GBC Research
Anno

Finexity AG

FINEXITY GROUP

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GBC AG Investment Research

Finexity AG*5a,11

Digital capital market infrastructure for private markets with high scalability potential

Industry: Fintech
Focus: Tokenization and trading of private market securities
Founded: 2018

Employees: Approximately 30 (31.12.2025)
Headquarters: Hamburg
Executive Board: Paul-Maria Huelsmann (Global CEO), Michael Ost (Europe CEO), Tim Janssen (CTO), Zhengyu Sindra Hu (CFO)

Finexity Group is a publicly listed German fintech company in the m:access segment of the Munich Stock Exchange and positions itself as an infrastructure provider for tokenised securities. The Group operates an OTC trading venue and covers a broad part of the value chain, including structuring, tokenisation, placement, trading, settlement and lifecycle management. Its current focus is on tokenised bonds, while the platform is being expanded toward tokenised funds and equities. Finexity combines proprietary technology with regulated brokerage access and a growing distribution network of banks, savings banks, cooperative banks, financial intermediaries and its own brokerage brands. Strategically, the Group aims to evolve from its current OTC infrastructure into a regulated DLT-based trading and settlement infrastructure under the EU DLT Pilot Regime, positioning itself as a European market infrastructure provider for tokenised securities.

in € million	FY 2025pf	FY 2026e	FY 2027e	FY 2028e	FY 2029e	FY 2030e
Revenue	7.85	9.62	13.50	24.20	40.00	80.00
EBITDA	-3.64	-3.53	-3.15	0.21	7.00	22.00
EBIT	-3.77	-3.72	-3.35	0.01	6.80	21.80
Net income	-3.82	-3.75	-3.38	0.00	6.79	21.79
EPS	-3.10	-2.82	-2.54	0.00	5.11	16.39
Dividends	0	0	0	0	0	0
EV/Revenue	5.58	4.62	3.29	1.84	1.11	0.56
EV/EBITDA	neg.	neg.	neg.	211.79	6.35	2.02
EV/EBIT	neg.	neg.	neg.	n.m.	6.54	2.04
P/E	neg.	neg.	neg.	n.m.	7.25	2.26

Investment Case

- **Structural growth:** Finexity is well positioned to benefit from the long-term trend toward the digitalization and tokenization of capital markets, particularly in the private markets segment.
- **Integrated platform:** The company combines structuring, tokenization, placement and OTC trading within a proprietary DLT-based infrastructure.
- **Regulatory positioning:** The operating business model is already aligned with the existing regulatory framework and is supported by a clear roadmap for leveraging the EU DLT Pilot Regime.
- **Scalable business model:** Finexity follows a technology and platform-based approach with recurring revenue potential and attractive operating leverage.
- **Established track record:** The company operates a live OTC platform with more than 250 listed securities from over 50 issuers, six trading partners and more than 84,000 registered investors.
- **Option on market infrastructure:** Over the medium term, there is additional upside potential from the company's transformation into a regulated operator of a DLT-based trading and settlement infrastructure.

Rating: Buy
Price target: 81.11 €
(previously: 72.00 €)

Stock and Key Data

Xetra price 20.07.26 09:02	37.00 EUR
Symbol (Bloomberg)	FXT:GR
ISIN	DE000A40ET88
WKN	A40ET8
Number of shares (in m)	1.33
Market cap (in m €)	49.22
Enterprise value (in m €)	44.48
Market segment	m:access
Fiscal year	December 31
Accounting	HGB

Shareholder Structure

Paul Huelsmann, CEO	13.8%
Anchor Investor	7.5%
Co-Founders & Management	22.3%
Others / Free float	56.4%

Financial Dates

31.08.2026	Equity Forum
15.10.2026	m:access Analyst Conference

Analysts

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Latest GBC Research

Date: Publication / Price Target / Rating
08.05.2026: RS / 72.00 / BUY
19.03.2026: RS / 72.00 / BUY

** The above-mentioned research reports can be accessed at www.gbc-ag.de**.

Completion: 21.07.2026 (9:45)
First publication: 21.07.2026 (12:00)

Validity of the price target: until Dec. 31, 2027

*List of potential conflicts of interest on p. 21

EXECUTIVE SUMMARY

- FINEXITY AG is a fintech company positioned as an infrastructure provider for tokenised securities. The Group operates an OTC trading venue and covers a broad part of the value chain, including structuring, tokenisation, placement, trading, settlement and lifecycle management. Its current focus is on tokenised bonds, while the platform is being expanded toward tokenised funds and equities. Strategically, FINEXITY aims to evolve from its current OTC infrastructure into a regulated DLT-based trading and settlement infrastructure under the EU DLT Pilot Regime.

- The 2025 financial year confirmed the Group's transition from an issuance- and project-driven model toward a broader infrastructure-oriented platform model. Pro forma revenue increased by 15.5% to €7.85 million, compared with €6.80 million in the previous year. Growth was primarily driven by the Infrastructure segment, which benefited from higher brokerage activity via Effecta and increasing trading partner fees. At the same time, the Capital Markets segment remained broadly stable, with a shift toward advisory and structuring revenues. Earnings remained clearly negative and reflected FINEXITY's ongoing investment and platform-building phase. EBITDA declined to €-3.64 million, compared with €-1.25 million in 2024. The weaker profitability was mainly driven by a less favourable revenue mix, high pass-through costs from Effecta-related brokerage revenues and increased operating expenses for personnel, legal, consulting, IT and regulatory projects. We therefore continue to view 2025 as a transition year, in which FINEXITY built the organisational, regulatory and technological basis for future scaling.

- The growth outlook remains ambitious but strategically well supported. FINEXITY reported pro forma Group revenue of €2.10 million in Q1 2026, approximately 40% above the company's internal budget, with the Infrastructure segment being the main driver. In the near term, growth should be driven by higher utilisation of the existing OTC infrastructure, the planned Effecta integration and the expansion of the distribution network. More than 250 tokenised securities are already listed on the infrastructure, while the planned expansion into tokenised funds and equities should broaden the addressable product universe.

