

NORDIC NANOVECTOR

PARADIGME on track

Nordic Nanovector reported its Q2 operating results on 22 August, and the loss of cNOK85m was broadly in line with our forecast of cNOK87m. As of 21 August the company had 41 sites across 13 countries open for enrolment in the PARADIGME trial, in line with our expectations. No US sites have yet opened but they are expected to do so within a month. We reiterate our BUY and NOK110 target price.

Earnings (loss) in line with expectations. The company reported an operating loss of cNOK85m (we forecast cNOK-87m). At quarter-end it had cNOK570m of cash on the balance sheet, slightly more than our cNOK555m forecast. In the report, the company reiterated it had enough funds to get it through the most important event in the upcoming years (data read-out from PARADIGME trial in H1 2020e).

Positive update on PARADIGME. The company said in June the first patient in the trial had been dosed and at its Q2 results presentation it said that 41 centres across 13 countries were open and enrolling patients. The target is c80–85 centres globally in the trial. The first US centre is expected by the company to be open within a month.

New CEO enters the stage. In June, the company said it had appointed Mr Eduardo Bravo as its new CEO. The Q2 report was his first large presentation to the market and we believe he gave a competent and solid first impression (despite being only six weeks in to the job). In our view, the company needs to continue to communicate more effectively than in the past, and we believe the Q2 report was a clear step in the right direction.

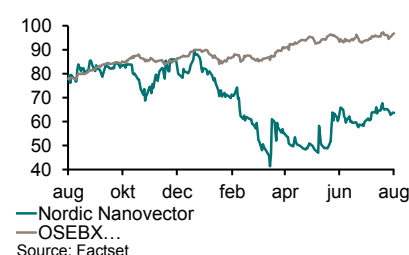
We believe the next important catalyst will be the ASH meeting in December, at which we expect the company to present full data from the LYMRIT 37-01 trial; and we are eager to see the results concerning the duration of response. We believe the overall ORR and CR levels will be in line with previous results but the DoR should see a clear improvement with a longer follow-up.

BUY and NOK110 target price reiterated. There was no data in the report or the company's comments that prompted us to change our view on the stock or the prospects for the company.

BUY

TP: NOK110

NANO versus OSEBX (12m)

**SUMMARY**

Recommendation (prev.)	BUY (BUY)
Share price (NOK)	63.6
Target price (previous) (NOK)	110 (110)
Upside/downside potential (%)	73
Tickers	NANO NO, NANO.OL

CAPITAL STRUCTURE

No. of shares (m)	48.8
No. of shares fully dil. (m)	48.8
Market cap. (NOKm)	3,103
NIBD adj end-2018e (NOKm)	-414
Enterprise value adj (NOKm)	2,689
Net debt/EBITDA adj (x)	1.21

SHARE PRICE PERFORMANCE

Abs. 1/3/12m (%)	6/25/-18
Rel. 1/3/12m (%)	3/24/-43
High/Low 12m (NOK)	90/41
Free float (%)	63

Source: Company, DNB Markets (estimates)

NEXT EVENT

Q3 2018 report	21/11/2018
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ESTIMATE CHANGES (NOK)

Year-end Dec	2018e	2019e	2020e
Sales (old)		0.60	1.00
Sales (new)	0.00	0.00	0.00
Change (%)	nm	-100.0	-100.0
EPS (old)	-6.97	-7.42	-6.23
EPS (new)	-6.98	-7.43	-6.25
Change (%)	nm	nm	nm

Source: DNB Markets, Bloomberg

Year-end Dec	2014	2015	2016	2017	2018e	2019e	2020e
Revenue (NOKm)	0	0	0	0	nm	nm	nm
EBITDA adj (NOKm)	-68	-182	-215	-315	-341	-361	-301
EBIT adj (NOKm)	-69	-183	-216	-317	-343	-364	-306
PTP (NOKm)	-64	-173	-235	-293	-341	-362	-305
EPS rep (NOK)	-3.54	-4.32	-5.05	-6.02	-6.98	-7.43	-6.25
EPS adj (NOK)	-3.54	-4.32	-5.05	-6.02	-6.98	-7.43	-6.25
DPS (NOK)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Revenue growth (%)	43.6	-0.6	-28.1	-3.8	nm	nm	nm
P/Book (x)	1.52	0.79	4.75	5.81	9.15	6.51	18.10
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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

