

Nexstim

Company report

8/21/2023



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✓ Inderes corporate customer

This report is a summary translation of the report "Paineet nousivat H2:lle" published on 8/21/2023 at 7:45 am EEST.

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Pressure increased on H2

We reiterate our Accumulate recommendation for Nexstim and lower our target price to EUR 3.6 (was EUR 4.2). Nexstim's Q2 came in below our estimates for both net sales and earnings. The company maintained its guidance, which will require a clear improvement towards the end of the year to achieve. The rapidly declining cash position increases the likelihood of a share issue before cash flows improve with licensing revenues, which we expect to start in H2'2023. The share is priced moderately in relation to our net sales and cash flow estimates, but risks went up with the report.

Net sales down after adjustment for one-off license fee

Nexstim's Q2 net sales amounted to EUR 2.5 million, which was 16% below our estimate and represented a 32% year-on-year decline from the EUR 3.5 million adjusted for one-off license income. The decline was explained by a fall in both system sales and recurring net sales. The surprising decline in the latter was explained by increased price competition in consumables. Some expiring contracts generating recurring net sales were also not renewed. According to the company, no decline was seen in system usage or in consumable sales volumes. With lower-than-expected net sales, EBIT of EUR -1.4 million was also below our expectations of EUR -0.9 million. The result was partly supported by the company's H1 savings program, which generated savings of EUR 0.5 million. Cash and cash equivalents decreased to EUR 2.1 million (4.4 MEUR at the end of 2022). We estimate that the probability of a share issue has increased significantly ahead of the cash-flow enhancing start of the licensing period, which we expect to start in H2'24. Nexstim reiterated its guidance of increasing comparable net sales and profitability at EBITDA level. H2 needs to be much stronger than H1 to meet this guidance.

Estimates down on weak report

Our net sales estimate for the current year decreased by 10% due to a weaker-than-expected start to the year and minor H2 estimate revisions. Our estimate is in line with the company's guidance, although it assumes that Nexstim will barely reach the net sales guidance of over EUR 6 million. To meet our estimate, the company will need an active H2 for system sales, especially as there are clear cost pressures on recurring net sales, which we expect to continue. Our net sales estimates for the coming years are down by 7-8%. Most of the growth from H2'24 onwards should come from licensing fees, so our expectations for system sales and clinic network growth are moderate. We also cut our EBIT estimates and expect the company to become moderately profitable at EBIT level in 2025. We previously expected a near-zero result in 2024, but as a result of the difficulties in the early part of the year, we still expect a clear operating loss in 2024.

Fair value down with cut estimates, expected return seems adequate after the fall in share price

Our valuation is based on the DCF model and EV/S ratio. Our DCF model indicates that current value of cash flows is EUR 3.8 (previous EUR 4.3) after the estimate revisions and suggests a moderate upside potential for the stock. Our estimate of the fair EV/S multiple for the stock is 3-4x. With our 2023 estimates, Nexstim's ratio is at the top of the range, but falls to 2.8x with our 2024 growth estimates, which we consider cautiously attractive. In our view, the risk level of the stock is still elevated due to continued losses, forecast risk and weakened cash flow, but we believe the growth and profitability outlook provides sufficient expected return to bear the risk.

Recommendation

Accumulate

(previous Accumulate)

EUR 3.60

(previous EUR 4.20)

Share price:

EUR 3.05



Key figures

	2022	2023e	2024e	2025e
Revenue	9.5	6.2	8.3	10.5
growth-%	49%	-35%	34%	26%
EBIT adj.	0.8	-1.8	-0.7	0.4
EBIT-% adj.	8.8 %	-29.8 %	-8.3 %	3.7 %
Net Income	1.3	-1.9	-0.8	0.3
EPS (adj.)	0.18	-0.27	-0.11	0.04

P/E (adj.)	22.2	neg.	neg.	77.8
P/B	7.1	10.4	16.5	13.6
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %
EV/EBIT (adj.)	33.6	neg.	neg.	60.3
EV/EBITDA	21.4	neg.	neg.	24.1
EV/S	3.0	3.7	2.8	2.2

Source: Inderes

Guidance

(Unchanged)

