

niiio finance Group AG

Germany | Technology | MCap EUR 15.9m

21 June 2023

UPDATE



The time to digitize is now;
Reiterate to BUY with
unchanged PT

BUY (BUY)

Target price	EUR 1.60 (1.60)
Current price	EUR 0.49
Up/downside	229.2%



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What's it all about?

In an interview, CEO Johann Horch emphasized the challenges currently facing the financial industry, and in particular the need for increased adoption of digital solutions to address these challenges. niiio offers a comprehensive range of digital products along the asset management and wealth management value chain, including automation of administrative tasks, robo-advisory services, cloud computing and blockchain technologies. The company's strong start to fiscal '23 supports our view that niiio will continue to grow - even without additional bolt-on acquisitions. Nevertheless, the market seems to be disappointed with the pace of the planned roll-up strategy and concerns about the financing of such deals. However, our fundamental view remains unchanged which is why we reiterate our BUY rating with an unchanged PT of EUR 1.60, in line with other SaaS companies.

IMPORTANT. Please refer to the last page of this report for "Important disclosures" and analyst(s) certifications.

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The time to digitize is now; Reiterate to BUY with unchanged PT

Johann Horch, CEO of niiio finance Group AG ("niiio"), was quoted in the daily newspaper "Börsenzeitung" on the challenges currently facing the financial industry and the need to increase the use of digital solutions to meet these challenges.

Challenges of the financial industry. In a nutshell, today's financial industry is facing the emergence of new technologies, changing customer behaviors and expectations, and ever-increasing regulatory requirements. At the same time, margins remain under pressure, not least because passive investment vehicles such as ETFs continue to eat into the profits of traditional asset and wealth managers. In many cases, the solution lies in digitizing business processes, enabling asset and wealth management (AWM) firms to streamline internal processes and focus on value-added activities.

niiio offers the right products. In our view, niiio, as a unique European FinTech offering "one-stop-shop" solutions along the AWM value chain, is a major beneficiary of these trends. Its product offering includes a long list of products, including the automation of administrative tasks, robo-advisory services, cloud computing or innovative blockchain technologies. All of these products are software-as-a-service (SaaS) or cloud solutions that are part of a modular platform strategy. In fact, clients can "pick and mix" from a vast array of solutions, ultimately enabling them to

- focus on core value creating tasks
- benefit from genuinely lower costs vs. inhouse solutions
- lower overall complexity and ultimately
- keep up with a fast-changing regulatory framework

Off to a good start. After reaching EBITDA profitability in FY22, niiio also reported good numbers for Q1 23. Revenues were up more than 11% yoy to EUR 2m, while EBITDA amounted to EUR 0.35m. With these results, we see niiio well on track to meet our FY23 expectations of EUR 8.7m in revenues and EUR 1.5m in EBITDA, not least due to the fact that the share of recurring revenues is now around 84% (previous year 70%), which nicely adds to the predictability of future revenue streams.

-continued-

niiio finance Group	2020	2021	2022	2023E	2024E	2025E
Sales	2.3	2.4	7.5	8.7	10.0	11.5
<i>Growth yoy</i>	12.3%	3.3%	214.5%	15.5%	15.0%	15.0%
EBITDA	0.0	-0.9	0.8	1.5	2.3	2.6
EBIT	-2.1	-2.8	-2.6	-0.7	1.1	2.3
Net profit	-2.2	-3.2	-3.3	-0.9	1.0	2.0
Net debt (net cash)	-1.1	-2.1	3.6	1.1	-0.6	-2.4
Net debt/EBITDA	-26.0x	2.5x	4.4x	0.7x	-0.2x	-0.9x
EPS reported	-0.10	-0.12	-0.10	-0.03	0.03	0.06
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	116.9%	108.0%	112.3%	93.0%	94.0%	94.0%
EBITDA margin	1.9%	-35.7%	10.8%	17.0%	23.0%	23.0%
EBIT margin	-92.3%	-118.7%	-34.6%	-8.3%	11.3%	20.4%
ROCE	-16.3%	-11.9%	-11.5%	-3.6%	6.1%	12.0%
EV/EBITDA	340.9x	-16.1x	24.0x	11.5x	6.7x	5.1x
EV/EBIT	-6.9x	-4.8x	-7.5x	-23.5x	13.6x	5.7x
PER	-5.1x	-3.9x	-4.8x	-17.8x	16.6x	7.8x
FCF yield	-2.9%	-5.5%	2.8%	18.4%	12.8%	14.2%

Source: Company data, AlsterResearch



Source: Company data, AlsterResearch

High/low 52 weeks 1.08 / 0.49
Price/Book Ratio 1.1x

Ticker / Symbols

ISIN DE000A2G8332
WKN A2G833
Bloomberg NIIN:GR

Changes in estimates

		Sales	EBIT	EPS
2022E	old	7.5	-1.5	-0.05
	Δ	0.0%	na%	na%
2023E	old	8.7	-0.7	-0.03
	Δ	0.0%	na%	na%
2024E	old	10.0	1.1	0.03
	Δ	0.0%	0.0%	0.0%

