

Good start into the year with +12% sales revenues, full year targets for revenues and EBIT confirmed, we keep our Buy and price target

Today, OVB presented the 1Q 2025 report with a steep increase of group's revenues of almost 12%, from Euro 97m to more than Euro 108m, with all three regions showing a steep growth. In addition to the top-line growth, the group could again lift the number of clients to 4.76 million (year-end 2024: 4.70 million) and the number of advisers to 6,349 (year-end 2024: 6,278), which is a remarkable growth of more than 1% for the first three months.

With regards to the single regions, SWE contributed the strongest growth with a jump of almost 17%, from Euro 29.3m in previous year to sales revenues of Euro 34.2m. The Euro 34.2m was also clearly above the Euro 32.2m from 4Q 2024 and the EBIT turned back to black from Euro -1.1m in 4Q 2024 (coined by a one off effect) to Euro 1.0m in 1Q 2025, which is a quite high quarterly EBIT contribution for SWE from historic levels. We are optimistic for good quarters to follow here, as the number of advisers in SWE jumped 5% in the initial quarter, from 1,209 at year-end 2024 to 1,268 at the end of March.

The CEE region also delivered a double-digit growth of 12%, from Euro 53m sales revenues in 1Q 2024 to almost Euro 59m in 1Q 2025. The EBIT result of CEE remained unchanged at Euro 4.6m despite the investments in digitalization and streamlining processes. With this, the EBIT margin of the biggest and most important region slightly declined from 8.7% to 7.8% but still on track for a substantial contribution to OVB's full year targets.

The home market Germany delivered the fifth consecutive quarter of growth. Revenues were up more than 4%, from Euro 14.8m in 1Q 2024 to Euro 15.4m in the first three months. EBIT of Germany despite investments even slightly increased from Euro 0.8m to Euro 1.0m, bringing up the EBIT margin from 5.4% to 6.5%.

All in all, group's EBIT came back slightly from Euro 4.3m to Euro 3.0m according to plan and investment schedule for the Program Excellence 2027. The company confirmed the full year guidance to reach a moderate growth of 2% to 8% in a still depressed overall economic situation, which means a range of Euro 420m to Euro 440m for the top-line. The company also sticks to the Euro 20m to Euro 23m target range for the EBIT, after Euro 20.3m in 2024.

With the good start into the year, we stick to our SRC Research forecasts of approx. Euro 438m for the top-line and Euro 22.4m for the EBIT more at the upper end of the range. We also confirm our Buy recommendation as the company has proven once more the resilience of the business model of independent and sophisticated financial advice to private clients in a challenging economic framework with only little growth in most of the countries in Europe or no growth like in Germany and Austria. We maintain our Euro 28.00 target price. The half-year report is to be published in three months, on 8 August.

Price (Euro)	22,60			
52 weeks range	23.20 / 18.50			
Key Data				
Country	Germany			
Industry	Financial Services			
Transparency	Prime Standard			
Internet	www.ovb.ag			
Symbol	O4B			
ISIN	DE0006286560			
Securities ID-No.	628656			
Reuters	O4BG.DE			
Bloomberg	O4B			
Reporting Standard	IAS/ IFRS			
Fiscal Year	31/12			
Market Cap (EUR million)	322,1			
Number of shares (million)	14,3			
Free Float	3,0%			
Free Float MarketCap (Euro million)	9,7			
CAGR pre-tax profit '24 -'27e	5,5%			
Multiples				
	2024	2025e	2026e	2027e
P/E-Ratio	16,8	18,5	16,4	14,7
P/S-Ratio	1,6	1,7	1,7	1,6
Dividend Yield	4,4%	4,9%	5,3%	5,8%
Key Data per Share (Euro)				
	2024	2025e	2026e	2027e
Earnings per Share (EPS)	1,35	1,22	1,38	1,54
Dividends per Share (DPS)	1,00	1,10	1,20	1,30
Book Value per Share (BVPs)	7,14	7,24	7,37	7,54
Financial Data (Euro '000)				
	2024	2025e	2026e	2027e
Brokerage Income	408.645	437.659	457.353	480.678
Total income	420.525	449.783	470.804	494.806
EBIT	20.323	22.371	25.477	28.352
EBIT-margin	5,0%	5,1%	5,6%	5,9%
Pre-tax profit (EBT)	26.536	24.786	27.716	31.130
Net profit after minorities	19.216	17.433	19.613	21.956
Shareholders' Equity	101.712	103.238	105.096	107.450
RoE after tax	19,5%	17,0%	18,8%	20,7%
Main Shareholders				
Basler Beteiligungsholding GmbH		32,6%		
Signal Iduna Lebensversicherung a. G.		31,7%		
Signal Iduna Krankenversicherung a. G.		21,3%		
Generali CEE Holding B.V.		11,5%		
Financial Calendar				
AGM		18 June 2025		
2Q 2025		8 August 2025		
3Q 2025		30 October 2025		
Analyst				
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OVB Holding AG

