

# Achiko Ltd.

Reuters: ACHI.S

Bloomberg: ACHI:SW

## Expanding range of services through value-enhancing M&A

We continue to believe that Achiko shares offer a compelling attractive growth investment opportunity. While the shares are trading close to the intrinsic value of Achiko's existing asset portfolio, the market does not give credit to the future strategy and portfolio expansion. Should the ambitious management expectations be confirmed over the next years, we believe that Achiko is trading significantly below its intrinsic value. Therefore, we are confirming our USD 1.70 price target which is based on a discounted cash flow entity model (primary valuation method). Given an expected 65.0% upside compared to yesterday's closing price, we maintain our Buy rating for the shares of Achiko Ltd.

Last week, Indonesian EmpatKali announced the licensing of Achiko's digital financial platform to provide after-pay services on Achiko's digital financial platform in Indonesia. EmpatKali is a "Buy Now, Pay Later" company that offers Indonesian consumers an interest-free loan for the purchase of consumer goods. This form of credit financing is particularly suitable for 85% of Indonesian Muslims, who are for religious reasons not allowed to use interest-dependent financial products. In the future, users of the EmpatKali service will be able to use Achiko's digital financial services platform as a method of payment, and users of the Achiko app will be able to access EmpatKali's after-pay services.

Under the terms of the agreement, Achiko will invest USD 0.1 million in EmpatKali in the form of a convertible bond. A conversion ratio into EmpatKali shares has not been finalized yet. The interest free convertible bond converts at a 20% discount to the next financing round of EmpatKali. After conversion, we expect Achiko's ownership in EmpatKali to be 30-40%.

We consider the strategic acquisition of EmpatKali to be value-enhancing for Achiko. Attaching a "Buy Now, Pay Later" service will expand the range of services, from games to ecommerce and other services. Over the medium term, this should positively impact Achiko's footprint and offer additional margin opportunities for the company.

**Rating:** Buy **Risk:** Very high  
**Price:** USD 1.03  
**Price target:** USD 1.70

Swiss Security Number / ISIN: 48788430 / KYG0101M1024

Indices: -

Transparency level: SIX Swiss Exchange

Weighted number of shares: 86,600,000 (basic)

Market capitalization: USD 89.2 mn

Trading volume/day: n/a

AGM: 20 January 2020

USD mn (12/31)	2018	2019e	2020e	2021e
Sales	7.5	7.6	24.5	55.8
EBITDA	-3.3	-1.1	1.1	6.2
EBIT	-3.3	-1.1	1.1	6.2
EBT	-3.3	-1.1	1.1	6.1
EAT	-3.2	-0.8	0.8	4.4

% of sales	2018	2019e	2020e	2021e
EBITDA	-43.6%	-14.4%	4.5%	11.1%
EBIT	-43.6%	-14.4%	4.5%	11.1%
EBT	-43.6%	-15.0%	4.4%	11.0%
EAT	-42.6%	-10.7%	3.1%	7.8%

Per share (USD)	2018	2019e	2020e	2021e
EPS (basic)	-0.04	-0.01	0.01	0.05
Dividend	0.00	0.00	0.00	0.00
Book value	-7.22	36.00	44.76	95.14
Cash flow	-19.75	7.24	7.94	77.33

%	2018	2019e	2020e	2021e
Equity ratio	-18.6%	35.3%	32.8%	36.3%
Gearing	-211%	-116%	-111%	-133%

x	2018	2019e	2020e	2021e
P/E ratio	n/a	n/a	n/a	20.4
EV/sales	n/a	11.32	3.46	1.40
EV/EBITDA	n/a	-78.4	76.3	12.6
P/B ratio	n/a	0.0	0.0	0.0

USD million	2019e	2020e	2021e
Guidance: Sales	n/a	n/a	n/a
Guidance: EBIT	n/a	n/a	n/a



SOURCE: COMPANY DATA, SPHENE CAPITAL FORECAST

**Peter Thilo Hasler, CEFA**

+49 (89) 74443558 / +49 (152) 31764553

peter-thilo.hasler@sphene-capital.de

**In the medium-term view, our base case scenario results in equity valued at USD 146.9 million, or USD 1.70 per share**

Equity value of USD 1.70 per share

Our model indicates an enterprise value of USD 148.2 million for Achiko Ltd. Of this figure, some 49.0% is derived from the terminal value, and 4.9% and 46.1% from the cash flow generated in the detailed and rough planning phases.

After subtracting the current net debt position (as of 12/2018) of USD 1.3 million, the equity is therefore valued at USD 146.9 million. At 86.6 million shares (basic count), this corresponds to an equity value of USD 1.70 per share.

**TABLE 1: DCF VALUATION**

			<b>Comment</b>
TV Insolvency rate	%	8.3%	Synthetic corporate bond CCC rating with 10% PD and default spread 700 bps
Terminal Cost of capital	%	5.5%	500 bps long-term equity risk premium compared to 30-years Bunds
Present value of terminal value	USD mn	72.6	
in % of Enterprise Value	%	49.0%	
PV FCFF Detailed planning phase	USD mn	7.2	
in % of Enterprise Value	%	4.9%	
PV FCFF rough planning phase	USD mn	68.3	
in % of Enterprise Value	%	46.1%	
<b>Enterprise Value</b>	<b>USD mn</b>	<b>148.2</b>	<b>Unchanged enterprise value</b>
Financial debt	USD mn	-1.5	Data as of 31 12 2018
Excess Cash	USD mn	0.2	Data as of 31 12 2018
<b>Value of equity</b>	<b>USD mn</b>	<b>146.9</b>	<b>Unchanged equity value</b>
Number of shares (basic)	mn	86.6	
<b>Value of equity per share</b>	<b>USD</b>	<b>1.70</b>	<b>Unchanged price target</b>

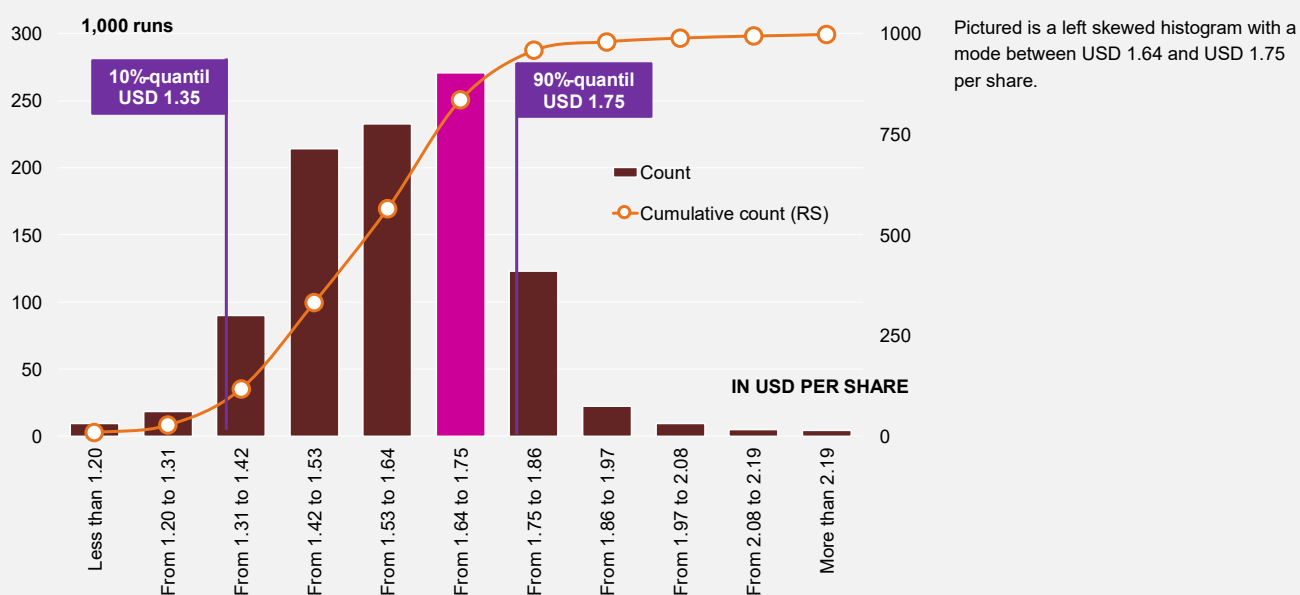
SOURCE: SPHENE CAPITAL FORECASTS

**Expanded scenario analysis by Monte Carlo simulation**

In the following Figure 1, the thresholds for the growth rates during the rough planning phase and the EBIT margins during the terminal value phase were extended even further and a total of 1,000 combinations of the two parameters were tested and evaluated. This indicates that equity values of less than USD 99.6 million and more than USD 199.2 million, or less than USD 1.15 and more than USD 2.30 per share, are difficult to attain with combinations of the two variables growth rate and terminal value EBIT margin.

