

Health Care

Key data

Price (SEK)*	50.6
Country	Sweden
Bloomberg	ICO SS
Reuters	ICO.ST
Free float	67.0%
Market cap (SEKm)	393
Net debt (current Y/E) (SEKm)	-71
No. of shares (m)	7.8
Next event	Q2: 19-Aug

* Price as at close on 11 May 2020

CEO	Johan Wåborg
CFO	Anna Gallon

Company description

Iconovo AB develops, manufactures, and supplies inhalation products. The firm offers inhalers for use in the treatment of asthma and respiratory disorders. The company was founded in 2013 and is headquartered in Lund, Sweden.

Ownership structure

Mats Johansson	11.8%
Orest Lastow	10.9%
Eiffel Investment Group SAS	10.3%
SEB Life International	8.2%
Johan Lundgren	5.9%

Source: Company data (31 March 2020)

Estimate changes

	20E	21E	22E
Sales	1.7%	0.0%	0.0%
EBITDA	n.m.	-28.1%	-8.1%
EBIT (adj.)	n.m.	-64.8%	-9.9%
EPS (adj.)	n.m.	n.m.	n.m.

Source: Danske Bank Equity Research estimates

Analyst(s)

Daniel Albin

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Iconovo

Stepping closer to important milestones

Iconovo's Q1 results were confirmatory for us. Since mid-April, Iconovo has had a new CEO, Johan Wåborg, with extensive international experience in product commercialisation, while the former CEO Orest Lastow is stepping down to CTO to accelerate development of the company's ICOPre inhalation platform. We continue to be positive about the future for Iconovo.

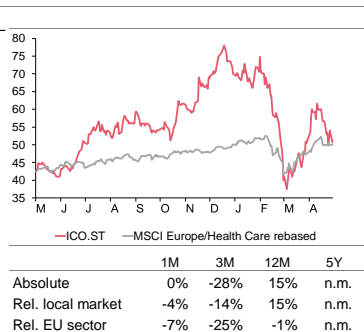
- Impact on the investment case.** The impact on our investment case is confirmatory. Iconovo reported net sales of SEK1.9m, versus our estimate of SEK1.3m, and EBIT of minus SEK5.0m, versus our estimate of minus SEK5.7m. Opex was 10% higher than we expected. It is worth highlighting that the net sales and EBIT deviations are not of the greatest interest, given that Iconovo is still in the development phase and that we expect larger revenue streams once its products are commercialised with its partners. Iconovo continues to gain momentum gradually. First, the company has transferred its ICOPres budesonide/formoterol product (generic Symbicort) back to Amneal Pharmaceuticals. Second, ICOPre (analogue to GlaxoSmithKline's (GSK) Ellipta inhalers) has reached important development milestones with three concept inhalers under development. Third, Stevanato expects ICOCap to gain a CE mark later in May, opening it up for clinical trials.
- Amneal Pharmaceuticals, back and stronger.** We note that during Amneal's Q1 conference call, it highlighted potential in its production infrastructure in Ireland for both metered-dose inhalers (MDIs) and dry-powder inhalers (DPIs). We believe Amneal's commercial investments show it fully supports growth in its generic inhalation segment, which should benefit Iconovo on approval and commercialisation of the generic Symbicort (ICOPres budesonide/formoterol) product.
- Estimate changes.** We raise our estimates of operating expenses marginally. The estimate changes have minor implications for the long-term fair value of Iconovo.
- Valuation.** Our updated DCF-derived fair value points to a valuation range of SEK599-774m (down from SEK609-786m), assuming a cost of capital of between 9% and 12%, corresponding to a share price of SEK77-99 (previously SEK78-101).

