

# Verve Group SE

Sweden / Application Software  
 Nasdaq First North Premier & Xetra  
 Bloomberg: M8G GR  
 ISIN: SE0018538068

## Q2 results & CMD

### RATING

### PRICE TARGET

Return Potential  
 Risk Rating

### BUY

€ 5.40

79.4%  
 High

## EMBRACING THE NEW PRIVACY PARADIGM

**Q2 reporting confirmed preliminary KPIs released on 12 August. Business is good, and investors are finally jumping on the Verve bandwagon in the wake of cascading news flow YTD: (1) OSG beats; (2) surprise M&A; and (3) 2x upped guidance. OSG (organic sales growth) topped 26% in the June-quarter, and management hinted at continued KPI strength at its CMD pointing to good performance in July and August. "Privacy-first" is rapidly reshaping the digital-ad game, and Verve is at the vanguard of this transformation with its ID-less targeting tools. Verve shares are up a whopping 200% YTD but still trade at 5.0x 2025E EV/EBITDA. We stick to our Buy rating and €5.4 TP.**

**Looking beneath the Q2 results** Verve had a busy Q2 starting with a much needed rebranding that is now simple and clear to clients and investors alike. Other themes shaping the April-to-June period include: (1) continued software client growth (figure 6 overleaf) and scaling existing ones; (2) capitalising on its privacy-driven software toolbox (ATOM, SKAN, Moments.AI) as privacy-first trends accelerate; (3) supply, data, and AI platform optimisations to boost targeting; (4) the Jun Group takeover to bolster demand side operations; and (5) improved balance sheet quality that now features a 2.4x pro-forma leverage ratio. Business has been good lately with OSG again topping the 20% level (figure 1 overleaf). H2 should be even better as seasonal effects kick in. This summer's Jun Group takeover reinvigorated investors, but Verve brass made it clear at the CMD that they want to lean into the abundant organic growth opportunities rather than be distracted by pursuing further corporate activity.

**Embracing the new privacy paradigm** Verve is at the vanguard of the privacy-first trends now reshaping digital advertising. iOS users stampeded towards the identifier opt-out toggle that Apple installed in 2021. Google plans to unveil its own options for consumers in its Privacy-Sandbox, now that the tech-giant will not phase out cookies after all (overleaf). Once Google's plan finally crystallises, we expect folks to react similarly, and the last remaining ID-targeting holdouts will have to embrace the next wave of tools that respect consumer privacy (overleaf).

### FINANCIAL HISTORY & PROJECTIONS

	2020	2021	2022	2023	2024E	2025E
Revenue (€m)	140.2	252.2	324.4	322.0	409.2	509.5
Y/Y growth	157.2%	79.8%	28.7%	-0.8%	27.1%	24.5%
AEBITDA (€m)	29.1	71.1	93.2	95.2	126.1	171.6
AEBITDA margin	20.7%	28.2%	28.7%	29.6%	30.8%	33.7%
Net income (€m)*	6.6	28.0	21.1	57.4	38.5	73.2
EPS (diluted) (€)*	0.04	0.20	0.14	0.36	0.22	0.39
DPS (€)	0.00	0.00	0.00	0.00	0.00	0.00
FCF (€m)	-12.5	-230.8	-42.5	33.8	-51.5	89.1
Net gearing	31.2%	63.7%	84.3%	73.9%	87.1%	75.9%
Liquid assets (€m)	46.3	180.2	150.0	121.7	97.3	100.5

\* Adjusted for PPA-amortisation

### RISKS

Risks include but are not limited to: revenue diversity, financing, technology, and regulatory risks.

### COMPANY PROFILE

Verve Group SE is a fast-growing, profitable digital media company that provides AI-driven ad-software solutions. The company matches global advertiser demand with publisher ad-supply, enhancing results through first-party data from its own content, while pursuing its "Let's make media better" mission.

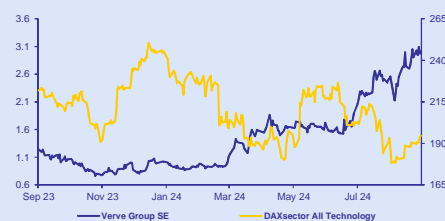
### MARKET DATA

As of 30 Aug 2024

Closing Price	€ 3.01
Shares outstanding	186.36m
Market Capitalisation	€ 560.94m
52-week Range	€ 0.76 / 3.09
Avg. Volume (12 Months)	59,543

Multiples	2023	2024E	2025E
P/E	8.3	13.5	7.7
EV/Sales	2.7	2.1	1.7
EV/AEBITDA	9.1	6.8	5.0
Div. Yield	0.0%	0.0%	0.0%

