

RESULTS UPDATE

18 February 2025

Norway

Consumer Discretionary & Staples

Research analysts:

Rikard Engberg

Gentoo Media

Share price: SEK21.4

Fair value range: SEK35.0–45.0

Guidance supports our equity story – Q4 review

Revenue in line with estimates, EBITDA lower

Q4 revenue was EUR35.9m, in line with our estimate, corresponding to growth of 38%, with 18% organic growth. EBITDA was EUR14.3m vs our estimate of EUR17.7m. The negative deviation is explained by higher than expected marketing spending in the quarter. Given that 51% of revenue comes from revenue-share deals, we believe it plausible that growth will remain strong. One indication that Gentoo will have a strong start to 2025 is that the value of deposits in the quarter was EUR200m, indicating growth of 27% Y/Y and 4.2% Q/Q. We believe the report shows strong top-line growth, while the deviation in EBITDA should support further growth, given that it is related to increased marketing investment.

Estimate adjustments reflect guidance

For 2025–26e we are making marginal adjustments for our revenue forecasts to reflect the guidance for 2025e. Given the EBITDA result and the company's guidance, we are lowering our EBITDA(25–26e) by an average of 5%. Our EPS adjustments are explained by changes in amortisation on acquired assets.

Earnings support our equity story

Despite the lower EBITDA result in the quarter, we believe that the guidance supports our equity story for the company. Gentoo Media reported cash flow from operations of EUR7.7m in the quarter, highlighting the strong cashflow generation on a standalone basis.

Close to all-time-low on EV/EBITDA NTM estimates

Gentoo is trading at EV/EBITDA 4.8x NTM based on FactSet consensus numbers. This is about 20% lower than the median valuation during the past five years. Given the adjustments to our estimates and the current trading valuation range of the peer set, we are adjusting our fair value range to SEK35–45 (SEK40–50).

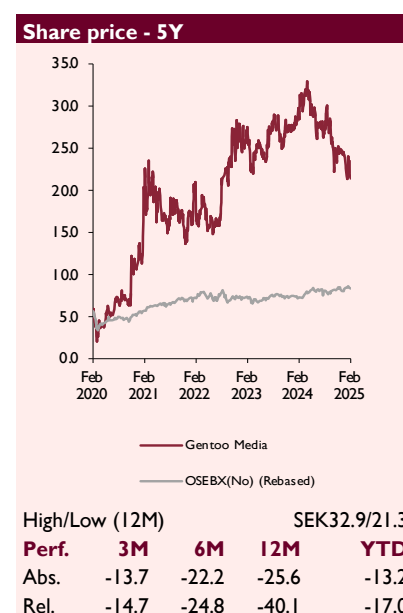
Upcoming events

- Q1 Report: 14 May 2025

Changes in this report			
	From	To	Chg
EPS adj. 2025e	0.35	0.29	-17%
EPS adj. 2026e	0.40	0.34	-14%
EPS adj. 2027e	n.a.	n.a.	n.a.

Key facts	
No. shares (m)	134.7
Market cap. (USDm)	269
Market cap. (SEKm)	2,883
Net IB Debt. (SEKm)	709
Adjustments (SEKm)	0
EV (2025e) (SEKm)	3,592
Free float	0.0%
Avg. daily vol. ('000)	101
Risk	High Risk
Fiscal year end	December
Share price as of (CET)	18 Feb 2025 15:27

Key figures (EUR)	2024	2025e	2026e	2027e
Sales (m)	125	143	153	163
EBITDA (m)	56	64	71	79
EBIT (m)	38	50	57	65
EPS	-0.39	0.22	0.27	0.32
EPS adj.	0.34	0.29	0.34	0.39
DPS	0.00	0.00	0.00	0.00
Sales growth Y/Y	41%	15%	7%	6%
EPS adj. growth Y/Y	124%	-13%	17%	14%
EBIT margin	30.2%	35.2%	37.5%	39.9%
P/E adj.	5.7	6.5	5.6	4.9
EV/EBIT	9.8	6.3	5.1	4.1
EV/EBITA	8.1	5.3	4.4	3.5
EV/EBITDA	6.7	5.0	4.1	3.3
P/BV	neg.	10.9	4.3	2.5
Dividend yield	0.0%	0.0%	0.0%	0.0%
FCF yield	-1.9%	6.6%	9.6%	12.8%
Equity/Total Assets	-3.3%	11.8%	25.1%	36.0%
ROCE	29.1%	47.1%	41.0%	36.0%
ROE adj.	103.8%	447.9%	111.0%	64.9%
Net IB debt/EBITDA	1.4	1.0	0.5	0.1



Source: Carnegie Research, FactSet, Millstream & company data

This report has been commissioned and sponsored by Gentoo Media. Commissioned research is considered to be marketing communication (i.e. not investment research under MiFID II). This material may be subject to restrictions on distribution in certain areas. For more information, see disclosures and disclaimers at the end of this report

Equity story

Near term: 6–12m

We argue that the major catalyst for Gentoo in the coming 6–12 months is that the company will be able to show strong cash flow after the spin-off of GIG Software. Given the spin-off of the platform company, Gentoo should have lower capex requirements and easy comparisons 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 Myrlid Aasen	5.4%
Andre Lavold	4.8%

Cyclicality

Cyclicality: N/A

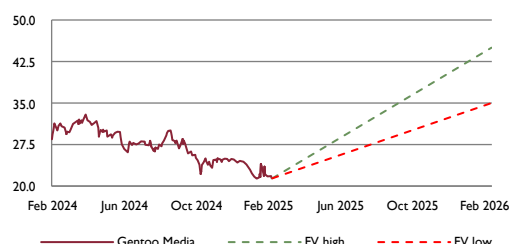
Key peers

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(25–26e) margins (see Appendix I for the detailed peer set), and then apply discount (currently ~12%) 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.

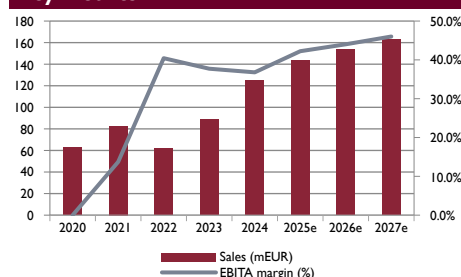
Fair value range 12m



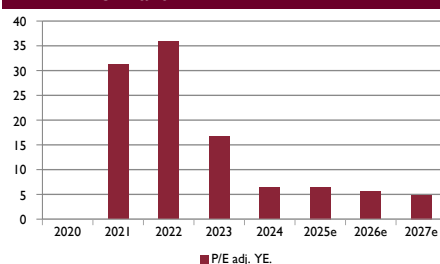
At the low end of our fair value range, Gentoo Media trades on a par with the other igaming B2B companies when both profitability and growth are considered. The main driver in this scenario would be continued strong sales and profitability growth.

The top end of our value range is determined by a DCF valuation, capturing the long-term value creation in the company. The main catalyst for this scenario would be a strong full-year guidance given in the Q1(25) report. We also believe that initiatives to create shareholder value such as buybacks or dividend would drive the share towards this scenario.

