UPDATE NOTE

TECHNOLOGY

Circus SE

CA1: 3Q Update; Slow Is Smooth, Smooth Is Fast

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KEY POINTS

- **Event.** Circus hosted its 3Q operational update call on October 16, led solo by Founder & CEO Nikolas Bullwinkel. The call marked roughly one year of commercial operations after the fall 2025 launches with Meta and REWE.
- **Slow is smooth, smooth is fast.** While we are lowering our estimates for FY27 and FY28 (see our detailed revenue build in Figure 1), we like the methodical approach management is taking with its commercial ramp as it focuses on operational excellence, including improving uptime, reducing handling time, and ramping its proprietary ingredients (14 tons ordered and produced is impressive.) The recent expansion into Abu Dhabi is also a significant positive. It seems that the broader robotics market is reaching a potential "tipping point" and Circus appears to be poised to benefit as a company that has been working on a transformative solution to automate the foodservice market for years now.
- **The reset is delivering.** Management stated the cost base fell nearly 25% from 2Q to 3Q while deployment speed nearly tripled; installation now takes ~5 days from delivery versus ~9 early this year. FY26 guidance is unchanged, with management confident in the targets. Management called the quarter proof of a "very clear path toward profitability mid-term."
- **Fleet and customers broadened.** Thirty-three systems are live across eight countries for 19 enterprise customers; management targets ~30 accounts and a fleet of 19 CA-1s plus 40+ CA-As by year-end. The CA-1 is still expected to drive ~85% of FY26 revenue; the CA-A is the higher-volume entry product.
- **Reliability crossed a threshold.** Mature systems (3+ months in market) ran at 93% uptime versus ~70% in January; most contracts guarantee a minimum of 80%, with software-fee offsets if missed. Daily handling time averaged 1h47m in 3Q, down from 2h38m in February; cooking failures run ~1%.
- **Circus Pods becoming the backbone:** 14+ tons of ingredients produced since launch, ~30 SKUs live, mandatory for new deployments, and core clients have shifted. Management credits the Pods for much of the uptime and handling improvement; production sits in Germany, Belgium, and the UAE.
- **Abu Dhabi becomes first market beyond Europe.** Abu Dhabi is live with a local distribution partner and a regional supply chain; management expects the Gulf to rank among its most dominant regions within two to three years. US entry has no set date and would lean on existing global customers such as Meta.
- **Defense extends beyond pilots.** The Bundeswehr runs two CA-1s plus a newly added CA-A, signed a contract extension and is in an active tender with Circus for a further location. CA-M shell production is underway for a 1H27 first launch.
- **Funding tilts toward debt.** Management prefers debt and leasing over equity at the current valuation; a signed framework with Finexity covers up to €50M.
- **Valuation.** CA1 trades at ~1.4x EV/2027E sales and 0.4x EV/2028E sales on our revised estimates, a wide discount to peer group averages of 4.4x and 4.0x, respectively.

KEY STATISTICS

Ticker:Exchange	CA1:XETRA
Current Price	€1.58
52-Week Range	€1.39-€23.40
Average Volume (30-Day)	75,508
Shares Outstanding (MM)	26.6
Market Cap (€MM)	€42.1
Fiscal Year-End	December

ESTIMATES

Revenue (€MM)

	2025A	2026E	2027E	2028E
1Q				
2Q	0.0A	1.3A	9.5E	29.1E
3Q				
4Q	1.6A	3.9E	17.6E	41.1E
FY	1.6A	5.2E	27.1E	70.1E

EBITDA (€MM)

	2025A	2026E	2027E	2028E
1Q				
2Q	-8.7A	-8.7A	-7.2E	-1.5E
3Q				
4Q	-6.9A	-7.6E	-4.7E	3.2E
FY	-15.5A	-16.3E	-11.8E	1.6E

EPS

	2025A	2026E	2027E	2028E
1Q				
2Q	-0.45A	-0.42A	-0.37E	-0.13E
3Q				
4Q	-0.46A	-0.37E	-0.24E	0.00E
FY	-0.90A	-0.78E	-0.60E	-0.13E

Slow is smooth, smooth is fast: adjusting estimates to reflect a more measured deployment ramp. While we are lowering our estimates for FY27 and FY28, we like the methodical approach management is taking with its commercial ramp as it focuses on operational excellence, including improving uptime, lowering handling time, and ramping its proprietary ingredients. We have refined our bottoms-up revenue model for the company as shown in Figure 1. It seems to us that the broader robotics market is reaching a potential "tipping point" and Circus appears to be poised to benefit as a company that has been working on a transformative solution to automate the foodservice market for years now. The recent expansion into Abu Dhabi is a significant positive and engagements with major customers, including Meta, REWE, and the German Armed Forces, are strong proof points that Circus has a compelling solution.

CA1 shares trade at ~1.4x EV/2027E sales and 0.4x EV/2028E sales on our revised estimates, a wide discount to peer group averages of 4.4x and 4.0x, respectively.

