

Aroundtown SA

Germany / Real Estate
 Frankfurt Stock Exchange
 Bloomberg: AT1 GR
 ISIN: LU1673108939

Q2 results

RATING
BUY

PRICE TARGET
€ 3.60

Return Potential 60.6%
 Risk Rating Medium

NEARING THE END OF THE DOWNCYCLE

There are clear signposts pointing to a bottoming of the property cycle: (1) initial rate cuts in the EU with the Fed widely expected to follow suit in September; (2) decelerating negative property valuations; and (3) improving access to the capital markets. On the latter point AT and GCP each tapped the bond markets this summer after a two year hiatus issuing a combined €1.15bn in unsecured debt. The landlord's revamped balance sheet should now pass muster with even jaded investors. AT-brass upped their 2024 FFO 1 guide on the back of another solid quarter that saw the landlord report 2.9% LFL rental growth, while financing expenses are also running lower than expected. We remain Buy-rated on AT with a €3.6 TP (old: €3.5).

Nearing the end of the downturn Net rent and earnings were within spitting distance of FBe. June reporting showcased another good operational performance that was able to offset ongoing disposal effects. AEBITDA even beat the prior year comp at €502m. Other key topics on the earnings call addressed: (1) the continued reluctance of corporates to take decisions regarding office footprints unconvinced by still flagging economic activity; (2) office vacancies are up to 6% across Germany's top 7 hubs and in Amsterdam (AT office strongholds) but still below their respective 10yr averages at 6% and 13%; (3) bad news for renters, good news for resi landlords—new data saying Germany's flat shortage will top 830k units by YE27 (now: 600k); (4) a positive 2024 outlook calling for 2.0% LFL rental income for the entire portfolio; (5) positive CPI-indexation trends to carry over into H2 since inflation effects are still not fully reflected in the portfolio; and (6) a surprising Q/Q decline in AT's cost of debt to 2.0% vs 2.2% in the March-quarter traced to positive impacts of hedging instruments and swaps.

Raising 2024 guidance AT upped its 2024 FFO guide on better than expected operational performance—particularly from residential properties—while financing costs are running lower than anticipated. Management now call for FFO 1 of €290m to €320m and FFOPS of €0.27 to €0.29 (old: FFO 1 of €280m to €310m and FFOPS of €0.26 to €0.28). (p.to.)

FINANCIAL HISTORY & PROJECTIONS

	2020	2021	2022	2023	2024E	2025E
Rental income (€m)	1,003.0	1,085.7	1,222.1	1,192.8	1,153.3	1,206.0
Y/Y growth	31.0%	8.2%	12.6%	-2.4%	-3.3%	4.6%
Adj. EBITDA (€m)	944.1	974.9	1,002.3	1,002.9	996.1	1,046.1
Net income (€m)	906.4	1,078.1	-457.1	-2,426.4	-61.7	980.4
EPRA NTA (€m)	11,186.9	11,564.0	10,135.2	8,058.7	7,690.4	8,127.4
EPRA NTAPS (€)	9.5	10.2	9.3	7.4	7.0	7.4
DPS (€)	0.22	0.23	0.00	0.00	0.21	0.19
FFO 1* (€m)	357.8	353.2	362.7	330.6	305.5	279.4
FFOPS 1* (€)	0.27	0.30	0.33	0.30	0.28	0.25
Liquid assets (€m)	3,260.7	3,240.3	2,709.4	3,026.0	3,884.3	1,418.9

RISKS

Risks include, but are not limited to, unfavourable interest rate developments, unfavourable macroeconomic developments, and the departure of key personnel.

COMPANY PROFILE

Aroundtown SA is a specialist real estate company focused on investing in and managing value-add properties primarily located in the German/ Netherlands real estate markets.