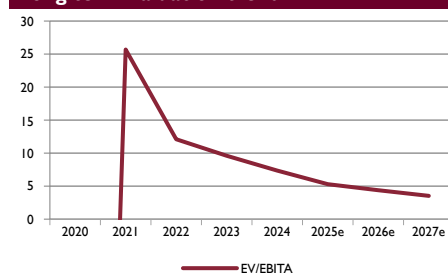
Key metrics



PE 12m forward



Long term valuation trend

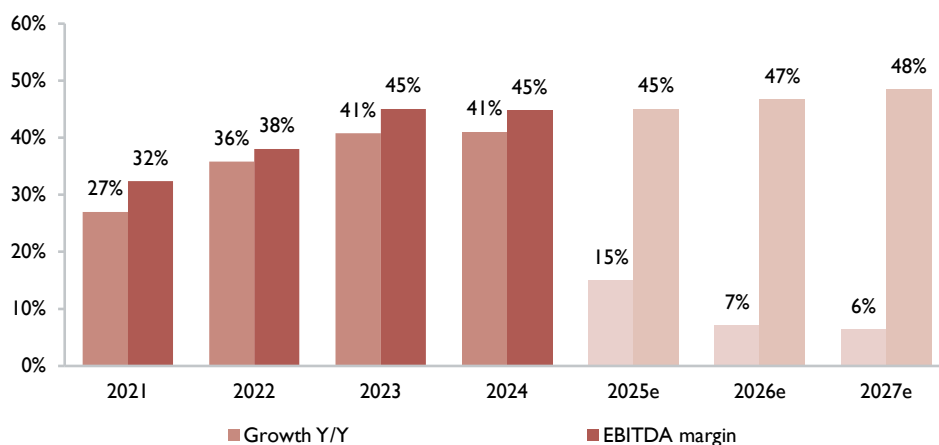


Source: Carnegie Research & company data

Gentoo in charts

We believe that Gentoo will finish 2025e in the middle of its profitability guidance

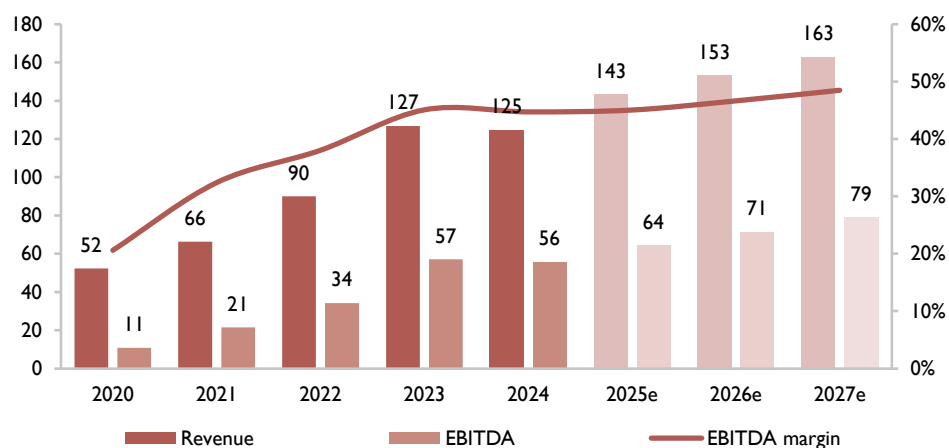
Y/Y Growth and EBITDA margin (%)



Source: Carnegie Research, Company data

Adjusting for the split from GIG Software completed in Q3(24), cash conversion has improved on a standalone basis, and Gentoo has generated EUR313.m in cash flow from operations during 2024 , highlighting a strong cashflow profile...

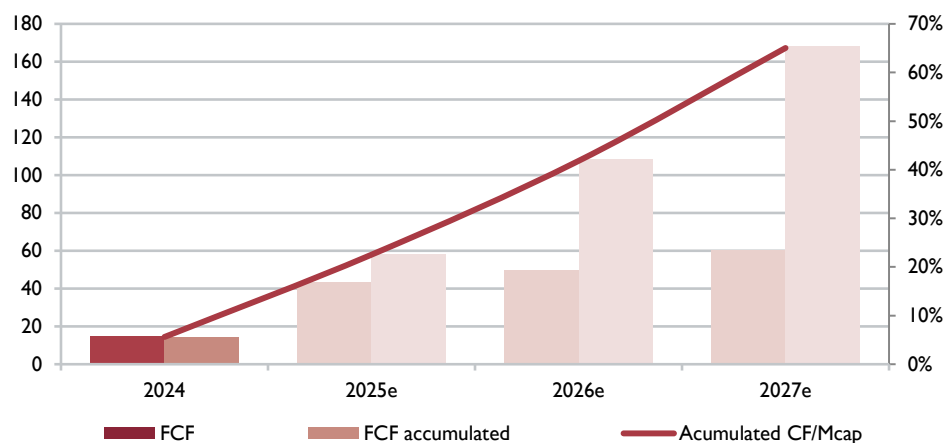
Revenue and EBITDA (EURm) EBITDA margin (%)



Source: Carnegie Research, Company data

... after deferred considerations of EUR33.2m the company should be able to make additional M&A or return cash to shareholders on a high scale

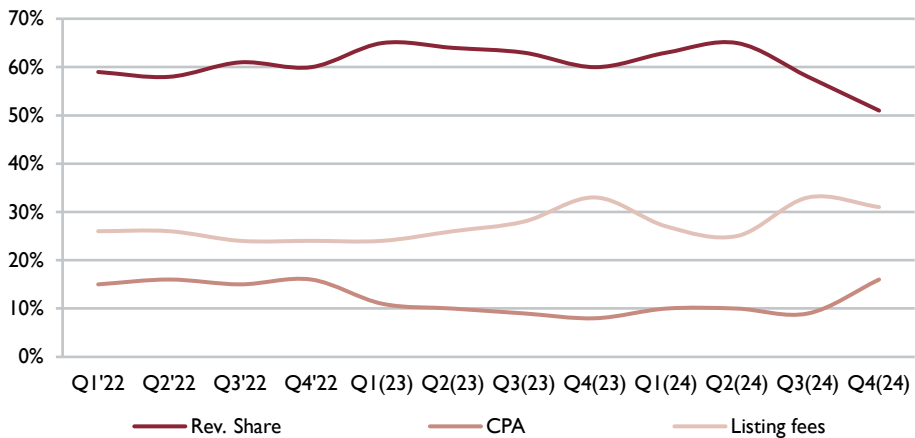
FCF and accumulated cash (EURm)



Source: Carnegie Research

We believe the dip in revenue from revenue-share agreements is temporary

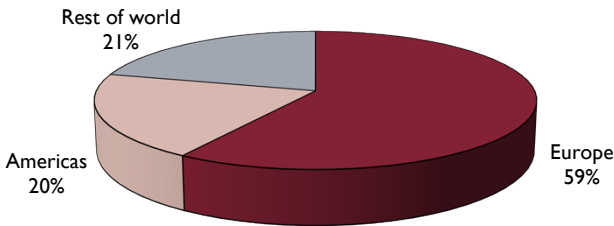
Type of revenue (%)



