

beaconsmind AG

Switzerland, Germany / Software Services
 Euronext, Xetra
 Bloomberg: 81D GR
 ISIN: CH0451123589

H1 2024 results

RATING **BUY**
PRICE TARGET **€ 14.50**
 Return Potential 116.4%
 Risk Rating High

ON TRACK TO ACHIEVE 2024 REVENUE AND PROFITABILITY GOALS

beaconsmind has published its financial results for H1 2024, which were in line with our projections after adjusting for exceptional costs. The company reported revenues of CHF5.9m (FBe: CHF6.1m) and adjusted EBITDA of CHF1.1m (FBe: CHF1.1m). These figures were adjusted by €550k in one-off costs in connection with M&A, restructuring and change of strategy. Importantly, on the back of these good results, beaconsmind is on track to achieve positive EBITDA, net income and free cash flow in 2024 in line with its financial guidance. The recently announced contracts with new clients give us confidence in management's ability to meet its targets for 2024. Following the publication of H1/24 results, we have updated our DCF-model and arrive at a slightly higher price target of €14.50 (previously: €14.00). We reiterate our Buy recommendation.

Adjusted EBITDA profitability in line with our forecasts; company confirms 2024 financial targets In H1/24, sales totalled CHF5.9m and were close to our forecasts (FBe: CHF6.1m). We expect a strong H2/24 due to the positive contribution of numerous new contracts signed in H1/24. The company incurred one-off costs of ~CHF400k to complete restructuring of the German and Swiss subsidiaries and ~CHF150k for M&A. These measures led to weaker EBITDA, EBIT and bottom line figures. Importantly, the implemented restructuring measures were successful and, adjusted for these one-off expenses, the company achieved EBITDA of CHF1.1m in H1/24 (FBe: CHF1.1m; H1/23: CHF-524k), which corresponds to an attractive EBITDA margin of 19.2% (FBe: 18.0%). Following higher than anticipated depreciation expenses caused by acquisitions, adjusted EBIT amounted to CHF0.4m (FBe: CHF0.8m; H1/23: CHF-0.9m). Due to a weaker than expected net financial result of CHF-381k (FBe: CHF-150k; H1/23: CHF-524k), which is attributable to higher interest expenses, the adjusted net result was CHF-11k (FBe: CHF580k). Table 1 overleaf provides an overview of the most important reported and adjusted P&L KPIs. (p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	FY 21/22	H2 22	FY 23	FY 24E	FY 25E	FY 26E
Revenue (CHF m)	2.0	0.6	6.2	12.6	16.0	20.9
Y-o-y growth	249.5%	-72.2%	1174.9%	79.1%	27.0%	30.0%
EBIT (CHF m)	-2.5	-3.6	-1.9*	1.1	3.3	5.3
EBIT margin	n.a.	n.a.	n.a.	8.7%	20.8%	25.3%
Net income (CHF m)	-2.5	-3.7	-2.7*	0.0	1.7	3.2
EPS (diluted) (CHF)	-1.04	-1.35	-0.76*	0.01	0.35	0.68
DPS (CHF)	0.00	0.00	0.00	0.00	0.00	0.00
FCF (CHFm)	-3.2	-2.3	-4.5	1.1	2.8	4.5
Net gearing	-81.0%	-26.7%	91.7%	55.8%	17.5%	-20.0%
Liquid assets (CHF m)	3.0	0.5	0.8	0.8	1.6	3.7

*FY23 P&L KPI's adjusted for one-off restructuring and M&A expenses

RISKS

Risks include, but are not limited to execution, client satisfaction and commercial risks, competition, negative economic downturn impact, dilution and financial risks.

COMPANY PROFILE

Founded in Switzerland in 2015, Beaconsmind is a leading technology company offering location-based marketing (LBM) software, WiFi infrastructure systems, and WiFi Guest Hotspots, to sectors such as retail chains (e.g. Adidas, Lidl), hospitality, healthcare, and the public sector. The firm successfully empowers its customers' omnichannel strategies to generate additional value through the use of intelligent, fully cloud-based LBM technologies.

