



ERIK PENSER BANK

Penser Access | Real Estate Management & Development | Sweden | 21 November 2022

Arlandastad Group

Progressing as planned

Revenue growth in property business and operating companies

The company generated revenues of SEK 208m for the first nine months of the year, corresponding to 70% growth y/y. Income from property management business during the period was SEK 92m and accounted for 44% of total revenue. Revenues from operating companies accounted for 55%. The increase in revenues from operating companies was driven by higher activity related to the lifting of COVID restrictions. Otherwise, rental income continues to increase as new leases are signed.

Marginal changes in estimates

In our assessment, the company's business is moving in the right direction. Accordingly, we are making no adjustments related to operations. We are, however, raising our estimates for interest expenses in line with the market.

Fair value adjustment due to several macro headwinds

Considering the persistent uncertainty related to building costs, the weak transaction market, uncertain and turbulent financing market, we are adjusting our fair value down to SEK 72-74 from SEK 76-78. The company has low debt, high return on equity and is delivering on business-related targets and we therefore believe the high discount to both the real estate sector and NAV is unjustified. In our view, Arlandastad is currently one of the most interesting, listed property companies out there.

Change in estimates (SEK)				Forecast (SEK m)				Value and risk			
	22e	Δ%	23e	Δ%	2021	2022e	2023e	2024e	Fair value	SEK 72 - 74	
Rental Income	107	0,0	136	0,0	Rental Income	89	107	136	175	Share price	SEK 42,4
PFPm	328	0,0	6	0,0	Rental growth	42%	21%	27%	28%	Risk level	Medium
Long-term NAVPS	92,0	0,0	93,6	0,0	NOI	74	94	120	155	Price Performance 12 months	
					NOI margin	84%	88%	88%	89%		
Upcoming events					PFPm	-38	328	6	29	Conflicts of interest	
Q4 - report	15 February 2023				PFPm growth	50%	27%	27%	29%		
Company facts (SEK m)					Long-term NAV PS	79,8	92,0	93,6	100,6		
Number of shares	63m				Long-term NAVPS growth	4%	15%	2%	7%		
Market capitalization	2 600				P/PFPm	-114,7x	8,0x	454,2x	88,9x		
Net debt	1 386				P/NAV	0,9x	0,4x	0,4x	0,4x		
EV	3 986				Implicit yield	1,5%	3,2%	3,8%	4,7%		
Free float	40%				ROE	4,6%	16,9%	2,1%	8,4%		
Daily trading volume, average	1k				Loan-to-value	0,2x	0,2x	0,2x	0,2x		
Bloomberg Ticker	AGROUP SS EQUITY				EBITDA / Interest expenses	0,0x	0,8x	1,1x	1,4x		
Analyst					Average interest rate	2,7%	2,9%	2,8%	3,0%		
Rodriguez Meshe										Yes	No
rodriguez.meshe@penser.se										Liquidity provider	✓
										Certified adviser	✓
										Transactions 12m	✓

Investment case

Arlandastad Group is property developer engaged in active property development in the vicinity of Arlanda and Stockholm Skavsta Airport. The company has acquired raw land at low prices, which further enables high return on invested capital once the holdings have been developed. Arlandastad Group differs from many property companies in that they also operate businesses in their properties to a certain extent. This facilitates synergies in property development and operations in the projects entered and built up.

Company profile

Arlandastad Group was founded in 2005 and acquired a property in the area the company now calls Explore Arlandastad in 2006. Additional acquisitions have been made and Arlandastad Group now controls more than 290 hectares in the area. Of the total, 200 hectares are directly owned, 40 hectares are long-term leaseholds and ownership of 50 hectares will close upon approval of the detailed development plan. The company has also acquired Stockholm Skavsta Airport AB, encompassing 4.84 million sqm of land. We believe major investments in infrastructure are going to be made in these areas because Arlanda is going to need to grow in pace with the convergence of Stockholm and Uppsala. Large meeting venues have been developed in the vicinity of airports all over the world. As we see it, Explore Arlandastad can fill a similar function in the Stockholm region, as the company is working with most stakeholders in the geographical area surrounding Arlanda. Arlandastad Group differs from many traditional property companies and property developers in that they operate businesses in their properties. There are two main businesses at present. The DRIVELAB concept, which primarily provides training, but also events and tests. The second business is Scandinavian XPO, which is a large international meeting venue. By both owning the property and operating the business, the company can take a larger share of wallet from end customers for trade fairs and other events.

