



CAPITAL LOUNGE GMBH
YOUR GOING PUBLIC BOUTIQUE

EQUITY RESEARCH

B – A – L Germany AG

Fair Value: € 2.5

Business Analysis dated 31 March 2019

Analysts: Alexander Coenen / André Will-Laudien

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OVERVIEW

ISSUER	B-A-L GERMANY AG	<ul style="list-style-type: none"> • Pursuant to the Articles of Association, the object of the company is the acquisition, sale and management of domestic and foreign real estate, the acquisition, sale and management of equity interests including equity interests in real estate funds and all other related transactions. • The Executive Board is currently focusing on the acquisition and subsequent leasing of real estate in the Chemnitz, Dresden and Leipzig urban areas. • Property selection is carried out using an automated evaluation and coordination procedure in which the objective characteristics such as location, purchase price, property condition, size and letting status are evaluated. • Diversification according to location, object type and size is planned. Investments are made exclusively in residential real estate.
REGISTERED OFFICE	MEISSEN, GERMANY	
WEBSITE	WWW.BAL-AG.DE	
YEAR ESTABLISHED	2015	
LEI	8945 00Y8 8Z4X USAU 1B63	
SHARE CAPITAL	EUR 1,300,000	
NUMBER OF SHARES	1,300,000	
CLASS	BEARER SHARES	
PAR VALUE	NO PAR VALUE	
CUSIP	Not issued	
ISIN	DE000A2NBN90	
FISN	B-A-L GERMANY/OSTR O.N.	
WKN	A2NBN9	
SYMBOL (VIENNA STOCK EXCHANGE)	BAL	
STOCK EXCHANGE	VIENNA STOCK EXCHANGE	
APPLICANT	ISSUER	
SEGMENT	THIRD MARKET	
TRADING MODEL	CONTINUOUS TRADING	
MARKET MAKER	ICF BANK AG	
CAPITAL MARKET COACH	CAPITAL LOUNGE GMBH	

Source: Capital Lounge GmbH

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KEY FIGURES	2015	2016	2017	2018E
TOTAL ASSETS	152.2 TEUR	213.3 TEUR	475.3 TEUR	1,769.0 TEUR
SHARE CAPITAL	50.0 TEUR	50.0 TEUR	50.0 TEUR	1,300.0 TEUR
EQUITY RATIO	23.8%	21.2%	10.1%	75.3%
RETURN ON EQUITY	0.0%	17.4%	6.4%	22.0%
RETURN ON INVESTMENT	-6.8%	4.4%	0.8%	9.0%
DEBT RATIO	76.2%	78.8%	89.9%	5.0%
VACANCY RATE	5.2%	2.4%	0.6%	3.2%
BOOK VALUE OF THE PORTFOLIO	124.8 TEUR	175.0 TEUR	230.8 TEUR	750.0 TEUR
LETTABLE SPACE	160	420	830	1,700
NET INCOME AFTER TAXES	-10.9 TEUR	8.7 TEUR	3.2 TEUR	10 TEUR*

*Adjusted for IPO costs in the amount of TEUR 110

Source: B-A-L Germany AG

BUSINESS MODEL

Pursuant to the Articles of Association, the object of the company is the acquisition, sale and management of domestic and foreign real estate, the acquisition, sale and management of equity interests including equity interests in real estate funds and all other related transactions. The Executive Board is currently focusing on the acquisition and subsequent leasing of real estate in the Chemnitz, Dresden and Leipzig urban areas.

The company's objective is to build up a high-value real estate portfolio in Saxony. In pursuing this objective, the company concentrates primarily on individual units or smaller portfolios as well as distress sales. Properties are selected using an automated valuation and approval procedure. The objective characteristics such as location, purchase price, condition of the property, size and letting status are evaluated and compared with the total portfolio in a separate scoring procedure. A self-developed software tool, RESCORE, is used in which property on offer is evaluated and given a ranking. Finally, all properties are presented to the ordinary shareholders for voting; purchases are made only in the event of a unanimous decision. Diversification according to location, object type and size is planned. Investments are made exclusively in residential real estate. New construction or extensive renovation measures are not planned.

Although B-A-L Germany AG itself does not hold any investments, it should be mentioned that USK Chomutov s.r.o., one of the issuer's shareholders, holds a 32% stake in a property management company located in the Dresden region. The cooperative relationship entered into between B-A-L Germany AG and property manager IMMO-Plan Döbeln GmbH brings some beneficial synergies for the issuer.

EXECUTIVE BODIES

SOLE MANAGING DIRECTOR - FALKO ZSCHUNKE

Born in 1971, Mr Zschunke completed training to become a master building in structural engineering. Starting in 1995, working for his own construction company Mr Zschunke realised projects in southern Germany, the Czech Republic and Russia. Starting in 2005 he carried out property valuations and complex building permit procedures for European investors for the German project management office THOST. After his return to Germany, Mr Zschunke has been head of B-A-L Germany AG as sole director since 2014. In 2017, his appointment was extended for a further five years until 2022.

SUPERVISORY BOARD CHAIR - B. SC. BERND ALBRECHT

Born in 1967, Mr Albrecht is a trained mechanical engineer with a degree as a state-certified technician, specialising in industrial engineering. Mr Albrecht has worked for various international companies in the energy sector since 1994. For example, as Managing Director, Mr Albrecht managed both international service companies and manufacturers of specialised ceramics in Russia. Bernd Albrecht has been an active investor in the real estate market since 1998. His special area of concentration comprises the commercial aspects of real estate valuation.

SUPERVISORY BOARD DEPUTY CHAIR - UTE SPENGLER

For Ute Spengler, property management and conceptual adjustments within a dynamically changing market are de rigueur. Thanks to her many years of management experience in facility management, she is ideally suited to act as Deputy Chair of the Supervisory Board, providing the Executive Board with advice and support when administrative and management issues arise.

SUPERVISORY BOARD - DENNIS VAN DIEMEN

Dennis van Diemen has extensive, practical knowledge gained in connection with his international business ventures. His most important expertise lies in business development and placing special emphasis on return on investment. Living and mobility needs of people in Asia, Europe and America represent the heart of business operations from his previous management positions in international logistics groups. He views the real estate market from the perspective of a logistics specialist.

SUPERVISORY BOARD - DIPL.-ING. FRANK RICHTER

Born in 1948, course of studies for a degree in mechanical engineering at the TU Dresden. After German reunification he was managing director of a property development company and since 2001 has been owner and managing director of housing management and brokerage company IMMO-PLAN in Döbeln. Since his retirement in 2013, Mr Richter has been responsible for the complex organization and settlement of flood damage for buildings affected by the 2013 floods. He has been a member of the B-A-L Supervisory Board since 2015.

SHAREHOLDERS

The company's capital stock is divided into 1,300,000 no-par value shares, of which 800,000 are ordinary shares and 500,000 are non-voting preferred shares. The non-voting preferred shares are entitled to preferential rights related to profit distributions as set forth in Article 22 of the Articles of Association.

Common shareholders:

SHAREHOLDER	BENEFICIAL OWNER	NUMBER OF SHARES	PERCENTAGE
Bernd ALBRECHT	Bernd ALBRECHT	400,000	50.0%
Irina KIM	Irina KIM	200,000	25.0%
Hendrikus VAN DIEMEN	Hendrikus VAN DIEMEN	100,000	12.5%
USK Chomutov s.r.o.	Falko ZSCHUNKE	100,000	12.5%
TOTAL		800,000	100.0%

The new preferred shares are widely held and listed on the Vienna Stock Exchange. A second listing in Germany will take place in the course of 2019. According to a resolution passed by the Annual General Meeting on 18 March 2019, capital stock is to be increased from 1.3 to 1.6

million shares through the issue of 300,000 new preferred shares with dividend rights as of 1 January 2019.

