


Update: Report Q4 2022

2023-02-23

## Crunchfish: A reassessment of assumptions

- Anticipated further progress towards market implementation in India
- We revise expected roll-out and risk adjustments for Digital Cash
- Our revised model implies a fair valuation of SEK 51.70 per share

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Ticker:	CFISH												
Industry:	Technology												
Listed on:	Nasdaq First North												
Latest share price (SEK):	27,36												
Market cap (MSEK):	905												
Enterprise Value (MSEK):	876												
Total number of shares (M):	33,09												
- of which free float (M):	17,80												
<hr/>													
<b>VHCF fair value per share</b>													
DCF model	SEK 51.70												
<hr/>													
<b>Crunchfish AB</b>													
Address:	Stora Varvgatan 6A 211 19 Malmö												
Webpage:	crunchfish.com												
CEO:	Joachim Samuelsson												
<hr/>													
<b>Main owners (30 Jun 2022)</b>	<b>Capital (%)</b>												
Femari Invest AB	22,7												
Corespring Invest AB	18,1												
Paul Cronholm	3,3												
Carlquist Holding AB	3,0												
Mikael Kretz	2,2												
<hr/>													
<b>Share price history (SEK)</b>													
													
<table border="1"> <thead> <tr> <th></th> <th>-1m</th> <th>-3m</th> <th>-12m</th> </tr> </thead> <tbody> <tr> <td>Change (%)</td> <td>9,7</td> <td>56,1</td> <td>56,2</td> </tr> <tr> <td>52 wk range (Low/Hi) - SEK</td> <td colspan="3">10,31 / 34,22</td> </tr> </tbody> </table>			-1m	-3m	-12m	Change (%)	9,7	56,1	56,2	52 wk range (Low/Hi) - SEK	10,31 / 34,22		
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Change (%)	9,7	56,1	56,2										
52 wk range (Low/Hi) - SEK	10,31 / 34,22												
Source: Börnsdata													

Crunchfish's report for Q4 2022 is yet another showcase of continued technical improvements, especially within Digital Cash. The company is approaching market implementation in India where Digital Cash Offline offers unique selling points. Crunchfish's recent communication has clarified how the sales model is likely to operate in terms of pricing structure. The clarification has led us to revise our forecast, where we have implemented new growth estimates with specific regional drivers. Our new forecast and updated assessment of the company's risk has resulted in a fair value of SEK 51.70 per share.

Crunchfish has developed a technology enabling digital payments without the requirement of internet connectivity. Compared to other technical services such as telecom and electricity, digital payments are often more likely to fail. Digital payments have driven our civilization forward making transactions more efficient. Crunchfish's digital payment technology is expected to be equipped with the security and robustness required to drive digital payments to the next stage. In our revised valuation we capture Crunchfish's more defined communicated sales structure combined with the uncertainty of a pre-revenue tech company.

In our previous forecast model, we considered Digital Cash Online to be the main revenue driver with a significantly higher market penetration compared to Digital Cash Offline. In addition, we assumed the company to have a market implementation structure where the technology fee would be imposed onto the end-user. In our revised model, we have approached the case differently expecting a substantially lower user fee which will be imposed on the customer bank or payment provider.

**Table 1: Financial Overview**

MSEK	2021	2022	2023e	2024e	2025e
Total revenues	20,3	21,7	60,2	148,9	285,8
Growth (%)	-12%	7%	177%	147%	92%
EBITDA	-29,2	-18,1	6,5	66,1	180,3
EBITDA margin (%)	neg	neg	11%	44%	63%
EBT	-38,5	-24,0	-0,8	57,6	170,7
Cash holdings	32,8	29,3	34,1	79,2	226,2
Total assets	64,2	66,5	96,4	154,4	325,6
Total equity	55,8	58,8	88,0	145,5	316,2
Solidity (%)	87%	88%	91%	94%	97%
P/E	neg	neg	neg	8,6	2,9
ROE	neg	neg	neg	40%	54%
EV/EBIT (x)	neg	neg	neg	8,4	2,8
EV/Sales (x)	23,9	22,4	8,1	3,3	1,7

Source: Västra Hamnen Corporate Finance

**Progress in India**

Since our last research update, we have seen signs of Crunchfish's making progress within the RBI sandbox. We anticipate the technology to be working as expected as more users are onboarded in the ongoing pilot conducted by HDFC in India. Together with the belief that potential deals are being negotiated, we have decided to reduce the risk-coefficient for specific markets. Furthermore, we assume Crunchfish to be collecting its first substantial revenues from the Digital Cash offering on the Indian market in H2 2023.

