

Buy EUR 20.00 Price EUR 14.40 Upside 38.9 %	Value Indicators: EUR DCF: 19.55	Warburg ESG Risk Score: 2.3 ESG Score (MSCI based): 2.0 Balance Sheet Score: 5.0 Market Liquidity Score: 0.0	Description: Online-Sport-Bettingprovider with a strong focus on horse racing
	Market Snapshot: EUR m Market cap: 62.3 No. of shares (m): 4.3 EV: 47.3 Freefloat MC: 36.6 Ø Trad. Vol. (30d): 17.55 th	Shareholders: Freefloat 58.80 % Management 8.90 % Tullina AG 7.50 % dicons AG 7.10 % Weiss media 6.90 %	Key Figures (WRe): 2022e Beta: 1.7 Price / Book: 3.8 x Equity Ratio: 49 %

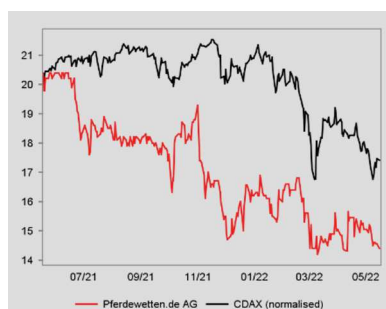
Strong core business; Ambitious goals

Stated Figures Q1/2022: in EUR m	<table border="1"> <thead> <tr> <th></th> <th>Q1/22</th> <th>Q1/22e</th> <th>Q1/21</th> <th>yoy</th> <th>2022e</th> <th>2021</th> <th>yoy</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>5.0</td> <td>3.0</td> <td>3.9</td> <td>26.3%</td> <td>20.0</td> <td>12.7</td> <td>57.1%</td> </tr> <tr> <td>EBIT</td> <td>0.7</td> <td>0.3</td> <td>0.8</td> <td>-9.1%</td> <td>-2.7</td> <td>-0.6</td> <td>359.6%</td> </tr> <tr> <td>margin</td> <td>14.7%</td> <td>10.0%</td> <td>20.5%</td> <td></td> <td>-13.5%</td> <td>-4.6%</td> <td></td> </tr> </tbody> </table>		Q1/22	Q1/22e	Q1/21	yoy	2022e	2021	yoy	Sales	5.0	3.0	3.9	26.3%	20.0	12.7	57.1%	EBIT	0.7	0.3	0.8	-9.1%	-2.7	-0.6	359.6%	margin	14.7%	10.0%	20.5%		-13.5%	-4.6%		Comment on Figures: <ul style="list-style-type: none"> On May 16, 2022, pferdewetten.de AG presented the business figures for the first quarter of 2022. Considering the high costs of building up the retail business, these were well above expectations as the horse betting business was very strong. As expected, the sports betting business was characterized by costs for the development of the retail channel. Gross gaming revenue (GGR), i.e. betting stakes less customer betting winnings plus commission income received, fell by 11% from EUR 10.7m (Q1 2021) to EUR 9.5m in the first quarter of 2022, mainly owing to more targeted use of bonus payments in the area of customer care.
	Q1/22	Q1/22e	Q1/21	yoy	2022e	2021	yoy																											
Sales	5.0	3.0	3.9	26.3%	20.0	12.7	57.1%																											
EBIT	0.7	0.3	0.8	-9.1%	-2.7	-0.6	359.6%																											
margin	14.7%	10.0%	20.5%		-13.5%	-4.6%																												

In Q1 2022 the company generated earnings before interest and taxes (EBIT) of EUR 730k (Q1/21 EUR 803k). The horse betting segment was very strong in the first quarter and delivered the second-best quarterly result in the company's history with an EBIT of EUR 1.9m (Q1/21 1.8m). At the same time, the focus was on the development of new product features, which are expected to meet the high demand from the end of the third quarter and thus boost growth, especially in the service sector. Both the German domestic market and planned international cooperation play a major role. As expected, the consolidated result in the sports betting segment was clearly negative and was EUR -1.2m (Q1/21 -1.0m) in the first quarter of 2022.

