

Rubean AG

Germany | Technology | MCap EUR 20.2m

9 May 2023

UPDATE



2023 starts off on a positive note; hyper-scaling is set to start now

What's it all about?

Rubean AG issued a press release yesterday announcing a strong start to the new financial year. The news caused some confusion as it was merely the English translation of a press release issued at the end of April. In any case, Rubean appears to be on track to meet its financial targets for 2023 with increasing orders and additional customer wins. As a result, we believe that hyper-scaling of revenues could start as early as this year. In this context, management also reaffirmed its guidance of EUR 2m in revenues, which effectively represents a 2.5x year-on-year increase. In addition, Rubean announced the successful completion of a 10% capital increase, bringing in much-needed funds to bridge the gap before becoming cash-flow positive in 2024E (eAR). We reiterate our BUY rating with an unchanged PT of EUR 12.00.

BUY (BUY)

Target price	EUR 12.00 (12.00)
Current price	EUR 6.75
Up/downside	77.8%

 **ResearchHub** 



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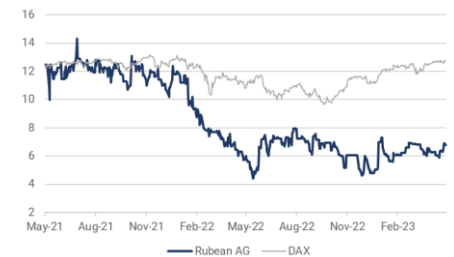
'23 starts off on a positive note; hyper-scaling is set to start now

2023 starts with rising order situation Rubean has made a good start to the new financial year. In recent months, the company has received orders from various sectors for the implementation of its mobile payment software solution 'PhonePOS'. In this segment, Rubean sells indirectly via partners such as BBVA, Sparkassen or Global Payments. In the UK, for example, the company says it is preparing to launch the solution for a major fundraising organization. On the other hand, Rubean's B-to-B solution "GetPAYD" targets corporate customers via direct sales in the logistics, retail and hospitality sectors, which also saw an increase in orders.

Hyper-scaling starts in 2023 With its existing customers and the newly won customers, Rubean is likely to start hyper-scaling as early as 2023, as customers begin to appreciate and perceive the company's smart payment solutions. As a result, management also reiterated its FY23 guidance of at least EUR 2m in sales - which would effectively mean a 2.5x yoy increase in sales. To put this into perspective, it should be noted that BBVA alone aims to sell 300K licenses by 2024, which alone would be good for around EUR 2.5m in annual recurring sales. Adding the potential of all other existing customers therefore underlines the significant hyper-scaling potential for Rubean in the coming years and most importantly its ability to become cash positive as early as 2024E.

Successful capital increase In addition Rubean announced that it has successfully completed a 10% capital increase. The company raised EUR c. 1.6m through a private placement. The share capital therefore increased by 0.271m shares to 2.99m. The funds will be used to grow the business in Germany and abroad and which should therefore help to bridge the gap before getting cash flow positive by 2024E (eAR).

Conclusion Although the development of the new payment software and the establishment of structures and partnerships has been challenging and somewhat frustrating for investors due to the moderate share price performance, we believe Rubean is well on track to achieving its operational breakthrough soon. Also, the share price seem to have found a bottom, with the stock up c. 25% since the beginning of the year. We therefore confirm our BUY rating with unchanged PT of EUR 12.00.



Source: Company data, AlsterResearch

High/low 52 weeks 7.95 / 4.40
Price/Book Ratio 26.9x

Ticker / Symbols

ISIN DE0005120802
WKN 512080
Bloomberg R1B:GR

Changes in estimates

		Sales	EBIT	EPS
2022P	old	0.8	-4.6	-1.75
	Δ	0.0%	na%	na%
2023E	old	2.5	-2.5	-0.94
	Δ	0.0%	na%	na%
2024E	old	5.0	0.6	0.12
	Δ	0.0%	0.0%	-9.1%

Key share data

Number of shares: (in m pcs) 2.99
Book value per share: (in EUR) 0.25
Ø trading volume: (12 months) 500

Major shareholders

Founders 11.0%
Management & staff 7.0%
BMK Holding GmbH 15.0%
CCV 30.0%
Free Float 37.0%

Company description

Rubean AG is a Germany-based Fintech that develops software for banks and online payment companies. It develops the payment acceptance solution phonePOS, which turns smartphones into merchant terminals at the point of sale (POS). Rubean partners with the German saving banks "Sparkassen" as well as BBVA and Global Payments.

