Nexum Group AG

Buy (opening coverage) **Target: Euro 2.00 (initial target price)**

11 | November | 2026

Der Spezialist für Finanzaktien

Price (Euro)	**1,10**
52 weeks range	1.14 / 1,00

Key Data

Country	Germany
Industry	Real Estate
Segment	Development (trading oriented)
ISIN	DE000A41YGA6
WKN	A41YGA
Shortkey	NXM
Bloomberg	NXMG GF
Internet	www.nexum-group.de
Reporting Standard	IFRS
Fiscal Year	31/12
Market Cap (EUR million)	110,0
Number of shares (million)	100,0
Free Float	11,7%
Free Float MCap (million)	12,9
CAGR pre tax profit '27 - '30e	123,2%

Multiples	**2026e**	**2027e**	**2028e**	**2029e**
MarketCap/revenues	0,29	0,01	0,01	0,01
PE ratio	**-59,6**	**50,0**	**21,7**	**6,7**
Dividend yield	**0,0%**	**0,0%**	**0,0%**	**0,0%**
Price-to-Book ratio	**130,18**	**36,11**	**13,55**	**4,48**

Key Data per Share (Euro)	**2026e**	**2027e**	**2028e**	**2029e**
Earnings per share (EPS)	**-0,02**	**0,02**	**0,05**	**0,16**
Dividends per share (DPS)	**0,00**	**0,00**	**0,00**	**0,00**
Book Value per share (BVpS)	0,01	0,03	0,08	0,25

Financial Data (Euro)	**2026e**	**2027e**	**2028e**	**2029e**
Revenues	**385.412**	**8.431.410**	**11.965.202**	**19.450.190**
Operating profit (EBITDA)	**-1.731.308**	**3.166.666**	**7.141.020**	**22.816.949**
Operating profit (EBIT)	-1.733.783	3.164.103	7.137.366	22.812.622
Pre-tax profit (EBT)	-1.733.775	3.164.114	7.137.378	22.812.634
Net profit (after minorities)	**-1.844.186**	**2.201.286**	**5.068.906**	**16.451.861**
Shareholders' equity	845.000	3.046.286	8.115.192	24.567.053
RoE after tax	**-301,2%**	**113,1%**	**90,8%**	**100,7%**

Financial Calendar

9M 2026	30 November 2026
2026 annual report	22 April 2027
1Q 2027	14 May 2027
AGM	24 June 2027

Main Shareholders

First Capital AG	64,00%
Private Values Media AG	24,30%

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New developer on the Block – lean structures, shortened project runtimes, lower risk and financing expenses – giving the right answers for a shifting market – starting coverage with Buy and Euro 2.00 target

Nexum Group AG is a new category of a residential developer in the German market. The company focuses heavily on fast execution, as the management only buys projects with an existing planning permission or at least preliminary building permit, a defined pricing and an immediate execution readiness.

The world today faces a high degree of uncertainty, driven by geopolitics, inflation, and rising mortgage rates. We have seen subdued economic growth for years, alongside rising sqm constructions costs, fueled by higher wages and material prices. Nexum provides the right answers in this new environment, lowering the overall risk profile and holding no legacy assets on the balance sheet. The risk in the development phase is restricted by co-operation with established general contractors and fixed prices for the completion and with Best Place Nexum has a well-established preferred exit partner. And before buying a residential project, Nexum also cares for selecting the best exit for each project across several institutional and retail channels. The firm wants to combine decent developer margins in a market that might probably bounce back from weaker years with a high scalability of the business model. The capital rotation is much faster than with a traditional developer. Instead of having a cycle of 5 to 7 years it is more 18 to 30 months.

Nexum is a vertically integrated platform located in Munich that is focused to serve the big demand for residential space in the German Top 7 cities and nearby locations. The company made the step to the stock market by a reverse listing in June 2026, taking over the shell of listed Creditshelf AG and changing the name to Nexum and the corporate purpose in recent days. Moreover, a split of shares was done, to bring the new number of shares to 100 million. The CEO of Nexum is experienced Philipp von Erffa. His Munich-based First Capital AG holds 64% of Nexum shares while Private Values Media AG still holds 24% of Nexum shares. The remaining 12% is free float. The company targets to combine committed core owners with a gradually rising free float to make the stock more attractive for private and institutional investors that are geared to play an upswing in the German residential development market with a low risk profile. A change from the General Standard to the more transparent Frankfurt Prime Standard in 2027 might also attract more investors. In the last week Nexum announced the acquisition of its first residential project, in downtown Munich, in the sought-after Maxvorstadt district, quite close to Technical University. Nexum plans to revitalize existing residential units (means that there is already rental income) and to construct a new building in the backyard for an urban densification. The full Maxvorstadt project has about 2,800 sqm gross floor area, a very attractive and capital-saving financing structure for the total investment volume of Euro 20m. The positive preliminary building permit gives a high degree of planning certainty. The marketing for the project will start quite early, in spring 2027.

We value the Nexum share with a DCF approach as we value the existing pipeline of Euro 1.4bn to Euro 1.5bn. Thereof about Euro 100m is in exclusivity or already signed and about Euro 500m is in active negotiations. The remaining Euro 900m is still more at an early stage. Making quite conservative assumptions, we initiate our coverage for the Nexum Group AG share with a Buy recommendation and a Euro 2.00 target price.

Nexum Group AG

Industry:	Real Estate Development
Sub-segment:	Residential Development
Country:	Germany
Headquarter:	Munich
Foundation:	2026
Employees:	7

Management Board
CEO Philipp von Erffa
CFO Sebastian Holl
CPLO Claudia Vucak

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Supervisory Board of Nexum
Dr. Johannes von Bismarck (Chairman of the Board)
Dr. Annedore Streyl
Marquard von Pfetten-Arnbach

