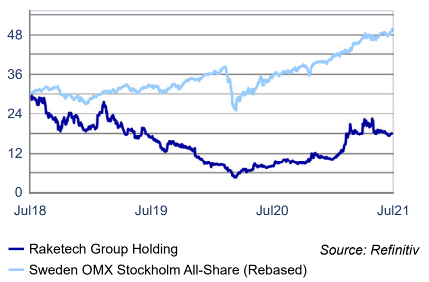
Raketech Group Holding

Media
Sweden

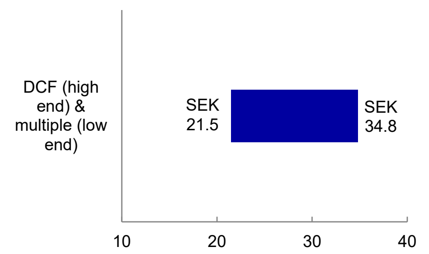
KEY DATA

Stock country	Sweden
Bloomberg	RAKE SS
Reuters	RAKE.ST
Share price (close)	SEK 18.10
Free Float	45%
Market cap. (bn)	EUR 0.07/SEK 0.68
Website	www.raketech.com
Next report date	17 Aug 2021

PERFORMANCE



VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2021E	2022E	2023E
Sales	4%	13%	14%
EBIT (adj)	4%	24%	25%

Source: Nordea estimates

Nordea Markets - Analysts
Erik Lindholm-Röjestål
Analyst

Two acquisitions and likely more to come

We believe Q2 2021 will be strong and forecast 20% y/y growth (18% organic), with 18% adjusted EBITDA growth. This is the first quarter in which the strong growth in the Lead Republik acquisition will count as organic growth. We find it positive that Raketech is putting its strong cash position to use with two more sports betting acquisitions, one in the US and one focused on India, which add ~20% to 2021 EBITDA and take Raketech's non-Nordic revenues to ~45% of the total with >10% from the US and 5-10% from India. This improves Raketech's growth profile considerably. After these acquisitions, Raketech's net debt/EBITDA stands at 0x on 2021E, and we see scope for more significant M&A in 2022. We adjust our DCF- and multiple-based fair value range to SEK 21.5-34.8 (20.6-33.6)

Strong organic growth and stable margins forecast for Q2

We forecast EUR 8.45m in revenue in Q2, up 20% y/y with 18% organic growth. The strong growth arises partly from easy comparisons, but also from the continued strong performance of Raketech's network sales. With a ~17% share of sports revenue as of Q1, we believe the EURO 2020 impact has been limited. We believe the EBITDA margin will be up 0.8 pp q/q to 39.5%, although down slightly y/y (-0.7 pp) as a result of higher direct costs. We expect direct costs to rise 6.9 pp y/y due to the continued growth of network revenue. This is counteracted by 6.2 pp lower opex in relation to net sales. Overall, we forecast strong 18% y/y growth in adjusted EBITDA.

Two acquisitions improve organic growth profile

On 7 July, Raketech announced the acquisition of US betting tipster community Picksandparleys and all assets from QM Media AB, including Onlinecricketbetting, a cricket-focused betting site targeting India. The total purchase price is EUR 16m (EUR 9m in cash). This corresponds to 5.6x LTM EV/EBITDA. These acquisitions improve diversification, the organic growth profile and margins. We estimate that this will take revenue from outside the Nordics to ~45% (Q1: 35%) and sport revenue to ~27% (Q1: 17%). The US will stand for slightly above 10% and India will reach 5-10%. These markets offer interesting exposure for Raketech, with a long runway of growth. We now forecast for a 45% EBITDA margin in 2022, bolstered by the 68% margins in the acquisitions. We see clear synergies with Picksandparleys, which currently generates revenue from subscriptions and picks/tips. Here, Raketech can leverage its expertise and relationships with operators to start monetising more with affiliation revenues.

