

Aroundtown SA

Germany / Real Estate
 Frankfurt Stock Exchange
 Bloomberg: AT1 GR
 ISIN: LU1673108939

Q2 results

RATING

PRICE TARGET

Return Potential
 Risk Rating

BUY

€ 4.40

30.3%
 Medium

READY TO GO ON THE OFFENSIVE

Q2 results were stable YoY and all headline figures were within a whisker of FBe. Reporting featured another good operational performance with all asset classes contributing to the solid overall LFL rental growth (+3.0%). Bottom line FFO 1 was just off the prior year number at €74m, thanks to the stable AEBITDA result that helped absorb higher perpetual note attributions. Revaluations remained a positive, helping nudge EPRA NTAPS 3% higher QoQ to €7.8. The company also unveiled plans to restart external growth as well as a blueprint for entering the data centre business. Management confirmed guidance calling for FFO 1 of €280m to €310m (FBe: €304m). Our TP is now €4.4 (old: €4.0) after adjusting for Q2 developments. We reiterate our Buy rating (upside: 30%).

Ready to go on the offensive The Q2 deck included plans to shift from a defensive to an opportunistic posture to augment good internal growth levers with accretive acquisitions. After disposing of some €10bn in properties over 2020 to 2024, the company is actively combing the markets for opportunities across all core asset classes and has an early stage pipeline of "several hundred million." The landlord plans to cast a wider regional net, and we could see AT in new markets—particularly with hotels, which are easier to manage in far-flung places. The acquisition recipe will again lean on familiar criteria: (1) locations with strong fundamentals; (2) value-add potential; (3) rents below market levels; (4) purchase pricing below replacement costs; (5) potential to reduce operational costs; and (6) good cash flows and NOI yields.

But keeping leverage in check AT has not been a net buyer since 2019, but this may be about to change. Management are adamant that a healthy leverage profile remains a priority while they exploit opportunities, and the company has created good covenant headroom evinced by the 5PP decline in the LTV that now stands at 40%. However, there are several moving pieces of the financing puzzle that were scrutinised. . . (p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	2021	2022	2023	2024	2025E	2026E
Rental income (€m)	1,085.7	1,222.1	1,192.8	1,180.9	1,193.2	1,215.4
Y/Y growth	8.2%	12.6%	-2.4%	-1.0%	1.0%	1.9%
Adj. EBITDA (€m)	974.9	1,002.3	1,002.9	1,014.4	1,033.0	1,064.2
Net income (€m)	1,078.1	-457.1	-2,426.4	309.3	967.2	1,031.7
EPRA NTA (€m)	11,564.0	10,135.2	8,058.7	8,165.4	8,681.8	9,053.3
EPRA NTAPS (€)	10.2	9.3	7.4	7.4	7.9	8.3
DPS (€)	0.23	0.00	0.00	0.00	0.21	0.20
FFO 1* (€m)	353.2	362.7	332.0	315.5	304.1	296.8
FFOPS 1* (€)	0.30	0.33	0.30	0.29	0.28	0.27
Liquid assets (€m)	3,240.3	2,709.4	3,026.0	3,642.1	2,686.9	2,357.1

RISKS

Risks include, but are not limited to, unfavourable interest rate developments, unfavourable macroeconomic developments, and the departure of key personnel.

COMPANY PROFILE

Aroundtown SA is a specialist real estate company focused on investing in and managing value-add properties primarily located in the German/ Netherlands real estate markets.

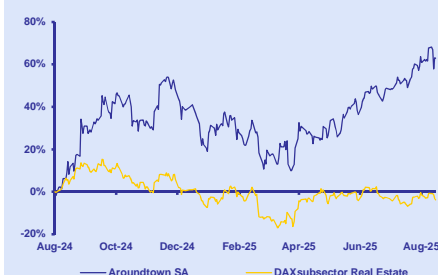
MARKET DATA

As of 29 Aug 2025

Closing Price	€ 3.38
Shares outstanding	1537.03m
Market Capitalisation	€ 5,189.00m
52-week Range	€ 2.27 / 3.48
Avg. Volume (12 Months)	2,148,961

Multiples	2024	2025E	2026E
P/FFO 1	11.7	12.1	12.4
P/NTA	0.5	0.4	0.4
FFO 1 Yield	8.5%	8.2%	8.0%
Div. Yield	0.0%	6.2%	6.0%

STOCK OVERVIEW



COMPANY DATA

As of 30 Jun 2025

Liquid Assets	€ 3,371.0m
Investment Properties	€ 24,881.0m
Total Assets	€ 33,560.0m
Current Liabilities	€ 2,550.0m
EPRA NTA	€ 8,552.0m
Total Equity	€ 15,397.0m

SHAREHOLDERS

Treasury shares	29.0%
Avisco Group / Vergoport	15.0%
Stumpf Capital	10.0%
Free Float	46.0%

. . . on the earnings call, and it sounds like the landlord is leaning towards restarting the dividend on 2025 results. AT brass plan to mainly finance new deals with the company's ample liquidity position (€3.4bn) and capital recycling from ongoing disposals, but also do not rule out new debt as part of the formula. The recently launched TAC (Turnaround Capital) fund will also play a role. This currently has a €0.4bn volume and headroom to €1bn to seize opportunities. We have only made minor adjustments to our disposal / acquisition assumptions and still look for the landlord to remain a net seller this year.

