

Research update: Q4 2024

CDON AB

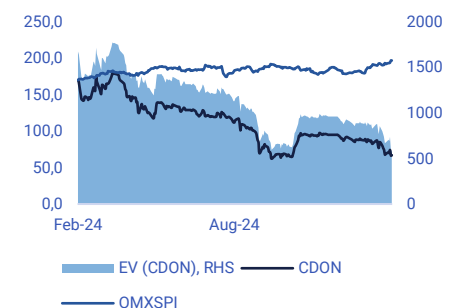
CDON AB (CDON, the company or the group) operates an online marketplace in Sweden and other Nordic regions. The company's marketplace allows customers to select and compare prices of products from a range of Nordic and international merchants.

CEO: Fredrik Norberg
CoB: Christoffer Norman
<https://investors.cdon.com/>

List: Nasdaq First North Stockholm
Last: SEK 67
Market cap: SEK 720m
Enterprise value: SEK 523m

Bloomberg: CDON:SS
Refinitiv Eikon: CDON.ST

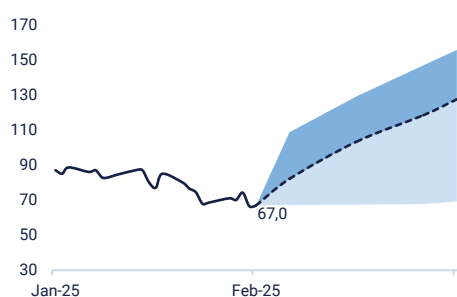
SHARE PRICE DEVELOPMENT



	12M	YTD	6M	1M
Development (%)	-60	-24	-42	-21

Source: S&P Capital IQ

VALUATION INTERVAL



	BEAR	BASE	BULL
Fair value (SEK)	69	127	156
Up-/downside (%)	3	90	132

Source: S&P Capital IQ and Carlsquare estimates

CARLSQUARE EQUITY RESEARCH

Niklas Elmhammer
Senior Equity Analyst
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Head of Equity Research

A mixed bag and room for improvement

The top line in Q4 2024 was slightly above our reduced estimates. However, the path to profitable growth appears more challenging and costly than we had previously assumed. As a result, we reduce our margin expectations but still forecast significant operational improvement for 2025 based on internal efforts and soft comparables. Our fair value per share is reduced to SEK 126 (138).

GMV and net sales declined less than feared

In Q4 2024, CDON AB reported a Gross Merchandise Value (GMV) of SEK 558m, corresponding to an 11% decline year-on-year. Our updated forecast for the quarter was SEK 548m. The decline was due to fewer site visits (-7%) and a lower average shopping basket mitigated by a somewhat better conversion rate. Net sales also declined for the group, driven by the CDON segment (-21%), while the outcome in the Fyndiq segment was higher than our estimates at +5%. The better top line than expected comes at the expense of higher marketing costs than anticipated, i.e. relatively more paid traffic. Hence, gross margins after marketing are below last year's levels.

CDON does not guide when overall growth will return. Management states that supply has improved, but that they have not yet seen any significant impact on sales. We are optimistic that growth could start to return this quarter, partly due to soft comparisons and a solid development of the take rate.

Room for improved productivity in 2025

EBITDA declined to SEK 10.5m (17) and was weaker than expected. This is mainly due to higher marketing costs and OPEX than our forecast. In hindsight, we were too optimistic regarding cost efficiency in the short term. CDON states that underlying costs are trending towards the goal of a SEK 40m lower run rate compared to the level at the time of the merger. While cost control is important, the operating leverage must primarily come from growth. CDON acknowledges that the rebuilding of the organisation in 2024 has hampered output. Hence, there is room for improved productivity in 2025.

The case largely stands despite a more drawn-out margin trajectory

We are still optimistic regarding a return to profitable growth. However, we now believe it will be more expensive than previously assumed, resulting in a more flattish development of the GPAM (Gross Profit after Marketing) margin. Consequently, we also see a more drawn-out narrowing of the EBITDA margin gap to international market peers. We lower our medium-term (25E-27E) EBITDA forecasts by some 24% on average. The base case valuation is reduced to SEK 126 (138) per share. It corresponds to an EV/Sales 26E multiple of 2.3x, in line with peers.

Key figures (SEKm)

	2022	2023	2024	2025E	2026E	2027E
Net sales	459	469	435	458	522	580
Total operating income	461	469	435	458	522	580
Gross profit on net sales	227	324	333	379	447	499
EBITDA	-115	23	4	54	77	98
EBIT	-152	-58	-111	-47	-6	19
EBT	-152	-69	-112	-45	-4	22
Basic EPS	-23.3	-7.0	-10.4	-4.2	-0.4	2.0
Growth, net sales	-15.3%	2.0%	-7.1%	5.2%	14.0%	11.2%
Gross margin	49.4%	69.0%	76.6%	82.7%	85.7%	86.0%
EBITDA margin	-25.0%	4.9%	1.0%	11.8%	14.8%	16.9%
EBIT margin	-33.1%	-12.4%	-25.6%	-10.2%	-1.2%	3.2%
EV/Sales	2.4x	3.0x	2.0x	1.1x	1.0x	0.9x
EV/EBITDA	NM	61.7x	201.3x	9.7x	6.8x	5.3x
EV/EBIT	NM	NM	NM	NM	NM	27.8x
P/E	NM	NM	NM	NM	NM	32.9x

