

Quantafuel

Some progress, some setbacks, in Q1

- Q1 demonstrated the complexity in the case
- Strong fundamentals remain in place
- If it delivers, the value is there

Skive shutdown and lower '22 production guidance

Q1 for Quantafuel was characterized by progress, but also operational disappointments. It secured NOK 400m for its share of capex for the Esbjerg sorting plant, reached 30 days of continuous production at Skive, and declared Proof-of-Concept. However, it also experienced equipment malfunction leading to downtime and repairs, and the '22 guidance was lowered to 6,000-8,000 tonnes from 12,000 also as the company deems it of more value to prioritize process design learnings for future plants over short-term volume. The EBITDA of NOK -52m suggested a higher cost level than we modelled based on the ~NOK 30m per quarter in corporate SG&A, while the cash position ended at NOK 577.5m.

Operational progress is what the stock needs

The push to increase the recycle rates of plastics appears to remain strong, and market price proxies like biofuels are at ~USD 2,000 per tonne vs the base assumption for QFUEL's liquids at ~USD 1,000 per tonne. With respect to the share price performance, we think it's all about improving operational performance. There are important triggers ahead if the company delivers, including concluding the Esbjerg project financing, ramping up Skive lines 3 & 4, and progressing with preparations for final investment decisions within its defined roll-out programme.

Cost of capital rising, but plant economics remain solid

In this update we have included the changes to the roll-out schedule guided for in the Q4 report, included the Q1 results/'22 guidance and incorporated the Esbjerg sorting plant with start-up in H2'23. The profile includes all modelled plant capex paid by '24 but the majority of earnings come in late '24 and in '25. At 10% WACC, we estimate a SOTP of the guided roll-out programme of ~NOK34/sh, and estimate the share today prices in 1 PtL plant in addition to Skive, Kristiansund and Esbjerg Sorting, which are all projects under development. We maintain BUY with TP NOK 30 (42).

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NOKm	2020	2021	2022e	2023e	2024e
Sales	0	10	87	332	1,186
EBITDA	-118	-162	-145	82	690
EBITDA margin (%)	nm	-1,575.1	-167.1	24.7	58.2
EBIT adj	-127	-182	-198	15	512
EBIT adj margin (%)	nm	-1,774.5	-227.9	4.4	43.1
Pretax profit	-471	12	-212	-31	422
EPS rep	-3.69	0.09	-1.29	-0.30	0.54
EPS adj	-3.69	0.09	-1.29	-0.30	0.54
Sales growth (%)	na	na	745.8	282.6	257.2
EPS growth (%)	high	102.5	-1,499.9	76.8	279.6

Source: ABG Sundal Collier, Company data

Reason: Post-results comment

BUY



HOLD



SELL



Estimate changes (%)

	2022e	2023e	2024e
Sales	-27.7%	7.5%	-40.7%
EBIT (rep)	-108.2%	214.5%	-57.8%
EPS (rep)	-138.1%	-14.8%	-79.4%

Source: ABG Sundal Collier

Share price (NOK)	13/05/2022	12.3
Target price		(42.0) 30.0

Renewable Energy, Denmark

QNTFF.PK/QFUELME NO

MCap (NOKm)	2,023
MCap (EURm)	199
Net debt (EURm)	76

No. of shares (m)	165
Free float (%)	90
Av. daily volume (k)	898

Next event Q2 report: 31 Aug

Performance



	1m	3m	12m
Absolute (%)	-35.7	-23.0	-65.0

Source: FactSet

	2022e	2023e	2024e
P/E (x)	-9.5	-40.9	22.8
P/E adj (x)	-9.5	-40.9	22.8
P/BVPS (x)	1.63	1.51	1.32
EV/EBITDA (x)	-17.9	45.0	8.3
EV/EBIT adj (x)	-13.1	254.1	11.2
EV/sales (x)	29.89	11.12	4.85
ROE adj (%)	-18.3	-4.3	6.7
Dividend yield (%)	0	0	0
FCF yield (%)	-24.0	-42.4	-66.6
Lease adj. FCF yld (%)	-24.0	-42.4	-66.6
Net IB debt/EBITDA	-5.1	16.1	4.2
Lease adj. ND/EBITDA	-5.1	16.1	4.2

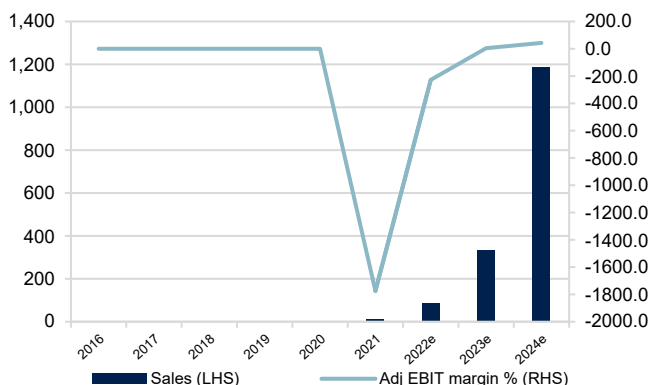
Company description

Quantafuel is a company that converts plastic waste to high-value hydrocarbon liquids. It has one facility in operation in Skive, Denmark and aims to grow production further. Quantafuel has partnerships with leading chemical and refinery companies, such as BASF and Vitol.

