

# LAIQON AG

Germany / Financial Services

 Bloomberg: LQAG GR  
 ISIN: DE000A12UP29

Capital increase

**RATING**
**PRICE TARGET**

 Return Potential  
 Risk Rating

**BUY**
**€ 9.80**

 94.4%  
 High

## NEW ANCHOR INVESTOR FURTHER VALIDATES LAIQON'S POTENTIAL

The Joachim Herz Foundation (JHF) has become a new anchor investor in LAIQON AG, acquiring a stake of 9.93% through a cash capital increase of €12.6m without subscription rights. This strategic investment is aimed at supporting LAIQON's long-term growth and innovation. The funds raised will be used to expand strategic partnerships with further prominent financial institutions (e.g. private banks, insurance companies, and large fintechs), enhance sales collaborations, and further develop LAIQON's Digital Asset Platform 4.0 and its promising WealthTech subsidiary, LAIC. Established in 2008, JHF is one of Germany's five largest foundations and a renowned investor with a long-term investment focus. In our view, this collaboration is good news and represents a pivotal step for LAIQON to financially ensure the scaling of its business activities and the realisation of its long-term strategic goals, while reducing the company's overall business risk. This transaction is the third validation of business potential that management has achieved in 2024, having secured: (1) the second largest German asset manager Union Investment (Union) as a white-label partner for its LAIC product and (2) the 10th largest cooperative bank in Germany, Volksbank Rosenheim, as a JV partner for the distribution of LAIC, as a direct investor in LAIC Capital GmbH with a 5.04% stake as well as an investor in LAIQON's asset management subsidiary BV Bayerische Vermögen GmbH (BV) with a 25% stake. Today, LAIQON announced that Union's roll-out of the LAIC Advisor started in early December 2024 as planned. In our view, management is delivering as promised. We have updated our DCF model and arrive at an unchanged price target of €9.80. Our recommendation remains Buy.

**Capital increase totalling €12.6m with a slight premium on the closing share price** LAIQON raised gross proceeds of €12.6m by issuing 2.1m new shares at a placement price of €6.00 p/s, which was approx. 18% above the previous day's closing share price. The number of shares outstanding has increased from 19.0m to 21.1m. (p.t.o.)

### FINANCIAL HISTORY & PROJECTIONS

	FY 21	FY 22	FY 23	FY 24E	FY 25E	FY 26E
Revenue (€m)	26.1	21.6	30.7	35.4	42.7	52.9
Y-o-y growth	-5.7%	-17.4%	42.5%	15.3%	20.5%	23.8%
EBIT (€m)	0.7	-14.7	-11.1	-8.5	-2.0	5.4
EBIT margin	n.a.	n.a.	n.a.	n.a.	n.a.	10.3%
Net income (€m)	5.2	-10.2	-12.3	-6.3	-3.1	1.3
EPS (diluted) (€)	0.39	-0.67	-0.51	-0.30	-0.15	0.06
DPS (€)	0.00	0.00	0.00	0.00	0.00	0.00
FCF (€m)	18.8	-6.2	-12.1	-4.0	-2.2	3.1
Net gearing	3.1%	11.8%	57.1%	22.7%	31.2%	29.5%
Liquid assets (€m)	16.3	10.4	7.1	17.5	12.8	13.4

### RISKS

Risks include, but are not limited to negative economic and capital markets downturn impact, client satisfaction and loss of key personnel.

### COMPANY PROFILE

LAIQON is an independent wealth and asset management firm offering investment solutions to private and institutional clients powered by its innovative Digital Asset Platform 4.0. The company has also developed its WealthTech subsidiary LAIC to offer digital risk-optimised investment solutions. The group is headquartered in Hamburg and has assets under management of >€6bn.

