

## An impressive quarter, but more to come

Despite the extensive shortage in the semiconductor market, Asetek has executed well to exploit the explosive demand from global gaming market. We think customer demand will remain high and the company is on track to deliver the high end of its 2021 guidance. Our EBIT estimates are increased by 2-3% for 2021-23 and our midpoint DCF value is unchanged at NOK 160 per share.

### Stronger than our upbeat expectation

Based on the better-than-expected Q1 results, we have increased our 2021-23 sales estimates by 3%. It is positive that the strong sales of G&E products in Q1 were not only driven by additional demand caused by extended country lockdowns, but also driven by new product launches and market share gains. The company has delivered four types of new G&E product to its customers in Q1 and plans to deliver another six types of new product in Q2. We think the company has higher-than-normal visibility for its order book and revenue in 2021. We now expect 30% organic growth for 2021, at the high end of its guidance range of 20-30%.

### Datacenter remains lumpy, but long-term growth outlook is unchanged

The main disappointment in Q1 was that the soft order book of USD 0.9m in Datacenter business, much less than USD 3m in Q4 2020 (USD 0.5m in Q1 2020). However, we acknowledge the lumpiness in this business. Despite the short-term weakness in the order book, our sales estimates remain unchanged for Datacenter.

### Mid-point DCF valuation remains unchanged at NOK 160

As we fine-tune our assumptions for gross margin and opex, our EBIT estimates increase by 3% for 2021 and 2% for 2020 and beyond. Our mid-point DCF value remains unchanged at NOK 160 per share, which is 67% above the current share price.

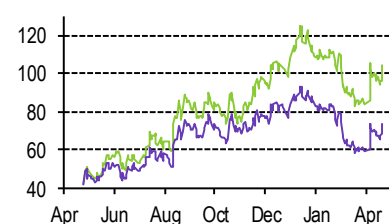
### Key Data (2021E)

Price (NOK)	104.20
Reuters	ASETEK:OAP
Bloomberg	ASETEK:NO
Market cap (NOKm)	2,705
Market cap (USDm)	324
Market cap (EURm)	270
Net debt (USDm)	(5)
Net gearing	(10%)
Net debt/EBITDA (x)	(0.3)
Shares fully dil. (m)	26.0
Avg daily turnover (m)	0.0
Free float	95%

### Estimate Revisions (%)

	2021E	2022E	2023E
Revenues	0	0	0
Adj. EBIT	0	0	0
Adj. EPS	0	0	0

### Share Price (12M)



Absolute (green) / Relative to Norway (purple).

**Marketing communication  
commissioned by:  
Asetek**

### Financials (USD)

Year end: Dec	2019	2020	2021E	2022E	2023E
Revenues (m)	54	73	95	104	115
Adj. EBIT	1	11	14	18	21
Pre-tax profit (m)	1	9	14	18	21
EPS	(0.02)	0.35	0.39	0.51	0.61
Adj. EPS	(0.02)	0.35	0.39	0.51	0.61
DPS	0.00	0.00	0.00	0.00	0.00
Revenue growth (%)	(19.3)	33.9	30.4	9.6	10.8
Adj. EBIT growth (%)	(76.3)	942.7	26.6	28.9	19.9
Adj. EPS growth (%)	n.m.	n.m.	11.5	29.3	20.1
Adj. EBIT margin (%)	1.9	15.0	14.6	17.1	18.5
ROE (%)	(1.6)	21.3	19.8	21.1	20.6
ROCE (%)	3.4	23.1	23.8	25.0	24.9
PER (x)		36.0	31.8	24.6	20.5
Free cash flow yield (%)		2.4	(2.2)	(0.9)	(0.4)
Dividend yield (%)		0.0	0.0	0.0	0.0
P/BV (x)		6.96	5.82	4.70	3.83
EV/Sales (x)		4.23	3.36	3.10	2.80
EV/Adj. EBITDA (x)	0.0	21.0	17.7	14.3	12.2
EV/Adj. EBIT (x)	0.0	28.2	23.1	18.1	15.1
Operating cash flow/EV (%)		3.7	4.4	5.8	6.5
Net debt/Adj. EBITDA (x)	(3.96)	(1.57)	(0.30)	(0.11)	(0.05)

Source for all data on this page: SEB (estimates) and Millstream/Thomson Reuters (prices)

