

The Payments Group Holding

Germany | Financial Services | MCap EUR 13.9m

16 January 2026

UPDATE

Outlook 2026: Asset realization and growth optionality; Spec. BUY

What's it all about?

The Payments Group Holding (PGH) has outlined its 2026 outlook, focusing on monetizing existing assets while selectively expanding into new growth areas, primarily Artificial Intelligence and healthcare. The main value drivers remain the 35% stake in AuctionTech and potential receivables from the dispute with SGT Capital, which management expects to resolve in 2026, potentially supporting liquidity, cash flow and NAV. Strategically, PGH is building optionality through its 25% stake in AI-focused company builder Softmax AI, with Cognicare AI showing strong traction and targeting break-even in 2026. Additional AI projects and a potential radiopharmaceutical investment add further upside. Financing is supported by a EUR 2.28m 10% convertible bond, limiting refinancing risk. We reiterate our Speculative BUY with an unchanged EUR 1.24 price target.

Spec. BUY (Spec. BUY)

Target price	EUR 1.24 (1.24)
Current price	EUR 0.30
Up/downside	313.3%



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Germany | Financial Services | MCap EUR 13.9m | EV EUR 13.6m

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Outlook '26: Asset realization and growth optionality; Spec. BUY

The year ahead The Payments Group Holding (PGH) has outlined a qualitative outlook for 2026, focusing on the monetization of existing assets alongside selective investments in new opportunity fields, primarily Artificial Intelligence and healthcare.

AuctionTech the main value driver On the asset side, PGH's value base continues to be driven by its 35% stake in AuctionTech and potential receivables from the ongoing disputes with SGT Capital. Management expects the legal dispute to be resolved during 2026, which has the potential to add favorably to PGH's liquidity, cash flow and year end NAV calculation, once successfully resolved.

Optionality by expanding into new business models Strategically, PGH is expanding its exposure to early-stage AI-driven business models via its 25% stake in the AI-focused company builder Softmax AI. The most advanced spin-off, Cognicare AI (18% indirect stake), addresses the structurally growing elderly care market and has already shown strong traction. Management expects break-even in 2026, followed by high-margin revenues in the low single-digit million euro range from 2027 onwards. Additional AI projects in areas such as computer vision for infrastructure inspection, EdTech and interactive language learning applications provide further long-term optionality. In addition, PGH is evaluating a potential investment in a radiopharmaceutical startup developing a clinically validated imaging agent aimed at significantly improving diagnostic precision for certain widespread diseases.

Financing On the financing side, PGH has launched a EUR 2.28m convertible bond with a 10% coupon and subscription rights, replacing the equity placement announced in November 2025. The bond is intended to be repaid from expected inflows related to the SGT Capital receivables, thereby limiting refinancing risk. Insider participation and the continued waiver of a substantial part of management remuneration support alignment with shareholders.

Conclusion Overall, PGH's outlook combines identifiable near-term balance-sheet catalysts with longer-term growth optionality. While execution and timing risks remain, we see the current share price as not adequately reflecting underlying NAV. We therefore reiterate our Spec. BUY recommendation and confirm our unchanged PT of EUR 1.24, based on the latest available NAV calculation as of H1 '25.

The Payments Group	2022	2023	2024	2025E	2026E	2027E
Sales	14.4	4.8	1.2	0.2	0.1	0.2
<i>Growth yoy</i>	18.4%	-66.7%	-75.4%	-83.0%	-50.0%	100.0%
EBITDA	2.6	-7.7	-4.6	-1.5	-1.4	-1.2
EBIT	-5.3	-82.5	-4.6	-1.5	-1.4	-1.2
Net profit	6.9	-81.5	-4.3	-1.5	-1.0	-0.8
Net debt (net cash)	-3.4	-0.0	-0.3	1.8	2.8	3.6
Net debt/EBITDA	-1.3x	0.0x	0.1x	-1.2x	-2.0x	-3.0x
EPS reported	0.16	-1.76	-0.28	-0.03	-0.02	-0.02
DPS	0.02	0.00	0.00	0.00	0.00	0.00
<i>Dividend yield</i>	6.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Gross profit margin	48.3%	4.7%	17.1%	70.0%	70.0%	70.0%
EBITDA margin	18.1%	-160.0%	-387.7%	-750.0%	-1,400.0%	-600.0%
EBIT margin	-36.9%	-1,721.1%	-388.9%	-750.0%	-1,400.0%	-600.0%
ROCE	-5.2%	-445.3%	-35.5%	-11.4%	-12.6%	-11.7%
EV/Sales	0.7x	2.9x	11.6x	78.5x	166.6x	87.6x
EV/EBITDA	4.0x	-1.8x	-3.0x	-10.5x	-11.9x	-14.6x
EV/EBIT	-2.0x	-0.2x	-3.0x	-10.5x	-11.9x	-14.6x
PER	1.8x	-0.2x	-1.1x	-9.3x	-14.2x	-16.5x

