ABO Wind AG

Deutschland / Cleantech
Börse München
Bloomberg: AB9 GR
ISIN: DE0005760029

2021 Annual Report

RATING	**BUY**
PRICE TARGET	**€ 95.00**
Return Potential	62.7%
Risk Rating	High

THE PROJECT PIPELINE IS GROWING AND GROWING!

ABO Wind generated a net profit of €13.8m in 2021, thus meeting guidance and slightly exceeding our forecast of €13.5m. For 2022, the company is guiding towards a double-digit percentage increase in total output and a net profit of at least €13.8m. ABO Wind was particularly successful in project acquisition. 6.8 GW of new projects increase the volume of the project pipeline consisting of wind, solar and storage projects to 19 (!) GW. We assume that the German pipeline (1.9 GW) will benefit from the measures initiated by the German government to accelerate the energy transition. Despite supply chain problems caused by the pandemic and the Russian invasion of Ukraine, we believe ABO Wind is very well positioned for further profitable growth in 2022. The enlarged project pipeline and the accelerating expansion of renewable energy due to the fossil fuel supply crisis in Europe lead us to increase our price target from €79 to €95. We reiterate our Buy recommendation.

Net income increased again Although sales fell by 15% y/y to €127m, total output rose by 11% to €187m due to a strong increase in inventories of €60m. This resulted in EBIT of €22.4m, which was almost unchanged from the previous year despite higher personnel expenses (+25% y/y to €63m, partly due to the acquisition of the maintenance segment of VSB Group, approx. +50 employees as well as anniversary payments to employees), and in line with our estimate. The higher EBIT margin (17.7% vs. 15.1% in the previous year) stems from a more favourable product mix. The higher-margin planning & rights sales business increased its sales share to 37% from 32% in the previous year. Net income increased by 5% to €13.8m, but earnings per share decreased by 2% to €1.50 due to the capital increases carried out in 2020, which resulted in a rise of the average number of shares to 9.2m in 2021 (see figure 1 overleaf).

(p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	2019	2020	2021	2022E	2023E	2024E
Revenue (€ m)	126.27	149.16	127.11	212.39	267.25	304.13
Y-o-y growth	-16.0%	18.1%	-14.8%	67.1%	25.8%	13.8%
EBIT (€ m)	19.64	22.46	22.45	23.85	38.15	48.03
EBIT margin	15.6%	15.1%	17.7%	11.2%	14.3%	15.8%
Net income (€ m)	11.40	13.12	13.80	14.25	23.97	30.60
EPS (diluted) (€)	1.48	1.54	1.50	1.55	2.60	3.32
DPS (€)	0.42	0.45	0.49	0.49	0.57	0.65
FCF (€m)	-24.42	40.53	-54.05	-3.56	19.09	21.32
Net gearing	63.0%	5.3%	45.0%	49.4%	38.2%	27.8%
Liquid assets (€ m)	9.65	52.80	18.47	36.20	49.94	64.67

RISKS

Main risks are project development, supply chain, financing, interest rate, and regulatory risks.

COMPANY PROFILE

ABO Wind is a project developer for renewable energies and has developed green power projects with a total capacity of more than 4 GW since its establishment in 1996. The company also offers the management of wind farms, solar and biogas plants. ABO Wind has more than 900 employees. Ist headquarters are in Wiesbaden, Germany.

MARKET DATA

As of 28 Mar 2022

Closing Price	€ 58.40
Shares outstanding	9.22m
Market Capitalisation	€ 538.51m
52-week Range	€ 43.10 / 63.60
Avg. Volume (12 Months)	2,912

Multiples	2021	2022E	2023E
P/E	39.0	37.8	22.5
EV/Sales	4.8	2.9	2.3
EV/EBIT	27.0	25.4	15.9
Div. Yield	0.8%	0.8%	1.0%

STOCK OVERVIEW

COMPANY DATA

As of 31 Dec 2021

Liquid Assets	€ 18.47m
Current Assets	€ 279.04m
Intangible Assets	€ 1.47m
Total Assets	€ 297.06m
Current Liabilities	€ 35.13m
Shareholders' Equity	€ 149.86m