As of lately we have seen reasons to rethink how we value Crunchfish and how we construct our predictions for the future. We have found three main reasons for this change which have laid out the blueprint of our updated model.

**Clearer picture of sales model**

Firstly, as the RBI sandbox pilot together with HDFC is approaching its end, we expect Crunchfish to start negotiating agreements with involved parties. Crunchfish CEO Joachim Samuelsson gave a better understanding of how Crunchfish could monetize the Digital Cash offering in the [web conference](#) held in connection with the report for Q4 2022. The new information provided by Samuelsson made us reconsider Crunchfish's future sales model, expected to be a better estimate of how the monetization will work going forward. The sales model consists of a significantly lower user fee compared to our previous forecast, where the cost is no longer expected to be imposed onto the end user. Instead, banks and payments providers are indicating that they want to offer the Digital Cash Offline function to a larger portion of their customers as part of their service. We have therefore decided to lower the per user offline revenues to Crunchfish. These were previously assumed as a fixed annual fee of SEK 50 charged to the end user and is now expected to initially be closer to SEK 5 with an expected increase in the future. This lower estimated price per user is expected to be partly offset by more customers signed up to the service – making the estimated total revenue streams similar like previously projected.

**Africa becomes a key market**

Secondly, new information has led us to update the risk-coefficient for specific markets. We believe the African market have taken big strides to being one of the key target markets for Crunchfish to bet on. The continent, mainly Nigeria has shown interest in augmenting their digital transactions together with Crunchfish which have made us list Africa as a stand-alone market for the company.

Thirdly, the company's communicated optimism, that deals are getting closer, has led us to reduce the risk-coefficient for the Indian and African markets where we expect the first revenues to come.

**Crunchfish technology offering**

Before describing the details in our revised valuation model and explaining our revisions on specific parameters, it is of importance to summarize what we see as important attractions in Crunchfish's technology offering. Let us start with the problem that Crunchfish has set out to solve; commercial retail banks with accounts and associated functions are built on old systems which are slow, unstable, and nontechnical as of today's standards. Since the birth of these systems, banks and payment providers have grown and expanded with new service offerings towards their customers. While new services have been implemented, the systems have rather been patched then rebuilt to support new technical offerings. The result of this is huge systems with many functions that lacks the efficiency needed to cope with the demands of modern banking. This has led to unplanned disruptions and downtime in the payment chain which obstructs payment validation.

This is where Crunchfish Digital Cash solution comes in hand, making it possible for banks to keep their old systems without a full rebuild whilst implementing new functions that has never been possible before - being able to manage and validate payments in real time in a completely offline environment.

### Expected market roll-out in Q3 2023

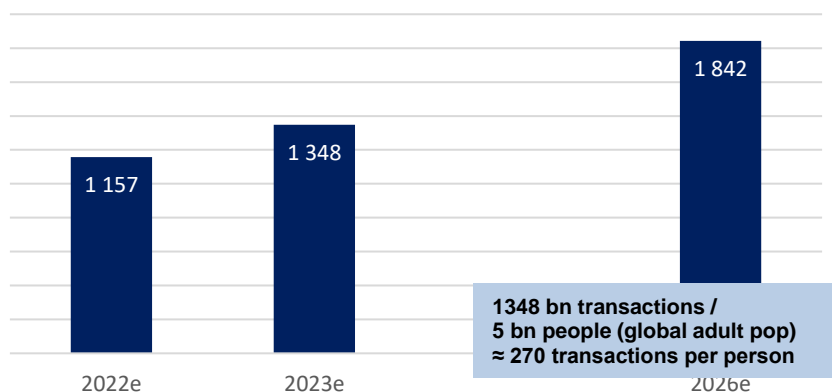
Crunchfish's Digital Cash solution is believed to have the capability to shift the possibilities of modern banking into a new age. We believe that emerging markets bounded by technical restrictions should see large benefits from the Digital Cash Offline technology. We set out to portrait this in our updated model where we expect the offline segment to represent more sales compared to the online solution via a higher market penetration. Moreover, in our scenario we expect a market roll out in India and Africa to happen in Q3 2022 and Q2 2024 and anticipate a lower risk-coefficient for these markets. We expect South-East Asia to be next in line where Crunchfish already has initiated market activities. However, we believe the deal-making in South-East Asia within the digital payment segment to be more immature compared to Africa and India and therefore apply a higher risk-coefficient for this market to exhibit our uncertainty.

Given this update, we model a Digital Cash market rollout at different pace and with different risk-coefficients in the four geographical segments. We also see differing market penetration rates for the offline vs. the online solutions, believing the offline part has a wider application potential.

