

Hold EUR 65.00 (EUR 66.00) Price EUR 63.50 Upside 2.4 %	Value Indicators: EUR DCF: 64.89	Warburg ESG Risk Score: 2.7 ESG Score (MSCI based): 3.0 Balance Sheet Score: 5.0 Market Liquidity Score: 0.0	Description: Producer and Distributor of displays for special applications in the industry.
	Market Snapshot: EUR m Market cap: 223.9 No. of shares (m): 3.5 EV: 187.4 Freefloat MC: 69.0 Ø Trad. Vol. (30d): 28.12 th	Shareholders: Freefloat 30.8 % Arrow Electronics 69.2 %	Key Figures (WRe): 2021e Beta: 1.4 Price / Book: 2.0 x Equity Ratio: 72 %

Fantastic orderbook but lack of components leads to shortfall

Figures Q3/2021: Figures in EUR m	<table border="1"> <thead> <tr> <th></th> <th>Q3/21</th> <th>Q3/21e</th> <th>Q3/20</th> <th>yoy</th> <th>9M/21</th> <th>9M/20</th> <th>yoy</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>45.8</td> <td>50.2</td> <td>49.0</td> <td>-6.6%</td> <td>137.7</td> <td>138.3</td> <td>-0.4%</td> </tr> <tr> <td>EBIT</td> <td>3.1</td> <td>4.1</td> <td>2.8</td> <td>13.0%</td> <td>8.0</td> <td>7.7</td> <td>4.3%</td> </tr> <tr> <td><i>margin</i></td> <td>6.8%</td> <td>8.2%</td> <td>5.6%</td> <td></td> <td>5.8%</td> <td>5.5%</td> <td></td> </tr> </tbody> </table>		Q3/21	Q3/21e	Q3/20	yoy	9M/21	9M/20	yoy	Sales	45.8	50.2	49.0	-6.6%	137.7	138.3	-0.4%	EBIT	3.1	4.1	2.8	13.0%	8.0	7.7	4.3%	<i>margin</i>	6.8%	8.2%	5.6%		5.8%	5.5%		Comment on Figures: <ul style="list-style-type: none"> Data Modul AG yesterday (27.10.21) announced preliminary figures for the third quarter and the first nine months of 2021. Bottlenecks in the supply of components meant the figures fell short of our expectations (WRe).
	Q3/21	Q3/21e	Q3/20	yoy	9M/21	9M/20	yoy																											
Sales	45.8	50.2	49.0	-6.6%	137.7	138.3	-0.4%																											
EBIT	3.1	4.1	2.8	13.0%	8.0	7.7	4.3%																											
<i>margin</i>	6.8%	8.2%	5.6%		5.8%	5.5%																												

Impressive management of cost-saving effects led to an increase in Q3 EBIT compared to the same quarter of the previous year despite a decline in sales. The shortfall to the sales forecast was caused by delivery bottlenecks on the procurement side, which will probably continue to have a negative impact on the company's development in the medium term. However, we have made only slight changes to the model parameters (DCF, WRe) in the long term, because the prospects of the company's future development are still excellent and the supply problems should not last forever. The order intake, which increased significantly by approx. 17.8% to EUR 51.1m (43.4m), underlines this positive expectation. The order backlog increased by approx. 25.7% to EUR 165.7m (131.8).

Noteworthy, but irrelevant for the rating, is the significant fall in the net result in the period under review to EUR 1.0m (1.7). The sole reason for this is currency effects on the reporting date for materials ordered in USD (Derivatives, IFRS 9). These effects should normalise in the medium term.

Following slight alterations to the earnings expectations (WRe) and a roll-over effect, the share is still rated Hold but the price target declines slightly to EUR 65 (66).