Office market update Another key topic on the call was the state of office demand with occupiers still hesitant to make long-term workspace decisions. Germany is set to go on a borrowing binge after loosening its debt brake, a fiscal straightjacket. Some €500bn will be pumped into infrastructure programmes over the next decade. This are expected to jump-start a still sputtering Teutonic economy, thereby reigniting demand for office space, which should help AT capture the 26% reversionary upside embedded in its portfolio. We also believe rising return-to-office trends spurred by corporates recalling their rank and file back to the office will help boost uptake, if the German economy can turn the corner.

Getting in on the data centre (DC) action AT also unveiled early-stage plans to enter the red-hot data centre business. Germany hosts one of the largest internet exchange points in the world, and German DC capacity is expected to increase by 78% from 2024 to 2030 according to the *Bundeswirtschaftsministerium* (Federal Ministry of Economic Affairs). Early details discussed on the call covered: (1) short-term plans to partially convert commercial assets into edge or colocation DCs; (2) unlocking full-building conversions for larger-scale deployments over the mid- to long term; and (3) initiatives to plough through grid connection and permitting processes; the latter of which is more complex than those for service apartment conversions, which AT is also pursuing. Although it will take a few years to get the first DC assets online—due mainly to grid capacity constraints—we regard this as an excellent opportunity and a natural fit for the portfolio that offers good overlap (figure 1).

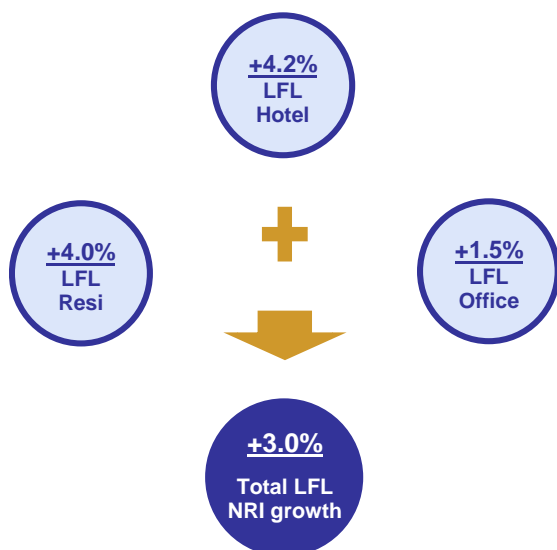
Figure 1: Top 5 data centre markets align well with AT's portfolio



Source: First Berlin Equity Research; Aroundtown

JUNE QUARTER HIGHLIGHTS

Figure 2: Like-for-like H1/25 breakdown



Source: First Berlin Equity Research; Aroundtown

Net rental income like-for-like (LFL) was +3.0% at the end of the period. The Hotel segment led LFL performance at +4.2% followed by residential at +4.0%. Hotels continued to benefit from still improving business and leisure travel trends in Q2, while CPI-indexation and effects from repositioned assets are supporting higher rents for hotels and offices. The systemic residential supply and demand imbalance again kept resi vacancies at historical lows of 3.4% (YE24: 3.5%) providing good operational tailwinds. We do not expect the resi dynamics to change for the foreseeable future.

Table 1: Second quarter results vs FBe and prior year comps

All figures in EURm	Q2/25	Q2/25E	variance	Q2/24	variance	6M/25	6M/24	variance
Rental income	380	380	0%	385	-1%	758	771	-2%
Net rent	296	292	1%	295	0%	591	588	0%
AEBITDA	250	251	-1%	255	-2%	501	502	0%
Margin	84%	86%	-	86%	-	85%	85%	-
FFO 1	74	75	-1%	78	-5%	150	154	-2%
FFOPS 1 (€)	0.07	0.07	-1%	0.07	-5%	0.14	0.14	-2%

Source: First Berlin Equity Research; Aroundtown

Headline KPIs steady YoY The net disposal effects (overleaf) during H1 partially offset the good LFL performance and meant that rental income (NRI) of €296m was virtually unchanged YoY, while AEBITDA dipped only slightly (-2%). Bottom line FFO 1 was 5% lower than the prior year comp with stable AEBITDA unable to fully offset higher perpetual note attributions.

