

PIHLAJALINNA

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Health Care/Finland, February 19, 2021 Earnings Flash

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Q4 outpaced the expectations

Pihlajalinna's Q4 result outpaced the expectations. Q4 revenue amounted EUR 137.2m (+2.6%) vs. EUR 135.3m/135.5m Evli/cons, while adj. EBIT landed at EUR 7.3m vs. EUR 5.3m/4.8m Evli/cons estimates. Dividend proposal is EUR 0.20 vs. EUR 0.12/0.09 Evli/cons. 2021 revenue is expected to increase clearly and adj. EBIT is expected to improve clearly compared to 2020.

- Q4 revenue was EUR 137.2m vs. EUR 135.3m/135.5m Evli/cons estimates. Revenue increased by 2.6% y/y. COVID-19 testing volumes increased by 67% compared to the previous quarter. Customer volumes of private clinic locations were ~10% lower than in the comparison period.
- Q4 adj. EBITDA was EUR 15.7m (11.5% margin) vs. EUR 14.1m/14.0m Evli/cons estimates.
- Q4 adj. EBIT was EUR 7.3m (5.3% margin) vs. EUR 5.3m/4.8m Evli/cons estimates.
- Q4 EPS was EUR 0.15 vs. EUR 0.08/0.12 Evli/cons.
- Dividend proposal is EUR 0.20 vs. EUR 0.12/0.09 Evli/cons.
- Guidance for 2021E: the company expects revenue and adj. EBIT to improve clearly compared to 2020.
- Pihlajalinna will publish new strategy during the beginning of 2021.

Rating				□ HOLD			
Pihlajalinna Q4'20	Actual	Evli	Cons.*	Year ago			
Net Sales	137.2	135.3	135.5	133.8			
Adj. EBITDA	15.7	14.1	14.0	14.4			
Adj. EBIT	7.3	5.3	4.8	5.6			
Adj. EBITDA-margin	11.4 %	10.4 %	10.3 %	10.8 %			
Adj. EBIT- margin	5.3 %	3.9 %	3.5 %	4.2 %			
PTP (reported) EPS	5.7 0.15	4.1 0.08	4.3 0.12	2.7 0.16			
				0.00			
2020 DPS 0.20 0.12 0.09 *Factset (5 estimates mean)							
Share price, EUR(Last closing price)	10.00						
Target price, EUR	10.5						
Latest change in rat	11-May-20						
Latest report on cor	17-Feb-21						
Research paid by iss	YES						
No. of shares outsta	22,573						
No. of shares fully d	22,573						
Market cap, EURm	22,373						
Free float, %	80.1						
•							
Exchange rate	0.000						
Reuters code	PIHLIS.HE						
Bloomberg code	PIHLIS FH						
Average daily volum	na.						
Next interim report	19-Feb-21						
144 1 1							

■ BUY □ HOLD ■ SELL

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PRE-REPORT KEY FIGURES												
	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR		
2018	487.8	14.4	3.0%	-74.5	0.20	42.4	0.8	27.1	-38.2	0.10		
2019	518.7	20.9	4.0%	9.6	0.47	32.3	1.1	26.6	2.8	0.00		
2020E	506.9	18.8	3.7%	-3.2	0.41	24.2	0.9	23.1	-1.4	0.12		
2021E	547.7	26.5	4.8%	17.4	0.67	15.0	8.0	15.8	7.7	0.22		
2022E	564.1	35.0	6.2%	19.6	0.97	10.4	0.7	11.5	8.7	0.29		
Market cap, EURm			226 B	V per share 20	171.2 CAGR EPS 2019-22, %				26.9			
Net debt 2020E, EURm		197 P	Price/book 2020E		2.0 CAGR sales 2019-22, %				2.8			
Enterprise value, EURm			433 D	Dividend yield 2020E, %		1.2 ROE 2020E, %			8.8			
Total assets 2020E, EURm			431 Ta	ax rate 2020E,	19.9 ROCE 2020E, %			5.6				
Goodwill 2020E, EURm			174 E	Equity ratio 2020E, %			26.8 PEG, P/E 20/CAGR			0.6		

All the important disclosures can be found on the last pages of this report.

Important Disclosures

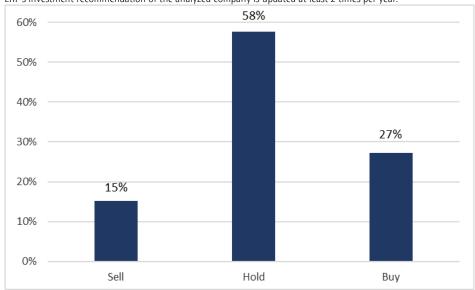
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Target price compared to share price Recommendation

< -10 % SELL -10 - (+10) % HOLD > 10 % BUY

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Name(s) of the analyst(s): Rissanen

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