MARKET DATA

As of 18 Oct 2024

Closing Price	€ 6.70
Shares outstanding	4.70m
Market Capitalisation	€ 31.49m
52-week Range	€ 2.90 / 7.15
Avg. Volume (12 Months)	2,868

Multiples	FY 23	FY 24E	FY 25E
P/E	n.a.	551.8	13.2
EV/Sales	4.8	2.4	1.9
EV/EBIT	n.a.	27.2	8.9
Div. Yield	0.0%	0.0%	0.0%

STOCK OVERVIEW



COMPANY DATA

As of 31 Dec 2023

Liquid Assets	CHF 0.76m
Current Assets	CHF 4.01m
Intangible Assets	CHF 10.98m
Total Assets	CHF 19.34m
Current Liabilities	CHF 5.56m
Shareholders' Equity	CHF 6.93m

SHAREHOLDERS

Anchor investor	54.8%
SW shareholders	7.4%
Board & other management	3.3%
Free Float	34.5%

**Table 1: P&L H1/24 reported and adjusted figures vs FB estimates (KPIs)**

All figures in CHF '000	H1/24 rep.	H1/24 adj.*	H1/24E	Delta	H1/23	Delta
Total Beaconsmind group revenue	5,921	5,921	6,100	-3%	2,664	122%
Gross profit	5,367	5,367	5,100	5%	2,466	118%
OpEx	-4,783	-4,233	-4,000	20%	-2,991	
EBITDA	585	1,135	1,100	-47%	-524	-211%
Depreciation	-764	-764	-350	118%	-347	120%
Operating income (EBIT)	-180	370	750	-124%	-871	
Net financial result	-381	-381	-150	n.a.	-125	205%
Income tax	0	0	-20	n.a.	4	
Net income / loss	-561	-11	580	n.a.	-992	n.a.
Margins in %	H1/24 rep.	H1/24 adj.*	H1/24E	Delta	H1/23	Delta
Gross profit	90.6%	90.6%	83.6%	n.a.	92.6%	n.a.
EBITDA	9.9%	19.2%	18.0%	n.a.	n.a.	n.a.

*Figures adjusted for one-off restructuring and M&A expenses

Source: First Berlin Equity Research, beaconsmind AG

Positive outlook for 2024E confirmed beaconsmind confirmed its 2024 outlook of CHF12.9m in revenues and CHF2.5m in EBITDA. Moreover, the company intends to achieve positive EBITDA, net income and free cash flow in 2024.

Contracts signed during the first half of 2024 point to a thriving Wi-Fi business and a successful achievement of the financial targets for 2024 In the first six months of 2024, beaconsmind achieved important milestones in the expansion of its Wi-Fi business, including the launch of new products, accompanied by international expansion measures (e.g. Middle East and North Africa – MENA and Spain), and the signing of partnerships and new major Wi-Fi/IT infrastructure contracts in the retail, nursing care facility management and education fields (see further details in the business update section overleaf).

Cash position sufficient to fund ongoing operations The company reported a cash position of CHF0.3m (YE/23: CHF0.8m) in H1/24, which should be sufficient to maintain operations in view of the adjusted profitability achieved in the reporting period. Receivables increased to CHF3.8m (YE/22: CHF2.7m) which negatively impacted working capital (WC), but management expects this position to normalise in H2/24. Debt (short-term + long-term) rose to CHF7.9m (YE/23: CHF7.3m), primarily in connection with the financing of operations and WC. The debt consists of a low-interest loan (~6%) of €4.2m with a local Sparkasse and an investor loan for the remaining amount (~8-18%). The company's balance sheet expanded slightly to total assets of CHF 20.5m (YE/23: CHF19.3m).

Cash flow H1/24 beaconsmind did not publish a cash flow statement with the half year results. However, management stated that FCF in H1/24 amounted to CHF-0.1m and is expected to be positive in H2/24.

