

Recommendation: Buy

Price target: 6.00 EUR

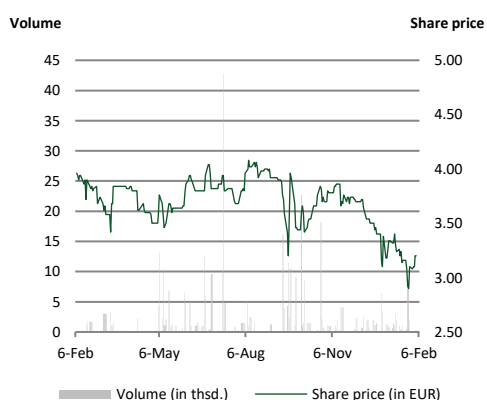
Upside potential: +89 Percent

Share data

Share price	3.18 Euro (XETRA)
Number of shares (in m)	6.89
Market cap. (in EUR m)	21.9
Enterprise Value (in EUR m)	24.0
Code	ECF
ISIN	DE000A12UK08

Performance

52 week high (in EUR)	4.08
52 week low (in EUR)	2.90
3 m relative to CDAX	-32.9%
6 m relative to CDAX	-33.4%



Shareholder

Free float	18.1%
Mountain Partners AG	61.3%
Reitham Equity GmbH	6.9%
Daniel Wild (incl. Tiburon)	7.2%
Redline Capital Management S.A.	3.1%
Banque de Luxembourg S.A.	3.4%

Calendar

Annual Report May 2023

Change in estimates

	2022e	2023e	2024e
Revenue	-	-	-
Δ in %	-	-	-
EBIT (old)	-	-	-
Δ in %	-	-	-
EPS (old)	-	-	-
Δ in %	-	-	-

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Market environment should favor portfolio expansion

In the context of a company visit, we had the opportunity to speak in detail about the present performance and current risk-opportunity profile of the portfolio companies with the CEO of Mountain Alliance, Mr. Danner, and look at the year 2023. Last year, the overall market environment in venture capital has developed from a seller's to a buyer's market. It is therefore likely that the buying restraint of Mountain Alliance over the past 18 months will now be awarded with favorable entry valuations. Additionally, almost all portfolio companies are profitable and/or sufficiently financed and we therefore expect the company to benefit from the current development. Below we have examined the current news flow and the expected development of the investments in 2023 in greater detail.

- **AlphaPet** – Platform operator of premium pet supplies
- **Lingoda** – Provider of an online language school
- **Shirtinator** – Online provider of personalized apparel
- **Volders** – Market leader in contract and cancellation management
- **Promipool** – People magazine (with own editorial team)

Further partial exit of AlphaPet still realized in 2022: AlphaPet Ventures GmbH (investment: 1.2%) is a supplier of pet supplies. The company mainly sells its own premium brands, both online via its own web shops and through c. 12,000 affiliated partners in stationary retail (e.g. Fressnapf, EDEKA). The company itself is the holding company for the knowledge and technology transfer within the group.

The market for pet supplies is mainly characterized by an independence on economic cycles and a consistently growing demand, which primarily results from the premiumization in combination with a growing number of pets (number of pets in 2021: 34.7m; 2019: 34.0m). In the wake of the Covid-19 pandemic, the emotional significance of pets has increased, and they are seen as a family member more than ever before. This humanization trends leads to a higher willingness to pay which should mainly benefit premium suppliers such as AlphaPet.

In the last years, the pet supplies market has grown at an average rate of 4.8% p.a. (CAGR 2018-2021) and is likely to have surpassed the EUR 6 billion threshold in 2022 according to a forecast of Zentralverband für Zoologische Fachbetriebe (German Association of Zoological Enterprises). As in other industries, online trade is outperforming the overall market at an annual growth rate of almost 20%.

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Valuation of the net asset value of Mountain Alliance AG

Core investments	Potential value (in EUR m)
AlphaPet Ventures GmbH	3.2
Lingoda GmbH	11.9
Other assets/liabilities	Fair value (in EUR m)
Listed Companies	4.1
Private Equity-Portfolio (MONE)	29.2
Liquid assets	3.6
Other assets	3.3
Financial liabilities	6.3
= Net asset value	49.0
/ Shares (in m)	6.9
= NAV per share (in EUR)	7.13
less holding discount	10%
= NAV per share less holding company discount (in EUR)	6.41

Source: Company, Montega, Capital IQ

AlphaPet's product portfolio consists of well-known premium brands such as "Wolfsblut" as well as the company's own brands (proportion in the portfolio: c. 90%). Unlike many other suppliers, who are specialized in only one sales channel, AlphaPet pursues a multi-channel approach and sells its products both online and offline, with the sales share of the online D2C business accounting for >50%.

