

Bussum, March 27th 2024



## Further increase in NAV

Value8, the investment company listed on Euronext Amsterdam, today publishes its annual results\* 2023. Value8 reports an increase in operating income to 8.2 million euros, while the net profit increased to 5.8 million euros. After deducting the dividend on preferent shares, the net profit attributable to ordinary shareholders is 0.57 euro per share.

The value of the investment portfolio increased from 100.4 to 109.3 million euros, an increase of 8.9%, supported by a) the net profit and b) the investments in Dealsuite/Brooks (two platforms in M&A of SME companies).

### Net equity rises by 5.8 percent

Value8's net equity rose from 91.9 to 97.2 million euros, an increase of 5.8 percent. NAV per share rose from 8.85 euros (9.03 euros adjusted for the dividend of 0.18 euros) to 9.37 euros, representing an annual return of 5.9 percent.

- 83.5 million or 76.4% of the portfolio is invested in listed companies;
- 23.3 million Euros or 21.3% of the portfolio is invested in private companies;
- Interest-bearing debt amounts to 9.6 million Euros or 8.8 percent of the total balance sheet.

The operating income of 8.2 million euro consists of 2.2 million euro dividends received, 0.8 million euro interest received, 4.3 million euro capital gains on quoted investments, 0.4 million euro capital gains on unquoted investments and 0.3 million euro realised gains on investments. Prudent cost management limited total costs to 2.4 million Euros. Of these costs, 0.6 million Euros relate to financial expenses.

### Smallcaps lagged behind

In general, 2023 was a good year for equities. However, the stock market rally was dominated by large technology companies and large caps, while the small cap sector lagged behind. Value8 has large positions in four small cap companies (in alphabetical order): Almunda Professionals, Ctac, Morefield and Renewi. Almunda's turnover and EBIT were roughly in line with 2022. Ctac's revenues increased by 8.1%, while profitability was impacted by one-off costs and a lower Q4. Renewi's results are still excellent compared to when we started investing in October 2020. However, the correction in recycle prices and the lower economic and construction activity will lead to lower net results in the 2023/2024 financial year. The shares of Almunda (+2.3%) and Ctac (-1.5%) were relatively flat in 2023. Renewi's share price rose 11.8% over the year, supported by Macquarie's takeover interest in September 2023.

Kersten's excellent operating results were well received by investors. The share price of its parent company Morefield rose 32.9% in 2023 to €0.40.

Based on the positive development of Value8's portfolio and the companies in which Value8 invests, Value8 proposes to increase its dividend from EUR 0.18 to EUR 0.19 per share.

Value8 will publish its annual report in the second half of April. As Value8's new auditor is subject to a regular inspection process initiated by the Dutch regulator for the 2022 audit, the auditor expects a delay in the audit process for the 2023 annual report. Value8 intends to pay the dividend on its ordinary shares after the AGM has approved the audited accounts.

### **Positive outlook**

The companies in which we invest remain focused on profitable growth, supported by organic growth and add-on acquisitions. In addition, the small cap sector is attractively valued on a historical basis. Given the combination of growing companies, a clear sector focus (healthcare, IT) and attractive valuations of small caps, Value8 sees good prospects for long-term value creation.

*\* Preliminary, unaudited results. The final results may differ from the preliminary results.*

Value8 NV