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Haypp Group AB (HAYPP.SE)

Q4 2022 Earnings Call

CORPORATE PARTICIPANTS

Gavin O'Dowd

Chief Executive Officer, Haypp Group AB

Svante Andersson

Chief Financial Officer, Haypp Group AB

OTHER PARTICIPANTS

Niklas Ekman

Analyst, Carnegie Investment Bank AB

MANAGEMENT DISCUSSION SECTION

Operator: Good morning, and welcome to the Q4 2022 Earnings Conference Call. All participants will be in listen-only mode. [Operator Instructions] After today's presentation, there will be an opportunity to ask questions. [Operator Instructions] Please note this event is being recorded. I would now like to turn the conference over to Gavin O'Dowd, CEO. Please go ahead, sir.

Gavin O'Dowd

Chief Executive Officer, Haypp Group AB

Thank you very much. Good morning and welcome, everybody, to Haypp Group's presentation of the interim report for the fourth quarter of 2022. Today we will walk you through a brief overview of our business and comments on the operational and financial performance for the fourth quarter. The interim results and results presentation is available at the Investor Relations section of our corporate website. Presenting today, in addition to myself, is Svante Andersson our CFO.

Moving to slide 3 in our results presentation, here we see there are higher purpose of inspiring healthier enjoyment to millions, which is predominantly moving people from cigarettes to safer alternatives. That traditionally was snus and in more recent years nicotine patches. Moving to slide 4, we have a chart presenting the spectrum of nicotine products and the relative harm versus cigarettes.

Haypp Group's current focus on nicotine pouches and snus lies in the lower end of the spectrum. The scientific body of research around modern harm reduction alternatives to cigarettes has come a long way in recent years. In addition to nicotine pouches and snus, products such as tobacco heating devices and paper are widely accepted as carrying a significantly lower level of harm than traditional cigarettes and other smoking products.

smoking products.

On slide 5, we can see that smoking rates across a range of European countries, sorry. In slide 5, we can see what smoking rates are like across a range of European countries. Sweden, with a strong tradition of oral nicotine is below one-third of the European average of smoking rates. In Norway, where oral nicotine products were

introduced some 20 years ago, smoking rates are at similarly low levels to Sweden. On the right-hand side, we can see how the smoking rates collapsed between 2005 and 2020 in Norway especially among the younger part of the population and there is an almost perfect correlation between that and the uptake of nicotine pouches and snus among the same age groups. It is this impact on public health that we wish to bring to other countries.

Turning to slide 6, we can see the outlook for the market that we laid out last year in connection with our IPO and we believe is equally as valid today. We see a global market size for nicotine pouches and snus, which will increase from SEK 27 billion in 2020 to SEK 60 billion in 2025. All of this growth is going to be delivered by nicotine pouches, which will increase from a share of the market of 30% again in 2020 to 80% in 2025.

Since the market outlook was prepared, nicotine pouches has been tracking in line with expected CAGR of 41% per annum. And it is also worth noting that Haypp has been growing significantly faster. Due to the harm reduced nature of this category, it carries low excise taxes, and hence there is quite a significant profit pool to be divided between the manufacturers and the retailers of SEK 48 billion. Furthermore, the category is very well-suited for online and we see online penetration increasing for every quarter that goes by it and we expect online to increase at healthy levels.

Moving along to slide 7. We lay out the key factors behind the growth in nicotine pouches. The primary driver is strong consumer demand for less harmful products, which is greatly supported by regulators in general, which are adopting a principle of harm reduction in their legislative approach to nicotine pouches. This in turn has led to significant investment from the category in the category from the industry players, both large tobacco companies and many credible new entries are driving innovation and – are driving innovation. These are the drivers for the growth which we see on the right hand side.

On Slide 8, we have a picture of the competitive landscape for online in our category. While there is a significant number of players, many of whom come and go over time, they never reach the scale that we are at and we are currently about ten times the size of our largest competitor online. On slide 9, starting off with Sweden. We are continuing to grow market share within nicotine pouches and as nicotine pouches continues to grow its share in the total market, our share of the Swedish market has lifted from 10 percentage points that we stated in 2020 up to the early to mid-teens.

