

Starbreeze

Company report

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Inderes Corporate customer

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Troubled launch presents an opportunity for risk-tolerant investors

We raise Starbreeze's recommendation to Buy (prev. Accumulate) while lowering the target price to SEK 0.85 (prev. SEK 1.15). PAYDAY 3 was released on September 21st, and almost immediately experienced server problems that hindered the players from accessing the game. The issue continued periodically for days after the launch but seems to have stabilized as of writing this. The launch issues likely hurt PAYDAY 3 sales over the short- and medium-term, and consequently, we have lowered our sales estimates. Since the early access launch, Starbreeze's share price has decreased by 39%. Undoubtedly, the short-term risks have increased, but we believe Starbreeze's value creation potential is still above what the drastic decrease in share price implies.

Players angry and disappointed with the technical issues

The technical issues have angered players, and they have not been shy in expressing their discontent online. Certainly, the negativity primarily reflects the disappointment in the technical problems that have persisted since launch rather than the game itself. Outside the technical issues, feedback regarding the game has been mostly good, with players praising the gameplay and the heists. Some players have complained about the game's progression system and the lack of a server browser, voice chat, and offline mode. Starbreeze is aware of these grievances and has stated that they are evaluating changes and improvements. The first update to the game will come on October 5th. The update will mainly focus on bug fixes and quality-of-life improvements.

Questions regarding game sales and the impact of troubled launch

At this stage, we do not have a clear picture regarding the number of games sold and what level of commercial success or failure the game has achieved. According to Starbreeze (Oct 2), about 3.2 million unique players played the game during September, while Starbreeze's community platform, Nebula, reached 4.5 million registered users. Unfortunately, the 3.2 million figure does not equal sales as the game is available on Microsoft's subscription service, Game Pass. Our estimated number of games sold in 2023e was 2.9 million. We have now lowered this estimate to 2.1 million to reflect the troubled start to the game and the Game Pass deal (revenue neutral). We have also reduced our estimates for the following years as the launch momentum has been somewhat hampered. However, we assume that Starbreeze can overcome the technical issues and regain the players' trust. This should allow the PAYDAY 3 story to get back on track if, however, at a more modest pace.

High near-term uncertainty depressing market valuation

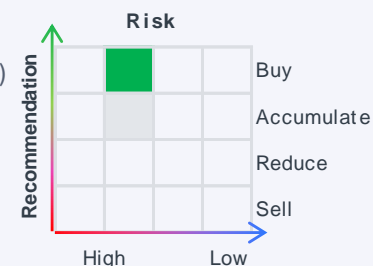
Although we lowered our sales estimates regarding PAYDAY 3, we still believe that over the long-term Starbreeze's commitment to the game will allow them to enjoy a healthy revenue stream from PD3. Going forward Starbreeze will focus on engaging the PD3 players through regular content releases and updates while continuing development on the next games. With future game launches expected in 2026 and 2027/2028 revenues and profits will fluctuate with higher revenues in years with game releases and lower in the years without. By 2029, we assume that Starbreeze will have reached a "steady state" with revenues growing more steadily. We estimate that EBIT will average SEK 145 million during 2028-2032, resulting in a low EV (23e)/EBIT ratio of 2x. With the drastic decrease in valuation, we reason that the risk-reward ratio is now attractive. The current EV* of about SEK 515 million does not, in our opinion, even reflect the value of the PAYDAY IP (estimated at MSEK 1,600 in 2019). Our DCF valuation comes in at SEK 0.87, which is 51% above the current share price.

Recommendation

Buy
(previous Accumulate)

0.85 SEK
(previous 1.15 SEK)

Share price:
0.58 SEK



Key indicators

	2022	2023e	2024e	2025e
Revenue	128	613	273	232
growth-%	2 %	380 %	-56 %	-15 %
EBIT adj.	7	366	-18	63
EBIT-% adj.	5.3 %	59.8 %	-6.5 %	27.2 %
Net Income	-60	379	-18	63
EPS (adj.)	-0.08	0.26	-0.01	0.04

P/E (adj.)	neg.	2.2	neg.	13.5
P/B	21.6	0.8	0.8	0.8
P/FCF	neg.	9.7	neg.	neg.
EV/EBIT (adj.)	>100	1.1	neg.	7.4
EV/EBITDA	22.6	0.8	2.3	3.7
EV/S	11.7	0.6	1.5	2.0

Source: Inderes

Guidance

(Starbreeze provides no guidance)

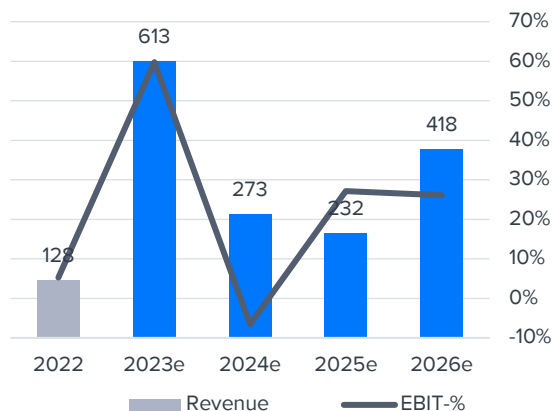
* Current market cap + Q2'23 net debt adjusted for the convertible loan's conversion

