

STARBREEZE

07.10.2025 08:00 CEST



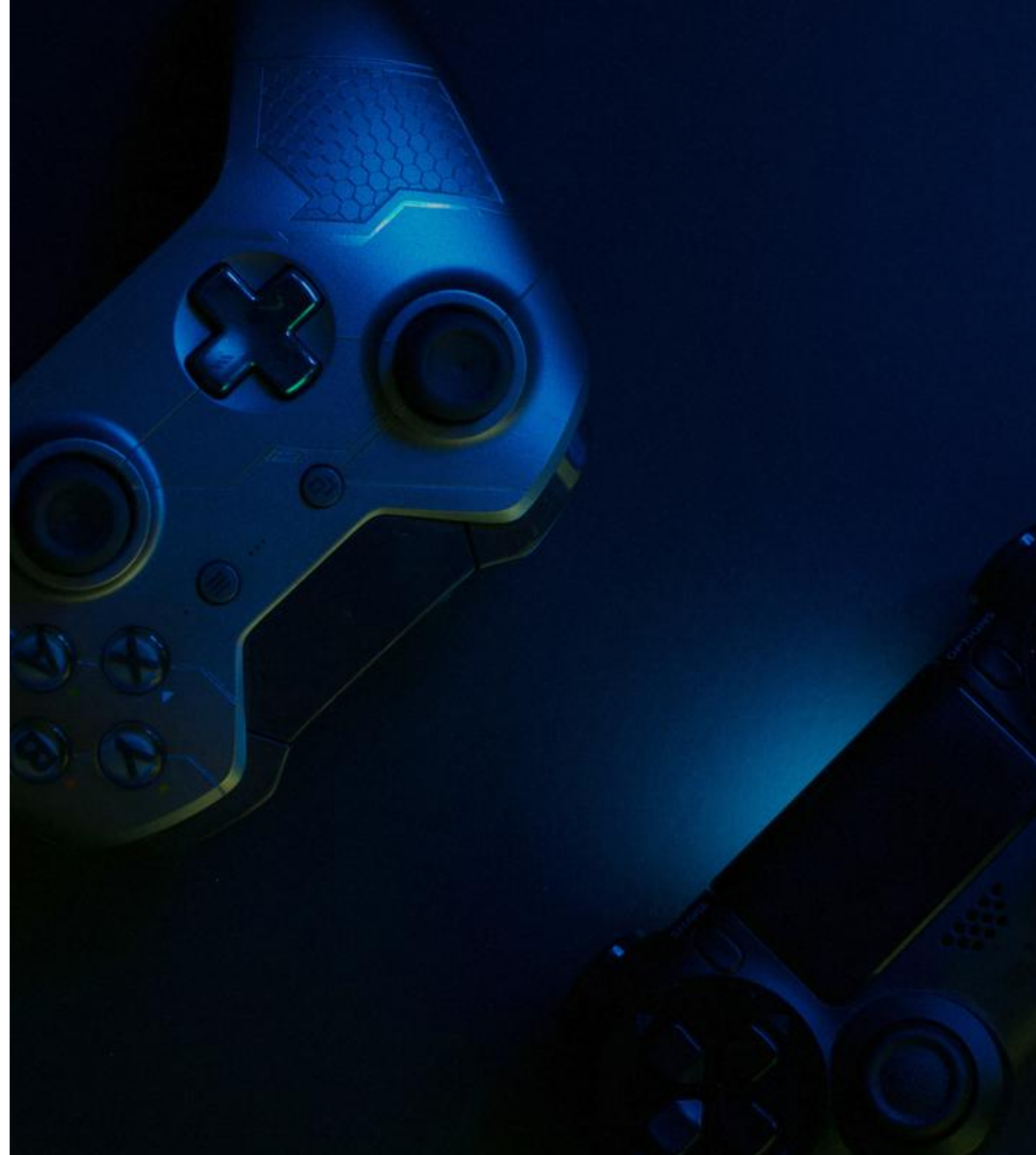
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INDERES CORPORATE CUSTOMER

COMPANY REPORT



Strategy update pushes positive triggers forward

Following last week’s [announcements](#), we are lowering our recommendation to Reduce (was Accumulate), while cutting the target price to SEK 0.15 (was SEK 0.22). The revised strategy, including axing Baxter from the pipeline, marks a decisive shift in the company’s strategy and removes yet another core diversification pillar from our investment case. While work-for-hire projects are expected to become a more natural part of the operations, Starbreeze is effectively returning to a single-franchise focus, which it previously aimed to move away from. Although we have increased our near-term revenue estimates for the PAYDAY franchise and work-for-hire activities, the strategic reset removes two major titles from our forecasts, resulting in a lower expected base of revenue, earnings, and cash flow throughout the forecast period. Given the current subdued player activity, we believe the company, despite the low absolute valuation, has much to prove before a stronger scenario can be priced in with confidence.

Axing Baxter and sharpening focus on the PAYDAY franchise

Ceasing Project Baxter from its pipeline will trigger a non-cash impairment of 255 MSEK in Q3’25 and a reduction of around 44 FTE, leading to a leaner cost base going forward. Under the new strategy, PAYDAY becomes the core growth platform, with PAYDAY 3 (“PD3”) evolving into a more scalable live-engagement game through ongoing upgrades, refined player experience, sustainable monetization, and improved technical infrastructure. This focus is supported by two pillars: “*Heisting Experiences*” (expanding the PAYDAY universe through e.g. spin-offs and related projects) and “*Special Operations*” (selective work-for-hire providing steady cash flow and strengthening the brand). The plan to grow the PD3 team from ~20 to ~50 employees by the end of 2025 underlines how sharply the focus has narrowed to the franchise. Read our full comment on last week’s news [here](#).

Removing Baxter and the 2028 title from our estimates

Following these news, we have removed Baxter and the previously expected 2028 title from our forecasts, which alone had

a large negative impact on our estimates. These effects are somewhat mitigated by our increased revenue assumptions for the PAYDAY franchise, where we expect a unified operational and financial focus on the IP should support improved execution, monetization, and audience engagement. That said, we feel the long-term outlook is harder to gauge, given the timing of this shift and previous execution challenges in revitalizing player activity within, primarily, PD3. While cost cuts and lower investment needs somewhat offset the near-term earnings impact, Starbreeze’s long-term growth trajectory is now narrower and, in our view, more difficult to assess, warranting a more cautious stance at this point.

We stay on the sidelines for now

The shift away from becoming a multi-title studio removes some of the short-term triggers from our previous investment case. Despite the low absolute valuation (2025e EV: 149 MSEK, EV/S: 0.6x), we currently see limited near-term triggers. While the PAYDAY IP have a big potential, in our view, Starbreeze still has much to prove after recent years’ challenges with PD3. Our DCF now indicates a value per share of SEK 0.20 (was SEK 0.38), reflecting a scenario where we assume the company will operate with a leaner cost base, realizes a near-term boost in PAYDAY-related revenue through greater resource allocation, and continues securing work-for-hire projects similar in scope to the KRAFTON partnership. Over time, we expect PAYDAY-related revenue to gradually decline from a higher base, with new activities around the franchise providing modest support. However, given weaker short-term triggers and ongoing execution risks, we see limited justification for leaning too heavily on our DCF valuation, until visibility into PD3 performance improvement builds up. Lastly, due to the company’s low absolute valuation and recent operational streamlining, we also see that Starbreeze could become an increasingly relevant M&A target for a larger and better-capitalized industry player seeking to acquire proven IPs. However, we view such a scenario as speculative at this stage, albeit not implausible given the ongoing industry consolidation trend toward established franchises.

