

Napatech

Solid foundation has been built in 2019

- Solid end to 2019, positive trend continues in 2020e
- Outlook for 2020 was in line with our expectations
- Limited estimate revisions after the results

Solid end to the year

Napatech delivered a solid end to 2019: Q4 sales of DKK 54m were 11% better than we expected, and the gross margin of 74% was also very strong vs. our 64% estimate. As opex was in line with our assumptions, the Q4 realized EBIT of DKK 4m was substantially better than our DKK -5m estimate. Moreover, at DKK 12m, the free cash flow was solid, which resulted in Napatech delivering DKK 13m in total 2019 FCF.

Outlook in line with expectations, limited estimate revisions

Napatech's '20e outlook was roughly as expected: The mid-point sales outlook was 1% better than our estimate and EBITDA was 4% better than we expected. The mid-point of the guidance range implies 14% sales growth for 2020 and the high end corresponds to 20% growth. We expect 13% sales growth for 2020. Napatech also guided for DKK 130m in opex for 2020, which is in line with our DKK 132m estimate. Overall, we have not made major changes to our assumptions. We increase our depreciation assumptions slightly for 2020, but this is only an accounting effect and does not affect cash.

2020 will build on the foundation laid in 2019

Through 2019, in our view Napatech has built a new, more solid foundation as a company. Specifically, this relates to the positive sales growth in combination with tight cost control. Napatech delivered positive free cash flow for the first time as a public company in 2019. Going into 2020e, Napatech emerges as a profitable hardware company growing sales at double-digit rates. While Napatech is performing well in the existing business, we believe there is still material uncertainty regarding how successful it will be with ramping up its revenue segments (e.g. virtual switching). However, Napatech is currently FCF positive, which should, in our view, give a much higher probability for success. Currently Napatech is trading at a 2020e EV/EBITDA 10x, 21e of 6x and 22e of 3.5x.

Lead analyst: Aksel Øverland Engebakken

DKKm	2018	2019	2020e	2021e	2022e
Sales	106	171	193	227	273
EBITDA	-75	15	23	39	60
EBITDA margin (%)	-70.6	9.0	12.0	17.0	22.0
EBIT adj	-163	-10	0	16	33
EBIT adj margin (%)	-153.1	-5.9	0.1	7.0	12.0
Pretax profit	-192	-14	-1	14	32
EPS rep	0	-0.16	-0.01	0.14	0.30
EPS adj	0	-0.16	-0.01	0.14	0.30
Sales growth (%)	-48.5	60.7	13.0	18.0	20.0
EPS growth (%)	na	high	92.5	1,212.7	117.4

Source: ABG Sundal Collier, Company data

Reason: Post-results comment

Company sponsored research

Not rated

Estimate changes (%)

	2020e	2021e
Sales	3.3%	3.3%
EBIT (rep)	-95.4%	3.3%
EPS (rep)	-163.2%	5.2%

Source: ABG Sundal Collier

Share price (NOK) 26/02/2020 4.3

Communications Equipment, Denmark
NAPAT.OL/NAPA NO

MCap (NOKm) 355

MCap (EURm) 34.8

Net debt (EURm) -1

No. of shares (m) 83.1

Free float (%) 100.0

Av. daily volume (k) 4.5

Next event Q1 report: 07 May

Performance



	1m	3m	12m
Absolute (%)	-9.9	-5.9	121.2
OMX CPGN PI (%)	-2.0	5.2	17.0

Source: FactSet

	2020e	2021e	2022e
P/E (x)	-256.0	23.0	10.6
P/E adj (x)	-256.0	23.0	10.6
P/BVPS (x)	3.37	2.84	2.11
EV/EBITDA (x)	10.9	6.3	3.7
EV/EBIT adj (x)	1,469.5	15.3	6.7
EV/sales (x)	1.31	1.07	0.81
ROE adj (%)	-1.3	13.4	22.9
Dividend yield (%)	0	0	0
FCF yield (%)	-4.2	3.4	9.2
Lease adj. FCF yld (%)	-4.9	2.8	8.6
Net IB debt/EBITDA	-0.3	-0.4	-0.7
Lease adj. ND/EBITDA	-0.9	-0.7	-0.8

Please refer to important disclosures at the end of this report

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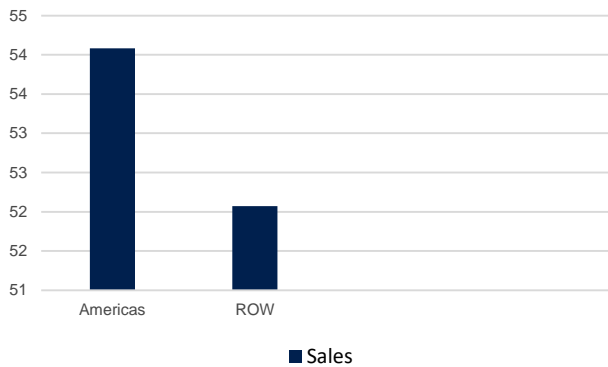
Opportunities

Napatech is positioned in a global market where we expect to see double-digit demand growth for the foreseeable future. If the company can grow with the market over time, we assess that it could potentially scale its operating margin significantly, towards 20%.

