Research update: Q4 2024

TENEO AI

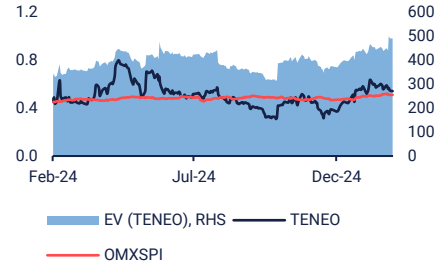
Teneo AI offers the conversational AI-powered software platform Teneo, enabling contact centres to improve efficiency and customer experience through AI-powered atomisation with market-leading accuracy. Reference clients include Microsoft, AT&T, UBS and Hello Fresh.

CEO: Per Ottosson
CoB: Johan A. Gustavsson
www.teneo.ai/investors

List: Nasdaq First North Stockholm
Last: SEK 0.55
Market cap: SEK 242m
Enterprise value: SEK 488m

Bloomberg: TENEO:SS
Refinitiv Eikon: TENEO.ST

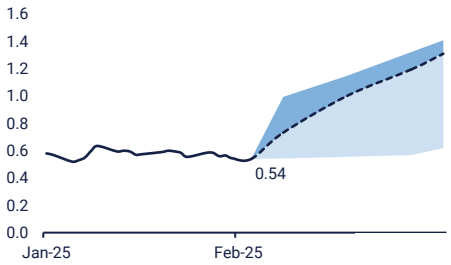
VALUATION RANGE



	12M	YTD	6M	1M
Development (%)	33	28	10	-7

Source: S&P Capital IQ

VALUATION RANGE



	BEAR	BASE	BULL
Share price (SEK)	0.6	1.2	1.3
Up-/downside (%)	9	124	136

Source: S&P Capital IQ and Carlsquare estimates

CARLSQUARE EQUITY RESEARCH

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Teneo continues to deliver above expectations

Teneo AI delivered according to the preliminary figures which were above our expectations. Net sales landed on SEK 26.5m, and SaaS API calls growth was 294%. The growth and profitability improvement bumps our target price to SEK 1.2 per share (1.0), representing an EV/Sales NTM of 6.4x.

Teneo is reaching several important milestones

In Q4 2024, net sales reached SEK 26.5m, growing 68% YoY and landing above our estimate of SEK 23.9m. Recurring revenue amounted to 99% of the net sales. Growth was primarily attributable to increased volumes, as the average annualised API call volume grew 105% YoY, with an NRR of 135%. The gross margin reached 80% (77%), marginally above our estimate of 79%. Adj. EBITDA came in better than expected at SEK -1.7m (-5.8), as compared to our estimate of SEK -5.0m. Performance was above consensus, and milestones were reached, including ARR above SEK 100m and annualised API calls of 1 billion.

New partnerships will lead to continued growth in key markets

Teneo entered into new partnerships with four organisations: BSL Business Systems Ltd. (UK): a contact center integrator, Kenway (USA), a Google Dialogflow expert that will aid Teneo in navigating the Google ecosystem, AppDirect (USA), a master agent providing distribution capabilities for Genesys and Amazon Connect, IntervISION (USA), a reseller and integrator of Amazon Connect with a particular presence on the west coast of the USA, and, finally, NWN Carousel (USA), a Genesys reseller that is driving adoption of agentless contact centers. The partnerships feed into the new weighted pipeline for new customer agreements. This KPI was 461,000 EUR NTM, representing a growth of 72% from October 2024. Worth noting is that this is without factoring in API calls, which, if accounted for and realised would double the current revenue.

Oversubscribed directed share issue to fund more growth

Just after the fourth quarter, in January, Teneo raised SEK 60m in gross proceeds from an oversubscribed directed share issue. The share issue, corresponding to a discount of 16%, was increased in size from an original target of SEK 50m to 60 as there was strong demand from institutional investors. Participants included both legacy shareholders, such as Arpeggio and Stockhorn Capital, as well as new investors, e.g., funds managed by Claesson & Anderzén. The strong interest and outcome of the rights issue is a testament to the interest in the CAI space as well as the Teneo solution.

Strong growth leads to a higher target price

The report was another strong one, with SaaS ARR accounting for SEK 75.1, growing 142% YoY. With the company delivering on its goals, and then some, we adjust our fair share price to SEK 1.2 (1.0), rising to SEK 1.3 (1.3) in the bull case and down to 0.6 (0.6) in the bear case. The base case valuation represents an EV/Sales NTM of 6.4x, compared to the reference group currently trading at 3.7x. The difference is motivated by a higher expected growth than the reference group and margin expansion.

Key figures (SEKm)

	2022	2023	2024	2025E	2026E	2027E
Net sales	46	61	84	129	179	247
Total operating income	65	80	111	147	196	262
Gross profit on net sales	25	41	67	103	144	200
EBITDA	-76	-58	-36	-16	20	54
Adj. EBITDA	-78	-51	-22	-9	25	57
EBIT	-89	-72	-56	-35	-5	23
EBT	-85	-58	-65	-45	-16	13
Basic EPS	-13.0	-0.6	-0.2	-0.1	0.0	0.0
Growth, net sales	18%	33%	39%	53%	40%	38%
Gross marg. on net sales	55%	67%	79%	80%	80%	81%
Adj. EBITDA margin	-120%	-63%	-20%	-6%	13%	22%
EBIT margin	-194%	-119%	-66%	-27%	-3%	9%
EV/Sales	5.1x	4.1x	4.6x	3.7x	2.7x	1.9x
EV/EBITDA	NM	NM	NM	NM	23.6x	8.9x
EV/EBIT	NM	NM	NM	NM	NM	20.4x
P/E	NM	NM	NM	NM	NM	22.4x

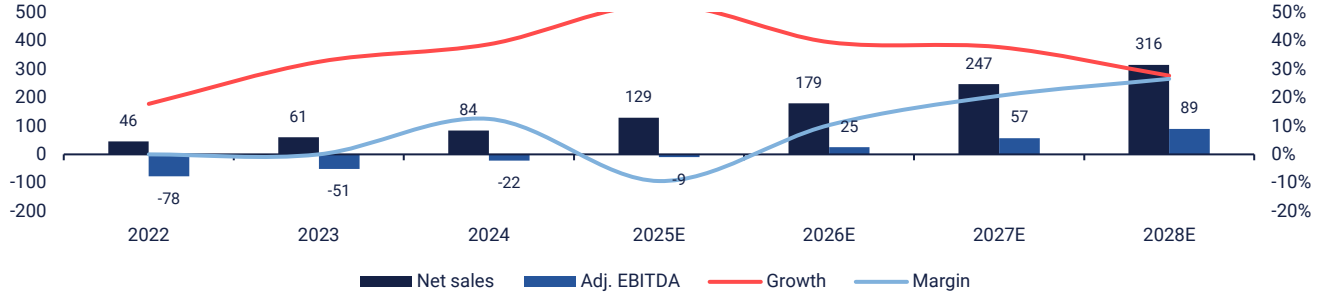
Source: Company information and Carlsquare estimates

