

## Research update Q1 2026

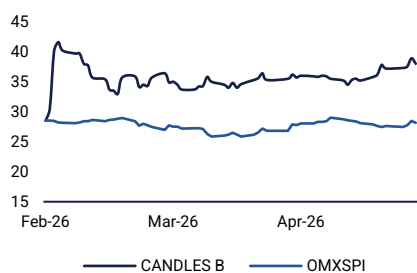
### CANDLES SCANDINAVIA AB

Candles Scandinavia AB manufactures and sells scented candles made from wax based on plant-based rapeseed oil, as well as room fragrances and fragrance sticks. Candles focuses on private label products and the production of its own brands. Candles' customers include Rituals, H&M, Lyko and Åhléns.

CEO: Viktor Garmiani  
CoB: Ulf Gejhammar  
<https://www.candles.se/investors/>

List: Nasdaq First North  
Last: SEK 38  
Market cap: SEK 377m  
Enterprise value: SEK 492m  
Bloomberg: CANDLEB: SS  
Refinitiv Eikon: CANDLEB.ST

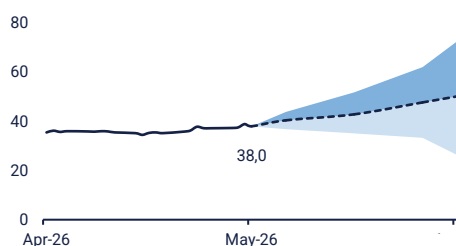
### SHARE PRICE DEVELOPMENT



	12M	YTD	6M	1M
Development (%)	116	27	38	6

Source: S&P Capital IQ and Carlsquare

### VALUATION RANGE



	BEAR	BASE	BULL
Share price (SEK)	26	50	73
Up-/downside (%)	-24%	32%	92%

Source: S&P Capital IQ and Carlsquare estimates

### CARLSQUARE EQUITY RESEARCH

Niklas Elmhammer  
Senior Equity Analyst

## A scent of synergies

The beginning of the year was slower than we had assumed. However, a key message is that the integration work with HashtagYou is running according to plan. We expect quarterly reports showcasing production synergies to be catalysts for the share price in H2 2026.

### Slow season and difficult comparison hamper sales growth in Q1

Candles Scandinavia's net sales were again boosted by the acquisition of HashtagYou, increasing 98 per cent to SEK 82m (42). The impact from the acquisition was 110 per cent; consequently, the Private Label segment contracted by 12 per cent. Drivers behind the decline are strong comparables and FX headwinds. Hence, the string of growth quarters running from Q2 2024/2025 was broken. In sum, sales were lower than our forecast; however, seasonality is arguably more pronounced in the new structure and following the shift to calendar year reporting. Although comparable financials were not published, Candles says HashtagYou's revenue increased.

### Preparations for production integration are proceeding according to plan

EBITDA declined to SEK -2.3m (0.9), burdened by lower volumes in the Private Label business. While OPEX-to-sales is elevated following the acquisition of HashtagYou, we conclude that costs were still somewhat lower than expected in the quarter. Overall, it is hard to draw firm conclusions from the lower profitability as volumes are seasonally weak. The production relocation of HashtagYou's range to the company's own factory in Örebro is the single most strategically important operational event right now. Management says the project is progressing to plan, with the launch of in-house manufactured products expected towards the end of Q2. The profitability impact is expected to start in H2 2026, with full run-rate effects from 2027. The CEO reiterates the outlook that "2026 has every chance of becoming the company's best year to date, both in terms of profitability and cash flow". The recently published annual report reveals that margins after raw materials and supply costs improved markedly in 2025, mainly due to the acquisition and the new group structure. This further supports the case for scalability, we believe.

### Prospects for significant profitability improvement remain

Following the report, we expect lower sales growth from external Private Label customers in the medium term and accordingly reduce our net sales estimates by an average of 1.5% for 2026-2028E. As a result, we trim our corresponding EBITDA estimates by approx. -5 per cent. Also, cash flow from operations was on the weaker side at SEK -12.5m in the quarter (4.2) and the cash position was SEK 12.1m at the end of Q1 2026, vs SEK 17.6m at the end of December 2025. Due to somewhat lower estimates and increased net debt, we adjust the base-case valuation to SEK 50 (SEK 54) per share. We still argue that the case for solid growth combined with significant improvement in profitability in the medium term remains. This contrasts with the modest EV/sales 2026E multiple of 0.9x, compared to peers' 1.3x.

### Key figures (SEKm)

	2023/24	2024/25	2025	2026E	2027E	2028E
Net sales	179	179	307	494	545	599
EBITDA	-4	5	12	43	62	77
EBIT	-11	2	0	17	36	55
EBT	-14	-7	-13	3	25	47
EPS	-1.34	-0.74	-1.24	0.39	1.85	3.36
Growth, revenue	-15%	0%	71%	61.1%	10.3%	10.0%
EBITDA margin	-2%	2.7%	3.9%	8.6%	11.2%	12.7%
EBIT-margin	-6%	1%	-0.1%	3.4%	6%	9.1%
EV/Sales	1.2x	1.3x	1.6x	0.9x	0.8x	0.6x
EV/EBITDA	NM	45.8x	39.7x	10.6x	6.7x	4.7x
EV/EBIT	NM	122.1x	NM	26.4x	11.7x	6.6x
P/E	NM	NM	NM	96.4x	20.5x	11.3x

