Next Games

Media
Finland

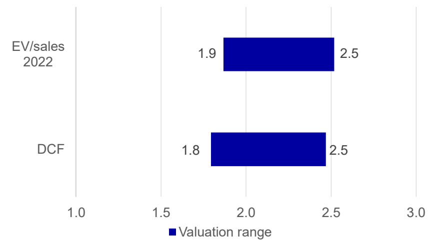
KEY DATA

Stock country	Finland
Bloomberg	NXTGMS FH
Reuters	NXTGMS.HE
Share price (close)	EUR 2.04
Free Float	100%
Market cap. (bn)	EUR 0.06/EUR 0.06
Website	s://www.nextgames.com/
Next report date	19 Aug 2022

PERFORMANCE

Source: Refinitiv

VALUATION APPROACH (EUR/SHARE)



Source: Nordea estimates

ESTIMATE CHANGES

Year	2022E	2023E	2024E
Sales	-41%	-26%	-25%
EBIT (adj)	-47,356%	-96%	-67%

Source: Nordea estimates

Nordea Markets - Analysts
Felix Henriksson
Analyst

Sami Sarkamies
Director

Netflix offers a new home for Next Games

Yesterday (2 March), Next Games reported preliminary H2 2021 results clearly below our expectations, even though we had cut our estimates heavily in December after the company withdrew its guidance as a consequence of postponed UA investments for Stranger Things: Puzzle Tales. The real news of the day, however, related to a tender offer of EUR 2.1 per share made by Netflix, valuing Next Games at EUR 65m. Given Next Games' history with Netflix, we are not overly surprised about the outcome and we think it likely that the deal will close during Q2 2022 as expected. We see that joining Netflix provides Next Games with much-needed resources to develop and scale up new games in the future, following a period of operational and financial difficulties. We make significant estimate cuts following the H2 outcome, but increase our valuation range to EUR 1.8-2.5 (1.3-1.8) due to the tender offer.

The tender offer by Netflix values Next Games at EUR 65m

Yesterday, Netflix announced a bid on Next Games at EUR 2.1 per share in cash, corresponding to a 126% premium to the closing price from 1 March and valuing the company at EUR 65m. The Next Games board of directors has unanimously decided to recommend that the shareholders of Next Games accept the offer, which is expected to be completed during Q2 2022. We do not view this outcome as overly surprising, given the company's struggles with new game releases, limited financial resources and ongoing cooperation with Netflix on Stranger Things: Puzzle Tales.

H2 2021 figures worse than feared

Next Games also announced H2 2021 preliminary revenue of EUR 13m, missing our estimate of EUR 22m by 41%. H2 adjusted EBIT was EUR -0.9m compared to our estimate of EUR 1.0m. For 2022, Next Games guides that it will aim to improve the performance of key games and continue developing new games. The company announced that Blade Runner Rogue was discontinued in February 2022. Next Games expects R&D and admin costs to maintain a similar level to 2021. We expect UA to ramp up as we approach the release date of Stranger Things season 4 (27 May).

Fair value range of EUR 1.8-2.5

Our fair value range increases to EUR 1.8-2.5 (1.3-1.8), with the midpoint being in line with the tender offer price of EUR 2.1 per share. The valuation range corresponds to 2022E EV/sales of 1.5x-2.1x and compares to a median multiple of 2.8x for western mobile gaming peers.

SUMMARY TABLE - KEY FIGURES

EURm	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	35	35	27	25	36	50	54
EBITDA (adj)	-15	-3	-1	-2	1	6	7
EBIT (adj)	-17	-7	-5	-7	-4	0	1
EBIT (adj) margin	-47.6%	-21.5%	-18.4%	-25.9%	-11.7%	0.2%	2.1%
EPS (adj, EUR)	-0.98	-0.36	-0.20	-0.21	-0.15	0.00	0.02
EPS (adj) growth	-216.5%	63.7%	43.7%	-6.9%	31.8%	97.8%	889.0%
DPS (ord, EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EV/Sales	0.4	0.7	2.2	1.3	1.7	1.1	1.0
EV/EBIT (adj)	n.m.	n.m.	n.m.	n.m.	n.m.	696.4	49.0
P/E (adj)	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	81.8
P/BV	0.9	1.1	3.0	1.8	4.3	4.3	4.1
Dividend yield (ord)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF Yield bef A&D, lease	-92.9%	-29.4%	-3.7%	-15.3%	0.9%	5.2%	1.9%
Net debt	-8	-1	0	-1	-1	-4	-6
Net debt/EBITDA	n.m.	n.m.	n.m.	n.m.	-1.2	-0.8	-0.8
ROIC after tax	-79.9%	-28.2%	-19.8%	-28.0%	-22.7%	0.6%	11.0%