Investment case

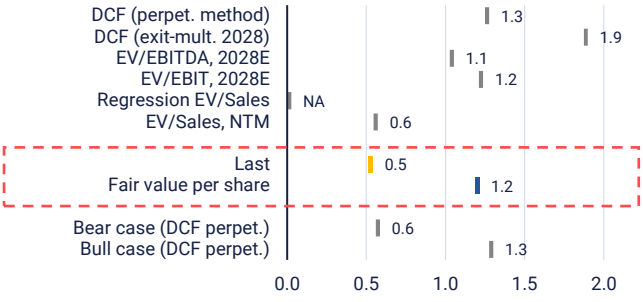
Increased market share with market-leading accuracy

- **A proven offer and value proposition:** Teneo AI has a patented technology for computer systems to comprehend human natural language, resulting in high accuracy in the handling of incoming voice queries. Teneo is ranked number 1 on accuracy with the BANKING77 benchmark dataset. With large-scale references, including those of the giants Microsoft, Telefónica, and NHS, as well as an NRR of 135% in 2024, the offer and value added by the platform are proven. That supports a successful execution of the refined growth strategy and our anticipated growth for the coming years.
- **Huge potential with the existing client base:** Large enterprises are the company's core clients and prospects. These organisations are targeted due to the possibility of growing usage and adding new use cases over time. The strategy was updated during the summer of 2024 with the intent to target large-volume enterprises. According to the company, increased usage and upselling can multiply revenues from several existing clients by a factor of 10x or more, e.g. Microsoft is only live on Teneo in a few countries as of yet.
- **An improved gross margin leads the way:** Increased usage, expressed as higher API call volumes from clients, has been a key growth driver. As the revenue share originating from API calls increases, the gross margin improves. In 2024, the gross margin improved by 12 percentage points to 79%, and in Q4 2024, the gross margin was reported at 80%, with SaaS API call volumes growing by 234% YoY. The company uses tech and service partners for market reach and operational efficiency, enabling great scalability. This allows for a large share of the gross profit to reach further down in the income statement.
- **Hot market:** The market for conversational AI in contact centres is expected to grow fast, more specifically at a CAGR until 2031 of 38% (Gartner). This is thanks to a variety of factors, one being that conversational AI is used more. Fast-growing categories include finance, healthcare, and government administration. Furthermore, investors are piling into the market. Four companies within conversational AI recently raised a combined total of USD 325m. Kore.ai and Cognigy raised USD 150m and 100m, respectively.

- **Revenue and profitability (MSEK), base case**



- **A fair value of SEK 1.2 per share** is calculated in a base case scenario within the interval SEK 0.6 to 1.3 per share. Our fair value per share corresponds to a potential upside of 124%.
- Our fair value corresponds to an EV/Sales NTM of 6.4x.
- Our fair value corresponds to an EV/EBITDA 2027 of 15.2x.
- The full reference group is currently valued at EV/Sales NTM of 3.7x and EV/EBITDA NTM of 16.2x.

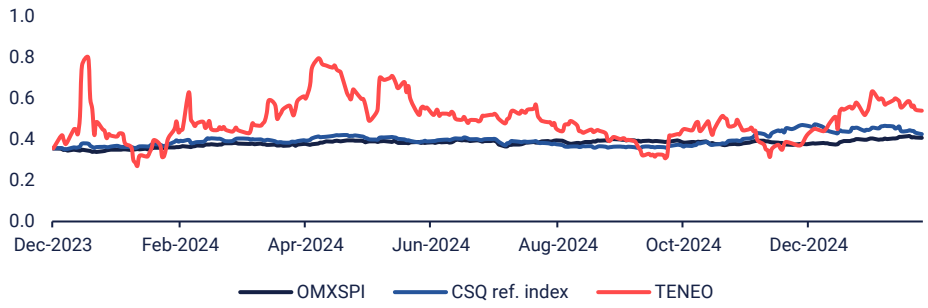


- **Revenue is relatively concentrated among a few key clients.** While churn has historically been low, losing a key client would significantly reduce sales and profitability.
- **Profitability and free cash flow are currently negative.** We expect Teneo AI to achieve positive adjusted EBITDA and free cash flow by 2026 and 2027, respectively. However, given the recent directed share issue, the financing risk has come down in the short term.
- **The company holds a long-term loan of SEK 250m with a fixed interest rate of 4%.** The interest is capitalised and will be paid, along with the principal amount, at maturity in December 2026. In our model, the loan is refinanced upon maturity.

Share and valuation trends

The chart below illustrates the performance of the Teneo AI share relative to the OMXSPI index and the CSQ reference index (consisting of the stocks included in the full reference group). The share has exhibited relatively high volatility. However, strong growth momentum has not been fully refected in the share price movement during 2024 and year-to-date in 2025.

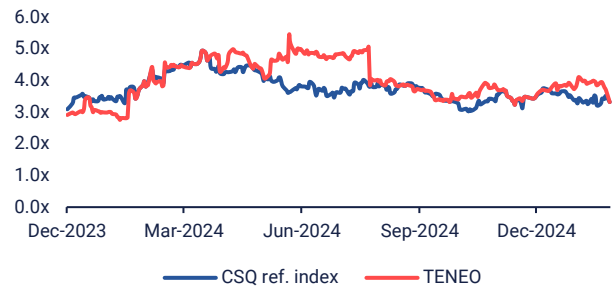
Share price development (Index 29 Dec. 2023 = SEK 0.36)



Source: S&P Capital IQ and Carlsquare

Below is the valuation based on revenue and profitability for the next 12 months (NTM). As shown, Teneo AI is valued in par to its peer groups in terms of EV/Sales NTM, indicating that high growth and improved profitability is not priced in. However, profitability multiples are not meaningful for Teneo AI for the next 12 months.

