



Case Swappie

A practical example of a business analysis

Argon Pro Oy

Timo Nurminiemi

www.argonpro.com

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Training sessions related to the various areas of this report in December (in Finnish only)

- **Taloustaitoja esimiehille ja asiantuntijoille 11 - 12.12.2023**
 - Read more [here](#)
 - register before 4.12.2023
- **Tulosmittareista kassavirran mallintamiseen 18 - 19.12.2023**
 - For finance professionals
 - Read more [here](#)
 - register before 11.12.2023
- After these, the following training sessions will be in 2024



This report provides an overview of,

- Financial history and forecast of Swappie Oy
 - Profit, balance sheet, cash flow and financing for 2018 -2022
 - Profit, balance sheet, cash flow and financing forecast for 2023 -2027
 - The so-called Basic-, or BaseCase - scenario
- Two additional scenarios for the future
 - Optimistic (HighCase), and Pessimistic (LowCase)
- The Cost of Capital (WACC) for Swappie
- Preliminary valuation
- Generic value drivers affecting Swappie Oy's cash flow and value



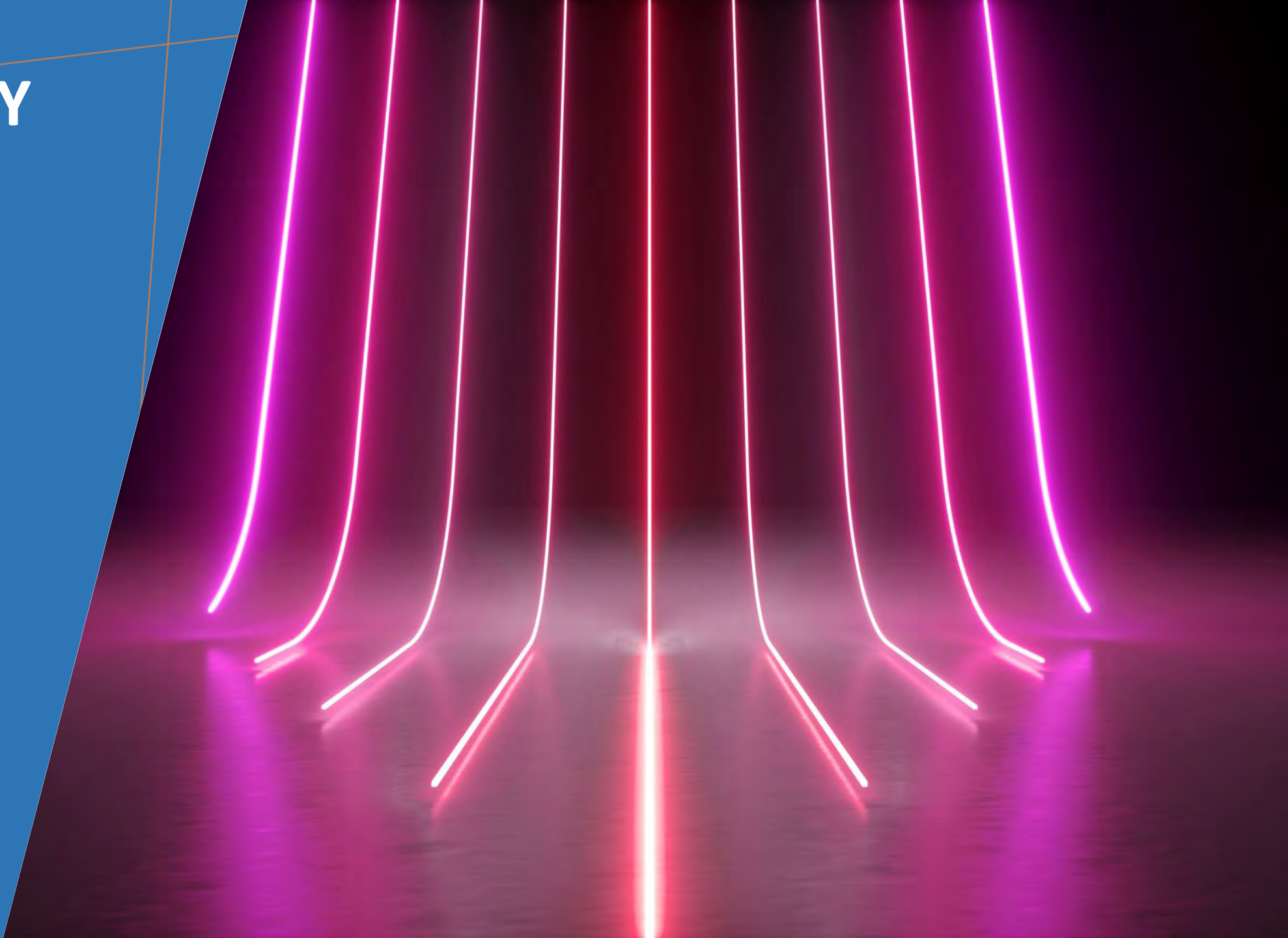
Agenda

- Information available
- Swappie Oy
 - Financial history 2018 - 2022
 - Forecasts and scenarios for 2023 - 2027
 - Preliminary valuation
 - Key findings and considerations
- About the Value Based Management

Information available

- Annual closings of Swappie Oy for 2016 - 2022
- Web pages of Swappie Oy
- Data and databases for defining Cost of Capital
 - Damodaran and Kroll
 - Valu8 database

SWAPPIE OY

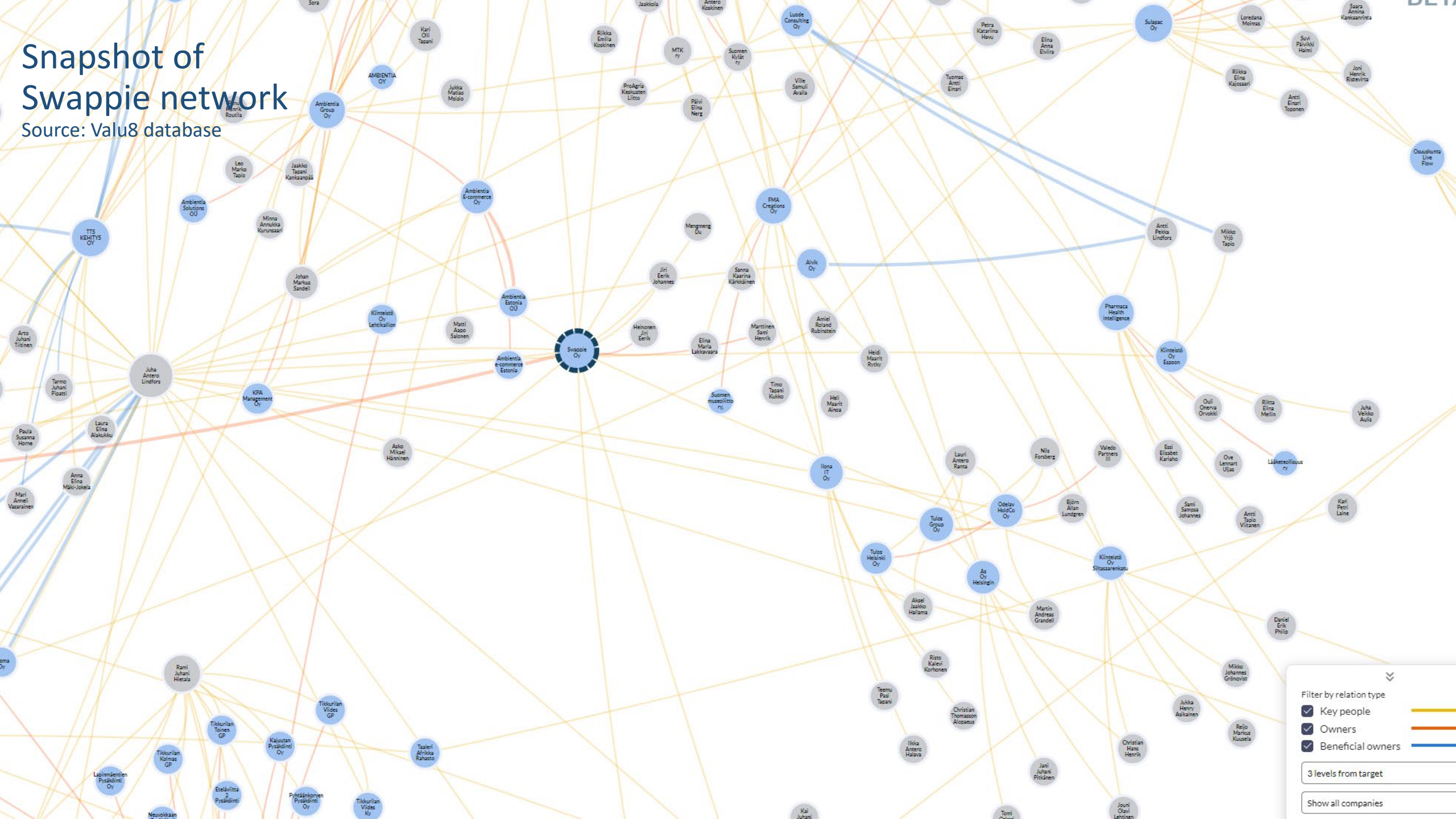


Swappie Oy

- **Company ID** FI26923284
- **Swappie** is a Finnish technology company that specializes in refurbishing and selling used iPhones. The company's business model involves buying used iPhones, refurbishing them to a like-new condition, and then selling them with a warranty. This provides a more affordable and environmentally friendly alternative for consumers looking to purchase iPhones.
- **Swappie** differentiates itself from its competitors in several ways: **1. Quality Assurance:** Swappie Oy has a rigorous 52-step inspection process that ensures all their refurbished phones are in excellent condition. This gives customers confidence in the quality of the products they are purchasing. **2. Warranty:** Swappie Oy offers a 12-month warranty on all their phones, which is not always the case with other companies in the refurbished phone market. **3. Customer Service:** Swappie Oy places a strong emphasis on customer service, offering support and assistance throughout the purchasing process. **4. Sustainability:** By refurbishing and selling used phones, Swappie Oy is promoting a more sustainable approach to technology consumption, which is increasingly important to many consumers. **5. Competitive Pricing:** Swappie Oy offers competitive pricing on their products, making them an attractive option for customers looking for high-quality, affordable smartphones. **6. Wide Range of Products:** Swappie Oy offers a wide range of products, including different models and brands of smartphones, providing customers with a variety of options to choose from. **7. User-Friendly Website:** Swappie Oy's website is easy to navigate, making the shopping experience smooth and convenient for customers.
- The closest peers to **Swappie**, a company that specializes in refurbished smartphones, would be other companies in the refurbished electronics industry.
- These could include:
 - Gazelle Inc.,
 - Back Market,
 - Decluttr,
 - musicMagpie,
 - CeX,
 - GameStop Corp.,
 - ReBuy,
 - SellCell, ja
 - ecoATM