SHAREHOLDERS

Familie Ahn	26.0%
Familie Bockholt	26.0%
Mainova	10.0%
Free Float	38.0%

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Figure 1: Reported figures versus forecasts

All figures in €m	2021A	2021E	Delta	2020A	Delta
Sales	127.1	167.6	-24%	149.2	-15%
EBIT	22.4	22.3	1%	22.5	0%
margin	*17.7%*	*13.3%*		*15.1%*	
Net income	13.8	13.5	2%	13.1	5%
margin	*10.9%*	*8.1%*		*8.8%*	
EPS (diluted)	1.50	1.47	2%	1.54	-3%

Source: First Berlin Equity Research, ABO Wind AG

Higher debt basis for business expansion In 2021, ABO Wind issued a €30m subordinated bond (interest rate: 3.5%) and later expanded the volume to €50m. At the end of the year, the volume amounted to €40m. Although non-current liabilities to banks were reduced by €15m to €37m, overall financial debt increased by almost €26m to €86m. The reduction in cash from €53m to €19m led to a significant increase in net debt from €8m to €68m (see figure 2). Equity increased by 7% to €150m mainly due to the net profit. Because of the balance sheet expansion (+19% to €297m), the equity ratio decreased from 56% to 50% and thus remains at a high level. With the existing cash as well as the additional borrowed capital, ABO mainly increased inventories and receivables from affiliated companies. Inventories rose from €64m to €133m and receivables from affiliated companies from €62m to €90m. We see both balance sheet items as indicators of higher business activity during the current year. Their increase should lead to higher sales and gross profits in 2022.

Figure 2: Balance sheet development

in €m	2021A	2020A	Delta
Non-current assets	**14.5**	**12.5**	***16%***
Inventories	133.0	64.4	*107%*
Trade receivables	10.9	34.0	*-68%*
Receivables from affiliated companies	90.0	62.4	*44%*
Securities	11.7	9.3	*25%*
Liquid funds	18.5	52.8	*-65%*
Current assets	**279.0**	**234.9**	***19%***
Equity	149.9	140.1	*7%*
Equity ratio	*50.4%*	*56.2%*	*-5.8 PP*
Mezzanine capital	13.7	12.6	*9%*
Provisions	21.4	19.6	*9%*
Bonds	40.3	0.0	*n.a.*
Financial debt, long-term	36.6	51.7	*-29%*
Financial debt, short-term	9.0	8.6	*5%*
Total financial debt	85.9	60.3	*43%*
Net debt	67.5	7.5	*805%*
Net gearing (Net debt/equity in %)	*45.0%*	*5.3%*	*+39.7 PP*
Trade payables	14.0	7.1	*98%*
Balance sheet total	**297.1**	**249.3**	***19%***

Source: First Berlin Equity Research, ABO Wind AG

Strong expansion of project pipeline leaves its mark on cash flow statement The expansion of the project pipeline led to a strong increase in inventories (€-67m), which contributed significantly to the operating cash flow of €-51m (see figure 3). Cash flow from investing activities amounted to €-4m and includes payments for the acquisition of the maintenance segment of VSB Group, new wind measurement towers and the modernisation of office and business equipment. Cash flow from financing activities amounted to €20m and was dominated by inflows from the subordinated bond (€40m), the scheduled repayment of borrowings (€-26m) and the dividend payment (€-4m). Net cash flow amounted to €-34m.