The sports betting segment was essentially characterized by the preparation and significant investment in the development and launch of the retail business, which will also be accompanied by a platform change for the online product at the beginning of June 2022. The process of opening the first shops is in full swing. Against the background of the strong first quarter, expectations for the current year have been raised slightly. Together with a rollover of the model and an increase in the risk-free interest rates in the models of the Warburg universe, the price target remains unchanged at EUR 20. The share continues to be rated Buy.

Changes in Estimates: FY End: 31.12. in EUR m	<table border="1"> <thead> <tr> <th></th> <th>2022e (old)</th> <th>+ / -</th> <th>2023e (old)</th> <th>+ / -</th> <th>2024e (old)</th> <th>+ / -</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>20.0</td> <td>0.0 %</td> <td>40.0</td> <td>0.0 %</td> <td>50.0</td> <td>0.0 %</td> </tr> <tr> <td>EBIT</td> <td>-3.5</td> <td>n.m.</td> <td>-1.0</td> <td>0.0 %</td> <td>-0.8</td> <td>0.0 %</td> </tr> </tbody> </table>		2022e (old)	+ / -	2023e (old)	+ / -	2024e (old)	+ / -	Sales	20.0	0.0 %	40.0	0.0 %	50.0	0.0 %	EBIT	-3.5	n.m.	-1.0	0.0 %	-0.8	0.0 %	Comment on Changes: <ul style="list-style-type: none"> The strong first quarter provides the basis for slightly lower loss expectations for the current year. In the model (DCF), however, this does not have a positive effect despite the rollover, since an increase in the assumption of risk-free interest rates has a negative effect on the entire Warburg universe.
	2022e (old)	+ / -	2023e (old)	+ / -	2024e (old)	+ / -																	
Sales	20.0	0.0 %	40.0	0.0 %	50.0	0.0 %																	
EBIT	-3.5	n.m.	-1.0	0.0 %	-0.8	0.0 %																	

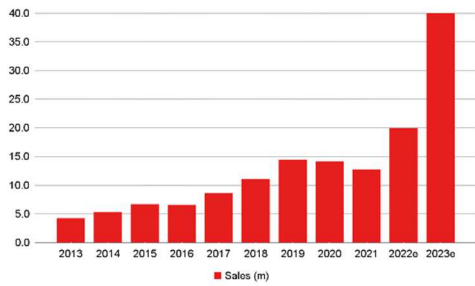


Rel. Performance vs CDAX:	
1 month:	-2.1 %
6 months:	5.9 %
Year to date:	5.6 %
Trailing 12 months:	-13.1 %

Company events:	

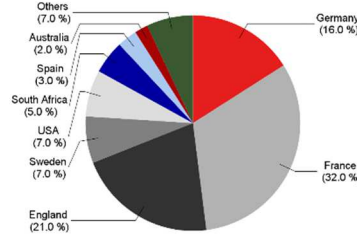
FY End: 31.12. in EUR m	CAGR (21-24e)	2018	2019	2020	2021	2022e	2023e	2024e
Sales	57.8 %	11.1	14.4	14.2	12.7	20.0	40.0	50.0
Change Sales yoy		28.3 %	30.2 %	-1.8 %	-10.2 %	57.1 %	100.0 %	25.0 %
Gross profit margin		56.4 %	57.0 %	61.9 %	53.1 %	52.5 %	40.0 %	40.0 %
EBITDA		-	1.2	3.0	3.0	0.0	-1.7	0.0
Margin			10.5 %	21.0 %	21.4 %	-0.1 %	-8.5 %	0.0 %
EBIT			0.8	2.4	2.5	-0.6	-2.7	-1.0
Margin			7.2 %	16.9 %	17.9 %	-4.6 %	-13.5 %	-2.5 %
Net income			-0.5	3.3	1.5	-0.2	-0.7	0.0
EPS			-0.11	0.77	0.34	-0.04	-0.14	0.00
EPS adj.			-0.11	0.77	0.34	-0.04	-0.14	0.00
DPS	24.4 %		0.16	0.20	0.26	0.26	0.00	0.50
Dividend Yield			1.5 %	1.9 %	2.5 %	1.5 %	n.a.	n.a.
FCFPS			0.44	0.94	0.36	0.46	-0.31	-0.02
FCF / Market cap			4.1 %	9.0 %	3.4 %	2.7 %	-2.1 %	-0.1 %
EV / Sales			3.5 x	2.4 x	2.4 x	5.0 x	2.7 x	1.3 x
EV / EBITDA			33.0 x	11.5 x	11.2 x	n.a.	n.a.	215.8 x
EV / EBIT			47.8 x	14.3 x	13.4 x	n.a.	n.a.	n.a.
P / E			n.a.	13.6 x	31.0 x	n.a.	n.a.	360.0 x
P / E adj.			n.a.	13.6 x	31.0 x	n.a.	n.a.	360.0 x
FCF Potential Yield			-0.6 %	10.9 %	5.4 %	0.3 %	-2.2 %	0.4 %
Net Debt			-8.3	-10.4	-11.6	-12.6	-15.0	-14.9
ROCE (NOPAT)			n.a.	63.6 %	24.7 %	n.a.	n.a.	n.a.
Guidance:			2022: EBIT EUR -2.5m to -3.5m					

