

Buy EUR 42.00 (EUR 42.50) Price EUR 31.40 Upside 33.8 %	Value Indicators:	EUR	Share data:	Description:
	DCF:	41.79	Bloomberg: EBE GR Reuters: EBE.MU ISIN: DE000A2G8XP9	aifinyo is a technology-focused financial services provider
	Market Snapshot:	EUR m	Shareholders:	Risk Profile (WRe):
	Market cap:	106.3	Freefloat 43.1 %	2020e
	No. of shares (m):	3.4	aifinyo and Decimo 56.9 %	Beta: 1.8
	EV:	143.7		Price / Book: 25.2 x
	Freefloat MC:	45.8		Equity Ratio: 12 %
	Ø Trad. Vol. (30d):	1.55 th		Net Fin. Debt / EBITDA: 16.8 x
				Net Debt / EBITDA: 16.8 x

Negative COVID-19 impact limited to H1 2020; Growth prospects unchanged

Stated Figures Q2/2020:

aifinyo - 6M 2020

in EUR m	6M/20	6M/19	yoy
Sales	16.6	20.7	-19.5%
Gross profit	4.5	4.7	-3.8%
<i>margin</i>	26.9%	22.5%	
EBIT	-1.4	0.4	-
<i>margin</i>	-8.3%	2.0%	
Net income	-2.6	-0.5	450.5%
<i>margin</i>	-15.7%	-2.3%	

Comment on Figures:

- Top-line development weaker as a result of the COVID-19 impact but the effect on gross profit was less severe owing to a shift in the product mix.
- The smaller decline in gross profit than sales implies a shift in the product mix towards shorter-term products
- EBIT and net income significantly lower in a yoy comparison due to higher unexpected losses from the operative business in the course of the current crisis

For the first time ever, Aifinyo has reported half-year figures. This enhances transparency and its communication with shareholders. COVID-19 had a significant impact on figures in the second quarter, which should not come as a surprise.

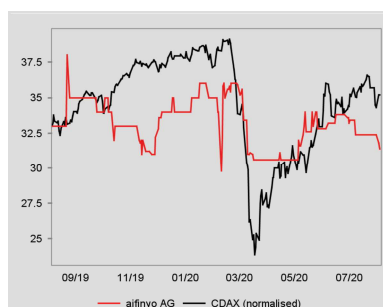
- Sales were down by -19.5% to EUR 16.6m but gross profit fell by only -3.8% to EUR 4.5m. This implies a shift in the product mix away from finetrading which also becomes visible in the lower level of material expenses. Therefore we expect the company to focus on shorter-term products in the crisis, which is basically the factoring segment. However, the overall top-line impact could have been worse.
- While the top-line impact is easy to assess, the losses out of the current portfolio are not quite that easy to identify. Depending on the segment, losses are either represented in other operating expenses or in depreciations. However, both positions are, in sum, about EUR 2m above the previous year's level, of which 80-90% should roughly demonstrate the COVID-19 impact on the losses out of the portfolio.
- Overall, Aifinyo ended the first half of the year with a more pronounced loss on net income level than initially expected, mainly due to the higher loss positions. The impact of the current COVID-19 crisis on our general investment case is portrayed on the **next page**.

Changes in Estimates:

FY End: 31.12. in EUR m	2020e (old)	+ / -	2021e (old)	+ / -	2022e (old)	+ / -
Sales	48.3	-11.2 %	64.4	-10.7 %	87.5	-10.2 %
EBIT	2.7	-69.4 %	6.3	-42.5 %	10.3	-19.5 %
EBT	-0.7	n.m.	3.2	-79.3 %	5.6	-32.5 %
Net income	-0.7	n.m.	2.8	-76.3 %	5.2	-42.8 %

Comment on Changes:

- COVID-related decline in top-line growth was already anticipated in our last update in May. A reduction in sales estimates are the result of a change in the segment split which leaves the gross profit broadly unchanged.
- Slightly higher risk cost assumptions, depreciation and interest expenses lead to a reduction from the EBIT line down to net income.



Rel. Performance vs CDAX:

1 month:	-6.3 %
6 months:	-2.0 %
Year to date:	-0.8 %
Trailing 12 months:	-11.0 %

Company events:

07.08.20	RS Call
10.08.20	RS Call

FY End: 31.12. in EUR m	CAGR (19-22e)	2017	2018	2019	2020e	2021e	2022e
Sales	22.9 %	13.5	28.0	42.2	42.9	57.5	78.5
Change Sales yoy		n.a.	107.9 %	50.8 %	1.6 %	34.1 %	36.4 %
<i>Gross profit margin</i>		34.7 %	23.1 %	19.6 %	23.7 %	26.8 %	29.0 %
EBITDA	43.6 %	2.1	2.8	3.6	2.2	5.4	10.6
<i>Margin</i>		15.9 %	9.9 %	8.5 %	5.2 %	9.3 %	13.5 %
EBIT	56.0 %	1.5	1.8	2.2	0.8	3.6	8.3
<i>Margin</i>		11.3 %	6.5 %	5.2 %	1.9 %	6.3 %	10.5 %
Net income	133.0 %	0.2	0.3	0.2	-2.4	0.7	3.0
EPS	113.8 %	0.16	0.10	0.09	-0.71	0.20	0.88
EPS adj.	113.8 %	0.16	0.10	0.09	-0.71	0.20	0.88
DPS	-	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Yield		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF		-7.36	-3.13	-2.93	-1.38	-8.35	-10.83
FCF / Market cap		n.a.	-13.2 %	-10.1 %	-4.4 %	-26.6 %	-34.5 %
EV / Sales		n.a.	3.0 x	2.5 x	3.3 x	2.9 x	2.6 x
EV / EBITDA		n.a.	30.2 x	29.5 x	64.4 x	31.2 x	19.3 x
EV / EBIT		n.a.	46.5 x	48.6 x	176.3 x	46.1 x	24.7 x
P / E		n.a.	236.7 x	323.3 x	n.a.	157.0 x	35.7 x
P / E adj.		n.a.	236.7 x	323.3 x	n.a.	157.0 x	35.7 x
FCF Potential Yield		n.a.	3.0 %	3.2 %	1.6 %	3.2 %	4.8 %
Net Debt		18.6	25.1	32.9	37.4	61.2	98.3
ROCE (NOPAT)		5.3 %	3.4 %	3.8 %	2.0 %	6.2 %	7.1 %
Guidance:	n.a.						

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NOTE

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While the impact of COVID-19 on Aifinyo was quite severe, the **company also took several measures** to deal with the situation and return to profitable growth.

- The exposure to larger single customers was reduced in order to increase the risk diversification of the portfolio.
- When it comes to new business, customers in certain industries have either been completely excluded or have to pay significant risk premiums. This should include the travel and event industry but also others which are heavily affected by the crisis.
- Aifinyo is putting even stronger focus on short-term business to increase the flexibility further and remains capable of taking short-term action whenever necessary.
- The general risk premium was increased for all new contracts to reflect the current economic conditions. This stabilises or even increases the profitability of the newly accepted business.

Even though these measures will probably not make up for the loss of H1, a **significant improvement should be expected in H2**. Furthermore, the **advantage of a highly diversified portfolio with short durations** becomes visible in the current situation. As we assume that Aifinyo turns its portfolio five to six times a year, the unexpected losses in H1 which put pressure on the results, should represent the bulk of negative effects for the company.

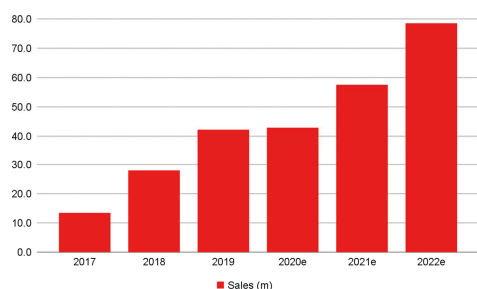
Since the outbreak of the pandemic, Aifinyo has already turned the majority of its portfolio which implies that only very limited risks of contracts signed before the outbreak of the coronavirus pandemic are still included in the balance sheet. We assume that the **company adapted quickly to the crisis** and that current contracts should exhibit high profitability again as crisis conditions are priced in.

In a nutshell, **the short-term nature of Aifinyo's contract portfolio** results in significant short-term impacts in the event of an unexpected crisis but also **leads to very quick processing of the incorporated risks and a swift return to profitability**.

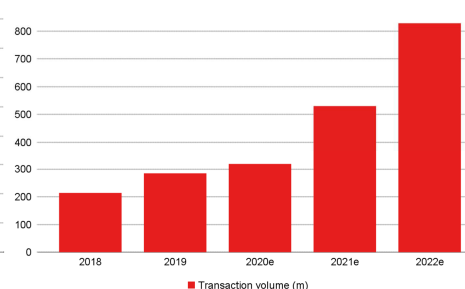
So how does the outbreak of **COVID-19 affect our general investment case** for the share?

- Generally, our investment case builds on strong top-line growth over the next years following a strong request for Aifinyo's working capital financing solutions by German small and mid-size companies.
- These companies lack significant support and service by their house banks but have enormous financing needs and this constitutes the playing field for Aifinyo.
- This trend appears to be completely intact. In contrast to the limited growth assumption for the current year, the crisis could even be beneficial for Aifinyo's general target market.
- In an ongoing crisis, companies usually seek short-term financing and working capital optimisation rather than long-term capital expenditure in order to cope with the negative economic effects of a crisis. However, as banks adopt more restrictive lending policies in an effort to reduce risk, demand for alternative financing solutions could increase significantly.
- Therefore, we could imagine a positive increase in demand and therefore top-line growth, potentially beginning as early as in 2021. However, this general market trend is not yet reflected in our estimates and would drive Aifinyo's top-line growth further.
- Another part of our investment case is an increase in business process automation and greater efficiency. The final integration of Decimo marks an important milestone in achieving this target.
- Significant margin expansion should then follow with a growing portfolio which is unaffected by COVID-19

