

So far, the year 2022 has largely been characterized by low risk appetite and a restrained climate for raising capital, which is why EPTI during Q2-22 has taken precautionary measures and applied an adjustment to the holdings within EPTI Invest AB that are deemed to have an increased risk of lower valuations in the short term. In an uncertain market situation, where several fast-growing and unprofitable companies are experiencing difficulties in raising capital, Analyst Group sees it as extra beneficial for the portfolio companies to be part of EPTI's ecosystem, by taking advantage of operational support and a wide network of investors, to enable continued growth. Through a Sum of the Parts (SOTP)-valuation of the current portfolio companies, adjusted for a substance premium and investable capital, a justified value per share of EUR 0.48 is derived in a Base scenario.

Stable Growth whilst Good Cost Consciousness

During Q2-22, EPTI delivered a net revenue of EUR 4.5m (0.8), which corresponds to a growth of 483% Y-Y, at the same time it is a decrease of 12% Q-Q, as a result of EPTI no longer being the majority shareholder in Apotekamo, Bruger, Workamo and D1 Technologies, which during the first quarter contributed a net revenue of EUR 1.5m, which is not included in the second quarter's revenue. On a pro forma basis, including the mentioned holdings, net revenue amount to EUR 6.6 during Q2-22, corresponding to a growth of 30% Q-Q. This, in combination with a cost reduction of 28% Q-Q, contributed to the EBITDA result turning positive during Q2-22 and amounted to approximately EUR 0.1m.

Attractive Market Cap Compared to NAV

Considering today's market cap of approximately EUR 23.1m, as well as the reported net asset value at the end of June 2022 of EUR 65.6, EPTI is traded today at a discount of 65%. Given that the Company would be acquired at current market value, it roughly corresponds the value of the holdings Adhype and EPTI Factory, which are valued at a conservative multiple of 12x the EBITDA result (R12), although Adhype has delivered an average EBITDA growth over the past three years of 58%. The remaining portfolio companies would be obtained for free, which includes 23 innovative companies with good conditions for growing within EPTI's proven ecosystem. Thus, Analyst Group believes that the current market cap continues to be an attractive investment opportunity with good risk-reward.

Updated Valuation Range

With the Q2 report presented, we believe that EPTI is developing at a good pace with increased organic growth and rising profitability. At the same time, taking into account a continuing challenging market climate with increased risk aversion, as well as a risk premium, for especially fast-growing small companies that are not yet profitable, we are therefore presenting an updated valuation range in connection with this analysis update.

CURRENT PRICE | EUR 0.22

VALUATION RANGE

BEAR
EUR 0.21

BASE
EUR 0.48

BULL
EUR 0.63

EPTI AB		
Share Price (2022-09-09) (EUR)	0.22	
Outstanding Shares (M)	106.8	
Market Cap. (EURm)	23.1	
Investable Capital (EURm)	2.9	
Enterprise Value (EURm)	24.8	
1 Year Price Range (EUR)	n.a.	
Exchange	Nasdaq First North Growth Market	
SHARE PRICE DEVELOPMENT		
1 Month	-29.5%	
3 Months	-38.2%	
1 Year	n.a.	
YTD	-71.1%	
OWNERS (SOURCE: HOLDINGS)		
1. Arli Mujkic	47.1%	
2. Allanova AB	6.7%	
3. Nordnet Pension	4.2%	
4. Måns P. Söderlind	3.6%	
5. Tord Lendau	3.5%	
6. Mpso Holding	3.4%	
7. Sebastian Nyaiesh	2.3%	
8. Avanza Pension	2.3%	
9. Felix Granander	1.7%	
10. William Moulod	1.5%	
CEO AND CHAIRMAN		
CEO	Arli Mujkic	
Chairman	Hans Isoz	
FINANCIAL CALENDAR		
Q3-22	2022-11-17	
ESTIMATES (BASE SCENARIO)		
	Motivated NAV per 2022-08-31	Percentage of The Portfolio
Gaming (EURk)	7,780	9.0%
Fintech (EURk)	3,268	5.1%
Marketplace (EURk)	8,955	8.8%
SaaS (EURk)	16,246	25.8%
Service (EURk)	32,944	48.2%
Investable Capital (EURk)	2,875	3.1%
Net Asset Value (EURk)		69,194
Substance Premium (+) / Substance Discount (-)		-15%
Investable Capital (EURk)		2,875
Motivated Market Cap. (EURk)		51,310
Price Per Share (EUR)		0.48

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Other

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