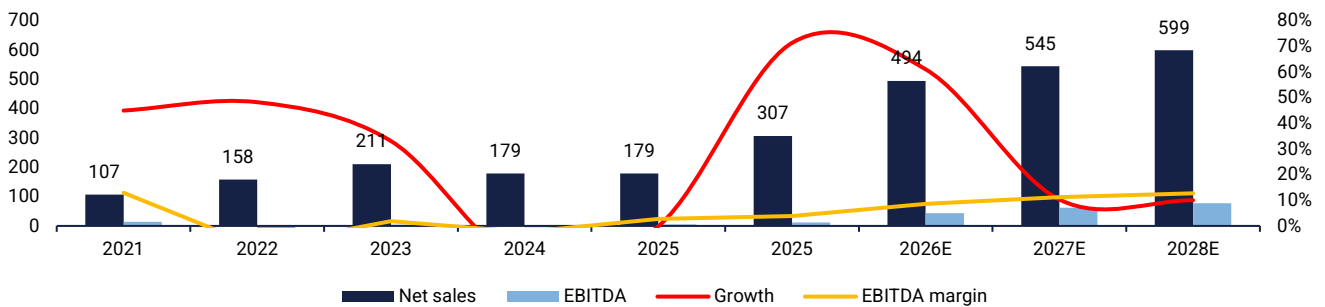
Source: Company information and Carlsquare estimates

# Investment case

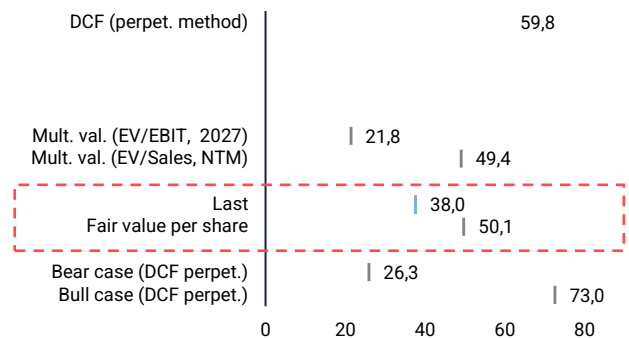
## Making headway in the expansion strategy

- Attractive position in a conservative industry:** The market for scented candles is dominated by candles based on paraffin, which is a by-product of oil. After a decade of development, Candles Scandinavia can offer scented candles made from 100 per cent natural wax. This gives a vital edge in terms of sustainability. We see good growth opportunities in a large addressable European market of some USD 1.5bn for scented candles. Fragrance sticks and room sprays, with sustainability and efficient production as selling points, add further potential. Candles sees the acquisition of brands and manufacturing capacity as opportunities to enter new geographical markets more quickly.
- Acquisition boosts international expansion:** The acquisition of HashtagYou is a potential watershed moment for Candles Scandinavia as it adds some SEK 250m in sales (more than doubles the size of the group), brings its own established brands to the portfolio, and significantly expands the presence in continental Europe. Through value chain integration and moving production in-house, Candles expects significant cost synergies. While there is some execution risk in brand management and cost reductions, we believe the timing is favourable given the capacity increase at the Örebro factory. Also, the deal structure mitigates some risk as the earnout component is relatively large.
- Significant capacity increase and automation in Örebro:** During 2024/25, Candles completed a new production line and integrated 13 ABB robots in manufacturing and packaging in its facility in Örebro, Sweden. The shift to increased automation initiated in 2023 has been more time-consuming and costly than planned, weighing on profitability. However, the Company now has a solid manufacturing platform for volume growth and improved operational efficiency. All in all, capacity has increased from 25,000 units per day in 2021 to 144,000 units per day, including a room fragrance line.
- Attractively priced share creates upside potential:** Candles is currently trading at an EV/Sales multiple on our estimate for 2026E of 0.9x, well below the reference group at 1.3x. However, we believe a premium is justified, given clear signals of solid growth from increased activity among existing customers, solid intake of new orders, and M&A. We also see a sound case for higher profitability on the back of improving organic growth and cost synergies, helping Candles to narrow the margin gap to larger international peers.

### Revenue and profitability (MSEK), base case



- A fair value of SEK 50 per share** is calculated in a base case scenario within the interval SEK 26-73 per share. Our fair value per share corresponds to a potential upside of some 362%.
- Our fair value corresponds to an EV/EBITDA 26E of 15.6x.
- The full reference group is currently valued at an EV/EBITDA 26E multiple of 7.2x and an EV/EBIT multiple of 11.9x for 2026.



- Transformation carries execution risk:** The acquisition of HashtagYou transforms the group, as it becomes significantly exposed to a B2C business with its own brands and e-commerce operations. Neither Candles nor HashtagYou has any track record of sustained high profitability.
- Declining markets in recent years:** The market for Home and interior products has been weak in recent years due to, e.g., a higher interest rate environment. As Candles focuses on the medium segment, it is potentially more exposed to negative macroeconomic trends and weakening household spending.
- Outstanding debt has increased to finance expansion:** We estimate that Candles currently has a net debt of about SEK 114m. Meanwhile, profitability remains quite low.

## Estimates and revisions

### Slowish quarter, room to improve profitability

Net sales came in at SEK 82.2m, in line with management's expectations but below our estimate. We recognise that the lack of published, comparable financials made our estimates more uncertain than usual, particularly given the pronounced seasonality of the scented candles business. HashtagYou contributed SEK 45.6m, which management says maintains its momentum. The legacy Private Label business, however, contracted by 12 per cent. One important factor was an "abnormally" strong Q1 2025, driven by shipments spilling over from the previous quarter (i.e, Q4 2024) following previous problems with the newly installed production line in Örebro.