Share price



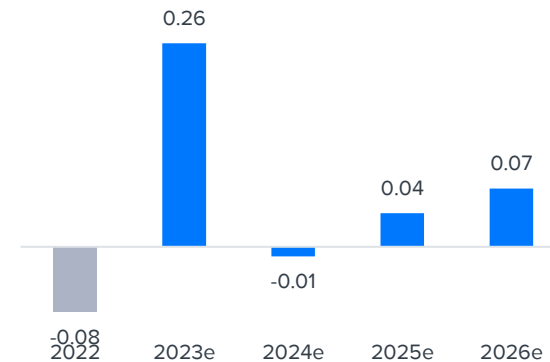
Source: Millistream Market Data AB

Revenue & operating profit-%



Source: Inderes

Earnings per share



Source: Inderes

Value drivers

- The company's main asset is their ownership of the PAYDAY game franchise
- *PAYDAY 3* the primary revenue source until project BAXTER is released in 2026
- New game releases after *PAYDAY 3*. One game set to be released in 2026 another in 2027/2028
- Further third-party publishing operations
- Starbreeze has built up an organization of 182 employees capable of developing large scale video games

Risk factors

- Undiversified revenue stream with all revenues coming from a single game franchise
- Future sales of *PAYDAY 3* being considerably lower than expected would push Starbreeze's growth story further into the future
- Starbreeze's share of *PAYDAY 3* profits being lower than estimated
- Limited visibility into the games after *PAYDAY 3* makes it hard to assess the company's long-term potential
- Commercial failure and/or delays in future game projects

Valuation	2023e	2024e	2025e
Share price	0.58	0.58	0.58
Number of shares, millions	1,477	1,477	1,477
Market cap	849	849	849
EV	390	396	468
P/E (adj.)	2.2	neg.	13.5
P/E	2.2	neg.	13.5
P/FCF	9.7	neg.	neg.
P/B	0.8	0.8	0.8
P/S	1.4	3.1	3.7
EV/Sales	0.6	1.5	2.0
EV/EBITDA	0.8	2.3	3.7
EV/EBIT (adj.)	1.1	neg.	7.4

Source: Inderes

Estimates lowered due to troubled launch

PAYDAY 3's troubled launch increases uncertainty regarding estimates

How the technical issues experienced at and after the launch have impacted sales is hard to assess. Starbreeze's latest update (Oct 2) included figures related to how many unique players played the game in September and how many have registered on Nebula. The figures do not equal sales and can thus only be used as indicators of potential success. Another issue making it hard to estimate sales is refunds. Most game stores allow players to refund games within certain circumstances. However, we have no indication at what rate PAYDAY 3 has been refunded. In general, the rate usually varies between 5%-20%.

All in all, although we do not have any concrete proof regarding sales one way or another at this

time, all things equal, sales are likely lower than if the launch went smoothly. Therefore, due to the increased uncertainty around the number of games sold and the refund rate, we have decided to lower our estimates of PAYDAY 3 sales.

We lower our estimates of games sold

For 2023, we had estimated the total number of games sold at 2.9 million copies. This estimate was, however, before the deal with Microsoft's subscription service, Game Pass. As players subscribed to Game Pass can play the game without buying it, the agreement undoubtedly leads to fewer games sold (our estimate is 200k less games sold). However, we assume that Starbreeze has been fairly compensated for this; thus, in revenue terms, we assume the deal is neutral.

We lowered the number of games sold to 2.1 million for 2023 due to the poor launch and the Game Pass deal. We also reduced the number of games sold beyond 2023 as we assume that the launch momentum was partially squandered, leading to the game's long-term popularity suffering. For 2024 and 2025, we lowered the number of games sold to 1.6 million (prev. 2m) and 1.3 million (prev. 1.8m).

With lower revenues, Starbreeze's profitability will take a significant hit over the next few years. Our EBITDA estimate for 2024 decreased by 40%. Meanwhile, our EBIT estimates decreased considerably more due to large amortizations of intangible assets related to PAYDAY 3. In addition to lower sales estimates, we also slightly lowered our long-term EBIT margin estimate (2030e-) to account for the increased overall uncertainty.

