

**Buy** (old: Buy)

10.09.2024

**EUR 7.10** (old: EUR 9.10)

## Mixed H1 due to divestment and growth investments; chg. est.

LAIQON released mixed reported H1'24 figures which are burdened by the disposal of the non-core legacy business, but showed top-line growth in line with AuM growth across its core segments. However, LAIQON should remain unprofitable on EBITDA level and cash burning in FY'24e, before positive effects of the Union Investment cooperation come into effect next year.

**Reported sales declined by 7% yoy** to € 14.7m, due to the divestment of a non-core business unit (LLOYD FONDS Real Assets; € 2m sales in H1'23) at the end of FY'23. Adjusting H1'23 for the sale, **H1'24 sales would have risen by 7% yoy**.

**Top-line growth and stable sales margins in core business segments:** Asset Management grew by 6% yoy (AuM: + 9% yoy to € 4.4bn), followed by Wealth Management, which grew by 12% yoy (AuM: +3% yoy to € 1.6bn) and Digital Wealth (includes LAIC and growney) which grew sales by 27% yoy (AuM: +20% yoy to € 0.6bn). Consequently, LAIQON's sales margin on AuM (excl. segment 'Group') remained stable at 0.42% (+0.01pp yoy; annualized). - see p. 2 for details.

**Moderate AuM growth in line with market growth:** While AuMs grew by 8% yoy, sequential growth stood only at 1.5% qoq in Q2 (6% annualized) vs. 5% qoq in Q1. The slowing momentum is partially stemming from the muted small- and midcap performance in Q2 (SDAX: + 1.1% qoq). Going forward, AuM growth should return to higher momentum following the launch of "WertAnlage" (product in cooperation with Union Investment) in Oct. 2024 (eNuW: € 300m by Y/E'24 and € 930m by Y/E'25e).

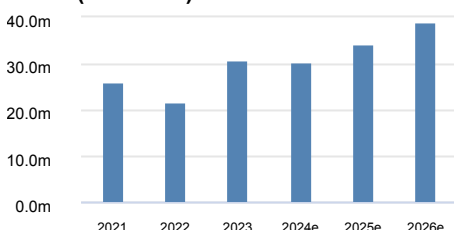
**Profitability muted due to growth investments:** While reported EBITDA came in at negative € -2.9m (vs. € -1.9m in H1'23) due to the decline in reported sales, adjusted EBITDA would have improved by € 0.8m (H'1 23: € -3.7m adj. vs. € -1.9m reported). However, excluding the € 1m of highly profitable performance fees (vs. none in H1'23), adj. EBITDA would have declined by € 0.2m, indicating a decline in underlying profitability, stemming from initial ramp-up costs for the upcoming launch of "Wertanlage".

- continued on next page -

| Y/E 31.12 (EUR m)        | 2021  | 2022   | 2023   | 2024e  | 2025e | 2026e |
|--------------------------|-------|--------|--------|--------|-------|-------|
| Sales                    | 26.1  | 21.6   | 30.7   | 30.5   | 34.5  | 39.3  |
| Sales growth             | -5.8% | -17.4% | 42.5%  | -0.7%  | 12.9% | 14.0% |
| EBITDA                   | 4.6   | -9.9   | -4.7   | -5.9   | 0.3   | 4.2   |
| Net debt (if net cash=0) | 6.7   | 12.8   | 37.2   | 35.5   | 35.9  | 34.0  |
| FCF                      | 18.8  | -4.0   | -12.1  | -11.1  | -0.3  | 1.9   |
| Net Debt/EBITDA          | 1.4   | -1.3   | -7.9   | -6.0   | 121.8 | 8.1   |
| EPS pro forma            | 0.40  | -0.58  | -0.70  | -0.45  | -0.29 | -0.13 |
| EBITDA margin            | 17.6% | -46.1% | -15.2% | -19.3% | 0.9%  | 10.6% |
| ROCE                     | 1.0%  | -18.3% | -12.8% | -12.4% | -6.2% | -1.4% |
| EV/sales                 | 2.3   | 3.9    | 3.5    | 3.7    | 3.3   | 2.8   |
| EV/EBITDA                | 13.1  | -8.4   | -23.1  | -19.2  | 384.4 | 26.6  |
| PER                      | 10.3  | -7.1   | -5.8   | -8.9   | -14.2 | -30.7 |
| Adjusted FCF yield       | -1.2% | -10.4% | -3.2%  | -5.3%  | -2.4% | 0.3%  |

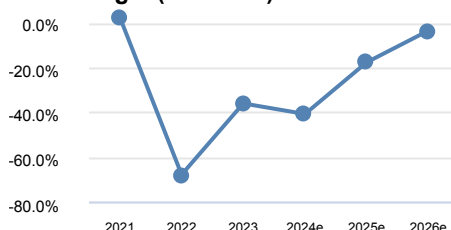
Source: Company data, NuWays, Close price as of 09.09.2024