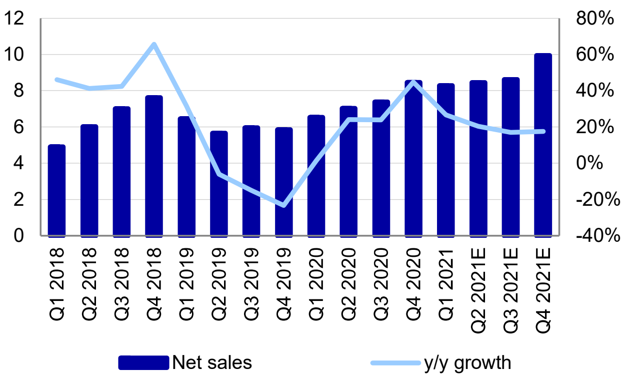
SUMMARY TABLE - KEY FIGURES

EURm	2017	2018	2019	2020	2021E	2022E	2023E
Total revenue	17	26	24	29	35	42	47
EBITDA (adj)	10	14	11	12	14	19	21
EBIT (adj)	9	13	7	7	8	12	13
EBIT (adj) margin	52.5%	49.7%	29.7%	23.0%	21.7%	28.3%	28.3%
EPS (adj, EUR)	0.16	0.16	0.16	0.15	0.17	0.27	0.30
EPS (adj) growth	-22.1%	1.7%	-2.1%	-2.3%	12.7%	56.9%	11.2%
DPS (ord, EUR)	0.00	0.00	0.00	0.00	0.00	0.14	0.15
EV/Sales	n.a.	2.8	1.4	1.3	2.1	1.4	1.0
EV/EBIT (adj)	n.a.	5.7	4.7	5.5	9.6	4.9	3.5
P/E (adj)	n.a.	11.9	5.8	7.0	10.3	6.6	5.9
P/BV	n.a.	1.2	0.5	0.6	0.9	0.8	0.8
Dividend yield (ord)	n.a.	0.0%	0.0%	0.0%	0.0%	7.6%	8.4%
FCF Yield bef A&D, lease	n.a.	-6.4%	33.9%	31.0%	19.1%	25.0%	28.2%
Net debt	25	0	-1	-3	0	-15	-27
Net debt/EBITDA	2.6	0.0	0.0	-0.3	0.0	-0.8	-1.3
ROIC after tax	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Source: Company data and Nordea estimates

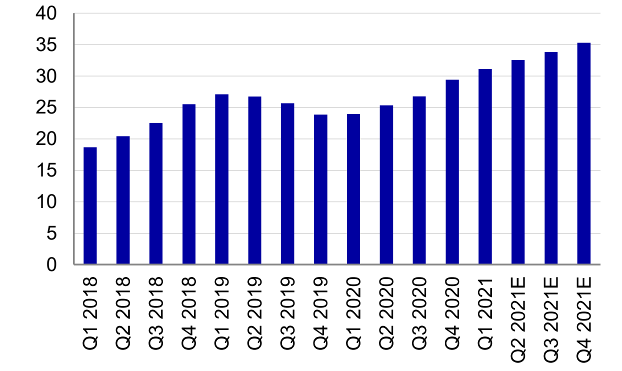
Key charts

NET SALES PER QUARTER (EURm) AND Y/Y GROWTH (%)



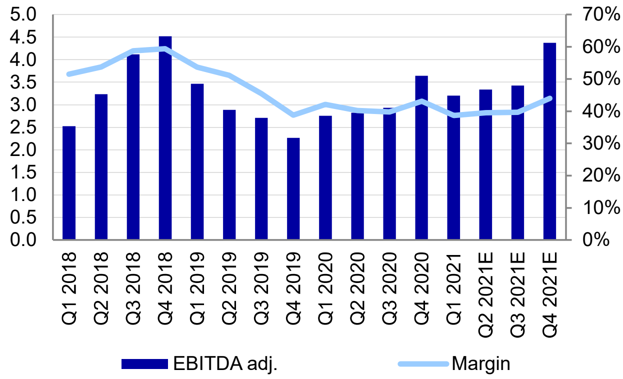
Source: Company data and Nordea estimates

NET SALES (EURm), LAST 12 MONTHS



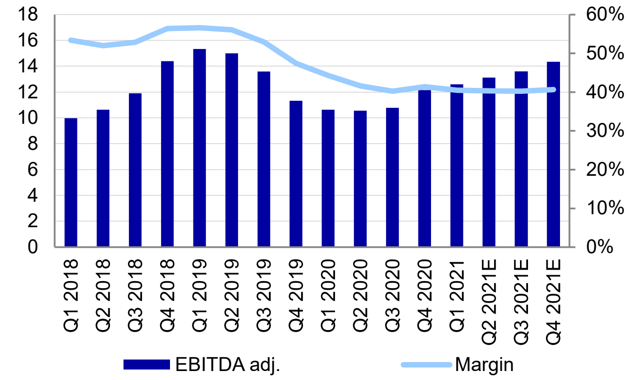
Source: Company data and Nordea estimates

ADJUSTED EBITDA PER QUARTER (EURm) AND MARGIN (%)



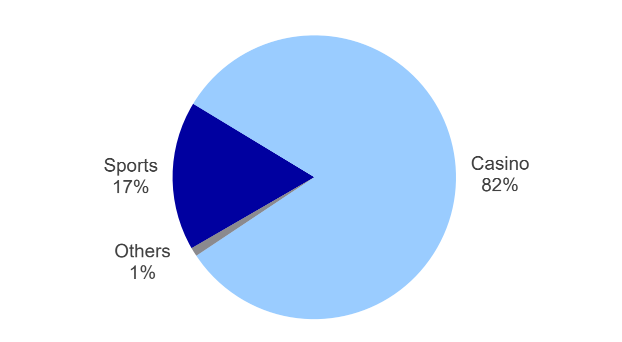
Source: Company data and Nordea estimates

