

coinIX GmbH & Co KgaA

Germany | Technology | MCap EUR 9.5m

4 March 2024

UPDATE



Prelim. FY23 positive;
cryptos are booming, PT
up, BUY

What's it all about?

coinIX has published preliminary figures for the 2023 financial year. The German GAAP (HGB) financial statements are of limited significance due to the lower of cost or market principle. Nevertheless, after a loss in the previous year, the company posted a small profit in the 2023 financial year, mainly due to realized price gains and income from staking. At the same time, operating expenses were reduced by 40% and write-downs on financial assets by 48%. The market value of the portfolio increased by 56% yoy to EUR 9.3m at the end of the FY. Core coinIX positions such as Ethereum, Bitcoin and The Graph have continued to gain significantly in recent weeks. A revaluation of our NAV valuation model with current prices results in a new price target of EUR 4.27 (old: EUR 3.08). The current share price does not even reflect the value of coinIX's liquid cryptocurrencies; the portfolio of equity investments comes free for investors on top. We continue to recommend BUY.

IMPORTANT. Please refer to the last page of this report for "Important disclosures" and analyst(s) certifications.

BUY (BUY)

Target price	EUR 4.27 (3.08)
Current price	EUR 3.10
Up/downside	37.7%

 **ResearchHub**



MAIN AUTHOR

Dr. Oliver Wojahn, CFA

o.wojahn@alsterresearch.com
+49 40 309 293-55

alsterresearch.com

This research is the product of AlsterResearch, which is registered with the BaFin in Germany.

coinIX GmbH & Co KgaA

Germany | Technology | MCap EUR 9.5m | EV EUR 9.3m

BUY (BUY)

Target price EUR 4.27 (3.08)
Current price EUR 3.10
Up/downside 37.7%

MAIN AUTHOR

Dr. Oliver Wojahn, CFA
o.wojahn@alsterresearch.com
+49 40 309 293-55

Prelim. FY23 positive; cryptos are booming, PT up, BUY

Prelim. FY23 positive. coinIX has published preliminary figures for the 2023 financial year. In principle, the German-GAAP (HGB) financial statements are only of limited informative value for investment companies, as the lower of cost or market principle means that write-downs must be made in the event of impairments, but no write-ups in the event of increases in value. This means that the carrying amounts do not provide transparent information about the actual investment performance, as losses are recognized immediately and gains only when they are realized. Despite these limitations, it is positive to note that coinIX was able to return to a small profit (EUR 38k) in FY23 following a loss in FY22. This is due to realized price gains and income from staking totaling EUR 1.3m, while at the same time operating expenses were lowered to EUR 0.4m (-40% compared to the previous year) and write-downs on financial assets and cryptocurrencies reduced to EUR 0.7m (-48% compared to the previous year).

Further significant value growth in the portfolio. The development of the portfolio's market value is more informative than the HGB financial statements. Here, the significant recovery in cryptocurrency and token prices is particularly positive: as of December 31, 2023, the market value of coinIX's portfolio had risen by 56% yoy to EUR 9.3m. This recovery has accelerated in recent weeks: since our last update on coinIX 5 weeks ago, coinIX's core positions have continued to rise sharply: in USD terms, Ethereum (ETH) is up by a good 40%, Bitcoin (BTC) by a good 50% and The Graph (GRT) by over 80% (!). We see the approval of Bitcoin spot ETFs, the upcoming Bitcoin halving and the possible approval of ETH spot ETFs as the main drivers of the recent rally (see also our [last update](#)).

PT up, BUY. An update of our NAV valuation model with current prices results in a new price target of EUR 4.27 (old: EUR 3.08). A coinIX share gives investors exclusive access to a broadly diversified portfolio along the entire blockchain value chain. The current share price does not even reflect the value of coinIX's liquid cryptocurrencies; the portfolio of company holdings is virtually free for investors on top. We continue to recommend BUY.

