

swissnet AG

Switzerland, Germany / Software Services
 Euronext, Xetra
 Bloomberg: 81D GR
 ISIN: CH0451123589

Business Update

RATING **BUY**
PRICE TARGET **€ 18.50**
 Return Potential 176.1%
 Risk Rating High

LOKALEE EMBARKS ON AFRICAN JOURNEY — A STRATEGIC LEAP FORWARD

Swissnet Group (formerly beaconsmind) has announced that it is expanding into the Moroccan market through its subsidiary Lokalee, which provides AI-powered concierge services for the hospitality industry. The move is facilitated by a partnership with Aleph Hospitality, the largest independent hotel management company in the Middle East and Africa. Lokalee's platform is initially being integrated into Moroccan hotels managed by Aleph, with plans for further expansion across Aleph's portfolio of >30 hotels and eight countries in the region. Morocco's booming tourism sector with 14.5m international visitors in 2023 represents a promising opportunity for Lokalee and the Swissnet Group's international growth strategy. This partnership with Aleph underpins Swissnet's 2025 outlook, which envisages strong organic revenue growth of ~40%, with revenue and EBITDA expected to reach ~CHF27.5m and ~CHF6.7m respectively. The company recently announced that recurring revenues now account for an impressive >75% of its business, making it more predictable. Given this positive news, we believe management is on track to deliver the promised results. On the basis of unchanged estimates, we reiterate our price target of €18.50 and our Buy recommendation.

Lokalee – an AI-powered concierge service provider for the hospitality industry – wins a strong partner Swissnet's Dubai-based traveltech subsidiary Lokalee offers an innovative SaaS platform that functions as an AI-powered digital concierge for the hospitality industry. Lokalee not only enhances hotel guest experiences by offering personalised recommendations for activities, dining, and local events, leveraging AI-driven data analytics, but also provides seamless digital services, including mobile check-in, key access, and a streamlined check-out process. Additionally, it helps hotels generate extra revenue through commission-based bookings and improves operational efficiency. In our view, the partnership with Aleph, the leading hospitality player in the Middle East and Africa (<https://alephhospitality.com/>), is an important step in driving international expansion and sales growth. (p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	FY 21/22	H2 22	FY 23	FY 24E	FY 25E	FY 26E
Revenue (CHF m)	2.0	0.6	6.2	12.6	27.4	38.4
Y-o-y growth	249.5%	-72.2%	1174.9%	79.1%	117.0%	40.0%
EBIT (CHF m)	-2.5	-3.6	-1.9	1.1	3.7	7.9
EBIT margin	n.a.	n.a.	n.a.	8.7%	13.5%	20.7%
Net income (CHF m)	-2.5	-3.7	-2.7	0.0	2.2	6.2
EPS (diluted) (CHF)	-1.04	-1.35	-0.76	0.01	0.27	0.77
DPS (CHF)	0.00	0.00	0.00	0.00	0.00	0.00
FCF (CHFm)	-3.2	-2.2	-3.7	0.5	4.7	7.8
Net gearing	-81.0%	-26.7%	91.7%	74.0%	17.7%	-4.2%
Liquid assets (CHF m)	3.0	0.5	0.8	1.0	3.2	7.5

RISKS

Risks include, but are not limited to execution, client satisfaction and commercial risks, competition, negative economic downturn impact, dilution and financial risks.

COMPANY PROFILE

Founded in Switzerland in 2015, Swissnet Group is a leading technology company offering location-based marketing (LBM) software, WiFi infrastructure systems, and WiFi Guest Hotspots, to sectors such as retail chains, hospitality, healthcare, and the public sector. The firm successfully empowers its customers' omnichannel strategies to generate additional value through the use of intelligent, fully cloud-based LBM technologies.