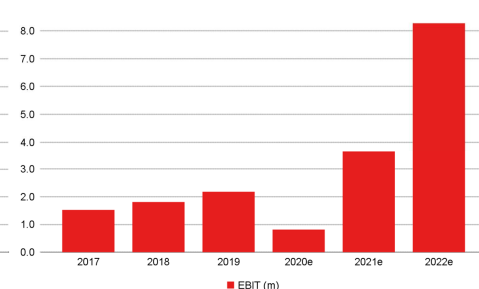
Assessment: The impact of COVID-19 on Aifinyo was clearly significant but we expect it to be broadly limited to the first half of 2020. For the remainder of the year we expect top-line growth to pick up again, which is why we stick to our gross profit assumption of EUR 10.2m (after EUR 4.5m in H1) for 2020. Furthermore, we do not expect larger unexpected losses to weigh on the profitability, as the majority of contracts in the portfolio should have already turned. Therefore, the expectation of a slight improvement in net income for the final 2020 figures appears reasonable. As demonstrated above, our long-term investment case remains fully intact and COVID-19 appears to have only temporarily interrupted the growth course, which should be strong again from 2021 onwards. We clearly stick to our Buy recommendation but slightly reduce our PT to EUR 42.

Sales development
in EUR m


Source: Warburg Research

Transaction volume
EUR m


Source: Warburg Research

EBIT development
in EUR m


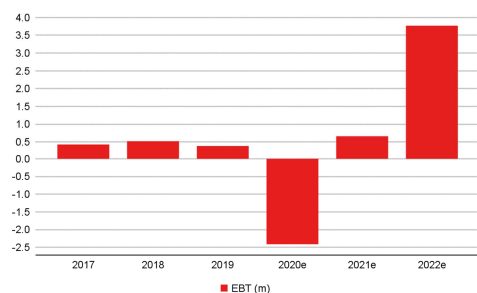
Source: Warburg Research

Company Background

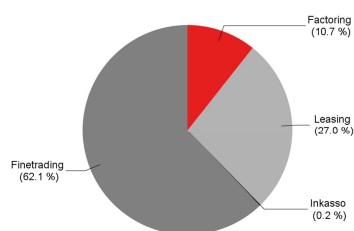
- aifinyo is a technology-focused financial services provider, offering finetrading, factoring, leasing and debt collection to freelancers and small and medium-sized companies
- The finetrading division offers customers procurement pre-financing for an individually negotiated fee.
- In the factoring segment, outstanding receivables are purchased from customers to bridge their liquidity. The debt collection segment takes care of the settlement of outstanding invoices.
- The leasing division purchases assets for its customers who then repay the purchase price in monthly lease payments
- Founded in 2012, aifinyo's growth was purely organic until 2019 when the company made its first acquisition by taking over factoring fintech Decimo

Competitive Quality

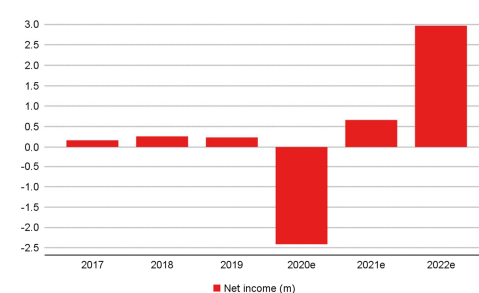
- One-stop shop offering various working capital financing alternatives. Clear differentiation from fintech competitors, most of which pursue a one-product approach
- Digital platform ensuring highly automated and timely processing of financing requests. Banks, which pose the strongest competition, lack such a digital offering
- Scalability of digital business model offers tremendous margin improvement potential.
- Clear focus on small ticket transactions that are unprofitable for banks naturally reduces competition.

EBT development
in EUR m


Source: Warburg Research

Sales by segments
2019; in %


Source: Warburg Research

Net income development
in EUR m


Source: Warburg Research

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Summary of Investment Case

Investment triggers

- **Unique business model** and market position which should allow for **strong organic top-line and bottom-line growth**
- aifinyo could act as an active market consolidator through **M&A and banking partnerships to drive organic and acquisition-based growth**
- **High scalability** of digital business model to increase profit margins significantly in the mid term
- Opportunity to make an early investment in a promising business model and benefit from strong operative performance
- COVID-19 expected to have a negative impact but temporarily limited to H1 2020 and negative implications should already been processed

Valuation

- The **price target of EUR 42 is based on a DCF** model
- A peer **group comparison is deemed unsuitable considering the early stage of the** new business model
- Scenario analysis reveals **significant upside potential at higher growth rate assumptions**

Growth

- Organic **gross profit growth of 35-40% p.a.** can be expected in the detailed planning period in an **attractive market** in which competition is naturally low
- COVID-19 put a break on top-line growth in the current year but growth path thereafter should be unaffected
- Further **M&A activity** in a consolidating market could increase sales and improve margins
- Additional **revenue potential in partnerships with banks** seeking to outsource unprofitable commercial client business. This could drive organic growth rates even further
- Disproportionate **profit growth is** expected once integration costs for Decimo decrease and a higher degree of digitisation is achieved in all business processes.

