

SciBase AB

Company report

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✓ Inderes corporate customer

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Share starts trading without unit rights and warrants

As unit rights (and warrants) no longer trade with the share, we lower our target price accordingly to SEK 0,35 share (was 0,50) and recommendation to Reduce (was Accumulate). The ongoing capital raise would reduce the financing risks and secures the company's financing until early 2025. We expect the raise to succeed. After short-term funding is in check, SciBase can focus again on executing its growth strategy in US, where clear signs of success could be emerging starting in 2025. We highlight the special situation of the stock due to the very large number of warrants to be issued with the raise.

Short-term financing risks should be put behind with a 48 MSEK capital raise package

The package [announced](#) on April 5 consists of a rights issue (RI, up to 15 MSEK) and a directed issue (DI, 33 MSEK), totaling 48 MSEK (~44 MSEK after costs). In the RI, existing shareholders get unit rights to subscribe for shares and warrants at a subscription price of 0,42 SEK/share, during the subscription period April 23 to May 7. The last day of trading with unit rights and warrants was April 17. The DI targets a relatively broad base of selected investors who will also receive warrants. In our view the DI brings a healthy development for the company's owner structure. We note that the amount of warrants (~569 million units at SEK 0,42/share vs. ~234 post-raise million share base) is very large.

Investment case rests on an attractive foundation

SciBase's medical device, Nevisense, is primarily used to improve the accuracy of skin cancer diagnosis. We do not currently see any serious competition for the device, and it remains the only FDA-cleared point-of-care product for melanoma detection available in the US. The product has already achieved promising commercial momentum in Germany and the US, the two largest markets for skin cancer detection. SciBase's high-margin consumable-based business model is highly recurring and scalable. In the US, SciBase focuses on expanding insurance reimbursement coverage to unlock faster growth. We've written about the company in detail in our recent [extensive report](#).

Conditions for strong growth are good, although everything is not in the company's hands

As increasing reimbursement coverage in the US speeds up customer acquisition and the expansion of Nevisense use in the clinics, we expect SciBase's commercial efforts to translate gradually into faster revenue growth in 2024-2028. We estimate annual revenue growth to be a steep 40-60 % from a low base to 300 MSEK+ in 2030 and EBIT margin to strengthen from a loss-making investment phase to 0 % in 2027 and towards 25 % in 2033. This assumes SciBase to be successful in its growth, which requires strong strategy execution in expanding reimbursement coverage, new customer sales and customer ramp ups, which is all not fully in the company's own hands. Visibility into our estimates is still foggy, and we believe that forecast risks must be compensated by a higher required return.

Risk/reward ratio no longer attractive enough after unit rights and warrants no longer trade with the share

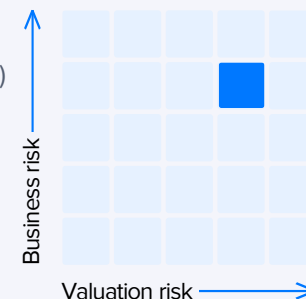
Assuming the raises succeed fully, warrants will have an equity claim of 71 % beyond the strike price of SEK 0,42/share. We account for this by deducting the value of the outstanding warrants from equity value when valuing the share. Our valuation scenarios for 2026 and 2029, and DCF model, point towards valuation of SEK 0,31-0,65 /share (prev 0,53-0,90) after the share no longer trades with the unit rights and warrants. As estimates risks remain elevated and our valuation methods lean far into the future, we feel that the lower end provides a better justified anchoring point for valuation. After the ex- unit right date, we see that the risk/reward ratio for the share is currently not attractive enough.

Recommendation

Reduce
(prev. Accumulate)

0,35 SEK
(prev. 0,50 SEK)

Share price:
0,37



Key indicators

	2023	2024e	2025e	2026e
Revenue	23,2	31,9	50,4	81,5
growth-%	30 %	37 %	58 %	62 %
EBIT adj.	-53,9	-56,1	-46,9	-29,5
EBIT-% adj.	-232,0 %	-175,9 %	-93,1 %	-36,2 %
Net Income	-55,6	-56,7	-47,4	-30,0
EPS (adj.)	-0,51	-0,24	-0,20	-0,13

P/E (adj.)	neg.	neg.	neg.	neg.
P/B	2,3	2,8	neg.	neg.
Dividend yield-%	0,0 %	0,0 %	0,0 %	0,0 %
EV/EBIT (adj.)	neg.	neg.	neg.	neg.
EV/EBITDA	neg.	neg.	neg.	neg.
EV/S	2,8	2,2	2,5	2,0

Source: Inderes

Guidance

(Unchanged)

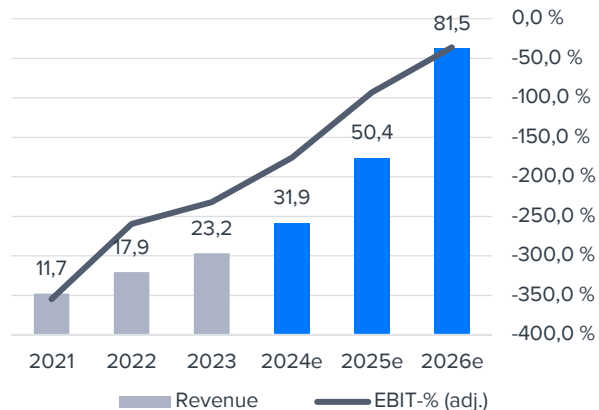
SciBase provides no guidance.

