EPH Group AG

Real Estate | Austria | Initiation

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Develop. De-risk. Deliver // Initiate EPH with BUY

Founded in 2023 and headquartered in Vienna, EPH Group AG (EPH) is a newly established hospitality real estate developer focused on the DACH region. Hereby, **the company is operating in the most profitable phase of real estate development** by focusing on creating value where the steepest valuation uplift occurs: securing prime land plots, obtaining permits, designing high-end resort concepts, and signing **long-term agreements with top-tier international hotel brands.** By exiting projects once these milestones are achieved - typically before construction begins - the company maximizes asset monetization while minimizing capital intensity, execution risk, and balance sheet exposure.

This **capital light approach** enables EPH to achieve **high developer margins of around 50%** (eNuW) on acquisition and development costs with only short project durations of < 24 months on average. Structured via SPVs, each project moves through a disciplined acquisition - de-risking - disposal cycle, converting planning expertise and market access into quick capital turnover and recurring cash flows.

EPH is on track to progress from its current platform build-up phase to a scalable, recurring development model. While the current pipeline comprise six projects, we model one project acquisition per quarter from Q1'26e forward, ensuring steady replenishment of land plots, as we expect first project disposals from Q3'26e onwards.

The attractiveness of the business model currently coincides with a highly attractive market environment, as the luxury and upper-upscale hospitality segment in the DACH region is projected to grow at a 4-6% CAGR, supported by record overnight stays, constrained new offering, and surging institutional appetite for **branded, income generating resort assets.** Prime alpine, lakeside, and other destinations in DACH are in high demand of both, international hotel operators and long-term, institutional investors. This not only builds the foundation of EPH's expansion strategy, but also unlocks upside potential.

Looking ahead, **EPH's growth trajectory is set to accelerate** with the first project sales in FY26e (eNuW: € 6.5m development income) and further projects reaching maturity in FY27e. Thereafter, we expect a steady, rolling pipeline of six projects running in parallel, which should leave certain upside should the company expand capacities.

As volumes ramp up, we also see returns to improve sharply, visible in ROICs exceeding costs of capital from FY27e onwards. Combined with the capital-light set up, this should translate into structurally rising earnings and cash flows as the company evolves from a start-up to a **leading developer of institutional-grade leisure hospitality assets** in the DACH region.

Against this backdrop and by anticipating future project sales, we initiate EPH with **BUY and a PT of € 102** based on DCF.

Y/E 31.12 (EUR m)	2023	2024	2025e	2026e	2027e	2028e
Development income	0.0	0.0	0.0	6.5	14.2	17.5
Income growth	0.0%	0.0%	-100.0%	0.0%	118.2%	22.9%
EBITDA	-0.5	-0.3	-1.2	2.6	8.5	11.3
Net debt (if net cash=0)	1.2	7.2	22.5	46.7	51.5	47.8
FCF	4.4	-6.0	-2.7	-0.9	2.7	4.9
Net Debt/EBITDA	-2.3	-24.1	-19.6	17.9	6.1	4.2
EPS reported	-8.40	-13.60	-2.64	-0.60	2.94	5.02
EBITDA margin	0.0%	-1,146.3%	0.0%	40.0%	59.5%	64.8%
ROCE	0.0%	0.0%	-9.8%	0.0%	22.7%	21.5%
EV/sales	0.0	0.0	0.0	19.1	9.1	7.2
EV/EBITDA	-2.3	-24.1	-88.2	48.2	15.4	11.2
PER	0.0	0.0	-29.9	-132.3	26.9	15.8
Adjusted FCF yield	365.9%	-82.9%	-2.7%	-0.7%	2.1%	3.9%

Source: Company Data, NuWays AG | e = estimate, p = preliminary   Close Price as of 21.11.2025

BUY old: n.a.

Target	Upside
EUR 102.00	29.1%
old: n.a.	

Share Performance

High/low 52 weeks (EUR)	0.0 / 0.0
3m rel. performance	0.00%
6m rel. performance	0.00%
12m rel. performance	0.00%

Market Data

Share Price (in €)	79.00
Market Cap (in € m)	79.00
Number of Shares (in m pcs)	1.00
Enterprise Value (in € m)	101.53
Ø Volume (6 Months, in k)	0

Ticker

Bloomberg	GEPH GS
WKN	A3EGG4
ISIN	AT0000A34DM3

Key Shareholders

Mario Tunkowitsch	44.00%
Jürgen Geisler	25.10%
Free Float	20.80%
Maximilian Fischer	10.10%

Forecast Changes

	2025e	2026e	2027e
Development income	n.a.	-	-
EBITDA	-	-	-
EPS	-	-	-

Company Profile

EPH Group AG entered the hospitality development segment in 2023 and focuses on early-stage value creation. Headquartered in Vienna and founded in 2023, the company focuses on luxury hotel and resort development across the DACH region, with initial focus on Austria's world-renowned Alpine destinations. EPH – short for European Prime Hospitality – is capitalizing on the stable growth in high-end leisure travel by building a portfolio of premium, high-yield resorts in some of the most attractive tourism markets in Europe. The company hereby follows a buy-develop-sell approach, where plots are acquired, value is added via planning, zoning, and permitting, and finally disposed to institutional investors. The company's mission is clear: to give investors access to a segment that combines the stability of real estate with the growth of global luxury tourism.

Capital Efficiency

Catalysts

- Expansion of its premium resort pipeline in the DACH region, capitalizing on scarce ski and lakefront locations.
- New lease agreements with top-tier hotel brands.
- Disposals above our estimated 50% developer margin.

Investment Case

- EPH is active in the most profitable phase of project development: The company acquires land plots, adds value via zoning, permitting and planning and disposes the project - with an operator already in place - to institutional investors before the construction process begins, thus limiting capital intensity and maximizing returns.
- EPH focuses on acquiring sites in areas of the Alps and lake regions characterized by constrained development supply. This scarcity underpins long-term value and creates strong barriers to entry for competitors.
- Through long-term lease and management contracts, EPH generates predictable, recurring revenues with limited operational risk for potential buyers. This stability appeals to investors seeking defensive exposure within the hospitality and real estate sectors.
- The Land for Equity partnership model enables rapid expansion of the development pipeline without heavy upfront cash needs. By aligning with local landowners, EPH accelerates project delivery while strengthening stakeholder support.

Upcoming Events

Nov 26	Investor Conference

SWOT Analysis

Strengths

- Focus on luxury hotel and resort development in the DACH region ensures high demand and long-term attractiveness.
- Land-for-Equity deals reduce cash needs and align local partners with the company's success.
- Strong current pipeline provides significant visibility into mid-term earnings.
- Strong expertise in hospitality development and local market dynamics enhances execution capability.

Weaknesses

- Despite its innovative model, resort development still requires significant financing and long time horizons.
- Heavy focus on the DACH region and resorts ties performance closely to local tourism trends.
- Compared to larger international players, EPH is still relatively unknown in global hospitality markets.

Opportunities

- Rising demand for experiential and nature-based travel supports stronger occupancy and higher lease rates.
- Sustainable resort development and integration with local communities can attract impact-focused investors.
- Expansion into new Alpine or European leisure destinations can reduce regional dependency.
- Increasing willingness of travelers to pay for high-quality resort experiences supports strong pricing power.

Threats

- Resorts are sensitive to downturns in travel spending and global economic shocks.
- Local zoning, environmental restrictions, and lengthy approval processes can delay projects.
- Larger developers and established hospitality brands may compete aggressively for prime sites.

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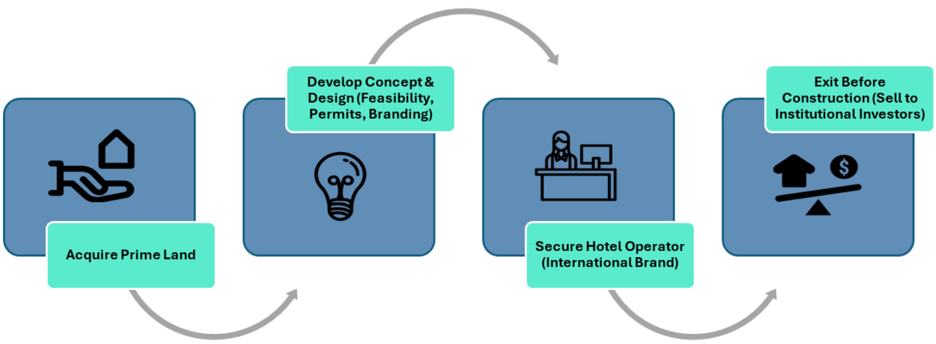
EPH Group AG in a nutshell

EPH Group AG, founded in 2023 and headquartered in Vienna, has positioned itself as a recent entrant in Europe's hospitality real estate market. The company's strategy is both clear and ambitious: to **identify and acquire prime land plots in one of Europe's most visited tourism destinations,** transform them into fully permitted and branded hotel projects intended for institutional investors **before the construction phase begins**. In doing so, EPH targets to capture the **significant valuation uplift** created by moving an asset from raw land to a fully packaged, shovel-ready, branded hospitality development while avoiding the capital intensity, time exposure, and execution risks of construction and hotel operations. Listed on the Stuttgart Stock Exchange since November 2025, the company intends to build a scalable, capital-efficient platform designed to generate high development margins by delivering leisure assets aligned with institutional investor preferences.