- We maintain our revenue forecasts of €9.62 million for 2026, €13.50 million for 2027, €24.20 million for 2028, €40.00 million for 2029 and €80.00 million for 2030. The acceleration from 2028 onward is linked to the planned transition toward FINEXITY 3.0, including the launch of a regulated DLT Trading and Settlement System, subject to regulatory approval, technical implementation and market readiness. Under FINEXITY 4.0, the Group also intends to open its infrastructure to exchange operators, regulated trading venues and order-flow providers through white-label partnerships.

- **Based on our DCF valuation model, we increase our target price from €72.00 to €81.11 and maintain our BUY rating. The increase in the target price is primarily attributable to the rollover effect, reflecting the shift of the valuation base to the target date of 31.12.2027. Overall, FINEXITY offers significant scalability potential as an early infrastructure provider for tokenised securities, but the investment case remains dependent on successful Effecta integration, regulatory approval of the DLT-TSS infrastructure, higher platform volumes and the transition toward recurring, higher-margin infrastructure revenues.**

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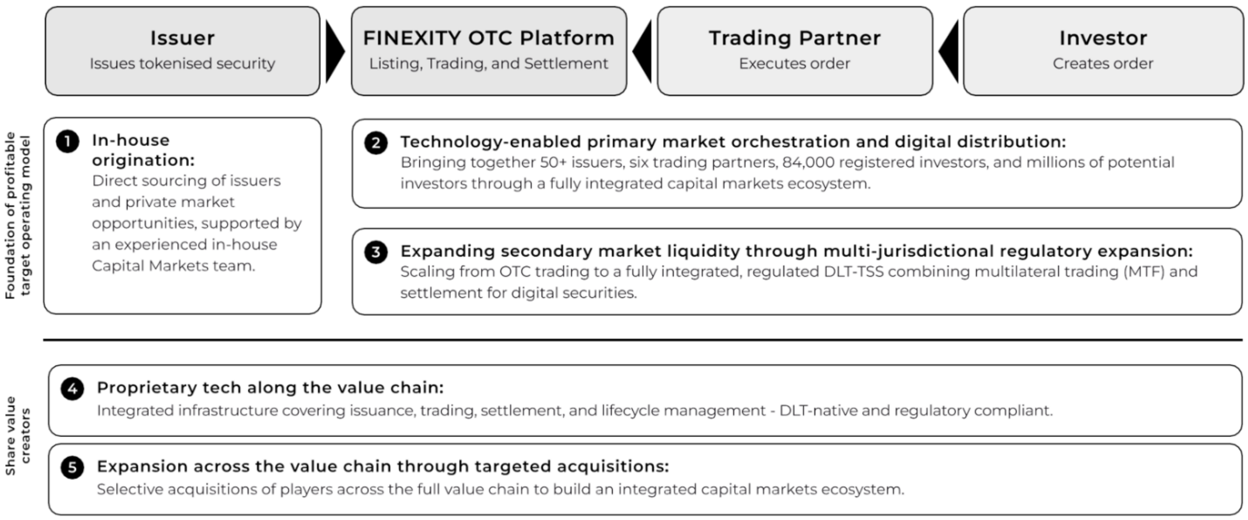
BUSINESS MODEL

FINEXITY operates a digital capital markets infrastructure platform for tokenised securities. The company supports issuers in structuring investment products, converting them into legally compliant digital securities and placing them with investors through its own brokers and external distribution partners. In addition, FINEXITY provides an OTC trading venue where these tokenised securities can be traded after issuance. The Group therefore covers a broad part of the value chain, including structuring, tokenisation, placement, trading, settlement and lifecycle management.



Source: Finexity AG

The current product focus is primarily on tokenised bonds and private-market instruments. Issuers can include companies, real-estate vehicles, infrastructure projects, asset managers and other sponsors seeking capital. FINEXITY helps these issuers design securities that can be digitally issued and distributed to private, semi-professional and professional investors. Over time, the platform is intended to expand beyond tokenised bonds into tokenised funds and equities, thereby increasing the addressable market.

Distribution is a key element of the model. FINEXITY uses its own brokerage brands, including FINEXITY Invest and VolksInvest, but also connects external partners such as banks, savings banks, cooperative banks, brokers, wealth managers and other financial intermediaries. The planned integration of Effecta is strategically important in this context, as it would add a regulated brokerage infrastructure, more than 45 tied agents and a significantly larger investor base. This should improve FINEXITY's ability to place tokenised securities across a broader distribution network.

The OTC trading venue is the central infrastructure layer. It enables tokenised securities to be listed, traded and settled after issuance. This creates a secondary-market mechanism for instruments that would otherwise often be illiquid. For issuers, this can make products more attractive because investors receive a potential exit channel. For investors, it improves access to private-market instruments with lower operational complexity. For FINEXITY, each additional issuer, product, investor and distribution partner can increase platform relevance and potentially improve liquidity.

FINEXITY generates revenue across several parts of the value chain. In the Capital Markets segment, the company earns advisory and structuring fees from issuers, placement fees from successful transactions and potentially syndication or asset-management-related fees. These revenues are important for current growth but are partly transaction-driven and therefore less predictable.

In the Infrastructure segment, FINEXITY monetises the operation of the platform itself. Revenue sources include listing fees, tokenisation fees, issuance fees, registry fees, product maintenance fees, digital subscription fees, technology fees and brokerage-related revenues. This segment is strategically the more important long-term value driver, as infrastructure-related revenues can become more recurring and scalable. Once the platform, regulatory processes and technology are established, additional products and transactions should be processed at comparatively low incremental cost.

Strategically, FINEXITY aims to develop from an OTC platform into a regulated DLT-based trading and settlement infrastructure. Under FINEXITY 3.0, the Group plans to build a DLT Trading and Settlement System, combining trading and settlement within one regulated infrastructure. Subject to regulatory approval, technical implementation and market readiness, the targeted go-live is planned for the beginning of 2028. Under FINEXITY 4.0, FINEXITY intends to open this infrastructure to external exchange operators, trading venues and order-flow providers through white-label partnerships.

