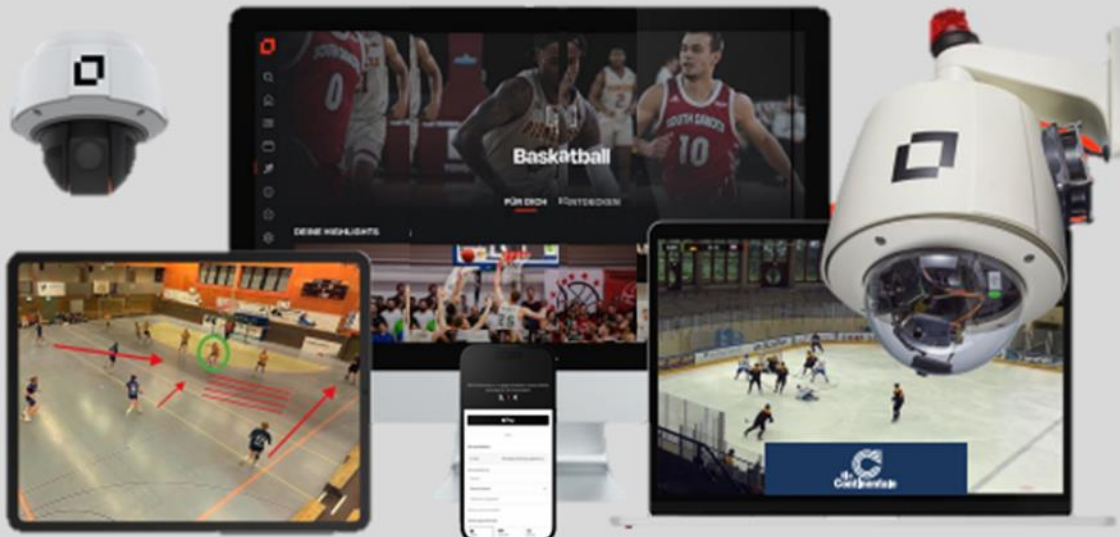


# Staige One AG

Germany | Technology | MCap EUR 22.6m

25 September 2023

INITIATION



## AI-driven digitization of amateur sports; Initiate with BUY

### What's it all about?

We are initiating coverage of Staige One AG – a technology driven SaaS company with a BUY recommendation and a PT of EUR 6.30. Staige is at the forefront of digitizing amateur sports by providing an entire ecosystem – from an autonomously working camera, streaming functionality as well as AI based coaching and analytics tools. While this product offering provides sports clubs with several key (emotional) benefits, it sets the stage for recurring and highly predictable revenue streams for Staige. The new stock listing and accompanying capital increase will provide the financial means in order to further scale its business model and to manifest its already strong market position in an otherwise still infant market.

### BUY (INITIATION)

<b>Target price</b>	<b>EUR 6.30 (n.a.)</b>
Current price	EUR 4.36
Up/downside	44.5%

 **ResearchHub**



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# Staige One AG

Germany | Technology | MCap EUR 22.6m | EV EUR 21.7m

## BUY (INITIATION)

**Target price** EUR 6.30 (n.a.)  
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## AI-driven digitization of amateur sports; Initiate with BUY

Staige is an innovative (SaaS) technology company that provides AI-driven camera systems and their integrated ecosystems for amateur sports. The company's mission is to **digitize amateur sports** - primarily football - as well as other sports such as ice hockey or basketball. For a monthly fee, sports clubs receive a fixed camera which, thanks to its built-in intelligence, autonomously follows, records and broadcasts live games. The resulting content, in turn, provides the basis for a variety of **recurring and highly scalable revenue and marketing opportunities**. For sports clubs, the camera systems often provide an opportunity to offer their members valuable additional services that were previously only available in professional sports, such as **coaching or analytical tools**, while at the same time meeting the increased demand for **greater visibility** and reach through live streaming. Since the latter can also be made available on a pay-per-view basis, additional revenue can be generated for the often cash-strapped sports clubs, as well as for Staige in a **revenue share model**.

The growth prospects for Staige are extremely promising, not least because **digitization within the amateur sport is still in its infancy**. In Germany alone, there are more than 35K sports clubs that organize more than 2m events every year. This creates an enormous potential generated with various stakeholders, such as players, coaches, fans or family members. Another driver is the increasing **trend towards self-optimization** and fitness. Coaching and analytics tools help to serve this growing trend by providing valuable insights and data. As a result, we expect Staige to **hyper scale in the coming years**. This relates not only to the proliferation of camera infrastructure, but also to downstream sticky sales potential.

Staige's competitive quality is driven by a mix of attractive features such as **market leadership in the DACH region**, a **well-trained AI software** with >120K (and growing) datasets and **prestigious strategic partners** such as Borussia Dortmund or the German umbrella organizations for football (DFB) and ice hockey (DEB). We therefore see Staige in a privileged position to continue to grow steadily and capture market share. The recent stock market debut and subsequent **capital increase** will further provide the financial means and publicity in order to open up yet another chapter. We therefore initiate our coverage with a BUY rating and a PT of EUR 6.30.

Staige One AG*	2020	2021	2022	2023E	2024E	2025E
Sales	1.3	3.8	4.3	3.2	6.7	12.6
<i>Growth yoy</i>	6.4%	202.0%	11.6%	-26.0%	110.7%	89.3%
EBITDA	-2.1	-1.7	-6.0	-3.4	-2.3	0.8
EBIT	-2.1	-1.7	-6.1	-3.5	-2.4	0.6
Net profit	-1.8	-1.4	-5.2	-2.9	-2.0	0.5
Net debt (net cash)	0.2	1.5	-1.0	-5.7	-3.8	-4.1
Net debt/EBITDA	-0.1x	-0.9x	0.2x	1.7x	1.7x	-5.4x
EPS reported	-0.38	-0.30	-1.10	-0.56	-0.30	0.08
DPS	0.00	0.00	0.00	0.00	0.00	0.00
<i>Dividend yield</i>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Gross profit margin	56.6%	67.3%	7.4%	79.0%	53.0%	49.0%
EBITDA margin	-164.6%	-43.6%	-141.3%	-108.0%	-34.0%	6.0%
EBIT margin	-167.1%	-44.6%	-142.6%	-111.0%	-35.4%	4.9%
ROCE	-82.0%	-67.8%	-147.1%	-38.7%	-32.7%	7.8%
EV/Sales	18.0x	6.3x	5.1x	5.3x	2.8x	1.5x
EV/EBITDA	-10.9x	-14.5x	-3.6x	-4.9x	-8.3x	24.4x
EV/EBIT	-10.8x	-14.2x	-3.6x	-4.8x	-8.0x	30.2x
PER	-11.6x	-14.5x	-4.0x	-7.8x	-14.7x	56.6x

Source: Company data, AlsterResearch; \* historical figures = Staige GmbH



Source: Company data, AlsterResearch

**High/low 52 weeks** 4.36 / 1.30  
**Price/Book Ratio** 5.3x

## Ticker / Symbols

ISIN DE000A3CQ5L6  
WKN A3CQ5L  
Bloomberg SPC:GR

## Changes in estimates

		Sales	EBIT	EPS
2023E	old	3.2	-3.5	-0.56
	Δ	0.0%	na%	na%
2024E	old	6.7	-2.4	-0.30
	Δ	0.0%	na%	na%
2025E	old	12.6	0.6	0.08
	Δ	0.0%	0.0%	0.0%

## Key share data

Avg. number of shares: (in m pcs) 5.19  
Book value per share: (in EUR) 0.83  
Ø trading volume: (12 months) 303

## Major shareholders (pre capital increase)

adesso SE 38.1%  
Loh Family Office 15.6%  
Founders 10.3%  
Free Float 29.3%

## Company description

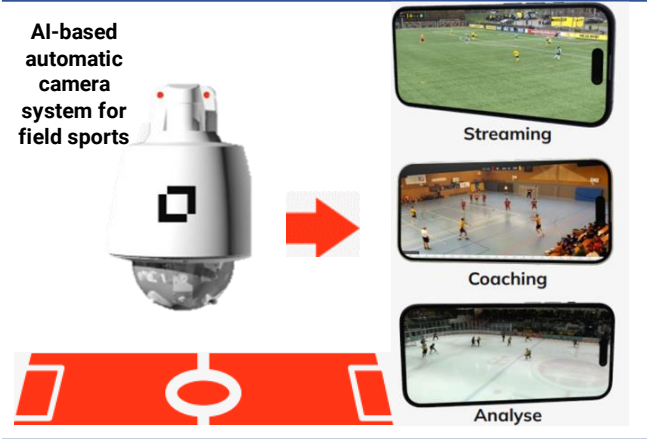
Staige One is a SaaS technology company providing an entire ecosystem in order to digitize (predominantly) amateur sports. The company's product offering ranges from an AI-based automatic camera, coaching and analytic tools, a streaming platform (staige.tv) as well as advertising capabilities. Staige targets eight sports but its main focus is on football in the DACH region.

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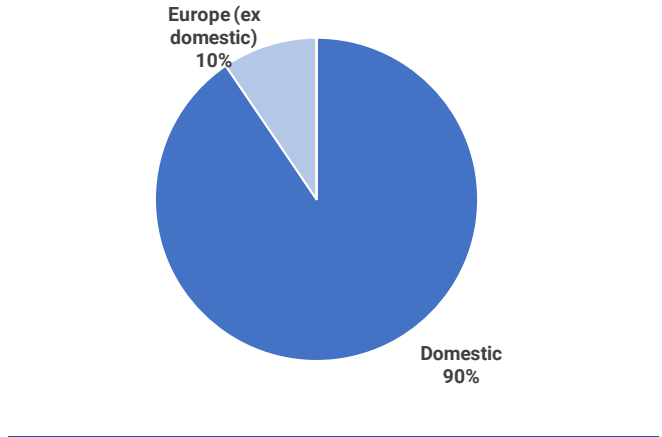
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# Investment case in six charts

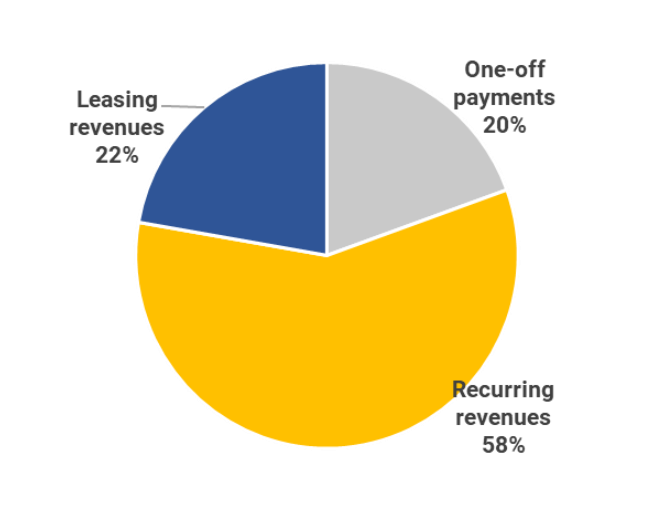
## Products & Services



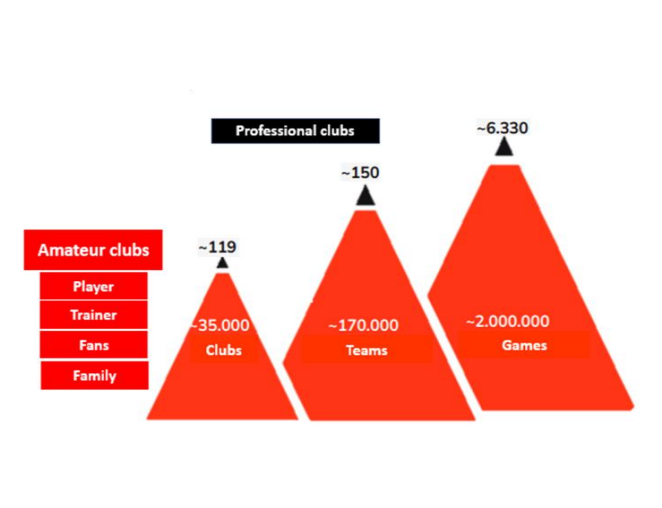
## Regional sales split 2022 in %



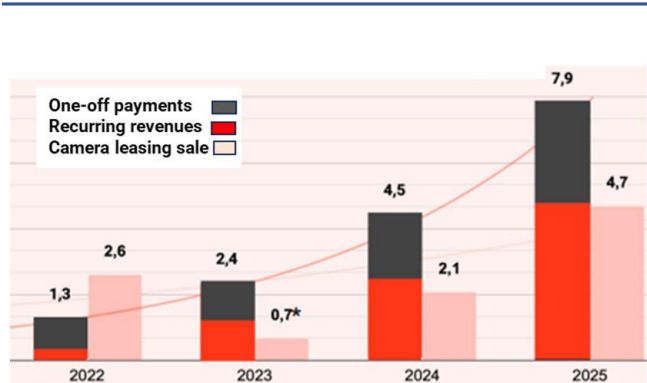
## Segmental breakdown 2023E in %



## German market for Amerteur sports clubs (Field sports)

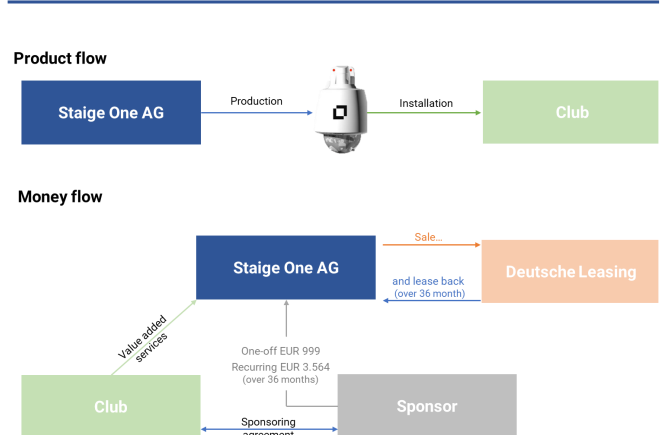


## Guidance in EURm



\*Sale of stock in preparation for production of successor camera

## Flow of money



# Company background

## Products & services

Staige One is a technology driven SaaS company that offers amateur but also professional sports clubs an all-in ecosystem for the digitization of sport.

1. The company develops and sells user-friendly **camera systems** applicable for eight different types of sports. For a one-off + monthly fee, sports clubs receive a fixed installed camera which, thanks to its built-in intelligence, automatically switches on at the start of the game, orients itself to the game in progress and finally records and broadcasts live.
2. The resulting content, in turn, provides the basis for a variety of recurring and highly scalable revenue and **advertising** opportunities such as **streaming** via its own platform *staige.tv* or embedded web player.
3. With the help of in-house developed and trained AI technology, Staige also offers **value-added services**, such as coaching or analysis tools or - in the future - even more sophisticated tools such as player statistics or talent scouting.