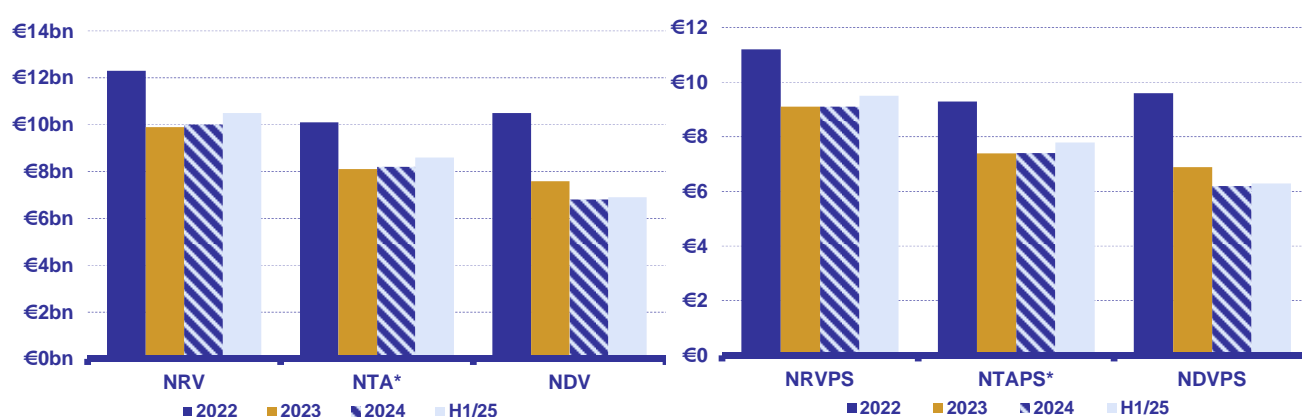
Q2 revaluations remain a positive AT booked a €180m revaluation result for the June quarter and €383m in H1 equal to a LFL revaluation gain of 1.4%. Good operational growth (+3.0% LFL rent growth) drove the result and management expect the KPI to track operational performance going forward. The result helped boost EPRA NTAPS 3% QoQ to €7.8 on a stable share count.



Some €10bn in signed disposals since the start of 2020 AT signed some €170m in new deals in H1/25, whereas YTD closed disposals now tally €400m (Q2: €250m). The landlord also reported acquisitions of €235m in the January-to-June period. Given the tenor of the Q2 earnings call, AT might become a net buyer in 2026 for the first time since 2019.

Portfolio KPIs largely unchanged QoQ The portfolio value edged up to €2,602 / m² (YE24: €2,521 / m²). Q2 in-place rent stood at €113 / m² vs €11.2 / m² at YE24, and the portfolio vacancy rate remained steady QoQ at 7.5%, although office vacancy crept 10 basis points higher QoQ back to the YE24 level (12.7%). Annualised net rent tallied €1,151m at the end of the reporting period. The portfolio currently has rent reversionary potential of ~26% to be captured over the mid- to long-term with a host of good operational drivers in place.

Figure 3: EPRA BPR reporting



*Reclassified in Dec. 2022 to exclude real estate transfer tax

Source: First Berlin Equity Research; Aroundtown

Table 2: Financial highlights

All figures in EURm	6M/25	2024	Variance
Cash and liquid assets	3,371	3,642	-7%
Investment property	24,881	24,375	2%
Total assets	33,560	33,620	0%
Total financial debt	13,791	14,512	-5%
Total equity	15,397	15,010	3%
Equity ratio	46%	45%	-
EPRA NTA	8,552	8,165	5%
Unencumbered asset ratio	70%	71%	-
Loan-to-Value (LTV)	40%	42%	-

Source: First Berlin Equity Research; Aroundtown

The LTV moved one percentage point lower sequentially to 40% and remains below the targeted 45% level set by AT brass. This also gives AT good headroom to pursue acquisition growth. The Q2 net debt / EBITDA and interest coverage (ICR) ratios stood at 10.4x and 4.2x respectively vs 11.3x and 3.9x at YE24. Plus, the company still has ~€17bn in unencumbered assets in its financial tool pouch, if it needs to swap out further unsecured debt with bank loans.



Changes to executive board Mr Ben David will step down as CFO and be succeeded by Mr Jonas Tintelnot, who has served as Deputy CFO the past three years. He thus already has solid relationships with AT's financial partners, which will help with the transition. Additionally, Mr Timothy Wright was elevated to the C-level and now holds the position of Chief Capital Markets Officer. In addition to his investor relations duties, Mr Wright has also been involved in a number of AT's operational areas over the last decade.

OUTLOOK & VALUATION MODEL

Table 3: Confirmed guidance vs FBe

	Unit	2025 Guidance	FBe 2025	2024A
FFO 1	€m	280 -310	304	316
FFOPS 1	€	0.26 -0.28	0.28	0.29

Source: First Berlin Equity Research estimates; Aroundtown

Maintain Buy rating on upped TP to €4.4 (old: €4.0) We think AT is in a good position to deliver steady operational growth occasioned by: (1) highly favourable structural dynamics for German residential landlords; (2) a solid hotel portfolio that is hitting its stride with a more balanced demand profile that includes more business travel; and (3) improving prospects to augment internal growth with acquisitions that could also see AT tap into new regions—particularly hotels which are easier to manage in far-flung locations. But the landlord will need to show the markets it can balance these plans with prudent leverage.

The increase in our target price to €4.4 is occasioned by a tap up in our external growth assumptions. We do not expect the shift to an offensive posture to impact 2025 results, and have only taken acquisition numbers up a notch until these opportunities crystallise in the coming quarters.