#### Q1 2026, Actuals (SEKm)

	Q1 26E	Q1 26A	Q1, 25A	Deviation (%)	Growth (%)
Net sales	95.6	82.2	41.6	-14%	97.5%
EBITDA	2.2	-2.3	0.9	-208%	
EBITDA margin	2.3%	-2.8%	2.0%		
EBIT	-4.2	-8.9	-0.3	-110%	-2593%
EBIT margin	-4.4%	-10.8%	-0.8%		
EBT	-7.1	-13.9	-3.5	-96%	-292%
EPS (SEK)	-0.57	-0.96	-0.34	-41%	-182%

Source: Company information and Carlsquare estimates

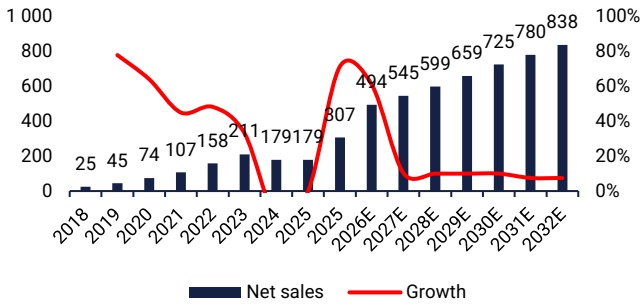
We adjust our sales estimates to reflect increased caution regarding the Private Label business, where growth momentum appears to have tempered. This trickles down to lower EBITDA estimates as well. However, as we estimate that current gross margins (albeit not disclosed by the company) are healthy and slightly below 50 per cent, and as we expect further improvements from production synergies, we see a solid case for improved operating leverage in the coming years.

#### Estimate revisions

	2026E	2027E	2028E
<b>Updated</b>			
Net sales	494.1	545.0	599.5
EBITDA	43.0	61.8	77.1
EBIT	17.3	35.6	55.1
EPS	0.39	1.85	3.36
<b>Previous</b>			
Net sales	501.0	554.0	609.0
EBITDA	47.0	67.0	80.0
EBIT	21.0	41.0	58.0
EPS	0.79	2.44	3.70
<b>Diff.</b>			
Net sales	-1%	-1.6%	-1.6%
EBITDA	-8%	-8%	-3.7%
EBIT	-18%	-13%	-5%
EPS	-50%	-24%	-9%

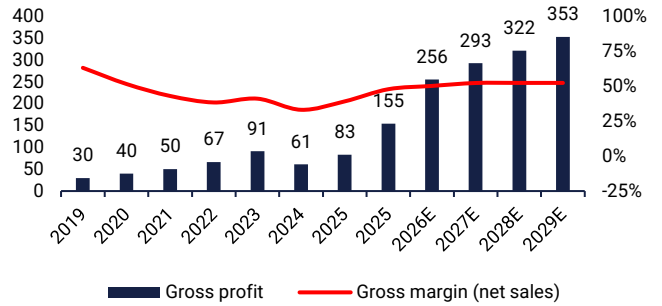
Source: Company information and Carlsquare estimates

**Net sales (SEKm) and growth (%)**



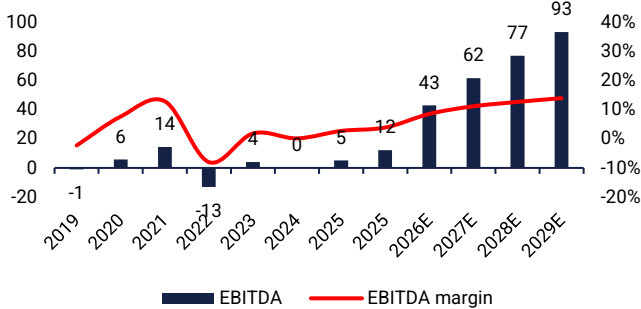
Source: Company information and Carlsquare estimates

**Gross profit (SEKm) and margin (%)**



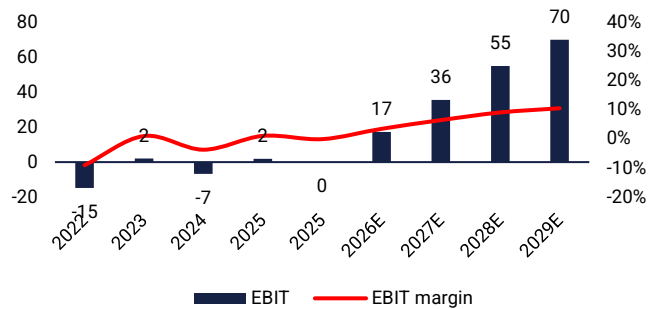
Source: Company information and Carlsquare estimates

**EBITDA (SEKm) and margin (%)**



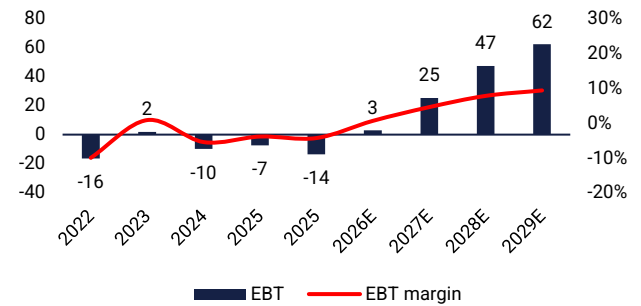
Source: Company information and Carlsquare estimates

**EBIT (SEKm) and margin (%)**



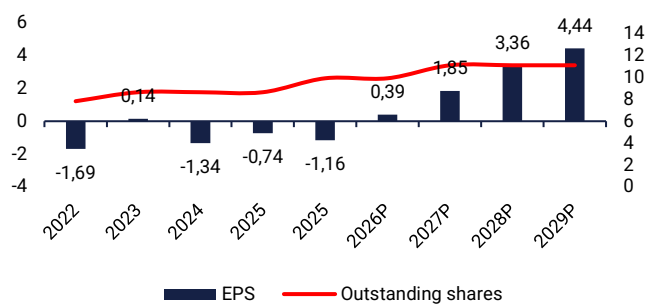
Source: Company information and Carlsquare estimates

