

XMReality

Sector: Software

Waiting for growth

Redeye lowers its fair value range after sales came in below expectations, driven by a weak order intake. On the operational side, XMReality has launched a re-engineered solution that significantly expands its addressable market.

Weak Q2 2022 financials

Order intake was SEK2.3m in Q2 2022, very weak in relation to previous quarters, and CEO commentary highlights some hesitation in the market, especially on behalf of customers with operations in Russia. Net sales amounted to SEK4.6m in Q2 2022, growing -18% YoY and -4% QoQ, missing our expectations by 11%. EBIT was -SEK9.4m, which translates into an EBIT margin of -203%.

Re-engineered product to drive long-term growth

Long-term growth hinges on the success of XMReality's new offering – launched in July 2022 – targeting planned processes. The re-engineered Remote Guidance product aims to assist customers in production, supply and R&D, among others. By shifting focus to planned activities instead of solely after-market support, management expects to increase its addressable market by 4x. Essentially, this should drive more usage of its Remote Guidance platform and lock in customers for many years. While initial agreements tend to start small, we assess that the long-term ARR potential from a large enterprise customer is SEK8m–10m.

Lowered fair value range

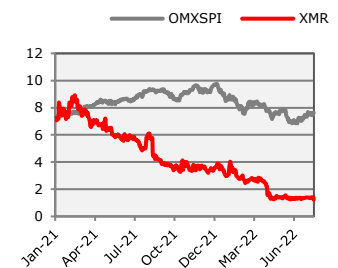
In this research update, we lower our fair value range thanks to softer sales expectations. We forecast a SEK25m equity issue in H1 2023 and assume this is done at a standard discount, leading to a 40% dilution. Our updated fair value range spans from SEK0.1–5 (0.5–5), and our Base Case is SEK1 (1.5). The fair value range continues to be very wide, owing to the unpredictable nature of XMReality's long-term growth and profitability.

Key Financials (SEKm)	2019	2020	2021	2022E	2023E	2024E
Sales	12	21	22	20	28	37
Sales growth	17%	74%	6%	-10%	40%	35%
EBITDA	-23	-20	-28	-31	-27	-22
EBIT	-27	-25	-33	-36	-33	-28
EBIT Margin (%)	-229%	-119%	-152%	-183%	-118%	-75%
Net Income	-27	-25	-33	-36	-33	-28
EV/S	2.9	10.7	4.5	2.5	3.6	3.6
EV/EBITDA	neg	neg	neg	neg	neg	neg
EV/EBIT	neg	neg	neg	neg	neg	neg

FAIR VALUE RANGE

BEAR	BASE	BULL
0.1	1.0	5.0

XMR VERSUS OMXSPI



REDEYE RATING



KEY STATS

Ticker	XMR
Market	First North
Share Price (SEK)	1.2
Market Cap (SEKm)	50
Net Debt 2022e (SEKm)	-1
Free Float (%)	72

ANALYSTS

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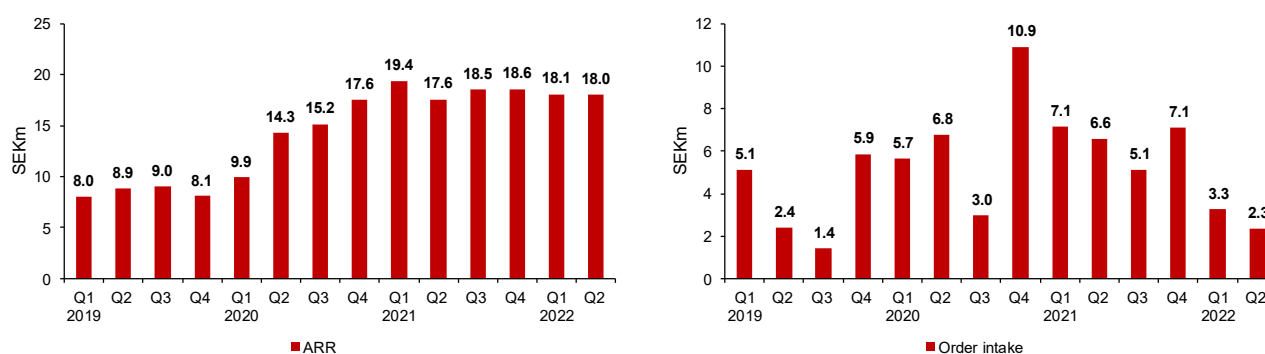
Q2 2022: Weak order intake