Share price



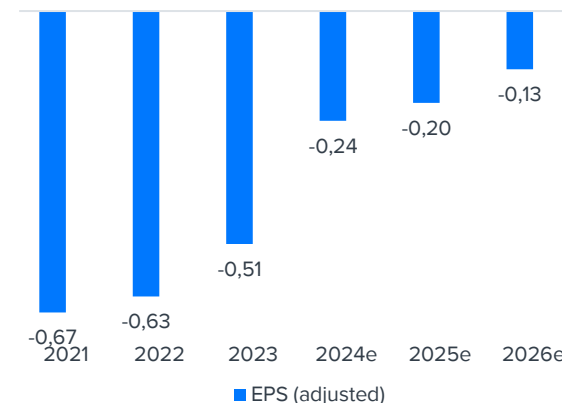
Source: Millistream Market Data AB

Revenue and EBIT-%



Source: Inderes

Earnings per share



Source: Inderes



Value drivers

- The US market provides a large market for the proven Nevisense platform
- Gaining FDA approval to use Nevisense for NMSC detection in the USA would further increase the market size
- Further growth on the German market through on-boarding new clients, increased sales of electrodes, and further price increases of electrodes
- Clinical adoption of Nevisense for assessing the skin's barrier function would give access to a market valued at 6-7 BNSEK



Risk factors

- Unprofitable operations that are funded through equity issues
- Failure or significant delays in growing sales on the US market
- Competition from similar or substitution products
- Any potential new regulatory hurdles leading to delays and additional expenses

Valuation	2024e	2025e	2026e
Share price	0,37	0,37	0,37
Number of shares, millions	233,7	233,7	233,7
Market cap	85	85	85
EV	70	124	165
P/E (adj.)	neg.	neg.	neg.
P/E	neg.	neg.	neg.
P/B	2,8	neg.	neg.
P/S	2,7	1,7	1,0
EV/Sales	2,2	2,5	2,0
EV/EBITDA	neg.	neg.	neg.
EV/EBIT (adj.)	neg.	neg.	neg.
Payout ratio (%)	0,0 %	0,0 %	0,0 %
Dividend yield-%	0,0 %	0,0 %	0,0 %

Source: Inderes

No changes to estimates, mostly updating ex-unit rights date effects to valuation

Estimate revisions	2024e	2024	Change	2025e	2025e	Change	2026e	2026e	Change
MSEK / SEK	Old	New	%	Old	New	%	Old	New	%
Revenue	31,9	31,9	0 %	50,4	50,4	0 %	81,5	81,5	0 %
EBITDA	-52,7	-52,7	0 %	-44,0	-44,0	0 %	-26,3	-26,3	0 %
EBIT (exc. NRIs)	-56,1	-56,1	0 %	-46,9	-46,9	0 %	-29,5	-29,5	0 %
EBIT	-56,1	-56,1	0 %	-46,9	-46,9	0 %	-29,5	-29,5	0 %
PTP	-56,7	-56,7	0 %	-47,4	-47,4	0 %	-30,0	-30,0	0 %
EPS (excl. NRIs)	-0,24	-0,24	0 %	-0,20	-0,20	0 %	-0,13	-0,13	0 %
DPS	0,00	0,00		0,00	0,00		0,00	0,00	

Source: Inderes

Funding solution comes with a special situation

Capital raise puts behind the short-term financing risks

The capital raise [announced](#) on April 5 consists of a rights issue (RI, up to 15 MSEK) and a directed issue (DI, 33 MSEK), totaling 48 MSEK or ~44 MSEK after costs. Valuation was set at SEK 0,42/share. The RI is directed at existing shareholders and allows shareholders to participate in proportion to their ownership. The DI is directed towards a selected group of new investors and existing shareholders, and in our view would broaden the company's owner base and support meeting future capital needs as well.

The capital raise was largely expected (SEK 0,42/share vs. Inderes SEK 0,40/share, 48 MSEK size vs. Inderes 75 MSEK), and the question was more about the terms at which additional funding could be secured. With 34 MSEK of cash at year-end 2023 and net proceeds of 44 MSEK, SciBase's pro forma cash position is 78 MSEK. Assuming a burn rate of 15 MSEK a quarter, the company's financing needs would be met until about the second quarter of 2025. The remaining funding gap, to our estimates, is around 100 MSEK during 2025-2027. We expect SciBase to have improved its business fundamentals by the time of its next potential capital raise in H1'2025. We estimate that the now announced raise was made from a more challenging position, and removing this uncertainty is clearly positive for the company.

The directed issue is subject to the approval of the EGM to be held on May 13, 2024. Given the company's rather acute need for financing, ability for existing shareholders to participate via RI and a

broadening ownership base with institutional investors coming in, we expect the approval to be granted. For the RI, SciBase has received subscription commitments from existing shareholders and members of the Board of Directors and management of about 16%. As the RI comes with warrants (which are an important vehicle for getting exposure to in SciBase's equity value upside), we expect the RI to get fully subscribed.

Significant number of warrants to be issued form a significant claim to the company's equity

Both RI & DI come with a significant amount of warrants given free of charge in connection with share subscription (4x the number of subscribed shares). Warrants have a strike of SEK 0,42 per share and are 1-to-1 convertible to shares in April 2029. Due to the high number of warrants, 71% of the gains made in SciBase's equity value above SEK 0,42 per share price are captured with the warrants and only 29% in shares (see chart on right). This means that for SciBase share to appreciate 10% beyond the SEK 0,42 price level, the equity value of SciBase as a whole would need to go up by around 34%.

