

Starbreeze

Company report

06.12.2024 08:41 CET



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A strategic partnership that adds to the potential

Starbreeze announced yesterday a work-for-hire agreement with KRAFTON Inc, the South Korean gaming giant behind the global hit PUBG: Battlegrounds. We view this agreement as a good strategic fit as Starbreeze takes no financial risks, retains full ownership of the PAYDAY IP, and gains increased visibility and reach by introducing the PAYDAY gameplay experience to one of the world's most popular games. In addition, Starbreeze secures additional cash flows during a transitional 2025. While we continue to assess the investment risk to be elevated, the continued decline in the share price following the Q3 report suggests that much of the downside is already reflected in the valuation. For risk-tolerant investors, we believe this presents an opportunity to take a contrarian stance. Hence, we are raising our recommendation to Accumulate (was Reduce), while keeping our target price unchanged at SEK 0.22.

Starbreeze partner up with KRAFTON to bring the PAYDAY experience to PUBG

Under this agreement, 25% of Starbreeze's development team (some 35 FTE) will work on integrating PAYDAY's heisting gameplay into PUBG over a 12-month period. This collaboration offers mutual benefits, with Starbreeze gaining exposure to PUBG's vast global player base, while KRAFTON enhances PUBG with fresh and immersive content. Additionally, the agreement generates new revenue streams for Starbreeze and ensures effective utilization of its workforce, particularly as capacity has been freed up following the conclusion of initiatives like *Operation Medic Bag* for PAYDAY 3 ("PD3"). Furthermore, this arrangement provides Starbreeze with the flexibility to allocate resources toward new projects or respond to a potential PD3 turnaround once the partnership concludes.

Adding the partnership value into our 2025 estimates but keep the longer term estimates unchanged

This partnership aligns with Starbreeze's broader strategy to generate additional value from its PAYDAY franchise. Securing a deal with a reputable player like KRAFTON, despite the current challenges facing PAYDAY, show signs of the strength and ongoing relevance of the IP. Based on the scale of the partnership and the typical structure of a work-for-hire agreement, we estimate that Starbreeze could generate 60–70 MSEK in additional revenue for 2025. Since the company's cost structure remains unchanged, this added revenue would reduce cash burn during what we anticipate to be a transitional year ahead of the next game release in 2026. At this stage, we are not revising our revenue estimates for the PAYDAY franchise beyond 2026, as we await further details and measurable outcomes from this partnership before incorporating any long-term benefits. Nevertheless, the extended reach provided through this partnership could attract new players to the PAYDAY franchise while Starbreeze retains more of its cash, which creates future upside potential. However, we maintain our assumption that Starbreeze will onboard a co-financier or partner for the launch of Project Baxter and the planned 2028 game.

Now could be a good time to take a contrarian stance given the current depressed levels

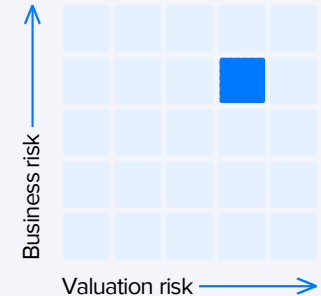
In our latest update, we highlighted the lack of short-term catalysts, with a PD3 turnaround unlikely in the near term. While this assessment largely holds, the work-for-hire agreement with KRAFTON provides Starbreeze with a low-risk access to PUBG's massive audience and showcase PAYDAY's heisting gameplay, which adds to the future potential. Our DCF model, reflecting a moderately optimistic scenario, values the share at SEK 0.39 after including the partnership. However, we still believe the DCF provides limited near-term support, as the share price remains closely tied to PD3's performance. That said, we believe much of the downside is already priced into the current valuation, which should limit further downside risk, presenting a good opportunity for a more optimistic outlook on the share.

Recommendation

Accumulate
(prev. Reduce)

0.22 SEK
(prev. 0.22 SEK)

Share price:
0.17 SEK



Key indicators

	2023	2024e	2025e	2026e
Revenue	634	183	204	343
growth-%	396%	-71%	12%	68%
EBIT adj.	190	-227	-7	-101
EBIT-% adj.	30.0 %	-124.1 %	-3.6 %	-29.5 %
Net Income	208	-204	-7	-104
EPS (adj.)	0.19	-0.16	0.00	-0.07
P/E (adj.)	2.5	neg.	neg.	neg.
P/B	0.8	0.4	0.4	0.4
EV/EBIT (adj.)	1.8	neg.	neg.	neg.
EV/EBITDA	0.8	0.6	1.0	0.7
EV/S	0.6	0.3	0.4	0.4

Source: Inderes

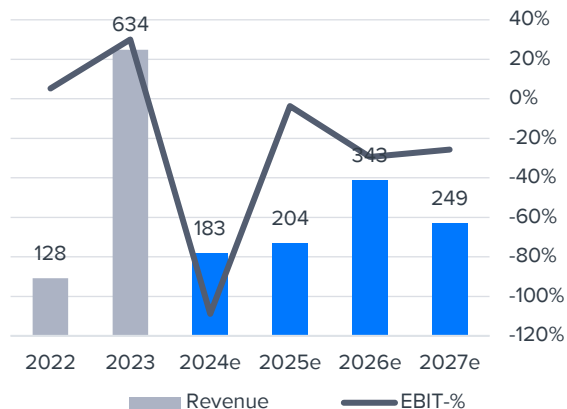
Guidance (Starbreeze provides no guidance)

Share Price



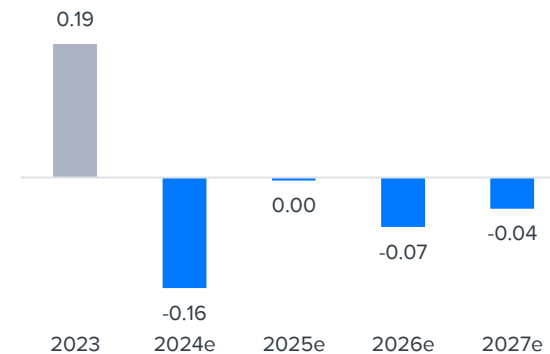
Source: Millistream Market Data AB

Revenues and operating profit-%



Source: Inderes

Earnings per share



Source: Inderes



Value drivers

- The company's main asset is its ownership of the PAYDAY game franchise
- If Starbreeze can entice players to return to PAYDAY 3, the company's financial outlook, as well as its potential to expand and/or license the IP, would improve significantly
- New game releases after PAYDAY 3. A game based on the Dungeons and Dragons IP is set to be released in 2026, another in 2027/2028
- Future third-party publishing operations and adding new platforms for existing titles
- Highly scalable business model with successful launches