Monte Carlo simulation with share price estimates between USD 1.15 and USD 2.30

FIGURE 1: MONTE CARLO SIMULATION



SOURCE: SPHENE CAPITAL FORECASTS

### Multiples in reaching our DCF based equity value

Based on our financial forecasts and if the equity value we calculated (base case scenario in the DCF valuation model) of USD 1.70 per share is reached, Achiko will be valued using the following multiples:

TABLE 2: VALUATION MULTIPLES OF ACHIKO-SHARES

		Valuation at current share price			Valuation at our price target		
		2019e	2020e	2021e	2019e	2020e	2021e
P/ER	X	n/a	n/a	20.4x	n/a	n/a	33.7x
EV/sales	X	11.3x	3.5x	1.4x	19.0x	5.8x	2.4x
EV/EBITDA	X	-78.4x	76.3x	12.6x	-131.6x	n/a	22.0x
P/BR	X	0.0x	0.0x	0.0x	0.0x	0.0x	0.0x
Dividend yield	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

SOURCE: SPHENE CAPITAL FORECAST

### Downside risks for reaching our equity value

We have identified the following weaknesses and downside risks, which could affect the company reaching our equity value range: **(1)** dependence on the economic situation of online players, **(2)** unexpected termination of customer relationships with one of the more significant game publishers, **(3)** successful market entry of Facebook, Google, or Apple with new cryptocurrencies, **(4)** regulatory changes with regard to VIE structures in Indonesia, **(5)** pressure on operations from external growth, **(6)** systematic

shifts in key exchange rates, **(7)** risks of a potential stock overhang, **(8)** termination of employment of individual executives (“key man risk”).

In addition to these risks, investors should consider the high share price volatility since the IPO.

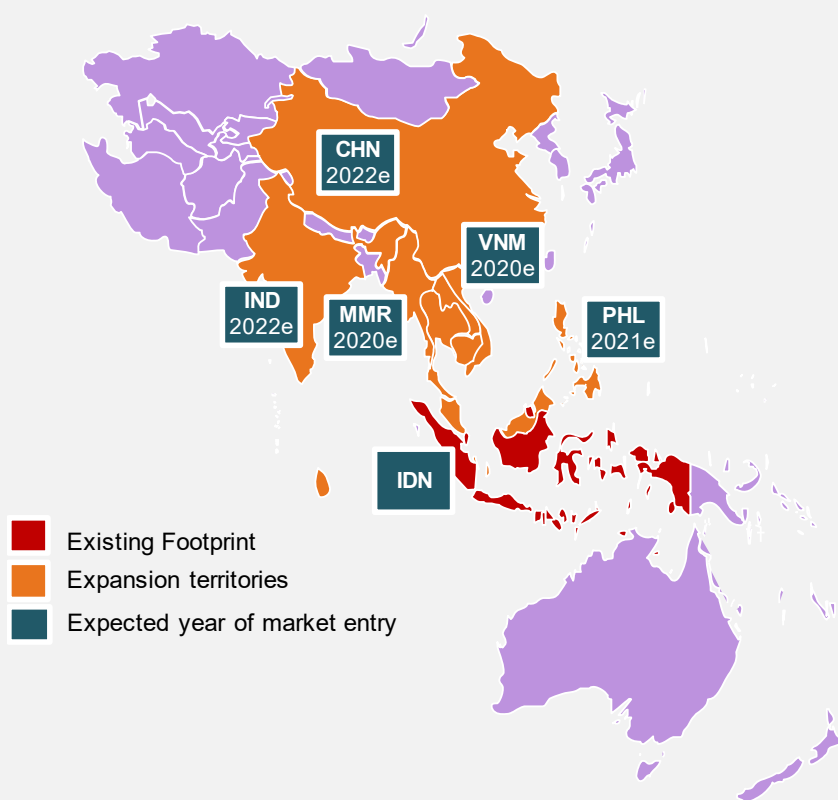
**Catalysts for performance**

We consider the most important catalysts for the performance of Achiko’s share price in the coming months to be **(1)** reports of market penetration in the e-payment segment exceeding expectations, **(2)** reports about a market launch of the messenger solution, **(3)** initial successes in the marketing of video games, **(4)** reports of revenue performance exceeding our expectations.

Founded only last year, Achiko is a holding company that acquires equity stakes in companies that provide consumers with secure and convenient e-payment solutions for purchasing digital goods. At the core of this business is the Indonesia-based Mimopay Group, which has provided a broad range of payment services since 2012 and has been wholly owned by Achiko since last year. Logging 450,000 transactions per month and approximately 0.2 million unique users, Mimopay is the leading e-payment aggregator in Indonesia.

Plans also include building a messenger service for the Southeast Asian market and supporting video game publishers entering the Indonesian market. However, both business models are still in a development stage, and we do not expect substantial initial revenues before 2020e at the earliest.

FIGURE 2: GEOGRAPHICAL EXPANSION



To date, Achiko has only done business in Indonesia. However, according to the company, the required steps have already been taken to expand the footprint to other Southeast Asian countries soon.

SOURCE: COMPANY INFORMATION, SPHENE CAPITAL

### Indonesia’s leading e-payment aggregator...

With approximately 0.2 million unique users and more than 450,000 transactions per month, Achiko—through its wholly owned subsidiary Mimopay—considers itself the leading e-payment aggregator in Indonesia. A payment aggregator enables the settlement of credit card payments, online transfers, and e-commerce transactions without customers being required to have their own account at a bank or financial services provider. Through its one stop payment platform, Mimopay uses the following payment channels:

- Telecommunications network operators:** Achiko is a pioneer and market leader in the sale of telecommunications vouchers. Players purchase a prepaid voucher to top up their balance with their telecommunications provider in order to use it to

The biggest challenge for Indonesia’s mobile economy is the large proportion of the population that is unbanked. Whereas e-commerce sales will more than quadruple to USD 53 billion by 2025e, less than half of Indonesians have a bank account, and only 2.4% have a credit card. Some 44% of inhabitants live in rural areas, distributed across around 17,000 islands, where cash is not the preferred medium of exchange. Because traditional banks still rely on physical locations for attracting customers, large swaths of the population will remain without access to a bank for the foreseeable future.

acquire digital goods or services. Customers pay by entering their mobile phone number on the seller’s website. They will then be sent a one-time password (OTP). After they entered the password, the price the desired products is deducted from their mobile telecommunications account.

- ⑤ **ATMs:** Mimopay users who have a bank account, but no credit card can settle their invoices for online purchases at an ATM. They receive a transaction number in return, which they enter on the merchant’s website, thereby completing the purchase.
- ⑤ **Grocery stores and newsstands:** Mimopay customers can purchase voucher cards for cash at more than 10,000 grocery stores and newsstands (convenience stores) to refresh their online accounts with video game providers.
- ⑤ **E-wallets:** Mimopay users can also make online transfers by using Indonesian e-wallets such as OVO.
- ⑤ **Offline-Sales:** Individuals and small businesses that are interested in selling game credits can buy game credits from Achiko for re-sale.