THE HISTORY of B-A-L Germany AG

The history of today's B-A-L Germany AG goes back to February 2014, when B-A-L Germany GmbH, the predecessor of today's B-A-L Germany AG, was founded. Transformation into its current form as a stock corporation took place one year later, in February 2015. Share capital initially amounted to EUR 50,000 and was increased in four subsequent steps to EUR 1,300,000:

DATE	SHARE CAPITAL	INCREASE BY	TO...
07 / 2017	EUR 50,000	EUR 500,000	EUR 550,000
05 / 2018	EUR 550,000	EUR 50,000	EUR 600,000
10 / 2018	EUR 600,000	EUR 200,000	EUR 800,000
11 / 2018	EUR 800,000	EUR 500,000	EUR 1,300,000

Source: B-A-L Germany AG



STRATEGIC CONSIDERATIONS

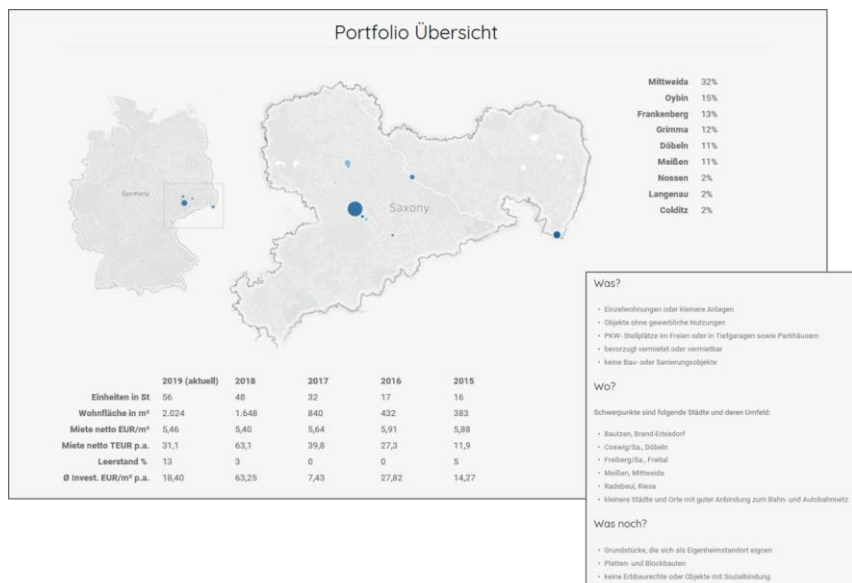
B-A-L-Germany AG is managed by Mr Falko Zschunke as sole member of the Executive Board (without remuneration through 2022). In recent years, equity capital has been raised within the private sphere of ordinary shareholders. All properties are hand-picked and selected according to clear criteria. In order to ensure the most effective use of funds, each property presented is evaluated by the in-house software tool RESCORE.

The focus is on expanding the real estate portfolio to a portfolio of > 5,000 m² by 2020 based on an examination of acquisition opportunities in the existing portfolios as well as the active acquisition and evaluation of new offerings. In all new acquisitions, the company strictly adheres to the strategic requirements of its ordinary shareholders.

An overview of the most important strategic criteria / considerations is set out below:

Purchase	<ul style="list-style-type: none"> - Within the vicinity of Saxon urban areas (radius 20 to 60 km) - Connection to the motorways A 4, A 13, A 14 and A 17 - Target properties: Single units or smaller portfolios of apartments - Utilization and value enhancement potential - Only in areas with pronounced population inflow trends
Construction	<ul style="list-style-type: none"> - Modernisation, maintenance, partial extension - New constructions, conversions and extensions if suitable - Improvement of the environment, e.g. infrastructure; industrial inflows
Operations	<ul style="list-style-type: none"> - Time horizon: long-term conservation & management - Optimization of operating costs - Portfolio diversification by location and size

Geographical portfolio overview:



Source: B-A-L Germany AG

Exemplary investment list of newly acquired real estate:

CITY	ROOMS	m ²	PURCHASE PRICE
Mittweida		59.00	€ 31,770.00
Mittweida	1	21.54	€ 11,770.00
Mittweida	1	17.79	€ 10,000.00
Mittweida	1	19.67	€ 10,000.00
Döbeln		89.00	€ 31,000.00
Döbeln	1	52.00	€ 16,000.00
Döbeln	1	37.00	€ 15,000.00
Wetteritz		224.54	€ 82,552.00
Wetteritz	4	85.01	EUR 7,500.00
Wetteritz	4	85.01	€ 55,052.00
Wetteritz	3	54.52	€ 20,000.00
Kurort Oybin		356.28	€ 270,000.00
Oybin	3	66.57	€ 50,448.80
Oybin	3	66.57	€ 50,448.80
Oybin	3	66.57	€ 50,448.80
Oybin	3	66.57	€ 50,448.80
Oybin	2	45.00	€ 34,102.39
Oybin	2	45.00	€ 34,102.39
Single units		567.87	€ 437,250.00
Langenau	2	49.01	€ 9,500.00
Colditz	1	35.00	€ 19,000.00
Dittersbach	2	58.00	€ 32,000.00
Sachsenburg	3	63.00	€ 17,500.00
Dürrweitzschen	2	46.91	€ 12,500.00
Döbeln	2	55.00	€ 40,000.00
Meissen	2	56.80	€ 43,000.00
Hambühren	5	100.00	€ 200,000.00
Nossen	2	53.45	€ 39,750.00
Döbeln	1	50.70	€ 24,000.00
Acquisition costs		Rental income ϕ Return p.a.	
€ 852,572		€ 73,387	8.65%

The stock exchange listing broadened the equity base and added preferred shareholders (without voting rights) with slightly higher dividend entitlements. In future, equity capital is to be adjusted to reflect growth in regular steps. Starting in 2021, regular borrowing at the property level is also planned in order to increase the return on equity and to be able to make distributions from 2020. To date, all properties have been paid for entirely with equity or the most recently repaid shareholder loan. However, leverage with borrowed capital makes sense given the current interest rate environment, both at the property level (10-year mortgage rate 1.5%) or at a later point in the company's development at the company level, e.g. by issuing a corporate bond. The high level of self-financing and the growing inside value of the portfolio items justify well-considered borrowing.

MARKET AND COMPETITIVE ENVIRONMENT

Germany remains attractive as a real estate location and investment market, both for residential and commercial properties. Since 2009, transaction volume has risen steadily and reached its peak in 2015 with a record volume of EUR 79 billion. In 2017, transaction volume was stable at a high level of EUR 73 billion, following EUR 66 billion in the previous year. Transactions in connection with the sale of office properties dominated the market once again. In terms of buyer groups, German investors were most active in both commercial real estate (53%) and residential real estate (75%) in 2017. Smaller and medium-sized portfolio deals were concluded for the most part in the residential segment.

Trends in the German residential real estate market

The real estate industry is one of the largest and most important sectors for the German economy. With an annual gross value added of over EUR 500 billion, 18.2% of the total value added is accounted for by the real estate industry. This makes the real estate industry much larger than the automotive industry or the retail trade.

At the same time, the real estate industry is an extremely small-scale sector with over 815,000 companies and approx. 3.9 million private landlords. A special characteristic is the stability of the German real estate industry. Despite turbulent macroeconomic conditions with the new economy crisis, financial crisis and sovereign debt crisis, the real estate industry has developed very positively over the past few years.

Economic sector	Number of companies 2015	Revenue in EUR million 2015
Real estate transactions	15,128	18,493
Rental and leasing.	232,854	97,829
Brokerage and management	54,282	29,545

At the end of 2015, around 82.2 million people were living in 41.4 million apartments and 19.4 million buildings with a living space of around 3.79 billion square metres in Germany. With a value of EUR 125,000, German households on average have relatively low real estate assets. Although the home ownership rate in Germany has risen slightly in recent years, at around 45.5% it is still at the lower end of the European average and has stagnated recently or even declined slightly for the younger age groups under 45 since 2013.