Key financials

Year-end Dec (SEK)	2018	2019	2020E	2021E	2022E
Revenues (m)	12	12	12	34	51
Revenues growth	-40.7%	-1.4%	3.9%	n.m.	51.1%
EBITDA (m)	-4	-9	-13	4	18
EBIT adj. (m)	-6	-12	-16	1	14
EBIT growth	n.m.	n.m.	-36.1%	n.m.	n.m.
Pre-tax profit (m)	-6	-11	-16	1	14
EPS adj.	-0.86	-1.57	-2.06	0.11	1.46
DPS	0.00	0.00	0.00	0.00	0.00
Dividend yield					
FCF yield (incl. recurr capex)	-2.6%	-3.3%	-4.7%	-0.8%	2.0%
EBIT margin (adj.)	-48.9%	n.m.	n.m.	2.5%	28.1%
Net debt/EBITDA (x)	13.2	9.7	5.4	-17.1	-4.2
ROIC	-54.1%	-77.0%	-76.7%	3.5%	40.9%
EV/sales (x)	15.5	44.1	26.5	9.7	6.2
EV/EBITDA (adj.) (x)	n.m.	n.m.	n.m.	82.4	17.9
EV/EBITA (x)	n.m.	n.m.	n.m.	89.5	18.3
EV/EBIT (adj.) (x)	n.m.	n.m.	n.m.	n.m.	22.2
P/E (adj.) (x)	n.m.	n.m.	n.m.	n.m.	34.6

Source: Company data, Danske Bank Equity Research estimates

Price performance



Source: FactSet

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Q1 20 in review

Looking at the Q1 20 report from Iconovo, we believe there are three areas that are particularly important to highlight.

- CEO change set to speed up commercialisation and product development.** We believe Iconovo has appointed its new CEO Johan Wåborg, CEO of Actelion Pharmaceuticals in the Nordic countries, acquired by Janssen Pharmaceuticals (JnJ), to focus on pushing current projects forward and signing new deals. In addition, since Iconovo's founder, Orest Lastow, is set to step down to CTO and focus fully on the development of the ICOPre (analogue to GSK's Ellipta inhalers), we expect the development of ICOPre to accelerate. We note that in Q1 20 Iconovo developed three concepts and plans to choose and proceed with one during the summer; we expect it to sign a licensing deal in mid-2021. As an anecdote, Vectura, Iconovo's UK competitor, signed a deal with Hikma concerning similar generic versions of GSK's Ellipta portfolio with an upfront payment of USD15m; hence, we model SEK20m in upfront payment to Iconovo.
- Amneal Pharmaceuticals is back.** We view this as positive, as we believe Amneal has both the in-house production capabilities and the commercial network to launch and commercialise ICOPres budesonide/formoterol (generic Symbicort) successfully.
- Next positive catalyst set to be ICOCap CE mark.** ICOCap is a capsule-based DPI designed to be bioequivalent to other capsule DPI products on the market. Iconovo has a commercialisation agreement with Stevanato and when it receives a CE mark, it can use ICOCap for clinical trials. We expect commercialisation using the ICOCap device in 2021. We understand that Iconovo intends Balda in Germany, a specialist in plastics and part of Stevanato Group, to manufacture ICOCap.

Table 1: Deviation of actual from estimated Q1-20 results

SEKm	Q1 20A	Q1 20E	Diff.	Q1 19	Change y/y
Net sales	1.9	1.3	55%	5.2	-63%
Other income	1.3	0.8	71%	1.7	-23%
COGS	-0.1	-0.3	-79%	-0.2	-71%
Gross profit	3.2	1.7	83%	6.7	-53%
Opex	-8.1	-7.4	10%	-6.4	26%
EBIT	-5.0	-5.7	-12%	0.3	n.a.