# Key data

## SEB estimate changes

	2021E	2022E	2023E	2021E	2022E	2023E	2021E	2022E	2023E
<b>Sales</b>									
Desktop (Gaming & Enthusiast)	82	87	94	80	84	91	3%	3%	3%
Datacenter	12	17	21	12	17	21	0%	0%	0%
<b>Net sales</b>	<b>95</b>	<b>104</b>	<b>115</b>	<b>92</b>	<b>101</b>	<b>112</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>
% change, yr-on-yr	30	10	11	27	10	11			
<b>COGS</b>	<b>-53</b>	<b>-54</b>	<b>-59</b>	<b>-51</b>	<b>-53</b>	<b>-58</b>			
<b>Gross profit</b>	<b>42</b>	<b>50</b>	<b>56</b>	<b>42</b>	<b>49</b>	<b>55</b>	<b>2%</b>	<b>3%</b>	<b>2%</b>
<b>Gross margin (%)</b>	<b>44.6</b>	<b>47.8</b>	<b>48.5</b>	<b>45.0</b>	<b>47.9</b>	<b>48.6</b>			
<b>OPEX</b>									
R&D expenses	-8	-8	-9	-7	-8	-8			
- as % of sales	8	8	8	8	8	8			
SG&A costs	-21	-24	-26	-21	-24	-25			
- as % of sales	22	23	23	23	23	23			
<b>EBIT</b>	<b>14</b>	<b>18</b>	<b>21</b>	<b>13</b>	<b>17</b>	<b>21</b>	<b>3%</b>	<b>2%</b>	<b>2%</b>
<b>EBIT margin (%)</b>	<b>14.6</b>	<b>17.1</b>	<b>18.5</b>	<b>14.5</b>	<b>17.2</b>	<b>18.6</b>			
EBIT growth (%)	27	29	20	23	30	20			
Net financials	0	0	0	0	0	0			
<b>PTP</b>	<b>14</b>	<b>18</b>	<b>21</b>	<b>13</b>	<b>17</b>	<b>21</b>	<b>3%</b>	<b>2%</b>	<b>2%</b>
Taxes	-3	-4	-5	-3	-4	-5			
Tax rate (%)	25	25	25	25	25	25			
Net income from continuing activities	10	13	16	10	13	15	<b>3%</b>	<b>2%</b>	<b>2%</b>

Source: SEB

## P&L summary

	2014	2015	2016	2017	2018	2019	2020	Q1/21	Q2/21E	Q3/21E	Q4/21E	2021E	2022E	2023E	2024E	2025E
<b>Sales</b>																
Desktop (Gaming & Enthusiast)	19	34	46	53	63	52	65	22	n.a.	n.a.	n.a.	82	87	94	103	113
Datacenter	2	2	5	5	4	3	8	3	n.a.	n.a.	n.a.	12	17	21	25	30
<b>Net sales</b>	<b>21</b>	<b>36</b>	<b>51</b>	<b>58</b>	<b>67</b>	<b>54</b>	<b>73</b>	<b>25</b>	<b>25</b>	<b>22</b>	<b>23</b>	<b>95</b>	<b>104</b>	<b>115</b>	<b>128</b>	<b>143</b>
% change, yr-on-yr	1	73	42	14	16	(19)	34	174	80	-	(18)	30	10	11	11	12
<b>COGS</b>	<b>(12)</b>	<b>(24)</b>	<b>(31)</b>	<b>(37)</b>	<b>(41)</b>	<b>(31)</b>	<b>(39)</b>	<b>(14)</b>	<b>(14)</b>	<b>(12)</b>	<b>(13)</b>	<b>(53)</b>	<b>(54)</b>	<b>(59)</b>	<b>(66)</b>	<b>(73)</b>
<b>Gross profit</b>	<b>9</b>	<b>12</b>	<b>20</b>	<b>21</b>	<b>26</b>	<b>23</b>	<b>34</b>	<b>11</b>	<b>11</b>	<b>10</b>	<b>10</b>	<b>42</b>	<b>50</b>	<b>56</b>	<b>62</b>	<b>69</b>
Gross margin (%)	41.8	34.5	38.8	36.0	38.9	42.3	47.0	42.9	45.0	45.4	45.2	44.6	47.8	48.5	48.7	48.6
<b>OPEX</b>																
R&D expenses	(4)	(4)	(3)	(4)	(5)	(5)	(6)	(2)	(2)	(2)	(2)	(8)	(8)	(9)	(9)	(9)
- as % of sales	17	11	7	7	7	9	8	7	8	9	8	8	8	8	7	7
SG&A costs	(15)	(11)	(12)	(14)	(17)	(17)	(18)	(5)	(5)	(5)	(5)	(21)	(24)	(26)	(29)	(31)
- as % of sales	70	30	23	24	25	31	24	21	20	24	23	22	23	23	23	22
<b>EBIT</b>	<b>(10)</b>	<b>(2)</b>	<b>5</b>	<b>3</b>	<b>4</b>	<b>1</b>	<b>11</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>14</b>	<b>18</b>	<b>21</b>	<b>25</b>	<b>29</b>
EBIT margin (%)	(45.6)	(6.5)	9.2	4.7	6.6	1.9	15.0	14.1	17.5	12.4	13.9	14.6	17.1	18.5	19.2	20.1
EBIT growth (%)	24	(76)	(301)	(41)	60	(76)	943	(483.7)	122.8	(37.0)	(43.5)	27	29	20	15	16
Net financials	(0)	0	0	(1)	0	0	(2)	0	-	-	(1)	(0)	(0)	(0)	(0)	(0)
<b>PTP</b>	<b>(10)</b>	<b>(2)</b>	<b>5</b>	<b>1</b>	<b>5</b>	<b>1</b>	<b>9</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>14</b>	<b>18</b>	<b>21</b>	<b>24</b>	<b>28</b>
Taxes	1	0	5	3	(1)	(2)	(0)	(1)	(1)	(1)	(1)	(3)	(4)	(5)	(6)	(7)
Tax rate (%)	12	21	(93)	(199)	25	143	2	22	25	25	30	25	25	25	25	25
<b>Net inc. fm continuing activities</b>	<b>(9)</b>	<b>(2)</b>	<b>10</b>	<b>4</b>	<b>4</b>	<b>(1)</b>	<b>9</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>10</b>	<b>13</b>	<b>16</b>	<b>18</b>	<b>21</b>

