

tokenus investment AG

Germany | Technology | MCap EUR 21.9m

7 February 2022

UPDATE



Qredo value soars more than 20x in Series A funding; PT up

What's it all about?

On Friday, Qredo announced a Series A funding round, raising USD 80m at a post-money valuation of USD 460m, one of the largest funding rounds in the blockchain space. tokenus is an early investor in Qredo, entering the capital in the Seed round. tokenus also participated in the latest Series A funding with USD 1m. Qredo's implied pre-money valuation of USD 380m compares to the valuation of USD 18m in the preceding Seed Round and thus translates into a more than 20x value appreciation for tokenus's original stake. We update our NAV calculation, taking into account the value appreciation of the Qredo equity stake and also the price increase in the Qredo token. The **upgraded price target is EUR 6.40** (old: EUR 5.34), translating into **more than 140% upside**. The Qredo transaction validates the investment strategy of tokenus and shows that there continue to be attractive investment opportunities for tokenus' dry powder: BUY.

BUY (BUY)

Target price	EUR 6.40 (5.34)
Current price	EUR 2.60
Up/downside	146.2%

 **ResearchHub** 

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Qredo value soars more than 20x in Series A funding; PT up

Qredo funding at post-money USD 460m. On Friday, Qredo announced a Series A funding round raising USD 80m at a post-money valuation of USD 460m, one of the largest funding rounds in the blockchain space. The implied pre-money valuation of USD 380m compares to the valuation of USD 18m in the preceding Seed Round and thus translates into a more than 20x value appreciation for tokentus's stake. Qredo is a decentralized Layer 2 infrastructure for the custody and settlement of digital assets, targeting institutional clients.

tokentus participates with USD 1m. Prior to the Series A round, tokentus held 1,73% of the outstanding share capital of Qredo. With a participation of USD 1m in the USD 80m round, i.e. 1.25%, the share is slightly diluted to 1.66%. At the latest valuation, this stake is worth c. EUR 6.7m, comparing to a total investment (Seed and Series A) of c. EUR 1.2m.

High class co-investors. The Series A raise was led by 10T Holdings and included strategic investors Coinbase Ventures, Avalanche and Terra, and top tier financial investors Kingsway Capital, HOF Capital, Raptor Group and GoldenTree Asset Management – thus tokentus is in the company of some of the biggest and most sophisticated investors in the crypto space.

Adjusting PT for Qredo equity and token appreciation: The successful equity funding of Qredo has also served as a catalyst for a rerating of the Qredo token. Since our last update, the token price has appreciated from USD 2.37 to USD 3.17. We switch back to using the 30-day average with a 20% discount as basis for NAV calculation (see next page). The **upgraded price target is EUR 6.40** (old: EUR 5.34), translating into **more than 140% upside**. The Qredo transaction validates the investment strategy of tokentus and shows that there continue to be attractive investment opportunities for tokentus' dry powder: BUY.



Source: finanzen.net

High/low 52 weeks 3.00 / 2.20
Price/Book Ratio 4.7x

Ticker / Symbols

ISIN DE000A3CN9R8
WKN A3CN9R
Bloomberg 14D:GR

Changes in estimates

		Sales	EBIT	EPS
2021	old	00.0	00.0	00.0
	Δ	-	-	-
2022	old	00.0	00.0	00.0
	Δ	-	-	-
2023	old	00.0	00.0	00.0
	Δ	-	-	-

Key share data

Number of shares: (in m pcs) 8.43
Book value per share: (in EUR) 0.55
Ø trading volume: (12 months) 400

Major shareholders

Jörg Erler 8.0%
PP Ventures GmbH 6.4%
Free Float 85.6%

Company description

tokentus is a highly focused investment company, investing into private blockchain companies and related tokens.