### Sales (2021-26e)



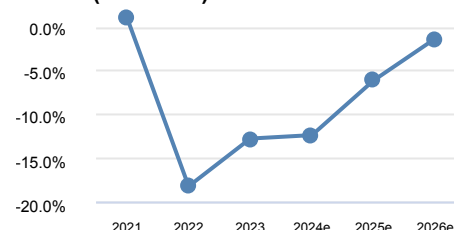
Source: NuWays Research

### EBIT margin (2021-26e)



Source: NuWays Research

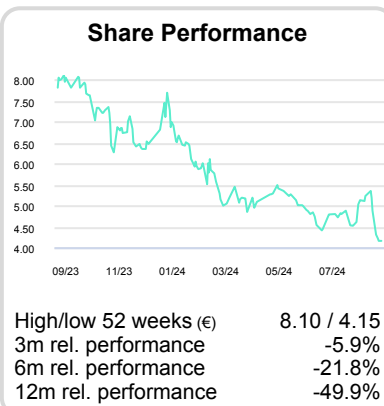
### ROCE (2021-26e)



Source: NuWays Research

### Company description

LAIQON is an independent asset- and wealth manager with focus on actively managed non-benchmark funds, on 360 degree, holistic wealth management solutions for wealthy clients as well as on digitizing wealth management via its WealthTech LAIC Advisor.



### Market data

|                             |       |
|-----------------------------|-------|
| Share price (in €)          | 4.15  |
| Market cap (in € m)         | 77.3  |
| Number of shares (in m pcs) | 19.0  |
| Enterprise value (in € m)   | 112.8 |
| Ø trading volume (6 months) | 9,333 |

### Identifier

|           |              |
|-----------|--------------|
| Bloomberg | LQAG GR      |
| Reuters   | L1OGK        |
| WKN       | A12UP2       |
| ISIN      | DE000A12UP29 |

### Key shareholders

|                                      |       |
|--------------------------------------|-------|
| DEWB                                 | 17.0% |
| SPSW Shareholder                     | 8.0%  |
| Plate Family Office                  | 9.0%  |
| Lange Asset & Consulting Shareholder | 8.0%  |
| Free Float                           | 58.0% |

### Estimates changes

|       | 2024e | 2025e | 2026e |
|-------|-------|-------|-------|
| Sales | -11%  | -16%  | -19%  |
| EBIT  | -43%  | -104% | -132% |
| EPS   | -4%   | -13%  | -507% |

### Comment on changes

- Changes reflect the divestment of the legacy business

### Guidance

- FY25: € 8-10bn AuM
- FY25: >45% EBITDA margin (incl. performance fees)

**Cash burn to continue ...** As of H1, cash stood at € 4.3m (vs. € 7.1m per Y/E'23), showing a H1 cash-burn of € -8m before financing (€ -3m after financing) due to € -4.7m in negative WC swings stemming mostly from an increase in deferred tax assets which will eventually have a positive cash effect with increasing pre-tax profitability. For Y/E'24, we expect LAIQON to show a cash position of € 8.4m (eNuW) thanks to the latest capital measures (see [update](#); € 7.2m cash inflow) and an lower cash burn before financing of € -3.5m in H2.

**... but enough cash runway to execute key growth project:** This should give LAIQON enough room to maneuver into H1'25 in order to execute the go-live of "Wertanlage", which starts in mid-Q4'24.

**Mid-term targets to be reached at lower-end:** LAIQON's GROWTH 25 mid-term targets of € 8-10bn in group AuM by Y/E'25e should be reached at the low-end (eNuW: € 8bn), which requires a moderate AuM growth of c. 7% in Asset and Wealth Management and substantial additions of € +1bn in the segment Digital Wealth, whereof € 930m should stem from the Union Investment cooperation (eNuW). For the latter, LAIQON expects € 1.5bn by Y/E'25e, hinting towards upside to our estimates.

**EBITDA break even in FY'25e likely:** Based on (1) average AuMs of € 615m from "Wertanlage" in FY'25e, (2) an expected 0.4% sales margin on AuMs and (3) an estimated 75% incremental EBITDA margin, the cooperation should add some € 1.8m in incremental EBITDA for FY'25e. This, coupled with decreasing OPEX on group level (ramp-up costs are incurred this year), should lead to group EBITDA break-even in FY'25e (eNuW: € 0.3m).

Despite mixed results, we regard the potential from Union Investment as a major share price catalyst going forward, as it has the potential to put LAIQON back to positive EBITDA levels and stop the cash burn. First tangible results of that cooperation are due with FY'24e figures, until which LAIQON has enough cash-runway.