Source: Company data, Danske Bank Equity Research estimates

Table 2: Detailed estimates, quarterly

SEKm	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20E	Q3 20E	Q4 20E
Net sales	5.2	3.0	3.5	0.0	1.9	1.3	3.3	5.8
Other income	1.7	1.4	1.1	1.2	1.3	0.8	0.8	1.2
COGS	-0.2	-0.3	-0.2	-0.3	-0.1	-0.1	-0.1	-0.9
Gross profit	6.7	4.2	4.4	0.9	3.2	1.9	3.9	6.1
Gross margin	97%	94%	96%	73%	98%	97%	99%	87%
Other external costs	-1.6	-1.4	-1.2	-2.5	-1.7	-1.6	-1.6	-1.9
Personnel cost	-4.2	-4.9	-4.5	-4.9	-5.6	-5.0	-5.0	-5.6
Depreciation & amortisation	-0.6	-0.6	-0.7	-0.7	-0.8	-0.7	-0.7	-0.7
Other operating costs	-0.1	0.0	0.0	0.0	-0.1	0.0	0.0	0.0
Opex	-6.4	-7.0	-6.4	-8.1	-8.1	-7.4	-7.4	-8.2
Opex growth (% y/y)	50%	48%	69%	62%	26%	6%	15%	1%
EBIT	0.3	-2.8	-2.0	-7.2	-5.0	-5.5	-3.5	-2.1
EBIT margin								
Net financials	0.2	0.2	0.3	-0.3	0.7	0.0	0.0	0.0
EBT	0.5	-2.6	-1.8	-7.5	-4.2	-5.5	-3.5	-2.1
Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	0.5	-2.6	-1.8	-7.5	-4.2	-5.5	-3.5	-2.1
Net sales drivers								
Technology access fee	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Milestones	0.0	3.0	3.4	0.0	1.9	1.3	3.3	5.8
Royalties	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	5.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net sales	5.2	3.0	3.5	0.0	1.9	1.3	3.3	5.8
Royalties by segment								
ICOres (7.5%)								
ICOCap (5%)								
ICOpre (9%)								
ICOone								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Royalties by partner								
Anneal Pharma								
Intas Pharma								
Stevanato Group								
Not yet outlicensed								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: Company data, Danske Bank Equity Research estimates

Table 3: Detailed estimates, annual

SEKm	2018	2019	2020E	2021E	2022E	2023E	2024E	2025E	2026E	2027E
Net sales	11.9	11.7	12.2	33.8	51.0	76.5	89.3	102.0	186.8	235.5
Other income	3.0	5.4	4.0	4.0	3.0	4.0	3.0	3.9	3.6	3.6
COGS	-2.9	-1.0	-1.1	-1.3	-1.6	-1.3	-1.5	-1.5	-1.5	-1.5
Gross profit	12.0	16.2	15.1	36.5	52.4	79.2	90.8	104.4	188.9	237.6
Gross margin	81%	94%	93%	97%	97%	98%	98%	99%	99%	99%
Other external costs	-4.1	-6.7	-6.7	-8.1	-8.4	-9.1	-9.6	-10.3	-10.9	-11.5
Personnel cost	-11.9	-18.5	-21.3	-24.3	-26.2	-28.2	-30.3	-32.5	-34.8	-37.2
Depreciation & amortisation	-1.8	-2.6	-3.0	-3.1	-3.4	-3.8	-4.1	-4.2	-4.3	-4.4
Other operating costs	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Opex	-17.8	-27.9	-31.1	-35.6	-38.1	-41.2	-44.2	-47.1	-50.1	-53.3
Opex growth (% y/y)		57%	11%	14%	7%	8%	7%	7%	6%	6%
EBIT	-5.8	-11.8	-16.0	0.8	14.3	38.0	46.6	57.3	138.8	184.3
EBIT margin	-39%	-69%	-99%	2%	27%	47%	50%	54%	73%	77%
Net financials	0.0	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	-5.8	-11.4	-16.0	0.8	14.3	38.0	46.6	57.3	138.8	184.3
Taxes	0.0	0.0	0.0	0.0	-2.9	-7.8	-9.6	-11.8	-28.6	-38.0
Net income	-4.3	-11.4	-16.0	0.8	11.4	30.2	37.0	45.5	110.2	146.3
Net sales drivers										
Technology access fee	2.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Milestones	9.0	6.5	12.2	30.0	0.0	0.0	0.0	0.0	0.0	0.0
Royalties	0.0	0.0	0.0	3.8	51.0	76.5	89.3	102.0	186.8	235.5
Other	0.2	5.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net sales	11.9	11.7	12.2	33.8	51.0	76.5	89.3	102.0	186.8	235.5
Royalties by segment										
ICOres (7.5%)					45.0	67.5	78.8	90.0	101.3	112.5
ICOCap (5%)					6.0	9.0	10.5	12.0	13.5	15.0
ICOPre (9%)					0.0	0.0	0.0	0.0	72.0	108.0
ICOone					0.0	0.0	0.0	0.0	0.0	0.0
Total		0.0	0.0	3.8	51.0	76.5	89.3	102.0	186.8	235.5
Royalties by partner										
Amneal Pharma					30.0	45.0	52.5	60.0	67.5	75.0
Intas Pharma					15.0	22.5	26.3	30.0	33.8	37.5
Stevanato Group				3.8	6.0	9.0	10.5	12.0	13.5	15.0
Not yet outlicensed					0.0	0.0	0.0	0.0	72.0	108.0
Total		0.0	0.0	3.8	51.0	76.5	89.3	102.0	186.8	235.5

