

Basic Report Update

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Valuation Result

HOLD

(previous: Hold)

Fair Value

€ 32.60

(previous: € 30.47)

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Record order backlog, Frequentis remains on growth track in 2023 - despite macro uncertainties

With the 15.7% increase in sales (to € 386 million), Frequentis AG was able to maintain the strong growth rate from H1 2022. **Organic growth** was 12.7% and was driven by both segments. The **order backlog** (€ 522 million; +11.6% y-o-y) as well as the **order intake** 2022 (€ 404.8 million; +21.5%) also point to **further growth**. On the earnings side, the company also exceeded our expectations, as the 2022 cost base grew less than we expected compared to the Corona years (low travel rate, fairs, etc.). Specific drivers allow Frequentis to grow above market average in the medium term, and the stability of the business model justifies a 23 P/E around 22.

- More than half of the order backlog** - approximately € 276 million - **will be invoiced in 2023** and thus forms a **solid foundation** for the planned increase in sales. We trust Frequentis to achieve around 5% growth, starting from the high 2022 level. Numerous factors [regional focus on the USA strengthened; innovative fields occupied at an early stage; (sales) synergies from acquisitions] contribute to Frequentis being able to show **above-market growth**.
- Operating margins.** The elimination of Corona restrictions led to higher other operating expenses (travel, trade fairs) during 2022. The trend is expected to continue in 2023, compounded by inflation and wage increases well above long-term averages. The passing on of higher costs to customers bound by long-term contracts typically takes place with a time lag. We therefore expect slightly lower operating margins yoy in 2023.
- Uncertainties** have not diminished in 2023; the Ukraine war, inflation, and geopolitical tensions (including Taiwan) are currently making it difficult for companies to plan - in terms of costs and sales. Due to the high share of sales from the **public sector**, Frequentis is in a comparatively comfortable position with regard to sales planning.

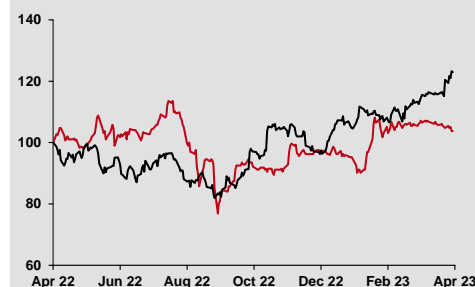
Outlook: In 2023, sales and order intake are expected to increase compared to the previous year's figures of € 386 million and € 405 million, respectively. The EBIT margin is expected to be between 6% and 8% (in 2022 just under 6.5% was achieved). R&D expenses will exceed the 2022 figure, CapEx will be € 8 million.

Key Data / Earnings (in €mln)

Year	Net Sales	EBITDA	EBIT	adj. EBT	adj. Net Profit	adj. EPS (€)	DPS (€)	EBIT margin	adj. Net margin
2021a	333.5	46.5	29.0	27.9	20.0	1.50	0.20	8.7%	6.0%
2022a	386.0	45.6	25.0	24.7	18.7	1.41	0.22	6.5%	4.9%
2023e	407.2	46.6	25.3	25.1	18.8	1.41	0.25	6.2%	4.6%
2024e	427.6	48.6	26.7	26.5	20.0	1.50	0.30	6.3%	4.7%
2025e	448.9	50.7	28.2	27.9	21.0	1.58	0.32	6.3%	4.7%
2026e	471.4	52.9	29.7	29.5	22.0	1.65	0.33	6.3%	4.7%

Source: Frequentis AG (a), BankM Research (e)