coinIX GmbH & Co KgaA	2020	2021	2022	2023P	2024E	2025E
Sales	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	-0.0	1.7	-0.2	0.8	0.6	0.8
EBIT	-0.1	1.7	-1.5	0.2	0.6	0.8
Net profit	-0.7	1.8	-1.3	0.0	0.5	0.7
Net debt (net cash)*	-0.1	-0.8	-0.2	-0.6	-1.1	-1.8
Net debt/EBITDA	2.8x	-0.5x	1.1x	-0.7x	-1.8x	-2.2x
EPS reported	-0.29	0.63	-0.43	0.01	0.16	0.22
DPS	0.00	0.00	0.00	0.00	0.00	0.00
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
ROCE	-5.7%	22.4%	-23.2%	2.4%	8.9%	10.9%
EV/EBITDA	-249.3x	5.1x	-45.5x	10.7x	14.0x	9.6x
EV/EBIT	-138.2x	5.1x	-6.1x	58.7x	14.0x	9.6x
PER	-10.5x	4.9x	-7.2x	250.6x	19.3x	14.4x
FCF yield	0.0%	15.0%	-14.5%	3.8%	5.2%	7.0%

* coinIX is financed exclusively by equity. Source: Company data, AlsterResearch

Note 1: German GAAP reporting is not very meaningful for an investment company.

Note 2: Estimates do not include any proceeds from divestments of equity stakes.



Source: Company data, AlsterResearch

High/low 52 weeks 3.10 / 1.10
Price/Book Ratio 1.5x

Ticker / Symbols

ISIN DE000A2LQ1G5
WKN A2LQ1G
Bloomberg XCX:GR

Changes in estimates

		Sales	EBIT	EPS
2023P	old	0.0	0.4	0.11
	Δ	na%	-63.9%	-89.0%
2024E	old	0.0	0.6	0.16
	Δ	na%	0.0%	0.0%
2025E	old	0.0	0.8	0.22
	Δ	na%	0.0%	0.0%

Key share data

Number of shares: (in m pcs) 3.07
Ø trading volume: (52w, in pcs) 906

Major shareholders

Free Float 100.0%

Company description

coinIX is a venture capital investment firm that invests in blockchain technology companies, tokens and cryptocurrencies.

Valuation

Portfolio coinIX

Unternehmen / Company	Quelle / source	Buchwert book value (reported, EUR k)	Valuation base	Bewertungs- grundlage	aktueller Wert current value (eAR, EUR k)
Finexity AG	reported	275,0	estimate	Schätzung	700
Cadeia GmbH	reported	200,5	book value	Schätzung	100
Asvin GmbH	reported	250,0	book value	Buchwert	500
AdHash AG	reported	150,9	book value	Buchwert	150
Simetria Trading Solutions Ltd.	reported	125,0	book value	Schätzung	0
Pandora Core AG	reported	107,0	estimate	Schätzung	50
Blockpit GmbH	reported	104,9	Series A 07/21	Series A 07/21	300
Defyca Holdings Sarl	reported	102,1	book value	Buchwert	100
Natix GmbH	reported	200,0	book value	Schätzung	265
Kima (ehem. Diversifi)	reported	85,0	book value	Schätzung	300
Crypto Index Series Ltd.	reported	75,0	book value	Schätzung	75
XVA Blockchain GmbH	reported	63,5	book value	Schätzung	60
AllTokenFotball	reported	62,5	book value	Schätzung	0
Livin Media Ltd.	reported	56,0	book value	Schätzung	50
Blockchance UG	reported	45,3	book value	Schätzung	0
OURZ AG	reported	16,0	book value	Schätzung	0
Autonomy Labs Ltd.	reported	9,0	book value	Buchwert	10
Tokenforge	reported	100,0	book value	Buchwert	100
Summe Equity-Beteiligungen				TTL equity investments	2.760

EUR/USD 1,0847

Token	Quelle / Source	Anz. / Number Token (k)	Preis / Price (USD)	Preis / Price (EUR)	Wert / Value (EUR k)
The Graph (GRT)	est.	11.625	0,3191	0,2942	3.420
Ethereum (ETH)	est.	1,300	3.468	3.197	4.156
Bitcoin (BTC)	est.	0,022	63.752	58.772	1.293
All other tokens & SAFT	est.				2.100
Summe Token-Projekte und Kryptowährungen				TTL token projects and cryptos	10.969