Source: SEB and the company data

**Quarterly P&L**

	Q1/19	Q2/19	Q3/19	Q4/19	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21E	Q3/21E	Q4/21E
<b>Sales</b>												
Desktop (Gaming & Enthusiast)	10	17	10	15	8	n.a.	n.a.	n.a.	22	n.a.	n.a.	n.a.
Datacenter	1	1	1	0	1	n.a.	n.a.	n.a.	3	n.a.	n.a.	n.a.
<b>Net sales</b>	<b>11</b>	<b>17</b>	<b>10</b>	<b>16</b>	<b>9</b>	<b>14</b>	<b>22</b>	<b>28</b>	<b>25</b>	<b>25</b>	<b>22</b>	<b>23</b>
% change, yr-on-yr	(19)	(12)	(40)	(5)	(18)	(17)	108	78	174	80	-	(18)
<b>COGS</b>	(6)	(10)	(6)	(9)	(5)	(7)	(12)	(15)	(14)	(14)	(12)	(13)
<b>Gross profit</b>	<b>5</b>	<b>7</b>	<b>4</b>	<b>7</b>	<b>4</b>	<b>7</b>	<b>10</b>	<b>12</b>	<b>11</b>	<b>11</b>	<b>10</b>	<b>10</b>
Gross margin (%)	43	42	42	43	49	51	47	44	43	45	45	45
<b>OPEX</b>												
R&D expenses	(1.3)	(1.2)	(1.2)	(1.2)	(1.2)	(1.3)	(1.5)	(1.8)	(1.9)	(1.9)	(1.9)	(1.9)
- as % of sales	11	7	12	8	13	9	7	6	7	8	9	8
SG&A costs	(5)	(4)	(4)	(4)	(4)	(4)	(4)	(5)	(5)	(5)	(5)	(5)
- as % of sales	41	22	42	28	47	28	20	18	21	20	24	23
<b>EBIT</b>	<b>(1)</b>	<b>2</b>	<b>(1)</b>	<b>1</b>	<b>(1)</b>	<b>2</b>	<b>4</b>	<b>6</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>3</b>
EBIT margin (%)	(9)	12	(12)	7	(10)	14	20	20	14	18	12	14
EBIT growth (%)	169	27	(162)	(2)	(10)	(6)	(453)	381	(484)	123	(37)	(43)
Net financials	0	(0)	1	(0)	0	(0)	(1)	(1)	0	-	-	(1)
<b>PTP</b>	<b>(1)</b>	<b>2</b>	<b>(1)</b>	<b>1</b>	<b>(1)</b>	<b>2</b>	<b>4</b>	<b>5</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>2</b>
Taxes	(0)	(0)	0	(2)	-	(0)	(1)	1	(1)	(1)	(1)	(1)
Tax rate (%)	(1)	15	21	232	-	20	33	(27)	22	25	25	30
<b>Net inc. fm continuing activities</b>	<b>(1)</b>	<b>2</b>	<b>(0)</b>	<b>(1)</b>	<b>(1)</b>	<b>1</b>	<b>2</b>	<b>6</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>2</b>