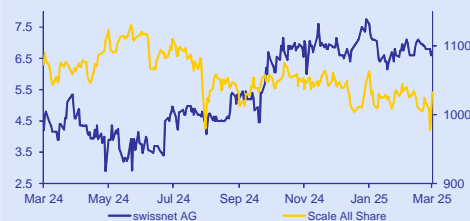
MARKET DATA

As of 13 Mar 2025

Closing Price	€ 6.70
Shares outstanding	8.48m
Market Capitalisation	€ 56.85m
52-week Range	€ 2.90 / 7.75
Avg. Volume (12 Months)	2,795

Multiples	FY 23	FY 24E	FY 25E
P/E	n.a.	551.8	17.1
EV/Sales	7.7	3.8	1.7
EV/EBIT	n.a.	43.3	12.9
Div. Yield	0.0%	0.0%	0.0%

STOCK OVERVIEW



COMPANY DATA

As of 31 Dec 2023

Liquid Assets	CHF 0.76m
Current Assets	CHF 4.01m
Intangible Assets	CHF 10.98m
Total Assets	CHF 19.34m
Current Liabilities	CHF 5.56m
Shareholders' Equity	CHF 6.93m

SHAREHOLDERS

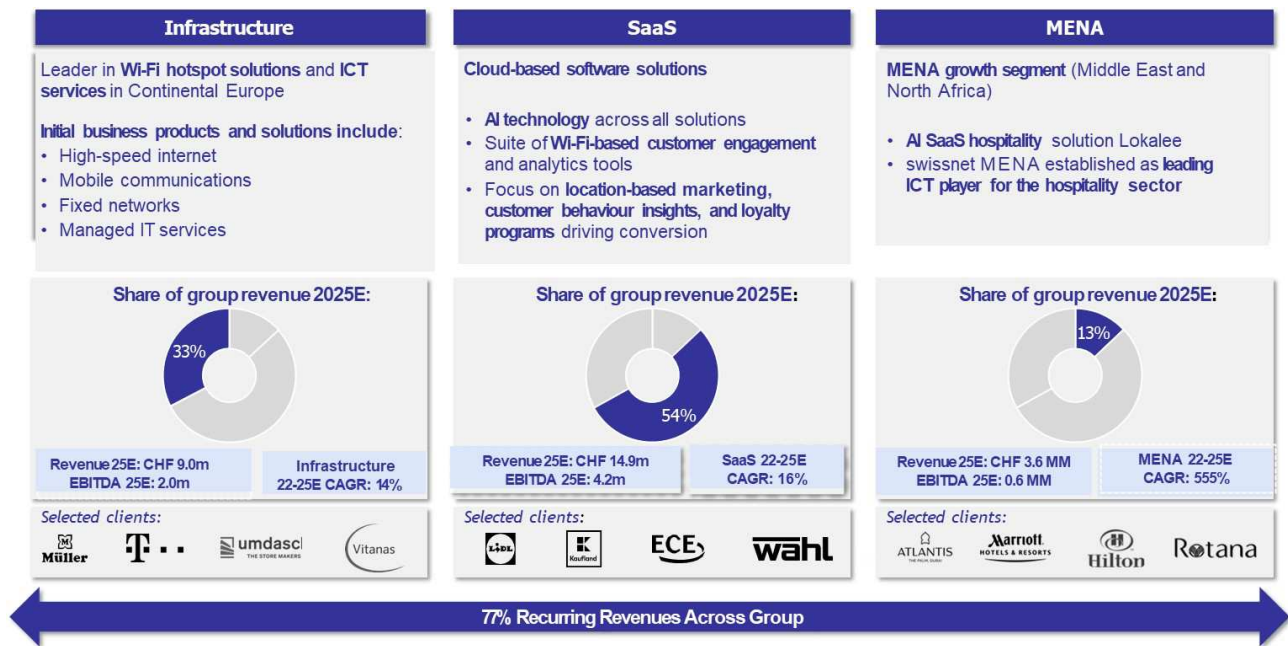
Crown Fund SCA SICAV-RAIF	43.5%
Lokalee shareholders	16.5%
Management	7.4%
SW shareholders	6.6%
Free Float & others	26.0%



Aleph manages a portfolio of >30 hotels in eight countries in the region, including flagship luxury resorts such as Marchica Lagoon Resort (Morocco), Michlifen Resort & Golf (Morocco), Le Meridien Zanzibar Resort (Tanzania), Hilton Dubai Creek Hotel & Residences (UAE) and Marriot Marquis Dubai (UAE).