The core of EPH's model is a standardized development process designed to capture early-stage value creation. The process starts with the acquisition of land in destinations that combine international accessibility, strong year-round tourism demand, and high barriers to entry. The company then takes on all early-stage value creation steps: it commissions feasibility studies and financial analyses, designs a full architectural and operational concept, secures zoning and building permits if needed, and negotiates long-term management or lease agreements with international hotel brands (e.g. Marriott, Hilton, Hyatt, Accor or IHG) to operate the future property. These steps transform a plot of raw land into a fully de-risked hospitality development opportunity, complete with permits, planning, and a branded operator already secured. At this point - before construction begins - EPH sells the project to institutional investors such as real estate funds, insurance companies, or hospitality asset managers seeking stabilized, branded assets in premium locations but unwilling or unable to manage the complexities of early-stage development themselves. By exiting at this stage, **EPH should be able to consistently achieve project-level margins of 50% (eNuW)**, a return profile well above typical real estate benchmarks, while avoiding construction risk, operational exposure, and long capital lock-up periods. This approach allows the company to **recycle capital quickly, run multiple project cycles in parallel, and scale without building up a heavy balance sheet.**

Value Chain



Source: NuWays AG

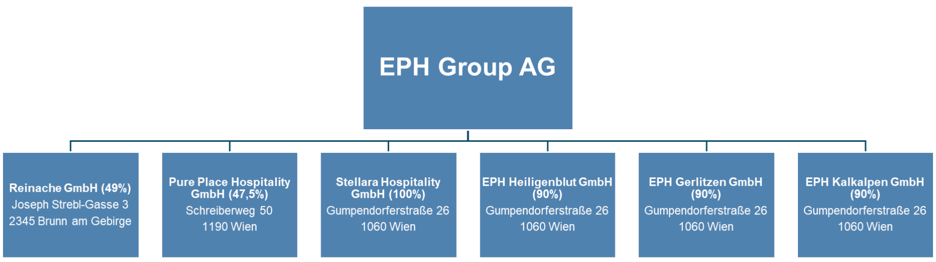
The company's ability to source prime sites at scale is underpinned by its **Land for Equity model**, introduced in 2025 to address financing constraints in a European real estate market facing high interest rates, tighter lending conditions, and declining transaction volumes. Under this model, landowners can contribute prime development sites to EPH in exchange for newly issued shares rather than cash. For landowners, this provides immediate diversification and the ability to participate in the value creation of the entire EPH platform rather than a single transaction. For EPH, it preserves liquidity for value-adding activities rather than tying up scarce capital in upfront land purchases. Several projects have already been secured under this structure, with more in advanced negotiations, demonstrating both its market acceptance and its role as a growth accelerator. Combined with EPH's access to capital markets through its listing status, Land for Equity provides a scalable and flexible funding base for rapid portfolio expansion. However, please note that we do not consider future capital increases in our model, including the Land for Equity concept. Hence our cash flow forecast might turn out to be conservative.

Another critical **success factor is the quality of EPH's partner network**. The company works closely with leading hospitality and tourism consulting firms across Austria and Germany to ensure that every project meets the highest professional standards. Preferred partners include **Michaeler & Partner**, a specialist in hospitality development and tourism consulting with decades of experience in feasibility and concept studies; **mrp hotels**, one of Europe's leading hotel investment and operator advisory firms, providing expertise in operator selection, contract negotiation, and transaction structuring; and **Christie & Co**, an international hospitality real estate consultancy offering valuation, brokerage, and strategic advisory services. By leveraging these partnerships, **EPH ensures institutional quality standards across its portfolio,** supporting consistency across projects and facilitating development processes This ecosystem of specialist expertise allows the company to maintain a lean internal organization focused on deal sourcing, capital allocation, and overall portfolio strategy while relying on proven external partners for technical and operational execution.

Despite its short operating history, EPH has already assembled a pipeline of projects in selected Austrian leisure destinations, selected for their year-round tourism demand, limited availability of prime development sites, and strong international brand appeal. The company's project developments are structured via SPVs on a single project basis. While EPH holds at least 90% of most projects, the share in the Oberndorf project is currently 49% (Drott Holding and KHVB each hold 25.5%) while the share in the Pure Place Hospitality project is 47.6% (Alberto Beteiligungen and Volker Piesczek 23.75% each and Karl Derfler 5%, while the latter has to vote in line with EPH giving the company indirect control). Mind you, that our calculations and estimates only reflect the EPH share in the respective projects.

EPH structures the financing of its current project pipeline with a focus on **liquidity preservation and risk mitigation**. For the flagship Oberndorf project, the dedicated project company has already acquired the site for **€ 7m**, fully financed by a loan from **VKB Bank**, while development costs are covered through shareholder loans. The **Pure Place** project requires no acquisition financing as the land is leased, with lease payments starting only once building permits have been granted, while development costs are again funded via shareholder loans. A similar approach is taken at **Hochrindl**, where the purchase contract is conditional upon obtaining the building permit; payment is only due once the permit is in place, potentially after a buyer has been secured, thus eliminating the need for interim financing at the EPH Group AG level.

Company Structure



Source: Company data

For the three additional projects - **Heiligenblut, Gerlitzen, and Windischgarsten** - dedicated project companies have been established, each having signed purchase agreements for their respective sites. These properties currently carry bank loans secured by the previous owners, and the contracts stipulate four key points: closing will occur after the EPH listing, existing bank financing will either be assumed or refinanced, remaining purchase price amounts will be settled in

EPH shares, and all agreements are subject to financing contingencies. If existing bank loans can be assumed - which appears likely - EPH will require **no liquidity at the holding level** for these acquisitions, underlining the company's disciplined financing approach. Looking ahead, we estimate that the ramp-up of future projects will be financed primarily via expansion of the outstanding volume of the 25/32 corporate bond (up to € 50m volume).

Pipeline highlights: Key projects under development include a five-star, three-hundred-bed flagship resort near Kitzbühel (Oberndorf) to be operated by a Top-5 brand, introducing an international hotel brand to a well-known Alpine location; a panoramic wellness resort above Lake Ossiach in Carinthia with over two hundred rooms, combining eco-luxury, lakeside recreation, and mountain tourism in a unique year-round destination; and the innovative Pure Place Mobile Resort near Vienna, a sustainable leisure concept integrating premium outdoor hospitality experiences with modern design and environmental consciousness. Together, these developments reflect EPH's strategy of developing projects in established leisure destinations with international hotel brands, aimed at meeting institutional investor requirements. First project sales are expected from FY26e onwards, with the total pipeline projected to exceed ten premium developments by FY27e, positioning EPH as an **active participant** in the European hospitality development market.

The macroeconomic environment strongly supports this strategy. **High-end leisure tourism has shown remarkable resilience and structural growth even amid broader economic uncertainties**, driven by rising global wealth, the premiumization of travel experiences, and increasing demand for wellness-oriented, sustainable, and nature-based destinations. Austria's tourism sector alone contributed more than 4% of national GDP in 2023, with the Alpine regions benefiting from both winter and summer demand, ranging from skiing and hiking to wellness tourism and lakeside recreation. Within the hospitality sector, luxury and upper-upscale resorts have consistently outperformed urban hotels in key metrics such as occupancy, average daily rate (ADR), and revenue per available room (RevPar), highlighting the relevance of EPH's focus on leisure-oriented destinations. At the same time, institutional investor appetite for stabilized, branded hospitality assets remains strong, particularly in core European markets. Many long-term asset holders seek exposure to leisure hospitality but lack the in-house capabilities to manage early-stage development risks around permitting, branding, and concept creation. EPH bridges this gap by delivering fully de-risked, shovel-ready projects that meet institutional standards, creating a broader potential investor base for exits.

As the company advances its pipeline over the next twenty-four to thirty-six months, it will transition from an early-stage developer into a repeatable, high-margin platform with accelerating deal flow and growing earnings visibility. The model allows multiple projects to run in parallel, each unlocking substantial value at the pre-construction stage before capital and risk requirements escalate. With its innovative financing structures, experienced team, strong partners, secured projects in Austria and Germany, and strong market positioning, EPH is well placed to expand further across the broader DACH region and, over time, into other European leisure markets with similar fundamentals, such as Northern Italy. Future growth will be driven by continued portfolio scaling, expansion of brand partnerships with leading international hotel operators, and ongoing institutionalization of development processes to handle larger transaction volumes across multiple jurisdictions.