### MARKET DATA

As of 02 Dec 2024

Closing Price	€ 5.04
Shares outstanding	21.14m
Market Capitalisation	€ 106.54m
52-week Range	€ 4.01 / 7.70
Avg. Volume (12 Months)	11,398

Multiples	FY 23	FY 24E	FY 25E
P/E	n.a.	n.a.	n.a.
EV/Sales	4.2	3.7	3.1
EV/EBIT	n.a.	n.a.	n.a.
Div. Yield	0.0%	0.0%	0.0%

### STOCK OVERVIEW



### COMPANY DATA

As of 30 Jun 2024

Liquid Assets	€ 4.32m
Current Assets	€ 17.20m
Intangible Assets	€ 85.68m
Total Assets	€ 143.87m
Current Liabilities	€ 15.58m
Shareholders' Equity	€ 58.89m

### SHAREHOLDERS

DEWB AG	15.0%
Joachim Herz Foundation	9.9%
Achim Plate	8.0%
SPSW Capital	7.0%
Freefloat & others	60.1%

**New anchor investor Joachim Herz Foundation (JHF) – focusses on innovative, long-term dividend investments** Established in 2008 in Hamburg, JHF is one of Germany's five largest private foundations dedicated to fostering innovation and sustainable growth with a strong commitment to long-term value creation. JHF is a renowned investor particularly known for promoting innovative, application-oriented projects, with an emphasis on areas such as talent development or digital transformation, at the intersection of economics, engineering, natural sciences, and medicine. Its investments include a significant stake in the personal care, dividend-paying company Beiersdorf AG, supplemented by a diversified portfolio of securities and real estate holdings in the US and Germany. Across all its investments, the foundation prioritises maintaining its capital in real terms while generating steady returns to support its philanthropic goals. This strategic and value-driven profile with focus on innovation, particularly in AI, and sustainability makes JHF an ideal supportive partner for LAIQON, in our view.

**Figure 1: Overview of the Joachim Herz Foundation in Hamburg**

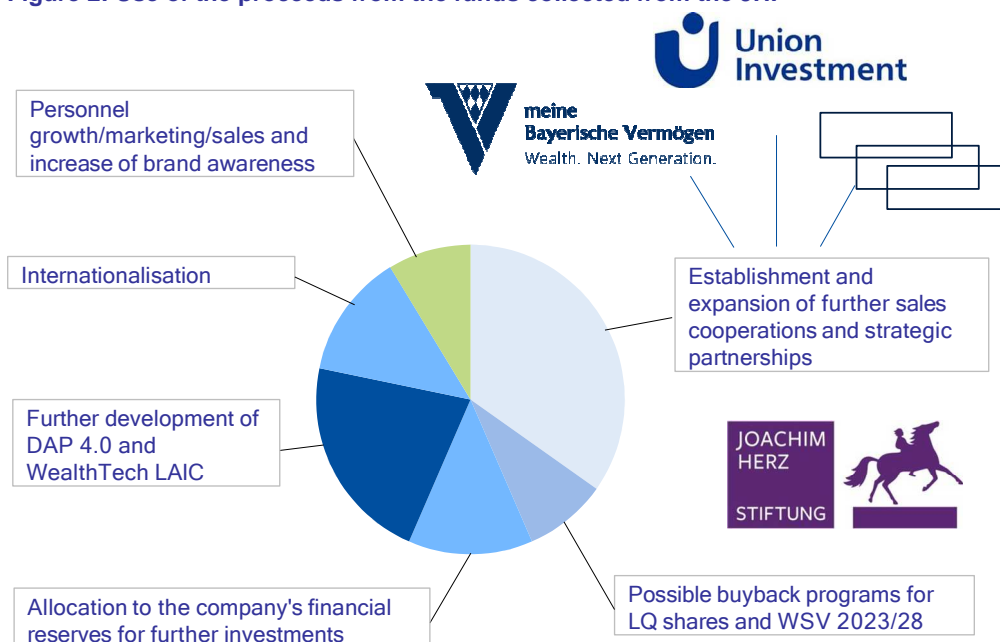


Source: First Berlin Equity Research, LAIQON AG

**JHF validates LAIQON's value proposal – management is guiding towards paying dividend in 2027 for the first time** The JHF sees LAIQON as an innovation leader in the German asset and wealth management market which perfectly complements the objectives of the foundation to promote innovation and generate value. According to LAIQON's CEO, Mr Plate, the investment provides the foundation for its next growth phase, including its goal of achieving dividend-paying capability by 2027.