Risks

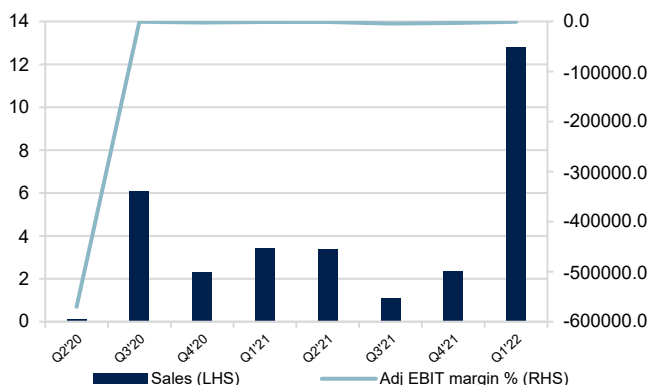
Key risks to our investment thesis include the firm's ability to execute on the growth ambitions in the business plan, in particular the roll-out pace and capex. Further risks include PtL market growth, margin pressure from new entrants, FX and protection of proprietary technology.

Annual sales and adj. EBIT margin



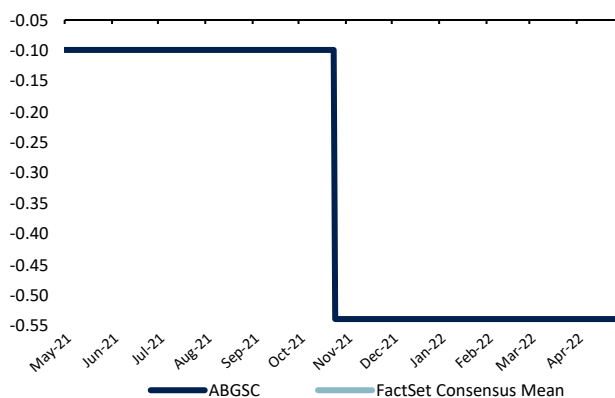
Source: ABG Sundal Collier, Company data

Quarterly sales and adj. EBIT margin



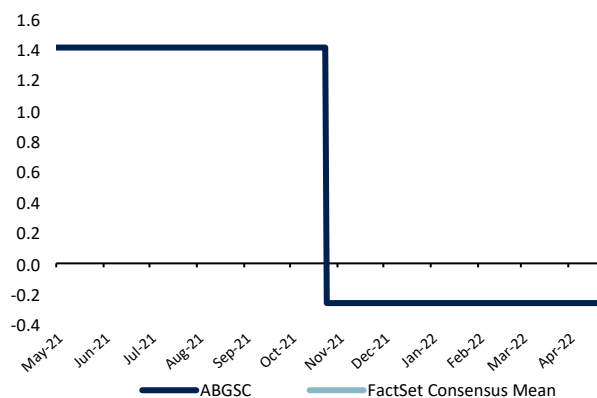
Source: ABG Sundal Collier, Company data

EPS estimate changes, 2022e, NOK



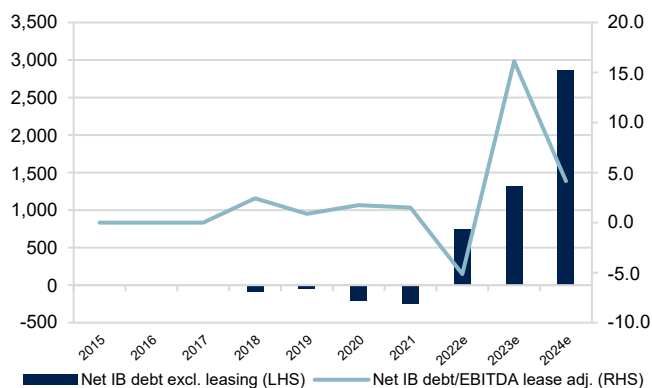
Source: ABG Sundal Collier, FactSet

EPS estimate changes, 2023e, NOK



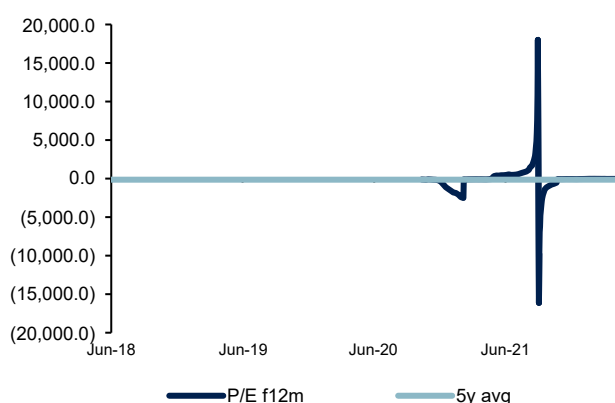
Source: ABG Sundal Collier, FactSet

Net debt and ND/EBITDA adj.