Industry:	Financial Advisory	Management Board of OVB Holding AG:	
Sub-segment:	Private households	CEO Mario Freis	COO Heinrich Fritzlar
Country:	Germany	CFO Frank Burow	
Headquarter:	Cologne		
Foundation:	1970		
Employees:	793	Supervisory Board of OVB Holding AG:	
(Holding, IT and services)		Michael Johnigk (Chairman)	
IR Contact:		Dr. Thomas A. Lange (Deputy Chairman)	
Brigitte Bonifer (Mail: bbonifer@ovb.de)		Sascha Bassir	Roman Juráš
		Markus Jost	Torsten Uhlig

Cologne-based OVB was founded in 1970 and is therefore one of the first independent financial advisors being active in Germany. Today the company is among the leading European companies distributing the complete range of financial products like for instance property-, health- and accident-insurances as well as mutual funds, provision products and corporate pension products to private households. About two Thirds of all new business is from unit-linked provision products and other old-age provision solutions. The demography of today's society (lots of old retired people and a shrinking number of young families) demands for additional private old-age provision besides the public pension, in particular in aging Western European countries. OVB's major target groups are the middle class households with average to affluent incomes. OVB has a broad customer base of 4.7 million clients across Europe. About 6,300 independent financial advisers provide a superior independent financial advice. At present, OVB is represented in 16 countries. To simplify reporting, countries are being classified in three regions: France, Italy, Spain, Switzerland, Austria, Greece, Belgium and Slovenia belong to South and Western Europe (SWE). SWE stands for 29% of group's revenues at present. The lion's share of revenues (56%) comes from Central-Eastern Europe (namely Poland, Hungary, Romania, Slovakia, Czech Republic, Croatia and Ukraine). Germany as domestic market stands for its own and has a share on total revenues of about 15%.

OVB Holding AG

Sales companies Central and Eastern Europe	Sales companies Germany	Sales companies Southern and Western Europe	Service companies
OVB Czech Republic	OVB Germany	OVB Austria	Nord-Soft EDV-Unternehmensberatung GmbH
OVB Slovakia	Advesto Germany	OVB Switzerland	Nord-Soft Datenservice GmbH
OVB Poland	Eurenta Germany	OVB Group Greece	OVB Informatikal*
OVB Hungary		OVB France	
OVB Group Croatia		OVB Italy	
OVB Group Romania		OVB Spain	
OVB Ukraine		Willemot NV / Belgium	
OVB Slovenia			

* indirect investment
(no operational business, entity in liquidation)

Due to an early engagement as outrider in CEE already in early Nineties, OVB has a very sound and in some countries even a leading market position. Therefore, the majority of advisers are active in the CEE-region (almost 4,000 of c. 6,300 advisers) and usually generate the largest contribution to group's operating profit (about 70%). However, the sixteen national markets of OVB count a population of more than 412 million people. The company generates far more than 80% of its total revenues outside Germany and has therefore by far the most significant foreign business compared to other German competitors within the IFA industry. With its diversified revenues from old-age solutions and a growing business in real estate finance OVB is not very dependent on the economic development or a changing regulation of one single country, which helps in an economic downturn, as seen with a steep 15% hike in revenues and +14% in EBIT in 2024, even without any significant economic tailwind in any country. Anyhow, the management continuously screens further national markets to expand its reach in Europe (the Baltics might be a topic for later years, also Portugal and Lux for nearer future). Regarding to the Evolution 2022 program the firm attracted almost 1 million new clients in the years 2017 to 2022 and lifted the number of advisers by about 1,000 to more than 5,700, until end of 2022. Now, it climbed to almost 6,300 until year-end 2024, by another 10% in only 2 years. The company kept the dividend stable at 90 Cents for the years 2021 to 2023 despite the global challenges of the Corona turmoil. For the successful 2024 results the management plans a higher Euro 1.00 dividend payout to continue the shareholder friendly policy. With the good results from 2024 and the continuation of the OVB Excellence 2027 program the management gave a guidance for growing revenues and EBIT. The new targeted EBIT range is Euro 20m to Euro 23m, with a slight upturn in revenues, from approx. Euro 409m in 2024 to Euro 420m to Euro 440m in 2025. At present, we expect the company to deliver on the upper end of the given target and then lift dividend perhaps again by 10 Cents, to Euro 1.10.