We have updated our estimates for 2024 and subsequent years to reflect the cost structure seen in H1 2024 In light of the COGS and OPEX structure, the higher than expected depreciation expenses (due to acquisitions and corresponding activation of intangible assets), as well as financial expenses reported in H1/24, we have updated our net financial result forecasts for 2024E and the following years. Changes to our forecasts are summarised in table 2 overleaf.

**Table 2: Changes to our forecasts (KPIs)**

Estimates	FY 24E			FY 25E			FY 26E		
	Old	New	% change	Old	New	% change	Old	New	% change
All figures in CHF '000									
Beaconsmind Group revenues	12,630	12,630	0.0%	16,040	16,040	0.0%	20,852	20,852	0.0%
Gross profit	10,104	10,404	3.0%	12,832	13,232	3.1%	16,681	17,181	3.0%
margin	80.0%	82.4%		80.0%	82.5%		80.0%	82.4%	
EBITDA	2,244	2,244	0.0%	4,432	4,432	0.0%	6,301	6,301	0.0%
margin	17.8%	17.8%		27.6%	27.6%		30.2%	30.2%	
EBIT	1,784	1,097	-38.5%	4,002	3,341	-16.5%	5,926	5,269	-11.1%
margin	14.1%	8.7%		24.9%	20.8%		28.4%	25.3%	
Net financial result	-315	-780	-	-150	-650	-	12	-250	-
EBT	1,469	317	-78.4%	3,852	2,691	-30.1%	5,939	5,019	-15.5%
Net income / loss	846	40	-95.3%	2,467	1,654	-32.9%	3,858	3,214	-16.7%
EPS (in CHF, dil.)	0.20	0.01	-95.8%	0.58	0.35	-39.6%	0.91	0.68	-24.9%

Source: First Berlin Equity Research

BUSINESS UPDATE – RECENT CONTRACTS REFLECT A THRIVING WI-FI BUSINESS

In recent months, beaconsmind has achieved important milestones in the expansion of its Wi-Fi business, including the launch of new products such as the white label app and the smart lighting pole, as well as the signing of several new major Wi-Fi/IT infrastructure contracts in the retail, nursing care and facility management fields. We highlight some of these milestones below:

- 1. White label app for small businesses launched** The new app enables the implementation of location-based omnichannel marketing campaigns with bonus programs and personalised offers sent via push notifications, including invitations to exclusive customer events and discount promotions. These initiatives ultimately increase customer loyalty and revenue. The product package is offered to small businesses at an affordable price and typically includes the app (easily customisable with user-defined branding), Wi-Fi infrastructure, deployment of one beacon per shop and access to the beaconsmind suite software and its analytics capabilities.
- 2. International expansion of the Smart urban lightning ecosystem (SULE) with total projected revenue of €5.3m – first customers, such as the fashion store “Mode Küng” from Switzerland, acquired** The SULE combines smart lighting pole infrastructure and SaaS solutions offering a range of functions and tools that can be customised to the individual needs of cities, municipalities and private companies. The lighting pole can be equipped with cameras, pollution measuring devices, loudspeakers, gobo projectors, charging stations, digital signage or emergency call buttons and Wi-Fi hotspot/IoT gateway among other features. The SULE offers completely new opportunities for companies from sectors such as retail and gastronomy to address customers in a targeted manner and in real time and to link their digital offering with the point of sale. SULE was developed in collaboration with WE-EF Leuchten GmbH (outdoor lighting specialist) and Axis Communications AB (industry leader in video security) and was launched simultaneously at the Light + Intelligent Building Middle East 2024 and Intersec 2024 trade shows at the Dubai World Trade Centre in Dubai from 16 to 18 January 2024.
- 3. European deployment of Wi-Fi solution at Müller stores** beaconsmind has implemented cloud Wi-Fi and analytics in >770 Müller Holding shops in Germany, Austria, Switzerland and Spain and plans implementation in the remaining ~145 stores in Hungary, Croatia and Slovenia in 2024 with a contract volume of ~€130k.



