

Buy EUR 21.00 Price EUR 11.40 Upside 84.2 %	Value Indicators: EUR DCF: 20.88	Warburg ESG Risk Score: 2.5 ESG Score (MSCI based): 2.0 Balance Sheet Score: 5.0 Market Liquidity Score: 0.5	Description: Bettingprovider with online and retail activities
	Market Snapshot: EUR m Market cap: 49.3 No. of shares (m): 4.3 EV: 43.2 Freefloat MC: 30.8 Ø Trad. Vol. (30d): 22.11 th	Shareholders: Freefloat 62.51 % Management 8.36 % Tullina AG 6.92 % Prime Capital Access S.A. 5.69 % Weiss media 6.52 %	Key Figures (WRe): 2023e Beta: 1.5 Price / Book: 4.6 x Equity Ratio: 32 %

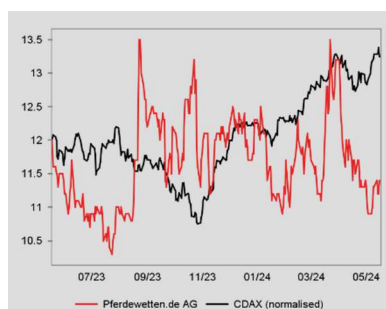
Weak Q1 earnings but rapid progress in new shop-openings

Stated Figures Q1/2024: in EUR m	Comment on Figures: On the evening of 14 May 2024, pferdewetten.de AG published its report for the first quarter of 2024. (The annual report for 2023 is still pending due to the complexity of the business model and a management change in the finance department).																																
<table border="1"> <thead> <tr> <th></th> <th>Q1/24</th> <th>Q1/24e</th> <th>Q1/23</th> <th>yoy</th> <th>2024e</th> <th>2023</th> <th>yoy</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>9.7</td> <td>9.5</td> <td>4.9</td> <td>98.6%</td> <td>46.0</td> <td>23.5</td> <td>95.7%</td> </tr> <tr> <td>EBIT</td> <td>-2.8</td> <td>-1.5</td> <td>-1.4</td> <td>107.7%</td> <td>1.3</td> <td>-9.7</td> <td>-</td> </tr> <tr> <td>margin</td> <td>-29.1%</td> <td>-15.8%</td> <td>-27.8%</td> <td></td> <td>2.9%</td> <td>-41.1%</td> <td></td> </tr> </tbody> </table>		Q1/24	Q1/24e	Q1/23	yoy	2024e	2023	yoy	Sales	9.7	9.5	4.9	98.6%	46.0	23.5	95.7%	EBIT	-2.8	-1.5	-1.4	107.7%	1.3	-9.7	-	margin	-29.1%	-15.8%	-27.8%		2.9%	-41.1%		
	Q1/24	Q1/24e	Q1/23	yoy	2024e	2023	yoy																										
Sales	9.7	9.5	4.9	98.6%	46.0	23.5	95.7%																										
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A key takeaway from the presented report is the rapid expansion of new retail shops. While the overall earnings figures are weak, this is not significant in the context of the company's strategic shift. With approximately nine new shops opening per month and 144 locations currently in operation, the company is on track to reach its target of 220 shops by the end of the year.

This strong momentum resulted in an increase in consolidated revenue to EUR 9.7m, compared to EUR 4.9m in the previous year. Of this, the retail sports betting segment saw substantial revenue growth, reaching EUR 6.9m in the first quarter of 2024. High start-up costs, initial investment in the refurbishment and opening of new shops, and necessary marketing expenses meant that EBITDA came in at EUR -1.9m. The former core business of online betting on horseracing performed weakly and experienced a decline in revenue in the first quarter. Revenue for the first quarter of 2024 was EUR 2.7m, down from EUR 4.6m in the same period last year, resulting in an EBITDA of EUR 0.4m (Q1 2023: EUR 2.1m). Nevertheless, the traditionally cash-generative online horse-betting segment continues to provide the basis for growth investments in other segments. The online sports betting segment, which is still in the re-start phase, has not yet shown convincing results with revenue of EUR 0.13m in the first three months of 2024 (Q1 2023: EUR 0.18 m) and EBITDA of EUR -0.8m, compared to EUR -1.2m in the same period last year. Consolidated EBITDA for the first quarter of 2024 was EUR -2.2m (Q1 2023: EUR -1.0m). This fell short of expectations but was in line with the company's guidance range. The stock remains a Buy with an unchanged price target (model adjustment, roll-over).