Changes in Estimates: FY End: 31.12. in EUR m	<table border="1"> <thead> <tr> <th></th> <th>2021e (old)</th> <th>+ / -</th> <th>2022e (old)</th> <th>+ / -</th> <th>2023e (old)</th> <th>+ / -</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>208.0</td> <td>-5.3 %</td> <td>224.6</td> <td>-4.4 %</td> <td>238.1</td> <td>-3.5 %</td> </tr> <tr> <td>EBIT</td> <td>15.0</td> <td>-9.9 %</td> <td>18.2</td> <td>-4.4 %</td> <td>19.5</td> <td>-3.5 %</td> </tr> <tr> <td>EPS</td> <td>2.87</td> <td>-10.1 %</td> <td>3.50</td> <td>-4.6 %</td> <td>3.75</td> <td>-3.5 %</td> </tr> </tbody> </table>		2021e (old)	+ / -	2022e (old)	+ / -	2023e (old)	+ / -	Sales	208.0	-5.3 %	224.6	-4.4 %	238.1	-3.5 %	EBIT	15.0	-9.9 %	18.2	-4.4 %	19.5	-3.5 %	EPS	2.87	-10.1 %	3.50	-4.6 %	3.75	-3.5 %	Comment on Changes: <ul style="list-style-type: none"> The new forecasts (WRe) imply that the supply side will remain challenging in the medium term. The company will publish the final figures Q3 2021 on November 5, 2021.
	2021e (old)	+ / -	2022e (old)	+ / -	2023e (old)	+ / -																								
Sales	208.0	-5.3 %	224.6	-4.4 %	238.1	-3.5 %																								
EBIT	15.0	-9.9 %	18.2	-4.4 %	19.5	-3.5 %																								
EPS	2.87	-10.1 %	3.50	-4.6 %	3.75	-3.5 %																								

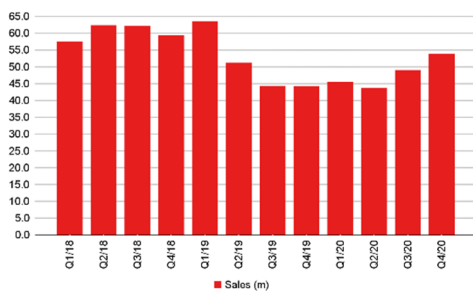


Rel. Performance vs CDAX:	
1 month:	6.5 %
6 months:	34.0 %
Year to date:	17.9 %
Trailing 12 months:	9.8 %

Company events:
05.11.21 Q3

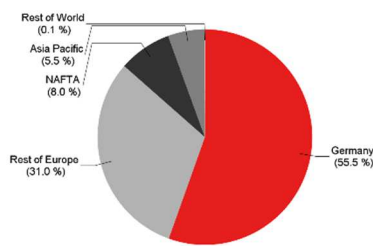
FY End: 31.12. in EUR m	CAGR (20-23e)	2017	2018	2019	2020	2021e	2022e	2023e
Sales	6.1 %	218.3	241.4	203.3	192.2	197.0	214.7	229.8
Change Sales yoy		10.7 %	10.6 %	-15.8 %	-5.5 %	2.5 %	9.0 %	7.0 %
Gross profit margin		21.8 %	22.3 %	21.6 %	21.7 %	22.7 %	23.2 %	23.2 %
EBITDA	12.8 %	18.3	23.4	15.6	17.8	19.4	23.9	25.5
Margin		8.4 %	9.7 %	7.7 %	9.2 %	9.9 %	11.1 %	11.1 %
EBIT	16.8 %	15.9	20.8	10.2	11.8	13.5	17.4	18.8
Margin		7.3 %	8.6 %	5.0 %	6.2 %	6.9 %	8.1 %	8.2 %
Net income	19.1 %	10.6	14.3	6.5	7.6	9.1	11.8	12.8
EPS	19.2 %	3.01	4.05	1.85	2.14	2.58	3.34	3.62
EPS adj.	19.2 %	3.01	4.05	1.85	2.14	2.58	3.34	3.62
DPS	0.0 %	0.12	0.12	0.12	1.00	1.00	1.00	1.00
Dividend Yield		0.2 %	0.2 %	0.2 %	2.3 %	1.6 %	1.6 %	1.6 %
FCFPS		0.64	1.45	0.99	2.08	4.24	3.17	2.17
FCF / Market cap		0.9 %	2.1 %	1.6 %	4.7 %	6.7 %	5.0 %	3.4 %
EV / Sales		1.1 x	0.9 x	1.0 x	0.7 x	1.0 x	0.8 x	0.8 x
EV / EBITDA		13.2 x	9.6 x	12.5 x	7.4 x	9.7 x	7.5 x	6.9 x
EV / EBIT		15.2 x	10.7 x	19.2 x	11.1 x	13.9 x	10.3 x	9.3 x
P / E		24.1 x	17.0 x	33.1 x	20.6 x	24.6 x	19.0 x	17.5 x
P / E adj.		24.1 x	17.0 x	33.1 x	20.6 x	24.6 x	19.0 x	17.5 x
FCF Potential Yield		3.7 %	5.1 %	1.4 %	3.4 %	6.1 %	6.9 %	7.7 %
Net Debt		-14.4	-19.2	-20.7	-25.1	-36.5	-44.2	-48.3
ROCE (NOPAT)		17.4 %	20.5 %	9.0 %	10.1 %	11.8 %	15.5 %	16.2 %
Guidance:	n.a.							