### Products & Services

AI-based automatic camera system for field sports



Streaming



Coaching



Analyse



Source: Company data; AlsterResearch

### There are three end user focuses:

**Live streaming for fans/players and families:** Once the camera has been installed, it can broadcast all relevant games. Usually fans/players or family members are interested in this content. Also, users are encouraged to share certain game scenes via social media, which in turn increases the reach and awareness of the club. Occasionally, clubs also set up paywalls, and charge a fee for streaming specific content. In a revenue sharing model, both the club and Staige are benefitting from this additional monetization feature. Currently c. 5% of all clubs which are equipped with a camera system from Staige have erected such paywalls.

**Coaching for the player:** Staige has developed its own AI technology and has trained the software with more than 120K games, which literally means hundreds of thousand game scenes. Every week, more than 1,200 additional games are automatically added to the database, continuously improving the quality of the AI tools. Player can hence be coached through additional services using the AI system to improve the individual performance.

**Analytics for the coach** Finally, the team's coach can use tailor made coaching tools which analyze the game by accessing the content and performing the analysis using AI systems. Coaches can use this content in order to prepare for a matches, during

half-times or during/after training sessions. In addition, the sheer size of the data pool across hundreds of teams and leagues also allow for player statistics and to benchmark them against each other. This makes the proprietary AI tool the ideal basis for additional upselling products particularly in the talent scouting area.

## Customers

Staige targets four distinct groups that would qualify as customers:

- **Sport clubs**
- **Sponsors**
- **End users**
- **Streaming platforms**

Staige predominantly targets **sport clubs**. The clubs are the one who have to decide whether or not they want to install one of Staige's cameras on the pit. Currently the company provides its cameras for eight different sports and has an installed base of > 1,200 cameras. With above 90% of all cameras installed, football remains at the very core of Staige's business model. Here, the company targets clubs at all levels of professionalism. While prestigious names such as Borussia Dortmund (BVB), Bayern Munich or Werder Bremen are known to a broader audience, the main market is the vast amount of amateur clubs. Geographically, Staige holds a market leading position in the DACH region but intends to internationalize its business going forward. In Europe there are more than 400K sports clubs of which currently less than 1% have some sort of broadcasting functionality.

However, in most cases the clubs are not the one who pay for the camera. Instead, in many cases **sponsors** are covering the main costs such as the one-off fee for the camera or also the recurring monthly fee. There is a wide range of sponsors, particularly those with strong regional links to the clubs, such as local savings banks or insurance companies. Staige currently has over 40 sponsors who have already been won as clients, which in turn pay for some or even all costs – often in return for additional advertising opportunities.

Finally, Staige targets the **end user** itself. End users can be fans, the players itself, the coaches or family members who subscribe to Staige's streaming platform (staige.tv) and access the content of the games (either live or recorded). Occasionally, sports clubs charge a fee for accessing the content. Here, Staige pursues a revenue sharing model, with a fixed PayPerView fee of EUR 1.50 per user for Staige with the remainder being additional income for the clubs. Furthermore, Staige offers coaching and analytics tools, which can be booked separately and which completes the product offering for end users.

In addition, Staige also sells access to its ecosystem (e.g. cameras / streaming content) to **other streaming companies** such as RTL or swisscom, who in turn sell the content via its own platforms.

It is worth noting that in all cases (except when working with other streaming companies), **Staige remains the beneficial owner of the content rights**, which is a crucial factor as this provides the basis for future revenue opportunities.

## Customer base



Source: Company data; AlsterResearch

## Revenue streams

Staige offers its customers a complete ecosystem to digitize amateur sports. This includes several products and services that form the basis of Staige's revenue streams, such as

- sale-and-lease-back revenues
- camera sales
- additional recurring revenue streams

**Sale-and-lease-back** To cover the working capital for the hardware, Staige has opted for a sale-and-lease-back structure. In general, after Staige has produced a camera, it is sold to Deutsche Leasing. At that time, the selling price will be recognized as revenues on Staige's P&L. The selling price roughly corresponds to the cost of producing the camera (material as well as pro rata personnel costs), but not to the profit Staige would make by selling the camera. Conversely, Staige leases the camera back from Deutsche Leasing over a period of 36 months. Apart from a mark-up for Deutsche Leasing, the entire transaction is a zero-sum game for Staige on a 3-year view. However, it helps Staige recognizing parts of the revenues in earlier periods.

**Camera sales** In the next step - after installing the camera at a sports club - Staige receives a one-time fee of EUR 999 and a monthly fee of EUR 99 / month (EUR 3,564 over 36 months). Usually these fees are paid by a sponsor who signs a sponsorship contract with the sports club.

**Additional recurring revenue streams** Once the cameras are in operation, Staige has a variety of ways to generate additional downstream revenues. Besides typical advertising sales, Staige can earn streaming revenues in a revenue-sharing model. There are also a variety of coaching and analytics tools that can be made available either to clubs or to players and their friends and families.

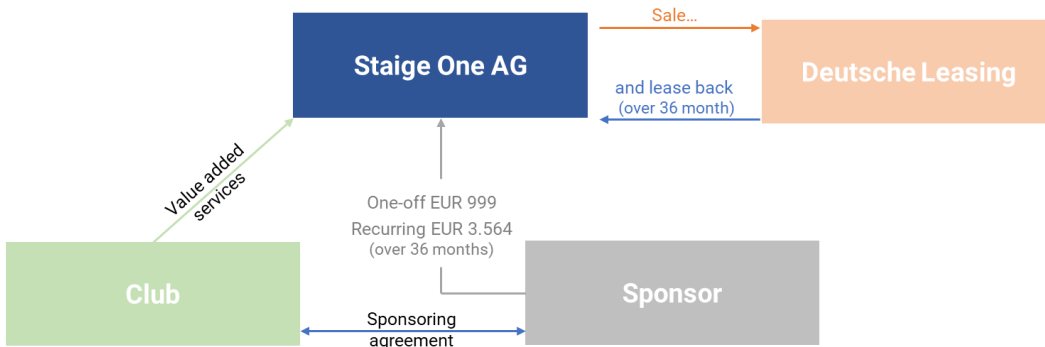
The following (simplified) flow chart summarizes the product and money flow of Staige:

## Product and money flow

### Product flow



### Money flow



Source: Company data; AlsterResearch

From a camera perspective, over a theoretical three years lifespan, Staige expects a sales potential of c. EUR 7,860 – on average some EUR 2,620 p.a.

Revenue potential per camera in EUR	1 yr	3 yrs	Avg.
<b>Camera sales</b>	<b>2.187</b>	<b>4.563</b>	
<i>of which one-off</i>	999	999	
<i>of which monthly fee</i>	1.188	3.564	
<b>Basic package</b>	<b>2.187</b>	<b>4.563</b>	
<b>Upselling</b>	<b>1.100</b>	<b>3.300</b>	
<i>of which coaching tool*</i>	(348)	(1044)	
<i>of which advertising</i>	100	300	
<i>of which Streaming</i>	333	1.000	
<i>of which value added Services</i>	667	2.000	
<b>Upselling potential</b>	<b>1.100</b>	<b>3.300</b>	
<b>Total sales potential / camera</b>	<b>3.287</b>	<b>7.863</b>	2.621

Source: Company data; AlsterResearch; \* the coaching tool often is part of the above mentioned monthly fee





## Management

Staige benefits from having a **seasoned and well connected management team**. Both, the executive as well as the supervisory board is staffed with experienced managers which are an integral part of Staige's success story:

**Jan Taube** has been CEO and co-founder of Staige One since 2017. He previously worked as Director of Sales and Market Development at Eurowings and gained valuable knowledge of the sports industry from his experience as a professional ice hockey player in both professional and amateur sports.

**Marvin Baudewig** has been CTO and co-founder of Staige One since 2017, focusing on technical aspects. Previously, he was head of development at Mifitto. With a Master's degree in Engineering Informatics, specializing in AI, he brings expertise to the development of the company's AI-based camera systems.

	
Jan Taube CEO & Co-Founder since 2017	Marvin Baudewig CTO & Co-Founder since 2017
Eurowings Professional ice hockey player	mifitto Master Engineering Informatics (AI)




Source: Company data; AlsterResearch

## Supervisory Board

**Professor Dr Volker Gruhn** is a renowned software engineer and entrepreneur. He is the Co-founder and chairman of adesso SE, a leading IT service provider in Europe and shareholder of Staige one. He is also Professor of Software Engineering at the University of Duisburg-Essen, where he conducts research into the development of innovative software solutions.

**Thomas Tress** Chief Financial Officer of BVB AG and responsible for finance, organization, legal affairs and IT. He is a qualified businessman, tax consultant and chartered accountant. BVB AG is a shareholder in Staige One, as well as a strategic partner for the further development of the coaching tool and for marketing.

**Matthias Loh** Managing Director and owner of various investment companies of the Joachim Loh Group.

		
Prof. Dr. Volker Gruhn	Thomas Tress	Matthias Loh
Co-founder of adesso SE	CFO of BVB GmbH & Co KGaA	CEO of Loh Family Office

Source: Company data; AlsterResearch

## Shareholders

After its reverse IPO, Staige has 4.7m shares outstanding and the shares are listed at the Duesseldorf stock exchange. The company currently plans a capital increase, which will – if exercised in full - increase the total numbers of shares to 6.6m (see next chapter for more details).

Currently, there are the following main shareholders:

**adesso SE** is a stock listed IT service provider specializing in the consulting and implementation of IT projects. adesso offers a wide range of services including software development, IT consulting, project management, implementation of business solutions and more. The company has been an important partner for Staige and has helped in developing the hard- and software components such as the camera or the streaming platform. With 38,1%, adesso is the single largest shareholder of Staige and will most likely also remain the largest shareholder after the capital raise.

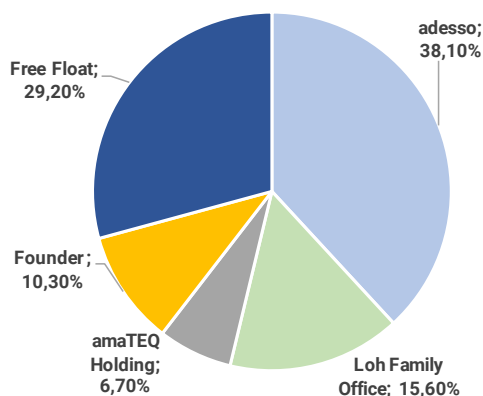
With 15.6%, **the Loh Family Office** is the second largest shareholder of Staige. The Loh family office belongs to entrepreneur Friedhelm Loh – the owner of several renowned companies such as Rittal, EPLAN, Cideon, LKH, Stahlo, and German Edge Cloud. The Friedhelm Loh Group has specialized in investing into innovative start-ups in the IT sector.

**amaTEQ Holding** According to the company's website, amaTEQ was established from private ownership in 2018 as a holding company with the portfolio of companies in the field of raw materials, waste materials and industrial services, care and coaching, artificial intelligence startup and real estate.

**The founders** of Staige One are CEO Jan Taube, CTO Marvin Baudewig and several other people. Together, this group holds 10.3% of the shares. However, it should be noted that the group of founders all act individually and their respective shareholdings are not pooled.

**Free float** The remaining 29.2% is considered free float. However the upcoming rights issue is likely to increase the free float and can potentially reach a level greater 50%. In addition, Borussia Dortmund (BVB GmbH & CoKGaA), the German professional football club is also a shareholder of Staige. Despite the fact that BVB is a strategic partner of Staige, we would consider its shareholding as part of the free float.

### Shareholder structure (pre capital increase)



Source: Company data; AlsterResearch

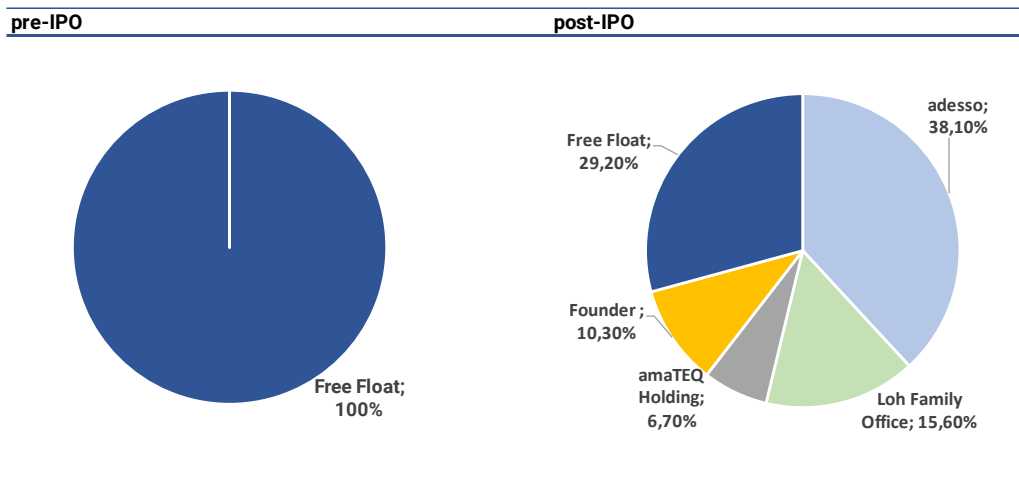
## Deal structure

Staige has ventured onto the stock market in the form of a "Reverse IPO", also known as a Reverse Merger or Reverse Takeover (RTO). In a reverse IPO, a private company that is not publicly traded becomes indirectly tradable on the stock exchange by being acquired or being merged with a company that is already listed. Quite frequently, the listed entity is an empty shell company, which has the sole objective of enabling a private company to go public. This process allows the private company to access the public capital markets without the usual IPO process, which often absorbs quite a lot of time and money and more often than not is quite uncertain regarding its outcome. In essence, the deal is a two tier process:

### Step one – Contribution in kind of the privately held Staige GmbH

- On July 24, 2023, the management and supervisory board of the empty shell company SPAC ONE AG has decided to acquire 100% of the privately held Staige GmbH in the form of a capital increase through contributions in kind
- The value of Staige GmbH has been determined by an independent auditor and amounts to EUR 5.2m
- In return for the contribution in kind, the former shareholders of Staige GmbH will receive 4,469,235 new shares with a notional value of EUR 1.16 per share.
- As a result, the share capital of SPAC ONE AG increased from 250,000 shares to 4,719,235 shares.
- After that transaction, the former Staige GmbH shareholders combined control c. 94.7% of the share capital.
- During an extraordinary AGM, SPAC ONE AG changed its name to Staige One AG and the object of the company was amended accordingly.