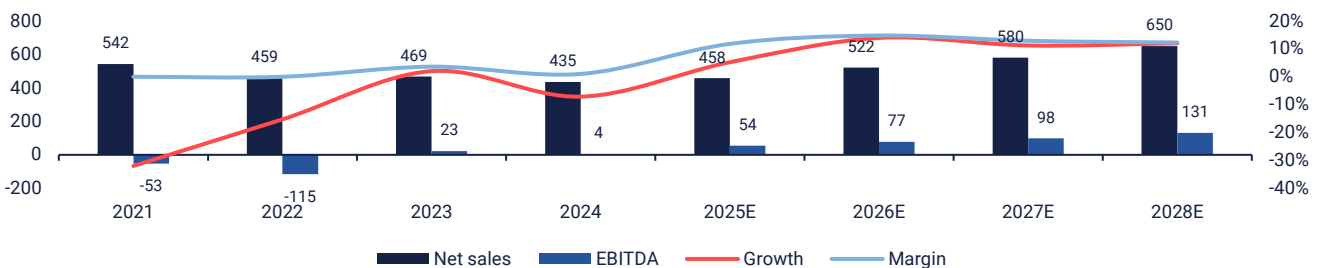
Source: Company information and Carlsquare estimates

Investment case, estimates and valuation

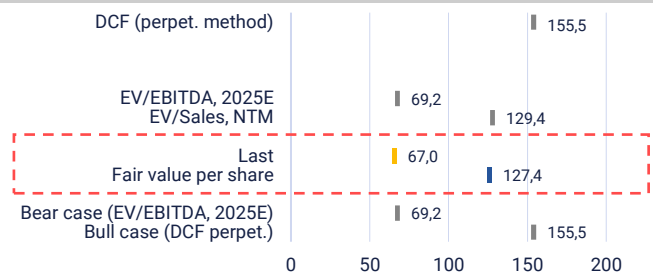
A new platform for marketplace excellence

- A new chapter has started for a leading Nordic marketplace.** In 2023, CDON merged with Fyndiq to consolidate its position as the leading Nordic marketplace. That was a timely move, as size and network effects are critical for profitability. This is demonstrated by the high margins of larger international peers and CDON turning EBITDA positive last year following the merger. CDON has also strengthened its position in the bargain segment, which is growing more rapidly than the general market. The CDON board and management have a long experience in building successful Internet businesses, and there is significant insider ownership.
- A play on Nordic e-commerce converging towards global trends.** As a (soon-to-be) pure-play marketplace provider, CDON is a rare animal among listed Nordic internet companies. Compared to most Nordic online retailers, CDON has a larger TAM because it offers a broader range of product categories, and there are no apparent constraints on capacity. We expect robust scalability and operating leverage if and when growth picks up.
- Growth headwinds should fade.** Major changes to online search and advertising algorithms and competition from Chinese platforms create choppy waters for many Nordic marketplaces and e-tailers. Organic GMV for the group has decreased (year-on-year) for the last five quarters. On the bright side, consumer spending is recovering from the doldrums of 2022-2023. Also, we estimate that marketplace penetration in the Nordic is still low compared to the rest of the world, and there is plenty of room for growth.
- Actions to unlock the profitability potential of the marketplace model.** We estimate that total traffic to CDON group sites is close to the bottom. Management is taking several steps to improve customer experience. In parallel, the migration to a shared back-end platform for CDON and Fyndiq was recently completed. We believe this should help CDON achieve profitable growth (GMV) in 2025. Assuming a return to double-digit growth, we expect CDON to make headway in narrowing the margin gap to its larger international peers (EBITDA-margin 20 per cent+) in the coming years.

Revenue and EBITDA (SEKm), base case scenario



- A fair value of SEK 127 per share** is calculated in a base case scenario within the interval of 69-156. A fair value per share of SEK 127 corresponds to a potential upside of 91%.
- Fair value corresponds to an EV/Sales NTM at 2.7x.
- Fair value corresponds to an EV/EBITDA NTM at 22.6x.
- Peers are trading at a median EV/Sales NTM at 2.7x.
- Peers are trading at a median EV/EBIT NTM at 11.3x.



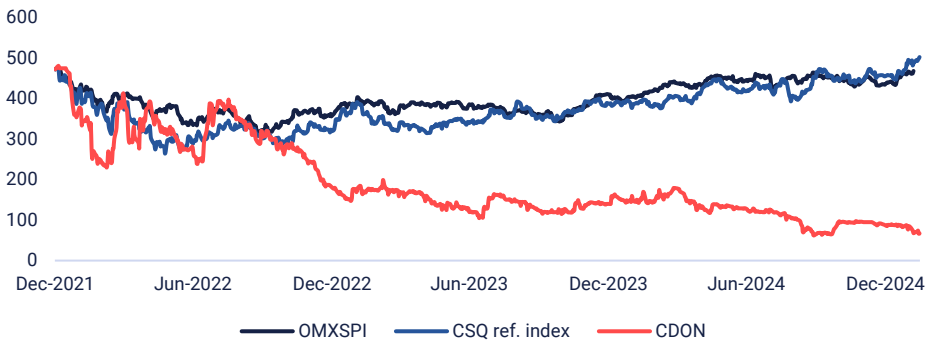
- CDON is small from an international perspective and may struggle to achieve targeted economies of scale
- The competitive pressure is intense from e.g., international marketplace platforms and discounters
- Potential changes in regulations of international trade, online search and marketing can make conditions better or worse.
- The previously largest owner suddenly exited its position in Q3 2024, and we do not know the reason behind the sale.

Share and valuation trends

The shares of CDON peers have performed decently in the last quarter following a slump in Q3. Zalando has guided higher during the period, propelling the stock upwards. RealReal is the best-performing stock despite volatile times for luxury retailers.

Chinese e-commerce retailers and marketplaces have had a bumpy ride in the last six months as hopes of fiscal stimulus in China have been obscured by the tough trade rhetoric from Trump's quarters. For now, it appears the abolishment of the so-called de minimis exemptions from taxes and import duties for Chinese goods for shipments under USD 800 is off the table. The Ali Baba share has rallied recently on rumours of AI collaborations.