Competitive quality

- aifinyo differentiates itself from competition by operating as a **one-stop shop** for a variety of working capital financing solutions
- In contrast to banks, aifinyo offers a highly automated, digitised process ensuring timely and convenient handling.
- **High scalability of digital business model** offers strong margin improvement potential
- **Clear focus** on freelancers and small and medium-sized companies with small-ticket financing needs, which is a rather unattractive niche for banks and larger players which prefer to focus on large tickets to cover high individual costs per contract


Warburg versus consensus

- No consensus yet available





Company Overview

Segments	Finetrading	Leasing	Factoring	Debt Collection	Total
Revenues (in m as of FY 2018)	26.2	11.4	4.5	0.1	28.0
% of total	62.1%	27.0%	10.7%	0.2%	100%

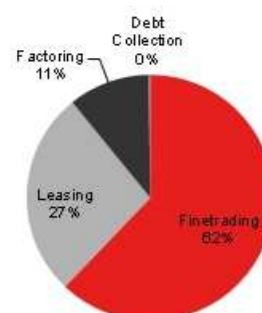
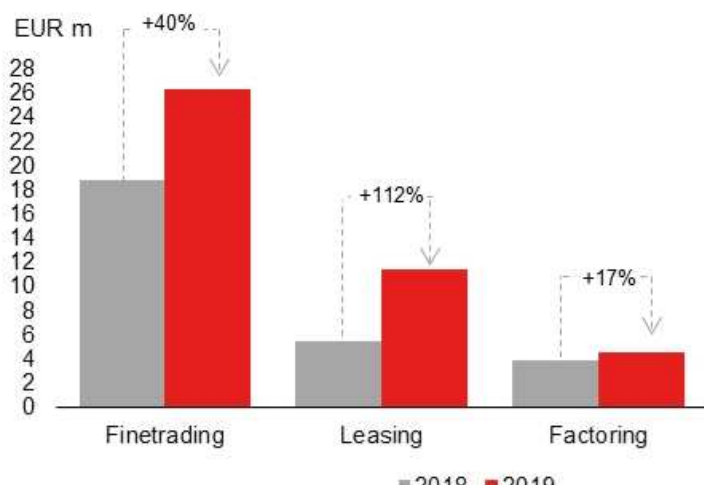
aifinyo's business is structured into four wholly owned subsidiaries, each focused on one business segment.

Company structure					
	Finetrading	Leasing	Factoring	Debt Collection	
Business model	<ul style="list-style-type: none"> Finetrading <ul style="list-style-type: none"> Procurement financing for merchants and SMEs aifinyo purchases goods in the name of its customer Exploits cash discount through immediate payment to the supplier Sells goods to customer by granting a prolonged payment target against a fee Leasing <ul style="list-style-type: none"> Leasing solutions to finance working capital aifinyo purchases goods in the name of its customer Goods are delivered from supplier to aifinyo's customer Customer repatriates prefinanced purchase price by monthly lease payments Factoring <ul style="list-style-type: none"> aifinyo purchases outstanding receivables from freelancer, start-ups and SMEs Charges an individual fee Receives full invoice amount from original client Most transactions are insured by credit default insurance Debt Collection <ul style="list-style-type: none"> aifinyo takes care of overdue receivables Communicate with debtors aifinyo receives a commission fee if successful 				

Aifinyo provides financial solutions in four different segments and faces **considerable competition** in each segment. However, while many players offer similar services in each category, aifinyo is **tech-oriented** and has a clear **niche focus** on low volume transactions. Moreover, aifinyo appears to be one of the few **one-stop shops** in the financing services industry:

Selected competitors	Finetrading	Leasing	Factoring	Debt Collection
				

Sales development and segment split (as of FY 2019)



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	
Sales	10.2	15.4	22.8	30.2	37.8	46.1	54.4	62.5	69.4	75.6	81.3	85.4	87.5	2.5 %
Sales change	22.6 %	51.7 %	47.7 %	32.5 %	25.0 %	22.0 %	18.0 %	15.0 %	11.0 %	9.0 %	7.5 %	5.0 %	2.5 %	
EBIT	0.8	3.6	8.3	13.6	17.0	20.7	24.5	28.1	31.2	34.0	36.6	38.4	39.4	45.0 %
EBIT-margin	8.0 %	23.5 %	36.3 %	45.0 %	45.0 %	45.0 %	45.0 %	45.0 %	45.0 %	45.0 %	45.0 %	45.0 %	45.0 %	
Tax rate (EBT)	0.0 %	0.0 %	10.0 %	20.0 %	30.0 %	35.0 %	35.0 %	35.0 %	35.0 %	35.0 %	35.0 %	35.0 %	35.0 %	35.0 %
NOPAT	0.8	3.6	7.4	10.9	11.9	13.5	15.9	18.3	20.3	22.1	23.8	25.0	25.6	
Depreciation	1.4	1.7	2.4	4.5	5.7	6.9	8.2	9.4	10.4	11.3	12.2	12.8	13.1	15.0 %
in % of Sales	13.9 %	11.2 %	10.3 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	
Changes in provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	15.0 %
Change in Liquidity from														
- Working Capital	0.5	27.0	37.6	41.4	34.4	37.2	39.0	38.3	32.3	29.3	26.7	19.1	10.0	15.0 %
- Capex	3.2	3.6	4.4	4.5	5.7	6.9	8.2	9.4	10.4	11.3	12.2	12.8	13.1	
Capex in % of Sales	31.5 %	23.3 %	19.3 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %
Other	0.0	-22.3	-31.3	-31.5	-32.1	-35.3	-35.2	-34.6	-29.2	-26.5	-24.1	-17.3	-9.1	
Free Cash Flow (WACC Model)	-1.4	-2.9	-0.9	0.9	9.6	11.6	12.2	14.6	17.2	19.3	21.2	23.1	24.6	25
PV of FCF	-1.4	-2.6	-0.7	0.7	6.5	7.1	6.8	7.4	8.0	8.2	8.2	8.1	7.9	113
share of PVs	-2.64 %			38.92 %										63.72 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	20.00 %	Financial Strength	1.50
Cost of debt (after tax)	2.8 %	Liquidity (share)	2.20
Market return	7.00 %	Cyclicality	2.00
Risk free rate	1.50 %	Transparency	2.00
		Others	1.30
WACC	9.68 %	Beta	1.80