Risks

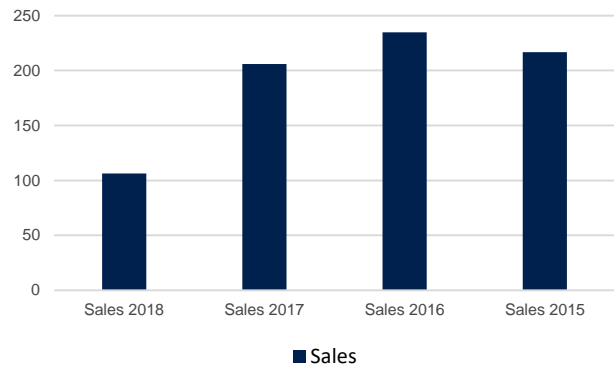
Napatech is a small company (<100 employees), which faces major global competition. It is uncertain whether Napatech will be able to grow with the market. Also, Napatech needs to ramp-up and establish new market verticals in order to achieve double-digit growth over time, and its ability to achieve this is uncertain.

Geographical breakdown, sales, DKKm



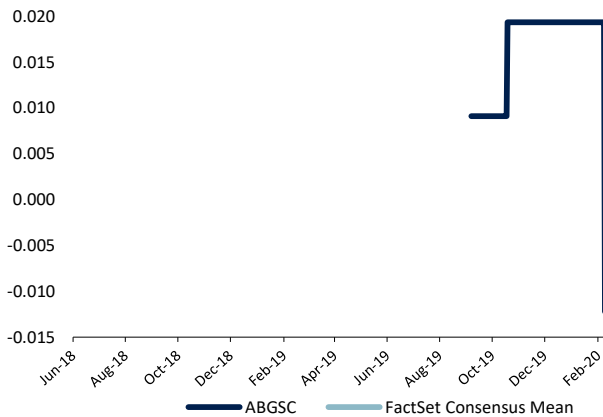
Source: ABG Sundal Collier, Company data

Business area breakdown, sales, DKKm



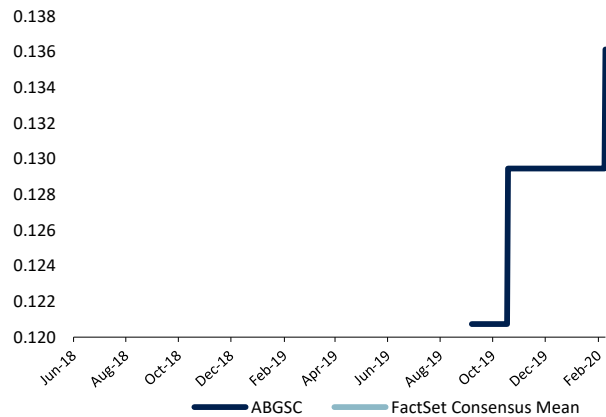
Source: ABG Sundal Collier, Company data

EPS estimate changes, 2020e, DKK



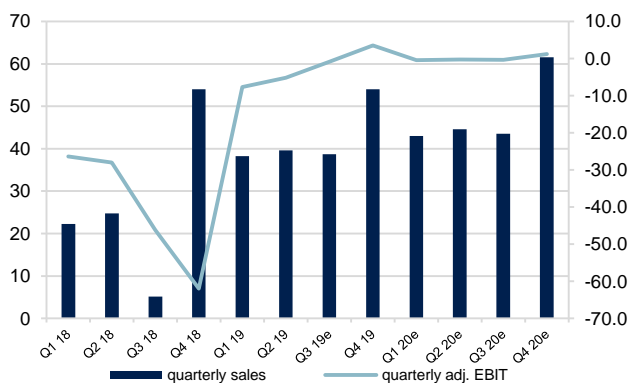
Source: ABG Sundal Collier, FactSet

EPS estimate changes, 2021e, DKK



Source: ABG Sundal Collier, FactSet

Quarterly sales and adj. EBIT, DKKm



Source: ABG Sundal Collier, Company data

Company description

Napatech is a tech company that develops and markets smart network adaptors and related solutions (both software and hardware). It sells primarily to large global OEMs (+140 customers), which then sell to end-users. The end-users of Napatech solutions are typically large firms within sectors such as telecommunications, financial services, and governments.

