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Research update

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Pyrum Innovations AG

Further important progress will lead to accelerated growth

Rating: Speculative Buy (unchanged) | **Price:** 28.10 € | **Price target:** 55.00 € (prev.: 54.00 €)

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Current development

Basic data

Based in:	Dillingen / Saar
Sector:	Recycling
Headcount:	95
Accounting:	HGB
Ticker:	PYR:GR
ISIN:	DE000A2G8ZX8
Price:	28.10 Euro
Market segment:	Scale
Number of shares:	3.8 m
Market Cap:	107.3 m Euro
Enterprise Value:	134.8 m Euro
Free Float:	55.9 %
Price high/low (12 M):	34.60 / 26.70 Euro
Øturnover (12 M Xetra):	28,200 Euro

The next important steps forward

Pyrum has recently achieved several important milestones, laying the foundation for a significant acceleration in business development. Among other things, the ground-breaking ceremony for the company's second plant in Perl-Besch took place in mid-November, marking the official start of the implementation process, which began with initial earthworks and the ordering of important plant components. All that is currently pending is approval from Saarländische Strukturholding for the financing of the development costs, after which the project should gain further momentum. The realisation of a 45,000-tonne plant with partner Thermo Lysi SA in Greece is now also being pushed ahead at full speed after the EUR 100 m project received a major funding commitment from the European Innovation Fund (EIF), which provides for non-repayable grants of EUR 29.4 m – a spectacular success. As all the necessary permits have been obtained, Pyrum has already been commissioned by its partner to carry out the detailed engineering, which is to be adapted to Greek law by the end of the first quarter of 2026. The start of construction in the Czech Republic is also now foreseeable, where a participation agreement has been signed with the partner SUAS,

FY ends: 31.12.	2022	2023	2024	2025e	2026e	2027e
Sales (m Euro)	1.0	1.1	2.0	4.5	15.9	24.5
EBIT (m Euro)	-7.6	-9.1	-8.9	-9.6	-7.9	-5.0
Net profit	-7.8	-9.5	-10.1	-10.9	-9.1	-6.3
EpS	-3.04	-2.93	-2.80	-2.38	-1.98	-1.38
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
Sales growth	6.5%	16.8%	76.3%	122.5%	252.6%	54.7%
Profit growth	-	-	-	-	-	-
PSR	109.26	93.57	53.06	23.84	6.76	4.37
PER	-	-	-	-	-	-
PCR	-	-	-	-	4.4	1.3
EV / EBIT	-	-	-	-	-	-
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

under which Pyrum has secured a 49 percent stake for EUR 8.6 m. The next step is to conclude the loan agreements with the financing bank in Czech Republic, after which – in the spring – the plant components with long delivery times are to be ordered and the ground-breaking ceremony is to be prepared.

New plant in the ramp-up phase

Another focus of activities is the ramp-up process for the large new rCB grinding and pelletising plant (rCB = recovered carbon black) at the main plant in Dillingen. Viewed separately, the grinding and pelletising processes could already be running at full capacity, but the transportation of freshly ground rCB into the pelletising process is still causing problems. The material needs to settle for a longer period of time before it can be further processed, and this problem has now been addressed with a conversion of the plant. If this solution works, throughput should quickly rise to 100 percent of the target capacity. Otherwise, another major conversion will take place in early 2026, which should then finally ensure that the target is achieved. Ultimately, the aim is to produce around 17.5 tonnes of rCB pellets per day – as opposed to the most recent output of around 3 tonnes.

Business figures	9M 24	9M 25	Change
Sales	1.09	1.76	*+62.2%*
Total output	7.65	7.59	*-0.8%*
EBITDA	-5.45	-4.73	-
EBIT	-7.13	-7.23	-
Net profit	-7.98	-8.24	-

In m Euro and percent; source: Company

Sales below target

The grinding and pelletising plant is the last important component of the plant on which structural work is being carried out. The targeted increase in output highlights the great importance of the final optimisation currently underway for sales development. The significantly lower than expected output and production interruptions due to conversion measures in the first nine months of 2025 meant that sales were still below target. Nevertheless, they increased by 62 percent to EUR 1.76 m. Together with an increase in inventories of EUR 170,600 (previous year: EUR 374,800) and capitalised own work of EUR 5.7 m (previous year: EUR 6.2 m), which primarily reflects the final expansion measures in Dillingen and preparatory work for Perl-Besch, total output amounted to EUR 7.6 m, compared with EUR 7.7 m in the same period of the previous year.

