

NORDIC NANOVECTOR

Focus on building the pipeline

Nordic Nanovector yesterday raised some NOK499m in a private placement, with the proceeds earmarked for broadening the pipeline and preparations for commercial activities. We view this as well invested money, which together with the data presented earlier this week at ASH, has prompted us to raise our target price to NOK145 (NOK121); our recommendation remains BUY.

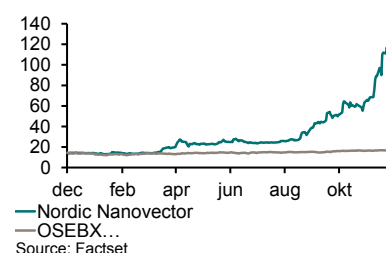
Very strong data from ASH – prompting us to upgrade the Likelihood Of Approval to 45% (40%). Nordic Nanovector reported additional data at this week's ASH meeting, key among which was strong efficacy data in the ongoing phase I/II trial, but also very important for the upcoming pivotal phase II trial was very strong safety data from high pre-dosing (100mg/m² of the cold antibody). The company said it had not seen any Grade 3 or Grade 4 haematological side-effects in patients receiving 15MBq/kg with the high pre-dosing.

Private placement concluded; aimed at strengthening the pipeline. On Tuesday night the company announced a private placement in the form of an accelerated book-building. The transaction was a success and the company raised another NOK499m before costs. The aim of the placement was to raise capital to advance several of the company's pipeline projects into the clinic. Among others, management now plans to initiate a phase II trial with Betalutin in combination with rituximab (as pre-clinical data indicates Betalutin has a synergistic effect when given together with rituximab), as well as advance the chimeric anti-CD37 antibody into the clinic. In our view it is still too early to put a specific value on the pipeline projects, but we believe they look promising based on the data available and would, if successful, help the company to secure a position for Betalutin and the chimeric antibody as a treatment alternative for basically all lines of treatment of NHL, as well as open up possibilities in adjacent haematological indications.

BUY recommendation reiterated; target price raised to NOK145 (NOK121). We have adjusted our model to factor in this week's news from ASH and completion of the private placement. As a result we have raised our target price to NOK145 (NOK121) and keep our BUY recommendation.

BUY
TP: NOK145

NANO versus OSEBX (12m)



SUMMARY

Recommendation (prev.)	BUY (BUY)
Share price (NOK)	121
Target price (previous) (NOK)	145 (121)
Upside/downside potential (%)	20
Tickers	NANO NO, NANO.OL

CAPITAL STRUCTURE

No. of shares (m)	48.8
No. of shares fully dil. (m)	48.8
Market cap. (NOKm)	5,878
NIBD adj end-2016e (SEKm)	-1,064
Enterprise value adj (SEKm)	5,342
Net debt/EBITDA adj (x)	4.73

SHARE PRICE PERFORMANCE

Abs. 1/3/12m (%)	90/228/802
Rel. 1/3/12m (%)	85/216/784
High/Low 12m (NOK)	124/13
Free float (%)	63

Source: Company, DNB Markets (estimates)

NEXT EVENT

Q4 2016 report	28/02/2017
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ESTIMATE CHANGES (SEK)

Year-end Dec	2016e	2017e	2018e
EPS (old)	-5.41	-5.55	-4.26
EPS (new)	-5.48	-5.62	-4.33
Change (%)	nm	nm	nm
Sales (old)	0.38	0.54	0.54
Sales (new)	0.38	0.54	0.54
Change (%)	1.2	1.2	1.2

Source: DNB Markets, Bloomberg

DNB Markets acted as joint bookrunner in connection with the recent private placement in Nordic Nanovector.