Source: Company data and Nordea estimates

Detailed estimates and estimate revisions

ESTIMATE REVISIONS (EURm AND EUR)

	New estimates				Old estimates				Difference %			
EURm	H1 2022E	2022E	2023E	2024E	H1 2022E	2022E	2023E	2024E	H1 2022E	2022E	2023E	2024E
Sales	**13.7**	**36.0**	**49.6**	**54.2**	**29.8**	**61.2**	**67.0**	**72.0**	**-54%**	**-41%**	**-26%**	**-25%**
EBITDA	**-1.0**	**0.8**	**5.7**	**6.9**	**1.7**	**5.0**	**7.9**	**9.5**	**-160%**	**-84%**	**-28%**	**-27%**
EBITDA margin	-7.4%	2.3%	11.5%	12.8%	5.8%	8.2%	11.8%	13.2%	-13.2pp	-5.9pp	-0.4pp	-0.4pp
Adj. EBITDA	**-1.0**	**0.8**	**5.7**	**6.9**	**1.7**	**5.0**	**7.9**	**9.5**	**-160%**	**-84%**	**-28%**	**-27%**
Adj. EBITDA margin	-7.4%	2.3%	11.5%	12.8%	5.8%	8.2%	11.8%	13.2%	-13.2pp	-5.9pp	-0.4pp	-0.4pp
EBIT	**-3.5**	**-4.2**	**0.1**	**1.1**	**-0.8**	**0.0**	**2.3**	**3.4**	**-347%**	**-47358%**	**-96%**	**-67%**
EBIT margin	-25.7%	-11.7%	0.2%	2.1%	-2.6%	0.0%	3.4%	4.8%	-23.1pp	-11.6pp	-3.2pp	-2.7pp
Adj. EBIT	**-1.4**	**0.1**	**5.0**	**6.3**	**1.4**	**4.3**	**7.2**	**8.8**	**-198%**	**-97%**	**-31%**	**-29%**
Adj. EBIT margin	-9.9%	0.4%	10.1%	11.6%	4.6%	7.1%	10.8%	12.2%	-14.5pp	-6.7pp	-0.7pp	-0.7pp
Net income	**-3.6**	**-4.4**	**-0.1**	**0.7**	**-0.8**	**-0.2**	**1.8**	**2.8**	**-359%**	**-2562%**	**-105%**	**-73%**
EPS	**-0.13**	**-0.15**	**0.00**	**0.02**	**-0.03**	**-0.01**	**0.06**	**0.09**	**-359%**	**-2562%**	**-105%**	**-73%**

Source: Nordea estimates

REPORTED ANNUAL NUMBERS AND ESTIMATES (EURm AND EUR)