**Raised funds will chiefly be used to implement growth driving measures** LAIQON plans to invest the proceeds from the capital increase with the JHS primarily in the following growth-promoting, value-enhancing measures: (1) Establishment and expansion of strategic partnerships and sales cooperations (similar to Union Investment), which are crucial for scaling business operations, as we expect to conclude the next partnership in 2025; (2) further developing key products, such as DAP 40 and WealthTech LAIC; (3) expanding the workforce, strengthening marketing measures and building brand awareness; (4) internationalising the business, ideally supported by an international partner; (5) endowing share buyback programmes and (6) strengthening the company's financial reserves for future investments (see figure 2 overleaf).

**Figure 2: Use of the proceeds from the funds collected from the JHF**



Source: First Berlin Equity Research, LAIQON AG

**The management presentation at the German Equity Forum investor conference highlighted the company's three key validating transactions that were completed in 2024**

During his presentation to the crowded audience of investors, Mr Plate expressed his satisfaction at having achieved the three business-validating deals targeted for 2024, which form the basis for the next growth phase 2025-2028, namely (1) the winning of the second largest German asset manager Union Investment (Union) as a white-label partner for the LAIC product; (2) the signing up of the tenth-largest cooperative bank in Germany, Volksbank Rosenheim, as a JV partner for the distribution of LAIC, as a direct investor in LAIC Capital GmbH with a 5.04% stake and as an investor in LAIQON's asset management subsidiary BV Bayerische Vermögen GmbH (BV) with a 25% stake; and (3) attracting a new anchor investor despite the difficult capital market environment. In our view, 2024 has been a successful year for LAIQON so far, while the management has delivered on its promises. Management also confirmed LAIQON/LAIC's AuM outlook for 2025 and 2028.

**LAIQON AuM and EBITDA guidance 2025E confirmed** LAIQON has guided for an increase in AuM to >€8-10bn by 2025 (H1/24: €6.5bn), to which LAIC is expected to contribute €1.5bn. The EBITDA margin is expected to expand to >45% by 2025 including performance-fees if the market remains stable, and >30% if the capital markets weaken, and the company does not generate substantial performance fees.

**LAIC AuM guidance 2028E confirmed** Chiefly driven by the Union partnership, management expect that LAIC's AuM will climb from €0.5bn in 2024, to €1.5bn in 2025 and to a range of €5.5- €6.5bn by 2028, implying a 2024-2028 CAGR of about 86%. This newly communicated guidance is aligned with the previous LAIQON Group outlook for 2025 of AuM at €8-10bn, of which LAIC would contribute €1.5bn, and the remaining traditional LAIQON business the balance of €6.5-8.5bn. Importantly, according to this forecast, the LAIC subsidiary alone would be roughly as large in five years as the entire LAIQON Group is today (AuM of €6.5bn at the end of H1/24).

**Union started the roll-out of LAIC WertAnlage in December as planned** Union Investment launched the AI-driven fund management solution, "WertAnlage", in early December 2024, in collaboration with LAIQON's subsidiary, LAIC Vermögensverwaltung. The product is unique as it can offer a wide variety of personalised investment strategies (>2,600) that take into account different customer preferences in terms of risk appetite, asset classes, regions, sustainability, and investment themes. The AI system analyses over 125m data points daily to optimise and manage the portfolios dynamically, adapting them to market conditions and individual client preferences. We see Union as a game-changing partner for LAIQON/LAIC.

**Figure 3: Cooperation with Union Investment – Successful implementation of the white label partner approach**



Source: First Berlin Equity Research, LAIQON AG

**WertAnlage – a fully customisable solution including ~30% in Union funds, ~20% in LAIQON funds, and ~50% in funds from other providers** Investors can choose from five traditional or five sustainability-focused portfolios, each with varying equity exposure. They can further customise their investment focus on regions such as North America, alternative investments such as commodities, or specific themes such as infrastructure. Once the investor, in consultation with a cooperative bank advisor, determines the portfolio's broad asset allocation, LAIC optimises and creates the portfolio. The allocations include about 30% in Union Investment funds, 20% in LAIQON funds (this will support AuM growth in the LAIQON funds), and 50% in funds from other providers, index funds (ETFs), and exchange-traded commodities (ETCs). Individual stock investments are excluded. The "WertAnlage" service is designed for affluent private investors, with a minimum initial investment of €50,000. Savings plans are available after this initial deposit, requiring a minimum monthly contribution of €500. Clients pay ongoing fund costs, a management fee of 0.86%, and an individualised service fee set by their bank. No upfront sales charges are applied to the funds.