#### In summary, the assumptions of our revised forecast model are as follow:

- The first revenues from **India** will occur in Q3 2023.
- The addressable market (offline & online) is assumed to equal half of the adult population (15 years or older), about 0.5 billion people in total, growing with 2 percent annually.
- The market penetration for the offline solution grows from 2023 onwards to reach a penetration rate of 10 percent in 2033.
- Online penetration grows simultaneously to a rate of 2 percent in 2033 meaning we expect online market penetration to be ¼ of offline.
- Offline revenues to Crunchfish are assumed to be a fixed annual fee increasing at different intervals. SEK 5 up until 2025, SEK 8 up until 2028 and SEK 10 up until 2033.
- Online revenues to Crunchfish are assumed to be a transaction-based and we assume a fee of SEK 0.02 per transaction.
- We assume an average of 270 (Capgemini rapport för 2022) annual online transactions per user in 2023, growing 20 percent annually over the forecast horizon based on Capgemini's forecasts, cf. Figure 1 below.
- For **Africa**, we assume the initial addressable market to be half of the Nigerian adult population, roughly 60 million, growing with 20 percent annually, when expanding to more countries. The pricing, market structure and pace of market rollout are assumed equal to the Indian market, but with a three quarters delay. First revenues thus occur in Q2 2024.
- For **South East Asia**, we assume the addressable market to be half the adult population in the region, roughly 250 million people, growing 1 percent annually. The pricing, market structure and pace of market rollout are assumed equal to the African market. First revenues thus occur in Q2 2024.
- For the **rest of the world**, we once again use the same assumptions, meaning an addressable market of 1.75 billion people in 2023. However, as the addressable market in Africa grows outside Nigeria, we've constructed a shift where the addressable market for the rest of the world shrinks at the same pace as the African market grows. We expect the rest of the world to start producing sales in Q1 2025.

**Figure 1: Global non-cash transactions volume (billions)**

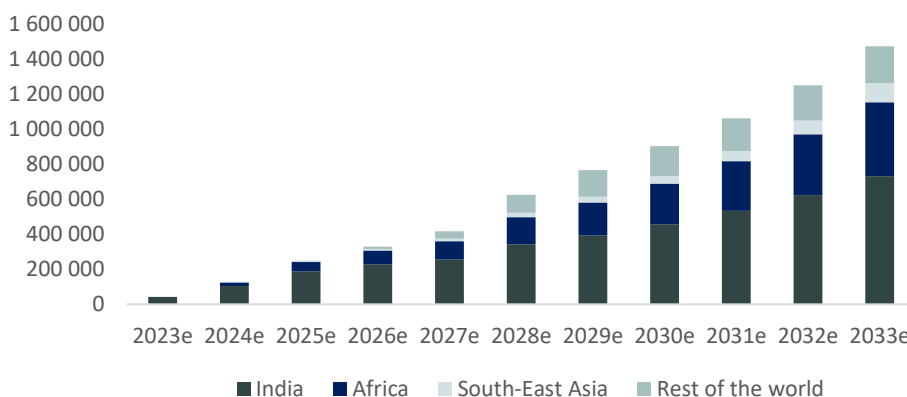


Source: World Payments Report 2021, Capgemini

**Reassessed the risk-coefficient**

Furthermore, we have reassessed our risk-coefficient for specific markets within Digital Cash. In our previous valuation model, we differentiated the risk factors for three geographical markets based on how close they were to materializing. We keep the general idea; however, we have now separated Africa from the rest of the world and will from now on see this as a sole market. Our overall assessment is that India and Africa now possess a higher probability of materializing and have therefore reduced our risk-coefficient for these markets.

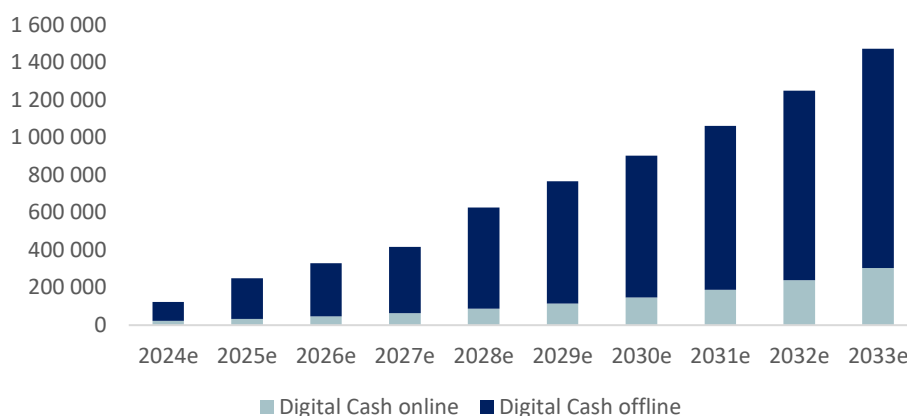
**Figure 2: Digital Cash revenue per geography (SEKk)**