Changes in Estimates: FY End: 31.12. in EUR m	Comment on Changes: Following lower-than-expected Q1 earnings, expectations (WRe) for 2024 are reduced slightly.																					
<table border="1"> <thead> <tr> <th></th> <th>2023e (old)</th> <th>+ / -</th> <th>2024e (old)</th> <th>+ / -</th> <th>2025e (old)</th> <th>+ / -</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>23.5</td> <td>0.0 %</td> <td>46.0</td> <td>0.0 %</td> <td>62.0</td> <td>0.0 %</td> </tr> <tr> <td>EBIT</td> <td>-9.7</td> <td>0.0 %</td> <td>1.3</td> <td>-69.2 %</td> <td>8.0</td> <td>0.0 %</td> </tr> </tbody> </table>		2023e (old)	+ / -	2024e (old)	+ / -	2025e (old)	+ / -	Sales	23.5	0.0 %	46.0	0.0 %	62.0	0.0 %	EBIT	-9.7	0.0 %	1.3	-69.2 %	8.0	0.0 %	
	2023e (old)	+ / -	2024e (old)	+ / -	2025e (old)	+ / -																
Sales	23.5	0.0 %	46.0	0.0 %	62.0	0.0 %																
EBIT	-9.7	0.0 %	1.3	-69.2 %	8.0	0.0 %																

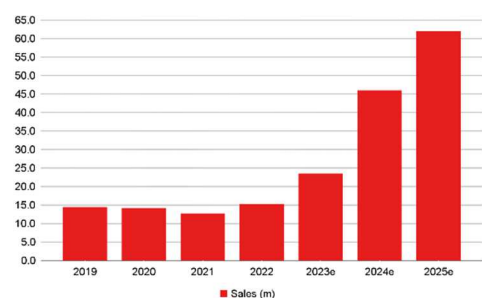


Rel. Performance vs CDAX:	
1 month:	-6.4 %
6 months:	-19.1 %
Year to date:	-15.4 %
Trailing 12 months:	-15.7 %

Company events:	
13.08.24	Q2
27.08.24	AGM
12.11.24	Q3

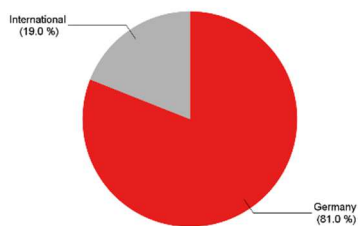
FY End: 31.12. in EUR m	CAGR (22-25e)	2019	2020	2021	2022	2023e	2024e	2025e
Sales	59.3 %	14.4	14.2	12.7	15.3	23.5	46.0	62.0
Change Sales yoy		30.2 %	-1.8 %	-10.2 %	20.5 %	53.3 %	95.7 %	34.8 %
Gross profit margin		57.0 %	61.9 %	53.1 %	43.1 %	14.0 %	48.0 %	54.0 %
EBITDA	-	3.0	3.0	0.0	-2.5	-8.5	1.6	9.2
Margin		21.0 %	21.4 %	-0.1 %	-16.5 %	-36.0 %	3.5 %	14.9 %
EBIT	-	2.4	2.5	-0.6	-3.5	-9.7	0.4	8.0
Margin		16.9 %	17.9 %	-4.6 %	-23.2 %	-41.1 %	0.9 %	13.0 %
Net income	-	3.3	1.5	-0.2	-1.5	-5.2	0.9	5.3
EPS	-	0.77	0.34	-0.04	-0.32	-1.07	0.18	1.10
EPS adj.	-	0.77	0.34	-0.04	-0.32	-1.07	0.18	1.10
DPS	0.0 %	0.20	0.26	0.10	0.10	0.00	0.10	0.10
Dividend Yield		1.9 %	2.5 %	0.6 %	0.7 %	n.a.	0.9 %	0.9 %
FCFPS		0.94	0.36	0.46	-0.83	-1.22	0.20	1.21
FCF / Market cap		9.0 %	3.4 %	2.7 %	-6.1 %	-10.7 %	1.8 %	10.6 %
EV / Sales		2.4 x	2.4 x	5.0 x	3.5 x	2.1 x	1.1 x	0.7 x
EV / EBITDA		11.5 x	11.2 x	n.a.	n.a.	n.a.	30.5 x	4.7 x
EV / EBIT		14.3 x	13.4 x	n.a.	n.a.	n.a.	119.7 x	5.4 x
P / E		13.6 x	31.0 x	n.a.	n.a.	n.a.	63.3 x	10.4 x
P / E adj.		13.6 x	31.0 x	n.a.	n.a.	n.a.	63.3 x	10.4 x
FCF Potential Yield		10.9 %	5.4 %	0.3 %	-2.7 %	-9.7 %	3.4 %	15.2 %
Net Debt		-10.4	-11.6	-12.6	-11.5	-5.1	-6.1	-11.4
ROCE (NOPAT)		63.6 %	24.7 %	n.a.	n.a.	n.a.	4.3 %	n.a.
Guidance:		2023: Negative EBITDA in the high single-digit million range						