Risk factors

- Undiversified revenue stream with almost all revenues coming from a single franchise
- If PAYDAY 3 fails to entice players to return, Starbreeze will be left without a significant revenue stream until the next game is released in 2026.
- Limited visibility into the games after PAYDAY 3 makes it hard to assess the company's long-term potential
- Commercial failure and/or delays in future game projects

Valuation	2024e	2025e	2026e
Share price	0.17	0.17	0.17
Number of shares, millions	1,477	1,477	1,477
Market cap	257	257	257
EV	50	90	136
P/E (adj.)	neg.	neg.	neg.
P/E	neg.	neg.	neg.
P/B	0.4	0.4	0.4
P/S	1.4	1.3	0.7
EV/Sales	0.3	0.4	0.4
EV/EBITDA	0.6	1.0	0.7
EV/EBIT (adj.)	neg.	neg.	neg.

Source: Inderes

Overview of KRAFTON and PUBG

KRAFTON

KRAFTON Inc. is a South Korean video game holding company, globally recognized as the parent organization behind some of the world's most successful and innovative gaming franchises. Established in 2007, KRAFTON is headquartered in Seongnam, South Korea, and has grown into a strong player in the gaming industry, particularly in the battle royale genre.

10+ BNUSD
(Market Cap)

1.9 BNUSD
(Revenue LTM)

Selection of game portfolio: **PUBG: Battlegrounds, TERA, New State Mobile, The Callisto Protocol & Moonbreaker**



PUBG: Battlegrounds was launched in 2017 and is a battle royale game where up to 100 players compete to be the last one standing by scavenging for weapons, surviving intense firefights, and navigating shrinking safe zones on diverse, expansive maps. The game is available on PC, console, and mobile. The game shifted to a free-to-play game for all platforms in 2022.

75+ million sold copies
for PC/console

1+ billion mobile downloads

30+ million DAU
(mobile)

800,000+ / 3+ million
(Peak CCU on Steam in 2024/All-time-high)

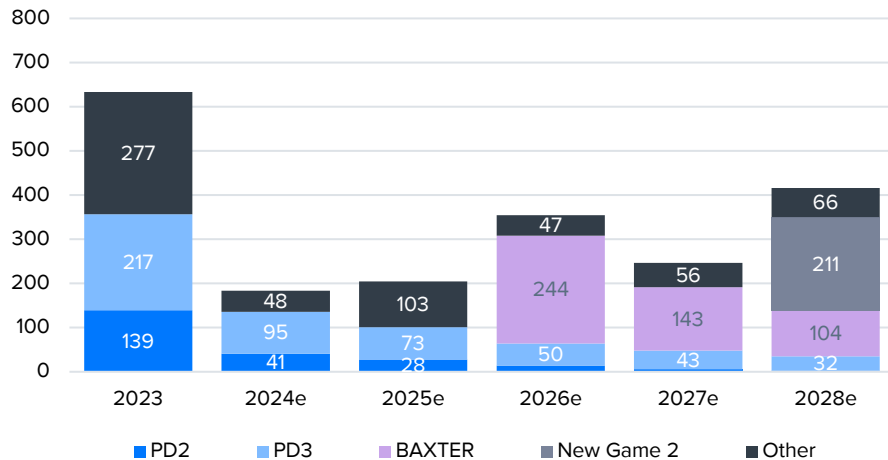
Adding the partnership value into our 2025 estimates but keep our long-term estimates unchanged

Estimate revisions	2024e	2024e	Change	2025e	2025e	Change	2026e	2026e	Change
MSEK / SEK	Old	New	%	Old	New	%	Old	New	%
Revenue	183	183	0%	139	204	47%	344	343	0%
EBITDA	91.5	91.5	0%	25.5	91.8	260%	189	189	0%
EBIT (excl. NRIs)	-226.7	-226.7	0%	-73.6	-7.3	90%	-101.3	-101.3	0%
EBIT	-198.8	-198.8	0%	-73.6	-7.3	90%	-101.3	-101.3	0%
EPS (excl. NRIs)	-0.16	-0.16	0%	-0.05	0.00	91%	-0.07	-0.07	1%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

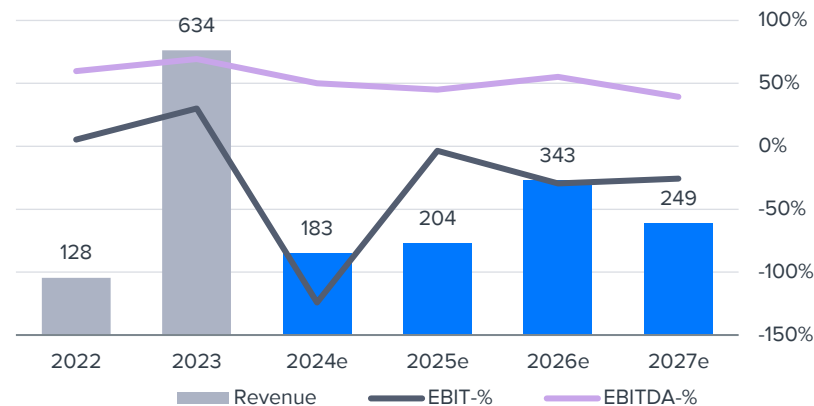
Source: Inderes

Underlying assumptions for revenue estimates

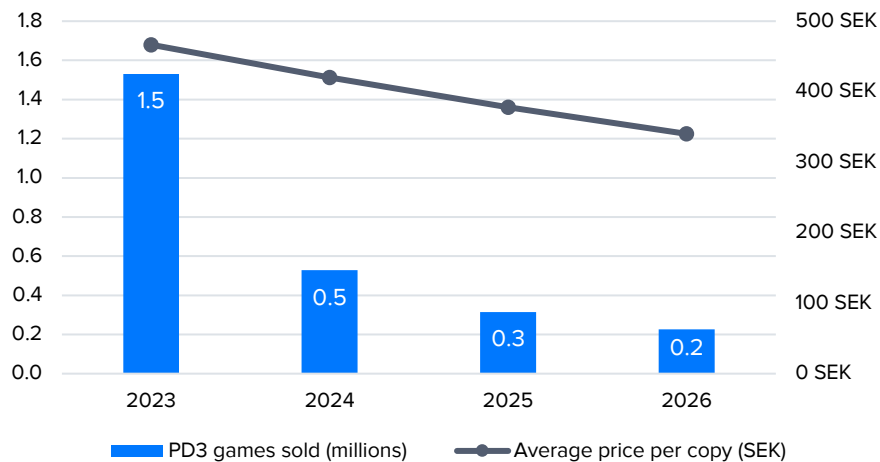
Revenue split per game (MSEK)*



Revenue and EBIT-% development



PAYDAY 3: Number of copies sold and average price (estimates)