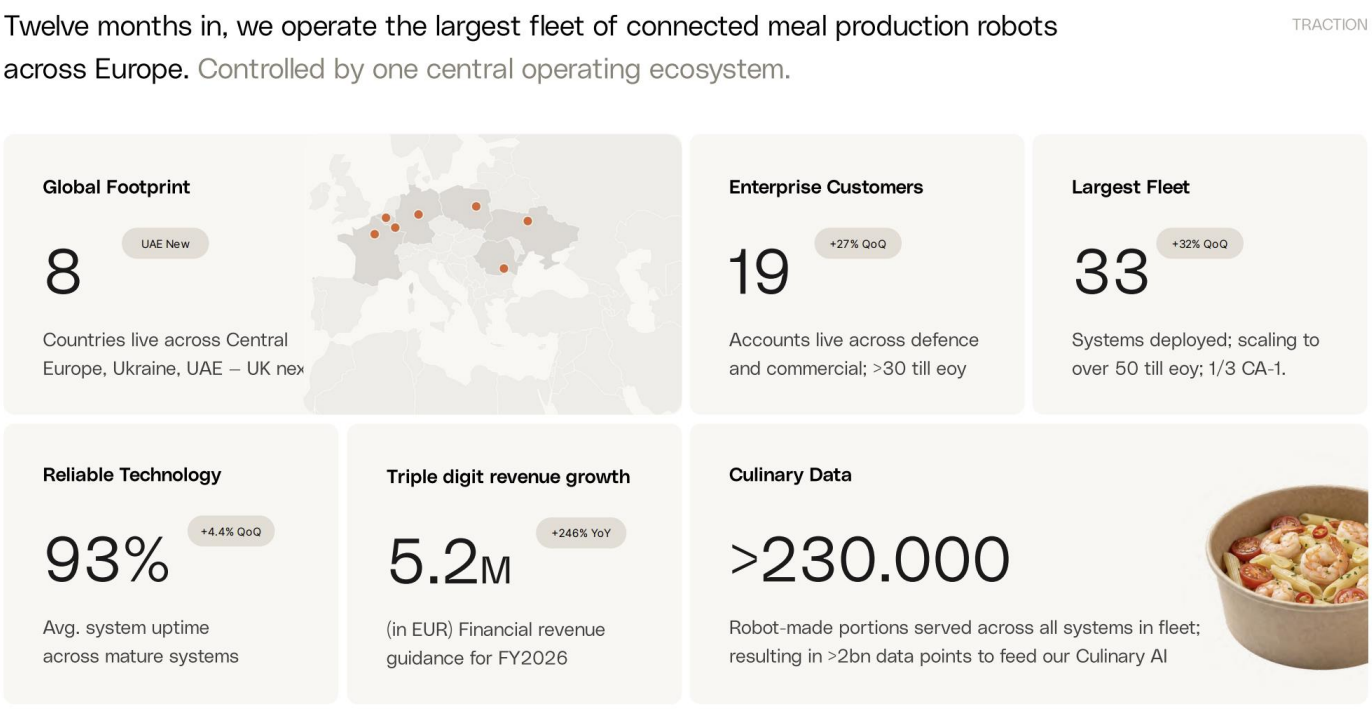
Figure 1: Revenue Model

	H1'24A	H2'24A	H1'25A	H2'25A	H1'26E	H2'26E	H1'27E	H2'27E	H1'28E	H2'28E	FY25A	FY26E	FY27E	FY28E
Revenue (Hardware + Software + Ingredients)	**€ 228**	**€ 23**	**€ 0**	**€ 1,560**	**€ 1,328**	**€ 3,853**	**€ 9,465**	**€ 17,632**	**€ 29,085**	**€ 41,057**	**€ 1,560**	**€ 5,181**	**€ 27,098**	**€ 70,142**
Y/Y						*147%*	*613%*	*358%*	*207%*	*133%*	*522%*	*232%*	*423%*	*159%*
Total Hardware Revenue				€ 1,373	€ 1,000	€ 3,175	€ 7,750	€ 14,000	€ 22,125	€ 29,125	€ 1,373	€ 4,175	€ 21,750	€ 51,250
New Units Deployed in Period				5	4	42	83	133	186	229	5	46	216	415
Blended Hardware ASP (€000s)				€ 250	€ 250	€ 77	€ 93	€ 105	€ 119	€ 127	€ 250	€ 92	€ 101	€ 123
CA-1 Revenue				€ 1,560	€ 1,283	€ 2,945	€ 6,414	€ 12,138	€ 20,822	€ 29,182	€ 1,560	€ 4,227	€ 18,551	€ 50,003
CA-1 Hardware Revenue				€ 1,373	€ 1,000	€ 2,375	€ 5,250	€ 9,750	€ 16,250	€ 21,250		€ 3,375	€ 15,000	€ 37,500
CA-1 Units Deployed (revenue recognized at deployment)				5	4	10	21	39	65	85	5	14	60	150
CA-1 Installed Base (cumulative deployed)				5	9	19	40	79	144	229	5	19	79	229
CA-1 Hardware ASP (€000s)				€ 250	€ 250	€ 250	€ 250	€ 250	€ 250	€ 250		€ 250	€ 250	€ 250
CA-1 Software Revenue				€ 188	€ 283	€ 570	€ 1,164	€ 2,388	€ 4,572	€ 7,932	€ 188	€ 852	€ 3,551	€ 12,503
CA-M Revenue					€ 0	€ 0	€ 1,024	€ 2,144	€ 3,360	€ 5,184		€ 0	€ 3,168	€ 8,544
CA-M Hardware Revenue					€ 0	€ 0	€ 1,000	€ 2,000	€ 3,000	€ 4,500		€ 0	€ 3,000	€ 7,500
CA-M Units Deployed (revenue recognized at deployment)				-	-	-	2	4	6	9	-	-	6	15
CA-M Installed Base (cumulative deployed)				-	-	-	2	6	12	21	-	-	6	21
CA-M Hardware ASP (€000s)				€ 500	€ 500	€ 500	€ 500	€ 500	€ 500	€ 500		€ 0	€ 500	€ 500
CA-M Software Revenue				€ 0	€ 0	€ 0	€ 24	€ 144	€ 360	€ 684	€ 0	€ 0	€ 168	€ 1,044
CA-A Revenue					€ 0	€ 803	€ 1,522	€ 2,299	€ 2,963	€ 3,511	€ 0	€ 803	€ 3,821	€ 6,473
CA-A Hardware Revenue					€ 0	€ 800	€ 1,500	€ 2,250	€ 2,875	€ 3,375	€ 0	€ 800	€ 3,750	€ 6,250
CA-A Units Deployed (revenue recognized at deployment)				-	-	32	60	90	115	135	-	32	150	250
CA-A Installed Base (cumulative deployed, incl. Alberts acquired units)				-	-	40	100	190	305	440	-	40	190	440
CA-A Hardware ASP (€000s)					€ 25	€ 25	€ 25	€ 25	€ 25	€ 25	€ 0	€ 25	€ 25	€ 25
CA-A Software Revenue				€ 0	€ 0	€ 3	€ 22	€ 49	€ 88	€ 136	€ 0	€ 3	€ 71	€ 223
Total Installed Base (cumulative deployed, incl. acquired units)				5	9	59	142	275	461	690		59	275	690
Software fee per CA-1 / CA-M unit per half (€000s)					€ 48	€ 48	€ 48	€ 48	€ 48	€ 48				
Software fee per CA-A unit per half (€000s)					€ 0.4	€ 0.4	€ 0.4	€ 0.4	€ 0.4	€ 0.4				
Software fee earned in deployment half (% of full half-year fee, new units)					10%	25%	25%	25%	25%	25%				
Total Software Revenue				€ 188	€ 283	€ 573	€ 1,210	€ 2,581	€ 5,019	€ 8,751	€ 188	€ 855	€ 3,790	€ 13,770
Total Ingredients Revenue					€ 45	€ 105	€ 506	€ 1,052	€ 1,941	€ 3,181	€ 0	€ 150	€ 1,558	€ 5,122

Source: Water Tower Research

3Q showed the reset working. The central message of Circus' third-quarter update call was that July's strategic reset is producing measurable operational gains. Management stated the cost base fell nearly 25% from 2Q to 3Q while deployment speed nearly tripled and reliability on mature systems crossed 90%. Bullwinkel framed the quarter against the one-year anniversary of first commercial operations (Meta in September 2025, REWE in October 2025) and called customer demand for robotic-made meals proven, citing an average customer rating of 4/5 since launch, with the highest rating of 4.4/5 at the German Armed Forces. The call was operational by design; no financial statements were presented, and FY26 guidance (€5.2M revenue) was unchanged, with management expressing confidence in the targets. Growth remains deliberately paced: 33 systems are live across eight countries, with the fleet targeted to reach roughly 60 units (19 CA-1s, 40+ CA-As) and ~30 enterprise accounts by year-end.

