

ESMAEILZADEH  
HOLDING

# Investor presentation

Year-end Report 2022

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March 2023



# Esmailzadeh Holding in brief

Entrepreneurially driven investment company focusing on resilient niche companies within different sectors

## Introduction to Esmailzadeh Holding

- Esmailzadeh Holding AB (publ) ("EHAB") was founded by Dr. Saeid Esmailzadeh and Dr. Mouna Esmailzadeh in 2020.
- EHAB is an entrepreneurially driven investment company that invests in and develops resilient companies within selected industries with deep niches. We put entrepreneurs in the centre and give them the right conditions and tools for creating profitable and sustainable companies.
- The Company's main focus is investing in Operational Groups i.e., stable and cash-flow generating companies with significant growth potential, both organically and through acquisitions of private small to medium-sized enterprises.
- The investment portfolio also, to a smaller extent, consists of Liquid Securities, currently with the main holdings within life science and infrastructure as well as a smaller Venture Capital portfolio.

## Experienced co-founder and main owner with strong track record

### Saeid Esmailzadeh (PhD)

Co-founder, main owner  
and CEO

Successful track record of  
building and exiting large  
and profitable companies



Rebellion 

 SDIPTech 

 HIDDEN DREAMS 



**+10 companies**  
founded with over 100  
add-on acquisitions



**5 public listings**  
on First North and  
Nasdaq Stockholm



**Valuation +SEK 30bn**  
(accumulated) of the  
companies built



**+2,000 employees**  
within the companies  
built and founded



**+80 countries**  
where products and  
services are offered



**+10 sectors**  
with additional sub-  
sector categories

# Year-end report in summary

## 2022- A year of resilience, expansion and focus on the long-term

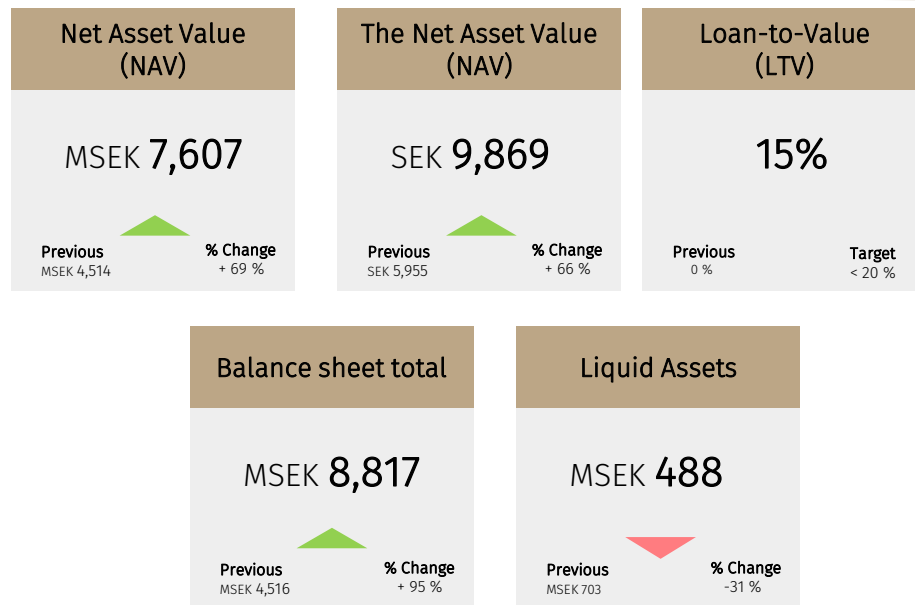
### Significant events during fourth quarter 2022

- ✓ Novedo and Rebellion each announced their **first acquisitions of companies in Denmark**, thereby expanding the groups' presence beyond Sweden's borders.
- ✓ EHAB held an extraordinary general meeting on 30 November 2022. The general meeting decided on the issue of shares and to elect Rasmus Ingerslev as a new member in the company's board.

### Significant events after the period

- ✓ In January, EHAB issued additional bonds at a nominal value of **MSEK 375** as part of its existing bond framework.
- ✓ During January and February, EHAB sold shares in Sdiptech AB (publ) totalling a value of **MSEK 86**.
- ✓ In February, Novedo issued additional bonds in an amount of **MSEK 250** under its existing bond framework.

