

RESULTS PREVIEW

17 January 2025

Norway

Consumer Discretionary & Staples

Research analysts:

Rikard Engberg

Gentoo Media

Share price: SEK22.0

Fair value range: SEK40.0–50.0

On the starting blocks for a strong 2025

No big drama in Q4 expected

We estimate a strong finish for the year with revenue of EUR36.5m, indicating growth of 38% Y/Y. Our revenue estimates for 2024 are in line with the low end of the revenue guidance. We estimate EBITDA of EUR17.7m, corresponding to a margin of 48.6%, an increase of 70bps Q/Q. The main reason for the small margin expansion is the continuous integration of Titan, leading to lower costs.

No estimate revisions

Given that we are at the lower end of guidance, we leave our estimates unchanged.

Well positioned for further growth

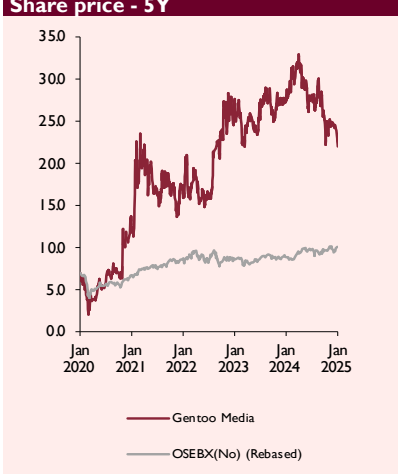
We believe that Gentoo is well positioned to benefit from the strong structural growth in the gaming industry. With its strong presence in Latin America, we believe that Gentoo will be able to gain leverage from the new Brazilian regulation: as of 1 January, there are over 80 licensed Brazilian operators that will have to invest in marketing in order to gain market share.

Discount to closest peer despite strong operational performance

The listed affiliate companies have had a challenging 2024 with updates to Google's algorithms and policies regarding third-party content affecting performance. When compared with the key listed peers, Gentoo stands out with its high organic growth during 2024 despite these challenges. The shares currently trade at a ~15% discount to closest peer Better Collective despite higher organic growth and profitability. Consensus forecasts average revenue growth of 11% for Gentoo during 2025–26e and 9% for Better Collective. Looking at the EBITDA margin, consensus estimates an average EBITDA margin of 49% for Gentoo during 2025–26e compared with 34% for Better Collective.

Upcoming events

- Q4 Report: 18 Feb 2025
- Q1 Report: 14 May 2025

Changes in this report				Key figures (EUR)					Share price - 5Y				
	From	To	Chg	2023	2024e	2025e	2026e						
EPS adj. 2024e	n.a.	0.38	n.a.	89	125	146	155	Sales (m)					
EPS adj. 2025e	n.a.	0.35	n.a.	40	60	68	74	EBITDA (m)					
EPS adj. 2026e	n.a.	0.40	n.a.	28	38	47	53	EBIT (m)					
				0.10	-0.40	0.21	0.25	EPS					
				0.15	0.38	0.35	0.40	EPS adj.					
				0.00	0.00	0.00	0.00	DPS					
				43%	41%	16%	7%	Sales growth Y/Y					
				132%	151%	-6%	13%	EPS adj. growth Y/Y					
				31.9%	30.4%	32.3%	34.0%	EBIT margin					
				12.8	5.1	5.4	4.8	P/E adj.					
				13.8	9.6	6.2	4.6	EV/EBIT					
				11.7	6.9	4.4	3.3	EV/EBITA					
				9.8	6.1	4.3	3.3	EV/EBITDA					
				2.7	neg.	11.7	4.6	P/BV					
				0.0%	0.0%	0.0%	0.0%	Dividend yield					
				1.9%	5.8%	16.7%	19.3%	FCF yield					
				33.9%	-4.3%	14.3%	29.3%	Equity/Total Assets					
				18.6%	-28.9%	43.6%	38.1%	ROCE					
				24.8%	115.9%	585.4%	138.2%	ROE adj.					
				1.6	1.3	0.5	-0.2	Net IB debt/EBITDA					
									High/Low (12M) SEK32.9/22 Perf. 3M 6M 12M YTD Abs. -12.0 -22.0 -20.0 -10.8 Rel. -16.8 -26.0 -35.0 -15.8				

Source: Carnegie Research, FactSet, Millstream & company data

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Equity story

Near term:
6–12m

We argue that the major catalyst for Gentoo in the coming 6–12 months is that we expect the company will be able to show strong cashflow post the spin-off of GIG Software. Given the spin-off of the platform company, Gentoo should have lower capex requirements and easy comps during 2025e. We also believe that the regulation of the Brazilian market will lead to an initial period of high growth.

Long term:
5Y+

We believe that the long-term story for Gentoo is the shift from offline to online gambling. As the online market grows, driven by behavioural and regulatory shifts, so do the marketing investments from operators. Given that affiliation is roughly 30% of marketing spend among operators, affiliate companies like Gentoo should benefit from this trend.