Snapshot of Swappie network

Source: Valu8 database

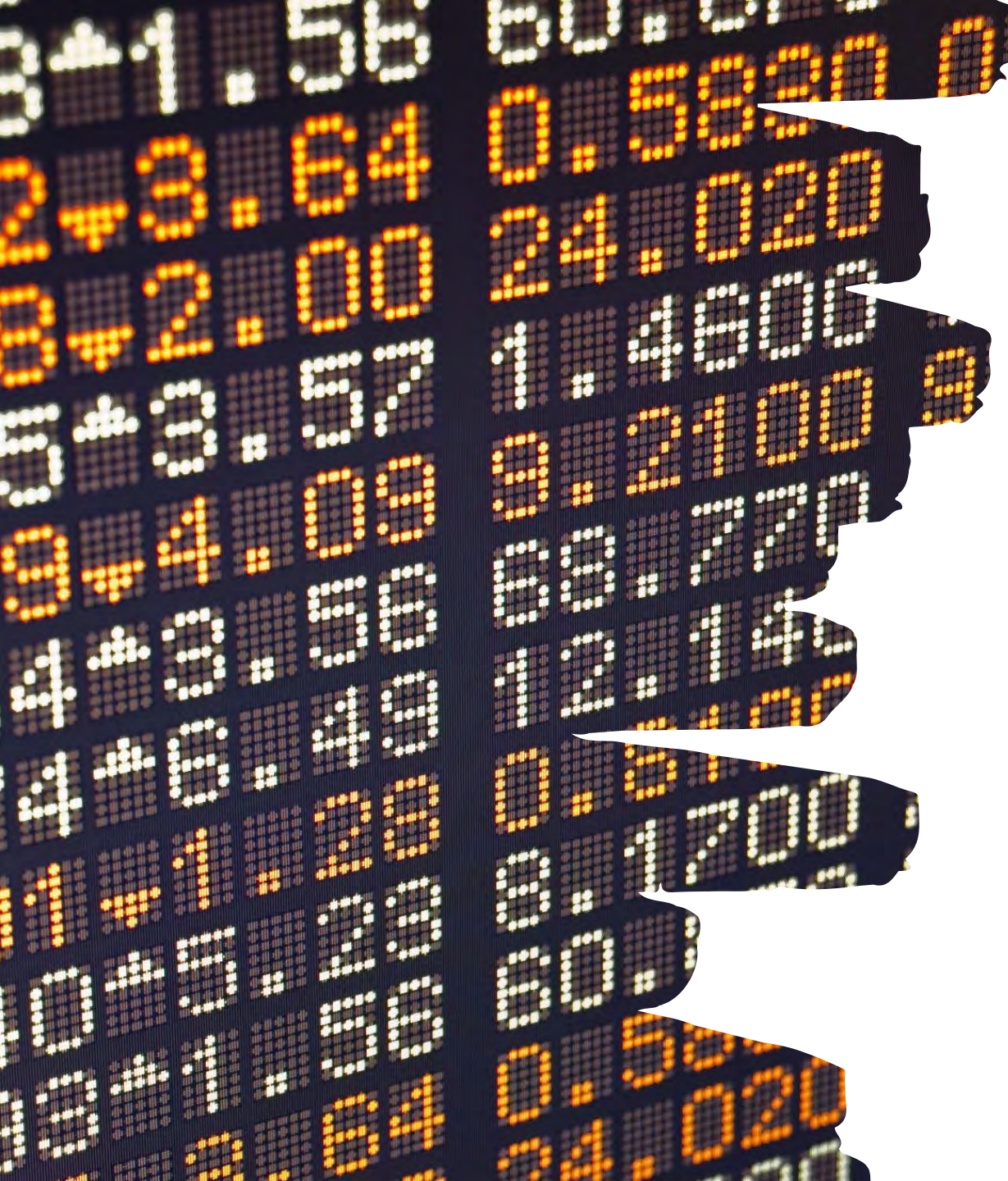


Filter by relation type

- Key people
- Owners
- Beneficial owners

3 levels from target

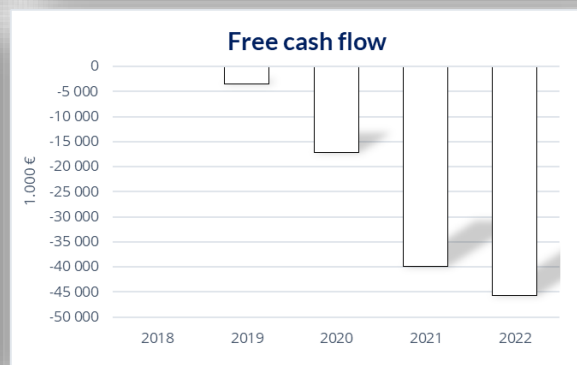
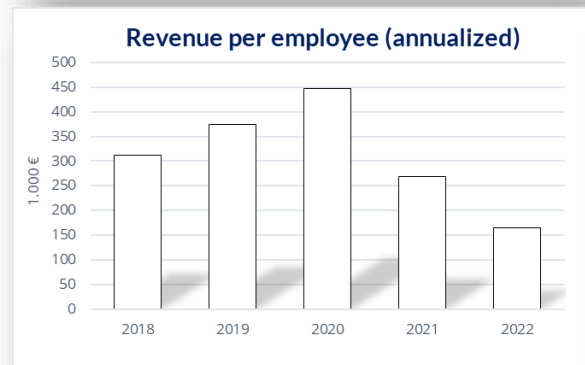
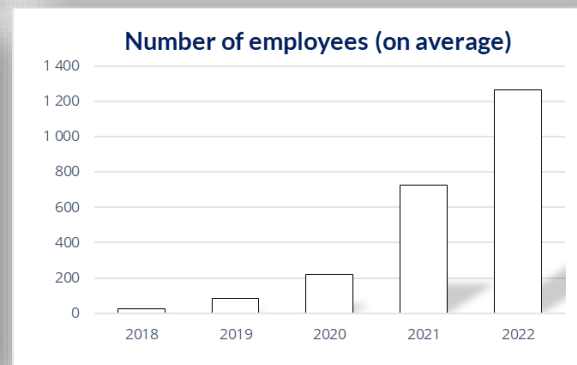
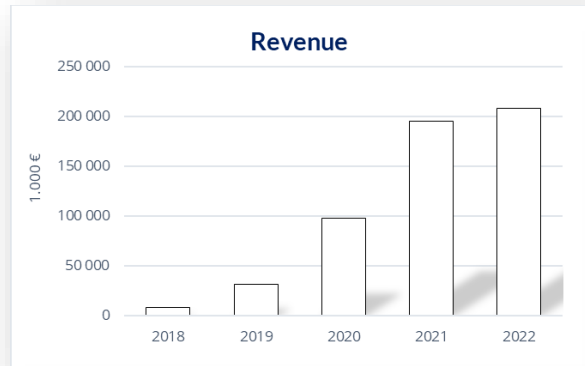
Show all companies



Financial history 2018 - 2022

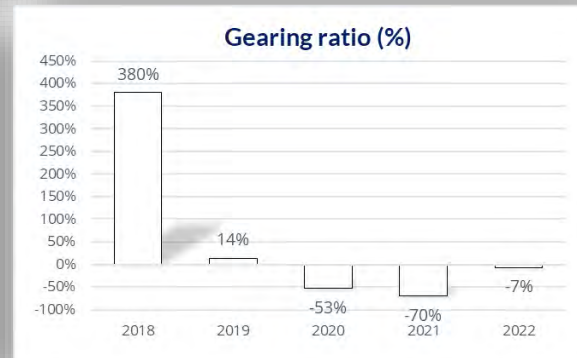
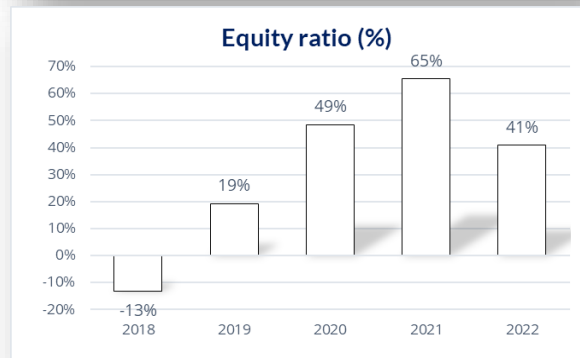
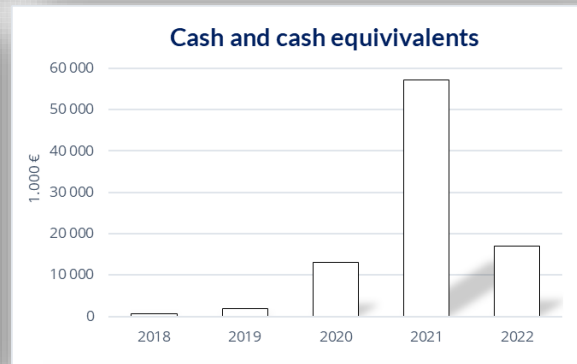
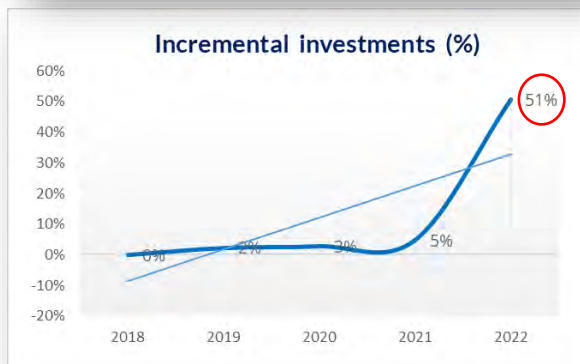
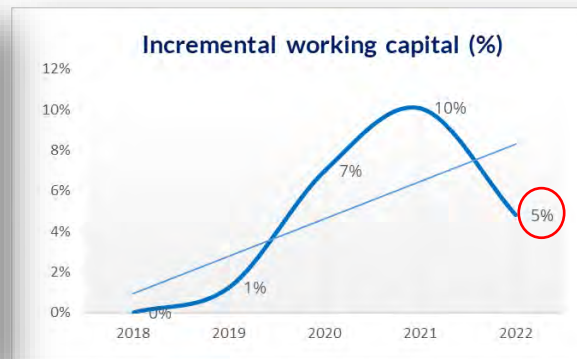
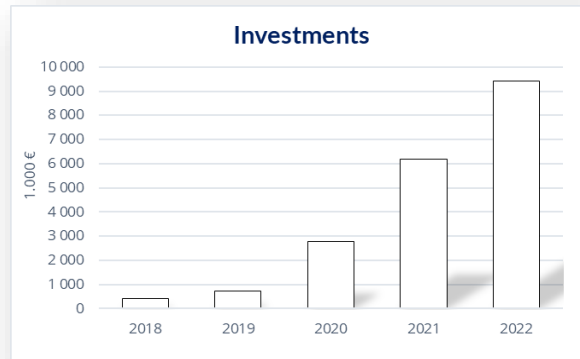
Swappie Oy's history from
a financial perspective

Finances 2018 - 2022



- Accounting period for 2018 14 mths, other periods 12 mths
- Significant growth in revenue stopped in 2022
 - Increase in revenue 2022 only +6 %
 - Growth (CAGR, 2018 - 2022) 123 %
 - Revenue per employee collapsed (-47 %)
- Gross profit margin (%) has decreased for almost the entire historical period
 - 23,1 % => 21,4 % (change -7,4 %)
- Number of employees increased +74 % (2022)
 - Personnel expenses increased +55 %
 - Downsizing process implemented (18.1.2023) in order to decrease number of employees by 251 tasks/employees
- Depreciations increased by approx. +129 %
 - Marketing and software development costs activated into the balance sheet
- Free cash flow from business operations is approx. -106 million euros for the entire review period 2018 - 2022
 - Turn in inventory increased
 - Investments/activations increased
 - Losses have decreased the cash level

Finances 2018 - 2022



- Working capital for growth (2022) 5 %
 - For each 1,00 euro of revenue growth, approx. 0,05 euro has been committed to working capital
- Investments for growth (2022) 51 %
 - For every 1,00 euro of revenue growth, approx. 0,51 euro has been committed to investments
 - In this metric, all investments that exceed depreciation are treated as growth investments
 - When the growth of the fiscal year 2022 has cost approx. 0,56 euros for every 1,00 euro of growth in turnover, investments in growth have been reasonably ineffective
 - From the history perspective, and looking at the facts, the trend is also growing
- Even though the cash has "melted", the Equity and Gearing ratios were still at a reasonable level at the end of 2022
 - However, when operating with large volumes, the "buffer"/safety margin for large losses decreases all the time

Finances 2018 - 2022

INCOME STATEMENT 1.000 EUR

	2018	2019	2020	2021	2022
Revenue	8 350	31 130	97 612	195 565	207 995
<i>Ch. In revenue (%)</i>	1547,7 %	272,8 %	213,6 %	100,3 %	6,4 %
Other operating income	131	384	-	-	-
GROSS PROFIT	1 926	8 563	23 880	46 314	44 416
<i>Gross profit margin (%)</i>	23,1 %	27,5 %	24,5 %	23,7 %	21,4 %
Fixed staff expenses	931	3 410	9 194	22 774	35 237
Other operating expenses	2 193	7 903	25 041	48 181	44 605
OPERATING MARGIN (EBITDA)	-1 067	-2 366	-10 355	-24 640	-35 425
<i>Operating margin (EBITDA, %)</i>	-12,8 %	-7,6 %	-10,6 %	-12,6 %	-17,0 %
Depreciation and reduction in value	85	192	894	1 505	3 440
OPERATING PROFIT (EBIT)	-1 151	-2 558	-11 248	-26 145	-38 866
<i>Operating profit (EBIT, %)</i>	-13,8 %	-8,2 %	-11,5 %	-13,4 %	-18,7 %
Financial income and expenses	-38	-298	-1 562	-581	-621
Taxes	-	-	-	-	310
Profit of the financial year	-1 190	-2 856	-12 810	-26 726	-39 796
CAGR (2018 - 2022)	1548 %	273 %	242 %	186 %	123 %
Purchases (% of Revenue)	97 %	78 %	80 %	83 %	78 %
External services (% of Revenue)	0 %	1 %	1 %	1 %	1 %
Other operating expenses (% of Revenue)	31 %	25 %	26 %	25 %	21 %
Number of employees (on average)	23	83	218	726	1 266
<i>Ch. In number of employees (%)</i>	-	261 %	163 %	233 %	74 %
Revenue per employee (annualized)	311	375	448	269	164
<i>Ch. In revenue per employee (%)</i>	-	21 %	19 %	-40 %	-39 %
Staff expenses per employee (annualized)	35	41	42	31	28
<i>Ch. In staff expenses per employee (%)</i>	-	18 %	3 %	-26 %	-11 %