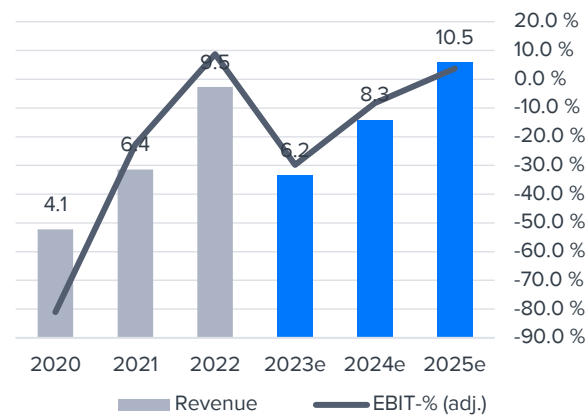
Based on business forecasts, the company expects that its comparable net sales will grow in 2023 and its EBITDA (operating result before depreciations) for the financial year will be positive.

Share price



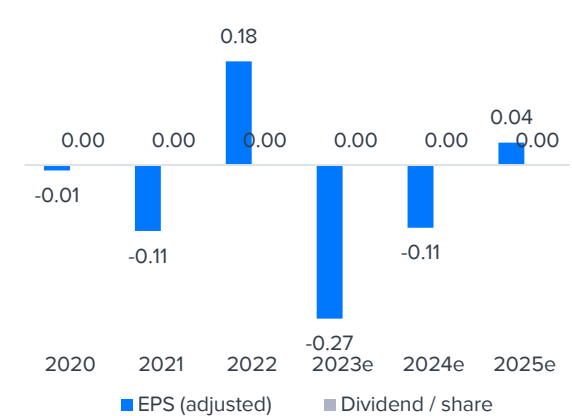
Source: Millstream Market Data AB

Revenue and EBIT-%



Source: Inderes

EPS and dividend



Source: Inderes



Value drivers

- Growing markets and underlying megatrends
- Growth in system base drives profitable and scalable recurring net sales
- Licensing agreement generates strong cash flow in the ongoing decade
- Opportunities for value creation from expanding the network of exclusive partner clinics



Risk factors

- Tough competition in the therapy business can chip away at growth and margins
- Considerable uncertainty about the timing and level of license fees
- The company may fall behind the competition if the development of accelerated treatment protocols fails
- The company's resources are small compared to its competitors
- Possibility of new share issues cannot be excluded

Valuation	2023e	2024e	2025e
Share price	3.05	3.05	3.05
Number of shares, millions	7.27	7.27	7.27
Market cap	22	22	22
EV	23	24	23
P/E (adj.)	neg.	neg.	77.8
P/E	neg.	neg.	77.8
P/FCF	neg.	neg.	47.1
P/B	10.4	16.5	13.6
P/S	3.6	2.7	2.1
EV/Sales	3.7	2.8	2.2
EV/EBITDA	neg.	neg.	24.1
EV/EBIT (adj.)	neg.	neg.	60.3
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

Net sales and earnings below expectations

Disappointments in both systems and recurring net sales

Nexstim's Q2 net sales amounted to EUR 2.5 million, which was 16% below our estimate and represented a 32% year-on-year decline from the EUR 3.5 million adjusted for one-off license income. The decrease was explained by both the contraction in system sales and the decline in recurring net sales. In the comparison period, Nexstim had a much larger order book and this time there was no similar pull from delivering it. According to the company, the continued decline in net sales of around 6% was due to increased price competition in areas such as consumables. In addition, some expiring contracts generating recurring net sales could not be renewed. According to the company, no decline was seen in system usage or in consumable sales volumes.

Earnings under pressure despite the savings program

With lower-than-expected net sales, EBIT of EUR -1.4 million was also below our expectations of EUR -0.9 million. In H1, the company reduced costs by EUR 0.5 million thanks to the savings program. Nexstim's headcount was reduced by two and year-on-year savings were also achieved in other operating expenses. The company managed to defend its sales margin, which remained close to its long-term level of 79.6%. Reported EBIT was positively impacted by the capitalization of product development costs related to the late-stage development of the NBS6 system launched in the spring. We expect further activations in the future as the NBS6 system is commercialized for diagnostic applications in addition to the current therapy application.

