

# OptiCept

## Company report

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# Good potential but challenging valuation

The Q4 figures offered no major surprises but were slightly below our estimates in absolute terms. However, OptiCept announced a small directed share issue to its partner within solid foods, FPS Food Process Solutions, which will increase the cash position by approximately 10.3 MSEK before issuance costs. While we view FPS's investment in OptiCept positively, as it reduces the financing risk somewhat and indicates confidence in the successful commercialization of the technology, we believe that the fundamental-based valuation is too high, exceeding our fair value range of SEK 1.5-2.7 per share. Additionally, we anticipate the need for further financing during the year, leading us to perceive the risks as too great to rely on the potential. Thus, we reiterate our target price of SEK 2.2 per share but adjust our recommendation to Sell (Reduce), due to the recent increase in the share price which we find unjustified.

## Negative revenue growth but reduced costs

OptiCept's Q4 revenue decreased by -47% to 0.9 MSEK, lower than our estimate of 1.9 MSEK. However, the decline in absolute terms was relatively modest. This decrease from Q4'22 was primarily due to significantly fewer machine parts being billed during the quarter. Despite heightened activity related to OliveCept installations, OptiCept continued to implement measures to reduce costs, which showed a positive effect during the quarter; the operating loss (EBIT adj.) decreased to -23.1 MSEK (Q4'22: -30 MSEK).

## Revised estimates reflecting shifted focus

Due to factors such as a weak olive oil season, climate change impacts, and economic sluggishness, potential OliveCept customers are deferring orders until grant approvals are secured, leading to our lower revenue expectations for OliveCept in the FoodTech sector. However, OptiCept's strategic shift towards solid foods, coupled with a significant order from FPS, mitigates some of the impact on sales figures. Consequently, while we anticipate a modest overall change in sales, we maintain our optimistic outlook for significant growth, aiming to fulfill nearly the entire 28 MSEK order book.

Regarding profitability, we have made minor adjustments to our estimates, mainly due to foreseeing slightly lower aftermarket revenue. Despite these adjustments, the changes in absolute figures remain minimal, and [our recent extensive report](#) provides a comprehensive perspective on our estimates.

## Short-term risk/reward ratio in the red, but long-term positive outlook persists

Our estimates for OptiCept's sales-based multiples for 2024 are high (2024e: EV/S 6x) and only 2026 year's EV/S multiple of ~2x looks more neutral, but the estimate risk is also higher in this scenario since the time horizon is longer. In our DCF model, under the neutral scenario, we project a value of SEK 2.4 per share. However, to reach this value, a funding gap exists owing to the estimated negative cash flows relative to current cash balances. Our estimates suggest that the company will require additional financing in the range of 50-60 MSEK. As it seems now, the market currently price in that OptiCept will reach its target of positive EBITDA and thus revenue levels of 85-90 MSEK, which we are not currently confident about based on the company's order backlog and track record. However, if the company achieves these levels and continues to grow thereafter, the current valuation could offer a solid expected return.

## Recommendation

**Sell**  
(prev. Reduce)

**2.2 SEK**  
(prev. 2.2 SEK)

**Share price:**  
2.8



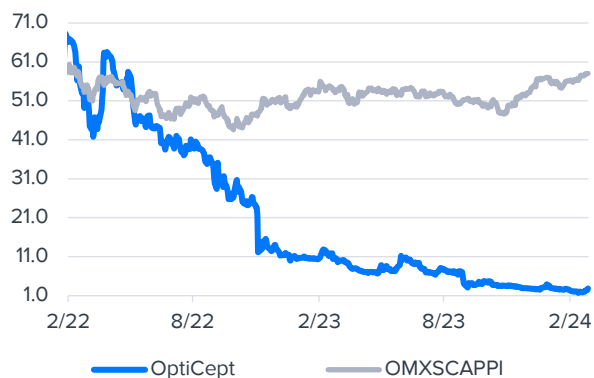
## Key indicators

	2023	2024e	2025e	2026e
<b>Revenue</b>	9.1	26.7	65.6	99.5
<b>growth-%</b>	-13%	191%	146%	52%
<b>EBIT adj.</b>	-73.6	-42.0	-36.5	-16.7
<b>EBIT-% adj.</b>	-804.8 %	-157.5 %	-55.5 %	-16.8 %
<b>Net Income</b>	-80.4	-51.0	-43.5	-23.7
<b>EPS (adj.)</b>	-2.00	-1.08	-0.92	-0.50
<b>P/E (adj.)</b>	neg.	neg.	neg.	neg.
<b>P/B</b>	0.4	0.4	0.5	0.5
<b>Dividend yield-%</b>	0.0 %	0.0 %	0.0 %	0.0 %
<b>EV/EBIT (adj.)</b>	neg.	neg.	neg.	neg.
<b>EV/EBITDA</b>	neg.	neg.	neg.	>100
<b>EV/S</b>	17.5	5.8	3.0	2.2

Source: Inderes

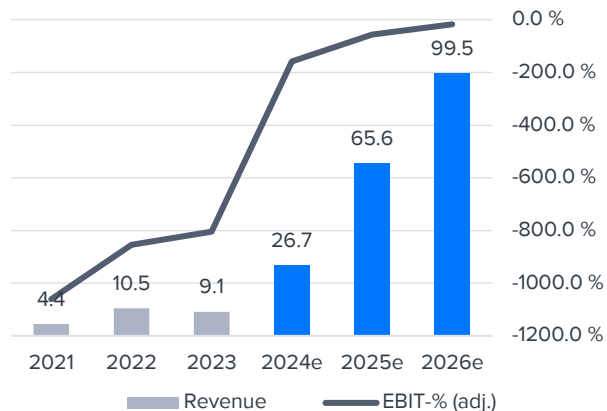
**Guidance** (OptiCept provides no guidance)

