



## ERIK PENSER BANK

Penser Access | Media Conglomerates | Sweden | 18 May 2022

# EverySPORT Media Group

## Sales doubled but challenges on the padel court

### Sales doubled

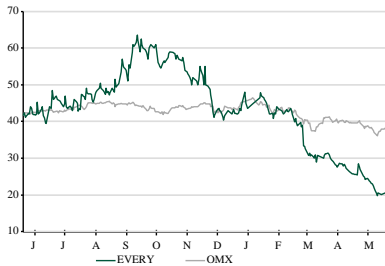
Sales doubled y/y to SEK 50m (26), driven mainly by acquisitions including Every Padel, along with organic growth of 12%. EBITDA rose to SEK 5.6m (1.6), also largely driven by acquisition of the padel business, which has large depreciation items, and EBIT ended at SEK -5.6m (0.5). Sales were below our estimate of SEK 69m, as we overestimated turnover in Every Padel, which experienced challenges in one area.

### Every Media stronger

ESMG is working to optimize the padel business to boost profitability in a market under consolidation. Every Media delivered and rose by 26% with a strong trend in paying subscribers and increased ad revenues driven by factors including higher site activity and good conversion of marketing investments. ESGM is in a growth phase, both within new segments and internationally.

### Estimate and multiple adjustments

We have slightly adjusted our assumptions for Every Padel based on performance during the quarter. We have also adjusted the multiples in our SOTP valuation slightly downwards to reflect the multiple contraction that has occurred among peers. As a result, we end up with a fair value of SEK 48-51 (55-57), which provides an upside of about 150% from today's levels.

Estimate Changes (kr)				Estimates (kr)					Risk and Potential	
	Now	Before			21	22e	23e	24e	Motivated value	48.0 - 51.0
EPS, adjusted 22e	-1	1.4	-172.6%	Sales, mkr	186	236	270	296	Current price	SEK20.1
EPS, adjusted 23e	0.9	3.1	-69.4%	Growth	126%	26%	14%	10%	Risk level	Medium
EPS, adjusted 24e	1.3	2.5	-48.7%	EBITDA, mkr	33	43	54	58	<div>One Year Performance Chart</div> 	
<div>Calendar Events</div> <div>Q2 Report 2022</div> <div>Q3 Report 2022</div> <div>Q4 Report 2022</div>				EBIT, mkr	2	1	14	18		
				EPS, adjusted	(0.8)	(1.0)	0.9	1.3		
				Equity/share	11.8	10.9	11.8	13.1		
				Dividend/share	0.0	0.0	0.0	0.0		
				EBIT margin	1.2%	0.2%	5.2%	6.0%		
<div>Key Figures (mkr)</div> <div>Number of shares</div> <div>Market cap</div> <div>Net debt</div> <div>EV</div> <div>Average number of daily traded shares</div> <div>Reuters/Bloomberg</div>				ROE	10.8%	24.5%	23.1%	27.4%	<div>Analysts</div> <div>henrik.holmer@penser.se</div>	
				ROCE	9.5%	14.4%	15.1%	19.8%		
				EV/Sales	0.6x	0.5x	0.4x	0.4x		
				EV/EBITDA	3.6x	2.7x	2.2x	2.0x		
				EV/EBIT	52.8x	224.3x	8.3x	6.6x		
				P/E, adjusted	(25.8)x	(20.4)x	21.4x	15.6x		
				P/Equity	1.7x	1.8x	1.7x	1.5x		
				Dividend yield	0.0%	0.0%	0.0%	0.0%		
				FCF yield	4.1%	15.8%	25.8%	28.5%		
				Net debt/EBITDA	(0.7)g	(1.1)g	(1.6)g	(2.4)g		



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# Overview

## Sales doubled but challenges on the padel court

### Investment Case

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 48-51.

### Company Profile

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 2021, 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.