Therefore, LAIQON remains a **BUY** with a **new PT of € 7.10** (old: € 9.10), based on DCF.

| LAIQON AG (in € m)   | H1 2024      | H1 2023      | yoy           |
|--|--------------|--------------|---------------|
| Asset Management   | 8.3          | 7.8          | 6%            |
| Wealth Management  | 3.9          | 3.5          | 12%           |
| Digital Wealth   | 1.1          | 0.9          | 27%           |
| Group  | 1.5          | 3.8          | -60%          |
| <b>Sales</b>   | <b>14.8</b>  | <b>15.9</b>  | <b>-7%</b>    |
| Asset Management   | 2.6          | 1.8          | 48%           |
| Wealth Management  | -0.3         | -0.6         | -48%          |
| Digital Wealth   | -2.2         | -1.8         | 25%           |
| Group  | -3.0         | -2.5         | 20%           |
| <b>EBITDA</b>  | <b>-2.9</b>  | <b>-1.9</b>  | <b>52%</b>    |
| Asset Management   | 32%          | 23%          | 8.9pp         |
| Wealth Management  | -8%          | -17%         | 8.9pp         |
| Digital Wealth   | -206%        | -209%        | 2.9pp         |
| Group  | -201%        | -68%         | -133.2pp      |
| <b>EBITDA margin</b>   | <b>-20%</b>  | <b>-12%</b>  | <b>-7.7pp</b> |
| Asset Management (in € bn)   | 4.4          | 4.0          | 9%            |
| Wealth Management (in € bn)  | 1.6          | 1.5          | 3%            |
| Digital Wealth (in € bn)   | 0.6          | 0.5          | 20%           |
| <b>AuM (in € bn)</b>   | <b>6.5</b>   | <b>6.0</b>   | <b>8%</b>     |
| Asset Management (annualized)  | 0.39%        | 0.40%        | -0.01pp       |
| Wealth Management (annualized)                                       | 0.52%        | 0.46%        | 0.06pp        |
| Digital Wealth (annualized)  | 0.38%        | 0.34%        | 0.04pp        |
| <b>Average Sales margin on AuM (annualized; excl. Group segment)</b> | <b>0.42%</b> | <b>0.41%</b> | <b>0.01pp</b> |

Source: Company data, NuWays

## Financials

| Profit and loss (EUR m)                                   | 2021        | 2022         | 2023         | 2024e        | 2025e        | 2026e        |
|---|-------------|--------------|--------------|--------------|--------------|--------------|
| <b>Net sales</b>  | <b>26.1</b> | <b>21.6</b>  | <b>30.7</b>  | <b>30.5</b>  | <b>34.5</b>  | <b>39.3</b>  |
| <i>Sales growth</i>                                       | -5.8%       | -17.4%       | 42.5%        | -0.7%        | 12.9%        | 14.0%        |
| Increase/decrease in finished goods and work-in-process   | 0.0         | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Total sales</b>  | <b>26.1</b> | <b>21.6</b>  | <b>30.7</b>  | <b>30.5</b>  | <b>34.5</b>  | <b>39.3</b>  |
| Other operating income                                    | 1.7         | 3.4          | 4.7          | 2.6          | 3.3          | 3.4          |
| Material expenses   | 2.7         | 3.7          | 5.9          | 4.9          | 4.9          | 5.2          |
| Personnel expenses  | 11.3        | 17.1         | 20.2         | 21.3         | 21.6         | 22.2         |
| Other operating expenses                                  | 9.2         | 14.1         | 13.9         | 12.8         | 10.9         | 11.1         |
| <b>Total operating expenses</b>                           | <b>21.5</b> | <b>31.5</b>  | <b>35.4</b>  | <b>36.4</b>  | <b>34.2</b>  | <b>35.1</b>  |
| <b>EBITDA</b>   | <b>4.6</b>  | <b>-9.9</b>  | <b>-4.7</b>  | <b>-5.9</b>  | <b>0.3</b>   | <b>4.2</b>   |
| Depreciation  | 1.6         | 2.0          | 2.5          | 2.6          | 2.5          | 2.4          |
| <b>EBITA</b>  | <b>3.0</b>  | <b>-11.9</b> | <b>-7.2</b>  | <b>-8.5</b>  | <b>-2.2</b>  | <b>1.8</b>   |
| Amortisation of goodwill                                  | 0.0         | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Amortisation of intangible assets                         | 2.3         | 2.7          | 3.9          | 4.0          | 3.9          | 3.1          |
| Impairment charges  | 0.0         | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>EBIT (inc revaluation net)</b>                         | <b>0.7</b>  | <b>-14.7</b> | <b>-11.1</b> | <b>-12.4</b> | <b>-6.1</b>  | <b>-1.3</b>  |
| Interest income   | 0.1         | 0.1          | 0.1          | 0.1          | 0.1          | 0.2          |
| Interest expenses   | 9.8         | 3.9          | 10.9         | 4.9          | 5.0          | 5.1          |
| Investment income   | 15.6        | 2.3          | 2.0          | 2.0          | 2.1          | 2.1          |
| Financial result  | 5.8         | -1.5         | -8.8         | -2.7         | -2.8         | -2.8         |
| <b>Recurring pretax income from continuing operations</b> | <b>6.5</b>  | <b>-16.2</b> | <b>-19.8</b> | <b>-15.2</b> | <b>-8.8</b>  | <b>-4.1</b>  |
| Extraordinary income/loss                                 | 0.0         | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Earnings before taxes</b>                              | <b>6.5</b>  | <b>-16.2</b> | <b>-19.8</b> | <b>-15.2</b> | <b>-8.8</b>  | <b>-4.1</b>  |
| Income tax expense  | -0.2        | -5.7         | -7.1         | -6.1         | -3.1         | -1.5         |
| <b>Net income from continuing operations</b>              | <b>6.7</b>  | <b>-10.4</b> | <b>-12.7</b> | <b>-9.0</b>  | <b>-5.7</b>  | <b>-2.6</b>  |
| Income from discontinued operations (net of tax)          | 0.0         | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Net income</b>   | <b>6.7</b>  | <b>-10.4</b> | <b>-12.7</b> | <b>-9.0</b>  | <b>-5.7</b>  | <b>-2.6</b>  |
| Minority interest   | 1.5         | -0.4         | -0.6         | -0.4         | -0.3         | -0.1         |
| <b>Net profit (reported)</b>                              | <b>5.3</b>  | <b>-10.1</b> | <b>-12.2</b> | <b>-8.6</b>  | <b>-5.4</b>  | <b>-2.5</b>  |
| Average number of shares                                  | 13.3        | 15.4         | 17.5         | 18.3         | 19.0         | 19.0         |
| <b>EPS reported</b>                                       | <b>0.40</b> | <b>-0.65</b> | <b>-0.70</b> | <b>-0.47</b> | <b>-0.29</b> | <b>-0.13</b> |