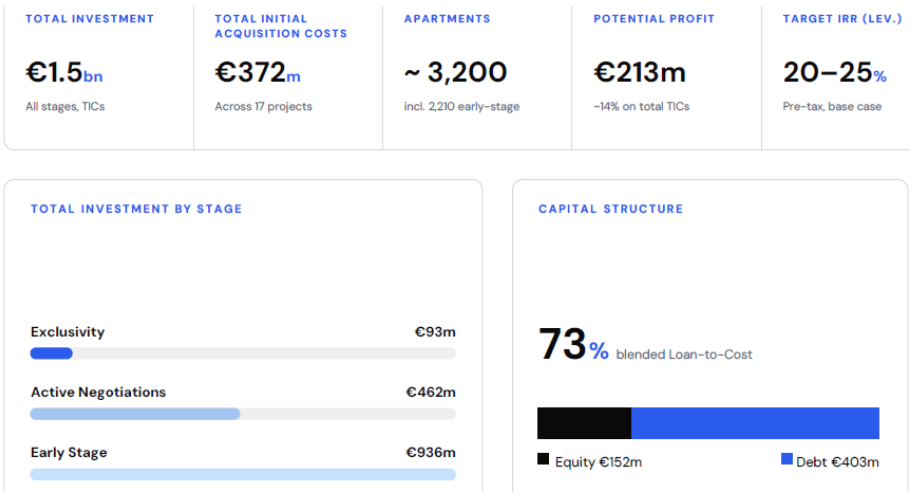
The Munich-based Nexum Group AG is a German residential real estate platform focused on the acquisition, development and sale of residential properties, primarily in Germany's top seven cities.

Unlike traditional property developers with a long-term capital cycle of 5 to 7 years, which typically start from scratch by searching for and acquiring a suitable land plot, Nexum targets projects that already have a building permit or are close to obtaining one. This significantly reduces planning and permitting risks and therefore allows for much shorter project cycles and a much faster capital rotation. A time horizon of only 18 to 30 months allows for a much higher frequency and is an important value driver in Nexum's equity story.

The business model is therefore essentially based on selective project acquisitions, risk-controlled residential development with established general contractors and the subsequent sale of completed projects through a preferred and specialized sales partner. With this short and streamlined value creation process, Nexum aims to generate attractive margins while keeping capital tied up for a relatively short period.

The company entered the stock market through a reverse listing transaction involving the former creditshelf AG, a listed company whose operating business had been previously transferred to Teylor AG as part of an insolvency restructuring. Under the restructuring, the listed shell was transferred to a new investor and subsequently repositioned as the listed holding company for Nexum's residential real estate development business. The reverse listing transaction enabled Nexum to obtain a stock market listing without a conventional IPO process. Following the change in ownership and the integration of Nexum's business, the former creditshelf AG was recently renamed Nexum Group AG. As a result, Nexum has an established listed corporate structure and access to capital markets right from the start.

We expect Nexum for the fourth quarter of 2026 to secure about 2 to 3 residential projects (mainly in Munich) and another 8 to 10 residential projects to follow in 2027. The total initial acquisition costs for the next 15 months (4Q 2026 / FY 2027) should be around Euro 150m to Euro 200m and total investment costs between Euro 350 and Euro 450m. A fee income during the construction period and a final profit contribution at the completion of projects will add up to about Euro 50m to Euro 60m in our view. That translates into project IRRs between 18% and 25% and equity multiples in the range of 1.3x to 1.5x. The current pipeline amounts to approximately Euro 1.4bn to Euro 1.5bn, of which around Euro 100m is already secured or in exclusivity, while about Euro 500m is currently under active negotiation. The remaining Euro 900m is more at an early stage.



Source: Company data, SRC Research

SWOT Analysis

Strengths

- Nexum has a strong focus on structurally undersupplied residential markets. Over the last 5 years about 3 million people have moved to the German Top 7 cities. According to Colliers, the number of households in these cities will grow by 9% until 2040, from 5.82m in 2024 to 6.33m in 2040. In particular, a rising number of small 1 and 2 person households will drive this growth. Existing supply constraints are likely to intensify further over the next decade.
- Lower risk profile than traditional European residential developers, as projects are acquired with an existing building permit or close to obtaining one.
- The lower risk profile goes hand in hand with much shorter capital cycles. With targeted project durations of 15 to 30 months, the company achieves significantly higher capital rotation. Shorter holding periods bring down financing risks and costs, which is valuable in a market, where high interest expenses and tight financing conditions remain key constraints.
- Nexum intends to rely on established general contractors for construction and therefore combines external execution capabilities with internal acquisition skills of a very experienced management team. That is another important point for a lower risk profile as Nexum strives to scale up its business volume without building up a large construction organization.
- A vertically integrated acquisition-to-sales-approach, from acquisition and development to sales and optimal distribution, could create several synergies and result in better residential products for the market that are affordable to a broad range of buyers.
- The current market dislocation translates into a huge excess demand for newly built apartments. The building permits steadily decreased since 2021 and will further decline in the years 2026 and 2027. Within the last years, a rising pool of permitted or nearly permitted projects evolved whose owners may lack sufficient financing or equity to proceed. Nexum may acquire such projects at more attractive entry prices than would have been possible 2 or 3 years ago.

Weaknesses

- The most important weakness is the limited track record. As the company was established in mid 2026 from scratch, there is no track record or company history available. However, the management team has a track record of over Euro 30bn in real estate transaction volume. In particular CEO Philipp von Erffa has more than Euro 20bn in transaction volume under his responsibility, through his previous roles at Signa Real Estate and MEAG (Munich Re Group).
- A building permit or a preliminary building permit does not eliminate development risks. Construction costs may rise or the budget might be impaired despite a very careful selection of the general contractor for each project. Also finding a good financing framework might take longer or sales velocity is slowing down in a still depressed overall economic framework in Germany with no significant GDP growth for the last three years.
- Nexum has a relatively high exposure to a limited number of expensive markets, as for instance the majority of the first projects might come from Munich. Given the relatively small number of projects in the ramp-up phase, Nexum is dependent on market movements in Munich and competition for financially strong home buyers.
- Even with a shorter capital cycle, the development business remains capital intensive in general. We still believe that Nexum has a competitive edge, given the strong network with local and international banks and investment funds as well as family offices. That is very helpful to quickly structure a suitable and tailor-made financing solution for each new project.
- As mentioned above, Nexum is in the ramp-up phase and, with only a small number of projects to be started in 1Q 2026 and 1H 2027, overall diversification is limited at this early stage.
- The announced pipeline of Euro 1.5bn and the mid-term ambition of more than Euro 700m in annual development are substantial relative to the current size of the firm and a point to proof in future. Nexum has to prove its ability to grow quickly and therefore scale up the business without compromising underwriting discipline.

