

tokenus investment AG

Germany | Technology | MCap EUR 10.4m

14 June 2022

UPDATE



Problems at Celsius; PT down for crypto prices

What's it all about?

Recently, the blockchain and crypto markets have been dominated by bad news, which also had an impact on tokenus' portfolio companies. In that respect, one of tokenus' core participations, Celsius networks, yesterday blocked customers from pulling funds from its platform, citing extreme market conditions. This follows strong withdrawals from customers as investors are reducing their risks in all asset classes, the crypto equivalent of a bank run. Sticking to our principle that we only adjust the fair value of equity investments if future financing rounds provide reliable evidence of value changes, we leave the value unchanged despite the bad news. Updating the NAV with the 30-day average price of the Qredo token and applying the 20% discount for the lock-up, we come to a new fair value of EUR 3.50 (old: EUR 4.43). Remains a BUY

BUY (BUY)

Target price	EUR 3.50 (4.43)
Current price	EUR 1.23
Up/downside	184.6%



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Germany | Technology | MCap EUR 10.4m | EV EUR -0.9m

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Problems at Celsius; PT down for crypto prices

Problems at Celsius. One of tokenus' core participations, Celsius networks, yesterday blocked customers from pulling funds from its platform, citing extreme market conditions. This follows strong withdrawals from customers as investors are reducing their risks in all asset classes, the crypto equivalent of a bank run. Celsius Network is one of the biggest players in the digital lending market, providing users with the ability to lend out their tokens in return for interest rates up to 17%. On 12 October 2021, Celsius had announced a USD 400m funding round with a large private equity firm and a leading Canadian pension fund, valuing Celsius in excess of USD 3bn.

A string of bad news from crypto markets. Recently, the blockchain and crypto markets have been dominated by bad news: stablecoins are becoming unpegged (Terra/Luna) and many altcoins have seen a steep decline in market value. Even lead crypto currencies Bitcoin and Ether have declined significantly. As is often the case in times of crisis, the market stops to differentiate between serious applications with significant market potential which make up the majority of tokenus portfolio and gimmicks like meme coins. Recent news from another portfolio company, Nayms, show that some blockchain business models should be largely unaffected by the short-term distortions of the market.

Adjusting PT. tokenus holds 0.24% in Celsius, which we currently value at c. EUR 6.9m, or EUR 0.81 per share. Sticking to our principle that we only adjust the fair value of equity investments if future financing rounds provide reliable evidence of value changes, we leave the value unchanged despite the bad news. Updating the NAV with the 30-day average price of the Qredo token and applying the 20% discount for the lock-up, we come to a new fair value of EUR 3.50 (old: EUR 4.43). Remains a BUY.



Source: finanzen.net

High/low 52 weeks 3.00 / 2.20
Price/Book Ratio 0.8x

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	-	-	-

tokenus investment AG	2019	2020	2021E	2022E	2023E	2024E
Sales	0.0	0.0	0.0	0.0	0.0	0.0
Growth yoy	na	na	-99.0%	0.0%	na	0.0%
EBITDA	0.0	-0.5	-1.0	-1.6	-1.7	-1.8
EBIT	0.0	-0.5	-1.0	-1.6	-1.7	-1.8
Net profit	0.0	-0.5	-0.6	-1.0	-1.1	-1.1
Net debt (net cash)	0.0	-1.4	-11.2	-10.2	-9.1	-8.0
EPS recurring	0.0	-0.12	-0.08	-0.12	-0.13	-0.14
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	100.0%	na	na	na	100.0%
EBIT margin	na	na	na	na	na	na
ROCE	na	-20.0%	-8.2%	-14.3%	-15.1%	-16.1%
EV/EBITDA	na	-19.2x	0.9x	-0.1x	-0.8x	-1.4x
EV/EBIT	na	-19.0x	0.9x	-0.1x	-0.8x	-1.4x
PER	na	-10.4x	-16.0x	-10.0x	-9.5x	-9.0x
FCF yield	na	-9.7%	-8.2%	-10.0%	-10.5%	-11.1%