According to Mountain Alliance, AlphaPet is expected to have generated sales of over EUR 150m in 2022, corresponding to a growth rate of over 40% yoy. It should be noted though that Arden Grange from the UK was acquired at the beginning of 2022. Based on the positioning in the premium segment, the group should continue to gain market share in 2023 and therefore grow the bottom line at a disproportionate rate to a level of just under EUR 200m (MONE). Even though 2022 earnings figures are not known, the company generated above-average margins in the past driven by the high degree of own brands as well as a continuing optimization and scaling of structures (cf. table below). In 2021, for instance, the relocation of the production to more favorable locations has significantly improved the material expense ratio by 5.8pp yoy to 70.7%.

EBITDA margins of selected companies in comparison

EBITDA margins	2020	2021
Chewy	-4.8%	-0.9%
Zooplus	2.4%	-0.5%
AlphaPet	12.6%*	10.6%

Source: Capital IQ, Bundesanzeiger *adjusted for one-time special effects from the acquisition of Healthfood24

Since Mountain Alliance has held a stake in AlphaPet, several partial exits have been realized. The first sale of c. 3.3% (investment: 5.3% to 2.0%) took place in February 2020, when capiton became the new lead investor. The sale resulted in a cash inflow of roughly EUR 1.5m. In November last year, the second partial exit was announced and led to the sale of another 0.6%, which reduced the remaining stake to 1.2%. The respective cash inflow amounted to c. EUR 1.1m (MONE). Although we have derived an EV/sales multiple of 1.2x for the recent partial exit because of the weak market phase, our calculation of the potential value is based on a multiple of 1.6x in view of the peer group and the business model's resistance to cyclical fluctuations. Consequently, the remaining stake should have a fair value of roughly EUR 3.9m (FV 2023 MONE: EUR 321.0m). The recent increase in EV/sales multiples of competitor Chewy, Inc., which are shown in the table below, can be seen as evidence for the prospective exit valuation.

Development of sales multiples at Chewy, Inc.

Chewy, Inc.	Q2/22	Q3/22	Q4/22	2023e
EV/Umsatz	1.48x	1.79x	1.71x	2.04x

Source: Capital IQ

The recent M&A history, which has continuously expanded the product and brand portfolio (buy and build strategy), has not been included in our valuation, but may be important for a possible sales price. In 2020, for instance, the company acquired Healthfood24 (premium brands: "Wolfsblut", "Wildcat") and announced at the beginning of 2022 that it had acquired British company Arden Grange.

Advance of virtual learning formats continues unabated: A digital language school with virtual classes and live courses, Lingoda differentiates from providers with text-based learning approaches such as Babbel or Duolingo.

Thanks to its stay-at-home business model, the company has benefited from the postponements resulting from the Covid-19-related closures of residential language schools. Although almost all of these restrictions have been lifted by now, it becomes clear that the trend towards virtual formats cannot be reversed in the field of education. In a survey by MMB Institute, 75% of the respondents said that the shift from classical to digital language schools will continue over the next few years. Furthermore, 54% are convinced

that virtual presence learning formats will replace pure self-directed learning formats (e.g. Babbel). The Statista Report on e-learning in Germany projects a 2023-2027 CAGR of 6.8% p.a., which suggests the market volume should grow to almost EUR 700m by then.

We see the focus on virtual presence formats, which allow for a more personal learning environment due to the business model, as one of the major competitive advantages. Lingoda has been ranked second among a total of twelve providers in the current comparison of digital language courses by stern.de. This ranking awarded the company's services with a top rating and the grade "very good". It was pointed out that the company provided the option to book either group lessons or private tutoring, which is offered by only one other provider (focus on language courses for learners older than 50).

The recent dynamic growth rates show that Lingoda's approach is perceived and appreciated by the customers. Revenues increased by some 55% p.a. between 2018–2021 and are expected to stand at EUR 52.4m (MONE) in 2022. The expansion of the B2B business is likely to generate additional sales potential. Whilst the company's success is driven by the strong B2C business, we view the changes in the work culture as an opportunity to receive bigger B2B orders. Moreover, many companies are faced with the challenge of having to offer their employees appropriate language courses due to the internationalization of the labor market. We also see additional potential in the expansion of the B2G2B model. This refers to education vouchers issued by the government for international nursing specialists. We expect the staff shortage in the nursing sector to increase further, driven by the demographic development, which is why Lingoda may also generate major orders in this area in the future. Overall, we believe the company has a promising positioning with the relevant products in a market that is growing in any case.