Opportunities

- The fundamental market opportunity is compelling. Germany's new-build market remains far below the level required to satisfy housing demand. The problem is even bigger in the Top 7 cities. JLL estimates an annual housing deficit of c. 80,000 units, half of it may be needed in the Top 7. In Munich, one third less apartments were completed in 1H 2026 than in 1H 2025.
- New-build rents continued to increase in recent years in almost all big German hubs, while residential purchase prices have largely stabilized or even come down a bit. This combination is particularly supportive for developers because it improves the economics of new-build housing and supports end-user affordability relative to rapidly rising rents.
- The opportunity to buy some distressed projects could arguably become Nexum's biggest near-term opportunity. Developers that have secured projects during the boom years until 2021 may now face serious refinancing, equity or liquidity constraints.
- Financing conditions have begun to normalize at the margin. CBRE expects greater willingness among banks and alternative lenders to provide financing in 2026, although transaction processes remain cautious. This could gradually expand Nexum's addressable project universe.
- The post-2022 market correction has weakened or even removed smaller or higher leveraged developers. A well-capitalized platform with access to public equity markets could potentially acquire projects and also teams or other smaller developers, thereby accelerating its own growth.
- Residential Real Estate remains one of the preferred institutional real estate sectors in Germany. All experts expect residential to remain the clearly dominant asset class in the next years, supported by a massive structural undersupply and growing institutional allocations. Nexum could potentially benefit from partnerships, forward sales, club deals or portfolio transactions with a number of institutional investors.
- The affordability problem in Germany's major cities creates an opportunity for developers able to deliver smaller, efficiently designed apartments at lower absolute prices. This appears particularly relevant to Nexum's stated strategy of addressing the mismatch between today's housing product and the quickly changing buyer requirements. The trend is clearly towards affordable housing, which Nexum aims to address.

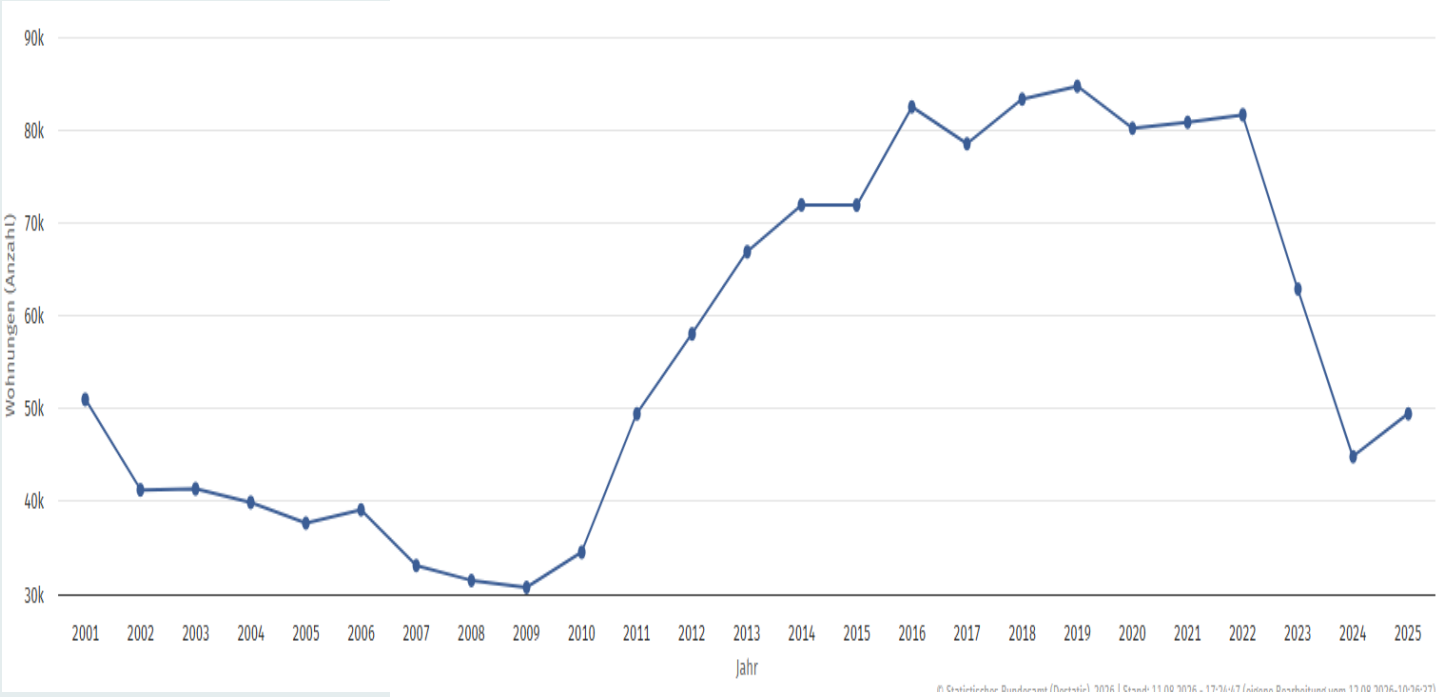
Threats

- Even if acquisition prices are attractive, high construction costs can compress development margins. Cost inflation, skilled labor shortages and regulatory requirements remain significant risks for new residential construction. The new public German „Bauturbo" regulation offensive might help to make some things easier for developers in the future.
- The Nexum model is particularly sensitive to the cost and availability of development financing. A renewed increase in long-term interest rates could negatively affect both project margins and exit valuations. Recent market data already indicate that higher rates remain a relevant macroeconomic risk. The ECB might increase interest rates in autumn, due to the continued macroeconomic shocks, such as high energy prices from the war in the Middle East.
- Nexum's strategy is attractive precisely because it targets projects that have already overcome significant and time-consuming planning hurdles. Other developers, institutional investors and alternative capital providers may increasingly pursue the same opportunity, reducing acquisition discounts.
- Although demand for housing is very strong, mortgage affordability remains a limiting factor for private buyers. This could constrain sales velocity, particularly for higher-priced new-build apartments in Munich, Frankfurt and other expensive locations.
- As a newly listed company, Nexum's ability to raise equity or attract institutional investors will depend heavily on its ability to establish credibility through successful project completions in the first two or three years, transparent reporting and demonstrable returns.