**EBT (SEKm) and margin (%)**



Source: Company information and Carlsquare estimates

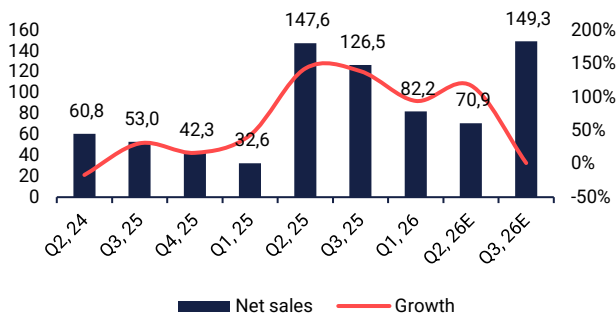
**EPS (SEK)**



Source: Company information and Carlsquare estimates

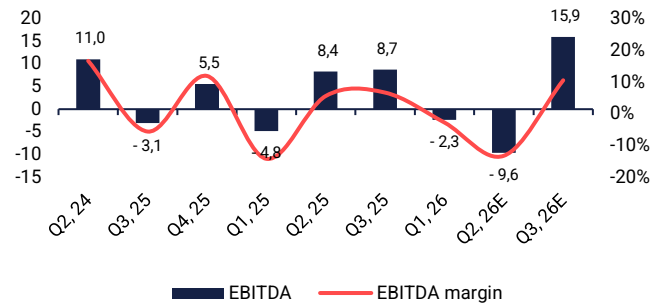
## On a quarterly basis

### Net sales (SEKm) and growth (%)



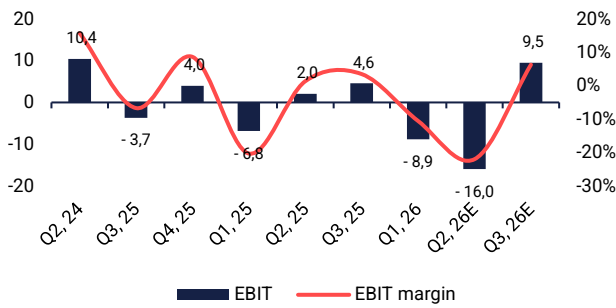
Source: Company information and Carlsquare estimates

### EBITDA (SEKm) and margin (%)



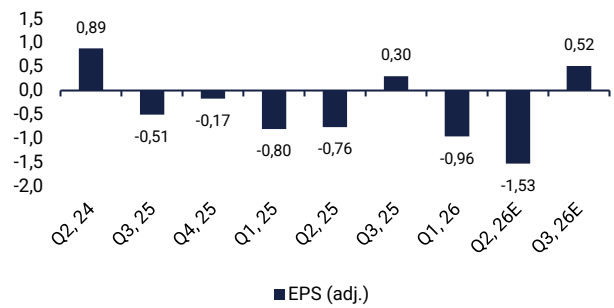
Source: Company information and Carlsquare estimates

### EBIT (SEKm) and margin (%)



Source: Company information and Carlsquare estimates

### Earnings per share (SEK)



Source: Company information and Carlsquare estimates

# Valuation

Combining a DCF valuation with multiple valuation models yields a weighted average fair value per share of approximately SEK 50. Our valuation corresponds to an EV/EBITDA 26E multiple of 15.6x and an EV/EBIT multiple of 38x for 2026. The full reference group is currently trading at an EV/EBITDA 26E multiple of 7.2x and an EV/EBIT 26E multiple of 11.9x. A premium is justified by Candles having better prospects for growth and improved profitability, driven by order activity and the transition from a B2B to a hybrid B2B/B2C model, supported by the acquisition of HashtagYou.

## Fair value within a range

### Growth and margin expansion motivate upside

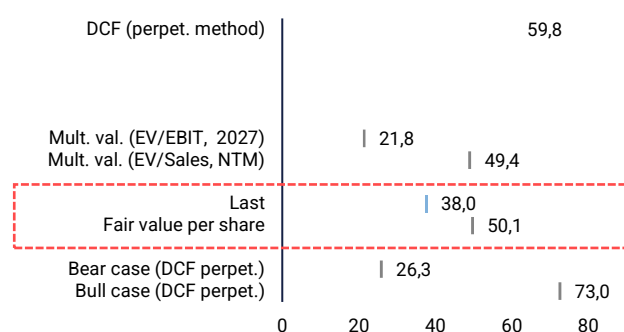
Combining a DCF valuation with two multiple approaches, we calculate a fair value of approximately SEK 50 per share (SEK 54) in a base-case scenario. The decrease is due to lower sales forecasts for the Private Label business and increased debt. Our base-case valuation implies upside potential of approximately 32%. The valuation is predicated on continued strong growth with improving scalability.