## Share price



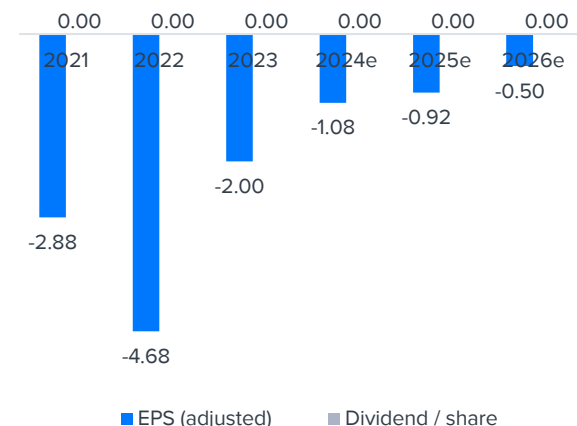
Source: Millistream Market Data AB

## Revenue and EBIT-%



Source: Inderes

## EPS and dividend



Source: Inderes



## Value drivers

- Proven technology to extend the shelf life and enhance the quality of food and plants
- Growing markets driven by significant trends such as sustainability
- Optionality and scalable business model
- Short payback period for customers lowers the barrier to invest in the technology



## Risk factors

- Challenges of breaking into conservative markets raise the risk level
- Growth strategy eats away on cash assets and requires additional funding
- Competing solutions and emerging rivals
- The business model proves ineffective and demand is weak

Valuation	2024e	2025e	2026e
Share price	2.80	2.80	2.80
Number of shares, millions	47.1	47.1	47.1
Market cap	132	132	132
EV	155	194	217
P/E (adj.)	neg.	neg.	neg.
P/E	neg.	neg.	neg.
P/B	0.4	0.5	0.5
P/S	5.0	2.0	1.3
EV/Sales	5.8	3.0	2.2
EV/EBITDA	neg.	neg.	>100
EV/EBIT (adj.)	neg.	neg.	neg.
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

# Still high burn rate but short-term financing secured

## Sales somewhat weaker than expected

OptiCept's Q4 revenue decreased by -47% to 0.9 MSEK, below our estimates of 1.9 MSEK. However, in absolute terms, the decline was relatively modest. This decrease compared to Q4'22 was primarily due to significantly fewer machine parts being billed during the quarter. Nevertheless, the reduction in machine part sales does not impact the bottom line, as the company repurchases finished machines from the supplier, affecting costs instead.

A better perspective on revenue development is, in our view, provided by examining sales growth in the different business areas. During the quarter, OptiCept showed good growth in both FoodTech and PlantTech, with increases of 31% and 175%, respectively. However, it's important to note that these figures are based on small volumes.

## Efforts to cut costs resulted in a reduction in operating losses

OptiCept has implemented measures to reduce external costs and personnel expenses, which began to show results in Q3'23. However, due to heightened activity related to OliveCept installations, the operating profit (EBIT adj.) fell below our expectations, amounting to -23.1 MSEK. Similarly, EPS (adj.) was lower than anticipated, primarily due to lower revenue, higher-than-expected fixed costs, and interest expenses.

OptiCept also reported weaker-than-expected cash flow, primarily attributable to lower operating profits than estimated. Despite the directed issue and redemption of warrants during the quarter, which somewhat helped to offset the weak cash flow, the company's net cash position at the end of the period stood at 14.2 MSEK.

## Short-term financing secured

OptiCept announced a small directed share issue of approximately 4.9 million shares (resulting in a 10.5% dilution) to FPS Food Process Solutions at a price of 2.08 SEK per share. This will increase the cash position by approximately 10.3 MSEK, before issuance costs. The funds will primarily support the company's ongoing commercial expansion efforts.

We view FPS's investment in OptiCept positively, indicating confidence in the technology and aligning interests in successfully commercializing it for solid foods. While this move reduces the financing risk somewhat, additional financing may still be necessary during the year, potentially exposing investors to a dilution risk, based on our estimates. Given the current burn rate of approximately 5 MSEK a month, as well as the cash position of around SEK 24 million, including the directed issue, the company will be financed until around Q2/Q3'24.

Estimates	Q4'22	Q4'23	Q4'23e	Q4'23e	Consensus		Difference (%)	2023
	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Actual
Revenue	1.6	0.9	1.9				-55%	9.1
EBITDA	-29.9	-18.0	-13.5				34%	-53.6
EBIT (adj.)	-30.0	-23.1	-18.1				28%	-73.6
EBIT	-36.8	-23.1	-18.1				28%	-73.6
PTP	-41.5	-20.2	-20.1				1%	-78.8
EPS (adj.)	-1.73	-0.57	-0.50				14%	-2.48
Revenue growth-%	734 %	-47 %	18 %				-64.5 pp	-13 %