EV/Sales NTM



NTM = Next twelve months. Source: S&P Capital IQ and Carlsquare

EV/EBITDA NTM

NTM = Next twelve months. Source: S&P Capital IQ and Carlsquare

EV/EBIT NTM

NTM = Next twelve months. Source: S&P Capital IQ and Carlsquare

P/E NTM

NTM = Next twelve months. Source: S&P Capital IQ and Carlsquare

Financial history and forecasts

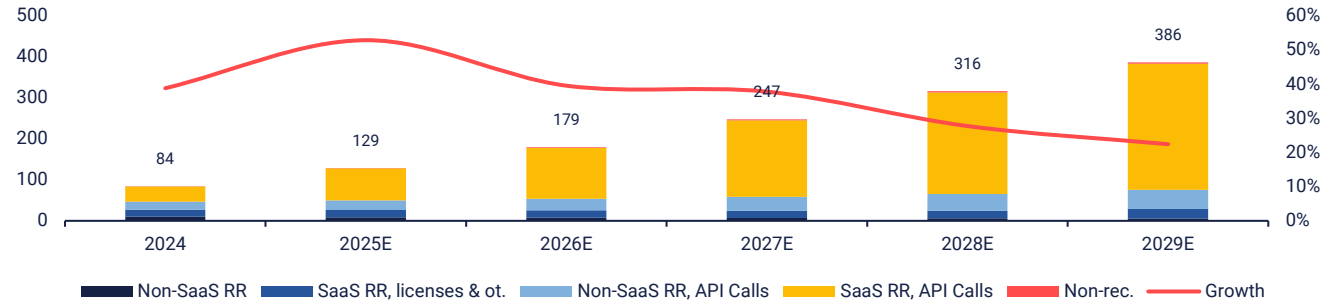
Estimates and revisions

Estimates

	New			Previous			Revision		
	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
Net sales	129	179	247	120	167	230	7%	7%	7%
Gross profit on net sales	103	144	200	95	134	185	9%	8%	8%
Adj. EBITDA	-9	25	57	-12	21	48	21%	20%	19%
EBIT	-35	-5	23	-40	-12	16	12%	57%	46%
Basic EPS	-0.1	0.0	0.0	-0.1	0.0	0.0	-6%	-6%	141%

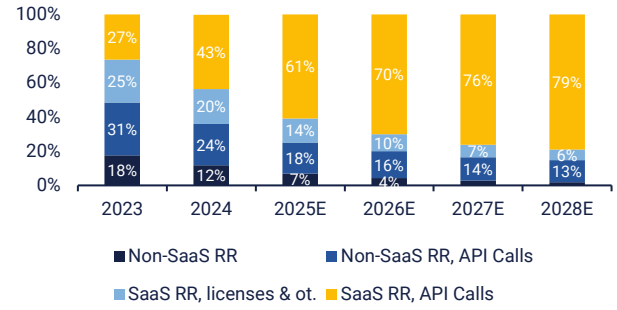
Estimates in SEKm. Source: Carlsquare estimates

Net sales (SEKm) and growth (%)



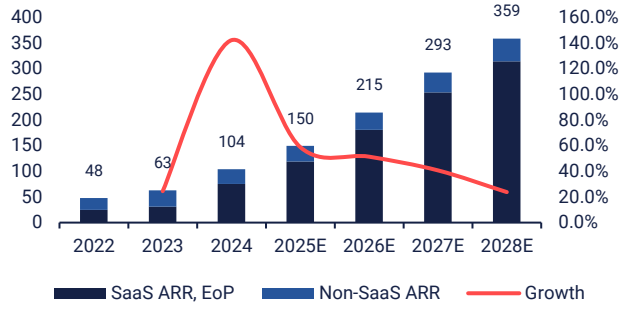
Source: Company information and Carlsquare estimates

Recurring revenue distribution



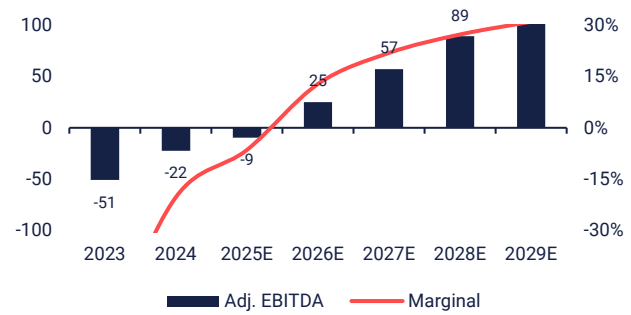
Source: Company information and Carlsquare estimates

Annual recurring revenue (SEKm)



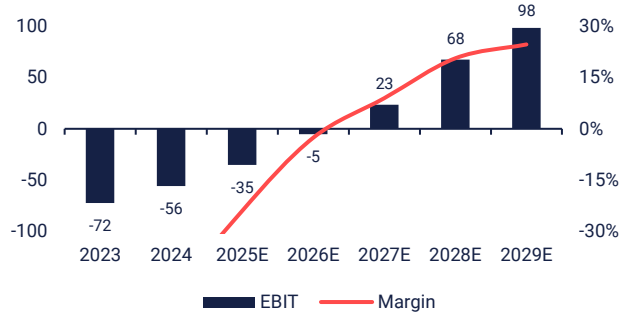
Source: Company information and Carlsquare estimates

Adj. EBITDA (SEKm) and margin (%)



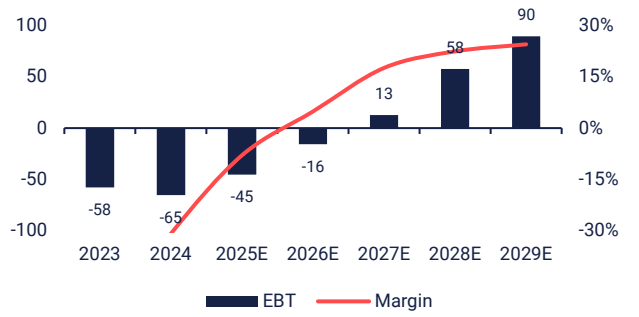
Source: Company information and Carlsquare estimates

EBIT (SEKm) and margin (%)



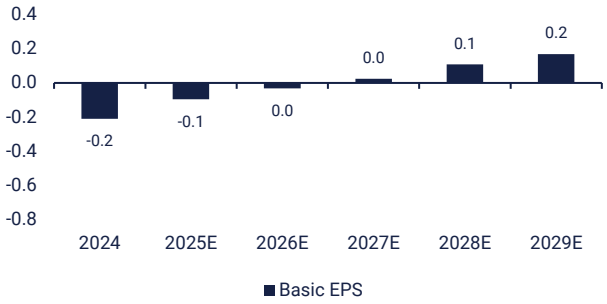
Source: Company information and Carlsquare estimates

EBT (SEKm) and margin (%)