- 4. Deployment of Wi-Fi solution at major nursing home operator Vitanas – €1m project** beaconsmind has agreed on an upselling contract with its client Vitanas Group, one of the largest private nursing home operators in Germany. The company will implement Wi-Fi at 15 Vitanas locations with ~2,500 nursing care places. The project rollout is scheduled for 2024 and will generate revenue of ~€1m for beaconsmind.
- 5. Installation of camera surveillance system for the property management provider Reos GmbH – €0.5m project, expandable** beaconsmind will install camera surveillance (~150 cameras) with innovative cloud management at all 10 locations of the student residences “Die Zimmerei” which comprise >3,000 apartments managed by Reos in Germany and Austria. The rollout is expected to be completed in 2024. Later, this contract may be extended to include the provision of Wi-Fi infrastructure which may in our view exceed the sales volume generated with the Vitanas Wi-Fi agreement.
- 6. Improvement in customer ratings for the client Ryf, a hairdressing company with ~100 locations in Germany and Switzerland** The implementation of Socialwave’s location-based marketing tools in selected salons led to an increase in Ryf’s average rating from 4.4 to 4.7 stars and a doubling of the number of reviews in 3 months. Based on this success, Ryf commissioned the roll-out in 43 additional branches across Germany.
- 7. International expansion in Spain – €600k annual revenue expected** Beaconsmind has expanded its operations into Spain to capitalise on significant growth opportunities in the region. The company launched its WiFi marketing product through the subsidiary Socialwave Spain S.L. in May 2024. This move is focused on the hospitality and gastronomy sectors, which have seen growing demand for innovative digital marketing solutions. Beaconsmind aims to generate approximately €600k in annual revenue from this expansion, leveraging Spain’s strong appetite for digital transformation in these industries.
- 8. Deployment of Wi-Fi for a leading European shopping centre operator** In October 2024, Beaconsmind successfully completed a large-scale project for a leading European real estate company which operates shopping centres across Germany. The project involved deploying high-speed internet access, cloud WiFi solutions and ongoing customer support in all of the operator’s German centres, including gateway upgrades and improvement to the shopping centres’ network infrastructure. The project is expected to generate annual revenues in the mid-six-figure Euro range over an initial five-year contract term, with revenue contributions starting in 2024. This initiative strengthens Beaconsmind’s position in the infrastructure market and enhances customer engagement within these shopping centres, impacting over 3 million daily visitors.



VALUATION MODEL

Buy rating reiterated at slightly higher price target Following the successful completion of acquisitions, restructuring of the company and change in strategy which enabled the achievement of adjusted EBITDA and EBIT profitability in H1/24, we think the company is on track to achieve its revenue and profitability guidance for 2024. The customer contracts signed in the first ten months of 2024 and international expansion of its core Wi-Fi business give us confidence in management's ability to meet its 2024 targets. The negative valuation effect from fine-tuning our beaconsmind's financial forecasts and the increase in net debt was more than cancelled out by the positive effect from the reduction in our COE estimate to 14.8% (previously: 15.0%) due to a decline in the yield on risk-free investments (10-year German government bonds: 2.2% compared to 2.5% previously) and a more favourable CHF/EUR exchange rate of 1.06 (previously: 1.02). Our DCF model now yields a price target of €14.50 (previously €14.00). We stick to our Buy recommendation.

Table 3: DCF Model

All figures in CHF '000	FY 2024E	FY 2025E	FY 2026E	FY 2027E	FY 2028E	FY 2029E	FY 2030E	FY 2031E
Net sales	12,630	16,040	20,852	27,524	36,057	47,054	61,170	79,521
NOPLAT	1,002	2,534	3,763	5,356	7,308	9,188	11,441	12,577
+ depreciation & amortisation	1,147	1,091	1,033	982	934	889	846	805
Net operating cash flow	2,149	3,625	4,796	6,339	8,242	10,077	12,287	13,382
- total investments (CAPEX and WC)	-995	-999	-1,057	-1,287	-1,578	-1,844	-2,141	-2,546
Capital expenditures	-220	-220	-220	-220	-220	-220	-220	-250
Working capital	-775	-779	-837	-1,067	-1,358	-1,624	-1,921	-2,296
Free cash flows (FCF)	1,153	2,625	3,739	5,051	6,664	8,234	10,146	10,836
PV of FCF's	1,125	2,249	2,815	3,341	3,872	4,203	4,550	4,269