Source: Company data, Danske Bank Equity Research estimates

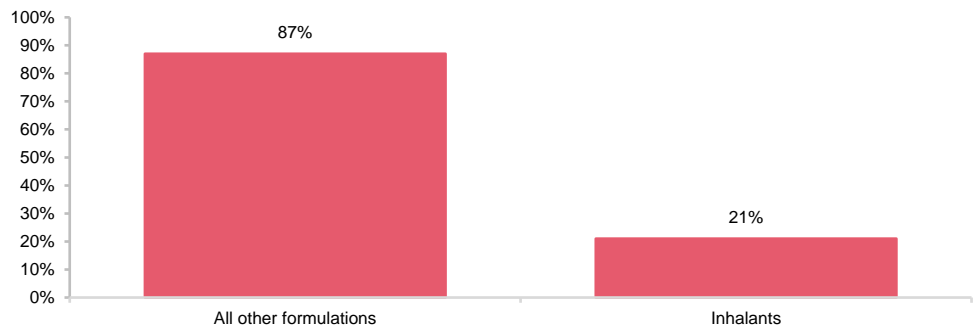
Executive summary

An investment in Iconovo offers exposure to the attractive, growing market for inhaled generics for the treatment of chronic respiratory diseases, such as asthma and chronic obstructive pulmonary disease (COPD). Former AstraZeneca employees with a wealth of experience in inhalation product development and commercialisation founded Iconovo in 2013. The company offers four in-house developed inhalation drug-delivery devices (inhalers) used to administer inhaled generics and/or enhance the delivery of existing drug molecules. To date, Iconovo has managed to sign three royalty agreements with different global generic drug companies. We see near-term positive catalysts to be additional collaboration and royalty agreements signed with drug companies.

Addressable market worth billions

According to Iconovo, its addressable market amounts to c.500m people suffering from asthma or COPD disorders. It believes its current product portfolio addresses a market worth c.USD14bn in product sales annually, comprising mainly five approved inhalers (HandiHaler from Boehringer Ingelheim, Breezhaler from Novartis, Advair Diskus and Ellipta inhalers from GSK and Symbicort Turbuhaler from AstraZeneca). Compared with generic solid oral tablets, the generic market for inhalants is tougher to access due to high regulatory standards and the complexity in drug delivery, specifically combining a drug formulation with an inhaler.

Chart 1: 2017 US generic prescription share



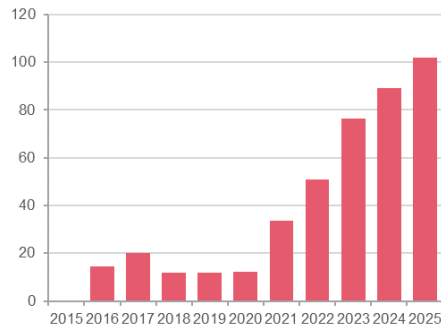
Source: IQVIA Global Generic and Biosimilars Trends and Insights, presented at the Association for Accessible Medicines 15 February 2018

Scalable business model

We estimate Iconovo will be able to achieve total non-risk-adjusted peak royalty revenue of SEK293m in 2031, corresponding to SEK3,590m in combined peak sales from its generic partners. As we assume that Iconovo's partners will produce, market and distribute its products, we see a limited need for the company to expand its operational organisation heavily to achieve incremental sales. We estimate that the company will become profitable in 2021, with peak operating margins well in excess of 70% beyond 2026. With c.SEK85m in net cash as of end-Q1 20, we do not fear the company will need to raise additional funds to break even.