We have already discussed the attractiveness of the ed tech market in past comments (cf. 5.07.2021; 22.09.2022). The current sales multiples of listed providers such as Duolingo and Docebo are 7.5x and 6.0x respectively – a significant premium over the average valuation of 2.1x for the "education services" market as a whole (source: Capital IQ). Although the current market environment should still be challenging despite the good fundamental data, the management of Mountain Alliance assumes that Lingoda will go public in the USA. We derive a potential value of almost EUR 213.4m for Lingoda from the multiples above on the basis of the expectations for 2023. Consequently, we estimate a figure of EUR 14.3m for the 6.7% investment of Mountain Alliance.

Interim conclusion: The two core investments, Lingoda and AlphaPet, have benefited from the Covid-19 pandemic and are also active in very promising growth markets.

Alongside the core investments, Mountain Alliance's portfolio includes other companies which have also been beneficiaries of this exceptional boom (e.g. Volders, Promipool). It should be noted though, that some companies in the portfolio are facing significant challenges caused by the current macroeconomic development. For this reason, we will first deal with the investment in Shirtinator in this context.

High price pressure and cut-throat competition for personalized apparel: Shirtinator (investment: 67.4%) is the second-largest digital provider of personalized apparel in Europe. Above all, the company competes for market shares with market leader Spreadshirt, alongside numerous smaller competitors.

The recent increase in procurement costs has weighed on all providers in the market given that these prices cannot be fully passed on to the consumers as there are only few opportunities for differentiation and price elasticity of demand is high. Another consolidation of the market seems to be indispensable for the remaining providers to achieve price leadership through economies of scale. According to the management, it currently remains to be seen whether Shirtinator will play an active or a passive role here.

Volders announces acquisition of competitor Aboalarm On 16 December 2022, Volders (investment: 13%) announced it had fully acquired Aboalarm from the portfolio of Verivox. By acquiring the largest competitor, Volders now has achieved clear market leadership (share: >75%) in the field of contract and cancellation management in the DACH region. Furthermore, Aboalarm contributes a SaaS solution, Finlytics, which automatically imports account movements.

With it, the platforms process a monthly volume of some 110,000 cancellations and together have more than c. 10 million customers in the core markets. Annual sales of some EUR 10m are targeted for 2023. Having in mind the inflation-driven price increases for private households, we expect the number of cancellations to grow. In this respect, discretionary spending such as memberships in fitness clubs should be up for discussion here, in our view.

We expect EBITDA to be positive in 2023 not least because of the cost cutting measures at Aboalarm, which were implemented prior to the acquisition.

Thanks to the reach that is now available through the acquisition, we believe that Volders, as the market leader, is in a promising position to benefit from the projected increase in the volume of cancellations.

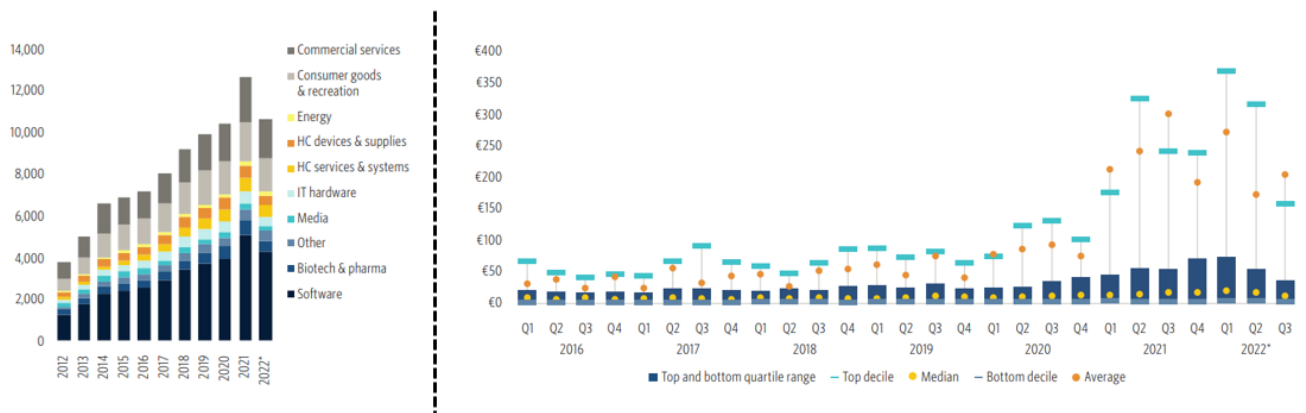
Media houses interested in Promipool – Mountain Alliance in intensive talks: Founded by Mountain Alliance, Promipool GmbH (investment 61.5%) operates a digital people magazine, whose in-house editorial team creates content about national and international celebrities.