Deviation table

Metric	Actual						Expected	Deviation	
	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19e	ABGSC Q4'19e	DKKm	%
Revenue	5	54	38	40	39	54	49	5	11%
Gross profit	-5	22	27	29	32	40	31	9	29%
EBITDAC	-41	-16	-5	-2	2	6	-2	8	-339%
Transferred to capitalized development costs	8	6	3	3	3	4	4	0	
Operating profit before depreciation and amortisation (EBITDA)	-33	-10	-1	1	5	10	1	9	599%
Depreciation and amortisation	-33	-52	-6	-6	-6	-7	-6	-1	
Operating loss / profit before exceptional items (EBIT before exceptional items)	-66	-62	-8	-5	-1	4	-5	8	NA
Exceptional items	0	0	0	0	0	0	0	0	
Operating profit / loss (EBIT)	-66	-62	-8	-5	-1	4	-5	8	NA
Profit / loss for the period	-91	-46	-9	-6	0	2	-4	6	

Source: ABG Sundal Collier, company data

ABGSC estimates vs. Napatech's new 20e guidance

2020 guidance	Guidance 2020		
	ABGSC	Napatech current	Napatech old
Sales	193	195.0	No guidance
Gross margin	71%	70%	No guidance
Staff and other expenses	-132	-130	No guidance
EBITDAC	4	6.5	No guidance
Transferred to capitalised cost	19	18	No guidance
EBITDA	23.1	24	No guidance
D&A	-23.0	-23	No guidance
EBIT	0.2	1.5	No guidance

Source: ABG Sundal Collier, company data

Key estimates (DKKkm)

P&L (DKKkm)	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20e	2016	2017	2018	2019	2020e	2021e	2022e
Sales	25	5	54	38	40	39	54	43	235	206	106	171	193	227	273
Gross profit	17	-5	22	27	29	32	40	30	164	139	49	127	136	163	198
Personnel	-32	na	na	-24	-24	-24	-27	-23	na	-113	-113	-99	-105	-116	-131
Other opex	-12	na	na	-7	-7	-5	-7	-6	na	-54	-46	-27	-27	-31	-35
EBITDA	-16	-33	-10	-1	1	5	10	5	43	14	-75	15	23	39	60
Depreciation	-12	-33	-52	-6	-6	-6	-7	-6	-37	-38	-108	-25	-23	-23	-27
EBIT	-28	-66	-62	-8	-5	-1	4	0	6	-24	-183	-10	0	16	33
Pre tax	-27	-72	-65	-8	-6	0	0	-1	6	-30	-192	-14	-1	14	32
Net profit	-21	-91	-46	-9	-6	0	2	-1	4	-24	-179	-14	-1	11	25

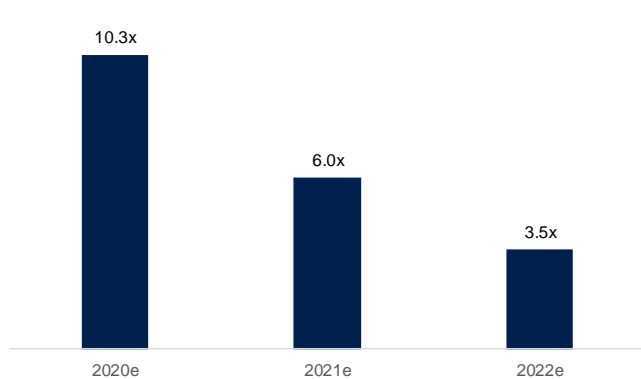
Growth and margin	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20e	2016	2017	2018	2019	2020e	2021e	2022e
Margin															
Gross margin	70%	-106%	41%	70%	73%	82%	74%	69%	70%	68%	46%	75%	71%	72%	73%
EBITDA margin	-65%	-644%	-18%	-3%	3%	13%	19%	12%	19%	7%	-71%	9%	12%	17%	22%
EBIT margin	-113%	-1289%	-115%	-20%	-13%	-2%	7%	-1%	3%	-12%	-172%	-6%	0%	7%	12%
EBITDA - capex margin	-107%	-792%	-30%	-13%	-5%	3%	9%	2%	-2%	-19%	-104%	0%	2%	7%	12%
Growth															
Sales growth	-56%	-88%	13%	72%	60%	654%	0%	13%	8%	-12%	-48%	61%	13%	18%	20%
opex growth	10%	-7%	-1%	-10%	-17%	-5%	-8%	-12%	11%	11%	11%	22%	0%	0%	0%
(opex + capex) growth	1%	-16%	-13%	-25%	-30%	-14%	-11%	-8%	13%	13%	13%	22%	0%	0%	0%