Sector	Communication / Software
WKN	A2PHG5
ISIN	ATFREQUENT09
Bloomberg/Reuters	FQT GY / FQT.DE
Accounting standard	IFRS
Financial year	Dec 31
Report H1 2023	August 16, 2023
Market segment	Regulated Market
Transparency standard	General Standard
Financial ratios	2023e 2024e 2025e 2026e
EV/Sales	0.89 0.85 0.81 0.77
EV/EBITDA	7.78 7.46 7.15 6.85
EV/EBIT	14.31 13.56 12.86 12.20
P/E	21.56 20.27 19.33 18.44
Price/Bookvalue	2.48 2.24 2.05 1.87
Price/FCF	21.26 12.65 14.86 14.33
ROE (in %)	12.09 11.62 11.07 0.00
ROIC (in %)	12.40 11.98 11.48 11.05
Dividend yield (in %)	0.82 0.99 1.03 1.08
Number of shares (in mln)	13.28
MarketCap / EV (in €m)	405.0 / 362.7
Free float (in %)	22
Ø daily trading vol. (3M, in €ths.)	28.01
12M high / low (in €; close)	33.40 / 22.60
Price April 28, 2023 (in €; close)	30.50
Performance	1M 6M 12M
absolute (in %)	-2.6% 12.5% 3.7%
relative (in %)	-10.8% -11.2% -15.9%
Benchmark index	Daxsubsector Software



Frequentis AG (XETRA; red, light) Performance 1y vs. DAXsubsector Software (black)

Source: Bloomberg

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Acquisitions are and remain a central strategic component

Acquisitions are a central component of Frequentis' growth strategy. The acquisitions are often technology-driven and complement or expand the existing product portfolio. The target criteria are: Access to new markets, profitable business model, compatible company culture, management remains on board, and a reasonable/attractive acquisition price. In 2022 and 2023, there were a total of **three acquisitions** (eight since the IPO). In January 2022, a 51% stake was taken in Italy's **Regola**, a provider of command and control (CAD) solutions that strengthen Frequentis' **PST portfolio**. The core product is the UNIQUE CAD line, which is complemented by SaaS offerings. The motivation for the acquisition was to increase the internationalization of sales. In September 2022, Frequentis entered into a 25% investment in **Aviamaps Oy** (Finland), with which it already had a previous cooperation in research projects (ATM segment). The software company Aviamaps specializes in solutions related to drone flights - in the course of 2023, the software will be used as part of the Frequentis solution in the automatic clearance of drone flights in Austria. The acquisition in April 2023 of **FRAFOS**, a leading provider of BSI-certified IT security solutions for VoIP communication founded in 2010, can be assigned to the PST segment. Here, the focus was primarily on the technology ("make-or-buy" decision), which is to benefit Frequentis customers in the future.

R&D budget continues to increase in 2023 - innovations are part of strategy

R&D activities can be roughly divided into (specific) projects directly commissioned by the customer and in-house R&D. The latter is reported (2022: 1.5 million euros). The latter is reported (2022: € 26.8 million; 2021: € 15.0 million) and is expected to **increase further in 2023**. Cyber security is an R&D topic that is gaining in importance (Frequentis has strengthened itself here with the FRAFOS acquisition, among other things). Among the **innovations** that Frequentis is advancing for its customers in safety-critical areas, the fields of digital (remote) tower, drone management, and 5G/LTE use are worth mentioning. Funding projects on future topics are occasionally supported by the EU, for example, so that revenues (R&D funding revenues + research premia) of € 6.9 million (previous year: € 5.7 million) were generated in 2022.

Both segments showed double-digit growth ...

Growth at Frequentis was driven by both segments: revenue in **Air Traffic Management (ATM)** increased by **17.3%** to € 257.8 million, while the **Public Safety & Transport (PST)** segment recorded a **12.4%** increase to € 127.7 million. The regional sales mix showed only slight changes compared to the previous year - with the exception of Africa, all regions were able to increase their sales in absolute terms, Europe as the home region (share of sales 65.5% compared to 67.8% previously) lost some of its weight, while Asia was the fastest growing region with 12% (to € 45 million).

