

The Payments Group Holding

Germany | Financial Services | MCap EUR 13.4m

28 May 2026

UPDATE

Return to its roots with a strategic reset; Spec. BUY

What's it all about?

The Payments Group Holding (PGH) is pursuing yet another strategic reset by pivoting back to its venture capital roots. Rebranded as "German Tech Holding" the company will now continue to focus heavily on early-stage AI and BioTech investments. In doing so PGH has increased its stakes in promising startups and AI company builder Softmax AI and Cognicare AI. While these operational targets remain ambitious and lack detailed financial disclosure, the overarching investment case is supported by a claimed NAV of over EUR 1.50 per share. This valuation is driven by legacy assets like AuctionTech and EUR 6.2m in outstanding SGT Capital receivables, representing a massive discount to current share prices. In our view, PGH offers high speculative upside, which is why we reiterate our Spec. BUY with an unchanged EUR 1.24 PT, based on the last reported NAV per share.

IMPORTANT. Please refer to the last page of this report for "Important disclosures" and analyst(s) certifications.

Spec. BUY (Spec. BUY)

Target price	EUR 1.24 (1.24)
Current price	EUR 0.29
Up/downside	327.6%

 ResearchHub



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The Payments Group Holding

Germany | Financial Services | MCap EUR 13.4m | EV EUR 13.1m

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Return to its roots with a strategic reset; Spec. BUY

Strategic pivot to venture capital. The Payments Group Holding (PGH) is effectively reversing its 2024 PayTech positioning to return to its roots as a venture capital and tech holding company. Proposed to be renamed German Tech Holding (ticker: GTH) at the upcoming general meeting on August 19, 2026, the company will focus on early-stage investments in Germany, particularly targeting AI and BioTech. In our view, returning to its core VC identity is a positive operational reset, although it clearly acknowledges that the previous PayTech strategy fell short of expectations.

Expanding early-stage AI exposure. PGH recently increased its stakes in Softmax AI to 32% and its spin-off Cognicare AI to 23%. Cognicare, which provides AI applications for elderly care facilities, anticipates near-term breakeven and high-margin revenues in the EUR m range from 2027 onwards. We believe the AI narrative is highly attractive. However, the assets remain in a very early stage. Hard financial indicators such as current revenues, burn rates, and margins are not yet disclosed, making the ambitious 2027 targets difficult to validate at this juncture.

Monetizing legacy assets and receivables. Realizing value from existing assets remains a central pillar. This includes a 35% stake in real estate SaaS provider AuctionTech and EUR 6.2m in receivables from the SGT Capital group. The SGT receivables are highly relevant relative to the current market cap. In our view, the very fact that confidentiality has been agreed upon potentially indicates that constructive talks are currently taking place. While these ongoing discussions are preferable to legal escalation, a favorable resolution acts as a major potential catalyst. Conversely, further delays would heavily weigh on sentiment.

Conclusion. The restructured investment case rests on early-stage AI potential, asset monetization, and SGT receivables collection. Management estimates a net asset value (NAV) of over EUR 1.50 based on 11.4m outstanding shares, implying a massive discount compared to current trading levels around EUR 0.30. We believe this NAV relies heavily on subjective valuations of unlisted assets. Despite low visibility regarding 2025 financials and private multiples, the valuation gap offers a highly speculative, yet compelling risk-reward profile for institutional investors. Therefore, we reiterate our Spec. BUY rating with an unchanged EUR 1.24 price target, based on the latest reported NAV per share data.

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>	6.9%	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	2.8x	11.2x	76.2x	162.0x	85.3x
EV/EBITDA	3.9x	-1.7x	-2.9x	-10.2x	-11.6x	-14.2x
EV/EBIT	-1.9x	-0.2x	-2.9x	-10.2x	-11.6x	-14.2x
PER	1.8x	-0.2x	-1.0x	-9.0x	-13.7x	-16.0x

Source: Company data, mwb research



Source: Company data, mwb research

High/low 52 weeks 1.95 / 0.24
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) 13,676

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.

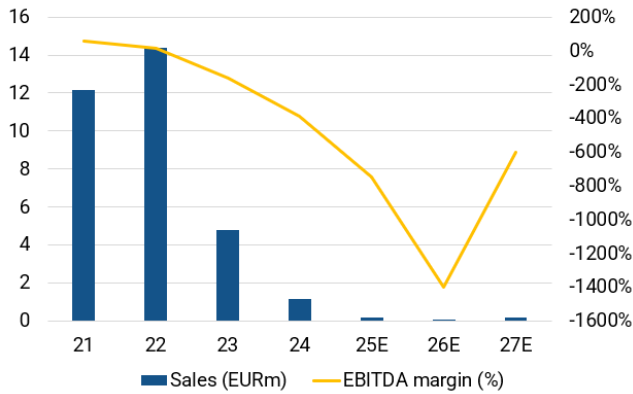
The following table displays the half performance of **The Payments Group Holding**.