### STOCK OVERVIEW



### COMPANY DATA

As of 30 Jun 2024

Liquid Assets	€ 144.80m
Current Assets	€ 219.00m
Intangible Assets	€ 813.40m
Total Assets	€ 1,059.40m
Current Liabilities	€ 236.30m
Shareholders' Equity	€ 401.70m

### SHAREHOLDERS

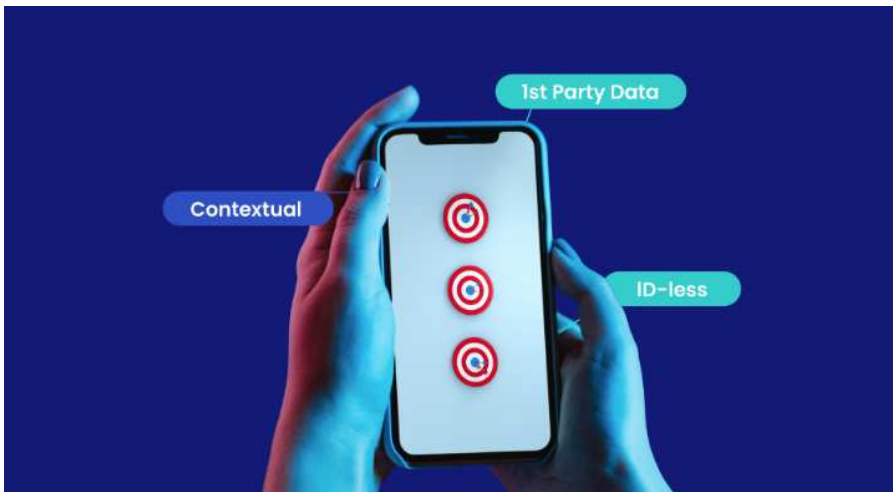
Bodhivas GmbH	24.4%
Oaktree Capital Mngt	20.3%
Nordnet Pensionsförsäkring	4.8%
Sterling Active Fund	4.4%
Free Float	46.1%

**Google’s recent cookies U-turn doesn’t change much** After years of wrangling, Google announced in late July that it will not be phasing out third-party (3P) cookies in its Chrome browsers after all. Instead, the tech-titan plans to “introduce a new experience in Chrome that lets people make an informed choice that applies across their web browsing, and they’d be able to adjust that choice at any time.”

What that actually means is still unclear, but marketers should be disabused of the notion that Google’s cookies U-turn is a signal to maintain the status quo. Snooping with 3P cookies was always a bad idea for consumer privacy, and the sun is setting on the age of behavioural tracking tools. Given the choice, Chrome users will certainly opt out in droves as seen back in 2021, when Apple suddenly allowed iPhone users to choose whether to be tracked. Over three-quarters of them did not.

The question now is if workaround solutions will be able to target mobile users and consequently clamp down on ad-budget waste as effectively as tracking did in the good ol’ days, while also meeting folks’ growing privacy demands. Three solutions are quickly proving they can.

**Figure 1: Rethinking solutions in an ID-less world**



Source: First Berlin Equity Research; Verve Group SE

**Contextual-based targeting** This privacy-friendly approach has taken the reins by allowing brands to now target content, not consumers. For instance, an ad for ski goggles is inserted into an article ranking Colorado’s top ski resorts. Here the brand doesn’t require user data to get its goggles in front of the right audience. At Verve, tools, such as Moments.AI and Dataseat, were built from scratch to trailblaze the ID-less frontiers.

**First-party data** With the sunset of third-party IDs and cookies, the easiest way to learn about customers is already siloed on many company servers. First-party data is the information companies have collected directly from their customers and is widely regarded as the Holy Grail of personalised ad campaigns for audiences. And Verve controls a trove of 1P data thanks to its vast gaming portfolio dating back to its gamigo origins, as well as data from Verve’s SDK (software development kit) base.

**Cohort-based targeting** Cohort-based advertising straddles the world between contextual targeting and personalised targeting i.e. cookies-based, by targeting anonymised groups of people who share common interests and online behaviour. Verve’s ATOM 3.0 solution, (Anonymized Targeting On Mobile), uses on-device AI to classify users into cohorts for accurate and granular targeting without depending on IDs. Advertisers can then target cohorts based on interests, demographics, and other factors.



