

# Nexway AG

Reuters: A5AB.GF

Bloomberg: A5AB GR EQU

## AGM sets course for strategic repositioning

At last week's Annual General Meeting, Nexway has set the course for a strategic repositioning on the education market. Up to now, Nexway has created and operated software procurement portals for universities, colleges, research institutes, university clinics, and companies in the form of central intranet portals, which enable authorized users to purchase software products in the form of new releases and updates at generally more favourable conditions than in the stand-alone case.

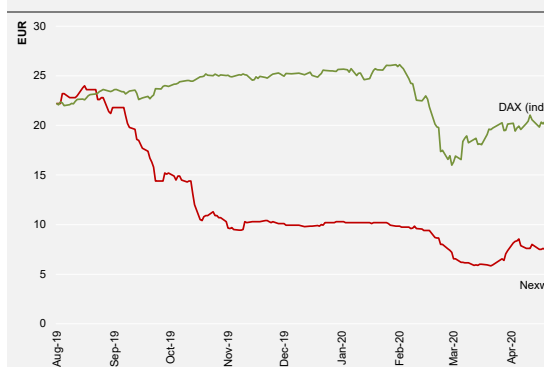
In the future, Nexway's "Ed-Tech" activities are not only to be broadened thematically, but also strengthened by selective acquisitions. In our view, the recently concluded university framework agreement with IBM could serve as a role model for this reorientation, according to which Nexway combines IBM software with its own services tailored to the needs of the respective customer, such as automated key administration according to the duration of the semesters, user statistics, or community support. The strategic partnership with the Swiss Highlight Event and Entertainment (HLEE), whose content Nexway has announced to market in the future, is another example of this strategy, which we believe should create long-term value.

Due to the Covid-19 crisis, the e-learning market is poised to grow significantly in the coming years. We believe that Nexway, with its Academics division being the undisputed market leader in the German-speaking market for universities, will benefit from this to a much greater extent than from its unsatisfactory market position in the e-commerce service sector, where Nexway will only be engaged via a minority holding in the future. In order to demonstrate this, Nexway will be renamed "asknet Solutions AG" in the coming weeks.

We confirm our buy rating for the shares of Nexway AG. After adjusting the relevant valuation parameters, we slightly reduce our price target, derived from a three-stage DCF entity model, to EUR 17.90 from EUR 18.40 per share (base case scenario). In a Monte Carlo scenario analysis, in which we used alternative sales and earnings scenarios, the best-case and worst-case equity values are EUR 20.30 and EUR 14.50 per share, respectively. Similar price targets can be derived from an economic value-added model, which is our secondary valuation method. Based on yesterday's closing price of EUR 8.15, our new price target results in a price potential of 119.6% over a 24-month period.

<b>Rating:</b> Buy	<b>Risk:</b> Very high
<b>Price:</b> EUR 8.15	
<b>Price target:</b> EUR 17.90 (previously EUR 18.40)	

<b>WKN / ISIN:</b> A2E370 / DE000A2E3707				
<b>Indices:</b> -				
<b>Transparency level:</b> Open market Frankfurt				
<b>Weighted number of shares:</b> 1.308 mn				
<b>Market cap:</b> EUR 10.7 mn				
<b>Daily trading volume:</b> 1,000 shares				
<b>H1/2020:</b> Expected September 2020				
<b>P&amp;L (EUR mn)</b>				
	<b>2019e</b>	<b>2020e</b>	<b>2021e</b>	<b>2022e</b>
Revenues	84.3	78.4	87.5	96.8
EBITDA	-1.9	-1.3	0.7	1.6
EBIT	-2.7	-2.2	-0.2	0.6
EBT	-2.7	-2.2	-0.2	0.6
EAT	-2.6	-2.1	-0.2	0.6
<b>% gross profit</b>				
	<b>2019</b>	<b>2020e</b>	<b>2021e</b>	<b>2022e</b>
EBITDA	-20.7%	-16.4%	6.8%	12.7%
EBIT	-30.0%	-27.3%	-1.7%	5.1%
EBT	-29.9%	-27.1%	-1.6%	5.2%
EAT	-29.3%	-25.8%	-1.5%	4.9%
<b>Per share (EUR)</b>				
	<b>2019</b>	<b>2020e</b>	<b>2021e</b>	<b>2022e</b>
EPS	-4.05	-1.60	-0.13	0.46
Dividend	0.00	0.00	0.00	0.00
Book value	0.00	0.22	0.09	0.56
Cash flow	-0.84	-2.64	0.54	1.15
<b>B/S (%)</b>				
	<b>2019</b>	<b>2020e</b>	<b>2021e</b>	<b>2022e</b>
Equity ratio	0.0%	1.8%	1.4%	6.7%
Gearing	n/a	n/a	-54%	-14%
<b>Multiples (x)</b>				
	<b>2019</b>	<b>2020e</b>	<b>2021e</b>	<b>2022e</b>
P/ER	n/a	n/a	n/a	17.6
EV/sales	0.07	0.23	0.12	0.11
EV/EBIT	n/a	n/a	n/a	16.9
P/BR	n/a	37.0	86.1	14.6
<b>Guidance (EUR mn)</b>				
		<b>2020e</b>	<b>2021e</b>	
Revenues		n/a	n/a	
EBIT		n/a	n/a	



SOURCE: COMPANY DATA, SPHENE CAPITAL FORECAST

**Peter Thilo Hasler, CEFA**  
+ 49 (89) 74443558 / +49 (152) 31764553  
peter-thilo.hasler@sphene-capital.de

**Guidance for the current fiscal year 2020e**

As expected, no explicit guidance for the current fiscal year 2020e was published at the Annual General Meeting, which was held virtually last week, as the further effects of the Covid-19 pandemic are not yet fully foreseeable for the Management Board. However, the presentation at the Annual General Meeting contains qualitative statements on some key data of the sales and earnings development:

**TABLE 1: GUIDANCE 2020E**

		2019	2020e	Comment
Revenues	EUR mn	84.3	⇒	Even an increase in sales seems to be possible due to significant increases in earnings in the Academics division following major new volume contracts with Adobe, Microsoft, and IBM
Gross profit	EUR mn	9.2	↘	Margin increase expected in the medium term due to higher margins from additional services in the Ed-Tech segment
Profit after tax	EUR mn	-2.6	<0	"Negative overall result" expected, due to performance impacted by "demerge and realignment". Improvement expected in 2021e

SOURCE: COMPANY DATA, SPHENE CAPITAL

**Based on a market volume of more than EUR 1.0 bn (2018), the German e-learning market will show clear double-digit growth rates in the coming years and, according to our forecasts, will almost double to EUR 1.9 bn by 2022e (CAGR 2018-22e 16.9%). Tailor-made solutions are expected to continue to gain in importance at the expense of standard products.**

**By 2022e, the Ed-Tech market volume should increase to EUR 1.9 bn**

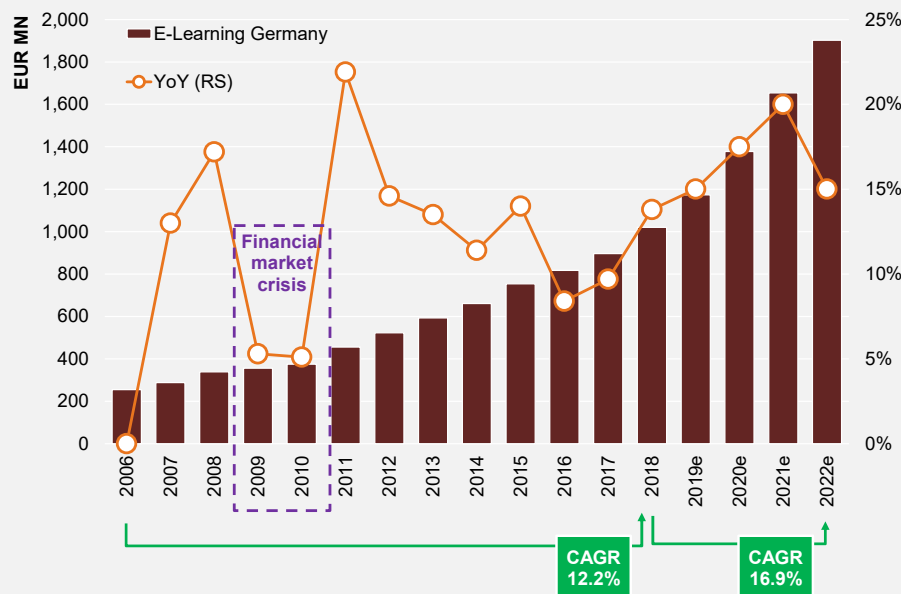
With few exceptions, the e-learning market, also known as Ed-Tech market, has been growing at double-digit rates in Germany. For the period 2006-18, the average annual market growth rate (CAGR) was 12.2%. From a market volume of EUR 255.4 mn, reached in 2006, the EUR 1 bn threshold was exceeded for the first time in 2018.

E-learning refers to all forms of learning where electronic or digital media are used to present and distribute learning materials or to support communication. A distinction is made between Computer Based Training (CBT) or Mobile Based Training (MBT) and Web Based Training (WBT).

Higher market growth rates can even be assumed for the coming years. In contrast to the financial market crisis in 2008/09, which also significantly affected Ed-Tech companies, we believe that e-learning providers should benefit sustainably from the global economic crisis triggered by Covid-19. This development is supported not least by the fact that, in contrast to the traditionally web-based e-learning model, system construction and maintenance no longer have to be provided by the educational institutions themselves—with corresponding consequences for capital employed—but via the software-as-a-service model in the cloud.

Accordingly, we expect a CAGR of 16.9% for the next four years, so that the overall market should exceed the volume of EUR 1.9 bn in 2022e.

**EXHIBIT 1: GERMAN E-LEARNING MARKET**



Due to the Covid-19 pandemic, schools were cancelled in up to 194 countries. According to UNESCO, up to 1.6 bn children worldwide had to learn at home during the pandemic. Universities and colleges are also closed. Hardly any other education system in the developed world is as badly prepared for this as the Germany's: in the Europe-wide e-learning ranking, Germany ranks 27th (i.e. last).

