



## ERIK PENSER BANK

Penser Access | Media Conglomerates | Sweden | 28 February 2022

# EverySPORT

## Positioning for growth

### Continued focus on growth

Sales for the full year amounted to SEK 186.6m, which was in line with our estimate. EBITDA amounted to SEK 32.6m vs our estimate of SEK 39m. EBIT amounted to SEK 2.2m vs our estimate of SEK 20m. This discrepancy can be explained by higher depreciation linked to the padel business.

### New view on estimates

We are increasing our revenue estimates by an average 6.5% over the forecast period. This reflects the high growth in both B2B and B2C revenues in Everymedia. Based on the company's statements about higher costs to focus on growth, we are lowering our EBIT estimates by an average SEK 11m per year. However, much of the reduction is linked to future leasing commitments. We believe that EBITDA better reflects profitability.

### Minor adjustment to fair value

Based on the prevailing market climate, we are raising the discount rate in our SOTP analysis and have made minor adjustments to the sub-valuations. The new fair value is therefore SEK 55–57 (61–63).

Estimate Changes (kr)				Estimates (kr)					Risk and Potential	
	Now	Before		21	22e	23e	24e	Motivated value	55.0 - 57.0	
EPS, adjusted 22e	1.4	4.3	-68.3%	Sales, mkr	186	262	298	323	Current price	SEK33.2
EPS, adjusted 23e	3.1	5.1	-40.4%	Growth	126%	41%	14%	8%	Risk level	Medium
EPS, adjusted 24e	2.5	2.5	0.0%	EBITDA, mkr	33	58	71	68		
				EBIT, mkr	2	16	31	28		
				EPS, adjusted	(0.8)	1.4	3.1	2.5		
				EPS growth	718%	306%	126%	(18)%		
				Equity/share	11.8	13.2	16.2	18.8		
				Dividend/share	0.0	0.0	0.0	0.0		
				EBIT margin	1.2%	6.2%	10.3%	8.8%		
				ROE	10.8%	24.5%	23.1%	27.4%		
				ROCE	9.5%	14.4%	15.1%	19.8%		
				EV/Sales	1.1x	0.8x	0.7x	0.6x		
				EV/EBITDA	6.1x	3.4x	2.8x	2.9x		
				EV/EBIT	90.7x	12.3x	6.5x	7.1x		
				P/E, adjusted	(42.6)x	24.4x	10.8x	13.2x		
				P/Equity	2.8x	2.5x	2.0x	1.8x		
				Dividend yield	0.0%	0.0%	0.0%	0.0%		
				FCF yield	2.4%	10.3%	22.1%	21.4%		
				Net debt/EBITDA	(0.7)g	(0.8)g	(1.3)g	(2.0)g		

Calendar Events		One Year Performance Chart	
Q1'22	2022-05-12		

Key Figures (mkr)		Analysts	
Number of shares	6m	rikard.engberg@penser.se	
Market cap	202		
Net debt	(1)		
EV	201		
Average number of daily traded shares	8(k)		
Reuters/Bloomberg	EVERY A:SS		



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## Overview

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### Positioning for growth

#### Investment Case

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EverySport Media Group (ESMG) is a Swedish media group with a focus on sports. The company differs from traditional Swedish media groups as it is entirely digital and has built up a number of strong brands and assets in niche media focused on sports. In addition to being a digital media group, ESGM owns a world-leading ice hockey database, called Elite Prospects, that functions as a social network for players. It is also a leading operator of padel facilities. We believe that the market is failing to appreciate the strong cash flows that the company has acquired and we therefore see a fair value of SEK 55–57.

#### Company Profile

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ESMG owns and operates a number of niche sports websites. These focus on specific sports or fans of specific teams. The websites follow a macro trend in the media landscape of new digital media groups occupying a space that traditional media like newspapers and TV have exited for cost reasons. One example of this is that ESGM owns Sweden's largest floorball site, a sport that finds little space in traditional media. By controlling a flexible platform, ESGM can find new niches to establish itself in. In Q3, for example, it set up Sweden's first dedicated news website for the fast-growing sport of padel. The company also owns a world-leading database (Elite Prospects) for ice hockey players that functions as a social network in the sport.

Another interesting aspect of ESGM is that it has come some way on its journey from being free and using advertising revenue as its main income stream, to relying on paying users. We anticipate that an increasing share of advertising spend will go to platform companies like Google and Facebook, making it difficult for smaller players to make a living from advertising. By being relatively digital and young, ESGM does not have the same legacy of advertising-heavy revenue as established media groups.

By owning Elite Prospects and having a high proportion of subscribers on its websites, the company has succeeded in building up a relatively high recurring revenue base that we believe is not reflected in the valuation of the company. At present, it is valued at a cash flow yield around 14% for the coming years. We believe this cash flow could be used to grow through acquisitions.

The acquisition of Klöver Padel strengthens the company's cash flows since operating padel facilities is profitable and has a short payback for the property owner, in this case real estate company Klöver. We see synergies with the company's digital assets in areas such as cross-marketing.