EBITDA improved

With lower own work capitalised, the cost of materials also fell from EUR 6.4 m to EUR 6.3 m. Personnel expenses, on the other hand, rose by 10 percent to EUR 5.3 m due to the expansion of structures. Other operating expenses also rose significantly, from EUR 2.7 m to EUR 3.5 m. Nevertheless, the EBITDA deficit was reduced from EUR 5.4 to EUR 4.7 m compared to the previous year, as investment subsidies for the creation of jobs at the headquarters led to an increase in other operating income from EUR 0.9 to EUR 2.8 m. After deducting depreciation, which rose from EUR 1.7 m to EUR 2.5 m due to the ongoing completion of the plant, this resulted in EBIT of EUR -7.2 m (previous year: EUR -7.1 m). As the deficit in the financial result also increased from EUR -0.8 to EUR -1.0 m due to expanded external financing, this led, with low tax expenses, to a net loss for the period of EUR -8.2 m, after EUR -8.0 m in the first nine months of 2024.

Equity ratio at 31.4 percent

Due to low revenue and high and rising structural costs, cash flow from operating activities remains significantly negative at EUR -6.3 m (previous year: EUR -4.2 m). Together with the temporarily somewhat lower investment outflows of EUR -4.4 m (previous year: EUR -6.9 m), this results in free cash flow of EUR -10.6 m for the nine-month period, compared with EUR -11.1 m in the previous year. This was partially offset by inflows from a capital increase, which was largely responsible for the positive financing cash flow of EUR 4.0 m. Nevertheless, liquidity has declined from EUR 11.7 m to EUR 5.1 m in the year to date. Despite the capital increase, equity also declined from EUR 22.2 m to EUR 19.6 m due to the loss for the period. However, as total assets also fell from EUR 65.5 m to EUR 62.6 m, the equity ratio only declined from 34.0 percent to 31.4 percent.

Large capital increase with subscription rights

In order to take advantage of upcoming growth opportunities and finance its still loss-making business operations until the breakeven, the company recently announced a large rights issue at a ratio of 5 to 1. Up to 763,800 shares are to be placed at a price of EUR 27.50, which could lead to a maximum gross proceeds of EUR 21 m. Pyrum has explained in detail how the capital will be used for investments and expenses. In the short term, a payment of EUR 3 m is due to secure a 10 percent stake in the Greek plant, and EUR 2 m is to be invested in a new reactor for production line one in the near future – according to the company, replacing the installed unit after ten years of operation would lead to an increase in monthly turnover of approximately EUR 150,000. In addition, a further EUR 2 m is earmarked for investments in Dillingen and corporate communications expenses, as well as EUR 2 m for a new plant for recycling carbon fibre-reinforced plastics (here, too, the company is a pioneer in the development of a functioning pilot plant, which is now to be further developed into a large-scale plant and then marketed). Another up to EUR 10 m will cover planned expenses for the next two years in order to have sufficient leeway, for example for the equity share in further partner projects, in the event of further delays, such as in plant construction.

Significant improvement targeted

In the current year, growth opportunities will only be reflected in the figures to a limited extent. Due to the delayed ramp-up of the grinding and pelletising plant, management now expects revenue and total output to be at the lower end of the communicated target ranges of EUR 4.5 to 6.0 m and EUR 10 to 15 m, respectively – provided that ongoing consulting projects with a volume of around EUR 2.3 m can be completed by the end of the year. On this basis, EBIT is expected to remain within the targeted range of EUR -8.5 to -10.5 m. Subsequently, the figures are expected to improve significantly as a result of the implementation of the projects. Next year, the grinding and pelletising plant is expected to reach full capacity, and the reactor replacement on line one is also scheduled. In addition, income from consulting contracts is likely to continue to increase based on the broad project pipeline. The year after next, two or even three projects (Perl-Besch, Czech Republic, Greece) could then commence operations. On this basis, the company is still aiming for a positive result for 2027.

