

SFC Energy AG

Germany / Energy
 Primary exchange: Frankfurt
 Bloomberg: F3C GR
 ISIN: DE0007568578

H1 figures

RATING
BUY

PRICE TARGET
€ 9.50

Return Potential 39.7%
 Risk Rating High

POSITIVE H1 EBIT – UPGRADE TO BUY

SFC reported Q2 figures and held a conference call. Sales increased 7% to €14.1m and EBITDA was slightly positive at €0.08m (Q2/17: €-0.21m). H1 figures were stronger with 17% sales growth to €30.8m and EBITDA of €1.1m. We see the company on track to reach its full-year guidance (sales €60-64m and significantly improved underlying EBITDA & EBIT). Given the negative CAD/EUR exchange rate effect and a weaker than expected performance from the Clean Energy & Mobility segment, we have however lowered our 2018 forecast. Due to a significantly improved net debt position following the capital increase we stick to our €9.50 price target. Following the recent share price decline we upgrade the stock from Add to Buy. Upside: 40%.

Q2 figures in line with forecasts Sales grew 7% y/y to €14.1m and matched our forecast (FBe: €14.3m). Growth drivers were the Industry (+9%) and the Defence & Security (+40%) segments. Gross profit rose almost 9% to €4.7m. The gross margin edged higher from 32.6% to 33.1%. EBITDA was slightly positive at €0.08m versus €-0.21m in Q2/17 (FBe: €0.13m). EBIT improved by half a million euro to €-0.21m and corresponded to our estimate (€-0.17m). The net result amounted to €-0.5m (Q2/17: €-0.8m, FBe: €-0.3m).

Due to the very strong Q1 figures, which benefited from the delivery of a large German army contract, H1 figures showed impressive sales growth (+17%) and significantly improved earnings (EBITDA: €1.1m, EBIT: €0.5m, see figure 1 overleaf). EBITDA drivers were Oil & Gas (segment EBITDA: €0.9m) and Defence & Security (segment EBITDA: €0.6m).

Guidance reiterated SFC has confirmed its full-year guidance (sales €60-64m and significantly improved underlying EBITDA & EBIT). Given that H1 sales amounted to €30.9m and underlying earnings figures improved by ca. €2.5m, we believe that SFC is well on track to reach its guidance. This is also supported by a solid order backlog of €15.8m at the end of H1 and strong order entry in July and August. (p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	2015	2016	2017	2018E	2019E	2020E
Revenue (€m)	47.31	44.04	54.29	61.20	74.53	85.70
Y-o-y growth	-11.8%	-6.9%	23.3%	12.7%	21.8%	15.0%
EBIT (€m)	-10.64	-4.90	-0.88	1.09	4.86	5.74
EBIT margin	-22.5%	-11.1%	-1.6%	1.8%	6.5%	6.7%
Net income (€m)	-10.67	-4.99	-2.07	0.21	3.71	4.29
EPS (diluted) (€)	-1.24	-0.58	-0.23	0.02	0.35	0.41
DPS (€)	0.00	0.00	0.00	0.00	0.00	0.00
FCF (€m)	-3.21	-6.15	0.36	-1.31	0.45	1.62
Net gearing	11.0%	53.5%	37.7%	5.3%	2.5%	-3.7%
Liquid assets (€m)	3.71	2.04	4.69	7.49	7.94	8.56

RISKS

The main risks are financing, internationalisation, unfavourable EUR/CAD exchange rate changes, technological innovations, and increasing competition.

COMPANY PROFILE

SFC Energy AG is a leading provider of integrated power solutions for mobile and stationary off-grid applications. The company is a pioneer in developing and commercialising fuel cells which provide reliable, efficient, and clean power for its energy solutions. Main markets are oil & gas, defence & security, industry, and clean energy & mobility. SFC is headquartered near Munich in Germany.