Valuation (m)

Present values 2032e	64		
Terminal Value	113		
Financial liabilities	33		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	2		
Market val. of investments	0		
Liquidity	0	No. of shares (m)	3.4
Equity Value	141	Value per share (EUR)	41.79

Sensitivity Value per Share (EUR)

		Terminal Growth									Delta EBIT-margin						
Beta	WACC	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %	3.00 %	3.25 %	Beta	WACC	-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
2.37	12.2 %	22.42	22.84	23.29	23.76	24.26	24.78	25.33	2.37	12.2 %	22.22	22.74	23.25	23.76	24.27	24.79	25.30
2.14	11.2 %	27.78	28.37	28.98	29.63	30.32	31.05	31.83	2.14	11.2 %	27.88	28.46	29.05	29.63	30.22	30.80	31.38
1.91	10.2 %	34.56	35.38	36.25	37.17	38.16	39.22	40.35	1.91	10.2 %	35.15	35.82	36.50	37.17	37.85	38.52	39.19
1.80	9.7 %	38.65	39.62	40.67	41.79	42.99	44.28	45.67	1.80	9.7 %	39.60	40.33	41.06	41.79	42.52	43.25	43.98
1.69	9.2 %	43.33	44.51	45.78	47.14	48.61	50.20	51.92	1.69	9.2 %	44.76	45.56	46.35	47.14	47.94	48.73	49.52
1.46	8.2 %	55.04	56.82	58.75	60.85	63.14	65.65	68.42	1.46	8.2 %	57.98	58.94	59.89	60.85	61.80	62.75	63.71
1.23	7.2 %	71.34	74.16	77.26	80.70	84.52	88.81	93.63	1.23	7.2 %	77.14	78.32	79.51	80.70	81.89	83.07	84.26

- Our top-line assumptions build on gross profit as proxy for net interest and commission income
- EBIT margin relates to gross profit as well
- High net working capital as result of the business model
- Others reflects the debt financing of working capital changes

Valuation						
	2017	2018	2019	2020e	2021e	2022e
Price / Book	n.a.	17.5 x	17.9 x	25.2 x	11.5 x	9.9 x
Book value per share ex intangibles	0.86	1.20	1.44	0.80	2.03	2.16
EV / Sales	n.a.	3.0 x	2.5 x	3.3 x	2.9 x	2.6 x
EV / EBITDA	n.a.	30.2 x	29.5 x	64.4 x	31.2 x	19.3 x
EV / EBIT	n.a.	46.5 x	48.6 x	176.3 x	46.1 x	24.7 x
EV / EBIT adj.*	n.a.	46.5 x	48.6 x	176.3 x	46.1 x	24.7 x
P / FCF	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
P / E	n.a.	236.7 x	323.3 x	n.a.	157.0 x	35.7 x
P / E adj.*	n.a.	236.7 x	323.3 x	n.a.	157.0 x	35.7 x
Dividend Yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF Potential Yield (on market EV)	n.a.	3.0 %	3.2 %	1.6 %	3.2 %	4.8 %
*Adjustments made for: -						

Company Specific Items						
	2017	2018	2019	2020e	2021e	2022e
Transaction volume	n.a.	214.0	284.8	318.7	530.5	828.3

