

IMINT Image Intelligence

Sector: Technology

Steady as a Rock

Redeye comments on Imint's Q3, general market trends and the launch of the Generation 4 of video stabilization. As Imint operates in a fast-paced industry where new innovation is paramount in order to keep the lead, the all-new stabilization engine will assure it a front position.

Q3 – continuing gaining market share

Imint reported a stable quarter with an exceptional EBIT margin. Growth was 25% y/y, driven by a blend of more phones with installed Vidhance and more software per design win. We assess that Imint's market share was approximately 21% in Q3, and thus, it is gaining market share steadily. The EBIT margin of 34% was outstanding, in part because of lagging costs from new recruitment that will show up in Q4 instead. Still, Imint continues to perform well, and net revenue was at all-time highs, just like the margins.

Generation 4

In early December, Imint launched Vidhance Video Stabilization Generation 4, a big step-up from Generation 3, which already was one of the market leading solutions. The all-new stabilization engine will give smartphone manufacturers opportunity to reach new levels of DXOMARK scores without extra power strain on the device, which is critical.

Redeye nudges the base case slightly upward

We increase the base case to SEK 71, thanks to better-than-expected margins. Moreover, Generation 4 is the kind of 'durability investments' we look for in the investment case. Right now, Imint trades at around EV/Sales 6.4x and EV/EBIT 23.8x on next year's estimated numbers. Given the profitability and growth, we argue Imint deserves a raise.

Estimates in Base Case

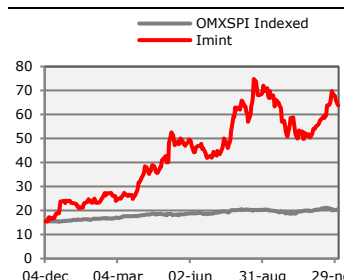
(SEKm)	2019	2020	Q1'21	Q2'21	Q3'21	Q4'21E	2021E	2022E	2023E
Net sales	40,3	48,7	14,6	15,1	16,6	18,4	64,8	77,7	91,7
Capitalized dev. costs	12,8	10,9	2,8	2,7	2,1	2,5	10,1	10,1	9,6
Other external costs	21,7	21,9	4,4	4,9	4,6	5,9	19,7	26,4	30,5
Staff costs	22,3	20,3	6,0	5,7	4,9	6,9	23,5	28,2	32,5
EBITDA	9,0	17,7	7,2	7,3	9,2	8,2	31,9	33,5	38,6
D&A	15,1	14,8	3,6	3,6	3,6	3,4	14,3	12,7	12,6
EBIT	-6,1	2,9	3,6	3,7	5,6	4,7	17,6	20,7	26,0
Growth (%)	19%	21%	68%	32%	27%	20%	33%	20%	18%
EBIT margin (%)	n.m.	6%	24%	24%	34%	26%	27%	27%	28%
EV/sales (x)							7,6	6,4	5,4
EV/EBIT (x)							28,1	23,8	19,0

Source: Redeye Research

FAIR VALUE RANGE

BEAR	BASE	BULL
20	71	110

VERSUS OMXS30



REDEYE RATING



KEY STATS

Ticker	IMINT.ST
Market	Spotlight
Share Price (SEK)	60.6
Market Cap (MSEK)	550
Net Debt (MSEK)	-61
Free Float	90%
Avg. daily volume ('000)	17

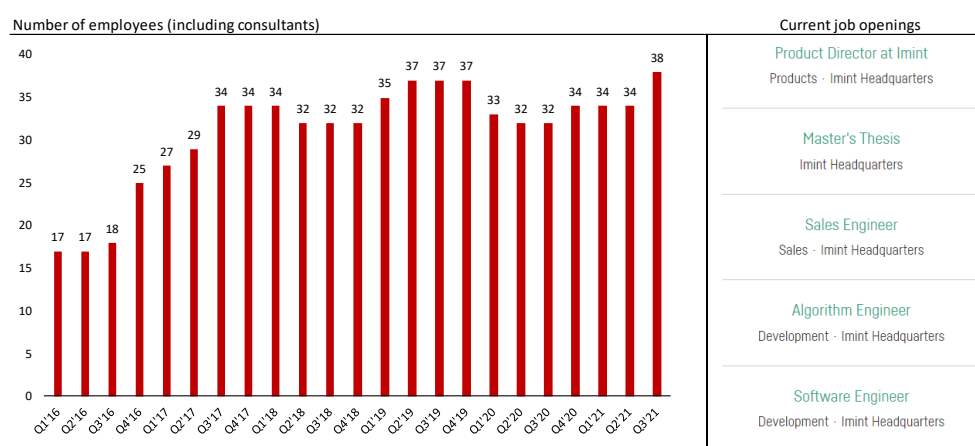
ANALYSTS

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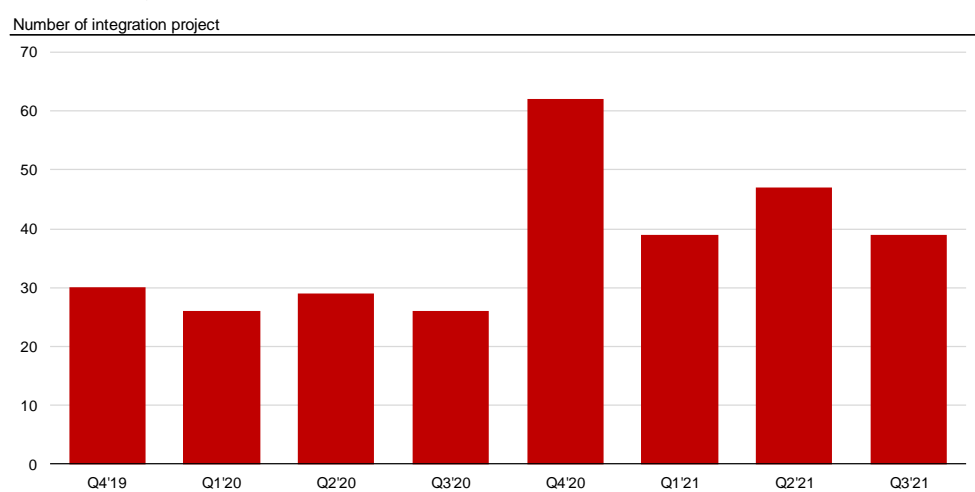
Q3'21 Review