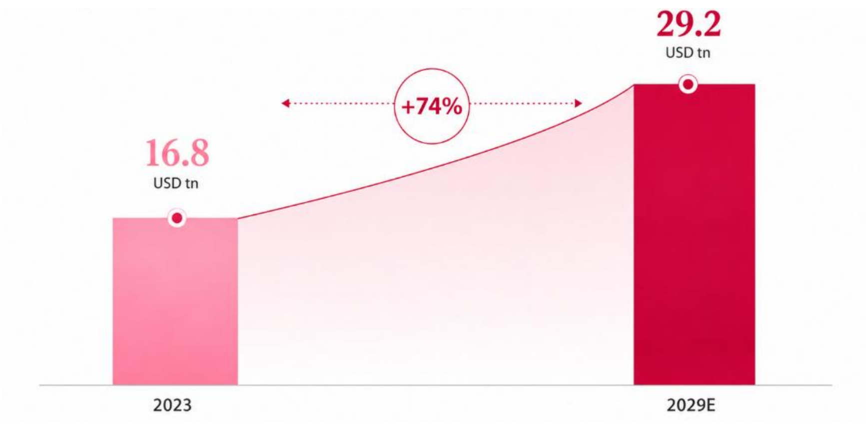
Overall, FINEXITY's business model combines issuer services, distribution access and proprietary capital markets infrastructure. The near-term model is still driven by placements, brokerage activity and platform usage. The long-term opportunity lies in building a recurring, scalable and regulated infrastructure layer for tokenised securities across bonds, funds and equities. The model offers substantial scalability potential, but remains dependent on execution, regulatory approvals, successful Effecta integration, rising transaction volumes and improved revenue quality.

MARKET AND MARKET ENVIRONMENT

FINEXITY operates in a market environment shaped by three long-term developments: the expansion of private markets, the digital transformation of securities infrastructure and the gradual regulatory opening of European capital markets for tokenised financial instruments. These drivers create a structurally attractive backdrop for specialised infrastructure providers. At the same time, the market remains early-stage, fragmented and execution-sensitive. For FINEXITY, the opportunity is therefore significant, but it depends on whether tokenised securities can move from individual issuance projects into scalable, liquid and institutionally accepted market infrastructure.

Private markets have grown substantially over the past two decades and are now a core component of institutional asset allocation. Demand has been supported by the search for diversification, long-term cash-flow profiles, exposure to private equity, private debt, infrastructure and real assets, and, in many cases, the expectation of an illiquidity premium. S&P Global expects private markets to reach more than USD 15 trillion in assets under management by 2025 and more than USD 18 trillion by 2027. Broader alternative assets are expected to grow as well, with Preqin forecasting global alternatives AUM to increase from USD 16.8 trillion at the end of 2023 to USD 29.2 trillion by 2029.

Global alternatives AUM (in USD tn)



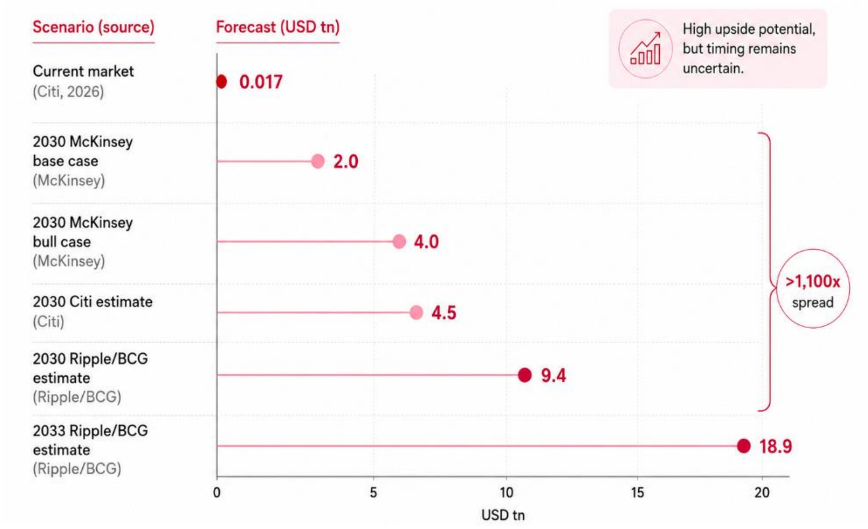
Source: Preqin Global Report 2025

Despite this growth, access to private-market investments remains structurally limited for many investor groups. High minimum investment amounts, complex subscription processes, long holding periods, limited secondary-market liquidity and a lack of standardised post-issuance processes continue to restrict broader participation. This is particularly relevant for retail and semi-professional investors, who are increasingly looking for alternatives to traditional public equity and bond markets but often lack efficient access to private-market instruments. In this context, tokenisation is not primarily a new asset class, but a potential infrastructure layer that can make existing financial instruments easier to issue, administer, transfer and trade.

Tokenisation refers to the digital representation of traditional financial assets, such as bonds, funds, loans, real estate-related instruments or equities, on distributed ledger technology. The economic rationale lies in the potential to reduce operational complexity, enable smaller denominations, automate registry and lifecycle-management functions and shorten settlement cycles. In private markets, where issuance, ownership transfer and investor servicing are often still fragmented and partly manual, these efficiency gains can be particularly relevant. However, the market should be viewed realistically. Tokenisation does not automatically create liquidity. Secondary-market depth, investor participation, regulatory clarity, custody, valuation standards and interoperability between platforms remain decisive constraints. Reuters has highlighted that tokenised traditional assets have so far struggled to gain broad traction, partly due to insufficient infrastructure, lack of secondary markets and fragmented blockchain networks.

Market forecasts for tokenised assets vary widely, reflecting the early stage of adoption and the uncertainty around timing. McKinsey expects total tokenised market capitalisation, excluding cryptocurrencies and stablecoins, to reach around USD 2 trillion by 2030 in its base case and around USD 4 trillion in a bullish scenario. Citi's 2026 tokenisation report estimates the current global tokenisation market for financial assets at around USD 17 billion and expects tokenised financial assets of USD 4-5 trillion by 2030. Other studies are more aggressive: Ripple and BCG project tokenised real-world assets to grow from around USD 0.6 trillion today to USD 9.4 trillion by 2030 and USD 18.9 trillion by 2033. The wide range of estimates underlines the attractive potential, but also the fact that adoption timing remains difficult to forecast.

