July 22nd, 2024
Research update

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The NAGA Group AG

Merger paves the way for high growth and rising margins

Rating: Buy (prev.: Speculative Buy) | **Price:** 0.74 € | **Price target:** 1.60 € (prev.: 1.40 €)

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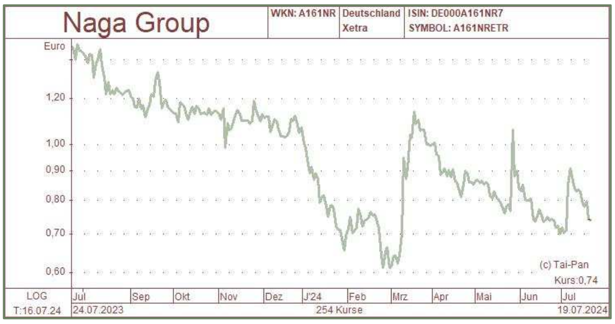
Current development



Basic data

Based in:	Hamburg
Sector:	Fin Tech
Headcount:	>250*
Accounting:	IFRS
Ticker:	N4G:GR
ISIN:	DE000A161NR7
Price:	0.74 Euro
Market segment:	Scale
Number of shares:	approx. 232 m*
Market Cap:	171.7 m Euro
Enterprise Value:	174.2 m Euro
Free Float:	9.4 %*
Price high/low (12 M):	2.79 / 0.60 Euro
Øturnover (12 M Xetra):	13,300 Euro

Completion of the merger in August

NAGA hosted a virtual Capital Markets Day, where CEO Octavian Patrascu, who was newly appointed in January, presented plans for the company after the merger with CAPEX.com. The merger had been approved by the Annual General Meeting on 12 April with a very high approval rate of 99.8 percent. It will be carried out as a non-cash capital increase, in the course of which the CAPEX operator, Key Way Group Ltd., will be fully contributed to NAGA against the issue of 170.6 million shares. This increases the share capital to 225.6 million shares and the Key Way owners become the majority shareholders of the newly formed group. By now, the regulatory authorities have granted all necessary approvals for the merger, so that it is expected to be completed by the end of August.

EBITDA strongly improved

The recently published annual report is already shaped by this merger but does also provide information on NAGA's most recent annual figures on a stand-alone basis. In the 2023 financial period, the company carried out a comprehensive consolidation

FY ends: 31.12.	2022	2023	2024e*	2025e*	2026e*	2027e*
Sales (m Euro)	57.6	39.7	75.6	101.7	128.2	160.2
EBITDA (m Euro)	-13.7	8.4	7.4	14.5	24.0	34.4
Net profit (m Euro)	-44.1	-61.0	-5.3	3.2	13.1	23.1
EpS (Euro)**	-0.62	-1.13	-0.02	0.01	0.06	0.10
Dividend per share (Euro)	0.00	0.00	0.00	0.00	0.00	0.00
Sales growth	8.9%	-31.0%	90.3%	34.5%	26.1%	25.0%
Profit growth	-	-	-	-	314.9%	76.6%
PSR**	2.98	4.32	2.27	1.69	1.34	1.07
PER**	-	-	-	54.5	13.1	7.4
PCR**	-	-	-	23.7	9.1	6.3
EV / EBITDA**	-	20.6	23.5	12.0	7.3	5.1
Dividend yield**	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**after merger (figures for 2024 on an as-if-basis with Key Way Group); **from 2024 hypothetically fully diluted* of its business activities, which is reflected in particular in the decrease in marketing expenses from EUR 28.3 m to EUR 4.6 m and in personnel expenses from EUR 10.7 m to EUR 6.5 m. Fortunately, growth was nevertheless achieved in various key operating figures: For example, the number of trades increased from 8.6 million to 9.2 million and the trading volume from EUR 137 b to EUR 143 b, while the number of active users at the end of the year was, at 21,000, well above the previous year's level (18,700). Nevertheless, sales fell from EUR 57.6 m to EUR 39.7 m in the last financial year, as the company discontinued Market Making for the NAGA coin, which had generated sales of EUR 6.8 m in the previous year. In addition, the company's own trading activities were consolidated with a stronger focus on profitability. This process has been very successful, with costs falling much more sharply than revenue, resulting in a huge improvement in EBITDA from EUR -13.7 m in 2022 to EUR 8.4 m.

