

<b>Buy</b> <b>EUR 31.00</b>	<b>Value Indicators:</b> EUR SotP: 31.15	<b>Warburg ESG Risk Score: 2.8</b> ESG Score (MSCI based): 3.0 Balance Sheet Score: 3.3 Market Liquidity Score: 2.0	<b>Description:</b> Mutares is a PE group which specializes on turnaround and restructuring cases
	<b>Market Snapshot:</b> EUR m Market cap: 380 No. of shares (m): 15 EV: 561 Freefloat MC: 232 Ø Trad. Vol. (30d): 583.57 th	<b>Shareholders:</b> Freefloat: 61.1 % Robin Laik (CEO): 28.8 % Elber GmbH: 10.1 %	<b>Key Figures (WRe):</b> 2021e Beta: 1.3 Price / Book: 1.1 x Equity Ratio: 18 % Net Fin. Debt / EBITDA: 0.1 x Net Debt / EBITDA: 0.6 x
Price: EUR 25.05 Upside: 23.8 %			

## Another major acquisition

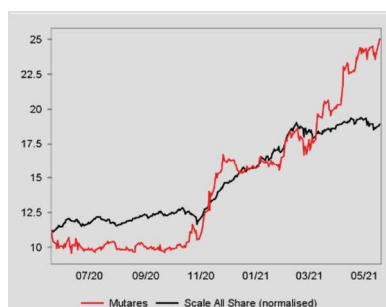
Mutares announced another milestone acquisition, following the acquisition of Lapeyre from Saint Gobain, which is still pending but expected to be closed in the next months. So far, the Donges Group was the largest portfolio holding with estimated sales of around EUR 400m for FY 21e. Sales of Lapeyre are indicated by Mutares to be above EUR 600m in FY 21e and the annual sales of the new acquisition, which is in the automotive industry, are projected at around EUR 360m in FY 21e. With this acquisition, Mutares continues to scale up the size of acquisitions as Mutares considers the turnaround consulting for somewhat larger companies to be equally as complex as for smaller ones. While there is still a handful of smaller stand-alone companies from the past in the portfolio (e.g. Cenpa (sales EUR c25m), Elastomer Solutions: (sales EUR c30m), Eupec (sales EUR c12m), the more recent acquisitions tend to be significantly larger. With the acquisition, Mutares has now more than compensated for the disposal of STS group. We expect an exit from the smaller legacy holdings over time.

With the transaction, Mutares acquires three plants from Magna International with 1,700 employees active in the field of plastic components for the car industry. All three plants are located in Germany and German premium OEMs are the main customers. The business is powertrain-agnostic and, in our view, rather on a structural growth path. In the mid term, additional growth could be realised by expanding the customer range outside passenger cars, e.g. to trucks. Comparable peer companies could be German based Polytec or Plastic Omnium, which are forecasted to generate EBIT margins north of 5% by FY 23e.

Mutares management indicates an equity contribution to the acquisition in the low single-digit million range. We estimate the seller's contribution to be significantly higher, probably in the mid to upper double-digit million range. We also expect that the acquired assets are highly loss-making at the moment. However, compared to Magna's 19 European plant organisation and potential cross-selling or supply-chain effects, we believe that Mutares has a better chance of streamlining the organisation and processes of a carved-out company in Germany.

We update our model with respect to group figures and latest transactions. The transactions have no impact on our holding forecasts at this time or on our valuation. Certainly, the potential of the transactions is significant and supports equity distribution potential from FY 22e onwards, but we stick to our methodology to include only closed buy-transactions in our valuation and announced sell-transactions in the exit gains. For informational purposes, the acquisition is included in our NAV overview. We consider Mutares to be well on track to meet its FY 23e targets and we see the overall potential rising.