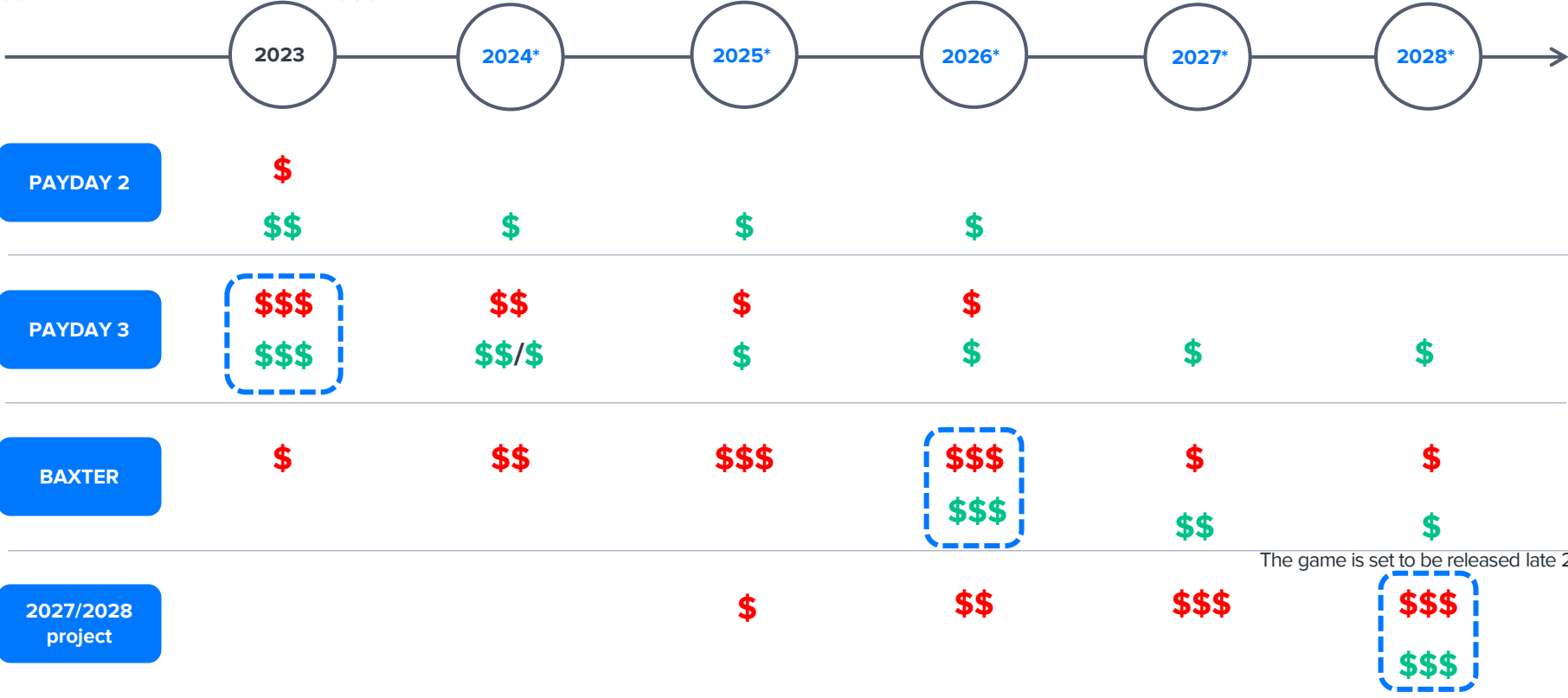


Source: Inderes, *2023 Other, includes the non-cash game financing income

Timeline of internal game projects

Release year

\$ =low revenue \$ =low development costs
 \$\$ =medium revenue \$\$ =medium development costs
 \$\$\$ =considerable revenue \$\$\$ =considerable development costs



The game is set to be released late 2027/2028

Source: Inderes, *Inderes' estimates

Valuation 1/2

The share price reflects low expectations for PAYDAY 3 recovery

Starbreeze's current valuation remains low both in absolute terms and relative to its potential, particularly if the company successfully reignites player interest in PD3. As it stands, we believe the current share price reflects the market's skepticism about a meaningful recovery for PD3.

Considering Starbreeze's current net cash position (Q3'24: 249 MSEK) and a market cap of approx. 260 MSEK, the enterprise value is notably low. Even with an estimated EV of 90 MSEK in 2025, reflecting a potentially weakened cash position, it remains at a modest level, which should help mitigate downside risk. This should mitigate the downside risk. While we remain unconvinced of a PD3 turnaround yet, the recent partnership with KRAFTON offers an attractive potential with no additional financial risks involved.

In the worst case, the project with KRAFTON turns out to be unsuccessful and PD3 continues to underperform in 2025 and beyond (consisted with our current estimates). However, even in this scenario, Starbreeze still receives cost coverage for 25% of its development team, and thus avoid layoffs or resource underutilization. On top of that, Starbreeze earns an additional margin for providing the development services while at the same time reducing its overall cash burn during a transitional year.

In the best case, a successful integration of PAYDAY gameplay into PUBG would help the PAYDAY franchise to reach a broader audience, sparking interest and boosting player activity and game sales. This outcome would be an additional bonus beyond the cost coverage and margin already secured through the partnership, while providing additional cash flow to the company.

Even though we continue to believe that Starbreeze's current cost structure and heavy investments in game development for 2025 will strain on the cash position, the positive cash flow effect from the partnership puts Starbreeze, all else equal, in a better position going forward. When assessing these two scenarios, it is evident that the partnership only adds to the potential going forward.

