

Hold EUR 59.00 Price EUR 56.50 Upside 4.4 %	Value Indicators: EUR DCF: 59.06	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: 199.2 No. of shares (m): 3.5 EV: 207.1 Freefloat MC: 61.4 Ø Trad. Vol. (30d): 48.84 th	Shareholders: Freefloat 30.80 % Arrow Electronics 69.20 %	Key Figures (WRe): 2022e Beta: 1.3 Price / Book: 1.6 x Equity Ratio: 61 % Net Fin. Debt / EBITDA: 0.3 x Net Debt / EBITDA: 0.3 x

Preparation pays off impressively; FY guidance raised

Figures Q2/2022: Figures in EUR m	<table border="1"> <thead> <tr> <th></th> <th>Q2/22</th> <th>Q2/22e</th> <th>Q2/21</th> <th>yoy</th> <th>6M/22</th> <th>6M/21</th> <th>yoy</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>65,2</td> <td>62,0</td> <td>43,9</td> <td>48,5%</td> <td>128,5</td> <td>91,9</td> <td>39,7%</td> </tr> <tr> <td>EBIT</td> <td>6,0</td> <td>4,0</td> <td>1,8</td> <td>232,5%</td> <td>10,1</td> <td>4,9</td> <td>108,9%</td> </tr> <tr> <td>margin</td> <td>9,1%</td> <td>2,6%</td> <td>4,1%</td> <td></td> <td>7,9%</td> <td>5,3%</td> <td></td> </tr> </tbody> </table>		Q2/22	Q2/22e	Q2/21	yoy	6M/22	6M/21	yoy	Sales	65,2	62,0	43,9	48,5%	128,5	91,9	39,7%	EBIT	6,0	4,0	1,8	232,5%	10,1	4,9	108,9%	margin	9,1%	2,6%	4,1%		7,9%	5,3%		Comment on Figures: <ul style="list-style-type: none"> Despite the macroeconomic and geopolitical challenges, Data Modul AG was able to continue the good business development of the first quarter of 2022 in the second quarter. The company is once again benefiting from its cautious inventory and capacity policy of recent quarters. This orientation puts the company in a position to respond to robust demand with good delivery capability.
	Q2/22	Q2/22e	Q2/21	yoy	6M/22	6M/21	yoy																											
Sales	65,2	62,0	43,9	48,5%	128,5	91,9	39,7%																											
EBIT	6,0	4,0	1,8	232,5%	10,1	4,9	108,9%																											
margin	9,1%	2,6%	4,1%		7,9%	5,3%																												

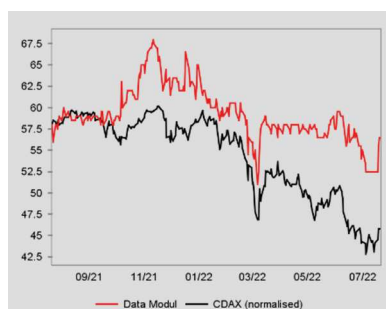
The cautious inventory and capacity policy once again proved to be a successful strategy and is supporting future prospects, which remain bright, as reflected in the Q2 order intake figure which increased by approx. 27% to EUR 82.3m compared to EUR 65.0m.

Based on these developments, the company is now increasing its guidance (WR estimates were already increased after Q1). For the 2022 financial year, the company is assuming an annual increase in consolidated sales of +10% to +25% compared to the year before (previously, -5% to +12%). The company is also expecting a yoy-increase in FY EBIT of +10% to +35% (previous forecast: -10 to +12%). The annual forecast for growth in incoming orders has now increased to a range of +5% to +15% ahead of the previous year's value of EUR 233.8m (previous forecast: -10 to +10%).

As a result of the successful strategy, which aims to secure long-term earnings development, the risk discount in the valuation of the share has been reduced (beta reduced from 1.35 to 1.30). However, considering that the Warburg coverage universe is now incorporating higher interest rates (general DCF assumptions), this beta effect and the positive numbers do not affect the target price.

The share continues to be rated Hold with a price target of EUR 59.