Cash (EUR k, Schätzung) Cash (EUR k, est.) 150

Zeitwert der Vermögensgegenstände	Fair value of assets	
-Managementgebühr 6 Jahre auf Equity	- management fee 6 years on equity	331
-Managementgebühr 2 Jahre auf Token	- management fee 2 years on tokens	439
-Managementgebühr 1 Jahr auf Cash	- management fee 1 year on cash	3
-Managementgebühr ausstehende Erfolgsbeteiligung	- outstanding profit participation	0
	NAV (EUR k)	13.106

4-Mar-24 NAV je Aktie / NAV per share (EUR) 4,27

Source: AlsterResearch estimates, coinIX

Investment case in five charts

Portfolio (Auswahl)

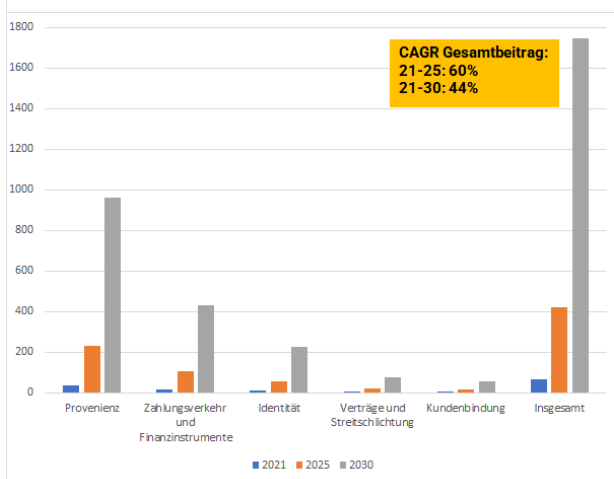
Traditionelle Branchen
Traditional Industries

Finanzindustrie (traditionell und DeFi)
Finance (traditional and DeFi)

Metaverse, NFTs,
Social, Games

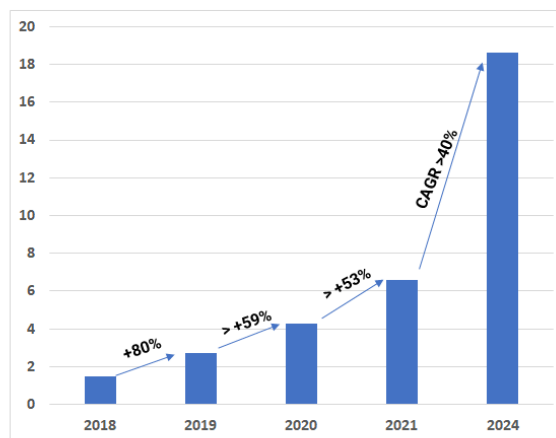
Blockchain Infrastruktur / Infrastructure

Ökonomischer Beitrag Blockchain (weltweit, USD Mrd.)



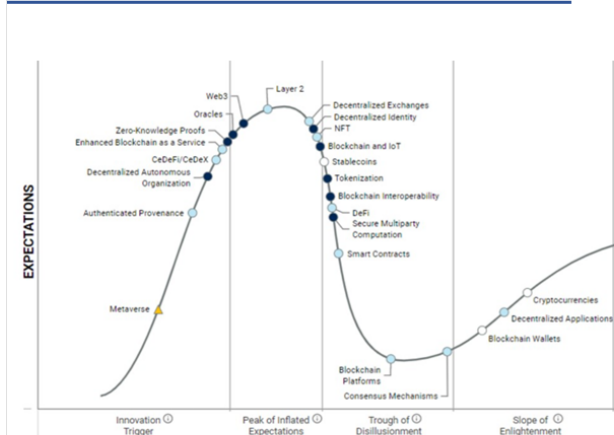
Quelle: PwC, Time for Trust, October 2020

Investitionen in die Blockchain (USD Mrd.)