ARR growth remains flat

Annual recurring revenue (ARR) was SEK18m in Q2 2022, growing 3% YoY and flat QoQ. XMReality reported its highest-ever ARR in Q1 2021, more or less one year into the pandemic. We understand that some of its larger customers, including Nestlé, invested heavily in Remote Guidance at the height of the pandemic, purchasing many licenses. A handful of customers have not managed to utilize all of these, which has led to some downsizing. This has been an essential factor limiting ARR growth.

Weaker-than-expected order intake

Order intake was SEK2.3m in Q2 2022, very weak in relation to previous quarters, as seen in the chart below. CEO commentary highlights some hesitation in the market, especially on behalf of customers with operations in Russia. We understand that a couple of XMReality's customers were planning to undertake broad Remote Guidance deployments in Russia – it is more convenient for these companies to use Remote Guidance instead of sending technicians there (even before the war). Moreover, there is a general component shortage that most industrial companies are addressing. Uncertainties like these essentially put brakes on large digitization projects, where XMReality sees its growth potential.



Source: Redeye Research, company data

Another quarter with decreasing sales

Net sales amounted to SEK4.6m in Q2 2022, growing -18% YoY and -4% QoQ, missing our expectations by 11%. This is the sixth consecutive quarter with decreasing sequential sales. However, this is no surprise given the weak order intake.

Greater capitalizations of product development

Other operating income was SEK4.4m in Q2 2022. As seen in the table below, other operating income has amounted to SEK0.5m–1m quarterly from Q1 2021 to Q1 2022. The company states that it will capitalize more of its product development thanks to its new product strategy. Thus, total income came in 50% higher than expected.

Strengthened gross margin

The gross profit was SEK4.4m, which translates into a 95% gross margin, beating our estimate by 1%-point. The gross margin increased 6%-points YoY, thanks to a higher share of software (licenses) sales. This is the fourth consecutive quarter where the gross margin has been ~95%, which we assess is very good. We think this reflects XMReality's long-term potential to achieve operating leverage and high profitability.

Large investments behind a decreased operating margin

EBIT was -SEK9.4m, which translates into an EBIT margin of -203%, beating our estimate by 11%-points. The EBIT margin decreased 67%-points YoY, but improved slightly QoQ. XMReality has carried out large investments in product development and its US operations since 2021, resulting in an immediate cost base increment. These types of investments typically result in a temporary operating margin decrease for SaaS companies since revenues are phased over the contract period. CEO commentary states that it is building out a good sales pipeline and aims to announce more agreements in H2 2022 thanks to these investments.

The total cost base (OpEx and D&A) amounted to SEK18.4m, growing 32% YoY and 11% QoQ. This corresponds to SEK74m on an annualized basis. XMReality has exhibited at five trade shows in Q2 2022, which has a meaningful impact on travel expenses. We understand that these costs are expected to decrease somewhat in Q3 2022.