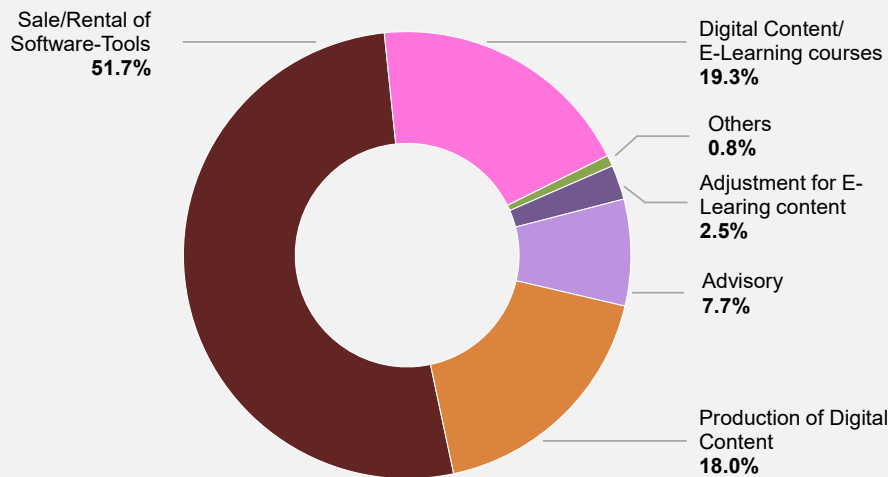
SOURCE: MMB INSTITUT, SPHENE CAPITAL FORECASTS

**Sale/rental of software tools as dominant business segment**

The dominant business segment in terms of revenue is "Sale and Rental of Software Tools". In 2018, it accounted for 51.7% of the total market volume with approximately EUR 527 mn. With sales of approximately EUR 197 mn, "Digital Content and E-Learning courses" ranks second with a share of 19.3%.

The product range offered by Nexway addresses the largest segment of the German e-learning market.

**EXHIBIT 2: GERMAN E-LEARNING MARKET BY SEGMENTS, 2018**



For many years, the ratio of "tailor-made" products" vs. "serial production" was about 75:25. More recently, however, there has been a shift in favour of tailor-made off-the-shelf products, which now account for approximately one third of the products and services offered.

SOURCE: MMB INSTITUT

**Highly fragmented market**

The market for e-learning offerings is highly fragmented. The providers can be classified into the following business models:

- ⑤ **Content providers** offer predefined e-learning content that is either standardized (for example, Business English Vocabulary) or individualized. A typical example of such a content provider is the German publishing house PONS.
- ⑤ **Application providers** offer e-learning applications, often in cooperation with content providers for cost reasons. One example of this is the cooperation between Herdt publishing house and the software company Hyperwave.
- ⑤ **Service providers** offer the services required for e-learning; these can either be directly related to the learning process itself, for example by providing information and communication platforms, or by taking over merely informative functions. An example of a service provider is imc information multimedia communication AG.
- ⑤ **Hardware providers** provide the hardware and hardware support required for e-learning purposes.
- ⑤ **Full-service providers** offer all-in-one solutions exclusively through their own resources.

**We value Nexway AG's equity using a three-phase discounted cashflow (DCF) entity model (base case scenario), which in our view best reflects the company's long-term earnings prospects. After the annual shareholder meeting, we calculate a price target of EUR 17.90 (previously EUR 18.40) per share. Similar price targets can be derived from an economic value-added model (EUR 16.80 per share), which can be used as a secondary valuation method to verify the results of the DCF model and for investors with a long-term horizon. In view of the 119.6% upside potential in the base case scenario that we expect over the next 24 months, we confirm our Buy rating for the shares of Nexway AG.**

### Slight reduction of our price target to EUR 17.90 from EUR 18.40

In view of the initiated refocusing on the academic segment, we anticipate a significant improvement in earnings in the medium term. After taking into account Covid-19 induced macroeconomic demand losses and an increase in the risk parameters (default probability assumption in the terminal value and CDS premium for the interest-bearing debt capital), we calculate an enterprise value of EUR 20.2 mn from our three-stage discounted cash flow entity model (primary valuation method). In addition to the net financial position (as of 12/2019) of EUR 3.1 mn, this results in an equity value of EUR 23.4 mn. With 1.308 mn shares, this corresponds to a value of EUR 17.90 per share. In Table 2 below we have summarized the results of our DCF valuation:

In view of the increase in earnings expected in the medium term, we consider a long-term discounted cash flow model to be the appropriate method for the valuation of Nexway.

**TABLE 2: DCF VALUATION MODEL SUMMARY**

			<b>Comment</b>
TV Insolvency rate	%	5.0%	Synthetic corporate bond B- rating with 10% RR and default spread 600 bps
Terminal Cost of capital	%	5.1%	500 bps long-term equity risk premium compared to 30-years Bunds
Present value of terminal value	EUR mn	8.0	Based on the terminal value in 2034e
in % of Enterprise Value	%	39.4%	
PV FCFF Detailed planning phase	EUR mn	0.7	Based on the present value of the FCFF for the period 2020e-24e
in % of Enterprise Value	%	3.5%	
PV FCFF rough planning phase	EUR mn	11.6	Based on the present value of the FCFF for the period 2024e-33e
in % of Enterprise Value	%	57.1%	
<b>Enterprise Value</b>	<b>EUR mn</b>	<b>20.2</b>	
Financial debt	EUR mn	0.0	Data as of 31 12 2019 (end of fiscal year 2019)
Excess Cash	EUR mn	3.1	Data as of 31 12 2019 (end of fiscal year 2019e)
<b>Value of equity</b>	<b>EUR mn</b>	<b>23.4</b>	
Number of shares	mn	1.3	
<b>Value of equity per share</b>	<b>EUR</b>	<b>17.90</b>	<b>On a 24 months investment horizon</b>

SOURCE: SPHENE CAPITAL FORECAST

### Scenario analysis through Monte Carlo simulation

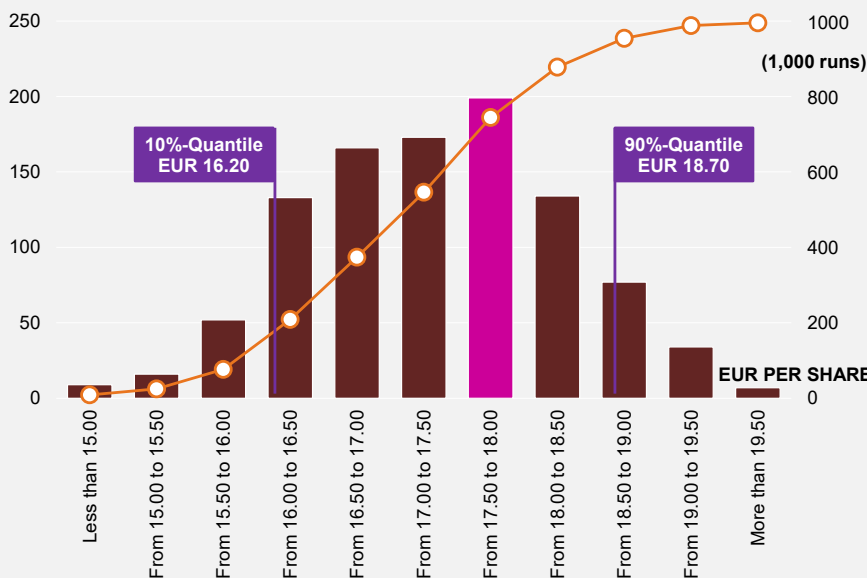
In the following exhibit 3, the limits for the growth rate and the EBIT margin in Terminal Value were further extended and a total of 1,000 combinations of the two parameters were tested and evaluated.

Monte Carlo simulation with price targets between EUR 14.50 and EUR 20.30 per share

The results show that equity values of less than EUR 19.0 mn or more than EUR 26.5 mn or less than EUR 14.50 and more than EUR 20.30 per share can hardly be achieved

by combinations of the two variables growth rate and terminal EBIT margin. The 10% quantile is EUR 16.20 per share and the 90% quantile is EUR 18.70 per share.

EXHIBIT 3: MONTE CARLO SIMULATION



The figure shows a histogram with a mode between EUR 17.50 and EUR 18.00 per share. The 10% and 90% quantiles are at EUR 16.20 and EUR 18.70 per share, respectively.

SOURCE: SPHENE CAPITAL FORECAST

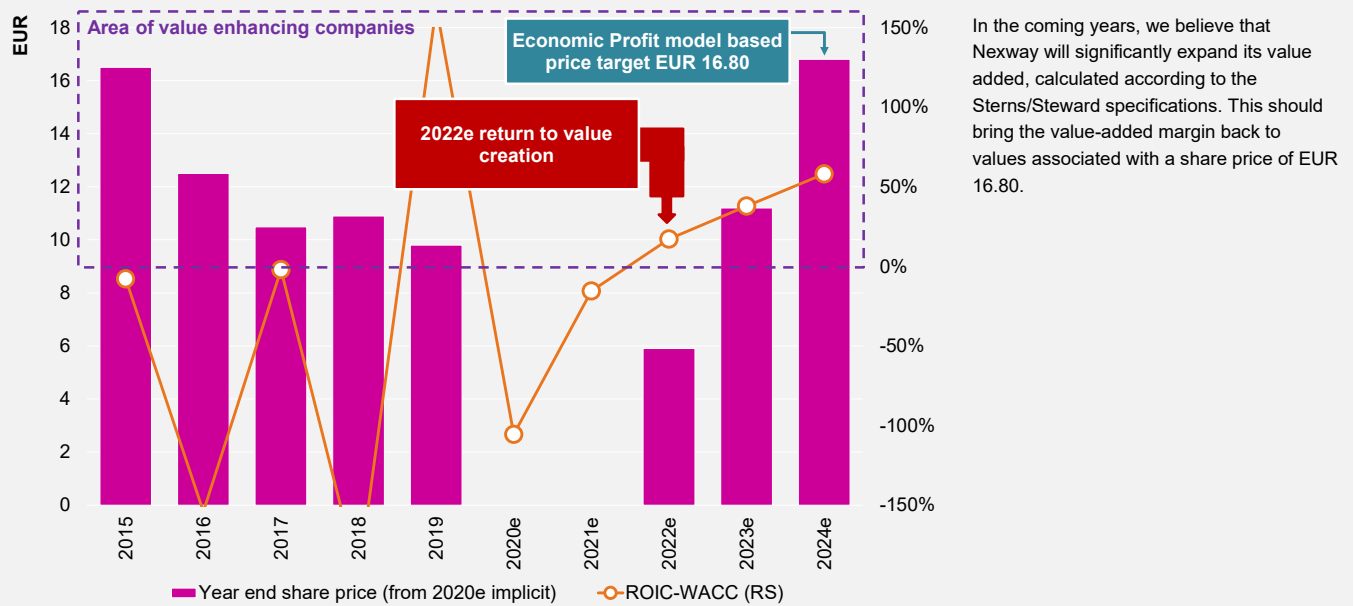
**Review of the price target using a value-added model**

We review the results of our three-phase DCF entity model using a value-added model. The analysis is based on the economic value-added model of Stearns/Steward. This compares the average weighted cost of capital (WACC) with the return on invested capital (ROIC). Companies that exceed their cost of capital and thus generate an excess return are generally able to create value for their shareholders. In contrast, companies that do not generate their cost of capital ultimately destroy shareholder value. In addition, the data we have obtained allow us to determine the extent to which capital employed is currently priced in on the capital market in relation to its earning power.

