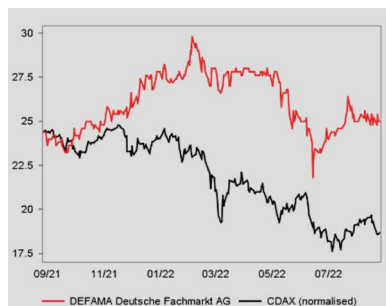


<b>Buy</b> <b>EUR 32.60</b>	<b>Value Indicators:</b> EUR NAV (WRe) 24e: 36.52 FFO-Yield 24e: 28.78	<b>Warburg ESG Risk Score: 2.3</b> ESG Score (MSCI based): 3.0 Balance Sheet Score: 3.8 Market Liquidity Score: 0.0	<b>Description:</b> Commercial real estate company focused on retail parks in Northern and Eastern Germany
	<b>Market Snapshot:</b> EUR m Market cap: 120.00 No. of shares (m): 4.80 EV: 249.11 Freefloat MC: 86.40 Ø Trad. Vol. (30d): 11.89 th	<b>Shareholders:</b> Freefloat: 72.00 % MSC Invest GmbH: 26.00 % Supervisory board: 2.00 %	<b>Key Figures (WRe):</b> 2022e LTV: 60.9 % Equity Ratio: 22.5 %
Price: EUR 25.00 Upside: 30.4 %			

## Excellent track record in acquisitions

- DEFAMA is delivering on its growth strategy with the acquisition of four properties in strong retail park locations in Bavaria and Baden-Württemberg. Core tenant of the properties in Albstadt, Bad Dietzenbach, Graben-Neudorf and Pfaffenhofen is the fashion retailer AWG Mode, which has some well-known subtenants (e.g. Deichmann, Takko) in its rented space.
- The purchase price for these four properties amounts to EUR 5.25m. This leads to a multiple of ~12.2 with a current net rent of EUR 430k, which is slightly above DEFAMA's recent acquisition multiples, but can clearly be explained by the good retail locations in wealthier federal states. As all four contracts are index-linked, we believe some rent improvements are likely within the next 12 months.
- We welcome this acquisition as these properties are part of a very strong retail agglomeration which is helpful to at least achieve a stable cash flow.
- The acquisition volume has already increased to an impressive EUR 29m in 2022, only slightly below the FY 2021 figure (EUR 29.7m). Therefore, management's decision to carry out a capital increase in March to increase financial flexibility was absolutely right and will be visible in additional growth prospects. Management has already indicated that it will review its existing guidance.
- With this transaction, the annualised net rent increased to EUR 20m with an annualised FFO of EUR 9.6m. The FY FFO target of EUR 10m is within reach as there are still four months to sign further transactions.
- We reiterate our Buy recommendation with a price target of EUR 32.60.

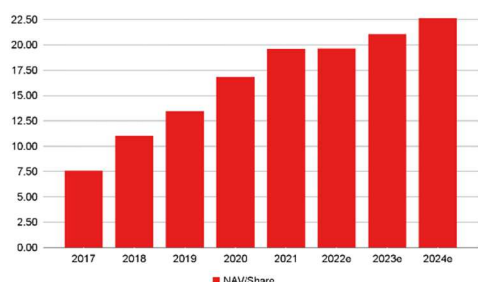


Rel. Performance vs CDAX:	
1 month:	-4.1 %
6 months:	4.1 %
Year to date:	12.2 %
Trailing 12 months:	25.6 %

**Company events:**  
Nov.22 Q3

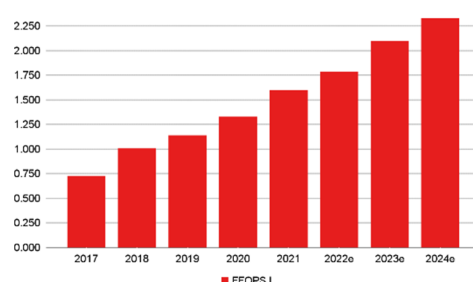
FY End: 31.12. in EUR m	CAGR (21-24e)	2018	2019	2020	2021	2022e	2023e	2024e
<b>Rental income</b>		7.61	9.53	12.19	14.55	17.10	20.05	22.17
<b>Change yoy</b>		49.2 %	25.1 %	27.9 %	19.4 %	17.5 %	17.2 %	10.6 %
<b>EBIT</b>		3.59	4.50	5.62	9.11	7.64	8.98	9.99
<b>FFO I</b>		3.65	4.62	5.87	7.06	8.41	10.08	11.18
<b>FFO I-margin</b>		47.9 %	48.4 %	48.2 %	48.5 %	49.2 %	50.3 %	50.4 %
<b>EBT</b>		2.25	2.78	3.49	6.51	4.76	5.75	6.42
<b>Net income</b>		1.68	2.06	2.51	5.04	3.51	4.28	4.79
<b>EPS</b>		0.46	0.51	0.57	1.14	0.73	0.89	1.00
<b>FFOPS I</b>		1.01	1.14	1.33	1.60	1.79	2.10	2.33
<b>DPS</b>		0.40	0.45	0.48	0.51	0.54	0.58	0.63
<b>Dividend Yield</b>		3.4 %	2.9 %	2.7 %	2.3 %	2.2 %	2.3 %	2.5 %
<b>Book Value / Share</b>		4.10	5.50	5.61	6.27	8.10	8.42	8.78
<b>P / E</b>		25.0 x	30.1 x	30.9 x	19.5 x	34.2 x	28.0 x	25.0 x
<b>Price / Book</b>		2.6 x	2.5 x	3.1 x	3.5 x	3.1 x	3.0 x	2.8 x
<b>P / NAVPS</b>		1.1 x	1.1 x	1.0 x	1.1 x	1.3 x	1.2 x	1.1 x
<b>FFO I-Yield</b>		8.7 %	7.5 %	7.6 %	7.2 %	7.2 %	8.4 %	9.3 %
<b>ROE</b>		12.3 %	10.2 %	10.2 %	19.2 %	10.5 %	10.8 %	11.6 %
<b>LTV</b>		62.0 %	58.2 %	60.2 %	61.3 %	60.9 %	61.9 %	62.4 %
<b>Guidance:</b>		2022e: FFO of EUR ~8.5m, Net profit (HGB) of EUR ~3.5m						