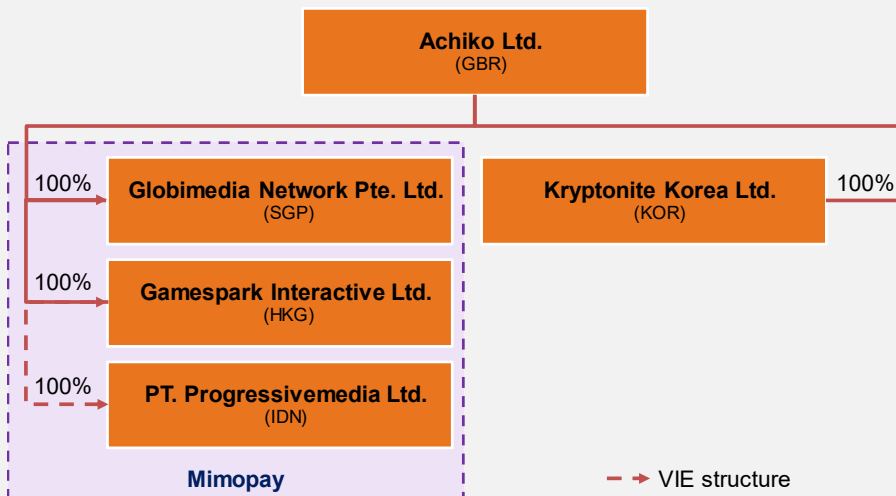
**... for video game players without a bank account or credit card...**

Achiko is using its payment services platform to concentrate on the part of the Indonesian population that is active online but yet has neither a bank account nor a debit or credit card. Achiko therefore enables this substantial part of the population—estimates indicate it includes more than 51% of the approximately 262 million inhabitants of Indonesia—to settle payments through various offline and online channels in order to purchase digital goods.

The technology enables application developers and other service providers to settle digital payments and provide non-digital or cash-based collection services. Customers can use the technology to purchase a digital product directly from a mobile app or forward the payment from their mobile app to the merchant’s mobile online purchasing page.

We believe that Achiko possesses a clear and unique selling proposition. To date neither global video game companies such as Electronic Arts or Activision/Blizzard nor global payment services providers like Google, Facebook, Apple, or Alibaba have launched comparable products for this part of the population.

FIGURE 3: ACHIKO ORGANIZATIONAL STRUCTURE



Whereas the non-operating holding company has its registered office in the British Cayman Islands, the material investees have registered offices in various Southeast Asian countries.

SOURCE: COMPANY INFORMATION, SPHENE CAPITAL

## Profit and Loss Account, 2015-2021e

IFRS (31.12.)		2015	2016	2017	2018	2019e	2020e	2021e
<b>Gross revenues</b>	<b>USD mn</b>	<b>n/a</b>	<b>9.1</b>	<b>8.6</b>	<b>7.5</b>	<b>7.6</b>	<b>24.5</b>	<b>55.8</b>
YoY	%	n/a	n/a	-5.2%	-13.1%	1.0%	224.2%	127.9%
Other operating income	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total output</b>	<b>USD mn</b>	<b>n/a</b>	<b>9.1</b>	<b>8.6</b>	<b>7.5</b>	<b>7.6</b>	<b>24.5</b>	<b>55.8</b>
YoY	%	n/a	n/a	-5.2%	-13.1%	1.0%	224.2%	127.9%
Material costs	USD mn	n/a	-9.4	-8.4	-6.9	-7.0	-20.4	-46.1
In % of total output	%	n/a	-103.9%	-97.5%	-92.3%	-93.0%	-83.2%	-82.6%
<b>Gross profit</b>	<b>USD mn</b>	<b>n/a</b>	<b>-0.4</b>	<b>0.2</b>	<b>0.6</b>	<b>0.5</b>	<b>4.1</b>	<b>9.7</b>
YoY	%	n/a	n/a	-160.9%	n/a	-8.6%	677.3%	136.9%
In % of total output	%	n/a	-3.9%	2.5%	7.7%	7.0%	16.8%	17.4%
Personnel costs	USD mn	n/a	0.0	0.0	0.0	-0.4	-1.7	-2.1
In % of total output	%	n/a	0.0%	0.0%	0.0%	-5.6%	-6.9%	-3.8%
Other operating expenses	USD mn	n/a	-0.5	-1.0	-3.8	-1.2	-1.3	-1.5
In % of total output	%	n/a	-6.0%	-11.7%	-51.3%	-15.9%	-5.4%	-2.6%
<b>EBITDA</b>	<b>USD mn</b>	<b>n/a</b>	<b>-0.9</b>	<b>-0.8</b>	<b>-3.3</b>	<b>-1.1</b>	<b>1.1</b>	<b>6.2</b>
In % of total output	%	n/a	-9.9%	-9.2%	-43.6%	-14.4%	4.5%	11.1%
Depreciation	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>USD mn</b>	<b>n/a</b>	<b>-0.9</b>	<b>-0.8</b>	<b>-3.3</b>	<b>-1.1</b>	<b>1.1</b>	<b>6.2</b>
YoY	%	n/a	n/a	-11.9%	311.9%	-66.5%	-202.0%	456.6%
YoY	USD mn	n/a	-0.9	0.1	-2.5	2.2	2.2	5.1
In % of total output	%	n/a	-9.9%	-9.2%	-43.6%	-14.4%	4.5%	11.1%
Income from participations	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
Net financial result	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
Extraordinary items	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBT</b>	<b>USD mn</b>	<b>n/a</b>	<b>-0.9</b>	<b>-0.8</b>	<b>-3.3</b>	<b>-1.1</b>	<b>1.1</b>	<b>6.1</b>
In % of total output	%	n/a	-9.9%	-9.2%	-43.6%	-15.0%	4.4%	11.0%
Taxes	USD mn	n/a	0.0	0.0	0.1	0.3	-0.3	-1.8
In % of EBT (implied tax rate)	%	n/a	-1.1%	-3.4%	-2.3%	-29.0%	-29.0%	-29.0%
<b>Net income</b>	<b>USD mn</b>	<b>n/a</b>	<b>-0.9</b>	<b>-0.8</b>	<b>-3.2</b>	<b>-0.8</b>	<b>0.8</b>	<b>4.4</b>
In % of total output	%	n/a	-9.8%	-8.9%	-42.6%	-10.7%	3.1%	7.8%
Minorities	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
Nr of shares (basic)	mn	n/a	0.0	0.0	0.1	0.1	0.1	0.1
Nr of shares (diluted)	mn	n/a	0.0	0.0	0.1	0.1	0.1	0.1
<b>EPS (basic)</b>	<b>USD</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>-0.04</b>	<b>-0.01</b>	<b>0.01</b>	<b>0.05</b>
<b>EPS (diluted)</b>	<b>USD</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>-0.03</b>	<b>-0.01</b>	<b>0.01</b>	<b>0.04</b>