German residential market with early-cycle recovery signals

The German building permits for new dwellings have been relatively stable in the 2000s in a range of about 30k to 40k per year. With the economic upswing and a prolonged period of low and stable interest rates in the 2010s and also in the early 2020s, the new dwellings steadily increased to new heights of clearly more than 80k per year.
Following the outbreak of the Russia – Ukraine war, the swift rise in energy and construction costs, broader inflationary pressures and a sharp tightening in financing conditions triggered a significant downturn in the German residential development market in 2023 and 2024. The number of new residential units almost halved in only two years, from almost 82k in 2022 to only 45k in 2024. The year 2025 showed a slight recovery to 49,400 new permits and we expect this recovery to continue and gain momentum over the next 3 years.

While permit volumes will likely remain clearly below 80k-plus peak-cycle levels in coming years, the ongoing stabilization indicates a reduced overall downside risk for the German residential development market. This downside risk might be further mitigated by an economic recovery and declining inflation from next year onwards. There are early signs that financially strong developers are beginning to re-engage more actively as financing conditions normalize. Furthermore, the German government's recently introduced "Bau-Turbo" (which has been in place since October 2025) could provide additional support for residential developers in Germany by simplifying and accelerating planning and permitting procedures and allowing greater flexibility under existing planning regulations. This could further support an increase in the pipeline of new residential units and also lower sqm construction costs.



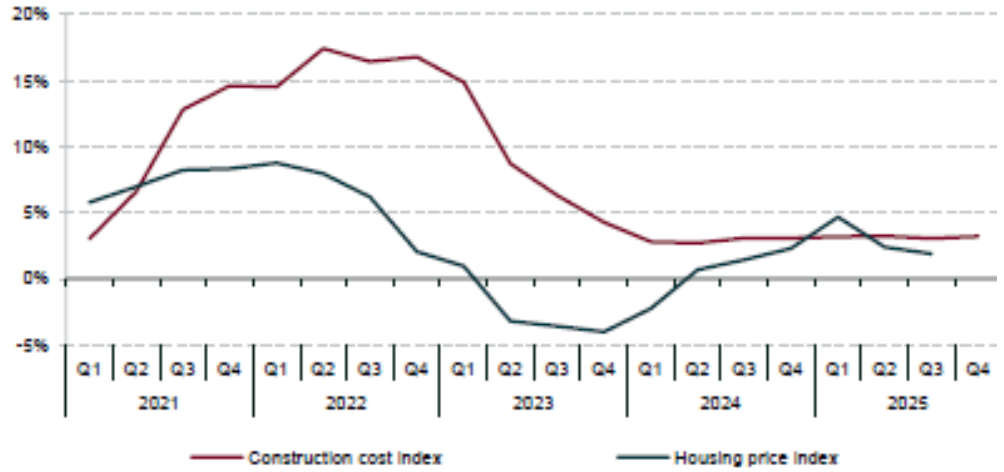
Source: Destatis

Construction costs have normalized since 1Q 2024

A Key Advantage of Nexum is the absence of legacy projects with inflated land costs and outdated cost assumptions.

The cost inflation in the residential construction industry, which was strong in 2022 and 2023, has normalized since the beginning of 2024, materially reducing feasibility risks and making it easier to stay within budget and achieve lucrative development margins. This is particularly beneficial for newcomers such as Nexum, which do not have legacy projects in their portfolio that were acquired at higher land costs and based on budgets that underestimated construction costs.

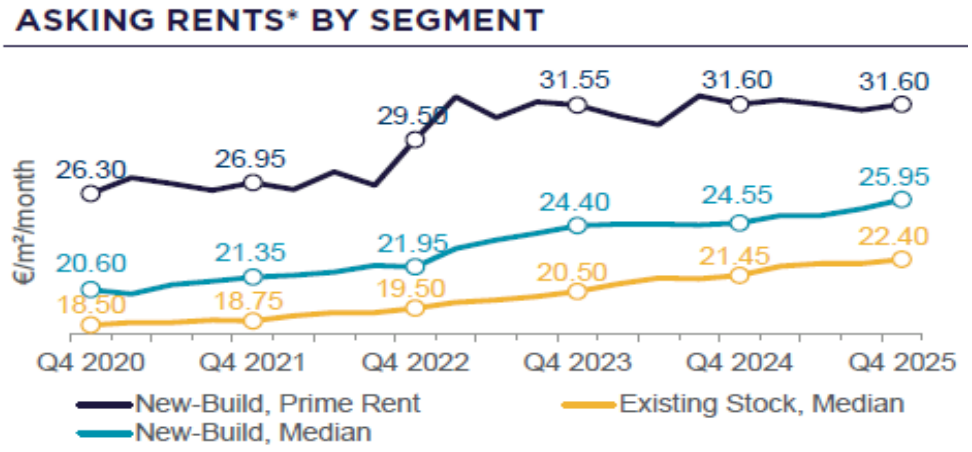
Construction costs have normalized and housing prices have returned to the Plus zone.



Source: Destatis

Munich has remained highly resilient, with asking rents increasing even in recent years. This is particularly important for Nexum, as Munich accounts for the lion's share of its initial project pipeline.

All in all, we conclude that construction activity has begun to recover in Germany, supported by improving housing prices, a pick-up in order intake and partially easing financing conditions. With regards to Munich, which accounts for the largest share of Nexum's initial project pipeline, Cushman & Wakefield data show that asking rents for new apartments in Munich even increased in the challenging market period between 4Q 2022 and 4Q 2025, highlighting the outstanding stability and rock-solid fundamentals of the Munich residential market. Prime rents increased by 7.1%, from Euro 29.50 per sqm in 4Q 2022 to Euro 31.50 in 4Q 2025. Median rents for new apartments even increased more strongly, by 18.2%, from Euro 21.95 per sqm to Euro 25.95 per sqm over the same three-year period.



Source: Cushman & Wakefield, Residential Marketbeat 4Q 2025, Germany Top 7 Cities, here Munich

Four types of fee income plus a profit stake according to the equity stake in the SPV.

The SPV structure isolates risks, ensuring that the SPVs do not affect the company as a whole.

Performance fees for over delivering IRR targets are the cherry on the cake upon completion of each residential project.

A four-tier fee structure capturing value along the value chain

Nexum sets up a Special Purpose Vehicle (SPV) for each residential development project and generates fee income along the value chain. This structure results in a lower risk profile, enhances transparency, and enables better control over each project, an optimized execution, and capital allocation. The shares of the SPV are held by Nexum and their financing partners and investors in each project. In most cases Nexum has an equity stake of only 5% to 10%, but additional agreements for over delivering the IRR targets, a kind of a performance fee. During the development process Nexum captures 4 different fees:

- Acquisition fee
- Development fee
- Financing arrangement fee
- Sales management fee

The applicable fee income depends on the project size, or in the case of the financing arrangement fee, on the Total Investment Costs (TIC). The TIC is calculated as the sum of the purchase price, construction costs and financing costs.