Lower revenue estimate for 2025

We had previously anticipated revenue of EUR 5 m, total output of EUR 14.6 m and EBIT of EUR -10.3 m for the current year. Taking into account the latest information, we are now reducing revenue to EUR 4.5 m, having once again increased the consulting share and reduced that from ongoing production. The reduction in total output is even greater, as assumed capitalised own work is being postponed until next year and inventory increases are also expected to be lower. We now estimate the value at EUR 11.2 m. Nevertheless, the update of the cost estimates has reduced the EBIT loss we expect for 2025 to EUR -9.6 m.

A tailwind for business

Once the next hurdles have been cleared – including the successful ramp-up of the grinding and pelletising plant, the completion of the major capital increase and extensive bank project financing for further plants, and the start of construction on the first partner projects – we expect business activities to accelerate significantly. The EIF's funding approval is likely to provide a strong tailwind. Although this does not mean that similar commitments can be obtained for other projects – this depends on the exact conditions in each individual case and the current competition for new funding – similar support for further projects is at least conceivable, not least because of increasing political pressure to raise recycling rates. The European End-of-Life Vehicles Regulation (ELVR) is expected to come into force in 2027, setting a quota for the proportion of plastic parts that must be recycled in new cars, which is likely to stimulate corresponding activities on the part of manufacturers.

Modification of the model

We see this as confirmation of the strong growth scenario we have modelled for the coming years. With regard to the assumed investments, this update merely adds the effects of the newly integrated reactor replacement in Dillingen (leading to higher revenue). However, we have also made significant changes to the model in three other areas. Following the latest developments, with consulting revenue significantly higher than expected, we have also noticeably increased the estimated revenue from this segment as part of the further realisation of the extensive project pipeline. Secondly, we now expect the third Pyrum plant after Perl-Besch to be operational from 2029 (previously: 2028). And thirdly, it is now becoming apparent that at least the core components of the plant sale will be recognised as revenue in Pyrum's income statement. Whereas we had previously only calculated with net income (approx. EUR 6 m per standard plant with around 22,500 tonnes) from the entire plant sale (including all commissions), we now work with gross income of EUR 20 m per plant. However, unlike consulting revenue and changes in the growth path of the company's own plants, this has no impact on the EBIT estimated in this area. Based on the schedules that are now emerging, we now expect the first major settlement of plant sales to take place in 2028, whereas we had previously assumed 2027. Although this postpones the revenue and profit boost by one year, the shift has only a minor impact on cash flows, as the majority of payments are made earlier in the form of advance payments and milestone payments – the final settlement only affects the last 10 percent. Overall, we now expect EBITDA breakeven in 2027, EBIT breakeven in 2028, and net breakeven in 2029. We are therefore taking a particularly cautious approach to our calculations at this point. We continue to anticipate a high target EBIT margin of 31 percent. This is lower than before (42.9 percent) because we have now included the gross proceeds from the sale of the plant and the corresponding material costs in the model. However, we do not need to make any adjustments to our financing model. We had already hypothetically assumed a larger capital increase to implement the growth plans and calculated on a fully diluted basis with a number of 4.6 million shares. This would be narrowly achieved with a full placement of the current measure, so we are leaving this figure unchanged. The table at the bottom of this page shows the revenue development resulting from our model in the detailed forecast period. The top of the next page has the estimated development of the most important cash flow indicators until 2032. Further details can be found in the Annex.

