

Gaming Innovation Group

Solid outlook going into 2022

- Normalised revenues up 29% y-o-y in Q4'21
- Media segment continues to outperform
- Trading at 7.2x EV/EBITDA in '22e

Q4 details

Normalised revenues came in at EUR 18.2m, which is +29% y-o-y, while EBITDA was EUR 5.6m, up 35% y-o-y. Furthermore, it was announced that January has started off with revenues up 20% compared to the same period last year (24% adjusted for terminated white-labels). The Q4 results came in slightly below expectations but the trading update was strong in our view. Furthermore, we note that the Betsson contract was recently renewed, which de-risks the case, and that the Sportnco acquisition is continuing as planned, however it is not yet completed.

Sales for '22e-'23e up slightly, driven by the media segment

We forecast that the media segment will continue to outperform the rest of the Group, which drives our sales estimates for '22-'23 up by 3.5-5.6%. However, we also note that the paid media business continues to grow at a fast pace, thus we raise our estimated marketing costs. In total, we lower our EBIT margin assumptions slightly, but in absolute terms our estimates for '22-'23 EBIT are up by small numbers.

Trading at 7.2x EV/EBITDA in '22e

GiG is currently trading at an EV/EBITDA of 7.2x in '22e, with most of the EBITDA stemming from the affiliate segment. As such, we compare GiG multiples with affiliate peers such as Catena Media and Raketech, which trades at 4.7x and 4.4x Factset cons. for '22e EV/EBITDA, respectively. However, GiG is operating three segments, and following the planned consolidation of Sportnco, the sports betting segment is expected to contribute to the group EBITDA. Thus, a peer group both including affiliate companies and B2B suppliers could be sufficient. The total peer group average, when including both affiliates and B2B suppliers, is trading at ~10x the Factset consensus estimates for EV/EBITDA in 2022.

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EURm	2020	2021	2022e	2023e	2024e
Sales	83	83	92	101	109
EBITDA	17	21	29	33	35
EBITDA margin (%)	20.6	25.4	30.9	33.0	32.0
EBIT adj	-2	7	14	18	19
EBIT adj margin (%)	-3.0	8.7	15.4	18.0	17.4
Pretax profit	-9	0	11	14	15
EPS rep	-0.11	0.01	0.10	0.13	0.14
EPS adj	-0.11	0.01	0.10	0.13	0.14
Sales growth (%)	-32.6	-0.5	11.8	10.0	7.7
EPS growth (%)	85.0	106.0	1,429.6	36.5	5.7

Source: ABG Sundal Collier, Company data

Reason: Post-results comment

Company sponsored research

Not rated

Estimate changes (%)

	2022e	2023e	2024e
Sales	3.5%	5.6%	0.0%
EBIT (rep)	0.7%	3.9%	0.0%
EPS (rep)	-3.4%	-0.4%	0.0%

Source: ABG Sundal Collier

Share price (SEK)	15/02/2022	18.6
Fair value range (per share)		na

Online Gaming, Norway
GAMIG.OL/GIG NO

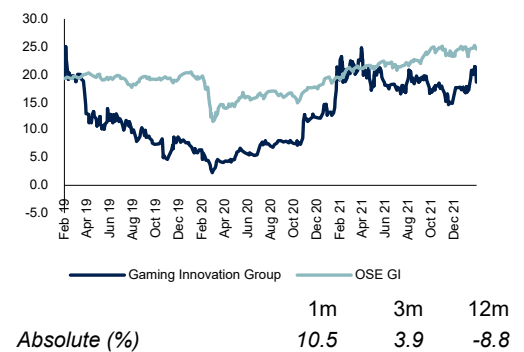
MCap (SEKm)	1,798
MCap (EURm)	170
Net debt (EURm)	26

No. of shares (m)	96.7
Free float (%)	100
Av. daily volume (k)	2

Next event

Q1 report: 10 May

Performance



Source: FactSet

	2022e	2023e	2024e
P/E (x)	17.9	13.1	12.4
P/E adj (x)	17.9	13.1	12.4
P/BVPS (x)	7.95	4.95	3.54
EV/EBITDA (x)	6.9	5.0	4.3
EV/EBIT adj (x)	13.8	9.2	7.8
EV/sales (x)	2.13	1.66	1.37
ROE adj (%)	57.1	46.5	33.3
Dividend yield (%)	0	0	0
FCF yield (%)	7.1	16.7	11.1
Lease adj. FCF yld (%)	5.7	15.1	9.4
Net IB debt/EBITDA	0.9	-0.1	-0.6
Lease adj. ND/EBITDA	0.9	-0.2	-0.8

Please refer to important disclosures at the end of this report

This research product is commissioned and paid for by the company covered in this report. As such, this report is deemed to constitute an acceptable minor non-monetary benefit (i.e. not investment research) as defined in MiFID II.