VALUATION MODEL

All figures in EURm	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E
AEBITDA	1,033	1,064	1,107	1,147	1,184	1,223	1,261	1,299
(-) Tax	-124	-128	-133	-138	-142	-147	-151	-156
(=) Net operating cash flow	909	936	974	1,009	1,042	1,076	1,109	1,143
(-) Total investments (CapEx and WC)	243	-330	-453	-418	-432	-434	-449	-465
(-) Capital expenditures	317	-322	-437	-401	-417	-418	-434	-450
(-) Working capital	-74	-8	-15	-16	-15	-16	-15	-15
(=) Free cash flows (FCF)	1,152	606	521	592	610	643	661	678
PV of FCFs	1,133	567	463	500	490	491	480	468

All figures in EUR '000		Terminal growth rate						
		1.7%	1.8%	1.9%	2.0%	2.1%	2.2%	2.3%
PV of FCFs in explicit period	7,177	4.6%	6.9	7.4	8.0	8.6	9.3	10.0
PV of FCFs in terminal period	13,043	4.8%	5.6	6.0	6.5	7.0	7.6	8.1
Enterprise value (EV)	20,220	5.0%	4.4	4.8	5.2	5.6	6.1	6.6
+ Net cash / - net debt (2024)	-15,387	5.2%	3.4	3.7	4.0	4.4	4.8	5.2
+ Investments / minority interests	0	5.4%	2.4	2.7	3.0	3.4	3.7	4.1
Shareholder value	4,833	5.6%	1.6	1.9	2.1	2.4	2.7	3.0
Fair value per share in EUR	4.4	5.8%	0.9	1.1	1.3	1.6	1.8	2.1

		Terminal AEBITDA margin						
		90.7%	91.7%	92.7%	93.7%	94.7%	95.7%	96.7%
Cost of equity	7.3%	4.6%	7.6	8.0	8.3	8.6	9.0	9.3
Pre-tax cost of debt	3.0%	4.8%	6.1	6.4	6.7	7.0	7.3	7.6
Tax rate	12.0%	5.0%	4.8	5.1	5.4	5.7	5.9	6.2
After-tax cost of debt	2.6%	5.2%	3.7	3.9	4.2	4.4	4.7	4.9
Share of equity capital	45.0%	5.4%	2.7	2.9	3.2	3.4	3.6	3.8
Share of debt capital	55.0%	5.6%	1.8	2.0	2.2	2.4	2.6	2.9
WACC	5.2%	5.8%	1.0	1.2	1.4	1.6	1.8	2.0

*Please note our model runs through 2038 and we have only shown the abbreviated version for formatting purposes; perpetual notes included in net debt for DCF purposes



INCOME STATEMENT

All figures in EURm	2021	2022	2023	2024	2025E	2026E
Net rent	1,086	1,222	1,193	1,181	1,193	1,215
Operating and other income	238	388	410	361	365	380
Rental and operating income (RI)	1,323	1,610	1,603	1,542	1,558	1,595
Capital gains, property revaluations & other	810	-497	-3,218	-125	445	508
Result from equity-accounted investees	193	6	-150	-43	12	12
Property OpEx	-533	-695	-638	-550	-550	-560
Other income	0	0	0	0	0	0
Administration & other OpEx	-57	-63	-65	-66	-64	-65
Operating income (EBIT)	1,737	361	-2,468	759	1,400	1,490
Net financial result	-180	-185	-230	-235	-234	-246
Other financial expenses	-162	-194	-14	-31	0	0
Impairment of goodwill	0	-404	-137	-46	0	0
Pre-tax income (EBT)	1,394	-422	-2,849	446	1,166	1,244
Tax expense	-100	-117	-120	-125	-127	-131
Deferred tax	-216	82	543	-13	-71	-81
Tax result	-316	-35	423	-137	-198	-212
Comprehensive net income	1,078	-457	-2,426	309	967	1,032
Minority interests	330	70	-592	53	242	258
Perpetual notes	106	118	153	203	217	234
Net income to owners	642	-645	-1,988	53	508	539
Basic EPS (€)	0.55	-0.58	-1.82	0.05	0.46	0.49
AEBITDA	975	1,002	1,003	1,014	1,033	1,064
Ratios						
AEBITDA before JV contributions (NRI)	80.2%	77.2%	79.3%	80.1%	80.6%	81.4%
FFO 1 margin (NRI)	32.5%	29.7%	27.8%	26.7%	25.5%	24.4%
Expenses as % of revenues						
Property OpEx	40.3%	43.2%	39.8%	35.7%	35.3%	35.1%
Administration & other OpEx	4.3%	3.9%	4.0%	4.3%	4.1%	4.1%
Y/Y Growth						
Net rent	8.2%	12.6%	-2.4%	-1.0%	1.0%	1.9%
Operating income	5.1%	-79.2%	n.m.	n.m.	84.6%	6.4%
Adjusted EBITDA	3.3%	2.8%	0.1%	1.1%	1.8%	3.0%
Net income/ loss	-1.5%	n.m.	n.m.	n.m.	855.7%	6.1%
Funds from Operations (FFO)						
AEBITDA before JV contribution	871	944	946	946	961	989
Finance expense	-180	-185	-230	-235	-234	-246
Tax expense	-100	-117	-120	-125	-127	-131
Minority adjustment	-82	-136	-127	-128	-130	-133
Other adjustments	7	5	3	2	2	2
Perpetual attribution	-106	-118	-153	-203	-217	-234
FFO 1 before JV contribution	409	392	318	257	255	247
JV FFO 1 contributions	69	46	47	58	49	50
Extraordinary provision for uncollected rents	-125	-75	-33	0	0	0
FFO 1	353	363	332	315	304	297
FFOPS 1 (€)	0.30	0.33	0.30	0.29	0.28	0.27