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

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 48-51 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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## Sales doubled but challenges on the padel court

- **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.
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### Target Price

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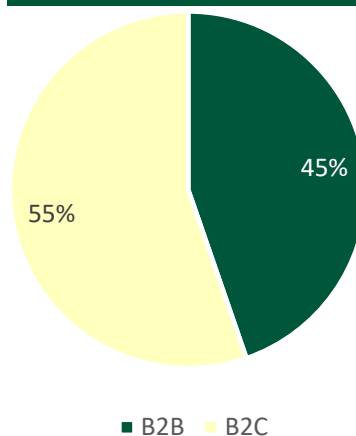
We see a fair value of SEK 48-51. See reasoning above. We consider the risk to be relatively low given the company's strong financial position and high degree of recurring revenue.

## Shareholders

Largest Shareholders		Shares
Menmo2 AB		20,7%
Nordic Growth Capital AB		15,7%
Klövern AB		10,5%
Hannes Andersson		6,4%
Rest		46,7%
Chairman of the Board		Paul Fischbein
CEO		Hannes Andersson
CFO		Alexander Rödström
IR		Hannes Andersson

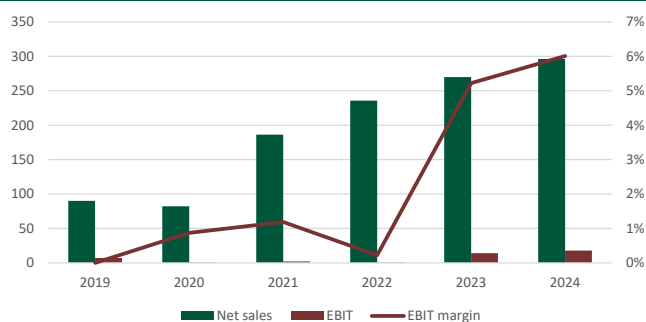
## Holdings

## Segments



## ESMG

## Sales and EBIT, yearly

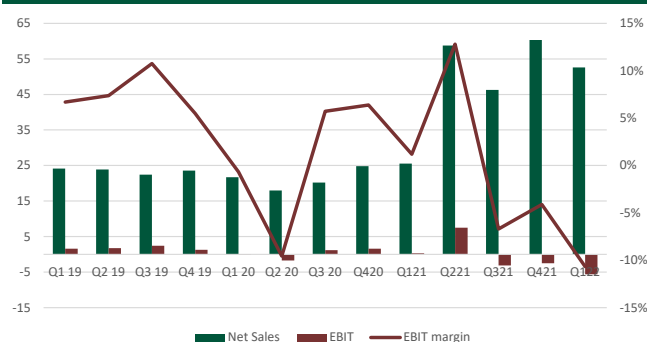


## EPB

	Estimate changes %		
	2022	2023	2024
Sales	-10%	-10%	-8%
EBITDA	-26%	-24%	-22%
EBIT	-97%	-55%	-48%
EPS	-171%	-70%	-61%
	Estimate changes mSEK		
	Sales	-27	-28
	EBITDA	-15	-17
	EBIT	-16	-17

## EPB

## Sales and EBIT, quarterly



## EPB

## The quarter in detail

Sales doubled y/y to SEK 50.3 million (25.5), driven mainly by acquisitions including Every Padel, and organic growth was 12%. EBITDA rose to SEK 5.6 million (1.6), also largely driven by acquisition of the padel business, which has large depreciation items, and EBIT ended at SEK -5.6m (0.5).

Sales were below our estimate of SEK 69 million, as we had overestimated turnover in Every Padel, which also had profitability challenges in a single padel centre and investments and start-up costs for new facilities. ESMG is working to optimize the centres to boost profitability within Every Padel. We believe this can be done by means including reducing personnel costs and renegotiating supplier agreements, and that the effects of these efforts will become fully apparent towards the late autumn.