Sales development
in EUR m



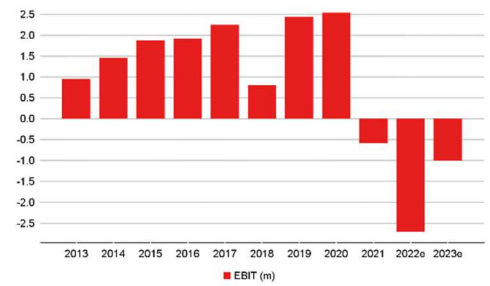
Source: Warburg Research

Sales by regions (Events)
2021e; WRe; in %



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

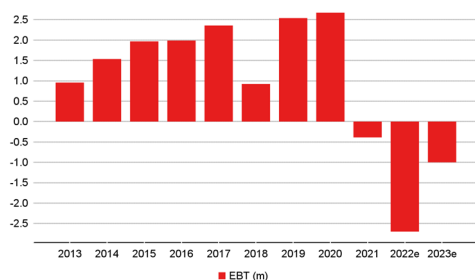
Company Background

- Pferdewetten.de is an online betting provider with a strong focus on horse racing and is one of the top 2 providers in Germany.
- In May 2017 the Board announced the reentering of the sportsbetting market with Pferdewetten's two platforms sportwetten.de and sportwetten.com

Competitive Quality

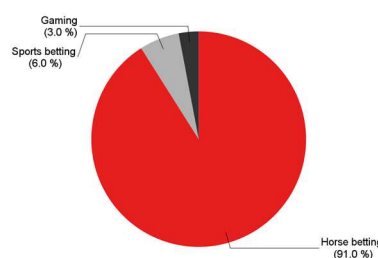
- Pferdewetten.de AG has a very good positioning in the niche market for horse betting and has valuable market know-how thanks to its own bookmaker software.
- The company has an active and loyal customer base in the horse betting sector.
- Based on this leading position, the company is entering the sports betting sector (online and stationary).