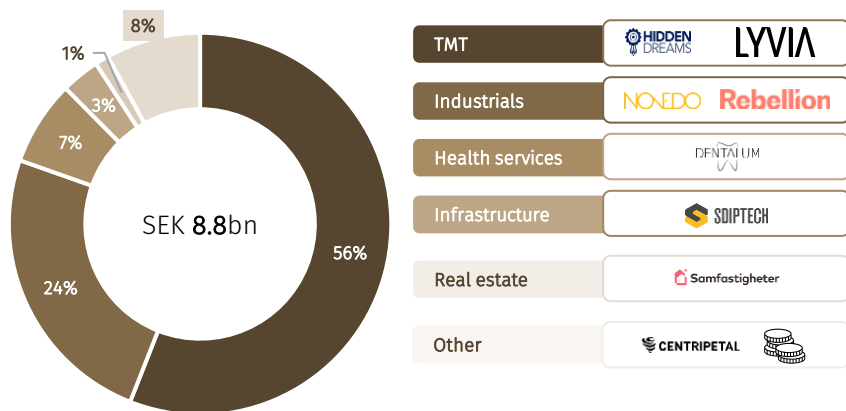
### Financial highlights full year 2022



# EHAB's investment portfolio

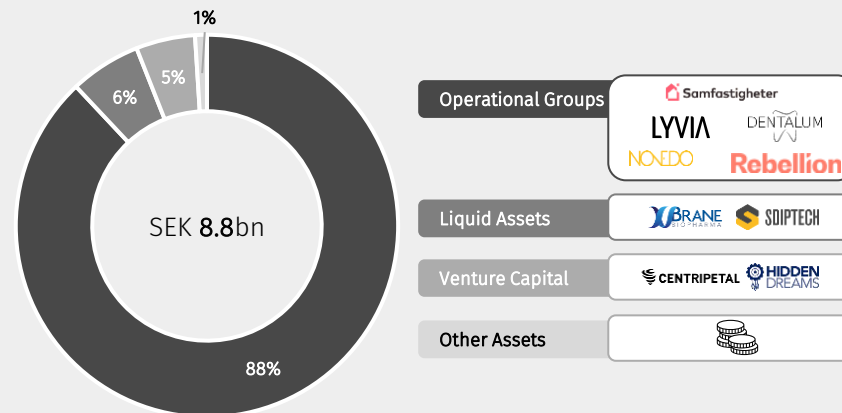
The investment portfolio mainly consists of Operational Groups

## Sector split



- Diversified and non-cyclical sector exposure
- The investment portfolio consists of several cash-flow generating companies, within different sectors.
- The venture capital platforms Centripetal and Hidden Dreams are niched towards growth and SaaS-companies

## Asset class split



EHAB's investment portfolio is split into three different asset classes:

- 1 **Operational Groups** covering EHAB's investments in operational companies, which focuses on acquiring stable cash-flow generating companies
- 2 **Liquid Assets** consists of EHAB's investments in publicly listed companies and cash & cash equivalents
- 3 **Venture Capital** consists of investment platforms investing in non-public growth companies

Note: As of 31 Dec 2022

# Investment activity

## High investment activity in Q1-Q2, followed by more modest activity in Q3 and Q4

Investment (MSEK)	FY 2022	FY 2021
Centripetal	138	240
Dentalum	-	356
Hidden Dreams	28	13
Lyvia Group <sup>1</sup>	890	1 273
Novedo	23	190
Rebellion	77	200
Samfastigheter i Norden	15	9
Sdiptech	96	424
Other listed securities	2	269
Other investments <sup>2</sup>	16	7
<b>Total<sup>3</sup></b>	<b>1 286</b>	<b>2 981</b>

- We made total investments of **MSEK 1,286** during 2022, primarily in the first two quarters.
- During the fourth quarter, EHAB invested a total of **MSEK 75**, consisting of **MSEK 57** in Centripetal, **MSEK 8** in Hidden Dreams, MSEK 2 in Novedo and **MSEK 8** in other investments.
- Most of the investments during the year 2022, **MSEK 890**, took place in Lyvia Group or in companies that later became part of Lyvia Group.
- In addition, EHAB invested in, among others, Centripetal **MSEK 138**, Hidden Dreams **MSEK 28**, Novedo **MSEK 23**, Rebellion **MSEK 77** and Sdiptech **MSEK 96** during 2022.

<sup>1</sup>Includes investments in companies that are currently part of Lyvia Group even though certain investments took place before Lyvia Group was formed. Excludes contributions by Lyvia Group Holding AB (formerly EHAB Europe AB) to Lyvia Group AB as the value was moved between two portfolio companies.