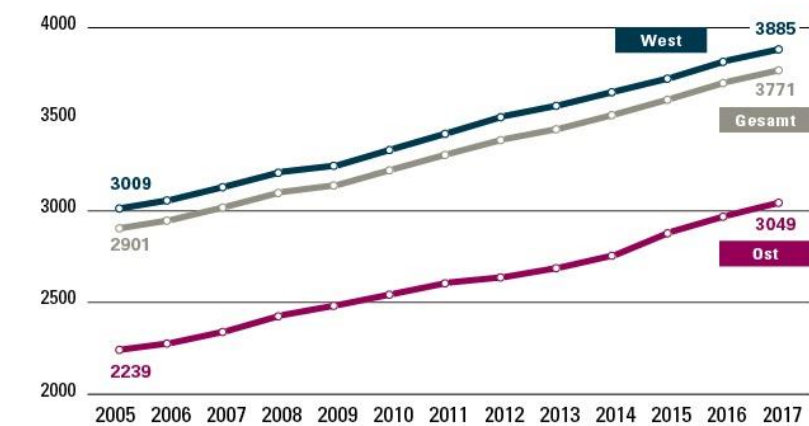
A look at the East German housing markets continues to reveal a clear turnaround. After years of east-west migration, the direction of movement now seems to be partially in the opposite direction. More and more people from the old federal states are finding a new home in East Germany. Due to the large price gap in real estate valuations, this slight upward trend is likely to continue in the coming years.

Trends in the German economy and the cost of living

Within Europe, Germany is still at the top of growth by comparison and has achieved GDP growth rates of between 2.2% and 1.1% p.a. (2016-2020e). Although there is currently no economic boom, but rather a stagnating environment, investments, consumption and the employment situation remain stable. The collective bargaining agreements in 2019 indicate that the recent large gap between wages and profits will narrow somewhat. The eastern federal states in particular have been able to benefit from structural improvements within Germany on the wage side over the past 14 years with a healthy plus of 36% in gross earnings (compare to increase of 29% in western Germany). There are signs that this trend will continue.

Entwicklung der nominalen monatlichen Bruttoverdienste (in Euro) in Deutschland, Ost- und Westdeutschland, 2005–2017

Durchschnittliche nominale Bruttomonatsverdienste vollzeitbeschäftigter Arbeitnehmer/-innen in produzierenden Gewerbe und im Dienstleistungsbereich, ohne Sonderzahlungen



Daten: Verdiensterhebungen
Quelle: www.destatis.de

WSI

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The cost of living in Germany has risen continuously since 1991. The reasons for this increase are manifold. Energy, for example, has become significantly more expensive due to the phasing out of nuclear power. Similarly, the cost of living also tracks rises in wages. Although the overall ratio of earnings still deviates by 27% (€ 3885 / € 3049) in the gross wage comparison, the cost of living in particular the share of rental costs in the west has risen much more strongly than in the new federal states.

It therefore makes more sense to compare the net wage shares for the standard of living, which are still significantly lower in East Germany than in the West. **Housing prices are an important item in this consideration.** In some cities, such as Berlin or Munich, rental costs have risen enormously in recent years - a trend that is reflected in higher living costs. According to data from the Federal Statistical Office, average private consumer spending per household in Germany in 2016 was € 2,480 per month.

The highest share was accounted for by housing costs at € 877 (equivalent to around 35%). Consumer spending on food, beverages and tobacco amounted to € 342 per month. According to a survey, within Germany consumers in Dresden spend the least for living expenses at

€ 1,394 per month. The highest cost of living is in Munich, where it is just under € 2,045. The national average cost of living is just under € 1,600 per month.

In fact, in most of the cities surveyed in the east, the average rent paid is only between **EUR 4.81/m²** and just **less than EUR 9.00/m²** net rent. Only Berlin (EUR 11.85/m²) and Potsdam (EUR 10.22/m²) already have average rents in the double-digit range. In the federal capital alone, rents rose by a further 14.8% year-on-year in 2017. This was only surpassed by Rostock, where housing prices rose by 23.6% over the same period. This means that the long-awaited catch-up effects have now also taken place in Rostock and now realistically reflect the appropriate price level. In the other cities, rents have almost without exception been moving moderately upwards for years - there is rental growth even in cities where the supply of apartments is still abundant. For example, rents offered in Görlitz have risen by 8.2% since 2013, by 6.7% in Gera and by 5.8% in Dessau-Roßlau. The housing cost expenditure ratio clearly shows how cheap housing still is in the East: In most cities - with the exception of Berlin (35%) and Potsdam (29%) - it is between 20% and 26%; in parts of Saxony even well below 20%. In the majority of the cities surveyed, the monthly budget is even less burdened today than it was ten years ago due to increased incomes. However, the housing cost expenditure ratio rose in Berlin by 9.5 percentage points as well as in Nauen (3.6 percentage points) and Strausberg (2.9 percentage points), where the geographical proximity to the capital and the good transport connections make the influx from Berlin noticeable.

Special location-related factors in the new federal states

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During the first three quarters of 2017, an average of 130,000 more persons were employed in the new federal states with jobs subject to social insurance contributions than in the same period of the previous year. The second “TAG Wohnungsmarktbericht Ostdeutschland”, published in October 2017, documents, among other things, positive demographic trends in the new federal states. On the one hand, people from abroad continue to drive population growth, on the other hand, older people in particular are increasingly turning their backs on their villages and moving to the nearest district town, where there is better infrastructure and housing for the elderly.

Exemplary trends in selected East German cities are set out below:

Chemnitz is the third largest city in Saxony and one of the leading industrial and technological regions in Germany. Sectors such as the automotive supply industry and mechanical engineering are now growth drivers for the economy. The city of Chemnitz recorded an unemployment rate of 7.1% in December 2017. At the end of 2017, Chemnitz had more than 250,000 residents.

The demand for housing in **Erfurt** likewise has continued to rise. With around 210,000 residents, the capital of Thuringia offers good infrastructural conditions that contribute to the attractiveness of this business location with well-known companies such as Zalando, Siemens and Deutsche Post. The unemployment rate for the city of Erfurt fell by 26.5% between 2010 and 2016, reaching 6.6% in December 2017.

Dresden is one of the leading business locations in Germany. The economy is developing well above the average of the new federal states, the population is growing and the purchasing power of households is rising. Saxony's capital confirms the trend towards eastward migration and currently has around 550,000 inhabitants. The university and, as an economic sector, the renewable energies sector in particular contribute to the attractiveness of the region. The city has developed into a top location in the fields of microelectronics, nanotechnology, new materials and life sciences. At the end of December 2017, the unemployment rate was 6.1%, slightly above the German average of 4.9%.

Gera's location in the state triangle of Thuringia, Saxony and Saxony-Anhalt provides a geographic advantage for urban development. Modern technology-oriented companies, among others from the fields of medical technology, microelectronics, software development and optics, have already set up shop here. Here as well, investment criteria such as favourable wage and labour costs, reasonable land and property prices and low supply and disposal costs have an impact. The unemployment rate for the city of Gera, with its average of more than 100,000 residents, fell to 9.2% at the end of 2017.

Leipzig, the Saxon university and trade fair city, bundles a wide range of activities to continuously increase the city's economic performance. Leipzig is focusing on selected industries of the future based on this investment strategy: Automotive and supplier industry, healthcare and biotechnology, energy and environmental technology, logistics and media and creative industries. Strong economic sectors, including BMW and Porsche from the automotive industry, make the location particularly promising for the future. Young people in particular are attracted to Leipzig. At the end of 2017, the unemployment rate in the city of Leipzig, which has around 595,000 residents, was 7.0%.

Rostock is an attractive business location with its location on the Baltic Sea and its well-developed infrastructure. The regional metropolitan area of this university and port city covers a radius of 50 km with about 500,000 inhabitants (Hanseatic City of Rostock proper with some 210,000 residents). The Hanseatic city is regarded as a supra-regional centre for trade, administration, trade fairs, culture, education and services. The unemployment rate in the Rostock region was 6.3% at the end of December 2017.