Sales development
in EUR m



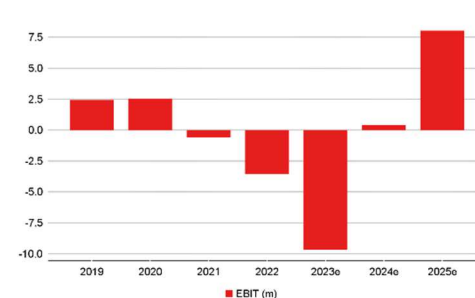
Source: Warburg Research

Sales by regions
2024e; WRe; in %



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

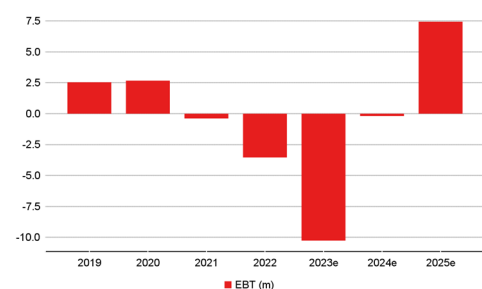
Company Background

- Pferdewetten.de has grown historically in the area of online offerings for betting on horse racing.
- This was gradually expanded to include the sports betting segment under the well-known brand “sportwetten.de” as well as online casino offers.
- The most important strategic step in the company's development to date took place with the entry into the retail betting market in 2022 with the opening of physical shops.

Competitive Quality

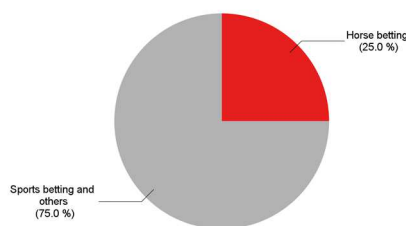
- Pferdewetten.de AG has a very good positioning in the niche market for horse betting and has valuable market know-how thanks to its own bookmaker software and important licenses.
- Approvals/licenses gave the company the opportunity to also operate in the sports-betting sector and in online casinos (especially the “sportwetten.de” brand). This forms an important barrier to market entry.
- Decades of experience from key players in management and shareholders form another important strategic basis - especially since the accelerated expansion of the retail business.

EBT development
in EUR m



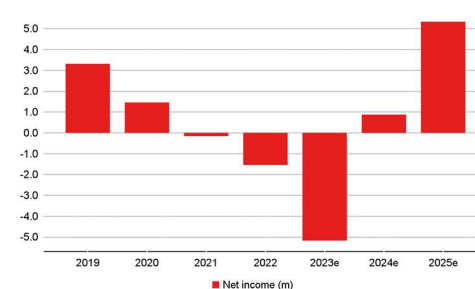
Source: Warburg Research

GGR by segment
2024e; in %



Source: Warburg Research

Net income development
in EUR m



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	
Sales	23.5	46.0	62.0	70.1	76.4	83.2	89.9	97.1	103.9	110.1	115.6	120.2	123.9	
Sales change	53.3 %	95.7 %	34.8 %	13.0 %	9.0 %	9.0 %	8.0 %	8.0 %	7.0 %	6.0 %	5.0 %	4.0 %	3.0 %	2.0 %
EBIT	-9.7	0.4	8.0	11.4	12.6	13.7	15.3	16.5	17.7	18.7	19.7	20.4	21.1	
EBIT-margin	-41.1 %	0.9 %	13.0 %	16.3 %	16.5 %	16.5 %	17.0 %	17.0 %	17.0 %	17.0 %	17.0 %	17.0 %	17.0 %	
Tax rate (EBT)	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	
NOPAT	-7.7	0.3	6.4	9.1	10.1	11.0	12.2	13.2	14.1	15.0	15.7	16.4	16.8	
Depreciation	1.2	1.2	1.2	1.8	1.9	2.1	2.2	2.4	2.6	2.8	2.9	3.0	3.1	
in % of Sales	5.1 %	2.6 %	1.9 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	
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	
Change in Liquidity from														
- Working Capital	-0.2	-0.5	-0.4	0.4	0.4	0.3	0.2	0.2	0.1	0.1	0.1	0.1	0.1	
- Capex	0.6	0.6	0.6	1.8	1.9	2.1	2.2	2.4	2.6	2.8	2.9	3.0	3.1	
Capex in % of Sales	2.6 %	1.3 %	1.0 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	
- Other	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	
Free Cash Flow (WACC Model)	-6.9	1.4	7.4	8.7	9.7	10.7	12.0	13.0	14.0	14.9	15.6	16.3	16.8	17
PV of FCF	-7.2	1.3	6.2	6.6	6.6	6.6	6.6	6.5	6.3	6.0	5.7	5.3	5.0	56
share of PVs	0.32 %			52.02 %										47.66 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	0.00 %	Financial Strength	1.50
Cost of debt (after tax)	3.5 %	Liquidity (share)	1.50
Market return	8.25 %	Cyclicality	1.50
Risk free rate	2.75 %	Transparency	1.50
		Others	1.50
WACC	11.00 %	Beta	1.50

