

PANTAFLIX AG

Germany | Media | MCap EUR 17.7m

21 December 2022

UPDATE



Profit warning and guidance downgrade for FY22; PT down, BUY

What's it all about?

PANTAFLIX issued a profit warning for FY22, accompanied by a significant guidance downgrade in terms of EBIT. The company highlighted an unfavourable economic environment, which has impacted budgets and project timelines. However, the company expects a significant increase in revenues for FY23. As 2022 was labelled as a transition year anyway, we continue to believe that PANTAFLIX comprehensive content strategy will open up further growth and earnings opportunities. We adjust our estimates and come to a new PT of EUR 1.65 (old: EUR 1.80). We reiterate to BUY.

BUY (BUY)

Target price	EUR 1.65 (1.80)
Current price	EUR 0.86
Up/downside	90.8%



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Germany | Media | MCap EUR 17.7m | EV EUR 16.5m

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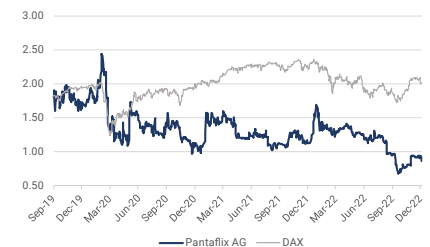
Profit warning and guidance downgrade for FY22

Profit warning shortly before year-end. Yesterday, content-house PANTAFLIX issued a profit warning for FY22. According to the company, the unfavorable economic environment has impacted business towards the end of the year. As a result, project volumes at the subsidiaries were reduced. In addition, the company recorded project postponements until fiscal year 2023. Earnings in FY22 are additionally burdened by one-off impairments on film and series developments.

Significant guidance downgrade for FY22. The mentioned impacts triggered a guidance downgrade for FY22, which is more pronounced on the bottom line. The top line took only a small hit as the main revenue contributions for FY22 are mainly in-house productions. Overall, FY22 revenues are now expected in a range between EUR 18-19m (before: at least EUR 22.0m). The EBIT guidance was significantly cut to a range between EUR -7.0 and -6.5m (before: EUR -4.5m and EUR -2.5m). Still, PANTAFLIX expects a significant increase in revenues for FY23.

Building on strengths while ramping up adjacent business. In the next year, PANTAFLIX will record several new releases from own productions ("Trauzeugen") as well as contract productions (Unwanted – Sky Studios, Asbest – ARD Degeto). Further, the new documentary business is expected to take off (PantaFacts). We expect the company to drop more information on upcoming projects, one of which is a true crime documentary. Also, the PantaSounds unit will gain more traction while PANTAFLIX Technologies will expand business with its new "Ticket player", which is providing content creators a technological basis for exclusive streams.

Conclusion: The profit warning is a negative surprise, especially on the bottom-line. However, most of the revenue in FY22 comes from in-house productions and will be recognized in FY22. Nevertheless, the economic environment shows negative influences on projects and budgets. It remains to be seen, if this will have an impact on the company's ambitions to break-even in the next years. As 2022 was labeled as a transition year anyway, we continue to believe that PANTAFLIX comprehensive content strategy will open up further growth and earnings opportunities. We adjust our estimates and come to a new PT of EUR 1.65 (old: EUR 1.80). We reiterate to BUY.



Source: Company data, AlsterResearch

High/low 52 weeks 1.80 / 0.67
Price/Book Ratio 1.9x

Ticker / Symbols

ISIN DE000A12UPJ7
WKN A12UPJ
Bloomberg PAL:GR

Changes in estimates

		Sales	EBIT	EPS
2022E	old	23.4	-3.3	-0.24
	Δ	-20.0%	na%	na%
2023E	old	35.1	-0.0	-0.07
	Δ	4.0%	na%	na%
2024E	old	42.2	2.0	0.03
	Δ	2.3%	-2.1%	-6.3%

Key share data

Number of shares: (in m pcs) 20.46
Book value per share: (in EUR) 0.44
Ø trading volume: (12 months) 2,500

Major shareholders

BlackMars Capital GmbH 50.0%
Founding members 20.0%
Free Float 30.0%

Company description

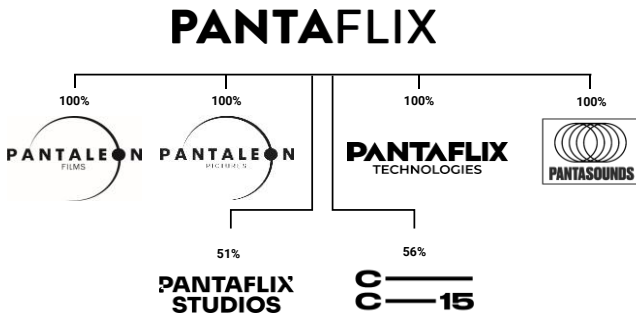
PANTAFLIX is a media company that specializes in the creation and production of film and series content. The company cooperates with well-known partners such as Warner Bros, Disney, Netflix, Amazon or Sky. In addition, PANTAFLIX also operates a cloud-based VoD platform (www.PANTAFLIX.com). PANTAFLIX's platform technology is also offered to other companies as a white label product.