	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Revenue	**31.1**	**32.5**	**35.2**	**34.7**	**27.2**	**25.2**	**36.0**	**49.6**	**54.2**
- growth y/y	220.5%	4.4%	8.6%	-1.5%	-21.6%	-7.4%	42.7%	38.0%	9.3%
Gross profit	**16.9**	**19.3**	**21.3**	**19.7**	**14.3**	**13.3**	**19.4**	**27.8**	**30.4**
Gross margin	54.2%	59.5%	60.4%	56.7%	52.5%	52.6%	54.0%	56.0%	56.0%
Operating Expenses	20.2	24.4	38.3	27.1	19.3	19.8	23.6	27.7	29.2
R&D	6.4	7.0	7.5	6.6	6.6	6.7	6.8	6.6	6.9
Sales & Marketing	12.3	12.7	26.8	17.6	9.5	9.9	13.4	17.7	18.8
Admin	1.5	4.7	4.0	3.0	3.2	3.2	3.4	3.4	3.5
EBITDA	**-1.7**	**-4.4**	**-14.8**	**-3.5**	**-0.7**	**-0.6**	**0.8**	**5.7**	**6.9**
- margin	-5.5%	-13.6%	-41.8%	-10.0%	-2.6%	-2.5%	2.3%	11.5%	12.8%
Adj. EBITDA	**-1.5**	**-3.4**	**-14.5**	**-3.5**	**-0.7**	**-0.6**	**0.8**	**5.7**	**6.9**
- margin	-4.9%	-10.4%	-41.2%	-10.0%	-2.6%	-2.5%	2.3%	11.5%	12.8%
EBIT	**-2.2**	**-5.1**	**-16.9**	**-7.4**	**-4.6**	**-5.6**	**-4.2**	**0.1**	**1.1**
- margin	-7.0%	-15.6%	-48.0%	-21.4%	-17.0%	-22.4%	-11.7%	0.2%	2.1%
Adj. EBIT (Nordea)	**-2.0**	**-4.0**	**-16.7**	**-7.4**	**-4.6**	**-5.6**	**-4.2**	**0.1**	**1.1**
- margin	-6.4%	-12.4%	-47.4%	-21.4%	-17.0%	-22.4%	-11.7%	0.2%	2.1%
Adj. EBIT (comparable)	**-1.7**	**-4.4**	**-13.8**	**-4.0**	**-1.2**	**-1.3**	**0.1**	**5.0**	**6.3**
- margin	-5.5%	-13.6%	-39.1%	-11.4%	-4.4%	-5.2%	0.4%	10.1%	11.6%
Net financials	-0.1	-0.5	0.1	-0.2	-0.6	-0.1	-0.2	-0.2	-0.2
PTP	-2.4	-6.0	-16.9	-7.8	-5.4	-5.7	-4.4	-0.1	0.9
Net profit	**0.1**	**-6.1**	**-18.0**	**-8.3**	**-5.2**	**-5.4**	**-4.4**	**-0.1**	**0.7**
Adj. net profit	0.3	-5.1	-17.8	-8.3	-5.2	-5.4	-4.4	-0.1	0.7
EPS (diluted)	0.01	-0.37	-0.99	-0.36	-0.19	-0.18	-0.15	0.00	0.02
DPS	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

Source: Company data and Nordea estimates

ESTIMATED KPIs FOR THE GAME PORTFOLIO (EURm and EUR; DAU/MAU in millions)

Company	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Gross Bookings, EURm	**33.9**	**31.1**	**35.9**	**34.5**	**26.9**	**24.8**	**36.0**	**49.6**	**54.2**
DAU	0.4	0.4	0.4	0.3	0.2	0.3	0.3	0.5	0.9
MAU	1.6	1.3	1.7	1.3	0.7	0.9	1.4	1.8	2.9
DAU/MAU	27%	33%	26%	27%	31%	30%	22%	27%	30%
ARPDAU, USD	0.23	0.22	0.25	0.30	0.42	0.35	0.33	0.32	0.31
ARPDAU, EUR	0.21	0.20	0.22	0.27	0.36	0.31	0.29	0.38	0.27
TWD: NML	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022E**	**2023E**	**2024E**
Gross Bookings, EURm			21.4	15.9	15.4	14.3	10.2	7.3	4.8
DAU			0.28	0.19	0.15	0.14	0.10	0.07	0.05
MAU			0.85	0.58	0.46	0.42	0.29	0.21	0.14
DAU/MAU			33%	33%	33%	34%	34%	34%	34%
ARPDAU, EUR			0.22	0.23	0.30	0.28	0.28	0.28	0.28
TWD: OW	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022E**	**2023E**	**2024E**
Gross Bookings, EURm			14.0	18.5	11.5	8.8	5.0	2.6	1.4
DAU			0.30	0.15	0.07	0.06	0.03	0.02	0.01
MAU			1.43	0.68	0.26	0.23	0.10	0.05	0.03
DAU/MAU			21%	22%	27%	28%	29%	29%	29%
ARPDAU, EUR			0.26	0.34	0.44	0.46	0.46	0.46	0.46
Stranger Things: Puzzle Tales	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022E**	**2023E**	**2024E**
Gross Bookings, EURm						1.2	17.9	21.4	14.6
DAU						0.11	0.17	0.19	0.13
MAU						0.33	0.53	0.59	0.39
DAU/MAU						33%	33%	33%	33%
ARPDAU, EUR						0.23	0.27	0.30	0.31
Other revenue	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022E**	**2023E**	**2024E**
Gross Bookings, EURm						0.5	2.8	18.3	33.4