The following charts display the shareholder structure of SPAC ONE AG pre- and post reverse-IPO:



Source: Company data; AlsterResearch

### Step two – Capital increase

- On August 08, 2023, the management and supervisory board agreed on a cash capital increase with subscription rights
- The share capital should be increased by 1,887,694 new shares with a nominal value of EUR 1.00 per share
- The subscription price will be EUR 4.23
- Gross proceeds are expected in the amount of EUR 8m
- Existing shareholders can execute their subscription rights in a ratio of 5:2, i.e. five existing shares entitle for two new shares

- Shares not subscribed will be offered to institutional investors at the subscription price
- If fully executed, the number of shares outstanding will increase to 6.61m

The following table summarizes all capital measures:

Transaction overview	Steps	# shares	Price	Value in EURm
	Number of shares SPAC ONE AG	250.000		
<b>Step 1</b>	Capital increase in kind	4.469.235	1,16	5,2
	Number of shares after step 1	4.719.235		
<b>Step 2</b>	Capital increase in kind	1.887.694	4,23	<b>8,0</b>
	Number of shares after step 1+2	<b>6.606.929</b>		

Source: Company data; AlsterResearch

### Use of proceeds

If exercised in full, Staige can expect fresh capital inflows of up to EUR 8m (gross proceeds). The company has a clear roadmap on how to use the capital:

1. **EUR 3.5m will be used to further penetrate its existing market** – the DACH region. The company aims to expand within DACH, both geographically as well as into other sports. Investments will predominantly be done into further personnel, sales and marketing but also into additional hardware and streaming capabilities.
2. **EUR 1.5m will be spend on monetising further B2C options.** In essence, this means further product development and marketing spending for future upselling products.
3. **EUR 2m is earmarked for the expansion into one additional market.** Expenses will be required for sales, marketing and legal ground work.
4. **EUR 1m will be spend on the soft entry into one additional market** – Again, sales, marketing and legal expenditures will be required.

In terms of timing, the subscription period for existing shareholders is until October 6, followed by a private placement.

# SWOT analysis

## Strengths

- Seasoned and skilled management team (both management and supervisory board)
- Proprietary technology and patents -> camera, streaming platform
- In-house developed and with own data continuously trained AI-tools
- Dominant market position in the DACH region
- Scalable and recurring business model
- Strong customer loyalty (less than 5% churn rate)
- Strong customer base with currently more than 1,200 clubs
- Diversified revenue streams (clubs, sponsors and end consumers)
- Strong partners (professional clubs such as Borussia Dortmund but also national Federations (DFB, DEB) and adesso on the development side)

## Weaknesses

- Highly capital intensive in order to built up distribution network
- Competition from relatively larger players outside the DACH region
- Many competing streaming platforms
- High dependence on the German speaking market
- Relatively high start-up costs (camera)

## Opportunities

- Digitizing amateur sports still is in its infancy (less than 1% penetration)
- Increased awareness through professional sports partners
- Large market potential in Germany and abroad
- Competitive advantages through covering the entire value chain (own camera, AI tools and streaming platform)
- As the club customer base grows, so does the regular recurring revenue base.
- More cameras sold should lead to higher upselling opportunities
- Favorable economies of scale and high margin potential from streaming and coaching

## Threats

- Competitors could offer cheaper products
- Large technology companies enter the market as competitors
- Clubs develop their own broadcasting systems
- Continued cost pressure on clubs, resulting in declining demand

# Quality

## Competitive and market environment

The digitalization of amateur sports is still in its infancy. However, many clubs increasingly realize that a digital presence is becoming more and more important, such as

- finding and developing young **talents**,
- providing **fans and family members** with a digital offering, as well as
- offering **players and coaches** digital formats for training and coaching purposes in order to organize and optimize their daily work.

Staige's market environment can therefore be characterized by the following features:

1. **Relatively young industry:** Less than 1% of all European sports clubs currently have the opportunity to broadcast their games live.
2. **Heterogeneous requirement profile:** Sports clubs have different requirement profiles, depending on their sports focus, size and level of professionalism.
3. **Constrained financial health:** At the same time, a large number of sports clubs are struggling with financial challenges - not least because commercialization of registered sports clubs ("e.V.") are forbidden.
4. **Regional differences:** In addition, there are regional (country vs. city) or even geographical differences, which are reflected in language barriers or different hardware fittings such as heat or cold resistance.

In this environment, it is difficult to identify competitors that offer a congruent product offering to Staige. Nonetheless, there is a handful of competition, which is displayed below:

### Main competitors in the amateur sports market (Germany / EU)

	Main market (Camera / Platform)	Reliability of transmission	Easy installation	Money option for clubs	Camera availability	Cost for clubs	Customer focus
	Germany (Fixed installation / YES)	✓	✓	✓	✓	€€	B2C
	Europe (Movable / NO)	-	✓	-	✓	€€	B2C
	Germany (Development / YES)	✓	✓	✓	-	€	B2C
	US (Fixed & Movable / YES)	✓	-	✓	-	€€€	B2B
	Europe (Fixed installation / YES)	✓	-	✓	-	€€€	B2B
	Germany (NO / YES)	-	-	✓	-	€€€	B2C

Source: Company data; AlsterResearch

In total, five main competitors can be identified on the European market. The market for digital services and content in amateur sport thus shows **oligopolistic tendencies**. However, it should also be noted that the majority of the **market is not yet occupied** - as mentioned at the beginning, only 1% of European sports clubs have access to digital content. In our view, this is a relevant feature of the market, as it means that competitors usually do not compete for each other's customers, but rather focus on the 99% of clubs that are new to the game.

Furthermore, it is noticeable that all five competitors differentiate from each other by having slightly different product features and/or offerings.

The main competitors in the German and European markets are the Danish company **VEO** and the German company **Sporttotal AG**. However, VEO does not cover the entire value chain. It rather focuses on mobile camera systems with AI capabilities for analyzing the training of players and coaches. In contrast, it does not have its own platform for live streams, which means that the clubs cannot use their camera systems for earning money by erecting paywalls for streaming services. Sporttotal AG, on the other hand, has its own platform and broadcasts the live streams through. It also allows for monetization of its content. A big disadvantage is that Sporttotal AG does not have its own camera on the market at the moment. Whilst this is currently being developed and should be available soon, it is certainly 5-7 years behind competitive products in terms of technology.

Another provider is the Israeli company **Pixellot**, which is mainly active in the US market and installs complex AI-based camera systems in stadiums, which are very expensive and difficult to install. They are also only bought by clubs (B2B), so there is no B2C via streaming, but the clubs can use the platform to broadcast their own matches. Also, these systems are not currently available to amateur clubs in Europe. The same applies to the Swedish company **Spiideo**, which also focuses more on the professional sector, the difference being that Spiideo also focuses more on coaching coaches and players.

Finally, there is **Sportdeutschland.tv** on the German market, which has no cameras of its own, but provides a platform for club broadcasts, which means it cannot produce itself. For this reason, Sportdeutschland.tv is more suitable for clubs that want to set up their own camera systems but which – per definition – requires a certain size and professionalism of the targeted clubs.

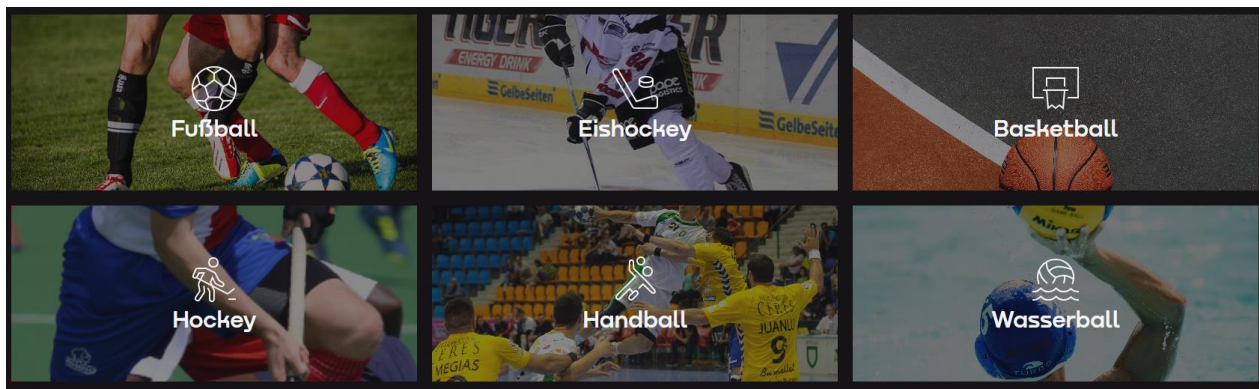
## Competitive quality

In the context of strategic management, "competitive quality" refers to the level of quality or excellence in a product or service that enables a company to gain a competitive advantage in its industry or market. It also helps companies achieve sustainable returns on capital that exceed the company's cost of capital over the long term. Competitive quality is thus a key element of a company's overall competitive strategy and is often used as a differentiator to distinguish a company's offerings from those of its competitors. Taking the above mentioned competitive environment into account, we believe that Staige's competitive quality rests on a distinct set of features, such as

### 1. Focus

Staige has identified eight sports that they focus on. Besides football, ice hockey, basketball, hockey, handball and water polo play an important role. However, due to its popularity and distribution, football plays a dominant role, accounting for over 90% of current business (eAR).

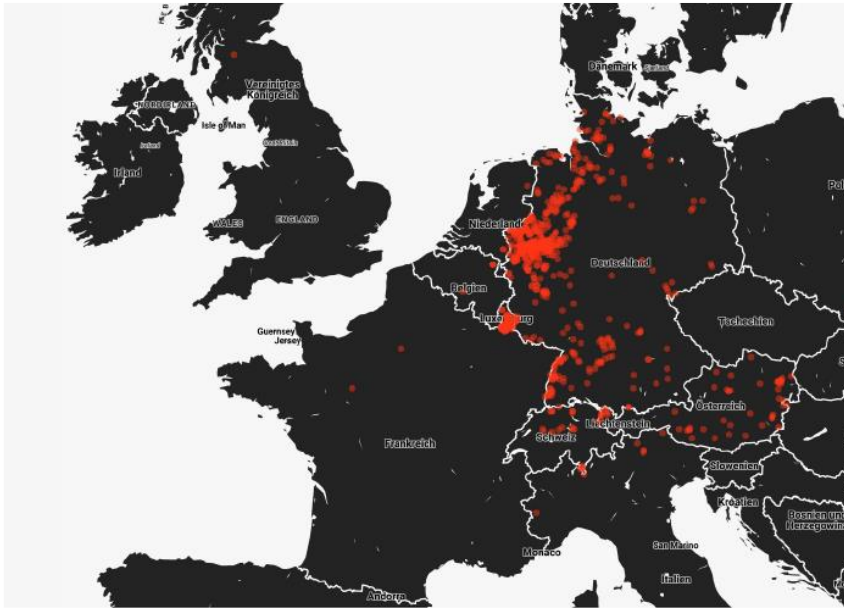
#### Main sports



Source: Company website; AlsterResearch

In addition, being deeply entrenched in the very heart of Germany, Staige has started to build a dominant market position in the DACH region. In fact, with an installed base of >1,200 cameras mainly in Germany, Austria and Switzerland, and over 120K live broadcastings so far, Staige is by far the largest player in this lucrative market.

## Geographic Focus



Source: Company website; AlsterResearch

Finally, unlike other competitors, Staige is a pure play for digital content for amateur sports. This focus, in our view, comes with a significant advantage - and that is the undivided attention of all resources. Whilst others have to divide management attention and/or capex budgets over a variety of segments, Staige can focus on building and improving its digital content for amateur sports. As of today, Staige has invested c. EUR 17m in the development and roll-out of its offering – of which more than EUR 5m has been spent only on developing its hardware, platform, and AI capabilities.

## 2. Differentiated product offering

**Covering the entire value chain** Staige covers all aspects of the value chain, from camera systems, AI software for automatic match tracking, coach and player coaching, as well as a live streaming platform and cloud for content storage. For Staige, this represents a key differentiator, as no other competitor offers a similarly deep vertical integration. The resulting advantages for Staige and its customers are as follows

- **Reduced complexity** For clubs that want to address the digitization of sports, a variety of highly complex issues arise. These range from the optimal installation and troubleshooting of the camera and seamless integration with the streaming platform to legal issues such as data protection and privacy. A provider like Staige, which offers all services from a single source, thus immensely reduces the complexity for sports clubs.
- **Better compatibility** Sports clubs that purchase individual components separately from different suppliers often have classic interface problems where the individual components are not optimally aligned with each other. Staige, with its proven ecosystem, therefore increases compatibility immensely.
- **Economic benefits** In sum, an integrated product offering also comes with significant financial benefits, which are reflected in the cost of the overall service spectrum but also better monetization options for the clubs.



- **Higher switching costs** Finally, once access to an entire ecosystem has been sold, it comes with a key benefit of high switching costs for customers. This in turn, significantly increases the business quality for Staige and thus the predictability and visibility of future earnings streams.

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## Value Chain

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Source: AlsterResearch

**Free monetization options for the clubs** Another key benefit is the possibility for sports clubs to choose monetization options according to their own needs. In addition to classic advertising, this can also be a paywall in front of live streaming content, which can generate additional revenue for the clubs. Currently, only 5% of connected clubs have introduced a PayPerView feature. However, the decision to introduce this is the sole responsibility of the clubs and thus represents another important differentiating feature.

### 3. Size

With an installed base of more than 1,200 cameras – predominantly in the DACH region, Staige is by far the largest player in this market. Since inception, it has collected a data set of over 120,000 broadcasts so far, which are streamed via its own platform [staige.tv](https://www.staige.tv) or webplayer. The company's platform already counts more than 100,000 registered users and over 2m unique visitors in 2022. All of this is important in our view, as it provides Staige with the necessary scale and ultimately reach in order to establish its vertically integrated product offering. Clearly, size matters because Staige's business model follows the classic platform economy, where

- a) fans and viewers go to the platform on which they find the greatest possible **content** (width and depth).
- b) sports clubs favor partners who in turn have the greatest possible access to **potential viewers and advertising partners**.

Moreover, in the age of artificial intelligence - "AI" - the size argument takes on an additional, important meaning. In general, the more data sets used to train an AI, the better the result. Staige has over 120K data sets with several hundred thousand game scenes. In addition, 1,200 more games are added on a weekly basis, what makes Staige's AI so valuable in our view as it continues to learn. This sets Staige apart from its competition but also helps building value-added products such as coaching, player statistics or personalized player content.