SOURCE: COMPANY INFORMATION, SPHENE CAPITAL FORECASTS

## Revenue Performance by Segment, 2015-2021e

IFRS (31.12.)		2015	2016	2017	2018e	2019e	2020e	2021e
<b>Gross revenues</b>	<b>USD mn</b>	<b>n/a</b>	<b>9.1</b>	<b>8.6</b>	<b>7.5</b>	<b>7.6</b>	<b>24.5</b>	<b>55.8</b>
E-Payment	USD mn	n/a	9.1	8.6	7.5	7.6	13.6	26.0
Video games	USD mn	n/a	0.0	0.0	0.0	0.0	6.0	20.0
Messenger	USD mn	n/a	0.0	0.0	0.0	0.0	4.9	9.8
<b>YoY</b>	<b>%</b>	<b>n/a</b>	<b>n/a</b>	<b>-5.2%</b>	<b>-13.1%</b>	<b>1.0%</b>	<b>224.2%</b>	<b>127.9%</b>
E-Payment	%	n/a	n/a	-5.2%	-13.1%	1.0%	80.0%	91.4%
Video games	%	n/a	n/a	n/a	n/a	n/a	n/a	233.3%
Messenger	%	n/a	n/a	n/a	n/a	n/a	n/a	100.0%
<b>in % of gross revenues</b>	<b>%</b>	<b>n/a</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
E-Payment	%	n/a	100.0%	100.0%	100.0%	100.0%	55.5%	46.6%
Video games	%	n/a	0.0%	0.0%	0.0%	0.0%	24.5%	35.8%
Messenger	%	n/a	0.0%	0.0%	0.0%	0.0%	20.0%	17.6%
<b>Net revenues</b>	<b>USD mn</b>	<b>n/a</b>	<b>-0.4</b>	<b>0.2</b>	<b>0.6</b>	<b>0.5</b>	<b>4.1</b>	<b>9.7</b>
E-Payment	USD mn	n/a	-0.4	0.2	0.6	0.5	1.0	1.8
Video games	USD mn	n/a	0.0	0.0	0.0	0.0	1.2	4.0
Messenger	USD mn	n/a	0.0	0.0	0.0	0.0	2.0	3.9
<b>YoY</b>	<b>%</b>	<b>n/a</b>	<b>n/a</b>	<b>-160.9%</b>	<b>169.3%</b>	<b>-8.6%</b>	<b>677.3%</b>	<b>136.9%</b>
E-Payment	%	n/a	n/a	-160.9%	169.3%	-8.6%	80.0%	91.4%
Video games	%	n/a	n/a	n/a	n/a	n/a	n/a	233.3%
Messenger	%	n/a	n/a	n/a	n/a	n/a	n/a	100.0%
<b>in % of gross revenues</b>	<b>%</b>	<b>n/a</b>	<b>-3.9%</b>	<b>2.5%</b>	<b>7.7%</b>	<b>7.0%</b>	<b>16.8%</b>	<b>17.4%</b>
E-Payment	%	n/a	-3.9%	2.5%	7.7%	7.0%	7.0%	7.0%
Video games	%	n/a	n/a	n/a	n/a	n/a	20.0%	20.0%
Messenger	%	n/a	n/a	n/a	n/a	n/a	40.0%	40.0%

SOURCE: COMPANY INFORMATION, SPHENE CAPITAL FORECASTS



## Revenue Performance by Region, 2015-2021e

IFRS (31.12.)		2015	2016	2017	2018	2019e	2020e	2021e
<b>Gross Sales</b>	<b>USD mn</b>	<b>n/a</b>	<b>9.1</b>	<b>8.6</b>	<b>7.5</b>	<b>7.6</b>	<b>24.5</b>	<b>55.8</b>
Asia	USD mn	n/a	9.1	8.6	7.5	7.6	24.5	55.8
Europe	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
USA	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
Rest of World	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
<b>YoY</b>	<b>%</b>	<b>n/a</b>	<b>n/a</b>	<b>-5.2%</b>	<b>-13.1%</b>	<b>1.0%</b>	<b>224.2%</b>	<b>127.9%</b>
Asia	%	n/a	n/a	-5.2%	-13.1%	1.0%	224.2%	127.9%
Europe	%	n/a	n/a	n/a	n/a	n/a	n/a	n/a
USA	%	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of World	%	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>as of total sales</b>	<b>%</b>	<b>n/a</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Asia	%	n/a	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Europe	%	n/a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
USA	%	n/a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rest of World	%	n/a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

SOURCE: COMPANY INFORMATION, SPHENE CAPITAL FORECASTS

## Balance Sheet (Assets), 2015-2021e

IFRS (31.12.)		2015	2016	2017	2018	2019e	2020e	2021e
<b>ASSETS</b>								
<b>Non-current assets</b>	<b>USD mn</b>	<b>n/a</b>	<b>0.1</b>	<b>0.1</b>	<b>1.7</b>	<b>1.7</b>	<b>1.8</b>	<b>1.8</b>
Intangible assets	USD mn	n/a	0.0	0.0	1.6	1.6	1.6	1.6
Property, plant & equipment	USD mn	n/a	0.0	0.0	0.0	0.0	0.1	0.1
Shares in affiliated companies	USD mn	n/a	0.0	0.1	0.1	0.1	0.1	0.1
Loans to affiliated companies	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
Paid advances	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
<b>Current assets</b>	<b>USD mn</b>	<b>n/a</b>	<b>1.8</b>	<b>1.3</b>	<b>1.7</b>	<b>6.9</b>	<b>9.3</b>	<b>19.2</b>
Inventory	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
DIO	d	n/a	0.0	0.0	0.0	0.0	0.0	0.0
Trade receivables	USD mn	n/a	1.5	1.0	0.6	0.8	2.5	5.6
DSO	d	n/a	60.0	40.8	27.9	36.0	36.0	36.0
Receivables from affiliated companies	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
Receivables from called capital	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
Other current assets	USD mn	n/a	0.0	0.0	0.9	1.0	1.1	1.2
Cash & cash equivalents	USD mn	n/a	0.2	0.3	0.2	5.1	5.8	12.5
thereof collateralized	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
Deferred items	USD mn	n/a	0.0	0.0	0.0	0.2	0.7	1.7
Equity deficit	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total assets</b>	<b>USD mn</b>	<b>n/a</b>	<b>1.9</b>	<b>1.5</b>	<b>3.4</b>	<b>8.8</b>	<b>11.8</b>	<b>22.7</b>
SOURCE: COMPANY INFORMATION. SPHENE CAPITAL FORECASTS								

## Balance Sheet (Liabilities), 2015-2021e

IFRS (31.12.)		2015	2016	2017	2018	2019e	2020e	2021e
<b>LIABILITIES AND EQUITY</b>								
<b>Total shareholder's equity</b>	<b>USD mn</b>	<b>n/a</b>	<b>0.1</b>	<b>-0.7</b>	<b>-0.6</b>	<b>3.1</b>	<b>3.9</b>	<b>8.2</b>
Issued capital	USD mn	n/a	0.1	0.1	0.1	0.1	0.1	0.1
Contribution for capital increase June 8. 2006	USD mn	n/a	0.1	0.1	3.1	7.7	7.7	7.7
Currency adjustments	USD mn	n/a	0.1	0.1	0.0	0.0	0.0	0.0
Accumulated deficit	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
Profit reserves	USD mn	n/a	-0.2	-1.0	0.0	0.0	0.0	0.0
Profit/Loss of period	USD mn	n/a	0.0	0.0	-3.9	-4.7	-3.9	0.5
Equity deficit	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
Own shares	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
Special items	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
		n/a						
Pension reserves	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	USD mn	n/a	0.0	0.0	0.0	-0.3	0.3	1.8
<b>Current liabilities</b>	<b>USD mn</b>	<b>n/a</b>	<b>1.8</b>	<b>2.1</b>	<b>3.9</b>	<b>6.0</b>	<b>7.6</b>	<b>12.7</b>
Bank debt	USD mn	n/a	0.0	0.0	1.5	1.5	1.5	1.5
Trade payables	USD mn	n/a	1.7	2.1	2.2	4.5	6.1	11.2
DPO	d	n/a	68.5	86.0	107.0	216.0	90.0	72.0
Other current liabilities	USD mn	n/a	0.0	0.0	0.2	0.0	0.0	0.0
Liabilities to subsidiaries	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
<b>Non-current liabilities</b>	<b>USD mn</b>	<b>n/a</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Bank debt	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
Other non-current liabilities	USD mn	n/a	0.0	0.0	0.1	0.0	0.0	0.0
Deferred items	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total liabilities and shareholders' equity</b>	<b>USD mn</b>	<b>n/a</b>	<b>1.9</b>	<b>1.5</b>	<b>3.4</b>	<b>8.8</b>	<b>11.8</b>	<b>22.7</b>
SOURCE: COMPANY INFORMATION, SPHENE CAPITAL FORECASTS								