Valuation (m)

Present values 2035e	62		
Terminal Value	56		
Financial liabilities	0		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	15		
Market val. of investments	0		
Liquidity	11	No. of shares (m)	5.5
Equity Value	114	Value per share (EUR)	20.88

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		1.25 %	1.50 %	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.68	12.0 %	17.67	17.85	18.04	18.25	18.46	18.68	18.92	1.68	12.0 %	16.29	16.94	17.59	18.25	18.90	19.55	20.20
1.59	11.5 %	18.82	19.03	19.26	19.49	19.74	20.00	20.28	1.59	11.5 %	17.43	18.11	18.80	19.49	20.18	20.87	21.56
1.55	11.3 %	19.44	19.67	19.91	20.17	20.44	20.72	21.03	1.55	11.3 %	18.04	18.75	19.46	20.17	20.88	21.59	22.29
1.50	11.0 %	20.09	20.34	20.60	20.88	21.18	21.49	21.81	1.50	11.0 %	18.69	19.42	20.15	20.88	21.61	22.34	23.07
1.45	10.8 %	20.78	21.05	21.34	21.64	21.96	22.29	22.65	1.45	10.8 %	19.38	20.13	20.89	21.64	22.39	23.14	23.90
1.41	10.5 %	21.51	21.80	22.11	22.44	22.79	23.16	23.55	1.41	10.5 %	20.11	20.89	21.66	22.44	23.22	23.99	24.77
1.32	10.0 %	23.10	23.45	23.81	24.20	24.61	25.06	25.53	1.32	10.0 %	21.71	22.54	23.37	24.20	25.03	25.86	26.69

- We anticipate strong sales growth as a result of entering the sports betting market.

Valuation	2019	2020	2021	2022	2023e	2024e	2025e
Price / Book	2.9 x	2.6 x	4.7 x	3.5 x	4.6 x	4.7 x	3.4 x
Book value per share ex intangibles	3.04	3.49	2.77	2.68	1.36	1.46	2.51
EV / Sales	2.4 x	2.4 x	5.0 x	3.5 x	2.1 x	1.1 x	0.7 x
EV / EBITDA	11.5 x	11.2 x	n.a.	n.a.	n.a.	30.5 x	4.7 x
EV / EBIT	14.3 x	13.4 x	n.a.	n.a.	n.a.	119.7 x	5.4 x
EV / EBIT adj.*	14.3 x	13.4 x	n.a.	n.a.	n.a.	119.7 x	5.4 x
P / FCF	11.1 x	29.6 x	37.6 x	n.a.	n.a.	56.5 x	9.4 x
P / E	13.6 x	31.0 x	n.a.	n.a.	n.a.	63.3 x	10.4 x
P / E adj.*	13.6 x	31.0 x	n.a.	n.a.	n.a.	63.3 x	10.4 x
Dividend Yield	1.9 %	2.5 %	0.6 %	0.7 %	n.a.	0.9 %	0.9 %
FCF Potential Yield (on market EV)	10.9 %	5.4 %	0.3 %	-2.7 %	-9.7 %	3.4 %	15.2 %