### Screen shot - game scene



Source: Company data; AlsterResearch

### Know how and Expertise and data

Another feature that reflects Staige's competitiveness, in our opinion, is its vast experience and know-how. Although the industry is still in its infancy, Staige has a history of over 6 years. During this time, the company has gained valuable experience that enables Staige to develop and distribute targeted products for its customers. Experience plays an important role at all points of the value chain

- Development of **hardware, software and platforms**
- Establishing and optimizing **production and assembly processes**
- Establishment of suitable **sales channels** including the use of sports supporter (e.g. via sponsoring contracts)
- Detailed **country expertise** - especially in the DACH region with all its local specifics about clubs (>1,200) and (association) structures
- Knowledge of **8 different sports**

Access to large amounts of data also plays a crucial role in the further development of the inhouse developed AI. Every AI is only as intelligent as the data / data volume that goes into it. As already mentioned, Staige has **access to hundreds of thousands of game scenes and data**, which are a valuable tool for training the AI in value-added functions.

Last but not least, the company's wealth of experience is also reflected in the hard numbers. Staige has invested a total of more than EUR 17m in the development and launch of the company in recent years, including more than EUR 5m in the technical development of hardware, platform and AI alone.

### Network

Last but not least, Staige benefits from an extensive network, which not only gives the company a "competitive edge", but also stands as proof that customers value and perceive Staige's products.

**Development partners and strategic partnerships** - Particularly noteworthy is the strategic partnership with the German Football Association (DFB), the German Ice Hockey Association (DEB), and Borussia Dortmund (BVB). Especially the partnerships with the two umbrella organizations of German soccer and ice hockey provide Staige with the necessary visibility and credibility in the market. In addition, Staige can count BVB, one of the most renowned and currently most successful soccer clubs in Germany, among its partners.

On the technological side, the listed adesso SE - a leading consulting and IT services company in Germany - is one of Staige's partners. In our view, the company benefits in particular from the technological advancement of hardware and software as well

as from adesso's broad network and know-how of all digital issues such as platform development, cloud computing, AI, streaming or but also payment processing.

Last but not least, the strategic partnership also manifests itself on the financial level. Both adesso and BVB hold shares in Staige and therefore have a commercial interest in supporting and further developing the company.

### Strategic partners

### Development partner



Source: Company data; AlsterResearch

### Clubs and sponsors

In addition, thanks to its extensive experience, Staige already has a network of over 1,000 clubs in Germany, including many well-known names from various leagues. Equally important to us is the extensive network of potential sponsors - usually large companies with a strong regional focus - as well as partnerships with major streaming portals such as RTL or swisscom. All of this gives Staige access to valuable resources, but also attention and awareness, and thus represents an important component of the company's competitive quality.

### Customer base



Source: Company data; AlsterResearch

### Business Quality

In addition to the classic competitive quality, Staige is also characterized by certain features that we consider under the term "business quality". From our perspective, these are characteristics that have a positive impact on Staige's business figures from a financial/economic perspective. The company's business quality therefore encompasses several dimensions, including

- **Scalable** business model
- **Visible**, highly **recurring** revenue model
- **High customer retention** (e.g. churn of below 5%) with high switching costs
- An ecosystem that erects quasi **insurmountable barriers to exit**

# Growth

## Market potential

In our view, there are three main growth topics which can be identified for the market Staige is acting in:

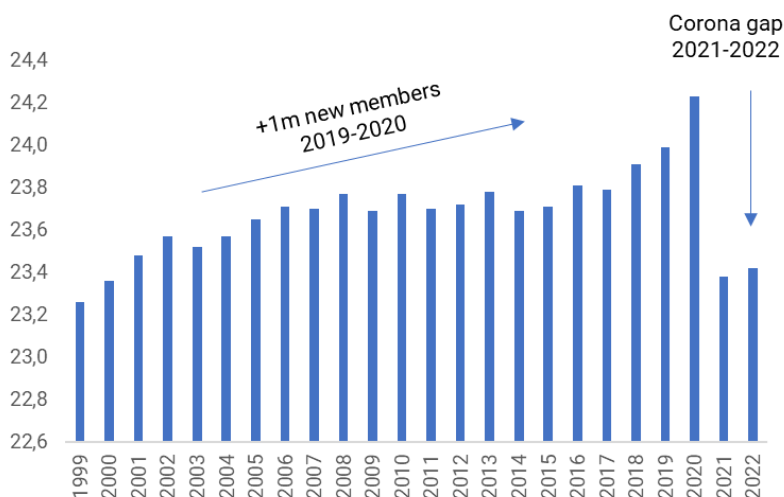
- **Rising awareness of healthier and active living**
- **Use of technology**
- **Increasing commercialization of amateur sports**

### Rising awareness of healthier and active living

The trend towards healthier and active living has gained significant momentum in recent years, with a growing emphasis on pursuing sports and physical fitness. People from all walks of life are recognizing the importance of incorporating regular physical activity into their routines. This shift in mindset reflects a broader understanding of the numerous benefits that come with an active lifestyle, including improved physical health, enhanced mental well-being, and increased longevity. From running and cycling to yoga and team sports, individuals are embracing a wide range of activities that not only help them stay in shape but also foster a sense of community and camaraderie. As the pursuit of sports and active living continues to evolve, it's becoming clear that this trend is not just a passing phase but a fundamental shift towards a healthier and more fulfilling way of life.

In Germany alone, there are approximately 24m club memberships, which represents about one-third of the German population. Although the numbers were down sharply in 2021 and 2022 due to the Covid-19 pandemic, the long-term trend however reflect the uninterrupted popularity of club memberships. But this huge market potential is not only limited to the active players. It also includes coaches, dedicated fans and family members, who together represent a huge addressable market that has hardly been addressed to date.

### Club memberships - Germany in m



Source: [www.dbs-npc.de](http://www.dbs-npc.de); AlsterResearch

### Use of digital equipment

We have used two examples which illustrate the increasing use of technology in sports – these are the increasing penetration of wearables and fitness trackers as well as the use of AI within sports:

**Trend towards self-optimization:** The trend towards self-optimisation in sport refers to athletes and teams using various data-driven and technologically advanced methods to improve their performance, recovery and overall well-being. This trend

has gained significant momentum in recent years due to a number of factors such as the proliferation of wearable devices such as fitness trackers and smartwatches or the increasing use of data analytics tools to analyse large data sets related to performance metrics.

As can be seen below, wearable technologies are the No 1 trend among the top 10 fitness trends worldwide.

### Top 10 Fitness Trends



Source: Health & Fitness Journal; AlsterResearch

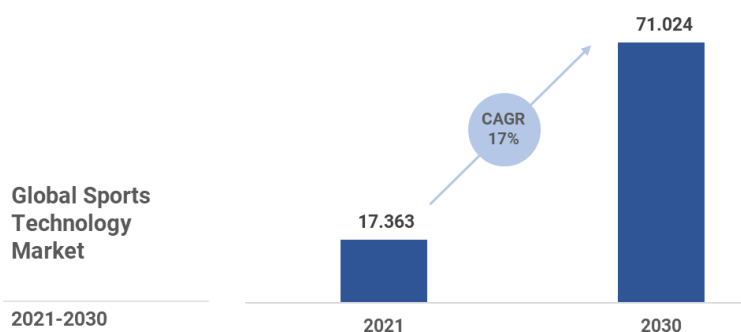
**Better AI means better athletes:** Professional coaches and leagues have been using AI to assist in training for years. But the broader availability of AI technology means that amateur athletes and school-level coaches and trainers can use it to improve their training and analyze player performance data even more effectively.

Augmented reality, in particular, is an exciting new tool that can greatly benefit athletes. For example, the ability to superimpose objects (such as computer-generated players) on a real court or field can help players who must train alone. Other AR applications allow data to be incorporated into a real-world environment or pre-recorded video so that players and coaches can better understand playing styles, movement patterns, and potential mistakes in real time.

For amateur leagues and coaches, VR and AR overlays can be used to study footage of opposing teams to plan better defensive strategies before game day.

Broadly speaking, the sports technology market is poised for significant growth in the future. The chart below provides data on the evolution of the global sports technology market. While this is a very broad classification (it includes, for example, e-sports), it serves as a proxy to derive future growth rates. Indeed, the sheer size of the market is remarkable in itself, with annual spending expected to exceed USD 70bn by 2030. Based on today's market size of USD 17bn, this implies a compound growth rate of 17% over the next 7+ years.

### Global Sports Technology Market - in USDm

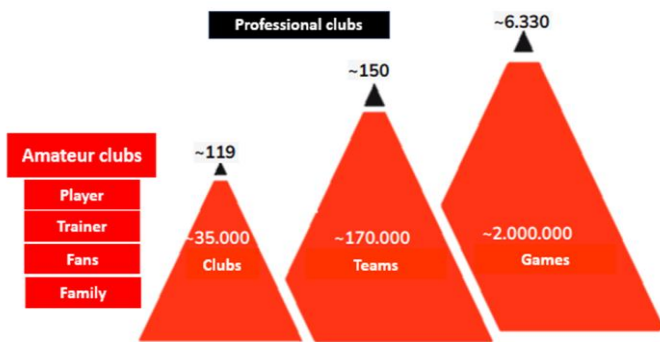


Source: Verified Market Research; AlsterResearch

### Proliferation of technology in amateur sports

**Digitizing amateur sports still in its infancy** While technology itself will continue to drive future growth, focusing on amateur sports itself offers enormous potential, too. In essence, amateur sports represent a huge market that has remained largely untapped, when it comes to digitization. While there are only 119 professional clubs in Germany, there are 35,000 amateur sports clubs – over 300 times more than professional ones. Each year, nearly 170,000 teams play more than 2m games in Germany. This illustrates the sheer numbers of people who are passionately involved in amateur sports. This is in stark contrast to the 150 professional teams that play just over 6,300 games per year. The commercial appeal, however, has so far rested solely on the professional teams, which generate the lion's share of revenues and TV rights. The situation is no different at the European level, where the number of sports clubs exceeds 400,000. Despite these huge numbers, **the market for digitizing amateur sports remains largely untapped**. It is astonishing that less than 1% of all European clubs are currently able to broadcast their matches live and share the enthusiasm of their members with a wider audience.

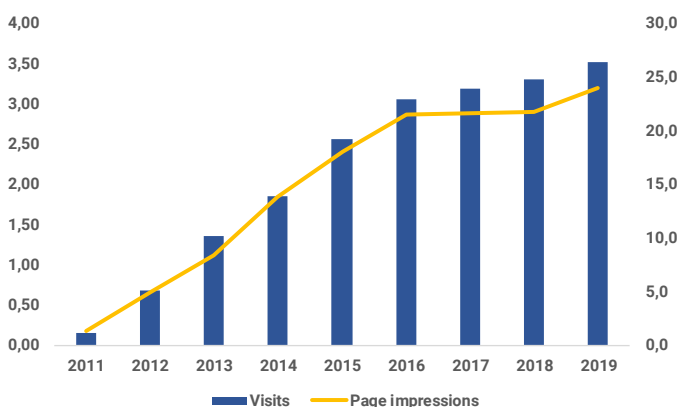
#### German market for Amateur sports clubs (Field sports)



Source: Company data; AlsterResearch

**Amateur sports enjoy growing attention** However, the trend is clear: In amateur sport, and particularly in amateur football, there is a growing demand for more media coverage and opportunities to watch matches live and in good quality. In recent years, a number of online video platforms have emerged to meet this growing demand. The huge increase in the number of users of these platforms shows that there is a demand for such video clips and that there is still room for professional streaming services in the field of amateur sport and especially amateur football. This is also underpinned by the strong development of “FuPa” one of the largest amateur football portals in Germany. While the data below is somewhat outdated, it serves well to illustrate the tremendously increasing interests in amateur sports. In fact, the interest - measured by the rising impressions and website visits show CAGR growth of 44 and 48% respectively (2011-2019).

#### FuPa - Website traffic in m



Source: FuPa.net; AlsterResearch

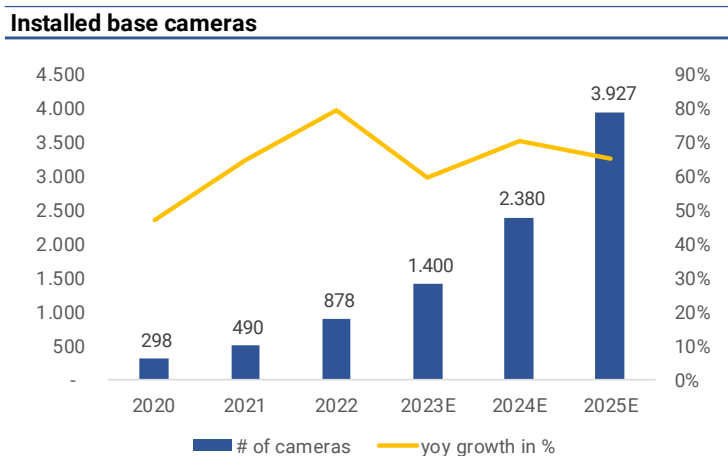
## Growth at Staige

Staige is acting in a clear growth market. We therefore assume - not least for the reasons mentioned above - that Staige will achieve significant compounded average growth rates in the period detailed forecast period 22-25E any beyond. In fact, we expect a CAGR sales of 45% (22-25E), which is based in detail on the assumptions for the following segments:

- **Increasing camera penetration**
- **Recurring “value added services”**

### Increasing camera penetration

The basis for future growth lies in the rapid spread of the company's own camera system. At the end of the first half of 2023, Staige had installed approximately 1,200 cameras in the market. We expect Staige to continue to show dynamic growth rates in the future. For example, the company has almost doubled the number of cameras installed in each of the last three years. We consider this growth dynamic to be realistic for the future as well - considering the still very young market with less than 1% penetration as well as further growth levers such as further geographical expansion or the extension of the product range to other sports. Our base model therefore expects an installed base of nearly 4,000 cameras by the end of 2025E as can be depicted below:



Source: Company data; AlsterResearch

The beauty of Staige's business model is that each camera sales comes with a mix of up-front, one-off payment and recurring, highly predictable monthly fees, depending on the additional services and products used by the clubs. Staige calculates with a “base” three-year revenue potential per camera of c. EUR 6,760 or – on average - EUR 2.250 p.a. Currently, this revenue is composed as follows:

- Revenues through sale-and-lease-back of its cameras, whenever a camera has been produced
- EUR 999 one-time fee when a camera has been installed
- EUR 99 / month (EUR 1,188 p.a.) a monthly compulsory fee for hosting and cloud services

### Recurring revenue potential

On top, Staige aims at tapping further revenue streams such as

- **Advertising sales**
- **Streaming income (PayPerView)**
- **Coaching tools**
- **Upselling opportunities of value-added services**

However most of these tools and/or additional earnings streams are still in an early stage or in its ramp-up phase. Still, it becomes obvious that these recurring earnings streams could offer a significant future source of income for Staige. In fact, we believe that next to the camera related sales there is an additional revenue potential of ca. EUR 3,300 per camera in a typical three year time horizon (c. EUR 1,100 p.a.). For more details on the different products and earnings streams have a look at the "Company background" section.