## VALUATION MODEL

**Buy rating at unchanged price target** LAIQON's announcement of a new anchor shareholder despite the current challenging capital market environment is in our view good news as it provides the company with a financial leeway to comfortably navigate the upcoming scaling phase 2025-2028. We have updated our financial model to take the corresponding dilution effect into account. Based on an unchanged company outlook, we have not raised our AuM and revenue projections for 2025-2028. Our estimates still only consider the growth driven by Union Investment and leave the contribution of any additional partner (we expect LAIQON to gain a new partner in 2025), internationalisation or company share buybacks as upside to our valuation. The negative valuation effect from a higher number of shares outstanding was cancelled out by the positive effect from the reduction in our COE estimate to 12.7% (previously: 12.8%) due to a decline in the yield on risk-free investments (10-year German government bonds: 2.2% compared to 2.3% previously) and the reduction in proforma net debt. Our DCF model still yields a price target of €9.80. The company has confirmed that Union's rollout of the joint LAIC-WealthTech product "WertAnlage" to its high net worth clients has started in early December 2024 as planned. The rollout of the "WertAnlage" through Union's network of >700 banks will allow LAIQON to achieve strong AuM and revenue acceleration during the next 12 to 24 months. These milestones will act as a strong catalyst for the share price in our view. We continue to regard LAIQON as an attractive investment opportunity and stick to our Buy recommendation.

**Table 1: DCF Model**

All figures in EUR '000	FY 24E	FY 25E	FY 26E	FY 27E	FY 28E	FY 29E	FY 30E	FY 31E
Net sales	35,440	42,710	52,860	60,670	69,530	78,341	88,281	97,053
NOPLAT	-8,450	-1,979	5,137	9,742	14,351	19,557	25,554	28,545
+ depreciation & amortisation	6,450	6,250	6,200	6,050	5,800	5,450	5,150	5,050
Net operating cash flow	-2,000	4,271	11,337	15,792	20,151	25,007	30,704	33,595
- total investments (CAPEX and WC)	-5,127	-3,971	-4,021	-4,206	-4,465	-3,377	-2,990	-2,890
Capital expenditures	-2,450	-2,000	-1,850	-1,850	-1,850	-1,550	-1,550	-1,550
Working capital	-2,677	-1,971	-2,171	-2,356	-2,615	-1,827	-1,440	-1,340
Free cash flows (FCF)	-7,127	300	7,315	11,586	15,686	21,630	27,714	30,704
PV of FCFs	-6,737	257	5,684	8,162	10,019	12,526	14,550	14,615

All figures in EUR '000	
PV of FCFs in explicit period	111,690
PV of FCFs in terminal period	108,853
Enterprise value	220,543
+ Net cash / - net debt (proforma)	-12,214
+ Investments / minority interests	0
Shareholder value	208,329
Sharecount (proforma)	21,199
<b>Fair value per share in EUR</b>	<b>9.83</b>

Price target in EUR	9.80
Cost of equity	12.7%
Pre-tax cost of debt	6.9%
Tax rate	31.0%
After-tax cost of debt	4.8%
Share of equity capital	70.0%
Share of debt capital	30.0%
<b>WACC</b>	<b>10.3%</b>

