

ARCTIC BIOSCIENCE

Patient recruitment is key concern

As communicated by management in H1, the HeROPA phase IIb clinical trial is active in all five planned countries participating in the trial. It had indicated a 6-month inclusion period of the 519 patients; we are approaching six months since the first patient was included (end-January 2023 in the UK), and have concerns that the recruitment period will continue for still some time. Following a further revision of timelines for the company's pharmaceutical development efforts, we have cut our target price to NOK10 (15) and reiterate our HOLD.

Patient recruitment for HeROPA trial. In April 2022, management guided for the first patient included around mid-2022, with recruitment completed around end-2023. Following delayed submission of the Clinical Trial Application (CTA) until October 2022 and longer approval times than anticipated, the company was not able to recruit the first patient until end-January 2023 (in the UK); it previously indicated a 6-month inclusion period followed by 6-month (primary endpoint) and 12-month data readouts. We remain concerned that the anticipated 6-month inclusion period of the 519 patients is too optimistic, despite many (and thus many potential study participants) having mild-to-moderate psoriasis. In an update in May 2023, the company said "recruitment is expected to proceed at speed throughout [the] summer and into the fall"; in our view indicating that the inclusion period (calculated from the first patient included) will likely take longer than the guided six months. Management has provided little insight into the recruitment rate and status, which is a key concern for us. We maintain our conservative view on the stock, and now assume the earliest the product could reach the market is 2028 (versus 2027 previously).

NOK30m credit facility secured. Earlier this month, Arctic Bioscience announced it had secured a NOK30m credit facility to support the growth potential of the nutraceutical business. It said the facility has been entered into on normal market terms and has a duration of 1 year, with annual renewal. Cash was NOK130.6m at end-Q1 23.

HOLD reiterated, but target price cut to NOK10. We still believe the most value potential is in the pharmaceutical development track and have lowered our target price following our concerns around recruitment and corresponding revised timelines.

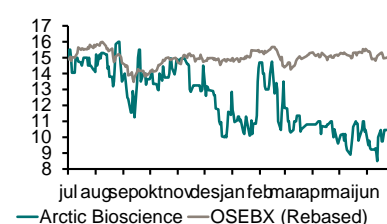
Year-end Dec	2019	2020	2021	2022	2023e	2024e	2025e
Revenue (NOKm)	30	20	22	34	45	60	80
EBITDA adj (NOKm)	-2	-20	-29	-25	-32	-38	11
EBIT adj (NOKm)	-3	-22	-32	-29	-39	-45	4
PTP (NOKm)	-4	-23	-43	-34	-44	-50	-1
EPS rep (NOK)	-0.27	-1.55	-1.75	-1.40	-1.74	-1.98	-0.06
DPS (NOK)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Revenue growth (%)	20.9	-31.8	4.9	59.4	31.3	33.3	33.3
EBITDA margin adj (%)	nm	nm	nm	nm	nm	nm	13.4
EV/Sales adj (x)			10.01	4.78	3.51	3.44	2.59
EV/EBITDA adj (x)			nm	nm	nm	nm	19.3
EV/EBIT adj (x)			nm	nm	nm	nm	54.2
Dividend yield (%)	nm	nm	0.0	0.0	0.0	0.0	0.0
FCF yield (%)	nm	nm	-9.1	-8.8	-18.1	-18.6	1.1

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

HOLD

TP: NOK10.0

ABS versus OSEBX (12m)



Source: Factset

SUMMARY

Recommendation (prev.)	HOLD (HOLD)
Share price (NOK)	9.52
Target price (previous) (NOK)	10.0 (15.0)
Upside/downside potential (%)	5
Tickers	ABS NO

CAPITAL STRUCTURE

No. of shares (m)	25.4
No. of shares fully dil. (m)	25.4
Market cap. (NOKm)	242
NIBD adj end-2023e (NOKm)	-84
Enterprise value adj (NOKm)	158
Net debt/EBITDA adj (x)	2.60
Free float (%)	63

Source: Company, DNB Markets (estimates)

Note: Unless otherwise stated, the share prices in this note are the last closing price.

