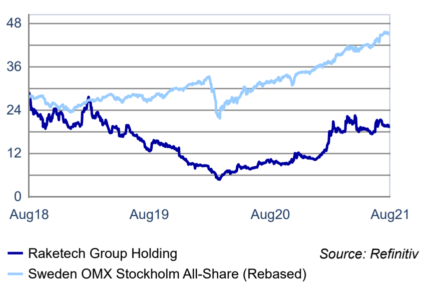
Raketech Group Holding

Media
Sweden

KEY DATA

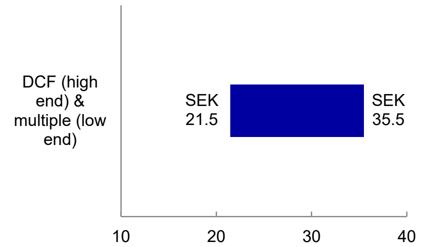
Stock country	Sweden
Bloomberg	RAKE SS
Reuters	RAKE.ST
Share price (close)	SEK 19.22
Free Float	45%
Market cap. (bn)	EUR 0.07/SEK 0.72
Website	www.raketech.com
Next report date	10 Nov 2021

PERFORMANCE



Source: Refinitiv

VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2021E	2022E	2023E
Sales	3%	5%	5%
EBIT (adj)	2%	5%	5%

Source: Nordea estimates

Nordea Markets - Analysts
Erik Lindholm-Röjestål
Analyst

Going global

Raketech's Q2 report was 2% above our expectations on EBITDA, posting strong organic growth of 25.7%. We like the transformation that Raketech is undergoing, creating a broader geographical reach organically and through M&A. After recent deals, we estimate ~50% of Raketech's revenues will come from outside the Nordics, with meaningful exposure to growth markets in LatAm, the US and Japan. This should improve Raketech's growth profile and reduce business volatility. We adjust our DCF- and multiple-based fair value range to SEK 21.5-35.5 (21.5-34.8).

Q2 2021: Exceptional organic growth, solid Q3 trading update

Raketech posted a solid Q2 report, with 25.7% organic growth (7.7 pp above our estimate) and EUR 8.8m in revenues, ~4% above our expectations. The EBITDA margin was 38.7%, 0.8 pp below our estimate, but this still took EBITDA to 2% above our forecast. The main reason for the slight miss on the EBITDA margin was a mix that was more skewed towards lower-margin network sales (as opposed to affiliation), resulting in higher direct costs. However, opex was broadly in line. For the start of July, Raketech reported EUR 2.9m in revenues with a 43% EBITDA margin, driven by high-margin affiliation website Casinofeber returning to a more normal performance after a slump in late 2020/H1 2021. We raise our EBITDA estimate for Q3 by ~10% after the Q2 report and now expect 15% organic growth (23% total) to EUR 9.1m in revenues, with a 41.2% EBITDA margin.

Going global with another acquisition

Raketech recently announced the acquisition of Infinileads for EUR 4.5m upfront. Infinileads mainly focuses on Spain, Italy and Portugal, but is also active in rapidly growing markets in LatAm such as Argentina, Mexico and Peru. Infinileads' key asset is Slotjava.es/.it, a casino affiliation site, with a library of free-to-play slots from different providers, which users can try out for free. While we would prefer Raketech to increase its exposure to sports (~25% after recent M&A), we like the geographic diversification that Infinileads brings. We also view the LTM upfront acquisition multiple of ~3.8x EBITDA as attractive. We now estimate that Raketech's non-Nordic revenues will be approximately 50% of total revenues for 2022, after the Infinileads and QM Media acquisitions. Included in this 50% is ~10% exposure to the US, 10% to Japan, 3-5% to LatAm, a wide range of European markets, India, Canada and more. We hence find that Raketech is exposed to many interesting growth markets and that this should support its organic growth outlook for the coming years.