tokentus investment AG	2018	2019	2020	2021E	2022E	2023E
Sales	0.0	0.0	0.0	0.0	0.0	0.0
Growth yoy	Na	na	na	na	na	na
EBITDA	0.0	-0.2	-0.5	-1.0	-1.6	-1.7
EBIT	0.0	-0.2	-0.5	-1.0	-1.6	-1.7
Net profit	0.0	-0.2	-0.5	-0.6	-1.0	-1.1
Net debt (net cash)	0.0	-2.2	-1.4	-11.2	-10.2	-9.1
EPS recurring	0.0	-0.05	-0.12	-0.08	-0.12	-0.13
DPS	0.0	0.00	0.00	0.00	0.00	0.00
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Gross profit margin	na	na	na	na	na	na
EBIT margin	na	na	na	na	na	na
ROCE	na	-8.8%	-20.0%	-8.2%	-14.3%	-15.1%
EV/EBITDA	na	-100.6x	-43.9x	-10.7x	-7.3x	-7.6x
EV/EBIT	na	-100.6x	-43.5x	-10.7x	-7.3x	-7.6x
PER	na	-53.0x	-21.9x	-33.7x	-21.1x	-20.1x
FCF yield	na	-1.9%	-4.6%	-3.9%	-4.7%	-5.0%

Source: Company data, AlsterResearch

Valuation

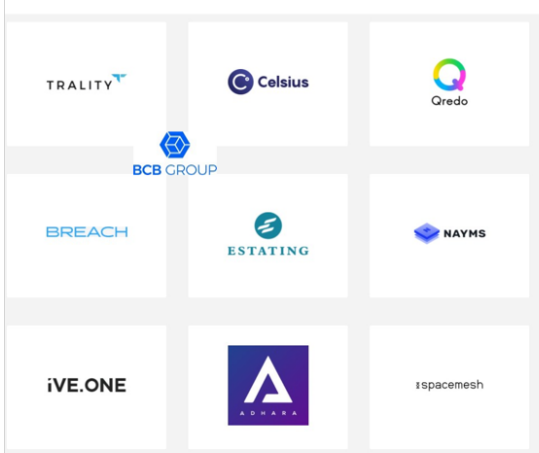
Valuation tokentus

Company Value		Investment		
Company	(EUR m)	Valuation base	Equity stake	value (EUR k)
Trality	2,9	latest post-money valuation	4,07%	118
Adhara	na	valuation prospectus	1,15%	231
Qredo	402,3	latest post-money valuation	1,66%	6.678
Breach	na	Investment via SAFE	na	124
BCB Group	na	latest post-money valuation	na	500
Nayms	7,6	latest post-money valuation	3,38%	258
IVE.ONE	na	convertible loan agreement	na	250
Estating	12,5	latest post-money valuation	1,19%	149
Celsius	2623,8	latest post-money valuation	0,24%	6.334
spacemesh	na	valuation prospectus (Unruly)	0,20%	189
			equity total	14.830
Number tokens				
Token	(m)	Valuation base		
Qredo	12,2	coinmarketcap 30d avg (USD)	3,52	
		Exchange rate	1,14	
		Price per token (EUR)	3,08	
		Discount for lockup	20%	
		Adj. price per token (EUR)	2,46	30.019
			token total	30.019
			+ equity total	14.830
			portfolio value	44.849
			- 8 years discounted steady state costs	1.145
			+ current cash	10.234
			NAV	53.938
			number shares (k)	8.431
			NAV per share (EUR)	6,40