Source: SEB and the company data

**Divisonal sales growth contribution**

	2017	2018	2019	2020	2021E	2022E	2023E	2024E	CAGR (%)	
									(2016-21)	(2021-24E)
<b>Key sales growth forecasts by business segments (%)</b>										
Desktop (Gaming & Enthusiast)	16	18	(18)	25	27	5	9	9	13	8
Datacenter	(4)	(14)	(41)	216	55	40	20	20	19	26
<b>Net sales</b>	<b>14</b>	<b>16</b>	<b>(19)</b>	<b>34</b>	<b>30</b>	<b>10</b>	<b>11</b>	<b>11</b>	<b>13</b>	<b>10</b>
<b>Growth by business segments (USDm)</b>									<b>Cumulated</b>	
Desktop (Gaming & Enthusiast)	7	10	(11)	13	18	4	8	8	37	20
Datacenter	(0)	(1)	(2)	5	4	5	3	4	7	13
<b>Rep. growth</b>	<b>7</b>	<b>9</b>	<b>(13)</b>	<b>18</b>	<b>22</b>	<b>9</b>	<b>11</b>	<b>13</b>	<b>44</b>	<b>33</b>
<b>Growth contribution (%)</b>									<b>Cumulated</b>	
Desktop (Gaming & Enthusiast)	103	107	87	70	80	45	69	67	83	62
Datacenter	(3)	(7)	13	30	20	55	31	33	17	38
<b>Rep. growth</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: SEB and the company data

# Overview

## Investment considerations

The long-term investment case in Asetek relies on the success of its Datacenter business. The company has less than 1% of its target market, which is seeing rapid growth driven by rapid technology advances, explosive data generation, growing demand for high performance computing and thereby efficient cooling technologies. More importantly, increased focus on energy saving and potentially stricter regulation on the data centre energy consumption could provide significant sales opportunities for Asetek.

## Company profile

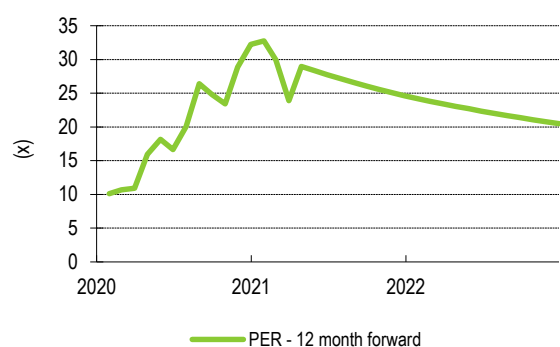
Asetek is a developer and seller of liquid coolers for personal computer and data centre servers. Since the founder and current CEO André Sloth Eriksen invented the direct-to-chip (DTC) liquid cooling technology in 1997, the company has successfully developed and commercialized a wide range of CPU and GPU liquid cooling products, which are mostly used in high performance gaming, engineering, financial software, etc. Today, Asetek is the largest supplier of liquid cooling technologies in the global PC market with over 30% market share. Further, the company has strived to bring its DTC liquid cooling technologies to the data centre industry with the first product launched in 2013. The company expects to generate sales of ca. USD 68-70m in 2020 and grow at a CAGR of 18% over the last five years. The desktop liquid cooling business still accounts for more than 90% of its revenue.

## Valuation approach

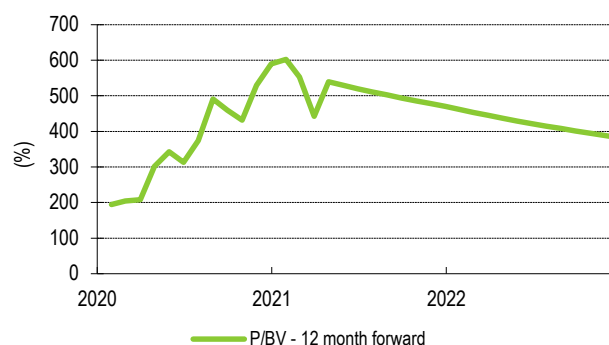
We have used a scenario-based DCF valuation to value Asetek and our fair share price range is based on a mid-point DCF value +/- 1% absolute change to our EBITDA assumptions being the upper and lower end of the range.

## Investment risks

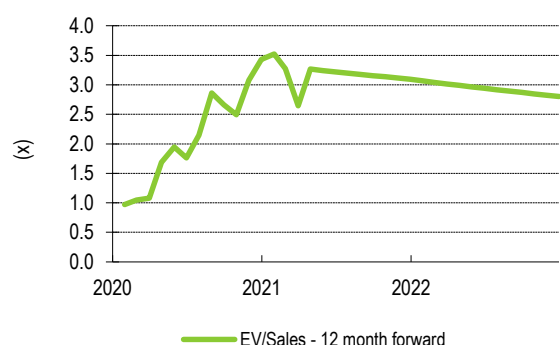
Asetek generates revenue from a limited number of customers and a loss of one of these could have a material negative impact. Furthermore, most of its products are manufactured in mainland China and exported to Taiwan and the US. Political risks such as increased tariffs could reduce demand from the end market.