Key share data

Number of shares: (in m pcs) 32.66
Book value per share: (in EUR) 0.45
Ø trading volume: (12 months) 10,000

Major shareholders

Management and Employees 24.5%
Deutsche Tech Ventures GmbH 35.7%
Supervisory Board 1.4%
Free Float 30.5%

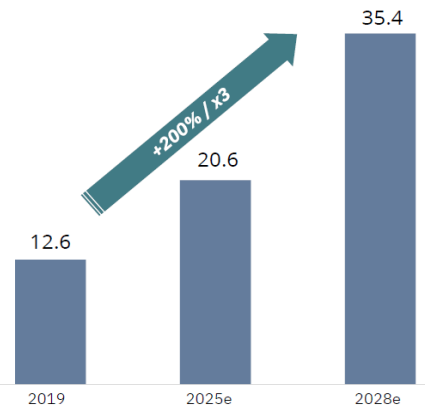
Company description

niiio finance Group is a FinTech company that develops and distributes software solutions to banks and financial service providers under software as a service (SaaS) or licensed white label models. The company's product portfolio comprises portfolio management systems, robotic advisory tools and application program interface (API). It also develops a blockchain software solution.

Recent underperformance unjustified. Nevertheless, the share price has recently underperformed significantly, which may be due to market participants being disappointed with the pace of the planned roll-up strategy and the associated rapid scaling of the business. In our view, the higher interest rate environment as well as the fact that the share price is currently trading below "par" does not help in structuring future purchase price financing, either through issuing new debt or through the issuance of new shares. In any case, while we acknowledge the management's patience (i.e. not rushing into M&A transactions), our fundamental valuation does not include external growth. As such, we see no reason to change our current view, which values niio finance at a DCF-based PT of EUR 1.60, in line with other SaaS companies (6.5x sales multiple). We therefore reiterate our BUY rating, yielding significant upside potential.

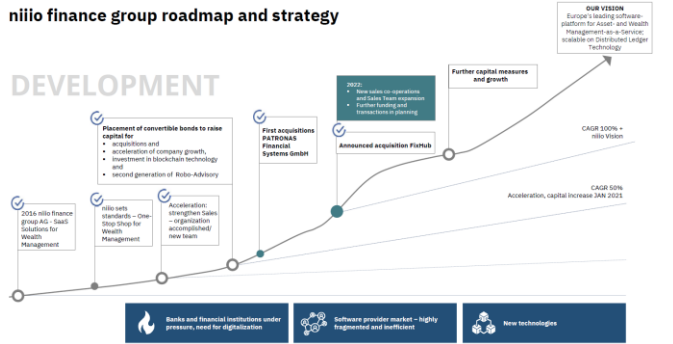
Investment case in six charts

European Wealth Tech Solution Market in EUR bn

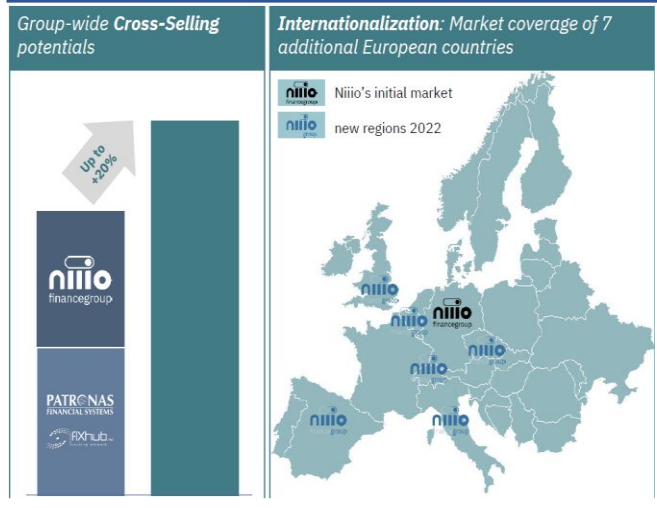


Roadmap and Strategy

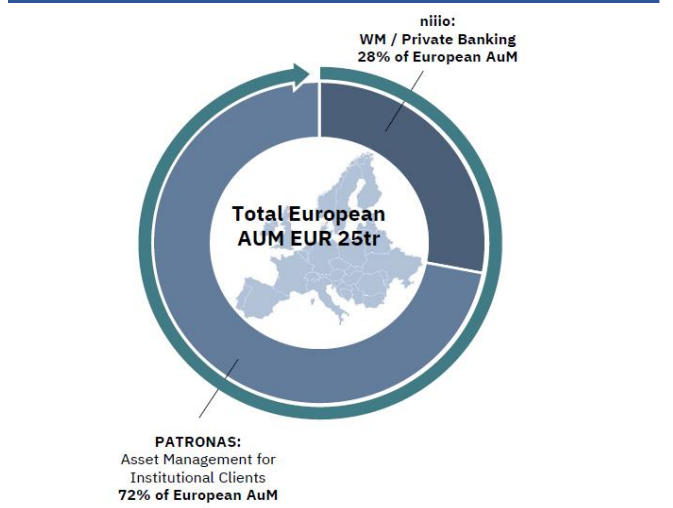
niiio finance group roadmap and strategy