Real estate projects are recognized from the signing date based on the progress of construction and realization under the percentage-of-completion method (PoC). Overall, approximately one third of Nexum's total revenues are generated from the four types of fee income paid by the SPVs to Nexum, while approximately two thirds are derived from development profits recognized under the PoC method by the project companies (SPVs).

The company might generate acquisition fees of Euro 2.0m to Euro 3.0m until 2028

A - Acquisition Fee

Fee for the identification, evaluation and execution of the acquisition (sourcing, acquisition review, coordination of the due diligence and execution of the transaction through to closing).

Assessment basis: Purchase price.

Purchase Price Tier	Rate	Minimum Fee (Greater-of)
up to €10 million	2.00%	€75,000
€10–25 million	1.75%	€200,000
above €25 million	1.50%	€437,500

The company might generate development fees of Euro 5.0m to Euro 6.0m until 2028

B · Development Fee

Fee for managing the project development from preparation through to completion (planning and building permit phase, project and construction cost management, construction supervision).

Assessment basis: Construction costs including pre-development costs, ancillary construction costs and non-deductible VAT (VAT leakage).

Construction Cost Tier	Rate	Minimum Fee (Greater-of)
up to €5 million	5.00%	€100,000
€5–50 million	4.00%	€250,000
above €50 million	3.00%	€2,000,000

Nexum might generate financing arrangement fees of Euro 5.0m to Euro 6.0m until 2028

C · Financing Arrangement Fee

Fee for structuring and procuring the project financing (approaching and negotiating with financing partners, preparation of the financing documentation and closing of the financing).

Assessment basis: Total investment costs (TIC) = purchase price + construction costs + financing costs.

TIC Tier	Rate	Minimum Fee (Greater-of)
up to €25 million	2.00%	€150,000
€25–50 million	1.50%	€500,000
€50–100 million	1.00%	€750,000
above €100 million	0.75%	€1,000,000

In the ramp-up phase the sales management fees are only about Euro 1m until 2028

A pipeline in full swing will generate higher sales mgmt. fees and higher profit contributions from equity stakes in the SPVs.

A timely exit allows the capital to be quickly redeployed, after only 18 to 30 months. In 2029 and subsequent years, a fully established development pipeline will stabilize sales management fees at a much higher level.

D · Sales Management Fee

Fee for the internal management of residential unit sales (sales management, coordination of notarisation and buyer fit-out selection, buyer support).

Assessment basis: Net sales proceeds.

Net Sales Proceeds Tier	Rate	Minimum Fee (Greater-of)
up to €20 million	1.50%	€25,000
€20–40 million	1.25%	€300,000
€40–70 million	1.00%	€500,000
€70–100 million	0.75%	€700,000
above €100 million	0.50%	€750,000

The external brokerage commission is separate from this fee; the Sales Management Fee compensates internal management services only.

Source: Company data about the different types of fee income

A fee income of Euro 18m to 22m is realistic to come until 2028. from first pipeline projects to be started in 4Q 2026 and 2027.

Until 2028, we expect the total fee income from a forecasted pipeline of 9 – 12 development projects representing Euro 300m to Euro 400m in TIC (total initial acquisition costs), to be started in 4Q 2026 and 2027. If the projects exceed their targeted IRRs upon completion, Nexum will also generate additional performance fees. For 2029 we consider a profit share of Euro 6m to Euro 10m from projects started in 4Q 2026 and 2027 to be realistic.

A lucrative first investment: The Munich Maxvorstadt project

The Munich Maxvorstadt is the first project, a highly attractive residential concept with strong return potential in Munich's sought-after Maxvorstadt district.

It combines the optimization of an existing building with a rooftop extension and an additional development in the rear courtyard.

With the rooftop extension and the additional development in the rear courtyard the rental space will increase from 700 sqm to more than 1,700 sqm. The property already comprises 12 apartments, with the project adding another 15 one- and two-room apartments.

The first secured project was announced last week, on 3 November. Nexum acquired an existing building with potential for a vertical extension, as well as additional development through a new-build project in the rear courtyard. The project is located in the highly sought-after Maxvorstadt district. The Munich central station is just a five-minute walk away, while Marienplatz in the city center can be reached on foot within 10 minutes.

The property comprises a 570 sqm inner-city site with the potential to create a modern and attractive residential scheme. The project offers two distinct value creation levers: firstly, the optimization of the existing building, which is currently 83% let, and secondly, a rooftop extension and additional development in the rear courtyard, creating valuable additional residential space in a prime Munich location. In total, this would add more than 1,000 sqm of residential space. The acquisition is structured as an asset deal. A positive preliminary building permit (Bauvorbescheid), agreed with the buyer, has been in place since mid of June. The building application has already been submitted and is expected to be approved promptly.

Nutzungsmix

NUTZUNG	BGF	MIETFLÄCHE	EINHEITEN
Wohnen · Bestand (Global)	874 m²	699 m²	12
Wohnen · DG-Aufstockung (ETW)	230 m²	184 m²	1-2
Wohnen · Neubau Hinterhof (ETW)	1.060 m²	848 m²	15-25
Gesamt	**2.164 m²**	**1.731 m²**	**[28-39]**

MIETFLÄCHE SOLL
1.731 m²
Bestand, Aufstockung und Neubau

BAUVORBESCHEID
positiv
12.06.2026 · 3 Jahre gültig

Nexum will subdivide the property into a condominium association, with a legal separation between the 12 existing and the 15 newly built apartments.

As a prerequisite for the separate sale of the individual units, the application for the German Abgeschlossenheitsbescheinigung (certificate of separate ownership) will be submitted shortly. The certificate of separate ownership affirms that the units are structurally and legally self-contained and can therefore be sold separately as individual units. The smaller size of most apartments makes it an attractive investment opportunity for private investors, seeking yield and stability.

Nexum will create an appealing character while also keeping affordability in mind. Here is an example how a new Maxvorstadt apartment might look.