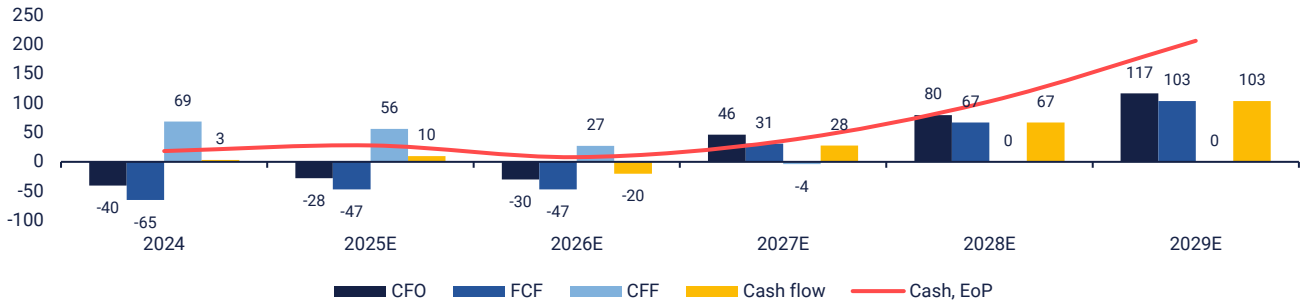
Source: Company information and Carlsquare estimates

EPS (SEK)



Source: Company information and Carlsquare estimates

Cash flow (SEKm)



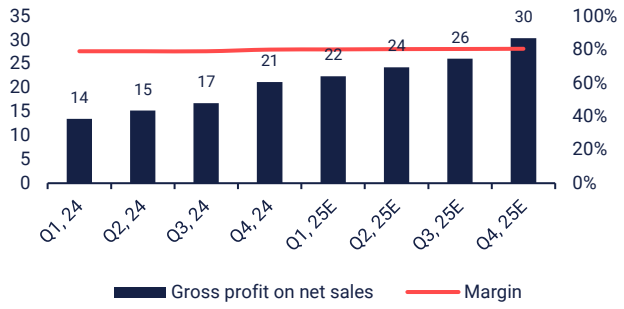
Source: Company information and Carlsquare estimates

On a quarterly basis

Net sales (SEKm) and growth (%)

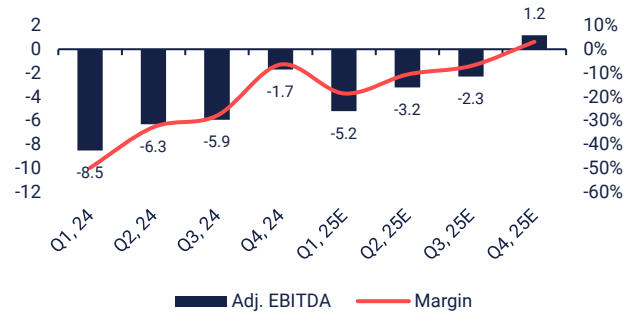
Source: Company information and Carlsquare estimates

Gross profit (SEKm) and margin (%)



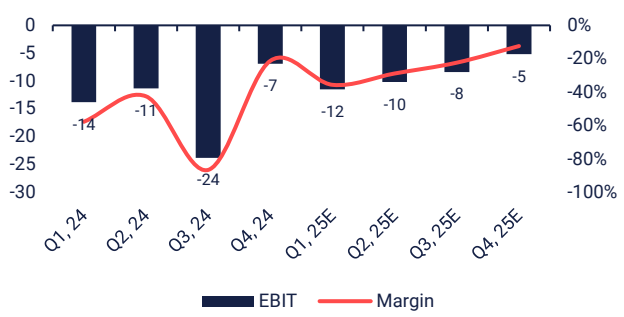
Gross profit and margin are calculated on net sales. Source: Company information and Carlsquare estimates

Adj. EBITDA (SEKm) and margin (%)



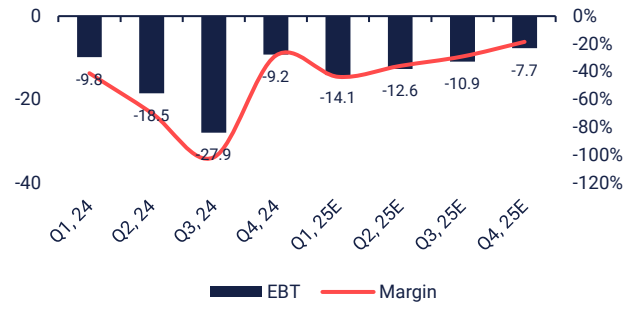
Source: Company information and Carlsquare estimates

EBIT (SEKm) and margin (%)



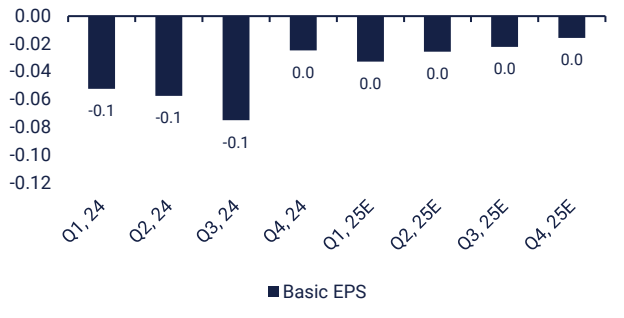
Source: Company information and Carlsquare estimates

EBT (SEKm) and margin (%)



Source: Company information and Carlsquare estimates

Earnings per share (SEK)



Source: Company information and Carlsquare estimates

Fair value within a range

Growth and margin expansion motivate upside

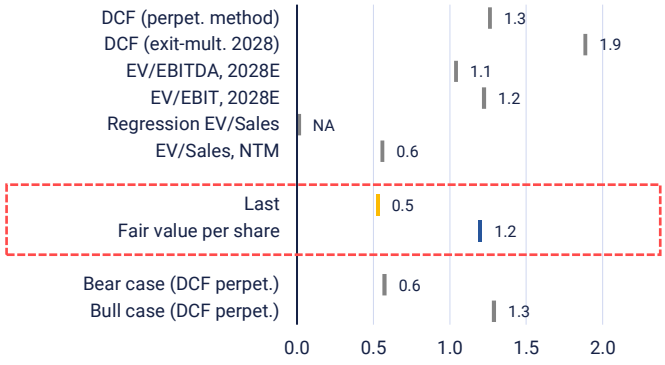
Combining a DCF valuation with a multiple valuation calculates a fair value of SEK 1.2 per share (1.0), fully financed, for the next 6–12 months in a base case scenario. That corresponds to an upside potential of approximately 124%. The valuation is predicated on continued strong growth with high scalability. The upwards revision is in part due to adjusted estimates but also due to higher valuation multiples in the market.