MARKET DATA

As of 24 Aug 2018

Closing Price	€ 6.80
Shares outstanding	10.25m
Market Capitalisation	€ 69.70m
52-week Range	€ 3.84 / 9.46
Avg. Volume (12 Months)	23,856

Multiples	2017	2018E	2019E
P/E	n.a.	332.7	18.8
EV/Sales	1.4	1.2	1.0
EV/EBIT	n.a.	68.9	15.5
Div. Yield	0.0%	0.0%	0.0%

STOCK OVERVIEW



COMPANY DATA

As of 30 Jun 2018

Liquid Assets	€ 7.59m
Current Assets	€ 25.86m
Intangible Assets	€ 11.08m
Total Assets	€ 38.98m
Current Liabilities	€ 16.56m
Shareholders' Equity	€ 18.14m

SHAREHOLDERS

HPE	26.9%
Havensight	7.5%
Conduit Ventures	7.4%
Other	11.2%
Free Float	47.0%



Figure 1: Reported figures versus forecasts

All figures in €m	Q2-18A	Q2-18E	Delta	Q2-17A	Delta	H1-2018	H1-2017	Delta
Sales	14.10	14.30	-1.4%	13.19	6.9%	30.86	26.31	17.3%
EBITDA	0.08	0.13	-33.3%	-0.21	-	1.06	-0.55	-
margin	0.6%	0.9%		-1.6%		3.4%	-2.1%	
underlying EBITDA	0.31	0.23	36.1%	-0.06	-	2.13	-0.37	-
margin	2.2%	1.6%		-0.5%		6.9%	-1.4%	
EBIT	-0.21	-0.17	-	-0.71	-	0.50	-1.52	-
margin	-1.5%	-1.2%		-5.4%		1.6%	-5.8%	
underlying EBIT	0.02	-0.07	-	-0.37	-	1.57	-0.99	-
margin	0.1%	-0.5%		-2.8%		5.1%	-3.8%	
Net income	-0.48	-0.30	-	-0.83	-	-0.15	-1.83	-
margin	-3.4%	-2.1%		-6.3%		-0.5%	-6.9%	
EPS (diluted, in €)	-0.05	-0.03	-	-0.09	-	-0.02	-0.20	-

Source: First Berlin Equity Research, SFC Energy AG

Balance sheet significantly strengthened Balance sheet metrics have improved significantly due to the capital increase in June (gross proceeds of €4.2m). At the end of H1, equity amounted to €18.1m versus €13.9m at the end of last year. The equity ratio improved from 40.2% to 46.5%. The cash position at the end of H1 was €7.3m versus €4.4m at the end of 2017. SFC reduced financial debt by €2.5m to €7.9m resulting in net debt of only €0.6m (end 2017: €5.6m).

Positive operating and free cash flow Cash flow from operations was €1.2m. SFC's business has thus started to generate positive operating cash flows. CAPEX of €1.0m resulted in free cash flow of €0.2m. Cash flow from financing amounted to €2.7m and net cash flow was €2.9m.

Earnings driver Oil & Gas Despite CAD/EUR exchange rate headwinds, Q2 segment sales increased a good 2% to €6.0m. Gross profit even rose 22% to €1.8m due to increased (high-margin) fuel-cell sales and the delisting of low margin products. The segment gross margin rose by almost 5 PP to 30.1% (see figure 2 overleaf). The H1 figures showed stronger growth. H1 segment sales were up 4% and gross profit 33%. H1 segment EBITDA improved by €1m to €0.9m.

A strong order intake in July and August (see for example CAD 0.7m SCADA order by a Canadian oil & gas company) strengthens our confidence that segment growth will continue in H2 at a gross margin similarly high as in H1.

Growth engine Defence & Security In Q2, segment sales grew 40% y/y to €1.3m clearly beating our segment estimate of €0.8m. Gross profit rose 36% y/y to €0.5m. The gross margin declined by ca. 1 PP to 38.2% (see figure 2 overleaf). The H1 figures are outstanding due to the delivery of a large German army order in Q1. H1 segment sales amounted to €5.6m (H1/17: €1.5m) and gross profit was €2.6m (H1/17: €0.6m). H1 segment EBITDA was €0.6m (H1/17: €-0.9m). The segment was thus the second major EBITDA contributor.

Although we do not expect the H2 sales contribution to be as strong as in H1, both the German and international order pipeline signal a high likelihood of annual sales of around €8m. Furthermore, we believe that sales momentum remains high in 2019E and expect 2019E segment revenues in the low double-digit million euro area.