| Profit and loss (common size)                             | 2021          | 2022          | 2023          | 2024e         | 2025e         | 2026e         |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Net sales</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> |
| <i>Sales growth</i>                                       | -5.8%         | -17.4%        | 42.5%         | -0.7%         | 12.9%         | 14.0%         |
| Increase/decrease in finished goods and work-in-process   | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| <b>Total sales</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> |
| Other operating income                                    | 6.7%          | 15.7%         | 15.2%         | 8.4%          | 9.6%          | 8.7%          |
| Material expenses   | 10.3%         | 17.0%         | 19.3%         | 16.0%         | 14.3%         | 13.3%         |
| Personnel expenses  | 43.4%         | 79.3%         | 65.8%         | 69.7%         | 62.7%         | 56.5%         |
| Other operating expenses                                  | 35.3%         | 65.5%         | 45.4%         | 42.0%         | 31.6%         | 28.3%         |
| <b>Total operating expenses</b>                           | <b>82.4%</b>  | <b>146.1%</b> | <b>115.2%</b> | <b>119.3%</b> | <b>99.1%</b>  | <b>89.4%</b>  |
| <b>EBITDA</b>   | <b>17.6%</b>  | <b>-46.1%</b> | <b>-15.2%</b> | <b>-19.3%</b> | <b>0.9%</b>   | <b>10.6%</b>  |
| Depreciation  | 6.2%          | 9.2%          | 8.2%          | 8.4%          | 7.2%          | 6.1%          |
| <b>EBITA</b>  | <b>11.4%</b>  | <b>-55.3%</b> | <b>-23.4%</b> | <b>-27.7%</b> | <b>-6.4%</b>  | <b>4.5%</b>   |
| Amortisation of goodwill                                  | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| Amortisation of intangible assets                         | 8.8%          | 12.6%         | 12.6%         | 13.0%         | 11.2%         | 7.8%          |
| Impairment charges  | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| <b>EBIT (inc revaluation net)</b>                         | <b>2.6%</b>   | <b>-67.9%</b> | <b>-36.0%</b> | <b>-40.7%</b> | <b>-17.6%</b> | <b>-3.4%</b>  |
| Interest income   | 0.4%          | 0.5%          | 0.4%          | 0.4%          | 0.4%          | 0.4%          |
| Interest expenses   | 37.7%         | 18.0%         | 35.3%         | 16.0%         | 14.5%         | 13.0%         |
| Investment income   | 59.7%         | 10.5%         | 6.4%          | 6.6%          | 6.0%          | 5.4%          |
| Financial result  | 22.4%         | neg.          | neg.          | neg.          | neg.          | neg.          |
| <b>Recurring pretax income from continuing operations</b> | <b>25.0%</b>  | <b>-75.0%</b> | <b>-64.5%</b> | <b>-49.6%</b> | <b>-25.6%</b> | <b>-10.6%</b> |
| Extraordinary income/loss                                 | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| <b>Earnings before taxes</b>                              | <b>25.0%</b>  | <b>-75.0%</b> | <b>-64.5%</b> | <b>-49.6%</b> | <b>-25.6%</b> | <b>-10.6%</b> |
| Tax rate  | -3.3%         | 35.5%         | 35.8%         | 40.4%         | 35.6%         | 36.4%         |
| <b>Net income from continuing operations</b>              | <b>25.8%</b>  | <b>-48.3%</b> | <b>-41.5%</b> | <b>-29.6%</b> | <b>-16.5%</b> | <b>-6.7%</b>  |
| Income from discontinued operations (net of tax)          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| <b>Net income</b>   | <b>25.8%</b>  | <b>-48.3%</b> | <b>-41.5%</b> | <b>-29.6%</b> | <b>-16.5%</b> | <b>-6.7%</b>  |
| Minority interest   | 5.7%          | -1.7%         | -1.8%         | -1.3%         | -0.7%         | -0.3%         |
| <b>Net profit (reported)</b>                              | <b>20.1%</b>  | <b>-46.6%</b> | <b>-39.7%</b> | <b>-28.3%</b> | <b>-15.8%</b> | <b>-6.4%</b>  |