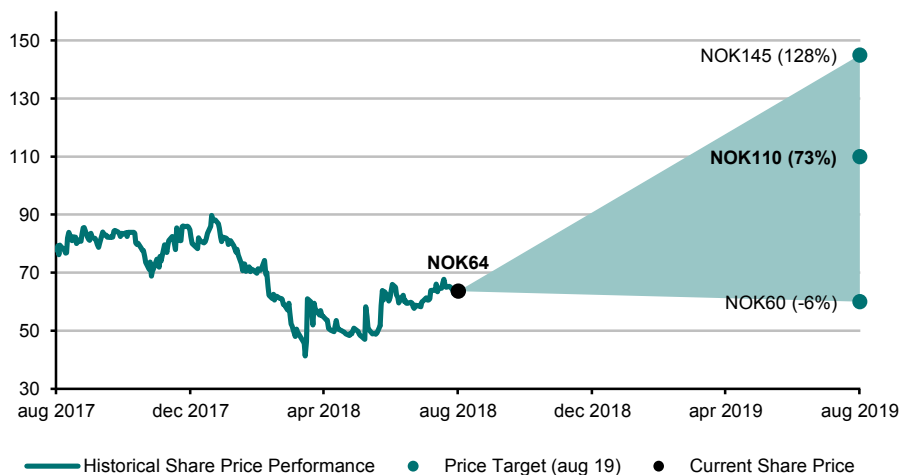
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Investment case overview

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 environment might 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 the market and launch the product alone.
- The first indication should reach the market in 2021. We have applied a 50% probability adjustment to FL sales, but development costs are unadjusted.
- We estimate a global average price per patient of USD150,000 for Betalutin for all indications.

Source: DNB Markets

Target price methodology

- Our target price continues to be based primarily on a SOTP, which includes the period until the patent expires, and is probability-adjusted. We discount the values back to a NPV with a WACC of 10%.
- Our bull-case fair value is based on our SOTP but with a higher peak penetration assumption than in our base case.
- Our bear-case fair value is based on our SOTP but with a lower peak penetration assumption than in our base case.