Imint's net revenue increased by 25% y/y and 9% q/q and amounted to SEK 16.4m (13.2m). The EBIT margin continued to show exceptional strength and ended at 34.3% (up from 17.9% a year ago). Compared to Q2'21, the margin expanded by 10 percentage points (!) showing the scalability of the business model. However, we expect the cost base to increase somewhat going forward, as Imint has recruited and will recruit more sales engineers and software developers. In our latest update, we talked about the possibility of new personnel in areas ranging from R&D (in AI/ML, for example) to sales (focus on South Korea and China). Operating costs grew by 4% y/y to SEK 13m (12.8m). Consequently, the EBIT was SEK 5.6m (2.4m), up by 133% y/y and Q3'21 became the fifth quarter in a row where the company reported a positive net income. The cash position is now above SEK 60m, which should give the company leeway to make a bolt-on acquisition if needed.

We were spot on with SEK 16.4m in sales. However, we believed the cost structure would follow as new recruitment was needed, and consequently, we were off on the EBIT margin side, where we had estimated 21%. The number of employees, including consultants, did increase substantially in the quarter to 38, but the costs were not to be found in Q3. Instead, they should show up in the next quarter, dampening the EBIT margin somewhat compared to Q3.



Source: Imint, Redeye Research

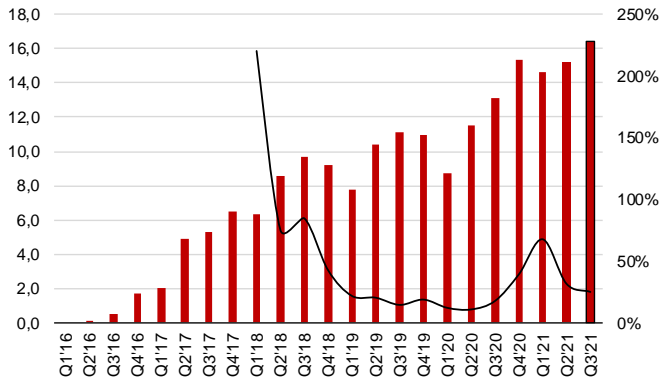


Source: Imint, Redeye Research

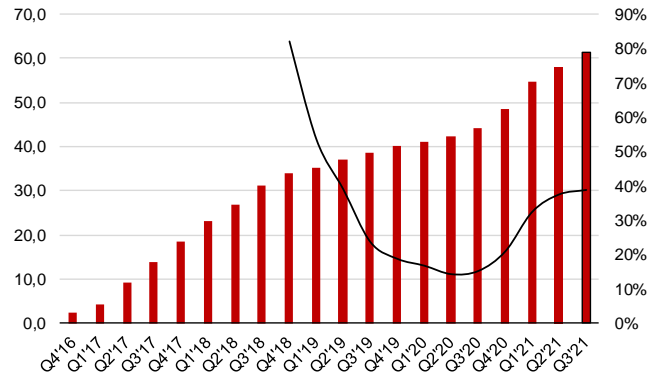
Although the number of product integration projects is not a hard science of future sales volumes, it is a good proxy of how busy Imint's customer engineering team is. Six months later,

the results often show in the number of smartphones shipped with installed Vidhance software. As one can see, Q4'20 was an outlier due to a Covid-19 catch-up with lower activity in the preceding quarters. 2021 has been on overall higher levels, boding well for Q4 and H1'22.

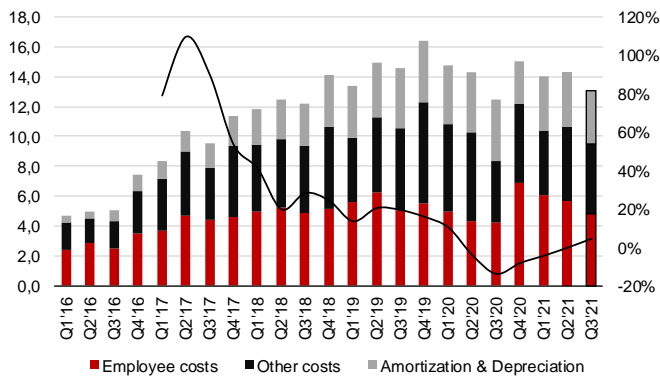
Quarterly net sales (SEKm) and growth year-over-year (%)



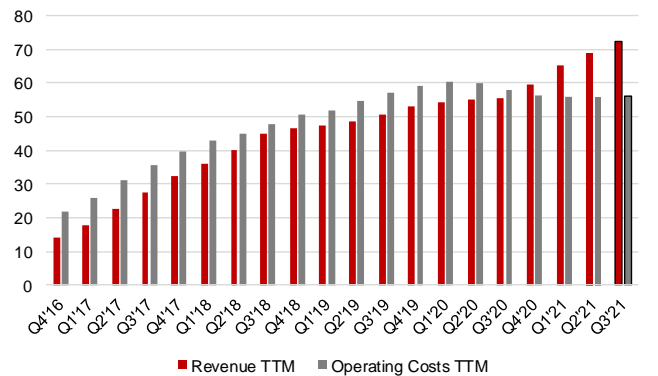
Trailing twelve months of net sales, standalone (SEKm) and growth year-over year (%)



Quarterly cost structure (SEKm) and growth year-over-year (%)



Trailing twelve months of total revenues and operating costs, in comparison (SEKm)



Source: Imint, Redeye Research

Lastly, Imint has expanded its visibility in the press, including the Chinese. In Q3, it had its first Chinese press conference and media briefing with high attendance and good publicity. We believe the increased marketing costs are a way to establish Vidhance outside of the traditional smartphone segment, where its name is already well-recognized.