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

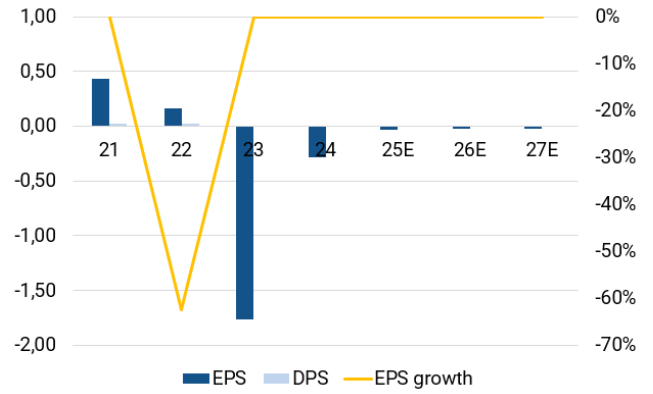
Source: Company data; mwb research

Financials in six charts

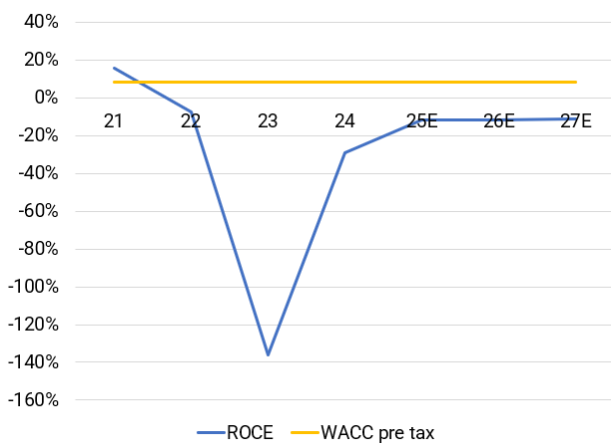
Sales vs. EBITDA margin development



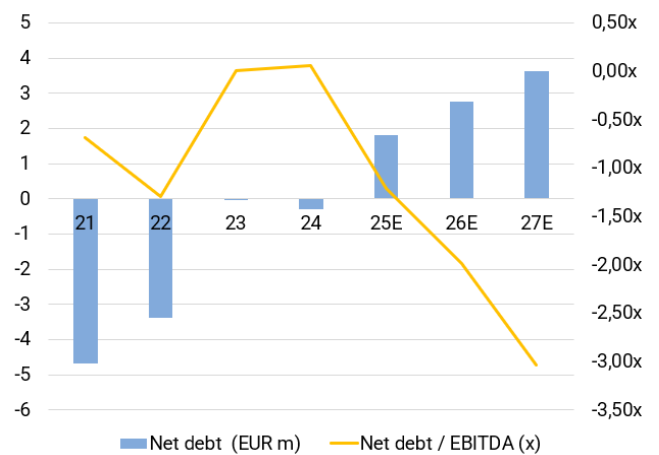
EPS, DPS in EUR & yoy EPS growth



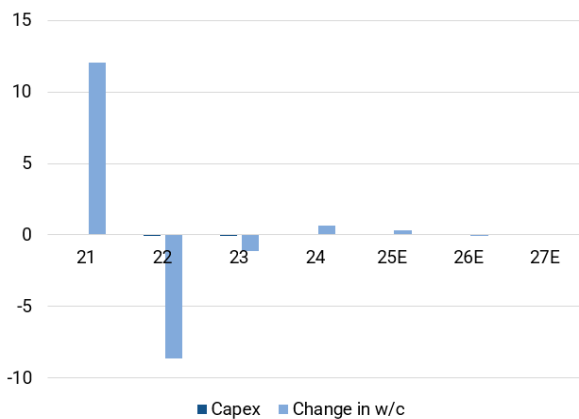
ROCE vs. WACC (pre tax)



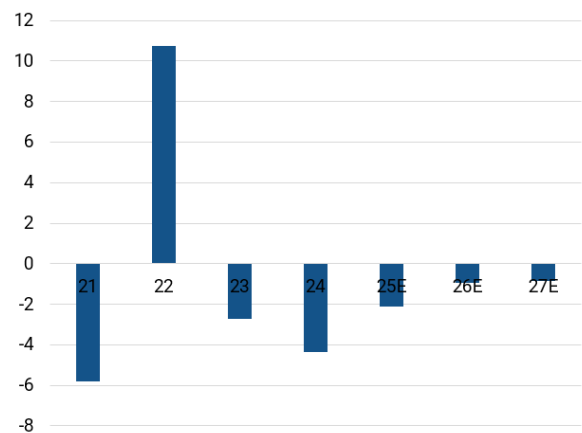
Net debt and net debt/EBITDA



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 (excl. 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	-1.0x	-9.0x	-13.7x	-16.0x
P/CF	1.1x	-5.0x	-1.0x	-6.4x	-14.0x	-15.6x
P/BV	0.1x	0.8x	0.4x	1.2x	1.3x	1.4x
Dividend yield (%)	6.9%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	89.2%	-20.1%	-98.8%	-15.6%	-7.1%	-6.4%
EV/Sales	0.7x	2.8x	11.2x	76.2x	162.0x	85.3x
EV/EBITDA	3.9x	-1.7x	-2.9x	-10.2x	-11.6x	-14.2x
EV/EBIT	-1.9x	-0.2x	-2.9x	-10.2x	-11.6x	-14.2x
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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