Source: Company data and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT

EURm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	**0**	**10**	**31**	**32**	**35**	**35**	**27**	**25**	**36**	**50**	**54**
Revenue growth	n.a.	n.m.	220.5%	4.4%	8.6%	-1.5%	-21.6%	-7.4%	42.7%	38.0%	9.3%
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	-4	-6	-2	-4	-15	-3	-1	-1	1	6	7
Depreciation and impairments PPE	0	0	0	-1	-1	-2	-2	-3	-3	-3	-3
of which leased assets	0	0	0	0	0	-1	-1	-1	-1	-1	-1
EBITA	-4	-7	-2	-5	-16	-5	-3	-3	-1	3	4
Amortisation and impairments	0	0	0	0	-1	-2	-2	-2	-3	-3	-3
EBIT	-4	-7	-2	-5	-17	-7	-5	-6	-4	0	1
of which associates	0	0	0	0	0	0	0	0	0	0	0
Associates excluded from EBIT	0	0	0	0	0	0	0	0	0	0	0
Net financials	0	0	0	-1	0	0	-1	0	0	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	**-4**	**-7**	**-2**	**-6**	**-17**	**-8**	**-5**	**-6**	**-4**	**0**	**1**
Reported taxes	0	0	2	0	-1	-1	0	0	0	0	0
Net profit from continued operations	-4	-7	0	-6	-18	-8	-5	-5	-4	0	1
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	0	0	0	0	0	0	0	0	0	0	0
Net profit to equity	-4	-7	0	-6	-18	-8	-5	-5	-4	0	1
EPS, EUR	**-1.57**	**-2.00**	**0.01**	**-0.37**	**-0.99**	**-0.36**	**-0.19**	**-0.18**	**-0.15**	**0.00**	**0.02**
DPS, EUR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
of which ordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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.m.	-66.2%	-5.5%	-13.6%	-41.8%	-10.0%	-2.3%	-2.5%	3.2%	11.5%	12.8%
EBITA	n.m.	-70.2%	-7.0%	-15.6%	-44.5%	-14.8%	-10.0%	-12.8%	-4.1%	6.2%	8.0%
EBIT	n.m.	-70.2%	-7.0%	-15.6%	-48.0%	-21.4%	-17.0%	-22.4%	-11.7%	0.2%	2.1%
Adjusted earnings											
EBITDA (adj)	-4	-6	-3	-3	-15	-3	-1	-2	1	6	7
EBITA (adj)	-4	-7	-3	-4	-16	-5	-3	-4	-1	3	4
EBIT (adj)	-4	-7	-3	-4	-17	-7	-5	-7	-4	0	1
EPS (adj, EUR)	-1.57	-2.00	-0.06	-0.31	-0.98	-0.36	-0.20	-0.21	-0.15	0.00	0.02
Adjusted profit margins in percent											
EBITDA (adj)	n.m.	-66.2%	-8.4%	-10.6%	-41.4%	-10.0%	-3.7%	-6.0%	3.2%	11.5%	12.8%
EBITA (adj)	n.m.	-70.2%	-9.9%	-12.6%	-44.0%	-14.8%	-11.5%	-16.4%	-4.1%	6.2%	8.0%
EBIT (adj)	n.m.	-70.2%	-9.9%	-12.6%	-47.6%	-21.5%	-18.4%	-25.9%	-11.7%	0.2%	2.1%
Performance metrics											
CAGR last 5 years											
Net revenue	n.a.	n.a.	n.a.	n.a.	n.m.	513.7%	22.9%	-4.1%	2.1%	7.1%	9.3%
EBITDA	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
EBIT	n.a.	n.a.	n.a.	n.a.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
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.	-25.2%	-32.2%	-26.8%	-22.5%	-25.6%	-24.5%	-12.6%	-6.9%
Average EBITDA margin	n.a.	n.a.	n.a.	-23.0%	-28.8%	-21.5%	-15.5%	-15.4%	-11.6%	1.2%	6.5%

