

RESULTS UPDATE

30 April 2025

Sweden

Technology Hardware & Equipment

Research analysts:

Jakob Söderblom

Henrik Christiansson

Gapwaves

Share price: SEK13.5

Fair value range: SEK25.0–31.0

Another solid print in the books – Q1 update

Impressive numbers, but improved earnings the highlight

Gapwaves reported strong numbers for Q1. Net sales were SEK22.8m, corresponding to Y/Y growth of 46%, and SEK1m above our forecast. Net sales were primarily attributable to NRE services to Hella, Valeo, and the yet unnamed American (we believe this could be Magna) and Asian Tier-I customers. All eyes are now on the start of production of the significant Valeo contract in 2025, as well as the continuing volume scale-up of Hella's antenna. Regarding tariff effects, Gapwaves stated that it sees no indications of delayed volume scale-ups or postponed investments in ongoing projects. Gapwaves also entered into a development agreement in the quarter with leading Tier-I Desay SV, based in China. The highlight of the report in our view is the continued improvement in earnings. With opex practically flat Y/Y, EBITDA improved to SEK-2.5m in Q1, compared to SEK-8.8m in the corresponding period last year

Small absolute revisions become large in relative terms

Our estimate revisions are primarily the result of somewhat improved gross margins for Gapwaves, as well as more confidence in the company's ability to keep its current cost profile in place even as volumes continue to grow in 2025–27e.

New fair value range of SEK25–31 per share

As we base our valuation approach on Gapwaves' 2030e earnings, our changes to the 2025–27e estimate profile translates to limited changes to our justified fair value range for the company. Still, we increase our fair value range slightly to SEK25–31 (24–30). Our valuation is based on applying a 13–17x EV/EBIT exit multiple to our EBIT(30e), discounted to the present at a cost of capital of 13%.

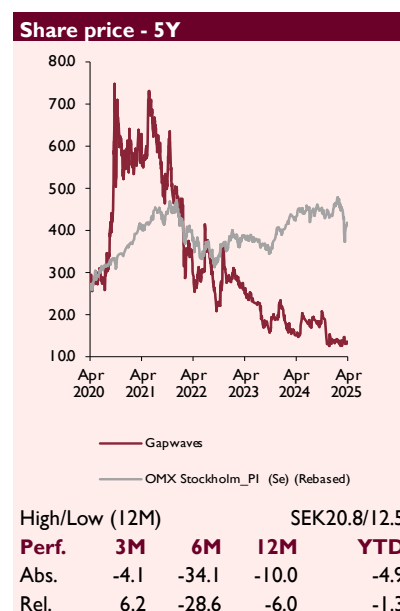
Upcoming events

- Q2 Report: 25 Jul 2025
- Q3 Report: 24 Oct 2025
- Q4 Report: 06 Feb 2026

Changes in this report			
	From	To	Chg
EPS adj. 2025e	-1.25	-1.02	+18%
EPS adj. 2026e	-0.75	-0.60	+20%
EPS adj. 2027e	-0.04	0.05	+243%

Key facts	
No. shares (m)	31.1
Market cap. (USDm)	44
Market cap. (SEKm)	420
Net IB Debt. (SEKm)	-189
Adjustments (SEKm)	0
EV (2025e) (SEKm)	231
Free float	63.6%
Avg. daily vol. ('000)	24
Risk	High Risk
Fiscal year end	December
Share price as of (CET)	30 Apr 2025 09:45

Key figures (SEK)	2024	2025e	2026e	2027e
Sales (m)	66	93	140	197
EBITDA (m)	-32	-20	-13	8
EBIT (m)	-54	-35	-26	2
EPS	-1.65	-1.02	-0.60	0.05
EPS adj.	-1.65	-1.02	-0.60	0.05
DPS	0.00	0.00	0.00	0.00
Sales growth Y/Y	140%	41%	51%	41%
EPS adj. growth Y/Y	+chg	+chg	+chg	+chg
EBIT margin	-82.3%	-37.8%	-18.3%	1.1%
P/E adj.	n.m.	n.m.	n.m.	>100
EV/EBIT	neg.	neg.	neg.	neg.
EV/EBITA	neg.	neg.	neg.	neg.
EV/EBITDA	neg.	neg.	neg.	>100
P/BV	4.1	2.6	3.0	3.0
Dividend yield	0.0%	0.0%	0.0%	0.0%
FCF yield	-7.1%	-4.8%	-7.3%	-3.9%
Equity/Total Assets	78.3%	82.9%	71.4%	69.5%
ROCE	-40.0%	-22.7%	-12.5%	1.1%
ROE adj.	-40.7%	-23.0%	-12.6%	1.1%
Net IB debt/EBITDA	1.9	9.2	12.0	-17.8



Source: Carnegie Research, FactSet, Millstream & company data

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Equity story

Near term:
6–12m

The three most important triggers in our view for Gapwaves are: 1) continued ramp-up of the high-volume agreement with Hella; 2) reaching start of production with Valeo during 2025; and 3) crystallisation in terms of orders from the strong regulatory tailwinds supporting the ADAS market. While we still expect some uncertainty among European automotive OEMs at the beginning of 2025, we believe that Valeo, for instance, is a more favourable exposure in this respect since the termination of the Bosch contract.

Long term:
5Y+

In the medium to long term, we believe Gapwaves presents an opportunity for investors looking for exposure to solutions such as ADAS. Fuelled by consumer concerns over vehicle safety and regulatory initiatives, market research firm Yole Automotive estimates the 77/79GHz automotive radar market will grow from 128m manufactured units in 2023 to 241m in 2027 – corresponding to a CAGR of 17%. Moreover, Gapwaves has a relatively asset-light business model, with customer-financed prototype development and subsequent high-volume production taking place at facilities of selected parties, with the flexibility to adapt production to customers' needs.