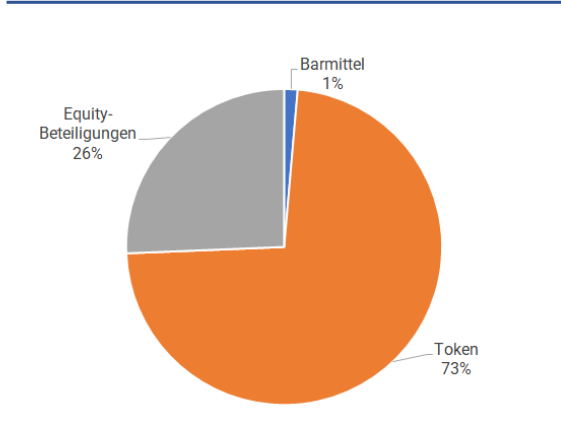
Quelle: IDC

Der Gartner Blockchain Hype Cycle



Quelle: Gartner (Juli 2022)

Portfolioallokation (zum Veröffentlichungsdatum)



Quelle: AlsterResearch

SWOT

Strengths

- Early mover with good track record
- Exclusive focus on blockchain; deep and complementary know-how in the team (including inhouse regulatory expertise)
- Network enables access to attractive pre-sales and seed rounds
- Flexibility in asset allocation and high diversification in cryptocurrencies, tokens and blockchain venture capital

Weaknesses

- Unusual legal form (GmbH & Co KGaA)
- Listing on the open market (Düsseldorf, Munich, Berlin) with low transparency and reporting requirements

Opportunities

- Enormous growth of the blockchain market and related investment opportunities
- Very high return potential with simultaneously high liquidity of cryptocurrencies and some tokens
- Generating recurring revenues through staking / delegating
- Eurocentric business model with clear regulatory framework

Risks

- Volatility of cryptocurrencies and token prices
- Stricter regulation of cryptocurrencies and accompanying higher regulatory requirements for coinIX

Financials

Attention: Note: German GAAP reporting is not very meaningful for an investment company.

Profit and loss (EUR m)	2020	2021	2022	2023P	2024E	2025E
Net sales	0.0	0.0	0.0	0.0	0.0	0.0
Sales growth	na	na	na	na	na	na
Change in finished goods and work-in-process	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	0.0	0.0	0.0	0.0	0.0	0.0
Material expenses	0.0	0.0	0.0	0.0	0.0	0.0
Gross profit	0.0	0.0	0.0	0.0	0.0	0.0
Other operating income	0.3	4.1	0.6	1.3	1.4	1.6
Personnel expenses	0.0	0.0	0.0	0.0	0.0	0.0
Other operating expenses	0.3	2.4	0.8	0.5	0.8	0.8
EBITDA	-0.0	1.7	-0.2	0.8	0.6	0.8
Depreciation	0.0	0.0	0.0	0.0	0.0	0.0
EBITA	-0.1	1.7	-0.2	0.8	0.6	0.8
Amortisation of goodwill and intangible assets	0.0	0.0	1.3	0.7	0.0	0.0
EBIT	-0.1	1.7	-1.5	0.2	0.6	0.8
Financial result	0.0	0.5	0.0	0.0	0.0	0.0
Recurring pretax income from continuing operations	-0.1	2.2	-1.5	0.2	0.6	0.8
Extraordinary income/loss	-0.6	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	-0.7	2.2	-1.5	0.2	0.6	0.8
Taxes	0.0	0.4	-0.2	0.1	0.1	0.1
Net income from continuing operations	-0.7	1.8	-1.3	0.0	0.5	0.7
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	-0.7	1.8	-1.3	0.0	0.5	0.7
Minority interest	0.0	-0.0	0.0	0.0	0.0	0.0
Net profit (reported)	-0.7	1.8	-1.3	0.0	0.5	0.7
Average number of shares	2.31	2.87	3.07	3.07	3.07	3.07
EPS reported	-0.29	0.63	-0.43	0.01	0.16	0.22

