

Deutsche Effecten- und Wechsel- Beteiligungsgesellschaft AG

Germany / Financials
 Frankfurt
 Bloomberg: EFF GR
 ISIN: DE0008041005

H1 2021
 results

RATING
BUY

PRICE TARGET
€ 2.50

Return Potential 39.7%
 Risk Rating High

H1/21 RESULTS AS EXPECTED, PORTFOLIO HOLDINGS DEVELOPING WELL

Deutsche Effecten- und Wechsel- Beteiligungsgesellschaft (DEWB) has published its H1 2021 report and an update on its portfolio holdings. The financial results came in roughly as expected. Following the completion of the disposal of its non-core holding MueTec to the Chinese group TZTEK in May 2021, DEWB achieved a contribution to H1/21 earnings from the sale of investments of €9.4m (FBe: €9.4m). EBIT amounted to €8.5m (FBe: €8.6m H1/20: €-0.7m). Management reiterated its FY/21 guidance of achieving a net profit exceeding €7m (FBe: €7.4m) and confirmed its intention to complete an additional acquisition in FY/21. The portfolio holdings developed as expected during the reporting period. DEWB's anchor shareholding, Lloyd Funds AG (LFAG), continued its sound operating performance in H1/21, and management confirmed the outstanding growth outlook through 2024. DEWB also invested an undisclosed amount in LFAG's WealthTech LAIC, which successfully raised €5m via a blockchain-based token offering to finance further growth. DEWB's factoring specialist Aifinyo, which suffered a negative impact from the Corona pandemic during FY/20, saw a healthy business rebound in H1/21. DEWB's Fintech portfolio is in our view highly promising, including its latest investments in the commission-free neobroker Nextmarkets, the marketplace for alternative investments Stableton, and the wealth management robo advisor LAIC. We continue to believe the company is significantly undervalued at current levels. We reiterate our Buy recommendation and our €2.50 price target.

Solid income from investments and EBIT driven by the successful sale of its non-core holding MueTec Other operating income came in as anticipated at €9.4m (FBe: €9.4m; H1/20: €0). This figure reflects profit from the sale of the optical measurement company MueTec to the Chinese group TZTEK Technology Ltd. for a total price of €25.0m (EV), which included debt to investors of €6.8m. For DEWB's 92% stake, the company received €18.7m, including €2.1m for debt repayment. However, the MueTec transaction took place in two tranches. (p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	2018	2019	2020	2021E	2022E	2023E
Other income (€m)	11.70	3.28	4.97	9.40	2.12	4.77
Y-o-y growth	n.a.	-72.0%	51.7%	89.1%	-77.4%	124.5%
EBIT (€m)	4.41	2.18	3.15	7.97	0.95	3.49
EBT	-1.53	0.29	2.43	7.40	0.33	2.81
Net income (€m)	-1.53	0.29	2.43	7.40	0.33	2.81
EPS (diluted) (€)	-0.09	0.02	0.15	0.44	0.02	0.17
NAV (€m)	11.02	11.31	13.74	21.14	21.47	24.28
Financial Assets (€m)	23.44	26.21	25.62	31.60	36.11	40.58
Net gearing	126.4%	148.0%	95.5%	59.6%	71.9%	70.5%
Liquid assets (€m)	2.19	1.61	0.45	1.00	1.05	1.13

RISKS

Risks include, but are not limited to, portfolio risk (particularly its largest holding Lloyd Fonds), portfolio liquidity (exit possibilities) and lack of transparency in the private holdings.

COMPANY PROFILE

DEWB is a boutique private equity firm focused on investing in young and high growth Fintech companies within the asset management sector, including technology companies with business models that are key to digitalising this industry. The company is based in Jena and has a regional focus on German-speaking countries.

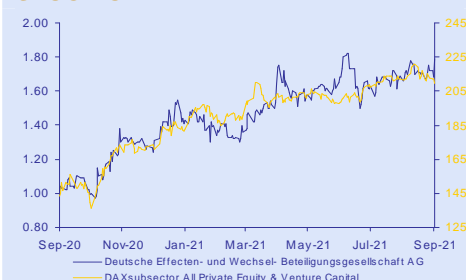
MARKET DATA

As of 29 Sep 2021

Closing Price	€ 1.79
Shares outstanding	16.75m
Market Capitalisation	€ 29.98m
52-week Range	€ 0.97 / 1.82
Avg. Volume (12 Months)	17,859

Multiples	2020	2021E	2022E
P/E	11.8	3.9	88.3
P/Book Value	2.1	1.4	1.3
EV/EBIT	13.0	5.1	43.1
Div. Yield	n.a.	n.a.	n.a.