In the absence of meaningful comparable companies, we have refrained from using a market valuation method with which Nexway is valued using multiples.

Given our expectation of an increasing capital base and a margin recovery due to cost efficiency and refocusing, the increase in excess return is not reflected in the current share price, in our view. Figure 4 below shows that our value-added model results in a medium-term value of equity of EUR 16.80 per share.

EXHIBIT 4: ECONOMIC VALUE-ADDED BASED VALUATION OF NEXWAY



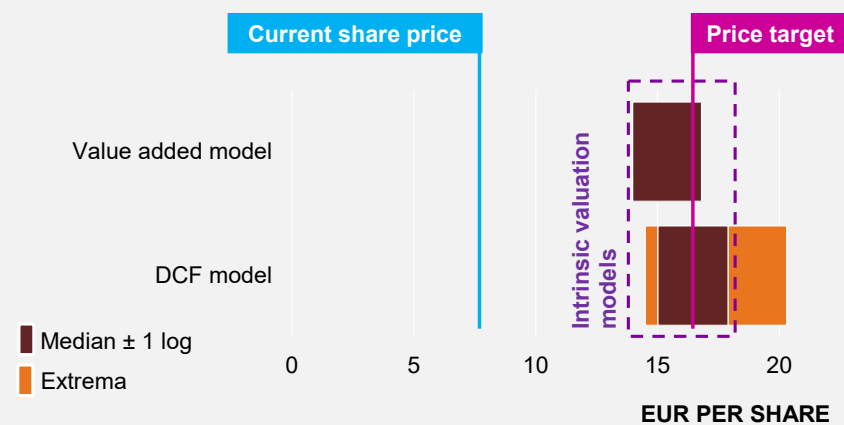
In the coming years, we believe that Nexway will significantly expand its value added, calculated according to the Sterns/Steward specifications. This should bring the value-added margin back to values associated with a share price of EUR 16.80.

SOURCE: SPHENE CAPITAL FORECAST

**Summary of the results**

In Figure 5 below, we have summarised the results of the valuation approaches presented, showing the 2024e values in the value-added valuation and the bear, base, and bull case scenarios in the DCF method.

EXHIBIT 5: SUMMARY OF THE VALUATION RESULTS



Due to the long-term growth potential of the business model, we consider the DCF model to be the relevant valuation measure.

SOURCE: SPHENE CAPITAL FORECAST

**Confirmation of our Buy rating for the shares of Nexway AG**

Compared to the last closing price of EUR 8.15, the value of equity we calculated gives us an expected price increase potential of 119.6% over a 24-month period. We accordingly confirm our Buy rating for the shares of Nexway AG.

**Multiples in reaching our DCF based equity value**

Based on our financial forecasts and if the equity value we calculated (base case scenario in the DCF valuation model) of EUR 17.90 per share is reached, Nexway will be valued at the following multiples:

**TABLE 3: VALUATION MULTIPLES**

		Valuation at current share price				Valuation at price target			
		2020e	2021e	2022e	2023e	2020e	2021e	2022e	2023e
P/ER	x	n/a	n/a	20.7x	9.7x	n/a	n/a	45.4x	21.3x
EV/sales	x	0.2x	0.1x	0.1x	0.1x	0.4x	0.3x	0.2x	0.2x
EV/EBIT	x	n/a	n/a	19.9x	9.2x	n/a	n/a	44.0x	20.3x
P/BR	x	37.0x	n/a	21.0x	6.6x	81.2x	n/a	46.0x	14.5x
Dividend yield	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

SOURCE: SPHENE CAPITAL FORECAST

**Downside risks for reaching our target value**

We have identified the following weaknesses and downside risks, which could affect the company reaching our equity value range:

- Ⓢ Currently **no audited consolidated financial statements** of the company, which is now focused on the educational segment,
- Ⓢ **improvable profitability**, as Nexway has not been able to achieve positive operating results in many of the past years,
- Ⓢ potential **stock overhang** after the merger,
- Ⓢ **low liquidity** of the shares,
- Ⓢ **dependencies on management** (“key-man-risk”).

**Catalysts for performance**

We consider the most important catalysts for the performance of Nexway’s share price in the coming months to be

- Ⓢ news regarding a better than expected **earnings performance**,
- Ⓢ **M&A activities** in the educational business,
- Ⓢ news regarding **new client wins**, f. ex. among school facilities that should be considered in the future, in our view.



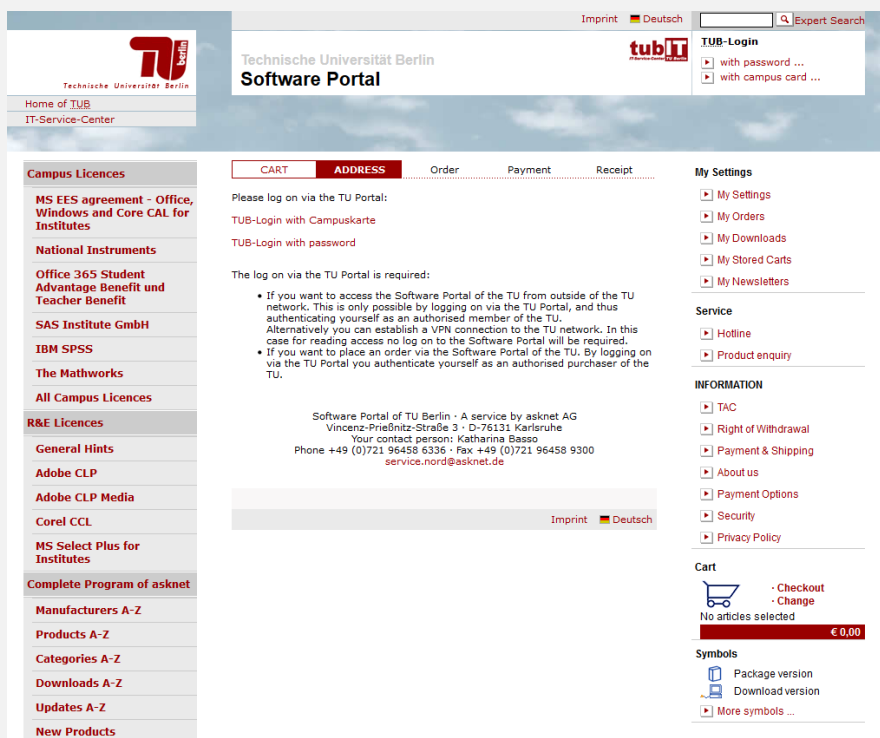
Following the majority sale of the e-commerce services activities, the development and operation of software procurement portals for universities, colleges, research institutes, university clinics and companies in form of central intranet portals constitutes the core business segment of Nexway AG. These procurement portals enable authorized users to purchase software products, usually at more favourable terms than in the stand-alone case. In this business area, Nexway operates exclusively in German-speaking countries. Typical users of the products offered by Nexway are professional customers who download updates or new releases.

### Core business segment Academics

Nexway's core business is the development and operation of customer-specific software procurement portals that are used in universities, research institutions, university hospitals, and companies. Via a central intranet site, authorized employees, research assistants and students of the educational institutions can obtain software products and download them to their computers. The procurement portals are seamlessly linked to the intranet of the respective facilities. As part of volume licenses agreements offered by Nexway, users can purchase the software products, particularly in the scientific field, at significantly cheaper terms.

Nexway's procurement portals enable students and university employees the download of software (packages) at discounted prices.

### EXHIBIT 6: SCREENSHOT OF A UNIVERSITY PORTAL



More than 80% of German universities use the procurement portals offered by Nexway.

SOURCE: COMPANY DATA, SPHENE CAPITAL

For these services, Nexway receives a percentage share of the gross or net proceeds that are achieved through the sale of digital products or through software updates via the online shop. According to our estimates, 85% of the proceeds are from the resale of software from more than 130 software manufacturers and 15% from the development and maintenance of the e-procurement portal via a software-as-a-service (SaaS) Model

as well as other customer-specific services, such as Office 365, marketing or SEO services.

**Significant savings potentials**

German universities have entered into high-volume licensing agreements in recent years, both at university and state level, in order to save costs. The advantage of a central procurement portal is that the individual universities can rely on a central information, procurement, and distribution platform that enables them to obtain, distribute, and bill software efficiently. Thus it is no longer necessary to purchase software licenses for each individual PC; instead, the universities pay royalties depending on the number of employees and users who can use the licensed desktop software on any computer and device of the respective university as well as on their private computers. In addition, the framework contracts concluded with Nexway offer uniform conditions. These facilitate license management and enable a higher degree of standardization. Therefore, the savings potential in terms of procurement time and costs are considerable, in our opinion.

In principle, all higher education institutions are potential customers of Nexway.

**Nexway's Academics suppliers and customers**

Suppliers of the software are developers such as Microsoft or Adobe on the one hand, and classic distributors such as Ingram or TechData on the other. Four software manufacturers—Microsoft (49%), Adobe (21%), Ansys (11%), and IBM (6%)—are responsible for approximately 85% of the resale gross revenues, according to the management.

In the Academics division, Nexway is exclusively present in German-speaking countries and, according to Nexway, has clearly assumed market leadership with more than 80% of the universities.

Nexway's customers are universities and technical colleges such as the Freie Universität Berlin or the RWTH Aachen, university hospitals, and scientific research institutions such as the Max Planck Society or the Forschungszentrum Karlsruhe. The Academics division is only active in German-speaking countries. According to the company, the customer structure is highly diversified.