Consolidated profit & loss

In EUR m	2017	2018	2019	2020e	2021e	2022e
Sales	13.5	28.0	42.2	42.9	57.5	78.5
Change Sales yoy	n.a.	107.9 %	50.8 %	1.6 %	34.1 %	36.4 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	0.0	0.0	0.0	0.0	0.0	0.0
Total Sales	13.5	28.0	42.2	42.9	57.5	78.5
Material expenses	8.8	21.5	33.9	32.7	42.1	55.7
Gross profit	4.7	6.5	8.3	10.2	15.4	22.8
Gross profit margin	34.7 %	23.1 %	19.6 %	23.7 %	26.8 %	29.0 %
Personnel expenses	1.7	2.1	2.7	3.9	4.6	6.3
Other operating income	0.3	0.2	0.3	0.2	0.3	0.4
Other operating expenses	1.2	1.8	2.3	4.3	5.8	6.3
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	2.1	2.8	3.6	2.2	5.4	10.6
Margin	15.9 %	9.9 %	8.5 %	5.2 %	9.3 %	13.5 %
Depreciation of fixed assets	0.0	0.0	0.0	0.0	0.0	0.0
EBITA	2.1	2.8	3.6	2.2	5.4	10.6
Amortisation of intangible assets	0.6	1.0	1.4	1.4	1.7	2.4
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	1.5	1.8	2.2	0.8	3.6	8.3
Margin	11.3 %	6.5 %	5.2 %	1.9 %	6.3 %	10.5 %
EBIT adj.	1.5	1.8	2.2	0.8	3.6	8.3
Interest income	0.0	0.0	0.0	0.0	0.0	0.0
Interest expenses	0.7	0.8	1.1	1.2	2.0	3.0
Other financial income (loss)	0.4	0.5	0.8	2.0	1.0	1.5
EBT	0.4	0.5	0.4	-2.4	0.7	3.8
Margin	3.2 %	1.9 %	0.9 %	-5.6 %	1.2 %	4.8 %
Total taxes	0.3	0.3	0.2	0.0	0.0	0.8
Net income from continuing operations	0.2	0.3	0.2	-2.4	0.7	3.0
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income before minorities	0.2	0.3	0.2	-2.4	0.7	3.0
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net income	0.2	0.3	0.2	-2.4	0.7	3.0
Margin	1.2 %	0.9 %	0.6 %	-5.6 %	1.2 %	3.8 %
Number of shares, average	1.0	2.5	2.5	3.4	3.4	3.4
EPS	0.16	0.10	0.09	-0.71	0.20	0.88
EPS adj.	0.16	0.10	0.09	-0.71	0.20	0.88

*Adjustments made for:

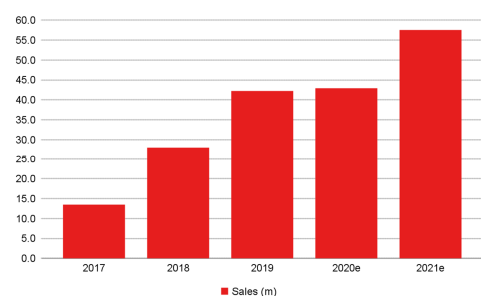
Guidance: n.a.

Financial Ratios

	2017	2018	2019	2020e	2021e	2022e
Total Operating Costs / Sales	84.1 %	90.1 %	91.5 %	94.8 %	90.7 %	86.5 %
Operating Leverage	n.a.	0.2 x	0.4 x	-39.1 x	10.1 x	3.5 x
EBITDA / Interest expenses	3.1 x	3.3 x	3.3 x	1.8 x	2.7 x	3.5 x
Tax rate (EBT)	61.8 %	50.1 %	39.3 %	0.0 %	0.0 %	21.2 %
Dividend Payout Ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Sales per Employee	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

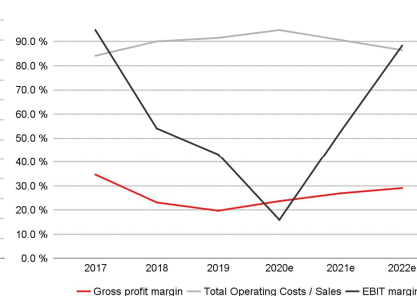
Sales, EBITDA

in EUR m

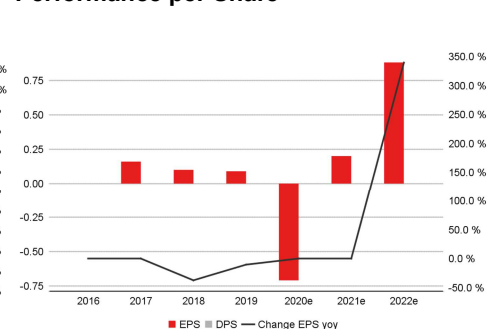


Operating Performance

in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

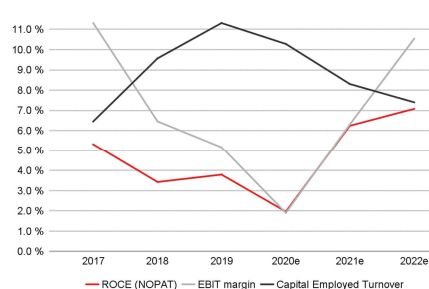
Consolidated balance sheet

In EUR m	2017	2018	2019	2020e	2021e	2022e
Assets						
Goodwill and other intangible assets	0.2	0.4	0.5	1.5	2.4	3.4
thereof other intangible assets	0.2	0.4	0.5	1.3	2.1	3.2
thereof Goodwill	0.0	0.0	0.0	0.3	0.3	0.3
Property, plant and equipment	2.0	3.4	4.4	5.4	6.4	7.4
Financial assets	0.0	0.6	0.6	-0.9	-1.4	-2.4
Other long-term assets	0.0	0.0	0.0	0.0	0.0	0.0
Fixed assets	2.3	4.5	5.5	6.0	7.4	8.4
Inventories	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	21.4	32.0	38.7	39.5	66.8	104.6
Liquid assets	0.7	0.8	0.3	3.5	4.5	1.8
Other short-term assets	4.7	3.5	0.9	4.5	4.9	4.9
Current assets	26.8	36.3	39.8	47.6	76.2	111.4
Total Assets	29.1	40.8	45.3	53.6	83.6	119.8
Liabilities and shareholders' equity						
Subscribed capital	0.1	2.5	2.5	3.4	3.4	3.4
Capital reserve	0.0	0.0	0.5	1.3	1.3	1.3
Retained earnings	0.0	0.0	0.0	-2.4	-1.7	1.2
Other equity components	1.0	0.9	1.1	1.9	6.3	4.8
Shareholders' equity	1.1	3.4	4.1	4.2	9.3	10.7
Minority interest	2.3	2.3	2.3	2.3	2.3	2.3
Total equity	3.4	5.6	6.3	6.5	11.5	13.0
Provisions	0.3	0.2	0.2	0.2	0.2	0.2
thereof provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Financial liabilities (total)	19.3	25.9	33.2	40.9	65.7	100.1
thereof short-term financial liabilities	19.3	25.9	33.2	35.9	60.7	95.1
Accounts payable	0.1	0.4	0.2	0.6	0.8	1.1
Other liabilities	6.1	8.6	5.4	5.4	5.4	5.4
Liabilities	25.7	35.2	39.0	47.1	72.1	106.8
Total liabilities and shareholders' equity	29.1	40.8	45.3	53.6	83.6	119.8

