1%	32.0%	32.0%	32.0%
Cash flow (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
EBITDA	725	1,285	1,431	1,468	1,940	1,967	2,197	2,300	2,443	2,606
Paid taxes	-128	-114	-42	-128	-196	-242	-222	-138	-190	-226
Change in NWC	4	104	461	-139	-476	371	145	-17	-17	-52
Non cash adjustments	-53	204	8	-40	21	13	-197	0	0	0
Discontinued operations	0	0	0	0	0	0	0	0	0	0
Total operating activities	548	1,480	1,857	1,162	1,289	2,109	1,923	2,144	2,236	2,327
Capex tangible assets	-145	-111	-79	-111	-212	-165	-154	-197	-200	-210
Capitalised development costs	0	0	0	0	0	0	0	0	0	0
Capex - other intangible assets	-16	-22	-8	-17	-16	-13	-13	-13	-13	-13
Acquisitions/divestments	24	-5	-30	-1,267	-44	-832	-1,083	0	0	0
Other non-cash adjustments	-1	-2	1	0	-2	-2	-1	0	0	0
Total investing activities	-138	-140	-116	-1,394	-274	-1,012	-1,251	-210	-213	-223
Net financial items	-93	-143	-132	-98	-183	-326	-507	-470	-430	-414
Lease payments	0	0	0	0	0	0	0	0	0	0
Dividend paid and received	-93	-104	0	-112	-137	-165	-156	-147	-159	-164
Share issues & buybacks	0	0	0	0	0	0	0	0	0	0
Change in bank debt	-225	-472	-460	814	12	562	963	-488	-355	-399
Other cash flow items	0	-706	-600	-648	-774	-930	-1,014	-1,066	-1,079	-1,126
Total financing activities	-410	-1,425	-1,192	-44	-1,081	-859	-714	-2,172	-2,022	-2,104
Operating cash flow	548	1,480	1,857	1,162	1,289	2,109	1,923	2,144	2,236	2,327
Free cash flow	294	1,204	1,638	935	877	1,605	1,249	1,463	1,592	1,690
Net cash flow	0	-84	550	-277	-67	237	-42	-238	0	0
Change in net IB debt	268	-308	232	-1,686	-819	-1,310	-1,999	-828	-739	-745
Capex / Sales	1.3%	1.0%	0.7%	0.9%	1.4%	1.2%	1.1%	1.4%	1.4%	1.4%
NWC / Sales	11.1%	10.0%	7.1%	5.6%	7.1%	8.9%	8.4%	8.9%	8.9%	8.7%

Source: Carnegie Research & company data

Financial statements, cont.