## Balance Sheet (Assets, Normalized), 2015-2021e

IFRS (31.12.)		2015	2016	2017	2018	2019e	2020e	2021e
<b>ASSETS</b>	<b>%</b>							
<b>Non-current assets</b>	<b>%</b>	<b>n/a</b>	<b>5.8%</b>	<b>8.1%</b>	<b>51.0%</b>	<b>19.7%</b>	<b>14.9%</b>	<b>7.8%</b>
Intangible assets	%	n/a	1.2%	1.0%	46.5%	17.8%	13.3%	6.9%
Property, plant & equipment	%	n/a	2.4%	2.7%	0.8%	0.5%	0.6%	0.4%
Shares in affiliated companies	%	n/a	2.2%	4.4%	3.7%	1.4%	1.1%	0.5%
Loans to affiliated companies	%	n/a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Paid advances	%	n/a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Current assets</b>	<b>%</b>	<b>n/a</b>	<b>94.2%</b>	<b>91.9%</b>	<b>49.0%</b>	<b>77.7%</b>	<b>78.9%</b>	<b>84.8%</b>
Inventory	%	n/a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Trade receivables	%	n/a	79.3%	66.8%	17.2%	8.6%	20.7%	24.6%
Receivables from affiliated companies	%	n/a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Receivables from called capital	%	n/a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other current assets	%	n/a	2.1%	3.4%	26.4%	11.1%	9.1%	5.2%
Cash & cash equivalents	%	n/a	12.8%	21.6%	5.4%	58.1%	49.0%	55.0%
thereof collateralized	%	n/a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Deferred items	%	n/a	0.0%	0.0%	0.0%	2.6%	6.2%	7.4%
Equity deficit	%	n/a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total assets</b>	<b>%</b>	<b>n/a</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
SOURCE: COMPANY INFORMATION, SPHENE CAPITAL FORECASTS								

## Balance Sheet (Liabilities, Normalized), 2015-2021e

IFRS (31.12.)		2015	2016	2017	2018	2019e	2020e	2021e
<b>LIABILITIES AND EQUITY</b>								
<b>Total shareholder's equity</b>	%	n/a	5.2%	-44.8%	-18.6%	35.3%	32.8%	36.3%
Issued capital	%	n/a	6.4%	8.4%	2.3%	0.9%	0.6%	0.3%
Contribution for capital increase June 8, 2006	%	n/a	4.1%	5.3%	93.5%	87.3%	65.2%	33.9%
Currency adjustments	%	n/a	6.0%	7.4%	0.0%	0.0%	0.0%	0.0%
Accumulated deficit	%	n/a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Profit reserves	%	n/a	-11.3%	-65.9%	0.0%	0.0%	0.0%	0.0%
Profit/Loss of period	%	n/a	0.0%	0.0%	-114.3%	-52.8%	-33.0%	2.0%
Equity deficit	%	n/a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Own shares	%	n/a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Minorities	%	n/a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Special items	%	n/a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pension reserves	%	n/a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other provisions	%	n/a	0.0%	0.0%	0.0%	-3.7%	2.6%	7.9%
<b>Current liabilities</b>	%	n/a	92.3%	141.4%	116.9%	68.4%	64.6%	55.8%
Bank debt	%	n/a	0.0%	0.0%	44.5%	17.0%	12.7%	6.6%
Trade payables	%	n/a	90.5%	141.0%	66.0%	51.4%	51.9%	49.2%
Other current liabilities	%	n/a	1.8%	0.5%	6.4%	0.0%	0.0%	0.0%
Liabilities to subsidiaries	%	n/a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Non-current liabilities</b>	%	n/a	2.5%	3.4%	1.6%	0.0%	0.0%	0.0%
Bank debt	%	n/a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other non-current liabilities	%	n/a	2.5%	3.4%	1.6%	0.0%	0.0%	0.0%
Deferred items	%	n/a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total liabilities and shareholders' equity</b>	%	n/a	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
SOURCE: COMPANY INFORMATION, SPHENE CAPITAL FORECASTS								

## Cash Flow Statement, 2015-2021e

IFRS (31.12.)		2015	2016	2017	2018	2019e	2020e	2021e
Net income	USD mn	n/a	-0.9	-0.8	-3.2	-0.8	0.8	4.4
Depreciation & Amortisation	USD mn	n/a	0.1	0.1	0.1	0.0	0.0	0.0
Income from sale of assets	USD mn	n/a	n/a	0.0	0.2	0.0	0.0	0.0
Δ inventory	USD mn	n/a	n/a	0.0	0.0	0.0	0.0	0.0
Δ trade receivables	USD mn	n/a	-0.1	0.5	0.4	-0.2	-1.7	-3.1
Δ other receivables	USD mn	n/a	n/a	0.0	-0.8	-0.1	-0.1	-0.1
Δ deferred tax assets	USD mn	n/a	n/a	0.0	0.0	-0.2	-0.5	-0.9
Δ provisions	USD mn	n/a	n/a	0.0	0.0	0.0	0.0	0.0
Δ other long-term provisions	USD mn	n/a	n/a	0.0	0.0	-0.3	0.6	1.5
Δ other short-term provisions	USD mn	n/a	n/a	0.0	0.0	0.0	0.0	0.0
Δ trade payables	USD mn	n/a	n/a	0.3	0.2	2.3	1.6	5.0
Δ special items	USD mn	n/a	n/a	0.0	0.0	0.0	0.0	0.0
Δ deferred liabilities	USD mn	n/a	n/a	0.0	0.0	0.0	0.0	0.0
Currency adjustments	USD mn	n/a	n/a	0.0	-0.1	0.0	0.0	0.0
Other operational adjustments	USD mn	n/a	-0.1	-0.1	1.6	-0.1	0.0	0.0
<b>Operating cash flow</b>	<b>USD mn</b>	<b>n/a</b>	<b>-0.9</b>	<b>0.1</b>	<b>-1.7</b>	<b>0.6</b>	<b>0.7</b>	<b>6.7</b>
Investments in financial assets	USD mn	n/a	0.0	0.0	-0.1	0.0	0.0	0.0
Investments in intangible assets	USD mn	n/a	0.0	0.0	-1.6	0.0	0.0	0.0
Investments in tangible assets	USD mn	n/a	n/a	-0.1	-0.1	0.0	0.0	0.0
Other operational adjustments	USD mn	n/a	0.0	0.1	0.1	0.0	0.0	0.0
<b>Cash flow from investing</b>	<b>USD mn</b>	<b>n/a</b>	<b>-0.1</b>	<b>0.0</b>	<b>-1.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Free cash flow</b>	<b>USD mn</b>	<b>n/a</b>	<b>n/a</b>	<b>0.1</b>	<b>-3.4</b>	<b>0.6</b>	<b>0.7</b>	<b>6.7</b>
Δ Capital stock	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
Δ Capital reserves	USD mn	n/a	0.0	0.0	3.1	4.6	0.0	0.0
Δ Bank debt	USD mn	n/a	n/a	0.0	1.5	0.0	0.0	0.0
Δ other interest-bearing liabilities	USD mn	n/a	n/a	0.0	0.2	-0.2	0.0	0.0
Less prior-year dividend	USD mn	n/a	n/a	0.0	0.0	0.0	0.0	0.0
Other operational adjustments	USD mn	n/a	0.0	0.0	-1.5	0.0	0.0	0.0
<b>Financing cash flow</b>	<b>USD mn</b>	<b>n/a</b>	<b>0.0</b>	<b>0.0</b>	<b>3.2</b>	<b>4.3</b>	<b>0.0</b>	<b>0.0</b>
Net cash inflow	USD mn	n/a	-0.9	0.1	-0.1	4.9	0.7	6.7
Currency adjustments	USD mn	n/a	0.0	0.0	0.0	0.0	0.0	0.0
Net cash opening balance	USD mn	n/a	1.2	0.2	0.3	0.2	5.1	5.8
<b>Net cash closing balance</b>	<b>USD mn</b>	<b>n/a</b>	<b>0.2</b>	<b>0.3</b>	<b>0.2</b>	<b>5.1</b>	<b>5.8</b>	<b>12.5</b>