BALANCE SHEET - ASSETS 1.000 EUR

	2018	2019	2020	2021	2022
Non-current assets					
Intangible assets					
Intangible assets total	278	628	1 962	4 994	8 165
Tangible assets					
Tangible assets total	46	248	781	2 151	4 797
Investments					
Investments total	5	5	0	0	0
Current assets					
Stocks					
Stocks total	647	3 021	11 828	27 387	27 489
Debtors					
Long-term debtors					
Long-term debtors total	22	113	-	75	143
Short-term debtors					
Short-term debtors total	453	1 915	5 172	14 359	15 030
Cash in hand and at banks	584	1 803	13 134	57 117	17 086
ASSETS	2 034	7 733	32 878	106 083	72 710

BALANCE SHEET - EQUITY AND LIABILITY

	2018	2019	2020	2021	2022
Equity					
Capital and reserves	-267	1 487	15 965	69 415	29 723
Provisions	-	-	563	1 351	1 166
Creditors					
Long-term creditors					
Long-term debt	1 488	358	4 538	4 804	4 130
Short-term creditors					
Short-term creditors	814	5 887	11 812	30 513	37 691
EQUITY AND LIABILITIES	2 034	7 733	32 878	106 083	72 710
Inventory turnover (days)	37	39	40	51	52
Days in trade debtors	15	15	6	5	4
Days in trade creditors	5	24	22	18	11,8
Gearing ratio (%)	380,3 %	13,8 %	-52,8 %	-69,6 %	-6,6 %
Equity ratio (%)	-13,1 %	19,2 %	48,6 %	65,4 %	40,9 %
Net debt / Operating margin (EBITDA) (%)	-81,6 %	-8,7 %	81,4 %	196,1 %	5,5 %

Finances 2018 - 2022

FREE CASH FLOW 1.000 EUR

	2019	2020	2021	2022
OPERATING PROFIT (EBIT)	-2 558	-11 248	-26 145	-38 866
<i>Operating profit (EBIT, %)</i>	-8,2 %	-11,5 %	-13,4 %	-18,7 %
Taxes	-	-	-	-310
Adjustments to Operating profit	-	-	-	-
Net Operating Profit Less Taxes (NOPLAT)	-2 558	-11 248	-26 145	-39 175
Depreciation and reduction in value	192	894	1 505	3 440
Ch. In provisions	-	563	788	-185
Ch. In working capital	-300	-4 656	-9 878	-595
Other adjustments to cash flow	-	-	-	-
Cash flow from operations	-2 666	-14 448	-33 730	-36 515
Investments in fixed assets	745	2 763	6 199	9 409
Sales of fixed assets	-	-7	-	-151
Net investments	745	2 756	6 199	9 258
FREE CASH FLOW	-3 411	-17 204	-39 929	-45 773

FINANCING 1.000 EUR

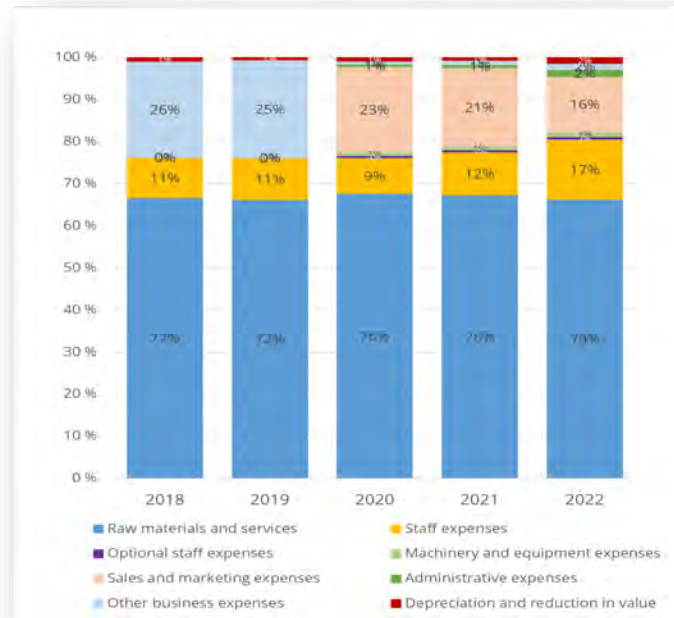
	2019	2020	2021	2022
Ch. In long-term (interest-bearing) debt	-1 129	4 180	266	-674
Ch. In short-term (interest-bearing) debt	1 538	-1 483	3 833	7 000
Ch. In long-term debtors	-91	113	-75	-68
Financial income and expenses	-298	-1 562	-581	-621
Proceeds from share issue and other restricted equity	-	38	-38	19
Ch. In other non-restricted equity reserves	4 607	27 200	80 264	86
Other financing items/adjustments	3	49	242	-
	4 630	28 535	83 912	5 741
Ch. In liquid assets	1 219	11 331	43 983	-40 031
Cash and bank accounts at the beginning of the period	584	1 803	13 134	57 117
Cash and bank accounts at period end	1 803	13 134	57 117	17 086
Ch. In liquid assets	1 219	11 331	43 983	-40 031

- As a result of significant growth, approx. 15 million euros more working capital has been committed in 2020 - 2022
- During the years 2018 - 2020, the company has completed three significant funding rounds, of which the raised equity financing has been approx. 113 million euros
- In addition to this, some interest-bearing loans have been taken out
 - At the end of 2022, the company had approx. 17,1 million in cash and approx. 15,1 million in interest-bearing debt
 - The simplified cash flow for Swappie's entire history from 2016 to 2022 looks like the following (in millions of euros):

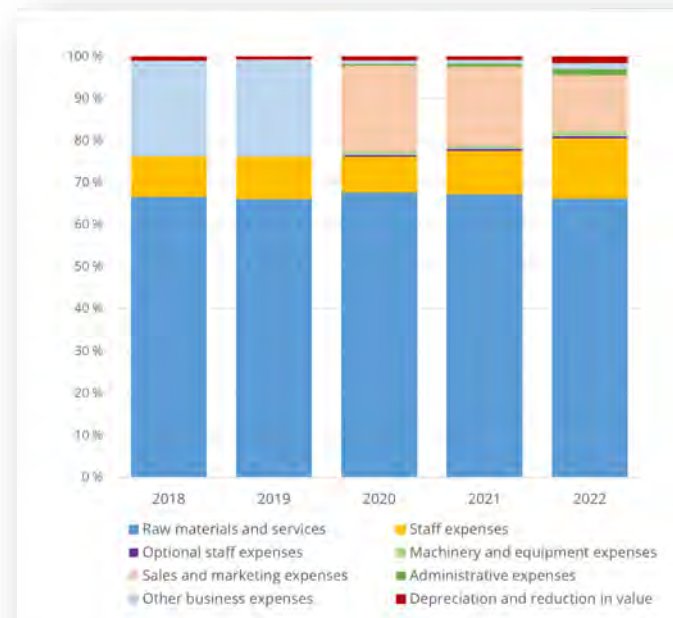
Equity funding	113 368
Cash flow from the operations	-106 000
New loans	13 500
Interest and other expenses	-3 782
CASH 31.12.2022	17 086

Cost structure and costs

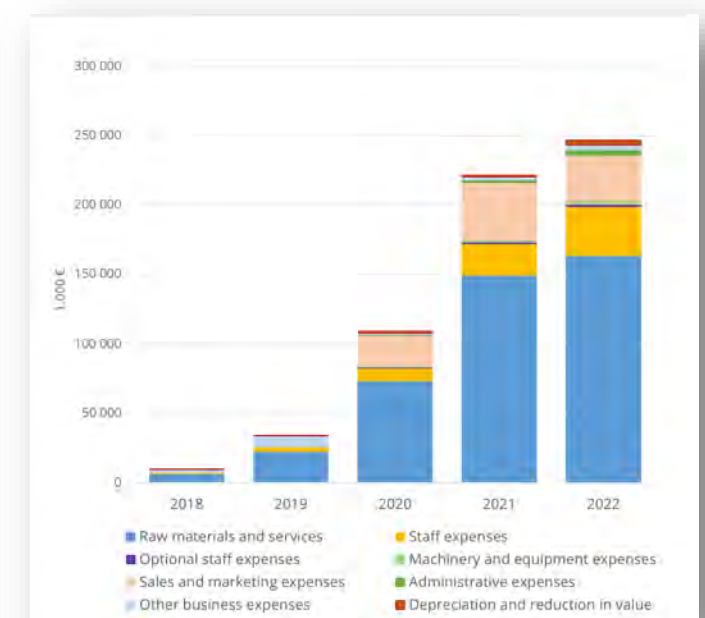
In relation to revenue



Share of all costs

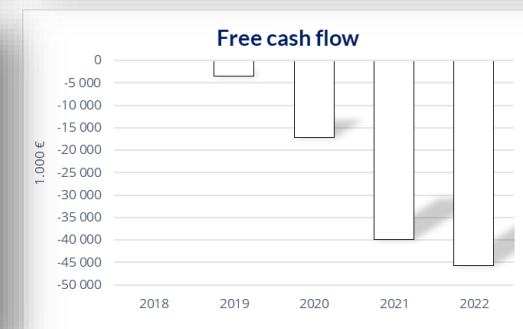
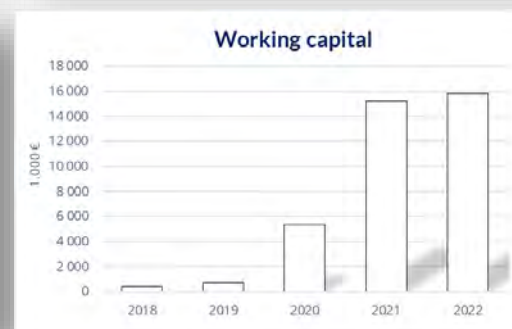
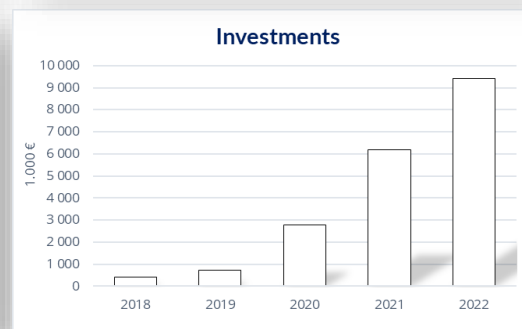
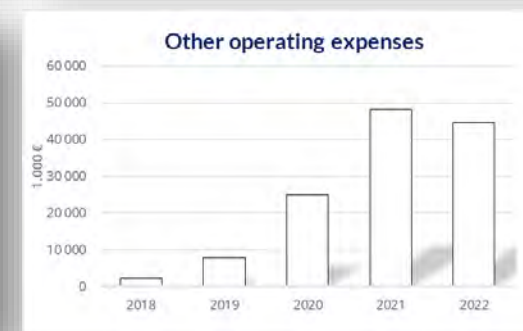
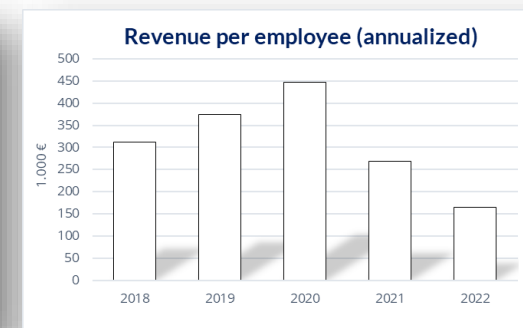
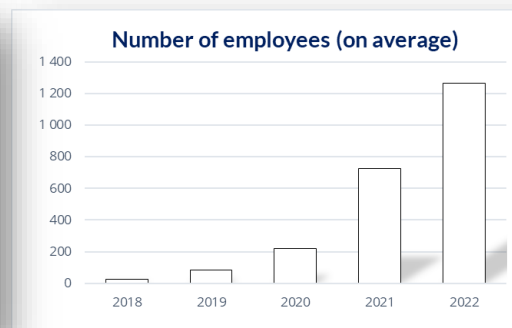
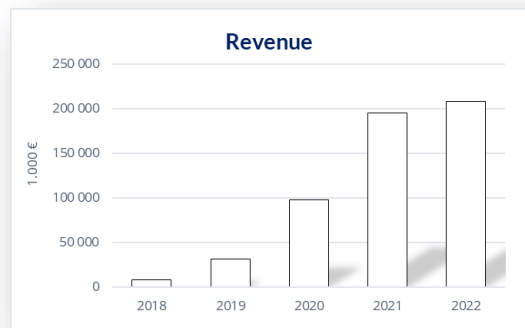


All costs in euros



- Materials and services are the most significant cost item
- Next, Sales and marketing and Personnel expenses
 - According to financial statements, the company also capitalizes marketing expenses. There is no information on the amount of capitalization in the financial statement material. Depreciation 5 years/straight-line depreciation.