Problem child Clean Energy & Mobility Q2 segment sales were flat y/y at €2.4m (FBe: €2.6m) and gross profit declined 6% to below €1.0m (see figure 2 overleaf). H1 figures even show a fall in revenue of 15% y/y as H1/17 figures were positively affected by a large order



from Singapore. Due to a higher gross margin (39.6% versus 35.4%), gross profit declined only 5% to €1.9m. The segment is the only one with a negative EBITDA contribution (€-0.5m versus €-0.2m in H1/17).

Management is however confident of reaching slight sales growth for the full year due to regional expansion and the EFOY PRO 12000 energy solution gaining traction. Following the weaker than expected H1 results we have lowered our segment forecasts for 2018E. In 2019E, the partnership agreement with a Chinese company, which has a widespread distribution network in China, looks set to drive revenues.

Industry segment growing steadily In Q2, segment revenues grew 9% to €4.4m. Gross profit was slightly lower y/y at €1.4m, as the gross margin fell from 35.3% to 31.5%. H1 sales also grew 9% to €8.3m and gross margin compression was also similar (29.4% versus 34.2%). EBITDA was slightly positive at €8k (H1/17: €67k).

For H2, we expect segment growth to continue and margins to rise as the segment looks set to benefit from the relocation of production capacity from the Netherlands to Romania. This should lower production costs permanently. Restructuring costs of €0.4m burdened the Q1 result, and SFC expects the relocation to pay for itself in 12-18 months.

Figure 2: Reported segment figures versus forecasts

All figures in €m	Q2-18A	Q2-18E	Delta	Q2-17A	Delta	H1-18A	H1-17A	Delta
Oil & Gas								
Sales	6.01	6.45	-6.8%	5.87	2.4%	12.17	11.69	4.1%
Gross profit	1.81	1.86	-2.4%	1.48	22.1%	3.61	2.72	32.9%
margin	30.1%	28.8%		25.3%		29.7%	23.3%	
Defence & Security								
Sales	1.32	0.80	64.9%	0.94	40.0%	5.65	1.43	296.3%
Gross profit	0.50	0.43	16.4%	0.37	35.8%	2.65	0.65	310.1%
margin	38.2%	54.1%		39.4%		46.8%	45.3%	
Clean Energy & Mobility								
Sales	2.38	2.55	-6.7%	2.36	0.9%	4.73	5.57	-15.0%
Gross profit	0.97	1.00	-3.8%	1.02	-5.8%	1.87	1.97	-4.8%
margin	40.5%	39.3%		43.4%		39.6%	35.4%	
Industry								
Sales	4.40	4.50	-2.3%	4.02	9.2%	8.31	7.63	9.0%
Gross profit	1.39	1.39	0.0%	1.42	-2.5%	2.44	2.61	-6.5%
margin	31.5%	30.8%		35.3%		29.4%	34.2%	
Group								
Sales	14.10	14.30	-1.4%	13.19	6.9%	30.86	26.31	17.3%
Gross profit	4.67	4.68	-0.3%	4.30	8.5%	10.57	7.94	33.1%
margin	33.1%	32.7%		32.6%		34.3%	30.2%	

Source: First Berlin Equity Research, SFC Energy AG

2018E forecast reduced, 2019E forecast maintained Given the negative CAD/EUR exchange rate effect and the weaker than expected performance of the Clean Energy & Mobility segment we have lowered our 2018E forecast. We now expect sales of €61.2m and EBIT of €1.1m (see figure 3 overleaf). Furthermore, we expect SFC to be operating cash flow positive in 2018E and free cash flow positive in 2019E. We maintain our 2019E forecast as we continue to see strong sales and earnings drivers for the next year. The oil price looks set to at least remain on a high level (US sanctions against Iran), and defence demand is on the rise (US administration pushing NATO members to get closer to the 2% target, continuing tensions between Russia and Ukraine, and rising tensions in the Middle East – Iran / Saudi-Arabia, Iran-Syria / Israel-USA). Given SFC's strong competitive position in the defence market we forecast that the company will strongly benefit from increasing national and international defence demand.