Changes in Estimates:				Comment on Changes:			
FY End: 31.12. in EUR m	2021e (old)	+ / -	2022e (old)	+ / -	2023e (old)	+ / -	
Sales	2,324	5.6 %	2,528	17.1 %	2,580	17.1 %	Consolidation of Magna transaction for Q4 21 and AD communications and NCC road service Denmark for H2 21.
EBITDA	178	56.8 %	54	2.3 %	113	11.6 %	
EBITDA adj.	-22	n.m.	54	2.3 %	113	11.6 %	

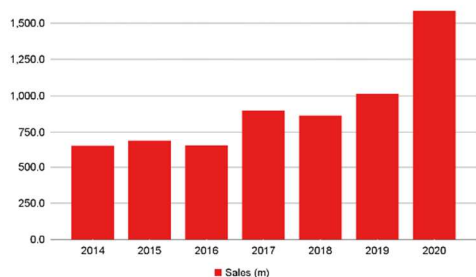


Rel. Performance vs Scale All	
1 month:	11.8 %
6 months:	30.0 %
Year to date:	39.2 %
Trailing 12 months:	51.0 %

Company events:	
20.05.21	AGM
04.08.21	Q2
09.11.21	Q3

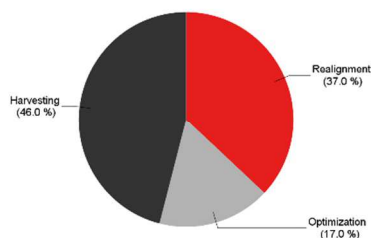
FY End: 31.12. in EUR m	CAGR (20-23e)	2017	2018	2019	2020	2021e	2022e	2023e
Sales	24.0 %	900	865	1,016	1,584	2,454	2,961	3,021
Change Sales yoy		38.4 %	-3.8 %	17.4 %	55.9 %	54.9 %	20.7 %	2.0 %
Sales Holding	38.1 %	n.a.	11	19	32	48	64	84
Chg yoy		n.a.	n.a.	83.0 %	65.0 %	49.1 %	35.3 %	30.4 %
Portfolio equity distributions		n.a.	0	3	12	12	18	20
Consulting income		n.a.	-8	-1	4	8	14	20
Exit gains		-	n.a.	68	0	23	30	0
Net income holding		n.a.	20	23	33	49	30	38
Net income margin holding		n.a.	189.9 %	116.6 %	104.7 %	102.2 %	47.3 %	45.3 %
EBITDA adj.		-28	5	7	-29	-20	55	126
Net income		44	15	21	27	190	-95	-11
Net inc. adj.		n.a.	20	23	33	49	30	38
EPS adj.		n.a.	1.32	1.48	2.20	3.20	2.01	2.51
P / E adj.		n.a.	10.1 x	6.8 x	5.1 x	7.8 x	12.5 x	10.0 x
DPS	0.0 %	1.00	1.00	1.00	1.50	1.50	1.50	1.50
Dividend Yield		7.3 %	7.5 %	10.0 %	13.3 %	6.0 %	6.0 %	6.0 %
EPS		2.85	0.96	1.37	1.79	12.55	-6.26	-0.75
P / E		4.8 x	13.9 x	7.3 x	6.3 x	2.0 x	n.a.	n.a.
Guidance:	Annualized group sales above EUR 2.2bn (including signed acquisitions)							

**Sales development**  
in EUR m



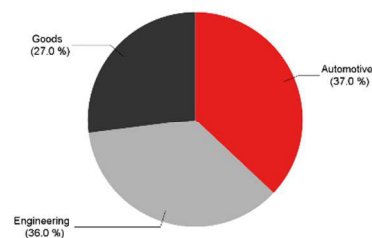
Source: Warburg Research

**Sales by cycle phase**  
2020; in %



Source: Warburg Research

**Sales by Segment**  
2020; %



Source: Warburg Research

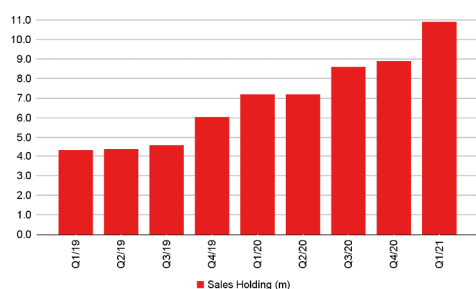
**Company Background**

- Mutares was co-founded in 2008 by CEO Robin Laik.
- Mutares invests in small/midcap (sales 50-500m) companies in special situations and manages the turnaround with its own consultants
- Consolidated sales increased from EUR 60m in 2010 to above EUR 1bn in 2019 as the company made more than 70 transactions
- Mutares has consistently paid a dividend and targets a base dividend of EUR 1.0. The dividend yield has exceeded 5% over the past five years.
- The company issued a bond in 2020 with a nominal value of EUR 80m to accelerate growth as the Covid pandemic gave rise to unique investment opportunities