Source: Company data, AlsterResearch

Key share data

Number of shares: (in m pcs) 8.43
Book value per share: (in EUR) 1.45
Ø trading volume: (12 months) 400

Major shareholders

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

Company description

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

Valuation

Valuation tokentus

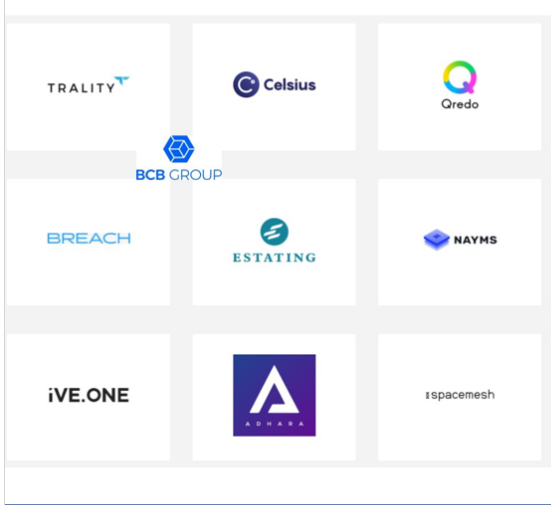
Company / Fund	Company Value (EUR m)	Valuation base	Equity stake	Investment value (EUR k)
Trality	2,9	latest post-money valuation	4,07%	118
Adhara	na	valuation prospectus	1,15%	231
Qredo	436,5	latest post-money valuation	1,66%	7.246
Breach	na	Investment via SAFE	na	124
BCB Group	na	latest post-money valuation	na	474
gumi CCF II	na	investment value (fund)	na	949
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	2846,7	latest post-money valuation	0,24%	6.872
spacemesh	na	valuation prospectus (Unruly)	0,20%	189
			equity total	16.859
	Number tokens (m)	Valuation base		
Qredo	12,2	coinmarketcap 30d avg (USD)	0,54	
		Exchange rate	1,05	
		Price per token (EUR)	0,51	
		Discount for lockup	20%	
		Adj. price per token (EUR)	0,41	4.954
			token total	4.954
			+ equity total	16.859
			portfolio value	21.813
		- 8 years discounted steady state costs		1.145
		+ current cash		8.833
		NAV		29.500
		number shares (k)		8.431
			NAV per share (EUR)	3,50