... broad base of new customer projects

Internationalization continues to progress, as evidenced by the **new projects** acquired in H2 2022 and 2023: In March 2023, it was announced that the **Dutch air navigation service provider LVNL** (an existing customer) will also rely on Frequentis' uniform data exchange platform (**MosaiX**) in the future. **Another ATM project** is the test of **digital tower technology for the US Department of Defense** at the Air Force Base in Georgia, which was reported in February. A remote digital tower contract was also acquired in France. In December 2022, a contract was signed with **ASECNA** (Aerial Navigation Safety in Africa and Madagascar) for the implementation of an **aviation message handling system (AMHS)**, April 2023, an AMHS order was reported from **South Korea**, which was implemented together with the Korean "IB Leaders". In the PST area, the extension of a partnership with Australasia's leading provider of maritime safety systems, Kordia, was announced, among other things. The communication

Frequentis AG

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solution for Rescue control center ASGARD will be used in the future by the Zweckverband für Rettungsdienst und Feuerwehralarmierung Saar (ZRF Saar).

The equity ratio was a solid 43.3%, up 2.2 percentage points on the previous year. Despite M&A activities, net liquidity was at € 91 million (-10% yoy). While we expect inventories in 2023 to be little changed compared to 2022, the easing supply chain stress in 2024 will allow us to reduce inventories to ca. € 18 million - reducing capital commitment and further improving (net) liquidity. **Dividend** for 2022 will be increased by 10% to € 0.22 per share, although a slight decline in consolidated earnings was observed in 2022. In our opinion, this shows the company's confidence in its further expansion and - against the background of further planned acquisitions - is at the same time an expression of a strong balance sheet and a shareholder-friendly corporate policy.

**Solid balance sheet -
dividend to be
increased**

Valuation

DCF model

in € ths.	2022a	Phase I				Phase II				Terminal Value
		2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	
	Basis	1	2	3	4	5	6	7	8	
	Growth	4.7%	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%	1%
Total Revenue	399,080	417,923	438,497	460,094	482,764	506,560	531,540	557,762	585,288	591,141
EBIT	24,991	25,340	26,738	28,200	29,729	33,108	36,748	40,667	44,885	47,566
- adapted Tax on EBIT (2023 cont.)	5,400	6,082	6,150	6,486	6,838	7,615	8,452	9,353	10,323	10,940
+ Depreciation and amortization	20,641	21,278	21,888	22,529	23,202	23,909	24,651	25,431	26,249	26,421
+ Change in long-term provisions	-2,151	0	0	0	0	0	0	0	0	0
- Change in net working capital	23,561	3,942	-2,286	3,667	3,850	4,043	4,245	4,457	4,680	5,505
+ Other non-cash items	25	0	0	0	0	0	0	0	0	0
- Capex (net of RoU)	20,143	12,212	12,822	13,463	14,136	14,843	15,585	16,365	17,183	17,355
- Capex in Right of Use	8,686	9,066	9,066	9,066	9,066	9,066	9,066	9,066	9,066	9,066
= Free Cash Flow	-14,284	15,316	22,874	18,047	19,041	21,450	24,051	26,857	29,881	31,120
Terminal Value										453,658
Discount factor	n.a.	0.93	0.86	0.80	0.74	0.69	0.64	0.59	0.55	0.55
NPV of Free Cash Flows	n.a.	14,217	19,711	14,436	14,138	14,785	15,388	15,951	16,474	
NPV of Terminal Value										250,112
Valuation		Proportion of Enterprise Value								
Result of phase I and II	125,100	33%								
+ Result of Terminal Value	250,112	67%								
= Entity Value	375,212									
+ Net liquidity (as of Dec 31, 2022)	61,746	(Cash - langfr. und kurzfr. Finanzschulden - Pensionsverbindlichkeiten)								
- Minorities (as of Dec 31, 2022)	2,224									
= Equity Value	434,734									
Current No. of Shares (in ths.)	13,280									
Price per Share	32.74									

Model assumptions

	Source
Risk free return*	2.47% Bloomberg
Expected Market Return	9.19% Bloomberg / KPMG
Market risk premium	6.72%
Levered Beta	0.98
Beta in Terminal Value = 1	
Cost of Equity	9.03%
Target weight (mean of Peer Group)	81%
Cost of Debt	3.00%
Target weight (mean of Peer Group)	19%
Tax shield	25%
WACC phase I and II	7.73%
WACC TV	7.86%
Growth in Terminal Value	1.00%