**Competitive Quality**

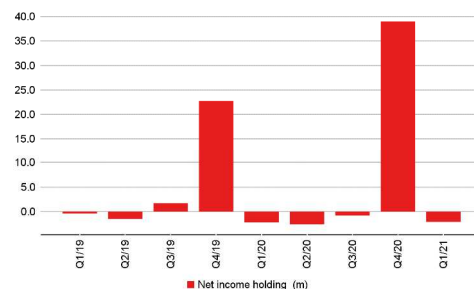
- With around 70 consultants, who are turnaround specialists, at the end of 2020, Mutares has established a European network of offices enabling the generation of synergies across its portfolio holdings.
- European small-midcap special situations management is a niche market with limited competition
- Management and board members hold significant stakes of outstanding shares
- For FY 23 Mutares targets annual consolidated sales of EUR 3bn, which translates into EUR 100m sales at Mutares holding level and a holding profit above EUR 60m including exit gains.

**Sales Mutares Holding**  
in EUR m



Source: Warburg Research

**Net income development**  
in EUR m



Source: Warburg Research

## Sum of the parts

Net Asset Value Company	exit date	all Warburg Research estimates				EV	probability	NPV	comment
		sales Wre	EBITDA margin	EBITDA / EBIT	Exit multiple				
Balcke-Dürr Group	2024	110	6%	6,6	6,0	40	25%	7,8	
BEXity	2025	200	3%	6,2	9,0	56	35%	14,2	
Carglas Maison (CGM)	2026	42	7%	2,9	7,0	21	10%	1,1	
Cenpa	2024	27	7%	1,9	6,0	11	25%	2,2	
Donges Group	2023	200	10%	19,0	7,0	133	60%	67,9	
Donges Group (Nordic)	2021	200	6%	11,0	6,0	66	75%	49,5	
Elastomer Solutions Group	2023	36	7%	2,5	6,0	15	35%	4,5	
Exi (Ericsson Services Italia)	2026	45	6%	2,7	8,0	22	10%	1,4	
EUPEC	2023	12	7%	0,8	6,0	5	35%	1,5	
Gemini Rail Group	2024	70	8%	5,6	8,0	45	25%	8,8	add on pending
iinovis group (Valmet Automotive)	2026	55	5%	2,8	5,0	14	10%	0,9	
keeper	2024	140	12%	16,8	9,0	151	35%	41,6	
Kico Group	2026	100	8%	8,0	6,0	48	25%	8,0	
La Rochette	2026	120	10%	12,0	7,0	84	10%	5,6	
Lacroix & Kress / Plati	2026	160	8%	13,0	7,0	91	25%	15,2	
Lapyere	2026	600	7%	42,0	6,0	252	10%	16,8	
Magna	2026	360	6%	21,6	6,0	130	10%	8,7	
Clecim (Primetals)	2026	55	9%	5,0	7,0	35	10%	2,3	
Primo TECS (Tekfor)	2026	120	7%	8,4	6,0	50	25%	8,4	
Royal de Boer / Japy Tech	2026	50	10%	5,0	7,0	35	10%	2,3	
Sabo	2026	25	10%	2,5	8,0	20	25%	3,3	
SFC Solutions	2026	180	8%	14,4	6,0	86	25%	14,4	
Terranor (Nordic Road Services)	2026	100	8%	8,0	6,0	48	25%	8,0	add on pending
Trefil Union	2026	40	7%	2,8	7,0	20	10%	1,3	
					# shares	Mutares stake	Price		
STS Group					6,5	73,3%	7,00	33,3	pending sell
								<b>303,8</b>	

	2020	2021e	2022e	2023e
<b>Sum of the Parts (EURm)</b>				
Consulting revenues	31,9	47,6	64,4	83,9
Consulting profit (EBITDA)	3,7	8,2	13,8	19,7
WACC				8,4%
			TV	235
Equity distributions	12	12,0	18,0	20,0
WACC				8,4%
			TV	239
(+) NPV portfolio		304		
(-) Discounted TV equity distributions		203		
NPV portfolio surplus		100,7		
Exits				
Balcke Dürr Rothemühle	5,6			
Nexive	17			
Enterprise Value / CF	22,6	120,9	31,8	473,7
Discounted values	22,6	120,9	29,3	403,3
Discounted sum EV/CF		<b>576,1</b>		
Debt		80		
Cash		26,5		
Other debt like items		39,8		
Equity Value		483		
Number of shares outstanding		15,5		
Fair value per share (EUR)		<b>31,2</b>		