But Every Media delivered and rose by 26% with a strong trend in paying subscribers and higher ad revenues. This is driven by factors including good content and good conversion of new marketing investments in Sweden and abroad. The ad market was strong, regardless of global uncertainty, and has returned to pre-pandemic levels. Elite Prospects is still delivering and has 1.5 million visitors a week and almost 14,000 paying subscribers. We see huge potential for Elite Prospects, primarily in North America, which has 1.5 million licensed hockey players.

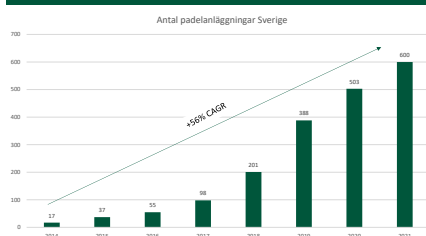
## Estimate changes

We are adjusting our estimates after the quarter to better reflect the situation in padel, where our forecasts were too high, and we are taking a more conservative view on earnings per court in the near term. We are looking forward to seeing the effects of the company's optimization project aimed at improving profitability. In conjunction, we are raising the forecasts slightly for the media segment, which is demonstrating strength. The overall result is an average downwards adjustment of 8% on sales for the next three years.

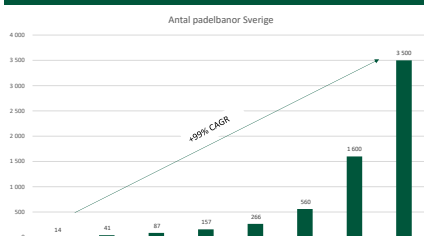
## News in the padel sector

Two of Sweden's largest padel groups, PDL Group and Padel United, announced their merger in April to become the largest padel company in the world. The new company was valued at 3.5x EV/Sales based on 2021 sales, as against an EV/Sales multiple for Every Padel of 1x for 2024. We consider this a natural step in the consolidation of the padel market in Sweden, where the market is saturated and good profitability is dependent on economies of scale. Interest in the sport has not faded and the number of unique players in Sweden grew by 32% in 2021. Alongside the over-establishment in Sweden, there are too few courts to meet the demand in the rest of Europe and the US. ESMG is already established abroad via the media segment and is looking at opportunities to also expand within padel to interesting markets outside Sweden. Padel is still the fastest-growing sport in the world and many markets in Europe are now where Sweden was three years ago.

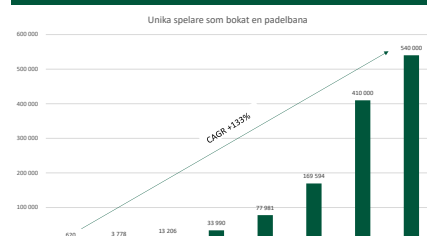
### Padel facilities in Sweden



### Padel courts in Sweden



### Unique padel players in Sweden



*Elite Padel & Padelzpel*

## Valuation reasoning

To reflect the increased volatility in the market and multiple contraction among our peer group, we have lowered our fair value from SEK 53-57 to SEK 48-51.

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 at a discount rate of 18%.

To value Elite Prospects and B2C media, we have looked at a number of companies that offer subscription services to consumers as peers.

**Elite Prospects:** Given the strong growth in subscriber numbers, we believe that Elite Prospects should be valued at 3.5x sales, which gives a present value of approximately SEK 9.6 per share.