**Competition in the Academics segment**

Currently, more than 80% of German universities and colleges are Nexway customers. The competition is based on three companies: Software 1, Cancom, and Crayon. In our opinion, however, these are less well positioned than Nexway in key aspects, as shown in table 4 below:

TABLE 4: COMPETITION IN THE ACADEMICS SEGMENT				
	Nexway	Software 1	Cancom	Crayon
Complexity of the procurement portal	●	◐	◐	○
Number of offered software manufacturers	●	◐	◐	◑
Client specific adjustments	●	◐	◐	○
SAP interface	●	○	○	○
Role based functionalities	●	○	○	○

SOURCE: COMPANY DATA, SPHENE CAPITAL

## Profit and Loss Account, 2008-14

HGB (12/31)		2008	2009	2010	2011	2012	2013	2014
<b>Gross revenues</b>	<b>EUR mn</b>	<b>74.7</b>	<b>68.9</b>	<b>72.7</b>	<b>65.4</b>	<b>74.8</b>	<b>82.2</b>	<b>89.4</b>
YoY	%	15.1%	-7.7%	5.4%	-10.0%	14.4%	9.9%	8.7%
Other operating income	EUR mn	0.7	0.2	0.1	0.2	0.9	0.6	0.6
Own work capitalized	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total output</b>	<b>EUR mn</b>	<b>75.4</b>	<b>69.1</b>	<b>72.8</b>	<b>65.6</b>	<b>75.7</b>	<b>82.8</b>	<b>90.0</b>
YoY	%	15.5%	-8.3%	5.3%	-9.8%	15.4%	9.4%	8.7%
Material costs	EUR mn	-65.8	-59.5	-62.4	-55.6	-64.9	-72.1	-79.1
In % of total output	%	-87.3%	-86.1%	-85.7%	-84.7%	-85.8%	-87.1%	-88.0%
<b>Gross profit</b>	<b>EUR mn</b>	<b>9.6</b>	<b>9.6</b>	<b>10.4</b>	<b>10.0</b>	<b>10.8</b>	<b>10.7</b>	<b>10.8</b>
YoY	%	6.3%	0.5%	7.8%	-3.4%	7.1%	-0.5%	1.3%
In % of total output	%	12.7%	13.9%	14.3%	15.3%	14.2%	12.9%	12.0%
<b>Gross profit (adjusted)</b>	<b>EUR mn</b>	<b>8.9</b>	<b>9.5</b>	<b>10.3</b>	<b>9.8</b>	<b>9.9</b>	<b>10.1</b>	<b>10.2</b>
YoY	%	12.3%	8.3%	-12.0%	5.0%	0.5%	-9.9%	43.4%
In % of total output	%	11.8%	13.7%	14.1%	15.0%	13.1%	12.3%	11.4%
Personnel costs	EUR mn	-6.3	-5.7	-5.7	-5.9	-4.8	-5.0	-5.4
In % of gross revenues	%	-8.4%	-8.2%	-7.8%	-9.0%	-6.3%	-6.1%	-6.1%
Other operating expenses	EUR mn	-6.2	-5.0	-5.3	-4.9	-5.8	-5.4	-5.2
In % of gross revenues	%	-8.3%	-7.3%	-7.2%	-7.5%	-7.8%	-6.5%	-5.8%
<b>EBITDA</b>	<b>EUR mn</b>	<b>-2.9</b>	<b>-1.1</b>	<b>-0.5</b>	<b>-0.8</b>	<b>0.2</b>	<b>0.4</b>	<b>0.2</b>
in % of gross profit (adjusted)	%	-32.7%	-11.6%	-5.2%	-7.7%	2.0%	3.7%	2.3%
Depreciation	EUR mn	-0.2	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Amortisation	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>EUR mn</b>	<b>-3.1</b>	<b>-1.2</b>	<b>-0.7</b>	<b>-0.9</b>	<b>0.1</b>	<b>0.2</b>	<b>0.1</b>
YoY	%	3.9%	-59.9%	-46.5%	34.7%	n/a	180.0%	-52.2%
YoY	EUR mn	0.4	0.1	-0.1	0.3	0.0	-0.2	0.8
in % of gross profit (adjusted)	%	-34.8%	-13.1%	-6.4%	-9.1%	0.9%	2.3%	1.1%
Income from participations	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net financial result	EUR mn	0.3	0.1	0.1	0.0	0.0	0.0	0.0
Extraordinary items	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBT</b>	<b>EUR mn</b>	<b>-2.9</b>	<b>-1.1</b>	<b>-0.6</b>	<b>-0.8</b>	<b>0.1</b>	<b>0.2</b>	<b>0.1</b>
in % of gross profit (adjusted)	%	-32.2%	-12.0%	-5.7%	-8.6%	1.0%	2.4%	1.1%
Taxes	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
In % of EBT (implied tax rate)	%	1.0%	1.0%	6.0%	3.3%	-23.8%	-4.2%	-8.3%
<b>Net income</b>	<b>EUR mn</b>	<b>-2.9</b>	<b>-1.1</b>	<b>-0.6</b>	<b>-0.9</b>	<b>0.1</b>	<b>0.2</b>	<b>0.1</b>
in % of gross profit (adjusted)	%	-32.5%	-12.1%	-6.0%	-8.9%	0.8%	2.3%	1.0%
Minorities	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nr of shares	mn	0.5	0.5	0.5	0.5	0.5	0.5	0.5
<b>EPS</b>	<b>EUR</b>	<b>-5.74</b>	<b>-2.28</b>	<b>-1.23</b>	<b>-1.74</b>	<b>0.16</b>	<b>0.46</b>	<b>0.21</b>

SOURCE: COMPANY DATA, SPHENE CAPITAL

## Profit and Loss Account, 2015-21e

HGB (12/31)		2015	2016	2017	2018	2019e	2020e	2021e
<b>Gross revenues</b>	<b>EUR mn</b>	<b>73.3</b>	<b>68.7</b>	<b>66.2</b>	<b>85.8</b>	<b>84.3</b>	<b>78.4</b>	<b>87.5</b>
YoY	%	-18.0%	-6.3%	-3.7%	29.7%	-1.8%	-7.0%	11.5%
Other operating income	EUR mn	0.7	0.6	0.9	0.9	0.2	0.2	0.2
Own work capitalized	EUR mn	0.0	0.0	1.6	0.7	0.0	0.0	0.0
<b>Total output</b>	<b>EUR mn</b>	<b>74.0</b>	<b>69.4</b>	<b>68.7</b>	<b>87.4</b>	<b>84.5</b>	<b>78.6</b>	<b>87.6</b>
YoY	%	-17.8%	-6.3%	-0.9%	27.2%	-3.3%	-7.0%	11.5%
Material costs	EUR mn	-63.4	-60.2	-57.9	-76.4	-75.3	-70.3	-76.8
In % of total output	%	-85.6%	-86.7%	-84.2%	-87.4%	-89.1%	-89.4%	-87.6%
<b>Gross profit</b>	<b>EUR mn</b>	<b>10.6</b>	<b>9.2</b>	<b>10.9</b>	<b>11.0</b>	<b>9.2</b>	<b>8.3</b>	<b>10.9</b>
YoY	%	-1.9%	-13.4%	18.1%	1.4%	-16.4%	-9.7%	30.3%
In % of total output	%	14.4%	13.3%	15.8%	12.6%	10.9%	10.6%	12.4%
<b>Gross profit (adjusted)</b>	<b>EUR mn</b>	<b>10.0</b>	<b>8.6</b>	<b>8.3</b>	<b>9.4</b>	<b>9.0</b>	<b>8.1</b>	<b>10.7</b>
YoY	%	-38.6%	23.8%	-3.3%	14.0%	-4.4%	-9.9%	31.0%
In % of total output	%	13.5%	12.3%	12.1%	10.8%	10.7%	10.4%	12.2%
Personnel costs	EUR mn	-5.2	-5.4	-4.9	-5.6	-4.4	-4.6	-4.5
In % of gross revenues	%	-7.1%	-7.8%	-7.5%	-6.5%	-5.2%	-5.8%	-5.1%
Other operating expenses	EUR mn	-5.2	-5.3	-4.9	-5.7	-6.7	-5.1	-5.7
In % of gross revenues	%	-7.1%	-7.8%	-7.5%	-6.7%	-7.9%	-6.5%	-6.5%
<b>EBITDA</b>	<b>EUR mn</b>	<b>0.2</b>	<b>-1.5</b>	<b>1.0</b>	<b>-0.3</b>	<b>-1.9</b>	<b>-1.3</b>	<b>0.7</b>
in % of gross profit (adjusted)	%	2.3%	-17.6%	12.0%	-2.7%	-20.7%	-16.4%	6.8%
Depreciation	EUR mn	-0.1	-0.1	-0.4	-1.6	-0.8	-0.9	-0.9
Amortisation	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>EUR mn</b>	<b>0.1</b>	<b>-1.7</b>	<b>0.6</b>	<b>-1.9</b>	<b>-2.7</b>	<b>-2.2</b>	<b>-0.2</b>
YoY	%	-16.5%	n/a	n/a	n/a	45.8%	-18.2%	-91.7%
YoY	EUR mn	-1.2	0.3	0.8	-6.1	3.2	1.5	0.6
in % of gross profit (adjusted)	%	1.0%	-19.3%	7.1%	-19.7%	-30.0%	-27.3%	-1.7%
Income from participations	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net financial result	EUR mn	0.0	-0.2	0.0	0.0	0.0	0.0	0.0
Extraordinary items	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBT</b>	<b>EUR mn</b>	<b>0.1</b>	<b>-1.8</b>	<b>0.6</b>	<b>-1.9</b>	<b>-2.7</b>	<b>-2.2</b>	<b>-0.2</b>
in % of gross profit (adjusted)	%	0.9%	-21.4%	7.0%	-19.8%	-29.9%	-27.1%	-1.6%
Taxes	EUR mn	0.0	0.0	-0.5	0.0	0.0	0.1	0.0
In % of EBT (implied tax rate)	%	-11.2%	0.0%	-85.9%	-2.0%	-1.8%	-5.0%	-5.0%
<b>Net income</b>	<b>EUR mn</b>	<b>0.1</b>	<b>-1.8</b>	<b>0.1</b>	<b>-1.8</b>	<b>-2.6</b>	<b>-2.1</b>	<b>-0.2</b>
in % of gross profit (adjusted)	%	0.8%	-21.4%	1.0%	-19.4%	-29.3%	-25.8%	-1.5%
Minorities	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nr of shares	mn	0.5	0.5	0.6	0.6	0.7	1.3	1.3
<b>EPS</b>	<b>EUR</b>	<b>0.16</b>	<b>-3.60</b>	<b>0.15</b>	<b>-3.26</b>	<b>-4.05</b>	<b>-1.60</b>	<b>-0.13</b>