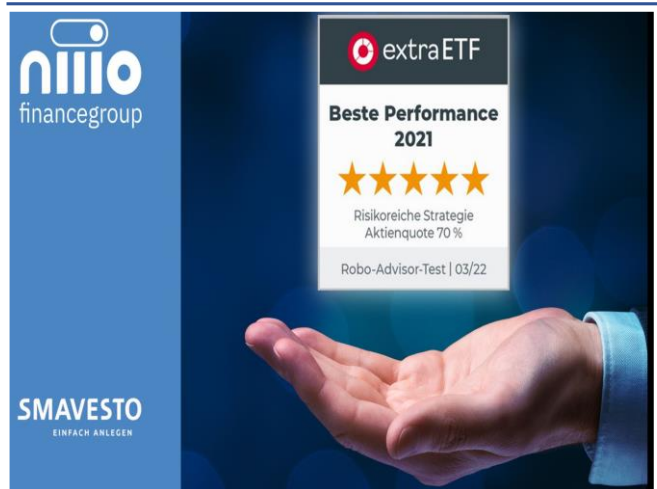
Cross-Selling and Internationalization



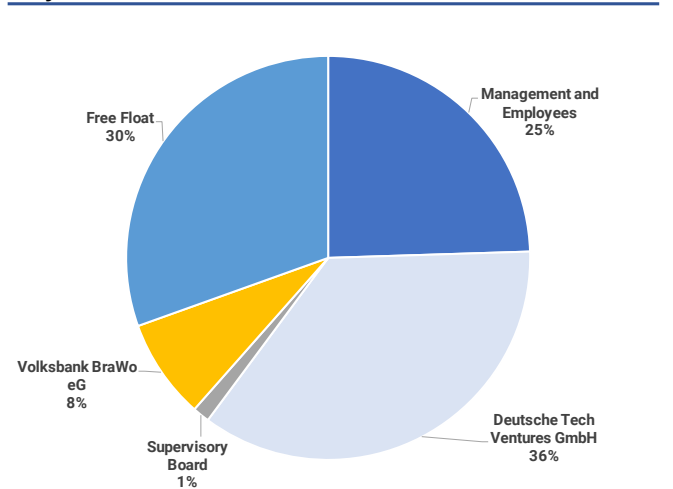
Expansion of Potential Market Size



Robo-Advisor Smavesto with Best Performance



Major shareholder



Source : Company data; AlsterResearch

SWOT analysis

Strengths

- One-stop-shop for software services providing one comprehensive platform for asset and wealth managers
- Highly innovative and agile
- Management with significant “skin in the game”
- Renowned clients base
- Almost 20 years of technical know-how and expertise in AWM
- Operating in native private cloud – to concentrate relevant solutions and microservices on platform

Weaknesses

- Loss making in 2022
- Funding required for inorganic growth

Opportunities

- With the acquisition of PATRONAS, niiiio’s activity will expand to include institutional asset managers, large private and commercial banks.
- AWM firms need to cut costs and digitize
- More annual recurring revenues, assets under administration, customers and trading volumes
- European WealthTech solution market is expected to grow strongly

Threats

- Regulatory restrictions in the area of international cloud use exist, which impacts on the widespread use of it
- The cloud wealth management software market remains complex and competitive
- Funding market constraint due to rising interest rates and high inflation

Valuation

DCF Model

The DCF model results in a **fair value of EUR 1.56 per share**:

Top-line growth: We expect niio finance Group AG to continue benefitting from structural growth. Hence our growth estimates for 2023E-2030E is in the range of 8.2% p.a. The long-term growth rate is set at 2.0%.

EBIT margins are expected to be negative till 2023 due to high costs for developers and sales people. Given economies of scale and better take-up of its platform, EBIT is expected to be positive in 2024 and align towards the profitability of its peers in the long-run.

WACC. The averaged 1-, 3- and 5-year historical equity beta is calculated as 1.00. Unlevering and correcting for mean reversion yields an asset beta of 0.86. Combined with a risk-free rate of 2.0% and an equity risk premium of 6.0% this yields cost of equity of 8.0%. With pre-tax cost of borrowing at 5.0%, a tax rate of 25.0% and target debt/equity of 0.2 this results in a long-term WACC of 7.3%.