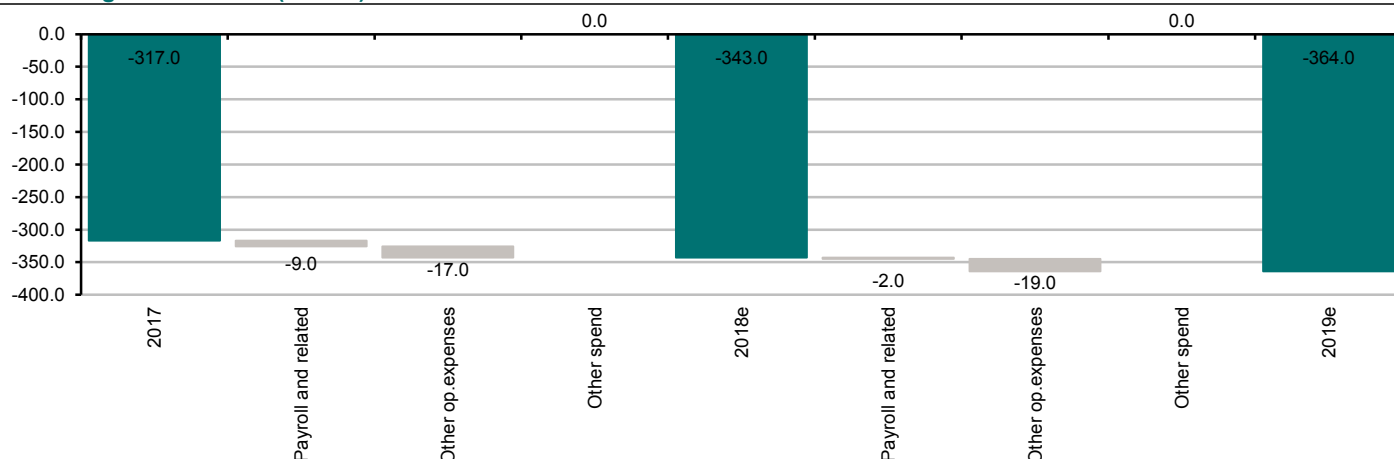
Source: DNB Markets

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 2017–2019e (NOKm)



Source: DNB Markets (forecasts), company (historical data)

Q2 earnings report a non-event

As is almost always the case with development biotech companies, Nordic Nanovector's Q2 earnings report was a non-event from a share price perspective. Operating costs were in line with our forecast and the operating loss was cNOK85m (we forecast cNOK87m). At quarter-end it had cNOK570m of cash on the balance sheet, slightly more than we forecast. The company reiterated its forecast that the cash position would get it through its most important trigger – data read-out from the PARADIGME trial in H1 2020e.

Q2 results

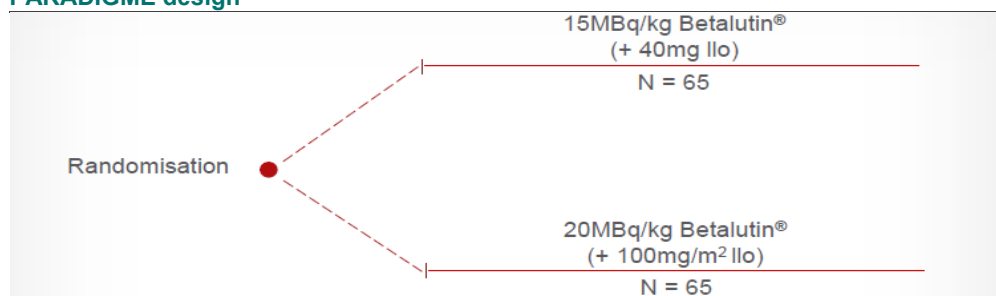
(NOKm)	Q2 2018			Deviation (%)		Deviation (abs)		Actual
	Actual	DNB	Cons.	DNB	Cons.	DNB	Cons.	
Sales	0	0	n.a.	n.m.	n.m.	0	n.m.	0
EBIT reported	-85	-87	n.a.	3%	n.m.	2	n.m.	-76
EBIT margin (%)	n.m.	n.m.	n.m.					n.m.
Net financial items	2	-1	n.a.	488%	n.m.	2	n.m.	10
Pre-tax profit	-93	-86	n.a.	-7%	n.m.	-6	n.m.	-66
EPS	-1.69	-1.76	n.a.	4%	n.a.	n.a.	n.m.	-1.36
Growth YOY								
Group sales	-100%	86%	n.m.			-186%	n.m.	
EBITA Adj.	-11%	-14%	n.m.			3%	n.m.	
EPS	-24%	-29%	n.m.			5%	n.m.	
Cash position	570	555	n.a.	3%	n.m.	15	n.m.	881

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

PARADIGME trial on track

The company said on 21 June the first patient in the pivotal phase IIb trial PARADIGME had been dosed. As a reminder, PARADIGME is planned to include c130 patients in two dose groups (15MBq/kg with pre-dosing of 40mg cold antibody; 20MBq/kg with pre-dosing of 100mg/m² cold antibody). The plan is to open c80–85 clinical centres across c20 countries globally. As of 21 August it had approval for, and opened enrolment in, 40 clinics in 13 countries.