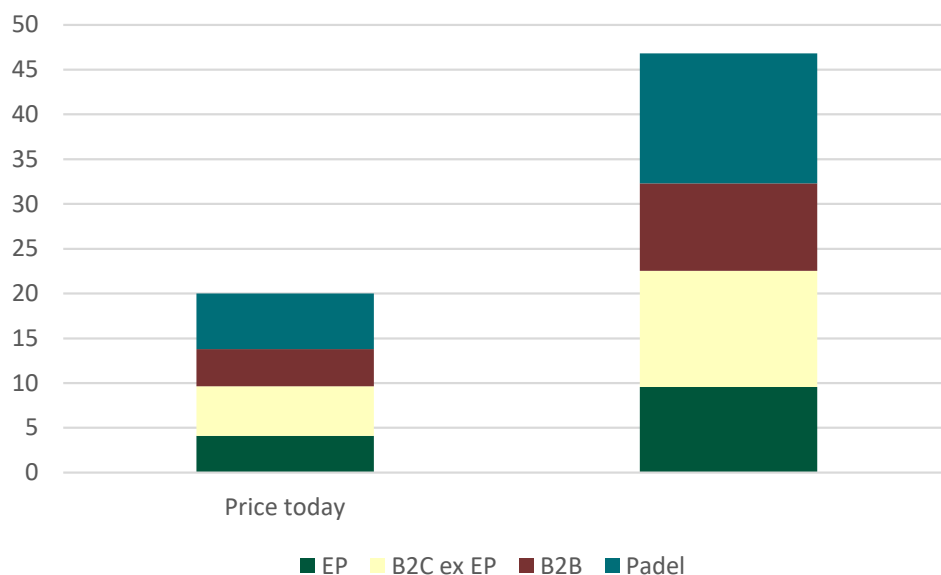
**B2C excluding Elite Prospects:** We estimate that these revenues and subscribers have a higher churn rate than Elite Prospects. We have therefore chosen to value the revenues at 1.5x sales, against the previous 2x sales. Discounted to the present, this gives about SEK 13 per share.

**B2B:** These revenues have historically shown the highest volatility, which means that we value them at the lowest multiple, 1x against the previous 1.25x 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 15 per share. Raising this valuation would require a longer history and data on how profitable the business area is. For 2020, Klövern 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 48-51. This value is supported by a DCF analysis with a required rate of return of 10%. 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



EPB

## 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
NENT.B-SE	Nordic Entertainment Grc	24 013	23 084	1,78x	1,43x	1,16x	36,5x	45,3x	16,8x	72,1x	137,7x	24,0x	36,3x	789,7x	34,3x
SLEEP-SE	Sleep Cycle	933	748	3,92x	3,45x	2,74x	35,6x	14,1x	11,0x	41,9x	15,9x	12,3x	66,6x	26,5x	20,3x
story.b-se	Storytel	4 520	4 073	1,42x	1,25x	1,06x	-	(63,9x)	24,4x	-	(13,3x)	(36,2x)	(7,9x)	-	-
MTCH-US	Match Group, Inc.	223 034	250 946	8,07x	7,32x	6,21x	26,4x	20,7x	17,0x	28,9x	26,5x	21,1x	86,7x	30,5x	25,3x
SPOT-US	Spotify Technology	206 173	184 772	1,59x	1,51x	1,30x	67,3x	(166,2x)	106,2x	152,0x	(63,1x)	1466,6x	(528,6x)	-	378,0x
DIS-us	Walt Disney	1 968 839	2 456 091	3,19x	2,92x	2,62x	20,7x	16,2x	13,4x	35,9x	19,1x	15,7x	74,0x	25,7x	19,1x
NFLX-US	Netflix	839 929	945 152	3,11x	2,92x	2,67x	4,8x	13,5x	12,1x	14,8x	14,9x	13,3x	17,0x	17,3x	15,6x
	Mean			7,09x	3,42x	2,82x	31,9x	(10,2x)	27,2x	57,6x	25,0x	192,1x	(36,6x)	175,0x	74,9x
	Median			3,15x	2,92x	2,65x	31,0x	15,2x	16,8x	38,9x	17,5x	17,7x	36,3x	28,5x	25,3x

