

SciBase Holding

Company report

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Building faster growth takes time

SciBase's revenue grew slower than we expected in Q1, but cash burn remained stable, and the company keeps building towards faster growth in the US. Due to a weaker report and visibility to growth remaining limited, we lowered our revenue estimates slightly. The long-term potential of the business is not yet priced in the stock, but as we expect clear positive drivers not to emerge until 2025-2026, we see the stock correctly priced on a 12-month horizon. We lower our target price to 0.32 SEK (was 0.35 SEK) with our estimates and re-iterate our Reduce-recommendation.

Growing quite slowly with controlled cash burn, while visibility to pace of progress remains limited

SciBase's Q1 revenue grew at a softer +18% (Inderes +31%) to 6.1 MSEK, which also brought operational earnings below our expectations (Q1'24: -14.3 MSEK, Inderes: -13.7 MSEK). As expected, the growth was driven by increased Nevisense usage and the related consumable sales (Q1'24: 6.1 MSEK, +27% y/y) in Germany and the US. Cash burn remained stable, and the company looks to be funded until around the end of Q1'25. While SciBase continues to cover ground in new markets, the report didn't offer notable improvements to the visibility of the pace of this progress.

Investment case rests on an attractive foundation

SciBase's medical device, Nevisense, is primarily used to improve the accuracy of skin cancer diagnosis. We do not currently see any serious competition for the device, and it remains the only FDA-cleared point-of-care product for melanoma detection available in the US. The product has already achieved promising commercial momentum in Germany and the US, the two largest markets for skin cancer detection. SciBase's high-margin consumable-based business model is highly recurring and scalable. In the US, SciBase focuses on expanding insurance reimbursement coverage to unlock faster growth. We've written about the company in detail in our [extensive report](#).

Conditions for faster growth are building up, although everything is not in the company's hands

We made minor estimate cuts (revenue -2...-5 %, earnings relatively flat) for the next few years based on the Q1 report. As increasing reimbursement coverage in the US speeds up customer acquisition and Nevisense use in the clinics, we expect SciBase's commercial efforts to translate gradually into faster revenue growth in 2024-2028. We expect annual revenue growth to be steep, around 30-60% from a low base to 290 MSEK+ in 2030 and EBIT margin to strengthen from a loss-making investment phase to 0% in 2027 and towards 25% in 2033. This requires SciBase to be successful in growing especially within skin cancer, meaning strong strategy execution in expanding reimbursement coverage, new customer sales and customer ramp-ups. All of this is not fully in the company's own hands. Visibility into our estimates is still weak, and we compensate for this with a higher required return. SciBase is currently funded until around Q1/2025, but we expect the company to raise a total ~120 MSEK more in 2025-26.

Potential is currently priced in more cautiously, but in our view, justifiably

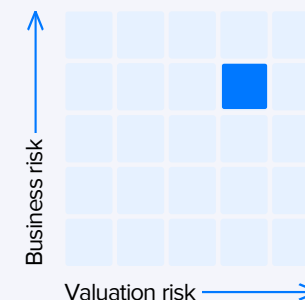
SciBase's valuation balances between the clear potential of its high-margin Nevisense platform and the risks associated with its realization. Our valuation scenarios for 2026 and 2029, and DCF model, point towards a valuation of SEK 0.31-0.61/share (prev. 0.31-0.65). We currently anchor towards the lower end, as we argue leaning more into the potential materializing would require clear signs of US growth succeeding, which we do not expect to start gradually emerging until around 2025-26. Hence, we continue to wait for a more attractive risk/reward on a 12-month horizon. If US growth and future financings are successful, the stock continues to hold significant upside potential.

Recommendation

Reduce
(prev. Reduce)

0,32 SEK
(prev. 0,35 SEK)

Share price:
0,30



Key indicators

	2023	2024e	2025e	2026e
Revenue	23,2	31,2	47,6	77,1
growth-%	30 %	34 %	53 %	62 %
EBIT adj.	-53,9	-56,4	-47,2	-29,1
EBIT-% adj.	-232,0 %	-180,7 %	-99,1 %	-37,7 %
Net Income	-53,9	-53,3	-47,7	-29,6
EPS (adj.)	-0,50	-0,29	-0,22	-0,13

P/E (adj.)	neg.	neg.	neg.	neg.
P/B	2,3	2,5	neg.	neg.
Dividend yield-%	0,0 %	0,0 %	0,0 %	0,0 %
EV/EBIT (adj.)	neg.	neg.	neg.	neg.
EV/EBITDA	neg.	neg.	neg.	neg.
EV/S	2,8	1,8	2,3	1,9

Source: Inderes

Guidance

(Unchanged)

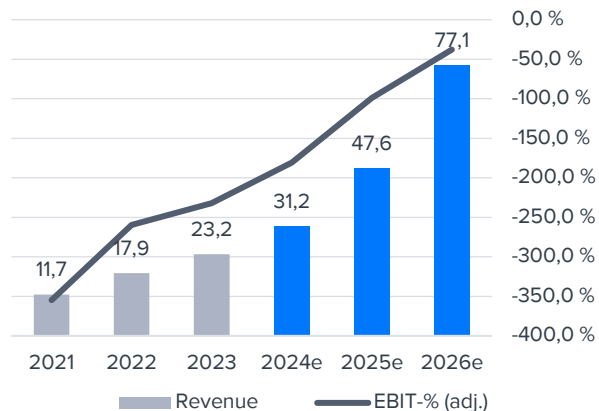
SciBase provides no guidance.