Key risks:

Highly competitive pricing pressure from customers in the automotive value chain.
A number of customers currently make up a significant share of Gapwaves' sales mix.
Production ramp-up delays, as well as contract terminations, represent a significant risk to the Gapwaves equity story.

Company description

Founded at Chalmers University of Technology in 2011, Gapwaves supplies customers with waveguide and antenna products focused on the millimetre-wave niche of radar systems. With a primary focus on automotive markets, Gapwaves' antenna technology is an enabler of advanced driving assistance (ADAS) as well as autonomous driving. Moreover, the company also markets its technology to the 5G, wireless communication and IoT industries. Headquartered in Gothenburg, Sweden, the company has developed a technology through which it is able to combine performance, low cost and manufacturability.

Key industry drivers

- Increased consumer awareness
- More stringent safety regulation

Industry outlook

- In general, we keep a positive outlook on solutions for the global automotive radar market, primarily due to the advances made in utilising technology in protecting human lives from road related injuries.

Largest shareholders

Kildal Antenn AB	19.2%
HELLA	9.6%
Avanza Pension	4.6%

Cyclicality

Cyclicality: Yes
Mid

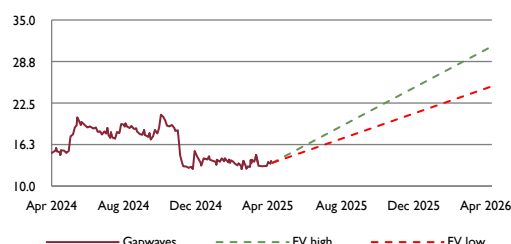
Key peers

While we consider Gapwaves as somewhat of a unique asset, we believe the closest peers on the Nordic stock exchanges to be Smart Eye, Tobii and, to some extent, Silvers Semiconductor and Acconeer.

Valuation and methodology

With Gapwaves being in a scale-up phase, we argue that the fairest approach to valuing the company is to apply an exit multiple to our 2030 estimates. This is done to value Gapwaves on the basis of what it might look like both financially and operationally when it has ramped up its current serial production contracts, thus allowing us to value it on more of a going-concern basis. Thus, our fair value range is based on a medium-to-long-term approach on our 2030 estimates and an EV/EBIT multiple of 13–17x, discounted to the present using a cost of capital of 13%.

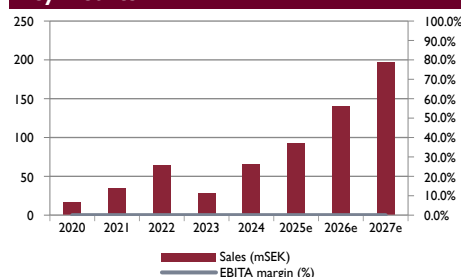
Fair value range 12m



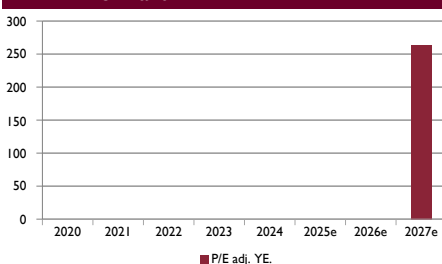
High end of range: Strong order momentum in the new markets of Asia and North America would add another lever of growth for Gapwaves. We also believe the company has potentially significant markets in the mobility and telecom industries.

Low end of range: Further delays in the ramp-up of signing high volume contracts, as well as weaker than expected order momentum, would have an adverse effect on Gapwaves' earnings growth, and subsequently, our valuation.

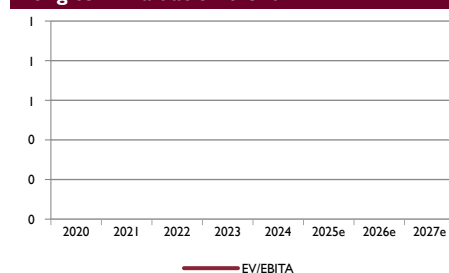
Key metrics



PE 12m forward



Long term valuation trend



Source: Carnegie Research & company data

Deviation table

Gapwaves SEKm	2023				2024				2025	CARE	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1a	Q1e	Dev.
Net sales	4.9	8.9	7.0	6.7	15.6	14.5	18.4	17.6	22.8	21.8	4%
Capitalised income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-
Other operating income	1.5	2.3	0.7	1.8	1.1	1.1	0.9	1.3	2.5	1.1	137%
Total operating income	6.4	11.2	7.7	8.4	16.7	15.6	19.3	18.9	25.3	22.9	11%
Goods for resale	-1.1	-3.7	-2.7	-2.3	-5.0	-4.0	-9.3	-5.1	-6.7	-7.2	-6%
Other external costs	-10.5	-6.4	-6.9	-7.3	-7.1	-7.1	-6.6	-7.4	-7.1	-8.3	-15%
Personnel costs	-10.8	-10.5	-7.6	-11.2	-13.5	-12.8	-9.9	-14.1	-12.6	-14.0	-10%
Other operating expenses	-0.1	-0.1	-0.1	-0.9	0.0	-0.4	-0.1	-0.1	-1.5	-0.4	241%
EBITDA*	-16.1	-9.5	-9.6	-13.2	-8.8	-8.8	-6.7	-7.8	-2.5	-7.0	-64%
Depreciation & amortisation	-2.3	-2.2	-2.1	-2.0	-1.9	-1.9	-1.8	-1.8	-1.7	-1.8	-5%
EBIT*	-18.3	-11.6	-11.7	-15.2	-10.7	-10.6	-8.5	-9.6	-4.2	-8.7	-52%
Results from associated companies	0.0	-3.4	-6.5	-4.5	-4.2	-3.7	-3.5	-3.6	-3.3	-4.0	-18%
Adj. EBIT	-18.3	-15.0	-18.2	-19.7	-14.9	-14.3	-12.0	-13.2	-7.5	-12.7	-41%

