

Delivery Hero SE

Germany | Retail | MCap EUR 12,095m

6 April 2022

UPDATE



Positive signals by financing and FY23 profit indication – PT up, BUY

What's it all about?

Delivery Hero (DH) sent out clearly positive signals by announcing a debt financing, easing concerns of investors who had doubted the company's refinancing capabilities. Also, management gave a first indication for FY23, where the company is expecting to generate a positive adjusted EBITDA for the entire group. This even includes the still pending Glovo acquisition. Furthermore, the company gave promising insights on additional profitability drivers, such as specific revenue and OpEx levers as well as unused potential of advertising products. In our view, this should help Delivery Hero to re-establish some investor confidence. The company has shown plausible ways to improve earnings, which it had not done before with such clarity. On this positive note, we slightly increase our earnings estimates for FY22E and the following years. Our DCF-based PT increases slightly to EUR 91.00 (old EUR 90.00). Our rating remains **BUY**.

BUY (BUY)

| | |
|---------------------|--------------------------|
| Target price | EUR 91.00 (90.00) |
| Current price | EUR 48.19 |
| Up/downside | 88.8% |



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Delivery Hero SE

Germany | Retail | MCap EUR 12,095m | EV EUR 12,281m

BUY (BUY)

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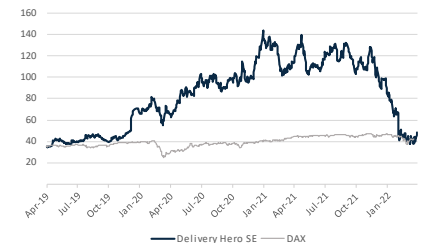
Positive signals by financing and FY23 profit indication

With the final FY21 report around the corner, Delivery Hero (DH) sent out clearly positive signals with the announcement of a EUR 1.4bn debt financing and a first profit indication for FY23 and additional profitability levers.

In February, the company's stock got severely under pressure after a disappointing FY22 outlook. Now the company announced the syndication of a term loan financing transaction comprising of a USD 825m term facility and a EUR 300m term facility, with a maturity of 5.25 years. Additionally, DH expects to enter into a revolving credit facility in the amount of EUR 375m with a consortium of banks. The proceeds will be used for general corporate purposes, including potential refinancing of convertible debt at maturity, working capital and guarantees. This news should ease the concerns of investors who had doubted the company's refinancing capabilities.

In terms of future profitability, FY22 guidance was largely confirmed. While the food delivery business is to break even in FY22, the Integrated Verticals segments' adjusted EBITDA (adjusted for non-operational items) is now expected at the lower end of the previously set range between EUR -525m to EUR -550m, which is rather a sidenote. A bigger buzz came from a first indication for FY23, where the company is expecting to generate a positive adjusted EBITDA for the entire group. This even includes the Glovo business, the acquisition of which is expected to be closed in the second quarter 2022. Glovo management targets an adj. EBITDA of negative EUR 330m in FY22. Further, the company gave promising insights on additional profitability drivers, such as specific revenue and OpEx levers as well as unused potential of advertising products.

Conclusion: In our view, this should help Delivery Hero to re-establish some investor confidence. The company has shown plausible ways to improve earnings, which it had not done before with such clarity. On this positive note, we slightly increase our earnings estimates for FY22E and the following years. Our DCF-based PT increases slightly to EUR 91.00 (old EUR 90.00). Our rating remains **BUY**.



Source: Company data, AlsterResearch

High/low 52 weeks 141.95 / 36.45
Price/Book Ratio 8.4x

Ticker / Symbols

ISIN DE000A2E4K43
WKN A2E4K4
Bloomberg DHER:GR

Changes in estimates

| | | Sales | EBIT | EPS |
|-------|-----|--------|--------|-------|
| 2021P | old | 5,933 | -1,017 | -6.17 |
| | Δ | 0.0% | na | na |
| 2022E | old | 8,899 | -821 | -4.93 |
| | Δ | 0.0% | na | na |
| 2023E | old | 11,835 | -619 | -4.13 |
| | Δ | 0.0% | na | na |

Key share data

Number of shares: (in m pcs) 250.98
Book value per share: (in EUR) 5.77
Ø trading volume: (12 months) 650,000

Major shareholders

Naspers Gruppe 27.4%
Luxor Gruppe 5.0%
Baillie Gifford Group 10.0%
Free Float 72.6%

Company description

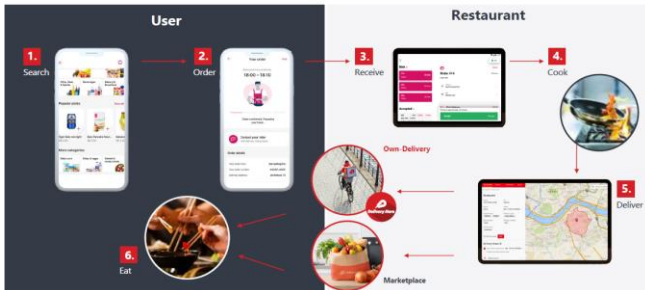
Delivery Hero (DH) is a leading operator of internet platforms for ordering and delivering meals. Users are directed to restaurants and can use their delivery services. In addition, the company offers complementary services to its partner restaurants, including commercial and technical consulting services, IT and marketing services, and logistics.