#### Fair value (SEK/share), base case

		weight	
Mult. val. (EV/EBIT, 2027)	SEK	20%	21.8
Mult. val. (EV/Sales, NTM)	SEK	20%	49.4
DCF valuation	SEK	60%	59.8
<b>Fair value per share</b>	<b>SEK</b>		<b>50,1</b>
Potential up-/downside			32%
Shares outst., fully financed, and diluted	M		11
<b>Equity value</b>	<b>SEKm</b>		<b>557</b>
Cash (last rep. Q)	SEKm		12,1
Debt (last rep. Q)	SEKm		126,3
PV cash from equity financing	SEKm		0
<b>EV</b>	<b>SEKm</b>		<b>671</b>

Source: Carlsquare estimates

#### Fair value within a range (SEK/share)



Source: Carlsquare estimates

#### Implicit valuation multiples, base case

	NTM	23/24	24/25	2025	2026E	2027E	2028E	2029E
EV/Sales	1.5x	3.7x	3.8x	2.2x	1.4x	1.2x	1.1x	1.0x
EV/EBITDA	14.1x	NM	128.1x	54.9x	15.6x	10.9x	8.7x	7.2x
EV/EBIT	30.5x	NM	341.7x	NM	38.8x	18.9x	12.2x	9.6x
P/E	71.2x	NM	NM	NM	127.2x	27.1x	14.9x	11.3x

Source: Carlsquare estimates

In a **bull-case scenario**, we assume average growth is 20 per cent higher than in the base case. We also assume that the EBITDA margin target will be achieved, i.e., 15 to 17 per cent, by 2028. This implies better scalability and stronger earnings growth than the base case scenario.

In a **bear-case scenario**, we assume a lower growth rate of about 10 per cent on average. Consequently, we presume less scalability and slower operating leverage.

## Evaluation, three scenarios

	BEAR	BASE	BULL
<b>Rev. growth assumptions</b>			
CAGR, 2025-27	25%	33%	39%
CAGR, 2025-30	14%	18%	22%
CAGR, 2025-35	10%	13%	15%
<b>Assumptions, EBITDA margins</b>			
2025 to 2027	3.9%	4.8%	5.6%
2025 to 2030	8.7%	10.9%	12.7%
2025 to 2035	9.3%	11.6%	13.3%
2035	10.0%	12.5%	14.0%
<b>Calculated value per share (SEK)</b>	<b>26.4</b>	<b>50.1</b>	<b>72.4</b>

Source: Carlsquare estimates

## DCF valuation

### DCF valuation, base case scenario

<b>DCF valuation</b>						
PV(UFCF)	SEKm	309	<b>Disc. rate</b>			
PV(TV)	SEKm	470	Risk free rate	2.3%	Tax adjust. interest on debt	7.9%
Enterprise value	SEKm	779	Market risk premium	5.9%	Leverage	33.4%
Net debt (+), last Q	SEKm	-114.2	Size premium	3.5%	WACC	10.4%
Value, associated comps.	SEKm	0.0	Beta	1.0x	Comp. spec. premium	0.0%
Value, minority interest	SEKm	0.0	Req. return on equity	11.7%	<b>Discount rate</b>	<b>10.4%</b>
Shareholder value	SEKm	664	<b>Assumptions</b>			
PV(equity financing proceeds)	SEKm	0	CAGR, 2026-2036	12.8%		
Shareholder value, after financing	SEKm	664	EBITDA-margin, 2036	12.5%		
Current shares outstanding	M	10	EBIT-margin, 2036	9.6%		
New shares from equity fin. and warrants	M	1.2	Tax rate	20.6%		
Shares outstanding after financing and dilution	M	11	<b>Implied multiples</b>			
Value per share (before financing and dilution)	SEK	66.9	EV/Sales, NTM	1.7x	EV/EBITDA, NTM	16.3x
Value per share (after financing and dilution)	SEK	59.8	EV/Sales, 2026E	1.5x	EV/EBITDA, 2026E	18.1x
Currency	SEK/SEK	1.0	P/S, NTM	1.5x	EV/EBIT, NTM	35.4x
Value per share (before financing and dilution)	SEK	66.9	P/S, 2026E	1.3x	EV/EBIT, 2026E	45.1x
<b>Value per share (after financing and dilution)</b>	<b>SEK</b>	<b>59.8</b>	EV/Gross prof., NTM	1.7x	P/E, NTM	84.9x
Potential up-/downside		57%	EV/Gross prof., 2026E	3.0x	P/E, 2026E	169.9x

Source: Carlsquare estimates

## Multiple valuation

### Multiple evaluation median EV/Sales NTM, base case scenario

	HQ	Mcap (SEKm)	CAGR, 2025-2028E	Avg. EBITDA-marg. 2025-2027E	EV/Sales, NTM	EV/Sales, 2026E
AAK AB (publ.)	SE	69 335	5%	13%	1.5x	1.5x
Bath & Body Works, Inc.	US	35 839	3%	17%	1.1x	1.1x
Newell Brands Inc.	US	17 436	1%	14%	1.0x	1.0x
Dusk Group Limited	AU	316	NA	10%	0.3x	0.3x
Kid ASA	NO	5 209	9%	26%	1.7x	1.7x
Robertet SA	FR	17 985	5%	16%	2.0x	2.0x
Median		17 436	4%	15%	1.3x	1.3x
Average		25 627	4%	16%	1.1x	1.1x
<b>Discount</b>					0.0%	0.0%
Applied multiple					1.3x	1.3x
Adjusted sales, NTM*	SEKm				510	
Adjusted sales, 2026E*	SEKm					494.1
Enterprise value	SEKm				663.2	648
Net debt (-), list Q	SEKm				-114.2	-114.2
Value, associated comps.	SEKm				0.0	0.0
Value, minority interest	SEKm				0.0	0.0
PV(Cash from equity financing)	SEKm				0.0	0.0
Shareholder value, after financing	SEKm				549	534
Current shares outstanding	M				10	10
New shares	M				1.2	1.2
Shares outstanding after financing and dilution	M				11	11
Value per share (before financing and dilution)	SEK				55.3	53.8
Value per share (after financing and dilution)	SEK				49.4	48.0
Exchange rate	SEK/SEK				1.0	1.0
Value per share (before financing and dilution)	SEK				55.3	53.8
<b>Value per share (after financing and dilution)</b>	<b>SEK</b>				<b>49.4</b>	<b>48.0</b>