Source: Västra Hamnen Corporate Finance

**Uniqueness of offline solution drives sales**

As for the revenue split between offline and online, we continue to see a bigger total contribution from offline. This is despite the higher potential number of users for the online solution. We believe the main selling point for Crunchfish is the offline function, which will drive sales, either together with Digital Cash Online or as a standalone product.

**Figure 3: Digital Cash revenue split (SEKk)**

Source: Västra Hamnen Corporate

### AR/VR has several application areas

Within the business area Gesture Interaction Crunchfish continue to develop AI technology that detects and tracks hands and body motions. The growing AR/VR market has several application areas where Crunchfish's technology could be utilized. Crunchfish's Skeleton platform with the flagship product XR Skeleton Stereo offers a dual camera hand tracking software product that has been implemented in commercial product together with Lenovo and Ximmerse. Except for the gesture agreement together with OPPO resulting in an upfront fee of US \$500,000 (including a commercial license) in Q3 2022, this segment has so far only resulted in minor income streams. In this business segment our projections therefore remain unchanged as we expect revenues to grow slowly in line with further implementation of Crunchfish technology in third party units.

### We keep our forecast for Gesture Interaction

In terms of the targeted automotive segment, we remain positive that Crunchfish's PS Skeleton product, optimized for RGB and IR camera sensors, could benefit from the changing automotive industry. In 2022, EU regulations stated that all new type-approved cars with a certain level of autonomous driving capability must have a camera-based DMS installed. By 2026, this regulation will apply to all newly produced cars on the EU market, irrespective of their level of automation. We still project that Crunchfish could monetize on these regulatory changes and earn revenues from this segment. However, we expect market penetration to start in Q2 2024 and then grow similarly to previously projected. In summary, our forecast within the Gesture Interaction segment implies slightly lower forecasted revenues in the short term, while we maintain our long-term outlook.

### Significant uncertainty and high risk

Crunchfish is indicating that progress has been made regarding future potential revenue-generating deals, however, we have not yet seen any revenue streams from the Digital Cash segment, which accounts for the majority of our estimated fair value of the company. At the same time, there is significant uncertainty about potential future deals, with a possibility that events may not unfold at all or more slowly than we expect. Therefore, we believe this high risk and uncertainty justifies a WACC of 18 percent, in combination with a probability of success of 60 percent, to imply a fair value. In order to reduce the current high uncertainty about our forecast of Crunchfish, we need to see established agreements demonstrating proof of concept and revenues generated for the company.

### We forecast additional funding in Q2 2023

Regarding financing, our scenario still implies a need for further financing in the future. In Q4 2022 Crunchfish communicated a signed Memorandum of Understanding (MoU) with the Danish management and investment company Socio, for a potential financing of Crunchfish. As no information regarding the Socio investment was provided in the

Q4 report we see a risk that the investment may not occur. Until new information is provided, we model a capital raise of MSEK 30 million in Q2 2023. However, the timing, magnitude and kind of financing to expect is another point of major uncertainty and depend on the company's financial performance and how future events unfold.

**We weight probability, promise and expectation**

It should be noted that valuation of a pre-revenue technology company like Crunchfish brings a lot of uncertainties. One could argue that a deal in India will come faster and be bigger than we expect in our valuation forecast. But, upon reflection there is still a possibility that crucial business events will not unfold at all or slower than expected. Crunchfish has been around for some time and is yet to deliver any major sales. Our valuation forecast is our best effort to weight probability, promise and expectation in a long-term scenario.

**Lowering the offline user fee**

Our revised forecast model expects initial sales to come sooner and to be higher in comparison to our previous model. We have also forecasted a smoother revenue growth path; however, we still see that our new model shares the same attributes as our previous forecast at the end of the projection period. Even though we have decreased our risk-coefficient for certain markets, the effect of this does not boost our fair value since there is a big counter effect from our revised expected user fee from Digital Cash Offline. The effects of lowering the offline user fee from SEK 50 to SEK 5 is by far larger than the effects of somewhat lower risk-coefficient success for certain markets. However, the effects of our new forecasted user fee are dampened by estimating early sales-agreements to be significantly larger than our past estimates.

