CR Capital AG

Germany / Real Estate
Primary exchange: Frankfurt
Bloomberg: CRZK GR
ISIN: DE000A2GS625

Update

RATING	**BUY**
PRICE TARGET	**€ 58.00**
Return Potential	70.6%
Risk Rating	High

AT THE VANGUARD OF MAINSTREAM PRIVATE EQUITY

A number of industries and sectors are struggling in the pandemic-world, but CR Capital's prospects remain excellent, thanks to its position in Germany's affordable housing segment and a recent move into the world of private equity. The fully-owned Terrabau has a full pipeline of over 600 units, and operations have continued largely unhampered during the crisis. H1/21 reporting was highlighted by €62m in net income and NAVPS of €62.5. CR Capital now reports as an investment entity according to IFRS 10. We thus value the company with a discounted dividend model (DDM) and arrive at a €58 price target (old: €37). We remain Buy-rated on CR Capital.

Demystifying private equity The new corporate structure now includes a 50% participation in CR Opportunities (CRO) to go alongside the 100% stake in Terrabau GmbH, which handles residential property development. With CR Opportunities, CR Capital wants to demystify private equity (PE) and make it available to everyone. The running perception among the general public is that private equity resembles an exclusive gentlemen's club. But this walled-off existence is slowly changing, and CR Capital is at the vanguard of mainstream private equity (overleaf). CRO is developing products for (1) security-oriented capital investments; and (2) return-oriented capital investments with a higher risk profile. We estimate the company will contribute some €7m to the CR Capital 2021 bottom line.

What else has changed? In May, Terrabau reported 236 units sold in H1. The good performance was reflected in six month reporting with CR Capital having racked up some €64m in operating revenue. Management hinted at a pipeline of around 45k m² across 600 units, and we assume this will be completed by YE22. Demand for affordable housing with a < €350k price tag in Berlin-Brandenburg remains high and accounts for ~60% of residential demand. In contrast, less than 6% of developers focus on the category, due to uncompetitive cost structures. (p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	2018	2019	2020	2021E	2022E	2023E
Operating rev. (€m)	14.69	95.64	64.53	72.20	83.20	95.62
Y/Y growth	121.0%	551.1%	-32.5%	11.9%	15.2%	14.9%
EBIT (€m)	11.56	91.23	51.27	69.47	80.36	92.69
EBIT margin	78.7%	95.4%	79.4%	96.2%	96.6%	96.9%
Net income (€m)	7.80	92.47	51.27	68.42	79.16	91.30
EPS (diluted) (€)	2.08	24.69	13.65	17.95	20.77	23.96
DPS (€)	0.75	0.75	1.50	2.50	2.95	3.39
NAVPS (€)	9.43	33.30	47.38	63.18	81.45	102.46
Net gearing	-5.6%	4.7%	-0.5%	-1.4%	-4.1%	-6.4%
Liquid assets (€m)	3.94	1.07	0.84	3.39	12.83	25.17

RISKS

Risks include but are not limited to: increasing competition, the company's focus on the residential market in Berlin, and the loss of key personnel.

COMPANY PROFILE

CR Capital is a Berlin-based investment holding focused on growth opportunities along the residential property and private equity value chains. The company is listed on the Open Market of the Frankfurt Stock Exchange.

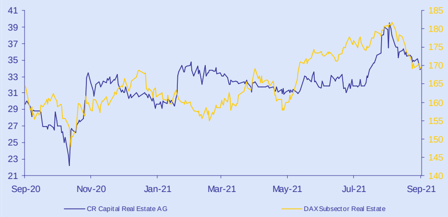
MARKET DATA

As of 16 Sep 2021

Closing Price	€ 34.00
Shares outstanding	3.81m
Market Capitalisation	€ 129.54m
52-week Range	€ 22.20 / 39.50
Avg. Volume (12 Months)	2,074

Multiples	2020	2021E	2022E
P/NAV	0.7	0.5	0.4
EV/Sales	2.0	1.8	1.5
EV/EBIT	2.5	1.9	1.6
Div. Yield	4.4%	7.3%	8.7%

STOCK OVERVIEW



COMPANY DATA

As of 30 Jun 2021

Liquid Assets	€ 0.84m
Current Assets	€ 13.99m
Financial Assets	€ 229.50m
Total Assets	€ 243.60m
Current Liabilities	€ 2.90m
Shareholders' Equity	€ 238.30m