Basic parameters adjusted

We have made an adjustment to the basic parameters. As part of the model revision, we have now increased the margin discount for determining the terminal value to 35 percent (previously 20 percent), as the revenue at the end of the detailed forecast period now includes a high proportion of plant sales of a transitory nature. However, we are leaving the assumed 'perpetual' cash flow growth at 1 percent. The assumptions regarding the discount rate also remain unchanged. It continues to be based on the cost of equity according to CAPM of 9.8 percent (with: secure interest rate 2.5 percent, market risk premium of 5.6 percent and beta

Revenue model (m Euro)	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**
Revenue plant Dillingen	2.1	11.4	14.9	14.9	14.9	14.9	14.9	14.9
Further own plants (total number)			*1*	*2*	*3*	*5*	*6*	*7*
Revenue further plants			3.1	7.8	26.7	47.1	82.4	98.1
SPVs (total number)	*2*	*6*	*9*	*11*	*13*	*15*	*17*	*19*
Revenue sale of plants/Consulting	2.4	4.5	6.5	44.0	63.9	63.9	63.9	44.0
Other revenue SPVs (maintenance etc.)					2.4	3.3	3.9	4.5
Plants without SPV (total number)			*1*	*2*	*3*	*4*	*5*	*6*
Revenue plants without SPV					40.0	40.0	40.0	40.0
Total revenue	**4.5**	**15.9**	**24.5**	**66.7**	**147.9**	**169.2**	**205.1**	**201.4**

Estimates SMC-Research

m Euro	12 2025	12 2026	12 2027	12 2028	12 2029	12 2030	12 2031	12 2032
Sales	4.5	15.9	24.5	66.7	147.9	169.2	205.1	201.4
Sales growth		252.6%	54.7%	171.8%	121.7%	14.4%	21.2%	-1.8%
EBIT margin	-212.6%	-49.9%	-20.3%	1.2%	21.5%	23.6%	30.8%	31.4%
EBIT	**-9.6**	**-7.9**	**-5.0**	**0.8**	**31.8**	**39.9**	**63.2**	**63.2**
Tax rate	0.0%	0.0%	0.0%	5.0%	10.0%	33.0%	33.0%	33.0%
Adjusted tax payments	0.0	0.0	0.0	0.0	3.2	13.2	20.8	20.8
NOPAT	**-9.6**	**-7.9**	**-5.0**	**0.8**	**28.6**	**26.7**	**42.3**	**42.3**
+ Depreciation & Amortisation	3.7	5.8	8.2	12.2	17.2	24.7	34.7	42.2
+ Increase long-term accruals	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2
+ Others	-2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Gross operating cash flows	-8.3	-2.0	3.3	13.1	46.0	51.6	77.2	84.7
- Increase Net Working Capital	-0.4	26.3	80.0	52.3	-3.0	-43.5	-44.2	-4.0
- Investments in fixed assets	-6.7	-38.2	-72.2	-72.2	-64.2	-64.2	-64.2	-64.2
Free cash flow	**-15.5**	**-14.0**	**11.1**	**-6.9**	**-21.2**	**-56.1**	**-31.2**	**16.5**

SMC estimation model

factor of 1.3), a debt interest rate of 5.5 percent, a target capital structure with 60 percent debt and a tax rate for the tax shield of 33 percent, resulting in an average cost of capital (WACC) of 6.1 percent.

Price target now EUR 55.00

The fair value we have determined is now EUR 253.3 m. This corresponds to EUR 55.21 per share, from which we derive EUR 55.00 as the new price target (a sensitivity analysis for determining the price target can be found in the Annex). The slight increase in the price target (previously: EUR 54.00) is mainly due to the higher consulting revenue. On a scale of 1 (very low) to 6 (very high), we continue to rate the forecast risk of our estimates as significantly above average at five points, as the data available on the operation of the industrial plant in its final design is still limited and, in addition, the marketing of the plant to third parties is still in its relatively early stages.

Conclusion

Pyrum is still struggling with delays in the current year, with the ramp-up of the grinding and pelletising plant in particular not yet reaching the desired level. However, a solution is clearly emerging here, meaning that maximum output could be achieved as early as the first half of 2026.

The company has also achieved other important milestones. Three projects have either already started construction (groundbreaking ceremony at its own plant in Perl-Besch) or are about to start (partner projects in the Czech Republic and Greece). The generous funding from the EIF (EUR 29.4 m in non-repayable grants for a total investment of EUR 100 m) for the Greek plant confirms the high degree of innovation of Pyrum's solution. This also means potential tailwind for the company's extensive project pipeline, as funding could also be applied for other projects.