Margins		Gross Income			EBITDA			EBIT			Net Income		
		LTM	2022	2023	LTM	2022	2023	LTM	2022	2023	LTM	2022	2023
KAHOT-NO	Kahoot	-	93,2%	90,9%	-	17,1%	28,5%	-	10,6%	24,4%	-	1,4%	16,2%
NENT.B-SE	Nordic Entertainment Group	24,0%	21,5%	21,7%	4,9%	3,2%	6,9%	2,5%	1,0%	4,8%	5,3%	3,5%	3,5%
SLEEP-SE	Sleep Cycle	33,2%	76,0%	76,6%	11,0%	24,4%	24,9%	9,3%	21,7%	22,3%	7,6%	17,1%	17,6%
story.b-se	Storytel	3,7%	39,7%	41,4%	-	-2,0%	4,3%	-19,2%	-9,3%	-2,9%	-19,8%	-12,4%	-4,0%
MTCH-US	Match Group, Inc.	68,6%	70,7%	70,1%	30,6%	35,4%	36,6%	27,9%	27,6%	29,4%	9,1%	21,0%	22,0%
SPOT-US	Spotify Technology	26,6%	25,4%	26,3%	2,3%	-0,9%	1,2%	1,0%	-2,4%	0,1%	-0,3%	-0,7%	0,3%
DIS-us	Walt Disney	28,3%	34,8%	35,2%	15,4%	18,1%	19,5%	8,9%	15,3%	16,6%	3,5%	5,8%	10,0%
NFLX-US	Netflix	41,6%	41,6%	41,8%	62,9%	21,6%	22,0%	20,4%	19,5%	20,0%	16,5%	15,1%	15,2%
	Mean	30,7%	51,6%	51,7%	12,8%	13,6%	17,4%	5,1%	9,2%	13,5%	0,9%	5,1%	9,4%
	Median	27,4%	39,7%	41,4%	11,0%	17,1%	19,5%	5,7%	10,6%	16,6%	4,4%	3,5%	10,0%

Growth		Sales			EBITDA			EBIT			Net Income		
		LTM	2022	2023	LTM	2022	2023	LTM	2022	2023	LTM	2022	2023
KAHOT-NO	Kahoot	-	82,0%	36,8%	0,0%	57,6%	128,1%	0,0%	646,3%	215,5%	0,0%	-30,9%	1475,9%
NENT.B-SE	Nordic Entertainment Group	11,9%	27,2%	23,5%	-67,8%	-45,6%	170,2%	-58,4%	-74,1%	472,6%	-75,9%	73,8%	24,4%
SLEEP-SE	Sleep Cycle	-	18,6%	25,8%	-63,0%	39,5%	28,3%	-68,2%	30,6%	29,8%	-67,1%	362,5%	29,7%
story.b-se	Storytel	17,8%	45,0%	18,0%	80,8%	nm	nm	122,5%	nm	nm	160,0%	nm	nm
MTCH-US	Match Group, Inc.	23,9%	15,1%	17,9%	13,2%	13,9%	21,7%	9,1%	11,5%	25,2%	-48,5%	160,1%	23,5%
SPOT-US	Spotify Technology	26,7%	9,0%	15,9%	-269,1%	nm	nm	-140,7%	nm	nm	-93,6%	nm	nm
Lime-se	Walt Disney	23,0%	18,6%	16,2%	11,3%	14,0%	18,2%	-10,1%	27,4%	25,4%	-14,5%	23,9%	28,4%
	Netflix	-	-	-	-	-	-	-	-	-	-	-	-
	Mean	20,7%	30,8%	22,0%	-42,1%	15,9%	73,3%	-20,8%	128,3%	153,7%	-19,9%	117,9%	316,4%
	Median	23,0%	18,6%	18,0%	0,0%	14,0%	28,3%	-10,1%	27,4%	29,8%	-48,5%	73,8%	28,4%

## EPB, Factset

## DCF

### DCF - GROWING FCF PERPETUITY FORMULA

Valuation output			
Sum of PV of FCF (explicit period)	65		
PV of terminal value (perpetuity formula)	209		
Enterprise value	274		
Latest net debt	-5		
Minority interests & other	0		
Equity value	279		
No. of shares outstanding (millions)	6		
Equity value per share (SEK)	46,5		
Implicit multipl.			
EV/Sales	1,5	1,2	1,0
EV/EBITDA	8,4	6,3	5,1
EV/EBIT	-62,4	-45,0	38,1
EV/NOPLAT	-80,0	-57,7	48,8
P/E			
ROIC/WACC			
Current Share price	20,1		