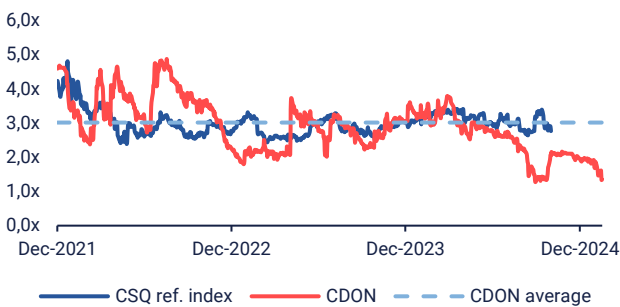
Share price development



Source: S&P Capital IQ and Carlsquare

Below is the valuation trend for revenue and profitability. Note that the valuation multiples are calculated on a rolling 12-month. As can be seen, CDON is valued at a discount to its peer groups.

EV/Sales LTM



LTM = last twelve months. Source: S&P Capital IQ and Carlsquare

EV/EBITDA LTM



LTM = last twelve months. Source: S&P Capital IQ and Carlsquare

Valuation, reference group

	HQ	Mcap		EV		Sales CAGR		μEBIT marg		EV/Sales		EV/EBITDA		EV/EBIT		P/E	
		(USDm)	(USDm)	2024-27	2024-26	NTM	2026E	NTM	2026E	NTM	2026E	NTM	2026E	NTM	2026E		
Amazon.com, Inc.	US	2 423 489	2 477 688	9,9%	11,6%	3,5x	3,2x	14,8x	12,7x	30,6x	25,2x	36,2x	30,2x				
Alibaba Group Holding Limited	CN	281 924	274 623	7,9%	14,7%	1,9x	1,7x	9,7x	8,4x	13,5x	10,7x	13,7x	11,1x				
PDD Holdings Inc.	IE	172 430	129 914	15,5%	29,2%	2,0x	1,6x	8,4x	5,5x	7,6x	5,3x	10,9x	8,0x				
MercadoLibre, Inc.	UY	106 971	106 638	21,2%	13,1%	4,5x	3,4x	30,7x	19,8x	38,6x	23,4x	59,6x	34,3x				
eBay Inc.	US	33 482	36 450	3,6%	28,2%	3,5x	3,3x	11,1x	10,4x	12,4x	11,7x	13,6x	12,3x				
Etsy, Inc.	US	6 435	7 778	4,5%	14,0%	2,7x	2,6x	9,9x	9,2x	19,9x	17,3x	11,9x	10,4x				
Allegro.eu S.A.	LU	8 251	9 010	13,1%	18,7%	3,1x	2,6x	11,3x	9,7x	16,2x	13,3x	25,3x	14,8x				
ZOZO, Inc.	JP	9 647	9 337	8,5%	31,3%	6,3x	5,9x	18,5x	17,1x	20,0x	18,4x	NA	NA				
Zalando SE	DE	10 600	9 817	7,8%	5,1%	0,8x	0,8x	10,4x	8,9x	17,1x	14,0x	34,5x	26,7x				
Mercari, Inc.	JP	2 581	2 549	8,0%	12,2%	1,9x	1,7x	14,7x	12,4x	15,5x	12,5x	NA	NaN				
The RealReal, Inc.	US	876	1 272	10,9%	-4,8%	2,0x	1,8x	53,1x	25,4x	NA	NA	NA	NA				
Median		10 600	9 817	8,5%	14,0%	2,7x	2,6x	11,3x	10,4x	16,7x	13,7x	19,5x	13,6x				
Average		277 880	278 643	10,1%	15,8%	2,9x	2,6x	17,5x	12,7x	19,1x	15,2x	25,7x	18,5x				
CDON (curr.)*	SE	67	54	10,1%	-2,7%	1,3x	1,1x	10,6x	7,4x	NM	NM	NM	NM				
CDON (CSQ)*	SE	122	115	10,1%	-2,7%	2,7x	2,3x	22,6x	15,8x	NM	NM	NM	NM				

*Based on Carlsquare estimates. Source: S&P Capital IQ and Carlsquare estimates

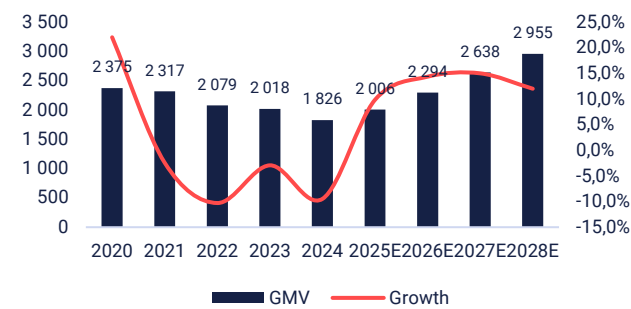
Estimates and revisions

Estimates and revisions (SEKm)

	New			Previous			Revision		
	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
Net sales	458	522	580	450	512	586	2%	2%	-1%
Total operating income	458	522	580	450	512	586	2%	2%	-1%
Gross profit on net sales	379	447	499	365	431	496	4%	4%	1%
EBITDA	54	77	98	71	93	136	-24%	-17%	-28%
EBIT	-47	-6	19	-31	-8	55	-52%	21%	66%
Basic EPS	-4.2	-0.4	2.0	-2.8	-0.6	2.4	-53%	29%	-17%

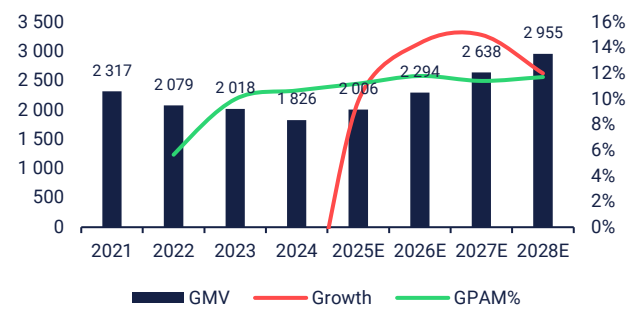
Estimates in SEKm. Source: Carlsquare estimates