Cash flow (DKKkm)	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20e	2016	2017	2018	2019	2020e	2021e	2022e
+ EBITDA	-16	-33	-10	-1	1	5	10	5	43	14	-75	15	23	39	60
+ CAPEX	-10	-8	-6	-4	-3	-4	-5	-4	-49	-53	-36	-16	-19	-23	-27
= EBITDA - capex	-27	-41	-16	-5	-2	1	5	1	-5	-39	-111	0	4	16	33
+ other effects	-3	-3	28	5	6	-5	5	-4	-22	1	27	11	-15	-7	-9
= FCF tot. total capital	-30	-44	11	1	4	-4	10	-3	-28	-38	-84	11	-11	9	24
+ debt cash flow	11	15	-4	-15	-6	-3	0	-1	0	0	0	-9	-2	-2	-2
= FCF to equity	-19	-29	8	-14	-2	-7	10	-3	-28	-38	-84	2	-13	7	22
Share issue	0	30	0	40	19	0	0	0	3	2	32	59	0	0	0
Dividends	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net cash flow	-19	1	10	25	17	-7	12	-3	-25	-7	-23	47	-13	7	22

Balance sheet (DKKkm)	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20e	2016	2017	2018	2019	2020e	2021e	2022e
Net Working capital	52	64	34	27	20	32	20	24	57	57	34	20	34	40	48
LT operating assets	128	93	48	63	59	58	56	53	114	129	48	56	51	51	51
Invested capital	181	157	82	90	80	90	77	77	171	186	82	77	85	91	99
Equity	137	81	35	65	75	76	78	78	204	183	35	78	77	92	123
Net debt	45	40	28	5	-14	0	0	-16	-42	-4	28	-17	-8	-16	-40
Other financial obligations (+) / assets (-)	0	37	19	20	18	16	16	16	10	7	19	16	16	16	16
Net debt / EBITDA									-1.0x	-0.3x	-0.4x	-1.1x	-0.3x	-0.4x	-0.7x

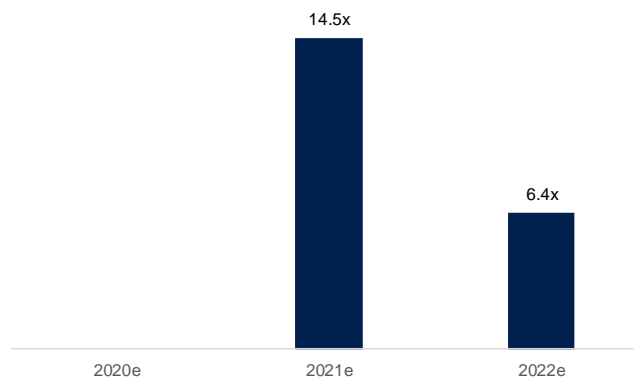
Source: ABG Sundal Collier, company data