Source: ABG Sundal Collier, Company data

12-month forward-looking P/E



Source: ABG Sundal Collier, Company data

Key estimates

NOKm	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22e	Q3'22e	Q4'22e	Cons.			Cons.			Cons.		
								Q2'22e	2020	2021	2022e	2023e	2024e	2022e	2023e	2024e
Income Statement																
Net sales	4	1	2	13	17	25	32	4	8	10	87	332	1,186	83	242	684
EBITDA	-29	-42	-61	-52	-45	-33	-15	-39	-118	-162	-145	82	690	-102	25	274
EBIT	-32	-45	-71	-66	-57	-46	-29	-45	-127	-182	-198	15	512	-159	-69	135
PTP	-9	-22	-74	-70	-58	-47	-37	-48	-471	12	-212	-31	422	-158	-89	72
Tax	0	0	1	-1	0	0	0	0	-31	-3	-1	-5	-91	8	24	-44
Net profit	-9	-22	-73	-71	-58	-47	-37	-48	-502	9	-213	-37	331	-150	-65	29
# avg. shares	139	149	149	165	165	165	165	165	136	149	165	208	250			
EPS (NOK)	-0.07	-0.15	-0.49	-0.43	-0.35	-0.28	-0.23	-0.31	-3.69	0.09	-1.29	-0.30	0.54	-0.93	-0.29	0.17
DPS (NOK)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Key BS and CF figures																
Gross interest bearing debt	401	141	205	206	233	233	1,233		603	205	1,233	2,003	3,067			
Gross cash	495	379	285	577	582	450	327		692	285	327	520	43			
NIBD	-94	-238	-80	-372	-349	-217	906		-90	-80	906	1,483	3,024			
NIBD/share (NOK)	-1	-1.6	-1	-2	-2	-1	5		-1	-1	5.5	7	12			
Book equity	933	1,148	1,081	1,386	1,388	1,401	1,424		650	1,081	1,424	2,429	3,501			
Book equity/share (NOK)	7	8	7	8	8	8	9		5	7	9	12	14			
Operating cash flow	-40	-24	-70	-70	-50	-34	-24	9	-83	-205	-177	31	509			
Free cash flow	-77	-104	-115	-82	-209	-192	-183	-43	-352	-406	-666	-1,619	-2,282			
Free cash flow /share (NOK)	-0.6	-0.7	-0.8	-0.5	-1.3	-1.2	-1.1		-2.6	-2.7	-4.0	-7.8	-9.1			
Working interest																
Revenue	5	4	4	14	17	25	32		0	15	87	264	747			
EBITDA	-21	-29	-38	-23	-30	-23	-15		-107	-105	-92	45	383			
EBIT	-29	-38	-48	-34	-42	-36	-29		-122	-140	-141	-16	262			
Earnings	-22	-30	-37	-26	-33	-28	-22		-95	-109	-110	-10	228			

Source: ABG Sundal Collier, FatSet

Sum-of-the-parts of the guided roll-out plan

SOTP	PL Capacity t/yr	Production start	Gross NPV USDm	Ownership %	Net NPV USDm	Net NPV		Net value USDm	Net value NOKm	Risk %	Risked NOKm	Risked NOK/sh
						licensing fee USDm	Pro-rata NIBD USDm					
Construction												
Skive/Aalborg	21,900	Q1'22	56.3	100%	56.3	-	-	56	552	100%	552	3.7
Total in construction/operations	21,900										552	3.7
Announced plans												
Esbjerg Sorting+PL	80,000	Q4'23	210.5	51%	107.3	18.3	-	126	1,232	100%	1,232	8.3
Kristiansund	10,000	Q1'23	20.0	100%	20.0	-	-	20	196	100%	196	1.3
Amsterdam	100,000	Q4'25	147.4	51%	75.2	29.8	-	105	1,028	100%	1,028	6.9
Sunderland/UK	100,000	Q4'24	177.9	51%	90.7	28.3	-	119	1,167	100%	1,167	7.8
UAE	100,000	Q4'24	173.5	51%	88.5	27.6	-	116	1,138	100%	1,138	7.6
Total firm plans	390,000										4,760	31.9
Incremental partner plans												
Additional Diba (1 per year)	400,000	Q2'24+								100%	-	-
BASF II-V (1 per year)	500,000	Q4'24+								100%	-	-
Total incremental plans	900,000										0	0
GAV	411,900										5,312	36
Other												
Geminor, 40% stake at cost											168	1
Group NIBD								-	80		-80	-1
SG&A								-	530		-530	-4
NAV											5,031	34