Sales development
in EUR m



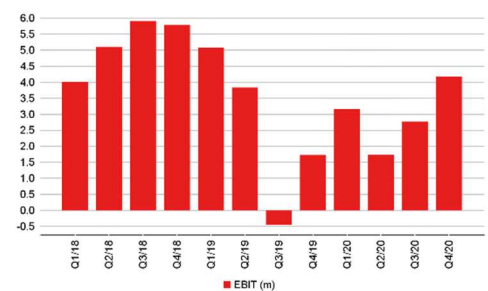
Source: Warburg Research

Sales by regions
2020; in %



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

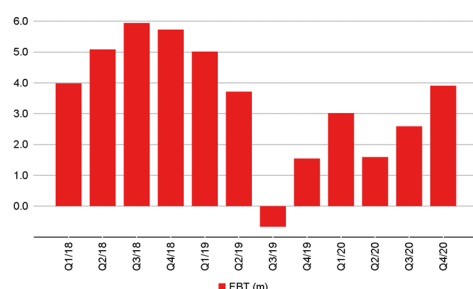
Company Background

- Display solutions for OEMs. With its own products, Data Modul forms the value-added connection between panel producers (LG, Sharp, Samsung etc.) and customers. Trade products complete the offering.
- Displays segment: distribution of standard and added-value products (e.g. additional equipping of the displays with PC components and software).
- In the Systems segment, Data Modul mainly develops and sells its own products and customer-specific solutions. This includes e.g. special monitors for marine navigation or medical technology.
- Increasingly important areas of business growth are embedded computer solutions and touch solutions.

Competitive Quality

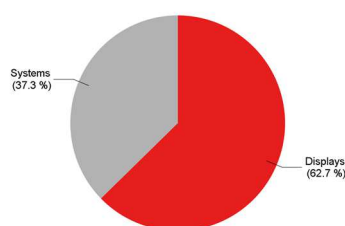
- Europe's largest display distributor.
- Focus on niche markets that are too small to be directly served by large display manufacturers, which leads to comparatively low competitive intensity.
- Strong customer loyalty with in-house design (Design-In) of customers' products.
- Earlier access to new technologies through the Distribution business.
- Expertise built up over 40 years.