Recommendation

Reduce
(prev. Accumulate)

Target price:
0.15 SEK
(prev. 0.22 SEK)

Share price:
0.16 SEK

Business risk



Valuation risk



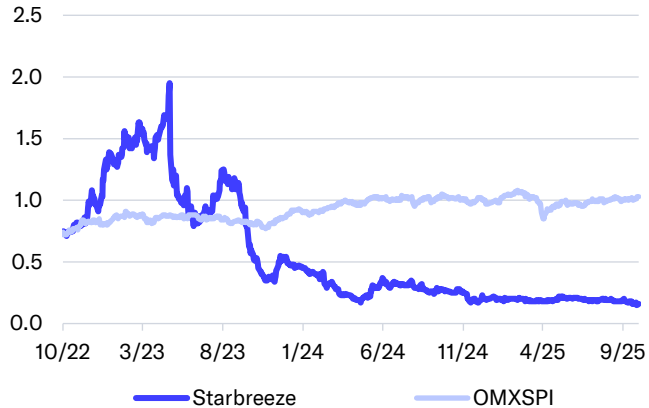
	2024	2025e	2026e	2027e
Revenue	186	238	273	257
growth-%	-71%	28%	15%	-6%
EBIT adj.	-229	-277	52	57
EBIT-% adj.	-123.2 %	-116.5 %	19.1 %	22.3 %
Net Income	-199	-313	49	55
EPS (adj.)	-0.15	-0.17	0.03	0.03
P/E (adj.)	neg.	neg.	5.1	4.6
P/B	0.5	0.8	0.7	0.6
EV/EBIT (adj.)	neg.	neg.	2.9	2.7
EV/EBITDA	1.1	2.1	1.0	1.2
EV/S	0.6	0.6	0.6	0.6

Source: Inderes

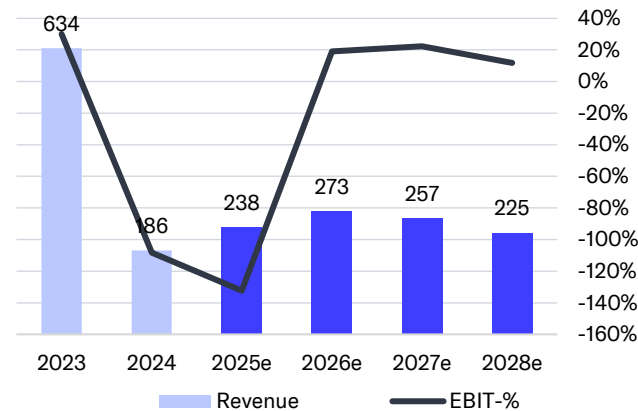
Guidance

(Starbreeze provides no guidance)

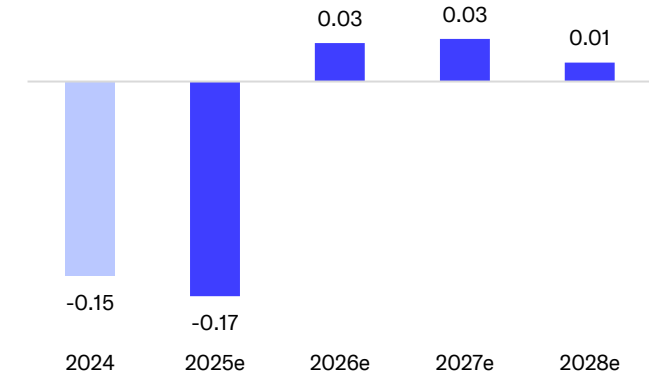
Share Price



Revenues and operating profit-%



Earnings per share



Value drivers

- The company's main asset is its ownership of the PAYDAY game franchise
- If Starbreeze can entice players to return to PAYDAY 3, the company's financial outlook, as well as its potential to expand and/or license the IP, would improve significantly
- New games and/or experiences that broaden the heisting genre beyond its core projects
- Successfully selecting profitable work-for-hire projects that enable competence development, brand expansion, and steady cash flows
- Highly scalable business model with successful launches

Risk factors

- If PAYDAY-related revenue continues to decline, alongside weakening player sentiment and activity, the IP's value and Starbreeze's overall financial position would deteriorate noticeably
- Limited visibility into the company's new strategic initiatives makes it hard to assess the company's long-term potential
- Commercial failure and/or delays in future projects
- Changes in expectations for future projects can cause significant volatility in the stock
- High development costs and a fixed cost base exert pressure on cash flows

Valuation	2025e	2026e	2027e
Share price	0.16	0.16	0.16
Number of shares, millions	1,624	1,624	1,624
Market cap	253	253	253
EV	150	153	154
P/E (adj.)	neg.	5.1	4.6
P/E	neg.	5.1	4.6
P/B	0.8	0.7	0.6
P/S	1.1	0.9	1.0
EV/Sales	0.6	0.6	0.6
EV/EBITDA	2.1	1.0	1.2
EV/EBIT (adj.)	neg.	2.9	2.7

Source: Inderes

We remove Baxter and the 2028 game from the equation 1/2

Estimate changes

- In response to last week's announcement on discontinuing the Baxter project as well as the outlined refined strategy, we have made changes to our short-to long-term estimates.
- Naturally, we have removed our Baxter-related estimates, which alone reduce our 2026e-2027e revenues by approximately 230 MSEK and 145 MSEK, respectively (based on our assumption of a revenue-share model similar to the PAYDAY 3 arrangement with PLAION). We previously estimated that Starbreeze would recognize roughly 617 MSEK in revenue from its share of Baxter's game sales in 2026-2033. For the previously modeled 2028 title, we had assumed a similar magnitude, reflecting our earlier expectations that both Baxter and the 2028 project would achieve moderate commercial success without being blockbuster hits. These removals together have a significant negative impact on our top-line projections across the forecast period.

- On the other hand, the company's sharper operational and financial focus on the PAYDAY franchise should, in our view, strengthen execution, monetization, and audience engagement, offsetting part of the lost revenue potential. We see untapped value within the PAYDAY ecosystem, given its large player base and Starbreeze's now full ownership of the PAYDAY 3 publishing rights. By scaling PAYDAY 3 into a more modern live-engagement platform, increasing the cadence of content updates and events, introducing broader monetization tools, and improving technical infrastructure (including the Unreal Engine 5 upgrade), we expect a meaningful uplift, at least in near-term revenues. Execution and timing risks remain, given the franchise's uneven track record since PAYDAY 3's launch, but these efforts should help mitigate the impact of the removed Baxter and 2028 title contributions.
- For 2026, we have lowered our revenue estimates by -26%. However, our PAYDAY-related revenue estimates have been raised by around 90% (versus previous

estimates), with PAYDAY 3-related revenue making up most of that increase. Similarly, given the refined strategy, we have also increased our estimates for work-for-hire projects ("Special Operations"), which we now expect to be a recurring part of the business. Future projects are modeled at around 60-70 MSEK annually, in line with the scale of the KRAFTON collaboration. This will naturally depend on Starbreeze's ability to secure new partnerships of similar size going forward.

- Currently, our view is that PAYDAY-related revenue will see a quick rebound due to aforementioned initiatives, followed by a gradual decline over subsequent years, which broadly mirrors our earlier assumed trajectory, but from a higher base and at a slower pace. Work-for-hire revenues are assumed to remain stable, while third-party publishing revenues are expected to fade out and hover at very low levels.

Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MSEK / SEK	Old	New	%	Old	New	%	Old	New	%
Revenue	232	238	2%	371	273	-26%	259	257	-1%
EBITDA	66.5	70.4	6%	182	159	-13%	100	132	31%
EBIT (exc. NRIs)	-27.9	-277.0	-892%	-86.7	52.1	160%	-53.4	57.2	207%
EBIT	-65.4	-314.5	-381%	-86.7	52.1	160%	-53.4	57.2	207%
EPS (excl. NRIs)	-0.02	-0.17	-931%	-0.06	0.03	154%	-0.03	0.03	197%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

Source: Inderes

Company interview: Starbreeze's new game plan



We remove Baxter and the 2028 game from the equation 2/2

Estimate changes

- On the cost side, the headcount reduction (~44 FTEs) and the discontinuation of Project Baxter, together with increased uncertainty regarding new large-scale game projects over the next 3-5 years, have led us to revise both our SG&A and CAPEX/capitalized development cost assumptions.
- We now forecast substantially lower CAPEX levels, reflecting the removal of Baxter and the previously modeled 2028 title. This, in turn, lowers our expected amortization of capitalized development costs, impacting direct costs. We now estimate game amortization to hover around 23-25 MSEK per quarter in the near term, gradually declining as PAYDAY 3-related amortizations taper off. That said, we assume that continued incremental investments in the PAYDAY franchise to sustain these amortization levels somewhat in the near term. However, we factor in some probability of increased activity (e.g. a new game within the heisting genre) to increase amortization levels (due to higher investments) in the longer

term.

