

**Recommendation:** Buy

**Price target:** 6.00 EUR

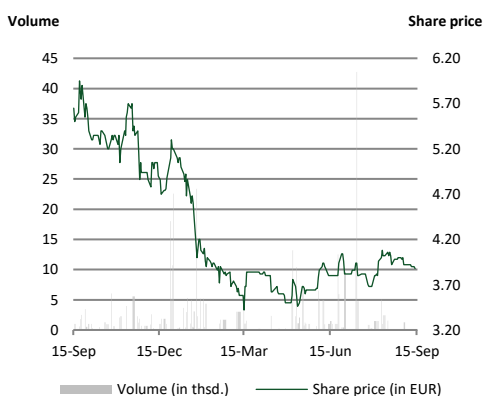
**Upside potential:** +61 Percent

#### Share data

|                             |                   |
|-----------------------------|-------------------|
| Share price                 | 3.72 Euro (XETRA) |
| Number of shares (in m)     | 6.89              |
| Market cap. (in EUR m)      | 25.6              |
| Enterprise Value (in EUR m) | 28.8              |
| Code                        | ECF               |
| ISIN                        | DE000A12UK08      |

#### Performance

|                       |        |
|-----------------------|--------|
| 52 week high (in EUR) | 6.05   |
| 52 week low (in EUR)  | 3.38   |
| 3 m relative to CDAX  | +2.5%  |
| 6 m relative to CDAX  | -15.2% |



#### 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

|              |               |
|--------------|---------------|
| Equity Forum | November 2022 |
|--------------|---------------|

#### Change in estimates

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

#### Analysts

|                    |                            |
|--------------------|----------------------------|
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#### Publication

|         |                    |
|---------|--------------------|
| Comment | 16. September 2022 |
|---------|--------------------|

## Solid half-year in challenging market environment

On Wednesday, Mountain Alliance has published its 2022 half-year results. Despite the challenging market situation, the company views the second half of the year with optimism.

**Increase in revenues despite gloomy market sentiment** Revenues grew by 34.4% yoy to EUR 5.7m after the first six months. The reason for this was the good operating performance of the fully consolidated portfolio companies such as Shirtinator or Promipool, which stood their ground despite a gloomy market environment.

**Performance of listed investments weighs down on financial result:** Whilst most of the core portfolio has developed positively, the results were driven by the negative price development of Bio-Gate, Exasol and Asknet Solutions. The proceeds from the two exits and the valuations of the remaining portfolio could not compensate for this trend in H1, which resulted in investment losses of EUR -1.7m (H1 2021: EUR +7.5m). Accordingly, consolidated results were also negative at EUR -2.3m in H1 (PY: EUR 5.0m). When considering net financial liabilities of EUR 1.9m, the net asset value (NAV) of Mountain Alliance AG was EUR 48.0m after EUR 50.5m at the end of 2021. This corresponds to an NAV per share of EUR 6.97 (vs. EUR 7.34 on 31 December 2021).

**Successful exit of Tillhub confirms investment strategy:** This year in April, German payment provider Unzer acquired Tillhub, the cloud-based POS software provider, in which Mountain Alliance held a stake of 1.9%. The share disposal led to a substantial IRR in excess of 30%. In June, Mountain Alliance sold the remaining shares of Mybestbrands. According to management, there will be another two exits still in 2022.

**Declining valuations allow for opportunistic acquisitions, guidance confirmed:** With a view to further investment opportunities, management continues to be positive. Driven by tight capital markets, the valuations of numerous tech companies are currently in a downward trend. This leads to lucrative investment opportunities to expand the investment portfolio in a meaningful way. The company has confirmed its guidance, which foresees revenue growth of 5–10% of the fully consolidated companies and a 5% increase in the NAV, despite the current headwind.

**Conclusion:** The current capital market environment appears to mainly offer opportunities for the management of Mountain Alliance. The completed exits, generated sales growth and the promising investment opportunities provide for confidence. In view of the attractive investment portfolio, we reiterate our buy recommendation with an unchanged price target of EUR 6.00.