Source: ABG Sundal Collier

Estimates by project

USDm	2021e	2022e	2023e	2024e	2025e
Revenues by plant (consolidated)	1	9	33	110	256
Skive/Aalborg	0	5	15	15	15
Esbjerg	0	0	14	51	63
Kristiansund	1	4	4	4	8
Amsterdam	0	0	0	0	10
Sunderland	0	0	0	20	80
UAE	0	0	0	20	80
Revenues by plant (net to QFUEL)	1	9	27	77	160
Skive/Aalborg	0	5	15	15	15
Esbjerg	0	0	8	29	35
Kristiansund	1	4	4	4	8
Amsterdam	0	0	0	5	10
Sunderland	0	0	0	13	46
UAE	0	0	0	12	46
EBITDA by plant (consolidated)	-5	2	20	76	169
Skive/Aalborg	-5	0	10	10	10
Esbjerg	0	0	8	35	39
Kristiansund	0	2	2	2	6
Amsterdam	0	0	0	0	4
Sunderland	0	0	0	15	55
UAE	0	0	0	14	55
EBITDA by plant (net to QFUEL)	-5	2	17	56	112
Skive/Aalborg	-5	0	10	10	10
Esbjerg	0	0	5	21	23
Kristiansund	0	2	2	2	6
Amsterdam	0	0	0	5	7
Sunderland	0	0	0	10	33
UAE	0	0	0	8	33

Source: ABG Sundal Collier

ESG profile

Recycling is good for the environment

Inherently, Quantafuel’s business model is based on a positive environmental impact. Chemical recycling of plastics contributes to a circular economy and must be viewed as substantially better than the main alternatives of incineration, landfills or unmanaged dumps/or leaks. The fact that the EU’s RED II (Renewable Energy Directive) includes Recycled Carbon Fuels, meaning that Quantafuel’s products are considered as biofuels, is a testament to the positive environmental footprint of Quantafuel’s business.

Putting plastic waste into context

Annual accumulated plastic waste amounts to ~260 million tonnes. The EU has an ambitious target of ~50% recycling of plastic packaging by 2025. Quantafuel’s technology is capable of recycling 55% of plastic waste in Europe.

Key issues*	ABGSC weight
Environment	80%
Climate change	
Packaging material and waste	
Carbon emissions	
Social	10%
Human capital	
Health and safety	
Product safety and quality	
Governance	10%
Corporate governance	
Corporate behaviour	
Accounting	
Previous ESG incidents	
None	
Exposure to ESG Trends	
Renewable energy, Recycling, Plastic waste, Renewable materials	

Social and governance data

	2018	2019	2020
Women in workforce %	29	20	21
Women in management %	na	na	0
Women in board %	0	0	50
CEO total compensation, NOKm p.a.	2.6	2.6	2.9
Employee turnover %	na	na	na
Employee absence %	1	1	1

Person responsible for sustainability: Thomas Steenbuch Tharaldsen, SVP Strategy & Sustainability

Senior management: Yes

ESG quantified targets

Today Target By

*based on the MSCI framework but not using all the parameters.