SHAREHOLDERS

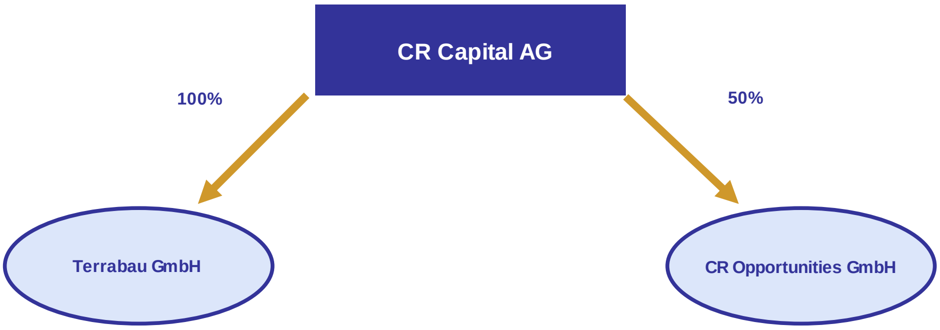
MPH Group	57.2%
Free Float	42.8%

Analyst: Ellis Acklin, Tel. +49 (0)30 - 80 93 96 83

NEW STRUCTURE FOR COMPANY BUILDING FOCUS

CR Capital is a Berlin-based investment holding focused on growth opportunities along the residential property and private equity value chains. The company now reports as an investment entity according to IFRS 10, which is better suited to its "company building" strategy.

Figure 1: Stakes in core holdings



Source: First Berlin Equity Research; CR Capital AG

Development activities concentrate on the construction of high quality, affordable housing in Leipzig and the Berlin exurbs. Completed properties are sold to private and institutional investors. Now CR Capital brass wants to populate CR Opportunities' open-ended property funds with some of Terrabau's developed homes with the goal of generating attractive returns for investors of all sizes.

TERRABAU NOW HOUSES THE DEVELOPMENT ACTIVITIES

Terrabau GmbH (100% stake) is the CR Capital workhorse and specializes in the fabrication of turn-key, solid-construction terraced and multi-family houses. Activities cover the full value chain from: (1) identification, evaluation, and acquisition of suitable land; (2) procurement of building rights; (3) construction; and (4) marketing, sales, and handover to home buyers.

Figure 2: Terraced home model

Source: CR Capital AG

The homebuilder features an in-house development team and network that has optimised construction planning and execution to meet the high demand in the affordable housing segment. The current construction pipeline encompasses projects in Leipzig, Berlin and the outskirts of the German capital. Over the past three years, Terrabau has completed and handed over some 200 units to new owners in Leipzig and the greater Berlin regions, while YTD sales now top 300 homes. We also see good opportunities for the company to branch out into other German hubs.

Figure 3: Modern energy efficient flats

Source: CR Capital AG

Construction relies on pre-fabricated and modular components This simplifies construction for labourers, helps compress costs, and enables the company take on even smaller scale projects. Large developers are often handcuffed by high cost structures that eliminate smaller projects from consideration, whereas Terrabau's construction process allows it realise developments < 20 units. Plus, the developer's good visibility also allows the developer to lock in materials and craftsmen in a market characterised by skilled labour and material bottlenecks due to the construction boom.

Metropolises are bursting at the seams There is simply a paucity of undeveloped dirt in Germany's metropolitan hubs that supports affordable housing economics. Construction is thus dominated by high-priced luxury flats. As a result, urbanites are increasingly looking to the exurbs, where pricing is more affordable for lower income earners but proximity remains attractive. CRC's Terrabau focuses its activities on these growing communities and is currently developing projects located 30 minutes from Berlin's Alexanderplatz and Kurfürstendamm in addition to its Leipzig development. These are affordable for young families and workers at the early stage of their careers.

CR OPPORTUNITIES: DEMYSTIFYING PRIVATE EQUITY

Just as CR Capital's mission has been to make housing affordable for everyone, the company wants to make direct investing readily available to everyone with the launch of new financial products. Management are specifically working on models for long-term, high-yield capital investments common to the private equity sector.

The running perception among the general public is that private equity resembles an exclusive gentlemen's club. It has a buccaneering reputation and is characterised by a certain mystique. It values discretion, and its fees are often prohibitively exorbitant relative to the services it provides.

This walled-off existence is slowly changing, and CR Capital is at the vanguard of mainstream private equity. CR Opportunities anchors the new PE strategy. The holding develops investment opportunities in high-growth property companies across both the residential and commercial property sectors and makes them readily available as investments. The expanded business model offers two investment strategies for investors: (1) security-oriented capital investments; and (2) return-oriented capital investments with a higher risk profile.

