

Aerospace & Defence

Key data

Price (SEK)*	15.0
Country	Sweden
Bloomberg	GOMX.SS
Reuters	GOMX.ST
Free float	90.0%
Market cap (SEKm)	785
Net debt (current Y/E) (SEKm)	-23
No. of shares (m)	52.3
Next event	Q2: 19-Jul

* Price as at close on 29 April 2021

CEO	Niels Buus
CFO	Troels Dalsgaard Normolle

Company description

GomSpace is a 'new space' company that was founded in 2007 by Ph.D. students at the Aalborg University in Denmark. Since, GomSpace has developed into a leading nanosatellite manufacturer with a global reach and c.150 employees. GomSpace customers use its solutions for e.g. ship/airplane tracking and communication. Customers are both private and government funded entities. GomSpace was listed on Nasdaq First North in 2016.

Ownership structure

BNY Mellon SA/NV FRKN Jyske Banl	10.9%
Hansen & Langeland Aps	10.0%
BNP Paribas SEC Services Paris, WB	4.5%
La Financière de l'Echiquier	4.5%
Saxo Bank A/S Client Assets	4.3%

Source: Company data (31 Mar 2021)

Estimate changes

	21E	22E	23E
Sales	-0.5%	-0.9%	-0.9%
EBITDA	-17.0%	3.2%	1.9%
EBIT (adj.)	n.m.	1.9%	0.4%
EPS (adj.)	n.m.	n.m.	n.m.

Source: Danske Bank Equity Research estimates

Analyst(s)

Viktor Högberg

Siri Ladow

Find our research here:

<https://research.danskebank.com>

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

GomSpace

Forward-leaning expansion thanks to orders

Q1 was on the weak side, with deviations vs our estimates mainly due to lower volumes and issues affecting the gross margin. However, these issues are now largely resolved and GomSpace reiterated its 2021 revenue guidance range, which coupled with a follow-up order from UnseenLabs means we have made only small revisions. On the back of slightly higher peer multiples, we raise our valuation range to SEK17-27 from SEK15-27.

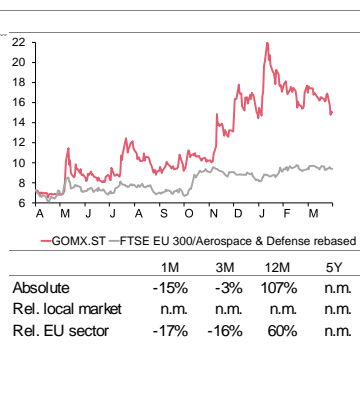
- Q1 21 review.** In Q1, GomSpace saw issues with some projects that needed more capacity (hours) than initially expected, as well as some sourcing issues due to the current global semiconductor shortage. Together with slightly lower volumes, this affected gross margin negatively, coming in at 3% in Q1, from 24% in Q1 20. Thus, despite lower opex y/y, the EBIT loss widened in Q1 to SEK13.9m (versus our forecast loss of SEK3.9m), after six quarters of the EBIT loss contracting. However, the issues affecting Q1 have now largely been resolved and GomSpace reiterated its 2021 revenue guidance range of SEK210m-235m (we estimate SEK228m). The SEK35.5m follow-up order from France's UnseenLabs will be delivered in full in 2021, but the order was announced after quarter end and thus adds to the SEK189m order backlog by 31 March. GomSpace announced no orders during the quarter, but thanks to the current order book, it is looking to expand the organisation at three sites. This we take is a forward-leaning move, after having trimmed the organisation during the past year or two. GomSpace ended the quarter with SEK111m in cash.
- Estimate revisions.** We keep our revenue and EBIT estimates largely intact for 2022-23, while we have lowered our 2021 EBIT estimate, mainly due to the Q1 deviation.
- Valuation.** Based on our estimates, GomSpace trades at EV/sales of 3.3x for 2021 and 2.5x for 2022. We continue to see value in the shares but acknowledge that this is not without risk, as clients need to progress further with their projects in order for GomSpace to realise its potential. In other words, the outlook for commercial orders needs to become clearer, which might take until later in 2021 or 2022. Commercial orders have higher gross margins than science orders, and thus are more material valuation drivers for shares. The pandemic resulted in some client delays, but we believe the operating environment will become easier. On the back of mainly higher peer group multiples, we adjust our valuation range to SEK17-27/share from SEK15-27.