Source: Inderes

# We adjust our estimates slightly reflecting changed focus

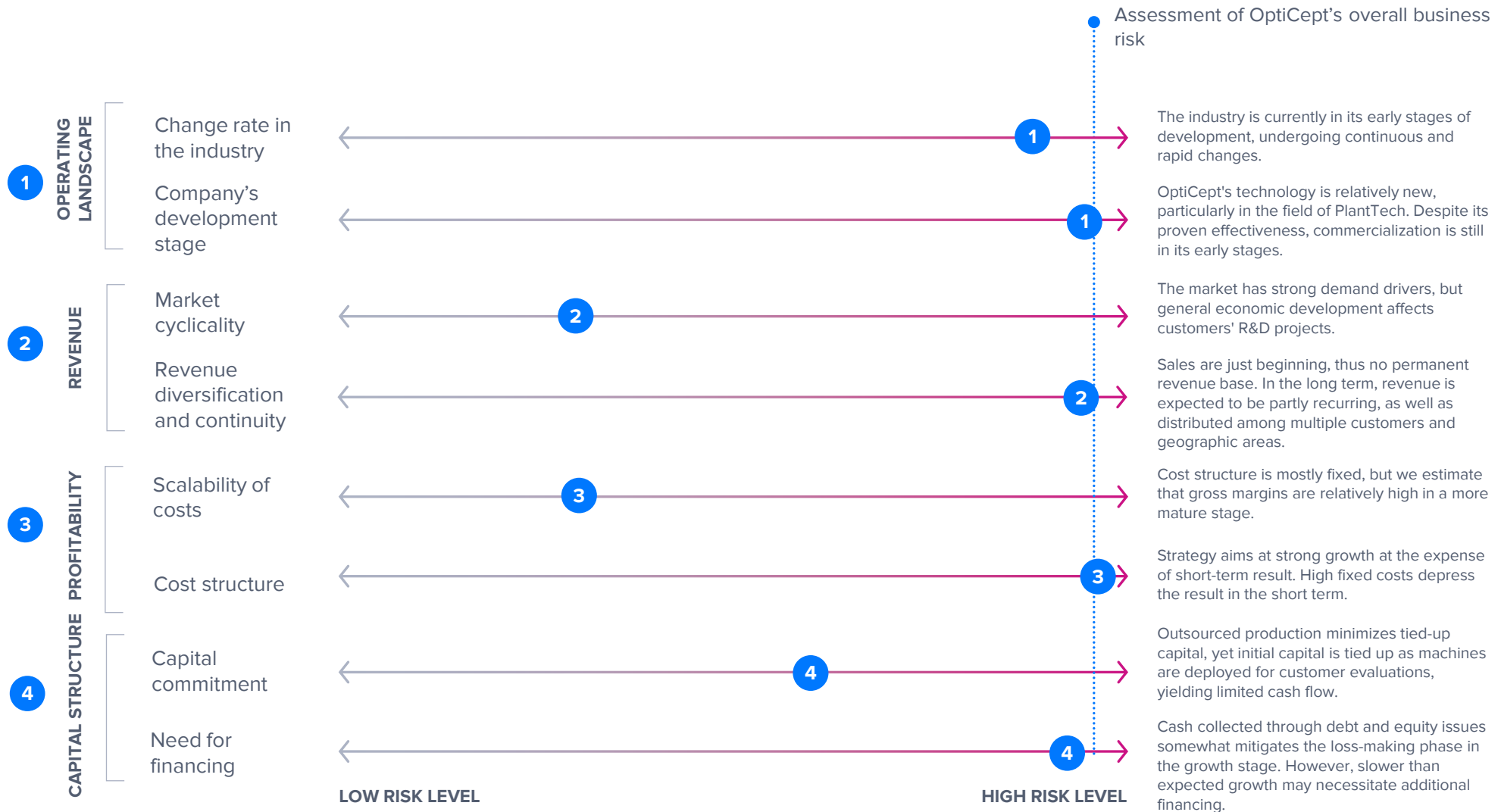
## Estimate changes

- Due to a weak olive oil season characterized by poor harvests, climate change and a sluggish economy, potential customers are deferring orders until grants are approved. Consequently, we anticipate lower revenue for OliveCept within the FoodTech sector. However, with OptiCept's reprioritization efforts, reallocating investment from olive oil to solid foods as a priority area and securing a first order from FPS, we have shifted our focus towards solid foods in our FoodTech segment estimates. This helps to somewhat offset the negative impact of expected lower sales from OliveCept, resulting in a modest overall change in sales figures.
- We have made only minor adjustments to our profitability estimates, primarily due to anticipating slightly lower aftermarket revenue, which we believe will contribute to a higher margin. However, the changes in absolute figures are minimal.
- We maintain our long-term growth estimates and our confidence in the company's ability to experience substantial growth and increased profitability in the coming years. However, our estimates are contingent upon various uncertain assumptions, the accuracy of which will only be realized over time. These assumptions include both revenue and required growth investments, as well as the cost structure of the business.

Estimate revisions	2023	2023	Change	2024e	2024e	Change	2025e	2025e	Change
	Inderes	Actualized	%	Old	New	%	Old	New	%
Revenue	10.2	9.1	-10%	27.3	26.7	-3%	67.5	65.6	-3%
EBITDA	-49.1	-53.6	9%	-18.3	-20.4	12%	-15.5	-16.1	4%
EBIT (exc. NRIs)	-68.6	-73.6	7%	-39.9	-42.0	5%	-35.3	-36.5	3%
EBIT	-68.6	-73.6	7%	-39.9	-42.0	5%	-35.3	-36.5	3%
PTP	-78.6	-78.8	0%	-48.9	-51.0	4%	-42.3	-43.5	3%
EPS (excl. NRIs)	-1.96	-2.00	2%	-1.07	-1.08	2%	-0.92	-0.92	0%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

Source: Inderes

# Risk profile of the business model



# Valuation

## Challenging valuation in the short term

OptiCept's profitability is clearly negative due to front-loaded growth investments. Consequently, we use sales-based multiples, specifically the EV/S ratio, in this case. However, considering OptiCept's early-stage commercialization, sales-based multiples do not offer support for the current and upcoming years. The EV/S ratio for OptiCept in 2024 stands at 6x, a level we view as very high at this stage, despite the company's substantial market potential and a scalable business model. Furthermore, OptiCept's 2024 sales multiple is approximately 400% higher than that of its peer group comprising similar-stage companies. However, forming a relevant peer group for OptiCept at its current developmental stage poses challenges. The valuation picture looks somewhat more attractive looking into 2026 (EV/S 2x) than in the short term, but the estimate risk is also higher in this scenario since the time horizon is longer.