Source: Carnegie Research, Company data

High geographic diversification and strong presence in growth markets. The revenue from Americas increased by 48% Y/Y

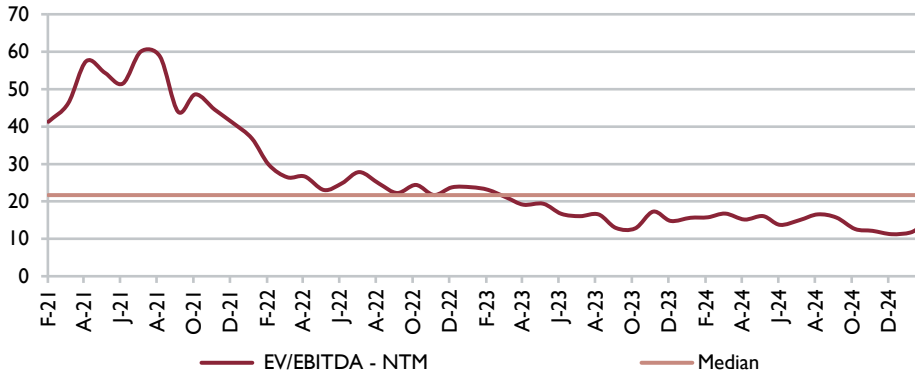
Geo split (%)



Source: Carnegie Research, Company data

Valuation close to a 5Y low despite strong growth estimates and high cash flow generation in estimates

Valuation 2021-2025 YTD

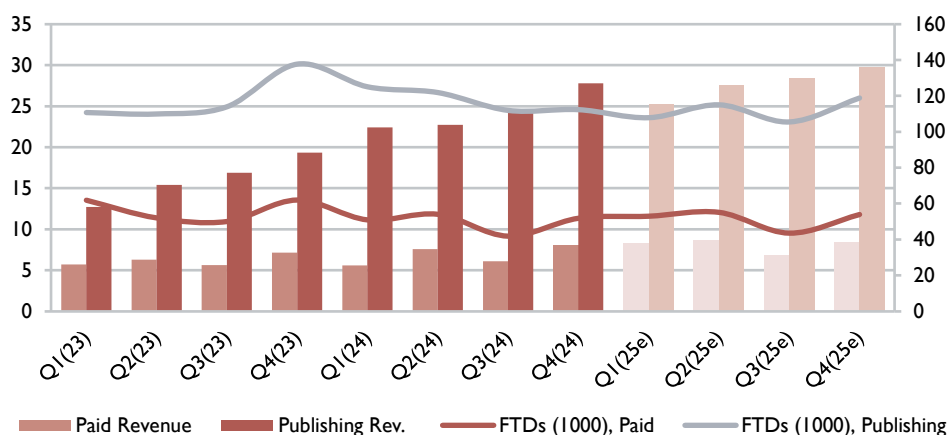


Source: Carnegie Research, Factset Consensus

Gentoo in charts (quarterly)

Q4(24) was the 16th quarter in a row with all-time high revenue from Gentoo Media

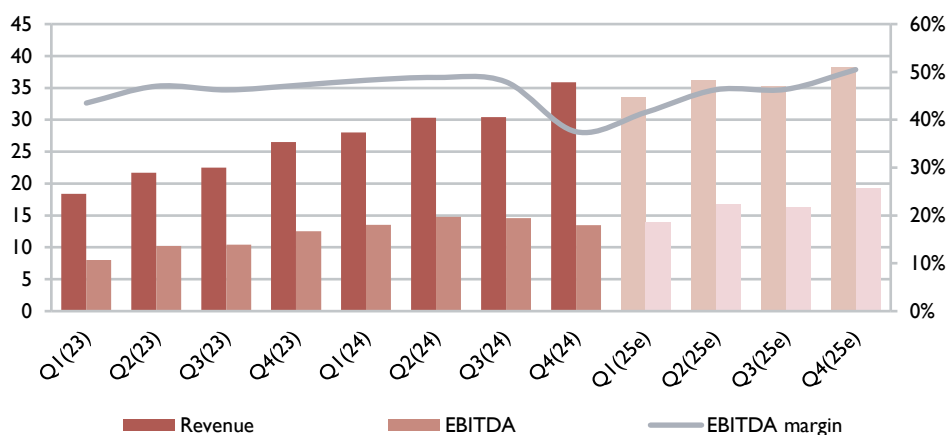
Revenue (EURm)



Source: Carnegie Research, Company data

We expect lower activity in H1(25)

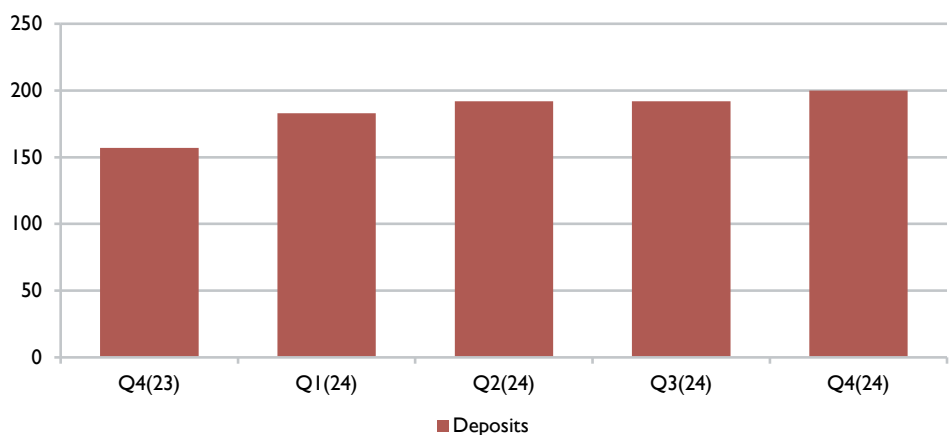
Revenue and EBITDA (EURm)



Source: Carnegie Research, Company data

Trend in deposits suggests that revenue should continue to grow on a Y/Y basis

Deposits (EURm)



Source: Carnegie Research, Company data

Estimate changes and deviation table

Gentoo - Estimate changes			2025e	2025e		2026e	2026e		2027	2027	
	Old	New	Chg			Old	New	Chg	Old	New	Chg
Sales	146	143	-2%			155	153	-1%	n.a.	163	n.m
Growth	16%	15%	-161 bps			7%	7%	+54 bps	n.a.	6%	n.m
											n.m
EBITDA	68	64	-6%			74	71	-4%	n.a.	79	n.m
EBITDA margin	46.8%	45.0%	-182 bps			47.7%	46.6%	-107 bps	n.a.	48.5%	n.m
EO	0	0	n.m			0	0	n.m	n.a.	0	n.m
Adj. EBITDA	68	64	-6%			74	71	-4%	n.a.	79	n.m
Adj. EBITDA margin	46.8%	45.0%	-182 bps			47.7%	46.6%	-107 bps	n.a.	48.5%	n.m
											n.m
Pre-tax profit	32	35	11%			38	43	12%	n.a.	51	n.m
Net profit	28	29	7%			34	36	8%	n.a.	43	n.m
EPS	0.21	0.22	4%			0.25	0.27	8%	n.a.	0.3	n.m
EPS adj	0.35	0.29	-17%			0.40	0.34	-14%	n.a.	0.4	n.m