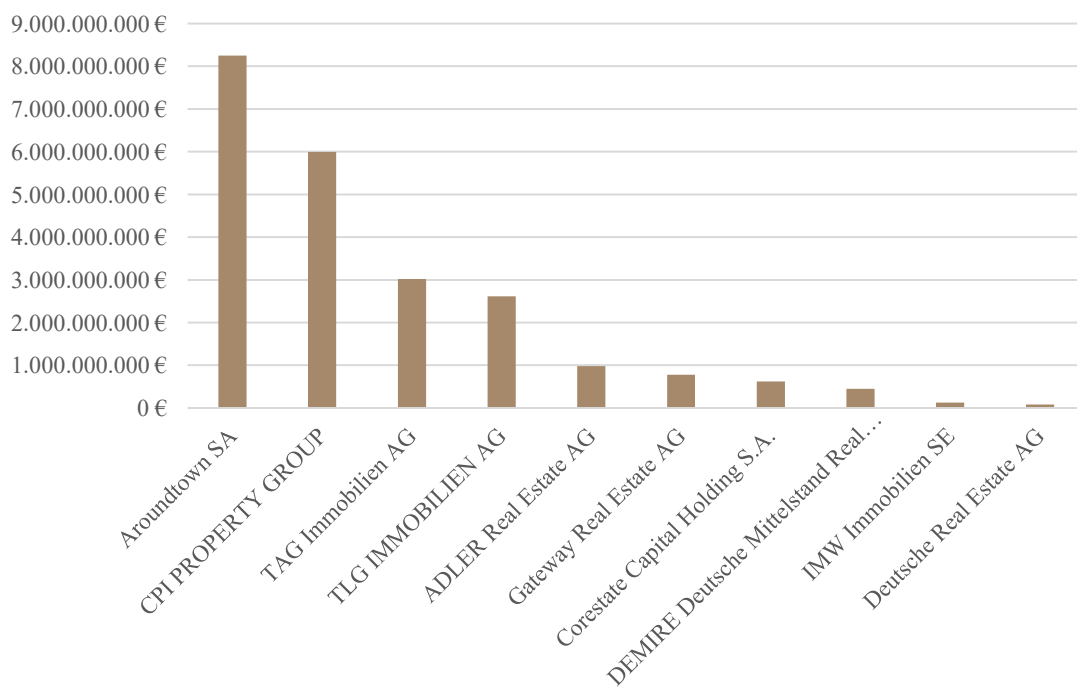
The vacancy rate continued to fall in all eastern German regions. Only three cities still have double-digit vacancy rates: Gera, Dessau-Roßlau and Görlitz are still facing challenges. In other locations, the housing shortage is increasingly becoming a housing emergency. Berlin, Potsdam and Jena, for example, with 1.1% vacancy rate, have virtually no reserves from the point of view of a functioning housing market. The same is true for Dresden (1.9%).

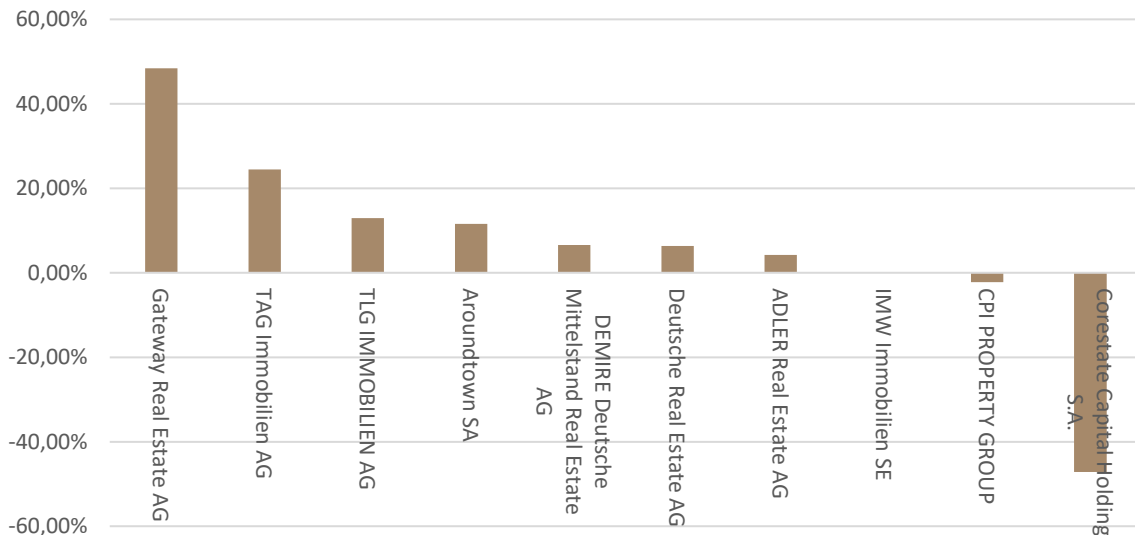
In Rostock and Weimar (2% each), Waren an der Müritz (2.4%) and Erfurt (2.5%), supplies are becoming scarce. Even in Greifswald, only 3.5% of the apartments are still vacant, while in the prospering Strausberg district of Berlin the figure is just under 3%. (Source: TAG Wohnungsmarktbericht Ostdeutschland 2018).

Real estate on the stock exchange - Substance and yield source

However, the market for real estate shares has shown particularly strong growth. In the meantime, more than EUR 100 billion have been tied up in German real estate using this form of indirect real estate investment. Open-ended and closed-end funds have also grown again in recent years, with the focus increasingly on institutional investors. Anyone who has held real estate shares for several years has done everything right: The sector index EPRA NAREIT Germany, which includes German real estate shares, has risen by more than 140 percent over the past five years, significantly more than the DAX standard index with its nearly 60 percent. In the past twelve months alone, real estate shares rose by around one-fifth.

In the peer group of TOP10 listed real estate shares, market capitalisation at the end of 2018 and share performance in 2018 are as follows:





The commercial residential investment market closed out 2017 with the third best results of the last 10 years. In 2017, residential real estate and housing portfolios comprising more than 50 residential units changed hands for around EUR 14 billion, corresponding to a 7% increase in transaction volume compared with 2016. By contrast, the number of apartments traded fell by 16 per cent year-on-year. A total of around 117,000 apartments were traded in 2017 from January to the end of December. Against the backdrop of rising rents and a persistent housing shortage, interest among domestic and foreign investors remains strong, as this form of investment promises continuous returns with low risks. This is the factor driving prices. Compared to 2016, average prices per apartment rose by 27% to around EUR 117,000. The strongest price increases were recorded in A and C cities. In both city categories, average prices have risen by around one-third year-on-year, reflecting above expectations that rents will continue to rise even outside the metropolises.

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The fact that the number of housing units sold declined in almost all city categories is probably an expression of the shortage of supply. In 2017, open-ended special funds and real estate companies were again by far the largest investors. Compared to the average for the last five years (81%), the share of German buyers fell slightly to 77%. Amongst foreign buyers, investors from Switzerland and France were the most active. Transaction volume of more than EUR 15 billion is expected for the just-ended year 2018. Forecasts are still pointing upwards, as real estate investment represents a substantial earnings alternative to fixed-interest securities. The low interest rate policy of the central banks is responsible for the permanent appreciation in real properties, especially real estate assets.

B-A-L Germany AG has specialised in Saxony and is benefiting from entry levels that remain low on the purchasing side. The guarantee for success in this case is a very carefully considered approach in terms of entry level, location and environment. The company-developed scoring system RESCORE creates an objective and transparent basis for decision-making.

There are temporary vacancies of up to 10 percent in the letting sector (mainly due to seasonal occupancy of student flats), but these can be reduced over a time horizon of 6 months to full occupancy. The average vacancy rate is 3 percent.

The property market of the new federal states (Chemnitz, Dresden, Erfurt, Gera, Leipzig and Rostock segment)



SWOT-ANALYSIS (Strengths & Weaknesses / Opportunities & Risks)

Strengths

Solid balance sheet structure and low costs: The company is completely debt-free as a result of converting all its debts into equity. So far, personnel costs have been low.