EV / EBITDA



Source: ABG Sundal Collier, company data

EV / EBIT



Source: ABG Sundal Collier, company data

Income Statement (DKKm)	Q1 2019	Q2 2019	Q3 2019e	Q4 2019	Q1 2020e	Q2 2020e	Q3 2020e	Q4 2020e
Sales	38	40	39	54	43	45	44	62
COGS	-12	-11	-7	-14	-13	-13	-13	-17
Gross profit	27	29	32	40	30	31	31	44
Other operating items	-28	-28	-26	-30	-25	-26	-26	-37
EBITDA	-1	1	5	10	5	5	5	7
Depreciation and amortisation	-6	-6	-6	-7	-6	-6	-6	-6
EBITA	-8	-5	-1	4	-0	-0	-0	1
EO items	0	0	0	0	0	0	0	0
Impairment and PPA amortisation	0	0	0	0	0	0	0	0
EBIT	-8	-5	-1	4	-0	-0	-0	1
Net financial items	-1	-0	1	-4	-0	-0	-0	-0
Pretax profit	-8	-6	0	-0	-1	-1	-1	1
Tax	-1	-0	-0	3	0	0	0	-0
Net profit	-9	-6	-0	2	-1	-0	-1	1
Minority interest	0	0	0	0	0	0	0	0
Net profit discontinued	0	0	0	0	0	0	0	0
Net profit to shareholders	-9	-6	-0	2	-1	-0	-1	1
EPS	-0.14	-0.07	-0.00	0.03	-0.01	-0.01	-0.01	0.01
EPS Adj	-0.14	-0.07	-0.00	0.03	-0.01	-0.01	-0.01	0.01
Total extraordinary items after tax	0	0	0	0	0	0	0	0
<i>Tax rate (%)</i>	<i>15.7</i>	<i>8.6</i>	<i>311.1</i>	<i>600.9</i>	<i>22.0</i>	<i>22.0</i>	<i>22.0</i>	<i>22.0</i>
<i>Gross margin (%)</i>	<i>69.6</i>	<i>72.6</i>	<i>81.6</i>	<i>74.4</i>	<i>69.0</i>	<i>70.0</i>	<i>71.0</i>	<i>72.0</i>
<i>EBITDA margin (%)</i>	<i>-3.2</i>	<i>2.8</i>	<i>13.4</i>	<i>18.9</i>	<i>12.0</i>	<i>12.0</i>	<i>12.0</i>	<i>12.0</i>
<i>EBITA margin (%)</i>	<i>-20.0</i>	<i>-13.1</i>	<i>-2.1</i>	<i>6.6</i>	<i>-1.0</i>	<i>-0.6</i>	<i>-0.9</i>	<i>2.0</i>
<i>EBIT margin (%)</i>	<i>-20.0</i>	<i>-13.1</i>	<i>-2.1</i>	<i>6.6</i>	<i>-1.0</i>	<i>-0.6</i>	<i>-0.9</i>	<i>2.0</i>
<i>Pretax margin (%)</i>	<i>-21.4</i>	<i>-14.3</i>	<i>0.2</i>	<i>-0.8</i>	<i>-1.9</i>	<i>-1.4</i>	<i>-1.7</i>	<i>1.4</i>
<i>Net margin (%)</i>	<i>-24.8</i>	<i>-15.6</i>	<i>-0.3</i>	<i>4.1</i>	<i>-1.5</i>	<i>-1.1</i>	<i>-1.3</i>	<i>1.1</i>
Growth rates Y/Y	Q1 2019	Q2 2019	Q3 2019e	Q4 2019	Q1 2020e	Q2 2020e	Q3 2020e	Q4 2020e
<i>Sales growth (%)</i>	<i>71.6</i>	<i>60.3</i>	<i>653.8</i>	<i>0.0</i>	<i>12.5</i>	<i>12.5</i>	<i>12.5</i>	<i>14.0</i>
<i>EBITDA growth (%)</i>	<i>+chg</i>	<i>+chg</i>	<i>+chg</i>	<i>+chg</i>	<i>+chg</i>	<i>376.0</i>	<i>0.5</i>	<i>-27.5</i>
<i>EBIT growth (%)</i>	<i>+chg</i>	<i>+chg</i>	<i>+chg</i>	<i>+chg</i>	<i>+chg</i>	<i>+chg</i>	<i>+chg</i>	<i>-65.4</i>
<i>Net profit growth (%)</i>	<i>+chg</i>	<i>+chg</i>	<i>+chg</i>	<i>+chg</i>	<i>+chg</i>	<i>+chg</i>	<i>-chg</i>	<i>-69.1</i>
<i>EPS growth (%)</i>	<i>+chg</i>	<i>+chg</i>	<i>+chg</i>	<i>+chg</i>	<i>+chg</i>	<i>+chg</i>	<i>-chg</i>	<i>-69.1</i>
Adj earnings numbers	Q1 2019	Q2 2019	Q3 2019e	Q4 2019	Q1 2020e	Q2 2020e	Q3 2020e	Q4 2020e
EBITDA Adj	-1	1	5	10	5	5	5	7
<i>EBITDA Adj margin (%)</i>	<i>-3.2</i>	<i>2.8</i>	<i>13.4</i>	<i>18.9</i>	<i>12.0</i>	<i>12.0</i>	<i>12.0</i>	<i>12.0</i>
EBITA Adj	-8	-5	-1	4	-0	-0	-0	1
<i>EBITA Adj margin (%)</i>	<i>-20.0</i>	<i>-13.1</i>	<i>-2.1</i>	<i>6.6</i>	<i>-1.0</i>	<i>-0.6</i>	<i>-0.9</i>	<i>2.0</i>
EBIT Adj	-8	-5	-1	4	-0	-0	-0	1
<i>EBIT Adj margin (%)</i>	<i>-20.0</i>	<i>-13.1</i>	<i>-2.1</i>	<i>6.6</i>	<i>-1.0</i>	<i>-0.6</i>	<i>-0.9</i>	<i>2.0</i>
Pretax profit Adj	-8	-6	0	-0	-1	-1	-1	1
Net profit Adj	-9	-6	-0	2	-1	-0	-1	1
Net profit to shareholders Adj	-9	-6	-0	2	-1	-0	-1	1
<i>Net Adj margin (%)</i>	<i>-24.8</i>	<i>-15.6</i>	<i>-0.3</i>	<i>4.1</i>	<i>-1.5</i>	<i>-1.1</i>	<i>-1.3</i>	<i>1.1</i>