MARKET DATA

As of 29 Aug 2024

Closing Price	€ 2.24
Shares outstanding	1537.02m
Market Capitalisation	€ 3,446.00m
52-week Range	€ 1.41 / 2.48
Avg. Volume (12 Months)	4,266,126

Multiples	2023	2024E	2025E
P/FFO 1	7.4	8.1	9.0
P/NTA	3.0	4.0	5.0
FFO 1 Yield	13.5%	12.3%	11.1%
Div. Yield	0.0%	9.3%	8.3%

STOCK OVERVIEW



COMPANY DATA

As of 30 Jun 2024

Liquid Assets	€ 2,749.0m
Investment Properties	€ 24,022.0m
Total Assets	€ 32,525.5m
Current Liabilities	€ 2,387.4m
EPRA NTA	€ 7,663.0m
Total Equity	€ 14,423.1m

SHAREHOLDERS

Treasury shares*	29.0%
Avisco Group / Vergoport	15.0%
Stumpf Capital	10.0%
Free Float	46.0%

* 12% held through TLG Immo AG, voting rights suspended



Welcome back to the bond markets In July, Aroundtown completed a bond issuance with a nominal value of €650m. The new Series 40 bond carries a 4.8% coupon with a 5 year tenor maturing in Q3/29. The senior unsecured debt re-establishes the landlord's access to the capital markets after a two year hiatus and is expected to be BBB+ rated by S&P. The ~€4.5bn book meant the issuance was oversubscribed by more than 7x the issue amount.

Proceeds were used for repayment of short-term debt in accordance with a liability management exercise, which targeted +€1.8bn in nominal value bonds with near-term maturities via a tender process. The company was able to buy back bonds with a nominal value of €344m to help lengthen the debt maturity profile, further bolster its balance sheet, and support deleveraging.

Together with Grand City, the landlords issued €1.15bn in bonds with both garnering significant interest from quality investors. In conjunction with the issuances, ~€582m in bonds were tendered in the buyback process.

Table 1: Results from bond tenders

Issue	Maturity date	Amount before tender (€m)	Amount tendered (€m)	Amount post tender (€m)
GCP Series E	2025 17-Apr-25	194.4	14.5	179.9
GCP Series G	2026 03-Aug-26	577.4	149.5	427.9
GCP Series J	2027 22-Feb-27	667.6	74.3	593.3
AT Series K	2025 07-Jan-25	478.9	212.6	266.3
AT Series 32	2025 09-Jul-25	603.8	85.6	518.2
AT Series I	2026 19-Jan-26	206.9	15.4	191.5
AT Series 36	2026 28-May-26	519.5	30.3	489.2
Totals		3,248.5	582.2	2,666.3

Source: First Berlin Equity Research; Aroundtown



Q2 REPORTING HIGHLIGHTS

Net rental income like-for-like (LFL) was +2.9%—in-place rent +3.1%; occupancy minus 0.2%—at the end of the period. The residential segment led LFL performance at +3.8% followed by hotel at +2.6%. Office (2.4% LFL) continued to benefit from CPI-indexation as well as step-up rent adjustments helping buffer against still sluggish economic activity, whereas the systemic residential supply and demand imbalance keeps getting worse. Germany's flat shortage is now expected to top 830k units by YE27.

Headline KPI's remain steady AT has sold some €1.3bn in properties since the start of 2023, which offset the good LFL performance in H1/24. The net effects led to a 7% decline in Q2 rental income (NRI), while, as expected, bottom line FFO 1 was down 14% Y/Y. The latter is occasioned by the higher financing costs and perpetual note attributions reflecting this year's reshuffling of AT's debt and perpetual note portfolios.

Table 2: Second quarter results vs FBe and prior year comp

All figures in EURm	Q2/24	Q2/24E	variance	Q2/23	variance	6M/24	6M/23	variance
Rental income	385	389	-1%	413	-7%	771	815	-5%
Net rent	295	295	0%	299	-1%	588	596	-1%
AEBITDA	255	251	1%	252	1%	502	498	1%
Margin	86%	85%	-	84%	-	85%	83%	-
FFO 1	78	77	1%	91	-14%	154	175	-12%
FFOPS 1 (€)	0.07	0.07	1%	0.08	-15%	0.14	0.16	-12%

Source: First Berlin Equity Research; Aroundtown

On a six month basis, the headline KPIs performed on par with Q2 figures. Despite the drop-off in net rent, AEBITDA topped the prior year comp, thanks to operational improvements. FFO 1 was 12% lower Y/Y during the January-to-June period, owing to the aforementioned financing costs. FFO 2 tallied €161m in H1 vs €203m in the prior year period. AT has signed ~€475m YTD close to BV and closed around €340m resulting in a capital gain of €6.5m. Management remain open to selling more properties at the right price.