Share price



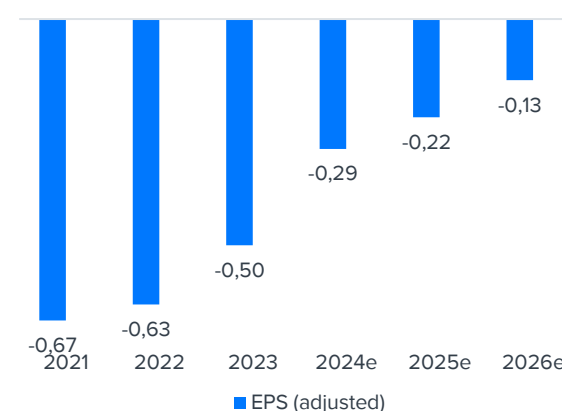
Source: Millstream Market Data AB

Revenue & EBIT-%



Source: Inderes

EPS



Source: Inderes



Value drivers

- The US market provides a large market for the proven Nevisense platform
- Gaining FDA approval to use Nevisense for NMSC detection in the USA would further increase the market size
- Further growth on the German market through on-boarding new clients, increased sales of electrodes, and further price increases of electrodes
- Clinical adoption of Nevisense for assessing the skin's barrier function would give access to a market valued at 6-7 BNSEK



Risk factors

- Unprofitable operations that are funded through equity issues
- Failure or significant delays in growing sales on the US market
- Competition from similar or substitution products
- Any potential new regulatory hurdles leading to delays and additional expenses

Valuation	2024e	2025e	2026e
Share price	0,30	0,30	0,30
Number of shares, millions	219,5	219,5	219,5
Market cap	66	66	66
EV	56	110	149
P/E (adj.)	neg.	neg.	neg.
P/E	neg.	neg.	neg.
P/B	2,5	neg.	neg.
P/S	2,1	1,4	0,9
EV/Sales	1,8	2,3	1,9
EV/EBITDA	neg.	neg.	neg.
EV/EBIT (adj.)	neg.	neg.	neg.
Payout ratio (%)	0,0 %	0,0 %	0,0 %
Dividend yield-%	0,0 %	0,0 %	0,0 %

Source: Inderes

Year started operationally more slowly than expected

Revenue grew with Nevisense usage increasing

SciBase's Q1 revenue grew by 18% to 6.1 MSEK, well slower than our expectations (Inderes: +31%). In absolute terms, the miss was more modest (Inderes: 6.8 MSEK). As expected, the growth was driven by increased Nevisense usage and the related consumable sales (Q1'24: 6.1 MSEK, +27% y/y) especially in Germany (Q1'24: 85 % of total sales, +15 % y/y) and the US (Q1'24: 11 % of total sales, +67 %). Device sales were more muted. Quarterly revenue volatility from order timings is normal for SciBase, and we don't put too much weight on individual quarter's revenues. Faster revenue growth in the large US market is still locked behind insurance coverage ramp-up. Consequently, the current level of revenue growth is not in line with what we expect the company to be able to achieve starting some 12-24 months from now.

Profitability remained clearly in the red, funding still on track to last until around Q1/2025

SciBase's Q1 EBIT remained clearly in the red at a low absolute level of -14.3 MSEK (Inderes: -13.7 MSEK) or some -236% of revenue. The decrease from last year's level (Q1'23: -10.8 MSEK) was owed to increased fixed

costs ramp-up during the rest of 2023. On aggregate, the cost level remained as expected, and the lower-than-expected EBIT was mostly explained by the revenue miss. Gross margins were still on a strong level at around 70%. The company reported significant financial income (+3.4 MSEK) which brought the pre-tax profit above our expectations. This was driven by a revaluing of USD-denominated loans to subsidiaries, due to USD/SEK exchange rate changes, which does not affect cash flow.

SciBase continues upfront investments to Nevisense commercialization especially in the US, meaning that they carry additional fixed costs that keep the profitability negative before their high gross margin revenue increases sufficiently. SciBase's cash burn was around ~14 MSEK in Q1, roughly at the level we expected. With Q1'24 end net cash balance of ~20 MSEK (Q4'23: 34 MSEK), and the ~44 MSEK raise (some 40 MSEK after costs) completed in May (not yet in Q1'24 cash), the company has around 60 MSEK liquidity. With a burn rate of around 15 MSEK, this means the company should have cash runway until around the end of Q1/2025. With the strengthened owner base in May, we see the company's access to financing is at a good

level, although the terms will be dependent on the progress of the company's investment case.

Progress and visibility toward faster growth and cash flow neutrality remain key

SciBase is still in an early growth stage. In our books, the investment case hinges on a successful significant step-up in US sales, which could bring the company to cash flow positivity (2027 in our estimates). This requires that Nevisense's insurance coverage in the US increases, which we then expect to start to show in revenue more clearly around 2025-2026. Hence, any added visibility to the progress of commercialization and schedules already in the next 12 months would be valuable.

