

ParTec AG

Germany / Technology
 Frankfurt
 Bloomberg: JY0 GR
 ISIN: DE000A3E5A34

2023 Annual Report

RATING **BUY**
PRICE TARGET **€ 170.00**
 Return Potential 163.6%
 Risk Rating Medium

GROWTH STORY INTACT DESPITE SUB-CONSENSUS 2024 REVENUE GUIDE

2023 sales rose 165% y/y to €95.7m (2022: €36.1m) and were close to our forecast of €96.8m. The gap between 2023 EBIT of €14.4m (excluding write-offs on receivables) (2022: €17.3m) and our forecast of €15.6m was roughly equally attributable to a slightly lower gross margin (30.2% vs FBe: 30.9%) and higher recruitment and travel costs than we had modelled. ParTec has given 2024 revenue guidance of €200m, which is below the estimate of €335.2m in our initiating coverage study of 26 March and also consensus of over €300m. 2024 revenue guidance is below these estimates for four reasons. First, delays are expected in the vendor segment. These may result in revenues planned for H2/24 being pushed into H1/25. Second, management has indicated that ParTec's near-term AI machine strategy will be orientated towards a small number of larger projects rather than a large number of smaller projects. Against this background, we have pushed forecast 2024 revenues from smaller machines into next year. Third, software & support revenues are likely to be below the originally expected level due to delays in the project business. Fourth, the court case against Microsoft is likely to crimp license income. While we have reduced our 2024 forecasts, we continue to believe that the ParTec growth story is intact. We expect rising project volume in the Vendor segment and fast-growing AI machine revenues to drive group sales at a 59.7% CAGR between 2024 and 2027. We maintain our Buy recommendation but have reduced our price target to €170 (previously: €220) to reflect the recalibration of our forecasts.

2023 sales up 165% y/y at €95.7m 2023 sales rose 165% to €95.7m (2022: €36.1m) and were close to our forecast of €96.8m. Sales growth was driven by revenues from the JUPITER and Mare Nostrum V supercomputer projects. These two projects respectively accounted for €43m and €52m of 2023 output of €105.2m. In 2022 Mare Nostrum V accounted for ca. €30m of total output of €39.6m. First JUPITER revenues were not booked until 2023.

(p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	2022	2023	2024E	2025E	2026E	2027E
Revenue (€m)	36.1	95.7	202.1	527.4	588.5	823.0
Y-o-y growth	n.a.	165.1%	111.2%	160.9%	11.6%	39.8%
EBIT (€m)	17.3	-13.3	21.9	96.7	119.5	242.5
EBIT margin	47.9%	-13.9%	10.9%	18.3%	20.3%	29.5%
Net income (€m)	11.2	-17.4	14.7	73.4	91.6	187.8
EPS (diluted) (€)	1.40	-2.18	1.83	9.18	11.45	23.47
DPS (€)	1.25	0.00	0.00	1.25	1.25	1.25
FCF (€m)	-0.9	19.0	-23.6	-4.0	77.7	130.0
Net gearing	n.a.%	n.a.	169.3%	26.7%	-27.2%	-48.1%
Liquid assets (€m)	0.2	15.3	11.5	12.5	45.2	165.2

RISKS

Risks include but are not limited to, a strong dependence on key persons that helped share the company and ongoing and future patent litigation.

COMPANY PROFILE

ParTec AG is a global leader in the development and manufacture of modular supercomputers and the high performance computing software that accompanies it. The company went public in July of 2023 with a direct listing on the Frankfurt stock exchange and had 57 employees as of year-end 2023.