By focusing exclusively on early-stage value creation, EPH combines the high returns of hospitality development with the scalability and capital efficiency of a platform model. It does not carry the balance sheet risks of long-term asset ownership, the operational complexity of hotel management, or the execution risks of construction, yet it captures the full valuation uplift created by transforming raw land into a fully planned, branded, and institutionally ready hospitality asset. With a growing pipeline in both Austria and Germany, strong industry fundamentals, and a repeatable model designed for speed, scalability, and profitability, EPH represents a new type of hospitality real estate company in Europe - one built for **strong development margins, capital efficiency, and rapid platform growth rather than traditional asset-heavy ownership.**

EPH Group AG			
Description	EPH Group AG is a Vienna-based hospitality real estate developer focused on premium leisure hotels and resorts across the DACH region. The company creates institutional-grade assets by acquiring land, securing permits, signing operator agreements with top-tier brands, and selling the projects before construction begins.		
Projects	Current pipeline comprises 6 signed developments across Austria, including flagship resorts such as the 300-bed Alpine resort near Kitzbühel, the lakeside wellness project at Lake Ossiach, and the Pure Place eco-luxury retreat in Carinthia. Additional sites include Heiligenblut, Gerlitzen, and Windischgarsten, each located in established year-round tourism destinations. First project disposals are expected from Q3'26e onward, with further pipeline acquisitions assumed to support recurring, high-margin exits and scalable growth.		
Headcount	15 at full scale		
Operating partners	**Hotel operators:** Top-tier hotel brands like Marriott, Hilton Hyatt, Accor or IHG **Consulting & development partners:** Michaeler & Partner, Christie & Co., mrp hotels		
Market position	EPH is one of the few DACH developers focused exclusively on premium leisure and resort hotels, combining capital-light project development with early-stage value creation. Through Land for Equity financing, partnerships with top-5 global hotel brands, and a growing pipeline in prime destinations, the company is positioned to benefit from rising institutional demand and limited new supply in the luxury hospitality segment.		
Customers	Institutional investors like insurance companies, pension funds, real estate investment manager or hotel real estate funds that seek branded, income-generating hospitality assets with long-term contract in premium locations.		
Competitors	Regional hotel developers, boutique asset managers, and PE backed hospitality platforms		
Financials	**FY25e**	**FY26e**	**FY27e**
Development income (€ m)	0.0	6.5	14.2
EBIT (€ m)	-1.0	2.6	8.4
EBIT margin	n/a	40.0%	58.8%
ROIC	n/a	6.1%	12.6%

Source: NuWays AG, company data

Quality

Experienced leadership behind a new platform

Although EPH is a young company with its first projects currently in the packaging and permitting stages, it is led by a management team with decades of combined experience across hospitality development, real estate finance, and capital markets. This depth of expertise provides institutional credibility and mitigates the typical risks associated with early-stage platforms. Investors may see limited history under the EPH banner itself, but **the individuals behind the company bring a long-standing track record of executing complex transactions**, structuring innovative financing solutions, and delivering high-quality hospitality projects across Austria, Germany, and beyond.

At the center stands CEO Alexander Lühr, who combines a career in investment banking, private wealth management, and real estate finance with a family background in hospitality. This mix of capital markets sophistication and operational industry insight reflects the dual DNA of EPH: On one hand, the financial acumen to structure deals, raise capital, and manage investor relations; on the other, the operational understanding needed to select the right sites, partner with international hotel brands, and package projects to institutional standards. Under his leadership, EPH has adopted a highly disciplined, process-driven approach that mirrors best practices from both real estate private equity and hospitality development.

Beyond the CEO, the broader management and advisory team brings deep, battle-tested expertise across feasibility studies, permitting, valuation, branding, M&A, marketing, and investor communications. Many have held senior leadership roles in top-tier real estate development firms, consulting companies, and financial institutions, having collectively **delivered dozens of landmark hotel and mixed-use projects across Europe**. Their experience spans the entire value chain - from site acquisition and concept creation to permitting, operator contracting, and institutional sales - enables EPH to manage complex, multi-stakeholder projects efficiently, in a manner comparable to more established platforms. Importantly, the real estate market in the DACH region remains very much a **people's business**, and the team's **constant dialogue with market participants** keeps them **fully plugged into the market**, ensuring early awareness of new opportunities as they emerge. This extensive network not only supports the sourcing of land plots and provides visibility into the project pipeline.

Crucially, the team has cultivated **long-standing relationships with leading international hotel brands, specialist tourism consultants, and capital providers**, creating a competitive edge in sourcing, structuring, and de-risking projects. This network-driven model has already enabled EPH to establish a growing pipeline of developments in Austria and Germany, **positioning the company as an emerging participant in the European hospitality development market.** In sum, while EPH as a corporate entity is new, the decades of experience, proven execution capabilities, and unparalleled industry connectivity of its leadership team support confidence that the company may scale its activities further over time, subject to market conditions and project execution, in our view.

Promising pipeline fueling platform expansion

EPH has assembled a project pipeline that includes premium locations and institutional branding, which provides initial indications regarding the scalability and economic characteristics of its development model. The portfolio now includes six secured projects across Austria and Germany, with exits scheduled between mid FY26 and early FY27. Each project follows the same disciplined sequence: acquiring prime land, completing permitting, designing the concept, securing a top-5 hotel brand as operator, and selling the fully packaged, de-risked project to institutional investors before construction begins.

Financially, the portfolio should achieve **average exit multiples of 1.5x** (eNuW) on invested capital, with average **development costs consistently well below 20% of projected exit values**. This reflects the company's deliberate focus on **high-margin, early-stage value creation** rather than capital-intensive ownership or construction risk. The combination of moderate leverage, limited capital lock-up, and early monetization creates a **capital-light, repeatable business model** with strong IRRs.

As an illustrative case, the flagship resort development **near Kitzbühel** highlights the economics of the model. With a total project cost of about **€ 5.8m** and an expected exit value of **€ 8.7m** by Q3'26 (eNuW), the project exemplifies EPH's focus on prime destinations, leading international operators, and attractive margins of at least 50%. Comparable economics are expected across the broader portfolio, which includes additional Alpine resorts, wellness destinations, and innovative leisure concepts such as the Pure Place Mobile Resort near Vienna.

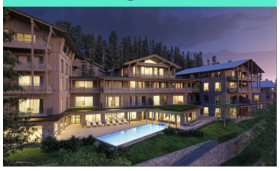
Current Pipeline

Oberndorf

Pure Place Hospitality

Hochrindl

Heiligenblut



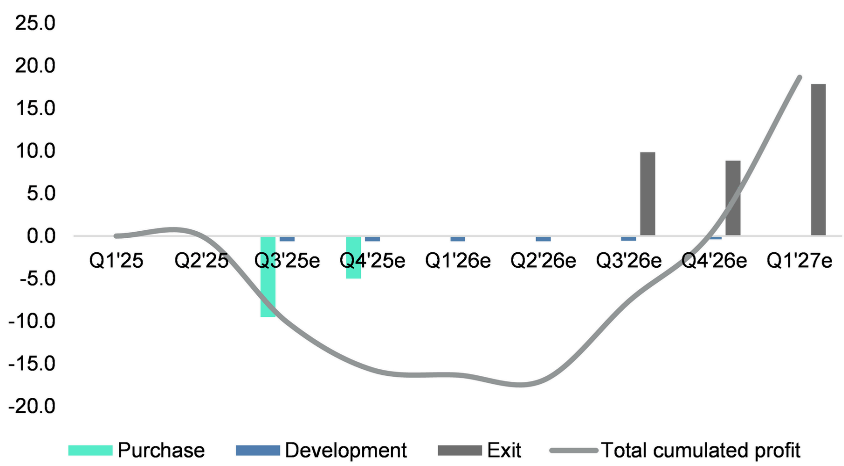
Gerlitzen

Windischgarsten

Source: Company data

Beyond the financial metrics, the **staggered exit schedule** - beginning in Q3'26e for the first projects and continuing through early FY27 - creates a **layered monetization profile**. This not only provides early validation of the business model but also generates recurring liquidity inflows to fund the next phases of growth without relying on continuous capital raises. The graphic below depicts in detail the development of cumulated profits (exit price less acquisition & development costs) of the current pipeline.

Profit Profile Current Pipeline



Source: NuWays AG

The geographic and thematic diversification of the pipeline adds further resilience. Projects are distributed across Austria's leading Alpine destinations, ensuring exposure to both international ski tourism and growing year-round segments such as wellness, hiking, golfing, and lakeside leisure. Moreover, by securing top-tier hotel brands as operators, EPH ensures that each project meets the quality, branding, and operational standards required by institutional investors seeking long-term, income-generating hospitality assets.

Taken together, the pipeline reflects EPH's intention to pursue **short development cycles and scalability**, with financial outcomes dependent on execution and market conditions. With growing institutional demand for branded leisure assets in core European markets, EPH's ability to source premium sites, execute efficiently, and deliver attractive project economics is seen to position the company as a **notable player in Europe's luxury hospitality development market**.

Low risk - high returns

EPH's development model has been deliberately designed to minimize risk at every stage of the value chain while allowing for rapid scaling across multiple geographies and project types. Unlike traditional hotel developers or operators who assume significant construction and operational risk, EPH focuses exclusively on the **high-value packaging phase** of hospitality projects. This approach ensures that capital is not tied up in long-term ownership or building risk while capturing the entire valuation uplift created by de-risking the project for institutional buyers.

A key pillar of risk mitigation is EPH's **staged development approach**. By structuring projects to exit once they are fully permitted, branded, and ready for institutional funding, the company limits exposure to cost overruns, construction delays, or market volatility during the build phase. Investors acquire projects at a stage where the most significant value creation has occurred, while EPH redeploys capital into the next set of developments. This "develop–de-risk–deliver" cycle not only minimizes downside risk but also ensures **rapid capital recycling** and **short project duration**, with monetization events typically within 18–24 months of initial land acquisition.

Scalability is achieved through a **replicable, standardized development process** supported by the seasoned management team and a network of leading consultants across permitting, feasibility, branding, and investor relations. The company's partnerships with top-tier hospitality advisors in Austria and Germany ensure best-in-class execution quality even as the number of simultaneous projects grows.

Finally, geographic and thematic diversification enhances both risk management and scalability. By focusing on **year-round destinations** in the Alpine region and key leisure markets in Germany, EPH benefits from multiple demand drivers, while reducing reliance on any single location or tourism segment. As processes become increasingly standardized, the platform can be expanded into adjacent European leisure markets with similar fundamentals, aiming for a scalable development process with recurring project cycles.

Land for Equity: A differentiator in financing and growth

Since mid-2025, EPH has been actively rolling out its **Land for Equity model**, represents an alternative approach to financing hospitality development projects. Against a backdrop of still high interest rates, restrictive bank lending, and more cautious institutional funding markets, the model offers a **capital-efficient alternative** for acquiring premium development sites. Instead of paying sellers entirely in cash, EPH issues **liquid, exchange-listed shares** in return for land or project rights.