- We have also reduced our SG&A cost estimates (excluding direct costs), reflecting the lower headcount and the absence of project ramp-up costs previously tied to Baxter and the 2028 title.
- Taken together, these revisions, alongside our updated revenue estimates, result in a 13% lower estimated EBITDA in 2026, primarily due to the lost contribution from Baxter. However, EBIT improves thanks to substantially lower D&A expenses. For 2027, the lower cost base and reduced depreciation profile drive positive revisions to our earnings estimates.
- As we alluded to earlier, we have also lowered our CAPEX estimates by around 40% over the near-to-long term.
- In the broader view, while our changes support near-term profitability metrics, the long-term EBIT margin (%) remains largely unchanged (16%, was 18%), and the lower projected

revenue and earnings base throughout the forecast period ultimately weighs on our estimated fair value for the company.

- On the balance sheet, we have removed our previous assumption of external project financing or co-publishing inflows related to Baxter and the 2028 title, as these are no longer relevant under the company's updated strategy.

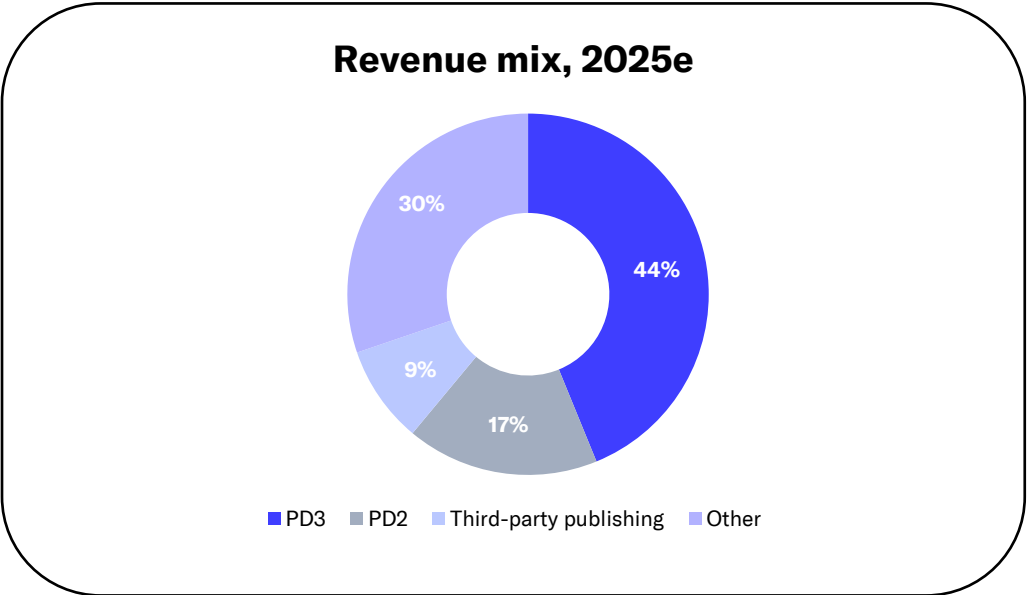
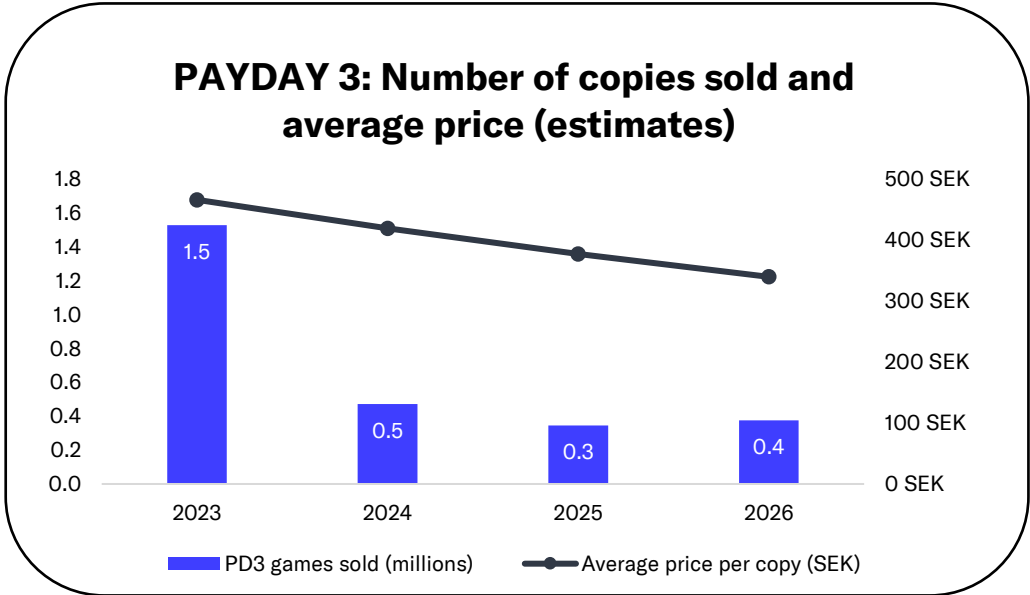
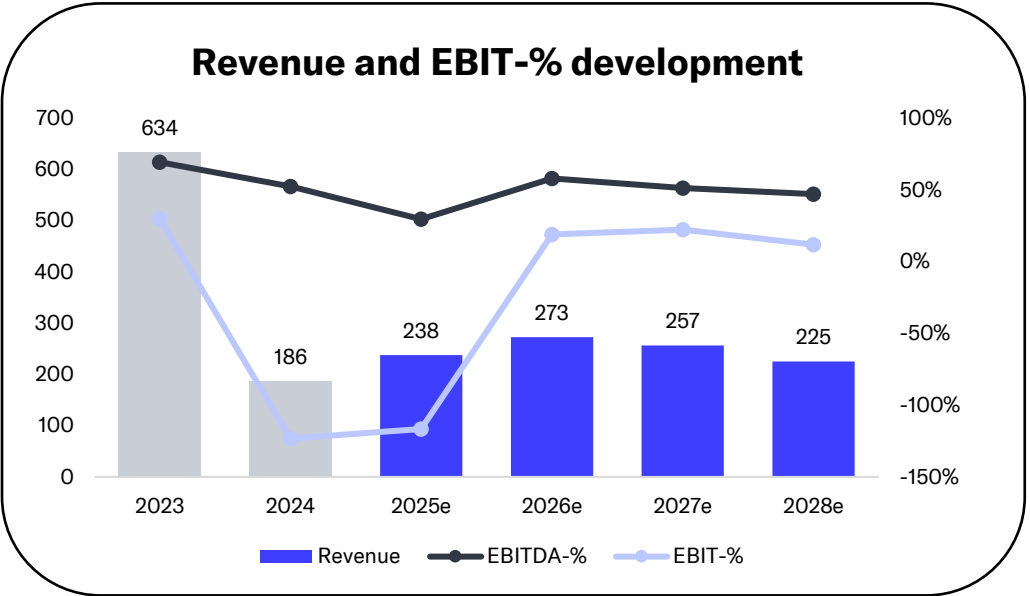
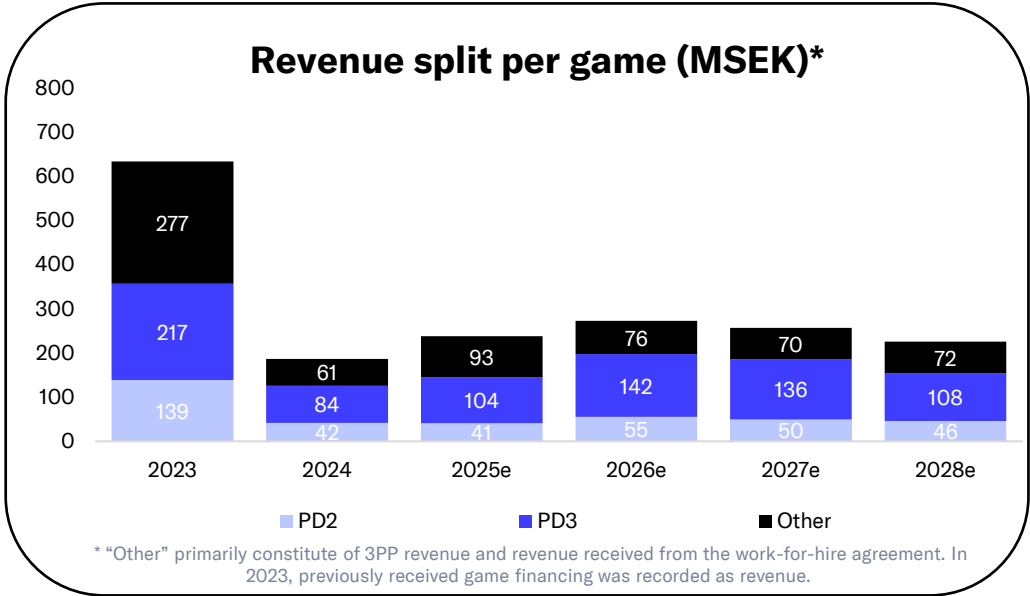
Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MSEK / SEK	Old	New	%	Old	New	%	Old	New	%
Revenue	232	238	2%	371	273	-26%	259	257	-1%
EBITDA	66.5	70.4	6%	182	159	-13%	100	132	31%
EBIT (exc. NRIs)	-27.9	-277.0	-892%	-86.7	52.1	160%	-53.4	57.2	207%
EBIT	-65.4	-314.5	-381%	-86.7	52.1	160%	-53.4	57.2	207%
EPS (excl. NRIs)	-0.02	-0.17	-931%	-0.06	0.03	154%	-0.03	0.03	197%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