Arlandastad Group has acquired large tracts of raw land at low initial value. By acquiring raw land, the company can focus on the aspect of property development that generates the highest value growth: detailed development planning. Arlandastad Group collaborates with all stakeholders (municipalities, public authorities and other companies operating in the area) in the detailed development planning process, which improves the odds of gaining approval for detailed development plan projects. The low initial values also facilitate high project flexibility. In the projects where Arlandastad Group has selected partners, estimated return on assets is 30-40%. In Q1 22, Arlandastad Group sold a project to a JV partner for underlying property value of SEK 520 million, of which the JV partner bought 50%. The raw land for this project was acquired for less than SEK 10 million. We believe additional, similar transactions are coming in the near term. In summary, we see a great deal of hidden value in Arlandastad Group's balance sheet, which should be reflected in the share price.

Valuation

Our valuation approach applies a sum-of-the-parts (SOTP) model, which is based on separate valuation of the property development portfolio and investment properties. The development portfolio and the investment property portfolio give a value of approximately SEK 69 per share and SEK 5 per share, respectively, which adds up to a fair value of SEK 72-74 per share.

The quarter in detail

Revenues in Q3 22 amounted to SEK 77.6 million (48.9m in Q3 21) including rental income of SEK 38.4 million (23.9m) and revenues from operating companies of SEK 37.7 million (19.7m). The increase in rental income is attributable mainly to new leases, higher turnover-based rent and business acquisitions. The increase in revenues from operating companies was generated primarily by the training and events business, which is no longer affected by the pandemic and related restrictions. Total revenues rose to SEK 208 million in the first 9 months, corresponding to growth of 70%. The operating companies have delivered revenue growth of 93%. The Skavsta Airport operation accounted for SEK 19.1 million of the increase. Organic growth is thus about 60%.

Gross profit for the first 9 months increased from the previous SEK 46 million to SEK 53.9 million. In our assessment, the reason profit is not growing at the same rate as revenues is that the company is now absorbing costs within the operating companies in order to do business in a post-pandemic world. Costs related to the operating companies rose from SEK 40.1 million to SEK 111 million. The company's workforce has grown from 64 to 159 employees. Most of the increase is linked to the acquisition of Skavsta. We believe the business operations will see a steep revenue boost in 2023 as all of Scandinavian XPO will be fully booked in H1 23. During that period, the Government Offices of Sweden have chosen Scandinavian XPO as the venue for all meetings related to the Swedish presidency of the EU, which highlights the strength of the asset's geographical location.

Profit before valuation uplifts amounted to SEK 288 million during the first 9 months of the year. Of the total, about SEK 337 million is related to add back of goodwill. During the same period in 2021, the loss before valuation uplifts was SEK -41 million.

