

ZignSec AB (ZIGN)

About ZignSec

ZignSec AB (“ZignSec”) is a Swedish RegTech (Regulatory Technology) company that provides identity verification services for B2C companies. The service is used by companies to identify their customers in real-time. ZignSec operates within various industries, with the highest concentration in Financial Services and iGaming.

Overweight

Target Price (2023E)	SEK 33.4
Current Price	SEK 20.9
Up/downside	59.8%

Market Data, SEK

Exchange	Nasdaq First North Growth		
Shares (mn)	22.3		
MCAP (mn)	479.6		
EV (mn)	414.6		

Forecast, SEKmn	2019A	2020E	2021E
Total revenue	6.8	15.1	31.3
Rev. growth	303.7%	227.3%	206.8%
Gross Profit	5.0	11.0	22.9
Gross Profit Margin	73.3%	71.6%	72.0%
EBITDA	-10.5	-11.6	-7.4
EBITDA Margin	Neg.	Neg.	Neg.
EBIT	-10.5	-11.5	-7.5
EBIT Margin	Neg.	Neg.	Neg.

Key Metrics	2019A	2020E	2021E
Curr. EV/EBIT	Neg.	Neg.	Neg.
ND/EBITDA	Neg.	Neg.	Neg.
EV/S	19.3	27.5	13.3
P/S	23.8	15.1	15.3
EPS	-0.5	-0.5	-0.3

ANALYST(S) CONTACT INFORMATION

Adrian Elmlund, Financial Analyst
Elsa Adolfsson, Financial Analyst

ZignSec – Vast potential in an uncharted market

ZignSec AB (ZIGN) operates an identity verification platform for B2C companies that provides authentication solutions in over 200 countries. The sales CAGR is estimated to reach 88.2% 2020E-2023E due to a surge in collaborations and newly added customers globally. ZignSec will thereby grow faster than the market's CAGR of 13.1% 2019A-2023E and gain market shares. The scalable business model in conjunction with the organic growth drives the OPEX/sales from 228.7% in 2019A down to 53.4%, followed by EBIT margin of 20.1% in 2023E. The target EV/S multiple of 7.6x results in a price target of SEK 33.4 in 2023E, implying a potential upside of 59.8%.

Key takeaways

- **An opportunity to capitalize on the fragmented ID verification market that is projected to grow at a CAGR of 13.1% 2019A-2020E:** Due to an upsurge of new regulatory reform requirements, the ID verification market is projected to grow at a CAGR of 13.1%, reaching SEK 86.6bn by 2019A- 2023E.¹ Increased sales contracts with global customers and an acquisition strategy combined with local strategic offices are expected to expand local market knowledge, in e.g. South America and APAC, to which APAC has the highest expected growth CAGR of 45.0% 2020E-2025E.² These factors will further pave the way for an attractive opportunity to capitalize on the rather fragmented ID verification market.
- **An attractive verification platform allows ZignSec to grow with a sales CAGR of 88.2% 2020E-2023E:** ZignSec's ID-verification platform reduces both administrative and integration costs and streamlines the process for B2C companies when choosing an ID verification provider. The platform's single API allows the customer to access multiple verification methods for a competitive price instead of separately integrating with each ID verification provider. The platform can add more customers and increase the number of transactions with narrow adjustments, that combined with a steadily decreasing OPEX/Sales and low customer churn rate creates a scalable business model. The clear value proposition is expected to increase recurring revenues and drive the sales CAGR to 88.2% 2020E-2023E.
- **Target multiple of 7.6x implies an upside of 59.8% for 2023E:** ZignSec is currently trading at a forward-looking multiple of 4.1x EV/S. The chosen peers have market caps between 2.8x and 8.6x the size of ZignSec, which is why a valuation discount has been taken into consideration. The Company is expected to reach an EBITDA margin of 4.2% in 2022E and 19.3% in 2023E, closing in on the peer's average of 29.5% in 2022E. However, due to ZignSec's higher sales CAGR of 88.2% 2020E-2023E, compared to the peer's average of 21.4% 2020E-2023E, a higher valuation is justified. The notable growth and margin expansion set the stage for being a potential big player in a fragmented market. Applying the peer's median forward-looking EV/S multiple of 7.6x results in a price target of SEK 33.4 in 2023E, indicating a potential upside of 59.8%.

¹⁾ Statista, *Identity verification market value worldwide 2017-2027*

²⁾ Reportlinker. (2020). *Identity Verification Market*

Investment thesis

The one-stop-shop identity verification platform creates a scalable business model that allows B2C companies to use several digital verification methods in over 200 countries.