Figure 3: Revisions to forecasts

All figures in €m	2018E			2019E			2020E		
	Old	New	Delta	Old	New	Delta	Old	New	Delta
Sales	64.20	61.20	-4.7%	74.53	74.53	0.0%	85.70	85.70	0.0%
EBIT	2.54	1.09	-57.0%	4.86	4.86	0.0%	5.74	5.74	0.0%
<i>margin</i>	4.0%	1.8%		6.5%	6.5%		6.7%	6.7%	
Net income	1.56	0.21	-86.6%	3.71	3.71	0.0%	4.29	4.29	0.0%
<i>margin</i>	2.4%	0.3%		5.0%	5.0%		5.0%	5.0%	
EPS (diluted) in €	0.15	0.02	-86.6%	0.35	0.35	0.0%	0.41	0.41	0.0%

Source: First Berlin Equity Research

Upgrade to Buy at unchanged price target An updated DCF model still yields a €9.50 price target. Lower 2018E forecasts are compensated by the improved net debt position. Following the recent share price decline we upgrade the stock from Add to Buy. Upside: 40%.



VALUATION MODEL

DCF valuation model								
All figures in EUR '000	2018E	2019E	2020E	2021E	2022E	2023E	2024E	2025E
Net sales	61,200	74,525	85,704	97,617	110,218	123,354	136,833	150,429
NOPLAT	1,084	4,354	4,839	6,239	7,644	8,720	9,690	10,688
+ depreciation & amortisation	1,208	1,286	1,370	1,396	1,461	1,555	1,666	1,788
Net operating cash flow	2,292	5,640	6,209	7,635	9,105	10,274	11,356	12,477
- total investments (CAPEX and WC)	-2,730	-4,542	-4,038	-4,168	-4,478	-4,755	-4,985	-5,157
Capital expenditures	-1,469	-1,565	-1,457	-1,659	-1,824	-1,985	-2,140	-2,284
Working capital	-1,261	-2,977	-2,581	-2,509	-2,655	-2,770	-2,845	-2,873
Free cash flows (FCF)	-438	1,098	2,171	3,467	4,627	5,519	6,371	7,320
PV of FCF's	-423	965	1,737	2,524	3,065	3,327	3,493	3,652

All figures in thousands	
PV of FCFs in explicit period (2018E-2032E)	44,941
PV of FCFs in terminal period	54,447
Enterprise value (EV)	99,388
+ Net cash / - net debt (pro forma)	153
+ Investments / minority interests	0
Shareholder value	99,541
Diluted number of shares	10,430
Fair value per share in EUR	9.54

WACC		Terminal growth rate							
		1.5%	2.0%	2.5%	3.0%	3.5%	4.0%	4.5%	
Cost of equity	11.2%	5.9%	20.56	22.21	24.34	27.20	31.26	37.46	48.08
Pre-tax cost of debt	7.0%	6.9%	15.88	16.78	17.89	19.29	21.09	23.52	26.96
Tax rate	30.0%	7.9%	12.72	13.26	13.90	14.66	15.60	16.79	18.32
After-tax cost of debt	4.9%	8.9%	10.47	10.80	11.19	11.65	12.19	12.84	13.64
Share of equity capital	80.0%	9.9%	8.79	9.01	9.26	9.54	9.87	10.26	10.72
Share of debt capital	20.0%	10.9%	7.50	7.65	7.81	8.00	8.21	8.45	8.73
		11.9%	6.48	6.58	6.70	6.82	6.96	7.12	7.30
Price target in EUR	9.50	12.9%	5.66	5.74	5.81	5.90	6.00	6.10	6.22