Changes in Estimates: FY End: 31.12. in EUR m	<table border="1"> <thead> <tr> <th></th> <th>2022e (old)</th> <th>+ / -</th> <th>2023e (old)</th> <th>+ / -</th> <th>2024e (old)</th> <th>+ / -</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>235.0</td> <td>1.9 %</td> <td>240.0</td> <td>0.8 %</td> <td>256.8</td> <td>0.8 %</td> </tr> <tr> <td>EBIT</td> <td>15.7</td> <td>6.5 %</td> <td>16.8</td> <td>5.1 %</td> <td>18.0</td> <td>5.1 %</td> </tr> <tr> <td>EPS</td> <td>2.81</td> <td>7.1 %</td> <td>2.99</td> <td>5.7 %</td> <td>3.20</td> <td>5.6 %</td> </tr> </tbody> </table>		2022e (old)	+ / -	2023e (old)	+ / -	2024e (old)	+ / -	Sales	235.0	1.9 %	240.0	0.8 %	256.8	0.8 %	EBIT	15.7	6.5 %	16.8	5.1 %	18.0	5.1 %	EPS	2.81	7.1 %	2.99	5.7 %	3.20	5.6 %	Comment on Changes: <ul style="list-style-type: none"> Even though our forecasts were already adjusted after a very strong Q1, the preliminary Q2 figures now provide the basis for another slight increase in our estimates. The company will publish the final results for the second quarter of FY 2022 on August 5, 2022.
	2022e (old)	+ / -	2023e (old)	+ / -	2024e (old)	+ / -																								
Sales	235.0	1.9 %	240.0	0.8 %	256.8	0.8 %																								
EBIT	15.7	6.5 %	16.8	5.1 %	18.0	5.1 %																								
EPS	2.81	7.1 %	2.99	5.7 %	3.20	5.6 %																								

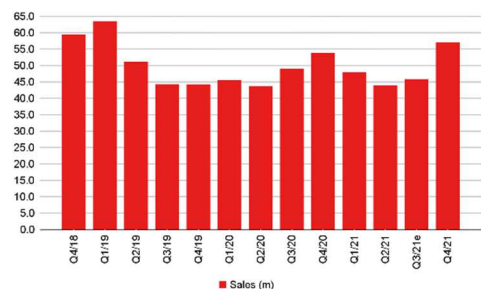


Rel. Performance vs CDAX:	
1 month:	n/a
6 months:	14.3 %
Year to date:	8.4 %
Trailing 12 months:	17.1 %

Company events:	
05.08.22	Q2
04.11.22	Q3

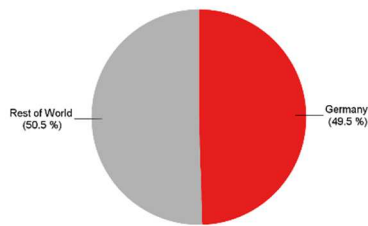
FY End: 31.12. in EUR m	CAGR (21-24e)	2018	2019	2020	2021	2022e	2023e	2024e
Sales	10.0 %	241.4	203.3	192.2	194.8	239.6	242.0	258.9
Change Sales yoy		10.6 %	-15.8 %	-5.5 %	1.3 %	23.0 %	1.0 %	7.0 %
Gross profit margin		22.3 %	21.6 %	21.7 %	21.8 %	22.5 %	22.8 %	22.8 %
EBITDA	10.5 %	23.4	15.6	17.8	18.6	22.7	23.7	25.1
Margin		9.7 %	7.7 %	9.2 %	9.5 %	9.5 %	9.8 %	9.7 %
EBIT	14.2 %	20.8	10.2	11.8	12.7	16.8	17.7	18.9
Margin		8.6 %	5.0 %	6.2 %	6.5 %	7.0 %	7.3 %	7.3 %
Net income	14.7 %	14.3	6.5	7.6	7.9	10.6	11.2	11.9
EPS	14.7 %	4.05	1.85	2.14	2.24	3.01	3.16	3.38
EPS adj.	14.7 %	4.05	1.85	2.14	2.24	3.01	3.16	3.38
DPS	0.0 %	0.12	0.12	0.12	0.12	0.12	0.12	0.12
Dividend Yield		0.2 %	0.2 %	0.3 %	0.2 %	0.2 %	0.2 %	0.2 %
FCFPS		1.45	0.99	2.08	-5.31	-3.18	2.72	1.05
FCF / Market cap		2.1 %	1.6 %	4.7 %	-9.8 %	-5.6 %	4.8 %	1.9 %
EV / Sales		0.9 x	1.0 x	0.7 x	1.0 x	0.9 x	0.8 x	0.8 x
EV / EBITDA		9.6 x	12.5 x	7.4 x	10.1 x	9.1 x	8.3 x	7.8 x
EV / EBIT		10.7 x	19.2 x	11.1 x	14.8 x	12.4 x	11.2 x	10.3 x
P / E		17.0 x	33.1 x	20.6 x	24.3 x	18.8 x	17.9 x	16.7 x
P / E adj.		17.0 x	33.1 x	20.6 x	24.3 x	18.8 x	17.9 x	16.7 x
FCF Potential Yield		5.1 %	1.4 %	3.4 %	4.5 %	6.2 %	6.8 %	7.4 %
Net Debt		-19.2	-20.7	-25.1	-3.7	7.9	-1.3	-4.6
ROCE (NOPAT)		20.5 %	9.0 %	10.1 %	9.3 %	9.6 %	9.2 %	9.4 %
Guidance:		Revenues +10% up to +25%, EBIT +10% up to +35% YoY						