Source: S&P Capital IQ and Carlsquare estimates

### Multiple valuation median EV/EBIT 2027E, base case scenario

	HQ	Mcap (SEKm)	CAGR, 2024-2027E	μEBIT-marg., 2025-2027E	EV/EBIT, NTM
AAK AB (publ.)	SE	69 335	5%	11%	13.4x
Bath & Body Works, Inc.	US	35 839	3%	14%	8.2x
Newell Brands Inc.	US	17 436	1%	9%	11.2x
Dusk Group Limited	AU	316	NA	7%	5.2x
Kid ASA	NO	5 209	9%	13%	13.8x
Robertet SA	FR	17 985	5%	16%	12.4x
Median		17 436	4%	12%	11.8x
Average		25 627	4%	12%	10.4x
<b>Discount</b>					0.0%
Applied multiple					11.8x
EBIT, 2027E	SEKm				35.6
Enterprise value	SEKm				420
PV(Enterprise value)	SEKm				356
Net debt (-), list Q	SEKm				-114.2
Value, associated comps.	SEKm				0.0
Value, minority interest	SEKm				0.0
PV(Cash from equity financing)	SEKm				0.0
Shareholder value, after financing	SEKm				242
Current shares outstanding (m)	M				9.9
New shares	M				1.2
Shareholder value, after financing	M				11.1
Value per share (before financing and dilution)	SEK				24.4
Value per share (after financing and dilution)	SEK				21.8
Exchange rate	SEK/SEK				1.0
Value per share (before financing and dilution)	SEK				24.4
<b>Value per share (after financing and dilution)</b>	<b>SEK</b>				<b>21.8</b>

Source: S&P Capital IQ and Carlsquare estimates

# Risks and Challenges

Candles Scandinavia faces challenges unique to the broader sector and more company-specific challenges. Below is a selection.

## Lost business

Candles has previously experienced lost revenues and profitability due to discontinued distribution agreements. According to our estimates, the Dutch chain Rituals is Candles' largest external customer, accounting for more than 50 per cent of the Company's Private Label business in recent years. Dependence on a large customer entail increased risk, as sales may decline or eventually disappear. However, the acquisition of HashtagYou reduces the reliance on Rituals.

## An increase in production capacity has been challenging

The significant ramp-up in production capacity led to delays in deliveries during 2024 and problems during the fine-tuning process before all processes were functioning satisfactorily. Further production problems cannot be ruled out. Candles has a back up line, but rerouting production may be costly.

## A relatively large amount of capital is tied up in inventory

Candle's growth strategy and customer order forecasts (which may be more or less accurate) have historically required the Company to maintain a relatively large inventory. For the Private label business, there remains a risk that Candles' inventory levels may periodically become quite extensive.

## Acquiring other brands can bring economies of scale, but it's got to be done right

In 2023/24, Candles modified its strategy to include acquiring other brands. The new production volumes will be transferred to Candles' factory in Örebro, where economies of scale are expected to be achieved. At the same time, acquisitions involve risks, including the risk that existing sales volumes cannot be maintained.

## Outstanding debt and a soft financial situation

By the end of 2024/25, cash at the bank stood at SEK 0.5 million. Thus, new external capital was required to support working capital. The Company partially uses an overdraft facility for this purpose. However, this assumption carries some risk, as refinancing is not guaranteed. We calculate that net debt has increased to SEK 114m from SEK 18m in the last twelve months.

## An entrepreneurial company dependent on its founder

Candles Scandinavia was founded by its current CEO, Viktor Garmiani, who developed the company's unique production methods for wax candles, a skill few other companies have mastered today. Viktor Garmiani is tied to Candles by his significant shareholding, including unlisted A shares.

# Accounts and key figures

## Income statement (SEKm), quarterly basis

	Q1. 25	Q2. 25	Q4. 25	Q1. 26	Q2. 26E	Q3. 26E	Q4. 26E	Q1. 27E
Net sales				82.2	70.9	149.3	191.8	90.7
Total revenue				84.0	72.7	151.1	193.6	92.5
Gross profit				84.0	72.7	151.1	193.6	92.5
EBITDA				-2.3	-9.6	15.9	39.1	2.4
Adj. EBITDA				-2.3	-9.6	15.9	39.1	2.4
EBIT				-8.9	-16.0	9.5	32.6	-4.1
Adj. EBIT				-8.9	-16.0	9.5	32.6	-4.1
EBT				-13.9	-19.1	6.5	29.6	-7.1
Adj. EBT				-13.9	-19.1	6.5	29.6	-7.1
Net profit/loss				-9.5	-15.2	5.1	23.5	-5.6
Adj. Net profit/loss				-9.5	-15.2	5.1	23.5	-5.6
Basic EPS adj. (SEK)				-0.96	-1.53	0.52	2.37	-0.57
<b>Growth</b>	<b>Q1. 25</b>	<b>Q2. 25</b>	<b>Q4. 25</b>	<b>Q1. 26</b>	<b>Q2. 26E</b>	<b>Q3. 26E</b>	<b>Q4. 26E</b>	<b>Q1. 27E</b>
Net sales								10%
Total revenue								10%
Gross profit								10%
EBITDA								202%
EBIT								53%
EBT								49%
Net profit/loss								41%
<b>Margins</b>	<b>Q1. 25</b>	<b>Q2. 25</b>	<b>Q4. 25</b>	<b>Q1. 26</b>	<b>Q2. 26E</b>	<b>Q3. 26E</b>	<b>Q4. 26E</b>	<b>Q1. 27E</b>
Gross margin				100%	100%	100%	100%	100%
EBITDA margin				-3%	-13%	11%	20%	3%
Adj. EBITDA margin				-3%	-13%	11%	20%	3%
EBIT margin				-11%	-22%	6%	17%	-4%
Adj. EBIT margin				-11%	-22%	6%	17%	-4%
EBT margin				-17%	-26%	4%	15%	-8%
Adj. EBT margin				-17%	-26%	4%	15%	-8%
Profit margin				-11%	-21%	3%	12%	-6%
Adj. profit margin				-11%	-21%	3%	12%	-6%