PARADIGME design



Source: Company data

New CEO in place

During the summer, the company said it had hired a new CEO, Mr Eduardo Bravo. The Q2 report was his first public appearance as CEO and in our view he gave a solid first impression (despite being only six weeks in to the job). Mr Bravo seems to have a very relevant track record for the company's current phase. Our impression is that he would like to develop more of the assets in the pipeline (including Humalutin). The company does not have financial resources for this now, but if the opportunity arises and it can – at a favourable share price – raise more capital we believe it would like to beef up the balance sheet to develop the pipeline further.

BUY and NOK110 target price reiterated

No new data was released yesterday (neither did we expect it to be) and the company's comments did not change our view of the stock or the company. We still see significant upside potential as it nears completion of the PARADIGME trial and files for approval of Betalutin.

Forecast changes – P&L

(NOKm)	New			Old			Change		
	2018e	2019e	2020e	2018e	2019e	2020e	2018e	2019e	2020e
Revenues	0	0	0	1	1	1	-1	-1	-1
Cost of sales	0	0	0	0	0	0	0	0	0
Gross profit	0	0	0	1	1	1	-1	-1	-1
Operating expenses	-341	-361	-301	-341	-361	-301	0	0	0
EBITDA	-341	-361	-301	-340	-361	-300	-1	-1	-1
EBITDA adj	-341	-361	-301	-340	-361	-300	-1	-1	-1
EBITDA margin (%)	nm	nm	nm	nm	-60132.0	-30008.2	nm	nm	nm
Depreciation	-2	-3	-5		-3	-5		0	0
EBITA	-343	-364	-306	-342	-364	-305	-1	-1	-1
EBIT	-343	-364	-306	-342	-364	-305	-1	-1	-1
EBIT adj	-343	-364	-306	-342	-364	-305	-1	-1	-1
Net interest	2	2	1		2	1		0	0
Net financial items	2	2	1		2	1		0	0
PBT	-341	-362	-305	-340	-362	-304	-1	-1	-1
Taxes	0	0	0		0	0		0	0
Net profit	-341	-362	-305	-340	-362	-304	-1	-1	-1
Adjustments to net profit	0	0	0	0	0	0	0	0	0
Net profit adj	-341	-362	-305	-340	-362	-304	-1	-1	-1
<i>Per share data (NOK)</i>									
EPS	-6.98	-7.43	-6.25	-6.97	-7.42	-6.23	-0.01	-0.01	-0.02
EPS adj	-6.98	-7.43	-6.25	-6.97	-7.42	-6.23	-0.01	-0.01	-0.02
DPS ordinary	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
DPS	0.00	0.00	0.00		0.00	0.00		0.00	0.00
<i>Other key metrics (%)</i>									
Revenue growth	nm	nm	nm	nm	nm	66.7	nm	nm	nm
EBIT adj growth	nm	nm	nm	8.1	6.3	-16.1	nm	nm	nm
EPS adj growth	nm	nm	nm	15.8	6.4	-16.0	nm	nm	nm
Avg. number of shares (m)	51	51	51	51	51	51	0	0	0
Capex	-4	-5	-5		-10	-10		5	5
OpFCF	-345	-366	-306	-348	-371	-310	4	4	4
Working capital	-78	-78	-78	-78	-78	-78	0	0	0
NIBD adj	-414	-550	-244	-410	-542	-233	-4	-8	-12