## JUNE-QUARTER HIGHLIGHTS

Table 1: 2nd quarter vs prior year and FBe

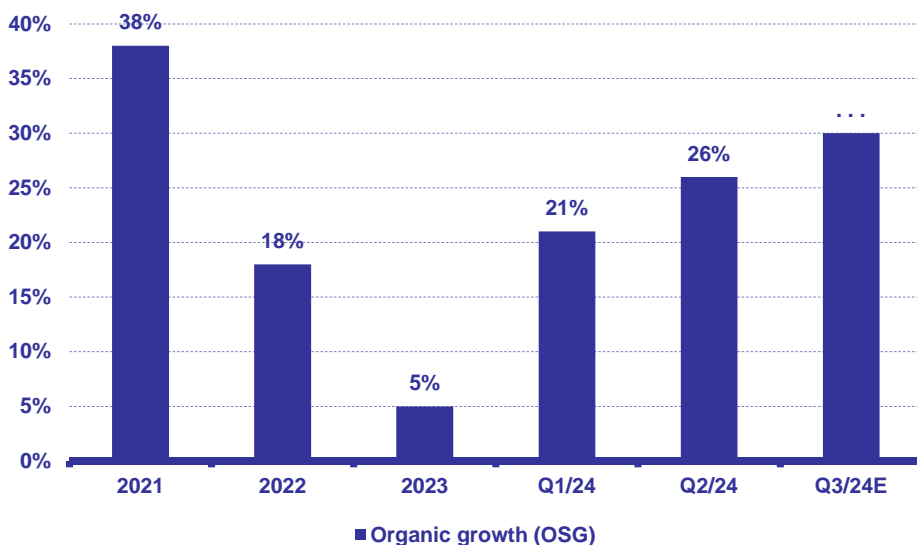
EURm	Q2/24	Q2/24E	Variance	Q2/23	Variance	6M/24	6M/23	Variance
Revenue	97	83	16%	76.2	27%	179	145	24%
EBITDA	28	23	22%	20.0	41%	48	37	29%
Margin	29%	28%	-	26%	-	27%	26%	-
AEBITDA <sup>1</sup>	29	24	21%	21.3	37%	51	40	26%
Margin	30%	29%	-	28%	-	29%	28%	-
AEBIT <sup>2</sup>	23	19	25%	16.6	40%	40	32	26%
Margin	24%	22%	-	22%	-	22%	22%	-

<sup>1</sup> EBITDA adjusted for one-off expenses & gains; <sup>2</sup> EBIT adjusted for one-off & PPA expenses

Source: First Berlin Equity Research; Verve Group SE

**Leaning into its organic growth mission** Organic sales beat the prior year comp by 26% for the second quarter. Aside from the aforementioned overall uptick in ad budgets and new software clients, underlying ad impressions were up 24% Y/Y and again eclipsed the 200bn level (figure 4 overleaf). At the Q2 juncture, sales topped €356m on an LTM basis. Once Jun Group contributions kick in during H2, the 6M performance gives us confidence in 2024 FBe and Verve's latest sales guide (€400m to €420m).