NAV per share development in EUR



Source: Warburg Research

FFO per share development in EUR



Source: Warburg Research

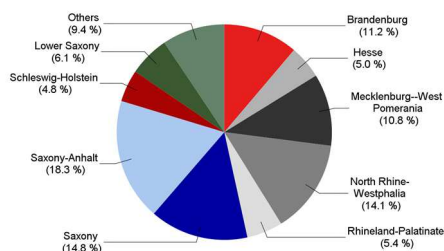
Company Background

- Founded in 2014 and headquartered in Berlin, DEFAMA focuses on the acquisition, ownership and management of retail parks in German small and medium-sized cities, predominantly in Northern and Eastern Germany.
- The investment strategy is to "buy and hold" assets with high occupancy and minor capex needs for a purchase price of ~10x annual rent.
- Investment volumes are EUR 1 - 5 million per asset. Anchor tenants are nationwide retailers.

Competitive Quality

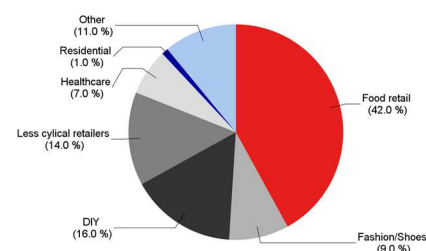
- Real estate competence: founder, major shareholder and CEO Matthias Schrade, previously oversaw as a board member responsible for acquisitions for a non-listed real estate company based in Munich.
- Unique focus: the company competes for assets that are too large for individual investors and too small for institutional investors and can "buy low".
- Strong access to local public banks networks, for whom real estate financings for DEFAMA projects are large and important deals. They in turn know smaller tenants well.
- Focus on leading centers in smaller cities ("big fish in a small pond").

Geogr. breakdown of rental income % of total rental income



Source: Warburg Research

Rental income by sector % of rental income



Source: Warburg Research

Valuation	2018	2019	2020	2021	2022e	2023e	2024e
P / E	25.0 x	30.1 x	30.9 x	19.5 x	34.2 x	28.0 x	25.0 x
P / NAVPS	1.1 x	1.1 x	1.0 x	1.1 x	1.3 x	1.2 x	1.1 x
Price / Book	2.6 x	2.5 x	3.1 x	3.5 x	3.1 x	3.0 x	2.8 x
P / FFOPS I	11.5 x	13.4 x	13.2 x	13.9 x	14.0 x	11.9 x	10.7 x
FFO I-Yield	8.7 %	7.5 %	7.6 %	7.2 %	7.2 %	8.4 %	9.3 %
ROE	12.3 %	10.2 %	10.2 %	19.2 %	10.5 %	10.8 %	11.6 %
Equity Ratio	19 %	24 %	18 %	18 %	23 %	21 %	21 %

Company Specific Items	2018	2019	2020	2021	2022e	2023e	2024e
NAV/Share	11.02	13.46	16.86	19.61	19.65	21.06	22.64
Vacancy Rate	4.3 %	4.0 %	3.7 %	5.0 %	4.0 %	4.0 %	4.0 %