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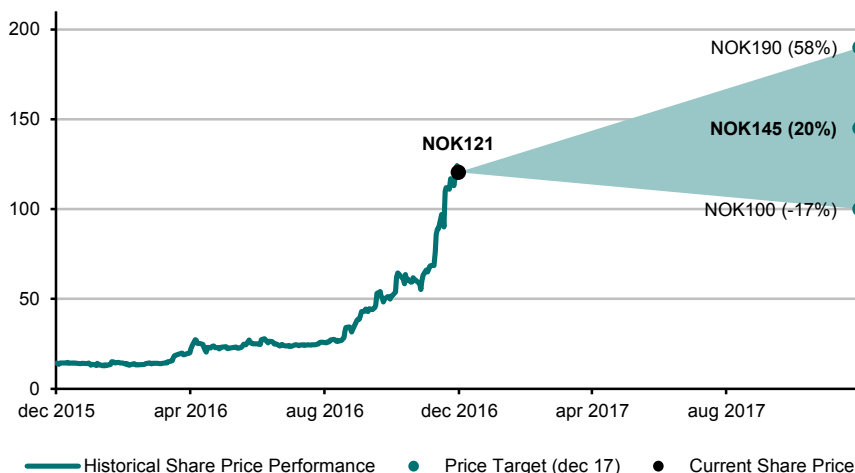
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Year-end Dec	2012	2013	2014	2015	2016e	2017e	2018e
Revenue (SEKm)	0	0	0	0	0	1	1
EBITDA adj (SEKm)	-14	-19	-74	-198	-225	-250	-193
EBIT adj (SEKm)	-15	-20	-75	-200	-226	-252	-195
PTP (SEKm)	-15	-19	-69	-188	-244	-250	-193
EPS rep (SEK)	-2.30	-2.10	-3.86	-4.71	-5.48	-5.62	-4.33
EPS adj (SEK)	-2.30	-2.10	-3.86	-4.71	-5.48	-5.62	-4.33
DPS (SEK)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Revenue growth (%)	135.1	106.6	43.6	-0.6	-19.9	42.9	0.0
P/Book (x)			1.52	0.79	5.65	7.46	6.77
Dividend yield (%)	nm	nm	0.0	0.0	0.0	0.0	0.0

Source: Company (historical figures), DNB Markets (estimates)

Investment case overview

Share price performance, DNB Markets' target price, bear- and bull-case scenarios



Source: FactSet, DNB Markets

Downside risks to our investment case

- We still expect Betalutin to have a meaningful clinical effect. The biggest risk we see is that the development programme (which we believe is ambitious) might incur further delays.
- There is much focus on the NHL market from many big pharmaceutical companies; hence the competitive landscape could get tougher.
- Longer than expected approval times and changes to regulatory conditions.
- Lower realised prices than we factor into our model.

Source: DNB Markets

DNB Markets investment case and how we differ from consensus

- In our base case, the company will develop Betalutin all the way to market and launch the product alone.
- The first indication should reach the market in H1 2020. We have applied a 45% probability adjustment to sales, but development costs are unadjusted.
- We estimate a global average price per patient of USD80,000 for Betalutin for all indications except ASCT.

Source: DNB Markets

Target price methodology

- Our target price is primarily based on a SOTP analysis, which includes the period until patent expiries and is probability-adjusted. We discount the values back to a NPV with a WACC of 10%.

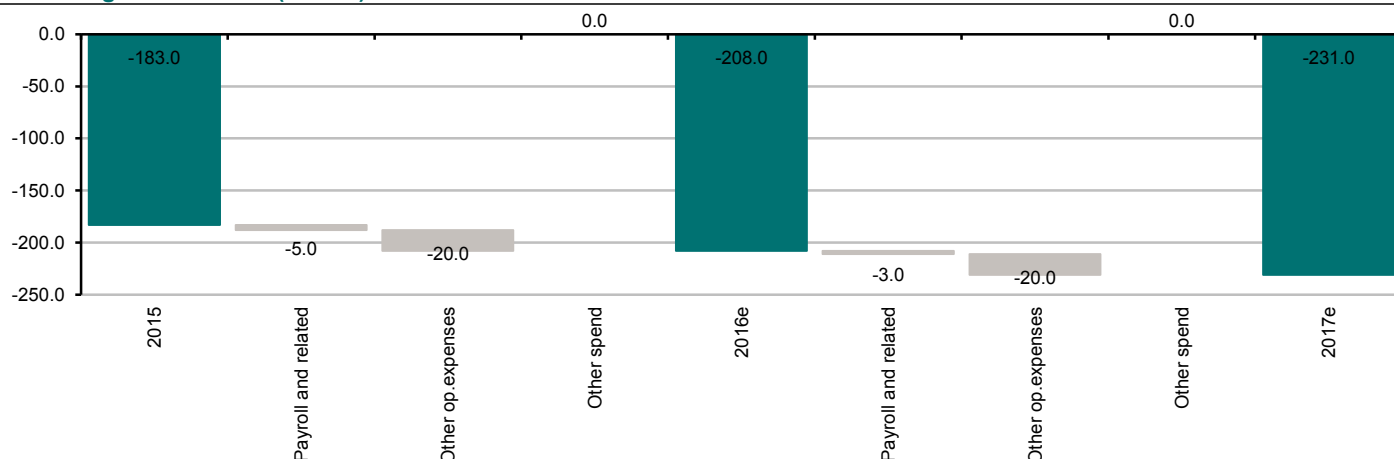
Source: DNB Markets

Upside risks to our investment case

- The company could well become a target for consolidation in the industry.
- It might realise higher prices for Betalutin than we have factored in.
- With strong clinical data, the approval process might be speedier than we estimated and thus a launch might take place earlier than expected.