**Fair value instead of valuation range**

In our model, the enterprise value is determined based on an explicit assumption that the company survives until reaching positive cash flows. In the next step, we adjust the company value based on the probability that the company survives until lasting profitability is reached. The adjustment takes place by multiplying the company value by a risk factor that represents the probability of survival. Based on Crunchfish and our assessment of the risk, we previously considered that reasonable probabilities were in the range of 50 to 80 percent. Going forward, we will continue according to the same valuation method. However, we will specify a fair value instead of a valuation range. This means that we see a fair market value with a risk weight that is considered appropriate to take into account the company's situation. In Crunchfish's case, we believe that the latest development in combination with the company's situation justifies a risk weight of 60 percent.

**We estimate a fair value of SEK 51.70**

Considering our implemented model changes after the year-end report 2022 combined with our risk weight of 60 percent, we see a fair value of SEK 51.70 per share, which is within our previous valuation interval, ref. Table 2 below.

Table 2: DCF model assumptions

MSEK	2021	2022	2023e	2024e	2025e	2026e	2027e	2028e
EBIT	-27.7	-24.2	-0.8	57.6	170.7	232.6	308.7	519.1
Adj. Taxes	0.0	0.0	0.0	0.0	-2.0	-47.9	-63.6	-106.9
<b>NOPLAT (= EBIT - tax)</b>	<b>-27.7</b>	<b>-24.2</b>	<b>-0.8</b>	<b>57.6</b>	<b>168.7</b>	<b>184.6</b>	<b>245.1</b>	<b>412.1</b>
Depreciation	7.7	6.1	7.3	8.6	9.6	10.5	11.3	12.0
Profit share, Blippit	-9.2	-0.1	0.0	0.0	0.0	0.0	0.0	0.0
Capex + Working cap	-14.3	-13.9	-31.7	-21.0	-33.4	-24.4	-27.9	-48.2
<b>Net cash flow</b>	<b>-43.5</b>	<b>-32.0</b>	<b>-25.2</b>	<b>45.2</b>	<b>145.0</b>	<b>170.8</b>	<b>228.5</b>	<b>375.9</b>

**DCF (MSEK)**

WACC	18%
Enterprise value (EV)	2 804.7
Prob of profitability	60%
Risk adjusted EV	1 682.8
Net cash	29.3
<b>Fair value market cap</b>	<b>1 712.1</b>
Diluted no of shares (M)	33.1
<b>Fair value/share (SEK)</b>	<b>51.70</b>

**Sensitivity analysis (value per share, SEK)**

		Prob of profitability			
		50%	60%	70%	80%
WACC	22%	29.80	35.50	41.30	47.10
	20%	35.60	42.50	49.40	56.40
	18%	43.30	<b>51.70</b>	60.20	68.70
	16%	53.70	64.30	74.80	85.40
	14%	68.50	82.00	95.50	109.00