DCF (EURm) (except per share data and beta)	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	Terminal value
NOPAT	-0.7	1.1	2.1	2.6	3.2	3.2	2.9	3.0	
Depreciation & amortization	2.2	1.2	0.3	0.2	0.3	0.3	0.2	0.2	
Change in working capital	1.6	-0.2	-0.2	-0.2	-0.1	-0.1	-0.1	-0.1	
Chg. in long-term provisions	-0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.0	
Capex	-0.4	-0.4	-0.4	-0.4	-0.4	0.0	0.0	0.0	
Cash flow	2.7	1.7	1.9	2.5	3.0	3.5	3.1	3.2	61.5
Present value	2.6	1.6	1.6	1.9	2.2	2.4	2.0	1.9	36.3
WACC	7.8%	7.6%	7.4%	7.3%	7.2%	7.2%	7.2%	7.2%	7.3%

DCF per share derived from	
Total present value	52.5
Mid-year adj. total present value	54.4
Net debt / cash at start of year	3.6
Financial assets	0.0
Provisions and off b/s debt	0.0
Equity value	50.8
No. of shares outstanding	32.7
Discounted cash flow / share upside/(downside)	1.56 / 220.0%

DCF avg. growth and earnings assumptions	
Planning horizon avg. revenue growth (2023E-2030E)	8.2%
Terminal value growth (2030E - infinity)	2.0%
Terminal year ROCE	13.6%
Terminal year WACC	7.3%

Terminal WACC derived from	
Cost of borrowing (before taxes)	5.0%
Long-term tax rate	25.0%
Equity beta	1.00
Unlevered beta (industry or company)	0.86
Target debt / equity	0.2
Relevered beta	0.99
Risk-free rate	2.0%
Equity risk premium	6.0%
Cost of equity	8.0%

Share price	0.49
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Sensitivity analysis DCF

Change in WACC (%-points)	Long term growth						Share of present value	
	2.0%	1.0%	1.5%	2.0%	2.5%	3.0%	2023E-2026E	2027E-2030E
2.0%	1.1	1.2	1.2	1.3	1.2	14.7%	16.1%	69.2%
1.0%	1.4	1.3	1.4	1.5	1.6			
0.0%	1.6	1.4	1.6	1.8	1.9			
-1.0%	1.7	2.0	2.0	2.2	2.5			
-2.0%	2.1	2.3	2.6	3.0	3.5			

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 0.75 per share based on 2023E and EUR 2.01 per share on 2027E 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	2023E	2024E	2025E	2026E	2027E
EBITDA	1.5	2.3	2.6	3.4	4.3
- Maintenance capex	0.0	0.0	0.0	0.0	0.0
- Minorities	0.0	0.0	0.0	0.0	0.0
- tax expenses	-0.0	0.1	0.2	0.5	0.8
= Adjusted FCF	1.5	2.3	2.4	3.0	3.5
Actual Market Cap	15.9	15.9	15.9	15.9	15.9
+ Net debt (cash)	1.1	-0.6	-2.4	-4.9	-7.9
+ 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	0.0	0.0	0.0	0.0	0.0
- Acc. dividend payments	0.0	0.0	0.0	0.0	0.0
<i>EV Reconciliations</i>	1.1	-0.6	-2.4	-4.9	-7.9
= Actual EV'	16.9	15.3	13.5	11.0	8.0
Adjusted FCF yield	9.0%	14.7%	18.0%	26.9%	43.3%
base hurdle rate	6.0%	6.0%	6.0%	6.0%	6.0%
ESG adjustment	0.0%	0.0%	0.0%	0.0%	0.0%
adjusted hurdle rate	6.0%	6.0%	6.0%	6.0%	6.0%
Fair EV	25.4	37.5	40.3	49.4	57.7
- <i>EV Reconciliations</i>	1.1	-0.6	-2.4	-4.9	-7.9
Fair Market Cap	24.4	38.1	42.7	54.2	65.6
No. of shares (million)	32.7	32.7	32.7	32.7	32.7
Fair value per share in EUR	0.75	1.17	1.31	1.66	2.01
Premium (-) / discount (+)	53.5%	139.8%	169.2%	241.6%	313.3%

Sensitivity analysis FV

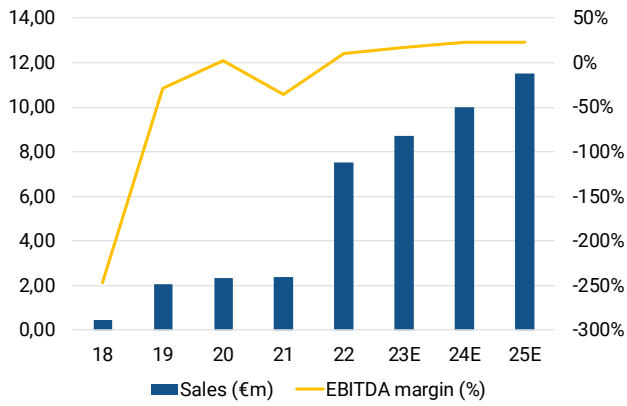
	4.0%	1.1	1.7	1.9	2.4	2.9
Adjusted hurdle rate	5.0%	0.9	1.4	1.6	2.0	2.4
	6.0%	0.7	1.2	1.3	1.7	2.0
	7.0%	0.6	1.0	1.1	1.4	1.8
	8.0%	0.6	0.9	1.0	1.3	1.6