Source: DNB Markets

EBIT bridge 2015–2017e (NOKm)



Source: Company (historical figures), DNB Markets (estimates)

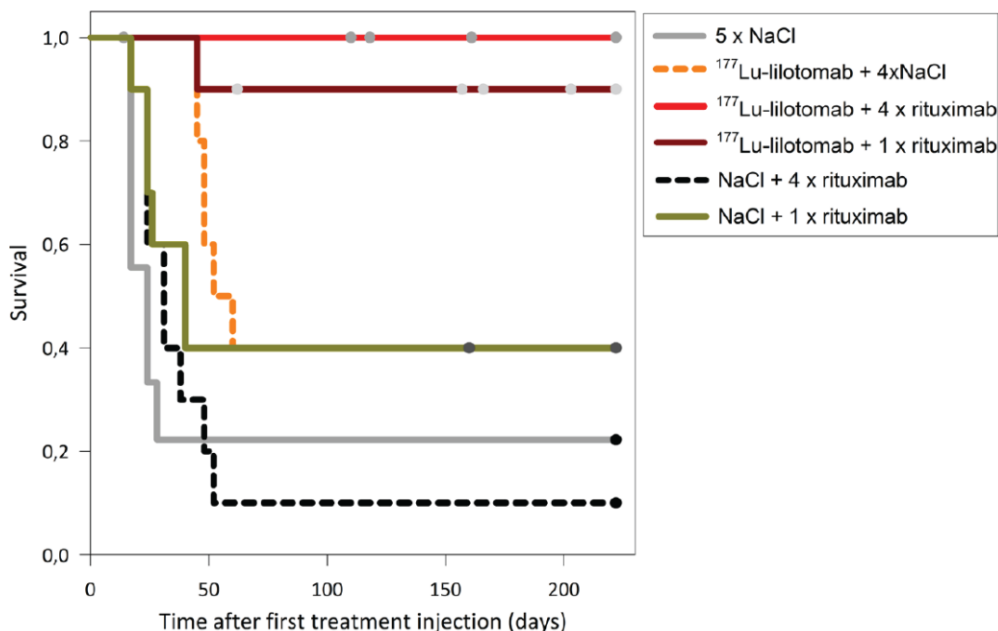
New capital earmarked for the pipeline

Nordic Nanovector announced the completion of a private placement today, raising some NOK499m gross, with the rationale to secure sufficient resources to advance the pipeline into the clinical phase.

Advancing the pipeline

Among others, the company plans to initiate a phase II trial on the combination of Betalutin and rituximab in NHL patients. The logic behind this trial is strong survival data in pre-clinical models where the two drugs have been given in combination. Among others, at ASH earlier this week the company presented data from a mouse model where treatment with Betalutin and rituximab significantly prolonged survival among the mice. For mice given Betalutin and several injections of rituximab, the overall survival (after being implanted with tumours) was >222 days, compared with 30–61 days for mice treated with the drugs stand alone.

Pre-clinical data on combining Betalutin and rituximab



Source: Company data

The company said it will also use the funds raised to advance the chimeric anti-CD37 antibody in different combinations into the clinic. As of today, Betalutin contains a murine antibody that leads to an increased risk of HAMA reactions (Human Anti Mouse Antibodies) and therefore limits the potential to give repeat injections of the drug. With a chimeric antibody, the risk of HAMA disappears (although there is still a small risk of HACA). However, HACA is normally not seen as a problem for repeat treatment. The chimeric antibody is likely to be evaluated as a carrier for both different radioactive materials as well as for toxins.

Strong safety and efficacy data for Betalutin in combination with high-dose pre-dosing

Nordic Nanovector updated the efficacy data from the ongoing phase I/II trial at ASH earlier this week. As can be seen from the table below, the company reported an overall response rate (ORR) of c63% for the whole population of patients and a complete response (CR) rate of c29%. However, if we only look at the pure phase II patients, the ORR was 69% with a CR of 38%, which are very strong results in our view.

Efficacy update from the ongoing phase I/II trial

	Arm 1				Arm 2		Arm 3	Arm 4	Total
	10 MBq/kg	15 MBq/kg	15 MBq/kg*	20 MBq/kg	15 MBq/kg	10 MBq/kg	15 MBq/kg	15 MBq/kg	
Number of patients	4	21	16	3	2	1	3	1	35
Complete Response (CR)		8	6	2					10
Partial Response (PR)	2	5	5	1	1	1	2		12
Stable Disease (SD)	1	3	2						4
Progressive Disease (PD)	1	5	3		1		1		8
Overall Response (CR+PR)	2	13	11	3	1	1	2	0	22
ORR (%)	50%	62%	69%	100%	50%	100%	67%	0%	63%

Source: Company data. * NB these are only the phase II patients from the phase I/II trial.

