



ERIK PENSER BANK

Penser Access | Casinos/Gaming | Sweden | 18 February 2022

Angler Gaming

Trading update and numbers are a disappointment

Weak numbers right through the income statement

Sales in Q4 were EUR 9.618m vs our estimate of EUR 10.4m. The difference is explained by fewer customer deposits. EBIT was EUR 1.4m vs our prediction of EUR 2.6m. This can be attributed to both lower sales and a lower gross margin of 35%, against 39% in our forecast. The company saw a weak growth trend during the months of the quarter. On top of this was an EO item of EUR 1.2m.

Steep downgrades due to lack of growth

Given the declining trend in deposits per customer and a slightly higher customer acquisition cost than we expected, we are lowering our revenue estimates by 12% for 2022-23. We have previously given the company some benefit of the doubt due to positive trends in the gross margin and deposits. As a result of the declining gross margin trend, we are reducing EBIT by an average 40% during the forecast period.

Increased risk premium and discount

We are cutting our fair value to SEK 7–8 from the previous SEK 14–15, which is a discount of about 20% in relation to our DCF. We believe this can be justified until we have seen clear results from the company's action plan.

Calendar Events		Estimates (EUR)				Risk and Potential		
Q1'22	2022-05-12		21e	22e	23e	24e	Motivated value	7.0 - 8.0
Key Figures (EURm)		Sales, mkr	43	42	43	45	Current price	€0.8
Number of shares	75m	Growth	(1)%	(2)%	2%	4%	Risk level	Medium
Market cap	60	EBITDA, mkr	8.1	7.3	7.3	7.8	One Year Performance Chart	
Net debt	(6)	EBIT, mkr	8	8	7	8		
EV	54	EPS, adjusted	0.1	0.1	0.1	0.1		
Free float	90%	EPS growth	(36)%	(7)%	(4)%	6%		
Average number of daily traded shares	194(k)	Equity/share	0.2	0.2	0.2	0.3		
Reuters/Bloomberg	ANG.ST/ANGL SS	Dividend/share	0.1	0.1	0.1	0.1		
		EBIT margin	18.8%	18.1%	17.1%	17.4%		
		ROE	49.7%	40.6%	35.7%	33.3%		
		ROCE	53.2%	44.2%	39.0%	15.9%		
		EV/Sales	1.3x	1.3x	1.3x	1.2x		
		EV/EBITDA	6.7x	7.4x	7.4x	7.0x		
		EV/EBIT	6.7x	7.1x	7.4x	7.0x		
		P/E, adjusted	8.2x	8.8x	9.2x	8.6x	Analysts	
		P/Equity	4.1x	3.6x	3.3x	2.9x	rikard.engberg@penser.se	
		Dividend yield	10.6%	8.0%	7.6%	8.1%		
		FCF yield	4.0%	3.1%	9.2%	5.2%		
		Net debt/EBITDA	(0.7)g	(0.7)g	(1.8)g	(1.9)g		



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Overview

Trading update and numbers are a disappointment

Investment Case

Angler Gaming does business in the igaming industry, a non-cyclical sector with high structural growth. In our assessment, the industry will deliver annual growth of 8–12% over the next few years, driven by a shift from land-based gaming and higher mobile and internet penetration. Angler Gaming operates in markets that many of the multinational operators are not reaching, resulting in high margins and stable growth. We see a fair value of SEK 7–8 per share.

Company Profile

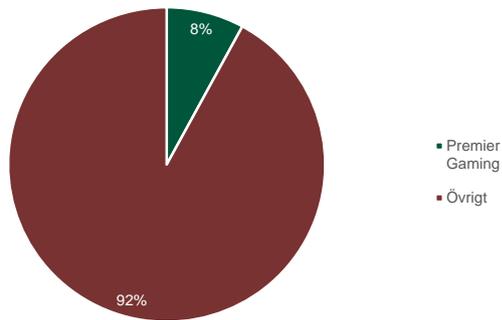
The international igaming market was worth USD 47 billion in 2017, with annual growth forecast at about 12–15%. We see two main drivers behind this development. The first is that the igaming share of total gaming is still relatively low. Penetration in Sweden and the UK, considered among the most mature markets, was approximately 50–70%. In many of Angler Gaming's markets it is less than 10%. In our estimation, the vertical in which Angler Gaming is active, casino games, also has the lowest online penetration, which indicates sustained growth in the upper part of the growth range. We also find that online gaming has a relatively low correlation with the general economy. Game win grew in the UK and Ireland in 2008–2009 while the overall economy contracted.