Unlike people magazines such as BUNTE or Promiflash, the editorial office of Promipool aims to publish celebrities content that is as positive as possible and is not at all interested in bashing celebrities. That the content satisfies the needs of the users can be derived from the time spent on the website that has been analyzed by Similarweb. It is measured by the average number of page impressions per visit and stood at 2.90 in December 2022 (cf. bunte.de: 1.97; promiflash.de: 2.59). After a downturn in content caused by the Covid-19 pandemic, Promipool is optimistic for the year 2023 thanks to the revival of social life and because of the still sufficient strong reach (100m video views per month on average). The latter is a key figure for media and strategic partners in terms of the quality of the advertising inventory and thus is decisive for monetization.

Provided that Mountain Alliance can reach an agreement in its talks with media companies, we view the access to numerous professional media partners as an enormous growth potential. Having the industry experience of an established media house may also contribute to the generation of new revenue streams, e.g. with a freemium subscription model. We expect the news flow on this topic to be positive over the next few months.

Buyer's market offers opportunities for Mountain Alliance: As the Pitchbook charts below illustrate, the outlook of the VC market has deteriorated considerably as of late. Both the number of transactions and the transferred volume have declined significantly in 2022. Whilst more than 12,500 VC deals were completed in 2021, this figure was only slightly above 10,000 transactions in 2022. The valuations revealed a similar picture in the course of the last fiscal year. It can therefore be concluded that the VC scene has developed from a seller's into a buyer's market. We believe that this may lead to favorable entry-level investments for Mountain Alliance. As such, the management's buying restraint over the past months should now be awarded. Even if the valuation of the exits completed in 2023 should be low because of the weak market phase, the favorable entry opportunities are set to more than compensate for this, in our view.

Development of transaction numbers and valuation in the European VC-market



Source: Pitchbook – European Venture Report & European VC Valuations Report

The development described above should mainly prompt corporate VCs and family offices to review their investment strategy. Mountain Alliance says it is already in contact with a couple of addresses which are interested in selling entire portfolios.

Conclusion: Overall, Mountain Alliance is optimistic for the year 2023. With a well-positioned portfolio in numerous growth markets, the holding company can make good use of the environment of a buyer’s market, in our view, and benefit from the current low valuation of entry-level investments. We therefore confirm our buy rating with a price target of EUR 6.00.

COMPANY BACKGROUND

Mountain Alliance is a Munich-based listed investment company focused on small to medium-sized companies with digital companies from the DACH region. The company primarily invests in comparatively mature companies with revenues of between EUR 1.0m and EUR 30m. Mountain Alliance invests in companies, which have already left the so-called early stage financing phase and are now in the growth or later stage phases. The venture capital investor currently holds 26 companies, which are divided in the fields of technology, digital business services, digital retail as well as meta platforms & media. Mountain Alliance generally holds interests of between EUR 0.5m and EUR 1.0m depending on the investment.

Below please find a brief overview of important milestones in the company's history:

- 2010** Foundation of Blitzstart Holding AG, which was renamed Ecommerce Alliance AG a few months later
Start of trading at the Frankfurt stock exchange at the end of 2010
- 2013** Participation of strategic major shareholder Redline Capital Management as part of a capital increase
- 2015** Realignment of the business model with increased focus on e-commerce
- 2017** Contribution of all shares of Mountain Internet AG by way of a capital increase through contribution in kind.
Listing at the Bavarian stock exchange in Munich in the „m:access“ segment and in the basic board at the Frankfurt stock exchange
- 2018** Change of name into today's Mountain Alliance AG
Contribution of all shares of Mountain Technology AG by way of a capital increase through contribution in kind
- 2019** Implementation of a capital increase with the purpose of expanding the investment portfolio
Partial exit of the company's interest in Exasol AG
- 2020** Partial exit of the company's interest in AlphaPet Ventures GmbH
Partial exit within the Exasol-IPO
- 2021** External Financing round at Lingoda

Investment strategy

Investments are focused on digital business models which hold the potential for disruption and economies of scale according to the assessment of Mountain Alliance. The company focuses on technology, digital business services, digital retail as well as meta platforms & media, i.e. on areas in which the management has long-term experience and an extensive network.

Mountain Alliance does not act as an aggressive activist investor, but actively contributes to the portfolio companies' value creation in advisory roles. Thanks to the listing at the stock exchange, Mountain Alliance remains flexible in the planning up until the exit contrary to typical (closed) private equity investment funds. The targeted holding period is 3-5 years despite the so-called evergreen structure.

Regular exits serve to generate financial funds for interim financing of existing portfolio companies as well as for new investments. Mountain Alliance aims for one or two (partial) exits per year. As for new investments, the company is either looking for stakes in individual companies or for entire portfolios. Mountain Alliance prefers to acquire entire portfolios from early phase investors. This also has the advantage that the acquisition entails less administrative cost and efforts. Individual stakes are combined into one holding and Mountain Alliance has to sign only one contract to acquire this holding.