## Number of shares is likely to increase

We also use a DCF model with different scenarios in the valuation. We point out, however, that our DCF model is based on the company's current number of shares, although in all our DCF scenarios we expect that the company will need additional equity financing to carry out the growth investments required by our estimates (i.e., we expect the number of shares to increase).

In the optimistic scenario, we estimate OptiCept to achieve its 2024 targets of positive EBITDA and 85-90 MSEK in revenue. Long-term revenue is anticipated to be approximately 50% higher, with EBIT 75% higher by 2037 compared to the neutral

scenario. This optimistic outlook results in value per share ranging from SEK 4.9 to 10.9, with a base case of SEK 6.6 per share. Achieving this scenario necessitates significant commercial breakthroughs, market leadership, and high-volume sales in key business areas.

Conversely, in the pessimistic scenario, OptiCept's long-term revenue is reduced by about 20%, and EBIT by 35%. This scenario results in a valuation range from SEK 0.4 to 2.5 per share, with a base case of SEK 1.0 per share. Market creation is expected to be slower, with limited market share despite investments. Additionally, this scenario may require more capital than the neutral scenario.

The neutral scenario is in line with our current estimates. The equity value of OptiCept under our DCF model in the neutral scenario is 114 MSEK or SEK 2.4 per share. We feel that in light of the neutral scenario, OptiCept's share is currently quite expensive given the high required return, tolerance of the model and the likely growth pressure in the number of shares.

## Significant potential, yet facing short-term financing challenges

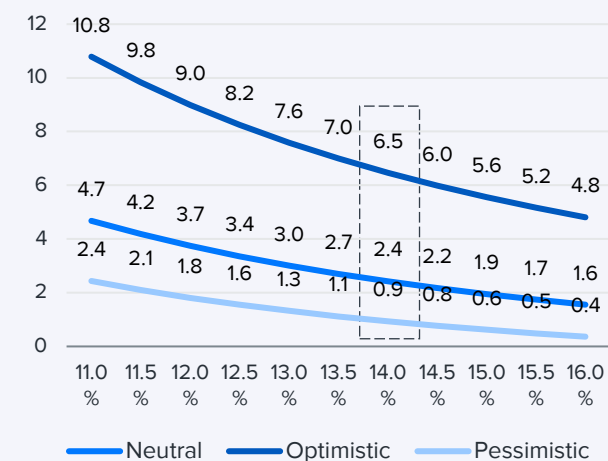
In an optimistic scenario, the valuation could provide a solid expected return even with current valuations. We do, however, believe that investors should demand a considerable return to bear the risk and uncertainty. In addition, we estimate that the company will need further financing, so we feel that the risks are too great to rely on the potential. Thus, we reiterate our target price of SEK 2.2 per share but change our recommendation to Sell (Reduce).

Valuation	2024e	2025e	2026e
Share price	2.80	2.80	2.80
Number of shares, millions	47.1	47.1	47.1
Market cap	132	132	132
EV	155	194	217
P/E (adj.)	neg.	neg.	neg.
P/E	neg.	neg.	neg.
P/FCF	neg.	neg.	neg.
P/B	0.4	0.5	0.5
P/S	5.0	2.0	1.3
EV/Sales	5.8	3.0	2.2
EV/EBITDA	neg.	neg.	>100
EV/EBIT (adj.)	neg.	neg.	neg.
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

## Sensitivity of the DCF value to the WACC

SEK per share, WACC-%



# Valuation table

Valuation	2019	2020	2021	2022	2023	2024e	2025e	2026e	2027e
Share price	23.8	55.4	87.9	10.4	3.89	<b>2.80</b>	<b>2.80</b>	<b>2.80</b>	<b>2.80</b>
Number of shares, millions	11.1	11.6	16.3	19.9	40.2	<b>47.1</b>	<b>47.1</b>	<b>47.1</b>	<b>47.1</b>
Market cap	263	643	1435	207	156	<b>132</b>	<b>132</b>	<b>132</b>	<b>132</b>
EV	250	622	1373	144	160	<b>155</b>	<b>194</b>	<b>217</b>	<b>240</b>
P/E (adj.)	neg.	neg.	neg.	neg.	neg.	<b>neg.</b>	<b>neg.</b>	<b>neg.</b>	<b>neg.</b>
P/E	neg.	neg.	neg.	neg.	neg.	<b>neg.</b>	<b>neg.</b>	<b>neg.</b>	<b>neg.</b>
P/FCF	neg.	neg.	neg.	neg.	neg.	<b>neg.</b>	<b>neg.</b>	<b>neg.</b>	<b>neg.</b>
P/B	11.6	18.4	3.5	0.5	0.4	<b>0.4</b>	<b>0.5</b>	<b>0.5</b>	<b>0.6</b>
P/S	75.6	>100	>100	19.7	17.1	<b>5.0</b>	<b>2.0</b>	<b>1.3</b>	<b>0.9</b>
EV/Sales	71.7	>100	>100	13.7	17.5	<b>5.8</b>	<b>3.0</b>	<b>2.2</b>	<b>1.7</b>
EV/EBITDA	neg.	neg.	neg.	neg.	neg.	<b>neg.</b>	<b>neg.</b>	<b>&gt;100</b>	<b>36.6</b>
EV/EBIT (adj.)	neg.	neg.	neg.	neg.	neg.	<b>neg.</b>	<b>neg.</b>	<b>neg.</b>	<b>neg.</b>
Payout ratio (%)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	<b>0.0 %</b>	<b>0.0 %</b>	<b>0.0 %</b>	<b>0.0 %</b>
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	<b>0.0 %</b>	<b>0.0 %</b>	<b>0.0 %</b>	<b>0.0 %</b>