In addition to the efficacy data, the company also presented safety data for the different Arms from which we can see that the high pre-dosing used in Arm 4 seemed very effective. In this Arm, the company used 100mg/m² in pre-dosing of the cold antibody, and as can be seen from the table below, Nordic Nanovector did not record any Grade 3 or Grade 4 haematological side-effects when using the high pre-dosing.

Safety (Grade 3 and Grade 4 haematological side-effects) in the ongoing phase I/II trial

	Arm 1			Arm 2		Arm 3	Arm 4
	10 MBq/kg	20 MBq/kg	15 MBq/kg	15 MBq/kg	10 MBq/kg	15 MBq/kg	15 MBq/kg
Grade 3 or 4 AE side-effects							
Patients	4	3	22	2	1	3	3
Thrombocytopenia	1	3	10	2		2	
Neutropenia	2	3	8	2		3	
Lymphocytopenia			2			3	
WBC count reduction			6	2		3	

Source: Company data

As can be seen in the Arm 4 column above, there were no cases of Grade 3 or Grade 4 haematological side-effects in the group, which should be entirely due to the high pre-dosing of the cold antibody. It is clear if we compare the side-effect profile to the 15MBq/kg group in Arm 1, which received a pre-dosing of 40mg versus the 100mg/m² given in Arm 4. Since most people have a body surface of c2m², this implies that most of the patients in Arm 4 received a pre-dosing of c200mg or 5x as much as in Arm 1.

Summary

We believe Nordic Nanovector is moving in the right direction. As a result we keep our BUY recommendation and have raised the LOA to 45% from 40%. At the same time, we have adjusted our forecasts for the private placement and also adjusted our USD/NOK rate (with most of our revenue estimates in USD). Overall, this has led us to raise our target price to NOK145 (NOK121).

7 December 2016

Forecast changes – P&L

(SEK m)	2016e	New 2017e	2018e	2016e	Old 2017e	2018e	2016e	Change 2017e	2018e
Revenues	0	1	1	0	1	1	0	0	0
Cost of sales	0	0	0			0			0
Gross profit	0	1	1	0	1	1	0	0	0
Operating expenses	-226	-251	-193	-223	-248	-190	-3	-3	-3
EBITDA	-225	-250	-193	-222	-247	-190	-3	-3	-3
EBITDA adj	-225	-250	-193	-222	-247	-190	-3	-3	-3
EBITDA margin (%)	nm	nm	nm	-59042.8	-45900.0	-35276.2	nm	nm	nm
Depreciation	-1	-2	-2	-1	-2	-2	0	0	0
EBITA	-226	-252	-195	-224	-249	-192	-3	-3	-3
EBIT	-226	-252	-195	-224	-249	-192	-3	-3	-3
EBIT adj	-226	-252	-195	-224	-249	-192	-3	-3	-3
Net interest	-17	2	2	-17	2	2	0	0	0
Net financial items	-17	2	2	-17	2	2	0	0	0
PBT	-244	-250	-193	-241	-247	-190	-3	-3	-3
Taxes	0	0	0			0			0
Net profit	-244	-250	-193	-241	-247	-190	-3	-3	-3
Adjustments to net profit	0	0	0	0	0	0	0	0	0
Net profit adj	-244	-250	-193	-241	-247	-190	-3	-3	-3
<i>Per share data (SEK)</i>									
EPS	-5.48	-5.62	-4.33	-5.41	-5.55	-4.26	-0.07	-0.07	-0.07
EPS adj	-5.48	-5.62	-4.33	-5.41	-5.55	-4.26	-0.07	-0.07	-0.07
DPS ordinary	0.00	0.00	0.00			0.00			0.00
DPS extraordinary	0.00	0.00	0.00			0.00			0.00
DPS	0.00	0.00	0.00			0.00			0.00
<i>Other key metrics (%)</i>									
Revenue growth	-19.9	42.9	0.0	-19.9	42.9	0.0	0.0	0.0	0.0
EBIT adj growth	nm	nm	nm	13.5	11.2	-22.8	nm	nm	nm
EPS adj growth	nm	nm	nm	16.3	2.5	-23.1	nm	nm	nm
Avg. number of shares (m)	47	47	47	47	47	47	0	0	0
Capex	-4	-7	-9	-4	-6	-9	0	0	0
OpFCF	-230	-257	-202	-227	-253	-198	-3	-3	-3
Working capital	-6	-6	-6	-6	-6	-6	0	0	0
NIBD adj	-1,064	-809	-882	-556	-304	-377	-508	-505	-505