VALUATION RATIOS - ADJUSTED EARNINGS

EURm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
P/E (adj)	n.a.	n.a.	n.a.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	81.8
EV/EBITDA (adj)	n.a.	n.a.	n.a.	7.9	n.m.	n.m.	n.m.	n.m.	52.5	10.0	8.0
EV/EBITA (adj)	n.a.	n.a.	n.a.	6.7	n.m.	n.m.	n.m.	n.m.	n.m.	18.4	12.8
EV/EBIT (adj)	n.a.	n.a.	n.a.	7.5	n.m.	n.m.	n.m.	n.m.	n.m.	696.4	49.0

VALUATION RATIOS - REPORTED EARNINGS

EURm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
P/E	n.a.	n.a.	n.a.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	81.8
EV/Sales	n.a.	n.a.	n.a.	-0.84	0.35	0.70	2.16	1.32	1.67	1.14	1.03
EV/EBITDA	n.a.	n.a.	n.a.	6.9	n.m.	n.m.	n.m.	n.m.	52.5	10.0	8.0
EV/EBITA	n.a.	n.a.	n.a.	5.9	n.m.	n.m.	n.m.	n.m.	n.m.	18.4	12.8
EV/EBIT	n.a.	n.a.	n.a.	5.9	n.m.	n.m.	n.m.	n.m.	n.m.	696.4	49.0
Dividend yield (ord.)	n.a.	n.a.	n.a.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield	n.a.	n.a.	n.a.	n.m.	-92.9%	-25.3%	-2.0%	-11.8%	2.8%	7.1%	3.8%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	n.m.	-92.9%	-29.4%	-3.7%	-15.3%	0.9%	5.2%	1.9%
Payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: Company data and Nordea estimates