Figure 2: One Year of Commercial Operations: 33 Systems, 19 Enterprise Customers, Eight Countries

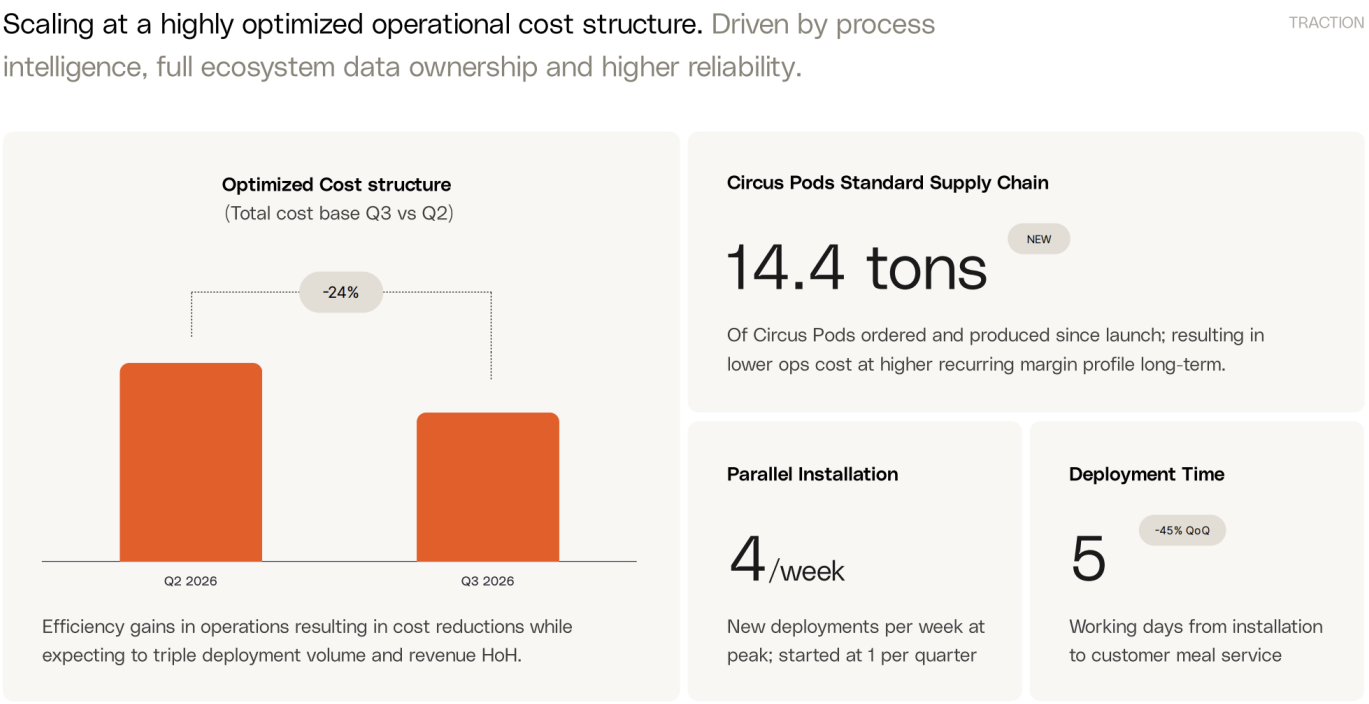


Source: Circus

Circus now serves 19 enterprise customers across eight countries and every account is built to expand. The quarter added Schön Klinik (two clinics launched in parallel) and two hotels now in deployment in Germany, alongside continued growth with Mercedes-Benz, Secura, and Meta, and public sector deployments that include a federal ministry, police in Antwerp, and universities. Management guided to ~30 enterprise accounts by year-end and stated 2027 will lean toward follow-on orders and international rollouts with customers already won. The REWE pilot, originally scoped at six to eight months, has continued for approximately a year; management stated there is no intention to end it and teased bigger news on retail integration over the coming weeks, with Meta expansion beyond Germany also flagged.

The cost base fell nearly 25% Q/Q while deployment speed nearly tripled. Deployment time from delivery to first service ("wet runs") is down to roughly five days from nearly nine, allowing parallel launches across countries (recent weeks included two clinic launches, the UAE go-live, and new CA-A systems in Paris) without adding operations headcount. Total headcount holds near 85 FTEs (roughly flat for three years) and management expects it may pass 100 next year. A multi-channel logistics strategy adding sea and rail alongside air cut logistics and deployment costs by up to 80%. Company-wide automation contributed as well; first-line remote support now runs fully outsourced from the Philippines on an AI-coordinated process layer. Management called the quarter proof of a "very clear path toward profitability mid-term."

Figure 3: Operational KPIs: Cost Base Down ~25% Q/Q; Deployment Time Cut to ~5 Days