This approach delivers two strategic benefits. First, it **preserves liquidity** for value-adding activities rather than tying up cash in site acquisitions. Second, it **aligns the interests** of landowners with EPH's long-term growth, as they become shareholders benefiting from the platform's overall value creation rather than simply exiting a single transaction.

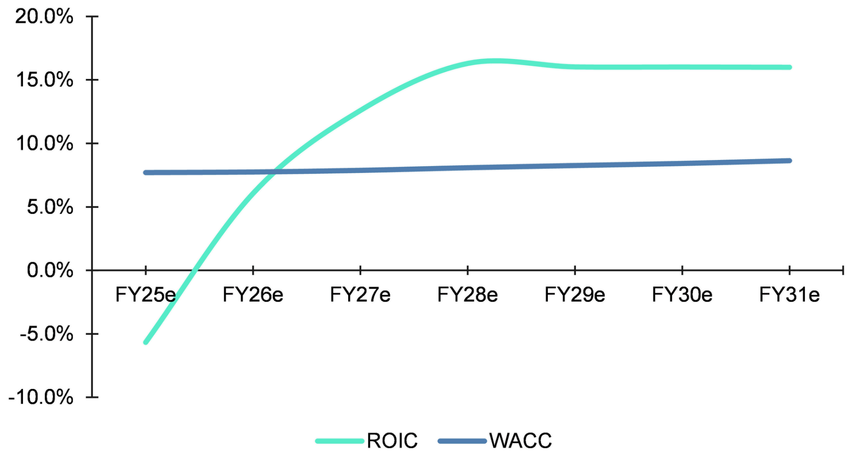
In fact, the company had already announced thre transactions under this structure, adding roughly **€ 3.35m** in equity capital. Importantly, with EPH now listed on the Stuttgart Stock Exchange, sellers receive **tradable equity** - a major differentiator compared to private developers where stakes are illiquid and valuations opaque. This listing-driven liquidity significantly enhances the model's attractiveness, may support EPH in sourcing sites under current market conditions.

Looking ahead, the Land for Equity model positions EPH to **accelerate pipeline growth** without over-reliance on debt or equity raises, supporting its ambition to build a scalable, pan-European hospitality development platform. It represents a strategic convergence of **real estate expertise and capital markets innovation**, setting EPH apart from traditional developers. Mind you, that we do not consider Land for Equity in our forecasts, which is why our cash flow estimates might turn out to be conservative. As mentioned before, we therefore estimate financing of future projects via an expansion of the outstanding volume of EPH's 25/32 corporate bond.

Strong value creation from FY27e onwards

EPH's development-driven business model is specifically designed to maximize **returns on invested capital (ROIC)** by capturing the steepest value uplift in the hotel development cycle. As shown in the chart below, ROIC moves sharply upward from **negative levels in FY25e**, a reflection of early-stage platform build-out, to **well above the company's weighted average cost of capital (WACC)** by FY27e, peaking at around **16%** in FY28e and remaining structurally elevated thereafter. This trajectory suggests how EPH aims to convert its early investments in land acquisition, planning, and permitting into **high-margin disposals** once key de-risking milestones are achieved.

Development of Returns



Source: NuWays AG

The economics are compelling: once returns rise above the cost of capital, every additional project disposal adds meaningful economic value, with operating leverage ensuring that profitability scales faster than revenues. As the pipeline grows, this dynamic supports structurally high returns and an expanding value creation spread over time.

The widening **ROIC-WACC spread** reflects the strength of EPH's **capital-light, fast-cycle model**: short project durations, predictable exits, and recurring reinvestment opportunities compound shareholder value without tying up significant capital for long periods.

Growth

Market Growth: Structural Tailwinds in DACH Hospitality

The DACH hotel and resort market entered 2025 on the back of a powerful recovery, with structural shifts driving sustained demand for upscale and luxury hospitality assets. Rising leisure travel volumes, scarcity of prime resort sites, and growing institutional appetite for branded, income-generating properties are creating a long-term tailwind for high-quality developments across Austria, Germany, and Switzerland.

In 2024, Austria recorded **154m overnight stays**, a new all-time high and +2.1% versus 2023. International guests accounted for **114m overnight stays** (+2.5% yoy), while domestic tourism contributed **40m** (+0.9%). Vienna posted **18.9 million overnight stays** (+9.3%), benefiting from both leisure and MICE tourism recovery (Source: Statistik Austria).

Germany likewise set a new record with **496m overnight stays in 2024**, exceeding the pre-pandemic peak of 2019. Foreign overnight stays climbed to **85m** (+5.4% yoy), while domestic tourism continued to expand, reflecting robust regional demand (Source: Destatis). Alpine regions and year-round leisure destinations have outperformed urban markets, with occupancy rates and ADR levels **exceeding 2019 benchmarks**.

The luxury and upper-upscale segments are herby structurally outperforming the broader market. Across Europe, **RevPAR growth in the luxury segment reached 8% in 2024**, compared to just 1% in the economy tier. This was driven primarily by ADR increases, reflecting both strong demand and limited new supply.

High-net-worth travelers, long-haul tourism from Asia, and rising domestic spending on premium leisure experiences continue to support this trend. Importantly, the luxury segment exhibits **low price elasticity**: room rate increases of € 50 or more typically have negligible demand impact, whereas midscale hotels experience noticeable booking sensitivity at far smaller price changes. This dynamic underpins **inflation protection and margin resilience** for luxury properties, offering investors attractive long-term cash flow visibility.

While demand is accelerating, **new supply growth remains limited**. Construction cost inflation, stricter financing requirements, and permitting bottlenecks have significantly slowed project pipelines since 2020. In Germany, hotel transaction volumes fell to **€ 2.0bn in 2022**, one of the lowest levels in a decade, even as investor surveys consistently rank Munich, Vienna, and Alpine resorts among Europe's **top hospitality investment targets**.

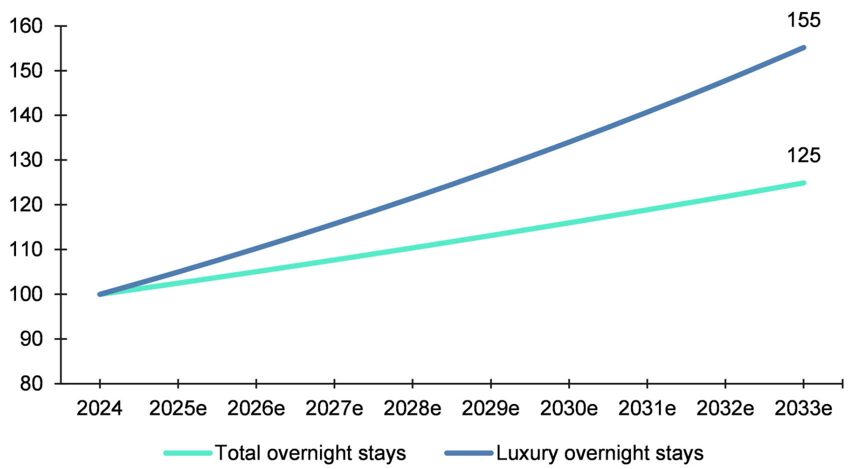
At the same time, branded hotel penetration continues to rise, particularly in the upper-upscale and luxury segments. In Germany, branded hotels now account for over **40% of total rooms** in several major markets, with premium brands commanding **higher valuations** when supported by long-term leases or management contracts.

Overnight-stays development in DACH
While no single public source provides a segmented forecast for overnight stays in the luxury or upper-upscale categories in the DACH region, a **reasoned extrapolation** can be derived by combining three data points:

1. **Total overnight stay trends** in Austria and Germany, where recent data points to **2-3% annual growth** in the overall market.
2. **Luxury segment supply and demand growth** inferred from branded hotel penetration and pipeline reports, which point to **5-6% annual growth** in the luxury and upper-upscale categories.
3. **Historic segment outperformance**, as luxury and upper-upscale hotels have consistently grown **above market averages** in ADR, occupancy, and RevPAR during previous recovery cycles.

The chart below illustrates this divergence clearly: assuming total overnight stays grow at 2.5% CAGR, the luxury and upper-upscale segment is projected to expand at 5% CAGR between 2024 and 2033, leading to a widening gap over time.

Development of DACH Overnight Stays



Source: NuWays AG, Destatis, Swissinfo, Statistik Austria, Costar; 2024 indexed to 100

This faster growth trajectory reflects both **structural demand tailwinds** - rising wealth levels, global tourism recovery, and increasing investor appetite for premium assets - and **supply constraints** in prime leisure destinations.

For EPH, this environment is particularly favorable. The company's focus on **prime leisure destinations**, its strategy of **developing institutional-grade, branded assets**, and its **scalable project pipeline** position it to benefit disproportionately from these structural trends. As demand growth in the luxury segment outpaces overall market expansion, EPH's business model aligns closely with where both investor appetite and tourism demand are moving.

Implications for EPH's top-line…

EPH's top-line trajectory over the next years is set to accelerate sharply, driven by the combination of already-signed developments and a systematic roll-out of future projects under the company's high-margin development model. The table below illustrates how the platform is set to transition from initial disposals in FY26e to a recurring, scalable pipeline of institutional-grade resort projects across the DACH region. Mind you, that the depicted development income already includes all project related development costs.