| Delivery Hero SE | 2018 | 2019 | 2020 | 2021P | 2022E | 2023E |
|-----------------------|---------|--------|--------|--------|--------|---------|
| Sales | 665 | 1,238 | 2,472 | 5,933 | 8,899 | 11,835 |
| <i>Growth yoy</i> | 46.6% | 86.1% | 99.7% | 140.0% | 50.0% | 33.0% |
| EBITDA | -201 | -560 | -776 | -837 | -577 | -101 |
| EBIT | -242 | -648 | -894 | -1,017 | -777 | -441 |
| Net profit | -38 | 231 | -1,405 | -1,549 | -1,194 | -859 |
| Net debt (net cash) | -362 | -622 | 186 | 1,483 | 2,128 | 2,552 |
| Net debt/EBITDA | 1.8x | 1.1x | -0.2x | -1.8x | -3.7x | -25.2x |
| EPS reported | -0.21 | 1.22 | -7.00 | -6.17 | -4.76 | -3.42 |
| DPS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| <i>Dividend yield</i> | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Gross profit margin | 52.2% | 25.1% | 20.0% | 31.5% | 31.0% | 34.0% |
| EBITDA margin | -30.3% | -45.2% | -31.4% | -14.1% | -6.5% | -0.9% |
| EBIT margin | -36.3% | -52.4% | -36.2% | -17.1% | -8.7% | -3.7% |
| ROCE | -14.4% | -31.1% | -18.5% | -15.1% | -12.7% | -7.5% |
| EV/EBITDA | -58.3x | -20.5x | -15.8x | -16.2x | -24.7x | -144.4x |
| EV/EBIT | -48.6x | -17.7x | -13.7x | -13.4x | -18.3x | -33.2x |
| PER | -234.9x | 39.6x | -6.9x | -7.8x | -10.1x | -14.1x |
| FCF yield | -2.0% | -4.6% | -6.5% | -6.4% | -3.0% | -0.4% |