Growth

Sales growth	-16%	-46%	-77%	-39%	220%	63%	161%	164%	46%	40%	6%
- whereof organic (CARE)	-22%	-54%	-86%	-43%	220%	62%	164%	164%	46%	40%	6%
- whereof M&A	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
- whereof FX	6%	8%	9%	4%	1%	0%	-3%	-1%	0%	0%	0%
Gross profit growth	-2%	-50%	-80%	-30%	182%	103%	109%	184%	51%	38%	13%

Earnings

Gross profit	3.8	5.2	4.3	4.4	10.6	10.5	9.1	12.5	16.1	14.7	10%
EBITDA*	-16.1	-9.5	-9.6	-13.2	-8.8	-8.8	-6.7	-7.8	-2.5	-7.0	-64%
EBIT*	-18.3	-11.6	-11.7	-15.2	-10.7	-10.6	-8.5	-9.6	-4.2	-8.7	-52%

Margins

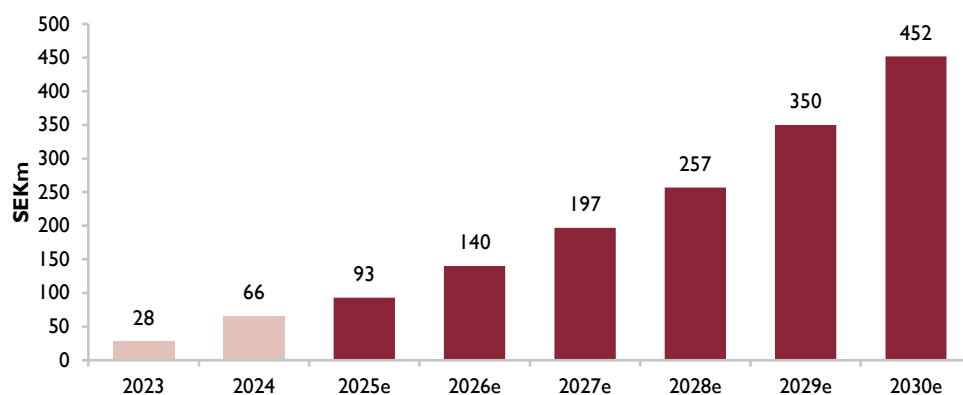
Gross margin	77%	58%	62%	66%	68%	72%	49%	71%	70%	67%	3%
EBITDA* margin	-330%	-106%	-137%	-197%	-56%	-61%	-36%	-44%	-11%	-32%	21%
EBIT* margin	-376%	-130%	-166%	-227%	-69%	-73%	-46%	-54%	-19%	-40%	21%

* Pre associated earnings

Source: Carnegie Research, Company data

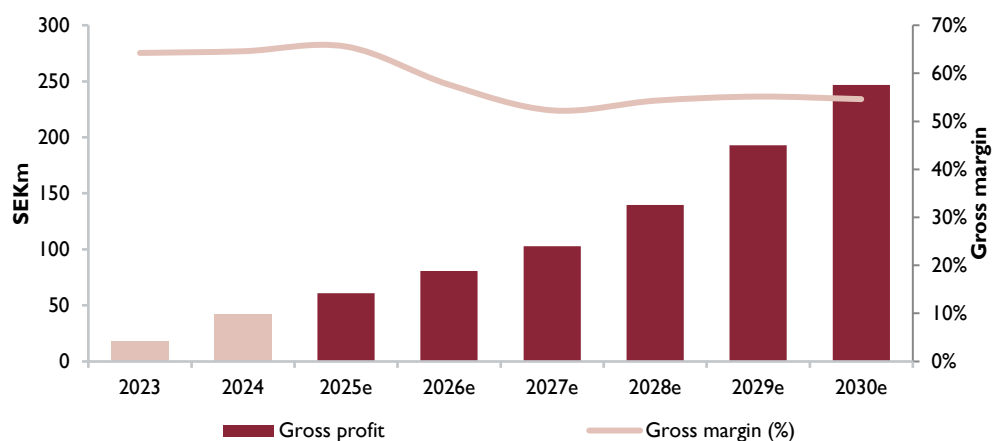
Gapwaves in key charts

Gapwaves: Net sales development (2023-30e)



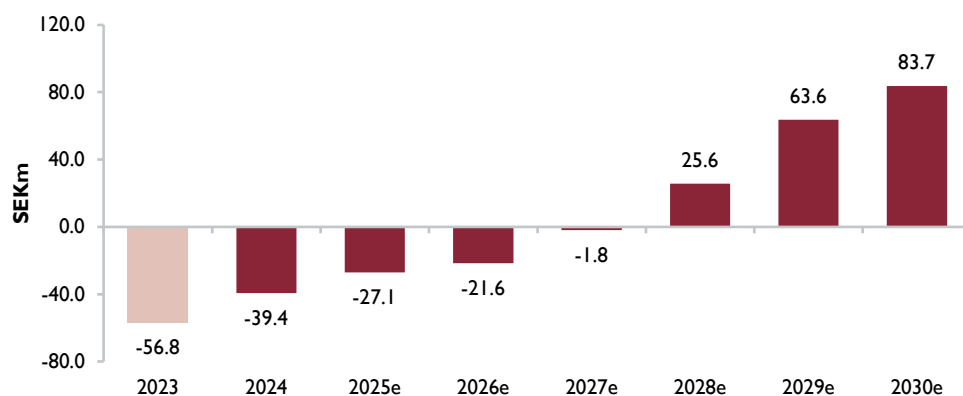
Source: Carnegie Research, Company data

Gapwaves: Gross profit development (2023-30e)