Rubean AG	2019	2020	2021	2022P	2023E	2024E
Sales	0.4	0.5	0.7	0.8	2.5	5.0
Growth yoy	40.1%	10.0%	45.6%	23.3%	194.1%	100.0%
EBITDA	-0.9	-1.4	-3.9	-4.3	-2.5	0.8
EBIT	-1.2	-1.6	-4.1	-4.6	-2.5	0.6
Net profit	-1.3	-1.7	-4.2	-4.8	-2.6	0.3
Net debt (net cash)	1.5	0.8	-1.2	4.1	4.9	4.8
Net debt/EBITDA	-1.6x	-0.6x	0.3x	-0.9x	-2.0x	5.6x
EPS recurring	-1.08	-1.05	-1.60	-1.75	-0.86	0.11
DPS	0.00	0.00	0.00	0.00	0.00	0.00
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Gross profit margin	78.0%	70.4%	57.9%	60.0%	80.0%	90.0%
EBITDA margin	-213.0%	-288.8%	-567.3%	-503.7%	-100.0%	17.0%
EBIT margin	-284.6%	-347.5%	-594.4%	-538.4%	-99.3%	13.0%
ROCE	-183.8%	-143.7%	-459.0%	-2,437.1%	-186.3%	21.3%
EV/EBITDA	-23.6x	-15.3x	-4.9x	-5.7x	-10.4x	31.4x
EV/EBIT	-17.7x	-12.7x	-4.7x	-5.4x	-10.5x	41.1x
PER	-6.3x	-6.4x	-4.2x	-3.9x	-7.9x	60.2x
FCF yield	-3.8%	-16.7%	-14.3%	-28.0%	-9.5%	3.4%

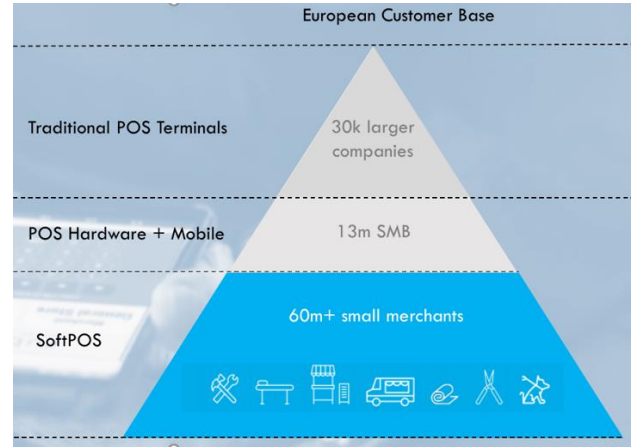
Source: Company data, AlsterResearch; historic numbers are pro-forma consolidated

Investment case in six charts

Business model PhonePOS



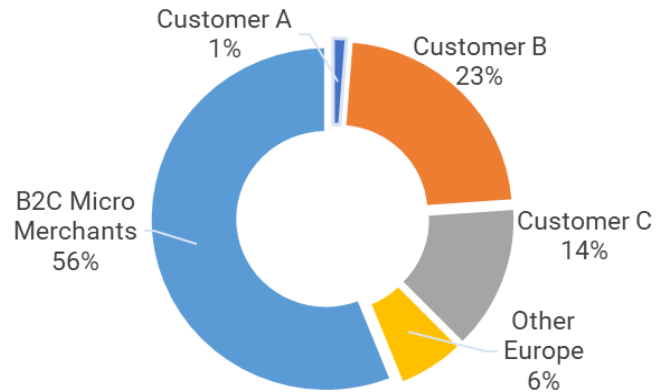
Market potential



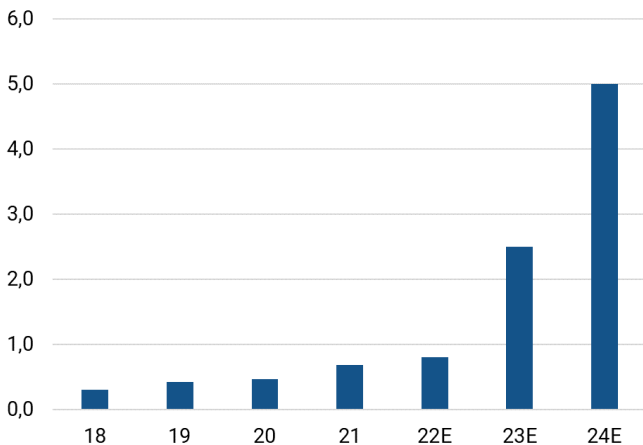
Customers



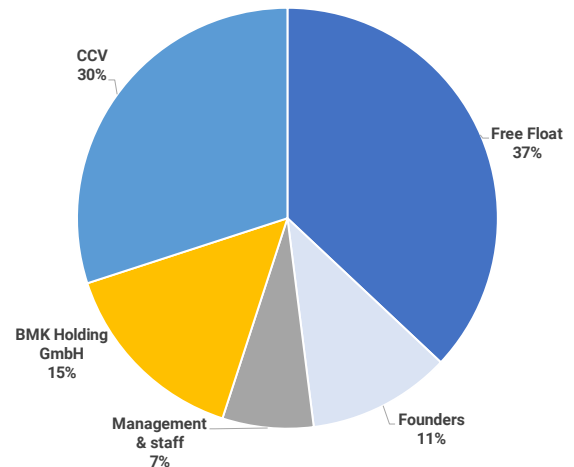
2024E sales by white label channel in %



Sales development in EURm



Major shareholder (after capital measures)