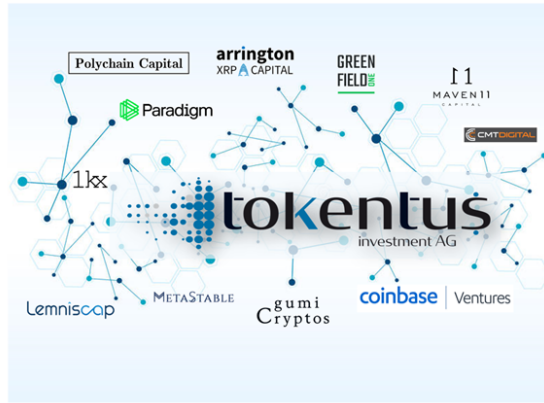
Source: AlsterResearch

Investment case in six charts

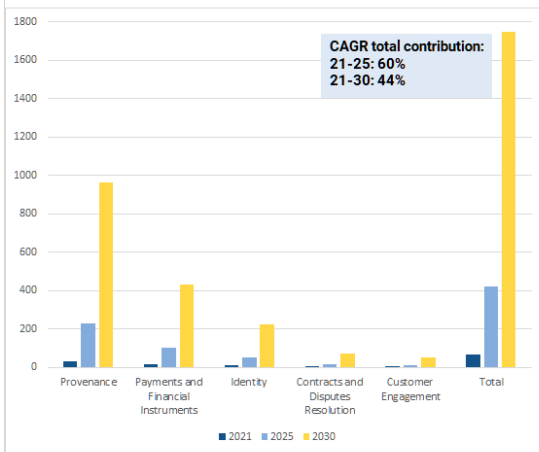
Portfolio Companies



Network of Prestigious Co-investors

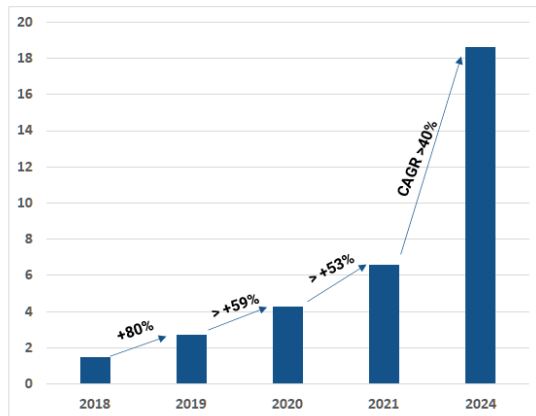


Blockchain's Economic Contributions (USD bn)



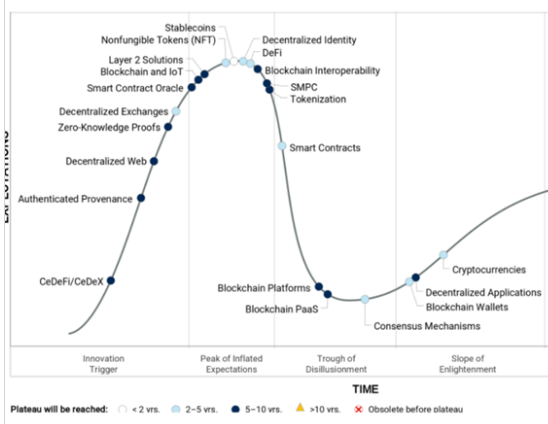
Source: PwC, Time for Trust, October 2020

Global Spending on Blockchain Solutions (USD bn)



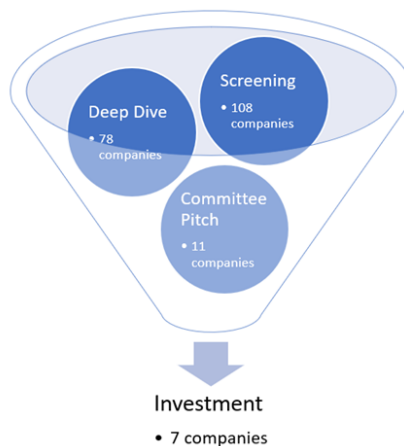
Source: IDC

The Gartner Blockchain Hype Cycle



Source: Gartner (July 2021)