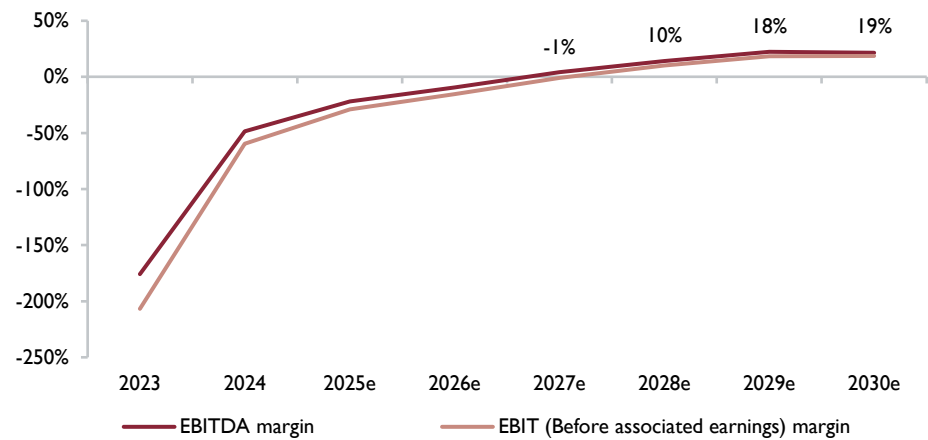
Source: Carnegie Research, Company data

Gapwaves: EBIT (before associated earnings) development 2023-30e



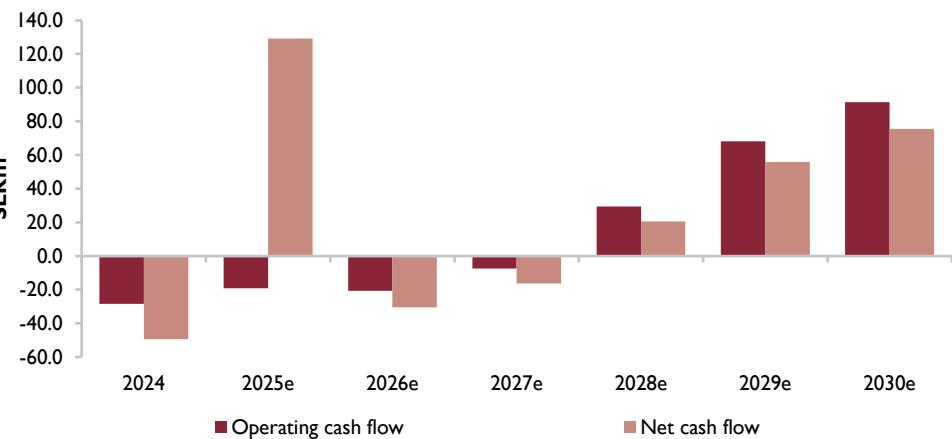
Source: Carnegie Research, Company data

Gapwaves: EBITDA and EBIT margin



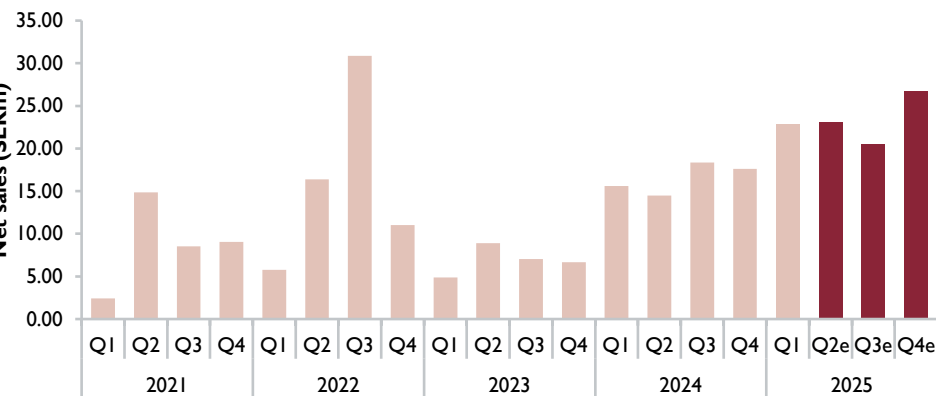
Source: Carnegie Research, Company data

Gapwaves: Cash flow estimate profile



Source: Carnegie Research

Gapwaves: Net sales development 2021-25e



Source: Carnegie Research, Company data

Forecast changes

Gapwaves SEKm	2025e			2026e			2027e		
	Old	New	% change	Old	New	% change	Old	New	% change
Net sales	92	93	1%	140	140	0%	197	197	0%
Gross profit	55	61	10%	74	81	9%	99	103	4%
EBIT (Pre IAC)	-37	-27	35%	-28	-22	29%	-6	-2	201%
Net financials	0	-1	0%	0	0	0%	0	0	0%
PTP	-45	-37	22%	-32	-26	24%	-2	2	-170%
Tax	0	0	0%	0	0	0%	0	0	0%
Net profit	-45	-37	22%	-32	-26	24%	-2	2	-170%