EBT development
in EUR m



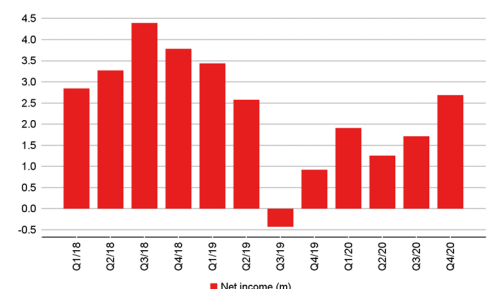
Source: Warburg Research

Sales by segments
2020; in %



Source: Warburg Research

Net income development
in EUR m



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value	
	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e		
Sales	197.0	214.7	229.8	243.5	255.7	268.5	281.9	296.0	310.8	326.4	342.7	359.8	370.6		
Sales change	2.5 %	9.0 %	7.0 %	6.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	3.0 %	2.0 %
EBIT	13.5	17.4	18.8	20.7	21.7	22.8	24.0	25.2	26.4	27.7	29.1	30.6	31.5		
EBIT-margin	6.9 %	8.1 %	8.2 %	8.5 %	8.5 %	8.5 %	8.5 %	8.5 %	8.5 %	8.5 %	8.5 %	8.5 %	8.5 %	8.5 %	
Tax rate (EBT)	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	
NOPAT	9.2	11.9	12.9	14.2	14.9	15.6	16.4	17.2	18.1	19.0	20.0	21.0	21.6		
Depreciation	5.9	6.5	6.6	9.7	10.2	10.7	11.3	11.8	12.4	13.1	13.7	14.4	14.8		
in % of Sales	3.0 %	3.0 %	2.9 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	
Changes in provisions	0.0	0.0	0.0	-0.4	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	
Change in Liquidity from															
- Working Capital	-3.4	-0.4	4.3	3.3	3.4	3.6	3.8	3.9	4.1	4.4	4.6	4.8	3.0		
- Capex	4.0	8.0	8.0	9.7	10.2	10.7	11.3	11.8	12.4	13.1	13.7	14.4	14.8		
Capex in % of Sales	2.0 %	3.7 %	3.5 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Free Cash Flow (WACC Model)	14.6	10.8	7.2	10.5	11.5	12.1	12.7	13.4	14.0	14.7	15.5	16.2	18.6	20	
PV of FCF	14.4	9.8	6.0	8.0	8.1	7.8	7.5	7.2	7.0	6.7	6.5	6.3	6.6	102	
share of PVs	14.80 %			35.17 %										50.03 %	

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	0.00 %	Financial Strength	1.35
Cost of debt (after tax)	1.7 %	Liquidity (share)	1.35
Market return	7.00 %	Cyclicality	1.35
Risk free rate	1.50 %	Transparency	1.35
		Others	1.35
WACC	8.93 %	Beta	1.35

Valuation (m)

Present values 2033e	102		
Terminal Value	102		
Financial liabilities	0		
Pension liabilities	2		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	27	No. of shares (m)	3.5
Equity Value	229	Value per share (EUR)	64.89

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		1.25 %	1.50 %	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.53	9.9 %	55.24	55.85	56.50	57.19	57.93	58.71	59.55	1.53	9.9 %	46.82	50.27	53.73	57.19	60.65	64.11	67.57
1.44	9.4 %	58.43	59.16	59.94	60.77	61.66	62.61	63.64	1.44	9.4 %	49.68	53.38	57.07	60.77	64.47	68.17	71.87
1.40	9.2 %	60.19	60.99	61.84	62.76	63.74	64.79	65.92	1.40	9.2 %	51.27	55.10	58.93	62.76	66.59	70.42	74.25
1.35	8.9 %	62.07	62.95	63.88	64.89	65.97	67.14	68.40	1.35	8.9 %	52.97	56.95	60.92	64.89	68.86	72.84	76.81
1.30	8.7 %	64.08	65.04	66.08	67.19	68.39	69.69	71.10	1.30	8.7 %	54.82	58.94	63.07	67.19	71.32	75.44	79.57
1.26	8.4 %	66.23	67.30	68.44	69.68	71.01	72.46	74.03	1.26	8.4 %	56.81	61.10	65.39	69.68	73.97	78.26	82.55
1.17	7.9 %	71.05	72.36	73.77	75.30	76.97	78.78	80.78	1.17	7.9 %	61.31	65.97	70.64	75.30	79.96	84.63	89.29

- Revenue is expected to grow based on the continuous expansion in the use of display technology.

Valuation	2017	2018	2019	2020	2021e	2022e	2023e
Price / Book	3.2 x	2.6 x	2.2 x	1.5 x	2.0 x	1.8 x	1.7 x
Book value per share ex intangibles	21.01	25.09	22.62	23.35	25.58	28.01	30.73
EV / Sales	1.1 x	0.9 x	1.0 x	0.7 x	1.0 x	0.8 x	0.8 x
EV / EBITDA	13.2 x	9.6 x	12.5 x	7.4 x	9.7 x	7.5 x	6.9 x
EV / EBIT	15.2 x	10.7 x	19.2 x	11.1 x	13.9 x	10.3 x	9.3 x
EV / EBIT adj.*	15.2 x	10.7 x	19.2 x	11.1 x	13.9 x	10.3 x	9.3 x
P / FCF	114.0 x	47.5 x	62.1 x	21.2 x	15.0 x	20.0 x	29.3 x
P / E	24.1 x	17.0 x	33.1 x	20.6 x	24.6 x	19.0 x	17.5 x
P / E adj.*	24.1 x	17.0 x	33.1 x	20.6 x	24.6 x	19.0 x	17.5 x
Dividend Yield	0.2 %	0.2 %	0.2 %	2.3 %	1.6 %	1.6 %	1.6 %
FCF Potential Yield (on market EV)	3.7 %	5.1 %	1.4 %	3.4 %	6.1 %	6.9 %	7.7 %