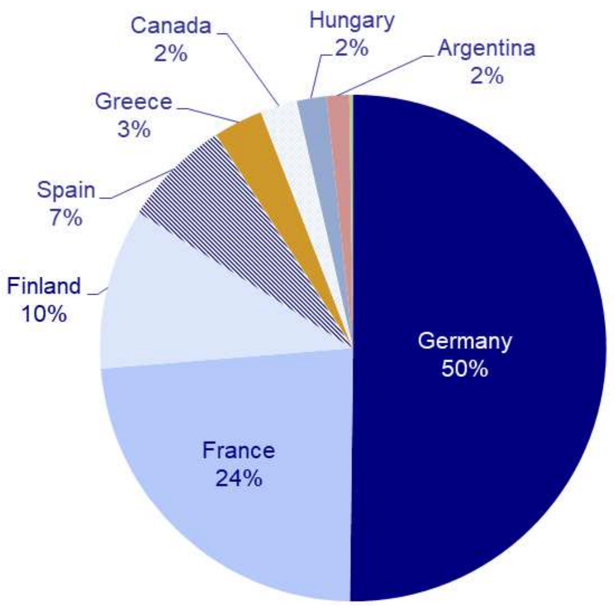
Figure 3: Cash flow statement

in €m	2021A	2020A
Operating cash flow	-50.7	42.5
CAPEX	-3.3	-2.0
Free cash flow	-54.1	40.5
Cash flow from investing	-3.9	-3.6
Cash flow from financing	20.3	4.4
Net cash flow	-34.3	43.3

Source: First Berlin Equity Research, ABO Wind AG

Foreign sales share at 50% In 2021, Germany was by far the most important market for ABO Wind with a sales share of 50%. Next came France (24%) followed by Finland (10%). In total, the company generated significant sales in eight markets. The first sales contributions in Canada are worth highlighting. With a foreign share of sales of 50% and activity in 16 markets, ABO Wind remains an internationally well and broadly positioned project developer.

Figure 4: Regional sales split 2021



Source: First Berlin Equity Research, ABO Wind AG

Lower construction activity leads to decline in sales For 2021, ABO Wind had expected a construction output of up to 200 MW. The outcome was the turnkey construction and invoicing of 72 MW. Segment revenues fell by 25% y/y to €67m (see figure 5). The revenues of the segment "Planning & Rights Sales" remained largely unchanged and reached €47m. ABO Wind sold 300 MW of project rights and completed 279 MW of project development. The service business grew strongly by 13% y/y to almost €13m. In the wind segment, ABO Wind had 1,743 MW under operational management (previous year: 1,257 MW, +39% y/y) and 466 wind turbines in service (previous year: 130, +258%). Last year, the solar business segment serviced 13 plants (2020: 10). ABO Wind now also acts as a service provider for construction and connected three Finnish wind farms (163 MW) to the grid in 2021.

Figure 5: Segment sales development

Segment sales in €m	2021A	2020A	Delta
Construction	67.2	90.1	*-25%*
Planning & Rights' Sales	47.1	47.8	*-1%*
Services	12.8	11.3	*13%*
Total sales	**127.1**	**149.2**	***-15%***

Source: First Berlin Equity Research, ABO Wind AG

Battery storage division already a success story after two years Only two years after its establishment, the Hybrid Energy and Battery Storage Systems division is working on advanced projects with a capacity of around 300 MWh which are already being implemented and have secured tariffs or production licenses. The division is focusing on so-called co-location projects, i.e. battery storage systems built together with wind or solar farms, as well as stand-alone storage projects. Combining wind and PV with storage facilitates better matching of volatile power production with demand and, given enormous short-term fluctuations in electricity prices, is also economically advantageous. The first large stand-alone storage project (50 MW), currently under construction in Northern Ireland, was sold by ABO Wind 2021 to a Swiss energy fund. ABO Wind will build further battery storage facilities with a total capacity of 20 MWh in combination with photovoltaic plants in Germany by 2023. In addition, three stand-alone battery projects with up to 44 MW/44MWh capacity are being built to balance peak loads in German distribution grids. In Greece, projects for up to 200 MWh have been secured.

Service business strengthened and expanded internationally Through the acquisition of the maintenance division of the VSB Group, ABO Wind has doubled its service business. More than 100 employees from 21 locations now maintain wind turbines, replace large components and repair gearboxes and generators. In addition, ABO Wind now has expertise in the full and partial maintenance of Enercon turbines. The expansion of the service business brings significant scaling advantages, as technicians spend less time in their cars due to the denser network of locations. In the area of operations management, the workforce in Finland was further expanded in 2021. In addition, preparations were made for market entry in Poland and Northern Ireland, where ABO Wind's own operations managers are to be hired in 2022.