Source: DNB Markets

Quarterly numbers

(NOKm)	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018e	Q4 2018e	Q1 2019e	Q2 2019e	Q3 2019e
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	-65	-76	-72	-101	-82	-84	-87	-87	-90	-90	-90
EBITDA	-65	-76	-72	-101	-82	-84	-87	-87	-90	-90	-90
Depreciation	0	0	0	-1	-1	-1	0	0	-1	-1	-1
EBITA	-66	-76	-73	-102	-82	-85	-88	-88	-91	-91	-91
EBIT	-66	-76	-73	-102	-82	-85	-88	-88	-91	-91	-91
Net interest	10	10	-13	16	-8	2	1	1	1	1	1
Net financial items	10	10	-13	16	-8	2	1	1	1	1	1
PBT	-56	-66	-86	-86	-91	-83	-87	-87	-91	-91	-91
Taxes	0	0	0	0	0	0	0	0	0	0	0
Net profit	-56	-66	-86	-86	-91	-83	-87	-87	-91	-91	-91
Adjustments to net profit	0	0	0	0	0	0	0	0	0	0	0
Net profit adj	-56	-66	-86	-86	-91	-83	-87	-87	-91	-91	-91
<i>Per share data (NOK)</i>											
<i>Growth and margins (%)</i>											
Revenues, QOQ growth	-1.3	-15.4	63.6	-53.7	nm	nm	nm	nm	nm	nm	nm
Revenues, YOY growth	0.0	-16.5	38.5	-36.7	nm	nm	nm	nm	nm	nm	nm
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	nm	nm	nm	nm	nm	nm	nm
EBITDA adj margin	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Depreciation/revenues	-357.7	-454.5	-334.3	-1086.0	nm	nm	nm	nm	nm	nm	nm
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

(NOKm)	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018e	Q4 2018e	Q1 2019e	Q2 2019e	Q3 2019e
EBITDA	-65	-76	-72	-101	-82	-84	-87	-87	-90	-90	-90
EBITDA adj	-65	-76	-72	-101	-82	-84	-87	-87	-90	-90	-90
EBITA	-66	-76	-73	-102	-82	-85	-88	-88	-91	-91	-91
EBITA adj	-66	-76	-73	-102	-82	-85	-88	-88	-91	-91	-91
EBIT	-66	-76	-73	-102	-82	-85	-88	-88	-91	-91	-91
EBIT adj	-66	-76	-73	-102	-82	-85	-88	-88	-91	-91	-91
Net profit	-56	-66	-86	-86	-91	-83	-87	-87	-91	-91	-91
Net profit adj	-56	-66	-86	-86	-91	-83	-87	-87	-91	-91	-91

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

23 August 2018

Annual P&L

(NOKm)	2011	2012	2013	2014	2015	2016	2017	2018e	2019e	2020e
Revenues	0	0	0	0	0	0	0	0	0	0
Cost of sales	0	0	0	0	0	0	0	0	0	0
Gross profit	0	0	0	0	0	0	0	0	0	0
Operating expenses	-7	-13	-18	-69	-183	-216	-315	-341	-361	-301
EBITDA	-7	-13	-18	-68	-182	-215	-315	-341	-361	-301
Depreciation	-1	-1	0	0	-1	-1	-1	-2	-3	-5
EBITA	-7	-14	-18	-69	-183	-216	-317	-343	-364	-306
EBIT	-7	-14	-18	-69	-183	-216	-317	-343	-364	-306
Net interest	0	0	1	5	10	-19	23	2	2	1
Net financial items	0	0	1	5	10	-19	23	2	2	1
PBT	-7	-13	-17	-64	-173	-235	-293	-341	-362	-305
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	-7	-13	-17	-64	-173	-235	-293	-341	-362	-305
Adjustments to net profit	0	0	0	0	0	0	0	0	0	0
Net profit adj	-7	-13	-17	-64	-173	-235	-293	-341	-362	-305
Avg. number of shares	0	6	9	20	42	49	51	51	51	51
<i>Per share data (NOK)</i>										
EPS	-21.42	-2.11	-1.92	-3.54	-4.32	-5.05	-6.02	-6.98	-7.43	-6.25
EPS adj	-21.42	-2.11	-1.92	-3.54	-4.32	-5.05	-6.02	-6.98	-7.43	-6.25
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	135.1	106.6	43.6	-0.6	-28.1	-3.8	nm	nm	nm
EPS adj growth	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	nm	nm	nm
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	-898.9	-526.2	-77.4	-78.6	-227.5	-369.4	-491.1	nm	nm	nm
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)