STOCK OVERVIEW



COMPANY DATA

As of 30 Jun 2021

Liquid Assets	€ 4.55m
Current Assets	€ 10.12m
Intangible Assets	€ 25.70m
Total Assets	€ 35.90m
Current Liabilities	€ 2.56m
Shareholders' Equity	€ 21.90m

SHAREHOLDERS

SPSW Capital	17.0%
ABAG Aktienmarkt Beteiligungs AG	13.0%
Management	1.0%
Freefloat	69.0%



In September 2020, DEWB received the payment of €7.1m for the sale of 25% of the holdings. Following approval from the German Federal Ministry for Economic Affairs and Energy (BMWi), the deal was completed in May 2021. This led to the previously agreed payment of the remaining €10.3m and the corresponding booking of a €9.4m profit as other operating income. The initial investment was ~€2.4m in 2014. The MueTec exit was highly lucrative for DEWB, delivering a ~6.8x multiple and an IRR of ~36%.

In H1/21, OPEX amounted to €940k (FBe: 800k; H1/20: €770k), which included a performance bonus payment for management due to the successful sale of MueTec. DEWB thus recorded EBIT of €8.5m (FBe: €8.6m; H1/20: €-0.7m). Net income for the period was €8.2m (FBe: €8.3m; H1/20: €-1.1m). EPS came in at €0.49 (FBe: €0.49; H1/20: €-0.06).

Table 1: P&L H1/21 reported figures vs FB estimates and H1/20 (KPIs)

All figures in EUR '000	H1/21	H1/21E	Delta	H1/20	Delta
Other operating income	9,400	9,400	0%	79	n.a.
OpEx	-940	-800	-31%	-770	n.a.
EBIT	8,460	8,600	-2%	-691	n.a.
Net financial result	-308	-350	-12%	-394	n.a.
Other financial result (depreciation)	0	0	n.a.	0	n.a.
Net income / loss	8,152	8,250	-1%	-1,085	n.a.
EPS (in EUR, dil.)	0.49	0.49	0	-0.06	n.a.
Margins in %					
EBIT on other operating income	90.0%	91.5%		n.a.	n.a.

Source: First Berlin Equity Research, DEWB

Company FY/21E guidance confirmed The company reiterated its FY/21E guidance of net income exceeding €7m (FBe: €7.4m). Management also guided to an additional acquisition in H2/21 as part of its ongoing Fintech portfolio expansion. DEWB's "Strategy 2020-2024" foresees expanding the portfolio from 4 holdings in 2019 to more than 10 by 2024, funded chiefly from exit returns. DEWB's management intends to expand the NAV of its portfolio from €28m in 2019 to more than €100m by 2024.

H1/21 balance sheet strengthened following MueTec's exit DEWB reported a higher cash position of €4.6m (FY/20: €0.5m) mainly due to cash inflow of €10.3m following the MueTec sale completion in May 2021. DEWB also has €2.5m of its liquidity in its own bonds, which it purchased from investors in late 2020, booking them on the balance sheet under other short-term assets (FY/20: €2.5m). The company completed three Fintech acquisitions for undisclosed amounts in H1/21 (Nextmarkets, Stableton and LAIC), which were partly paid with the cash proceeds from the MueTec sale. In addition, DEWB fully repaid its remaining ST borrowings of €2.5m. This credit line is quite flexible, can be expanded again if required, and according to management, has very attractive interest rate terms. Receivables increased to €1.4m (FY/20: €0.5m), and represent the remaining amount of MueTec's sale price (€0.5m in Sept./20 and €0.9m in May/21), which was deposited in an escrow account for potential guarantee payments for a period of 18 months. Financial assets rose slightly to €25.7m (FY/20: €25.6m), with new Fintech acquisitions exceeding the value reduction caused by MueTec's exit (measured at book values in accordance with German HGB accounting principles). Equity increased to €21.9m (FY/20: €13.7m), corresponding to a higher equity ratio of 61% (FY/20: 46%).