Summary - Swappie Oy 2018 - 2022



Predicting bankruptcy risk

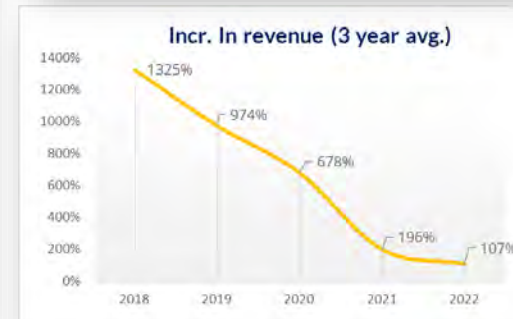
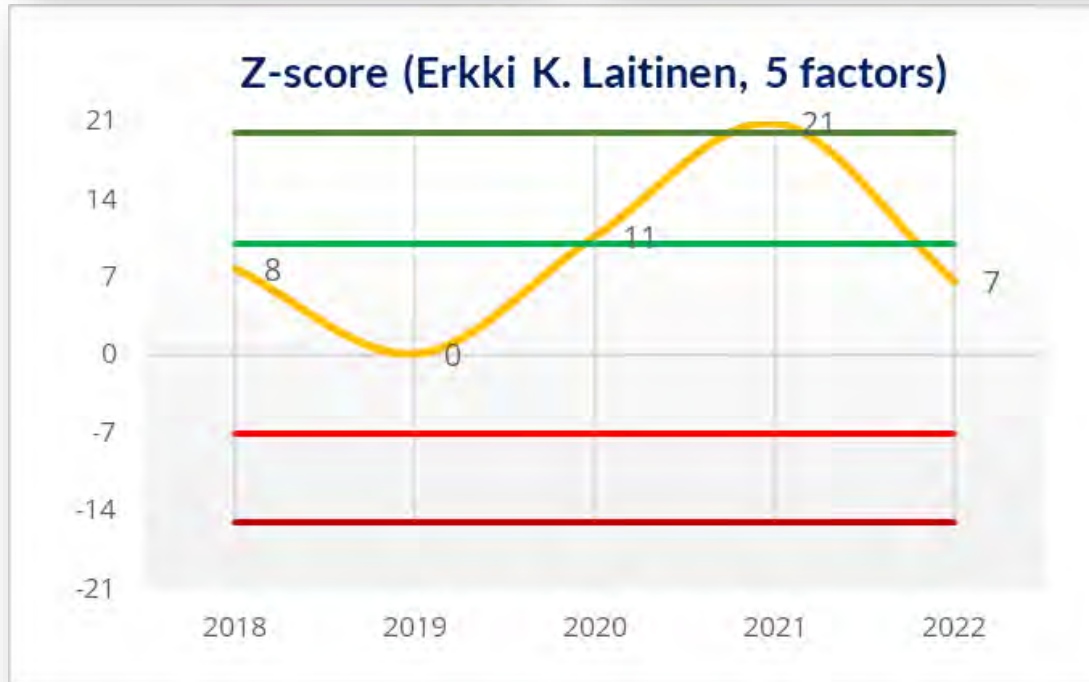
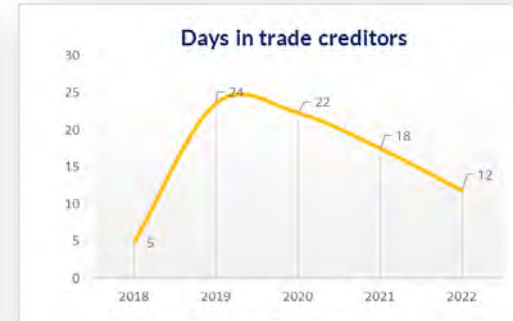
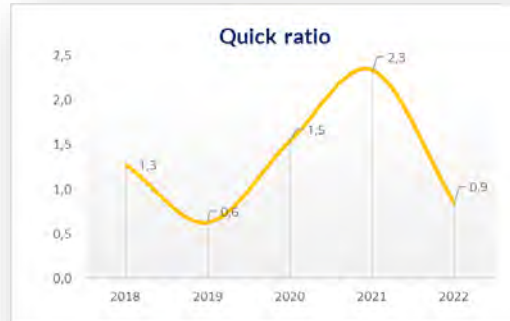


Z-score predicting bankruptcy risk

- The research started with the aim to find the most essential factors that are likely to predict a future financial crisis, which, if realized, would lead to the company's bankruptcy.
- Research and development of prediction models has progressed from Edward I. Altman's one-variable model to Aatto Prihti's Z-factor and Erkki K. Laitinen's three- and five-variable Z-score
 - In external reviews, the challenge is that the financial statements only tell the situation at the time of the financial closings, and quite often companies in difficulty try to "embellish" the financial statements
 - The prediction made on the basis of financial statements only applies to the symptoms of bankruptcy and not to their causes.
 - The Z-score can be used, for example, in the internal assessment of the company's financial condition, in which case the imminent threat of bankruptcy can be avoided by taking measures to improve operations.
- The essential thing has not been to find a 100 % secure indicator, but to find an indicative meter, which would raise a "red flag" as a sign of danger in sufficient time.
 - The Z-score that gives a critical value is not a sure "bankruptcy sentence", but gives the owner and management the opportunity to still react
 - **However, the Z-score has proven to be an excellent identifier of bankrupt companies. It identifies the company's difficulties and possible bankruptcy with approx. 80 % probability already two years before bankruptcy.**
- The five variable Z-score is included in the analysis model of Argon Pro
- On the next page Z-score analysis for Swappie

Five variable Z-score (Laitinen)	Indicative reference values
Excellent	more than 20
Good	10 - 20
Satisfying	-7 - 10
Weak	-15 -7
Poor	below -15
The critical value is -7	

Swappie and Z-score



- The Z-score measures the probability that the company will find itself in a difficult financial situation (in the near future) if active corrective measures are not taken to prevent it.
- The most critical level of the Z-score is -7
- The Z-score for Swappie is still at a satisfactory level, but as already stated, the buffers for losses are reasonably small and the weak growth and financial results of 2022 have turned all indicators in the "wrong" direction

■ $Z = 1,88 \times \text{Financial income (\%)} + 10,13 \times \text{Quick ratio} \times \text{Days in trade creditors} + 0,51 \times \text{equity ratio} - 0,32 \times \text{Increase in revenue (3 yrs avg.)}$

ARGON PRO ANALYSIS

Company/Project: Swappie Oy

Reporting language: Englanti
 Inputted currency unit: 1.000 EUR
 Scenario: Base
 13.11.2023 15:26

Modeling

	2018	2019	2020
Fiscal year (mths)	14	12	12
Ch. In revenue (%)	0,0 %	335,0 %	213,6 %
Number of employees (on average)			
Billing employees	23,0	83,0	
Admin. employees	0,0	0,0	
Number of employees	23,0	83,0	
Ch. In number of employees (%)		260,9 %	100,0 %
Fixed wages and salaries per employee (annual)	30	35	
Revenue per employee (annualized)	311	375	448
Ch. In revenue per employee (%)		20,5 %	19,4 %
Total value added	-116	1 044	-1 16
Total value added per employee			
Total value added (%)	-1,6 %		
Annualized revenue	7 157		
Annualized purchases	7 828		

Value drivers

2018	2019
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Forecasts and scenarios

Swappie Oy's forecasts and scenarios for the years 2023 - 2027 *]

*] Forecasts, scenarios and their final results defined by Argon Pro Ltd

Key assumptions

- In addition to the so-called Base Scenario (BaseCase), two alternative scenarios have been prepared
- In all scenarios, the goal is the recovery of the business, the implementation of a "turnaround" and a positive financial result and cash flow
 - **Optimistic Scenario (HighCase)**
 - Turnaround (growth and profitability) faster than in BaseCase
 - Gross profit margin (%) on average approx. 24 %
 - EBITDA positive as early as 2024
 - Number of employees growing
 - "Break-even" for cash flow during 2024
 - **Pessimistic Scenario (LowCase)**
 - Turnaround process slower
 - Revenue growth will remain at a level of approx. 5 % throughout the forecast period
 - EBITDA positive in 2025
 - The number of employees decreases according to BaseCase
 - "Break-even" for cash flow during 2025
 - The biggest funding need

Key assumptions

1.000 euros / (%) / Turn / Days		2022 tot.	Base Case	High Case	Low Case
Revenue	5 v. ka	+6,4 %	+15 %	+38 %	+5 %
Gross profit margin (%)	5 v. ka	21,4 %	23,0 %	24,0 %	22,0 %
Number of employees at the end of the period (on average)	2027	1.266	885	1.867	867
Other operating expenses (of revenue)	2027	21,4 %	4,6 %	3,9 %	7,3 %
Turn in inventory (days)	5 v. ka	52	42	43	42
Days in accounts receivable	5 v. ka	4,2	4,0	4,0	4,0
Days in accounts payable	5 v. ka	11,8	18,0	14,8	18,0
Investments	5 v. ka	9.409	3.000	3.750	3.000
Minimum cash level (from revenue)	(%) / LV	8,2 %	> 3,5 %	> 3,5 %	> 3,5 %
Cost of Capital (WACC)			14,34 %	14,34 %	14,34 %
Equity ratio		40,9 %	> 20 %	> 20 %	> 20 %
Equity funding (me) ^{1]}		0,0	15,0	8,0	17,0
New interest-bearing debt (me) ^{1]}		10,3	3,0	7,0	3,5
Dividends paid		-	-	-	-

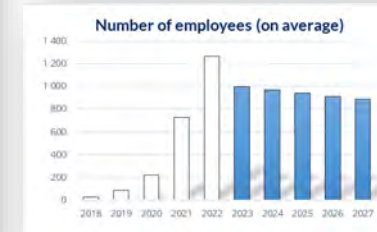
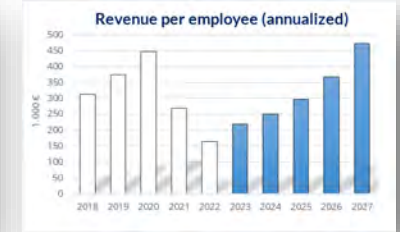
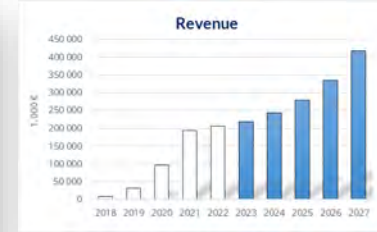
- Financial period for 2023 will be difficult
 - However, the loss streak must be turned around, the cash flow turned positive, and funding secured
 - The turnaround is unlikely to be fully realized in one year
- Operational cash flow and equity and debt instruments available for funding
 - In all scenarios, the aim is the minimization of equity funding
 - However, the equity ratio must be at least 20 % in all scenarios in all years
 - If it were to go below 20 %, then financing implemented as as equity

^{1]} For the whole forecast period

Income Statement (BaseCase)