Source: DNB Markets

7 December 2016

Quarterly numbers

(SEKm)	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016e	Q4 2016e	Q1 2017e	Q2 2017e	Q3 2017e
Revenues	0	0	0	0	0	0	0	0	0	0	0
Cost of sales	0	0	0	0	0	0	0	0	0	0	0
Gross profit	0	0	0	0	0	0	0	0	0	0	0
Operating expenses	-39	-56	-68	-36	-57	-52	-55	-62	-63	-63	-63
EBITDA	-39	-55	-68	-36	-57	-52	-55	-62	-63	-63	-63
Depreciation	0	0	0	0	0	0	0	0	0	0	0
EBITA	-39	-56	-69	-36	-57	-52	-55	-62	-63	-63	-63
EBIT	-39	-56	-69	-36	-57	-52	-55	-62	-63	-63	-63
Net interest	2	4	3	3	-12	-3	-12	-1	0	0	0
Net financial items	2	4	3	3	-12	-3	-12	-1	0	0	0
PBT	-37	-52	-66	-34	-70	-56	-66	-63	-63	-63	-63
Taxes	0	0	0	0	0	0	0	0	0	0	0
Net profit	-37	-52	-66	-34	-70	-56	-66	-63	-63	-63	-63
Adjustments to net profit	0	0	0	0	0	0	0	0	0	0	0
Net profit adj	-37	-52	-66	-34	-70	-56	-66	-63	-63	-63	-63

Per share data (SEK)

Growth and margins (%)

Revenues, QOQ growth	-39.7	86.7	-46.5	92.1	-46.6	1.3	-1.3	23.7	29.5	0.0	0.0
Revenues, YOY growth	-35.6	19.8	-1.1	15.8	2.6	-44.4	2.6	-33.9	60.3	58.2	60.3
EPS adj, YOY growth	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Gross margin	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
EBITDA adj margin	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Depreciation/revenues	-262.8	-160.2	-353.9	-204.1	-334.6	-343.0	-383.3	-278.8	-300.0	-300.0	-300.0
EBIT adj margin	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Net profit margin	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm

Source: Company (historical figures), DNB Markets (estimates)

Adjustments to quarterly numbers

(SEKm)	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016e	Q4 2016e	Q1 2017e	Q2 2017e	Q3 2017e
EBITDA	-39	-55	-68	-36	-57	-52	-55	-62	-63	-63	-63
EBITDA adj	-39	-55	-68	-36	-57	-52	-55	-62	-63	-63	-63
EBITA	-39	-56	-69	-36	-57	-52	-55	-62	-63	-63	-63
EBITA adj	-39	-56	-69	-36	-57	-52	-55	-62	-63	-63	-63
EBIT	-39	-56	-69	-36	-57	-52	-55	-62	-63	-63	-63
EBIT adj	-39	-56	-69	-36	-57	-52	-55	-62	-63	-63	-63
Net profit	-37	-52	-66	-34	-70	-56	-66	-63	-63	-63	-63
Net profit adj	-37	-52	-66	-34	-70	-56	-66	-63	-63	-63	-63

Source: Company (historical figures), DNB Markets (estimates)

7 December 2016

Annual P&L

(SEKm)	2009	2010	2011	2012	2013	2014	2015	2016e	2017e	2018e
Revenues	0	0	0	0	0	0	0	0	1	1
Cost of sales	0	0	0	0	0	0	0	0	0	0
Gross profit	0	0	0	0	0	0	0	0	1	1
Operating expenses	-3	-2	-7	-14	-20	-75	-199	-226	-251	-193
EBITDA	-3	-2	-7	-14	-19	-74	-198	-225	-250	-193
Depreciation	0	0	-1	-1	0	0	-1	-1	-2	-2
EBITA	-3	-2	-8	-15	-20	-75	-200	-226	-252	-195
EBIT	-3	-2	-8	-15	-20	-75	-200	-226	-252	-195
Net interest	0	0	0	0	1	5	11	-17	2	2
Net financial items	0	0	0	0	1	5	11	-17	2	2
PBT	-3	-2	-7	-15	-19	-69	-188	-244	-250	-193
Taxes	0	0	0	0	0	0	0	0	0	0
Effective tax rate (%)	0	0	0	0	0	0	0	0	0	0
Net profit	-3	-2	-7	-15	-19	-69	-188	-244	-250	-193
Adjustments to net profit	0	0	0	0	0	0	0	0	0	0
Net profit adj	-3	-2	-7	-15	-19	-69	-188	-244	-250	-193
Avg. number of shares	0	0	0	6	9	20	42	47	47	47
<i>Per share data (SEK)</i>										
EPS	-24.63	-8.16	-23.34	-2.30	-2.10	-3.86	-4.71	-5.48	-5.62	-4.33
EPS adj	-24.63	-8.16	-23.34	-2.30	-2.10	-3.86	-4.71	-5.48	-5.62	-4.33
DPS ordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DPS extraordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Growth and margins (%)</i>										
Revenue growth	nm	nm	nm	135.1	106.6	43.6	-0.6	-19.9	42.9	0.0
EPS adj growth	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Gross margin	nm	nm	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
EBITDA margin	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
EBITDA adj margin	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Depreciation/revenues	nm	nm	-898.9	-526.2	-77.4	-78.6	-227.5	-314.3	-300.0	-400.0
EBIT margin	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
EBIT adj margin	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
PBT margin	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Net profit margin	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm

Source: Company (historical figures), DNB Markets (estimates)

7 December 2016

Adjustments to annual P&L

(SEKm)	2009	2010	2011	2012	2013	2014	2015	2016e	2017e	2018e
EBITDA	-3	-2	-7	-14	-19	-74	-198	-225	-250	-193
EBITDA adj	-3	-2	-7	-14	-19	-74	-198	-225	-250	-193
EBITA	-3	-2	-8	-15	-20	-75	-200	-226	-252	-195
EBITA adj	-3	-2	-8	-15	-20	-75	-200	-226	-252	-195
EBIT	-3	-2	-8	-15	-20	-75	-200	-226	-252	-195
EBIT adj	-3	-2	-8	-15	-20	-75	-200	-226	-252	-195
Net profit	-3	-2	-7	-15	-19	-69	-188	-244	-250	-193
Net profit adj	-3	-2	-7	-15	-19	-69	-188	-244	-250	-193
<i>Per share data (SEK)</i>										
EPS	-24.63	-8.16	-23.34	-2.30	-2.10	-3.86	-4.71	-5.48	-5.62	-4.33
Recommended adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EPS adj	-24.63	-8.16	-23.34	-2.30	-2.10	-3.86	-4.71	-5.48	-5.62	-4.33

Source: Company (historical figures), DNB Markets (estimates)

Cash flow

(SEKm)	2009	2010	2011	2012	2013	2014	2015	2016e	2017e	2018e
Net profit	-3	-2	-7	-15	-19	-69	-188	-244	-250	-193
Change in net working capital	0	0	0	0	0	0	0	0	0	0
Cash flow from operations (CFO)	-3	-2	-7	-14	-18	-69	-187	-243	-248	-191
Capital expenditure	0	0	-1	0	0	3	-2	-4	-7	-9
Acquisitions/Investments	0	0	0	0	0	0	0	0	0	0
Cash flow from investing (CFI)	0	0	-1	0	0	3	-2	-4	-7	-9
Free cash flow (FCF)	-3	-2	-8	-14	-19	-66	-190	-247	-255	-199
Net change in debt	0	0	0	0	0	0	0	0	0	0
Other	3	-2	-2	2	3	6	37	0	0	0
Cash flow from financing (CFF)	4	15	13	2	98	347	632	501	0	272
Total cash flow (CFO+CFI+CFF)	1	13	5	-12	79	281	443	254	-255	73
<i>FCFF calculation</i>										
Free cash flow	-3	-2	-8	-14	-19	-66	-190	-247	-255	-199
Less: net interest	0	0	0	0	-1	-5	-11	17	-2	-2
Less: acquisitions	0	0	0	0	0	0	0	0	0	0
<i>Growth (%)</i>										
CFO	nm	31.0	-293.1	-102.7	-32.4	-277.3	-171.3	-29.7	-2.4	23.3
CFI	nm	nm	nm	108.7	-479.6	1031.8	-180.7	-79.5	-50.0	-33.3
FCF	nm	31.0	-349.7	-76.1	-35.6	-254.5	-187.3	-30.3	-3.2	21.8
CFF	nm	295.1	-13.9	-84.0	4759.6	253.4	82.5	-20.8	-100.0	nm
FCFF	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm

Source: Company (historical figures), DNB Markets (estimates)