#### Valuation of the net asset value of Mountain Alliance AG

| Core investments                | Potential value (in EUR m) |
|---------------------------------|----------------------------|
| AlphaPet Ventures GmbH          | 4.5                        |
| Lingoda GmbH                    | 11.0                       |
| Other assets/liabilities        | Fair value (in EUR m)      |
| Listed Companies                | 5.9                        |
| Private Equity-Portfolio (MONE) | 27.2                       |
| Liquid assets                   | 2.4                        |
| Other assets                    | 3.3                        |
| Financial liabilities           | 6.3                        |
| <b>= Net asset value</b>        | <b>48.0</b>                |
| / Shares (in m)                 | 6.9                        |
| <b>= NAV per share (in EUR)</b> | <b>6.98</b>                |
| less holding discount           | 10%                        |
| <b>= Price target</b>           | <b>6.30</b>                |

Source: Company, Montega, Capital IQ

## 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.

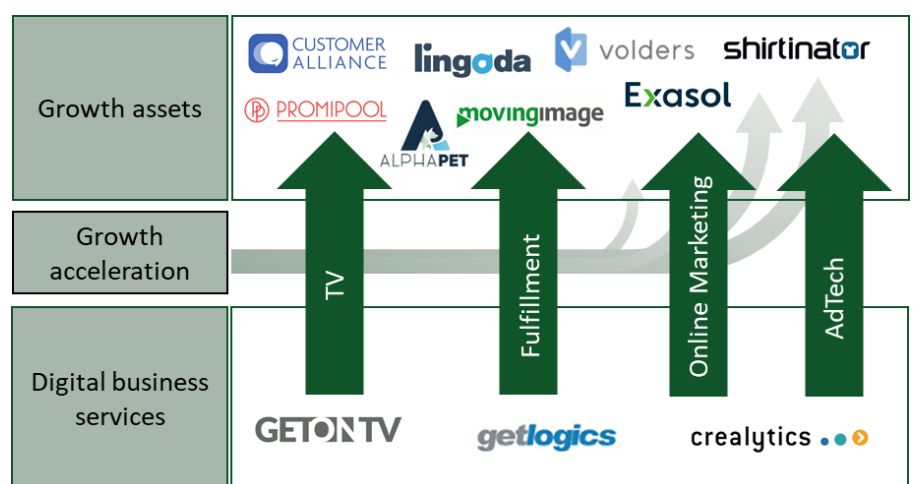
**Portfolio**

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          | 1.3%   | Early  |
|  | Bio-Gate AG          | 15.8%  | 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%   | IPO    |
|  | 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        | 1.7%   | Growth |
|  | ARThentic GmbH       | 15.1%  | Early  |
|  | Shirtinator AG       | 67.4%  | Late   |
| Meta-Platforms & Media                 | GrapeAlliance GmbH   | 10.9%  | 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: September 2022

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### Management

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



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**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.



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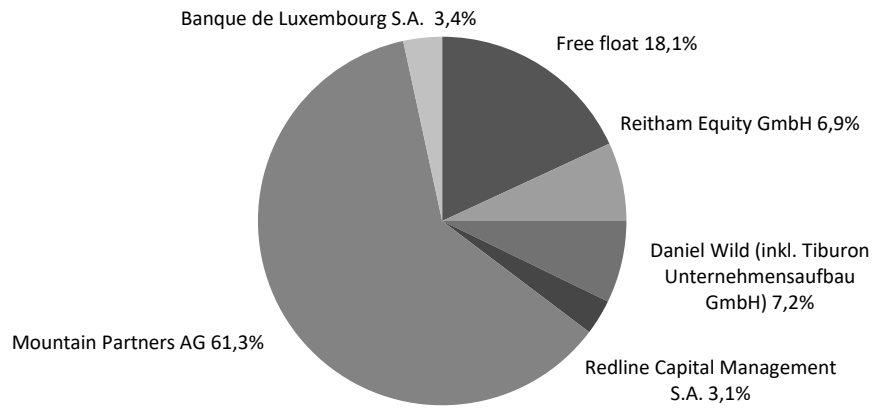
**Daniel Wild** has been the founder and managing director of the predecessor companies, getmobile AG and Ecommerce Alliance and was CEO of Mountain Alliance AG until May 2021. Alongside his current position as member of the supervisory board of Mountain Alliance, he is also the CEO of the non-listed 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        |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Sales</b>                                    | <b>18.4</b> | <b>16.7</b> | <b>20.3</b> | <b>13.5</b> | <b>9.8</b>  | <b>10.1</b> |
| 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         |
| <b>Total sales</b>                              | <b>18.4</b> | <b>16.7</b> | <b>20.3</b> | <b>13.5</b> | <b>9.8</b>  | <b>10.1</b> |
| Material Expenses                               | 10.7        | 9.4         | 12.4        | 7.4         | 4.5         | 4.2         |
| <b>Gross profit</b>                             | <b>7.7</b>  | <b>7.3</b>  | <b>7.9</b>  | <b>6.1</b>  | <b>5.3</b>  | <b>5.9</b>  |
| 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         |
| <b>EBITDA</b>                                   | <b>0.4</b>  | <b>-1.1</b> | <b>-0.5</b> | <b>-1.6</b> | <b>-2.2</b> | <b>-1.1</b> |
| Depreciation on fixed assets                    | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| <b>EBITA</b>                                    | <b>0.4</b>  | <b>-1.1</b> | <b>-0.5</b> | <b>-1.6</b> | <b>-2.2</b> | <b>-1.1</b> |
| 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         |
| <b>EBIT</b>                                     | <b>-0.3</b> | <b>-1.8</b> | <b>-1.9</b> | <b>-2.2</b> | <b>-3.0</b> | <b>-1.8</b> |
| Financial result                                | 0.6         | 2.5         | 0.2         | 0.5         | 7.8         | 5.9         |
| <b>Result from ordinary operations</b>          | <b>0.3</b>  | <b>0.7</b>  | <b>-1.7</b> | <b>-1.7</b> | <b>4.8</b>  | <b>4.1</b>  |
| Extraordinary result                            | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| <b>EBT</b>                                      | <b>0.3</b>  | <b>0.7</b>  | <b>-1.7</b> | <b>-1.7</b> | <b>4.8</b>  | <b>4.1</b>  |
| 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         |
| <b>Net profit before minorities</b>             | <b>0.2</b>  | <b>0.4</b>  | <b>-1.7</b> | <b>-1.8</b> | <b>2.9</b>  | <b>3.8</b>  |
| Minority interests                              | 0.1         | 0.1         | 0.0         | 0.0         | -0.3        | 0.0         |
| <b>Net profit</b>                               | <b>0.1</b>  | <b>0.3</b>  | <b>-1.7</b> | <b>-1.8</b> | <b>3.2</b>  | <b>3.8</b>  |

