

# ad pepper media International N.V.

The Netherlands / Internet Services  
 Frankfurt  
 Bloomberg: APM GR  
 ISIN: NL0000238145

Preliminary  
 H1 figures

**RATING**  
**BUY**

**PRICE TARGET**  
**€ 4.90**

Return Potential 27.6%  
 Risk Rating High

## STRONG EARNINGS GROWTH IN H1

ad pepper reported preliminary H1 figures which showed strong growth. Sales increased 22% y/y on a like-for-like basis to €18.1m. H1 EBIT was 46% higher at €439k. The strong H1 performance was however mainly based on the excellent Q1 figures, whereas Q2 earnings were below our estimates. The main reasons were lower ad spending by a large customer and an increased cost basis. But investments in technology and personnel look set to pay off in H2, which we expect to be much stronger in terms of earnings. Q4 (Christmas business) is typically by far the strongest quarter of the year. Although we have slightly reduced our earnings forecast for 2018E to account for the Q2 shortfall, we believe that the growth story is intact and that ad pepper maintains its strong competitive position in the growing digital advertising market. We reiterate our Buy rating and the €4.90 price target.

**Strong H1** Revenues were slightly above expectations at €18.1m (H1/17: €14.8m on a like-for like basis, FBe: €17.6m) due mainly to the very strong growth of the subsidiary ad pepper media. Gross profit grew almost 9% to €9.4m and was in line with our forecast of €9.5m. EBITDA was 20% higher y/y (€0.6m vs. €0.5m in H1/17), but remained below our estimate of €1.0m due to a higher cost basis (€9.0m versus €8.4m in H1/17). H1 EBIT increased 46% to €439k (FBe: €838k). EBT amounted to €494k and was above EBIT (see figure 1 overleaf). We assume that ad pepper sold securities in Q2 resulting in a positive financial result.

**Increased liquid funds** At the end of H1, liquid funds including securities amounted to €20.8m. This is an increase of €1.3m compared to the end of Q1, and thus a clear indication that ad pepper generated positive free cash flow in the second quarter.

**Outperformer ad pepper media** In Q2, the subsidiary's revenues grew by a phenomenal 55% to €2.7m. EBITDA amounted to €0.53m and beat the... (p.t.o.)

### FINANCIAL HISTORY & PROJECTIONS

	2015	2016	2017	2018E	2019E	2020E
Revenue (€m)*	56.01	61.16	75.56	40.49	44.54	51.03
Y-o-y growth	n.a.	9.2%	23.5%	-46.4%	10.0%	14.6%
EBIT (€m)	0.24	1.61	1.82	2.79	4.52	5.80
EBIT margin	0.4%	2.6%	2.4%	6.9%	10.1%	11.4%
Net income (€m)	-0.03	0.63	0.58	1.35	2.45	3.30
EPS (diluted) (€)	0.00	0.03	0.03	0.06	0.11	0.15
DPS (€)	0.00	0.00	0.00	0.00	0.00	0.00
FCF (€m)	1.60	-0.54	2.67	1.80	3.21	3.64
Net gearing	-107.6%	-126.0%	-128.1%	-128.5%	-128.8%	-126.1%
Liquid assets (€m)	16.93	17.86	20.13	21.93	25.13	28.78

\* Please note changed IFRS standard from 2018 onwards

### RISKS

The main risks are regulatory changes, technological innovations, dependence on key customers, and intense competition.

### COMPANY PROFILE

ad pepper media International N.V. is an international digital performance marketing company, which acts as a holding for its three operating units ad pepper media (lead generation & audience targeting), Webgains (affiliate network), and ad agents (full service agency). The company is headquartered in Nuremberg, Germany.