▪ As debt we deduct the outstanding bond and given guarantees

Valuation	2017	2018	2019	2020	2021e	2022e	2023e
Price / Book	1.3 x	1.1 x	0.8 x	0.9 x	1.1 x	1.6 x	1.9 x
Book value per share ex intangibles	8.43	8.99	8.17	7.38	18.20	10.59	8.39
EV / Sales	0.4 x	0.3 x	0.4 x	0.3 x	0.2 x	0.2 x	0.2 x
EV / EBITDA	5.6 x	5.5 x	4.6 x	3.6 x	2.0 x	12.8 x	5.8 x
EV / EBIT	9.4 x	14.0 x	14.0 x	12.5 x	3.9 x	n.a.	128.9 x
EV / EBIT adj.*	9.4 x	14.0 x	14.0 x	n.a.	n.a.	n.a.	128.9 x
P / FCF	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	222.7 x
P / E	4.8 x	13.9 x	7.3 x	6.3 x	2.0 x	n.a.	n.a.
P / E adj.*	n.a.	10.1 x	6.8 x	5.1 x	7.8 x	12.5 x	10.0 x
Dividend Yield	7.3 %	7.5 %	10.0 %	13.3 %	6.0 %	6.0 %	6.0 %
FCF Potential Yield (on market EV)	20.1 %	17.1 %	21.5 %	28.2 %	49.2 %	7.8 %	17.3 %

\*Adjustments made for: -

Company Specific Items	2017	2018	2019	2020	2021e	2022e	2023e
Sales Holding	n.a.	11	19	32	48	64	84
Portfolio equity distributions	n.a.	0	3	12	12	18	20
Exit gains	n.a.	68	0	23	30	0	0
Net income holding	n.a.	20	23	33	49	30	38
adj. EBITDA holding	n.a.	-18	1	5	11	17	23
Income investments holding	n.a.	44	22	35	42	18	20
Chg yoy	n.a.	n.a.	83.0 %	65.0 %	49.1 %	35.3 %	30.4 %
Net income margin holding	n.a.	189.9 %	116.6 %	104.7 %	102.2 %	47.3 %	45.3 %
Consulting income	n.a.	-8	-1	4	8	14	20