Very strong new business New project business is significantly above plan at a total of 6.8 GW, in equal parts within and outside Europe. Two thirds of the new business is accounted for by wind projects, one-third by PV and storage.

19 GW pipeline of wind, solar and storage projects Strong new business expanded the project pipeline from 14.8 GW to 18.9 GW (see figure 6). Approximately 65% (12.4 GW) is wind, 30% (5.7 GW) is solar, and 5% (0.9 GW) is storage. ABO Wind's project pipeline remains broad-based: The company continues to operate in 16 countries on four continents. The largest pipeline expansion was in Finland. Here, the pipeline grew from 3 to 5 GW. The Polish pipeline was also significantly increased from 70 to 400 MW.

Figure 6: Project pipeline March 2022

Country	Phase I	Phase II	Phase III	Sum
Germany	1,700	100	100	1,900
France	1,380	60	60	1,500
Finland	4,870	0	130	5,000
Ireland	330	40	30	400
Spain	1,000	400	100	1,500
Greece	760	40	50	850
Poland	380	0	20	400
Hungary	75	25	0	100
Great Britain	315	35	50	400
The Netherlands	90	0	0	90
Argentina	750	950	0	1,700
Colombia	500	100	0	600
Canada	300	500	0	800
South Africa	2,600	1,000	0	3,600
Tansania	50	0	0	50
Tunesia	0	20	0	20
Sum	**15,100**	**3,270**	**540**	**18,910**

Phase I: site secured, approval in the works, phase II: approval received, ready for construction

Phase III: under construction

Source: First Berlin Equity Research, ABO Wind AG

Strong personnel base In 2021, the average number of employees increased from 772 to 955. This year, ABO Wind is expected to employ more than 1,000 people for the first time. In view of the worsening shortage of skilled workers in many areas due to demographic change, we see ABO Wind's strategy of keeping and expanding all essential competencies internally as a clear competitive advantage over players who source many competencies externally. For example, ABO Wind has its own electrical engineering department and its own wind measurement department.

First large wind farm (87 MW) under construction on own account With the 100 MW wind farm in Finland, which was connected to the grid last year, and the 100 MW wind farm in Spain, which will go into operation this year, ABO Wind has shown that it can also construct large wind farms on a turnkey basis. Both wind farms were already sold in the planning phase. In the meantime, the company has the confidence to construct large turnkey wind farms on its own account due to the experience gained and the expanded financial basis resulting from the capital measures. The company is currently demonstrating this with the Finnish "Pajuperänkangas" wind farm (87 MW), which is scheduled for commissioning in summer 2023. The wind farm is the largest project to date in which ABO Wind covers the complete value creation from planning to turnkey construction. A milestone in the company's history.

Success in the first German onshore wind tender 2022 ABO Wind was awarded three projects with a total capacity of 27 MW in the February tender. Two of the projects have already been sold to Trianel, for whom ABO Wind is acting as a service provider.

Further international successes in Hungary and Argentina Last year, ABO Wind secured a price-indexed feed-in tariff of 16.7 forints/kWh (approx. 4.5 €Cent/kWh) In Hungary. The contract for the "Szarvas" solar park, which has an output of 18 MWp, runs over 15 years. The park is expected to have a capacity of 24 MWp and go online in 2023. ABO Wind additionally plans to conclude a power purchase agreement (PPA). In parallel, ABO Wind plans to build the Barcs solar park with a capacity of 23 MWp in Hungary.
In 2021, ABO Wind also won an important contract in Argentina. This is remarkable success in view of the considerable economic difficulties, which the country is facing. ABO Wind initially secured capacity for the "La Buena Ventura" wind farm in a grid tender and sold the project to an Argentine oil and gas group. ABO Wind has already received a payment for the sale of the project rights. Further payments will be made as the project, which is scheduled to go into operation in 2023, progresses.

Higher dividend The Executive and Supervisory Boards will propose a 9% increase in the dividend to €0.49 to the Annual General Meeting. With an average number of shares of 9.2m, earnings per share in 2021 were €1.50. This brings the pay-out ratio to 33%. The dividend yield is currently just under 1%.