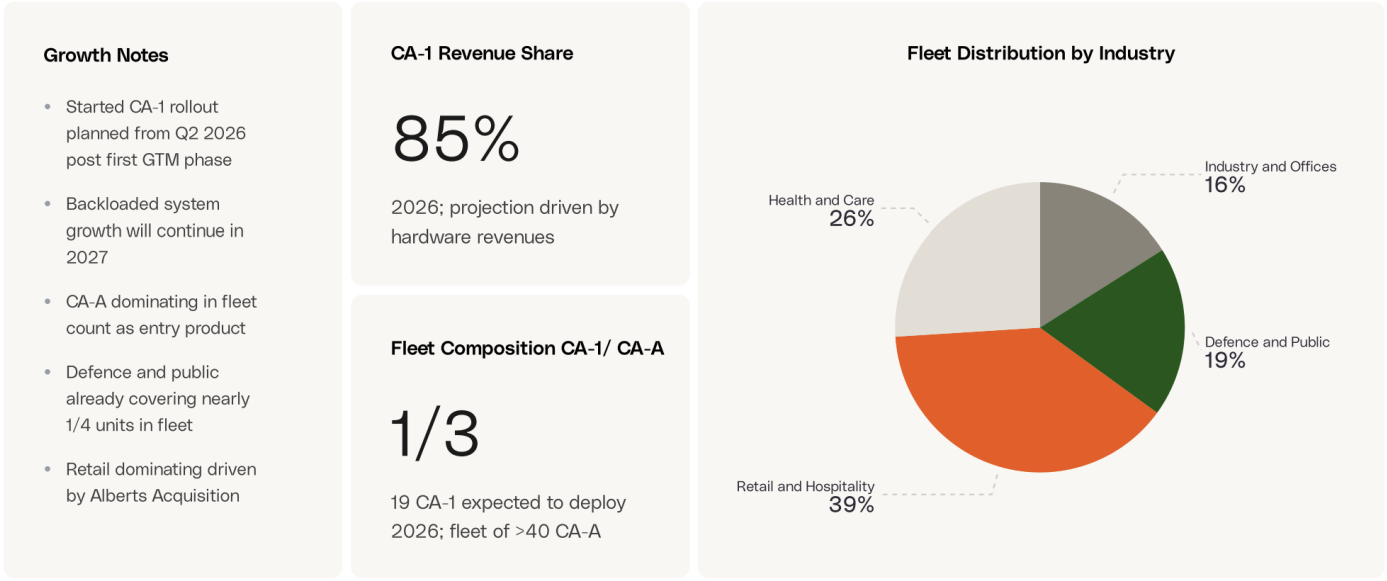
Source: Circus

The fleet grew by roughly one-third sequentially, with the unit mix tilting toward the CA-A. Circus counts 33 systems live today and targets closing the year at 19 CA-1s and more than 40 CA-As ("there might even be a bit more"). The CA-A sells and deploys faster (a standard plug is sufficient) and functions as the market entry product, with multiple customers starting on the CA-A and then negotiating CA-1 deployments; the CA-1 remains the flagship at ~85% of projected FY26 revenue. Retail and hospitality is the largest sector; health and care is among the fastest-growing sectors, with Schön Klinik live, a large spa operator among the biggest CA-A accounts, and a push into personalized, supplement-based nutrition; defense is the youngest and slowest-moving by procurement nature. Growth will stay backloaded toward the third and fourth quarters, a pattern management expects to persist for the next several years.

Figure 4: Fleet Build: YE26 Target of 19 CA-1s and 40+ CA-As; Growth Backloaded

A diversified fleet with no single-sector dependency. While CA-A builds the footprint, CA-1 drives the revenue with 85%.

TRACTION



Source: Circus

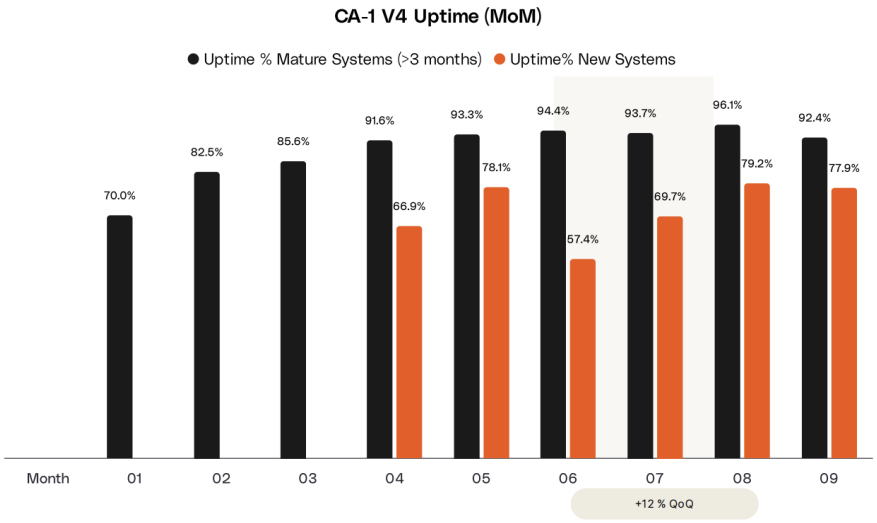
Product iteration is continuous and CA-1 manufacturing capacity runs well ahead of current build rates. The CA-1 sits at version 4.5 through continuous refinement rather than generational resets and CA-A volume production started with a first batch of 10 units roughly two and a half months after the Alberts integration began. CA-1 production capacity is up to 16 units per month; the company deliberately runs a handful in parallel (currently three in production and three in preparation; the peak build was six against a capacity of eight).

Reliability has crossed the threshold management needed before re-accelerating. Mature systems, defined as defined as systems operating for at least three months, ran at 93% uptime versus ~70% in January. Freshly installed systems launched at 55-57% uptime in June, which management identified as the trigger for the summer slowdown; cohorts installed since August run materially more stably on better training, onboarding, and manufacturing test processes. Most contracts carry a minimum 80% uptime guarantee, with software fees abating if the threshold is missed over a sustained period; management stated the guarantee is not currently binding anywhere. Downtime is driven by "food and people" (ingredient quality and operator training) rather than the robot itself, which is the dependency Circus Pods is built to remove.

Figure 5: System Uptime: 93% Across Mature Systems; New Cohorts Improving After a Soft June

Uptime above 94% at mature sites in Q3. New sites ramp up faster with no room for human error.

OPERATIONS



Stable System Uptime

96.1%

August 2026

System Uptime and reliability for mature systems >150 operational days

Launch Stability Improved

+38%

First 4 weeks

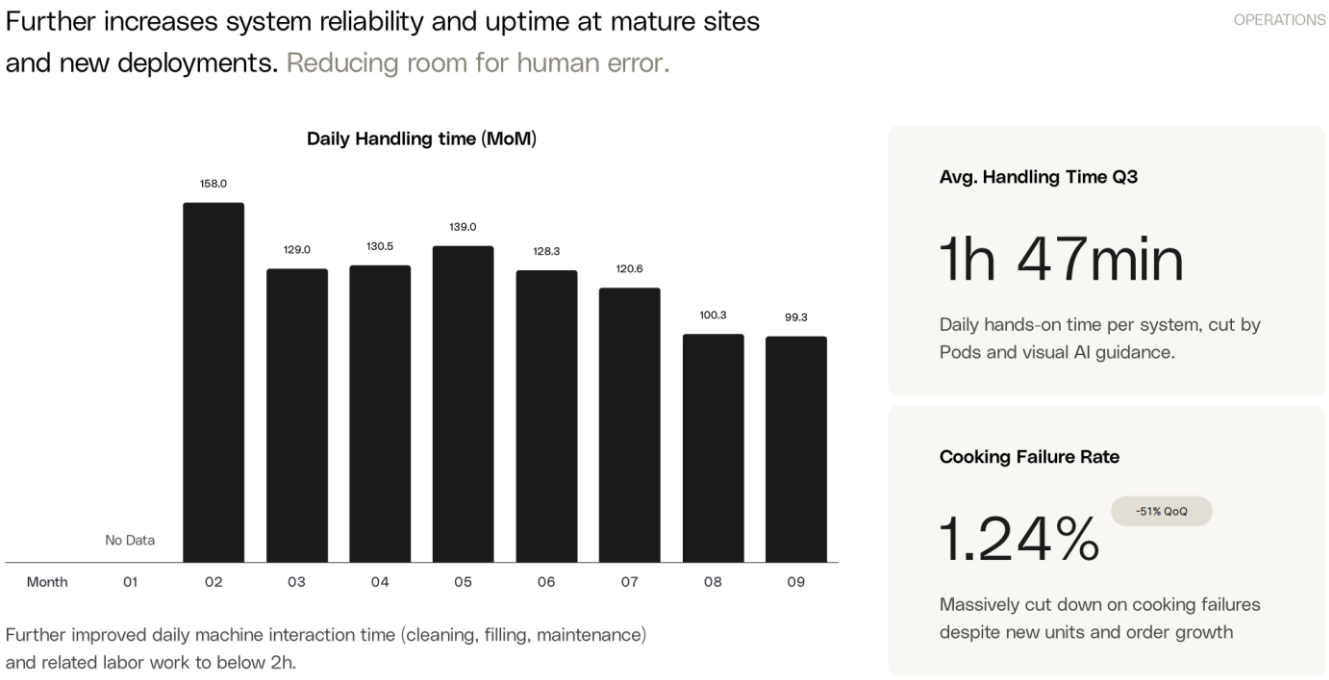
Higher uptime for new CA-1 systems in first weeks