Source: ABG Sundal Collier, Company data

Income Statement (DKKm)	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Sales	182	182	217	235	206	106	171	193	227	273
COGS	-52	-49	-62	-71	-67	-57	-43	-57	-64	-75
Gross profit	131	134	155	164	139	49	127	136	163	198
Other operating items	-131	-116	-120	-120	-126	-124	-112	-113	-124	-138
EBITDA	0	18	34	43	14	-75	15	23	39	60
Depreciation and amortisation	0	-24	-29	-37	-38	-108	-25	-23	-23	-27
Of which leasing depreciation	0	0	0	0	0	0	-2	-2	-2	-1
EBITA	0	-6	5	6	-24	-183	-10	0	16	33
EO items	0	0	0	0	0	-20	0	0	0	0
Impairment and PPA amortisation	0	0	0	0	0	0	0	0	0	0
EBIT	0	-6	5	6	-24	-183	-10	0	16	33
Net financial items	0	5	6	-0	-6	-10	-4	-1	-1	-1
Pretax profit	0	-1	11	6	-30	-192	-14	-1	14	32
Tax	0	-0	-3	-2	5	13	1	0	-3	-7
Net profit	0	-1	8	4	-24	-179	-14	-1	11	25
Minority interest	0	0	0	0	0	0	0	0	0	0
Net profit discontinued	0	0	0	0	0	0	0	0	0	0
Net profit to shareholders	0	-1	8	4	-24	-179	-14	-1	11	25
EPS	0	0	0	0	0	0	-0.16	-0.01	0.14	0.30
EPS Adj	0	0	0	0	0	0	-0.16	-0.01	0.14	0.30
Total extraordinary items after tax	0	0	0	0	0	-16	0	0	0	0
Leasing payments	0	0	0	0	0	0	-3	-2	-2	-2
Tax rate (%)	ns	39.5	29.9	37.3	18.1	6.7	4.6	22.0	22.0	22.0
Gross margin (%)	71.7	73.3	71.4	69.7	67.7	46.2	74.5	70.6	71.6	72.6
EBITDA margin (%)	0	9.9	15.8	18.5	6.7	-70.6	9.0	12.0	17.0	22.0
EBITA margin (%)	0	-3.2	2.5	2.6	-11.6	-171.9	-5.9	0.1	7.0	12.0
EBIT margin (%)	0	-3.2	2.5	2.6	-11.6	-171.9	-5.9	0.1	7.0	12.0
Pretax margin (%)	0	-0.4	5.1	2.5	-14.5	-181.0	-8.4	-0.7	6.4	11.5
Net margin (%)	0	-0.5	3.6	1.6	-11.9	-168.9	-8.0	-0.5	5.0	9.0
Growth rates Y/Y	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Sales growth (%)	na	0.2	18.8	8.3	-12.2	-48.5	60.7	13.0	18.0	20.0
EBITDA growth (%)	na	high	90.1	27.0	-68.1	-639.9	120.4	51.4	67.2	55.3
EBIT growth (%)	na	high	192.8	9.8	-497.8	-664.7	94.5	101.7	9,173.0	105.7
Net profit growth (%)	na	high	886.2	-51.7	-756.2	-633.9	92.4	92.5	1,212.6	117.4
EPS growth (%)	na	na	na	na	na	na	high	92.5	1,212.7	117.4
Profitability	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
ROE (%)	nm	-1.0	4.0	1.9	-12.6	-164.6	-24.0	-1.3	13.4	22.9
ROE Adj (%)	nm	-1.0	4.0	1.9	-12.6	-149.9	-24.0	-1.3	13.4	22.9
ROCE (%)	nm	-0.2	5.8	3.1	-11.2	-122.6	-9.4	0.6	13.0	22.6
ROCE Adj(%)	nm	-0.2	5.8	3.1	-11.2	-109.2	-9.4	0.6	13.0	22.6
ROIC (%)	na	-16.2	3.3	2.5	-11.1	-134.9	-14.3	0.2	16.0	30.4
ROIC Adj (%)	na	-16.2	3.3	2.5	-11.1	-120.1	-14.3	0.2	16.0	30.4
Adj earnings numbers	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
EBITDA Adj	0	18	34	43	14	-55	15	23	39	60
EBITDA Adj margin (%)	0	9.9	15.8	18.5	6.7	-51.8	9.0	12.0	17.0	22.0
EBITDA lease Adj	0	18	34	43	14	-55	12	21	37	58
EBITDA lease Adj margin (%)	0	9.9	15.8	18.5	6.7	-51.8	7.3	10.8	16.1	21.4
EBITA Adj	0	-6	5	6	-24	-163	-10	0	16	33
EBITA Adj margin (%)	0	-3.2	2.5	2.6	-11.6	-153.1	-5.9	0.1	7.0	12.0
EBIT Adj	0	-6	5	6	-24	-163	-10	0	16	33
EBIT Adj margin (%)	0	-3.2	2.5	2.6	-11.6	-153.1	-5.9	0.1	7.0	12.0
Pretax profit Adj	0	-1	11	6	-30	-172	-14	-1	14	32
Net profit Adj	0	-1	8	4	-24	-163	-14	-1	11	25
Net profit to shareholders Adj	0	-1	8	4	-24	-163	-14	-1	11	25
Net Adj margin (%)	0	-0.5	3.6	1.6	-11.9	-153.8	-8.0	-0.5	5.0	9.0