We see an excellent opportunity for the company. Personal savings soared during the pandemic with people cooped up in their homes and having fewer opportunities to spend. According to the German Bundesbank, German household savings topped €6.7 trillion at YE20. But people are too often faced with negative returns, penalty interest charges, and a dearth of attractive investment opportunities.

LEVERAGING SYNERGIES WITH CORE HOME-BUILDING BUSINESS

CR Capital's Terrabau holding specialises in the fabrication of turn-key terraced and multi-family houses with branded furnishings located in the exurbs of Berlin and Leipzig. Historically, completed town-homes have been sold to private home-owners and institutions. Now CR Capital brass wants to populate their own open-ended property funds with some of the developed homes with the goal of generating attractive returns.

CR Opportunities is in the process of launching an open-ended real estate fund that will cater to security-minded investors. The fund will focus on residential and commercial properties across German metropolitan hubs and is expected to launch this year with a €150m volume. The annual fixed dividend is expected to range from 4% to 5%.

For investors with a greater risk appetite that are seeking a higher yield, CR Opportunities recently issued a listed convertible bond. The €8m bond was fully subscribed and features a 9.5% coupon with a €100 investment minimum, which makes it highly accessible to small investors. The company plans follow up issuances for growth capital as it continues expand operations.

In the future, investors will also be able to directly manage their investment portfolios over a proprietary digital platform that CR Opportunities is rolling out. These apps will allow clients to trade professionally and securely and to monitor their portfolios in real time—all free of charge.

CAPITALISING ON THE SUBURBAN SHUFFLE

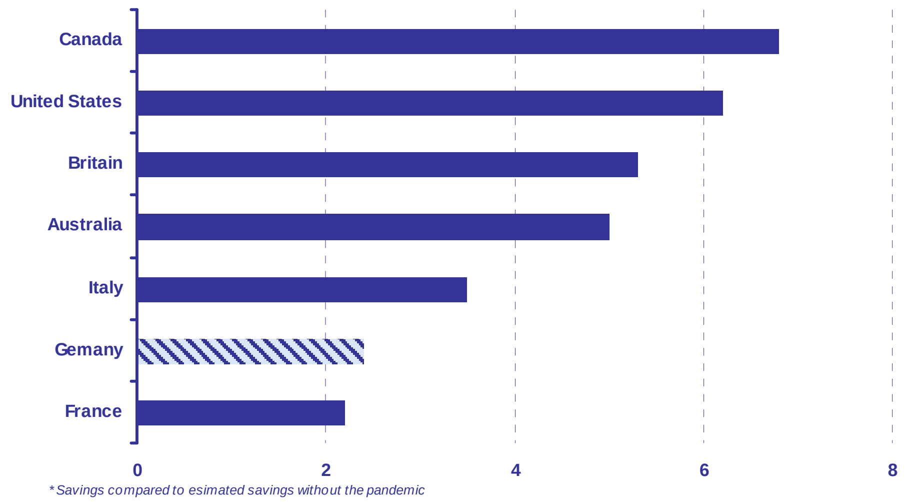
Residential prices across the rich world continue to surge American home prices climbed close to 10% Y/Y in 2020. In New Zealand prices were up a whopping 25%, and UK prices rose another 8% in the year to January. Meanwhile, in Terrabau's home market, German home buyers paid 10% more than the prior year. Although the red hot housing market may seem puzzling at first glance, we see several factors that explain the resiliency.

Household incomes actually rose in 2020 Despite the economic upheaval inflicted by the pandemic, German households are actually flush with cash these days. For the white-collar workforce, it was largely business as usual during lockdowns, while various unemployment benefits and schemes helped buffer financial stress for workers idled by Covid-19 restrictions. Spending was largely restricted to online shopping. Consequently, personal savings in the rich world grew during the pandemic.

WFH (work from home) trends influencing home buying patterns We are also in the midst of the largest home-working experiment in history and are starting to see remote working considerations factoring into home buying decisions. But home-working requires suitable space. And this is much more affordable in the exurbs, where Terrabau primarily has its shovels in the dirt.

Buyers get a bigger bang for their buck in the suburbs, but prices for homes in the less populated, but still commutable (< 30 minutes), outskirts are rising faster than for flats in city centres as a consequence. We see this pattern continuing near term with more workers taking advantage of increased work mobility and freedoms.