The advantages are very clear and feasible:

- Small one- and two-room units with low entry costs and very strong rental demand.
- The structural undersupply in Munich‘s Maxvorstadt district with far more students than available housing.
- Highest price per sqm potential in the small-lot segment, with very low vacancy risk and a broad potential investor base.
- Ideally suited for capital investors, young professionals and urban owner-occupiers without children.

And the best is that Nexum has calculated this residential project very conservatively in terms of achievable prices per sqm. There is significant upside potential, as Nexum‘s calculations are based on a very basic and rather conservative scenario. Nexum plans to offer the new apartments at around Euro 15,000 per sqm, while the current market level is closer to Euro 19,000 to 20,000 per sqm.

The calculation offers some hidden reserves as current market level is at least 25% higher than the budget in Nexum’s base case scenario





Seasoned leadership team with a strong industry network



The firm's management is highly experienced and well established in the industry. Nexum Group AG is led by CEO Philipp von Erffa.

Philipp brings over 15 years of experience in real estate investment and real estate project development. Throughout his career, he has managed a transaction volume of more than Euro 20 bn across the acquisition and disposal of real estate. He has successfully acquired and sold properties across both strong and challenging market cycles, giving him an extensive experience in navigating different market environments and executing transactions under varying conditions.

From May 2015 to January 2024, he served as Managing Director and Head of Acquisitions at the Signa Group of Companies. In this role, he oversaw transactions with an aggregate volume of approximately Euro 15bn across Germany, Austria, Benelux and UK. His experience encompassed both asset deals and complex M&A structures across the full spectrum of commercial real estate.

From February 2024 to March 2026, he served as Managing Director at Görg Insolvenzverwaltung (Prof. Dr. Torsten Martini), where he led the disposal of the largest-ever commercial real estate insolvency portfolio, comprising approximately Euro 5bn in assets across a broad range of property types and locations throughout Germany.

Philipp holds a Master of Science in Real Estate from IREBS at the University of Regensburg (Bavaria, Germany), a leading institution for real estate education in Germany. He also holds a Master of Science in Construction Project Management from the University of Hong Kong.



Shifting the focus to CFO, Sebastian Holl, brings more than 30 years of experience in the financial and capital markets industry. Throughout his career, he has gained extensive expertise in corporate finance, capital raising, equity and debt markets, as well as institutional investor relations.

He began his career at leading US investment banks Merrill Lynch and Goldman Sachs in Frankfurt and London, where Sebastian advised national and international institutional investors. He subsequently held senior positions at BayernLB, Oddo Seydler and Baader Bank, where he served as Managing Director and Head of Corporate Brokerage, supporting a huge number of companies in accessing international institutional money and executing a large number of capital market transactions.

He later moved to the corporate side, serving as CEO of a Senior Living platform, where he established financing structures and secured external funding at both holding and project level. Since 2022, he has advised companies, family offices and entrepreneurial ventures on capital markets and corporate finance matters. Sebastian brings extensive experience in navigating capital markets, structuring financing solutions and supporting companies through complex corporate and capital market transactions.



The third person in the Executive Board is Claudia Vucak as the Chief People & Legal Officer (CPLO). Claudia combines a strong legal background with extensive experience in human resources, organisational development and entrepreneurship. She studied law at the University of Augsburg and the Université de Lausanne and started her career as a lawyer before moving into the corporate and start-up environment.

As Co-Founder of the travel platform weg.de, she was responsible for HR and legal and subsequently held a senior HR and later an Executive position at Turbina Energy AG from 2013 to 2017. In this role, she led the People function and was responsible for building and developing HR structures in a growing organisation. She then gained further experience in HR consulting and leadership development, working with organisations on topics including leadership, change management and organisational development.

At Nexum, Claudia Vucak serves as Chief People & Legal Officer and is responsible for building the organisation as well as People & Culture, Legal, Compliance and Governance. Her combination of legal expertise, entrepreneurial experience and people-focused leadership capabilities provides an important foundation for Nexum's organisational development and further scaling of the platform.

An AI-powered acquisition workflow is Key to success

AI enables Nexum to quickly assess investment opportunities and manage its deal pipeline.

In addition to highly detailed prompts, mostly ranging from 5 to 10 pages, for comprehensive property analyses covering the market, location and construction costs, Nexum is further automating and professionalizing its acquisition process through a dedicated AI-powered tool specifically developed and commissioned for customized and exclusive solutions. The tool is being designed to automatically generate **one-pagers** for each property under review, providing a quick and comprehensive overview of the respective opportunity. It will also incorporate Nexum's entire current deal pipeline, as well as standardized templates for investment committee submissions and financing documents for banks and other financing partners – all automatically generated in Nexum's corporate design.

The tool can automatically ingest property brochures and populate the relevant data fields. Nexum can also upload its own calculations and integrate proprietary prompts, creating a comprehensive and consistent data basis for fast, well-informed investment decisions.

In addition, the tool provides strong capabilities for **reporting and deal pipeline management**, including automated pre-screening of incoming opportunities and the ability to automatically send rejection emails if a property does not meet Nexum's predefined criteria.

AI-powered acquisition workflows are key to success. Nexum is optimizing its "back-of-the-envelope" calculation to enable faster and better-informed investment decisions.

Nexum is also working on further optimizing its **"back-of-the-envelope" calculation** within the tool. Based on the data extracted from property brochures and Nexum's standard assumptions, the tool will be able to generate a preliminary calculation at the push of a button, enabling Nexum to assess potential projects quickly and make initial investment decisions more efficiently.

A very early sales integration is the second Key to success

Successful sales start at acquisition.

While many developers only integrate sales activities at a late stage, Nexum takes an integrated approach to the exit across both institutional and retail channels, embedding the sales strategy into the acquisition workflow from day one.

Nexum has a preferred sales partnership with Best Place Immobilien, one of Germany's leading independent platforms for marketing and selling new-build residential properties.

Nexum has a preferred partnership with Berlin-based Best Place Immobilien GmbH & Co. KG. Best Place Immobilien is one of Germany's leading independent platforms for the sales and marketing of exclusive new-build projects and residential properties. The company acts as a specialized full-service provider and advisor to property developers, project developers and institutional investors.

The company takes a holistic approach to sales, supporting real estate projects across the entire value chain – from strategic planning and market analysis through to the successful sell-out. Best Place follows a full-service approach that combines traditional sales activities with digital marketing, complemented by public relations measures and individualized customer advisory services at key locations, such as Berlin, Munich, Frankfurt and Hamburg.

