

Buy EUR 8.90 (EUR 7.70) Price EUR 4.62 Upside 92.6 %	Value Indicators: EUR DCF: 8.90	Warburg ESG Risk Score: 2.7 ESG Score (MSCI based): 3.0 Balance Sheet Score: 5.0 Market Liquidity Score: 0.0	Description: MPC Capital invests in and manages alternative assets for institutional clients
	Market Snapshot: EUR m Market cap: 162.8 No. of shares (m): 35.2 EV: 133.9 Freefloat MC: 44.0 Ø Trad. Vol. (30d): 60.56 th	Shareholders: Freefloat 27.00 % MPC Group 51.00 % Other family holdings 22.00 %	Key Figures (WRe): 2024e Beta: 1.5 Price / Book: 1.3 x Equity Ratio: 86 %

Convincing new strategy underlined by strong track record; Buy rating reiterated

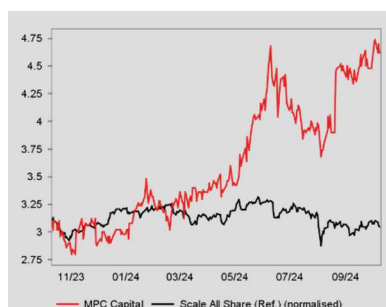
MPC Capital (MPC) recently announced a refinement of its strategy and has turned its focus to the asset classes of maritime and energy infrastructure, which are showing promising structural growth trends, especially in relation to the energy transition. The current AuM structure comprises 82% maritime assets, 11% energy assets and 7% other assets (mainly the remaining assets in real estate that will be reduced). In terms of growth, AUM related to the energy transition has shown an impressive CAGR of >40%, while traditional AUM grew by only 10%.

The asset classes of maritime and energy infrastructure are both benefiting from the trends of decarbonization and electrification, which are set to continue whetting investment appetite. Therefore, MPC Capital has chosen to fully focus on these highly promising trends, positioning itself as a deeply integrated provider of investment and management services in each segment. As a result of the shift in focus to maritime and energy infrastructure, MPC is no longer active in real estate and will divest the remaining portfolio over time.

Over the past few years, the company has successfully built up an asset base of EUR 4.8bn AUM, which is almost entirely held by institutional investors. Furthermore, MPC Capital has co-invested in the asset base, which has resulted in an impressive portfolio with a current book-value of EUR 88m. However, while the company is reporting according to local GAAP, the actual market value of those investments is closer to EUR 155m. In addition to that, MPC has built a strong track record of 31 co-investment exits over the past 10 years, which yielded a whopping average IRR of about 28%.

From a financial perspective, MPC is relying on three sources of income: management fees, transaction fees and investment income from the co-investment portfolio. While management fees have a recurring character and are nearly sufficient to cover the underlying costs of the operating business, further expansion of the AUM base, transaction activity and expansion of the co-investment portfolio should result in sustainable net profit growth.

In line with the adjustment in the focus of the business model, we have reworked our financial model, which leads to our new PT of EUR 8.90. MPC's new strategy appears attractive, which is further underlined by the strong track record of the past few years. In light of the highly appealing valuation, our rating remains a Buy.

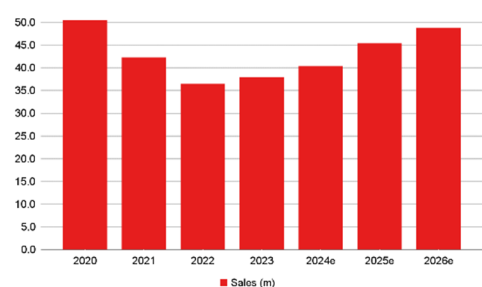


Rel. Performance vs Scale All Share	
1 month:	4.5 %
6 months:	37.2 %
Year to date:	60.1 %
Trailing 12 months:	53.2 %

Company events:
14.11.24 Q3

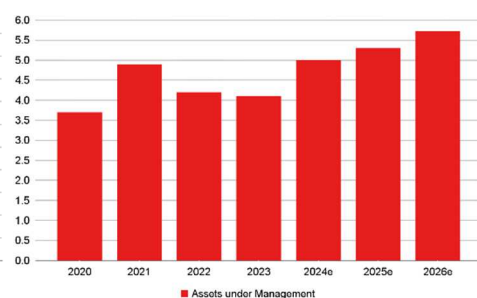
FY End: 31.12. in EUR m	CAGR (23-26e)	2020	2021	2022	2023	2024e	2025e	2026e
Sales	8.8 %	50.5	42.3	36.5	37.9	40.4	45.4	48.8
Change Sales yoy		7.8 %	-16.3 %	-13.7 %	4.0 %	6.4 %	12.5 %	7.5 %
Gross profit margin		91.1 %	95.0 %	92.6 %	95.5 %	93.0 %	93.0 %	93.0 %
EBITDA	24.4 %	3.9	13.7	16.9	6.9	5.8	10.1	13.3
Margin		7.6 %	32.5 %	46.4 %	18.2 %	14.3 %	22.2 %	27.3 %
EBIT	41.9 %	1.5	11.7	15.6	4.1	4.2	8.5	11.9
Margin		3.0 %	27.8 %	42.7 %	10.9 %	10.3 %	18.7 %	24.3 %
EBT		1.3	10.4	31.2	19.3	23.9	22.8	27.3
Margin		2.5 %	24.6 %	85.6 %	50.9 %	59.2 %	50.1 %	55.8 %
Net income	14.8 %	-0.9	6.1	26.0	13.1	15.1	16.2	19.8
EPS		-0.03	0.17	0.74	0.37	0.43	0.46	0.56
DPS		0.00	0.00	0.12	0.20	0.27	0.41	0.45
Dividend Yield		n.a.	n.a.	3.7 %	6.4 %	5.8 %	8.9 %	9.7 %
FCFPS		0.04	0.09	0.96	0.37	0.55	0.49	0.59
FCF / Market cap		2.8 %	2.9 %	29.8 %	11.7 %	12.0 %	10.6 %	12.8 %
EV / Sales		0.5 x	1.6 x	1.2 x	1.3 x	3.3 x	3.0 x	2.8 x
EV / EBT		19.7 x	6.6 x	1.4 x	2.6 x	5.6 x	6.1 x	5.1 x
P / E		n.a.	17.8 x	4.4 x	8.5 x	10.7 x	10.0 x	8.3 x
Net Debt		-23.5	-37.7	-68.7	-61.1	-28.9	-24.4	-24.0
Guidance:		2024: Revenues of EUR 40m and EBT between EUR 23-25m						

Sales development
in EUR m



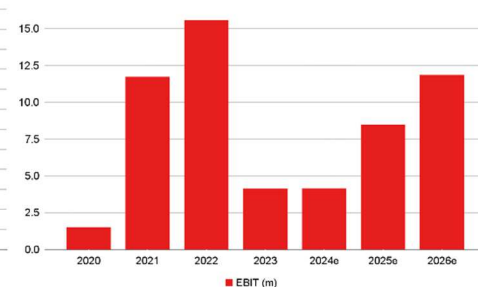
Source: Warburg Research

Assets under Management
in EUR bn



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

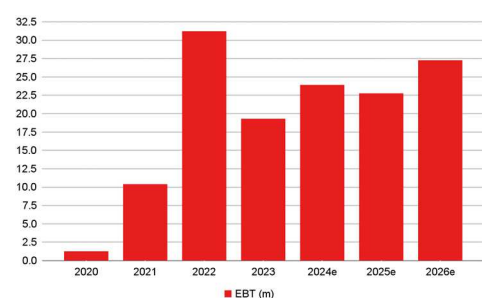
Company Background

- MPC Capital develops and manages investment opportunities for institutional investors in the fields of maritime and energy infrastructure. MPC currently has EUR 4.8bn assets under management.
- In the field of maritime infrastructure, the focus is on commercial and technical ship management as well as charter brokerage and fund management.
- In the field of energy infrastructure, the focus is primarily in the emerging markets.