Key risks:

- Changing, unstable regulation would decrease investments in marketing from operators
- Changes in Google algorithms could affect the ranking of Gentoo Media's assets, leading to a decline in revenue
- Counterparty risk, larger operators could choose to leave a certain market or affiliate site

Company description

Gentoo Media is a market-leading igaming affiliate group which is dual listed on Oslo Stock Exchange and Nasdaq Stockholm. The company operates globally and had over 470,000 FTD (first time depositors) during 2023. It focuses on revenue share agreements with operators, decreasing volatility over time.

Key industry drivers

- Shift from offline to online gambling
- New markets are opening due to regulation
- Increased share of marketing budgets online

Industry outlook

- Latin America and North America are showing high structural growth
- European market is stable, local reregulation can hurt customer intake in short run

Largest shareholders

Juroszek family	25.9%
Kjetil Myrliid Aasen	5.4%
Andre Lavold	4.7%

Cyclicality

Cyclicality: N/A

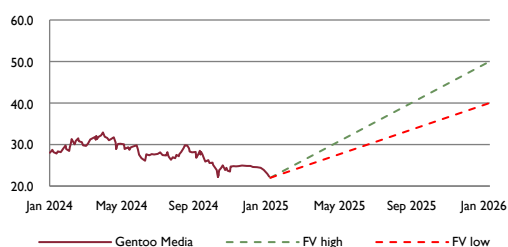
Key peers

We believe that other listed affiliates such as Better Collective, Catena Media, Gambling.com and Raketechn are key peers

Valuation and methodology

We use two valuation approaches for our fair value range. For the bottom end of the range, we start with a peer valuation (igaming B2B peers) based on a regression model charting growth and EBITDA margins in 2025–26e (see Appendix I for the detailed peer set), and then apply discount (currently ~5%) to reflect the current sentiment we see in the igaming sector. For the top end of the range, we use a DCF valuation applying a WACC of 12%. This aims to capture the long-term growth rate of the igaming industry as well as the strong cash flow generation of Gentoo Media.

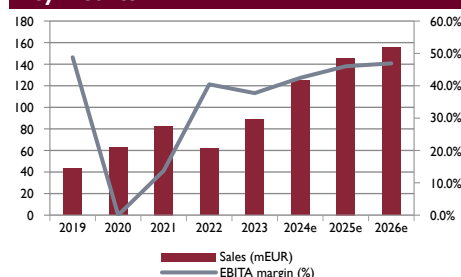
Fair value range 12m



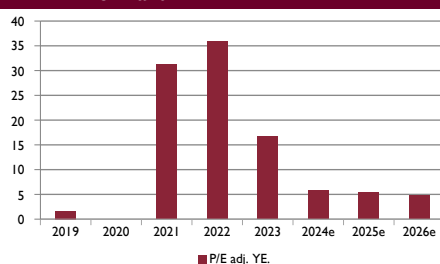
At the low end of our fair value range, Gentoo Media trades on par with the other igaming B2B companies when both profitability and growth are considered.

The top end of our value range is determined by a DCF valuation, capturing the long-term value creation in the company.

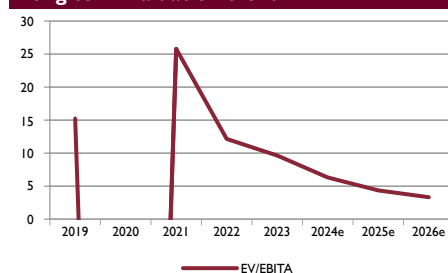
Key metrics



PE 12m forward



Long term valuation trend



Source: Carnegie Research & company data

Key topics for Q4 and 2025

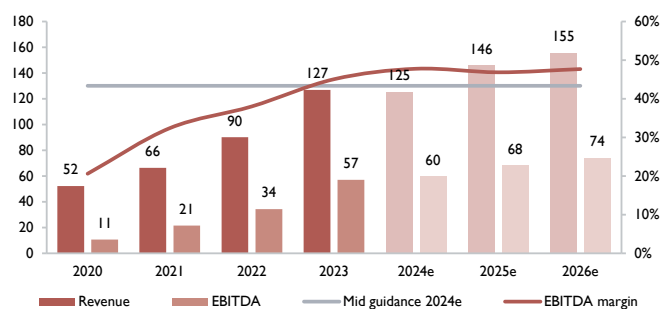
- **Growth in Latin America:** As of 1 January, Brazil has regulated its igaming market. We expect continued growth for Gentoo's assets in the region.
- **Levering on strong cashflow:** By spinning off GIG Software, Gentoo has changed its cashflow profile. Given the strong cash conversion of the business, we expect that the company will start to use the excess cash, which could be done by paying a dividend or repurchasing shares. Another alternative would be a new acquisition, accelerating growth further.
- **Continuous diversification:** Gentoo has a diversified portfolio of assets where assets outside the top five accounted for 65% of revenue in Q3(24). Furthermore, Gentoo has 314 patterns generating a revenue of over EUR10,000 per quarter, up 94% Y/Y. We believe that increased diversification could lead to a multiple expansion given the volatile nature of affiliation, highlighting the strengths of Gentoo compared with other listed affiliates.