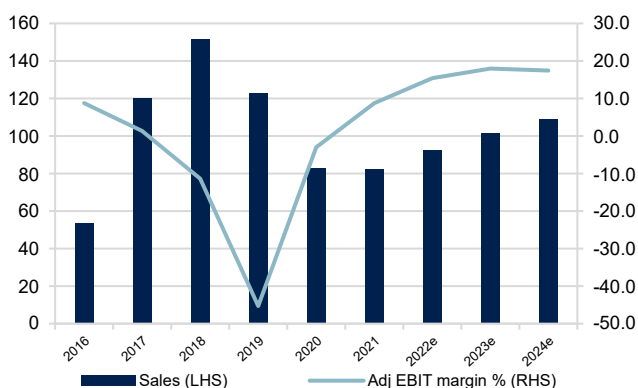
Company description

GIG is a young company that sells products to a large part of the online gambling value chain. It sells marketing services to other gambling operators and sells its own software platform and sportsbook to other B2C operators, as well as land-based casinos, enabling them to offer casino and sports betting services. GIG's footprint is in Western Europe, but it also has US exposure through selling B2B services.

Risks

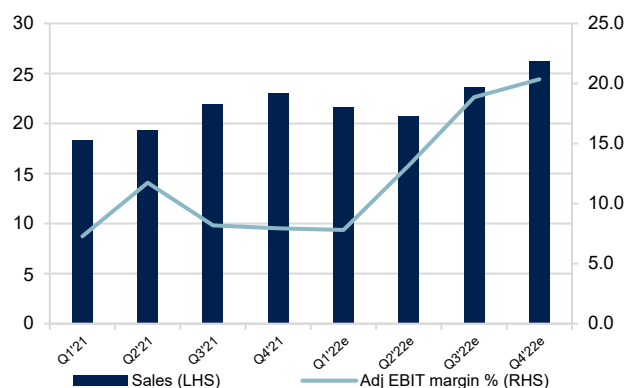
We see regulatory risks (the firm could face litigation if it fails to comply with local laws and practices in the regions where it operates) and counterparty risk (it faces many counterparties and some customers on the B2B side are smaller firms with low levels of solidity). Although the SEK 450 million bond has been refinanced with more favourable terms and matures in 2024, this still means that there are some financial risks involved.

Annual sales and adj. EBIT margin



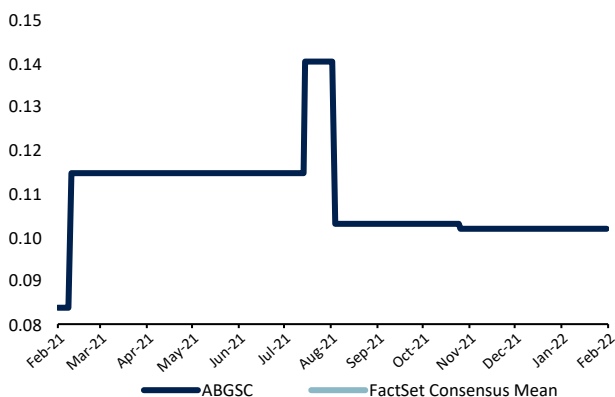
Source: ABG Sundal Collier, Company data

Quarterly sales and adj. EBIT margin



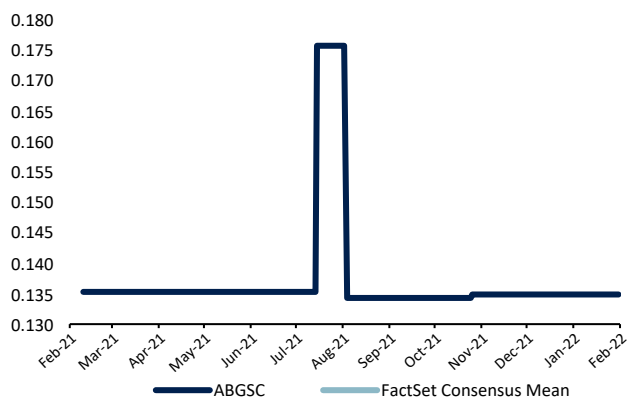
Source: ABG Sundal Collier, Company data