SOURCE: COMPANY DATA, SPHENE CAPITAL FORECAST

## Balance Sheet (Assets), 2008-14

HGB (12/31)		2008	2009	2010	2011	2012	2013	2014
<b>ASSETS</b>								
<b>Non-current assets</b>	<b>EUR mn</b>	<b>0.3</b>	<b>0.2</b>	<b>0.3</b>	<b>0.2</b>	<b>0.3</b>	<b>0.3</b>	<b>1.4</b>
Intangible assets	EUR mn	0.1	0.1	0.0	0.0	0.0	0.0	1.1
Property, plant & equipment	EUR mn	0.1	0.2	0.3	0.2	0.1	0.3	0.3
Shares in affiliated companies	EUR mn	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Loans to affiliated companies	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Advance payments	EUR mn	0.0	0.0	0.0	0.0	0.1	0.0	0.0
<b>Current assets</b>	<b>EUR mn</b>	<b>13.8</b>	<b>13.0</b>	<b>14.4</b>	<b>11.3</b>	<b>13.0</b>	<b>12.5</b>	<b>16.2</b>
Inventory	EUR mn	0.3	0.2	0.2	0.1	0.4	1.0	1.0
DIO	d	2	1	1	1	2	5	4
Trade receivables	EUR mn	5.0	4.6	5.1	4.8	5.4	6.4	7.6
DSO	d	24	24	25	26	26	28	30
Receivables from affiliated companies	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Receivables from called capital	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other current assets	EUR mn	0.3	0.3	0.3	0.3	0.6	0.2	0.2
Cash & cash equivalents	EUR mn	8.2	8.0	8.8	6.1	6.6	4.9	7.5
Deferred items	EUR mn	0.2	0.2	0.2	0.1	0.2	0.2	0.2
Equity deficit	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total assets</b>	<b>EUR mn</b>	<b>14.4</b>	<b>13.4</b>	<b>14.9</b>	<b>11.7</b>	<b>13.5</b>	<b>13.1</b>	<b>17.7</b>
SOURCE: COMPANY DATA, SPHENE CAPITAL								

## Balance Sheet (Assets), 2015-21e

HGB (12/31)		2015	2016	2017	2018	2019e	2020e	2021e
<b>ASSETS</b>								
<b>Non-current assets</b>	<b>EUR mn</b>	<b>1.4</b>	<b>1.8</b>	<b>3.1</b>	<b>3.0</b>	<b>2.3</b>	<b>3.6</b>	<b>3.7</b>
Intangible assets	EUR mn	1.1	1.6	2.9	2.3	1.5	3.5	3.6
Property, plant & equipment	EUR mn	0.3	0.3	0.2	0.2	0.1	0.1	0.1
Shares in affiliated companies	EUR mn	0.0	0.0	0.0	0.0	0.7	0.0	0.0
Loans to affiliated companies	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Advance payments	EUR mn	0.0	0.0	0.0	0.5	0.0	0.0	0.0
<b>Current assets</b>	<b>EUR mn</b>	<b>10.3</b>	<b>9.4</b>	<b>8.0</b>	<b>7.9</b>	<b>8.8</b>	<b>12.2</b>	<b>5.2</b>
Inventory	EUR mn	0.8	0.1	0.0	0.0	0.0	0.1	0.1
DIO	d	5	1	0	0	0	0	0
Trade receivables	EUR mn	3.6	3.8	3.2	3.7	4.0	2.0	3.0
DSO	d	18	20	17	15	17	9	12
Receivables from affiliated companies	EUR mn	0.0	0.0	0.0	0.0	0.4	0.0	0.0
Receivables from called capital	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other current assets	EUR mn	0.6	0.4	0.3	0.3	1.2	0.8	0.8
Cash & cash equivalents	EUR mn	5.3	5.2	4.5	3.9	3.2	9.4	1.3
Deferred items	EUR mn	0.4	0.2	0.1	0.1	0.2	0.2	0.2
Equity deficit	EUR mn	0.0	0.0	0.0	0.0	1.6	0.0	0.0
<b>Total assets</b>	<b>EUR mn</b>	<b>12.2</b>	<b>11.5</b>	<b>11.2</b>	<b>11.0</b>	<b>12.9</b>	<b>15.9</b>	<b>9.0</b>
SOURCE: COMPANY DATA, SPHENE CAPITAL FORECAST								

## Balance Sheet (Liabilities), 2008-14

HGB (12/31)		2008	2009	2010	2011	2012	2013	2014
<b>LIABILITIES AND EQUITY</b>								
<b>Total shareholder's equity</b>	<b>EUR mn</b>	<b>6.2</b>	<b>5.0</b>	<b>4.4</b>	<b>3.5</b>	<b>3.6</b>	<b>3.8</b>	<b>3.9</b>
Equity ratio	%	42.8%	37.2%	29.6%	30.3%	26.7%	29.1%	22.1%
Issued capital	EUR mn	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Capital reserve	EUR mn	1.3	0.0	0.0	0.0	0.0	0.0	0.0
Currency adjustments	EUR mn	0.1	0.1	0.1	0.1	0.1	0.0	0.0
Accumulated deficit	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit/Loss of period	EUR mn	-0.2	-0.1	-0.7	-1.6	-1.5	-1.3	-1.2
Equity deficit	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Special items	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pension reserves	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	EUR mn	1.3	1.4	1.1	1.2	1.4	3.0	3.2
<b>Current liabilities</b>	<b>EUR mn</b>	<b>6.9</b>	<b>7.0</b>	<b>9.2</b>	<b>6.8</b>	<b>8.5</b>	<b>6.2</b>	<b>10.2</b>
Bank debt	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade payables	EUR mn	6.4	6.3	8.4	6.2	7.5	5.2	7.3
DPO	d	26.6	25.3	34.1	22.6	14.9	18.8	32.0
Other current liabilities	EUR mn	0.5	0.6	0.9	0.6	1.0	1.1	2.9
Deferred items	EUR mn	0.0	0.0	0.1	0.1	0.0	0.0	0.5
<b>Total liabilities and shareholders' equity</b>	<b>EUR mn</b>	<b>14.4</b>	<b>13.4</b>	<b>14.9</b>	<b>11.7</b>	<b>13.5</b>	<b>13.1</b>	<b>17.7</b>
SOURCE: COMPANY DATA, SPHENE CAPITAL								

## Balance Sheet (Liabilities), 2015-21e

HGB (12/31)		2015	2016	2017	2018	2019e	2020e	2021e
<b>LIABILITIES AND EQUITY</b>								
<b>Total shareholder's equity</b>	<b>EUR mn</b>	<b>4.1</b>	<b>1.6</b>	<b>2.1</b>	<b>1.3</b>	<b>0.0</b>	<b>0.3</b>	<b>0.1</b>
Equity ratio	%	33.9%	14.3%	19.1%	11.9%	0.0%	1.8%	1.4%
Issued capital	EUR mn	5.1	5.1	0.6	0.7	0.7	1.3	1.3
Capital reserve	EUR mn	0.1	0.1	1.4	2.3	2.3	5.5	5.5
Currency adjustments	EUR mn	0.1	0.1	0.1	0.1	0.0	0.0	0.0
Accumulated deficit	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit/Loss of period	EUR mn	-1.1	-3.6	0.2	-1.7	-4.5	-6.6	-6.7
Equity deficit	EUR mn	0.0	0.0	0.0	0.0	1.6	0.0	0.0
Minorities	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Special items	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pension reserves	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	EUR mn	2.8	3.1	2.7	2.2	2.9	1.8	1.8
<b>Current liabilities</b>	<b>EUR mn</b>	<b>4.6</b>	<b>6.2</b>	<b>5.8</b>	<b>7.1</b>	<b>9.7</b>	<b>13.8</b>	<b>7.1</b>
Bank debt	EUR mn	0.0	0.0	0.0	0.0	0.0	8.0	0.0
Trade payables	EUR mn	3.6	4.6	4.7	5.2	7.2	3.5	4.5
DPO	d	18	24	26	22	31	16	19
Other current liabilities	EUR mn	1.0	1.6	1.1	1.9	2.1	2.3	2.6
Deferred items	EUR mn	0.6	0.6	0.6	0.4	0.3	0.0	0.0
<b>Total liabilities and shareholders' equity</b>	<b>EUR mn</b>	<b>12.2</b>	<b>11.5</b>	<b>11.2</b>	<b>11.0</b>	<b>12.9</b>	<b>15.9</b>	<b>9.0</b>
SOURCE: COMPANY DATA, SPHENE CAPITAL FORECAST								



## Balance Sheet (Assets, Normalized), 2008-14

HGB (12/31)		2008	2009	2010	2011	2012	2013	2014
<b>ASSETS</b>								
<b>Non-current assets</b>	%	<b>2.3%</b>	<b>1.9%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.2%</b>	<b>2.6%</b>	<b>7.7%</b>
Intangible assets	%	0.7%	0.5%	0.3%	0.2%	0.1%	0.1%	6.0%
Property, plant & equipment	%	1.0%	1.4%	1.7%	1.8%	1.1%	2.5%	1.7%
Shares in affiliated companies	%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Loans to affiliated companies	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Advance payments	%	0.0%	0.0%	0.0%	0.0%	1.1%	0.0%	0.0%
<b>Current assets</b>	%	<b>96.1%</b>	<b>96.8%</b>	<b>96.9%</b>	<b>96.9%</b>	<b>96.3%</b>	<b>95.7%</b>	<b>91.4%</b>
Inventory	%	2.2%	1.4%	1.5%	1.1%	2.7%	7.8%	5.6%
Trade receivables	%	34.6%	34.0%	34.1%	41.1%	40.1%	48.7%	42.7%
Receivables from affiliated companies	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Receivables from called capital	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other current assets	%	2.4%	2.1%	1.9%	2.7%	4.8%	1.8%	1.0%
Cash & cash equivalents	%	57.0%	59.3%	59.3%	52.0%	48.7%	37.5%	42.1%
Deferred items	%	1.6%	1.4%	1.1%	1.2%	1.5%	1.7%	0.9%
Equity deficit	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<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>100.0%</b>
SOURCE: COMPANY DATA, SPHENE CAPITAL								

## Balance Sheet (Assets, Normalized), 2015-21e

HGB (12/31)		2015	2016	2017	2018	2019e	2020e	2021e
<b>ASSETS</b>								
<b>Non-current assets</b>	%	<b>11.4%</b>	<b>15.9%</b>	<b>27.7%</b>	<b>26.9%</b>	<b>17.9%</b>	<b>22.6%</b>	<b>40.8%</b>
Intangible assets	%	8.7%	13.7%	26.0%	21.0%	12.0%	22.0%	39.4%
Property, plant & equipment	%	2.8%	2.2%	1.8%	1.4%	0.8%	0.6%	1.4%
Shares in affiliated companies	%	0.0%	0.0%	0.0%	0.0%	5.2%	0.0%	0.0%
Loans to affiliated companies	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Advance payments	%	0.0%	0.0%	0.0%	4.5%	0.0%	0.0%	0.0%
<b>Current assets</b>	%	<b>85.1%</b>	<b>82.1%</b>	<b>71.1%</b>	<b>71.9%</b>	<b>68.7%</b>	<b>76.4%</b>	<b>57.5%</b>
Inventory	%	6.7%	0.8%	0.4%	0.4%	0.2%	0.4%	1.0%
Trade receivables	%	29.4%	33.1%	28.2%	33.3%	31.2%	12.6%	33.4%
Receivables from affiliated companies	%	0.0%	0.0%	0.0%	0.0%	3.3%	0.0%	0.0%
Receivables from called capital	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other current assets	%	5.1%	3.3%	2.7%	3.1%	9.0%	4.7%	8.3%
Cash & cash equivalents	%	43.9%	44.9%	39.8%	35.1%	25.0%	58.8%	14.8%
Deferred items	%	3.5%	2.0%	1.2%	1.2%	1.2%	0.9%	1.7%
Equity deficit	%	0.0%	0.0%	0.0%	0.0%	12.2%	0.0%	0.0%
<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>100.0%</b>
SOURCE: COMPANY DATA, SPHENE CAPITAL FORECAST								