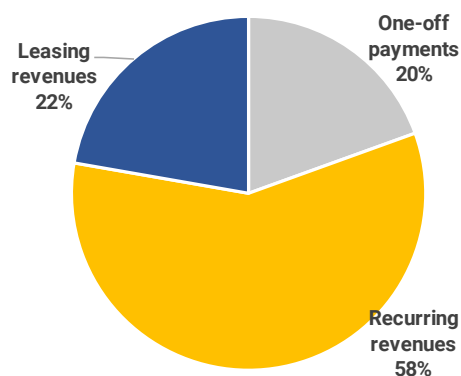
The following gives an overview, about today's and future revenue per camera for both, a one year period and for three years.

Revenue potential per camera in EUR	1 yr	3 yrs	Avg.
<b>Camera sales</b>	<b>2.187</b>	<b>4.563</b>	
<i>of which one-off</i>	999	999	
<i>of which monthly fee</i>	1.188	3.564	
<b>Basic package</b>	<b>2.187</b>	<b>4.563</b>	
<b>Upselling</b>	<b>1.100</b>	<b>3.300</b>	
<i>of which coaching tool*</i>	(348)	(1044)	
<i>of which advertising</i>	100	300	
<i>of which Streaming</i>	333	1.000	
<i>of which value added Services</i>	667	2.000	
<b>Upselling potential</b>	<b>1.100</b>	<b>3.300</b>	
<b>Total sales potential / camera</b>	<b>3.287</b>	<b>7.863</b>	2.621

Source: Company data; AlsterResearch; \* the coaching tool often is part of the above mentioned monthly fee

Looking at it from a different angle, Staige's revenues will predominantly be driven by recurring revenues. Its sale-and-lease-back structure accounts for c. 22% of 2023E sales whereas the one-off payments for the camera is good for another 20% of 2023E sales.

### Revenue split - 2023E



Source: Company data; AlsterResearch



Bring it all together, our detailed price/volume matrix can be found below:

Sales forecast in EUR	2020	2021	2022	2023E	2024E	2025E	Remarks
<b>Camera leasing sales</b>							
TTL Leasing sales in EURm	0,32	1,70	2,72	0,70	2,09	4,62	
<b>One off payments</b>							
# cameras (incremental + renewals)				617	1.172	1.935	
Upfront charge				999	999	999	EUR 999
TTL One-off payments in EURm	0,52	1,31	1,17	0,62	1,17	1,93	
<b>Recurring revenues</b>							
Camera subscription p.a.				1.188	1.188	1.188	EUR 99 / months
Camera subscription sales in EURm				1,66	2,83	4,67	
Coaching tool price p.a.				348	348	348	EUR 29 / months
Share in %				5%	15%	25%	
Coaching tool in EURm				0,02	0,12	0,34	
Advertising sales p.a.				100	100	100	EUR 300 / 3 yrs
Advertising sales in EURm				0,14	0,24	0,39	
PayPerView sales p.a.				230	230	230	EUR 230 p.a.
Share				5%	10%	15%	
PayPerView sales in EURm				0,02	0,05	0,14	
Value added services p.a.				680	680	680	2.040
Share in %				0%	10%	20%	
Value added services sales in EURm				-	0,16	0,53	
TTL recurring revenues in EURm	0,46	0,82	0,38	1,84	3,41	6,07	
TTL sales in EURm	1,31	3,83	4,28	3,16	6,67	12,62	
yoy growth in %		193%	12%	-26%	111%	89%	

Source: Company data; AlsterResearch

### Bottom-line

Being a technology driven SaaS company, Staige benefits from having a highly scalable business model that enjoys significant economies of scale. Once Staige has implemented the camera, Staige will receive a mix of a one-time upfront payment and recurring monthly revenues. On top, several value added services such as advertising, coaching and analytical tools or streaming services follow the same economics, with upfront investments and scalable revenue thereafter. Staige currently is in its scaling phase, which – in theory – would mean that any incremental sales would feed disproportionately into the company's bottom line.

On the other hand, Staige continues to invest into its business in order to broaden its product spectrum and/or expand geographically. Given that Staige is generally speaking an asset light business model, investment means operating expenditures in the form of marketing, sales and general admin.

Putting this all together, we expect Staige to gradual improve its profitability, but to remain at least EBIT negative in 2023E and 2024E – see table below.

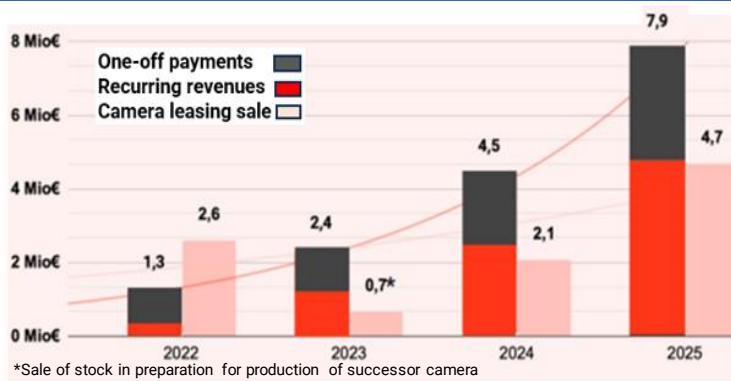
P&L	2020	2021	2022	2023E	2024E	2025E
Sales	1,3	3,8	4,3	3,2	6,7	12,6
yoy growth in %	6%	202%	12%	-26%	111%	89%
EBIT	-2,1	-1,7	-6,1	-3,5	-2,4	0,6
EBIT margin in %	-167,1%	-44,6%	-142,6%	-111,0%	-35,4%	4,9%
Net profit	-1,8	-1,4	-5,2	-2,9	-2,0	0,5
EPS	-0,38	-0,30	-1,10	-0,56	-0,30	0,08

Source: Company data; AlsterResearch

## Outlook

Staige provides a detailed outlook for future top and bottom line performance as shown in the chart below. The company expects revenues to hyperscale in the next few years, driven by the increasing penetration of its camera infrastructure and the rollout of related services. Notably, there is a significant decline in camera leasing sales in 2023, primarily due to a major Scandinavian contract that was canceled at short notice, in part due to the war in Ukraine. In anticipation of this contract, Staige produced 1,500 cameras and sold them to Deutsche Leasing via its sale-and-lease-back structure. As a result, camera leasing revenue increased significantly in 2022. However, now that the contract has been canceled, Staige is sitting on an inventory of cameras. As a result, Staige will sell this excess inventory in 2023, which will result in fewer new cameras being produced and sold in 2023 via sale and leaseback.

## Guidance



Source: Company data

In total, Staige expects a CAGR growth of 48% (22-25E). Camera leasing revenues, on the other hand, are expected to grow at a disproportionately lower rate (CAGR 22%) due to the situation described above, while one-off and recurring revenues are expected to grow at a remarkable 82%. Based on the target figures, Staige expects to reach EBITDA (and cash) break even in 2025.

In essence, Staige's outlook is in-line with the estimates of AlsterResearch, which predicts a similar growth trajectory for both, the company's top- and bottom-line.

in EURm	2022	2023	2024	2025	CAGR
One-off and recurring revenues	1,3	2,4	4,5	7,9	82%
Camera leasing sales	2,6	0,7	2,1	4,7	22%
<b>Total sales</b>	<b>3,9</b>	<b>3,1</b>	<b>6,6</b>	<b>12,6</b>	<b>48%</b>
Cost	9,7	5,7	8,7	11,7	6%
<b>EBITDA</b>	<b>-5,6</b>	<b>-3,3</b>	<b>-2,2</b>	<b>0,8</b>	<b>na</b>

Source: Company data, AlsterResearch

# Planning assumptions

## P&L assumptions

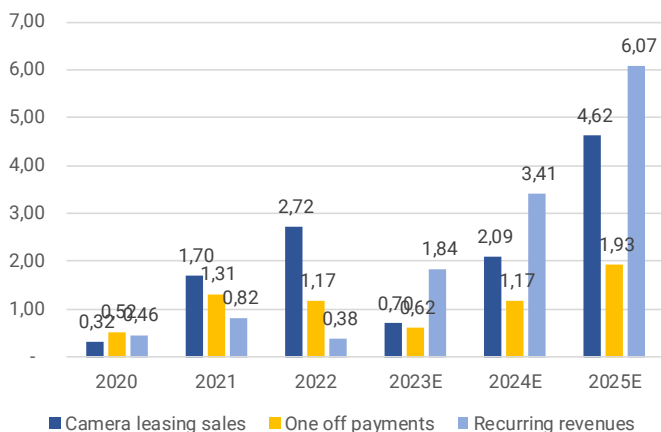
The historical development of the company can best be seen in the financial statements of Staige GmbH. These are also the basis for our financial model. Roughly speaking, the company's revenue almost quadrupled from 2020, i.e. from EUR 1.27m in 2020 to EUR 4.28m in 2022. The main driver of the business model is the deployment of the camera infrastructure and the resulting revenue streams. In particular, camera penetration has more or less doubled every year in recent years. We expect a similar growth dynamic in the coming years due to the still relatively low market penetration. By 2025E, we expect the installed base to grow from the current 1,200 cameras to almost 4,000 cameras (see chapter "Growth").

Accordingly, we consider average growth of 48% (CAGR 22-25E) to be realistic, taking into account that part of the revenue is generated through a sale-and-leaseback structure, which we believe generally shifts revenue into earlier periods.

Again, the cancelation of a major order from Scandinavia had (and will) have an effect on Staige's financials:

1. Camera leasing sales are likely to drop significantly in 2023 as Staige will continue to sell its excess (off balance sheet) inventory.
2. In total, this will account for the drop in 2023 sales expectations (eAR -26% yoy to EUR 3.2m)

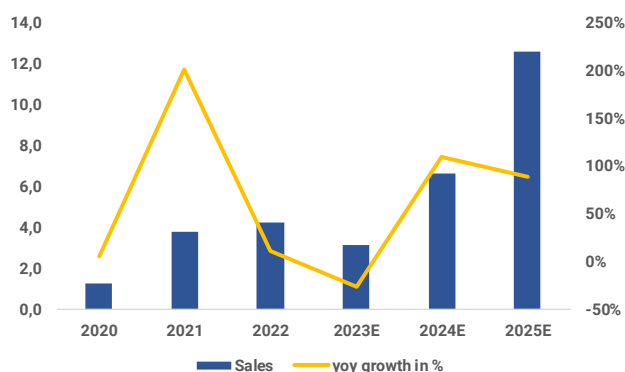
### Segmental sales in EURm



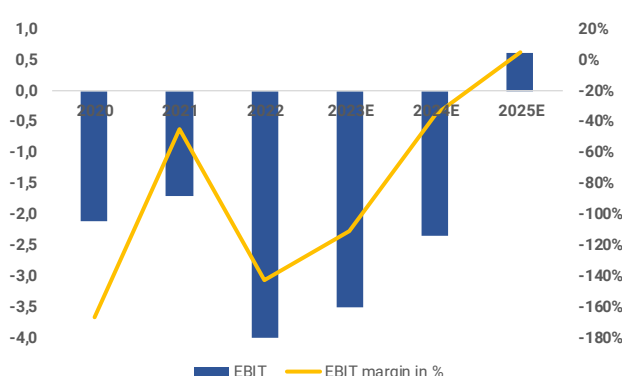
Source: Company data; AlsterResearch

In terms of profitability, Staige will remain loss making – at least until 2024E. The company remains in its ramp-up phase which requires up-front investment into products, markets and sales. Consequently, we do not expect the scaling effects to be materially visible before 2025E. However, despite all these growth investments, we anticipate that Staige will achieve its break-even level – both in terms of EBITDA and cash break-even - by 2025E.

**Sales in EURm / sales growth in %**



**EBIT in EURm / EBIT margin in %**



Source: Company data; AlsterResearch

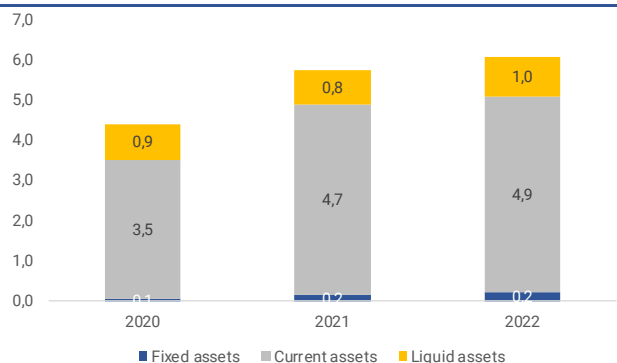
## Balance sheet assumptions

As mentioned above, Staige's business model is capital light. Investments in new markets or product categories mostly require capital expenditures that flow directly through the P&L. In addition, although Staige sells its own camera, it only operates assembly facilities that require little property (they are rented), plant or equipment. Staige currently has an assembly capacity of approximately 50 cameras per week. This translates into an annual capacity of 2,600 cameras. The existing capacity is therefore sufficient to absorb the projected growth without additional investment. Furthermore, it appears as if Staige has not capitalized any development or R&D costs in the past. This conservative accounting is now clearly paying off, as the balance sheet shows no significant capitalized assets. Finally, the company's sale-leaseback structure further streamlines its balance sheet..

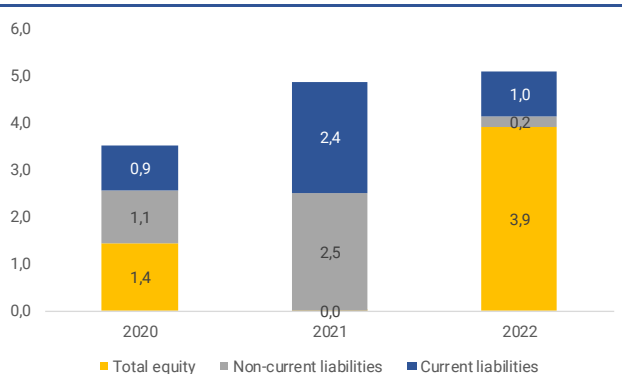
Against this backdrop, it is not surprising that Saige has very few fixed assets on its balance sheet (at YE 22: EUR 0.15m / 3% of total assets). Current assets, on the other hand, accounted for 95% of the total balance sheet value and consisted mainly of cash, inventories or deferred taxes. At the end of 2022, Staige (GmbH) had total assets and liabilities of EUR 5.1m - only 1.2 times its 2022 sales level.

Going forward – and as part of the company's reverse IPO – Staige will most likely have to record a goodwill position on its balance sheet. Given that Staige is accounting using German GAAP (HGB), this will also translate into annual goodwill amortizations. However, since the difference between the value of the contributed asset (Staige GmbH) and the actually value of its equity is very small, we believe that the goodwill position on the balance sheet (and also on the P&L) is rather negligible.