Source: Company data; AlsterResearch

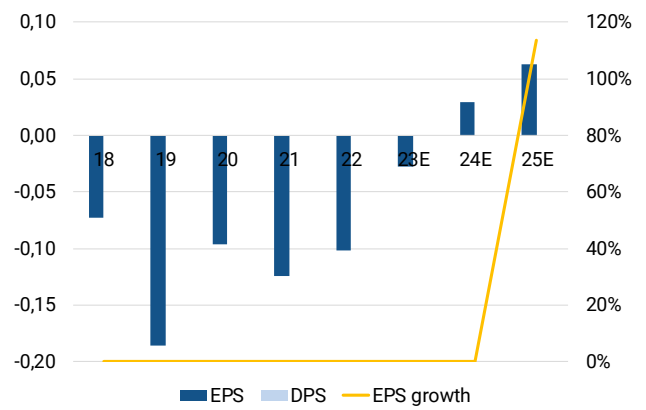
Simply put, the model assumes that investors require companies to generate a minimum return on the investor's purchase price. The required after-tax return equals the model's hurdle rate of 6.0%. Anything less suggests the stock is expensive; anything more suggests the stock is cheap. **ESG adjustments 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

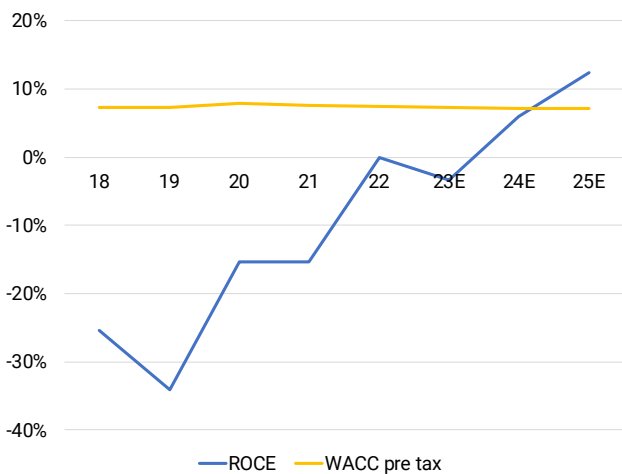
Sales vs. EBITDA margin development



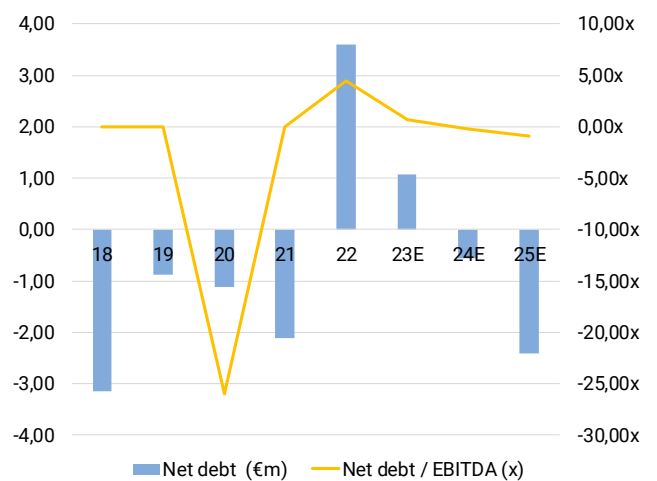
EPS, DPS in EUR & yoy EPS growth



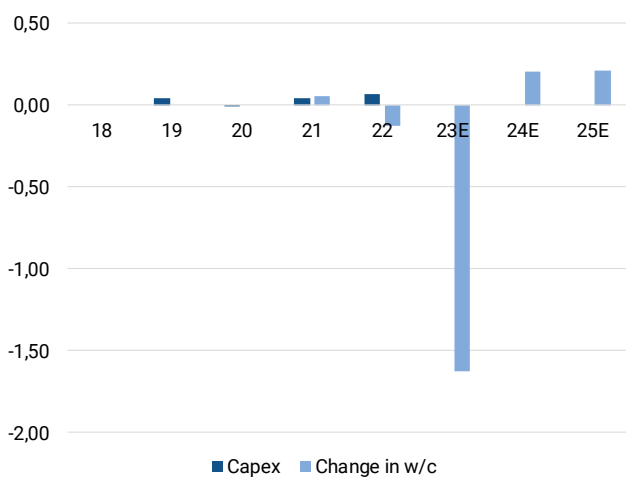
ROCE vs. WACC (pre tax)



