

Positioned to expand

Cibus should have no trouble to execute on its growth targets, but valuation remains a bit high in the present situation with its extraordinary uncertainty around yields.

Not many surprises in Q4 figures

Q4 NRI, at EUR 20.4m, topped the EUR 19.5m/19.7m Evli/cons. estimates. Operating income was EUR 18.7m vs our EUR 18.2m as there were EUR 0.1m in one-off admin costs. Not all deals closed by Cibus in Q4 were in our estimates, and this seems to have been the case also for the consensus, yet the report never held much potential for surprise as is always the case with Cibus.

We expect Cibus to be able to source and finance the deals

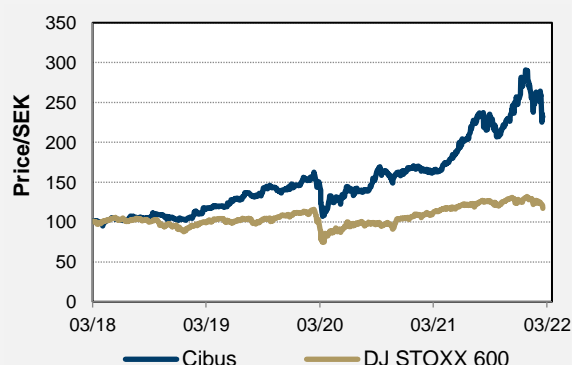
Cibus' growth target for 2022-23 states the company is to add EUR 1.0-1.5bn in properties over the two years. Cibus seeks an IG credit rating and thus a new share class (D) is to be instituted. Two recent issues have already helped net LTV down a bit, but according to Cibus the ratio should further decline to around 50%. We calculate the targets to imply EUR 600-850m in equity issues. The sums are considerable, but we believe Cibus will be able to source the properties without bidding too high as the company's current position in Finland, by far its biggest presence, amounts to no more than 10% of the market. Denmark is an obvious candidate for expansion as the country has a lot of small grocery stores and is in that sense comparable to Norway. Cibus sees some yield compression in Sweden, but Finnish yields appear to lag the Nordic market as the levels are still around 6% while they are closer to 5% in the other three countries.

Valuation continues to reflect underlying yield compression

In our view Cibus' valuation has reflected yield compression expectations for a while now. We don't see the current 1.2x EV/GAV too high if yield compression supports asset values going forward. Cibus traded around 1.4x EV/GAV in late December and the yield almost touched those of other listed Nordic property portfolios. Such a level yield wouldn't by itself be too problematic for future returns, but in our opinion the 1.4x EV/GAV would be on the aggressive side considering properties' inherent limited upside potential. Cibus' portfolio performance is very stable, however the premium valuation combined with relatively high LTV means equity is sensitive to different assumptions. We retain our SEK 215 TP and HOLD rating.