## Balance Sheet (Liabilities, Normalized), 2008-14

HGB (12/31)		2008	2009	2010	2011	2012	2013	2014
<b>LIABILITIES AND EQUITY</b>								
<b>Total shareholder's equity</b>	%	<b>42.8%</b>	<b>37.2%</b>	<b>29.6%</b>	<b>30.3%</b>	<b>26.7%</b>	<b>29.1%</b>	<b>22.1%</b>
Issued capital	%	35.1%	37.5%	33.9%	43.1%	37.3%	38.6%	28.5%
Capital reserve	%	8.9%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Currency adjustments	%	0.4%	0.4%	0.5%	0.8%	0.5%	0.3%	0.3%
Accumulated deficit	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Profit/Loss of period	%	-1.6%	-1.0%	-4.8%	-13.6%	-11.2%	-9.8%	-6.6%
Equity deficit	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Minorities	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Special items	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pension reserves	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other provisions	%	8.9%	10.5%	7.6%	10.1%	10.4%	22.8%	17.9%
<b>Current liabilities</b>	%	<b>47.9%</b>	<b>51.9%</b>	<b>62.0%</b>	<b>58.5%</b>	<b>62.6%</b>	<b>47.8%</b>	<b>57.4%</b>
Bank debt	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Trade payables	%	44.8%	47.1%	56.2%	53.3%	55.2%	39.4%	41.1%
Other current liabilities	%	3.1%	4.8%	5.8%	5.2%	7.4%	8.4%	16.3%
Deferred items	%	0.3%	0.4%	0.8%	1.1%	0.3%	0.3%	2.6%
<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>	<b>100.0%</b>
SOURCE: COMPANY DATA, SPHENE CAPITAL								

## Balance Sheet (Liabilities, Normalized), 2015-21e

HGB (12/31)		2015	2016	2017	2018	2019e	2020e	2021e
<b>LIABILITIES AND EQUITY</b>								
<b>Total shareholder's equity</b>	%	<b>33.9%</b>	<b>14.3%</b>	<b>19.1%</b>	<b>11.9%</b>	<b>0.0%</b>	<b>1.8%</b>	<b>1.4%</b>
Issued capital	%	41.9%	44.4%	5.0%	5.9%	5.1%	8.2%	14.5%
Capital reserve	%	0.4%	0.4%	12.2%	20.4%	17.6%	34.7%	61.4%
Currency adjustments	%	0.6%	0.8%	0.5%	0.7%	0.0%	0.2%	0.3%
Accumulated deficit	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Profit/Loss of period	%	-9.0%	-31.3%	1.4%	-15.1%	-34.8%	-41.2%	-74.8%
Equity deficit	%	0.0%	0.0%	0.0%	0.0%	12.2%	0.0%	0.0%
Minorities	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Special items	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pension reserves	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other provisions	%	23.2%	27.1%	24.2%	20.0%	22.3%	11.3%	20.0%
<b>Current liabilities</b>	%	<b>37.7%</b>	<b>53.8%</b>	<b>51.4%</b>	<b>64.3%</b>	<b>75.1%</b>	<b>86.7%</b>	<b>78.4%</b>
Bank debt	%	0.0%	0.0%	0.0%	0.0%	0.1%	50.2%	0.0%
Trade payables	%	29.3%	40.0%	41.8%	47.1%	56.0%	22.0%	50.0%
Other current liabilities	%	8.3%	13.8%	9.6%	17.2%	16.5%	14.6%	28.4%
Deferred items	%	5.2%	4.8%	5.3%	3.7%	2.6%	0.1%	0.3%
<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>	<b>100.0%</b>
SOURCE: COMPANY DATA, SPHENE CAPITAL FORECAST								

## Cash Flow Statement, 2008-14

HGB (12/31)		2008	2009	2010	2011	2012	2013	2014
Net income	EUR mn	-2.9	-1.1	-0.6	-0.9	0.1	0.2	0.1
Depreciation & Amortisation	EUR mn	0.2	0.1	0.1	0.1	0.1	0.1	0.1
Income from sale of assets	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ inventory	EUR mn	0.1	0.1	0.0	0.1	-0.2	-0.7	0.0
Δ trade receivables	EUR mn	0.5	0.4	-0.5	0.3	-0.6	-0.9	-1.2
Δ other receivables	EUR mn	0.4	0.1	0.0	0.0	-0.3	0.4	0.1
Δ deferred tax assets	EUR mn	-0.1	0.0	0.0	0.0	-0.1	0.0	0.1
Δ other long-term provisions	EUR mn	-0.3	0.1	-0.3	0.1	0.2	1.6	0.2
Δ other short-term provisions	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ trade payables	EUR mn	0.7	-0.1	2.0	-2.1	1.2	-2.3	2.1
Δ special items	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ deferred liabilities	EUR mn	0.0	0.0	0.1	0.0	-0.1	0.0	0.4
Currency adjustments	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operational adjustments	EUR mn	-0.2	0.2	0.2	-0.3	0.4	0.2	1.7
<b>Operating cash flow</b>	<b>EUR mn</b>	<b>-1.7</b>	<b>-0.1</b>	<b>1.0</b>	<b>-2.7</b>	<b>0.7</b>	<b>-1.4</b>	<b>3.7</b>
Investments in financial assets	EUR mn	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Investments in intangible assets	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	-1.0
Investments in tangible assets	EUR mn	-0.1	-0.2	-0.2	-0.1	-0.1	-0.3	-0.1
<b>Cash flow from investing</b>	<b>EUR mn</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.2</b>	<b>-0.1</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-1.2</b>
<b>Free cash flow</b>	<b>EUR mn</b>	<b>-1.8</b>	<b>-0.2</b>	<b>0.8</b>	<b>-2.8</b>	<b>0.5</b>	<b>-1.6</b>	<b>2.5</b>
Δ Capital stock	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ Capital reserves	EUR mn	-3.0	-1.2	0.0	0.0	0.0	0.0	0.0
Δ Bank debt	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ other interest-bearing liabilities	EUR mn	-0.2	0.2	0.2	-0.2	0.4	0.1	1.8
Other operational adjustments	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Less prior-year dividend	EUR mn	3.3	1.0	-0.2	0.2	-0.4	-0.1	-1.8
<b>Financing cash flow</b>	<b>EUR mn</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Net cash inflow	EUR mn	-1.8	-0.2	0.8	-2.8	0.5	-1.6	2.5
Currency adjustments	EUR mn	0.0	0.0	0.0	0.0	0.0	-0.1	0.0
Net cash opening balance	EUR mn	9.9	8.2	8.0	8.8	6.1	6.6	4.9
<b>Net cash closing balance</b>	<b>EUR mn</b>	<b>8.2</b>	<b>8.0</b>	<b>8.8</b>	<b>6.1</b>	<b>6.6</b>	<b>4.9</b>	<b>7.5</b>

SOURCE: COMPANY DATA, SPHENE CAPITAL

## Cash Flow Statement, 2015-21e

HGB (12/31)		2015	2016	2017	2018	2019e	2020e	2021e
Net income	EUR mn	0.1	-1.8	0.1	-1.8	-2.6	-2.1	-0.2
Depreciation & Amortisation	EUR mn	0.1	0.1	0.4	1.6	0.8	0.9	0.9
Income from sale of assets	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ inventory	EUR mn	0.2	0.7	0.0	0.0	0.0	0.0	0.0
Δ trade receivables	EUR mn	4.0	-0.2	0.6	-0.5	-0.3	2.0	-1.0
Δ other receivables	EUR mn	-0.4	0.2	0.1	0.0	-1.2	0.8	0.0
Δ deferred tax assets	EUR mn	-0.3	0.2	0.1	0.0	0.0	0.0	0.0
Δ other long-term provisions	EUR mn	-0.3	0.3	-0.4	-0.5	0.6	-1.1	0.0
Δ other short-term provisions	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ trade payables	EUR mn	-3.7	1.0	0.1	0.5	2.0	-3.7	1.0
Δ special items	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ deferred liabilities	EUR mn	0.2	-0.1	0.0	-0.2	-0.1	-0.3	0.0
Currency adjustments	EUR mn	0.0	0.0	0.0	0.0	-0.1	0.0	0.0
Other operational adjustments	EUR mn	-2.0	-0.1	-0.4	0.8	0.3	0.0	0.0
<b>Operating cash flow</b>	<b>EUR mn</b>	<b>-2.2</b>	<b>0.4</b>	<b>0.6</b>	<b>-0.1</b>	<b>-0.5</b>	<b>-3.4</b>	<b>0.7</b>
Investments in financial assets	EUR mn	0.0	0.0	0.0	0.0	-0.7	0.7	0.0
Investments in intangible assets	EUR mn	0.0	-0.5	-1.3	0.6	0.8	-2.0	-0.1
Investments in tangible assets	EUR mn	-0.2	-0.1	-0.3	-1.6	-0.8	-0.9	-0.9
<b>Cash flow from investing</b>	<b>EUR mn</b>	<b>-0.2</b>	<b>-0.6</b>	<b>-1.7</b>	<b>-1.5</b>	<b>-0.7</b>	<b>-2.2</b>	<b>-1.0</b>
<b>Free cash flow</b>	<b>EUR mn</b>	<b>-2.3</b>	<b>-0.2</b>	<b>-1.1</b>	<b>-1.6</b>	<b>-1.2</b>	<b>-5.6</b>	<b>-0.3</b>
Δ Capital stock	EUR mn	0.1	0.0	-4.5	0.1	0.0	0.7	0.0
Δ Capital reserves	EUR mn	0.1	0.0	1.3	0.9	0.0	3.3	0.0
Δ Bank debt	EUR mn	0.0	0.0	0.0	0.0	0.0	8.0	-8.0
Δ other interest-bearing liabilities	EUR mn	-1.9	0.6	-0.5	0.8	0.6	-0.1	0.2
Other operational adjustments	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Less prior-year dividend	EUR mn	1.9	-0.6	4.2	-0.8	0.0	0.0	0.0
<b>Financing cash flow</b>	<b>EUR mn</b>	<b>0.1</b>	<b>0.0</b>	<b>0.5</b>	<b>1.0</b>	<b>0.6</b>	<b>11.8</b>	<b>-7.8</b>
Net cash inflow	EUR mn	-2.2	-0.2	-0.7	-0.6	-0.7	6.2	-8.0
Currency adjustments	EUR mn	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Net cash opening balance	EUR mn	7.5	5.3	5.2	4.5	3.9	3.2	9.4
<b>Net cash closing balance</b>	<b>EUR mn</b>	<b>5.3</b>	<b>5.2</b>	<b>4.5</b>	<b>3.9</b>	<b>3.2</b>	<b>9.4</b>	<b>1.3</b>