<sup>2</sup> Other investments include Botello, Chaintraced, Mangia, Tendmill, Vivium and Vivologica.

<sup>3</sup> Total includes investments by EHAB and Spartacus Partners AB, but excludes capital contributions EHAB made in Spartacus Partners AB.

European company group with a focus on niched IT solutions, IT services and SaaS-businesses

## Lyvia in brief

- Lyvia is a European group that offers a variety of technology-based solutions, such as, SaaS platforms, Software & IT Services, and Digital marketing & Creative consulting
- Founded through a merger of several of EHAB's former portfolio companies
- The company focuses on acquiring and developing SMEs that have deeply niched knowledge within their specific field
- Lyvias vision is to be the leading European "Entrepreneurial Powerhouse" and network for employees and entrepreneurial driven niche technology companies

LYVIA

93%

EHAB ownership

SEK  
4,882m  
Fair value Q4 22

55%

EHAB portfolio weight

2022

Year established



IT  
Business sector

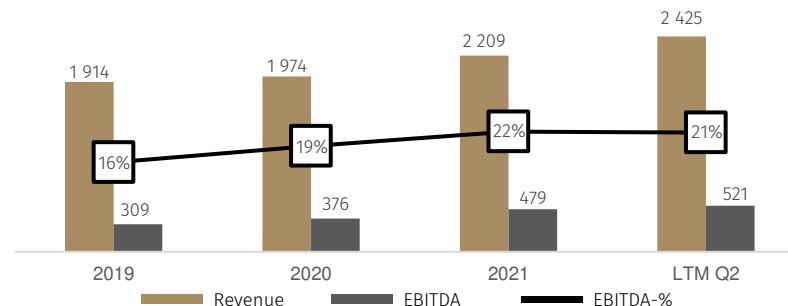
2021

Invested since<sup>1</sup>

~1500+

Employees

## Key financial development, pro forma<sup>2</sup> (MSEK)



## Significant events during the fourth quarter 2022

- During the fourth quarter, Lyvia focused on strengthening the organisation. A significant part of the work has revolved around operational activities, such as ensuring the successful onboarding of newly acquired companies that have become part of the group.
- In addition, the company has supplemented its central team through further recruitments.

Note:

1) Through earlier investments in portfolio companies that merged to form Lyvia.

2) LTM Q2'22 numbers pro forma. As Lyvia prepares its consolidated financial reporting, presented figures may be subject to minor adjustments in the group's upcoming financial reports.

Company group within the specialised construction segment with a focus on aftermarket services

## Novedo in brief

- Novedo is a well-diversified group targeting stable niche companies with highly committed and incentivised entrepreneurs
- Resilient business model driven by 19 portfolio companies, a large and dispersed customer base and attractive offering within a wide range of end-markets
- Novedo acquires established companies with strong management teams and a proven track record
- Broad portfolio entails diversified income streams and customer base, with a primary exposure towards the low-cyclical aftermarket segment
- Asset light business model exhibiting strong financial performance with solid profitability and high cash generation

67%  
EHAB ownership

SEK  
1,068m  
Fair value Q4 22

12%  
EHAB portfolio weight

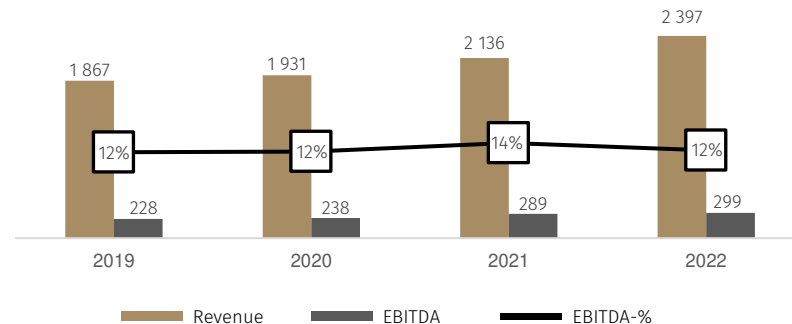
2020  
Year established

Construction  
Business sector

2020  
Invested since

950+  
Employees

## Key financial development, pro forma (MSEK)



## Significant events during the fourth quarter 2022

- The Danish infrastructure company Nordkabel A/S with annual turnover for the last financial year of approximately **MSEK 315** was acquired during the fourth quarter.
- Eleven companies have thus joined in 2022 with a combined annual turnover of **MSEK 1,623**.