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	
WACC	Long-term growth rate
	1,0% 1,5% 2,0% 2,5% 3,0%
8,9%	49 52 56 61 67
9,4%	44 47 51 55 60
9,9%	40 43 46 49 53
10,4%	37 39 42 45 48
10,9%	33 36 38 40 43
WACC	Long-term EBIT margin
	7,0% 9,5% 12,0% 14,5% 17,0%
8,9%	35 46 56 67 78
9,4%	31 41 51 61 71
9,9%	28 37 46 55 64
10,4%	25 33 42 50 58
10,9%	23 30 38 45 53

DCF (SEKm)	2022-05-17	Dec-19 2019	Dec-30 2020	Dec-31 2021	Dec-31 2022	Dec-31 2023	Dec-31 2024	Dec-31 2025	Dec-31 2026	Dec-31 2027	Dec-31 2028	Dec-31 2029	Dec-31 2030	Dec-31 2031	Dec-31 2032	Dec-31 2033	Terminal 2034
Sales	90	82	186	236	270	296	322	346	368	388	406	423	438	452	463	472	
EBITDA	11	5	33	43	54	58	21	26	32	38	45	51	59	66	73	80	
- Depreciation	-4	-4	-31	-43	-40	-40	-7	9	-10	-12	-14	-16	-18	-20	-22	-24	
+ EBIT	7	1	-4	-4	7	10	13	17	22	26	31	36	41	46	51	57	
- Tax on EBIT	-2	0	1	1	-2	-2	-3	-4	-5	-6	-7	-8	-9	-10	-11	-12	
+ NOPLAT	6	1	-3	-5	6	8	11	14	17	20	24	28	32	36	40	44	
+ Depreciation**	4	4	6	6	6	6	7	9	10	12	14	16	18	20	22	24	
+ Gross cash flow	10	5	3	1	12	14	18	22	27	32	38	44	50	56	62	68	
- Capex****	-3	-1	-6	-12	-12	-12	-13	-14	-14	-15	-16	-17	-17	-18	-18	-19	
+ Increase (+decrease) in WC	-4	6	-8	-3	-2	-2	1	1	1	1	0	0	0	0	0	0	
* Free cash flow from operations	2	9	-12	-14	-2	0	6	9	13	18	22	27	33	38	44	49	
PV of cash flow			-13	-13	-2	0	4	6	8	9	11	12	13	14	15	209	
% of Enterprise value			-5%	-5%	-1%	0%	1%	2%	3%	3%	4%	4%	5%	5%	5%	76%	
Accumulated % of Enterprise value			-5%	-9%	-10%	-10%	-9%	-6%	-4%	0%	4%	8%	13%	18%	24%	100%	
Key figures																	
Sales growth	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	
EBITDA margin	-8,7%	126,5%	26,4%	14,5%	9,8%	8,7%	7,5%	6,4%	5,3%	4,7%	4,2%	3,6%	3,1%	2,5%	2,0%		
EBITDA growth	6%	18%	18%	20%	19,5%	6,5%	7,6%	8,7%	9,8%	11,0%	12,2%	13,4%	14,6%	15,8%	17,0%		
EBIT margin	-58%	602%	32%	23%	6,9%	-64,0%	25,8%	21,9%	18,6%	17,6%	15,6%	13,9%	12,4%	11,0%	9,8%		
EBIT growth	1%	-2%	-3%	3%	3,3%	4,2%	5,0%	5,9%	6,7%	7,6%	8,5%	9,4%	10,2%	11,1%	12,0%		
Depreciation (% of sales)	4,8%	3,2%	2,5%	2,2%	2,0%	2,3%	2,5%	2,8%	3,0%	3,4%	3,7%	4,0%	4,3%	4,7%	5,0%		
Capex (% of sales)	1,6%	3,4%	5,1%	4,4%	4,1%	4,0%	4,0%	3,9%	3,9%	3,9%	3,9%	3,9%	4,0%	4,0%	4,0%		
Capex (% of depreciation)	34%	105%	200%	200%	200%	176%	157%	141%	128%	116%	106%	98%	91%	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%		
*Tsk. Finansieringskostnader																	
**Ex. Avskrivningar av nyttjanderättsförläningar																	
*** Ex. Kapitalisering av leasing																	