Source: Carnegie Research

Gentoo Media (EURm)

Deviation table			2024				2025e						
SEKm	Q1	Q2	Q3	Q4a	Q4e	Dev	Q1e	Q2e	Q3e	Q4e	2025e	2026e	
Sales	28	30	30	36	36	-2%	39	37	31	39	146	155	
Growth	52%	40%	35%	38%	38%	0pp	40%	21%	3%	8%	16%	7%	
EBITDA	14	15	15	14	18	-19%	19	17	15	19	68	74	
EBITDA Margin	48.3%	48.8%	47.9%	39.8%	48.6%	-8.7pp	49%	47%	48%	48%	46.8%	47.7%	
EO	0	0	0	0	0	0	0	0	0	0	0	0	
Adj EBIT	10	8	10	10	12	-21%	14	12	10	13	47	53	
Adj. EBIT margin	36.9%	26.0%	32.8%	27.3%	34.0%	-6.7pp	36%	33%	31%	34%	32.3%	34.0%	
Pre-tax Profit	10	4	6	6	9	-30%	10	8	6	10	32	38	
Net profit	4	4	-56	8	9	-8%	9	7	5	8	28	34	
EPS (EUR)	0.0	0.0	-0.4	0.1	0.1	1%	0.1	0.1	0.0	0.1	0.2	0.2	

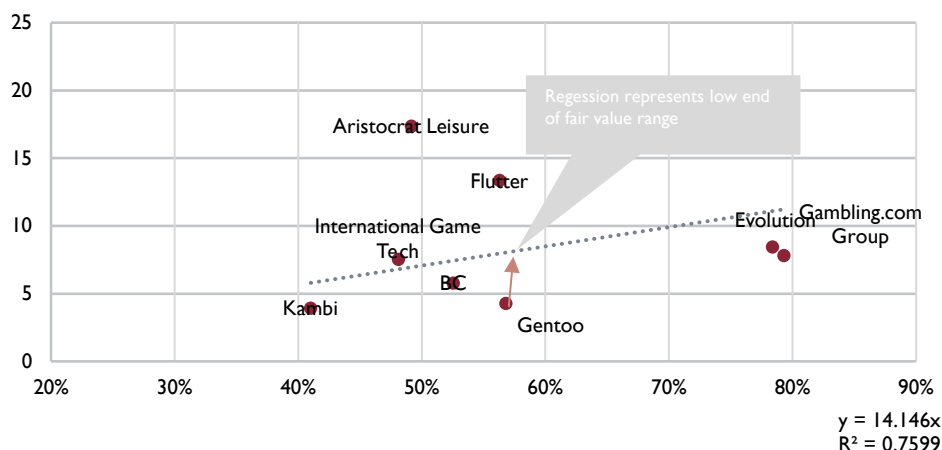
Source: Company data, Carnegie Research

Fair value range of SEK35–45 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 ~12%) 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.

We argue that Gentoo Media should trade in line with other B2B igaming companies

R40 (%) and EV/EBITDA 26e



Source: Carnegie Research, FactSet

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	--	--	--	--	--	--	5.1x	4.3x	--	--	--	--	9.2x	7.4x
Better Collective	656	859	2.38x	2.37x	2.11x	7.7x	6.7x	5.8x	12.5x	10.4x	8.7x	22.9x	13.2x	9.9x
Aristocrat Leisure	29,757	30,579	7.62x	7.14x	7.24x	20.7x	17.9x	17.4x	25.7x	21.8x	21.3x	38.2x	28.1x	26.1x
Flutter Entertainment	50,615	55,853	4.90x	3.42x	2.96x	34.1x	17.7x	13.4x	145.2x	28.3x	19.0x	--	32.1x	22.2x
Evolution	16,028	14,922	6.60x	6.49x	5.78x	9.4x	9.6x	8.5x	10.3x	10.7x	9.2x	12.5x	12.9x	11.2x
Kambi Group	327	262	1.48x	1.45x	1.35x	6.1x	4.3x	3.9x	11.2x	12.3x	9.2x	20.4x	16.6x	13.8x
Playtech	2,828	2,949	1.63x	4.10x	3.84x	6.6x	26.1x	22.8x	12.7x	324.4x	114.9x	24.0x	105.1x	64.8x
International Game Tech	3,360	8,370	2.11x	3.57x	3.51x	5.6x	7.8x	7.5x	9.3x	12.5x	12.5x	28.8x	16.4x	16.2x
Raketeer Group Holding	14	11	0.14x	0.17x	0.15x	0.6x	0.6x	0.6x	1.9x	1.5x	0.9x	(1.5x)	2.5x	1.3x
Catena Media	25	72	1.45x	0.79x	1.50x	--	2.1x	9.2x	--	2.9x	18.3x	(0.5x)	1.5x	5.3x
Gambling.com Group	590	573	4.82x	3.48x	3.13x	15.2x	8.9x	7.8x	17.3x	12.0x	10.3x	21.1x	17.3x	14.1x
Mean			3.31x	3.30x	3.16x	11.8x	10.2x	9.7x	27.3x	43.7x	22.4x	18.4x	24.6x	18.5x
Median			2.24x	3.45x	3.04x	7.7x	8.3x	8.1x	12.5x	12.2x	11.4x	21.1x	16.5x	14.0x

2025-02-18

Source: FactSet, Carnegie Research

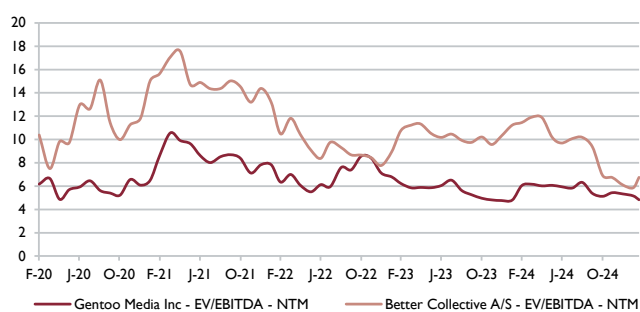
Summary valuation

DCF assumptions - Summary	2025e	2026e	2027e	Average year			Terminal	
				4-5	6-10	11-15	16-20	period
Total sales growth	14.9%	7.1%	6.3%	6.0%	5.8%	3.8%	3.0%	2.0%
EBITDA margin	45.0%	46.6%	48.5%	40.0%	36.0%	35.0%	35.0%	35.0%
Depreciation % of sales	-2.8%	-2.6%	-2.5%	-5.0%	-5.0%	-5.0%	-5.0%	-5.0%
EBITA margin	42.2%	44.0%	46.0%	35.0%	31.0%	30.0%	30.0%	30.0%
Amortisations % of sales	-7.0%	-6.5%	-6.1%	-6.1%	-6.1%	-6.1%	-6.1%	0.0%
EBIT margin	35.2%	37.5%	39.9%	28.9%	24.9%	23.9%	23.9%	23.9%
Capex % of sales	-2.0%	-1.8%	-1.7%	-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	10.6%	10.6%	10.6%	4.0%	4.0%	4.0%	4.0%	4.0%
Sales	143	153	163	178	218	275	320	346
EBITDA	64	71	79	71	78	96	112	121
Capex	-3	-3	-3	-7	-9	-11	-13	-17
Taxes	-6	-7	-8	-7	-8	-10	-12	12
Other	-2	-1	-1	5	0	0	0	775
Free cash flow	54	61	67	62	61	75	87	891
Discounted FCF	51	51	51	39	26	18	12	98
Share of total discounted FCF	8%	8%	8%	13%	21%	15%	10%	16%