Via a single Application Program Interface (API), that connects ID-verification suppliers with B2C companies, the platform builds a global verification system within the reach of over 200 countries. Instead of going through the process of turning to each identification provider, the customer can use ZignSec's platform, as it reduces both administrative and integration costs and streamlines the process for B2C companies when choosing an ID verification provider. The clear value proposition and the high switching cost leads to a low customer churn rate. The growing customer base creates economies of scale as it allows for ZignSec to agree on advantageous prices with the collaborative partners, which enable ZignSec to offer the platform to a competitive price to the customers. The platform can add more customers and increase the number of transactions with small adjustments, that combined with a steadily decreasing OPEX/Sales creates a scalable business model.

ZignSec is estimated to outgrow the underlying market CAGR of 13.1% until 2023E, by increasing recurring revenues with a sales CAGR of 88.2% between 2020E-2023E.

An upsurge in regulatory requirements has increased the adoption of ID-verification worldwide. The RegTech market is expected to grow from SEK 55.4bn in 2020E to SEK 470bn by 2025E, at a CAGR of 52.8%.³ The identity verification market, a subdivision within RegTech, is expected to grow with CAGR of 13.1% to be worth SEK 86.6bn by 2023E.⁴ During Q3 2020E, ZignSec added Tradera to their customer list, signed a partnership with SimbaPay in Africa, Unicapital Group in Asia, and the software company Click in South America. With partners and customers on all continents, ZignSec proves that their platform is suitable for a global market. Meanwhile, the RegTech market is fragmented, and many of the competitors are mainly focused on one specific continent. ZignSec is expected, based on additional contracts, increased collaborations, and the underlying market growth, to increase the recurring revenue with a sales CAGR of 88.2% 2020E-2023E. ZignSec is thereby gaining market shares by outgrowing the underlying market CAGR of 13.1%.

Global expansion from the recent acquisitions of Data Depot Engineering Pte, Basis ID Group and Wyzer limited combined with local market knowledge is expected to drive revenue synergies.

ZignSec will strengthen its position as a global service provider of digital ID verification solutions with the recent acquisitions in APAC and European markets. These acquisitions, with offices in Tallin and Singapore have secured key employees with extensive experience in corporate development, sales, product development which are expected to provide valuable knowledge and lead to revenue synergies. Local offices on several continents opens up for collaborations with local identity verification providers, which is essential to secure new customers.

The recent acquisition in Q4 2020E of Wyzer limited will lead to 3.0% dilution of the shares on a fully diluted basis, implicating why new equity issues is a pre-eminent risk for the shareholders.

ZignSec is yet not profitable, and there are risks that the prosperity of the synergies will not turn out as anticipated, and further acquisitions will require more capital. New equity issues will decrease the proportional ownership, and therefore decrease the EPS which might harm the share price. ZignSec is as of now dependent on key employees for further development. The competition mainly consists of ID verification service providers who can, however, act as subcontractors to ID verification platform companies such as ZignSec. Regulatory setbacks, and system failure are also potential risks that should be taken into consideration.

³) Grandview Research, RegTech Market Size, Share, Industry Growth Report, 2019-2025

⁴) Statista, Identity verification market value worldwide 2017-2027

Overview of the company

ZignSec's platform is based on a single Application Program Interface (API).

The single Application Program Interface (API), defines interactions between multiple software intermediaries, and enables companies to identify anyone anywhere. By aggregating the best verification data providers within each geographic market, ZignSec's platform allows B2C companies to use several digital verification methods within reach of 200 countries. BankID, Handelsbanken, Bring and Dow Jones are among ZignSec's collaborative partners. The platform offers a range of digital verification methods, such as electronic identities, online ID scanning, register checks, PEP and sanction checks, real-time payments as well as phone number validation. The Company's customers are mainly B2C companies that operate in various industries in which identification is essential, with the greatest concentration in Financial Services and iGaming. The Company's current operations are mainly focused on the European market, especially Western Europe.

Competitive prices and an attractive API leads to a low customer churn rate and recurring revenues.

ZignSec has three major sources of income. A start-up fee is charged to integrate the customer into the platform. Then there is a fixed monthly payment for using the platform. Lastly, ZignSec charges a monthly transaction fee dependent on the customer's requested amount of solutions which can be customized to each customer needs. ZignSec's platform can add more customers and increase the number of transactions with narrow adjustments, which creates a scalable business model. The Company receives a monthly recurring revenue, a steady cash flow, and a low customer churn rate, due to high switching costs. With Zignsec's competitive prices and an integrated API in place, the barriers to switch ID verification provider are high. To change service provider, a company must integrate a new API system, and with it, a new interface system.

The cost drivers are closely tied with global expansion and development of the software.