Forecasts for tokenised financial assets vary widely



Sources: Citi, McKinsey, Ripple/BCG

The regulatory environment in Europe is becoming more supportive for regulated tokenised securities. At EU level, the DLT Pilot Regime has applied since 23 March 2023 and provides a legal framework for trading and settlement of transactions in crypto-assets that qualify as financial instruments under MiFID II. The regime facilitates the set-up of new types of market infrastructure, including DLT multilateral trading facilities, DLT settlement systems and DLT trading and settlement systems. This is directly relevant for FINEXITY's strategic objective of developing a regulated DLT-based trading and settlement infrastructure.

In Germany, the Electronic Securities Act has created a legal basis for issuing securities electronically without a physical certificate. The law came into force in June 2021 and opened the way for eligible securities to be issued via an electronic securities register. This framework is important because it allows tokenised or blockchain-based securities to be structured within a regulated legal environment rather than outside the traditional securities framework.

The broader European policy environment is also supportive. The EU's Savings and Investments Union aims to improve financial opportunities for EU citizens and to enhance the financial system's ability to connect savings with productive investments. The initiative is designed to provide a wider range of investment and financing opportunities for citizens and companies. This objective is closely aligned with the long-standing Capital Markets Union agenda, which seeks to reduce fragmentation and deepen European capital markets. For digital market infrastructure providers, the policy direction is favourable, as Europe continues to search for mechanisms that can channel private savings into growth, innovation and real-economy financing more effectively.

Against this backdrop, FINEXITY is positioned as an early infrastructure provider for regulated tokenised securities. The company already operates an OTC venue for tokenised securities and states that more than 250 tokenised bonds are listed on its infrastructure. The platform covers primary and secondary-market activity and provides services for listing, trading, settlement and lifecycle management. FINEXITY also intends to expand its existing OTC infrastructure beyond bonds into tokenised funds and equities.

This product expansion is important for the long-term market opportunity. Tokenised bonds are currently among the more advanced use cases because they are relatively well suited to digital issuance, register-based ownership transfer and standardised cash-flow administration. However, the addressable market would be materially larger if tokenised funds and, later, equities gain broader acceptance. Institutional market participants are also developing tokenisation strategies across fixed income, funds and, progressively, equity instruments, which supports the view that tokenised securities are moving from pilot projects toward scalable infrastructure initiatives.

Competition is likely to increase. Established exchanges, banks, asset managers, fintechs, custody providers and technology companies are all exploring tokenised securities infrastructure. Larger incumbents have stronger balance sheets, regulatory experience and established client relationships. FINEXITY's competitive advantage lies in its early operational experience, integrated value chain, proprietary infrastructure and existing broker and distribution network. The key question is whether this early position can be converted into sufficient order flow, liquidity and recurring infrastructure revenue before larger players scale their own solutions.

Overall, the market environment remains structurally favourable but still immature. Private markets are growing, investor access remains inefficient, regulatory frameworks are becoming clearer and tokenisation is increasingly being considered by institutional market participants. At the same time, market liquidity, interoperability, investor trust and regulatory implementation remain bottlenecks. FINEXITY is well positioned within this emerging market, but the investment case depends on execution: the company must increase platform volumes, broaden the product universe, complete its transition toward DLT-based trading and settlement infrastructure and demonstrate that its model can generate recurring, higher-margin revenues at scale.

BUSINESS DEVELOPMENT

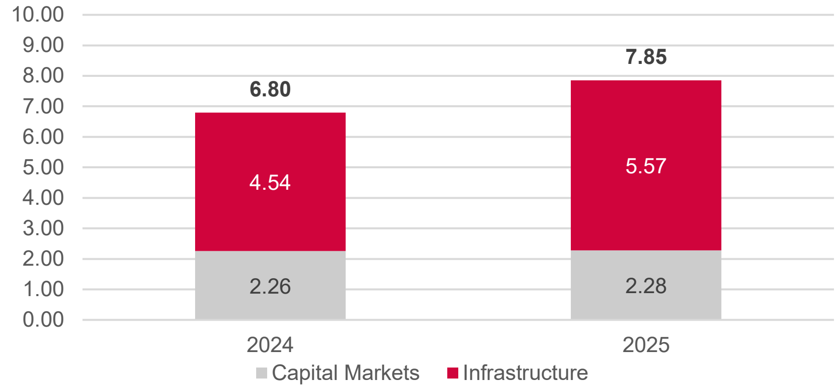
Proforma Group Income Statement 2025	2024	2025
Revenue	6.80	7.85
EBITDA	-1.25	-3.64
EBITDA margin	-18.3%	-46.4%
EBIT	n.a.	-3.77
EBIT margin	n.a.	-47.9%
Net result	n.a.	-3.82

Sources: Finexity AG; GBC AG

Revenue Development

FINEXITY Group increased pro forma consolidated revenue by 15.5% to €7.85 million in financial year 2025, compared with €6.80 million in the previous year. The revenue development confirms that FINEXITY is gradually moving from a primarily project- and issuance-driven model toward a broader infrastructure-oriented platform model. However, the growth was not evenly distributed across all activities. It was mainly driven by the Infrastructure segment, while the Capital Markets segment remained broadly stable and underwent a deliberate shift in revenue mix.

Revenue development by segments (in €m)



Sources: Finexity AG; GBC AG

The Infrastructure segment was the key growth driver in 2025. Segment revenue increased by 22.6% to €5.57 million, compared with €4.54 million in the previous year, and accounted for approximately 71% of total pro forma Group revenue. This confirms Infrastructure as the commercial core of the Group and supports FINEXITY's strategic positioning as a market infrastructure provider for tokenised securities rather than merely an issuance platform. The segment operates the OTC trading venue and provides the technology and market infrastructure for listing, trading, settlement and lifecycle management of tokenised securities.