ADJUSTED EBITDA (EURm) & MARGIN (%), LAST 12 MONTHS



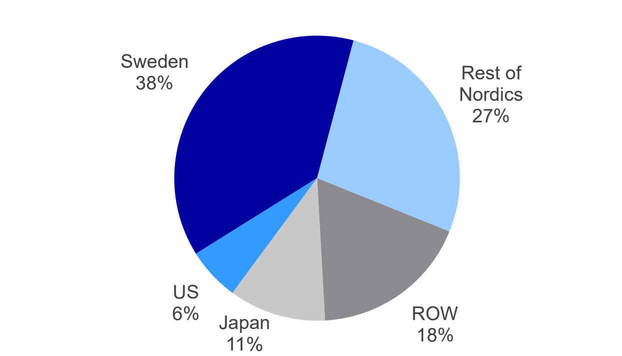
Source: Company data and Nordea estimates

VERTICAL SPLIT, Q1 2021



Source: Company data and Nordea

DETAILED MARKET OVERVIEW, Q1 2021



Source: Company data and Nordea

Detailed estimates

RAKETECH: QUARTERLY ESTIMATES

EURm	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021E	Q3 2021E	Q4 2021E
Revenue	**6.5**	**7.0**	**7.4**	**8.5**	**8.3**	**8.5**	**8.6**	**9.9**
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total revenue	**6.5**	**7.0**	**7.4**	**8.5**	**8.3**	**8.5**	**8.6**	**9.9**
Direct costs	-1.6	-1.9	-1.9	-2.5	-2.9	-2.9	-2.8	-2.9
Personnel expenses	-1.3	-1.4	-1.4	-1.2	-1.2	-1.2	-1.2	-1.4
Depreciation and amortisation	-1.3	-1.3	-1.5	-1.4	-1.6	-1.6	-1.7	-1.8
Other operating expenses	-0.9	-0.9	-1.1	-1.1	-1.0	-1.1	-1.1	-1.3
Adjusted EBIT	**1.5**	**1.5**	**1.5**	**2.3**	**1.6**	**1.7**	**1.8**	**2.6**
Non-recurring items	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Reported EBIT	**1.4**	**1.5**	**1.5**	**2.3**	**1.6**	**1.7**	**1.8**	**2.6**
Net financials	-0.2	-0.2	-0.2	0.0	-0.4	0.0	0.0	0.0
Profit before tax	**1.1**	**1.3**	**1.3**	**2.3**	**1.2**	**1.7**	**1.7**	**2.5**
Income tax	-0.1	-0.1	-0.1	-0.2	-0.1	-0.1	-0.1	-0.1
Profit after tax	**1.1**	**1.2**	**1.2**	**2.1**	**1.1**	**1.6**	**1.6**	**2.4**
EPS adj. (EUR)	**0.03**	**0.03**	**0.03**	**0.06**	**0.03**	**0.04**	**0.04**	**0.06**
Key ratios & assumptions								
Revenue growth, y/y	1%	24%	24%	45%	27%	20%	17%	17%
EBITDA adj.	**2.8**	**2.8**	**2.9**	**3.6**	**3.2**	**3.3**	**3.4**	**4.4**
EBITDA adj. growth	-21%	-2%	8%	61%	17%	18%	17%	20%
EBIT adj. growth	**-46%**	**-23%**	**-2%**	**161%**	**5%**	**13%**	**21%**	**14%**
EPS adj. growth	-77%	-27%	3%	-707%	7%	30%	26%	5%
EBITDA adj. margin	42.1%	40.2%	39.8%	43.1%	38.7%	39.5%	39.7%	44.0%
EBIT adj. margin	**22.8%**	**21.8%**	**19.8%**	**26.7%**	**18.9%**	**20.5%**	**20.5%**	**26.0%**
Tax rate	6.6%	6.2%	5.4%	10.1%	5.1%	5.1%	5.1%	5.1%

Source: Company data and Nordea estimates

Estimate revisions

Estimate revisions

We raise our estimates substantially after the acquisitions of Picksandparlays and QM Media AB's assets. We consolidate these acquisitions from 15 September 2021. In total, we lift our adjusted EPS estimates by 13-14% for 2022-23. We raised net sales by 13-14% and our margin assumptions by ~2.6 pp for 2022E-23E, reflecting the higher margins of the acquired assets (~68% on LTM earnings). We also include the ~10% dilution caused by the share consideration.