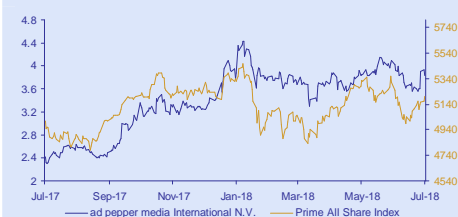
### MARKET DATA

As of 17 Jul 2018

Closing Price	€ 3.84
Shares outstanding	21.00m
Market Capitalisation	€ 80.64m
52-week Range	€ 2.31 / 4.42
Avg. Volume (12 Months)	21,505

Multiples	2017	2018E	2019E
P/E	139.0	59.8	32.9
EV/Sales	0.8	1.5	1.4
EV/EBIT	33.3	21.7	13.4
Div. Yield	0.0%	0.0%	0.0%

### STOCK OVERVIEW



### COMPANY DATA

As of 31 Mar 2018

Liquid Assets	€ 14.38m
Current Assets	€ 11.41m
Intangible Assets	€ 0.32m
Total Assets	€ 33.16m
Current Liabilities	€ 15.91m
Shareholders' Equity	€ 16.86m

### SHAREHOLDERS

EMA B.V.	41.2%
Treasury Stock	8.7%
Axxion S.A.	5.1%
Dieter Koppitz	3.0%
Free Float	42.0%



...previous year's figure by almost 7% and our forecast by almost 14%. As ad pepper media also outperformed in Q1, H1 figures are similarly impressive: sales growth of 56% to €5.0m and EBITDA growth of 41% to €1.0m (see figure 2). The subsidiary's core competence, lead generation and audience targeting, is in high demand, thanks to the subsidiary's outstanding advertising performance.

**Figure 1: Reported figures versus forecasts (group)**

All figures in €m	Q2-18A	Q2-18E	Delta	Q2-17A	Delta	H1-18A	H1-17A	Delta
Sales	9.10	8.56	6.3%	7.68	18.4%	18.10	14.82	22.1%
Gross profit	4.68	4.76	-1.6%	4.55	2.9%	9.40	8.66	8.5%
margin	51.4%	55.6%		59.2%		52.0%	58.5%	
EBITDA	0.29	0.70	-58.3%	0.75	-61.1%	0.60	0.50	20.4%
margin	3.2%	8.1%		9.7%		3.3%	3.4%	
EBIT	0.21	0.61	-65.7%	0.65	-68.0%	0.44	0.30	45.8%
margin	2.3%	7.1%		8.5%		2.4%	2.0%	
EBT	0.26	0.61	-56.9%	0.64	-59.1%	0.49	0.29	68.6%
margin	2.9%	7.1%		8.3%		2.7%	2.0%	

Source: First Berlin Equity Research, ad pepper media International N.V.

**Webgains below Q2/17 figures and estimates** ad pepper's affiliate network Webgains remained below the previous year's revenue figure and our forecast (€2.24m vs. €2.39m in Q2/17, FBe: €2.48m) due to lower ad spending by a large customer and uncertainty ahead of the new EU General Data Protection Regulation (GDPR). EBITDA thus declined to €0.12m from €0.47m in Q2/17 and was below our forecast of €0.41m (see figure 2). H1 figures were also below the previous year's figures (H1 segment revenue: €4.57m vs. €4.63m in H1/17, and H1 EBITDA: €0.17m vs. €0.40m in H1/17).

**Figure 2: Reported segment figures versus forecasts**

All figures in €m	Q2-18A	Q2-18E	Delta	Q2-17A	Delta	H1-18A	H1-17A	Delta
<b>ad pepper media</b>								
Sales	2.72	2.07	31.2%	1.76	54.6%	5.01	3.21	56.2%
EBITDA	0.53	0.46	13.6%	0.49	6.5%	1.01	0.72	41.1%
margin	19.3%	22.3%	-	28.1%	-	20.2%	22.3%	-
<b>Webgains</b>								
Sales	2.24	2.48	-9.8%	2.39	-6.2%	4.57	4.63	-1.2%
EBITDA	0.12	0.41	-71.1%	0.47	-75.1%	0.17	0.40	-57.4%
margin	5.2%	16.3%	-	19.6%	-	3.7%	8.6%	-
<b>ad agents</b>								
Sales	4.14	4.00	3.4%	3.54	17.0%	8.51	6.98	22.0%
EBITDA	0.00	0.23	-	0.22	-	0.16	0.46	-66.5%
margin	-0.1%	5.7%	-	6.3%	-	1.8%	6.6%	-
<b>Admin &amp; Consolidation</b>								
Sales	0.00	0.00	-	0.00	-	0.00	0.00	-
EBITDA	-0.35	-0.40	-	-0.44	-	-0.73	-1.08	-
<b>Group</b>								
Sales	9.10	8.56	6.3%	7.68	18.4%	18.10	14.82	22.1%
EBITDA	0.29	0.70	-58.3%	0.75	-61.1%	0.60	0.50	20.4%
margin	3.2%	8.1%	-	9.7%	-	3.3%	3.4%	-

Source: First Berlin Equity Research, ad pepper media International N.V.