SUMMARY TABLE - KEY FIGURES

EURm	2017	2018	2019	2020	2021E	2022E	2023E
Total revenue	17	26	24	29	36	44	49
EBITDA (adj)	10	14	11	12	15	20	22
EBIT (adj)	9	13	7	7	8	13	14
EBIT (adj) margin	52.5%	49.7%	29.7%	23.0%	21.5%	28.3%	28.3%
EPS (adj, EUR)	0.16	0.16	0.16	0.15	0.17	0.28	0.32
EPS (adj) growth	-22.1%	1.7%	-2.1%	-2.3%	11.4%	66.9%	11.2%
DPS (ord, EUR)	0.00	0.00	0.00	0.00	0.00	0.14	0.16
EV/Sales	n.a.	2.8	1.4	1.3	2.2	1.5	1.1
EV/EBIT (adj)	n.a.	5.7	4.7	5.5	10.2	5.4	4.1
P/E (adj)	n.a.	11.9	5.8	7.0	11.0	6.6	5.9
P/BV	n.a.	1.2	0.5	0.6	1.0	0.9	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%	18.2%	23.5%	27.9%
Net debt	25	0	-1	-3	2	-10	-21
Net debt/EBITDA	2.6	0.0	0.0	-0.3	0.1	-0.5	-0.9
ROIC after tax	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Source: Company data and Nordea estimates

Q2 2021 Outcome

Key deviations

- Net sales of EUR 8.8m, 4% above Nordea estimate
- EBITDA of EUR 3.4m, 2% above Nordea estimate
- EBIT of EUR 1.6m, 8% below Nordea estimate (higher PPA amortisation)
- Organic growth of 25.7%, 7.7 pp above Nordea estimate

RAKETECH: Q2 2021 DEVIATION TABLE (EPS IN EUR)

EURm	Actual Q2 2021	NDA est. Q2 2021	Deviation vs. actual		Consensus Q2 2021	Deviation vs. actual		Actual Q1 2021	q/q	Actual Q2 2020	y/y
Revenue	**8.8**	**8.5**	**0.3**	**4%**	**-**	**-**	**-**	**8.3**	**6%**	**7.0**	**25%**
Other operating income	0.0	0.0	-	-	-	-	-	0.0	-	0.0	-
Total revenue	**8.8**	**8.5**	**0.3**	**4%**	**-**	**-**	**-**	**8.3**	**6%**	**7.0**	**25%**
Direct costs	-3.1	-2.9	-0.3	10%	-	-	-	-2.9	9%	-1.9	66%
Personnel expenses	-1.1	-1.2	0.0	-4%	-	-	-	-1.2	-2%	-1.4	-19%
Depreciation and amortisation	-1.8	-1.6	-0.2	12%	-	-	-	-1.6	9%	-1.3	39%
Other operating expenses	-1.1	-1.1	0.0	3%	-	-	-	-1.0	6%	-0.9	22%
Adjusted EBIT	**1.6**	**1.7**	**-0.1**	**-8%**	**-**	**-**	**-**	**1.6**	**2%**	**1.5**	**5%**
Non-recurring items		0.0	-	-	-	-	-	0.0	-	0.0	-
Reported EBIT	**1.6**	**1.7**	**-0.1**	**-8%**	**-**	**-**	**-**	**1.6**	**2%**	**1.5**	**5%**
Net financials	-0.3	0.0	-	-	-	-	-	-0.4	-	-0.2	-
Profit before tax	**1.3**	**1.7**	**-0.4**	**-23%**	**-**	**-**	**-**	**1.2**	**9%**	**1.3**	**-1%**
Income tax	-0.1	-0.1	-	-	-	-	-	-0.1	-	-0.1	-
Profit after tax	**1.2**	**1.6**	**-0.4**	**-23%**	**-**	**-**	**-**	**1.1**	**9%**	**1.2**	**1%**
					-	-	-				
EPS adj.	**0.03**	**0.04**	**-0.01**	**-30%**	**-**	**-**	**-**	**0.03**	**-1%**	**0.03**	**-9%**
Key ratios											
EBITDA adj.	**3.4**	**3.3**	**-**	**2%**	**-**	**-**	**-**	**3.2**	**6%**	**2.8**	**20%**
Sales growth	25%	20%	-	5pp	-	-	-	27%	-2pp	24%	1pp
EBITDA adj. growth	20%	18%	-	2pp	-	-	-	17%	4pp	-2%	23pp
EBIT adj. growth	**5%**	**13%**	**-**	**-9pp**	**-**	**-**	**-**	**5%**	**0pp**	**-23%**	**27pp**
EBITDA adj. margin	38.7%	39.5%	-	-1pp	-	-	-	38.7%	0pp	40.2%	-2pp
EBIT adj. margin	**18.2%**	**20.5%**	**-**	**-2pp**	**-**	**-**	**-**	**18.9%**	**-1pp**	**21.8%**	**-4pp**
Tax rate	-5.1%	5.1%	-	-10pp	-	-	-	5.1%	-10pp	6.2%	-11pp