RAKETECH: ESTIMATE REVISIONS

	NEW ESTIMATES			OLD ESTIMATES			DIFFERENCE		
EURm	**2021E**	**2022E**	**2023E**	**2021E**	**2022E**	**2023E**	**2021E**	**2022E**	**2023E**
Revenue	**35.3**	**42.2**	**46.8**	**34.1**	**37.4**	**41.2**	**4%**	**13%**	**14%**
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-
Total revenue	**35.3**	**42.2**	**46.8**	**34.1**	**37.4**	**41.2**	**4%**	**13%**	**14%**
Direct costs	-11.4	-11.6	-12.9	-11.0	-11.1	-12.2	4%	4%	5%
Personnel expenses	-5.0	-6.1	-6.8	-4.8	-5.6	-6.1	4%	10%	11%
Depreciation and amortisation	-6.7	-7.2	-8.0	-6.5	-6.4	-7.0	3%	13%	14%
Other operating expenses	-4.6	-5.4	-5.9	-4.4	-4.8	-5.2	3%	13%	14%
Adjusted EBIT	**7.6**	**11.9**	**13.3**	**7.3**	**9.6**	**10.6**	**4%**	**24%**	**25%**
Non-recurring items	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-
Reported EBIT	**7.6**	**11.9**	**13.3**	**7.3**	**9.6**	**10.6**	**4%**	**24%**	**25%**
Interest payable on borrowings	-0.5	-0.2	-0.2	-0.5	-0.2	-0.2	-	-	-
Finance costs	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-
Finance income	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-
Other non-operating income	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-
Profit before tax	**7.1**	**11.8**	**13.1**	**6.8**	**9.4**	**10.4**	**4%**	**25%**	**26%**
Income tax	-0.4	-0.6	-0.7	-0.3	-0.5	-0.5	-	-	-
Profit after tax	**6.8**	**11.2**	**12.4**	**6.5**	**9.0**	**9.9**	**4%**	**25%**	**26%**
EPS adj. (EUR)	**0.17**	**0.27**	**0.30**	**0.17**	**0.24**	**0.26**	**-1%**	**13%**	**14%**
Key ratios									
Sales growth	**20%**	**20%**	**11%**	**16%**	**10%**	**10%**	**4pp**	**10pp**	**1pp**
EBIT adj. growth	13%	56%	11%	9%	31%	10%	5pp	25pp	1pp
EBITDA adj.	14.3	19.1	21.2	13.8	16.0	17.6	4%	20%	21%
EBITDA adj. margin	40.6%	45.3%	45.3%	40.5%	42.7%	42.7%	0pp	3pp	3pp
EBIT adj. margin	**21.7%**	**28.3%**	**28.3%**	**21.5%**	**25.7%**	**25.7%**	**0pp**	**3pp**	**3pp**
Tax rate	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	0pp	0pp	0pp