BALANCE SHEET

All figures in EURm	2021	2022	2023	2024	2025E	2026E
Current assets, total	5,529	4,856	4,692	5,600	4,355	3,952
Cash and cash equivalents	2,873	2,305	2,641	3,128	2,172	1,840
Short-term investments	376	313	506	652	654	656
Receivables	1,219	1,168	1,008	1,035	1,046	1,071
Other current assets	28	138	127	81	84	86
Assets held for sale	1,033	931	410	703	400	300
Non-current assets, total	33,854	32,492	28,868	28,020	28,523	29,393
Property, plant & equipment	1,849	1,508	1,379	1,329	1,333	1,337
Investment properties	29,116	27,981	24,632	24,375	24,795	25,725
Equity accounted investees	1,223	1,292	1,087	926	937	863
Other LT assets	1,667	1,711	1,769	1,390	1,457	1,468
Total assets	39,383	37,347	33,559	33,620	32,878	33,346
Current liabilities, total	1,607	1,289	1,539	2,948	2,902	3,337
Short-term debt	544	123	420	1,692	1,686	2,081
Accounts payable	621	666	672	689	626	643
Provisions & other current liabilities	442	500	448	567	589	613
Long-term liabilities, total	18,620	18,235	16,870	15,662	14,202	13,648
Long-term debt	15,026	14,573	13,822	12,763	11,208	10,549
Deferred tax liabilities	2,766	2,662	2,107	2,098	2,169	2,250
Other LT liabilities	828	999	942	801	825	849
Minority interests	3,875	3,490	2,750	2,839	3,081	3,339
Shareholders' equity	15,281	14,333	12,400	12,171	12,693	13,022
Total consolidated equity and debt	39,383	37,347	33,559	33,620	32,878	33,346
Ratios						
ICR (x)	4.9	4.9	4.0	4.0	4.4	4.3
Net debt / adj. EBITDA (x)	14.2	12.8	11.9	11.5	10.6	10.4
Equity ratio	48.6%	47.7%	45.1%	44.6%	48.0%	49.1%
Financial leverage	80.8%	84.3%	90.5%	89.3%	80.4%	78.9%
EPRA NTA	11,564	10,135	8,059	8,165	8,682	9,053
EPRA NTAPS (€)	10.2	9.3	7.4	7.4	7.9	8.3
Net debt	12,344	12,087	11,216	10,870	10,208	10,272
Return on equity (ROE)	7.1%	-3.2%	-19.6%	2.5%	7.6%	7.9%
Loan-to-value (LTV)	39%	40%	43%	42%	39%	39%



CASH FLOW STATEMENT

All figures in EURm	2021	2022	2023	2024	2025E	2026E
Net income	1,078	-457	-2,426	309	967	1,032
Depreciation & amortisation	16	21	18	20	19	19
Capital gains, property revaluations & other	-810	497	3,218	125	-445	-508
Profit share from equity accounted investees	-193	-6	150	43	-12	-12
Goodwill impairment	0	404	137	46	0	0
Shared based payment in a subsidiary	6	5	5	5	0	0
Net finance expenses	343	379	245	266	234	246
Tax result	316	35	-423	137	198	212
Operating cash flow	755	879	923	952	962	990
Changes in working capital	-57	-27	-54	-51	-139	-16
Provisions for other liabilities	-4	-2	-5	-4	29	30
Dividend received	24	35	19	37	0	86
Tax paid	-93	-97	-111	-113	-127	-131
Net operating cash flow	626	788	772	821	725	959
CapEx/ intangibles	23	-26	-16	-19	-23	-23
Disposal / investment in investment properties, net	1,179	556	575	237	317	-322
Acquisition / disposals of subsidiaries	0	0	0	0	0	0
Proceeds from investments in financial assets	-124	-121	50	-65	11	11
Cash flow from investing	1,078	409	608	153	305	-334
Debt financing, net	-1,320	-629	-338	204	-1,561	-265
Equity financing, net	0	0	0	0	0	0
Payments for own shares	-444	-255	0	0	0	0
Share buy-back in a subsidiary	-270	0	0	0	0	0
Dividends paid	-252	-169	0	0	0	-228
Other financing activities	-120	-506	-499	-466	-191	-217
Net paid financing expenses	-201	-204	-214	-233	-234	-246
Cash flow from financing	-2,607	-1,764	-1,052	-496	-1,987	-957
Net cash flows	-903	-567	329	477	-956	-332
Assets held for sale - cash	-2	-6	9	-1	0	0
Fx effects	16	5	-2	11	0	0
Cash & equivalents from TLG	1070	0	0	0	0	0
Cash, start of the year	2,692	2,873	2,305	2,641	3,128	2,172
Cash, end of the year	2,873	2,305	2,641	3,128	2,172	1,840
FFO 1 before JV contribution	409	392	318	257	255	247
FFO 1	353	363	332	315	304	297
FFOPS 1 (€)	0.30	0.33	0.30	0.29	0.28	0.27

Imprint / Disclaimer

First Berlin Equity Research

First Berlin Equity Research GmbH ist ein von der BaFin betreffend die Einhaltung der Pflichten des §85 Abs. 1 S. 1 WpHG, des Art. 20 Abs. 1 Marktmissbrauchsverordnung (MAR) und der Markets Financial Instruments Directive (MiFID) II, Markets in Financial Instruments Directive (MiFID) II Durchführungsverordnung und der Markets in Financial Instruments Regulations (MiFIR) beaufsichtigtes Unternehmen.