SOURCE: COMPANY DATA, SPHENE CAPITAL FORECAST

## One View, 2008-14

HGB (12/31)		2008	2009	2010	2011	2012	2013	2014
<b>Key data</b>								
Sales	EUR mn	74.7	68.9	72.7	65.4	74.8	82.2	89.4
Gross profit	EUR mn	9.6	9.6	10.4	10.0	10.8	10.7	10.8
Gross profit (adjusted)	EUR mn	8.9	9.5	10.3	9.8	9.9	10.1	10.2
EBITDA	EUR mn	-2.9	-1.1	-0.5	-0.8	0.2	0.4	0.2
EBIT	EUR mn	-3.1	-1.2	-0.7	-0.9	0.1	0.2	0.1
EBT	EUR mn	-2.9	-1.1	-0.6	-0.8	0.1	0.2	0.1
Net income	EUR mn	-2.9	-1.1	-0.6	-0.9	0.1	0.2	0.1
Nr. of employees		99	95	98	81	87	92	88
<b>Per share data</b>								
Price high	EUR	124.90	41.00	41.70	34.90	22.50	30.00	28.00
Price low	EUR	40.00	20.80	25.60	8.90	10.90	12.80	13.50
Price average/last	EUR	75.80	31.00	32.40	22.50	15.30	17.60	21.20
Price average/last	EUR	41.00	30.30	27.60	12.60	12.80	25.80	17.20
EPS	EUR	-5.74	-2.28	-1.23	-1.74	0.16	0.46	0.21
BVPS	EUR	12.20	9.92	8.74	7.03	7.15	7.53	7.77
CFPS	EUR	-3.34	-0.28	1.94	-5.36	1.44	-2.79	7.30
Dividend	EUR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Profitability ratios (based on adjusted gross profit)</b>								
EBITDA margin	%	-32.7%	-11.6%	-5.2%	-7.7%	2.0%	3.7%	2.3%
EBIT margin	%	-34.8%	-13.1%	-6.4%	-9.1%	0.9%	2.3%	1.1%
Pre-tax margin	%	-32.2%	-12.0%	-5.7%	-8.6%	1.0%	2.4%	1.1%
Net margin	%	-32.5%	-12.1%	-6.0%	-8.9%	0.8%	2.3%	1.0%
FCF margin	%	-20.1%	-2.2%	7.8%	-28.1%	5.4%	-15.6%	24.7%
ROE	%	-47.0%	-23.0%	-14.1%	-24.7%	2.2%	6.1%	2.7%
NWC/Sales	%	-9.2%	-14.0%	-27.4%	-10.1%	-14.7%	23.4%	15.7%
Revenues per head	EURk	755	726	741	808	860	894	1.016
EBIT per head	EURk	-31.2	-13.0	-6.8	-11.0	1.0	2.6	1.3
Capex/Sales	%	0.2%	0.3%	0.3%	0.1%	0.1%	0.4%	0.1%
Gross profit premium	%	184.2%	187.7%	212.6%	179.5%	194.3%	170.1%	214.9%
<b>Growth rates</b>								
Sales	%	15.1%	-7.7%	5.4%	-10.0%	14.4%	9.9%	8.7%
Gross profit	%	6.3%	0.5%	7.8%	-3.4%	7.1%	-0.5%	1.3%
Gross profit (adjusted)	%	2.6%	6.3%	8.8%	-4.3%	0.4%	2.7%	0.8%
EBITDA	%	4.8%	-62.4%	-51.1%	41.7%	n/a	87.7%	-36.4%
EBIT	%	3.9%	-59.9%	-46.5%	34.7%	n/a	180.0%	-52.2%
EBT	%	5.5%	-60.3%	-48.6%	45.0%	n/a	131.7%	-52.8%
Net income	%	6.2%	-60.3%	-46.0%	41.2%	n/a	191.4%	-54.8%
EPS	%	6.2%	-60.3%	-46.0%	41.1%	n/a	191.4%	-54.8%
CFPS	%	-40.9%	-91.8%	n/a	n/a	n/a	n/a	n/a
SOURCE: COMPANY DATA, SPHENE CAPITAL								

## One View, 2015-21e

HGB (12/31)		2015	2016	2017	2018	2019e	2020e	2021e
<b>Key data</b>								
Sales	EUR mn	73.3	68.7	66.2	85.8	84.3	78.4	87.5
Gross profit	EUR mn	10.6	9.2	10.9	11.0	9.2	8.3	10.9
Gross profit (adjusted)	EUR mn	10.0	8.6	8.3	9.4	9.0	8.1	10.7
EBITDA	EUR mn	0.2	-1.5	1.0	-0.3	-1.9	-1.3	0.7
EBIT	EUR mn	0.1	-1.7	0.6	-1.9	-2.7	-2.2	-0.2
EBT	EUR mn	0.1	-1.8	0.6	-1.9	-2.7	-2.2	-0.2
Net income	EUR mn	0.1	-1.8	0.1	-1.8	-2.6	-2.1	-0.2
Nr. of employees		99	96	85	85	71	71	71
<b>Per share data</b>								
Price high	EUR	18.60	29.20	17.00	13.20	24.40	10.90	
Price low	EUR	13.70	11.10	7.41	9.70	9.25	5.85	
Price average/last	EUR	16.40	15.80	12.05	11.16	14.29	8.63	
Price average/last	EUR	16.50	12.50	10.49	10.90	9.80	8.15	8.15
EPS	EUR	0.16	-3.60	0.15	-3.26	-4.05	-1.60	-0.13
BVPS	EUR	8.10	3.23	3.83	2.35	0.00	0.22	0.09
CFPS	EUR	-4.28	0.71	1.08	-0.17	-0.84	-2.64	0.54
Dividend	EUR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Price target	EUR							17.90
Performance to price target	%							119.6%
<b>Profitability ratios (based on adjusted gross profit)</b>								
EBITDA margin	%	2.3%	-17.6%	12.0%	-2.7%	-20.7%	-16.4%	6.8%
EBIT margin	%	1.0%	-19.3%	7.1%	-19.7%	-30.0%	-27.3%	-1.7%
Pre-tax margin	%	0.9%	-21.4%	7.0%	-19.8%	-29.9%	-27.1%	-1.6%
Net margin	%	0.8%	-21.4%	1.0%	-19.4%	-29.3%	-25.8%	-1.5%
FCF margin	%	-23.5%	-2.6%	-13.5%	-16.8%	-13.5%	-69.2%	-2.5%
ROE	%	2.0%	-111.5%	3.8%	-138.6%	n/a	-727.5%	-132.9%
NWC/Sales	%	22.3%	13.2%	19.7%	10.5%	-16.8%	26.6%	21.3%
Revenues per head	EURk	741	716	778	1,010	1,187	1,105	1,232
EBIT per head	EURk	1.0	-17.2	6.9	-21.9	-38.2	-31.2	-2.6
Capex/Sales	%	0.2%	0.1%	0.5%	1.8%	0.9%	1.1%	1.1%
Gross profit premium	%	176.2%	153.9%	184.5%	142.0%	140.5%	169.2%	111.8%
<b>Growth rates</b>								
Sales	%	-18.0%	-6.3%	-3.7%	29.7%	-1.8%	-7.0%	11.5%
Gross profit	%	-1.9%	-13.4%	18.1%	1.4%	-16.4%	-9.7%	30.3%
Gross profit (adjusted)	%	-2.7%	-14.0%	-3.3%	14.0%	-4.4%	-9.9%	31.0%
EBITDA	%	-4.6%	n/a	n/a	n/a	621.2%	-28.4%	n/a
EBIT	%	-16.5%	n/a	n/a	n/a	45.8%	-18.2%	-91.7%
EBT	%	-19.3%	n/a	n/a	n/a	44.5%	-18.1%	-92.2%
Net income	%	-21.8%	n/a	n/a	n/a	44.8%	-20.8%	-92.2%
EPS	%	-22.6%	n/a	n/a	n/a	24.1%	-60.4%	-92.2%
CFPS	%	n/a	n/a	53.1%	n/a	405.8%	214.5%	n/a
SOURCE: COMPANY DATA, SPHENE CAPITAL FORECAST								