Source: Company data and Nordea estimates

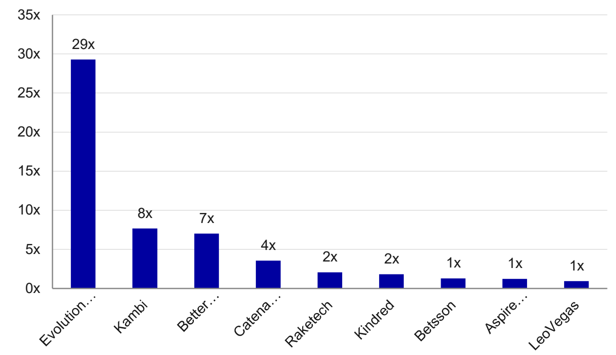
Valuation

ONLINE GAMBLING: PEER VALUATION

		Mcap.	EV/Sales		EV/EBITDA		EV/EBIT adj.		P/E adj.		FCF yield		EPS growth		Yield	ROE
Nordic	**Rec.**	**SEKm**	**2021E**	**2022E**	**2021E**	**2022E**	**2021E**	**2022E**	**2021E**	**2022E**	**2021E**	**2022E**	**2021E**	**2022E**	**2021E**	**2021E**
Aspire Global	-	2,762	1.2x	1.1x	6.9x	6.1x	9.1x	7.7x	12.5x	10.3x	-	-	52%	24%	3.4%	36%
Betsson	-	8,579	1.3x	1.2x	5.4x	5.6x	7.1x	7.5x	9.3x	9.8x	N.A.	N.A.	8%	-2%	5.4%	20%
Better Collective	BUY	12,304	7.0x	5.2x	20.2x	14.0x	23.4x	15.5x	31.5x	21.1x	-14%	4.0%	50%	49%	1.6%	15%
Catena Media	-	5,013	3.6x	3.2x	6.5x	5.8x	7.6x	6.9x	12.3x	10.7x	N.A.	N.A.	167%	14%	3.6%	28%
Evolution Gaming	HOLD	325,285	29.3x	23.5x	43.0x	34.4x	46.0x	36.7x	49.6x	39.6x	1.8%	2.5%	79%	25%	1.0%	20%
Kambi	-	13,470	7.7x	7.2x	-	-	21.3x	22.0x	27.3x	28.5x	N.A.	N.A.	128%	-4%	0.0%	40%
Kindred	BUY	31,733	1.8x	1.7x	6.9x	8.8x	7.8x	10.4x	9.9x	13.2x	7.2%	8.0%	43%	-25%	7.4%	55%
LeoVegas	-	3,902	0.9x	0.8x	7.4x	6.1x	15.1x	8.6x	11.3x	8.8x	11.9%	13.8%	18%	35%	4.8%	29%
Raketech	**NR**	**699**	**2.1x**	**1.4x**	**5.1x**	**3.1x**	**9.6x**	**4.9x**	**10.3x**	**6.6x**	**-3.6%**	**19.7%**	**13%**	**57%**	**0.0%**	**9%**
Median	**-**	**8,579**	**2.1x**	**1.7x**	**6.9x**	**6.1x**	**9.6x**	**8.6x**	**12.3x**	**10.7x**	**1.8%**	**8.0%**	**50%**	**24%**	**3.4%**	**28%**
International	**Origin**															
888	UK	17,077	2.0x	1.9x	11.7x	10.9x	15.4x	14.3x	19.7x	18.4x	4.9%	5.7%	3%	6%	2.5%	53%
Bet-at-home	DE	2,612	1.7x	1.5x	8.5x	6.9x	9.3x	7.5x	14.8x	11.8x	31.1%	49.4%	-28%	22%	5.5%	33%
Entain (prev. GVC)	UK	125,809	3.3x	2.9x	15.0x	12.2x	26.2x	17.0x	35.4x	21.3x	4.0%	5.1%	-21%	67%	2.0%	9%
IGT	US	40,550	3.3x	3.2x	8.5x	8.0x	17.7x	13.4x	24.3x	17.4x	7.8%	9.1%	-	-	0.0%	10%
Jackpotjoy	UK	24,126	2.9x	2.7x	10.5x	9.5x	11.4x	10.3x	12.0x	10.5x	7.5%	8.6%	15%	13%	2.3%	25%
Flutter (PaddyPower)	UK	278,734	4.6x	4.2x	24.6x	20.0x	32.8x	25.8x	43.8x	31.6x	-	-	-24%	34%	0.0%	6%
Playtech	UK	15,694	1.8x	1.5x	7.6x	6.4x	17.3x	12.2x	29.7x	18.1x	3.1%	5.3%	5%	49%	0.8%	5%
Rank Group	UK	9,888	3.2x	1.6x	-	10.0x	-	17.5x	-	23.9x	#####	4.1%	-347%	140%	0.0%	-27%
Scientific Games	US	59,918	4.9x	4.4x	13.2x	11.2x	30.1x	21.2x	228.5x	39.2x	3.6%	7.6%	-	3182%	0.0%	-2%
Tabcorp	AU	68,716	2.3x	2.3x	11.7x	10.9x	17.8x	16.2x	26.7x	24.0x	n.a	n.a	33%	12%	2.9%	6%
XLMedia	UK	1,685	2.9x	2.6x	13.6x	7.6x	30.6x	11.0x	28.7x	12.9x	-	-	-	122%	0.0%	-
Draftkings Inc	US	168,379	15.7x	11.7x	-	-	-	-	-	-	-	-	-25%	34%	0.0%	-57%
Gan Ltd	UK	5,482	5.0x	4.0x	94.1x	23.1x	-	-	-	-	-	-	5%	77%	0.0%	-7%
Penn National Gaming	US	95,880	2.9x	2.7x	8.3x	8.2x	16.4x	14.1x	26.3x	24.9x	-	-	157%	7%	0.0%	16%
Median	**-**	**32,338**	**3.1x**	**2.7x**	**11.7x**	**10.0x**	**17.7x**	**14.2x**	**26.7x**	**19.8x**	**4.4%**	**6.6%**	**3%**	**34%**	**0.0%**	**6%**
Median (operators)		24,126	2.9x	2.3x	9.5x	9.5x	15.3x	14.1x	17.2x	18.4x	6.2%	7.1%	-9%	28%	2.1%	18%

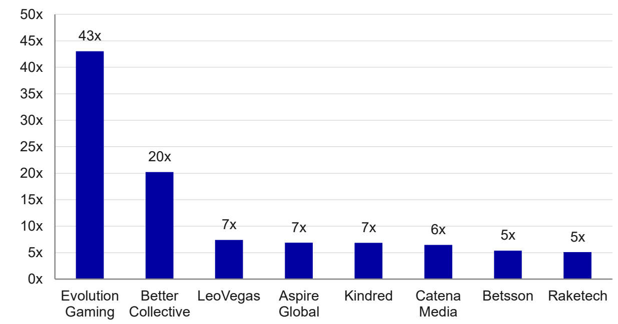
Source: Company data, Refinitiv and Nordea estimates