Source: Company data, mwb research



Source: Company data, mwb research

High/low 52 weeks 1.95 / 0.30
Price/Book Ratio 0.4x

Ticker / Symbols

ISIN DE000A1MMEV4
WKN A1MMEV
Bloomberg PGH:GR

Changes in estimates

		Sales	EBIT	EPS
2025E	old	0.2	-1.5	-0.03
	Δ	0.0%	na%	na%
2026E	old	0.1	-1.4	-0.02
	Δ	0.0%	na%	na%
2027E	old	0.2	-1.2	-0.02
	Δ	0.0%	na%	na%

Key share data

Number of shares: (in m pcs) 46.30
Book value per share: (in EUR) 0.82
Ø trading vol.: (12 months) 11,797

Major shareholders

Treasury shares 75.4%
Frankf. Aktienfonds f. Stiftungen 1.8%
Christoph Gerlinger and family 1.7%
Free Float 18.5%

Company description

The Payments Group Holding, formerly known as SGT German Private Equity, is a listed investment holding based in Frankfurt, Germany. The company holds assets from its former Heritage VC portfolio incl. AuctionTech or Funanga.

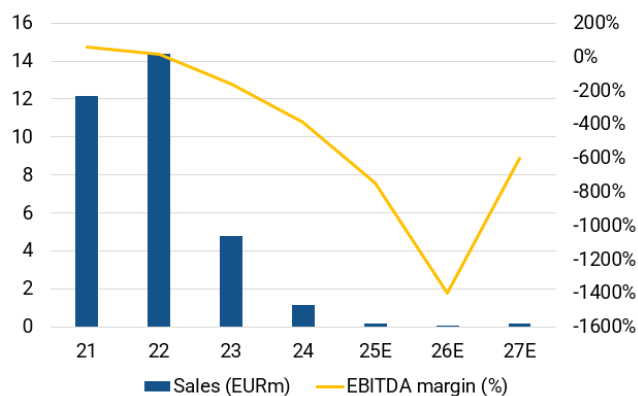
The following table displays the half performance of **The Payments Group Holding**.

P&L data	H2 2021	H1 2022	H2 2022	H1 2023	H2 2023	H1 2024	H2 2024	H1 2025
Sales	11.1	9.7	4.4	4.8	0.3	0.9	0.3	0.1
yoy growth in %	6,105.9%	3,335.5%	-60.1%	-50.4%	-93.6%	-81.1%	-6.7%	-89.0%
Gross profit	8.6	7.8	1.2	2.6	-2.5	-0.1	0.0	0.1
Gross margin in %	77.3%	80.1%	26.7%	54.2%	-873.5%	-8.7%	0.0%	100.0%
EBITDA	16.4	18.3	-3.7	0.5	-8.2	-0.7	-3.8	-0.9
EBITDA margin in %	147.1%	187.9%	-83.5%	10.9%	-2,870.6%	-81.3%	-1,435.8%	-930.0%
EBIT	16.3	17.6	-4.4	0.3	-8.4	-0.8	-3.8	-0.9
EBIT margin in %	146.2%	181.6%	-98.0%	6.6%	-2,944.1%	-82.9%	-1,435.8%	-930.0%
EBT	16.4	17.6	-10.9	0.5	-82.5	-0.6	-3.7	-0.8
taxes paid	2.1	1.2	-1.3	0.3	-0.8	0.0	-0.0	0.0
tax rate in %	12.8%	6.7%	12.2%	61.6%	0.9%	-0.6%	0.1%	0.0%
net profit	14.3	16.5	-9.6	0.2	-81.7	-0.6	-3.7	-0.7
yoy growth in %	-2,608.5%	-8,498.6%	-167.3%	-98.7%	751.3%	-406.6%	-95.5%	16.0%
EPS	0.44	0.33	-0.21	0.00	-1.76	-0.03	-0.25	-0.08