Mountain Alliance has applied this practice in the last few years when the company acquired two promising portfolios from the network of major shareholder Mountain Partners (64.4%

stake). In H2/17, the company acquired Mountain Internet AG, a holding with nine companies (Volders GmbH, Lingoda GmbH, AlphaPet Ventures GmbH amongst others). One year later, Mountain Alliance acquired Holding Mountain Technology AG, which held six companies (Exasol AG, Bio-Gate AG, movingImage EVP GmbH amongst others). By acquiring stakes in 16 companies in total, Mountain Alliance has laid the foundation for further growth.

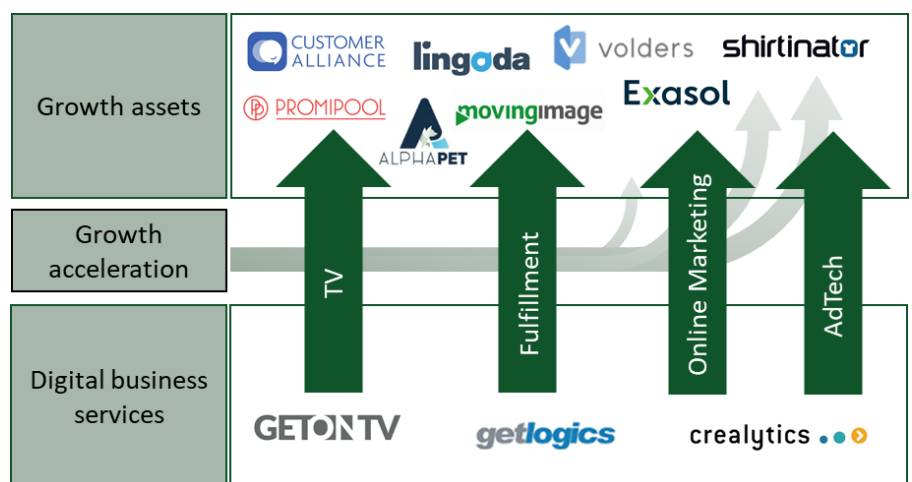
Portfolio

Mountain Alliance is currently invested in 26 companies. The portfolio focuses on digital business models that replace traditional processes with their innovative or disruptive solutions.

The holdings within these segments are separated into technology, digital business services, digital retail as well as meta platforms & media. The companies are segmented according to their respective organisational focus. The services segment includes all services and management companies rendering services to the companies in the Mountain Alliance portfolio as well as to third parties. This is done to ensure that maximum use is made of the synergies between the individual holdings. The segment mainly includes the companies specialised in digital business services which, with the help of their services, serve to accelerate the growth of other holdings. The second, much larger segment “brands” includes those companies specialised in technology, digital retail as well as meta platforms & media.

The companies in the **technology** sector are characterised by their innovative technological expertise in a variety of industries. Most of the holdings sell software applications for the B2B or B2C sectors, e.g. Lingoda for e-learning of languages, or Exasol with a database management system.

Digital business services bundles those companies offering services such as logistics (e.g. getlogics), AdTech (e.g. crealytics) or TV ads (e.g. getonTV). These services can also be made available to other portfolio companies with the aim to accelerate the growth of one another. For instance, Lingoda, the online language school, benefits from the knowledge of search engine specialist crealytics regarding the acquisition of new customers.



Source: Company, Montega

The **digital retail** segment has grown from the predecessor company E-Commerce Alliance. With these holdings, Mountain Alliance intends to participate in the transformation of the traditional stationary retail towards e-commerce in a large variety of industries. Digital retail companies are, for instance, AlphaPet Ventures (pet supplies) or Shirtinator (online retail of individually printed clothing).

The fourth segment, **Meta-Platforms & Media**, comprises web-based services, which bundle information from several websites to prepare this data in a clear manner for the consumers. These investments allow Mountain Alliance to be active in various end markets with different platforms. Thanks to its investment in Promipool, for instance, the company participates in an online people magazine providing its users with stories and news about German and international stars and VIPs.