Source: Company Data, SRC Research

P&L Account for OVB Holding AG

31/12 IFRS ('000 Euro)	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR '24 - '27e
Brokerage Income*	257.819	270.563	320.696	331.947	354.348	408.645	437.659	457.353	480.678	5,6%
Other operating income	11.244	10.158	10.959	14.972	13.315	11.880	12.124	13.451	14.128	
Total income	269.063	280.721	331.655	346.919	367.663	420.525	449.783	470.804	494.806	5,6%
Brokerage expenses	-170.060	-181.460	-215.485	-218.259	-235.831	-274.880	-294.287	-308.129	-323.547	
Gross profit	87.759	89.103	105.211	113.688	118.517	133.765	143.372	149.224	157.131	
<i>Gross margin</i>	<i>34,0%</i>	<i>32,9%</i>	<i>32,8%</i>	<i>34,2%</i>	<i>33,4%</i>	<i>32,7%</i>	<i>32,8%</i>	<i>32,6%</i>	<i>32,7%</i>	
Personnel expenses	-37.997	-39.278	-42.298	-45.575	-50.124	-53.992	-55.656	-60.178	-62.441	
Other operating expenses	-40.044	-38.144	-44.372	-52.579	-55.633	-61.046	-66.613	-64.875	-66.125	
EBITDA	20.962	21.839	29.500	30.506	26.075	30.607	33.227	37.622	42.693	
<i>EBITDA-margin</i>	<i>8,1%</i>	<i>8,1%</i>	<i>9,2%</i>	<i>9,2%</i>	<i>7,4%</i>	<i>7,5%</i>	<i>7,6%</i>	<i>8,2%</i>	<i>8,9%</i>	
Depreciation and amortisation	-6.880	-6.948	-7.734	-8.495	-8.245	-10.284	-10.856	-12.145	-14.341	
Operating profit (EBIT)	14.082	14.891	21.766	22.011	17.830	20.323	22.371	25.477	28.352	11,7%
<i>EBIT margin</i>	<i>5,5%</i>	<i>5,5%</i>	<i>6,8%</i>	<i>6,6%</i>	<i>5,0%</i>	<i>5,0%</i>	<i>5,1%</i>	<i>5,6%</i>	<i>5,9%</i>	
Financial result	1.311	-210	393	-601	3.115	6.213	2.415	2.239	2.778	
Earnings before taxes (EBT)	15.393	14.681	22.159	21.410	20.945	26.536	24.786	27.716	31.130	5,5%
<i>EBT margin</i>	<i>6,0%</i>	<i>5,4%</i>	<i>6,9%</i>	<i>6,4%</i>	<i>5,9%</i>	<i>6,5%</i>	<i>5,7%</i>	<i>6,1%</i>	<i>6,5%</i>	
Taxes on income	-4.141	-3.957	-6.463	-6.349	-6.181	-7.073	-6.891	-7.582	-8.522	
<i>Tax rate</i>	<i>26,9%</i>	<i>27,0%</i>	<i>29,2%</i>	<i>29,7%</i>	<i>29,5%</i>	<i>26,7%</i>	<i>27,8%</i>	<i>27,4%</i>	<i>27,4%</i>	
Consolidated net income for the year	11.252	10.724	15.696	15.061	14.764	19.463	17.895	20.134	22.608	
Minority interests	-240	-239	19	-390	-449	-247	-462	-521	-652	
Net profit after minorities	11.012	10.485	15.715	14.671	14.315	19.216	17.433	19.613	21.956	4,5%
<i>Return on sales</i>	<i>4,3%</i>	<i>3,9%</i>	<i>4,9%</i>	<i>4,4%</i>	<i>4,0%</i>	<i>4,7%</i>	<i>4,0%</i>	<i>4,3%</i>	<i>4,6%</i>	
Number of shares ('000)	14.251	14.251	14.251	14.251	14.251	14.251	14.251	14.251	14.251	
Earnings per Share (EPS)	0,77	0,74	1,10	1,03	1,00	1,35	1,22	1,38	1,54	
Dividends per Share (DPS)	0,75	1,00	0,90	0,90	0,90	1,00	1,10	1,20	1,30	
Book Value per Share (BVPS)	6,36	6,32	6,41	6,56	6,72	7,14	7,24	7,37	7,54	
Total assets	215.991	233.484	257.825	261.113	272.963	295.876	307.238	307.237	321.062	
Shareholders' Equity	90.637	90.000	91.371	93.514	95.698	101.712	103.238	105.096	107.450	1,8%