Balance sheet

(SEKm)	2009	2010	2011	2012	2013	2014	2015	2016e	2017e	2018e
Assets	3	16	24	12	94	377	829	1,086	836	915
Inventories	0	0	0	0	0	0	0	0	0	0
Trade receivables	1	2	4	4	7	8	15	15	15	15
Other receivables	0	0	0	0	0	0	0	0	0	0
Current financial assets	0	0	0	0	0	0	0	0	0	0
Cash and cash equivalents	1	14	19	7	87	367	810	1,064	809	882
Current assets	3	16	23	12	93	375	826	1,080	825	898
Property, plant and equipment	0	0	1	0	0	2	3	6	11	18
Goodwill	0	0	0	0	0	0	0	0	0	0
Other intangible assets	0	0	0	0	0	0	0	0	0	0
Deferred tax assets	0	0	0	0	0	0	0	0	0	0
Non-current financial assets	0	0	0	0	0	0	0	0	0	0
Non-current assets	0	0	1	0	0	2	3	6	11	18
Total assets	3	16	24	12	94	377	829	1,086	836	915
Equity and liabilities	3	16	24	12	94	377	829	1,086	836	915
Total equity to the parent	-1	14	22	8	86	360	777	1,034	784	863
Total equity	-1	14	22	8	86	360	777	1,034	784	863
Trade payables	4	1	1	2	5	7	22	22	22	22
Other payables and accruals	0	0	0	0	0	0	0	0	0	0
Short-term debt	0	0	0	0	0	0	0	0	0	0
Total current liabilities	4	1	1	2	5	7	22	22	22	22
Long-term debt	0	0	0	0	0	0	0	0	0	0
Pension liabilities	0	0	0	0	0	0	0	0	0	0
Other non-current liabilities	0	1	1	1	3	10	30	30	30	30
Total non-current liabilities	0	1	1	1	3	10	30	30	30	30
Total liabilities	4	2	2	4	8	17	52	52	52	52
Total equity and liabilities	3	16	24	12	94	377	829	1,086	836	915
<i>Key metrics</i>										
Net interest bearing debt	-1	-14	-19	-7	-87	-367	-810	-1,064	-809	-882

Source: Company (historical figures), DNB Markets (estimates)

7 December 2016

Valuation ratios

(SEKm)	2009	2010	2011	2012	2013	2014	2015	2016e	2017e	2018e
<i>Enterprise value</i>										
Share price (SEK)						30.51	15.37	131.31	131.31	131.31
Number of shares (m)	0.10	0.21	0.32	6.37	8.84	26.55	44.52	44.52	44.52	44.52
Market capitalisation						776	598	5,846	5,846	5,846
Net interest bearing debt	-1	-14	-19	-7	-87	-367	-810	-1,064	-809	-882
Adjustments to NIBD	0	0	0	0	0	0	0	0	0	0
Net interest bearing debt adj	-1	-14	-19	-7	-87	-367	-810	-1,064	-809	-882
EV						409	-212	4,782	5,037	4,964
EV adj						409	-212	4,782	5,037	4,964
<i>Valuation</i>										
EPS	-24.63	-8.16	-23.34	-2.30	-2.10	-3.86	-4.71	-5.48	-5.62	-4.33
EPS adj	-24.63	-8.16	-23.34	-2.30	-2.10	-3.86	-4.71	-5.48	-5.62	-4.33
DPS ordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DPS extraordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
P/E						-7.9	-3.3	-24.0	-23.4	-30.3
P/E adj						-7.9	-3.3	-24.0	-23.4	-30.3
P/B						1.52	0.79	5.65	7.46	6.77
Average ROE	382.6%	-27.0%	-40.7%	-95.5%	-39.3%	-31.1%	-33.1%	-26.9%	-27.5%	-23.4%
Dividend yield						0.0%	0.0%	0.0%	0.0%	0.0%
EV/SALES						853.89	-445.60	12537.08	9243.95	9109.92
EV/SALES adj						853.89	-445.60	12537.08	9243.95	9109.92
EV/EBITDA						-5.5	1.1	-21.2	-20.1	-25.7
EV/EBITDA adj						-5.5	1.1	-21.2	-20.1	-25.7
EV/EBIT						-5.5	1.1	-21.1	-20.0	-25.4
EV/EBIT adj						-5.5	1.1	-21.1	-20.0	-25.4
EV/NOPLAT						-5.5	1.1	-21.1	-20.0	-25.4
EV/OpFCF (taxed)						-5.7	1.1	-20.8	-19.6	-24.6

Source: Company (historical figures), DNB Markets (estimates)