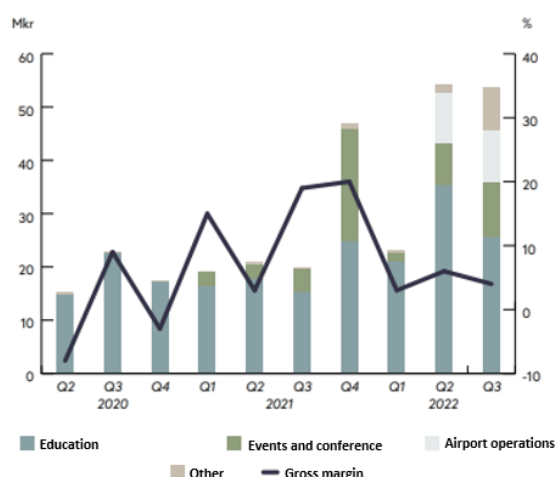
Realised changes in the value of properties amounted to about SEK 34 million for the quarter vs SEK 0 million in Q3 21. The company realised changes in value of SEK 104 million in the first 9 months. Unrealised changes in the value of investment properties amounted to SEK -114.6 million (187.6m) for the quarter, driven by correction of a previous error of SEK -97 million related to the disposal of an associated company and the remaining SEK -17 million to the latest external valuation. Unrealised changes in value amounted to SEK 173 million in the first 9 months.

The average yield requirement for the portfolio was 6.5% (6.1) and the average interest rate was 3.0% (2.9). NAV was SEK 92 per share (79).

Two major detailed planning processes began during the quarter. The first is Development Phase 1 of Explore Skavsta. The second is Training Academy, which is intended to be a gathering place for Swedish sports in the recently acquired Arlandastad Golf area. These detailed planning processes have the potential to result in sustained NAV growth in the next few years.

Income overview

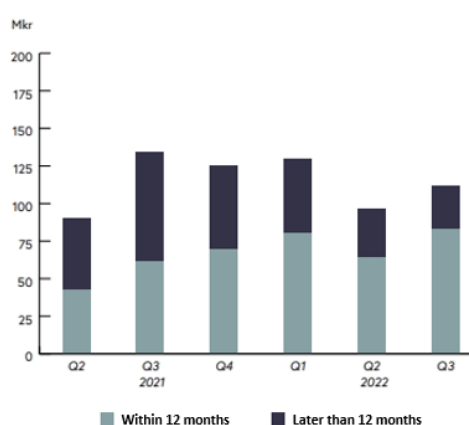
Total income and gross profit



Source: Arlandastad Group

Order book

Order book



Source: Arlandastad Group

Valuation

Our valuation approach applies a sum-of-the-parts (SOTP) model, which is based on separate valuation of property improvement portfolio and investment properties. We have excluded the operating businesses from our valuation because these values are relatively low, but primarily because we consider Arlandastad Group primarily as a property company over the long term.

Property Development

We have based our valuation of the Property Development business area (the building rights portfolio) on the carrying amount of building rights per square metre. We then adjusted based on the building costs trend over the past twelve months. We find that several factors should be considered in the valuation of the building rights portfolio, including:

- The company's carrying amount for the building rights portfolio in Arlandastad is SEK 3,479 per sqm/gross area and SEK 302 per sqm /gross area for building rights in Skavsta.
- The company made a new JV deal in April at an underlying property value of SEK 4,350/sqm, which is about SEK 1,150/sqm (gross area) higher than the average value of the entire building rights portfolio.
- The company engaged an independent external valuation firm in May to determine the market value of the building rights in Skavsta. The valuation amounted to SEK 626 million or SEK 601/sqm gross area.
- According to Statistics Sweden, building costs have increased by 15.3% over the past twelve months (October 2022).
- A logistics land deal was made in June with a building rights portfolio covering about 1.2 million m² of land in Nykvarn, Enköping, Rosersberg (Sigtuna Municipality near Arlanda), Strängnäs and Staffanstorp worth SEK 3.1 billion, for which detailed planning is complete. The portfolio enables the development of about 660,000 sqm of logistics buildings. The average value per m² of building rights is about SEK 4,700.
- In April 2022, Genesta acquired an area of land zoned for industrial and logistics purposes in Enköping for SEK 945 million and the value of building rights was assessed at about SEK 2,600/sqm gross area. Construction is expected to be complete in autumn 2023.
- Weak transaction market due to increased uncertainty and higher financing and building costs

A table showing our estimate of the value of the building rights portfolio including subsequent arguments follows:

Project	Planned building rights (sqm)	Value/sqm	Total value (mSEK)	No. of shares	Value/share	Discount	Value/share
Arlandastad (inkl. Golf)	1 427 600	3 479	4 967	63,3	78,5	25%	59
Skavsta	1 042 000	601	626	63,3	9,9		10
Total	2 469 600	2 265	5 593	63,3	88,4		69

Based on the calculation above, we estimate the value of the company's building rights portfolio, as of the date of this publication, at SEK 69 per share. In the valuation of the company's building rights portfolio in Arlandastad, we have chosen to apply a discount but have retained the most recent valuation of Skavsta. In our assessment, the discount is justified by several factors: (i) the persistent high level of uncertainty regarding the price trend in building costs, (ii) volatility in the fixed income market, and (iii) turbulence in the financing market for property companies. If, however, we see prices stabilise and begin to fall, we do not preclude the possibility of eliminating the discount or setting a premium based on the company's relatively recent deal in which the price per sqm of building rights was SEK 4,350/sqm.

To gain an understanding of how the market values the company's building rights portfolio as of the date of this publication (a price of about SEK 41 per share), this justifies a discount of about 45% of the building rights in Arlandastad, corresponding to a value per sqm of building rights of SEK 1,800–1,900. See the table and sensitivity analysis later in the analysis for further information about how the price per sqm of building rights affects the valuation.

Property Management

Considering the company's expansion plans and that it will widen and expand its property management holding over time, we have also chosen to value this part separately. We have based our valuation approach on the income from property management (less tax) that the company expects to generate in 2024, set a multiple of 10x and thereafter discounted that by a WACC of 9%. A multiple of 10x is justified by peer valuations, taking size discount into account.

The nature of Arlandastad Group as a property company is unique because the company focuses on value creation in every aspect of property development projects, from land acquisition to building management. This makes it difficult to identify peers, but we consider Atrium Ljungberg the listed company that is most similar to Arlandastad Group, considering its focus on the Sickla area. Our fair value for the property management business is approximately SEK 5 per share.

Valuation	
FFO (2024)	39,6
Multipel	10x
Value	396
No. of shares (m)	63,3
Value per share (SEK)	6,3
No. of periods	2e
WACC	9%
Present value	5,3