#### Valuation approach

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We have chosen two different methods for valuing ESGM: a discounted cash flow analysis and a sum of the parts valuation. Both of these indicate a significant upside compared to today's share price levels. We estimate that the share could reach our fair value of SEK 55–57 given the four conditions below.

- **Prove the scalability of its media platform** by launching more niche sites and growing with existing editorial resources.
- **Reduce the share of volatile advertising revenue in B2B.** We anticipate that a large part of the advertising market will be gobbled up by platform companies such as Google and Facebook. If ESGM is able to show that it can reduce its dependence on the volatile advertising market, we see reasons for a significant appreciation in the share.



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## Positioning for growth

- **Continued high growth in Elite Prospects.** We see Elite Prospects as an important value driver in the coming years, given the strong expansion and the high gross margin for the service.
- **Continued growth and high demand in padel sport.** We believe that Every Padel will continue to be a cash cow, assuming the current popularity of padel continues.

### Target Price

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We see a fair value of SEK 55–57. See reasoning above. We consider the risk to be relatively low given the company's strong financial position and high degree of recurring revenue.

### Largest Shareholders

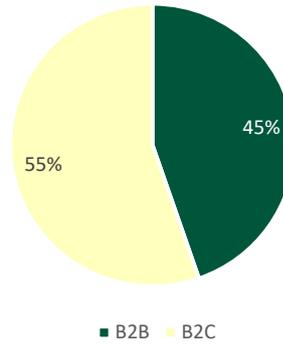
Menmo2 AB	20,7%
Nordic Growth Capital AB	15,7%
Klövern AB	10,5%
Hannes Andersson	7,0%
Rest	68,9%

Chairman of the Board	Paul Fischbein
CEO	Hannes Andersson
CFO	Lisa Villman
IR	Hannes Andersson

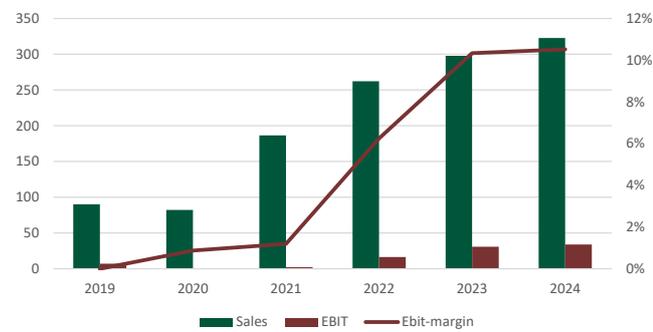
### Shares

### Segments Q4'21

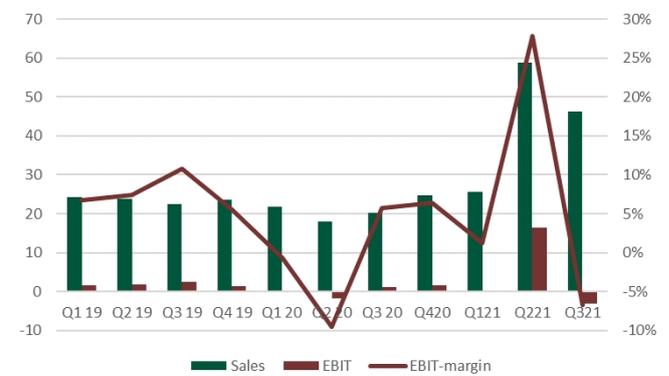


### EPB

### Sales and EBIT (y/y)



### Sales and EBIT (q/q)



### Estimate changes %

	2021	2022	2023
Sales	0%	7%	6%
EBITDA	0%	-9%	7%
EBIT	nm	-48%	-17%
EPS	nm	-68%	-40%

### Estimate changes mkr

	2021	2022	2023
Sales	0	16	17
EBITDA	-6	-6	5
EBIT	-18	-15	-6
EPS			

## The quarter in detail

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Sales in the B2B segment amounted to SEK 26.6 million vs our estimate of SEK 18.5 million. This figure corresponds to growth of 73%, of which 39% was organic. The growth is explained by a continued strong advertising market, and is now on par with levels before the pandemic.

Sales in the B2C segment amounted to SEK 32.9 million. This figure corresponds to growth of 295%. Subscription revenues are rising by about 30% y/y, and the number of subscribers in Elite Prospects amounted to 12,616, which was in line with our estimate. The company reported for the first time the total number of subscribers for the group, which amounted to 23,244. Total revenue from the B2C segment, excluding Every Padel, was higher than our estimate.

Revenues from Every Padel amounted to SEK 23.8 million. EBIT from the segment amounted to SEK -3.7 million. Profits were charged with high depreciation linked to IFRS 16 as well as start-up costs.

EBITDA for the quarter amounted to SEK 8.3 million vs our estimate of SEK 17 million. The difference is explained by a higher cost base. During Q4, the company increased recruitment to continue to grow in all segments.