As discussed in previous earnings calls, we have struggled in Norway since the border and the duty free channels reopened post COVID and contracted the domestic market. However, we turned around to development in the fourth quarter and in the fourth quarter we saw strong growth in the nicotine pouch volume, which brought our total volume growth in Norway into positive, low single digits. We estimate that our market share within the domestic market has been holding strong throughout 2022 and accelerated in the fourth quarter.

especially within nicotine pouches. In our growth markets in Europe and the US, we have invested to grow market share both within the online channel and within the total market during 2022. And we continue to do so in the fourth quarter.

Moving along to Slide 10, you will see an overview of our logistics infrastructure. Convenience remains one of our key USPS and the ability to offer our customers across the markets fast and reliable delivery sets us apart. We completed the first phase of our warehouse expansion plan in Q2 and we are now operating six warehouse locations across our core and growth markets. We have managed this expansion while continuing to maintain healthy inventory turnover of 15 times in the past 12 months. Furthermore, the warehouse expansion has led to improved consumer retention rates, which I will come back to in a moment. Having successfully completed the first phase during Q2, we have progressed to another phase where we are enhancing our infrastructure and

backend. In addition to supporting scalable future growth in our current markets. It will also enable us to efficiently move into new markets.

Moving along to the operational highlights of Q4 on Slide 12 and starting with our performance in nicotine pouches. The growth in consumer demand for significantly less harmful nicotine products remains unabated and continues to gain support from regulators. As I touched upon in the earlier slides, effectively all growth for the combined nicotine pouch and snus category is coming from nicotine pouches. With this in mind, the nicotine pouch volume is our primary measure of growth. In addition to the overall nicotine pouch category growth, Haypp continues to grow market share across all of our markets. Our nicotine pouch volume increased 42% year-on-year for the group, driven by solid growth across all geographies. Our stellar performance in the category in recent years is the result of relentless efforts and focus from our team, who I would like to take the opportunity to thank.

Despite a turbulent environment with firstly COVID-19, and secondly the terrible invasion of Ukraine and the effects of the macroeconomic environment. We have grown our nicotine pouch volume by 574% since the fourth quarter of 2019. Nicotine pouches now accounts for 44% of the group volume, and this compares to 36% in the fourth quarter of last year.

We continue to play a pivotal role in launching products in the nicotine patch category, which in turn accelerates the migration from cigarettes. During Q4, 20% of our nicotine pouch volume relates to products which were launched in the past year.

As I briefly mentioned earlier, our investment in three local fulfillment centers in the US and the UK in the first half of 2022 have resulted in a material improvement in customer satisfaction and retention rates. While the relatively low volume in these warehouses initially means lower margins, the increase in volume is rapidly releasing benefits of scale and will support our EBITDA over time.

With that, I'll pass the word over to Svante for comments on our financial performance.

Svante Andersson

Chief Financial Officer, Haypp Group AB

Thank you, Gavin. With that, let's move to page 13 and the financial overview for the group. So we reported a net sales increase of 19% for the group in the fourth quarter. In constant currency, the net sales increased by 15%. Effectively, all of the growth is attributable to our progress within nicotine pouches. And we're recording solid growth rates for nicotine pouches across all markets, including Norway. The underlying trend of gradually increasing gross margin that we've seen throughout 2022 is driven by our performance within nicotine pouches and the strength of our value chain position within the category. Our volume performance in the fourth quarter further amplified this trend and we increased the gross margin by 3.1 percentage points to a higher than normal 13.9% gross margin adjusted EBIT for the quarter grew by 36% versus last year and amounted to SEK 16 million corresponding to an adjusted EBIT margin of 2.3%, up by 0.3 percentage points versus last year.

The drivers behind the EBIT margin uplift its higher volume and gross margin partially offset by higher adjusted OpEx from investments in the organization to support further growth. Our cash flow from operating activities during the period was negative SEK 32 million due to the planned and temporary inventory build up in Sweden ahead of the excise tax increase on service on the 1st of January. Adjusting for the inventory build up underlying cash generation remained strong.

Now turning to page 14 and zooming in on our core markets reported net sales for the segment grew by 12% during the quarter and amounted to SEK 565 million. Our nicotine pouch volume grew substantially more at 41%, with both Sweden and Norway showing strong performance. In Sweden, net sales for the quarter increased by 19% and driven by continued strong performance in the nicotine pouch category in Norway we saw results from our efforts to turn around the previous negative trend and net sales increased by 1% versus last year on a sequential basis versus Q3. Net sales increased by 20% in Norway and they are seeing decline sequentially in earlier quarters of 2022.