Sustainable annual cash flow potential even with conservative assumptions

Our DCF valuation implies significant upside of over 100%

In our Discounted Cash Flow (DCF) valuation of the Nexum share, we estimated the company's long-term operating cash flow by adjusting our forecasted EBIT figures for non-cash effects such as amortisation and deducting taxes and net financing costs. Following a ramp-up phase in 2026 and 2027, we estimate a sustainable cash flow potential of between Euro 5m to Euro 25m in the coming years 2028 to 2030. Discounting these cash flows and adjusting for net cash, we arrive at a fair equity value of approximately Euro 222m, implying a fair value of Euro 2.22 per share.

Our model assumptions were rather conservative. Based on a risk-free rate of 4.0%, a relatively high beta of 1.6 for a newcomer and average cost of debt of 8.5%, we calculate a weighted average cost of capital (WACC) of approx. 10.2%.

Discounted Cashflow Model for Nexum Group AG (Entity WACC Method)

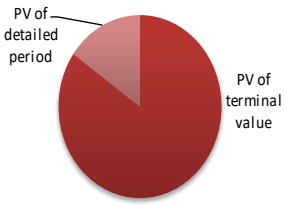
Assumptions:

Equity ratio long-term	20%	Beta factor	1,60
CoE Cost of Equity	16,8%	Risk-free return	4,0%
CoL Cost of Liability	8,5%	Market risk premium	8,0%
Weighted Average Cost of Capital (WACC)	10,2%		
Years until first pay-out	0,13		
Growth in Terminal Value	1,5%		

Euro	2026e	2027e	2028e	2029e	2030	Terminal Value
Revenues	**385.412**	**8.431.410**	**11.965.202**	**19.450.190**	**26.577.021**	**26.975.676**
Sales revenues growth		*2087,6%*	*41,9%*	*62,6%*	*36,6%*	*1,5%*
Operating cash-profit after staff and material expenses and other expenses	**-1.731.308**	**3.166.666**	**7.141.020**	**22.816.949**	**35.182.275**	**35.710.009**
Tax rate on operating cash profit	6,4%	-30,2%	-28,8%	-27,8%	-26,3%	-25,0%
Net operating profit after tax (NOPAT)	**-1.841.562**	**2.211.125**	**5.080.998**	**16.465.825**	**25.930.862**	**26.782.507**
Finance result	0	0	0	0	0	0
Free cash flow	**-1.841.562**	**2.211.125**	**5.080.998**	**16.465.825**	**25.930.862**	**26.782.507**
Present value of free cash flows	**-1.818.541**	**1.982.103**	**4.134.644**	**12.163.221**	**17.388.341**	**188.256.763**

PV of terminal value	188.256.763
PV of detailed period	33.849.767
Sum of free cash flows / Enterprise Value	**222.106.530**
+ market value of assets that are not necessary for operating business	0
+ cash / cash equivalents	65.454
- interest bearing liabilities / long-term provisions	0
Market value of equity	**222.171.984**
Number of shares	100.000.000
Fair market value per share in Euro	**2,22**

Enterprise value breakdown



Source: SRC Research assumptions

Development of value drivers	2026	2027e	2028e	2029e	2030e	Terminal Value
Sales growth	0,0%	2087,6%	41,9%	62,6%	36,6%	1,5%
Growth in free cash flow	N/A	-220,1%	129,8%	224,1%	57,5%	3,3%

Source: SRC Research

Sensitivity analysis confirms robust valuation range between Euro 2.00 and Euro 2.50 per share

To assess the robustness of our DCF valuation, we performed a sensitivity analysis using different assumptions for the WACC, the terminal growth rate and the company's equity ratio. Across a reasonable range of assumptions, our valuation continues to indicate meaningful upside, supporting the robustness of our base-case fair value estimate.

Sensitivity analysis (per share)

Our first sensitivity analysis tests a range of Terminal Value Growth and Equity Ratio assumptions.

Growth in Terminal Value \ Equity ratio	15,0%	17,5%	20,0%	22,5%	25,0%
1,00%	2,38	2,24	2,11	2,00	1,89
1,25%	2,44	2,30	2,16	2,04	1,93
1,50%	2,52	2,36	**2,22**	2,10	1,98
1,75%	2,59	2,43	2,28	2,15	2,03
2,00%	2,68	2,50	2,35	2,21	2,08

Our second Sensitivity analysis tests range of Terminal Value Growth and WACC assumptions.

The grey areas highlight the key valuation range of Euro 2.02 to Euro 2.46 per Nexum share.

Growth in Terminal Value \ WACC	9,2%	9,7%	10,2%	10,7%	11,2%
1,00%	2,43	2,26	2,11	1,97	1,85
1,25%	2,50	2,32	2,16	2,02	1,90
1,50%	2,58	2,39	**2,22**	2,07	1,94
1,75%	2,66	2,46	2,28	2,13	1,99
2,00%	2,75	2,53	2,35	2,18	2,04

After our conservative DCF approach and with regards to a sensitivity analysis pointing to a fair value range of Euro 2.00 to Euro 2.50 per Nexum share, we set our first target price at the lower end, at Euro 2.00.

Movers and shakers in the industry: Instone and UBM

When looking at the listed residential development sector, it is essential to keep a close eye on other major publicly traded residential developers. The residential development market is currently in a state of upheaval, and every company has been striving for at least two years to find the right answers to the changing market conditions and adapt to the new environment as best as possible. Here are 2 examples:

1) Instone Real Estate Group SE

Instone Real Estate is one of the larger German residential developers, focusing on projects in economically strong metropolitan regions. In 2025, it reported revenues of around Euro 504m, after Euro 527m in the year before. Almost 50% of this came from retail sales, up from just 25% in 2024, though previously pre-sold projects from the past were still an important contributor to the top line. The pre-tax profit fell 18%, from Euro 50.6m in 2024 to Euro 41.5m in 2025. While the sharp rise in sales to private households points to a pick-up in demand, overall market conditions remained challenging fort he firm. Nevertheless, Instone maintained solid margins and a relatively stable balance sheet with moderate debt, leaving room for new land acquisitions. For 2026, management initially projected higher revenues and earnings, contingent on a further recovery in housing demand. However, due to persistently tough market conditions, Instone recently lowered its full-year 2026 guidance alongside its presentation of 9M results: Instead of the previously projected Euro 550m to Euro 600m, the company now forecasts revenues of Euro 450m for the full year 2026, implying a decline of around 10% year-on-year.