Source: ABG Sundal Collier, Company data

Cash Flow Statement (DKKm)	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
EBITDA	0	18	34	43	14	-75	15	23	39	60
Net financial items	0	5	6	-0	-6	-10	-4	-1	-1	-1
Paid tax	0	-0	-3	-2	5	13	-2	0	0	0
Non-cash items	0	8	8	8	0	0	0	0	0	0
Cash flow before change in WC	0	31	44	49	14	-72	9	22	37	59
Change in WC	0	-20	-9	-27	0	32	14	-13	-6	-7
Operating cash flow	0	11	33	21	15	-48	26	8	32	51
CAPEX tangible fixed assets	0	-7	-4	-3	-5	-0	-1	0	0	0
CAPEX intangible fixed assets	0	-38	-43	-46	-48	-35	-15	-19	-23	-27
Acquisitions and disposals	0	0	0	0	0	0	0	0	0	0
Free cash flow	0	-35	-14	-28	-38	-84	11	-11	9	24
Dividend paid	0	0	0	0	0	0	0	0	0	0
Share issues and buybacks	0	0	0	0	0	0	0	0	0	0
Lease liability amortisation	0	0	0	0	0	0	-5	-2	-2	-1
Other non cash items	0	123	-3	-1	2	26	48	-4	0	-0
Decrease in net IB debt	0	88	-16	-28	-37	-32	44	-11	8	23
Balance Sheet (DKKm)	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Goodwill	0	0	0	0	0	0	0	0	0	0
Other intangible assets	0	71	91	105	120	43	41	39	41	42
Tangible fixed assets	0	10	8	6	6	3	1	1	1	1
Right-of-use asset	0	0	0	0	0	0	12	11	9	8
Total other fixed assets	0	6	2	2	2	2	1	0	0	0
Fixed assets	0	88	102	114	129	48	56	51	51	51
Inventories	0	9	14	19	36	17	10	22	25	31
Receivables	0	39	55	82	61	45	30	34	40	48
Other current assets	0	0	0	0	0	0	0	0	0	0
Cash and liquid assets	0	88	76	47	40	17	64	51	58	80
Total assets	0	225	248	261	266	127	160	158	174	209
Shareholders equity	0	190	197	204	183	35	78	77	92	123
Minority	0	0	0	0	0	0	0	0	0	0
Total equity	0	190	197	204	183	35	78	77	92	123
Long-term debt	0	6	5	5	0	0	0	0	0	0
Pension debt	0	0	0	0	0	0	0	0	0	0
Convertible debt	0	0	0	0	0	0	0	0	0	0
Leasing liability	0	0	0	0	0	0	14	12	10	9
Total other long-term liabilities	0	0	5	8	7	13	9	9	9	9
Short-term debt	0	1	1	0	35	45	33	31	31	31
Accounts payable	0	29	38	42	40	25	21	18	22	26
Other current liabilities	0	0	2	2	1	13	8	13	14	16
Total liabilities and equity	0	225	248	262	267	131	163	161	178	214
Net IB debt	0	-88	-73	-44	-7	25	-19	-8	-16	-40
Net IB debt excl. pension debt	0	-88	-73	-44	-7	25	-19	-8	-16	-40
Net IB debt excl. leasing	0	-88	-73	-44	-7	25	-33	-20	-26	-48
Capital invested	0	102	129	168	183	70	65	75	80	88
Working capital	0	20	29	57	56	24	10	24	29	37
EV breakdown	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Market cap. diluted (m)	0	0	336	553	393	77	295	260	260	260
Net IB debt Adj	0	-88	-73	-44	-7	25	-19	-8	-16	-40
Market value of minority	0	0	0	0	0	0	0	0	0	0
Reversal of shares and participations	0	0	0	0	0	0	0	0	0	0
Reversal of conv. debt assumed equity	0	0	0	0	0	0	0	0	0	0
EV	0	-88	263	509	386	102	275	252	244	220
Capital efficiency	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Total assets turnover (%)	nm	162.2	91.7	92.2	78.1	54.0	119.0	121.5	137.1	142.3
Working capital/sales (%)	0	5.5	11.4	18.4	27.5	38.0	10.2	8.9	11.7	12.1
Financial risk and debt service	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Net debt/equity	nm	-0.46	-0.37	-0.22	-0.04	0.72	-0.25	-0.10	-0.18	-0.32
Net debt/market cap	nm	nm	-0.48	-0.09	-0.01	0.09	-0.11	-0.03	-0.06	-0.15
Equity ratio (%)	nm	84.3	79.6	78.2	68.8	27.3	49.1	49.0	52.6	58.8
Net IB debt adj./equity	nm	-0.46	-0.37	-0.22	-0.04	0.72	-0.25	-0.10	-0.18	-0.32
Current ratio	nm	4.63	3.58	3.36	1.81	0.96	1.58	1.59	1.73	2.05
EBITDA/net interest	na	-3.47	-6.19	724.32	2.33	-7.83	3.66	15.69	27.14	48.63
Net IB debt/EBITDA	nm	-4.89	-2.12	-1.02	-0.51	-0.34	-1.26	-0.34	-0.42	-0.66
Net IB debt/EBITDA lease Adj	nm	-4.89	-2.12	-1.02	-0.51	-0.46	-2.63	-0.94	-0.72	-0.83
Interest cover	nm	-0.45	19.71	17.37	-4.01	-19.06	-2.09	0.38	8.18	17.09