*Adjustments made for: -

Consolidated profit and loss

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Sales	218.3	241.4	203.3	192.2	197.0	214.7	229.8
Change Sales yoy	10.7 %	10.6 %	-15.8 %	-5.5 %	2.5 %	9.0 %	7.0 %
COGS	170.7	187.6	159.4	150.4	152.4	164.9	176.5
Gross profit	47.6	53.8	43.9	41.8	44.6	49.8	53.3
<i>Gross margin</i>	<i>21.8 %</i>	<i>22.3 %</i>	<i>21.6 %</i>	<i>21.7 %</i>	<i>22.7 %</i>	<i>23.2 %</i>	<i>23.2 %</i>
Research and development	5.4	5.4	4.9	5.5	4.9	4.9	5.1
Sales and marketing	26.3	27.6	28.8	24.6	26.2	27.5	29.4
Administration expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operating expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operating income	0.0	0.0	0.0	0.1	0.0	0.0	0.0
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	18.3	23.4	15.6	17.8	19.4	23.9	25.5
<i>Margin</i>	<i>8.4 %</i>	<i>9.7 %</i>	<i>7.7 %</i>	<i>9.2 %</i>	<i>9.9 %</i>	<i>11.1 %</i>	<i>11.1 %</i>
Depreciation of fixed assets	1.5	1.7	1.2	1.2	1.6	2.1	2.3
EBITA	16.8	21.7	14.4	16.6	17.8	21.7	23.2
Amortisation of intangible assets	0.9	0.9	4.3	4.7	4.3	4.3	4.3
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	15.9	20.8	10.2	11.8	13.5	17.4	18.8
<i>Margin</i>	<i>7.3 %</i>	<i>8.6 %</i>	<i>5.0 %</i>	<i>6.2 %</i>	<i>6.9 %</i>	<i>8.1 %</i>	<i>8.2 %</i>
EBIT adj.	15.9	20.8	10.2	11.8	13.5	17.4	18.8
Interest income	0.0	0.0	0.0	2.3	3.0	3.0	3.0
Interest expenses	0.1	0.1	0.6	3.0	3.2	3.2	3.2
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	15.8	20.7	9.6	11.1	13.3	17.2	18.6
<i>Margin</i>	<i>7.2 %</i>	<i>8.6 %</i>	<i>4.7 %</i>	<i>5.8 %</i>	<i>6.7 %</i>	<i>8.0 %</i>	<i>8.1 %</i>
Total taxes	5.2	6.5	3.1	3.6	4.2	5.4	5.9
Net income from continuing operations	10.6	14.3	6.5	7.6	9.1	11.8	12.8
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income before minorities	10.6	14.3	6.5	7.6	9.1	11.8	12.8
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	10.6	14.3	6.5	7.6	9.1	11.8	12.8
<i>Margin</i>	<i>4.9 %</i>	<i>5.9 %</i>	<i>3.2 %</i>	<i>3.9 %</i>	<i>4.6 %</i>	<i>5.5 %</i>	<i>5.6 %</i>
Number of shares, average	3.5	3.5	3.5	3.5	3.5	3.5	3.5
EPS	3.01	4.05	1.85	2.14	2.58	3.34	3.62
EPS adj.	3.01	4.05	1.85	2.14	2.58	3.34	3.62

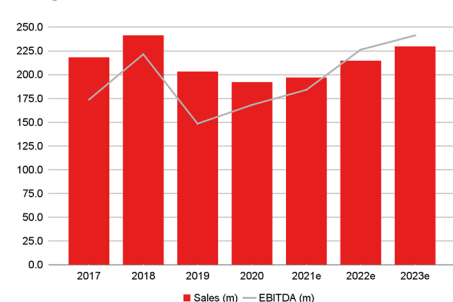
*Adjustments made for:

Guidance: n.a.