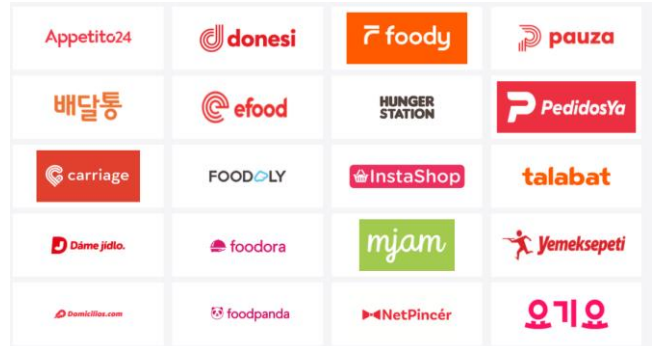
Source: Company data, AlsterResearch

Investment case in six charts

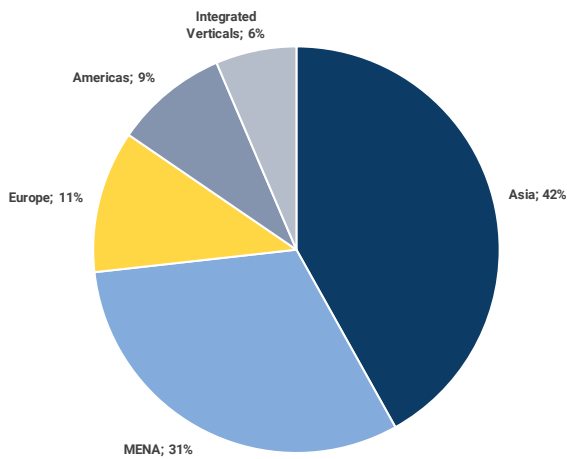
Platform business in a nutshell



Regional brands



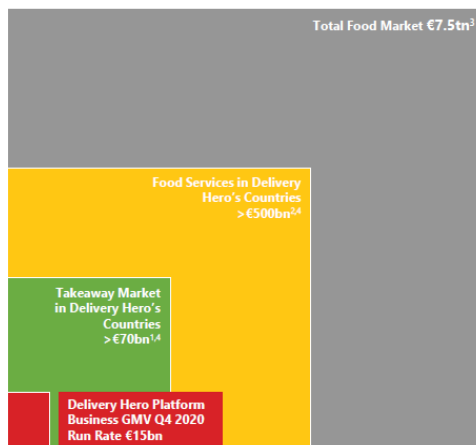
Sales by segment



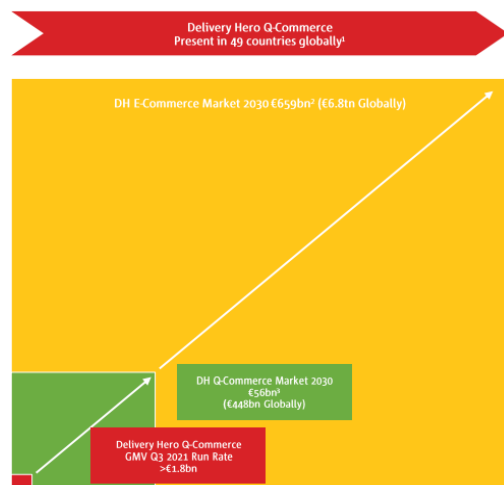
Leading position in 95% of countries

- | | | | |
|------------|-------------|--------------------|--------------|
| Austria | Hungary | Argentina | Honduras |
| Cyprus | Norway | Bolivia | Nicaragua |
| Czech Rep. | Romania | Chile | Panama |
| Denmark | Slovakia | Costa Rica | Paraguay |
| Finland | Sweden | Dominican Republic | Peru |
| Germany | | Ecuador | Uruguay |
| Greece | | El Salvador | Venezuela |
| | | Guatemala | |
| Bangladesh | Pakistan | Bahrain | Qatar |
| Cambodia | Philippines | Egypt | Saudi Arabia |
| Hong Kong | Singapore | Iraq | Turkey |
| Japan | South Korea | Jordan | UAE |
| Laos | Taiwan | Kuwait | |
| Malaysia | Thailand | Lebanon | |
| Myanmar | Vietnam | Oman | |

Large underpenetrated markets



Q-Commerce shows high growth potential



Source: Company data; AlsterResearch

Valuation

DCF Model

The DCF model results in a **fair value of EUR 91.05 per share**:

Top-line growth: We expect Delivery Hero SE to continue benefitting from structural growth. The company guided a significant increase in sales Hence our growth estimates for 2021-28E is in the range of 14.0% p.a. The long-term growth rate is set at 2.0%.

WACC. The averaged 1-, 3- and 5-year historical equity beta is calculated as 1.02. Unlevering and correcting for mean reversion yields an asset beta of 0.86. Combined with a risk-free rate of 2.0% and an equity risk premium of 6.0% this yields cost of equity of 8.2%. With pre-tax cost of borrowing at 5.0%, a tax rate of 12% and target debt/equity of 0.2 this results in a long-term WACC of 7.5%.

| DCF (EUR m) (except per share data and beta) | 2022E | 2023E | 2024E | 2025E | 2026E | 2027E | 2028E | 2029E | Terminal value |
|---|-------|-------|-------|-------|-------|-------|-------|-------|----------------|
| NOPAT | -789 | -451 | 121 | 648 | 924 | 996 | 1,222 | 1,425 | |
| Depreciation & amortization | 200 | 340 | 460 | 476 | 500 | 519 | 519 | 480 | |
| Change in working capital | 142 | 1 | 26 | 138 | 85 | 72 | 30 | 24 | |
| Chg. in long-term provisions | 615 | 594 | 584 | 569 | 315 | 244 | 93 | 52 | |
| Capex | -408 | -501 | -574 | -627 | -621 | -535 | -326 | -278 | |
| Cash flow | -240 | -17 | 617 | 1,205 | 1,202 | 1,295 | 1,537 | 1,702 | 31,513 |
| Present value | -227 | -15 | 499 | 911 | 841 | 850 | 938 | 965 | 17,999 |
| WACC | 8.0% | 8.0% | 8.1% | 7.8% | 7.8% | 7.6% | 7.6% | 7.6% | 7.5% |

| DCF per share derived from | |
|---|------------------------------|
| Total present value | 22,761 |
| Mid-year adj. total present value | 23,629 |
| Net debt / cash at start of year | 1,483 |
| Financial assets | 708 |
| Provisions and off b/s debt | 1 |
| Equity value | 22,853 |
| No. of shares outstanding | 251.0 |
| Discounted cash flow / share upside/(downside) | 91.05 88.9% |

| DCF avg. growth and earnings assumptions | |
|--|-------|
| Planning horizon avg. revenue growth (2021E - 2028E) | 14.0% |
| Terminal value growth (2028E - infinity) | 2.0% |
| Terminal year ROCE | 15.8% |
| Terminal year WACC | 7.5% |

| Terminal WACC derived from | |
|--------------------------------------|------|
| Cost of borrowing (before taxes) | 5.0% |
| Long-term tax rate | 12% |
| Equity beta | 1.02 |
| Unlevered beta (industry or company) | 0.86 |
| Target debt / equity | 0.2 |
| Relevered beta | 1.04 |
| Risk-free rate | 2.0% |
| Equity risk premium | 6.0% |
| Cost of equity | 8.2% |

| | |
|--------------------|--------------|
| Share price | 48.19 |
|--------------------|--------------|

Sensitivity analysis DCF

| Change in WACC (%-points) | | Long term growth | | | | | Share of present value | |
|------------------------------|--|------------------|-------|-------|-------|-------|------------------------|-------|
| | | 1.0% | 1.5% | 2.0% | 2.5% | 3.0% | | |
| 2.0% | | 56.6 | 59.4 | 62.6 | 66.3 | 70.5 | 2021E - 2024E | 5.1% |
| 1.0% | | 66.3 | 70.1 | 74.6 | 79.8 | 86.0 | 2025E - 2028E | 15.8% |
| 0.0% | | 79.0 | 84.5 | 91.0 | 98.9 | 108.4 | terminal value | 79.1% |
| -1.0% | | 96.5 | 104.8 | 114.9 | 127.6 | 143.9 | | |
| -2.0% | | 121.8 | 135.3 | 152.5 | 175.6 | 207.8 | | |

Peer Group

A peer group analysis was conducted with other international operating companies from the online food order and delivery sector. It was important to find companies from comparable industries such as JustEat, Takeaway, Deliveroo or Dominos.