## Long-term owner and developer of niched industrial companies

### Rebellion in brief

- Rebellion is building an industrial group consisting of niche market leading companies with robust cash flows and sustainable growth potential
- Decentralised business model with operations being carried out in each subsidiary, ensuring aligned interests and proximity to end-customers & markets
- Rebellion's current portfolio consists of 15 companies, primarily active within Infrastructure and Industry & Commerce
- In Q2, the company carried out a targeted share issue and raised SEK 200 million in capital from existing and new shareholders at an equity value of SEK 2.5 billion. Rebellion also issued a bond of SEK 750 million within a framework of SEK 1,000 million

**Rebellion**

**40%**  
EHAB ownership

SEK  
**1,082m**  
Fair value Q4 22

**12%**  
EHAB portfolio weight

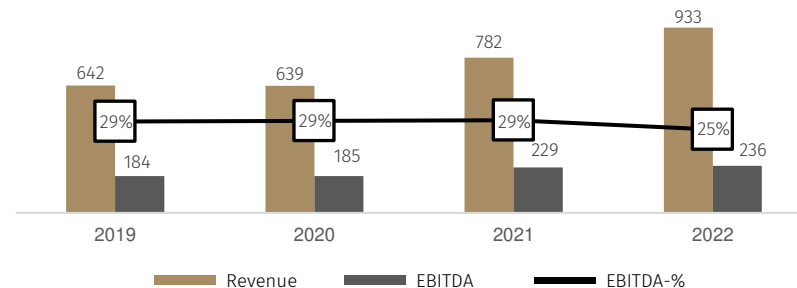
**2021**  
Year established

**Industrials**  
Business sector

**2021**  
Invested since

**200+**  
Employees

### Key financial development, pro forma (MSEK)



### Significant events during the fourth quarter 2022

- Rebellion acquired Karlsvognen A/S, the first Danish company within the group. Rebellion has a declared strategy of growing internationally and has now established itself in Denmark. Investment also supports the ambition to have more companies that are active within the Industry & Commerce segment.
- Rebellion had an underlying annual organic growth of 19% (R12 Proforma).

### Geographical presence





## Full-service dental service organisation

### Dentalum in brief

- Dentalum is a full-service dental service organisation operating in Sweden
- The group is a consolidator of profitable dental clinics in the private sector, and is currently operating through 31 clinics in ten Swedish regions
- Dentalum has become one of the leading and fastest-growing dentistry groups in Sweden. The company invests in its employees and in outstanding clinics with the goal of building a world-class organisation, which in turn leads to high-quality care and excellent service.



46%

EHAB ownership

SEK  
631m

Fair value (Q4'22)

7%

EHAB portfolio weight

2019

Year established



Dental health  
Business sector

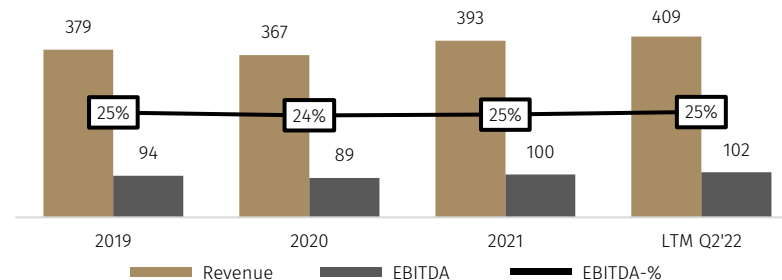
2019

Invested since

300+

Employees

### Pro forma financial development<sup>1</sup>, SEKm



### Significant events during the fourth quarter 2022

- At the end of December, Dentalum expanded by adding another clinic in Skåne with the acquisition of **TandCity Sweden AB in Malmö**.
- The group now consists of **31 clinics in 10 regions** in Sweden.