6/14/2022

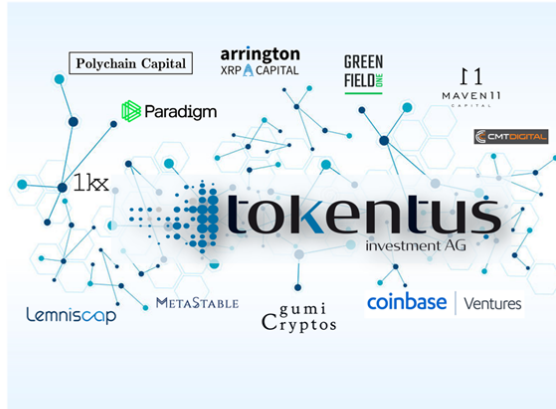
Source: AlsterResearch

Investment case in six charts

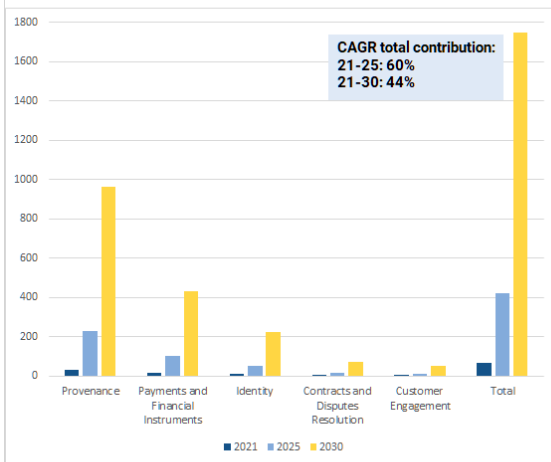
Portfolio Companies



Network of Prestigious Co-investors

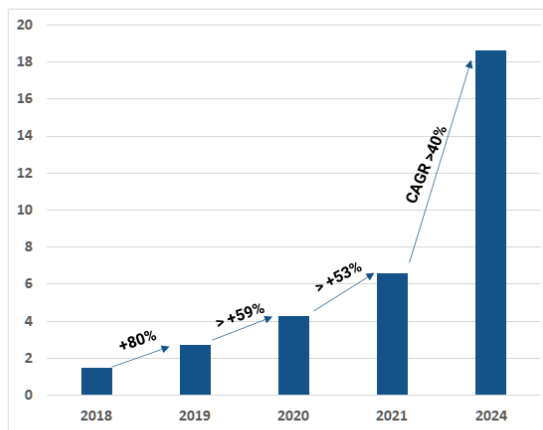


Blockchain's Economic Contributions (USD bn)



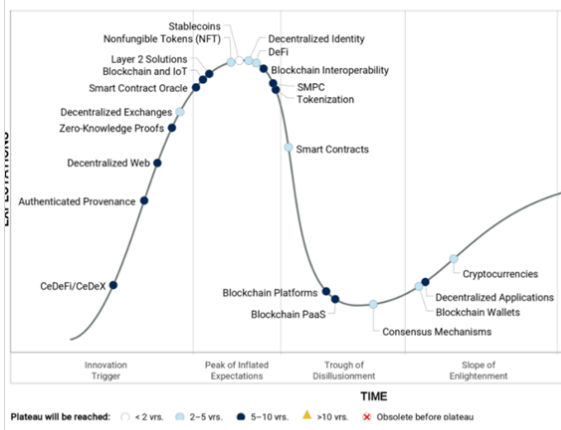
Source: PwC, Time for Trust, October 2020

Global Spending on Blockchain Solutions (USD bn)



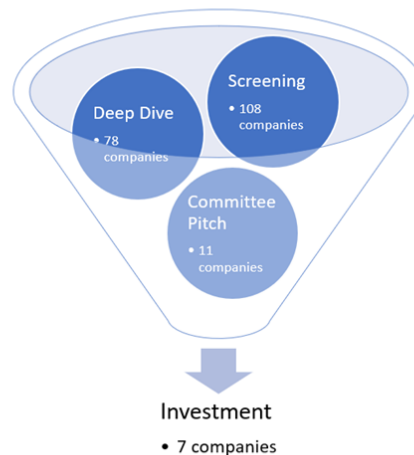
Source: IDC

The Gartner Blockchain Hype Cycle



Source: Gartner (July 2021)

Investment Funnel



Source : *Company data, AlsterResearch*

Financials

Profit and loss (EUR m)	2019	2020	2021E	2022E	2023E	2024E
Net sales	0.0	0.0	0.0	0.0	0.0	0.0
Sales growth	na	na	-99.0%	0.0%	na	0.0%
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	0.1	0.3	0.5	0.8	0.8	0.8
Other operating expenses	0.1	0.2	0.5	0.8	0.9	0.9
EBITDA	-0.2	-0.5	-1.0	-1.6	-1.7	-1.8
Depreciation	0.0	0.0	0.0	0.0	0.0	0.0
EBITA	-0.2	-0.5	-1.0	-1.6	-1.7	-1.8
Amortization of goodwill and intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	-0.2	-0.5	-1.0	-1.6	-1.7	-1.8
Financial result	0.0	0.0	0.0	0.0	0.0	0.0
Recurring pretax income from continuing operations	-0.2	-0.5	-1.0	-1.6	-1.7	-1.8
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	-0.2	-0.5	-1.0	-1.6	-1.7	-1.8
Taxes	0.0	0.0	-0.3	-0.6	-0.6	-0.6
Net income from continuing operations	-0.2	-0.5	-0.6	-1.0	-1.1	-1.1
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	-0.2	-0.5	-0.6	-1.0	-1.1	-1.1
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	-0.2	-0.5	-0.6	-1.0	-1.1	-1.1
Average number of shares	3.98	3.98	8.43	8.43	8.43	8.43
EPS reported	-0.05	-0.12	-0.08	-0.12	-0.13	-0.14