All figures in CHF '000	
PV of FCFs in explicit period	42,681
PV of FCFs in terminal period	27,829
Enterprise value	70,510
+ Net cash / - net debt (proforma)	-6,535
Shareholder value	63,975
Sharecount (proforma)	4,699

Fair value per share in CHF 13.61

Fair value per share in EUR 14.49 FX rate: 1 CHF = 1.06 EURO

Price target in EUR	14.50
Cost of equity	14.8%
Pre-tax cost of debt	7.0%
Tax rate	30.0%
After-tax cost of debt	4.9%
Share of equity capital	90.0%
Share of debt capital	10.0%
WACC	13.8%

WACC		Terminal growth rate						
		0.5%	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%
10.8%	19.61	20.15	20.74	21.41	22.15	22.99	23.94	
11.8%	17.27	17.67	18.12	18.61	19.15	19.76	20.44	
12.8%	15.32	15.64	15.98	16.35	16.75	17.20	17.70	
13.8%	13.70	13.94	14.20	14.49	14.80	15.14	15.51	
14.8%	12.31	12.50	12.71	12.93	13.17	13.43	13.72	
15.8%	11.12	11.28	11.44	11.62	11.80	12.01	12.23	
16.8%	10.09	10.22	10.35	10.49	10.64	10.80	10.97	

*Please note our model runs through 2035 and we have only shown the abbreviated version for formatting purposes

COMPANY SNAPSHOT

BEACONSMIND ACQUISITION TRACK RECORD IN FY/23

Acquisitions, capital increases and share dilution In FY/23, beaconsmind completed four acquisitions: Frederix (2 February), Netopsie (23 February), Socialwave (21 April), and T2 and Kadasoft (28 December). These acquisitions were paid for in cash and shares. To this end, the company carried out five capital increases which raised CHF10.6m by issuing 1.9 new shares at an average price of ~CHF5.6 p/s. As a result, the number of shares outstanding rose from 2.8m at YE/22 to 4.7m at YE/23. In our view, Beaconsmind paid reasonable prices with EV/run-rate sales multiples between 0.8x and 2.1x and EV/EBITDA between 3.8x to 7.0x. An overview of the key acquisition metrics can be found in table 4 below.

Table 4: Overview of prices and multiples paid for acquisitions

In CHFm	FREDERIX (62%)	Netopsie	Socialwave	KADSOFT/T2
Purchase Price	2.9	0.5	9.6	2.9
Equity Raised (FY 23)	1.9	-	5.7	3
Debt assumed	-	-	4.8	-
Run rate Revenue	3.8	0.6	4.3	3
Run rate EBITDA	0.7	0.1	1.7	0.5
EV/Revenue	1.2x	0.8x	2.1x	0.9x
EV/EBITDA	7.0x	5.0x	3.8x	5.4x
Closing date	Nov-22/Jul-23 (*)	Feb-23	Apr-23	Dec-23