Key financials

Year-end Dec (SEK)	2019	2020	2021E	2022E	2023E
Revenues (m)	136	195	228	308	407
Revenues growth	-11.2%	42.8%	17.2%	35.3%	31.8%
EBITDA (m)	-81.6	1.4	24.0	67.6	98.5
EBIT adj. (m)	-114	-32.3	-8.2	29.5	58.4
EBIT growth	2.3%	71.7%	74.7%	n.m.	98.0%
Pre-tax profit (m)	-147	-49.7	-7.8	25.5	59.4
EPS adj.	-2.90	-0.87	-0.14	0.49	1.12
DPS	0.00	0.00	0.00	0.00	0.00
Dividend yield					
FCFE yield (pre-IFRS16)	-22.9%	2.0%	-7.6%	0.3%	5.3%
EBIT margin (adj.)	-83.6%	-16.6%	-3.6%	9.6%	14.4%
Net debt/EBITDA (x)	0.6	-52.8	-0.9	-0.3	-0.6
ROIC	-64.6%	-17.2%	-3.4%	12.8%	22.9%
EV/sales (x)	4.0	4.0	3.3	2.5	1.8
EV/EBITDA (adj.) (x)	n.m.	n.m.	31.7	11.3	7.3
EV/EBITA (adj.) (x)	n.m.	n.m.	n.m.	16.8	9.3
EV/EBIT (adj.) (x)	n.m.	n.m.	n.m.	25.8	12.4
P/E (adj.) (x)	n.m.	n.m.	n.m.	30.8	13.4

Source: Company data, Danske Bank Equity Research estimates

Price performance



Source: FactSet

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Q1 21 summary

Q1 was on the weak side, with revenues of SEK35m contracting 13% y/y and being 27% lower than we had estimated (SEK48m). Due to lower volumes and some issues with a couple of orders and supply (component issues), the gross margin was considerably lower, at 3% (down from 24% Q1 20) and despite lower opex y/y, the EBIT loss widened in Q1 to SEK13.9m (versus our forecast loss of SEK3.9m), after six quarters of the EBIT loss contracting.

However, positively, orders increased 29% y/y (nothing announced in the quarter) to SEK23.8m and the order backlog stood at SEK189m by end-Q1. GomSpace's CEO commented the company already addressed the issues affecting the Q1 gross margin and that thanks to order intake, it is looking to expand the organisation at three sites – a forward-leaning move after having trimmed the organisation over the past one to two years. GomSpace ended the quarter with SEK109m in cash.

GomSpace reiterated its 2021 revenue guidance range of SEK210m-235m. GomSpace commented in the report that Q1 sales were lower than expected but, after quarter end, it received a SEK35m follow-up order from UnseenLabs, adding to the SEK189m order backlog.

Table 1: Deviation of actual results from estimates for Q1 21

SEKm	Q1 21A	Danske Q1 21E	Deviation	Q1 20A
Revenues	35.2	48.2	-27%	40.5
Gross profit	1.0	14.6	-93%	9.8
Margin	3%	30%	-27.5%	24%
Opex	-6.9	-10.5	34%	-9.7
Adj. EBITDA	-5.9	4.2	240%	0.1
D&A	-8.0	-8.0	0%	-8.6
Adj. EBIT	-13.9	-3.9	-261%	-8.5
PTP	-13.5	-3.9	-252%	-8.2
Net profit	-12.5	-3.7	-242%	7.5
Revenue growth	-13%	19%	-32%	35%
EBIT growth	n.m.	n.m.	n.m.	-69%
EBITDA margin	-17%	n.m.	n.m.	0%
EBIT margin	n.m.	n.m.	n.m.	-21%

Source: Danske Bank Equity Research estimates

Cash flow

Cash flow from operations (after changes in working capital) was slightly negative in Q1, but far better than the levels seen in 2019 and previously. As GomSpace reiterated its revenue guidance range for 2021, as well as saying that the issues affecting Q1 profitability had been largely resolved, we believe GomSpace remains on the track towards at least neutral operational cash flow. GomSpace ended Q1 with a cash position of SEK111m, with limited debt.