EPS estimate changes, 2022e, EUR



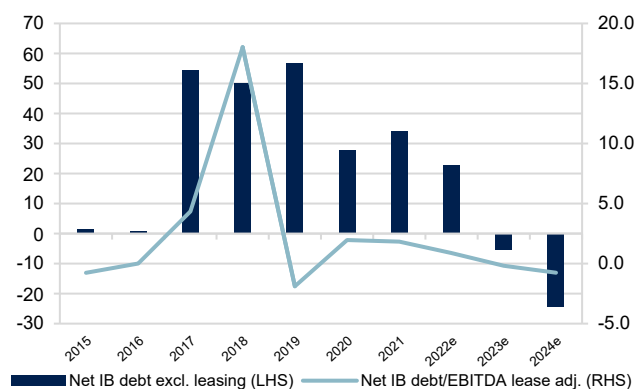
Source: ABG Sundal Collier, FactSet

EPS estimate changes, 2023e, EUR



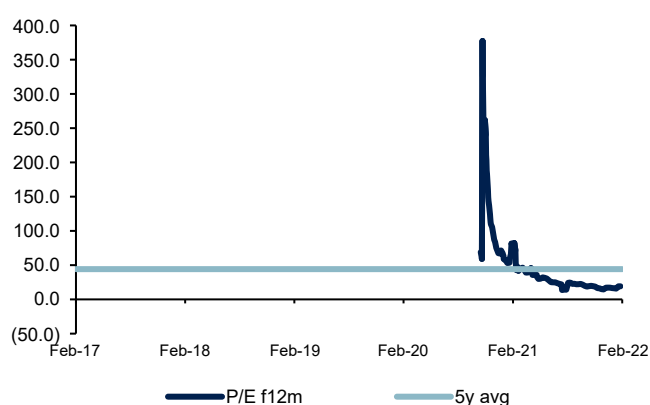
Source: ABG Sundal Collier, FactSet

Lease adj. net debt and ND/EBITDA



Source: ABG Sundal Collier, Company data

12month forward-looking P/E



Source: ABG Sundal Collier, Company data

Peer group

Peer group:												
Company	Mcap		EV/Sales (x)			EBITDA-margin (%)			CAGR '20-'23e		EV/EBITDA (x)	
	(SEKmn)	2021	2022e	2023e	2021	2022e	2023e	Sales	2021	2022e	2023e	
Playtech	24,406	2.7	2.1	2.0	24.3	24.6	25.8	8%	11.0	8.5	7.8	
Kambi	7,746	4.3	3.6	2.8	48.4	41.7	47.1	21%	8.9	8.7	5.9	
GAN	2,716	2.6	1.3	0.9	6.7	14.3	19.4	84%	38.5	9.4	4.8	
Catena Media	4,087	3.1	2.6	2.1	48.9	55.9	57.7	18%	6.4	4.7	3.6	
Gambling.com	3,680	6.7	4.8	3.3	45.7	33.5	40.5	51%	14.6	14.2	8.1	
Better Collective	10,375	6.3	4.2	3.3	31.5	33.7	35.0	47%	20.1	12.4	9.5	
Raketech	1,057	2.8	2.0	1.6	41.6	44.9	45.4	24%	6.7	4.4	3.6	
Aspire Global	5,042	1.6	1.9	1.8	17.1	18.4	19.3	11%	9.2	10.5	9.6	
Peer average	11,622	3.8	2.8	2.2	33.0	33.4	36.3	33%	14.4	9.1	6.6	
Peer median	7,746	3.0	2.4	2.0	36.5	33.6	37.8	23%	10.1	9.1	6.9	
Gaming Innovation Group	1,874	2.6	2.2	1.7	25.4	30.9	33.0	15%	10.4	7.2	5.3	
vs peer average		-30%	-21%	-22%	-23%	-7%	-9%	-54%	-28%	-21%	-20%	
vs peer median		-11%	-5%	-14%	-31%	-8%	-13%	-33%	2%	-21%	-23%	

Source: ABG Sundal Collier, company data, Factset

Note that we forecast normalised revenues as the company suggests

Looking at the average '22e EV/EBITDA multiples for both affiliates and B2B suppliers, Gaming Innovation Group is trading below. Note, however, that many of the comparable companies are expected to grow faster, while also having a better exposure to the US market, which is generally valued at a premium in our view.