Results

Gross profit	55	61	10%	74	81	9%	99	103	4%
Gross margin	61%	66%	500bps	53%	58%	470bps	50%	52%	220bps
EBIT (Pre IAC)	-37	-27	35%	-28	-22	29%	-6	-2	201%
PTP	-45	-37	22%	-32	-26	24%	-2	2	-170%
Net profit	-45	-37	22%	-32	-26	24%	-2	2	-170%

Growth

Sales growth Y/Y	39%	41%	200bps	53%	51%	-220bps	41%	41%	0bps
- o/w organic	43%	45%	200bps	53%	51%	-220bps	41%	41%	0bps
- o/w structural	0%	0%	0bps	0%	0%	0bps	0%	0%	0bps
- o/w currency	-4%	-4%	0bps	-1%	-1%	0bps	0%	0%	0bps
Gross profit growth Y/Y	30%	43%	1280bps	34%	32%	-120bps	33%	27%	-560bps

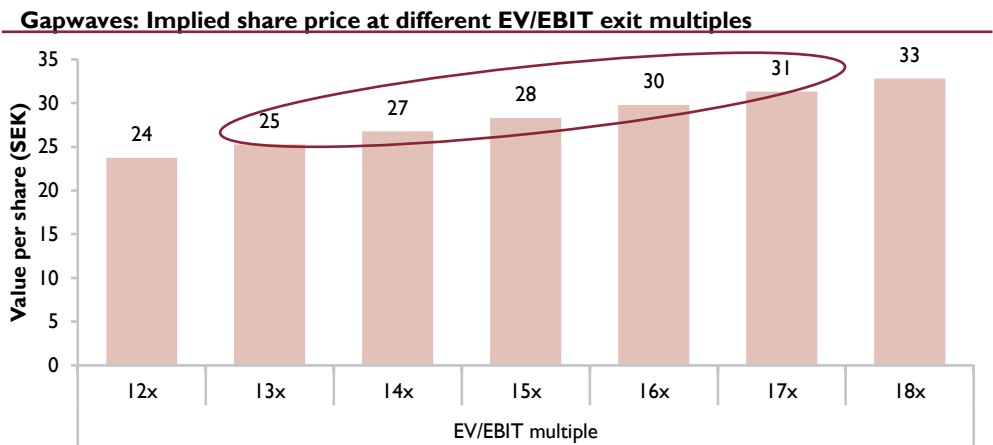
Source: Carnegie Research

Fair value range at SEK25–31 per share

With Gapwaves being in a scale-up phase, we argue that the fairest approach to valuing the company is to apply an exit multiple to our 2030 estimates. This is done to value Gapwaves on the basis of what it might look like both financially and operationally when it has ramped up its current serial production contracts, thus allowing us to value it on more of a going-concern basis.

Our valuation is based on a medium- to long-term scenario where the company reaches positive cash flow in 2028e and an EBIT margin of 19% in 2030e. To derive our fair value range, we start by applying an exit multiple of 15x EV/EBIT to our EBIT(30e) and discount it back to today at a 13% discount rate. For this exercise, we have chosen the EBIT for ‘Core’ Gapwaves, i.e., before considering any financial contribution from associated companies. A discount rate of 13% is chosen to reflect any potential delay risk related to the ongoing ramp-up of serial production, and the impact it would have on our estimate outline.

For 2030e, we model sales of SEK452m, sales growth of 29%, and an adj. EBIT margin of ~19%. We believe a 15x EV/EBIT multiple is realistic starting point given: 1) our expectations of earnings growth prospects based on already communicated partnerships; 2) optionality in fast-growing segments such as mobility and smart traffic management; balanced by 3) Gapwaves being a sub-supplier to the automotive industry. However, it is difficult to foresee what multiple the market will assign Gapwaves’ earnings at the exit point of our valuation. Thus, we value Gapwaves using a set of different exit multiples of 13–17x, which yields a fair value range of SEK25–31 per share.



Source: Carnegie Research

As previously highlighted, we believe one of the more difficult aspects of Gapwaves’ investment case to understand is what a normalised level of EBIT margins could be, before any impact of earnings from associated companies such as Sensrad. Thus, in the sensitivity tables below, we show how the valuation per share is affected by variations in our assumptions for Gapwaves’ EBIT margin for 2030 (CARE 19%), the exit year for our valuation methodology.

Sensitivity table (i) - Valuation per share on EBIT(30e) margin vs. Exit multiple

		EBIT margin 2030e							
		28.3	13%	15%	17%	19%	21%	23%	25%
EVEBIT multiple	12x	18	20	22	24	26	28	30	
	13x	19	21	23	25	27	30	32	
	14x	20	22	24	27	29	31	34	
	15x	21	23	26	28	31	33	36	
	16x	22	25	27	30	32	35	38	
	17x	23	26	29	31	34	37	40	
	18x	24	27	30	33	36	39	42	

Source: Carnegie Research

Sensitivity table (ii) - Valuation per share on EBIT(30e) margin vs. discount rate

		EBIT margin 2030e							
		28.3	13%	15%	17%	19%	21%	23%	25%
Discount rate	10%	24	26	29	32	35	38	40	
	11%	23	25	28	31	33	36	39	
	12%	22	24	27	29	32	35	37	
	13%	21	23	26	28	31	33	36	
	14%	20	22	25	27	30	32	34	
	15%	19	22	24	26	28	31	33	
	16%	19	21	23	25	27	29	32	

Source: Carnegie Research

We have also included a sensitivity table showing the impact that the choice of discount rate has on the valuation.