In practice, this means that warrants may become the primary equity instrument for investors to participate in SciBase's upside until April 2029, instead of common share. This creates a special situation for valuing the share. However, participants in the DI+RI who receive warrants will have a significant claim to this upside, which supports the likelihood of the raise being successful. We note that new capital raises and share count increases, especially in 2025-27, could change this dynamic in the future.

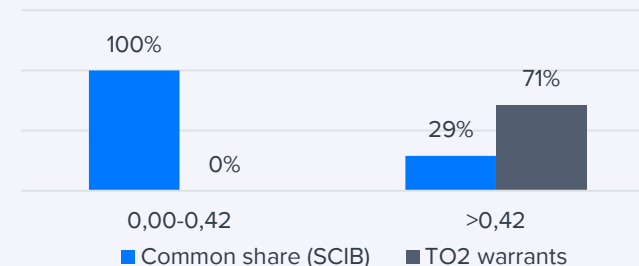
Changes in number of shares with the arrangement*

Outstanding shares	Shares, millions	Share of post-arrangement shares, %	Cumulative share count increase, %
Before Rights issue	119,8	15 %	
New shares Rights issue (RI)	35,9	4 %	
Total after the Rights issue (RI)	155,8	19 %	30 %
New shares from Directed issue (DI)	77,9	10 %	
Total after both Issues (DI+RI)	233,7	29 %	95 %
New shares from RI warrants (in 04/2029)	179,7	22 %	
New shares from DI warrants (in 04/2029)	389,5	49 %	
Total after both issues and warrant	802,9	100 %	570 %

Source: Inderes.

*Assuming both issues are fully subscribed, all warrants are issued and exercised (possible only in 04/2029) and without effects of any potential future capital raises.

Allocation** of company equity value gains between equity instruments at different share prices, SEK/share



Source: Inderes.

**Based on 0,42 SEK/share warrant strike, assuming all warrants are exercised in April 2029.

Timetable of the Rights issue and Directed issue

Preliminary timetable

17 April 2024	Last day of trading in SciBase's shares including right to receive unit rights
18 April 2024	First day of trading in SciBase's shares excluding right to receive unit rights
19 April 2024	Record date to receive unit rights
23 April 2024 – 2 May 2024	Trading in unit rights
23 April 2024 – 7 May 2024	Subscription period
23 April 2024 - until registration of the Rights Issue with the Swedish Companies Registration Office	Trading in BTU
Around 10 May 2024	Announcement of the outcome of the Rights Issue
13 May 2024	EGM to resolve on the Directed Issue
30 May 2024	The newly issued shares and warrants in the Directed Issue are expected to start trading
3 April 2029 – 17 April 2029	Subscription period for warrants of series TO 2

Risk/reward ratio looks weaker after ex unit right date

We expect the capital raises to be completed in full, and consequently that all warrants will be issued. As the warrants have a significant equity claim (71% of equity value above SEK 0,42/share), our valuation methods deduct the value of warrants' equity claims from the equity value of the company attributable to shareholders. We base this either on our option pricing model or a direct exercise price where applicable. A market price for the warrants will also be available later (estimated start of trading May 30). April 17 was the last day to trade SciBase shares including the unit rights (which also include warrants), and we now update our valuation to adjust for this. We also made other smaller adjustments to more accurately address the warrants' impact to valuation of the shares.

After ex-unit rights date, the risk/reward ratio no longer looks attractive enough

The SciBase investment story appears to be on an attractive footing. The opportunity to get in on the ground floor of an innovative and potentially lucrative medical device with a seemingly clear diagnostic benefit and no serious competitors could promise high returns. On the other hand, there is limited visibility on the pace and success of growth, particularly in the US. With the ongoing reimbursement expansion, we expect visibility to improve especially in 2025-2026. As a result, the time needed to reach cash flow neutrality is difficult to assess. If US growth progresses well, SciBase will take clear steps towards cash flow neutrality and be well positioned to raise further capital in 2025-27. Conversely, delays would cause more cash to be burned and can lead to more significant dilution that would depress investment returns.

As SciBase's value leans purely on long-term potential, the visibility into which is limited, only inaccurate valuation methods are available.

We first approach valuation with multiples by applying a low and high multiple to our 2026e and 2029e estimates. The scenarios assume share issues of 50 MSEK each in 2025 and 2026, at 0,35 and 0,45 SEK/share respectively. These assumptions will update on the go, as we see that the evidence of US growth progress will define the terms for capital raises.

Our multiple-based valuation (see page 9) gives a value ranging from SEK 0,31 to 0,65/share (down from 0,53 to 0,90). We updated the range to reflect that the unit rights (& warrants) no longer trade with the share. As especially year 2029 is very far away and forecast risk is elevated, we feel that the lower end provides a better justified anchoring point for valuation and should get enough fundamental drivers from SciBase's business to support it in the next 12 months.

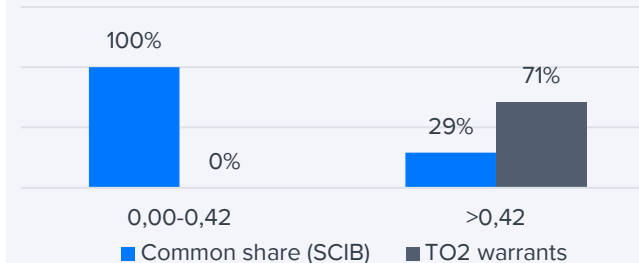
We use a DCF model to illustrate the long-term potential of the company. The DCF model is very sensitive to the assumptions used, so it also acts as a rough guide. After deducting the value of the warrants, we arrive at a DCF value of SEK 0,52 per share. We use a long-term operating profit margin of 25%, a terminal growth rate of 2.5% and a WACC of 14.4%. Our DCF assumes that SciBase will finance its growth with debt, which is unlikely due to negative cash flow. Our cost of capital is slightly elevated to reflect our assumption of less favorable equity financing terms.