First Berlin Equity Research GmbH is one of the companies monitored by BaFin with regard to its compliance with the requirements of Section 85 (1) sentence 1 of the German Securities Trading Act [WpHG], art. 20 (1) Market Abuse Regulation (MAR) and Markets in Financial Instruments Directive (MiFID) II, Markets in Financial Instruments Directive (MiFID) II Commission Delegated Regulation and Markets in Financial Instruments Regulations (MiFIR).

Anschrift:

First Berlin Equity Research GmbH
 Friedrichstr. 34
 10117 Berlin
 Germany

Vertreten durch den Geschäftsführer: Martin Bailey

Telefon: +49 (0) 30-80 93 9 680

Fax: +49 (0) 30-80 93 9 687

E-Mail: info@firstberlin.com

Amtsgericht Berlin Charlottenburg HR B 103329 B

UST-Id.: 251601797

Ggf. Inhaltlich Verantwortlicher gem. § 6 MDStV

First Berlin Equity Research GmbH

Authored by: Ellis Acklin, Senior Analyst

All publications of the last 12 months were authored by Ellis Acklin.

Company responsible for preparation: First Berlin Equity Research GmbH, Friedrichstraße 69, 10117 Berlin

The production of this recommendation was completed on 1 September 2025 at 07:46

Person responsible for forwarding or distributing this financial analysis: Martin Bailey

Copyright© 2025 First Berlin Equity Research GmbH No part of this financial analysis may be copied, photocopied, duplicated or distributed in any form or media whatsoever without prior written permission from First Berlin Equity Research GmbH. First Berlin Equity Research GmbH shall be identified as the source in the case of quotations. Further information is available on request.

INFORMATION PURSUANT TO SECTION 85 (1) SENTENCE 1 OF THE GERMAN SECURITIES TRADING ACT [WPHG], TO ART. 20 (1) OF REGULATION (EU) NO 596/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF APRIL 16, 2014, ON MARKET ABUSE (MARKET ABUSE REGULATION) AND TO ART. 37 OF COMMISSION DELEGATED REGULATION (EU) NO 2017/565 (MIFID) II.

First Berlin Equity Research GmbH (hereinafter referred to as: "First Berlin") prepares financial analyses while taking the relevant regulatory provisions, in particular section 85 (1) sentence 1 of the German Securities Trading Act [WpHG], art. 20 (1) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014, on market abuse (market abuse regulation) and art. 37 of Commission Delegated Regulation (EU) no. 2017/565 (MiFID II) into consideration. In the following First Berlin provides investors with information about the statutory provisions that are to be observed in the preparation of financial analyses.

CONFLICTS OF INTEREST

In accordance with art. 37 (1) of Commission Delegated Regulation (EU) no. 2017/565 (MiFID) II and art. 20 (1) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014, on market abuse (market abuse regulation) investment firms which produce, or arrange for the production of, investment research that is intended or likely to be subsequently disseminated to clients of the firm or to the public, under their own responsibility or that of a member of their group, shall ensure the implementation of all the measures set forth in accordance with Article 34 (2) lit. (b) of Regulation (EU) 2017/565 in relation to the financial analysts involved in the production of the investment research and other relevant persons whose responsibilities or business interests may conflict with the interests of the persons to whom the investment research is disseminated. In accordance with art. 34 (3) of Regulation (EU) 2017/565 the procedures and measures referred to in paragraph 2 lit. (b) of such article shall be designed to ensure that relevant persons engaged in different business activities involving a conflict of interests carry on those activities at a level of independence appropriate to the size and activities of the investment firm and of the group to which it belongs, and to the risk of damage to the interests of clients.

In addition, First Berlin shall pursuant to Article 5 of the Commission Delegated Regulation (EU) 2016/958 disclose in their recommendations all relationships and circumstances that may reasonably be expected to impair the objectivity of the financial analyses, including interests or conflicts of interest, on their part or on the part of any natural or legal person working for them under a contract, including a contract of employment, or otherwise, who was involved in producing financial analyses, concerning any financial instrument or the issuer to which the recommendation directly or indirectly relates.

With regard to the financial analyses of Aroundtown SA the following relationships and circumstances exist which may reasonably be expected to impair the objectivity of the financial analyses: The author, First Berlin, or a company associated with First Berlin reached an agreement with the Aroundtown SA for preparation of a financial analysis for which remuneration is owed.