ZignSec's major cost drivers are personnel costs and cost for consultants as they are closely tied with expansion and the future development of the Company and its software. The board has decided to pursue a long-term acquisition strategy to establish a stronger market position in emerging markets. With additional expansion of local offices in important cities across the globe, further costs for consultants will occur. ZignSec does not have to rely on high growth CapEx to increase their sales; the Company merely need to keep up with its system's maintenance.

ZignSec will further expand on the global market with strategic contracts and acquisitions.

As of 10th of January 2020A, European Member States shall have implemented the 5th EU Anti Money Laundering Directive act, AMLD5. In February in 2020, ZignSec launched an AML service and the most recent order is from the German company Schufa at SEK 1.7mn. The AML service has also started to consolidate the global market by an agreement with the listed Kindred Group. Kindred Group has operations in Europe, the USA, and Australia and entertains over 26 million customers with brands such as 32red, Unibet and Maria Casino.

ZignSec has a strategy to further expand on the global market through strategic acquisitions of companies and contracts with international customers. ZignSec aims to gain market shares with a local presence and an ability to meet the demand for ID-verification solutions on the market effectively. ZignSec's most recent acquisitions in Q4 of 2020E were 70.0% of BASIS ID Group and 100% of Wyzer Limited. Basis ID Group is an ID-verification company based in Tallinn and Singapore who provides ID-verification, KYC, and AML workflow management software that will complement ZignSec's current product offering. Wyzer Limited will be providing ZignSec with stable cash flows and a more diversified business model with its focus on AI and automation.

Overview of the market

The global RegTech market is expected to grow from SEK 55.4bn in 2020E to SEK 470bn by 2025E, at a CAGR of 52.8% due to a boost in demand for regulatory services.

RegTech means using information technology to enhance regulatory processes and is a sub-class of FinTech. RegTech companies use cloud computing technology through software-as-a-service (SaaS), artificial intelligence (AI) and Biometrics to help businesses comply with regulations efficiently and less expensively.

According to a report by McKinsey, in 2030E, digital ID solutions has the potential to create economic value equivalent to 6% of GDP in emerging economies on a per-country basis and 3% in mature economies, assuming high levels of adoption.⁵ With increasing demand for risk management, a growing demand for mandating business procedures and additional expenses of handling compliance procedures is likely to boost the RegTech market, as it is expected to grow from SEK 55.4bn in 2020E to SEK 470bn by 2025E, at a CAGR of 52.8%.⁶

The fragmented identity verification market is projected to reach SEK 86.6bn by 2023E, growing at a CAGR of 13.1% between 2019A-2023E.

The identity verification market within RegTech is rather fragmented and as it mainly consists of several different small and medium-sized national players and a few global players in specific segments. According to XAnge, a Franco-German venture capital firm, Europe is home to about least 140 Regtech startups, whereas 30 of those startups specialize in compliance management. 27% of these focus on "know your customer" (KYC) and anti-money laundering (AML) automation, and 26% leverage technology and data to provide risk management tools.⁷

The highest market growth rate is expected to be prevalent in the APAC region. The major factors behind North America and APAC region growth respectively, is the significant digitalization trend and adoption of advanced computing technological utilization from the North America region, whereas the increased adoption rate for better security measures from SMEs of Asia-Pacific region is resulting in the highest growth CAGR of 45% until 2025E.⁸

New research from Trulioo, a leading global identity verification provider, found that almost three quarters (72%) of online marketplaces have increased their adoption of ID verification technology as a direct consequence of COVID-19. And more than half (52%) of financial services organizations have done so. This sudden speed in identity verification adoption is a clear reflection of the urgency to protect the vast numbers of consumers who have been forced to use digital services as a result of lockdown restrictions.⁹

The identity verification market was valued at SEK 42.6bn in 2018A and is projected to reach SEK 86.6bn by 2023E, at a growing CAGR of 13.1% from 2019A-2023E.¹⁰ An increase in identity theft and fraud have also created more demand for services combating these crimes. This increase can, for example, be seen with the Anti Money Laundering Directive act (AMLD5) that the European Union enacted in 2020A.

5) McKinsey, *Digital Identification: A key to inclusive growth*

6) Grandview Research, *RegTech Market Size, Share, Industry Growth Report, 2019-2025*

7) XAnge, *The state of European Regtechs*

8) Reportlinker, *Identity Verification Market*

9) Fintech News, *COVID-29 driving an acceleration in adoption of identity verification*