MARKET DATA

As of 10 Jul 2024

Closing Price € 64.50
 Shares outstanding 8.00m
 Market Capitalisation € 516.00m
 52-week Range € 6.95 / 180.00
 Avg. Volume (12 Months) 673

Multiples	2023	2024E	2025E
P/E	n.a.	35.2	7.0
EV/Sales	5.3	2.5	1.0
EV/EBIT	n.a.	23.3	5.3
Div. Yield	0.0%	0.0%	1.9%

STOCK OVERVIEW



COMPANY DATA

As of 31 Dec 2023

Liquid Assets € 15.31m
 Current Assets € 74.43m
 Intangible Assets € 3.04m
 Total Assets € 81.79m
 Current Liabilities € 43.21m
 Shareholders' Equity € -3.75m

SHAREHOLDERS

BF Tec Holding GmbH 60.5%
 HSC Beteiligungs GmbH 15.6%
 R. Falter 5.0%
 Prof. Dr. Tichy 5.0%
 Free Float 13.9%



Gross margin should start to widen from 2025 Reported gross profit of €28.9m (2022: €23.4m) was close to our estimate of €29.9m. The gross margin narrowed to 30.2%, (2022: 64.8%) because revenue growth did not keep pace with component price increases and license income fell as a percentage of sales. However, we expect the gross margin to move back over 35% by 2027 as the sales mix shifts away from vendor projects to higher margin segments such as AI machines and licensing.

€27.7m receivables write-off impacted 2023 result Due to a €27.7m write-off of outstanding receivables from ParTec's project partner, Atos, 2023 EBIT came in at €-13.3m. Clean of the write-off, 2023 EBIT fell 16.8% to €14.4m and was 7.5% below FBe of €15.6m due to the above-mentioned gross margin development as well as higher recruitment and travel costs than we had anticipated. Overall personnel costs fell as a percentage of sales from 8.6% to 5.5%, although the year-end number of employees more than doubled to 57 (year-end 2022: 27).

2023 dividend passed ParTec has passed the dividend for 2023 (2022: €1.25 per share). We believe the decision not to pay a dividend for 2023 reflects the need to conserve cash after the receivables write-off and ahead of a likely working capital build-up in 2024 and 2025. We expect ParTec will resume dividend payments for the 2025 financial year.

Steps taken to limit future write-offs on Atos receivables In its 2023 annual report ParTec wrote off €27.7m of trade receivables which were still outstanding from 2021 and 2022. These receivables stemmed from the co-operation with Atos in the construction of the supercomputers Leonardo I, MeluXina, and Mare Nostrum V. ParTec are still in ongoing talks with Atos regarding the payment of these receivables, but decided to write them down completely as a precautionary measure. The remaining trade receivables of €23.9m at end December 2023 are also from Atos. They mostly relate to the JUPITER project. ParTec has taken measures to ensure that these receivables are paid. ParTec is now no longer an Atos subcontractor with respect to the JUPITER project, but a member of a group of economic operators. We believe that this construction eliminates the risk of write-offs on JUPITER receivables. €6m of the remaining trade receivables of €23.9m stem from the Mare Nostrum V project. We gather from talking to management that the Mare Nostrum V machine has been completed. Measures similar to those taken in connection with the JUPITER Project have not been taken in connection with the Mare Nostrum V project. However, so far Atos has made all payments with respect to Mare Nostrum V in a timely fashion, and we also expect the final payments to proceed smoothly.

€754m patent valuation included in parent company accounts, but not in consolidated balance sheet Towards the end of 2023, ParTec engaged an independent auditing company to value its patent portfolio. In the 2023 annual accounts published on 14 June, ParTec's auditor, Niethammer, Posewang & Partner GmbH, certified a value of €754m for the company's patent portfolio. This figure is included in the parent company balance sheet but was eliminated in the consolidated balance sheet. Our initiation coverage study of 26 March did not show any value in the consolidated balance sheet for the patent portfolio.

Lawsuit against Microsoft On 10 June 2024, ParTec announced that they had filed a patent infringement suit in Texas against Microsoft. ParTec are being represented by the law firm Susman Godfrey L.L.P, which is the leading boutique litigation firm in the USA and currently has two other ongoing cases against Microsoft.