Financial Ratios

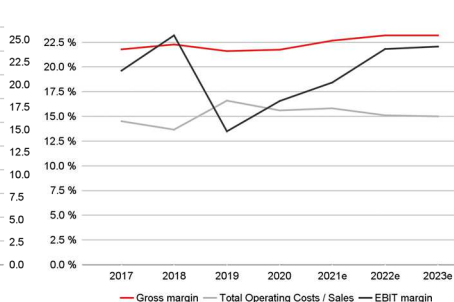
	2017	2018	2019	2020	2021e	2022e	2023e
Total Operating Costs / Sales	14.5 %	13.7 %	16.6 %	15.6 %	15.8 %	15.1 %	15.0 %
Operating Leverage	0.5 x	2.9 x	3.2 x	-2.9 x	5.6 x	3.2 x	1.2 x
EBITDA / Interest expenses	152.7 x	320.1 x	26.5 x	5.8 x	6.1 x	7.5 x	8.0 x
Tax rate (EBT)	32.8 %	31.1 %	32.3 %	31.9 %	31.5 %	31.5 %	31.5 %
Dividend Payout Ratio	4.0 %	3.0 %	6.5 %	46.6 %	38.7 %	29.9 %	27.6 %
Sales per Employee	559,631	588,822	472,823	427,078	419,149	447,354	468,900

Sales, EBITDA in EUR m



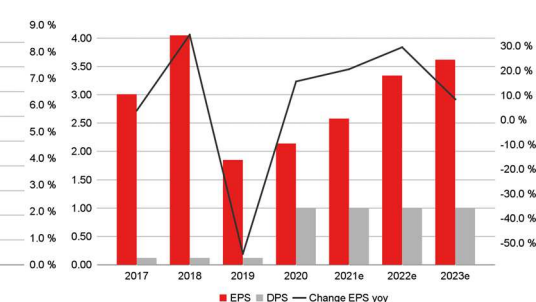
Source: Warburg Research

Operating Performance in %



Source: Warburg Research

Performance per Share



Source: Warburg Research

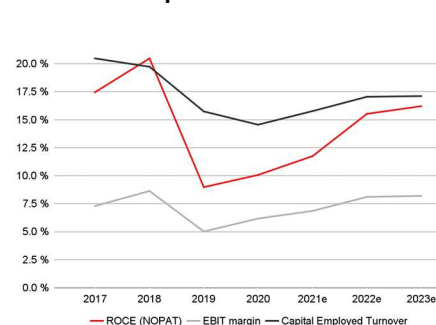
Consolidated balance sheet

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Assets							
Goodwill and other intangible assets	5.5	5.5	19.8	23.5	22.8	22.4	22.1
thereof other intangible assets	1.8	3.1	17.4	21.1	18.8	18.4	18.1
thereof Goodwill	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Property, plant and equipment	13.0	15.8	19.4	18.6	19.0	20.8	22.5
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other long-term assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fixed assets	18.5	21.3	39.2	42.1	41.8	43.3	44.6
Inventories	42.8	52.9	41.5	52.0	39.4	42.9	46.0
Accounts receivable	27.1	29.0	27.9	24.2	29.7	26.5	28.3
Liquid assets	20.2	25.0	26.4	26.7	38.1	45.7	49.9
Other short-term assets	2.3	6.0	12.5	8.0	8.0	8.0	8.0
Current assets	92.4	112.8	108.4	110.9	115.2	123.1	132.2
Total Assets	110.9	134.1	147.6	153.0	156.9	166.4	176.8
Liabilities and shareholders' equity							
Subscribed capital	10.6	10.6	10.6	10.6	10.6	10.6	10.6
Capital reserve	24.1	24.1	24.1	24.1	24.1	24.1	24.1
Retained earnings	46.5	58.6	64.0	71.1	76.8	85.1	94.4
Other equity components	-1.7	0.8	0.9	0.1	1.5	1.4	1.3
Shareholders' equity	79.6	94.0	99.6	105.9	113.0	121.2	130.5
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total equity	79.6	94.0	99.6	105.9	113.0	121.2	130.5
Provisions	4.9	3.8	18.6	19.5	20.0	20.5	21.1
thereof provisions for pensions and similar obligations	1.6	1.6	1.6	1.6	1.6	1.6	1.6
Financial liabilities (total)	4.2	4.2	4.2	0.0	0.0	0.0	0.0
Short-term financial liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	13.7	13.7	9.2	11.8	8.1	8.8	9.4
Other liabilities	8.4	18.4	16.0	15.9	15.9	15.9	15.9
Liabilities	31.3	40.1	48.0	47.1	44.0	45.2	46.3
Total liabilities and shareholders' equity	110.9	134.1	147.6	153.0	156.9	166.4	176.8