Sales development in EUR m



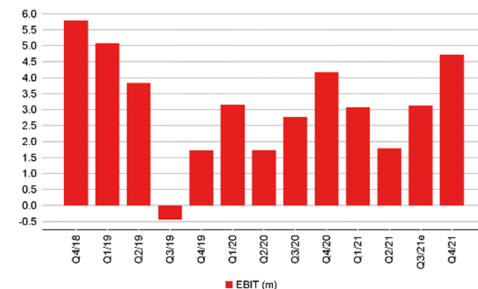
Source: Warburg Research

Sales by regions 2021; in %



Source: Warburg Research

EBIT development in EUR m



Source: Warburg Research

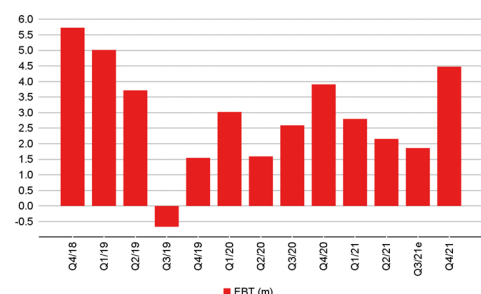
Company Background

- 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

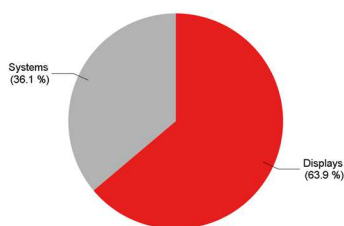
- Europe's largest display distributor.
- Focus on niche markets that are too small to be directly served by large display manufacturers, which leads to comparatively low competitive intensity.
- Strong customer loyalty with in-house design (Design-In) of customers' products.
- Earlier access to new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