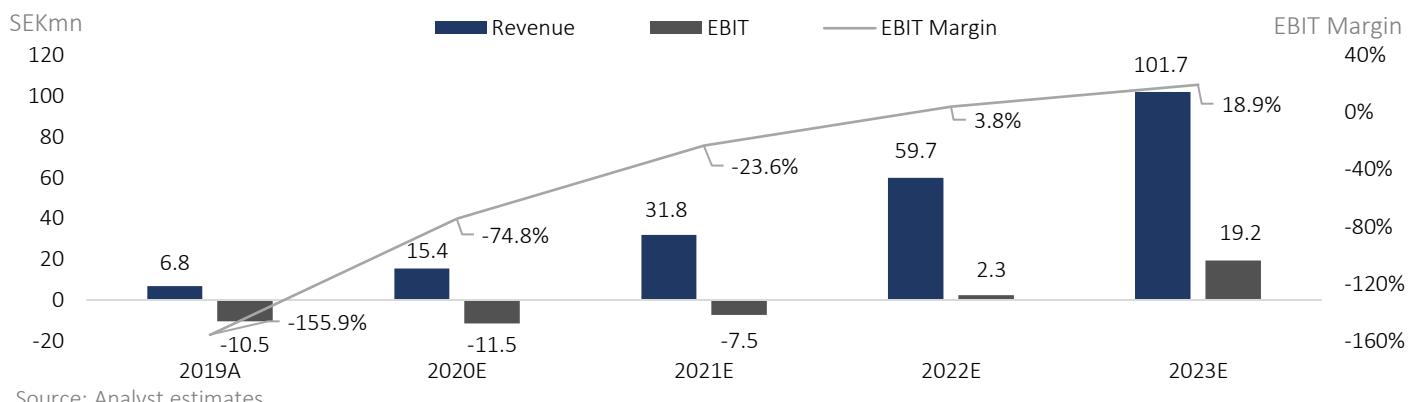
10) Statista, *Identity verification market value worldwide 2017-2027*

Financial forecast breakdown

Zignsec is expected to gain market shares by outgrowing the market trend CAGR of 13.1% with a sales CAGR of 88.2% until 2023E.

Thanks to ZignSec's competitive one-stop-shop single API solution, the Company can compete on a global market. With the recent acquisitions, newly opened local offices abroad and new contracts with collaborators such as Zimbapay in Africa, and added customers such as Tradera in Sweden, the sales are forecasted to continue to grow with a CAGR of 88.2% from 2020E-2023E. Consequently, ZignSec will acquire market shares due to the ID-verification market's lower anticipated market growth of 13.1% CAGR between 2019A-2023E.¹⁰ While the expected growth of sales from 2019A-2020E is 229.1%, the continued growth is estimated to slow down each year with a 9% decrease derived from the annual growth decrease of 2018A-2020E. Due to the lack of segmental reporting and information regarding the number of active customers, the analysis has to be based on % growth in sales. ZignSec has recurring revenues thanks to the subscription-based contracts with their customers. Furthermore, due to the low customer churn rate, the customers are expected to remain for the visible future. Moreover, ZignSec has a declared goal of SEK 100mn revenue by 2022E; however, the Company's sales is expected to reach 58.8M SEK by 2022E and SEK 100.4mn by 2023E.

The sales CAGR of 88.2% 2020E-2023E leads to an estimated EBIT margin of 18.9% by 2023E.



Cost of goods sold will decrease by 1.4% per year due to an economy of scale, reaching 27.6% of revenue 2023E.

ZignSec is a Software as a service (SaaS) company which means that COGS mainly consist of application hosting, software licenses fees, website development etc. With an increase in sales, the costs will have to increase as well to keep up with demand. Although, historically, COGS as % of revenue has been decreasing steadily since 2016A. From 2018A-2020E, there has been an average of 1.4% decrease, which is expected to continue due to ZignSec'sss scalable business. Increasing volumes of verifications through the platform and more extensive contracts with a collaborative partner leads to a lower cost per customer due to leverage. An economy of scale will thereby lower COGS. As of Q3 2020A, the current COGS as a % as of revenue stands at 28.4%. The COGS in 2023E is estimated to be 27.6% of revenue. The decrease in COGS will result in higher gross profit margins, with an expected margin of 72.4% in 2023E.

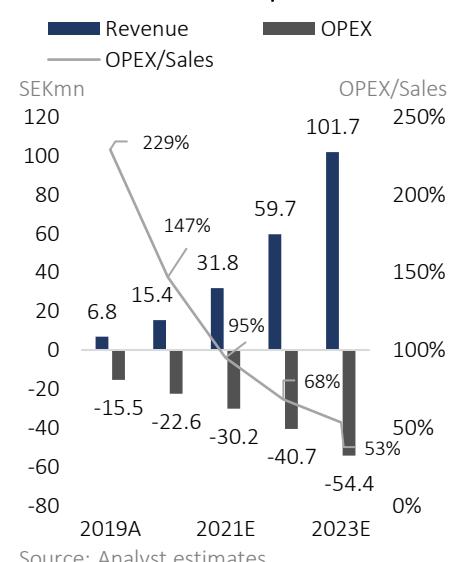
¹⁰ Statista, Identity verification market value worldwide 2017-2027

Financial forecast breakdown

OPEX/Sales is estimated to reach 53.4% in 2023E despite increase of personnel.