Development Income FY26e-FY31e

Development income	FY25e	FY26e	FY27e	FY28e	FY29e	FY30e	FY31e	CAGR FY26e-31e
Oberndorf	-	2.7	-	-	-	-	-	
Pure Place	-	1.0	-	-	-	-	-	
Hochrindl	-	2.8	-	-	-	-	-	
Heiligenblut	-	-	2.3	-	-	-	-	
Gerlitzen	-	-	1.6	-	-	-	-	
Windischgarsten	-	-	1.6	-	-	-	-	
Future projects	-	-	8.7	17.5	17.8	18.2	18.6	
Total development income	**0.0**	**6.5**	**14.2**	**17.5**	**17.8**	**18.2**	**18.6**	**23.4%**
yoy growth	*n/a*	*n/a*	*118.2%*	*22.9%*	*1.9%*	*2.3%*	*2.3%*	

Source: NuWays AG

The signed projects - **Oberndorf, Pure Place, Hochrindl, Heiligenblut, Gerlitzen, and Windischgarsten** - form the backbone of near-term revenue visibility. Based on the agreed acquisition costs, estimated development expenses, and a **50% developer margin** on total project costs, the first meaningful disposals are expected in **FY26e**, with total sales proceeds of **€ 6.5m** across three projects. This includes **Oberndorf (€ 2.7m)**, **Pure Place (€ 1.0m)**, and **Hochrindl (€ 2.8m)**, all scheduled for disposal after completion of the development phase but before the onset of construction, in line with EPH's capital-light exit strategy.

In **FY27e**, disposals from the remaining signed projects - **Heiligenblut, Gerlitzen, and Windischgarsten** - as well as assumed future projects raise total proceeds to **€ 14.2m**. Concerning future projects, which are not yet signed, our model envisions one new project acquisition per quarter starting with Q1'26e, each with an initial cost base of **€ 8m**, **€ 0.8m** in development expenses, and a targeted **50% developer margin** at disposal. Each project follows an **18-month cycle** from acquisition to sale, creating a **rolling pipeline** where multiple projects overlap in different development stages. As a result, starting in late FY27e, a steady stream of disposals is expected to emerge, reflecting both signed projects exiting the pipeline and new projects reaching maturity. Mind you, that our "one new project per quarter" assumption could turn out to be conservative considering the recent acquisition pace as well as the possibility of capacity expansion.

The projections also assume a **2% annual increase** in both costs and disposal values, accounting for inflation but also supporting **rising exit prices** in premium leisure destinations. With these assumptions, total annual disposals across signed and future projects combined are projected to grow from **€ 6.5m in FY26e** to **€ 18.6m in FY31e**, implying a **CAGR of 23.4%** over this period.

It is important to emphasize that while the early years rely on **signed projects with clear visibility**, the acceleration in growth from **FY28e onwards** reflects **modeled future acquisitions** rather than committed transactions, which as aforementioned is a conservative forecast, in our view. This forward-looking component illustrates the scalability of EPH's business model under the assumption that management continues to secure and execute projects at the projected pace.

In sum, the top-line outlook shows a **two-stage growth profile**: initial revenues driven by the signed pipeline, followed by a modeled, recurring flow of high-margin disposals under a standardized acquisition and development cycle. This combination of **front-loaded visibility** and **scalable growth potential** underpins EPH's ambition to build a leading hospitality development platform across the DACH region, in our view.

… and the bottom-line

The anticipated bottom line development reflects the combined effects of accelerating top-line growth, operating leverage, and disciplined cost assumptions across personnel, overhead, and financing expenses. Based on the company's development model and the assumptions outlined, net profit is set to turn positive from **FY27e** onwards, delivering steadily expanding margins in the mid- to long-term.

P&L Forecast

	FY25e	FY26e	FY27e	FY28e	FY29e	FY30e	FY31e	CAGR FY26e-27e
Total development income	**0.0**	**6.5**	**14.2**	**17.5**	**17.8**	**18.2**	**18.6**	**23.4%**
yoy growth	*n/a*	*n/a*	*118.2%*	*22.9%*	*1.9%*	*2.3%*	*2.3%*	
+/- finished goods & services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
in % of sales	*n/a*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	
Gross profit	**0.0**	**6.5**	**14.2**	**17.5**	**17.8**	**18.2**	**18.6**	**23.4%**
Gross margin	*n/a*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	
Personnel expenses	0.1	1.4	2.1	2.1	2.1	2.2	2.2	
in % of sales	*n/a*	*21.5%*	*14.5%*	*12.0%*	*12.0%*	*12.0%*	*12.0%*	
Other operating expenses	1.0	2.5	3.7	4.1	4.2	4.3	4.4	
in % of sales	*n/a*	*38.5%*	*26.1%*	*23.2%*	*23.3%*	*23.4%*	*23.4%*	
EBITDA	**-1.2**	**2.6**	**8.5**	**11.3**	**11.5**	**11.8**	**12.0**	**35.8%**
EBITDA margin	*#DIV/0!*	*40.0%*	*59.5%*	*64.8%*	*64.6%*	*64.6%*	*64.6%*	
D&A	0.0	0.0	0.1	0.2	0.3	0.3	0.3	
in % of sales	*n/a*	*0.0%*	*0.7%*	*1.1%*	*1.7%*	*1.6%*	*1.6%*	
EBIT	**-1.2**	**2.6**	**8.4**	**11.1**	**11.2**	**11.5**	**11.7**	**35.1%**
EBIT margin	*n/a*	*40.0%*	*58.8%*	*63.6%*	*62.9%*	*63.0%*	*63.0%*	
Financial result	-1.5	-3.2	-4.5	-4.6	-4.5	-4.3	-3.8	
in % of sales	*n/a*	*-49.2%*	*-31.8%*	*-26.2%*	*-25.1%*	*-23.8%*	*-20.6%*	
EBT	**-2.6**	**-0.6**	**3.8**	**6.5**	**6.7**	**7.1**	**7.9**	
EBT margin	*n/a*	*-9.2%*	*26.9%*	*37.4%*	*37.9%*	*39.2%*	*42.4%*	
Income taxes	0.0	0.0	0.9	1.5	1.6	1.7	1.8	
Tax rate	*0.0%*	*0.0%*	*23.0%*	*23.0%*	*23.0%*	*23.0%*	*23.0%*	
Net profit	**-2.6**	**-0.6**	**2.9**	**5.0**	**5.2**	**5.5**	**6.1**	
Net profit margin	*n/a*	*-9.2%*	*20.7%*	*28.7%*	*29.1%*	*30.1%*	*32.5%*	

Source: NuWays AG

Here is how we derived our bottom-line forecast in detail:

- **Personnel expenses**: We model headcount at 15 employees once the platform reaches full operational capacity, with salaries rising 2.0% per year. As revenues scale while staffing levels remain broadly stable after the initial build-out, personnel costs decline from 26.1% of sales in FY26e to 12.0% by FY31e, reflecting strong operating leverage.
- **Other operating expenses**: These are assumed at 8% of assets under management, covering marketing, advisory, and project-related services. While rising in absolute terms from € 2.5m in

FY26e to € 4.4m in FY31e, they fall as a share of revenues from 38.5% to 23.4% over the same period, underlining cost efficiency gains as the platform scales.

- **Depreciation & amortization (D&A)**: Based on annual Capex of € 300k and a three-year usage period, D&A charges remain modest, consistent with EPH's capital-light development model and minimal asset ownership.
- **Financial result**: Includes interest expenses from the 10% corporate bond as well as interest income from accrued interest on intercompany loans to project SPVs and interest earned on excess cash. The net financial result is negative in the early years but improves as recurring project disposals generate rising cash inflows and reduce reliance on external financing.

Under these assumptions, earnings are expected to increase as operating leverage improves. From FY27e onward, accelerating project disposals meet a cost base that rises only marginally, allowing margins to expand rapidly year after year. As financing needs shrink and operating leverage kicks in, net profits are set to climb at a multiple of top-line growth - transforming EPH from a development start-up into a highly profitable, cash-generative platform with a structurally rising earnings trajectory.

Valuation

DCF valuation

Our DCF valuation derives a **price target of € 102** per share for EPH Group AG.

We model steadily rising EBIT margins as the platform matures and project disposal volumes accelerate from FY26e onwards. With limited fixed cost growth, short project durations, and high-margin early-stage exits, we expect profitability to expand well above 60% over the forecast period. Given the asset-light model and recurring project pipeline, this margin expansion reflects the business's structurally high operating leverage and risk-mitigated development approach.