PROGRESS MADE BY THE CORE HOLDINGS

PORTFOLIO OVERVIEW

The portfolio holdings showed positive development – NAV at €33.9m or €2.0 p/s
During H1/21, the majority of DEWB's holdings delivered positive news flow on the achievement of certain milestones including solid sales growth and outlook, client base

expansion and financing rounds (LFAG's WealthTech LAIC and aifinyo), etc. DEWB's FinTech portfolio, comprising two listed companies, Lloyd Fonds (LFAG) and Aifinyo, performed particularly well in H1/21. As a result, LFAG's share price has increased by >50% YTD, while Aifinyo's share price has risen by >40% YTD. Based on the current share price of the listed holdings, the listed portfolio has a value of >€35m. The anchor holding LFAG is by far DEWB's largest portfolio's position. The current book value of DEWB's portfolio according to German accounting standards is €26.4m (including €0.7m receivables from investments which will be paid with shares), which does not consider hidden reserves of about €12m as of H1/21 (source: DEWB's financial report). DEWB's portfolio thus has a market value of €38.4m or €2.3 p/s. If we deduct the company's current net debt of €4.5m, we obtain DEWB's NAV of €33.9m or €2.0 p/s. In the H1/21 report, DEWB also disclosed the percentage size of the stakes acquired in Nextmarkets and Stableton. We give an updated overview of DEWB's portfolio in table 2.

Table 2: DEWB's investment portfolio

Company	Field	Based	Stake	Since	Status	Market cap	Stake value	
Lloyd Fonds	Asset management	Hamburg	22.3%	03/2018	listed	€129.0m	€28.8m	NEW INVESTMENT FOCUS IN DIGITAL FINANCE
Aifinyo	Digital lending	Dresden	4.7%	01/2020	listed	€142.8m	€6.7m	
Nextmarkets	Neobrokerage	Cologne	1.4%	03/2021	private	-	-	
Stableton	Marketplace alternative investments	Zurich	12.0%	04/2021	private	-	-	
LAIC	WealthTech	Hamburg	Undisclosed FBe: <5%	08/2021	private	-	-	OLD INVESTMENT FOCUS (For disposal)
Noxxon	Biotech	Amsterdam	0.8%	12/2000	listed	€25.0m	€0.2m	

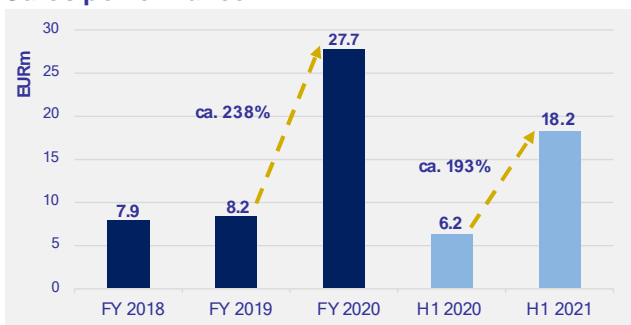
Source: First Berlin Equity Research, DEWB, Bloomberg

LLOYD FONDS AG – 22.3% STAKE

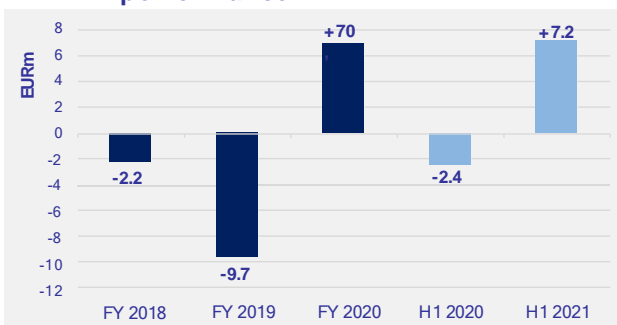
The overall business growth dynamic seen in Q1/21 continued during Q2/21. The company's turnover expanded from €6.2m in H1/20 to €18.2m in H1/21. EBITDA improved from €-2.4m in H1/20 to €7.2m in H1/21, which equates to an impressive EBITDA margin of 39.6%. Based on LFAG's net turnover of €16.8m (H1/20: €5.9m), the EBITDA margin reached 43.0%. Earnings after tax and after minorities increased by €7.6m to €3.7m (H1/20: €-3.9m). The operating cash flow also rose from €-0.5m in H1/20 to €13.0m in H1/21.