While the near-term financing risk under control, the share price (SEK 0,35) is again aligned with our valuation methods. We adjust our target price to lower end of our valuation methods at SEK 0,35/share (was 0,50), as the unit rights & warrants no longer trade with the share. Due to this we no longer find the risk/reward attractive enough and lower our recommendation to Reduce (was Accumulate). We watch closely for any signs of accelerating growth especially in US, which could make the risk/reward profile more attractive.

Valuation	2024e	2025e	2026e
Share price	0,37	0,37	0,37
Number of shares, millions	233,7	233,7	233,7
Market cap	85	85	85
EV	70	124	165
P/E (adj.)	neg.	neg.	neg.
P/E	neg.	neg.	neg.
P/B	2,8	neg.	neg.
P/S	2,7	1,7	1,0
EV/Sales	2,2	2,5	2,0
EV/EBITDA	neg.	neg.	neg.
EV/EBIT (adj.)	neg.	neg.	neg.
Payout ratio (%)	0,0 %	0,0 %	0,0 %
Dividend yield-%	0,0 %	0,0 %	0,0 %

Source: Inderes

Allocation* of company equity value gains between equity instruments at different share prices, SEK/share



Source: Inderes.

Note: Due to the warrants, for SciBase share to appreciate 10% beyond 0,42 SEK price level, the total equity value of SciBase would need to go up by around 34%.

*Based on 0,42 SEK/share warrant strike, assuming all warrants are exercised in April 2029.

Valuation graphs 1/2

Valuation development during the unit right separation	MSEK	SEK per share	2026 scenarios low end	2026 scenarios high end	2029 scenarios low end	2029 scenarios high end	DCF
Enterprise value	41	0,18					
(+) Net cash (31.12.23)	34	0,15					
(+) Net proceeds from RI and DI	44	0,19					
Equity value post money	119	0,51					
(-) Market value of DI warrants	-15	-0,07					
Equity value attributed to shareholders when stock trades WITH subscription rights (Until April 17th)	103	0,44	0,44	0,61	0,57	0,78	0,65
(-) Market value of RI subscription rights & warrants	-31	-0,13	-0,13	-0,13	-0,13	-0,13	-0,13
Equity value attributed to shareholders when stock trades WITHOUT subscription rights (April 18th ->)	73	0,31	0,31	0,48	0,44	0,65	0,52

Source: Inderes.

Note: Calculation assumes RI and DI raises are 100 % successful. Warrant valuation based on a separate option pricing model. Market value for warrants will be available May 30th (Preliminary).

Valuation graphs 2/2

2026e, MSEK	Low	High
Sales	81	81
EV/Sales	3,0x	5,0x
EV (Enterprise value)	244	407
(+) Net cash ¹	20	20
Equity value	265	428
(-) Value of warrants	-47	-91
Equity value of common stock	218	336
Per share ¹	0,45	0,69
Per share, discounted to today	0,31	0,48
(+) Rights issue unit right value	0,13	0,13
Per share, discounted to today (incl. unit right)	0,44	0,61

Note: Value of warrants estimated for year end 2026 based on scenario valuation

2029e, MSEK	Low	High
Revenue	241	241
EV/revenue	3,0x	5,0x
EV (Enterprise value)	724	1 207
(+) Net cash ¹	274	274
Equity value	998	1 481
Per share ¹	0,94	1,40
Per share, discounted to today	0,44	0,65
(+) Rights issue unit right value	0,13	0,13
Per share, discounted to today (incl. unit right)	0,57	0,78

Note: Assumes all warrants are exercised

Situation from
April 18th
onwards (the
unit rights &
warrants
traded with
the stock until
April 17th)

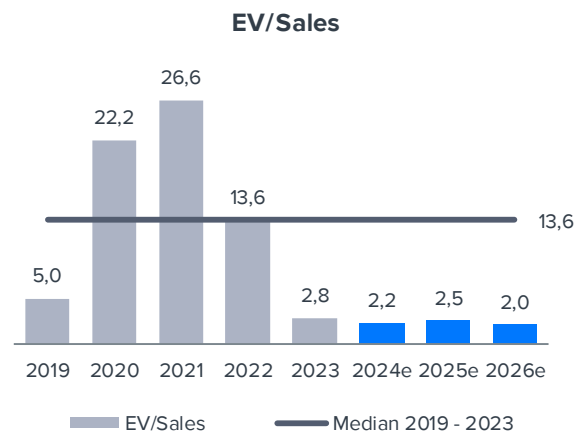
Source: Inderes

1) Adjusted for hypothetical equity issues of 50 & 50 MSEK in 2025 and 2026 at 0,35 and 0,45 SEK/share respectively