Key accounting ratios

	2009	2010	2011	2012	2013	2014	2015	2016e	2017e	2018e
<i>Profitability (%)</i>										
ROA	-192.3	-18.8	-37.4	-81.7	-35.1	-29.5	-31.2	-25.5	-26.0	-22.0
<i>Return on invested capital (%)</i>										
Net PPE/revenues			1456.3	186.6	109.8	357.9	642.3	1630.6	2041.4	3241.4
Working capital/revenues			4402.8	1312.2	514.2	192.4	-1364.5	-1703.7	-1192.6	-1192.6
<i>Cash flow ratios (%)</i>										
FCF/revenues			-11350.2	-8500.0	-5577.5	-13772.2	-39796.6	-64757.1	-46800.0	-36596.8
FCF/market capitalisation						-8.5	-31.7	-4.2	-4.4	-3.4
CFO/revenues			-9921.9	-8552.6	-5480.7	-14400.5	-39286.7	-63614.3	-45600.0	-34996.8
CFO/market capitalisation						-8.9	-31.3	-4.2	-4.3	-3.3
CFO/capex			-694.7	16235.5	-5661.6	2292.3	-7705.7	-5566.3	-3800.0	-2187.3
CFO/current liabilities	-64.0	-169.7	-752.4	-607.6	-372.8	-1015.7	-851.8	-1104.6	-1131.2	-868.1
Cash conversion ratio	100.0	100.0	104.9	93.6	100.3	95.1	100.7	101.3	102.0	103.4
Capex/revenues			1428.3	-52.7	96.8	-628.2	509.8	1142.9	1200.0	1600.0
Capex/depreciation			158.9	-10.0	125.1	-799.3	224.1	363.6	400.0	400.0
OpFCF margin			-11771.7	-8699.5	-5936.9	-14919.3	-42180.5	-60185.7	-47100.0	-36996.8
Total payout ratio	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Leverage and solvency (x)</i>										
Interest cover	nm	nm	-3047.92	-32282.83	-158.41	-28818.36	-95.15	-10.19	-458.00	nm
EBIT/interest payable			-3168.13	-32962.60	-169.72	-31100.36	-101.95	-10.39	-462.00	
EBITA adj/interest payable			-3168.13	-32962.60	-169.72	-31100.36	-101.95	-10.39	-462.00	
Cash coverage	932.33	8.73	24.54	43.86	16.25	13.55	17.48	-12.92	153.00	88.49
Net debt/EBITDA	0.48	7.22	2.67	0.51	4.45	4.93	4.08	4.73	3.24	4.57
Total debt/total capital (BV)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LTD / (LTD + equity (MV))						0.00	0.00	0.00	0.00	0.00
<i>Cash conversion cycle</i>										
Receivables turnover days	nm	nm	20883.9	9927.3	7242.4	5877.1	11854.6	14801.3	10360.9	10360.9
Credit period	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm

Source: Company (historical figures), DNB Markets (estimates)

7 December 2016

Important Information

Company: Nordic Nanovector
Coverage by Analyst: Patrik Ling
Date: 07-12-2016

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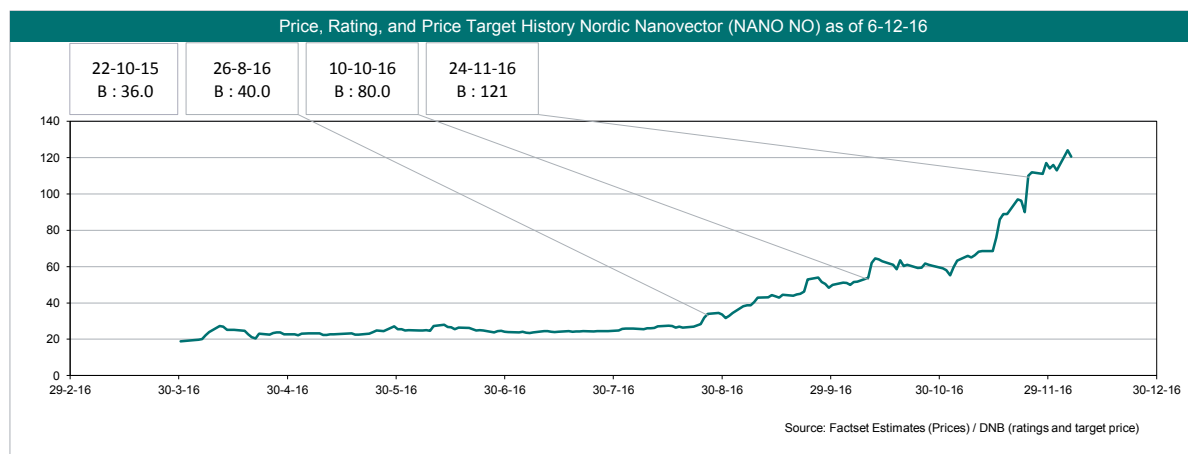
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7 December 2016

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