NEXT EVENT

Half-yearly Report	29/08/2023
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ESTIMATE CHANGES (NOK)

Year-end Dec	2023e	2024e	2025e
Sales (old)	50.00	82.50	
Sales (new)	45.00	60.00	80.00
Change (%)	-10.0	-27.3	nm
Change (%)	nm	nm	nm

Source: DNB Markets, Bloomberg

ANALYSTS

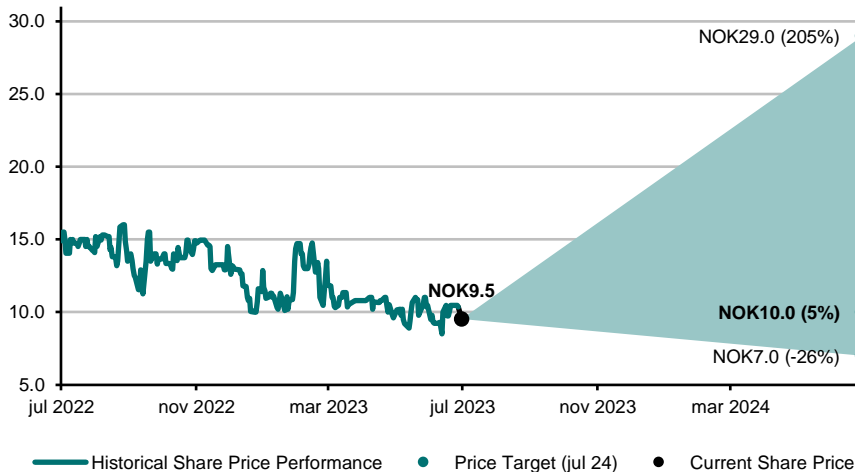
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Investment case overview

Share price performance, DNB Markets' target price, bear- and bull-case scenarios



Source: FactSet, DNB Markets

Target price methodology

- We continue to use mainly a DCF with a probability-weighted scenario analysis to calculate our target price. We use a base-case LOA of 10%.
- Our bull-case fair value is based on an LOA of 30%.
- Our bear-case fair value is based on an LOA of 3%.

Source: DNB Markets

Downside risks to our investment case

- If the phase IIb or phase III trials fail due to poor efficacy or safety, it could lead to the discontinuation of its only development project.
- Delayed launch of the next clinical trial due to the pandemic or other factors, and slower than expected market penetration.
- Failing to gain and protect as large a market share as we assume.

Source: DNB Markets

DNB Markets investment case and how we differ from consensus

- There is no consensus on Arctic Bioscience.

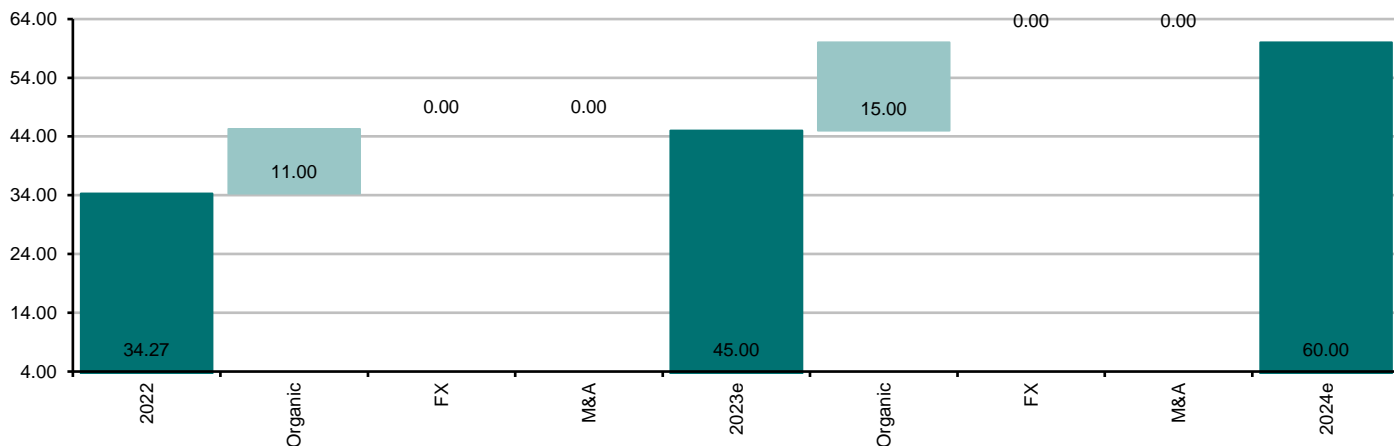
Source: DNB Markets

Upside risks to our investment case

- Better than expected results (mainly on efficacy) in upcoming trials would increase confidence in its drug candidate.
- Entering more markets than we include in our valuation, e.g. China where it already has a partner selling its omega-3 supplements.
- Tapping into the pool of diagnosed but untreated patients, which would likely give a significant revenue boost.