Balance sheet (EUR m)	2020	2021	2022	2023P	2024E	2025E
Intangible assets (excl. Goodwill)	0.5	5.1	3.6	2.9	2.9	2.9
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	0.0	0.0	0.0	0.0	0.0	0.0
Financial assets	0.4	1.4	1.9	1.9	1.9	1.9
FIXED ASSETS	0.9	6.5	5.5	4.8	4.8	4.8
Inventories	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	0.0	0.0	0.0	0.0	0.0	0.0
Other current assets	0.3	0.4	0.9	0.9	0.9	0.9
Liquid assets	0.1	0.8	0.2	0.6	1.1	1.8
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	0.4	1.3	1.1	1.5	2.0	2.7
TOTAL ASSETS	1.3	7.8	6.6	6.3	6.8	7.4
SHAREHOLDERS EQUITY	1.2	7.0	6.2	6.3	6.8	7.4
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	0.0	0.0	0.0	0.0	0.0	0.0
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	0.0	0.5	0.3	0.0	0.0	0.0
Non-current liabilities	0.0	0.5	0.3	0.0	0.0	0.0
short-term liabilities to banks	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	0.1	0.2	0.0	0.0	0.0	0.0
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	0.0	0.0	0.0	0.0	0.0	0.0
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	0.1	0.2	0.0	0.0	0.0	0.0
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	1.3	7.8	6.6	6.3	6.8	7.4

Balance sheet (common size)	2020	2021	2022	2023P	2024E	2025E
Intangible assets (excl. Goodwill)	41%	66%	54%	46%	43%	39%
Goodwill	0%	0%	0%	0%	0%	0%
Property, plant and equipment	0%	0%	0%	0%	0%	0%
Financial assets	30%	17%	28%	30%	28%	25%
FIXED ASSETS	71%	84%	83%	76%	70%	64%
Inventories	0%	0%	0%	0%	0%	0%
Accounts receivable	0%	0%	0%	0%	0%	0%
Other current assets	21%	6%	14%	14%	13%	12%
Liquid assets	8%	11%	4%	10%	16%	24%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred charges and prepaid expenses	0%	0%	0%	0%	0%	0%
CURRENT ASSETS	29%	16%	17%	24%	30%	36%
TOTAL ASSETS	100%	100%	100%	100%	100%	100%
SHAREHOLDERS EQUITY	91%	90%	95%	100%	100%	100%
MINORITY INTEREST	0%	0%	0%	0%	0%	0%
Long-term debt	0%	0%	0%	0%	0%	0%
Provisions for pensions and similar obligations	0%	0%	0%	0%	0%	0%
Other provisions	1%	7%	5%	0%	0%	0%
Non-current liabilities	1%	7%	5%	0%	0%	0%
short-term liabilities to banks	0%	0%	0%	0%	0%	0%
Accounts payable	8%	3%	1%	0%	0%	0%
Advance payments received on orders	0%	0%	0%	0%	0%	0%
Other liabilities (incl. from lease and rental contracts)	0%	0%	0%	0%	0%	0%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred income	0%	0%	0%	0%	0%	0%
Current liabilities	8%	3%	1%	0%	0%	0%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100%	100%	100%	100%	100%	100%

Source: Company data; AlsterResearch

Cash flow statement (EUR m)	2020	2021	2022	2023P	2024E	2025E
Net profit/loss	0.0	1.8	-1.3	0.0	0.5	0.7
Depreciation of fixed assets (incl. leases)	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	1.3	0.7	0.0	0.0
Others	0.0	-0.5	-0.7	-0.3	0.0	0.0
Cash flow from operations before changes in w/c	0.0	1.4	-0.8	0.4	0.5	0.7
Increase/decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in accounts receivable	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in accounts payable	0.0	0.1	-0.2	-0.0	0.0	0.0
Increase/decrease in other w/c positions	0.0	-0.1	-0.4	0.0	0.0	0.0
Increase/decrease in working capital	0.0	-0.0	-0.6	-0.0	0.0	0.0
Cash flow from operating activities	0.0	1.3	-1.4	0.4	0.5	0.7
CAPEX	0.0	0.0	0.0	0.0	0.0	0.0
Payments for acquisitions	0.0	-3.5	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.3	0.0	0.0	0.0
Cash flow from investing activities	0.0	-3.5	0.3	0.0	0.0	0.0
Cash flow before financing	0.0	-2.2	-1.1	0.4	0.5	0.7
Increase/decrease in debt position	0.0	0.0	0.0	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	3.8	0.5	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	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
Cash flow from financing activities	0.0	3.8	0.5	0.0	0.0	0.0
Increase/decrease in liquid assets	0.0	0.8	-0.6	0.4	0.5	0.7
Liquid assets at end of period	0.0	0.8	0.2	0.6	1.1	1.8

