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ABG SUNDAL COLLIER

Skolon

Fast comment

Feedback from ABGSC's Investor Days

- CEO highlighted churn of 1.8%
- International content providers are key for growth
- Potential M&A opportunities in fragmented market

Existing geographies have a long runway for growth

Today we hosted Skolon's CEO, Oliver Lundgren, at ABGSC's Investor Days. He discussed the organic growth target of 50% p.a. and mentioned several growth opportunities, with a focus on increasing the number of users in markets outside Sweden and increasing ARPPU in Sweden. In addition, Skolon provided new data points, mentioning that almost 50% of Swedish students and teachers have a Skolon account, and provided a churn figure of 1.8% in 2023. Mr Lundgren also mentioned M&A opportunities, given the fragmented nature of the market and Skolon's ability to leverage its existing platform and user base.

Positioned to expand into EdTech laggard geographies

The current focus is on continued growth in the Nordics and an acceleration of the UK operations. However, Mr Lundgren mentioned that larger European countries are lagging behind the Nordic market in EdTech and that they are investing in EdTech at the same pace as the Nordics did 5-8 years ago. Skolon aims to be a preferred platform provider in the European countries as well, thanks in part thanks to new partnerships with international content providers (e.g. Canva and Padlet). Financially, these opportunities could help Skolon to sustain its rapid volume-driven growth over a longer period of time. We believe that a significant proportion (albeit a minority) of the tools available on Skolon's platform today are internationally viable, and that they will help facilitate expansion into new geographies.

Commissioned research

Not rated

IT

SKOLON-SE/SKOLON-SE

Share price (SEK)	3/12/2024	28.00

MCap (SEKm)	738
MCap (EURm)	64
No. of shares (m)	26.4
Free float (%)	32.6
Av. daily volume (k)	3

Next event Q4 Report 14 February 2025

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SEKm	2022	2023	2024e	2025e	2026e
Sales	62	103	150	213	290
Sales growth (%)	*69.2*	*67.0*	*45.5*	*41.5*	*36.2*
EBITDA	-6	-4	1	9	29
EBITDA margin (%)	*-9.6*	*-3.7*	*0.5*	*4.2*	*10.1*
EBIT adj.	-11	-7	-4	3	22
EBIT adj. margin (%)	*-18.5*	*-6.7*	*-2.5*	*1.6*	*7.6*
Pretax profit	-9	8	-4	4	23
EPS	-0.35	0.29	-0.13	0.15	0.86
EPS growth (%)	*-98.6*	*-182.8*	*-145.8*	*-213.5*	*nm*
EPS adj.	-0.43	0.31	-0.13	0.15	0.86
DPS	0.00	0.56	0.00	0.00	0.00
EV/EBITDA (x)	-119.8	-180.9	856.0	77.3	22.4
EV/EBIT adj. (x)	-62.0	-100.3	-186.4	198.8	29.6
P/E (x)	-80.1	96.7	-211.1	nm	32.4
P/E adj. (x)	-65.5	91.6	-211.1	186.0	32.4
EV/sales (x)	11.45	6.75	4.69	3.26	2.27
FCF yield (%)	-0.7	1.9	1.0	1.6	5.0
Le. adj. FCF yld. (%)	-0.7	1.9	1.0	1.6	5.0
Dividend yield (%)	0.0	2.0	0.0	0.0	0.0
Net IB debt/EBITDA (x)	4.8	11.6	-45.4	-5.5	-2.9
Le. adj. ND/EBITDA (x)	3.6	13.1	-45.4	-5.5	-2.9

Source: ABG Sundal Collier, Company Data

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