Operating KPIs	**2022**	**2023**	***Change***
Account openings (thou.)	243	132	*-46%*
Number active user (thou.)	18.7	21.0	*+12%*
Trades (m)	8.6	9.2	*+7%*
Copy Trades (m)	3.5	4.8	*+37%*
Trading volume (bn €)	137	143	*+4%*
Business figures	**2022**	**2023**	***Change***
Sales (m €)	57.6	39.7	*-31%*
EBITDA (m €)	-13.7	8.4	-
EBITDA margin (%)	*-23.8%*	*21.3%*	*+45.1pp.*
EBIT (m €)	-36.9	-57.6	-
Net profit (m €)	-44.1	-61.0	-

Source: Company

High write-downs

Even so, EBIT was strongly negative at EUR -57.6 m (previous year: EUR -36.9 m). While it had been especially the write-downs on crypto holdings that had a negative impact on the 2022 financial period, last year saw an impairment loss of EUR 57 m that was recognised on goodwill in the course of the impairment test, in addition to scheduled amortisation (EUR 9.0 m). This resulted from a revaluation of the plans and the discount rates in the run-up to the merger. At the same time, the negative financial result was roughly halved (from EUR -7.4 m to EUR -3.4 m) due to lower financing expenses, so that, with a negligible tax result as well as minor currency differences and minority interests, the bottom line was a loss for the year of EUR -60.9 m, compared to EUR -44.1 m in the previous year.

Operating CF significantly improved

Cash flow from operating activities improved significantly thanks to the positive development of operating earnings but remained slightly negative at EUR -0.9 m (previous year: EUR -14.5 m). This was primarily due to a significant reduction in liabilities (CF effect: EUR -11.4 m). The outflow from investments also decreased (excluding the returns from money market funds recognised here, which amounted to EUR +27.1 m in 2022) and resulted primarily from capitalised development costs of EUR 2.1 m (previous year: EUR 5.9 m) and capitalised customer acquisition costs of EUR 1.2 m (previous year: EUR 3.4 m). This results in a free cash flow of EUR -4.3 m for 2023 (previous year: EUR -5.4 m including money market fund returns). However, this was more than compensated for by a positive financing cash flow of EUR 5.8 m, with the result that liquidity increased from EUR 3.1 m to EUR 4.5 m over the course of the year. The most important financing measure last year was the issue of convertible bonds with a volume of USD 8.2 m, which was almost completely subscribed by the main shareholder of the Key Way Group, Netcore Investments Ltd, at the end of the year as part of the merger agreement and was therefore fully placed.

Equity ratio remains very sound

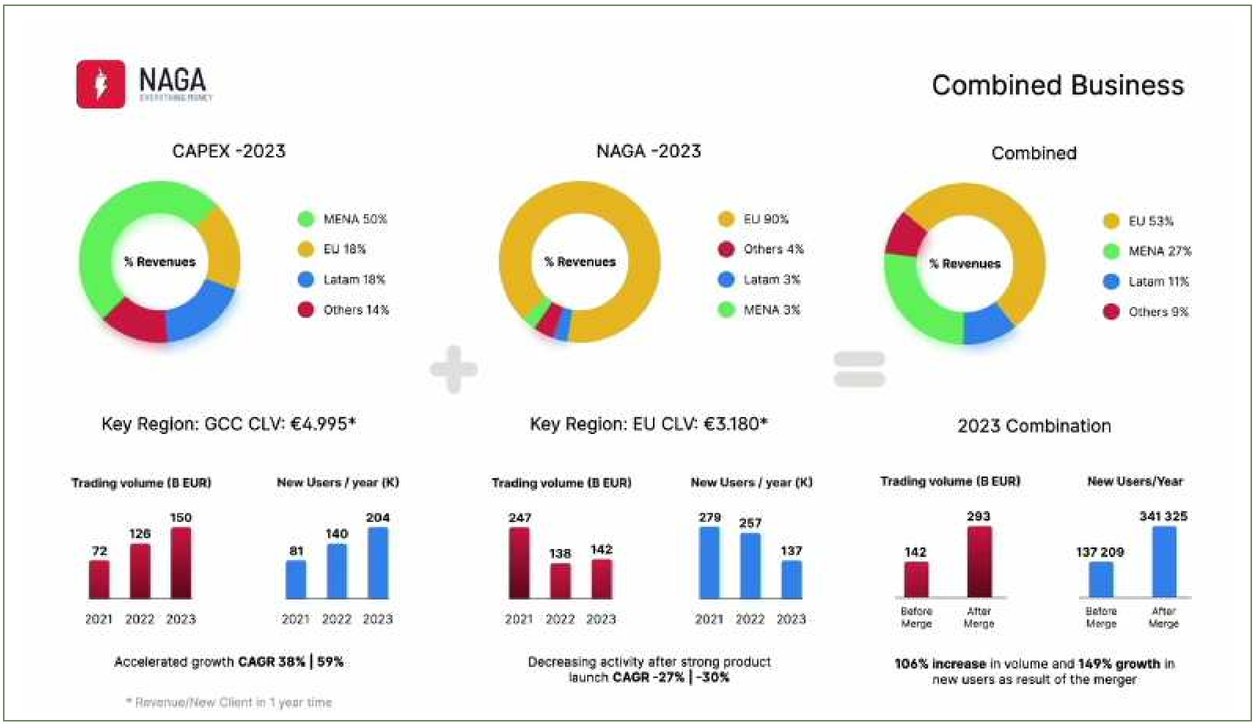
Overall, NAGA's liabilities and provisions totalled EUR 11.4 m at the end of the year 2023, a significant decrease on the previous year (EUR 14.7 m). Despite the high loss for the period, equity at EUR 49.5 m (previous year: EUR 110.4 m) remained significantly higher than debt at the reporting date, resulting in a still comfortable equity ratio of 81.2 percent (previous year: 88.3 percent). On the assets side, however, this is offset by a still high level of capitalised goodwill of EUR 37.9 m from a merger carried out a few years ago and other intangible assets (including capitalised development costs and customer acquisition costs) amounting to EUR 14.0 m.