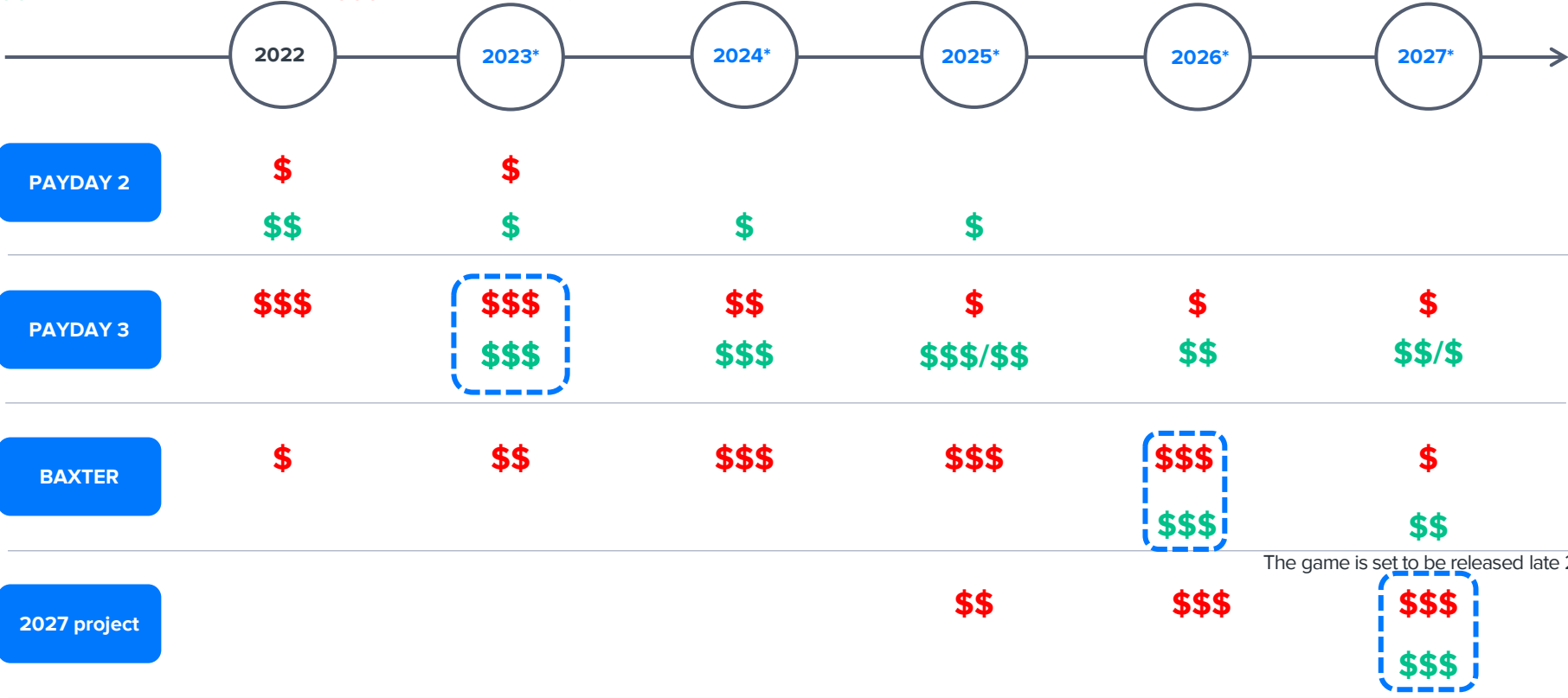
Estimate revisions	2023e	2023e	Change	2024e	2024e	Change	2025e	2025e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	679	613	-10 %	373	273	-27 %	341	232	-32 %
EBITDA	572	505	-12 %	269	171	-36 %	232	127	-45 %
EBIT (exc. NRIs)	434	366	-16 %	79.5	-17.8	-122 %	167	63.1	-62 %
EBIT	434	366	-16 %	79.5	-17.8	-122 %	167	63.1	-62 %
PTP	446	379	-15 %	78.9	-18.2	-123 %	167	62.8	-62 %
EPS (excl. NRIs)	0.30	0.26	-15 %	0.05	-0.01	-123 %	0.11	0.04	-62 %
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

Source: Inderes

Timeline of game projects

Release year

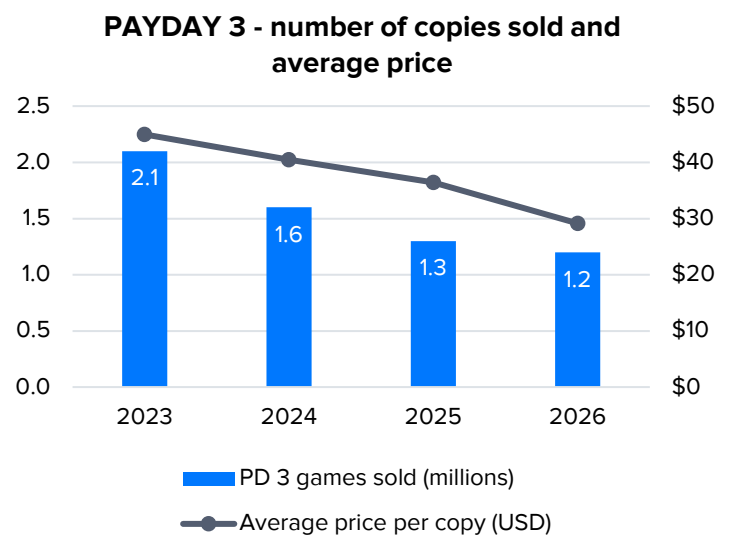
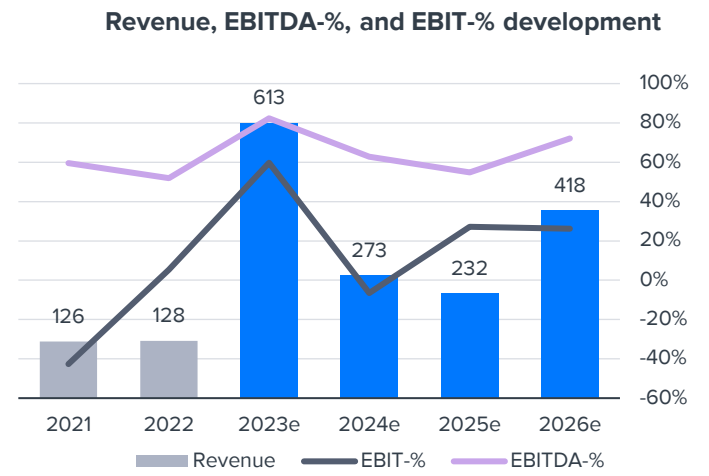
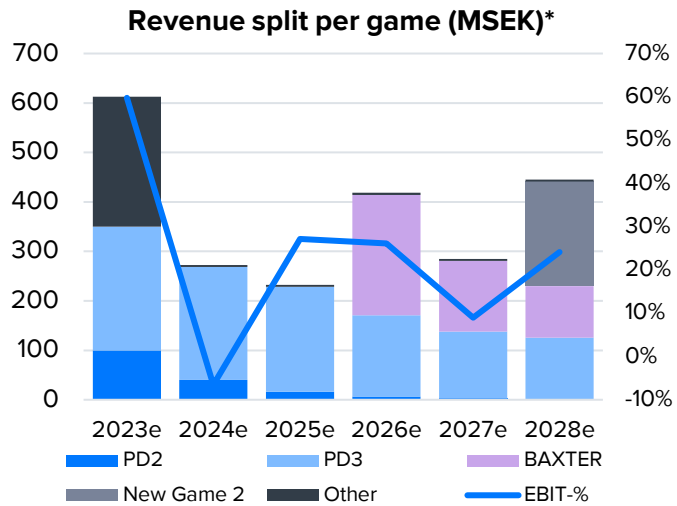
\$ =low revenue \$ =low development costs
 \$\$ =medium revenue \$\$ =medium development costs
 \$\$\$ =considerable revenue \$\$\$ =considerable development costs