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

| P&L (in % of Sales) Mountain Alliance AG        | 2016          | 2017          | 2018          | 2019          | 2020          | 2021          |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Sales</b>                                    | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> |
| 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%          |
| <b>Total sales</b>                              | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> |
| Material Expenses                               | 58.1%         | 56.4%         | 61.0%         | 54.9%         | 46.2%         | 41.9%         |
| <b>Gross profit</b>                             | <b>41.9%</b>  | <b>43.6%</b>  | <b>39.0%</b>  | <b>45.1%</b>  | <b>53.8%</b>  | <b>58.1%</b>  |
| 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%          |
| <b>EBITDA</b>                                   | <b>1.9%</b>   | <b>-6.5%</b>  | <b>-2.7%</b>  | <b>-11.6%</b> | <b>-22.8%</b> | <b>-11.0%</b> |
| Depreciation on fixed assets                    | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| <b>EBITA</b>                                    | <b>1.9%</b>   | <b>-6.5%</b>  | <b>-2.7%</b>  | <b>-11.6%</b> | <b>-22.8%</b> | <b>-11.0%</b> |
| 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%          |
| <b>EBIT</b>                                     | <b>-1.4%</b>  | <b>-10.9%</b> | <b>-9.3%</b>  | <b>-16.3%</b> | <b>-30.4%</b> | <b>-18.0%</b> |
| Financial result                                | 3.3%          | 14.9%         | 1.2%          | 3.9%          | 79.5%         | 58.6%         |
| <b>Result from ordinary operations</b>          | <b>1.9%</b>   | <b>4.0%</b>   | <b>-8.2%</b>  | <b>-12.5%</b> | <b>49.1%</b>  | <b>40.6%</b>  |
| Extraordinary result                            | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| <b>EBT</b>                                      | <b>1.9%</b>   | <b>4.0%</b>   | <b>-8.2%</b>  | <b>-12.5%</b> | <b>49.1%</b>  | <b>40.6%</b>  |
| 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%          |
| <b>Net profit before minorities</b>             | <b>1.2%</b>   | <b>2.6%</b>   | <b>-8.6%</b>  | <b>-13.0%</b> | <b>29.8%</b>  | <b>37.3%</b>  |
| Minority interests                              | 0.6%          | 0.8%          | 0.0%          | 0.0%          | -2.7%         | -0.2%         |
| <b>Net profit</b>                               | <b>0.6%</b>   | <b>1.8%</b>   | <b>-8.6%</b>  | <b>-13.0%</b> | <b>32.5%</b>  | <b>37.5%</b>  |