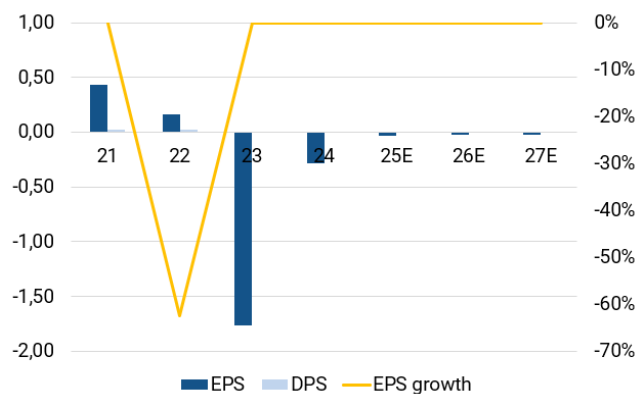
Source: Company data; mwb research

Financials in six charts

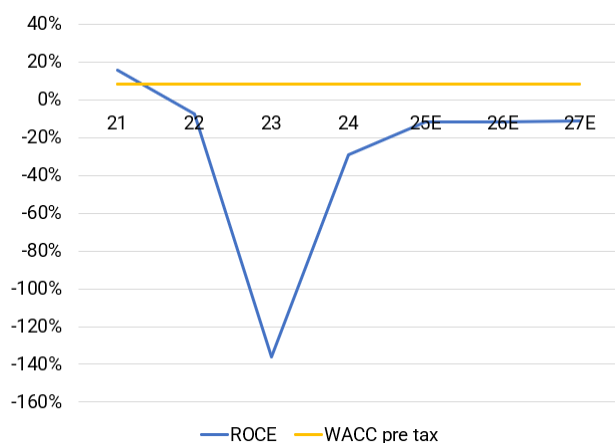
Sales vs. EBITDA margin development



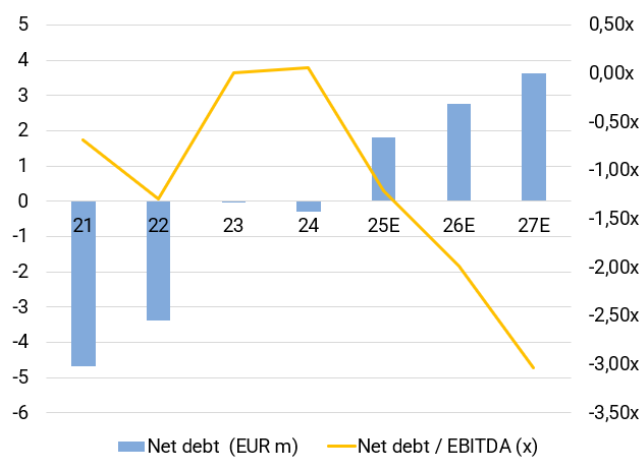
EPS, DPS in EUR & yoy EPS growth



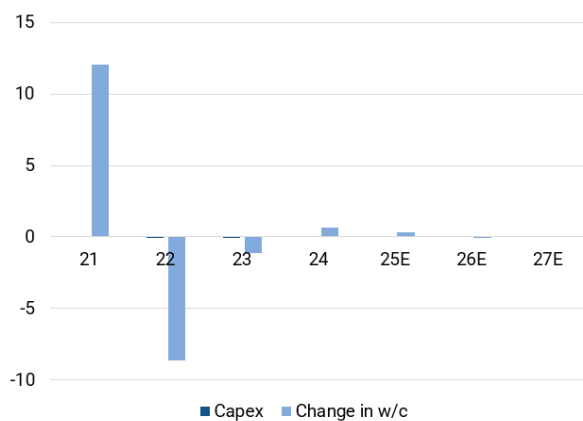
ROCE vs. WACC (pre tax)