QUARTERLY DATA	2023Q1	2023Q2	2023Q3	2023Q4	2024Q1	2024Q2	2024Q3	2024Q4e	2025Q1e	2025Q2e	2025Q3e	2025Q4e
Financial Year End (EURm)	2023-03-31	2023-06-30	2023-09-30	2023-12-31	2024-03-31	2024-06-30	2024-09-30	2024-12-31	2025-03-31	2025-06-30	2025-09-30	2025-12-31
Sales	28	22	22	26	28	30	30	36	39	37	31	39
EBITDA	12	10	10	11	14	15	15	18	19	17	15	19
EBITA	7	10	5	7	10	8	12	13	14	12	10	14
Adjusted EBITA	7	7	5	7	10	8	12	13	14	12	10	14
EBIT	6	7	7	7	10	8	10	12	14	12	10	13
Adjusted EBIT	6	7	7	7	10	8	10	12	14	12	10	13
Net Financial Items	-2	0	-5	-5	0	-4	-4	-4	-4	-4	-4	-4
EAFI	4	7	2	2	10	4	6	9	10	8	6	10
Pre-Tax Profit	4	7	11	2	4	4	-56	9	10	8	6	10
Adjusted Pre-Tax Profit	4	7	11	2	4	4	-56	9	10	8	6	10
Net Profit	4	7	9	0	4	-5	-57	8	9	7	5	8
Adjusted Net Profit	4	7	9	0	4	-5	-57	8	9	7	5	8
EPS	0.0	0.0	0.0	0.0	0.0	0.0	-0.4	0.1	0.1	0.1	0.0	0.1
Adjusted EPS	0.0	0.0	0.0	0.0	0.0	0.0	-0.4	0.1	0.1	0.1	0.1	0.1

Source: Company data, Carnegie Research

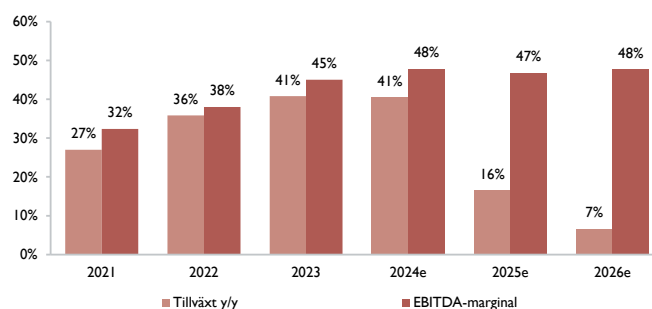
Gentoo in Charts

Revenue and EBITDA (EURm) EBITDA margin (%)



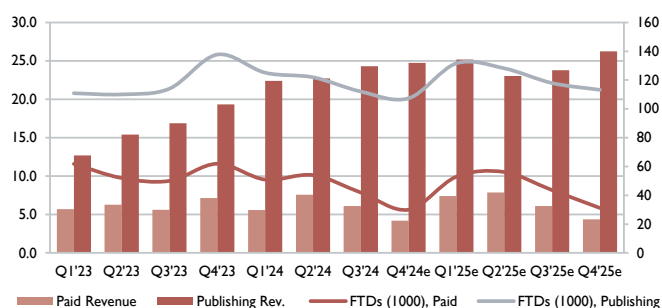
Source: Carnegie Research, Company data

Y/Y Growth and EBITDA margin (%)



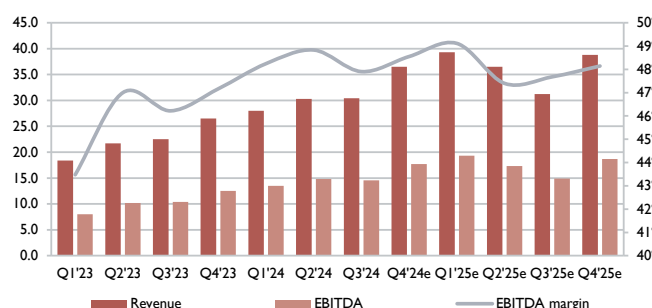
Source: Carnegie Research, Company data

Revenue (EURm)



Source: Carnegie Research, Company data

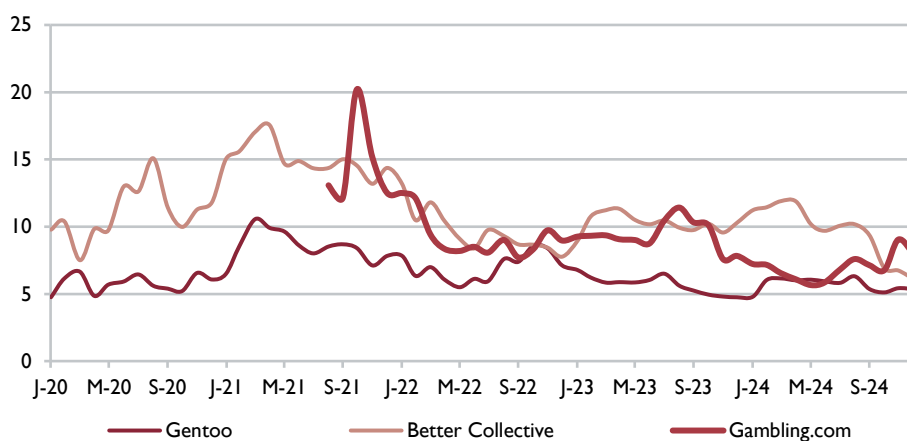
Revenue and EBITDA (EURm)