EBIT amounted to SEK -6.2 million vs our estimate of SEK 8.3 million. The discrepancy is largely explained by higher depreciation related to lease liabilities.

## Estimate changes

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We are increasing our revenue estimates by about 6% for future years based on three factors:

**Stronger advertising market:** We are upping our assumptions for growth in advertising revenue from 8% to 10% in coming years, and from 5% to 8% for 2023. The reason for this is a continued strong advertising market due to normalization after the pandemic, and a big sporting year with the soccer World Cup. We also estimate that ESMG will be able to charge more for its ads as the number of paying users grows.

**Increased growth in subscriber numbers:** We have previously underestimated the number of subscribers outside Elite Prospects. Now that we know this number, we are raising our estimates for their growth.

**Adjustment of growth in the Every Padel segment:** Since we are changing the methodology for estimating revenue from the padel business, we have made minor adjustments to our revenue estimates.

### Changes to profitability estimates

After having reviewed the reporting of the company's leasing commitments and lease liabilities, we have made relatively large changes for depreciation. As the company will continue to grow its padel business, we are raising our assumptions for depreciation from an average of SEK 30 million to SEK 41 million.

These changes, and a higher cost base, mean that we have lowered our estimates for EBIT by an average of SEK 11 million during the period 2022–2023. EBITDA rises by an average of 6.5% as a result of depreciation being a higher part of the cost base plus the increased revenue estimates.

## Valuation reasoning

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To reflect the increased volatility in the market and multiple contraction among our peer group, we have lowered our fair value from SEK 61–63 to SEK 53–57.

We have chosen to apply a sum-of-the-parts model (SOTP) to value ESGM. We consider this to be the best method as the company's different business areas have different volatility and potential profitability. The SOTP is based on our 2024 estimates and is then discounted back to the present.

To value Elite Prospects and B2C media, we have looked at a number of companies that offer subscription services to consumers. We have previously made a comparison with media groups, but believe that this new peer group is more representative. Media groups Schibsted and New York Times are traded at around EV/Sales 3x, which is in line with our valuation.

## Changed valuation assumptions

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Vi ändrar vår diskonteringsränta från 15% till 18% för att reflektera ökad osäkerhet på marknaden.

We have changed our discount rate from 15% to 18% to reflect increased uncertainty in the market.

**Elite Prospects:** Given the strong growth in subscriber numbers, we believe that Elite Prospects should be valued at 3.5x against the previous 4x EV/sales, which gives a present value of approximately SEK 9.3 per share.

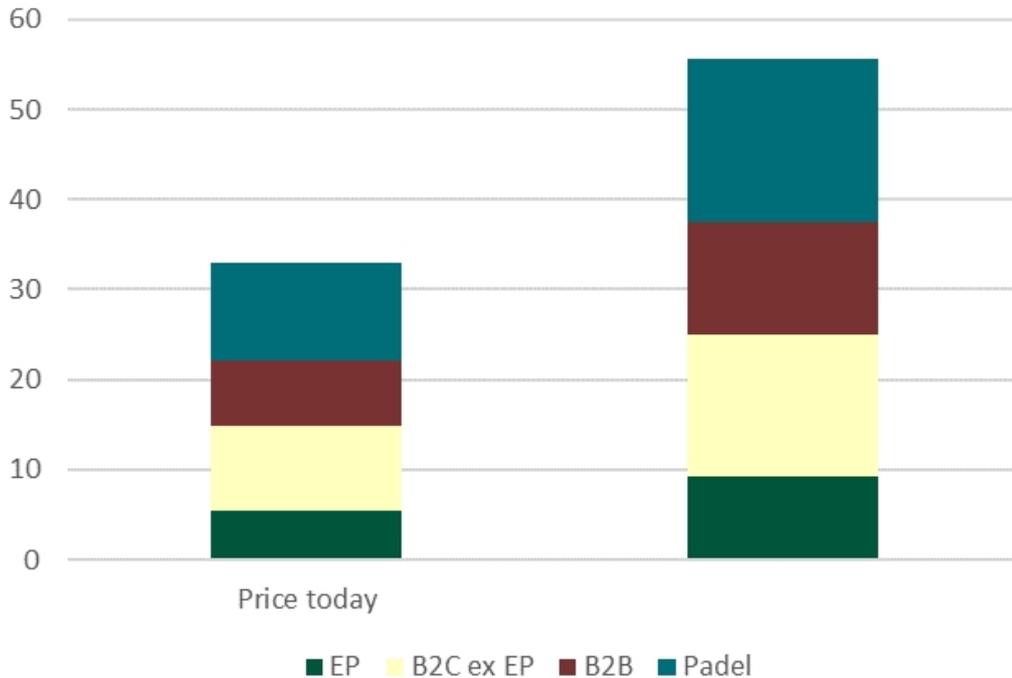
**B2C excluding Elite Prospects:** We estimate that these revenues and subscribers have a higher churn rate than Elite Prospects. We have therefore chosen to value the revenues at 2x sales, against the previous 2.5x sales. Discounted to the present, this gives about SEK 16 per share.