Source: Company data, NuWays

| Balance sheet (EUR m)                        | 2021         | 2022         | 2023         | 2024e        | 2025e        | 2026e        |
|--|--------------|--------------|--------------|--------------|--------------|--------------|
| Intangible assets                            | 54.8         | 90.3         | 87.2         | 83.2         | 79.4         | 76.3         |
| Property, plant and equipment                | 9.9          | 10.4         | 13.2         | 11.6         | 10.1         | 8.7          |
| Financial assets                             | 9.1          | 1.8          | 1.7          | 1.7          | 1.7          | 1.7          |
| <b>FIXED ASSETS</b>                          | <b>73.8</b>  | <b>102.5</b> | <b>102.2</b> | <b>96.6</b>  | <b>91.3</b>  | <b>86.8</b>  |
| Inventories                                  | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Accounts receivable                          | 6.2          | 9.9          | 11.1         | 13.1         | 13.1         | 13.1         |
| Other assets and short-term financial assets | 9.9          | 0.9          | 0.8          | 0.8          | 0.8          | 0.8          |
| Liquid assets                                | 16.3         | 10.4         | 7.1          | 8.4          | 8.1          | 10.0         |
| Deferred taxes                               | 10.7         | 16.1         | 23.3         | 26.3         | 26.3         | 26.3         |
| Deferred charges and prepaid expenses        | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>CURRENT ASSETS</b>                        | <b>43.2</b>  | <b>37.4</b>  | <b>42.5</b>  | <b>48.7</b>  | <b>48.4</b>  | <b>50.3</b>  |
| <b>TOTAL ASSETS</b>                          | <b>117.0</b> | <b>139.8</b> | <b>144.6</b> | <b>145.3</b> | <b>139.6</b> | <b>137.1</b> |

|   |              |              |              |              |              |              |
|---|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>SHAREHOLDERS EQUITY</b>                                | <b>43.3</b>  | <b>66.6</b>  | <b>55.6</b>  | <b>59.9</b>  | <b>54.6</b>  | <b>52.2</b>  |
| MINORITY INTEREST   | 5.1          | 5.5          | -0.9         | -1.4         | -1.8         | -2.1         |
| Long-term liabilities to banks                            | 10.6         | 16.5         | 9.6          | 10.9         | 11.1         | 11.4         |
| Bonds (long-term)   | 0.0          | 0.0          | 26.8         | 25.0         | 25.0         | 25.0         |
| other interest-bearing liabilities                        | 5.2          | 4.4          | 6.0          | 6.0          | 6.0          | 6.0          |
| Provisions for pensions and similar obligations           | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Other provisions and accrued liabilities                  | 0.3          | 0.3          | 0.2          | 0.2          | 0.2          | 0.2          |
| <b>NON-CURRENT LIABILITIES</b>                            | <b>16.1</b>  | <b>21.2</b>  | <b>42.5</b>  | <b>42.1</b>  | <b>42.3</b>  | <b>42.5</b>  |
| Short-term liabilities to banks                           | 7.2          | 2.3          | 2.0          | 2.0          | 1.8          | 1.6          |
| Accounts payable  | 25.3         | 21.7         | 24.8         | 22.2         | 22.2         | 22.2         |
| Advance payments received on orders                       | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Accrued taxes   | 1.8          | 2.0          | 0.3          | 0.3          | 0.3          | 0.3          |
| Other liabilities (incl. from lease and rental contracts) | 6.1          | 3.5          | 2.7          | 2.7          | 2.7          | 2.7          |
| Deferred taxes  | 12.2         | 17.1         | 17.7         | 17.7         | 17.7         | 17.7         |
| Deferred income   | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>CURRENT LIABILITIES</b>                                | <b>52.5</b>  | <b>46.6</b>  | <b>47.4</b>  | <b>44.8</b>  | <b>44.6</b>  | <b>44.4</b>  |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>          | <b>117.0</b> | <b>139.8</b> | <b>144.6</b> | <b>145.3</b> | <b>139.6</b> | <b>137.1</b> |