Source: Company data and Nordea estimates

Detailed estimates

RAKETECH: QUARTERLY ESTIMATES

EURm	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021E	Q4 2021E
Revenue	**6.5**	**7.0**	**7.4**	**8.5**	**8.3**	**8.8**	**9.1**	**10.3**
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**	**8.8**	**9.1**	**10.3**
Direct costs	-1.6	-1.9	-1.9	-2.5	-2.9	-3.1	-2.9	-3.0
Personnel expenses	-1.3	-1.4	-1.4	-1.2	-1.2	-1.1	-1.3	-1.5
Depreciation and amortisation	-1.3	-1.3	-1.5	-1.4	-1.6	-1.8	-1.8	-1.9
Other operating expenses	-0.9	-0.9	-1.1	-1.1	-1.0	-1.1	-1.2	-1.3
Adjusted EBIT	**1.5**	**1.5**	**1.5**	**2.3**	**1.6**	**1.6**	**2.0**	**2.7**
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**	**1.6**	**2.0**	**2.7**
Net financials	-0.2	-0.2	-0.2	0.0	-0.4	-0.3	0.0	0.0
Profit before tax	**1.1**	**1.3**	**1.3**	**2.3**	**1.2**	**1.3**	**1.9**	**2.6**
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**	**1.2**	**1.8**	**2.5**
EPS adj. (EUR)	**0.03**	**0.03**	**0.03**	**0.06**	**0.03**	**0.03**	**0.05**	**0.06**
Key ratios & assumptions								
Revenue growth, y/y	1%	24%	24%	45%	27%	25%	23%	22%
EBITDA adj.	**2.8**	**2.8**	**2.9**	**3.6**	**3.2**	**3.4**	**3.7**	**4.5**
EBITDA adj. growth	-21%	-2%	8%	61%	17%	20%	27%	24%
EBIT adj. growth	**-46%**	**-23%**	**-2%**	**161%**	**5%**	**5%**	**35%**	**18%**
EPS adj. growth	-77%	-27%	3%	-707%	7%	1%	42%	9%
EBITDA adj. margin	42.1%	40.2%	39.8%	43.1%	38.7%	38.7%	41.2%	44.0%
EBIT adj. margin	**22.8%**	**21.8%**	**19.8%**	**26.7%**	**18.9%**	**18.2%**	**21.8%**	**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