According to ParTec's CEO, Bernhard Frohwitter, Susman Godfrey are not charging ParTec any fees for the litigation, but will be paid a predetermined percentage of the costs and damages paid by Microsoft in the case that the lawsuit is successful. ParTec claims that Microsoft's Azure supercomputers, of which approximately 150 have been built so far, infringe on their patented dynamic modular system architecture (dMSA). They seek an injunction against the use of their patented technology as well as license fees and compensation for damages. There has been no concrete information regarding the size of the damages claimed, but Florian Müller, the founder of IP Fray and a patent expert, expects that ParTec will settle for a two to three digit million dollar payment. Florian Müller also expects that the case will be complex and take about three to four years. However, an out of court settlement is also possible, in which case the matter would be resolved substantially more quickly.

2024 guidance below consensus estimates In the 2023 annual report, ParTec gave 2024 revenue guidance of €200m, which is below the revenue estimate of €335.2m in our initiating coverage study of 26 March and also consensus of over €300m. 2024 revenue guidance is below these estimates because:

- Completion of the JUPITER project has been put back from end 2024 to H1/25. In the light of the delay in the JUPITER project, we now assume that the start of other projects, which we previously assumed for 2024, may be delayed into 2025;
- ParTec's near-term AI machine strategy will be orientated towards a small number of larger projects rather than a large number of smaller projects. This implies lower AI machine revenue in 2024 than we had previously modelled;
- Software and support will be below the originally expected level because of expected delays in the vendor project business; and
- The court case against Microsoft is likely to crimp license income.

Changes to our individual segment forecasts are explained in more detail below and are shown in figure 1.

Vendor

As outlined above, we now assume that several projects, which we had previously modelled as starting in 2024, will not start until 2025. We expect that ParTec's vendor segment will generate €140m-€205m in revenue in 2024. Our new 2024 vendor revenue forecast is €184.7m, 8.4% below our previous estimate (old FBe: €201.7m). If ParTec is able to meet previously anticipated schedules, then vendor revenues should be closer to the top of our forecast range. Supercomputer project volume in Europe is rising, and we expect ParTec's participation in some of the projects outlined on the next page (see § Exascale pipeline), as well as projects yet to be announced, to push vendor revenues in 2025 and subsequent years well above €300m.

AI machines

Earlier this year, ParTec had planned to sell scaled down versions of the JUPITER exascale supercomputer to industry for use as AI trainers. Instead of selling 28 cabinets of hardware, with a combined FP64 performance of over 1 exaflops, the plan was to sell one, two or three cabinets with ~35 petaflops per cabinet. Due to the interplay between ParTec's patented dMSA and the ParaStation Modulo software, the company is able to scale down its supercomputers without a loss of per-cabinet performance. We previously estimated that in 2024 ParTec would sell four of these scaled down supercomputers as AI trainers. However, ParTec has changed its short-term plan for the AI Machines segment. Instead of selling individual AI machines, the company is currently in talks with ministries and industry associations to build and operate very large AI machines for use by industry. These machines are designed to offer German industry its first domestic access to AI services and are expected to have ~50% of the capacity of the JUPITER supercomputer, which would give each machine an AI performance of more than 50 exaFLOPS (50×10^{18} floating points



operations per second). If a contract for the construction of one of these large AI machines is signed, ParTec expects to receive €100m in revenue in 2024, with an additional €200m to follow as pre-determined milestones are reached. Because of the uncertainty associated with ParTec's AI contracts, we have decided to remove all revenues associated with small AI machines from our new 2024 estimates. We have also reduced our forecasts for subsequent years, which still consist solely of smaller AI machines. If a contract or contracts for one or more larger machines are signed, our new estimates will have been too conservative.

Software & support

As most of ParTec's current software & support revenue is tied to vendor projects, we have also altered our 2024 revenue forecasts to reflect the expected delays in this segment. We now estimate software & support revenue for 2024 at €15.5m, down 48% from our previous estimate of €29.8m. The reduction is due to the postponement into 2025 of one large payment which was previously expected this December. For the years beyond 2024 we also take a more conservative view of software and support as a percentage of vendor project revenue. We now see this figure in the range 15%-25% of vendor revenues (previously: 20% to 30%).

