

SAMESYSTEM A/S (SAME)

GREAT POTENTIAL IN A VAST AND UNCHARTED MARKET

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SameSystem (“SameSystem” or the “Company”) is a Danish work-force management company “WFM”, the Company provides WFM-solutions, such as AI-powered forecasting, scheduling, payroll processing, digital contracts and an integrated app, to more than 800 retail and foodservice customers in 23 countries. The Company intends to use its strong cash position to accelerate the ambition of becoming one of the go-to providers for work-force management solutions in Europe. Operating within an addressable market valued at DKK 25.2bn the Company currently has IKEA, Pandora, Le Creuset, New Yorker and Sushi Express as customers. As of 2020/2021 the Company generated annual recurring revenues of DKK 42.1m. In 2023/2024, Analyst Group estimates that the Company will generate an ARR of DKK 101.4m driving estimated revenues amounting to DKK 109.5m in 2023/2024. Based on a relative valuation and a target multiple of 3.0x EV/S in 2023/2024 a share price of DKK 5.6 is implied.

Customer Growth Expected to Continue

Since 2011 the Company has managed to onboard new customers at an impressive pace, amounting to 22.1% CAGR from 2011/2012 to 2020/2021 and 28.9% Y-Y in 2020/2021. Due to the inherent scalability of SameSystem’s offering, the average payback time is less than 2 months when including the estimated revenues of implementation of DKK 3.0m in 2019/2020, thereby the Company can acquire new customers at both a rapid pace and in a capital-light business model. In 2020/2021 53.6% of sales were attributed to Denmark, which has been the Company’s focus market since it was founded in 2008, however other markets in Europe have seen impressive growth. The Company’s scalable and easy-to-distribute offering bodes well for capitalizing on the continued expansion.

One Stop Shop in a Fragmented Market

The total addressable market for retail and foodservice work-force management solutions within Europe is estimated to amount to DKK 25.2bn, which in turn corresponds to roughly 80% of the addressable future market not, currently, employing a WFM-solution. In many cases administrative duties are conducted manually, via pen and paper or simple digital tools. SameSystem’s one stop shop offering saves valuable time for managers, by handling time-consuming administrative duties automatically, which shows in the low churn of 6.9% in 2020/2021. Ranging from AI-powered forecasting, which predicts customer traffic, avoiding over- or understaffing to automatic payroll processing, digital contracts, budget-conscious scheduling and an integrated app for communication, the products not only save time but also help companies improve their profitability. Additionally, SameSystem provides three add-ons in addition to its main product: ranging from an attendance tracker, iBeacon, to digital signatures and business intelligence tools with customizable KPIs. The high demand for such add-ons is evidenced by a 10.4% uplift in existing customers in 2020/2021, compared to 5.1% in 2019/2020, and will continue to be instrumental in generating higher ARR going forward.

Geographic Expansion is Estimated to Drive Sales

The ongoing market penetration efforts throughout Europe, resulting in new offices in major cities such as Stockholm, Oslo, Amsterdam, Hamburg and Barcelona and an expanded presence to a total of 23 countries in 2020/2021, is estimated to increasingly drive sales, amounting to DKK 109.5m in 2023/2024 and DKK 130.1m 2024/2025, representing a revenue CAGR of 50.1% for the period 2020/2021 to 2023/2024. Furthermore, several of the expenses related to the current strategy are estimated to successively decrease, resulting in an EBITDA margin expansion from -68.1% in 2020/2021 to 14.0% in 2023/2024.

SHARE PRICE | DKK 3.8

VALUATION RANGE

BEAR DKK 2.1	BASE DKK 5.6	BULL DKK 8.2
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SAMESYSTEM A/S	
Share Price (2022-03-15)	3.81
Number of Shares Outstanding	67 100 000
Market Cap (DKKm)	255.7
Net cash(-)/debt(+)(DKKm)	-33.4
Enterprise Value (DKKm)	222.3
W.52 Price Intervall (DKK)	n.a
List	Nasdaq First North Growth Market Denmark

DEVELOPMENT	
1 Week	-9.3%
1 Month	-13.4%
3 Months	-21.3%
Since IPO	-25.6%

MAIN SHAREHOLDERS (2022-01-16)	
Henrik Ritlov, Ritlov ApS	49.2%
Tobias Byrial Ritlov, Ritlov Invest IVS	7.0%
Lucas Louis Ritlov, Lucas Ritlov Investments IVS	7.0%
Kapitalforeningen Bankinvest	6.5%
Others	26.0%

CEO AND CHAIRMAN OF THE BOARD	
CEO	Henrik P. Salicath
Chairman of the board	Søren Ellman Ingerslev

FINANCIAL CALENDAR				
Q1-2021/2022	2022-03-28			

ESTIMATES (BASE), DKKM	19/20	20/21	21/22E	22/23E
Revenue	30.2	32.4	66.0	92.9
<i>Revenue growth</i>	11.9%	7.3%	104.0%	40.6%
Gross profit	20.1	8.3	31.6	46.9
<i>Gross margin</i>	66.5%	25.6%	47.9%	50.5%
EBITDA	9.2	-22.1	-6.6	-0.9
<i>EBITDA margin</i>	30.6%	-68.1%	-10.0%	-1.0%
EBIT	4.4	-27.9	-18.5	-16.7
<i>EBIT margin</i>	22.0%	-86.1%	-28.0%	-18.0%
P/S	8.5	7.9	3.9	2.8
EV/S	7.4	6.9	3.4	2.4
EV/EBITDA	27.5	Neg.	Neg.	Neg.

Source: Analyst Groups Estimates

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Bull and bear

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Definition Bull

Bull is a metaphor for an optimistic view of the future. It indicates a belief in improvement.

Definition Bear

Bear is a metaphor for a pessimistic view set on the future. It indicates a belief deterioration.

Other

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