Reduction in cash increases the possibility of a share issue

Cash flow from operating activities was EUR -1.4 million, investments EUR -0.9 million and financing EUR 0.1 million. The change in cash equivalents compared to the beginning of H1 was EUR -2.3 million, after which cash stood at EUR 2.1 million. Cash flow was well below our expectations, and we believe that the likelihood of a new financing round has increased. However, the company comments that it is not currently planning a financing round. Management also seemed confident about system sales gaining momentum during H2, when it expects the first NBS6 system sales. However, we think investors should be prepared for the possibility of a share issue as we believe that licensing income starts to help cash flow only from H2'24 onwards. In the event of a potential issue, we consider a rights issue to be a likely option based on history.

Estimates	H1'22	H1'23	H1'23e	H1'23e	Consensus		Difference (%)	2023e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. Inderes	Inderes
Revenue	6.8	2.5	3.0				-16%	6.2
EBIT	2.3	-1.4	-0.9				59%	-1.8
EPS (reported)	0.44	-0.21	-0.13				65%	-0.27
DPS								0.00
Revenue growth-%	129.6 %	-63.1 %	-56.3 %				-6.9 pp	-35.4 %
EBIT-% (adj.)	34.3 %	-55.4 %	-46.5 %				-8.9 pp	-29.8 %

Source: Inderes

Estimates revised downwards

Guidance reiterated

Nexstim reiterated its guidance for an increase in adjusted net sales compared to 2022, which would mean net sales of more than EUR 6 million. Net sales in H2 should therefore be at least EUR 3.5 million, which would mean a clear pick-up in business compared to H1. In terms of targets, the company stressed system sales, where the sales pipeline should be in good shape. Net sales may also be supported by the expansion of the clinic network, which Nexstim has said it has been negotiating for some time. In terms of profitability, Nexstim still expects a positive EBITDA in 2023. The target is supported by the successful cost savings of EUR 0.5 million in H1, but we believe that a clear pick-up in net sales is also required to achieve the target.

Revisions to net sales estimates

We cut our revenue forecast for the current year by 10% following a weaker-than-expected start to the year and minor H2 estimate revisions. Our estimate is in line with the company's guidance, although it assumes that Nexstim will barely reach the net sales guidance of over EUR 6 million. To meet our estimate, the company will need an active H2 for system sales, especially as there are clear cost pressures on recurring net sales, which we expect to continue. Nexstim has regularly referred to the expansion of its network of partner clinics over the past 18 months, but so far no news has been heard. Our model includes a moderate amount of net sales from the network for H2. Our net sales estimates for the coming years are down by 7-8%. Most of the growth from H2'24 onwards should come from licensing fees, so our expectations for system sales and clinic network growth are conservative.

Earnings estimates down, but we still expect a turnaround in 2025

We also cut our EBIT estimates and now expect the company to become moderately profitable at EBIT level in 2025. We previously expected a near-zero result in 2024, but we still expect a loss-making year, especially as a result of continued sluggish net sales growth. We estimate that cash flows should improve markedly once licensing income starts to flow in. However, we estimate that the company will need to resolve its dwindling cash position (2.1 MEUR at the end of H1'23) before cash flow strengthens. The likelihood of a share issue has increased, although the company may also have non-diluting financing options available. For example, the recently released loan money can be used not only for investments but also to strengthen working capital, according to the recent [press release](#).

Estimate revisions	2023e	2023e	Change	2024e	2024e	Change	2025e	2025e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	6.8	6.2	-10%	9.0	8.3	-8%	11.3	10.5	-7%
EBIT	-1.1	-1.8	60%	-0.1	-0.7	592%	1.0	0.4	-63%
PTP	-1.2	-1.9	55%	-0.2	-0.8	296%	0.9	0.3	-69%
EPS (excl. NRIs)	-0.17	-0.27	55%	-0.03	-0.11	296%	0.13	0.04	-69%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

Source: Inderes

Target price slashed

Valuation is based on the DCF model and EV/S ratio

We use the EV/S multiple to value Nexstim as earnings multiples will only moderate in a few years' time. A key tool is also the DCF model that models the current value of cash flows. We do not expect a dividend from Nexstim in the next few years, so the investor's return is based on value changes in the share. The margin of error in valuation is high due to the estimate risk and low business visibility. The valuation multiples may, therefore, fluctuate significantly as we have seen throughout the history of the share.