Stronger together

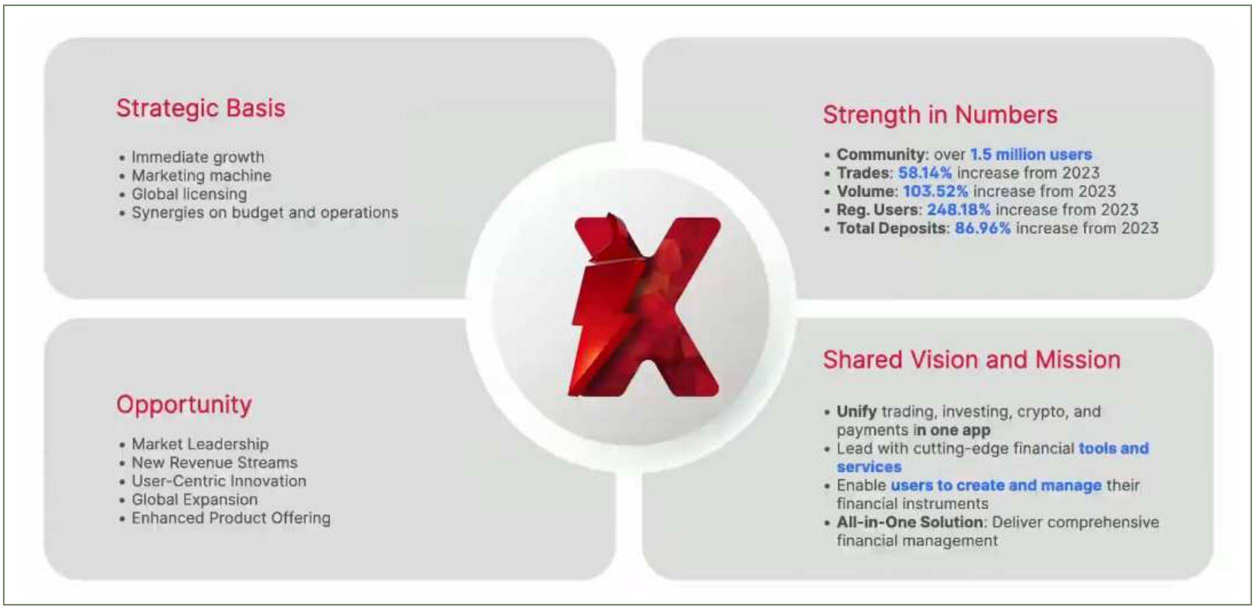
With the great progress in operating profitability and the financing measures implemented, the newly formed group now has a strong basis for further expansion. CAPEX.com brings a wealth of expertise in market development in emerging markets to the table. Despite a volatile and competitive market environment, the company has continuously gained market share in these countries in recent years, increasing the number of annual new customer registrations from 81 to 204 thousand and the trading volume from EUR 72 to 150 billion in the period from 2021 to 2023. CAPEX.com now generates around half of its revenue in the MENA region and a further 18 percent in Latin America (see chart), while only 18 percent is generated in the EU. However, this is precisely where NAGA's strength lies (with a 90 percent share of sales in 2023), which is why the market positioning of the two companies complements each other perfectly.