As expected, the company did not provide guidance yet. The report's commentary on sales for Germany and the US were still generally positive and no major concerns on the outlook have emerged, although there were limited comments providing further visibility to the revenue growth ahead. Hence, the uncertainties related to our near-term estimates remain equally high as before the report, which was a slightly negative surprise.

Estimates MSEK / SEK	Q1'23	Q1'24	Q1'24e	Q1'24e	Consensus		Difference (%)	2024e
	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Inderes
Revenue	5,1	6,1	6,8				-10 %	31,2
EBITDA	-10,0	-13,4	-12,8				-5 %	-53,1
EBIT (adj.)	-10,8	-14,3	-13,7				-4 %	-56,4
PTP	-10,8	-10,9	-13,8				21 %	-53,3
EPS (adj.)	-0,15	-0,09	-0,12				22 %	-0,24
Revenue growth-%	20,9 %	17,6 %	31,2 %				-13,6 pp	34,4 %
EBIT-% (adj.)	-209,4 %	-235,5 %	-202,6 %				-32,9 pp	-180,7 %

Source: Inderes

Estimates changes slightly on the negative side

Estimates changes 2024e-2026e

- As Q1 revenue development was weaker than expected, and the report did not offer any meaningful visibility into the timing of growth, the company's growth outlook seemed slightly more muted. We adjusted our revenue estimates downwards.
- We also somewhat reduced our cost estimates, which mostly mitigated the profitability effects of the lower revenue estimates in the next few years.
- We also adjusted our parameters for the completed equity raise, which we had accounted for in full while the raise closed at 88% of maximum proceeds. This affected the EPS estimates through a smaller share count in estimates.

Estimate revisions	2024e	2024	Change	2025e	2025e	Change	2026e	2026e	Change
MSEK / SEK	Old	New	%	Old	New	%	Old	New	%
Revenue	31,9	31,2	-2 %	50,4	47,6	-6 %	81,5	77,1	-5 %
EBITDA	-52,7	-53,1	-1 %	-44,0	-44,2	0 %	-26,3	-25,9	2 %
EBIT (exc. NRIs)	-56,1	-56,4	-1 %	-46,9	-47,2	-1 %	-29,5	-29,1	1 %
EBIT	-56,1	-56,4	-1 %	-46,9	-47,2	-1 %	-29,5	-29,1	1 %
PTP	-56,7	-53,3	6 %	-47,4	-47,7	-1 %	-30,0	-29,6	1 %
EPS (excl. NRIs)	-0,24	-0,24	0 %	-0,20	-0,22	-7 %	-0,13	-0,13	-5 %
DPS	0,00	0,00		0,00	0,00		0,00	0,00	

Source: Inderes

Valuation looks neutral with the current drivers in sight

Potential is not yet fully priced in, but in our view, this is justified on a 12-month horizon

SciBase's investment case has an attractive footing. The opportunity to get in on the ground floor of an innovative and potentially lucrative medical device with a seemingly clear diagnostic benefit and no serious competitors could promise high returns. On the other hand, there is limited visibility on the pace and success of growth, particularly in the US. As a result, the time needed to reach cash flow neutrality is highly uncertain. If US growth progresses well, SciBase will take clear steps towards cash flow neutrality and be well to raise further capital in 2025-26 (estimated funding gap ~120 MSEK). Conversely, delays would cause more cash to be burned and can lead to more significant dilution that would depress investment returns.

As SciBase's value leans purely on long-term potential, the visibility into which is limited, only inaccurate valuation methods are available. There is also a special situation in the share's valuation due to the large number of warrants, which have a significant equity claim (69% of equity value above SEK 0.42/share). Our valuation methods deduct the value of warrants' equity claims from the equity value to assess the equity value attributable to shareholders. We base this on our option pricing model or a direct exercise price if applicable.

We first approach valuation with multiples by applying a low and high multiple to our 2026e and 2029e estimates. The scenarios assume share issues of 60 MSEK each in 2025 and 2026, at 0.32 and 0.45 SEK/share respectively (was 50+50 MSEK at 0.35 and 0.45 SEK). These assumptions will continue to update on the go, as we see that the evidence of US growth progress will define the terms for capital raises.

Our multiple-based valuation (see page 7) gives a value ranging from SEK 0.31 to 0.61/share (was 0.31 to 0.65).

As especially 2029 is very far away and forecast risks are elevated, we feel that the lower end currently provides a better anchoring point for valuation. With smaller signs of US growth proceeding emerging in the next 12 months, we see enough drivers to support the lower end in the next 12 months. In our view, pricing in clearly more of the company's potential would require clear signs of US growth succeeding and visibility towards the pace of growth. With the ongoing US reimbursement expansion, we expect visibility to start improving from around 2025-2026.