*Spot rate German Government Bond, 20 years

Sensitivity analysis

Growth rate Terminal Value	WACC in Terminal Value						
	6.5%	7.0%	7.5%	7.9%	8.5%	9.0%	9.5%
0.0%	33.55	32.14	30.93	30.15	28.92	28.09	27.34
0.5%	35.31	33.66	32.25	31.35	29.96	29.01	28.17
1.0%	37.39	35.44	33.78	32.74	31.13	30.05	29.10
1.5%	39.89	37.53	35.56	34.33	32.47	31.23	30.15
2.0%	42.95	40.04	37.67	36.21	34.01	32.57	31.33

Growth rate Terminal Value	EBIT margin in Terminal Value						
	6.5%	7.0%	7.5%	8.0%	8.5%	9.0%	9.5%
0.0%	26.47	27.66	28.85	30.15	31.23	32.42	33.61
0.5%	27.40	28.68	29.96	31.35	32.51	33.79	35.07
1.0%	28.48	29.85	31.23	32.74	33.99	35.36	36.74
1.5%	29.72	31.21	32.70	34.33	35.69	37.18	38.68
2.0%	31.17	32.80	34.43	36.21	37.68	39.31	40.94

Source: BankM Research

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Frequentis AG

May 02, 2023

Valuation Summary - 5/10 -

Peer Group Analysis

Peer Group	Mkt Cap*	EV*	EV/Sales			EV/EBITDA			EV/EBIT			P/E		
	prev. Day	prev. Day	2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025
in € mln														
Saab AB	6,917	6,421	1.5	1.4	1.3	11.5	10.3	9.0	17.9	15.3	13.2	26.8	22.3	18.9
CeoTronics AG	27	34	1.2	1.0	0.9	7.1	5.9	5.6	10.1	8.1	7.7	11.9	9.5	9.0
Kudelski SA	103	355	0.5	0.5	0.5	7.0	6.2	5.9	19.7	13.6	10.2	-	21.2	10.9
PSI Software AG	462	441	1.6	1.5	1.3	11.4	9.5	8.3	17.8	13.6	11.3	24.9	19.4	15.9
Kapsch TrafficCom AG	161	345	-	-	-	-	-	-	-	-	-	neg.	-	-
Secunet Security Networks AG	1,300	1,297	3.5	3.0	2.7	19.1	16.4	14.1	25.8	21.4	17.9	38.0	31.6	26.5
GFT Technologies SE	941	950	1.1	1.0	0.9	9.9	8.7	7.9	13.0	10.9	9.8	18.6	15.4	13.9
Traffic Systems SE	321	344	1.6	1.3	1.2	10.0	8.1	6.9	13.9	10.6	8.9	18.3	14.6	12.3
IVU Traffic Technologies AG	303	290	-	-	-	-	-	-	-	-	-	-	-	-
Adacel Technologies Ltd	30	32	1.5	1.4	1.1	11.3	9.1	7.3	16.3	12.5	9.9	19.3	14.8	10.4
Amper SA	171	198	-	-	-	-	-	-	-	-	-	-	-	-
Kontron AG	1,115	917	0.8	0.7	0.6	7.1	5.9	5.0	10.7	8.8	7.3	16.0	13.3	10.9
SRT Marine Systems PLC	87	94	2.8	-	-	33.2	-	-	neg.	-	-	neg.	-	-
CS Group SA	283	343	1.0	1.0	0.9	10.9	8.9	7.3	17.4	12.6	10.2	23.2	16.2	12.4
Rosenbauer International AG	217	539	0.5	0.5	0.5	8.3	6.2	5.8	15.3	9.6	8.7	12.4	6.5	5.9
Median**	282.5	344.5	1.3	1.0	0.9	10.4	8.7	7.3	15.1	12.5	9.9	22.6	15.4	12.3
Mean (for information, only)	829.1	840.0	1.5	1.2	1.1	12.2	8.6	7.5	16.2	12.5	10.5	20.9	16.8	13.4
			Sales			EBITDA			EBIT			Net result		
Frequentis AG op. key figures	407.20	427.56	448.94	46.62	48.63	50.73	25.34	26.74	28.20	18.79	19.98	20.95		