*Adjustments made for: -

Consolidated profit & loss

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
Sales	14.4	14.2	12.7	15.3	23.5	46.0	62.0
Change Sales yoy	30.2 %	-1.8 %	-10.2 %	20.5 %	53.3 %	95.7 %	34.8 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	0.0	0.0	1.8	0.9	0.0	0.0	0.0
Total Sales	14.4	14.2	14.6	16.2	23.5	46.0	62.0
Material expenses	6.2	5.4	7.8	9.6	20.2	23.9	28.5
Gross profit	8.2	8.8	6.8	6.6	3.3	22.1	33.5
<i>Gross profit margin</i>	<i>57.0 %</i>	<i>61.9 %</i>	<i>53.1 %</i>	<i>43.1 %</i>	<i>14.0 %</i>	<i>48.0 %</i>	<i>54.0 %</i>
Personnel expenses	3.3	3.7	4.6	6.4	7.5	12.4	13.6
Other operating income	0.4	0.5	0.9	1.0	1.4	2.8	3.7
Other operating expenses	2.4	2.6	3.0	3.8	5.6	10.8	14.3
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	3.0	3.0	0.0	-2.5	-8.5	1.6	9.2
<i>Margin</i>	<i>21.0 %</i>	<i>21.4 %</i>	<i>-0.1 %</i>	<i>-16.5 %</i>	<i>-36.0 %</i>	<i>3.5 %</i>	<i>14.9 %</i>
Depreciation of fixed assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITA	3.0	3.0	0.0	-2.5	-8.5	1.6	9.2
Amortisation of intangible assets	0.6	0.5	0.6	1.0	1.2	1.2	1.2
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	2.4	2.5	-0.6	-3.5	-9.7	0.4	8.0
<i>Margin</i>	<i>16.9 %</i>	<i>17.9 %</i>	<i>-4.6 %</i>	<i>-23.2 %</i>	<i>-41.1 %</i>	<i>0.9 %</i>	<i>13.0 %</i>
EBIT adj.	2.4	2.5	-0.6	-3.5	-9.7	0.4	8.0
Interest income	0.2	0.1	0.2	0.0	0.0	0.0	0.0
Interest expenses	0.0	0.0	0.0	0.0	0.6	0.6	0.6
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	2.5	2.7	-0.4	-3.5	-10.3	-0.2	7.4
<i>Margin</i>	<i>17.6 %</i>	<i>18.8 %</i>	<i>-3.1 %</i>	<i>-23.1 %</i>	<i>-43.7 %</i>	<i>-0.4 %</i>	<i>12.0 %</i>
Total taxes	-0.8	1.2	-0.2	-1.0	-3.6	-0.1	2.6
Net income from continuing operations	3.3	1.5	-0.2	-2.5	-6.7	-0.1	4.8
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income before minorities	3.3	1.5	-0.2	-2.5	-6.7	-0.1	4.8
Minority interest	0.0	0.0	0.0	-1.0	-1.5	-1.0	-0.5
Net income	3.3	1.5	-0.2	-1.5	-5.2	0.9	5.3
<i>Margin</i>	<i>23.0 %</i>	<i>10.3 %</i>	<i>-1.2 %</i>	<i>-10.0 %</i>	<i>-22.0 %</i>	<i>1.9 %</i>	<i>8.6 %</i>
Number of shares, average	4.3	4.3	4.4	4.8	4.8	4.8	4.8
EPS	0.77	0.34	-0.04	-0.32	-1.07	0.18	1.10
EPS adj.	0.77	0.34	-0.04	-0.32	-1.07	0.18	1.10

*Adjustments made for:

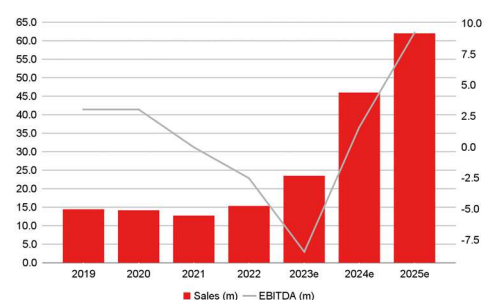
Guidance: 2023: Negative EBITDA in the high single-digit million range

Financial Ratios

	2019	2020	2021	2022	2023e	2024e	2025e
Total Operating Costs / Sales	79.0 %	78.6 %	114.5 %	122.1 %	136.0 %	96.5 %	85.1 %
Operating Leverage	6.7 x	-2.3 x	n.a.	24.7 x	3.2 x	n.a.	53.5 x
EBITDA / Interest expenses	178.3 x	189.4 x	n.m.	n.m.	n.m.	2.7 x	15.4 x
Tax rate (EBT)	-30.5 %	45.3 %	59.6 %	29.5 %	35.0 %	35.0 %	35.0 %
Dividend Payout Ratio	26.1 %	77.0 %	n.m.	n.m.	0.0 %	n.m.	10.0 %
Sales per Employee	n.a.	787,389	669,895	666,565	839,286	1,352,941	1,476,190