Multiple-based valuation suffers from fluctuating financials

Starbreeze's fluctuating revenues and earnings naturally result in fluctuating multiples. Depreciation and amortization will also fluctuate based on the timing of game releases. In addition, it is not easy to find a reasonable multiple for Starbreeze. EBITDA multiples do not fully account for game development costs and paint an overly rosy picture. Meanwhile, EV/EBIT and P/E suffer from uneven D&A costs related to game releases. This essentially leaves us with sales-based multiples (P/S and EV/S), of which EV/S is more appropriate as it accounts for net debt. However, even EV/S is problematic given how revenue fluctuations linked to game release cycles can distort comparisons. With our revenue estimates, the EV/S multiples for 2025 and 2026 are 0.4x and 0.4x, respectively. These multiples are lower than the peer group median of 2.6-2.7x for 2025-2026. However, a discount is reasonable as Starbreeze is significantly smaller than the peer group average and possesses a less diversified games portfolio as of today, which in turn presents a higher degree of volatility in earnings and uncertainty regarding cash flows. In addition, there are significant company-specific differences in the multiples, and we currently do not see the peer group multiples having a meaningful impact on Starbreeze's valuation.

Valuation	2024e	2025e	2026e
Share price	0.17	0.17	0.17
Number of shares, million:	1,477	1,477	1,477
Market cap	257	257	257
EV	50	90	136
P/E (adj.)	neg.	neg.	neg.
P/E	neg.	neg.	neg.
P/B	0.4	0.4	0.4
P/S	1.4	1.3	0.7
EV/Sales	0.3	0.4	0.4
EV/EBITDA	0.6	1.0	0.7
EV/EBIT (adj.)	neg.	neg.	neg.

Source: Inderes

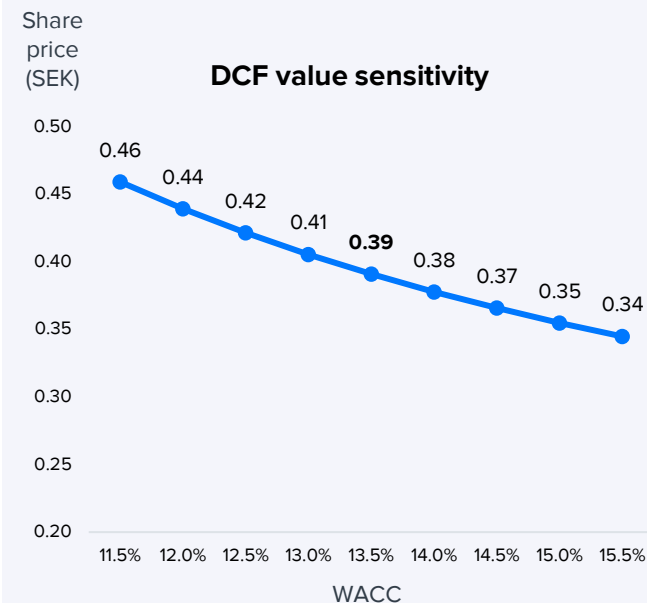
Valuation 2/2

DCF valuation

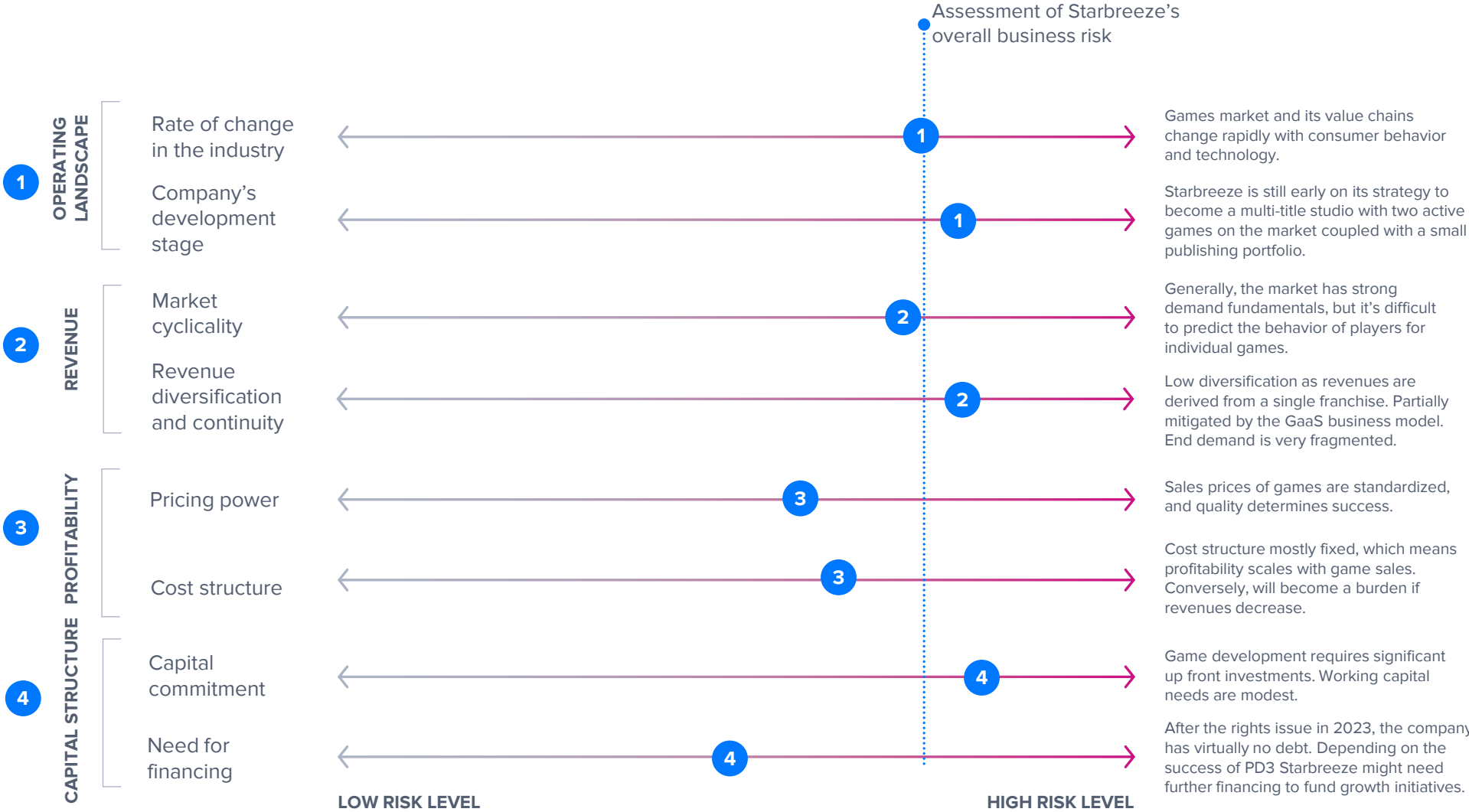
After incorporating the partnership's project value, our DCF model now indicates at share price of SEK 0.39 (was SEK 0.35). However, the DCF model represents a long-term scenario in which the next two games are moderately successful (which cannot be taken for granted). At the current stage of the company's development, the model's assumptions are subject to considerable uncertainty and the cash flows are concentrated far in the future. Consequently, we do not view the DCF valuation offering strong near-term support, as Starbreeze's valuation remains closely tied to PD3's immediate performance.