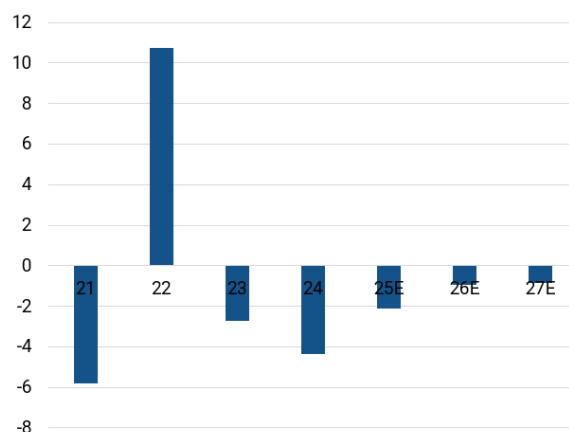
Net debt and net debt/EBITDA



Capex & chgn in w/c requirements in EURm



Free Cash Flow in EURm



Source: Company data; mwb research

Financials

Profit and loss (EURm)	2022	2023	2024	2025E	2026E	2027E
Net sales	14.4	4.8	1.2	0.2	0.1	0.2
Sales growth	18.4%	-66.7%	-75.4%	-83.0%	-50.0%	100.0%
Change in finished goods and work-in-process	-3.5	-4.6	-1.0	0.0	0.0	0.0
Total sales	10.9	0.2	0.2	0.2	0.1	0.2
Material expenses	3.9	0.0	0.0	0.1	0.0	0.1
Gross profit	7.0	0.2	0.2	0.1	0.1	0.1
Other operating income	0.8	0.5	0.5	0.1	0.0	0.1
Personnel expenses	0.8	1.0	0.5	0.7	0.6	0.6
Other operating expenses	4.4	7.4	4.7	1.0	0.9	0.8
EBITDA	2.6	-7.7	-4.6	-1.5	-1.4	-1.2
Depreciation	0.0	0.0	0.0	0.0	0.0	0.0
EBITA	2.6	-7.7	-4.6	-1.5	-1.4	-1.2
Amortisation of goodwill and intangible assets	7.9	74.8	0.0	0.0	0.0	0.0
EBIT	-5.3	-82.5	-4.6	-1.5	-1.4	-1.2
Financial result	12.0	0.5	0.3	0.0	0.0	0.0
Recurring pretax income from continuing operations	6.7	-82.0	-4.3	-1.5	-1.4	-1.2
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	6.7	-82.0	-4.3	-1.5	-1.4	-1.2
Taxes	-0.1	-0.4	0.0	0.0	-0.4	-0.4
Net income from continuing operations	6.9	-81.5	-4.3	-1.5	-1.0	-0.8
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	6.9	-81.5	-4.3	-1.5	-1.0	-0.8
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	6.9	-81.5	-4.3	-1.5	-1.0	-0.8
Average number of shares	41.74	46.30	15.32	46.30	46.30	46.30
EPS reported	0.16	-1.76	-0.28	-0.03	-0.02	-0.02

Profit and loss (common size)	2022	2023	2024	2025E	2026E	2027E
Net sales	100%	100%	100%	100%	100%	100%
Change in finished goods and work-in-process	-24%	-95%	-83%	0%	0%	0%
Total sales	76%	5%	17%	100%	100%	100%
Material expenses	27%	0%	0%	30%	30%	30%
Gross profit	48%	5%	17%	70%	70%	70%
Other operating income	6%	11%	40%	30%	30%	30%
Personnel expenses	5%	22%	43%	350%	600%	300%
Other operating expenses	31%	154%	402%	500%	900%	400%
EBITDA	18%	-160%	-388%	-750%	-1,400%	-600%
Depreciation	0%	0%	1%	0%	0%	0%
EBITA	18%	-160%	-389%	-750%	-1,400%	-600%
Amortisation of goodwill and intangible assets	55%	1,561%	0%	0%	0%	0%
EBIT	-37%	-1,721%	-389%	-750%	-1,400%	-600%
Financial result	83%	11%	23%	0%	0%	0%
Recurring pretax income from continuing operations	47%	-1,710%	-366%	-750%	-1,400%	-600%
Extraordinary income/loss	0%	0%	0%	0%	0%	0%
Earnings before taxes	47%	-1,710%	-366%	-750%	-1,400%	-600%
Taxes	-1%	-9%	0%	0%	-420%	-180%
Net income from continuing operations	48%	-1,701%	-366%	-750%	-980%	-420%
Result from discontinued operations (net of tax)	0%	0%	0%	0%	0%	0%
Net income	48%	-1,701%	-366%	-750%	-980%	-420%
Minority interest	0%	0%	0%	0%	0%	0%
Net profit (reported)	48%	-1,701%	-366%	-750%	-980%	-420%