Achieved massive improvements on new deployment reliability based on better training, Pods and visual AI guidance. Unlocking faster scalability.

Source: Circus

Handling time is approaching the point where existing staff absorb it. Daily human interaction averaged 1 hour 47 minutes across all systems in 3Q, down from 2 hours 38 minutes in February; new customers typically cover it with existing staff, so an autonomous canteen adds roughly zero headcount. The cooking failure rate is ~1%. On the consumer side, the median time from starting a session to placing an order is 19 seconds, waiting time averages five to seven minutes, and the first-year rating stands at 4.4 out of 5. Circus has served more than 230,000 meals and portions and collected more than 2 billion data points, the base of a culinary intelligence layer (including Tracy, a scan-based ingredient traceability product within CircusOS) that management intends to monetize over time.

Figure 6: Handling Time: 1h47m Daily Average in 3Q; Cooking Failure Rate Near 1%



Source: Circus

Circus Pods moved from launch to default infrastructure within a quarter. The white-label ingredient platform has produced more than 14 tons of ingredients since launch, runs ~30 SKUs (pasta and vegetables first, rice being added), and is mandatory for every new deployment; core existing clients have already shifted. Management credits the Pods with reducing standard refilling time by up to 80% and contributing to improved new system uptime, and the program extends recurring revenue beyond software into ingredients and related fees. Production is localized in Germany and Belgium, with UAE volumes produced in-region. The stated ambition is a "Nespresso reality"; the current bag-into-silo format is one generation short of the plug-in pod management wants. On the CA-A, the platform is extending into powder bases (protein, matcha, creatine) for performance nutrition use cases.

The UAE is the first market beyond Europe, chosen for adoption speed rather than labor cost. Abu Dhabi is live at Marina Square with a regional distribution partner and an established local supply chain, including localized menus such as chicken biryani developed with a leading regional catering partner. Management expects the region to become one of Circus' most dominant markets within two to three years. The US remains on the roadmap with no fixed date; management prefers entering alongside existing global customers such as Meta rather than building new accounts from zero and cited two large recent US funding rounds in autonomous food production, US$650M for Wonder and US$1.7B for Atoms. Additional location news is expected over the coming weeks, including deployments in the London area.

Defense is extending beyond pilots, and the first CA-M launch is planned for 1H27. The German Armed Forces operate two CA-1s, added a CA-A, signed a contract extension, and are in an active tender with Circus for a further location, with a larger press event planned; the Ukrainian Armed Forces partnership continues. The CA-M mobile field kitchen is in shell production (custom framing, integrated generator, solar roof panels, shock absorption) with the first system planned to launch in the first half of 2027 and applications beyond defense in disaster relief.

Management welcomes competition and dismisses the humanoid threat. Asked about GoodBytz opening sites in Leipzig and Bavaria, Bullwinkel said new entrants validate the category and help adoption: "There is a trillion-dollar opportunity, and that will not be won by one player." Food service automation penetration remains below 4% against persistent labor shortages and rising costs. On humanoids, management argued regulation, acceptance, and space efficiency all favor purpose-built systems ("you don't need legs for cooking"). The biggest stated obstacle is scaling the ecosystem, particularly service and maintenance; Circus is in discussions with large enterprises that operate thousands of field technicians globally to train them on its systems instead of building that force internally.

The funding mix is shifting away from equity. Circus raised two equity rounds in 2025 (~€20M and €30M) and had to pre-finance hardware production from equity, which management called cash-flow unfriendly. It has since onboarded leasing partners, structured a first bond with Finexity, and signed a framework with Finexity for up to €50M, with plans to extend alternative financing across the customer base; production pre-financing remains the main working capital need, since batch purchasing is required for acceptable unit economics. Management stated it has no active interest in raising equity at the current valuation, contrasting Circus with US peers valued at $5-7B pre-revenue, while leaving future raises open.

Figure 7: Financial Summary and Estimate Changes

	H1'25A	H2'25A	H1'26E		H2'26E		2024A	2025A	2026E		2027E		2028E	
			Prior	New	Prior	New			Prior	New	Prior	New	Prior	New
Revenue	**€ 0**	**€ 1,560**	**€ 1,245**	**€ 1,328**	**€ 3,996**	**€ 3,853**	**€ 251**	**€ 1,560**	**€ 5,240**	**€ 5,181**	**€ 56,256**	**€ 27,098**	**€ 302,375**	**€ 70,142**
Other Operating Income	940	1,235	1,250	1,250	1,295	1,295	859	2,175	2,545	2,545	2,743	2,743	2,983	2,983
Total Output	€ 940	€ 2,795	€ 2,495	€ 2,578	€ 5,291	€ 5,148	€ 1,110	€ 3,735	€ 7,785	€ 7,726	€ 59,000	€ 29,841	€ 305,358	€ 73,125
Y/Y								*236%*	*108%*	*107%*	*1480%*	*286%*	*418%*	*145%*
Gross Profit	931	1	1,615	1,605	2,471	2,175	857	816	4,086	3,781	18,295	9,630	104,396	24,681
Gross Margin	*99%*	*0%*	*65%*	*62%*	*47%*	*42%*	*77%*	*22%*	*52%*	*49%*	*31%*	*32%*	*34%*	*34%*
Personnel Expenses	4,691	4,182	4,400	4,400	4,550	4,450	7,135	8,873	8,950	8,850	11,059	9,470	14,155	10,132
Other Operating Expenses	4,903	5,837	5,900	5,900	6,200	5,300	5,460	10,740	12,100	11,200	16,170	12,000	19,566	12,915
Total Opex	**9,594**	**10,019**	**10,300**	**10,300**	**10,750**	**9,750**	**12,595**	**19,613**	**21,050**	**20,050**	**27,229**	**21,470**	**33,721**	**23,047**
EBIT	(10,410)	(12,252)	(10,804)	(11,067)	(10,651)	(9,841)	(14,936)	(22,662)	(21,456)	(20,908)	(13,400)	(16,596)	66,350	(2,926)
Adj EBITDA	(8,663)	(6,876)	(8,685)	(8,695)	(8,279)	(7,575)	(11,738)	(15,539)	(16,964)	(16,269)	(8,934)	(11,839)	70,675	1,634
Net Income (statutory)	(10,658)	(11,110)	(10,718)	(11,182)	(10,568)	(10,161)	(15,230)	(21,768)	(21,285)	(21,344)	(13,391)	(18,236)	64,765	(4,772)
EPS	(€ 0.45)	(€ 0.46)	(€ 0.39)	(€ 0.42)	(€ 0.38)	(€ 0.37)	(€ 0.67)	(€ 0.90)	(€ 0.77)	(€ 0.78)	(€ 0.38)	(€ 0.60)	€ 1.82	(€ 0.13)