Experienced management: The Executive Board has over 25 years of experience in the construction and real estate business. The company's own valuation software reduces administrative costs.

Synergies in property management: Good relationships with an associated property management company ensure positive deal flow for favourable entry possibilities in the purchase & letting.

Weaknesses

Location dependency: Due to the very low purchase prices in the Saxon real estate market, the risks cannot be easily diversified to other federal states.

Specialised knowledge and market access: The business model thrives on local knowledge and access to comparable properties. Price increases over time reduce returns.

Dependence on key individuals: The company is strongly dependent on the expertise of its founders.

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Opportunities

Access to capital market: The company is completely debt-free as a result of converting all its debts into equity and is able to obtain financing from the stock market.

Low competition: To date, the Saxon real estate market has not been the focus of foreign investors. Nevertheless, there is a price risk in future.

Expansion of market position: The acceleration of growth will quickly result in an increase in inventory and thus to an increase in market share.

Risks

Liquidity risk: The company still has little cash at its disposal. Larger expenditure or unexpected costs could temporarily have negative impact on liquidity.

Low market entry barrier: The business model is relatively easy to copy for companies in the same position. The availability of attractive target properties would quickly decrease if one or more imitators were to enter the market.

Capital market risks: Capital markets are subject to strong upward and downward cycles. In bear phases, access to equity or debt may not be available for certain periods.

Financial budgeting through 2028

Financial budgeting for B-A-L looks forward 10 years based on known risks and market expectations. It assumes the possibility of the consistent ability to raise equity and debt up to the subscribed capital of EUR 4.5 million and a loan amount of around EUR 21 million. The interest costs are consistently set at 2%, with a term of up to 15 years (current rate: 0.85% / as of 03/2019). Repayment is not taken into account. From 2020, dividends will be distributed for the first time; they will rise continuously and average 40 percent of net income for the year; the remaining profit will be reinvested. Overhead costs are set to increase by 15 percent per year (e.g. also

as a result of hiring additional staff or introducing salary for the managing director). Due to persistently low inflation, rents in our model rise by only 1.3 percent, while purchase prices rise by 2.5 percent.

This is deliberately conservative and in line with management's expectations that any potential increase in rent levels would improve B-A-L's profit situation and increase free cash flow. The average net rental return is approx. 8.5% p.a. An overview of the budgeted figures can be found in the table on page 21.

DCF (discounted cash flow valuation in the entity method)

We have used a modified DCF method to calculate the current enterprise value. Rental income plus depreciation less all costs are discounted, i.e. results of ordinary operations less taxes. The financing structure for individual periods is taken into account in this context.

in Tausend €		2019e	2020e	2021e	2022e	2023e	2024e
B-A-L Germany AG		Start					
	EK	2.100	2.400	2.400	3.000	3.000	
	FK	40	1.040	3.540	5.340	8.340	
	Beta	1,00	1,10	1,30	1,50	1,80	
	WACC	6,91%	6,04%	5,23%	5,70%	5,98%	
	Abz.Faktor	0,94	0,83	0,75	0,67	0,60	
	Operative Free Cash Flows	108.976	229.156	406.467	604.583	977.377	1.365.300
	Terminal Value						22.827.472
	Nettobarwert der FCFs / Terminal Value	113.894	214.352	338.146	454.242	657.295	13.667.868
+	Summe der abgezinnten zukünftigen FCFs	1.777.929					
+	Barwert des Terminal Value	13.667.868					
	Anteil des Terminal Value am Unternehmenswert	88,5%					
=	Enterprise Value	15.445.797					
+	Kassenposition	50,0					
+	Nicht operatives Vermögen	170,0					
=	Entity Value	15.446.017					
-	Zinstragende Gesamtverbindlichkeiten	8.340.000					
=	Equity Value	7.106.017					
./.	Anzahl der Aktien	3.000.000					
DCF Bewertung je Aktie in EURO		2,37					
ANNAHMEN							
WACC = (i(EK) x EK + i(FK) x FK) / GK							
EK= EK-Anteil FK= FK-Anteil GK= Gesamtkapital							
i(EK) = 7,0% 7,00%							
i(FK) = 2,0% 2,00%							

Free cash flows are discounted over 5 years using this calculation method. The discount factor is derived from the capital-weighted average interest rate (WACC) of the capital structure prevailing in the respective year. Due to the increasing leverage from external debt, we are implementing an annually increasing risk factor from the financing structure (discretionary beta), which again slightly increases the discount factor, which decreases with increasing credit financing.

For terminal value, it is assumed that the growth factor for 2024 corresponds to an infinitely possible growth factor. The prerequisites for this are, of course, the retention of the strategic orientation and the long-term availability of low-cost properties as well as unrestricted access to the capital market.

Conclusion: This results in a total enterprise value (EV) of EUR 15.4 million. Less the debt level of € 8.3 million reached in 2024, this results in an equity value of € 7.1 million based on a total of 3.0 million assumed shares and a fair value of € **2.37** per share calculated today.

PEERGROUP comparison

In Germany, there are over 200,000 real estate companies with different business models. The following list of peer group companies is based on a company search using the Bloomberg Terminal.

NO.	ISSUER	MARKET CAPITALISATION	ISIN	WEBSITE
01	Deutsche Wohnen SE	€ 15,180,247,000	DE000A0HN5C6	www.deutsche-wohnen.com
02	LEG Immobilien AG	€ 6,865,376,000	DE000LEG1110	www.leg-wohnen.de
03	TAG Immobilien AG	€ 3,020,534,000	DE0008303504	www.tag-ag.com
04	ADLER Real Estate AG	€ 936,835,439	DE0005008007	www.adler-ag.com
05	Gateway Real Estate AG	€ 781,013,259	DE000A0JTG7	www.gateway-re.de
06	Corestate Capital Holding S.A.	€ 621,752,506	LU1296758029	www.corestate-capital.com
07	DEMIRE AG	€ 452,664,761	DE000A0XFSF0	www.demire.ag
08	IMW Immobilien SE	€ 130,086,661	DE000A0BVWY6	www.imw-se.de
09	Deutsche Real Estate AG	€ 83,152,088	DE0008055021	www.drestate.de
10	Dierig Holding AG	€ 65,100,000	DE0005580005	www.dierig.de
11	GIEAG Immobilien AG	€ 44,520,000	DE0005492276	www.gieag.de
12	GxP German Properties AG	€ 43,605,367	DE000A2E4L00	www.gxpag.com
13	RCM Beteiligungs AG	€ 32,046,000	DE000A1RFMY4	www.rcm-ag.de
14	ERWE Immobilien AG	€ 29,057,600	DE000A1X3WX6	www.erwe-ag.com
15	Bürg. Brauhaus Rav.-Lindau AG	€ 28,665,000	DE0005281000	www.inselbrauerei.com
16	Sinner AG	€ 15,660,000	DE0007241002	www.sinnerag.de

Source: B-A-L Germany AG / Capital Lounge GmbH

The long list of 16 companies set out above with a comparable business purpose was adjusted for those companies whose business purpose, in our opinion, differs too greatly from that of B-A-L Germany AG. The remaining 5 companies with predominantly residential character are briefly described below (in alphabetical order):

Issuer	ADLER Real Estate AG
Website	www.adler-ag.com
ISIN	DE0005008007
Number of shares	71,063,622
Market capitalization	€ 977,835,439

ADLER Real Estate AG is a real estate company located in Germany. In recent years, the company has grown rapidly through acquisitions - most recently through the acquisition of almost 70 percent of the shares in Brack Capital Properties N.V. (BCP). ADLER now owns more than 62,000 residential units, most of which are located in northern and western Germany. This housing stock is mainly to be held and managed on a permanent basis.

Issuer	Deutsche Wohnen SE
Website	www.deutsche-wohnen.com
ISIN	DE000A0HN5C6
Number of shares	357,014,286
Market capitalization	€ 15,180,247,000

Deutsche Wohnen SE is a listed real estate company that concentrates its operations on housing management, portfolio management and housing privatisation. The portfolio currently comprises a total of almost 165,000 units, including around 163,000 residential units and over 2,600 commercial properties.