Source: Inderes

Company interview: Starbreeze's new game plan



Underlying assumptions for revenue estimates



Valuation 1/3

Lack of clear near-term triggers leads us to the sidelines

The shift away from earlier diversification ambitions toward a more concentrated PAYDAY-focused strategy, including the discontinuation of Project Baxter, removes some of the near-term triggers that previously supported our investment case. In previous updates, we have emphasized that while we remain unconvinced of a PAYDAY 3 turnaround given the game’s sentiment and player activity, we also outlined that we see underlying value in the IP. This is supported by the franchise’s vast installed player base, strong community, the KRAFTON partnership, and, more recently, the regained publishing rights for PAYDAY 3.

We also previously argued that revitalizing PAYDAY 2 through new updates could be financially sound, given the larger player base still active there, although such efforts could risk fragmenting the community further. As such, considering the overall state of the franchise in recent years, our view was that diversification through new titles was strategically sound for the company, instead of relying on one struggling IP, and the release of Baxter was one part of that. The project represented, in our view, both a key growth driver (considering the strong IP) and a potential short-term trigger to the share, particularly as the market appeared to price in a low probability of either a PAYDAY 3 turnaround or a successful new release. A continuation of Baxter would likely have been accompanied by a marketing ramp-up in the near term, which could have provided short-term share price support if early signals had been positive.

By concentrating all resources on the PAYDAY franchise, Starbreeze is once again placing the bulk of its risk and opportunity into a single IP. The introduction of “Special Operations” (work-for-hire projects) as a strategic pillar does mitigate concentration risk somewhat, but the majority of revenues will still depend on one franchise that continues to face

structural challenges. The revised strategy will also test Starbreeze’s ability to consistently secure profitable work-for-hire contracts to support both utilization and cash flow stability.

As discussed earlier in this update, we believe these doubling-down initiatives in the PAYDAY franchise will be supportive to the franchise’s revenue stream in the short term through e.g. a higher update cadence, refined player experience, and improved monetization models. However, we view the longer-term outlook as more uncertain. The main risks lie in execution and timing, with PAYDAY 3 being launched two years ago and having struggled to reignite engagement at scale. Meanwhile, Starbreeze has put limited effort into PAYDAY 2 since, even though the title has held up surprisingly well, arguably benefiting from PAYDAY 3’s shortcomings. There are no guarantees that the franchise will deliver a major turnaround following the company’s strategic revision and renewed efforts. With the company’s core focus directed at the PAYDAY franchise, we feel that Starbreeze has a lot to prove not only to the players but also to investors going forward.

Despite the low absolute valuation (EV: 2025e: 149 MSEK), we believe it is prudent to stay on the sidelines for now until clearer evidence emerges that Starbreeze can sustainably lift player engagement to notably higher levels, while improving monetization of the player base. Hence, we are lowering our recommendation to Reduce (was Accumulate) and cutting our target price to SEK 0.15 (was SEK 0.22).

On another note, the company’s low valuation and recent operational streamlining could make it a potential M&A target for a larger, better-capitalized publisher seeking to acquire proven IPs. However, we view such a scenario as speculative at this stage, albeit not implausible given the ongoing industry consolidation trend toward established franchises.

Valuation	2025e	2026e	2027e
Share price	0.16	0.16	0.16
Number of shares, millions	1,624	1,624	1,624
Market cap	253	253	253
EV	150	153	154
P/E (adj.)	neg.	5.1	4.6
P/E	neg.	5.1	4.6
P/B	0.8	0.7	0.6
P/S	1.1	0.9	1.0
EV/Sales	0.6	0.6	0.6
EV/EBITDA	2.1	1.0	1.2
EV/EBIT (adj.)	neg.	2.9	2.7

Source: Inderes

Valuation 2/3

Multiple-based valuation suffers from fluctuating financials

Starbreeze's fluctuating revenues and earnings naturally result in variance in multiples. Depreciation and amortization will also fluctuate based on the timing of game releases. In addition, it is not easy to determine an appropriate multiple for Starbreeze. For instance, EBITDA multiples do not fully account for game development costs and paint an overly rosy picture. Meanwhile, EV/EBIT and P/E suffer from uneven D&A costs related to game releases. This essentially leaves us with sales-based multiples (P/S and EV/S) in the short term, of which EV/S is more appropriate as it accounts for net debt. However, even EV/S is problematic given how revenue fluctuations linked to game release cycles can distort comparisons.

With our revenue estimates, the EV/S multiples for 2025-2027 are around 0.6x. This is lower than the peer group median of 2.8-3.3x for 2025-2027. However, a discount is reasonable as Starbreeze is significantly smaller than the peer group average and possesses a less diversified games portfolio, which in turn presents a higher degree of volatility in earnings and uncertainty regarding cash flows.

In addition, there are significant company-specific differences in the multiples, and we currently do not see the peer group multiples having a meaningful impact on Starbreeze's valuation.

DCF valuation

Our DCF model now implies a fair value of SEK 0.20 per share (previously SEK 0.38). The model reflects a scenario where Starbreeze operates with a leaner cost base and achieves a near-term uplift in PAYDAY-related revenues, driven by the increased resource allocation toward the franchise and supported by recurring work-for-hire projects of similar scale to the current KRAFTON agreement.

In 2027-2029, we project revenue to decrease as we expect the

effects of near-term revitalization efforts within the PAYDAY ecosystem to fade, compounded by what we see as an increasingly uncertain long-term outlook. That said, we are incorporating revenue growth in 2030-2034 to account for any potential effects from launching new games or further experiences (e.g. spin-offs) within its core heisting genre.