Investment Portfolio Mountain Alliance			
	Name	Share	Phase
Technology	atfinity	9.6%	Early
	Qwello GmbH	1.1%	Early
	Bio-Gate AG	14.6%	Public
	CA Customer Alliance	19.2%	Growth
	Exasol AG	1.6%	IPO
	Lingoda GmbH	6.7%	Growth
	Mentavio	10.5%	Early
	mixxt GmbH	21.8%	Growth
	movingImage EVP GmbH	7.6%	Late
	Asknet Solutions AG	4.7%	Late
	volders GmbH	13.3%	Growth
	ExpressSteuer GmbH	0.5%	Growth
Digital Business Services	crealytics GmbH	6.9%	Late
	getlogics GmbH	64.0%	Late
	getonTV GmbH	100.0%	Late
	locr GmbH	12.4%	Growth
Digital Retail	AlphaPet GmbH	1.2%	Growth
	Shirtinator AG	67.4%	Late
Meta-Platforms & Media	GrapeAlliance GmbH	10.6%	Early
	Miet24 GmbH	4.9%	Late
	Netz Holding GmbH	0.7%	Growth
	Promipool GmbH	61.5%	Growth
	Yasni GmbH	24.5%	Late

Source: Company; Updated: February 2023

Management

The company's operating business is currently managed by **Manfred Danner**.



Manfred Danner has co-shaped the digital transformation and realignment of Mountain Alliance since 2010. In 2017, he was appointed to the management board and is responsible for M&A, legal, portfolio management, audit, risk management, and investor relations. Prior to joining Mountain Alliance, he held senior management positions at different industrial and technology companies both in portfolio management and in the commercial area. He has an in-depth knowledge in the tasks entrusted to him.

Besides Manfred Danner plays the former CEO Daniel Wild, who is now member of the supervisory board, still a very important role.



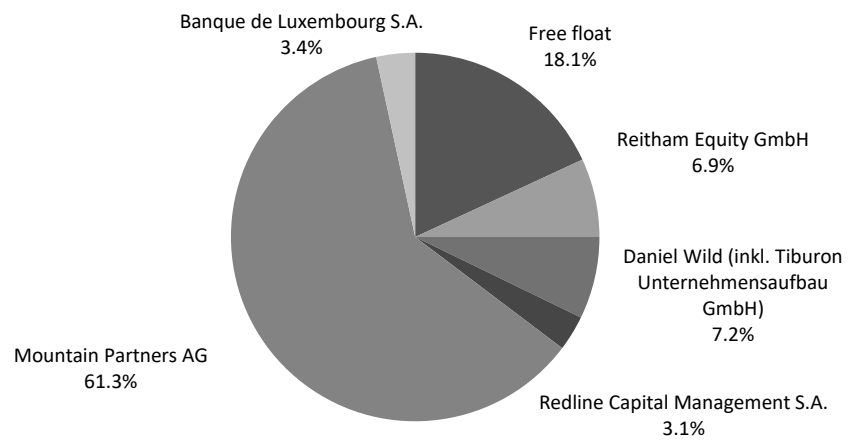
Daniel Wild has been the founder and managing director of the predecessor companies, getmobile AG and Ecommerce Alliance and was CEO of Mountain Alliance AG until May 2021. Alongside his current position as member of the supervisory board of Mountain Alliance, he is also the CEO of the non-listed Mountain Partners AG and the managing director of Tiburon Unternehmensaufbau GmbH, his personal investment company. Based on his career as a serial entrepreneur and early stage investor, he has extensive experience and a broad network in the private equity industry. The exits of more than 120 companies underline his personal track record.

Shareholder structure

The shares of Mountain Alliance AG are traded at the Bavarian stock exchange in Munich in the „m:access“ segment and in the Basic Board of the Frankfurt stock exchange. Since the placement of the last capital increase in September 2019 the company's share capital has consisted of 6,855,584 no-par shares with a nominal value of EUR 1.00 each.

The shareholder structure is mainly characterised by the 60.7% stake of the largest shareholder, Mountain Partners, which has been a strategic anchor investor since 2017. Other significant stakes are held by Daniel Wild (6.8%), Redline Capital Management (3.1%) and investment company Reitham Equity (6.9%). The latter is the investment vehicle of private equity investor Jens Neiser, who has also been one of the first investors of getmobile AG, and who has successfully sold many other holdings such as Allgeier or Swyx. His company has held the stake in Mountain Alliance since 2011. The remaining 22.5% are free float.