SWEDISH ONLINE GAMBLING: EV/SALES, 2021E



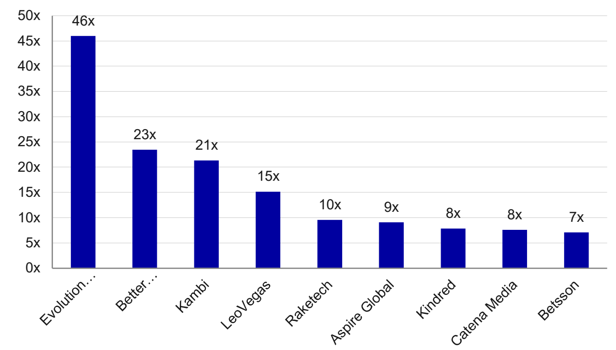
Source: Company data, Refinitiv and Nordea estimates

SWEDISH ONLINE GAMBLING: EV/EBITDA, 2021E



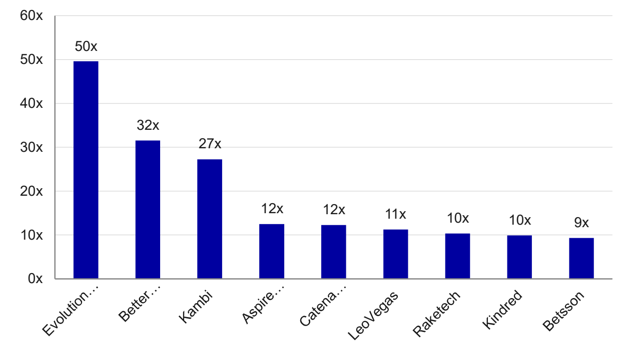
Source: Company data, Refinitiv and Nordea estimates

SWEDISH ONLINE GAMBLING: EV/EBIT, 2021E



Source: Company data, Refinitiv and Nordea estimates

SWEDISH ONLINE GAMBLING: P/E, 2021E



Source: Company data, Refinitiv and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT

EURm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Total revenue	**n.a.**	**n.a.**	**2**	**10**	**17**	**26**	**24**	**29**	**35**	**42**	**47**
Revenue growth	n.a.	n.a.	n.a.	399.0%	64.3%	49.1%	-6.5%	23.0%	20.1%	19.5%	11.0%
of which organic	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
of which FX	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA	0	0	0	8	9	13	13	12	14	19	21
Depreciation and impairments PPE	0	0	0	0	0	0	0	0	0	0	0
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
EBITA	0	0	0	8	9	13	12	12	14	19	21
Amortisation and impairments	0	0	0	0	-1	-2	-4	-5	-7	-7	-8
EBIT	n.a.	n.a.	0	8	9	11	8	7	8	12	13
of which associates	0	0	0	0	0	0	0	0	0	0	0
Associates excluded from EBIT	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Net financials	0	0	0	0	-3	-6	-1	-1	-1	0	0
of which lease interest	0	0	0	0	0	0	0	0	0	0	0
Changes in value, net	0	0	0	0	0	0	0	0	0	0	0
Pre-tax profit	**0**	**0**	**0**	**8**	**6**	**5**	**7**	**6**	**7**	**12**	**13**
Reported taxes	0	0	0	0	0	0	0	0	0	-1	-1
Net profit from continued operations	0	0	0	8	6	5	7	6	7	11	12
Discontinued operations	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Minority interests	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Net profit to equity	0	0	0	8	6	5	7	6	7	11	12
EPS, EUR	**n.a.**	**n.a.**	**n.a.**	**0.20**	**0.15**	**0.12**	**0.19**	**0.15**	**0.17**	**0.27**	**0.30**
DPS, EUR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.14	0.15
of which ordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.14	0.15
of which extraordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit margin in percent											
EBITDA	n.a.	n.a.	3.6%	77.3%	55.3%	50.4%	52.7%	40.9%	40.6%	45.3%	45.3%
EBITA	n.a.	n.a.	3.6%	77.3%	55.1%	50.0%	51.9%	40.0%	40.4%	45.1%	45.1%
EBIT	n.a.	n.a.	3.6%	76.9%	51.4%	43.7%	35.1%	22.5%	21.7%	28.3%	28.3%
Adjusted earnings											
EBITDA (adj)	0	0	0	8	10	14	11	12	14	19	21
EBITA (adj)	0	0	0	8	10	14	11	12	14	19	21
EBIT (adj)	0	0	0	8	9	13	7	7	8	12	13
EPS (adj, EUR)	n.a.	n.a.	n.a.	0.20	0.16	0.16	0.16	0.15	0.17	0.27	0.30
Adjusted profit margins in percent											
EBITDA (adj)	n.a.	n.a.	3.6%	77.3%	56.4%	56.3%	47.4%	41.3%	40.6%	45.3%	45.3%
EBITA (adj)	n.a.	n.a.	3.6%	77.3%	56.2%	56.0%	46.5%	40.4%	40.4%	45.1%	45.1%
EBIT (adj)	n.a.	n.a.	3.6%	76.9%	52.5%	49.7%	29.7%	23.0%	21.7%	28.3%	28.3%
Performance metrics											
CAGR last 5 years											
Net revenue	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	69.6%	27.6%	19.7%	12.9%
EBITDA	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	176.2%	12.2%	15.1%	10.5%
EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	145.1%	-1.0%	6.3%	3.5%
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-3.1%	12.2%	20.2%
DPS	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Average last 5 years											
Average EBIT margin	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	46.1%	40.4%	32.5%	29.3%	26.9%
Average EBITDA margin	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	54.5%	51.7%	46.7%	45.4%	44.6%