Fair value (SEK/share), base case

		weight	
Currency, SEK/SEK			1.0
EV/Sales, NTM	SEK	5.0%	0.6
EV/EBITDA, 2028E	SEK	10%	1.1
EV/EBIT, 2028E	SEK	15%	1.2
DCF valuation	SEK	70%	1.3
Fair value per share	**SEK**		**1.2**
Potential up-/downside			124%
Shares outst., fully financed, and diluted	M		529
Equity value	SEKm		641
Cash (last rep. Q)	SEKm		18
Debt (last rep. Q)	SEKm		265
PV cash from equity financing	SEKm		68
EV	SEKm		819

Source: Carlsquare estimates

Fair value within a range (SEK/share)



Source: Carlsquare estimates

Implicit valuation multiples, base case

	2022	2023	Curr. NTM	NTM	2024E	2025E	2026E	2027E	2028E
EV/Sales	4.1x	4.6x	3.8x	6.4x	6.4x	4.6x	3.3x	2.6x	4.1x
EV/EBITDA	NM	NM	NM	NM	NM	40.3x	15.2x	9.4x	NM
EV/EBIT	NM	NM	NM	NM	NM	NM	35.0x	12.1x	NM
P/E	NM	NM	NM	NM	NM	NM	50.3x	11.1x	NM

Source: Carlsquare estimates

Evaluation, three scenarios

	BEAR	BASE	BULL
Rev. growth assumptions			
CAGR, 2022-25	34%	43%	45%
CAGR, 2025-28	17%	24%	24%
CAGR, 2022-33	19%	24%	25%
Assumptions, EBITDA margins			
AVG, 2023-25	-2%	0%	0%
AVG, 2026-28	26%	28%	28%
AVG, 2023-33	19%	22%	22%
2032	32%	34%	34%
Calculated value per share (SEK)	**0.6**	**1.2**	**1.3**

Source: Carlsquare estimates

DCF evaluation

DCF valuation, base case scenario

DCF valuation						
PV(UFCF)	SEKm	349	Disc. rate			
PV(TV)	SEKm	503	Risk free rate	2.3%	Tax adjust. r on debt	3.2%
Enterprise value	SEKm	853	Market risk premium	6.1%	Leverage	0.0%
Net debt (+), last Q	SEKm	246	Size premium	3.6%	WACC	13.9%
Value, associated comps.	SEKm	0.0	Beta	1.2x	Comp. spec. premium	1.4%
Value, minority interest	SEKm	0.0	Req. return on equity	13.9%	**Discount rate**	**14.9%**
Shareholder value	SEKm	606	Assumptions			
PV(equity financing proceeds)	SEKm	68.3	CAGR, 2024-34E	24.2%		
Shareholder value, after financing	SEKm	674	EBITDA-margin, 2034E	34.5%		
Current shares outstanding	M	373	EBIT-margin, 2034E	29.7%		
New shares	M	156	Tax rate	20.6%		
Shares outstanding after financing and dilution	M	529	Implied multiples			
Value per share (before financing and dilution)	SEK	1.6	EV/Sales, NTM	6.6x	EV/EBITDA, NTM	NM
Value per share (after financing and dilution)	SEK	1.3	EV/Sales, 26E	4.8x	EV/EBITDA, 26E	99.9x
Currency	SEK/SEK	1.0	P/S, NTM	4.7x	EV/EBIT, NTM	NM
Value per share (before financing and dilution)	SEK	1.6	P/S, 26E	3.4x	EV/EBIT, 26E	NM
Value per share (after financing and dilution)	**SEK**	**1.3**	EV/Gross prof., NTM	8.3x	P/E, NTM	NM
Potential up-/downside		136%	EV/Gross prof., 26E	5.9x	P/E, 26E	NM

Source: Carlsquare estimates

Multiple valuation

Multiple evaluation median EV/Sales NTM, base case scenario

		Median Mcap (EURm)	Sales CAGR, 2023-26	µEBIT marg, 2024-26	EV/Sales, NTM
Ref. group, Median		97	16%	28%	3.7x
Ref. group, Average		3,845	18%	25%	6.7x
Discount					0.0%
Applied multiple					3.7x
Net sales, NTM	SEKm				129
Enterprise value	SEKm				481
Net debt (+), last Q	SEKm				246
Value, associated comps.	SEKm				0.0
Value, minority interest	SEKm				0.0
PV(equity financing proceeds)	SEKm				68.3
Shareholder value, after financing	SEKm				303
Current shares outstanding	M				373
New shares	M				156
Shares outstanding after financing and dilution	M				529
Exchange rate	SEK/SEK				1.0
Fair value per share after financing and dilution	**SEK**				**0.6**

Source: S&P Capital IQ and Carlsquare estimates

Multiple valuation median EV/EBITDA 2028E, base case scenario

		Median Mcap (EURm)	Est. 3 yr CAGR	Est. 3 yr avg. EBITDA m	EV/EBITDA, 2028E
Ref. group, Median		97	16%	28%	16.2x
Ref. group, Average		3,845	18%	25%	20.9x
Discount					0.0%
Applied multiple					16.2x
Adj. EBITDA, 2028E	SEKm				77.4
Enterprise value	SEKm				1,256
PV(enterprise value)	SEKm				735
Net debt (+), last Q	SEKm				246
Value, associated comps.	SEKm				0.0
Value, minority interest	SEKm				0.0
PV(equity financing proceeds)	SEKm				68.3
Shareholder value, after financing	SEKm				557
Current shares outstanding	M				373
New shares	M				156
Shares outstanding after financing and dilution	M				529
Exchange rate	SEK/SEK				1.0
Fair value per share after financing and dilution	**SEK**				**1.1**

EV/Sales NTM and growth plus EBIT margin, NTM. Source: S&P Capital IQ and Carlsquare estimates

Multiple valuation median EV/EBIT 2028E, base case scenario

		Median Mcap (EURm)	Est. 3 yr CAGR	Est. 3 yr avg. EBITDA m	EV/EBIT, 2028E
Ref. group, Median		97	16%	28%	24.6x
Ref. group, Average		3,845	18%	25%	44.2x
Discount					0.0%
Applied multiple					24.6x
Adj. EBIT, 2028E	SEKm				57.7
Enterprise value	SEKm				1,421
PV(enterprise value)	SEKm				832
Net debt (+), last Q	SEKm				246
Value, associated comps.	SEKm				0.0
Value, minority interest	SEKm				0.0
PV(equity financing proceeds)	SEKm				68.3
Shareholder value, after financing	SEKm				654
Current shares outstanding	M				373
New shares	M				156
Shares outstanding after financing and dilution	M				529
Exchange rate	SEK/SEK				1.0
Fair value per share after financing and dilution	**SEK**				**1.2**

Source: S&P Capital IQ and Carlsquare estimates

Risks and challenges

Improved finances

Teneo AI is cash flow negative. The company raised SEK 60m in a directed share issue with strong institutional interest. This lessens the risk of financial distress, but, as a company that is not profitable yet, there is still risks attached to potential future funding as well as market sentiment.