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## Income Statement

	2019A	2020A	2021A	2022E	2023E	2024E
<b>Net sales</b>	<b>90</b>	<b>82</b>	<b>186</b>	<b>236</b>	<b>270</b>	<b>296</b>
Other income	4	2	4	2	0	0
Cost of goods sold	-9	-9	-31	-34	-41	-45
<b>Gross profit</b>	<b>85</b>	<b>76</b>	<b>160</b>	<b>204</b>	<b>229</b>	<b>251</b>
Personnel costs	-41	-39	-72	-87	-95	-105
Other operating costs	-34	-32	-56	-74	-80	-88
<b>EBITDA</b>	<b>11</b>	<b>5</b>	<b>33</b>	<b>43</b>	<b>54</b>	<b>58</b>
Depreciation/amortisation	-4	-4	-31	-43	-40	-40
Impairments	0	0	0	0	0	0
<b>EBIT (adjusted)</b>	<b>7</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>14</b>	<b>18</b>
Items affecting comparability	0	0	0	0	0	0
<b>EBIT</b>	<b>7</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>14</b>	<b>18</b>
Financial income	0	0	0	0	0	0
Financial expenses	-1	-1	-5	-7	-7	-8
<b>Profit before tax</b>	<b>6</b>	<b>0</b>	<b>-2</b>	<b>-6</b>	<b>7</b>	<b>10</b>
Tax	0	1	-2	0	-1	-2
Minority interests	0	0	0	0	0	0
<b>Net profit (reported)</b>	<b>6</b>	<b>1</b>	<b>-5</b>	<b>-6</b>	<b>6</b>	<b>8</b>
<b>Net profit (adjusted)</b>	<b>6</b>	<b>1</b>	<b>-5</b>	<b>-6</b>	<b>6</b>	<b>8</b>

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## Cash Flow Statement

	2019A	2020A	2021A	2022E	2023E	2024E
Net profit (reported)	6	1	-5	-6	6	8
Non-cash items	4	2	29	43	40	40
Changes in working capital	-4	6	-8	-3	-2	-2
<b>Cash flow from operating activities</b>	<b>7</b>	<b>9</b>	<b>16</b>	<b>34</b>	<b>44</b>	<b>46</b>
Investments	-3	-1	-6	-31	-60	-80
Disposals	0	0	0	0	0	0
<b>Free cash flow</b>	<b>3</b>	<b>8</b>	<b>9</b>	<b>3</b>	<b>-16</b>	<b>-34</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	30	60	80
<b>Cash flow</b>	<b>-1</b>	<b>7</b>	<b>0</b>	<b>33</b>	<b>44</b>	<b>46</b>
<b>Net Debt (inc. IFRS 16)</b>	<b>8</b>	<b>6</b>	<b>217</b>	<b>260</b>	<b>277</b>	<b>310</b>