PANTAFLIX AG	2019	2020	2021	2022E	2023E	2024E
Sales	28.7	7.8	42.6	18.7	36.5	43.1
<i>Growth yoy</i>	-18.2%	-72.8%	444.4%	-56.0%	95.0%	18.0%
EBITDA	3.3	-5.4	16.5	5.6	13.0	17.7
EBIT	-8.6	-7.1	-1.9	-6.7	0.5	2.0
Net profit	-7.7	-7.1	-2.1	-8.7	-0.9	0.7
Net debt (net cash)	-4.6	2.2	-1.2	17.6	19.9	19.8
Net debt/EBITDA	-1.4x	-0.4x	-0.1x	3.1x	1.5x	1.1x
EPS reported	-0.50	-0.42	-0.10	-0.43	-0.04	0.03
DPS	0.00	0.00	0.00	0.00	0.00	0.00
<i>Dividend yield</i>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Gross profit margin	34.5%	29.6%	44.5%	60.0%	58.0%	62.0%
EBITDA margin	11.5%	-69.2%	38.7%	30.0%	35.5%	41.0%
EBIT margin	-29.7%	-91.2%	-4.4%	-35.6%	1.5%	4.6%
ROCE	-55.4%	-43.0%	-7.9%	-20.3%	1.5%	5.4%
EV/EBITDA	4.0x	-3.7x	1.0x	6.3x	2.9x	2.1x
EV/EBIT	-1.5x	-2.8x	-8.8x	-5.3x	70.4x	18.9x
PER	-1.7x	-2.1x	-8.3x	-2.0x	-20.5x	27.0x
FCF yield	15.0%	-47.7%	-12.9%	-106.0%	-12.9%	0.6%