Increased presence in Chinese media outlets

重新思考通往元宇宙之路

2021-10-13 16:43

作者: Imint 首席执行官 Andreas Liffendahl



Imint 首席执行官 Andreas Liffendahl

最近“元宇宙”（Metaverse）这一概念在多个领域引起了广泛讨论，而它似乎也会改变我们未来的生活方式。

科技巨头们早已看到了这一趋势，他们纷纷投入巨资布局元宇宙。Facebook 更名为 Meta 公司，苹果、谷歌和微软也在积极布局。近期，微软收购了 VR 行业领军企业 HoloLens，进一步巩固了其在 AR/VR 领域的领先地位。

“元宇宙”一词源自 90 年代的一本科幻小说，它描述的是人们可以在一个沉浸式的虚拟世界中生活。

Source: Imint, Redeye Research

Imint CEO: 在构建元宇宙的道路上 相机视频将进入全新阶段

来源: 环球网

2021-11-11 17:12

【环球网科技综合报道】随着“元宇宙”概念的火爆，增强现实与虚拟现实的技术应用在消费领域和工业领域都获得了爆发式的发展，资本也不断涌入虚拟现实市场。

今年9月，视频增强软件公司IMINT Image Intelligence AB (简称“Imint”)宣布与专注于工业应用领域的增强现实眼镜及头戴式设备公司Rokid建立合作关系。根据协议，Rokid X-Craft 5G 工业级AR智能头盔搭载了Imint的Vidhance视频增强软件，帮助新一代“超级工人”在现场工作中获取高质量的视觉信息。

这也是视频增强技术进入工业赛道的新拓展。Imint 首席执行官Andreas Liffendahl在接受记者采访时表示：“我们会根据各个系统的特定用途，为它们提供最为合适的视频解决方案，而本次合作将助力我们在头戴式设备和工业可穿戴设备领域的进一步增长。”

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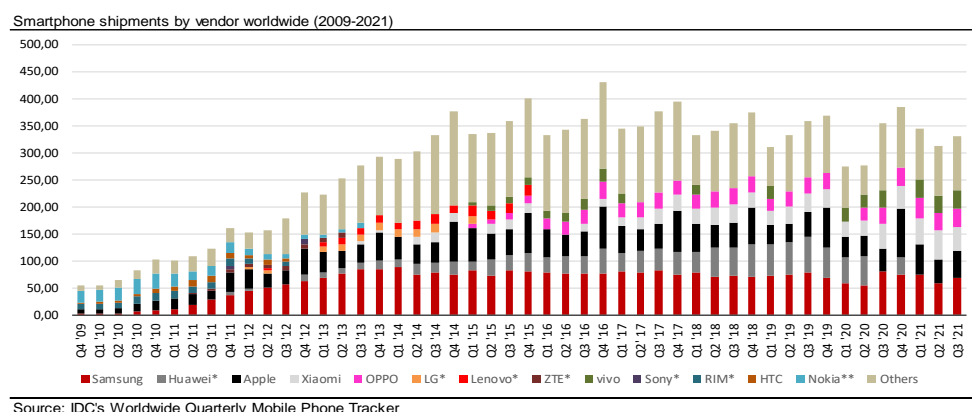
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科技巨头们早已看到了这一趋势，他们纷纷投入巨资布局元宇宙。Facebook 更名为 Meta 公司，苹果、谷歌和微软也在积极布局。近期，微软收购了 VR 行业领军企业 HoloLens，进一步巩固了其在 AR/VR 领域的领先地位。

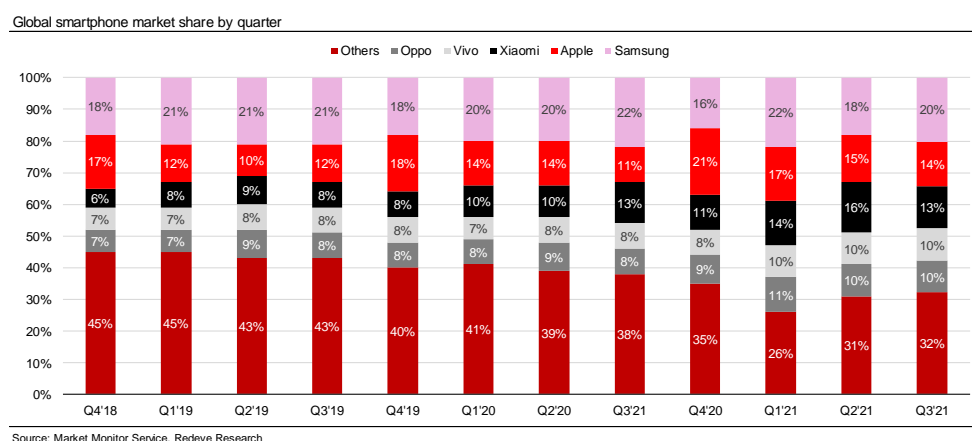
“元宇宙”一词源自 90 年代的一本科幻小说，它描述的是人们可以在一个沉浸式的虚拟世界中生活。

Market Development

2021 started with robust double-digit growth in the smartphone market but decelerated in the third quarter. Worldwide shipments declined by almost 7% y/y compared to Q3'20. We assess that Imint's market share was approximately 21% in Q3, as the total number of smartphones with its software closed in on 600 million, compared to around 530 million in Q2. In Q3, the total smartphone OEM shipments worldwide (in million units) were 325.5 million, and consequently, about 70 million out of 325.5 million smartphones were equipped with Imint's video stabilization features. This market share can be compared to Q2's 19.5% and 2020's 13.2%. Consequently, Imint is continuing to gain market share. Customers such as Oppo and Vivo had stellar Q3 results, partly explaining the numbers. In addition, more software per design win/phone project is another explanatory factor.