Rating

■ HOLD



Share price, SEK (Last trading day's closing price) 232.00

Target price, SEK 215.0

Latest change in recommendation 19-Aug-21

Latest report on company 12-Nov-21

Research paid by issuer: YES

No. of shares outstanding, '000's 44,000

No. of shares fully diluted, '000's 44,000

Market cap, EURm 951

Free float, % 98.5

Exchange rate EUR/SEK 10.7

Reuters code CIBUS.ST

Bloomberg code CIBUS SS

Average daily volume, EURm 4.6

Next interim report 05-May-22

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■ BUY ■ HOLD ■ SELL

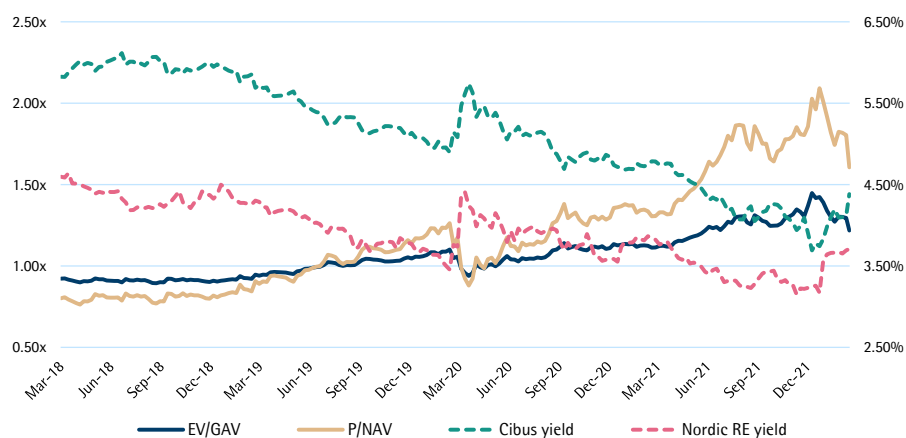
KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2020	65.0	54.9	84.5%	-346.4	0.71	22.7	21.9	25.9	-53.6	0.94
2021	81.1	69.9	86.2%	-116.3	0.90	31.3	26.0	30.1	-9.4	0.99
2022E	92.4	80.8	87.4%	46.3	1.08	20.1	19.6	22.4	4.9	1.04
2023E	93.8	83.0	88.5%	49.5	1.13	19.2	19.3	21.8	5.2	1.09
2024E	94.9	84.0	88.5%	50.9	1.16	18.6	19.0	21.5	5.4	1.15
Market cap, EURm	951		Gearing 2022E, %	146.5		CAGR EPS 2021-24, %				8.7
Net debt 2022E, EURm	860		Price/book 2022E	1.6		CAGR sales 2021-24, %				5.4
Enterprise value, EURm	1,811		Dividend yield 2022E, %	4.8		ROE 2022E, %				8.1
Total assets 2022E, EURm	1,579		Tax rate 2022E, %	17.0		ROCE 2022E, %				5.4
Goodwill 2022E, EURm	0		Equity ratio 2022E, %	37.2		PEG, P/E 22/CAGR				6.3

Estimates summary

Cibus Nordic	2019	2020	Q1'21	Q2'21	Q3'21	Q4'21	2021	Q1'22e	Q2'22e	Q3'22e	Q4'22e	2022e
Rental income	51.5	65.0	19.4	19.8	20.2	21.6	81.1	23.0	23.1	23.1	23.2	92.4
Net rental income ¹⁾	48.6	61.4	18.2	18.5	19.3	20.4	76.3	21.6	21.7	21.7	21.8	86.7
Operating income ²⁾	43.5	54.9	16.5	16.7	18.0	18.7	69.9	20.1	20.2	20.2	20.3	80.8
Net operating income ³⁾	28.7	33.5	11.6	10.8	12.5	12.8	47.7	14.2	14.2	14.3	14.3	57.0

1) Rental income less Property expenses
 2) Net rental income less Central administration expenses
 3) Operating income less Net financial costs

Cibus Nordic valuation and yield development


Source: Evli Research, Bloomberg, Cibus Nordic
 Note: Yields based on NTM earnings estimates before financial expenses

CIBUS PEER GROUP	MCAP MEUR	EV/EBITDA			P/B			Div. yield		
		21	22	23	21	22	23	21	22	23
Atrium Ljungberg	2246	29.9x	28.1x	25.5x	1.0x	0.9x	0.9x	2.8 %	2.8 %	3.0 %
Castellum	4974	29.4x	23.8x	22.4x	0.9x	0.8x	0.8x	3.9 %	4.1 %	4.3 %
Citycon	1125	19.9x	21.2x	20.3x	0.6x	0.6x	0.6x	7.5 %	6.9 %	6.9 %
Entra	3314	31.1x	23.9x	20.8x	1.1x	1.1x	0.9x	2.8 %	3.1 %	3.2 %
Fabege	3960	37.9x	32.0x	30.2x	0.9x	0.9x	0.8x	3.0 %	3.1 %	3.3 %
Hufvudstaden	2268	28.7x	24.6x	23.6x	0.8x	0.7x	0.7x	2.2 %	2.7 %	2.9 %
Corem Property Group	2618	39.1x	22.3x	21.1x	1.1x	1.1x		1.8 %	2.1 %	1.8 %
Kojamo	4859	35.9x	32.4x	30.4x	1.1x	1.0x	1.0x	1.9 %	2.0 %	2.2 %
Kungsleden										
Pandox	2252	32.6x	22.1x	19.4x	0.9x	0.9x	0.8x	0.0 %	1.8 %	2.9 %
Wallenstam	3889	54.9x	40.8x	38.0x	1.3x	1.2x	1.1x	1.0 %	1.2 %	1.4 %
Wahlborgs Fastigheter	2528	25.8x	22.4x	21.1x	1.2x	1.1x	1.1x	3.3 %	3.4 %	3.5 %
Peer Group Average	3094	33.2x	26.7x	24.8x	1.0x	0.9x	0.9x	2.7 %	3.0 %	3.2 %
Peer Group Median	2618	31.1x	23.9x	22.4x	1.0x	0.9x	0.9x	2.8 %	2.8 %	3.0 %
Cibus (Evli est.)	954	30.1x	22.5x	21.8x	2.1x	1.6x	1.6x	3.5 %	4.8 %	5.0 %
<i>Cibus prem./disc. to peer median</i>		-3 %	-6 %	-3 %	123 %	79 %	90 %	27 %	68 %	70 %