Source: Carnegie Research, Company data

EV/EBITDA NTMe

Trades at a discount to peers despite higher growth estimates

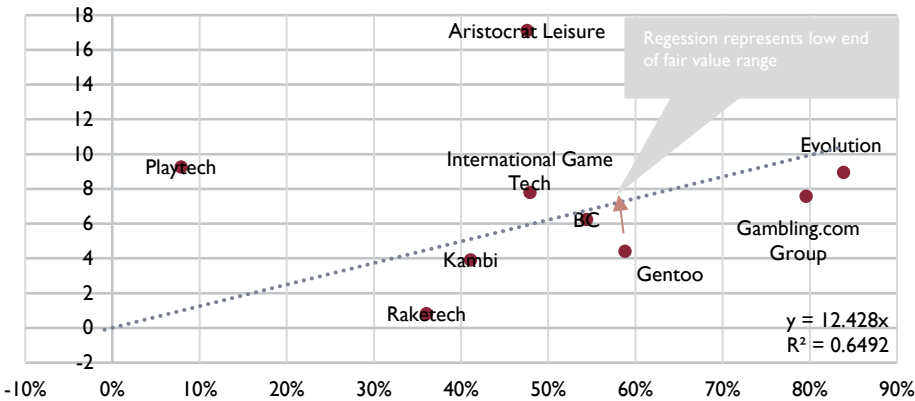


Source: Carnegie Research, FactSet, 20250114

Fair value range of SEK40–50 reflects long term potential

We use two valuation approaches for our fair value range. For the bottom end of the range, we start with a peer valuation based on a regression model charting growth and EBITDA margins in 2025–26e (see Appendix I for the detailed peer set), and then apply discount (currently ~5%) to reflect the current sentiment we see in the igaming sector. For the top end of the range, we use a DCF valuation applying a WACC of 12%. This aims to capture the long-term growth rate of the igaming industry as well as the strong cash flow generation of Gentoo Media.

R40 (%) and EV/EBITDA 26e



Source: Carnegie Research, FactSet

Summary Valuation

DCF assumptions - Summary	2024e	2025e	2026e	Average year			Terminal	
				4-5	6-10	11-15	16-20	period
Total sales growth	41.3%	16.5%	6.6%	6.0%	5.8%	3.8%	3.0%	2.0%
EBITDA margin	47.8%	46.8%	47.7%	40.0%	36.0%	35.0%	35.0%	35.0%
Depreciation % of sales	-5.3%	-0.8%	-0.8%	-5.0%	-5.0%	-5.0%	-5.0%	-5.0%
EBITA margin	42.4%	46.0%	46.9%	35.0%	31.0%	30.0%	30.0%	30.0%
Amortisations % of sales	-12.0%	-13.7%	-12.9%	-12.9%	-12.9%	-12.9%	-12.9%	0.0%
EBIT margin	30.4%	32.3%	34.0%	22.1%	18.1%	17.1%	17.1%	17.1%
Capex % of sales	-1.8%	-2.9%	-2.7%	-4.0%	-4.0%	-4.0%	-4.0%	-4.0%
Paid tax rate	12.0%	12.0%	12.0%	-12.0%	-12.0%	-12.0%	-12.0%	-12.0%
NWC to sales	6.9%	6.9%	6.9%	4.0%	4.0%	4.0%	4.0%	4.0%
Sales	125	146	155	170	208	262	305	330
EBITDA	60	68	74	68	75	92	107	115
Capex	-2	-4	-4	-7	-8	-10	-12	-16
Taxes	-2	-4	-5	-7	-8	-9	-11	12
Other	-9	-1	-1	2	0	0	0	758
Free cash flow	46	59	64	56	58	71	83	869
Discounted FCF	44	49	48	36	25	17	12	95
Share of total discounted FCF	8%	9%	8%	12%	22%	15%	10%	16%

Valuation (SEK)	(curr.)m	Per share	WACC assumptions	
EV (discounted FCF)	6,648	49.4	Risk free interest rate	4.0%
-Net debt 2025e	-392	-2.9	Debt risk premium	0.5%
+ Associates	0	0.0	Equity risk premium	4.0%
- Minority interest	0	0.0	Equity beta	1.50
- Outstanding warrants	0	0.0	Cost of Equity	12.0%
Other debt adjustments	-325	-2.4	Tax rate	12.0%
ESG penalty	0	0.0	After tax cost of debt	4.0%
Equity value at YE (23)	5,932	44	Equity weight	100%
Time adjustment	743	5.5	WACC	12.0%
Dividend	0	0.0		
Current equity value	6,675	50		