Competitive Quality

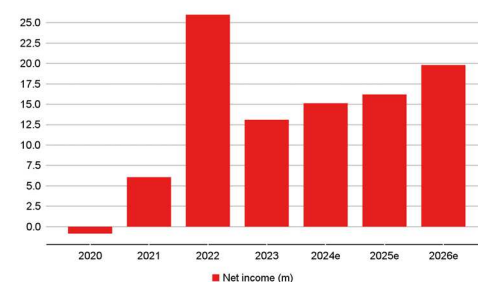
- Asset proximity: Fully integrated approach to maritime and energy infrastructure investments with experienced teams for investment as well as commercial and technical management.
- Strong transaction backbone: Extensive transaction experience (€ 20+ bn invested across all asset classes) and fast speed in execution
- Bespoke investment structuring: Diverse toolbox of structuring solutions (private/public, regulated/club deals), tailored to address asset requirements and investor preferences.
- Dedicated partnership approach: Long-term partner to all relevant stakeholders. The ability and appetite to co-invest alongside the investment clients, positions MPC Capital as partner of choice.

EBT development
in EUR m



Source: Warburg Research






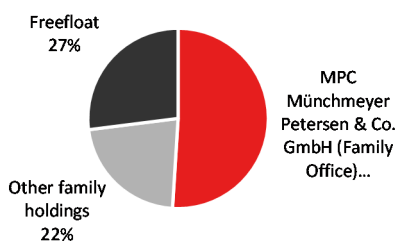
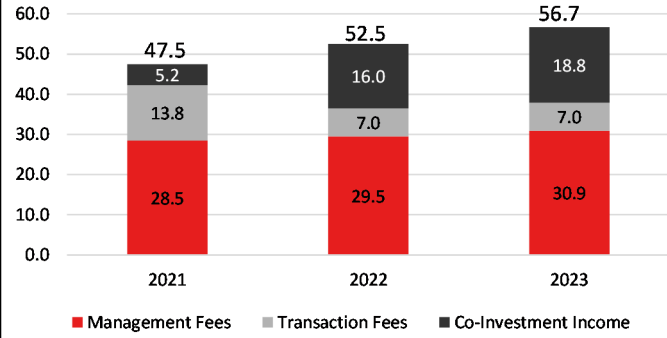
Net income development
in EUR m



Source: Warburg Research

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Company Overview

 MPC Capital																					
Investment Management																					
Activity	Sourcing, deal structuring and execution of attractive investment opportunities, tailored for MPC's institutional customers																				
Platforms	Maritime infrastructure  Energy infrastructure 																				
Established Investments	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Container Tanker Multipurpose Vessels</td> <td style="width: 50%;">Solar PV Onshore Wind PPA Structuring</td> </tr> </table>	Container Tanker Multipurpose Vessels	Solar PV Onshore Wind PPA Structuring																		
Container Tanker Multipurpose Vessels	Solar PV Onshore Wind PPA Structuring																				
Growth drivers	Decarbonization, Electrification and Alternative Asset Allocation																				
	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Retrofitting New Fuels Wind Offshore Vessels</td> <td style="width: 50%;">Battery Storage Repowering Energy Efficiency</td> </tr> </table>	Retrofitting New Fuels Wind Offshore Vessels	Battery Storage Repowering Energy Efficiency																		
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Co-investment Strategy	Active co-investment in attractive assets with a target yield of >15%, current book value of co-investments at EUR 88m; market value exceeds EUR 155m																				
Income Streams	Asset and fund management fees, transaction fees, Dividends, Value appreciation																				
Average annual transaction volume of EUR 1.5bn																					
Asset Management																					
Focus asset classes	Maritime infrastructure  Energy infrastructure 																				
Assets under management	EUR 4.2bn																				
Operations	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Services for commercial, operational and technical ship management</td> <td style="width: 50%;">commercial management of onshore wind, solar and PV projects</td> </tr> </table>	Services for commercial, operational and technical ship management	commercial management of onshore wind, solar and PV projects																		
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Income Streams	Management and development fees																				
Ownership																					
Shareholder structure H1 2024																					
Total Income development	 <table border="1" style="margin-top: 10px; width: 100%; text-align: center;"> <thead> <tr> <th>Year</th> <th>Management Fees</th> <th>Transaction Fees</th> <th>Co-Investment Income</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>2021</td> <td>28.5</td> <td>13.8</td> <td>5.2</td> <td>47.5</td> </tr> <tr> <td>2022</td> <td>29.5</td> <td>7.0</td> <td>16.0</td> <td>52.5</td> </tr> <tr> <td>2023</td> <td>30.9</td> <td>7.0</td> <td>18.8</td> <td>56.7</td> </tr> </tbody> </table>	Year	Management Fees	Transaction Fees	Co-Investment Income	Total	2021	28.5	13.8	5.2	47.5	2022	29.5	7.0	16.0	52.5	2023	30.9	7.0	18.8	56.7
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Source: Warburg Research

Strategy shift to ensure portfolio growth

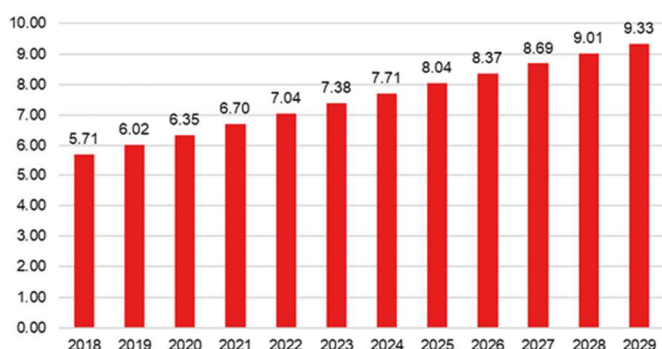
- MPC Capital will now concentrate on the maritime and energy infrastructure markets, which provide significant structural growth prospects
- Furthermore, AUM related to the energy transition have shown decent growth rates and this is expected to continue
- MPC Capital has established a highly successful co-investment strategy that has been yielding an IRR of roughly 28% on exits over the last 10 years and it is expected to expand this portfolio as the AUM basis is growing

Focus on strongly growing asset classes

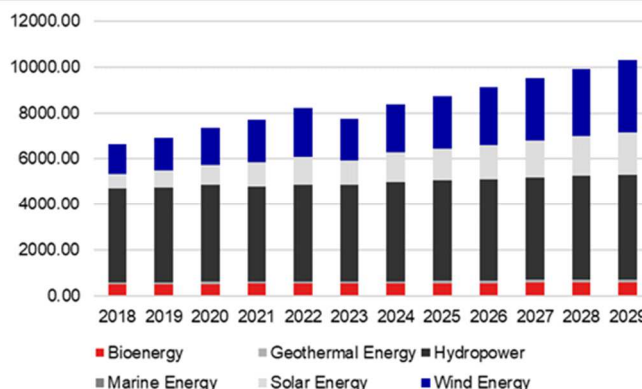
MPC Capital AG has made a decisive strategic shift from its former position as a diversified, multi-asset investment firm towards becoming a focused investment and asset manager, especially in the maritime and energy sectors. This transformation aims to leverage its expertise in infrastructure investments to capitalize on global environmental and regulatory changes and the implied market potential. Over the past years, **AUM related to the energy transition grew at a CAGR of approx. 40%**, significantly outpacing the remaining assets. The transition was formalized in 2024 with the company’s clear departure from real estate investment activities and the sharpening of its focus on **maritime and energy infrastructure as primary growth drivers**.

Structural growth in maritime and energy infrastructure

Freight transport in trillion ton-kilometres



Energy production in billion kw hours



Source: Statista Market Insights, Warburg Research

The market outlook for MPC Capital shows strong growth potential in the maritime and energy infrastructure sectors, driven by global environmental regulations and rising demand for sustainable solutions.

Maritime

In the Maritime sector, the International Maritime Organization’s (IMO) GHG Strategy by 2050 is pushing the industry toward decarbonization, creating opportunities for MPC Capital to invest in greener, more efficient vessels. This includes investments in **retrofitting the existing fleet** to increase efficiency, as well as in new vessels running on **alternative fuels** or traditional propulsion systems with significantly increased efficiency. These investments align with the broader decarbonization efforts in the maritime industry, which are also reflected in **global regulations and legislation**. Additionally, the rapidly growing market for **Offshore Wind Support vessels** presents new opportunities. These vessels play a critical role in the analysis, construction, and servicing of offshore wind farms, an essential part of the energy transition. MPC Capital is already entering this

space, having signed an MoU with an operator in the offshore wind sector to develop a fleet of **Offshore Survey & Service Vessels**.