Balance sheet (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Acquired intangible assets	2,439	2,480	2,413	3,305	3,655	4,452	5,210	5,210	5,210	5,210
Other fixed intangible assets	780	749	672	1,212	1,267	1,361	1,192	1,083	972	855
Capitalised development	0	0	0	0	0	0	0	0	0	0
Tangible assets	789	621	519	698	818	893	893	893	893	893
Lease assets	0	1,865	1,737	2,674	4,152	4,385	4,903	4,903	4,903	4,903
Other IB assets (1)	0	0	0	0	0	0	0	0	0	0
Other non-IB assets	267	311	297	352	453	459	569	569	569	569
Fixed assets	4,274	6,026	5,637	8,241	10,345	11,551	12,767	12,658	12,547	12,430
Inventories (2)	468	335	233	400	619	349	378	384	390	408
Receivables (2)	1,762	1,740	1,344	1,822	2,139	2,038	2,194	2,229	2,263	2,368
Prepaid exp. & other NWC items (2)	446	360	302	410	529	520	524	529	534	551
IB current assets (1)	0	0	0	0	0	0	0	0	0	0
Other current assets	65	88	22	28	38	67	67	67	67	67
Cash & cash equivalents (1)	722	655	1,101	898	904	1,107	1,138	900	900	900
Current assets	3,463	3,179	3,002	3,559	4,229	4,080	4,300	4,109	4,153	4,293
Total assets	7,737	9,205	8,639	11,800	14,574	15,630	17,067	16,766	16,700	16,723
Shareholders' equity	2,697	2,777	2,887	3,277	3,835	3,836	4,067	4,214	4,459	4,776
Minorities	10	0	21	27	36	28	35	46	61	80
Other equity	0	0	0	0	0	0	0	0	0	0
Total equity	2,707	2,777	2,908	3,304	3,870	3,864	4,102	4,260	4,520	4,855
Deferred tax	190	185	168	234	237	297	252	252	252	252
LT IB debt (1)	2,350	2,214	1,981	3,162	3,667	3,997	5,273	4,784	4,430	4,031
Other IB provisions (1)	0	0	0	0	0	0	0	0	0	0
Lease liabilities	0	1,898	1,789	2,755	4,286	4,546	4,546	4,546	4,546	4,546
Other non-IB liabilities	101	135	127	118	112	182	182	182	182	182
LT liabilities	2,642	4,433	4,065	6,268	8,302	9,022	10,253	9,765	9,411	9,011
ST IB debt (1)	819	398	78	132	150	683	360	360	360	360
Payables (2)	795	678	642	875	893	673	687	698	708	741
Accrued exp. & other NWC items (2)	669	712	714	973	1,040	1,121	1,143	1,161	1,179	1,234
Other ST non-IB liabilities	105	208	232	248	320	267	522	522	522	522
Liabilities - assets held for sale	0	0	0	0	0	0	0	0	0	0
Current liabilities	2,388	1,996	1,666	2,228	2,402	2,744	2,712	2,741	2,769	2,857
Total equity and liabilities	7,737	9,205	8,639	11,800	14,574	15,630	17,067	16,766	16,700	16,723
Net IB debt (=1)	2,539	3,961	2,854	5,249	7,276	8,191	9,112	8,862	8,507	8,108
Net working capital (NWC) (=2)	1,212	1,046	523	784	1,355	1,113	1,265	1,283	1,300	1,352
Capital employed (CE)	5,909	7,283	6,745	9,343	11,901	13,067	14,103	13,773	13,679	13,614
Capital invested (CI)	5,219	6,761	5,863	8,673	11,247	12,205	13,463	13,372	13,277	13,213
Equity / Total assets	35%	30%	34%	28%	27%	25%	24%	25%	27%	29%
Net IB debt / EBITDA	3.5	3.1	2.0	3.6	3.8	4.2	4.1	3.9	3.5	3.1
Per share data (SEK)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Adj. no. of shares in issue YE (m)	35.36	35.36	35.36	35.36	35.36	35.36	35.36	35.36	35.36	35.36
Diluted no. of Shares YE (m)	35.36	35.36	35.36	35.36	35.36	35.36	35.36	35.36	35.36	35.36
EPS	7.18	4.18	8.12	9.12	13.3	7.01	5.01	7.99	11.0	13.1
EPS adj.	8.99	8.72	9.59	11.2	16.4	11.7	7.64	11.0	14.0	16.1
CEPS	14.7	30.4	33.1	34.2	44.1	42.2	44.9	47.5	51.1	55.1
DPS	2.90	2.90	3.10	3.60	4.15	4.15	4.15	4.15	4.50	4.65
BVPS	76.3	78.5	81.7	92.7	108.5	108.5	115.0	119.2	126.1	135.1
Performance measures	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
ROE	9.9%	5.4%	10.1%	10.5%	13.2%	6.5%	4.5%	6.8%	9.0%	10.0%
Adj. ROCE pre-tax	9.9%	9.0%	8.9%	8.5%	9.7%	9.3%	6.6%	7.3%	8.3%	9.1%
Adj. ROIC after-tax	7.1%	6.7%	6.7%	6.2%	7.1%	5.1%	4.5%	5.1%	5.8%	6.3%
Valuation	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
FCF yield	9.8%	40.1%	54.6%	31.2%	29.2%	53.5%	41.6%	48.7%	53.0%	56.3%
Dividend yield YE	na	3.3%	2.6%	2.1%	2.8%	4.3%	4.7%	4.9%	5.3%	5.5%
Dividend payout ratio	40.4%	69.3%	38.2%	39.5%	31.2%	59.2%	82.9%	51.9%	40.9%	35.5%
Dividend + buy backs yield YE	na	0.0%	2.7%	2.2%	3.1%	4.6%	4.7%	5.3%	5.5%	5.4%
EV/Sales YE	na	0.63	0.64	0.97	0.84	0.84	0.86	0.83	0.79	0.73
EV/EBITDA YE	na	5.5	5.0	7.8	6.5	5.9	5.6	5.2	4.7	4.3
EV/EBITA YE	na	17.1	11.9	17.8	13.4	14.1	13.7	11.8	10.2	9.0
EV/EBITA adj. YE	na	12.5	11.9	17.3	13.0	12.5	13.9	11.8	10.2	9.0
EV/EBIT YE	na	19.7	13.0	19.7	14.8	16.0	15.6	13.1	11.2	9.9
P/E YE	na	20.8	14.7	19.1	11.3	13.7	17.5	10.6	7.7	6.5
P/E adj. YE	na	10.0	12.5	15.6	9.1	8.2	11.5	7.7	6.0	5.3
P/BV YE	na	1.11	1.46	1.88	1.38	0.88	0.76	0.71	0.67	0.63
Share price YE (SEK)		87.2	120	174	150	96.0	87.8	84.6		

Source: Carnegie Research & company data

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