Profit and loss (common size)	2019	2020	2021E	2022E	2023E	2024E
Net sales	na	100%	100%	100%	100%	100%
Change in finished goods and work-in-process	na	0%	0%	0%	0%	0%
Total sales	na	100%	100%	100%	100%	100%
Material expenses	na	0%	0%	0%	0%	0%
Gross profit	na	100%	100%	100%	100%	100%
Other operating income	na	0%	0%	0%	0%	0%
Personnel expenses	na	na	na	na	na	na
Other operating expenses	na	na	na	na	na	na
EBITDA	na	na	na	na	na	na
Depreciation	na	20%	0%	0%	0%	0%
EBITA	na	na	na	na	na	na
Amortization of goodwill and intangible assets	na	0%	0%	0%	0%	0%
EBIT	na	na	na	na	na	na
Financial result	na	2%	0%	0%	0%	0%
Recurring pretax income from continuing operations	na	na	na	na	na	na
Extraordinary income/loss	na	na	na	na	na	na
Earnings before taxes	na	na	na	na	na	na
Taxes	na	na	na	na	na	na
Net income from continuing operations	na	na	na	na	na	na
Result from discontinued operations (net of tax)	na	na	na	na	na	na
Net income	na	na	na	na	na	na
Minority interest	na	0%	0%	0%	0%	0%
Net profit (reported)	na	na	na	na	na	na

Source: Company data; AlsterResearch

Balance sheet (EUR m)	2019	2020	2021E	2022E	2023E	2024E
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	1.0	1.0	1.0	1.0	1.0
FIXED ASSETS	0.0	1.0	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	2.2	1.4	11.2	10.2	10.1	10.0
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	2.2	1.4	11.2	10.2	10.1	10.0
TOTAL ASSETS	2.2	2.4	12.3	11.2	11.1	11.0
SHAREHOLDERS EQUITY	2.1	2.2	12.3	11.2	10.1	9.0
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	0.2	0.2	0.0	0.0	0.0	0.0
Non-current liabilities	0.2	0.2	0.0	0.0	0.0	0.0
short-term liabilities to banks	0.0	0.0	0.0	0.0	1.0	2.0
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	1.0	2.0
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	2.2	2.4	12.3	11.2	11.1	11.0

Balance sheet (common size)	2019	2020	2021E	2022E	2023E	2024E
Intangible assets (excl. Goodwill)	0%	1%	0%	0%	0%	0%
Goodwill	0%	0%	0%	0%	0%	0%
Property, plant and equipment	0%	0%	0%	0%	0%	0%
Financial assets	0%	42%	8%	9%	9%	9%
FIXED ASSETS	0%	42%	8%	9%	9%	9%
Inventories	0%	0%	0%	0%	0%	0%
Accounts receivable	0%	0%	0%	0%	0%	0%
Other current assets	0%	0%	0%	0%	0%	0%
Liquid assets	100%	58%	92%	91%	91%	91%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred charges and prepaid expenses	0%	0%	0%	0%	0%	0%
CURRENT ASSETS	100%	58%	92%	91%	91%	91%
TOTAL ASSETS	100%	100%	100%	100%	100%	100%
SHAREHOLDERS EQUITY	92%	91%	100%	100%	91%	82%
MINORITY INTEREST	0%	0%	0%	0%	0%	0%
Long-term debt	0%	0%	0%	0%	0%	0%
Provisions for pensions and similar obligations	0%	0%	0%	0%	0%	0%
Other provisions	7%	7%	0%	0%	0%	0%
Non-current liabilities	7%	7%	0%	0%	0%	0%
short-term liabilities to banks	0%	0%	0%	0%	9%	18%
Accounts payable	1%	1%	0%	0%	0%	0%
Advance payments received on orders	0%	0%	0%	0%	0%	0%
Other liabilities (incl. from lease and rental contracts)	0%	1%	0%	0%	0%	0%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred income	0%	0%	0%	0%	0%	0%
Current liabilities	1%	1%	0%	0%	9%	18%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100%	100%	100%	100%	100%	100%