Source: DNB Markets

Sales bridge 2022–2024e (NOKm)



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

ESG overview

Sustainability assessment

	Positive	Negative
Conclusions	<ul style="list-style-type: none"> ■ Arctic Bioscience is developing an innovative psoriasis drug to address an unmet medical need. ■ It uses naturally occurring compounds to improve patients' health and contribute to the population's sufficient nutrition. ■ Its raw material, immature herring roe, is a residual product of the fish industry and sourced from sustainable fisheries. 	<ul style="list-style-type: none"> ■ The outcome of drug development is highly uncertain, as the drug candidate's attributes along with economic and other considerations can affect development. Thus, some drug candidates never reach the market. ■ Drugs inevitably have side effects that can hurt patients' health and quality of life.
Actions being taken by company	<ul style="list-style-type: none"> ■ The company's operations are in alignment with UN Sustainability Development Goals 3, 9, 12 and 14. It works towards improved nutrition and health, is engaged in innovation, is committed to responsible consumption and production, and aims to preserve life below water. ■ It is committed to operating sustainably. 	<ul style="list-style-type: none"> ■ The company has sponsored animal studies and conducts clinical trials in humans. ■ Some components that cannot be recycled during the herring roe extraction go to waste waters and can burden the environment.

Key ESG drivers

Short-term	<ul style="list-style-type: none"> ■ The pharmaceutical industry has strict regulations to ensure the safety of patients and clinical trial participants. ■ The company is developing an oral psoriasis drug to address an unmet medical need and to improve patients' health and quality of life. 	<ul style="list-style-type: none"> ■ A treatment-related adverse event in a clinical trial. ■ Clinical drug development is a time and resource consuming activity with an uncertain outcome. ■ The company's entry to the pharmaceutical market depends on the success of a single drug candidate.
Long-term	<ul style="list-style-type: none"> ■ Arctic Bioscience's raw material is immature herring roe, a highly underutilised source of omega-3 fatty acids available in large quantities. ■ Omega-3 fatty acids have several benefits to human health, yet the majority of the global population consumes less than is recommended. 	<ul style="list-style-type: none"> ■ Climate change can increase water temperature and adversely affect herring populations, particularly spawning rates.

Source: DNB Markets

Sustainability assessment

	Risk	Company's risk mitigation
Transition risks		
Policy and legal	<ul style="list-style-type: none"> ■ Drug development and manufacturing is highly regulated; processes and product attributes have to be accurately monitored to comply with laws and regulations. 	<ul style="list-style-type: none"> ■ Communication with authorities and other stakeholders to comply with legislation.
Technology	<ul style="list-style-type: none"> ■ Its development/manufacturing processes and product quality must be documented. 	<ul style="list-style-type: none"> ■ The company has dedicated personnel for quality assurance and regulatory affairs. Its nutritional supplements have minimal levels of environmental contaminants in compliance with the Global Organization for EPA and DHA Omega-3 (GOED) voluntary monograph.
Market	<ul style="list-style-type: none"> ■ Arctic Bioscience's expansion into the pharmaceutical market depends on the uncertain outcome of its current drug development process. ■ The shipping of products to international markets could have negative environmental effects. 	<ul style="list-style-type: none"> ■ Management has extensive experience in drug development. Furthermore, it has established partnerships to support the development process. ■ Arctic Bioscience has a short supply chain and conducts most of its operations locally to minimise the harmful effects of shipping.
Reputation	<ul style="list-style-type: none"> ■ Scientific evidence about the effects of omega-3 fatty acids is inconclusive in some areas. Negative scientific results and waning public perception of omega-3 health benefits could affect sales. 	<ul style="list-style-type: none"> ■ It is actively engaged in R&D to explore the effects of omega-3 fatty acids. More than 2,400 randomised clinical trials have been conducted about the effects of omega-3 fatty acids.
Physical risk		
Acute	<ul style="list-style-type: none"> ■ The R&D of new drugs is inherently risky. Development takes many years and requires substantial financial commitment. Projects can be discontinued at any point if a drug candidate does not have sufficient efficacy, or if it causes adverse effects that outweigh the potential benefits of the therapy. 	<ul style="list-style-type: none"> ■ The company collaborates with several partners and stakeholders and actively seeks new connections to support its drug development efforts.
Chronic	<ul style="list-style-type: none"> ■ Psoriasis therapies and omega-3 nutritional supplements are competitive markets with several companies. The emergence of better drugs and nutritional supplements is a constant risk. Future products could be superior in safety, efficacy and dosing among other factors. 	<ul style="list-style-type: none"> ■ The company aims to constantly improve and develop to prepare for future challenges. Management is experienced in the pharmaceutical and nutraceutical industries with a good grasp of industry-wide trends.