Source: Water Tower Research

Figure 8: Comparable Valuation Table

Circus SE Comparable Company Valuation Table

Date:		10/21/2026		SALES (M)			EV / SALES			SALES GROWTH		
Ticker	Company	Price	Market Cap (M)	2026E	2027E	2028E	2026E	2027E	2028E	2026E	2027E	2028E
ABBNY	ABB Ltd. Sponsored ADR	$85.96	$158,672	$38,278	$43,326	$47,934	4.1x	3.7x	3.3x	15%	13%	11%
AUTO-GB	Autotrader Group PLC	£5.35	£4,033	£649	£684	£719	7.4x	7.0x	6.7x	4%	5%	5%
FANUY	Fanuc Corporation Unsponsored ADR	$18.32	$36,177	$6,156	$6,555	$6,855	4.8x	4.5x	4.3x	14%	6%	5%
MIDD	Middleby Corporation	$110.53	$4,987	$2,511	$2,610	$2,729	2.7x	2.6x	2.5x	-22%	4%	5%
OCDO-GB	Ocado Group PLC	£3.49	£2,941	£1,563	£1,471	£1,573	2.5x	2.6x	2.5x	13%	-6%	7%
ROK	Rockwell Automation, Inc.	$427.77	$48,539	$9,064	$9,586	$10,182	5.6x	5.3x	5.0x	9%	6%	6%
SYM	Symbotic, Inc. Class A	$39.69	$25,190	$2,801	$3,581	$4,510	1.4x	1.1x	0.9x	25%	28%	26%
TER	Teradyne, Inc.	$336.59	$54,227	$5,147	$6,279	$7,800	10.3x	8.4x	6.8x	61%	22%	24%
Average							**4.9x**	**4.4x**	**4.0x**	**15%**	**10%**	**11%**
Median							**4.5x**	**4.1x**	**3.8x**	**14%**	**6%**	**7%**
CA1-ETR	**Circus SE**	**€ 1.56**	**€ 40**	**€ 5.2**	**€ 27.1**	**€ 70.1**	**5.7x**	**1.1x**	**0.4x**	**232%**	**423%**	**159%**

Valuation metrics for Circus are based on WTR estimates; metrics for peers are based on FactSet consensus.

Source: Water Tower Research, FactSet

Figure 9: Income Statement (€000)

	H1'24A	H2'24A	H1'25A	H2'25A	H1'26E	H2'26E	H1'27E	H2'27E	H1'28E	H2'28E	FY25A	FY26E	FY27E	FY28E
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Total Hardware Revenue				€ 1,373	€ 1,000	€ 3,175	€ 7,750	€ 14,000	€ 22,125	€ 29,125	€ 1,373	€ 4,175	€ 21,750	€ 51,250
Total Software Revenue				€ 188	€ 283	€ 573	€ 1,210	€ 2,581	€ 5,019	€ 8,751	€ 188	€ 855	€ 3,790	€ 13,770
Total Ingredients Revenue					€ 45	€ 105	€ 506	€ 1,052	€ 1,941	€ 3,181	€ 0	€ 150	€ 1,558	€ 5,122
Total Output	**€ 838**	**€ 272**	**€ 940**	**€ 2,795**	**€ 2,578**	**€ 5,148**	**€ 10,810**	**€ 19,031**	**€ 30,544**	**€ 42,581**	**€ 3,735**	**€ 7,726**	**€ 29,841**	**€ 73,125**
Total Cost of Materials	217	36	9	2,910	972	2,973	7,274	12,937	20,732	27,712	2,919	3,945	20,211	48,444
Gross profit	**621**	**236**	**931**	**1**	**1,605**	**2,175**	**3,536**	**6,095**	**9,812**	**14,869**	**816**	**3,781**	**9,630**	**24,681**
Gross margin	*74%*	*87%*	*99%*	*0%*	*62%*	*42%*	*33%*	*32%*	*32%*	*35%*	*22%*	*49%*	*32%*	*34%*
Personnel Expenses	**3,535**	**3,600**	**4,691**	**4,182**	**4,400**	**4,450**	**4,708**	**4,762**	**5,038**	**5,095**	**8,873**	**8,850**	**9,470**	**10,132**
Y/Y			*33%*	*16%*	*-6%*	*6%*	*7%*	*7%*	*7%*	*7%*	*24%*	*0%*	*7%*	*7%*
Other Operating Expenses	2,576	2,884	4,903	5,837	5,900	5,300	6,000	6,000	6,300	6,615	10,740	11,200	12,000	12,915
Total Operating Expenses	6,111	6,484	9,594	10,019	10,300	9,750	10,708	10,762	11,338	11,710	19,613	20,050	21,470	23,047
Y/Y			*57%*	*55%*	*7%*	*-3%*	*4%*	*10%*	*6%*	*9%*	*56%*	*2%*	*7%*	*7%*
Addback: non-recurring expenses				3,258							3,258	-	-	-
Adj EBITDA	**(5,490)**	**(6,248)**	**(8,663)**	**(6,876)**	**(8,695)**	**(7,575)**	**(7,172)**	**(4,667)**	**(1,526)**	**3,160**	**(15,539)**	**(16,269)**	**(11,839)**	**1,634**
Depreciation & Amortization	1,573	1,625	1,747	2,118	2,373	2,266	2,415	2,342	2,293	2,267	3,865	4,639	4,757	4,560
Depreciation of Financial Assets	0	0	0	0	0	0	0	0	0	0	-			
EBIT (statutory, after non-recurring)	**(7,063)**	**(7,873)**	**(10,410)**	**(12,252)**	**(11,067)**	**(9,841)**	**(9,587)**	**(7,008)**	**(3,819)**	**892**	**(22,662)**	**(20,908)**	**(16,596)**	**(2,926)**
Net Financial Result	**0**	**(89)**	**(128)**	**(126)**	**(115)**	**(321)**	**(721)**	**(919)**	**(920)**	**-925**	**(254)**	**(435)**	**(1,640)**	**(1,845)**
EBT (Earnings Before Tax)	**(7,063)**	**(7,962)**	**(10,538)**	**(12,378)**	**(11,182)**	**(10,161)**	**(10,309)**	**(7,927)**	**(4,739)**	**-33**	**(22,916)**	**(21,344)**	**(18,236)**	**(4,772)**
Tax expense / (benefit)	0	205	120	(1,268)	-	-	-	-	-	-	(1,148)	-	-	-
Net Income / (Loss)	**(7,063)**	**(8,167)**	**(10,658)**	**(11,110)**	**(11,182)**	**(10,161)**	**(10,309)**	**(7,927)**	**(4,739)**	**-33**	**(21,768)**	**(21,344)**	**(18,236)**	**(4,772)**
Weighted avg shares outstanding (000s)	22,620	22,620	23,788	24,326	26,607	27,807	27,807	32,807	37,807	37,807	24,057	27,207	30,307	37,807
EPS	**(€ 0.31)**	**(€ 0.36)**	**(€ 0.45)**	**(€ 0.46)**	**(€ 0.42)**	**(€ 0.37)**	**(€ 0.37)**	**(€ 0.24)**	**(€ 0.13)**	**(€ 0.00)**	**(€ 0.90)**	**(€ 0.78)**	**(€ 0.60)**	**(€ 0.13)**