RAKETECH: ESTIMATE REVISIONS

	NEW ESTIMATES			OLD ESTIMATES			DIFFERENCE		
EURm	**2021E**	**2022E**	**2023E**	**2021E**	**2022E**	**2023E**	**2021E**	**2022E**	**2023E**
Revenue	**36.4**	**44.3**	**49.2**	**35.3**	**42.2**	**46.8**	**3%**	**5%**	**5%**
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-
Total revenue	**36.4**	**44.3**	**49.2**	**35.3**	**42.2**	**46.8**	**3%**	**5%**	**5%**
Direct costs	-11.9	-12.2	-13.5	-11.4	-11.6	-12.9	4%	5%	5%
Personnel expenses	-5.0	-6.4	-7.1	-5.0	-6.1	-6.8	0%	5%	5%
Depreciation and amortisation	-7.0	-7.5	-8.4	-6.7	-7.2	-8.0	5%	5%	5%
Other operating expenses	-4.7	-5.6	-6.2	-4.6	-5.4	-5.9	2%	5%	5%
Adjusted EBIT	**7.8**	**12.5**	**13.9**	**7.6**	**11.9**	**13.3**	**2%**	**5%**	**5%**
Non-recurring items	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-
Reported EBIT	**7.8**	**12.5**	**13.9**	**7.6**	**11.9**	**13.3**	**2%**	**5%**	**5%**
Interest payable on borrowings	-0.8	-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**	**12.4**	**13.7**	**7.1**	**11.8**	**13.1**	**-1%**	**5%**	**5%**
Income tax	-0.4	-0.6	-0.7	-0.4	-0.6	-0.7	-	-	-
Profit after tax	**6.7**	**11.7**	**13.0**	**6.8**	**11.2**	**12.4**	**-1%**	**5%**	**5%**
EPS adj. (EUR)	**0.17**	**0.28**	**0.32**	**0.17**	**0.27**	**0.30**	**-1%**	**5%**	**5%**
Key ratios									
Sales growth	**24%**	**22%**	**11%**	**20%**	**20%**	**11%**	**4pp**	**2pp**	**0pp**
EBIT adj. growth	16%	61%	11%	13%	56%	11%	2pp	4pp	0pp
EBITDA adj.	14.9	20.1	22.3	14.3	19.1	21.2	4%	5%	5%
EBITDA adj. margin	40.8%	45.3%	45.3%	40.6%	45.3%	45.3%	0.2pp	0.0pp	0.0pp
EBIT adj. margin	**21.5%**	**28.3%**	**28.3%**	**21.7%**	**28.3%**	**28.3%**	**-0.2pp**	**0.0pp**	**0.0pp**
Tax rate	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	0.0pp	-0.1pp	-0.1pp