Portfolio devaluations close to expectations Once again, management decided to have the entire portfolio revalued in one shot in order to fully capture the latest state of the property markets. The reported €593m reduction in property valuations for the period was equal to -2.4% on a LFL basis, excluding CapEx. This was led by devaluations of the office portfolio (Figure 1). Adding back the CapEx invested for the period, the KPI stood at minus 1.7%. This is a solid improvement vs the prior year. Management are cautiously optimistic that the worst of devaluations is in the rear-view mirror and that future yield expansion will be driven more by positive operational momentum than write downs.

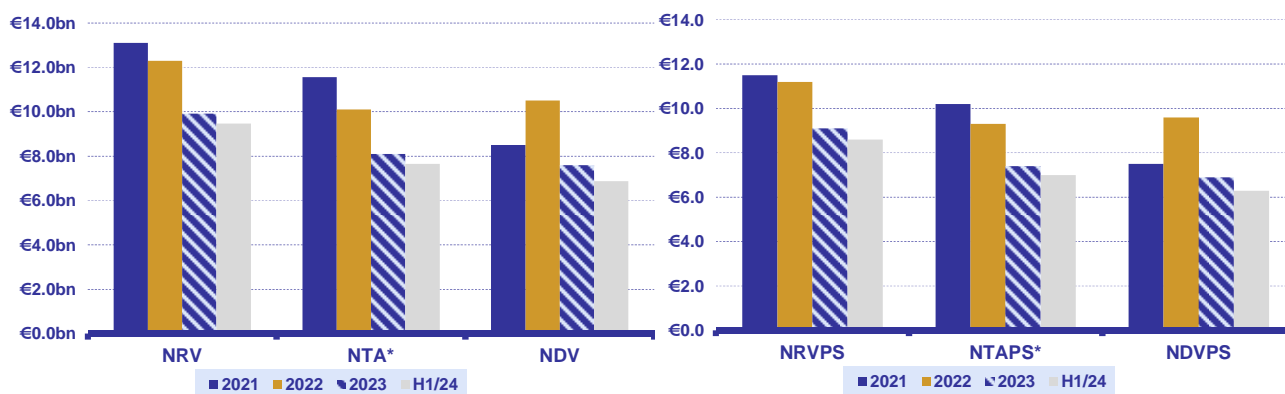
Figure 1: Breakdown of LFL value changes by asset class

ASSET TYPE	LFL VALUE CHANGE JUN 24 vs DEC 23	LFL VALUE CHANGE DEC 23 vs DEC 22
TOTAL	-2.4%	-11%
OFFICE	-3%	-13%
RESIDENTIAL	-2%	-8%
HOTEL	-1.5%	-6%
DEVELOPMENT & INVEST	-4%	-21%

Source: First Berlin Equity Research; Aroundtown

Portfolio value at €2,414 / m² (YE23: €2,421 / m²) Once again AT made no acquisitions in the June-quarter. In-place rent stood at €10.9 / m² at the end of Q2 vs €10.7 / m² at YE23, while the portfolio vacancy rate remained steady at 7.9%. Annualised net rent tallied €1,150m at the end of the reporting period. The portfolio currently has rent reversionary potential of ~25% to be captured over the mid- to long-term.

Figure 2: EPRA BPR reporting



*Reclassified in Dec. 2022 to exclude real estate transfer tax (RETT)

Source: First Berlin Equity Research; Aroundtown



NTAPS declined some 5% Q/Q to €7.0 on the impact of the negative revaluations on the €-330m net income recorded in 6M/24. Management have hinted at plans to revalue the portfolio a second time in 2024 rather than wait until March.