*Closing prices prev. day, if not available: current prices

** All values, including negative ones, are considered for median calculation, with negative values receiving the highest rank

Enterprise Value	531.08	423.30	421.71	485.60	421.42	368.14	381.82	335.36	278.31					
+ Net liquidity as of Dec 31, 2021	61.75	61.75	61.75	61.75	61.75	61.75	61.75	61.75	61.75	61.75	61.75	61.75	61.75	61.75
- Minorities as of Dec 31, 2021	2.22	2.22	2.22	2.22	2.22	2.22	2.22	2.22	2.22	2.22	2.22	2.22	2.22	2.22
Value of the Equity	590.60	482.82	481.23	545.12	480.94	427.66	441.34	394.88	337.84	424.17	308.26	257.92		

Year	2023	2024	2025
Implicit price per share	37.67	31.38	28.33

Calculation of the Equity Value (in €mln)	2023	2024	2025
- based on EV/Sales	590.60	482.82	481.23
- based on EV/EBITDA	545.12	480.94	427.66
- based on EV/EBIT	441.34	394.88	337.84
- based on P/E	424.17	308.26	257.92
Mean	500.31	416.72	376.16
No. of shares (in ths.)	13,280	13,280	13,280
Price/share (€)	37.67	31.38	28.33

Source: Bloomberg, BankM Research

Valuation Summary

Our **DCF analysis** suggests a value per share of € 32.74 and the **peer group analysis** based on 2023, 2024 and 2025 yields an average value per share of € 32.46. Equal weighting of both approaches returns a fair value **per Frequentis share of € 32.60**. Our fair value thus exceeds the current share price by 6.9% and entails a "Hold" rating based on our valuation scheme.

Fair Value per share: €32.60

Tables

Profit & Loss Account

Fiscal Year 31.12 (IFRS) in € ths.	2021a	2022a	2023e	2024e	2025e	2026e	5y - CAGR (%) 2021 -2026
Net sales	333,526	385,970	407,198	427,558	448,936	471,383	7.2
<i>Growth rate (in %)</i>	11.4	15.7	5.5	5.0	5.0	5.0	
Changes in inventory	-202	22	0	0	0	0	
Other own work capitalized	92	2,574	0	0	0	0	
Other operating income	9,451	10,514	10,724	10,939	11,158	11,381	
Profit from a business combination	1,951	0	0	0			
Total operating income	344,818	399,080	417,923	438,497	460,094	482,764	7.0
Cost of materials	75,696	99,250	104,709	109,944	115,441	121,213	
<i>in % of net sales</i>	22.7	25.7	25.7	25.7	25.7	25.7	
Gross profit	269,122	299,830	313,214	328,553	344,652	361,550	6.1
Personnel expenses	182,137	203,872	213,502	224,178	235,386	247,156	
<i>in % of net sales</i>	54.6	52.8	52.4	52.4	52.4	52.4	
Other operating expenses	40,479	50,326	53,094	55,749	58,536	61,463	
<i>in % of net sales</i>	12.1	13.0	13.0	13.0	13.0	13.0	
EBITDA	46,506	45,632	46,617	48,627	50,730	52,932	2.6
Depreciation and amortization	17,538	20,641	21,278	21,888	22,529	23,202	
<i>in % of net sales</i>	5.3	5.3	5.2	5.1	5.0	4.9	
EBIT	28,968	24,991	25,340	26,738	28,200	29,729	0.5
Interest income	79	209	209	209	209	209	
Interest expense	607	738	738	738	738	738	
Investments in associated companies	342	275	275	275	275	275	
Other Financial result	-857	0	0	0	0	0	
EBT	27,925	24,737	25,086	26,484	27,946	29,475	1.1
Taxes on Income (Exp.+/Inc.-)	7,158	5,859	6,021	6,091	6,428	6,779	
Net profit before minorities	20,767	18,878	19,065	20,393	21,519	22,696	1.8
Minorities	797	155	280	416	566	731	
Net profit after minorities	19,970	18,723	18,786	19,977	20,953	21,965	1.9
No. of shares	13,280	13,280	13,280	13,280	13,280	13,280	
Net profit / share (EPS)	1.50	1.41	1.41	1.50	1.58	1.65	
<i>Adj. net profit / share (adj. EPS)</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>1.65</i>	