Source Nordea estimates

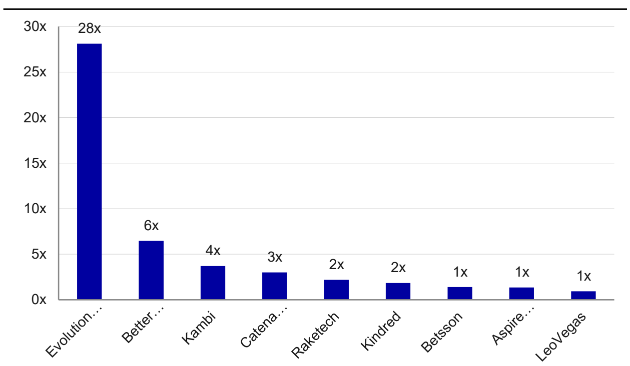
Valuation

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	-	3,016	1.3x	1.2x	7.6x	6.7x	10.0x	8.5x	13.5x	11.1x	-	-	52%	24%	3.2%	36%
Betsson	-	9,510	1.4x	1.3x	5.7x	6.1x	7.3x	8.0x	9.3x	10.1x	N.A.	N.A.	17%	-5%	5.5%	22%
Better Collective	BUY	11,290	6.5x	4.8x	18.7x	12.9x	21.6x	14.3x	28.9x	19.3x	-15%	4.3%	50%	49%	1.7%	15%
Catena Media	-	3,949	3.0x	2.7x	5.5x	5.1x	6.4x	6.0x	9.7x	8.7x	N.A.	N.A.	157%	11%	4.6%	28%
Evolution Gaming	HOLD	321,059	28.1x	22.4x	41.2x	32.5x	43.8x	34.8x	47.4x	37.5x	1.6%	2.6%	85%	26%	1.0%	21%
Kambi	-	6,898	3.7x	3.5x	-	-	10.8x	11.0x	14.5x	14.8x	N.A.	N.A.	116%	-2%	0.0%	38%
Kindred	BUY	31,783	1.8x	1.6x	6.6x	8.4x	7.4x	9.9x	9.4x	12.6x	7.7%	8.3%	54%	-25%	5.9%	61%
LeoVegas	-	3,709	0.9x	0.8x	7.7x	6.5x	19.4x	9.3x	11.4x	9.1x	10.5%	12.8%	16%	25%	4.2%	30%
Raketech	**NR**	**736**	**2.2x**	**1.5x**	**5.3x**	**3.3x**	**10.2x**	**5.3x**	**11.0x**	**6.6x**	**-6.6%**	**15.9%**	**11%**	**67%**	**0.0%**	**9%**
Median	**-**	**6,898**	**2.2x**	**1.6x**	**7.1x**	**6.6x**	**10.2x**	**9.3x**	**11.4x**	**11.1x**	**1.6%**	**8.3%**	**52%**	**24%**	**3.2%**	**28%**
International	**Origin**															
888	UK	18,090	2.0x	1.9x	12.1x	11.2x	15.9x	14.8x	20.7x	19.3x	4.7%	5.4%	4%	6%	2.4%	53%
Bet-at-home	DE	1,943	1.2x	1.0x	15.3x	6.5x	19.8x	7.3x	36.3x	13.8x	41.9%	66.4%	-78%	164%	5.9%	8%
Entain (prev. GVC)	UK	130,823	3.4x	3.0x	15.1x	12.5x	27.3x	17.6x	34.7x	20.8x	3.9%	5.1%	-18%	65%	1.9%	10%
IGT	US	33,490	2.7x	2.6x	6.8x	6.8x	13.5x	12.8x	20.1x	17.6x	12.5%	13.5%	-	-	0.0%	15%
Jackpotjoy	UK	24,367	2.9x	2.6x	10.3x	9.2x	11.0x	10.0x	12.1x	10.5x	7.4%	8.5%	15%	13%	2.2%	25%
Flutter (PaddyPower)	UK	291,199	4.7x	4.2x	25.1x	21.1x	33.4x	27.6x	44.2x	33.1x	-	-	-23%	32%	0.0%	5%
Playtech	UK	14,705	1.7x	1.4x	7.1x	6.1x	16.7x	12.0x	26.2x	16.8x	3.3%	5.6%	5%	47%	0.8%	4%
Rank Group	UK	10,324	3.2x	1.7x	-	10.2x	-	18.0x	-	25.0x	-	3.9%	-347%	140%	0.0%	-27%
Scientific Games	US	56,589	4.5x	4.1x	11.5x	10.4x	26.2x	20.6x	49.4x	34.2x	5.1%	8.6%	-	56%	0.0%	-5%
Tabcorp	AU	67,829	2.3x	2.3x	11.6x	10.9x	17.9x	16.3x	26.8x	24.1x	n.a	n.a	33%	10%	2.9%	6%
XLMedia	UK	1,879	3.3x	3.0x	15.2x	8.6x	34.4x	12.4x	31.8x	14.3x	-	-	-	122%	0.0%	-
Draftkings Inc	US	180,492	14.8x	11.0x	-	-	-	-	-	-	-	-	-54%	33%	0.0%	-61%
Gan Ltd	UK	4,996	4.0x	3.4x	38.1x	20.3x	-	-	-	-	-	-	52%	123%	0.0%	-8%
Penn National	US	90,612	2.6x	2.5x	7.4x	7.7x	12.5x	12.2x	21.0x	21.2x	-	-	164%	-1%	0.0%	20%
Median	**-**	**28,929**	**3.1x**	**2.6x**	**11.9x**	**10.2x**	**17.9x**	**13.8x**	**26.8x**	**20.1x**	**5.1%**	**7.1%**	**4%**	**47%**	**0.0%**	**6%**
Median (operators)		24,367	2.7x	2.2x	11.2x	9.2x	17.7x	12.2x	20.9x	19.3x	7.4%	6.9%	-7%	28%	2.1%	15%

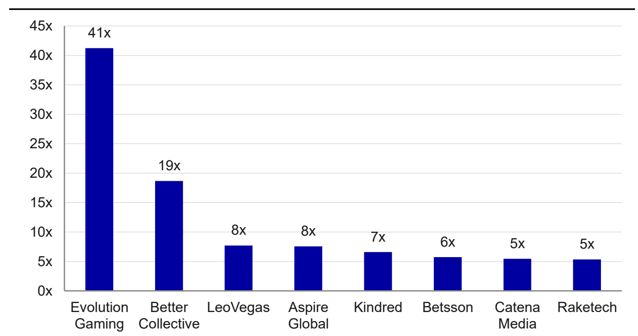
Source: Company data, Refinitiv and Nordea estimates