Source: Carnegie Research

EV/EBITDA NTMe



Source: Carnegie Research, FactSet, 20250114

Low end of fair Value range High end of fair value rang

Enterprise Value (EURm)	538	643
Net Debt (25e) (EURm)	34	34
Equity Value per Share SEK (4% discount applied)	40	50
Implied EV/EBITDA 2025e	7.6x	9.4x

Source: Carnegie Research

Risks

While the igaming industry has shown a strong resilience for downturns in the general economy, highlighting the structural growth from the shift from offline to online gambling, we highlight three key risks for Gentoo:

Technological risks

Gentoo is dependent on its assets being ranked high in Google search results. As Google is constantly changing its algorithms, this can affect the ranking of Gentoo's assets.

Regulatory risk

We believe that the regulation of online gambling will increase over time. In the long run, this is positive for Gentoo as regulation tends to accelerate the shift from offline to online gambling, it can in the short run lead to uncertainty. This is because operators tend to decrease marketing investments when regulations are unclear or in transition phases.

Counterparty risk

Gentoo is dependent on operators investing in marketing or other affiliates in their network producing content that leads to new NDCs. If certain operators decrease their marketing, this could hurt Gentoo as affiliation is one of the easiest forms of marketing to cancel.

APPENDIX I

Valuation	MCAP	EV	EV / Sales			EV / EBITDA			EV / EBIT			Price / Earnings		
	(EUR)	(EUR)	LTM	2025e	2026e	LTM	2025e	2026e	LTM	2025e	2026e	LTM	2025e	2026e
Gentoo	261	350	3.06x	2.39x	2.23x	6.6x	4.4x	3.4x	10.0x	6.6x	5.8x	(3.9x)	9.8x	8.0x
Better Collective	598	804	2.23x	2.07x	1.84x	7.4x	6.1x	5.3x	11.9x	9.4x	7.3x	21.3x	11.1x	7.9x
Aristocrat Leisure	26,982	27,812	6.97x	6.57x	6.65x	19.0x	17.0x	16.1x	23.5x	20.6x	19.5x	34.8x	26.6x	24.4x
Flutter Entertainment	44,450	49,605	4.40x	3.10x	2.64x	30.6x	15.7x	11.9x	130.3x	25.5x	16.9x	--	29.1x	19.9x
Evolution	16,141	15,292	7.67x	6.48x	5.75x	11.1x	9.3x	8.3x	12.3x	10.3x	9.1x	14.1x	12.5x	10.8x
Kambi Group	326	261	1.49x	1.46x	1.35x	6.3x	4.3x	3.9x	11.5x	12.3x	9.2x	20.8x	18.5x	13.9x
Playtech	2,682	2,805	1.57x	2.25x	2.15x	6.3x	9.7x	9.0x	12.2x	18.1x	16.6x	23.0x	26.9x	23.9x
International Game Tech	3,375	8,386	2.37x	3.54x	3.47x	5.6x	7.7x	7.5x	9.2x	12.4x	12.3x	28.4x	16.2x	15.1x
Raketech Group Holding	16	14	0.19x	0.20x	0.19x	0.8x	0.8x	0.7x	2.3x	1.8x	1.1x	(1.8x)	2.9x	1.5x
Catena Media	28	81	1.50x	0.86x	1.60x	46.3x	2.3x	9.7x	--	3.2x	27.6x	(0.3x)	1.8x	13.3x
Gambling.com Group	494	482	4.00x	2.88x	2.59x	12.6x	7.3x	6.5x	14.3x	10.8x	8.8x	17.3x	15.0x	11.6x
Mean			3.24x	2.94x	2.82x	14.6x	8.0x	7.9x	25.3x	12.4x	12.8x	17.5x	16.1x	14.2x
Median			2.30x	2.56x	2.37x	9.2x	7.5x	7.9x	12.2x	11.6x	10.8x	20.8x	15.6x	13.6x

Margins	Gross Income			EBITDA			EBIT			Net Income		
	LTM	2025e	2026e	LTM	2025e	2026e	LTM	2025e	2026e	LTM	2025e	2026e
Gentoo	57%	100%	103%	46%	48%	50%	30%	36%	38%	15%	23%	26%
Better Collective	29%	69%	70%	30%	34%	35%	19%	22%	25%	7%	14%	17%
Aristocrat Leisure	57%	58%	58%	37%	39%	41%	30%	32%	34%	20%	24%	26%
Flutter Entertainment	--	49%	49%	--	20%	22%	--	12%	16%	--	9%	11%
Evolution	62%	98%	99%	69%	69%	70%	62%	63%	63%	57%	53%	53%
Kambi Group	45%	101%	105%	24%	34%	34%	13%	12%	15%	9%	9%	11%
Playtech	88%	142%	141%	25%	23%	24%	13%	12%	13%	6%	8%	9%
International Game Tech	48%	--	--	42%	46%	47%	25%	29%	28%	1%	14%	12%
Raketech Group Holding	24%	55%	53%	25%	26%	26%	8%	11%	16%	-12%	8%	14%
Catena Media	17%	40%	86%	3%	37%	17%	-9%	27%	6%	-152%	19%	-8%
Gambling.com Group	88%	96%	96%	32%	39%	40%	28%	27%	29%	23%	19%	24%
Mean	48%	79%	85%	33%	38%	37%	21%	26%	25%	-5%	18%	17%
Median	48%	69%	86%	30%	35%	34%	19%	24%	21%	7%	14%	13%