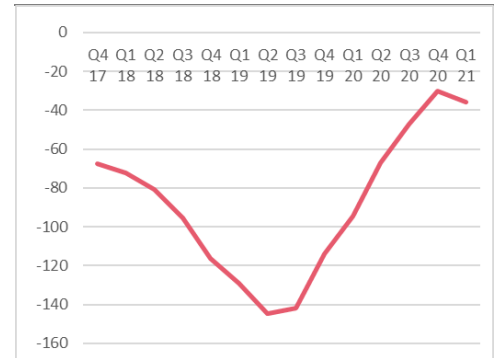
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Chart 1: Operational cash flow (before changes in working capital), quarterly (SEKm)



Source: Company data, Danske Bank Equity Research

Chart 2: EBIT, rolling 12 months (SEKm)

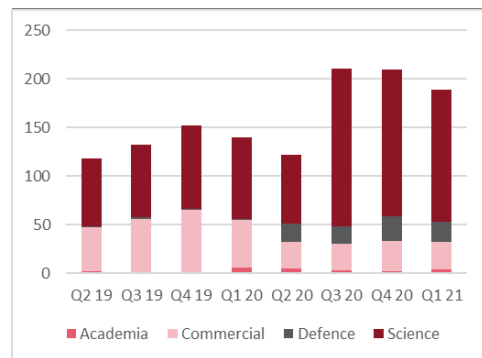


Source: Company data, Danske Bank Equity Research

Order intake

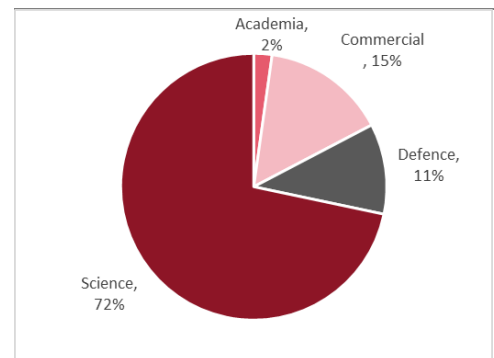
In Q1, GomSpace's order intake was SEK24m, up 29% y/y, as detailed below. After quarter-end, GomSpace announced a follow-up order from UnseenLabs of SEK35m. The order backlog per end-quarter was SEK189m but does not include the UnseenLabs order.

Chart 3: Order backlog Q1 21 (SEKm)



Source: Company data, Danske Bank Equity Research estimates

Chart 4: Order backlog 31 March 2021



Source: Company data, Danske Bank Equity Research estimates

Project pipeline

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

Notable recent orders

- **Q1 21:** SEK35.5m order from Unseen Labs, for continued work on nanosatellite platforms. Delivery in 2021.
- **Q4 20:** SEK5.1m order to be delivered in 2021 from an existing North American customer in the geo-intelligence industry. The order is for GomSpace to deliver its software defined radio modules and antenna systems. We assume the customer is the same as that detailed below from Q4 19 and indicates to us that GomSpace can compete with US-based rivals as well as European ones.
- **Q3 20:** EUR11.0m order (of which EUR6.1m would be directly to GomSpace, the rest to partners) from ESA for the Hera project (Juventas CubeSat), running until 2024, for a nanosatellite to measure asteroids. This is a large order adding to the Science order backlog. While gross margins on these orders are lower than for commercial projects, we