Furthermore, First Berlin offers a range of services that go beyond the preparation of financial analyses. Although First Berlin strives to avoid conflicts of interest wherever possible, First Berlin may maintain the following relations with the analysed company, which in particular may constitute a potential conflict of interest:

- The author, First Berlin, or a company associated with First Berlin owns a net long or short position exceeding the threshold of 0.5 % of the total issued share capital of the analysed company;
- The author, First Berlin, or a company associated with First Berlin holds an interest of more than five percent in the share capital of the analysed company;

- The author, First Berlin, or a company associated with First Berlin provided investment banking or consulting services for the analysed company within the past twelve months for which remuneration was or was to be paid;
- The author, First Berlin, or a company associated with First Berlin reached an agreement with the analysed company for preparation of a financial analysis for which remuneration is owed;
- The author, First Berlin, or a company associated with First Berlin has other significant financial interests in the analysed company;

With regard to the financial analyses of Aroundtown SA the following of the aforementioned potential conflicts of interests or the potential conflicts of interest mentioned in Article 6 paragraph 1 of the Commission Delegated Regulation (EU) 2016/958 exist: The author, First Berlin, or a company associated with First Berlin reached an agreement with the Aroundtown SA for preparation of a financial analysis for which remuneration is owed.

In order to avoid and, if necessary, manage possible conflicts of interest both the author of the financial analysis and First Berlin shall be obliged to neither hold nor in any way trade the securities of the company analyzed. The remuneration of the author of the financial analysis stands in no direct or indirect connection with the recommendations or opinions represented in the financial analysis. Furthermore, the remuneration of the author of the financial analysis is neither coupled directly to financial transactions nor to stock exchange trading volume or asset management fees.

INFORMATION PURSUANT TO SECTION 64 OF THE GERMAN SECURITIES TRADING ACT [WPHG], DIRECTIVE 2014/65/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 15 MAY 2014 ON MARKETS IN FINANCIAL INSTRUMENTS AND AMENDING DIRECTIVE 2002/92/EC AND DIRECTIVE 2011/61/EU, ACCOMPANIED BY THE MARKETS IN FINANCIAL INSTRUMENTS REGULATION (MIFIR, REG. EU NO. 600/2014).

First Berlin notes that it has concluded a contract with the issuer to prepare financial analyses and is paid for that by the issuer. First Berlin makes the financial analysis simultaneously available for all interested security financial services companies. First Berlin thus believes that it fulfils the requirements of section 64 WpHG for minor non-monetary benefits.

PRICE TARGET DATES

Unless otherwise indicated, current prices refer to the closing prices of the previous trading day.

AGREEMENT WITH THE ANALYSED COMPANY AND MAINTENANCE OF OBJECTIVITY

The present financial analysis is based on the author's own knowledge and research. The author prepared this study without any direct or indirect influence exerted on the part of the analysed company. Parts of the financial analysis were possibly provided to the analysed company prior to publication in order to avoid inaccuracies in the representation of facts. However, no substantial changes were made at the request of the analysed company following any such provision.

ASSET VALUATION SYSTEM

First Berlin's system for asset valuation is divided into an asset recommendation and a risk assessment.

ASSET RECOMMENDATION

The recommendations determined in accordance with the share price trend anticipated by First Berlin in the respectively indicated investment period are as follows:

Category		1	2
Current market capitalisation (in €)		0 - 2 billion	> 2 billion
Strong Buy ¹	An expected favourable price trend of:	> 50%	> 30%
Buy	An expected favourable price trend of:	> 25%	> 15%
Add	An expected favourable price trend of:	0% to 25%	0% to 15%
Reduce	An expected negative price trend of:	0% to -15%	0% to -10%
Sell	An expected negative price trend of:	< -15%	< -10%

¹ The expected price trend is in combination with sizable confidence in the quality and forecast security of management.

Our recommendation system places each company into one of two market capitalisation categories. Category 1 companies have a market capitalisation of €0 – €2 billion, and Category 2 companies have a market capitalisation of > €2 billion. The expected return thresholds underlying our recommendation system are lower for Category 2 companies than for Category 1 companies. This reflects the generally lower level of risk associated with higher market capitalisation companies.

RISK ASSESSMENT

The First Berlin categories for risk assessment are low, average, high and speculative. They are determined by ten factors: Corporate governance, quality of earnings, management strength, balance sheet and financial risk, competitive position, standard of financial disclosure, regulatory and political uncertainty, strength of brandname, market capitalisation and free float. These risk factors are incorporated into the First Berlin valuation models and are thus included in the target prices. First Berlin customers may request the models.

RECOMMENDATION & PRICE TARGET HISTORY

Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	29 September 2015	€3.40	Buy	€5.70
2...60	↓	↓	↓	↓
61	12 April 2024	€1.79	Buy	€3.40
62	30 May 2024	€2.06	Buy	€3.50
63	30 August 2024	€2.24	Buy	€3.60
64	24 September 2024	€2.75	Buy	€4.00
65	2 December 2024	€3.13	Buy	€4.20
66	31 March 2025	€2.51	Buy	€4.00
67	5 May 2025	€2.60	Buy	€4.00
68	2 June 2025	€2.79	Buy	€4.00
69	Today	€3.38	Buy	€4.40

INVESTMENT HORIZON

Unless otherwise stated in the financial analysis, the ratings refer to an investment period of twelve months.

UPDATES

At the time of publication of this financial analysis it is not certain whether, when and on what occasion an update will be provided. In general First Berlin strives to review the financial analysis for its topicality and, if required, to update it in a very timely manner in connection with the reporting obligations of the analysed company or on the occasion of ad hoc notifications.