SOURCE: COMPANY INFORMATION, SPHENE CAPITAL FORECASTS

## One View, 2015-2021e

IFRS (31.12.)		2015	2016	2017	2018	2019e	2020e	2021e
<b>Key Data</b>								
Sales	USD mn	n/a	9.1	8.6	7.5	7.6	24.5	55.8
Gross profit	USD mn	n/a	-0.4	0.2	0.6	0.5	4.1	9.7
EBITDA	USD mn	n/a	-0.9	-0.8	-3.3	-1.1	1.1	6.2
EBIT	USD mn	n/a	-0.9	-0.8	-3.3	-1.1	1.1	6.2
EBT	USD mn	n/a	-0.9	-0.8	-3.3	-1.1	1.1	6.1
Net income	USD mn	n/a	-0.9	-0.8	-3.2	-0.8	0.8	4.4
Nr. of employees		n/a	36.0	39.0	35.0	40.0	45.0	50.0
<b>Per share data</b>								
Price high	USD	n/a	n/a	n/a	n/a	2.00		
Price low	USD	n/a	n/a	n/a	n/a	0.95		
Price average/last	USD	n/a	n/a	n/a	n/a	1.33		
Price average/last	USD	n/a	n/a	n/a	n/a	1.03	1.03	1.03
EPS (basic)	USD	n/a	n/a	n/a	-0.04	-0.01	0.01	0.05
BVPS	USD	n/a	n/a	n/a	-7.22	36.00	44.76	95.14
CFPS	USD	n/a	n/a	n/a	-19.75	7.24	7.94	77.33
Dividend	USD	n/a	n/a	0.00	0.00	0.00	0.00	0.00
Price target	USD							<b>1.70</b>
Performance to price target	%							<b>65.0%</b>
<b>Profitability ratios</b>								
EBITDA margin	%	n/a	-9.9%	-9.2%	-43.6%	-14.4%	4.5%	11.1%
EBIT margin	%	n/a	-9.9%	-9.2%	-43.6%	-14.4%	4.5%	11.1%
Pre-tax margin	%	n/a	-9.9%	-9.2%	-43.6%	-15.0%	4.4%	11.0%
Net margin	%	n/a	-9.8%	-8.9%	-42.6%	-10.7%	3.1%	7.8%
FCF margin	%	n/a	n/a	0.8%	-44.9%	8.0%	2.7%	12.0%
ROE	%	n/a	n/a	116.8%	509.2%	-25.9%	19.6%	53.0%
NWC/Sales	%	n/a	n/a	-12.6%	-22.0%	-50.0%	-15.0%	-10.0%
Revenues per head	EURk	n/a	252	221	214	189	545	1,117
EBIT per head	EURk	n/a	-25.0	-20.3	-93.1	-27.3	24.7	123.8
Capex/Sales	%	n/a	n/a	1.1%	1.5%	0.3%	0.1%	0.0%
<b>Growth ratios</b>								
Sales	%	n/a	n/a	-5.2%	-13.1%	1.0%	224.2%	127.9%
Gross profit	%	n/a	n/a	-160.9%	169.3%	-8.6%	677.3%	136.9%
EBITDA	%	n/a	n/a	-11.9%	311.9%	-66.5%	n/a	456.6%
EBIT	%	n/a	n/a	-11.9%	311.9%	-66.5%	n/a	456.6%
EBT	%	n/a	n/a	-11.9%	311.9%	-65.1%	n/a	475.8%
Net income	%	n/a	n/a	-14.0%	316.8%	-74.7%	n/a	475.8%
EPS	%	n/a	n/a	n/a	n/a	-74.7%	n/a	475.8%
SOURCE: COMPANY INFORMATION, SPHENE CAPITAL FORECASTS								

## One View II, 2015-2021e

IFRS (31.12.)		2015	2016	2017	2018	2019e	2020e	2021e
<b>Balance sheet ratios</b>								
Fixed assets	USD mn	n/a	0.1	0.1	1.7	1.7	1.8	1.8
Current assets	USD mn	n/a	1.8	1.3	1.7	7.1	10.1	20.9
Equity	USD mn	n/a	0.1	-0.7	-0.6	3.1	3.9	8.2
Liabilities	USD mn	n/a	1.8	2.1	4.0	5.7	7.9	14.5
Equity ratio	%	n/a	5%	-45%	-19%	35%	33%	36%
Gearing	%	n/a	-246%	48%	-211%	-116%	-111%	-133%
Working Capital	USD mn	n/a	-0.2	-1.1	-1.6	-3.8	-3.7	-5.6
Capital Employed	USD mn	n/a	-0.2	-1.0	-1.6	-2.2	-2.1	-3.9
<b>Enterprise Value</b>								
Nr. of shares	1.000	0	0	0	86,600	86,600	86,600	86,600
Market cap.	USD mn	n/a	n/a	n/a	n/a	173.2		
Market cap.	USD mn	n/a	n/a	n/a	n/a	82.3		
Market cap.	USD mn	n/a	n/a	n/a	n/a	115.2		
Market cap.	USD mn	n/a	n/a	n/a	n/a	89.2	89.2	89.2
Net debt	USD mn	0.0	-0.2	-0.3	1.3	-3.6	-4.3	-11.0
Pension reserves	USD mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	USD mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Excess Cash	USD mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EV high	USD mn	n/a	n/a	n/a	n/a	169.6		
EV low	USD mn	n/a	n/a	n/a	n/a	78.6		
EV average	USD mn	n/a	n/a	n/a	n/a	111.6		
Enterprise Value	USD mn	n/a	n/a	n/a	n/a	85.6	84.9	78.2
<b>Valuation ratios</b>								
EV/sales high	x	n/a	n/a	n/a	n/a	22.44	n/a	n/a
EV/sales low	x	n/a	n/a	n/a	n/a	10.41	n/a	n/a
EV/sales average	x	n/a	n/a	n/a	n/a	14.76	n/a	n/a
EV/sales	x	n/a	n/a	n/a	n/a	11.32	3.46	1.40
EV/EBITDA high	x	n/a	n/a	n/a	n/a	-155.44	n/a	n/a
EV/EBITDA low	x	n/a	n/a	n/a	n/a	-72.09	n/a	n/a
EV/EBITDA average	x	n/a	n/a	n/a	n/a	-102.26	n/a	n/a
EV/EBITDA	x	n/a	n/a	n/a	n/a	-78.44	76.33	12.64
EV/EBIT last	x	n/a	n/a	n/a	n/a	-78.44	76.33	12.64
P/E high	x	n/a	n/a	n/a	n/a	n/a	0.00	0.00
P/E low	x	n/a	n/a	n/a	n/a	n/a	0.00	0.00
P/E average	x	n/a	n/a	n/a	n/a	n/a	0.00	0.00
P/E last	x	n/a	n/a	n/a	n/a	n/a	117.71	20.44
P/BV last	x	n/a	n/a	n/a	n/a	0.03	0.02	0.01
P/CF last	x	n/a	n/a	n/a	n/a	0.18	0.13	0.01
FCF yield	%	n/a	n/a	n/a	n/a	0.7%	0.7%	7.5%
Dividend-yield	%	n/a	n/a	n/a	n/a	0.0%	0.0%	0.0%
SOURCE: COMPANY INFORMATION, SPHENE CAPITAL FORECASTS								