Source: Västra Hamnen Corporate Finance

## Income Statement - Annual Data

kSEK	2021	2022	2023e	2024e	2025e	2026e	2027e	2028e
Net revenues	3 957	6 187	44 672	132 915	269 503	360 885	462 291	690 269
Capitalised development cost	14 342	13 555	13 947	14 195	14 431	14 665	14 900	15 140
Other revenues	2 045	1 976	1 630	1 764	1 910	2 067	2 237	2 422
<b>Total revenues</b>	<b>20 344</b>	<b>21 718</b>	<b>60 248</b>	<b>148 874</b>	<b>285 843</b>	<b>377 617</b>	<b>479 429</b>	<b>707 831</b>
Cost of goods sold	-211	0	0	0	0	0	0	0
Personnel costs	-23 388	-21 735	-28 434	-41 407	-52 801	-67 329	-79 775	-88 474
Other external costs	-16 011	-16 175	-21 326	-35 196	-44 881	-57 229	-67 809	-75 203
Other operating expenses	-755	-1 857	-3 981	-6 128	-7 814	-9 965	-11 807	-13 094
Profit from affiliated companies	-9 186	-68	0	0	0	0	0	0
<b>EBITDA</b>	<b>-29 207</b>	<b>-18 116</b>	<b>6 507</b>	<b>66 142</b>	<b>180 347</b>	<b>243 094</b>	<b>320 039</b>	<b>531 060</b>
Amortisation & depreciation	-7 661	-6 139	-7 319	-8 569	-9 631	-10 538	-11 321	-12 002
<b>EBIT</b>	<b>-36 868</b>	<b>-24 255</b>	<b>-812</b>	<b>57 573</b>	<b>170 717</b>	<b>232 556</b>	<b>308 718</b>	<b>519 057</b>
Financial items, net	-1 600	214	0	0	0	0	0	0
<b>EBT</b>	<b>-38 468</b>	<b>-24 042</b>	<b>-812</b>	<b>57 573</b>	<b>170 717</b>	<b>232 556</b>	<b>308 718</b>	<b>519 057</b>
Taxes	0	0	0	0	0	-46 966	-63 596	-106 926
<b>Net profit</b>	<b>-38 468</b>	<b>-24 042</b>	<b>-812</b>	<b>57 573</b>	<b>170 717</b>	<b>185 590</b>	<b>245 122</b>	<b>412 132</b>
<b>Earnings per share (SEK)</b>	<b>-1.26</b>	<b>-0.73</b>	<b>-0.03</b>	<b>1.69</b>	<b>5.00</b>	<b>5.44</b>	<b>7.18</b>	<b>12.08</b>
<b>Growth (%)</b>								
Net revenues	-63.6%	56.4%	622.0%	197.5%	102.8%	33.9%	28.1%	49.3%
EBITDA	na	na	na	916.5%	172.7%	34.8%	31.7%	65.9%
EBIT	na	na	na	na	196.5%	36.2%	32.7%	68.1%
Net profit	na	na	na	na	196.5%	8.7%	32.1%	68.1%
<b>% of revenues (%)</b>								
EBITDA margin	neg	neg	10.8%	44.4%	63.1%	64.4%	66.8%	75.0%
EBIT margin	neg	neg	neg	38.7%	59.7%	61.6%	64.4%	73.3%
EBT margin	neg	neg	neg	38.7%	59.7%	61.6%	64.4%	73.3%
Profit margin	neg	neg	neg	38.7%	59.7%	49.1%	51.1%	58.2%
Personnel costs	591.1%	351.3%	63.7%	31.2%	19.6%	18.7%	17.3%	12.8%
Total OPEX	1014.8%	642.8%	120.3%	62.2%	39.1%	37.3%	34.5%	25.6%
<b>Profitability (%)</b>								
ROE	neg	neg	neg	39.6%	54.0%	37.0%	32.8%	35.6%
ROIC	neg	neg	neg	69.0%	150.5%	177.7%	203.5%	263.1%

Source: Västra Hamnen Corporate Finance



**Balance Sheet - Annual Data**

kSEK	2021	2022	2023e	2024e	2025e	2026e	2027e	2028e
Inventories	0	0	0	0	0	0	0	0
Account receivable	771	1 548	18 436	25 494	44 838	54 992	68 465	102 027
Receivables fr affiliated comp	33	0	1 000	1 000	1 000	1 000	1 000	1 000
Prepaid costs & accrued income	1 384	1 089	1 330	1 416	1 486	1 558	1 633	1 713
Other receivables	1 093	450	803	892	941	987	1 035	1 085
Cash and cash equivalents	32 756	29 293	34 060	79 243	226 206	397 950	626 492	1 002 436
<b>Total current assets</b>	<b>36 037</b>	<b>32 380</b>	<b>55 628</b>	<b>108 045</b>	<b>274 471</b>	<b>456 487</b>	<b>698 625</b>	<b>1 108 261</b>
Tangible assets	696	535	436	355	289	236	192	156
Intangible assets	27 323	33 509	40 236	45 942	50 808	54 988	58 611	61 785
Long-term receivables	0	0	0	0	0	0	0	0
Affiliated companies	137	69	69	69	69	69	69	69
<b>Total fixed assets</b>	<b>28 155</b>	<b>34 113</b>	<b>40 740</b>	<b>46 366</b>	<b>51 166</b>	<b>55 292</b>	<b>58 872</b>	<b>62 010</b>
<b>Total assets</b>	<b>64 192</b>	<b>66 493</b>	<b>96 368</b>	<b>154 411</b>	<b>325 637</b>	<b>511 779</b>	<b>757 497</b>	<b>1 170 271</b>
Accounts payable	1 104	1 914	2 133	2 142	2 149	2 156	2 163	2 171
Accrued cost & prepaid income	4 188	4 645	5 042	5 446	5 887	6 366	6 886	7 448
Other liabilities	3 057	1 161	1 233	1 291	1 353	1 418	1 487	1 559
Loans	0	0	0	0	0	0	0	0
<b>Total current liabilities</b>	<b>8 349</b>	<b>7 721</b>	<b>8 408</b>	<b>8 878</b>	<b>9 388</b>	<b>9 940</b>	<b>10 536</b>	<b>11 178</b>
<b>Total non-current liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total equity</b>	<b>55 843</b>	<b>58 771</b>	<b>87 959</b>	<b>145 532</b>	<b>316 249</b>	<b>501 839</b>	<b>746 961</b>	<b>1 159 093</b>
<b>Total equity and liabilities</b>	<b>64 192</b>	<b>66 493</b>	<b>96 368</b>	<b>154 411</b>	<b>325 637</b>	<b>511 779</b>	<b>757 497</b>	<b>1 170 271</b>