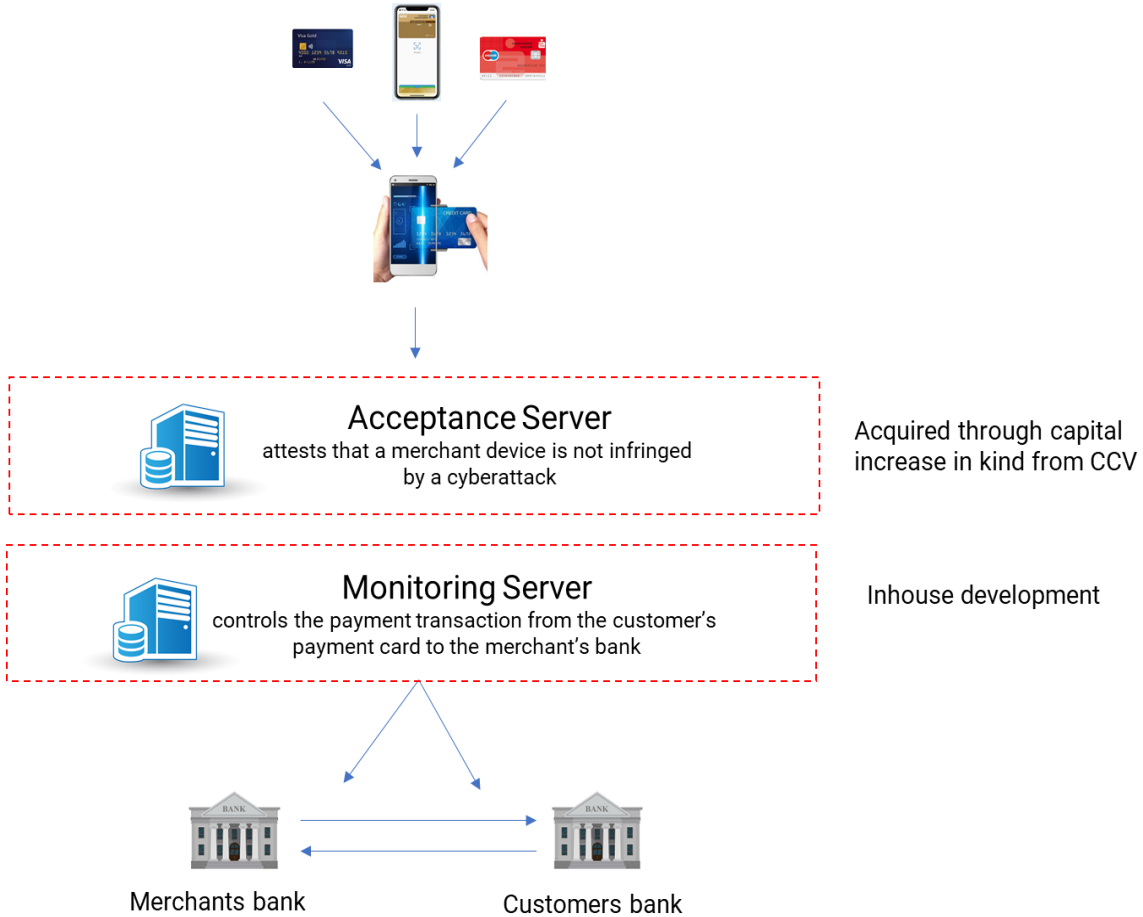


Source. Company data; AlsterResearch

Acquisition of intellectual property

The chart below displays the IP Ruben has acquired from CCV and integrated into the group.

Acceptance vs. Monitoring Server



Source: AlsterResearch

SWOT Analysis

Strength

- 20 years of track record of working at the neuralgic interfaces of large banks, enabling them to connect with all kinds of legacy banking peripherals
- Software know-how which conforms to the most demanding quality and safety standards
- Very close partnership with EU market leader CCV
- Significant research and development initiatives of EUR 14m occurred during the last 5 years
- Powerful white label clients with the German Savings Bank organization "Sparkassen", Global Payments and BBVA
- Accredited with PCI SSC, the global head organization that develops standards and defines common security levels
- Accredited with Deutsche Kreditwirtschaft the head organization of the issuing institutes in Germany...
- ... as well as with the two major credit card institutes – Visa and Mastercard
- Talented and well incentivized management and employees

Weaknesses

- Relatively "small fish in a large pond"
- Lack of a real international footprint
- Dependency on a few large white label banking partner
- Still loss making

Opportunities

- Increasing the share-of-wallet with own B2C Micro Merchant solution
- International expansion
- Potential takeover candidate
- Covid-19 induced structural change in payment behaviour of clients – card payments increasingly substitute cash payments – even for smaller amounts, could drive additional growth
- Potential future growth financing via capital markets– no banks needed

Threats

- Currently, Rubean's App only runs on Android systems. Apple could remain a closed shop
- Execution risks of building up the necessary organizational structure

Valuation

DCF Model

The DCF model results in a **fair value of EUR 12.51 per share**:

Top-line growth: We expect Rubean AG to continue benefitting from structural growth. Hence our growth estimates for 2022P-2029E is in the range of 49.1% p.a. The long-term growth rate is set at 2.0%.