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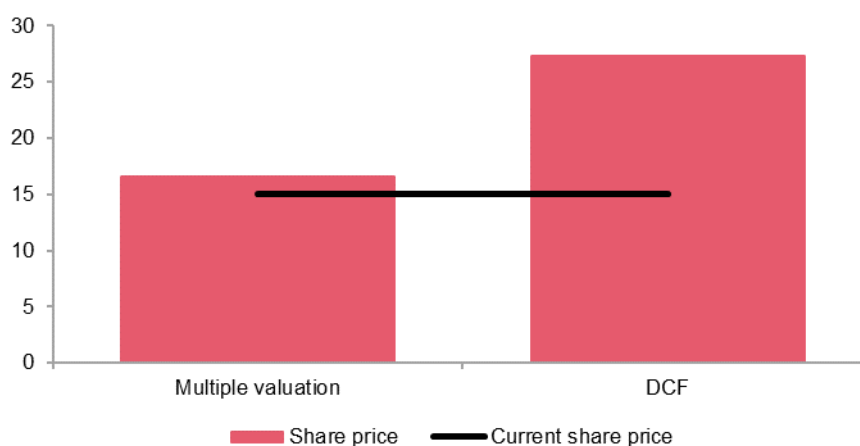
find it positive for GomSpace has a solid Science backlog while we await further clarity on the outlook for the commercial market.

- **Q2 20:** SEK19m order for a Norwegian military communications satellite (for the research institute Norwegian Defence Research Establishment [FFI]), with the launch planned in October 2021. We assume revenue recognition is spread out until Q3 21.
- **Q4 19:** Order for Lockheed Martin Space (US)/Orbital Micro Systems (UK). This is an important contract to build a 6U nanosatellite for Lockheed Martin, with the end-customer being Orbital Micro System. Lockheed Martin is set to finance the design/build process but, more importantly, it is due to provide technical assistance, review, test and, if satisfied, approve the work done by GomSpace – a strategically important quality stamp. The contract is worth SEK17m, with revenue recognition throughout 2020. It is the first deal with Lockheed Martin for GomSpace and is part of an industrial co-operation commitment to Denmark (but we note there were still other competitors for this contract).
- **Q4 19:** GomSpace announced a SEK18.6m order for UnseenLabs (France) in Q1 20 at the client’s request but had taken and booked it in Q4 19. The order from UnseenLabs is to conclude the design and delivery of nanosatellite platforms, a continuation of the collaboration between the two companies. UnseenLabs aims to provide maritime surveillance systems. The contract was due for fulfilment in 2020.
- **Q4 19:** This North American geo-intelligence customer order was a SEK8m order with delivery in 2020 for an existing North American customer, to provide GomSpace’s software defined radio and antennas for a customer in the geo-intelligence industry. In addition, it is strategically important for a Danish company to supply intelligence payload to what we assume is a US company.

Valuation

We continue to see significant long-term potential following the uncertainty regarding previously removed orders and writedowns in 2020, even though risk is set to stay high in the short term, as illustrated by the current mismatch between capacity and activity level. On the back of slightly higher peer multiples, we tighten our valuation range to SEK17-27 per share from SEK15-27.

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



Source: Danske Bank Equity Research estimates

In our DCF, with a long-term market share approaching 10% and WACC of 11.1% (previously 11.9%), the value is SEK27. In this scenario, GomSpace reaches SEK1.5bn sales in 2027E, all else being equal. We base our multiple valuation on EV/EBIT 2022E of 28.5x (previously 27x), reflecting the Nordic tech peer group’s 2022E multiple (not discounted), based on FactSet

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consensus, which gives us a value of SEK17 per share (previously SEK15). We note the Nordic Tech peer group 2022E multiples have expanded slightly lately. If we use 2023E EBIT as a basis for our multiple valuation, the non-discounted value would increase to SEK34 per share, all else being equal. In light of the uncertain outlook regarding timing of customer orders, we await more visibility before using our 2023 estimates as a basis for the multiple valuation.

Risks

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

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

Demand for low Earth orbit (LEO) based services is the core of small-satellite demand. This includes imagery-based intelligence, sensing activities such as radio-frequency mapping, automatic identification systems and weather monitoring. The demand for such services in space, in turn, requires continued downward pressure on costs (satellite assembly, increased modularisation and increased automation). In addition, it requires continued rapid technology development for components and systems. Our conclusion from visiting GomSpace's production facilities is that we are seeing exactly the increase in modularisation and automation of production that the research institute said is required to support growth in the small-satellite industry.