**Balance sheet - Assets in EURm**



**Balance sheet - Liabilities in EURm**



Source: Company data; AlsterResearch

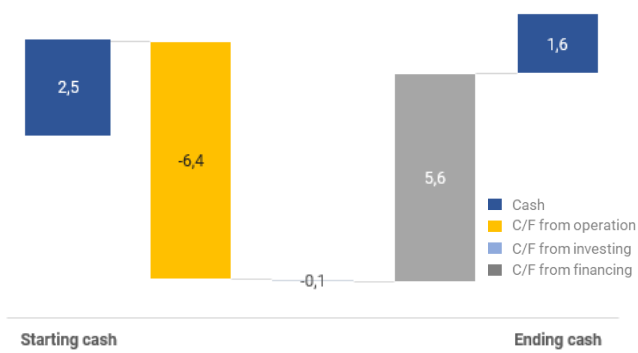
The liability side is even more straightforward. In essence, Staige is an "all equity company" with shareholders' equity accounting for 77% of total liabilities, with the remainder being provisions and accounts payable (15% of total 2022 liabilities). It is also worth highlighting that Staige holds no meaningful debt on its balance sheet.

After the company's reverse IPO and successful capital raise, shareholders' equity likely to grow to nearly 100% of the total balance sheet value.

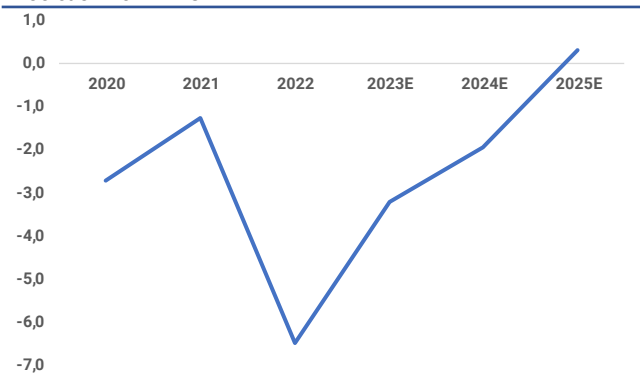
## Cash flow assumptions

As is often the case with companies looking to scale-up, Staige is not currently cash generative. In fact, operating cash flow has been (and will remain) negative through 2024E. Historically, Staige has relied on the support of its major shareholders to provide the funds necessary to build the business. In total, Staige has invested more than EUR 17m over the past six years, with around EUR 5m spent on developing its AI and streaming platform alone. In our view, Staige is likely to become self-sufficient by 2025E, when we expect Staige to reach EBITDA and cash break-even. Until then, the EUR 8m fresh cash injection (if subscribed in full) will be more than enough to bridge the cash drain - even after investments in expanding its service and product offering as well as further geographic expansion.

**2022 cash flow profile in EURm**



**Free cash flow in EURm**







Source: Company data; AlsterResearch

# Valuation

In order to derive at a fair value for Staige we have conducted several valuation approaches. These are

1. DCF Model
2. Adj. FCF yield
3. Peer group analysis
4. SaaS index multiple comparison

The following table summarizes the potential range of fair values for Staige, using the different valuation approaches.

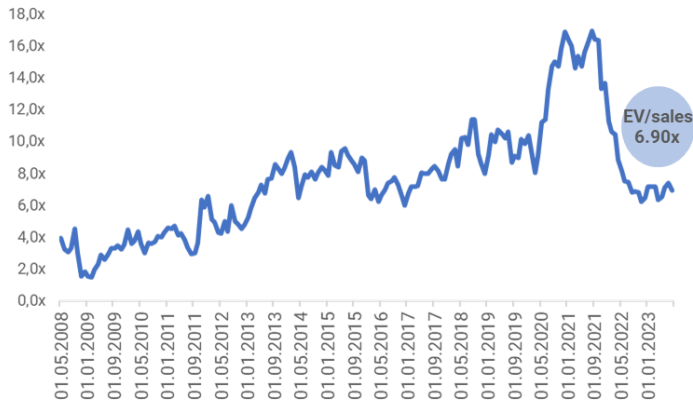
Valuation overview - in EUR			Fair Value
Peer Group	Price/Sales		2,85-4,92
SaaS Index	2024/2025		5,36-8,98
Average		X	6,30
adj. FCF yield	2026/2027		5,60-7,00
DCF	Beta 1x		6,26
2,00   3,00   4,00   5,00   6,00   7,00   8,00   9,00   10,00   11,00			

Source: AlsterResearch; The DCF model is the most appropriate valuation method in our view

## SaaS index

With a high share of recurring revenues, Staige would qualify as a Software as a Services (SaaS) company. Hence, we have looked at similar businesses in this space. The best proxy in our view would therefore be the SaaS Capital Public Index (see below).

### SaaS index trading multiples



Source: SaaS index; AlsterResearch

Currently, the Saal Index values companies at 6.9x EV/sales. Applying this multiple to the sales expectations of Staige would yield a fair value (EV) of the company between EUR 32-55m (24/25E). Hence, Staige's fair value per share would be worth between EUR 5.36-8.96 per share. It is worth highlighting that we have adjusted Staige's sales from the sale-and-lease-back sales contribution in order to avoid double counting.

in EURm	2023	2024	2025
Sales	3,2	6,7	12,6
Sale and lease back	0,7	2,1	4,6
<b>adj. sales</b>	<b>2,5</b>	<b>4,6</b>	<b>8,0</b>
Fair multiple	<b>6,9x</b>		
<b>Fair EV</b>	<b>17,0</b>	<b>31,6</b>	<b>55,2</b>
Net cash	-5,7	-3,8	-4,1
Fair Equity value	22,7	35,4	59,3
Number of shares	6,6	6,6	6,6
<b>Fair value per share</b>	<b>3,44</b>	<b>5,36</b>	<b>8,98</b>

Source: AlsterResearch

## DCF Model

For our DCF computation, we have used fully dilutive numbers, i.e. we have anticipated that Staige will raise the full amount of fresh capital and at the same time that the number of shares will increase by the entire 1.89m new shares. Taking this all together, our DCF model results in a **fair value of EUR 6.26 per share**:

**Top-line growth:** We expect Staige One AG to grow revenues at a CAGR of 39.5% between 2023E and 2030E. The long-term growth rate is set at 2.0%.

**ROCE.** Returns on capital are developing from -38.7% in 2023E to 22.3% in 2030E.

**WACC.** Starting point is a historical equity beta of 1.00. Unlevering and correcting for mean reversion yields an asset beta of 1.00. Combined with a risk-free rate of 2.0% and an equity risk premium of 6.0% this yields cost of equity of 10.3%. With pre-tax cost of borrowing at 5.0%, a tax rate of 25.0% and target debt/equity of 0.5 this results in a long-term WACC of 8.1%.

DCF (EURm) (except per share data and beta)	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	Terminal value
NOPAT	-2.9	-2.0	0.5	2.1	2.6	3.1	3.3	3.5	
Depreciation & amortization	0.1	0.1	0.1	0.3	0.4	0.5	0.7	0.8	
Change in working capital	-0.1	0.0	-0.1	-0.2	-0.1	-0.2	-0.1	-0.1	
Chg. in long-term provisions	-0.1	0.1	0.2	0.2	0.1	0.2	0.1	0.1	
Capex	-0.1	-0.2	-0.4	-0.6	-0.8	-0.9	-1.0	-1.1	
Cash flow	-3.2	-1.9	0.3	1.7	2.2	2.7	3.0	3.2	53.7
Present value	-3.1	-1.8	0.3	1.3	1.6	1.8	1.8	1.8	30.5
WACC	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.1%

DCF per share derived from	
Total present value	34.3
Mid-year adj. total present value	35.6
Net debt / cash at start of year	-5.7
Financial assets	na
Provisions and off b/s debt	na
Equity value	41.3
No. of shares outstanding	6.6
<b>Discounted cash flow / share upside/(downside)</b>	<b>6.26</b> <b>43.5%</b>

DCF avg. growth and earnings assumptions	
Planning horizon avg. revenue growth (2023E-2030E)	39.5%
Terminal value growth (2030E - infinity)	2.0%
Terminal year ROCE	22.3%
Terminal year WACC	8.1%

Terminal WACC derived from	
Cost of borrowing (before taxes)	5.0%
Long-term tax rate	25.0%
Equity beta	1.00
Unlevered beta (industry or company)	1.00
Target debt / equity	0.5
Relevered beta	1.38
Risk-free rate	2.0%
Equity risk premium	6.0%
Cost of equity	10.3%

<b>Share price</b>	<b>4.36</b>
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Sensitivity analysis DCF							
Change in WACC (%-points)	Long term growth					Share of present value	
	1.0%	1.5%	2.0%	2.5%	3.0%		
2.0%	4.2	4.3	4.5	4.8	5.0	2023E-2026E	-9.7%
1.0%	4.8	5.0	5.3	5.6	6.0	2027E-2030E	20.6%
0.0%	5.5	5.9	6.3	6.7	7.3	terminal value	89.1%
-1.0%	6.6	7.1	7.6	8.3	9.2		
-2.0%	8.0	8.8	9.7	10.9	12.4		

Source: AlsterResearch



## FCF Yield Model

Due to the fact that companies rarely bear sufficient resemblance to peers in terms of geographical exposure, size or competitive strength and in order to adjust for the pitfalls of weak long-term visibility, an Adjusted Free Cash Flow analysis (Adjusted FCF) has been conducted.

**The adjusted Free Cash Flow Yield results in a fair value between EUR -6.86 per share based on 2023E and EUR 7.02 per share on 2027E estimates.**

The main driver of this model is the level of return available to a controlling investor, influenced by the cost of that investors' capital (opportunity costs) and the purchase price – in this case the enterprise value of the company. Here, the adjusted FCF yield is used as a proxy for the required return and is defined as EBITDA less minority interest, taxes and investments required to maintain existing assets (maintenance capex).

FCF yield in EURm	2023E	2024E	2025E	2026E	2027E
<b>EBITDA</b>	<b>-3.4</b>	<b>-2.3</b>	<b>0.8</b>	<b>2.8</b>	<b>3.6</b>
- Maintenance capex	0.1	0.1	0.1	0.2	0.3
- Minorities	0.0	0.0	0.0	0.0	0.0
- tax expenses	-0.6	-0.4	0.1	0.5	0.6
<b>= Adjusted FCF</b>	<b>-2.9</b>	<b>-1.9</b>	<b>0.6</b>	<b>2.2</b>	<b>2.7</b>
<b>Actual Market Cap</b>	<b>28.8</b>	<b>28.8</b>	<b>28.8</b>	<b>28.8</b>	<b>28.8</b>
+ Net debt (cash)	-5.7	-3.8	-4.1	-5.8	-8.0
+ Pension provisions	0.0	0.0	0.0	0.0	0.0
+ Off B/S financing	0.0	0.0	0.0	0.0	0.0
- Financial assets	0.0	0.0	0.0	0.0	0.0
- Acc. dividend payments	0.0	0.0	0.0	0.0	0.0
<i>EV Reconciliations</i>	-5.7	-3.8	-4.1	-5.8	-8.0
<b>= Actual EV'</b>	<b>23.1</b>	<b>25.0</b>	<b>24.7</b>	<b>23.0</b>	<b>20.8</b>
<b>Adjusted FCF yield</b>	<b>-12.5%</b>	<b>-7.7%</b>	<b>2.3%</b>	<b>9.5%</b>	<b>12.9%</b>
base hurdle rate	7.0%	7.0%	7.0%	7.0%	7.0%
ESG adjustment	0.0%	0.0%	0.0%	0.0%	0.0%
adjusted hurdle rate	7.0%	7.0%	7.0%	7.0%	7.0%
<b>Fair EV</b>	<b>-41.3</b>	<b>-27.6</b>	<b>7.9</b>	<b>31.2</b>	<b>38.4</b>
- <i>EV Reconciliations</i>	-5.7	-3.8	-4.1	-5.8	-8.0
<b>Fair Market Cap</b>	<b>-35.6</b>	<b>-23.8</b>	<b>12.1</b>	<b>37.0</b>	<b>46.4</b>
No. of shares (million)	5.2	6.6	6.6	6.6	6.6
<b>Fair value per share in EUR</b>	<b>-6.86</b>	<b>-3.60</b>	<b>1.83</b>	<b>5.59</b>	<b>7.02</b>
<b>Premium (-) / discount (+)</b>	<b>-257.3%</b>	<b>-182.6%</b>	<b>-58.1%</b>	<b>28.3%</b>	<b>61.0%</b>

Sensitivity analysis FV						
	5.0%	-10.0	-5.3	2.3	7.5	9.3
<b>Adjusted hurdle rate</b>	6.0%	-8.2	-4.3	2.0	6.4	8.0
	<b>7.0%</b>	<b>-6.9</b>	<b>-3.6</b>	<b>1.8</b>	<b>5.6</b>	<b>7.0</b>
	8.0%	-5.9	-3.1	1.7	5.0	6.3
	9.0%	-5.1	-2.7	1.6	4.5	5.7

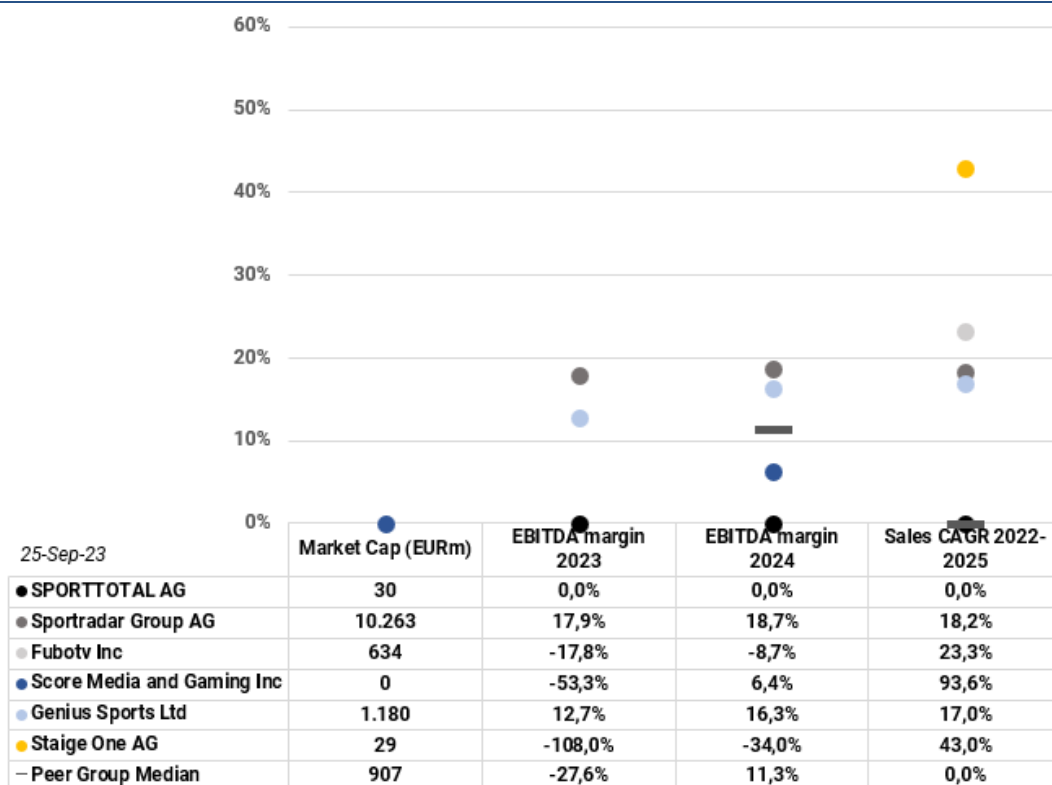
Source: Company data; AlsterResearch

Simply put, the model assumes that investors require companies to generate a minimum return on the investor's purchase price. The required after-tax return equals the model's hurdle rate of 7.0%. Anything less suggests the stock is expensive; anything more suggests the stock is cheap. **ESG adjustments might be applicable. A high score indicates high awareness for environmental, social or governance issues and thus might lower the overall risk an investment in the company might carry. A low score on the contrary might increase the risk of an investment and might therefore trigger a higher required hurdle rate.**

## Peer group analysis

A peer group or comparable company (“comps”) analysis is a methodology that calculates a company’s relative value – how much it should be worth based on how it compares to other similar companies. Given that **Staige One AG** differs quite significantly in terms of size, focus, financial health and growth trajectory, we regard our peer group analysis merely as a support for other valuation methods. The peer group of Staige One AG consists of the stocks displayed in the chart below. As of 25 September 2023 the median market cap of the peer group was EUR 907.2m, compared to EUR 22.6m for Staige One AG. In the period under review, the peer group was more profitable than Staige One AG. The expectations for sales growth are lower for the peer group than for Staige One AG.