The profitability for our core markets continues to increase and on a full year basis we generated 174 million of EBITDA in the core market. The EBITDA margin increased in the fourth quarter to 8.4%, up by 1.2 percentage points against last year. This is showing the scalability in our business model and evidencing our ability to reach our long-term financial targets. The EBITDA margin increase in the quarter is mainly attributable to higher gross margin, partially offset by OpEx investments.

Now moving on to our growth markets on page 15. Net sales increased here by 56% to SEK 136 million set for the quarter on the back of strong performance across both the US and Europe. EBITDA amounted to negative SEK 18 million versus negative SEK 15 million during the same period of last year as a result of continued commercial investments for growth. And we continue to invest substantial resources into building strong market positions in these very significant consumer markets. And we have been gaining market shares throughout 2022. We remain confident that with our current trajectory and market share gains, we will over time to deliver healthy profitability from the growth markets, which will support our trajectory towards the long term financial target.

Lastly here on page 16, we have the selected KPIs and I would like to focus on the balance sheet in particular in this uncertain economic macroeconomic environment. We are particularly pleased that our financial position continues to remain strong. We closed the year with a net working capital position of SEK 230 million We closed the year with a net working capital position of SEK 230 million, of which our inventory accounted for SEK 223 million as we've built up stock before the anticipated excise tax increase in Sweden. The fast moving nature of our products naturally implies high inventory turnover rates and we are already well on the way to have cleared out most of this excess inventory. On the back of the inventory build net debt increase at year end to SEK 185 million corresponding to net debt to an adjusted EBITDA ratio of 1.8, which is expected to revert down as the inventories cleared during Q1.

And with that, I'll hand the word back to Gavin.

Gavin O'Dowd

Chief Executive Officer, Haypp Group AB

Thank you, Svante.

And moving on to slide 18, we reiterate our long term targets of SEK 5 billion net sales by 2025, predominantly to organic growth. We also reiterate our profit target of high single digit adjusted EBIT over the medium to long term. As you have seen from Svante's material we are already rapidly closing on this target in our core markets. Due to the growth potential of the category the board does not intend to issue any dividend in the foreseeable future and instead utilize our strong cash generation and robust balance sheet to accelerate growth.

On Slide 19, we highlight the potential which we see for the overall category growth and also the potential for online to take a larger share of that category. Given how suitable the characteristics of the category are for online. We also reiterate our market leading position in all of our key markets.

Moving along to Slide 20, on our current trading. Overall market trends for the oral nicotine category remains favorable, and we continue to transition of our business into a nicotine pouch – into the nicotine pouch category. On top of that, the online channel continues to grow relevance within the category. In terms of inflationary pressure on inbound costs, we reiterate our previous guidance that inflationary pressure on our cost base remains limited. Given the non-cyclical characteristics of the category. We remain confident that any additional inflationary pressure can be passed on.

Looking ahead, we continue to see a solid performance in our nicotine pouch growth. The successful turnaround in Norway creates a solid platform for profitable growth in core markets. And performance has remained strong, despite challenging comparables from the final COVID lockdown during the first weeks of 2022.

The strong momentum we have in our growth markets is sustained as we continue to gain share in the total market. Following the flavor ban in California we have seen an initial uplift in our performance, but we remain conscious that it is still early days and consumers are still settling into the new environment. Given the continued strong performance of both the category and the channel, we have further strengthened our capabilities in key strategic areas. We believe this is broadly sufficient to achieve our medium term growth ambitions. Our capabilities to attract new customers and retain them with our offer hinge around convenience, assortment and price continues to perform well in the current macroeconomic environment. We are on track with our plans to enhance our digital infrastructure, including our backend, enabling further growth opportunities and releasing benefits of scale.

Lastly, we are very well positioned for the current complex environment for consumers with a strong balance sheet, a non-cyclical product and a capital light business model we are able to remain flexible and strengthen our market position.

As I wrap-up I would like to guide you to slide 21. In summary, there is over 1 billion smokers in the world, the majority of whom are looking for healthier alternatives. And nicotine pouches is the fastest growing category. The category is perfect for online, and we are the undisputed building online market leader where we are over ten times the size of our nearest competitor. We have a symbiotic relationship with our suppliers where in addition to being a partner of choice for new launches, we have also one of the largest providers for consumer insights. We continue to welcome proportionate regulation and we often benefit from it. Our unit economics continue to improve as we scale, and this is already evident in our core markets. And we have a highly engaged team with core competencies across both nicotine industry and e-commerce.