Shareholder structure



Source: Company

APPENDIX

P&L (in EUR m) Mountain Alliance AG	2016	2017	2018	2019	2020	2021
Sales	18.4	16.7	20.3	13.5	9.8	10.1
Increase / decrease in inventory	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
Total sales	18.4	16.7	20.3	13.5	9.8	10.1
Material Expenses	10.7	9.4	12.4	7.4	4.5	4.2
Gross profit	7.7	7.3	7.9	6.1	5.3	5.9
Personnel expenses	4.5	4.8	4.0	4.0	4.0	3.6
Other operating expenses	3.2	4.0	4.8	3.9	3.7	3.5
Other operating income	0.3	0.5	0.4	0.3	0.1	0.2
EBITDA	0.4	-1.1	-0.5	-1.6	-2.2	-1.1
Depreciation on fixed assets	0.0	0.0	0.0	0.0	0.0	0.0
EBITA	0.4	-1.1	-0.5	-1.6	-2.2	-1.1
Amortisation of intangible assets	0.6	0.7	1.3	0.6	0.7	0.7
Impairment charges and Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	-0.3	-1.8	-1.9	-2.2	-3.0	-1.8
Financial result	0.6	2.5	0.2	0.5	7.8	5.9
Result from ordinary operations	0.3	0.7	-1.7	-1.7	4.8	4.1
Extraordinary result	0.0	0.0	0.0	0.0	0.0	0.0
EBT	0.3	0.7	-1.7	-1.7	4.8	4.1
Taxes	0.1	0.2	0.1	0.1	1.9	0.3
Net Profit of continued operations	0.2	0.4	-1.7	-1.8	2.9	3.8
Net Profit of discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0
Net profit before minorities	0.2	0.4	-1.7	-1.8	2.9	3.8
Minority interests	0.1	0.1	0.0	0.0	-0.3	0.0
Net profit	0.1	0.3	-1.7	-1.8	3.2	3.8

Source: Company (reported results), Montega (forecast)

P&L (in % of Sales) Mountain Alliance AG	2016	2017	2018	2019	2020	2021
Sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Increase / decrease in inventory	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%
Total sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Material Expenses	58.1%	56.4%	61.0%	54.9%	46.2%	41.9%
Gross profit	41.9%	43.6%	39.0%	45.1%	53.8%	58.1%
Personnel expenses	24.6%	28.8%	19.9%	29.9%	40.2%	35.7%
Other operating expenses	17.3%	24.0%	23.5%	28.9%	37.9%	34.9%
Other operating income	1.9%	2.7%	1.7%	2.2%	1.4%	1.5%
EBITDA	1.9%	-6.5%	-2.7%	-11.6%	-22.8%	-11.0%
Depreciation on fixed assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EBITA	1.9%	-6.5%	-2.7%	-11.6%	-22.8%	-11.0%
Amortisation of intangible assets	3.4%	4.3%	6.7%	4.8%	7.5%	7.0%
Impairment charges and Amortisation of goodwill	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EBIT	-1.4%	-10.9%	-9.3%	-16.3%	-30.4%	-18.0%
Financial result	3.3%	14.9%	1.2%	3.9%	79.5%	58.6%
Result from ordinary operations	1.9%	4.0%	-8.2%	-12.5%	49.1%	40.6%
Extraordinary result	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EBT	1.9%	4.0%	-8.2%	-12.5%	49.1%	40.6%
Taxes	0.7%	1.4%	0.4%	0.5%	19.3%	3.3%
Net Profit of continued operations	1.2%	2.6%	-8.6%	-13.0%	29.8%	37.3%
Net Profit of discontinued operations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net profit before minorities	1.2%	2.6%	-8.6%	-13.0%	29.8%	37.3%
Minority interests	0.6%	0.8%	0.0%	0.0%	-2.7%	-0.2%
Net profit	0.6%	1.8%	-8.6%	-13.0%	32.5%	37.5%

Source: Company (reported results), Montega (forecast)

Balance sheet (in EUR m) Mountain Alliance AG	2016	2017	2018	2019	2020	2021
ASSETS						
Intangible assets	5.8	5.7	5.7	6.0	5.8	5.6
Property, plant & equipment	1.5	1.3	1.2	1.3	1.4	1.3
Financial assets	1.8	15.6	29.4	29.6	42.8	40.1
Fixed assets	9.1	22.7	36.3	36.9	50.1	47.0
Inventories	0.1	0.0	0.0	0.1	0.1	0.1
Accounts receivable	1.9	1.5	1.9	1.5	0.9	1.3
Liquid assets	4.7	5.9	4.2	4.6	4.6	2.2
Other assets	1.3	1.3	0.6	0.4	0.3	0.2
Current assets	7.9	8.8	6.8	6.5	5.8	3.7
Total assets	16.9	31.4	43.1	43.5	55.9	50.8
LIABILITIES AND SHAREHOLDERS' EQUITY						
Shareholders' equity	9.9	19.8	31.1	30.6	36.8	40.6
Minority Interest	2.8	2.0	2.0	2.1	1.9	1.8
Provisions	1.2	0.8	0.8	0.5	0.5	0.6
Financial liabilities	0.8	5.5	6.4	7.7	13.3	4.2
Accounts payable	2.1	3.1	2.9	2.5	1.5	1.4
Other liabilities	0.2	0.2	0.0	0.0	1.9	2.1
Liabilities	4.2	9.6	10.1	10.8	17.2	8.3
Total liabilities and shareholders' equity	16.9	31.4	43.1	43.5	55.9	50.8