EBITDA margins. The scalable business model should allow for EBITDA margins of 43% by 2024E, which look defendable given high competitive quality based on scale geography and expertise. Accordingly, we model approx. 40% EBIT margins in the long-term.

WACC. We model a weighted average cost of capital of 10.4-10.6% to reflect the early stage business model, consisting of a 6.0% risk premium, beta of 1.4x and 2.0% risk free rate.

DCF (EURm) (except per share data and beta)	2022P	2023E	2024E	2025E	2026E	2027E	2028E	2029E	Terminal value
NOPAT	-4.6	-2.3	0.6	1.9	2.8	3.4	3.7	3.9	
Depreciation & amortization	0.3	-0.0	0.2	0.4	0.5	0.6	0.7	0.7	
Change in working capital	-0.4	0.1	-0.5	-0.6	-0.4	0.2	-0.7	-0.1	
Chg. in long-term provisions	0.1	0.6	0.9	0.9	0.9	0.7	0.4	0.2	
Capex	-0.5	-0.6	-0.8	-1.0	-1.1	-1.0	-0.9	-1.0	
Cash flow	-5.1	-2.3	0.4	1.5	2.6	3.9	3.2	3.8	52.6
Present value	-5.3	-2.1	0.3	1.2	1.9	2.6	1.9	2.1	28.9
WACC	9.9%	10.0%	9.8%	9.8%	9.2%	9.2%	9.2%	9.2%	9.4%

DCF per share derived from		DCF avg. growth and earnings assumptions	
Total present value	31.5	Planning horizon avg. revenue growth (2022P-2029E)	49.1%
Mid-year adj. total present value	33.0	Terminal value growth (2029E - infinity)	2.0%
Net debt / cash at start of year	-1.2	Terminal year ROCE	41.6%
Financial assets	1.6	Terminal year WACC	9.4%
Provisions and off b/s debt	0.2		
Equity value	34.0		
No. of shares outstanding	2.7		
Discounted cash flow / share upside/(downside)	12.51 85.3%		
		Terminal WACC derived from	
		Cost of borrowing (before taxes)	6.0%
		Long-term tax rate	25.0%
		Equity beta	1.20
		Unlevered beta (industry or company)	1.20
		Target debt / equity	0.5
		Relevered beta	1.65
		Risk-free rate	2.0%
		Equity risk premium	6.0%
		Cost of equity	11.9%
Share price	6.75		

Sensitivity analysis DCF							Share of present value		
Change in WACC (%points)		Long term growth					2022P-2025E	2026E-2029E	terminal value
		1.0%	1.5%	2.0%	2.5%	3.0%			
2.0%		8.1	8.5	8.9	9.4	9.9			-18.8%
1.0%		9.4	9.9	10.5	11.1	11.8			27.1%
0.0%		11.1	11.8	12.5	13.4	14.4			91.6%
-1.0%		13.2	14.1	15.2	16.4	17.8			
-2.0%		16.0	17.3	18.8	20.6	22.8			

Adj. FCF yield

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 -25.66 per share based on 2022P and EUR 11.87 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	2022P	2023E	2024E	2025E	2026E
EBITDA	-4.3	-2.5	0.8	2.6	4.4
- Maintenance capex	0.3	-0.0	0.2	0.4	0.5
- Minorities	0.0	0.0	0.0	0.0	0.0
- tax expenses	0.0	-0.2	0.1	0.3	1.1
= Adjusted Free Cash Flow	-4.6	-2.3	0.6	1.9	2.8
Actual Market Cap	18.3	20.2	20.2	20.2	20.2
+ Net debt (cash)	4.1	4.9	4.8	3.4	0.9
+ Pension provisions	0.3	0.9	1.7	2.6	3.5
+ 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>	4.4	5.8	6.5	6.0	4.5
= Actual EV'	22.7	26.0	26.7	26.2	24.6
Adjusted RW_FCF yield	-20.2%	-8.9%	2.2%	7.4%	11.4%
base hurdle rate	7.0%	7.0%	7.0%	7.0%	7.0%
ESG adjustment	0.0%	0.0%	0.0%	0.0%	0.0%
adjusted hurdle rate	7.0%	7.0%	7.0%	7.0%	7.0%
Fair EV	-65.4	-33.1	8.4	27.8	39.9
- <i>EV Reconciliations</i>	4.4	5.8	6.5	6.0	4.5
Fair Market Cap	-69.7	-38.9	1.9	21.8	35.5
No. of shares (million)	2.7	3.0	3.0	3.0	3.0
Fair value per share in EUR	-25.66	-13.03	0.64	7.29	11.87
Premium (-) / discount (+)	-480.2%	-293.0%	-90.5%	8.0%	75.9%