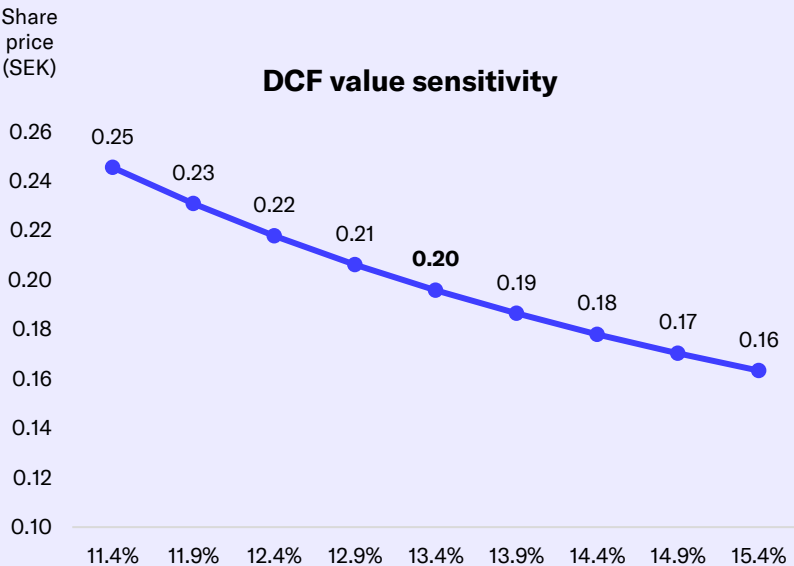
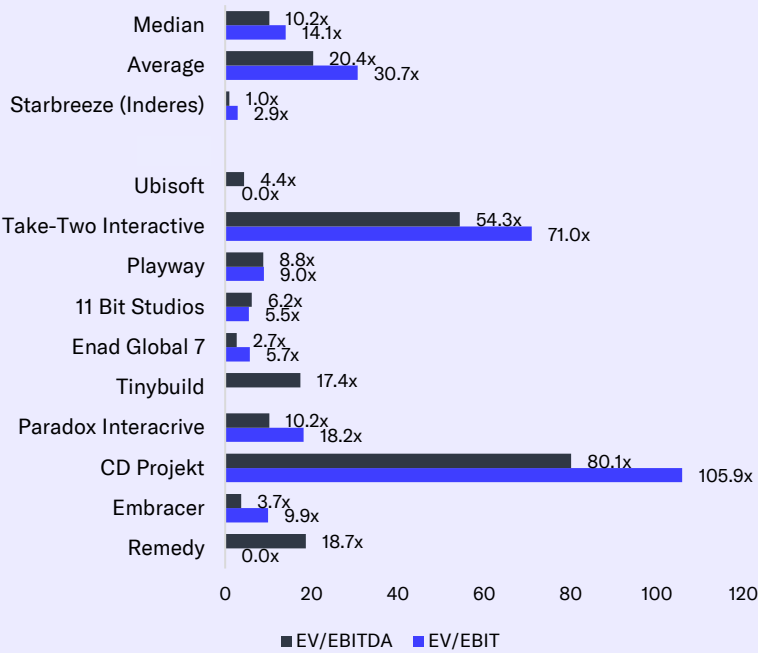
While the lower cost structure and expected revenue uplift from PAYDAY initiatives support profitability in the near term, this comes from a smaller revenue base. In addition, we make no significant adjustments to our longer-term profitability assumptions (terminal EBIT-% at 16%, was 18%). At the company's current development stage, the model's assumptions are subject to considerable uncertainty, and the cash flows are concentrated far in the future. Consequently, we do not view the DCF valuation offering strong near-term support, as Starbreeze's valuation and equity story remain closely tied to the execution and performance of the PAYDAY franchise in the coming years.

Scenario analysis

As our Starbreeze estimates are now heavily dependent on projections of one single franchise, there is quite a bit of uncertainty in these estimates. Therefore, to support our valuation, we have conducted a DCF valuation for the following three scenarios: baseline case, downside case, and upside case.

Our **baseline scenario** assumes that the PAYDAY franchise experiences a meaningful short-term recovery driven by increased update cadence, improved monetization, and broader engagement initiatives, though these effects are expected to gradually fade over time. We also assume Starbreeze continues to secure work-for-hire projects comparable in size and scope to the KRAFTON contract, providing steady revenue streams alongside game-related sales. Over the long term, we factor in revenue from new games and/or "heisting experiences" within the PAYDAY universe, but take a conservative approach to their contributions.

Starbreeze and peers' 2025e EV/EBIT and EV/EBITDA



Valuation 3/3

For the terminal period, we have used an EBIT margin of 16% (was 18%) and a revenue growth rate of 2.5%.

In the **downside case**, we account for a weaker execution on near-term turnaround efforts, resulting in a smaller boost to player engagement and lower incremental revenues from PAYDAY-related content. While our trajectory follows the same general pattern as the baseline, revenue levels are expected to be lower. This scenario also assumes similar investment levels, which would strain the company's cash flow position and potentially increase the likelihood of an equity raise within the forecast period. For the terminal period, we apply an EBIT margin of 12% (was 14%) and a growth rate of 2%, resulting in an estimated equity value of SEK 0.07 per share.

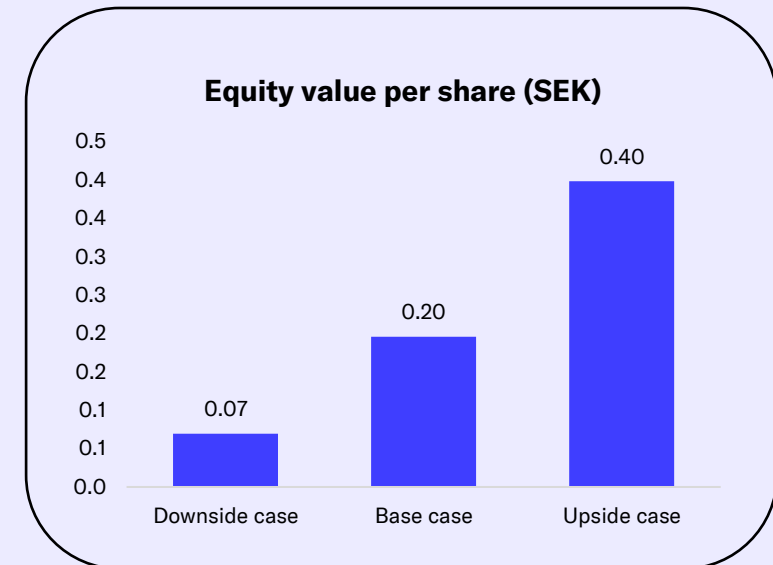
This illustrates the inherent downside risk of investing in binary cases like Starbreeze. Given the company's current low diversification and the volatile nature of the gaming industry, Starbreeze's future hinges on the success of strengthening its core IP to finance new projects and/or initiatives, as well as ongoing operations. In this downside case, one could also consider a scenario where Starbreeze decides to sell the PAYDAY franchise to a better capitalized game developer.

In our view, such a sale could potentially fetch a value higher than our DCF model suggests, depending on the state of the franchise at the time, the potential buyer, and other factors.

In the **upside case**, we assign a higher probability to Starbreeze successfully revitalizing both PAYDAY 3 and the broader franchise through new upgrades (incl. content), and experiences, while also being more successful in monetization and leveraging other content avenues (e.g. transmedia), leading to stronger commercial performance than our base scenario, as reflected in the higher net revenue and earnings estimates in this scenario.

In this more optimistic outlook, we project an EBIT margin of 23% (was 25%) for the terminal period, compared to 16% in the baseline scenario. Based on these assumptions, we estimate a potential share price of SEK 0.40. However, the current market valuation suggests that investors assign a relatively low probability to this scenario materializing. Nonetheless, we believe it is important to consider this possibility, as Starbreeze remains a highly binary case, where fortunes could shift dramatically and unexpectedly, given the nature of the gaming industry.