Adjustments to annual P&L

(NOKm)	2011	2012	2013	2014	2015	2016	2017	2018e	2019e	2020e
EBITDA	-7	-13	-18	-68	-182	-215	-315	-341	-361	-301
EBITDA adj	-7	-13	-18	-68	-182	-215	-315	-341	-361	-301
EBITA	-7	-14	-18	-69	-183	-216	-317	-343	-364	-306
EBITA adj	-7	-14	-18	-69	-183	-216	-317	-343	-364	-306
EBIT	-7	-14	-18	-69	-183	-216	-317	-343	-364	-306
EBIT adj	-7	-14	-18	-69	-183	-216	-317	-343	-364	-306
Net profit	-7	-13	-17	-64	-173	-235	-293	-341	-362	-305
Net profit adj	-7	-13	-17	-64	-173	-235	-293	-341	-362	-305
<i>Per share data (NOK)</i>										
EPS	-21.42	-2.11	-1.92	-3.54	-4.32	-5.05	-6.02	-6.98	-7.43	-6.25
Recommended adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EPS adj	-21.42	-2.11	-1.92	-3.54	-4.32	-5.05	-6.02	-6.98	-7.43	-6.25

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

Cash flow

(NOKm)	2011	2012	2013	2014	2015	2016	2017	2018e	2019e	2020e
Net profit	-7	-13	-17	-64	-173	-235	-293	-341	-362	-305
Change in net working capital	0	0	0	0	0	0	0	0	0	0
Cash flow from operations (CFO)	-6	-13	-17	-63	-172	-234	-292	-339	-359	-300
Capital expenditure	-1	0	0	3	-2	-1	-3	-4	-5	-5
Acquisitions/Investments	0	0	0	0	0	0	0	0	0	0
Cash flow from investing (CFI)	-1	0	0	3	-2	-1	-3	-4	-5	-5
Free cash flow (FCF)	-7	-13	-17	-61	-174	-236	-294	-343	-364	-305
Net change in debt	0	0	0	0	0	0	0	0	0	0
Other	-2	2	3	5	34	45	65	0	0	0
Cash flow from financing (CFF)	12	2	90	318	580	510	33	0	500	0
Total cash flow (CFO+CFI+CFF)	4	-11	73	257	406	275	-262	-343	136	-305
<i>FCFF calculation</i>										
Free cash flow	-7	-13	-17	-61	-174	-236	-294	-343	-364	-305
Less: net interest	0	0	-1	-5	-10	19	-23	-2	-2	-1
Less: acquisitions	0	0	0	0	0	0	0	0	0	0
Growth (%)										
CFO	-293.1	-102.7	-32.4	-277.3	-171.3	-36.3	-24.8	-16.0	-6.1	16.5
CFI	nm	108.7	-479.6	1031.8	-180.7	32.8	-67.8	-59.2	-25.0	0.0
FCF	-349.7	-76.1	-35.6	-254.5	-187.3	-35.4	-25.0	-16.4	-6.3	16.3
CFF	-13.9	-84.0	4759.6	253.4	82.5	-12.0	-93.6	-100.0	nm	-100.0
FCFF	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm

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

Balance sheet

(NOKm)	2011	2012	2013	2014	2015	2016	2017	2018e	2019e	2020e
Assets	22	11	86	346	760	1,045	780	440	577	272
Inventories	0	0	0	0	0	0	0	0	0	0
Trade receivables	4	4	6	7	14	23	20	20	20	20
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	17	7	80	337	743	1,018	757	414	550	244
Current assets	21	11	86	344	758	1,042	776	434	569	264
Property, plant and equipment	1	0	0	2	3	3	4	6	8	8
Goodwill	0	0	0	0	0	0	0	0	0	0
Other intangible assets	0	0	0	0	0	0	0	0	0	0
Deffered 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	1	0	0	2	3	3	4	6	8	8
Total assets	22	11	86	346	760	1,045	780	440	577	272
Equity and liabilities	22	11	86	346	760	1,045	780	440	577	272
Total equity to the parent	20	8	79	330	713	949	680	339	477	171
Total equity	20	8	79	330	713	949	680	339	477	171
Trade payables	1	2	4	6	20	53	29	29	29	29
Other payables and accruals	1	1	3	9	27	42	68	68	68	68
Short-term debt	0	0	0	0	0	0	0	0	0	0
Total current liabilities	1	3	7	16	48	95	97	97	97	97
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	0	0	0	0	0	4	4	4	4
Total non-current liabilities	0	0	0	0	0	0	4	4	4	4
Total liabilities	1	3	7	16	48	95	101	101	101	101
Total equity and liabilities	22	11	86	346	760	1,045	780	440	577	272
<i>Key metrics</i>										
Net interest bearing debt	-17	-7	-80	-337	-743	-1,018	-757	-414	-550	-244