Licensing

ParTec now believe that it is unlikely that any large player, such as Hewlett Packard Enterprise, will voluntarily pay ParTec licensing fees for the use of its patented dMSA pending the outcome of the lawsuit against Microsoft. Against this background, we have eliminated licensing revenues from our forecast until 2027. We will continue to monitor the court case against Microsoft and will amend our forecasts as required.

R&D

Our revenue and gross profit forecasts for the R&D segment are unchanged on our initiating coverage study of 26 March.

Exascale pipeline ParTec is preparing to take part, either as a general contractor or subcontractor, in further European exascale projects (both supercomputers and quantum computers). These projects will in part be funded by the European High Performance Computing Joint Undertaking (EuroHPC JU). The EuroHPC JU has a budget of about €7bn, which is to be spent on supercomputing projects by the end of 2027. ParTec is in a strong position to take advantage of this program due to the connections developed by participating in the construction of 4 of the 9 supercomputer projects funded by the EuroHPC JU so far. Within the framework of the EuroHPC JU, two thirds of the budget is provided by local governments or municipalities, with the remaining third coming from the joint undertaking. This means that around €20bn is expected to be spent on European supercomputing projects by the end of 2027.

Project EIGER With project EIGER ParTec is developing its first quantum computer product line: a preconfigured system on the basis of superconducting quantum bit (qubit) technology.

KIFÜ Levente (Hungary) ParTec is taking part in the tender process for the modular supercomputer, Levente.

LIPARI (Germany) ParTec, Quantum Machines and Forschungszentrum Jülich are preparing the construction of the first production quantum computer (5-25 quantum bits).



Figure 1: Changes to our forecasts

Revenue by segment (€000s)	2024E			2025E			2026E			2027E		
	old	new	Δ	old	new	Δ	old	new	Δ	old	new	Δ
Total Revenue	353,926	202,133	-43%	663,604	527,421	-21%	882,075	588,547	-33%	1,021,060	822,958	-19%
% change Y/Y	266%	111%		87%	171%		33%	12%		16%	40%	
of which:												
Vendor	201,778	184,738	-8%	344,216	344,216	0%	375,945	375,945	0%	412,748	412,748	0%
% total	57%	91%		52%	65%		43%	64%		40%	50%	
% change Y/Y	112%	96%		71%	94%		9%	9%		10%	10%	
AI Machines	72,000	-	-100%	179,000	127,000	-29%	251,000	144,000	-43%	332,500	234,000	-30%
% total	20%	0%		27%	24%		28%	24%		33%	28%	
% change Y/Y	100%	0%		149%	100%		40%	13%		32%	63%	
Software/support	29,761	15,531	-48%	66,311	53,354	-20%	117,448	65,790	-44%	127,101	80,486	-37%
% total	8%	8%		10%	10%		13%	11%		12%	10%	
% change Y/Y	7160%	3689%		123%	244%		77%	23%		8%	22%	
Licensing	48,523	-	-100%	71,225	-	-100%	134,870	-	-100%	145,618	92,631	-36%
% total	14%	0%		11%	0%		15%	0%		14%	11%	
% change Y/Y	100%	0%		47%	0%		89%	0%		8%	100%	
Research & development	1,864	1,864	0%	2,852	2,852	0%	2,812	2,812	0%	3,093	3,093	0%
% total	0.5%	0.9%		0.4%	0.5%		0.3%	0.5%		0.3%	0.4%	
% change Y/Y	82%	82%		53%	53%		-1%	-1%		10%	10%	
Gross profit by segment (€000s)												
Total gross profit	126,571	51,112	-60%	234,100	148,897	-36%	370,083	176,441	-52%	430,750	311,252	-28%
% margin	36%	25%		35%	28%		42%	30%		42%	38%	
of which:												
Vendor	40,356	36,948	-8%	68,843	68,843	0%	75,189	75,189	0%	78,869	82,550	5%
% margin	20%	20%		20%	20%		20%	20%		20%	20%	
AI Machines	18,000	-	-100%	44,750	31,750	-29%	74,270	41,760	-44%	109,725	77,220	-30%
% margin	25%	25%		25%	25%		29%	29%		33%	33%	
Software/support	26,785	13,978	-48%	59,680	48,018	-20%	105,703	59,211	-44%	114,391	72,437	-37%
% margin	85%	85%		85%	85%		85%	85%		85%	85%	
Licensing	41,244	-	-100%	60,541	-	-100%	114,639	-	-100%	123,775	78,736	-36%
% margin	85%	85%		85%	85%		85%	85%		85%	85%	
Research & development	186	186	0%	285	285	0%	281	281	0%	309	309	0%
% margin	10%	10%		10%	10%		10%	10%		10%	10%	
Total EBIT	95,095	21,940	-76.9%	182,234	96,661	-47.0%	305,721	119,516	-60.9%	360,989	242,518	-32.8%
%margin	27%	11%		27%	18%		35%	20%		35%	29%	
Total pretax	94,741	20,085	-78.8%	182,234	95,356	-47.7%	305,721	118,991	-61.1%	360,989	243,849	-32.4%
% margin	27%	10%		27%	18%		35%	20%		35%	30%	
Total Net profit	69,161	14,662	-78.8%	140,320	73,424	-47.7%	235,405	91,623	-61.1%	277,961	187,764	-32.4%
%margin	20%	7%		21%	14%		27%	16%		27%	23%	
EPS (€)	8.65	1.83	-78.8%	17.54	9.18	-47.7%	29.43	11.45	-61.1%	34.75	23.47	-32.4%