Figure 2: Verve's organic sales growth developments

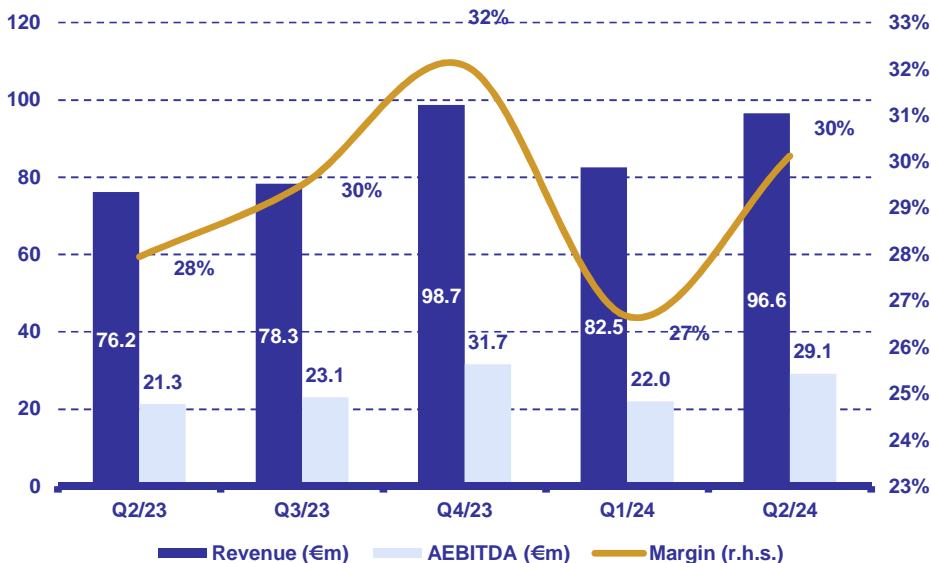


\* Q3/24E is an indication (. . .) from management at the CMD

Source: First Berlin Equity Research; Verve Group SE



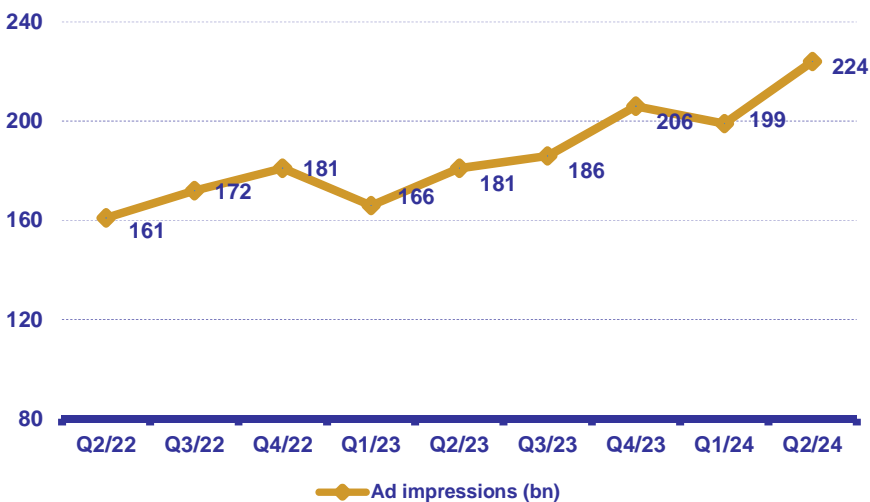
Figure 3: Quarterly sales and earnings developments



Source: First Berlin Equity Research; Verve Group SE

AEBITDA totalled €29m for the April-to-June period and beat the prior year comp by 37%, while AEBIT, excluding PPA amortisation of ~€5.1m, rose even stronger (+40%) and amounted to €23m. The Q2 AEBITDA margin totalled 30% (Q2/23: 28%) and landed at the upper end of the management’s targeted medium-term corridor of 25% to 30%. We note this range was recently increased to 30% to 35% to reflect the addition of the high margin Jun Group business. On a TTM basis, AEBITDA tallied €105m putting the company on track to meet the new guidance for the KPI (€125m to €135m)—here too, assuming Jun Group business.

Figure 4: Strong Q/Q uptick in ad impressions

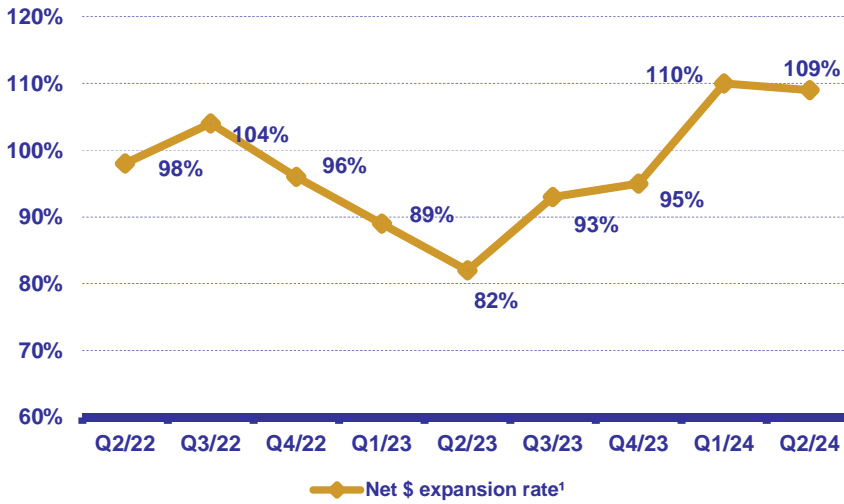


Source: First Berlin Equity Research; Verve Group SE



**The net \$ expansion rate at high levels** After enduring nearly 18 months of market headwinds, the KPI continued its rebound and stayed in positive territory for the second consecutive quarter.

**Figure 5: Net \$ expansion rate steady at a high level**

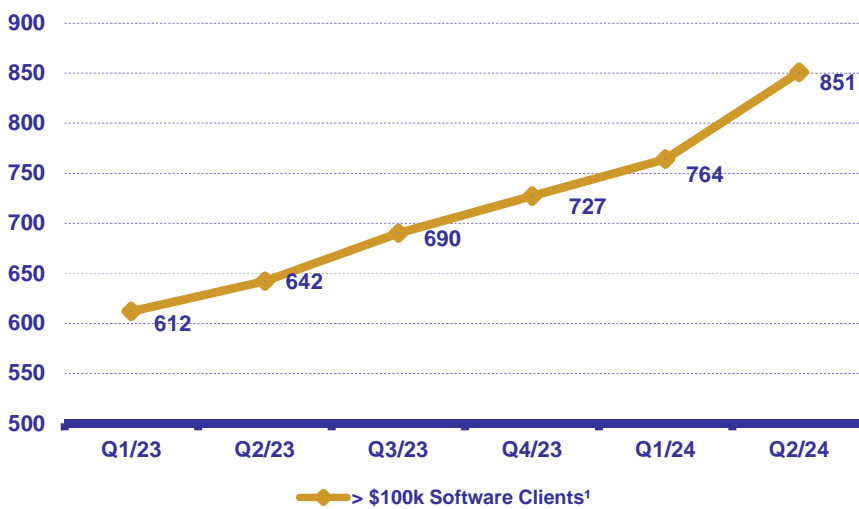


<sup>1</sup> compares revenue generated by same customers at the BoP vs EoP

Source: First Berlin Equity Research; Verve Group SE

**Large software client up 33% YoY** The onboarding and scaling up of new large software clients—defined as >\$100k in sales—is how Verve makes its crust. The KPI now includes both supply and demand side partners to reflect the addition of Jun Group's demand side operations.