Table 2: Financial position highlights

All figures in EURm	6M/24	2023	variance
Cash and liquid assets	2,749	3,026	-9%
Investment property	24,022	24,632	-2%
Total assets	32,526	33,559	-3%
Total financial debt	14,133	14,242	-1%
Total equity	14,423	15,150	-5%
Equity ratio	44%	45%	-
EPRA NTA	7,663	8,059	-5%
Unencumbered asset ratio	72%	74%	-
Loan-to-Value (LTV)	45%	43%	-

Source: First Berlin Equity Research; Aroundtown

Balance sheet KPIs stable The LTV was 45% at the end of June and is now bumping up against management's internal 45% LTV guide, but further disposals and repayments of vendor loans should help compress the KPI back down in the coming quarters. The net debt / EBITDA and interest coverage (ICR) ratios stood at 11.3x and 4.0x respectively at the end of the June-quarter

The landlord exited the quarter with around €2.7bn in cash and liquid assets. Including signed but not closed disposals and vendor loans, this now covers maturities through YE26 and means the effects of the disposals and bond buybacks have lengthened the coverage another six months YTD.

In addition to the discussed bond issuances, AT has also raised roughly €240m in bank debt so far this year, and we expect AT will continue to tap into Germany's deep secured lending market even after re-establishing access to the debt markets.



OUTLOOK

Table 3: Updated guidance vs FBe

	Unit	2024 Guidance		FBe 2024	2023A
		old	new		
FFO 1	€m	280 -310	290 -320	305	363
FFOPS 1	€	0.26 -0.28	0.27 -0.29	0.28	0.33

Source: First Berlin Equity Research; Aroundtown

We have revised FBe to reflect the H1 operational performance and move close to the midpoint of the raised guidance. Updated estimates also now factor in the reshuffled corporate debt portfolio as discussed above. The Y/Y decrease in 2025E FFO 1 is traced to the higher net interest expenses associated with the new Series Y and Series 40 bonds vs the buybacks.

Table 4: Changes to forecasts and TP

	old	new	revision	upside	dividend yield	total upside
Target price (€)	3.5	3.6	3%	61%	9%	70%
	2024E			2025E		
in €m	Old	New	variance	Old	New	variance
Net rent (NRI)	1,199	1,153	-3.8%	1,219	1,206	-1.0%
AEBITDA	1,024	996	-2.7%	1,049	1,046	-0.2%
margin	85%	86%	-	86%	87%	-
FFO 1	295	305	3.7%	272	279	2.6%
Margin	25%	26%	-	22%	23%	-
FFOPS 1 (€)	0.27	0.28	3.7%	0.24	0.25	2.6%

Source: First Berlin Equity Research estimates

Assuming the property sector continues to recover, Aroundtown will emerge from the downcycle with several good long-term drivers intact: (1) capturing the embedded 25% reversionary upside via indexation, vacancy reduction, and re-letting; (2) targeted repositioning through hotel upgrades and tenant optimisations; (3) low risk / high return CapEx; and (4) ongoing operational efficiency gains.



Maintain Buy rating We think the revamped balance sheet, which now has a cash runway to YE26 following the successful bond placements, should pass muster for even jaded investors. Plus, there are clear signposts pointing to a bottoming of the property cycle, which should allow AT's operational positives to move back into the spotlight. Our TP is now €3.6 (old: €3.5).