Valuation table

Valuation	2019	2020	2021	2022	2023	2024e	2025e	2026e	2027e
Share price	4,36	4,62	5,52	3,82	0,83	0,37	0,37	0,37	0,37
Number of shares, millions	16,6	54,8	68,5	68,5	119,8	233,7	233,7	233,7	233,7
Market cap	72	253	378	262	99	85	85	85	85
EV	46	212	312	243	65	70	124	165	183
P/E (adj.)	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.
P/E	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.
P/B	2,3	5,4	5,3	10,4	2,3	2,8	neg.	neg.	neg.
P/S	7,8	26,6	32,2	14,6	4,3	2,7	1,7	1,0	0,7
EV/Sales	5,0	22,2	26,6	13,6	2,8	2,2	2,5	2,0	1,4
EV/EBITDA	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.	60,1
EV/EBIT (adj.)	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.
Payout ratio (%)	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %
Dividend yield-%	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %

Source: Inderes



Peer group valuation

Peer group valuation Company	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
	MEUR	MEUR	2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	2024e
Revenio Group Oyj	690	686	23,6	19,2	20,7	17,1	6,5	5,8	31,8	25,4	1,6	1,9	6,2
Roche Holding AG	186 493	211 475	10,0	9,0	9,0	8,1	3,4	3,2	13,4	11,9	4,3	4,6	6,9
STRATA Skin Sciences Inc	16	23			14,0	5,6	0,8	0,7					
CellaVision AB	454	449	23,7	19,1	20,0	16,5	6,7	5,9	30,5	24,2	1,1	1,3	6,4
Sectra AB	3 462	3 405	78,4	64,0	65,1	54,0	14,1	11,9	98,1	80,2	0,6	0,7	26,8
ContextVision	44	40	15,9	15,3	9,4	8,7	3,4	3,3	22,2	21,5	6,0	6,8	
Aiforia Technologies	101	93					23,2	13,3				12,9	4,4
Episurf Medical AB	17	13					8,3	3,9					1,9
Dignitana AB	12	14		7,2	13,1	4,2	1,5	1,0		9,0			
Senzime AB	53	41					5,9	2,4					2,7
SciBase AB (Inderes)	8	6	-1,3	-2,6	-1,3	-2,8	2,2	2,5	-1,5	-1,8	0,0	0,0	2,8
Average			30,3	22,3	21,6	16,3	7,4	5,1	39,2	28,7	2,7	4,7	7,9
Median			23,6	17,2	14,0	8,7	6,2	3,6	30,5	22,8	1,6	3,2	6,2
Diff-% to median			-105 %	-115 %	-110 %	-132 %	-65 %	-31 %	-105 %	-108 %	-100 %	-100 %	-54 %

Source: Refinitiv / Inderes

Income statement

Income statement	2022	Q1'23	Q2'23	Q3'23	Q4'23	2023	Q1'24e	Q2'24e	Q3'24e	Q4'24e	2024e	2025e	2026e	2027e
Revenue	17,9	5,1	5,1	7,2	5,8	23,2	6,8	7,3	9,8	8,1	31,9	50,4	81,5	129
EBITDA	-42,8	-10,0	-12,8	-12,0	-15,7	-50,6	-12,8	-13,2	-12,7	-14,0	-52,7	-44,0	-26,3	3,0
Depreciation	-3,7	-0,8	-1,0	-0,7	-0,9	-3,4	-0,9	-0,9	-0,9	-0,9	-3,5	-3,0	-3,2	-3,5
EBIT (excl. NRI)	-46,4	-10,8	-13,8	-12,7	-16,6	-53,9	-13,7	-14,1	-13,6	-14,8	-56,1	-46,9	-29,5	-0,4
EBIT	-46,4	-10,8	-13,8	-12,7	-16,6	-53,9	-13,7	-14,1	-13,6	-14,8	-56,1	-46,9	-29,5	-0,4
Net financial items	3,2	-0,1	2,5	-0,1	-3,9	-1,6	-0,1	-0,1	-0,1	-0,1	-0,6	-0,5	-0,5	-0,5
PTP	-43,2	-10,9	-11,4	-12,8	-20,5	-55,6	-13,8	-14,2	-13,7	-15,0	-56,7	-47,4	-30,0	-0,9
Taxes	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Net earnings	-43,2	-10,9	-11,4	-12,8	-20,5	-55,6	-13,8	-14,2	-13,7	-15,0	-56,7	-47,4	-30,0	-0,9
EPS (adj.)	-0,63	-0,15	-0,09	-0,11	-0,17	-0,51	-0,12	-0,07	-0,06	-0,06	-0,24	-0,20	-0,13	0,00
EPS (rep.)	-0,63	-0,15	-0,09	-0,11	-0,17	-0,51	-0,12	-0,07	-0,06	-0,06	-0,24	-0,20	-0,13	0,00
Key figures	2022	Q1'23	Q2'23	Q3'23	Q4'23	2023	Q1'24e	Q2'24e	Q3'24e	Q4'24e	2024e	2025e	2026e	2027e
Revenue growth-%	52,6 %	20,9 %	36,5 %	46,7 %	16,1 %	29,9 %	31,2 %	44,5 %	34,6 %	39,9 %	37,3 %	57,9 %	61,6 %	58,7 %
Adjusted EBIT growth-%	11,6 %	11,2 %	18,0 %	11,9 %	21,7 %	16,2 %	26,9 %	1,7 %	6,7 %	-10,7 %	4,1 %	-16,4 %	-37,2 %	-98,6 %
EBITDA-%	-239,1 %	-193,8 %	-252,1 %	-165,8 %	-272,9 %	-217,5 %	-189,8 %	-179,5 %	-130,4 %	-173,0 %	-165,0 %	-87,2 %	-32,3 %	2,4 %
Adjusted EBIT-%	-259,5 %	-209,4 %	-271,9 %	-175,7 %	-288,0 %	-232,0 %	-202,6 %	-191,3 %	-139,2 %	-183,8 %	-175,9 %	-93,1 %	-36,2 %	-0,3 %
Net earnings-%	-241,3 %	-211,8 %	-223,2 %	-176,4 %	-356,3 %	-239,1 %	-204,6 %	-193,2 %	-140,7 %	-185,5 %	-177,6 %	-94,1 %	-36,8 %	-0,7 %