High synergies

The merger will bring immediate benefits and quickly realisable synergies in many areas. In the past, NAGA's focus has been on developing the technology for a comprehensive platform that covers trading and investment in standard asset classes (especially CFDs, stock indices and currencies), the crypto sector and neo-banking and links these offerings with a social network. CAPEX.com, on the other hand, has so far purchased the technology from an external provider, which was associated with high costs. In future, the NAGA platform will serve as a technology basis for the newly formed group, which will bring considerable savings. Meanwhile, CAPEX.com brings extensive expertise in marketing efficiency and operational excellence, which also offers potential for major cost reductions following the merger. The company puts the immediately achievable synergies at EUR 10 m. Another advantage of the merger is the expansion of the licence portfolio, as the licences of NAGA and CAPEX.com complement each other very well. The newly formed company will have nine licences in the areas of trading (5), crypto (2) and payment (2), span-



Source: Company



Advantages of the merger; source: Company

ning four continents and enabling business in more than 100 countries. Two more licences will be added to the portfolio by the end of the year, providing a strong basis for the planned expansion, particularly in emerging markets. This is flanked by a local presence with offices in twelve countries. NAGA will also be strengthened at management level, as CAPEX.com had a much broader base in this area, which will now enable further professionalisation of the structures.

Clear strategic goals

The management has formulated clear strategic goals to be achieved with the merger. The immediate focus is on implementing the merger by realising synergies, adapting structures and increasing the efficiency of processes and marketing, also thanks to the further digitisation of activities. On this basis, the scaling process will then be initiated, which is primarily to be accompanied by market share gains in the emerging markets, where marketing activities will be focussed. Regarding products, the integration of the existing platforms for the Trading & Invest, Crypto, Neo-Banking and Social Networking sub-areas into a financial super app is planned for this year, giving users the opportunity to use the services with one account on a standardised platform. The management sees a significant competitive edge for NAGA here, as the individual solutions have already been designed in such a way that they can be easily integrated, which creates a considerable time advantage over the competition.

Source: Company

Ambitious plans

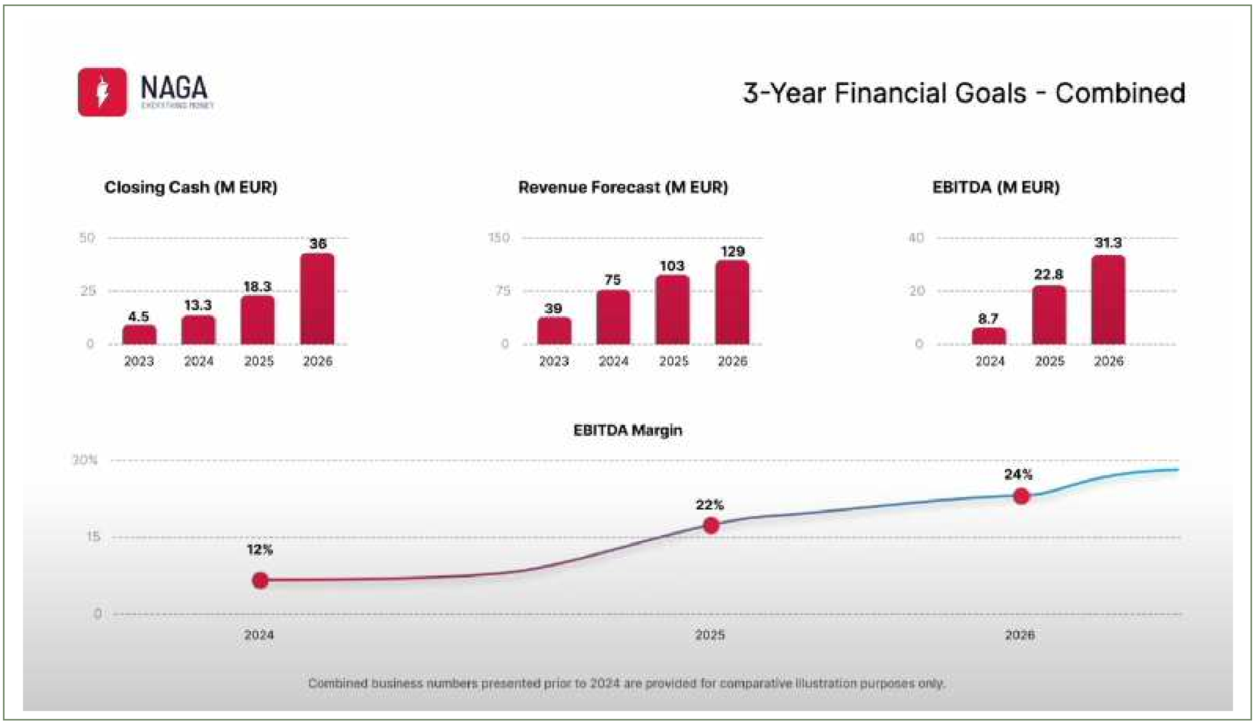
The current year will still be strongly influenced by the implementation of the merger. The management anticipates sales of EUR 75 m and EBITDA of EUR 8.7 m for the newly formed company. The realisation of synergies should already show the first positive effects in the second half of the year and then take effect on a twelve-month basis in 2025, which, in combination with the targeted revenue growth of 37 percent to EUR 103 m, should enable an improvement in the EBITDA margin from 12 to 22 percent. As the scaling process continues, this is expected to increase by a further 2 percentage points in 2026, with sales of EUR 129 m (see figure below).