Table 5: DCF model

All figures in EURm	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E
AEBITDA	996	1,046	1,092	1,131	1,167	1,206	1,246	1,287
(-) Tax	-120	-126	-131	-136	-140	-145	-149	-154
(=) Net operating cash flow	877	921	961	995	1,027	1,061	1,096	1,132
(-) Total investments (CapEx and WC)	-25	-598	-530	-412	-428	-446	-450	-469
(-) Capital expenditures	99	-575	-509	-394	-411	-429	-432	-450
(-) Working capital	-124	-23	-21	-18	-17	-18	-18	-19
(=) Free cash flows (FCF)	852	322	430	583	599	615	646	663
PV of FCFs	838	302	384	495	485	474	474	463

All figures in EUR '000	WACC	Terminal growth rate							
		1.7%	1.8%	1.9%	2.0%	2.1%	2.2%	2.3%	
PV of FCFs in explicit period	4.810	4.4%	6.0	6.6	7.3	8.0	8.8	9.7	10.7
PV of FCFs in terminal period	14,996	4.6%	4.6	5.1	5.7	6.3	7.0	7.7	8.5
Enterprise value (EV)	19,807	4.8%	3.4	3.8	4.3	4.8	5.4	6.0	6.7
+ Net cash / - net debt (2023)	-15,923	5.0%	2.3	2.7	3.1	3.6	4.0	4.6	5.1
+ Investments / minority interests	0	5.2%	1.3	1.7	2.0	2.4	2.9	3.3	3.8
Shareholder value	3,884	5.4%	0.5	0.8	1.1	1.4	1.8	2.2	2.6
Fair value per share in EUR	3.6	5.6%	-0.3	0.0	0.3	0.6	0.9	1.2	1.6

	WACC	Terminal AEBITDA margin							
		88.2%	89.2%	90.2%	91.2%	92.2%	93.2%	94.2%	
Cost of equity	7.0%	4.4%	6.9	7.2	7.6	8.0	8.4	8.8	9.2
Pre-tax cost of debt	3.0%	4.6%	5.2	5.6	6.0	6.3	6.7	7.0	7.4
Tax rate	12.0%	4.8%	3.9	4.2	4.5	4.8	5.2	5.5	5.8
After-tax cost of debt	2.6%	5.0%	2.7	3.0	3.3	3.6	3.8	4.1	4.4
Share of equity capital	45.0%	5.2%	1.6	1.9	2.2	2.4	2.7	3.0	3.2
Share of debt capital	55.0%	5.4%	0.7	0.9	1.2	1.4	1.7	1.9	2.2
WACC	5.0%	5.6%	-0.1	0.1	0.3	0.6	0.8	1.0	1.3

*Please note our model runs through 2033 and we have only shown the abbreviated version for formatting purposes; perpetual notes included in net debt for DCF purposes