WACC		Terminal growth rate						
		0.5%	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%
7.3%	14.77	15.51	16.38	17.41	18.66	20.19	22.13	
8.3%	12.32	12.82	13.40	14.06	14.84	15.77	16.89	
9.3%	10.45	10.80	11.20	11.65	12.16	12.76	13.46	
10.3%	8.98	9.23	9.51	<b>9.83</b>	10.18	10.59	11.05	
11.3%	7.79	7.98	8.18	8.41	8.66	8.95	9.27	
12.3%	6.82	6.96	7.11	7.28	7.46	7.67	7.90	
13.3%	6.00	6.11	6.23	6.35	6.49	6.64	6.81	

\*Please note our model runs through 2036 and we have only shown the abbreviated version for formatting purposes



## INCOME STATEMENT

All figures in EUR '000	FY 21	FY 22	FY 23	FY 24E	FY 25E	FY 26E
<b>LAIQON group revenues</b>	<b>26,122</b>	<b>21,575</b>	<b>30,746</b>	<b>35,440</b>	<b>42,710</b>	<b>52,860</b>
Cost of goods sold	-2,702	-3,665	-5,941	-5,240	-6,115	-10,043
<b>Gross profit</b>	<b>23,420</b>	<b>17,910</b>	<b>24,805</b>	<b>30,200</b>	<b>36,595</b>	<b>42,817</b>
Personnel expenses	-11,341	-17,113	-20,226	-22,408	-22,879	-22,073
Other operating expenses	-7,796	-11,024	-8,658	-9,592	-9,345	-9,016
Share of profit of associates	327	281	-614	-200	-100	-99
<b>EBITDA</b>	<b>4,610</b>	<b>-9,946</b>	<b>-4,693</b>	<b>-2,000</b>	<b>4,271</b>	<b>11,629</b>
Depreciation expenses	-3,938	-4,711	-6,386	-6,450	-6,250	-6,200
<b>Operating income (EBIT)</b>	<b>672</b>	<b>-14,657</b>	<b>-11,079</b>	<b>-8,450</b>	<b>-1,979</b>	<b>5,429</b>
Net financial result	5,747	-1,631	-8,889	-3,513	-3,390	-3,480
<b>Pre-tax income (EBT)</b>	<b>6,419</b>	<b>-16,288</b>	<b>-19,968</b>	<b>-11,963</b>	<b>-5,369</b>	<b>1,949</b>
Tax result	213	5,747	7,094	5,000	1,500	-292
<b>Net income / loss</b>	<b>6,632</b>	<b>-10,541</b>	<b>-12,874</b>	<b>-6,963</b>	<b>-3,869</b>	<b>1,657</b>
Minority interests	1,481	-376	-552	-662	-795	400
<b>Net result after minorities</b>	<b>5,151</b>	<b>-10,165</b>	<b>-12,322</b>	<b>-6,300</b>	<b>-3,074</b>	<b>1,257</b>
<b>Diluted EPS (in EUR)</b>	<b>0.39</b>	<b>-0.67</b>	<b>-0.51</b>	<b>-0.30</b>	<b>-0.15</b>	<b>0.06</b>
<b>Ratios as % of total revenue</b>						
Gross margin	89.7%	83.0%	80.7%	85.2%	85.7%	81.0%
EBITDA margin	17.6%	n.a.	n.a.	n.a.	10.0%	22.0%
EBIT margin	n.a.	n.a.	n.a.	n.a.	-4.6%	10.3%
Net margin	n.a.	n.a.	n.a.	n.a.	-7.2%	2.4%
Tax rate	-3.3%	3.0%	30.0%	30.0%	15.0%	15.0%
<b>Expenses as % of of total revenue</b>						
Personnel expenses	43.4%	79.3%	65.8%	63.2%	53.6%	41.8%
Other operating expenses	29.8%	51.1%	28.2%	27.1%	21.9%	17.1%
Depreciation expenses	15.1%	21.8%	20.8%	18.2%	14.6%	11.7%
<b>Y-Y Growth</b>						
Revenues	-5.7%	-17.4%	42.5%	15.3%	20.5%	23.8%
EBITDA	-29.1%	n.a.	n.a.	n.a.	n.a.	172.3%
Operating income (EBIT)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Net income/ loss	415.3%	n.a.	n.a.	n.a.	n.a.	n.a.