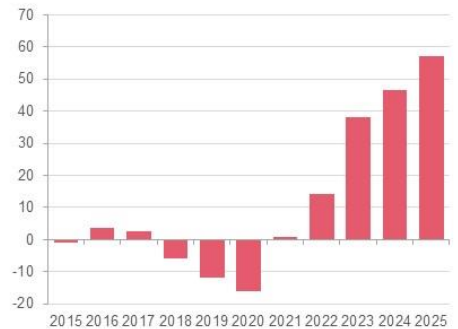
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Chart 2: Net sales - estimates for 2020 onwards (SEKm)



Source: Company data, Danske Bank Equity Research estimates

Chart 3: EBIT - estimates for 2020 onwards (SEKm)



Source: Company data, Danske Bank Equity Research estimates

Valuation and methodology

We base our valuation of Iconovo on a DCF, which assumes a cost of capital of between 9% and 12%. We estimate free cash flow until 2040. Our valuation does not consider any terminal value post 2040. Given the company's unique characteristics and the lack of ideal comparable peers (Vectura being one but the cost structure and royalty agreements differ greatly), we consider a relative valuation would not be reliable.

Absolute valuation

Our DCF-derived fair value points to a valuation range of SEK599-774m (previously SEK609-786m) assuming a cost of capital of between 9% and 12%, corresponding to a share price of between SEK77 and SEK99 (previously SEK78 and SEK101).

Risks to consider

In our opinion, the key risks include (1) this being a highly regulated industry with stringent requirements to gain approval, (2) competition from large, global pharmaceutical companies and (3) delayed or lower-than-expected market acceptance for generic inhaled drug devices.

Partnership and industrial co-operation

Iconovo's business model is to outlicense its products primarily to generic drug companies. Iconovo's future royalties depend largely on sales conducted by its partners. There is a risk that such collaboration will not turn profitable and/or that the outlicensing partners may fail in their product launches, which would negatively affect Iconovo's future income stream of royalties.

Regulatory considerations for generic orally inhaled drugs

The regulatory pathway to achieving approval for bringing generic orally inhaled drugs to market is harder than for generic solid oral dosage forms (i.e. a tablet). The challenges to achieve bioequivalence for inhaled generic drugs must be met and may require repeated in-vitro studies and pharmacokinetic studies, which may delay a potential product launch and thus delay upcoming royalties to Iconovo.

Technology risk

A key risk when investing in medical-device developing companies is the proprietary technology used. Iconovo may encounter competition from larger companies in the field, which could impair Iconovo's partners' market share and uptake. However, we see new and upcoming technology from larger competitors as only a moderate threat and argue that the market is large enough for generic players.

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Dependence on key personnel

We see one of the main risks in Iconovo to be its relatively small size as an organisation. We view the risk of losing senior R&D employees and senior sales representatives as the most serious risk.

Company summary

Sales breakdown by geographical area

n.a.

Sales breakdown by division

n.a.

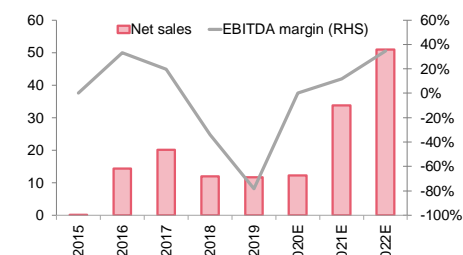
Company information

Iconovo
Scheelevägen 2 Medicion Village
Sweden
iconovo.se

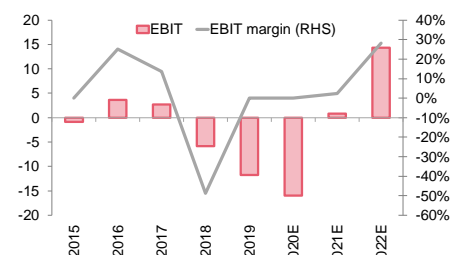
Main shareholders

Name	Votes (%)	Capital (%)
Mats Johansson	11.8%	11.8%
Orest Lastow	10.9%	10.9%
Eiffel Investment Group SAS	10.3%	10.3%
SEB Life International	8.2%	8.2%
Johan Lundgren	5.9%	5.9%

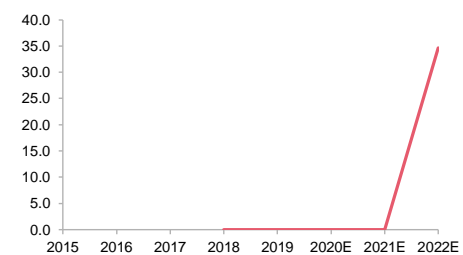
Net sales and EBITDA margin (SEKm)