SWEDISH ONLINE GAMBLING: EV/SALES, 2021E



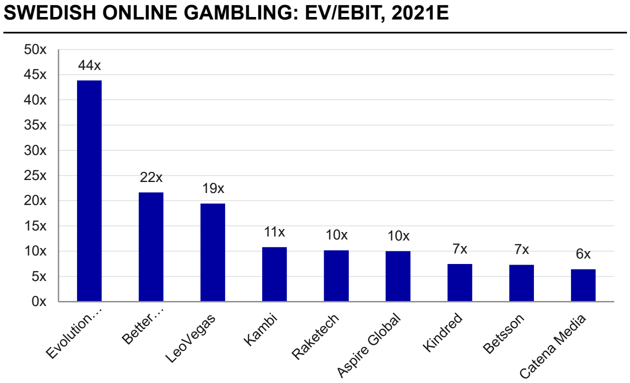
Source: Company data, Refinitiv and Nordea estimates

SWEDISH ONLINE GAMBLING: EV/EBITDA, 2021E



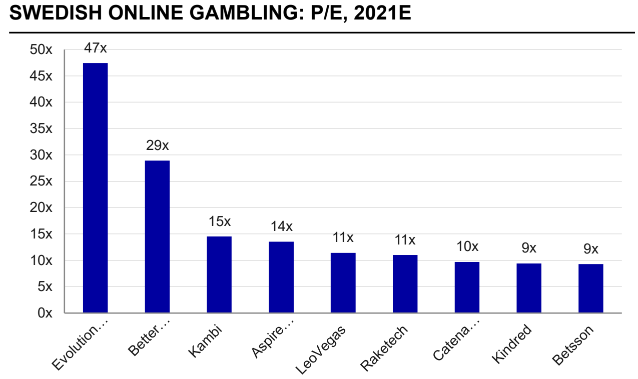
Source: Company data, Refinitiv and Nordea estimates

SWEDISH ONLINE GAMBLING: EV/EBIT, 2021E



Source: Company data, Refinitiv and Nordea estimates

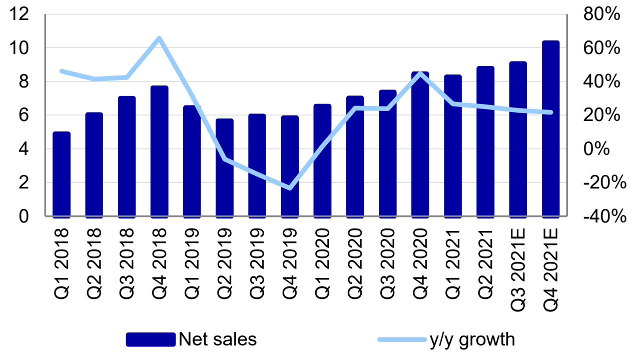
SWEDISH ONLINE GAMBLING: P/E, 2021E



Source: Company data, Refinitiv and Nordea estimates

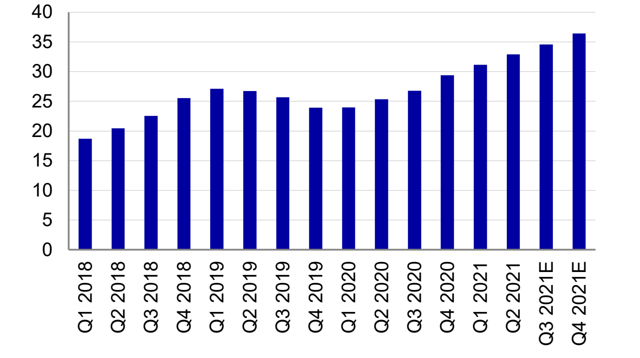
Key charts

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



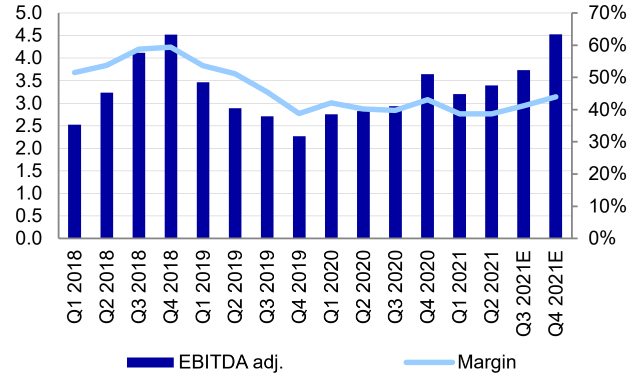
Source: Company data and Nordea estimates