Valuation (SEK)	(curr.)m	Per share	WACC assumptions	
EV (discounted FCF)	7,048	52.3	Risk free interest rate	4.0%
-Net debt 2025e	-727	-5.4	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	-382	-2.8	Tax rate	12.0%
ESG penalty	0	0.0	After tax cost of debt	4.0%
Equity value at YE (24)	5,940	44	Equity weight	100%
Time adjustment	91	0.7	WACC	12.0%
Dividend	0	0.0		
Current equity value	6,031	45		

Source: Carnegie Research

EV/EBITDA NTMe



Source: Carnegie Research, FactSet, 2025-02-18

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

Enterprise Value (EURm)	613	629
Net Debt (25e) (EURm)	63	63
Deferred consideration	33	33
Equity Value per Share SEK (12% discount applied)	35	45
Implied EV/EBITDA 2026e	8.0x	8.6x

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: Peer table

Valuation	MCAP (EUR)	EV (EUR)	EV / Sales			EV / EBITDA			EV / EBIT			Price / Earnings		
			LTM	2025e	2026e	LTM	2025e	2026e	LTM	2025e	2026e	LTM	2025e	2026e
Gentoo	—	—	—	—	—	—	5.1x	4.3x	—	—	—	—	9.2x	7.4x
Better Collective	656	859	2.30x	2.37x	2.11x	7.7x	6.7x	5.8x	12.5x	10.4x	8.7x	22.9x	13.2x	9.9x
Anticorot Leisure	29757	30579	7.62x	7.14x	7.24x	20.7x	17.9x	17.4x	25.7x	21.8x	21.3x	38.2x	28.1x	26.1x
Flutstar Entertainment	50.615	55.853	4.90x	3.42x	2.96x	34.1x	17.7x	13.4x	145.2x	28.3x	19.0x	—	32.1x	22.2x
Evolution	16.028	14.922	6.60x	6.49x	5.78x	9.4x	9.6x	8.5x	10.3x	10.7x	9.2x	12.5x	12.9x	11.2x
Kambi Group	327	262	1.48x	1.45x	1.35x	6.1x	4.3x	3.9x	11.2x	12.3x	9.2x	20.4x	16.6x	13.8x
Playtech	2.828	2.949	1.63x	4.10x	3.84x	6.6x	26.1x	22.8x	12.7x	324.4x	114.9x	24.0x	105.1x	64.8x
International Game Tech	3.360	8.370	2.11x	3.57x	3.51x	5.6x	7.8x	7.5x	9.3x	12.5x	12.5x	28.8x	16.4x	16.2x
Raktech Group Holding	14	11	0.14x	0.17x	0.15x	0.6x	0.6x	1.9x	1.5x	0.9x	—	(1.5x)	2.5x	1.3x
Canena Media	25	72	1.45x	0.79x	1.50x	—	2.1x	9.2x	—	2.9x	18.3x	(0.5x)	1.5x	5.3x
Gambling.com Group	590	573	4.82x	3.48x	3.13x	15.2x	8.8x	7.8x	17.3x	12.0x	10.3x	21.1x	17.3x	14.1x
Mean			3.31x	3.30x	3.16x	11.8x	16.2x	9.7x	27.3x	43.7x	22.4x	18.4x	24.6x	18.5x
Median			2.24x	3.45x	3.04x	7.7x	8.3x	8.1x	12.5x	12.2x	11.4x	21.1x	16.5x	14.0x

2025-02-18

Source: FactSet, Carnegie Research

Margins	Gross Income			EBITDA			EBIT			Net Income		
	LTM	2025e	2026e	LTM	2025e	2026e	LTM	2025e	2026e	LTM	2025e	2026e
Gentoo	—	—	—	—	—	—	—	—	—	—	—	—
Better Collective	29%	47%	49%	30%	31%	36%	19%	23%	24%	7%	14%	16%
Anticorot Leisure	57%	57%	58%	37%	40%	41%	30%	33%	34%	20%	25%	27%
Flutstar Entertainment	—	49%	49%	—	19%	22%	—	12%	16%	—	9%	12%
Evolution	63%	99%	100%	70%	68%	68%	63%	61%	63%	58%	52%	53%
Kambi Group	45%	101%	105%	24%	34%	34%	13%	12%	15%	9%	9%	11%
Playtech	88%	—	—	25%	16%	17%	13%	1%	3%	6%	4%	6%
International Game Tech	48%	—	—	42%	46%	47%	25%	29%	28%	1%	13%	12%
Raktech Group Holding	24%	55%	53%	25%	26%	26%	8%	11%	16%	-12%	8%	14%
Canena Media	20%	40%	84%	2%	37%	16%	-8%	27%	8%	-97%	23%	6%
Gambling.com Group	88%	96%	96%	32%	39%	40%	28%	29%	31%	23%	21%	24%
Mean	47%	67%	74%	32%	36%	34%	26%	23%	23%	-1%	18%	17%
Median	47%	57%	69%	28%	35%	34%	16%	23%	16%	7%	13%	12%

2025-02-18

Growth	Sales			EBITDA			EBIT			Net Income		
	LTM	2025e	2026e	LTM	2025e	2026e	LTM	2025e	2026e	LTM	2025e	2026e
Gentoo	—	—	—	—	—	—	—	—	—	—	—	—
Better Collective	111%	-1%	12%	-2%	17%	16%	-18%	26%	20%	-34%	91%	32%
Anticorot Leisure	5%	7%	-1%	16%	14%	3%	15%	16%	2%	-10%	12%	6%
Flutstar Entertainment	24%	21%	16%	0%	39%	32%	0%	132%	49%	0%	75%	43%
Evolution	19%	9%	12%	23%	8%	13%	24%	7%	16%	16%	-6%	13%
Kambi Group	-5%	3%	8%	-29%	5%	9%	3%	17%	33%	6%	21%	22%
Playtech	-4%	-60%	7%	5%	-76%	15%	5%	-97%	182%	6%	-86%	62%
International Game Tech	-10%	1%	2%	-9%	1%	3%	-6%	6%	0%	-77%	50%	-8%
Raktech Group Holding	2%	5%	9%	-24%	12%	9%	-48%	nm	60%	-231%	nm	82%
Canena Media	-40%	87%	-48%	-101%	1000000%	-77%	-137%	nm	-84%	70%	nm	nm
Gambling.com Group	88%	96%	96%	32%	39%	40%	28%	29%	31%	23%	21%	24%
Mean	1%	8%	2%	-13%	11113%	3%	-18%	15%	31%	-28%	22%	32%
Median	4%	5%	8%	-2%	12%	9%	0%	16%	20%	0%	21%	27%

