

tokentus investment AG

Germany | Technology | MCap EUR 17.4m

18 May 2022

UPDATE



Good news from Nayms; adjusting PT for crypto prices

What's it all about?

Yesterday, tokentus announced that Nayms, one of tokentus' portfolio companies, has become the world's first crypto insurance marketplace to receive full regulation in Bermuda. This comes after two years of sandbox testing in a regulatory controlled environment. The license enables the insurance partners of Nayms to conduct regulated insurance business on the blockchain. The operational developments at Nayms show that some blockchain business models should be largely unaffected by the short-term distortions of the market. We update the NAV of tokentus to reflect the recent decline in the price of the Qredo token and come to a new fair value of EUR 4.43 (old: EUR 6.40). We reiterate to BUY.

BUY (BUY)

Target price	EUR 4.43 (6.40)
Current price	EUR 2.06
Up/downside	115.0%



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BUY <small>(BUY)</small>	Target price Current price Up/downside	EUR 4.43 (6.40) EUR 2.06 115.0%	MAIN AUTHOR Dr. Oliver Wojahn, CFA o.wojahn@alsterresearch.com +49 40 309 293-58
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Good news from Nayms; adjusting PT for crypto prices

Nayms is the first fully regulated crypto insurance platform. Yesterday, tokentus announced that Nayms, one of tokentus' portfolio companies, has become the world's first crypto insurance marketplace to receive full regulation in Bermuda. This comes after two years of sandbox testing in a regulatory controlled environment. The license enables the insurance partners of Nayms to conduct regulated insurance business on the blockchain. Nayms infrastructure is now an environment where crypto assets or tokens can be secured via regulated captive insurance. Captive insurance is a form of self-insurance, where funds are set aside for use when claims arise. However, captive insurance is more formal than self-insurance: it is typically created and operated by multiple stakeholders and allows the purchase of reinsurance. Qredo, another portfolio company of tokentus, will include this mechanism in its insurance offering, showing that there is synergy potential in the portfolio.

Blockchain is alive. 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. As is often the case in times of crisis, the market myopically stops to differentiate between serious applications with significant market potential and gimmicks like meme coins. The operational developments at Nayms show that some blockchain business models should be largely unaffected by the short-term distortions of the market.

Adjusting PT for Qredo price. tokentus holds 3.4% in Nayms, which we currently value at c. EUR 260k. 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 good news, providing some upside potential. Applying the same principle, we do not take into account the decline in market value in many listed crypto-related companies (e.g. Coinbase) which may also affect the value of tokentus portfolio companies, especially Celsius. 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 4.43 (old: EUR 6.40). Remains a BUY.

tokentus investment AG	2018	2019	2020	2021E	2022E	2023E
Sales	0.0	0.0	0.0	0.0	0.0	0.0
<i>Growth yoy</i>	<i>Na</i>	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
<i>Dividend yield</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
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	-77.4x	-34.2x	-6.1x	-4.5x	-4.9x
EV/EBIT	na	-77.4x	-33.8x	-6.1x	-4.5x	-4.9x
PER	na	-42.0x	-17.4x	-26.7x	-16.7x	-15.9x
FCF yield	na	-2.4%	-5.8%	-4.9%	-6.0%	-6.3%

Source: Company data, AlsterResearch



Source: finanzen.net

High/low 52 weeks 3.00 / 2.20
Price/Book Ratio 3.7x

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.

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

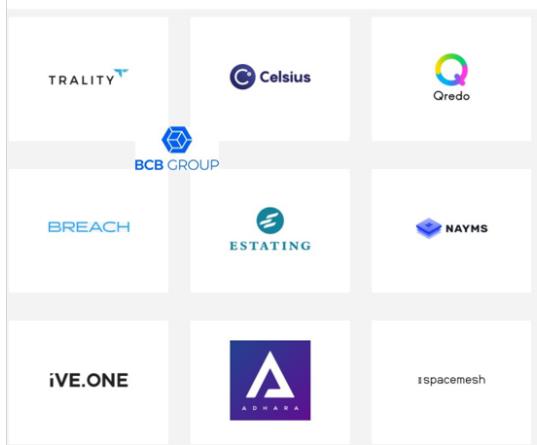
Token	(m)	Valuation base	
Qredo	12,2	coinmarketcap 30d avg (USD)	1,39
		Exchange rate	1,05
		Price per token (EUR)	1,31
		Discount for lockup	20%
		Adj. price per token (EUR)	1,05
			12.823
		token total	12.823
		+ equity total	16.859
		portfolio value	29.681
		- 8 years discounted steady state costs	1.145
		+ current cash	8.833
		NAV	37.369
		number shares (k)	8.431
		NAV per share (EUR)	4,43

