

ACATIS FAIR VALUE DEUTSCHLAND ELM

Investment report April 2024

Lübeck, April 11, 2024

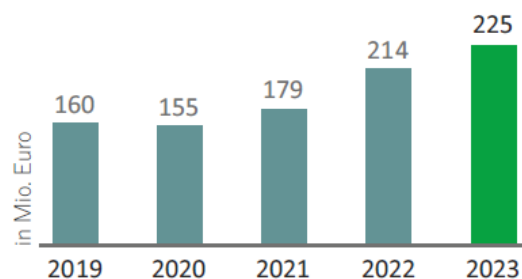
We invest in German sustainability. We take the perspective of an owner with a long-term view. First, we screen and analyse only those companies that have successfully passed our sustainability filter. An investment depends on three success factors: a solid business model, good management and an attractive valuation. We look for companies that are leaders in their markets, with long-term competitive advantages and positive growth perspectives. The portfolio is highly concentrated.

Init AG

Init is the global market leader for telematics solutions in public transport. The company helps to make public transport systems more efficient, more user-friendly and more sustainable. In this context, Init benefits from issues such as digitisation, electromobility, mobility as a Service, Smart Ticketing and the growing use of artificial intelligence. The company also derives a big knowledge advantage from the collection, preparation and analysis of available (real time) data volumes. Init has been using artificial intelligence to optimise planning and scheduling processes for several years. As part of the management of vehicle fleets, modes of public transport such as buses and trains can be monitored and controlled to ensure optimum operations and punctuality. In addition, real-time information about routes, departure times, delays and alternative routes can be imported into passenger information systems. Electronic tickets and payments systems represent another solution. Moreover, Init also offers software for analysing and planning traffic data.

It also performs well in terms of sustainability, as it meets SDG targets No. 7 and 11. The solutions help to make public transport more efficient and attractive, thereby promoting the use of these transport methods over private vehicles. Traffic and CO2 emissions are reduced. Route optimisation and better operating processes can also reduce the fuel consumption of buses. Init also offers software to optimise charging processes for electromobility. The company's operations continue to do well. Orders received

as an important indicator for future business success are growing at a dynamic rate. In 2023, the previous record volume of incoming orders (2022) was exceeded by around 5%:



Source: Init SE

The ratio between orders received and sales revenues is a comfortable 1.07. It is also important to mention that Init managed to acquire two large orders from Atlanta and London in the first quarter of 2024 - with an order volume of over EUR 200 million! For the current year, sales revenues are expected to be in the range of EUR 240-260 million, with an EBIT of EUR 24-28 million. These growth rates in sales revenues and earnings are likely to continue based on the higher volume of orders on hand. For the year 2026, Warburg Research estimates an operating result of EUR 47.7 million (compared to EUR 21 million in 2023). This would mean that profits will more than double. We are pleased that the stock has already performed so well in the last six months. Nevertheless, we see additional potential and will remain invested in this stock. The valuation on the basis of the estimates for the year 2026 reveals an enterprise value using an attractive EBIT multiple of 7.

Kind regards



Christoph Gebert (fund advisor)
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