With that operator, I would now like to open up the line for questions.

QUESTION AND ANSWER SECTION

Operator: We will now begin the question-and-answer session. [Operator Instructions] . The first question comes from Niklas Ekman from Carnegie. Please go ahead.

Niklas Ekman

Analyst, Carnegie Investment Bank AB

Q

Thank you. Yes, I have a couple of questions. Firstly, if you can elaborate a bit on this excise tax hike, you talk about a significant stock bill. Is that something that's also had a positive impact to your sales in Q4 or is it mainly that you built inventory that you're using to boost your profitability? That's my first question.

A

Good morning, Niklas. This is Svante speaking. Yes, you're correct. We did we did build a lot of inventory as we as we talked about, we have not seen that much hoarding effect on our sales from the tax increase. I think there was a bit of that in the last couple of days of the year. So it's obviously a very limited impact on the quarterly figures here. But as I say that the big effect from the excise increases this year, as we have highlighted here, that we're building inventories but limited on the same side.

Q

Okay. Super. And are you using this inventory here to boost your profitability or to gain market share by having lower prices than your store based competitors?

A

Yeah. So I think we – I mean, we built this inventory with the aim to have the flexibility. I think we are a little bit as we are sort of in the middle of the first quarter now we won't comment to detail on it, but a good point. I think we'll see the exact [indiscernible] release our Q1 reports, right. The pricing will always kind of depend on competitive activity as well and so on. So we won't say too much about that at this point.

Q

Okay. Fair enough. Secondly, on Norway, this is a business where you've had a fairly sharp decline in the past four quarters. Now it's flat. And this is still a quarter where I think that you are still negatively impacted year over year by the shift back to board of trade. So is there any way to kind of pick up what is the underlying growth in Norway, do you have any estimates of what the underlying growth is when you kind of adjust for this, the COVID impact and what [indiscernible] trade?

A

Maybe just give a little bit of context around this one Nicholas. So when COVID curfew, we had a robustly growing business quarter-on-quarter up until COVID hit. When COVID hit, we came close to shifting our business in

Norway quite rapidly and then we saw the unwinding of that as we are going through the early stages of 2022. But what we can see now is that our business in Norway has shown robust quarter-on-quarter growth during Q3 and continued that robust quarter-on-quarter growth during Q4 and particularly driven by nicotine pouches where we are seeing material year-on-year growth during quite substantial year-on-year growth during Q4.

So and bearing in mind that for Q4 and in 2021, there was a lockdown in Norway for the last circa five, six weeks of the year. So we did see some high comparables for that period in Norway as we are facing for the first four weeks in January 2023 where we also had a lockdown in that period. And we are showing, you know, we continue to show strong performance within Norway. So we view it very much as though not only have we turned the corner and in Norway, but we are showing material growth and we are doing it now for a couple of quarters consistently.

Q

And would that in your best estimates if the growth in Norway is that stronger than what you did there [indiscernible] in Sweden or even the growth markets? Is that the kind of magnitude we're looking at or what kind of underlying growth are we talking about? No. So it's not it's not at the magnitude of it's not a the quarter-on-quarter growth here is not the magnitude of what we're seeing in growth markets for the reasons of, you know, it's already a core market that had a material market share already within Norway. So it is a much higher base to be working from. But we are dealing with quite healthy and robust. And quarter-on-quarter strong and mid-single digits sort of quarter-on-quarter growth rates within Norway. If that gives you some sort of guidance, some sort of construct around the growth rates that we're experiencing there at the moment.

Q

Yeah. Yeah. Sure. Sure. Thank you. And thirdly, just on your margin progression, your and I'm talking EBIT margins now up 40 basis points now in 2022. Do you have any best guess for what we can expect in 2023? And then particularly considering your margin, medium term margin targets are for mid to high single digits operating margin. So that would require an acceleration from what we've seen in 2022. Is it reasonable to assume that this margin expansion will accelerate in 2023 and then particularly now with Norway may be coming back to a good growth?

A

Yeah. I think I mean, on that one, our guidance hasn't changed very much Niklas I mean, we I think, first of all, we see 2023 as quite a good year as well to continue to really grow market share and advance our market positions in the current economic environment. And then, I mean, we have been sort of realizing, I guess that our – if you look at our margin in relation to the financial targets it will be somewhat backloaded. And I don't think we should expect any sort of material of lifting needed more again throughout 2023, but more sort of continued focus on advancing our positions within the markets we are in.