Source: Company data; AlsterResearch

Ratios	2020	2021	2022	2023P	2024E	2025E
Per share data						
Earnings per share reported	-0.29	0.63	-0.43	0.01	0.16	0.22
Cash flow per share	0.00	0.46	-0.45	0.12	0.16	0.22
Book value per share	0.51	2.44	2.03	2.04	2.20	2.42
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
Valuation						
P/E	-10.5x	4.9x	-7.2x	250.6x	19.3x	14.4x
P/CF	Infinityx	6.7x	-6.9x	26.3x	19.3x	14.4x
P/BV	6.1x	1.3x	1.5x	1.5x	1.4x	1.3x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	0.0%	15.0%	-14.5%	3.8%	5.2%	7.0%
EV/Sales	9,415.4x	8,684.9x	na	na	na	na
EV/EBITDA	-249.3x	5.1x	-45.5x	10.7x	14.0x	9.6x
EV/EBIT	-138.2x	5.1x	-6.1x	58.7x	14.0x	9.6x
Income statement (EURm)						
Sales	0.0	0.0	0.0	0.0	0.0	0.0
yoy chg in %	na	na	na	na	na	na
Gross profit	0.0	0.0	0.0	0.0	0.0	0.0
Gross margin in %	na	na	na	na	na	na
EBITDA	-0.0	1.7	-0.2	0.8	0.6	0.8
EBITDA margin in %	na	na	na	na	na	na
EBIT	-0.1	1.7	-1.5	0.2	0.6	0.8
EBIT margin in %	na	na	na	na	na	na
Net profit	-0.7	1.8	-1.3	0.0	0.5	0.7
Cash flow statement (EURm)						
CF from operations	0.0	1.3	-1.4	0.4	0.5	0.7
Capex	0.0	0.0	0.0	0.0	0.0	0.0
Maintenance Capex	0.0	0.0	0.0	0.0	0.0	0.0
Free cash flow	0.0	1.3	-1.4	0.4	0.5	0.7
Balance sheet (EURm)						
Intangible assets	0.5	5.1	3.6	2.9	2.9	2.9
Tangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Shareholders' equity	1.2	7.0	6.2	6.3	6.8	7.4
Pension provisions	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities and provisions	0.0	0.5	0.3	0.0	0.0	0.0
Net financial debt	-0.1	-0.8	-0.2	-0.6	-1.1	-1.8
w/c requirements	-0.1	-0.2	-0.0	0.0	0.0	0.0
Ratios						
ROE	-57.7%	26.0%	-21.3%	0.6%	7.3%	8.9%
ROCE	-5.7%	22.4%	-23.2%	2.4%	8.9%	10.9%
Net gearing	-9.0%	-11.9%	-3.8%	-9.5%	-16.1%	-23.6%
Net debt / EBITDA	2.8x	-0.5x	1.1x	-0.7x	-1.8x	-2.2x

Source: Company data; AlsterResearch

Conflicts of interest

Disclosures regarding research publications of SRH AlsterResearch AG pursuant to section 85 of the German Securities Trading Act (WpHG) and distributed in the UK under an EEA branch passport, subject to the FCA requirements on research recommendation disclosures. It is essential that any research recommendation is fairly presented and discloses interests of indicates relevant conflicts of interest. Pursuant to section 85 of the German Securities Trading Act (WpHG) a research report has to point out possible conflicts of interest in connection with the analyzed company. Further to this, under the FCA's rules on research recommendations, any conflicts of interest in connection with the recommendation must be disclosed. A conflict of interest is presumed to exist in particular if SRH AlsterResearch AG

- (1) or its affiliate(s) (either in its own right or as part of a consortium) within the past twelve months, acquired the financial instruments of the analyzed company,
- (2) has entered into an agreement on the production of the research report with the analyzed company,
- (3) or its affiliate(s) has, within the past twelve months, been party to an agreement on the provision of investment banking services with the analyzed company or have received services or a promise of services under the term of such an agreement,
- (4) or its affiliate(s) holds a) 5% or more of the share capital of the analyzed company, or b) the analyzed company holds 5% or more of the share capital of SRH AlsterResearch AG or its affiliate(s),
- (5) or its affiliate(s) holds a net long (a) or a net short (b) position of 0.5% of the outstanding share capital of the analyzed company or derivatives thereof,
- (6) or its affiliate(s) is a market maker or liquidity provider in the financial instruments of the issuer,
- (7) or the analyst has any other significant financial interests relating to the analyzed company such as, for example, exercising mandates in the interest of the analyzed company or a significant conflict of interest with respect to the issuer,
- (8) The research report has been made available to the company prior to its publication. Thereafter, only factual changes have been made to the report.