GMV (SEKm) and growth (%)



Source: Company information and Carlsquare estimates

GMV (SEKm) and GPAM (%)



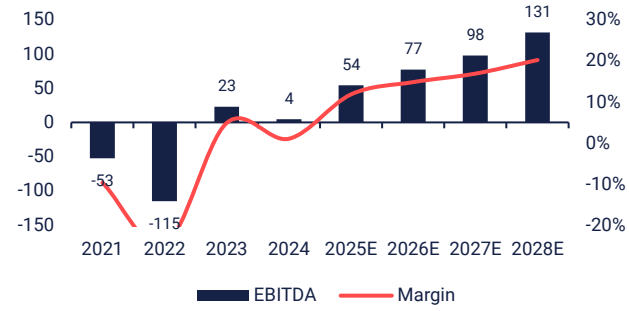
Source: Company information and Carlsquare estimates

Net sales (SEKm) & growth (%)



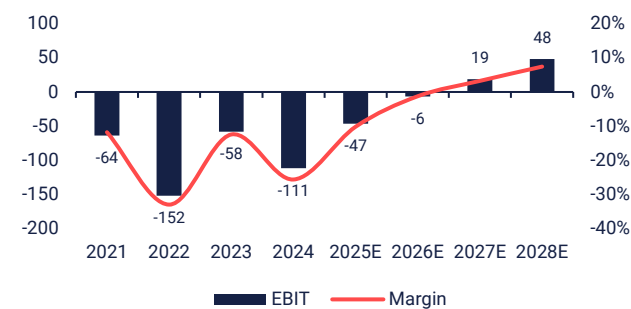
Source: Company information and Carlsquare estimates

EBITDA (SEKm) & margin (%)



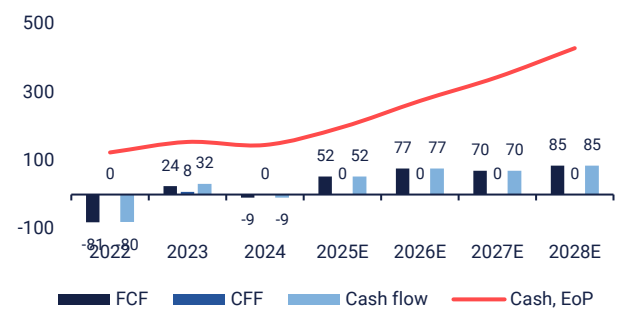
Source: Company information and Carlsquare estimates

EBIT (SEKm) & margin (%)



Source: Company information and Carlsquare estimates

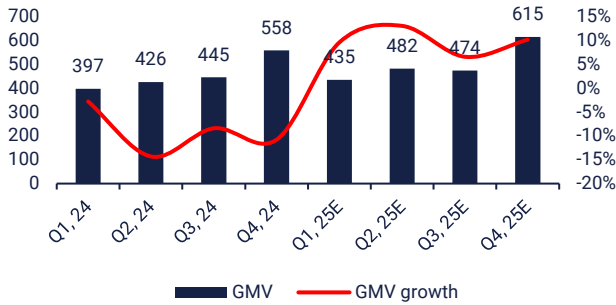
Cash flow (SEKm)



Source: Company information and Carlsquare estimates

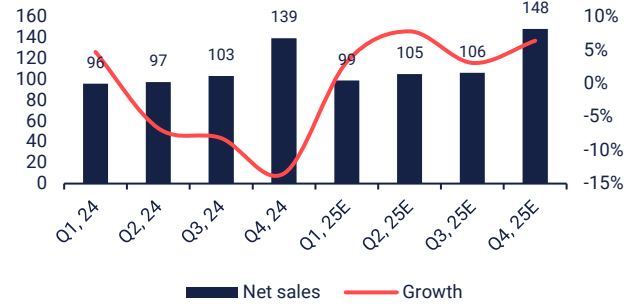
On a quarterly basis

GMV (SEKm) and growth (%)



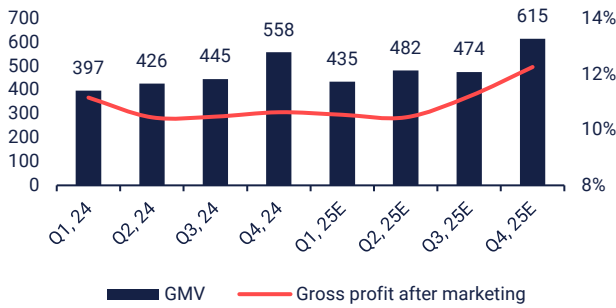
Source: Company information and Carlsquare estimates

Net sales (SEKm) and growth (%)



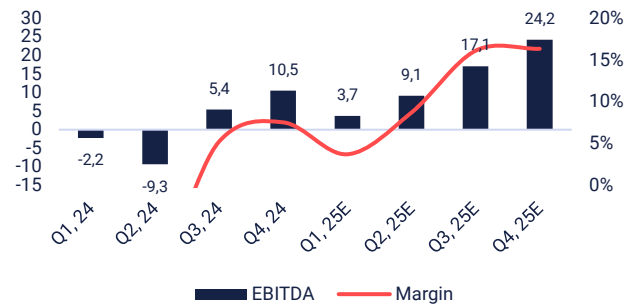
Source: company information and Carlsquare forecasts

GMV (SEKm) and GPAM (%)