Investment Funnel



Source : Company data, AlsterResearch

Financials

Profit and loss (EUR m)	2018	2019	2020	2021E	2022E	2023E
Net sales	0.0	0.0	0.0	0.0	0.0	0.0
Sales growth	na	na	na	na	na	na
Change in finished goods and work-in-process	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	0.0	0.0	0.0	0.0	0.0	0.0
Material expenses	0.0	0.0	0.0	0.0	0.0	0.0
Gross profit	0.0	0.0	0.0	0.0	0.0	0.0
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0
Personnel expenses	0.0	0.1	0.3	0.5	0.8	0.8
Other operating expenses	0.0	0.1	0.2	0.5	0.8	0.9
EBITDA	0.0	-0.2	-0.5	-1.0	-1.6	-1.7
Depreciation	0.0	0.0	0.0	0.0	0.0	0.0
EBITA	0.0	-0.2	-0.5	-1.0	-1.6	-1.7
Amortization of goodwill and intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	0.0	-0.2	-0.5	-1.0	-1.6	-1.7
Financial result	0.0	0.0	0.0	0.0	0.0	0.0
Recurring pretax income from continuing operations	0.0	-0.2	-0.5	-1.0	-1.6	-1.7
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	0.0	-0.2	-0.5	-1.0	-1.6	-1.7
Taxes	0.0	0.0	0.0	-0.3	-0.6	-0.6
Net income from continuing operations	0.0	-0.2	-0.5	-0.6	-1.0	-1.1
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	0.0	-0.2	-0.5	-0.6	-1.0	-1.1
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	0.0	-0.2	-0.5	-0.6	-1.0	-1.1
Average number of shares	3.98	3.98	3.98	8.43	8.43	8.43
EPS reported	0.00	-0.05	-0.12	-0.08	-0.12	-0.13

Profit and loss (common size)	2018	2019	2020	2021E	2022E	2023E
Net sales	na	na	100%	100%	100%	100%
Change in finished goods and work-in-process	na	na	0%	0%	0%	0%
Total sales	na	na	100%	100%	100%	100%
Material expenses	na	na	0%	0%	0%	0%
Gross profit	na	na	100%	100%	100%	100%
Other operating income	na	na	0%	0%	0%	0%
Personnel expenses	na	na	1,074%	212,766%	319,149%	335,106%
Other operating expenses	na	na	1,016%	212,766%	361,702%	379,787%
EBITDA	na	na	-1,990%	-425,432%	-680,751%	-714,794%
Depreciation	na	na	20%	0%	0%	0%
EBITA	na	na	-2,011%	-425,432%	-680,751%	-714,794%
Amortization of goodwill and intangible assets	na	na	0%	0%	0%	0%
EBIT	na	na	-2,011%	-425,432%	-680,751%	-714,794%
Financial result	na	na	2%	0%	0%	0%
Recurring pretax income from continuing operations	na	na	-2,009%	-425,432%	-680,751%	-714,794%
Extraordinary income/loss	na	na	0%	0%	0%	0%
Earnings before taxes	na	na	-2,009%	-425,432%	-680,751%	-714,794%
Taxes	na	na	0%	-148,901%	-238,263%	-250,178%
Net income from continuing operations	na	na	-2,009%	-276,531%	-442,488%	-464,616%
Result from discontinued operations (net of tax)	na	na	0%	0%	0%	0%
Net income	na	na	-2,009%	-276,531%	-442,488%	-464,616%
Minority interest	na	na	0%	0%	0%	0%
Net profit (reported)	na	na	-2,009%	-276,531%	-442,488%	-464,616%

Source: Company data; AlsterResearch

Balance sheet (EUR m)	2018	2019	2020	2021E	2022E	2023E
Intangible assets (excl. Goodwill)	0.0	0.0	0.0	0.0	0.0	0.0
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	0.0	0.0	0.0	0.0	0.0	0.0
Financial assets	0.0	0.0	1.0	1.0	1.0	1.0
FIXED ASSETS	0.0	0.0	1.0	1.0	1.0	1.0
Inventories	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	0.0	0.0	0.0	0.0	0.0	0.0
Other current assets	0.0	0.0	0.0	0.0	0.0	0.0
Liquid assets	0.0	2.2	1.4	11.2	10.2	10.1
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	0.0	2.2	1.4	11.2	10.2	10.1
TOTAL ASSETS	0.0	2.2	2.4	12.3	11.2	11.1
SHAREHOLDERS EQUITY	0.0	2.1	2.2	12.3	11.2	10.1
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	0.0	0.0	0.0	0.0	0.0	0.0
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	0.0	0.2	0.2	0.0	0.0	0.0
Non-current liabilities	0.0	0.2	0.2	0.0	0.0	0.0
short-term liabilities to banks	0.0	0.0	0.0	0.0	0.0	1.0
Accounts payable	0.0	0.0	0.0	0.0	0.0	0.0
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	0.0	0.0	0.0	0.0	0.0	0.0
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	0.0	0.0	0.0	0.0	0.0	1.0
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	0.0	2.2	2.4	12.3	11.2	11.1