**PER - 12 month forward**

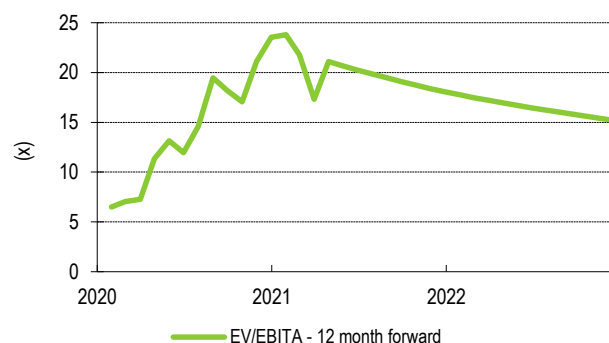
Source: SEB

**P/BV - 12 month forward**

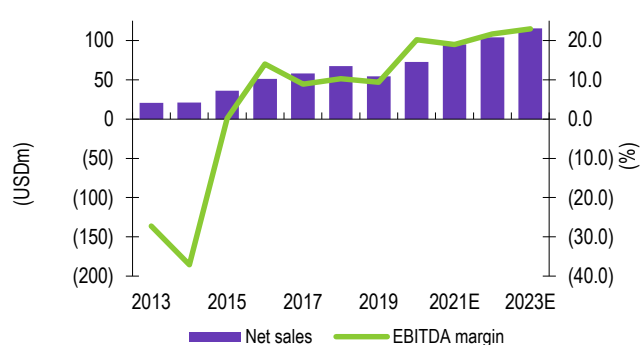
Source: SEB

**EV/Sales - 12 month forward**

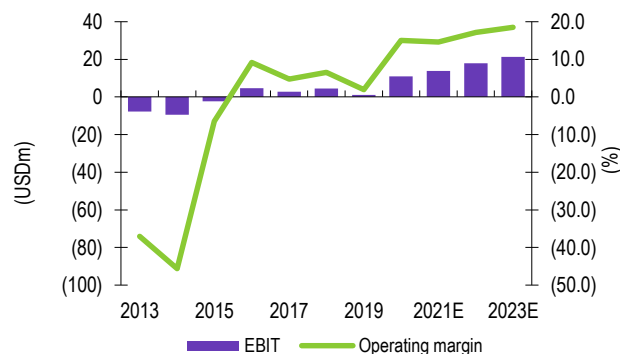
Source: SEB

**EV/EBITA - 12 month forward**

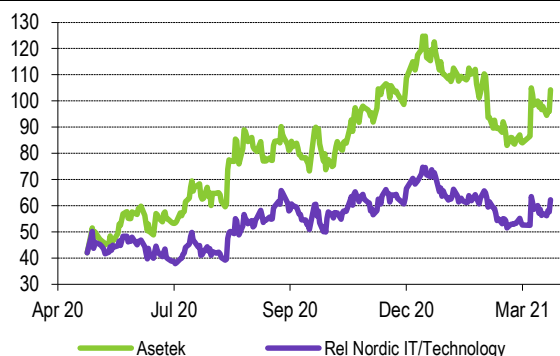
Source: SEB

**Net sales & EBITDA margin**

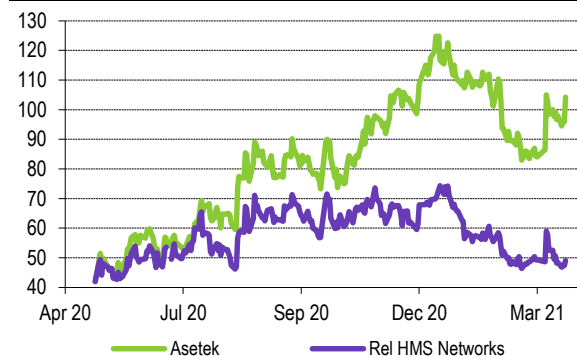
Source: SEB

**EBIT & Operating margin**

Source: SEB

**Comparison with sector index - 1 year**

Source: SIX

**Comparison with HMS Networks - 1 year**

Source: SIX

<b>Profit &amp; loss statement - Asetek</b>											
(USDm)	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Net Sales	21	21	36	51	58	67	54	73	95	104	115
Other revenues	0	0	0	0	0	0	0	0	0	0	0
<b>Total revenues</b>	<b>21</b>	<b>21</b>	<b>36</b>	<b>51</b>	<b>58</b>	<b>67</b>	<b>54</b>	<b>73</b>	<b>95</b>	<b>104</b>	<b>115</b>
Total expenses	(26)	(29)	(36)	(44)	(53)	(60)	(49)	(58)	(77)	(82)	(89)
<b>Profit before depreciation</b>	<b>(6)</b>	<b>(8)</b>	<b>0</b>	<b>7</b>	<b>5</b>	<b>7</b>	<b>5</b>	<b>15</b>	<b>18</b>	<b>22</b>	<b>26</b>
Depreciation - Fixed assets	(0)	(0)	(0)	(1)	(1)	(0)	(1)	(1)	(2)	(2)	(2)
Depreciation - Other assets	(2)	(1)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Amortisation - Goodwill	0	0	0	0	0	0	0	0	0	0	0
Amortisation - Other intangibles	0	0	0	0	0	0	0	0	0	0	0
<b>Operating profit</b>	<b>(8)</b>	<b>(10)</b>	<b>(2)</b>	<b>5</b>	<b>3</b>	<b>4</b>	<b>1</b>	<b>11</b>	<b>14</b>	<b>18</b>	<b>21</b>
Net interest expenses	1	(0)	(0)	(0)	(0)	0	0	(0)	(0)	(0)	(0)
Foreign exchange items	(0)	(0)	0	0	(1)	0	0	(1)	0	0	0
Other financial items	0	0	0	0	0	0	0	0	0	0	0
Value changes - Fixed assets	0	0	0	0	0	0	0	0	0	0	0
Value changes - Financial assets	0	0	0	0	0	0	0	0	0	0	0
Value changes - Other assets	0	0	0	0	0	0	0	0	0	0	0