NET SALES (EURm), LAST 12 MONTHS



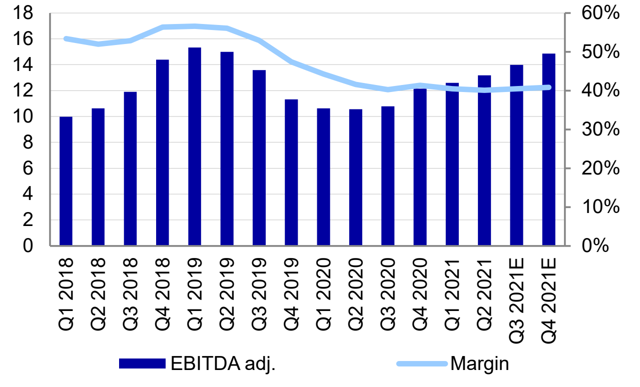
Source: Company data and Nordea estimates

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



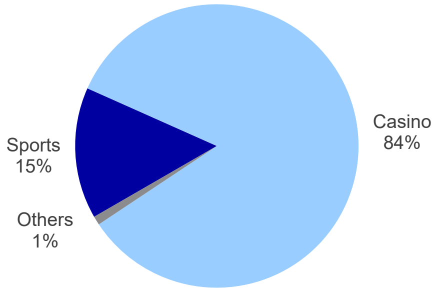
Source: Company data and Nordea estimates

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



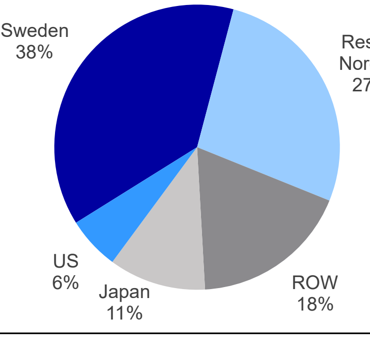
Source: Company data and Nordea estimates

VERTICAL SPLIT, Q2 2021



Source: Company data and Nordea

DETAILED MARKET OVERVIEW AS OF Q1 2021



Source: Company data and Nordea

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**	**36**	**44**	**49**
Revenue growth	n.a.	n.a.	n.a.	399.0%	64.3%	49.1%	-6.5%	23.0%	23.9%	21.7%	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	15	20	22
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	15	20	22
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	13	14
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**	**14**
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	12	13
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	12	13
EPS, EUR	**n.a.**	**n.a.**	**n.a.**	**0.20**	**0.15**	**0.12**	**0.19**	**0.15**	**0.17**	**0.28**	**0.32**
DPS, EUR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.14	0.16
of which ordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.14	0.16
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%	40.8%	45.3%	45.3%
EBITA	n.a.	n.a.	3.6%	77.3%	55.1%	50.0%	51.9%	40.0%	40.6%	45.1%	45.1%
EBIT	n.a.	n.a.	3.6%	76.9%	51.4%	43.7%	35.1%	22.5%	21.5%	28.3%	28.3%
Adjusted earnings											
EBITDA (adj)	0	0	0	8	10	14	11	12	15	20	22
EBITA (adj)	0	0	0	8	10	14	11	12	15	20	22
EBIT (adj)	0	0	0	8	9	13	7	7	8	13	14
EPS (adj, EUR)	n.a.	n.a.	n.a.	0.20	0.16	0.16	0.16	0.15	0.17	0.28	0.32
Adjusted profit margins in percent											
EBITDA (adj)	n.a.	n.a.	3.6%	77.3%	56.4%	56.3%	47.4%	41.3%	40.8%	45.3%	45.3%
EBITA (adj)	n.a.	n.a.	3.6%	77.3%	56.2%	56.0%	46.5%	40.4%	40.6%	45.1%	45.1%
EBIT (adj)	n.a.	n.a.	3.6%	76.9%	52.5%	49.7%	29.7%	23.0%	21.5%	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%	28.4%	20.9%	14.0%
EBITDA	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	176.2%	13.0%	16.2%	11.6%
EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	145.1%	-0.5%	7.3%	4.5%
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-3.3%	13.3%	21.5%
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%	32.3%	29.2%	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%	44.7%