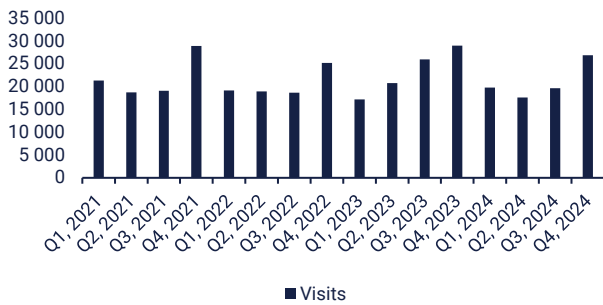
Source: Company information and Carlsquare estimates

EBITDA (SEKm) and margin (%)



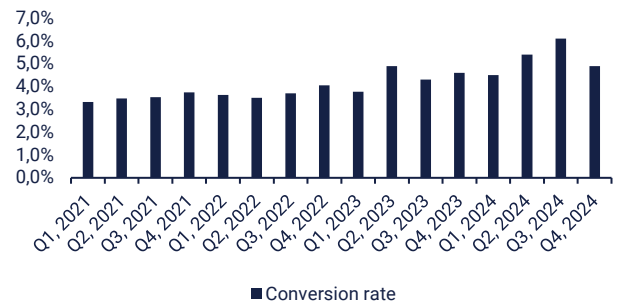
Source: Company information and Carlsquare estimates

Visits



Source: Company information and Carlsquare estimates

Conversion rate



Source: Company information and Carlsquare estimates

Fair value within a range

Long-term operating leverage motivates upside

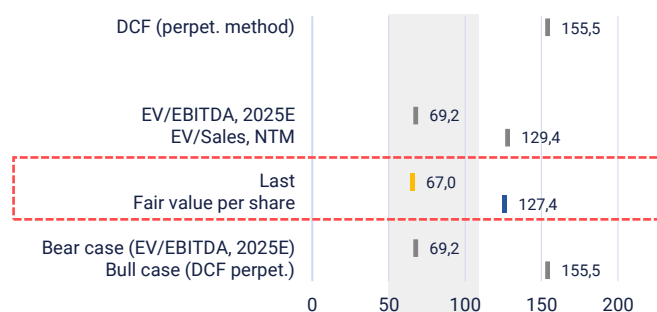
Combining a DCF valuation with a multiple valuation we adjust the fair value to some SEK 126 (138) per share in a base case scenario. We have adopted a new approach to multiple valuation, combining EV/Sales NTM and EV/EBITDA 2025E valuations. This to account for the lower profitability of CDON compared peers. Still, that corresponds to an upside potential of approximately 90%. The valuation is predicated on our scenario of return growth coupled with improved margins.

Fair value (SEK/share), base case

	weight		
Currency, SEK/SEK			1.0
EV/Sales, NTM	SEK	25%	129.4
EV/EBITDA, 2025E	SEK	25%	69.2
EV/EBIT, NTM	SEK	0%	NM
DCF valuation	SEK	50%	155.5
Fair value per share	SEK		127.4
Potential up-/downside			90%
Shares outstanding, fully financed,	M		10.8
Equity value	SEK	m	1 370
Cash (last rep. Q)	SEK	m	144.9
Debt (last rep. Q)	SEK	m	0
PV cash from equity financing	SEK	m	0.0
EV	SEK	m	1 225

Source: Carlsquare estimates

Fair value within a range (SEK/share)



Source: Carlsquare estimates

Implicit valuation multiples, base case

	2023	2024	Curr. NTM	NTM	2025E	2026E	2027E	2028E	2029E
EV/Sales	3.0x	2.0x	1.3x	2.7x	2.7x	2.3x	2.1x	1.9x	1.8x
EV/EBITDA	61.7x	201.3x	10.6x	22.6x	22.6x	15.8x	12.5x	9.3x	8.1x
EV/EBIT	-24.1x	-7.9x	-12.4x	-26.3x	NM	NM	65.1x	25.4x	19.3x
P/E	-20.0x	-8.5x	-16.0x	-30.3x	NM	NM	62.6x	26.2x	20.0x

Source: Carlsquare estimates

For our bear case valuation, we apply the peer group median EV/EBITDA 2025E multiple to our estimates. This renders a lower valuation since CDON's EBITDA margin is still below its larger peers. For the bull case, we use a DCF valuation to take the long-term potential into account.

DCF evaluation

DCF valuation, base case scenario

DCF valuation					
PV(UFCF)	SEKm	762	Disc. rate		
PV(TV)	SEKm	765	Risk free rate	2.3%	Tax adjust. r on debt 4.4%
Enterprise value	SEKm	1 527	Market risk premium	6.1%	Leverage 0.0%
Net debt (+)	SEKm	-145	Size premium	2.5%	WACC 10.8%
Value, associated comps.	SEKm	0.0	Beta	1.0x	Comp. spec. premium 0.0%
Value, minority interest	SEKm	0	Req. return on equity	10.8%	Discount rate 10.8%
Shareholder value	SEKm	1 672	Assumptions		
PV(equity financing proceeds)	SEKm	0.0	CAGR, 2023-33E	8.2%	
Shareholder value, after financing	SEKm	1672	EBITDA-margin, 2033E	23.4%	
Current shares outstanding	M	10.8	EBIT-margin, 2033E	19.4%	
New shares	M	0.0	Tax rate	20.6%	
Shares outstanding after financing and dilution	M	10.8	Implied multiples		
Value per share (before financing and dilution)	SEK	155.5	EV/Sales, NTM	3.3x	EV/EBITDA, NTM 28.2x
Value per share (after financing and dilution)	SEK	155.5	EV/Sales, 25E	2.9x	EV/EBITDA, 25E 19.8x
Currency	SEK/SEK	1.0	P/S, NTM	3.7x	EV/EBIT, NTM NM
Value per share (before financing and dilution)	SEK	155.5	P/S, 25E	3.2x	EV/EBIT, 25E NM
Value per share (after financing and dilution)	SEK	155.5	EV/Gross prof., NTM	4.0x	P/E, NTM -37.0x
Potential up-/downside		132%	EV/Gross prof., 25E	3.4x	P/E, 25E -384.5x

