11 May 2023

Commissioned research: Raketech Group Holding – Strong set of Q1 numbers, with a solid start to Q2

Marketing material commissioned by Raketech Group Holding

Raketech just released super solid set of Q1 numbers, and a better than expected start to the second quarter. Revenues came in 15% ahead of our expectations at EUR 15.8m (NDA: EUR 13.8m), with a revenue organic growth of 24% (NDA: 17%). The adj. EBITDA came in 23% above our estimate (EUR 6.1m vs NDA EUR 5.0m), corresponding to a adj. EBITDA margin of 38.7% (NDA 36.0%), with slightly higher than expected direct cost and other operating expenses, likely owning to the stronger than expected sales. The US market now represent 12% of group revenues (Q4: 15%), as the US sporting calendar softened from mid Q1 and somewhat unfavourable sporting results. Raketech reiterate its guidance of revenues in the interval of EUR 60-65m for 2023 (NDA: EUR 61.8m), with an EBITDA of EUR 20-24m (including EUR 2m in non-recurring items), versus Nordea at EUR 22.1m.

Q2 trading update

A strong start to the first quarter with daily average revenues in April of EUR 0.197m, 36% ahead of NDA full Q2'23 average revenue estimate of EUR 0.144m. However as we expect the activity soften throughout Q2, we will not pencil in the April number to the full quarter.

Estimate revisions

Overall a solid set of numbers from Raketech, and strong start to the second quarter. The Q1 report will trigger estimates revisions of 5-7%, with an at least similar share price reaction warranted.

EURm	Actual Q1 2023	NDA est. Q1 2023	Deviation vs. actual		Actual Q4 2022	q/q	Actual Q1 2022	y/y
Revenue	**15.8**	**13.8**	**2.0**	**15%**	**15.7**	**1%**	**12.7**	**24%**
Other operating income		0.0	-	-	0.0	-	0.0	-
Total revenue	**15.8**	**13.8**	**2.0**	**15%**	**15.7**	**1%**	**12.7**	**24%**
Direct costs	-4.3	-4.0	-0.3	8%	-4.7	-7%	-3.6	19%
Personnel expenses	-2.3	-2.5	0.2	-8%	-2.3	0%	-2.1	9%
Depreciation and amortisation	-2.3	-2.1	-0.2	10%	-2.1	10%	-1.9	21%
Other operating expenses	-3.1	-2.3	-0.7	30%	-2.4	27%	-1.9	63%
Reported EBIT	**3.837**	**2.9**	**0.9**	**33%**	**4.3**	**-10%**	**3.2**	**20%**
Non-recurring items	-0.2	0.0	-	-	0.0	-	0.0	-
Adjusted EBIT	**4.1**	**2.9**	**1.2**	**40%**	**4.3**	**-5%**	**3.2**	**27%**
Net financials	-0.8	-0.8	-	-	-0.6	-	-0.7	-
Profit before tax	**3.03**	**2.1**	**0.9**	**41%**	**3.6**	**-17%**	**2.5**	**19%**
Income tax	-0.2	-0.2	-	-	-1.0	-	-0.3	-
Profit after tax	**2.82**	**2.0**	**0.9**	**43%**	**2.7**	**6%**	**2.2**	**26%**
EPS adj.	**0.06**	**0.05**	**0.01**	**28%**	**0.06**	**-5%**	**0.05**	**15%**
Key ratios								
EBITDA adj.	**6.1**	**5.0**	**-**	**23%**	**6.3**	**-3%**	**5.1**	**20%**
Sales growth	24%	9%	-	16pp	32%	-8pp	53%	-29pp
EBITDA adj. growth	**20%**	**-2%**	**-**	**23pp**	**16%**	**4pp**	**59%**	**-39pp**
EBIT adj. growth	20%	-10%	-	29pp	12%	8pp	106%	-86pp
EBITDA adj. margin	**38.7%**	**36.0%**	**-**	**2.7pp**	**40.3%**	**-2pp**	**40.1%**	**-1pp**
EBIT adj. margin	24.3%	21.0%	-	3pp	27.1%	-3pp	25.3%	-1pp
Tax rate	6.8%	8.0%	-	-1pp	26.4%	-20pp	11.6%	-5pp

Source: Company data and Nordea estimates

SUMMARY TABLE - KEY FIGURES

EURm	2020	2021	2022	2023E	2024E	2025E
Total revenue	29	39	53	62	67	72
EBITDA (adj)	12	16	20	22	27	30
EBIT (adj)	7	10	12	14	17	19
EBIT (adj) margin	23.0%	25.1%	23.5%	22.2%	25.4%	26.5%
EPS (adj, EUR)	0.15	0.19	0.20	0.23	0.31	0.35
EPS (adj) growth	-2.3%	21.8%	6.2%	18.5%	30.7%	14.3%
DPS (ord, EUR)	0.00	0.00	0.10	0.12	0.15	0.17
EV/Sales	1.3	2.9	1.4	1.2	1.0	0.7
EV/EBIT (adj)	5.5	11.4	6.0	5.3	3.8	2.8
P/E (adj)	7.0	12.5	8.1	6.9	5.3	4.6
P/BV	0.6	1.2	0.7	0.7	0.6	0.6
Dividend yield (ord)	0.0%	0.0%	6.2%	7.3%	9.5%	10.9%
FCF Yield bef A&D, lease adj	31.0%	14.9%	28.3%	16.9%	22.7%	25.2%
Net debt	-3	12	7	5	-4	-14
Net debt/EBITDA	-0.3	0.7	0.3	0.2	-0.1	-0.5
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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Best regards,

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