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	11.0	6.6	5.9
EV/EBITDA (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	5.0	2.9	3.0	5.3	3.3	2.5
EV/EBITA (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	5.1	3.0	3.1	5.4	3.4	2.5
EV/EBIT (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	5.7	4.7	5.5	10.2	5.4	4.1

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	11.0	6.6	5.9
EV/Sales	n.a.	n.a.	n.a.	n.a.	n.a.	2.83	1.39	1.26	2.18	1.51	1.15
EV/EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	5.6	2.6	3.1	5.3	3.3	2.5
EV/EBITA	n.a.	n.a.	n.a.	n.a.	n.a.	5.7	2.7	3.1	5.4	3.4	2.5
EV/EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	6.5	4.0	5.6	10.2	5.4	4.1
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%	-6.6%	15.9%	21.4%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	n.a.	n.a.	-6.4%	33.9%	31.0%	18.2%	23.5%	27.9%
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	93	92	89
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	78	75
of which goodwill	0	0	n.a.	n.a.	n.a.	0	n.a.	0	12	14	14
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	94	92	89
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	0	12	23
Total current assets	0	0	1	1	6	12	8	10	6	20	31
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	4	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	7	7
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	12	13
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	2	-10	-21
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	-3	-3
Invested capital	0	0	0	10	41	64	71	78	90	89	86
Capital employed	0	0	0	9	44	67	69	73	79	91	98
ROE	n.m.	n.m.	38.1%	n.m.	47.0%	12.2%	11.6%	8.2%	9.0%	14.1%	14.0%
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	0.1	-0.5	-0.9
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%	79.9%	80.3%
Net gearing	n.m.	n.m.	n.a.	n.a.	n.a.	n.a.	n.a.	-4.3%	2.6%	-11.5%	-21.8%

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**	**15**	**20**	**22**
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**	**14**	**19**	**21**
Change in NWC	0	0	0	9	-3	-3	0	0	0	-1	0
Cash flow from operations (CFO)	**0**	**0**	**0**	**16**	**5**	**11**	**11**	**12**	**14**	**18**	**22**
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**	**22**
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	-19	-6	-5
Free cash flow	0	0	0	0	-23	-5	3	3	-5	12	17
Free cash flow bef A&D, lease adj	0	0	0	0	-23	-5	11	12	14	18	22
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	-5	12	11
Cash flow metrics											
Capex/D&A	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	0.6%	-0.4%	1.5%	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	77	77	77
Enterprise value	n.a.	n.a.	n.a.	n.a.	n.a.	72	33	37	79	67	56
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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Completion Date

19 Aug 2021, 02:02 CET

Nordea Bank Abp

Nordea Markets Division, Research
Visiting address:
Aleksis Kiven katu 7, Helsinki
FI-00020 Nordea
Finland

Tel: +358 9 1651
Fax: +358 9 165 59710

Reg.no. 2858394-9
Satamaradankatu 5
Helsinki

Nordea Bank Abp, filial i Sverige

Nordea Markets Division, Research
Visiting address:
Smålandsgatan 17
SE-105 71 Stockholm
Sweden

Tel: +46 8 614 7000
Fax: +46 8 534 911 60

Nordea Danmark, Filial af Nordea Bank Abp, Finland

Nordea Markets Division, Research
Visiting address:
Grønjordsvej 10
DK-2300 Copenhagen S
Denmark

Tel: +45 3333 3333
Fax: +45 3333 1520

Nordea Bank Abp, filial i Norge

Nordea Markets Division, Research
Visiting address:
Essendropsgate 7
N-0107 Oslo
Norway

Tel: +47 2248 5000
Fax: +47 2256 8650