**Figure 6: >\$100k software clients up 33% YoY**



<sup>1</sup> includes demand and supply side partners

Source: First Berlin Equity Research; Verve Group SE

**Table 2: Financial position highlights**

EURm	6M/24	2023	Variance
Cash	145	122	19%
Liabilities (short- and long-term)	658	766	-14%
Net debt	300	295	2%
Intangible assets	813	797	2%
Total assets	1,059	1,007	5%
Total equity	402	353	14%
Equity ratio	38%	35%	-
Interest coverage ratio*	2.6x	2.5x	-
Net leverage ratio	2.8x	3.1x	-

\* based on cash interest expenses

Source: First Berlin Equity Research; Verve Group SE

**Equity ratio steady up 3PP to 38%** Cash and liquid assets up some 19% YTD. The leverage ratio stood at 2.8x at the Q2 juncture vs 3.1x at the end of 2023. The company reiterated plans to bring the KPI below into the 1.5x to 2.5x range.

**Table 3: Cash flow developments**

EURm	Q2/24	Q2/23	Variance	6M/24	6M/23	Variance	2023
Operating cash flow	31	21	50%	55	39	42%	57
Change in WC	-13	-8	n.m.	-27	-34	n.m.	12
Net operating cash flow	18	13	40%	27	5	509%	69
Investing cash flow	-9	-24	n.m.	-21	-16	n.m.	-36
Financing cash flow	11	-12	n.m.	15	-31	n.m.	-59
Net cash flow	20	-22	n.m.	22	-42	n.m.	-25
Cash & cash equivalents	145	108	35%	145	108	35%	122

Source: First Berlin Equity Research; Verve Group SE

**FCF tops €9m in Q2** Operating cash flow amounted to €31m before WC adjustments. Timing effects between settlements received from demand partners and payments to suppliers meant that WC consumed around €13m in cash flow during the June-quarter. Verve expects these effects to reverse throughout the year with the seasonality shift common to the ad business. The positive OCF (€18m) result was partially offset by €-9m in investing cash flow stemming chiefly from development costs for internal and external software.



## VALUATION MODEL

Updated forecast now factor in the depreciation and amortisation run rate evident in H1 leading to the higher EBIT estimates in 2024 and 2025. We have also bumped up the tax expense for next year to €-16.2m (old: €-13.5m). Our DCF continues to point to fair value of €5.4 per share.

**Table 4: Changes to FBe and target price**

	old	new	revision	upside	dividend yield	total return
Price target (€)	5.4	5.4	0.0%	79.4%	0.0%	79.4%
2024E						
All figures in € '000	old	new	revision	old	new	revision
Revenue	409,238	409,238	0.0%	509,502	509,502	0.0%
EBITDA	121,160	120,643	-0.4%	167,088	167,602	0.3%
Margin (%)	29.6%	29.5%	-	32.8%	32.9%	-
EBIT	80,237	83,794	4.4%	117,401	126,105	7.4%
Margin (%)	19.6%	20.5%	-	23.0%	24.8%	-
AEBITDA*	126,660	126,143	-0.4%	171,088	171,602	0.3%
Margin (%)	31.0%	30.8%	-	33.6%	33.7%	-

\* adjusted for one-offs

Source: First Berlin Equity Research; Verve Group SE

**We stay Buy-rated on Verve with a €5.4 TP** Verve has come a long way from its gamigo roots. We think the now ad-tech specialist will be a long-term winner in the evolving digital-advertising game. Even though shares are up an eye-popping 200% YTD, they *still* trade at 5.0x 2025E EV/AEBITDA.