EBT development in EUR m



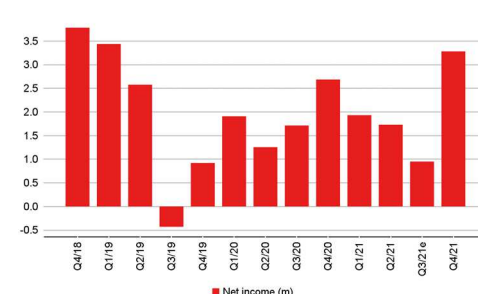
Source: Warburg Research

Sales by segments 2021; 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
	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	
Sales	239.6	242.0	258.9	277.0	296.4	314.2	329.9	346.4	363.7	381.9	401.0	421.1	433.7	
Sales change	23.0 %	1.0 %	7.0 %	7.0 %	7.0 %	6.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	3.0 %	2.0 %
EBIT	16.8	17.7	18.9	22.2	25.2	26.7	28.0	29.4	30.9	32.5	34.1	35.8	36.9	
EBIT-margin	7.0 %	7.3 %	7.3 %	8.0 %	8.5 %	8.5 %	8.5 %	8.5 %	8.5 %	8.5 %	8.5 %	8.5 %	8.5 %	
Tax rate (EBT)	30.5 %	31.0 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	
NOPAT	11.7	12.2	12.9	15.2	17.3	18.3	19.2	20.2	21.2	22.2	23.3	24.5	25.3	
Depreciation	6.0	6.1	6.2	11.1	11.9	12.6	13.2	13.9	14.5	15.3	16.0	16.8	17.3	
in % of Sales	2.5 %	2.5 %	2.4 %	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	-0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	
Change in Liquidity from														
- Working Capital	21.4	1.3	8.1	1.6	3.0	1.5	0.0	-0.3	-0.7	-1.1	-1.5	-2.0	-4.9	
- Capex	7.0	7.0	7.0	11.1	11.9	12.6	13.2	13.9	14.5	15.3	16.0	16.8	17.3	
Capex in % of Sales	2.9 %	2.9 %	2.7 %	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	
Free Cash Flow (WACC Model)	-10.8	10.0	4.0	13.5	14.4	16.8	19.3	20.6	22.0	23.4	25.0	26.6	30.2	23
PV of FCF	-10.5	8.8	3.3	9.9	9.7	10.4	10.9	10.6	10.3	10.0	9.8	9.5	9.9	102
share of PVs	0.77 %			49.39 %										49.84 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	5.00 %	Financial Strength	1.30
Cost of debt (after tax)	1.7 %	Liquidity (share)	1.30
Market return	8.25 %	Cyclicality	1.30
Risk free rate	2.75 %	Transparency	1.30
		Others	1.30
WACC	9.49 %	Beta	1.30

Valuation (m)

Present values 2034e	103		
Terminal Value	102		
Financial liabilities	15		
Pension liabilities	1		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	20	No. of shares (m)	3.5
Equity Value	208	Value per share (EUR)	59.06

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
1.49	10.5 %	49.11	49.69	50.31	50.96	51.65	52.39	53.17	1.49	10.5 %	39.86	43.56	47.26	50.96	54.66	58.36	62.05
1.40	10.0 %	52.56	53.24	53.98	54.75	55.58	56.46	57.41	1.40	10.0 %	42.94	46.88	50.81	54.75	58.69	62.63	66.57
1.35	9.7 %	54.43	55.19	55.99	56.84	57.74	58.71	59.75	1.35	9.7 %	44.62	48.69	52.76	56.84	60.91	64.98	69.05
1.30	9.5 %	56.43	57.25	58.13	59.06	60.06	61.13	62.28	1.30	9.5 %	46.42	50.63	54.85	59.06	63.27	67.49	71.70
1.25	9.2 %	58.55	59.45	60.41	61.44	62.54	63.72	64.99	1.25	9.2 %	48.35	52.71	57.07	61.44	65.80	70.17	74.53
1.20	9.0 %	60.81	61.80	62.86	63.99	65.20	66.51	67.93	1.20	9.0 %	50.41	54.94	59.46	63.99	68.52	73.04	77.57
1.11	8.5 %	65.82	67.01	68.30	69.69	71.18	72.80	74.56	1.11	8.5 %	55.02	59.91	64.80	69.69	74.58	79.47	84.35

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

Valuation	2018	2019	2020	2021	2022e	2023e	2024e
Price / Book	2.6 x	2.2 x	1.5 x	1.7 x	1.6 x	1.5 x	1.4 x
Book value per share ex intangibles	25.09	22.62	23.35	25.06	28.43	31.94	35.68
EV / Sales	0.9 x	1.0 x	0.7 x	1.0 x	0.9 x	0.8 x	0.8 x
EV / EBITDA	9.6 x	12.5 x	7.4 x	10.1 x	9.1 x	8.3 x	7.8 x
EV / EBIT	10.7 x	19.2 x	11.1 x	14.8 x	12.4 x	11.2 x	10.3 x
EV / EBIT adj.*	10.7 x	19.2 x	11.1 x	14.8 x	12.4 x	11.2 x	10.3 x
P / FCF	47.5 x	62.1 x	21.2 x	n.a.	n.a.	20.7 x	54.0 x
P / E	17.0 x	33.1 x	20.6 x	24.3 x	18.8 x	17.9 x	16.7 x
P / E adj.*	17.0 x	33.1 x	20.6 x	24.3 x	18.8 x	17.9 x	16.7 x
Dividend Yield	0.2 %	0.2 %	0.3 %	0.2 %	0.2 %	0.2 %	0.2 %
FCF Potential Yield (on market EV)	5.1 %	1.4 %	3.4 %	4.5 %	6.2 %	6.8 %	7.4 %