Source FactSet, Evli Research

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC
Current share price	232.00 PV of Free Cash Flow	553 Long-term growth, %	1.2 Risk-free interest rate, %
DCF share value	24.57 PV of Horizon value	1,391 WACC, %	4.6 Market risk premium, %
Share price potential, %	13.7 Unconsolidated equity	0 Spread, %	0.5 Debt risk premium, %
Maximum value	32.1 Marketable securities	51 Minimum WACC, %	4.1 Equity beta coefficient
Minimum value	19.0 Debt - dividend	-914 Maximum WACC, %	5.1 Target debt ratio, %
Horizon value, %	71.5 Value of stock	1,081 Nr of shares, Mn	44.0 Effective tax rate, %

DCF valuation, EURm	2021	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	Horizon
Net sales	81	92	94	95	96	97	98	99	101	102	103	104
<i>Sales growth, %</i>	<i>24.8</i>	<i>13.9</i>	<i>1.5</i>	<i>1.2</i>	<i>1.2</i>	<i>1.2</i>	<i>1.2</i>	<i>1.2</i>	<i>1.2</i>	<i>1.2</i>	<i>1.2</i>	<i>1.2</i>
Operating income (EBIT)	70	81	83	84	85	86	87	88	89	90	91	92
<i>Operating income margin, %</i>	<i>86.2</i>	<i>87.4</i>	<i>88.5</i>	<i>88.5</i>	<i>88.5</i>	<i>88.5</i>	<i>88.5</i>	<i>88.5</i>	<i>88.5</i>	<i>88.5</i>	<i>88.5</i>	<i>88.5</i>
+ Depreciation+amort.	0	0	0	0	0	0	0	0	0	0	0	0
EBITDA	70	81	83	84	85	86	87	88	89	90	91	
- Paid taxes	-2	-14	-14	-14	-17	-17	-17	-18	-18	-18	-18	
- Change in NWC	4	0	0	0	0	0	0	0	0	0	0	
<i>NWC / Sales, %</i>	<i>-29.0</i>	<i>-25.8</i>	<i>-25.4</i>	<i>-25.2</i>	<i>-24.9</i>	<i>-24.6</i>	<i>-24.4</i>	<i>-24.1</i>	<i>-23.9</i>	<i>-23.6</i>	<i>-23.4</i>	
+ Change in other liabs	3	0	0	0	0	0	0	0	0	0	0	
- Operative CAPEX	-180	-16	0	0	0	0	0	0	0	0	0	
<i>opCAPEX / Sales, %</i>	<i>223.1</i>	<i>18.6</i>	<i>0.2</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	
- Acquisitions	0	16	0	0	0	0	0	0	0	0	0	
+ Divestments	0	0	0	0	0	0	0	0	0	0	0	
- Other items	12	0	0	0	0	0	0	0	0	0	0	
= FCFF	-93	67	69	70	68	69	70	70	71	72	73	2,165
= Discounted FCFF		65	63	61	57	55	54	52	50	48	47	1,391
= DFCF min WACC		65	64	62	58	57	55	54	52	51	49	1,708
= DFCF max WACC		65	63	61	56	54	52	50	48	46	45	1,157