Detailed P&L

(B2B & Affiliate)															
P&L (In EURm)	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22e	Q2'22e	Q3'22e	Q4'22e	2018	2019	2020	2021	2022e	2023e	2024e
Revenue	18.3	19.4	21.9	23.0	21.6	20.7	23.7	26.3	60.3	44.0	83.0	82.6	92.3	101.1	108.9
Change % y-o-y	-41%	16%	22%	33%	18%	7%	8%	14%	35.5%	-27.0%	88.5%	-0.5%	11.8%	9.5%	7.7%
COGS	-0.8	-1.0	-1.4	-1.4	-1.3	-1.2	-1.4	-1.6	-0.7	-0.9	-9.3	-4.6	-5.5	-5.1	-5.4
Gross Profit	17.5	18.4	20.6	21.6	20.3	19.5	22.3	24.7	59.6	43.1	73.7	78.0	86.7	96.0	103.4
Marketing expenses	-4.7	-4.9	-6.4	-7.0	-6.0	-5.2	-5.9	-6.6	-5.8	-5.3	-22.1	-23.0	-23.7	-25.3	-28.3
% of Sales	-26%	-25%	-29%	-30%	-28%	-25%	-25%	-25%	-9.6%	-12.0%	-26.7%	-27.9%	-25.7%	-25.0%	-26.0%
Other Opex	-8.2	-8.0	-8.8	-9.0	-9.0	-8.0	-8.3	-9.2	-37.9	-36.7	-38.6	-34.1	-34.5	-37.4	-40.3
% of Sales	-26%	-25%	-29%	-30%	-28%	-25%	-25%	-25%	-9.6%	-12.0%	-26.7%	-27.9%	-25.7%	-25.0%	-26.0%
Total Opex	-12.9	-12.9	-15.2	-16.0	-15.0	-13.2	-14.2	-15.8	-43.7	-41.9	-60.7	-57.1	-58.2	-62.7	-68.6
EBITDA	4.6	5.5	5.3	5.6	5.3	6.3	8.0	8.9	15.9	1.2	12.9	21.0	28.5	33.3	34.8
EBITDA margin	25%	28%	24%	24%	24%	30%	34%	34%	26.4%	2.7%	15.6%	25.4%	30.9%	33.0%	32.0%
D&A:	-3.2	-3.2	-3.5	-3.8	-3.6	-3.6	-3.6	-3.6	-5.1	-11.8	-19.5	-13.7	-14.3	-15.2	-15.9
EBIT	1.3	2.3	1.8	1.8	1.7	2.7	4.5	5.3	10.8	-11.6	-2.5	7.2	14.2	18.1	18.9
EBIT margin	7%	12%	8%	8%	8%	13%	19%	20%	17.9%	-26.3%	-3.0%	8.7%	15.4%	17.9%	17.4%
Net financials	-1.6	-1.7	-1.9	-3.1	-1.2	-1.2	-1.2	-1.2	-2.0	-4.8	-3.8	-8.2	-4.8	-5.0	-5.0
Other Income (expense)	0.9	-0.6	0.4	0.3	0.3	0.3	0.3	0.3	0.0	0.0	-3.1	1.1	1.2	1.2	1.2
Net Financial	-0.6	-2.3	-1.4	-2.8	-0.9	-0.9	-0.9	-0.9	-2.0	-4.8	-6.9	-7.1	-3.6	-3.8	-3.8
Pre-tax income	0.7	0.0	0.4	-0.9	0.8	1.8	3.6	4.4	8.8	-16.4	-9.4	0.1	10.6	14.3	15.1
Taxes	1.5	-0.2	-0.2	-0.6	-0.1	-0.2	-0.4	-0.4	-0.5	-0.5	-0.3	0.5	-1.1	-1.4	-1.5
Tax rate	2.2	9.0	-0.7	0.6	0.1	0.1	0.1	0.1	5.6%	2.8%	3.5%	603.5%	10.0%	10.0%	10.0%
Net Income cont. operations	2.2	-0.2	0.1	-1.5	0.7	1.6	3.2	4.0	8.3	-16.8	-9.7	0.6	9.5	12.9	13.6
Profit margin	12%	-1%	1%	-6%	3%	8%	14%	15%	13.8%	-38.3%	-11.7%	0.7%	10.3%	12.7%	12.5%
O/S	90.1	92.5	96.7	96.7	96.7	97.7	98.7	99.2	90.0	90.0	90.0	94.0	96.7	96.7	96.7
Fully diluted O/S	90.1	92.5	96.7	96.7	96.7	97.7	98.7	99.2	90.0	90.0	90.0	94.0	96.7	96.7	96.7
EPS	0.02	0.00	0.00	-0.02	0.01	0.02	0.03	0.04	-0.05	-0.56	-0.15	0.00	0.10	0.13	0.14
Diluted EPS	0.02	0.00	0.00	-0.02	0.01	0.02	0.03	0.04	-0.05	-0.56	-0.15	0.00	0.10	0.13	0.14
Revenue bridge:	18.3	19.4	21.9	23.0	21.6	20.7	23.7	26.3	35.5	51.1	64.3	82.7	92.3	101.1	108.9
Sportsbook	0.3	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.5	1.0	0.7	0.6	0.4	0.0	0.0
B2B Platform services	8.1	8.3	10.6	10.1	8.5	8.8	11.3	10.8	0.0	16.9	29.2	37.1	39.3	43.2	47.6
Affiliate	10.0	11.0	11.2	12.8	13.0	11.9	12.3	15.4	34.0	33.2	34.4	45.0	52.6	57.8	61.3
Normalised revenues	15.4	16.2	17.0	18.2	18.5	17.6	18.3	21.4	62.6	51.1	53.9	66.8	75.8	82.5	87.5
Sportsbook	0.3	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.5	1.0	0.7	0.6	0.4	0.0	0.0
B2B Platform services	5.1	5.1	5.7	5.3	5.4	5.6	5.9	5.9	27.1	16.9	18.8	21.2	22.9	24.7	26.2
Affiliate	10.0	11.0	11.2	12.8	13.0	11.9	12.3	15.4	34.0	33.2	34.4	45.0	52.6	57.8	61.3
EBITDA bridge:	4.6	5.5	5.3	5.6	5.3	6.3	8.0	8.9	15.9	1.2	12.9	21.0	28.5	33.3	34.8
Sportsbook	-0.4	-0.2	-0.2	-0.4	-0.4	-0.2	-0.2	-0.2	-7.1	-6.8	-3.4	-1.2	-1.0	-1.0	-1.0
B2B Platform services	0.3	0.2	0.6	0.2	0.1	0.5	1.1	1.1	5.7	-5.1	-2.4	1.3	2.8	5.8	6.4
Affiliate	4.5	5.3	5.1	5.7	5.5	5.7	6.7	7.7	18.3	18.1	17.6	20.6	25.5	26.6	28.2
Discontinued	0.2	0.2	-0.2	0.1	0.1	0.3	0.4	0.3	-1.0	-5.0	1.1	0.3	1.2	2.0	1.3

Source: ABG Sundal Collier, company data

ESG profile

ESG activities

Gaming Innovation Group's sustainability strategy focuses on areas that are most relevant to its business, which is responsible gambling. This means offering customers and end-users a full suite of solutions across the iGaming value chain while upholding strict rules to minimise harm caused by gambling, to prevent gambling from being a source of crime, and to ensure it is conducted in a safe way. The company has continuously invested in its legal, compliance and Player Safety Teams. They monitor customer accounts continuously and use data, reporting tools and transaction monitoring tools to identify playing patterns which may indicate problem gambling.