Source: Västra Hamnen Corporate Finance

**Cash flow statement**

kSEK	2021	2022	2023e	2024e	2025e	2026e	2027e	2028e
Operating activities	-20 952	-16 604	6 507	66 142	180 347	196 128	256 443	424 134
Changes in working capital	1 566	79	-17 794	-6 763	-18 954	-9 720	-13 000	-33 050
Investing activities	-15 837	-13 616	-13 947	-14 195	-14 431	-14 665	-14 900	-15 140
Financing activities	59 303	26 840	30 000	0	0	0	0	0
<b>Cash flow for the period</b>	<b>24 022</b>	<b>-3 687</b>	<b>4 767</b>	<b>45 184</b>	<b>146 963</b>	<b>171 744</b>	<b>228 542</b>	<b>375 944</b>
Beginning cash balance	-7 767	16 321	12 715	17 482	62 666	209 628	381 372	609 914
Adjustments	65	80	0	0	0	0	0	0
<b>Ending cash balance</b>	<b>16 321</b>	<b>12 715</b>	<b>17 482</b>	<b>62 666</b>	<b>209 628</b>	<b>381 372</b>	<b>609 914</b>	<b>985 858</b>

Source: Västra Hamnen Corporate Finance

## Income Statement - Quarterly Data

kSEK	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023e	Q2 2023e	Q3 2023e
Net revenues	883	216	134	5 806	30	600	700	19 340
Capitalised development cost	3 622	3 435	3 429	3 133	3 559	3 457	3 462	3 471
Other revenues	498	591	530	467	388	395	403	411
<b>Total revenues</b>	<b>5 003</b>	<b>4 241</b>	<b>4 094</b>	<b>9 406</b>	<b>3 977</b>	<b>4 452</b>	<b>4 566</b>	<b>23 222</b>
Cost of goods sold	-61	0	0	0	0	0	0	0
Personnel costs	-5 812	-5 322	-5 311	-5 103	-5 999	-6 180	-6 287	-7 248
Other external costs	-3 457	-4 210	-3 917	-3 644	-4 403	-4 635	-4 715	-5 436
Other operating expenses	-472	0	0	0	-1 857	-865	-880	-1 015
Profit from affiliated companies	-7 623	-32	-15	-20	-2	0	0	0
<b>EBITDA</b>	<b>-12 421</b>	<b>-5 323</b>	<b>-5 149</b>	<b>639</b>	<b>-8 284</b>	<b>-7 228</b>	<b>-7 317</b>	<b>9 523</b>
Amortisation & depreciation	-1 784	-1 449	-1 664	-1 635	-1 391	-1 702	-1 790	-1 874
<b>EBIT</b>	<b>-14 205</b>	<b>-6 772</b>	<b>-6 813</b>	<b>-995</b>	<b>-9 675</b>	<b>-8 930</b>	<b>-9 107</b>	<b>7 649</b>
Financial items, net	-574	39	64	95	15	0	0	0
<b>EBT</b>	<b>-14 779</b>	<b>-6 733</b>	<b>-6 749</b>	<b>-900</b>	<b>-9 660</b>	<b>-8 930</b>	<b>-9 107</b>	<b>7 649</b>
Taxes	0	0	0	0	0	0	0	0
<b>Net profit</b>	<b>-14 779</b>	<b>-6 733</b>	<b>-6 749</b>	<b>-900</b>	<b>-9 660</b>	<b>-8 930</b>	<b>-9 107</b>	<b>7 649</b>
<b>Earnings per share (SEK)</b>	<b>-0.42</b>	<b>-0.19</b>	<b>-0.21</b>	<b>-0.03</b>	<b>-0.29</b>	<b>-0.27</b>	<b>-0.27</b>	<b>0.22</b>
<b>Y-o-Y Growth (%)</b>								
Net revenues	-75.7%	-80.4%	-85.3%	449.8%	-96.5%	177.3%	420.7%	233.1%
EBITDA	na	na	na	na	na	na	na	1345.7%
EBIT	na	na	na	na	na	na	na	na
Net profit	na	na	na	na	na	na	na	na
<b>% of revenues (%)</b>								
EBITDA margin	neg	neg	neg	7.0%	neg	neg	neg	41.0%
EBIT margin	neg	neg	neg	neg	neg	neg	neg	neg
EBT margin	neg	neg	neg	neg	neg	neg	neg	neg
Profit margin	neg	neg	neg	neg	neg	neg	neg	neg
Personnel costs	658.3%	2460.0%	3950.2%	87.9%	19694.8%	1030.0%	898.1%	37.5%
Total OPEX	1103.3%	4405.9%	6864.0%	150.7%	40245.9%	1946.7%	1697.5%	70.8%
<b>Profitability (%)</b>								
ROE	neg	neg	neg	neg	neg	neg	neg	9.8%
ROIC	neg	neg	neg	neg	neg	neg	neg	0.0%