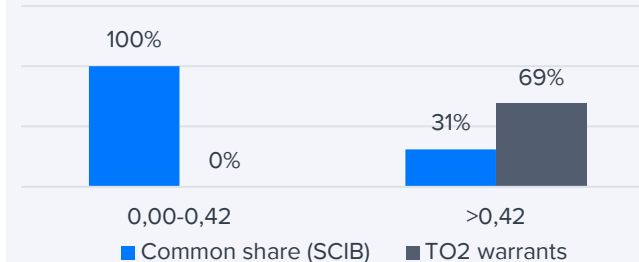
We also use a DCF model to estimate the value of the company based on long-term potential. The DCF model is very sensitive to the assumptions used, so it also acts as a rough guide. After deducting the value of the warrants, we arrive at a DCF value of SEK 0.44 per share. We use a long-term operating profit margin of 25%, a terminal growth rate of 2.5% and a WACC of 14.4%. Our DCF assumes that SciBase will finance its growth with debt, which is unlikely due to negative cash flow. Our cost of capital is slightly elevated to reflect our assumption of less favorable equity financing terms.

The share price (SEK 0.30) is aligned with the lower end of our valuation methods (SEK 0.31-0.61/share) and overall, we see the current valuation as neutral and the risk/reward hence not attractive enough on a 12-month horizon. We adjust our target price with estimate changes to SEK 0.32/share (was 0.35) and re-iterate our Reduce recommendation. We continue to watch closely for any signs of accelerating growth, especially in the US, which could turn the risk/reward profile more attractive by providing drivers toward the upper part of the range. If US growth and future share issues are successful, the stock continues to hold significant upside. We also note positive options within the skin barrier segment, as our current estimates are mostly driven by business within the skin cancer segment.

Valuation	2024e	2025e	2026e
Share price	0,30	0,30	0,30
Number of shares, millions	219,5	219,5	219,5
Market cap	66	66	66
EV	56	110	149
P/E (adj.)	neg.	neg.	neg.
P/E	neg.	neg.	neg.
P/B	2,5	neg.	neg.
P/S	2,1	1,4	0,9
EV/Sales	1,8	2,3	1,9
EV/EBITDA	neg.	neg.	neg.
EV/EBIT (adj.)	neg.	neg.	neg.
Payout ratio (%)	0,0 %	0,0 %	0,0 %
Dividend yield-%	0,0 %	0,0 %	0,0 %

Source: Inderes

Allocation* of company equity value gains between equity instruments at different share prices, SEK/share



Source: Inderes.

Note: Due to the warrants, for SciBase share to appreciate 10 % beyond 0,42 SEK price level, the total equity value of SciBase would need to go up by around 33 %.

*Situation until April 2029. Based on 0,42 SEK/share warrant strike, assuming all issued warrants are exercised in April 2029.

Valuation scenarios

2026e, MSEK	Low	High
Sales	77	77
EV/Sales	3,0x	5,0x
EV (Enterprise value)	231	386
(+) Net cash ¹	36	36
Equity value	268	422
(-) Value of warrants	-35	-65
Equity value of common stock	233	357
Per share ¹	0,43	0,66
Per share, discounted to today	0,31	0,47

Note: Value of warrants estimated for year end 2026 based on scenario valuation

2029e, MSEK	Low	High
Revenue	229	229
EV/revenue	3,0x	5,0x
EV (Enterprise value)	687	1 145
(+) Net cash ¹	291	291
Equity value	978	1 436
Per share ¹	0,88	1,29
Per share, discounted to today	0,42	0,61

Note: Assumes all warrants are exercised

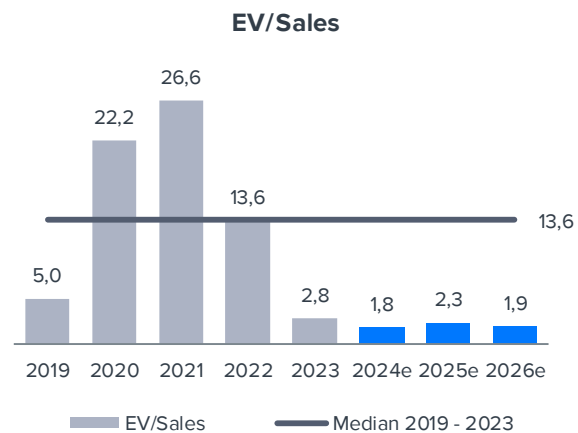
Source: Inderes

- 1) Adjusted for assumed equity issues of 60 & 60 MSEK in 2025 and 2026 at 0,32 and 0,45 SEK/share respectively. 2029 scenario assumes all issued warrants are exercised.

Valuation table

Valuation	2019	2020	2021	2022	2023	2024e	2025e	2026e	2027e
Share price	4,36	4,62	5,52	3,82	0,83	0,30	0,30	0,30	0,30
Number of shares, millions	16,6	54,8	68,5	68,5	119,8	219,5	219,5	219,5	219,5
Market cap	72	253	378	262	99	66	66	66	66
EV	46	212	312	243	65	56	110	149	166
P/E (adj.)	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.
P/E	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.
P/B	2,3	5,4	5,3	10,4	2,3	2,5	neg.	neg.	neg.
P/S	7,8	26,6	32,2	14,6	4,3	2,1	1,4	0,9	0,5
EV/Sales	5,0	22,2	26,6	13,6	2,8	1,8	2,3	1,9	1,4
EV/EBITDA	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.	44,4
EV/EBIT (adj.)	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.	>100
Payout ratio (%)	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %
Dividend yield-%	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %

Source: Inderes



Peer group valuation

Peer group valuation	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	MEUR	MEUR	2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	2024e
Revenio Group Oyj	750	744	26,4	20,9	22,8	18,6	7,1	6,3	36,2	28,3	1,4	1,7	6,7
Roche Holding AG	193 253	218 048	10,4	9,3	9,4	8,4	3,5	3,3	14,3	12,6	4,0	4,4	7,3
STRATA Skin Sciences Inc	12	20				7,7	0,7	0,6					
CellaVision AB	547	538	29,0	22,7	24,1	19,6	7,9	7,0	37,8	29,0	0,9	1,1	7,6
Sectra AB	4 084	4 026	91,0	74,3	75,5	62,7	16,4	13,8	113,6	92,9	0,5	0,6	31,0
ContextVision	41	36	14,1	13,6	8,4	7,8	3,1	2,9	20,3	19,6	6,6	7,4	
Aiforia Technologies	116	108					27,0	15,5				12,4	3,4
Episurf Medical AB	18	15					10,2	4,8					1,3
Dignitana AB	13	14		7,2	13,2	4,2	1,5	1,0		9,0			
Senzime AB	59	50					7,7	3,2					2,9
SciBase Holding (Inderes)	6	5	-1,0	-2,3	-1,1	-2,5	1,8	2,3	-1,0	-1,4	0,0	0,0	2,5
Average			34,2	24,7	25,6	18,4	8,5	5,8	44,5	31,9	2,7	4,6	8,6
Median			26,4	17,3	18,0	8,4	7,4	4,0	36,2	24,0	1,4	3,0	6,7
Diff-% to median			-104 %	-113 %	-106 %	-130 %	-76 %	-43 %	-103 %	-106 %	-100 %	-100 %	-63 %

Source: Refinitiv / Inderes

Income statement

Income statement	2022	Q1'23	Q2'23	Q3'23	Q4'23	2023	Q1'24	Q2'24e	Q3'24e	Q4'24e	2024e	2025e	2026e	2027e
Revenue	17,9	5,1	5,1	7,2	5,8	23,2	6,1	7,3	9,1	8,7	31,2	47,6	77,1	123
EBITDA	-42,8	-10,0	-12,8	-12,0	-15,7	-50,6	-13,4	-14,0	-12,7	-12,9	-53,1	-44,2	-25,9	3,7
Depreciation	-3,7	-0,8	-1,0	-0,7	-0,9	-3,4	-0,8	-0,8	-0,8	-0,8	-3,3	-3,0	-3,2	-3,5
EBIT (excl. NRI)	-46,4	-10,8	-13,8	-12,7	-16,6	-53,9	-14,3	-14,9	-13,5	-13,8	-56,4	-47,2	-29,1	0,3
EBIT	-46,4	-10,8	-13,8	-12,7	-16,6	-53,9	-14,3	-14,9	-13,5	-13,8	-56,4	-47,2	-29,1	0,3
Net financial items	3,2	0,0	0,0	0,0	0,0	0,0	3,4	-0,1	-0,1	-0,1	3,1	-0,5	-0,5	-0,5
PTP	-43,2	-10,8	-13,8	-12,7	-16,6	-53,9	-10,9	-15,0	-13,6	-13,9	-53,3	-47,7	-29,6	-0,2
Taxes	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Net earnings	-43,2	-10,8	-13,8	-12,7	-16,6	-53,9	-10,9	-15,0	-13,6	-13,9	-53,3	-47,7	-29,6	-0,2
EPS (adj.)	-0,63	-0,15	-0,12	-0,11	-0,14	-0,50	-0,09	-0,08	-0,06	-0,06	-0,24	-0,22	-0,13	0,00
EPS (rep.)	-0,63	-0,15	-0,12	-0,11	-0,14	-0,50	-0,09	-0,08	-0,06	-0,06	-0,29	-0,22	-0,13	0,00
Key figures	2022	Q1'23	Q2'23	Q3'23	Q4'23	2023	Q1'24	Q2'24e	Q3'24e	Q4'24e	2024e	2025e	2026e	2027e
Revenue growth-%	52,6 %	20,9 %	36,5 %	46,7 %	16,1 %	29,9 %	17,6 %	44,5 %	25,3 %	51,6 %	34,4 %	52,5 %	61,9 %	58,9 %
Adjusted EBIT growth-%	11,6 %	11,2 %	18,0 %	11,9 %	21,7 %	16,2 %	32,3 %	7,5 %	6,3 %	-17,0 %	4,6 %	-16,4 %	-38,4 %	-100,9 %
EBITDA-%	-239,1 %	-193,8 %	-252,1 %	-165,8 %	-272,9 %	-217,5 %	-221,8 %	-190,8 %	-139,8 %	-148,1 %	-170,0 %	-92,7 %	-33,5 %	3,0 %
Adjusted EBIT-%	-259,5 %	-209,4 %	-271,9 %	-175,7 %	-288,0 %	-232,0 %	-235,5 %	-202,1 %	-149,0 %	-157,6 %	-180,7 %	-99,1 %	-37,7 %	0,2 %
Net earnings-%	-241,3 %	-209,4 %	-271,9 %	-175,7 %	-288,0 %	-232,0 %	-179,3 %	-203,5 %	-150,1 %	-158,8 %	-170,8 %	-100,1 %	-38,3 %	-0,2 %