As global trade volumes rise, the demand for eco-friendly and technologically advanced shipping solutions is increasing, positioning MPC to capitalize on these developments by investing in compliant, low-emission ships. The energy transition is also leading to increasing interconnection of the maritime and energy sectors. For example, the **offshore wind farm deployment** requires significant investments in maritime infrastructure, including the vessels necessary for constructing and maintaining these wind farms.

The global container shipping industry is undergoing profound changes, driven by regulatory and market forces, demanding more environmentally-friendly and fuel-efficient vessels. MPC Capital has been proactively addressing these trends primarily in its investment platform MPC Container Ships (MPCC). The company pursues a fleet renewal strategy, which centres on acquiring and managing vessels designed to meet stringent emission standards. As demand for more efficient vessels with alternative fuel systems is expected to continue rising, there should be high transaction activity in the market for many years to come, resulting in a rising asset base and stronger transaction revenues.

Energy infrastructure

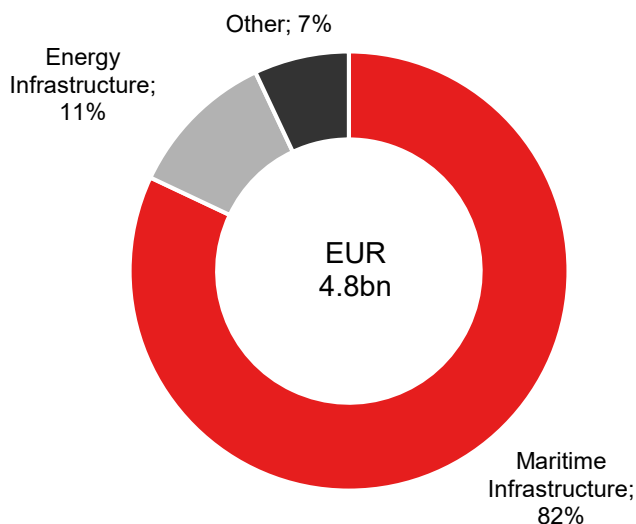
In the energy sector, the International Energy Agency's (IEA) Net Zero by 2050 Roadmap is guiding the transition toward renewable energy sources. As global energy demand grows, particularly in developing economies, there is a shift toward **wind**, **solar**, and emerging technologies like **green methanol**. This shift aligns with MPC Capital's focus on energy transition-related assets, offering significant opportunities in clean energy infrastructure. MPC Capital is actively expanding its presence in the European energy market, with its first asset already operational and several projects in the pipeline. **Fundraising activities** are progressing, and market sentiment is gradually improving.

With **new business initiatives** such as **battery storage**, **repowering existing wind farms**, and **energy efficiency**, MPC Capital is further enhancing its position in the renewable energy market. Additionally, the global shift of investors to alternative assets, including infrastructure, provides further tailwind for MPC Capital. Infrastructure as an asset class has experienced rapid growth, with a CAGR (2018-2023) of 18%, outpacing other alternatives like private equity or real estate. The outlook remains strong, with private infrastructure AUM expected to triple by 2035, reaching USD 3 trillion.

Comprehensive knowledge and service offering

MPC Capital AG's corporate structure in 2024 is centred around two major segments: maritime and energy infrastructure, with investments primarily managed by various subsidiaries and intermediary entities.

AuM distribution by asset class



Source: MPC Capital, Warburg Research

Maritime Infrastructure

MPC Capital's Maritime segment focuses on the shipping sector, targeting various vessel types such as container ships, bulk carriers, and tankers. The aim is to build a diversified portfolio of maritime assets that deliver attractive risk-adjusted returns. One key aspect of the Maritime division is **investment management** for shipping assets, leveraging its industry expertise to create value for investors. This division focuses on acquiring and managing a wide range of vessels, ensuring stable cash flows and long-term value creation through active asset management that optimizes operational efficiency and financial performance.

MPC Capital together with its subsidiaries and strategic joint ventures offers a wide range of services to the maritime industry. The backbone of this is the joint venture between MPC's Ahrenkiel Steamship and Wilhelmsen that was established back in 2020 and was recently bolstered by the acquisition of Zeaborn Ship management. The company is managing a diverse fleet of vessels, including container ships, bulk carriers, tankers, and multipurpose vessels. In addition, the acquisition of Zeaborn Ship Management significantly expanded MPC Capital's technical management capabilities, adding over EUR 700 million in assets under management (AUM). This acquisition not only increased MPC's fleet under management but also enhanced the company's ability to provide third-party management services to other maritime operators, contributing to a growing stream of recurring management fees.

The offered range of services include:

- **Technical Management:** Vessel maintenance, repairs, regulatory compliance, and technical documentation to ensure safe and efficient operations.
- **Commercial Management:** Chartering, market analysis, and securing revenue-generating contracts.
- **IT Solutions:** Onboard IT systems, cybersecurity, communications, and efficient data processing on vessels.

Energy Infrastructure

MPC Capital's Energy Infrastructure segment focuses on renewable energy, primarily in wind and solar power projects, and aims to build a diversified portfolio of sustainable energy assets. In its investment management division, the company identifies and acquires high-quality renewable energy projects and manages the full lifecycle—from project development and financing to long-term asset management. The focus is on optimizing operational performance, regulatory compliance, and asset maintenance to ensure stable returns and long-term value growth.

In the renewable energy space, MPC Capital strategic shift towards sustainable infrastructure is exemplified by two different regional platforms that target the European and Latin American markets. The European platform is currently being built up, (a first investment has recently been made in a windfarm in Germany) and the Latin America area is targeted by MPC Energy Solutions and MPC Caribbean Clean Energy Fund. These entities are at the forefront of MPC Capital's push into renewable energy, to develop and manage large-scale solar and wind energy projects. MPC Energy Solutions, in which MPC Capital holds a 21% stake, focuses on renewable energy projects in Latin America. Additionally, MPC Caribbean Clean Energy Fund LLC, where MPC holds a 14% stake through MPC Caribbean Clean Energy Ltd., is dedicated to renewable energy investments in the Caribbean. For both entities, MPC is leveraging its expertise in green energy infrastructure projects to generate long-term stable revenues through power purchase agreements (PPAs) and other contractual structures, while contributing to the reduction of carbon emissions globally. A specific investment structure for the European market will presumably be set up in the future and the mentioned seed asset is expected to mark the starting point of further attractive investments to be added.

The range of offered management services by MPC Capital within the energy infrastructure market includes:

- **Daily Operations Oversight:** Managing maintenance schedules, ensuring regulatory and safety compliance, and overseeing Power Purchase Agreements (PPAs) for wind and solar assets.
- **Technical Services:** Includes management of renewable energy plants, optimizing output and ensuring profitability.
- **Asset Management:** Overseeing the full lifecycle of renewable energy assets, including project development, financing, and long-term maintenance.

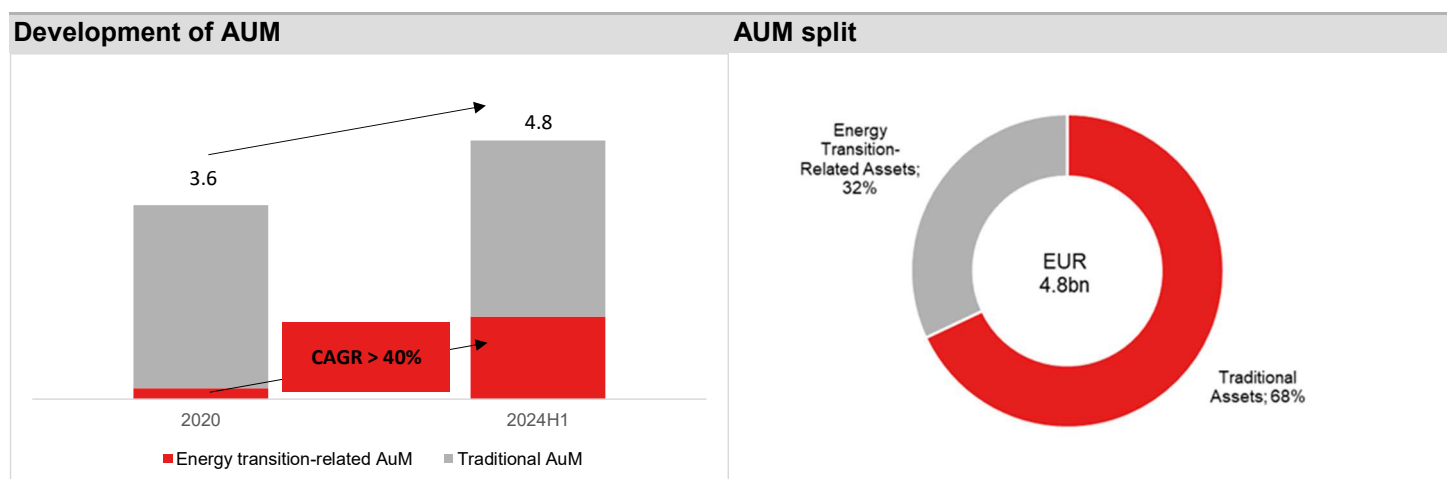
Portfolio split shows growing importance of assets related to the energy transition