Risks and opportunities

The most prominent risks within online gambling are the social and governmental aspects surrounding gambling addiction and acting in markets that are regulated. To mitigate these risks, GiG has developed an AI machine learning system to help identify end-users that may be at risk. The firm also provides a range of gaming tools that allow users to place limits on their gaming. These tools allow end-users to decide in advance how much time or money they are able or willing to spend.

Key issues*	ABGSC weight
Environment	20%
Carbon emissions	
Packaging material and waste	
Pollution and waste	
Social	40%
Human capital	
Products safety and quality	
Stakeholder opposition	
Governance	40%
Business ethics	
Corporate behaviour	
Board	

Previous ESG incidents

2019 Jan

SEK 3.5m fine for offering bets on soccer

2019 May

EUR 2.45m settlement with UK authorities

Exposure to ESG Trends

Diversity, Recycling, Renewable materials

Social and governance data

	2018	2019	2020
Women in workforce %	31	31	32
Women in management %	13	35	48
Women in board %	0	25	25
CEO total compensation, SEKm p.a.	1.5	4.4	3.2
Employee turnover %	na	na	na
Employee absence %	na	na	na

Person responsible for sustainability: Richard Brown
 Senior management: Yes

ESG quantified targets

	Today	Target	By
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*based on the MSCI framework but not using all the parameters.

Gaming Innovation Group

Income Statement (EURm)	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022e	Q2 2022e	Q3 2022e	Q4 2022e
Sales	18	19	22	23	22	21	24	26
COGS	-1	-1	-1	-1	-1	-1	-1	-2
Gross profit	17	18	21	22	20	19	22	25
Other operating items	-13	-13	-15	-16	-15	-13	-14	-16
EBITDA	5	5	5	6	5	6	8	9
Depreciation and amortisation	-3	-3	-4	-4	-4	-4	-4	-4
EBITA	1	2	2	2	2	3	4	5
EO items	0	0	0	0	0	0	0	0
Impairment and PPA amortisation	0	0	0	0	0	0	0	0
EBIT	1	2	2	2	2	3	4	5
Net financial items	-1	-2	-1	-3	-1	-1	-1	-1
Pretax profit	1	-0	0	-1	1	2	4	4
Tax	1	-0	-0	-1	-0	-0	-0	-0
Net profit	2	-0	0	-1	1	2	3	4
Minority interest	0	0	0	0	0	0	0	0
Net profit discontinued	0	0	0	0	0	0	0	0
Net profit to shareholders	2	-0	0	-1	1	2	3	4
EPS	0.02	-0.00	0.00	-0.02	0.01	0.02	0.03	0.04
EPS Adj	0.02	-0.00	0.00	-0.02	0.01	0.02	0.03	0.04
Total extraordinary items after tax	0	0	0	0	0	0	0	0
Tax rate (%)	216.2	895.2	65.2	58.5	10.0	10.0	10.0	10.0
Gross margin (%)	95.5	94.9	93.8	94.0	94.0	94.0	94.0	94.0
EBITDA margin (%)	24.9	28.4	24.3	24.3	24.3	30.4	33.9	34.0
EBITA margin (%)	7.3	11.7	8.2	7.9	7.8	13.2	18.9	20.3
EBIT margin (%)	7.3	11.7	8.2	7.9	7.8	13.2	18.9	20.3
Pretax margin (%)	3.8	-0.1	1.6	-4.1	3.6	8.8	15.0	16.9
Net margin (%)	11.9	-1.1	0.6	-6.5	3.2	7.9	13.5	15.2
Growth rates Y/Y	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022e	Q2 2022e	Q3 2022e	Q4 2022e
Sales growth (%)	-41.1	16.1	22.3	33.2	18.0	7.1	8.0	14.2
EBITDA growth (%)	-31.6	93.2	55.1	35.3	15.4	14.9	50.9	59.8
EBIT growth (%)	7.8	+chg	+chg	+chg	26.5	20.2	148.9	192.8
Net profit growth (%)	41.5	+chg	+chg	+chg	-68.1	+chg	2,458.0	+chg
EPS growth (%)	41.5	+chg	+chg	+chg	-68.1	+chg	2,458.0	+chg
Adj earnings numbers	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022e	Q2 2022e	Q3 2022e	Q4 2022e
EBITDA Adj	5	5	5	6	5	6	8	9
EBITDA Adj margin (%)	24.9	28.4	24.3	24.3	24.3	30.4	33.9	34.0
EBITA Adj	1	2	2	2	2	3	4	5
EBITA Adj margin (%)	7.3	11.7	8.2	7.9	7.8	13.2	18.9	20.3
EBIT Adj	1	2	2	2	2	3	4	5
EBIT Adj margin (%)	7.3	11.7	8.2	7.9	7.8	13.2	18.9	20.3
Pretax profit Adj	1	-0	0	-1	1	2	4	4
Net profit Adj	2	-0	0	-1	1	2	3	4
Net profit to shareholders Adj	2	-0	0	-1	1	2	3	4
Net Adj margin (%)	11.9	-1.1	0.6	-6.5	3.2	7.9	13.5	15.2