Company guidance: further growth targeted for 2022 In view of the positive development in many country markets, ABO Wind expects a double-digit percentage increase in total output for 2022 compared to 2021. Consolidated net income in 2022 should at least reach the level of the previous year (€13.8m, see figure 7).

Figure 7: Company guidance for 2022

Guidance for 2022	
Total output	double-digit growth
Net profit	≥ €13.8m

Source: First Berlin Equity Research, ABO Wind AG

Medium-term forecast 2022 - 2024 shows great potential until 2024 Average annual new business of 2 GW during 2022-2024 should allow the project pipeline to grow further (see figure 8). In terms of completed project developments, ABO Wind expects an average volume of 150 to 350 MW p.a. The sale of project rights and portfolios is expected to be in the range of or above the completed project developments. In terms of completed construction output, ABO Wind expects up to 200 MW per year. Individual large projects could also shift this figure significantly upwards during this period.

Figure 8: Mid-term guidance 2022-24

2022-24 (in MW)	Ø p.a.
New business	≥ 2000
Completed project development	150-350
Project rights / portfolio sale	≥ 150-350
Completed construction	≤ 200

Source: First Berlin Equity Research, ABO Wind AG

German government is accelerating energy transition The German government plans to increase the share of renewable energies (RE) in electricity consumption to 80% by 2030 (target so far: 65%). The basis for calculating the share of RE is a significantly higher electricity consumption forecast (680-750 TWh, previously: 658 TWh). This results in a dual effect: the higher percentage meets a higher reference value. This necessitates a strong acceleration of new installations of wind and PV plants. If the target is successfully implemented, green power production will increase from 224 TWh in 2021 to 544 - 600 TWh. This corresponds to 2.4 - 2.7 times or a compounded annual growth rate of over 10%.

According to the draft of the EEG, electricity production is to come almost entirely from renewable sources by 2035 (previously: by 2050). Various measures are planned to achieve this:

- An increase in the annual new installation of onshore wind power from about 3 GW this year to 10 GW in 2027. This level is to be maintained until 2035.
- Annual new installations of solar PV are projected to be 7 GW in 2022, increasing to 20 GW per year by 2028, and then maintained through 2035. In total, this would result in 300 GW of solar power capacity.

Forecasts revised Based on the figures for 2021, we have revised our forecasts for the subsequent years. This has resulted in only slight deviations from our previous estimates (see figure 9).

Figure 9: Revisions to forecasts

		2022E			2023E			2024E	
All figures in €m	**Old**	**New**	**Delta**	**Old**	**New**	**Delta**	**Old**	**New**	**Delta**
Sales	212.4	212.4	0.0%	267.2	267.2	0.0%	304.1	304.1	0.0%
EBIT	23.8	23.9	0.3%	36.7	38.2	4.0%	46.6	48.0	3.0%
margin	*11.2%*	*11.2%*		*13.7%*	*14.3%*		*15.3%*	*15.8%*	
Net income	14.4	14.3	-1.1%	23.6	24.0	1.6%	30.4	30.6	0.7%
margin	*6.8%*	*6.7%*		*8.8%*	*9.0%*		*10.0%*	*10.1%*	
EPS (diluted)	1.56	1.55	-1.1%	2.56	2.60	1.6%	3.29	3.32	0.7%

Source: First Berlin Equity Research

Buy confirmed with higher price target An updated DCF model yields a new price target of €95 (previously: €79). We reiterate our Buy recommendation.

VALUATION MODEL

DCF valuation model All figures in EUR '000	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E
Net sales	**212,390**	**267,249**	**304,129**	**343,058**	**383,913**	**426,213**	**469,377**	**512,730**
NOPLAT	**17,448**	**27,880**	**34,920**	**39,246**	**43,822**	**48,394**	**52,857**	**57,274**
+ depreciation & amortisation	2,105	2,233	2,527	2,952	3,415	3,893	4,383	4,879
Net operating cash flow	19,553	30,114	37,447	42,199	47,237	52,287	57,240	62,153
- total investments (CAPEX and WC)	-23,117	-11,028	-16,130	-29,555	-28,895	-30,301	-31,371	-32,039
Capital expenditures	-2,973	-3,741	-4,258	-4,803	-5,288	-5,773	-6,251	-6,712
Working capital	-20,143	-7,286	-11,872	-24,752	-23,608	-24,528	-25,119	-25,327
Free cash flows (FCF)	-3,564	19,086	21,318	12,644	18,342	21,986	25,869	30,115
PV of FCF's	**-3,400**	**17,107**	**17,947**	**9,999**	**13,627**	**15,345**	**16,958**	**18,545**