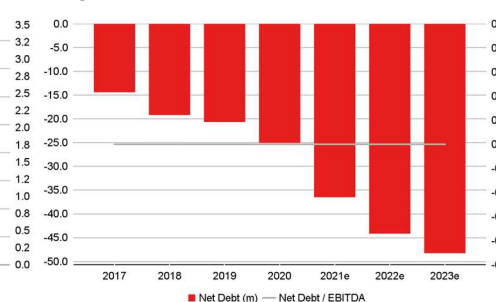
Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Efficiency of Capital Employment							
Operating Assets Turnover	3.2 x	2.9 x	2.6 x	2.3 x	2.5 x	2.6 x	2.6 x
Capital Employed Turnover	3.3 x	3.2 x	2.6 x	2.4 x	2.6 x	2.8 x	2.8 x
ROA	57.5 %	67.0 %	16.6 %	18.0 %	21.8 %	27.2 %	28.6 %
Return on Capital							
ROCE (NOPAT)	17.4 %	20.5 %	9.0 %	10.1 %	11.8 %	15.5 %	16.2 %
ROE	14.2 %	16.5 %	6.7 %	7.4 %	8.3 %	10.1 %	10.1 %
Adj. ROE	14.2 %	16.5 %	6.7 %	7.4 %	8.3 %	10.1 %	10.1 %
Balance sheet quality							
Net Debt	-14.4	-19.2	-20.7	-25.1	-36.5	-44.2	-48.3
Net Financial Debt	-16.0	-20.8	-22.2	-26.7	-38.1	-45.7	-49.9
Net Gearing	-18.1 %	-20.4 %	-20.7 %	-23.7 %	-32.3 %	-36.4 %	-37.0 %
Net Fin. Debt / EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Book Value / Share	22.6	26.7	28.2	30.0	32.0	34.4	37.0
Book value per share ex intangibles	21.0	25.1	22.6	23.4	25.6	28.0	30.7

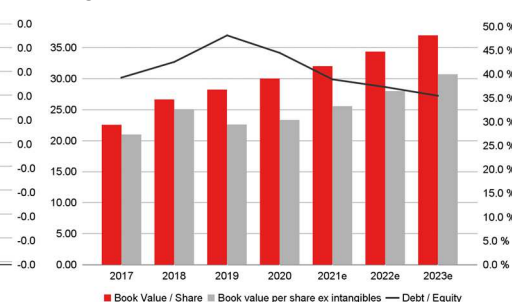
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

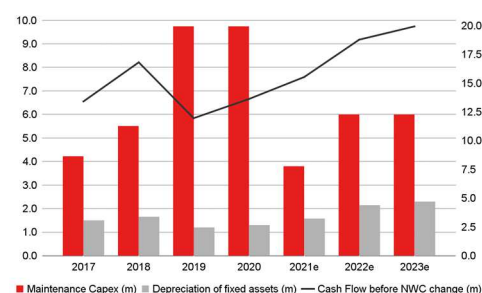
In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Net income	10.6	14.3	6.5	7.6	9.1	11.8	12.8
Depreciation of fixed assets	1.5	1.7	1.2	1.3	1.6	2.1	2.3
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.9	0.9	4.3	4.7	4.3	4.3	4.3
Increase/decrease in long-term provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other non-cash income and expenses	0.3	0.0	0.0	0.0	0.5	0.5	0.5
Cash Flow before NWC change	13.4	16.8	12.0	13.6	15.5	18.8	19.9
Increase / decrease in inventory	1.3	-10.1	11.4	-10.5	12.6	-3.5	-3.1
Increase / decrease in accounts receivable	-4.1	-1.8	1.1	3.7	-5.5	3.2	-1.8
Increase / decrease in accounts payable	-0.5	0.0	-4.5	2.6	-3.7	0.7	0.6
Increase / decrease in other working capital positions	-3.4	5.9	-9.4	1.4	0.0	0.0	0.0
Increase / decrease in working capital (total)	-6.7	-6.1	-1.5	-2.8	3.4	0.4	-4.3
Net cash provided by operating activities [1]	6.7	10.7	10.4	10.8	19.0	19.2	15.6
Investments in intangible assets	-1.5	-1.8	-6.3	-6.3	-2.0	-4.0	-4.0
Investments in property, plant and equipment	-2.9	-4.0	-4.0	-4.0	-2.0	-4.0	-4.0
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by investing activities [2]	-4.4	-5.6	-7.0	-3.4	-4.0	-8.0	-8.0
Change in financial liabilities	1.2	0.0	0.0	-4.2	0.0	0.0	0.0
Dividends paid	-0.4	-0.4	-0.4	-0.4	-3.5	-3.5	-3.5
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	-1.6	-2.3	0.0	0.0	0.0
Net cash provided by financing activities [3]	0.7	-0.4	-2.0	-6.9	-3.5	-3.5	-3.5
Change in liquid funds [1]+[2]+[3]	3.0	4.7	1.5	0.4	11.4	7.7	4.1
Effects of exchange-rate changes on cash	0.0	0.0	0.0	-0.2	0.0	0.0	0.0
Cash and cash equivalent at end of period	20.2	25.0	26.4	26.7	38.1	45.7	49.9