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## 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	240	260	300
Deffered tax asset	0	0	0	0	0	0
tax assets	2	5	4	3	3	3
Other long-term receivables	0	0	1	0	0	0
<b>Total fixed asset</b>	<b>39</b>	<b>43</b>	<b>306</b>	<b>343</b>	<b>363</b>	<b>403</b>
Inventory	0	0	1	2	2	2
Trade and other receivables	7	8	17	21	23	26
Other current receivables	2	1	5	-1	-1	-1
Prepaid expenses and accrued income	4	5	15	12	12	12
<b>Total current receivables</b>	<b>13</b>	<b>14</b>	<b>37</b>	<b>34</b>	<b>36</b>	<b>39</b>
Cash and cash equivalent	3	10	10	7	19	33
<b>Total Assets</b>	<b>54</b>	<b>67</b>	<b>353</b>	<b>384</b>	<b>418</b>	<b>474</b>
<b>Equity</b>	<b>22</b>	<b>23</b>	<b>72</b>	<b>66</b>	<b>72</b>	<b>80</b>
Deferred tax liabilities	0	1	1	1	1	1
Other liabilities to credit institutions	2	5	5	4	4	4
Other long-term liabilities	5	5	4	1	1	1
Long-term lease liabilities	1	4	168	212	240	288
<b>Total long-term liabilities</b>	<b>8</b>	<b>14</b>	<b>178</b>	<b>218</b>	<b>246</b>	<b>294</b>
Other liabilities to credit institutions	1	1	4	3	3	3
Checking account			0	0	0	0
<b>Sum short term financial liabilities</b>	<b>0</b>	<b>1</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>3</b>
Trade and other payables	3	4	15	6	6	7
Current tax liabilities	0	1	3	2	2	2
Other current liabilities	3	9	11	16	16	16
Short-term lease liabilities	2	1	45	47	47	47
Accrued expenses and prepaid income	15	14	26	27	27	27
<b>Total current liabilities</b>	<b>23</b>	<b>31</b>	<b>104</b>	<b>100</b>	<b>100</b>	<b>101</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>54</b>	<b>67</b>	<b>353</b>	<b>384</b>	<b>418</b>	<b>474</b>

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## Key ratios

	2019A	2020A	2021A	2022E	2023E	2024E
Sales growth	n.m	-9%	126%	26%	14%	10%
EBIT-growth, adjusted (ex IFRS 16)	n.m	-58%	n.m	-76%	2598%	26%
EPS-growth, adj	n.m	-92%	718%	n.m	-195%	38%
Gross margin	n.m	92,3%	85,9%	86,6%	84,8%	84,8%
EBITDA-margin (inc. IFRS 16)	n.m.	5,7%	17,6%	18,4%	20,0%	19,5%
EBIT-margin (justerad, inkl. IFRS 16)	n.m.	0,9%	1,2%	0,2%	5,2%	6,0%
Tax rate	n.m.	834%	24%	21%	21%	21%
	<b>2019A</b>	<b>2020A</b>	<b>2021A</b>	<b>2022E</b>	<b>2023E</b>	<b>2024E</b>
ROE, adj			-7%	-9%	8%	10%
ROCE, adj. (inc. IFRS 16)	0%	0%	1%	0%	4%	4%
	<b>2019</b>	<b>2020A</b>	<b>2021A</b>	<b>2022E</b>	<b>2023E</b>	<b>2024E</b>
P/E, adj	19,2x	203,0x	-25,2x	-19,9x	20,9x	15,2x
P/Equity	5,3x	5,3x	1,7x	1,8x	1,7x	1,5x
P/FCF (adj. For leasing)		15,1x	24,4x	6,3x	3,9x	3,5x
EV/Sales (ex IFRS 16)	1,3x	1,4x	0,6x	0,5x	0,4x	0,4x
EV/Sales (inc IFRS 16)	1,3x	1,4x	1,7x	1,5x	1,4x	1,5x
EV/EBITDA (ex IFRS 16)	10,3x	24,4x	3,5x	2,6x	2,1x	2,0x
EV/EBITDA (inc. IFRS 16)	10,5x	25,5x	10,0x	8,6x	7,4x	7,8x
EV/EBIT, adj. (ex IFRS 16)	0,0x	154,6x	51,5x	218,5x	8,1x	6,4x
EV/EBIT, adj. (inc. IFRS 16)	0,0x	161,6x	147,5x	713,1x	28,4x	25,2x
EV, årets slut (ex IFRS 16)		114	114	114	114	114
EV, årets slut (inkl. IFRS 16)		119	327	373	401	449

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