Source: Water Tower Research

Figure 10: Balance Sheet (€000)

	H1'24A	H2'24A	H1'25A	H2'25A	H1'26E	H2'26E	H1'27E	H2'27E	H1'28E	H2'28E	FY21A	FY22A	FY23A	FY24A	FY25A	FY26E	FY27E	FY28E
ASSETS																		
Intangible fixed assets	**17,470**	**17,306**	**16,906**	**23,334**	**22,207**	**23,442**	**22,504**	**21,759**	**21,189**	**20,776**	**80.9**	**613**	**17,918**	**17,306**	**23,334**	**23,442**	**21,759**	**20,776**
Property, Plant & Equipment	**1,170**	**733**	**556**	**393**	**454**	**708**	**912**	**1,170**	**1,482**	**1,828**	0	**430**	**1,484**	**733**	**393**	**708**	**1,170**	**1,828**
Financial Assets	0	-	50	-	-	-	-	-	-	-	0	0	0	0	-	-	-	-
Total Fixed Assets	**18,640**	**18,039**	**17,512**	**23,727**	**22,660**	**24,150**	**23,416**	**22,930**	**22,672**	**22,604**	**80.9**	**1,043**	**19,402**	**18,039**	**23,727**	**24,150**	**22,930**	**22,604**
Inventories	185	123	1,730	2,869	3,012	3,766	4,125	6,050	8,623	11,289	2.2	23	193	123	2,869	3,766	6,050	11,289
Trade Receivables	44	9	20	1,597	1,597	1,597	2,334	4,348	7,172	10,124	0	12	12	9	1,597	1,597	4,348	10,124
Receivables from companies w/ equity part. relationship		-	132	-	-	-	-	-	-	-	0	0	0	0	-	-	-	-
Other Assets	1,781	1,057	1,175	1,781	1,781	1,781	1,781	1,781	1,781	1,781	18.0	365	2,876	1,057	1,781	1,781	1,781	1,781
Cash & Cash Equivalents	321	257	5,028	21,456	11,297	10,649	9,870	15,352	8,037	4,748	66.4	1,305	240	257	21,456	10,649	15,352	4,748
Total Current Assets	**2,331**	**1,446**	**8,085**	**27,703**	**17,687**	**17,793**	**18,110**	**27,530**	**25,613**	**27,942**	**86.6**	**1,704**	**3,321**	**1,446**	**27,703**	**17,793**	**27,530**	**27,942**
Prepaid Expenses	57	106	72	152	152	152	152	152	152	152	0.2	17	61	106	152	152	152	152
Deferred Tax Assets	37	30	25	-	-	-	-	-	-	-	0	0	0	30	-	-	-	-
Deficit not covered by equity	0	0	0	0	0	0	0	0	0	0	64.2	0	0	0	0	0	0	0
TOTAL ASSETS	**21,065**	**19,621**	**25,694**	**51,582**	**40,500**	**42,095**	**41,678**	**50,612**	**48,436**	**50,698**	**231.8**	**2,765**	**22,784**	**19,621**	**51,582**	**42,095**	**50,612**	**50,698**
EQUITY & LIABILITIES																		
Subscribed Capital	22,620	22,620	23,788	26,607	26,607	27,807	27,807	37,807	37,807	37,807	25.0	43	22,620	22,620	26,607	27,807	37,807	37,807
Capital Reserves	300	300	17,823	50,334	50,334	50,934	50,934	55,934	55,934	55,934	0	5,823	300	300	50,334	50,934	55,934	55,934
Retained Earnings / (Accumulated Deficit)	(12,344)	(20,510)	(31,168)	(42,279)	(53,461)	(63,623)	(73,931)	(81,859)	(86,597)	(86,630)	(25.0)	(4,121)	(5,281)	(20,510)	(42,279)	(63,623)	(81,859)	(86,630)
Total Equity	**10,576**	**2,410**	**10,443**	**34,662**	**23,480**	**15,118**	**4,810**	**11,882**	**7,144**	**7,111**	**0**	**1,745**	**17,639**	**2,410**	**34,662**	**15,118**	**11,882**	**7,111**
Difference arising from capital consolidation	**646**	**594**	**543**	**491**	**491**	**491**	**491**	**491**	**491**	**491**	**0**	**0**	**697**	**594**	**491**	**491**	**491**	**491**
Provisions	541	637	951	944	944	944	944	944	944	944	1.0	124	211	637	944	944	944	944
Bond / Financial Liabilities	5,321	9,147	9,238	9,341	9,341	19,341	29,341	29,341	29,341	29,341	0	0	0	9,147	9,341	19,341	29,341	29,341
Trade Payables	793	1,461	981	2,443	2,543	2,500	2,392	4,253	6,816	9,111	67.8	525	1,228	1,461	2,443	2,500	4,253	9,111
Liabilities to Affiliates	392	324	158	327	327	327	327	327	327	327	0	173	336	324	327	327	327	327
Other Liabilities	632	2,686	904	1,316	1,316	1,316	1,316	1,316	1,316	1,316	163.0	**0**	547	2,686	1,316	1,316	1,316	1,316
Total Liabilities	**7,138**	**13,618**	**11,281**	**13,428**	**13,528**	**23,485**	**33,376**	**35,238**	**37,800**	**40,095**	**230.8**	**698**	**2,111**	**13,618**	**13,428**	**23,485**	**35,238**	**40,095**
Deferred Tax Liabilities	2,164	2,362	2,476	2,057	2,057	2,057	2,057	2,057	2,057	2,057	0	198	2,126	2,362	2,057	2,057	2,057	2,057
TOTAL EQUITY & LIABILITIES	**21,065**	**19,621**	**25,694**	**51,582**	**40,500**	**42,095**	**41,678**	**50,612**	**48,436**	**50,698**	**232**	**2,765**	**22,784**	**19,621**	**51,582**	**42,095**	**50,612**	**50,698**