## BALANCE SHEET

All figures in EUR '000	FY 21	FY 22	FY 23	FY 24E	FY 25E	FY 26E
<b>Assets</b>						
<b>Current assets, total</b>	<b>32,984</b>	<b>22,359</b>	<b>19,830</b>	<b>34,487</b>	<b>32,857</b>	<b>39,246</b>
Cash and cash equivalents	16,331	10,375	7,139	17,520	12,785	13,429
Receivables	6,177	9,942	10,888	14,564	17,552	23,172
Financial assets	9,908	863	845	845	845	845
Other current assets	568	1,179	958	1,558	1,674	1,800
<b>Non-current assets, total</b>	<b>83,977</b>	<b>117,483</b>	<b>124,797</b>	<b>121,247</b>	<b>117,454</b>	<b>113,570</b>
Property, plant & equipment	9,935	10,436	13,202	12,452	11,752	11,052
Financial assets	2,719	1,180	0	0	0	0
Intangible assets	54,771	90,293	87,214	83,964	80,414	76,764
Deferred tax assets & other	10,192	15,003	22,634	23,082	23,539	24,006
Associated companies (Goodw ill)	6,360	570	1,748	1,748	1,748	1,748
<b>Total assets</b>	<b>116,961</b>	<b>139,841</b>	<b>144,628</b>	<b>155,733</b>	<b>150,310</b>	<b>152,817</b>
<b>Shareholders' equity &amp; debt</b>						
<b>Current liabilities, total</b>	<b>28,622</b>	<b>22,872</b>	<b>19,202</b>	<b>19,786</b>	<b>20,632</b>	<b>24,095</b>
Short-term debt	7,217	2,311	1,918	1,818	1,727	1,813
Accounts payable	16,123	16,029	14,869	15,868	16,885	20,333
Income tax liabilities	1,781	1,982	330	100	120	144
Other current liabilities	3,501	2,551	2,085	2,000	1,900	1,805
<b>Long-term liabilities, total</b>	<b>39,977</b>	<b>44,882</b>	<b>70,749</b>	<b>66,785</b>	<b>64,382</b>	<b>61,479</b>
Long-term debt	10,630	16,535	36,428	31,428	31,428	31,428
Deferred tax liabilities	12,155	17,052	17,681	17,681	17,681	17,681
Trade payables and other liabilities	17,192	11,295	16,640	17,676	15,273	12,370
<b>Minority interests</b>	<b>5,099</b>	<b>5,471</b>	<b>-877</b>	<b>-1,539</b>	<b>-2,334</b>	<b>-1,934</b>
<b>Shareholders' equity</b>	<b>43,263</b>	<b>66,617</b>	<b>55,554</b>	<b>70,702</b>	<b>67,631</b>	<b>69,176</b>
<b>Total consolidated equity and de</b>	<b>116,961</b>	<b>139,841</b>	<b>144,628</b>	<b>155,733</b>	<b>150,310</b>	<b>152,817</b>
<b>Ratios</b>						
Current ratio (x)	1.2	1.0	1.0	1.7	1.6	1.6
Quick ratio (x)	1.2	1.0	1.0	1.7	1.6	1.6
Net debt/(net cash)	1,516	8,471	31,207	15,726	20,370	19,812
Net gearing	3.1%	11.8%	57.1%	22.7%	31.2%	29.5%
Book value per share (in €)	3.25	4.38	2.68	3.35	3.20	3.27
Return on equity (ROE)	15.3%	-15.8%	-23.2%	-9.8%	-5.7%	2.5%
Equity ratio	41.3%	51.5%	37.8%	44.4%	43.4%	45.3%