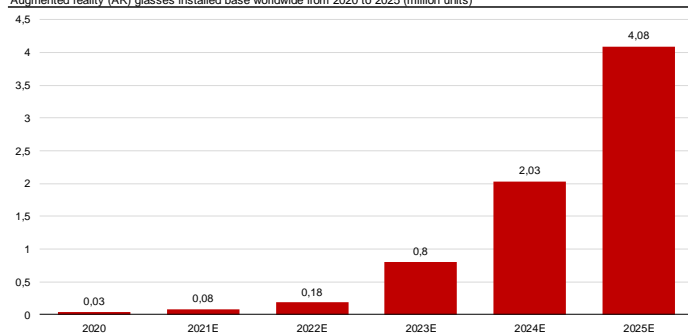
As one can see, the smartphone market has consolidated in the last couple of years, with a few bigger smartphone manufacturers/brands taking the lion's share. Imint's close collaborations with names such as Oppo, Vivo, and Xiaomi are thus incredibly important, as it can grow with their success. We believe Imint has deepened the collaboration with many of the key accounts, and that they have become instrumental in pre-launch product evaluation and tuning (defining products in a way that suits them). Thus, key customers have become an integral part of the process of coming up with new software, which solidifies Imint's competitive advantages. It is a good circle of more and more intimacy, which is hard for any outsiders to break.



On the chipset side, MediaTek continues to gain market share at the expense of Qualcomm, Apple, and HiSilicon (Huawei). Unisoc (Spreadtrum), on the other hand, has quickly established itself as a contender (up from 4% market share to 9%). Imint has good cooperation with both Qualcomm and MediaTek and works to be compatible with as many chipsets as possible.

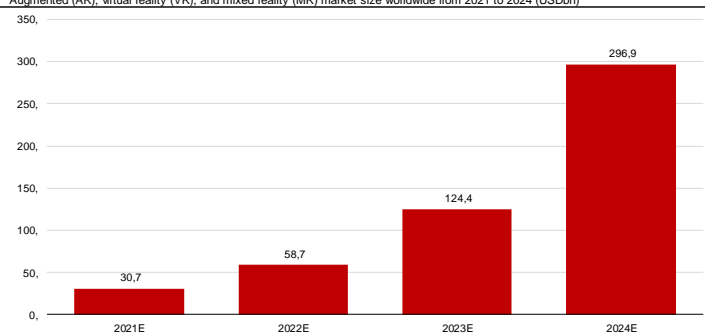
Imint has invested more outside of the smartphone segment in areas such as wearables (AR glasses, for example). In Q3, Rokid, a developer of augmented- and mixed-reality glasses and headwear for industrial applications, was signed as a second wearable customer. Imint has made joint-marketing efforts with both RealWear and Rokid following the launches of the AR glasses, and Imint has carved out the first-mover advantage in this emerging segment. Although the AR market is significantly smaller (the number of smartphones worldwide is expected to be almost 900x the size of AR glasses even in 2025, following the latter's explosive growth), it offers a new vertical with a different business logic (improved price levels) and longer product cycles.

Augmented reality (AR) glasses installed base worldwide from 2020 to 2025 (million units)



Source: Worldw ide; ARillery Intelligence; 2020 to 2021

Augmented (AR), virtual reality (VR), and mixed reality (MR) market size worldwide from 2021 to 2024 (USDbn)



Source: Worldw ide; ARillery Intelligence; 2020 to 2021

Imint joined Qualcomm's wearable ecosystem in the quarter. Qualcomm is, like Imint, searching for new revenue streams outside of the quite slow-growing and saturated smartphone market. Imint's engineering teams are working ever-closer with both Qualcomm and MediaTek on the hardware side, and we expect Imint to be in a pole position when video stabilization is needed outside of the smartphone market, such as in the AR, VR, and MR.

CEO Lifvendahl said on the Q3 presentation that he believed that the expected growth in AR, VR, and MR would, to a large degree, come from industrial, maintenance, and surveillance applications. Today, most sales are on the consumer side, such as gaming. Moreover, Imint is attending trade fairs, such as Medica, where new AR glasses were presented that could be used in remote surgery assistance or for medical education and surgical simulation training. Imint has identified specific verticals and prospects and is now tailoring the message to fit them well (initiatives that have accelerated in the last few months). Thus, we expect to see more news outside of the smartphone market in the coming quarters.