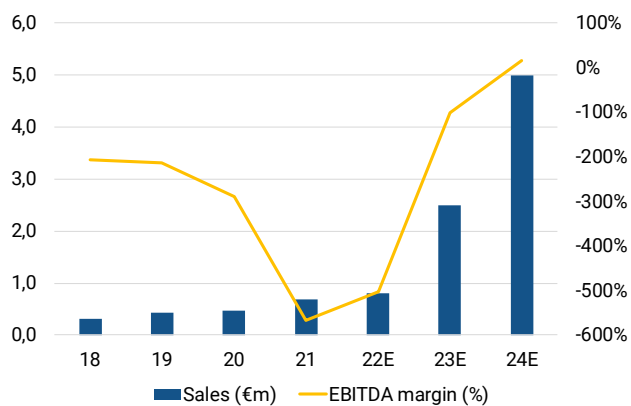
Sensitivity analysis FV						
	5.0%	-35.3	-17.5	1.8	11.0	17.2
	6.0%	-29.7	-14.9	1.1	8.8	14.1
Adjusted hurdle rate	7.0%	-25.7	-13.0	0.6	7.3	11.9
	8.0%	-22.7	-11.6	0.3	6.1	10.2
	9.0%	-20.3	-10.6	0.0	5.2	8.9

Source: Company data; AlsterResearch

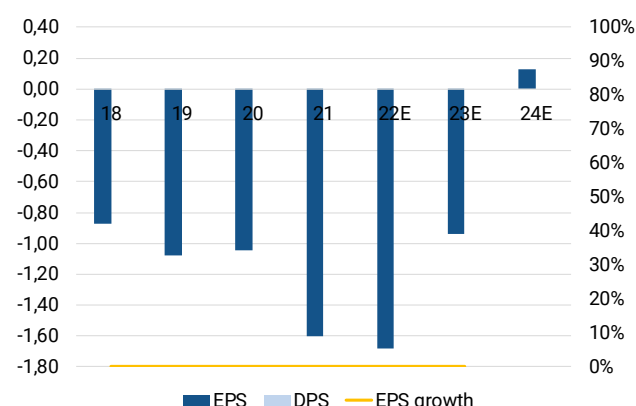
Simply put, the model assumes that investors require companies to generate a minimum return on the investor's purchase price. The required after-tax return equals the model's hurdle rate of 6%. Anything less suggests the stock is expensive; anything more suggests the stock is cheap. **ESG adjustments 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