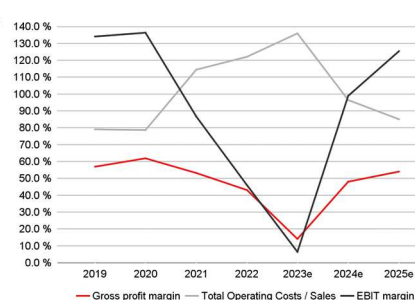
Sales, EBITDA

in EUR m

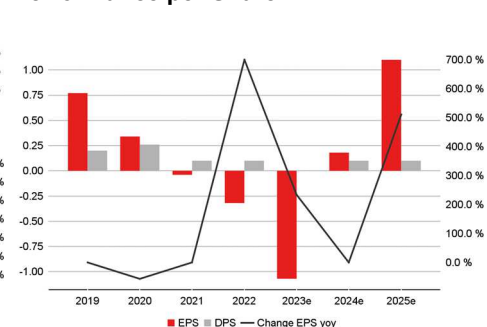


Operating Performance

in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

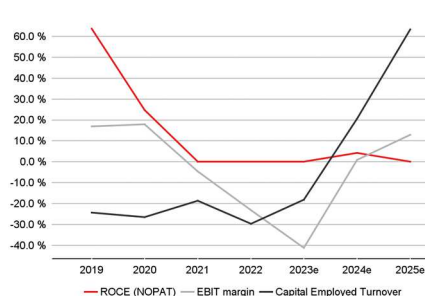
Consolidated balance sheet

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
Assets							
Goodwill and other intangible assets	2.7	2.4	4.1	6.0	5.3	4.6	3.9
thereof other intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
thereof Goodwill	1.3	1.3	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	1.3	1.2	1.5	1.5	1.6	1.7	1.8
Financial assets	5.9	8.2	5.6	7.3	7.3	7.3	7.3
Other long-term assets	0.5	0.5	1.0	0.3	0.3	0.3	0.3
Fixed assets	10.4	12.3	12.1	15.2	14.6	14.0	13.4
Inventories	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	2.1	2.3	2.3	1.2	1.9	3.7	4.9
Liquid assets	11.4	12.5	13.8	11.5	13.1	14.1	19.4
Other short-term assets	4.2	4.4	6.0	7.8	7.8	7.8	7.8
Current assets	17.7	19.2	22.1	20.5	22.8	25.6	32.1
Total Assets	28.0	31.5	34.2	35.7	37.4	39.5	45.5
Liabilities and shareholders' equity							
Subscribed capital	4.3	4.3	4.5	4.8	4.8	4.8	4.8
Capital reserve	2.2	2.2	3.2	9.2	9.2	9.2	9.2
Retained earnings	8.7	9.3	8.0	5.0	-0.7	0.2	5.0
Other equity components	0.6	1.7	0.8	0.0	-1.4	-2.5	-3.0
Shareholders' equity	15.8	17.5	16.4	19.0	11.9	11.7	16.0
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total equity	15.8	17.5	16.4	19.0	11.9	11.7	16.0
Provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
thereof provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial liabilities (total)	1.0	0.8	1.2	0.0	8.0	8.0	8.0
Short-term financial liabilities	0.2	0.2	0.3	0.0	0.0	0.0	0.0
Accounts payable	2.1	2.8	2.1	1.6	2.4	4.7	6.3
Other liabilities	9.1	10.4	14.5	15.1	15.1	15.1	15.1
Liabilities	12.1	14.0	17.8	16.7	25.5	27.8	29.4
Total liabilities and shareholders' equity	28.0	31.5	34.2	35.7	37.4	39.5	45.5