| Balance sheet (common size)                  | 2021          | 2022          | 2023          | 2024e         | 2025e         | 2026e         |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| Intangible assets                            | 46.8%         | 64.6%         | 60.3%         | 57.3%         | 56.8%         | 55.7%         |
| Property, plant and equipment                | 8.5%          | 7.5%          | 9.1%          | 8.0%          | 7.3%          | 6.4%          |
| Financial assets                             | 7.8%          | 1.3%          | 1.2%          | 1.2%          | 1.3%          | 1.3%          |
| <b>FIXED ASSETS</b>                          | <b>63.1%</b>  | <b>73.3%</b>  | <b>70.6%</b>  | <b>66.5%</b>  | <b>65.4%</b>  | <b>63.3%</b>  |
| Inventories                                  | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| Accounts receivable                          | 5.3%          | 7.1%          | 7.7%          | 9.0%          | 9.4%          | 9.6%          |
| Other assets and short-term financial assets | 8.5%          | 0.6%          | 0.6%          | 0.6%          | 0.6%          | 0.6%          |
| Liquid assets                                | 14.0%         | 7.4%          | 4.9%          | 5.8%          | 5.8%          | 7.3%          |
| Deferred taxes                               | 9.2%          | 11.5%         | 16.1%         | 18.1%         | 18.9%         | 19.2%         |
| Deferred charges and prepaid expenses        | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| <b>CURRENT ASSETS</b>                        | <b>36.9%</b>  | <b>26.7%</b>  | <b>29.4%</b>  | <b>33.5%</b>  | <b>34.6%</b>  | <b>36.7%</b>  |
| <b>TOTAL ASSETS</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> |

|   |               |               |               |               |               |               |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>SHAREHOLDERS EQUITY</b>                                | <b>37.0%</b>  | <b>47.6%</b>  | <b>38.4%</b>  | <b>41.2%</b>  | <b>39.1%</b>  | <b>38.1%</b>  |
| MINORITY INTEREST   | 4.4%          | 3.9%          | -0.6%         | -1.0%         | -1.3%         | -1.5%         |
| Long-term liabilities to banks                            | 9.1%          | 11.8%         | 6.6%          | 7.5%          | 8.0%          | 8.3%          |
| Bonds (long-term)   | 0.0%          | 0.0%          | 18.5%         | 17.2%         | 17.9%         | 18.2%         |
| other interest-bearing liabilities                        | 4.4%          | 3.1%          | 4.1%          | 4.1%          | 4.3%          | 4.4%          |
| Provisions for pensions and similar obligations           | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| Other provisions and accrued liabilities                  | 0.2%          | 0.2%          | 0.1%          | 0.1%          | 0.1%          | 0.1%          |
| <b>NON-CURRENT LIABILITIES</b>                            | <b>13.7%</b>  | <b>15.2%</b>  | <b>29.4%</b>  | <b>28.9%</b>  | <b>30.3%</b>  | <b>31.0%</b>  |
| Short-term liabilities to banks                           | 6.2%          | 1.7%          | 1.4%          | 1.4%          | 1.3%          | 1.2%          |
| Accounts payable  | 21.7%         | 15.5%         | 17.1%         | 15.2%         | 15.9%         | 16.2%         |
| Advance payments received on orders                       | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| Accrued taxes   | 1.5%          | 1.4%          | 0.2%          | 0.2%          | 0.2%          | 0.2%          |
| Other liabilities (incl. from lease and rental contracts) | 5.2%          | 2.5%          | 1.8%          | 1.8%          | 1.9%          | 1.9%          |
| Deferred taxes  | 10.4%         | 12.2%         | 12.2%         | 12.2%         | 12.7%         | 12.9%         |
| Deferred income   | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| <b>CURRENT LIABILITIES</b>                                | <b>44.9%</b>  | <b>33.3%</b>  | <b>32.8%</b>  | <b>30.8%</b>  | <b>31.9%</b>  | <b>32.4%</b>  |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</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 data, NuWays