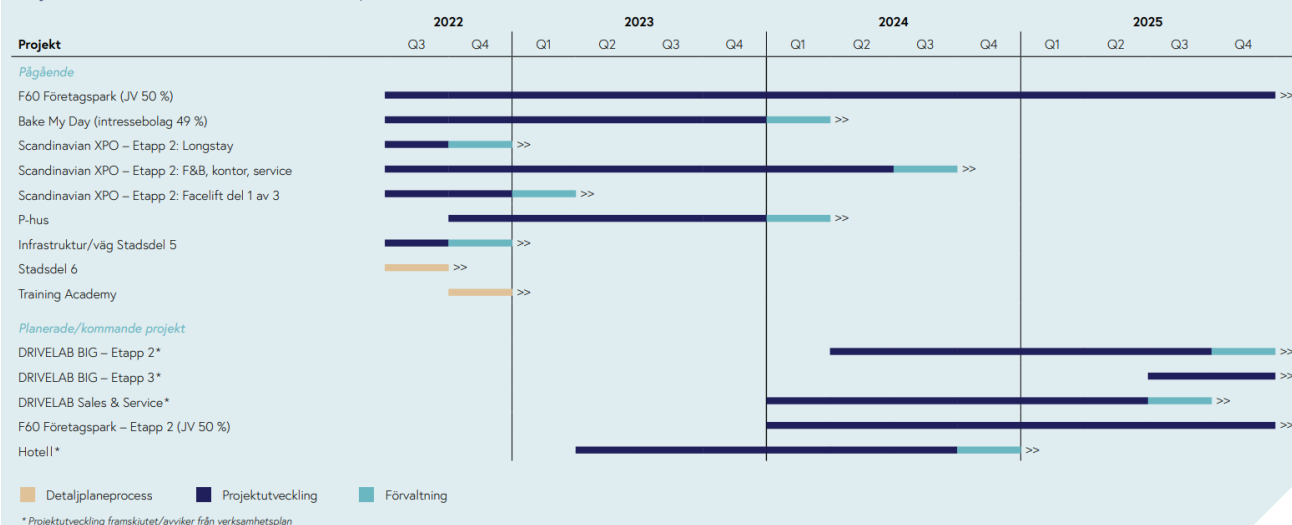
Källa: EPB

Sensitivity Analysis

Arlandastad			Skavsta		
Value/sqm	Value/share	Delta (%)	Value/sqm	Value/share	Delta (%)
479	11	-86%	450	7	-25%
1 479	33	-57%	500	8	-17%
2 479	56	-29%	550	9	-8%
3 479	79	0%	600	10	0%
4 479	101	29%	650	11	8%
5 479	124	57%	700	12	17%
6 479	146	86%	750	12	25%

Project portfolio Arlandastad I/II

Projektfaser under kommande treårsperiod



Source: Arlandastad Group

Project portfolio

Explore Arlandastad – Pågående projekt

Projekt	Typ av projekt	Planerad yta (kvm)	Status	Tidplan	Bedömd investering (Mkr)	Varav återstår, (Mkr)	Uthyrningsgrad
F60 Företagspark (JV 50 %)	Företagspark	124 444	Projektutveckling	2022-2027	1 813	1 785	1 %
Bake My Day (intressebolag 49 %)	Bageri	9 676	Projektutveckling	2022-2023	170	155	100 %
Scandinavian XPO – Etapp 2	Kontor, service, hotell, vård	16 550	Projektutveckling	2020-2024	160	50	21 %
P-hus	P-hus	19 500	Projektutveckling	2023-2024	68	65	0 %
Infrastruktur/väg Stadsdel 5	Infrastruktur/väg		Projektutveckling	2021-2022	64	2	-
Delsumma		170 170			2 275	2 057	-

Explore Arlandastad – Planerade/kommande projekt

Projekt	Typ av projekt	Planerad yta (kvm)	Status	Tidplan	Bedömd investering (Mkr)	Varav återstår, (Mkr)	Uthyrningsgrad
DRIVELAB BIG – Etapp 2 och 3	Utbildning och möten	12 000	Projektutveckling	2024-2026	180	180	-
DRIVELAB Sales & Service – Etapp 2	Bilförsäljning och -service	9 000	Projektutveckling	2024-2025	95	95	-
F60 Företagspark – Etapp 2 (JV 50 %)	Företagspark	38 000	Projektutveckling	2024-2027	551	551	-
Hotell	Hotell	6 000	Projektutveckling	2023-2024	150	150	-
Delsumma		65 000			976	976	-

Explore Arlandastad – Byggrätter

Projekt	Typ av projekt	Byggrätter (kvm)	Status	Tidplan	Bedömd investering (Mkr)	Varav återstår, (Mkr)	Uthyrningsgrad
Antagna	Ej specificerat	493 524	Projektutveckling	-	-	-	-
Antagna i JV/intressebolag	Ej specificerat	134 120	Projektutveckling	-	-	-	-
Under detaljplaneprocess Stadsdel 6	Ej specificerat	Bedömd 500 000	Detaljplaneprocess	- 2023	-	-	-
Under detaljplaneprocess Training Academy	Ej specificerat	Bedömd 150 000	Detaljplaneprocess	- 2024	-	-	-
Delsumma		1 277 644			-	-	-