Swissnet has provided more granularity on the financial outlook for FY/25 – recurring revenue share has increased to >75% Management recently confirmed the financial outlook for FY/25 which envisages revenue of CHF27.5m (FB: CHF27.4m) and EBITDA of CHF 6.7m (FB: CHF6.6m). This guidance entails a significant acceleration in organic revenue growth and a high proportion of recurring revenues. The company forecasts ~44% organic revenue growth for 2025, with segment contributions of 33% from Infrastructure (expected to grow organically by 25%), 54% from Software/SaaS (projected to grow organically by 28%), and 13% from the newly established MENA segment (projected to grow organically by 1,575%). Further details on the new revenue guidance per business segment can be found in figure 4 on the company snapshot (page 4). Importantly, the recurring revenue share has increased to >75%, ensuring strong financial visibility and cash flow predictability.

Figure 1: Swissnet Group’s three pillars. Over 75% of revenues are recurring.



Source: First Berlin Equity Research, Swissnet Group

Synergies between the business units and the new MENA region are driving growth. Recurrent revenues are fuelled by the SaaS segment The company attributes its growth to successful synergy utilisation and upselling initiatives, particularly in its newly established MENA unit in Dubai. 100% of SaaS segment revenue is recurring. Swissnet’s SaaS segment offering includes its own cloud-based software as well as solutions provided by Socialwave and FREDERIX. The AI-based SaaS hospitality suite in the MENA region provided by Lokalee and swissnet MENA and the Infrastructure business contribute 50% of recurring revenue.

Enhanced IR activities to communicate the investment story Swissnet’s management is also enhancing its investor relations efforts, including a refreshed corporate presentation and participation in upcoming investor conferences, such as the Munich Capital Market Conference in April and the Equity Forum Spring Conference in May.



VALUATION MODEL

Buy rating and price target reiterated Swissnet Group is making a significant move by expanding into Morocco through its subsidiary Lokalee, thereby bringing AI-powered concierge services to the country's thriving hospitality industry. The expansion is bolstered by a strategic partnership with Aleph Hospitality, a leading hotel management company that can open further doors in the Middle East and Africa. Given that Morocco's tourism sector is booming, this venture presents a substantial growth opportunity. Management remains confident in its ambitious 2025 outlook, targeting a remarkable ~40% organic revenue growth. Additionally, the steady rise of recurring revenues, now making up over 75% of the business, enhances financial predictability. With the company well on track to meet its targets, we reiterate our €18.50 price target and Buy recommendation. We believe the share is substantially undervalued at the current level.

Figure 2: DCF Model

All figures in CHF '000	FY 2024E	FY 2025E	FY 2026E	FY 2027E	FY 2028E	FY 2029E	FY 2030E	FY 2031E
Net sales	12,630	27,408	38,372	48,348	60,919	77,976	99,809	126,558
NOPLAT	1,002	3,479	7,371	10,069	12,037	15,052	19,754	25,568
+ depreciation & amortisation	1,147	2,950	2,810	2,647	2,501	2,381	2,267	2,158
Net operating cash flow	2,149	6,429	10,181	12,716	14,538	17,433	22,021	27,726
- total investments (CAPEX and WC)	-1,720	-1,774	-2,552	-2,276	-3,211	-3,029	-3,727	-3,612
Capital expenditures	-600	-600	-400	-300	-280	-250	-250	-250
Working capital	-1,120	-1,174	-2,152	-1,976	-2,931	-2,779	-3,477	-3,362
Free cash flows (FCF)	428	4,655	7,629	10,440	11,327	14,404	18,294	24,114
PV of FCFs	423	4,037	5,813	6,988	6,661	7,442	8,303	9,616

All figures in CHF '000	
PV of FCFs in explicit period	85,450
PV of FCFs in terminal period	68,161
Enterprise value	153,611
+ Net cash / - net debt (proforma)	-6,535
Shareholder value	147,076
Sharecount (proforma)	8,485
Fair value per share in CHF	17.33
Fair value per share in EUR	18.50

FX rate: 1 CHF = 1.07 EURO

	WACC	Terminal growth rate						
		0.5%	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%
10.8%		25.06	25.79	26.60	27.50	28.51	29.65	30.94
11.8%		22.02	22.57	23.18	23.85	24.59	25.41	26.33
12.8%		19.52	19.94	20.40	20.91	21.46	22.07	22.75
13.8%		17.42	17.76	18.11	18.50	18.92	19.39	19.89
14.8%		15.65	15.92	16.20	16.50	16.83	17.18	17.57
15.8%		14.14	14.35	14.57	14.81	15.07	15.35	15.65
16.8%		12.84	13.01	13.18	13.38	13.58	13.80	14.04

