

31 May 2022

Accentro Real Estate AG

Rating	Buy
Share price (EUR)	4.20
Target price (EUR)	10.00
Bloomberg Sector	A4Y GY Real Estate

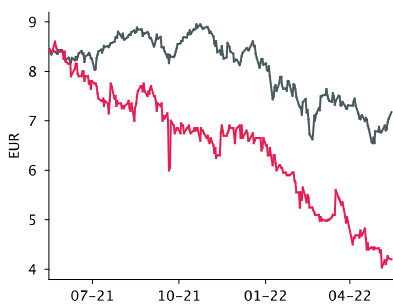
Share data

Shares out (m)	32.4
Daily volume shs (m)	0.0
Free float (%)	12.00
Market cap (EUR m)	143
EV (EUR m)	645
DPS (EUR)	0.00
Dividend yield (%)	0.0
Payout ratio (%)	0.0

Performance

ytd (%)	-36.4
12 months (%)	-50.0
12 months rel. (%)	-35.6
Index	SDAX

Share price performance



— Accentro Real Estate AG
— Price rel. to SDAX – Price Index

Source: Bloomberg

Next triggers

31 August 2022 – H1 report

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Positive Q1 2022 results

In Q1 2022 Accentro increased its Revenues by 22% to EUR 33.7m and EBIT improved by 57% yoy to EUR 3.6m, which was mainly driven by its privatization business as well as higher rental income from its rental portfolio. For FY 2022 Accentro still expects to achieve Revenues of EUR 200-220m (qbe: EUR 214.0m) and EBIT of EUR 45-50m (qbe: EUR 47.0m). Main drivers should be the well-filled sales pipeline of c. EUR 330m, higher rental income from its rental portfolio as well as the positive impact from its partnership with Immoscout24. However, the privatization business could be impacted by a lower demand as a result of the higher interest rate and the increased inflation rate. We confirm our Buy rating with a TP of EUR 10.00.

Q1 2022 results

Mainly driven by a strong performance of its privatization business as well as higher rental income of recent portfolio expansion Accentro increased its Revenues by 22% to EUR 33.7m in Q1 2022. Revenues from sale of inventory properties increased by 21% yoy to EUR 29.3m. Note that Accentro successfully sold 86 units in Q1 2022 and the volume of notarised sales was at EUR 27.3m. Rental revenues increased from EUR 2.9m to EUR 4.0m while Service revenues decreased by 5% yoy to EUR 0.4m. EBIT increased from EUR 2.3m to EUR 3.6m (+57% yoy) and EBIT margin reached 10.7% (vs. Q1 2021: 8.3%).

Q1 2022 results and FY 2022 targets

EUR m	Q1 2022	Q1 2021	yoy	Guidance	Quirin est.	consensus
Revenues	33.7	27.6	22%	200-220	214.0	213.0
Revenues from sale of inventory properties	29.3	24.2	21%	n.a.	190.0	n.a.
Rental revenues	4.0	2.9	36%	n.a.	20.0	n.a.
Service revenues	0.4	0.4	-5%	n.a.	4.0	n.a.
EBIT	3.6	2.3	57%	45-50	47.0	46.7
Net profit after minorities	-1.5	-2.9	n.m.	n.a.	16.5	18.1
EBIT margin	10.7%	8.3%	235 BP	n.a.	22.0%	21.9%

Source: Accentro, Quirin Privatbank AG, Bloomberg

Key figures		2020	2021	2022e	2023e	2024e
Sales	EUR m	125	193	214	236	247
EBITDA	EUR m	36	47	48	51	54
EBIT	EUR m	35	45	47	50	53
EPS	EUR	0.51	0.37	0.51	0.58	0.65
Sales growth	%	-12.6	54.0	11.0	10.2	4.6
EBIT growth	%	-12.7	29.9	4.1	6.9	5.3
EPS growth	%	-37.4	-28.5	39.1	13.8	11.8
EBITDA margin	%	28.5	24.2	22.4	21.7	21.8
EBIT margin	%	27.8	23.4	22.0	21.3	21.4
Net margin	%	13.2	6.1	7.7	7.9	8.5
EV/Sales	ratio	6.37	3.63	3.01	2.15	2.06
EV/EBITDA	ratio	22.4	15.0	13.5	9.9	9.4
EV/EBIT	ratio	22.9	15.5	13.7	10.1	9.6
P/E	ratio	8.6	12.1	8.7	7.6	6.8
P/BV	ratio	0.6	0.6	0.5	0.5	0.5
Dividend yield	%	0.0	0.0	0.0	0.0	0.0