Growth	Sales			EBITDA			EBIT			Net Income		
	LTM	2025e	2026e	LTM	2025e	2026e	LTM	2025e	2026e	LTM	2025e	2026e
Gentoo	-13%	16%	7%	28%	16%	12%	20%	27%	14%	37%	100000%	20%
Better Collective	11%	6%	13%	-2%	26%	14%	-18%	37%	29%	-34%	105%	40%
Aristocrat Leisure	5%	6%	-1%	16%	9%	6%	15%	13%	6%	-10%	8%	6%
Flutter Entertainment	24%	20%	17%	0%	38%	32%	0%	114%	51%	0%	64%	41%
Evolution	17%	14%	13%	9%	15%	13%	8%	12%	13%	7%	9%	13%
Kambi Group	-5%	3%	8%	-29%	5%	9%	3%	17%	33%	6%	21%	23%
Playtech	4%	-31%	5%	5%	-39%	8%	5%	-51%	9%	6%	-48%	12%
International Game Tech	-10%	1%	2%	-9%	1%	3%	-6%	5%	1%	-77%	60%	-12%
Raketech Group Holding	2%	5%	9%	-24%	12%	9%	-48%	nm	60%	-231%	nm	82%
Catena Media	--	2%	-47%	-93%	21%	-76%	-135%	nm	-88%	190%	nm	nm
Gambling.com Group	88%	96%	96%	32%	39%	40%	28%	27%	29%	23%	19%	24%
Mean	4%	4%	3%	-10%	10%	3%	-16%	22%	13%	-11%	12527%	25%
Median	4%	6%	8%	-1%	14%	9%	1%	15%	14%	3%	40%	20%

Source: FactSet, Carnegie Research (20250117)

Interim figures

QUARTERLY DATA	2023Q1	2023Q2	2023Q3	2023Q4	2024Q1	2024Q2	2024Q3	2024Q4e	2025Q1e	2025Q2e	2025Q3e	2025Q4e
Financial Year End (EURm)	2023-03-31	2023-06-30	2023-09-30	2023-12-31	2024-03-31	2024-06-30	2024-09-30	2024-12-31	2025-03-31	2025-06-30	2025-09-30	2025-12-31
Sales	28	22	22	26	28	30	30	36	39	37	31	39
EBITDA	12	10	10	11	14	15	15	18	19	17	15	19
EBITA	7	10	5	7	10	8	12	13	14	12	10	14
Adjusted EBITA	7	7	5	7	10	8	12	13	14	12	10	14
EBIT	6	7	7	7	10	8	10	12	14	12	10	13
Adjusted EBIT	6	7	7	7	10	8	10	12	14	12	10	13
Net Financial Items	-2	0	-5	-5	0	-4	-4	-4	-4	-4	-4	-4
EAFI	4	7	2	2	10	4	6	9	10	8	6	10
Pre-Tax Profit	4	7	11	2	4	4	-56	9	10	8	6	10
Adjusted Pre-Tax Profit	4	7	11	2	4	4	-56	9	10	8	6	10
Net Profit	4	7	9	0	4	-5	-57	8	9	7	5	8
Adjusted Net Profit	4	7	9	0	4	-5	-57	8	9	7	5	8
EPS	0.0	0.0	0.0	0.0	0.0	0.0	-0.4	0.1	0.1	0.1	0.0	0.1
Adjusted EPS	0.0	0.0	0.0	0.0	0.0	0.0	-0.4	0.1	0.1	0.1	0.1	0.1