**Consolidated profit and loss**

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
<b>Total revenues</b>	<b>9.09</b>	<b>11.21</b>	<b>14.58</b>	<b>17.13</b>	<b>20.36</b>	<b>23.87</b>	<b>26.39</b>
<b>Rental income</b>	<b>7.61</b>	<b>9.53</b>	<b>12.19</b>	<b>14.55</b>	<b>17.10</b>	<b>20.05</b>	<b>22.17</b>
Change yoy	49.2 %	25.1 %	27.9 %	19.4 %	17.5 %	17.2 %	10.6 %
Property operating costs	2.21	2.63	3.08	4.05	4.83	5.68	6.28
Property management costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rental profit	6.87	8.57	11.49	13.08	15.54	18.19	20.11
<b>Income from property sales</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2.60</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Other revenues</b>	<b>0.08</b>	<b>0.07</b>	<b>0.12</b>	<b>0.64</b>	<b>0.41</b>	<b>0.48</b>	<b>0.53</b>
<b>Gross profit</b>	<b>6.95</b>	<b>8.64</b>	<b>11.62</b>	<b>16.32</b>	<b>15.94</b>	<b>18.66</b>	<b>20.64</b>
Administration expenses	0.70	0.70	0.81	0.98	1.16	1.36	1.48
Personnel expenses	0.72	1.04	1.50	1.88	2.12	2.41	2.67
Other operating income/expenses	0.00	0.00	-0.31	-0.11	-0.11	-0.11	-0.11
Unfrequent items	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>EBITDA</b>	<b>5.53</b>	<b>7.04</b>	<b>8.99</b>	<b>13.35</b>	<b>12.55</b>	<b>14.78</b>	<b>16.38</b>
Valuation result	0.00	0.00	0.00	2.60	0.00	0.00	0.00
Depreciation of fixed assets	1.95	2.55	3.36	4.24	4.91	5.80	6.39
<b>EBITA</b>	<b>3.59</b>	<b>4.50</b>	<b>5.62</b>	<b>9.11</b>	<b>7.64</b>	<b>8.98</b>	<b>9.99</b>
Amortisation of intangible assets/Goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>EBIT</b>	<b>3.59</b>	<b>4.50</b>	<b>5.62</b>	<b>9.11</b>	<b>7.64</b>	<b>8.98</b>	<b>9.99</b>
Interest income	0.00	0.01	0.01	0.01	0.00	0.00	0.00
Interest expenses	1.34	1.73	2.14	2.61	2.88	3.23	3.57
Other financial income (loss)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Financial result</b>	<b>-1.34</b>	<b>-1.72</b>	<b>-2.13</b>	<b>-2.60</b>	<b>-2.88</b>	<b>-3.23</b>	<b>-3.57</b>
<b>EBT</b>	<b>2.25</b>	<b>2.78</b>	<b>3.49</b>	<b>6.51</b>	<b>4.76</b>	<b>5.75</b>	<b>6.42</b>
<i>Margin</i>	24.8 %	24.8 %	24.0 %	38.0 %	23.4 %	24.1 %	24.3 %
Total taxes	-0.55	-0.71	-0.71	-0.71	-1.25	-1.47	-1.63
thereof cash taxes	-0.36	-0.42	-0.42	-0.42	-0.72	-0.88	-0.98
<b>Net income from continuing operations</b>	<b>1.70</b>	<b>2.07</b>	<b>2.51</b>	<b>5.04</b>	<b>3.51</b>	<b>4.28</b>	<b>4.79</b>
Income from discontinued operations (net of tax)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net income before minorities</b>	<b>1.70</b>	<b>2.07</b>	<b>2.51</b>	<b>5.04</b>	<b>3.51</b>	<b>4.28</b>	<b>4.79</b>
Minority interest	0.02	0.01	0.00	0.00	0.00	0.00	0.00
<b>Net income</b>	<b>1.68</b>	<b>2.06</b>	<b>2.51</b>	<b>5.04</b>	<b>3.51</b>	<b>4.28</b>	<b>4.79</b>
Number of shares, average	3.62	4.05	4.42	4.42	4.71	4.80	4.80
<b>FFO (II)</b>	<b>3.65</b>	<b>4.62</b>	<b>5.87</b>	<b>7.06</b>	<b>8.41</b>	<b>10.08</b>	<b>11.18</b>
<i>FFO I-margin</i>	47.9 %	48.4 %	48.2 %	48.5 %	49.2 %	50.3 %	50.4 %
<b>FFOPS I</b>	<b>1.01</b>	<b>1.14</b>	<b>1.33</b>	<b>1.60</b>	<b>1.79</b>	<b>2.10</b>	<b>2.33</b>
<b>EPS</b>	<b>0.46</b>	<b>0.51</b>	<b>0.57</b>	<b>1.14</b>	<b>0.73</b>	<b>0.89</b>	<b>1.00</b>
EPS adj.	0.43	0.47	0.57	1.14	0.73	0.89	1.00

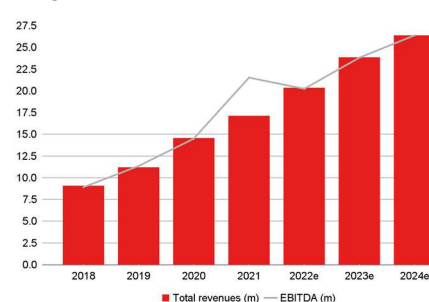
\*Adjustments made for:

**Guidance: 2022e: FFO of EUR ~8.5m, Net profit (HGB) of EUR ~3.5m**

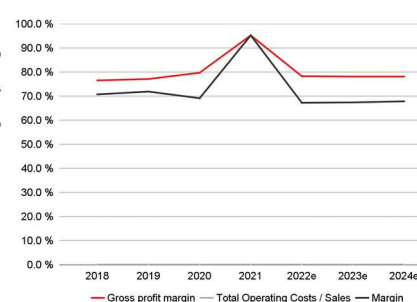
**Financial Ratios**

	2018	2019	2020	2021	2022e	2023e	2024e
Property operating costs / Rental Income	29.1 %	27.6 %	25.3 %	27.8 %	28.2 %	28.3 %	28.3 %
Operating Leverage (Real Estate)	2.9 x	5.0 x	4.6 x	6.2 x	6.8 x	7.0 x	10.5 x
Rental profit / interest expenses	5.1 x	5.0 x	5.4 x	5.0 x	5.4 x	5.6 x	5.6 x

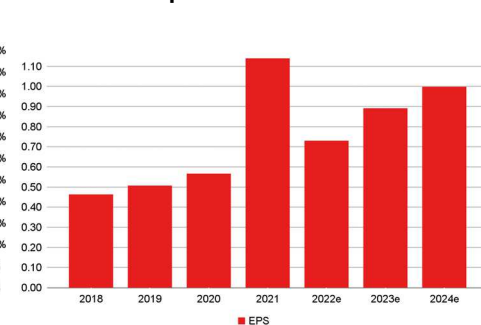
**Revenues, EBITDA**  
in EUR m



**Operating Performance**  
in %



**Performance per Share**



Source: Warburg Research

Source:

Source: Warburg Research

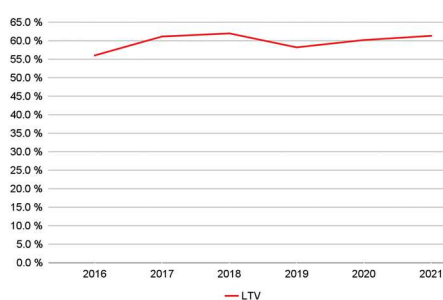
**Consolidated balance sheet**

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
<b>Assets</b>							
Goodwill and other intangible assets	0.01	0.03	0.02	0.02	0.02	0.02	0.02
thereof other intangible assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
thereof Goodwill	0.01	0.03	0.02	0.02	0.02	0.02	0.02
Property, plant and equipment	0.08	0.11	1.39	1.29	1.30	1.32	1.33
Investment properties	81.10	93.14	127.79	147.57	165.89	182.39	198.25
Financial assets	0.26	1.70	0.12	1.37	1.37	1.37	1.37
Other long-term assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Fixed assets</b>	<b>81.44</b>	<b>94.98</b>	<b>129.33</b>	<b>150.25</b>	<b>168.58</b>	<b>185.09</b>	<b>200.96</b>
Inventories	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounts receivable	0.51	0.00	0.80	0.96	0.98	1.00	1.02
Liquid assets	2.80	6.98	4.28	1.52	2.67	2.25	2.89
Other short-term assets	0.59	-2.56	-0.66	1.94	1.15	1.55	0.89
<b>Current assets</b>	<b>4.34</b>	<b>9.29</b>	<b>7.38</b>	<b>6.01</b>	<b>5.76</b>	<b>5.41</b>	<b>6.11</b>
<b>Total Assets</b>	<b>85.79</b>	<b>104.28</b>	<b>136.71</b>	<b>156.26</b>	<b>174.34</b>	<b>190.50</b>	<b>207.07</b>
<b>Liabilities and shareholders' equity</b>							
Subscribed capital	3.90	4.42	4.42	4.42	4.80	4.80	4.80
Capital reserve	10.03	17.31	17.31	17.31	27.19	27.19	27.19
Retained earnings	2.06	2.56	3.07	5.99	6.90	8.40	10.17
Other equity components	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Shareholders' equity</b>	<b>15.99</b>	<b>24.29</b>	<b>24.81</b>	<b>27.72</b>	<b>38.90</b>	<b>40.39</b>	<b>42.16</b>
Minority interest	0.38	0.39	0.40	0.40	0.40	0.40	0.40
Provisions	1.01	0.43	0.51	0.53	0.53	0.53	0.53
thereof provisions for pensions and similar obligations	0.21	0.21	0.25	0.26	0.26	0.26	0.26
Financial liabilities (total)	67.79	76.52	110.25	124.59	131.51	146.19	161.00
Short-term financial liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounts payable	0.30	0.51	0.29	0.96	0.96	0.96	0.96
Other liabilities	0.70	2.54	0.86	2.46	2.45	2.43	2.42
<b>Liabilities</b>	<b>69.79</b>	<b>79.99</b>	<b>111.91</b>	<b>128.54</b>	<b>135.44</b>	<b>150.10</b>	<b>164.91</b>
<b>Total liabilities and shareholders' equity</b>	<b>85.79</b>	<b>104.28</b>	<b>136.71</b>	<b>156.26</b>	<b>174.34</b>	<b>190.50</b>	<b>207.07</b>