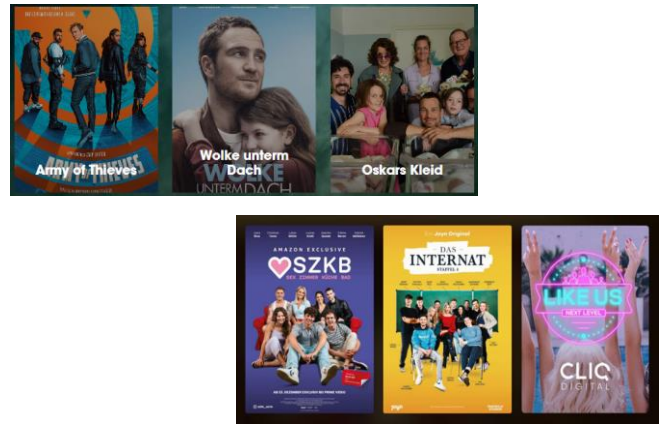
Source: Company data, AlsterResearch

Investment case in six charts

Overview structure



Products & services



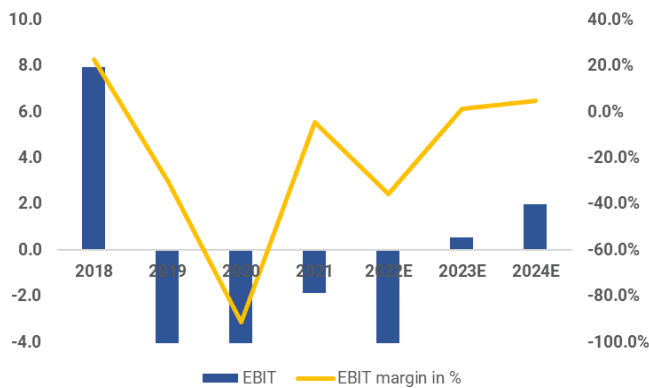
360-degree strategy



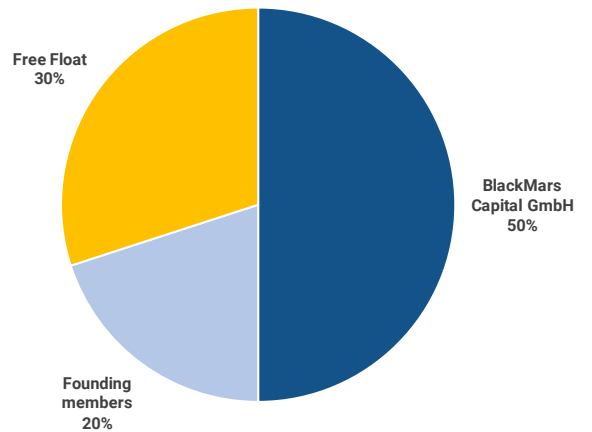
Customers



EBIT / EBIT margin in%



Shareholder structure



Source: Company data; AlsterResearch

Valuation

DCF Model

The DCF model results in a **fair value of EUR 1.66 per share**:

Top-line growth: We expect PANTAFLIX AG to continue benefitting from structural growth. Hence our growth estimates for 2022E-2029E is in the range of 17.7% p.a. The long-term growth rate is set at 2.0%.

EBIT margins. Industry specific margins range between 5% and 10%. With an increasing share of contract productions, we expect PANTAFLIX to reach the upper end of that range in the long-term. The sale of licensing rights (e.g., for remakes) could cause occasional spikes.

WACC. The averaged 1-, 3- and 5-year historical equity beta is calculated as 1.65. Unlevering and correcting for mean reversion yields an asset beta of 0.81. Combined with a risk-free rate of 3.0% and an equity risk premium of 6.0% this yields cost of equity of 9.7%. With pre-tax cost of borrowing at 5.0%, a tax rate of 25.0% and target debt/equity of 0.5 this results in a long-term WACC of 7.7%.

DCF (EUR m) (except per share data and beta)	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	Terminal value
NOPAT	-7.5	0.4	1.9	4.6	4.6	2.9	4.0	4.2	
Depreciation & amortization	12.3	12.4	15.7	16.8	18.9	20.6	19.9	20.0	
Change in working capital	-8.9	3.6	0.8	0.3	0.2	-0.3	0.1	-0.0	
Chg. in long-term provisions	-1.1	0.7	0.3	0.3	0.1	0.1	0.1	0.1	
Capex	-13.1	-18.3	-17.2	-19.8	-21.3	-19.6	-20.1	-20.6	
Cash flow	-18.3	-1.1	1.5	2.1	2.5	3.7	3.9	3.7	65.4
Present value	-18.3	-1.0	1.2	1.6	1.8	2.5	2.5	2.2	38.8
WACC	9.1%	8.8%	8.8%	8.9%	7.9%	7.9%	7.9%	7.6%	7.7%

DCF per share derived from	
Total present value	31.5
Mid-year adj. total present value	32.8
Net debt / cash at start of year	-1.2
Financial assets	0.1
Provisions and off b/s debt	na
Equity value	34.0
No. of shares outstanding	20.5
Discounted cash flow / share upside/(downside)	1.66 / 92.2%

Share price	0.86
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DCF avg. growth and earnings assumptions	
Planning horizon avg. revenue growth (2022E-2029E)	17.7%
Terminal value growth (2029E - infinity)	2.0%
Terminal year ROCE	11.4%
Terminal year WACC	7.7%

Terminal WACC derived from	
Cost of borrowing (before taxes)	5.0%
Long-term tax rate	25.0%
Equity beta	1.65
Unlevered beta (industry or company)	0.81
Target debt / equity	0.5
Relevered beta	1.11
Risk-free rate	3.0%
Equity risk premium	6.0%
Cost of equity	9.7%

Sensitivity analysis DCF								
Change in WACC (%-points)		Long term growth					Share of present value	
		1.0%	1.5%	2.0%	2.5%	3.0%		
2.0%	0.8	0.8	0.9	1.0	1.1	2022E-2025E	-52.1%	
1.0%	1.0	1.1	1.2	1.4	1.5	2026E-2029E	28.7%	
0.0%	1.4	1.5	1.7	1.9	2.1	terminal value	123.4%	
-1.0%	1.8	2.0	2.3	2.6	3.0			
-2.0%	2.4	2.8	3.2	3.7	4.5			

Source: AlsterResearch

FCF Yield Model

Due to the fact that companies rarely bear sufficient resemblance to peers in terms of geographical exposure, size or competitive strength and in order to adjust for the pitfalls of weak long-term visibility, an Adjusted Free Cash Flow analysis (Adjusted FCF) has been conducted.

The adjusted Free Cash Flow Yield results in a fair value between EUR -6.81 per share based on 2022E and EUR 0.88 per share on 2026E estimates.