**B2B:** These revenues have historically shown the highest volatility, which means that we value them at the lowest multiple, 1.25x against the previous 1.5x sales 2024, which corresponds to approximately SEK 12.5 per share at present.

**Padel:** Given that this business area is the newest and has the shortest history, we value it at 1x EV/sales 2024, which gives approximately SEK 18 per share. Raising this valuation would require a longer history and data on how profitable the business area is. For 2020, Klöver Padel's operating margin amounted to 14%. If these levels can be reached, it would justify a higher valuation.

In summary, we see a fair value of SEK 53–57. This value is supported by a DCF analysis. However, we prefer the SOTP methodology as forecasts for depreciation linked to leasing and capitalization of leases disrupt the cash flow forecast beyond our forecast period. Given the high required rate of return in our SOTP analysis, we believe that we have adjusted for the commercial risk in the various business areas.

## SOTP analysis



## 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
Nordic Entertainment Grc	24 668	22 790	1,80x	1,41x	1,16x	26,4x	44,4x	16,8x	42,4x	115,0x	21,9x	73,9x	224,4x	30,2x
Sleep Cycle	1 019	856	4,68x	3,72x	2,91x	70,7x	17,8x	12,8x	85,0x	19,5x	14,2x	2,1x	33,2x	23,4x
Storytel	6 145	5 224	1,90x	1,39x	1,16x	-	(78,5x)	45,5x	-	(17,1x)	(26,6x)	(14,8x)	-	-
Match Group, Inc.	302 082	331 374	11,82x	10,03x	8,52x	38,1x	28,0x	23,0x	41,3x	35,0x	27,3x	130,4x	42,7x	34,1x
Spotify Technology	275 219	252 560	2,34x	2,06x	1,76x	99,1x	131,9x	51,1x	223,7x	1827,0x	108,9x	(756,9x)	2531,0x	131,2x
Walt Disney	2 566 836	3 050 433	4,46x	3,82x	3,45x	30,2x	20,4x	17,6x	57,1x	25,3x	21,1x	88,7x	33,4x	26,8x
Netflix	1 635 869	1 745 319	6,25x	5,56x	4,92x	9,8x	25,7x	20,6x	29,5x	28,2x	21,9x	34,8x	35,9x	27,7x
<b>Mean</b>			<b>9,38x</b>	<b>4,54x</b>	<b>3,75x</b>	<b>45,7x</b>	<b>27,5x</b>	<b>25,6x</b>	<b>79,9x</b>	<b>259,0x</b>	<b>26,2x</b>	<b>(63,1x)</b>	<b>424,3x</b>	<b>43,7x</b>
<b>Median</b>			<b>4,57x</b>	<b>3,77x</b>	<b>3,18x</b>	<b>34,2x</b>	<b>26,9x</b>	<b>19,1x</b>	<b>49,8x</b>	<b>31,6x</b>	<b>21,5x</b>	<b>34,8x</b>	<b>42,7x</b>	<b>30,2x</b>

Margins	Gross Income			EBITDA			EBIT			Net Income		
	LTM	2022	2023	LTM	2022	2023	LTM	2022	2023	LTM	2022	2023
Nordic Entertainment Group	25,3%	20,6%	21,6%	6,8%	3,2%	6,9%	4,2%	1,2%	5,3%	2,9%	0,7%	4,2%
Sleep Cycle	29,5%	77,1%	77,6%	6,6%	20,8%	22,8%	5,5%	19,0%	20,6%	4,4%	15,0%	16,4%
Storytel	-14,6%	46,7%	47,4%	-8,1%	-1,8%	2,5%	-14,6%	-8,2%	-4,3%	-15,0%	-8,8%	-5,4%
Match Group, Inc.	69,5%	71,3%	71,7%	30,9%	35,8%	37,0%	28,5%	28,7%	31,2%	9,3%	20,9%	23,0%
Spotify Technology	26,6%	26,6%	27,4%	2,3%	1,6%	3,5%	1,0%	0,1%	1,6%	-0,3%	0,1%	1,5%
Walt Disney	27,5%	20,1%	20,9%	14,8%	18,8%	19,5%	7,8%	15,1%	16,3%	4,3%	7,5%	10,7%
Netflix	41,6%	41,0%	42,8%	62,7%	21,6%	23,9%	20,9%	19,7%	22,5%	17,2%	14,8%	17,1%
<b>Mean</b>	<b>27,3%</b>	<b>43,7%</b>	<b>44,4%</b>	<b>8,9%</b>	<b>13,1%</b>	<b>15,4%</b>	<b>5,4%</b>	<b>9,3%</b>	<b>11,8%</b>	<b>0,9%</b>	<b>5,9%</b>	<b>8,4%</b>
<b>Median</b>	<b>27,1%</b>	<b>36,6%</b>	<b>37,4%</b>	<b>6,7%</b>	<b>11,0%</b>	<b>13,2%</b>	<b>4,9%</b>	<b>8,2%</b>	<b>10,8%</b>	<b>3,6%</b>	<b>4,1%</b>	<b>7,4%</b>