INTERIM FIGURES

EVLI ESTIMATES, EURm	2021Q1	2021Q2	2021Q3	2021Q4	2021	2022Q1E	2022Q2E	2022Q3E	2022Q4E	2022E	2023E	2024E
Net sales	19.4	19.8	20.3	21.6	81.1	23.0	23.1	23.1	23.2	92.4	93.8	94.9
EBITDA	16.5	16.7	18.0	18.7	69.9	20.1	20.2	20.2	20.3	80.8	83.0	84.0
<i>EBITDA margin (%)</i>	<i>85.1</i>	<i>84.3</i>	<i>88.7</i>	<i>86.6</i>	<i>86.2</i>	<i>87.4</i>	<i>87.4</i>	<i>87.4</i>	<i>87.5</i>	<i>87.4</i>	<i>88.5</i>	<i>88.5</i>
EBIT	16.5	16.7	18.0	18.7	69.9	20.1	20.2	20.2	20.3	80.8	83.0	84.0
<i>EBIT margin (%)</i>	<i>85.1</i>	<i>84.3</i>	<i>88.7</i>	<i>86.6</i>	<i>86.2</i>	<i>87.4</i>	<i>87.4</i>	<i>87.4</i>	<i>87.5</i>	<i>87.4</i>	<i>88.5</i>	<i>88.5</i>
Net financial items	-4.9	-5.9	-5.5	-5.9	-22.2	-5.9	-6.0	-5.9	-6.0	-23.8	-23.2	-22.5
Pre-tax profit	11.6	10.8	12.5	12.8	47.7	14.2	14.2	14.3	14.3	57.0	59.8	61.5
Tax	-0.8	-1.6	-2.5	-3.1	-8.0	-2.4	-2.4	-2.4	-2.4	-9.7	-10.2	-10.5
<i>Tax rate (%)</i>	<i>7.3</i>	<i>14.4</i>	<i>20.0</i>	<i>24.2</i>	<i>16.8</i>	<i>17.0</i>	<i>17.0</i>	<i>17.0</i>	<i>17.0</i>	<i>17.0</i>	<i>17.0</i>	<i>17.0</i>
Net profit	10.8	9.2	10.0	9.7	39.7	11.8	11.8	11.8	11.9	47.3	49.6	51.0
EPS	0.24	0.21	0.23	0.22	0.90	0.27	0.27	0.27	0.27	1.08	1.13	1.16
EPS adjusted (diluted no. of shares)	0.24	0.21	0.23	0.22	0.90	0.27	0.27	0.27	0.27	1.08	1.13	1.16
Dividend per share	0.00	0.00	0.00	0.00	0.99	0.00	0.00	0.00	0.00	1.04	1.09	1.15
SALES, EURm												
Cibus Nordic	19.4	19.8	20.3	21.6	81.1	23.0	23.1	23.1	23.2	92.4	93.8	94.9
Total	19.4	19.8	20.3	21.6	81.1	23.0	23.1	23.1	23.2	92.4	93.8	94.9
SALES GROWTH, Y/Y %												
<i>Cibus Nordic</i>	<i>38.6</i>	<i>20.7</i>	<i>19.4</i>	<i>22.7</i>	<i>24.8</i>	<i>18.6</i>	<i>16.7</i>	<i>13.8</i>	<i>7.4</i>	<i>13.9</i>	<i>1.5</i>	<i>1.2</i>
<i>Total</i>	<i>38.6</i>	<i>20.7</i>	<i>19.4</i>	<i>22.7</i>	<i>24.8</i>	<i>18.6</i>	<i>16.7</i>	<i>13.8</i>	<i>7.4</i>	<i>13.9</i>	<i>1.5</i>	<i>1.2</i>
EBIT, EURm												
Cibus Nordic	16.5	16.7	18.0	18.7	69.9	20.1	20.2	20.2	20.3	80.8	83.0	84.0
Total	16.5	16.7	18.0	18.7	69.9	20.1	20.2	20.2	20.3	80.8	83.0	84.0
EBIT margin, %												
<i>Cibus Nordic</i>	<i>85.1</i>	<i>84.3</i>	<i>88.7</i>	<i>86.6</i>	<i>86.2</i>	<i>87.4</i>	<i>87.4</i>	<i>87.4</i>	<i>87.5</i>	<i>87.4</i>	<i>88.5</i>	<i>88.5</i>
<i>Total</i>	<i>85.1</i>	<i>84.3</i>	<i>88.7</i>	<i>86.6</i>	<i>86.2</i>	<i>87.4</i>	<i>87.4</i>	<i>87.4</i>	<i>87.5</i>	<i>87.4</i>	<i>88.5</i>	<i>88.5</i>