**ad agents with strong growth and low EBITDA in Q2** ad pepper's full service agency, ad agents, showed strong revenue growth (+17% y/y to €4.1m), which was 3% above our forecast. Higher operating costs however resulted in slightly negative EBITDA of €-3k. The H1 figures also showed strong revenue growth of +22% to €8.5m. H1 EBITDA declined from €0.46m to €0.16m (see figure 2).



**Investments in technology and personnel should pay off in H2** We have taken the weaker than expected Q2 earnings figures into account and have lowered our 2018E earnings forecasts (see figure 4). But we believe that investments in technology and personnel, which burdened Q2 and H1, will start to pay off from Q3 onwards and thus conclude that the overall growth story remains intact. ad pepper media looks set to continue its profitable growth path. We expect the subsidiary to generate strong H2 figures similar to H1, because demand for its lead generation and audience targeting services remains very strong. Webgains should return to normal business, due to abating GDPR uncertainty, and the subsidiary is well-equipped (both staff and technology) to benefit from high ad spending in Q4 (Christmas business). ad agents has built-up a very strong position in Amazon services, and we expect strong sales growth and a significant margin increase in H2. As a result, we believe the ad pepper group will generate EBITDA of €3.1m in 2018E. Following H1/18 EBITDA of €0.6m, we forecast H2 EBITDA of €2.5m in H2 (see figure 3).

**Figure 3: H2/18E and 2018E segment sales and EBITDA forecasts**

All figures in €m	H1-18A	H2-18E	2018E
<b>ad pepper media</b>			
Sales	5.01	5.05	10.06
EBITDA	1.01	0.70	1.71
margin	20.2%	13.9%	17.0%
<b>Webgains</b>			
Sales	4.57	5.68	10.25
EBITDA	0.17	1.43	1.60
margin	3.7%	25.2%	15.6%
<b>ad agents</b>			
Sales	8.51	11.67	20.18
EBITDA	0.16	1.26	1.41
margin	1.8%	10.8%	7.0%
<b>Admin &amp; Consolidation</b>			
Sales	0.00	0.00	0.00
EBITDA	-0.73	-0.86	-1.59
<b>Group</b>			
Sales	18.10	22.40	40.49
EBITDA	0.60	2.53	3.14
margin	3.3%	11.3%	7.7%

Source: First Berlin Equity Research, ad pepper media International N.V.

**Figure 4: Revisions to 2018E forecasts**

All figures in €m	2018E			2019E			2020E		
	Old	New	Delta	Old	New	Delta	Old	New	Delta
Sales	38.89	40.49	4.1%	44.54	44.54	0.0%	51.03	51.03	0.0%
EBIT	3.14	2.79	-11.1%	4.52	4.52	0.0%	5.80	5.80	0.0%
margin	8.1%	6.9%		10.1%	10.1%		11.4%	11.4%	
Net income	1.56	1.35	-13.7%	2.45	2.45	0.0%	3.30	3.30	0.0%
margin	4.0%	3.3%		5.5%	5.5%		6.5%	6.5%	
EPS (diluted)	0.07	0.06	-13.7%	0.11	0.11	0.0%	0.15	0.15	0.0%

Source: First Berlin Equity Research, ad pepper media International N.V.

**Buy reiterated at unchanged price target** The 2018E forecast reduction has only marginal impact on the valuation. An updated DCF model still yields a €4.90 price target. We confirm our Buy rating.