Source: Västra Hamnen Corporate Finance

## Balance Sheet - Quarterly Data

kSEK	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023e	Q2 2023e	Q3 2023e
Inventories	0	0	0	0	0	0	0	0
Account receivable	771	581	543	6 114	1 548	460	537	14 836
Receivables fr affiliated comp	33	16	8	8	0	1 000	1 000	1 000
Prepaid costs & accrued income	1 384	1 412	1 842	1 089	1 089	1 399	1 395	1 280
Other receivables	1 093	961	1 203	962	450	921	911	835
Cash and cash equivalents	32 756	23 583	19 055	10 833	29 293	18 411	37 509	29 519
<b>Total current assets</b>	<b>36 037</b>	<b>26 552</b>	<b>22 650</b>	<b>19 005</b>	<b>32 380</b>	<b>22 191</b>	<b>41 352</b>	<b>47 471</b>
Tangible assets	696	700	646	590	535	508	483	459
Intangible assets	27 323	29 364	31 183	32 737	33 509	35 290	36 988	38 609
Long-term receivables	0	0	0	0	0	0	0	0
Affiliated companies	137	104	90	70	69	69	69	69
<b>Total fixed assets</b>	<b>28 155</b>	<b>30 168</b>	<b>31 919</b>	<b>33 398</b>	<b>34 113</b>	<b>35 867</b>	<b>37 539</b>	<b>39 137</b>
<b>Total assets</b>	<b>64 192</b>	<b>56 720</b>	<b>54 569</b>	<b>52 403</b>	<b>66 493</b>	<b>58 058</b>	<b>78 891</b>	<b>86 608</b>
Accounts payable	1 104	1 298	1 893	968	1 914	2 140	2 140	2 128
Accrued cost & prepaid income	4 188	4 726	4 782	4 245	4 645	4 830	4 857	4 877
Other liabilities	3 057	1 586	933	1 165	1 161	1 248	1 160	1 219
Loans	0	0	0	0	0	0	0	0
<b>Total current liabilities</b>	<b>8 349</b>	<b>7 610</b>	<b>7 608</b>	<b>6 378</b>	<b>7 721</b>	<b>8 217</b>	<b>8 157</b>	<b>8 224</b>
<b>Total non-current liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total equity</b>	<b>55 843</b>	<b>49 111</b>	<b>46 961</b>	<b>46 025</b>	<b>58 771</b>	<b>49 841</b>	<b>70 734</b>	<b>78 384</b>
<b>Total equity and liabilities</b>	<b>64 192</b>	<b>56 720</b>	<b>54 569</b>	<b>52 403</b>	<b>66 493</b>	<b>58 058</b>	<b>78 891</b>	<b>86 608</b>

Source: Västra Hamnen Corporate Finance

## Cash flow statement

kSEK	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023e	Q2 2023e	Q3 2023e
Operating activities	-4 926	-5 289	-5 145	774	-6 945	-7 228	-7 317	9 523
Changes in working capital	961	-361	-203	-6 135	6 450	-197	-123	-14 042
Investing activities	-3 622	-3 495	-3 429	-3 133	-3 559	-3 457	-3 462	-3 471
Financing activities	34 306	-58	4 178	292	22 370	0	30 000	0
<b>Cash flow for the period</b>	<b>26 718</b>	<b>-9 203</b>	<b>-4 598</b>	<b>-8 202</b>	<b>18 316</b>	<b>-10 882</b>	<b>19 098</b>	<b>-7 990</b>
Beginning cash balance	6 028	32 756	23 583	19 055	10 833	29 293	18 411	37 509
Adjustments	10	30	70	-20	0	0	0	0
<b>Ending cash balance</b>	<b>32 756</b>	<b>23 583</b>	<b>19 055</b>	<b>10 833</b>	<b>29 293</b>	<b>18 411</b>	<b>37 509</b>	<b>29 519</b>

Source: Västra Hamnen Corporate Finance

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