The main driver of this model is the level of return available to a controlling investor, influenced by the cost of that investors' capital (opportunity costs) and the purchase price – in this case the enterprise value of the company. Here, the adjusted FCF yield is used as a proxy for the required return and is defined as EBITDA less minority interest, taxes and investments required to maintain existing assets (maintenance capex).

FCF yield in EURm	2022E	2023E	2024E	2025E	2026E
EBITDA	5.6	13.0	17.7	21.3	24.2
- Maintenance capex	13.1	18.3	17.2	19.8	21.3
- Minorities	0.8	0.1	-0.1	-0.3	-0.3
- tax expenses	0.0	-0.0	0.0	0.2	0.8
= Adjusted FCF	-8.3	-5.3	0.5	1.6	2.5
Actual Market Cap	17.7	17.7	17.7	17.7	17.7
+ Net debt (cash)	17.6	19.9	19.8	19.4	18.3
+ Pension provisions	0.0	0.0	0.0	0.0	0.0
+ Off B/S financing	0.0	0.0	0.0	0.0	0.0
- Financial assets	0.1	0.1	0.1	0.1	0.1
- Acc. dividend payments	0.0	0.0	0.0	0.0	0.0
<i>EV Reconciliations</i>	17.5	19.8	19.7	19.3	18.2
= Actual EV'	35.2	37.5	37.4	37.0	35.9
Adjusted FCF yield	-23.5%	-14.2%	1.2%	4.4%	6.8%
base hurdle rate	7.0%	7.0%	7.0%	7.0%	7.0%
ESG adjustment	0.2%	0.2%	0.2%	0.2%	0.2%
adjusted hurdle rate	6.8%	6.8%	6.8%	6.8%	6.8%
Fair EV	-121.8	-78.4	6.8	23.9	36.2
- <i>EV Reconciliations</i>	17.5	19.8	19.7	19.3	18.2
Fair Market Cap	-139.4	-98.2	-12.9	4.6	17.9
No. of shares (million)	20.5	20.5	20.5	20.5	20.5
Fair value per share in EUR	-6.81	-4.80	-0.63	0.22	0.88
Premium (-) / discount (+)	-887.4%	-655.1%	-173.1%	-74.0%	1.3%

Sensitivity analysis FV

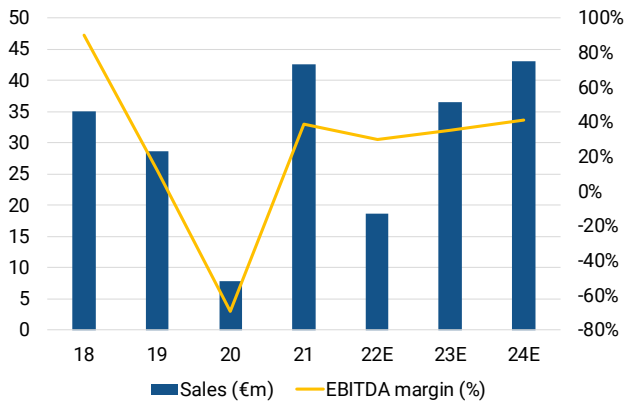
	4.8%	-9.3	-6.4	-0.5	0.7	1.6
Adjusted hurdle rate	5.8%	-7.8	-5.5	-0.6	0.4	1.2
	6.8%	-6.8	-4.8	-0.6	0.2	0.9
	7.8%	-6.0	-4.3	-0.7	0.1	0.6
	8.8%	-5.5	-3.9	-0.7	-0.0	0.5

Source: Company data; AlsterResearch

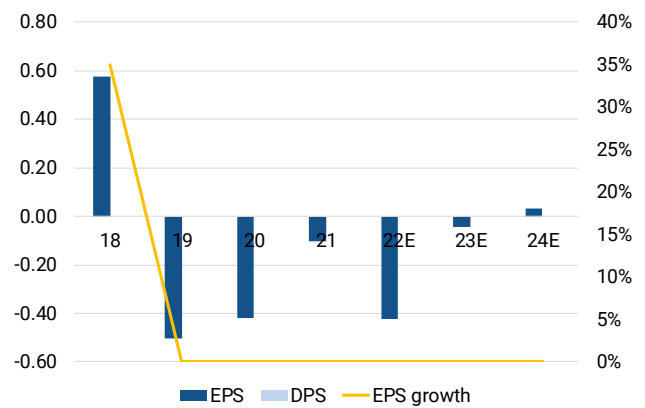
Simply put, the model assumes that investors require companies to generate a minimum return on the investor's purchase price. The required after-tax return equals the model's hurdle rate of 7.0%. Anything less suggests the stock is expensive; anything more suggests the stock is cheap. **ESG adjustments might be applicable, based on the overall Leeway ESG Score. A high score indicates high awareness for environmental, social or governance issues and thus might lower the overall risk an investment in the company might carry. A low score on the contrary might increase the risk of an investment and might therefore trigger a higher required hurdle rate.**