## VALUATION MODEL

DCF valuation model								
All figures in EUR '000	2018E	2019E	2020E	2021E	2022E	2023E	2024E	2025E
Net sales	40,492	44,539	51,027	56,640	62,407	68,251	74,083	79,807
<b>NOPLAT</b>	<b>1,876</b>	<b>3,104</b>	<b>4,042</b>	<b>5,137</b>	<b>5,720</b>	<b>6,321</b>	<b>6,931</b>	<b>7,543</b>
+ depreciation & amortisation	343	461	418	443	481	521	560	598
Net operating cash flow	2,219	3,564	4,461	5,580	6,201	6,841	7,491	8,141
- total investments (CAPEX and WC)	-492	-408	-874	319	37	38	34	25
Capital expenditures	-364	-401	-459	-510	-550	-589	-626	-660
Working capital	-128	-7	-415	829	588	627	660	685
Free cash flows (FCF)	1,727	3,156	3,587	5,899	6,238	6,879	7,525	8,166
<b>PV of FCF's</b>	<b>1,650</b>	<b>2,729</b>	<b>2,806</b>	<b>4,176</b>	<b>3,997</b>	<b>3,988</b>	<b>3,947</b>	<b>3,876</b>

All figures in thousands	
PV of FCFs in explicit period (2018E-2032E)	50,164
PV of FCFs in terminal period	32,564
Enterprise value (EV)	82,728
+ Net cash / - net debt	20,127
+ Investments / minority interests	3,294
Shareholder value	106,149
Number of shares (diluted)	21,678
<b>Fair value per share in EUR</b>	<b>4.90</b>

WACC		Terminal growth rate							
		0.5%	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%	
Cost of equity	10.5%	6.5%	7.62	8.00	8.45	9.01	9.70	10.59	11.78
Pre-tax cost of debt	6.0%	7.5%	6.53	6.78	7.06	7.40	7.81	8.31	8.93
Tax rate	30.0%	8.5%	5.72	5.89	6.08	6.30	6.56	6.86	7.23
After-tax cost of debt	4.2%	9.5%	5.10	5.22	5.35	5.50	5.67	5.87	6.10
Share of equity capital	100.0%	10.5%	4.61	4.70	4.79	4.90	5.02	5.15	5.31
Share of debt capital	0.0%	11.5%	4.21	4.28	4.35	4.42	4.51	4.60	4.71
		12.5%	3.89	3.94	3.99	4.04	4.11	4.18	4.25
		13.5%	3.62	3.65	3.69	3.74	3.78	3.83	3.89
<b>Price target in EUR</b>	<b>4.90</b>								

\* for layout purposes the model shows numbers only to 2025, but runs until 2032



## INCOME STATEMENT

All figures in EUR '000	2015A	2016A	2017A	2018E	2019E	2020E
<b>Revenues</b>	<b>56,009</b>	<b>61,164</b>	<b>75,563</b>	<b>40,492</b>	<b>44,539</b>	<b>51,027</b>
Cost of goods sold	40,165	45,076	57,215	19,792	19,919	23,472
<b>Gross profit</b>	<b>15,844</b>	<b>16,088</b>	<b>18,348</b>	<b>20,700</b>	<b>24,620</b>	<b>27,555</b>
S&M	10,575	9,055	10,771	11,915	12,730	13,973
G&A	6,382	6,155	6,087	6,171	7,540	8,006
Other operating income	1,406	1,059	723	780	873	1,004
Other operating expenses	49	329	396	601	703	781
<b>EBITDA</b>	<b>540</b>	<b>1,748</b>	<b>2,208</b>	<b>3,136</b>	<b>4,981</b>	<b>6,217</b>
Depreciation and amortisation	296	140	391	343	461	418
<b>Operating income (EBIT)</b>	<b>244</b>	<b>1,608</b>	<b>1,817</b>	<b>2,793</b>	<b>4,520</b>	<b>5,799</b>
Net financial result	199	82	-17	73	50	56
Non-operating expenses	0	0	0	0	0	0
<b>Pre-tax income (EBT)</b>	<b>443</b>	<b>1,690</b>	<b>1,800</b>	<b>2,865</b>	<b>4,570</b>	<b>5,854</b>
Income taxes	308	594	664	917	1,417	1,756
Minority interests	-168	-467	-556	-600	-700	-800
<b>Net income / loss</b>	<b>-33</b>	<b>629</b>	<b>580</b>	<b>1,348</b>	<b>2,453</b>	<b>3,298</b>
<b>Diluted EPS (in €)</b>	<b>0.00</b>	<b>0.03</b>	<b>0.03</b>	<b>0.06</b>	<b>0.11</b>	<b>0.15</b>