Income Statement (NOKm)	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
Sales	0	6	2	3	3	1	2	13
COGS	-27	-35	-46	-34	-32	-43	-63	-65
Gross profit	-27	-29	-44	-30	-29	-42	-61	-52
Other operating items	0	0	0	0	0	0	0	0
EBITDA	-27	-29	-44	-30	-29	-42	-61	-52
Depreciation and amortisation	-1	-1	-5	-3	-4	-4	-10	-14
EBITA	-29	-30	-49	-34	-32	-45	-71	-66
EO items	0	0	0	0	0	0	0	0
Impairment and PPA amortisation	0	0	0	0	0	0	0	0
EBIT	-29	-30	-49	-34	-32	-45	-71	-66
Net financial items	-66	-309	24	151	24	23	-3	-3
Pretax profit	-94	-339	-24	117	-9	-22	-74	-70
Tax	-7	-8	-3	-4	-0	-0	1	-1
Net profit	-101	-347	-27	113	-9	-22	-73	-71
Minority interest	-2	2	1	4	0	0	0	0
Net profit discontinued	0	0	0	0	0	0	0	0
Net profit to shareholders	-103	-345	-27	117	-9	-22	-73	-71
EPS	-9.23	-2.57	-0.20	0.84	-0.06	-0.15	-0.49	-0.43
EPS Adj	-9.23	-2.57	-0.20	0.84	-0.06	-0.15	-0.49	-0.43
Total extraordinary items after tax	0	0	0	0	0	0	0	0
Tax rate (%)	6.9	2.4	12.3	3.2	1.8	0.1	1.8	1.7
Gross margin (%)	-544,100.0	-475.1	-1,878.3	-886.5	-846.2	-3,826.1	-2,597.5	-408.4
EBITDA margin (%)	-544,100.0	-475.1	-1,878.3	-886.5	-846.2	-3,826.1	-2,597.5	-408.4
EBITA margin (%)	-570,200.0	-498.8	-2,095.6	-982.8	-953.0	-4,164.1	-3,017.9	-515.8
EBIT margin (%)	-570,200.0	-498.8	-2,095.6	-982.8	-953.0	-4,164.1	-3,017.9	-515.8
Pretax margin (%)	#####	-5,589.1	-1,047.6	3,396.7	-259.3	-2,031.2	-3,160.9	-542.5
Net margin (%)	#####	-5,724.7	-1,176.1	3,288.7	-264.0	-2,032.4	-3,102.8	-551.9
Growth rates Y/Y	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
Sales growth (%)	+chg	25,175.0	+chg	+chg	67,800.0	-82.0	0.9	272.6
EBITDA growth (%)	-chg	-chg	-chg	-chg	-chg	-chg	-chg	-chg
EBIT growth (%)	-chg	-chg	-chg	-chg	-chg	-chg	-chg	-chg
Net profit growth (%)	-chg	-chg	-chg	+chg	+chg	+chg	-chg	-chg
EPS growth (%)	-chg	-chg	-chg	+chg	+chg	+chg	-chg	-chg
Adj earnings numbers	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
EBITDA Adj	-27	-29	-44	-30	-29	-42	-61	-52
EBITDA Adj margin (%)	-544,100.0	-475.1	-1,878.3	-886.5	-846.2	-3,826.1	-2,597.5	-408.4
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EBITA Adj margin (%)	-570,200.0	-498.8	-2,095.6	-982.8	-953.0	-4,164.1	-3,017.9	-515.8
EBIT Adj	-29	-30	-49	-34	-32	-45	-71	-66
EBIT Adj margin (%)	-570,200.0	-498.8	-2,095.6	-982.8	-953.0	-4,164.1	-3,017.9	-515.8
Pretax profit Adj	-94	-339	-24	117	-9	-22	-74	-70
Net profit Adj	-101	-347	-27	113	-9	-22	-73	-71
Net profit to shareholders Adj	-103	-345	-27	117	-9	-22	-73	-71
Net Adj margin (%)	#####	-5,724.7	-1,176.1	3,288.7	-264.0	-2,032.4	-3,102.8	-551.9