### Peer Group – Key data



Source: Sentieo, AlsterResearch

The following given an overview about the peers used in our group comparison:

**Sporttotal AG**, formerly \_wige Media AG, is a German-based company operating in the sports and entertainment media company. Its product range includes TV broadcasting, rental and racing services, TV and film production, editorial, graphics and results services, high-end technology, live events and TV marketing. The company operates in three core businesses: Television, Communications and Events. The Television segment operates in the field of sports and entertainment television. The Communications segment consists of the Editorial and Television Marketing divisions, which are engaged in the sale of television programs. The Events segment is involved in activities such as event and incentive management, race track marketing and technical support for events. Sporttotal operates through several subsidiaries based in Monaco, South Africa and Germany, including Alpwerk GmbH.

**Sportradar AG** (NASDAQ: SRAD), founded in 2001, is a Swiss-based global leader in sports technology, creating immersive experiences for sports fans and bettors. Positioned at the intersection of the sports, media and betting industries, the company provides sports federations, news media, consumer platforms and sports betting operators with a best-in-class range of solutions to help grow their business.

As the trusted partner of organizations like the NBA, NHL, MLB, NASCAR, UEFA, FIFA, Bundesliga, ICC and ITF, Sportradar covers nearly one million events annually across all major sports. With deep industry relationships and expertise, Sportradar is not only redefining the sports fan experience, but also safeguarding sports through its Integrity Services division and advocacy for an integrity-driven environment for all involved.

**Fubotv Inc.** (fuboTV) is an American streaming platform for live television (TV) with a focus on sports in the United States, Canada and Spain. Consumers who sign up for an account on <https://fubo.tv> have annual access to a variety of live sports events, as well as news and entertainment content. fuboTV is a virtual multichannel video programming distributor (vMVPD) that streams in 4K. The company's platform, fuboTV, allows customers to access content through streaming devices, smart TVs, cell phones, tablets and computers. The company provides its subscribers with access to tens of thousands of live sports events annually, as well as news and entertainment content. fuboTV offers its subscribers a live TV streaming service with the option to purchase additional features that include additional content or advanced features that meet their preferences.

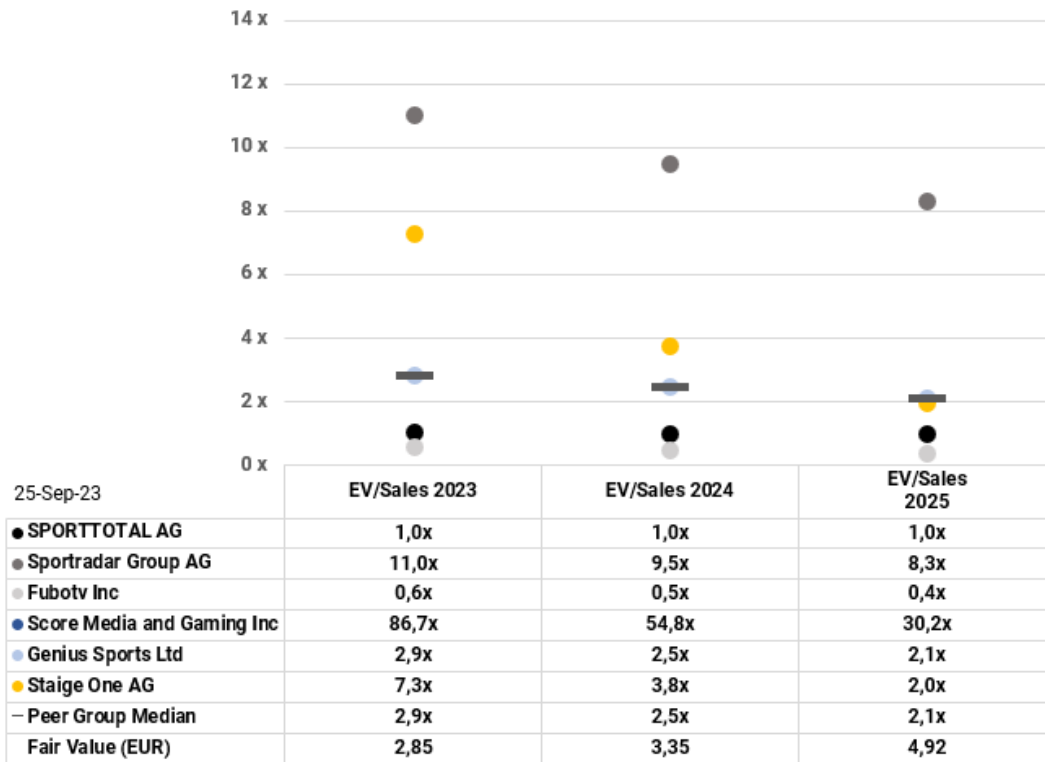
**Score Media & Gaming Inc.** is a Canadian company that develops digital and sports betting products for sports fans. The company's mobile app, theScore, is the multi-sports news and data app in North America. theScore covers every league, team and player, providing real-time alerts for scores, fantasy stats and news. The company's sports betting app, theScore Bet, provides a mobile sports betting experience and offers its services in New Jersey, Colorado, Indiana and Iowa. theScore also creates and distributes digital content across its web, social and Esports platforms. The company offers its applications for the iPhone operating system (iOS) and the Android operating system.

**Genius Sports Ltd.**, formerly Galileo NewCo Limited, founded in London in 2001, is a provider of technology-based products and services to the sports, sports betting and sports media industries. The company is a data and technology company that enables consumer-facing businesses such as sports leagues, sports betting operators, and media companies to connect with their customers. The company has approximately 300 sports betting brands. The company is a provider of state-of-the-art data tracking and visualization solutions, working with top soccer and basketball clubs, leagues, associations, and media organizations. The company provides sports technology and services; betting technology, content and services; and media technology, content and services. The company develops and delivers technology and services that enable sports leagues to collect, analyze and monetize their data, with additional tools to deepen fan engagement.

Comparable company analysis operates under the assumption that similar companies will have similar valuation multiples. We use the following multiples: EV/Sales 2023, EV/Sales 2024 and EV/Sales 2025.

**Applying these to Staige One AG results in a range of fair values from EUR 2.85 to EUR 4.92.**

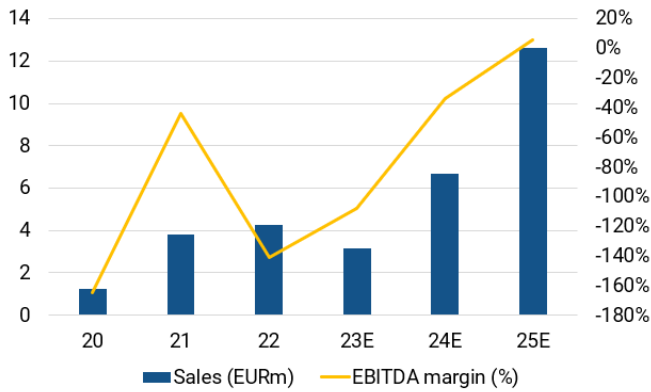
**Peer Group – Multiples and valuation**



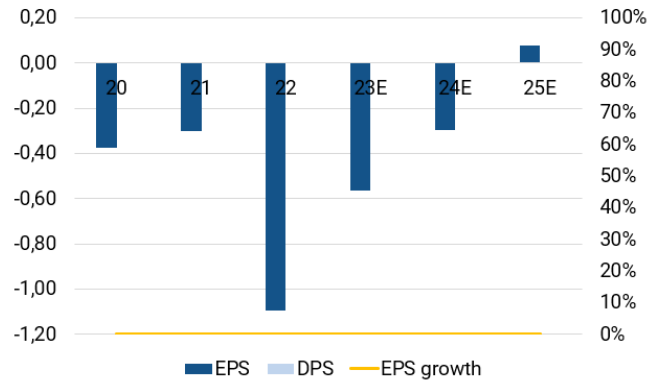
Source: Sentieo, AlsterResearch

# Financials in six charts

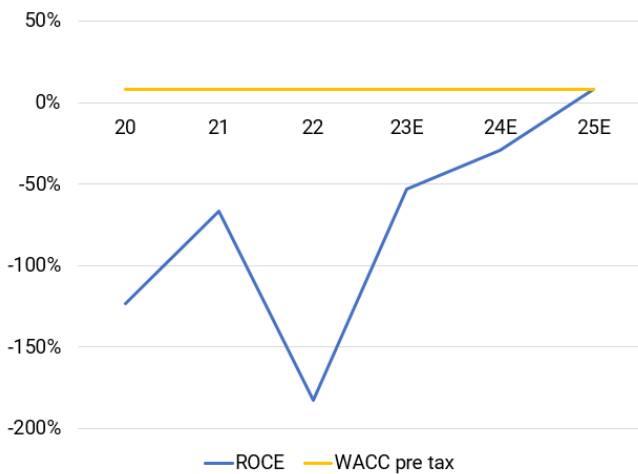
**Sales vs. EBITDA margin development**



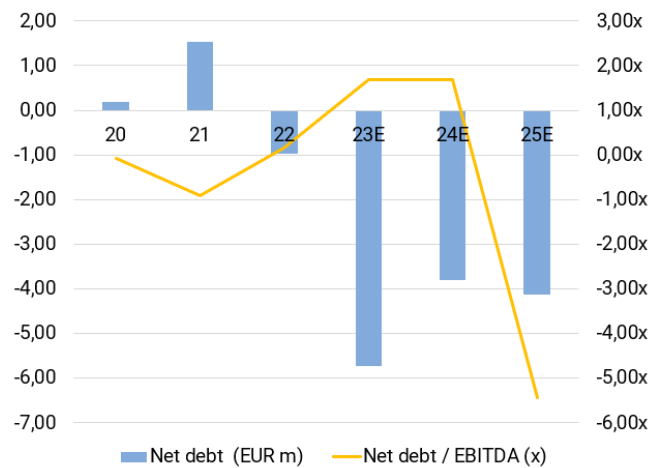
**EPS, DPS in EUR & yoy EPS growth**



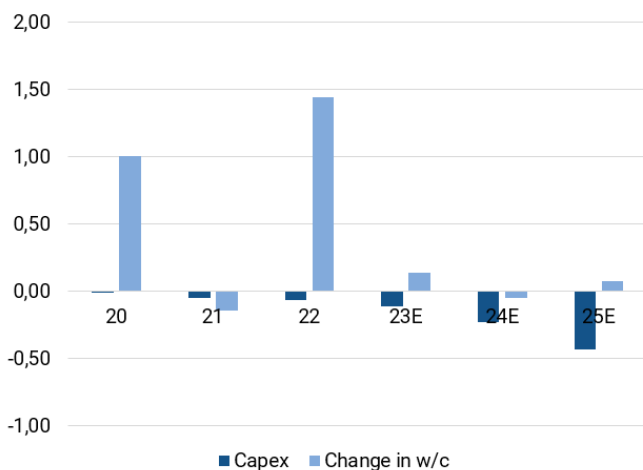
**ROCE vs. WACC (pre tax)**



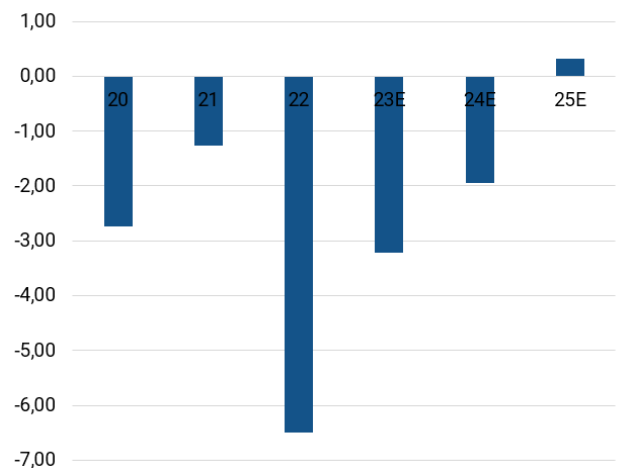
**Net debt and net debt/EBITDA**



**Capex & chgn in w/c requirements in EURm**



**Free Cash Flow in EURm**



Source: Company data, AlsterResearch

## Financials

Profit and loss (EURm)	2020	2021	2022	2023E	2024E	2025E
<b>Net sales</b>	<b>1.3</b>	<b>3.8</b>	<b>4.3</b>	<b>3.2</b>	<b>6.7</b>	<b>12.6</b>
Sales growth	6.4%	202.0%	11.6%	-26.0%	110.7%	89.3%
Change in finished goods and work-in-process	0.0	0.1	-0.3	0.0	0.0	0.0
<b>Total sales</b>	<b>1.3</b>	<b>4.0</b>	<b>4.0</b>	<b>3.2</b>	<b>6.7</b>	<b>12.6</b>
Material expenses	0.6	1.4	3.7	0.7	3.1	6.4
<b>Gross profit</b>	<b>0.7</b>	<b>2.6</b>	<b>0.3</b>	<b>2.5</b>	<b>3.5</b>	<b>6.2</b>
Other operating income	0.1	0.2	0.1	0.1	0.2	0.4
Personnel expenses	1.3	1.9	3.0	3.2	3.2	3.0
Other operating expenses	1.6	2.6	3.4	2.8	2.8	2.8
<b>EBITDA</b>	<b>-2.1</b>	<b>-1.7</b>	<b>-6.0</b>	<b>-3.4</b>	<b>-2.3</b>	<b>0.8</b>
Depreciation	0.0	0.0	0.0	0.1	0.1	0.1
EBITA	-2.1	-1.7	-6.1	-3.5	-2.3	0.7
Amortisation of goodwill and intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>-2.1</b>	<b>-1.7</b>	<b>-6.1</b>	<b>-3.5</b>	<b>-2.4</b>	<b>0.6</b>
Financial result	-0.0	-0.0	-0.1	0.0	0.0	0.0
Recurring pretax income from continuing operations	-2.1	-1.7	-6.2	-3.5	-2.4	0.6
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	-2.1	-1.7	-6.2	-3.5	-2.4	0.6
Taxes	-0.3	-0.3	-1.0	-0.6	-0.4	0.1
Net income from continuing operations	-1.8	-1.4	-5.2	-2.9	-2.0	0.5
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>-1.8</b>	<b>-1.4</b>	<b>-5.2</b>	<b>-2.9</b>	<b>-2.0</b>	<b>0.5</b>
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	-1.8	-1.4	-5.2	-2.9	-2.0	0.5
Average number of shares	4.72	4.72	4.72	5.19	6.61	6.61
<b>EPS reported</b>	<b>-0.38</b>	<b>-0.30</b>	<b>-1.10</b>	<b>-0.56</b>	<b>-0.30</b>	<b>0.08</b>