INCOME STATEMENT, EURm	2017	2018	2019	2020	2021	2022E	2023E	2024E
Sales	0.0	39.8	51.5	65.0	81.1	92.4	93.8	94.9
<i>Sales growth (%)</i>	<i>0.0</i>	<i>0.0</i>	<i>29.4</i>	<i>26.2</i>	<i>24.8</i>	<i>13.9</i>	<i>1.5</i>	<i>1.2</i>
EBITDA	0.0	33.7	43.5	54.9	69.9	80.8	83.0	84.0
<i>EBITDA margin (%)</i>	<i>0.0</i>	<i>84.7</i>	<i>84.5</i>	<i>84.5</i>	<i>86.2</i>	<i>87.4</i>	<i>88.5</i>	<i>88.5</i>
Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITA	0.0	33.7	43.5	54.9	69.9	80.8	83.0	84.0
Goodwill amortization / writedown	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	0.0	33.7	43.5	54.9	69.9	80.8	83.0	84.0
<i>EBIT margin (%)</i>	<i>0.0</i>	<i>84.7</i>	<i>84.5</i>	<i>84.5</i>	<i>86.2</i>	<i>87.4</i>	<i>88.5</i>	<i>88.5</i>
Reported EBIT	0.0	65.7	50.2	61.0	81.5	80.8	83.0	84.0
<i>EBIT margin (reported) (%)</i>	<i>0.0</i>	<i>165.1</i>	<i>97.5</i>	<i>93.8</i>	<i>100.5</i>	<i>87.4</i>	<i>88.5</i>	<i>88.5</i>
Net financials	0.0	-10.0	-14.8	-21.4	-22.2	-23.8	-23.2	-22.5
Pre-tax profit	0.0	23.7	28.7	33.5	47.7	57.0	59.8	61.5
Taxes	0.0	-7.0	-5.1	-5.0	-8.0	-9.7	-10.2	-10.5
Minority shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit	0.0	48.7	30.3	34.6	51.3	47.3	49.6	51.0
Cash NRIs	0.0	32.0	6.7	6.1	11.6	0.0	0.0	0.0
Non-cash NRIs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BALANCE SHEET, EURm								
Assets								
Fixed assets	768	817	875	1,273	1,500	1,500	1,500	1,500
Goodwill	0	0	0	0	0	0	0	0
Right of use assets	0	0	6	8	10	11	11	11
Inventory	0	0	0	0	0	0	0	0
Receivables	5	3	6	3	5	6	6	6
Liquid funds	17	26	25	37	51	58	59	60
Total assets	792	848	913	1,324	1,571	1,579	1,580	1,581
Liabilities								
Shareholder's equity	334	329	333	458	583	587	591	594
Minority interest	0	0	0	0	0	0	0	0
Convertibles	0	0	0	0	0	0	0	0
Lease liabilities	0	0	0	0	0	11	11	11
Deferred taxes	7	9	14	20	31	31	31	31
Interest bearing debt	440	486	535	813	914	907	904	902
Non-interest bearing current liabilities	0	0	0	0	3	3	3	4
Other interest-free debt	11	24	31	32	39	39	39	39
Total liabilities	792	848	913	1,324	1,571	1,579	1,580	1,581
CASH FLOW, EURm								
+ EBITDA	0	34	44	55	70	81	83	84
- Net financial items	0	-10	-15	-21	-22	-24	-23	-22
- Taxes	5	0	0	-1	2	-10	-10	-10
- Increase in Net Working Capital	5	14	-1	3	4	0	0	0
+/- Other	0	-16	7	6	12	0	0	0
= Cash flow from operations	10	21	34	42	65	48	50	51
- Capex	-768	-4	-51	-388	-181	-17	0	0
- Acquisitions	0	0	0	0	0	16	0	0
+ Divestments	0	0	0	0	0	0	0	0
= Free cash flow	-758	18	-17	-346	-116	46	50	51
+/- New issues/buybacks	334	-29	0	118	112	0	0	0
- Paid dividend	0	-25	-26	-28	-38	-44	-46	-48
+/- Other	442	44	43	268	57	4	-3	-2
Change in cash	17	8	-1	12	14	7	1	1