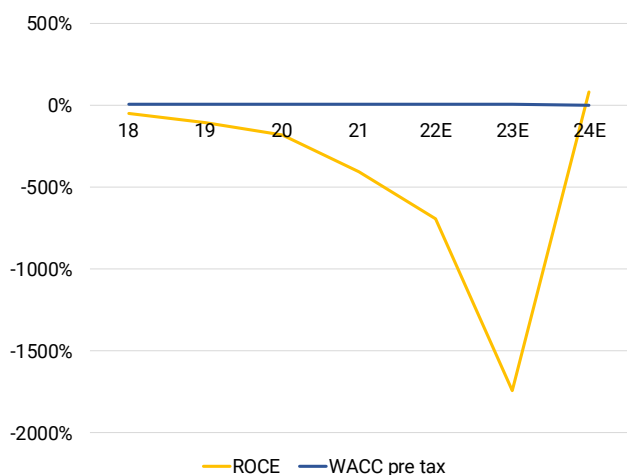
Sales vs. EBITDA margin development



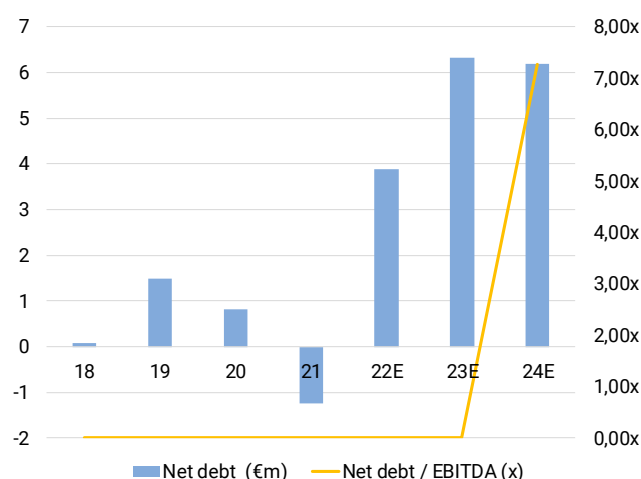
EPS, DPS in EUR & yoy EPS growth



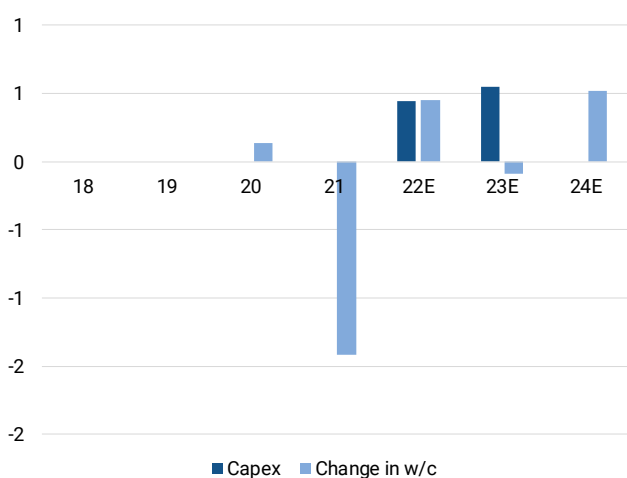
ROCE vs. WACC (pre tax)



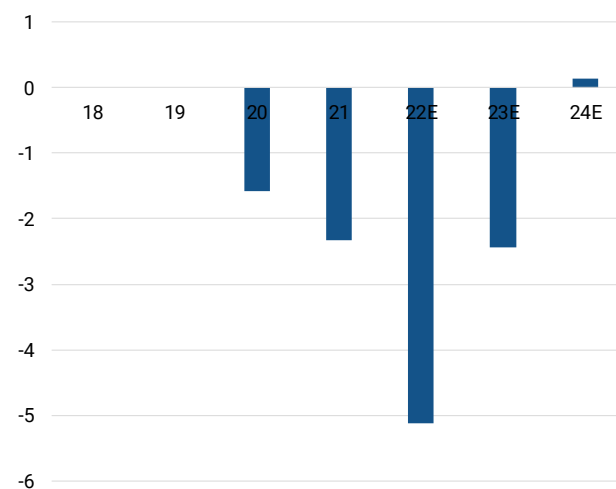
Net debt and net debt/EBITDA



Capex & chgn in w/c requirements in EURm



Free Cash Flow in EURm



Source: Company data; AlsterResearch

Financials

Profit and loss (EURm)	2019	2020	2021	2022P	2023E	2024E
Net sales	0.4	0.5	0.7	0.8	2.5	5.0
Sales growth	40.1%	10.0%	45.6%	23.3%	194.1%	100.0%
Change in finished goods and work-in-process	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	0.4	0.5	0.7	0.8	2.5	5.0
Material expenses	0.1	0.1	0.3	0.3	0.5	0.5
Gross profit	0.3	0.3	0.4	0.5	2.0	4.5
Other operating income	0.0	0.0	0.1	0.1	0.3	0.5
Personnel expenses	0.9	1.3	2.6	3.2	3.1	3.3
Other operating expenses	0.3	0.4	1.8	1.7	1.6	0.9
EBITDA	-0.9	-1.4	-3.9	-4.3	-2.5	0.8
Depreciation	0.3	0.3	0.2	0.3	-0.0	0.0
EBITA	-1.2	-1.6	-4.1	-4.6	-2.5	0.8
Amortisation of goodwill and intangible assets	0.0	0.0	0.0	0.0	0.0	0.2
EBIT	-1.2	-1.6	-4.1	-4.6	-2.5	0.6
Financial result	-0.1	-0.1	-0.1	-0.2	-0.2	-0.3
Recurring pretax income from continuing operations	-1.3	-1.7	-4.2	-4.8	-2.7	0.4
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	-1.3	-1.7	-4.2	-4.8	-2.7	0.4
Taxes	0.0	0.0	0.0	0.0	-0.2	0.1
Net income from continuing operations	-1.3	-1.7	-4.2	-4.8	-2.6	0.3
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	-1.3	-1.7	-4.2	-4.8	-2.6	0.3
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	-1.3	-1.7	-4.2	-4.8	-2.6	0.3
Average number of shares	1.20	1.65	2.60	2.72	2.99	2.99
EPS reported	-1.08	-1.05	-1.60	-1.75	-0.86	0.11