The game is set to be released late 2027

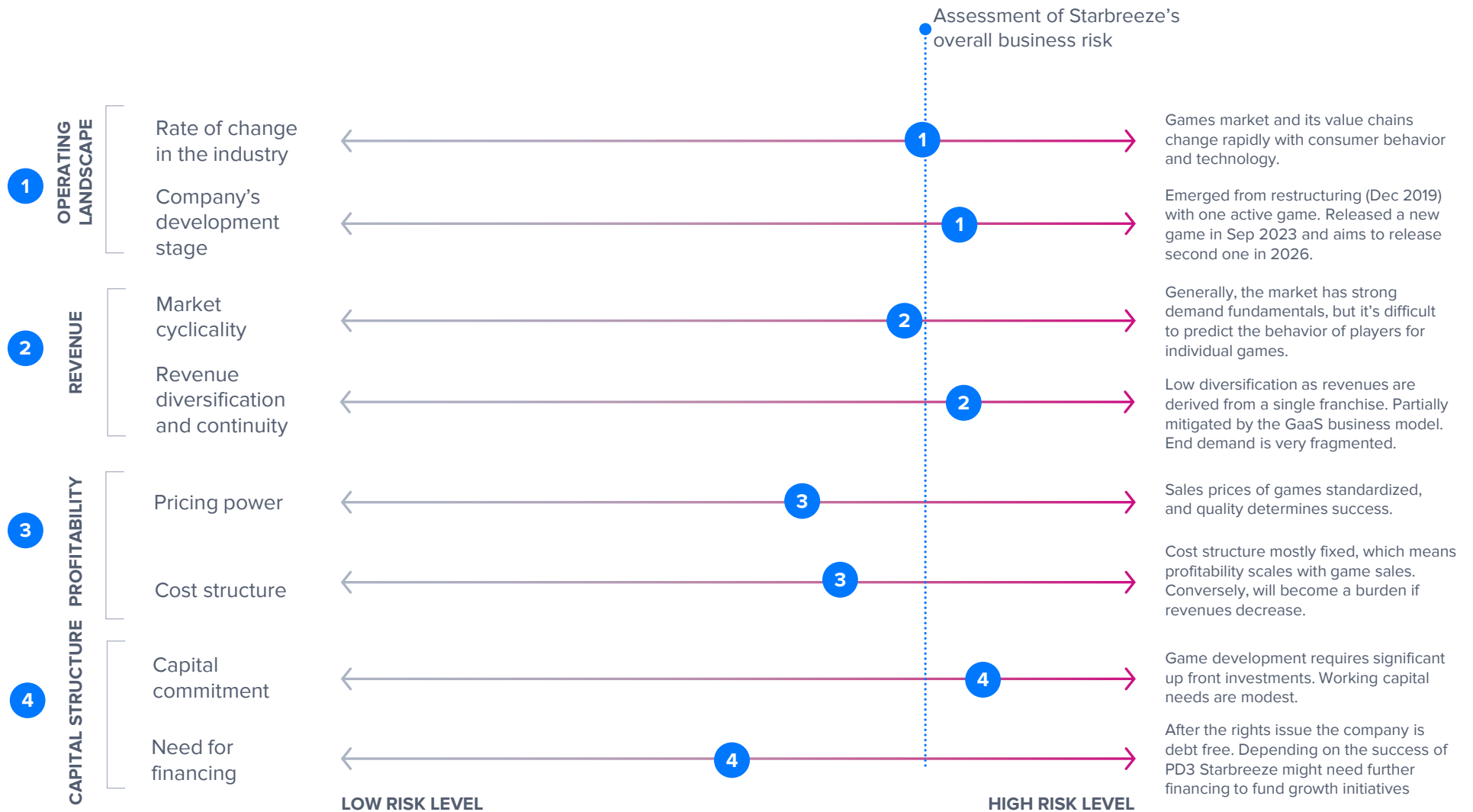
Source: Inderes, *Inderes' estimates

Underlying assumptions for revenue estimates



Source: Inderes, *2023 Other, includes the non-cash game financing income

Risk profile of Starbreeze's business model



Valuation

PAYDAY 3's troubled launch decreases fair value estimate

Since entering early access (SEP 18), Starbreeze's share price has dropped 39%. As we previously stated, Starbreeze's valuation is tied to the expected success of PAYDAY 3. With the negative publicity derived from the technical issues, uncertainty regarding PD3's success has arisen. We, however, assume that sales of PD3 have been decent and that Starbreeze will be able to solve the technical issues and win back players to the game. PD3 was always planned by Starbreeze as a live service game, with the company continuously adding content for years to keep players engaged.