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

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

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

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

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Key figures

Table 2: Key figures and estimates

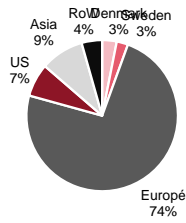
SEKm	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21E	Q2 21E	Q4 21E	2020	2021E	2022E	2023E
Revenues	40.5	42.7	39.1	72.3	35.2	49.0	64.0	79.8	195	228	308	407
Gross profit	9.8	4.8	9.2	23.8	1.0	15.1	21.7	28.7	48	67	137	196
Gross margin	24%	11%	24%	33%	3%	31%	34%	36%	24%	29%	45%	48%
EBITDA	0.1	-9.3	1.0	8.8	-5.9	3.9	11.3	14.7	0.6	24.0	67.6	100.5
EBITDA margin	0%	-22%	2%	12%	-17%	8%	18%	18%	0%	11%	22%	25%
EBIT	-8.5	-14.9	-7.2	0.3	-13.9	-4.2	3.2	6.7	-32.3	-8.2	29.5	59.4
EBIT margin	-21%	-35%	-18%	0%	-39%	-8%	5%	8%	-17%	-4%	10%	15%
PTP	-8.2	-25.6	-9.3	-4.6	-13.5	-4.2	3.2	6.7	-49.7	-7.8	25.5	55.4
Net profit	-7.5	-24.4	-7.4	-4.3	-12.5	-3.9	3.1	6.3	-45.6	-7.1	25.5	55.4
Revenue												
Sales of satellite solutions	31.7	31.9	33.0	54.3	28.3	37.7	50.4	61.0	151	177	230	297
Sales of platforms, payloads and subsystems	8.7	9.5	7.5	17.9	6.9	11.3	13.6	18.7	44	51	60	69
Constellation management	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	18	41
Other	0.0	0.2	0.0	0.0	0.0	0.1	0.0	0.0	0	0	0	0
Total	40.5	41.6	40.5	72.2	35.2	49.0	64.0	79.8	195	228	308	407

Source: Company data, Danske Bank Equity Research estimates

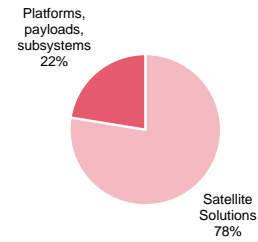
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Company summary

Sales breakdown by geographical area



Sales breakdown by division



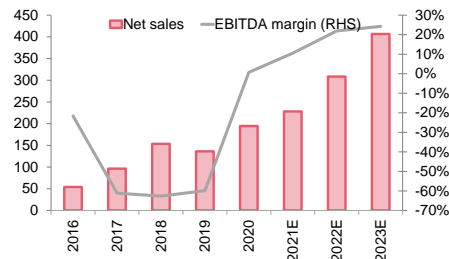
Company information

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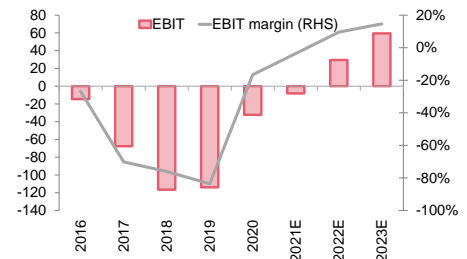
Main shareholders

Name	Votes (%)	Capital (%)
BNY Mellon SA/NV FRKN Jyske Bank, v	10.9%	10.9%
Hansen & Langeland Aps	10.0%	10.0%
BNP Paribas SEC Services Paris, W8IM	4.5%	4.5%
La Financière de l'Echiquier	4.5%	4.5%
Saxo Bank A/S Client Assets	4.3%	4.3%

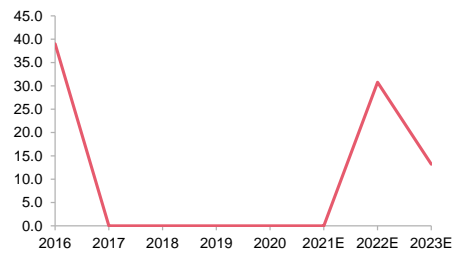
Net sales and EBITDA margin (SEKm)