Source: Company information and Carlsquare estimates

**Income statement (SEKm)**

	2021	2022	2023	2024	2024/25	2025	2026E	2027E	2028E
Net sales	107	158	211	179	179	307	494	545	599
Total operating income	111	164	215	181	192	314	501	552	607
COGS	-61	-97	-124	-120	-109	-208	-246	-259	-285
Gross profit	50	67	91	61	83	107	256	293	322
Other operating expenses, less COGS and D&A	-36	-80	-87	-70	-78	-94	-213	-231	-245
EBITDA	14	-13	4	-4	5	12	43	62	77
Adj. EBITDA	14	-13	4	0	5	12	43	62	77
Dep. and amort.	-1	-2	-2	-2	-3	-13	-26	-26	-22
EBIT	13	-15	2	-7	2	0	17	36	55
Adj. EBIT	13	-15	2	-2	2	0	17	36	55
Net finances	0	-2	0	-3	-9	-13	-14	-10	-8
EBT	13	-16	2	-14	-7	-13	3	25	47
Adj. EBT	13	-16	2	-10	-7	-13	3	25	47
Tax	0	3	-1	3	1	2	1	-5	-10
Net profit/loss	13	-13	1	-12	-6	-12	4	20	37
Adj. net profit/loss	13	-13	1	-8	-6	-12	4	20	37
Basic EPS adj.	0.00	-1.69	0.14	-1.34	-0.74	-1.27	0.39	1.85	3.36
Fully diluted EPS adj.									
Shares, EoP	0.0	7.8	8.7	8.7	8.7	9.9	9.9	11.1	11.1
Shares, avg.	0.0	7.8	8.2	8.7	8.7	9.3	9.9	10.5	11.1
<b>Growth</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025E</b>	<b>2025</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>
Net sales	45%	48%	33%	-15%	0%	71%	61%	10%	10%
Tot. revenue	47%	48%	31%	-16%	6%	64%	60%	10%	10%
Gross profit	26%	33%	36%	-33%	37%	28%	66%	14%	10%
EBITDA	148%	-192%	131%	-207%	223%	135%	252%	44%	25%
Adj. EBITDA	148%	-192%	131%	-93%	1725%	135%	252%	44%	25%
EBIT	183%	-213%	114%	-639%	117%	-112%	5892%	106%	55%
Adj. EBIT	183%	-213%	114%	-422%	129%	-112%	5892%	106%	55%
EBT	183%	-225%	111%	-905%	48%	-81%	122%	726%	88%
Adj. EBT	183%	-225%	111%	-651%	25%	-81%	122%	726%	88%
Net profit/loss	183%	-199%	105%	-1826%	45%	-81%	134%	410%	88%
Adj. net profit	183%	-199%	105%	-1282%	20%	-81%	134%	410%	88%
Basic EPS adj.						72%	-134%	370%	82%
<b>Margins</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025E</b>	<b>2025</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>
Gross profit	45%	41%	42%	34%	43%	34%	51%	53%	53%
EBITDA margin	13%	-8%	2%	-2%	3%	4%	9%	11%	13%
Adj. EBITDA margin	13%	-8%	2%	0%	3%	4%	9%	11%	13%
EBIT margin	12%	-9%	1%	-6%	1%	0%	3%	6%	9%
Adj. EBIT margin	12%	-9%	1%	-4%	1%	0%	3%	6%	9%
EBT margin	12%	-10%	1%	-8%	-4%	-4%	1%	5%	8%
Adj. EBT margin	12%	-10%	1%	-5%	-4%	-4%	1%	5%	8%
Profit margin	12%	-8%	0%	-6%	-3%	-4%	1%	4%	6%
Adj. profit margin	12%	-8%	0%	-4%	-3%	-4%	1%	4%	6%