Angler Gaming is showing strong operational KPIs across the entire balance sheet and income statement. One KPI that stands out is EBIT per employee, which is the highest in the industry. We believe this is possible for two reasons. The first is that by owning its own platform, the company can keep costs down while other small companies use a third-party platform that has to be paid for out of the game win. The second reason is the small and dedicated team that enables Angler Gaming to be fast on its feet in launching new products and selecting markets. Angler Gaming launched the new subsidiary PremierGaming in Q3 2018, which has accelerated from zero to 13% of sales. PremierGaming has delivered impressive growth even as other operations continue to grow in line with the industry at high profitability. The Swedish business launched in Q4 2018, long one of the fastest growing gaming companies in Sweden, is a prime example of the company's capacity to launch brands in new markets and to do so effectively. We believe the company will be able to mimic this journey in multiple regulated or unregulated markets in the future.

Valuation approach

We have employed a DCF to value Angler, but choose to apply a discount of about 20% compared to this value as we believe that multiple expansion will not take place before we see an operational turnaround. This gives a fair value of SEK 7–8. The high dividend yield of about 9% provides support for the share price at today's levels.

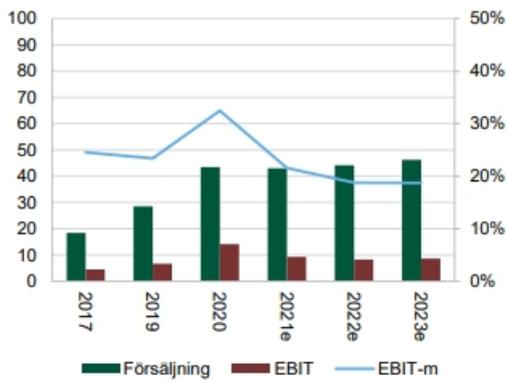
Operational segments



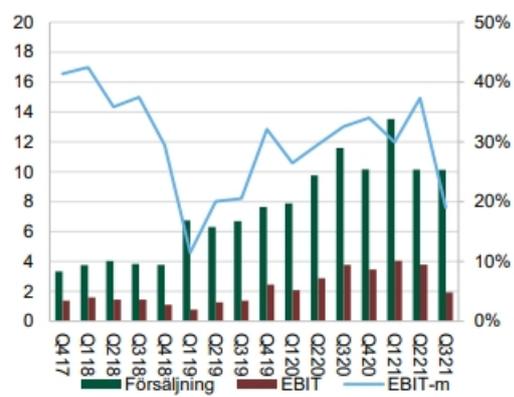
Estimate changes

	2022	2023
Sales	-13,2%	-21,5%
EBIT	-35,6%	-46,2%
EPS	-37,4%	-48,2%

Sales and EBIT y/y



Sales och Ebit q/q



Peers

Valuation	MCAP (sek)	EV (sek)	EV / Sales			EV / EBITDA			EV / EBIT			Price / Earnings		
			LTM	2022	2023	LTM	2022	2023	LTM	2022	2023	LTM	2022	2023
Catena Media	3 946	4 978	3,74x	2,95x	2,70x	7,6x	5,3x	4,7x	8,8x	6,2x	5,7x	(94,3x)	8,5x	7,3x
Better Collective	10 100	10 837	6,61x	4,25x	3,56x	19,9x	12,6x	10,2x	23,5x	13,8x	11,0x	55,2x	17,2x	13,4x
Acroud	314	484	2,30x	1,73x	1,60x	9,7x	5,7x	4,8x	14,1x	6,9x	6,1x	224,1x	5,7x	4,6x
Betsson	7 665	7 847	1,18x	1,15x	1,05x	5,8x	6,1x	5,6x	6,5x	8,5x	7,7x	7,1x	9,7x	8,7x