DCF (EUR m) (except per share data and beta)	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	Terminal value
NOPAT	-1.2	2.6	6.4	8.5	8.6	8.8	9.0	9.2	9.7
Depreciation	0.0	0.0	0.1	0.2	0.3	0.3	0.3	0.3	0.3
Increase/decrease in working capital	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in long-term provisions and accruals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capex	0.0	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3
Acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital increase	0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow	**-0.3**	**2.3**	**6.2**	**8.4**	**8.6**	**8.8**	**9.0**	**9.2**	**9.7**
Present value	-0.3	2.1	5.3	6.6	6.2	5.8	5.4	5.0	53.0
WACC	7.7%	7.7%	7.9%	8.1%	8.3%	8.4%	8.7%	9.0%	10.3%

DCF per share derived from	
Total present value	89
thereof terminal value	59%
Net debt (net cash) at start of year	7
Financial assets	20
Provisions and off balance sheet debt	0
Equity value	102
No. of shares outstanding	1.0
Discounted cash flow per share	**102.0**
upside/(downside)	**31%**
Share price	**78.0**

DCF avg. growth and earnings assumptions	
Short term growth (2025-2028)	n/a
Medium term growth (2028 - 2032)	2.2%
Long term growth (2032 - infinity)	2.0%
Terminal year EBIT margin	65.0%

WACC derived from	
Cost of borrowings before taxes	10.3%
Tax rate	23.0%
Cost of borrowings after taxes	7.9%
Required return on invested capital	10.3%
Risk premium	4.9%
Risk-free rate	2.7%
Beta	1.6

Sensitivity analysis DCF

WACC \ Long term growth	1.0%	1.5%	2.0%	2.5%	3.0%
11.3%	88	91	93	96	99
10.8%	92	95	97	101	104
10.3%	96	99	102	106	110
9.8%	101	104	108	112	117
9.3%	106	110	114	119	125

Sensitivity analysis DCF

WACC \ EBIT margin terminal year	55.0%	60.0%	65.0%	70.0%	75.0%
11.3%	86	90	93	97	100
10.8%	90	94	97	101	105
10.3%	94	98	102	106	110
9.8%	99	103	108	112	117
9.3%	104	109	114	119	124

Source: NuWays AG

- **Terminal EBIT margin of 65%:** As explained, we assume EBIT margins expand steadily from current negative levels to **above 63% by FY29e**, driven by the unique economics of EPH's business model. Unlike traditional developers burdened by heavy fixed costs and construction risk, EPH focuses on the **most profitable stage of the value chain**, exiting projects before capex-intensive construction begins. This results in a **capital-efficient cost structure** where incremental revenues flow disproportionately to the bottom line as volumes ramp up. Our assumption of a **65% terminal EBIT margin** thus reflects both the expected scale benefits from a growing project pipeline and the company's ability to crystallize value at the point where risk is lowest and margins are structurally highest. In our view, this margin level is not only consistent with EPH's model but also conservative compared to comparable asset-light development businesses operating in niche, high-demand segments.

- **Terminal growth of 2.0%:** We base our terminal growth assumption on both macroeconomic fundamentals and sector-specific dynamics. A **2.0% long-term growth rate** is broadly in line with the **inflation targets of major OECD economies**. At the same time, the **luxury and upper-upscale hospitality market** in DACH continues to benefit from **structural tailwinds** such as rising international travel demand, constrained supply of premium destinations, and growing institutional appetite for branded, income-generating assets. Historical tourism data in Austria and Germany already shows annual growth rates of **2–3%** in overnight stays, with the premium hospitality segment consistently outpacing the broader market. Against this backdrop, our **2.0% assumption** appears conservative, implying long-term stabilization rather than aggressive growth.
- The **WACC of 10.3%** reflects both EPH's early-stage nature and the project-based volatility inherent in real estate development businesses. Starting with a **risk-free rate of 2.7%**, in line with the **long-term yield of 10Y German Government bonds**, we add an **equity risk premium of 4.9%** for Austria (source: NYU Stern). To account for the company's limited operating history and the timing uncertainty of project disposals, we apply a **beta of 1.6x**, placing EPH in the upper mid-cap risk bracket but below highly cyclical small-cap developers. Given the company's **minimal long-term debt profile**, the cost of debt plays a de-facto no role in the long run, leading to a WACC equaling the cost of equity. We view this as appropriate to reflect both growth potential and residual project execution risks while maintaining consistency with European small- and mid-cap valuation benchmarks.

Theme

Further project acquisitions looming

Looking ahead, we estimate that EPH is acquiring **at least one new project per quarter from 2026 onward**, steadily expanding its portfolio of premium resort developments across DACH and potentially other EU countries as well. While not a formal company target, this assumption reflects the group's **established industry relationships, permitting expertise, and financing access**, all of which create the foundation for a consistently replenished project pipeline. Moreover, we regard further pipeline additions in the remainder of FY25 as possible, which would in turn provide upside to our current estimates.

A steadily growing pipeline would not only sustain EPH's **capital-light, high-margin development model** but also serve as a **potential share price catalyst**, as each newly secured site represents future revenue visibility and underpins the long-term scalability of the platform. Moreover, further attractive acquisitions are seen to **underscore management's ability to source new projects**, which should in turn increase investor's trust in the case.

Signing of new top-tier operator agreements

Securing long-term lease or management contracts with **top-tier global hotel operators** represents one of the most critical value drivers in EPH's business model. We view each signed operator agreement as a **key de-risking milestone** and a potential **share price trigger**, as it transforms a development project into an **institutional-grade, income-generating asset** with enhanced exit valuations.

Brand affiliation elevates the market profile of each property, enables **premium pricing**, and ensures **high occupancy rates** from day one through established reservation systems and global marketing reach. Institutional investors typically place significant value on projects with long-term operator contracts, especially in the luxury segment, where **stability and brand quality** are paramount.

As EPH systematically converts its development pipeline into branded, de-risked assets, each signed operator agreement should reinforce the **investment case** by improving visibility on both exit timing and valuation, supporting a **re-rating potential** for the shares as milestones are achieved.

Project disposals bear possible upside potential

From **Q3'26e onward**, EPH is seen to achieve first project disposals, monetizing the value created during development. While our base case assumes a **50% developer margin** on acquisition and development costs, recent market evidence in the luxury hospitality sector suggests **upside potential**, particularly for projects with permits and signed operator agreements already in place.

Institutional demand for **branded luxury resort assets** remains exceptionally strong, and transaction data in comparable Alpine destinations indicates **premium exit multiples** well above conservative underwriting levels. Against this backdrop, each project disposal represents not only a **significant earnings event** but also a **catalyst**, especially if margins exceed our assumptions.

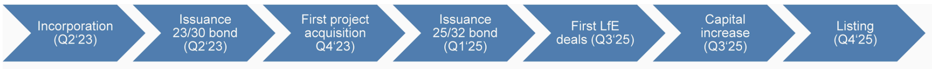
As the rolling disposal program begins in FY26e, with additional projects reaching maturity thereafter, the crystallization of development margins and possible upside surprises could provide **positive triggers** for both earnings forecasts and valuation multiples, reinforcing the long-term equity story.

Company background

Overview

EPH Group AG, headquartered in Vienna and founded in 2023, is a fast-growing hospitality real estate developer focused on **premium leisure and resort hotels across the DACH region**. Shortly after its incorporation, the company issued its first bond (23/30, 10% coupon), earmarked for the acquisition of new projects. Following this, EPH successfully completed its first project acquisition in Q4’23, marking the operational start of its development pipeline. In early 2025, the company launched its second bond (25/32, 10% coupon) with a target volume of up to € 50m (€ 8.4m issued thus far), aimed at financing additional acquisitions and accelerating the build-out of its leisure hospitality portfolio across the DACH region. Shortly thereafter, the first Land-for-Equity (LfE) transactions were signed in Q3’25, further optimizing capital efficiency by enabling landowners to participate directly in project value creation (closing expected after listing). To strengthen its equity and increase share count before the listing, EPH recently resolved on a cash capital increase at par value (€ 1), increasing share capital to € 1m, signed by existing shareholders and 6% being allocated to friends and family.

EPH Timeline



Source: Company data

Overall, EPH has moved quickly since its inception to lay the groundwork for a **scalable, capital-efficient development platform**. The company has forged partnerships with planning and consulting firms, signed cooperation agreements with top-tier hotel operators, and structured its financing approach to support pipeline expansion without overburdening the balance sheet. Its listing on the Stuttgart Stock Exchange provides **access to public equity financing** while enhancing transparency for institutional investors.

Importantly, the first project disposals are expected from **Q2’26e onward**, marking a strategic inflection point: from platform build-up to **recurring, high-margin revenue generation**. Over the medium term, EPH aims to establish itself as a leading supplier of **institutional-grade hospitality assets** in the luxury and upper-upscale segments, addressing the growing demand from insurers, pension funds, and real estate investment managers for branded, income-generating leisure properties across Europe.

Business model

EPH’s business model is designed to **capture the steepest value uplift in the hospitality development cycle** while keeping capital intensity low and avoiding operational exposure. For each project, the company acquires or secures land, obtains permits, develops the hotel concept, and negotiates long-term lease or management agreements with **top-tier global hotel operators**. Once these milestones are achieved, the project is sold to institutional investors, typically before construction begins. This approach enables EPH to lock in **attractive developer margins** while minimizing funding requirements, construction risk, and exposure to daily hotel operations.

A key innovation is the **Land for Equity** model introduced in 2025. Under this structure, landowners contribute their sites into special purpose vehicles (SPVs) in exchange for tradable EPH shares rather than cash payments. This **aligns interests between landowners and EPH**, reduces upfront capital outlays, and accelerates pipeline expansion by giving the company access to premium sites without immediate balance sheet impact. For landowners, receiving publicly listed shares provides liquidity and participation in the broader value creation of the platform rather than just a single asset sale.

This combination of **capital-light project development**, **recurring pipeline replenishment**, and **innovative financing structures** creates a business model with high scalability and attractive return potential. As the pipeline grows and disposals ramp up from 2026 onwards, EPH is positioned to deliver **double-digit returns on invested capital** while meeting the increasing institutional demand for **branded, de-risked hospitality assets** markets with high tourist demand.

Management

Alexander Lühr, CEO

Growing up in a Swiss family of hoteliers in the Alps, **Alexander Lühr** became familiar with all facets of the hospitality industry from an early age. After finishing school, he transitioned to the financial sector, training as a banker at **Schweizerische Kreditanstalt** while studying financial economics and completing additional qualifications as a financial planner. His career began at **Credit Suisse First Boston** and **ABN AMRO**, where he gained extensive capital markets experience as a bond trader and as a securities and portfolio analyst, focusing on investments and risk management.