* for layout purposes the model shows numbers only to 2025, but runs until 2032



INCOME STATEMENT

All figures in EUR '000	2014A	2015A	2016A	2017A	2018E	2019E	2020E
Revenues	53,631	47,310	44,041	54,292	61,200	74,525	85,704
Cost of goods sold	37,970	34,083	30,795	36,566	40,565	48,516	56,393
Gross profit	15,661	13,227	13,247	17,726	20,635	26,009	29,311
S&M	10,540	12,499	9,126	9,786	10,707	11,400	12,427
G&A	4,872	5,546	4,883	5,016	5,161	5,400	5,999
R&D	4,530	5,806	4,148	3,892	3,552	4,350	5,142
Other operating income	170	142	96	277	612	224	257
Other operating expenses	159	161	83	194	734	224	257
Operating income (EBIT)	-4,269	-10,644	-4,898	-885	1,092	4,859	5,742
Net financial result	-298	-315	-475	-1,150	-874	-645	-554
Non-operating expenses	0	0	0	0	0	0	0
Pre-tax income (EBT)	-4,567	-10,959	-5,373	-2,035	218	4,214	5,188
Income taxes	259	-290	-380	37	9	506	903
Minority interests	0	0	0	0	0	0	0
Net income / loss	-4,826	-10,669	-4,993	-2,072	210	3,708	4,285
Diluted EPS (in €)	-0.60	-1.24	-0.58	-0.23	0.02	0.35	0.41
EBITDA	-1,177	-4,650	-2,508	862	2,301	6,146	7,112
Ratios							
Gross margin	29.2%	28.0%	30.1%	32.6%	33.7%	34.9%	34.2%
EBITDA margin on revenues	-2.2%	-9.8%	-5.7%	1.6%	3.8%	8.2%	8.3%
EBIT margin on revenues	-8.0%	-22.5%	-11.1%	-1.6%	1.8%	6.5%	6.7%
Net margin on revenues	-9.0%	-22.6%	-11.3%	-3.8%	0.3%	5.0%	5.0%
Tax rate	-5.7%	2.6%	7.1%	-1.8%	4.0%	12.0%	17.4%
Expenses as % of revenues							
S&M	19.7%	26.4%	20.7%	18.0%	17.5%	15.3%	14.5%
G&A	9.1%	11.7%	11.1%	9.2%	8.4%	7.2%	7.0%
R&D	8.4%	12.3%	9.4%	7.2%	5.8%	5.8%	6.0%
Other operating expenses	0.3%	0.3%	0.2%	0.4%	1.2%	0.3%	0.3%
Y-Y Growth							
Revenues	65.5%	-11.8%	-6.9%	23.3%	12.7%	21.8%	15.0%
Operating income	n.m.	n.m.	n.m.	n.m.	n.m.	344.8%	18.2%
Net income/ loss	n.m.	n.m.	n.m.	n.m.	n.m.	1670.0%	15.6%



BALANCE SHEET

All figures in EUR '000	2014A	2015A	2016A	2017A	2018E	2019E	2020E
Assets							
Current assets, total	27,542	21,154	20,056	21,849	26,501	31,129	35,514
Cash and cash equivalents	6,407	3,712	2,041	4,694	7,492	7,945	8,562
Short-term investments	0	0	0	0	0	0	0
Receivables	12,766	7,490	9,253	8,712	9,725	12,047	14,088
Inventories	7,653	8,782	7,718	7,939	8,780	10,634	12,360
Other current assets	715	1,170	1,044	504	504	504	504
Non-current assets, total	19,714	14,736	13,737	12,684	12,945	13,223	13,310
Property, plant & equipment	1,601	1,390	1,205	1,197	1,389	1,568	1,698
Goodwill & other intangibles	17,813	12,768	11,855	10,950	11,019	11,118	11,076
Other assets	300	578	678	537	537	537	537
Total assets	47,256	35,889	33,793	34,534	39,446	44,352	48,825
Shareholders' equity & debt							
Current liabilities, total	13,371	13,041	13,335	18,563	12,746	13,944	14,131
Short-term debt	2,013	2,014	4,317	9,410	3,000	3,000	2,000
Accounts payable	6,872	7,263	5,790	5,520	6,113	7,311	8,498
Current provisions	686	667	646	800	800	800	800
Other current liabilities	3,800	3,097	2,583	2,833	2,833	2,833	2,833
Long-term liabilities, total	6,296	6,291	7,119	2,076	7,076	7,076	7,076
Long-term debt	3,045	3,520	4,860	529	5,529	5,529	5,529
Deferred revenue	0	0	0	0	0	0	0
Other liabilities	3,251	2,772	2,259	1,547	1,547	1,547	1,547
Minority interests	0	0	0	0	0	0	0
Shareholders' equity	27,589	16,558	13,339	13,895	19,624	23,333	27,618
Share capital	8,611	8,611	9,047	9,659	10,454	10,454	10,454
Capital reserve	71,955	72,017	73,132	75,475	80,200	80,200	80,200
Other reserves	0	0	0	0	0	0	0
Treasury stock	0	0	0	0	0	0	0
Loss carryforward / retained earnings	-52,689	-63,358	-68,351	-70,423	-70,213	-66,505	-62,220
Total consolidated equity and debt	47,256	35,889	33,793	34,534	39,446	44,352	48,825
Ratios							
Current ratio (x)	2.06	1.62	1.50	1.18	2.08	2.23	2.51
Quick ratio (x)	1.49	0.95	0.93	0.75	1.39	1.47	1.64
Net cash	1,349	-1,821	-7,135	-5,245	-1,037	-584	1,033
Net gearing	-4.9%	11.0%	53.5%	37.7%	5.3%	2.5%	-3.7%
Book value per share (€)	3.44	1.92	1.54	1.51	1.93	2.23	2.64
Equity ratio	58.4%	46.1%	39.5%	40.2%	49.7%	52.6%	56.6%
Return on equity (ROE)	-17.5%	-64.4%	-37.4%	-14.9%	1.1%	15.9%	15.5%
Return on investment (ROI)	-10.2%	-29.7%	-14.8%	-6.0%	0.5%	8.4%	8.8%
Return on assets (ROA)	-9.6%	-28.8%	-12.7%	-2.6%	2.8%	9.9%	10.0%
Return on capital employed (ROCE)	-14.4%	-42.0%	-22.3%	-4.1%	5.1%	20.4%	21.4%
Days of sales outstanding (DSO)	86.9	57.8	76.7	58.6	58.0	59.0	60.0
Days of inventory turnover	73.6	94.0	91.5	79.3	79.0	80.0	80.0
Days in payables (DIP)	66.1	77.8	68.6	55.1	55.0	55.0	55.0