Source: ABG Sundal Collier, Company data

Gaming Innovation Group

Income Statement (EURm)	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Sales	18	54	120	151	123	83	83	92	101	109
COGS	-4	-1	-21	-27	-24	-9	-5	-6	-5	-5
Gross profit	14	52	100	124	99	74	78	87	96	104
Other operating items	-16	-47	-87	-121	-129	-57	-57	-58	-63	-69
EBITDA	-2	6	13	3	-30	17	21	29	33	35
Depreciation and amortisation	-0	-1	-11	-20	-26	-20	-14	-14	-15	-16
Of which leasing depreciation	0	0	0	0	0	-3	-2	-2	-3	-3
EBITA	-2	5	2	-17	-56	-2	7	14	18	19
EO items	0	0	0	0	0	0	0	0	0	0
Impairment and PPA amortisation	0	0	0	0	0	0	0	0	0	0
EBIT	-2	5	2	-17	-56	-2	7	14	18	19
Net financial items	1	-1	-1	-2	-8	-7	-7	-4	-4	-4
Pretax profit	-1	3	1	-19	-64	-9	0	11	14	15
Tax	-0	-0	-1	-1	-1	-0	1	-1	-1	-2
Net profit	-1	3	-0	-20	-65	-10	1	10	13	14
Minority interest	0	0	0	0	0	0	0	0	0	0
Net profit discontinued	0	0	0	0	0	0	0	0	0	0
Net profit to shareholders	-1	3	-0	-20	-65	-10	1	10	13	14
EPS	-0.00	0.03	-0.00	-0.22	-0.72	-0.11	0.01	0.10	0.13	0.14
EPS Adj	-0.00	0.03	-0.00	-0.22	-0.72	-0.11	0.01	0.10	0.13	0.14
Total extraordinary items after tax	0	0	0	0	0	0	0	0	0	0
Leasing payments	0	0	0	0	0	-3	-2	-2	-3	-3
Tax rate (%)	4.7	10.9	175.4	3.6	1.0	3.5	603.5	10.0	10.0	10.0
Gross margin (%)	76.8	97.8	83.0	81.9	80.4	88.8	94.5	94.0	95.0	95.0
EBITDA margin (%)	-10.8	10.8	10.4	1.8	-24.4	20.6	25.4	30.9	33.0	32.0
EBITA margin (%)	-12.7	8.8	1.3	-11.4	-45.3	-3.0	8.7	15.4	18.0	17.4
EBIT margin (%)	-12.7	8.8	1.3	-11.4	-45.3	-3.0	8.7	15.4	18.0	17.4
Pretax margin (%)	-5.9	6.2	0.5	-12.6	-52.1	-11.3	0.1	11.5	14.2	14.0
Net margin (%)	-6.2	5.6	-0.3	-13.0	-52.6	-11.7	0.7	10.3	12.8	12.6
Growth rates Y/Y	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Sales growth (%)	na	200.3	124.6	25.7	-18.7	-32.6	-0.5	11.8	10.0	7.7
EBITDA growth (%)	high	401.5	115.3	-77.8	-1,175.9	156.9	22.9	36.1	17.4	4.4
EBIT growth (%)	high	307.6	-65.8	-1,170.9	-223.6	95.5	390.9	96.9	28.2	4.5
Net profit growth (%)	high	371.5	-114.0	-4,611.4	-228.4	85.0	106.2	1,473.3	36.5	5.7
EPS growth (%)	high	1,620.6	-114.0	-4,611.8	-226.8	85.0	106.0	1,429.6	36.5	5.7
Profitability	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
ROE (%)	-8.1	4.5	-0.4	-20.0	-117.3	-75.0	7.8	57.1	46.5	33.3
ROE Adj (%)	-8.1	4.5	-0.4	-20.0	-117.3	-75.0	7.8	57.1	46.5	33.3
ROCE (%)	-6.9	4.7	0.4	-11.6	-52.9	-9.5	-1.9	15.4	19.1	17.9
ROCE Adj(%)	-6.9	4.7	0.4	-11.6	-52.9	-9.5	-1.9	15.4	19.1	17.9
ROIC (%)	-16.6	6.2	-0.9	-11.7	-48.1	-3.5	89.9	22.2	33.4	44.1
ROIC Adj (%)	-16.6	6.2	-0.9	-11.7	-48.1	-3.5	89.9	22.2	33.4	44.1
Adj earnings numbers	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
EBITDA Adj	-2	6	13	3	-30	17	21	29	33	35
EBITDA Adj margin (%)	-10.8	10.8	10.4	1.8	-24.4	20.6	25.4	30.9	33.0	32.0
EBITDA lease Adj	-2	6	13	3	-30	14	19	26	31	32
EBITDA lease Adj margin (%)	-10.8	10.8	10.4	1.8	-24.4	17.2	22.6	28.3	30.2	29.4
EBITA Adj	-2	5	2	-17	-56	-2	7	14	18	19
EBITA Adj margin (%)	-12.7	8.8	1.3	-11.4	-45.3	-3.0	8.7	15.4	18.0	17.4
EBIT Adj	-2	5	2	-17	-56	-2	7	14	18	19
EBIT Adj margin (%)	-12.7	8.8	1.3	-11.4	-45.3	-3.0	8.7	15.4	18.0	17.4
Pretax profit Adj	-1	3	1	-19	-64	-9	0	11	14	15
Net profit Adj	-1	3	-0	-20	-65	-10	1	10	13	14
Net profit to shareholders Adj	-1	3	-0	-20	-65	-10	1	10	13	14
Net Adj margin (%)	-6.2	5.6	-0.3	-13.0	-52.6	-11.7	0.7	10.3	12.8	12.6