ZignSec's operating expenses mainly consist of personnel and consultant costs. At the time of the report, in Q3 2020A, the Company has ten employees. The forecast was done by counting for the 9 personnel the Company wants to hire for 2021E. Furthermore, counting for the average historical increase of personnel while taking the historical decrease of SG&A as % of revenue into consideration. This results in an estimated number of 42 employees in 2023E. The Company is also dependent on consultants; the cost is emanating from two sources: software development and the local offices in Miami, Vienna, Austria, and Prague. Due to inadequate information regarding segmentation, the estimations consists of the average historical CAGR of 115.8% of external expenses, derived from 2016A-2019A. The consultant costs are thought to steadily increase with a further need for development and further opened local offices in the coming years ahead. In the meantime, a steadily decreasing OPEX/sales since 2016A, and a continued estimated decrease, indicates the business's scalability, which results in an OPEX/sales of 53.4% with an EBIT margin of 20.1% in 2023E.

Pattern indicates scalability



Minimal D&A makes up 0.8% of revenue, with CapEx being 15.2% of revenue.

Depreciation and amortization consist of a relatively small proportion of the Company's costs. This can be explained through the very nature of the Company's business; it is a software company that heavily relies on development costs and not so much on investing in tangible assets, which then must be depreciated. In 2019A, D&A made up 0.8% of revenue with an estimated decrease to 0.4% of revenue in 2020E. The main cost in D&A in 2019A came from acquired intangible assets such as computer programs and goodwill. The assets depreciation occurs on a straight-line basis of 5 years, which means a continued cost for the foreseeable future. The Company has acquired further intangible assets in 2020, likely from goodwill from their acquired acquisitions, which have resulted in higher D&A. Thanks to ZignSec's business model, the Company does not have to rely on high growth CapEx to increase their sales; they merely need to keep up with their systems' maintenance. The average CapEx/Revenue between 2019A-2020E is 15.2% and it decreased from 2019A from 15.5% to 14.9% in 2020E. With a CapEx/Revenue around 15.2%, with an estimated decrease thanks to the business's scalability, the D&A is expected to be stable at 0.4% of revenue.

No loan, purely dependent on equity issues means minimal debt to equity ratio and negligible interest expenses.

A key strategy of ZignSec is its use of equity issues instead of relying on loans, and therefore the Company remains virtually debt-free. The following has helped ZignSec with limiting the need for loans (debt), which minimizes financial leverage as it is now purely equity financed. Having virtually no loans makes the balance sheet stronger as it reduces costs in interest. As communicated by the Company's CEO in Q3 2020A, with its recent equity issuance of SEK 40mn, ZignSec will meet its future capital needs for the foreseeable future; therefore, there is no reason for the Company to take up loans at this state.

The interest expenses of the Company are minimal; they merely make up 0.01% of sales, which can be seen in its debt-to-equity ratio of 0.09 as of Q3 2020A. The interest income has historically been 0, although a one-time payment of 16.5 TSEK in Q3-2020A, was due to a change in "other receivables." When it comes to future interest revenues, it remains uncertain due to insufficient information regarding this post. The analysts have therefore estimated this income to remain at 0 for the coming years ahead. ZignSec has been estimated to become profitable in year 2022E. By becoming profitable in 2022E, they will begin to pay a 20.6% tax on their profits from thereon.

Valuation

The valuation is based on a peer comparison, with a target multiple EV/S of 7.6x for 2023E, implying a 59.8% upside.

The estimate is based on a valuation between ZignSec and peers with similar business structure and scalability. Due to the non-existing RegTech businesses listed on the stock market, the chosen peers for the valuation are operating within the FinTech market. Since the Company is not yet profitable, an EV/S multiple has been chosen for the valuation. ZignSec is multiple times smaller than its peers, which indicates that there should be a valuation discount. However, the Company is outgrowing its peer's average expected sales CAGR by 4.1x times, which implies a higher valuation to be justified. Given the sales estimates, ZignSec is currently trading at a forward-looking EV/S of 4.1x. On the other hand, the valuation is based on the peer's median forward-looking EV/S of 7.6x for 2023E, implying a share price of SEK 33.4, and a potential upside 59.8%.