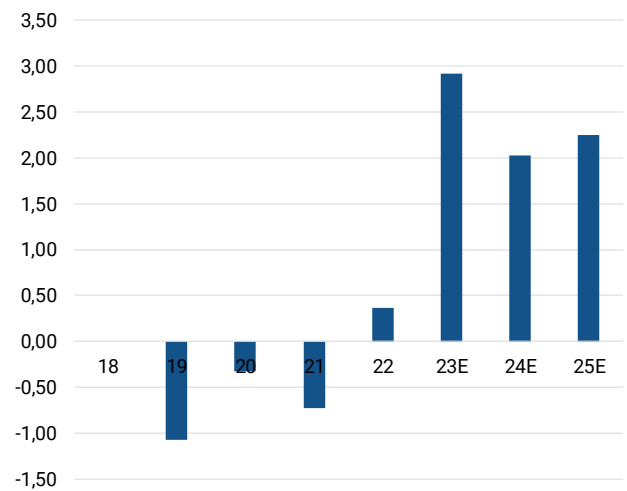
Net debt and net debt/EBITDA



Capex & chgn in w/c requirements in EURm



Free Cash Flow in EURm



Source: Company data; AlsterResearch

Financials

Profit and loss (EURm)	2020	2021	2022	2023E	2024E	2025E
Net sales	2.3	2.4	7.5	8.7	10.0	11.5
Sales growth	12.3%	3.3%	214.5%	15.5%	15.0%	15.0%
Change in finished goods and work-in-process	0.5	0.6	1.5	0.0	0.0	0.0
Total sales	2.8	3.0	9.1	8.7	10.0	11.5
Material expenses	0.1	0.4	0.6	0.6	0.6	0.7
Gross profit	2.7	2.6	8.5	8.1	9.4	10.8
Other operating income	0.1	0.0	0.3	0.1	0.1	0.1
Personnel expenses	1.9	2.3	5.6	5.4	5.9	6.8
Other operating expenses	0.8	1.2	2.3	1.3	1.3	1.5
EBITDA	0.0	-0.9	0.8	1.5	2.3	2.6
Depreciation	0.0	0.0	0.0	0.0	0.0	0.0
EBITA	0.0	-0.9	0.8	1.5	2.3	2.6
Amortisation of goodwill and intangible assets	2.2	2.0	3.4	2.2	1.2	0.3
EBIT	-2.1	-2.8	-2.6	-0.7	1.1	2.3
Financial result	-0.1	-0.4	-0.3	-0.2	-0.1	-0.1
Recurring pretax income from continuing operations	-2.2	-3.2	-2.9	-0.9	1.0	2.3
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	-2.2	-3.2	-2.9	-0.9	1.0	2.3
Taxes	-0.0	0.0	0.4	-0.0	0.1	0.2
Net income from continuing operations	-2.2	-3.2	-3.3	-0.9	1.0	2.0
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	-2.2	-3.2	-3.3	-0.9	1.0	2.0
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	-2.2	-3.2	-3.3	-0.9	1.0	2.0
Average number of shares	22.83	25.99	32.49	32.66	32.66	32.66
EPS reported	-0.10	-0.12	-0.10	-0.03	0.03	0.06

Profit and loss (common size)	2020	2021	2022	2023E	2024E	2025E
Net sales	100%	100%	100%	100%	100%	100%
Change in finished goods and work-in-process	22%	25%	20%	0%	0%	0%
Total sales	122%	125%	120%	100%	100%	100%
Material expenses	5%	17%	8%	7%	6%	6%
Gross profit	117%	108%	112%	93%	94%	94%
Other operating income	4%	2%	4%	1%	1%	1%
Personnel expenses	83%	95%	75%	62%	59%	59%
Other operating expenses	36%	50%	31%	15%	13%	13%
EBITDA	2%	-36%	11%	17%	23%	23%
Depreciation	0%	0%	0%	0%	0%	0%
EBITA	2%	-36%	11%	17%	23%	23%
Amortisation of goodwill and intangible assets	94%	83%	45%	25%	12%	3%
EBIT	-92%	-119%	-35%	-8%	11%	20%
Financial result	-3%	-15%	-4%	-3%	-1%	-1%
Recurring pretax income from continuing operations	-96%	-134%	-39%	-11%	10%	20%
Extraordinary income/loss	0%	0%	0%	0%	0%	0%
Earnings before taxes	-96%	-134%	-39%	-11%	10%	20%
Taxes	-1%	1%	5%	-1%	1%	2%
Net income from continuing operations	-95%	-135%	-44%	-10%	10%	18%
Result from discontinued operations (net of tax)	0%	0%	0%	0%	0%	0%
Net income	-95%	-135%	-44%	-10%	10%	18%
Minority interest	0%	0%	0%	0%	0%	0%
Net profit (reported)	-95%	-135%	-44%	-10%	10%	18%