Issuer	LEG Immobilien AG
Website	www.leg-wohnen.de
ISIN	DE000A0JTG7
Number of shares	63,188,000
Market capitalization	€ 6,865,376,000

LEG Immobilien AG manages residential real estate in North Rhine-Westphalia. The portfolio includes around 134,000 rental apartments in residential developments close to the city with associated garages. In addition to property management, the company is also heavily involved in the modernisation and maintenance of its own and newly acquired residential buildings.

Issuer	RCM Beteiligungs AG
Website	www.rcm-ag.de
ISIN	DE000A1RFMY4
Number of shares	14,700,000
Market capitalization	€ 32,046,000

RCM Beteiligungs AG acquires and renovates residential properties. It acquires buildings by participating in auctions of distressed real estate. RCM's investments are mainly located in the

city of Dresden and the surrounding area. The business model of RCM Beteiligungs AG, which was founded in 1999, mainly comprises the acquisition, management and sale of real estate used primarily for residential purposes with the performance of capital improvements and the realisation of associated value added.

Issuer	TAG Immobilien AG
Website	www.tag-ag.com
ISIN	DE0008303504
Number of shares	146,498,765
Market capitalization	€ 3,230,534,000

TAG Immobilien AG (TAG) is a real estate company with a history spanning more than 125 years. TAG is a portfolio holder of residential real estate in Germany. The main locations are the Hamburg metropolitan area, the Berlin metropolitan area, the Salzgitter region, Thuringia/Saxony and North Rhine-Westphalia. TAG's operating activities focus on the management and development of residential real estate and on increasing the value of the portfolio through active asset management.

PEERGROUP - Valuation via multiples

To calculate the current enterprise value, we used a peer group comparison based on the multiplier method as part of this brief business valuation. Stock exchange multiples, i.e. ratios based on the stock exchange prices of comparable listed companies, were considered.

Although the key figures for B-A-L Germany AG still bear witness to a very young company, it is already able to keep up with the return figures from very large players within the industry. The initial placement price of € 1.20 per preferred share is therefore certainly backed by initiative, as both the return on equity and the return on total capital are already above the industry average. It should not be forgotten that 95% of every additional euro invested is invested in new assets and increases the enterprise value quasi ad hoc. All properties are carried at amortized cost. Hidden reserves thus lie in appreciation of the market level and the accounting treatment of depreciation. Rent increases are currently estimated at only 1.3% p.a., which is quite conservative in view of increasing inflation in the residential sector.

Peergroup Analyse			Deutsche Wohnen	LEG Immobilien	TAG Immobilien	Adler Real Estate	RCM Beteiligungs AG	Ø	B-A-L
Anzahl der Aktien	Mio. Stk		357.014.286	63.188.000	146.498.765	71.063.622	14.700.000		1.300.000
Kurs 03.04.2019	€		42,5	108,7	21,76	13,22	2,16		1,20 €
MCAP	€		15.173.107.155	6.868.535.600	3.187.813.126	939.461.083	31.752.000		in Euro
Umsatz	Mio. €		1.101	796	532	425	40	2019	225.216
Bilanzsumme	Mio. €		25.397	11.194	5.043	5.856	60	2018	1.769.000
Buchwert/Aktie	€		27,89	72,00	11,10	15,00	1,59	2018	0,97
Gewinn/Aktie	€		5,15	13,34	3,29	1,70	0,10	bereinigt	0,07
KGV	Ratio		8,3	8,1	6,6	7,8	21,6	9,4	17,8
KBV	Ratio		1,5	1,5	2,0	0,9	1,4	1,4	1,3
KUV	Ratio		13,8	8,6	6,0	2,2	0,8	4,2	7,2
EK-Rendite	in %		15,9	17,6	23,9	16,8	6,2	14,7	22,0
GK-Rendite	in %		7,8	8,5	11,5	7,1	3,2	7,0	9,0

CONCLUSION of our valuation methods applied

- (1) The **calculation of net asset value** is an initial approximation of the value per share, as the book value of the properties - less borrowed capital - is transferred to an equity or book value that allows for deemed upward valuations depending on the development of the properties. This is because the hidden reserves resulting from the amortised acquisition costs subject to depreciation (according to HGB) are not reflected in the current NAV. They also rise with market price appreciation over time. The NAV at pure book values amounted to **EUR 1.76** as of 31 March 2019 according to the portfolio list.
- (2) The **fair value** per share of B-A-L Germany AG based on the **peer group method** confirms the current valuation at the initial listing on the stock exchange. All comparison parameters of well-known real estate companies set in relation to each other shows a very fair placement of the B-A-L share at € 1.25 in January. For comparison: The average price during the initial months following listing in Vienna is approximately € 3.15. An average of the most recent market valuations would be **€ 2.20**.
- (3) Assuming a weighted total return of 2.0-7.0% (WACC), our DCF model computes an equity value of € 7.1 million. This results in a value of **€ 2.37 Euro** per share in a 5-year analysis. However, the weak point of the **Discounted Cash Flow Method (DCF)** is the pure surplus analysis and the relatively high terminal value, which of course only materialises once the leveraged-based growth strategy has been successfully implemented. It does not reflect potential dynamics in the valuation of the properties, but only earnings perspective for the coming years.

Weighting of individual results

In the order of maturity, we weighted...

- (1) The current NAV view for book values at **25%**
- (2) The market-oriented view of the peer group comparison at **25%**.
- (3) The future and opportunity-oriented view in DCF at **50%**

The valuation parameters referred to above are used to determine the following value:

$$(0.25 \times 1.76 + 0.25 \times 2.20 + 0.5 \times 2.37) = 0.440 + 0.550 + 1.185 = \mathbf{2.18 \text{ €}}$$

Our price target over a period of 12 months is: **€ 2.50**

Comments on the valuation, opportunities and risks

- (1) The valuation computed herein is strongly oriented to the current portfolio and values future increases in value only slightly. According to immoscout24.de, actual price trends in Saxony for the years 2015 to 2018 amounted to approx. 6.5% per annum. Our calculation assumes a conservative 2.5% price adjustment per year. Moreover, B-A-L has focused its purchasing activities on special situations, i.e. private purchases before offered to the public and thus achieves high purchasing advantages over the market price.
- (2) One of the company's strengths is certainly its above-average ROI (Return on Investment), which is the result of the expert selection of properties. Low purchase prices are predominantly combined with comparatively high rental income. Without taking maintenance reserves into account, invested capital often pays for itself after just a few years. The reinvestment rate is therefore extremely high.
- (3) The low debt ratio - currently still an obstacle to stronger growth - will only approach zero in 2019. Looking at the return on equity, the debt ratio should be appropriately increased in the subsequent period in order to achieve a higher return on equity.
- (4) On the other hand, the still very small size of the company is a significant weak point, which also results in risks for desired growth, as the corporate structures have to be expanded appropriately in the short term - this factor represents inherent growth risks.
- (5) Another weak point, which also results from the still small size/capital base, is that competitors have greater financial strength and can therefore act much more aggressively on the market than B-A-L Germany AG. For this reason, we favour the conservative approach shown above.
- (6) When acquiring additional real estate portfolios, competitive pressure can lead to a considerable increase in purchase prices and thus jeopardize B-A-L Germany AG's expansion strategy. If B-A-L Germany AG does not succeed in maintaining its competitive position or sufficiently differentiate itself from its competitors, this could adversely affect its business development and its net assets, financial position and results of operations.
- (7) Developments in the market could also lead to B-A-L Germany AG becoming a takeover target. However, this requires the approval of the ordinary shareholders.