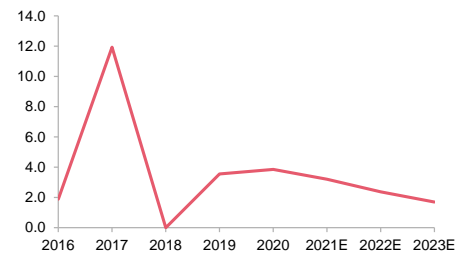
EBIT and EBIT margin (SEKm)



P/E NTM (x)



EV/sales NTM (x)



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

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Summary tables

INCOME STATEMENT										
Year end Dec, SEKm	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Net sales	26.6	34.1	54.1	96.4	153	136	195	228	308	407
Cost of sales & operating costs	-23.4	-34.9	-65.9	-155	-249	-218	-193	-204	-241	-308
EBITDA	3.2	-0.8	-11.7	-58.9	-96.1	-81.6	1.4	24.0	67.6	98.5
EBITDA, adj.	3.2	-0.8	-11.7	-58.9	-96.1	-81.6	1.4	24.0	67.6	98.5
Depreciation	-0.1	-0.4	-0.8	-3.9	-9.6	-20.7	-20.4	-19.0	-22.3	-22.3
EBITA	3.1	-1.2	-12.5	-62.8	-106	-102	-19.0	5.0	45.3	78.3
EBIT incl. EO, bef. ass.	1.8	-2.4	-14.5	-67.6	-117	-114	-32.3	-8.2	29.5	59.4
EBIT, adj.	1.8	-2.4	-14.5	-67.6	-117	-114	-32.3	-8.2	29.5	58.4
Associated income			21.4	4.6	-2.1	-26.0	-9.0			
Financial items, net	-0.2	-0.8	-1.4	-3.5	-4.1	-6.7	-8.4	0.3	-4.0	0.0
Pre-tax profit	1.6	-3.1	5.5	-66.5	-123	-147	-49.7	-7.8	25.5	59.4
Taxes	-0.4	0.8	3.5	12.5	10.3	-5.1	4.1	0.8		
Net profit, rep.	1.2	-2.4	9.0	-54.0	-112	-152	-45.6	-7.1	25.5	59.4
Net profit, adj.	1.2	-2.4	9.0	-54.0	-112	-152	-45.6	-7.1	25.5	58.4
CASH FLOW										
SEKm	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
EBITDA	3.2	-0.8	-11.7	-58.9	-96.1	-81.6	1.4	24.0	67.6	98.5
Change in working capital	-4.4	-9.7	-4.7	43.5	-18.7	-34.6	34.8	-54.7	-23.0	-14.5
Net interest paid	-0.2	-0.7	-1.3	-1.4	-3.6	-4.6	-3.6	0.3	-4.0	
Taxes paid	0.1			2.3	5.3	7.7	-0.4	0.8		
Other operating cash items	0.1		0.4	6.2	10.6	20.4	11.2			
Cash flow from operations	-1.1	-11.2	-17.4	-8.4	-103	-92.6	43.4	-29.5	40.5	84.1
Capex	-1.3	-6.1	-12.1	-55.8	-81.8	-32.7	-16.7	-22.1	-30.0	-34.0
Div to min										
Free cash flow	-2.4	-17.3	-29.4	-64.2	-184	-125	26.8	-51.6	10.5	50.1
Disposals/(acquisitions)			-2.9	-24.1						
Free cash flow to equity	-2.4	-17.3	-32.3	-88.3	-184	-125	26.8	-51.6	10.5	50.1
Dividend paid										
Share buy backs										
New issue common stock		8.9	125	95.4	356					
Incr./(decr.) in debt	0.0	3.8	2.4	20.1	0.8	-6.0	1.0			
Minorities & other financing CF			-22.1	-2.8	1.1	-10.9	-19.5	0.9	-10.0	-10.0
Cash flow from financing	0.0	12.7	105	113	358	-17.0	-18.4	0.9	-10.0	-10.0
Disc. ops & other	0.0	0.1	-14.4	2.7						
Incr./(decr.) in cash	-2.4	-4.5	58.5	24.4	174	-142	8.3	-50.7	0.5	40.1
BALANCE SHEET										
SEKm	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Cash & cash equivalents	1.5	1.3	73.8	95.6	269	127	136	84.8	85.3	125
Inventory	3.5	2.9	4.3	9.8	34.8	24.1	26.4	38.8	55.5	73.2
Trade receivables	9.1	16.8	52.1	65.8	97.0	37.2	21.7	59.3	83.3	114
Other current assets	0.0	0.0	0.0	0.0	25.2	31.1	31.1	41.0	55.5	73.2
Goodwill			3.7	3.7	3.2	3.7	3.7	3.7	3.7	3.7
Other intangible assets	4.4	8.4	27.3	62.4	115	117	114	117	127	136
Fixed tangible assets	0.5	0.7	6.4	21.3	37.9	31.1	22.3	19.5	11.2	6.9
Associated companies			36.7	41.9	34.6	11.8				
Other non-current assets			4.8	12.7	16.2	5.2	5.6	5.6	5.6	5.6
Total assets	19.1	30.1	209	313	609	437	403	401	459	570
Shareholders' equity	7.7	13.8	146	185	442	296	247	240	266	325
Of which minority interests										
Current liabilities	8.0	4.6	46.4	93.8	131	59.6	86.0	91.2	123	175
Interest-bearing debt	2.2	10.8	13.5	34.0	36.2	23.8	30.2	30.2	30.2	30.2
Pension liabilities										
Oth non-curr. liabilities	1.1	0.9	3.1			2.9	7.6	7.6	7.6	7.6
Total liabilities	11.3	16.3	63.0	128	167	141	156	161	193	245
Total liabilities and equity	19.1	30.1	209	313	609	437	403	401	459	570
Net debt	0.6	9.5	-60.3	-61.6	-233	-103	-105	-54.6	-55.1	-95.2