Source: Company data; mwb research

Balance sheet (EURm)	2022	2023	2024	2025E	2026E	2027E
Intangible assets (exl. Goodwill)	2.5	0.0	0.0	0.0	0.0	0.0
Goodwill	72.2	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	0.2	0.1	0.0	0.0	0.0	0.0
Financial assets	22.7	17.4	12.6	12.6	12.6	12.6
FIXED ASSETS	97.6	17.6	12.6	12.6	12.6	12.6
Inventories	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	1.7	1.1	0.5	0.1	0.0	0.1
Other current assets	0.2	0.2	0.1	0.1	0.1	0.1
Liquid assets	6.1	1.6	0.3	0.2	-1.8	-2.6
Deferred taxes	0.1	0.1	0.1	0.1	0.1	0.1
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	8.2	3.1	1.0	0.5	-1.5	-2.3
TOTAL ASSETS	105.8	20.7	13.7	13.1	11.1	10.3
SHAREHOLDERS EQUITY	99.4	16.9	12.6	11.1	10.1	9.3
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	2.0	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	0.5	0.0	0.3	0.0	0.0	0.0
Non-current liabilities	2.5	0.0	0.3	0.0	0.0	0.0
short-term liabilities to banks	0.7	1.6	0.0	2.0	1.0	1.0
Accounts payable	1.4	1.4	0.7	0.0	0.0	0.0
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	0.6	0.8	0.0	0.0	0.0	0.0
Deferred taxes	1.2	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	4.0	3.8	0.7	2.0	1.0	1.0
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	105.8	20.7	13.7	13.1	11.1	10.3

Balance sheet (common size)	2022	2023	2024	2025E	2026E	2027E
Intangible assets (excl. Goodwill)	2%	0%	0%	0%	0%	0%
Goodwill	68%	0%	0%	0%	0%	0%
Property, plant and equipment	0%	1%	0%	0%	0%	0%
Financial assets	21%	84%	92%	96%	113%	122%
FIXED ASSETS	92%	85%	92%	96%	113%	122%
Inventories	0%	0%	0%	0%	0%	0%
Accounts receivable	2%	6%	4%	1%	0%	1%
Other current assets	0%	1%	1%	1%	1%	1%
Liquid assets	6%	8%	2%	1%	-16%	-26%
Deferred taxes	0%	1%	1%	1%	1%	1%
Deferred charges and prepaid expenses	0%	0%	0%	0%	0%	0%
CURRENT ASSETS	8%	15%	8%	4%	-13%	-22%
TOTAL ASSETS	100%	100%	100%	100%	100%	100%
SHAREHOLDERS EQUITY	94%	82%	92%	85%	91%	90%
MINORITY INTEREST	0%	0%	0%	0%	0%	0%
Long-term debt	2%	0%	0%	0%	0%	0%
Provisions for pensions and similar obligations	0%	0%	0%	0%	0%	0%
Other provisions	0%	0%	2%	0%	0%	0%
Non-current liabilities	2%	0%	2%	0%	0%	0%
short-term liabilities to banks	1%	8%	0%	15%	9%	10%
Accounts payable	1%	7%	5%	0%	0%	0%
Advance payments received on orders	0%	0%	0%	0%	0%	0%
Other liabilities (incl. from lease and rental contracts)	1%	4%	0%	0%	0%	0%
Deferred taxes	1%	0%	0%	0%	0%	0%
Deferred income	0%	0%	0%	0%	0%	0%
Current liabilities	4%	18%	5%	15%	9%	10%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100%	100%	100%	100%	100%	100%

Source: Company data; mwb research

Cash flow statement (EURm)	2022	2023	2024	2025E	2026E	2027E
Net profit/loss	6.9	-81.5	-4.3	-1.5	-1.0	-0.8
Depreciation of fixed assets (incl. leases)	0.0	0.1	0.0	0.0	0.0	0.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.3	0.0	0.0	0.0	0.0
Others	-4.7	77.3	0.6	-0.3	0.0	0.0
Cash flow from operations before changes in w/c	2.2	-3.8	-3.7	-1.8	-1.0	-0.8
Increase/decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in accounts receivable	0.0	0.0	0.7	0.4	0.0	-0.0
Increase/decrease in accounts payable	4.1	-0.3	-0.6	-0.7	-0.0	0.0
Increase/decrease in other w/c positions	4.6	1.4	-0.7	0.0	-0.0	0.0
Increase/decrease in working capital	8.6	1.1	-0.7	-0.3	0.0	-0.0
Cash flow from operating activities	10.8	-2.7	-4.4	-2.1	-1.0	-0.9
CAPEX	-0.0	-0.0	0.0	0.0	0.0	0.0
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	-2.3	4.2	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	3.3	0.0	0.0	0.0
Cash flow from investing activities	-2.4	4.2	3.3	0.0	0.0	0.0
Cash flow before financing	8.4	1.5	-1.0	-2.1	-1.0	-0.9
Increase/decrease in debt position	0.0	0.0	0.0	2.0	-1.0	0.0
Purchase of own shares	-7.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	-1.0	-0.9	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	-8.0	-0.9	0.0	2.0	-1.0	0.0
Increase/decrease in liquid assets	0.4	0.6	-1.0	-0.1	-2.0	-0.9
Liquid assets at end of period	0.8	1.3	0.3	0.2	-1.8	-2.6