Figure 1: LFAG's operating performance in H1/21

Sales performance



EBITDA performance



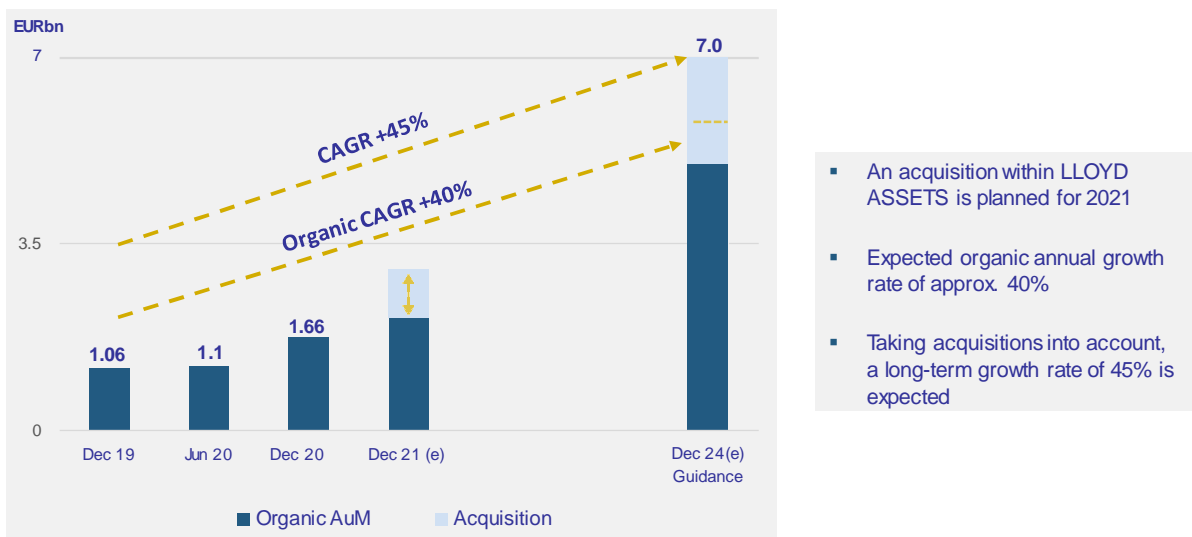
Source: LFAG

Assets under management (AUM) up to ~€2.0bn LFAG's AUM rose to almost €2.0bn (H1/20: €1.1bn; FY/20: €1.7bn), which corresponds to an increase of more than 80% compared to the same period of the previous year and ~18% compared to FY/20.

FY/21E on track to be a strong year – positive guidance for FY/21 Following the sound performance in H1/21, LFAG's AUM are expected to rise by €740m from €1.7bn in FY/20 to just under €2.4bn by the end of FY/21. This corresponds to an increase of ~45%. Also, LFAG is guiding towards operating cash flow of €14.0-16.0m in FY/21E (FY/20: €-0.9m).

Outlook 2024 confirmed – AUM >€7bn by 2024 and EBITDA margin >45% In FY/21E, the company also plans to acquire a second wealth management firm to expand the LF-Assets business. Management confirmed the positive outlook to achieve AUM >€7bn by 2024 with an EBITDA margin on net sales >45% (after 26.1% in FY/20 and 43.0% in H1/21). Considering that LFAG achieved an EBITDA margin on net sales of 43.0% in H1/21, we view management's 2024 EBITDA guidance as realistic.

Figure 2: LFAG outlook of €7bn AUM in 2024



Source: First Berlin Equity Research, DEWB, LFAG

Our positive view on LFAG remains unchanged We believe LFAG has a competitive business model, which should enable it to generate above-average returns for investors. Management's positive outlook suggests substantial business growth over the next few years, which should positively impact the company's valuation.

LAIC CAPITAL, LFAG'S FINTECH BUSINESS – <5.0% STAKE

We estimate that DEWB acquired a stake of less than 5.0% on LAIC, LFAG's AI-based digital asset management DEWB announced that it participated in the recently closed financing round of LAIC. LAIC GmbH embodies the Fintech business of LFAG. The in-house developed Digital Asset Platform 4.0 (DAP 4.0) is the technical enabler of the group's wealth and asset management business. Still, it is also the heart of LAIC's digital portfolio management products offered as a so-called robo advisor to clients. The company's LAIC robo advisor is a state-of-the-art platform to provide digital asset management using artificial intelligence (AI). Importantly, LAIC excels in using AI algorithms with high flexibility, enabling its robo advisor to offer an optimal portfolio composition determined individually according to each customer's personal risk profile. Unlike its peers, who mostly manage accounts in 10-15 predefined ETFs or fund portfolios, LAIC has significant versatility for active asset