Source: DNB Markets

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Forecast changes – P&L

(NOKm)	New			Old			Change		
	2023e	2024e	2025e	2023e	2024e	2025e	2023e	2024e	2025e
Revenues	45	60	80	50	83		-5	-23	
Cost of sales	-23	-29	-35	-25	-29		3	0	
Gross profit	23	31	45	25	54		-2	-22	
Operating expenses	-64	-78	-43	-76	-96		12	17	
EBITDA	-41	-47	2	-51	-42		10	-5	
EBITDA adj	-32	-38	11	-42	-33		10	-5	
EBITDA margin (%)	nm	nm	2.4	-102.0	-50.8	nm	nm	nm	nm
Depreciation	-7	-7	-7	-7	-7		0	0	
EBITA	-48	-54	-5	-58	-48		10	-5	
EBIT	-48	-54	-5	-58	-48		10	-5	
EBIT adj	-39	-45	4	-49	-40		10	-5	
Net interest	2	2	2	3	3		-1	-1	
Other financial items	1	1	1	-2	-2		3	3	
Net financial items	3	3	3	1	1		3	3	
PBT	-44	-50	-1	-57	-48		13	-3	
Taxes	0	0	0		0			0	
Net profit	-44	-50	-1	-57	-48		13	-3	
Adjustments to net profit	0	0	0	0	0		0	0	
Net profit adj	-44	-50	-1	-57	-48		13	-3	
<i>Per share data (NOK)</i>									
EPS	-1.74	-1.98	-0.06	-2.21	-1.85		0.46	-0.13	
DPS ordinary	0.00	0.00	0.00		0.00			0.00	
DPS extraordinary	0.00	0.00	0.00		0.00			0.00	
DPS	0.00	0.00	0.00		0.00			0.00	
<i>Other key metrics (%)</i>									
Revenue growth	31.3	33.3	33.3	35.1	65.0	nm	-3.8	-31.7	nm
EBIT adj growth	nm	nm	nm	64.0	-18.7	nm	nm	nm	nm
EPS adj growth	nm	nm	nm	nm	nm	nm	nm	nm	nm
Avg. number of shares (m)	24	24	24		26			-1	
Capex	-8	-5	-5		-5			0	
OpFCF	-40	-43	6	-50	-38		10	-5	
Working capital	23	21	20	26	29		-2	-8	
NIBD adj	-84	-35	-34	-164	-113		81	78	

Source: DNB Markets

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Annual P&L

(NOKm)	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Revenues	12	18	25	30	20	22	34	45	60	80
Cost of sales	-5	-12	-16	-20	-21	-18	-33	-23	-29	-35
Gross profit	7	6	9	10	-1	4	1	23	31	45
Operating expenses	-4	-7	-10	-12	-20	-42	-35	-64	-78	-43
EBITDA	3	-1	-1	-2	-20	-38	-34	-41	-47	2
Depreciation	-1	-1	-1	-1	-1	-3	-4	-7	-7	-7
EBITA	2	-1	-1	-3	-22	-41	-37	-48	-54	-5
EBIT	2	-1	-1	-3	-22	-41	-37	-48	-54	-5
Net interest	-1	0	-1	0	0	0	2	2	2	2
Other financial items	0	0	0	0	0	-2	1	1	1	1
Net financial items	-1	0	-1	-1	-1	-2	3	3	3	3
PBT	1	-2	-2	-4	-23	-43	-34	-44	-50	-1
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	1	-2	-2	-4	-23	-43	-34	-44	-50	-1
Adjustments to net profit	0	0	0	0	0	0	0	0	0	0
Net profit adj	1	-2	-2	-4	-23	-43	-34	-44	-50	-1
Dividend paid	0	0	0	0	0	0	0	0	0	0
Avg. number of shares	16	16	16	16	16	24	24	24	24	24
<i>Per share data (NOK)</i>										
EPS	0.10	-0.12	-0.12	-0.27	-1.55	-1.75	-1.40	-1.74	-1.98	-0.06
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	47.0	57.3	35.3	20.9	-31.8	4.9	59.4	31.3	33.3	33.3
EPS adj growth	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Gross margin	55.4	32.1	35.7	34.1	nm	17.5	3.6	50.0	52.0	56.0
EBITDA margin	22.1	nm	nm	nm	nm	nm	nm	nm	nm	2.4
EBITDA adj margin	22.1	nm	nm	nm	nm	nm	nm	nm	nm	13.4
Depreciation/revenues	-5.5	-3.2	-2.1	-3.6	-5.8	-11.6	-10.9	-15.0	-11.2	-8.4
EBIT margin	16.6	nm	nm	nm	nm	nm	nm	nm	nm	nm
EBIT adj margin	15.9	-7.4	-5.0	-10.6	-106.2	-147.8	-84.0	-86.6	-74.9	4.8
PBT margin	12.0	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)