In order to take advantage of the significant opportunities currently available and to accelerate the growth process, Pyrum has launched a capital increase with subscription rights, which provides for the placement of up to 763,800 shares at a price of EUR 27.50. This could generate a maximum of around EUR 21 m, creating a sufficient capital base for the very dynamic business development that is expected in the coming years.

We have extensively revised our model and, in doing so, have on the one hand assumed in particular higher consulting revenue, but on the other hand have now also included the sale of plant components in gross sales (and increased material costs by the same amount). However, we had already taken into account the potential dilution resulting from the capital measure on a hypothetical basis.

On balance, the estimated higher consulting revenue is responsible for the slight increase in our price target from EUR 54.00 to EUR 55.00. In our opinion, the continued roll-out of the innovative solution for recycling old tyres, which should gain further momentum next year, offers very attractive share price potential, which continues to justify the ‘Speculative Buy’ rating.

Annex I: SWOT analysis

Strengths

- Patent-protected, innovative solution for scrap tyre recycling and the production of high-quality raw materials (thermolysis oil, rCB, gas).
- The first production line has been in regular operation since 2020; capacity was tripled in 2024 with the completion of two further lines.
- Strong focus on R&D and process engineering.
- Renowned partners: BASF, Continental and Ralf Bohle ("Schwalbe") are shareholders and close cooperation partners.
- The founder runs the company.
- Large pipeline of potential projects with well-known partners. An agreement with enormous potential was concluded with VTTI in 2025.

Weaknesses

- Experience with full-load operation of the new lines in the final design is still limited due to the short operating phase.
- Still low sales to date, which also remained below plan in 2023 and 2024. Accordingly, the company is still operating at a clear loss
- The output of the pelletising machine is still low.
- The construction of Pyrum's own second and third production lines has been somewhat delayed and projects with third parties as well, significantly so. No construction of a plant for third parties has yet been started.
- Long lead times for projects.
- Small team, dependent on key people.

Opportunities

- The expansion of pellet production should ensure significantly higher revenue with high contribution margins in the coming year.
- Some of the partner projects are well advanced. The first FID has already been taken and more could follow soon, which would enable Pyrum to generate high revenue in the long term.
- Due to the great need for efficient scrap tyre recycling, the demand could increase strongly after first successful projects.
- The situation on the sales markets addressed by Pyrum is currently very comfortable. Especially in the case of carbon black, the need for a sustainable supply from European sources is very great.
- Politicians are pushing for the establishment of a circular economy in the automotive industry, including through recycling quotas for passenger car plastics, which are expected to become mandatory from 2027, and are increasingly restricting the use of waste tyre granulate.

Threats

- The start of projects with third parties could be further delayed and postpone the break-even point.
- Financing for the major expansion plans has not yet been secured. The success of a major equity measure that has been launched is still uncertain, and the planned large bank financing for new plants, which has been in the works for some time, has not yet been finalised.
- A further fall in raw material prices could reduce income (however, minimum prices have been agreed for the most important products).
- Competing solutions in pyrolysis or alternative recycling technologies could prove to be more efficient.
- With advances in recycling, the raw material "used tyres" could become a scarce resource.

Annex II: Balance sheet and P&L estimation

Balance sheet estimation

m Euro	2024 act.	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e
ASSETS									
I. Total non-current	51.4	54.5	86.9	151.0	211.0	258.1	297.6	327.2	349.2
1. Intangible assets	5.0	4.5	4.0	3.6	3.1	2.6	2.1	1.7	1.2
2. Tangible assets	46.4	47.0	64.9	117.4	161.9	201.4	233.5	255.5	270.0
II. Total current assets	13.9	29.5	35.9	47.1	61.9	63.6	50.7	62.2	80.0
LIABILITIES									
I. Equity	22.2	38.0	28.9	22.6	22.3	49.4	74.3	113.2	150.8
II. Accruals	3.3	3.4	3.5	3.6	3.8	3.9	4.1	4.3	4.6
III. Liabilities									
1. Long-term liabilities	30.9	35.9	81.5	161.7	234.4	253.4	251.2	249.1	249.1
2. Short-term liabilities	9.0	7.0	9.2	10.5	12.8	15.3	19.0	23.0	25.0
TOTAL	**65.5**	**84.3**	**123.1**	**198.3**	**273.2**	**321.9**	**348.6**	**389.6**	**429.5**