INCOME STATEMENT

All figures in EURm	2020	2021	2022	2023	2024E	2025E
Net rent	1,003	1,086	1,222	1,193	1,153	1,206
Operating and other income	177	238	388	410	374	391
Rental and operating income (RI)	1,180	1,323	1,610	1,603	1,528	1,597
Capital gains, property revaluations & other	769	810	-497	-3,218	-673	489
Result from equity-accounted investees	196	193	6	-150	-45	6
Property OpEx	-443	-533	-695	-638	-542	-564
Other income	0	0	0	0	0	0
Administration & other OpEx	-51	-57	-63	-65	-61	-63
Operating income (EBIT)	1,652	1,737	361	-2,468	206	1,466
Net financial result	-201	-180	-185	-230	-230	-282
Other financial expenses	-168	-162	-194	-14	-26	0
Impairment of goodw ill	0	0	-404	-137	0	0
Pre-tax income (EBT)	1,283	1,394	-422	-2,849	-50	1,184
Tax expense	-89	-100	-117	-120	-120	-126
Deferred tax	-287	-216	82	543	108	-78
Tax result	-377	-316	-35	423	-12	-204
Comprehensive net income	906	1,078	-457	-2,426	-62	980
Minority interests	165	330	70	-592	-60	156
Perpetual notes	90	106	118	153	201	215
Net income to owners	652	642	-645	-1,988	-203	609
Basic EPS (€)	0.50	0.55	-0.58	-1.82	-0.18	0.54
AEBITDA	944	975	1,002	1,003	996	1,046
Ratios						
AEBITDA before JV contributions (NRI)	77.5%	80.2%	77.2%	79.3%	81.2%	81.5%
FFO 1 margin (NRI)	35.7%	32.5%	29.7%	27.7%	26.5%	23.2%
Expenses as % of revenues						
Property OpEx	37.5%	40.3%	43.2%	39.8%	35.5%	35.3%
Administration & other OpEx	4.3%	4.3%	3.9%	4.0%	4.0%	3.9%
Y/Y Growth						
Net rent	31.0%	8.2%	12.6%	-2.4%	-3.3%	4.6%
Operating income	-23.4%	5.1%	-79.2%	n.m.	n.m.	610.6%
Adjusted EBITDA	22.2%	3.3%	2.8%	0.1%	-0.7%	5.0%
Net income/ loss	-50.2%	-1.5%	n.m.	n.m.	n.m.	n.m.
Funds from Operations (FFO)						
AEBITDA before JV contribution	777	871	944	946	936	983
Finance expense	-201	-180	-185	-230	-230	-282
Tax expense	-89	-100	-117	-120	-120	-126
Minority adjustment	-36	-82	-136	-126	-129	-131
Other adjustments	9	7	5	5	5	5
Perpetual attribution	-90	-106	-118	-153	-201	-215
FFO 1 before JV contribution	371	409	392	320	261	234
JV FFO 1 contributions	107	69	46	43	44	45
Extraordinary provision for uncollected rents	-120	-125	-75	-33	0	0
FFO 1	358	353	363	331	305	279
FFOPS 1 (€)	0.27	0.30	0.33	0.30	0.28	0.25



BALANCE SHEET

All figures in EURm	2020	2021	2022	2023	2024E	2025E
Assets						
Current assets, total	4,781	5,529	4,856	4,692	5,523	3,010
Cash and cash equivalents	2,692	2,873	2,305	2,641	3,534	1,066
Short-term investments	454	376	313	506	508	511
Receivables	617	1,219	1,168	1,008	1,088	1,138
Other current assets	141	28	138	127	93	96
Assets held for sale	877	1,033	931	410	300	200
Non-current assets, total	26,241	33,854	32,492	28,868	28,178	29,282
Property, plant & equipment	877	1,849	1,508	1,379	1,383	1,387
Investment properties	21,172	29,116	27,981	24,632	23,969	25,133
Equity accounted investees	3,177	1,223	1,292	1,087	1,042	965
Other LT assets	1,014	1,667	1,711	1,769	1,784	1,796
Total assets	31,022	39,383	37,347	33,559	33,701	32,292
Shareholders' equity & debt						
Current liabilities, total	1,074	1,607	1,289	1,539	6,226	4,984
Short-term debt	181	544	123	420	5,132	3,844
Accounts payable	435	621	666	672	628	655
Provisions & other current liabilities	458	442	500	448	466	485
Long-term liabilities, total	14,364	18,620	18,235	16,870	12,577	11,857
Long-term debt	11,680	15,026	14,573	13,822	9,608	8,781
Deferred tax liabilities	2,026	2,766	2,662	2,107	1,999	2,077
Other LT liabilities	659	828	999	942	970	999
Minority interests	2,025	3,875	3,490	2,750	2,689	2,846
Shareholders' equity	13,558	15,281	14,333	12,400	12,209	12,606
Total consolidated equity and debt	31,022	39,383	37,347	33,559	33,701	32,292
Ratios						
ICR (x)	4.3	4.9	4.9	4.0	3.2	3.0
Net debt / adj. EBITDA (x)	11.1	14.2	12.8	11.9	11.6	11.4
Equity ratio	50.2%	48.6%	47.7%	45.1%	44.2%	47.8%
Financial leverage	63.4%	80.8%	84.3%	90.5%	88.9%	88.9%
EPRA NTA	11,187	11,564	10,135	8,059	7,690	8,127
EPRA NTAPS (€)	9.5	10.2	9.3	7.4	7.0	7.4
Net debt	8,598	12,344	12,087	11,216	10,856	11,207
Return on equity (ROE)	6.7%	7.1%	-3.2%	-19.6%	-0.5%	7.8%
Loan-to-value (LTV)	34%	39%	40%	43%	43%	43%