Source: Inderes



# Peer group valuation

Peer group valuation	Market cap	EV	EV/S		Sales growth		Dividend yield-%		P/B
Company	MEUR	MEUR	2024e	2025e	2024e	2025e	2024e	2025e	2024e
Merus Power Oyj	37	38	1.2	1.0	7%	26%		1.7	3.1
Enwave Corp	19	17	0.9	0.4		120%			
Nederman Holding	579	696	1.3	1.2		5%	2.2	2.1	2.5
Gea Group	6435	6225	1.1	1.1	2%	3%	2.9	3.2	2.4
<b>OptiCept (Inderes)</b>	<b>12</b>	<b>14</b>	<b>5.8</b>	<b>3.0</b>	<b>191%</b>	<b>146%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.4</b>
<b>Average</b>			<b>1.1</b>	<b>0.9</b>	<b>5%</b>	<b>39%</b>	<b>2.6</b>	<b>2.3</b>	<b>2.7</b>
<b>Median</b>			<b>1.2</b>	<b>1.0</b>	<b>5%</b>	<b>16%</b>	<b>2.6</b>	<b>2.1</b>	<b>2.5</b>
<b>Diff-% to median</b>			<b>395%</b>	<b>186%</b>	<b>4155%</b>	<b>844%</b>	<b>-100%</b>	<b>-100%</b>	<b>-83%</b>

Source: Refinitiv / Inderes

# Income statement

Income statement	2021	2022	2023	Q1'24e	Q2'24e	Q3'24e	Q4'24e	2024e	2025e	2026e	2027e
<b>Revenue</b>	<b>4.4</b>	<b>10.5</b>	<b>9.1</b>	<b>5.3</b>	<b>6.6</b>	<b>6.7</b>	<b>8.0</b>	<b>26.7</b>	<b>65.6</b>	<b>99.5</b>	<b>141</b>
Group	4.4	10.5	9.1	5.3	6.6	6.7	8.0	26.7	65.6	99.5	141
<b>EBITDA</b>	<b>-36.7</b>	<b>-77.3</b>	<b>-53.6</b>	<b>-4.3</b>	<b>-4.6</b>	<b>-5.6</b>	<b>-5.8</b>	<b>-20.4</b>	<b>-16.1</b>	<b>1.4</b>	<b>6.5</b>
Depreciation	-10.4	-19.2	-20.0	-5.4	-5.4	-5.4	-5.4	-21.6	-20.4	-18.1	-16.5
<b>EBIT (excl. NRI)</b>	<b>-47.1</b>	<b>-89.7</b>	<b>-73.6</b>	<b>-9.7</b>	<b>-10.0</b>	<b>-11.0</b>	<b>-11.2</b>	<b>-42.0</b>	<b>-36.5</b>	<b>-16.7</b>	<b>-10.0</b>
<b>EBIT</b>	<b>-47.1</b>	<b>-96.5</b>	<b>-73.6</b>	<b>-9.7</b>	<b>-10.0</b>	<b>-11.0</b>	<b>-11.2</b>	<b>-42.0</b>	<b>-36.5</b>	<b>-16.7</b>	<b>-10.0</b>
Group	-47.1	-96.5	-73.6	-9.7	-10.0	-11.0	-11.2	-42.0	-36.5	-16.7	-10.0
Share of profits in assoc. compan.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net financial items	-0.2	-5.8	-5.2	-3.0	-2.0	-2.0	-2.0	-9.0	-7.0	-7.0	-7.0
<b>PTP</b>	<b>-47.3</b>	<b>-102.3</b>	<b>-78.8</b>	<b>-12.7</b>	<b>-12.0</b>	<b>-13.0</b>	<b>-13.2</b>	<b>-51.0</b>	<b>-43.5</b>	<b>-23.7</b>	<b>-17.0</b>
Taxes	0.0	2.2	-1.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net earnings</b>	<b>-47.0</b>	<b>-100.1</b>	<b>-80.4</b>	<b>-12.7</b>	<b>-12.0</b>	<b>-13.0</b>	<b>-13.2</b>	<b>-51.0</b>	<b>-43.5</b>	<b>-23.7</b>	<b>-17.0</b>
<b>EPS (adj.)</b>	<b>-2.88</b>	<b>-4.68</b>	<b>-2.00</b>	<b>-0.27</b>	<b>-0.26</b>	<b>-0.27</b>	<b>-0.28</b>	<b>-1.08</b>	<b>-0.92</b>	<b>-0.50</b>	<b>-0.36</b>
<b>EPS (rep.)</b>	<b>-2.88</b>	<b>-5.02</b>	<b>-2.00</b>	<b>-0.27</b>	<b>-0.26</b>	<b>-0.27</b>	<b>-0.28</b>	<b>-1.08</b>	<b>-0.92</b>	<b>-0.50</b>	<b>-0.36</b>
<b>Key figures</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Q1'24e</b>	<b>Q2'24e</b>	<b>Q3'24e</b>	<b>Q4'24e</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>	<b>2027e</b>
<b>Revenue growth-%</b>	1515.8 %	136.5 %	-12.9 %	6.9 %	197.8 %	524.4 %	820.2 %	191.5 %	146.3 %	51.6 %	41.3 %
<b>Adjusted EBIT growth-%</b>		90.4 %	-18.0 %	-44.8 %	-33.6 %	-38.3 %	-51.3 %	-43.0 %	-13.1 %	-54.1 %	-40.2 %
<b>EBITDA-%</b>	-826.3 %	-736.2 %	-586.2 %	-81.6 %	-70.3 %	-82.4 %	-73.0 %	-76.4 %	-24.5 %	1.4 %	4.7 %
<b>Adjusted EBIT-%</b>	-1061.4 %	-854.5 %	-804.8 %	-182.9 %	-152.3 %	-162.5 %	-140.5 %	-157.5 %	-55.5 %	-16.8 %	-7.1 %
<b>Net earnings-%</b>	-1059.1 %	-951.2 %	-879.3 %	-239.1 %	-182.7 %	-192.2 %	-165.5 %	-191.2 %	-66.2 %	-23.8 %	-12.1 %