After the launch of PD3, we must turn our attention beyond 2023-2024 and assess Starbreeze's potential to generate revenue growth from other game projects. The goal is to mature into a multi-project business model that provides multiple streams of revenues, which would lower the company's risk profile. The key here is to build upon the potential success of PD3 and to reinvest profits into new game projects. Naturally, these games also need to succeed. The current low visibility into these future projects and the lack of a track record in operating a multi-project model creates uncertainty around all long-term projections regarding Starbreeze's financials. Our estimates assume that PD3 can provide a healthy revenue stream over the following years despite the troubled launch. We also estimate that the two next games released will be commercially viable.

Starbreeze's current valuation is low in absolute terms and in relation to Starbreeze long-term potential. We, therefore, assess that the risk-to-

reward ratio at the current valuation is attractive. Our target price corresponds to the fair value estimate of our DCF model.

We do concede the potential risk that the launch irrevocably hurt PAYDAY 3 and that short- and long-term sales could be significantly lower than our estimates. This situation materializing would drastically lower the fair value of the company. The downside risk is, however, mitigated by the low market value of Starbreeze. At the current enterprise value (MSEK 515), the EV/EBITDA ratio using last year's EBITDA (only PAYDAY 2 revenue) would be around 8x. The current EV is also about 1/3 of the SEK 1,600 million that the PAYDAY IP was valued at in 2019.

Multiple-based valuation suffers from fluctuating financials

Starbreeze's fluctuating revenues and earnings naturally lead to fluctuating multiples. In the near term, Starbreeze also has a couple of larger non-cash charges, such as D&A and the game financing liability, which make the underlying financial figures messy. For 2023, the earnings-based multiples are very low as Starbreeze released a significant game relative to the company's size (P/E 2.2x, EV/EBIT 1.1x). These multiples naturally seem extremely attractive, but one must remember that 2023 will likely be the best year Starbreeze will have in a while. In addition, earnings in 2023 will be amplified due to the game financing liability (non-cash) being credited to the revenues. Free cash flow, meanwhile, will be lower than the earnings, and therefore, the P/FCF multiple will be higher at 9.7x.

Valuation	2023e	2024e	2025e
Share price	0.58	0.58	0.58
Number of shares, million:	1,477	1,477	1,477
Market cap	849	849	849
EV	390	396	468
P/E (adj.)	2.2	neg.	13.5
P/E	2.2	neg.	13.5
P/FCF	9.7	neg.	neg.
P/B	0.8	0.8	0.8
P/S	1.4	3.1	3.7
EV/Sales	0.6	1.5	2.0
EV/EBITDA	0.8	2.3	3.7
EV/EBIT (adj.)	1.1	neg.	7.4

Source: Inderes

Investment profile

1. Turnaround company with all the eggs in the PAYDAY basket
2. Strong video game franchise in PAYDAY
3. PAYDAY 3 expected as the main revenue driver
4. GaaS business model provides longevity, scalability, and reduces risk
5. Large and growing market

Source: Inderes

Potential



- Successful *PAYDAY 3* would generate strong cash flow and set Starbreeze up for the future
- Widening the monetization of the PAYDAY IP through more games and other income streams
- Large PAYDAY community that can be leveraged to promote new games
- Future new game releases
- Potential future publishing operations
- Strong demand outlook on the market