EBT development
in EUR m



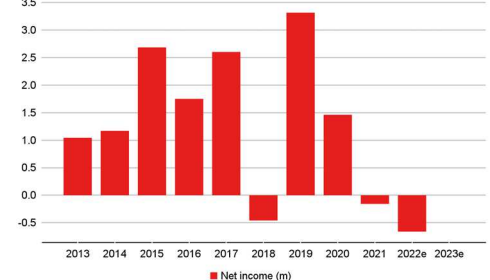
Source: Warburg Research

GGR by segment
2021e; 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
	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	
Sales	20.0	40.0	50.0	62.5	75.0	81.8	88.3	95.4	102.0	108.1	113.6	118.1	121.6	
Sales change	57.1 %	100.0 %	25.0 %	25.0 %	20.0 %	9.0 %	8.0 %	8.0 %	7.0 %	6.0 %	5.0 %	4.0 %	3.0 %	2.0 %
EBIT	-2.7	-1.0	-0.8	3.1	7.5	12.3	13.2	14.3	15.3	16.2	17.0	17.7	18.2	
EBIT-margin	-13.5 %	-2.5 %	-1.5 %	5.0 %	10.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	
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	-2.2	-0.8	-0.6	2.5	6.0	9.8	10.6	11.4	12.2	13.0	13.6	14.2	14.6	
Depreciation	1.0	1.0	1.0	1.6	1.9	2.0	2.2	2.4	2.6	2.7	2.8	3.0	3.0	
in % of Sales	5.0 %	2.5 %	2.0 %	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	-0.5	-0.3	-0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.0	
- Capex	0.8	0.6	0.6	1.6	1.9	2.0	2.2	2.4	2.6	2.7	2.8	3.0	3.0	
Capex in % of Sales	4.0 %	1.5 %	1.2 %	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)	-1.5	-0.1	0.0	2.3	5.8	9.6	10.4	11.3	12.1	12.9	13.6	14.1	14.6	15
PV of FCF	-1.4	-0.1	0.0	1.6	3.6	5.3	5.2	5.0	4.8	4.6	4.4	4.1	3.8	41
share of PVs	-1.79 %			51.60 %										50.19 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	0.00 %	Financial Strength	1.70
Cost of debt (after tax)	3.5 %	Liquidity (share)	1.70
Market return	7.50 %	Cyclicality	1.70
Risk free rate	2.00 %	Transparency	1.70
		Others	1.70
WACC	11.35 %	Beta	1.70

Valuation (m)

Present values 2034e	41		
Terminal Value	41		
Financial liabilities	1		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	15		
Market val. of investments	0		
Liquidity	19	No. of shares (m)	4.3
Equity Value	85	Value per share (EUR)	19.55

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
1.88	12.4 %	16.51	16.67	16.85	17.03	17.22	17.42	17.63	1.88	12.4 %	14.97	15.65	16.34	17.03	17.71	18.40	19.09
1.79	11.9 %	17.62	17.81	18.01	18.22	18.44	18.68	18.92	1.79	11.9 %	16.03	16.76	17.49	18.22	18.95	19.68	20.40
1.75	11.6 %	18.21	18.42	18.64	18.86	19.11	19.36	19.63	1.75	11.6 %	16.61	17.36	18.11	18.86	19.62	20.37	21.12
1.70	11.4 %	18.84	19.06	19.30	19.55	19.81	20.08	20.38	1.70	11.4 %	17.22	18.00	18.77	19.55	20.32	21.10	21.87
1.65	11.1 %	19.51	19.75	20.00	20.27	20.55	20.85	21.17	1.65	11.1 %	17.87	18.67	19.47	20.27	21.07	21.87	22.67
1.61	10.9 %	20.21	20.47	20.75	21.04	21.35	21.67	22.02	1.61	10.9 %	18.56	19.39	20.21	21.04	21.86	22.69	23.51
1.52	10.4 %	21.73	22.04	22.37	22.72	23.09	23.48	23.89	1.52	10.4 %	20.07	20.95	21.83	22.72	23.60	24.48	25.37

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

Valuation	2018	2019	2020	2021	2022e	2023e	2024e
Price / Book	3.6 x	2.9 x	2.6 x	4.7 x	3.8 x	4.0 x	4.1 x
Book value per share ex intangibles	2.31	3.04	3.49	2.77	2.99	2.93	2.91
EV / Sales	3.5 x	2.4 x	2.4 x	5.0 x	2.7 x	1.3 x	1.1 x
EV / EBITDA	33.0 x	11.5 x	11.2 x	n.a.	n.a.	n.a.	215.8 x
EV / EBIT	47.8 x	14.3 x	13.4 x	n.a.	n.a.	n.a.	n.a.
EV / EBIT adj.*	47.8 x	14.3 x	13.4 x	n.a.	n.a.	n.a.	n.a.
P / FCF	24.4 x	11.1 x	29.6 x	37.6 x	n.a.	n.a.	n.a.
P / E	n.a.	13.6 x	31.0 x	n.a.	n.a.	n.a.	360.0 x
P / E adj.*	n.a.	13.6 x	31.0 x	n.a.	n.a.	n.a.	360.0 x
Dividend Yield	1.5 %	1.9 %	2.5 %	1.5 %	n.a.	n.a.	3.5 %
FCF Potential Yield (on market EV)	-0.6 %	10.9 %	5.4 %	0.3 %	-2.2 %	0.4 %	0.7 %