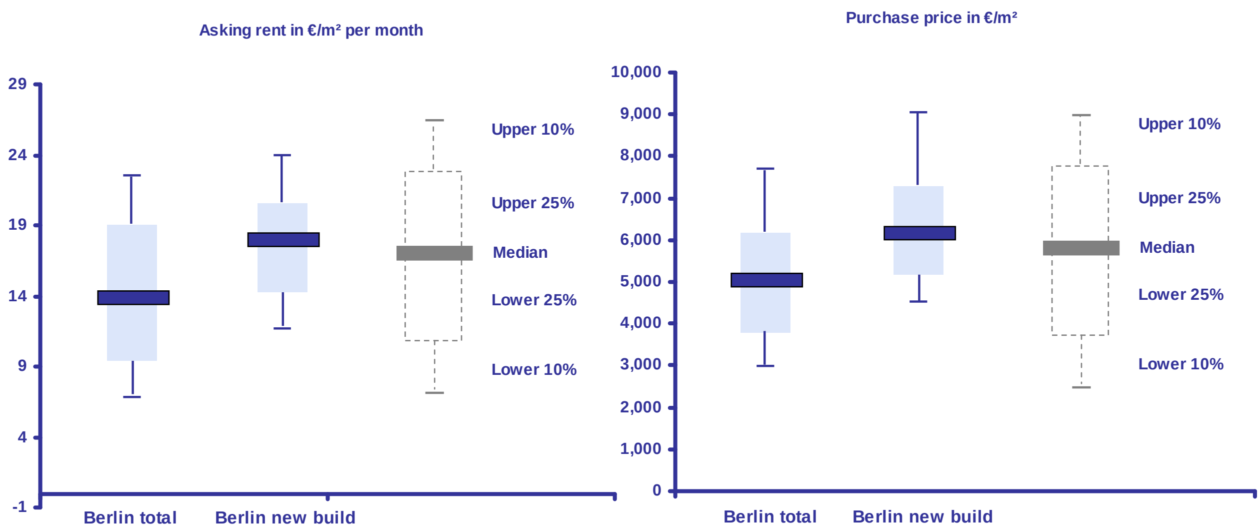
Figure 4: 9M/20 excess savings as % of GDP in select rich world countries*



Source: OECD; World Bank; The Economist

Pendulum swinging towards home ownership. . . Owning a town house or flat has rarely been so attractive, thanks to rock bottom mortgage lending rates (~0.75%) coupled with a €12k child benefit subsidy. Plus, CRC's town homes are also harmonised with current environmental standards making prospective buyers eligible for the KfW-Effizienzhaus 55 grant—a low interest loan of < €120k and a credit of up to €18k.

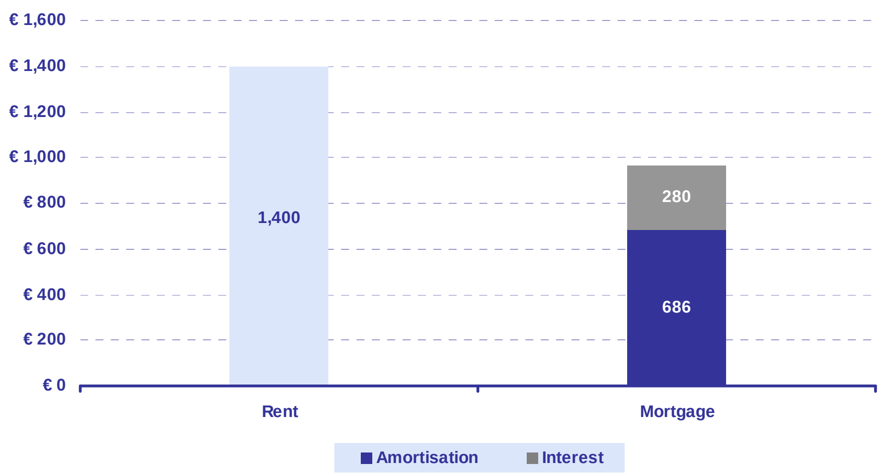
Figure 5: Asking rent vs purchase price Berlin



Source: Jones Long LaSalle; First Berlin Equity Research

. . . and rarely has this made more financial sense On a 10 year loan with a 10% equity contribution and 3% amortisation, home buyers can compress monthly payments below €1,000, whereas renters now shell out around €1,400 / month to landlords for 100 m² flats based on mean pricing for Berlin. This lost rent figure towers over the year-one €280 / month financing costs of ownership (figure 5). Plus, aforementioned subsidies help cover the equity component. The upshot is that owners can now build up equity vs throwing away money on rent with the opportunity to also participate in rising property valuations.