While we still view the short-term catalysts for Starbreeze to be relatively limited, the substantial investment by KRAFTON to bring PAYDAY's gameplay into PUBG is a clear validation of the PAYDAY IP's underlying value. Should the project turn out to be successful, it would not only benefit Starbreeze through increased PAYDAY-related revenue, but also strengthen the company's reputation and open door for future collaborations regarding the PAYDAY franchise.

Hence, we believe the current negative sentiment surrounding the share could offer a good return potential for investors with a tolerance for higher risk. Accordingly, we are raising our recommendation to Accumulate (previously Reduce) while maintaining our target price of SEK 0.22.



Risk profile of Starbreeze's business model



Source: Inderes

Investment profile

1.

PAYDAY 3's performance is currently heavily linked to the share price's development

2.

Strong video game franchise in PAYDAY

3.

The balance sheet is solid, though prolonged weak performance from PD3 could put a strain on cash flows

4.

GaaS business model provides longevity, scalability, and reduces risk

5.

Large and growing market

Potential



- If Starbreeze can entice players to return to *PAYDAY 3* the company's outlook would improve significantly
- Widening the monetization of the PAYDAY IP through more games and other income streams
- Large PAYDAY community that can be leveraged to promote new games
- Future new game releases
- Increased revenue diversification through publishing operations

Risks

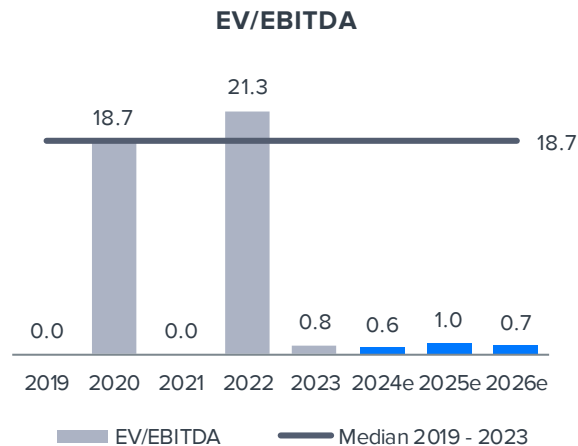
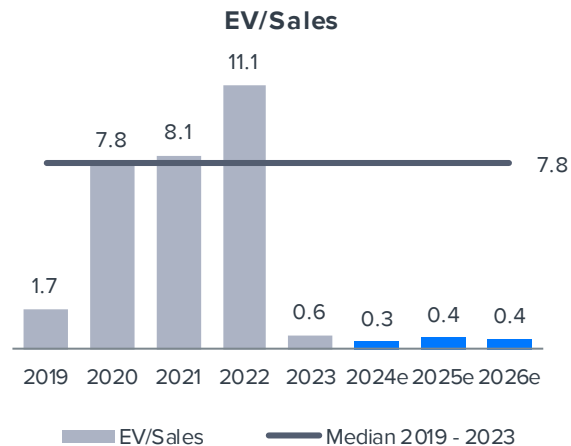


- Undiversified revenue stream with almost all revenues coming from a single franchise
- If *PAYDAY 3* fails to entice players to return, Starbreeze is left without a significant revenue source until the next game is released in 2026
- Limited visibility into the games after *PAYDAY 3* makes it hard to assess the company's long-term potential
- Commercial failure and/or delays in future game projects

Valuation table

Valuation	2019	2020	2021	2022	2023	2024e	2025e	2026e	2027e
Share price	1.30	1.09	1.00	1.58	0.47	0.17	0.17	0.17	0.17
Number of shares, millions	329	725	725	725	1,477	1,477	1,477	1,477	1,477
Market cap	428	784	727	1,142	699	257	257	257	257
EV	466	919	1,021	1,413	350	50	90	136	157
P/E (adj.)	neg.	neg.	neg.	neg.	2.5	neg.	neg.	neg.	neg.
P/E	neg.	neg.	neg.	neg.	2.5	neg.	neg.	neg.	neg.
P/B	69.5	3.4	5.9	20.1	0.8	0.4	0.4	0.4	0.5
P/S	1.5	6.6	5.8	8.9	1.1	1.4	1.3	0.7	1.0
EV/Sales	1.7	7.8	8.1	11.1	0.6	0.3	0.4	0.4	0.6
EV/EBITDA	neg.	18.7	>100	21.3	0.8	0.6	1.0	0.7	1.6
EV/EBIT (adj.)	neg.	84.5	68.3	>100	1.8	neg.	neg.	neg.	neg.

Source: Inderes



Peer group valuation

Peer group valuation	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	MEUR	2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	2024e
Remedy	177		39.4	88.6	12.3	3.5	2.6		41.3		0.6	3.0
Embracer	4,606	7.4	10.7	4.8	5.4	1.2	1.4	10.2	9.5			0.6
CD Projekt	3,952	58.8	96.2	41.4	58.4	19.5	24.0	56.4	103.0	0.6	0.3	6.9
Paradox Interacrive	1,748	34.8	23.9	15.6	11.1	9.6	7.3	44.5	31.2	1.7	2.0	7.7
Tinybuild	18				8.5	0.5	0.5					
Enad Global 7	101	5.0	3.7	3.4	2.3	0.7	0.6	10.0	8.2			0.3
11 Bit Studios	133	5.8	4.6	4.8	3.6	3.0	2.6	5.9	4.9			1.8
Playway	380	14.1	12.6	13.9	12.3	5.6	5.2	9.7	8.2	5.5	6.3	2.8
Electronic Arts	41,055	18.7	17.4	16.7	15.8	5.7	5.6	23.6	21.8	0.5	0.5	6.1
Take-Two Interactive	33,687	63.1	55.5	51.9	45.9	6.7	6.3	81.5	74.9			3.8
Ubisoft	2,952	8.2	2288.6	3.3	3.7	1.4	1.5	7.6				0.9
Starbreeze (Inderes)	4	-0.2	-12.2	0.6	1.0	0.3	0.4	-1.1	-38.3	0.0	0.0	0.4
Average		24.0	255.3	24.4	16.3	5.2	5.2	27.7	33.7	2.1	1.9	3.4
Median		14.1	20.6	14.8	11.1	3.5	2.6	10.2	21.8	1.1	0.6	2.9
Diff-% to median		-102%	-159%	-96%	-91%	-92%	-83%	-111%	-276%	-100%	-100%	-87%