Financials in six charts

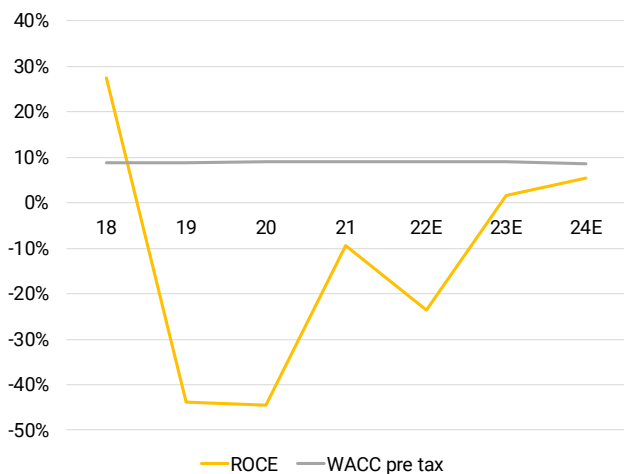
Sales vs. EBITDA margin development



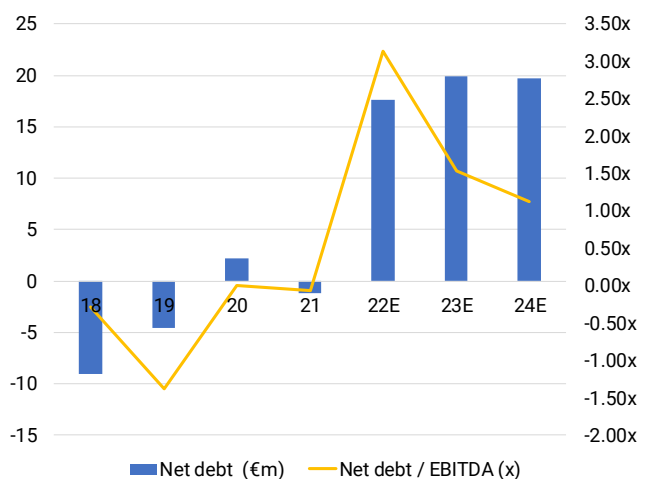
EPS, DPS in EUR & yoy EPS growth



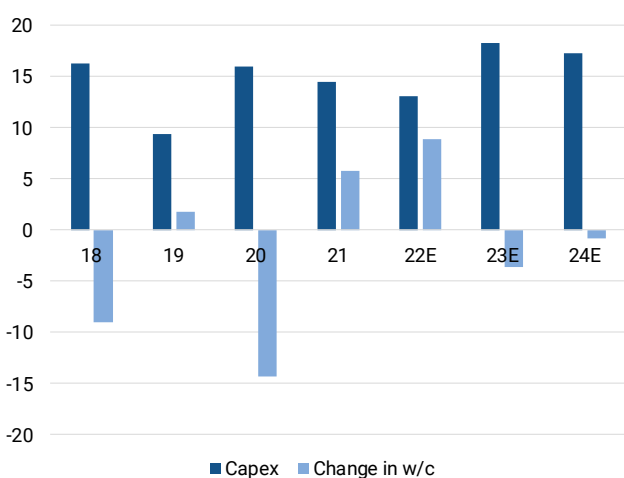
ROCE vs. WACC (pre tax)