Source: Inderes

Balance sheet

Assets	2022	2023	2024e	2025e	2026e
Non-current assets	9,2	8,6	8,5	9,0	9,9
Goodwill	0,0	0,0	0,0	0,0	0,0
Intangible assets	0,0	0,0	0,0	0,0	0,0
Tangible assets	9,2	8,6	8,5	9,0	9,9
Associated companies	0,0	0,0	0,0	0,0	0,0
Other investments	0,0	0,0	0,0	0,0	0,0
Other non-current assets	0,0	0,0	0,0	0,0	0,0
Deferred tax assets	0,0	0,0	0,0	0,0	0,0
Current assets	40,6	55,7	49,7	62,1	95,9
Inventories	7,3	11,9	13,4	21,2	34,2
Other current assets	0,6	0,6	0,6	0,6	0,6
Receivables	13,9	9,1	20,8	30,3	44,8
Cash and equivalents	18,8	34,1	15,0	10,1	16,3
Balance sheet total	49,9	64,3	58,3	71,2	106

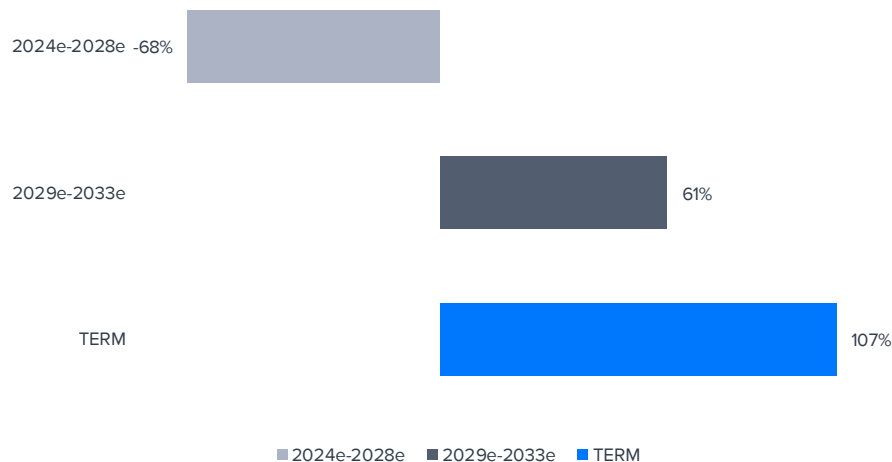
Source: Inderes

Liabilities & equity	2022	2023	2024e	2025e	2026e
Equity	25,2	43,1	30,2	-17,3	-47,3
Share capital	3,4	6,0	11,7	11,7	11,7
Retained earnings	-615,2	-668,4	-725,1	-772,5	-802,5
Hybrid bonds	0,0	0,0	0,0	0,0	0,0
Revaluation reserve	-0,7	0,0	0,0	0,0	0,0
Other equity	638	705	744	744	744
Minorities	0,0	0,0	0,0	0,0	0,0
Non-current liabilities	5,2	4,2	4,2	53,2	100
Deferred tax liabilities	0,0	0,0	0,0	0,0	0,0
Provisions	0,0	0,0	0,0	0,0	0,0
Interest bearing debt	0,0	0,0	0,0	49,0	95,9
Convertibles	0,0	0,0	0,0	0,0	0,0
Other long term liabilities	5,2	4,2	4,2	4,2	4,2
Current liabilities	19,4	17,1	23,9	35,3	52,9
Interest bearing debt	0,0	0,0	0,0	0,0	0,0
Payables	15,4	17,1	23,9	35,3	52,9
Other current liabilities	4,0	0,0	0,0	0,0	0,0
Balance sheet total	49,9	64,3	58,3	71,2	106

DCF calculation

DCF model	2023	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	TERM
Revenue growth-%	29,9 %	37,3 %	57,9 %	61,6 %	58,7 %	41,6 %	31,9 %	26,9 %	14,3 %	5,0 %	2,5 %	2,5 %
EBIT-%	-232,0 %	-175,9 %	-93,1 %	-36,2 %	-0,3 %	17,0 %	21,2 %	22,8 %	22,1 %	24,0 %	25,0 %	25,0 %
EBIT (operating profit)	-53,9	-56,1	-46,9	-29,5	-0,4	31,1	51,2	69,9	77,2	88,2	94,2	
+ Depreciation	3,4	3,5	3,0	3,2	3,5	4,0	4,7	5,5	6,4	7,3	8,2	
- Paid taxes	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	-14,7	-17,6	-19,3	
- Tax, financial expenses	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	-1,2	-0,5	-0,1	
+ Tax, financial income	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	
- Change in working capital	-2,1	-6,3	-5,9	-9,9	-15,3	-17,2	-18,7	-20,8	-14,0	-12,9	-10,7	
Operating cash flow	-52,7	-59,0	-49,9	-36,3	-12,3	17,9	37,2	54,7	53,7	64,4	72,3	
+ Change in other long-term liabilities	-1,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	
- Gross CAPEX	-2,8	-3,4	-3,5	-4,0	-5,0	-6,0	-7,0	-8,0	-9,0	-10,0	-11,0	
Free operating cash flow	-56,5	-62,4	-53,4	-40,3	-17,3	11,9	30,2	46,7	44,7	54,4	61,3	
+/- Other	0,0	43,8	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	
FCFF	-56,5	-18,6	-53,4	-40,3	-17,3	11,9	30,2	46,7	44,7	54,4	61,3	530
Discounted FCFF		-16,9	-42,5	-28,0	-10,5	6,3	14,0	19,0	15,9	16,9	16,7	144
Sum of FCFF present value		135	152	194	222	233	226	212	193	178	161	144
Enterprise value DCF		135										
- Interest bearing debt		0,0										
+ Cash and cash equivalents		34,1										
- Minorities		0,0										
- Dividend/capital return		0,0										
Equity value DCF		169										
- Value of warrants		-48,5										
Equity value of common stock DCF		121										
Equity value of common stock DCF per share		0,52										