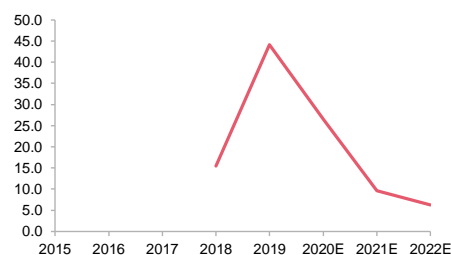
EBIT and EBIT margin (SEKm)



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	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
Net sales			0	14	20	12	12	12	34	51
Cost of sales & operating costs			-6	-14	-19	-19	-26	-29	-34	-36
EBITDA			-1	5	4	-4	-9	-13	4	18
EBITDA, adj.			-1	5	4	-4	-9	-13	4	18
Depreciation			-0	-0	-0	-0	-1	-0	-0	-0
EBITA			-1	5	4	-4	-10	-13	4	17
EBIT incl. EO, bef. ass.			-1	4	3	-6	-12	-16	1	14
EBIT, adj.			-1	4	3	-6	-12	-16	1	14
Financial items, net			0	-0	-0	0	0	0	0	0
Pre-tax profit			-1	4	2	-6	-11	-16	1	14
Taxes				-0	-0					-3
Net profit, rep.			-1	3	2	-6	-11	-16	1	11
Net profit, adj.			-1	3	2	-6	-11	-16	1	11
CASH FLOW										
SEKm	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
EBITDA			-1	5	4	-4	-9	-13	4	18
Change in working capital				1	-8	3	-3	2		
Net interest paid			0	-0	-0	0	0			
Taxes paid				-0	-0	-0	-0			-3
Other operating cash items			1	-0	1	0				
Cash flow from operations			0	6	-4	-1	-12	-12	4	15
Capex				-2	-5	-5	-8	-7	-7	-7
Div to min										
Free cash flow			0	4	-8	-6	-20	-19	-3	8
Disposals/(acquisitions)										
Free cash flow to equity			0	4	-8	-6	-20	-19	-3	8
Dividend paid										
Share buybacks										
New issue common stock					23	40	60			
Incr./(decr.) in debt										
Minorities & other financing CF			5	2	-3	-4	-4			
Cash flow from financing			5	2	19	37	56	0	0	0
Disc. ops & other										
Incr./(decr.) in cash			5	6	11	31	36	-19	-3	8
BALANCE SHEET										
SEKm	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
Cash & cash equivalents			5	12	22	53	89	71	68	75
Inventory					0	0	0			
Trade receivables				0	9	5	3			
Other current assets				2	2	2	3			
Goodwill										
Other intangible assets			6	7	7	9	16	19	22	24
Fixed tangible assets			0	0	3	4	2	3	4	5
Associated companies										
Other non-current assets			0							
Total assets			11	20	42	73	114	93	94	105
Shareholders' equity			6	9	32	64	109	93	94	105
Of which minority interests										
Current liabilities			5	9	9	9	5			
Interest-bearing debt				2						
Pension liabilities										
Oth non-curr. liabilities				1	2					
Total liabilities			5	11	11	9	5	0	0	0
Total liabilities and equity			11	20	42	73	114	93	94	105
Net debt			-5	-10	-22	-53	-89	-71	-68	-75