Source: First Berlin Equity Research estimates

Buy recommendation maintained, but price target reduced from €220 to €170 While we have reduced our 2024 forecasts, we continue to believe that the ParTec growth story is intact. We expect rising project volume in the Vendor segment and fast-growing AI machine revenues to drive group sales at a 59.7% CAGR between 2024 and 2027. Meanwhile, we expect the gross margin to move back over 35% by 2027 as the sales mix shifts away from vendor projects to higher margin segments such as AI machines and licensing. We maintain our Buy recommendation but have reduced the price target to €170 (previously: €220) to reflect the recalibration of our forecasts.



VALUATION MODEL

All figures in EUR millions	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E
Net sales	204.4	532.1	593.6	829.3	966.5	1,086.3	1,211.8	1,257.5	1,268.6
NOPLAT	16.0	74.4	92.0	186.7	228.3	257.1	288.2	297.1	294.4
+ depreciation & amortisation	0.3	1.3	1.3	1.3	1.7	2.0	2.2	2.4	2.5
Net operating cash flow	16.3	75.8	93.3	188.1	230.1	259.1	290.4	299.5	296.9
- total investments (CAPEX and WC)	-38.5	-78.8	-15.2	-59.0	-35.0	-30.9	-32.5	-12.9	-4.4
Capital expenditures	-5.3	-1.0	-1.1	-3.2	-2.7	-2.8	-3.1	-2.6	-2.3
Working capital	-33.2	-77.8	-14.2	-55.9	-32.3	-28.1	-29.5	-10.3	-2.0
Free cash flows (FCF)	-22.2	-3.0	78.1	129.0	195.1	228.2	257.8	286.6	292.6
PV of FCFs	-20.9	-2.5	56.9	82.6	109.9	113.0	112.3	109.8	98.6

All figures in millions	
PV of FCFs in explicit period (2024E-2040E)	1,066
PV of FCFs in terminal period	288
Enterprise value (EV)	1,355
+ Net cash / - net debt (pro forma)	5
+ Investments / minority interests	0
Shareholder value	1,360
Diluted number of shares	8
Fair value per share in	170.00

Terminal growth:	3.0%
Terminal EBIT margin:	23.0%

WACC	13.7%
Cost of equity	13.7%
Pre-tax cost of debt	7.0%
Tax rate	23.0%
After-tax cost of debt	5.4%
Share of equity capital	100.0%
Share of debt capital	0.0%
Price target	170.00