Source: Company data, Carnegie Research

Financial statements

Profit & loss (EURm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Sales	0	0	43	63	83	62	89	125	146	155
COGS	0	0	0	-3	-5	0	0	-1	-2	-2
Gross profit	0	0	43	60	78	62	89	124	144	153
Other income & costs	0	0	-5	-49	-57	-33	-49	-65	-76	-79
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
EBITDA	0	0	38	11	21	28	40	60	68	74
Depreciation PPE	0	0	0	0	0	0	0	0	0	0
Depreciation lease assets	0	0	0	0	0	0	0	0	0	0
Amortisation development costs	0	0	0	0	0	0	0	0	0	0
Amortisation other intangibles	0	0	-17	-12	-9	-3	-6	-7	-1	-1
Impairments / writedowns	0	0	0	0	0	0	0	0	0	0
EBITA	0	0	21	-1	11	25	33	53	67	73
Amortization acquisition related	0	na	0	-7	-4	-4	-5	-15	-20	-20
Impairment acquisition related	0	0	0	0	0	0	0	0	0	0
EBIT	0	0	21	-9	7	21	28	38	47	53
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
Net financial items	0	0	0	-7	-6	-2	-11	-89	-15	-14
of which interest income/expenses	0	0	0	-7	-6	-2	-11	-12	-15	-14
of which interest on lease liabilities	0	0	0	0	0	0	0	0	0	0
of which other items	0	0	0	0	0	0	0	-77	0	0
Pre-tax profit	0	0	21	-16	1	19	17	-51	32	38
Taxes	0	0	0	0	1	-1	-3	-2	-4	-5
Post-tax minorities interest	0	0	0	0	0	0	0	0	0	0
Discontinued operations	0	0	0	-2	0	-15	-1	0	0	0
Net profit	0	0	21	-18	1	3	13	-53	28	34
Adjusted EBITDA	0	0	38	11	21	29	41	61	68	74
Adjusted EBITA	0	0	21	-1	11	25	35	54	67	73
Adjusted EBIT	0	0	21	-9	7	21	30	39	47	53
Adjusted net profit	0	0	21	-10	5	7	19	50	48	54
Sales growth Y/Y	na	na	+chg	46.1%	31.0%	-25.1%	43.3%	41.3%	16.5%	6.6%
EBITDA growth Y/Y	na	na	+chg	-71.6%	93.1%	37.2%	39.5%	50.6%	14.2%	8.5%
EBITA growth Y/Y	na	na	+chg	-chg	+chg	120.7%	33.7%	58.9%	26.3%	8.6%
EBIT growth Y/Y	na	na	+chg	-chg	+chg	194.5%	36.9%	34.7%	23.6%	12.3%
EBITDA margin	nm	nm	87.8%	17.0%	25.1%	46.0%	44.8%	47.8%	46.8%	47.7%
EBITA margin	nm	nm	48.8%	nm	13.7%	40.4%	37.7%	42.4%	46.0%	46.9%
EBIT margin	nm	nm	48.8%	-13.7%	8.5%	33.4%	31.9%	30.4%	32.3%	34.0%
Tax rate	na	na	na	na	na	na	na	-12.0%	-12.0%	-12.0%
Cash flow (EURm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
EBITDA	0	0	38	11	21	28	40	60	68	74
Paid taxes	0	0	0	0	1	-1	0	-2	-4	-5
Change in NWC	0	0	4	15	-16	-2	-5	-9	-1	-1
Non cash adjustments	0	0	0	-7	7	3	7	-17	0	0
Discontinued operations	0	0	0	-2	0	-15	-1	0	0	0
Total operating activities	0	0	42	17	12	28	40	32	63	69
Capex tangible assets	0	0	-4	-2	-1	-1	-2	-2	-2	-2
Capitalised development costs	0	0	0	0	0	0	0	0	0	0
Capex - other intangible assets	0	0	-7	-7	-9	-17	-19	0	0	0
Acquisitions/divestments	0	0	0	23	0	-28	-36	0	0	0
Other non-cash adjustments	0	0	0	0	0	0	0	0	0	0
Total investing activities	0	0	-11	15	-9	-45	-58	-2	-2	-2
Net financial items	0	0	0	-7	-6	-2	-11	-89	-15	-14
Lease payments	0	0	-1	-3	-3	-3	-3	-3	-2	-2
Dividend paid and received	0	0	0	0	0	0	0	0	0	0
Share issues & buybacks	0	0	10	10	0	25	10	0	0	0
Change in bank debt	0	0	0	0	0	6	24	0	0	0
Other cash flow items	0	0	-7	-7	3	-3	4	0	0	0
Total financing activities	0	0	3	-6	-6	23	25	-14	-17	-16
Operating cash flow	0	0	42	17	12	28	40	32	63	69
Free cash flow	0	0	30	-1	-6	6	5	15	43	50
Net cash flow	0	0	34	25	-3	6	7	15	43	50
Change in net IB debt	0	0	35	28	0	3	-15	18	43	50
Capex / Sales	nm	nm	8.7%	2.7%	0.7%	1.4%	2.6%	1.8%	1.6%	1.5%
NWC / Sales	nm	nm	-5.2%	-10.8%	-7.3%	-1.8%	0.0%	3.2%	6.4%	6.7%

Source: Carnegie Research & company data

Financial statements, cont.