Fair value per share (EUR)

Price target in EUR	
Price target in EUR	18.50
Cost of equity	14.8%
Pre-tax cost of debt	7.0%
Tax rate	30.0%
After-tax cost of debt	4.9%
Share of equity capital	90.0%
Share of debt capital	10.0%
WACC	13.8%

*Please note our model runs through 2035 and we have only shown the abbreviated version for formatting purposes



COMPANY SNAPSHOT

Acquisition of Swissnet AG and Lokalee completed in January 2025 This transaction aligns with Beaconsmind's strategic evolution, leveraging synergies across customer bases, technologies, and markets to build an international leading digital infrastructure and SaaS provider. The company gains Lokalee's AI capabilities which it can leverage across the group and direct access to the high-growth MENA region. Beaconsmind has adopted Swissnet Group as its new company name to capitalise on the Swiss company's strong brand and achieve significant growth in revenue, EBITDA and free cash flow driven by an expanded management team.

Financial outlook foresees group revenue of CHF27.5m and EBITDA of CHF6.7m in FY/25 The company is guiding that the acquisitions of Swissnet AG and Lokalee will contribute revenue of CHF8.5m and CHF3.6m and EBITDA of CHF2.6m and CHF0.6m in FY/25 respectively.

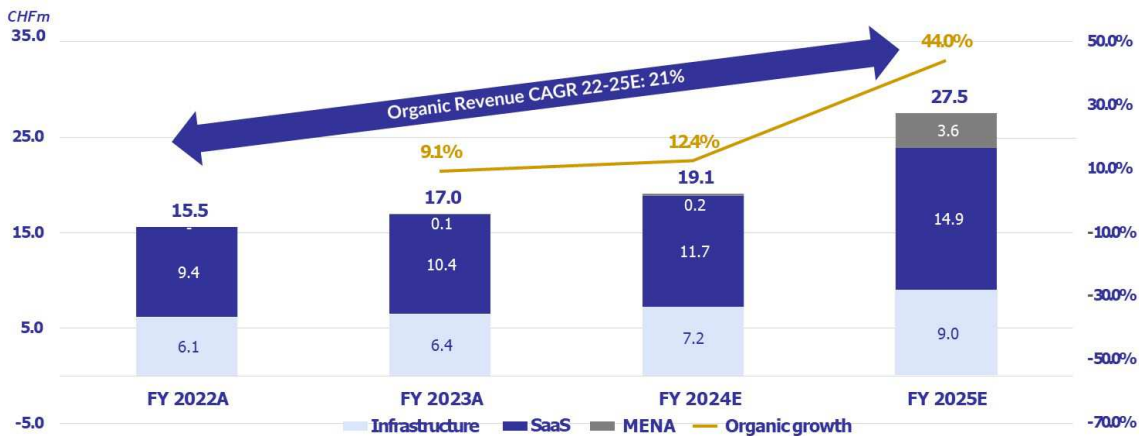
Figure 3: The new Swissnet Group's KPIs

In CHF m (except no. of clients and Point-of-Sales)	beaconsmind		swissnet		Lokalee/ MENA		Swissnet Group
Number of Clients	7,035	+	3,000	+	250	=	10,285
Number of Point-of-Sales	31,731	+	2,000	+	25,000 ⁽²⁾	=	58,731
Revenues 25E	15.4	+	8.5	+	3.6	=	27.5
EBITDA 25E	3.6	+	2.6	+	0.6	=	6.7
Gross Margin 25E	77%	+	59%	+	44% ⁽¹⁾	=	69%

Notes: (1) Is expected to increase significantly after the scale-up phase (>50%); (2) Number of hotel rooms