Sound first half-year

The company has already published its preliminary figures for the first half of the year at the Capital Market Day. On an as-if basis, NAGA's operating KPIs in this period were significantly higher than in 2023, with the number of newly registered users increasing by around 110 percent to 143.5 thousand and the trading volume rising by 80 percent to EUR 124.7 billion. The operating progress was positively reflected in the revenue, which at EUR 31.5 m was significantly above the level of the second half of 2023 (EUR 20.2 m). In comparison, EBITDA fell from EUR 4.8 m to EUR 2.5 m, which is primarily due to significantly more intensive marketing activities with an increase in expenses from EUR 2.3 m to EUR 11.0 m but remained very clearly in positive territory.

Significant upside potential

Based on the six-month figures, we believe that the company is well on track to achieve its targets for the full year, as the positive effects of the merger are likely to become increasingly noticeable in the second half of the year. We had hitherto expected sales of EUR 75.6 m and EBITDA of EUR 7.4 m for the current year (on an as-if basis) and are sticking to this – the integration of NAGA's financial statements has only resulted in minor changes. In terms of revenue, we expect growth of 34.5 and 26.1 percent over the next two years to reach EUR 128.2 m in 2026, which is in line with the management's plans. For EBITDA, the situation is somewhat different. Here, the company is already expecting a figure of EUR 31.3 m for 2026, while we are much more cautious with EUR 24.0 m. While we are certainly confident that NAGA can exceed our estimates, we are waiting to see to what extent the synergies can actually be realised and how dynamic the margin trend will be. Should the management achieve its targets, it would offer considerable upside potential to our valuation result. The table on the next page contains the key cash flow figures derived from our estimates up to 2031. Further details can be found in the Annex.



Source: Company

m Euro	12 2024	12 2025	12 2026	12 2027	12 2028	12 2029	12 2030	12 2031
Sales	75.6	101.7	128.2	160.2	198.3	234.9	266.1	287.8
Sales growth		34.5%	26.1%	25.0%	23.8%	18.5%	13.3%	8.2%
EBITDA	**7.4**	**14.5**	**24.0**	**34.4**	**46.0**	**55.3**	**62.4**	**67.3**
EBIT	-4.5	3.5	13.7	25.3	37.0	50.2	57.3	64.3
Tax rate	0.0%	5.0%	5.0%	10.0%	25.0%	30.0%	30.0%	30.0%
Adjusted tax payments	0.0	0.2	0.7	2.5	9.2	15.1	17.2	19.3
NOPAT	**-4.5**	**3.3**	**13.0**	**22.8**	**27.7**	**35.2**	**40.1**	**45.0**
+ Depreciation & Amortisation	11.9	11.0	10.3	9.1	9.1	5.1	5.1	3.1
+ Increase long-term accruals	0.0	0.0	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	0.0	0.0
Gross operating cash flows	7.4	14.3	23.3	31.8	36.8	40.3	45.2	48.1
- Increase Net Working Capital	-7.4	-6.5	-4.4	-4.7	-2.8	-1.0	-1.2	-1.3
- Investments in fixed assets	-4.5	-4.7	-4.9	-4.8	-4.6	-4.3	-4.0	-3.7
Free cash flow	**-4.5**	**3.1**	**14.1**	**22.4**	**29.4**	**34.9**	**40.0**	**43.1**