Explore Skavsta – Byggrätter

Projekt	Typ av projekt	Byggrätter (kvm)	Status	Tidplan	Bedömd investering (Mkr)	Varav återstår, (Mkr)	Uthyrningsgrad
Antagna	Ej specificerat	612 000	Projektutveckling	-	-	-	-
Under detaljplaneprocess	Ej specificerat	Bedömd 430 000	Detaljplaneprocess	-2024	-	-	-
Delsumma		1 042 000			-	-	-

Source: Arlandastad Group

Income statement

	2020	2021	2022e	2023e	2024e
Rental Income	63	89	107	136	175
Other operating income	49	107	130	136	143
Total revenue	119	199	237	272	318
Property expenses	-31	-51	-53	-59	-64
Net operating income	50	74	94	120	155
Central administration expenses	-45	-74	-56	-59	-59
EBITDA, adjusted	5	0	38	61	96
EBIT, adjusted	0	0	376	61	96
EBIT	0	0	376	61	96
Financial items	-31	-38	-47	-55	-66
Profit before tax	651	243	837	105	449
Taxes	-154	-64	-68	-1	-6
Net income, adjusted	496	179	770	104	443
Net income	496	179	770	104	443

Source: EPB

Cash flow statement

	2020	2021	2022e	2023e	2024e
Profit from property management	-31	-38	328	6	29
Other cash flow-impacting items	7	22	17	20	19
Cash flow from operating activities	-22	-15	-59	25	43
Divestments of properties	1	0	0	0	0
Other items	-432	-140	-191	-447	-395
Cash flow from investments	-430	-140	-191	-447	-395
New share issue / repurchase	105	426	0	0	0
Acquisition	1	0	0	0	0
Changes in debt	344	309	8	133	313
Cash flow from financing activity	-3	580	-242	-289	-40
Net debt	1 405	1 136	1 386	1 808	2 161

Source: EPB

Balance sheet

	2020	2021	2022e	2023e	2024e
ASSETS					
Goodwill	16	16	16	16	16
Investment properties	5 222	5 610	6 647	7 193	8 007
Other fixed assets	33	38	38	38	38
Total fixed assets	5 784	6 185	7 205	7 730	8 525
Accounts receivable	95	105	105	105	105
Cash and cash equivalents	163	441	325	216	140
Total current assets	259	546	430	320	244
TOTAL ASSETS	6 043	6 731	7 634	8 051	8 770
EQUITY AND LIABILITIES					
Equity	3 556	4 160	4 930	5 034	5 476
Total equity	3 556	4 160	4 930	5 034	5 476
Bank loans, long-term	1 552	1 505	1 639	1 952	2 228
Long-term lease liabilities	8	5	5	5	5
Total long-term liabilities	2 386	2 400	2 533	2 846	3 123
Bank loans, short-term	8	67	67	67	67
Other current liabilities	5	8	8	8	8
Total current liabilities	101	171	171	171	171
TOTAL EQUITY AND LIABILITIES	6 043	6 731	7 634	8 051	8 770

Source: EPB

Growth and margins

	2020	2021	2022e	2023e	2024e
Rental growth	-	42%	21%	27%	28%
Vacancy rate	0%	0%	0%	0%	0%
Net operating margin	80%	84%	88%	88%	89%
EPS growth, adjusted	-	N.m.	>100%	N.m.	>100%
CEPS growth	Neg.	Neg.	Neg.	Neg.	Neg.
Long-term NAV growth	Neg.	3,8%	15,2%	1,8%	7,5%
Equity growth	Neg.	17,0%	18,5%	2,1%	8,8%
Profit from property management growth	Neg.	49,6%	26,8%	27,4%	28,8%
DPS growth	Neg.	Neg.	Neg.	Neg.	Neg.