Source: Bloomberg, Company data, Quirin Privatbank estimates

Profit & loss statement

Profit & loss statement (EUR m)	2020	YOY	2021	YOY	2022e	YOY	2023e	YOY	2024e	YOY
Sales	125.2	-12.6 %	192.7	54.0 %	214.0	11.0 %	235.9	10.2 %	246.8	4.6 %
Unfinished Goods	0.0		0.0		0.0		0.0		0.0	
Other own work capitalized	0.0		0.0		0.0		0.0		0.0	
Other operating earnings	1.7		1.3		1.6		1.6		1.6	
Cost of goods	n.a.		n.a.		n.a.		n.a.		n.a.	
Gross profit	126.9		194.0		215.6		237.5		248.4	
Personnel expenses	-9.0		-10.3		-11.0		-11.2		-11.4	
Depreciation	n.a.		n.a.		n.a.		n.a.		n.a.	
Other operating expenses	-10.7		-18.4		-13.0		-13.0		-13.0	
EBITDA	35.6	-12.1 %	46.6	30.8 %	47.9	2.8 %	51.2	6.8 %	53.8	5.2 %
EBITDA margin (%)	28.46		24.18		22.38		21.69		21.80	
EBIT	34.8	-12.7 %	45.2	29.9 %	47.0	4.1 %	50.3	6.9 %	52.9	5.3 %
EBIT margin (%)	27.77		23.43		21.96		21.31		21.44	
Net interest	-10.5		-20.5		-22.4		-22.5		-22.5	
Income from Participations	n.a.		n.a.		n.a.		n.a.		n.a.	
Net financial result	n.a.		n.a.		n.a.		n.a.		n.a.	
Exceptional items	0.0		0.0		0.0		0.0		0.0	
Pretax profit	24.3	-25.2 %	20.6	-15.3 %	24.7	19.7 %	27.8	12.8 %	30.5	9.5 %
Pretax margin (%)	19.42		10.69		11.52		11.80		12.35	
Taxes	-6.3		-7.5		-6.9		-7.8		-8.2	
Tax rate (%)	25.74		36.27		28.00		28.00		27.00	
Earnings after taxes	18.1		13.1		17.8		20.0		22.3	
Minorities	1.5		1.3		1.3		1.3		1.3	
Group attributable income	16.6	-37.4 %	11.8	-28.5 %	16.5	39.1 %	18.8	13.8 %	21.0	11.8 %
No. of shares (m)	32.4		32.4		32.4		32.4		32.4	
Earnings per share (EUR)	0.51	-37.4 %	0.37	-28.5 %	0.51	39.1 %	0.58	13.8 %	0.65	11.8 %