Source: ABG Sundal Collier, Company data

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Cash Flow Statement (EURm)	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
EBITDA	-2	6	13	3	-30	17	21	29	33	35
Net financial items	1	-1	-1	-2	-8	-7	-7	-4	-4	-4
Paid tax	-0	-0	-1	-1	-1	-10	1	10	13	14
Non-cash items	-0	-2	2	16	41	16	7	-10	-14	-15
Cash flow before change in WC	-1	2	12	16	2	17	21	25	28	30
Change in WC	1	1	1	2	5	1	-9	-2	11	1
Operating cash flow	-0	4	13	18	7	18	13	22	39	31
CAPEX tangible fixed assets	-2	-2	-7	-12	-12	-2	-1	-1	-1	-2
CAPEX intangible fixed assets	0	0	0	0	0	-7	-9	-9	-9	-10
Acquisitions and disposals	0	-2	-60	-0	0	23	0	0	0	0
Free cash flow	-2	-0	-53	5	-4	32	3	12	28	19
Dividend paid	0	0	0	0	0	0	0	0	0	0
Share issues and buybacks	1	5	0	0	0	0	0	0	0	0
Lease liability amortisation	0	0	0	0	0	-3	-2	-2	-3	-3
Other non cash items	-0	-3	-3	-2	-13	-8	1	1	3	3
Balance Sheet (EURm)	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Goodwill	22	64	69	69	41	16	16	16	16	16
Other intangible assets	6	43	92	70	41	33	32	31	30	30
Tangible fixed assets	0	0	0	0	0	0	0	0	0	0
Right-of-use asset	0	0	0	0	0	0	0	0	0	0
Total other fixed assets	1	2	7	8	22	17	13	10	6	3
Fixed assets	30	109	169	147	103	66	62	57	53	49
Inventories	0	0	0	0	0	0	0	0	0	0
Receivables	4	13	25	29	22	16	18	24	23	25
Other current assets	0	0	0	0	0	0	0	0	0	0
Cash and liquid assets	2	6	12	15	10	12	9	17	42	57
Total assets	35	128	206	190	136	93	88	98	118	130
Shareholders equity	27	107	109	88	22	4	12	21	34	48
Minority	-0	0	0	0	-0	0	0	0	0	0
Total equity	27	107	109	88	22	4	12	21	34	48
Long-term debt	2	3	66	64	33	36	39	36	32	29
Pension debt	0	0	0	0	0	0	0	0	0	0
Convertible debt	0	0	0	0	0	0	0	0	0	0
Leasing liability	0	0	0	0	0	0	3	3	3	3
Total other long-term liabilities	0	0	2	3	14	23	9	9	9	9
Short-term debt	2	3	0	1	34	3	4	4	4	4
Accounts payable	5	15	29	34	33	27	20	25	35	37
Other current liabilities	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	35	128	206	190	136	93	88	98	118	130
Net IB debt	1	0	54	50	57	28	37	26	-2	-21
Net IB debt excl. pension debt	1	0	54	50	57	28	37	26	-2	-21
Net IB debt excl. leasing	1	0	54	50	57	28	34	23	-6	-24
Capital invested	29	107	165	141	93	54	59	57	41	36
Working capital	-1	-2	-4	-6	-11	-12	-3	-1	-11	-12
EV breakdown	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Market cap. diluted (m)	1,009	290	449	200	71	107	164	170	170	170
Net IB debt Adj	1	0	54	50	57	28	37	26	-2	-21
Market value of minority	0	0	0	0	-0	0	0	0	0	0
Reversal of shares and participations	0	0	0	0	0	0	0	0	0	0
Reversal of conv. debt assumed equity	0	0	0	0	0	0	0	0	0	0
EV	1,011	290	504	250	127	135	202	197	168	149
Capital efficiency	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Total assets turnover (%)	101.2	65.7	72.2	76.5	75.5	72.5	91.3	99.1	93.9	88.1
Working capital/sales (%)	-2.8	-3.2	-2.5	-3.0	-6.6	-13.3	-8.7	-1.9	-5.9	-10.8
Financial risk and debt service	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Net debt/equity	0.05	0.00	0.50	0.57	2.55	7.75	3.13	1.21	-0.07	-0.44
Net debt/market cap	0.00	0.00	0.13	0.14	0.53	0.47	0.22	0.15	-0.01	-0.12
Equity ratio (%)	76.7	83.5	52.9	46.3	16.4	3.9	13.6	21.8	29.3	37.0
Net IB debt adj./equity	0.05	0.00	0.50	0.57	2.55	7.75	3.13	1.21	-0.07	-0.44
Current ratio	0.86	1.01	1.30	1.24	0.49	0.89	0.95	1.30	1.56	1.85
EBITDA/net interest	high	high	high	high	high	2.48	2.94	7.82	8.81	9.20
Net IB debt/EBITDA	-0.77	0.01	4.34	18.02	-1.89	1.64	1.78	0.91	-0.07	-0.61
Net IB debt/EBITDA lease Adj	-0.77	0.01	4.34	18.02	-1.89	1.96	1.83	0.88	-0.18	-0.76
Interest cover	nm	nm	nm	nm	nm	-2.05	0.92	-8.18	-11.03	-11.72

