11 May 2022

Commissioned research: Raketech Group Holding – Soft start to the second quarter

Marketing material commissioned by Raketech Group Holding

Raketech just released a soft Q1 report, and weak start to Q2. Revenues came in in-line at EUR 12.7m (NDA: EUR 12.7m), whereas adj. EBITDA came in 5% soft (EUR 5.1m vs NDA EU5.3m), corresponding to a adj. EBITDA margin of 40.1% (NDA 42%). The deviation explained by higher cost base than expected, as Raketech continues to invest heavily in future growth. The US market now represent 19% of group revenues (guided to be 20% of Q1 revenues), expected to see a slowdown as the US activity decreases in the second quarter. The management expects 2022 revenues in the higher interval of EUR 50-55m for 2022 (NDA: EUR 52m), with an 2022 EBITDA margin in the lower interval of 40-44% (NDA: 42.8%). We expect minor negative estimate revisions of 2-3% on back of the report

Trading update

Soft start to the second quarter with daily average revenues in April of EUR 0.127m, 10% below NDA full Q2'22 average revenue estimate of EUR 0.141m. As we expect activity levels to come down throughout the second quarter, hence, we see downside risk on the Q2 estimates, motivating a further drop in the share price. Cc to follow at 09.00 CET.

Revenue: EUR 12.7m, +0% vs NDA (EUR 12.7m)
Adj. EBITDA: EUR 5.1.xm, -5% vs NDA EUR (5.3m)
EBITDA margin : 40.1% vs NDA 42%
Trading update : 10% above daily average NDA Q2'22 expectations
Conference call – 09:00 CET - Link Dial-in number SE +46 8 5055 8352 US: +1 64 6722 4904

EURm	Actual Q1 2022	NDA est. Q1 2022	Deviation vs. actual		Actual Q4 2021	q/q	Actual Q1 2021	y/y
Revenue	**12.7**	**12.7**	**0.0**	**0%**	**9.6**	**32%**	**8.5**	**50%**
Other operating income		0.0	-	-	0.0	-	0.0	-
Total revenue	**12.7**	**12.7**	**0.0**	**0%**	**9.6**	**32%**	**8.5**	**50%**
Direct costs	-3.6	-3.0	-0.6	19%	-2.7	36%	-2.5	44%
Personnel expenses	-2.1	-1.7	-0.4	27%	-1.2	68%	-1.2	74%
Depreciation and amortisation	-1.9	-1.8	0.0	2%	-1.7	10%	-1.4	36%
Other operating expenses	-1.9	-2.7	0.8	-30%	-1.3	45%	-1.1	73%
Reported EBIT	**3.2**	**3.5**	**-0.3**	**-8%**	**2.7**	**19%**	**2.3**	**42%**
Non-recurring items	1.9	0.0	-	-	-0.3	-	0.0	-
Adjusted EBITDA	**5.1**	**5.3**	**-0.3**	**-5%**	**5.4**	**-7%**	**3.2**	**59%**
Net financials	-0.7	-0.7	-	-	-0.4	-	0.0	-
Profit before tax	**2.5**	**2.8**	**-0.2**	**-9%**	**2.0**	**25%**	**2.3**	**10%**
Income tax	-0.3	-0.2	-	-	-0.2	-	-0.2	-
Profit after tax	**2.2**	**2.6**	**-0.3**	**-13%**	**1.9**	**19%**	**2.1**	**8%**

SUMMARY TABLE - KEY FIGURES

EURm	2019	2020	2021	2022E	2023E	2024E
Total revenue	24	29	39	52	59	64
EBITDA (adj)	11	12	16	22	27	29
EBIT (adj)	7	7	10	15	18	19
EBIT (adj) margin	29.7%	23.0%	25.1%	27.9%	30.0%	30.0%
EPS (adj, EUR)	0.16	0.15	0.19	0.26	0.33	0.36
EPS (adj) growth	-2.1%	-2.3%	21.8%	37.5%	27.8%	9.5%
DPS (ord, EUR)	0.00	0.00	0.00	0.13	0.16	0.18
EV/Sales	1.4	1.3	2.5	1.8	1.3	1.0
EV/EBIT (adj)	4.7	5.5	10.1	6.4	4.4	3.2
P/E (adj)	5.8	7.0	12.5	7.8	6.1	5.6
P/BV	0.5	0.6	1.2	0.9	0.8	0.8
Dividend yield (ord)	0.0%	0.0%	0.0%	6.4%	8.2%	9.0%
FCF Yield bef A&D, lease adj	33.9%	31.0%	14.9%	23.8%	28.7%	30.4%
Net debt	-1	-3	-1	8	-6	-23
Net debt/EBITDA	0.0	-0.3	-0.1	0.4	-0.2	-0.8
ROIC after tax	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Source: Company data and Nordea estimates

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