Kindred Group	23 199	21 927	1,47x	1,39x	1,19x	5,6x	7,6x	6,0x	6,6x	10,0x	8,0x	6,8x	13,0x	9,8x
LeoVegas AB	3 470	3 383	1,02x	0,74x	0,67x	7,7x	6,5x	5,3x	18,8x	9,1x	7,2x	30,2x	10,4x	7,9x
Raketech Group Holding	1 045	1 083	3,03x	1,99x	1,81x	7,4x	4,6x	4,0x	13,6x	6,9x	5,8x	14,8x	7,8x	6,6x
Mean			2,76x	2,03x	1,80x	9,1x	6,9x	5,8x	13,1x	8,8x	7,4x	34,8x	10,3x	8,3x
Median			2,30x	1,73x	1,60x	7,6x	6,1x	5,3x	13,6x	8,5x	7,2x	14,8x	9,7x	7,9x

Margins	FactSet Industry	Gross Income			EBITDA			EBIT			Net Income		
		LTM	2022	2023	LTM	2022	2023	LTM	2022	2023	LTM	2022	2023
Catena Media	Advertising/Marketing Ser	60,9%	87,6%	87,7%	49,2%	55,9%	57,7%	42,3%	47,4%	47,1%	-4,1%	39,1%	40,9%
Better Collective	Information Technology S	30,7%	64,6%	64,3%	33,3%	33,7%	35,0%	28,1%	30,9%	32,4%	9,3%	20,9%	22,8%
Acroud	Packaged Software	16,3%	96,0%	95,3%	23,8%	30,5%	33,1%	16,3%	24,9%	26,3%	1,8%	16,8%	19,4%
Betsson	Casinos/Gaming	21,2%	63,8%	62,1%	20,2%	18,9%	18,9%	18,0%	13,6%	13,6%	16,2%	11,8%	12,2%
Kindred Group	Casinos/Gaming	55,9%	55,7%	55,5%	26,3%	18,3%	19,8%	22,4%	13,9%	14,8%	23,5%	11,5%	12,3%
LeoVegas AB	Casinos/Gaming	16,6%	65,4%	66,4%	13,2%	11,4%	12,6%	5,4%	8,1%	9,3%	3,4%	6,1%	7,6%
Raketech Group Holding	Internet Software/Service	36,0%	70,4%	68,2%	40,8%	42,9%	44,8%	22,3%	28,9%	31,2%	18,1%	25,2%	26,8%
Mean		34,0%	71,9%	71,4%	29,5%	30,2%	31,7%	22,1%	23,9%	25,0%	9,7%	18,8%	20,3%
Median		30,7%	65,4%	66,4%	26,3%	30,5%	33,1%	22,3%	24,9%	26,3%	9,3%	16,8%	19,4%

Growth	Sales			EBITDA			EBIT			Net Income		
	LTM	2022	2023	LTM	2022	2023	LTM	2022	2023	LTM	2022	2023
Catena Media	18,7%	15,0%	9,6%	20,9%	20,4%	13,2%	33,8%	119,3%	9,0%	-141,6%	nm	14,6%
Better Collective	109,1%	34,4%	19,1%	36,2%	41,7%	23,8%	44,4%	43,1%	25,2%	-33,8%	185,4%	29,5%
Acroud	60,0%	9,7%	8,1%	-5,6%	50,6%	17,1%	-26,0%	75,0%	14,3%	-70,6%	220,5%	25,3%
Betsson	4,4%	2,1%	9,8%	-11,1%	-17,4%	9,6%	3,7%	-22,5%	9,9%	7,3%	-24,5%	13,0%
Kindred Group	11,8%	2,0%	16,4%	15,2%	-29,3%	26,2%	20,7%	-47,9%	24,2%	78,8%	-50,0%	24,9%
LeoVegas AB	-4,2%	10,8%	10,3%	-14,4%	17,9%	21,5%	-36,9%	108,2%	27,1%	-42,5%	132,8%	36,1%
Raketech Group Holding	26,3%	33,6%	10,0%	15,7%	37,8%	15,0%	14,6%	48,5%	18,9%	9,7%	85,0%	17,0%
Mean	32,3%	15,4%	11,9%	8,1%	17,4%	18,1%	7,8%	46,2%	18,4%	-27,5%	91,5%	22,9%
Median	18,7%	10,8%	10,0%	15,2%	20,4%	17,1%	14,6%	48,5%	18,9%	-33,8%	108,9%	24,9%