The co-investment composition of **MPC Capital AG** is diversified across three primary investment areas: **Maritime Investments**, **Energy Investments**, and **Other Investments**. The **Maritime Investments** represents the largest portion of the portfolio, making up **70%** of the total investments. This shows the focus on MPC Capital’s expertise and commitment to the shipping industry.

The **Energy sector** comprises **24%** of the portfolio, with a growing emphasis on renewable energy projects, such as wind and solar farms.

The remaining **6%** of the portfolio is categorized as Other Investments and consists primarily of the remaining assets in real estate.

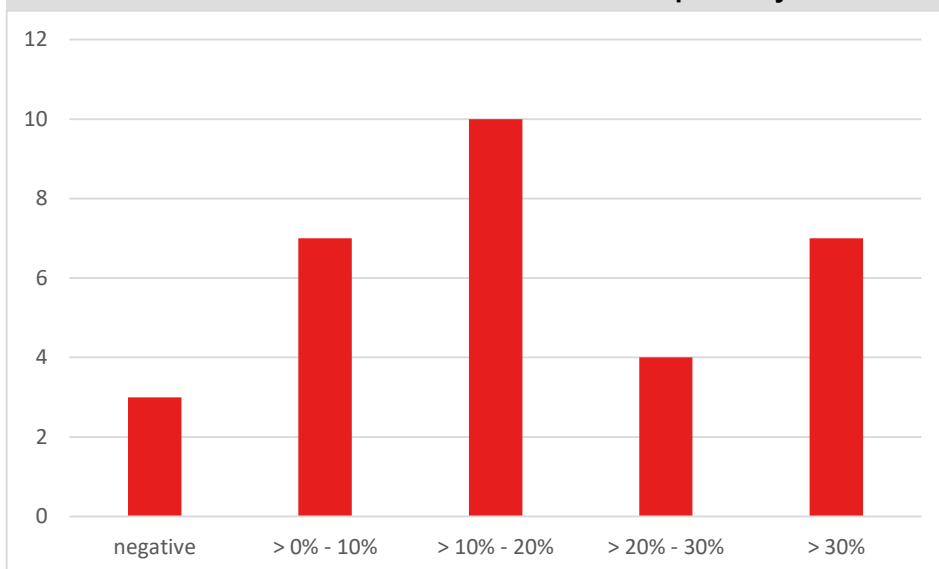
In terms of **Assets Under Management (AUM)**, MPC Capital’s portfolio is split between Energy Transition-Related Assets and Traditional Assets. Energy Transition-Related Assets which focus on renewable energy, clean technologies, and sustainability-driven projects comprise **32%** of the AUM, reflecting the company’s shift towards supporting the global energy transition. On the other hand, **Traditional Assets**, which include conventional investments in maritime and energy infrastructure, still make up the majority with **68%** of assets. However, looking at growth rates over the past years, energy transition-related assets will grow significantly in importance regarding the total portfolio.



Source: MPC Capital, Warburg Research

Co-investment strategy returns attractive yields

Since 2015, MPC Capital has followed a very successful strategy of co-investing in the structured assets alongside its institutional customers. By partnering with institutional investors, family offices, and other strategic investors, MPC Capital jointly funds and develops attractive investment opportunities in its markets of operation. While the company is also structuring deals without participating financially, MPC Capital follows the strategy of co-investing in financially attractive projects that have an IRR expectation of over 15%. Tracking the co-investment returns since 2014, MPC has been building up a highly successful track record, receiving an average yield of roughly 28% on 31 exited investments, of which 28 have yielded positive returns.

Number of exited co-investments since 2014 and respective yields


Source: MPC Capital, Warburg Research

The current book value of co-investments stands at EUR 88m (as of H1 2024), which is allocated to maritime investments (70%), energy investments (24%) and the remaining stake in real estate assets (6%). While MPC Capital is using local GAAP as its accounting method, market values can be significantly higher. This becomes the most obvious when looking at the listed co-investments MPC Container ships and MPC Energy Solutions.

MPC Container ships (MPCC) has a strong dividend policy focused on delivering consistent returns to shareholders. Over the past years, MPCC has been distributing attractive quarterly dividends, reflected in high double-digit yields to investors. In total, more than NOK 20 per share have been distributed since 2022, thereof NOK 15.48 on a regular recurring basis. Against the backdrop of a distribution policy of paying 75% of net profits as dividends, further attractive dividends should be expected.

The MPCC shares are reflected in MPC Capital's balance sheet at an average book value of roughly NOK 11 per share. Thus, the received dividends already exceed the current book value. In addition to dividends, MPC Capital has seen a significant value-increase in its 14% stake in MPC Container Ships (MPCC). While the shareholding makes up the majority of financial assets of EUR 77.5m (after H1 2024), the current market value of the shares stands at EUR 118m.

This example underlines the attractiveness of MPC Capital's co-investment strategy and the significant hidden reserves in the share. Further returns from MPC Container ships should be expected as structural growth trends in the maritime sector appear intact.

Financials/Valuation

- Three income streams form the basis of MPC Capital's business model
- While recurring management fees move closer to covering the operating costs of the business, the company generates significant profits from the remaining two income streams
- Considering the structural growth of the underlying markets and MPC's positioning, we expect the company to show sustainable AUM growth rates going forward, building the foundation of further top-line growth
- The current valuation does not reflect the excellent business prospects and the successful repositioning of the company, providing significant upside potential and attractive dividend yields

Income composition

As described above, MPC Capital has three main income streams consisting of management fees, transaction fees and investment income from the co-investment portfolio.

Three sources of income		
Recurring Management Fees	Transaction Fees	Co-Investment Income
<ul style="list-style-type: none"> ▪ Asset and fund management fees ▪ Operational services fees ▪ Development fees 	<ul style="list-style-type: none"> ▪ Acquisition and exit fees ▪ Promote / performance fees (success-based) 	<ul style="list-style-type: none"> ▪ Dividends ▪ Value appreciation (realized at exit)
~70 bps revenue (on AuM)	75 – 100 bps revenue (on transaction volume)	>15% return target
Total Income 2023 EUR 30.5m	Total Income 2023: EUR 7.0m	Total Income 2023: EUR 18.8m