VALUATION RATIOS - ADJUSTED EARNINGS

EURm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
P/E (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	11.9	5.8	7.0	10.3	6.6	5.9
EV/EBITDA (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	5.0	2.9	3.0	5.1	3.1	2.2
EV/EBITA (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	5.1	3.0	3.1	5.1	3.1	2.2
EV/EBIT (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	5.7	4.7	5.5	9.6	4.9	3.5

VALUATION RATIOS - REPORTED EARNINGS

EURm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
P/E	n.a.	n.a.	n.a.	n.a.	n.a.	15.9	4.7	7.2	10.3	6.6	5.9
EV/Sales	n.a.	n.a.	n.a.	n.a.	n.a.	2.83	1.39	1.26	2.07	1.39	0.99
EV/EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	5.6	2.6	3.1	5.1	3.1	2.2
EV/EBITA	n.a.	n.a.	n.a.	n.a.	n.a.	5.7	2.7	3.1	5.1	3.1	2.2
EV/EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	6.5	4.0	5.6	9.6	4.9	3.5
Dividend yield (ord.)	n.a.	n.a.	n.a.	n.a.	n.a.	0.0%	0.0%	0.0%	0.0%	7.6%	8.4%
FCF yield	n.a.	n.a.	n.a.	n.a.	n.a.	-7.4%	8.1%	6.6%	-3.6%	19.7%	24.1%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	n.a.	n.a.	-6.4%	33.9%	31.0%	19.1%	25.0%	28.2%
Payout ratio	n.a.	n.a.	n.a.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	50.0%	50.0%

Source: Company data and Nordea estimates

BALANCE SHEET											
EURm	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021E**	**2022E**	**2023E**
Intangible assets	0	0	0	18	46	66	74	81	91	88	83
of which R&D	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
of which other intangibles	0	0	0	18	46	66	74	81	82	79	74
of which goodwill	0	0	n.a.	n.a.	n.a.	0	n.a.	0	9	9	9
Tangible assets	0	0	0	0	0	0	0	0	0	0	0
of which leased assets	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0
Shares associates	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Interest bearing assets	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Deferred tax assets	0	0	0	0	0	0	n.a.	0	0	0	0
Other non-IB non-current assets	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Other non-current assets	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Total non-current assets	0	0	0	18	47	66	74	81	92	88	84
Inventory	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Accounts receivable	0	0	1	1	3	4	4	5	6	7	8
Short-term leased assets	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Other current assets	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Cash and bank	0	0	0	0	3	8	4	5	2	17	29
Total current assets	0	0	1	1	6	12	8	10	8	24	37
Assets held for sale	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total assets	**0**	**0**	**1**	**19**	**53**	**78**	**82**	**91**	**100**	**112**	**120**
Shareholders equity	0	0	0	9	16	59	65	71	78	89	96
Of which preferred stocks	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Of which equity part of hybrid debt	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Minority interest	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Total Equity	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	71	78	89	96
Deferred tax	0	0	0	0	0	1	1	2	2	2	2
Long term interest bearing debt	0	0	0	0	28	8	3	0	0	0	0
Pension provisions	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Other long-term provisions	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Other long-term liabilities	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Non-current lease debt	0	0	n.a.	n.a.	n.a.	n.a.	0	0	0	0	0
Convertible debt	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Shareholder debt	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Hybrid debt	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Total non-current liabilities	0	0	0	1	29	13	10	10	10	10	10
Short-term provisions	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Accounts payable	0	0	1	9	6	4	2	2	3	3	4
Current lease debt	0	0	n.a.	n.a.	n.a.	n.a.	0	0	0	0	0
Other current liabilities	0	0	0	0	2	3	5	6	7	8	9
Short term interest bearing debt	0	0	0	0	0	0	n.a.	2	2	2	2
Total current liabilities	0	0	1	9	8	7	7	10	12	13	15
Liabilities for assets held for sale	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Total liabilities and equity	**0**	**0**	**1**	**19**	**53**	**78**	**82**	**91**	**100**	**112**	**120**
Balance sheet and debt metrics											
Net debt	0	0	0	0	25	0	-1	-3	0	-15	-27
of which lease debt	0	0	n.a.	n.a.	n.a.	n.a.	0	0	0	0	0
Working capital	0	0	0	-8	-6	-2	-3	-3	-4	-4	-5
Invested capital	0	0	0	10	41	64	71	78	87	84	79
Capital employed	0	0	0	9	44	67	69	73	80	91	98
ROE	n.m.	n.m.	38.1%	n.m.	47.0%	12.2%	11.6%	8.2%	9.1%	13.4%	13.5%
ROIC	n.m.	n.m.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
ROCE	n.m.	n.m.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Net debt/EBITDA	n.m.	n.m.	-0.3	0.0	2.6	0.0	0.0	-0.3	0.0	-0.8	-1.3
Interest coverage	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Equity ratio	n.m.	n.m.	24.3%	46.9%	29.8%	75.2%	79.1%	77.6%	77.8%	79.1%	79.4%
Net gearing	n.m.	n.m.	n.a.	n.a.	n.a.	n.a.	n.a.	-4.3%	-0.5%	-16.8%	-28.3%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