Source: Water Tower Research

Figure 11: Statement of Cash Flows (€000)

	H1'24A	H2'24A	H1'25A	H2'25A	H1'26E	H2'26E	H1'27E	H2'27E	H1'28E	H2'28E	FY23A	FY24A	FY25A	FY26E	FY27E	FY28E
OPERATING ACTIVITIES																
Net Income / (Loss)	(7,063)	(8,166)	(10,658)	(11,110)	(11,182)	(10,161)	(10,309)	(7,927)	(4,739)	(33)	(4,969)	(15,229)	(21,768)	(21,344)	(18,236)	(4,772)
Depreciation & Amortisation	1,573	1,625	1,747	2,118	2,373	2,266	2,415	2,342	2,293	2,267	883	3,198	3,865	4,639	4,757	4,560
Increase in Provisions	330	97	550	-506	0	0	0	0	0	0	(86)	427	44	-	-	-
Other Non-Cash Items	(52)	(51)	(288)	185							(26)	(103)	(103)	-	-	-
Change in Working Capital													-	-	-	-
Inventories, trade receivables and other assets (non-financial)	1,038	809	(1,834)	(3,042)	(43)	(797)	(1,205)	(2,077)	(2,834)	(3,323)	646	1,847	(4,876)	(840)	(3,282)	(6,158)
Trade payables and other liabilities (non-financial)	(294)	2,654	(2,428)	1,508							(2,514)	2,360	(920)	-	-	-
Loss from disposal of fixed assets	167	105	225	132							10	272	357	-	-	-
Interest expense	24	75	91	102							(30)	99	193	-	-	-
Income tax expense	37	168	120	(1,268)							55	205	(1,148)	-	-	-
Cash Flow from Operating Activities	**(4,240)**	**(2,684)**	**(12,475)**	**(11,881)**	**(8,853)**	**(8,692)**	**(9,099)**	**(7,663)**	**(5,280)**	**(1,089)**	**(6,031)**	**(6,924)**	**(24,356)**	**(17,545)**	**(16,761)**	**(6,369)**
INVESTING ACTIVITIES																
Investments in Intangibles	(889)	(1,232)	(1,088)	(1,106)	(1,206)	(1,306)	(1,406)	(1,506)	(1,606)	(1,706)	(417)	(2,121)	(2,194)	(2,512)	(2,912)	(3,312)
Disposal of tangible assets	58	36		-							-	94	-	-	-	-
Investments in Tangibles	(147)	66	(307)	(97)	(100)	(300)	(275)	(350)	(429)	(494)	(377)	(81)	(404)	(400)	(624)	(923)
Proceeds from disposal of financial assets	-	-	(50)	50							1,000	-	-	-	-	-
Payments for investments in financial assets		-		-							(2)		-	-	-	-
Acquisition cash flows net of cash acquired / change in scope of consolidation		-		(48)		(350)					231		(48)	(350)	-	-
Interest received	-	-	-	-							30	-	-	-	-	-
Cash Flow from Investing Activities	**(978)**	**(1,130)**	**(1,445)**	**(1,201)**	**(1,306)**	**(1,956)**	**(1,681)**	**(1,856)**	**(2,035)**	**(2,200)**	**465**	**(2,108)**	**(2,646)**	**(3,262)**	**(3,536)**	**(4,235)**
FINANCING ACTIVITIES																
Equity Contributions	-	-	18,691	29,510	-	-	-	15,000	-	-	5,800	-	48,201	-	15,000	-
Proceeds from Debt / Bonds	5,298	3,750	-	-		10,000	10,000	-	-	-	-	9,048	-	10,000	10,000	-
Debt Repayments	-	-	-	-							-	-	-	-	-	-
Cash Flow from Financing Activities	**5,298**	**3,750**	**18,691**	**29,510**	**0**	**10,000**	**10,000**	**15,000**	**0**	**0**	**5,800**	**9,048**	**48,201**	**10,000**	**25,000**	**-**
Net Change in Cash	**80**	**(64)**	**4,771**	**16,428**	**(10,159)**	**(648)**	**(779)**	**5,482**	**(7,315)**	**(3,289)**	235	16	**21,199**	**(10,807)**	**4,703**	**(10,603)**
Beginning Cash	241	321	257	5,028	21,456	11,297	10,649	9,870	15,352	8,037	6	241	257	21,456	10,649	15,352
Ending Cash	**321**	**257**	**5,028**	**21,456**	**11,297**	**10,649**	**9,870**	**15,352**	**8,037**	**4,748**	**241**	**257**	**21,456**	**10,649**	**15,352**	**4,748**

Source: Water Tower Research

ABOUT THE ANALYST



James Kisner
Managing Director – Technology

James Kisner is a research analyst for the Technology sector at Water Tower Research. James has more than 15 years of experience in technology, finance, and investor relations. He spent 12 years as a sell-side equity research analyst at Jefferies, J.P. Morgan, and Loop Capital, covering companies in the technology sector. He was recognized by Institutional Investor as a Rising Star in three categories and awarded an Honorable Mention in Telecom and Network Equipment. Following his sell-side career, he served in senior leadership roles in Investor Relations and FP&A, including at Supermicro, where, as VP of Investor Relations, he led an overhaul of investor messaging following a financial restatement and de-listing, and at Backblaze, where he was VP of Investor Relations and Financial Planning and led the company's 2021 IPO.

James holds an MBA with honors in Finance from The Wharton School of the University of Pennsylvania and a BA, summa cum laude, in Economics, Mathematics, and Political Science from Indiana University. He is a CFA charterholder and passed the Society of Actuaries' Financial Mathematics exam.

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