KEY FIGURES	2018	2019	2020	2021	2022E	2023E	2024E
M-cap	327	443	646	1,242	951	951	951
Net debt (excl. convertibles)	461	510	776	863	860	856	853
Enterprise value	787	954	1,422	2,105	1,811	1,807	1,804
Sales	40	52	65	81	92	94	95
EBITDA	34	44	55	70	81	83	84
EBIT	34	44	55	70	81	83	84
Pre-tax	24	29	34	48	57	60	61
Earnings	17	24	29	40	47	50	51
Equity book value (excl. minorities)	329	333	458	583	587	591	594
Valuation multiples							
EV/sales	19.8	18.5	21.9	26.0	19.6	19.3	19.0
EV/EBITDA	23.4	21.9	25.9	30.1	22.4	21.8	21.5
EV/EBITA	23.4	21.9	25.9	30.1	22.4	21.8	21.5
EV/EBIT	23.4	21.9	25.9	30.1	22.4	21.8	21.5
EV/OCF	36.8	28.2	33.9	32.6	38.0	36.4	35.3
EV/FCFF	-4.4	1,142.0	-4.4	-22.6	26.9	26.2	25.9
P/FCFE	1.8	-2.5	-0.2	-1.0	220.6	206.2	200.4
P/E	19.6	18.8	22.7	31.3	20.1	19.2	18.6
P/B	1.0	1.3	1.4	2.1	1.6	1.6	1.6
Target EV/EBITDA	0.0	0.0	0.0	0.0	11.9	11.6	11.4
Target EV/EBIT	0.0	0.0	0.0	0.0	11.9	11.6	11.4
Target EV/FCF	0.0	0.0	0.0	0.0	20.8	19.4	18.9
Target P/B	0.0	0.0	0.0	0.0	1.5	1.5	1.5
Target P/E	0.0	0.0	0.0	0.0	18.6	17.8	17.3
Per share measures							
Number of shares	31,100	31,100	40,000	44,000	44,000	44,000	44,000
Number of shares (diluted)	31,100	31,100	40,000	44,000	44,000	44,000	44,000
EPS	0.54	0.76	0.71	0.90	1.08	1.13	1.16
Operating cash flow per share	0.69	1.09	1.05	1.47	1.08	1.13	1.16
Free cash flow per share	0.57	-0.56	-8.66	-2.64	1.05	1.13	1.16
Book value per share	10.57	10.70	11.45	13.26	13.34	13.43	13.50
Dividend per share	0.84	0.89	0.94	0.99	1.04	1.09	1.15
Dividend payout ratio, %	156.4	117.3	131.9	109.7	96.7	96.8	98.8
Dividend yield, %	8.0	6.2	5.8	4.6	4.8	5.0	5.3
FCF yield, %	5.5	-3.9	-53.6	-9.4	4.9	5.2	5.4
Efficiency measures							
ROE	5.0	7.1	7.2	7.6	8.1	8.4	8.6
ROCE	4.2	5.2	5.1	5.1	5.4	5.5	5.6
Financial ratios							
Inventories as % of sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Receivables as % of sales	8.4	11.2	4.2	6.7	6.0	5.9	5.9
Non-interest bearing liabilities as % of sales	0.0	0.0	0.7	3.7	3.7	3.7	3.7
NWC/sales, %	-45.6	-33.1	-30.7	-29.0	-25.8	-25.4	-25.2
Operative CAPEX/sales, %	9.0	99.7	597.4	223.1	18.6	0.2	0.1
CAPEX/sales (incl. acquisitions), %	9.0	99.7	597.4	223.1	35.7	0.2	0.1
FCFF/EBITDA	-5.3	0.0	-5.9	-1.3	0.8	0.8	0.8
Net debt/EBITDA, book-weighted	13.7	11.7	14.1	12.3	10.6	10.3	10.2
Debt/equity, market-weighted	1.5	1.2	1.3	0.7	1.0	1.0	0.9
Equity ratio, book-weighted	38.8	36.5	34.6	37.1	37.2	37.4	37.6
Gearing, %	140.1	153.4	169.5	147.9	146.5	144.9	143.7