Source: EPB

Return

	2020	2021	2022e	2023e	2024e
ROE, adjusted	Neg.	5%	17%	2%	8%
Yield	1%	1%	1%	2%	2%
Implicit yield	Neg.	2%	3%	4%	5%

Source: EPB

Financial position

	2020	2021	2022e	2023e	2024e
Net debt	1 405	1 136	1 386	1 808	2 161
Loan-to-value	0,2x	0,2x	0,2x	0,2x	0,2x
Equity ratio	59%	62%	65%	63%	62%
Net debt / equity	0,4x	0,3x	0,3x	0,4x	0,4x
Net debt / EBITDA	283,8x	-59806,4x	36,2x	29,6x	22,6x
Average interest rate	2,0%	2,7%	2,9%	2,8%	3,0%

Source: EPB

Per share data

	2020	2021	2022e	2023e	2024e
P/Profit from property management per share	-0,55	-0,60	5,17	0,09	0,46
EPS	8,71	2,82	12,1	1,63	6,96
EPS, adjusted	8,71	2,82	12,1	1,63	6,96
Book value per share	62,4	65,5	77,6	79,2	86,2
Number of shares after dilution, average	57,0	63,5	63,5	63,5	63,5
Long-term NAV per share	76,9	79,8	92,0	93,6	101

Source: EPB

Valuation

	2020	2021	2022e	2023e	2024e
P/Profit from	-	-114,7x	8,0x	454,2x	88,9x
P/E, adjusted	-	24,5x	3,4x	25,2x	5,9x
P/BV	-	1,1x	0,5x	0,5x	0,5x
P/NAV	-	0,9x	0,4x	0,4x	0,4x
Dividend yield	-	0,0%	0,0%	0,0%	0,0%
Payout ratio, adjusted	0,0%	0,0%	0,0%	0,0%	0,0%
EV	-	5 501	3 986	4 408	4 760
Share price, year end	-	69,0	41,1	41,1	41,1

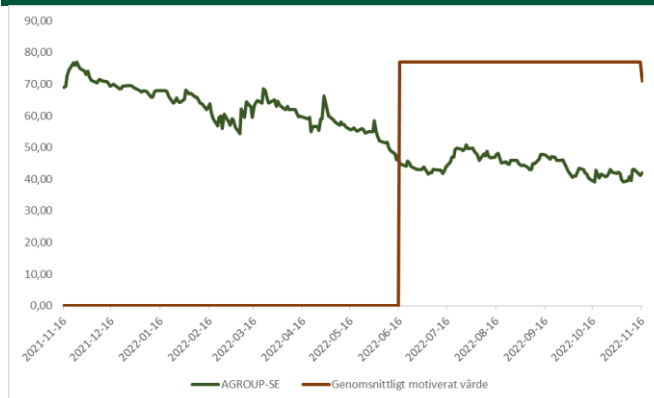
Source: EPB

Company information

Largest shareholders	Capital	Votes
Gelba Fastigheter	38,6%	38,6%
Samhällsbyggnadsbolaget i Norden	12,5%	12,5%
SEB AB, Luxembourg Branch, W8IMY	9,8%	9,8%
Ålandsbanken ABO (Finland), Svensk filial	8,6%	8,6%
GBLDN-Bank Leumi Clients Global	3,8%	3,8%
Domardo Skog Aktiebolag	3,5%	3,5%
Övriga	23,2%	23,2%
Chairman of the Board	Peter Wågström	
Chief Executive Officer	Dieter Sand	
Chief Financial Officer	Johanna Klingvall	
Investor Relations	Johanna Klingvall	
Webpage	https://arlandastadgroup.se	

Källa: EPB

Price vs fair value



Källa: EPB

Disclosure

This publication ("the Publication") has been prepared by Erik Penser Bank AB ("the Bank") for information purposes and for general distribution and is not intended to be advisory. The Bank is authorised to conduct banking and securities business and is regulated by Finansinspektionen (the Swedish Financial Supervisory Authority). The contents of the Publication were based on information from publicly available sources that the Bank believes to be reliable. The Bank can, however, never guarantee the accuracy or completeness of the information contained in the Publication or of any forecasts and recommendations provided.