*Adjustments made for: -

Consolidated profit and loss

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Sales	241.4	203.3	192.2	194.8	239.6	242.0	258.9
Change Sales yoy	10.6 %	-15.8 %	-5.5 %	1.3 %	23.0 %	1.0 %	7.0 %
COGS	187.6	159.4	150.4	152.4	185.7	186.8	199.9
Gross profit	53.8	43.9	41.8	42.4	53.9	55.2	59.0
<i>Gross margin</i>	<i>22.3 %</i>	<i>21.6 %</i>	<i>21.7 %</i>	<i>21.8 %</i>	<i>22.5 %</i>	<i>22.8 %</i>	<i>22.8 %</i>
Research and development	5.4	4.9	5.5	5.7	7.2	7.3	7.8
Sales and marketing	27.6	28.8	24.6	25.0	29.9	30.2	32.4
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	0.1	1.0	0.0	0.0	0.0
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	23.4	15.6	17.8	18.6	22.7	23.7	25.1
<i>Margin</i>	<i>9.7 %</i>	<i>7.7 %</i>	<i>9.2 %</i>	<i>9.5 %</i>	<i>9.5 %</i>	<i>9.8 %</i>	<i>9.7 %</i>
Depreciation of fixed assets	1.7	1.2	1.2	1.2	1.3	1.4	1.5
EBITA	21.7	14.4	16.6	17.4	21.4	22.3	23.6
Amortisation of intangible assets	0.9	4.3	4.7	4.7	4.7	4.7	4.7
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	20.8	10.2	11.8	12.7	16.8	17.7	18.9
<i>Margin</i>	<i>8.6 %</i>	<i>5.0 %</i>	<i>6.2 %</i>	<i>6.5 %</i>	<i>7.0 %</i>	<i>7.3 %</i>	<i>7.3 %</i>
EBIT adj.	20.8	10.2	11.8	12.7	16.8	17.7	18.9
Interest income	0.0	0.0	2.3	0.0	0.0	0.0	0.0
Interest expenses	0.1	0.6	3.0	1.4	1.5	1.5	1.5
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	20.7	9.6	11.1	11.3	15.3	16.2	17.4
<i>Margin</i>	<i>8.6 %</i>	<i>4.7 %</i>	<i>5.8 %</i>	<i>5.8 %</i>	<i>6.4 %</i>	<i>6.7 %</i>	<i>6.7 %</i>
Total taxes	6.5	3.1	3.6	3.4	4.7	5.0	5.5
Net income from continuing operations	14.3	6.5	7.6	7.9	10.6	11.2	11.9
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	14.3	6.5	7.6	7.9	10.6	11.2	11.9
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	14.3	6.5	7.6	7.9	10.6	11.2	11.9
<i>Margin</i>	<i>5.9 %</i>	<i>3.2 %</i>	<i>3.9 %</i>	<i>4.1 %</i>	<i>4.4 %</i>	<i>4.6 %</i>	<i>4.6 %</i>
Number of shares, average	3.5	3.5	3.5	3.5	3.5	3.5	3.5
EPS	4.05	1.85	2.14	2.24	3.01	3.16	3.38
EPS adj.	4.05	1.85	2.14	2.24	3.01	3.16	3.38

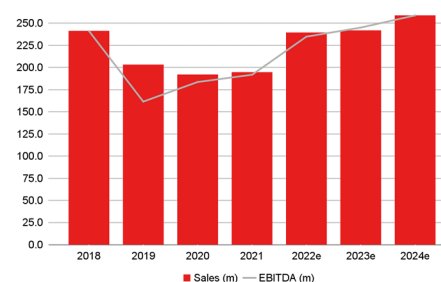
*Adjustments made for:

Guidance: Revenues +10% up to +25%, EBIT +10% up to +35% YoY

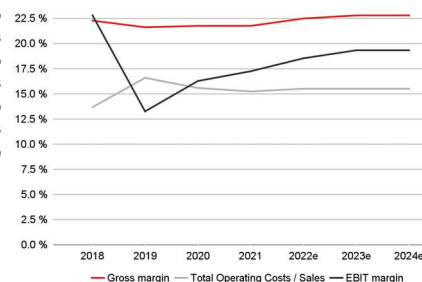
Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Total Operating Costs / Sales	13.7 %	16.6 %	15.6 %	15.2 %	15.5 %	15.5 %	15.5 %
Operating Leverage	2.9 x	3.2 x	-2.9 x	5.5 x	1.4 x	5.3 x	1.0 x
EBITDA / Interest expenses	320.1 x	26.5 x	5.8 x	13.1 x	15.2 x	15.8 x	16.7 x
Tax rate (EBT)	31.1 %	32.3 %	31.9 %	30.1 %	30.5 %	31.0 %	31.5 %
Dividend Payout Ratio	3.0 %	6.5 %	5.6 %	5.4 %	4.0 %	3.8 %	3.6 %
Sales per Employee	588,822	472,823	427,078	416,184	499,108	493,812	517,811

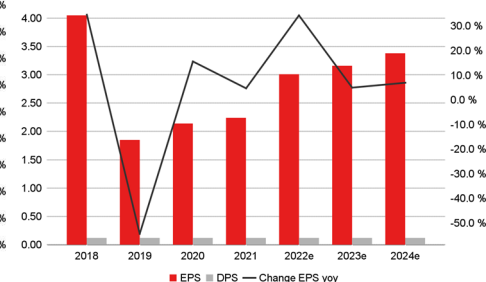
Sales, EBITDA in EUR m



Operating Performance in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

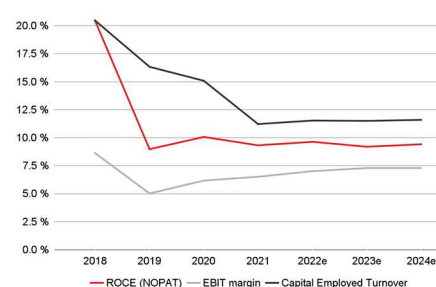
Consolidated balance sheet

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Assets							
Goodwill and other intangible assets	5.5	19.8	23.5	25.6	23.9	22.2	20.5
thereof other intangible assets	3.1	17.4	21.1	23.1	21.5	19.8	18.1
thereof Goodwill	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Property, plant and equipment	15.8	19.4	18.6	17.7	20.4	23.0	25.5
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	21.3	39.2	42.1	43.2	44.3	45.2	46.0
Inventories	52.9	41.5	52.0	86.7	106.6	107.7	115.2
Accounts receivable	29.0	27.9	24.2	29.2	36.1	36.5	39.0
Liquid assets	25.0	26.4	26.7	20.2	8.6	17.8	21.0
Other short-term assets	6.0	12.5	8.0	9.4	9.4	9.4	9.4
Current assets	112.8	108.4	110.9	145.6	160.7	171.4	184.7
Total Assets	134.1	147.6	153.0	188.8	205.0	216.6	230.7
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	58.6	64.0	71.1	78.5	88.8	99.6	111.2
Other equity components	0.8	0.9	0.1	0.7	0.6	0.5	0.4
Shareholders' equity	94.0	99.6	105.9	113.9	124.1	134.9	146.3
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total equity	94.0	99.6	105.9	113.9	124.1	134.9	146.3
Provisions	3.8	18.6	19.5	23.7	24.3	25.0	25.7
thereof provisions for pensions and similar obligations	1.6	1.6	1.6	1.5	1.5	1.5	1.5
Financial liabilities (total)	4.2	4.2	0.0	15.0	15.0	15.0	15.0
Short-term financial liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	13.7	9.2	11.8	21.0	26.3	26.5	28.4
Other liabilities	18.4	16.0	15.9	15.3	15.3	15.3	15.3
Liabilities	40.1	48.0	47.1	74.9	80.9	81.7	84.3
Total liabilities and shareholders' equity	134.1	147.6	153.0	188.8	205.0	216.6	230.7