Source: ABG Sundal Collier, Company data

Income Statement (NOKm)	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Sales	0	0	0	0	0	0	10	87	332	1,186
COGS	0	0	0	-35	-48	-126	-172	-232	-250	-496
Gross profit	0	0	0	-35	-48	-126	-162	-145	82	690
Other operating items	0	0	0	0	0	8	0	-0	0	0
EBITDA	0	0	0	-35	-48	-118	-162	-145	82	690
Depreciation and amortisation	0	0	0	-1	-3	-9	-20	-53	-68	-178
Of which leasing depreciation	0	0	0	0	0	0	0	0	0	0
EBITA	0	0	0	-36	-51	-127	-182	-198	15	512
EO items	0	0	0	0	0	0	0	0	0	0
Impairment and PPA amortisation	0	0	0	0	0	0	0	0	0	0
EBIT	0	0	0	-36	-51	-127	-182	-198	15	512
Net financial items	0	0	0	-15	-17	-344	194	-14	-46	-90
Pretax profit	0	0	0	-51	-69	-471	12	-212	-31	422
Tax	0	0	0	-19	-31	-31	-3	-1	-5	-91
Net profit	0	0	0	-70	-100	-502	9	-213	-37	331
Minority interest	0	0	0	0	-52	0	4	0	-25	-196
Net profit discontinued	0	0	0	0	0	0	0	0	0	0
Net profit to shareholders	0	0	0	-70	-151	-501	14	-213	-62	135
EPS	0	0	0	0	0	-3.69	0.09	-1.29	-0.30	0.54
EPS Adj	0	0	0	0	0	-3.69	0.09	-1.29	-0.30	0.54
Total extraordinary items after tax	0	0	0	0	0	0	0	0	0	0
Leasing payments	0	0	0	0	0	0	0	0	0	0
Tax rate (%)	ns	ns	ns	36.3	45.0	6.5	21.1	0.6	17.5	21.5
Gross margin (%)	nm	nm	nm	nm	nm	nm	-1,575.1	-167.1	24.7	58.2
EBITDA margin (%)	nm	nm	nm	nm	nm	nm	-1,575.1	-167.1	24.7	58.2
EBITA margin (%)	nm	nm	nm	nm	nm	nm	-1,774.5	-227.9	4.4	43.1
EBIT margin (%)	nm	nm	nm	nm	nm	nm	-1,774.5	-227.9	4.4	43.1
Pretax margin (%)	nm	nm	nm	nm	nm	nm	116.8	-243.9	-9.4	35.6
Net margin (%)	nm	nm	nm	nm	nm	nm	92.2	-245.3	-11.1	27.9
Growth rates Y/Y	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Sales growth (%)	na	na	na	na	na	na	na	745.8	282.6	257.2
EBITDA growth (%)	na	na	na	high	-36.3	-145.8	-37.1	10.3	156.6	740.8
EBIT growth (%)	na	na	na	high	-43.4	-147.0	-43.6	-8.6	107.3	3,422.8
Net profit growth (%)	na	na	na	high	-42.8	-403.4	101.9	-2,350.5	82.8	1,001.3
EPS growth (%)	na	na	na	na	na	high	102.5	-1,499.9	76.8	279.6
Profitability	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
ROE (%)	nm	nm	nm	-137.2	-96.7	-128.5	1.7	-18.3	-4.3	6.7
ROE Adj (%)	nm	nm	nm	-137.2	-96.7	-128.5	1.7	-18.3	-4.3	6.7
ROCE (%)	nm	nm	nm	-54.0	-17.8	-12.5	2.0	-10.0	0.5	9.3
ROCE Adj(%)	nm	nm	nm	-54.0	-17.8	-12.5	2.0	-10.0	0.5	9.3
ROIC (%)	na	na	na	-182.4	-42.0	-30.9	-18.7	-16.7	0.8	9.3
ROIC Adj (%)	na	na	na	-182.4	-42.0	-30.9	-18.7	-16.7	0.8	9.3
Adj earnings numbers	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
EBITDA Adj	0	0	0	-35	-48	-118	-162	-145	82	690
EBITDA Adj margin (%)	nm	nm	nm	nm	nm	nm	-1,575.1	-167.1	24.7	58.2
EBITDA lease Adj	0	0	0	-35	-48	-118	-162	-145	82	690
EBITDA lease Adj margin (%)	nm	nm	nm	nm	nm	nm	-1,575.1	-167.1	24.7	58.2
EBITA Adj	0	0	0	-36	-51	-127	-182	-198	15	512
EBITA Adj margin (%)	nm	nm	nm	nm	nm	nm	-1,774.5	-227.9	4.4	43.1
EBIT Adj	0	0	0	-36	-51	-127	-182	-198	15	512
EBIT Adj margin (%)	nm	nm	nm	nm	nm	nm	-1,774.5	-227.9	4.4	43.1
Pretax profit Adj	0	0	0	-51	-69	-471	12	-212	-31	422
Net profit Adj	0	0	0	-70	-100	-502	9	-213	-37	331
Net profit to shareholders Adj	0	0	0	-70	-151	-501	14	-213	-62	135
Net Adj margin (%)	nm	nm	nm	nm	nm	nm	92.2	-245.3	-11.1	27.9