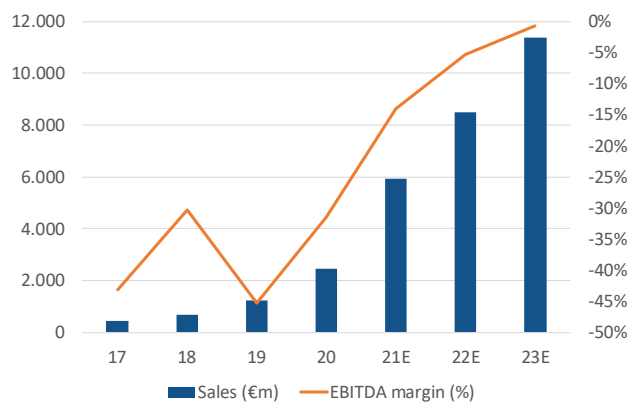
| Company name | Market data | | | | | | | | | |
|--------------------------|-------------|--------------|-------------|------------|---------------|---------------|---------------|-------------|--------------|--------------|
| | Sales | | % of | | Market | | EBITDA Margin | | | Sales CAGR |
| | 2021 | ROCE 2021 | Share price | 52 wk high | Cap | EV | 2022 | 2023 | 2024 | 2021-2024 |
| DoorDash Inc | 4,136 | -9.1% | 107.75 | -54% | 37,541 | 33,524 | 5.4% | 9.2% | 13.3% | 25.2% |
| Just Eat Takeaway.com NV | 4,495 | -6.0% | 36.08 | -61% | 7,645 | 8,933 | -4.1% | 0.0% | 3.5% | 22.8% |
| Domino's Pizza, Inc. | 3,687 | 58.5% | 356.58 | -31% | 12,850 | 17,189 | 19.5% | 20.1% | 20.7% | 9.8% |
| Deliveroo PLC | 2,123 | -41.1% | 1.50 | -68% | 2,778 | 1,279 | -6.2% | -1.9% | 2.9% | 22.4% |
| Median | | -7.6% | | | 10,248 | 13,061 | 0.7% | 4.6% | 8.4% | 22.6% |
| Mean | | 0.6% | | | 15,204 | 15,231 | 3.7% | 6.8% | 10.1% | 20.1% |
| Delivery Hero SE | 5,933 | -17.6% | 48.19 | -66% | 12,095 | 13,578 | -6.5% | -0.9% | 3.9% | 37.5% |

| Company name | EV/Sales | | | EV/EBITDA | | | P/E Ratio | | |
|--------------------------|-------------|-------------|-------------|--------------|-----------------|--------------|---------------|---------------|--------------|
| | 2022 | 2023 | 2024 | 2022 | 2023 | 2023 | 2021 | 2022 | 2023 |
| DoorDash Inc | 6.2x | 5.0x | 4.2x | 115.1x | 54.9x | 31.2x | -97.1x | -223.9x | 365.9x |
| Just Eat Takeaway.com NV | 1.4x | 1.2x | 1.1x | -35.3x | -6178.1x | 30.3x | -11.0x | -19.2x | -32.9x |
| Domino's Pizza, Inc. | 4.0x | 3.8x | 3.5x | 20.7x | 18.7x | 17.1x | 27.3x | 23.7x | 21.1x |
| Deliveroo PLC | 0.5x | 0.4x | 0.3x | -7.7x | -20.0x | 11.5x | -10.2x | -14.7x | -56.9x |
| Median | 2.7x | 2.5x | 2.3x | 6.5x | -0.7x | 23.7x | -10.6x | -17.0x | -5.9x |
| Mean | 3.0x | 2.6x | 2.3x | 23.2x | -1531.1x | 22.5x | -22.8x | -58.5x | 74.3x |
| Delivery Hero SE | 1.6x | 1.2x | 1.0x | -24.7x | -144.4x | -144.4x | -7.8x | -10.1x | -14.1x |

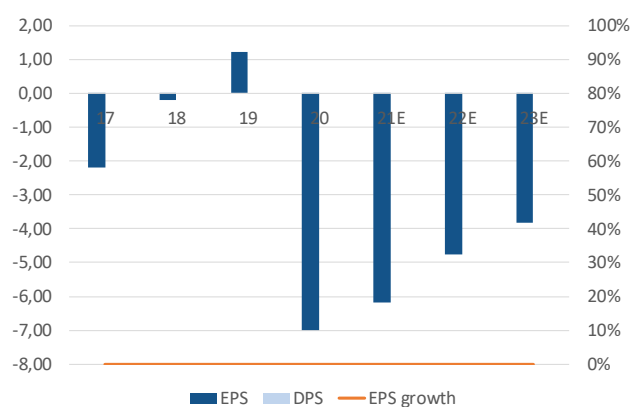
| Delivery Hero SE | Sales | | |
|-----------------------------|---------------|---------------|---------------|
| | 2022 | 2023 | 2024 |
| Financial data (eAR) | 8,899 | 11,835 | 14,794 |
| Fair multiple | 2.7x | 2.5x | 2.3x |
| Fair EV | 24,364 | 29,534 | 34,141 |
| Net debt (cash) | 2,128 | 2,552 | 2,357 |
| Pension provisions | 1 | 2 | 2 |
| Fair equity value | 22,235 | 26,980 | 31,781 |
| Number of shares | 251.0 | 251.0 | 251.0 |
| Fair value per share | 88.59 | 107.50 | 126.63 |