## CASH FLOW STATEMENT

All figures in EUR '000	FY 21	FY 22	FY 23	FY 24E	FY 25E	FY 26E
<b>Net income</b>	<b>6,632</b>	<b>-10,541</b>	<b>-12,874</b>	<b>-6,963</b>	<b>-3,869</b>	<b>1,657</b>
Depreciation and amortisation	3,938	4,711	6,386	6,450	6,250	6,200
Changes in working capital	3,628	-4,349	-3,192	-3,592	-2,167	-2,369
Other adjustments	5,758	7,414	-1,055	2,535	-448	-494
<b>Operating cash flow</b>	<b>19,956</b>	<b>-2,765</b>	<b>-10,735</b>	<b>-1,569</b>	<b>-234</b>	<b>4,994</b>
CapEx	-1,117	-3,423	-1,315	-2,450	-2,000	-1,850
<b>Free cash flow</b>	<b>18,839</b>	<b>-6,188</b>	<b>-12,050</b>	<b>-4,019</b>	<b>-2,234</b>	<b>3,144</b>
Other investments and disposals	0	-5,049	0	0	0	0
<b>Cash flow from investing</b>	<b>-1,117</b>	<b>-8,472</b>	<b>-1,315</b>	<b>-2,450</b>	<b>-2,000</b>	<b>-1,850</b>
Debt financing, net	-14,041	-6,759	8,813	-7,500	-2,500	-2,500
Equity financing, net	5,000	12,040	0	21,900	0	0
<b>Cash flow from financing</b>	<b>-9,041</b>	<b>5,281</b>	<b>8,813</b>	<b>14,400</b>	<b>-2,500</b>	<b>-2,500</b>
<b>Net cash flow</b>	<b>9,798</b>	<b>-5,956</b>	<b>-3,236</b>	<b>10,381</b>	<b>-4,734</b>	<b>644</b>
Cash, start of the year	6,533	16,331	10,375	7,139	17,520	12,785
<b>Cash, end of the year</b>	<b>16,331</b>	<b>10,375</b>	<b>7,139</b>	<b>17,520</b>	<b>12,785</b>	<b>13,429</b>
<b>EBITDA/share (in €)</b>	<b>0.35</b>	<b>-0.65</b>	<b>-0.23</b>	<b>-0.09</b>	<b>0.20</b>	<b>0.55</b>
<b>Y-Y Growth</b>						
Operating cash flow	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Free cash flow	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA/share	n.a.	n.a.	n.a.	n.a.	n.a.	172.3%



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**ASSET VALUATION SYSTEM**

First Berlin's system for asset valuation is divided into an asset recommendation and a risk assessment.

**ASSET RECOMMENDATION**

The recommendations determined in accordance with the share price trend anticipated by First Berlin in the respectively indicated investment period are as follows:

Category		1	2
Current market capitalisation (in €)		0 - 2 billion	> 2 billion
Strong Buy <sup>1</sup>	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%

<sup>1</sup> The expected price trend is in combination with sizable confidence in the quality and forecast security of management.

Our recommendation system places each company into one of two market capitalisation categories. Category 1 companies have a market capitalisation of €0 – €2 billion, and Category 2 companies have a market capitalisation of > €2 billion. The expected return thresholds underlying our recommendation system are lower for Category 2 companies than for Category 1 companies. This reflects the generally lower level of risk associated with higher market capitalisation companies.

**RISK ASSESSMENT**

The First Berlin categories for risk assessment are low, average, high and speculative. They are determined by ten factors: Corporate governance, quality of earnings, management strength, balance sheet and financial risk, competitive position, standard of financial disclosure, regulatory and political uncertainty, strength of brandname, market capitalisation and free float. These risk factors are incorporated into the First Berlin valuation models and are thus included in the target prices. First Berlin customers may request the models.

**RECOMMENDATION & PRICE TARGET HISTORY**

Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	20 August 2024	€4.93	BUY	€9.80
2	12 September 2024	€4.14	BUY	€9.80
3	Today	€5.04	BUY	€9.80

**INVESTMENT HORIZON**

Unless otherwise stated in the financial analysis, the ratings refer to an investment period of twelve months.

**UPDATES**

At the time of publication of this financial analysis it is not certain whether, when and on what occasion an update will be provided. In general First Berlin strives to review the financial analysis for its topicality and, if required, to update it in a very timely manner in connection with the reporting obligations of the analysed company or on the occasion of ad hoc notifications.

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**Legally required information regarding**

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

- sensitivity of valuation parameters

can be accessed through the following internet link: <https://firstberlin.com/disclaimer-english-link/>

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