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Adjustments to annual P&L

(NOKm)	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
EBITDA	3	-1	-1	-2	-20	-38	-34	-41	-47	2
Gains and losses	0	0	0	0	0	0	0	0	0	0
Other EBITDA adjustments						9	9	9	9	9
EBITDA adj	3	-1	-1	-2	-20	-29	-25	-32	-38	11
EBITA	2	-1	-1	-3	-22	-41	-37	-48	-54	-5
Gains and losses	0	0	0	0	0	0	0	0	0	0
Other EBITA adjustments						9	9	9	9	9
EBITA adj	2	-1	-1	-3	-22	-32	-29	-39	-45	4
EBIT	2	-1	-1	-3	-22	-41	-37	-48	-54	-5
Gains and losses	0	0	0	0	0	0	0	0	0	0
Other EBIT adjustments						9	9	9	9	9
EBIT adj	2	-1	-1	-3	-22	-32	-29	-39	-45	4
Net profit	1	-2	-2	-4	-23	-43	-34	-44	-50	-1
Gains and losses	0	0	0	0	0	0	0	0	0	0
Other EBIT adjustments						9	9	9	9	9
Net profit adj	1	-2	-2	-4	-23	-43	-34	-44	-50	-1
<i>Per share data (NOK)</i>										
EPS	0.10	-0.12	-0.12	-0.27	-1.55	-1.75	-1.40	-1.74	-1.98	-0.06

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

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Cash flow

(NOKm)	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Net profit	1	-2	-2	-4	-23	-43	-34	-44	-50	-1
Depreciation and amortisation	1	1	1	1	1	3	4	7	7	7
Other non-cash adjustments	0	0	0	0	0	0	0	0	0	0
Change in net working capital	-2	-1	-3	-11	1	1	5	2	4	2
Cash flow from operations (CFO)	-5	-2	-5	-14	-20	-39	-25	-36	-40	8
Capital expenditure	0	0	0	0	-10	0	0	-8	-5	-5
Acquisitions/Investments	-1	-1	-4	-7	-9	-37	-59	-3	-3	-3
Divestments	0	0	0	0	0	0	0	0	0	0
Cash flow from investing (CFI)	-1	-1	-4	-7	-19	-37	-59	-11	-8	-8
Free cash flow (FCF)	-7	-3	-9	-21	-39	-76	-84	-47	-48	0
Net change in debt	-1	0	-1	-1	-3	-8	0	5	15	-5
Dividends paid	0	0	0	0	0	0	0	0	0	0
Other	0	0	-1	-1	11			-5	-5	-5
Cash flow from financing (CFF)	2	7	3	44	27	291	1	0	10	-10
Total cash flow (CFO+CFI+CFF)	-5	4	-5	23	-11	215	-83	-46	-38	-10
<i>FCFF calculation</i>										
Free cash flow	-7	-3	-9	-21	-39	-76	-84	-47	-48	0
Less: net interest	1	0	1	0	0	0	-2	-2	-2	-2
Less: acquisitions	1	1	4	7	9	37	59	3	3	3
Less: divestments	0	0	0	0	0	0	0	0	0	0
Growth (%)										
CFO	-947.4	60.6	-116.3	-204.5	-45.9	-97.4	35.7	-40.9	-11.7	119.1
CFI	19.9	26.9	-323.6	-67.6	-162.8	-96.4	-60.5	81.2	27.3	0.0
FCF	-517.5	53.7	-183.4	-138.3	-85.7	-96.9	-10.5	44.3	-2.5	99.3
CFF	-75.7	265.0	-51.7	1189.0	-38.1	968.8	-99.7	-58.9	3246.8	-194.0
FCFF	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm