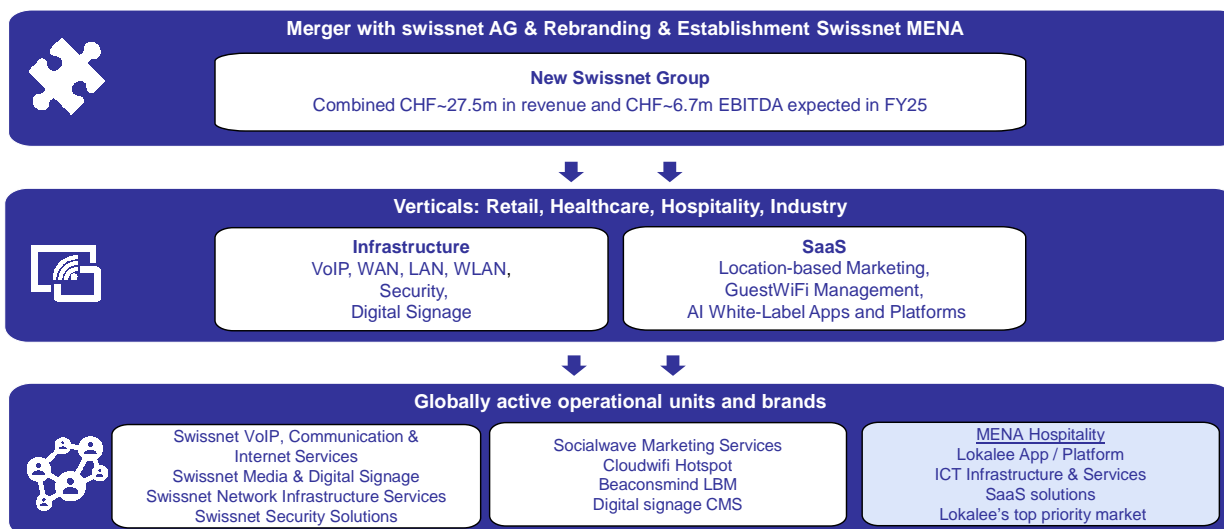
Source: First Berlin Equity Research, Swissnet Group

Figure 4: Swissnet Group – Historical 20%+ organic revenue growth accelerated through group synergies



Source: First Berlin Equity Research, Swissnet Group

Figure 5: Swissnet Group new structure and strategic units



Source: First Berlin Equity Research, Swissnet Group

The total acquisition price of CHF21.3m to be financed through equity and debt The transaction included a mix of cash, equity, and vendor loan. Specifically, Beaconsmind acquired Swissnet for CHF9.7m and Lokalee for CHF11.6m. The financing comprised 2.9m Beaconsmind shares, CHF2.7m in vendor loans payable after 9-18 months, and an additional CHF4.6m in cash committed by core shareholders (closed in December 2024).

Table 1: Overview of prices and multiples paid for acquisitions

In CHFm	FREDERIX (62%)	Netopsie	Socialwave	KADSOFT/T2	Swissnet ⁽¹⁾	Lokalee ⁽²⁾
Purchase Price	2.9	0.5	9.6	2.9	9.7	11.6
Equity Raised	1.9	-	5.8	3.0	8.5 ⁽³⁾	11.3 ⁽⁵⁾
Debt assumed	-	-	4.8	-	1.5 ⁽⁴⁾	1.2 ⁽⁴⁾
Run rate Revenue	3.5	0.6	4.3	3	6.9	8.1
Run rate EBITDA pre-synergy	0.8	0.1	1.7	0.4	1.6	4.0
Run rate EBITDA post-synergy	0.9	0.1	2.1	0.6	1.8	-
EV/Revenue	1.2x	0.8x	2.1x	0.9x	1.4x	0.8x
EV/EBITDA pre-synergy	6.1x	5.0x	5.6x	5.4x	6.0x	2.9x
EV/EBITDA post-synergy	5.3x	5.0x	4.5x	5.1x	5.4x	2.9x
Closing date	Nov-22/Jul-23	Feb-23	Apr-23	Dec-23	Jan-25	Jan-25

Notes: (1) Swissnet FY24E financials (2) Lokalee FY26E financials - first full year operational/ stabilised EBITDA - including Swissnet MENA; (3) Including CHF0.3m raise for operating cash; (4) Vendor loans. To be repaid in October 2025 (50%) and July 2026 (50%) for Swissnet and January 2026 for Lokalee; (5) Including CHF0.9m raise for operating cash