Profit and loss (common size)	2019	2020	2021	2022P	2023E	2024E
Net sales	100%	100%	100%	100%	100%	100%
Change in finished goods and work-in-process	0%	0%	0%	0%	0%	0%
Total sales	100%	100%	100%	100%	100%	100%
Material expenses	22%	30%	42%	40%	20%	10%
Gross profit	78%	70%	58%	60%	80%	90%
Other operating income	0%	4%	16%	16%	10%	10%
Personnel expenses	210%	279%	381%	380%	125%	65%
Other operating expenses	81%	84%	260%	200%	65%	18%
EBITDA	-213%	-289%	-567%	-504%	-100%	17%
Depreciation	72%	59%	27%	35%	-1%	0%
EBITA	-285%	-348%	-594%	-538%	-99%	17%
Amortisation of goodwill and intangible assets	0%	0%	0%	0%	0%	4%
EBIT	-285%	-348%	-594%	-538%	-99%	13%
Financial result	-16%	-18%	-10%	-22%	-9%	-5%
Recurring pretax income from continuing operations	-301%	-365%	-604%	-560%	-109%	8%
Extraordinary income/loss	0%	0%	0%	0%	0%	0%
Earnings before taxes	-301%	-365%	-604%	-560%	-109%	8%
Taxes	0%	0%	0%	0%	-7%	1%
Net income from continuing operations	-301%	-365%	-604%	-560%	-102%	7%
Result from discontinued operations (net of tax)	0%	0%	0%	0%	0%	0%
Net income	-301%	-365%	-604%	-560%	-102%	7%
Minority interest	0%	0%	0%	0%	0%	0%
Net profit (reported)	-301%	-365%	-604%	-560%	-102%	7%

Source: Company data; AlsterResearch

Balance sheet (EURm)	2019	2020	2021	2022P	2023E	2024E
Intangible assets (excl. Goodwill)	0.3	0.0	0.5	0.9	1.2	1.5
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	0.0	0.0	0.1	-0.1	0.1	0.3
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0
FIXED ASSETS	0.3	0.1	0.6	0.7	1.3	1.9
Inventories	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	0.0	0.1	0.1	0.2	0.5	1.0
Other current assets	0.4	0.6	0.2	0.2	0.2	0.2
Liquid assets	0.0	0.6	1.2	-0.1	0.6	1.2
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	0.4	1.2	1.6	0.3	1.3	2.4
TOTAL ASSETS	0.7	1.3	2.1	1.0	2.6	4.3
SHAREHOLDERS EQUITY	-0.8	-0.2	0.7	-4.1	-5.0	-4.7
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	1.5	1.4	0.0	4.0	5.5	6.0
Provisions for pensions and similar obligations	0.0	0.0	0.2	0.3	0.9	1.7
Other provisions	0.0	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	1.5	1.4	0.2	4.3	6.4	7.7
short-term liabilities to banks	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	0.1	0.1	0.1	0.0	0.0	0.0
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)	0.0	0.0	1.2	0.8	1.3	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	0.1	0.1	1.2	0.8	1.3	1.3
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	0.7	1.3	2.1	1.0	2.6	4.3

Balance sheet (common size)	2019	2020	2021	2022P	2023E	2024E
Intangible assets (excl. Goodwill)	42%	4%	24%	83%	48%	36%
Goodwill	0%	0%	0%	0%	0%	0%
Property, plant and equipment	1%	3%	3%	-11%	3%	7%
Financial assets	0%	0%	0%	0%	0%	0%
FIXED ASSETS	43%	6%	27%	72%	51%	43%
Inventories	0%	0%	0%	0%	0%	0%
Accounts receivable	2%	5%	7%	17%	20%	24%
Other current assets	55%	44%	8%	16%	7%	4%
Liquid assets	0%	45%	58%	-5%	23%	29%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred charges and prepaid expenses	0%	0%	0%	0%	0%	0%
CURRENT ASSETS	57%	94%	73%	28%	49%	57%
TOTAL ASSETS	100%	100%	100%	100%	100%	100%
SHAREHOLDERS EQUITY	-114%	-19%	30%	-396%	-194%	-109%
MINORITY INTEREST	0%	0%	0%	0%	0%	0%
Long-term debt	206%	108%	0%	385%	212%	140%
Provisions for pensions and similar obligations	0%	0%	11%	29%	34%	41%
Other provisions	0%	0%	0%	0%	0%	0%
Non-current liabilities	206%	108%	11%	414%	246%	180%
short-term liabilities to banks	0%	0%	0%	0%	0%	0%
Accounts payable	8%	10%	3%	0%	0%	0%
Advance payments received on orders	0%	0%	0%	0%	0%	0%
Other liabilities (incl. from lease and rental contracts)	0%	0%	55%	82%	48%	29%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred income	0%	0%	0%	0%	0%	0%
Current liabilities	8%	10%	58%	82%	48%	29%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100%	100%	100%	100%	100%	100%