### Geographical presence



Source: Company information

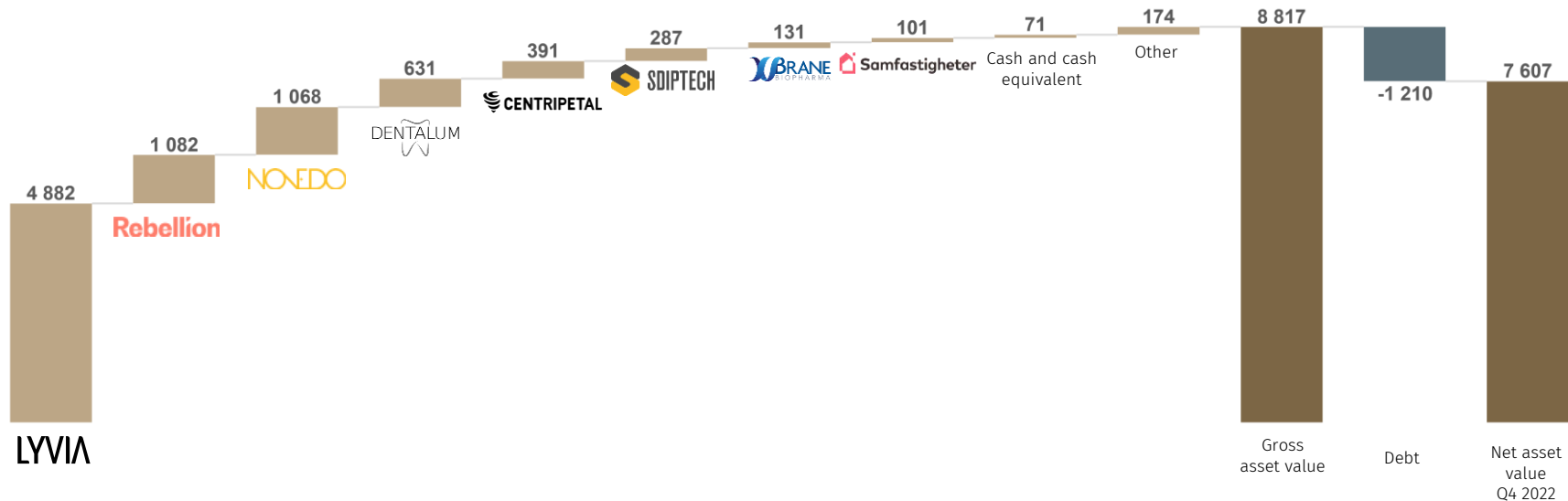
Notes: 1) LTM Q2'22 numbers pro forma excluding IFRS adjustments, due diligence adjustments and overhead expenses; based on clinics K2, K3 reporting - 24 clinics closed as of Q2 2022.

# Net asset value bridge

## Gross to net assets

Net asset value as of end of Q4 2022

MSEK



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# Income statement

MSEK	Q4 2022	Q4 2021	FY 2022	FY 2021
Change in fair value shares of portfolio companies & other investments	-98	302	3 125	1 453
Other operating income	12	-	13	-
Personnel expenses	-5	-1	-21	-1
Other external expenses	-10	-2	-26	-2
Depreciation	-1	-	-3	-
<b>EBIT</b>	<b>-102</b>	<b>299</b>	<b>3 089</b>	<b>1 450</b>
Financial income	2	0	14	0
Financial expenses	-31	0	-103	-0
<b>EBT</b>	<b>-131</b>	<b>299</b>	<b>3 000</b>	<b>1 450</b>
Tax	-	-	-	-
<b>Net income</b>	<b>-131</b>	<b>299</b>	<b>3 000</b>	<b>1 450</b>
<b>Attributable to parent company</b>	<b>-131</b>	<b>299</b>	<b>3 000</b>	<b>1 450</b>
EPS prior and after dilution (SEK)	-172	574	3,952	4,618
Average # of shares prior and after dilution	762,312	520,336	759,086	313,907
End of period # of shares	770,799	757,999	770,799	757,999

## Commentary

- Increase in personnel costs from 2021 as team has been expanded in accordance with plan
- Positive change in fair value in 2022 mainly driven by performance and value increases in Lyvia and Rebellion, compensating for negative development in value in listed securities
- The financial income was primarily comprised of interest income from short-term receivables and the financial expenses were primarily comprised of interest expenses with respect to EHAB's bond.
- Depreciation mainly related to right-of-use assets

Source: Year-End report 2022. The number of shares has been calculated retrospectively, considering the split of 1:10 decided upon on 5 October 2021 and the new issue of shares decided on 30 September 2021, 27 December 2021 and 30 November 2022. This also affects the calculation of earnings per share.