## Discounted Cash Flow Valuation

IFRS (31.12.)		2019e	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	Terminal year
<b>Revenues</b>	<b>USD mn</b>	<b>7.6</b>	<b>24.5</b>	<b>55.8</b>	<b>112.0</b>	<b>192.6</b>	<b>282.1</b>	<b>357.6</b>	<b>406.3</b>	<b>431.2</b>	<b>442.1</b>	<b>446.8</b>	<b>449.6</b>	<b>451.9</b>	<b>454.2</b>	<b>456.5</b>	<b>458.7</b>
YoY	%	1.0%	224.2%	127.9%	100.6%	72.0%	46.5%	26.8%	13.6%	6.1%	2.5%	1.1%	0.6%	0.5%	0.5%	0.5%	0.5%
<b>EBIT</b>	<b>USD mn</b>	<b>-1.1</b>	<b>1.1</b>	<b>6.2</b>	<b>12.4</b>	<b>21.4</b>	<b>31.4</b>	<b>39.8</b>	<b>45.3</b>	<b>48.1</b>	<b>49.3</b>	<b>49.9</b>	<b>50.3</b>	<b>50.6</b>	<b>50.9</b>	<b>51.2</b>	<b>45.9</b>
EBIT margin	%	-14.4%	4.5%	11.1%	11.1%	11.1%	11.1%	11.1%	11.1%	11.1%	11.2%	11.2%	11.2%	11.2%	11.2%	11.2%	10.0%
Taxes	USD mn	0.3	-0.3	-1.8	-3.6	-6.2	-9.1	-11.5	-13.1	-13.9	-14.3	-14.5	-14.6	-14.7	-14.7	-14.8	-13.3
Tax rate ( $\tau$ )	%	30.2%	27.8%	28.8%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%
<b>Adjusted EBIT(1-<math>\tau</math>)</b>	<b>USD mn</b>	<b>-0.8</b>	<b>0.8</b>	<b>4.4</b>	<b>8.8</b>	<b>15.2</b>	<b>22.3</b>	<b>28.3</b>	<b>32.1</b>	<b>34.1</b>	<b>35.0</b>	<b>35.4</b>	<b>35.7</b>	<b>35.9</b>	<b>36.1</b>	<b>36.3</b>	<b>32.6</b>
Reinvestment	USD mn	2.1	-0.1	1.9	-11.2	-20.9	-31.5	-36.8	-32.0	-20.3	-10.0	-4.6	-2.8	-2.3	-2.3	-2.3	-3.0
<b>FCFF</b>	<b>USD mn</b>	<b>1.4</b>	<b>0.7</b>	<b>6.3</b>	<b>-2.4</b>	<b>-5.7</b>	<b>-9.3</b>	<b>-8.6</b>	<b>0.2</b>	<b>13.8</b>	<b>25.0</b>	<b>30.8</b>	<b>32.9</b>	<b>33.6</b>	<b>33.8</b>	<b>34.0</b>	<b>29.6</b>
WACC	%	9.5%	9.5%	9.5%	9.2%	8.8%	8.5%	8.2%	7.8%	7.5%	7.2%	6.8%	6.5%	6.2%	5.8%	5.5%	
Discount rate	%	100.0%	91.3%	83.4%	76.4%	70.2%	64.7%	59.8%	55.4%	51.6%	48.1%	45.0%	42.3%	39.8%	37.6%	35.7%	
<b>Present value of free cash flows</b>	<b>USD mn</b>	<b>1.4</b>	<b>0.6</b>	<b>5.3</b>	<b>-1.8</b>	<b>-4.0</b>	<b>-6.0</b>	<b>-5.1</b>	<b>0.1</b>	<b>7.1</b>	<b>12.0</b>	<b>13.9</b>	<b>13.9</b>	<b>13.4</b>	<b>12.7</b>	<b>12.1</b>	
TV insolvency rate	%	8.3%															
Terminal cost of capital	%	5.5%															
Present value of terminal value	USD mn	72.6															
in % of Enterprise Value	%	49.0%															
PV FCFF detailed planning phase	USD mn	7.2															
in % of Enterprise Value	%	4.9%															
PV FCFF rough planning phase	USD mn	68.3															
in % of Enterprise Value	%	46.1%															
<b>Enterprise Value</b>	<b>USD mn</b>	<b>148.2</b>															
Financial debt	USD mn	-1.5															
Excess Cash	USD mn	0.2															
<b>Value of equity</b>	<b>USD mn</b>	<b>146.9</b>															
Number of shares (basic)	mn	86.6															
<b>Value of equity per share</b>	<b>USD</b>	<b>1.70</b>															
SOURCE: SPHENE CAPITAL FORECASTS																	

This publication is issued by



Wettersteinstraße 4 | 82024 Taufkirchen | Germany | Phone +49 (89) 74443558 | Fax +49 (89) 74443445

**Disclaimer**

This research report has been produced and issued by Sphene Capital GmbH in the legal jurisdiction of the Federal Republic of Germany. It is issued only to persons who purchase or sell transferable securities for their own account or for the account of others in the context of their trade, profession or occupation. This publication is provided for general information purposes only and is furnished to you on a confidential basis. It is for the use of the addressees only. It may not be copied to or distributed to any other person in whole or in part without the written consent of Sphene Capital GmbH. **Any investment possibilities discussed in this publication may not be suitable for certain investors depending on their specific investment target or time horizon or in the context of their overall financial situation. It cannot be a substitute for obtaining independent advice. Please contact your bank's investment advisor.**

The distribution of this publication in certain jurisdictions may be restricted by law and persons into whose possession this publication comes should inform themselves about and observe such restrictions. In the United Kingdom this publication or a copy of it is being distributed only to, and is directed at (a) persons who have professional experience in matters relating to investments falling within article 19(1) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 (the "Order") or (b) high network entities falling within article 49(2) (A) to (D) of the Order, and other persons to whom it may be lawfully be communicated, falling within article 49(1) of the Order (all such persons together referred to as "Relevant Persons"). Any person who is not a Relevant Person should not act or rely on this publication or any of its contents.

This publication does not constitute a solicitation to buy or an offer to sell any securities or financial instruments mentioned in the report and shall not be construed as constituting an offer to enter into a consulting agreement. Neither this publication nor any part of it establishes a basis for any agreement or other obligations of any kind. Sphene Capital GmbH, its subsidiaries/affiliates, and any of its employees involved in the preparation, do not accept any responsibility for liabilities arising from the publication and/or use of this publication or its contents nor for damages arising either directly or as a consequence of the use of information, opinions and estimates in this publication. Under no circumstances shall Sphene Capital GmbH, its subsidiaries/affiliates, and any of its employees involved in the preparation, have any liability for possible errors, inaccuracies or incompleteness of the information included in this research report—neither in relation to indirect or direct nor consequential damage. Neither Sphene Capital GmbH nor its subsidiaries/affiliates, and any of its employees, guarantee the accuracy or completeness of information used for this publication and nothing in this publication shall be construed to be a representation of such a guarantee. Used information has not independently been verified. Any opinions expressed reflect the current judgment of the analyst who prepared this publication in conjunction with his/her occupational activity and may be changed pursuant to future events and developments. Views expressed do not necessarily reflect the opinion of Sphene Capital GmbH. Past performance of a financial instrument is not necessarily indicative of future performance. **A future update on the views and recommendations expressed in this publication is not planned as of today. Timing of updates cannot be foreseen by now, however, updates usually follow the publication of financial data by the company. Sphene Capital GmbH reserves the right to change the views expressed in this publication at any time and without further notice.** Sphene Capital GmbH may have issued other publications that are inconsistent with and reach different conclusions from the information presented in this publication. Those publications may reflect the different assumptions, views and analytical methods of the analysts who prepared them. Past performance should not be taken as an indication or guarantee for further performance, and no representation or warranty, expressed or implied, is made regarding future performance.