Figure 6: Comparing monthly cost of renting vs ownership (excluding utilities)



Source: First Berlin Equity Research estimates

THE UPSHOT FOR TERRABAU

Urbanites have piles of cash stashed away, thanks to excess pandemic savings (figure 3), plus they now enjoy the flexibility to mix remote working with office attendance. Add in the fact that borrowing has rarely been cheaper, and we have a perfect storm for the residential market. Plus, people are looking for investment opportunities in today's negative interest rate environment.

We think these trends play to the strengths of Terrabau and that the company is in the early stages of a prolonged growth phase that is likely to persist until the demand / supply gap significantly narrows. The company estimates some €40bn in affordable housing projects will be developed in the coming years to meet this frothy demand. We see these factors driving synergistic good opportunities for Terrabau and CR Opportunities.

OVERHAULED FORECASTS

CR Capital now makes its crust chiefly from the revaluation of its participations, which is conducted by an external assessor bi-annually, while also receiving dividends. We now lump these various topline streams into 'operating revenue.' Overhauled figures are shown below. We note that old FB forecasts offer no comparative value, due to the change in accounting as of 2019 reporting.

At the participation level, Terrabau generates profits from developed and sold properties, whereas CR Opportunities revenue streams contain classic management and performance fees.

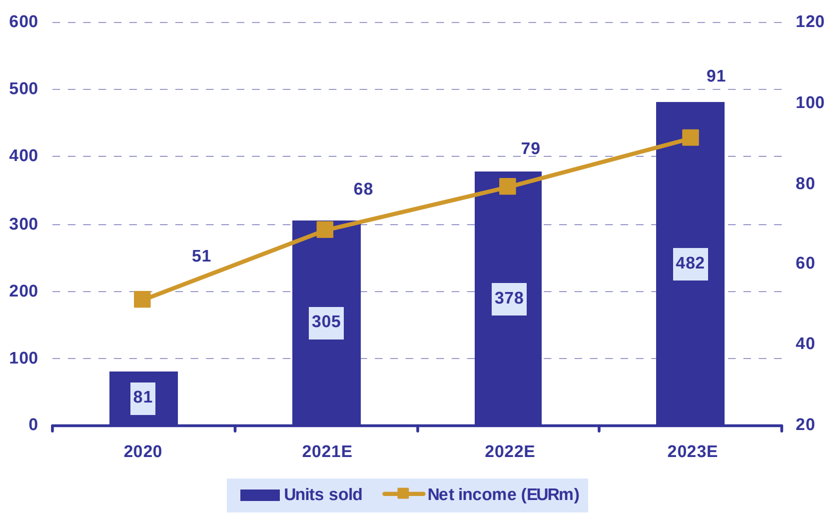
Table 1: Recalibrated forecasts

	old	new	*revision*	upside	dividend yield	total retun
Price target (€)	**37**	**58**	***56.8%***	**70.6%**	**8.7%**	**79.3%**
		2021E			**2022E**	
All figures in € '000	**old**	**new**	***revision***	**old**	**new**	***revision***
Operating revenue	n.m.	72,197	-	n.m.	83,202	-
EBIT	n.m.	69,465	-	n.m.	80,361	-
Margin (%)	-	*96.2%*	-	-	*96.6%*	-
Net income	n.m.	68,423	-	n.m.	79,155	-
EPS diluted (€)	n.m.	18.0	-	n.m.	20.8	-

Source: First Berlin Equity Research estimates

Full pipeline for Terrabau With urbanites increasingly looking to the exurbs, where home pricing is more accessible, prospects for the home-builder to continue its high growth trajectory look good. Terrabau has shovels in the dirt around the outskirts of Berlin and Leipzig. Current projects with a €190m volume include developments in Kleinmachnow, Ludwigsfelde, Velten, Kloster Lehnin, Nauen, Genshagen, and Schkeuditz. The company aims to complete ~300 units per annum.

Figure 7: FB unit sale and NI assumptions



Source: First Berlin Equity Research; CR Capital AG

Based on the communicated development pipeline of ~600 units under development, we calculate a topline CAGR of 14% for 2021 to 2023 with operating revenue hitting €96m in 2023.

Net income (NI) in H1/21 already topped the full year 2020 performance, thanks to accelerated development activities in the period. We look for the 2021 bottom line to increase 34% on an annualised basis.