(*) 51% of FREDERIX acquired in Nov/22 and additional 11% acquired in July/23

Source: First Berlin Equity Research, beaconsmind AG

OVERVIEW OF THE CLIENT PORTFOLIO

Figure 1: Overview of beaconsmind's sample of client portfolio



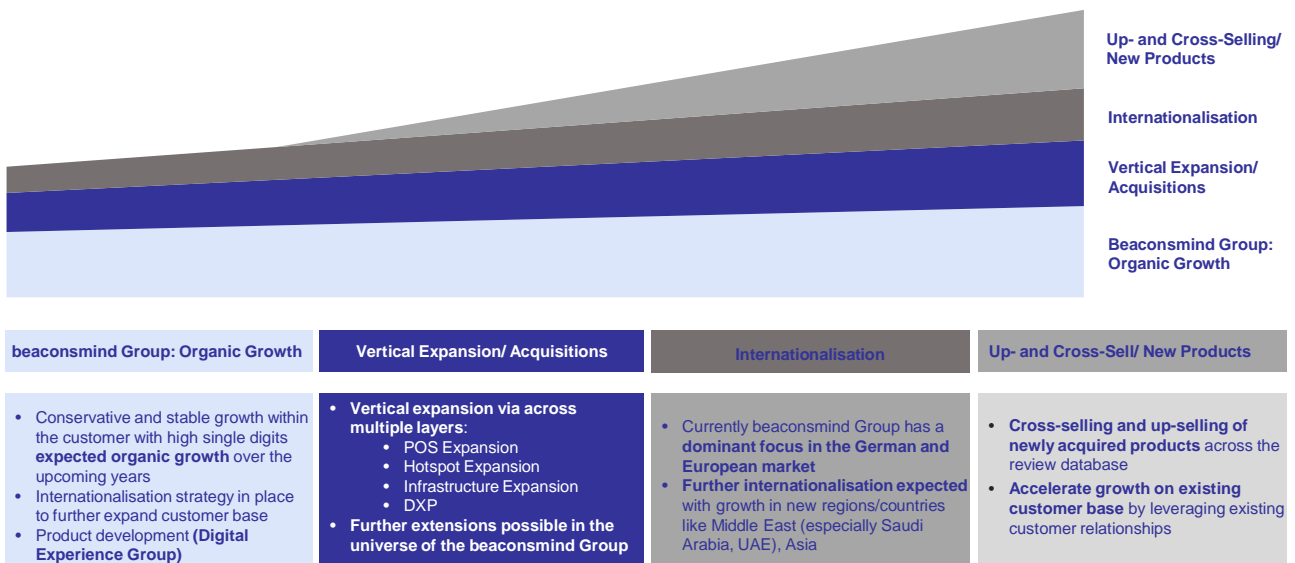
Source: First Berlin Equity Research, beaconsmind AG



LAYERS OF FUTURE GROWTH

beaconsmind’s growth acceleration will be driven by four means The recent acquisitions have laid the foundation for future growth in the core divisions of IT infrastructure and Software as a Service. Management’s conservative revenue guidance for FY/24 essentially reflects the acquired revenue of ~CHF12m and modest organic growth of ~5% or CHF600k, so that there is upside potential from further revenue sources. Management expects revenue growth to accelerate from 2024 onwards, with four main drivers: 1) organic, 2) acquisitions, 3) internationalisation and 4) cross-selling in combination with new product launches (see figure 2).

Figure 2: beaconsmind layers of future growth



Source: First Berlin Equity Research, beaconsmind AG

BEACONSMIND GROUP KPI'S

Figure 3: Group segments KPI's following the recent acquisitions

In EURm (except no. of customers and Point-of-Sales)	Infrastructure		Software/SaaS		Combined
Number of Clients	265	+	6,770	=	7,035
Number of Point-of-Sales	11,978	+	19,753	=	31,731
Run-Rate Revenues⁽¹⁾	~5.3	+	~7.3 ⁽²⁾	=	~12.6
Run-Rate EBITDA⁽¹⁾	~0.9	+	~2.3 ⁽²⁾	=	~2.2
Cost Synergies	~0.2	+	~0.5	=	~0.7
Gross margin	~65% ⁽²⁾	+	~85%	=	80%