SUBJECT TO CHANGE

The opinions contained in the financial analysis reflect the assessment of the author on the day of publication of the financial analysis. The author of the financial analysis reserves the right to change such opinion without prior notification.

Legally required information regarding

- key sources of information in the preparation of this research report
- valuation methods and principles
- sensitivity of valuation parameters

can be accessed through the following internet link: <https://firstberlin.com/disclaimer-english-link/>

SUPERVISORY AUTHORITY: Bundesanstalt für Finanzdienstleistungsaufsicht (German Federal Financial Supervisory Authority) [BaFin], Graurheindorferstraße 108, 53117 Bonn and Marie-Curie-Straße 24-28, 60439 Frankfurt am Main

EXCLUSION OF LIABILITY (DISCLAIMER)

RELIABILITY OF INFORMATION AND SOURCES OF INFORMATION

The information contained in this study is based on sources considered by the author to be reliable. Comprehensive verification of the accuracy and completeness of information and the reliability of sources of information has neither been carried out by the author nor by First Berlin. As a result no warranty of any kind whatsoever shall be assumed for the accuracy and completeness of information and the reliability of sources of information, and neither the author nor First Berlin, nor the person responsible for passing on or distributing the financial analysis shall be liable for any direct or indirect damage incurred through reliance on the accuracy and completeness of information and the reliability of sources of information.

RELIABILITY OF ESTIMATES AND FORECASTS

The author of the financial analysis made estimates and forecasts to the best of the author's knowledge. These estimates and forecasts reflect the author's personal opinion and judgement. The premises for estimates and forecasts as well as the author's perspective on such premises are subject to constant change. Expectations with regard to the future performance of a financial instrument are the result of a measurement at a single point in time and may change at any time. The result of a financial analysis always describes only one possible future development – the one that is most probable from the perspective of the author – of a number of possible future developments.

Any and all market values or target prices indicated for the company analysed in this financial analysis may not be achieved due to various risk factors, including but not limited to market volatility, sector volatility, the actions of the analysed company, economic climate, failure to achieve earnings and/or sales forecasts, unavailability of complete and precise information and/or a subsequently occurring event which affects the underlying assumptions of the author and/or other sources on which the author relies in this document. Past performance is not an indicator of future results; past values cannot be carried over into the future.

Consequently, no warranty of any kind whatsoever shall be assumed for the accuracy of estimates and forecasts, and neither the author nor First Berlin, nor the person responsible for passing on or distributing the financial analysis shall be liable for any direct or indirect damage incurred through reliance on the correctness of estimates and forecasts.

INFORMATION PURPOSES, NO RECOMMENDATION, SOLICITATION, NO OFFER FOR THE PURCHASE OF SECURITIES

The present financial analysis serves information purposes. It is intended to support institutional investors in making their own investment decisions; however in no way provide the investor with investment advice. Neither the author, nor First Berlin, nor the person responsible for passing on or distributing the financial analysis shall be considered to be acting as an investment advisor or portfolio manager vis-à-vis an investor. Each investor must form his own independent opinion with regard to the suitability of an investment in view of his own investment objectives, experience, tax situation, financial position and other circumstances.

The financial analysis does not represent a recommendation or solicitation and is not an offer for the purchase of the security specified in this financial analysis. Consequently, neither the author nor First Berlin, nor the person responsible for passing on or distributing the financial analysis shall as a result be liable for losses incurred through direct or indirect employment or use of any kind whatsoever of information or statements arising out of this financial analysis.

A decision concerning an investment in securities should take place on the basis of independent investment analyses and procedures as well as other studies including, but not limited to, information memoranda, sales or issuing prospectuses and not on the basis of this document.

NO ESTABLISHMENT OF CONTRACTUAL OBLIGATIONS

By taking note of this financial analysis the recipient neither becomes a customer of First Berlin, nor does First Berlin incur any contractual, quasi-contractual or pre-contractual obligations and/or responsibilities toward the recipient. In particular no information contract shall be established between First Berlin and the recipient of this information.

NO OBLIGATION TO UPDATE

First Berlin, the author and/or the person responsible for passing on or distributing the financial analysis shall not be obliged to update the financial analysis. Investors must keep themselves informed about the current course of business and any changes in the current course of business of the analysed company.

DUPLICATION

Dispatch or duplication of this document is not permitted without the prior written consent of First Berlin.

SEVERABILITY

Should any provision of this disclaimer prove to be illegal, invalid or unenforceable under the respectively applicable law, then such provision shall be treated as if it were not an integral component of this disclaimer; in no way shall it affect the legality, validity or enforceability of the remaining provisions.

APPLICABLE LAW, PLACE OF JURISDICTION

The preparation of this financial analysis shall be subject to the law obtaining in the Federal Republic of Germany. The place of jurisdiction for any disputes shall be Berlin (Germany).

NOTICE OF DISCLAIMER

By taking note of this financial analysis the recipient confirms the binding nature of the above explanations.

By using this document or relying on it in any manner whatsoever the recipient accepts the above restrictions as binding for the recipient.

QUALIFIED INSTITUTIONAL INVESTORS

First Berlin financial analyses are intended exclusively for qualified institutional investors.

This report is not intended for distribution in the USA and/or Canada.