Källa: Bolag, EPB, Factset

The quarter in detail

Sales in Q4 amounted to EUR 9.6m vs our estimate of EUR 10.4m. The difference is explained by fewer customer deposits. EBIT was EUR 1.4m vs our prediction of EUR 2.6m. During the quarter, the company incurred a non-recurring cost of EUR 1.2m, which includes write-downs of receivables and payment of previous affiliate costs. EBIT amounted to EUR 1.5m vs our prediction of EUR 2.6m. This can be attributed to both lower sales and a lower gross margin of 35%, against the 39% in our forecast. We estimate that the gross margin will not reach the previous levels as we anticipate increased costs for payment solutions and new affiliate costs in the future.

The company has indicated that the average daily net gaming revenues in January were in line with the average in Q4, and 34.2% lower than in the same period in 2021.

Given the weak results in 2021, the company's CEO will take a more active role in the various subsidiaries over the next six months. Angler has started addressing a number of issues, including the following:

- New operational structure
- Focus on developing CRM and customer retention. New CRM software will be implemented in mid-Q1
- Recruitment of a new person responsible for payment solutions. A large part of the fall we have seen in the gross margin can be attributed to increased costs related to payment systems
- Own investment in SEO to reduce dependence on affiliates

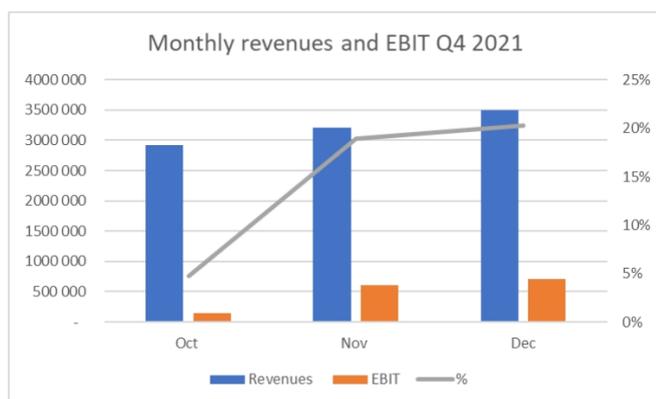
We are pleased to see this initiative, but we have chosen to include the costs before we see the impact in terms of sales, which means that we are considerably downgrading our estimates.

Estimate changes

Based on the weak results and the anaemic start to 2022, we are lowering our revenue estimates by 17%. We have cut EBIT by an average of 37% for the forecast period. This is because many of the driving factors behind growth, deposits and inflows are experiencing soft trends.

We believe that the new action plan will lead to higher costs, and we have anticipated these in our estimates. On top of this, we are cautious about assuming any results of the initiatives the company has launched this year. We also note that the company has a tough comparison quarter in Q1 2022, which means that we are hesitant about the stock during Q1 2022.