Source: Carlsquare estimates

Multiple valuation

Multiple evaluation median EV/Sales NTM, base case scenario

	Median Mcap (USDm)	Sales CAGR, 2024-27	μEBIT marg, 2024-26	EV/Sales, NTM
Ref. group, Median	10 600	9%	24%	2.7x
Ref. group, Average	277 880	10%	21%	2.9x
Discount				
Applied multiple				2.7x
Net sales, NTM	SEKm			457.9
Enterprise value	SEKm			1 246.2
Net cash(-), last Q	SEKm			-144.9
Value, associated comps.	SEKm			0.0
Value, minority interest	SEKm			0.0
PV(equity financing proceeds)	SEKm			0.0
Shareholder value, after financing	SEKm			1 391
Current shares outstanding	M			11
New shares	M			0.0
Shares outstanding after financing and dilution	M			11
Exchange rate	SEK/SEK			1.0
Fair value per share after financing and dilution	SEK			129.4

Source: S&P Capital IQ and Carlsquare estimates

Multiple valuation median EV/EBITDA 2025E, base case scenario

	Median Mcap (USDm)	Sales CAGR, Sales CAGR, 2024-27	μEBITDA marg, 2024-26	EV/EBITDA, 2025E
Ref. group, Median	10 600	9%	24%	11.1x
Ref. group, Average	277 880	10%	21%	16.1x
Discount				0.0%
Applied multiple				11.1x
Adj. EBIT, NTM	SEKm			54.1
Enterprise value	SEKm			599
Net debt (+)	SEKm			-144.9
Value, associated comps.	SEKm			0.0
Value, minority interest	SEKm			0.0
PV(equity financing proceeds)	SEKm			0.0
Shareholder value, after financing	SEKm			744
Current shares outstanding	M			10.8
New shares	M			0.0
Shares outstanding after financing and dilution	M			10.8
Exchange rate	SEK/SEK			1.0
Fair value per share after financing and dilution	SEK			69.2

Source: S&P Capital IQ and Carlsquare estimates

Risks and Challenges

Increasing competition

There is a risk of increased competition from multinational players such as Amazon and Temu. Also, leading Nordic online retailers have started to broaden to more categories (e.g., Clas Ohlson into spare parts, Boozt in Home and Beauty) or marketplace business (e.g., Elgiganten). If CDON cannot secure suppliers that can offer competitive prices in its top categories, it may lose market shares. Alternatively, it might have to lower commissions to attract top suppliers.

Historically, CDON's profitability has been low

CDON has historically struggled to show consistent and profitable organic growth. In fairness, this is partly a result of the lengthy, gradual transition from a traditional e-tailer to a marketplace. However, it is still uncertain whether CDON will reach sufficient scale to achieve profitability similar to that of its larger international peers.

Dependency on Nordics

CDON addresses the Nordic markets, and it will be challenging to grow significantly outside this region without acquisitions. To some extent, this limits growth opportunities. However, we believe the Nordics represent an attractive opportunity due to relatively low e-commerce penetration, high average order values, and, so far, lack of any dominating marketplaces.

Fragile consumers

The value of the Swedish e-commerce market has declined for two years in a row. However, there are signs that retail sales will improve in 2024, and vendors have gradually become more optimistic at the beginning of the year, according to a survey by HUI (the research arm of the Swedish Retailers Association). However, high interest rates, inflation, and rising unemployment in Sweden still concern consumers.

Winds of change in search and digital advertising

Changes to Google's algorithm have severely impacted traffic to some online channels, including CDON, since the end of 2023. It is difficult to decipher the long-term impact on CDON and other marketplaces. Companies with solid organic traffic and access to high-quality logged first-party data could emerge as relative winners. CDON's ad revenue, which today is tiny, could benefit as vendors seek new advertising channels.

Accounts and key figures

Income statement (SEKm), quarterly basis

	Q1, 24	Q2, 24	Q3, 24	Q4, 24	Q1, 25E	Q2, 25E	Q3, 25E	Q4, 25E
Net sales*	96	97	103	139	99	105	106	148
Total revenue	96	97	103	139	99	105	106	148
Gross profit on net sales	70	75	81	107	78	87	90	124
EBITDA	-2	-9	5	11	4	9	17	24
EBITA	-2	-9	5	11	4	9	17	24
Adj. EBITA	-2	-9	5	11	4	9	17	24
EBIT	-27	-34	-19	-32	-21	-16	-8	-1
EBT	-27	-34	-19	-31	-21	-16	-8	-1
Net profit/loss	-27	-34	-19	-31	-21	-16	-8	-1
Basic EPS (SEK)	-2.52	-3.19	-1.78	-2.90	-1.92	-1.46	-0.74	-0.08
Growth	Q1, 24	Q2, 24	Q3, 24	Q4, 24	Q1, 25E	Q2, 25E	Q3, 25E	Q4, 25E
Net sales*	5%	-7%	-8%	-13%	3%	8%	3%	6%
Total revenue	5%	-7%	-8%	-13%	3%	8%	3%	6%
Gross profit on net sales	36%	-3%	-1%	-5%	12%	16%	10%	16%
EBITDA	-414%	-589%	69%	-38%	0%	0%	217%	131%
EBIT	-424%	-37%	10%	-326%	21%	53%	57%	96%
EBT	-453%	0%	12%	-295%	24%	54%	59%	97%
Net profit/loss	-453%	0%	12%	-300%	24%	54%	59%	97%
Margins	Q1, 24	Q2, 24	Q3, 24	Q4, 24	Q1, 25E	Q2, 25E	Q3, 25E	Q4, 25E
Gross margin	73%	77%	79%	77%	79%	83%	85%	84%
EBITDA margin	-2%	-10%	5%	8%	4%	9%	16%	16%
EBITA margin	-2%	-10%	5%	8%	4%	9%	16%	16%
Adj. EBITA margin	-2%	-10%	5%	8%	4%	9%	16%	16%
EBIT margin	-28%	-35%	-18%	-23%	-21%	-15%	-8%	-1%
EBT margin	-28%	-35%	-19%	-22%	-21%	-15%	-7%	-1%
Profit margin	-28%	-35%	-19%	-22%	-21%	-15%	-7%	-1%