EURm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
EBITDA (adj) for associates	**0**	**0**	**0**	**8**	**9**	**13**	**13**	**12**	**14**	**19**	**21**
Paid taxes	0	0	0	0	0	0	0	0	0	-1	-1
Net financials	0	0	0	0	-3	-6	-1	-1	-1	0	0
Change in provisions	0	0	0	0	0	0	0	0	0	0	0
Change in other LT non-IB	0	0	0	0	0	4	1	3	0	0	0
Cash flow to/from associates	0	0	0	0	0	0	0	0	0	0	0
Dividends paid to minorities	0	0	0	0	0	0	0	0	0	0	0
Other adj to reconcile to cash flow	0	0	0	-1	1	5	-2	-2	0	0	0
Funds from operations (FFO)	**0**	**0**	**0**	**7**	**8**	**14**	**11**	**12**	**13**	**18**	**20**
Change in NWC	0	0	0	9	-3	-3	0	0	1	0	0
Cash flow from operations (CFO)	**0**	**0**	**0**	**16**	**5**	**11**	**11**	**12**	**14**	**18**	**21**
Capital expenditure	0	0	0	-16	-28	-16	0	0	0	0	0
Free cash flow before A&D	**0**	**0**	**0**	**0**	**-23**	**-5**	**11**	**12**	**14**	**18**	**21**
Proceeds from sale of assets	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Acquisitions	0	0	0	0	0	-1	-9	-10	-17	-4	-3
Free cash flow	0	0	0	0	-23	-5	3	3	-3	14	18
Free cash flow bef A&D, lease adj	0	0	0	0	-23	-5	11	12	14	18	21
Dividends paid	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	-6
Equity issues / buybacks	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Net change in debt	0	0	0	0	28	-23	-4	-2	0	0	0
Other financing adjustments	0	0	n.a.	n.a.	-2	-4	-1	0	0	0	0
Other non-cash adjustments	0	0	0	0	0	0	0	0	0	0	0
Change in cash	0	0	0	0	3	4	-3	1	-3	14	12
Cash flow metrics											
Capex/D&A	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	0.6%	-0.4%	1.6%	1.8%	1.8%
Capex/Sales	n.a.	n.a.	1.1%	n.m.	n.m.	61.8%	0.1%	-0.1%	0.3%	0.3%	0.3%
Key information											
Share price year end (/current)	n.a.	n.a.	n.a.	n.a.	n.a.	2	1	1	2	2	2
Market cap.	n.a.	n.a.	n.a.	n.a.	n.a.	72	34	40	73	73	73
Enterprise value	n.a.	n.a.	n.a.	n.a.	n.a.	72	33	37	73	59	46
Diluted no. of shares, year-end (m)	0.0	0.0	37.9	37.9	37.9	37.9	37.4	37.4	41.3	41.3	41.3

Source: Company data and Nordea estimates

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Nordea has no market-making obligations in Raketech Group Holding.

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In view of Nordea's position in its markets readers should assume that the bank may currently or may in the coming three months and beyond be providing or seeking to provide confidential investment banking services to the company/companies

Issuer Review

This report has been reviewed by the Issuer prior to publication.

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