**Financial Ratios**

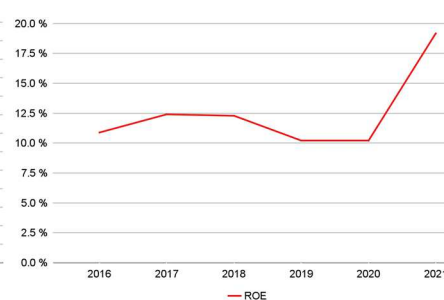
	2018	2019	2020	2021	2022e	2023e	2024e
<b>Return on Capital</b>							
ROA	2.4 %	2.2 %	2.1 %	3.4 %	2.1 %	2.3 %	2.4 %
ROE	12.3 %	10.2 %	10.2 %	19.2 %	10.5 %	10.8 %	11.6 %
FFO I / Equity	0.3 x	0.2 x	0.2 x	0.3 x	0.2 x	0.3 x	0.3 x
<b>Solvency</b>							
Net Debt	65.20	69.75	106.23	123.34	129.11	144.20	158.38
Net Financial Debt	64.99	69.54	105.98	123.07	128.85	143.94	158.12
Net Fin. Debt / EBITDA	11.7 x	9.9 x	11.8 x	9.2 x	10.3 x	9.7 x	9.7 x
LTV	62.0 %	58.2 %	60.2 %	61.3 %	60.9 %	61.9 %	62.4 %
Equity Ratio	19.1 %	23.7 %	18.4 %	18.0 %	22.5 %	21.4 %	20.6 %

**LTV**



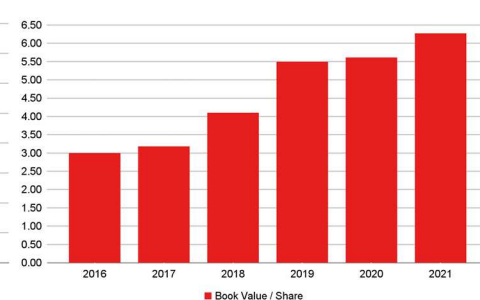
Source: Warburg Research

**ROE**  
in %



Source: Warburg Research

**Book Value per Share**  
in EUR



Source: Warburg Research

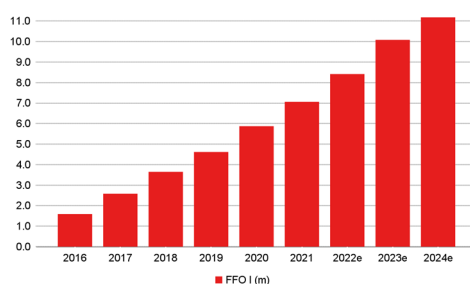
### Consolidated cash flow statement

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
<b>Net cash provided by operating activities [1]</b>	<b>3.42</b>	<b>3.80</b>	<b>4.96</b>	<b>7.41</b>	<b>8.38</b>	<b>10.00</b>	<b>11.10</b>
<b>Net cash provided by investing activities [2]</b>	<b>-31.12</b>	<b>-16.09</b>	<b>-37.91</b>	<b>-22.39</b>	<b>-11.90</b>	<b>-22.50</b>	<b>-22.50</b>
<b>Net cash provided by financing activities [3]</b>	<b>28.01</b>	<b>16.47</b>	<b>30.25</b>	<b>12.22</b>	<b>4.67</b>	<b>12.08</b>	<b>12.03</b>
Change in liquid funds [1]+[2]+[3]	0.31	4.18	-2.70	-2.76	1.15	-0.41	0.63
Effects of exchange-rate changes on cash	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Cash and cash equivalent at end of period</b>	<b>2.80</b>	<b>6.98</b>	<b>4.28</b>	<b>1.52</b>	<b>2.67</b>	<b>2.25</b>	<b>2.89</b>

### Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
<b>Cash Flow</b>							
FFO (II)	3.65	4.62	5.87	7.06	8.41	10.08	11.18
FFOPS I	1.01	1.14	1.33	1.60	1.79	2.10	2.33
FFOPS I diluted	0.94	1.04	1.33	1.60	1.75	2.10	2.33
FFO I-Yield	8.7 %	7.5 %	7.6 %	7.2 %	7.2 %	8.4 %	9.3 %
FFO I-margin	47.9 %	48.4 %	48.2 %	48.5 %	49.2 %	50.3 %	50.4 %
Interest Paid / Avg. Debt	2.4 %	2.4 %	2.3 %	2.2 %	2.3 %	2.3 %	2.3 %
<b>Management of Funds</b>							
Capex/Investment Properties	-38.4 %	-17.3 %	-29.7 %	-15.2 %	-7.2 %	-12.3 %	-11.3 %
Avg. Working Capital / Sales	1.4 %	-1.3 %	0.0 %	1.5 %	0.1 %	0.1 %	0.2 %
Dividend Payout Ratio	85.1 %	88.2 %	84.5 %	44.7 %	72.4 %	65.0 %	63.1 %