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

| Balance sheet (in EUR m) Mountain Alliance AG     | 2016        | 2017        | 2018        | 2019        | 2020        | 2021        |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>ASSETS</b>                                     |             |             |             |             |             |             |
| 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        |
| <b>Fixed assets</b>                               | <b>9.1</b>  | <b>22.7</b> | <b>36.3</b> | <b>36.9</b> | <b>50.1</b> | <b>47.0</b> |
| 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         |
| <b>Current assets</b>                             | <b>7.9</b>  | <b>8.8</b>  | <b>6.8</b>  | <b>6.5</b>  | <b>5.8</b>  | <b>3.7</b>  |
| <b>Total assets</b>                               | <b>16.9</b> | <b>31.4</b> | <b>43.1</b> | <b>43.5</b> | <b>55.9</b> | <b>50.8</b> |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>       |             |             |             |             |             |             |
| <b>Shareholders' equity</b>                       | <b>9.9</b>  | <b>19.8</b> | <b>31.1</b> | <b>30.6</b> | <b>36.8</b> | <b>40.6</b> |
| <b>Minority Interest</b>                          | <b>2.8</b>  | <b>2.0</b>  | <b>2.0</b>  | <b>2.1</b>  | <b>1.9</b>  | <b>1.8</b>  |
| 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         |
| <b>Liabilities</b>                                | <b>4.2</b>  | <b>9.6</b>  | <b>10.1</b> | <b>10.8</b> | <b>17.2</b> | <b>8.3</b>  |
| <b>Total liabilities and shareholders' equity</b> | <b>16.9</b> | <b>31.4</b> | <b>43.1</b> | <b>43.5</b> | <b>55.9</b> | <b>50.8</b> |

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

| Balance sheet (in %) Mountain Alliance AG         | 2016          | 2017          | 2018          | 2019          | 2020          | 2021          |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>ASSETS</b>                                     |               |               |               |               |               |               |
| 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%         |
| <b>Fixed assets</b>                               | <b>53.6%</b>  | <b>72.1%</b>  | <b>84.3%</b>  | <b>84.9%</b>  | <b>89.6%</b>  | <b>92.6%</b>  |
| 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%          |
| <b>Current assets</b>                             | <b>46.6%</b>  | <b>27.9%</b>  | <b>15.7%</b>  | <b>15.0%</b>  | <b>10.4%</b>  | <b>7.3%</b>   |
| <b>Total Assets</b>                               | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>       |               |               |               |               |               |               |
| <b>Shareholders' equity</b>                       | <b>58.5%</b>  | <b>63.0%</b>  | <b>72.1%</b>  | <b>70.3%</b>  | <b>65.9%</b>  | <b>80.0%</b>  |
| <b>Minority Interest</b>                          | <b>16.8%</b>  | <b>6.4%</b>   | <b>4.5%</b>   | <b>4.8%</b>   | <b>3.3%</b>   | <b>3.6%</b>   |
| 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%          |
| <b>Total Liabilities</b>                          | <b>24.9%</b>  | <b>30.6%</b>  | <b>23.4%</b>  | <b>24.8%</b>  | <b>30.7%</b>  | <b>16.3%</b>  |
| <b>Total Liabilities and Shareholders' Equity</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> |

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        |
| <b>Cash flow</b>  | <b>1.1</b>  | <b>-0.8</b> | <b>-0.9</b> | <b>-1.4</b> | <b>-3.1</b> | <b>-2.0</b> |
| Increase / decrease in working capital                  | 1.0         | 0.5         | 0.4         | 0.3         | -0.3        | -0.4        |
| <b>Cash flow from operating activities</b>              | <b>0.1</b>  | <b>-1.3</b> | <b>-1.2</b> | <b>-1.7</b> | <b>-2.8</b> | <b>-1.6</b> |
| 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         |
| <b>Cash flow from investing activities</b>              | <b>-1.5</b> | <b>0.6</b>  | <b>-0.8</b> | <b>-0.4</b> | <b>1.9</b>  | <b>3.0</b>  |
| 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        |
| <b>Cash flow from financing activities</b>              | <b>-0.6</b> | <b>1.7</b>  | <b>0.6</b>  | <b>2.1</b>  | <b>0.8</b>  | <b>-2.1</b> |
| Effects of exchange rate changes on cash                | 0.0         | 0.2         | 0.1         | 0.0         | 0.0         | 0.0         |
| <b>Change in liquid funds</b>                           | <b>-2.0</b> | <b>1.0</b>  | <b>-1.4</b> | <b>0.0</b>  | <b>-0.1</b> | <b>-0.7</b> |
| <b>Liquid assets at end of period</b>                   | <b>2.8</b>  | <b>3.9</b>  | <b>2.6</b>  | <b>2.6</b>  | <b>2.5</b>  | <b>1.8</b>  |

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%      |