Financials in six charts

Sales vs. EBITDA margin development



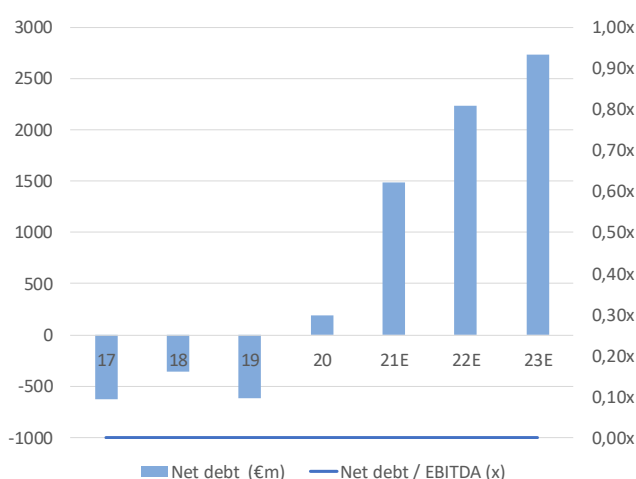
EPS, DPS in EUR & yoy EPS growth



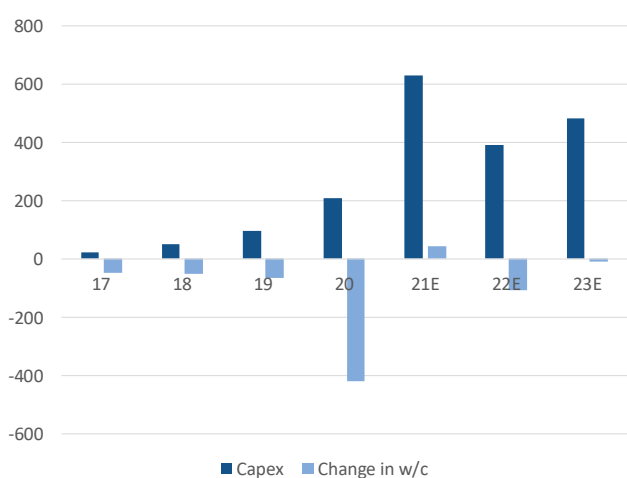
ROCE vs. WACC (pre tax)



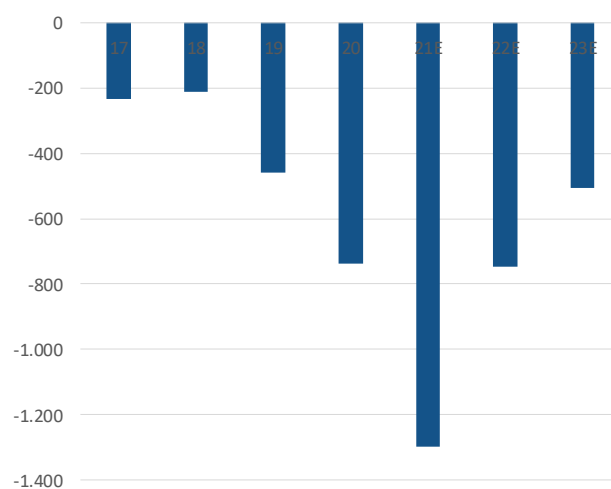
Net debt and net debt/EBITDA



Capex & chg in w/c requirements in EURm



Free Cash Flow in EURm



Financials

| Profit and loss (EUR m) | 2018 | 2019 | 2020 | 2021P | 2022E | 2023E |
|--|--------------|--------------|---------------|---------------|---------------|---------------|
| Sales | 665 | 1,238 | 2,472 | 5,933 | 8,899 | 11,835 |
| Sales growth | 46.6% | 86.1% | 99.7% | 140.0% | 50.0% | 33.0% |
| Cost of sales | 318 | 926 | 1,978 | 4,064 | 6,140 | 7,811 |
| Gross profit | 347 | 311 | 494 | 1,869 | 2,759 | 4,024 |
| SG&A expenses | 549 | 884 | 1,302 | 2,937 | 3,649 | 4,616 |
| Research and development | 0 | 0 | 0 | 0 | 0 | 0 |
| Other operating expenses (income) | -1 | -13 | -31 | -51 | -113 | -150 |
| EBITDA | -201 | -560 | -776 | -837 | -577 | -101 |
| Depreciation | 14 | 61 | 93 | 100 | 120 | 150 |
| EBITA | -215 | -620 | -870 | -937 | -697 | -251 |
| Amortisation of goodwill and intangible assets | 27 | 28 | 25 | 80 | 80 | 190 |
| EBIT | -242 | -648 | -894 | -1,017 | -777 | -441 |
| Financial result | -17 | -15 | -494 | -516 | -398 | -398 |
| Recurring pretax income from continuing operations | -259 | -663 | -1,389 | -1,533 | -1,175 | -840 |
| Extraordinary income/loss | 0 | 0 | 0 | 0 | 0 | 0 |
| Earnings before taxes | -259 | -663 | -1,389 | -1,533 | -1,175 | -840 |
| Taxes | 18 | 27 | 14 | 17 | 19 | 19 |
| Net income from continuing operations | -277 | -690 | -1,403 | -1,549 | -1,194 | -859 |
| Result from discontinued operations (net of tax) | 235 | 920 | 0 | 0 | 0 | 0 |
| Net income | -42 | 230 | -1,403 | -1,549 | -1,194 | -859 |
| Minority interest | 4 | 1 | -2 | 0 | 0 | 0 |
| Net profit (reported) | -38 | 231 | -1,405 | -1,549 | -1,194 | -859 |
| Average number of shares | 186.17 | 190.35 | 200.53 | 250.98 | 250.98 | 250.98 |
| EPS reported | -0.21 | 1.22 | -7.00 | -6.17 | -4.76 | -3.42 |