Balance sheet (EURm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Acquired intangible assets	0	0	16	16	16	75	41	45	25	5
Other fixed intangible assets	0	0	61	50	45	71	63	24	22	21
Capitalised development	0	0	0	0	0	0	0	0	0	0
Tangible assets	0	0	0	0	0	0	1	0	2	5
Lease assets	0	0	0	0	0	0	2	2	4	6
Other IB assets (1)	0	0	0	0	0	0	0	0	0	0
Other non-IB assets	0	0	0	0	0	0	1	8	8	8
Fixed assets	0	0	77	66	62	147	108	79	62	45
Inventories (2)	0	0	20	16	18	23	0	0	0	0
Receivables (2)	0	0	0	0	0	0	19	31	36	39
Prepaid exp. & other NWC items (2)	0	0	0	0	0	0	0	0	0	0
IB current assets (1)	0	0	0	0	0	0	0	0	0	0
Other current assets	0	0	0	0	0	0	0	0	0	0
Cash & cash equivalents (1)	0	0	5	12	9	15	15	14	58	107
Current assets	0	0	58	27	26	38	165	45	94	146
Total assets	0	0	135	93	88	185	273	124	156	191
Shareholders' equity	0	0	21	4	12	65	92	-6	22	56
Minorities	0	0	0	0	0	0	0	0	0	0
Other equity	0	0	0	0	0	0	0	0	0	0
Total equity	0	0	21	4	12	65	92	-5	22	56
Deferred tax	0	0	1	2	0	2	4	8	8	8
LT IB debt (1)	0	0	37	36	39	48	75	89	89	89
Other IB provisions (1)	0	0	0	0	0	0	0	0	0	0
Lease liabilities	0	0	0	0	0	0	5	2	2	2
Other non-IB liabilities	0	0	12	21	9	31	30	8	8	8
LT liabilities	0	0	51	59	48	82	114	107	107	107
ST IB debt (1)	0	0	30	3	4	13	0	0	0	0
Payables (2)	0	0	25	25	20	23	17	22	26	28
Accrued exp. & other NWC items (2)	0	0	0	0	0	0	2	0	0	0
Other ST non-IB liabilities	0	0	0	2	3	3	17	0	0	0
Liabilities - assets held for sale	0	0	9	0	0	0	31	0	0	0
Current liabilities	0	0	63	31	27	38	67	22	26	28
Total equity and liabilities	0	0	135	93	88	185	273	124	156	191
Net IB debt (=1)	0	0	62	28	34	46	64	77	34	-16
Net working capital (NWC) (=2)	0	0	-4	-9	-3	1	-1	9	10	11
Capital employed (CE)	0	0	89	45	55	128	176	94	122	156
Capital invested (CI)	0	0	73	57	59	147	106	80	64	48
Equity / Total assets	nm	nm	15%	4%	14%	35%	34%	-4%	14%	29%
Net IB debt / EBITDA	nm	nm	1.6	2.6	1.6	1.6	1.6	1.3	0.5	-0.2
Per share data (EUR)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Adj. no. of shares in issue YE (m)	0.00	0.00	90.01	90.01	96.98	128.9	131.3	134.7	134.7	134.7
Diluted no. of Shares YE (m)	0.00	0.00	90.01	90.01	96.98	128.9	131.3	134.7	134.7	134.7
EPS	na	na	0.47	-0.20	0.01	0.03	0.10	-0.40	0.21	0.25
EPS adj.	na	na	0.47	-0.12	0.05	0.06	0.15	0.38	0.35	0.40
CEPS	na	na	0.82	-0.02	0.12	0.07	0.17	-0.25	0.35	0.39
DPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BVPS	na	na	0.23	0.04	0.12	0.50	0.70	-0.04	0.16	0.41
Performance measures	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
ROE	nm	nm	201.5%	-144.4%	10.3%	7.4%	16.2%	-121.9%	339.9%	86.7%
Adj. ROCE pre-tax	na	na	na	-2.1%	22.8%	27.5%	23.1%	-16.8%	62.1%	52.6%
Adj. ROIC after-tax	na	na	na	-2.1%	19.6%	24.4%	27.7%	65.6%	104.7%	146.2%
Valuation	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
FCF yield	0.0%	0.0%	11.8%	-0.5%	-2.4%	2.2%	1.9%	5.8%	16.7%	19.3%
Dividend yield YE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Dividend payout ratio	na	na	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Dividend + buy backs yield YE	nm	nm	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EV/Sales YE	nm	nm	3.03	1.99	2.42	5.58	4.41	2.93	2.00	1.56
EV/EBITDA YE	nm	nm	3.5	11.7	9.6	12.1	9.8	6.1	4.3	3.3
EV/EBITA YE	nm	nm	6.2	neg.	17.7	13.8	11.7	6.9	4.4	3.3
EV/EBITA adj. YE	nm	nm	6.2	neg.	17.7	13.7	11.2	6.8	4.4	3.3
EV/EBIT YE	nm	nm	6.2	neg.	28.5	16.7	13.8	9.6	6.2	4.6
P/E YE	na	na	1.6	nm	>50	>50	25.4	nm	9.3	7.7
P/E adj. YE	na	na	1.6	nm	31.3	35.9	16.6	5.7	5.4	4.8
P/BV YE	na	na	3.28	27.11	13.92	4.61	3.56	neg.	11.75	4.64
Share price YE (EUR)	2.12	2.03	0.76	1.08	1.71	2.32	2.49	2.15	1.92	

Source: Carnegie Research & company data

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