* without secondary contracts

Key data	2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	2023	1Q 2024	2Q 2024	3Q 2024	4Q 2024	2024	1Q 2025
Clients	4.270.000	4.270.000	4.410.000	4.460.000	4.500.000	4.500.000	4.550.000	4.600.000	4.650.000	4.700.000	4.700.000	4.760.000
Advisers	5.772	5.785	5.806	5.896	5.892	5.892	5.939	6.005	6.143	6.278	6.278	6.349
Total sales revenues	331.900.000	83.400.000	87.200.000	89.700.000	94.000.000	354.300.000	96.800.000	101.800.000	99.500.000	110.545.000	408.645.000	108.300.000
EBIT	22.000.000	3.100.000	3.800.000	4.500.000	6.400.000	17.800.000	4.300.000	5.000.000	4.600.000	6.423.000	20.323.000	3.000.000
EBIT Margin	6,6%	3,7%	4,4%	5,0%	6,8%	5,0%	4,4%	4,9%	4,6%	5,8%	5,0%	2,8%
Net profit (after minorities)	14.671.000	2.343.000	2.968.000	3.825.000	5.179.000	14.315.000	4.387.000	4.841.000	4.092.000	5.896.000	19.216.000	1.373
Regions												
CEE	2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	2023	1Q 2024	2Q 2024	3Q 2024	4Q 2024	2024	1Q 2025
Clients	2.920.000	2.910.000	3.040.000	3.080.000	3.110.000	3.110.000	3.150.000	3.190.000	3.240.000	3.280.000	3.280.000	3.310.000
Advisers	3.461	3.549	3.581	3.658	3.695	3.695	3.700	3.776	3.864	3.951	3.951	4.000
Total sales revenues	174.400.000	45.200.000	49.900.000	51.000.000	52.400.000	198.500.000	52.700.000	58.200.000	55.900.000	61.600.000	228.400.000	58.800.000
EBIT	18.800.000	2.700.000	5.600.000	4.800.000	6.500.000	19.600.000	4.600.000	5.900.000	6.300.000	7.100.000	23.900.000	4.600.000
EBIT Margin	10,8%	6,0%	11,2%	9,4%	12,4%	9,9%	8,7%	10,1%	11,3%	11,5%	10,5%	7,8%
Germany	2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	2023	1Q 2024	2Q 2024	3Q 2024	4Q 2024	2024	1Q 2025
Clients	616.224	613.588	613.813	613.767	613.037	613.037	610.757	600.064	598.843	599.690	599.690	598.135
Advisers	1.219	1.161	1.165	1.172	1.120	1.120	1.089	1.092	1.105	1.118	1.118	1.081
Total sales revenues	61.200.000	13.800.000	13.900.000	15.000.000	16.000.000	58.700.000	14.800.000	15.200.000	15.000.000	16.700.000	61.700.000	15.400.000
EBIT	7.200.000	1.400.000	1.000.000	800.000	1.600.000	4.800.000	800.000	1.000.000	500.000	2.100.000	4.400.000	1.000.000
EBIT Margin	11,8%	10,1%	7,2%	5,3%	10,0%	8,2%	5,4%	6,6%	3,3%	12,6%	7,1%	6,5%
South-Western Europe	2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	2023	1Q 2024	2Q 2024	3Q 2024	4Q 2024	2024	1Q 2025
Clients	738.712	747.983	757.584	767.136	779.678	779.678	792.122	807.136	819.235	830.014	830.014	845.555
Advisers	1.092	1.075	1.060	1.066	1.077	1.077	1.150	1.137	1.174	1.209	1.209	1.268
Total sales revenues	96.300.000	24.300.000	23.400.000	23.700.000	25.800.000	97.200.000	29.300.000	28.500.000	28.500.000	32.200.000	118.500.000	34.200.000
EBIT	5.200.000	1.200.000	400.000	700.000	900.000	3.200.000	1.700.000	900.000	200.000	-1.100.000	1.700.000	1.000.000
EBIT Margin	5,4%	4,9%	1,7%	3,0%	3,5%	3,3%	5,8%	3,2%	0,7%	-3,4%	1,4%	2,9%

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Rating Chronicle	Date	former share rating	former share price	former target
OVV Holding AG	28-Mar-25	Buy	22,60 €	28,00 €
OVV Holding AG	7-Nov-24	Buy	19,10 €	27,00 €
OVV Holding AG	13-Aug-24	Buy	18,90 €	27,00 €
OVV Holding AG	8-May-24	Buy	19,80 €	25,00 €
OVV Holding AG	21-Mar-24	Buy	19,80 €	25,00 €
OVV Holding AG	8-Nov-23	Buy	20,20 €	25,00 €
OVV Holding AG	11-Aug-23	Accumulate	22,00 €	24,00 €
OVV Holding AG	9-May-23	Hold	23,80 €	24,00 €

Please note:

The OVV share price mentioned in this report is from closing of 7 May 2025. OVV mandated SRC Research for covering the OVV share.

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