Source: Company data, Quirin Privatbank estimates

Balance sheet

Balance sheet (EUR m)	2020	YOY	2021	YOY	2022e	YOY	2023e	YOY	2024e	YOY
Assets										
Cash and cash equivalents	56.5		121.5		103.1		96.4		94.9	
Accounts receivables	51.8		21.3		16.3		14.3		12.3	
Inventories	409.5		300.6		309.7		318.8		327.9	
Other current assets	31.1		56.9		56.9		56.9		56.9	
Tax claims	1.7		1.5		1.5		1.5		1.5	
Total current assets	550.6	15.1 %	501.8	-8.9 %	487.5	-2.8 %	487.9	0.1 %	493.5	1.1 %
Fixed assets	1.8		5.5		5.5		5.5		5.5	
Goodwill	17.8		17.8		17.8		17.8		17.8	
Other intangible assets	0.0		0.0		0.0		0.0		0.0	
Financial assets	215.0		330.7		350.7		368.7		383.7	
Deferred taxes	1.1		2.4		2.4		2.4		2.4	
Other fixed assets	75.6		71.4		71.7		72.1		72.5	
Total fixed assets	311.3	203.7 %	427.7	37.4 %	448.1	4.8 %	466.4	4.1 %	481.8	3.3 %
Total assets	862.0	48.4 %	929.5	7.8 %	935.6	0.7 %	954.3	2.0 %	975.2	2.2 %
Equity & Liabilities										
Subscribed capital	32.4		32.4		32.4		32.4		32.4	
Reserves & other	79.7		79.8		79.8		79.8		79.8	
Revenue reserves	0.0		0.0		0.0		0.0		0.0	
Accumulated other comprehensive	124.1		135.1		151.6		170.4		191.3	
Shareholder's equity	236.2	8.0 %	247.4	4.7 %	263.9	6.7 %	282.6	7.1 %	303.6	7.4 %
Minorities	10.9		13.2		14.5		15.8		17.1	
Shareholder's equity incl. minorities	247.1	11.9 %	260.6	5.5 %	278.4	6.8 %	298.4	7.2 %	320.7	7.5 %
Long-term liabilities										
Pension provisions	0.0		0.0		0.0		0.0		0.0	
Financial liabilities	393.3		494.9		494.2		493.5		492.8	
Tax liabilities	9.1		13.8		13.8		13.8		13.8	
Other liabilities	0.0		0.0		0.0		0.0		0.0	
Total long-term debt	402.4	86.4 %	508.8	26.4 %	508.1	-0.1 %	507.4	-0.1 %	506.7	-0.1 %
Short-term debt										
Other provisions	1.9		0.6		2.0		2.0		2.0	
Trade payables	7.1		5.3		5.3		5.3		5.3	
Financial debt	172.2		111.3		110.7		110.1		109.5	
Other liabilities	31.2		42.7		31.0		31.0		31.0	
Total short-term debt	212.4	47.5 %	160.0	-24.7 %	149.1	-6.8 %	148.5	-0.4 %	147.9	-0.4 %
Total equity & liabilities	862.0	48.4 %	929.5	7.8 %	935.6	0.7 %	954.3	2.0 %	975.2	2.2 %

Source: Company data, Quirin Privatbank estimates

Financial key ratios

Key ratios	2020	2021	2022e	2023e	2024e
Per share data (EUR)					
EPS	0.51	0.37	0.51	0.58	0.65
Book value per share	7.3	7.6	8.1	8.7	9.4
Free cash flow per share	-3.2	1.0	-0.5	-0.2	0.0
Dividend per share	0.00	0.00	0.00	0.00	0.00
Valuation ratios					
EV/Sales	6.37	3.63	3.01	2.15	2.06
EV/EBITDA	22.4	15.0	13.5	9.9	9.4
EV/EBIT	22.9	15.5	13.7	10.1	9.6
P/E	8.6	12.1	8.7	7.6	6.8
P/B	0.6	0.6	0.5	0.5	0.5
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0
Growth					
Sales growth (%)	-12.6	54.0	11.0	10.2	4.6
EBITDA growth (%)	-12.1	30.8	2.8	6.8	5.2
EBIT growth (%)	-12.7	29.9	4.1	6.9	5.3
EPS growth (%)	-37.4	-28.5	39.1	13.8	11.8
Profitability ratios					
EBITDA margin (%)	28.5	24.2	22.4	21.7	21.8
EBIT margin (%)	27.8	23.4	22.0	21.3	21.4
Net margin (%)	13.2	6.1	7.7	7.9	8.5
ROCE (%)	5.4	5.9	6.0	6.2	6.4
Financial ratios					
Total equity (EUR m)	236.2	247.4	263.9	282.6	303.6
Equity ratio (%)	27.4	26.6	28.2	29.6	31.1
Net financial debt (EUR m)	509.0	484.8	501.8	507.3	507.5
Net debt/Equity	0.3	0.3	0.3	0.3	0.3
Interest cover	1.6	1.8	1.9	2.0	2.1
Net debt/EBITDA	14.3	10.4	10.5	9.9	9.4
Payout ratio (%)	0.0	0.0	0.0	0.0	0.0
Working Capital (EUR m)	445.0	307.1	311.2	318.3	325.4
Working capital/Sales	3.55	1.59	1.45	1.35	1.32

Source: Company data, Quirin Privatbank estimates

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HOLD <=-10% and < = +10%

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Price and Rating History (last 12 months)

Date	Price target-EUR	Rating	Initiation
31.05.2022	10.00	Buy	
06.05.2022	10.00	Buy	
07.12.2021	12.55	Buy	
01.12.2021	12.55	Buy	
19.11.2021	12.55	Buy	
13.10.2021	12.55	Buy	09.05.2018

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Competent supervisory authority

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