Source: Inderes

Balance sheet

Assets	2022	2023	2024e	2025e	2026e
Non-current assets	9,2	8,6	8,7	9,1	9,9
Goodwill	0,0	0,0	0,0	0,0	0,0
Intangible assets	0,0	0,0	0,0	0,0	0,0
Tangible assets	9,2	8,6	8,7	9,1	9,9
Associated companies	0,0	0,0	0,0	0,0	0,0
Other investments	0,0	0,0	0,0	0,0	0,0
Other non-current assets	0,0	0,0	0,0	0,0	0,0
Deferred tax assets	0,0	0,0	0,0	0,0	0,0
Current assets	40,6	55,7	43,7	58,7	90,9
Inventories	7,3	11,9	13,1	20,0	32,4
Other current assets	0,6	0,6	0,6	0,6	0,6
Receivables	13,9	9,1	20,3	28,6	42,4
Cash and equivalents	18,8	34,1	9,7	9,5	15,4
Balance sheet total	49,9	64,3	52,4	67,9	101

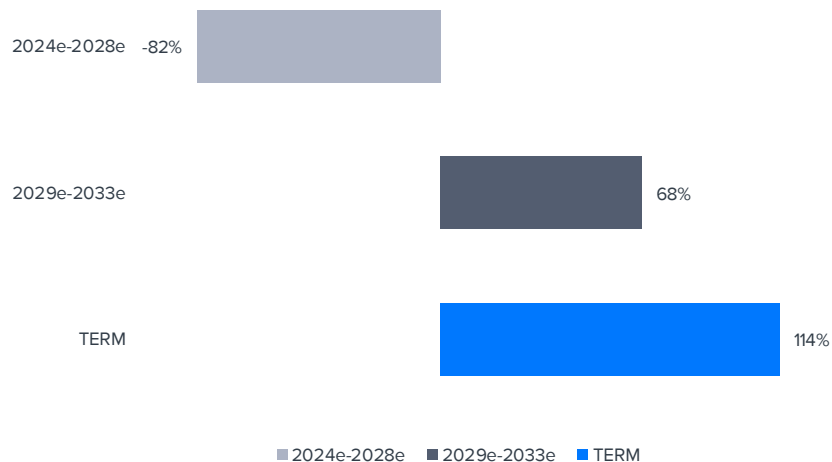
Source: Inderes

Liabilities & equity	2022	2023	2024e	2025e	2026e
Equity	25,2	43,1	26,5	-19,5	-48,3
Share capital	3,4	6,0	11,7	11,7	11,7
Retained earnings	-615,2	-668,4	-721,7	-769,4	-799,0
Hybrid bonds	0,0	0,0	0,0	0,0	0,0
Revaluation reserve	-0,7	0,0	0,0	0,0	0,0
Other equity	638	705	735	735	735
Minorities	0,0	0,0	0,0	0,0	0,0
Non-current liabilities	5,2	4,2	4,2	57,5	103
Deferred tax liabilities	0,0	0,0	0,0	0,0	0,0
Provisions	0,0	0,0	0,0	0,0	0,0
Interest bearing debt	0,0	0,0	0,0	53,3	99,0
Convertibles	0,0	0,0	0,0	0,0	0,0
Other long term liabilities	5,2	4,2	4,2	4,2	4,2
Current liabilities	19,4	17,1	23,4	33,3	50,1
Interest bearing debt	0,0	0,0	0,0	0,0	0,0
Payables	15,4	17,1	23,4	33,3	50,1
Other current liabilities	4,0	0,0	0,0	0,0	0,0
Balance sheet total	49,9	64,3	52,4	67,9	101

DCF calculation

DCF model	2023	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	TERM
Revenue growth-%	29,9 %	34,4 %	52,5 %	61,9 %	58,9 %	41,6 %	31,9 %	26,9 %	14,3 %	5,0 %	2,5 %	2,5 %
EBIT-%	-232,0 %	-180,7 %	-99,1 %	-37,7 %	0,2 %	17,5 %	21,9 %	23,8 %	23,1 %	24,0 %	25,0 %	25,0 %
EBIT (operating profit)	-53,9	-56,4	-47,2	-29,1	0,3	30,3	50,2	69,0	76,8	83,7	89,3	
+ Depreciation	3,4	3,3	3,0	3,2	3,5	4,0	4,7	5,5	6,4	7,3	8,2	
- Paid taxes	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	-15,7	-17,1	-18,4	
- Tax, financial expenses	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	-0,1	-0,1	0,0	
+ Tax, financial income	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	
- Change in working capital	-2,1	-6,1	-5,2	-9,4	-14,5	-16,3	-17,7	-19,7	-13,3	-12,3	-10,1	
Operating cash flow	-52,7	-59,2	-49,4	-35,3	-10,8	18,0	37,2	54,8	54,1	61,4	69,1	
+ Change in other long-term liabilities	-1,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	
- Gross CAPEX	-2,8	-3,4	-3,5	-4,0	-5,0	-6,0	-7,0	-8,0	-9,0	-10,0	-11,0	
Free operating cash flow	-56,5	-62,6	-52,9	-39,3	-15,8	12,0	30,2	46,8	45,1	51,4	58,1	
+/- Other	0,0	35,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	
FCFF	-56,5	-27,6	-52,9	-39,3	-15,8	12,0	30,2	46,8	45,1	51,4	58,1	502
Discounted FCFF		-25,5	-42,8	-27,8	-9,8	6,5	14,3	19,4	16,3	16,3	16,1	139
Sum of FCFF present value		122	147	190	218	227	221	207	187	171	155	139
Enterprise value DCF		122										
- Interest bearing debt		0,0										
+ Cash and cash equivalents		34,1										
- Minorities		0,0										
- Dividend/capital return		0,0										
Equity value DCF		156										
- Value of warrants		-58,1										
Equity value of common stock DCF		97,6										
Equity value of common stock DCF per share		0,44										