Source: First Berlin Equity Research, Swissnet Group

Brief overview of the recently acquired companies

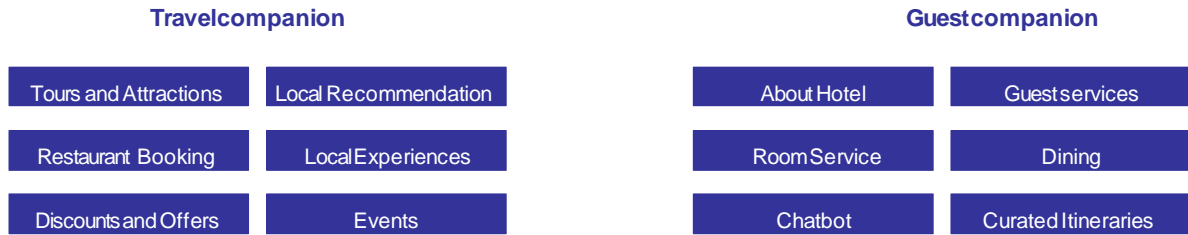
1. Swissnet AG Established in 2006, Swissnet AG (<https://swissnet.ch/>) is a Swiss-based company specialising in telecommunications and ICT solutions. With nearly two decades of experience, Swissnet has become a leading provider in the Swiss and German industries offering a comprehensive range of services tailored to meet the diverse needs of businesses such as high-speed internet, mobile communications, fixed network, cloud, and managed IT services. Known for its high-quality service and reliable telecommunications solutions, Swissnet caters to a broad customer base including SMEs and international corporations. Swissnet and Beaconsmind have known each other for several years having worked together on major customer contracts. Swissnet's existing platforms, such as VoIP and

WAN/LAN services, will complement Beaconsmind's Wi-Fi and hotspot solutions allowing clients to benefit from a cohesive communication and marketing ecosystem. Swissnet will also strengthen the group's presence in the Swiss market, adding 17 specialised technicians and a well-recognised brand.

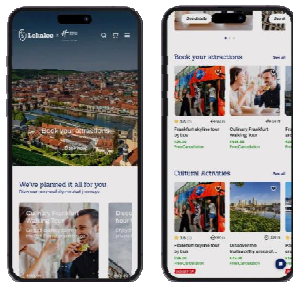
2. Advanced Digital Technology DWC LLC – Lokalee (<https://www.lokalee.app/>)

Founded in 2019 in Dubai, UAE, the traveltech startup Lokalee offers an innovative SaaS platform that functions as an AI-powered digital concierge for the hospitality industry. It provides guests with personalised travel recommendations and facilitates access to hotel services through a single platform (see figure 6 below). The platform is used by 200 brands across 20 countries and currently has a customer portfolio of >250 hotels, including Movenpick, Sheraton, Rotana, Sofitel, Hilton and Millennium. Lokalee already works successfully with Beaconsmind's Socialwave Hospitality Platform, which makes the business combination a natural next step. Lokalee perfectly complements the platform by combining beaconsmind's digital solutions and expertise in guest engagement with AI-driven travel recommendations and guest services, creating a robust and unique service suite for the hospitality industry. This acquisition aligns with Beaconsmind's strategic vision of offering AI-driven guest experiences across hospitality and retail segments.

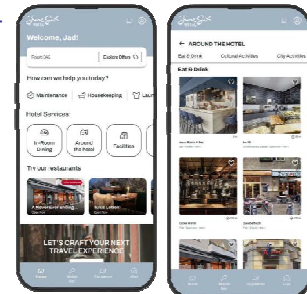
Figure 6: The Lokalee hospitality app



The Lokalee Travel Companion is an AI-powered platform that offers guests personalised recommendations and seamless booking for local experiences, activities, and services, all curated by local experts



A single touch point for seamless in-room and hotel services, including maintenance, housekeeping, laundry, in room orders and dining offers, all accessible with a single click