Key Peers	Market Data		Financials					
	SEK (mn)	Market Cap	Enterprise value	EV/S TTM	EV/S 2023E	Sales CAGR 16A-19A	Sales CAGR 20E-23E	EBITDA margin TTM
Carasent	1 350.1	1 650.0	26.8	1.2	100.0%	23.0%	32.6%	36.8%
Lime Technologies	4 131.2	4 186.1	12.8	7.6	21.7%	14.1%	33.4%	33.7%
24SevenOffice	2 035.9	2 088.4	12.6	7.8	33.7%	27.0%	2.4%	18.1%
Average	2 505.7	2 641.5	17.4	5.6	51.8%	21.4%	22.8%	29.5%
Median	2 035.9	2 088.4	12.8	7.6	33.7%	23.0%	32.6%	33.7%
ZignSec	479.6	414.6	27.5	4.1	193.8%	88.2%	-109.0%	4.2%

A target multiple of EV/S of 7.6x is justified due to the following:

- Valuation discount based on ZignSec's smaller market cap compared to the peers. The chosen peers have currently market caps between 2.8x and 8.6x times larger than ZignSec, which is why a size premium has been taken into consideration. According to the analysts, ZignSec should receive a partially lower valuation compared to its peers because of the relatively large difference in size and history of positive EBITDA. The reasoning behind this is that with such a small company as ZignSec, has not yet proven that they can be profitable, comes with a substantial risk.
- ZignSec's 4.1x times higher expected sales CAGR indicates a premium valuation towards peers. ZignSec is a fast-growing business with forecasted improved margins across all boards. The Company's sales CAGR of 88.2% from 2020-2023E is estimated to be 4.1x higher than their peer's average sales CAGR of 21.3% from 2020-2023E. By outgrowing its peers, a higher trading multiple is justified. The high growth, leads to a forecasted positive EBITDA margin in 2022E, and an EBITDA margin of 19.3% in 2023E, shows that ZignSec closes in on its peer's average EBITDA margin of 29.5% for 2023E. With estimated profitability, the Company proves to become a successful business and therefore reducing its risks.

Due to the higher sales CAGR of 88.2% and the smaller market cap, the valuation is based on the peer's median forward-looking EV/S multiple of 7.6x.

Currently, ZignSec is trading at an EV/S of 27.5x as of 2020A which is higher than the peers average EV/S of 17.4x and double the multiple of 24SevenOffice and Lime Technologies. This shows that the market already has acknowledged ZignSec's notable sales growth and expects that the Company will turn profitable soon. Due to the higher sales growth but smaller market cap than comparable peers, the analysts have chosen to value ZignSec to the median forward-looking EV/S multiple of 7.6x, which will result in a price target of SEK 33.4, indicating a potential upside of 59.8%.

Management and board

Timm Schneider, CEO & Member of the board

Timm Schneider has over 20 years of international experience from the payment verification industry and has previously worked with the development of aggregation models for payment methods which is now under development in the RegTech ID verification industry.

Schneider has previously held leading roles in a dozen companies within in the industry, including Wirecard, Bwin, Securetrading and Paymill. Timm has experience of leading a team of over 70 as CEO. Schneider has also worked as a consultant at ZignSec since October 2019, where he has focused on the development of the ZignSec's international business.

Ownership: 12 800 shares (0.058%) privately.



Johan Törnqvist, CFO

Johan Törnqvist has many years of experience as CEO and CFO responsible for corporate governance, accounting, financial analysis and reporting to both authorities, private foreign owner companies and within listed groups. With the experience of working as both CEO and CFO, Johan Törnqvist has the necessary connection to be able to lead a company's finance function.

Ownership: 100 000 shares (0.45%) and 98 021 (0.44%) warrants.



Jason Coombes, COO

Jason Coombes has previously worked at Symbio, a global services company that helps companies build innovative software products and transformative digital services. As from there, he has experience with assisting startup companies and innovation groups with both strategic and tactical decisions.

He has also worked, among others, at Orc Group as a software engineer, involved in all levels of software engineering. At Orc Group he worked with state-of-the-art financial applications used throughout the world by financial institutions.