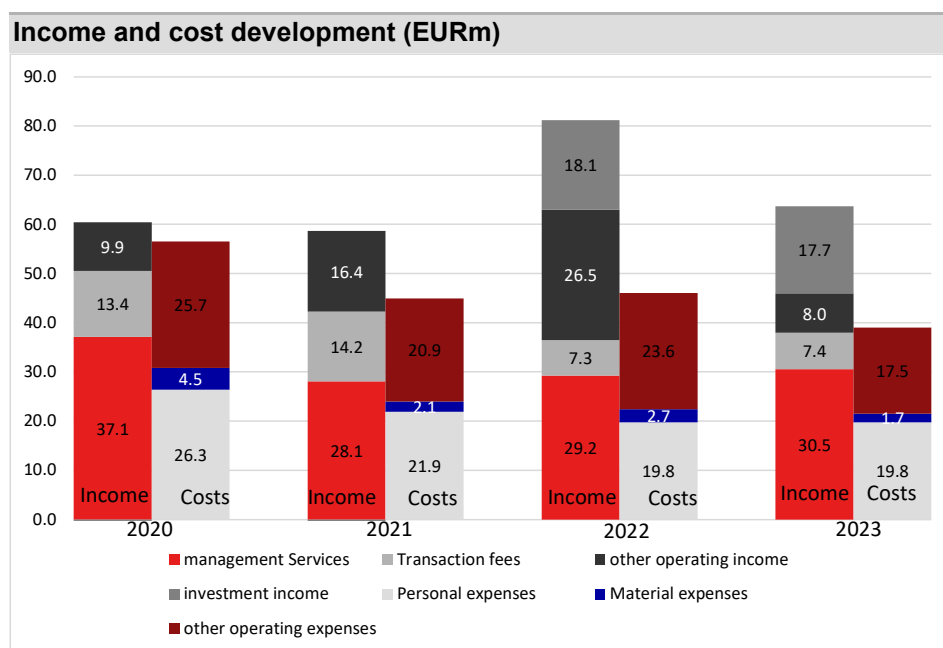
Source: Warburg Research

Management fees made up 54.5% of total income in 2023 and mainly consisted of revenues from technical management fees which are not directly related to freight or charter rates. However, management fees from commercial management are linked to charter rates but most of the managed assets within the Maritime sector are covered by medium to long-term contracts that mitigate the exposure to charter-rate fluctuations. The managed assets within the Energy Sector show a high stability with regards to their return profile, which is also the case for the respective management fees.

Transaction fees amounted to 12.3% of the total income in 2023 and are linked to the transaction volume. These are acquisition and exit fees and, to some extent, performance-based fees from the onboarding and sale of assets. Since 2015, the average annual transaction volume at MPC Capital has been EUR 1.5bn. This underlines the stability of these returns and even though they are transaction-related, those fees have been contributing steadily and significantly to MPC's income over the past few years.

Co-investment income adds up to 33.2% of the 2023 total income and consists of returns from the co-investment portfolio. This income stream shows ongoing returns from the investments in the form of dividends as well as realized value appreciation after the exit of former investments. Depending on the form of income, the co-investment income contributes to different lines in the P&L (dividends are shown in the financial result while realization gains are reflected in other operating income).

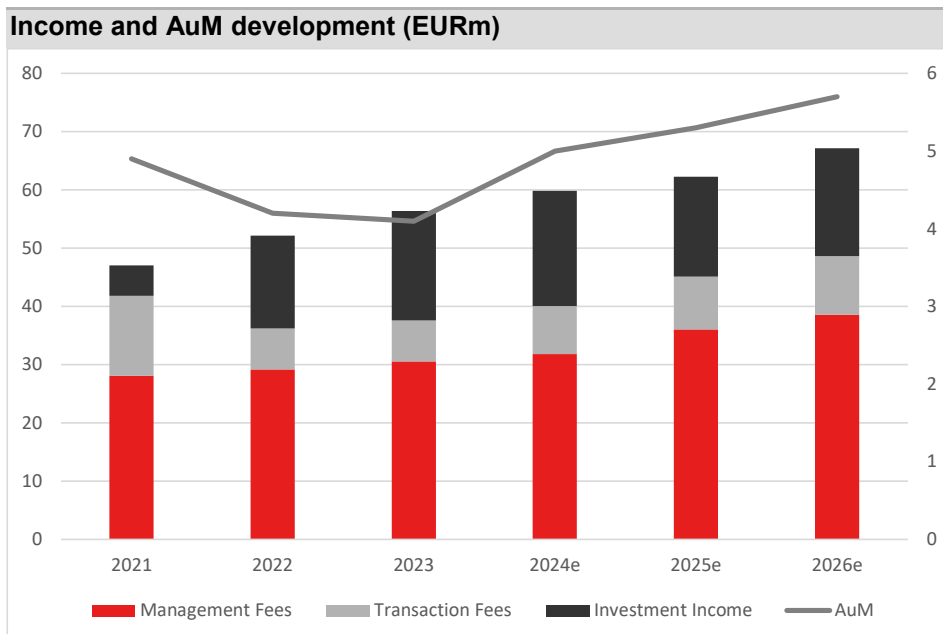
The underlining strategy of MPC Capital is to steadily increase the AUM base in order to grow recurring revenues to a level where the operating costs of the business are basically covered, whilst transactional revenues and co-investment income come on top.



Source: MPC Capital, Warburg Research

- The decline of revenues from management services in 2021 was a result of entering quota-consolidated joint-ventures, which also reduced the cost base whilst simultaneously enlarging the range of offered services and allowing for the management of a larger AUM base.
- In 2022, other operating income was fuelled by the sale of Cairn, which resulted in a significant profit.
- The coverage of operating costs by management fees has been increased to a level of 82% in 2023. However, this also includes other operating costs which can be transaction-related (e.g. legal and advisory fees, which summed up to EUR 3.3m in 2023).
- While management fees have become more and more capable of bearing the underlying costs of the operating business, especially returns from the co-investment portfolio visible in investment income and other operating income have been a significant profit driver.
- Personnel expenses have shown a flattish development, building the foundation for significant economies of scale. With the current setup, MPC Capital should be able to ramp up the asset base significantly, whilst personnel costs are expected to follow at a proportionately much slower pace.

On the back of the above-mentioned growth drivers, we expect transaction activity to remain on a sustainable level of slightly above EUR 1.2bn over the next few years. While acquisitions are expected to surpass exits, a net positive effect should result in sustainable AuM growth.



Source: MPC Capital, Warburg Research

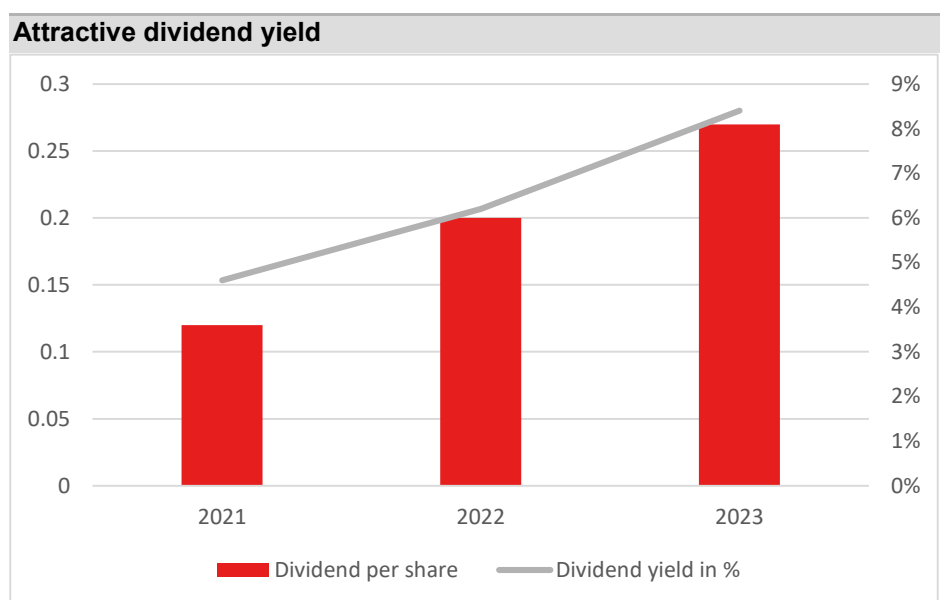
- The decline of AuM in 2022 is due to the sale of CAIRN.
- Investment income represents an average yield of 15% on the co-investment volume which is expected proportionately to AuM volume.
- Transaction fees are the result of a margin of roughly 0.75% on the average transaction volume.

Attractive valuation and dividend policy

On the back of the previously mentioned trends, we have updated our DCF model, reflecting the growth prospects with regards to management fees whilst also assuming continuous attractive returns out of the co-investment portfolio. However, while the projected investment income is now reflected under “others” in our DCF model, the market value of co-investments is not included anymore.

Disregarding our DCF model, the stock also appears attractive from other perspectives.

- MPC Capital has paid attractive dividend yields of up to 8.4% over the past three years. The company pursues a dividend strategy of distributing 50% of profits to shareholders, which should ensure attractive and sustainable dividend payments.
- The current market cap stands at EUR 161m, while the book value of the co-investment portfolio plus cash on balance stands at EUR 119m. With a rock-solid equity ratio of 84% and attractive return prospects, the P/B ratio, considering the co-investments at book value, is standing at an attractive value of 1.33x.