| Profit and loss (common size) | 2018 | 2019 | 2020 | 2021P | 2022E | 2023E |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| Sales | 100% | 100% | 100% | 100% | 100% | 100% |
| Cost of sales | 48% | 75% | 80% | 69% | 69% | 66% |
| Gross profit | 52% | 25% | 20% | 32% | 31% | 34% |
| SG&A expenses | 83% | 71% | 53% | 50% | 41% | 39% |
| Research and development | 0% | 0% | 0% | 0% | 0% | 0% |
| Other operating expenses (income) | -0% | -1% | -1% | -1% | -1% | -1% |
| EBITDA | -30% | -45% | -31% | -14% | -6% | -1% |
| Depreciation | 2% | 5% | 4% | 2% | 1% | 1% |
| EBITA | -32% | -50% | -35% | -16% | -8% | -2% |
| Amortisation of goodwill and intangible assets | 4% | 2% | 1% | 1% | 1% | 2% |
| EBIT | -36% | -52% | -36% | -17% | -9% | -4% |
| Financial result | -3% | -1% | -20% | -9% | -4% | -3% |
| Recurring pretax income from continuing operations | -39% | -54% | -56% | -26% | -13% | -7% |
| Extraordinary income/loss | 0% | 0% | 0% | 0% | 0% | 0% |
| Earnings before taxes | -39% | -54% | -56% | -26% | -13% | -7% |
| Taxes | 3% | 2% | 1% | 0% | 0% | 0% |
| Net income from continuing operations | -42% | -56% | -57% | -26% | -13% | -7% |
| Result from discontinued operations (net of tax) | 35% | 74% | 0% | 0% | 0% | 0% |
| Net income | -6% | 19% | -57% | -26% | -13% | -7% |
| Minority interest | 1% | 0% | -0% | 0% | 0% | 0% |
| Net profit (reported) | -6% | 19% | -57% | -26% | -13% | -7% |

Source: Company data; AlsterResearch

| Balance sheet (EUR m) | 2018 | 2019 | 2020 | 2021P | 2022E | 2023E |
|---|--------------|--------------|--------------|--------------|--------------|--------------|
| Intangible assets (excl. Goodwill) | 308 | 280 | 1,377 | 1,391 | 1,452 | 1,437 |
| Goodwill | 570 | 767 | 0 | 1,900 | 1,900 | 1,900 |
| Property, plant and equipment | 39 | 193 | 343 | 777 | 924 | 1,099 |
| Financial assets | 212 | 483 | 708 | 708 | 708 | 708 |
| FIXED ASSETS | 1,129 | 1,723 | 2,428 | 4,775 | 4,983 | 5,144 |
| Inventories | 3 | 8 | 36 | 46 | 69 | 88 |
| Accounts receivable | 85 | 129 | 138 | 244 | 268 | 357 |
| Other current assets | 369 | 5 | 140 | 140 | 140 | 140 |
| Liquid assets | 364 | 741 | 2,945 | 2,448 | 1,804 | 1,380 |
| Deferred taxes | 0 | 0 | 0 | 0 | 0 | 0 |
| Deferred charges and prepaid expenses | 55 | 66 | 80 | 191 | 286 | 381 |
| CURRENT ASSETS | 876 | 950 | 3,339 | 3,069 | 2,567 | 2,345 |
| TOTAL ASSETS | 2,005 | 2,673 | 5,767 | 7,844 | 7,550 | 7,489 |
| SHAREHOLDERS EQUITY | 1,617 | 1,872 | 1,157 | 1,508 | 314 | -545 |
| MINORITY INTEREST | -2 | -2 | 4 | 4 | 4 | 4 |
| Long-term debt | 1 | 90 | 3,076 | 3,876 | 3,876 | 3,876 |
| Provisions for pensions and similar obligations | 3 | 6 | 0 | 1 | 1 | 2 |
| Other provisions | 59 | 90 | 531 | 1,274 | 1,888 | 2,482 |
| Non-current liabilities | 63 | 185 | 3,607 | 5,151 | 5,766 | 6,360 |
| short-term liabilities to banks | 1 | 30 | 56 | 56 | 56 | 56 |
| Accounts payable | 29 | 63 | 97 | 198 | 300 | 382 |
| Advance payments received on orders | 2 | 5 | 0 | 0 | 0 | 0 |
| Other liabilities (incl. from lease and rental contracts) | 209 | 443 | 820 | 831 | 979 | 1,065 |
| Deferred taxes | 42 | 36 | 26 | 26 | 26 | 26 |
| Deferred income | 44 | 41 | 0 | 71 | 107 | 142 |
| Current liabilities | 327 | 618 | 999 | 1,182 | 1,467 | 1,671 |
| TOTAL LIABILITIES AND SHAREHOLDERS EQUITY | 2,005 | 2,673 | 5,767 | 7,844 | 7,550 | 7,489 |