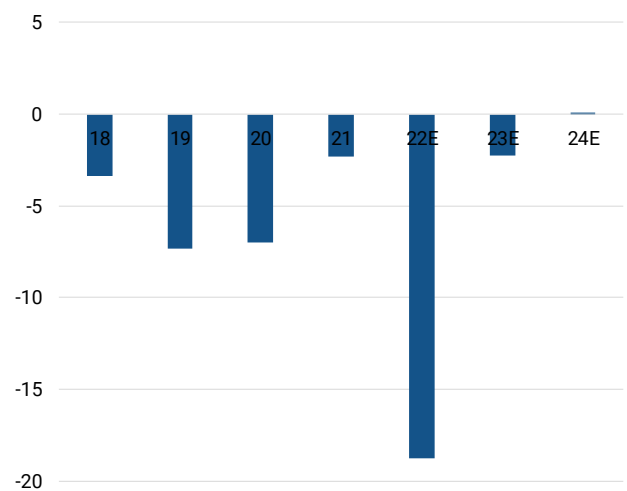
Net debt and net debt/EBITDA



Capex & chgn in w/c requirements in EURm



Free Cash Flow in EURm



Source: Company data; AlsterResearch

Financials

Profit and loss (EUR m)	2019	2020	2021	2022E	2023E	2024E
Net sales	28.7	7.8	42.6	18.7	36.5	43.1
Sales growth	-18.2%	-72.8%	444.4%	-56.0%	95.0%	18.0%
Change in finished goods and work-in-process	-6.9	14.5	-14.3	1.9	0.0	0.0
Total sales	21.9	22.3	28.3	20.6	36.5	43.1
Material expenses	12.0	20.0	9.4	9.4	15.3	16.4
Gross profit	9.9	2.3	19.0	11.2	21.2	26.7
Other operating income	2.6	0.5	4.3	0.9	0.9	1.7
Personnel expenses	5.7	4.4	4.3	4.7	5.5	6.5
Other operating expenses	3.5	3.8	2.4	1.9	3.7	4.3
EBITDA	3.3	-5.4	16.5	5.6	13.0	17.7
Depreciation	0.1	0.1	0.0	0.0	0.0	0.0
EBITA	3.2	-5.5	16.5	5.6	13.0	17.7
Amortisation of goodwill and intangible assets	11.8	1.7	18.4	12.3	12.4	15.7
EBIT	-8.6	-7.1	-1.9	-6.7	0.5	2.0
Financial result	-0.0	-0.0	-0.0	-1.2	-1.4	-1.4
Recurring pretax income from continuing operations	-8.6	-7.2	-1.9	-7.9	-0.8	0.6
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	-8.6	-7.2	-1.9	-7.9	-0.8	0.6
Taxes	-0.7	-0.0	0.0	0.0	-0.0	0.0
Net income from continuing operations	-7.9	-7.1	-1.9	-7.9	-0.8	0.6
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	-7.9	-7.1	-1.9	-7.9	-0.8	0.6
Minority interest	0.2	0.0	-0.2	-0.8	-0.1	0.1
Net profit (reported)	-7.7	-7.1	-2.1	-8.7	-0.9	0.7
Average number of shares	15.37	16.91	20.46	20.46	20.46	20.46
EPS reported	-0.50	-0.42	-0.10	-0.43	-0.04	0.03

Profit and loss (common size)	2019	2020	2021	2022E	2023E	2024E
Net sales	100%	100%	100%	100%	100%	100%
Change in finished goods and work-in-process	-24%	185%	-34%	10%	0%	0%
Total sales	76%	285%	66%	110%	100%	100%
Material expenses	42%	255%	22%	50%	42%	38%
Gross profit	34%	30%	45%	60%	58%	62%
Other operating income	9%	7%	10%	5%	3%	4%
Personnel expenses	20%	56%	10%	25%	15%	15%
Other operating expenses	12%	49%	6%	10%	10%	10%
EBITDA	12%	-69%	39%	30%	36%	41%
Depreciation	0%	1%	0%	0%	0%	0%
EBITA	11%	-70%	39%	30%	36%	41%
Amortisation of goodwill and intangible assets	41%	21%	43%	66%	34%	36%
EBIT	-30%	-91%	-4%	-36%	1%	5%
Financial result	-0%	-0%	-0%	-7%	-4%	-3%
Recurring pretax income from continuing operations	-30%	-91%	-4%	-42%	-2%	1%
Extraordinary income/loss	0%	0%	0%	0%	0%	0%
Earnings before taxes	-30%	-91%	-4%	-42%	-2%	1%
Taxes	-2%	-0%	0%	0%	-0%	0%
Net income from continuing operations	-27%	-91%	-5%	-42%	-2%	1%
Result from discontinued operations (net of tax)	0%	0%	0%	0%	0%	0%
Net income	-27%	-91%	-5%	-42%	-2%	1%
Minority interest	1%	1%	-0%	-4%	-0%	0%
Net profit (reported)	-27%	-91%	-5%	-46%	-2%	2%