Source: Refinitiv / Inderes

Income statement

Income statement	2022	Q1'23	Q2'23	Q3'23	Q4'23	2023	Q1'24	Q2'24	Q3'24	Q4'24e	2024e	Q1'25e	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e
Revenue	128	27	43	494	69	634	57	40	43	43	183	55	51	49	49	204	343	249
EBITDA	66	4	14	442	-21	439	48	8	21	14	92	30	24	20	18	92	189	98
Depreciation	-60	-16	-17	-142	-74	-249	-72	-79	-76	-63	-290	-31	-23	-23	-22	-99	-291	-162
EBIT (excl. NRI)	7	-12	-3	300	-95	190	-43	-71	-63	-50	-227	-1	1	-3	-4	-7	-101	-64
EBIT	7	-12	-3	300	-95	190	-23	-71	-55	-50	-199	-1	1	-3	-4	-7	-101	-64
Share of profits in assoc. compan.	0	0	0	0	0	0	1	0	0	0	1	0	0	0	0	0	0	0
Net financial items	-61	-13	27	0	3	17	1	0	-4	-4	-6	0	0	0	0	1	-2	-2
PTP	-54	-25	24	300	-92	208	-21	-71	-59	-54	-204	-1	1	-3	-4	-7	-104	-66
Taxes	-5	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Minority interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net earnings	-60	-25	25	300	-92	208	-21	-71	-58	-54	-204	-1	1	-3	-4	-7	-104	-66
EPS (rep.)	-0.08	-0.03	0.03	0.21	-0.06	0.19	-0.01	-0.05	-0.04	-0.04	-0.14	0.00	0.00	0.00	0.00	0.00	-0.07	-0.04

Key figures	2022	Q1'23	Q2'23	Q3'23	Q4'23	2023	Q1'24	Q2'24	Q3'24	Q4'24e	2024e	Q1'25e	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e
Revenue growth-%	1.5 %	13.3 %	36.1 %	1178.6 %	105.8 %	396.5 %	112.3 %	-7.0 %	-91.4 %	-37.7 %	-71.2 %	-2.0 %	27.0 %	14.5 %	13.3 %	11.9 %	68.1 %	-27.6 %
Adjusted EBIT growth-%	-54.9 %	17.1 %	-188.0 %	3240.7 %	-2297.8 %	2721.0 %	272.7 %	2300 %	-121.0 %	-47.8 %	-219.1 %	-97.5 %	-101.6 %	-94.7 %	-91.9 %	-96.8 %	1279.2 %	-37.0 %
EBITDA-%	52.0 %	15.2 %	32.6 %	89.3 %	-29.8 %	69.3 %	85.7 %	20.1 %	50.2 %	31.5 %	50.1 %	53.7 %	47.0 %	40.9 %	36.9 %	45.0 %	55.1 %	39.3 %
Adjusted EBIT-%	5.3 %	-43.5 %	-6.8 %	60.7 %	-137.3 %	30.0 %	-76.3 %	-176.2 %	-147.7 %	-115.1 %	-124.1 %	-2.0 %	2.2 %	-6.8 %	-8.3 %	-3.6 %	-29.5 %	-25.7 %
Net earnings-%	-46.9 %	-93.5 %	57.2 %	60.6 %	-132.5 %	32.8 %	-37.1 %	-175.9 %	-136.8 %	-124.3 %	-111.6 %	-1.6 %	2.5 %	-6.5 %	-8.0 %	-3.3 %	-30.2 %	-26.4 %

Source: Inderes

Balance sheet

Assets	2022	2023	2024e	2025e	2026e
Non-current assets	586	537	597	709	620
Goodwill	48	47	47	47	47
Intangible assets	506	472	436	565	491
Tangible assets	23	11	106	89	74
Associated companies	1	1	1	1	1
Other investments	0	0	0	0	0
Other non-current assets	7	7	7	7	7
Deferred tax assets	0	0	0	0	0
Current assets	160	574	307	307	226
Inventories	0	0	0	0	0
Other current assets	0	0	0	0	0
Receivables	52	226	102	141	106
Cash and equivalents	108	348	205	166	119
Balance sheet total	746	1,111	905	1,016	846

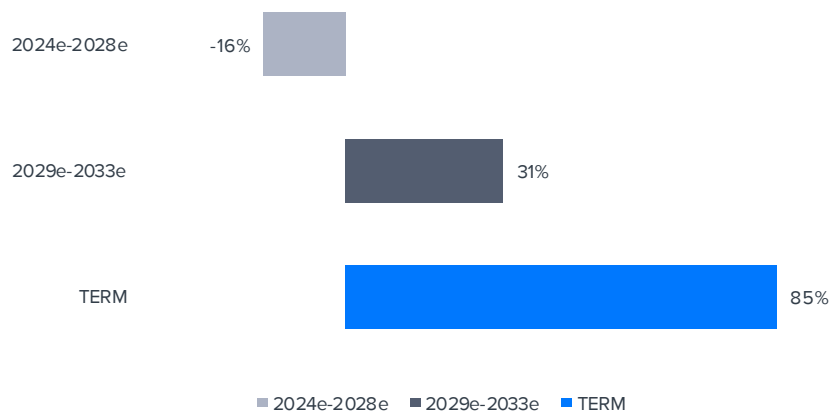
Source: Inderes

Liabilities & equity	2022	2023	2024e	2025e	2026e
Equity	57	895	691	684	581
Share capital	14	30	30	30	30
Retained earnings	-1,950	-1,742	-1,946	-1,953	-2,056
Hybrid bonds	0	0	0	0	0
Revaluation reserve	13	14	14	14	14
Other equity	1,979	2,593	2,593	2,593	2,593
Minorities	0	0	0	0	0
Non-current liabilities	386	2	88	154	145
Deferred tax liabilities	1	1	1	1	1
Provisions	0	0	0	0	0
Interest bearing debt	380	0	0	0	0
Convertibles	0	0	0	0	0
Other long term liabilities	5	1	87	153	144
Current liabilities	303	215	125	178	120
Interest bearing debt	0	0	0	0	0
Payables	108	208	113	168	110
Other current liabilities	195	7	12	10	10
Balance sheet total	746	1,111	905	1,016	846