Source: Company information and Carlsquare estimates

Income statement (SEKm)

	2020	2021	2022	2023	2024E	2025E	2026E
GMV	2 375	2 317	2 079	2 018	1 826	2 006	2 294
Fyndiq	0	0	0	110	149	165	190
Net sales	797	542	459	469	435	458	522
Total operating income	797	542	461	469	435	458	522
COGS	-547	-315	-234	-145	-102	-79	-74
Gross profit on net sales	0	227	227	324	333	379	447
Tot. operating expenses less COGS and D&A	-257	-280	-342	-301	-329	-324	-370
EBITDA	-7	-53	-115	23	4	54	77
Depreciation of tangible assets incl. leasing	0	0	0	0	0	0	0
EBITA	0	-52	-115	23	4	54	77
Adj. EBITA	0	0	0	17	4	54	77
Amortisation of intangible assets	0	-11	-37	-81	-116	-101	-84
EBIT	-7	-64	-152	-58	-111	-47	-6
Net finances	0	0	0	-11	0	1	2
EBT	-7	-64	-152	-69	-112	-45	-4
Tax	0	0	0	0	0	0	0
Net profit/loss	-7	-64	-152	-69	-112	-45	-4
Adj. net profit/loss	0	-63	-152	-69	-112	-45	-4
Tot. comp. PL attributed to parent company	0	-63	-150	-69	-112	-45	-4
Adj. PL attributed to parent company	0	-63	-150	-69	-112	-45	-4
Basic EPS	0.00	-10.24	-23.29	-7.00	-10.39	-4.20	-0.40
EPS aft. dilution	0.00	-10.24	-23.29	-7.00	-10.39	-4.20	-0.40
No. of share, EoP	33.0	6.4	6.4	10.8	10.8	10.8	10.8
Avg. no. of shares	32.8	19.7	6.4	8.6	10.8	10.8	10.8
Growth	2020	2021	2022	2023	2024	2025E	2026E
Net sales	-28%	-32%	-15%	2%	-7%	5%	14%
Total operating income	-28%	-32%	-15%	2%	-7%	5%	14%
Gross profit on net sales	NaN	NaN	0%	43%	3%	14%	18%
EBITDA	-101%	-640%	-119%	NM	-81%	1130%	43%
EBITA	NaN	NaN	-123%	NM	-81%	1128%	43%
Adj. EBITA	NaN	NaN	NaN	NaN	-74%	1128%	43%
EBIT	-101%	-799%	-138%	62%	-91%	58%	86%
EBT	-101%	-800%	-138%	55%	-62%	60%	90%
Net profit/loss	-101%	-800%	-138%	55%	-63%	60%	90%
Basic EPS	NaN	NaN	-128%	70%	-49%	60%	90%
Margins	2020	2021	2022	2023	2024	2025E	2026E
Gross profit on net sales	0%	42%	49%	69%	77%	83%	86%
EBITDA	-1%	-10%	-25%	5%	1%	12%	15%
EBITA	0%	-10%	-25%	5%	1%	12%	15%
Adj. EBITA	0%	0%	0%	4%	1%	12%	15%
EBIT	-1%	-12%	-33%	-12%	-26%	-10%	-1%
EBT	-1%	-12%	-33%	-15%	-26%	-10%	-1%
Net profit/loss	-1%	-12%	-33%	-15%	-26%	-10%	-1%

Source: Company information and Carlsquare estimates

Balance sheet (SEKm)

	2020	2021	2022	2023	2024E	2025E	2026E	2027E	2028E	2029E
Tot. intangible assets	60	86	62	692	601	519	455	395	332	265
Tot. tangible assets	2	2	1	1	1	1	1	1	1	2
Tot. other fixed assets	26	26	11	30	31	31	31	31	31	31
Total LT assets	88	115	75	724	633	551	486	427	364	297
Inventories	25	19	9	10	9	5	4	5	6	7
Accounts receivables	16	0	0	0	0	0	0	0	0	0
Other current assets	2	0	31	67	89	48	56	65	79	85
Cash & cash eqv.	173	203	123	154	145	197	274	343	428	523
Total current assets	237	267	163	231	243	250	334	413	513	615
Total assets	325	381	238	954	876	801	820	840	877	913
Total equity	61	200	45	687	576	531	526	525	526	528
Provisions	0	7	20	4	1	1	1	1	1	1
LT debt to creditors	0	0	0	0	0	0	0	0	0	0
Other LT liabilities	0	0	0	7	11	11	11	11	11	11
Tot. long-term liabilities	0	0	0	7	11	11	11	11	11	11
ST debt to creditors	0	0	0	0	0	0	0	0	0	0
Accounts payable	100	0	0	0	0	0	0	0	0	0
Other current liabilities	165	174	173	257	287	258	282	302	339	373
Tot. short-term debt	264	174	173	257	287	258	282	302	339	373
Tot. equity and debt	325	381	238	954	876	801	820	840	877	913
Liquidity	2020	2021	2 022	2 023	2 024	2025E	2026E	2027E	2028E	2029E
Current ratio	0.9x	1.5x	0.9x	0.9x	0.8x	1.0x	1.2x	1.4x	1.5x	1.7x
Quick ratio	0.7x	1.2x	0.7x	0.6x	0.5x	0.8x	1.0x	1.1x	1.3x	1.4x
CF operations/current liabs.	0.8x	NA	-0.3x	0.0x	0.1x	0.3x	0.3x	0.3x	0.3x	0.3x
Leverage	2020	2021	2 022	2 023	2 024	2025E	2026E	2027E	2028E	2029E
Net debt(+)/Net cash(-)	-173	-203	-123	-154	-145	-197	-274	-343	-428	-523
Net debt(+)/Net cash(-), excl. leasing	-173	-203	-123	-154	-145	-197	-274	-343	-428	-523
Net debt/EBITDA	24.4x	3.9x	1.1x	-6.7x	-32.9x	-3.6x	-3.5x	-3.5x	-3.3x	-3.5x
Tot. debt/Equity	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Tot. equity/tot. assets	19%	52%	19%	72%	66%	66%	64%	63%	60%	58%
Efficiency	2020	2021	2 022	2 023	2 024	2025E	2026E	2027E	2028E	2029E
ROA	NA	-18%	-49%	-12%	-12%	-5%	-1%	0%	0%	0%
ROE	NA	-48%	-123%	-19%	-18%	-8%	-1%	0%	0%	0%
ROIC	NA	-30%	-82%	-10%	-12%	-6%	-1%	-1%	-1%	-1%