### Ratios

Gross margin	28.3%	26.3%	24.3%	51.1%	55.3%	54.0%
EBITDA margin on revenues	1.0%	2.9%	2.9%	7.7%	11.2%	12.2%
EBIT margin on revenues	0.4%	2.6%	2.4%	6.9%	10.1%	11.4%
Net margin on revenues	-0.1%	1.0%	0.8%	3.3%	5.5%	6.5%
Tax rate	69.5%	35.1%	36.9%	32.0%	31.0%	30.0%

### Expenses as % of revenues

S&M	18.9%	14.8%	14.3%	29.4%	28.6%	27.4%
G&A	11.4%	10.1%	8.1%	15.2%	16.9%	15.7%
Depreciation and amortisation	0.5%	0.2%	0.5%	0.8%	1.0%	0.8%
Other operating expenses	0.1%	0.5%	0.5%	1.5%	1.6%	1.5%

### Y-Y Growth

Revenues	n.a.	9.2%	23.5%	-46.4%	10.0%	14.6%
Operating income	n.a.	559.0%	13.0%	53.7%	61.9%	28.3%
Net income/ loss	n.a.	n.m.	-7.8%	132.5%	81.9%	34.4%



## BALANCE SHEET

All figures in EUR '000	2015A	2016A	2017A	2018E	2019E	2020E
<b>Assets</b>						
<b>Current assets, total</b>	<b>27,726</b>	<b>28,672</b>	<b>34,896</b>	<b>36,988</b>	<b>41,026</b>	<b>46,191</b>
Cash and cash equivalents	16,932	17,859	20,127	21,927	25,133	28,775
Short-term investments	297	138	27	27	27	27
Receivables	9,983	10,116	14,129	14,422	15,253	16,776
Inventories	0	0	0	0	0	0
Other current assets	514	559	613	613	613	613
<b>Non-current assets, total</b>	<b>6,314</b>	<b>2,706</b>	<b>3,719</b>	<b>3,740</b>	<b>3,680</b>	<b>3,721</b>
Property, plant & equipment	150	212	424	476	448	485
Goodwill & other intangibles	349	572	362	331	299	303
Other assets	5,815	1,922	2,933	2,933	2,933	2,933
<b>Total assets</b>	<b>34,040</b>	<b>31,378</b>	<b>38,615</b>	<b>40,729</b>	<b>44,706</b>	<b>49,912</b>
<b>Shareholders' equity &amp; debt</b>						
<b>Current liabilities, total</b>	<b>17,436</b>	<b>16,282</b>	<b>21,696</b>	<b>21,861</b>	<b>22,685</b>	<b>23,793</b>
Short-term debt	0	0	0	0	0	0
Accounts payable	13,618	12,357	17,838	18,003	18,827	19,935
Current provisions	0	0	0	0	0	0
Other current liabilities	3,818	3,925	3,858	3,858	3,858	3,858
<b>Long-term liabilities, total</b>	<b>96</b>	<b>117</b>	<b>402</b>	<b>402</b>	<b>402</b>	<b>402</b>
Long-term debt	0	0	0	0	0	0
Deferred revenue	0	0	0	0	0	0
Other liabilities	96	117	402	402	402	402
<b>Minority interests</b>	<b>503</b>	<b>690</b>	<b>779</b>	<b>1,379</b>	<b>2,079</b>	<b>2,879</b>
<b>Shareholders' equity</b>	<b>16,005</b>	<b>14,289</b>	<b>15,738</b>	<b>17,086</b>	<b>19,540</b>	<b>22,838</b>
Share capital	1,150	1,150	1,150	1,150	1,150	1,150
Capital reserve	63,305	61,116	61,312	61,312	61,312	61,312
Other reserves	-2,199	-2,356	-1,683	-1,683	-1,683	-1,683
Loss carryforward / retained earnings	-46,250	-45,621	-45,041	-43,693	-41,239	-37,941
<b>Total consolidated equity and debt</b>	<b>34,040</b>	<b>31,378</b>	<b>38,615</b>	<b>40,729</b>	<b>44,706</b>	<b>49,912</b>
<b>Ratios</b>						
Current ratio (x)	1.59	1.76	1.61	1.69	1.81	1.94
Quick ratio (x)	1.59	1.76	1.61	1.69	1.81	1.94
Net debt	-17,229	-17,997	-20,154	-21,954	-25,160	-28,802
Net gearing	-107.6%	-126.0%	-128.1%	-128.5%	-128.8%	-126.1%
Equity ratio	48.5%	47.7%	42.8%	45.3%	48.4%	51.5%
Book value per share (in €)	0.75	0.67	0.74	0.80	0.92	1.07
Return on equity (ROE)	-0.2%	4.4%	3.7%	7.9%	12.6%	14.4%
Return on investment (ROI)	-0.1%	2.0%	1.5%	3.3%	5.5%	6.6%
Return on assets (ROA)	0.1%	2.2%	1.5%	3.3%	5.5%	6.6%
Days of sales outstanding (DSO)	65.1	60.4	68.2	130.0	125.0	120.0
Days inventory outstanding	0.0	0.0	0.0	0.0	0.0	0.0
Days in payables (DIP)	123.8	100.1	113.8	332.0	345.0	310.0