COMPANY DESCRIPTION: Cibus Nordic Real Estate owns a highly diversified portfolio of daily-goods properties located around Finland, Sweden and Norway. Roughly 90% of Finnish rental income is generated by properties where either Kesko, Tokmanni or S-Group is the anchor tenant, and consequently portfolio income is largely attributable to the supermarket and discount store types. Southern Sweden is another major presence following the acquisition of 111 Coop supermarket properties. The portfolio exhibits defensive characteristics and is expected to produce stable cash flows as the lease agreements mostly stipulate the properties' upkeep and renovation costs to be paid by the tenants.

INVESTMENT CASE: Cibus' cash flow profile is very stable and tenant risks manageable. In our view the supermarket segment is a particularly attractive type of daily-goods property. Cibus' current net yield level is still higher than other listed Nordic real estate companies' and this should support valuation.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Fourth Swedish National Pension Fund	3,214,813	69.485	7.3%
AB Sagax	2,426,973	52.457	5.5%
Columbia Threadneedle	2,257,879	48.802	5.1%
Dragfast AB	1,700,000	36.744	3.9%
Marjan Dragicevic	1,632,000	35.274	3.7%
Avanza Pension	1,322,845	28.592	3.0%
BlackRock	1,278,263	27.628	2.9%
Sensor Funds	946,000	20.447	2.2%
Länsförsäkringar Fonder	929,474	20.090	2.1%
Nordnet Pension Insurance	545,601	11.793	1.2%
Ten largest	16,253,848	351.310	37%
Residual	27,746,152	599.704	63%
Total	44,000,000	951.015	100%

EARNINGS CALENDAR

February 26, 2022	FY 2021 Results
May 05, 2022	Q1 report
July 21, 2022	Q2 report
November 09, 2022	Q3 report

OTHER EVENTS**COMPANY MISCELLANEOUS**

CEO: Sverker Källgård	Kungsgatan 56, 111 22 Stockholm
CFO: Pia-Lena Olofsson	Tel:
IR:	

DEFINITIONS

P/E	$\frac{\text{Price per share}}{\text{Earnings per share}}$	EPS	$\frac{\text{Profit before extraord. items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$
P/BV	$\frac{\text{Price per share}}{\text{Shareholders' equity} + \text{taxed provisions per share}}$	DPS	Dividend for the financial period per share
Market cap	Price per share * Number of shares	OCF (Operating cash flow)	EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments
EV (Enterprise value)	Market cap + net debt + minority interest at market value – share of associated companies at market value	FCF (Free cash flow)	Operating cash flow – operative CAPEX – acquisitions + divestments
EV/Sales	$\frac{\text{Enterprise value}}{\text{Sales}}$	FCF yield, %	$\frac{\text{Free cash flow}}{\text{Market cap}}$
EV/EBITDA	$\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	Operative CAPEX/sales	$\frac{\text{Capital expenditure} - \text{divestments} - \text{acquisitions}}{\text{Sales}}$
EV/EBIT	$\frac{\text{Enterprise value}}{\text{Operating profit}}$	Net working capital	Current assets – current liabilities
Net debt	Interest bearing debt – financial assets	Capital employed/Share	$\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$
Total assets	Balance sheet total	Gearing	$\frac{\text{Net debt}}{\text{Equity}}$
Div yield, %	$\frac{\text{Dividend per share}}{\text{Price per share}}$	Debt/Equity, %	$\frac{\text{Interest bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$
Payout ratio, %	$\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$	Equity ratio, %	$\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest-free loans}}$
ROCE, %	$\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt (average)}}$	CAGR, %	Cumulative annual growth rate = Average growth per year
ROE, %	$\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholder's equity} + \text{minority interest} + \text{taxed provisions (average)}}$		

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Investment recommendations are defined as follows:

Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

ERP's investment recommendation of the analyzed company is updated at least 2 times per year.



The graph above shows the distribution of ERP's recommendations of companies under coverage in 11th of May 2020. If recommendation is not given, it is not mentioned here.

Name(s) of the analyst(s): Ilvonen

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