**Table 5: DCF model**

All figures in EUR '000	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E
Revenue	409,238	509,502	560,452	605,288	647,658	680,041	707,243	731,996
NOPLAT	60,724	90,796	107,282	118,442	129,267	138,088	143,860	149,108
(+) depreciation & amortisation	36,849	41,497	36,691	41,825	44,028	45,712	47,127	48,414
(=) Net operating cash flow	97,573	132,292	143,974	160,267	173,296	183,800	190,987	197,522
(-) Investments	-170,132	-67,034	-68,435	-46,910	-50,194	-52,703	-54,811	-56,730
(-) Working capital	1,066	6,412	4,492	3,998	3,637	2,580	2,796	2,550
(=) Free cash flows (FCF)	-71,493	71,670	80,031	117,355	126,739	133,677	138,971	143,342
PV of FCFs	-69,120	62,636	63,224	83,805	81,813	78,003	73,303	68,346

All figures in thousands	WACC	Terminal EBIT margin							
		23.8%	25.8%	27.8%	29.8%	31.8%	33.8%	35.8%	
PV of FCFs in explicit period	808,253	9.1%	5.95	6.35	6.74	7.14	7.53	7.92	8.32
PV of FCFs in terminal period	535,416	9.6%	5.43	5.78	6.12	6.47	6.81	7.15	7.50
Enterprise value (EV)	1,343,668	10.1%	4.98	5.28	5.58	5.88	6.19	6.49	6.79
(+) Net cash / (-) net debt	-260,390	10.6%	4.58	4.85	5.11	5.38	5.64	5.91	6.17
(-) Non-controlling interests	-806	11.1%	4.23	4.46	4.69	4.93	5.16	5.39	5.63
Shareholder value	1,082,472	11.6%	3.91	4.12	4.32	4.53	4.74	4.94	5.15
Fair value per share (€)	5.40	12.1%	3.62	3.80	3.99	4.17	4.36	4.54	4.73

	WACC	Terminal growth rate							
		1.0%	1.5%	2.0%	2.5%	3.0%	3.5%	4.0%	
Cost of equity	13.2%	9.1%	6.36	6.58	6.84	7.14	7.48	7.89	8.37
Pre-tax cost of debt	9.5%	9.6%	5.82	6.01	6.22	6.47	6.74	7.07	7.45
Tax rate	28.0%	10.1%	5.35	5.51	5.68	5.88	6.11	6.37	6.68
After-tax cost of debt	6.8%	10.6%	4.93	5.06	5.21	5.38	5.56	5.78	6.03
Share of equity capital	60.0%	11.1%	4.55	4.66	4.79	4.93	5.08	5.26	5.46
Share of debt capital	40.0%	11.6%	4.21	4.31	4.41	4.53	4.66	4.81	4.97
WACC	10.6%	12.1%	3.90	3.98	4.07	4.17	4.28	4.41	4.55

\*Please note our model runs through 2038 and we have only shown the abbreviated version for formatting purposes



## INCOME STATEMENT

All figures in EUR '000	2020	2021	2022	2023	2024E	2025E
<b>Revenues</b>	<b>140,220</b>	<b>252,166</b>	<b>324,444</b>	<b>321,981</b>	<b>409,238</b>	<b>509,502</b>
Capitalised work	15,994	22,851	28,928	25,954	28,597	33,627
<b>Total output</b>	<b>156,214</b>	<b>275,017</b>	<b>353,373</b>	<b>347,935</b>	<b>437,835</b>	<b>543,129</b>
Services purchased + Other OpEx	-96,365	-162,623	-215,619	-212,949	-240,264	-282,702
Personnel expenses	-39,573	-55,978	-76,207	-77,975	-82,257	-98,313
Other operating income	6,272	8,626	23,206	71,447	5,328	5,488
<b>EBITDA*</b>	<b>26,549</b>	<b>65,042</b>	<b>84,753</b>	<b>128,458</b>	<b>120,643</b>	<b>167,602</b>
Depreciation & amortisation	-15,508	-28,238	-58,135	-29,456	-36,849	-41,497
<b>Operating income (EBIT)*</b>	<b>11,041</b>	<b>36,804</b>	<b>26,618</b>	<b>99,002</b>	<b>83,794</b>	<b>126,105</b>
Net financial result	-7,139	-21,919	-37,959	-50,067	-52,007	-54,257
<b>Pre-tax income (EBT)</b>	<b>3,901</b>	<b>14,885</b>	<b>-11,341</b>	<b>48,935</b>	<b>31,787</b>	<b>71,848</b>
Income taxes	-1,194	1,169	-9,064	-2,718	-8,079	-16,166
<b>Net income</b>	<b>2,707</b>	<b>16,054</b>	<b>-20,405</b>	<b>46,217</b>	<b>23,708</b>	<b>55,682</b>
Discontinued operations	0	0	0	0	0	0
<b>Consolidated profit</b>	<b>2,707</b>	<b>16,054</b>	<b>-20,405</b>	<b>46,217</b>	<b>23,708</b>	<b>55,682</b>
Minority interests	352	7	88	513	-24	-56
<b>Net income to owners</b>	<b>3,059</b>	<b>16,060</b>	<b>-20,317</b>	<b>46,730</b>	<b>23,685</b>	<b>55,627</b>
<b>Diluted EPS (in €)</b>	<b>0.03</b>	<b>0.11</b>	<b>-0.13</b>	<b>0.27</b>	<b>0.13</b>	<b>0.28</b>
<b>Adj. EPS (excl PPA amort.) (diluted)</b>	<b>0.04</b>	<b>0.20</b>	<b>0.14</b>	<b>0.36</b>	<b>0.22</b>	<b>0.39</b>
<b>AEBITDA (excl: one-offs)</b>	<b>29,090</b>	<b>71,100</b>	<b>93,153</b>	<b>95,171</b>	<b>126,143</b>	<b>171,602</b>
<b>AEBIT (excl: PPA amort. &amp; one-offs)</b>	<b>14,916</b>	<b>54,826</b>	<b>76,508</b>	<b>76,943</b>	<b>104,044</b>	<b>147,655</b>
<b>Ratios</b>						
EBITDA margin on revenues*	18.9%	25.8%	26.1%	39.9%	29.5%	32.9%
EBIT margin on revenues*	7.9%	14.6%	8.2%	30.7%	20.5%	24.8%
Net margin on revenues	2.2%	6.4%	-6.3%	14.5%	5.8%	10.9%
AEBITDA margin on revenues	20.7%	28.2%	28.7%	29.6%	30.8%	33.7%
Tax rate	30.6%	n.a.	-79.9%	2.5%	10.0%	22.5%
<b>Expenses as % of revenues</b>						
Services purchased + Other OpEx	68.7%	64.5%	66.5%	66.1%	58.7%	55.5%
Personnel expenses	28.2%	22.2%	23.5%	24.2%	20.1%	19.3%
Depreciation & amortisation	11.1%	11.2%	17.9%	9.1%	9.0%	8.1%
<b>Y-Y Growth</b>						
Revenues	67.1%	79.8%	28.7%	-0.8%	27.1%	24.5%
EBITDA*	70.8%	145.0%	30.3%	51.6%	-6.1%	38.9%
AEBITDA	60.6%	144.4%	31.0%	2.2%	32.5%	36.0%
Operating income*	120.9%	233.4%	-27.7%	271.9%	-15.4%	50.5%
Net income/ loss	n.m.	425.0%	n.m.	n.m.	-49.3%	134.9%