Ownership: No shares



Alexander Albedj, Chairman of the board

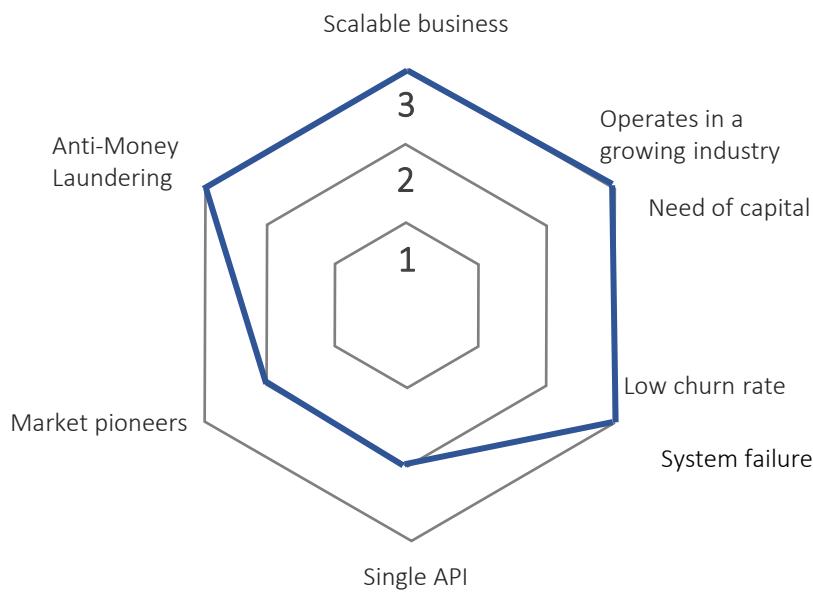
Alexander Albedj is among others, a manager partner at AA Cap invest, that advise and raise capital for small- to midsize Nordic companies in the tech-industry. He is also founder and Board Member at the health tech company Safe Life AB and chairman of the gaming company Enad Global 7 AB (publ).