Source: Company data; AlsterResearch

Balance sheet (EUR m)	2019	2020	2021	2022E	2023E	2024E
Intangible assets (excl. Goodwill)	5.7	19.7	15.8	16.6	22.4	24.0
Goodwill	0.2	0.1	0.1	0.1	0.1	0.1
Property, plant and equipment	0.2	0.1	0.1	0.1	0.1	0.1
Financial assets	0.5	0.1	0.1	0.1	0.1	0.1
FIXED ASSETS	6.5	20.0	16.1	16.9	22.7	24.3
Inventories	1.4	15.1	0.7	7.2	7.6	8.1
Accounts receivable	5.0	2.7	6.4	1.8	3.5	4.1
Other current assets	0.0	0.0	0.0	0.0	0.0	0.0
Liquid assets	7.2	7.2	14.1	13.4	14.1	14.2
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	1.0	0.6	0.3	0.1	0.2	0.2
CURRENT ASSETS	14.6	25.6	21.5	22.5	25.4	26.7
TOTAL ASSETS	21.1	45.7	37.6	39.4	48.1	51.0
SHAREHOLDERS EQUITY	12.5	7.1	9.1	1.2	0.4	1.0
MINORITY INTEREST	-0.4	-0.4	-0.1	-0.1	-0.1	-0.1
Long-term debt	2.7	2.0	1.3	1.0	2.0	2.0
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	0.7	0.5	1.9	0.7	1.5	1.7
Non-current liabilities	3.3	2.5	3.2	1.7	3.5	3.7
short-term liabilities to banks	0.0	7.4	11.6	30.0	32.0	32.0
Accounts payable	1.8	1.5	0.9	1.3	2.1	2.2
Advance payments received on orders	2.8	25.3	11.6	4.7	9.1	10.8
Other liabilities (incl. from lease and rental contracts)	1.1	2.2	1.3	0.6	1.1	1.3
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	5.7	36.5	25.3	36.5	44.3	46.3
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	21.1	45.7	37.6	39.4	48.1	51.0

Balance sheet (common size)	2019	2020	2021	2022E	2023E	2024E
Intangible assets (excl. Goodwill)	27%	43%	42%	42%	47%	47%
Goodwill	1%	0%	0%	0%	0%	0%
Property, plant and equipment	1%	0%	0%	0%	0%	0%
Financial assets	2%	0%	0%	0%	0%	0%
FIXED ASSETS	31%	44%	43%	43%	47%	48%
Inventories	7%	33%	2%	18%	16%	16%
Accounts receivable	24%	6%	17%	5%	7%	8%
Other current assets	0%	0%	0%	0%	0%	0%
Liquid assets	34%	16%	37%	34%	29%	28%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred charges and prepaid expenses	5%	1%	1%	0%	0%	0%
CURRENT ASSETS	69%	56%	57%	57%	53%	52%
TOTAL ASSETS	100%	100%	100%	100%	100%	100%
SHAREHOLDERS EQUITY	59%	16%	24%	3%	1%	2%
MINORITY INTEREST	-2%	-1%	-0%	-0%	-0%	-0%
Long-term debt	13%	4%	4%	3%	4%	4%
Provisions for pensions and similar obligations	0%	0%	0%	0%	0%	0%
Other provisions	3%	1%	5%	2%	3%	3%
Non-current liabilities	16%	5%	9%	4%	7%	7%
short-term liabilities to banks	0%	16%	31%	76%	67%	63%
Accounts payable	8%	3%	2%	3%	4%	4%
Advance payments received on orders	13%	55%	31%	12%	19%	21%
Other liabilities (incl. from lease and rental contracts)	5%	5%	3%	1%	2%	3%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred income	0%	0%	0%	0%	0%	0%
Current liabilities	27%	80%	67%	93%	92%	91%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100%	100%	100%	100%	100%	100%

Source: Company data; AlsterResearch

Cash flow statement (EURm)	2019	2020	2021	2022E	2023E	2024E
Net profit/loss	-7.9	-7.1	-1.9	-7.9	-0.8	0.6
Depreciation of fixed assets (incl. leases)	11.9	1.7	18.4	0.0	0.0	0.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	12.3	12.4	15.7
Others	-0.2	0.2	1.5	-1.1	0.7	0.3
Cash flow from operations before changes in w/c	3.8	-5.3	18.0	3.2	12.4	16.5
Increase/decrease in inventory	0.0	0.0	0.0	-6.5	-0.4	-0.5
Increase/decrease in accounts receivable	0.0	0.0	0.0	4.6	-1.7	-0.6
Increase/decrease in accounts payable	0.0	0.0	0.0	0.4	0.8	0.1
Increase/decrease in other w/c positions	-1.8	14.3	-5.8	-7.4	4.9	1.8
Increase/decrease in working capital	-1.8	14.3	-5.8	-8.9	3.6	0.8
Cash flow from operating activities	2.1	9.0	12.2	-5.7	16.0	17.4
CAPEX	-9.4	-16.0	-14.5	-13.1	-18.3	-17.2
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from investing activities	-9.4	-16.0	-14.5	-13.1	-18.3	-17.2
Cash flow before financing	-7.4	-7.0	-2.3	-18.8	-2.3	0.1
Increase/decrease in debt position	0.0	2.0	0.0	18.1	3.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	2.9	1.7	4.3	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	-0.0	-0.0	-0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	2.9	3.7	4.2	18.1	3.0	0.0
Increase/decrease in liquid assets	-4.5	-3.3	1.9	-0.7	0.7	0.1
Liquid assets at end of period	4.6	1.3	3.2	2.5	3.2	3.3