5/18/2022

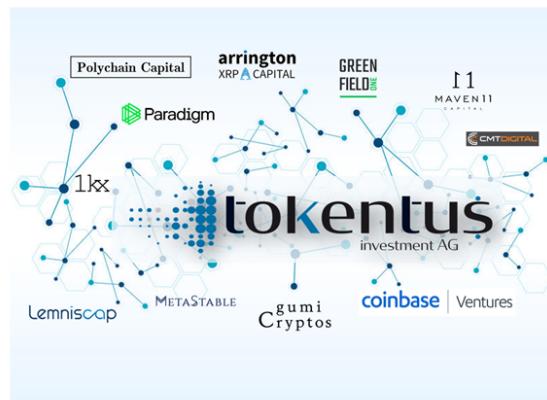
Source: AlsterResearch

Investment case in six charts

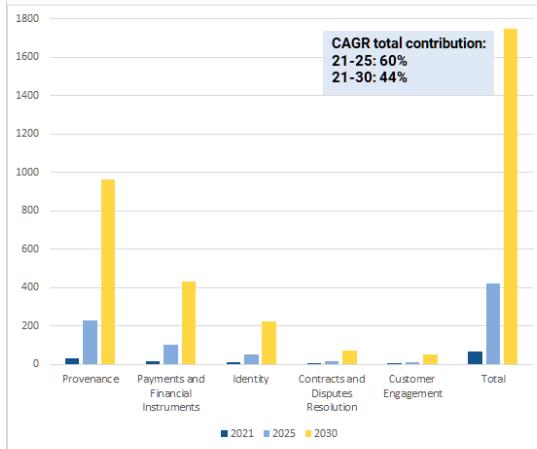
Portfolio Companies



Network of Prestigious Co-investors

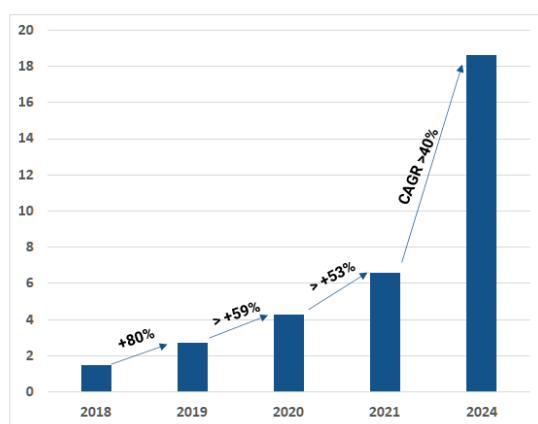


Blockchain's Economic Contributions (USD bn)



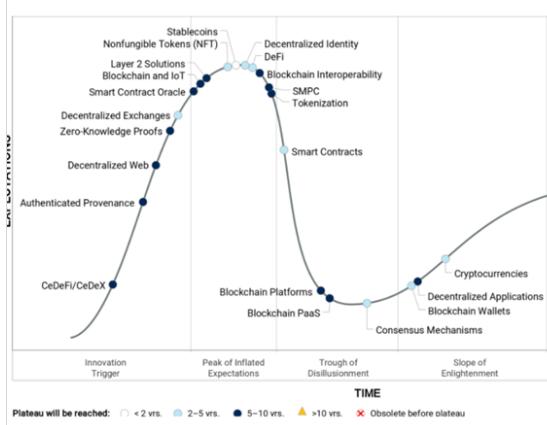
Source: PwC, Time for Trust, October 2020

Global Spending on Blockchain Solutions (USD bn)



Source: IDC

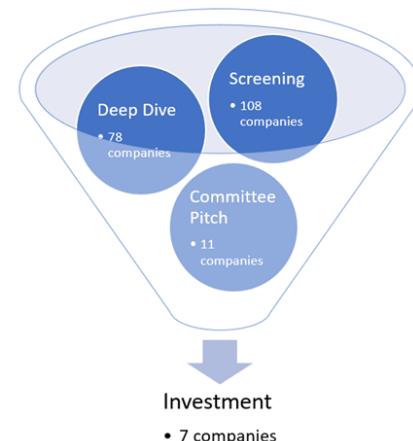
The Gartner Blockchain Hype Cycle



Source: Gartner (July 2021)

Source : Company data, AlsterResearch

Investment Funnel



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						
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	-42.0x	-17.4x	-26.7x	-16.7x	-15.9x
P/CF	na	-42.0x	-17.2x	-20.3x	-16.7x	-15.9x
P/BV	na	4.0x	3.7x	1.4x	1.5x	1.7x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	0.0%	-2.4%	-5.8%	-4.9%	-6.0%	-6.3%
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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