Outstanding loans

Teneo AI has an outstanding long-term loan of SEK 250m. The interest is fixed at 4%. Interest payments are capitalised and due on maturity, along with face value. This means that the company may have to pay SEK 280m in Q4 2026. We have assumed that the loan is refinanced.

Young and growing industry difficult to keep up with

Teneo AI operates mostly in a young industry. That is to say, the market is not yet consolidated. In such a market, young companies compete over different niches while large companies offer platform solutions. Between these players, transactions are plentiful, meaning that the competitive landscape can shift relatively quickly. That can make it difficult to plan strategies for the long term. Furthermore, a nuclear arms race for intelligence and other advantages is occurring between companies. Unlike more mature industries, there is a heightened risk for a competitor breakthrough. The tumultuous landscape necessitates a flexibility and adaptability when it comes to strategy, a clear example being the updated sales strategy mentioned previously.

Potential new customers lack education

Although the IVR has been in use for several decades, many companies still view it as the hottest thing since sliced bread. Furthermore, as with most software solutions, switching costs are relatively high. Combine this with the fact that most companies still do not actively prioritise customer service, and you will get a tough combination. Potential customers must be educated on the gains, both financial and temporal, and convinced that switching is worth the effort. At least, on the flip side, once you are in, the same factors are beneficial.

Concentrated customer base

Teneo AI has relatively few customers. However, this risk is tempered to some extent by the ability to scale sales with those customers organically. Furthermore, as mentioned in the paragraph above, high switching costs benefit Teneo AI with existing customers. Nonetheless, from a risk perspective, it would be beneficial if revenues were less concentrated. Currently, losing one customer would have a significant impact on the company's finances.

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	17	19	21	27	28	30	33	38
Total revenue	24	27	28	33	32	35	37	42
Gross profit on net sales	14	15	17	21	22	24	26	30
EBITDA	-10	-7	-16	-3	-7	-6	-3	0
Adj. EBITDA	-9	-6	-6	-2	-5	-3	-2	1
EBIT	-14	-11	-24	-7	-12	-10	-8	-5
EBT	-10	-19	-28	-9	-14	-13	-11	-8
Net profit/loss	-10	-19	-28	-9	-14	-13	-11	-8
Basic EPS (SEK)	-0.05	-0.06	-0.07	-0.02	-0.03	-0.03	-0.02	-0.02
Growth	Q1, 24	Q2, 24	Q3, 24	Q4, 24	Q1, 25E	Q2, 25E	Q3, 25E	Q4, 25E
Net sales	26%	30%	29%	68%	64%	57%	53%	42%
Total revenue	37%	42%	43%	30%	35%	33%	36%	28%
Gross profit on net sales	77%	43%	62%	74%	66%	59%	56%	43%
EBITDA	53%	53%	1%	47%	26%	22%	80%	0%
EBIT	43%	40%	-22%	27%	17%	10%	65%	25%
EBT	-281%	-11%	-3%	53%	-44%	32%	61%	16%
Net profit/loss	-281%	-11%	-3%	53%	-44%	32%	61%	16%
Margins	Q1, 24	Q2, 24	Q3, 24	Q4, 24	Q1, 25E	Q2, 25E	Q3, 25E	Q4, 25E
Gross margin on net sales	79%	79%	79%	80%	80%	80%	80%	80%
EBITDA margin	-41%	-27%	-59%	-10%	-22%	-16%	-9%	1%
Adj. EBITADA margin	-36%	-24%	-21%	-5%	-16%	-9%	-6%	3%
EBIT margin	-58%	-42%	-87%	-21%	-36%	-29%	-22%	-12%
EBT margin	-41%	-70%	-101%	-28%	-44%	-36%	-29%	-18%
Profit margin	-41%	-70%	-101%	-28%	-44%	-36%	-29%	-18%

Source: Company information and Carlsquare estimates

Income statement (SEKm)

	2022	2023	2024	2025E	2026E	2027E	2028E	2029E
Total ARR, EoP	48	63	104	150	215	293	359	442
SaaS ARR, EoP	25	31	75	119	181	254	315	391
Net sales	46	61	84	129	179	247	316	386
Total operating income	65	80	111	147	196	262	328	399
COGS	-21	-20	-17	-25	-35	-47	-57	-69
Gross profit on net sales	25	41	67	103	144	200	258	318
Tot. operating expenses less COGS and D&A	-120	-119	-129	-137	-141	-161	-183	-208
EBITDA	-76	-58	-36	-16	20	54	87	122
Adj. EBITDA	-78	-51	-22	-9	25	57	89	124
D&A	-13	-14	-20	-19	-25	-31	-20	-24
EBIT	-89	-72	-56	-35	-5	23	68	98
Net finances	4	15	-10	-10	-10	-11	-10	-9
EBT	-85	-58	-65	-45	-16	13	58	90
Tax	0	0	0	0	0	0	0	0
Net profit/loss	-85	-58	-65	-45	-16	13	58	90
Adj. net profit/loss	-87	-51	-52	-39	-11	16	60	91
Tot. comp. PL attributed to parent company	-85	-58	-65	-45	-16	13	58	90
Adj. PL attributed to parent company	-87	-51	-52	-39	-11	16	60	91
Basic EPS	-13.0	-0.6	-0.2	-0.1	0.0	0.0	0.1	0.2
EPS aft. dilution	-13.0	-0.5	-0.2	-0.1	0.0	0.0	0.1	0.2
No. of share, EoP	7	102	373	493	529	529	529	529
Avg. no. of shares	7	54	238	433	511	529	529	529
Growth	2022	2023	2024	2025E	2026E	2027E	2028E	2029E
Net sales	18%	33%	39%	53%	40%	38%	28%	22%
Total operating income	16%	24%	37%	33%	33%	33%	25%	22%
Gross profit on net sales	-8%	62%	64%	55%	40%	39%	29%	23%
EBITDA	-31%	24%	38%	56%	NM	166%	61%	40%
Adj. EBITDA	-33%	35%	56%	58%	NM	128%	56%	39%
EBIT	-26%	19%	23%	37%	85%	NM	188%	46%
EBT	-22%	32%	-13%	31%	66%	NM	352%	55%
Net profit/loss	-23%	32%	-13%	31%	66%	NM	352%	55%
Basic EPS	-20%	96%	60%	54%	67%	NM	352%	55%
Margins	2022	2023	2024	2025E	2026E	2027E	2028E	2029E
Gross profit on net sales	55%	67%	79%	80%	80%	81%	82%	82%
EBITDA	-118%	-72%	-33%	-11%	10%	21%	27%	31%
Adj. EBITDA	-120%	-63%	-20%	-6%	13%	22%	27%	31%
EBITA	0%	0%	0%	-11%	10%	21%	27%	31%
EBIT	-137%	-90%	-50%	-24%	-3%	9%	21%	25%
EBT	-132%	-72%	-59%	-31%	-8%	5%	18%	22%
Net profit/loss	-132%	-72%	-59%	-31%	-8%	5%	18%	22%