Profit and loss (common size)	2020	2021	2022	2023E	2024E	2025E
<b>Net sales</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Change in finished goods and work-in-process	4%	4%	-6%	0%	0%	0%
<b>Total sales</b>	<b>104%</b>	<b>104%</b>	<b>94%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Material expenses	47%	36%	87%	21%	47%	51%
<b>Gross profit</b>	<b>57%</b>	<b>67%</b>	<b>7%</b>	<b>79%</b>	<b>53%</b>	<b>49%</b>
Other operating income	9%	6%	2%	3%	3%	3%
Personnel expenses	105%	48%	71%	100%	48%	24%
Other operating expenses	125%	68%	80%	90%	42%	22%
<b>EBITDA</b>	<b>-165%</b>	<b>-44%</b>	<b>-141%</b>	<b>-108%</b>	<b>-34%</b>	<b>6%</b>
Depreciation	2%	1%	1%	2%	1%	1%
EBITA	-167%	-44%	-142%	-110%	-35%	5%
Amortisation of goodwill and intangible assets	0%	0%	1%	1%	0%	0%
<b>EBIT</b>	<b>-167%</b>	<b>-45%</b>	<b>-143%</b>	<b>-111%</b>	<b>-35%</b>	<b>5%</b>
Financial result	-0%	-0%	-1%	0%	0%	0%
Recurring pretax income from continuing operations	-167%	-45%	-144%	-111%	-35%	5%
Extraordinary income/loss	0%	0%	0%	0%	0%	0%
Earnings before taxes	-167%	-45%	-144%	-111%	-35%	5%
Taxes	-27%	-8%	-23%	-19%	-6%	1%
Net income from continuing operations	-140%	-37%	-121%	-92%	-29%	4%
Result from discontinued operations (net of tax)	0%	0%	0%	0%	0%	0%
<b>Net income</b>	<b>-140%</b>	<b>-37%</b>	<b>-121%</b>	<b>-92%</b>	<b>-29%</b>	<b>4%</b>
Minority interest	0%	0%	0%	0%	0%	0%
<b>Net profit (reported)</b>	<b>-140%</b>	<b>-37%</b>	<b>-121%</b>	<b>-92%</b>	<b>-29%</b>	<b>4%</b>

Source: Company data; AlsterResearch

Balance sheet (EURm)	2020	2021	2022	2023E	2024E	2025E
<b>Intangible assets (excl. Goodwill)</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.2</b>	<b>0.3</b>
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	0.0	0.1	0.1	0.1	0.2	0.3
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0
<b>FIXED ASSETS</b>	<b>0.1</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.4</b>	<b>0.7</b>
Inventories	0.1	0.3	0.7	0.1	0.3	0.5
Accounts receivable	0.7	1.1	0.3	0.3	0.5	1.0
Other current assets	0.5	1.0	0.3	0.3	0.3	0.3
Liquid assets	0.9	0.8	1.0	5.7	3.8	4.1
Deferred taxes	1.3	1.6	2.5	2.5	2.5	2.5
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.1
<b>CURRENT ASSETS</b>	<b>3.5</b>	<b>4.7</b>	<b>4.9</b>	<b>9.0</b>	<b>7.5</b>	<b>8.6</b>
<b>TOTAL ASSETS</b>	<b>3.5</b>	<b>4.9</b>	<b>5.1</b>	<b>9.2</b>	<b>7.9</b>	<b>9.3</b>
<b>SHAREHOLDERS EQUITY</b>	<b>1.4</b>	<b>0.0</b>	<b>3.9</b>	<b>9.0</b>	<b>7.0</b>	<b>7.5</b>
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	1.1	2.4	0.0	0.0	0.0	0.0
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	0.1	0.1	0.2	0.1	0.2	0.4
<b>Non-current liabilities</b>	<b>1.1</b>	<b>2.5</b>	<b>0.2</b>	<b>0.1</b>	<b>0.2</b>	<b>0.4</b>
short-term liabilities to banks	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	0.7	0.9	0.8	0.1	0.7	1.4
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	0.0	1.1	0.1	0.0	0.0	0.0
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income	0.2	0.3	0.1	0.0	0.0	0.0
<b>Current liabilities</b>	<b>0.9</b>	<b>2.4</b>	<b>1.0</b>	<b>0.1</b>	<b>0.7</b>	<b>1.4</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>3.5</b>	<b>4.9</b>	<b>5.1</b>	<b>9.2</b>	<b>7.9</b>	<b>9.3</b>

Balance sheet (common size)	2020	2021	2022	2023E	2024E	2025E
<b>Intangible assets (excl. Goodwill)</b>	<b>1%</b>	<b>2%</b>	<b>2%</b>	<b>1%</b>	<b>2%</b>	<b>3%</b>
Goodwill	0%	0%	0%	0%	0%	0%
Property, plant and equipment	1%	1%	3%	1%	2%	4%
Financial assets	0%	0%	0%	0%	0%	0%
<b>FIXED ASSETS</b>	<b>2%</b>	<b>3%</b>	<b>4%</b>	<b>3%</b>	<b>5%</b>	<b>7%</b>
Inventories	4%	5%	13%	1%	3%	6%
Accounts receivable	21%	23%	7%	3%	7%	11%
Other current assets	13%	19%	7%	4%	4%	4%
Liquid assets	25%	17%	19%	62%	48%	45%
Deferred taxes	36%	32%	50%	28%	32%	27%
Deferred charges and prepaid expenses	0%	0%	0%	0%	0%	1%
<b>CURRENT ASSETS</b>	<b>98%</b>	<b>97%</b>	<b>96%</b>	<b>97%</b>	<b>95%</b>	<b>93%</b>
<b>TOTAL ASSETS</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>SHAREHOLDERS EQUITY</b>	<b>41%</b>	<b>0%</b>	<b>77%</b>	<b>97%</b>	<b>89%</b>	<b>81%</b>
MINORITY INTEREST	0%	0%	0%	0%	0%	0%
Long-term debt	30%	49%	0%	0%	0%	0%
Provisions for pensions and similar obligations	0%	0%	0%	0%	0%	0%
Other provisions	2%	2%	5%	1%	3%	4%
<b>Non-current liabilities</b>	<b>33%</b>	<b>51%</b>	<b>5%</b>	<b>1%</b>	<b>3%</b>	<b>4%</b>
short-term liabilities to banks	0%	0%	0%	0%	0%	0%
Accounts payable	19%	19%	15%	2%	8%	15%
Advance payments received on orders	0%	0%	0%	0%	0%	0%
Other liabilities (incl. from lease and rental contracts)	1%	23%	2%	0%	0%	0%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred income	7%	6%	2%	0%	0%	0%
<b>Current liabilities</b>	<b>27%</b>	<b>49%</b>	<b>19%</b>	<b>2%</b>	<b>8%</b>	<b>15%</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Company data; AlsterResearch

Cash flow statement (EURm)	2020	2021	2022	2023E	2024E	2025E
Net profit/loss	-1.8	-1.4	-5.2	-2.9	-2.0	0.5
Depreciation of fixed assets (incl. leases)	0.0	0.0	0.0	0.1	0.1	0.1
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.1	-0.1	0.1	0.2
Cash flow from operations before changes in w/c	-1.7	-1.4	-5.0	-3.0	-1.8	0.8
Increase/decrease in inventory	0.1	-0.1	-0.4	0.6	-0.2	-0.3
Increase/decrease in accounts receivable	-0.7	-0.4	0.8	0.1	-0.3	-0.5
Increase/decrease in accounts payable	0.1	0.3	-0.1	-0.6	0.5	0.7
Increase/decrease in other w/c positions	-0.5	0.4	-1.6	-0.2	-0.0	-0.0
Increase/decrease in working capital	-1.0	0.1	-1.4	-0.1	0.0	-0.1
<b>Cash flow from operating activities</b>	<b>-2.7</b>	<b>-1.2</b>	<b>-6.4</b>	<b>-3.1</b>	<b>-1.7</b>	<b>0.8</b>
CAPEX	-0.0	-0.0	-0.1	-0.1	-0.2	-0.4
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-0.0</b>	<b>-0.0</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.2</b>	<b>-0.4</b>
Cash flow before financing	-2.7	-1.3	-6.5	-3.2	-1.9	0.3
Increase/decrease in debt position	1.1	1.3	-2.4	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	2.4	0.0	9.1	8.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	1.1	-1.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>3.5</b>	<b>2.4</b>	<b>5.6</b>	<b>8.0</b>	<b>0.0</b>	<b>0.0</b>
Increase/decrease in liquid assets	0.8	1.2	-0.9	4.8	-1.9	0.3
<b>Liquid assets at end of period</b>	<b>1.3</b>	<b>2.5</b>	<b>1.6</b>	<b>6.4</b>	<b>4.4</b>	<b>4.8</b>

Source: Company data; AlsterResearch

Regional sales split (EURm)	2020	2021	2022	2023E	2024E	2025E
Domestic	1.0	2.6	3.9	2.9	6.0	11.4
Europe (ex domestic)	0.3	1.2	0.4	0.3	0.6	1.2
The Americas	0.0	0.0	0.0	0.0	0.0	0.0
Asia	0.0	0.0	0.0	0.0	0.0	0.0
Rest of World	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total sales</b>	<b>1.3</b>	<b>3.8</b>	<b>4.3</b>	<b>3.2</b>	<b>6.7</b>	<b>12.6</b>

Regional sales split (common size)	2020	2021	2022	2023E	2024E	2025E
Domestic	77.4%	68.0%	90.5%	90.5%	90.5%	90.5%
Europe (ex domestic)	22.6%	32.0%	9.5%	9.5%	9.5%	9.5%
The Americas	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asia	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rest of World	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total sales</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Company data; AlsterResearch



Ratios	2020	2021	2022	2023E	2024E	2025E
<b>Per share data</b>						
Earnings per share reported	-0.38	-0.30	-1.10	-0.56	-0.30	0.08
Cash flow per share	-0.58	-0.26	-1.36	-0.61	-0.27	0.10
Book value per share	0.30	0.00	0.83	1.73	1.06	1.14
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
<b>Valuation</b>						
P/E	-11.6x	-14.5x	-4.0x	-7.8x	-14.7x	56.6x
P/CF	-7.6x	-16.9x	-3.2x	-7.1x	-16.2x	44.0x
P/BV	14.4x	1,467.7x	5.3x	2.5x	4.1x	3.8x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	-13.2%	-5.9%	-31.3%	-14.0%	-6.2%	2.3%
EV/Sales	18.0x	6.3x	5.1x	5.3x	2.8x	1.5x
EV/EBITDA	-10.9x	-14.5x	-3.6x	-4.9x	-8.3x	24.4x
EV/EBIT	-10.8x	-14.2x	-3.6x	-4.8x	-8.0x	30.2x
<b>Income statement (EURm)</b>						
Sales	1.3	3.8	4.3	3.2	6.7	12.6
yoy chg in %	6.4%	202.0%	11.6%	-26.0%	110.7%	89.3%
Gross profit	0.7	2.6	0.3	2.5	3.5	6.2
Gross margin in %	56.6%	67.3%	7.4%	79.0%	53.0%	49.0%
EBITDA	-2.1	-1.7	-6.0	-3.4	-2.3	0.8
EBITDA margin in %	-164.6%	-43.6%	-141.3%	-108.0%	-34.0%	6.0%
EBIT	-2.1	-1.7	-6.1	-3.5	-2.4	0.6
EBIT margin in %	-167.1%	-44.6%	-142.6%	-111.0%	-35.4%	4.9%
Net profit	-1.8	-1.4	-5.2	-2.9	-2.0	0.5
<b>Cash flow statement (EURm)</b>						
CF from operations	-2.7	-1.2	-6.4	-3.1	-1.7	0.8
Capex	-0.0	-0.0	-0.1	-0.1	-0.2	-0.4
Maintenance Capex	0.0	0.0	0.0	0.1	0.1	0.1
Free cash flow	-2.7	-1.3	-6.5	-3.2	-1.9	0.3
<b>Balance sheet (EURm)</b>						
Intangible assets	0.0	0.1	0.1	0.1	0.2	0.3
Tangible assets	0.0	0.1	0.1	0.1	0.2	0.3
Shareholders' equity	1.4	0.0	3.9	9.0	7.0	7.5
Pension provisions	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities and provisions	1.2	2.5	0.2	0.1	0.2	0.4
Net financial debt	0.2	1.5	-1.0	-5.7	-3.8	-4.1
w/c requirements	0.2	0.4	0.2	0.2	0.1	0.2
<b>Ratios</b>						
ROE	-123.9%	-10,121.8%	-132.0%	-32.5%	-27.9%	6.8%
ROCE	-82.0%	-67.8%	-147.1%	-38.7%	-32.7%	7.8%
Net gearing	13.2%	10,991.4%	-24.8%	-63.9%	-54.2%	-54.8%
Net debt / EBITDA	-0.1x	-0.9x	0.2x	1.7x	1.7x	-5.4x

Source: Company data; AlsterResearch

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