Growth	Sales			EBITDA			EBIT			Net Income		
	LTM	2022	2023	LTM	2022	2023	LTM	2022	2023	LTM	2022	2023
Nordic Entertainment Group	3,0%	27,7%	21,2%	-13,9%	-45,5%	164,8%	-35,1%	-69,3%	425,2%	-87,3%	-66,1%	641,3%
Sleep Cycle	-	25,5%	27,6%	-78,7%	293,9%	39,4%	-82,1%	311,1%	38,0%	-81,6%	328,1%	39,7%
Storytel	17,3%	66,4%	20,4%	90,7%	nm	nm	78,9%	nm	nm	123,5%	nm	nm
Match Group, Inc.	-	17,9%	17,8%	16,0%	17,8%	21,9%	14,2%	18,4%	28,3%	-44,0%	164,7%	29,6%
Spotify Technology	26,7%	17,7%	16,5%	-244,1%	-19,8%	158,3%	-138,1%	-86,4%	1577,3%	-93,9%	nm	1302,8%
Walt Disney	19,2%	18,7%	16,0%	0,3%	16,2%	17,2%	-6,5%	31,3%	25,0%	-6,4%	26,9%	27,3%
Netflix	-	-	-	-	-	-	-	-	-	-	-	-
<b>Mean</b>	<b>16,6%</b>	<b>29,0%</b>	<b>19,9%</b>	<b>-38,3%</b>	<b>52,5%</b>	<b>80,3%</b>	<b>-28,1%</b>	<b>41,0%</b>	<b>418,8%</b>	<b>-31,6%</b>	<b>113,4%</b>	<b>408,2%</b>
<b>Median</b>	<b>18,3%</b>	<b>22,1%</b>	<b>19,1%</b>	<b>-6,8%</b>	<b>16,2%</b>	<b>39,4%</b>	<b>-20,8%</b>	<b>18,4%</b>	<b>38,0%</b>	<b>-62,8%</b>	<b>95,8%</b>	<b>39,7%</b>

EPB, Factset

# DCF

## DCF - GROWING FCF PERPETUITY FORMULA

Valuation output			
Sum of PV of FCF (explicit period)	121		
PV of terminal value (perpetuity formula)	207		
<b>Enterprise value</b>	<b>328</b>		
Latest net debt	-1		
Minority interests & other	0		
<b>Equity value</b>	<b>329</b>		
No. of shares outstanding (millions)	6		
<b>Equity value per share (SEK)</b>	<b>54</b>		
Implicit multipl.			
	2021	2022	2023
EV/Sales	1.8	1.3	1.1
EV/EBITDA	10.0	5.6	4.6
EV/EBIT	-87.6	31.5	13.9
EV/NOPLAT	-112.3	40.4	17.9
P/E			
ROIC/WACC			
Current Share price	33.2		

WACC assumptions	
Risk free nominal rate	0.4%
Risk premium	7.0%
Extra risk premium	2.5%
Beta	1.0
Cost of equity	9.9%
Cost of debt (pre-tax)	3.0%
Tax rate	22%
Target debt/(debt + equity)	0%
WACC	9.9%

Terminal value assumptions	
Long term growth rate	2.0%
Long term EBIT margin	12.0%
Depreciation (% of sales)	5.0%
Capex (% of sales)	4.0%
Working cap. (% of sales)	-2.6%
Tax rate	22%

Sensitivity analysis					
Long-term growth rate					
	1.0%	1.5%	2.0%	2.5%	3.0%
WACC 9.0%	56	60	64	68	74
9.5%	51	55	58	62	67
10.0%	47	50	53	56	60
10.5%	44	46	49	52	55
11.0%	41	43	45	47	50
Long-term EBIT margin					
	7.0%	9.5%	12.0%	14.5%	17.0%
WACC 9.0%	42	53	64	74	85
9.5%	39	48	58	68	77
10.0%	36	44	53	62	71
10.5%	33	41	49	57	65
11.0%	30	38	45	52	60

DCF (SEKm)	2022-02-28	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
Sales		90	82	186	262	298	323	346	368	387	402	417	432	445	457	467	477
EBITDA		11	5	33	38	71	74	35	40	46	49	54	59	65	70	76	81
- Depreciation		-4	-4	-31	-42	-40	-40	-7	-9	-10	-12	-14	-16	-18	-20	-22	-24
= EBIT*		7	1	-4	10	24	25	28	31	34	37	40	44	47	51	54	57
- Tax on EBIT		-2	0	1	-2	-5	-5	-6	-7	-8	-8	-9	-10	-10	-11	-12	-13
= NOPLAT		6	1	-3	8	18	19	22	24	27	29	31	34	37	39	42	45
+ Depreciation**		4	4	6	6	6	6	7	9	10	12	14	16	18	20	22	24
= Gross cash flow		10	5	3	14	24	25	29	33	37	41	45	50	54	59	64	68
- Capex****		3	-1	-6	-12	-12	-12	-13	-14	-14	-15	-16	-16	-17	-18	-18	-19
- Increase (+decrease) in WC		-4	6	-8	-15	-2	-1	1	1	1	0	0	0	0	0	0	0
= Free cash flow from operations		2	9	-12	-12	11	12	17	20	23	26	30	34	38	42	46	50
PV of cash flow				-12	-12	9	9	12	13	13	14	14	15	15	15	15	207
% of Enterprise value				-4%	-4%	3%	3%	4%	4%	4%	4%	4%	4%	5%	5%	5%	63%
Accumulated % of Enterprise value				-4%	-7%	-4%	-2%	2%	6%	10%	14%	19%	23%	28%	32%	37%	100%