\* non-adjusted 2023 earnings impacted by one-time earn-out release for AIM





## BALANCE SHEET

All figures in EUR '000	2020	2021	2022	2023	2024E	2025E
<b>Assets</b>						
<b>Current assets, total</b>	<b>92,375</b>	<b>283,599</b>	<b>221,022</b>	<b>193,513</b>	<b>174,839</b>	<b>188,390</b>
Cash and equivalents	46,254	180,157	149,992	121,739	97,289	100,459
Trade receivables	37,009	97,497	52,229	32,281	39,242	48,856
Other ST assets	9,112	5,945	18,801	39,493	38,308	39,074
<b>Non-current assets, total</b>	<b>293,467</b>	<b>650,495</b>	<b>823,637</b>	<b>813,515</b>	<b>1,001,323</b>	<b>1,002,082</b>
Property, plant & equipment	1,742	4,681	5,522	3,963	4,168	4,422
Intangible assets	272,829	605,746	791,284	796,607	983,993	984,276
Deferred taxes	15,737	11,545	6,651	10,506	10,716	10,930
Investments in associated companies	1,207	1,154	1,003	1,003	1,003	1,003
Other financial assets	1,952	27,369	19,177	1,436	1,443	1,450
<b>Total assets</b>	<b>385,842</b>	<b>934,094</b>	<b>1,044,659</b>	<b>1,007,028</b>	<b>1,176,162</b>	<b>1,190,471</b>
<b>Shareholders' equity &amp; debt</b>						
<b>Current liabilities, total</b>	<b>78,205</b>	<b>243,434</b>	<b>219,471</b>	<b>240,769</b>	<b>200,160</b>	<b>455,079</b>
Trade payables	30,037	53,754	68,711	80,335	88,362	104,388
ST debt	6,087	32,027	31,903	66,510	22,000	265,000
Provisions	17,257	54,036	65,225	61,656	62,581	63,520
Other current financial liabilities	12,897	83,568	32,290	10,747	5,374	0
Other current liabilities	11,927	20,049	21,342	21,521	21,844	22,171
<b>Long term liabilities, total</b>	<b>130,792</b>	<b>383,168</b>	<b>503,443</b>	<b>413,804</b>	<b>551,344</b>	<b>255,052</b>
Other LT financial liabilities	11,671	16,034	89,618	36,881	81,881	25,000
Bonds	95,355	343,925	389,386	348,038	440,000	200,000
Deferred tax liabilities	23,766	23,209	24,439	28,885	29,463	30,052
<b>Shareholders' equity</b>	<b>176,845</b>	<b>307,492</b>	<b>321,745</b>	<b>352,455</b>	<b>424,658</b>	<b>480,341</b>
<b>Total consolidated equity and debt</b>	<b>385,842</b>	<b>934,094</b>	<b>1,044,659</b>	<b>1,007,028</b>	<b>1,176,162</b>	<b>1,190,471</b>
<b>Ratios</b>						
Current ratio (x)	1.2	1.2	1.0	0.8	0.9	0.4
Net debt	55,188	195,795	271,297	260,390	370,085	364,541
ICR (x)	4.1	4.6	4.0	2.5	3.3	4.4
Net gearing	31%	64%	84%	74%	87%	76%
Net debt / EBITDA (x)	1.9	2.8	2.9	2.7	2.9	2.1
Equity ratio	46%	33%	31%	35%	36%	40%
Return on equity (ROE)	1.5%	5.2%	-6.3%	13.1%	5.6%	11.6%
Capital employed (CE)	307,637	690,660	825,188	766,259	976,002	735,393
Return on capital employed (ROCE)	4%	5%	3%	13%	9%	17%