Sensitivity table (iii) - Valuation per share on discount rate vs. Exit multiple

		Discount rate							
		28.3	10%	11%	12%	13%	14%	15%	16%
EV/EBIT multiple	12x	27	26	25	24	23	22	21	
	13x	29	27	26	25	24	23	22	
	14x	30	29	28	27	26	25	24	
	15x	32	31	29	28	27	26	25	
	16x	34	32	31	30	29	28	26	
	17x	35	34	33	31	30	29	28	
	18x	37	36	34	33	32	30	29	

Source: Carnegie Research

Risks

Part of Gapwaves' business model includes working with a smaller number of customers that yield large unit volumes. This increases customer concentration, meaning that losing just one (as in the case with Bosch) or a few contracts could have a significant and negative impact on sales and earnings. At the same time, we believe the company has done a good job in expanding its customer portfolio in recent quarters, as illustrated by new projects initiated with one yet undisclosed North America Tier 1 supplier, and one Asian.

Having announced several large agreements with automotive Tier 1 suppliers in recent years, Gapwaves is now beginning its commercialisation journey. If the ramp-up of these serial production agreements is delayed, we believe the company risks suffering both in terms of earnings and reputation. Such delays are far outside Gapwaves' control, as we saw with the Veoneer agreement, which originally was supposed to start production in 2024, but which has been postponed to 2026–27 due to M&A.

Although Gapwaves has established itself as one of the most important suppliers of antenna technology to automotive radar sensors, we believe there is a risk that the technological development of autonomous driving could surpass consumer acceptance.

Today, the automotive industry comprises the main share of Gapwaves' revenue base – an industry well known for its competitive pricing conditions. Still, we believe the several contracts the company has with some of the largest Tier 1 automotive suppliers showcase the strength of its offering.

In its Q1(25) report, Gapwaves reported a cash position of SEK34m; however, our quarterly cash flow estimates suggest that this cash pile will last only a few more quarters. We therefore model that Gapwaves will require additional financing in 2025 and have pencilled in an equity issue of SEK150m by then. Still, any additional delays in ramp-up would put the company at risk of having to raise even more capital than we have initially forecast.

Carnegie's Sustainability Scorecard

Carnegie total ESG peer rating: 18%

Taxonomy eligible: No

Sustainability as a business driver

The automotive industry has become the primary user of Gapwaves' antenna technology. More specifically, the radar antennas developed by the company have come to serve as an enabler of advanced driver assistance systems (ADAS), as well as solutions for autonomous driving. The general purpose of these solutions is to support the driver in their driving, whether this refers to informing, warning, or taking control of the vehicle, in those cases that action is deemed necessary. By performing these actions, ADAS will be able to protect not only the driver from harm, but also individuals or objects in its direct vicinity.

According to the WHO 2023 Global Status Report on Road Safety, the number of road traffic-related deaths fell to 1.19m in 2021. Among the recorded fatalities, pedestrians, motorcyclists and cyclists accounted for more than half. Ultimately, while the number of deaths fell by 5% between 2010 and 2021, road injuries are still the leading cause of death for people aged 5–29.

Sustainability targets and achievements

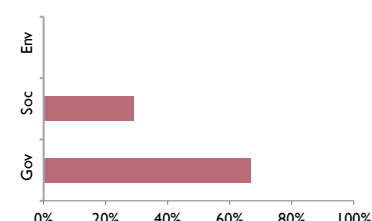
In our view, 2023 marked the beginning of Gapwaves' internal sustainability work. During that year, the company carried out a review of opportunities and risks from a sustainability-perspective, while also initiating work for defining goals and measures. The company has also committed to contributing to the global sustainable development goals set by the United Nations. Among the 17 goals, Gapwaves has chosen four based on the severity of potential adverse effects and the difficulty of addressing them: Gender Equality (Goal 5), Decent work and economic growth (8), Sustainable cities and communities (11), and Responsible consumption and production (12).

Sustainability related risks and past incidents

Overall, we believe there are limited sustainability-related risks for Gapwaves as an individual company. Moreover, we fail to find any breaches of relevant sustainability standards in Gapwaves' history and financial reports.

Among the risks that exist for the company, we believe the most material ones relate to its value chain, as well as production of the antennas.

ESG rating – share of best peer score



Potential and incidents

Sust. driven growth	Good
Past incidents	Insignificant

Exposure to negative impact industries

Fossil fuels	95%
Weapons	0%
Tobacco	0%
Pornography	0%
Alcohol	0%
Gambling	0%

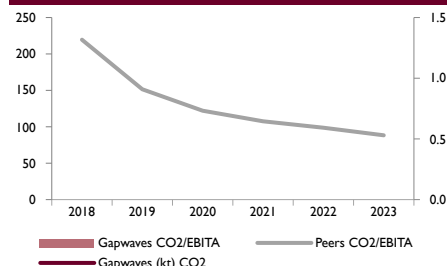
Source tables and graph above: Carnegie Research

ESG Key Facts

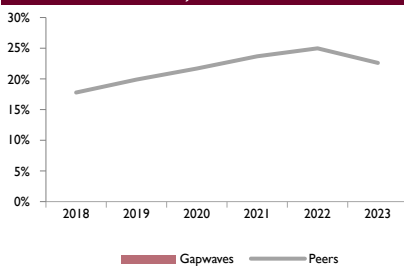
Science-based CO2 reduction targets	na
Science-based CO2 neutrality target yr	na
Non-renewable energy cons. (%)	na
% women (board/senior exec/total)	20/0/18
Employee turnover rate (%)	na
Absenteeism rate (%)	na
Accident frequency (per mill. hours)	na
Board meetings (number/attendance)	na/na%
Sustainability committee	Yes
Sust. performance in incentive prog.	No
Existence of a whistleblowing system	No
Taxonomy eligible revenue	na