## One View II, 2008-14

HGB (12/31)		2008	2009	2010	2011	2012	2013	2014
<b>Balance sheet ratios</b>								
Fixed assets	EUR mn	0.3	0.2	0.3	0.2	0.3	0.3	1.4
Current assets	EUR mn	14.0	13.2	14.6	11.5	13.2	12.7	16.4
Equity	EUR mn	6.2	5.0	4.4	3.5	3.6	3.8	3.9
Liabilities	EUR mn	8.2	8.4	10.5	8.2	9.9	9.3	13.8
Equity ratio	%	42.8%	37.2%	29.6%	30.3%	26.7%	29.1%	22.1%
Gearing	%	-133.0%	-159.3%	-200.2%	-171.5%	-182.5%	-128.8%	-190.6%
Working Capital	EUR mn	-1.1	-1.6	-3.1	-1.3	-1.7	2.2	1.3
Capital Employed	EUR mn	-0.8	-1.3	-2.8	-1.0	-1.4	2.4	1.6
Asset Turnover	x	5.2	5.1	4.9	5.6	5.5	6.3	5.0
<b>Enterprise Value</b>								
Nr. of shares	1.000	504	504	504	504	504	504	504
Market cap.	EUR mn	62.9	20.7	21.0	17.6	11.3	15.1	14.1
Market cap.	EUR mn	20.2	10.5	12.9	4.5	5.5	6.5	6.8
Market cap.	EUR mn	38.2	15.6	16.3	11.3	7.7	8.9	10.7
Market cap.	EUR mn	20.7	15.3	13.9	6.4	6.5	13.0	8.7
Net debt	EUR mn	-8.2	-8.0	-8.8	-6.1	-6.6	-4.9	-7.5
Pension reserves	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Excess Cash	EUR mn	-0.1	0.0	0.0	0.0	0.0	0.0	0.0
EV high	EUR mn	54.7	12.7	12.2	11.5	4.8	10.2	6.7
EV low	EUR mn	11.9	2.5	4.1	-1.6	-1.1	1.6	-0.7
EV average	EUR mn	29.9	7.7	7.5	5.3	1.1	4.0	3.2
Enterprise Value	EUR mn	12.4	7.3	5.1	0.3	-0.1	8.1	1.2
<b>Valuation ratios</b>								
EV/sales high	x	0.73	0.18	0.17	0.18	0.06	0.12	0.07
EV/sales low	x	0.16	0.04	0.06	n/a	n/a	0.02	n/a
EV/sales average	x	0.40	0.11	0.10	0.08	0.02	0.05	0.04
EV/sales	x	0.17	0.11	0.07	0.00	n/a	0.10	0.01
EV/EBITDA high	x	n/a	n/a	n/a	n/a	23.7	27.1	27.7
EV/EBITDA low	x	n/a	n/a	n/a	2.1	n/a	4.1	n/a
EV/EBITDA average	x	n/a	n/a	n/a	n/a	5.7	10.5	13.4
EV/EBITDA	x	n/a	n/a	n/a	n/a	n/a	21.5	5.0
EV/EBIT last	x	n/a	n/a	n/a	n/a	n/a	34.2	10.6
P/E high	x	n/a	n/a	n/a	n/a	143.6	65.7	135.8
P/E low	x	n/a	n/a	n/a	n/a	69.6	28.0	65.5
P/E average	x	n/a	n/a	n/a	n/a	97.7	38.6	102.8
P/E last	x	n/a	n/a	n/a	n/a	81.7	56.5	83.4
P/BV last	x	3.4	3.1	3.2	1.8	1.8	3.4	2.2
P/CF last	x	n/a	n/a	16.7	n/a	10.6	n/a	2.9
FCF yield	%	-8.7%	-1.3%	5.8%	-43.6%	8.2%	-12.2%	29.2%
Dividend-yield	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

SOURCE: COMPANY DATA, SPHENE CAPITAL

## One View II, 2015-21e

HGB (12/31)		2015	2016	2017	2018	2019e	2020e	2021e
<b>Balance sheet ratios</b>								
Fixed assets	EUR mn	1.4	1.8	3.1	3.0	2.3	3.6	3.7
Current assets	EUR mn	10.8	9.7	8.1	8.1	9.0	12.3	5.3
Equity	EUR mn	4.1	1.6	2.1	1.3	0.0	0.3	0.1
Liabilities	EUR mn	8.0	9.8	9.1	9.7	12.9	15.6	8.9
Equity ratio	%	33.9%	14.3%	19.1%	11.9%	0.0%	1.8%	1.4%
Gearing	%	-25.8%	-31.3%	-10.4%	-14.7%	n/a	2612.2%	-53.9%
Working Capital	EUR mn	0.8	-0.7	-1.5	-1.5	-3.2	-1.4	-1.4
Capital Employed	EUR mn	2.2	1.1	1.6	1.0	-1.5	2.2	2.3
Asset Turnover	x	6.0	6.0	5.9	7.8	6.6	4.9	9.7
<b>Enterprise Value</b>								
Nr. of shares	1.000	509	509	560	560	654	1,308	1,308
Market cap.	EUR mn	9.5	14.9	9.5	7.4	16.0	14.3	0.0
Market cap.	EUR mn	7.0	5.7	4.2	5.4	6.0	7.6	0.0
Market cap.	EUR mn	8.4	8.0	6.8	6.3	9.3	11.3	0.0
Market cap.	EUR mn	8.4	6.4	5.9	6.1	6.4	10.7	10.7
Net debt	EUR mn	-1.1	-0.5	-0.2	-0.2	-0.2	7.5	-0.1
Pension reserves	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Excess Cash	EUR mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EV high	EUR mn	8.4	14.4	9.3	7.2	15.8	21.8	-0.1
EV low	EUR mn	5.9	5.1	3.9	5.2	5.9	15.2	-0.1
EV average	EUR mn	7.3	7.5	6.5	6.1	9.2	18.8	-0.1
Enterprise Value	EUR mn	7.3	5.9	5.7	5.9	6.3	18.2	10.6
<b>Valuation ratios</b>								
EV/sales high	x	0.11	0.21	0.14	0.08	0.19	0.28	n/a
EV/sales low	x	0.08	0.07	0.06	0.06	0.07	0.19	n/a
EV/sales average	x	0.10	0.11	0.10	0.07	0.11	0.24	n/a
EV/sales	x	0.10	0.09	0.09	0.07	0.07	0.23	0.12
EV/EBITDA high	x	36.7	-9.5	9.4	-27.8	-8.4	-16.3	n/a
EV/EBITDA low	x	25.8	-3.4	3.9	-20.2	-3.2	-11.3	n/a
EV/EBITDA average	x	31.8	-5.0	6.6	-23.4	-4.9	-14.1	n/a
EV/EBITDA	x	32.0	-3.9	5.7	-22.8	-3.3	-13.6	14.7
EV/EBIT last	x	77.4	-3.5	9.6	-3.2	-2.3	-8.2	-57.5
P/ER high	x	116.5	n/a	117.0	n/a	n/a	n/a	n/a
P/ER low	x	85.8	n/a	51.0	n/a	n/a	n/a	n/a
P/ER average	x	102.8	n/a	83.0	n/a	n/a	n/a	n/a
P/ER last	x	103.4	n/a	72.2	n/a	n/a	n/a	n/a
P/BV last	x	2.0	3.9	2.7	4.6	n/a	37.0	86.1
P/CF last	x	n/a	22.3	11.1	n/a	n/a	n/a	0.0
FCF yield	%	-27.8%	-3.5%	-19.0%	-25.9%	-19.0%	-52.9%	-2.5%
Dividend-yield	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
SOURCE: COMPANY DATA, SPHENE CAPITAL FORECAST								

## Discounted Cash Flow Valuation

HGB (12/31)		2019e	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	Terminal year
<b>Revenues</b>	EUR mn	<b>78.4</b>	<b>87.5</b>	<b>96.8</b>	<b>107.2</b>	<b>118.7</b>	<b>127.0</b>	<b>132.1</b>	<b>134.8</b>	<b>136.0</b>	<b>136.6</b>	<b>136.8</b>	<b>137.0</b>	<b>137.1</b>	<b>137.3</b>	<b>137.4</b>	<b>137.6</b>
YoY	%	-7.0%	11.5%	10.7%	10.7%	10.7%	6.9%	4.0%	2.1%	0.9%	0.4%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%
<b>EBIT</b>	EUR mn	<b>-2.2</b>	<b>-0.2</b>	<b>0.6</b>	<b>1.2</b>	<b>1.8</b>	<b>2.0</b>	<b>2.1</b>	<b>2.2</b>	<b>2.3</b>	<b>2.3</b>	<b>2.4</b>	<b>2.5</b>	<b>2.5</b>	<b>2.6</b>	<b>2.6</b>	<b>2.8</b>
EBIT margin	%	-2.8%	-0.2%	0.6%	1.1%	1.5%	1.6%	1.6%	1.6%	1.7%	1.7%	1.8%	1.8%	1.8%	1.9%	1.9%	2.0%
Taxes	EUR mn	0.1	0.0	0.0	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.7
<b>Tax rate (τ)</b>	%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	24.8%
Adjusted EBIT(1-τ)	EUR mn	<b>-2.1</b>	<b>-0.2</b>	<b>0.6</b>	<b>1.1</b>	<b>1.7</b>	<b>1.9</b>	<b>2.0</b>	<b>2.1</b>	<b>2.2</b>	<b>2.2</b>	<b>2.3</b>	<b>2.4</b>	<b>2.4</b>	<b>2.5</b>	<b>2.5</b>	<b>2.1</b>
Reinvestment	EUR mn	0.4	0.0	0.0	0.0	0.0	0.0	-0.1	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>FCFF</b>	EUR mn	<b>-1.7</b>	<b>-0.2</b>	<b>0.6</b>	<b>1.1</b>	<b>1.7</b>	<b>1.8</b>	<b>2.0</b>	<b>2.1</b>	<b>2.1</b>	<b>2.2</b>	<b>2.3</b>	<b>2.3</b>	<b>2.4</b>	<b>2.4</b>	<b>2.5</b>	<b>2.0</b>
WACC	%	8.2%	7.8%	7.8%	7.8%	7.6%	7.3%	7.0%	6.7%	6.5%	6.2%	5.9%	5.6%	5.4%	5.1%	5.1%	
Discount rate	%	100.0%	100.0%	86.0%	79.7%	74.1%	69.1%	64.6%	60.5%	56.8%	53.5%	50.5%	47.8%	45.4%	43.2%	41.1%	
<b>Present value of free cash flows</b>	EUR mn	<b>-1.7</b>	<b>-0.2</b>	<b>0.5</b>	<b>0.9</b>	<b>1.2</b>	<b>1.3</b>	<b>1.3</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.0</b>	
TV Insolvency rate	%	5.0%															
Terminal Cost of capital	%	5.1%															
Present value of terminal value	EUR mn	8.0															
in % of enterprise value	%	39.4%															
PV FCFF detailed planning phase	EUR mn	0.7															
in % of Enterprise Value	%	3.5%															
PV FCFF rough planning phase	EUR mn	11.6															
in % of Enterprise Value	%	57.1%															
<b>Enterprise Value</b>	EUR mn	<b>20.2</b>															
Financial debt	EUR mn	0.0															
Excess cash	EUR mn	3.1															
<b>Value of equity</b>	EUR mn	<b>23.4</b>															
Number of shares	mn	1.3															
<b>Value of equity per share</b>	EUR	<b>17.90</b>															

SOURCE: SPHENE CAPITAL FORECAST

This analysis was prepared by



Wettersteinstraße 4 | 82024 Taufkirchen | Germany | Phone +49 (89) 74443558 | Fax +49 (89) 74443445

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18 08 2020/11:00 h	EUR 17.90/EUR 8.15	Buy, 24 months	1, 8
17 04 2020/11:10 h	EUR 18.40/EUR 7.05	Buy, 24 months	1, 8
29 11 2019/10:55 h	EUR 21.80/EUR 10.30	Buy, 24 months	1, 8
04 11 2019/08:00 h	EUR 21.80/EUR 12.00	Buy, 24 months	1, 8
02 09 2019/07:45 h	EUR 39.10/EUR 22.80	Buy, 24 months	1, 2, 8

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