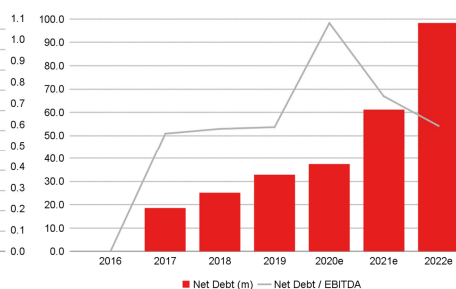
Financial Ratios

	2017	2018	2019	2020e	2021e	2022e
Efficiency of Capital Employment						
Operating Assets Turnover	0.6 x	0.8 x	1.0 x	1.0 x	0.8 x	0.7 x
Capital Employed Turnover	0.6 x	0.9 x	1.1 x	1.0 x	0.8 x	0.7 x
ROA	7.3 %	5.9 %	4.3 %	-40.1 %	8.9 %	35.1 %
Return on Capital						
ROCE (NOPAT)	5.3 %	3.4 %	3.8 %	2.0 %	6.2 %	7.1 %
ROE	29.7 %	11.6 %	6.3 %	-58.1 %	9.8 %	29.6 %
Adj. ROE	29.7 %	11.6 %	6.3 %	-58.1 %	9.8 %	29.6 %
Balance sheet quality						
Net Debt	18.6	25.1	32.9	37.4	61.2	98.3
Net Financial Debt	18.6	25.1	32.9	37.4	61.2	98.3
Net Gearing	552.8 %	446.8 %	518.6 %	578.5 %	530.6 %	756.5 %
Net Fin. Debt / EBITDA	869.0 %	903.3 %	915.0 %	1677.2 %	1141.6 %	925.3 %
Book Value / Share	1.1	1.4	1.6	1.2	2.7	3.2
Book value per share ex intangibles	0.9	1.2	1.4	0.8	2.0	2.2

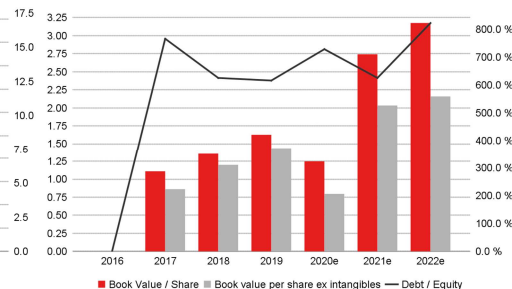
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

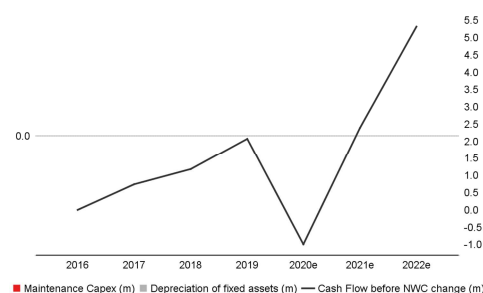
In EUR m	2017	2018	2019	2020e	2021e	2022e
Net income	0.2	0.3	0.2	-2.4	0.7	3.0
Depreciation of fixed assets	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.6	1.0	1.4	1.4	1.7	2.4
Increase/decrease in long-term provisions	0.0	0.0	0.0	0.0	0.0	0.0
Other non-cash income and expenses	0.0	0.0	0.4	0.0	0.0	0.0
Cash Flow before NWC change	0.7	1.2	2.1	-1.0	2.4	5.3
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0
Increase / decrease in accounts receivable	-8.1	-9.4	-6.7	-0.8	-27.2	-37.9
Increase / decrease in accounts payable	1.3	2.8	-0.2	0.4	0.2	0.3
Increase / decrease in other working capital positions	0.7	0.8	0.0	0.0	0.0	0.0
Increase / decrease in working capital (total)	-6.1	-5.7	-6.8	-0.5	-27.0	-37.6
Net cash provided by operating activities [1]	-5.4	-4.6	-4.8	-1.5	-24.7	-32.2
Investments in intangible assets	0.0	0.0	-1.6	-2.2	-2.6	-3.4
Investments in property, plant and equipment	-2.0	-3.2	-1.0	-1.0	-1.0	-1.0
Payments for acquisitions	0.0	0.0	0.0	-0.3	0.0	0.0
Financial investments	0.0	0.0	0.0	0.5	0.5	0.5
Income from asset disposals	0.1	0.1	0.3	0.0	0.0	0.0
Net cash provided by investing activities [2]	-1.9	-3.2	-2.3	-4.0	-4.1	-4.9
Change in financial liabilities	7.9	6.7	7.3	7.8	24.8	34.4
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.1	2.0	0.5	0.9	0.0	0.0
Other	0.0	-0.8	-1.1	0.0	5.0	0.0
Net cash provided by financing activities [3]	8.0	7.8	6.7	8.6	29.8	34.4
Change in liquid funds [1]+[2]+[3]	0.7	0.1	-0.4	3.2	1.0	-2.7
Effects of exchange-rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalent at end of period	0.7	0.8	0.4	3.5	4.5	1.8