| Balance sheet (common size) | 2018 | 2019 | 2020 | 2021P | 2022E | 2023E |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| Intangible assets (excl. Goodwill) | 15% | 10% | 24% | 18% | 19% | 19% |
| Goodwill | 28% | 29% | 0% | 24% | 25% | 25% |
| Property, plant and equipment | 2% | 7% | 6% | 10% | 12% | 15% |
| Financial assets | 11% | 18% | 12% | 9% | 9% | 9% |
| FIXED ASSETS | 56% | 64% | 42% | 61% | 66% | 69% |
| Inventories | 0% | 0% | 1% | 1% | 1% | 1% |
| Accounts receivable | 4% | 5% | 2% | 3% | 4% | 5% |
| Other current assets | 18% | 0% | 2% | 2% | 2% | 2% |
| Liquid assets | 18% | 28% | 51% | 31% | 24% | 18% |
| Deferred taxes | 0% | 0% | 0% | 0% | 0% | 0% |
| Deferred charges and prepaid expenses | 3% | 2% | 1% | 2% | 4% | 5% |
| CURRENT ASSETS | 44% | 36% | 58% | 39% | 34% | 31% |
| TOTAL ASSETS | 100% | 100% | 100% | 100% | 100% | 100% |
| SHAREHOLDERS EQUITY | 81% | 70% | 20% | 19% | 4% | -7% |
| MINORITY INTEREST | -0% | -0% | 0% | 0% | 0% | 0% |
| Long-term debt | 0% | 3% | 53% | 49% | 51% | 52% |
| Provisions for pensions and similar obligations | 0% | 0% | 0% | 0% | 0% | 0% |
| Other provisions | 3% | 3% | 9% | 16% | 25% | 33% |
| Non-current liabilities | 3% | 7% | 63% | 66% | 76% | 85% |
| short-term liabilities to banks | 0% | 1% | 1% | 1% | 1% | 1% |
| Accounts payable | 1% | 2% | 2% | 3% | 4% | 5% |
| Advance payments received on orders | 0% | 0% | 0% | 0% | 0% | 0% |
| Other liabilities (incl. from lease and rental contracts) | 10% | 17% | 14% | 11% | 13% | 14% |
| Deferred taxes | 2% | 1% | 0% | 0% | 0% | 0% |
| Deferred income | 2% | 2% | 0% | 1% | 1% | 2% |
| Current liabilities | 16% | 23% | 17% | 15% | 19% | 22% |
| TOTAL LIABILITIES AND SHAREHOLDERS EQUITY | 100% | 100% | 100% | 100% | 100% | 100% |

Source: Company data; AlsterResearch

| Cash flow statement (EUR m) | 2018 | 2019 | 2020 | 2021P | 2022E | 2023E |
|---|-------------|-------------|--------------|--------------|--------------|--------------|
| Net profit/loss | -42 | 230 | -1,403 | -1,549 | -1,194 | -859 |
| Depreciation of fixed assets (incl. leases) | 58 | 100 | 148 | 100 | 120 | 150 |
| Amortisation of goodwill | 0 | 0 | 0 | 0 | 0 | 0 |
| Amortisation of intangible assets | 0 | 0 | 0 | 80 | 80 | 190 |
| Others | -233 | -760 | 305 | 744 | 615 | 594 |
| Cash flow from operations before changes in w/c | -217 | -431 | -949 | -626 | -379 | 75 |
| Increase/decrease in inventory | 0 | 0 | 0 | -10 | -23 | -19 |
| Increase/decrease in accounts receivable | 0 | 0 | 0 | -106 | -24 | -89 |
| Increase/decrease in accounts payable | 0 | 0 | 0 | 102 | 101 | 82 |
| Increase/decrease in other w/c positions | 53 | 66 | 419 | -30 | 89 | 27 |
| Increase/decrease in working capital | 53 | 66 | 419 | -43 | 142 | 1 |
| Cash flow from operating activities | -165 | -365 | -530 | -669 | -237 | 77 |
| CAPEX | -49 | -95 | -208 | -628 | -408 | -501 |
| Payments for acquisitions | -19 | -133 | -400 | 0 | 0 | 0 |
| Financial investments | 30 | 852 | -298 | 0 | 0 | 0 |
| Income from asset disposals | 1 | 4 | 1 | 0 | 0 | 0 |
| Cash flow from investing activities | -37 | 627 | -905 | -628 | -408 | -501 |
| Cash flow before financing | -202 | 263 | -1,435 | -1,297 | -645 | -424 |
| Increase/decrease in debt position | -1 | -28 | 3,190 | 800 | 0 | 0 |
| Purchase of own shares | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital measures | 12 | 28 | 590 | 0 | 0 | 0 |
| Dividends paid | 0 | 0 | 0 | 0 | 0 | 0 |
| Others | -0 | -0 | -15 | 0 | 0 | 0 |
| Effects of exchange rate changes on cash | -10 | -3 | -52 | 0 | 0 | 0 |
| Cash flow from financing activities | 1 | -3 | 3,713 | 800 | 0 | 0 |
| Increase/decrease in liquid assets | -201 | 260 | 2,278 | -497 | -645 | -424 |
| Liquid assets at end of period | 440 | 699 | 2,977 | 2,480 | 1,836 | 1,412 |