Cash flow distribution

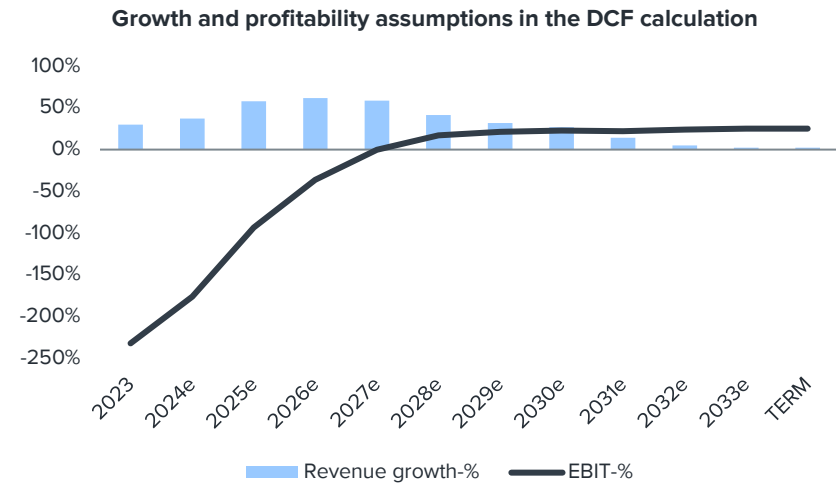
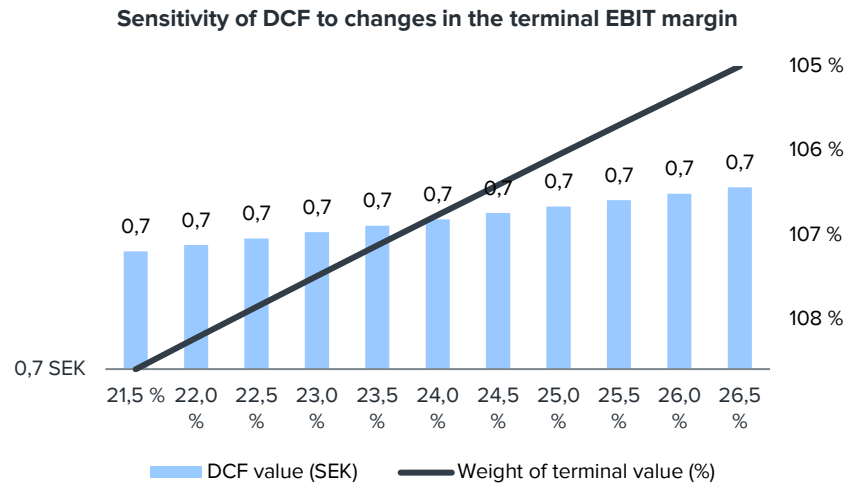
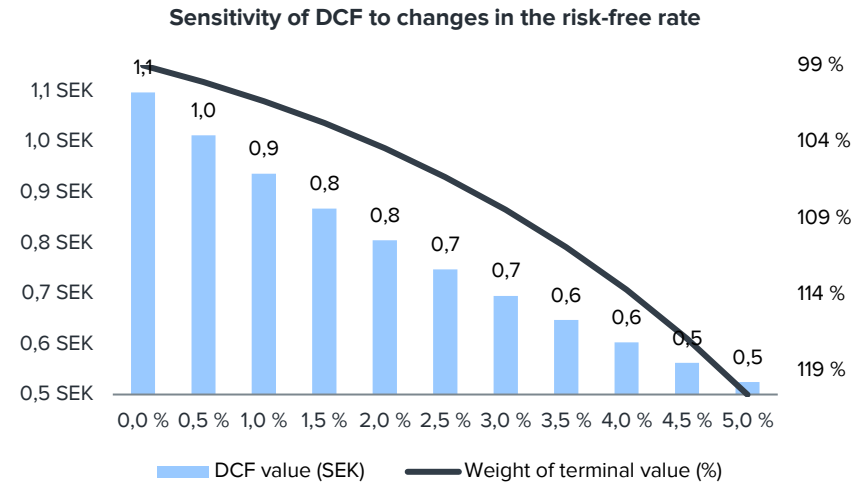
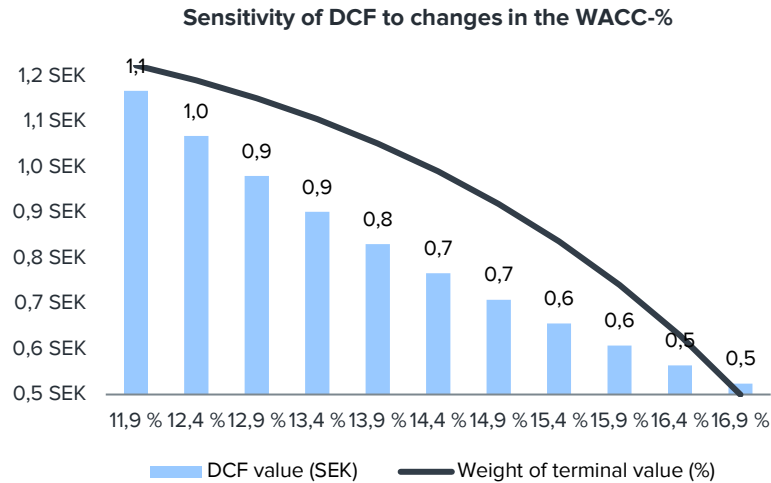