Source: Company data; mwb research

Regional sales split (EURm)	2022	2023	2024	2025E	2026E	2027E
Domestic	14.4	4.8	1.2	0.2	0.1	0.2
Europe (ex domestic)	0.0	0.0	0.0	0.0	0.0	0.0
The Americas	0.0	0.0	0.0	0.0	0.0	0.0
Asia	0.0	0.0	0.0	0.0	0.0	0.0
Rest of World	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	14.4	4.8	1.2	0.2	0.1	0.2

Regional sales split (common size)	2022	2023	2024	2025E	2026E	2027E
Domestic	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Europe (ex domestic)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
The Americas	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asia	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rest of World	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total sales	100%	100%	100%	100%	100%	100%

Source: Company data; mwb research

Ratios	2022	2023	2024	2025E	2026E	2027E
Per share data						
Earnings per share reported	0.16	-1.76	-0.28	-0.03	-0.02	-0.02
Cash flow per share	0.26	-0.06	-0.29	-0.05	-0.02	-0.02
Book value per share	2.38	0.37	0.82	0.24	0.22	0.20
Dividend per share	0.02	0.00	0.00	0.00	0.00	0.00
Valuation						
P/E	1.8x	-0.2x	-1.1x	-9.3x	-14.2x	-16.5x
P/CF	1.2x	-5.1x	-1.0x	-6.6x	-14.5x	-16.1x
P/BV	0.1x	0.8x	0.4x	1.3x	1.4x	1.5x
Dividend yield (%)	6.7%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	86.3%	-19.4%	-95.5%	-15.1%	-6.9%	-6.2%
EV/Sales	0.7x	2.9x	11.6x	78.5x	166.6x	87.6x
EV/EBITDA	4.0x	-1.8x	-3.0x	-10.5x	-11.9x	-14.6x
EV/EBIT	-2.0x	-0.2x	-3.0x	-10.5x	-11.9x	-14.6x
Income statement (EURm)						
Sales	14.4	4.8	1.2	0.2	0.1	0.2
yoy chg in %	18.4%	-66.7%	-75.4%	-83.0%	-50.0%	100.0%
Gross profit	7.0	0.2	0.2	0.1	0.1	0.1
Gross margin in %	48.3%	4.7%	17.1%	70.0%	70.0%	70.0%
EBITDA	2.6	-7.7	-4.6	-1.5	-1.4	-1.2
EBITDA margin in %	18.1%	-160.0%	-387.7%	-750.0%	-1,400.0%	-600.0%
EBIT	-5.3	-82.5	-4.6	-1.5	-1.4	-1.2
EBIT margin in %	-36.9%	-1,721.1%	-388.9%	-750.0%	-1,400.0%	-600.0%
Net profit	6.9	-81.5	-4.3	-1.5	-1.0	-0.8
Cash flow statement (EURm)						
CF from operations	10.8	-2.7	-4.4	-2.1	-1.0	-0.9
Capex	-0.0	-0.0	0.0	0.0	0.0	0.0
Maintenance Capex	0.0	0.0	0.0	0.0	0.0	0.0
Free cash flow	10.8	-2.7	-4.4	-2.1	-1.0	-0.9
Balance sheet (EURm)						
Intangible assets	74.7	0.0	0.0	0.0	0.0	0.0
Tangible assets	0.2	0.1	0.0	0.0	0.0	0.0
Shareholders' equity	99.4	16.9	12.6	11.1	10.1	9.3
Pension provisions	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities and provisions	3.2	1.6	0.3	2.0	1.0	1.0
Net financial debt	-3.4	-0.0	-0.3	1.8	2.8	3.6
w/c requirements	0.3	-0.2	-0.3	0.0	0.0	0.1
Ratios						
ROE	6.9%	-481.7%	-34.2%	-13.5%	-9.7%	-9.0%
ROCE	-5.2%	-445.3%	-35.5%	-11.4%	-12.6%	-11.7%
Net gearing	-3.4%	-0.1%	-2.3%	16.3%	27.4%	39.1%
Net debt / EBITDA	-1.3x	0.0x	0.1x	-1.2x	-2.0x	-3.0x

Source: Company data; mwb research

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