WACC		Terminal growth rate						
		1.5%	2.0%	2.5%	3.0%	3.5%	4.0%	4.5%
10.7%	232.2	236.3	240.8	245.9	251.7	258.4	266.2	
11.7%	205.5	208.3	211.4	215.0	218.9	223.4	228.4	
12.7%	183.5	185.5	187.7	190.2	193.0	196.0	199.5	
13.7%	165.1	166.6	168.2	170.0	172.0	174.1	176.5	
14.7%	149.5	150.6	151.8	153.1	154.6	156.1	157.8	
15.7%	136.2	137.0	137.9	138.9	140.0	141.1	142.3	
16.7%	124.6	125.3	126.0	126.7	127.5	128.3	129.3	

*for layout purposes the model shows numbers only to 2032, but runs until 2040



INCOME STATEMENT

All figures in EUR '000	2022	2023	2024E	2025E	2026E	2027E
Revenues	36,093	95,685	202,133	527,421	588,547	822,958
Change in inventory	3,474	9,511	0	0	0	0
Output	39,567	105,196	202,133	527,421	588,547	822,958
Cost of goods sold	16,192	76,257	151,021	378,525	412,106	511,706
Gross profit	23,374	28,939	51,112	148,897	176,441	311,252
Personnel expenses	3,111	5,269	12,013	16,129	18,177	20,139
Other operating income	145	1,306	2,266	4,672	5,029	6,351
Other operating expenses	2,822	37,998	19,131	39,451	42,468	53,632
EBITDA	17,586	-13,021	22,234	97,989	120,826	243,833
Depreciation & amortisation	288	292	293	1,328	1,310	1,314
Operating income (EBIT)	17,298	-13,313	21,940	96,661	119,516	242,518
Net financial result	-372	-3,341	-1,855	-1,305	-525	1,331
Pre-tax income (EBT)	16,927	-16,654	20,085	95,356	118,991	243,849
Tax result	5,728	793	5,423	21,932	27,368	56,085
Net income / loss	11,198	-17,447	14,662	73,424	91,623	187,764
Diluted EPS (in €)	1.40	-2.18	1.83	9.18	11.45	23.47
Ratios						
Gross margin	64.8%	30.2%	25.3%	28.2%	30.0%	37.8%
EBITDA margin	48.7%	-13.6%	11.0%	18.6%	20.5%	29.6%
EBIT margin	47.9%	-13.9%	10.9%	18.3%	20.3%	29.5%
Net margin	31.0%	-18.2%	7.3%	13.9%	15.6%	22.8%
Tax rate	33.8%	-4.8%	27.0%	23.0%	23.0%	23.0%
Expenses as % of revenue						
Personnel costs	8.6%	5.5%	5.9%	3.1%	3.1%	2.4%
Net other op. expenses	7.4%	38.3%	8.3%	6.6%	6.4%	5.7%
Depreciation & amortisation	0.8%	0.3%	0.1%	0.3%	0.2%	0.2%
Y-Y Growth						
Revenue	45.5%	165.1%	111.2%	160.9%	11.6%	39.8%
Operating income	-18.2%	-177.0%	-264.8%	340.6%	23.6%	102.9%
Net income/ loss	-21.5%	-255.8%	-184.0%	400.8%	24.8%	104.9%