Source: Company information and Carlsquare estimates

## Balance sheet (SEKm)

	2021	2022	2023	2024	2025E	2025	2026E	2027E	2028E
Tot. intangible assets	3	3	4	3	2	112	106	97	86
Tot. tangible assets	2	3	21	26	91	99	94	89	91
Tot. other fixed assets	1	5	2	5	8	13	17	17	17
Total fixed assets	5	11	27	35	101	224	218	204	194
Inventories	40	65	76	38	49	65	75	77	85
Accounts Receivables	11	15	14	16	18	42	75	82	91
Other current assets	3	3	10	5	3	14	49	54	59
Cash	0	4	38	19	0	18	12	0	41
Total current assets	54	88	138	78	71	139	210	214	276
Total assets	59	99	165	112	172	363	428	417	470
Total equity	13	42	94	84	79	157	161	181	219
Debt to creditors	0	0	0	0	0	0	0	0	0
Other long-term liabilities	6	6	46	12	55	88	82	42	42
Tot. long-term liabilities	6	6	46	12	55	88	82	42	42
Short-term debt to creditors	0	0	0	0	13	27	44	44	44
Accounts payable	40	51	26	17	16	52	90	99	109
Other short-term liabilities	0	0	0	0	9	32	51	51	56
Tot. short-term debt	40	51	26	17	38	111	185	194	209
Total debt	46	56	71	29	93	199	267	236	251
Tot. equity and debt	59	99	165	112	172	356	428	417	470
<b>Liquidity</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025E</b>	<b>2025</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>
Current ratio	1,3x	1,7x	5,4x	4,7x	1,9x	1,3x	1,1x	1,1x	1,3x
Cash ratio	0,0x	0,1x	1,5x	1,1x	0,0x	0,2x	0,1x	0,0x	0,2x
<b>Leverage</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025E</b>	<b>2025</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>
Net debt(+)/Net cash(-)	6	1	7	-7	68	98	108	80	38
Net debt/EBITDA	-0,4x	NM	-1,9x	NM	-12,9x	-8,0x	-2,5x	-1,3x	-0,5x
Net debt/Equity	-0,4x	0,0x	-0,1x	NM	-0,9x	-0,6x	-0,7x	-0,4x	-0,2x
Equity/Total Assets	22%	43%	57%	75%	46%	43%	38%	43%	47%
<b>Efficiency</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025E</b>	<b>2025</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>
ROA	35%	-15%	1%	-4%	1%	0%	3%	7%	10%
ROE	160%	-43%	2%	-6%	2%	0%	9%	16%	22%
ROIC	0%	0%	-70%	189%	36%	-15%	2%	-5%	1%

Source: Company information and Carlsquare estimates

## Cash flow (SEKm),

	2021	2022	2023	2024	2025E	2025	2026E	2027E	2028E
CF, operations b4 delta WC	0	-15	1	-14	-3	4	26	46	59
Delta operating capital	-16	-20	-37	34	1	-10	-18	-5	-6
CF operations	-16	-35	-36	19	-2	-6	8	41	53
CF investing	0	-3	-17	-7	-12	-19	-17	-13	-12
Free cash flow	-16	-38	-53	12	-14	-25	-10	28	41
CF financing	39	42	87	-32	-4	42	4	-40	0
Cash flow	23	4	34	-19	-18	17	-6	-11	41
Cash, BoP	9	0	4	38	19	0	18	12	0
Cash, EoP	32	4	38	19	0	18	12	0	41
<b>Key ratios</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025E</b>	<b>2025</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>
CF operations/Total operating income	-14%	-21%	-17%	11%	-1%	-2%	2%	7%	9%
CF operations/EBITDA	-111%	264%	-904%	-454%	-39%	-49%	18%	66%	69%

Source: Company information and Carlsquare estimates

**Key figures (SEK)**

	2022	2023	2024	2025	2025	2026E	2027E	2028E
SEK/SEK	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Share price	74.9	39.8	25.0	17.3	26.7	38.0	38.0	38.0
Market cap	586	344	216	150	398	377	377	377
EV	581	335	207	169	488	457	416	362
P/S	4x	2x	1x	0.8x	1.3x	0.8x	0.7x	0.6x
P/E	NM	284.3x	NM	NM	NM	96.4x	20.5x	11.3x
P/CF operations	NM	NM	11.2x	NM	NM	49.7x	9.3x	7.1x
EV/Sales	4x	2x	1x	0.9x	1.6x	0.9x	0.8x	0.6x
EV/EBITDA	NM	83.6x	721.1x	32.2x	39.7x	10.6x	6.7x	4.7x
EV/EBIT	NM	159.7x	NM	85.9x	NM	26.4x	11.7x	6.6x
CSQ fair value per share	74.9	39.8	25.0	17.3	26.7	38.0	38.0	38.0
CSQ market cap	586	344	216	150	398	377	377	377
CSQ EV	581	335	207	169	488	457	416	416
P/S, CSQ implied	4x	2x	1x	0.8x	1.3x	0.8x	0.7x	0.6x
P/E, CSQ implied	NM	514.4x	NM	NM	NM	96.4x	18.9x	10.1x
P/CF operations, CSQ implied	NM	NM	11.2x	NM	-99.5x	73.4x	13.7x	10.5x
EV/Sales, CSQ implied	4x	2x	1x	0.9x	1.6x	0.9x	0.8x	0.7x
EV/EBITDA, CSQ implied	NM	83.6x	721.1x	32.2x	39.7x	10.6x	6.7x	5.4x
EV/EBIT, CSQ implied	NM	159.7x	NM	85.9x	NM	26.4x	11.7x	7.5x
Shares outstanding (EoP)	0.0	8.7	8.7	8.7	9.9	9.9	11.1	11.1
Shares outstanding, fully dil. (Avg)	0.0	8.2	8.7	8.7	9.3	9.9	10.5	11.1
EPS (SEK)	7.8	8.7	-1.34	-0.74	-1.27	0.39	1.85	3.36
DPS (SEK)	7.8	8.2	0.00	0.00	0.00	0.00	0.00	0.00
BV per share (SEK)	-1.69	0.14	9.7	9.1	15.8	16.2	16.3	19.7
tBV per share (SEK)	0.00	0.00	3.1	10.5	10.7	9.5	8.5	8.1
EV per share (SEK)	5.4	10.9	23.9	19.5	52.5	46.0	39.5	32.6
Equity per share	0.3	2.5	9.7	9.1	16.9	16.2	17.2	19.7
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield	-6.4%	-15.4%	5.7%	-9.4%	-6.3%	-2.6%	7.4%	10.9%
FCF yield (unlevered)	-1.4%	-1.9%	-2.0%	-21.8%	-12.6%	5.3%	-1.7%	-4.4%

Source: Company information and Carlsquare estimates

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