Source: Company data, Danske Bank Equity Research estimates

Summary tables

PER SHARE DATA	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
No. of shares, fully diluted (y.e.) (m)			24.5	26.3	52.3	52.3	52.3	52.3	52.3	52.3
No. of shares, fully diluted (avg.) (m)			14.6	25.9	28.6	52.3	52.3	52.3	52.3	52.3
EPS (SEK)			0.62	-2.09	-3.93	-2.90	-0.87	-0.14	0.49	1.14
EPS adj. (SEK)			0.62	-2.08	-3.93	-2.90	-0.87	-0.14	0.49	1.12
DPS (SEK)			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CFFO/share (SEK)			-1.2	-0.3	-3.6	-1.8	0.8	-0.6	0.8	1.6
Book value/share (SEK)			5.96	7.06	8.45	5.66	4.73	4.60	5.09	6.22
MARGINS AND GROWTH	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
EBITDA margin	12.1%	-2.4%	-21.6%	-61.1%	-62.7%	-59.9%	0.7%	10.5%	21.9%	24.2%
EBIT margin	11.6%	-3.5%	-23.2%	-65.1%	-68.9%	-75.0%	-9.8%	2.2%	14.7%	19.3%
EBIT adj margin	6.6%	-6.9%	-26.8%	-70.1%	-76.0%	-83.6%	-16.6%	-3.6%	9.6%	14.6%
Sales growth	n.m.	27.9%	58.8%	78.1%	59.1%	-11.2%	42.8%	17.2%	35.3%	31.8%
EBITDA growth	n.m.	n.m.	n.m.	n.m.	-63.0%	15.1%	n.m.	n.m.	n.m.	45.8%
EBITDA growth	n.m.	n.m.	n.m.	n.m.	-68.3%	3.3%	81.4%	n.m.	n.m.	72.7%
EPS adj growth				n.m.	-88.5%	26.1%	70.0%	84.5%	n.m.	n.m.
PROFITABILITY	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
ROIC (after tax, incl. GW, adj.)	18.8%	-10.6%	20.8%	-51.5%	-70.0%	-64.6%	-17.2%	-3.4%	12.8%	22.9%
ROIC (after tax, excl. GW, adj.)	18.8%	-10.6%	21.5%	-53.5%	-71.6%	-65.6%	-17.5%	-3.4%	13.0%	23.2%
ROE (adj.)	17.8%	-22.0%	11.2%	-32.6%	-35.9%	-41.2%	-16.8%	-2.9%	10.1%	19.8%
ROIC (adj.) - WACC	7.7%	-21.8%	9.6%	-62.7%	-81.1%	-75.7%	-28.3%	-14.5%	1.6%	11.8%
MARKET VALUE	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Share price (SEK)			24.0	62.4	10.2	11.2	16.4	15.0	15.0	15.0
No. shares reduced by buybacks (m)			24.5	26.3	52.3	52.3	52.3	52.3	52.3	52.3
Mkt cap used in EV (m)			588	1,638	532	588	855	785	785	785
Net debt, year-end (m)	1	10	-60	-62	-233	-49	-74	-23	-23	-63
MV of min/ass and oth (m)	0	0	-426	-426	-426	0	0	0	0	0