New verticals where video stabilization will be needed - including in the medtech field

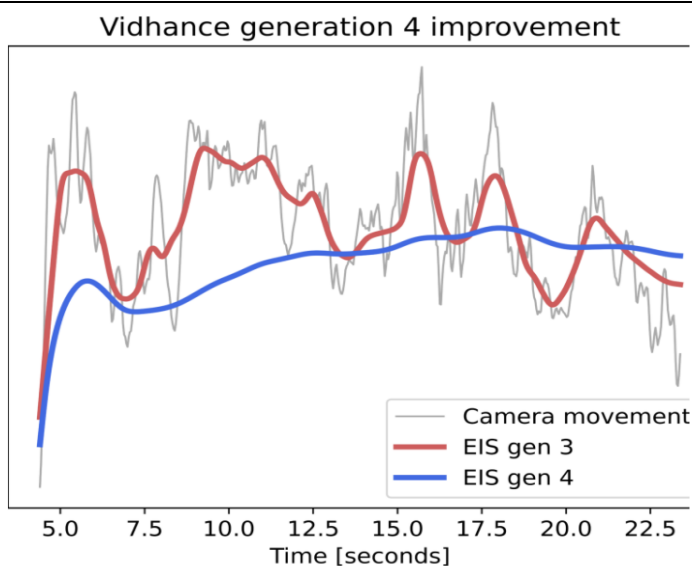


Source: Imint's director of sales' LinkedIn page

Generation 4

On December 1st, Imint announced that it had launched Vidhance Video Stabilization Generation 4, a big step-up from Generation 3, which already was one of the market-leading solutions. CEO Andreas Lifvendahl commented on the launch: "Iterative enhancements had reached the limit of effectiveness. But this new solution is a whole new approach to video stabilization and positions Imint, once again, as light years ahead of other solutions on the market." Needless to say, Generation 4 and Imint's technological expertise show that it can defend its market share in a hyper-competitive industry.

Superior suppression of unintended motion



Source: Imint

The product team has studied professional camera rigs from large movie productions and sports events, among other things, and thus mixed external know-how with its own experience in video stabilization to create Generation 4. The new engine removes unwanted motions and ensures that all intended motions are soft and smooth, as well as direct and responsive. Moreover, the changes are in the core, and therefore no integration upgrades are needed, which eases the integration to smartphone makers. The video stabilization has also been made as generic as possible to fit as many applications as possible with only simple tuning. Finally, the product is well-tested and stable. Three areas that have been major focuses are memory

Test summary of a camera review made by DXOMARK's camera team in mid November








Source: DXOMARK

handling (very important as more phones/wearables are fitted with higher resolutions like 8K), good power consumption (despite the improved quality), and overall performance.

Furthermore, if one works with imagery or video for smartphones, the product value will be, to a high degree, determined by the DXOMARK score (it was established in 2008 as an independent benchmark that scientifically assesses image quality of smartphones, lenses, and cameras). Generation 4 addresses many of the common shortcomings of video stabilization without worsening the power efficiency, thus giving smartphone makers the ability to reach new levels of DXOMARK scores on their smartphones. Low power consumption has been a top priority for Imint's engineers, and the combination with improved processing power is the holy grail. Many traditional video stabilization solutions on the market require a clear tradeoff between memory usage and video performance. Moreover, a new smartphone camera that receives a bad DXOMARK score will unlikely land a good review in prominent tech magazines. When determining the video sub-score for mobile video, DXOMARK examines the following criteria: 1). Exposure, 2). Color, 3). Autofocus, 4). Texture, 5). Noise, 6). Artifacts, and 7). Stabilization.

Lastly, the redesigned stabilization engine has been tested by leading smartphone makers and proven the ability to deliver first-rate video quality. Thus, Generation 4 is ready for commercialization from the get-go. As Imint operates in a fast-paced industry where new innovation is paramount in order to keep the lead, Generation 4 will secure it a front position.

Smartphone rankings - Industry-leading quality testing of smartphone camera, display, audio and battery, and other consumer electronics

	Launch Price	Launch Date	 CAMERA	 SELFIE	 AUDIO	 DISPLAY	 BATTERY
Huawei P50 Pro	\$907	Jul 2021	144	106	-	93	-
Xiaomi Mi 11 Ultra	\$1200	Mar 2021	143	94	71	87	-
Apple iPhone 13 Pro Max	\$1099	Sep 2021	137	99	75	99	89
Apple iPhone 13 Pro	\$999	Sep 2021	137	99	75	98	-
Google Pixel 6 Pro	\$899	Oct 2021	135	102	-	-	-
Asus Smartphone for Snapdragon Insiders	\$1499	Jul 2021	133	-	77	-	-
Oppo Find X3 Pro	\$1149	Mar 2021	131	-	62	88	66
Apple iPhone 13	\$799	Sep 2021	130	99	75	93	74
Apple iPhone 13 mini	\$699	Sep 2021	130	99	75	90	-
OnePlus 9 Pro	\$969	Mar 2021	124	-	69	89	-
Samsung Galaxy Z Fold3 5G	\$1799	Aug 2021	124	-	72	89	-
Samsung Galaxy S21 Ultra 5G (Snapdragon)	\$1199	Jan 2021	123	99	70	91	70
Oppo Reno6 Pro 5G	\$799	Sep 2021	121	-	62	86	85
Oppo Reno6 Pro+	\$806	May 2021	121	-	-	-	-

Source: DXOMARK

Ownership

Besides the management and the board, which owns slightly more than 7% of the shares outstanding, Imint has lacked larger long-term shareholders. Therefore, we believe it could be interesting commenting on some recent share buying activities. Quinary Investment, with Johan Qviberg, has bought around 2.3% of the outstanding shares of Imint. Quinary Investment focuses on Swedish B2B technology companies with high innovation power. Thus, Imint checks all of those criteria. Most of the investments are non-public, but Imint joins seven other publicly traded companies in the portfolio.

Noterade bolag



Imint is closing in on an important milestone of around SEK 700m in market capitalization, where funds often start taking notice of growing and profitable small-cap stocks. Should the share price continue to appreciate, we believe more institutions will take a closer eye on Imint, just like Quinary Investment has done. We see increased institutional ownership as something positive, as it often gives a stable financial backbone if needed, for example, in a scenario where Imint would like to make an acquisition and raise capital in conjunction with the transaction.