## CASH FLOW STATEMENT

All figures in EUR '000	2015A	2016A	2017A	2018E	2019E	2020E
<b>EBIT</b>	<b>244</b>	<b>1,608</b>	<b>1,817</b>	<b>2,793</b>	<b>4,520</b>	<b>5,799</b>
Depreciation and amortisation	296	140	391	343	461	418
<b>EBITDA</b>	<b>540</b>	<b>1,748</b>	<b>2,208</b>	<b>3,136</b>	<b>4,981</b>	<b>6,217</b>
Changes in working capital	2,257	-1,164	3,095	-128	-7	-415
Other adjustments	-1,014	-561	-2,203	-844	-1,367	-1,701
<b>Operating cash flow</b>	<b>1,783</b>	<b>23</b>	<b>3,100</b>	<b>2,164</b>	<b>3,607</b>	<b>4,102</b>
Investments in PP&E	-67	-144	-378	-243	-267	-306
Investments in intangibles	-118	-417	-55	-121	-134	-153
<b>Free cash flow</b>	<b>1,598</b>	<b>-538</b>	<b>2,666</b>	<b>1,800</b>	<b>3,206</b>	<b>3,643</b>
Acquisitions & disposals, net	3,363	3,920	3	0	0	0
Other investments	16	209	0	0	0	0
<b>Investment cash flow</b>	<b>3,194</b>	<b>3,568</b>	<b>-431</b>	<b>-364</b>	<b>-401</b>	<b>-459</b>
Debt financing, net	0	0	0	0	0	0
Equity financing, net	176	-2,217	105	0	0	0
Dividends paid	0	0	0	0	0	0
Other financing	0	-280	-467	0	0	0
<b>Financing cash flow</b>	<b>176</b>	<b>-2,497</b>	<b>-362</b>	<b>0</b>	<b>0</b>	<b>0</b>
FOREX & other effects	8	-167	-39	0	0	0
<b>Net cash flows</b>	<b>5,162</b>	<b>927</b>	<b>2,268</b>	<b>1,800</b>	<b>3,206</b>	<b>3,643</b>
Cash, start of the year	11,926	16,932	17,859	20,127	21,927	25,133
<b>Cash, end of the year</b>	<b>17,088</b>	<b>17,859</b>	<b>20,127</b>	<b>21,927</b>	<b>25,133</b>	<b>28,775</b>
<b>EBITDA/share (in €)</b>	<b>0.03</b>	<b>0.08</b>	<b>0.10</b>	<b>0.15</b>	<b>0.23</b>	<b>0.29</b>
<b>Y-Y Growth</b>						
Operating cash flow	n.a.	-98.7%	13378.3%	-30.2%	66.7%	13.7%
Free cash flow	n.a.	n.m.	n.m.	-32.5%	78.2%	13.6%
EBITDA/share	n.a.	227.8%	26.3%	41.1%	58.8%	24.8%

### FIRST BERLIN RECOMMENDATION & PRICE TARGET HISTORY

Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	9 January 2018	€4.06	Add	€4.30
2...2	↓	↓	↓	↓
3	10 April 2018	€3.68	Buy	€4.80
4	20 April 2018	€3.85	Buy	€4.90
5	24 May 2018	€3.83	Buy	€4.90
6	Today	€3.84	Buy	€4.90

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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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