Q

Okay. Thanks. And you talk about in the press release here, you talk about a favorable regulatory development. Are you referring to any specific recent events or is that more a general reflection of the year that has passed?

A

I think it's a general reflection of the year and I know some of the prior calls, we talked a little bit about what had happened during some of the earlier quarters in 2022, particularly the positive output that we were getting from Germany around this space. So I think it's more of a general sentiment rather than any specific event which has occurred within Q4.

Okay. Fair enough. And the final question is, you mentioned here that your warehouse expansion enables expansion to new markets. Can you elaborate a little bit on what kind of markets you're looking at for future expansion?

A

Yeah. So maybe just to give a little bit more context around that, Nicholas, what we talked about was the warehouse expansion was the first phase which we had wrapped up by the middle of last year. We now recognize that in order to be able to utilize our capabilities across new markets and new opportunities as they emerge, we are going to be dedicating a little bit. We are currently in the process of dedicating a lot more of our energy towards building other aspects of our backend infrastructure around both warehouse management systems, transport administration, ERP, et cetera, in order to prepare us to launch across more markets. And our intent is that these markets are likely to remain within Europe and North America. We don't envisage that there would be much outside of that.

Q

Okay. But what are you looking at -- are you looking at several markets, several new markets in Europe in the next one or two years, or is it further down the line?

A

No, I think I think it's we're looking at a range of new markets, and that is the timeline that we're considering as well.

Q

Okay. Super. Thank you so much for taking my questions.

A

Thank you, Nicholas. Thank you.

A

Thank you.

Operator: The next question comes from [indiscernible] from Barclays. Please go ahead.

Q

Hi. Good morning, Gavin. Good morning [indiscernible] a few questions from me. First of all, on this e-cigarette launch Good morning, Gavin. Good morning Svante just a few questions from me. First of all, on this E-Cigarette launch which has happened in the UK last month, can you just tell us what are the initial sort of feedback from the market? And also, you know, we had this issue with [ph] Elsbeth in the UK last week. So how do you ensure that something like that doesn't come on your platform?

A

Absolutely. So maybe just to stand back and give some context around this, we have been sending back, of course, we've often said over the last number of years that our objective here is to inspire healthier enjoyment to millions and that we're in the harm reduced space around nicotine. And what we've seen happen a lot in the last couple of years is that there's been a lot more progress around the product standards within the E-cigarette space. And there's also been a lot more epidemiology around E-cigarettes. So we can see that it now meets our threshold of some 5%, the harm of a cigarette.

We also recognize that as we look across broader markets, not every consumer is prepared to move away from cigarettes towards nicotine pouch and hence we decided that we would launch a test within the UK respectively, just keeping our [ph] toe in very gently to get a sense of, to get a sense of what the consumer behavior is been in this category and how it interacts with consumer behavior around our own category. So we can take learnings. So our primary objective within the UK is very much around and is very much around learnings at this point in time and grasping it. We don't expect it's going to be a material share of our sales for the foreseeable future. This very much needs to be viewed as a test concept in a test market. And then regarding the specifics of products itself, of course, as you may be aware and within nicotine pouches where they product standards are not regulated by the governments, we test all of our products independently and unless the products meet our product standards, we refuse to offer them to our consumers. Within the UK, products themselves within the vacant space are regulated by the government. And as such, every product from the government gets a permit as regards to whether it can sell or not. I think there is a certain degree of noise going through there at the moment regarding some of the products, such as the ones you've mentioned. And we want to see how this plays out as the market stabilizes a little bit more in the coming weeks.

Q

Sure. Thank you. So when I look at your growth in the core markets and growth markets, it's I mean, yes core markets are growing mid-teens. Growth markets are growing mid-20s but it's not as much of a difference as one would think. So will that gap widen next year in going forward that growth markets are growing twice or thrice the rate of core markets? Or will it still be fairly in a narrow band? The growth rates that we see in core markets and growth markets.

A

Yeah, absolutely Gaurav. Without being too specific here but I guess the growth markets grew at the rate of 56% in Q4. And I mean, as we mentioned here in the current trading section, we're continuing to see solid performance

in the growth markets as of where we are today. I think in terms of the core markets, I mean we mentioned today that we've seen a bit of a turnaround in Norway where we're now growing by 1%.