Source: Frequentis AG (a), BankM Research (e)

P&L Margins

Margins (in %) of revenues	2021a	2022a	2023e	2024e	2025e	2026e
Gross profit margin	80.7	77.7	76.9	76.8	76.8	76.7
EBITDA margin	13.9	11.8	11.4	11.4	11.3	11.2
EBIT margin	8.7	6.5	6.2	6.3	6.3	6.3
EBT margin	8.4	6.4	6.2	6.2	6.2	6.3
<i>adj. EBT margin</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>6.3</i>
Net profit margin	6.0	4.9	4.6	4.7	4.7	4.7
<i>adj. Net profit margin</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>4.7</i>

Source: Frequentis AG (a), BankM Research (e)

Cash Flow Statement

Fiscal Year 31.12 (IFRS) in € ths.	2021a	2022a	2023e	2024e	2025e	2026e
EBT	27,925	24,737	25,086	26,484	27,946	29,475
+ Depreciation and amortization	18,401	20,641	21,278	21,888	22,529	23,202
+ Chg. in long-term provisions	3,860	-2,151	0	0	0	0
= Cash Earnings	50,186	43,227	46,363	48,373	50,476	52,678
- Chg. in net working capital	-4,810	23,561	3,942	-2,286	3,667	3,850
+ Financial result	199	107	254	254	254	254
- Tax	3,584	5,400	11,411	6,074	6,344	6,691
+ Others	-2,858	-150	0	0	0	0
= Operating Cash Flow	48,753	14,223	31,264	44,839	40,719	42,390
- Capex	24,613	20,143	12,212	12,822	13,463	14,136
= Free Cash Flow	24,140	-5,920	19,052	32,017	27,256	28,253
+ Increase in share capital (net)	0	0	0	0	0	0
- Share buyback	384	0	0	0	0	0
+ Bank and other loans	-1,400	-4,201	0	0	0	0
- Amortization Leasing	8,228	8,686	9,066	9,066	9,066	9,066
- Dividends	2,593	3,607	2,922	3,320	3,995	4,191
+ Financial result	0	0	-254	-254	-254	-254
+ Other items	0	0	0	0	0	0
= Incr. in Cash (+)/Decr. in Cash (-)	11,535	-22,414	6,810	19,377	13,941	14,743

Source: Frequentis AG (a), BankM Research (e)