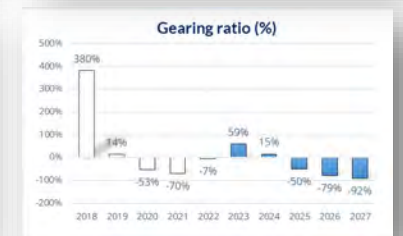
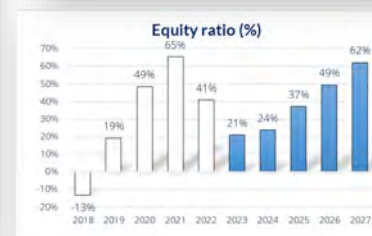
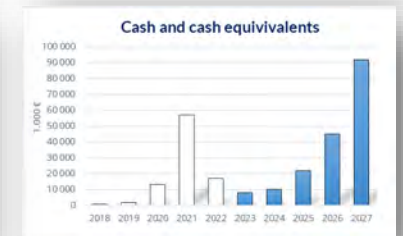
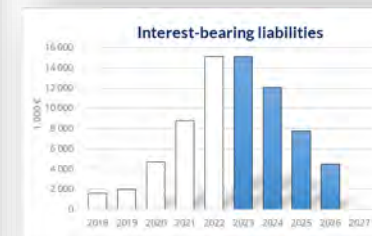
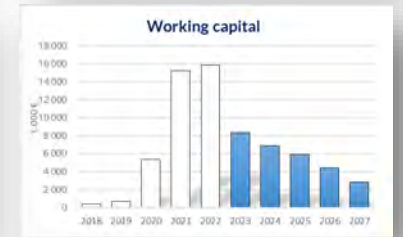
INCOME STATEMENT 1.000 EUR	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Revenue	8 350	31 130	97 612	195 565	207 995	220 475	242 522	278 900	334 680	418 350
Ch. In revenue (%)	1547,7 %	272,8 %	213,6 %	100,3 %	6,4 %	6,0 %	10,0 %	15,0 %	20,0 %	25,0 %
Other operating income	131	384	-	-	-	-	-	-	-	-
GROSS PROFIT	1 926	8 563	23 880	46 314	44 416	48 504	54 567	64 147	78 315	100 404
Gross profit margin (%)	23,1 %	27,5 %	24,5 %	23,7 %	21,4 %	22,0 %	22,5 %	23,0 %	23,4 %	24,0 %
Fixed staff expenses	931	3 410	9 194	22 774	35 237	28 577	28 551	28 526	28 500	28 474
Other operating expenses	2 193	7 903	25 041	48 181	44 605	32 220	26 269	23 594	21 235	19 111
OPERATING MARGIN (EBITDA)	-1 067	-2 366	-10 355	-24 640	-35 425	-12 293	-253	12 027	28 580	52 819
Operating margin (EBITDA, %)	-12,8 %	-7,6 %	-10,6 %	-12,6 %	-17,0 %	-5,6 %	-0,1 %	4,3 %	8,5 %	12,6 %
Depreciation and reduction in value	85	192	894	1 505	3 440	3 802	4 322	4 659	4 425	4 156
OPERATING PROFIT (EBIT)	-1 151	-2 558	-11 248	-26 145	-38 866	-16 095	-4 576	7 369	24 156	48 662
Operating profit (EBIT, %)	-13,8 %	-8,2 %	-11,5 %	-13,4 %	-18,7 %	-7,3 %	-1,9 %	2,6 %	7,2 %	11,6 %
Financial income and expenses	-38	-298	-1 562	-581	-621	-1 347	-1 194	-966	-780	-508
Taxes	-	-	-	-	310	-	-	-	-	-
Profit of the financial year	-1 190	-2 856	-12 810	-26 726	-39 796	-17 442	-5 770	6 403	23 375	48 154
CAGR (2018 - 2022)	1548 %	273 %	242 %	186 %	123 %	92 %	75 %	65 %	59 %	54 %
Purchases (% of Revenue)	97 %	78 %	80 %	83 %	78 %	77 %	77 %	76 %	76 %	75 %
External services (% of Revenue)	0 %	1 %	1 %	1 %	1 %	1 %	1 %	1 %	1 %	1 %
Other operating expenses (% of Revenue)	31 %	25 %	26 %	25 %	21 %	15 %	11 %	8 %	6 %	5 %
Number of employees (on average)	23	83	218	726	1 266	1 000	970	941	913	885
Ch. In number of employees (%)	-	261 %	163 %	233 %	74 %	-21 %	-3 %	-3 %	-3 %	-3 %
Revenue per employee (annualized)	311	375	448	269	164	220	250	296	367	472
Ch. In revenue per employee (%)	-	21 %	19 %	-40 %	-39 %	34 %	13 %	19 %	24 %	29 %
Staff expenses per employee (annualized)	35	41	42	31	28	29	29	30	31	32
Ch. In staff expenses per employee (%)	-	18 %	3 %	-26 %	-11 %	3 %	3 %	3 %	3 %	3 %

- Only moderate growth in revenue
 - 2023 growth the same as 2022
- Moderate increase in gross profit margin (%)
- The increase in revenue and the decrease in number of employees increase the revenue/employee KPI



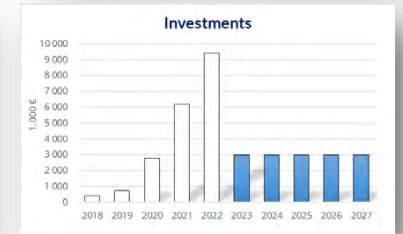
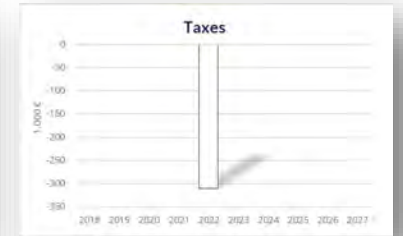
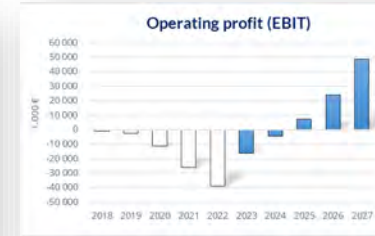
Balance Sheet (BaseCase)

BALANCE SHEET - ASSETS 1.000 EUR	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Non-current assets										
Intangible assets										
Intangible assets total	278	628	1 962	4 994	8 165	8 037	7 165	5 800	4 566	3 533
Tangible assets										
Tangible assets total	46	248	781	2 151	4 797	4 124	3 673	3 380	3 189	3 065
Investments										
Investments total	5	5	0	0	0	0	0	0	0	0
Current assets										
Stocks										
Stocks total	647	3 021	11 828	27 387	27 489	22 488	22 555	24 543	27 444	32 422
Debtors										
Long-term debtors										
Long-term debtors total	22	113	-	75	143	151	167	192	230	287
Short-term debtors										
Short-term debtors total	453	1 915	5 172	14 359	15 030	15 761	17 338	19 659	23 256	28 652
Cash in hand and at banks	584	1 803	13 134	57 117	17 086	7 821	9 927	21 731	45 030	91 787
ASSETS	2 034	7 733	32 878	106 083	72 710	58 383	60 824	75 305	103 715	159 747
BALANCE SHEET - EQUITY AND LIABILT	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Equity										
Capital and reserves	-267	1 487	15 965	69 415	29 723	12 281	14 511	27 914	51 289	99 443
Provisions	-	-	563	1 351	1 166	1 102	1 213	1 395	1 673	2 092
Creditors										
Long-term creditors										
Long-term debt	1 488	358	4 538	4 804	4 130	6 304	5 043	2 115	1 692	-
Short-term creditors										
Short-term creditors	814	5 887	11 812	30 513	37 691	38 696	40 057	43 882	49 061	58 212
EQUITY AND LIABILITIES	2 034	7 733	32 878	106 083	72 710	58 383	60 824	75 305	103 715	159 747
Inventory turnover (days)	37	39	40	51	52	48	44	42	40	38
Days in trade debtors	15	15	6	5	4	4	4	4	4	4
Days in trade creditors	5	24	22	18	11,8	16,0	17,0	18,0	19,0	20,0
Gearing ratio (%)	380,3 %	13,8 %	-52,8 %	-69,6 %	-6,6 %	59,3 %	14,9 %	-50,1 %	-79,0 %	-92,3 %
Equity ratio (%)	-13,1 %	19,2 %	48,6 %	65,4 %	40,9 %	21,0 %	23,9 %	37,1 %	49,5 %	62,3 %
Net debt / Operating margin (EBITDA) (%)	-81,6 %	-8,7 %	81,4 %	196,1 %	5,5 %	-59,2 %	-851,6 %	-116,3 %	-141,8 %	-173,8 %

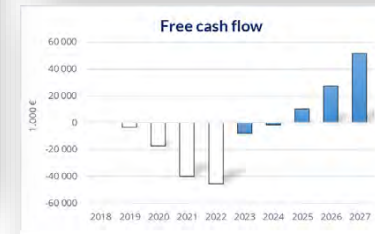
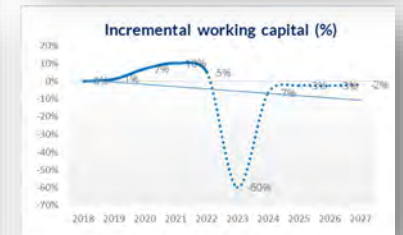


Free cash flow and Funding (BaseCase)

FREE CASH FLOW 1.000 EUR	2019	2020	2021	2022	2023	2024	2025	2026	2027
OPERATING PROFIT (EBIT)	-2 558	-11 248	-26 145	-38 866	-16 095	-4 576	7 369	24 156	48 662
Operating profit (EBIT, %)	-8,2 %	-11,5 %	-13,4 %	-18,7 %	-7,3 %	-1,9 %	2,6 %	7,2 %	11,6 %
Taxes	-	-	-	-310	-	-	-	-	-
Adjustments to Operating profit	-	-	-	-	-	-	-	-	-
Net Operating Profit Less Taxes (NOPLAT)	-2 558	-11 248	-26 145	-39 175	-16 095	-4 576	7 369	24 156	48 662
Depreciation and reduction in value	192	894	1 505	3 440	3 802	4 322	4 659	4 425	4 156
Ch. In provisions	-	563	788	-185	-64	110	182	279	418
Ch. In working capital	-300	-4 656	-9 878	-595	7 474	1 479	922	1 498	1 593
Other adjustments to cash flow	-	-	-	-	-	-	-	-	-
Cash flow from operations	-2 666	-14 448	-33 730	-36 515	-4 883	1 336	13 131	30 357	54 830
Investments in fixed assets	745	2 763	6 199	9 409	3 000	3 000	3 000	3 000	3 000
Sales of fixed assets	-	-7	-	-151	-	-	-	-	-
Net investments	745	2 756	6 199	9 258	3 000	3 000	3 000	3 000	3 000
FREE CASH FLOW	-3 411	-17 204	-39 929	-45 773	-7 883	-1 664	10 131	27 357	51 830

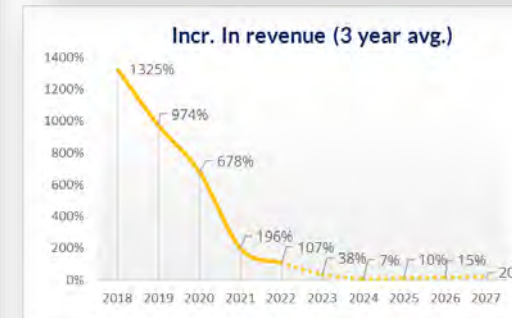
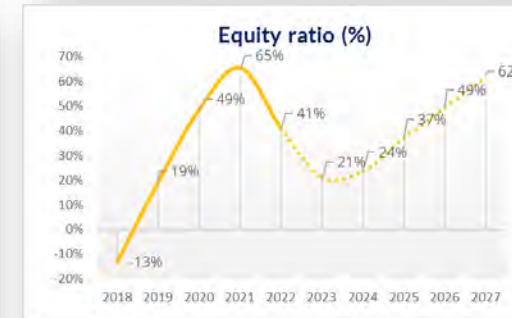
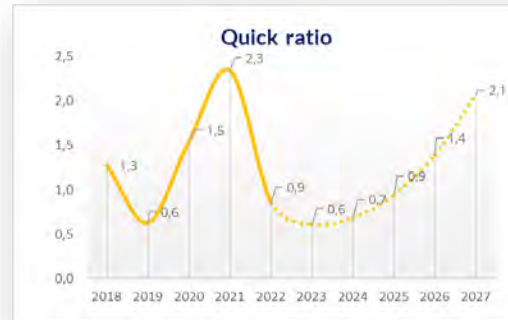


FINANCING 1.000 EUR	2019	2020	2021	2022	2023	2024	2025	2026	2027
Ch. In long-term (interest-bearing) debt	-1 129	4 180	266	-674	2 174	-1 261	-2 929	-423	-1 692
Ch. In short-term (interest-bearing) debt	1 538	-1 483	3 833	7 000	-2 200	-1 760	-1 408	-2 816	-2 816
Ch. In long-term debtors	-91	113	-75	-68	-9	-15	-25	-38	-57
Financial income and expenses	-298	-1 562	-581	-621	-1 347	-1 194	-966	-780	-508
Proceeds from share issue and other restricted equity	-	38	-38	19	-	-	-	-	-
Ch. In other non-restricted equity reserves	4 607	27 200	80 264	86	-	8 000	7 000	-	-
Other financing items/adjustments	3	49	242	-	-	-	-	-	-
Net financing	4 630	28 535	83 912	5 741	-1 382	3 770	1 673	-4 058	-5 073
Ch. In liquid assets	1 219	11 331	43 983	-40 031	-9 265	2 106	11 804	23 299	46 757
Cash and bank accounts at the beginning of the period	584	1 803	13 134	57 117	17 086	7 821	9 927	21 731	45 030
Cash and bank accounts at period end	1 803	13 134	57 117	17 086	7 821	9 927	21 731	45 030	91 787
Ch. In liquid assets	1 219	11 331	43 983	-40 031	-9 265	2 106	11 804	23 299	46 757



- Reducing the level of working capital
- The investment levels will decrease significantly