So I guess you can call that's sort of flattish rate. So I think what you need to bear in mind as well regarding Norway is that there was the final COVID lockdown, kind of extended a couple of weeks into 2022 as well. So the comparables we're seeing, we're meeting now for Norway are still somewhat inflated, I should say. But I mean, in general, I would say that the trends that we are seeing now in Q4 are kind of continuing in the same, same manner or for...

Q

Okay. Sure. And the final question on this 2025 target, which requires a 25% sales CAGR from here. How confident are you that you will hit that number or do you need to bring it down a bit?

A

Yeah, we remain committed to our SEK 5 billion. We definitely remain committed to that. And we see, of course, that you take a look at a few aspects in this. One is that nicotine pouches itself is growing by 42% at this point in time. And our base of nicotine patches and how that has adapted over recent years, it's now 44% of our sales. So we I think the best way perhaps to determine the way we view this is not necessarily viewing it on a totally group growth level, but viewing it on a growth level per category. And I think as we view it on a growth level per category and map it out, we understand it's going to require a strong degree of focus and commitment, but we remain committed to this.

Q

Sure. Thank you.

A

Perfect. Thank you.

Operator: [Operator Instructions] . The next question comes from Fred Yuan from SEB. Please go ahead.

Q

Hi. Good morning. Just a few follow-ups from me. Starting off with your, your core markets and the excise increase there. Could you give us some color on how you acted on the on the Swedish market in light of this, and your pricing of the stock from last year?

A

Hi. Good morning. Yeah, I think we, we're a little bit reluctant to comment too much around our pricing. That's kind of based on the business that we tend not to discuss too much publicly. I think what the what the inventory build

ahead of the year and gave us both flexibility to obviously either. flexibility to obviously either invest that benefit into the customer, into the customer or keep it for themselves. And I think the exact [indiscernible] there where we don't sort of want to publicly discuss too much, given that it's quite commercially sensitive. But I think I'm more of a more of a general statement, as I said earlier on the question we're seeing, we're continuing to see strong performance in our core markets. So following through into Q1 and then sort of broadly in line with the earlier trend here.

Q

Okay. Fair enough. Turning to the growth markets, then we saw a relative improvement in margins, but an increase or increase last in absolute terms. Going forward, do you expect EBIT to improve in absolute terms as well? And I guess if that's the case, how far away is the reversal there, do you think?

A

Yeah. So I think we really it's fair to assume that we will continue to invest behind these growth markets. I mean, these are I mean, we have to keep in mind that it's quite, quite a large consumer market. It takes a degree of investment to really get to the scale we want to get there. And I think it's fair to assume that we will continue to do that for the foreseeable future and then sort of overlay that with our financial targets here. We are now being quite clear about that, the margin kind of expansion from here will be account factored over in relation with our growth targets.

Q

Very good. Thanks. I'm speaking about your growth initiatives. Do you have any concrete growth initiatives for 2023? And what will be the financial implications of those?

A

As we have, there's nothing at this point in time that we're prepared to share around our growth initiatives for 2023. Apart from that, what I kind of responded to it a little bit earlier, over the longer term, we do expect to have a broader geographic base, and we're preparing ourselves for that. And across a range of markets. And but there is nothing – there is nothing that we're in that we're ready to comment on right now.

Q

All right. Yeah. Fair enough. Fair enough. Have you seen any impact from PMI's acquisition of Swedish Match, on your operations.

A

No, not – that had no material impact on that one. The Philip Morris didn't necessarily have a huge position within the Nicotine beforehand, so it doesn't really alter the dynamic within the category very much. However, I do hope

to see that it will accelerate the growth of and harm-reduced – harm-reduced products and in oral nicotine in particular across geographies in the foreseeable future. I have a stronghold for that.

Q

Yeah. Fair enough. Right that's all from me. Thank you so much for taking the time.

A

Thank you.

A

Thank you.

Operator: This concludes our question-and-answer session. I would now like to turn the conference back over to the management for any closing remarks.

Unverified Participant

Thanks for listening, everybody, and we'll catch you again in May when we release our Q1 results. Thank you.

Unverified Participant

Thank you. Bye-bye.

Operator: The conference has now concluded. Thank you for attending today's presentation. You may now disconnect.

Goodbye.

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