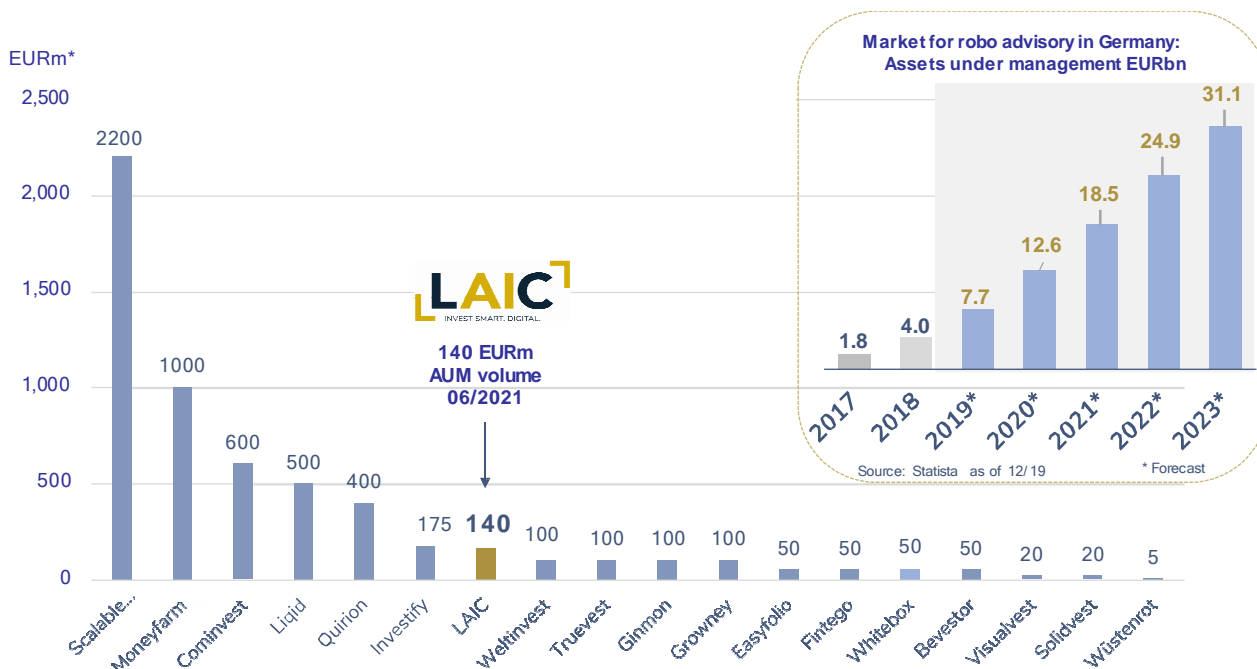


management, enabling it to provide a broad range of personalised products, including funds, ETFs, selected equities or derivatives. Clients can constantly monitor asset allocation and automatically conduct changes within their risk profile as they wish.

Through successful placement of LAIC-token 21, LFAG’s subsidiary LAIC Capital GmbH raised €5m at a pre-money valuation of €50m In August 2021, LFAG and LAIC Capital GmbH completed the placement of the blockchain-based financing instrument LAIC-token 21, raising funds of €5.0m. A group of investors, including DEWB, acquired undisclosed stake rights which altogether totalled €5m and equated to 9.75% of LAIC’s equity at a pre-money valuation of €50m. After completion of the transaction, LFAG still holds a 90.25% stake in LAIC Capital GmbH. The funds raised will be used to finance the growth of LAIC’s business and its AUM (AUM at the end of H1/21: €140m). A second goal of the transaction was to raise investors’ awareness of the highly innovative Fintech business by externalising a part of its value. Investors’ recent appetite for Fintechs has substantially boosted their valuation. Some peers have raised funds at valuations in the hundred million Euro range (e.g. market leader Scalable Capital with AUM of about €2.2bn: pre-money of ~€450m).

DEWB should benefit from investment in the leading robo advisory company LAIC is well-positioned and is ranked among the top seven players. In our view, LAIC’s platform offers superior technological features (i.e. customer-individual asset allocation embedding a best-in-class risk management system) and higher automation than most of its robo advisory peers. These unique attributes can allow LAIC to prevail among its peers and gain market share in the strongly growing robo advisory market.