Balance sheet 2017 to 2018 (preliminary)

BILANZ			
zum			
31. Dezember 2018			
B-A-L Germany AG Verwaltung eigenen Vermögens, Meißen			
AKTIVA			
	EUR	Geschäftsjahr EUR	Vorjahr EUR
A. Anlagevermögen			
I. Immaterielle Vermögensgegenstände			
1. entgeltlich erworbene Konzessionen, gewerbliche Schutzrechte und ähnliche Rechte und Werte sowie Lizenzen an solchen Rechten und Werten		4.489,00	139,00
II. Sachanlagen			
1. Grundstücke, grundstücksgleiche Rechte und Bauten einschließlich der Bauten auf fremden Grundstücken	716.569,92		230.804,54
2. andere Anlagen, Betriebs- und Geschäftsausstattung	2.000,00		0,00
3. geleistete Anzahlungen und Anlagen im Bau	<u>318.091,49</u>		<u>3.683,76</u>
		1.036.661,41	234.488,30
B. Umlaufvermögen			
I. Forderungen und sonstige Vermögensgegenstände			
1. Forderungen aus Lieferungen und Leistungen	3.209,75		2.858,29
2. sonstige Vermögensgegenstände	<u>209.603,14</u>		<u>229.079,65</u>
		212.812,89	231.937,94
-davon gegen Gesellschafter EUR 10.472,68 (EUR 10.732,07)			
-davon mit einer Restlaufzeit von mehr als einem Jahr EUR 107.775,85 (EUR 226.266,42)			
II. Kassenbestand, Bundesbankguthaben, Guthaben bei Kreditinstituten und Schecks			
		515.561,08	8.734,08
C. Rechnungsabgrenzungsposten			
		179,79	0,00
		<u>1.769.704,17</u>	<u>475.299,32</u>

Source: B-A-L Germany AG

Balance sheet 2017 to 2018 (preliminary)

PASSIVA			
	EUR	Geschäftsjahr EUR	Vorjahr EUR
A. Eigenkapital			
I. Gezeichnetes Kapital		1.300.000,00	50.000,00
II. Kapitalrücklage		120.000,00	0,00
III. Verlustvortrag		-1.785,50	-5.010,67
IV. Jahresfehlbetrag		-85.156,82	3.225,17
B. Sonderposten für Zuschüsse und Zulagen			
		0,00	200.000,00
C. Rückstellungen			
1. Steuerrückstellungen	538,99		538,99
2. sonstige Rückstellungen	<u>7.749,41</u>		<u>16.160,41</u>
		8.288,40	16.699,40
D. Verbindlichkeiten			
1. Verbindlichkeiten gegenüber Kreditinstituten	48.891,94		0,00
-davon mit einer Restlaufzeit von mehr als einem Jahr EUR 48.891,94 (EUR 0,00)			
2. Verbindlichkeiten aus Lieferungen und Leistungen	47.614,60		1.635,70
-davon mit einer Restlaufzeit bis zu einem Jahr EUR 47.614,60 (EUR 1.635,70)			
3. sonstige Verbindlichkeiten	<u>331.597,55</u>		<u>208.495,72</u>
		428.104,09	210.131,42
-davon gegenüber Gesellschaftern EUR 0,05 (EUR 324,70)			
-davon mit einer Restlaufzeit bis zu einem Jahr EUR 50.432,27 (EUR 200.324,70)			
-davon mit einer Restlaufzeit von mehr als einem Jahr EUR 281.165,28 (EUR 8.171,02)			
E. Rechnungsabgrenzungsposten			
		254,00	254,00
		<u>1.769.704,17</u>	<u>475.299,32</u>

Source: B-A-L Germany AG

Profit and loss statement 2017 to 2018 (preliminary)

GEWINN- UND VERLUSTRECHNUNG			
vom			
01.01.2018 bis 31.12.2018			
B-A-L Germany AG Verwaltung eigenen Vermögens, Meißen			
Handelsrecht			
		Geschäftsjahr	Vorjahr
	EUR	EUR	EUR
1. Umsatzerlöse		87.589,69	55.227,00
2. Gesamtleistung		87.589,69	55.227,00
3. sonstige betriebliche Erträge			
a) Erträge aus der Auflösung von Rückstellungen	13,15		0,00
b) übrige sonstige betriebliche Erträge	3.014,01		28,34
		3.027,16	28,34
4. Materialaufwand			
a) Aufwendungen für Roh-, Hilfs- und Betriebsstoffe und für bezogene Waren	991,26		0,00
b) Aufwendungen für bezogene Leistungen	1.799,28		270,00
		2.790,54	270,00
5. Personalaufwand			
a) Löhne und Gehälter	2.280,27		0,00
b) soziale Abgaben und Aufwendungen für Altersversorgung und für Unterstützung	652,83		0,00
		2.933,10	0,00
6. Abschreibungen			
a) auf immaterielle Vermögensgegenstände des Anlagevermögens und Sachanlagen		0,00	4.885,33
7. sonstige betriebliche Aufwendungen			
a) Raumkosten	40.973,80		26.554,26
b) Versicherungen, Beiträge und Abgaben	513,34		292,00
c) Reparaturen und Instandhaltungen	2.685,27		2.138,81
d) Kosten der Warenabgabe	3.365,32		3.005,94
e) verschiedene betriebliche Kosten	110.136,04		13.092,27
f) übrige sonstige betriebliche Aufwendungen	5.521,96		844,20
		163.195,73	45.927,48
8. sonstige Zinsen und ähnliche Erträge		0,00	1.167,23
-davon aus verbundenen Unternehmen EUR 0,00 (EUR 53,81)			
9. Zinsen und ähnliche Aufwendungen		2.500,00	671,08
10. Steuern vom Einkommen und vom Ertrag		2.296,98	544,82
11. Ergebnis nach Steuern		-83.099,50	4.123,86
12. sonstige Steuern		2.057,32	898,69
13. Jahresfehlbetrag		85.156,82	-3.225,17

Forecasts with equity contributions and assumption of debt through 2028

Geschäftsjahr (jeweils zum 31.12.)	< 2016	2017	2018	2019e	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e
Grundkapital	50	600	1.300	1.800	2.100	2.400	2.400	3.000	3.000	3.700	3.700	4.500	4.500
Zufluss Eigenkapital	50	550	820	1.000	1.000	1.000	0	2.000	0	2.800	0	4.000	0
Aufnahme Fremdkapital (ab 2021 / Zins 2% unterstellt)	30	500	40	0	0	1.000	2.500	1.800	3.000	1.200	4.400	2.200	5.000
Thesaurierte Gewinne	10	0	0	50	70	100	140	200	280	430	590	750	910
Wachstumskapital	90	1.050	860	1.050	1.070	2.100	2.640	4.000	3.280	4.430	4.990	6.950	5.910
Vermietbare Fläche in qm (nach Investition)	400	800	1.600	3.400	5.500	9.598	14.626	22.061	28.003	35.830	44.448	56.149	65.853
Investiertes Kapital	205	410	820	1.743	2.819	4.919	7.496	11.306	14.352	18.363	22.780	28.776	33.750
Nettomietertlöse p.a. in Euro	18.500	39.752	63.069	158.976	286.656	492.592	800.627	1.228.327	1.697.993	2.193.128	2.793.994	3.546.677	4.357.248
Netto-Durchschnittsmiete mtl/qm in Euro	5,22	5,64	5,40	5,52	5,59	5,66	5,74	5,81	5,89	5,96	6,04	6,12	6,20
Kosten (Personal, Mieten, Rücklagen) / geschätzt +15% p.a.	20.000	46.000	165.000	50.000	57.500	66.125	126.044	144.950	166.693	241.697	277.951	319.644	367.591
Abschreibungen (2% linear / Inv Kapital - 10% Grundstück)	3.690	7.380	14.760	31.365	50.738	88.538	134.926	203.513	258.329	330.531	410.035	517.971	607.494
Zinskosten	3.000	671	2.500	0	0	20.000	70.000	106.000	166.000	190.000	278.000	322.000	422.000
Ergebnis der gew. Geschäftstätigkeit (EGT/FFO)	-8.190	-14.299	-119.191	77.611	178.418	317.929	469.657	773.863	1.106.972	1.430.900	1.828.007	2.387.062	2.960.163
Steuern gesamt (23% vereinfacht / nur KSt, keine GewSt)	0	1.570	4.557	-17.851	-41.036	-73.124	-108.021	-177.989	-254.603	-329.107	-420.442	-549.024	-680.837
Nettogewinn	-8.190	3.225	-114.634	59.760	137.382	244.806	361.636	595.875	852.368	1.101.793	1.407.566	1.838.038	2.279.325
Dividenden-Ausschüttung (ST/VZ +0.02)	J.	J.	J.	J.	0,03	0,04	0,06	0,08	0,11	0,12	0,15	0,16	0,20
Dividendensumme (Annahme ST/VZ 50:50)	J.	J.	J.	J.	54.963	97.922	144.854	238.350	340.947	440.717	563.026	735.215	911.730
FREE CASH FLOW (vereinfacht; Nettogewinn+AFA)	-4.500	-6.919	-104.431	108.976	229.156	406.467	604.583	977.377	1.365.300	1.761.431	2.238.043	2.905.033	3.567.657
FCF-Rendite	-2,20%	-1,69%	-12,74%	6,25%	8,13%	8,26%	8,07%	8,64%	9,51%	9,59%	9,82%	10,10%	10,57%
Return on Invested Capital (ROIC)	-4,00%	0,79%	-13,98%	3,43%	4,87%	4,98%	4,82%	5,27%	5,94%	6,00%	6,18%	6,39%	6,75%
Netto-Mietrendite	9,02%	9,70%	7,69%	9,12%	10,17%	10,01%	10,68%	10,86%	11,83%	11,94%	12,27%	12,33%	12,91%
NAV pro Aktie (Inv.Kapital-Gesamtverschuldung)/Aktienzahl	n/a	n/a	0,60	0,97	1,34	1,63	1,66	2,00	2,02	2,40	2,40	2,82	2,81
Gewinn je Aktie	n/a	0,01	-0,09	0,03	0,07	0,10	0,15	0,20	0,28	0,30	0,38	0,41	0,51