Source: First Berlin Equity Research, Swissnet Group



INCOME STATEMENT

All figures in CHF '000	FY 21/22	H2 22	FY 23	FY 24E	FY 25E	FY 26E
Total Swissnet group revenues	1,987	553	6,172	12,630	27,408	38,372
Cost of goods sold	-196	-95	-1,238	-2,226	-8,771	-12,279
Gross profit	1,791	458	4,934	10,404	18,638	26,093
Personnel expenses	-1,581	-1,305	-3,927	-4,350	-6,200	-7,900
Other operating expenses	-2,457	-2,331	-2,841	-3,810	-5,800	-7,449
EBITDA*	-2,246	-3,178	-1,835	2,244	6,638	10,744
Depreciation expenses	-220	-405	-1,632	-1,147	-2,950	-2,810
Operating income (EBIT)*	-2,466	-3,583	-3,467	1,097	3,688	7,934
Net financial result	-33	-88	-800	-780	-1,080	-900
Pre-tax income (EBT)	-2,499	-3,670	-4,267	317	2,608	7,034
Tax result	-7	2	-44	-48	-209	-563
Minority interests	0	0	-30	-183	-230	-299
Net income / loss	-2,506	-3,668	-4,341	87	2,169	6,173
Diluted EPS (in CHF)	-1.04	-1.35	-1.20	0.02	0.27	0.77

Adjusted KPIs

*One-off expenses for restructuring and M&A	0	0	-1,600	0	0	0
Adjusted EBITDA stripping out one-off expenses	0	0	-235	0	0	0
Adjusted EBIT stripping out one-off expenses	0	0	-1,867	0	0	0
Adjusted net result stripping out one-off expenses	0	0	-2,741	0	0	0
Adjusted EPS stripping out one-off expenses	0	0	-0.76	0	0	0

Ratios as % of total revenue

Gross margin	90.1%	82.8%	79.9%	82.4%	68.0%	68.0%
EBITDA margin	n.a.	n.a.	n.a.	17.8%	24.2%	28.0%
EBIT margin	n.a.	n.a.	n.a.	8.7%	13.5%	20.7%
Net margin	n.a.	n.a.	n.a.	0.7%	7.9%	16.1%
Tax rate	3.0%	30.0%	30.0%	15.0%	8.0%	8.0%

Expenses as % of total revenue

Personnel expenses	79.6%	236.0%	63.6%	34.4%	22.6%	20.6%
Other operating expenses	123.6%	421.5%	46.0%	30.2%	21.2%	19.4%
Depreciation expenses	11.1%	73.2%	26.4%	9.1%	10.8%	7.3%

Y-Y Growth

Revenues	249.5%	-72.2%	1016.1%	104.6%	117.0%	40.0%
EBITDA	n.a.	n.a.	n.a.	n.a.	195.8%	61.9%
Operating income (EBIT)*	n.a.	n.a.	n.a.	n.a.	236.1%	115.2%
Net income/ loss	n.a.	n.a.	n.a.	n.a.	2388.1%	184.6%



BALANCE SHEET

All figures in CHF '000	FY 21/22	H2 22	FY 23	FY 24E	FY 25E	FY 26E
Assets						
Current assets, total	4,784	904	4,011	5,931	11,247	18,339
Cash and cash equivalents	2,969	547	755	1,030	3,180	7,519
Inventories	90	90	502	787	1,634	2,355
Receivables	1,306	202	2,722	4,075	6,383	8,410
Prepaid expenses & others	419	65	32	39	50	55
Non-current assets, total	1,038	2,983	15,328	14,880	32,832	30,532
Property, plant & equipment	353	297	993	1,063	1,713	1,713
Right-of-use assets	354	347	409	508	610	720
Intangible assets	276	277	10,975	10,358	22,558	20,148
Associated companies (Goodwill)	0	2,008	2,923	2,923	7,923	7,923
Total assets	5,822	3,887	19,339	20,812	44,079	48,871
Shareholders' equity & debt						
Current liabilities, total	1,848	1,589	5,555	5,206	5,447	6,205
Short-term debt	0	0	874	0	0	0
Accounts payable	1,033	852	1,027	1,403	1,490	2,086
Accruals, deferred income	686	603	3,400	3,536	3,678	3,825
Other current liabilities	130	135	254	267	280	294
Long-term liabilities, total	331	315	6,661	7,385	8,762	6,325
Long-term debt	19	19	6,416	7,116	8,466	6,000
Other liabilities and provisions	313	297	245	269	296	325
Minority interests	0	0	190	372	602	901
Shareholders' equity	3,643	1,982	6,934	7,848	29,267	35,440
Total consolidated equity and de	5,822	3,887	19,339	20,812	44,079	48,871
Ratios						
Current ratio (x)	2.6	0.6	0.7	1.1	2.1	3.0
Quick ratio (x)	2.5	0.5	0.6	1.0	1.8	2.6
Net debt/(net cash)	-2,950	-528	6,535	6,086	5,286	-1,519
Net gearing	-81.0%	-26.7%	94.3%	77.5%	18.1%	-4.3%
Book value per share (in €)	1.50	0.73	1.92	1.67	3.66	4.43
Return on equity (ROE)	-68.8%	-184.7%	-62.2%	2.8%	8.0%	17.8%
Equity ratio	62.6%	51.0%	36.8%	39.5%	66.4%	72.5%