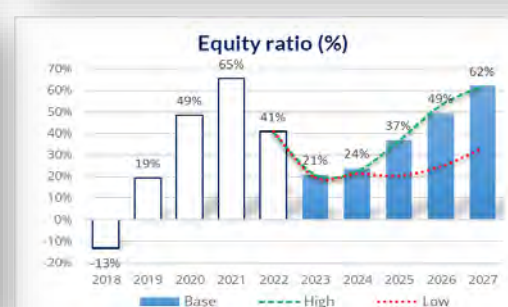
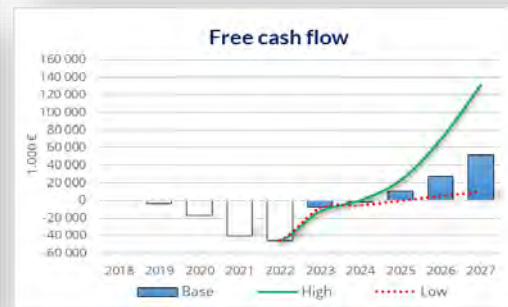
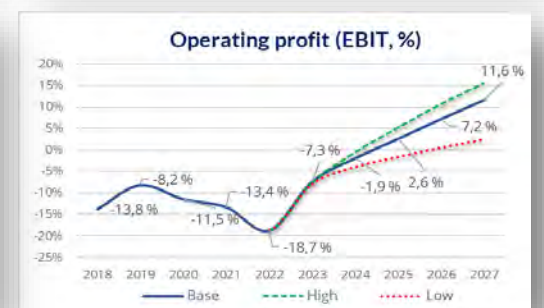
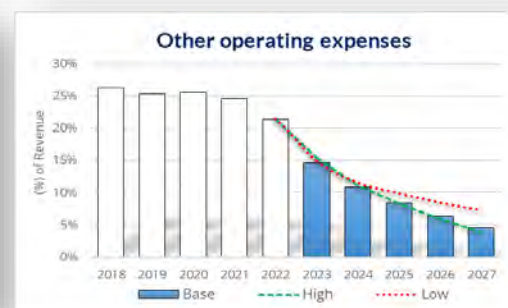
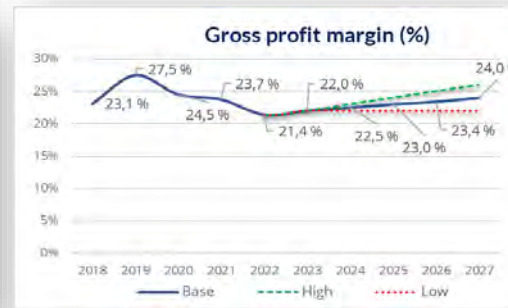
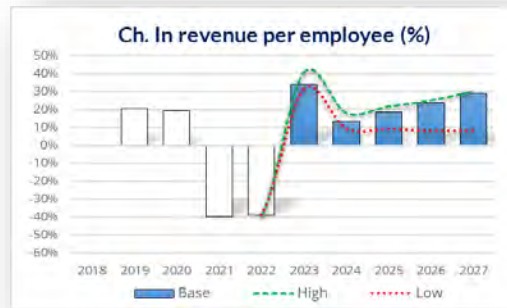
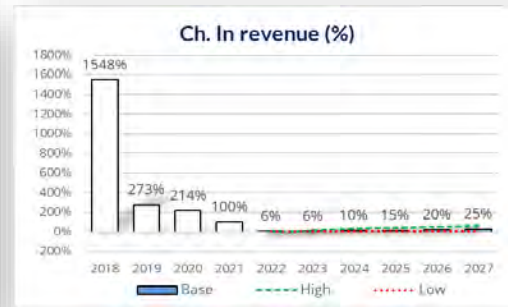
Swappie, Z-score and forecast for 2023 - 2027 (BaseCase)



- The Z-score measures the probability that the company will find itself in a difficult financial situation (in the near future) if active corrective measures are not taken to prevent it.
- The most critical level of the Z-score is -7
- In the BaseCase forecast, the Z-score of Swappies is still at a satisfactory level, but as already stated, the buffers for new losses are reasonably small and the weak result of 2022 has turned all indicators in the "wrong" direction

■ $Z = 1,88 \times \text{Financial income (\%)} + 10,13 \times \text{Quick ratio} \times \text{Days in trade creditors} + 0,51 \times \text{equity ratio} - 0,32 \times \text{Increase in revenue (3 yrs avg.)}$

Summary - The Scenarios



CASH FLOW ANALYSIS



Preliminary valuation

- Cost of Capital, WACC
- Argon Pro quick analysis
- Cash flow based valuation
- Value drivers and their sensitivities



Cost of Capital, WACC

Defining the Cost of
Capital for Swappie Oy

Cost of Capital (WACC) - preliminary analysis

Risk-free rate	
30-year treasury bond Finland 1]	3,37 %
Inflation expectation 2]	2,00 %
Risk-free rate (nominal)	5,37 %
Cost of equity	
Unlevered beta 3]	1,13
Debt/Equity (Gearing) (%) 4]	14,3 %
Debt/Total (%)	12,5 %
Marginal tax rate 5]	20,0 %
Levered beta	1,26
Market risk premium 6]	5,94 %
Country risk premium 7]	0,69 %
Small size risk premium 8]	0,00 %
Business specific risk premium 9]	0,00 %
Equity Risk premiums, Total	6,63 %
Cost of Equity	13,54 %
Cost of Debt	
Pre-tax cost of debt 10]	5,00 %
Marginal tax rate 5]	20,0 %
Post-tax cost of debt	4,00 %
Weighted Average Cost of Capital, WACC	
Weighted average cost of debt	0,50 %
Weighted average cost of equity	11,84 %
Weighted Average Cost of Capital, WACC	12,34 %

“If you don’t know your Cost of Capital, you don’t know weather value is created or not.”

- Compare PwC valuation corner (September 2023) Cost of Capital (WACC) for Technology companies in the Nordics 10,9 % ~ 12,5 %
- **The WACC of 12,34% defined for Swappie is in line with the PwC report**

^{1]} Finland 11.11.2023

^{2]} Statista - The Statistical Portal - Inflation rate Finland Forecast 2028

^{3]} Damodaran/Unlevered beta corrected for cash (Electronics (General)/January 2023)

^{4]} Damodaran/Benchmark (Electronics (General)/January 2023)

^{5]} Statutory tax rate/Finland

^{6]} Damodaran/Market Risk Premium Finland (January 2023)

^{7]} Damodaran/Country Risk Premium Finland (Jan 2023)

^{8]} Duff & Phelps Valuation Yearbook 2019 (Micro-cap)

^{9]} Not in use

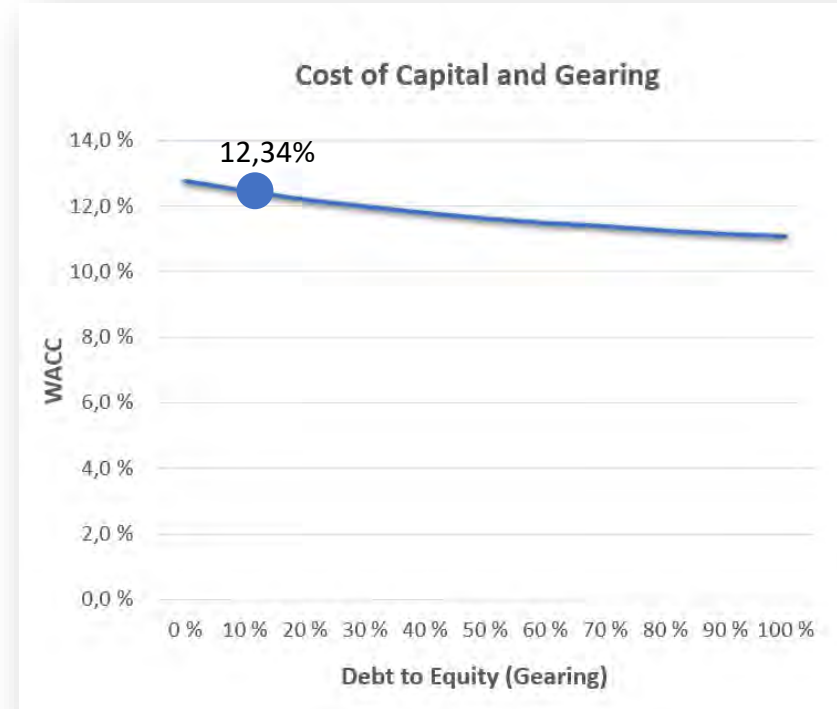
^{10]} Estimated interest rate (Bank of Finland/New company loans + 3%/May/2021)

Cost of Capital (WACC) - sensitivity analysis (BaseCase)

Cost of Capital (WACC) sensitivity

		Pre-tax cost of debt 10]											
		3,3 %	3,6 %	4,1 %	4,5 %	5,0 %	5,5 %	6,1 %	6,7 %	7,3 %			
Risk-free rate	7,9 %	14,1 %	14,8 %	15,5 %	16,4 %	17,4 %	18,3 %	19,4 %	20,6 %	21,9 %	20,6 %		
	7,1 %	12,9 %	13,6 %	14,3 %	15,1 %	16,0 %	16,9 %	17,9 %	19,0 %	20,2 %	19,6 %		
	6,5 %	11,9 %	12,5 %	13,2 %	13,9 %	14,8 %	15,6 %	16,5 %	17,5 %	18,6 %	18,6 %		
	5,9 %	10,9 %	11,4 %	12,1 %	12,8 %	13,5 %	14,3 %	15,1 %	16,1 %	17,1 %	17,6 %		
	5,4 %	9,9 %	10,4 %	11,0 %	11,6 %	12,34 %	13,0 %	13,8 %	14,7 %	15,6 %	16,6 %		
	4,8 %	9,0 %	9,4 %	9,9 %	10,5 %	11,2 %	11,8 %	12,5 %	13,3 %	14,1 %	15,6 %		
	4,3 %	8,0 %	8,5 %	8,9 %	9,4 %	10,0 %	10,6 %	11,2 %	11,9 %	12,7 %	14,6 %		
	3,9 %	7,2 %	7,5 %	8,0 %	8,4 %	8,9 %	9,4 %	10,0 %	10,6 %	11,3 %	13,6 %		
	3,5 %	6,3 %	6,7 %	7,0 %	7,4 %	7,9 %	8,3 %	8,8 %	9,3 %	9,9 %	12,6 %		
		0,83	0,92	1,02	1,13	1,26	1,39	1,52	1,68	1,84			
		Levered beta											
		Debt/Equity (Gearing) (%) 4]										14 %	

Equity Risk premiums, Total



- 1%-unit increase in the cost of capital lowers the *Enterprise Value, EV* (BaseCase) (331 M€) \approx -39 M€
 - If the cost of capital were 21.9%, the *Enterprise Value, EV* would be \approx 128 M€
 - If the cost of capital were 6.3%, the *Enterprise Value, EV* would be \approx 965 M€
- \approx 837 M€ difference!**



ArgonPro quick analysis

A fast and efficient tool for scenario and strategy work and for "Quick and Dirty" analyzes and value determinations

ArgonPro tool for quick analysis

- Professor Alfred Rappaport is e.g., in his book "*Creating Shareholder Value*" presented a simple model for company, or business analysis and quickly produced, but still preliminary valuations.
 - Read more about Alfred Rappaport [in english](#)
- The model is based on **business modeling** and **cash flow**, where using minimal amount of basic assumptions (5 - 7 forecast assumptions) can be used to model strategies, scenarios, investment projects, etc. to support more detailed planning and especially to include finance in various plans right from the start.
 - The model can be used to prepare, evaluate and analyze strategies, scenarios, investment projects and other economic entities that increase the value of a company, or business
 - Using the model, it is also possible to define threshold margin values for the operating profit (EBIT) of the company, or business that increase the value of the company, or business (Threshold margins)
 - With the help of the model, quickly defined Generic value drivers can be used to continue more detailed planning and analysis
 - Since the model is based especially on cash flow, investments and the need for working capital are taken into account in an ingenious way (see next page)
 - The model compares the value calculated based on the history of the company, or business with the value of the plan
- **Argon Pro has transformed the model in Microsoft Excel format and added some of its own components and functionalities to it**

Swappie and ArgonPro Quick Analysis

ArgonPro Quick Analysis 1)	1.000 EUR	Low Case	diff.	Base Case	diff.	High Case
Last historical revenue	[input]	207 995		207 995		207 995
Last historical operating profit (EBIT)	[input]	-38 866		-38 866		-38 866
Revenue growth rate (%) p.a.	[input]	5,0 %	-67 %	15,0 %	147 %	37,0 %
Perpetuity growth rate (%)	[input]	2,0 %	0 %	2,0 %	100 %	4,0 %
Operating profit margin (EBIT) forecast (%)	[input]	3,0 %	-77 %	13,0 %	8 %	14,0 %
Incremental fixed capital investments (%)	¹⁾ [input]	7,0 %	-53 %	15,0 %	-33 %	10,0 %
Incremental working capital investments (%)	²⁾ [input]	3,0 %	-50 %	6,0 %	-50 %	3,0 %
Tax-% on operating profit (EBIT)	[input]	20,0 %	0 %	20,0 %	0 %	20,0 %
Cost of Capital, WACC (%)	[input]	12,3 %	0 %	12,3 %	0 %	12,3 %
Revenue in year #5		265 460	-37 %	418 352	140 %	1 003 819
Enterprise Value (EV), performance in history		-313 001		-313 001		-313 001
Cumulative present value of cash flows		16 411	-81 %	85 512	76 %	150 804
Present value of residual value		35 125	-85 %	239 874	227 %	783 553
Present value of cash flows + Residual value		51 535,9	-84 %	325 386	187 %	934 358
Market value of cash and cash equivalents	[input]	17 086	0 %	17 086	0 %	17 086
Market value of interest-bearing debt	[input]	15 130	0 %	15 130	0 %	15 130
Shareholder Value		53 492	-84 %	327 342	186 %	936 314
Shareholder Value Added (SVA)		366 493	-43 %	640 343	95 %	1 249 314
Incremental threshold margin for (EBIT) (%)		1,4 %	-52 %	2,9 %	-38 %	1,8 %
Threshold margin for EBIT (%)		neg.	-	neg.	-	neg.