Within Infrastructure, the strongest contribution came from brokerage commission income via Effecta GmbH, which increased by 30.1% to €4.74 million, compared with €3.64 million in 2024. This was the largest single revenue component in the Group and underlines the strategic relevance of the planned Effecta integration. Even before formal completion of the ownership control procedure, the Effecta relationship already provides meaningful distribution reach and brokerage activity. From our perspective, this supports the investment case, as FINEXITY is not only building technology, but also expanding regulated distribution capacity and access to order flow. At the same time, the quality of these revenues must be assessed carefully, as brokerage commissions also carry significant pass-through costs.

Trading partner fees almost doubled to €0.60 million, compared with €0.30 million in the previous year. This is strategically encouraging, as it indicates that FINEXITY is increasingly monetising external partner connectivity and infrastructure usage. The development supports the view that FINEXITY's platform can become relevant not only for internally originated products, but also for banks, brokers, wealth managers and other financial intermediaries that require access to listing, trading and settlement infrastructure for tokenised securities.

By contrast, listing-related fees declined sharply by 60.9% to €0.23 million, compared with €0.60 million in the previous year. According to the company, this reflected a deliberate adjustment in the fee structure to align with market standards and to support longer-term infrastructure relationships with issuers rather than relying on one-off listing income. This decline should therefore not be viewed purely as a negative volume signal. It also reflects a repositioning of the revenue model toward potentially more durable and recurring infrastructure relationships. Nevertheless, the decline shows that the monetisation per listing remains an important variable and that the number of listed securities alone is not sufficient to assess revenue quality.

The Capital Markets segment generated revenue of €2.28 million in 2025, compared with €2.26 million in the previous year, corresponding to growth of 1.2%. The segment therefore remained broadly stable. However, the internal revenue mix changed meaningfully. Advisory and structuring fees increased by 6.9% to €1.96 million, compared with €1.83 million in 2024. This indicates that FINEXITY continued to strengthen issuer relationships and origination capabilities. Placement fees, on the other hand, declined by 23.4% to €0.32 million, compared with €0.42 million in the previous year.

This development reflects a conscious strategic shift. FINEXITY appears to be moving away from more standardised, plain-vanilla issuances toward more complex transactions with longer structuring timelines and higher potential revenue per transaction. As a result, placement revenue may become more volatile in the short term, while advisory and structuring revenue could become more important during the preparation phase of larger or more institutionally oriented transactions. If these mandates convert into placements and platform activity in later periods, the 2025 mix shift could support stronger revenue quality over time.

Earnings Performance

Despite solid revenue growth in 2025, FINEXITY's earnings development remained clearly negative and reflected the Group's ongoing investment and platform-building phase. EBITDA declined significantly to €-3.64 million, compared with €-1.25 million in 2024.

A key reason was the weaker gross profitability. Gross profit declined by 3.2% to €2.80 million, compared with €2.89 million in 2024, despite the higher revenue base. Accordingly, the gross margin fell to 35.6%, compared with 42.5% in the previous year. This was mainly due to the revenue mix. A large part of the additional Infrastructure revenue came from Effecta-related brokerage activity, which carries significant pass-through commission expenses. Brokerage commission fees paid to Effecta increased by 28.1% to €4.18 million, compared with €3.26 million in 2024. In addition, structuring legal fees of €0.30 million were incurred, with no comparable amount in the prior year.

Operating expenses also increased materially. Total operating costs rose to €6.44 million, compared with €4.14 million in 2024. Salaries and employee benefits increased by 25.2% to €3.27 million, reflecting the continued build-out of organisational capacity. Legal and consulting costs rose particularly strongly to €1.56 million, compared with €0.65 million in the previous year, mainly driven by M&A, capital markets transactions, regulatory processes and the broader organisational transformation. IT costs more than doubled to €0.64 million, while marketing expenses increased to €0.24 million.

After depreciation of €0.12 million and interest expenses of €0.06 million, the pro forma net result amounted to €-3.82 million. This confirms that FINEXITY remains in a pronounced investment phase and has not yet reached the transaction volumes or revenue mix required to cover its fixed-cost base. The weaker earnings development should therefore be viewed as a combination of pass-through costs, project-related expenses and deliberate upfront investments in personnel, technology, regulation and distribution.

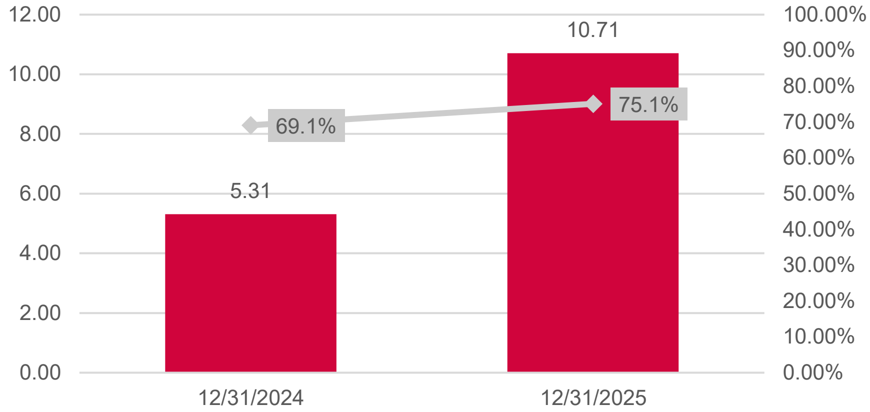
Balance Sheet and Financial Position

in millions of euros	Dec. 31, 2024	Dec. 31, 2025
Equity	5.31	10.71
Equity ratio (in %)	69.1%	75.1%
Operating fixed assets	0.01	0.35
Working capital	0.31	-0.08
Cash	1.98	1.30

Source: Finexity AG; GBC AG; Equity incl. other special reserves for 2024, as these were economically attributable to equity.

As FINEXITY did not prepare a consolidated balance sheet or cash flow statement for 2025, the analysis is limited to the audited standalone financial statements of FINEXITY AG. These primarily reflect the parent company's holding and financing function and therefore do not provide a complete picture of the Group's financial position.