Risks

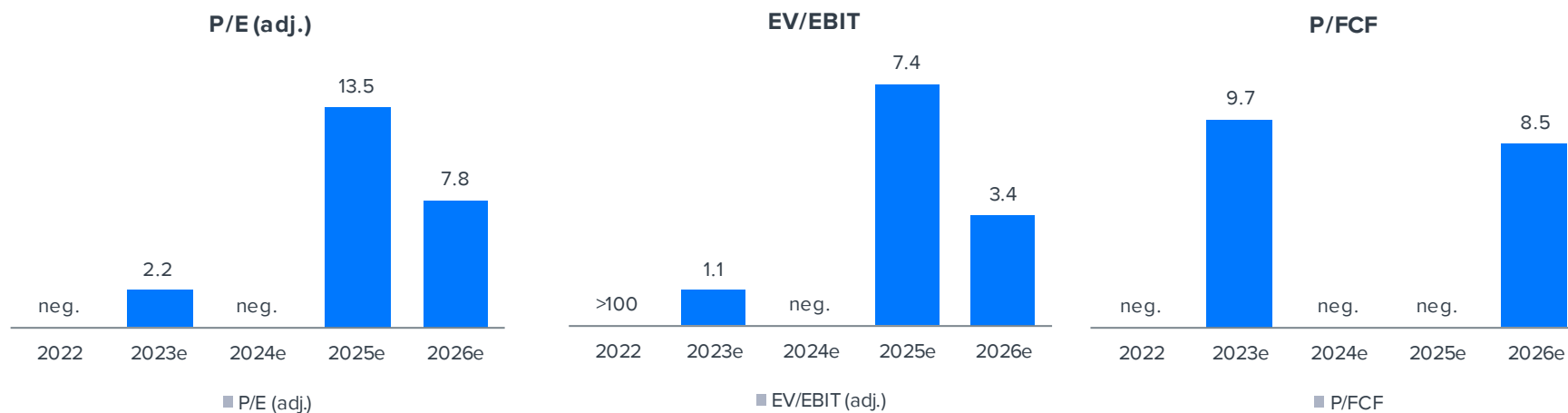


- Undiversified revenue stream with all revenues coming from a single game franchise
- Future sales of *PAYDAY 3* being considerably lower than expected would push Starbreeze's growth story further into the future
- Starbreeze's share of *PAYDAY 3* profits being lower than estimated
- Limited visibility into the games after *PAYDAY 3* makes it hard to assess the company's long-term potential
- Commercial failure and/or delays in future game projects

Valuation table

Valuation	2018	2019	2020	2021	2022	2023e	2024e	2025e	2026e
Share price	0.57	1.30	1.09	1.00	1.69	0.58	0.58	0.58	0.58
Number of shares, millions	318	328	470	725	725	1,477	1,477	1,477	1,477
Market cap	182	427	512	726	1,225	849	849	849	849
EV	128	465	647	1,019	1,496	390	396	468	369
P/E (adj.)	neg.	neg.	neg.	neg.	neg.	2.2	neg.	13.5	7.8
P/E	neg.	neg.	neg.	neg.	neg.	2.2	neg.	13.5	7.8
P/FCF	neg.	neg.	neg.	neg.	neg.	9.7	neg.	neg.	8.5
P/B	0.5	69.3	2.2	5.9	21.6	0.8	0.8	0.8	0.7
P/S	0.5	1.5	4.3	5.8	9.6	1.4	3.1	3.7	2.0
EV/Sales	0.4	1.7	5.5	8.1	11.7	0.6	1.5	2.0	0.9
EV/EBITDA	neg.	neg.	13.1	>100	22.6	0.8	2.3	3.7	1.2
EV/EBIT (adj.)	neg.	neg.	59.5	68.2	>100	1.1	neg.	7.4	3.4

Source: Inderes



Peer group valuation

Peer group valuation	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	MEUR	2023e	2024e	2023e	2024e	2023e	2024e	2023e	2024e	2023e	2024e	2023e
Remedy	291		233.2		41.6	8.5	5.2			0.4	0.5	4.4
Embracer	4,030	8.2	7.4	5.2	4.4	1.3	1.1	5.7	5.4			0.4
CD Projekt	2,558	27.6	50.7	20.6	32.9	10.8	15.2	33.5	51.0	0.7	0.8	5.3
Paradox Interactive	2,046	23.0	20.3	13.2	11.0	9.1	8.0	29.8	26.7	1.0	1.1	8.4
Tinybuild	7		1.6	1.6	1.2	0.1	0.1	8.4	7.8			
Enad Global 7	126	3.2	4.0	2.7	2.9	0.7	0.7	5.3	6.5	2.1	2.7	0.5
11 Bit Studios	361	76.0	8.8	57.7	7.2	15.2	5.1	27.8	8.7			6.3
Playway	563	11.3	9.9	11.3	9.9	7.1	6.2	15.5	13.5	4.6	6.5	5.7
Activision Blizzard	60,574	18.1	16.7	17.2	15.9	6.6	6.5	22.2	21.4	0.9	0.6	3.3
Electronic Arts	30,146	15.5	14.7	13.4	12.5	4.5	4.2	20.0	17.7	0.6	0.6	4.5
Take-Two Interactive	24,231	31.3	33.6	27.8	28.2	4.9	4.7	39.6	43.0			2.5
Ubisoft	4,892		14.6	5.9	5.4	2.5	2.3		20.9			2.3
Starbreeze (Inderes)	34	1.1	-22.2	0.8	2.3	0.6	1.5	2.2	-46.6	0.0	0.0	0.8
Average		23.8	34.6	16.0	14.4	5.9	4.9	20.8	20.2	1.5	1.8	3.9
Median		18.1	14.6	13.2	10.4	5.8	4.9	21.1	17.7	0.9	0.8	4.4
Diff-% to median		-94 %	-252 %	-94 %	-78 %	-89 %	-70 %	-89 %	-364 %	-100 %	-100 %	-82 %

Source: Refinitiv / Inderes

Income statement

Income statement	2020	2021	Q1'22	Q2'22	Q3'22	Q4'22	2022	Q1'23	Q2'23	Q3'23e	Q4'23e	2023e	2024e	2025e	2026e
Revenue	118	126	24	32	39	34	128	27	43	433	110	613	273	232	418
EBITDA	49	6	5	18	24	19	66	4	14	404	83	505	171	127	302
Depreciation	-38	-60	-14	-15	-15	-15	-60	-16	-17	-53	-53	-138	-189	-64	-193
EBIT (excl. NRI)	11	15	-10	3	9	4	7	-12	-3	351	30	366	-18	63	109
EBIT	11	-54	-10	3	9	4	7	-12	-3	351	30	366	-18	63	109
Share of profits in assoc. compan.	-2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net financial items	-139	-52	-14	-14	-17	-17	-61	-13	27	-1	-1	12	-1	0	-1
PTP	-130	-105	-24	-11	-7	-12	-54	-25	24	350	29	379	-18	63	109
Taxes	0	2	0	0	0	-4	-5	0	1	0	0	0	0	0	0
Minority interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net earnings	-130	-103	-24	-11	-8	-17	-60	-25	25	350	29	379	-18	63	109
EPS (rep.)	-0.28	-0.14	-0.03	-0.02	-0.01	-0.02	-0.08	-0.03	0.03	0.24	0.02	0.26	-0.01	0.04	0.07