XMReality: forecast deviations								
SEKm	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Actual Q2 22	Estimate Q2 22	Diff (%)
Net sales	5.8	5.7	5.4	5.1	4.8	4.6	5.2	-11%
Other income	0.5	0.6	0.5	0.8	1.0	4.4	0.8	453%
Total income	6.3	6.2	5.8	5.9	5.8	9.0	6.0	51%
OpEx	-11.3	-12.6	-11.4	-17.1	-15.2	-17.0	-15.8	
Gross profit margin	5.3	5.1	5.1	4.8	4.5	4.4	4.9	1pp
	90%	89%	95%	94%	94%	95%	94%	
EBITDA margin	-4.9	-6.4	-5.6	-11.2	-9.4	-7.9	-9.8	17pp
	-84%	-112%	-104%	-219%	-195%	-172%	-189%	
D&A	-1.3	-1.3	-1.4	-1.2	-1.4	-1.4	-1.3	
EBIT margin	-6.2	-7.7	-7.0	-12.4	-10.8	-9.4	-11.1	11pp
	-107%	-136%	-130%	-244%	-224%	-203%	-214%	
Net finance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
PTP	-6.3	-7.7	-7.0	-12.4	-10.8	-9.4	-11.1	
Net income	-6.3	-7.7	-7.0	-12.4	-10.8	-9.4	-11.1	
ARR	19.4	17.6	18.5	18.6	18.1	18.0		

Source: Redeye (estimates), company data (historicals)

Strained financial position – looming capital raise

Ending Q2 2022, XMReality's cash position was SEK24m. Cash flow before finance activities amounted to -SEK12.5m in the quarter, which means about -SEK50m annualized. The company has maintained a burn rate of ~SEK9m in each of the three preceding quarters. Thus, we assess that XMReality will keep a cash burn of about SEK10m per quarter in the near term. The current cash position should support operations throughout 2022, but we don't dismiss the possibility of a capital raise in H2 2022.

We forecast a SEK25m equity issue in H1 2023, and assume this is done at a standard discount. This would lead to a 40% dilution from today. It is worth mentioning that XMReality has a committed long-term owner in Spiltan Investment, which holds >20% of the capital – this facilitates future capital injections. Moreover, XMReality completed a gross SEK56m directed issue in Q2 2021.

Financial forecast

Lowering sales expectations

We cut sales expectations by 7% over our forecast period owing to the sales miss and weak order intake. Moreover, we anticipate a slightly higher cost base. We expect sales will amount to SEK20m in 2022e, growing -10% YoY (+8% QoQ in each of the remaining quarters this year). After that, we model 40% and 35% growth in 2023e and 2024e. The EBIT margin was about -200% in Q2 2022, and we expect it to approach -75% at the end of our detailed forecast period (2024e). We expect the company to become EBIT profitable in 2025/26e. Our terminal EBIT margin assumption is 25%, which equates to a 33% EBITDA margin.

XMReality: forecast adjustments				
SEKm		2022e	2023e	2024e
Net sales	Old	21	30	40
	New	20	28	37
<i>change (%)</i>		-7%	-7%	-7%
EBITDA	Old	-35	-30	-23
	New	-31	-27	-22
<i>change (%)</i>		-13%	-11%	-5%
EBIT	Old	-41	-36	-30
	New	-36	-33	-28
<i>change (%)</i>		-11%	-10%	-5%