Source: Company data, Danske Bank Equity Research estimates

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Summary tables

PER SHARE DATA	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
No. of shares, fully diluted (y.e.) (m)						6.8	7.8	7.8	7.8	7.8
No. of shares, fully diluted (avg.) (m)						6.8	7.3	7.8	7.8	7.8
EPS (SEK)						-0.86	-1.57	-2.06	0.11	1.46
EPS adj. (SEK)						-0.86	-1.57	-2.06	0.11	1.46
DPS (SEK)						0.00	0.00	0.00	0.00	0.00
CFFO/share (SEK)						-0.1	-1.7	-1.5	0.5	1.9
Book value/share (SEK)						9.44	14.0	11.9	12.0	13.5
MARGINS AND GROWTH	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
EBITDA margin			n.m.	33.1%	19.8%	-33.9%	-78.3%	n.m.	11.7%	34.8%
EBITA margin			n.m.	31.5%	18.5%	-36.9%	-82.7%	n.m.	10.8%	34.1%
EBIT margin			n.m.	25.1%	13.7%	-48.9%	n.m.	n.m.	2.5%	28.1%
EBIT adj margin			n.m.	25.1%	13.7%	-48.9%	n.m.	n.m.	2.5%	28.1%
Sales growth				n.m.	39.6%	-40.7%	-1.4%	3.9%	n.m.	51.1%
EBITDA growth				n.m.	-16.5%	n.m.	n.m.	-42.0%	n.m.	n.m.
EBITA growth				n.m.	-17.7%	n.m.	n.m.	-37.5%	n.m.	n.m.
EPS adj growth							-82.4%	-31.6%	n.m.	n.m.
PROFITABILITY	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
ROIC (after tax, incl. GW, adj.)			-158.7%	657.7%	50.9%	-54.1%	-77.0%	-76.7%	3.5%	40.9%
ROIC (after tax, excl. GW, adj.)			-158.7%	657.7%	50.9%	-54.1%	-77.0%	-76.7%	3.5%	40.9%
ROE (adj.)			-28.6%	41.3%	11.6%	-12.2%	-13.2%	-15.9%	0.9%	11.4%
ROIC (adj.) - WACC			-166.2%	650.1%	43.3%	-61.7%	-84.6%	-84.3%	-4.1%	33.3%
MARKET VALUE	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
Share price (SEK)						35.0	78.0	50.6	50.6	50.6
No. shares reduced by buybacks (m)						6.8	7.8	7.8	7.8	7.8
Mkt cap used in EV (m)						237	607	393	393	393
Net debt, year-end (m)			-5	-10	-22	-53	-89	-71	-68	-75
MV of min/ass and oth (m)			0	0	0	0	0	0	0	0
Enterprise value (m)						184	517	323	326	318
VALUATION	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
EV/sales (x)						15.5	44.1	26.5	9.7	6.2
EV/EBITDA (x)						n.m.	n.m.	n.m.	82.4	17.9
EV/EBITA (x)						n.m.	n.m.	n.m.	89.5	18.3
EV/EBIT (x)						n.m.	n.m.	n.m.	n.m.	22.2
P/E (reported) (x)						n.m.	n.m.	n.m.	n.m.	34.6
P/E (adj.) (x)						n.m.	n.m.	n.m.	n.m.	34.6
P/BV (x)						3.71	5.58	4.24	4.20	3.75
EV/invested capital (x)										
Dividend yield										
Total yield (incl. buybacks)										
FCFE-yield						-2.61%	-3.31%	-4.70%	-0.77%	1.98%
FINANCIAL RATIOS	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
Net debt/EBITDA (x)			5.8	-2.0	-5.7	13.2	9.7	5.4	-17.1	-4.2
Net debt/equity (x), year-end			-0.8	-1.1	-0.7	-0.8	-0.8	-0.8	-0.7	-0.7
Dividend payout ratio						0.0%	0.0%	0.0%	0.0%	0.0%
Interest coverage (x)										
Cash conversion (FCF/net profit)			n.m.	142.7%	-358.6%	n.m.	n.m.	n.m.	-364.0%	68.6%
Capex/sales				11.2%	22.8%	43.4%	68.2%	57.4%	20.7%	13.7%
NWC/sales			n.m.	-47.6%	6.4%	-14.5%	13.2%	0.0%	0.0%	0.0%
QUARTERLY P&L			Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20E	Q3 20E	Q4 20E
Sales (m)			5	3	3	0	2	1	3	6
EBITDA (m)			1	-2	-1	-6	-4	-5	-3	-1
EBIT before non-recurring items (m)			0	-3	-2	-7	-5	-5	-3	-2
Net profit (adj.) (m)			0	-3	-2	-7	-5	-5	-3	-2
EPS (adj.) (SEK)			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EBITDA margin			15.8%	-72.3%	-38.9%	n.m.	n.m.	n.m.	-84.1%	-18.8%
EBIT margin (adj.)			5.1%	-92.5%	-58.6%	n.m.	n.m.	n.m.	n.m.	-36.3%

Source: Company data, Danske Bank Equity Research estimates

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