Source: Company (reported results), Montega (forecast)

Balance sheet (in %) Mountain Alliance AG	2016	2017	2018	2019	2020	2021
ASSETS						
Intangible assets	34.3%	18.2%	13.1%	13.8%	10.4%	11.0%
Property, plant & equipment	8.6%	4.3%	2.9%	3.1%	2.6%	2.6%
Financial assets	10.7%	49.6%	68.3%	68.0%	76.5%	79.0%
Fixed assets	53.6%	72.1%	84.3%	84.9%	89.6%	92.6%
Inventories	0.3%	0.1%	0.0%	0.2%	0.1%	0.1%
Accounts receivable	11.2%	4.7%	4.5%	3.5%	1.5%	2.5%
Liquid assets	27.7%	18.9%	9.8%	10.6%	8.2%	4.3%
Other assets	7.4%	4.2%	1.4%	0.8%	0.6%	0.5%
Current assets	46.6%	27.9%	15.7%	15.0%	10.4%	7.3%
Total Assets	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
LIABILITIES AND SHAREHOLDERS' EQUITY						
Shareholders' equity	58.5%	63.0%	72.1%	70.3%	65.9%	80.0%
Minority Interest	16.8%	6.4%	4.5%	4.8%	3.3%	3.6%
Provisions	7.0%	2.6%	1.7%	1.2%	0.9%	1.2%
Financial liabilities	4.5%	17.5%	14.9%	17.8%	23.8%	8.2%
Accounts payable	12.3%	9.8%	6.7%	5.8%	2.6%	2.8%
Other liabilities	1.0%	0.7%	0.1%	0.1%	3.4%	4.1%
Total Liabilities	24.9%	30.6%	23.4%	24.8%	30.7%	16.3%
Total Liabilities and Shareholders' Equity	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Company (reported results), Montega (forecast)

Statement of cash flows (in EUR m) Mountain Alliance AG	2016	2017	2018	2019	2020	2021
Net income	0.2	0.4	-1.7	-1.8	2.9	3.8
Depreciation of fixed assets	0.4	0.5	0.8	0.4	0.5	0.5
Amortisation of intangible assets	0.6	0.7	1.3	0.0	0.0	0.0
Increase/decrease in long-term provisions	0.0	-0.4	-0.1	-0.2	0.0	0.1
Other non-cash related payments	-0.1	-2.0	-1.2	0.1	-6.6	-6.4
Cash flow	1.1	-0.8	-0.9	-1.4	-3.1	-2.0
Increase / decrease in working capital	1.0	0.5	0.4	0.3	-0.3	-0.4
Cash flow from operating activities	0.1	-1.3	-1.2	-1.7	-2.8	-1.6
CAPEX	-0.2	-0.3	-0.1	-0.6	-0.3	-0.1
Other	-1.4	0.9	-0.7	0.2	2.2	3.1
Cash flow from investing activities	-1.5	0.6	-0.8	-0.4	1.9	3.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Change in financial liabilities	0.0	-0.1	0.0	0.9	-1.7	-1.9
Other	-0.6	1.8	0.6	1.2	2.5	-0.2
Cash flow from financing activities	-0.6	1.7	0.6	2.1	0.8	-2.1
Effects of exchange rate changes on cash	0.0	0.2	0.1	0.0	0.0	0.0
Change in liquid funds	-2.0	1.0	-1.4	0.0	-0.1	-0.7
Liquid assets at end of period	2.8	3.9	2.6	2.6	2.5	1.8

Source: Company (reported results), Montega (forecast)

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Buy: The analysts at Montega AG believe the share price will rise during the next twelve months.

Hold: Upside/downside potential limited. No immediate catalyst visible.

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Share price and recommendation history

Recommendation	Date	Price (EUR)	Price target (EUR)	Potential
Buy (Initiation)	04.03.2020	5.30	6.70	+26%
Buy	18.05.2020	3.96	6.50	+64%
Buy	26.05.2020	4.64	6.50	+40%
Buy	25.06.2020	4.82	6.50	+35%
Buy	02.09.2020	4.88	6.50	+33%
Buy	30.09.2020	5.35	6.30	+18%
Buy	16.04.2021	5.70	6.80	+19%
Buy	07.05.2021	5.70	7.30	+28%
Buy	15.07.2021	5.20	7.50	+44%
Buy	22.09.2021	5.95	7.80	+31%
Buy	09.05.2022	3.76	6.00	+60%
Buy	16.09.2022	3.72	6.00	+61%
Buy	07.02.2023	3.18	6.00	+89%