## CASH FLOW STATEMENT

All figures in EUR '000	2020	2021	2022	2023	2024E	2025E
<b>Net income</b>	<b>2,707</b>	<b>16,054</b>	<b>-20,405</b>	<b>46,217</b>	<b>23,708</b>	<b>55,682</b>
Depreciation and amortisation	15,508	28,238	58,135	29,456	36,849	41,497
Other non-cash adjustments	4,072	1,165	1,907	-66,403	0	0
Net interest expense	6,264	21,600	37,959	50,065	52,007	54,257
Tax result	1,194	1,939	5,702	439	8,079	16,166
<b>Operating cash flow</b>	<b>29,745</b>	<b>68,996</b>	<b>83,298</b>	<b>59,774</b>	<b>120,643</b>	<b>167,602</b>
Tax expense	0	-425	-4,362	-2,379	-8,079	-16,166
Change in working capital	-4,543	-4,634	55,284	12,051	3,866	7,287
<b>Net operating cash flow</b>	<b>25,202</b>	<b>63,937</b>	<b>134,220</b>	<b>69,446</b>	<b>116,430</b>	<b>158,723</b>
<b>Cash flow from investing</b>	<b>-37,707</b>	<b>-294,729</b>	<b>-176,672</b>	<b>-35,694</b>	<b>-167,920</b>	<b>-69,615</b>
Equity inflow , net	26,876	109,338	28,517	0	40,095	0
Debt inflow , net	-1,420	33,230	-51	-2,991	-15,000	-28,881
Corporate debt inflow , net	27,678	247,047	42,733	-8,162	57,452	0
Interest paid	-6,018	-22,059	-33,610	-47,972	-55,507	-57,057
Payments for non-controlling interests	-17,480	0	0	0	0	0
Other adjustments	-3,862	-2,861	-25,301	0	0	0
<b>Cash flow from financing</b>	<b>25,774</b>	<b>364,695</b>	<b>12,288</b>	<b>-59,125</b>	<b>27,040</b>	<b>-85,938</b>
<b>Net cash flows</b>	<b>13,269</b>	<b>133,903</b>	<b>-30,164</b>	<b>-25,373</b>	<b>-24,450</b>	<b>3,170</b>
Fx adjustments	0	0	0	-2,883	0	0
Cash, start of the year	32,984	46,254	180,157	149,992	121,739	97,289
<b>Cash, end of the year</b>	<b>46,253</b>	<b>180,157</b>	<b>149,992</b>	<b>121,737</b>	<b>97,289</b>	<b>100,459</b>
<b>Free cash flow (FCF)</b>	<b>-12,505</b>	<b>-230,792</b>	<b>-42,452</b>	<b>33,752</b>	<b>-51,490</b>	<b>89,108</b>
<b>FCFps (in €)</b>	<b>-0.15</b>	<b>-1.63</b>	<b>-0.27</b>	<b>0.21</b>	<b>-0.30</b>	<b>0.48</b>
<b>Y-Y Growth</b>						
Operating cash flow	56.4%	153.7%	109.9%	-48.3%	67.7%	36.3%
Free cash flow	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
FCF / share	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.

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Category		1	2
Current market capitalisation (in €)		0 - 2 billion	> 2 billion
Strong Buy <sup>1</sup>	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%

<sup>1</sup> 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	7 November 2019	€1.23	Buy	€2.10
2...30	↓	↓	↓	↓
31	12 September 2023	€1.14	Buy	€3.20
32	7 December 2023	€0.80	Buy	€3.20
33	11 March 2024	€1.37	Buy	€3.60
34	20 March 2024	€1.27	Buy	€3.60
35	9 April 2024	€1.86	Buy	€3.80
36	8 May 2024	€1.79	Buy	€4.10
37	24 June 2024	€1.66	Buy	€4.90
38	14 August 2024	€2.74	Buy	€5.40
39	Today	€3.01	Buy	€5.40

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