SMC estimation model, 2024 as-if-approach including Key Way / Capex

Basic parameters unchanged

Subsequently, we continue to calculate the terminal value with a 20-percent discount to the target margin of 2031 and a "perpetual" cash flow growth of 1 percent p.a. The discount rate (WACC) also remains unchanged at 8.5 percent. For this, we have assumed a cost of equity according to CAPM of 11.2 percent (with: safe interest rate of 2.5 percent, market risk premium of 5.8 percent and beta factor of 1.5), as well as a target capital structure of 40 percent debt (which reflects a high leverage potential in a steady state), an interest rate on borrowed capital of 6.5 percent and a tax rate for the tax shield of 30 percent.

Price target: EUR 1.60

With the model update, the fair value we determined is now EUR 367.2 m. On a fully diluted basis (with 232 million shares after the merger and conversion of the bond), this corresponds to EUR 1.58 per share, from which we derive the new price target of EUR 1.60. The increase compared to our previous estimate (EUR 1.40) is due to the strong effect of the roll-over of the model to the new base year 2024, as the currently still low free cash flows are offset by potentially high free cash flows at the end of the detailed forecast period. And we now downgrade the forecast risk of our estimates from five points to four points on a scale of 1 (low) to 6 (high). Although consolidated figures for the new company are naturally not yet available, the risk of our forecast is lower now because the finalisation of the merger is at present only a technical topic.

Conclusion

Under the leadership of the new CEO, Octavian Patrascu, NAGA held the newly formed company's first virtual Capital Markets Day. With the merger with CAPEX.com expected to be completed in August, the company has significantly expanded its user and revenue base as well as its licence portfolio and international presence. In addition, a broad-based management team and extensive expertise in marketing, process optimisation and emerging markets were acquired. The merger thus offers extensive synergies, which are also expected to be directly reflected in cost savings of EUR 10 m. This sum is well secured, as the replacement of CAPEX.com's previous technology base alone (which was supplied by an external provider for a payment in the mid-single-digit million range) with the NAGA solution will result in a significant cost reduction.

With its new positioning, NAGA is now aiming for strong growth, particularly in the emerging markets. At the same time, the operating result is to be increased disproportionately thanks to the resulting economies of scale, but also through the utilisation of synergies and further efficiency improvements. While the management is forecasting sales of EUR 75 m and EBITDA of EUR 8.7 m for the current year, these figures are expected to rise to EUR 129 m and EUR 31.3 m respectively in two years' time.

We believe the plans are achievable and had already assumed a comparable sales trend in our model. However, our EBITDA estimate of EUR 7.4 m for 2024 and EUR 24.0 m for 2026 is still well below management's projection. Here, we first wait to see to what extent the desired synergies and efficiency gains can actually be achieved.

Despite the more cautious estimate of earnings growth, our model signals a fair value of EUR 1.60 per share (previously EUR 1.40) after rolling over to the new base year 2024, which is well above the current share price. Thus, thanks to the positive effects of the merger, we see considerable upside potential for the share. Moreover, with the merger short before finalisation the estimation risk of our forecast is lower now, so we can upgrade our rating to “Buy” (previous: “Speculative Buy”).

Annex I: SWOT analysis

Strengths

- Experienced management team with high competence in FinTech and brokerage. The merger with the Key Way Group will further strengthen the team and expand the organisational structure. Among other things, NAGA wins a CEO with a strong track record with Octavian Patrascu.
- Comprehensive and well-engineered finance platform with excellent scalability thanks to extensive automation.
- With the app NAGA Pay and the crypto platform NAGAX, the company has positioned itself strongly in two high-potential market segments over the past two years.
- Several renowned anchor shareholders.

Weaknesses

- Despite a strong improvement in EBITDA, the free cash flow in 2023 was still clearly negative.
- Revenue and profitability depend heavily on trading activities, which in turn are determined by capital market developments, and the company has only limited influence on this.
- Very high proportion of intangible assets in the balance sheet (85 percent as at 31.12.23).
- Complex regulatory environment.
- The publicly available data on the Key Way Group is still limited. It will take some time before consolidated figures for the newly formed company are available.