Key figures	2020	2021	Q1'22	Q2'22	Q3'22	Q4'22	2022	Q1'23	Q2'23	Q3'23e	Q4'23e	2023e	2024e	2025e	2026e
Revenue growth-%	-57.9 %	6.5 %	-15.7 %	-0.8 %	11.4 %	8.3 %	1.5 %	13.3 %	36.1 %	1019.7 %	227.2 %	380.4 %	-55.5 %	-14.8 %	80.2 %
Adjusted EBIT growth-%		37.5 %	-222.0 %	163.2 %	82.3 %	579.7 %	-54.9 %	17.1 %	-188.0 %	3809.5 %	596.5 %	5332.5 %	-104.9 %	-453.7 %	73.3 %
EBITDA-%	41.7 %	5.0 %	19.4 %	57.0 %	63.0 %	57.4 %	52.0 %	15.2 %	32.6 %	93.2 %	75.2 %	82.3 %	62.8 %	54.8 %	72.2 %
Adjusted EBIT-%	9.2 %	11.9 %	-42.1 %	10.6 %	23.2 %	12.9 %	5.3 %	-43.5 %	-6.8 %	81.1 %	27.4 %	59.8 %	-6.5 %	27.2 %	26.1 %
Net earnings-%	-110.4 %	-82.3 %	-102.1 %	-35.4 %	-20.1 %	-49.8 %	-46.9 %	-93.5 %	57.2 %	80.9 %	26.5 %	61.9 %	-6.7 %	27.0 %	26.0 %

Source: Inderes

Balance sheet

Assets	2021	2022	2023e	2024e	2025e
Non-current assets	499	586	637	637	768
Goodwill	42	48	50	50	50
Intangible assets	405	506	565	569	702
Tangible assets	36	23	14	9	7
Associated companies	1	1	1	1	1
Other investments	0	0	0	0	0
Other non-current assets	9	7	7	7	7
Deferred tax assets	4	0	0	0	0
Current assets	176	160	549	509	435
Inventories	0	0	0	0	0
Other current assets	2	0	0	0	0
Receivables	45	52	92	57	56
Cash and equivalents	129	108	457	452	379
Balance sheet total	674	746	1,186	1,145	1,203

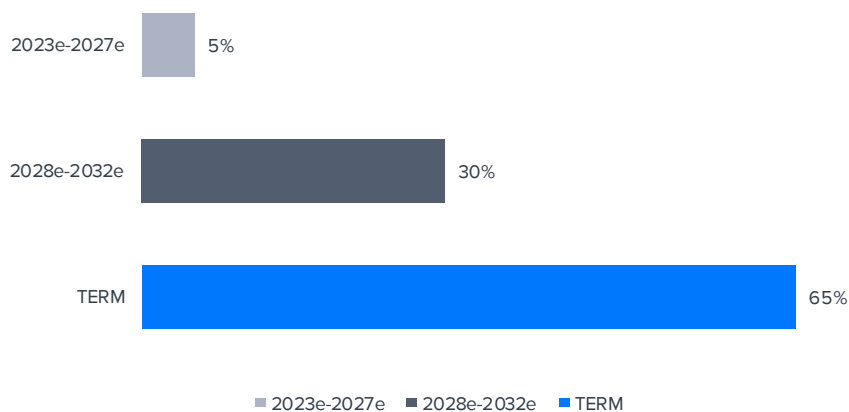
Source: Inderes

Liabilities & equity	2021	2022	2023e	2024e	2025e
Equity	123	57	1,064	1,046	1,109
Share capital	14	14	30	30	30
Retained earnings	-1,890	-1,950	-1,571	-1,589	-1,526
Hybrid bonds	0	0	0	0	0
Revaluation reserve	19	13	10	10	10
Other equity	1,979	1,979	2,596	2,596	2,596
Minorities	0	0	0	0	0
Non-current liabilities	443	386	3	3	3
Deferred tax liabilities	0	1	1	1	1
Provisions	0	0	0	0	0
Interest bearing debt	422	380	0	0	0
Convertibles	0	0	0	0	0
Other long term liabilities	21	5	1	1	1
Current liabilities	109	303	119	97	91
Interest bearing debt	0	0	0	0	0
Payables	91	108	104	82	77
Other current liabilities	18	195	15	15	15
Balance sheet total	674	746	1,186	1,145	1,203