Monthly P&L



Estimate changes

	2022	2023	2024
Sales	-13,2%	-21,5%	-
EBIT	-35,6%	-46,2%	-
EPS	-37,4%	-48,2%	-

Income statement

	2017A	2018A	2019A	2020A	2021E	2022E	2023E	2024E
Net sales	12,5	18,4	28,5	43,5	43,0	42,0	42,9	44,6
Cost of goods sold	-6,3	-10,4	-16,4	-24,3	-27,9	-26,9	-27,5	-28,1
Gross profit	6,2	8,0	12,1	19,2	15,0	15,1	15,5	16,5
Marketing	-0,2	-1,7	-3,1	-1,9	-1,7	-1,5	-2,2	-2,6
Personnel costs	-0,7	-0,9	-1,2	-1,6	-1,8	-1,9	-3,3	-3,6
Other operating costs	-0,6	-0,7	-1,0	-1,6	-3,5	-2,6	-2,6	-2,6
EBITDA	4,7	4,6	6,7	14,1	8,1	7,3	7,3	7,8
Depreciation/amortisation	-0,2	-0,1	-0,1	0,0	0,0	0,0	0,0	0,0
Impairments	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
EBIT	4,5	4,5	6,7	14,1	8,1	7,3	7,3	7,8
Items affecting comparability	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
EBIT (Just)	4,5	4,5	6,7	14,2	8,1	7,3	7,3	7,8
Financial income	2,1	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Financial expenses	-0,1	0,0	-0,4	-2,3	-0,7	-0,6	-0,6	-0,6
Profit before tax	6,5	4,5	6,3	11,9	7,4	6,7	6,8	7,2
Tax	-0,1	-0,1	-0,2	-0,3	-0,1	-0,2	-0,2	-0,2
Net profit (reported)	6,4	4,4	6,1	11,6	7,3	6,5	6,6	7,0
Net profit (adjusted)	6,4	4,4	6,1	11,6	7,3	6,5	6,6	7,0

Balance sheet

Balance sheet	2017A	2018A	2019A	2020A	2021E	2022E	2023E	2024E
Assets								
Goodwill	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Other intangible assets	1,4	1,2	1,2	1,2	1,2	1,2	1,2	1,2
Property, plant and equipment	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Total non-current assets	1,4	1,3	1,2	1,2	1,2	1,2	1,2	1,2
Trade receivables	2,2	4,9	6,4	9,7	12,2	13,9	7,0	8,1
Summa omsättningsstillsångar	2,2	4,9	6,4	9,7	12,2	13,9	7,0	8,1
Cash and cash equivalents	3,7	2,9	4,5	9,6	5,7	5,0	13,3	15,1
TOTAL ASSETS	7,3	9,0	12,1	20,5	19,11	20,1	21,5	24,4
EQUITY AND LIABILITIES								
Equity	6,3	7,4	10,2	16,4	14,8	16,8	18,4	20,9
Minority interests	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Total equity	6,3	7,4	10,2	16,4	14,8	16,8	18,4	20,9
Non-current financial liabilities	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Provisions for pensions	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Deferred tax liabilities	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Other non-current liabilities	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Total non-current liabilities	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Current financial liabilities	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Trade payables	0,9	1,5	1,8	3,6	3,9	2,9	2,7	3,1
Tax liabilities	0,1	0,1	0,2	0,5	0,4	0,4	0,4	0,4
Other current liabilities	1,0	1,8	2,0	4,1	4,4	3,3	3,1	3,5
Total current liabilities	2,0	3,4	4,0	8,2	8,7	6,6	6,2	7,0
TOTAL EQUITY AND LIABILITIES	7,3	9,0	12,1	20,5	19,11	20,1	21,5	24,4