Source: Redeye Research, company data

Income statement (SEKm)	2020	2021	Q1	Q2	Q3e	Q4e	2022e	2023e	2024e
Net sales	20.7	22.0	4.8	4.6	5.0	5.4	19.8	27.7	37.4
YoY	74%	6%	-18%	-18%	-7%	6%	-10%	40%	35%
Other income	2.4	2.4	1.0	4.4	4.0	4.0	13.4	16.0	16.0
Total income	23.1	24.3	5.8	9.0	9.0	9.4	33.2	43.7	53.4
CoGS	-2.0	-1.7	-0.3	-0.2	-0.2	-0.3	-1.0	-1.4	-1.9
Personnel	-20.3	-23.4	-8.2	-9.0	-8.0	-8.8	-33.9	-37.3	-39.6
External	-19.8	-27.0	-6.7	-7.6	-6.8	-7.8	-28.9	-31.8	-33.7
Other costs	-0.5	-0.3	-0.0	-0.1	-	-	-0.1	-	-
D&A	-5.0	-5.3	-1.4	-1.4	-1.2	-1.3	-5.4	-5.8	-6.4
Total	-47.7	-57.7	-16.6	-18.4	-16.3	-18.2	-69.5	-76.4	-81.5
Gross profit	18.7	20.3	4.5	4.4	4.7	5.1	18.8	26.3	35.5
margin	90%	92%	94%	95%	95%	95%	95%	95%	95%
EBITDA	-19.5	-28.1	-9.4	-7.9	-6.1	-7.4	-30.8	-26.8	-21.8
margin	-94%	-128%	-195%	-172%	-121%	-138%	-156%	-97%	-58%
EBIT	-24.5	-33.3	-10.8	-9.4	-7.3	-8.8	-36.3	-32.7	-28.1
margin	-119%	-152%	-224%	-203%	-146%	-163%	-183%	-118%	-75%
PTP	-24.8	-33.4	-10.8	-9.4	-7.3	-8.8	-36.3	-32.7	-28.2
Tax	-	-	-	-	-	-	-	-	-
Net income	-24.8	-33.4	-10.8	-9.4	-7.3	-8.8	-36.3	-32.7	-28.2
margin	-120%	-152%	-225%	-203%	-147%	-163%	-183%	-118%	-75%
EPS	-0.73	-0.82	-0.26	-0.23	-0.18	-0.21	-0.89	-0.48	-0.41
EPS, diluted	-0.73	-0.82	-0.26	-0.23	-0.18	-0.21	-0.89	-0.48	-0.41

Valuation

We derive our fair value range from a fundamental DCF framework for three scenarios, base case (most likely), bear case (pessimistic), and bull case (optimistic), using a WACC of 12% across all scenarios.

In this research update, we lower our fair value range thanks to softer sales expectations. We forecast a SEK25m equity issue in H1 2023 and assume this is done at a standard discount, leading to a 40% dilution. Our updated fair value range spans from SEK0.1–5 (0.5–5), and our Base Case is SEK1 (1.5). The fair value range continues to be very wide, owing to the unpredictable nature of XMReality's long-term growth and profitability.

XMReality's share has fallen >65% YTD. At current trading, the market capitalization stands at ~SEK50m. The net cash position was ~SEK24m in Q2 2022, and assuming it burns SEK20m throughout H2 2022, the expected net cash position stands at SEK4m by year-end 2022. This corresponds to an enterprise value of SEK46m. An ARR of SEK20m by year-end 2022 translates into an EV/ARR ratio of 2.3x.

In relation to a group of Nordic SaaS companies (as seen on the next page), XMReality trades at a discount on near-term EV/S multiples. The group trades at a median 2022 EV/S ratio of 3.4x, with this falling to 2.7x by 2023. In contrast, XMReality trades at a 2023 EV/S ratio of about 1x (based on the last-reported net debt). We assume that negative sales growth, significant operating losses and a strained financial position have contributed to this market sentiment. Once some of these issues resolve, particularly sales growth and the looming capital raise, we expect to see expanding EV/S multiples. Solid quarterly reports will likely constitute essential near-term catalysts.

Bear Case SEK0.1 (0.5)

Sales CAGR 2021-2025E: 10%
Sales CAGR 2025E-2030E: 8%
Avg. EBIT-m 2021-2025E: -110%
Avg. EBIT-m 2025E-2030E: 5%
Terminal growth: 2%
Terminal EBIT-m: 15%
WACC: 12%

Base Case: SEK1 (1.5)

Sales CAGR 2021-2025E: 23%
Sales CAGR 2025E-2030E: 25%
Avg. EBIT-m 2021-2025E: -98%
Avg. EBIT-m 2025E-2030E: 10%
Terminal growth: 2%
Terminal EBIT-m: 25%
WACC: 12%

Bull Case SEK5 (5)

Sales CAGR 2021-2025E: 35%
Sales CAGR 2025E-2030E: 35%
Avg. EBIT-m 2021-2025E: -80%
Avg. EBIT-m 2025E-2030E: 15%
Terminal growth: 2%
Terminal EBIT-m: 35%
WACC: 12%