Building on this expertise, Lühr later served as an advisor and asset manager for high-net-worth individuals, family offices, and institutional clients at leading Swiss and Liechtenstein private banks, including **LGT**, **Maerki Baumann**, and **VP Bank**. Over the years, he developed a strong track record in **real estate and hotel project financing**, investor structuring, and M&A transactions - among them the sale of a renowned five-star hotel in the canton of Ticino. This combination of hospitality roots and capital markets experience underpins his leadership at EPH Group AG today.

Supervisory Board

Jürgen Geisler, Chairman

Jürgen Geisler launched his real estate career while still studying to become a real estate agent, completing his first development projects during his academic years. After graduating, he founded his own real estate company, initially focusing on the acquisition, renovation, and sale of listed old-town houses in Regensburg. Over time, his focus shifted toward the **hotel and tourism real estate sector**, where he successfully executed developments across **Germany, Austria, Koh Samui (Thailand), and Malawi**.

His track record spans **greenfield developments**, the renovation and conversion of existing hotels, leasing to well-known operators, owner-operated properties, and the successful sale of individual assets. Geisler has been the owner or co-owner of numerous high-profile hotel and tourism properties in Germany and Austria and remains **actively involved as an investor**, holding stakes in over **20 companies**, primarily within the real estate sector.

Thomas Mühlberger, Deputy Chairman

Thomas Mühlberger studied business administration and philosophy in Munich and Augsburg before embarking on a career spanning more than 25 years in **investment banking and asset management**. He played a key role in developing the **Debt Capital Markets** division of a Frankfurt-based investment bank into one of the market leaders, overseeing more than **30 transactions** and placing **over € 500m** on the capital markets. A central focus of his work was the **financing of real estate companies** through both traditional and alternative funding structures, providing him with extensive expertise in capital markets solutions for the property sector.

Stefan Frey

Stefan Frey is a trained banker with additional qualifications as a **stock exchange trader and market maker** from the Vienna Stock Exchange Academy. With more than **20 years of experience in institutional securities distribution**, he has held several senior management roles at well-known financial institutions.

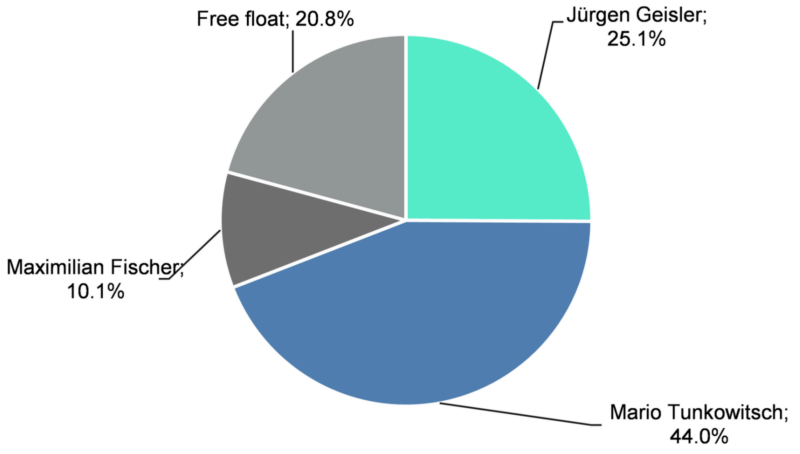
As a member of the **Chief Investment Office** of a Swiss family office with locations in Vienna, Zurich, and Hamburg, he was responsible for **multi-asset investments** across equities, real assets, and real estate. He later assumed senior management roles, including as an **authorized signatory** of a licensed securities and asset management company in Vienna, where he oversaw international trading partnerships and managed relationships with institutional clients. Over his career, Frey has accompanied numerous **real estate transactions** and gained deep expertise in **risk management structures** and capital markets execution.

Shareholder structure

EPH has currently 1.0m shares outstanding. The shares are listed on the Stuttgart Stock Exchange.

Currently, the shares are held by EPH's Head of Finance and Capital Markets as well as authorized representative, Mario Tunkowitsch (44.0%), the Chairman of the Supervisory Board, Jürgen Geisler (25.1%), as well as Maximilian Fischer (10.1%), who acts as external Head of IR for EPH. The remaining 20.8% is free float.

Shareholder Structure



Source: Company data

Investment risks

Project acquisition risk: EPH's growth assumptions rely on the regular addition of new projects to the pipeline. Delays in securing land plots, permits, or operator agreements could slow pipeline expansion and postpone expected revenue streams. Moreover, the company might get involved into a "bad" acquisition.

Market risk: The business model assumes continued strong demand for institutional-grade, branded hospitality assets. A downturn in real estate or hospitality valuations could compress developer margins and reduce profitability at project disposals.

Construction cost inflation: Although EPH typically exits before construction begins, rising construction and development costs could still affect investor appetite and exit valuations, indirectly impacting achievable margins.

Financing & interest rate risk: Higher interest rates or tighter credit conditions could increase financing costs for both EPH and potential institutional buyers, potentially affecting transaction volumes or achievable exit prices. Moreover, there might be a risk that needed financing is not available.

Regulatory and permitting risk: EPH operates in multiple jurisdictions with complex permitting requirements. Delays or changes in local regulations could postpone project timelines, affecting cash flow visibility and overall project economics.

Financials

Profit and loss (EUR m)	2023	2024	2025e	2026e	2027e	2028e
Development income	**0.0**	**0.0**	**0.0**	**6.5**	**14.2**	**17.5**
Income growth	0.0%	0.0%	-100.0%	0.0%	118.2%	22.9%
Increase/decrease 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	6.5	14.2	17.5
Other operating income	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
Personnel expenses	0.0	0.0	0.1	1.4	2.1	2.1
Other operating expenses	0.5	0.3	1.0	2.5	3.7	4.1
Total operating expenses	**0.5**	**0.3**	**1.2**	**3.9**	**5.8**	**6.2**
EBITDA	**-0.5**	**-0.3**	**-1.2**	**2.6**	**8.5**	**11.3**
Depreciation	0.0	0.0	0.0	0.0	0.1	0.2
EBITA	**-0.5**	**-0.3**	**-1.2**	**2.6**	**8.4**	**11.1**
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	**-0.5**	**-0.3**	**-1.2**	**2.6**	**8.4**	**11.1**
Interest income	0.0	0.0	0.1	0.6	0.6	0.6
Interest expenses	0.1	0.7	1.6	3.8	5.2	5.2
Investment income	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-0.1	-0.7	-1.5	-3.2	-4.5	-4.6
Recurring pretax income from continuing operations	**-0.6**	**-1.0**	**-2.6**	**-0.6**	**3.8**	**6.5**
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	**-0.6**	**-1.0**	**-2.6**	**-0.6**	**3.8**	**6.5**
Income tax expense	0.0	0.0	0.0	0.0	0.9	1.5
Net income from continuing operations	-0.6	-1.0	-2.6	-0.6	2.9	5.0
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	**-0.6**	**-1.0**	**-2.6**	**-0.6**	**2.9**	**5.0**
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	**-0.6**	**0.0**	**0.0**	**0.0**	**2.9**	**5.0**
Average number of shares	0.1	0.1	1.0	1.0	1.0	1.0
EPS reported	**-8.40**	**-13.60**	**-2.64**	**-0.60**	**2.94**	**5.02**

Source: Company Data, NuWays AG

Profit and loss (common size)	2023	2024	2025e	2026e	2027e	2028e
Development income	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Income growth	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Increase/decrease in finished goods and work-in-process	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total sales	0.0%	100.0%	0.0%	100.0%	100.0%	100.0%
Other operating income	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%
Personnel expenses	0.0%	0.0%	0.0%	21.5%	14.5%	12.0%
Other operating expenses	0.0%	1,246.3%	0.0%	38.5%	26.1%	23.2%
Total operating expenses	**0.0%**	**1,246.3%**	**0.0%**	**60.0%**	**40.5%**	**35.2%**
EBITDA	**0.0%**	**-1,146.3%**	**0.0%**	**40.0%**	**59.5%**	**64.8%**
Depreciation	0.0%	0.0%	0.0%	0.0%	0.7%	1.1%
EBITA	**0.0%**	**-1,146.3%**	**0.0%**	**40.0%**	**58.8%**	**63.6%**
Amortisation of goodwill	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Amortisation of intangible assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Impairment charges	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EBIT (inc revaluation net)	**0.0%**	**-1,146.3%**	**0.0%**	**40.0%**	**58.8%**	**63.6%**
Interest income	0.0%	105.8%	0.0%	9.6%	4.4%	3.3%
Interest expenses	0.0%	2,615.5%	0.0%	58.8%	36.3%	29.5%
Investment income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Financial result	0.0%	-2,509.7%	0.0%	-49.2%	-31.8%	-26.2%
Recurring pretax income from continuing operations	**0.0%**	**-3,656.0%**	**0.0%**	**-9.2%**	**26.9%**	**37.4%**
Extraordinary income/loss	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Earnings before taxes	**0.0%**	**-3,656.0%**	**0.0%**	**-9.2%**	**26.9%**	**37.4%**
Tax rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net income from continuing operations	**0.0%**	**-3,662.7%**	**0.0%**	**-9.2%**	**20.7%**	**28.7%**
Income from discontinued operations (net of tax)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net income	**0.0%**	**-3,662.7%**	**0.0%**	**-9.2%**	**20.7%**	**28.7%**
Minority interest	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net profit (reported)	**0.0%**	**-3,662.7%**	**0.0%**	**-9.2%**	**20.7%**	**28.7%**