Source: First Berlin Equity Research, beaconsmind AG



INCOME STATEMENT

All figures in CHF '000	FY 21/22	H2 22	FY 23	FY 24E	FY 25E	FY 26E
Total Beaconsmind group revenues	1,987	553	6,172	12,630	16,040	20,852
Cost of goods sold	-196	-95	-1,238	-2,226	-2,808	-3,670
Gross profit	1,791	458	4,934	10,404	13,232	17,181
Personnel expenses	-1,581	-1,305	-3,927	-4,050	-4,500	-5,500
Other operating expenses	-2,457	-2,331	-2,841	-4,110	-4,300	-5,380
EBITDA*	-2,246	-3,178	-1,835	2,244	4,432	6,301
Depreciation expenses	-220	-405	-1,632	-1,147	-1,091	-1,033
Impairment on other short-term receivables	0	0	0	0	0	0
Operating income (EBIT)*	-2,466	-3,583	-3,467	1,097	3,341	5,269
Net financial result	-33	-88	-800	-780	-650	-250
Pre-tax income (EBT)	-2,499	-3,670	-4,267	317	2,691	5,019
Tax result	-7	2	-44	-95	-807	-1,506
Minority interests	0	0	-30	-183	-230	-299
Net income / loss	-2,506	-3,668	-4,341	40	1,654	3,214
Diluted EPS (in CHF)	-1.04	-1.35	-1.20	0.01	0.35	0.68
Adjusted KPIs						
*One-off expenses for restructuring and M&A			-1,600			
Adjusted EBITDA stripping out one-off expenses			-235			
Adjusted EBIT stripping out one-off expenses			-1,867			
Adjusted net result stripping out one-off expenses			-2,741			
Adjusted EPS stripping out one-off expenses			-0.76			
Ratios as % of total revenue						
Gross margin	90.1%	82.8%	79.9%	82.4%	82.5%	82.4%
EBITDA margin	n.a.	n.a.	n.a.	17.8%	27.6%	30.2%
EBIT margin	n.a.	n.a.	n.a.	8.7%	20.8%	25.3%
Net margin	n.a.	n.a.	n.a.	0.3%	10.3%	15.4%
Tax rate	3.0%	30.0%	30.0%	30.0%	30.0%	30.0%
Expenses as % of total revenue						
Personnel expenses	79.6%	236.0%	63.6%	32.1%	28.1%	26.4%
Other operating expenses	123.6%	421.5%	46.0%	32.5%	26.8%	25.8%
Depreciation expenses	11.1%	73.2%	26.4%	9.1%	6.8%	5.0%
Y-Y Growth						
Revenues	249.5%	-72.2%	1016.1%	104.6%	27.0%	30.0%
EBITDA	n.a.	n.a.	n.a.	n.a.	97.5%	42.2%
Operating income (EBIT)*	n.a.	n.a.	n.a.	n.a.	204.5%	57.7%
Net income/ loss	n.a.	n.a.	n.a.	n.a.	4076.6%	94.3%



BALANCE SHEET

All figures in CHF '000	FY 21/22	H2 22	FY 23	FY 24E	FY 25E	FY 26E
Assets						
Current assets, total	4,784	904	4,011	4,941	6,600	9,777
Cash and cash equivalents	2,969	547	755	832	1,647	3,730
Inventories	90	90	502	610	731	855
Receivables	1,306	202	2,722	3,460	4,175	5,142
Prepaid expenses & others	419	65	32	39	47	51
Non-current assets, total	1,038	2,983	15,328	14,410	13,547	12,743
Property, plant & equipment	353	297	993	1,063	1,133	1,208
Right-of-use assets	354	347	409	418	426	434
Intangible assets	276	277	10,975	9,978	9,037	8,150
Associated companies (Goodwill)	0	2,008	2,923	2,923	2,923	2,923
Total assets	5,822	3,887	19,339	19,351	20,147	22,520
Shareholders' equity & debt						
Current liabilities, total	1,848	1,589	5,555	5,445	6,330	7,577
Short-term debt	0	0	874	0	0	0
Accounts payable	1,033	852	1,027	1,098	1,154	1,408
Accruals, deferred income	686	603	3,400	4,080	4,896	5,876
Other current liabilities	130	135	254	267	280	294
Long-term liabilities, total	331	315	6,661	5,685	3,712	1,325
Long-term debt	19	19	6,416	5,416	3,416	1,000
Other liabilities and provisions	313	297	245	269	296	325
Minority interests	0	0	190	372	602	901
Shareholders' equity	3,643	1,982	6,934	7,848	9,502	12,716
Total consolidated equity and debt	5,822	3,887	19,339	19,351	20,147	22,520
Ratios						
Current ratio (x)	2.6	0.6	0.7	0.9	1.0	1.3
Quick ratio (x)	2.5	0.5	0.6	0.8	0.9	1.2
Net debt/(net cash)	-2,950	-528	6,535	4,584	1,769	-2,730
Net gearing	-81.0%	-26.7%	94.3%	58.4%	18.6%	-21.5%
Book value per share (in €)	1.50	0.73	1.92	1.67	2.02	2.71
Return on equity (ROE)	-68.8%	-184.7%	-62.2%	2.8%	18.6%	25.8%
Equity ratio	62.6%	51.0%	36.8%	42.5%	47.2%	56.5%