Source: Company information and Carlsquare estimates

Cash flow (SEKm),

	2022	2023	2024E	2025E	2026E	2027E	2028E
CFO b4 delta WC	-79	15	4	56	79	78	84
Delta WC	21	-16	11	16	16	11	21
CF operations	-59	0	15	71	96	89	105
CF investing	-22	24	-24	-19	-19	-20	-20
FCF	-81	24	-9	52	77	70	85
CF financing	0	8	0	0	0	0	0
Cash flow	-80	32	-9	52	77	70	85
Cash, BoP	0	123	154	145	197	274	343
Cash, EoP	123	154	145	197	274	343	428
Key ratios	2022	2023	2024	2025E	2026E	2027E	2028E
Delta WC/Total operating income	5%	-3%	2%	3%	3%	2%	3%
CF operations/Total operating income	-13%	0%	3%	16%	18%	15%	16%
CF operations/EBITDA	51%	2%	345%	132%	124%	91%	80%
CF investing/Total operating income	-5%	5%	-6%	-4%	-4%	-3%	-3%
FCF/EBITDA	NM	107%	-202%	97%	99%	71%	65%

Source: Company information and Carlsquare estimates

Key figures (SEK), 2021-2028P

	2021	2022	2023	2024	2025E	2026E	2027E	2028E
SEK/SEK	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Share price	472.4	181.9	140.0	88.0	67.0	67.0	67.0	67.0
Market cap	3 044	1 172	1 505	946	720	720	720	720
EV	2 858	1 098	1 406	886	523	575	575	575
P/S	5.6x	2.6x	3.2x	2.2x	1.6x	1.4x	1.2x	1.1x
P/E	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	32.9x	13.8x
P/CF operations	NaN	Neg.	3 763.0x	62.2x	10.1x	7.5x	8.1x	6.9x
EV/Sales	5.3x	2.4x	3.0x	2.0x	1.1x	1.1x	1.0x	0.9x
EV/Gross profit	12.6x	4.8x	4.3x	2.7x	1.4x	1.3x	1.2x	1.0x
EV/EBITDA	Neg.	Neg.	61.7x	201.3x	9.7x	7.4x	5.9x	4.4x
EV/EBIT	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	30.6x	11.9x
CSQ fair value per share	472.4	181.9	140.0	88.0	127.4	127.4	127.4	127.4
CSQ market cap	3 044	1 172	1 505	946	1 370	1 370	1 370	1 370
CSQ EV	2 858	1 098	1 406	886	1 172	1 096	1 026	942
P/S. CSQ implied	5.6x	2.6x	3.2x	2.2x	3.0x	2.6x	2.4x	2.1x
P/E. CSQ implied	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	62.6x	26.2x
P/CF operations. CSQ implied	NaN	Neg.	3 763.0x	62.2x	19.2x	14.3x	15.3x	13.1x
EV/Sales. CSQ implied	5.3x	2.4x	3.0x	2.0x	2.6x	2.1x	1.8x	1.4x
EV/Gross profit. CSQ implied	12.6x	4.8x	4.3x	2.7x	3.1x	2.4x	2.1x	1.7x
EV/EBITDA. CSQ implied	Neg.	Neg.	61.7x	201.3x	21.7x	14.2x	10.5x	7.2x
EV/EBIT. CSQ implied	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	54.5x	19.5x
Shares outstanding (EoP)	6.4	6.4	10.8	10.8	10.8	10.8	10.8	10.8
Shares outstanding (Avg.)	19.7	6.4	8.6	8.6	10.8	10.8	10.8	10.8
Shares outstanding. fully dil. (Avg.)	19.7	6.4	8.6	8.6	10.8	10.8	10.8	10.8
EPS (SEK)	-10.24	-23.29	-7.00	8.6	10.8	10.8	10.8	10.8
DPS (SEK)	0.00	0.00	0.00	-10.39	-4.20	-0.40	2.03	4.86
BV per share (SEK)	10.1	6.9	79.9	0.00	0.00	0.00	0.00	0.00
tBV per share (SEK)	0.1	0.2	0.1	79.9	53.6	49.4	49.0	48.9
EV per share (SEK)	144.7	170.4	163.6	0.1	0.1	0.1	0.1	0.1
Equity per share	10.1	6.9	79.9	103.1	48.7	53.5	53.5	53.5
Dividend yield	0.0%	0.0%	0.0%	67.0	49.4	49.0	48.9	48.9
FCF yield	NA	Neg.	1.6%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (unleveraged)	Neg.	Neg.	3.1%	Neg.	7.3%	10.6%	9.7%	11.8%

Source: Company information and Carlsquare estimates

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