Source: ABG Sundal Collier, Company data

Cash Flow Statement (NOKm)	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
EBITDA	0	0	0	-35	-48	-118	-162	-145	82	690
Net financial items	0	0	0	-15	-17	-344	194	-14	-46	-90
Paid tax	0	0	0	-19	-31	-31	-3	-1	-5	-91
Non-cash items	0	0	0	15	57	421	-206	3	0	0
Cash flow before change in WC	0	0	0	-54	-39	-72	-177	-157	31	509
Change in WC	0	0	0	18	42	-11	-28	-20	-0	-0
Operating cash flow	0	0	0	-36	3	-83	-205	-177	31	509
CAPEX tangible fixed assets	0	0	0	-96	-264	-257	-194	-488	-1,649	-2,792
CAPEX intangible fixed assets	0	0	0	0	0	0	0	0	0	0
Acquisitions and disposals	0	0	0	-12	-11	-12	-7	179	542	241
Free cash flow	0	0	0	-145	-272	-352	-406	-486	-1,077	-2,041
Dividend paid	0	0	0	0	0	0	0	0	0	0
Share issues and buybacks	0	0	0	169	239	872	3	500	500	500
Lease liability amortisation	0	0	0	0	0	0	0	0	0	0
Other non cash items	0	0	0	28	-12	-384	443	-985	0	0
Balance Sheet (NOKm)	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Goodwill	0	0	0	0	20	54	54	54	54	54
Other intangible assets	0	0	0	0	0	0	0	0	0	0
Tangible fixed assets	0	0	0	96	359	611	773	1,210	2,792	5,406
Right-of-use asset	0	0	0	0	0	0	0	0	0	0
Total other fixed assets	0	0	0	12	51	124	334	334	334	334
Fixed assets	0	0	0	109	430	789	1,162	1,599	3,181	5,794
Inventories	0	0	0	0	0	3	6	13	77	240
Receivables	0	0	0	1	0	3	18	13	77	240
Other current assets	0	0	0	8	17	14	44	27	27	27
Cash and liquid assets	0	0	0	86	151	692	285	327	520	43
Total assets	0	0	0	204	597	1,502	1,515	1,978	3,882	6,345
Shareholders equity	0	0	0	102	211	568	1,081	1,244	1,682	2,317
Minority	0	0	0	18	67	81	0	180	747	1,185
Total equity	0	0	0	120	278	650	1,081	1,424	2,429	3,501
Long-term debt	0	0	0	0	117	587	179	1,206	1,976	3,040
Pension debt	0	0	0	13	41	0	0	0	0	0
Convertible debt	0	0	0	0	0	0	0	0	0	0
Leasing liability	0	0	0	0	0	0	0	0	0	0
Total other long-term liabilities	0	0	0	19	65	119	125	126	126	126
Short-term debt	0	0	0	0	1	16	25	27	27	27
Accounts payable	0	0	0	19	59	55	44	26	154	481
Other current liabilities	0	0	0	33	35	57	60	43	43	43
Total liabilities and equity	0	0	0	204	597	1,483	1,515	2,851	4,755	7,218
Net IB debt	0	0	0	-85	-42	-206	-243	746	1,323	2,864
Net IB debt excl. pension debt	0	0	0	-99	-83	-206	-243	746	1,323	2,864
Net IB debt excl. leasing	0	0	0	-85	-42	-206	-243	746	1,323	2,864
Capital invested	0	0	0	53	301	575	963	1,422	3,004	5,618
Working capital	0	0	0	-43	-78	-91	-37	-16	-16	-16
EV breakdown	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Market cap. diluted (m)	na	na	na	0	0	8,258	4,816	2,023	2,542	3,062
Net IB debt Adj	0	0	0	-85	-42	-206	-243	746	1,323	2,864
Market value of minority	0	0	0	0	0	0	0	0	0	0
Reversal of shares and participations	0	0	0	0	0	-8	-172	-174	-174	-174
Reversal of conv. debt assumed equity	0	0	0	0	0	0	0	0	0	0
EV	na	na	na	-85	-42	8,044	4,401	2,594	3,691	5,752
Capital efficiency	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Total assets turnover (%)	nm	nm	nm	0	0	0	0.7	5.0	11.3	23.2
Working capital/sales (%)	nm	nm	nm	nm	nm	nm	-622.2	-30.5	-4.9	-1.4
Financial risk and debt service	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Net debt/equity	nm	nm	nm	-0.72	-0.15	-0.32	-0.22	0.52	0.54	0.82
Net debt/market cap	na	na	na	nm	nm	-0.05	-0.04	0.37	0.52	0.94
Equity ratio (%)	nm	nm	nm	58.6	46.6	43.2	71.4	72.0	62.6	55.2
Net IB debt adj./equity	nm	nm	nm	-0.72	-0.15	-0.32	-0.22	0.52	0.54	0.82
Current ratio	nm	nm	nm	1.84	1.75	5.57	2.72	3.97	3.13	1.00
EBITDA/net interest	na	na	na	-2.29	-2.76	-0.32	-14.39	-10.40	1.79	7.67
Net IB debt/EBITDA	nm	nm	nm	2.43	0.88	1.75	1.50	-5.14	16.12	4.15
Net IB debt/EBITDA lease Adj	nm	nm	nm	2.43	0.88	1.75	1.50	-5.14	16.12	4.15
Interest cover	nm	nm	nm	-2.33	-2.81	-0.35	-14.02	-12.60	0.34	5.56