Company name	EV	EV/S		EV/EBIT		Sales growth		EBIT margin	
	SEKm	2022	2023	2022	2023	2022	2023	2022	2023
Nordic SaaS									
Addnode Group AB Class B	14,818	2.6	2.4	29.0	26.5	39%	8%	9%	9%
Admicom Oyj	3,243	9.8	8.5	24.9	21.6	31%	15%	40%	40%
Bambuser AB	677	3.1	2.4	neg	neg	56%	31%	-106%	-89%
Briox AB	189	20.4	12.5	neg	neg	49%	64%	-239%	-113%
BuildData Group AB	211	2.4	1.9	neg	neg	0%	23%	-22%	-16%
Carasent ASA	1,375	6.7	5.5	50.3	39.1	49%	23%	13%	14%
Checkin.com Group AB	708	9.2	4.7	neg	49.1	98%	96%	-16%	10%
Efecte Oyj	677	3.1	2.6	neg	neg	21%	19%	-1%	0%
FormPipe Software AB	1,506	3.1	2.7	66.9	25.1	4%	12%	5%	11%
Fortnox AB	36,098	28.5	21.3	77.6	53.6	36%	33%	37%	40%
Irisity AB	590	3.4	2.0	neg	33.9	125%	72%	-38%	6%
LeadDesk Oyj	581	1.9	1.7	neg	neg	21%	14%	-7%	-2%
Lime Technologies AB	4,203	8.7	7.5	46.7	36.6	20%	16%	19%	20%
Litium AB	206	3.0	2.3	neg	>100	19%	27%	-17%	1%
Mercell Holding AS	4,947	5.4	4.7	>100	46.2	30%	15%	2%	10%
Mintra Holding AS	674	2.5	2.4	12.3	11.1	14%	5%	21%	22%
PatientSky Group AS	526	2.4	2.3	neg	neg	4%	8%	-35%	-25%
Nordhealth AS	1,215	3.8	2.8	neg	neg	57%	35%	-43%	-28%
Pexip Holding ASA	804	0.8	0.7	neg	78.5	27%	15%	-20%	1%
Physitrack Limited	562	4.2	3.4	23.6	14.5	70%	23%	18%	23%
SmartCraft ASA Class A	3,146	8.9	7.6	28.2	22.5	31%	17%	31%	34%
Upsales Technology AB	1,246	9.6	7.2	54.2	32.8	40%	34%	18%	22%
Vertiseit AB Class B	803	2.6	2.1	80.3	19.1	na	24%	3%	11%
Vitec Software Group AB Class B	16,253	8.5	7.4	46.1	37.1	22%	15%	18%	20%
CSAM Health Group AS	1,278	2.8	1.9	neg	98.5	37%	53%	-3%	2%
<i>Average</i>	<i>3,861</i>	<i>6.3</i>	<i>4.8</i>	<i>21.6</i>	<i>25.8</i>	<i>36%</i>	<i>28%</i>	<i>-12%</i>	<i>1%</i>
<i>Median</i>	<i>804</i>	<i>3.4</i>	<i>2.7</i>	<i>46.4</i>	<i>33.9</i>	<i>31%</i>	<i>23%</i>	<i>2%</i>	<i>10%</i>
XMReality AB	26	1.3	0.9	neg	neg	-10%	40%	-183%	-118%

Source: FactSet, Redeye

Summary Redeye Rating

The rating consists of three valuation keys, each constituting an overall assessment of several factors that are rated on a scale of 0 to 1 points. The maximum score for a valuation key is 5 points.

Rating changes in the report:

We have changed the rating in this report on the back of an updated model for the rating system. The new ratings are People 3 (4), Business 3 (3) and Financials 1 (2).

People: 3

Management shows a solid understanding of the market and is focused on increasing sales in selected core verticals, namely food and beverage, packaging, medtech, and manufacturing. The board possesses a broad area of expertise covering experience from start-ups, the IT industry, and management positions for large global companies. Additionally, we regard the ownership of Spiltan as a rubber stamp of approval toward its qualities – holding >20% of the capital.