Opportunities

- The merger with the Key Way Group takes NAGA to another dimension in terms of size. The realisation of the projected synergies of USD 10 m p.a. could significantly improve profitability and cash flow.
- The essential elements of the platform have been developed by now, so the increase in product development costs should only be disproportionately low in the future.
- The solutions for brokerage, social trading, crypto and payment will be merged into one super app in 2024, which should stimulate further marketing.
- Sales are expected to rise sharply over the next few years thanks to high cross-selling potential between the NAGA and CAPEX solutions and the planned expansion in emerging markets. Achieving these goals would presumably go hand in hand with a strong increase in profits.

Threats

- The merger has not yet been finalised, but there are currently no major obstacles in sight.
- The integration of NAGA and the Key Way Group could fall short of the envisaged targets – in particular synergies totalling USD 10 m p.a.
- The intensity of competition in the brokerage market is high and it is not certain that the company will succeed in gaining the targeted market share in competition with, in some cases, significantly larger providers.
- Simultaneous expansion in several foreign markets creates increased complexity and numerous country-specific risks.
- If the brokerage business does not develop as planned, it can lead to considerable goodwill write-offs.

Annex II: Balance sheet and P&L estimation

Balance sheet estimation*

m Euro	2023 act.	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e
ASSETS									
I. Total non-current	52.6	205.2	198.9	193.4	189.1	184.6	183.8	182.7	183.3
1. Intangible assets	51.9	204.3	197.9	192.3	187.8	183.1	182.0	180.6	180.9
2. Tangible assets	0.5	0.6	0.7	0.9	1.0	1.3	1.6	1.9	2.2
II. Total current assets	8.3	26.2	36.6	58.5	89.2	125.2	154.4	175.8	193.1
LIABILITIES									
I. Equity	49.5	222.1	225.3	238.3	261.4	289.8	314.6	330.7	344.1
II. Accruals	0.8	1.0	1.1	1.2	1.3	1.5	1.6	1.7	1.8
III. Liabilities									
1. Long-term liabilities	3.4	1.6	1.4	1.4	1.4	1.4	1.4	1.4	1.4
2. Short-term liabilities	7.2	6.6	7.7	10.9	14.1	17.1	20.6	24.6	29.0
TOTAL	**60.9**	**231.3**	**235.5**	**251.9**	**278.3**	**309.8**	**338.3**	**358.5**	**376.3**

P&L estimation*

m Euro	2023 act.	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e
Sales	39.7	75.6	101.7	128.2	160.2	198.3	234.9	266.1	287.8
Total output	41.9	77.6	103.7	130.2	162.2	200.3	236.9	268.1	289.8
Gross profit	31.9	58.7	78.2	98.2	122.2	150.7	178.2	201.6	217.9
EBITDA	8.4	7.4	14.5	24.0	34.4	46.0	55.3	62.4	67.3
EBIT	-57.6	-4.5	3.5	13.7	25.3	37.0	50.2	57.3	64.3
EBT	-61.0	-5.3	3.3	13.8	25.7	37.8	51.7	59.2	66.5
EAT (before minorities)	-61.0	-5.3	3.2	13.1	23.1	28.3	36.2	41.4	46.5
EAT	-61.0	-5.3	3.2	13.1	23.1	28.3	36.2	41.4	46.5
EPS	-1.13	-0.02	0.01	0.06	0.10	0.12	0.16	0.18	0.20

** up to 2023 NAGA stand-alone, from 2024 including Key Way / Capex (with as-if-estimate for 2024)*

Annex III: Cash flows estimation and key figures

Cash flows estimation*

m Euro	2023 act.	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e
CF operating	-0.9	-1.7	7.2	18.9	27.3	34.4	40.0	45.2	48.1
CF from investments	-3.4	-4.5	-4.7	-4.9	-4.8	-4.6	-4.3	-4.0	-3.7
CF financing	5.8	14.5	-1.2	0.2	0.2	0.2	-11.1	-25.1	-33.0
Liquidity beginning of year	3.1	4.5	12.8	14.1	28.3	51.0	81.0	105.6	121.7
Liquidity end of year	4.5	12.8	14.1	28.3	51.0	81.0	105.6	121.7	133.1

Key figures*

percent	2023 act.	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e
Sales growth	-31.0%	90.3%	34.5%	26.1%	25.0%	23.8%	18.5%	13.3%	8.2%
EBITDA margin	21.3%	9.8%	14.3%	18.7%	21.4%	23.2%	23.6%	23.5%	23.4%
EBIT margin	-145.0%	-6.0%	3.4%	10.7%	15.8%	18.6%	21.4%	21.5%	22.3%
EBT margin	-153.4%	-7.1%	3.3%	10.7%	16.0%	19.1%	22.0%	22.2%	23.1%
Net margin	-153.4%	-7.1%	3.1%	10.2%	14.4%	14.3%	15.4%	15.6%	16.2%