## Consolidated profit & loss

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
<b>Sales</b>	<b>900</b>	<b>865</b>	<b>1,016</b>	<b>1,584</b>	<b>2,454</b>	<b>2,961</b>	<b>3,021</b>
Change Sales yoy	38.4 %	-3.8 %	17.4 %	55.9 %	54.9 %	20.7 %	2.0 %
Increase / decrease in inventory	-4	0	-4	-23	0	0	0
Own work capitalised	0	0	0	0	0	0	0
<b>Total Sales</b>	<b>896</b>	<b>865</b>	<b>1,012</b>	<b>1,561</b>	<b>2,454</b>	<b>2,961</b>	<b>3,021</b>
Material expenses	570	532	623	975	1,546	1,925	1,933
<b>Gross profit</b>	<b>326</b>	<b>333</b>	<b>389</b>	<b>586</b>	<b>908</b>	<b>1,036</b>	<b>1,088</b>
<i>Gross profit margin</i>	<i>36.2 %</i>	<i>38.5 %</i>	<i>38.3 %</i>	<i>37.0 %</i>	<i>37.0 %</i>	<i>35.0 %</i>	<i>36.0 %</i>
Personnel expenses	252	245	292	424	712	888	876
Other operating income	156	107	119	241	288	347	354
Other operating expenses	164	146	138	261	204	440	439
Unfrequent items	0	0	0	0	0	0	0
<b>EBITDA</b>	<b>67</b>	<b>49</b>	<b>79</b>	<b>143</b>	<b>280</b>	<b>55</b>	<b>126</b>
<i>Margin</i>	<i>7.5 %</i>	<i>5.7 %</i>	<i>7.8 %</i>	<i>9.0 %</i>	<i>11.4 %</i>	<i>1.9 %</i>	<i>4.2 %</i>
Depreciation of fixed assets	27	30	53	102	135	133	121
<b>EBITA</b>	<b>40</b>	<b>19</b>	<b>26</b>	<b>41</b>	<b>145</b>	<b>-78</b>	<b>6</b>
Amortisation of intangible assets	0	0	0	0	0	0	0
Goodwill amortisation	0	0	0	0	0	0	0
<b>EBIT</b>	<b>40</b>	<b>19</b>	<b>26</b>	<b>41</b>	<b>145</b>	<b>-78</b>	<b>6</b>
<i>Margin</i>	<i>4.4 %</i>	<i>2.2 %</i>	<i>2.6 %</i>	<i>2.6 %</i>	<i>5.9 %</i>	<i>-2.6 %</i>	<i>0.2 %</i>
<b>EBIT adj.</b>	<b>40</b>	<b>19</b>	<b>26</b>	<b>-130</b>	<b>-55</b>	<b>-78</b>	<b>6</b>
Interest income	3	1	2	4	1	1	1
Interest expenses	8	5	11	28	18	18	18
Other financial income (loss)	0	0	0	0	63	0	0
<b>EBT</b>	<b>35</b>	<b>15</b>	<b>17</b>	<b>17</b>	<b>190</b>	<b>-95</b>	<b>-11</b>
<i>Margin</i>	<i>3.9 %</i>	<i>1.7 %</i>	<i>1.6 %</i>	<i>1.1 %</i>	<i>7.8 %</i>	<i>-3.2 %</i>	<i>-0.4 %</i>
Total taxes	-8	3	0	-3	0	0	0
<b>Net income from continuing operations</b>	<b>44</b>	<b>12</b>	<b>17</b>	<b>20</b>	<b>190</b>	<b>-95</b>	<b>-11</b>
Income from discontinued operations (net of tax)	0	0	0	0	0	0	0
<b>Net income before minorities</b>	<b>44</b>	<b>12</b>	<b>17</b>	<b>20</b>	<b>190</b>	<b>-95</b>	<b>-11</b>
Minority interest	0	-3	-4	-7	0	0	0
<b>Net income</b>	<b>44</b>	<b>15</b>	<b>21</b>	<b>27</b>	<b>190</b>	<b>-95</b>	<b>-11</b>
<i>Margin</i>	<i>4.9 %</i>	<i>1.7 %</i>	<i>2.0 %</i>	<i>1.7 %</i>	<i>7.8 %</i>	<i>-3.2 %</i>	<i>-0.4 %</i>
Number of shares, average	15	15	15	15	15	15	15
<b>EPS</b>	<b>2.85</b>	<b>0.96</b>	<b>1.37</b>	<b>1.79</b>	<b>12.55</b>	<b>-6.26</b>	<b>-0.75</b>
EPS adj.	n.a.	1.32	1.48	2.20	3.20	2.01	2.51

\*Adjustments made for:

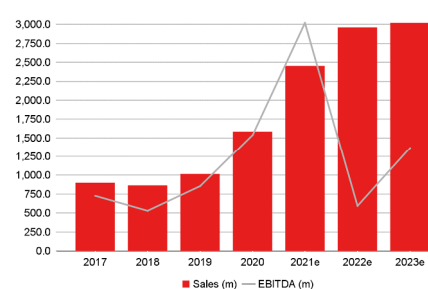
**Guidance: Annualized group sales above EUR 2.2bn (including signed acquisitions)**

## Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Total Operating Costs / Sales	92.1 %	94.3 %	91.8 %	89.5 %	88.6 %	98.1 %	95.8 %
Operating Leverage	0.4 x	13.4 x	2.0 x	1.0 x	4.6 x	n.a.	n.a.
EBITDA / Interest expenses	8.5 x	9.6 x	7.2 x	5.1 x	15.5 x	3.1 x	7.0 x
Tax rate (EBT)	-23.7 %	18.9 %	0.0 %	-16.6 %	0.0 %	0.0 %	0.0 %
Dividend Payout Ratio	35.3 %	127.0 %	91.2 %	115.6 %	12.0 %	n.m.	n.m.
Sales per Employee	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