DCF calculation

DCF model	2023	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	TERM
Revenue growth-%	396.5 %	-71.2 %	11.9 %	68.1 %	-27.6 %	69.7 %	-16.8 %	18.0 %	16.0 %	10.0 %	2.5 %	2.5 %
EBIT-%	30.0 %	-108.9 %	-3.6 %	-29.5 %	-25.7 %	-17.1 %	11.5 %	-2.1 %	6.4 %	15.9 %	17.9 %	17.9 %
EBIT (operating profit)	190	-199	-7	-101	-64	-72	40	-9	31	84	97	
+ Depreciation	249	290	99	291	162	308	193	191	180	184	188	
- Paid taxes	0	0	0	0	0	0	0	0	-6	-17	-19	
- Tax, financial expenses	0	0	0	0	0	0	0	0	-1	-1	-1	
+ Tax, financial income	0	0	0	0	0	0	0	0	0	0	0	
- Change in working capital	-262	34	14	-23	7	-2	-1	1	1	1	0	
Operating cash flow	177	126	105	166	104	235	232	183	206	252	266	
+ Change in other long-term liabilities	-5	86	66	-9	86	-187	-6	-5	-4	-3	-3	
- Gross CAPEX	-201	-350	-211	-202	-209	-204	-174	-184	-189	-193	-197	
Free operating cash flow	-28	-138	-40	-44	-18	-157	52	-5	13	56	66	
+/- Other	0	0	0	156	0	259	0	0	0	0	0	
FCFF	-28	-138	-40	111	-18	102	52	-5	13	56	66	0
Discounted FCFF		-137	-35	86	-12	61	27	-2	5	20	21	194
Sum of FCFF present value		228	365	400	314	327	265	238	241	235	215	194
Enterprise value DCF		228										
- Interest bearing debt		0										
+ Cash and cash equivalents		348										
- Minorities		0										
- Dividend/capital return		0										
Equity value DCF		577										
Equity value DCF per share		0.39										

Cash flow distribution

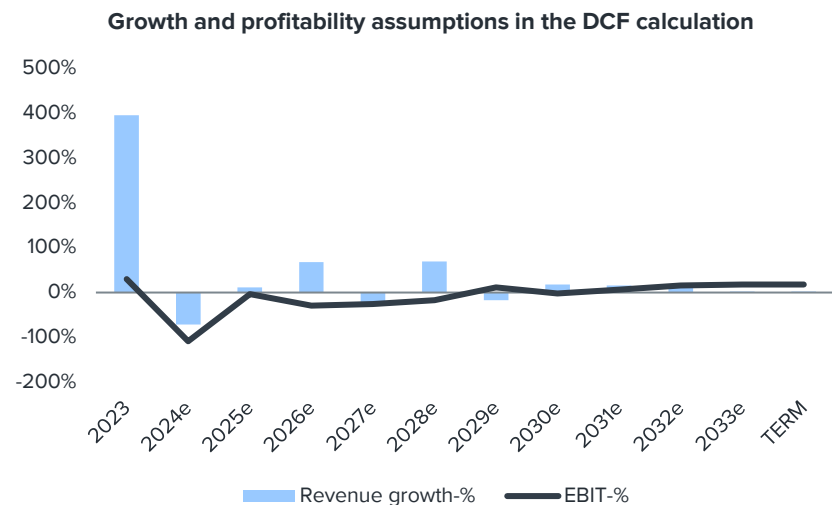
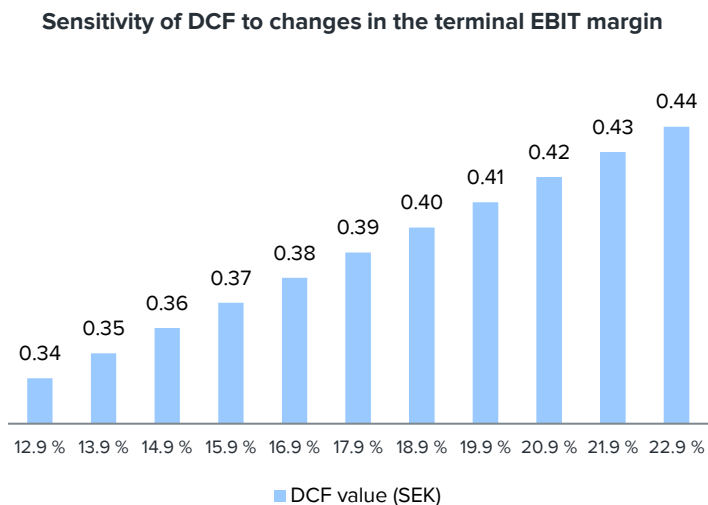
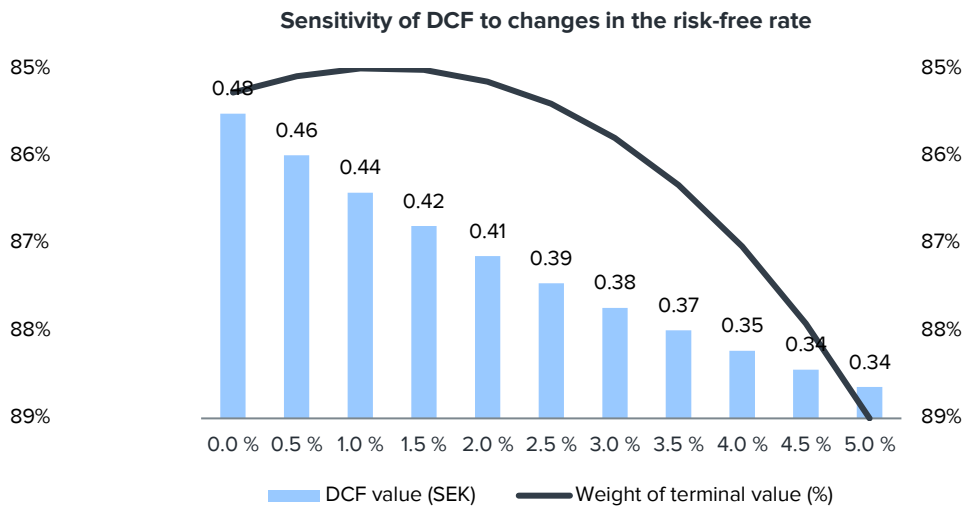
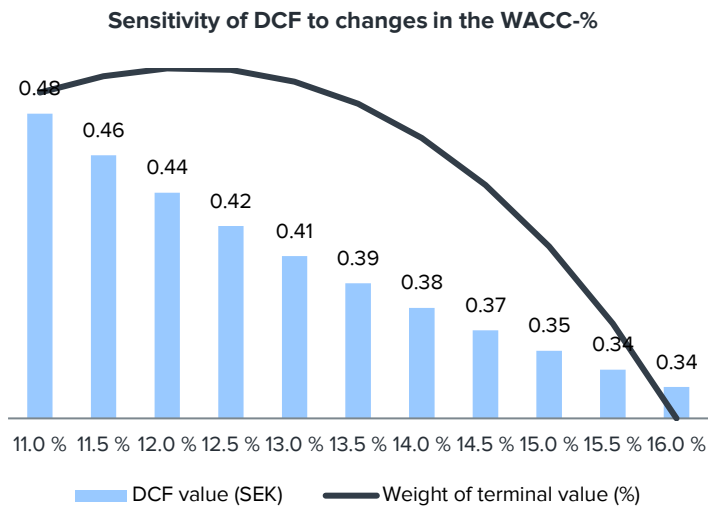