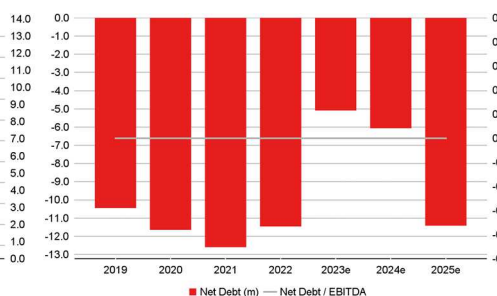
Financial Ratios

	2019	2020	2021	2022	2023e	2024e	2025e
Efficiency of Capital Employment							
Operating Assets Turnover	10.5 x	22.4 x	7.6 x	12.7 x	20.8 x	63.0 x	144.2 x
Capital Employed Turnover	2.7 x	2.4 x	3.4 x	2.0 x	3.4 x	8.2 x	13.4 x
ROA	31.9 %	11.9 %	-1.3 %	-10.2 %	-35.5 %	6.3 %	39.9 %
Return on Capital							
ROCE (NOPAT)	63.6 %	24.7 %	n.a.	n.a.	n.a.	4.3 %	n.a.
ROE	23.0 %	8.8 %	-0.9 %	-8.7 %	-33.5 %	7.4 %	38.5 %
Adj. ROE	23.0 %	8.8 %	-0.9 %	-8.7 %	-33.5 %	7.4 %	38.5 %
Balance sheet quality							
Net Debt	-10.4	-11.6	-12.6	-11.5	-5.1	-6.1	-11.4
Net Financial Debt	-10.4	-11.6	-12.6	-11.5	-5.1	-6.1	-11.4
Net Gearing	-66.0 %	-66.6 %	-77.0 %	-60.4 %	-42.7 %	-51.9 %	-71.2 %
Net Fin. Debt / EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Book Value / Share	3.7	4.0	3.7	3.9	2.5	2.4	3.3
Book value per share ex intangibles	3.0	3.5	2.8	2.7	1.4	1.5	2.5

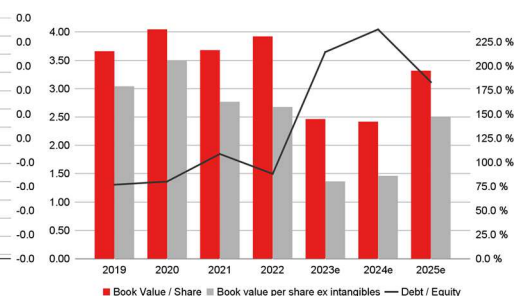
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

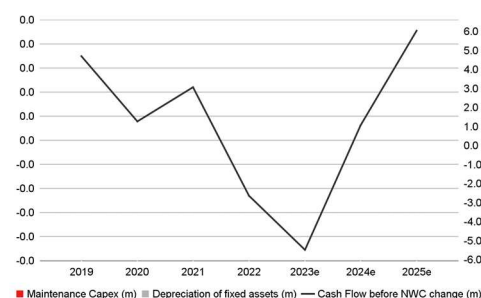
Consolidated cash flow statement

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
Net income	3.3	1.5	-0.2	-2.5	-6.7	-0.1	4.8
Depreciation of fixed assets	0.0	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	0.0
Amortisation of intangible assets	0.6	0.5	0.6	1.0	1.2	1.2	1.2
Increase/decrease in long-term provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other non-cash income and expenses	0.8	-0.7	2.6	-1.2	0.0	0.0	0.0
Cash Flow before NWC change	4.7	1.3	3.1	-2.6	-5.5	1.1	6.0
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase / decrease in accounts receivable	-1.1	-0.1	0.0	1.0	-0.7	-1.8	-1.2
Increase / decrease in accounts payable	0.9	0.7	-0.7	-0.5	0.9	2.3	1.6
Increase / decrease in other working capital positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase / decrease in working capital (total)	-0.3	0.6	-0.7	0.5	0.2	0.5	0.4
Net cash provided by operating activities [1]	4.4	1.9	2.3	-2.1	-5.3	1.6	6.4
Investments in intangible assets	0.0	0.0	0.0	-1.7	-0.5	-0.5	-0.5
Investments in property, plant and equipment	-0.1	-0.1	-0.1	-0.3	-0.1	-0.1	-0.1
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.3	0.3	0.3	5.9	0.0	0.0	0.0
Income from asset disposals	0.0	0.4	0.9	2.8	0.0	0.0	0.0
Net cash provided by investing activities [2]	-0.6	-0.3	0.3	-5.0	-0.6	-0.6	-0.6
Change in financial liabilities	0.0	0.0	0.0	0.0	8.0	0.0	0.0
Dividends paid	-0.7	-0.9	-1.2	-0.5	-0.5	0.0	-0.5
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	5.6	0.0	0.0	0.0
Other	0.0	0.3	-0.1	-0.3	0.0	0.0	0.0
Net cash provided by financing activities [3]	-0.7	-0.5	-1.3	4.7	7.5	0.0	-0.5
Change in liquid funds [1]+[2]+[3]	3.1	1.1	1.3	-2.3	1.6	1.0	5.4
Effects of exchange-rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalent at end of period	11.4	12.5	13.8	11.5	13.1	14.1	19.4