P&L estimation

m Euro	2024 act.	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e
Sales	2.0	4.5	15.9	24.5	66.7	147.9	169.2	205.1	201.4
Total output	11.7	8.5	31.9	64.5	106.7	187.9	209.2	245.1	241.4
Gross profit	3.8	2.9	11.7	19.3	31.0	67.6	83.7	117.0	124.7
EBITDA	-5.9	-5.9	-2.1	3.2	13.0	47.8	62.2	93.8	99.7
EBIT	-8.9	-9.6	-7.9	-5.0	0.8	31.8	39.9	63.2	63.2
EBT	-10.1	-10.9	-9.1	-6.3	-0.2	30.2	37.3	58.2	56.3
EAT (before minorities)	-10.1	-10.9	-9.1	-6.3	-0.3	27.1	24.9	38.9	37.6
EAT	-10.1	-10.9	-9.1	-6.3	-0.3	27.1	24.9	38.9	37.6
EPS	-2.80	-2.38	-1.98	-1.38	-0.06	5.91	5.43	8.48	8.20

Annex III: Cash flows estimation and key figures

Cash flows estimation

m Euro	2024 act.	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e
CF operating	-5.0	-8.7	24.3	83.6	66.0	44.1	9.9	35.2	83.6
CF from investments	-9.6	-6.7	-38.2	-72.2	-72.2	-64.2	-64.2	-64.2	-64.2
CF financing	22.1	30.3	18.7	-1.6	18.4	17.4	36.4	34.4	-7.6
Liquidity beginning of year	4.3	11.7	26.6	31.4	41.1	53.2	50.5	32.5	37.9
Liquidity end of year	11.7	26.6	31.4	41.1	53.2	50.5	32.5	37.9	49.6

Key figures

percent	2024 act.	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e
Sales growth	76.3%	122.5%	252.6%	54.7%	171.8%	121.7%	14.4%	21.2%	-1.8%
EBITDA margin	-290.3%	-130.7%	-13.4%	13.0%	19.4%	32.3%	36.7%	45.7%	49.5%
EBIT margin	-439.7%	-212.6%	-49.9%	-20.3%	1.2%	21.5%	23.6%	30.8%	31.4%
EBT margin	-500.0%	-241.8%	-57.1%	-25.7%	-0.3%	20.4%	22.0%	28.4%	27.9%
Net margin (after minorities)	-501.2%	-242.5%	-57.4%	-25.9%	-0.4%	18.3%	14.7%	19.0%	18.7%

Annex IV: Sensitivity analysis

	Perpetual cash flows growth				
WACC	2.0%	1.5%	1.0%	0.5%	0.0%
5.1%	117.28	98.68	84.59	73.54	64.66
5.6%	95.20	81.58	70.90	62.31	55.24
6.1%	78.69	68.36	**55.21**	53.22	47.50
6.6%	65.92	57.88	51.27	45.74	41.05
7.1%	55.80	49.40	44.06	39.51	35.61

Disclaimer

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Charts
The charts were made with Tai-Pan (www.lp-software.de).

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9) At the time of the publication of the report, the issuer holds holdings exceeding 5 % of its total issued share capital in the sc-consult GmbH

10) sc-consult GmbH has included the company's shares in a virtual portfolio managed by sc-consult GmbH

Following conflicts of interests occurred in this report: 1), 3), 4), 5)

Within the framework of compliance regulations, sc-consult GmbH has established structures and processes for the identification and disclosure of conflicts of interests. The responsible compliance representative is currently managing director Dipl.-Kfm. Holger Steffen (e-mail: holger.steffen@sc-consult.com).

II) Preparation and updating

The present financial analysis was prepared by: Dipl.-Kfm. Holger Steffen

Participants in the preparation of the present financial analysis: -

The present analysis was finished on 03.12.2025 at 6:25 pm and published on 04.12.2025 at 8:15 am.