2025-02-18

Source: FactSet, Carnegie Research

Interim figures

QUARTERLY DATA	2023Q1	2023Q2	2023Q3	2023Q4	2024Q1	2024Q2	2024Q3	2024Q4	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	34	36	35	38
EBITDA	12	10	10	11	14	15	15	13	14	17	16	19
EBITA	7	10	5	7	10	8	12	11	11	14	14	17
Adjusted EBITA	7	7	5	7	10	8	12	11	11	14	14	17
EBIT	6	7	7	7	10	8	10	10	10	13	13	16
Adjusted EBIT	6	7	7	7	10	8	10	10	10	13	13	16
Net Financial Items	-2	0	-5	-5	0	-4	-4	-5	-4	-4	-4	-4
EAFI	4	7	2	2	10	4	6	5	7	9	9	12
Pre-Tax Profit	4	7	11	2	4	4	-56	6	7	9	9	12
Adjusted Pre-Tax Profit	4	7	11	2	4	4	-56	6	7	9	9	12
Net Profit	4	7	9	0	4	-5	-57	8	6	8	8	10
Adjusted Net Profit	4	7	9	0	4	-5	-57	8	6	8	8	10
EPS	0.0	0.0	0.0	0.0	0.0	0.0	-0.4	0.1	0.0	0.1	0.1	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)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Sales	0	43	63	83	62	89	125	143	153	163
COGS	0	0	-3	-5	0	0	0	-2	-2	-2
Gross profit	0	43	60	78	62	89	125	141	151	161
Other income & costs	0	-5	-49	-57	-33	-49	-69	-77	-80	-82
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
EBITDA	0	38	11	21	28	40	56	64	71	79
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	-17	-12	-9	-3	-6	-10	-4	-4	-4
Impairments / writedowns	0	0	0	0	0	0	0	0	0	0
EBITA	0	21	-1	11	25	33	46	60	67	75
Amortization acquisition related	na	0	-7	-4	-4	-5	-8	-10	-10	-10
Impairment acquisition related	0	0	0	0	0	0	0	0	0	0
EBIT	0	21	-9	7	21	28	38	50	57	65
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
Net financial items	0	0	-7	-6	-2	-11	-12	-15	-14	-14
of which interest income/expenses	0	0	-7	-6	-2	-11	-14	-15	-14	-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	1	0	0	0
Pre-tax profit	0	21	-16	1	19	17	25	35	43	51
Taxes	0	0	0	1	-1	-3	0	-6	-7	-8
Post-tax minorities interest	0	0	0	0	0	0	0	0	0	0
Discontinued operations	0	0	-2	0	-15	-1	-77	0	0	0
Net profit	0	21	-18	1	3	13	-51	29	36	43
Adjusted EBITDA	0	38	11	21	29	41	57	64	71	79
Adjusted EBITA	0	21	-1	11	25	35	47	60	67	75
Adjusted EBIT	0	21	-9	7	21	30	39	50	57	65
Adjusted net profit	0	21	-10	5	7	19	45	39	46	53
Sales growth Y/Y	na	+chg	46.1%	31.0%	-25.1%	43.3%	40.6%	14.9%	7.1%	6.3%
EBITDA growth Y/Y	na	+chg	-71.6%	93.1%	37.2%	39.5%	39.8%	16.1%	10.9%	10.6%
EBITA growth Y/Y	na	+chg	-chg	+chg	120.7%	33.7%	37.1%	31.9%	11.6%	11.2%
EBIT growth Y/Y	na	+chg	-chg	+chg	194.5%	36.9%	33.1%	34.0%	13.9%	13.1%
EBITDA margin	nm	87.8%	17.0%	25.1%	46.0%	44.8%	44.6%	45.0%	46.6%	48.5%
EBITA margin	nm	48.8%	nm	13.7%	40.4%	37.7%	36.8%	42.2%	44.0%	46.0%
EBIT margin	nm	48.8%	-13.7%	8.5%	33.4%	31.9%	30.2%	35.2%	37.5%	39.9%
Tax rate	na	na	na	na	na	na	-12.0%	-12.0%	-12.0%	-12.0%
Cash flow (EURm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
EBITDA	0	38	11	21	28	40	56	64	71	79
Paid taxes	0	0	0	1	-1	0	0	-6	-7	-8
Change in NWC	0	4	15	-16	-2	-5	-14	-2	-1	-1
Non cash adjustments	0	0	-7	7	3	7	26	0	0	0
Discontinued operations	0	0	-2	0	-15	-1	-77	0	0	0
Total operating activities	0	42	17	12	28	40	31	57	64	70
Capex tangible assets	0	-4	-2	-1	-1	-2	-1	-1	-1	-1
Capitalised development costs	0	0	0	0	0	0	0	0	0	0
Capex - other intangible assets	0	-7	-7	-9	-17	-19	-22	-22	-22	-22
Acquisitions/divestments	0	0	23	0	-28	-36	-17	0	0	0
Other non-cash adjustments	0	0	0	0	0	0	0	0	0	0
Total investing activities	0	-11	15	-9	-45	-58	-40	-23	-23	-23
Net financial items	0	0	-7	-6	-2	-11	-12	-15	-14	-14
Lease payments	0	-1	-3	-3	-3	-3	-2	-2	-2	0
Dividend paid and received	0	0	0	0	0	0	0	0	0	0
Share issues & buybacks	0	10	10	0	25	10	9	0	0	0
Change in bank debt	0	0	0	0	6	24	8	0	0	0
Other cash flow items	0	-7	-7	3	-3	4	0	0	0	0
Total financing activities	0	3	-6	-6	23	25	4	-17	-16	-14
Operating cash flow	0	42	17	12	28	40	31	57	64	70
Free cash flow	0	30	-1	-6	6	5	-5	17	25	33
Net cash flow	0	34	25	-3	6	7	-4	17	25	33
Change in net IB debt	0	35	28	0	3	-15	-10	17	25	31
Capex / Sales	nm	8.7%	2.7%	0.7%	1.4%	2.6%	0.7%	0.6%	0.5%	0.5%
NWC / Sales	nm	-5.2%	-10.8%	-7.3%	-1.8%	0.0%	5.0%	9.9%	10.3%	10.3%

Source: Carnegie Research & company data

Financial statements, cont.