As a peer for Nexum, Instone is a strong match due to its similar business model, though direct comparisons require caution given differences in portfolio structure, size and regional focus. A key advantage for Nexum—compared to Instone and other established peers—is the absence of legacy burdens from older projects calculated and launched during the former boom years. To boost apartment sales to private buyers, Instone launched a sales joint venture called *Vestway* with Knight Frank Frankfurt and Homebase in 1Q 2026. In this area, Nexum Group AG is already well-positioned through its preferred and highly experienced partner, *Best Place Immobilien*, which operates branches in Berlin, Munich, Frankfurt an Hamburg.

2) UBM Development AG

UBM Development AG is an Austrian real estate developer headquartered in Vienna, with a strong presence in Germany, Austria and the Czech Republic. The company focuses primarily on residential development, and operates two business lines in this segment: Premium Living and Affordable Housing, which was newly established in 2Q 2026 to address the demand for affordable apartments in metropolitan regions across Germany and Austria. After posting pre-tax losses in 2023 and 2024, the company managed the return to a Euro 4m pre-tax profit in 2025, and already achieved a Euro 7.3m pre-tax profit in the first half of 2026. Going forward, UBM intends to sharpen ist focus on affordable housing, accompanied by the sale of non-core assets or non-strategic landbank to free up capital. While aiming to rapidly expand its affordable housing segment through a high degree of standardization and modularization, UBM continues several premium residential projects featuring timber-hybrid construction. As a peer for Nexum Group AG, UBM is relevant due to its substantial German residential development activities - particularly in Munich - though differences in geographical exposure, project scale and business diversification should be considered.

P & L Nexum Group AG

31/12 IFRS (Euro)	2026e	2027e	2028e	2029e	2030e	CAGR '27e - '30e
Gross Development Value (GDV)	**9.578.450**	**108.878.501**	**195.145.018**	**253.145.741**	**335.450.540**	***45,5%***
Revenues	**385.412**	**8.431.410**	**11.965.202**	**19.450.190**	**26.577.021**	***46,6%***
Changes in the portfolio	0	0	0	0	0	
Share of profit/loss of companies accounted for under the equity method	0	0	0	0	0	
Income from fair-value adjustments to investment property	0	0	0	0	0	
Other operating income (including rental income)	24.565	242.574	267.885	169.004	25.045	
Cost of materials and other related production services	-61.478	-448.293	-589.787	-655.878	-71.245	
Staff expenses	-1.125.024	-3.155.004	-3.345.478	-3.694.754	-3.901.573	
Expenses from fair-value adjustments to investment property	0	0	0	0	0	
Other operating expenses	-954.784	-1.904.021	-1.156.804	-996.614	-1.025.478	
Profit from associated project companies	0	0	0	8.545.001	13.578.505	
Operating profit (EBITDA)	**-1.731.308**	**3.166.666**	**7.141.020**	**22.816.949**	**35.182.275**	***123,1%***
Depreciation, amortisation and impairment expenses	-2.475	-2.563	-3.654	-4.327	-4.621	
Operating profit (EBIT)	**-1.733.783**	**3.164.103**	**7.137.366**	**22.812.622**	**35.177.654**	***123,2%***
Financial income	8	11	12	12	13	
Financing costs	0	0	0	0	0	
Financial result	**8**	**11**	**12**	**12**	**13**	
Earnings before tax (EBT)	**-1.733.775**	**3.164.114**	**7.137.378**	**22.812.634**	**35.177.667**	***123,2%***
Income tax expense	-110.411	-954.771	-2.058.971	-6.349.923	-9.250.201	
Tax rate	-6,4%	30,2%	28,8%	27,8%	26,3%	
Net profit before minorities	**-1.844.186**	**2.209.343**	**5.078.407**	**16.462.711**	**25.927.466**	
Minorities and shares of hybrid capital	0	-8.057	-9.501	-10.850	-11.120	
Net profit after minorities	**-1.844.186**	**2.201.286**	**5.068.906**	**16.451.861**	**25.916.346**	
Earnings per share (EPS)	-0,02	0,02	0,05	0,16	0,26	
Dividends per share (DPS)	0,00	0,00	0,00	0,00	0,00	
Payout ratio	0,0%	0,0%	0,0%	0,0%	0,0%	
Number of shares (million)	100,0	100,0	100,0	100,0	100,0	
Shareholders' equity	**845.000**	**3.046.286**	**8.115.192**	**24.567.053**	**50.483.399**	***117,8%***
Total assets	**57.005.040**	**125.784.004**	**144.651.605**	**154.445.402**	**186.878.936**	***154,3%***
Equity ratio	**1,5%**	**2,4%**	**5,6%**	**15,9%**	**27,0%**	
Book value per share (BVpS)	**0,01**	**0,03**	**0,08**	**0,25**	**0,50**	***-67,4%***
RoE (after tax)	-301,2%	113,1%	90,8%	100,7%	69,1%	

Key ratios & figures	2026e	2027e	2028e	2029e	2030e
Growth rates in %					
Sales revenues	351,8%	2087,6%	41,9%	62,6%	36,6%
EBT	4304,6%	-282,5%	125,6%	219,6%	54,2%
Net profit after minorities	3412,8%	-219,4%	130,3%	224,6%	57,5%
Margins in %					
Operating profit (EBIT)	-449,9%	37,5%	59,7%	117,3%	132,4%
Pre-tax profit (EBT)	-449,8%	37,5%	59,7%	117,3%	132,4%
Net Profit (after minorities)	-478,5%	26,1%	42,4%	84,6%	97,5%
Expense ratios in %					
Personnel costs to sales	291,9%	37,4%	28,0%	19,0%	14,7%
Cost of material to sales	16,0%	5,3%	4,9%	3,4%	0,3%
Depreciation to sales	0,6%	0,0%	0,0%	0,0%	0,0%
Profitability in %					
Return on equity (RoE) after tax	-301,2%	113,1%	90,8%	100,7%	69,1%
Return on assets (RoA)	-3,2%	1,8%	3,5%	10,7%	13,9%
Valuation					
P/E-ratio	-59,6	50,0	21,7	6,7	424,4%
Price/ BV per Share	130,18	36,11	13,55	4,48	217,9%
Dividend yield	0,0%	0,0%	0,0%	0,0%	0,0%

SRC Research

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Please note:

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