*Adjustments made for: -

Consolidated profit & loss

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Sales	11.1	14.4	14.2	12.7	20.0	40.0	50.0
Change Sales yoy	28.3 %	30.2 %	-1.8 %	-10.2 %	57.1 %	100.0 %	25.0 %
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	0.0	1.8	0.5	0.0	0.0
Total Sales	11.1	14.4	14.2	14.6	20.5	40.0	50.0
Material expenses	4.8	6.2	5.4	7.8	10.0	24.0	30.0
Gross profit	6.2	8.2	8.8	6.8	10.5	16.0	20.0
<i>Gross profit margin</i>	<i>56.4 %</i>	<i>57.0 %</i>	<i>61.9 %</i>	<i>53.1 %</i>	<i>52.5 %</i>	<i>40.0 %</i>	<i>40.0 %</i>
Personnel expenses	3.1	3.3	3.7	4.6	6.6	7.6	9.5
Other operating income	0.3	0.4	0.5	0.9	1.0	1.2	1.5
Other operating expenses	2.3	2.4	2.6	3.0	6.6	9.6	11.8
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	1.2	3.0	3.0	0.0	-1.7	0.0	0.3
<i>Margin</i>	<i>10.5 %</i>	<i>21.0 %</i>	<i>21.4 %</i>	<i>-0.1 %</i>	<i>-8.5 %</i>	<i>0.0 %</i>	<i>0.5 %</i>
Depreciation of fixed assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITA	1.2	3.0	3.0	0.0	-1.7	0.0	0.3
Amortisation of intangible assets	0.4	0.6	0.5	0.6	1.0	1.0	1.0
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	0.8	2.4	2.5	-0.6	-2.7	-1.0	-0.8
<i>Margin</i>	<i>7.2 %</i>	<i>16.9 %</i>	<i>17.9 %</i>	<i>-4.6 %</i>	<i>-13.5 %</i>	<i>-2.5 %</i>	<i>-1.5 %</i>
EBIT adj.	0.8	2.4	2.5	-0.6	-2.7	-1.0	-0.8
Interest income	0.1	0.2	0.1	0.2	0.0	0.0	0.0
Interest expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	0.9	2.5	2.7	-0.4	-2.7	-1.0	-0.8
<i>Margin</i>	<i>8.3 %</i>	<i>17.6 %</i>	<i>18.8 %</i>	<i>-3.1 %</i>	<i>-13.5 %</i>	<i>-2.5 %</i>	<i>-1.5 %</i>
Total taxes	1.4	-0.8	1.2	-0.2	-0.5	-0.2	-0.2
Net income from continuing operations	-0.5	3.3	1.5	-0.2	-2.2	-0.8	-0.6
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	-0.5	3.3	1.5	-0.2	-2.2	-0.8	-0.6
Minority interest	0.0	0.0	0.0	0.0	-1.5	-0.8	-0.8
Net income	-0.5	3.3	1.5	-0.2	-0.7	0.0	0.2
<i>Margin</i>	<i>-4.1 %</i>	<i>23.0 %</i>	<i>10.3 %</i>	<i>-1.2 %</i>	<i>-3.3 %</i>	<i>0.0 %</i>	<i>0.4 %</i>
Number of shares, average	4.3	4.3	4.3	4.4	4.8	4.8	4.8
EPS	-0.11	0.77	0.34	-0.04	-0.14	0.00	0.04
EPS adj.	-0.11	0.77	0.34	-0.04	-0.14	0.00	0.04

*Adjustments made for:

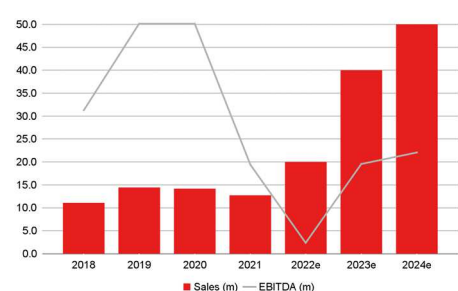
Guidance: 2022: EBIT EUR -2.5m to -3.5m

Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Total Operating Costs / Sales	89.5 %	79.0 %	78.6 %	114.5 %	111.0 %	100.0 %	99.5 %
Operating Leverage	-2.3 x	6.7 x	-2.3 x	n.a.	6.3 x	-0.6 x	-1.0 x
EBITDA / Interest expenses	n.a.	178.3 x	189.4 x	n.m.	n.a.	n.a.	n.a.
Tax rate (EBT)	149.6 %	-30.5 %	45.3 %	59.6 %	20.0 %	20.0 %	20.0 %
Dividend Payout Ratio	n.m.	26.1 %	77.0 %	n.m.	0.0 %	0.0 %	n.m.
Sales per Employee	263,929	335,744	329,605	296,000	465,116	930,233	1,162,791

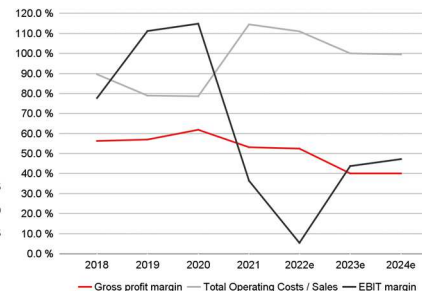
Sales, EBITDA

in EUR m

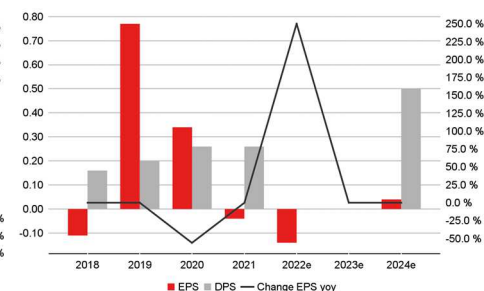


Operating Performance

in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

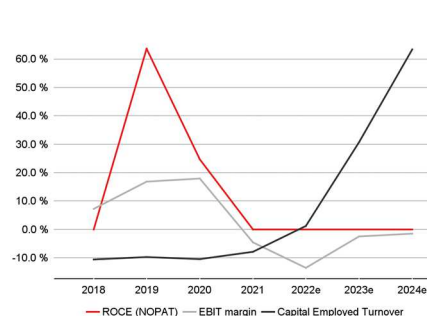
Consolidated balance sheet

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Assets							
Goodwill and other intangible assets	3.0	2.7	2.4	4.1	3.8	3.3	2.8
thereof other intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
thereof Goodwill	1.3	1.3	1.3	0.0	0.0	0.0	0.0
Property, plant and equipment	0.3	1.3	1.2	1.5	1.6	1.7	1.8
Financial assets	5.5	5.9	8.2	5.6	5.6	5.6	5.6
Other long-term assets	0.5	0.5	0.5	1.0	1.0	1.0	1.0
Fixed assets	9.3	10.4	12.3	12.1	11.9	11.5	11.1
Inventories	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	1.0	2.1	2.3	2.3	3.0	5.9	7.4
Liquid assets	8.3	11.4	12.5	13.8	16.2	16.1	16.1
Other short-term assets	2.3	4.2	4.4	6.0	6.0	6.0	6.0
Current assets	11.6	17.7	19.2	22.1	25.2	28.0	29.5
Total Assets	20.9	28.0	31.5	34.2	37.1	39.5	40.6
Liabilities and shareholders' equity							
Subscribed capital	4.3	4.3	4.3	4.5	4.8	4.8	4.8
Capital reserve	2.2	2.2	2.2	3.2	8.0	8.0	8.0
Retained earnings	6.0	8.7	9.3	8.0	6.0	6.0	6.2
Other equity components	0.3	0.6	1.7	0.8	-0.7	-1.5	-2.3
Shareholders' equity	12.9	15.8	17.5	16.4	18.0	17.2	16.6
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total equity	12.9	15.8	17.5	16.4	18.0	17.2	16.6
Provisions	0.1	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)	0.0	1.0	0.8	1.2	1.2	1.2	1.2
Short-term financial liabilities	0.0	0.2	0.2	0.3	0.3	0.3	0.3
Accounts payable	1.2	2.1	2.8	2.1	3.3	6.5	8.2
Other liabilities	6.7	9.1	10.4	14.5	14.5	14.5	14.5
Liabilities	8.0	12.1	14.0	17.8	19.0	22.2	23.9
Total liabilities and shareholders' equity	20.9	28.0	31.5	34.2	37.1	39.5	40.6