Source: MPC Capital, Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	2036e	
Sales	40.4	45.4	48.8	51.8	54.4	56.5	58.2	59.7	61.2	62.4	63.3	64.0	64.6	
Sales change	6.4 %	12.5 %	7.5 %	6.0 %	5.0 %	4.0 %	3.0 %	2.5 %	2.5 %	2.0 %	1.5 %	1.0 %	1.0 %	1.0 %
EBIT	4.2	8.5	11.9	12.9	13.6	14.1	14.6	14.9	15.3	15.6	15.8	16.0	16.2	
EBIT-margin	10.3 %	18.7 %	24.3 %	25.0 %	25.0 %	25.0 %	25.0 %	25.0 %	25.0 %	25.0 %	25.0 %	25.0 %	25.0 %	
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	3.3	6.8	9.5	10.4	10.9	11.3	11.6	11.9	12.2	12.5	12.7	12.8	12.9	
Depreciation	1.6	1.6	1.5	1.3	1.1	0.8	0.6	0.6	0.6	0.6	0.6	0.6	0.6	
in % of Sales	4.0 %	3.5 %	3.0 %	2.5 %	2.0 %	1.5 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	
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	
Change in Liquidity from														
- Working Capital	-0.8	0.5	0.4	0.2	0.3	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	
- Capex	2.0	2.0	2.0	1.3	1.1	0.8	0.6	0.6	0.6	0.6	0.6	0.6	0.6	
Capex in % of Sales	5.0 %	4.4 %	4.1 %	2.5 %	2.0 %	1.5 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	
- Other	-19.8	-14.3	-15.5	-16.4	-17.2	-17.9	-18.4	-18.9	-19.4	-19.7	-20.0	-20.2	-20.4	
Free Cash Flow (WACC Model)	23.5	20.2	24.0	26.6	27.8	29.0	29.9	30.7	31.4	32.1	32.6	33.0	33.3	34
PV of FCF	23.1	17.9	19.1	19.0	17.9	16.8	15.6	14.4	13.3	12.2	11.2	10.2	9.2	92
share of PVs	20.55 %			47.86 %										31.59 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	0.00 %	Financial Strength	1.30
Cost of debt (after tax)	1.4 %	Liquidity (share)	2.00
Market return	8.25 %	Cyclicality	1.30
Risk free rate	2.75 %	Transparency	1.80
		Others	1.20
WACC	11.11 %	Beta	1.52

Valuation (m)

Present values 2036e	200		
Terminal Value	92		
Financial liabilities	0		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	7		
Market val. of investments	0		
Liquidity	29	No. of shares (m)	35.2
Equity Value	314	Value per share (EUR)	8.90

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		0.25 %	0.50 %	0.75 %	1.00 %	1.25 %	1.50 %	1.75 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.70	12.1 %	8.03	8.07	8.12	8.16	8.21	8.26	8.32	1.70	12.1 %	7.99	8.05	8.10	8.16	8.22	8.28	8.34
1.61	11.6 %	8.36	8.41	8.46	8.52	8.57	8.63	8.69	1.61	11.6 %	8.33	8.39	8.45	8.52	8.58	8.64	8.70
1.57	11.4 %	8.54	8.59	8.65	8.70	8.77	8.83	8.90	1.57	11.4 %	8.51	8.58	8.64	8.70	8.77	8.83	8.89
1.52	11.1 %	8.72	8.78	8.84	8.90	8.97	9.04	9.11	1.52	11.1 %	8.71	8.77	8.84	8.90	8.97	9.03	9.10
1.47	10.9 %	8.92	8.98	9.04	9.11	9.18	9.26	9.34	1.47	10.9 %	8.91	8.98	9.04	9.11	9.18	9.24	9.31
1.43	10.6 %	9.12	9.19	9.26	9.33	9.41	9.49	9.58	1.43	10.6 %	9.13	9.19	9.26	9.33	9.40	9.47	9.53
1.34	10.1 %	9.56	9.64	9.72	9.81	9.90	9.99	10.10	1.34	10.1 %	9.59	9.66	9.73	9.81	9.88	9.95	10.02

- In 'Others' we include the investment income which is reflected in the financial result
- Market value of investments is not reflected as we assume a 15% return on co-investments as part of income streams

Valuation	2020	2021	2022	2023	2024e	2025e	2026e
Price / Book	0.5 x	1.1 x	1.0 x	0.9 x	1.3 x	1.3 x	1.2 x
Book value per share ex intangibles	2.55	2.61	3.25	3.39	3.54	3.52	3.62
EV / Sales	0.5 x	1.6 x	1.2 x	1.3 x	3.3 x	3.0 x	2.8 x
EV / EBITDA	6.4 x	5.0 x	2.6 x	7.2 x	23.2 x	13.7 x	10.4 x
EV / EBIT	16.4 x	5.9 x	2.9 x	12.0 x	32.2 x	16.3 x	11.7 x
EV / EBIT adj.*	16.4 x	5.9 x	2.9 x	12.0 x	32.2 x	16.3 x	11.7 x
P / FCF	35.7 x	35.0 x	3.4 x	8.6 x	8.4 x	9.4 x	7.8 x
P / E	n.a.	17.8 x	4.4 x	8.5 x	10.7 x	10.0 x	8.3 x
P / E adj.*	n.a.	17.8 x	4.4 x	8.5 x	10.7 x	10.0 x	8.3 x
Dividend Yield	n.a.	n.a.	3.7 %	6.4 %	5.8 %	8.9 %	9.7 %
FCF Potential Yield (on market EV)	9.8 %	15.3 %	31.0 %	9.0 %	-15.6 %	-15.5 %	-4.6 %

*Adjustments made for: -

Company Specific Items	2020	2021	2022	2023	2024e	2025e	2026e
Assets under Management	3.70	4.90	4.20	4.10	5.00	5.30	5.72
ROCE net income	-1.1 %	9.1 %	44.7 %	21.4 %	17.3 %	14.9 %	17.5 %

Consolidated profit & loss

In EUR m	2020	2021	2022	2023	2024e	2025e	2026e
Sales	50.5	42.3	36.5	37.9	40.4	45.4	48.8
Change Sales yoy	7.8 %	-16.3 %	-13.7 %	4.0 %	6.4 %	12.5 %	7.5 %
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	0.0	0.0	0.0	0.0
Total Sales	50.5	42.3	36.5	37.9	40.4	45.4	48.8
Material expenses	4.5	2.1	2.7	1.7	2.8	3.2	3.4
Gross profit	46.0	40.2	33.8	36.2	37.5	42.2	45.4
<i>Gross profit margin</i>	<i>91.1 %</i>	<i>95.0 %</i>	<i>92.6 %</i>	<i>95.5 %</i>	<i>93.0 %</i>	<i>93.0 %</i>	<i>93.0 %</i>
Personnel expenses	26.3	21.9	19.8	19.8	25.4	24.5	24.4
Other operating income	9.9	16.4	26.5	8.0	9.0	6.0	6.0
Other operating expenses	25.7	20.9	23.6	17.5	15.3	13.6	13.7
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	3.9	13.7	16.9	6.9	5.8	10.1	13.3
<i>Margin</i>	<i>7.6 %</i>	<i>32.5 %</i>	<i>46.4 %</i>	<i>18.2 %</i>	<i>14.3 %</i>	<i>22.2 %</i>	<i>27.3 %</i>
Depreciation of fixed assets	0.4	0.4	0.4	0.0	0.0	0.0	0.0
EBITA	3.5	13.3	16.5	6.9	5.8	10.1	13.3
Amortisation of intangible assets	0.0	2.1	0.0	0.0	1.6	1.6	1.5
Goodwill amortisation	1.9	1.6	1.0	2.8	0.0	0.0	0.0
EBIT	1.5	11.7	15.6	4.1	4.2	8.5	11.9
<i>Margin</i>	<i>3.0 %</i>	<i>27.8 %</i>	<i>42.7 %</i>	<i>10.9 %</i>	<i>10.3 %</i>	<i>18.7 %</i>	<i>24.3 %</i>
EBIT adj.	1.5	11.7	15.6	4.1	4.2	8.5	11.9
Interest income	1.8	2.2	1.0	2.1	2.1	2.1	2.1
Interest expenses	0.2	0.2	0.5	0.1	0.6	0.6	0.6
Other financial income (loss)	1.3	0.9	21.2	22.2	21.3	15.8	17.0
EBT	1.3	10.4	31.2	19.3	23.9	22.8	27.3
<i>Margin</i>	<i>2.5 %</i>	<i>24.6 %</i>	<i>85.6 %</i>	<i>50.9 %</i>	<i>59.2 %</i>	<i>50.1 %</i>	<i>55.8 %</i>
Total taxes	1.4	3.2	3.1	2.4	4.8	4.6	5.5
Net income from continuing operations	-0.1	7.2	28.2	16.9	19.1	18.2	21.8
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	-0.1	7.2	28.2	16.9	19.1	18.2	21.8
Minority interest	0.7	1.1	2.2	3.8	4.0	2.0	2.0
Net income	-0.9	6.1	26.0	13.1	15.1	16.2	19.8
<i>Margin</i>	<i>-1.7 %</i>	<i>14.4 %</i>	<i>71.2 %</i>	<i>34.5 %</i>	<i>37.5 %</i>	<i>35.7 %</i>	<i>40.6 %</i>
Number of shares, average	33.5	35.2	35.2	35.2	35.2	35.2	35.2
EPS	-0.03	0.17	0.74	0.37	0.43	0.46	0.56
EPS adj.	-0.03	0.17	0.74	0.37	0.43	0.46	0.56