Equity (in € million) and Equity Ratio (in %)



Source: Finexity AG; GBC AG

FINEXITY AG's economically adjusted equity base increased substantially to €10.71 million as of 31 December 2025, compared with €5.31 million in the previous year. The 2024 figure includes other special reserves of €4.42 million, which were economically attributable to equity. On a purely statutory basis, equity amounted to €0.90 million in 2024. Accordingly, the adjusted equity ratio improved to 75.1%, compared with 69.1% in the previous year. The stronger equity base was driven by capital measures rather than operating profitability. Subscribed capital increased to €1.23 million, compared with €0.93 million in the previous year, while capital reserves rose to €17.50 million, compared with €6.79 million. At the same time, the accumulated deficit, including the current-year loss, increased to approximately €8.03 million, compared with €6.83 million in the previous year. The balance sheet was therefore formally strengthened, but FINEXITY has not yet established an internally financed business model.

Total assets increased to €14.26 million, compared with €7.69 million in the previous year. The most important development was the sharp increase in exposures to subsidiaries. Shares in affiliated companies amounted to €4.29 million, compared with no corresponding balance in the previous year, while loans to affiliated companies increased to €2.56 million, compared with €1.07 million in the previous year. In addition, receivables from affiliated companies rose to €4.09 million, compared with no corresponding balance in the previous year. Altogether, investments, loans and receivables relating to affiliated companies represented approximately

77% of total assets. The quality of FINEXITY AG's balance sheet therefore depends heavily on the future earnings capacity and recoverability of its operating subsidiaries.

Liquidity remained the main balance-sheet weakness. Cash and bank balances declined to €1.30 million, compared with €1.98 million in the previous year, despite the capital measures completed during 2025. This indicates that a significant portion of available funds was absorbed by operating losses, acquisitions, regulatory projects and subsidiary financing. As most of the remaining assets consist of long-term investments and intra-group claims, the reported equity ratio overstates the amount of immediately available financial flexibility.

Liabilities increased to €3.36 million, compared with €2.32 million in the previous year. The increase was mainly attributable to liabilities to affiliated companies of €1.55 million, compared with no corresponding balance in the previous year, and higher trade payables of €0.56 million, compared with €0.26 million in the previous year. Overall leverage remained moderate relative to the adjusted equity base, but the more relevant issue is the relationship between short-term obligations and available cash rather than the absolute level of debt.

Overall, FINEXITY AG entered 2026 with a substantially stronger formal equity base, but also with a balance sheet increasingly concentrated on the financing and valuation of Group companies. The central balance-sheet risk is therefore not excessive external debt, but the combination of limited cash resources, continued operating losses and substantial intra-group exposures. The financial position will ultimately depend on whether the operating subsidiaries can achieve sufficient scale and cash generation before further external funding becomes necessary.

Financing after 31 December 2025

After the reporting date, FINEXITY completed a cash capital increase with subscription rights in June 2026. A total of 95,704 new shares were issued at €36.00 per share, generating gross proceeds of approximately €3.45 million. The share capital consequently increased from approximately €1.235 million to €1.330 million. The capital increase was registered with the Hamburg commercial register on 29 June 2026. More than half of the subscribed volume was placed with institutional investors, while approximately €2.0 million was subscribed through FINEXITY's own digital subscription process.

The proceeds are intended primarily to finance further growth, develop the regulated trading and settlement infrastructure for tokenised securities and strengthen the balance sheet. From a financial perspective, the transaction materially improves FINEXITY's short-term liquidity position, particularly compared with the cash balance of only €1.30 million reported by FINEXITY AG at the end of 2025. On a simplified basis and before transaction costs and subsequent cash consumption, the financing would have increased available liquidity to approximately €4.7 million. The issue also increased the number of shares by around 7.7% relative to the pre-transaction share count.

Overall, the capital increase represents an important near-term stabilisation of the financial position and demonstrates continued access to both institutional and retail equity investors.

Forecasts and model assumptions

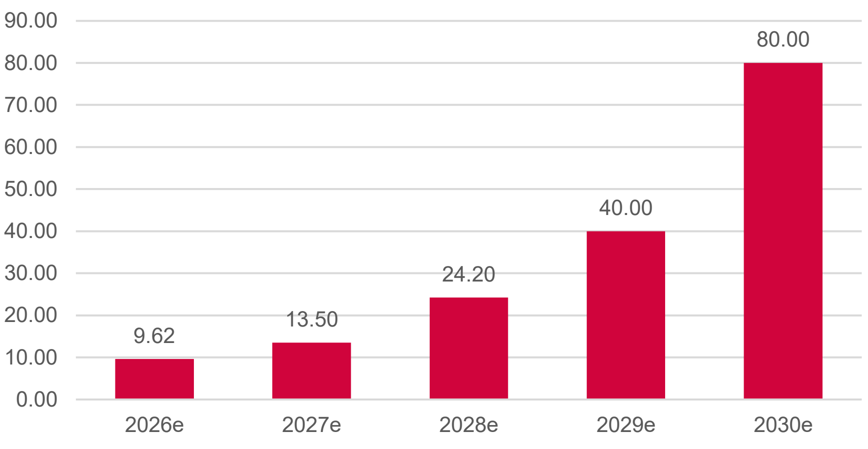
in € million	2025pf	2026e	2027e	2028e	2029e	2030e
Revenue	7.85	9.62	13.50	24.20	40.00	80.00
EBITDA	-3.64	-3.53	-3.15	0.21	7.00	22.00
EBITDA margin	-46.4%	-36.8%	-23.3%	0.9%	17.5%	27.5%
EBIT	-3.76*	-3.72	-3.35	0.01	6.80	21.80
EBIT margin	-47.9%	-38.7%	-24.8%	0.0%	17.0%	27.3%
Net income	-3.82	-3.75	-3.38	0.00	6.79	21.79

Source: GBC AG

Revenue Forecast

Following final pro forma revenue of €7.85 million in fiscal year 2025, we maintain our revenue forecasts of €9.62 million for 2026, €13.50 million for 2027, €24.20 million for 2028, €40.00 million for 2029 and €80.00 million for 2030. The 2026 forecast corresponds to growth of 22.5% compared with 2025 and is supported by the positive start to the year. FINEXITY generated pro forma Group revenue of €2.10 million in Q1 2026, approximately 40% above the company's internal budget, with the Infrastructure segment being the main driver of the outperformance. While one quarter alone is not sufficient to extrapolate the full-year performance, it provides initial operational support for our unchanged 2026 estimate.