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

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Balance sheet

(NOKm)	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Assets	31	34	45	82	93	341	328	271	232	230
Inventories	9	8	16	17	26	29	35	25	18	16
Trade receivables	2	2	6	12	11	8	13	9	9	12
Other receivables	1	1	1	1	3	3	5	1	1	1
Cash and cash equivalents	2	6	1	24	13	227	144	98	66	61
Current assets	14	17	24	54	53	267	198	133	94	91
Property, plant and equipment	3	3	3	3	6	16	22	28	25	23
Other intangible assets	13	14	18	25	34	59	107	110	113	116
Non-current assets	16	17	21	28	41	75	129	138	138	139
Total assets	31	34	45	82	93	341	328	271	232	230
Equity and liabilities	31	34	45	82	93	341	328	271	232	230
Total equity to the parent	13	19	22	64	64	321	287	243	193	191
Total equity	13	19	22	64	64	321	287	243	193	191
Trade payables	2	2	6	6	10	8	18	11	7	10
Other payables and accruals	1	1	1	1	2	2	2	2	2	2
Short-term debt	5	4	5	4	9	10	20	10	11	12
Total current liabilities	8	6	11	11	21	21	40	23	20	23
Long-term debt	10	9	12	7	8	0	0	5	20	15
Total non-current liabilities	10	9	12	7	8	0	0	5	20	15
Total liabilities	18	15	24	19	29	21	40	28	40	38
Total equity and liabilities	31	34	45	82	93	341	328	271	232	230
<i>Key metrics</i>										
Net interest bearing debt	13	7	16	-13	5	-217	-124	-84	-35	-34

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

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Valuation ratios

(NOKm)	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
<i>Enterprise value</i>										
Share price (NOK)						17.80	11.80	9.52	9.52	9.52
Number of shares (m)	14.62	14.62	14.62	14.62	14.62	24.30	24.38	25.37	25.37	25.37
Market capitalisation						433	288	242	242	242
Net interest bearing debt	13	7	16	-13	5	-217	-124	-84	-35	-34
Adjustments to NIBD	0	0	0	0	0	0	0	0	0	0
Net interest bearing debt adj	13	7	16	-13	5	-217	-124	-84	-35	-34
EV						215	164	158	206	207
EV adj						215	164	158	206	207
<i>Valuation</i>										
EPS	0.10	-0.12	-0.12	-0.27	-1.55	-1.75	-1.40	-1.74	-1.98	-0.06
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						-10.2	-8.5	-5.5	-4.8	-170.7
Average ROE	10.4%	-11.0%	-8.4%	-9.4%	-35.3%	-22.2%	-11.2%	-16.7%	-23.0%	-0.7%
Dividend yield						0.0%	0.0%	0.0%	0.0%	0.0%
EV/SALES						10.01	4.78	3.51	3.44	2.59
EV/SALES adj						10.01	4.78	3.51	3.44	2.59
EV/EBITDA						-5.7	-4.9	-3.9	-4.4	106.2
EV/EBITDA adj						-7.4	-6.6	-4.9	-5.4	19.3
EV/EBIT						-5.3	-4.4	-3.3	-3.8	-43.3
EV/EBIT adj						-6.8	-5.7	-4.1	-4.6	54.2
EV/NOPLAT						-5.3	-4.4	-3.3	-3.8	-43.3
EV/OpFCF (taxed)						-7.4	-6.6	-3.9	-4.8	36.0