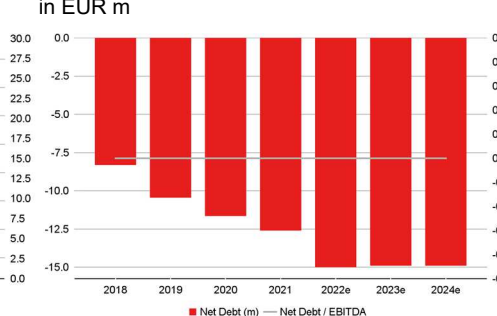
Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Efficiency of Capital Employment							
Operating Assets Turnover	79.2 x	10.5 x	22.4 x	7.6 x	15.7 x	37.3 x	51.4 x
Capital Employed Turnover	2.4 x	2.7 x	2.4 x	3.4 x	6.6 x	17.1 x	28.6 x
ROA	-4.9 %	31.9 %	11.9 %	-1.3 %	-5.5 %	0.0 %	1.8 %
Return on Capital							
ROCE (NOPAT)	n.a.	63.6 %	24.7 %	n.a.	n.a.	n.a.	n.a.
ROE	-3.4 %	23.0 %	8.8 %	-0.9 %	-3.8 %	0.0 %	1.2 %
Adj. ROE	-3.4 %	23.0 %	8.8 %	-0.9 %	-3.8 %	0.0 %	1.2 %
Balance sheet quality							
Net Debt	-8.3	-10.4	-11.6	-12.6	-15.0	-14.9	-14.9
Net Financial Debt	-8.3	-10.4	-11.6	-12.6	-15.0	-14.9	-14.9
Net Gearing	-64.3 %	-66.0 %	-66.6 %	-77.0 %	-83.1 %	-86.4 %	-89.5 %
Net Fin. Debt / EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Book Value / Share	3.0	3.7	4.0	3.7	3.8	3.6	3.5
Book value per share ex intangibles	2.3	3.0	3.5	2.8	3.0	2.9	2.9

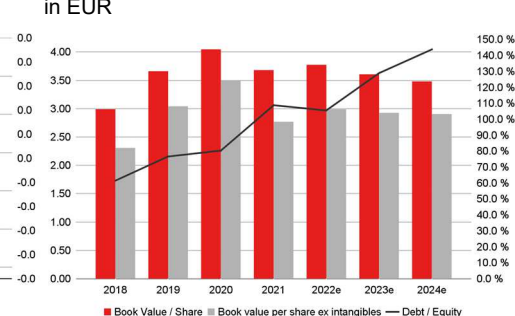
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