Conflicts of interest that existed at the time when this research report was published:

Company	Disclosure
coinIX GmbH & Co KgaA	2, 3, 8

Important disclosures

1. General Information/Liabilities This research report has been produced for the information purposes of institutional investors only, and is not in any way a personal recommendation, offer or solicitation to buy or sell the financial instruments mentioned herein. The document is confidential and is made available by SRH AlsterResearch AG, exclusively to selected recipients [in DE, GB, FR, CH, US, UK, Scandinavia, and Benelux or, in individual cases, also in other countries]. A distribution to private investors in the sense of the German Securities Trading Act (WpHG) is excluded. It is not allowed to pass the research report on to persons other than the intended recipient without the permission of SRH AlsterResearch AG. Reproduction of this document, in whole or in part, is not permitted without prior permission SRH AlsterResearch AG. All rights reserved. Under no circumstances shall SRH AlsterResearch AG, any of its employees involved in the preparation, have any liability for possible errors or incompleteness of the information included in this research report – neither in relation to indirect or direct nor consequential damages. Liability for damages arising either directly or as a consequence of the use of information, opinions and estimates is also excluded. Past performance of a financial instrument is not necessarily indicative of future performance.

2. Responsibilities This research report was prepared by the research analyst named on the front page (the "Producer"). The Producer is solely responsible for the views and estimates expressed in this report. The report has been prepared independently. The content of the research report was not influenced by the issuer of the analyzed financial instrument at any time. It may be possible that parts of the research report were handed out to the issuer for information purposes prior to the publication without any major amendments being made thereafter.

3. Organizational Requirements SRH AlsterResearch AG took internal organizational and regulative precautions to avoid or accordingly disclose possible conflicts of interest in connection with the preparation and distribution of the research report. All members of AlsterResearch AG involved in the preparation of the research report are subject to internal compliance regulations. No part of the Producer's compensation is directly or indirectly related to the preparation of this financial analysis. In case a research analyst or a closely related person is confronted with a conflict of interest, the research analyst is restricted from covering this company.

4. Information Concerning the Methods of Valuation/Update The determination of the fair value per share, i.e. the price target, and the resultant rating is done on the basis of the adjusted free cash flow (adj. FCF) method and on the basis of the discounted cash flow – DCF model. Furthermore, a peer group comparison is made. 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. The operating cash flow is calculated as EBITDA less maintenance capex and taxes. Within the framework of the DCF approach, the future free cash flows are calculated initially on the basis of a fictitious capital structure of 100% equity, i.e. interest and repayments on debt capital are not factored in initially. The adjustment 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. Detailed information on the valuation principles and methods used and the underlying assumptions can be found at <https://www.alsterresearch.com>.

SRH AlsterResearch AG uses the following three-step rating system for the analyzed companies:

- **Buy:** Sustainable upside potential of more than 10% within 12 months
- **Sell:** Sustainable downside potential of more than 10% within 12 months.
- **Hold:** Upside/downside potential is limited. No immediate catalyst visible.

NB: The ratings of SRH AlsterResearch AG are not based on a performance that is expected to be "relative" to the market.

The decision on the choice of the financial instruments analyzed in this document was solely made by SRH AlsterResearch AG. The opinions and estimates in this research report are subject to change without notice. It is within the discretion of SRH AlsterResearch AG whether and when it publishes an update to this research report, but in general updates are created on a regular basis, after 6 months at the latest. A sensitivity analysis is included and published in company's initial studies.