<b>Reported pre-tax profit</b>	<b>(7)</b>	<b>(10)</b>	<b>(2)</b>	<b>5</b>	<b>1</b>	<b>5</b>	<b>1</b>	<b>9</b>	<b>14</b>	<b>18</b>	<b>21</b>
Minority interests	0	0	0	0	0	0	0	0	0	0	0
Total taxes	0	1	0	5	3	(1)	(2)	(0)	(3)	(4)	(5)
<b>Reported profit after tax</b>	<b>(6)</b>	<b>(9)</b>	<b>(2)</b>	<b>10</b>	<b>4</b>	<b>4</b>	<b>(1)</b>	<b>9</b>	<b>10</b>	<b>13</b>	<b>16</b>
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Extraordinary items	0	0	0	0	0	0	0	0	0	0	0
<b>Net Profit</b>	<b>(6)</b>	<b>(9)</b>	<b>(2)</b>	<b>10</b>	<b>4</b>	<b>4</b>	<b>(1)</b>	<b>9</b>	<b>10</b>	<b>13</b>	<b>16</b>
<b>Adjustments:</b>											
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Interest on convertible debt	0	0	0	0	0	0	0	0	0	0	0
Minority interests (IFRS)	0	0	0	0	0	0	0	0	0	0	0
Value changes	0	0	0	0	0	0	0	0	0	0	0
Goodwill/intangibles amortisations	0	0	0	0	0	0	0	0	0	0	0
Restructuring charges	0	0	0	0	0	0	0	0	0	0	0
Other adjustments	0	0	0	0	0	0	0	0	0	0	0
Tax effect of adjustments	0	0	0	0	0	0	0	0	0	0	0
<b>Adjusted profit after tax</b>	<b>(6)</b>	<b>(9)</b>	<b>(2)</b>	<b>10</b>	<b>4</b>	<b>4</b>	<b>(1)</b>	<b>9</b>	<b>10</b>	<b>13</b>	<b>16</b>
<b>Margins, tax &amp; returns</b>											
Operating margin	(37.0)	(45.6)	(6.5)	9.2	4.7	6.6	1.9	15.0	14.6	17.1	18.5
Pre-tax margin	(32.4)	(47.5)	(5.8)	9.8	2.6	7.2	2.7	13.0	14.4	16.9	18.3
Tax rate	6.6	11.5	21.0	(93.1)	n.m.	24.6	143.2	2.5	25.0	25.0	25.0
ROE	48.6	(78.8)	(12.6)	41.1	14.5	10.2	(1.6)	21.3	19.8	21.1	20.6
ROCE	(59.0)	(80.9)	(17.0)	19.5	8.8	12.2	3.4	23.1	23.8	25.0	24.9
<b>Growth rates y-o-y (%)</b>											
Total revenues	n.a.	0.6	72.6	41.5	14.3	15.7	(19.3)	33.9	30.4	9.6	10.8
Operating profit	n.m.	n.m.	n.m.	n.m.	(41.0)	60.3	(76.3)	942.7	26.6	28.9	19.9
Pre-tax profit	n.m.	n.m.	n.m.	n.m.	(70.0)	224.9	(70.1)	548.3	44.6	29.0	20.1
EPS (adjusted)	0.0	0.0	0.0	0.0	(55.1)	(17.6)	0.0	0.0	11.5	29.3	20.1