Cashflow statement

	2017A	2018A	2019A	2020A	2021E	2022E	2023E	2024E
Net profit (reported)	6,4	4,4	6,1	11,6	7,3	6,5	6,6	7,0
Non cash items	0,2	0,1	0,2	0,1	0,1	0,0	0,0	0,0
Cashflow before changes in working capital	6,6	4,5	6,3	11,7	7,3	6,5	6,6	7,0
Cash flow from operating activities	5,6	2,4	5,0	10,3	5,2	4	12	7
Investments	-2,4	0,1	0,0	0,0	0,0	0,0	0,0	0,0
Disposals	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Free cash flow	3,1	2,5	5,0	10,3	5,2	4,1	12,0	6,8
Dividends	0	-3	-3	-5,2	-9,0	-4,8	-4,8	-4,9
Share issues/buybacks	0	0	0	0,0	0,0	0,0	0,0	0,0
Purchases	0	0	0	0,0	0,0	0,0	0,0	0,0
Debt financing and other adjustments	0	0	0	0,0	0,0	0,0	0,0	0,0
Cash flow	3,1	-0,9	1,7	5,1	-3,8	6,3	6,3	6,3
Net Debt	-3,7	-2,9	-4,5	-9,6	-5,7	-5	-13	-15

KPIs

	2017A	2018A	2019A	2020A	2021E	2022E	2023E	2024E
Omsättningsstiltväxt	74%	47%	55%	52%	-1%	-2%	2%	4%
Rörelseresultat, stiltväxt	169%	32%	13%	100%	-43%	-6%	-4%	-1%
EPS, årstörändring	n.m.	n.m.	48%	78%	39%	7%	-4%	-1%
EBITA-marginal	39%	34%	25%	33%	19%	18%	17%	16%
Rörelsemarginal	38%	34%	25%	32%	19%	18%	17%	16%
Vinstmarginal, justerad	51%	24%	23%	27%	17%	16%	15%	15%
Skattesats	6%	10%	10%	10%	10%	10%	10%	0%
Lönsamhet								
ROE	68%	59%	64%	70%	50%	41%	36%	31%
ROE, 3-årsnitt	73%	63%	63%	64%	61%	53%	42%	36%
ROCE	73%	82%	68%	83%	53%	44%	39%	15%
ROCE, 5-årsnitt		78%	74%	78%	68%	60%	45%	33%
EV								
P/E, justerat			9,3	6,2	8,2	6,8	9,2	9,2
P/EK			5,9	3,7	4,1	3,6	3,3	2,9
P/FCF			11,9	6,8	11,8	14,7	5,0	9,5
DirektaKastning			6%	15%	11%	8%	8%	8%
Utblingsinsandel, justerad			60%	78%	67%	70%	70%	70%
EV/Sales			1,9	1,2	1,3	1,3	1,1	1,0
EV/EBITDA			8,2	3,6	6,7	7,5	6,4	6,0
EV/EBIT			8,3	3,8	6,7	7,5	6,4	6,2
EV, årets slut			55,6	50,4	54,3	55,0	46,7	45,0

Quarterly data

	Q317	Q417	Q118	Q218	Q318	Q418	Q119	Q219	Q319	Q419	Q120	Q220	Q320	Q420	Q121	Q221	Q321	Q321
Net sales	3.3	3.7	4.0	3.8	3.8	6.8	6.3	6.7	7.6	7.9	9.8	11.6	10.2	11.9	13.5	10.1	10.1	9.6
Cost of goods sold	-1.6	-1.8	-2.2	-2.0	-2.2	-3.9	-3.8	-3.8	-4.1	-4.4	-5.4	-6.5	-5.6	-6.8	-8.3	-6.9	-6.5	-6.2
Gross profit	1.7	1.9	1.8	1.8	1.5	2.8	2.5	2.9	3.5	3.5	4.3	5.1	4.6	5.1	5.2	3.3	3.6	3.4
Marketing	0.0	-0.1	-0.1	0.0	0.0	-1.5	-0.8	-1.0	-0.5	-0.8	-0.6	-0.6	-0.4	-0.3	-0.4	-0.3	-0.3	-0.6
Personnel costs	-0.2	-0.2	-0.2	-0.2	-0.2	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.4	-0.5	-0.5	-0.5	-0.6	-0.6	-0.7
Other external costs	-0.1	-0.1	-0.1	-0.2	-0.2	-0.2	-0.2	-0.3	-0.2	-0.3	-0.6	-0.3	-0.4	-0.3	-0.5	-0.5	-0.7	-1.8
EBITDA	1.3	1.5	1.4	1.4	1.1	0.7	1.2	1.4	2.4	2.1	2.9	3.8	3.4	4.0	3.8	1.9	2.0	0.3
Depreciation/amortisation	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	0.0	0.0	0.0	0.0
EBIT	1.4	1.6	1.4	1.4	1.1	0.8	1.3	1.4	2.5	2.1	2.9	3.8	3.5	4.0	3.8	1.9	2.0	0.3
Items affecting comparability	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	0.0	0.0	0.0	0.0
EBIT (adjusted)	1.4	1.6	1.4	1.4	1.1	0.8	1.3	1.4	2.5	2.1	2.9	3.8	3.5	4.0	3.8	1.9	2.0	0.3
Financial expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	-0.2	-0.1	-0.4	-0.4	-1.1	-0.5	-0.3	-0.1	-0.1	-0.1
Profit before tax	1.3	1.6	1.4	1.4	1.1	0.8	1.3	1.3	2.3	2.0	2.5	3.4	2.3	3.6	3.5	1.8	1.9	0.1
Tax	0.0	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	0.1	0.0
Minority interests	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net profit (reported)	1	2	1	1.4	1.1	0.7	1.2	1.2	2.3	1.9	2.5	3.3	2.2	3.5	3.4	1.7	2.0	0.1
Net profit (adjusted)	1.3	1.6	1.4	1.4	1.1	0.7	1.2	1.2	2.3	1.9	2.5	3.4	2.2	3.5	3.4	1.7	2.0	0.1