Financial Ratios

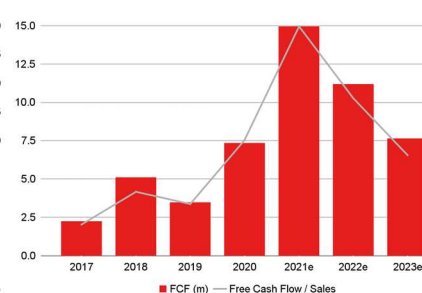
	2017	2018	2019	2020	2021e	2022e	2023e
Cash Flow							
FCF	2.2	5.1	3.5	7.3	15.0	11.2	7.6
Free Cash Flow / Sales	1.0 %	2.1 %	1.7 %	3.8 %	7.6 %	5.2 %	3.3 %
Free Cash Flow Potential	8.9	11.4	2.8	4.5	11.4	12.5	13.6
Free Cash Flow / Net Profit	21.2 %	35.8 %	53.5 %	97.2 %	164.2 %	95.0 %	59.9 %
Interest Received / Avg. Cash	0.1 %	0.1 %	0.0 %	8.8 %	9.3 %	7.2 %	6.3 %
Interest Paid / Avg. Debt	3.3 %	1.7 %	14.1 %	145.0 %	n.a.	n.a.	n.a.
Management of Funds							
Investment ratio	2.0 %	2.4 %	5.0 %	5.3 %	2.0 %	3.7 %	3.5 %
Maint. Capex / Sales	1.9 %	2.3 %	4.8 %	5.1 %	1.9 %	2.8 %	2.6 %
Capex / Dep	184.4 %	226.1 %	188.2 %	172.8 %	67.7 %	123.4 %	120.6 %
Avg. Working Capital / Sales	25.0 %	25.7 %	31.6 %	32.4 %	31.8 %	28.3 %	27.3 %
Trade Debtors / Trade Creditors	198.1 %	211.4 %	303.1 %	205.1 %	366.7 %	301.1 %	301.1 %
Inventory Turnover	4.0 x	3.5 x	3.8 x	2.9 x	3.9 x	3.8 x	3.8 x
Receivables collection period (days)	45	44	50	46	55	45	45
Payables payment period (days)	29	27	21	29	19	19	19
Cash conversion cycle (Days)	108	120	124	144	130	121	121

CAPEX and Cash Flow

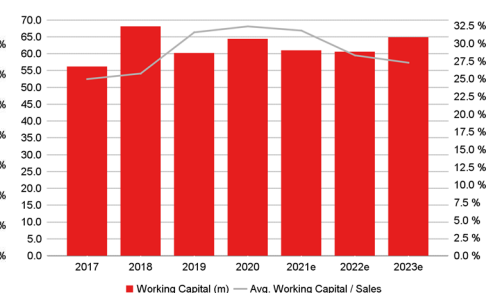
in EUR m



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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This report has been made accessible to the company analysed.

Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
Data Modul	3, 5	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE0005498901.htm

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Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

-B-	Buy:	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	Hold:	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	Sell:	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	Rating suspended:	The available information currently does not permit an evaluation of the company.

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING

Rating	Number of stocks	% of Universe
Buy	144	67
Hold	60	28
Sell	7	3
Rating suspended	3	1
Total	214	100

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...

... taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	46	78
Hold	11	19
Sell	0	0
Rating suspended	2	3
Total	59	100

PRICE AND RATING HISTORY DATA MODUL AS OF 29.10.2021



Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

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