Balance sheet (EURm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Acquired intangible assets	0	16	16	16	75	41	44	34	24	14
Other fixed intangible assets	0	61	50	45	71	63	64	82	100	117
Capitalised development	0	0	0	0	0	0	0	0	0	0
Tangible assets	0	0	0	0	0	1	0	1	2	2
Lease assets	0	0	0	0	0	2	0	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	1	25	25	25	25
Fixed assets	0	77	66	62	147	108	133	144	155	165
Inventories (2)	0	20	16	18	23	0	0	0	0	0
Receivables (2)	0	0	0	0	0	19	27	31	33	35
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	5	12	9	15	15	11	28	53	86
Current assets	0	58	27	26	38	165	38	59	85	121
Total assets	0	135	93	88	185	273	171	203	240	286
Shareholders' equity	0	21	4	12	65	92	-6	24	60	103
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	21	4	12	65	92	-6	24	60	103
Deferred tax	0	1	2	0	2	4	28	28	28	28
LT IB debt (1)	0	37	36	39	48	75	89	89	89	89
Other IB provisions (1)	0	0	0	0	0	0	0	0	0	0
Lease liabilities	0	0	0	0	0	5	2	2	2	4
Other non-IB liabilities	0	12	21	9	31	30	1	1	1	1
LT liabilities	0	51	59	48	82	114	120	120	120	122
ST IB debt (1)	0	30	3	4	13	0	0	0	0	0
Payables (2)	0	25	25	20	23	17	13	15	17	18
Accrued exp. & other NWC items (2)	0	0	0	0	0	2	0	0	0	0
Other ST non-IB liabilities	0	0	2	3	3	17	43	43	43	43
Liabilities - assets held for sale	0	9	0	0	0	31	0	0	0	0
Current liabilities	0	63	31	27	38	67	57	59	60	61
Total equity and liabilities	0	135	93	88	185	273	171	203	240	286
Net IB debt (=1)	0	62	28	34	46	64	80	63	39	8
Net working capital (NWC) (=2)	0	-4	-9	-3	1	-1	13	15	16	17
Capital employed (CE)	0	89	45	55	128	176	92	122	158	203
Capital invested (CI)	0	73	57	59	147	106	122	134	146	158
Equity / Total assets	nm	15%	4%	14%	35%	34%	-3%	12%	25%	36%
Net IB debt / EBITDA	nm	1.6	2.6	1.6	1.6	1.6	1.4	1.0	0.5	0.1
Per share data (EUR)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Adj. no. of shares in issue YE (m)	0.00	90.01	90.01	96.98	128.9	131.3	134.7	134.7	134.7	134.7
Diluted no. of Shares YE (m)	0.00	90.01	90.01	96.98	128.9	131.3	134.7	134.7	134.7	134.7
EPS	na	0.47	-0.20	0.01	0.03	0.10	-0.39	0.22	0.27	0.32
EPS adj.	na	0.47	-0.12	0.05	0.06	0.15	0.34	0.29	0.34	0.39
CEPS	na	0.82	-0.02	0.12	0.07	0.17	-0.27	0.31	0.36	0.42
DPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BVPS	na	0.23	0.04	0.12	0.50	0.70	-0.04	0.17	0.44	0.76
Performance measures	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
ROE	nm	201.5%	-144.4%	10.3%	7.4%	16.2%	-119.5%	334.6%	87.0%	52.6%
Adj. ROCE pre-tax	na	na	-2.1%	22.8%	27.5%	23.1%	36.3%	56.4%	48.2%	41.5%
Adj. ROIC after-tax	na	na	-2.1%	19.6%	24.4%	27.7%	46.6%	52.9%	54.0%	55.4%
Valuation	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
FCF yield	0.0%	11.8%	-0.5%	-2.4%	2.2%	1.9%	-1.9%	6.6%	9.6%	12.8%
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	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Dividend + buy backs yield YE	nm	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EV/Sales YE	nm	3.03	1.99	2.42	5.58	4.41	2.97	2.24	1.93	1.62
EV/EBITDA YE	nm	3.5	11.7	9.6	12.1	9.8	6.7	5.0	4.1	3.3
EV/EBITA YE	nm	6.2	neg.	17.7	13.8	11.7	8.1	5.3	4.4	3.5
EV/EBITA adj. YE	nm	6.2	neg.	17.7	13.7	11.2	7.8	5.3	4.4	3.5
EV/EBIT YE	nm	6.2	neg.	28.5	16.7	13.8	9.8	6.3	5.1	4.1
P/E YE	na	1.6	nm	>50	>50	25.4	nm	8.7	7.1	6.0
P/E adj. YE	na	1.6	nm	31.3	35.9	16.6	6.4	6.5	5.6	4.9
P/BV YE	na	3.28	27.11	13.92	4.61	3.56	neg.	10.91	4.29	2.51
Share price YE (EUR)	2.03	0.76	1.08	1.71	2.32	2.49	2.15	1.91		

Source: Carnegie Research & company data

Disclosures and disclaimers

Carnegie Investment Bank AB

Carnegie Investment Bank AB (publ.) is a leading investment bank with a Nordic focus. The Carnegie group of companies, together "Carnegie", generates added value for institutions, companies and private clients in the areas of trade in securities, investment banking and private banking. Carnegie has approximately 600 employees, located in offices in six countries

Valuation, methodology, and assumptions

Commissioned research reports include the analyst's assessment of a fair value range over the coming six to 12 months based on various fundamental valuation methods. A commonly used method is DCF valuation, where future cash flows are discounted to today. Analysts may also use different valuation multiples, e.g. P/E ratio and EV/EBIT multiples, relative to industry peers. For companies where it is appropriate, a fair value range can also be based on the analyst's assessment of a fair ratio relative to the net asset value of the company. Fair value ranges represent the assessment of the analyst(s) at the time of writing

Frequency of update

Carnegie's research analysis consists of case-based analyses, which implies that the frequency of the analytical report may vary over time. Unless otherwise expressly stated in the report, the analysis is updated when considered necessary by the research department, for example in the event of significant changes in market conditions or events related to the issuer/the financial instrument.

Analyst certification

The research analyst or analysts responsible for the content of this commissioned research report certify that, notwithstanding the existence of any potential conflicts of interests referred to herein, the views expressed in this commissioned research report accurately reflect the research analyst's personal views about the companies and securities covered. It is further certified that the research analyst has not been, nor is or will be, receiving direct or indirect compensation related to the specific ratings or views contained in this commissioned research report.

Potential conflicts of interest

Carnegie, or its subsidiaries, may from time to time perform investment banking or other services for, or solicit investment banking or other business from, any company mentioned in this report. Any such publicly announced business activity, during the past 12 months, will be referred to in this commissioned research report. A set of rules handling conflicts of interest is implemented in the Carnegie Group. Investment Banking and other business departments in Carnegie are surrounded by information barriers to restrict the flows of sensitive information. Persons outside such barriers may gain access to sensitive information only after having observed applicable procedures. The remuneration of persons involved in preparing this commissioned research report is not tied to investment banking transactions performed by Carnegie or a legal person within the same group.

Confidential and non-public information regarding Carnegie and its clients, business activities and other circumstances that could affect the market value of a security ("sensitive information") is kept strictly confidential and may never be used in an undue manner.