Source: Company information and Carlsquare estimates

Balance sheet (SEKm)

	2022	2023	2024	2025E	2026E	2027E	2028E	2029E
Tot. intangible assets	32	40	46	46	37	22	15	4
Tot. tangible assets	1	1	1	0	0	0	0	0
Tot. other fixed assets	2	1	1	1	1	1	1	1
Total LT assets	35	41	48	47	39	23	16	5
Inventories	0	0	0	0	0	0	0	0
Accounts receivables	36	23	19	16	23	31	37	45
Other current assets	0	0	0	0	0	0	0	0
Cash & cash eqv.	18	15	18	28	8	36	103	206
Total current assets	54	38	38	44	31	66	140	252
Total assets	**89**	**79**	**86**	**92**	**70**	**89**	**156**	**257**
Total equity	-234	-221	-221	-221	-253	-243	-186	-96
Provisions	0	0	0	0	0	0	0	0
LT debt to creditors	264	251	265	265	265	265	265	265
Other LT liabilities	0	5	0	11	21	24	24	24
Tot. long-term liabilities	264	255	265	275	286	289	289	289
ST debt to creditors	0	0	0	0	4	0	0	0
Accounts payable	17	13	10	8	7	9	10	12
Other current liabilities	41	32	33	29	27	36	43	53
Tot. short-term debt	58	45	42	37	38	44	53	65
Tot. equity and debt	**89**	**79**	**86**	**92**	**70**	**90**	**156**	**257**

Liquidity	2022	2023	2024	2025E	2026E	2027E	2028E	2029E
Current ratio	0.9x	0.9x	0.9x	1.2x	0.8x	1.5x	2.6x	3.9x
Quick ratio	0.9x	0.9x	0.9x	1.2x	0.8x	1.5x	2.6x	3.9x
CF operations/current liabs.	-1.3x	-1.2x	-1.0x	-0.8x	-0.8x	1.0x	1.5x	1.8x
Leverage	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**
Net debt(+)/Net cash(-)	246	235	246	237	261	229	162	58
Net debt(+)/Net cash(-), excl. leasing	246	235	246	237	261	229	162	58
Net debt/EBITDA	-3.2x	-4.0x	-6.8x	-15.0x	12.8x	4.2x	1.9x	0.5x
Tot. debt/Equity	-113%	-114%	-120%	-120%	-106%	-109%	-143%	-276%
Tot. equity/tot. assets	-264%	-278%	-259%	-241%	-363%	-272%	-119%	-37%
Efficiency	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**
ROA	-67%	-60%	-63%	-44%	-13%	20%	49%	44%
ROE	49%	22%	23%	18%	5%	-6%	-28%	-65%
ROIC	-113%	-77%	-51%	-35%	0%	36%	103%	153%

Source: Company information and Carlsquare estimates

Cash flow (SEKm),

	2022	2023	2024	2025E	2026E	2027E	2028E	2029E
CFO b4 delta WC	-78	-53	-30	-29	-23	52	85	124
Delta WC	2	-2	-10	1	-8	-6	-5	-7
CF operations	-76	-55	-40	-28	-30	46	80	117
CF investing	-13	-21	-25	-19	-17	-15	-12	-13
FCF	-89	-76	-65	-47	-47	31	67	103
CF financing	-2	74	69	56	27	-4	0	0
Cash flow	-91	-2	3	10	-20	28	67	103
Cash, BoP	112	18	15	18	28	8	36	103
Cash, EoP	18	15	18	28	8	36	103	206
Key ratios	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**
Delta WC/Total operating income	4%	-2%	-9%	1%	-4%	-2%	-1%	-2%
CF operations/Total operating income	-117%	-68%	-36%	-19%	-15%	18%	24%	29%
CF operations/EBITDA	99%	94%	111%	177%	-148%	86%	91%	95%
CF investing/Total operating income	-20%	-26%	-23%	-13%	-9%	-6%	-4%	-3%
FCF/EBITDA	NM	NM	NM	NM	-233%	58%	77%	84%

Source: Company information and Carlsquare estimates

Key figures (SEK)

	2023	2024	2025E	2026E	2027E	2028E	2029E
SEK/SEK	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Share price (SEK)	0.4	0.4	0.5	0.5	0.5	0.5	0.5
Market cap (SEKm)	36	157	242	242	242	242	242
EV (SEKm)	246	386	479	488	488	488	488
P/S	0.6x	1.9x	1.9x	1.3x	1.0x	0.8x	0.6x
P/E	Neg.	Neg.	Neg.	Neg.	22.4x	5.0x	3.2x
P/CF operations	Neg.	Neg.	Neg.	Neg.	5.2x	3.0x	2.1x
EV/Sales	4.1x	4.6x	3.7x	2.7x	2.0x	1.5x	1.3x
EV/Gross profit	6.0x	5.8x	4.6x	3.4x	2.4x	1.9x	1.5x
EV/EBITDA	Neg.	Neg.	Neg.	24.0x	9.0x	5.6x	4.0x
EV/EBIT	Neg.	Neg.	Neg.	Neg.	20.8x	7.2x	5.0x
CSQ fair value per share (SEK)	0.4	0.4	1.2	1.2	1.2	1.2	1.2
CSQ market cap (SEKm)	36	157	641	641	641	641	641
CSQ EV (SEKm)	246	386	878	902	870	803	699
P/S, CSQ implied	0.6x	1.9x	5.0x	3.6x	2.6x	2.0x	1.7x
P/E, CSQ implied	Neg.	Neg.	Neg.	Neg.	50.3x	11.1x	7.2x
P/CF operations, CSQ implied	Neg.	Neg.	Neg.	Neg.	13.9x	8.0x	5.5x
EV/Sales, CSQ implied	4.1x	4.6x	6.8x	5.0x	3.5x	2.5x	1.8x
EV/Gross profit, CSQ implied	6.0x	5.8x	8.5x	6.2x	4.3x	3.1x	2.2x
EV/EBITDA, CSQ implied	Neg.	Neg.	Neg.	44.4x	16.1x	9.2x	5.7x
EV/EBIT, CSQ implied	Neg.	Neg.	Neg.	Neg.	37.1x	11.9x	7.1x
Shares outstanding (M, EoP)	7	102	373	493	529	529	529
Shares outstanding (M, Avg.)	7	54	238	433	511	529	529
Shares outstanding, aft. dil. (M, Avg.)	7	54	238	433	511	529	529
Shares outstanding, fully dil. (M, Avg.)	13	61	244	439	517	535	535
EPS (SEK)	-0.6	-0.2	-0.1	0.0	0.0	0.1	0.2
DPS (SEK)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BV per share (SEK)	-35.6	-4.0	-0.9	-0.5	-0.5	-0.5	-0.4
tBV per share (SEK)	0.1	0.0	0.0	0.0	0.0	0.0	0.0
EV per share (SEK)	37.4	7.1	2.0	1.1	1.0	0.9	0.9
Equity per share (SEK)	-33.6	-4.1	-0.9	-0.6	-0.5	-0.4	-0.2
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield	Neg.	Neg.	Neg.	Neg.	13.0%	27.9%	42.8%