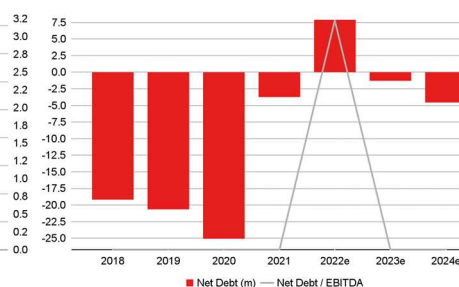
Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Efficiency of Capital Employment							
Operating Assets Turnover	2.9 x	2.6 x	2.3 x	1.7 x	1.8 x	1.7 x	1.7 x
Capital Employed Turnover	3.2 x	2.6 x	2.4 x	1.8 x	1.8 x	1.8 x	1.8 x
ROA	67.0 %	16.6 %	18.0 %	18.3 %	24.0 %	24.7 %	25.9 %
Return on Capital							
ROCE (NOPAT)	20.5 %	9.0 %	10.1 %	9.3 %	9.6 %	9.2 %	9.4 %
ROE	16.5 %	6.7 %	7.4 %	7.2 %	8.9 %	8.6 %	8.5 %
Adj. ROE	16.5 %	6.7 %	7.4 %	7.2 %	8.9 %	8.6 %	8.5 %
Balance sheet quality							
Net Debt	-19.2	-20.7	-25.1	-3.7	7.9	-1.3	-4.6
Net Financial Debt	-20.8	-22.2	-26.7	-5.2	6.4	-2.8	-6.0
Net Gearing	-20.4 %	-20.7 %	-23.7 %	-3.3 %	6.4 %	-1.0 %	-3.1 %
Net Fin. Debt / EBITDA	n.a.	n.a.	n.a.	n.a.	28.2 %	n.a.	n.a.
Book Value / Share	26.7	28.2	30.0	32.3	35.2	38.2	41.5
Book value per share ex intangibles	25.1	22.6	23.4	25.1	28.4	31.9	35.7

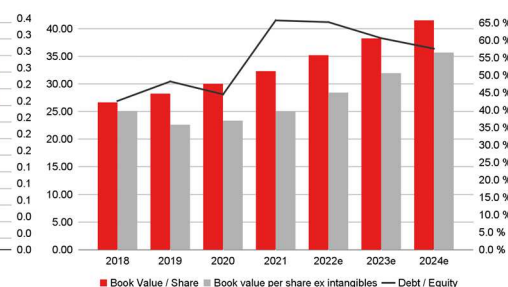
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