Internal guidelines are implemented in order to ensure the integrity and independence of research analysts. In accordance with the guidelines the research department is separated from the Investment Banking department and there are no reporting lines between the research department and Investment Banking. The guidelines also include rules regarding, but not limited to, the following issues; contacts with covered companies, prohibition against offering favourable recommendations, personal involvement in covered companies, participation in investment banking activities, supervision and review of research reports, analyst reporting lines and analyst remuneration.

Other material conflicts of interest

This report was commissioned and sponsored by the issuer (issuer-paid research).

Distribution restrictions

This commissioned research report is intended only for distribution to professional investors. Such investors are expected to make their own investment decisions without undue reliance on this commissioned research report. This commissioned research report does not have regard to the specific investment objectives, financial situation or particular needs of any specific person who may receive it. Investors should seek financial advice regarding the appropriateness of investing in any securities discussed in this commissioned research report and should understand that statements regarding future prospects may not be realized. Past performance is not necessarily a guide to future performance. Carnegie and its subsidiaries accept no liability whatsoever for any direct or consequential loss, including, without limitation, any loss of profits arising from the use of this commissioned research report or its contents. This commissioned research report may not be reproduced, distributed or published by any recipient for any purpose. The document may not be distributed to persons that are citizens of or domiciled in any country in which such distribution is prohibited according to applicable laws or other regulations.

This commissioned research report is distributed in Sweden by Carnegie Investment Bank AB. Carnegie Investment Bank AB is a bank incorporated in Sweden with limited liability which is authorised and regulated by the Swedish Financial Supervisory Authority (Finansinspektionen). In Finland this commissioned research report is issued by Carnegie Investment Bank AB, Finland Branch. The Finland branch is authorised by the Swedish Financial Supervisory Authority and subject to limited regulation by the Finnish Financial Supervisory Authority (Finanssivalvonta). In Norway this commissioned research report is issued by Carnegie AS, a wholly-owned subsidiary of Carnegie Investment Bank AB. Carnegie AS is regulated by the Financial Supervisory Authority of Norway (Finanstilsynet). In Denmark this commissioned research report is issued by Carnegie Investment Bank AB, Denmark Branch. The Denmark branch is authorised by the Swedish Financial Supervisory Authority and subject to limited regulation by the Danish Financial Supervisory Authority (Finanstilsynet).

This commissioned research report is distributed in the US by Carnegie, Inc., a US-registered broker-dealer and a member of FINRA and SIPC. Carnegie's research analysts located outside of the US are employed by non-US affiliates of Carnegie Inc. ("non-US affiliates") that are not subject to FINRA regulations. Generally, Carnegie research analysts are not registered with or qualified as research analysts with FINRA, and therefore are not subject to FINRA rule 2241 restrictions intended to prevent conflicts of interest by, among other things, prohibiting certain compensation practices, restricting trading by analysts and restricting communications with the companies that are the subject of the research report. Research reports distributed in the U.S. are intended solely for major US institutional investors and US institutional investors as defined under Rule 15a-6 of the Securities Exchange Act of 1934. This commissioned research report is provided for informational purposes only and under no circumstances is it to be used or considered as an offer to sell, or a solicitation of any offer to buy any securities. Reports regarding equity products are prepared by non-US affiliates of and distributed in the United States by Carnegie Inc. under Rule 15a-6(a)(3). When distributed by Carnegie Inc, Carnegie Inc. takes responsibility for the commissioned research report. Any US person who wishes to effect transactions based on this commissioned research report should contact Carnegie Inc. Investors in the US should be aware that investing in non-US securities entails certain risks. The securities of non-US issuers may not be registered with, or be subject to, the current information reporting and audit standards of the US Securities and Exchange Commission.

This commissioned research report has been issued in the UK by Carnegie UK which is the UK Branch of Carnegie Investment Bank AB. Carnegie UK is authorised and regulated by the Financial Conduct Authority (FCA).

Research Disclaimer

This commissioned research report is provided solely for information. It does not constitute or form part of, and shall under no circumstances be considered as an offer to sell or a solicitation of an offer to purchase or sell any relevant financial instrument.

This commissioned research report has been requested and paid for by the issuer and should therefore be considered a marketing communication (i.e. not investment research). Payment for the report has been agreed in advance on a non-recourse basis. As commissioned research, this material can be considered an acceptable minor non-monetary benefit under MiFID II. It has not been prepared in accordance with the legal requirements designed to promote the independence of investment research. However, it is still subject to a prohibition on dealing ahead of the dissemination of the report.

Carnegie Investment Bank AB is responsible for the preparation of this commissioned research report in Sweden, Finland, Denmark, and the UK. Carnegie AS is responsible for the preparation of this commissioned research report in Norway. Carnegie Inc. is responsible for this research report in the US.

The information in this commissioned research report was obtained from various sources. While all reasonable care has been taken to ensure that the information is true and not misleading, Carnegie gives no representation or warranty, express or implied, about its accuracy or completeness. Carnegie, its subsidiaries and any of their officers or directors may have a position, or otherwise be interested in, transactions in securities that are directly or indirectly the subject of this commissioned research report. Any significant financial interests held by the analyst, Carnegie or a legal person in the same group in relation to the issuer will be referred to in the company-specific disclosures.

Company specific disclosures

The following disclosures relate to relationships between Carnegie Investment Bank AB (with its subsidiaries, "Carnegie") and the issuer or an affiliate.

Parts of this commissioned research report may have been submitted to the issuer prior to its publication.

Copyright © 2025 Carnegie



Commissioned Research sponsored by Gentoo Media

18 February 2025

Carnegie Investment Bank AB

Regeringsgatan 56
SE-103 38 Stockholm
Tel +46 8 5886 88 00 Fax +46 8 5886 88 95
www.carnegie.se
A member of the Stockholm Stock Exchange

Carnegie Investment Bank, Denmark Branch

Overgaden neden Vandet 9B PO Box 1935
DK-1414 Copenhagen K
Tel +45 32 88 02 00 Fax +45 32 96 10 22
www.carnegie.dk
A member of the Copenhagen Stock Exchange

Carnegie Investment Bank AB, Finland Branch

Eteläesplanadi 2 PO Box 36
FI-00131 Helsinki
Tel +358 9 618 71 230 Fax +358 9 618 71 720
www.carnegie.fi
A member of the Helsinki Stock Exchange

Carnegie AS

Fjordalleen 16, 5th Floor PO Box 684,
Sentrum NO-0106 Oslo
Tel +47 22 00 93 00 Fax +47 22 00 94 00
www.carnegie.no
A member of the Oslo Stock Exchange

Carnegie, Inc.

20 West 55th St. ,
New York N.Y. 10019
Tel +1 212 262 5800 Fax +1 212 265 3946
www.carnegiegroup.com
Member FINRA / SIPC

Carnegie Investment Bank AB, UK Branch

Finwell House, 26 Finsbury Square
London EC2A 1DS
Tel +44 20 7216 4000 Fax +44 20 7417 9426
www.carnegie.co.uk
Regulated by the FCA in the conduct of Designated
Investment Business in the UK