Source: Company data; AlsterResearch

Regional sales split (EURm)	2019	2020	2021	2022E	2023E	2024E
Domestic	28.7	7.8	42.6	18.7	36.5	43.1
Europe (ex domestic)	0.0	0.0	0.0	0.0	0.0	0.0
The Americas	0.0	0.0	0.0	0.0	0.0	0.0
Asia	0.0	0.0	0.0	0.0	0.0	0.0
Rest of World	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	28.7	7.8	42.6	18.7	36.5	43.1

Regional sales split (common size)	2019	2020	2021	2022E	2023E	2024E
Domestic	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Europe (ex domestic)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
The Americas	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asia	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rest of World	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total sales	100%	100%	100%	100%	100%	100%

Source: Company data; AlsterResearch

Ratios	2019	2020	2021	2022E	2023E	2024E
Per share data						
Earnings per share reported	-0.50	-0.42	-0.10	-0.43	-0.04	0.03
Cash flow per share	0.13	-0.41	-0.11	-0.92	-0.11	0.01
Book value per share	0.81	0.42	0.44	0.06	0.02	0.05
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
Valuation						
P/E	-1.7x	-2.1x	-8.3x	-2.0x	-20.5x	27.0x
P/CF	6.7x	-2.1x	-7.7x	-0.9x	-7.8x	159.3x
P/BV	1.1x	2.1x	1.9x	15.1x	46.0x	18.1x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	15.0%	-47.7%	-12.9%	-106.0%	-12.9%	0.6%
EV/Sales	0.5x	2.5x	0.4x	1.9x	1.0x	0.9x
EV/EBITDA	4.0x	-3.7x	1.0x	6.3x	2.9x	2.1x
EV/EBIT	-1.5x	-2.8x	-8.8x	-5.3x	70.4x	18.9x
Income statement (EURm)						
Sales	28.7	7.8	42.6	18.7	36.5	43.1
yoy chg in %	-18.2%	-72.8%	444.4%	-56.0%	95.0%	18.0%
Gross profit	9.9	2.3	19.0	11.2	21.2	26.7
Gross margin in %	34.5%	29.6%	44.5%	60.0%	58.0%	62.0%
EBITDA	3.3	-5.4	16.5	5.6	13.0	17.7
EBITDA margin in %	11.5%	-69.2%	38.7%	30.0%	35.5%	41.0%
EBIT	-8.6	-7.1	-1.9	-6.7	0.5	2.0
EBIT margin in %	-29.7%	-91.2%	-4.4%	-35.6%	1.5%	4.6%
Net profit	-7.7	-7.1	-2.1	-8.7	-0.9	0.7
Cash flow statement (EURm)						
CF from operations	2.1	9.0	12.2	-5.7	16.0	17.4
Capex	-9.4	-16.0	-14.5	-13.1	-18.3	-17.2
Maintenance Capex	0.1	16.0	14.5	13.1	18.3	17.2
Free cash flow	-7.4	-7.0	-2.3	-18.8	-2.3	0.1
Balance sheet (EURm)						
Intangible assets	5.8	19.8	15.9	16.7	22.5	24.1
Tangible assets	0.2	0.1	0.1	0.1	0.1	0.1
Shareholders' equity	12.5	7.1	9.1	1.2	0.4	1.0
Pension provisions	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities and provisions	3.3	9.9	14.8	31.7	35.5	35.7
Net financial debt	-4.6	2.2	-1.2	17.6	19.9	19.8
w/c requirements	1.8	-9.1	-5.4	3.0	-0.2	-0.8
Ratios						
ROE	-63.0%	-100.2%	-21.3%	-676.1%	-204.1%	60.7%
ROCE	-55.4%	-43.0%	-7.9%	-20.3%	1.5%	5.4%
Net gearing	-36.4%	30.9%	-12.9%	1,503.9%	5,165.0%	2,016.9%
Net debt / EBITDA	-1.4x	-0.4x	-0.1x	3.1x	1.5x	1.1x

Source: Company data; AlsterResearch

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