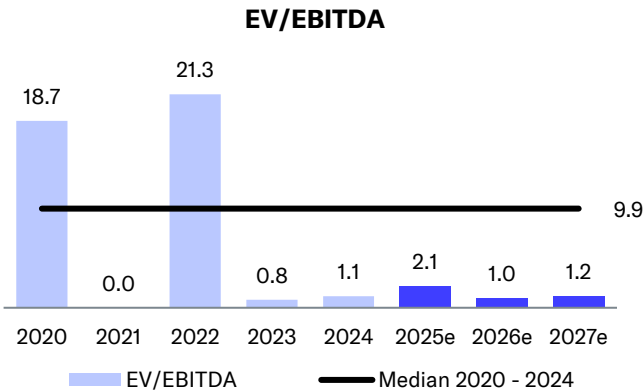
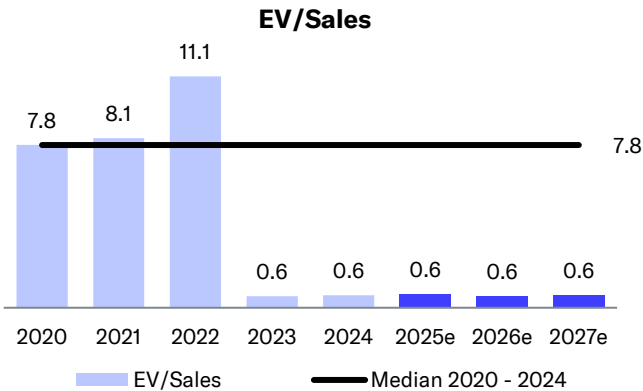
Base Case	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	Term
Revenues	238	273	257	225	207	248	288	317	328	336	2.5 %
EBIT	-314	52	57	26	2	19	45	46	47	54	
EBIT-%	-132%	19%	22%	12%	1%	8%	16%	15%	14%	16%	16%
Downside Case	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	Term
Revenues	214	205	192	180	166	186	202	222	230	235	2.0 %
EBIT	-299	10	19	0	-8	6	14	16	28	28	
EBIT-%	-140%	5%	10%	0%	-5%	3%	7%	7%	12%	12%	12%
Upside Case	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	Term
Revenues	261	327	308	282	269	335	383	422	436	447	2.5 %
EBIT	-327	72	77	42	27	44	77	84	109	103	
EBIT-%	-125%	22%	25%	15%	10%	13%	20%	20%	25%	23%	23%



Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	1.09	1.00	1.58	0.47	0.21	0.16	0.16	0.16	0.16
Number of shares, millions	725	725	725	1,477	1,477	1,624	1,624	1,624	1,624
Market cap	784	727	1,142	699	304	253	253	253	253
EV	919	1,021	1,413	350	111	150	153	154	179
P/E (adj.)	neg.	neg.	neg.	2.5	neg.	neg.	5.1	4.6	10.5
P/E	neg.	neg.	neg.	2.5	neg.	neg.	5.1	4.6	10.5
P/B	3.4	5.9	20.1	0.8	0.5	0.8	0.7	0.6	0.6
P/S	6.6	5.8	8.9	1.1	1.6	1.1	0.9	1.0	1.1
EV/Sales	7.8	8.1	11.1	0.6	0.6	0.6	0.6	0.6	0.8
EV/EBITDA	18.7	>100	21.3	0.8	1.1	2.1	1.0	1.2	1.7
EV/EBIT (adj.)	84.5	68.3	>100	1.8	neg.	neg.	2.9	2.7	6.8

Source: Inderes



The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years.

Peer group valuation

Peer group valuation	EV		EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	MEUR	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2025e
Remedy	187	93.3		13.3	18.7	2.9	3.0	360.5					2.9
Embracer	1,825	5.5	9.9	3.2	3.7	0.8	1.0	11.8	13.9				0.5
CD Projekt	6,165	77.8	105.9	60.8	80.1	27.9	32.4	85.1	104.0	0.4	0.4		8.9
Paradox Interacrive	1,594	24.5	18.2	11.8	10.2	7.3	6.8	33.1	23.8	2.5	2.9		6.5
Tinybuild	44			256.8	17.4	1.4	1.4						
Enad Global 7	121	45.1	5.7	4.7	2.7	0.8	0.6	16.4	13.5				0.4
11 Bit Studios	98	4.8	5.5	3.6	6.2	2.3	2.9	4.6	6.2				1.6
Playway	377	9.5	9.0	9.4	8.8	4.9	4.7	11.2	10.6	7.5	8.1		4.2
Take-Two Interactive	41,352	77.6	71.0	62.3	54.3	8.7	7.9	102.7	90.5				8.0
Ubisoft	2,552			3.3	4.4	1.4	1.4						0.7
Starbreeze (Inderes)	14	-0.5	2.9	2.1	1.0	0.6	0.6	-0.9	5.1	0.0	0.0		0.8
Average		40.2	30.7	40.9	20.4	5.9	6.2	72.9	35.9	2.7	2.9		4.1
Median		24.5	14.1	11.8	10.2	2.9	3.0	30.6	18.9	1.5	1.6		3.5
Diff-% to median		-102%	-79%	-82%	-91%	-78%	-81%	-103%	-73%	-100%	-100%		-77%

Source: Refinitiv / Inderes

Income statement

Income statement	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue	634	57	40	43	46	186	68	54	59	58	238	273	257	225
EBITDA	439	48	8	21	20	98	16	6	25	24	70	159	132	106
Depreciation	-249	-72	-79	-76	-72	-299	-45	-31	-283	-27	-385	-106	-75	-80
EBIT (excl. NRI)	190	-43	-71	-63	-52	-229	1	-17	-259	-2	-277	52	57	26
EBIT	190	-23	-71	-55	-52	-201	-29	-25	-259	-2	-314	52	57	26
Share of profits in assoc. compan.	0	1	0	0	0	1	0	0	0	0	0	0	0	0
Net financial items	17	1	0	-4	3	1	-1	-1	0	0	-1	-3	-3	-2
PTP	208	-21	-71	-59	-49	-199	-29	-25	-259	-2	-316	49	55	24
Taxes	0	0	0	0	0	0	3	-1	0	0	2	0	0	0
Minority interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net earnings	208	-21	-71	-58	-49	-199	-26	-26	-259	-2	-313	49	55	24
EPS (rep.)	0.19	-0.01	-0.05	-0.04	-0.03	-0.13	-0.02	-0.02	-0.16	0.00	-0.19	0.03	0.03	0.01

Key figures	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	396.5 %	112.3 %	-7.0 %	-91.4 %	-33.0 %	-70.7 %	19.5 %	33.8 %	37.4 %	24.2 %	27.9 %	14.8 %	-5.9 %	-12.2 %
Adjusted EBIT growth-%	2721.0 %	272.7 %	2300.2 %	-121.0 %	-45.3 %	-220.4 %	-103.0 %	-75 %	310.1 %	-95.6 %	20.9 %	-118.8 %	9.9 %	-53.7 %
EBITDA-%	69.3 %	85.7 %	20.1 %	50.2 %	42.4 %	52.5 %	23.2 %	11.0 %	41.8 %	42.1 %	29.6 %	58.1 %	51.4 %	47.1 %
Adjusted EBIT-%	30.0 %	-76.3 %	-176.2 %	-147.7 %	-112.1 %	-123.2 %	1.9 %	-32.4 %	-440.7 %	-4.0 %	-116.5 %	19.1 %	22.3 %	11.8 %
Net earnings-%	32.8 %	-37.1 %	-175.9 %	-136.8 %	-106.1 %	-107.2 %	-39.0 %	-48.4 %	-440.7 %	-4.0 %	-131.8 %	18.1 %	21.3 %	10.7 %