Figure 3: Competitive environment of robo advisory in Germany



Source: First Berlin Equity Research, LFAG, Statista

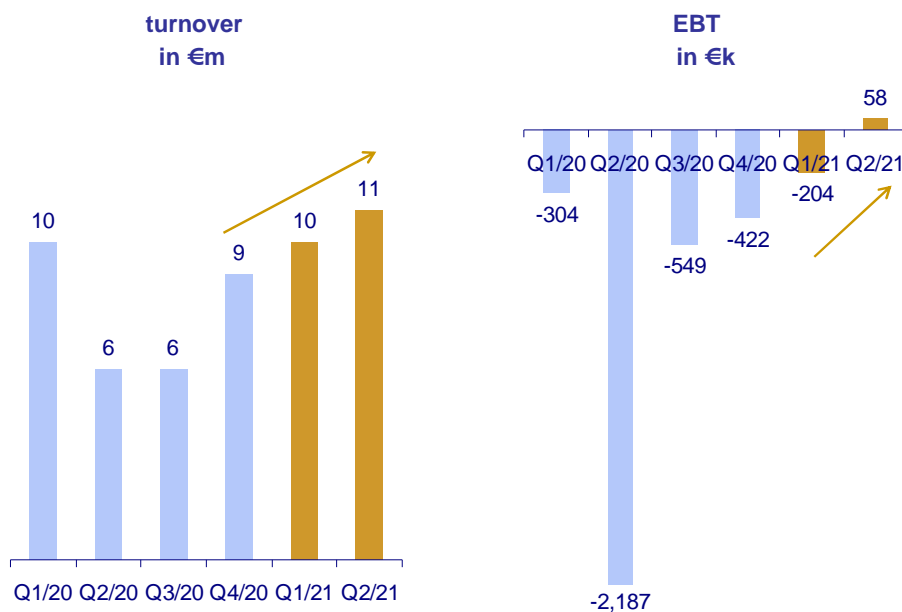
AIFINYO AG – 4.7% STAKE

Return to profitability in Q2/21 DEWB’s Fintech Aifinyo (financing services for freelancers including factoring, finetrading, leasing and debt collection), which suffered from negative effects of the Corona pandemic during FY/20, saw a continuation of the business recovery experienced in Q1/21. In Q2/21, Aifinyo increased revenues y-o-y by 72% to

€11.0m, up from the Corona level of €6.4m in Q2/20. The revenue figure was also slightly better than the €10.4m achieved in Q1/21. The business recovery trend is strengthening, consequently profitability also improved. EBIT came in at €0.2m in Q2/21, after a substantial EBIT loss of €-1.9m in Q2/20. The EBT loss also improved from €-2.2m in Q2/20 and €-0.2m in Q1/21 to a positive figure of €0.1m in Q2/21 (see figure 4).

Based on the positive financial performance, management believes that achieving break-even on a full-year basis is likely. However, this will depend on a strong Q4/21 (Q3 is typically weak due to the holiday season).

Figure 4: Quarterly financial performance in FY/20 and H1/21



Source: aifinyo AG

Aifinyo conducted a capital increase of €5.2m, fully placed with new investor Paladin Asset Management GmbH On 28 August, Aifinyo placed 195k shares at €26.25 p/s, raising gross proceeds of €5.2m to finance growth. Through the placement, the asset management firm Paladin secured 5.35% of Aifinyos capital. Paladin belongs to the Maschmeyer family, including Carsten Maschmeyer, and typically invests in undervalued listed companies. After the capital market transaction, Aifinyo announced that it is evaluating the possibility of conducting an additional capital increase in the coming months, which should support the acceleration of organic and inorganic growth, as well as expand the free float.

Q1/21 and Q2/21 have shown an encouraging business recovery trend, and sales may gain more momentum during the coming quarters The recent strategic measures such as the cooperation with HalloFreelancer, a subsidiary of the Hamburg-based company New Work SE (formerly XING SE), and the funds raised recently may contribute to strengthen revenue growth.

NEXTMARKETS – 1.4% STAKE

Nextmarkets, a zero cost, expert-curated, online trading provider In March 2021, DEWB acquired a 1.4% stake in the German private neobroker Nextmarkets AG as one of the investors in a USD 30m funding round. Nextmarkets is a German innovative FinTech



company offering private investors commission-free online brokerage services accompanied by expert-curated investment advice. Nextmarkets intends to use the proceeds to fund its European expansion. Besides DEWB, well-known investors such as Alan Howard (founder of Brevan Howard Asset Management LLP), and Christian Angermayer (serial entrepreneur, owner of the family office Apeiron Investment Group and co-owner of the fund Cryptology Asset Group), participated in this Series B financing round.

According to FinanceFwd, the pre-money valuation of the company at the time of the transaction was about USD 70m, which is relatively low compared to some of its European peers. In comparison, Trade Republic recently raised USD 900m at a valuation of USD 5bn, and Scalable Capital shows a valuation of ~€450m. Companies preparing IPOs include the Israeli eToro which is expected to be valued at ~€10bn, and the US peer Robinhood, valued at USD11.7bn during the last funding round. Robinhood shares trading in the pre-IPO secondary market indicate a company valuation of ~USD40bn (sources: FinanceFwd, FAZ, Techcrunch, Quartz, Rainmaker Securities).

Company well-positioned to expand in Europe Following recent funding and the current expansion-implemented measures, we see the possibility that Nextmarkets will be able to capture a significant stake of the European trading market. Since the end of 2020, Nextmarkets has expanded to six other countries in addition to Germany and Austria: the United Kingdom, Portugal, the Netherlands, France, Spain and Italy. However, competition is intensifying, and it remains unclear how well the company will prevail against its peers.