Source: Company information and Carlsquare estimates

Valuation multiples and estimates

Valuation, reference group

	HQ	Mcap (EURm)	EV (EURm)	CAGR	µEBIT marg.	EV/Sales		EV/EBITDA		EV/EBIT		P/E	
AI				2024-27	2025-27	NTM	2025E	NTM	2025E	NTM	2025E	NTM	2025E
CrowdStrike Holdings,	US	95,843	92,560	NA	22.9%	21.5x	20.3x	89.8x	80.1x	106.2x	94.4x	99.9x	90.6x
UiPath Inc.	US	7,062	5,606	NA	16.4%	3.8x	3.7x	22.6x	21.2x	26.3x	24.5x	27.5x	26.3x
SoundHound AI, Inc.	US	3,647	3,560	NA	-36.8%	25.2x	22.6x	NA	NA	NA	NA	NA	NA
Cerence Inc.	US	519	672	NA	9.2%	2.8x	2.8x	24.0x	24.0x	34.3x	34.3x	52.3x	52.3x
LivePerson, Inc.	US	102	416	NA	NA	1.7x	1.7x	23.2x	24.8x	NA	Nan	NA	NA
Smart Eye AB (publ)	SE	197	199	50.4%	18.5%	4.0x	4.0x	17.9x	17.9x	NA	NA	148.2x	148.2x
Elliptic Laboratories ASA	NO	92	88	NA	43.6%	8.1x	4.1x	52.6x	8.6x	NA	10.5x	507.0x	15.1x
Aiforia Technologies Oyj	FI	104	92	NA	-108.8%	20.1x	15.9x	NA	NA	NA	NA	NA	NA
Median		**358**	**544**	**50.4%**	**16.4%**	**6.0x**	**4.0x**	**23.6x**	**22.6x**	**34.3x**	**29.4x**	**99.9x**	**52.3x**
Average		13,446	12,899	50.4%	-5.0%	10.9x	9.4x	38.4x	29.4x	55.6x	40.9x	167.0x	66.5x
-													
24SevenOffice Group AB	SE	119	135	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
AVTECH Sweden AB	SE	39	37	NA	47%	7.4x	14.3x	14.3x	14.3x	17.5x	17.5x	22.7x	22.7x
BIMobject AB	SE	89	71	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Checkin.Com Group AB (publ)	SE	27	26	22%	5%	2.9x	8.4x	8.4x	8.4x	Neg.	Neg.	Neg.	Neg.
Cint Group AB (publ)	SE	167	253	5%	8%	1.4x	5.3x	5.3x	5.3x	23.0x	23.0x	5.6x	5.6x
CodeMill AB (publ)	SE	17	15	NA	16%	1.8x	6.5x	6.0x	6.5x	12.9x	14.0x	15.0x	15.7x
Flowscape Technology	SE	6	5	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Formpipe Software	SE	129	127	10%	18%	2.4x	9.3x	9.3x	9.3x	17.7x	17.7x	20.7x	20.7x
Fortnox AB (publ)	SE	3,944	3,887	23%	47%	17.3x	32.2x	32.2x	32.2x	38.7x	38.7x	49.4x	49.4x
IAR Systems Group AB	SE	157	147	1%	16%	3.4x	9.3x	9.3x	9.3x	19.4x	19.4x	21.7x	21.7x
Lime Technologies AB	SE	446	464	15%	22%	6.5x	20.8x	20.8x	20.8x	30.6x	30.6x	40.2x	40.2x
Litium AB (publ)	SE	13	12	9%	4%	1.7x	6.8x	6.8x	6.8x	70.1x	70.1x	76.9x	76.9x
Nepa AB (publ)	SE	15	12	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Observit AB	SE	22	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Oneflow AB (publ)	SE	79	71	32%	-18%	4.5x	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.
Opter AB (publ)	SE	63	61	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Physitrack PLC	GB	20	24	NA	16%	1.4x	4.0x	4.4x	4.0x	19.2x	12.0x	16.1x	12.1x
Risk Intelligence A/S	DK	4	6	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Safeture AB (publ)	SE	21	18	16%	7%	3.2x	25.0x	25.0x	25.0x	216.0x	216.0x	NA	NA
Upsales Technology AB (publ)	SE	56	51	NA	19%	3.7x	14.0x	15.1x	14.0x	22.0x	19.7x	30.7x	26.3x
Vertiseit AB (publ)	SE	164	186	26%	16%	2.7x	13.9x	13.9x	13.9x	21.6x	21.6x	31.9x	31.9x
Vitec Software Group AB	SE	2,195	2,401	13%	23%	6.9x	17.4x	17.4x	17.4x	31.2x	31.2x	44.0x	44.0x
Median		**59**	**61**	15%	16%	**3.2x**	**11.6x**	**11.6x**	**11.6x**	**22.0x**	**21.6x**	**26.7x**	**24.5x**
Average		354	381	16%	16%	4.5x	13.4x	13.4x	13.4x	41.5x	40.9x	31.2x	30.6x
Full ref. group													
Median		**97**	**92**	**16%**	**16%**	**3.7x**	**9.3x**	**16.2x**	**14.1x**	**24.6x**	**23.0x**	**31.9x**	**26.3x**
Average		3,845	3,835	18%	10%	6.7x	11.9x	20.9x	18.2x	44.2x	40.9x	71.2x	41.2x
TENEO (curr.)*	**SE**	**22**	**44**	43%	-6%	**3.8x**	**3.8x**	**NM**	**NM**	**NM**	**NM**	**NM**	**NM**
TENEO (CSQ)*	**SE**	**51**	**73**	43%	-6%	**6.4x**	**6.4x**	**NM**	**NM**	**NM**	**NM**	**NM**	**NM**

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

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