Source: Inderes

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	537	402	257	281	340
Goodwill	47	0	0	0	0
Intangible assets	472	372	198	230	285
Tangible assets	11	26	55	47	52
Associated companies	1	0	0	0	0
Other investments	0	0	0	0	0
Other non-current assets	7	4	4	4	4
Deferred tax assets	0	0	0	0	0
Current assets	574	309	234	202	189
Inventories	0	0	0	0	0
Other current assets	0	0	0	0	0
Receivables	226	117	131	101	90
Cash and equivalents	348	192	104	101	100
Balance sheet total	1,111	712	491	483	530

Source: Inderes

Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	895	587	307	356	411
Share capital	30	30	32	32	32
Retained earnings	-1,742	-2,060	-2,374	-2,324	-2,270
Hybrid bonds	0	0	0	0	0
Revaluation reserve	14	24	24	24	24
Other equity	2,593	2,593	2,623	2,623	2,623
Minorities	0	0	0	0	0
Non-current liabilities	2	3	32	27	22
Deferred tax liabilities	1	2	2	2	2
Provisions	0	0	0	0	0
Interest bearing debt	0	0	0	0	0
Convertibles	0	0	0	0	0
Other long term liabilities	1	1	30	25	20
Current liabilities	215	122	153	100	97
Interest bearing debt	0	0	0	0	0
Payables	208	104	143	90	87
Other current liabilities	7	18	10	10	10
Balance sheet total	1,111	712	491	483	530

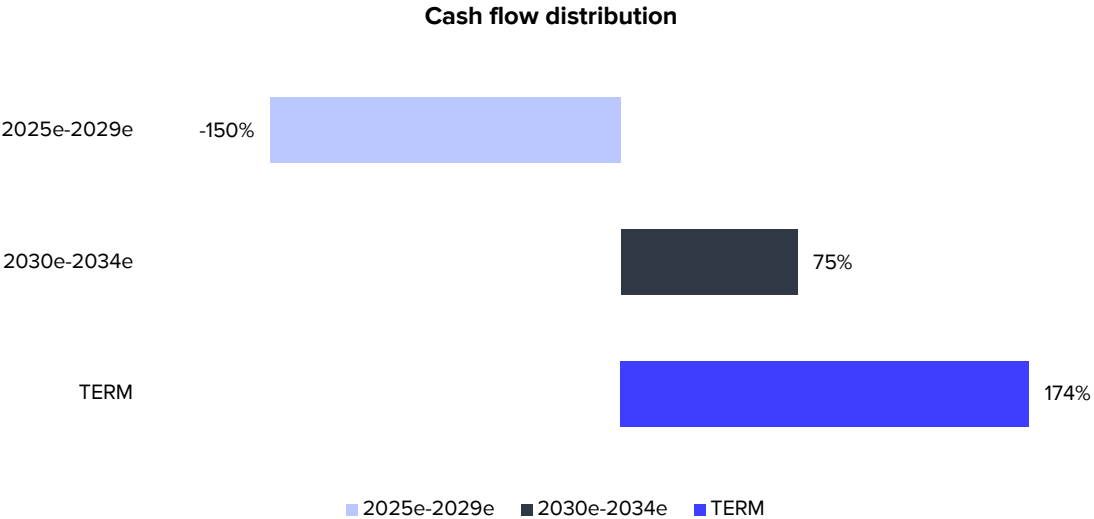
DCF-calculation

DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	-70.7 %	27.9 %	14.8 %	-5.9 %	-12.2 %	-8.1 %	20.0 %	16.0 %	10.0 %	3.5 %	2.5 %	2.5 %
EBIT-%	-108.2 %	-132.3 %	19.1 %	22.3 %	11.8 %	1.1 %	7.5 %	15.5 %	14.5 %	14.3 %	16.0 %	16.0 %
EBIT (operating profit)	-201	-314	52	57	26	2	19	45	46	47	54	
+ Depreciation	299	385	106	75	80	118	124	130	134	134	130	
- Paid taxes	0	2	0	0	0	0	0	-9	-9	-9	-11	
- Tax, financial expenses	0	0	0	0	0	0	0	0	0	0	0	
+ Tax, financial income	0	0	0	0	0	0	0	0	0	0	0	
- Change in working capital	16	17	-23	8	0	4	10	2	1	1	0	
Operating cash flow	115	90	136	140	107	125	153	167	172	172	173	
+ Change in other long-term liabilities	0	29	-5	-5	0	0	0	0	0	0	0	
- Gross CAPEX	-165	-239	-131	-134	-129	-139	-138	-141	-132	-122	-118	
Free operating cash flow	-51	-120	0	2	-23	-14	15	26	40	49	55	
+/- Other	0	33	0	0	0	0	0	0	0	0	0	
FCFF	-51	-87	0	2	-23	-14	15	26	40	49	55	0
Discounted FCFF		-85	0	1	-15	-8	8	12	16	18	17	163
Sum of FCFF present value		126	211	211	210	225	234	226	214	198	180	163
Enterprise value DCF		126										
- Interest bearing debt		0										
+ Cash and cash equivalents		192										
-Minorities		0										
-Dividend/capital return		0										
Equity value DCF		318										
Equity value DCF per share		0.20										

WACC

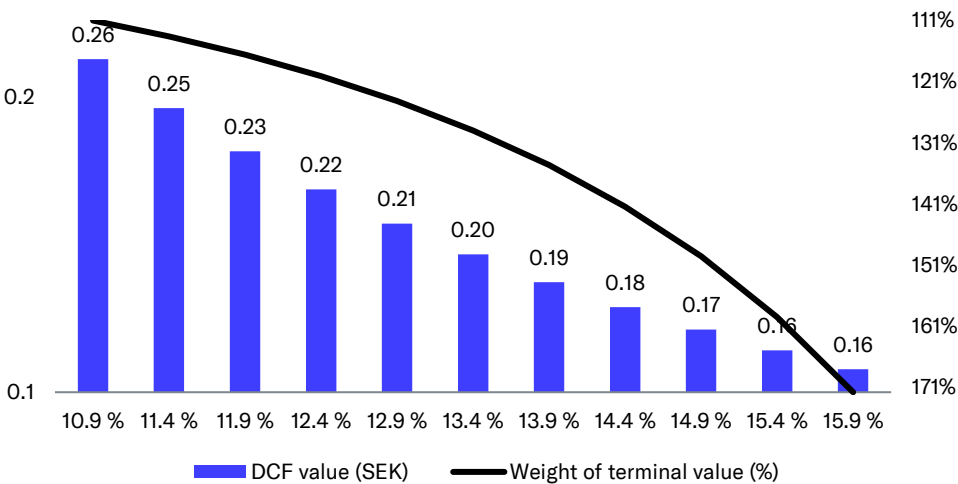
Tax-% (WACC)	20.6 %
Target debt ratio (D/(D+E))	0.0 %
Cost of debt	8.0 %
Equity Beta	2.00
Market risk premium	4.75%
Liquidity premium	1.40%
Risk free interest rate	2.5 %
Cost of equity	13.4 %
Weighted average cost of capital (WACC)	13.4 %