<b>Cash flow</b>											
(USDm)	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Net profit	(6)	(9)	(2)	10	4	4	(1)	9	10	13	16
Non-cash adjustments	1	2	3	(2)	1	5	7	4	6	6	6
<b>Cash flow before work cap</b>	<b>(5)</b>	<b>(7)</b>	<b>2</b>	<b>8</b>	<b>5</b>	<b>8</b>	<b>6</b>	<b>13</b>	<b>16</b>	<b>20</b>	<b>22</b>
Ch. in working capital / Other	0	1	(3)	0	1	(5)	3	(2)	(2)	(1)	(1)
<b>Operating cash flow</b>	<b>(5)</b>	<b>(6)</b>	<b>(1)</b>	<b>8</b>	<b>6</b>	<b>4</b>	<b>9</b>	<b>11</b>	<b>14</b>	<b>19</b>	<b>21</b>
Capital expenditures	(3)	(2)	(2)	(3)	(4)	(4)	(2)	(4)	(21)	(22)	(22)
Asset disposals	0	0	0	0	0	0	0	0	0	0	0
L/T financial investments	0	0	0	0	0	0	0	0	0	0	0
Acquisitions / adjustments	0	0	0	0	0	0	0	(1)	(8)	0	0
<b>Free cash flow</b>	<b>(8)</b>	<b>(8)</b>	<b>(3)</b>	<b>5</b>	<b>2</b>	<b>0</b>	<b>7</b>	<b>7</b>	<b>(16)</b>	<b>(3)</b>	<b>(1)</b>
Net loan proceeds	(4)	0	0	0	0	(0)	0	(0)	5	0	0
Dividend paid	0	0	0	0	0	0	0	0	0	0	0
Share issue	22	0	12	0	1	1	0	(4)	(2)	0	0
Other	0	0	(0)	(1)	(2)	(1)	(1)	0	0	0	0
<b>Net change in cash</b>	<b>10</b>	<b>(7)</b>	<b>9</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>6</b>	<b>3</b>	<b>(13)</b>	<b>(3)</b>	<b>(1)</b>
<b>Adjustments</b>											
C/flow bef chng in work cap	(5)	(7)	2	8	5	8	6	13	16	20	22
Adjustments	0	0	0	0	0	0	0	0	0	0	0
Int on conv debt net of tax	0	0	0	0	0	0	0	0	0	0	0
Cash earnings	(5)	(7)	2	8	5	8	6	13	16	20	22
<b>Per share information</b>											
Cash earnings	(0.36)	(0.49)	0.07	0.3	0.2	0.32	0.23	0.51	0.62	0.75	0.85
Operating cash flow	(0.33)	(0.41)	(0.05)	0.3	0.23	0.15	0.35	0.44	0.54	0.72	0.81
Free cash flow	(0.55)	(0.56)	(0.15)	0.19	0.07	0.01	0.26	0.25	(0.6)	(0.11)	(0.05)
<b>Investment cover</b>											
Capex/sales (%)	4.6	0.8	2.5	2.1	3.2	2.8	1.3	2.7	19.6	18.0	16.5
Capex/depreciation (%)	279	39	210	162	210	456	49	129	1,087	953	863