CASH FLOW STATEMENT

All figures in CHF '000	FY 21/22	H2 22	FY 23	FY 24E	FY 25E	FY 26E
Net income	-2,506	-3,662	-4,310	222	2,399	6,471
Depreciation and amortisation	220	405	1,632	1,147	2,950	2,810
Changes in working capital	-503	1,187	-675	-1,120	-1,174	-1,996
Other adjustments	259	110	294	26	27	30
Operating cash flow	-2,531	-1,961	-3,060	274	4,202	7,315
CapEx	-588	-291	-831	-600	-600	-400
Free cash flow	-3,188	-2,332	-4,519	-326	3,602	6,915
Other investments and disposals	0	-2,008	-7,557	0	-21,300	0
Cash flow from investing	-588	-2,299	-8,388	-600	-21,900	-400
Debt financing, net	0	0	6,480	700	1,350	-2,466
Equity financing, net	5,572	1,988	6,313	0	18,600	0
Lease liabilities	-92	-70	-291	-99	-102	-110
Cash flow from financing	5,480	1,918	12,502	601	19,848	-2,576
Exchange differences	2	0	-219	0	0	0
Net cash flow	2,294	-2,422	208	276	2,150	4,338
Cash, start of the year	675	2,969	547	755	1,030	3,180
Cash, end of the year	2,969	547	755	1,030	3,180	7,519
EBITDA/share (in CHF)	-0.93	-1.17	-0.51	0.48	0.83	1.34
Unlevered free cash flow	-3,155	-2,244	-3,719	454	4,682	7,814
Y-Y Growth						
Operating cash flow	n.a.	n.a.	n.a.	n.a.	1431.3%	74.1%
Free cash flow	n.a.	n.a.	n.a.	n.a.	n.a.	92.0%
EBITDA/share	n.a.	n.a.	n.a.	n.a.	n.a.	92.0%

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Anschrift:

First Berlin Equity Research GmbH
Friedrichstr. 34
10117 Berlin
Germany

Vertreten durch den Geschäftsführer: Martin Bailey

Telefon: +49 (0) 30-80 93 9 680

Fax: +49 (0) 30-80 93 9 687

E-Mail: info@firstberlin.com

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First Berlin Equity Research GmbH

Authored by: Christian Orquera, Analyst

All publications of the last 12 months were authored by Christian Orquera.

Company responsible for preparation: First Berlin Equity Research GmbH, Friedrichstraße 69, 10117 Berlin

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Person responsible for forwarding or distributing this financial analysis: Martin Bailey

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PRICE TARGET DATES

Unless otherwise indicated, current prices refer to the closing prices of the previous trading day.

AGREEMENT WITH THE ANALYSED COMPANY AND MAINTENANCE OF OBJECTIVITY

The present financial analysis is based on the author's own knowledge and research. The author prepared this study without any direct or indirect influence exerted on the part of the analysed company. Parts of the financial analysis were possibly provided to the analysed company prior to publication in order to avoid inaccuracies in the representation of facts. However, no substantial changes were made at the request of the analysed company following any such provision.

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 ¹	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%

¹ 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	28 November 2022	€12.10	BUY	€22.00
2	4 April 2024	€3.40	BUY	€14.00
3	21 October 2024	€6.70	BUY	€14.50
4	21 November 2024	€7.20	BUY	€18.50
5	6 February 2025	€6.75	BUY	€18.50
6	Today	€6.70	BUY	€18.50

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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The opinions contained in the financial analysis reflect the assessment of the author on the day of publication of the financial analysis. The author of the financial analysis reserves the right to change such opinion without prior notification.

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/>

SUPERVISORY AUTHORITY: Bundesanstalt für Finanzdienstleistungsaufsicht (German Federal Financial Supervisory Authority) [BaFin], Graurheindorferstraße 108, 53117 Bonn and Marie-Curie-Straße 24-28, 60439 Frankfurt am Main

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