DCF model indicates an upside in the share

Our DCF model indicates that current value of Nexstim's cash flows is EUR 3.8 per share (previous EUR 4.3) due to changes in estimates. The DCF model indicates a moderate undervaluation of the share and an upside that exceeds the required return. However, there is considerable uncertainty about the estimate materializing, which raises the share's risk profile. A possible issue with subscription discounts could also have a negative impact on the DCF value. The weighted average cost of capital (WACC) we use in the model is 10.4%, which reflects the still loss-making business and, on the other hand, the potential for high profitability in a defensive industry. Investors should note that there are considerable uncertainties about the realization of estimated cash flows. The DCF model is also very sensitive to the assumptions used, especially when cash flows are far in the future. 65% of the DCF is explained by the terminal period after 2032.

EV/S ratio is cautiously attractive

In the still relevant [Initiation of coverage report](#), we outlined an EV/S ratio of 3-4x as the fair value of the share. With our 2023 projections, the valuation is near the top of the range, but falls to a cautiously attractive 2.8x in the 2024 projections (previously 2.9x). The ratio continues to fall rapidly in the following years, provided that our growth estimate materializes. However, we believe that the risks have risen slightly with the uncertainty of growth and the dwindling cash position.

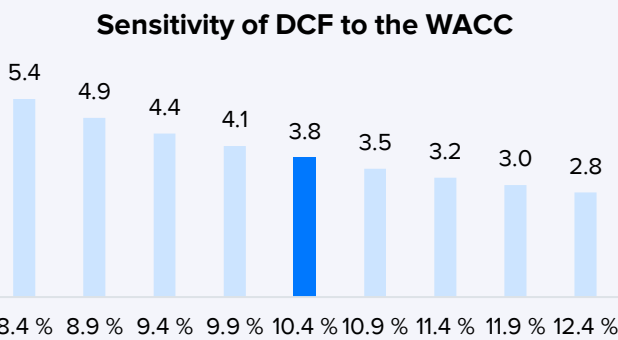
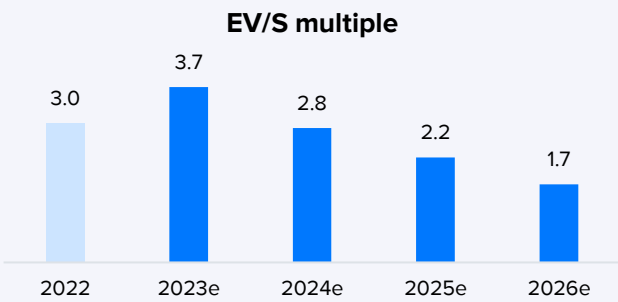
The valuation picture is mostly unchanged

During our coverage, Nexstim's share has decreased by about 40% (from May 2022) which has helped moderate the share's valuation picture. By contrast, our view of the company's growth potential has also declined during this period. However, based on the EV/S ratio, the share is valued at a cautiously attractive level as the ratio falls below our fair value range of 3-4x with 2024 estimates. The DCF model shows potential of exceeding our required return with a reasonable margin. In our view, the risk level of the stock is high (level 3) due to continued losses, high forecast risk and cash position. However, we believe that the risk is currently adequately compensated, so we maintain our recommendation at Accumulate. We lower the target price to EUR 3.6 (was EUR 4.2), broadly reflecting the change in the DCF value.

Supported by its business model and good sales margin, Nexstim has the chance to achieve excellent profitability. If the company reaches or exceeds our growth estimate, the share has precondition for good development from the current share price level.

Valuation	2023e	2024e	2025e
Share price	3.05	3.05	3.05
Number of shares, millions	7.27	7.27	7.27
Market cap	22	22	22
EV	23	24	23
P/E (adj.)	neg.	neg.	77.8
P/E	neg.	neg.	77.8
P/FCF	neg.	neg.	47.1
P/B	10.4	16.5	13.6
P/S	3.6	2.7	2.1
EV/Sales	3.7	2.8	2.2
EV/EBITDA	neg.	neg.	24.1
EV/EBIT (adj.)	neg.	neg.	60.3
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes



Valuation table

Valuation	2018	2019	2020	2021	2022	2023e	2024e	2025e	2026e
Share price	0.60	0.12	0.10	4.78	4.00	3.05	3.05	3.05	3.05
Number of shares, millions	3.25	62.8	439.6	7.27	7.27	7.27	7.27	7.27	7.27
Market cap	2.0	7.5	43	35	29	22	22	22	22
EV	3.0	9.5	45	33	28	23	24	23	22
P/E (adj.)	neg.	neg.	neg.	neg.	22.2	neg.	neg.	77.8	13.5
P/E	neg.	neg.	neg.	neg.	22.2	neg.	neg.	77.8	13.5
P/FCF	neg.	neg.	neg.	neg.	neg.	neg.	neg.	47.1	11.2
P/B	neg.	neg.	neg.	10.9	7.1	10.4	16.5	13.6	6.8
P/S	0.7	2.3	10.5	5.4	3.1	3.6	2.7	2.1	1.7
EV/Sales	1.1	2.9	10.9	5.2	3.0	3.7	2.8	2.2	1.7
EV/EBITDA	neg.	neg.	neg.	neg.	21.4	neg.	neg.	24.1	8.9
EV/EBIT (adj.)	neg.	neg.	neg.	neg.	33.6	neg.	neg.	60.3	11.3
Payout ratio (%)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	25.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	1.8 %

Source: Inderes

Income statement

Income statement	H1'22	H2'22	2022	H1'23	H2'23e	2023e	H1'24e	H2'24e	2024e	2025e	2026e
Revenue	6.8	2.7	9.5	2.5	3.7	6.2	3.5	4.8	8.3	10.5	13.0
Nexstim	6.8	2.7	9.5	2.5	3.7	6.2	3.5	4.8	8.3	10.5	13.0
EBITDA	2.5	-1.2	1.3	-1.2	-0.2	-1.4	-0.6	0.4	-0.2	1.0	2.4
Depreciation	-0.2	-0.3	-0.5	-0.2	-0.2	-0.5	-0.3	-0.3	-0.5	-0.6	-0.5
EBIT (excl. NRI)	2.3	-1.5	0.8	-1.4	-0.4	-1.8	-0.8	0.1	-0.7	0.4	1.9
EBIT	2.3	-1.5	0.8	-1.4	-0.4	-1.8	-0.8	0.1	-0.7	0.4	1.9
Nexstim	2.3	-1.5	0.8	-1.4	-0.4	-1.8	-0.8	0.1	-0.7	0.4	1.9
Share of profits in assoc. compan.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net financial items	0.9	-0.4	0.5	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.3
PTP	3.2	-1.9	1.3	-1.4	-0.5	-1.9	-0.9	0.1	-0.8	0.3	1.6
Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	3.2	-1.9	1.3	-1.4	-0.5	-1.9	-0.9	0.1	-0.8	0.3	1.6
EPS (adj.)	0.44	-0.26	0.18	-0.20	-0.07	-0.27	-0.12	0.01	-0.11	0.04	0.23
EPS (rep.)	0.44	-0.26	0.18	-0.20	-0.07	-0.27	-0.12	0.01	-0.11	0.04	0.23

Key figures	H1'22	H2'22	2022	H1'23	H2'23e	2023e	H1'24e	H2'24e	2024e	2025e	2026e
Revenue growth-%	129.6 %	-20.5 %	48.9 %	-63.1 %	33.6 %	-35.4 %	37.9 %	32.1 %	34.5 %	26.2 %	24.5 %
Adjusted EBIT growth-%	-358.1 %	171.8 %	-157.6 %	-159.5 %	-70.1 %	-319.0 %	-39.8 %	-132.5 %	-62.4 %	-155.8 %	395.8 %
EBITDA-%	37.2 %	-44.4 %	13.8 %	-46.4 %	-6.0 %	-22.5 %	-16.9 %	8.3 %	-2.2 %	9.2 %	18.5 %
Adjusted EBIT-%	34.3 %	-54.6 %	8.8 %	-55.4 %	-12.2 %	-29.8 %	-24.2 %	3.0 %	-8.3 %	3.7 %	14.7 %
Net earnings-%	47.3 %	-69.6 %	13.7 %	-57.4 %	-13.6 %	-31.4 %	-25.6 %	2.0 %	-9.5 %	2.7 %	12.6 %

Source: Inderes

Balance sheet

Assets	2021	2022	2023e	2024e	2025e
Non-current assets	2.0	3.0	3.1	3.1	3.3
Goodwill	0.0	0.0	0.0	0.0	0.0
Intangible assets	1.1	2.1	2.3	2.4	2.4
Tangible assets	0.4	0.4	0.3	0.2	0.3
Associated companies	0.5	0.5	0.5	0.5	0.5
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.0	0.0	0.0	0.0	0.0
Deferred tax assets	0.0	0.0	0.0	0.0	0.0
Current assets	8.0	7.3	8.0	8.8	9.7
Inventories	1.0	0.9	0.3	0.5	0.7
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	1.8	1.9	2.5	3.1	3.8
Cash and equivalents	5.2	4.4	5.2	5.2	5.2
Balance sheet total	10.0	10.2	11.0	12.0	13.0