Key figures	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Sales growth	-8.7%	126.5%	40.6%	13.7%	8.3%	7.3%	6.2%	5.1%	4.1%	3.7%	3.4%	3.0%	2.7%	2.3%	2.0%	
EBITDA margin	6%	18%	22%	26%	22.9%	10.2%	10.9%	11.5%	12.1%	13.0%	13.8%	14.6%	15.4%	16.2%	17.0%	
EBITDA growth	-58%	402%	78%	21%	4.5%	-52.2%	12.9%	11.4%	9.9%	10.7%	9.8%	9.1%	8.4%	7.7%	7.1%	
EBIT margin	1%	-2%	4%	8%	7.7%	8.1%	8.5%	8.8%	9.2%	9.7%	10.1%	10.6%	11.1%	11.5%	12.0%	
Depreciation (% of sales)	4.8%	3.2%	2.3%	2.0%	1.9%	2.1%	2.4%	2.7%	2.9%	3.3%	3.6%	4.0%	4.3%	4.7%	5.0%	
Capex (% of sales)	1.6%	3.4%	4.6%	4.0%	3.7%	3.7%	3.7%	3.7%	3.7%	3.8%	3.8%	3.9%	3.9%	4.0%	4.0%	
Capex (% of depreciation)	34%	105%	200%	200%	200%	174%	155%	139%	126%	114%	105%	97%	90%	85%	80%	
Working capital (% of sales)	0%	-2%	-3%	-3%	-3%	-3%	-3%	-3%	-3%	-3%	-3%	-3%	-3%	-3%	-3%	
Tax rate	22%	22%	22%	22%	22%	22%	22%	22%	22%	22%	22%	22%	22%	22%	22%	

Källa: EPB

## Income statement

	2019A	2020A	2021A	2022E	2023E	2024E
<b>Net sales</b>	<b>90</b>	<b>82</b>	<b>186</b>	<b>262</b>	<b>298</b>	<b>323</b>
Other income	4	2	4	0	0	0
Cost of goods sold	-9	-9	-31	-37	-45	-49
<b>Gross profit</b>	<b>85</b>	<b>76</b>	<b>160</b>	<b>225</b>	<b>253</b>	<b>274</b>
Personnel costs	-41	-39	-72	-85	-94	-104
Other operating costs	-34	-32	-56	-81	-88	-96
<b>EBITDA</b>	<b>11</b>	<b>5</b>	<b>33</b>	<b>58</b>	<b>71</b>	<b>74</b>
Depreciation/amortisation	-4	-4	-31	-42	-40	-40
Impairments	0	0	0	0	0	0
<b>EBIT (adjusted)</b>	<b>7</b>	<b>1</b>	<b>2</b>	<b>16</b>	<b>31</b>	<b>34</b>
Items affecting comparability	0	0	0	0	0	0
<b>EBIT</b>	<b>7</b>	<b>1</b>	<b>2</b>	<b>16</b>	<b>31</b>	<b>34</b>
Financial income	0	0	0	0	0	0
Financial expenses	-1	-1	-5	-6	-7	-9
<b>Profit before tax</b>	<b>6</b>	<b>0</b>	<b>-2</b>	<b>10</b>	<b>24</b>	<b>25</b>
Tax	0	1	-2	-2	-5	-5
Minority interests	0	0	0	0	0	0
<b>Net profit (reported)</b>	<b>6</b>	<b>1</b>	<b>-5</b>	<b>8</b>	<b>19</b>	<b>20</b>
<b>Net profit (adjusted)</b>	<b>6</b>	<b>1</b>	<b>-5</b>	<b>8</b>	<b>19</b>	<b>20</b>