Source: ABG Sundal Collier, Company data

Valuation and Ratios (DKKm)	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Shares outstanding adj.	0	0	29	29	30	40	83	83	83	83
Fully diluted shares Adj	0	0	29	29	30	40	83	83	83	83
EPS	0	0	0	0	0	0	-0.16	-0.01	0.14	0.30
Dividend per share Adj	0	0	0	0	0	0	0	0	0	0
EPS Adj	0	0	0	0	0	0	-0.16	-0.01	0.14	0.30
BVPS	0	0	6.82	6.96	6.18	0.88	0.94	0.93	1.10	1.48
BVPS Adj	0	0	3.66	3.38	2.12	-0.21	0.45	0.46	0.61	0.97
Net IB debt / share	na	na	-2.5	-1.5	-0.2	0.6	-0.2	-0.1	-0.2	-0.5
Share price	11.44	5.76	11.62	18.84	13.27	1.95	3.55	3.13	3.13	3.13
Market cap. (m)	0	0	336	553	393	77	295	260	260	260
Valuation	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
P/E	nm	nm	nm	nm	nm	nm	-21.7	-256.0	23.0	10.6
EV/sales	0	-0.48	1.21	2.17	1.87	0.96	1.61	1.31	1.07	0.81
EV/EBITDA	nm	-4.9	7.7	11.7	27.8	-1.4	18.0	10.9	6.3	3.7
EV/EBITA	nm	15.0	48.2	84.8	-16.2	-0.6	-27.3	1,469.5	15.3	6.7
EV/EBIT	nm	15.0	48.2	84.8	-16.2	-0.6	-27.3	1,469.5	15.3	6.7
Dividend yield (%)	0	0	0	0	0	0	0	0	0	0
FCF yield (%)	0	0	0	0	0	0	3.7	-4.2	3.4	9.2
Lease adj. FCF yield (%)	nm	nm	nm	nm	nm	nm	1.9	-4.9	2.8	8.6
P/BVPS	nm	nm	1.70	2.71	2.15	2.23	3.76	3.37	2.84	2.11
P/BVPS Adj	nm	nm	3.18	5.57	6.24	-9.40	7.90	6.88	5.13	3.22
P/E Adj	nm	nm	nm	nm	nm	nm	-21.7	-256.0	23.0	10.6
EV/EBITDA Adj	nm	-4.9	7.7	11.7	27.8	-1.9	18.0	10.9	6.3	3.7
EV/EBITA Adj	nm	15.0	48.2	84.8	-16.2	-0.6	-27.3	1,469.5	15.3	6.7
EV/EBIT Adj	nm	15.0	48.2	84.8	-16.2	-0.6	-27.3	1,469.5	15.3	6.7
EV/cap. employed	nm	-0.4	1.3	2.4	1.8	1.3	2.2	2.1	1.8	1.3
Investment ratios	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Capex/sales	0	25.0	21.7	20.8	25.9	33.8	9.2	10.0	10.0	10.0
Capex/depreciation	nm	190.9	163.5	130.1	141.1	33.4	67.6	91.3	107.5	105.3
Capex tangibles/tangible fixed assets	nm	70.8	48.6	46.5	77.9	18.2	42.7	0	0	0
Capex intangibles/definite intangibles	nm	53.8	47.0	43.6	40.3	82.5	36.8	49.0	55.6	64.5
Depreciation on intangibles/definite intan	nm	33.5	31.5	35.7	31.4	250.5	56.2	53.7	51.7	61.3
Depreciation on tangibles/tangibles	nm	0	0	0	0	0	0	0	0	0

Source: ABG Sundal Collier, Company data

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