*Adjustments made for:

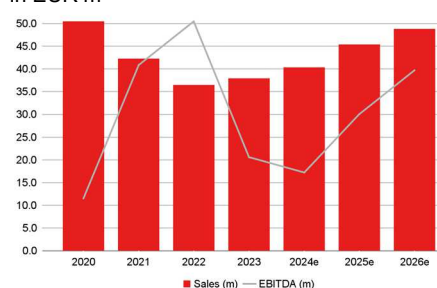
Guidance: 2024: Revenues of EUR 40m and EBT between EUR 23-25m

Financial Ratios

	2020	2021	2022	2023	2024e	2025e	2026e
Total Operating Costs / Sales	92.4 %	67.5 %	53.6 %	81.8 %	85.7 %	77.8 %	72.7 %
Operating Leverage	n.a.	-41.4 x	-2.4 x	-18.4 x	0.0 x	8.3 x	5.2 x
EBITDA / Interest expenses	19.2 x	69.0 x	33.8 x	51.2 x	9.6 x	16.8 x	22.2 x
Tax rate (EBT)	111.6 %	30.6 %	9.8 %	12.6 %	20.0 %	20.0 %	20.0 %
Dividend Payout Ratio	0.0 %	0.0 %	15.0 %	41.8 %	49.8 %	79.4 %	72.7 %
Sales per Employee	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Sales, EBITDA

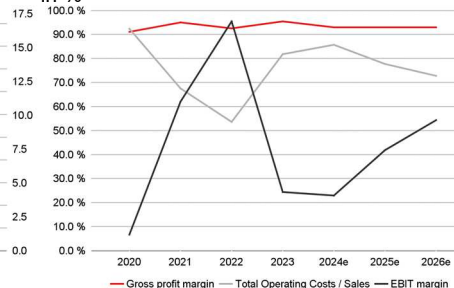
in EUR m



Source: Warburg Research

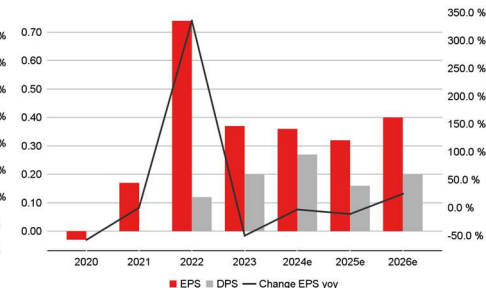
Operating Performance

in %



Source: Warburg Research

Performance per Share



Source: Warburg Research

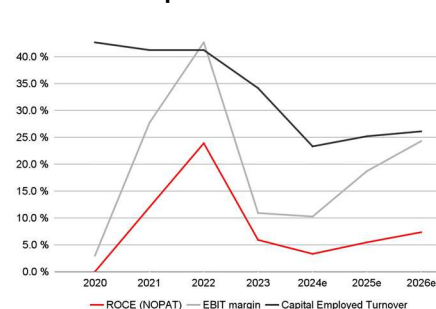
Consolidated balance sheet

In EUR m	2020	2021	2022	2023	2024e	2025e	2026e
Assets							
Goodwill and other intangible assets	4.1	3.0	2.1	3.3	3.7	4.1	4.7
thereof other intangible assets	0.1	0.2	0.2	0.2	0.6	1.0	1.5
thereof Goodwill	4.0	2.8	1.9	3.2	3.2	3.2	3.2
Property, plant and equipment	0.9	0.7	0.8	2.1	2.1	2.1	2.1
Financial assets	67.2	56.4	54.9	56.0	94.4	97.9	101.3
Other long-term assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fixed assets	72.1	60.1	57.8	61.5	100.3	104.1	108.1
Inventories	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	4.1	8.5	3.3	5.7	4.4	5.0	5.4
Liquid assets	24.8	38.5	69.1	61.1	28.9	24.4	24.0
Other short-term assets	25.7	27.4	20.6	23.7	23.7	23.7	23.7
Current assets	54.5	74.5	93.0	90.6	57.0	53.1	53.1
Total Assets	126.6	134.6	150.8	152.1	157.3	157.2	161.2
Liabilities and shareholders' equity							
Subscribed capital	33.5	35.2	35.2	35.2	35.2	35.2	35.2
Capital reserve	54.1	51.9	51.9	51.9	51.9	51.9	51.9
Retained earnings	-9.0	7.8	29.6	35.6	41.3	43.0	47.0
Other equity components	10.8	0.0	0.0	0.0	0.2	-1.8	-1.7
Shareholders' equity	89.3	95.0	116.7	122.8	128.6	128.4	132.4
Minority interest	6.9	5.8	6.5	6.7	6.7	6.7	6.7
Total equity	96.3	100.8	123.2	129.5	135.3	135.1	139.2
Provisions	18.4	19.6	20.3	18.5	18.5	18.5	18.5
thereof provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial liabilities (total)	1.3	0.8	0.3	0.0	0.0	0.0	0.0
Short-term financial liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	0.8	1.0	2.1	0.9	0.3	0.4	0.4
Other liabilities	9.8	12.4	4.9	3.2	3.2	3.2	3.2
Liabilities	30.3	33.8	27.6	22.6	22.0	22.1	22.1
Total liabilities and shareholders' equity	126.6	134.6	150.8	152.1	157.3	157.2	161.2

Financial Ratios

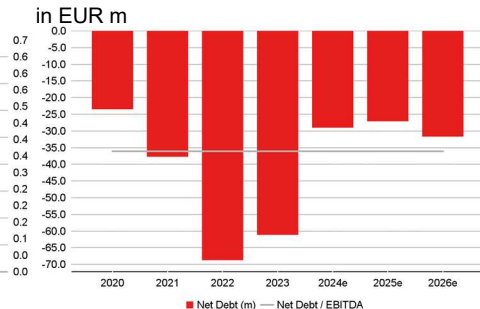
	2020	2021	2022	2023	2024e	2025e	2026e
Efficiency of Capital Employment							
Operating Assets Turnover	12.2 x	5.1 x	18.3 x	5.4 x	6.5 x	6.7 x	6.9 x
Capital Employed Turnover	0.7 x	0.7 x	0.7 x	0.6 x	0.4 x	0.4 x	0.4 x
ROA	-1.2 %	10.1 %	44.9 %	21.3 %	15.1 %	15.6 %	18.3 %
Return on Capital							
ROCE (NOPAT)	n.a.	12.0 %	23.9 %	5.9 %	3.8 %	6.3 %	8.4 %
ROE	-0.9 %	6.6 %	24.6 %	10.9 %	12.0 %	12.6 %	15.2 %
Adj. ROE	-0.9 %	6.6 %	24.6 %	10.9 %	12.0 %	12.6 %	15.2 %
Balance sheet quality							
Net Debt	-23.5	-37.7	-68.7	-61.1	-28.9	-24.4	-24.0
Net Financial Debt	-23.5	-37.7	-68.7	-61.1	-28.9	-24.4	-24.0
Net Gearing	-24.4 %	-37.4 %	-55.8 %	-47.2 %	-21.4 %	-18.0 %	-17.2 %
Net Fin. Debt / EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Book Value / Share	2.7	2.7	3.3	3.5	3.6	3.6	3.8
Book value per share ex intangibles	2.5	2.6	3.3	3.4	3.5	3.5	3.6