** up to 2023 NAGA stand-alone, from 2024 including Key Way / Capex (with as-if-estimate for 2024)*

Annex IV: Sensitivity analysis

	Perpetual cash flows growth				
WACC	**2.0%**	**1.5%**	**1.0%**	**0.5%**	**0.0%**
7.5%	2.12	1.98	1.87	1.77	1.69
8.0%	1.92	1.81	1.72	1.63	1.56
8.5%	1.75	1.66	**1.58**	1.51	1.45
9.0%	1.61	1.53	1.47	1.41	1.35
9.5%	1.48	1.42	1.36	1.31	1.27

Disclaimer

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Charts
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9) At the time of the publication of the report, the issuer holds holdings exceeding 5 % of its total issued share capital in the sc-consult GmbH

10) sc-consult GmbH has included the company's shares in a virtual portfolio managed by sc-consult GmbH

Following conflicts of interests occurred in this report: 1), 3), 4)

Within the framework of compliance regulations, sc-consult GmbH has established structures and processes for the identification and disclosure of conflicts of interests. The responsible compliance representative is currently managing director Dipl.-Kfm. Holger Steffen (e-mail: holger.steffen@sc-consult.com).

II) Preparation and updating

The present financial analysis was prepared by: Dipl.-Kfm. Holger Steffen

Participants in the preparation of the present financial analysis: –

The present analysis was finished on 20.07.2024 at 9:45 am and published on 22.07.2024 at 8:15 am.

For the preparation of its financial analyses, the sc-consult GmbH uses a five-tier rating scheme with regard to price expectation in the next twelve months. Additionally, estimation risk is quantified on a scale from 1 (low) to 6 (high). The ratings are as follows:

Strong Buy	We expect an increase in price for the analysed financial instrument by at least 10 percent. We assess the estimation risk as below average (1 to 2 points).
Buy	We expect an increase in price for the analysed financial instrument by at least 10 percent. We assess the estimation risk as average (3 to 4 points).
Speculative Buy	We expect an increase in price for the analysed financial instrument by at least 10 percent. We assess the estimation risk as above average (5 to 6 points).
Hold	We expect that the price of the analysed financial instrument will remain stable (between -10 and +10 percent). The forecast risk (1 to 6 points) has no further impact on the rating. The rating "hold" is also used in cases where we perceive a price potential of more

	than 10 percent, but explicitly mentioned temporary factors prevent a short-term realization of the price potential.
Sell	We expect that the price of the analysed financial instrument will drop by at least 10 percent. The forecast risk (1 to 6 points) has no further impact on the rating.

The expected change in price refers to the current share price of the analysed company. This price and any other share prices used in this analysis are XETRA closing prices as of the last trading day before publication. If the share is not traded on XETRA, the closing price of another public stock exchange is used with a separate note to that effect.

The price targets published within the assessment are calculated with common methods of financial mathematics, especially with the DCF (discounted cash flow) method, the sum of the parts valuation and a peer group analysis. The valuation methods are affected by economic framework conditions, especially by the development of the interest rates.

The rating resulting from these methods reflects current expectations and can change anytime subject to company-specific or economic changes.

More detailed explanations of the models used by SMC Research can be found at:
http://www.smc-research.com/impressum/modellerlaeuterungen

An overview of the recommendations prepared and distributed by SMC Research in the last 12 months can be found at: http://www.smc-research.com/publikationsuebersicht

In the past 24 months, sc-consult GmbH has published the following financial analyses for the company:

Date	Investment recomm.	Target price	Conflict of interests
29.04.2024	Speculative Buy	1.40 Euro	1), 3)
05.03.2024	Speculative Buy	1.40 Euro	1), 3), 4)
13.11.2023	Hold	2.80 Euro	1), 3)
14.04.2023	Hold	3.60 Euro	1), 3), 4)
14.02.2023	Hold	4.10 Euro	1), 3)
26.01.2023	Hold	3.40 Euro	1), 3)
31.10.2022	Hold	3.40 Euro	1), 3), 4)

In the course of the next twelve months, sc-consult GmbH will presumably prepare the following financial analyses for the company: three updates and four comments.

The publishing dates for the financial analyses are not yet fixed at the present moment.

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