Holding structure equals high margins Operating expenses are now limited to holding costs and should run < €2m per annum. We thus believe CRC will be able to deliver EBITDA margins north of 90% throughout our forecasts. At the subsidiary level, Terrabau sales are handled directly reducing the need for costly third party sales forces.

Both the holding and Terrabau run on no debt The latter relies on forward-selling mechanisms (FBe: ~25% to 30% of price tag) to lock in revenues, facilitate quicker cash recycling, and help the company deliver projects on budget and on time, while providing greater visibility. This allows CRC to keep debt levels in check and run at an equity ratio above 90%.

Dividend policy to track bottom line The debt-free balance sheet and the low tax rate as an investment entity allow operating profits to sift abundantly to the bottom line. We have assumed a 14% of NI payout ratio as a dividend policy in our projections. This will reward investors with an attractive yield (FBe21: 7.3%).

SIX MONTH REPORTING

Table 2: Six month results vs prior year

All figures in EUR '000	H1/21	H1/20	*Variance*	2020
Operating revenue	63,688	40,465	*57%*	64,534
EBITDA	62,447	38,474	*62%*	51,265
Margin (%)	*98%*	*95%*	-	*79%*
Net income	61,637	37,941	*62%*	51,265
EPS diluted (€)	16.4	10.1	*62%*	13.6

Source: First Berlin Equity Research; CR Capital AG

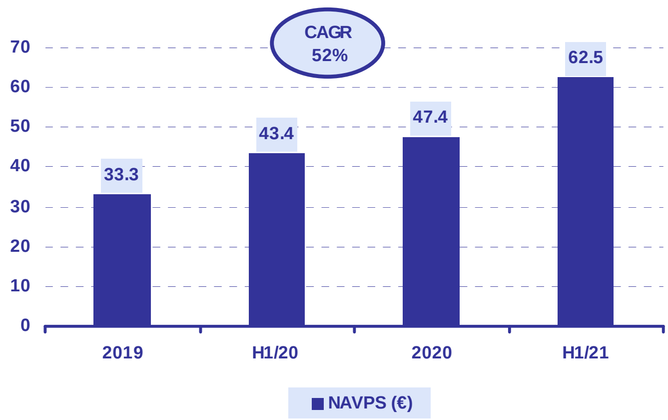
Six month results showcased the performance potential of the holdings, which now includes a private equity component. Net income tallied €62m with operating revenue flowing abundantly to the bottom line, thanks to low operating costs and no interest expense. NAVPS reached €62.5.

Table 3: Financial highlights

All figures in EUR '000	H1/21	2020	*Variance*
Current assets	13,994	18,888	*-26%*
Financial assets	229,468	169,476	*35%*
Total assets	243,553	188,465	*29%*
Financial debt (short- and long-term)	0	0	-
Shareholders' equity	238,278	177,977	*34%*
Equity ratio	98%	94%	-

Source: First Berlin Equity Research; CR Capital AG

Figure 8: NAVPS development



Source: First Berlin Equity Research; CR Capital AG

Dividend on 2020 earnings includes scrip dividend option The AGM recently authorised CR Capital to distribute a €1.5 per share dividend. Shareholders have the option to receive their tax-free payout through a scrip dividend at a 50% discount to the share price. The subscription period runs until 14 September 2021. Last year, some 70% of shareholders opted for the scrip dividend.

VALUATION

We now use a discounted dividend model (DDM) to value CR Capital AG. In our view, this methodology is better suited to the new corporate structure as an investment holding than our previous discounted cash flow model. The company is emphasising dividends to reward shareholders, and we expect the payout to track bottom line growth going forward. Our model factors in a 14% payout ratio on net income (EPS).

We assign a 9.0% WACC based on our multifactor risk model which takes account of company-specific risks such as (1) strength of management; (2) earnings quality; (3) reporting transparency; (4) financial risk; (5) competitive position; (6) as well as company size and free float. The primary risks in our view are potential sourcing bottlenecks and opacity into operations making it difficult to track cash flows.