Source: Carnegie Research & company data

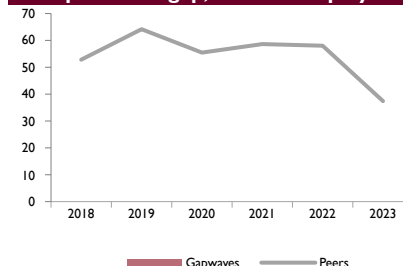
Carbon emissions



Senior executives, % women



Compensation gap, CEO vs employees



Source: Carnegie Research & company data

Financial statements

Profit & loss (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Sales	2	16	16	35	64	28	66	93	140	197
COGS	-2	-4	-10	-16	-22	-10	-23	-32	-59	-94
Gross profit	0	12	7	19	42	18	43	61	81	103
Other income & costs	-35	-43	-43	-50	-61	-52	-60	-73	-90	-99
Share in ass. operations and JV	0	0	0	0	4	-14	-15	-8	-4	4
EBITDA	-35	-31	-36	-30	-15	-48	-32	-20	-13	8
Depreciation PPE	0	0	-1	-1	-2	-2	-2	-2	-3	-6
Depreciation lease assets	0	0	0	0	0	0	0	0	0	0
Amortisation development costs	-4	-4	-4	-5	-4	-3	-1	-1	0	0
Amortisation other intangibles	0	0	0	0	-2	-4	-4	-4	-6	-4
Impairments / writedowns	-3	0	0	0	0	0	0	0	0	0
EBITA	-44	-36	-42	-36	-19	-71	-54	-35	-26	2
Amortization acquisition related	0	0	0	0	0	0	0	0	0	0
Impairment acquisition related	0	0	0	0	0	0	0	0	0	0
EBIT	-44	-36	-42	-36	-19	-71	-54	-35	-26	2
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
Net financial items	0	0	-2	0	1	2	2	-1	0	0
of which interest income/expenses	0	0	0	0	0	2	0	0	0	0
of which interest on lease liabilities	0	0	0	0	0	0	0	0	0	0
of which other items	-11	-6	-5	-8	2	1	1	1	1	1
Pre-tax profit	-44	-36	-44	-36	-18	-69	-52	-37	-26	2
Taxes	0	0	0	0	0	0	0	0	0	0
Post-tax minorities interest	0	0	0	0	0	0	0	0	0	0
Discontinued operations	0	0	0	0	0	0	0	0	0	0
Net profit	-44	-36	-44	-36	-18	-69	-52	-37	-26	2
Adjusted EBITDA	-35	-31	-36	-30	-15	-48	-32	-20	-13	8
Adjusted EBITA	-39	-35	-42	-36	-23	-57	-39	-27	-22	-2
Adjusted EBIT	-44	-36	-42	-36	-19	-71	-54	-35	-26	2
Adjusted net profit	-44	-36	-44	-36	-18	-69	-52	-37	-26	2
Sales growth Y/Y	101.6%	813.5%	1.0%	114.3%	83.7%	-57.0%	140.2%	40.6%	50.7%	40.6%
EBITDA growth Y/Y	-chg	+chg	-chg	+chg	+chg	-chg	+chg	+chg	+chg	+chg
EBITA growth Y/Y	-chg	+chg	-chg	+chg	+chg	-chg	+chg	+chg	+chg	+chg
EBIT growth Y/Y	-chg	+chg	-chg	+chg	+chg	-chg	+chg	+chg	+chg	+chg
EBITDA margin	na	-191.1%	-224.0%	-86.8%	-28.6%	-123.1%	-25.8%	-13.4%	-6.6%	2.0%
EBITA margin	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
EBIT margin	na	-221.5%	-258.2%	-104.0%	-30.1%	-259.2%	-82.3%	-37.8%	-18.3%	1.1%
Tax rate	na	na	na	na	0.0%	0.0%	na	na	na	na
Cash flow (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
EBITDA	-35	-31	-36	-30	-15	-48	-32	-20	-13	8
Paid taxes	0	0	0	0	0	0	0	0	0	0
Change in NWC	1	2	6	-11	-10	-3	2	0	-7	-16
Non cash adjustments	0	0	-2	0	2	3	1	1	0	0
Discontinued operations	0	0	0	0	0	0	0	0	0	0
Total operating activities	-35	-29	-33	-42	-23	-48	-28	-19	-21	-8
Capex tangible assets	-2	0	-2	-7	-1	-2	-2	-1	-8	-7
Capitalised development costs	0	0	0	0	0	0	0	0	0	0
Capex - other intangible assets	-8	-3	-3	-2	-2	0	0	0	-1	-2
Acquisitions/divestments	0	0	0	-1	0	-43	0	0	0	0
Other non-cash adjustments	0	0	0	0	0	-4	0	0	0	0
Total investing activities	-9	-3	-5	-10	-2	-45	-2	-1	-10	-9
Net financial items	0	0	-2	0	1	2	2	-1	0	0
Lease payments	0	0	0	0	0	0	0	0	0	0
Dividend paid and received	0	0	0	0	0	0	0	0	0	0
Share issues & buybacks	97	71	9	182	0	0	0	150	0	0
Change in bank debt	-1	-1	-2	0	0	0	0	0	0	0
Other cash flow items	0	0	0	3	0	0	-19	-1	0	0
Total financing activities	96	69	4	185	1	2	-17	148	0	0
Operating cash flow	-35	-29	-33	-42	-23	-48	-28	-19	-21	-8
Free cash flow	-44	-32	-38	-51	-25	-53	-30	-20	-31	-16
Net cash flow	52	37	-32	133	-26	-96	-49	129	-31	-16
Change in net IB debt	55	40	-25	132	-24	-100	-49	127	-30	-16
Capex / Sales	104.0%	0.6%	12.2%	19.5%	0.8%	5.5%	2.3%	1.0%	6.0%	3.5%
NWC / Sales	-249.6%	-34.1%	-63.1%	-24.4%	2.3%	26.0%	12.0%	7.6%	7.3%	11.0%

Source: Carnegie Research & company data

Financial statements, cont.