### FFO



Source: Warburg Research

**LEGAL DISCLAIMER**

This research report ("investment recommendation") was prepared by the Warburg Research GmbH, a fully owned subsidiary of the M.M.Warburg & CO (AG & Co.) KGaA and is passed on by the M.M.Warburg & CO (AG & Co.) KGaA. It is intended solely for the recipient and may not be passed on to another company without their prior consent, regardless of whether the company is part of the same corporation or not. It contains selected information and does not purport to be complete. The investment recommendation is based on publicly available information and data ("information") believed to be accurate and complete. Warburg Research GmbH neither examines the information for accuracy and completeness, nor guarantees its accuracy and completeness. Possible errors or incompleteness of the information do not constitute grounds for liability of M.M.Warburg & CO (AG & Co.) KGaA or Warburg Research GmbH for damages of any kind whatsoever, and M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH are not liable for indirect and/or direct and/or consequential damages. In particular, neither M.M.Warburg & CO (AG & Co.) KGaA nor Warburg Research GmbH are liable for the statements, plans or other details contained in these investment recommendations concerning the examined companies, their affiliated companies, strategies, economic situations, market and competitive situations, regulatory environment, etc. Although due care has been taken in compiling this investment recommendation, it cannot be excluded that it is incomplete or contains errors. M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH, their shareholders and employees are not liable for the accuracy and completeness of the statements, estimations and the conclusions derived from the information contained in this investment recommendation. Provided a investment recommendation is being transmitted in connection with an existing contractual relationship, i.e. financial advisory or similar services, the liability of M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH shall be restricted to gross negligence and wilful misconduct. In case of failure in essential tasks, M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH are liable for normal negligence. In any case, the liability of M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH is limited to typical, expectable damages. This investment recommendation does not constitute an offer or a solicitation of an offer for the purchase or sale of any security. Partners, directors or employees of M.M.Warburg & CO (AG & Co.) KGaA, Warburg Research GmbH or affiliated companies may serve in a position of responsibility, i.e. on the board of directors of companies mentioned in the report. Opinions expressed in this investment recommendation are subject to change without notice. All rights reserved.

**COPYRIGHT NOTICE**

This work including all its parts is protected by copyright. Any use beyond the limits provided by copyright law without permission is prohibited and punishable. This applies, in particular, to reproductions, translations, microfilming, and storage and processing on electronic media of the entire content or parts thereof.

**DISCLOSURE ACCORDING TO §85 OF THE GERMAN SECURITIES TRADING ACT (WPHG), MAR AND MIFID II INCL. COMMISSION DELEGATED REGULATION (EU) 2016/958 AND (EU) 2017/565**

The valuation underlying the investment recommendation for the company analysed here is based on generally accepted and widely used methods of fundamental analysis, such as e.g. DCF Model, Free Cash Flow Value Potential, NAV, Peer Group Comparison or Sum of the Parts Model (see also <http://www.mmwarburg.de/disclaimer/disclaimer.htm#Valuation>). The result of this fundamental valuation is modified to take into consideration the analyst's assessment as regards the expected development of investor sentiment and its impact on the share price.

Independent of the applied valuation methods, there is the risk that the price target will not be met, for instance because of unforeseen changes in demand for the company's products, changes in management, technology, economic development, interest rate development, operating and/or material costs, competitive pressure, supervisory law, exchange rate, tax rate etc. For investments in foreign markets and instruments there are further risks, generally based on exchange rate changes or changes in political and social conditions.

This commentary reflects the opinion of the relevant author at the point in time of its compilation. A change in the fundamental factors underlying the valuation can mean that the valuation is subsequently no longer accurate. Whether, or in what time frame, an update of this commentary follows is not determined in advance.

Additional internal and organisational arrangements to prevent or to deal with conflicts of interest have been implemented. Among these are the spatial separation of Warburg Research GmbH from M.M.Warburg & CO (AG & Co.) KGaA and the creation of areas of confidentiality. This prevents the exchange of information, which could form the basis of conflicts of interest for Warburg Research GmbH in terms of the analysed issuers or their financial instruments.

The analysts of Warburg Research GmbH do not receive a gratuity – directly or indirectly – from the investment banking activities of M.M.Warburg & CO (AG & Co.) KGaA or of any company within the Warburg-Group.

All prices of financial instruments given in this investment recommendation are the closing prices on the last stock-market trading day before the publication date stated, unless another point in time is explicitly stated.

M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH are subject to the supervision of the Federal Financial Supervisory Authority, BaFin. M.M.Warburg & CO (AG & Co.) KGaA is additionally subject to the supervision of the European Central Bank (ECB).