5. Date and time of first publication of this financial analysis
4-Mar-24 10:16:59

6. Risk information

- Stock exchange investments and investments in companies (shares) are always speculative and involve the risk of total loss.
- This is particularly true in respect of investments in companies which are not established and/or small and have no established business or corporate assets.
- Share prices may fluctuate significantly. This is particularly true for shares with low liquidity (market breadth). Even small orders can have a significant impact on the share price.
- In the case of shares in narrow markets, it may also happen that there is no or very little actual trading there and that published prices are not based on actual trading but have only been provided by a stockbroker.
- In such markets a shareholder cannot expect to find a buyer for his shares at all and/or at reasonable prices. In such narrow markets there is a very high possibility of manipulating prices and in such markets there are often considerable price fluctuations.
- An investment in shares with low liquidity and low market capitalization is therefore highly speculative and represents a very high risk.
- There is no regulated market for unlisted shares and securities and a sale is not possible or only possible on an individual basis.

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

8. Competent Supervisory Authority SRH AlsterResearch AG are under supervision of the BaFin – German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht), Graurheindorfer Straße 108, 53117 Bonn and Marie-Curie-Straße 24 – 28, 60439 Frankfurt a.M. This document is distributed in the UK under a MiFID EEA branch passport and in compliance with the applicable FCA requirements.

9. Specific Comments for Recipients Outside of Germany This research report is subject to the law of the Federal Republic of Germany. The distribution of this information to other states in particular to the USA, Canada, Australia and Japan may be restricted or prohibited by the laws applicable within this state.

10. Miscellaneous According to Article 4(1) No. i of the delegated regulation 2016/958 supplementing regulation 596/2014 of the European Parliament, further information regarding investment recommendations of the last 12 months are published free of charge under <https://www.alsterresearch.com>.

Contacts

SRH AlsterResearch AG
Himmelstr. 9
22299 Hamburg

Tel: +49 40 309 293-52
E-Mail: info@alsterresearch.com

Sales

HOLGER NASS
Head of Sales
Tel: +49 40 309 293-52
E-Mail: h.nass@alsterresearch.com

Team Assistant

HANNAH GABERT
Team Assistant
Tel: +49 40 309 293-52
E-Mail: h.gabert@alsterresearch.com

mwb fairtrade Wertpapierhandelsbank AG
Rottenbacher Straße 28
82166 Gräfelfing

Tel: +49 89 85852-0
Fax: +49 89 85852-505
E-Mail: info@mwbfairtrade.com

Our research can be found under

Research

HARALD HOF
Senior Analyst
Tel: +49 40 309 293-53
E-Mail: h.hof@alsterresearch.com

LEON MÜHLENBRUCH
Analyst
Tel: +49 40 309 293-57
E-Mail: l.muehlenbruch@alsterresearch.com

LEVENT YILMAZ
Senior Analyst
Tel: +49 40 309 293-70
E-Mail: l.yilmaz@alsterresearch.com

THOMAS WISSLER
Senior Analyst
Tel: +49 40 309 293-58
E-Mail: t.wissler@alsterresearch.com

DR. OLIVER WOJAHN, CFA
Senior Analyst
Tel: +49 40 309 293-55
E-Mail: o.wojahn@alsterresearch.com

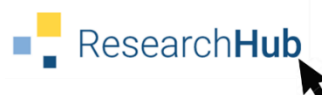
ALEXANDER ZIENKOWICZ
Senior Analyst
Tel: +49 40 309 293-56
E-Mail: a.zienkowicz@alsterresearch.com

Equity Capital Markets / Trading

KAI JORDAN
Member of the Board
Tel: +49 40 36 0995-22
E-Mail: kjordan@mwbfairtrade.com

ALEXANDER DEUSS
Head of Institutional Sales
Tel: +49 40 36 0995- 22
E-Mail: adeuss@mwbfairtrade.com

SASCHA GUENON
Head of Designated Sponsoring
Tel: +49 40 360 995 - 23
E-Mail: sguenon@mwbfairtrade.com



RESEARCH HUB	www.research-hub.de
BLOOMBERG	www.bloomberg.com
FACTSET	www.factset.com
THOMSON REUTERS / REFINITIV	www.refinitiv.com
CAPITALIQ	www.capitaliq.com