Balance Sheet

Fiscal Year 31.12 (IFRS) in € ths.	2021a	2022e	2023e	2024e	2025e	2026e
Assets						
Total Fixed Assets	72,613	80,435	80,435	80,435	80,435	80,435
Tangible assets	47,717	53,298	53,298	53,298	53,298	53,298
<i>Normal assets</i>	9,053	13,260	13,260	13,260	13,260	13,260
<i>Leasing</i>	38,664	40,038	40,038	40,038	40,038	40,038
Intangible assets	17,717	14,501	14,501	14,501	14,501	14,501
Goodwill	3,433	5,834	5,834	5,834	5,834	5,834
Shares in associated companies	1,656	2,097	2,097	2,097	2,097	2,097
Equity instruments	0	0	0	0	0	0
Other assets	241	920	920	920	920	920
Deferred tax	1,849	3,785	3,785	3,785	3,785	3,785
Total Current Assets	243,083	259,840	275,229	296,766	319,042	342,538
Inventories	17,077	21,726	22,921	18,000	18,900	19,845
Accounts receivable & other assets	112,172	134,248	141,632	148,713	156,149	163,956
Securities	2,199	10,000	10,000	10,000	10,000	10,000
Total liquid funds	103,798	81,380	88,190	107,567	121,507	136,250
Other current assets	7,837	12,486	12,486	12,486	12,486	12,486
Balance Sheet Total	315,696	340,275	355,664	377,201	399,477	422,973
Equity / Liabilities						
Equity	129,850	147,279	163,423	180,496	198,019	216,524
Subscribed capital	13,280	13,280	13,280	13,280	13,280	13,280
Share premium	21,138	21,138	21,138	21,138	21,138	21,138
Other reserves	92,380	110,858	126,722	143,379	160,336	178,111
Own shares	-384	-221	-221	-221	-221	-221
Minorities	3,436	2,224	2,504	2,920	3,486	4,217
Long Term Liabilities	60,621	61,924	61,924	61,924	61,924	61,924
Provisions	19,992	17,263	17,263	17,263	17,263	17,263
Long-Term Loans	3,820	218	218	218	218	218
Lease Liabilities	29,785	30,763	30,763	30,763	30,763	30,763
Deferred tax	6,166	9,441	9,441	9,441	9,441	9,441
Other liabilities	858	4,239	4,239	4,239	4,239	4,239
Short Term Liabilities (< 1 year)	125,225	131,072	130,317	134,781	139,534	144,524
Acc. payable & pre-paymts.	78,810	84,293	88,929	93,376	98,044	102,947
Bank loans	1,085	199	199	199	199	199
Lease Liabilities	7,794	8,422	8,422	8,422	8,422	8,422
Provisions	17,415	14,914	14,914	14,914	14,914	14,914
Tax liabilities	4,992	6,896	1,505	1,523	1,607	1,695
other current liabilities	15,129	16,348	16,348	16,348	16,348	16,348
Balance Sheet Total	315,696	340,275	355,664	377,201	399,477	422,973

Source: Frequentis AG (a), BankM Research (e)

Balance Sheet Ratios

In % of Balance Sheet Total	2021a	2022e	2023e	2024e	2025e	2026e
Total Fixed Assets	23.00	23.64	22.62	21.32	20.14	19.02
Total Current Assets	77.00	76.36	77.38	78.68	79.86	80.98
Inventories	5.41	6.38	6.44	4.77	4.73	4.69
Trade receivables	35.53	39.45	39.82	39.43	39.09	38.76
Total liquid funds	32.88	23.92	24.80	28.52	30.42	32.21
Shareholder's Equity	41.13	43.28	45.95	47.85	49.57	51.19
Long Term Liabilities	19.20	18.20	17.41	16.42	15.50	14.64
Short Term Liabilities	39.67	38.52	36.64	35.73	34.93	34.17
Total Liabilities	58.87	56.72	54.05	52.15	50.43	48.81

Source: Frequentis AG (a), BankM Research (e)

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Responsible for the content of this document: BankM AG, Frankfurt am Main, Germany ("BankM"). We appreciate the qualified support of Jan Kaden during his internship as part of his dual study program.

Authors: Daniel Grossjohann and Dr. Roger Becker (CEFA), analysts.

Regulatory authority for BankM is the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin), Graurheindorfer Straße 108, 53117 Bonn, Germany and Marie-Curie-Straße 24-28, 60439 Frankfurt am Main, Germany.

Issuer of the analysed instruments is Frequentis AG.

Notice regarding previous publications regarding the issuer within the last 12 months:

Analysts	Date	Valuation Result	Fair Value
Daniel Großjohann, Dr. Roger Becker (CEFA)	August 24, 2020	Buy	€ 25.00
Daniel Großjohann, Dr. Roger Becker (CEFA)	April 14, 2021	Buy	€ 25.93
Daniel Großjohann, Dr. Roger Becker (CEFA)	August 20, 2021	Hold	€ 28.07
Daniel Großjohann, Dr. Roger Becker (CEFA)	February 11, 2022	Hold	€ 30.46
Daniel Großjohann, Dr. Roger Becker (CEFA)	April 12, 2022	Buy	€ 34.21
Daniel Großjohann, Dr. Roger Becker (CEFA)	August 24, 2022	Hold	€ 30.47

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3. Date and time of finalisation of this document (German original):

May 02, 2023, 10:30 a.m. (CEST)

4. Date and time of prices of the instruments quoted in this document:

Closing prices of April 28, 2023, 5:30 p.m. (CEST)

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