**This publication is being distributed by industry-specific news agencies and finance portals and by mail to interested professional investors, who are expected to make their own investment decisions without undue reliance on this publication.**

Bundesanstalt für Finanzdienstleistungen (BaFin) is the authority responsible for Sphene Capital GmbH.

**All share prices mentioned in this publication are closing prices of the XETRA Electronic Trading System or where unavailable closing prices of the local stock exchange, as of the trading day preceding the day of the publication.**

**Investment Recommendations (12 months investment period)**

Buy	We expect a stock to rise by at least 10%.
Hold	We expect a stock to move within 10% of the benchmark.
Sell	We expect a stock to fall by at least 10% and underperform the benchmark.

**Risk Assessment (12 months investment period)**

<b>Risk</b>	<b>Estimated probability</b> that the result of the analysed company differs from our forecast earnings by more than 20% due to company-or market-specific reasons
Very high	>80%
High	50-80%
Medium	20-50%
Low	<20%

**Statements pursuant to § 85 (1) WpHG and Article 20 of Regulation (EU) No 596/2014 and Delegated Regulation (EU) 2016/958:**

Section 34b of the German Securities Trading Act in combination with the Ordinance on the Analysis of Financial Instruments requires a company preparing a securities analysis to point out potential conflicts of interest with respect to the issuer that is the subject of the analysis. A conflict of interest is presumed to exist, in particular, if a company preparing a securities analysis

- ⑤ holds a more than 5% interest in the capital stock of the issuer that is the subject of the analysis,
- ⑤ holds a more than 5% interest in the capital stock of the issuer that is the subject of the analysis,
- ⑤ has been a member of a syndicate that has underwritten the issuer's securities in the previous 12 months,
- ⑤ is serving as a liquidity provider for the issuer's securities on the basis of an existing designated sponsorship contract,
- ⑤ has been providing investment banking services for the issuer analysed during the last 12 months for which a compensation has been or will be paid,
- ⑤ is party to an agreement with the issuer that is the subject of the analysis relating to the production of the recommendation,
- ⑤ or any of its affiliates are regularly trading securities issued by the issuer analysed or securities based on these issues,
- ⑤ or the analyst covering the issue has other significant financial interests with respect to the issuer that is the subject of this analysis, for example holding a seat on the company's boards

**Sphene Capital GmbH uses the following keys:**

- Key 1:** The analysed company actively provided information material for preparation of this publication.
- Key 2:** This publication has been customized to the issuer and has been modified afterwards before publication. Thereby the analysed company has not been provided with a publication or draft of publication which provided for an investment recommendation.
- Key 3:** The analysed company owns more than 5% of the capital stock of Sphene Capital GmbH and/or a company affiliated with Sphene Capital GmbH.
- Key 4:** Sphene Capital GmbH and/or a company affiliated with it and/or the analyst having prepared this publication owns more than 5% of the capital stock of the analysed company.
- Key 5:** Sphene Capital GmbH and/or a company affiliated with it and/or the author of this publication acquired shares of the analysed company free of charge or for a consideration below the stated target price and before the shares' public offering.
- Key 6:** Sphene Capital GmbH and/or a company affiliated with it serve as a liquidity provider for the issuer's shares on the basis of an existing market maker or liquidity provider contract.
- Key 7:** Sphene Capital GmbH and/or a company affiliated with it and/or a related person/related company and/or the author of this publication was subject to an agreement on services in connection with investment banking transactions with the analysed company in the last 12 months or within the same period received consideration on basis of such an agreement.
- Key 8:** Sphene Capital GmbH and/or a company affiliated with it have concluded an agreement on the preparation of this publication with the analysed company. Sphene Capital GmbH has received an advanced flat fee that corresponds with usual market practices.
- Key 9:** Sphene Capital GmbH and/or a company affiliated with it receive commission earnings arising from commercial activities from the analysed company.
- Key 10:** A member of the managing board of Sphene Capital GmbH and/or the author of this publication is member of the supervisory board of the analysed company.
- Key 11:** Sphene Capital GmbH and/or a company affiliated with it and/or a related person/related company and/or the author of this publication owns a long/short position of more than 0,5% of a class of equity securities of this issuer, as calculated in accordance with EU regulation.
- Key 12:** Sphene Capital GmbH and/or a company affiliated with it has been lead manager or co-lead manager of a publicly disclosed offer of securities of the issuer in the previous 12 months.

**Investment Recommendations (12 months period):**

<b>Date/Time of publication:</b>	<b>Current share price/Price target:</b>	<b>Rating/Validity:</b>	<b>Conflict of interest (key)</b>
12 12 2019/08:25 h	USD 1.03/USD 1.70	Buy/24 months	1, 8
11 11 2019/10:40 h	USD 1.40/USD 1.70	Buy/24 months	1, 8
29 08 2019/08:15 h	n/a/n/a	n/a	1, 2, 8

n overview on the allocation of Sphene Capital's investment recommendations is available under <http://www.sphene-capital.de>.

**Statements pursuant to § 85 (1) WpHG and Article 20 of Regulation (EU) No 596/2014 and Delegated Regulation (EU) 2016/958:**

This publication is based on information obtained from carefully selected public sources, especially suppliers of financial data, the publications of the analysed company and other publicly available media.

**Rating principles/Methodology/Risks**

For the preparation of the publication, company-specific methods from the fundamental stock analysis were used, such as quantitative statistical methods and models, and practices used in technical analysis (inter alia, historical valuation models, net asset value models or sum-of-the-parts valuation models, discounted cash flow models, economic profit models, multiplier models or peer-group comparisons). Valuation models are dependent on macroeconomic factors such as currencies, interest rates, commodities and on assumptions about the economy. In addition to that, market sentiment and political developments may impact the valuation of companies. Selected approaches are also based on expectations, which may change depending on the industry-specific developments without warning. Consequently, recommendations and price targets based on these models may change accordingly. Investment recommendations cover a period of twelve months and may be subject to market conditions. The expected price developments can be achieved faster or slower or be revised upwards or downwards.

**Statement on compliance**

Sphene Capital GmbH has taken internal organisational and regulative precautions to avoid or accordingly disclose possible conflicts of interest in connection with the preparation and distribution of the research report. All members of Sphene Capital GmbH involved in the preparation of the research report are subject to internal compliance regulations. No part of the Analyst's compensation is directly or indirectly related to the preparation of this financial analysis. Responsible for compliance with these arrangements: Susanne Hasler, [susanne.hasler@sphene-capital.de](mailto:susanne.hasler@sphene-capital.de).

**Sources of Information**

Part of the information required for this research report was made available by the issuer of the financial instrument. Furthermore, this report is based on publicly available sources (such as, for example, Bloomberg, Reuters, VWD-Trader and the relevant daily press) believed to be reliable. Sphene Capital GmbH has checked the information for plausibility but not for accuracy or completeness.

**Analyst certification**

This research report was prepared by the research analyst(s) named on the front page (the "Analyst"). Views expressed do not necessarily reflect the opinion of Sphene Capital GmbH or any of its subsidiaries/affiliates. The Analyst(s) is(are) solely responsible for the views and estimates expressed in this report. The author(s) of this publication certify that their views about the companies and their securities discussed in this report are accurately expressed and that they have not received and will not receive direct or indirect compensation in exchange for expressing specific recommendations or views in this publication. The content of the research report was not influenced by the issuer of the analysed financial instrument at any time. It may be possible that parts of the research report were handed out to the issuer for information purposes prior to the publication without any major amendments being made thereafter.

This report has been finalized on 11 12 2019 at 20:00 h. Last price at the time of completion: USD 1.03.