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

23 August 2018

Valuation ratios

(NOKm)	2011	2012	2013	2014	2015	2016	2017	2018e	2019e	2020e
<i>Enterprise value</i>										
Share price (NOK)				28.00	14.10	96.75	81.00	63.60	63.60	63.60
Number of shares (m)	0.32	6.37	8.84	26.55	44.52	48.78	48.78	48.78	48.78	48.78
Market capitalisation				743	628	4,720	3,952	3,103	3,103	3,103
Net interest bearing debt	-17	-7	-80	-337	-743	-1,018	-757	-414	-550	-244
Adjustments to NIBD	0	0	0	0	0	0	0	0	0	0
Net interest bearing debt adj	-17	-7	-80	-337	-743	-1,018	-757	-414	-550	-244
EV				406	-116	3,702	3,195	2,689	2,553	2,858
EV adj				406	-116	3,702	3,195	2,689	2,553	2,858
<i>Valuation</i>										
EPS	-21.42	-2.11	-1.92	-3.54	-4.32	-5.05	-6.02	-6.98	-7.43	-6.25
EPS adj	-21.42	-2.11	-1.92	-3.54	-4.32	-5.05	-6.02	-6.98	-7.43	-6.25
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	-19.2	-13.4	-9.1	-8.6	-10.2
P/E adj				-7.9	-3.3	-19.2	-13.4	-9.1	-8.6	-10.2
P/B				1.52	0.79	4.75	5.81	9.15	6.51	18.10
Average ROE	-40.7%	-95.5%	-39.3%	-31.1%	-33.1%	-28.3%	-36.0%	-66.9%	-88.9%	-94.2%
Dividend yield				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EV/SALES				924.74	-264.64	11788.65	10579.25			
EV/SALES adj				924.74	-264.64	11788.65	10579.25			
EV/EBITDA				-5.9	0.6	-17.2	-10.1	-7.9	-7.1	-9.5
EV/EBITDA adj				-5.9	0.6	-17.2	-10.1	-7.9	-7.1	-9.5
EV/EBIT				-5.9	0.6	-17.1	-10.1	-7.8	-7.0	-9.3
EV/EBIT adj				-5.9	0.6	-17.1	-10.1	-7.8	-7.0	-9.3
EV/NOPLAT				-5.9	0.6	-17.1	-10.1	-7.8	-7.0	-9.3
EV/OpFCF (taxed)				-6.2	0.6	-17.1	-10.1	-7.8	-7.0	-9.3