BALANCE SHEET

All figures in EUR '000	2022	2023	2024E	2025E	2026E	2027E
Assets						
Current assets, total	71,624	74,431	132,512	296,801	360,511	598,348
Cash and cash equivalents	158	15,308	11,515	12,504	45,199	165,232
Receivables	62,680	23,882	67,674	176,581	197,046	275,526
Inventories	6,348	15,859	33,554	87,552	97,699	136,611
Other current assets	2,438	19,381	19,769	20,164	20,568	20,979
Non-current assets, total	3,338	3,280	8,287	7,941	7,708	9,563
Deferred income	-	-	-	-	-	-
Property, plant & equipment	42	104	5,365	5,274	5,297	7,407
Goodwill & other intangibles	3,293	3,038	2,783	2,528	2,273	2,018
Financial assets	3	138	138	138	138	138
Prepaid expenses	36	68	68	68	68	68
Deferred taxes	-	265	265	265	265	265
Loss not covered by equity	-	3,746	-	-	-	-
Total assets	74,999	81,790	141,133	305,075	368,553	608,245
Shareholders' equity & debt						
Current liabilities, total	29,346	31,716	73,055	162,630	153,522	214,469
Short-term debt	2,252	6,380	20,000	25,000	-	-
Accounts payable	20,351	24,835	52,555	137,130	153,022	213,969
Shareholder loans	6,743	500	500	500	500	500
Long-term liabilities, total	25,712	50,075	57,162	58,105	49,067	50,048
Long-term debt	5,131	3,838	10,000	10,000	-	-
Other liabilities	6,894	14,975	15,274	15,580	15,892	16,209
Tax provisions	13,488	10,081	10,282	10,488	10,698	10,912
Other provisions	199	21,181	21,605	22,037	22,478	22,927
Shareholders' equity	19,941	-	10,916	84,341	165,964	343,728
Total consolidated equity and debt	74,999	81,790	141,133	305,075	368,553	608,245
Ratios						
Current ratio (x)	2.4	2.3	1.8	1.8	2.3	2.8
Quick ratio (x)	2.2	1.8	1.4	1.3	1.7	2.2
Net cash/(net debt)	-7,225	5,090	-18,485	-22,496	45,199	165,232
Net debt / EBITDA	-0.4	-0.4	-0.8	-0.2	0.4	0.7
Net gearing	36.2%	n.a.	169.3%	26.7%	-27.2%	-48.1%
Equity ratio	26.6%	0.0%	7.7%	27.6%	45.0%	56.5%
Book value per share (in €)	2.5	0.0	1.4	10.5	20.7	43.0
Return on equity (ROE)	52.8%	-175.0%	268.6%	154.2%	73.2%	73.7%



CASH FLOW STATEMENT

All figures in EUR '000	2022	2023	2024E	2025E	2026E	2027E
Net income	11,198	-17,447	14,662	73,424	91,623	187,764
Depreciation and amortisation	288	292	293	1,328	1,310	1,314
Change in provisions	42	18,163	0	0	0	0
Other non-cash items	12,680	1,504	0	0	0	0
Operating cash flow	24,208	2,512	14,956	74,752	92,933	189,078
Changes in working capital	-25,102	16,675	-33,231	-77,781	-14,160	-55,876
Net operating cash flow	-894	19,187	-18,275	-3,029	78,773	133,202
Investments in PPE	-30	-98	-5,300	-982	-1,078	-3,169
Investments in intangible assets	0	-131	0	0	0	0
Cash flow from investing	-30	-229	-5,300	-982	-1,078	-3,169
Free cash flow	-924	18,958	-23,575	-4,011	77,695	130,033
Debt financing, net	1,329	2,814	19,782	5,000	-35,000	0
Equity financing, net	0	0	0	0	0	0
Paid dividend	0	-6,240	0	0	-10,000	-10,000
Other	-453	-382	0	0	0	0
Cash flow from financing	876	-3,808	19,782	5,000	-45,000	-10,000
Net cash flow	-48	15,150	-3,793	989	32,695	120,033
Cash, start of the year	206	158	15,308	11,515	12,504	45,199
Cash, end of the year	158	15,308	11,515	12,504	45,199	165,232
EBITDA/share (in €)	2.20	-1.63	2.78	12.25	15.10	30.48
Y-Y Growth						
Net op. cash flow	n.a.	-2245.7%	-195.2%	-83.4%	-2700.4%	69.1%
Free cash flow	n.a.	-2151.8%	-224.4%	-83.0%	-2036.9%	67.4%
EBITDA/share	-17.9%	-174.0%	-270.7%	340.7%	23.3%	101.8%

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Ggf. Inhaltlich Verantwortlicher gem. § 6 MDStV

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The production of this recommendation was completed on 11 July 2024 at 17:09

Person responsible for forwarding or distributing this financial analysis: Martin Bailey

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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	26 March 2024	€119.00	Buy	€220.00
...	↓	↓	↓	↓
2	Today	€64.50	Buy	€170.00

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