For the preparation of its financial analyses, the sc-consult GmbH uses a five-tier rating scheme with regard to price expectation in the next twelve months. Additionally, estimation risk is quantified on a scale from 1 (low) to 6 (high). The ratings are as follows:

Strong Buy	We expect an increase in price for the analysed financial instrument by at least 10 percent. We assess the estimation risk as below average (1 to 2 points).
Buy	We expect an increase in price for the analysed financial instrument by at least 10 percent. We assess the estimation risk as average (3 to 4 points).
Speculative Buy	We expect an increase in price for the analysed financial instrument by at least 10 percent. We assess the estimation risk as above average (5 to 6 points).
Hold	We expect that the price of the analysed financial instrument will remain stable (between -10 and +10 percent). The forecast risk (1 to 6 points) has no further impact on the rating. The rating "hold" is also used in cases where we perceive a price potential of more

	than 10 percent, but explicitly mentioned temporary factors prevent a short-term realisation of the price potential.
Sell	We expect that the price of the analysed financial instrument will drop by at least 10 percent. The forecast risk (1 to 6 points) has no further impact on the rating.

The expected change in price refers to the current share price of the analysed company. This price and any other share prices used in this analysis are XETRA closing prices as of the last trading day before publication. If the share is not traded on XETRA, the closing price of another public stock exchange is used with a separate note to that effect.

The price targets published within the assessment are calculated with common methods of financial mathematics, especially with the DCF (discounted cash flow) method, the sum of the parts valuation and a peer group analysis. The valuation methods are affected by economic framework conditions, especially by the development of the interest rates.

The rating resulting from these methods reflects current expectations and can change anytime subject to company-specific or economic changes.

More detailed explanations of the models used by SMC Research can be found at:
http://www.smc-research.com/impressum/modellerlaeuterungen

An overview of the recommendations prepared and distributed by SMC Research in the last 12 months can be found at: http://www.smc-research.com/publikationsuebersicht

In the past 24 months, sc-consult GmbH has published the following financial analyses for the company:

Date	Investment recomm.	Target price	Conflict of interests
02.10.2025	Speculative Buy	54.00 Euro	1), 3), 4)
02.07.2025	Speculative Buy	53.00 Euro	1), 3), 4)
22.05.2025	Speculative Buy	52.80 Euro	1), 3), 4)
03.04.2025	Speculative Buy	55.00 Euro	1), 3), 4)
10.03.2025	Speculative Buy	55.00 Euro	1), 3)
18.02.2025	Speculative Buy	55.00 Euro	1), 3), 4)
05.12.2024	Speculative Buy	56.50 Euro	1), 3), 4)
08.10.2024	Speculative Buy	58.00 Euro	1), 3), 4)
08.07.2024	Speculative Buy	59.60 Euro	1), 3)
29.05.2024	Speculative Buy	59.00 Euro	1), 3), 4)
09.04.2024	Speculative Buy	59.50 Euro	1), 3), 4)
14.03.2024	Speculative Buy	62.40 Euro	1), 3), 4)
07.12.2023	Speculative Buy	64.40 Euro	1), 3)

In the course of the next twelve months, sc-consult GmbH will presumably prepare the following financial analyses for the company: one update and three comments.

The publishing dates for the financial analyses are not yet fixed at the present moment.

III) Cooperation with BankM

1) This study is being shared by BankM AG in accordance with Article 8(1) and (2) of Delegated Regulation (EU) 2016/958. BankM AG is subject to supervision by the Federal Financial Supervisory Authority (BaFin), Graurheindorfer Straße 108, D-53117 Bonn and Marie-Curie-Straße 24-28, D-60439 Frankfurt am Main.

BankM AG

- does not hold any significant stake (over 5%) in the issuer,
- has not been involved in the management of a consortium for an issue by way of a public offering of financial instruments that are themselves or whose issuers are the subject of financial analysis within the past twelve months,
- has not been bound by any agreement for services in connection with investment banking transactions vis-à-vis the issuer within the past 12 months, nor has it received any payments or promises of payments from such agreements,
- has no other significant financial interests in relation to the issuer or the subject of the financial analysis.

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