Ownership: 712 650 shares (3.3%) privately

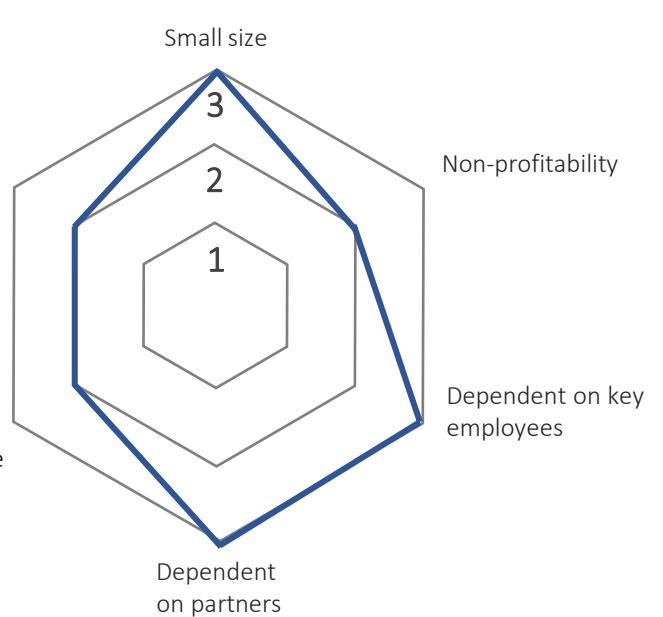


SWOT Analysis

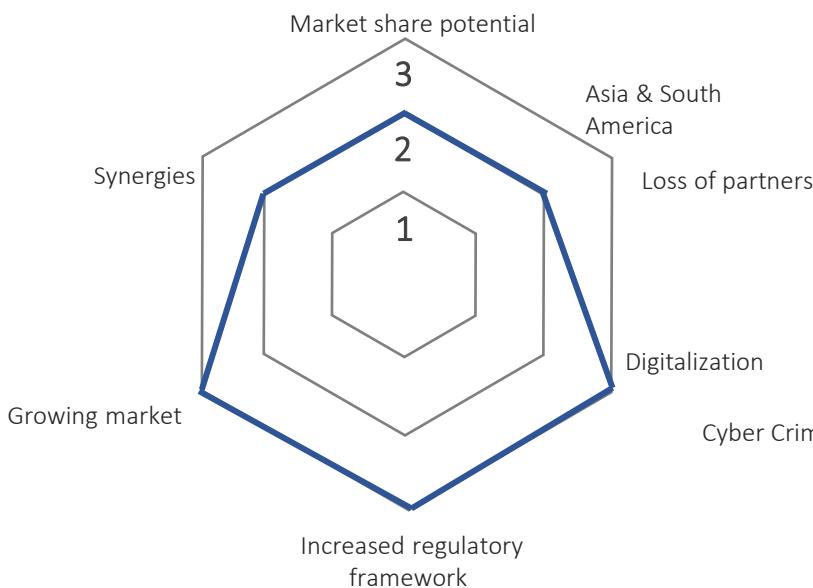
STRENGTHS



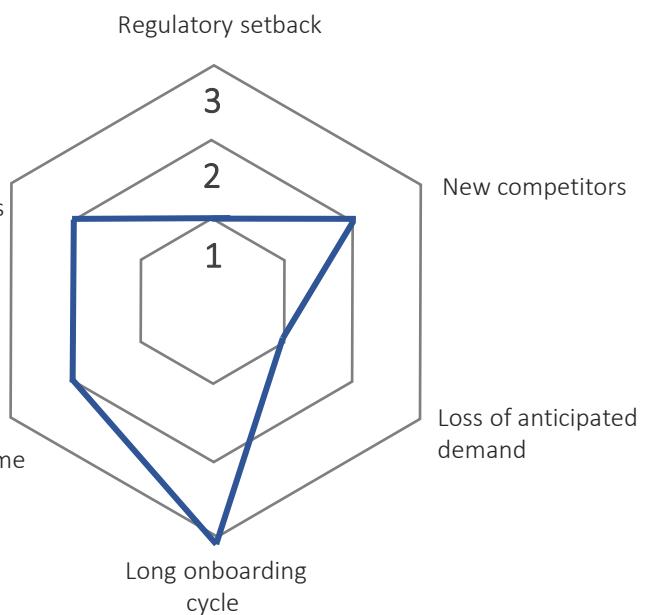
WEAKNESSES



OPPORTUNITIES



THREATS



Appendix

Consolidated Income Statement SEKtn	Actuals		Estimates				
	2018A	2019A	2020E	2021E	2022E	2023E	2024E
Revenue							
Sales	2 185.1	6 573.1	15 056.9	31 262.4	58 834.6	100 361.2	155 175.3
Other operating income	41.4	187.9	308.2	505.4	828.8	1 359.2	2 229.0
Total revenue	2 226.5	6 761.1	15 365.1	31 767.8	59 663.4	101 720.4	157 404.3
Gross profit							
Cost of goods sold	-655.9	-1 808.3	-4 370.7	-8 907.9	-16 491.7	-27 716.2	-42 277.8
Gross profit	1 570.6	4 952.7	10 994.4	22 859.9	43 171.8	74 004.2	115 126.5
Operating expenses							
Selling, general and administrative	-2 839.1	-6 769.1	-9 827.8	-15 239.4	-22 897.0	-33 181.6	-46 211.3
Other external expenses	-1 369.5	-8 609.8	-12 446.5	-14 415.7	-16 696.5	-19 338.2	-22 397.8
Other operating expenses	-14.5	-86.7	-278.6	-576.0	-1 081.8	-1 844.3	-2 853.9
Total operating expenses	-4 223.1	-15 465.7	-22 552.8	-30 231.1	-40 675.3	-54 364.1	-71 463.0
EBITDA							
EBITDA	-2 652.5	-10 512.9	-11 558.4	-7 371.1	2 496.5	19 640.1	43 663.5
EBIT							
Depreciation and amortization	-18.8	-28.0	61.5	-127.1	-238.7	-406.9	-629.6
EBIT	-2 671.3	-10 540.9	-11 497.0	-7 498.2	2 257.8	19 233.3	43 033.9
Interest							
Interest expense	-0.2	-2.1	-1.3	-1.3	-1.3	-1.3	-1.3
Interest income	0.2	0.0	16.9	0.0	0.0	0.0	0.0
Net interest expense	0.0	-2.1	15.6	-1.3	-1.3	-1.3	-1.3
Earnings before tax (EBT)							
Earnings before tax (EBT)	-2 671.3	-10 543.1	-11 481.3	-7 499.5	2 256.6	19 232.0	43 032.6
Income tax expense	0.0	0.0	0.0	0.0	-464.9	-3 961.8	-8 864.7
Net income	-2 671.3	-10 543.1	-11 481.3	-7 499.5	1 791.7	15 270.2	34 167.9
Earnings per share (EPS)							
Basic	0.0	-0.80	-0.58	-0.34	0.08	0.66	1.49
Diluted	0.0	-0.54	-0.52	0.0	0.07	0.0	0.0
Common shares outstanding							
Basic	0.0	13 074.3	19 724.3	22 306.9	22 306.9	22 998.3	22 998.3
Diluted	0.0	19 724.3	22 306.9	0.0	22 998.3	0.0	0.0
SG&A as a % of revenue	127.5%	100.1%	64.0%	48.0%	38.4%	32.6%	29.4%
% Growth of Sales	286.1%	300.8%	229.1%	207.6%	188.2%	170.6%	154.6%
Y/Y revenue growth (%)	285.7%	303.7%	227.3%	206.8%	187.8%	170.5%	154.7%
COGS as a % of revenue	29.5%	26.7%	28.4%	28.0%	27.6%	27.2%	26.9%
Gross profit margin (%)	70.5%	73.3%	71.6%	72.0%	72.4%	72.8%	73.1%
EBITDA margin (%)	-119.1%	-155.5%	-75.2%	-23.2%	4.2%	19.3%	27.7%
D&A % of revenue	0.8%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
EBIT margin (%)	-120.0%	-155.9%	-74.8%	-23.6%	3.8%	18.9%	27.3%
EBT margin (%)	-120.0%	-155.9%	-74.7%	-23.6%	3.8%	18.9%	27.3%

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