Balance sheet (common size)	2018	2019	2020	2021E	2022E	2023E
Intangible assets (excl. Goodwill)	na	0%	1%	0%	0%	0%
Goodwill	na	0%	0%	0%	0%	0%
Property, plant and equipment	na	0%	0%	0%	0%	0%
Financial assets	na	0%	42%	8%	9%	9%
FIXED ASSETS	na	0%	42%	8%	9%	9%
Inventories	na	0%	0%	0%	0%	0%
Accounts receivable	na	0%	0%	0%	0%	0%
Other current assets	na	0%	0%	0%	0%	0%
Liquid assets	na	100%	58%	92%	91%	91%
Deferred taxes	na	0%	0%	0%	0%	0%
Deferred charges and prepaid expenses	na	0%	0%	0%	0%	0%
CURRENT ASSETS	na	100%	58%	92%	91%	91%
TOTAL ASSETS	na	100%	100%	100%	100%	100%
SHAREHOLDERS EQUITY	na	92%	91%	100%	100%	91%
MINORITY INTEREST	na	0%	0%	0%	0%	0%
Long-term debt	na	0%	0%	0%	0%	0%
Provisions for pensions and similar obligations	na	0%	0%	0%	0%	0%
Other provisions	na	7%	7%	0%	0%	0%
Non-current liabilities	na	7%	7%	0%	0%	0%
short-term liabilities to banks	na	0%	0%	0%	0%	9%
Accounts payable	na	1%	1%	0%	0%	0%
Advance payments received on orders	na	0%	0%	0%	0%	0%
Other liabilities (incl. from lease and rental contracts)	na	0%	1%	0%	0%	0%
Deferred taxes	na	0%	0%	0%	0%	0%
Deferred income	na	0%	0%	0%	0%	0%
Current liabilities	na	1%	1%	0%	0%	9%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	na	100%	100%	100%	100%	100%

Source: Company data; AlsterResearch

Cash flow statement (EUR m)	2018	2019	2020	2021E	2022E	2023E
Net profit/loss	0.0	-0.2	-0.5	-0.6	-1.0	-1.1
Depreciation of fixed assets (incl. leases)	0.0	0.0	0.0	0.0	0.0	0.0
Amortization of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortization of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	-0.2	0.0	0.0
Cash flow from operations before changes in w/c	0.0	-0.2	-0.5	-0.8	-1.0	-1.1
Increase/decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in accounts receivable	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in accounts payable	0.0	0.0	0.0	-0.0	0.0	0.0
Increase/decrease in other w/c positions	0.0	0.0	0.0	-0.0	0.0	0.0
Increase/decrease in working capital	0.0	0.0	0.0	-0.0	0.0	0.0
Cash flow from operating activities	0.0	-0.2	-0.5	-0.9	-1.0	-1.1
CAPEX	0.0	0.0	0.0	0.0	0.0	0.0
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	-1.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from investing activities	0.0	0.0	-1.0	0.0	0.0	0.0
Cash flow before financing	0.0	-0.2	-1.5	-0.9	-1.0	-1.1
Increase/decrease in debt position	0.0	0.0	0.0	0.0	0.0	1.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	2.2	0.6	10.7	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	0.0	2.2	0.6	10.7	0.0	1.0
Increase/decrease in liquid assets	0.0	2.0	-0.9	9.9	-1.0	-0.1
Liquid assets at end of period	0.0	2.2	1.4	11.2	10.2	10.1