Source: ABG Sundal Collier, Company data

Valuation and Ratios (NOKm)	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Shares outstanding adj.	0	0	0	0	0	136	149	165	208	250
Fully diluted shares Adj	0	0	0	0	0	136	149	165	208	250
EPS	0	0	0	0	0	-3.69	0.09	-1.29	-0.30	0.54
Dividend per share Adj	0	0	0	0	0	0	0	0	0	0
EPS Adj	0	0	0	0	0	-3.69	0.09	-1.29	-0.30	0.54
BVPS	0	0	0	0	0	4.18	7.25	7.54	8.10	9.27
BVPS Adj	0	0	0	0	0	3.79	6.89	7.21	7.84	9.05
Net IB debt / share	na	na	na	na	na	-1.5	-1.6	4.5	6.4	11.5
Share price	na	na	na	6.00	17.30	60.80	32.30	12.25	12.25	12.25
Market cap. (m)	na	na	na	0	0	8,258	4,816	2,023	2,542	3,062
Valuation	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
P/E	na	na	na	nm	nm	-16.5	350.7	-9.5	-40.9	22.8
EV/sales	na	na	na	nm	nm	nm	428.92	29.89	11.12	4.85
EV/EBITDA	na	na	na	2.4	0.9	-68.2	-27.2	-17.9	45.0	8.3
EV/EBITA	na	na	na	2.4	0.8	-63.4	-24.2	-13.1	254.1	11.2
EV/EBIT	na	na	na	2.4	0.8	-63.4	-24.2	-13.1	254.1	11.2
Dividend yield (%)	na	na	na	0	0	0	0	0	0	0
FCF yield (%)	na	na	na	0	0	-4.3	-8.4	-24.0	-42.4	-66.6
Lease adj. FCF yield (%)	na	na	na	nm	nm	-4.3	-8.4	-24.0	-42.4	-66.6
P/BVPS	na	na	na	nm	nm	14.53	4.46	1.63	1.51	1.32
P/BVPS Adj	na	na	na	nm	nm	16.06	4.69	1.70	1.56	1.35
P/E Adj	na	na	na	nm	nm	-16.5	350.7	-9.5	-40.9	22.8
EV/EBITDA Adj	na	na	na	2.4	0.9	-68.2	-27.2	-17.9	45.0	8.3
EV/EBITA Adj	na	na	na	2.4	0.8	-63.4	-24.2	-13.1	254.1	11.2
EV/EBIT Adj	na	na	na	2.4	0.8	-63.4	-24.2	-13.1	254.1	11.2
EV/cap. employed	na	na	na	-0.6	-0.1	6.4	3.4	1.0	0.8	0.9
Investment ratios	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Capex/sales	nm	nm	nm	nm	nm	nm	1,892.3	562.1	496.8	235.4
Capex/depreciation	nm	nm	nm	16,147.0	7,874.6	2,895.9	949.5	925.1	2,442.4	1,565.7
Capex tangibles/tangible fixed assets	nm	nm	nm	100.2	73.6	42.1	25.1	40.3	59.1	51.6
Capex intangibles/definite intangibles	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Depreciation on intangibles/definite intai	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Depreciation on tangibles/tangibles	nm	nm	nm	0.6	0.9	1.5	2.6	4.4	2.4	3.3

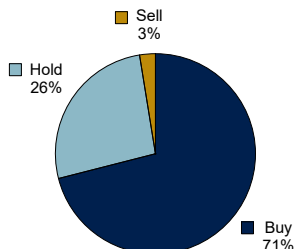
Source: ABG Sundal Collier, Company data

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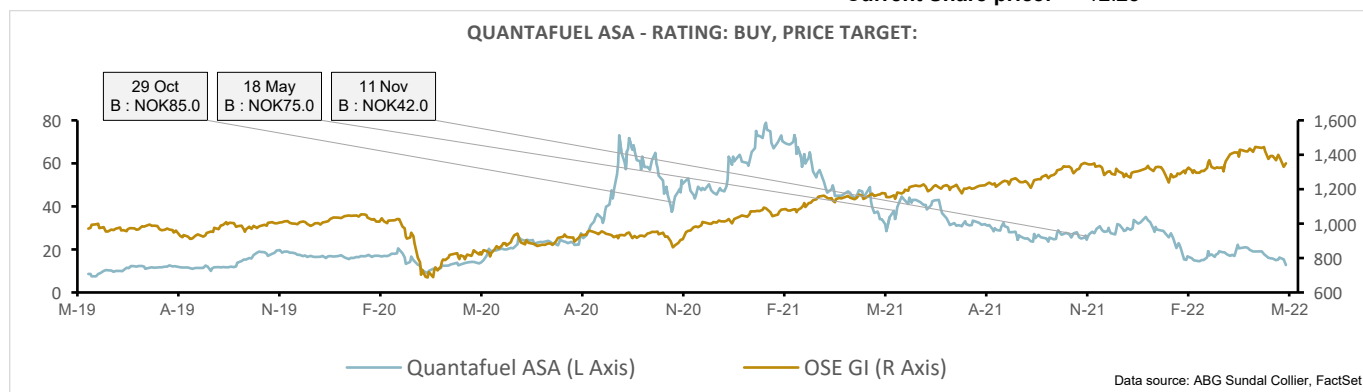
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Company: Quantafuel ASA **Currency:** NOK **Current Recommendation:** BUY
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