## SOURCES

All **data and consensus estimates** have been obtained from FactSet except where stated otherwise.

The **Warburg ESG Risk Score** is based on information © 2020 MSCI ESG Research LLC. Reproduced by permission. Although Warburg Research's information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for, or a component, of any financial instruments or products indices. Further, none of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damage (including lost profits) even if notified of the possibility.



### Additional information for clients in the United States

1. This research report (the "Report") is a product of Warburg Research GmbH, Germany, a fully owned subsidiary of M.M.Warburg & CO (AG & Co.) KGaA, Germany (in the following collectively "Warburg"). Warburg is the employer of the research analyst(s), who have prepared the Report. The research analyst(s) reside outside the United States and are not associated persons of any U.S. regulated broker-dealer and therefore are not subject to the supervision of any U.S. regulated broker-dealer.
2. The Report is provided in the United States for distribution solely to "major U.S. institutional investors" under Rule 15a-6 of the U.S. Securities Exchange Act of 1934 by CIC.
3. CIC (Crédit Industriel et Commercial) and M.M. Warburg & CO have concluded a Research Distribution Agreement that gives CIC Market Solutions exclusive distribution in France, the US and Canada of the Warburg Research GmbH research product.
4. The research reports are distributed in the United States of America by CIC ("CIC") pursuant to a SEC Rule 15a-6 agreement with CIC Market Solutions Inc ("CICI"), a U.S. registered broker-dealer and a related company of CIC, and are distributed solely to persons who qualify as "Major U.S. Institutional Investors" as defined in SEC Rule 15a-6 under the Securities Exchange Act of 1934.
5. Any person who is not a Major U.S. Institutional Investor must not rely on this communication. The delivery of this research report to any person in the United States of America is not a recommendation to effect any transactions in the securities discussed herein, or an endorsement of any opinion expressed herein.

### Reference in accordance with section 85 of the German Securities Trading Act (WpHG) and Art. 20 MAR regarding possible conflicts of interest with companies analysed:

- 1- Warburg Research, or an affiliated company, or an employee of one of these companies responsible for the compilation of the research, hold a **share of more than 5%** of the equity capital of the analysed company.
- 2- Warburg Research, or an affiliated company, within the last twelve months participated in the **management of a consortium** for an issue in the course of a public offering of such financial instruments, which are, or the issuer of which is, the subject of the investment recommendation.
- 3- Companies affiliated with Warburg Research **manage financial instruments**, which are, or the issuers of which are, subject of the investment recommendation, in a market based on the provision of buy or sell contracts.
- 4- MMWB, Warburg Research, or an affiliated company, reached an agreement with the issuer to provide **investment banking and/or investment services** and the relevant agreement was in force in the last 12 months or there arose for this period, based on the relevant agreement, the obligation to provide or to receive a service or compensation - provided that this disclosure does not result in the disclosure of confidential business information.
- 5- The company compiling the analysis or an affiliated company had reached an **agreement on the compilation of the investment recommendation** with the analysed company.
- 6a- Warburg Research, or an affiliated company, holds a **net long position of more than 0.5%** of the total issued share capital of the analysed company.
- 6b- Warburg Research, or an affiliated company, holds a **net short position of more than 0.5%** of the total issued share capital of the analysed company.
- 6c- The issuer holds shares of more than 5% of the total issued capital of Warburg Research or an affiliated company.
- 7- The company preparing the analysis as well as its affiliated companies and employees have **other important interests** in relation to the analysed company, such as, for example, the exercising of mandates at analysed companies.

Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
DEFAMA Deutsche Fachmarkt AG	4, 5	<a href="http://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A13SUL5.htm">http://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A13SUL5.htm</a>

**INVESTMENT RECOMMENDATION**

Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

-B-	<b>Buy:</b>	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	<b>Hold:</b>	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	<b>Sell:</b>	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	<b>Rating suspended:</b>	The available information currently does not permit an evaluation of the company.

**WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING**

Rating	Number of stocks	% of Universe
Buy	161	75
Hold	46	21
Sell	4	2
Rating suspended	4	2
<b>Total</b>	<b>215</b>	<b>100</b>

**WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...**

... taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	48	83
Hold	8	14
Sell	0	0
Rating suspended	2	3
<b>Total</b>	<b>58</b>	<b>100</b>