Estimates

We are not making any big adjustments to our forecasts. We increase the EBIT margin slightly, but are still quite conservative, as we believe Imint will take on some more personnel and marketing costs tied to new product development and verticals outside of the traditional smartphone segment. These investments will likely drive to topline in 12-24 months.

Estimates in Base Case									
(SEKm)	2019	2020	Q1'21	Q2'21	Q3'21	Q4'21E	2021E	2022E	2023E
Net sales	40,3	48,7	14,6	15,1	16,6	18,4	64,8	77,7	91,7
Capitalized dev. costs	12,8	10,9	2,8	2,7	2,1	2,5	10,1	10,1	9,6
Other external costs	21,7	21,9	4,4	4,9	4,6	5,9	19,7	26,4	30,5
Staff costs	22,3	20,3	6,0	5,7	4,9	6,9	23,5	28,2	32,5
EBITDA	9,0	17,7	7,2	7,3	9,2	8,2	31,9	33,5	38,6
D&A	15,1	14,8	3,6	3,6	3,6	3,4	14,3	12,7	12,6
EBIT	-6,1	2,9	3,6	3,7	5,6	4,7	17,6	20,7	26,0
Growth (%)	19%	21%	68%	32%	27%	20%	33%	20%	18%
EBIT margin (%)	n.m.	6%	24%	24%	34%	26%	27%	27%	28%

Source: Redeye Research

Q4 will be interesting as we will see the potential impact on some of the caps. However, we believe mid-ranged phones as well as more software per design win will keep the growth rate at a healthy level. In Q3, the first product with Vidhance Photo Zoom Stabilization was launched on the market.

Valuation

Imint is a niched software market leader with good connections to both global chipset makers and smartphone manufacturers. Although somewhat hidden in the value chain, it has supplied around 600 million smartphones with video stabilization software since late 2016. Thus, even if Imint is small, it is fiercely competitive and, right now, on the winning side. When looking at the addressed market, including 'closed' systems such as Apple and Samsung's Galaxy group, Imint had a market share of approximately 20% in Q3'21. When looking at the total addressable market in its niche, Imint has more like 50% market share, and the other half is probably divided close to something similar to this: 25% chipset makers and 25% none and legacy/inhouse. The trend is 'trickling down', i.e., Imint is moving towards the mid and low-range phones and is, therefore, taking a more significant part of the cake's 'none' share. (On a larger scale, when looking at total imaging software, Imint has an estimated market share of <5%).

We argue these stats are important in order not to dismiss Imint on the back of high near-term multiples. It is pricey today, but we believe it has earned that fair and square. Indeed, there are risks involved, and durability is the most crucial issue in the valuation. The Japanese peer Morpho should be a warning example of how it might look if a company 'slips' and lose market share. Not long ago, Morpho grew steadily with EBIT margins ranging between 30-40%, but competition from Imint and ArcSoft among other things, weakened the firm between 2017-2020, and now its revenues are down by more than 30%, and the EBIT margin has turned negative. When the fortune turns, it can turn fast. This fact is being illustrated in the fair value range spread (SEK 20 -SEK 110).

However, Imint is continuing to show strength. It is steady as a rock and we increase our base case slightly to SEK 71, thanks to the better-than-expected margins. It is also deepening the collaboration with key accounts and is increasing its software share in any given phone project. It is also reinvesting in the business through new technical sales and a third R&D team, indicating confidence from the management's side. Lastly, Generation 4 is exactly the kind of 'durability' we look for in the investment case.

Company	EV	Sales	EV/SALES			EV/EBIT (x)			Sales growth			EBIT margin			Gross margin
	(local)	20A	20A	21E	22E	20A	21E	22E	20A	21E	22E	20A	21E	22E	21E
Morpho	6 410	2 073	3,1	-	-	-18	-	-	-21%	-	-	-17,0%	-	-	-
ArcSoft	18 830	679	27,7	28,6	20,3	68	104	73	21%	-3%	41%	41,0%	27,6%	27,7%	-
Ams AG	4 437	3 749	1,2	0,8	0,8	25	9	9	79%	46%	0%	4,7%	8,9%	9,1%	30%
Analog Devices	97 159	7 318	13,3	13,3	9,3	64	31	21	31%	0%	43%	20,9%	42,5%	44,2%	72%
ArcherMind	11 110	931	11,9	-	-	164	-	-	42%	-	-	7,3%	-	-	-
Dolby Laboratories	8 776	1 281	6,8	6,8	6,4	25	25	25	10%	0%	7%	27,7%	26,9%	25,4%	90%
Elliptic Laboratories	2 155	30	71,3	33,0	22,7	n.m	n.m.	n.m.	-20%	116%	46%	-41,3%	-4,1%	0,7%	99%
Median	9 139	1 162	11,9	13,3	9,3	41	28	23	-6%	0%	41%	7%	27%	25%	81%
Average	20 443	2 032	19,3	16,5	11,9	54	42	32	20%	32%	27%	6%	20%	21%	73%

Source: Redeye, FactSet

Bear Case SEK 20

In our bear case, Imint fails in entering new verticals successfully, and sales growth subsequently slows down. Although we count on continued cross-selling of new software, competition intensifies, and margins shrink in this scenario due to tough design win negotiations. Imint proceeds to penetrate the low to mid-range smartphones.

We assume no significant revenue from other verticals in this scenario, apart from the already announced deals. Due to stringent cost control, Imint nevertheless achieves a steady, positive EBIT margin.