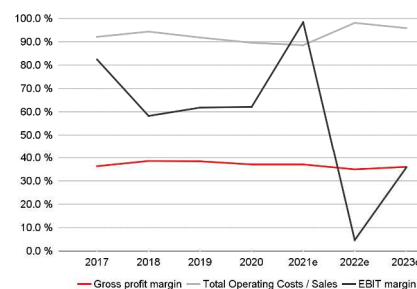
### Sales, EBITDA

in EUR m

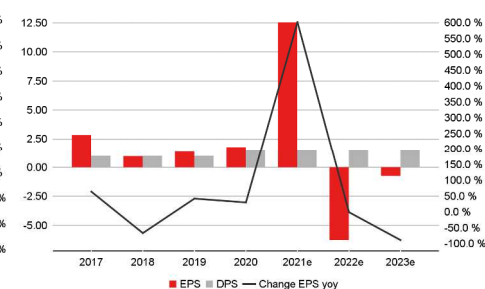


### Operating Performance

in %



### Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

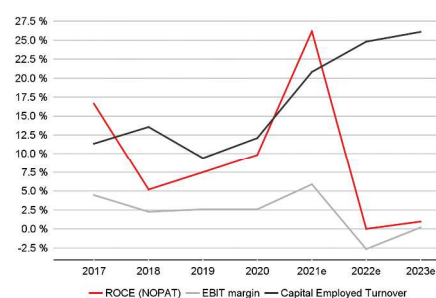
## Consolidated balance sheet

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
<b>Assets</b>							
Goodwill and other intangible assets	36	41	59	76	76	76	76
thereof other intangible assets	36	41	59	76	76	76	76
thereof Goodwill	0	0	0	0	0	0	0
Property, plant and equipment	171	133	176	243	438	334	244
Financial assets	6	17	17	9	9	9	9
Other long-term assets	4	5	123	150	150	150	150
<b>Fixed assets</b>	<b>216</b>	<b>196</b>	<b>375</b>	<b>478</b>	<b>673</b>	<b>569</b>	<b>478</b>
Inventories	131	101	134	204	351	423	432
Accounts receivable	183	163	172	295	457	552	563
Liquid assets	99	108	80	145	369	230	209
Other short-term assets	44	62	88	206	206	206	206
<b>Current assets</b>	<b>457</b>	<b>435</b>	<b>474</b>	<b>850</b>	<b>1,383</b>	<b>1,410</b>	<b>1,409</b>
<b>Total Assets</b>	<b>673</b>	<b>631</b>	<b>849</b>	<b>1,327</b>	<b>2,055</b>	<b>1,980</b>	<b>1,887</b>
<b>Liabilities and shareholders' equity</b>							
Subscribed capital	16	15	15	15	15	15	15
Capital reserve	37	37	37	38	38	38	38
Retained earnings	111	129	135	144	312	194	160
Other equity components	3	-1	-2	-7	-7	-7	-7
Shareholders' equity	166	181	185	190	358	240	206
Minority interest	-1	27	23	17	17	17	17
<b>Total equity</b>	<b>166</b>	<b>208</b>	<b>208</b>	<b>207</b>	<b>375</b>	<b>257</b>	<b>223</b>
Provisions	147	97	138	210	460	400	330
thereof provisions for pensions and similar obligations	103	47	87	116	166	166	166
Financial liabilities (total)	160	129	208	374	384	384	384
Short-term financial liabilities	36	26	41	57	57	57	57
Accounts payable	122	144	195	319	494	597	609
Other liabilities	79	53	100	217	342	342	342
<b>Liabilities</b>	<b>507</b>	<b>423</b>	<b>640</b>	<b>1,120</b>	<b>1,680</b>	<b>1,723</b>	<b>1,665</b>
<b>Total liabilities and shareholders' equity</b>	<b>673</b>	<b>631</b>	<b>849</b>	<b>1,327</b>	<b>2,055</b>	<b>1,980</b>	<b>1,887</b>