CASH FLOW STATEMENT

All figures in EURm	2020	2021	2022	2023	2024E	2025E
Net income	906	1,078	-457	-2,426	-62	980
Depreciation & amortisation	4	16	21	18	17	18
Capital gains, property revaluations & other	-769	-810	497	3,218	673	-489
Profit share from equity accounted investees	-196	-193	-6	150	45	-6
Goodwill impairment	0	0	404	137	0	0
Shared based payment in a subsidiary	3	6	5	5	0	0
Net finance expenses	369	343	379	245	256	282
Tax result	377	316	35	-423	12	204
Operating cash flow	694	755	879	923	941	988
Changes in working capital	-36	-57	-27	-54	-126	-33
Provisions for other liabilities	-3	-4	-2	-5	26	27
Dividend received	43	24	35	19	0	83
Tax paid	-83	-93	-97	-111	-120	-126
Net operating cash flow	616	626	788	772	722	939
CapEx/ intangibles	-36	23	-26	-16	-21	-22
Disposal / investment in investment properties, net	1,427	1,179	556	575	99	-575
Acquisition / disposals of subsidiaries	0	0	0	0	0	0
Proceeds from investments in financial assets	-377	-124	-121	50	13	14
Cash flow from investing	1,014	1,078	409	608	90	-583
Debt financing, net	-493	-1,320	-629	-338	498	-2,115
Equity financing, net	0	0	0	0	0	0
Payments for own shares	-1,001	-444	-255	0	0	0
Share buy-back in a subsidiary	0	-270	0	0	0	0
Dividends paid	-22	-252	-169	0	0	-227
Other financing activities	94	-120	-506	-499	-188	-201
Net paid financing expenses	-212	-201	-204	-214	-230	-282
Cash flow from financing	-1,634	-2,607	-1,764	-1,052	80	-2,824
Net cash flows	-5	-903	-567	329	893	-2,468
Assets held for sale - cash	-3	-2	-6	9	0	0
Fx effects	-1	16	5	-2	0	0
Cash & equivalents from TLG	509	1070	0	0	0	0
Cash, start of the year	2,192	2,692	2,873	2,305	2,641	3,534
Cash, end of the year	2,692	2,873	2,305	2,641	3,534	1,066
FFO 1 before JV contribution	371	409	392	320	261	234
FFO 1	358	353	363	331	305	279
FFOPS 1 (€)	0.27	0.30	0.33	0.30	0.28	0.25

¹ Previously FFO 1 after perpetuals, covid adjusted

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First Berlin's system for asset valuation is divided into an asset recommendation and a risk assessment.

ASSET RECOMMENDATION

The recommendations determined in accordance with the share price trend anticipated by First Berlin in the respectively indicated investment period are as follows:

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.

Our recommendation system places each company into one of two market capitalisation categories. Category 1 companies have a market capitalisation of €0 – €2 billion, and Category 2 companies have a market capitalisation of > €2 billion. The expected return thresholds underlying our recommendation system are lower for Category 2 companies than for Category 1 companies. This reflects the generally lower level of risk associated with higher market capitalisation companies.

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Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	29 September 2015	€3.40	Buy	€5.70
2...54	↓	↓	↓	↓
55	7 December 2022	€2.32	Buy	€4.60
56	5 April 2023	€1.25	Buy	€3.50
57	2 June 2023	€0.96	Buy	€3.50
58	4 September 2023	€1.51	Buy	€3.50
59	4 December 2023	€2.24	Buy	€3.30
60	4 April 2024	€1.88	Buy	€3.40
61	12 April 2024	€1.79	Buy	€3.40
62	30 May 2024	€2.06	Buy	€3.50
63	Today	€2.24	Buy	€3.60

INVESTMENT HORIZON

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- key sources of information in the preparation of this research report
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