## Balance sheet

	2019A	2020A	2021A	2022E	2023E	2024E
<b>Assets</b>						
Other intangible assets	5	5	5	5	5	5
Trademarks	0	0	2	2	2	2
Goodwill	28	28	82	82	82	82
Property, plant and equipment	0	0	9	9	9	9
Improvement on others property	0	0	3	3	3	3
Right-of-use assets	2	5	202	200	220	260
Deffered tax asset	0	0	0	0	0	0
tax assets	2	5	4	4	4	4
Other long-term receivables	0	0	1	1	1	1
<b>Total fixed asset</b>	<b>39</b>	<b>43</b>	<b>306</b>	<b>304</b>	<b>324</b>	<b>364</b>
Inventory	0	0	1	2	2	2
Trade and other receivables	7	8	17	21	23	25
Other current receivables	2	1	5	5	5	5
Prepaid expenses and accrued income	4	5	15	15	15	15
<b>Total current receivables</b>	<b>13</b>	<b>14</b>	<b>37</b>	<b>43</b>	<b>45</b>	<b>47</b>
Cash and cash equivalent	3	10	10	46	103	161
<b>Total Assets</b>	<b>54</b>	<b>67</b>	<b>353</b>	<b>393</b>	<b>472</b>	<b>572</b>
<b>Equity</b>	<b>22</b>	<b>23</b>	<b>72</b>	<b>80</b>	<b>99</b>	<b>119</b>
Deferred tax liabilities	0	1	1	1	1	1
Other liabilities to credit institutions	2	5	5	5	5	5
Other long-term liabilities	5	5	4	4	4	4
Long-term lease liabilities	1	4	168	208	268	348
<b>Total long-term liabilities</b>	<b>8</b>	<b>14</b>	<b>178</b>	<b>218</b>	<b>278</b>	<b>358</b>
Other liabilities to credit institutions	1	1	4	4	4	4
Checking account	0	0	0	0	0	0
<b>Sum short term financial liabilities</b>	<b>0</b>	<b>1</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
Trade and other payables	3	4	15	6	6	7
Current tax liabilities	0	1	3	3	3	3
Other current liabilities	3	9	11	11	11	11
Short-term lease liabilities	2	1	45	46	46	46
Accrued expenses and prepaid income	15	14	26	26	26	26
<b>Total current liabilities</b>	<b>23</b>	<b>31</b>	<b>104</b>	<b>95</b>	<b>96</b>	<b>96</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>54</b>	<b>67</b>	<b>353</b>	<b>393</b>	<b>472</b>	<b>572</b>

## Cash flow

	2019A	2020A	2021A	2022E	2023E	2024E
Net profit (reported)	6	1	-5	8	19	20
Non-cash items	4	2	29	42	40	40
Changes in working capital	-4	6	-8	-15	-2	-1
<b>Cash flow from operating activities</b>	<b>7</b>	<b>9</b>	<b>16</b>	<b>36</b>	<b>57</b>	<b>58</b>
Investments	-3	-1	-6	-40	-60	-80
Disposals	0	0	0	0	0	0
<b>Free cash flow</b>	<b>3</b>	<b>8</b>	<b>9</b>	<b>-4</b>	<b>-3</b>	<b>-22</b>
Dividends	0	0	0	0	0	0
Share issues/buybacks	0	4	9	0	0	0
Purchases	0	0	0	0	0	0
Debt financing and other adjustments	-4	-4	-18	40	60	80
<b>Cash flow</b>	<b>-1</b>	<b>7</b>	<b>0</b>	<b>36</b>	<b>57</b>	<b>58</b>
Omräkningsdifferenser i likvida medel	0	0	0	0	0	0
<b>Net Debt (Inc. IFRS 16)</b>	<b>8</b>	<b>6</b>	<b>217</b>	<b>222</b>	<b>225</b>	<b>246</b>

## KPIs

	2019A	2020A	2021A	2022E	2023E	2024E
Sales growth	n.m	-9%	126%	41%	14%	8%
EBIT-growth, adjusted (ex IFRS 16)	n.m	-58%	n.m	638%	88%	10%
EPS-growth, adj	n.m	-92%	718%	n.m	126%	6%
Gross margin	n.m	92,3%	85,9%	85,8%	84,8%	84,8%
EBITDA-margin (inc. IFRS 16)	n.m.	5,7%	17,6%	22,3%	23,8%	22,9%
EBIT-margin (justerad, inkl. IFRS 16)	n.m.	0,9%	1,2%	6,2%	10,3%	10,5%
Tax rate	n.m.	834%	24%	21%	21%	21%
	2019A	2020A	2021A	2022E	2023E	2024E
ROE, adj			-7%	10%	19%	17%
ROCE, adj. (inc. IFRS 16)	0%	0%	1%	5%	7%	7%
	2019	2020A	2021A	2022E	2023E	2024E
P/E, adj	32,4x	341,8x	-42,4x	24,3x	10,8x	10,2x
P/Equity	8,9x	8,9x	2,8x	2,5x	2,0x	1,7x
P/FCF (adj. For leasing)		25,4x	41,0x	9,7x	4,5x	4,2x
EV/Sales (ex IFRS 16)	2,2x	2,4x	1,1x	0,8x	0,7x	0,6x
EV/Sales (inc IFRS 16)	2,2x	2,5x	2,2x	1,5x	1,4x	1,8x
EV/EBITDA (ex IFRS 16)	18,0x	42,8x	6,1x	3,4x	2,8x	2,7x
EV/EBITDA (inc. IFRS 16)	18,2x	43,9x	12,6x	7,8x	7,3x	8,0x
EV/EBIT, adj. (ex IFRS 16)	0,0x	270,8x	90,1x	12,2x	6,5x	5,9x
EV/EBIT, adj. (inc. IFRS 16)	0,0x	277,8x	186,1x	27,7x	16,7x	17,5x
EV, årets slut (ex IFRS 16)		200	200	200	200	200
EV, årets slut (inkl. IFRS 16)		205	413	453	513	593