Business: 3

XMReality is active in a rapidly growing market, where numerous globally leading industries are showing interest in technologies that can rationalize their service operations. Although the company has several direct competitors, its product offering seems competitive so far. XMReality's business model is scalable, and the company applies a licensing model for its software offering, which enables recurring revenues and high margins.

Financials: 1

The company has negative earnings and cash flow profiles. The retrospective nature of the rating impedes XMReality from achieving a better score. At the same time, we forecast significant sales growth over the foreseeable future.

	2021	2022E	2023E	2024E			2021	2022E	2023E	2024E
INCOME STATEMENT					DCF Valuation Metrics	Sum FCF (SEKm)				
Sales	22	20	28	37	2021-25					-73
Cost of Sales	2	1	1	2	2026-31					49
Gross Profit	20	19	26	36	2031-					90
Operating Expenses	51	63	69	73	Firm Value					66
EBITDA	-28	-31	-27	-22	Net Debt					-1
Depreciation & Amortization	5	5	6	6	Equity Value					67
EBIT	-33	-36	-33	-28	Fair Value per Share					1
Net Financial Items	0	0	0	0						
EBT	-33	-36	-33	-28	CAPITAL STRUCTURE					
Income Tax Expenses	0	0	0	0	Equity Ratio	0.7	0.3	0.1		83.0
Non-Controlling Interest	0	0	0	0	Debt to equity	0.0	0.0	0.0		0.0
Net Income	-33	-36	-33	-28	Net Debt	-45	-1	16		51
					Capital Employed	45	9	1		-27
					Working Capital Turnover	-49.4	-25.0	-33.3		-50.0
BALANCE SHEET					GROWTH					
Assets					Sales Growth	6%	-10%	40%		35%
Current assets					Basic EPS Growth	12%	9%	-46%		-14%
Cash & Equivalents	45	1	-16	-51	Adjusted Basic EPS Growth	12%	9%	-46%		-14%
Inventories	0	0	0	0						
Accounts Receivable	8	7	9	12	PROFITABILITY					
Other Current Assets	0	0	0	0	ROE	-95%	-134%	-643%		219%
Total Current Assets	53	8	-6	-39	ROCE	-74%	-405%	-2565%		105%
					ROIC	-253%	-265%	-145%		-86%
Non-current assets					EBITDA Margin (%)	-128%	-156%	-97%		-58%
Property, Plant & Equipment, Net	0	0	0	0	EBIT Margin (%)	-152%	-183%	-118%		-75%
Goodwill	0	0	0	0	Net Income Margin (%)	-152%	-183%	-118%		-75%
Intangible Assets	10	18	29	39						
Right-of-Use Assets	0	0	0	0	VALUATION					
Shares in Associates	0	0	0	0	Basic EPS	-0.8	-0.9	-0.5		-0.4
Other Long-Term Assets	0	0	0	0	Adjusted Basic EPS	-0.8	-0.9	-0.5		-0.4
Total Non-Current Assets	11	18	29	38	P/E	neg	neg	neg		neg
					EV/S	4.5	2.5	3.6		3.6
Total Assets	64	26	22	0	EV/EBITDA	neg	neg	neg		neg
					EV/EBIT	neg	neg	neg		neg
Liabilities					P/B	3.2	5.6	68.3		neg
Current liabilities					SHAREHOLDER STRUCTURE				CAPITAL %	VOTES %
Short-Term Debt	0	0	0	0	Investment AB Spiltan				23.5%	23.5%
Short-Term Lease Liabilities	0	0	0	0	Avanza Pension				7.9%	7.9%
Accounts Payable	9	8	11	13	Lars Svensson				4.9%	4.9%
Other Current Liabilities	0	0	0	0	Adriago Asset Management				4.4%	4.4%
Total Current Liabilities	19	17	21	27	Nordnet Pensionsförsäkring				3.8%	3.8%
					SHARE INFORMATION					
Non-current liabilities					Reuters code					XMR.ST
Long-Term Debt	0	0	0	0	List					First North
Long-Term Lease Liabilities	0	0	0	0	Share price					1.23
Other Long-Term Liabilities	0	0	0	0	Total shares, million					40.92
Total Non-current Liabilities	0	0	0	0						
					MANAGEMENT & BOARD					
Non-Controlling Interest	0	0	0	0	CEO					Jörgen Remmelg
Shareholder's Equity	45	9	1	-27	CFO					Lotta Ekerbring
Total Liabilities & Equity	64	26	22	0	Chairman					Björn Persson
					ANALYSTS					
CASH FLOW										Redeye AB
NOPAT	-33	-36	-33	-28	Forbes Goldman					Mäster Samuelsgatan 42, 10tr
Change in Working Capital	3	0	0	0						111 57 Stockholm
Operating Cash Flow	-25	-31	-25	-19						
Capital Expenditures	0	0	0	0						
Investment in Intangible Assets	-2	-13	-16	-16						
Investing Cash Flow	-2	-13	-16	-16						
Financing Cash Flow	54	0	25	0						
Free Cash Flow	-27	-44	-42	-36						