Table 4: DDM

	Unit	2021E	2022E	2023E	2024E	2025E	2026E	TV
EPS	€	18.0	20.8	24.0	27.2	29.9	31.3	33.2
Payout ratio	%	14	14	14	14	14	14	14
Dividend (DPS)	€	2.5	2.9	3.4	3.9	4.2	4.4	4.6
Y/Y	%	66.4	18.2	14.9	13.6	8.6	4.9	-
NPV	**€**	**2.4**	**2.6**	**2.8**	**2.9**	**2.9**	**2.8**	**36.1**
Terminal growth rate	%	2.0						
Discount factor	%	9.0						
NPV of dividends	€	21						
TV	€	36						
Fair value per share	**€**	**58**						

**Our model runs through 2028 and we have only shown the abbreviated version for formatting purposes*

Source: First Berlin Equity Research estimates

Table 5: WACC assumptions

Cost of equity	9.0%	After-tax cost of debt	3.9%
Pre-tax cost of debt	4.0%	Share of equity capital	100.0%
Tax rate	2.0%	Share of debt capital	0.0%
WACC	**9.0%**		

Source: First Berlin Equity Research estimates

Plenty of reasons to be positive Recently published six month results show that the business model is working and has been resilient during the pandemic. We continue to like CR Capital for: (1) its position in the affordable housing segment; (2) trailblazing of mainstream private equity; (3) its ability to execute at a low-cost basis and turf out rivals; (4) a lean capital structure featuring a > 90% equity ratio; and (5) a strong dividend yield to reward investors. Our rating is Buy with a €58 target price (old: €37)

INCOME STATEMENT

in € '000	2018	2019	2020	2021E	2022E	2023E
Operating revenue	**14,688**	**95,639**	**64,534**	**72,197**	**83,202**	**95,620**
Personnel expenses	-1,633	-1,494	-815	-864	-898	-925
Other impairments	-17	0	0	0	0	0
Other operating expenses	-1,444	-2,878	-12,454	-1,868	-1,943	-2,001
Depreciation & amortisation	-34	-40	0	0	0	0
Operating income (EBIT)	**11,560**	**91,227**	**51,265**	**69,465**	**80,361**	**92,693**
Interest expense	-212	-254	0	0	0	0
Interest income	1	368	0	0	0	0
Pre-tax income (EBT)	**11,350**	**91,341**	**51,265**	**69,465**	**80,361**	**92,693**
Tax expense	-3,550	1,129	0	-1,042	-1,205	-1,390
Minority expense	0	0	0	0	0	0
Net income / loss	**7,800**	**92,470**	**51,265**	**68,423**	**79,155**	**91,303**
Diluted EPS (in €)	**2.1**	**24.7**	**13.6**	**18.0**	**20.8**	**24.0**
Ratios						
EBITDA margin on revenues	78.9%	95.4%	79.4%	96.2%	96.6%	96.9%
EBIT margin on revenues	78.7%	95.4%	79.4%	96.2%	96.6%	96.9%
Net margin on revenues	53.1%	96.7%	79.4%	94.8%	95.1%	95.5%
Tax rate	31.3%	-1.2%	0.0%	1.5%	1.5%	1.5%
Expenses as % of revenues						
Personnel expenses	11.1%	1.6%	1.3%	1.2%	1.1%	1.0%
Other operating expenses	9.8%	3.0%	19.3%	2.6%	2.3%	2.1%
Y-Y Growth						
Revenues	121.0%	551.1%	-32.5%	11.9%	15.2%	14.9%
Operating income	189.4%	689.1%	-43.8%	35.5%	15.7%	15.3%
Net income/ loss	35.2%	1085.5%	-44.6%	33.5%	15.7%	15.3%