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

Key accounting ratios

	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
<i>Profitability (%)</i>										
ROA	4.2	-5.3	-4.3	-6.3	-25.7	-19.6	-10.2	-14.8	-20.0	-0.6
<i>Return on invested capital (%)</i>										
Net PPE/revenues	29.0	17.1	12.9	10.5	31.0	74.4	65.2	61.8	42.2	28.5
Working capital/revenues	84.7	49.9	69.9	78.8	146.8	145.1	104.8	52.0	34.8	24.9
<i>Cash flow ratios (%)</i>										
FCF/revenues	-57.0	-16.8	-35.1	-69.2	-188.3	-353.5	-245.0	-103.9	-79.9	-0.4
FCF yield (%)	nm	nm	nm	nm	nm	-9.1	-8.8	-18.1	-18.6	1.1
CFO/revenues	-45.3	-11.3	-18.1	-45.7	-97.6	-183.7	-74.1	-79.5	-66.6	9.6
CFO/market capitalisation						-9.1	-8.8	-14.8	-16.5	3.2
CFO/capex					-200.1			-447.1	-799.1	152.9
CFO/current liabilities	-69.9	-33.4	-39.3	-120.2	-96.2	-188.8	-62.8	-157.7	-203.6	32.7
Cash conversion ratio	-475.8	178.1	510.1	517.5	170.8	178.4	246.8	105.7	95.5	25.2
Capex/revenues	0.0	0.0	0.0	0.0	48.8	0.0	0.0	17.8	8.3	6.3
Capex/depreciation	0.0	0.0	0.0	0.0	838.9	0.0	0.0	118.9	74.3	74.3
OpFCF margin	22.1	-3.7	-2.5	-6.7	-148.7	-136.1	-72.5	-89.0	-71.7	7.2
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	3.75	-3.10	-2.19	-6.12	-42.46	nm	nm	nm	nm	nm
EBIT/interest payable	3.71	nm	nm	nm	nm	nm	nm	nm	nm	nm
EBITA adj/interest payable	3.55	nm	nm	nm	nm	nm	nm	nm	nm	nm
Cash coverage	5.16	-1.81	-1.22	-4.47	-41.63	-158.62	17.80	21.61	24.77	-1.03
Net debt/EBITDA	4.97	-10.20	-25.38	6.42	-0.24	5.71	3.68	2.04	0.75	-17.62
Total debt/total capital (BV)	0.49	0.38	0.37	0.13	0.19	0.03	0.06	0.05	0.13	0.12
LTD / (LTD + equity (MV))						0.00	0.00	0.02	0.08	0.06
<i>Cash conversion cycle</i>										
Inventory turnover days	635.5	241.0	364.4	322.2	448.6	587.1	391.6	403.3	228.9	166.3
Receivables turnover days	99.8	52.5	107.2	154.1	245.5	187.4	199.3	79.9	61.3	61.6
Credit period	166.5	49.9	133.9	119.3	169.7	172.1	201.6	183.3	91.5	99.8
Cash conversion cycle	568.9	243.5	337.7	357.0	524.3	602.4	389.4	299.9	198.6	128.1

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

Important Information

Company: Arctic Bioscience
 Coverage by Analyst: Geir Hiller Holom
 Date: 17/07/2023

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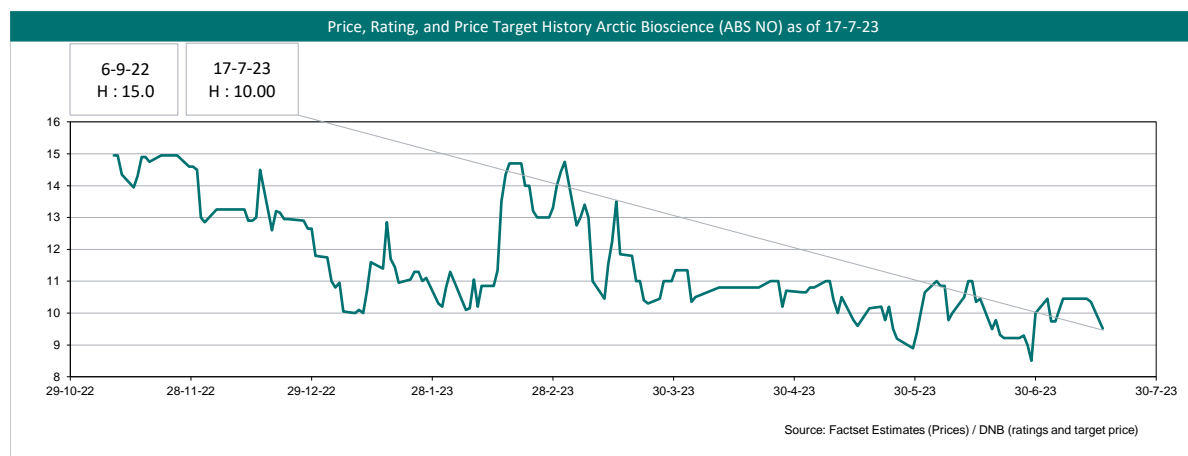
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DNB Markets client	31 %	6 %	3 %	3 %	144

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18 July 2023

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