Sales CAGR '21-'23E: 13%
 Sales CAGR '24-'30E: 6%
 Avg. EBIT margin '21-'23E: 21%
 Avg. EBIT margin '24-'30E: 13%
 WACC ~10%
 Terminal growth: 2%
 Terminal EBIT-margin: 7%

Base Case SEK 71

In our base case, Imint keeps gaining market share in the smartphone market and succeeds in new adjacent verticals. More phones with Vidhance and more software in any given phone project, coupled with new verticals, give Imint a steady growth trajectory. Thanks to software sales and cost-conscious management, mid-term EBIT margins strengthen to around 30%.

Plenty of reinvestment areas give Imint a more durable growth runway, protected by its brand of excellence and high switching costs. Still, there are some customer concentration risks and geopolitical risks.

Sales CAGR '21-'23E: 19%
 Sales CAGR '24-'30E: 13%
 Avg. EBIT margin '21-'23E: 26.5%
 Avg. EBIT margin '24-'30E: 22%
 WACC ~10%
 Terminal growth: 2%
 Terminal EBIT-margin: 15%

Bull Case SEK 110

In our bull case, Imint continues on its current fast-paced journey, with maintained growth rates and strengthening margins. It keeps gaining market share in the smartphone segment, and multi-frame products succeed as video stabilization did. Moreover, the inroads to new verticals pay off with a broadened revenue base and less political risk as more customers outside of China are being procured.

Thanks to software sales and cost-conscious management, EBIT margins surge to about almost 35%. Plenty of reinvestment areas give Imint a durable growth runway, protected by a highly valued brand of excellence and high switching costs. Vidhance is top of mind when video enhancing is mentioned.

Sales CAGR '21-'23E: 28%
 Sales CAGR '24-'35E: 13.5%
 Avg. EBIT margin '21-'23E: 32%
 Avg. EBIT margin '24-'35E: 23%
 WACC ~10%
 Terminal growth: 2%
 Terminal EBIT-margin: 18%

	2020	2021E	2022E	2023E
INCOME STATEMENT				
Revenues	60,0	75,1	88,1	101,5
Cost of Revenues	0,0	0,0	0,0	0,0
Gross Profit	60,0	75,1	88,1	101,5
Gross Profit Margin (%)	100%	100%	100%	100%
Operating Expenses	42,3	43,2	54,6	63,0
Exchange Rate Differences	0,0	0,0	0,0	0,0
EBITDA	17,7	31,9	33,5	38,6
EBITDA Margin (%)	30%	42%	38%	38%
Depreciation & Amortization	14,8	14,3	12,7	12,6
EBIT	2,9	17,6	20,7	26,0
EBIT Margin (%)	5%	23%	24%	26%
Associated Income / (loss)	0,0	0,0	0,0	0,0
Net Financial Items	-1,3	2,0	1,8	2,3
Non-recurring Income / (Expenses)	0,0	0,0	0,0	0,0
EBT	1,7	19,6	22,5	28,3
Income Tax Expenses	0,0	0,0	2,3	5,9
Effective Tax Rate (%)	0%	0%	10%	21%
Non-Controlling Interest	0,0	0,0	0,0	0,0
Net Income	1,7	19,6	20,3	22,4
Non-Recurring Items / (Loss), Post Tax	0,0	0,0	0,0	0,0
Recurring Net Income	1,7	19,6	20,3	22,4
Net Income Margin (%)	3%	26%	23%	22%
BALANCE SHEET				
Assets				
Current assets				
Cash & Equivalents	34,9	59,4	75,9	94,6
Inventories	0,0	0,0	0,0	0,0
Accounts Receivable	13,8	17,5	20,5	23,6
Other Current Assets	0,0	0,0	1,8	2,0
Total Current Assets	48,7	76,9	98,1	120,3
Non-current assets				
Property, Plant & Equipment, Net	0,3	0,3	0,3	0,3
Goodwill	0,0	0,0	0,0	0,0
Intangible Assets	22,8	19,6	20,9	23,6
Right-of-Use Assets	0,0	0,0	0,0	0,0
Shares in Associates	0,1	0,1	0,1	0,1
Other Long-Term Assets	1,6	1,6	1,6	1,6
Total Non-Current Assets	24,8	21,6	23,0	25,6
Total Assets	73,5	98,5	121,1	145,9
Liabilities				
Current liabilities				
Short-Term Debt	0,0	0,0	0,0	0,0
Short-Term Lease Liabilities	0,0	0,0	0,0	0,0
Accounts Payable	2,3	0,0	0,0	0,0
Other Current Liabilities	13,3	12,8	15,0	17,3
Total Current Liabilities	15,6	12,8	15,0	17,3
Non-current liabilities				
Long-Term Debt	0,0	0,0	0,0	0,0
Long-Term Lease Liabilities	0,0	0,0	0,0	0,0
Other Long-Term Liabilities	0,7	0,8	0,9	1,0
Total Non-current Liabilities	0,7	0,8	0,9	1,0
Non-Controlling Interest	0,0	0,0	0,0	0,0
Shareholder's Equity	57,2	85,0	105,2	127,6
Total Liabilities & Equity	73,5	98,5	121,1	145,9
CASH FLOW				
NOPAT	2,9	17,6	18,7	20,6
Change in Working Capital	-3,1	-6,5	-2,6	-1,1
Operating Cash Flow	13,0	28,1	30,5	33,9
Capital Expenditures	-0,1	-0,2	0,0	0,0
Investment in Intangible Assets	-10,9	-10,9	-14,1	-15,2
Investing Cash Flow	-10,9	-11,1	-14,1	-15,2
Financing Cash Flow	-0,6	7,5	0,0	0,0
Free Cash Flow	2,0	17,0	16,5	18,7