Source: Company data; AlsterResearch

Balance sheet (EURm)	2020	2021	2022	2023E	2024E	2025E
Intangible assets (exl. Goodwill)	2.1	6.9	7.1	4.9	3.7	3.4
Goodwill	9.4	10.7	12.9	12.9	12.9	12.9
Property, plant and equipment	0.1	0.4	0.4	0.4	0.4	0.4
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0
FIXED ASSETS	11.5	18.0	20.3	18.1	17.0	16.7
Inventories	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	0.2	0.4	0.5	1.2	1.4	1.6
Other current assets	0.0	0.4	0.3	0.3	0.3	0.3
Liquid assets	2.2	7.5	3.8	4.4	3.6	4.4
Deferred taxes	0.1	0.1	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.0	0.0	0.1	0.2	0.2	0.2
CURRENT ASSETS	2.5	8.4	4.7	6.1	5.4	6.5
TOTAL ASSETS	14.1	26.5	25.0	24.2	22.4	23.1
SHAREHOLDERS EQUITY	11.0	11.3	14.5	13.6	14.6	16.6
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	0.0	5.2	6.5	5.0	3.0	2.0
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	1.1	7.1	0.7	0.7	0.8	0.9
Non-current liabilities	1.1	12.3	7.3	5.7	3.8	2.9
short-term liabilities to banks	1.0	0.2	0.9	0.5	0.0	0.0
Accounts payable	0.3	0.4	0.3	0.2	0.2	0.2
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	0.1	0.2	0.0	2.1	1.7	1.3
Deferred taxes	0.6	2.0	2.1	2.1	2.1	2.1
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	2.0	2.8	3.3	4.9	4.0	3.6
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	14.1	26.5	25.0	24.2	22.4	23.1

Balance sheet (common size)	2020	2021	2022	2023E	2024E	2025E
Intangible assets (excl. Goodwill)	15%	26%	28%	20%	17%	15%
Goodwill	67%	41%	52%	53%	58%	56%
Property, plant and equipment	0%	1%	1%	1%	2%	2%
Financial assets	0%	0%	0%	0%	0%	0%
FIXED ASSETS	82%	68%	81%	75%	76%	72%
Inventories	0%	0%	0%	0%	0%	0%
Accounts receivable	1%	1%	2%	5%	6%	7%
Other current assets	0%	1%	1%	1%	1%	1%
Liquid assets	15%	28%	15%	18%	16%	19%
Deferred taxes	1%	0%	0%	0%	0%	0%
Deferred charges and prepaid expenses	0%	0%	0%	1%	1%	1%
CURRENT ASSETS	18%	32%	19%	25%	24%	28%
TOTAL ASSETS	100%	100%	100%	100%	100%	100%
SHAREHOLDERS EQUITY	78%	43%	58%	56%	65%	72%
MINORITY INTEREST	0%	0%	0%	0%	0%	0%
Long-term debt	0%	20%	26%	21%	13%	9%
Provisions for pensions and similar obligations	0%	0%	0%	0%	0%	0%
Other provisions	8%	27%	3%	3%	4%	4%
Non-current liabilities	8%	46%	29%	24%	17%	13%
short-term liabilities to banks	7%	1%	3%	2%	0%	0%
Accounts payable	2%	1%	1%	1%	1%	1%
Advance payments received on orders	0%	0%	0%	0%	0%	0%
Other liabilities (incl. from lease and rental contracts)	1%	1%	0%	9%	8%	6%
Deferred taxes	4%	8%	8%	9%	9%	9%
Deferred income	0%	0%	0%	0%	0%	0%
Current liabilities	14%	11%	13%	20%	18%	16%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100%	100%	100%	100%	100%	100%