Financial Ratios

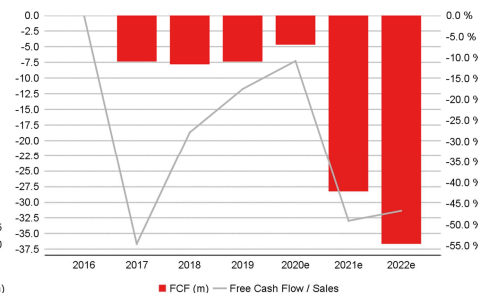
	2017	2018	2019	2020e	2021e	2022e
Cash Flow						
FCF	-7.4	-7.8	-7.4	-4.7	-28.3	-36.6
Free Cash Flow / Sales	-54.6 %	-27.9 %	-17.4 %	-10.9 %	-49.1 %	-46.7 %
Free Cash Flow Potential	1.9	2.5	3.4	2.2	5.4	9.8
Free Cash Flow / Net Profit	-4468.8 %	-2995.6 %	-3137.9 %	193.2 %	-4269.3 %	-1235.0 %
Interest Received / Avg. Cash	0.9 %	4.1 %	0.0 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	7.1 %	3.7 %	3.7 %	3.3 %	3.7 %	3.6 %
Management of Funds						
Investment ratio	14.6 %	11.6 %	6.2 %	7.5 %	6.3 %	5.6 %
Maint. Capex / Sales	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Capex / Dep	322.4 %	333.4 %	184.0 %	225.9 %	208.5 %	186.8 %
Avg. Working Capital / Sales	79.2 %	94.5 %	83.0 %	90.1 %	91.1 %	108.0 %
Trade Debtors / Trade Creditors	21571.1 %	8229.1 %	16999.0 %	6586.9 %	8346.2 %	9512.6 %
Inventory Turnover	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Receivables collection period (days)	581	417	334	336	424	486
Payables payment period (days)	4	7	2	7	7	7
Cash conversion cycle (Days)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

CAPEX and Cash Flow

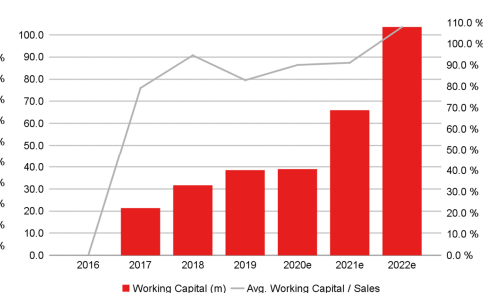
in EUR m



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
aifinyo	3, 4, 5	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A2G8XP9.htm

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Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

-B-	Buy:	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	Hold:	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	Sell:	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	Rating suspended:	The available information currently does not permit an evaluation of the company.

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING

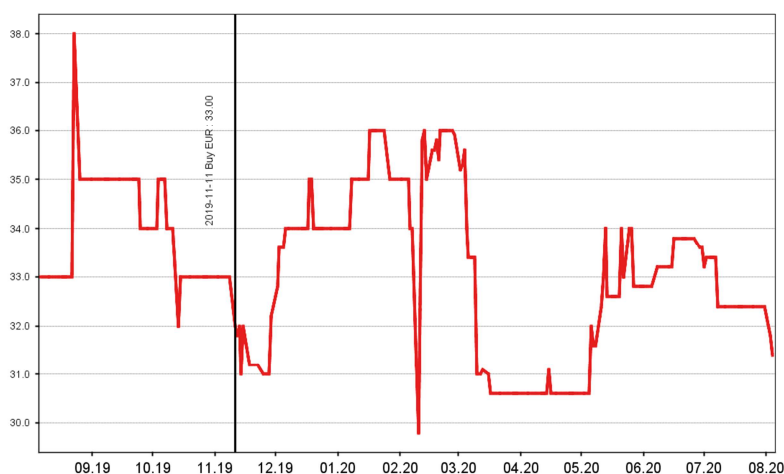
Rating	Number of stocks	% of Universe
Buy	131	64
Hold	55	27
Sell	11	5
Rating suspended	7	3
Total	204	100

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...

... taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	35	88
Hold	3	8
Sell	0	0
Rating suspended	2	5
Total	40	100

PRICE AND RATING HISTORY AIFINYO AS OF 05.08.2020



Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

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