Source: Company data; AlsterResearch

Cash flow statement (EUR m)	2019	2020	2021E	2022E	2023E	2024E
Net profit/loss	-0.2	-0.5	-0.6	-1.0	-1.1	-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	-0.2	0.0	0.0	0.0
Cash flow from operations before changes in w/c	-0.2	-0.5	-0.8	-1.0	-1.1	-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	-0.2	-0.5	-0.9	-1.0	-1.1	-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	-1.0	0.0	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	-1.0	0.0	0.0	0.0	0.0
Cash flow before financing	-0.2	-1.5	-0.9	-1.0	-1.1	-1.1
Increase/decrease in debt position	0.0	0.0	0.0	0.0	1.0	1.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	2.2	0.6	10.7	0.0	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	2.2	0.6	10.7	0.0	1.0	1.0
Increase/decrease in liquid assets	2.0	-0.9	9.9	-1.0	-0.1	-0.1
Liquid assets at end of period	2.2	1.4	11.2	10.2	10.1	10.0

Source: Company data; AlsterResearch

Regional sales split (EURm)	2019	2020	2021E	2022E	2023E	2024E
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)	2019	2020	2021E	2022E	2023E	2024E
Domestic	na	0.0%	0.0%	0.0%	0.0%	0.0%
Europe (ex domestic)	na	0.0%	0.0%	0.0%	0.0%	0.0%
The Americas	na	0.0%	0.0%	0.0%	0.0%	0.0%
Asia	na	0.0%	0.0%	0.0%	0.0%	0.0%
Rest of World	na	0.0%	0.0%	0.0%	0.0%	0.0%
Total sales	na	100%	100%	100%	100%	100%

Source: Company data; AlsterResearch

Ratios	2019	2020	2021E	2022E	2023E	2024E
Per share data						
Earnings per share reported	-0.05	-0.12	-0.08	-0.12	-0.13	-0.14
Cash flow per share	-0.05	-0.12	-0.10	-0.12	-0.13	-0.14
Book value per share	0.52	0.55	1.45	1.33	1.20	1.06
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
Valuation						
P/E	-25.1x	-10.4x	-16.0x	-10.0x	-9.5x	-9.0x
P/CF	-25.1x	-10.3x	-12.1x	-10.0x	-9.5x	-9.0x
P/BV	2.4x	2.2x	0.8x	0.9x	1.0x	1.2x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	-4.0%	-9.7%	-8.2%	-10.0%	-10.5%	-11.1%
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	-99.0%	0.0%	na	0.0%
Gross profit	0.0	0.0	0.0	0.0	0.0	0.0
Gross margin in %	na	100.0%	na	na	na	100.0%
EBITDA	-0.2	-0.5	-1.0	-1.6	-1.7	-1.8
EBITDA margin in %	na	na	na	na	na	na
EBIT	-0.2	-0.5	-1.0	-1.6	-1.7	-1.8
EBIT margin in %	na	na	na	na	na	na
Net profit	-0.2	-0.5	-0.6	-1.0	-1.1	-1.1
Cash flow statement (EURm)						
CF from operations	-0.2	-0.5	-0.9	-1.0	-1.1	-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	-0.2	-0.5	-0.9	-1.0	-1.1	-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	2.1	2.2	12.3	11.2	10.1	9.0
Pension provisions	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities and provisions	0.2	0.2	0.0	0.0	1.0	2.0
Net financial debt	-2.2	-1.4	-11.2	-10.2	-9.1	-8.0
w/c requirements	-0.0	-0.0	0.0	0.0	0.0	0.0
Ratios						
ROE	-9.5%	-21.5%	-5.3%	-9.3%	-10.8%	-12.8%
ROCE	-8.8%	-20.0%	-8.2%	-14.3%	-15.1%	-16.1%
Net gearing	-108.6%	-63.1%	-91.7%	-91.0%	-90.0%	-88.7%
Net debt / EBITDA	11.5x	3.0x	11.2x	6.4x	5.4x	4.5x

Source: Company data; AlsterResearch

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