ROCE Development



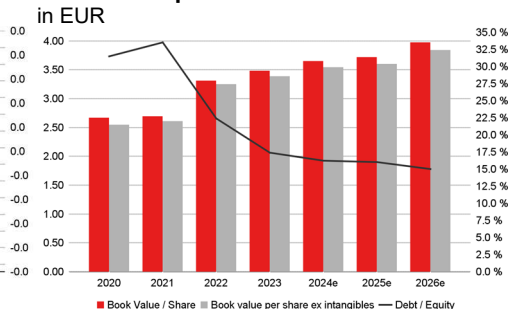
Source: Warburg Research

Net debt



Source: Warburg Research

Book Value per Share



Source: Warburg Research

Consolidated cash flow statement

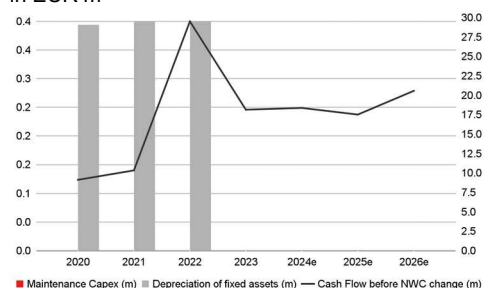
In EUR m	2020	2021	2022	2023	2024e	2025e	2026e
Net income	-0.1	7.2	28.2	16.9	19.1	18.2	21.8
Depreciation of fixed assets	0.4	0.4	0.4	0.0	0.0	0.0	0.0
Amortisation of goodwill	1.9	1.6	1.0	2.8	0.0	0.0	0.0
Amortisation of intangible assets	0.0	2.1	0.0	0.0	1.6	1.6	1.5
Increase/decrease in long-term provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other non-cash income and expenses	6.9	-1.0	0.0	-1.5	0.0	0.0	0.0
Cash Flow before NWC change	9.1	10.3	29.5	18.1	20.7	19.8	23.3
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase / decrease in accounts receivable	-2.6	-7.6	5.3	-2.5	1.3	-0.6	-0.4
Increase / decrease in accounts payable	-3.3	0.7	1.1	-1.2	-0.6	0.1	0.0
Increase / decrease in other working capital positions	0.0	0.5	0.0	0.0	0.0	0.0	0.0
Increase / decrease in working capital (total)	-5.9	-6.4	6.3	-3.6	0.8	-0.5	-0.4
Net cash provided by operating activities [1]	3.3	3.9	35.9	14.5	21.5	19.3	22.9
Investments in intangible assets	0.5	-2.0	-2.0	-2.0	-2.0	-2.0	-2.0
Investments in property, plant and equipment	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	6.6	11.7	5.0	9.3	40.0	5.0	5.0
Income from asset disposals	19.4	20.9	1.6	-0.6	1.6	1.6	1.6
Net cash provided by investing activities [2]	11.0	8.4	-5.4	-11.6	-40.4	-5.4	-5.4
Change in financial liabilities	-5.3	-1.5	-0.4	-0.3	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	-7.0	-9.5	-14.5	-15.9
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	4.0	0.0	0.0	0.0	0.0	0.0
Other	-3.2	-0.8	-1.1	-3.5	-3.8	-4.0	-2.0
Net cash provided by financing activities [3]	-8.5	1.8	-1.6	-10.9	-13.3	-18.4	-17.9
Change in liquid funds [1]+[2]+[3]	5.8	14.1	28.8	-7.9	-32.2	-4.6	-0.4
Effects of exchange-rate changes on cash	-1.6	-0.3	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalent at end of period	24.8	38.5	67.3	61.1	28.9	24.4	24.0

Financial Ratios

	2020	2021	2022	2023	2024e	2025e	2026e
Cash Flow							
FCF	1.4	3.0	33.9	12.9	19.5	17.3	20.9
Free Cash Flow / Sales	2.7 %	7.2 %	92.8 %	34.1 %	48.3 %	38.1 %	42.8 %
Free Cash Flow Potential	2.4	10.5	13.9	4.5	-20.9	-21.5	-6.4
Free Cash Flow / Net Profit	-159.2 %	50.2 %	130.3 %	98.6 %	128.8 %	106.7 %	105.4 %
Interest Received / Avg. Cash	8.1 %	7.0 %	1.9 %	3.2 %	4.6 %	7.7 %	8.5 %
Interest Paid / Avg. Debt	12.5 %	19.7 %	91.1 %	81.6 %	n.a.	n.a.	n.a.
Management of Funds							
Investment ratio	1.0 %	4.7 %	5.5 %	5.3 %	5.0 %	4.4 %	4.1 %
Maint. Capex / Sales	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Capex / Dep	21.2 %	100.6 %	146.5 %	72.2 %	123.9 %	125.8 %	136.5 %
Avg. Working Capital / Sales	9.3 %	12.8 %	12.0 %	8.0 %	11.1 %	9.6 %	9.8 %
Trade Debtors / Trade Creditors	491.4 %	875.9 %	159.9 %	645.1 %	1466.7 %	1250.0 %	1350.0 %
Inventory Turnover	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Receivables collection period (days)	29	74	33	55	40	40	40
Payables payment period (days)	67	170	277	189	39	46	43
Cash conversion cycle (Days)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

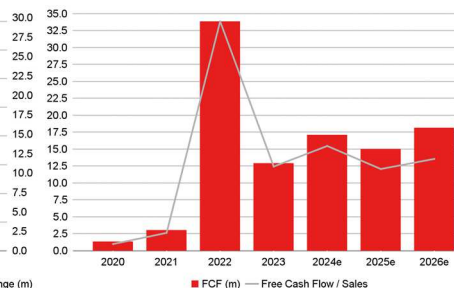
CAPEX and Cash Flow

in EUR m



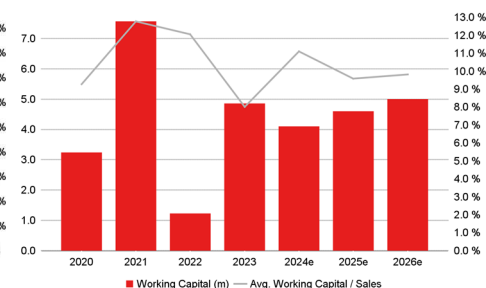
Source: Warburg Research

Free Cash Flow Generation



Source: Warburg Research

Working Capital



Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
MPC Capital	3, 5	https://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A1TNWJ4.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.

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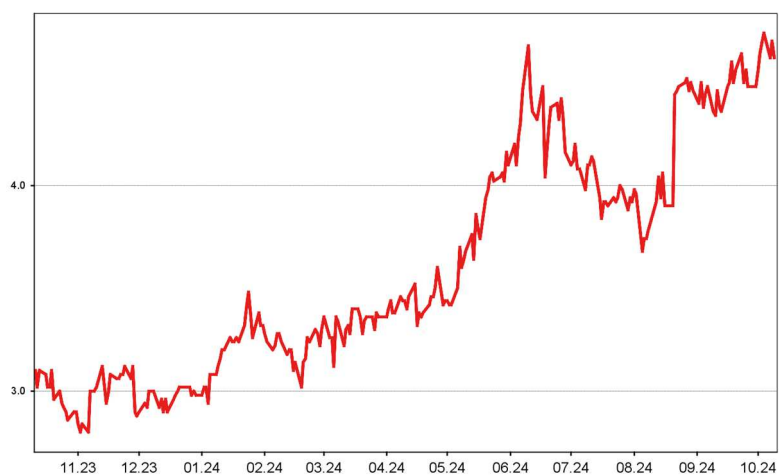
Rating	Number of stocks	% of Universe
Buy	142	71
Hold	42	21
Sell	10	5
Rating suspended	6	3
Total	200	100

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	43	77
Hold	9	16
Sell	2	4
Rating suspended	2	4
Total	56	100

PRICE AND RATING HISTORY MPC CAPITAL AS OF 10.10.2024



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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