# Balance sheet

MSEK	31 Dec 2022	31 Dec 2021
<b>Fixed assets</b>		
Investments in shares & other securities	8 514	4 283
Investments in endowment insurance & fixed income funds	131	216
Long-term receivables from group companies	-	-
Other	48	0
<b>Total fixed assets</b>	<b>8 694</b>	<b>4 499</b>
<b>Current assets</b>		
Receivables from portfolio companies	49	-
Other short-term receivables	1	0
Prepayments and accrued income	2	1
Cash and cash equivalents	71	16
<b>Total current assets</b>	<b>123</b>	<b>17</b>
<b>Total assets</b>	<b>8 817</b>	<b>4 516</b>

MSEK	31 Dec 2022	31 Dec 2021
<b>Equity</b>		
Share capital	1	1
Other contributed capital	3 138	3 045
Retained earnings	4 469	1 469
<b>Total equity</b>	<b>7 607</b>	<b>4 514</b>
<b>Liabilities</b>		
Bond issued	1 179	-
Leasing debt	2	-
<b>Total long-term liabilities</b>	<b>1 181</b>	<b>-</b>
Current bond payables	21	-
Current leasing payables	3	-
Accounts payable	3	1
Short-term liabilities to portfolio companies	0	-
Other liabilities	1	0
Accrued expenses and prepaid income	2	1
<b>Total liabilities</b>	<b>29</b>	<b>2</b>
<b>Total equity &amp; liabilities</b>	<b>8 817</b>	<b>4 516</b>

## Commentary

- In 2021 and onwards the activities and structure of EHAB have been systematised and simplified
- The vast majority of the Company's assets consist of investments in companies, mostly directly, however some investments have been made through an endowment insurance (*sv. kapitalförsäkring*)
- At the end of 2022, EHAB had **MSEK 71** in cash & cash equivalents
- EHAB had long-term liabilities amounting to **MSEK 1,181**, primary consisting of the bond loan
- The short-term liabilities amounted to **MSEK 29**, primary consisting of the bond loan.

# Cash flow

MSEK	Q4 2022	Q4 2021	FY 2022	FY 2021
<b>EBIT</b>	-102	299	3 089	1 450
Adjustments for non-cash flow items				
- Change in fair value	98	-302	-3 125	-1 453
- Other	1	-	3	-
Interest received	1	-	8	-
Interest paid	-28	-0	-72	-0
Taxes	-	-	0	-
<b>Cash flows from operating activities before changes in working capital</b>	<b>-31</b>	<b>3</b>	<b>-98</b>	<b>-4</b>
Increase/decrease in other current assets	-13	-1	10	-1
Increase/decrease in working liabilities	2	2	4	2
<b>Cash flows from operating activities</b>	<b>-15</b>	<b>-2</b>	<b>-84</b>	<b>-2</b>
Investments in material fixed assets	-0	-	-1	-
Purchase of financial fixed assets	-15	-80	-527	-163
Sales of financial fixed assets	5	-	40	1
Loans to portfolio companies	-50	-20	-691	-22
Repayment of loans to portfolio companies	-	-	152	-
<b>Cash flows from investing activities</b>	<b>-61</b>	<b>-101</b>	<b>-1 026</b>	<b>-184</b>
New share issue	-	76	-	76
Issued bonds	-	-	1 170	-
Repurchase of bonds	-	-	-64	-
Sale of bonds	-	-	63	-
Received loans from related parties	-	100	-	100
Repayments of loans to related parties	-	-	-	74
Amortisation of loans from related parties	-	-59	-	-59
Amortisation of leasing debt	-1	-	-3	-
<b>Cash flows from financing activities</b>	<b>-1</b>	<b>116</b>	<b>1 165</b>	<b>191</b>
<b>Cash flow of the period</b>	<b>-76</b>	<b>14</b>	<b>55</b>	<b>4</b>
<b>Cash and cash equivalents in the beginning of the period</b>	<b>147</b>	<b>2</b>	<b>16</b>	<b>11</b>
Exchange rate difference	-	-	0	-
<b>Cash and cash equivalents in the end of the period</b>	<b>71</b>	<b>16</b>	<b>71</b>	<b>16</b>

## Commentary

- As an investment company EHAB's cash flow is mainly related to investment activities
- Investment activities driven by a mix of purchases of financial fixed assets and loans to portfolio companies
- Cash flows from operating activities driven by interest payments, personnel costs and other operating costs
- Investments have historically been financed by raising additional equity and from 2022 also by EHAB's bond
- The majority of EBIT has historically been related to changes in fair value not affecting the cash flow as a non-cash item
- Short-term loans made to several portfolio companies during the first half of 2022, as reflected in cash flow from investing activities

Source: Year-End report 2022