Source: ABG Sundal Collier, Company data

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Valuation and Ratios (EURm)	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Shares outstanding adj.	502	90	90	90	90	90	94	97	97	97
Fully diluted shares Adj	502	90	90	90	90	90	94	97	97	97
EPS	-0.00	0.03	-0.00	-0.22	-0.72	-0.11	0.01	0.10	0.13	0.14
Dividend per share Adj	0	0	0	0	0	0	0	0	0	0
EPS Adj	-0.00	0.03	-0.00	-0.22	-0.72	-0.11	0.01	0.10	0.13	0.14
BVPS	0.05	1.19	1.21	0.98	0.25	0.04	0.13	0.22	0.36	0.50
BVPS Adj	-0.00	-0.00	-0.59	-0.57	-0.66	-0.51	-0.38	-0.27	-0.13	0.02
Net IB debt / share	0.0	0.0	0.6	0.6	0.6	0.3	0.4	0.3	-0.0	-0.2
Share price	2.01	3.24	5.01	2.23	0.78	1.19	1.75	1.76	1.76	1.76
Market cap. (m)	1,009	290	449	200	71	107	164	170	170	170
Valuation	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
P/E	-917.7	97.1	-1,074.2	-10.1	-1.1	-11.1	271.6	17.9	13.1	12.4
EV/sales	56.62	5.41	4.18	1.65	1.03	1.63	2.44	2.13	1.66	1.37
EV/EBITDA	-524.0	49.8	40.2	89.7	-4.2	7.9	9.6	6.9	5.0	4.3
EV/EBITA	-446.6	61.7	313.2	-14.5	-2.3	-54.5	27.9	13.8	9.2	7.8
EV/EBIT	-446.6	61.7	313.2	-14.5	-2.3	-54.5	27.9	13.8	9.2	7.8
Dividend yield (%)	0	0	0	0	0	0	0	0	0	0
FCF yield (%)	-0.2	-0.2	-11.9	2.7	-5.9	30.1	2.1	7.1	16.7	11.1
Lease adj. FCF yield (%)	-0.2	-0.2	-11.9	2.7	-5.9	27.5	0.7	5.7	15.1	9.4
P/BVPS	37.14	2.71	4.13	2.27	3.17	29.75	13.78	7.95	4.95	3.54
P/BVPS Adj	-1,045.54	-6,589.08	-8.53	-3.93	-1.19	-2.35	-4.55	-6.56	-14.00	80.67
P/E Adj	-917.7	97.1	-1,074.2	-10.1	-1.1	-11.1	271.6	17.9	13.1	12.4
EV/EBITDA Adj	-524.0	49.8	40.2	89.7	-4.2	7.9	9.6	6.9	5.0	4.3
EV/EBITA Adj	-446.6	61.7	313.2	-14.5	-2.3	-54.5	27.9	13.8	9.2	7.8
EV/EBIT Adj	-446.6	61.7	313.2	-14.5	-2.3	-54.5	27.9	13.8	9.2	7.8
EV/cap. employed	33.0	2.6	2.9	1.6	1.4	3.1	3.5	3.0	2.3	1.8
Investment ratios	2015	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Capex/sales	9.9	3.5	5.4	8.1	9.5	9.9	11.1	11.1	10.5	10.7
Capex/depreciation	526.5	168.0	59.9	61.6	45.2	49.2	80.3	86.0	85.2	89.1
Capex tangibles/tangible fixed assets	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Capex intangibles/definite intangibles	0	0	0	0	0	19.9	27.2	28.6	30.5	34.1
Depreciation on intangibles/definite intai	0	0	0	0	0	43.4	13.6	12.9	14.7	17.1
Depreciation on tangibles/tangibles	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm

Source: ABG Sundal Collier, Company data

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