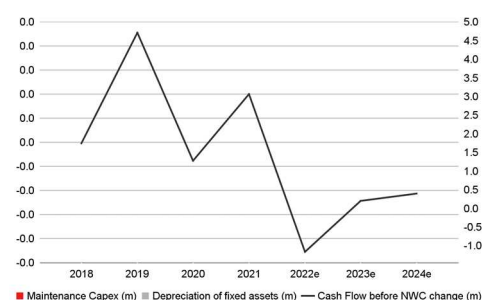
Consolidated cash flow statement

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Net income	-0.6	3.3	1.5	-0.2	-2.2	-0.8	-0.6
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	0.4	0.6	0.5	0.6	1.0	1.0	1.0
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	1.9	0.8	-0.7	2.6	0.0	0.0	0.0
Cash Flow before NWC change	1.7	4.7	1.3	3.1	-1.2	0.2	0.4
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase / decrease in accounts receivable	0.1	-1.1	-0.1	0.0	-0.7	-2.9	-1.5
Increase / decrease in accounts payable	0.2	0.9	0.7	-0.7	1.2	3.2	1.7
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	-0.3	0.6	-0.7	0.5	0.3	0.2
Net cash provided by operating activities [1]	2.0	4.4	1.9	2.3	-0.7	0.5	0.6
Investments in intangible assets	0.0	0.0	0.0	0.0	-0.7	-0.5	-0.5
Investments in property, plant and equipment	-0.1	-0.1	-0.1	-0.1	-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	0.0	0.3	0.3	0.3	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.4	0.9	0.0	0.0	0.0
Net cash provided by investing activities [2]	-0.1	-0.6	-0.3	0.3	-0.8	-0.6	-0.6
Change in financial liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	-0.6	-0.7	-0.9	-1.2	-1.2	0.0	0.0
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	0.0	5.1	0.0	0.0
Other	0.0	0.0	0.3	-0.1	0.0	0.0	0.0
Net cash provided by financing activities [3]	-0.6	-0.7	-0.5	-1.3	3.9	0.0	0.0
Change in liquid funds [1]+[2]+[3]	1.3	3.1	1.1	1.3	2.4	-0.1	0.0
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	8.2	11.4	12.5	13.8	16.2	16.1	16.1

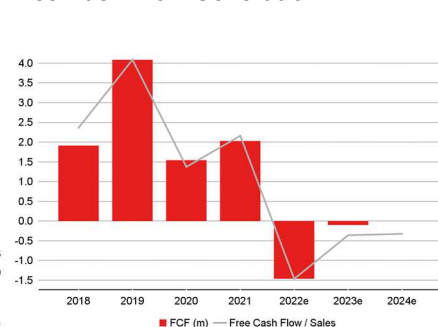
Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Cash Flow							
FCF	1.9	4.1	1.5	2.0	-1.5	-0.1	0.0
Free Cash Flow / Sales	17.2 %	28.3 %	10.9 %	15.9 %	-7.3 %	-0.3 %	0.0 %
Free Cash Flow Potential	-0.2	3.8	1.8	0.2	-1.2	0.2	0.4
Free Cash Flow / Net Profit	-417.5 %	123.2 %	105.5 %	-1292.3 %	221.4 %	n.a.	0.0 %
Interest Received / Avg. Cash	1.6 %	1.7 %	1.0 %	1.7 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	n.a.	3.6 %	1.8 %	2.0 %	0.0 %	0.0 %	0.0 %
Management of Funds							
Investment ratio	0.9 %	0.7 %	0.6 %	0.6 %	4.0 %	1.5 %	1.2 %
Maint. Capex / Sales	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Capex / Dep	27.9 %	16.8 %	16.0 %	12.5 %	80.0 %	60.0 %	60.0 %
Avg. Working Capital / Sales	-0.7 %	-0.5 %	-1.6 %	-1.2 %	-0.3 %	-1.1 %	-1.4 %
Trade Debtors / Trade Creditors	82.6 %	103.5 %	81.4 %	109.6 %	90.9 %	90.8 %	90.2 %
Inventory Turnover	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Receivables collection period (days)	32	54	58	65	55	54	54
Payables payment period (days)	90	121	188	97	120	99	100
Cash conversion cycle (Days)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

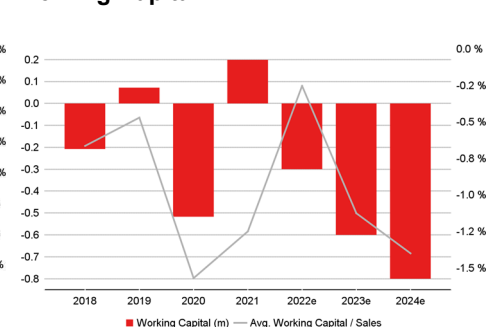
CAPEX and Cash Flow in EUR m



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
pferdewetten.de	5	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A2YN777.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	170	80
Hold	37	17
Sell	3	1
Rating suspended	2	1
Total	212	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	50	86
Hold	6	10
Sell	0	0
Rating suspended	2	3
Total	58	100

PRICE AND RATING HISTORY PFERDEWETTEN.DE AS OF 17.05.2022



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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