Growth and Margins

	Q317	Q417	Q118	Q218	Q318	Q418	Q119	Q219	Q319	Q419	Q120	Q220	Q320	Q420	Q121	Q221	Q321	Q321
Sales growth					13%	80%	56%	75%	102%	17%	55%	73%	33%	51%	39%	-13%	0%	-19%
EBIT growth (adjusted)					nml	-51%	nml	-4%	121%	169%	128%	174%	41%	94%	31%	-49%	-42%	-94%
Gross margin	51%	52%	44%	48%	41%	42%	40%	44%	46%	45%	44%	44%	45%	43%	39%	32%	36%	35%
EBITDA margin (excluding IFRS 16)	40%	41%	35%	37%	29%	11%	20%	20%	32%	26%	29%	39%	34%	41%	39%	20%	21%	3%
EBIT margin (adjusted)	14%	16%	15%	15%	11%	8%	13%	14%	25%	21%	30%	39%	35%	41%	39%	20%	21%	3%

DCF

DCF - GROWING FCF PERPETUITY FORMULA

Valuation output			
Sum of PV of FCF (explicit period)			55
PV of terminal value (perpetuity formula)			8
Enterprise value			64
Least net debt			-6
Minority interests & other			0
Equity value			69
No. of shares outstanding (millions)			75
Equity value per share (SEK)			9.22
Implicit multipl.			
EV/Sales	2021	2022	2023
	1,5	1,5	1,5
EV/EBITDA	7,9	8,7	8,7
EV/EBIT	7,9	8,7	8,7
EV/NOPLAT	7,9	9,0	8,9
P/E			
ROIC/WACC			
Current Share price			15

WACC assumptions	
Risk free nominal rate	0,4%
Risk premium	7,0%
Extra risk premium	4,0%
Beta	1,2
Cost of equity	13,5%
Cost of debt (pre-tax)	3,0%
Tax rate	12%
Target debt/(debt + equity)	0%
WACC	13,6%
Terminal value assumptions	
Long term growth rate	2,0%
Long term EBIT margin	9,0%
Depreciation (% of sales)	2,0%
Capex (% of sales)	2,0%
Working cap. (% of sales)	86,1%
Tax rate	12%