	2020	2021E	2022E	2023E
CAPITAL STRUCTURE				
Equity Ratio	0,8	0,9	0,9	0,9
Debt to equity	0,0	0,0	0,0	0,0
Net Debt	-34,9	-59,4	-75,9	-94,6
Capital Employed	57,9	85,7	106,1	128,6
Working Capital Turnover	-34,2	15,9	12,1	12,1

GROWTH				
Revenue Growth	13%	25%	17%	15%
Basic EPS Growth	-128%	1022%	3%	10%
Adjusted Basic EPS Growth	-128%	1022%	3%	10%

PROFITABILITY				
ROE	3%	28%	21%	19%
ROCE	5%	21%	20%	20%
ROIC	14%	77%	70%	68%
EBITDA Margin (%)	30%	42%	38%	38%
EBIT Margin (%)	5%	23%	24%	26%
Net Income Margin (%)	3%	26%	23%	22%

VALUATION				
Basic EPS	0,2	2,1	2,2	2,4
Adjusted Basic EPS	0,2	2,1	2,2	2,4
P/E	595,4	52,0	50,3	45,6
EV/Revenue	16,2	12,8	10,7	9,1
EV/EBITDA	54,9	30,1	28,2	24,0
EV/EBIT	330,2	54,6	45,5	35,5
P/B	17,6	12,0	9,7	8,0

SHAREHOLDER STRUCTURE	CAPITAL % VOTES %	
Avanza Pension	14%	14%
Nordnet Pensionsförsäkring	6%	6%
Öjvind Norberg	3%	3%
Peter Ekerling	2%	2%
Johan Qviberg	2%	2%
Andreas Lifvendahl	2%	2%
Pierre Alexander Willihard Ullman	2%	2%
Swedbank Försäkring	2%	2%
Nevrokro Invest AS	1%	1%
Jonas Fridh	1%	1%

SHARE INFORMATION		TEST.b
Reuters code		First North
List		111,25
Share price		9,158
Total shares, million		

MANAGEMENT & BOARD		
CEO		Andreas Lifvendahl
Chairman		Peter Ekerling

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Summary Redeye Rating

The rating consists of three valuation keys, each constituting an overall assessment of several factors that are rated on a scale of 0 to 1 point. The maximum score for a valuation key is 5 points.

Rating changes in the report

People: 4

Imint has long-tenured management with much experience from the industry and subsequently scores high in those areas. The management follows the strategy it has communicated to the market and keeps the market informed as much as is possible, given confidentiality agreements. The ownership structure could, however, be improved. It lacks a main long-term shareholder, and we would further like to see larger holdings by board members and top management. However, we are starting to see some institutional interest, which could alter the picture going forward.

Business: 3

Imint has established a strong position within the smartphone market, and we see the potential for high growth following agreements with new players and extended contracts with existing customers. Imint has now entered a new phase where our view is that the business risk has decreased. Also, we believe Imint has become a trusted and well-known supplier in the industry. Vidhance is now a brand that Imint's clients want to be associated with, and this is the reason for joint marketing and PR events with established. The increased market visibility and the strengthening of the Vidhance brand will facilitate sales to new clients and will render Imint a stronger position in future pricing negotiations.

Financials: 3

Imint has a proven and now profitable business model that is generating positive cash flows. The company had around SEK 60m in cash by the end of Q3'21 and is forecasted to improve cash flows in the future. However, Imint has only been profitable for a short while, and the financial rating will most likely improve over time as the business matures. It has now showed five quarters in a row with a positive net income.

Redeye Rating and Background Definitions

Company Quality

Company Quality is based on a set of quality checks across three categories; PEOPLE, BUSINESS, FINANCE. These are the building blocks that enable a company to deliver sustained operational outperformance and attractive long-term earnings growth.

Each category is grouped into multiple sub-categories assessed by five checks. These are based on widely accepted and tested investment criteria and used by demonstrably successful investors and investment firms. Each sub-category may also include a complementary check that provides additional information to assist with investment decision-making.

If a check is successful, it is assigned a score of one point; the total successful checks are added to give a score for each sub-category. The overall score for a category is the average of all sub-category scores, based on a scale that ranges from 0 to 5 rounded up to the nearest whole number. The overall score for each category is then used to generate the size of the bar in the Company Quality graphic.

People

At the end of the day, people drive profits. Not numbers. Understanding the motivations of people behind a business is a significant part of understanding the long-term drive of the company. It all comes down to doing business with people you trust, or at least avoiding dealing with people of questionable character.

The People rating is based on quantitative scores in seven categories:

- Passion, Execution, Capital Allocation, Communication, Compensation, Ownership, and Board.

Business

If you don't understand the competitive environment and don't have a clear sense of how the business will engage customers, create value and consistently deliver that value at a profit, you won't succeed as an investor. Knowing the business model inside out will provide you some level of certainty and reduce the risk when you buy a stock.

The Business rating is based on quantitative scores grouped into five sub-categories:

- Business Scalability, Market Structure, Value Proposition, Economic Moat, and Operational Risks.

Financials

Investing is part art, part science. Financial ratios make up most of the science. Ratios are used to evaluate the financial soundness of a business. Also, these ratios are key factors that will impact a company's financial performance and valuation. However, you only need a few to determine whether a company is financially strong or weak.

The Financial rating is based on quantitative scores that are grouped into five separate categories:

- Earnings Power, Profit Margin, Growth Rate, Financial Health, and Earnings Quality.

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Disclaimer

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Redeye Rating (2021-12-07)

Rating	People	Business	Financials
5p	23	18	3
3p - 4p	106	87	40
0p - 2p	5	29	91
Company N	134	134	134

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Mark Siöstedt owns shares in the company: No

Redeye performs/have performed services for the Company and receives/have received compensation from the Company in connection with this.