DCF calculation

DCF model	2022	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	TERM
Revenue growth-%	1.5 %	380.4 %	-55.5 %	-14.8 %	80.2 %	-31.9 %	56.3 %	-7.8 %	18.0 %	16.0 %	2.5 %	2.5 %
EBIT-%	5.3 %	59.8 %	-6.5 %	27.2 %	26.1 %	9.0 %	24.2 %	31.4 %	30.0 %	30.0 %	30.0 %	30.0 %
EBIT (operating profit)	7	366	-18	63	109	26	108	129	145	169	173	
+ Depreciation	60	138	189	64	193	137	220	203	207	209	211	
- Paid taxes	0	1	0	0	0	0	0	0	-30	-35	-35	
- Tax, financial expenses	6	0	0	0	0	0	0	0	0	0	0	
+ Tax, financial income	0	0	0	0	0	0	0	0	0	0	0	
- Change in working capital	-8	-224	12	-4	-2	-4	-3	-7	-7	-8	-8	
Operating cash flow	65	281	184	123	300	158	325	325	315	335	340	
+ Change in other long-term liabilities	-16	-4	0	0	0	0	0	0	0	0	0	
- Gross CAPEX	-151	-189	-189	-196	-201	-206	-213	-215	-215	-215	-215	
Free operating cash flow	-102	88	-5	-72	100	-48	112	110	99	120	126	
+/- Other*	0	665	0	0	0	0	0	0	0	0	0	
FCFF	-102	753	-5	-72	100	-48	112	110	99	120	126	0
Discounted FCFF		734	-4	-57	71	-31	65	57	47	50	48	574
Sum of FCFF present value		1,553	819	824	881	810	840	776	718	672	621	574
Enterprise value DCF		1,553										
- Interest bearing debt*		-380										
+ Cash and cash equivalents		108										
-Minorities		0										
-Dividend/capital return		0										
Equity value DCF		1,283										
Equity value DCF per share		0.87										

Cash flow distribution



WACC	
Tax-% (WACC)	20.6 %
Target debt ratio (D/(D+E))	0.0 %
Cost of debt	8.0 %
Equity Beta	1.50
Market risk premium	4.75 %
Liquidity premium	1.40 %
Risk free interest rate	2.5 %
Cost of equity	11.0 %
Weighted average cost of capital (WACC)	11.0 %

Source: Inderes

*Other for 2023 is the MSEK 450 from the rights issue + MSEK 215 to compensate for the increase in shares from the convertible loan being converted into shares

Summary

Income statement	2020	2021	2022	2023e	2024e	Per share data	2020	2021	2022	2023e	2024e
Revenue	118	126	128	613	273	EPS (reported)	-0.28	-0.14	-0.08	0.26	-0.01
EBITDA	49	6	66	505	171	EPS (adj.)	-0.28	-0.05	-0.08	0.26	-0.01
EBIT	11	-54	7	366	-18	OCF / share	-0.05	0.12	0.09	0.19	0.12
PTP	-130	-105	-54	379	-18	FCF / share	-0.28	-0.06	-0.14	0.06	0.00
Net Income	-130	-103	-60	379	-18	Book value / share	0.49	0.17	0.08	0.72	0.71
Extraordinary items	0	-69	0	0	0	Dividend / share	0.00	0.00	0.00	0.00	0.00
Balance sheet	2020	2021	2022	2023e	2024e	Growth and profitability	2020	2021	2022	2023e	2024e
Balance sheet total	709	674	746	1,186	1,145	Revenue growth-%	-58 %	7 %	2 %	380 %	-56 %
Equity capital	228	123	57	1,064	1,046	EBITDA growth-%	-141 %	-87 %	958 %	661 %	-66 %
Goodwill	39	42	48	50	50	EBIT (adj.) growth-%	-102 %	-594 %	-113 %	5333 %	-105 %
Net debt	135	293	271	-457	-452	EPS (adj.) growth-%	-77 %	-83 %	72 %	-411 %	-105 %
Cash flow	2020	2021	2022	2023e	2024e	EBITDA-%	41.7 %	5.0 %	52.0 %	82.3 %	62.8 %
EBITDA	49	6	66	505	171	EBIT (adj.)-%	9.2 %	-42.7 %	5.3 %	59.8 %	-6.5 %
Change in working capital	-72	13	-8	-224	12	EBIT-%	9.2 %	-42.7 %	5.3 %	59.8 %	-6.5 %
Operating cash flow	-23	87	65	281	184	ROE-%	-111.0 %	-58.9 %	-66.6 %	67.7 %	-1.7 %
CAPEX	-89	-112	-151	-189	-189	ROI-%	2.7 %	-10.1 %	1.4 %	48.9 %	-1.7 %
Free cash flow	-130	-42	-102	88	-5	Equity ratio	32.2 %	18.2 %	7.6 %	89.7 %	91.3 %
						Gearing	59.2 %	238.7 %	478.0 %	-42.9 %	-43.2 %
Valuation multiples	2020	2021	2022	2023e	2024e						
EV/S	5.5	8.1	11.7	0.6	1.5						
EV/EBITDA (adj.)	13.1	>100	22.6	0.8	2.3						
EV/EBIT (adj.)	59.5	68.2	>100	1.1	neg.						
P/E (adj.)	neg.	neg.	neg.	2.2	neg.						
P/B	2.2	5.9	21.6	0.8	0.8						
Dividend-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %						

Source: Inderes

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Recommendation history (>12 mo)

Date	Recommendation	Target price	Share price
30.05.2023	Accumulate	1.15 SEK	1.03 SEK
18.08.2023	Reduce	1.15 SEK	1.19 SEK
12.09.2023	Accumulate	1.15 SEK	0.95 SEK
03.10.2023	Buy	0.85 SEK	0.58 SEK



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