Source: Company data; AlsterResearch

Cash flow statement (EURm)	2019	2020	2021	2022P	2023E	2024E
Net profit/loss	0.0	-1.7	-4.2	-4.8	-2.6	0.3
Depreciation of fixed assets (incl. leases)	0.0	0.3	0.2	0.3	-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	0.0	0.0	0.2
Others	0.0	0.0	0.2	0.1	0.6	0.9
Cash flow from operations before changes in w/c	0.0	-1.5	-3.7	-4.4	-2.0	1.4
Increase/decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in accounts receivable	0.0	-0.0	-0.1	-0.0	-0.3	-0.5
Increase/decrease in accounts payable	0.0	0.1	-0.1	-0.1	0.0	0.0
Increase/decrease in other w/c positions	0.0	-0.2	1.6	-0.3	0.4	0.0
Increase/decrease in working capital	0.0	-0.1	1.4	-0.4	0.1	-0.5
Cash flow from operating activities	0.0	-1.6	-2.3	-4.8	-1.9	0.9
CAPEX	0.0	0.0	0.0	-0.5	-0.6	-0.8
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	0.0	0.0	0.0	-0.5	-0.6	-0.8
Cash flow before financing	0.0	-1.6	-2.3	-5.3	-2.5	0.1
Increase/decrease in debt position	0.0	-0.1	-1.4	4.0	1.5	0.5
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	2.3	0.0	1.6	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	4.3	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	0.0	-0.1	5.3	4.0	3.1	0.5
Increase/decrease in liquid assets	0.0	-1.7	2.9	-1.3	0.6	0.6
Liquid assets at end of period	0.0	-1.7	1.3	-0.0	0.6	1.2

Source: Company data; AlsterResearch

Regional sales split (EURm)	2019	2020	2021	2022P	2023E	2024E
Domestic	0.4	0.5	0.7	0.5	1.2	1.8
Europe (ex domestic)	0.0	0.0	0.0	0.4	1.3	3.3
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	0.4	0.5	0.7	0.8	2.5	5.0

Regional sales split (common size)	2019	2020	2021	2022P	2023E	2024E
Domestic	100.0%	100.0%	100.0%	52.9%	48.0%	35.0%
Europe (ex domestic)	0.0%	0.0%	0.0%	47.1%	52.0%	65.0%
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	2022P	2023E	2024E
Per share data						
Earnings per share reported	-1.08	-1.05	-1.60	-1.75	-0.86	0.11
Cash flow per share	-0.26	-1.13	-0.97	-1.89	-0.64	0.23
Book value per share	-0.69	-0.15	0.25	-1.51	-1.69	-1.57
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
Valuation						
P/E	-6.3x	-6.4x	-4.2x	-3.9x	-7.9x	60.2x
P/CF	-26.4x	-6.0x	-7.0x	-3.6x	-10.5x	29.3x
P/BV	-9.8x	-46.2x	26.9x	-4.5x	-4.0x	-4.3x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	-3.8%	-16.7%	-14.3%	-28.0%	-9.5%	3.4%
EV/Sales	50.3x	44.3x	27.8x	28.8x	10.4x	5.3x
EV/EBITDA	-23.6x	-15.3x	-4.9x	-5.7x	-10.4x	31.4x
EV/EBIT	-17.7x	-12.7x	-4.7x	-5.4x	-10.5x	41.1x
Income statement (EURm)						
Sales	0.4	0.5	0.7	0.8	2.5	5.0
yoy chg in %	40.1%	10.0%	45.6%	23.3%	194.1%	100.0%
Gross profit	0.3	0.3	0.4	0.5	2.0	4.5
Gross margin in %	78.0%	70.4%	57.9%	60.0%	80.0%	90.0%
EBITDA	-0.9	-1.4	-3.9	-4.3	-2.5	0.8
EBITDA margin in %	-213.0%	-288.8%	-567.3%	-503.7%	-100.0%	17.0%
EBIT	-1.2	-1.6	-4.1	-4.6	-2.5	0.6
EBIT margin in %	-284.6%	-347.5%	-594.4%	-538.4%	-99.3%	13.0%
Net profit	-1.3	-1.7	-4.2	-4.8	-2.6	0.3
Cash flow statement (EURm)						
CF from operations	0.0	-1.6	-2.3	-4.8	-1.9	0.9
Capex	0.0	0.0	0.0	-0.5	-0.6	-0.8
Maintenance Capex	0.3	0.3	0.2	0.3	-0.0	0.2
Free cash flow	0.0	-1.6	-2.3	-5.3	-2.5	0.1
Balance sheet (EURm)						
Intangible assets	0.3	0.0	0.5	0.9	1.2	1.5
Tangible assets	0.0	0.0	0.1	-0.1	0.1	0.3
Shareholders' equity	-0.8	-0.2	0.7	-4.1	-5.0	-4.7
Pension provisions	0.0	0.0	0.2	0.3	0.9	1.7
Liabilities and provisions	1.5	1.4	0.2	4.3	6.4	7.7
Net financial debt	1.5	0.8	-1.2	4.1	4.9	4.8
w/c requirements	-0.0	-0.1	0.1	0.2	0.5	1.0
Ratios						
ROE	157.1%	717.3%	-638.8%	115.9%	50.7%	-7.1%
ROCE	-183.8%	-143.7%	-459.0%	-2,437.1%	-186.3%	21.3%
Net gearing	-180.7%	-335.9%	-191.2%	-98.6%	-97.4%	-101.4%
Net debt / EBITDA	-1.6x	-0.6x	0.3x	-0.9x	-2.0x	5.6x

Source: Company data; AlsterResearch

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