Source: Inderes

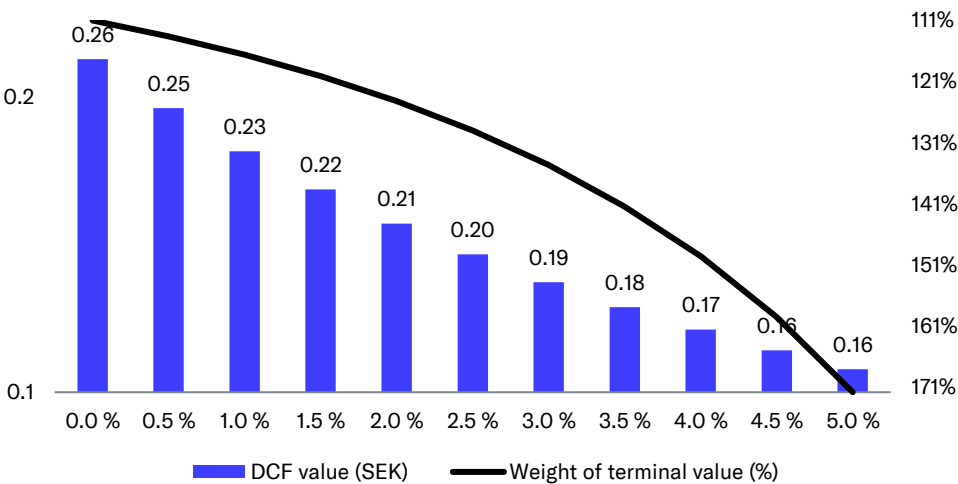


DCF sensitivity calculations and key assumptions in graphs

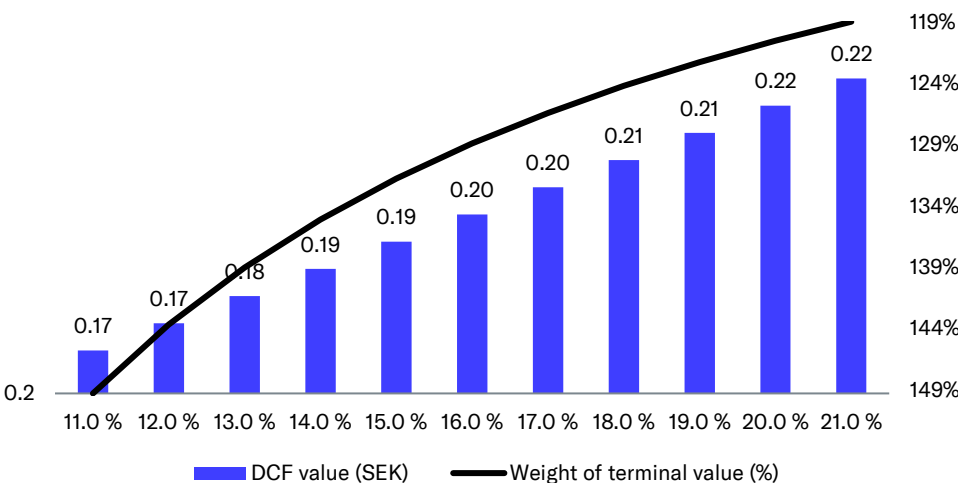
Sensitivity of DCF to changes in the WACC-%



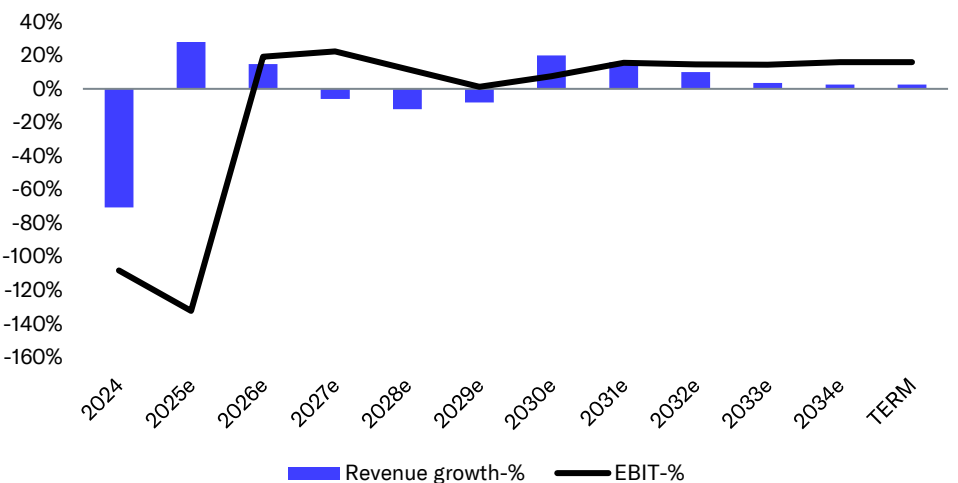
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



Source: Inderes. Note that the weight of the terminal value (%) is shown on an inverse scale for clarity.

Summary

Income statement	2022	2023	2024	2025e	2026e	Per share data	2022	2023	2024	2025e	2026e
Revenue	128	634	186	238	273	EPS (reported)	-0.08	0.19	-0.13	-0.19	0.03
EBITDA	66	439	98	70	159	EPS (adj.)	-0.08	0.19	-0.15	-0.17	0.03
EBIT	7	190	-201	-314	52	OCF / share	0.09	0.16	0.08	0.06	0.08
PTP	-54	208	-199	-316	49	OFCF / share	-0.14	-0.03	-0.03	-0.07	0.00
Net Income	-60	208	-199	-313	49	Book value / share	0.08	0.82	0.40	0.19	0.22
Extraordinary items	0	0	28	-38	0	Dividend / share	0.00	0.00	0.00	0.00	0.00
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	746	1,111	712	491	483	Revenue growth-%	2%	396%	-71%	28%	15%
Equity capital	57	895	587	307	356	EBITDA growth-%	958%	562%	-78%	-28%	125%
Goodwill	48	47	0	0	0	EBIT (adj.) growth-%	-55%	2721%	-220%	21%	-119%
Net debt	271	-348	-192	-104	-101	EPS (adj.) growth-%	72%	-329%	-181%	10%	-118%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	52.0 %	69.3 %	52.5 %	29.6 %	58.1 %
EBITDA	66	439	98	70	159	EBIT (adj.)-%	5.3 %	30.0 %	-123.2 %	-116.5 %	19.1 %
Change in working capital	-8	-262	16	17	-23	EBIT-%	5.3 %	30.0 %	-108.2 %	-132.3 %	19.1 %
Operating cash flow	65	177	115	90	136	ROE-%	-66.6 %	43.6 %	-26.9 %	-70.1 %	14.9 %
CAPEX	-151	-201	-165	-239	-131	ROI-%	1.4 %	28.6 %	-27.0 %	-70.1 %	15.7 %
Free cash flow	-102	-28	-51	-120	0	Equity ratio	7.6 %	80.5 %	82.5 %	62.4 %	73.7 %
						Gearing	478.0 %	-38.9 %	-32.7 %	-33.8 %	-28.3 %
Valuation multiples	2022	2023	2024	2025e	2026e						
EV/S	11.1	0.6	0.6	0.6	0.6						
EV/EBITDA	21.3	0.8	1.1	2.1	1.0						
EV/EBIT (adj.)	>100	1.8	neg.	neg.	2.9						
P/E (adj.)	neg.	2.5	neg.	neg.	5.1						
P/B	20.1	0.8	0.5	0.8	0.7						
Dividend-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %						

Source: Inderes

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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
2023-05-30	Accumulate	1.15 SEK	1.03 SEK
2023-08-18	Reduce	1.15 SEK	1.19 SEK
2023-09-12	Accumulate	1.15 SEK	0.95 SEK
2023-10-02	Buy	0.85 SEK	0.60 SEK
2023-11-17	Accumulate	0.55 SEK	0.44 SEK
2024-02-16	Reduce	0.35 SEK	0.35 SEK
Change of Analyst			
2024-05-15	Reduce	0.30 SEK	0.27 SEK
2024-08-21	Reduce	0.30 SEK	0.28 SEK
2024-09-30	Reduce	0.30 SEK	0.28 SEK
2024-11-15	Reduce	0.22 SEK	0.20 SEK
2024-12-06	Accumulate	0.22 SEK	0.17 SEK
2025-02-19	Accumulate	0.24 SEK	0.20 SEK
2025-05-09	Accumulate	0.26 SEK	0.22 SEK
2025-05-14	Accumulate	0.26 SEK	0.21 SEK
2025-08-20	Accumulate	0.22 SEK	0.18 SEK
2025-10-07	Reduce	0.15 SEK	0.16 SEK



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