| Cash flow statement (EUR m)                          | 2021        | 2022        | 2023         | 2024e        | 2025e       | 2026e       |
|--|-------------|-------------|--------------|--------------|-------------|-------------|
| Net profit/loss                                      | 6.6         | -10.5       | -12.7        | -9.0         | -5.7        | -2.6        |
| Depreciation of fixed assets (incl. leases)          | 1.6         | 2.0         | 2.5          | 2.6          | 2.5         | 2.4         |
| Amortisation of goodwill & intangible assets         | 2.3         | 2.7         | 3.9          | 4.0          | 3.9         | 3.1         |
| Other costs affecting income / expenses              | 5.7         | 7.4         | -6.3         | 0.0          | 0.0         | 0.0         |
| Cash flow from operating activities                  | 16.0        | -7.5        | -17.1        | -16.7        | -5.7        | -2.6        |
| Increase/decrease in inventory                       | 0.0         | 0.0         | 0.0          | 0.0          | 0.0         | 0.0         |
| Increase/decrease in accounts receivable             | 2.4         | -5.3        | -1.2         | -2.0         | 0.0         | 0.0         |
| Increase/decrease in accounts payable                | 1.2         | 1.4         | 3.1          | -2.6         | 0.0         | 0.0         |
| Increase/decrease in other working capital positions | 0.0         | -0.0        | 0.0          | -3.0         | 0.0         | 0.0         |
| Increase/decrease in working capital                 | 3.6         | -3.9        | 2.0          | -7.6         | 0.0         | 0.0         |
| <b>Cash flow from operating activities</b>           | <b>20.0</b> | <b>-2.8</b> | <b>-10.7</b> | <b>-10.1</b> | <b>0.7</b>  | <b>2.9</b>  |
| CAPEX  | 1.2         | 1.2         | 1.4          | 1.0          | 1.0         | 1.0         |
| Payments for acquisitions                            | 0.0         | 5.0         | 0.0          | 0.0          | 0.0         | 0.0         |
| Financial investments                                | -0.5        | 2.2         | 0.0          | 0.0          | 0.0         | 0.0         |
| Income from asset disposals                          | -0.4        | 0.0         | 0.1          | 0.0          | 0.0         | 0.0         |
| <b>Cash flow from investing activities</b>           | <b>-1.1</b> | <b>-8.5</b> | <b>-1.3</b>  | <b>-1.0</b>  | <b>-1.0</b> | <b>-1.0</b> |
| Cash flow before financing                           | 18.8        | -11.2       | -12.0        | -11.1        | -0.3        | 1.9         |
| Increase/decrease in debt position                   | -2.9        | 4.5         | 17.4         | -0.4         | 0.0         | 0.0         |
| Purchase of own shares                               | 0.0         | 0.0         | 0.0          | 0.0          | 0.0         | 0.0         |
| Capital measures                                     | 0.0         | 12.0        | 0.0          | 12.8         | 0.0         | 0.0         |
| Dividends paid                                       | 0.0         | 0.0         | 0.0          | 0.0          | 0.0         | 0.0         |
| Others   | -6.1        | -11.3       | -8.6         | 0.0          | 0.0         | 0.0         |
| Effects of exchange rate changes on cash             | 0.0         | 0.0         | 0.0          | 0.0          | 0.0         | 0.0         |
| <b>Cash flow from financing activities</b>           | <b>-9.0</b> | <b>5.3</b>  | <b>8.8</b>   | <b>12.4</b>  | <b>0.0</b>  | <b>0.0</b>  |
| Increase/decrease in liquid assets                   | 9.8         | -6.0        | -3.2         | 1.2          | -0.3        | 1.9         |
| <b>Liquid assets at end of period</b>                | <b>16.3</b> | <b>10.4</b> | <b>7.1</b>   | <b>8.4</b>   | <b>8.1</b>  | <b>10.0</b> |