CASH FLOW STATEMENT

All figures in EUR '000	2014A	2015A	2016A	2017A	2018E	2019E	2020E
EBIT	-4,269	-10,644	-4,898	-885	1,092	4,859	5,742
Depreciation and amortisation	3,093	5,994	2,390	1,747	1,208	1,286	1,370
EBITDA	-1,177	-4,650	-2,508	862	2,301	6,146	7,112
Changes in working capital	-2,015	3,216	-3,541	1,362	-1,261	-2,977	-2,581
Other adjustments	-361	-429	818	-519	-883	-1,151	-1,457
Operating cash flow	-3,553	-1,863	-5,231	1,704	157	2,018	3,074
CAPEX	-181	-294	-301	-497	-551	-596	-600
Investments in intangibles	-452	-1,055	-619	-844	-918	-969	-857
Free cash flow	-4,186	-3,212	-6,151	363	-1,312	453	1,617
Acquisitions & disposals, net	1	12	205	33	0	0	0
Other investments	14	-146	150	0	0	0	0
Investing cash flow	-618	-1,483	-565	-1,308	-1,469	-1,565	-1,457
Debt financing, net	826	699	2,834	2,252	-1,410	0	-1,000
Equity financing, net	3,263	0	1,500	400	5,520	0	0
Dividend paid	0	0	0	0	0	0	0
Other financing	-946	-201	-60	-394	0	0	0
Financing cash flow	3,143	498	4,274	2,258	4,110	0	-1,000
Forex & other effects	8	4	1	-2	0	0	0
Net cash flows	-1,020	-2,845	-1,521	2,653	2,798	453	617
Cash, start of the year	7,143	6,123	3,277	1,756	4,694	7,492	7,945
Cash, end of the year	6,123	3,277	1,756	4,409	7,492	7,945	8,562
EBITDA/share (in €)	-0.15	-0.54	-0.29	0.09	0.23	0.59	0.68
Y-Y Growth							
Operating cash flow	n.m.	n.m.	n.m.	n.m.	-90.8%	1188.0%	52.4%
Free cash flow	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	257.2%
EBITDA/share	n.m.	n.m.	n.m.	n.m.	141.8%	159.4%	15.7%

FIRST BERLIN RECOMMENDATION & PRICE TARGET HISTORY

Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	23 June 2014	€4.84	Buy	€7.40
2...28	↓	↓	↓	↓
29	16 April 2018	€8.36	Add	€9.40
30	8 May 2018	€8.80	Add	€9.50
31	19 June 2018	€7.92	Add	€9.50
32	Today	€6.80	Buy	€9.50

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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.

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- key sources of information in the preparation of this research report
- valuation methods and principles
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