Balance sheet (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Acquired intangible assets	0	0	0	0	0	0	0	0	0	0
Other fixed intangible assets	0	0	0	0	17	13	9	6	2	0
Capitalised development	14	13	12	9	5	3	1	0	0	0
Tangible assets	4	3	4	9	8	7	7	5	11	12
Lease assets	0	0	0	0	1	0	2	2	2	2
Other IB assets (1)	0	0	0	0	0	0	0	0	0	0
Other non-IB assets	0	0	0	3	4	36	39	32	28	32
Fixed assets	18	16	16	21	34	59	57	44	41	44
Inventories (2)	0	0	0	1	2	2	2	3	5	7
Receivables (2)	0	1	1	8	9	8	14	23	38	51
Prepaid exp. & other NWC items (2)	4	6	4	12	21	14	17	23	45	54
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)	72	109	78	211	185	89	41	168	138	121
Current assets	77	117	83	232	218	113	74	217	226	233
Total assets	95	133	99	254	252	172	131	261	267	277
Shareholders' equity	80	115	79	228	222	153	103	216	191	193
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	80	115	79	228	222	153	103	216	191	193
Deferred tax	0	0	0	0	3	3	2	2	2	2
LT IB debt (1)	4	2	0	1	0	0	0	0	0	0
Other IB provisions (1)	0	0	0	0	0	0	0	0	0	0
Lease liabilities	0	0	0	0	0	0	0	0	0	0
Other non-IB liabilities	0	0	0	0	0	0	0	0	0	0
LT liabilities	4	2	0	1	3	3	2	2	1	1
ST IB debt (1)	1	1	0	0	0	0	0	0	0	0
Payables (2)	3	3	7	12	6	4	6	7	21	26
Accrued exp. & other NWC items (2)	6	11	12	12	20	11	20	35	53	57
Other ST non-IB liabilities	1	1	0	0	0	0	1	1	1	1
Liabilities - assets held for sale	0	0	0	0	0	0	0	0	0	0
Current liabilities	11	16	19	24	26	16	27	43	75	83
Total equity and liabilities	95	133	99	254	252	172	131	261	267	277
Net IB debt (=1)	-67	-106	-78	-210	-186	-90	-61	-189	-159	-143
Net working capital (NWC) (=2)	-4	-7	-14	-3	6	8	8	6	14	29
Capital employed (CE)	84	117	79	230	225	156	104	218	192	194
Capital invested (CI)	85	118	79	230	222	153	103	216	190	193
Equity / Total assets	84%	86%	80%	90%	88%	89%	78%	83%	71%	69%
Net IB debt / EBITDA	1.9	3.4	2.1	6.9	12.6	1.9	1.9	9.2	12.0	-17.8
Per share data (SEK)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Adj. no. of shares in issue YE (m)	21.79	24.41	27.05	30.71	31.15	31.15	31.15	42.22	42.22	42.22
Diluted no. of Shares YE (m)	22.14	25.72	27.14	30.70	31.15	31.15	31.65	42.73	42.73	42.73
EPS	-1.99	-1.40	-1.63	-1.18	-0.58	-2.22	-1.65	-1.02	-0.60	0.05
EPS adj.	-1.99	-1.40	-1.63	-1.18	-0.58	-2.22	-1.65	-1.02	-0.60	0.05
CEPS	-1.77	-1.29	-1.47	-1.05	-0.44	-1.49	-0.95	-0.59	-0.31	0.19
DPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BVPS	3.67	4.70	2.93	7.43	7.12	4.92	3.29	5.12	4.51	4.57
Performance measures	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
ROE	-82.4%	-36.9%	-45.7%	-23.6%	-8.0%	-36.9%	-40.7%	-23.0%	-12.6%	1.1%
Adj. ROCE pre-tax	-51.4%	-30.1%	-53.0%	-15.8%	-8.5%	-45.7%	-52.1%	-16.1%	-13.3%	1.1%
Adj. ROIC after-tax	-344.5%	-395.5%	-2908.7%	-197.1%	-52.9%	-111.5%	-88.0%	-73.0%	-48.6%	3.1%
Valuation	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
FCF yield	-10.5%	-7.7%	-9.0%	-12.1%	-6.1%	-12.6%	-7.1%	-4.8%	-7.3%	-3.9%
Dividend yield YE	na	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Dividend payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Dividend + buy backs yield YE	na	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EV/Sales YE	na	34.19	>50	37.66	10.64	22.03	5.88	4.17	2.98	2.21
EV/EBITDA YE	na	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.	>50
EV/EBITA YE	na	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.
EV/EBITA adj. YE	na	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.
EV/EBIT YE	na	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.
P/E YE	na	nm	nm	nm	nm	nm	nm	nm	nm	>50
P/E adj. YE	na	nm	nm	nm	nm	nm	nm	nm	nm	>50
P/BV YE	na	5.43	19.48	6.68	3.91	4.54	4.31	2.64	2.99	2.96
Share price YE (SEK)		25.5	57.1	49.6	27.9	22.4	14.2	13.5		

Source: Carnegie Research & company data

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