History average
← 15 %
← 6 %

Although the model is fast and simple, the role of the Cost of Capital (WACC) should not be underestimated!

Sensitivity analysis

Shareholder Value (1.000 EUR)		Revenue growth (%) p.a.				
		-5 %	5 %	15 %	25 %	35 %
Operating profit, (EBIT) (%)	10 %	212 423	228 266	245 197	263 297	282 903
	13 %	273 419	298 718	327 342	359 958	397 669
	16 %	334 415	327 342	409 487	456 619	512 436
		-2 %	-1 %	0 %	1 %	2 %
		Perpetuity growth rate (%)				
		-5 %	5 %	15 %	25 %	35 %
Operating profit, (EBIT) (%)	10 %	525 424	541 267	558 198	576 298	595 903
	13 %	586 420	611 719	640 343	672 959	710 670
	16 %	647 416	682 171	722 487	769 619	825 437
		0 %	1 %	2 %	3 %	4 %
		Perpetuity growth rate (%)				
One Year cash flow sensitivity (1.000 EUR)		Incremental fixed and working capital investments				
		31 %	26 %	21 %	16 %	11 %
Operating profit, (EBIT) (%)	10 %	19 032	14 768	12 584	12 480	14 456
	13 %	23 774	20 009	18 324	18 720	21 195
	16 %	28 516	25 251	24 065	24 959	27 934
		-5 %	5 %	15 %	25 %	35 %
		Revenue growth (%) p.a.				
WACC sensitivity (%)		Cost of Capital, WACC (%)				
		10 %	11 %	12 %	13 %	14 %
Shareholder Value (1.000 EUR)		417 653	367 535	327 342	294 437	267 039
	diff. (1.000 EUR)	90 311	40 193		-32 904	-60 303
		28 %	12 %		-10 %	-18 %
		diff. (%)				

¹⁾ Based on Alfred Rappaport's book Creating Shareholder Value, a supplemented model in MS Excel format for preliminary analysis and valuation including fixed 5 years forecast period

²⁾ If the key indicator is e.g. 10%, it means that for every euro of revenue growth, 0.10 euro is committed to investments. Investments exceeding depreciation are regarded as growth investments

³⁾ Working capital investments for growth (%). If the indicator is e.g. 10%, it means that for every euro of revenue growth, 0.10 euro is committed to working capital.



Peliminary valuation

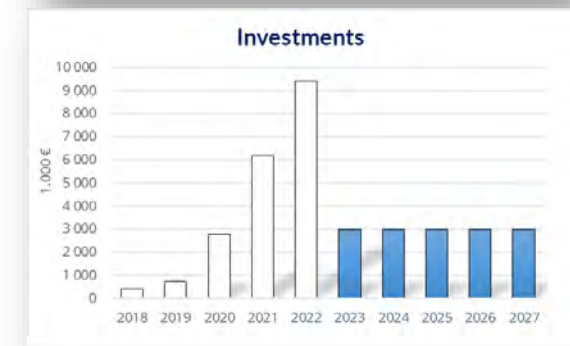
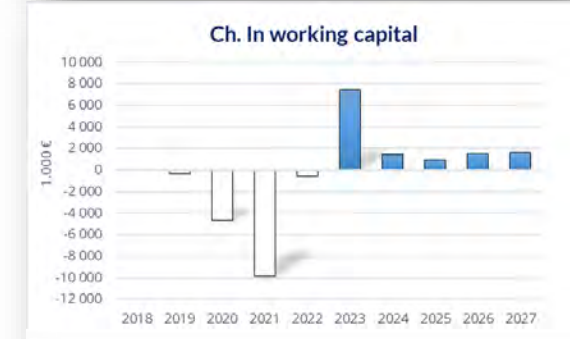
Valuation based on more detailed, 5 year cash flow forecast

Preliminary valuation (BaseCase)

FREE CASH FLOW 1.000 EUR	2019	2020	2021	2022	2023	2024	2025	2026	2027
OPERATING PROFIT (EBIT)	-2 558	-11 248	-26 145	-38 866	-16 095	-4 576	7 369	24 156	48 662
Operating profit (EBIT, %)	-8,2 %	-11,5 %	-13,4 %	-18,7 %	-7,3 %	-1,9 %	2,6 %	7,2 %	11,6 %
Taxes	-	-	-	-310	-	-	-	-	-
Adjustments to Operating profit	-	-	-	-	-	-	-	-	-
Net Operating Profit Less Taxes (NOPLAT)	-2 558	-11 248	-26 145	-39 175	-16 095	-4 576	7 369	24 156	48 662
Depreciation and reduction in value	192	894	1 505	3 440	3 802	4 322	4 659	4 425	4 156
Ch. In provisions	-	563	788	-185	-64	110	182	279	418
Ch. In working capital	-300	-4 656	-9 878	-595	7 474	1 479	922	1 498	1 593
Other adjustments to cash flow	-	-	-	-	-	-	-	-	-
Cash flow from operations	-2 666	-14 448	-33 730	-36 515	-4 883	1 336	13 131	30 357	54 830
Investments in fixed assets	745	2 763	6 199	9 409	3 000	3 000	3 000	3 000	3 000
Sales of fixed assets	-	-7	-	-151	-	-	-	-	-
Net investments	745	2 756	6 199	9 258	3 000	3 000	3 000	3 000	3 000
FREE CASH FLOW	-3 411	-17 204	-39 929	-45 773	-7 883	-1 664	10 131	27 357	51 830

VALUATION 1.000 EUR	2019	2020	2021	2022	2023	2024	2025	2026	2027
NPV of cash flows (cumulative)					-7 017	-8 335	-1 189	15 987	44 954
Capital and reserves 31.12.2022	29 723				-69 219	-13 007	70 492	169 438	285 751
EV (History)	-185 742				-76 236	-21 342	69 303	185 425	330 705
EV/EBITDA (History)	-9,3 x				-1 956	-1 956	-1 956	-1 956	-1 956
Net assets 31.12.2022	44 853				0	0	0	0	0
EV (History)/Equity	-625 %				-74 280	-19 387	71 258	187 381	332 661
Cost of Capital, WACC (%) = 12,34 %					9%/91%	39%/61%	-2%/102%	9%/91%	14%/86%
Residual value = Free cash flow, Perpetuity growth rate 2 %					6,2 x	84,3 x	5,8 x	6,5 x	6,3 x

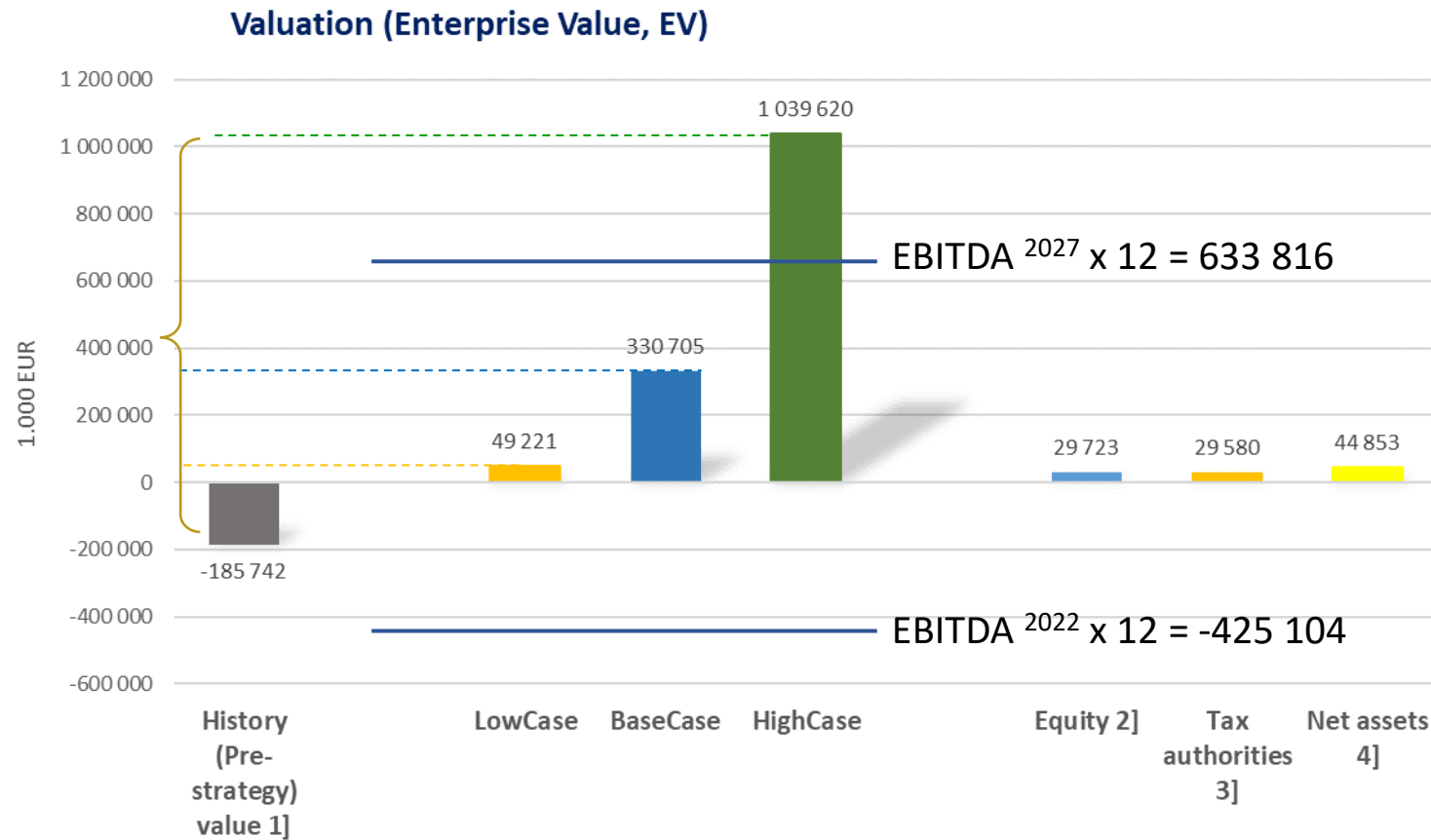
Release of working capital



Losses realized in history will give a negative history value

“BaseCase strategy” (and the implementation of it) would increase the value of the company by approx. 516 million euros

Summary of the valuation (excluding net debt)



Opportunities to increase value (if scenarios/strategies are realized)

- Valuation differences should be minimized with a detailed and realistic plan (**Exit plan**)

^{1]} History value (pre-strategy value) = (EBIT - taxes)/Cost of Capital (WACC)

^{2]} Equity 31.12.2022

^{3]} Based on the valuation mode by the tax authorities (fair value)

^{4]} Balance sheet total – short-term debt

EBITDA ratios as indicative examples (see the following pages)

Comparison of valuation multiples in various industries

EV/EBITDA-multiples in Finland 2012 - 2016, median

	2012	2013	2014	2015	2016	keskimäärin
EV/EBITDA-luku	6,8	8,0	7,4	9,0	9,7	8,18

Industry Name	EV/EBITDA	EV/EBIT
Advertising	11,11	14,88
Aerospace/Defense	13,89	21,68
Air Transport	NA	26,85
Apparel	14,07	15,55
Auto & Truck	6,23	8,17
Auto Parts	7,52	25,88
Bank (Money Center)	NA	NA
Banks (Regional)	NA	NA
Beverage (Alcoholic)	12,81	15,62
Beverage (Soft)	12,66	14,97
Broadcasting	5,55	8,55
Brokerage & Investment Banking	135,69	154,33
Building Materials	11,85	14,93
Business & Consumer Services	13,34	17,77
Cable TV	6,34	20,81
Chemical (Basic)	14,69	17,68
Chemical (Diversified)	5,28	8,12
Chemical (Specialty)	11,67	15,39
Coal & Related Energy	11,30	22,19
Computer Services	13,95	16,65
Computers/Peripherals	8,35	12,99
Construction Supplies	8,39	12,88
Diversified	7,36	22,17
Drugs (Biotechnology)	NA	NA
Drugs (Pharmaceutical)	13,70	15,86
Education	12,34	17,46
Electrical Equipment	17,19	26,90
Electronics (Consumer & Office)	11,13	13,98
Electronics (General)	14,56	19,27
Engineering/Construction	8,45	13,38
Entertainment	23,59	60,99
Environmental & Waste Services	15,47	25,27