Source: Company data; AlsterResearch

Cash flow statement (EURm)	2020	2021	2022	2023E	2024E	2025E
Net profit/loss	-2.2	-3.2	-3.3	-0.9	1.0	2.0
Depreciation of fixed assets (incl. leases)	0.0	0.0	0.0	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	2.2	2.0	3.4	2.2	1.2	0.3
Others	-0.3	0.6	0.2	-0.0	0.1	0.1
Cash flow from operations before changes in w/c	-0.3	-0.6	0.3	1.3	2.2	2.5
Increase/decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in accounts receivable	0.0	-0.1	0.0	-0.7	-0.2	-0.2
Increase/decrease in accounts payable	0.0	0.0	0.1	-0.1	-0.0	0.0
Increase/decrease in other w/c positions	0.0	0.0	0.0	2.4	-0.0	-0.0
Increase/decrease in working capital	0.0	-0.1	0.1	1.6	-0.2	-0.2
Cash flow from operating activities	-0.3	-0.7	0.4	2.9	2.0	2.2
CAPEX	0.0	-0.0	-0.1	0.0	0.0	0.0
Payments for acquisitions	-0.2	-0.7	-5.7	-0.4	-0.4	-0.4
Financial investments	0.0	-6.6	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	-0.2	-0.8	-5.8	-0.4	-0.4	-0.4
Cash flow before financing	-0.5	-1.5	-5.3	2.5	1.6	1.8
Increase/decrease in debt position	0.0	5.0	1.7	-1.9	-2.5	-1.0
Purchase of own shares	0.0	0.0	-0.0	0.0	0.0	0.0
Capital measures	0.8	9.3	0.1	0.0	0.0	0.0
Dividends paid	0.0	0.0	-0.4	0.0	0.0	0.0
Others	-0.2	-8.3	-0.3	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	0.6	6.0	1.2	-1.9	-2.5	-1.0
Increase/decrease in liquid assets	0.1	5.3	-3.7	0.6	-0.9	0.8
Liquid assets at end of period	2.2	7.5	3.8	4.4	3.5	4.4

Source: Company data; AlsterResearch

Regional sales split (EURm)	2020	2021	2022	2023E	2024E	2025E
Domestic	0.0	2.1	4.0	4.5	5.3	6.0
Europe (ex domestic)	0.0	0.3	3.5	4.2	4.7	5.5
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	2.3	2.4	7.5	8.7	10.0	11.5

Regional sales split (common size)	2020	2021	2022	2023E	2024E	2025E
Domestic	0.0%	87.7%	53.1%	51.7%	53.0%	52.1%
Europe (ex domestic)	0.0%	12.5%	46.5%	48.3%	47.0%	47.8%
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	2020	2021	2022	2023E	2024E	2025E
Per share data						
Earnings per share reported	-0.10	-0.12	-0.10	-0.03	0.03	0.06
Cash flow per share	-0.01	-0.03	0.01	0.09	0.06	0.07
Book value per share	0.48	0.44	0.45	0.42	0.45	0.51
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
Valuation						
P/E	-5.1x	-3.9x	-4.8x	-17.8x	16.6x	7.8x
P/CF	-33.9x	-18.3x	36.0x	5.4x	7.8x	7.1x
P/BV	1.0x	1.1x	1.1x	1.2x	1.1x	1.0x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	-2.9%	-5.5%	2.8%	18.4%	12.8%	14.2%
EV/Sales	6.4x	5.7x	2.6x	1.9x	1.5x	1.2x
EV/EBITDA	340.9x	-16.1x	24.0x	11.5x	6.7x	5.1x
EV/EBIT	-6.9x	-4.8x	-7.5x	-23.5x	13.6x	5.7x
Income statement (EURm)						
Sales	2.3	2.4	7.5	8.7	10.0	11.5
yoy chg in %	12.3%	3.3%	214.5%	15.5%	15.0%	15.0%
Gross profit	2.7	2.6	8.5	8.1	9.4	10.8
Gross margin in %	116.9%	108.0%	112.3%	93.0%	94.0%	94.0%
EBITDA	0.0	-0.9	0.8	1.5	2.3	2.6
EBITDA margin in %	1.9%	-35.7%	10.8%	17.0%	23.0%	23.0%
EBIT	-2.1	-2.8	-2.6	-0.7	1.1	2.3
EBIT margin in %	-92.3%	-118.7%	-34.6%	-8.3%	11.3%	20.4%
Net profit	-2.2	-3.2	-3.3	-0.9	1.0	2.0
Cash flow statement (EURm)						
CF from operations	-0.3	-0.7	0.4	2.9	2.0	2.2
Capex	0.0	-0.0	-0.1	0.0	0.0	0.0
Maintenance Capex	0.0	0.0	0.0	0.0	0.0	0.0
Free cash flow	-0.3	-0.7	0.4	2.9	2.0	2.2
Balance sheet (EURm)						
Intangible assets	11.5	17.6	20.0	17.8	16.6	16.3
Tangible assets	0.1	0.4	0.4	0.4	0.4	0.4
Shareholders' equity	11.0	11.3	14.5	13.6	14.6	16.6
Pension provisions	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities and provisions	2.2	12.5	8.1	6.2	3.8	2.9
Net financial debt	-1.1	-2.1	3.6	1.1	-0.6	-2.4
w/c requirements	-0.1	0.0	0.3	1.0	1.2	1.4
Ratios						
ROE	-20.0%	-28.5%	-22.8%	-6.6%	6.6%	12.3%
ROCE	-16.3%	-11.9%	-11.5%	-3.6%	6.1%	12.0%
Net gearing	-10.3%	-18.5%	24.8%	7.9%	-3.8%	-14.4%
Net debt / EBITDA	-26.0x	2.5x	4.4x	0.7x	-0.2x	-0.9x

Source: Company data; AlsterResearch

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