| Key ratios (EUR m)                   | 2021     | 2022    | 2023     | 2024e  | 2025e   | 2026e   |
|--------------------------------------|----------|---------|----------|--------|---------|---------|
| <b>P&amp;L growth analysis</b>       |          |         |          |        |         |         |
| Sales growth                         | -5.8%    | -17.4%  | 42.5%    | -0.7%  | 12.9%   | 14.0%   |
| EBITDA growth                        | -147.6%  | -242.9% | -201.6%  | -40.8% | -106.3% | -142.1% |
| EBIT growth                          | -106.1%  | -556.9% | -1747.6% | -15.2% | -45.3%  | -91.0%  |
| EPS growth                           | -4429.0% | 1137.3% | -276.2%  | -27.6% | -59.1%  | -79.8%  |
| <b>Efficiency</b>                    |          |         |          |        |         |         |
| Sales per employee                   | 389.9    | 293.5   | 401.9    | 379.3  | 405.7   | 1,034.9 |
| EBITDA per employee                  | 68.8     | -135.3  | -61.3    | -73.2  | 3.5     | 110.1   |
| No. employees (average)              | 67       | 74      | 76       | 80     | 85      | 38      |
| <b>Balance sheet analysis</b>        |          |         |          |        |         |         |
| Avg. working capital / sales         | -77.1%   | -50.6%  | -53.3%   | -33.9% | -32.8%  | -26.3%  |
| Inventory turnover (sales/inventory) | n.a.     | n.a.    | n.a.     | n.a.   | n.a.    | n.a.    |
| Accounts receivable turnover         | 86.3     | 168.2   | 131.9    | 156.7  | 138.7   | 121.7   |
| Accounts payable turnover            | 353.9    | 366.4   | 294.3    | 264.8  | 234.5   | 205.6   |
| <b>Cash flow analysis</b>            |          |         |          |        |         |         |
| Free cash flow                       | 18.8     | -4.0    | -12.1    | -11.1  | -0.3    | 1.9     |
| Free cash flow/sales                 | 71.8%    | -18.4%  | -39.4%   | -36.4% | -1.0%   | 4.7%    |
| FCF / net profit                     | 282.8%   | 37.7%   | 95.1%    | 123.1% | 5.9%    | neg.    |
| Capex / sales                        | n.a.     | n.a.    | n.a.     | n.a.   | n.a.    | n.a.    |
| <b>Solvency</b>                      |          |         |          |        |         |         |
| Net debt                             | 6.7      | 12.8    | 37.2     | 35.5   | 35.9    | 34.0    |
| Net Debt/EBITDA                      | 1.4      | -1.3    | -7.9     | -6.0   | 121.8   | 8.1     |
| Dividend payout ratio                | 0.0%     | 0.0%    | 0.0%     | 0.0%   | 0.0%    | 0.0%    |
| Interest paid / avg. debt            | 52.0%    | 18.5%   | 32.3%    | 14.5%  | 11.3%   | 15.3%   |
| <b>Returns</b>                       |          |         |          |        |         |         |
| ROCE                                 | 1.0%     | -18.3%  | -12.8%   | -12.4% | -6.2%   | -1.4%   |
| ROE                                  | 12.1%    | -15.1%  | -21.9%   | -14.4% | -10.0%  | -4.8%   |
| Adjusted FCF yield                   | -1.2%    | -10.4%  | -3.2%    | -5.3%  | -2.4%   | 0.3%    |
| Dividend yield                       | 0.0%     | 0.0%    | 0.0%     | 0.0%   | 0.0%    | 0.0%    |
| DPS                                  | 0.0      | 0.0     | 0.0      | 0.0    | 0.0     | 0.0     |
| EPS reported                         | 0.40     | -0.65   | -0.70    | -0.47  | -0.29   | -0.13   |
| Average number of shares             | 13.3     | 15.4    | 17.5     | 18.3   | 19.0    | 19.0    |
| <b>Valuation ratios</b>              |          |         |          |        |         |         |
| P/BV                                 | 1.2      | 1.1     | 1.3      | 1.3    | 1.4     | 1.5     |
| EV/sales                             | 2.3      | 3.9     | 3.5      | 3.7    | 3.3     | 2.8     |
| EV/EBITDA                            | 13.1     | -8.4    | -23.1    | -19.2  | 384.4   | 26.6    |
| EV/EBIT                              | 90.1     | -5.7    | -9.8     | -9.1   | -18.7   | -84.4   |

Source: Company data, NuWays

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| Company   | Disclosures |
|-----------|-------------|
| LAIQON AG | 2           |

### Historical target price and rating changes for LAIQON AG

| Company   | Date       | Analyst           | Rating | Target Price | Close    |
|-----------|------------|-------------------|--------|--------------|----------|
| LAIQON AG | 06.08.2024 | Jarchow, Frederik | Buy    | EUR 9.10     | EUR 4.52 |
|           | 19.06.2024 | Jarchow, Frederik | Buy    | EUR 8.70     | EUR 4.87 |
|           | 18.02.2024 | Jarchow, Frederik | Buy    | EUR 10.00    | EUR 5.86 |

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The adj. FCF method is based on the assumption that investors purchase assets only at a price (enterprise value) at which the operating cash flow return after taxes on this investment exceeds their opportunity costs in the form of a hurdle rate of 7.5%. The operating cash flow is calculated as EBITDA less maintenance capex and taxes.

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ment towards the actual capital structure is done by discounting the calculated free cash flows with the weighted average cost of capital (WACC), which takes into account both the cost of equity capital and the cost of debt. After discounting, the calculated total enterprise value is reduced by the interest-bearing debt capital in order to arrive at the equity value.

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## Contacts

### NuWays AG

Mittelweg 16-17  
20148 Hamburg  
Germany

+49 170 119 8648  
info@nuways-ag.com  
www.nuways-ag.com



**Christian Sandherr**

Co-CEO/Analyst

christian.sandherr@nuways-ag.com



**Frederik Jarchow**

Co-CEO/Analyst

frederik.jarchow@nuways-ag.com



**Philipp Sennewald**

Analyst

philipp.sennewald@nuways-ag.com



**Henry Wendisch**

Analyst

henry.wendisch@nuways-ag.com



**Mark Schüssler**

Analyst

mark-hendrik.schuessler@nuways-ag.com



**Konstantin Völk**

Analyst

konstantin.voelk@nuways-ag.com

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