Source: Inderes

Liabilities & equity	2021	2022	2023e	2024e	2025e
Equity	3.2	4.1	2.1	1.3	1.6
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	-51.8	-51.0	-52.9	-53.7	-53.4
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	54.9	55.0	55.0	55.0	55.0
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	3.3	2.6	4.7	5.3	5.0
Deferred tax liabilities	0.0	0.0	0.0	0.0	0.0
Provisions	0.0	0.0	0.0	0.0	0.0
Long term debt	3.3	2.6	4.7	5.3	5.0
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.0	0.0	0.0	0.0	0.0
Current liabilities	3.6	3.5	4.2	5.4	6.4
Short term debt	0.6	0.9	1.2	1.3	1.3
Payables	2.9	2.7	3.0	4.0	5.1
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Balance sheet total	10.0	10.2	11.0	12.0	13.0

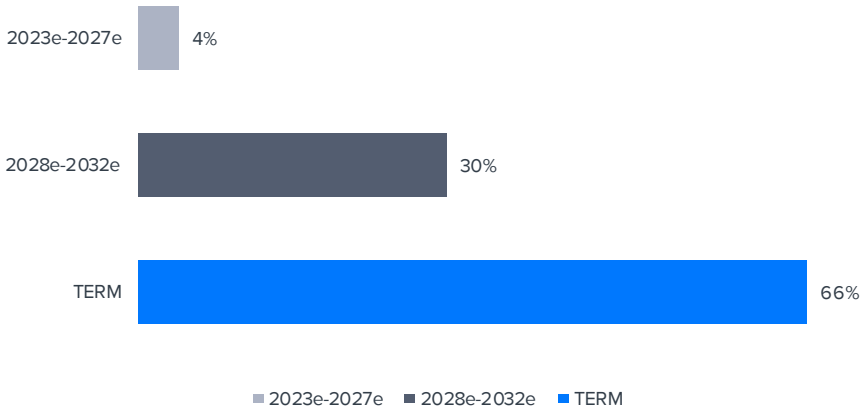
DCF calculation

DCF model	2022	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	TERM
Revenue growth-%	48.9 %	-35.4 %	34.5 %	26.2 %	24.5 %	16.0 %	13.0 %	10.0 %	6.0 %	3.0 %	2.5 %	2.5 %
EBIT-%	8.8 %	-29.8 %	-8.3 %	3.7 %	14.7 %	24.0 %	25.0 %	26.0 %	20.0 %	20.0 %	20.0 %	20.0 %
EBIT (operating profit)	0.8	-1.8	-0.7	0.4	1.9	3.6	4.3	4.9	4.0	4.1	4.2	
+ Depreciation	0.5	0.5	0.5	0.6	0.5	0.5	0.6	0.6	0.6	0.6	0.6	
- Paid taxes	0.0	0.0	0.0	0.0	0.0	0.0	-0.4	-1.0	-0.8	-0.8	-0.8	
- Tax, financial expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Change in working capital	-0.3	0.4	0.2	0.2	0.3	-1.5	-0.2	-0.1	-0.3	-0.2	0.0	
Operating cash flow	1.0	-0.9	0.0	1.2	2.7	2.7	4.2	4.5	3.5	3.6	3.9	
+ Change in other long-term liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-1.4	-0.6	-0.6	-0.7	-0.7	-0.8	-0.9	-0.9	-0.4	-0.5	-0.5	
Free operating cash flow	-0.4	-1.5	-0.6	0.5	2.0	1.9	3.3	3.6	3.1	3.1	3.4	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	-0.4	-1.5	-0.6	0.5	2.0	1.9	3.3	3.6	3.1	3.1	3.4	44.0
Discounted FCFF		-1.5	-0.5	0.4	1.4	1.3	2.0	1.9	1.5	1.4	1.3	17.4
Sum of FCFF present value		26.5	28.0	28.5	28.2	26.7	25.5	23.5	21.6	20.1	18.8	17.4
Enterprise value DCF		26.5										
- Interest bearing debt		-3.5										
+ Cash and cash equivalents		4.4										
-Minorities		0.0										
-Dividend/capital return		0.0										
Equity value DCF		27.5										
Equity value DCF per share		3.8										