CASH FLOW STATEMENT

All figures in CHF '000	FY 21/22	H2 22	FY 23	FY 24E	FY 25E	FY 26E
Net income	-2,506	-3,662	-4,310	222	1,884	3,513
Depreciation and amortisation	220	405	1,632	1,147	1,091	1,033
Changes in working capital	-503	1,187	-675	-89	42	152
Other adjustments	259	110	294	26	27	30
Operating cash flow	-2,531	-1,961	-3,060	1,306	3,044	4,727
CapEx	-588	-291	-831	-220	-220	-220
Free cash flow	-3,188	-2,332	-4,519	1,086	2,824	4,507
Other investments and disposals	0	-2,008	-7,557	-8	-8	-9
Cash flow from investing	-588	-2,299	-8,388	-228	-228	-229
Debt financing, net	0	0	6,480	-1,000	-2,000	-2,416
Equity financing, net	5,572	1,988	6,313	0	0	0
Cash flow from financing	5,480	1,918	12,502	-1,000	-2,000	-2,416
Exchange differences	2	0	-219	0	0	0
Net cash flow	2,294	-2,422	208	77	815	2,082
Cash, start of the year	675	2,969	547	755	832	1,647
Cash, end of the year	2,969	547	755	832	1,647	3,730
EBITDA/share (in CHF)	-0.93	-1.17	-0.51	0.48	0.94	1.34
Y-Y Growth						
Operating cash flow	n.a.	n.a.	n.a.	n.a.	133.1%	55.3%
Free cash flow	n.a.	n.a.	n.a.	n.a.	160.1%	59.6%
EBITDA/share	n.a.	n.a.	n.a.	n.a.	160.1%	59.6%

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Anschrift:

First Berlin Equity Research GmbH
Friedrichstr. 34
10117 Berlin
Germany

Vertreten durch den Geschäftsführer: Martin Bailey

Telefon: +49 (0) 30-80 93 9 680

Fax: +49 (0) 30-80 93 9 687

E-Mail: info@firstberlin.com

Amtsgericht Berlin Charlottenburg HR B 103329 B

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First Berlin Equity Research GmbH

Authored by: Christian Orquera, Analyst

All publications of the last 12 months were authored by Christian Orquera.

Company responsible for preparation: First Berlin Equity Research GmbH, Friedrichstraße 69, 10117 Berlin

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Category		1	2
Current market capitalisation (in €)		0 - 2 billion	> 2 billion
Strong Buy ¹	An expected favourable price trend of:	> 50%	> 30%
Buy	An expected favourable price trend of:	> 25%	> 15%
Add	An expected favourable price trend of:	0% to 25%	0% to 15%
Reduce	An expected negative price trend of:	0% to -15%	0% to -10%
Sell	An expected negative price trend of:	< -15%	< -10%

¹ The expected price trend is in combination with sizable confidence in the quality and forecast security of management.

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Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	28 November 2022	€12.10	BUY	€22.00
2	4 April 2024	€3.40	BUY	€14.00
3	Today	€6.70	BUY	€14.50

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