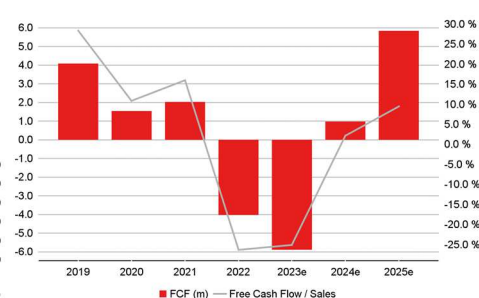
Financial Ratios

	2019	2020	2021	2022	2023e	2024e	2025e
Cash Flow							
FCF	4.1	1.5	2.0	-4.0	-5.9	1.0	5.8
Free Cash Flow / Sales	28.3 %	10.9 %	15.9 %	-26.3 %	-25.1 %	2.1 %	9.4 %
Free Cash Flow Potential	3.8	1.8	0.2	-1.5	-4.9	1.7	6.6
Free Cash Flow / Net Profit	123.2 %	105.5 %	-1292.3 %	261.5 %	113.9 %	111.4 %	109.4 %
Interest Received / Avg. Cash	1.7 %	1.0 %	1.7 %	0.3 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	3.6 %	1.8 %	2.0 %	4.5 %	15.0 %	7.5 %	7.5 %
Management of Funds							
Investment ratio	0.7 %	0.6 %	0.6 %	12.5 %	2.6 %	1.3 %	1.0 %
Maint. Capex / Sales	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Capex / Dep	16.8 %	16.0 %	12.5 %	186.7 %	50.0 %	50.0 %	50.0 %
Avg. Working Capital / Sales	-0.5 %	-1.6 %	-1.2 %	-0.4 %	-1.7 %	-1.6 %	-1.9 %
Trade Debtors / Trade Creditors	103.5 %	81.4 %	109.6 %	79.4 %	79.2 %	78.7 %	77.8 %
Inventory Turnover	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Receivables collection period (days)	54	58	65	29	30	29	29
Payables payment period (days)	121	188	97	59	43	72	81
Cash conversion cycle (Days)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

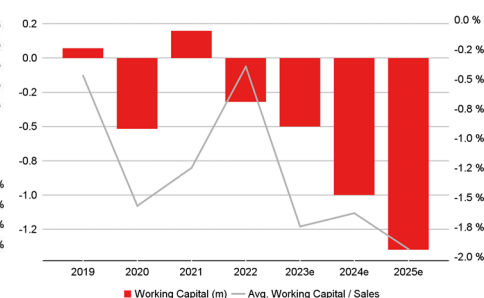
CAPEX and Cash Flow in EUR m



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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This report has been made accessible to the company analysed.

Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
pferdewetten.de	4, 5	https://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A2YN777.htm

INVESTMENT RECOMMENDATION

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.

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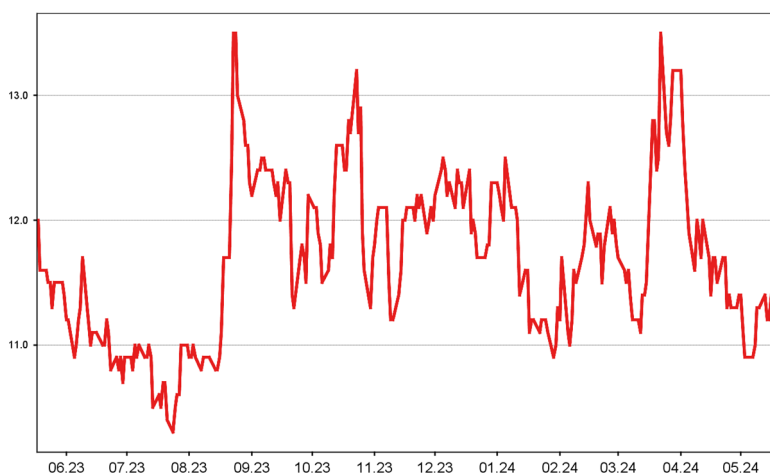
Rating	Number of stocks	% of Universe
Buy	146	71
Hold	46	22
Sell	8	4
Rating suspended	7	3
Total	207	100

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	46	81
Hold	8	14
Sell	0	0
Rating suspended	3	5
Total	57	100

PRICE AND RATING HISTORY PFERDEWETTEN.DE AS OF 17.05.2024



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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