STABLETON – 12.0% STAKE

Stableton, the one-stop-shop for alternative investments On 2nd June 2021, DEWB announced the acquisition of a 12% stake in the young Swiss digital marketplace company Stableton Financial AG in connection with an oversubscribed seed financing round. DEWB acted as lead investor, and Mr Köhler (DEWB's CEO) joined Stableton's Board of Directors. Stableton is a Zurich-based Fintech company offering financial products to qualified financial intermediaries such as wealth managers, private banks, and family offices, as well as qualified individual investors. Using a digital platform, clients access attractive alternative investments including venture capital, private debt, and real assets. The company has established a strong footprint in the pre-IPO market.

Competitively positioned Based on a strong, highly experienced team, Stableton has created an appealing Alternatives product portfolio. The company has already signed more than 30 Swiss financial intermediaries who represent ~2% of the local market. Considering that Switzerland is the largest wealth management market in Europe, we believe the company has good chances of becoming one of the leading players in the European region.

VALUATION MODEL

Buy rating and price target reiterated Following the sale of MueTec, DEWB has sufficient funds to finance its Fintech portfolio expansion. In view of DEWB's positive achievements over the reporting period, we continue to believe the company is significantly undervalued at current levels. Based on unchanged estimates, our residual income model based on portfolio NAV still yields a price target of €2.50. We reiterate our Buy recommendation. For more details on DEWB and its Fintech portfolio, we refer to our initiating coverage report of 24 June 2021.

Figure 5: Residual Income Model

In €'000	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Shareholders' equity	21,143	21,469	24,277	30,591	40,116	53,099	69,038	88,511	109,945	130,336
Average shareholders' equity	17,443	21,306	22,873	27,434	35,354	46,608	61,068	78,775	99,228	120,140
Net profit	7,399	326	2,808	6,314	9,525	12,983	15,939	19,473	21,433	20,391
Return on equity	42.4%	1.5%	12.3%	23.0%	26.9%	27.9%	26.1%	24.7%	21.6%	17.0%
Cost of equity	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%
Spread	28.9%	-12.0%	-1.2%	9.5%	13.4%	14.4%	12.6%	11.2%	8.1%	3.5%
Residual income	5,044	-2,550	-280	2,610	4,752	6,690	7,695	8,838	8,038	4,172
PV of residual income stream	4,884	-2,175	-210	1,728	2,773	3,439	3,485	3,527	2,826	1,292
Fair value calculation										
NAV (2021E)	21,143									
PV of residual income stream	21,569									
Fair value	42,712									
Number of shares (000's)	16,750									
Fair value per share €	2.50									

Source: First Berlin Equity Research

Additionally, our residual income model is based on the following assumptions:

- 2021E NAV reflects our projected book value of the portfolio at the end of 2021, which equates to the balance sheet's equity.
- We conservatively project DEWB to achieve a revaluation rate of financial assets (RRFA) of 20-22% in 2021-2024, which is below the company's implied RRFA of >25% from the strategy 2020-2024. Going forward, we assume RRFA will decline to 13.5% after 2030.



INCOME STATEMENT

All figures in EUR '000	2018A	2019A	2020A	2021E	2022E	2023E
Other operating income -profit on exit	11,700	3,277	4,970	9,400	2,125	4,770
Personnel expenses	369	365	546	707	442	539
Other operating expenses	6,912	725	1,270	720	730	740
EBITDA	4,419	2,187	3,154	7,973	953	3,491
Depreciation and amortization	-5	-3	-2	-2	-2	-2
EBIT	4,414	2,184	3,152	7,971	950	3,489
Net financial result	-864	-699	-718	-572	-624	-680
Other financial result (depreciation)	-5,077	-1,197	0	0	0	0
Pre-tax income (EBT)	-1,527	288	2,434	7,399	326	2,808
Tax expense	0	0	0	0	0	0
Net income / loss	-1,527	288	2,434	7,399	326	2,808
EPS (in €)	-0.09	0.02	0.15	0.44	0.02	0.17
Diluted EPS (in €)	-0.09	0.02	0.15	0.44	0.02	0.17
Ratios						
EBITDA margin on other operating income	0.0%	66.7%	63.5%	84.8%	44.8%	73.2%
EBIT margin on other operating income	37.7%	66.6%	63.4%	84.8%	44.7%	73.1%
Tax rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expenses as % of other operating income						
Personnel expenses	-3.2%	-11.1%	-11.0%	-7.5%	-20.8%	-11.3%
Other operating expenses	-59.1%	-22.1%	-25.6%	-7.7%	-34.4%	-15.5%
Depreciation and amortization	0.0%	0.1%	0.0%	0.0%	0.1%	0.0%
Y-Y Growth						
Other operating income -profit on exit	n.a.	-72.0%	51.7%	89.1%	-77.4%	124.5%
Personnel expenses	n.a.	-1.1%	49.6%	29.5%	-37.5%	21.8%
Other operating expenses	n.a.	-89.5%	75.2%	-43.3%	1.4%	1.4%
EBITDA	n.a.	-50.5%	44.2%	152.8%	-88.1%	266.5%
EBIT	n.a.	-50.5%	44.3%	152.9%	-88.1%	267.1%
Net income/ loss	n.a.	n.a.	745.1%	204.0%	-95.6%	760.2%