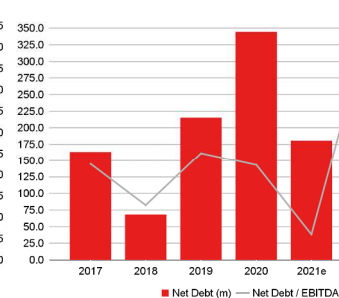
## Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
<b>Efficiency of Capital Employment</b>							
Operating Assets Turnover	2.5 x	3.4 x	3.5 x	3.8 x	3.3 x	4.2 x	4.8 x
Capital Employed Turnover	2.7 x	3.1 x	2.4 x	2.9 x	4.4 x	5.1 x	5.4 x
ROA	20.4 %	7.5 %	5.5 %	5.7 %	28.3 %	-16.7 %	-2.4 %
<b>Return on Capital</b>							
ROCE (NOPAT)	16.6 %	5.2 %	7.5 %	9.8 %	26.2 %	n.a.	1.0 %
ROE	30.9 %	8.5 %	11.4 %	14.4 %	69.5 %	-31.8 %	-5.1 %
Adj. ROE	n.a.	11.6 %	12.3 %	17.8 %	17.7 %	10.2 %	17.1 %
<b>Balance sheet quality</b>							
Net Debt	164	68	215	345	181	320	341
Net Financial Debt	61	21	128	228	15	154	175
Net Gearing	98.8 %	32.8 %	103.5 %	166.3 %	48.2 %	124.6 %	153.0 %
Net Fin. Debt / EBITDA	90.6 %	43.2 %	161.7 %	160.1 %	5.2 %	279.4 %	138.4 %
Book Value / Share	10.7	11.7	12.0	12.3	23.1	15.5	13.3
Book value per share ex intangibles	8.4	9.0	8.2	7.4	18.2	10.6	8.4

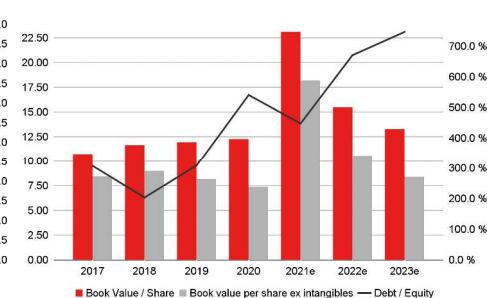
### ROCE Development



### Net debt in EUR m



### Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

## Consolidated cash flow statement

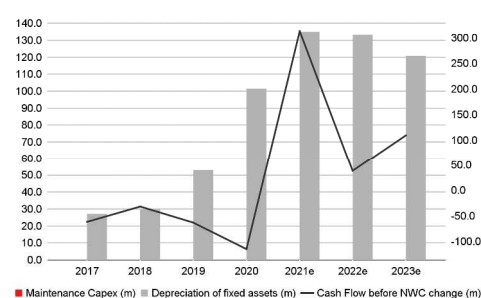
In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Net income	44	12	17	20	190	-95	-11
Depreciation of fixed assets	27	30	53	102	135	133	121
Amortisation of goodwill	0	0	0	0	0	0	0
Amortisation of intangible assets	0	0	0	0	0	0	0
Increase/decrease in long-term provisions	19	-9	-15	29	50	0	0
Other non-cash income and expenses	-152	-65	-118	-265	-63	0	0
<b>Cash Flow before NWC change</b>	<b>-62</b>	<b>-32</b>	<b>-63</b>	<b>-115</b>	<b>313</b>	<b>38</b>	<b>109</b>
Increase / decrease in inventory	34	13	20	17	-147	-73	-9
Increase / decrease in accounts receivable	-2	39	34	7	-162	-95	-11
Increase / decrease in accounts payable	0	-31	-2	48	175	102	12
Increase / decrease in other working capital positions	0	0	0	0	-250	-60	-70
Increase / decrease in working capital (total)	33	21	53	72	-384	-125	-78
<b>Net cash provided by operating activities [1]</b>	<b>-29</b>	<b>-11</b>	<b>-11</b>	<b>-43</b>	<b>-71</b>	<b>-87</b>	<b>32</b>
Investments in intangible assets	0	0	0	0	0	0	0
Investments in property, plant and equipment	0	0	0	-29	-30	-30	-30
Payments for acquisitions	2	19	33	79	275	0	0
Financial investments	0	0	0	1	0	0	0
Income from asset disposals	25	-3	23	1	63	0	0
<b>Net cash provided by investing activities [2]</b>	<b>24</b>	<b>-3</b>	<b>44</b>	<b>51</b>	<b>308</b>	<b>-30</b>	<b>-30</b>
Change in financial liabilities	12	0	0	104	10	0	0
Dividends paid	-5	-15	-15	-15	-23	-23	-23
Purchase of own shares	0	-3	0	-3	0	0	0
Capital measures	0	0	0	0	0	0	0
Other	28	42	-47	-29	0	0	0
<b>Net cash provided by financing activities [3]</b>	<b>35</b>	<b>23</b>	<b>-62</b>	<b>58</b>	<b>-13</b>	<b>-23</b>	<b>-23</b>
<b>Change in liquid funds [1]+[2]+[3]</b>	<b>29</b>	<b>9</b>	<b>-29</b>	<b>66</b>	<b>224</b>	<b>-139</b>	<b>-21</b>
Effects of exchange-rate changes on cash	0	0	0	-1	0	0	0
Cash and cash equivalent at end of period	99	108	80	145	369	230	209

## Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
<b>Cash Flow</b>							
FCF	-33	-31	-21	-73	-101	-117	2
Free Cash Flow / Sales	-3.6 %	-3.6 %	-2.1 %	-4.6 %	-4.1 %	-3.9 %	0.1 %
Free Cash Flow Potential	75	46	79	146	280	55	126
Free Cash Flow / Net Profit	-74.2 %	-212.2 %	-102.9 %	-269.0 %	-53.1 %	122.7 %	-15.9 %
Interest Received / Avg. Cash	4.0 %	0.5 %	1.6 %	3.5 %	0.4 %	0.3 %	0.5 %
Interest Paid / Avg. Debt	5.9 %	3.5 %	6.5 %	9.7 %	4.8 %	4.7 %	4.7 %
<b>Management of Funds</b>							
Investment ratio	0.0 %	0.0 %	0.0 %	1.8 %	1.2 %	1.0 %	1.0 %
Maint. Capex / Sales	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Capex / Dep	0.0 %	0.0 %	0.0 %	28.3 %	22.2 %	22.5 %	24.8 %
Avg. Working Capital / Sales	21.6 %	18.0 %	11.4 %	9.2 %	10.0 %	11.7 %	12.6 %
Trade Debtors / Trade Creditors	149.4 %	113.3 %	88.5 %	92.5 %	92.5 %	92.5 %	92.5 %
Inventory Turnover	4.3 x	5.3 x	4.6 x	4.8 x	4.4 x	4.6 x	4.5 x
Receivables collection period (days)	74	69	62	68	68	68	68
Payables payment period (days)	78	99	114	119	117	113	115
Cash conversion cycle (Days)	80	39	26	25	34	35	35

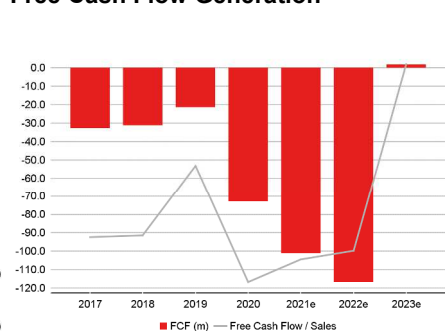
## CAPEX and Cash Flow

in EUR m



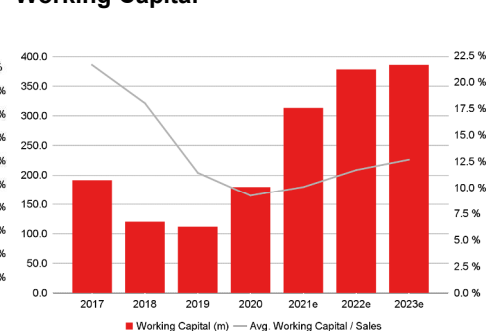
Source: Warburg Research

## Free Cash Flow Generation



Source: Warburg Research

## Working Capital



Source: Warburg Research

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-B-	<b>Buy:</b>	The price of the analysed financial instrument is expected to rise over the next 12 months.
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“-“	<b>Rating suspended:</b>	The available information currently does not permit an evaluation of the company.

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Rating	Number of stocks	% of Universe
Buy	150	70
Hold	53	25
Sell	5	2
Rating suspended	5	2
<b>Total</b>	<b>213</b>	<b>100</b>

**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	44	90
Hold	2	4
Sell	0	0
Rating suspended	3	6
<b>Total</b>	<b>49</b>	<b>100</b>

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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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