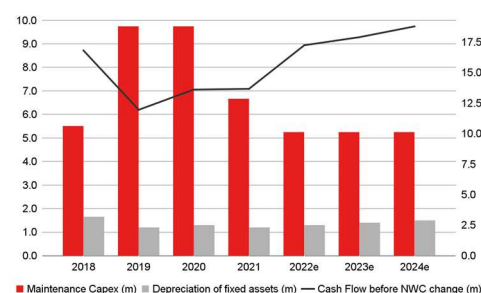
Consolidated cash flow statement

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Net income	14.3	6.5	7.6	7.9	10.6	11.2	11.9
Depreciation of fixed assets	1.7	1.2	1.3	1.2	1.3	1.4	1.5
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.9	4.3	4.7	4.7	4.7	4.7	4.7
Increase/decrease in long-term provisions	0.0	0.0	0.0	-0.1	0.0	0.0	0.0
Other non-cash income and expenses	0.0	0.0	0.0	0.0	0.7	0.7	0.7
Cash Flow before NWC change	16.8	12.0	13.6	13.7	17.2	17.9	18.8
Increase / decrease in inventory	-10.1	11.4	-10.5	-34.7	-19.9	-1.1	-7.5
Increase / decrease in accounts receivable	-1.8	1.1	3.7	-5.0	-6.9	-0.4	-2.5
Increase / decrease in accounts payable	0.0	-4.5	2.6	9.2	5.3	0.2	1.9
Increase / decrease in other working capital positions	5.9	-9.4	1.4	1.2	0.0	0.0	0.0
Increase / decrease in working capital (total)	-6.1	-1.5	-2.8	-29.4	-21.4	-1.3	-8.1
Net cash provided by operating activities [1]	10.7	10.4	10.8	-15.7	-4.2	16.6	10.7
Investments in intangible assets	-1.8	-6.3	-6.3	-3.0	-3.0	-3.0	-3.0
Investments in property, plant and equipment	-4.0	-4.0	-4.0	-4.0	-4.0	-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]	-5.6	-7.0	-3.4	-3.0	-7.0	-7.0	-7.0
Change in financial liabilities	0.0	0.0	-4.2	15.0	0.0	0.0	0.0
Dividends paid	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4
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	-1.6	-2.3	-2.4	0.0	0.0	0.0
Net cash provided by financing activities [3]	-0.4	-2.0	-6.9	12.2	-0.4	-0.4	-0.4
Change in liquid funds [1]+[2]+[3]	4.7	1.5	0.4	-6.5	-11.6	9.2	3.3
Effects of exchange-rate changes on cash	0.0	0.0	-0.2	0.1	0.0	0.0	0.0
Cash and cash equivalent at end of period	25.0	26.4	26.7	20.2	8.6	17.8	21.0

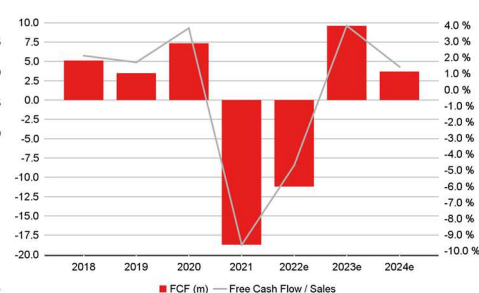
Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Cash Flow							
FCF	5.1	3.5	7.3	-18.7	-11.2	9.6	3.7
Free Cash Flow / Sales	2.1 %	1.7 %	3.8 %	-9.6 %	-4.7 %	4.0 %	1.4 %
Free Cash Flow Potential	11.4	2.8	4.5	8.5	12.8	13.5	14.3
Free Cash Flow / Net Profit	35.8 %	53.5 %	97.2 %	-237.3 %	-105.6 %	86.1 %	31.0 %
Interest Received / Avg. Cash	0.1 %	0.0 %	8.8 %	0.0 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	1.7 %	14.1 %	145.0 %	18.9 %	10.0 %	10.0 %	10.0 %
Management of Funds							
Investment ratio	2.4 %	5.0 %	5.3 %	3.6 %	2.9 %	2.9 %	2.7 %
Maint. Capex / Sales	2.3 %	4.8 %	5.1 %	3.4 %	2.2 %	2.2 %	2.0 %
Capex / Dep	226.1 %	188.2 %	172.8 %	119.5 %	117.2 %	115.3 %	113.4 %
Avg. Working Capital / Sales	25.7 %	31.6 %	32.4 %	40.9 %	44.1 %	48.4 %	47.0 %
Trade Debtors / Trade Creditors	211.4 %	303.1 %	205.1 %	139.4 %	137.3 %	137.7 %	137.3 %
Inventory Turnover	3.5 x	3.8 x	2.9 x	1.8 x	1.7 x	1.7 x	1.7 x
Receivables collection period (days)	44	50	46	55	55	55	55
Payables payment period (days)	27	21	29	50	52	52	52
Cash conversion cycle (Days)	120	124	144	212	213	214	213

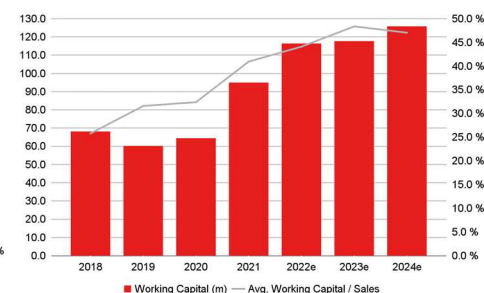
CAPEX and Cash Flow
in EUR m



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	168	78
Hold	40	19
Sell	4	2
Rating suspended	3	1
Total	215	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	50	85
Hold	6	10
Sell	1	2
Rating suspended	2	3
Total	59	100

PRICE AND RATING HISTORY DATA MODUL AS OF 21.07.2022



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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