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

Key accounting ratios

	2011	2012	2013	2014	2015	2016	2017	2018e	2019e	2020e
<i>Profitability (%)</i>										
ROA	-37.4	-81.7	-35.1	-29.5	-31.2	-26.1	-32.2	-55.8	-71.3	-71.8
<i>Return on invested capital (%)</i>										
Net PPE/revenues	1456.3	186.6	109.8	357.9	642.3	1001.6	1382.1			
Working capital/revenues	3425.1	498.8	-380.5	-1917.2	-7651.3	-22953.2	-25666.2			
<i>Cash flow ratios (%)</i>										
FCF/revenues	-11350.2	-8500.0	-5577.5	-13772.2	-39796.6	-75002.9	-97504.3			
FCF/market capitalisation				-8.1	-27.7	-5.0	-7.5	-11.0	-11.7	-9.8
CFO/revenues	-9921.9	-8552.6	-5480.7	-14400.5	-39286.7	-74525.8	-96672.2			
CFO/market capitalisation				-8.5	-27.4	-5.0	-7.4	-10.9	-11.6	-9.7
CFO/capex	-694.7	16235.5	-5661.6	2292.3	-7705.7	-15621.6	-11617.6	-8467.0	-7187.8	-6001.6
CFO/current liabilities	-432.0	-385.1	-231.8	-408.2	-360.5	-245.2	-300.2	-348.3	-369.6	-308.6
Cash conversion ratio	104.9	93.6	100.3	95.1	100.7	100.1	100.4	100.6	100.6	100.0
Capex/revenues	1428.3	-52.7	96.8	-628.2	509.8	477.1	832.1			
Capex/depreciation	158.9	-10.0	125.1	-799.3	224.1	129.1	169.5	200.0	166.7	100.0
OpFCF margin	-11771.7	-8699.5	-5936.9	-14919.3	-42180.5	-69012.7	-105149.7			
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	-3048.33	-32252.69	-158.41	-28816.44	-95.15	-7.09	nm	nm	nm	nm
EBIT/interest payable	-3168.13	-32962.60	-169.72	-31100.36	-101.95	-7.45				
EBITA adj/interest payable	-3168.13	-32962.60	-169.72	-31100.36	-101.95	-7.45				
Cash coverage	24.54	43.86	16.25	13.55	17.48	-11.44	13.64	170.34	180.70	301.08
Net debt/EBITDA	2.67	0.51	4.45	4.93	4.08	4.73	2.40	1.21	1.52	0.81
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	0.00	0.00
<i>Cash conversion cycle</i>										
Receivables turnover days	20883.9	9927.3	7242.4	5877.1	11854.6	27173.9	23841.0	nm	nm	nm
Credit period	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm

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

Important Information

Company: Nordic Nanovector
 Coverage by Analyst: Patrik Ling
 Date: 22/08/2018

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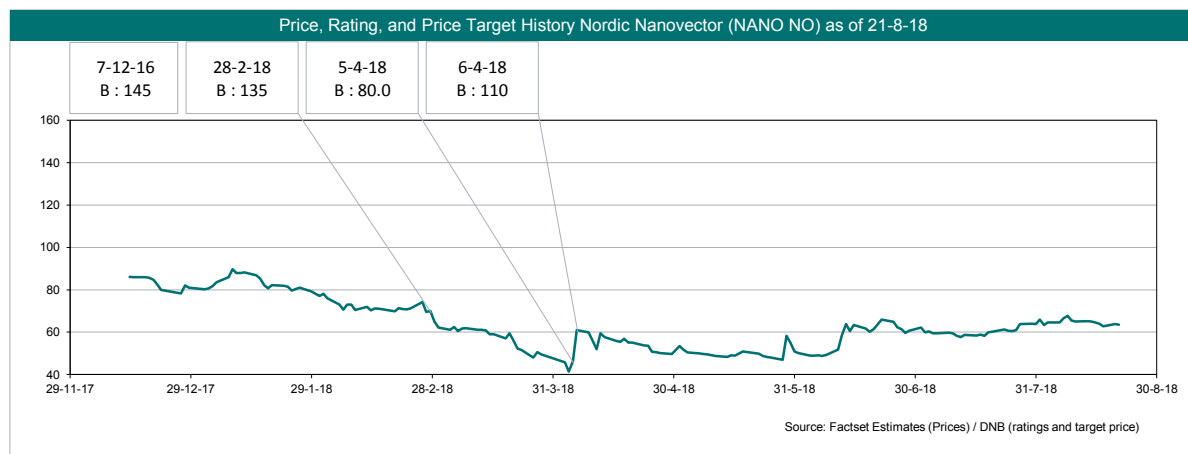
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23 August 2018

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