## Quarterly statements

	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q420	Q121	Q221	Q321	Q421
<b>Net sales</b>	<b>24,2</b>	<b>23,9</b>	<b>22,5</b>	<b>23,6</b>	<b>21,7</b>	<b>17,9</b>	<b>20,2</b>	<b>24,8</b>	<b>25,5</b>	<b>58,8</b>	<b>46,3</b>	<b>60,3</b>
Other income	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Cost of goods sold	-3,2	-2,0	-1,9	-1,6	-2,4	-1,7	-2,1	-2,5	-2,7	-8,5	-9,1	-10,5
<b>Gross profit</b>	<b>20,9</b>	<b>21,9</b>	<b>20,5</b>	<b>22,0</b>	<b>19,3</b>	<b>16,2</b>	<b>18,1</b>	<b>22,3</b>	<b>22,9</b>	<b>50,3</b>	<b>37,2</b>	<b>49,8</b>
Other external costs	-8,2	-9,0	-8,2	-8,1	-8,1	-9,1	-6,8	-8,1	-8,5	-16,0	-12,2	-18,9
Personnel costs	-10,4	-10,3	-9,2	-10,7	-10,4	-7,9	-9,2	-11,5	-12,7	-17,9	-18,4	-22,6
<b>EBITDA</b>	<b>2,3</b>	<b>2,5</b>	<b>3,2</b>	<b>3,2</b>	<b>0,8</b>	<b>-0,8</b>	<b>2,1</b>	<b>2,7</b>	<b>1,6</b>	<b>16,4</b>	<b>6,6</b>	<b>8,3</b>
Depreciation/amortisation	-0,7	-0,7	-0,8	-1,9	-0,9	-0,9	-0,9	-1,1	-1,3	0,0	-9,7	-10,8
<b>EBIT</b>	<b>1,6</b>	<b>1,8</b>	<b>2,4</b>	<b>1,3</b>	<b>-0,1</b>	<b>-1,7</b>	<b>1,2</b>	<b>1,6</b>	<b>0,3</b>	<b>16,4</b>	<b>-3,1</b>	<b>-2,5</b>
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
<b>EBIT (adjusted)</b>	<b>1,6</b>	<b>1,8</b>	<b>2,4</b>	<b>1,3</b>	<b>-0,1</b>	<b>-1,7</b>	<b>1,2</b>	<b>1,6</b>	<b>0,3</b>	<b>16,4</b>	<b>-3,1</b>	<b>-2,5</b>
Financial expenses	-0,2	-0,2	-0,2	-0,1	-0,2	-0,1	-0,2	-0,1	0,2	-1,4	-1,6	-1,8
<b>Profit before tax</b>	<b>1,4</b>	<b>1,6</b>	<b>2,2</b>	<b>1,2</b>	<b>-0,4</b>	<b>-1,8</b>	<b>1,0</b>	<b>1,4</b>	<b>0,5</b>	<b>15,0</b>	<b>-4,7</b>	<b>-4,3</b>
Tax	0,0	0,0	0,0	-0,2	0,0	-0,2	-0,5	1,4	0,0	-2,0	1,5	-1,3
Minority interests	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
<b>Net profit (reported)</b>	<b>1,5</b>	<b>1,6</b>	<b>2,3</b>	<b>1,0</b>	<b>-0,4</b>	<b>-2,1</b>	<b>0,5</b>	<b>2,9</b>	<b>0,5</b>	<b>12,9</b>	<b>-3,1</b>	<b>-5,6</b>
<b>Net profit (adjusted)</b>	<b>1,5</b>	<b>1,6</b>	<b>2,3</b>	<b>1,0</b>	<b>-0,4</b>	<b>-2,1</b>	<b>0,5</b>	<b>2,9</b>	<b>0,5</b>	<b>12,9</b>	<b>-3,1</b>	<b>-5,6</b>

	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q420	Q121	Q221	Q321	Q421
Sales growth					-10%	-25%	-10%	5%	18%	228%	129%	143%
EBIT growth (adjusted)					-109%	-197%	-52%	22%	-308%	-1055%	-369%	n.m.
Gross margin	87%	92%	91%	93%	89%	91%	90%	90%	90%	86%	80%	83%
EBITDA margin (excluding IFRS 16)	10%	10%	14%	14%	4%	-4%	10%	11%	6%	28%	14%	14%
EBIT margin (adjusted)	7%	7%	11%	5%	-1%	-10%	6%	6%	1%	28%	-7%	-4%

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