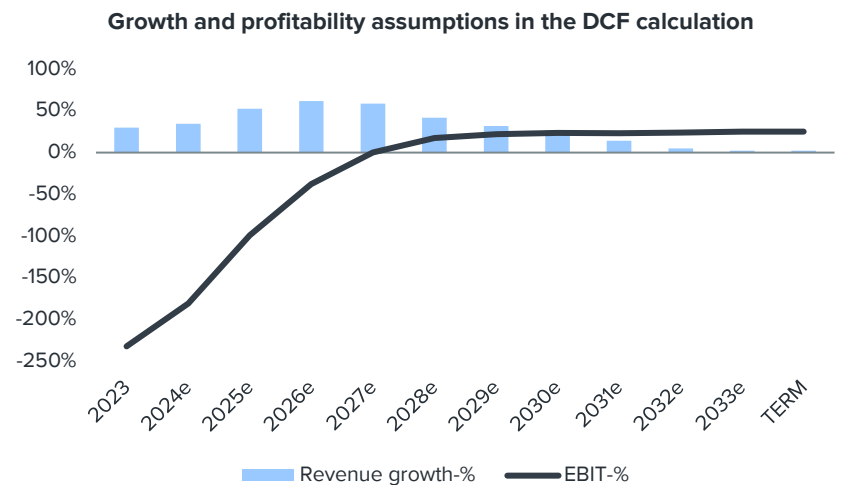
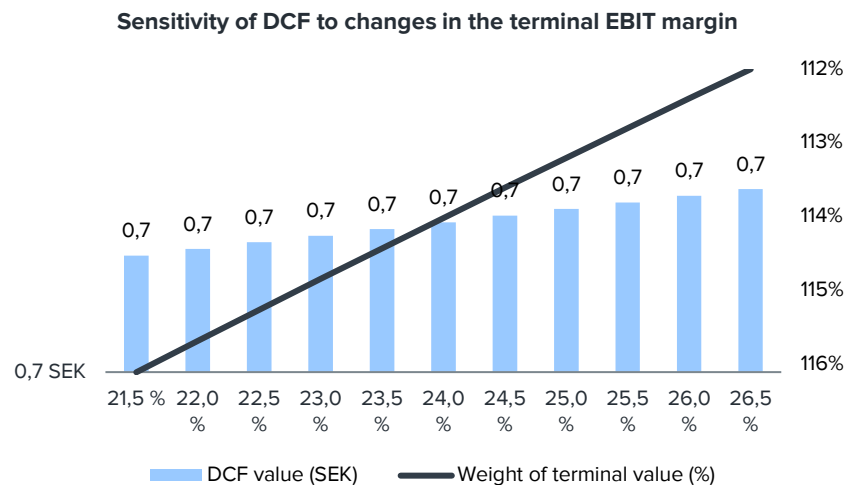
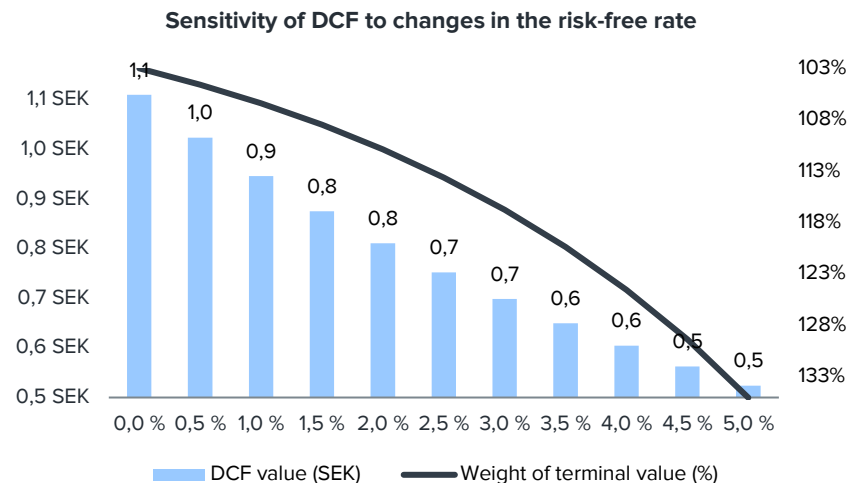
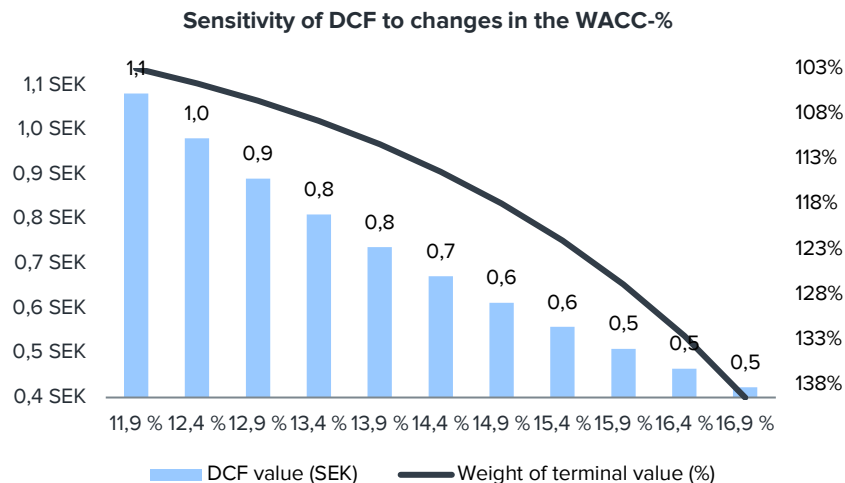
Cash flow distribution