Redeye Rating and Background Definitions

Company Quality

Company Quality is based on a set of quality checks across three categories; PEOPLE, BUSINESS, FINANCE. These are the building blocks that enable a company to deliver sustained operational outperformance and attractive long-term earnings growth.

Each category is grouped into multiple sub-categories assessed by five checks. These are based on widely accepted and tested investment criteria and used by demonstrably successful investors and investment firms. Each sub-category may also include a complementary check that provides additional information to assist with investment decision-making.

If a check is successful, it is assigned a score of one point; the total successful checks are added to give a score for each sub-category. The overall score for a category is the average of all sub-category scores, based on a scale that ranges from 0 to 5 rounded up to the nearest whole number. The overall score for each category is then used to generate the size of the bar in the Company Quality graphic.

People

At the end of the day, people drive profits. Not numbers. Understanding the motivations of people behind a business is a significant part of understanding the long-term drive of the company. It all comes down to doing business with people you trust, or at least avoiding dealing with people of questionable character.

The People rating is based on quantitative scores in seven categories:

- Passion, Execution, Capital Allocation, Communication, Compensation, Ownership, and Board.

Business

If you don't understand the competitive environment and don't have a clear sense of how the business will engage customers, create value and consistently deliver that value at a profit, you won't succeed as an investor. Knowing the business model inside out will provide you some level of certainty and reduce the risk when you buy a stock.

The Business rating is based on quantitative scores grouped into five sub-categories:

- Business Scalability, Market Structure, Value Proposition, Economic Moat, and Operational Risks.

Financials

Investing is part art, part science. Financial ratios make up most of the science. Ratios are used to evaluate the financial soundness of a business. Also, these ratios are key factors that will impact a company's financial performance and valuation. However, you only need a few to determine whether a company is financially strong or weak.

The Financial rating is based on quantitative scores that are grouped into five separate categories:

- Earnings Power, Profit Margin, Growth Rate, Financial Health, and Earnings Quality.

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Disclaimer

Important information

Redeye AB ("Redeye" or "the Company") is a specialist financial advisory boutique that focuses on small and mid-cap growth companies in the Nordic region. We focus on the technology and life science sectors. We provide services within Corporate Broking, Corporate Finance, equity research and investor relations. Our strengths are our award-winning research department, experienced advisers, a unique investor network, and the powerful distribution channel redeye.se. Redeye was founded in 1999 and since 2007 has been subject to the supervision of the Swedish Financial Supervisory Authority.

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Recommendation structure

Redeye does not issue any investment recommendations for fundamental analysis. However, Redeye has developed a proprietary analysis and rating model, Redeye Rating, in which each company is analyzed and evaluated. This analysis aims to provide an independent assessment of the company in question, its opportunities, risks, etc. The purpose is to provide an objective and professional set of data for owners and investors to use in their decision-making.

Redeye Rating (2022-08-12)

Rating	People	Business	Financials
5p	32	15	4
3p - 4p	157	139	48
0p - 2p	5	40	142
Company N	194	194	194

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