WACC

Tax-% (WACC)	20.6 %
Target debt ratio (D/(D+E))	0.0 %
Cost of debt	8.0 %
Equity Beta	2.00
Market risk premium	4.75%
Liquidity premium	1.50%
Risk free interest rate	2.5 %
Cost of equity	13.5 %
Weighted average cost of capital (WACC)	13.5 %

Source: Inderes

DCF sensitivity calculations and key assumptions in graphs



Source: Inderes. Note that the weight of the terminal value (%) is shown on an inverse scale for clarity.

Summary

Income statement	2021	2022	2023	2024e	2025e	Per share data	2021	2022	2023	2024e	2025e
Revenue	126	128	634	183	204	EPS (reported)	-0.14	-0.08	0.19	-0.14	0.00
EBITDA	6	66	439	92	92	EPS (adj.)	-0.05	-0.08	0.19	-0.16	0.00
EBIT	-54	7	190	-199	-7	OCF / share	0.12	0.09	0.16	0.09	0.07
PTP	-105	-54	208	-204	-7	FCF / share	-0.06	-0.14	-0.03	-0.09	-0.03
Net Income	-103	-60	208	-204	-7	Book value / share	0.17	0.08	0.82	0.47	0.46
Extraordinary items	-69	0	0	28	0	Dividend / share	0.00	0.00	0.00	0.00	0.00
Balance sheet	2021	2022	2023	2024e	2025e	Growth and profitability	2021	2022	2023	2024e	2025e
Balance sheet total	674	746	1,111	905	1,016	Revenue growth-%	7%	2%	396%	-71%	12%
Equity capital	123	57	895	691	684	EBITDA growth-%	-87%	958%	562%	-79%	0%
Goodwill	42	48	47	47	47	EBIT (adj.) growth-%	37%	-55%	2721%	-219%	-97%
Net debt	293	271	-348	-205	-166	EPS (adj.) growth-%	-83%	72%	-329%	-183%	-97%
Cash flow	2021	2022	2023	2024e	2025e	EBITDA-%	5.0 %	52.0 %	69.3 %	50.1 %	45.0 %
EBITDA	6	66	439	92	92	EBIT (adj.)-%	11.9 %	5.3 %	30.0 %	-124.1 %	-3.6 %
Change in working capital	13	-8	-262	34	14	EBIT-%	-42.7 %	5.3 %	30.0 %	-108.9 %	-3.6 %
Operating cash flow	87	65	177	126	105	ROE-%	-58.9 %	-66.6 %	43.6 %	-25.7 %	-1.0 %
CAPEX	-112	-151	-201	-350	-211	ROI-%	-10.1 %	1.4 %	28.6 %	-24.9 %	-0.8 %
Free cash flow	-42	-102	-28	-138	-40	Equity ratio	18.2 %	7.6 %	80.5 %	76.4 %	67.4 %
						Gearing	238.7 %	478.0 %	-38.9 %	-29.7 %	-24.2 %
Valuation multiples	2021	2022	2023	2024e	2025e						
EV/S	8.1	11.1	0.6	0.3	0.4						
EV/EBITDA	>100	21.3	0.8	0.6	1.0						
EV/EBIT (adj.)	68.3	>100	1.8	neg.	neg.						
P/E (adj.)	neg.	neg.	2.5	neg.	neg.						
P/B	5.9	20.1	0.8	0.4	0.4						
Dividend-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %						

Source: Inderes

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return of the share is very attractive

Accumulate The 12-month risk-adjusted expected shareholder return of the share is attractive

Reduce The 12-month risk-adjusted expected shareholder return of the share is weak

Sell The 12-month risk-adjusted expected shareholder return of the share is very weak

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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
2023-05-30	Accumulate	1.15 SEK	1.03 SEK
2023-08-18	Reduce	1.15 SEK	1.19 SEK
2023-09-12	Accumulate	1.15 SEK	0.95 SEK
2023-10-02	Buy	0.85 SEK	0.60 SEK
2023-11-17	Accumulate	0.55 SEK	0.44 SEK
2024-02-16	Reduce	0.35 SEK	0.35 SEK
<i>Change of Analyst</i>			
2024-05-15	Reduce	0.30 SEK	0.27 SEK
2024-08-21	Reduce	0.30 SEK	0.28 SEK
2024-09-30	Reduce	0.30 SEK	0.28 SEK
2024-11-15	Reduce	0.22 SEK	0.20 SEK
2024-12-06	Accumulate	0.22 SEK	0.17 SEK



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