**PRICE AND RATING HISTORY DEFAMA DEUTSCHE FACHMARKT AG AS OF 26.08.2022**


Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

**EQUITIES**

**Matthias Rode** +49 40 3282-2678  
Head of Equities mrode@mmwarburg.com

**RESEARCH**

**Michael Heider** +49 40 309537-280  
Head of Research mheider@warburg-research.com

**Henner Rüschemier** +49 40 309537-270  
Head of Research hrueschemier@warburg-research.com

**Stefan Augustin** +49 40 309537-168  
Cap. Goods, Engineering saugustin@warburg-research.com

**Jan Bauer** +49 40 309537-155  
Renewables jbauer@warburg-research.com

**Jonas Blum** +49 40 309537-240  
Telco, Media, Construction jblum@warburg-research.com

**Christian Cohrs** +49 40 309537-175  
Industrials & Transportation ccohrs@warburg-research.com

**Dr. Christian Ehmann** +49 40 309537-167  
BioTech, Life Science cehmann@warburg-research.com

**Felix Ellmann** +49 40 309537-120  
Software, IT fellmann@warburg-research.com

**Jörg Philipp Frey** +49 40 309537-258  
Retail, Consumer Goods jfrey@warburg-research.com

**Marius Fuhrberg** +49 40 309537-185  
Financial Services mfuhrberg@warburg-research.com

**Mustafa Hidir** +49 40 309537-230  
Automobiles, Car Suppliers mhidir@warburg-research.com

**Thor Höfs** +49 40 309537-255  
Software, IT thoefs@warburg-research.com

**Philipp Kaiser** +49 40 309537-260  
Real Estate pkaiser@warburg-research.com

**Thilo Kleibauer** +49 40 309537-257  
Retail, Consumer Goods tkleibauer@warburg-research.com

**Andreas Pläsier** +49 40 309537-246  
Banks, Financial Services aplaesier@warburg-research.com

**Malte Schaumann** +49 40 309537-170  
Technology mschaumann@warburg-research.com

**Oliver Schwarz** +49 40 309537-250  
Chemicals, Agriculture oschwarz@warburg-research.com

**Simon Stippig** +49 40 309537-265  
Real Estate sstippig@warburg-research.com

**Cansu Tatar** +49 40 309537-248  
Cap. Goods, Engineering ctatar@warburg-research.com

**Marc-René Tonn** +49 40 309537-259  
Automobiles, Car Suppliers mtonn@warburg-research.com

**Robert-Jan van der Horst** +49 40 309537-290  
Technology rvanderhorst@warburg-research.com

**Andreas Wolf** +49 40 309537-140  
Software, IT awolf@warburg-research.com

**INSTITUTIONAL EQUITY SALES**

**Marc Niemann** +49 40 3282-2660  
Head of Equity Sales, Germany mniemann@mmwarburg.com

**Klaus Schilling** +49 69 5050-7400  
Head of Equity Sales, Germany kschilling@mmwarburg.com

**Tim Beckmann** +49 40 3282-2665  
United Kingdom tbeckmann@mmwarburg.com

**Lea Bogdanova** +49 69 5050-7411  
United Kingdom, Ireland lbogdanova@mmwarburg.com

**Jens Buchmüller** +49 69 5050-7415  
Scandinavia, Austria jbuchmueller@mmwarburg.com

**Alexander Eschweiler** +49 40 3282-2669  
Germany, Luxembourg aeschweiler@mmwarburg.com

**Matthias Fritsch** +49 40 3282-2696  
United Kingdom mfritsch@mmwarburg.com

**Maximilian Martin** +49 69 5050-7413  
Austria, Poland mmartin@mmwarburg.com

**Christopher Seedorf** +49 40 3282-2695  
Switzerland cseedorf@mmwarburg.com

**Sophie Hauer** +49 69 5050-7417  
Roadshow/Marketing shauer@mmwarburg.com

**Juliane Niemann** +49 40 3282-2694  
Roadshow/Marketing jniemann@mmwarburg.com

**SALES TRADING**

**Oliver Merckel** +49 40 3282-2634  
Head of Sales Trading omerckel@mmwarburg.com

**Elyaz Dust** +49 40 3282-2702  
Sales Trading edust@mmwarburg.com

**Michael Ilgenstein** +49 40 3282-2700  
Sales Trading milgenstein@mmwarburg.com

**Marcel Magiera** +49 40 3282-2662  
Sales Trading mmagiera@mmwarburg.com

**Bastian Quast** +49 40 3282-2701  
Sales Trading bquast@mmwarburg.com

**Jörg Treptow** +49 40 3282-2658  
Sales Trading jtreptow@mmwarburg.com

**MACRO RESEARCH**

**Carsten Klude** +49 40 3282-2572  
Macro Research cklude@mmwarburg.com

**Dr. Christian Jasperneite** +49 40 3282-2439  
Investment Strategy cjasperneite@mmwarburg.com

**Our research can be found under:**

Warburg Research [research.mmwarburg.com/en/index.html](https://research.mmwarburg.com/en/index.html)  
Bloomberg RESP MMWA GO  
FactSet [www.factset.com](https://www.factset.com)

Refinitiv [www.refinitiv.com](https://www.refinitiv.com)  
Capital IQ [www.capitaliq.com](https://www.capitaliq.com)

**For access please contact:**

**Andrea Schaper** +49 40 3282-2632  
Sales Assistance aschaper@mmwarburg.com

**Kerstin Muthig** +49 40 3282-2703  
Sales Assistance kmuthig@mmwarburg.com