Source for all data on this page: SEB

Balance sheet - Asetek											
(USDm)	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Cash and liquid assets	12	4	13	18	18	19	25	27	15	12	10
Debtors	5	4	9	13	13	16	14	24	32	35	39
Inventories	1	1	2	1	2	3	2	3	3	4	4
Other	0	0	0	0	0	0	0	0	0	0	0
Current assets	18	9	24	32	34	37	40	54	50	50	53
Interest bearing fixed assets	0	0	0	0	0	0	0	0	0	0	0
Other financial assets	0	0	0	0	0	0	0	0	0	0	0
Capitalized development cost	2	2	2	2	3	2	2	3	8	9	10
Goodwill	0	0	0	0	0	0	0	0	0	0	0
Other intangibles	0	0	0	0	0	0	0	0	4	4	4
Fixed tangible assets	1	1	1	2	4	4	3	3	20	37	54
Other fixed assets	0	0	0	6	9	8	6	7	7	7	7
Fixed assets	3	3	4	9	15	14	14	17	44	61	79
Total assets	21	13	28	41	49	51	54	71	93	111	132
Creditors	3	3	6	9	10	7	8	14	18	20	22
Other trade financing	2	2	2	3	4	4	3	6	7	8	9
S/T interest bearing debt	0	0	0	1	1	1	1	1	1	1	1
Other	0	0	0	0	0	0	0	0	0	0	0
Current liabilities	6	5	9	13	15	12	12	21	27	30	33
L/T interest bearing debt	0	0	0	0	1	1	0	0	5	5	5
Other long-term liabilities	0	0	0	0	0	0	0	0	0	0	0
Convertible debt	0	0	0	0	0	0	0	0	0	0	0
Pension provisions	0	0	0	0	0	0	0	0	0	0	0
Other provisions	0	0	0	0	0	0	3	3	3	2	2
Deferred tax	0	0	0	0	0	0	0	0	3	5	7
Long term liabilities	0	0	0	0	1	1	3	3	10	13	15
Minority interests	0	0	0	0	0	0	0	0	0	0	0
Shareholders' equity	15	7	19	28	33	39	39	48	56	69	85
Total liabilities and equity	21	13	28	41	49	51	54	71	93	111	132
Net debt (m)	(11)	(4)	(12)	(17)	(17)	(17)	(20)	(23)	(5)	(2)	(1)
Working capital (m)	1	1	3	2	2	8	5	7	9	10	12
Capital employed (m)	15	8	19	29	35	41	43	52	65	78	94
Net debt/equity (%)	(74)	(48)	(67)	(59)	(50)	(44)	(52)	(48)	(10)	(3)	(1)
Net debt/EBITDA (x)	1.9	0.5	(185.5)	(2.4)	(3.2)	(2.5)	(4.0)	(1.6)	(0.3)	(0.1)	(0.0)
Equity/total assets (%)	71	58	67	69	68	76	72	67	60	62	64
Interest cover	(7.0)	(108.1)	(34.7)	84.2	27.6	48.2	8.2	57.2	57.4	64.5	77.3
Valuation											
(USD)	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
No of shares, fully dil. (y/e)	14.1	14.2	24.8	25.6	26.5	26.4	25.6	26.1	26.0	26.0	26.0
No of shares, fully dil. avg.	13.8	14.1	22.3	25.6	26.5	26.4	25.6	26.1	26.0	26.0	26.0
Share price, y/e								108.8	104.2	104.2	104.2
Share price, high								109.8	124.8		
Share price, low								18.0	83.0		
Share price, avg								63.8	103.4		
EPS (reported)	(0.46)	(0.62)	(0.07)	0.38	0.17	0.14	(0.02)	0.35	0.39	0.51	0.61
EPS (adjusted)	(0.46)	(0.62)	(0.07)	0.38	0.17	0.14	(0.02)	0.35	0.39	0.51	0.61
Cash earnings/share	(0.36)	(0.49)	0.07	0.30	0.20	0.32	0.23	0.51	0.62	0.75	0.85
Dividend/share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Enterprise value/share								11.8	12.3	12.4	12.4
Book value/share	1.1	0.5	0.8	1.1	1.3	1.5	1.5	1.8	2.1	2.7	3.3
Adjusted equity/share	1.1	0.5	0.8	1.1	1.3	1.5	1.5	1.8	2.1	2.7	3.3
PER (adjusted)								36.0	31.8	24.6	20.5
CEM								25.0	20.1	16.6	14.7
Dividend yield								0.0	0.0	0.0	0.0
EV/EBITDA								21.0	17.7	14.3	12.2
EV/EBITA								28.2	23.1	18.1	15.1
EV/EBIT								28.2	23.1	18.1	15.1
EV/Sales (x)								4.23	3.36	3.10	2.80
Price/Book value								6.96	5.82	4.70	3.83
Price/adjusted equity								6.96	5.82	4.70	3.83
Free cash flow/Market cap (%)								2.4	(2.2)	(0.9)	(0.4)
Operating cash flow/EV (%)								3.7	4.4	5.8	6.5
EV/Capital employed (x)								6.0	4.9	4.1	3.4
Main shareholders				Management			Company information				
Name	(%)	Votes	Capital	Title	Name	Contact					
Arbejdsmarkedets Tillægspension (ATP)		10.3	10.3	COB	Jukka Pertola	Internet	www.asetek.com				
HSBC Trinkaus & Burkhardt AG		8.6	8.6	CEO	André Sloth Eriksen	Phone number	+45 96 45 00 47				
Sunstone technology		6.0	6.0	CFO	Peter Dam Madsen						
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