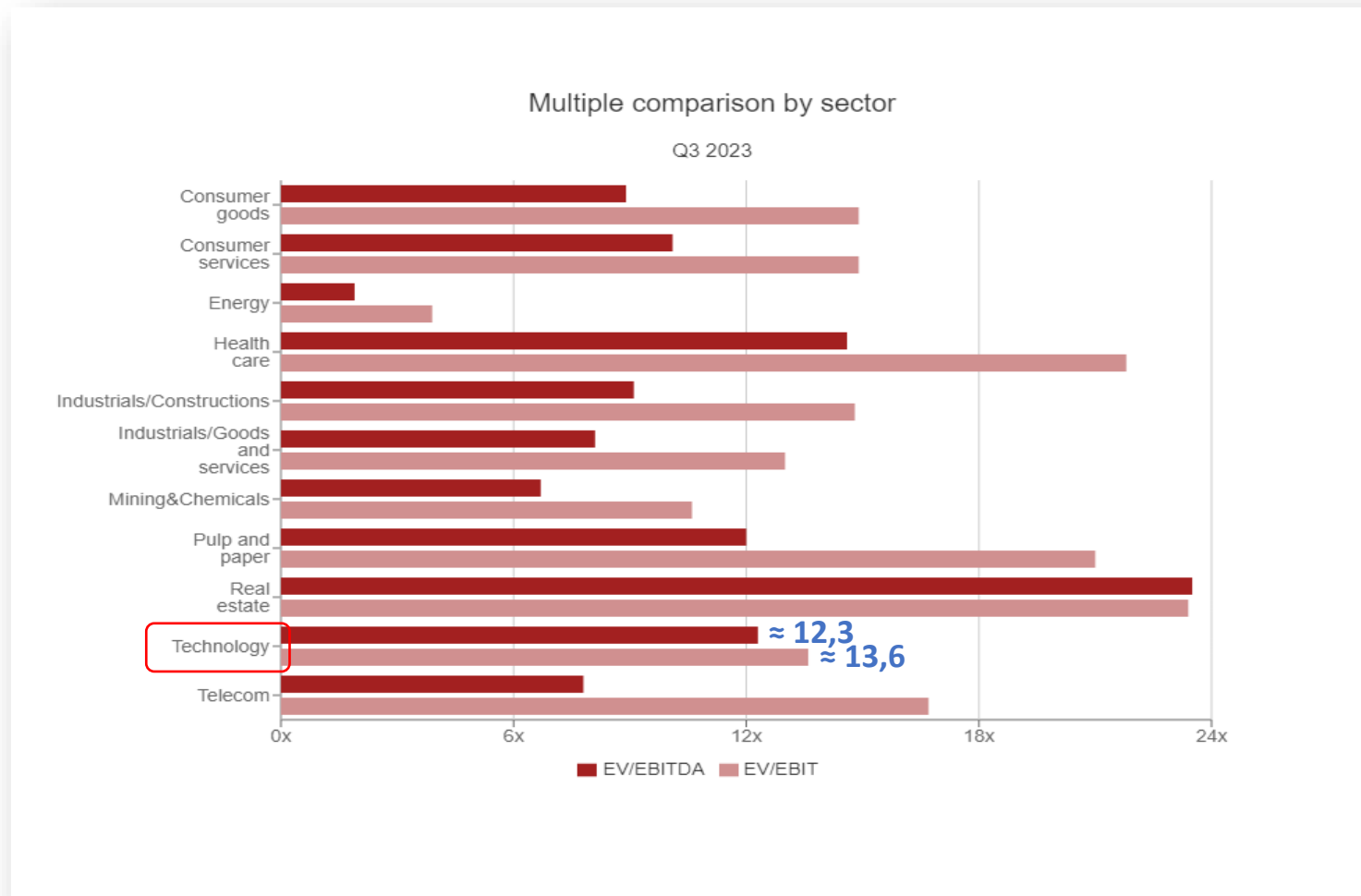
Industry Name	EV/EBITDA	EV/EBIT
Farming/Agriculture	9,08	11,01
Financial Svcs. (Non-bank & Insurance)	122,86	NA
Food Processing	14,57	18,86
Food Wholesalers	8,08	13,95
Furn/Home Furnishings	6,99	13,46
Green & Renewable Energy	16,40	26,15
Healthcare Products	16,76	27,42
Healthcare Support Services	7,92	14,62
Healthcare Information and Technology	22,01	33,64
Homebuilding	4,29	4,78
Hospitals/Healthcare Facilities	16,36	32,54
Hotel/Gaming	21,00	26,18
Household Products	16,81	20,02
Information Services	30,92	38,85
Insurance (General)	8,70	12,46
Insurance (Life)	14,68	28,13
Insurance (Prop/Cas.)	12,88	16,48
Investments & Asset Management	7,95	13,07
Machinery	12,76	18,40
Metals & Mining	4,19	5,03
Office Equipment & Services	8,33	6,59
Oil/Gas (Integrated)	4,24	3,19
Oil/Gas (Production and Exploration)	4,56	3,66
Oil/Gas Distribution	17,65	17,78
Oilfield Svcs/Equip.	9,70	7,35
Packaging & Container	9,69	13,41
Paper/Forest Products	8,75	9,26
Power	10,13	NA
Precious Metals	4,04	7,94
Publishing & Newspapers	12,83	20,41
R.E.I.T.	24,61	22,89
Real Estate (Development)	12,50	14,27

Industry Name	EV/EBITDA	EV/EBIT
Real Estate (General/Diversified)	40,47	47,34
Real Estate (Operations & Services)	24,20	29,13
Recreation	15,41	20,23
Reinsurance	10,72	25,69
Restaurant/Dining	16,40	23,20
Retail (Automotive)	11,62	17,06
Retail (Building Supply)	5,82	8,85
Retail (Distributors)	12,80	13,96
Retail (General)	8,65	12,70
Retail (Grocery and Food)	8,35	13,18
Retail (Online)	NA	NA
Retail (Special Lines)	11,39	16,49
Rubber& Tires	5,62	8,86
Semiconductor	10,82	12,81
Semiconductor Equip	25,33	32,58
Shipbuilding & Marine	3,53	2,53
Shoe	21,00	25,47
Software (Entertainment)	25,00	37,77
Software (Internet)	15,47	99,08
Software (System & Application)	21,04	32,58
Steel	2,15	2,50
Telecom (Wireless)	6,28	13,60
Telecom. Equipment	6,90	10,25
Telecom. Services	6,78	19,76
Tobacco	8,81	10,63
Transportation	7,85	9,79
Transportation (Railroads)	16,25	40,23
Trucking	12,98	12,58
Utility (General)	7,39	11,32
Utility (Water)	12,66	27,37
Total Market	12,97	18,44
Total Market (without financials)	10,14	14,27

- The EV/EBITDA, or EV/EBIT multiple reflects the payback period of the investment

Sources: Damodaran January 2023
(Western Europe) and Alma Media

Multiple comparison in Finland by PwC ^{1]}



- The EBITDA and operating profit multiples differ significantly from those in Western Europe
 - *Osoitus kertoimien käytön haasteellisuudesta*

^{1]} [PwC Valuation corner Finland September 2023](#)

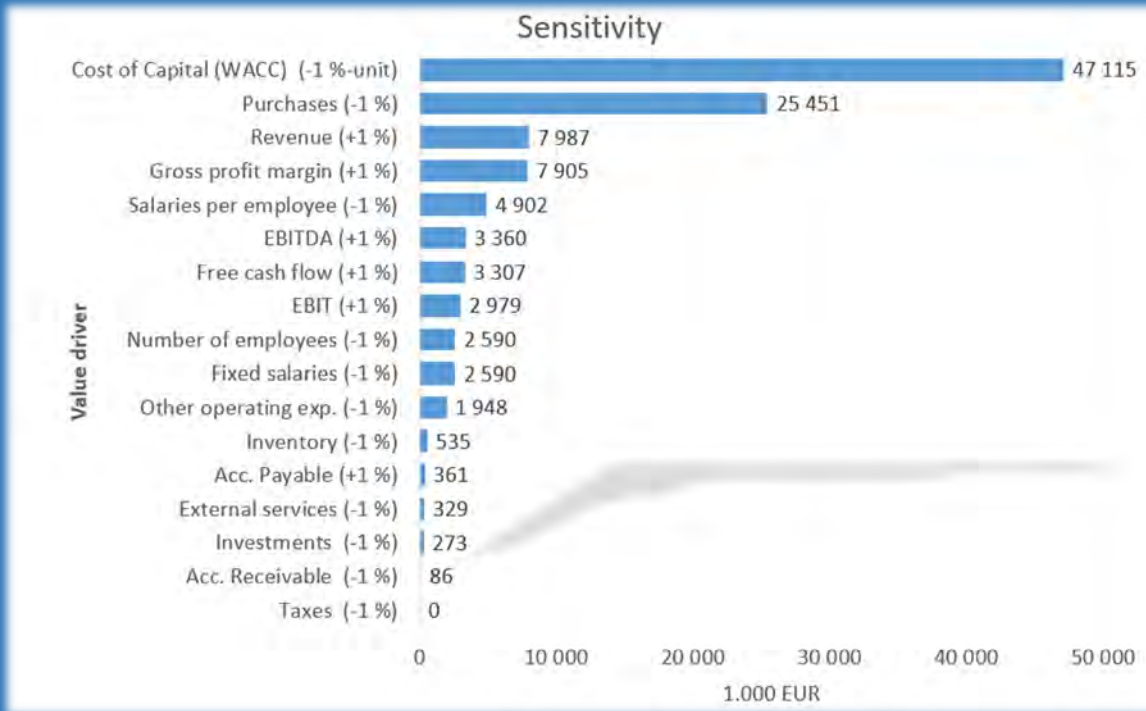


Value Drivers and sensitivities

Defining value drivers and their sensitivities

Case Swappie - General value drivers and their sensitivities

The effect of a percentage, or percentage point change on Swappie Oy's Enterprise Value (EV) (€331 M)



Cost of Capital is usually one of the TOP3 most important value drivers

- The Cost of Capital can be affected by e.g.
 - Optimal capital structure
 - Debt to equity ratio
 - Interest rate for external debt
 - Lowering the country risk
- In which countries do we operate?
 - Lowering currency risk
- By reducing/diversifying industry risk

■ **More detailed modeling brings out the more detailed Key value drivers**

Key findings and considerations

Key findings and considerations

- During the years 2018 - 2020, Swappie has raised equity funding of approx. 113 million
 - Thanks to a negative cash flow of approx. 106 million euros, the raised financing has almost been “burned”
 - In 31.12.2022 there was approx. 17 million euros as cash, i.e. basically the interest-bearing loans that were withdrawn
- The company has taken restructuring actions, e.g., by reducing number of employees
 - Revenue per employee has "collapsed" approx. -63% since 2020, which supports staff reductions
 - With external information, it is more difficult than usual to assess the real effect of the personnel changes, when the reduction (-251 tasks) is reported as actual tasks, and in the financial statements the personnel is reported as average.
- One significant observation is the company's gross profit margin-% level - with the 2022 cost structure, the gross profit margin-% is not sufficient and also, it has only decreased since 2019
- From the situation at the end of 2022, the "buffer" for making losses will be significantly smaller in the future, and on the other hand, making a positive turn during one financial year is unlikely
 - In any case, cost cuts/savings should be continued. This also applies to sales and marketing expenses, which at least for 2022 seem reasonably ineffective and were also reflected as capitalizations in investments
- Significantly fast growth has also tied working capital to the balance sheet of approx. 15 million
 - It would be essential to find tools and measures to quickly reduce/free up working capital
- The basic premise of the forecasts and scenarios presented here is to improve sales margin, continue cost savings and reduce committed working capital

Why value management is so important?

“If You do not know the values of the components of your business, you will find yourself in the hands of someone who does”






An (unnamed) investment banker

Business modeling is a starting point for Value Based Management

- Value Based Management (VBM), or tools used in it can be utilized in various operational and strategic tasks, processes and projects
- Business modelling is a good start for Value Based Management initiative
- Read more about Argon Pro Value Based Management concept from [here](#)



Argon Pro Ltd

-  www.argonpro.com
-  +358 400 66 25 33
-  timo.nurminiemi@argonpro.com
-  @Argon_Pro
-  @TimoNurminiemi