Enterprise value (m)			102	1,150	n.m.	539	782	763	762	722
VALUATION	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
EV/sales (x)			1.88	11.93	n.m.	3.96	4.02	3.34	2.47	1.78
EV/EBITDA (x)			n.m.	n.m.	n.m.	n.m.	n.m.	31.7	11.3	7.3
EV/EBITA (x)			n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	16.8	9.3
EV/EBIT (x)			n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	25.8	12.4
P/E (reported) (x)			39.0	n.m.	n.m.	n.m.	n.m.	n.m.	30.8	13.2
P/E (adj.) (x)			39.0	n.m.	n.m.	n.m.	n.m.	n.m.	30.8	13.4
P/BV (x)			4.03	8.84	1.20	1.99	3.46	3.27	2.95	2.41
EV/invested capital (x)			1.3	10.4	n.m.	2.2	4.4	3.5	3.1	2.7
Dividend yield										
Total yield (incl. buybacks)										
FCFE-yield			-5.00%	-3.92%	-34.64%	-21.33%	3.13%	-6.58%	1.34%	6.38%
FINANCIAL RATIOS	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Net debt/EBITDA (x)	0.2	-11.5	5.2	1.0	2.4	0.6	-52.8	-0.9	-0.3	-0.6
Net debt/equity (x), year-end	0.1	0.7	-0.4	-0.3	-0.5	-0.2	-0.3	-0.1	-0.1	-0.2
Dividend pay out ratio			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest coverage (x)	9.8	-2.4	-7.3	-8.4	-15.0	-15.8	-3.0	-9.6		
Cash conversion (FCF/net profit)	-196.3%	n.m.	-327.8%	n.m.	n.m.	n.m.	n.m.	n.m.	41.3%	84.3%
Capex/sales	4.8%	17.8%	22.3%	57.9%	53.3%	24.0%	8.6%	9.7%	9.7%	8.4%
NWC/sales	17.2%	44.3%	18.4%	-18.9%	0.9%	19.8%	-3.5%	21.0%	23.0%	21.0%
QUARTERLY P&L			Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21E	Q3 21E	Q4 21E
Sales (m)			40.5	42.7	39.1	72.3	35.2	49.0	64.0	79.8
EBITDA (m)			-2.6	-9.3	-1.8	6.0	-8.6	1.1	8.5	12.0
EBIT before non-recurring items (m)			-8.5	-17.7	-7.2	3.1	-13.9	-4.2	3.2	6.7
Net profit (adj.) (m)			-7.5	-27.2	-7.4	-3.5	-12.5	-3.9	3.1	6.3
EPS (adj.) (SEK)			-0.14	-0.52	-0.14	-0.07	-0.24	-0.08	0.06	0.12
EBITDA margin			-6.5%	-21.7%	-4.6%	8.4%	-24.5%	2.3%	13.3%	15.0%
EBIT margin (adj.)			-21.0%	-41.3%	-18.5%	4.3%	-39.5%	-8.5%	5.1%	8.4%

Source: Company data, Danske Bank Equity Research estimates

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