WACC	
Tax-% (WACC)	20,6 %
Target debt ratio (D/(D+E))	10,0 %
Cost of debt	10,0 %
Equity Beta	2,08
Market risk premium	4,75 %
Liquidity premium	2,70 %
Risk free interest rate	2,5 %
Cost of equity	15,1 %
Weighted average cost of capital (WACC)	14,4 %

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	11,7	17,9	23,2	31,2	47,6	EPS (reported)	-0,67	-0,63	-0,50	-0,29	-0,22
EBITDA	-38,7	-42,8	-50,6	-53,1	-44,2	EPS (adj.)	-0,67	-0,63	-0,50	-0,29	-0,22
EBIT	-41,6	-46,4	-53,9	-56,4	-47,2	OCF / share	-0,61	-0,65	-0,49	-0,32	-0,23
PTP	-41,8	-43,2	-53,9	-53,3	-47,7	FCF / share	-0,66	-0,70	-0,52	-0,34	-0,24
Net Income	-41,8	-43,2	-53,9	-53,3	-47,7	Book value / share	1,13	0,37	0,40	0,13	-0,10
Extraordinary items	0,0	0,0	0,0	0,0	0,0	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	85,5	49,9	64,3	52,4	67,9	Revenue growth-%	23 %	53 %	30 %	34 %	53 %
Equity capital	70,8	25,2	43,1	24,8	-22,9	EBITDA growth-%	20 %	11 %	18 %	5 %	-17 %
Goodwill	0,0	0,0	0,0	0,0	0,0	EBIT (adj.) growth-%	20 %	12 %	16 %	5 %	-16 %
Net debt	-65,6	-18,8	-34,1	-9,7	43,7	EPS (adj.) growth-%	-40 %	-5 %	-21 %	-43 %	-24 %
Cash flow	2021	2022	2023	2024e	2025e	EBITDA-%	-329,6 %	-239,1 %	-217,5 %	-170,0 %	-92,7 %
EBITDA	-38,7	-42,8	-50,6	-53,1	-44,2	EBIT (adj.)-%	-354,8 %	-259,5 %	-232,0 %	-180,7 %	-99,1 %
Change in working capital	0,3	-2,0	-2,1	-6,1	-5,2	EBIT-%	-354,8 %	-259,5 %	-232,0 %	-180,7 %	-99,1 %
Operating cash flow	-38,3	-44,7	-52,7	-59,2	-49,4	ROE-%	-71,0 %	-89,9 %	-158,0 %	-157,3 %	-5258,7 %
CAPEX	-1,7	-7,8	-2,8	-3,4	-3,5	ROI-%	-70,7 %	-96,7 %	-158,0 %	-166,5 %	-171,3 %
Free cash flow	-41,4	-47,6	-56,5	-62,6	-52,9	Equity ratio	82,8 %	50,6 %	66,9 %	47,3 %	-33,8 %
Valuation multiples	2021	2022	2023	2024e	2025e	Gearing	-92,7 %	-74,6 %	-79,2 %	-39,0 %	-190,7 %
EV/S	26,6	13,6	2,8	1,8	2,3						
EV/EBITDA	neg.	neg.	neg.	neg.	neg.						
EV/EBIT (adj.)	neg.	neg.	neg.	neg.	neg.						
P/E (adj.)	neg.	neg.	neg.	neg.	neg.						
P/B	5,3	10,4	2,3	2,5	neg.						
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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Date	Recommendation	Target	Share price
01/02/2024	Reduce	0,80 SEK	0,75 SEK
09/02/2024	Accumulate	0,80 SEK	0,61 SEK
22/02/2024	Reduce	0,45 SEK	0,40 SEK
<i>Analyst changes</i>			
11/04/2024	Accumulate	0,50 SEK	0,40 SEK
18/04/2024	Reduce	0,35 SEK	0,37 SEK
03/06/2024	Reduce	0,32 SEK	0,30 SEK



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