Revenue Forecast in € million



Source: GBC AG

In the near term, growth should primarily be driven by higher utilisation of FINEXITY's existing OTC infrastructure, the expansion of its distribution network and the planned integration of Effecta. Effecta remains the key operational priority for 2026, as it would materially strengthen FINEXITY's regulated brokerage and distribution capabilities. Together with existing connections to savings banks, cooperative banks and financial intermediaries, this should support higher placement volumes and additional order flow through FINEXITY's infrastructure.

For 2027, we expect revenue to increase to €13.50 million, corresponding to growth of 40.3%. The main driver should be the conversion of FINEXITY's enlarged issuer, broker and investor network into higher issuance, placement and trading volumes. The Annual Report also underlines the platform's increasing operational maturity, with more than 250 tokenised securities listed on the infrastructure. In addition, FINEXITY intends to expand its OTC infrastructure beyond bonds to tokenised funds and equities, thereby broadening the addressable product universe.

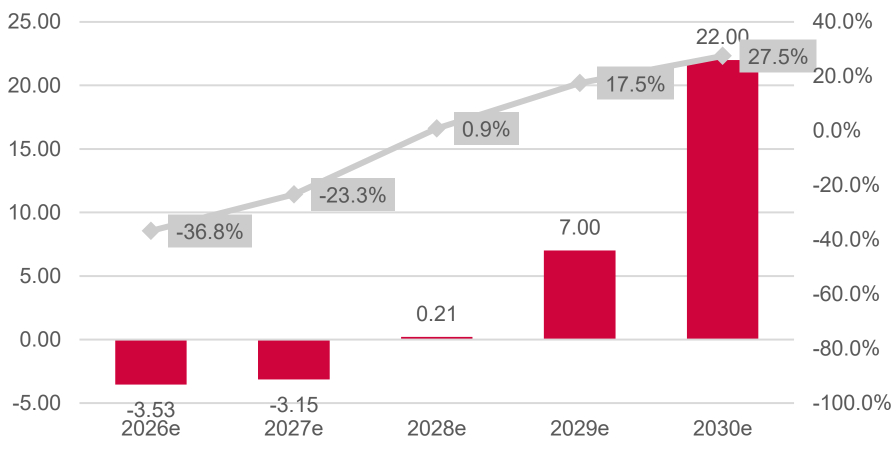
From 2028 onward, we continue to expect a material acceleration in revenue. Our forecast of €24.20 million for 2028 assumes not only continued growth of the existing activities, but also progress with FINEXITY 3.0. The Group aims to launch its regulated DLT Trading and Settlement System at the beginning of 2028, subject to regulatory approval, technical implementation and market readiness. The planned infrastructure would combine trading and settlement in one regulated venue and enable tokenised bonds, funds and equities to be traded and settled across Europe.

For 2029 and 2030, we forecast revenue of €40.00 million and €80.00 million, respectively. The long-term growth assumption is based on increasing transaction volumes, broader asset-class coverage and a rising contribution from recurring infrastructure, registry, product-maintenance and lifecycle-management fees. Under FINEXITY 4.0, the Group also intends to open its infrastructure to exchange operators, regulated trading venues and order-flow providers through white-label partnerships, potentially allowing FINEXITY to monetise third-party transaction and settlement volumes.

Earnings Forecast

Following pro forma EBITDA of €-3.64 million in fiscal year 2025, we maintain our earnings forecasts. We expect EBITDA of €-3.53 million in 2026, €-3.15 million in 2027, €0.21 million in 2028, €7.00 million in 2029 and €22.00 million in 2030.

EBITDA Forecast (in € million)



Source: GBC AG

In the near term, earnings are expected to remain negative, as FINEXITY continues to invest in technology, regulation, personnel, distribution and the preparation of its future DLT-TSS infrastructure. The 2025 results showed that the current revenue base and revenue mix are not yet sufficient to absorb the expanded cost structure. In particular, Effecta-related brokerage revenue carries a relatively high pass-through cost component, while legal, consulting and IT expenses remain elevated due to M&A, regulatory work and platform development.

For 2026 and 2027, we therefore expect only gradual earnings improvement. The key drivers should be higher platform utilisation, increasing revenue from existing OTC infrastructure and a more efficient cost base after the listing, M&A and regulatory build-out phase. However, we do not yet assume full operating leverage in these years, as FINEXITY is still in a scaling and investment phase.

From 2028 onward, we expect a more visible improvement in profitability. Our forecast assumes that revenue growth accelerates, the share of scalable infrastructure revenues increases and the planned transition toward FINEXITY 3.0 begins to contribute commercially. At this point, additional trading, settlement, registry, product-maintenance and lifecycle-management revenues should be generated with comparatively lower incremental costs.

For 2029 and 2030, we forecast EBITDA of €7.00 million and €22.00 million, respectively, and net results of €6.79 million and €21.79 million. The strong margin expansion in this phase remains ambitious and depends on successful execution of the DLT-TSS roadmap, stronger recurring infrastructure revenues, disciplined cost development and sufficient market adoption. Overall, we continue to assume a gradual move from investment losses toward a scalable and profitable infrastructure model, but the timing of operating leverage remains the key forecast risk.

Valuation

Model Assumptions

We valued FINEXITY AG using a three-stage DCF model. In the first stage, we use detailed forecasts for the years 2026 to 2030. In the second stage, covering 2031 to 2033, projections are based on value drivers. For this period, we assume annual revenue growth of 15.0% and a target EBITDA margin of 30.0%. During the explicit forecast period until 2030, we assume that existing tax loss carryforwards materially reduce the tax burden. From 2031 onward, we apply a normalised tax rate of 30.0%. In the third stage, a terminal value is calculated at the end of the forecast period using a perpetuity approach. For the terminal value, we assume a growth rate of 2.0%.