Sensitivity analysis						
Long-term growth rate						
	1,0%	1,5%	2,0%	2,5%	3,0%	
WACC	11,0%	10,5	10,6	10,6	10,6	10,7
	11,5%	10,2	10,3	10,3	10,3	10,3
	12,0%	10,0	10,0	10,0	10,0	10,0
	12,5%	9,7	9,7	9,7	9,7	9,8
	13,0%	9,5	9,5	9,5	9,5	9,5
Long-term EBIT margin						
	5,0%	7,5%	10,0%	12,5%	15,0%	
WACC	11,0%	9,0	10,0	11,0	12,0	13,0
	11,5%	8,8	9,7	10,7	11,6	12,5
	12,0%	8,6	9,5	10,3	11,2	12,0
	12,5%	8,5	9,3	10,1	10,8	11,6
	13,0%	8,3	9,1	9,8	10,5	11,3

	2022-02-17	dec-19	dec-20	dec-21	dec-22	dec-23	dec-24	dec-25	dec-26	dec-27	dec-28	dec-29	dec-30	dec-31	dec-32	dec-33	Terminal
DCF (SEKm)	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	
Sales	29	43	43	42	43	44	45	46	47	48	49	50	51	52	53	54	
EBITDA	7	14	8	7	7	7	7	7	7	7	7	7	7	6	6	6	
- Depreciation	0	0	0	0	0	0	0	0	0	0	-1	-1	-1	-1	-1	-1	
= EBIT	7	14	8	7	7	7	7	7	7	7	6	6	6	5	5	5	
- Tax on EBIT	0	0	0	0	0	1	1	1	1	1	0	0	0	0	0	0	
= NOPLAT	6	14	8	7	7	8	8	7	7	7	7	6	6	6	6	6	
- Depreciation	0	0	0	0	0	0	0	0	0	0	1	1	1	1	1	1	
= Gross cash flow	7	14	8	7	7	8	8	8	8	8	7	7	7	7	7	7	
- Capex	0	0	0	0	0	0	0	0	0	0	-1	-1	-1	-1	-1	-1	
- Increase (+decrease) in WC	21	12	-2	7	7	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	
= Free cash flow from operations	28	25	6	14	14	7	7	7	6	6	6	6	5	5	5	4	
PV of cash flow	6		6	12	11	5	4	4	3	3	2	2	2	1	1	1	
% of Enterprise value			10%	19%	17%	8%	7%	6%	5%	4%	3%	3%	2%	2%	2%	1%	
Accumulated % of Enterprise value			10%	29%	46%	54%	60%	66%	70%	75%	78%	81%	83%	85%	87%	89%	

Key figures	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Sales growth		52,4%	-1,5%	-2,4%	2,3%	2,2%	2,2%	2,2%	2,2%	2,1%	2,1%	2,1%	2,1%	2,0%	2,0%	2,0%
EBITDA margin		32%	19%	17%	17%	16,5%	16,0%	15,4%	14,9%	14,3%	13,8%	13,2%	12,7%	12,1%	11,6%	11,0%
EBITDA growth		100%	-43%	-9%	0%	-11%	-12%	-14%	-15%	-17%	-18%	-20%	-22%	-24%	-2,6%	-2,9%
EBIT margin		32%	19%	17%	17%	16,4%	15,8%	14,3%	14,1%	13,4%	12,7%	11,9%	11,2%	10,5%	9,7%	9,0%
Depreciation (% of sales)		0,0%	0,0%	0,0%	0,0%	0,2%	0,4%	0,6%	0,7%	0,8%	1,1%	1,3%	1,5%	1,6%	1,8%	2,0%
Capex (% of sales)		0,0%	0,0%	0,0%	0,0%	0,2%	0,4%	0,5%	0,7%	0,8%	1,1%	1,3%	1,5%	1,6%	1,8%	2,0%
Capex (% of depreciation)		0%	0%	0%	0%	96%	98%	99%	99%	99%	100%	100%	100%	100%	100%	100%
Working capital (% of sales)		62%	40%	105%	86%	86%	86%	86%	86%	86%	86%	86%	86%	86%	86%	86%
Tax rate	2,7%	2,6%	0,7%	3,1%	3,0%	-8%	-8%	-8%	-8%	-8%	-8%	-8%	-8%	-8%	-8%	-8%

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