Source: Company data; AlsterResearch

Regional sales split (EURm)	2018	2019	2020	2021E	2022E	2023E
Domestic	0.0	0.0	0.0	0.0	0.0	0.0
Europe (ex domestic)	0.0	0.0	0.0	0.0	0.0	0.0
The Americas	0.0	0.0	0.0	0.0	0.0	0.0
Asia	0.0	0.0	0.0	0.0	0.0	0.0
Rest of World	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	0.0	0.0	0.0	0.0	0.0	0.0

Regional sales split (common size)	2018	2019	2020	2021E	2022E	2023E
Domestic	na	na	0.0%	0.0%	0.0%	0.0%
Europe (ex domestic)	na	na	0.0%	0.0%	0.0%	0.0%
The Americas	na	na	0.0%	0.0%	0.0%	0.0%
Asia	na	na	0.0%	0.0%	0.0%	0.0%
Rest of World	na	na	0.0%	0.0%	0.0%	0.0%
Total sales	na	na	100%	100%	100%	100%

Source: Company data; AlsterResearch

Ratios	2018	2019	2020	2021E	2022E	2023E
Per share data						
Earnings per share reported	0.00	-0.05	-0.12	-0.08	-0.12	-0.13
Cash flow per share	0.00	-0.05	-0.12	-0.10	-0.12	-0.13
Book value per share	0.00	0.52	0.55	1.45	1.33	1.20
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
Valuation						
P/E	na	-53.0x	-21.9x	-33.7x	-21.1x	-20.1x
P/CF	na	-53.0x	-21.7x	-25.6x	-21.1x	-20.1x
P/BV	na	5.0x	4.7x	1.8x	2.0x	2.2x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	0.0%	-1.9%	-4.6%	-3.9%	-4.7%	-5.0%
EV/Sales	na	na	na	na	na	na
EV/EBITDA	na	na	na	na	na	na
EV/EBIT	na	na	na	na	na	na
Income statement (EURm)						
Sales	0.0	0.0	0.0	0.0	0.0	0.0
yoy chg in %	na	na	na	na	na	na
Gross profit	0.0	0.0	0.0	0.0	0.0	0.0
Gross margin in %	na	na	na	na	na	na
EBITDA	0.0	-0.2	-0.5	-1.0	-1.6	-1.7
EBITDA margin in %	na	na	na	na	na	na
EBIT	0.0	-0.2	-0.5	-1.0	-1.6	-1.7
EBIT margin in %	na	na	na	na	na	na
Net profit	0.0	-0.2	-0.5	-0.6	-1.0	-1.1
Cash flow statement (EURm)						
CF from operations	0.0	-0.2	-0.5	-0.9	-1.0	-1.1
Capex	0.0	0.0	0.0	0.0	0.0	0.0
Maintenance Capex	0.0	0.0	0.0	0.0	0.0	0.0
Free cash flow	0.0	-0.2	-0.5	-0.9	-1.0	-1.1
Balance sheet (EURm)						
Intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Tangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Shareholders' equity	0.0	2.1	2.2	12.3	11.2	10.1
Pension provisions	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities and provisions	0.0	0.2	0.2	0.0	0.0	1.0
Net financial debt	0.0	-2.2	-1.4	-11.2	-10.2	-9.1
w/c requirements	0.0	-0.0	-0.0	0.0	0.0	0.0
Ratios						
ROE	na	-9.5%	-21.5%	-5.3%	-9.3%	-10.8%
ROCE	na	-8.8%	-20.0%	-8.2%	-14.3%	-15.1%
Net gearing	Na	-108.6%	-63.1%	-91.7%	-91.0%	-90.0%
Net debt / EBITDA	na	11.5x	3.0x	11.2x	6.4x	5.4x

Source: Company data; AlsterResearch

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