BALANCE SHEET

EURm	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022E**	**2023E**	**2024E**
Intangible assets	0	1	3	10	14	14	15	19	20	21	22
of which R&D	0	1	1	7	10	11	12	15	16	17	18
of which other intangibles	0	0	0	0	0	0	0	0	0	0	0
of which goodwill	0	0	2	3	3	3	3	4	4	4	4
Tangible assets	0	0	1	0	7	5	4	4	3	3	3
of which leased assets	0	0	0	0	0	4	4	4	3	3	3
Shares associates	1	0	1	1	0	0	0	0	0	0	0
Interest bearing assets	0	0	0	1	0	1	0	0	0	0	0
Deferred tax assets	0	0	2	3	2	1	2	2	0	0	0
Other non-IB non-current assets	0	0	0	0	0	0	0	0	0	0	0
Other non-current assets	0	0	0	0	0	0	1	2	0	0	0
Total non-current assets	1	1	7	14	23	22	22	26	23	24	25
Inventory	0	0	0	0	0	0	0	0	0	0	0
Accounts receivable	1	3	6	5	6	5	4	2	3	4	5
Short-term leased assets	0	0	0	0	0	0	0	0	1	1	1
Other current assets	0	0	0	0	0	0	0	0	0	0	0
Cash and bank	2	5	4	26	7	8	4	5	6	9	10
Total current assets	2	8	10	31	14	13	8	7	10	15	16
Assets held for sale	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total assets	**3**	**9**	**17**	**46**	**36**	**35**	**30**	**34**	**33**	**39**	**41**
Shareholders equity	2	5	7	39	23	23	19	19	14	14	15
Of which preferred stocks	0	0	0	0	0	0	0	0	0	0	0
Of which equity part of hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Minority interest	0	0	0	0	0	0	0	0	0	0	0
Total Equity	2	5	7	39	23	23	19	19	14	14	15
Deferred tax	0	0	0	0	0	0	0	0	0	0	0
Long term interest bearing debt	0	0	0	0	0	1	1	2	2	2	2
Pension provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term liabilities	0	0	0	0	0	0	0	0	0	0	0
Non-current lease debt	0	0	0	0	0	3	2	2	1	1	1
Convertible debt	0	0	0	0	0	0	0	0	0	0	0
Shareholder debt	0	0	0	0	0	0	0	0	0	0	0
Hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Total non-current liabilities	0	0	1	1	5	4	3	4	3	3	3
Short-term provisions	0	0	0	0	0	0	0	0	0	0	0
Accounts payable	1	4	9	6	9	4	7	11	15	20	22
Current lease debt	0	0	0	0	0	1	1	0	1	1	1
Other current liabilities	0	0	0	0	0	0	0	0	0	0	0
Short term interest bearing debt	0	0	0	0	0	3	0	0	0	0	0
Total current liabilities	1	4	9	6	9	8	8	11	16	21	23
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	**3**	**9**	**17**	**46**	**36**	**35**	**30**	**34**	**33**	**39**	**41**
Balance sheet and debt metrics											
Net debt	-2	-5	-4	-27	-8	-1	0	-1	-1	-4	-6
of which lease debt	0	0	0	0	0	4	3	2	2	2	2
Working capital	0	0	-3	-1	-3	1	-3	-9	-11	-16	-17
Invested capital	1	1	5	14	20	23	19	18	12	8	8
Capital employed	2	5	7	39	23	31	24	23	19	19	19
ROE	n.m.	n.m.	1.5%	-26.2%	-58.0%	-36.3%	-24.7%	-28.6%	-26.8%	-0.7%	5.2%
ROIC	n.m.	n.m.	-96.5%	-40.7%	-79.9%	-28.2%	-19.8%	-28.0%	-22.7%	0.6%	11.0%
ROCE	n.m.	n.m.	-52.0%	-19.3%	-51.8%	-27.9%	-19.1%	-28.0%	-20.1%	0.4%	6.0%
Net debt/EBITDA	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	-1.2	-0.8	-0.8
Interest coverage	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	0.4	n.m.
Equity ratio	72.3%	55.3%	43.5%	86.1%	62.7%	65.9%	64.0%	55.5%	42.8%	36.5%	36.0%
Net gearing	-70.5%	-94.9%	-52.9%	-69.1%	-33.7%	-3.3%	0.0%	-4.3%	-9.3%	-31.7%	-37.8%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT											
EURm	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022E**	**2023E**	**2024E**
EBITDA (adj) for associates	**-4**	**-6**	**-2**	**-4**	**-15**	**-3**	**0**	**-1**	**1**	**6**	**7**
Paid taxes	0	0	0	0	0	0	0	0	0	0	0
Net financials	0	0	0	0	0	0	0	0	0	0	0
Change in provisions	0	0	0	0	0	0	0	0	0	0	0
Change in other LT non-IB	0	0	-2	0	5	-4	-1	-1	4	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	4	6	3	1	-3	4	3	2	0	0	0
Funds from operations (FFO)	**0**	**0**	**0**	**-3**	**-13**	**-4**	**2**	**0**	**4**	**6**	**7**
Change in NWC	0	0	0	-1	1	0	0	0	3	4	1
Cash flow from operations (CFO)	**0**	**0**	**0**	**-4**	**-12**	**-4**	**2**	**0**	**7**	**10**	**8**
Capital expenditure	0	0	-1	-2	-7	-3	-3	-4	-6	-5	-6
Free cash flow before A&D	**0**	**0**	**-1**	**-7**	**-19**	**-6**	**-1**	**-4**	**2**	**4**	**2**
Proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Acquisitions	0	0	0	0	0	0	0	0	0	0	0
Free cash flow	0	0	-1	-7	-19	-6	-1	-4	2	4	2
Free cash flow bef A&D, lease adj	0	0	-1	-7	-19	-7	-2	-5	1	3	1
Dividends paid	0	0	0	0	0	0	0	0	0	0	0
Equity issues / buybacks	0	0	0	30	0	8	0	4	0	0	0
Net change in debt	0	0	0	0	0	-2	0	0	0	0	0
Other financing adjustments	0	0	0	0	0	0	0	0	-1	-1	-1
Other non-cash adjustments	2	3	0	-1	0	1	-2	1	0	0	0
Change in cash	2	3	-1	23	-19	0	-3	1	1	3	1
Cash flow metrics											
Capex/D&A	0.0%	n.m.	n.m.	n.m.	n.m.	68.9%	74.1%	80.2%	n.m.	97.8%	97.7%
Capex/Sales	0.0%	0.0%	1.9%	7.7%	19.1%	7.9%	10.9%	16.0%	15.6%	11.1%	10.5%
Key information											
Share price year end (/current)	n.a.	n.a.	n.a.	9	1	1	2	1	2	2	2
Market cap.	n.a.	n.a.	n.a.	0	20	25	59	34	61	61	61
Enterprise value	n.a.	n.a.	n.a.	-27	12	24	59	33	60	57	56
Diluted no. of shares, year-end (m)	0.0	0.0	0.0	0.0	19.0	28.0	28.0	30.0	30.0	30.0	30.0

Source: Company data and Nordea estimates

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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