Determination of the Cost of Capital

The weighted average cost of capital, or WACC, for Finexity AG is derived from the cost of equity and the cost of debt. The calculation of the cost of equity is based on the market risk premium, the company specific beta and the risk-free rate.

In line with the recommendations of the FAUB of the IDW, the risk-free rate is derived from current yield curves for risk-free bonds. The basis for this is provided by the zero coupon rates published by the Deutsche Bundesbank using the Svensson method.

The currently applied risk-free rate is 3.0%.

For the market risk premium, we use a historical premium of 5.50%, which is supported by long-term analyses of equity market returns. The market risk premium reflects the extent to which the equity market is expected to outperform low risk government bonds.

Based on the GBC estimation methodology, the current beta is 2.57.

Using these assumptions, we calculate a cost of equity of 17.14%, based on beta multiplied by the risk premium plus the risk-free rate. As we assume a long-term equity weighting of 100%, the resulting weighted average cost of capital, or WACC, is also 17.14%.

Valuation Result

Based on our DCF valuation model, we increase our target price from €72.00 to €81.11 and maintain our BUY rating. The increase in the target price is primarily attributable to the rollover effect, reflecting the shift of the valuation base to the target date of 31 December 2027.

DCF MODEL

Phase	estimate					consistency			terminal
	FY 26e	FY 27e	FY 28e	FY 29e	FY 30e	FY 31e	FY 32e	FY 33e	
Revenue	9.62	13.50	24.20	40.00	80.00	92.00	105.80	121.67	
Revenue Growth	22.5%	40.4%	79.3%	65.3%	100.0%	15.0%	15.0%	15.0%	2.0%
EBITDA	-3.53	-3.15	0.21	7.00	22.00	27.60	31.74	36.50	
EBITDA Margin	-36.8%	-23.3%	0.9%	17.5%	27.5%	30.0%	30.0%	30.0%	
EBITA	-3.72	-3.35	0.01	6.97	21.96	27.54	31.66	36.40	
EBITA Margin	-38.7%	-24.8%	0.0%	17.4%	27.4%	29.9%	29.9%	29.9%	29.9%
NOPLAT	-3.72	-3.35	0.01	6.97	21.96	19.28	22.16	25.48	
Working Capital (WC)	0.40	0.60	1.00	2.40	4.80	5.52	6.35	7.30	
Fixed Assets (OAV)	0.10	0.22	0.36	0.54	0.74	0.99	1.29	1.65	
Invested Capital	0.50	0.82	1.36	2.94	5.54	6.51	7.64	8.95	
Return on Capital	-1154.9%	-670.0%	1.2%	511.1%	747.6%	347.7%	340.3%	333.5%	290.4%
EBITDA	-3.53	-3.15	0.21	7.00	22.00	27.60	31.74	36.50	
Taxes on EBITA	0.00	0.00	0.00	0.00	0.00	-8.26	-9.50	-10.92	
Change in OAV	-0.28	-0.32	-0.34	-0.20	-0.25	-0.31	-0.38	-0.46	
Change in WC	-0.09	-0.20	-0.40	-1.40	-2.40	-0.72	-0.83	-0.95	
Investments in goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Free Cash Flow	-3.90	-3.67	-0.53	5.40	19.35	18.31	21.04	24.17	170.45

Development of Capital Costs	
Risk-Free Return	3.00%
Market Risk Premium	5.50%
Beta	2.57
Cost of Equity	17.14%
Target Weighting	100.00%
Cost of Debt	8.00%
Target Weighting	0.00%
Tax Shield	24.99%
WACC	**17.14%**

Determination of Fair Value	FY 26e	FY 27e
Value of Operating Business	90.85	110.09
Present Value of Explicit FCFs	34.54	44.13
PV of Continuing Value	56.31	65.96
Net Debt	-1.47	2.23
Value of Equity	92.32	107.86
Minority Interests	0.00	0.00
Value of Share Capital	92.32	107.86
Outstanding Shares in Million	1.33	1.33
Fair Value per Share EUR	69.43	**81.11**

Sensitivity Analysis

		WACC				
		16.1%	**16.6%**	**17.1%**	**17.6%**	**18.1%**
ROC	**289.9%**	87.33	84.05	81.03	78.24	75.65
	290.1%	87.38	84.10	81.07	78.28	75.69
	290.4%	87.43	84.14	**81.11**	78.32	75.73
	290.6%	87.47	84.19	81.16	78.36	75.77
	290.9%	87.52	84.23	81.20	78.40	75.80

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2. The research report is made available simultaneously to all interested securities service providers.

OR

3. If the studies are not commissioned by the issuer, they are created independently. The creation of the study is also not influenced by third parties.

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A specific update of the present analysis to a fixed date is not yet scheduled. GBC AG reserves the right to update the analysis without prior notice.

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Since July 1, 2006, GBC AG has used a 3-tier absolute stock rating system. Since July 1, 2007, the ratings refer to a time horizon of at least 6 and up to a maximum of 18 months. Prior to that, the ratings referred to a time horizon of up to 12 months. Upon publication of the analysis, investment recommendations are determined based on the ratings described below, considering the expected return. Temporary price deviations outside of these ranges do not automatically lead to a change in the classification, but may prompt a revision of the original recommendation.

The respective recommendations/ratings are associated with the following expectations:

BUY	The expected return, based on the determined target price, including dividends, within the corresponding time horizon is >= +10%.
HOLD	The expected return, based on the determined target price, including dividends, within the corresponding time horizon is > -10% and < +10%.
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The target prices of GBC AG are determined based on the fair value per share, calculated using generally accepted and widely used fundamental analysis methods, such as the DCF method, peer-group comparison, and/or the sum-of-the-parts method. This takes into account fundamental factors such as stock splits, capital reductions, capital increases, M&A activities, share buybacks, etc.

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§ 2 (IV) Information Basis:

Publicly available information about the issuer(s), (where available, the last three published business and quarterly reports, ad-hoc announcements, press releases, securities prospectus, company presentations, etc.) was used to create this analysis, which GBC considers reliable. Additionally, conversations with the management of the relevant companies were conducted to gain further insights into the business developments.

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