Source: Inderes

# Balance sheet

Assets	2022	2023	2024e	2025e	2026e
<b>Non-current assets</b>	<b>332</b>	<b>325</b>	<b>321</b>	<b>314</b>	<b>311</b>
Goodwill	257	257	257	257	257
Intangible assets	68.7	64.4	61.0	53.5	48.4
Tangible assets	6.4	3.3	2.1	3.3	5.3
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	0.2	0.2	0.2	0.2	0.2
Deferred tax assets	0.0	0.0	0.0	0.0	0.0
<b>Current assets</b>	<b>141</b>	<b>62.1</b>	<b>46.3</b>	<b>62.7</b>	<b>73.3</b>
Inventories	30.8	43.4	32.0	36.1	39.8
Other current assets	8.6	3.6	3.6	3.6	3.6
Receivables	6.7	1.0	8.0	16.4	19.9
Cash and equivalents	94.7	14.1	2.7	6.6	9.9
<b>Balance sheet total</b>	<b>473</b>	<b>387</b>	<b>367</b>	<b>377</b>	<b>384</b>

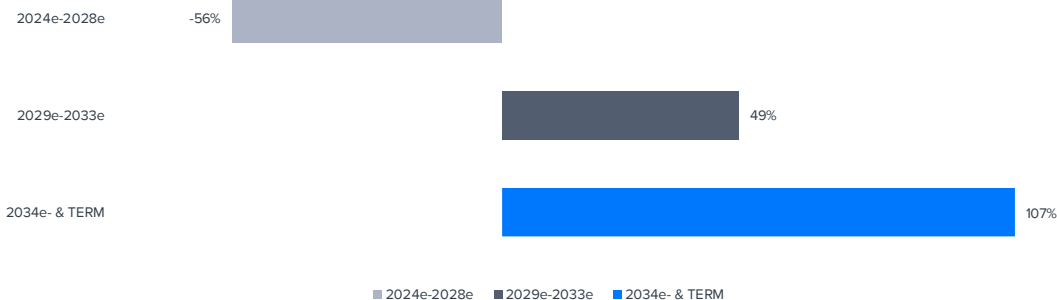
Source: Inderes

Liabilities & equity	2022	2023	2024e	2025e	2026e
<b>Equity</b>	<b>396</b>	<b>350</b>	<b>315</b>	<b>271</b>	<b>247</b>
Share capital	2.7	3.6	4.2	4.2	4.2
Retained earnings	-56.3	-271.4	-322.4	-365.9	-389.6
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	450	618	633	633	633
Minorities	0.1	0.0	0.0	0.0	0.0
<b>Non-current liabilities</b>	<b>26.4</b>	<b>21.7</b>	<b>16.7</b>	<b>40.9</b>	<b>63.3</b>
Deferred tax liabilities	0.0	1.6	1.6	1.6	1.6
Provisions	0.0	0.3	0.3	0.3	0.3
Interest bearing debt	1.9	0.5	10.3	34.4	56.9
Convertibles	20.0	14.8	0.0	0.0	0.0
Other long term liabilities	4.5	4.5	4.5	4.5	4.5
<b>Current liabilities</b>	<b>50.8</b>	<b>15.3</b>	<b>35.5</b>	<b>64.9</b>	<b>73.6</b>
Interest bearing debt	10.1	3.0	15.4	34.4	37.9
Payables	21.8	1.6	9.3	19.7	24.9
Other current liabilities	18.9	10.7	10.7	10.7	10.7
<b>Balance sheet total</b>	<b>473</b>	<b>387</b>	<b>367</b>	<b>377</b>	<b>384</b>