WACC	
Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	5.0 %
Equity Beta	1.50
Market risk premium	4.75%
Liquidity premium	1.50%
Risk free interest rate	2.5 %
Cost of equity	11.1 %
Weighted average cost of capital (WACC)	10.4 %

Source: Inderes

Cash flow distribution



Summary

Income statement	2020	2021	2022	2023e	2024e	Per share data	2020	2021	2022	2023e	2024e
Revenue	4.1	6.4	9.5	6.2	8.3	EPS (reported)	-0.01	-0.11	0.18	-0.27	-0.11
EBITDA	-3.0	-1.0	1.3	-1.3	-0.2	EPS (adj.)	-0.01	-0.11	0.18	-0.27	-0.11
EBIT	-3.3	-1.5	0.8	-1.8	-0.7	OCF / share	0.00	-0.25	0.14	-0.12	0.00
PTP	-4.1	-0.7	1.3	-1.9	-0.8	FCF / share	0.00	-0.41	-0.05	-0.21	-0.09
Net Income	-4.1	-0.8	1.3	-1.9	-0.8	Book value / share	0.00	0.44	0.56	0.29	0.18
Extraordinary items	0.0	0.0	0.0	0.0	0.0	Dividend / share	0.00	0.00	0.00	0.00	0.00
Balance sheet	2020	2021	2022	2023e	2024e	Growth and profitability	2020	2021	2022	2023e	2024e
Balance sheet total	6.2	10.0	10.2	11.0	12.0	Revenue growth-%	23%	56%	49%	-35%	34%
Equity capital	-1.5	3.2	4.1	2.1	1.3	EBITDA growth-%	-52%	-66%	-230%	-199%	-86%
Goodwill	0.0	0.0	0.0	0.0	0.0	EBIT (adj.) growth-%	-49%	-56%	-158%	-319%	-62%
Net debt	1.6	-1.3	-1.0	0.7	1.4	EPS (adj.) growth-%	-91%	1121%	-257%	-248%	-59%
Cash flow	2020	2021	2022	2023e	2024e	EBITDA-%	-72.1 %	-15.8 %	13.8 %	-21.1 %	-2.2 %
EBITDA	-3.0	-1.0	1.3	-1.3	-0.2	EBIT (adj.)-%	-81.0 %	-22.7 %	8.8 %	-29.8 %	-8.3 %
Change in working capital	0.8	-0.6	-0.3	0.4	0.2	EBIT-%	-81.0 %	-22.7 %	8.8 %	-29.8 %	-8.3 %
Operating cash flow	-2.2	-1.8	1.0	-0.9	0.0	ROE-%	373.1 %	-96.0 %	36.0 %	-62.5 %	-45.5 %
CAPEX	0.0	-1.2	-1.4	-0.6	-0.6	ROI-%	-73.1 %	-27.2 %	11.4 %	-23.5 %	-8.6 %
Free cash flow	-2.2	-3.0	-0.4	-1.5	-0.6	Equity ratio	-23.5 %	31.9 %	39.8 %	19.3 %	11.2 %
Valuation multiples	2020	2021	2022	2023e	2024e	Gearing	-108.1 %	-40.6 %	-23.4 %	32.5 %	105.6 %
EV/S	10.9	5.2	3.0	3.7	2.8						
EV/EBITDA (adj.)	neg.	neg.	21.4	neg.	neg.						
EV/EBIT (adj.)	neg.	neg.	33.6	neg.	neg.						
P/E (adj.)	neg.	neg.	22.2	neg.	neg.						
P/B	neg.	10.9	7.1	10.4	16.5						
Dividend-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %						

Source: Inderes

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Reduce	The 12-month risk-adjusted expected shareholder return of the share is weak
Sell	The 12-month risk-adjusted expected shareholder return of the share is very weak
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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
5/30/2022	Reduce	4.60 €	4.85 €
8/15/2022	Reduce	4.40 €	4.73 €
9/8/2022	Reduce	4.40 €	4.06 €
1/10/2023	Reduce	4.30 €	4.25 €
2/28/2023	Accumulate	4.50 €	3.96 €
7/5/2023	Accumulate	4.20 €	3.51 €
8/21/2023	Accumulate	3.60 €	3.05 €



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