As an aspect of preparing the Publication, the analysed company ("the Company") has verified the factual content of the Publication. The Company is, however, never able to influence the parts of the Publication that present conclusions or valuations.

Views provided in the Publication represent the analyst's own views at the time the Publication was prepared, and these views may change. The Bank provides no assurance that future events will be consistent with the views expressed in the Publication. The information provided in the Publication should not be construed as advice or solicitation to execute transactions. Nor is the information directed at the individual recipient's knowledge about and experience with investments or the recipient's financial situation or investment objectives. The Publication thus does not constitute investment advice and should not be construed as such. This means that investment decisions based on the Publication are always made independently by the investor and the Bank thus disclaims any and all liability for any loss or direct or indirect injury arising from the use of this Publication. Investments in financial instruments are associated with financial risk, as they may both increase or decrease in value. Past performance of an investment is not a guarantee of future performance.

Fair value and risk

The fair value reflects the value of the share on the date the research was published within a range of approximately 5-10%. The Bank uses several different valuation models to value financial instruments including but not limited to discounted cash flow models, multiple valuation and sum-of-the-parts estimates.

The valuation method and approach used to determine fair value are specified in the analysis and may vary from one company to the next. Material assumptions used in the valuation are based on market data available at any given time and upon a scenario for a company's future performance that we believe to be reasonable. The valuation method should be read together with the risk classification. Regarding risk classification: The share is classified according to a High/Medium/Low scale, based on several known metrics that are relevant to the Company. A general guideline for a "low risk" classification is that the Company has positive cash flow and that no individual factor affects revenues by more than 20%. A corresponding general description of "high risk" is that the Company has not achieved positive cash flow or that an individual factor affects revenues by more than 50%.

For more detailed information about valuation models, click [here](#).

General

The Publication shall not be duplicated or distributed without the Bank's consent. The Publication shall not be distributed or made available to any natural or legal person in the United States of America (except as provided in Rule 15a – 16, Securities Exchange Act of 1934), Canada or any other country in which distribution and availability of the contents of the Publication are restricted by law.

The Bank's Research Department is governed by organisational and administrative rules established to deter and prevent conflicts of interest and to assure the objectivity and independence of analysts. In order to deter conflicts of interest, the Bank has taken actions including preventing unauthorised spread of information, also known as "Chinese Walls". The Research Department is thus physically segregated from the Corporate Finance Department, which is also not allowed to participate in producing a publication or to express views regarding a publication. The Bank also has internal rules designed to manage any conflicts of interest among the analyst, the Company and the Bank.

It may, however, occur from time to time that the Bank performs services for a company that is mentioned in a Publication. The Bank may, for example, act as an adviser to or issuing institution for the Company or as a liquidity provider for a security issued by the Company. This is disclosed in the Publication if applicable. The Bank, its owners, directors, or employees may own shares in the analysed company. The Bank has, however, established internal restrictions concerning employee trading in financial instruments that are the subject of analysis and has designed internal rules for employees' personal transactions that apply to analysts. All employees of the Bank are required to report all holdings of securities and all transactions. The analyst that prepared the Publication and other contributors who have knowledge of the conclusions of the analysis are not allowed to trade on their own account in the relevant financial instrument or related financial instruments.

The Bank pays salary to the analyst which may also consist of a share in the Bank's profits but is never dependent upon the financial performance of another department.

The research presented in the Publication has been performed in accordance with the terms and conditions of the "Penser Access" service that the Bank provides to the Company. [Click here](#) for more information about the service.

Unless otherwise expressly stated in the Publication, the analysis will be updated quarterly and whenever the Bank's Research Department finds it necessary due to, for example, material changes in market conditions or events related to the analysed company or financial instrument.

The Bank is remunerated by the Company for the Penser Access service.

Erik Penser Bank (publ.)
Apelbergsgatan 27 Box 7405 103 91 STOCKHOLM
Tel: +46 8 463 80 00 Fax: +46 8 678 80 33 www.penser.se