# DCF calculation

DCF model	2023	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	2036e	2037e	2038e	TERM
Revenue growth-%	-12.9 %	191.5 %	146.3 %	51.6 %	41.3 %	25.0 %	27.0 %	16.0 %	12.0 %	11.0 %	8.0 %	6.0 %	5.0 %	3.0 %	3.0 %	2.5 %	2.5 %
EBIT-%	-804.8 %	-157.5 %	-55.5 %	-16.8 %	-7.1 %	3.0 %	10.0 %	14.0 %	16.0 %	18.0 %	20.0 %	20.0 %	20.0 %	18.0 %	18.0 %	18.0 %	18.0 %
<b>EBIT (operating profit)</b>	<b>-73.6</b>	<b>-42.0</b>	<b>-36.5</b>	<b>-16.7</b>	<b>-10.0</b>	<b>5.3</b>	<b>22.3</b>	<b>36.2</b>	<b>46.4</b>	<b>57.9</b>	<b>69.5</b>	<b>73.7</b>	<b>77.3</b>	<b>71.7</b>	<b>73.9</b>	<b>75.7</b>	
+ Depreciation	20.0	21.6	20.4	18.1	16.5	15.8	15.4	14.4	14.6	14.8	15.0	15.3	15.5	15.7	15.8	14.9	
- Paid taxes	0.0	0.0	0.0	0.0	0.0	0.2	-3.6	-6.6	-8.7	-11.3	-13.9	-14.8	-15.5	-14.4	-14.8	-15.6	
- Tax, financial expenses	0.1	0.0	0.0	0.0	0.0	-1.2	-1.0	-0.8	-0.8	-0.6	-0.4	-0.4	-0.4	-0.4	-0.4	0.0	
+ 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	0.0	0.0	0.0	0.0	0.0	
- Change in working capital	-30.3	12.2	-2.2	-2.0	-7.3	-1.8	-2.9	0.3	0.2	-1.9	-3.9	-3.1	-2.8	-1.7	-1.8	-1.5	
<b>Operating cash flow</b>	<b>-83.9</b>	<b>-8.2</b>	<b>-18.2</b>	<b>-0.6</b>	<b>-0.8</b>	<b>18.2</b>	<b>30.2</b>	<b>43.4</b>	<b>51.6</b>	<b>58.9</b>	<b>66.4</b>	<b>70.6</b>	<b>74.1</b>	<b>70.9</b>	<b>72.6</b>	<b>73.4</b>	
+ Change in other long-term liabilities	0.3	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	0.0	
- Gross CAPEX	-12.7	-17.0	-14.0	-15.0	-15.0	-15.2	-15.4	-15.6	-15.8	-16.0	-16.2	-16.4	-16.6	-16.0	-16.0	-16.0	
<b>Free operating cash flow</b>	<b>-96.2</b>	<b>-25.2</b>	<b>-32.2</b>	<b>-15.6</b>	<b>-15.8</b>	<b>3.0</b>	<b>14.8</b>	<b>27.8</b>	<b>35.8</b>	<b>42.9</b>	<b>50.2</b>	<b>54.2</b>	<b>57.5</b>	<b>54.9</b>	<b>56.6</b>	<b>57.4</b>	<b>513</b>
+/- Other	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	0.0	0.0	
FCFF	-96.2	-25.2	-32.2	-15.6	-15.8	3.0	14.8	27.8	35.8	42.9	50.2	54.2	57.5	54.9	56.6	57.4	513
<b>Discounted FCFF</b>		<b>-22.5</b>	<b>-25.3</b>	<b>-10.8</b>	<b>-9.6</b>	<b>1.6</b>	<b>6.9</b>	<b>11.4</b>	<b>12.8</b>	<b>13.5</b>	<b>13.8</b>	<b>13.1</b>	<b>12.2</b>	<b>10.2</b>	<b>9.3</b>	<b>8.2</b>	<b>73.6</b>
Sum of FCFF present value		118	141	166	177	187	185	178	167	154	140	127	114	101	91.1	81.8	73.6
<b>Enterprise value DCF</b>		<b>118</b>															
- Interest bearing debt		-18.3															
+ Cash and cash equivalents		14.1															
-Minorities		0.0															
-Dividend/capital return		0.0															
<b>Equity value DCF</b>		<b>114</b>															
<b>Equity value DCF per share</b>		<b>2.42</b>															

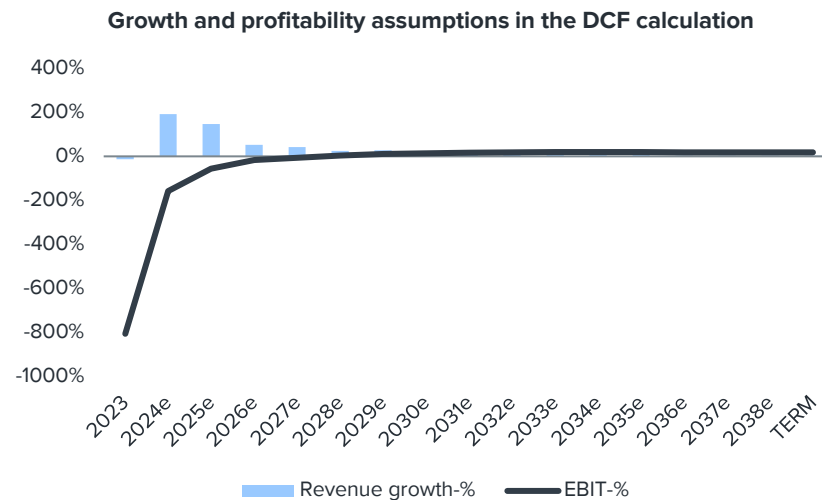
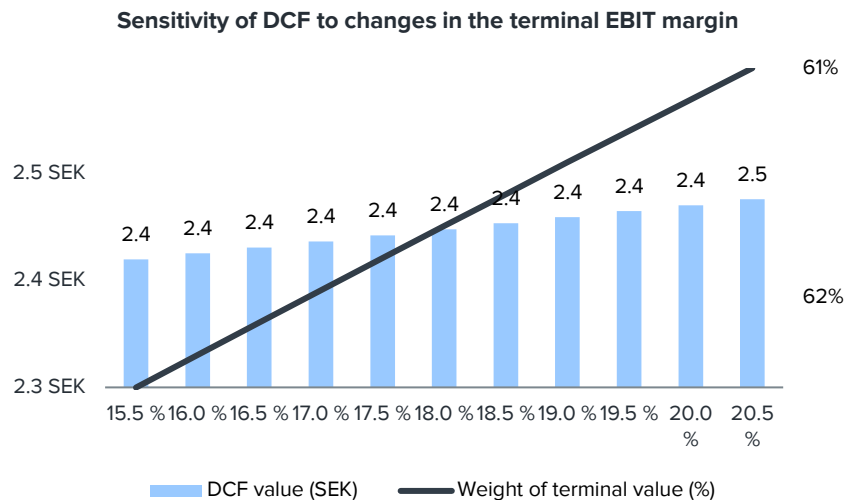
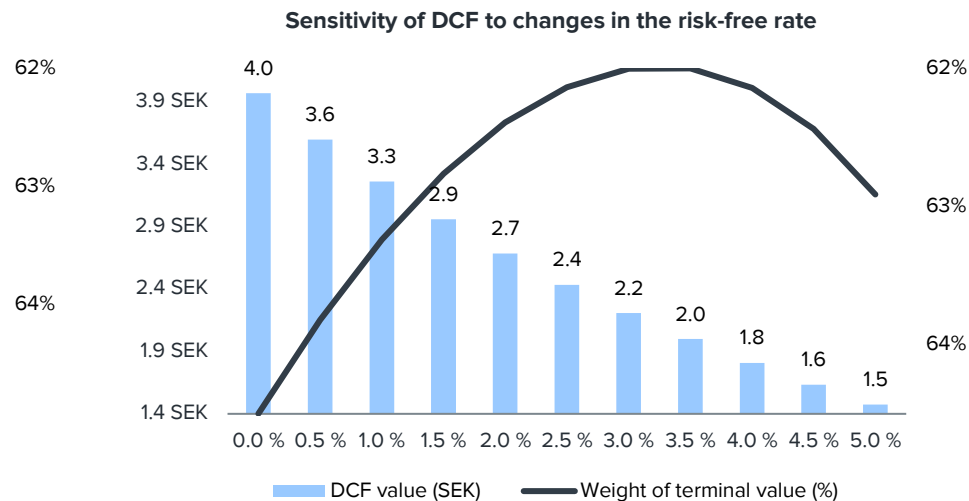
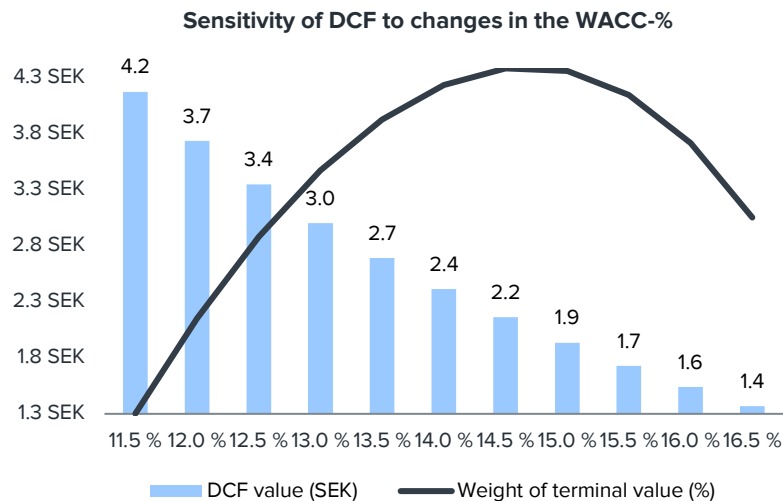
Cash flow distribution