Source: Company data; AlsterResearch

| Regional sales split (EURm) | 2018 | 2019 | 2020 | 2021P | 2022E | 2023E |
|-----------------------------|------------|--------------|--------------|--------------|--------------|---------------|
| Domestic | 97 | 29 | 0 | 139 | 209 | 277 |
| Europe (ex domestic) | 0 | 0 | 0 | 0 | 0 | 0 |
| The Americas | 0 | 0 | 0 | 0 | 0 | 0 |
| Asia | 0 | 0 | 0 | 0 | 0 | 0 |
| Rest of World | 668 | 1,238 | 2,473 | 5,934 | 8,902 | 11,839 |
| Total sales | 665 | 1,238 | 2,472 | 5,933 | 8,899 | 11,835 |

| Regional sales split (common size) | 2018 | 2019 | 2020 | 2021P | 2022E | 2023E |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Domestic | 14.6% | 2.3% | 0.0% | 2.3% | 2.3% | 2.3% |
| Europe (ex domestic) | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| The Americas | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Asia | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Rest of World | 100.4% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Total sales | 100% | 100% | 100% | 100% | 100% | 100% |

Source: Company data; AlsterResearch

| Ratios | 2018 | 2019 | 2020 | 2021P | 2022E | 2023E |
|-----------------------------------|---------|--------|---------|---------|---------|---------|
| Per share data | | | | | | |
| Earnings per share reported | -0.21 | 1.22 | -7.00 | -6.17 | -4.76 | -3.42 |
| Cash flow per share | -0.96 | -2.23 | -3.11 | -3.06 | -1.42 | -0.21 |
| Book value per share | 8.69 | 9.83 | 5.77 | 6.01 | 1.25 | -2.17 |
| Dividend per share | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Valuation | | | | | | |
| P/E | -234.9x | 39.6x | -6.9x | -7.8x | -10.1x | -14.1x |
| P/CF | -50.3x | -21.6x | -15.5x | -15.7x | -33.9x | -226.6x |
| P/BV | 5.5x | 4.9x | 8.4x | 8.0x | 38.6x | -22.2x |
| Dividend yield (%) | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| FCF yield (%) | -2.0% | -4.6% | -6.5% | -6.4% | -3.0% | -0.4% |
| EV/Sales | 17.6x | 9.3x | 5.0x | 2.3x | 1.6x | 1.2x |
| EV/EBITDA | -58.3x | -20.5x | -15.8x | -16.2x | -24.7x | -144.4x |
| EV/EBIT | -48.6x | -17.7x | -13.7x | -13.4x | -18.3x | -33.2x |
| Income statement (EURm) | | | | | | |
| Sales | 665 | 1,238 | 2,472 | 5,933 | 8,899 | 11,835 |
| yoy chg in % | 46.6% | 86.1% | 99.7% | 140.0% | 50.0% | 33.0% |
| Gross profit | 347 | 311 | 494 | 1,869 | 2,759 | 4,024 |
| Gross margin in % | 52.2% | 25.1% | 20.0% | 31.5% | 31.0% | 34.0% |
| EBITDA | -201 | -560 | -776 | -837 | -577 | -101 |
| EBITDA margin in % | -30.3% | -45.2% | -31.4% | -14.1% | -6.5% | -0.9% |
| EBIT | -242 | -648 | -894 | -1,017 | -777 | -441 |
| EBIT margin in % | -36.3% | -52.4% | -36.2% | -17.1% | -8.7% | -3.7% |
| Net profit | -38 | 231 | -1,405 | -1,549 | -1,194 | -859 |
| Cash flow statement (EURm) | | | | | | |
| CF from operations | -165 | -365 | -530 | -669 | -237 | 77 |
| Capex | -49 | -95 | -208 | -628 | -408 | -501 |
| Maintenance Capex | 14 | 61 | 93 | 100 | 120 | 130 |
| Free cash flow | -214 | -460 | -738 | -1,297 | -645 | -424 |
| Balance sheet (EURm) | | | | | | |
| Intangible assets | 878 | 1,047 | 1,377 | 3,291 | 3,352 | 3,337 |
| Tangible assets | 39 | 193 | 343 | 777 | 924 | 1,099 |
| Shareholders' equity | 1,617 | 1,872 | 1,157 | 1,508 | 314 | -545 |
| Pension provisions | 3 | 6 | 0 | 1 | 1 | 2 |
| Liabilities and provisions | 64 | 215 | 3,663 | 5,206 | 5,821 | 6,415 |
| Net financial debt | -362 | -622 | 186 | 1,483 | 2,128 | 2,552 |
| w/c requirements | 57 | 70 | 78 | 91 | 37 | 63 |
| Ratios | | | | | | |
| ROE | -2.6% | 12.3% | -121.2% | -102.8% | -380.8% | 157.5% |
| ROCE | -14.4% | -31.1% | -18.5% | -15.1% | -12.7% | -7.5% |
| Net gearing | -22.4% | -33.2% | 16.1% | 98.4% | 678.5% | -468.0% |
| Net debt / EBITDA | 1.8x | 1.1x | -0.2x | -1.8x | -3.7x | -25.2x |

Source: Company data; AlsterResearch

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