Inflationärer Preisfaktor 1,3% p.a. bei Miete, Kaufpreise +2,5%
Ab 2022/25 berücksichtigen wir ein Vorstandsgehalt von 50/100 TE
Alle Werte in TEUR (ab Zeile 10 in Euro)
Einmalkosten KE und Listing sind in 2018 (110 TEUR) und 2019 (36 TEUR) berücksichtigt

Source: B-A-L Germany AG / Capital Lounge GmbH

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Competent authority: German Federal Financial Supervisory Authority (“BaFin”). The securities prices stated in this business valuation are XETRA closing prices of the trading day preceding the publication date of the respective business valuation. If the relevant security is not traded on XETRA, the security prices stated in the business valuation are the closing prices of the respective stock exchange on the trading day preceding the publication date of the business valuation.

Investment recommendations (for an investment horizon of 12 months)

Buy: We expect the price of the financial instrument analysed to rise by at least 10%.

Hold: We expect outperformance or underperformance the DAX benchmark by a maximum of 10%.

Sell: We expect the price of the financial instrument analysed to decline by at least 10%.

Information on possible conflicts of interest pursuant to section 85 (1) German Securities Trading Act (“WpHG”) and Article 20 Regulation (EU) No. 596/2014 as well as the Delegation Regulation (EU) 2016/958:

Pursuant to section 85 of the German Securities Trading Act (*Wertpapierhandelsgesetz*) and the Financial Analysis Ordinance (*Finanzanalyseverordnung*), there is an obligation, among other things, to draw attention to possible conflicts of interest in relation to the company analysed as part of a financial analysis. A conflict of interest is presumed in particular where the company performing the analysis

- Holds an interest of more than 5% in the share capital of the analysed company;
- Has been a member of a consortium in the last twelve months which has acquired securities of the company analysed;
- Manages securities of the analysed company on the basis of an existing contract;
- Has performed investment banking services for the analysed company in the last twelve months on the basis of an existing contract which resulted in a service or promise of service with which the analysed company has entered into an agreement for the preparation of the financial analysis
- and affiliated companies regularly trade shares of the analysed company or derivatives derived from them;
- Or the analyst responsible for this company has other significant financial interests in relation to the company being analysed, such as holding an office within the company being analysed.

Capital Lounge GmbH uses the following keys for the description of conflicts of interest pursuant to section 85 (1) WpHG and Article 20 Regulation (EU) No. 596/2014 as well as Delegation Regulation (EU) 2016/958: .

Key 1: The analysed company actively provided information for the preparation of this business valuation.

Key 2: This business valuation was sent to the analysed company before distribution and changes were made subsequently. No research report or draft that already contained an investment recommendation or price target was sent to the analysed company.

Key 3: The analysed company holds an interest of more than 5% in Capital Lounge GmbH and/or one of its affiliated companies.

Key 4: Capital Lounge GmbH and/or a company affiliated with it and/or the author of this business valuation holds an interest of more than 5% in the analysed company.

Key 5: Capital Lounge GmbH and/or a company affiliated with it and/or the author of this business valuation has acquired shares of the analysed company free of charge or at a price below the indicated price target prior to its public offering.

Key 6: Capital Lounge GmbH and/or an affiliated company manages the securities of the analysed company as market maker or designated sponsor.

Key 7: Capital Lounge GmbH and/or a company affiliated with it and/or a person/company closely associated with it and/or the author of this business valuation was bound by an agreement with the analysed company regarding services in connection with investment banking transactions within the past 12 months or received benefits under such an agreement.

Key 8: Capital Lounge GmbH and/or one of its affiliated companies has reached an agreement with the analysed company on the preparation of this business valuation. Capital Lounge GmbH received a standard flat fee paid in advance within the scope of this agreement.

Key 9: Capital Lounge GmbH and/or a company affiliated with it has an interest in the trading activities of the analysed company in the form of commission income.

Key 10: A member of Capital Lounge GmbH and/or the author of this business valuation is a member of the supervisory board of the analysed company.

Key 11: Capital Lounge GmbH and/or a company affiliated with it and/or the author of this business valuation holds a net selling or buying position in the analysed company that exceeds the threshold of 0.5% of the total issued share capital of the company.

Key 12: Capital Lounge GmbH and/or an affiliated company of Capital Lounge GmbH was or was co-lead partner in a public issue of financial instruments of the company.

The following keys are relevant for this business valuation: Key 1, Key 7

Statements pursuant to section 85 (1) WpHG and Article 20 Regulation (EU) No. 596/2014 as well as the Delegation Regulation (EU) 2016/958: Information sources

The business valuation is based on information obtained from carefully selected public sources, in particular from financial data providers, publications from the analysed company and other public media.

Valuation principals/methods/risks and parameters

Company-specific methods from fundamental stock analysis, quantitative statistical methods and models for the preparation of the business valuation in addition to technical analytical methods (inter alia historical valuation approaches, substance valuation approaches or sum-of-the-parts valuation approaches, discount models, the economic profit approach, multiplier models or peer group comparisons). Valuation models depend on economic parameters such as currencies, interest rates, commodities and economic assumptions. In addition, market sentiment and political developments influence company valuations. Selected approaches are also based on expectations that may change quickly and without warning depending on industry-specific developments. As a result, recommendations and price targets based on individual models may also change accordingly. Investment recommendations applicable to a 12-month time horizon may also be subject to market conditions and therefore constitute a snapshot. Expected price developments may occur faster or slower or can be revised upwards or downwards.

Compliance declaration

Capital Lounge GmbH has taken regular internal precautions to prevent conflicts of interest with regard to the company analysed herein and to disclose possible conflicts of interest. Adrian Fuhrmeister, fuhrmeister@capitalounge.de is responsible for compliance with these precautionary measures.

Statement by the authors of the studies

All valuations, opinions and forecasts contained in this business valuation reflect the views of the business valuation's author. The author's remuneration is not directly or indirectly related, whether in the past, present or future, to the recommendation or views expressed in the business valuation.

The following online sources were used:

Bloomberg, Finanzen.net, Onvista.de, Ariva.de, Handelsblatt.com, Immoscout24.de
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