WACC	
Tax-% (WACC)	20.6 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	6.0 %
Equity Beta	2.00
Market risk premium	4.75%
Liquidity premium	3.00%
Risk free interest rate	2.5 %
<b>Cost of equity</b>	<b>15.0 %</b>
<b>Weighted average cost of capital (WACC)</b>	<b>14.0 %</b>

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	4.4	10.5	9.1	26.7	65.6	EPS (reported)	-2.88	-5.02	-2.00	-1.08	-0.92
EBITDA	-36.7	-77.3	-53.6	-20.4	-16.1	EPS (adj.)	-2.88	-4.68	-2.00	-1.08	-0.92
EBIT	-47.1	-96.5	-73.6	-42.0	-36.5	OCF / share	-3.00	-3.49	-2.09	-0.17	-0.39
PTP	-47.3	-102.3	-78.8	-51.0	-43.5	FCF / share	-23.12	-4.16	-2.39	-0.53	-0.68
Net Income	-47.0	-99.9	-80.4	-51.0	-43.5	Book value / share	24.90	19.90	8.72	6.67	5.75
Extraordinary items	0.0	-6.8	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	435.8	473.3	387.3	366.8	376.9	Revenue growth-%	1516%	136%	-13%	191%	146%
Equity capital	406.3	396.1	350.3	314.6	271.1	EBITDA growth-%	254%	111%	-31%	-62%	-21%
Goodwill	257.2	257.2	257.2	257.2	257.2	EBIT (adj.) growth-%	297%	90%	-18%	-43%	-13%
Net debt	-61.4	-62.8	4.2	23.1	62.3	EPS (adj.) growth-%	180%	62%	-57%	-46%	-15%
Cash flow	2021	2022	2023	2024e	2025e	EBITDA-%	-826.3 %	-736.2 %	-586.2 %	-76.4 %	-24.5 %
EBITDA	-36.7	-77.3	-53.6	-20.4	-16.1	EBIT (adj.)-%	-1061.4 %	-854.5 %	-804.8 %	-157.5 %	-55.5 %
Change in working capital	-12.2	5.8	-30.3	12.2	-2.2	EBIT-%	-1061.4 %	-919.3 %	-804.8 %	-157.5 %	-55.5 %
Operating cash flow	-48.9	-69.5	-83.9	-8.2	-18.2	ROE-%	-21.3 %	-24.9 %	-21.5 %	-15.3 %	-14.8 %
CAPEX	-333.3	-13.5	-12.7	-17.0	-14.0	ROI-%	-21.0 %	-23.0 %	-18.5 %	-11.8 %	-10.7 %
Free cash flow	-377.5	-82.7	-96.2	-25.2	-32.2	Equity ratio	93.2 %	83.7 %	90.4 %	85.8 %	71.9 %
						Gearing	-15.1 %	-15.8 %	1.2 %	7.3 %	23.0 %
Valuation multiples	2021	2022	2023	2024e	2025e						
EV/S	>100	13.7	17.5	5.8	3.0						
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	3.5	0.5	0.4	0.4	0.5						
Dividend-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %						

Source: Inderes

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Date	Recommendation	Target	Share price
2024-02-02	Reduce	2.20 kr	2.51 kr
2024-02-28	Sell	2.20 kr	2.80 kr



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