** IFRS 10 reporting as of 2019*

BALANCE SHEET

in € '000	2018	2019	2020	2021E	2022E	2023E
Assets						
Current assets, total	**9,309**	**19,282**	**18,888**	**21,978**	**31,972**	**44,889**
Cash and cash equivalents	3,940	1,071	841	3,390	12,826	25,169
Accounts receivable	268	285	0	0	0	0
Other ST assets	3,291	13,605	18,047	18,588	19,146	19,720
Assets held for sale	1,810	4,321	0	0	0	0
Non-current assets, total	**36,130**	**117,622**	**169,577**	**229,952**	**290,252**	**358,089**
Intangible assets & goodwill	16,987	6,586	5	5	5	5
Tangible assets	76	105	96	96	96	96
Investment properties	19,064	10,400	0	0	0	0
Financial assets	3	100,531	169,476	229,851	290,151	357,988
Total assets	**45,439**	**136,904**	**188,465**	**251,930**	**322,224**	**402,978**
Shareholders' equity & debt						
Current liabilities, total	**711**	**2,821**	**173**	**190**	**209**	**230**
Accounts payable	601	1,136	173	190	209	230
ST debt	110	1,685	0	0	0	0
Long-term liabilities, total	**9,322**	**8,992**	**10,315**	**10,974**	**11,604**	**12,274**
Deferred tax liabilities	6,715	2,353	1,445	1,662	1,828	2,011
Provisions	325	1,253	50	51	52	53
Other LT liabilities	448	176	8,820	9,261	9,724	10,210
LT debt	1,834	5,210	0	0	0	0
Shareholders' equity, total	**35,406**	**125,091**	**177,977**	**240,766**	**310,411**	**390,473**
Total consolidated equity and debt	**45,439**	**136,904**	**188,465**	**251,930**	**322,224**	**402,978**
Ratios						
Current ratio (x)	13.1	6.8	109.2	115.5	152.7	*194.9*
Net debt / (cash)	-1,996	5,824	-841	-3,390	-12,826	*-25,169*
Net debt /EBITDA (x)	n.a.	0.1	n.a.	n.a.	n.a.	*n.a.*
Dividend cover (x)	0.6	-2.3	0.7	1.3	1.5	*1.7*
Net gearing	-6%	5%	0%	-1%	-4%	*-6%*
Equity ratio	78%	91%	94%	96%	96%	*97%*
NAV	35,406	125,091	177,977	240,766	310,411	*390,473*
NAVPS (€)	9.4	33.3	47.4	63.2	81.5	*102.5*

** IFRS 10 reporting as of 2019*

CASH FLOW STATEMENT

in € '000	2018	2019	2020	2021E	2022E	2023E
Net income	**7,800**	**92,470**	**51,265**	**68,423**	**79,155**	**91,303**
Depreciation & amortisation	34	40	0	0	0	0
Revaluation result	-10,348	-48,000	0	0	0	0
Disposal gains & deconsolidation result	-3,099	-41,589	-55,945	-60,375	-60,300	-67,837
Financial result	210	-114	0	0	0	0
Tax Result	3,550	-1,131	0	1,042	1,205	1,390
Change in working capital	5,152	-4,108	4,451	135	92	117
Operating cash flow	**3,299**	**-2,432**	**-229**	**9,225**	**20,153**	**24,973**
Tax paid	-47	-78	0	-1,042	-1,205	-1,390
Interest income	1	0	0	0	0	0
Net operating cash flow	**3,253**	**-2,510**	**-229**	**8,183**	**18,947**	**23,582**
Cash flow from investing	**6,778**	**-372**	**1,407**	**0**	**0**	**0**
Dividend paid to shareholders	-1,834	-2,809	-1,409	-5,634	-9,511	-11,240
Debt inflow, net	-7,057	3,402	0	0	0	0
Equity inflow, net	1,033	0	0	0	0	0
Interest expense	-211	-253	0	0	0	0
Cash flow from financing	**-8,069**	**340**	**-1,409**	**-5,634**	**-9,511**	**-11,240**
Consolidation changes to financial assets	-6	-327	0	0	0	0
Cash, start of the year	1,984	3,940	1,071	841	3,390	12,826
Change in cash, net	1,962	-2,542	-230	2,549	9,436	12,342
Cash, end of the year	**3,940**	**1,071**	**841**	**3,390**	**12,826**	**25,169**
Free cash flow (FCF)	**10,031**	**-2,882**	**1,179**	**8,183**	**18,947**	**23,582**
FCFPS (in €)	2.7	-0.8	0.3	2.1	5.0	6.2
Y-Y Growth						
Net operating cash flow	n.m.	n.m.	n.m.	n.m.	131.5%	24.5%
Free cash flow	n.m.	n.m.	n.m.	594.1%	131.5%	24.5%
FCFPS	n.m.	n.m.	n.m.	584.1%	131.5%	24.5%

** IFRS 10 reporting as of 2019*

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Amtsgericht Berlin Charlottenburg HR B 103329 B
UST-Id.: 251601797
Ggf. Inhaltlich Verantwortlicher gem. § 6 MDStV
First Berlin Equity Research GmbH

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The production of this recommendation was completed on 17 September 2021 at 11:26

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

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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.

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Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	23 July 2014	€0.95	Buy	€10.50
2...5	↓	↓	↓	↓
6	23 May 2017	€1.60	Buy	€14.00
7	29 April 2019	€31.80	Buy	€20.00
8	30 September 2019	€25.20	Buy	€35.00
9	4 June 2020	€28.90	Buy	€37.00
10	Today	€34.00	Buy	€58.00

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