WACC

Tax-% (WACC)	20,6 %
Target debt ratio (D/(D+E))	10,0 %
Cost of debt	10,0 %
Equity Beta	2,08
Market risk premium	4,75 %
Liquidity premium	2,70 %
Risk free interest rate	2,5 %
Cost of equity	15,1 %
Weighted average cost of capital (WACC)	14,4 %

Source: Inderes

DCF sensitivity calculations and key assumptions in graphs



Source: Inderes. Note that the weight of the terminal value (%) is shown on an inverse scale for clarity.

Summary

Income statement	2021	2022	2023	2024e	2025e	Per share data	2021	2022	2023	2024e	2025e
Revenue	11,7	17,9	23,2	31,9	50,4	EPS (reported)	-0,67	-0,63	-0,51	-0,24	-0,20
EBITDA	-38,7	-42,8	-50,6	-52,7	-44,0	EPS (adj.)	-0,67	-0,63	-0,51	-0,24	-0,20
EBIT	-41,6	-46,4	-53,9	-56,1	-46,9	OCF / share	-0,61	-0,65	-0,49	-0,25	-0,21
PTP	-41,8	-43,2	-55,6	-56,7	-47,4	FCF / share	-0,66	-0,70	-0,52	-0,27	-0,23
Net Income	-41,8	-43,2	-55,6	-56,7	-47,4	Book value / share	1,13	0,37	0,40	0,13	-0,07
Extraordinary items	0,0	0,0	0,0	0,0	0,0	Dividend / share	0,00	0,00	0,00	0,00	0,00
Balance sheet	2021	2022	2023	2024e	2025e	Growth and profitability	2021	2022	2023	2024e	2025e
Balance sheet total	85,5	49,9	64,3	58,3	71,2	Revenue growth-%	23 %	53 %	30 %	37 %	58 %
Equity capital	70,8	25,2	43,1	30,2	-17,3	EBITDA growth-%	20 %	11 %	18 %	4 %	-17 %
Goodwill	0,0	0,0	0,0	0,0	0,0	EBIT (adj.) growth-%	20 %	12 %	16 %	4 %	-16 %
Net debt	-65,6	-18,8	-34,1	-15,0	38,9	EPS (adj.) growth-%	-40 %	-5 %	-18 %	-53 %	-16 %
Cash flow	2021	2022	2023	2024e	2025e	EBITDA-%	-329,6 %	-239,1 %	-217,5 %	-165,0 %	-87,2 %
EBITDA	-38,7	-42,8	-50,6	-52,7	-44,0	EBIT (adj.)-%	-354,8 %	-259,5 %	-232,0 %	-175,9 %	-93,1 %
Change in working capital	0,3	-2,0	-2,1	-6,3	-5,9	EBIT-%	-354,8 %	-259,5 %	-232,0 %	-175,9 %	-93,1 %
Operating cash flow	-38,3	-44,7	-52,7	-59,0	-49,9	ROE-%	-71,0 %	-89,9 %	-162,8 %	-154,9 %	-736,9 %
CAPEX	-1,7	-7,8	-2,8	-3,4	-3,5	ROI-%	-70,7 %	-96,7 %	-158,0 %	-153,4 %	-151,8 %
Free cash flow	-41,4	-47,6	-56,5	-62,4	-53,4	Equity ratio	82,8 %	50,6 %	66,9 %	51,7 %	-24,3 %
						Gearing	-92,7 %	-74,6 %	-79,2 %	-49,7 %	-225,1 %
Valuation multiples	2021	2022	2023	2024e	2025e						
EV/S	26,6	13,6	2,8	2,2	2,5						
EV/EBITDA (adj.)	neg.	neg.	neg.	neg.	neg.						
EV/EBIT (adj.)	neg.	neg.	neg.	neg.	neg.						
P/E (adj.)	neg.	neg.	neg.	neg.	neg.						
P/B	5,3	10,4	2,3	2,8	neg.						
Dividend-%	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %						

Source: Inderes

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return of the share is very attractive

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Date	Recommendation	Target	Share price
01/02/2024	Reduce	0,80 SEK	0,75 SEK
09/02/2024	Accumulate	0,80 SEK	0,61 SEK
22/02/2024	Reduce	0,45 SEK	0,40 SEK
<i>Analyst changes</i>			
11/04/2024	Accumulate	0,50 SEK	0,40 SEK
18/04/2024	Reduce	0,35 SEK	0,37 SEK



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