Source: Company Data, NuWays AG

Balance sheet (EUR m)	2023	2024	2025e	2026e	2027e	2028e
Intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	0.0	0.0	0.0	0.3	0.5	0.6
Financial assets	5.4	5.7	20.2	42.5	50.1	51.3
Fixed Assets	**5.4**	**5.7**	**20.2**	**42.8**	**50.6**	**51.9**
Inventories	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	0.1	0.0	0.1	0.1	0.1	0.1
Other assets and short-term financial assets	0.0	0.0	0.0	0.0	0.0	0.0
Liquid assets	0.1	0.2	2.5	4.9	0.1	3.8
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	**0.2**	**0.3**	**2.6**	**5.0**	**0.2**	**3.9**
Total Assets	**5.6**	**5.9**	**22.7**	**47.8**	**50.8**	**55.8**
Shareholders Equity	**-0.5**	**-1.5**	**-2.3**	**-3.8**	**-0.8**	**4.2**
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Long-term liabilities to banks	0.0	0.0	0.0	0.0	0.0	0.0
Bonds (long-term)	1.1	7.4	25.0	51.6	51.6	51.6
other interest-bearing liabilities	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 and accrued liabilities	0.0	0.0	0.0	0.0	0.0	0.0
NON-CURRENT LIABILITIES	**1.2**	**7.4**	**25.0**	**51.6**	**51.6**	**51.6**
Short-term liabilities to banks	0.2	0.0	0.0	0.0	0.0	0.0
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
Accrued taxes	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	4.8	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	**5.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Total Liabilities and Shareholders Equity	**5.6**	**5.9**	**22.7**	**47.8**	**50.8**	**55.8**

Source: Company Data, NuWays AG

Balance sheet (common size)	2023	2024	2025e	2026e	2027e	2028e
Intangible assets	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	96.5%	95.7%	88.7%	88.9%	98.7%	92.0%
Fixed Assets	**96.5%**	**95.7%**	**88.7%**	**89.6%**	**99.6%**	**93.1%**
Inventories	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts receivable	1.3%	0.5%	0.4%	0.2%	0.2%	0.2%
Other assets and short-term financial assets	0.0%	0.5%	0.0%	0.0%	0.0%	0.0%
Liquid assets	2.1%	3.1%	10.9%	10.2%	0.2%	6.7%
Deferred taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Deferred charges and prepaid expenses	0.1%	0.2%	0.0%	0.0%	0.0%	0.0%
Current Assets	**3.5%**	**4.3%**	**11.3%**	**10.4%**	**0.4%**	**6.9%**
Total Assets	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Shareholders Equity	**-9.2%**	**-24.8%**	**-9.9%**	**-7.9%**	**-1.7%**	**7.5%**
Minority interest	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Long-term liabilities to banks	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Bonds (long-term)	19.9%	124.5%	109.9%	107.9%	101.7%	92.5%
other interest-bearing liabilities	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 and accrued liabilities	0.6%	0.2%	0.0%	0.0%	0.0%	0.0%
NON-CURRENT LIABILITIES	**20.6%**	**124.7%**	**109.9%**	**107.9%**	**101.7%**	**92.5%**
Short-term liabilities to banks	3.3%	0.0%	0.0%	0.0%	0.0%	0.0%
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%
Accrued taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other liabilities (incl. from lease and rental contracts)	85.3%	0.1%	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	**88.6%**	**0.1%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Total Liabilities and Shareholders Equity	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: Company Data, NuWays AG

Cash flow (EUR m)	2023	2024	2025e	2026e	2027e	2028e
Net profit/loss	-0.6	-1.0	-2.6	-0.6	2.9	5.0
Depreciation of fixed assets (incl. leases)	0.0	0.0	0.0	0.0	0.1	0.2
Amortisation of goodwill & intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Other costs affecting income / expenses	0.0	0.0	2.2	-6.1	-15.6	-17.9
Cash flow from operating activities	4.4	-6.0	-0.5	-6.7	-12.7	-12.8
Increase/decrease in inventory	-0.1	0.0	0.0	0.0	0.0	0.0
Increase/decrease in accounts receivable	0.0	0.0	-0.1	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 working capital positions	5.0	-5.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	4.9	-5.0	-0.1	0.0	0.0	0.0
Cash flow from operating activities	**4.4**	**-6.0**	**-0.5**	**-6.7**	**-12.6**	**-12.6**
CAPEX	0.0	0.0	0.0	0.3	0.3	0.3
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	5.4	0.2	15.7	35.8	36.3	37.3
Income from asset disposals	0.0	0.0	0.0	18.7	44.3	54.0
Cash flow from investing activities	**-5.4**	**-0.2**	**-15.7**	**-17.4**	**7.8**	**16.3**
Cash flow before financing	-1.1	-6.2	-16.3	-24.2	-4.8	3.7
Increase/decrease in debt position	1.1	6.3	17.6	26.6	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.1	0.0	0.9	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	**1.2**	**6.3**	**18.6**	**26.6**	**0.0**	**0.0**
Increase/decrease in liquid assets	0.1	0.1	2.3	2.4	-4.8	3.7
Liquid assets at end of period	**0.1**	**0.2**	**2.5**	**4.9**	**0.1**	**3.8**

Source: Company Data, NuWays AG

Key ratios	2023	2024	2025e	2026e	2027e	2028e
P&L growth analysis						
Sales growth	0.0%	0.0%	-100.0%	0.0%	118.2%	22.9%
EBITDA growth	0.0%	-42.5%	286.0%	-326.6%	224.2%	33.9%
EBIT growth	0.0%	-42.5%	286.0%	-326.6%	220.4%	33.1%
EPS growth	0.0%	62.0%	-80.6%	-77.4%	-592.4%	70.6%
Efficiency						
Sales per employee	0.0	0.0	0.0	0.0	1,148.8	1,164.8
EBITDA per employee	0.0	-298.0	-214.1	289.7	683.0	754.3
No. employees (average)	0	1	5	9	12	15
Balance sheet analysis						
Avg. working capital / sales	0.0%	0.0%	0.0%	0.0%	0.7%	0.6%
Inventory turnover (sales/inventory)	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable turnover	0.0	438.0	0.0	5.6	2.6	2.1
Accounts payable turnover	0.0	0.8	0.0	0.0	0.0	0.0
Cash flow analysis						
Free cash flow	4.4	-6.0	-2.7	-0.9	2.7	4.9
Free cash flow/sales	0.0%	-22,928.1%	0.0%	-13.8%	19.3%	28.1%
FCF / net profit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capex / sales	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Solvency						
Net debt	1.2	7.2	22.5	46.7	51.5	47.8
Net Debt/EBITDA	-2.3	-24.1	-19.6	17.9	6.1	4.2
Dividend payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest paid / avg. debt	0.0%	0.0%	12.3%	0.0%	13.5%	10.0%
Returns						
ROCE	0.0%	0.0%	-9.8%	0.0%	22.7%	21.5%
ROE	113.5%	64.8%	117.3%	15.8%	-349.1%	120.2%
Adjusted FCF yield	365.9%	-82.9%	-2.7%	-0.7%	2.1%	3.9%
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
DPS	0.0	0.0	0.0	0.0	0.0	0.0
EPS reported	-8.40	-13.60	-2.64	-0.60	2.94	5.02
Average number of shares	0.1	0.1	1.0	1.0	1.0	1.0
Valuation ratios						
P/BV	0.0	0.0	-35.0	-20.9	-93.8	18.9
EV/sales	0.0	0.0	0.0	19.1	9.1	7.2
EV/EBITDA	-2.3	-24.1	-88.2	48.2	15.4	11.2
EV/EBIT	-2.3	-24.1	-88.2	48.2	15.6	11.4

Source: Company Data, NuWays AG

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Company	Disclosures
EPH Group AG	

Historical target price and rating changes for EPH Group AG

Company	Date	Analyst	Rating	Target Price	Close

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The adj. FCF method is based on the assumption that investors purchase assets only at a price (enterprise value) at which the operating cash flow return after taxes on this investment exceeds their opportunity costs in the form of a hurdle rate of 7.5%. The operating cash flow is calculated as EBITDA less maintenance capex and taxes.

Within the framework of the DCF approach, the future free cash flows are calculated initially on the basis of a fictitious capital structure of 100% equity, i.e. interest and repayments on debt capital are not factored in initially. The adjustment towards the actual capital structure is done by discounting the calculated free cash flows with the weighted average cost of capital (WACC), which takes into account both the cost of equity capital and the cost of debt. After discounting, the calculated total enterprise value is reduced by the interest-bearing debt capital in order to arrive at the equity value.

NuWays AG uses the following three-step rating system for the analysed companies:

Buy: Sustainable upside potential of more than 20% within 12 months.

Sell: Sustainable downside potential of more than 20% within 12 months.

Hold: Upside/downside potential is limited. No immediate catalyst visible.

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5. Major Sources of Information

Part of the information required for this research report was made available by the issuer of the financial instrument. Furthermore, this report is based on publicly available sources (such as, for example, Bloomberg, Reuters, VWD-Trader and the relevant daily press) believed to be reliable. NuWays AG has checked the information for plausibility but not for accuracy or completeness

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8. Miscellaneous

According to Article 4(1) No. i of the delegated regulation 2016/958 supplementing regulation 596/2014 of the European Parliament, further information regarding investment recommendations of the last 12 months are published under: www.nuways-ag.com

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