BALANCE SHEET

All figures in EUR '000	2018A	2019A	2020A	2021E	2022E	2023E
Assets						
Current assets, total	3,343	3,686	4,414	5,866	3,123	2,224
Cash & cash equivalents	2,192	1,608	451	1,003	1,050	1,130
Other short term assets	4	9	2,456	2,456	1,000	0
Receivables from investments	1,147	2,069	1,052	1,052	1,073	1,095
Trade receivables	0	0	455	1,355	0	0
Non-current assets, total	23,955	26,230	25,627	31,613	36,117	40,587
Intangible assets	4	4	4	4	5	5
Property plant & equipment	8	5	4	4	4	5
Financial Assets	23,444	26,213	25,619	31,605	36,108	40,577
Other LT financial assets	499	8	0	0	0	0
Accruals	8	67	46	46	46	46
Total assets	27,306	29,983	30,087	37,525	39,287	42,857
Shareholders' equity & debt						
Current liabilities, total	4,071	5,043	2,559	2,561	3,958	4,681
ST borrowings (banks)	4,008	4,912	2,536	2,536	3,930	4,650
Trade & other payables	51	3	12	13	15	16
Other current liabilities	12	128	11	12	13	15
Long-term liabilities, total	12,213	13,630	13,784	13,821	13,860	13,899
Bonds	11,290	12,540	12,540	12,540	12,540	12,540
Provisions for pensions	833	903	962	991	1,021	1,051
Other provisions	90	187	282	290	299	308
Total Liabilities	16,284	18,673	16,343	16,383	17,818	18,580
Total Equity	11,022	11,310	13,744	21,143	21,469	24,277
Total Equity and Liabilities	27,306	29,983	30,087	37,525	39,287	42,857
Ratios						
Current ratio (x)	0.82	0.73	1.72	2.29	0.79	0.48
Equity ratio	40.4%	37.7%	45.7%	56.3%	54.6%	56.6%
Gearing	126.4%	148.0%	95.5%	59.6%	71.9%	70.5%
Net debt	13,935	16,738	13,131	12,608	15,440	17,111
Return on equity (ROE)	n.a.	2.6%	19.4%	42.4%	1.5%	12.3%



CASH FLOW STATEMENT

All figures in EUR '000	2018A	2019A	2020A	2021E	2022E	2023E
Net income	-1,527	288	2,434	7,399	326	2,808
Depreciation & amortisation	5	3	2	2	2	2
Depreciation to financial investments	5,179	1,201	0	0	0	0
Other non-cash items	-6,708	-2,483	769	1,737	1,341	2,608
Net financial result	762	695	718	572	624	680
Tax result	0	0	0	0	0	0
Changes in working capital	-717	-854	454	-898	1,336	-19
Operating cash flow	-3,006	-1,150	4,377	8,812	3,630	6,080
CapEx / intangibles	-1	0	-1	-3	-3	-3
Free cash flow	-3,007	-1,150	4,376	8,810	3,627	6,077
Investment in holdings	-9,244	-2,769	0	-7,686	-5,806	-7,037
Change in ST financial assets (bond investment)	861	486	-2,439	0	1,456	1,000
Cash flow from investing	-8,384	-2,283	-2,440	-7,688	-4,353	-6,040
Debt financing, net	5,298	2,154	-2,376	0	1,394	720
Equity financing, net	2,280	0	0	0	0	0
Net paid financing expenses	762	695	-718	-572	-624	-680
Cash flow from financing	8,340	2,849	-3,094	-572	770	40
Net cash flows	-3,050	-584	-1,157	552	47	80
Cash, start of the year	5,242	2,192	1,608	451	1,003	1,050
Cash, end of the year	2,192	1,608	451	1,003	1,050	1,130

Note: Calculated by First Berlin Equity Research (DEWB does not report a cash flow statement)

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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	24 June 2021	€1.61	Buy	€2.50
2	Today	€1.79	Buy	€2.50

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- valuation methods and principles

- sensitivity of valuation parameters

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