All figures in thousands	
PV of FCFs in explicit period (2022E-2036E)	258,265
PV of FCFs in terminal period	686,414
Enterprise value (EV)	944,679
+ Net cash / - net debt	-67,475
+ Investments / minority interests	41
Shareholder value	877,245
Number of shares (diluted)	9,221
Fair value per share in EUR	95.14

Terminal growth	3.0%
Terminal EBIT margin	13.7%

WACC	6.5%
Cost of equity	10.1%
Pre-tax cost of debt	4.0%
Tax rate	30.0%
After-tax cost of debt	2.8%
Share of equity capital	50.0%
Share of debt capital	50.0%
Fair value per share in EUR	95.00

Terminal growth rate

WACC	1.5%	2.0%	2.5%	3.0%	3.5%	4.0%	4.5%
4.5%	153.29	174.42	206.37	260.37	371.20	728.33	-6057.08
5.0%	125.99	139.43	158.35	186.97	235.33	334.60	654.46
5.5%	105.79	114.76	126.78	143.71	169.31	212.57	301.36
6.0%	90.27	96.49	104.51	115.24	130.36	153.22	191.86
6.5%	78.02	82.44	87.99	**95.14**	104.71	118.19	138.58
7.0%	68.13	71.34	75.28	80.21	86.58	95.10	107.10
7.5%	59.99	62.36	65.22	68.72	73.10	78.75	86.32
8.0%	53.19	54.97	57.08	59.61	62.71	66.59	71.61

* for layout purposes the model shows numbers only to 2029, but runs until 2036

INCOME STATEMENT

All figures in EUR '000	2019A	2020A	2021A	2022E	2023E	2024E
Revenues	**126,273**	**149,155**	**127,109**	**212,390**	**267,249**	**304,129**
Changes in inventory	22,752	20,206	60,346	38,230	46,769	51,702
Own work	233	0	0	0	0	0
Total output	**149,258**	**169,361**	**187,455**	**250,620**	**314,018**	**355,831**
Cost of goods sold	66,582	72,592	78,280	131,257	172,376	197,684
Gross profit	**82,676**	**96,769**	**109,175**	**119,363**	**141,642**	**158,147**
Personnel costs	41,361	50,776	63,397	67,422	71,546	76,032
Other operating income	3,451	6,362	5,141	4,248	5,345	6,083
Other operating expenses	17,143	17,593	20,440	22,301	26,725	28,892
EBITDA	**27,623**	**34,762**	**30,479**	**33,888**	**48,716**	**59,305**
Depreciation and amortisation	1,542	1,649	1,929	2,105	2,233	2,527
Depreciation of current assets	6,437	10,653	6,102	7,933	8,329	8,746
Operating income (EBIT)	**19,644**	**22,460**	**22,448**	**23,851**	**38,154**	**48,033**
Net financial result	-1,570	-1,755	-1,485	-3,197	-3,909	-4,325
Pre-tax income (EBT)	**18,074**	**20,705**	**20,963**	**20,654**	**34,244**	**43,708**
Income taxes	6,668	7,589	7,152	6,403	10,273	13,112
Minority interests	-4	4	-6	0	0	0
Net income / loss	**11,402**	**13,120**	**13,804**	**14,251**	**23,971**	**30,595**
Diluted EPS (in €)	**1.48**	**1.54**	**1.50**	**1.55**	**2.60**	**3.32**
Ratios						
Gross margin on total output	55.4%	57.1%	58.2%	47.6%	45.1%	44.4%
EBITDA margin on revenues	21.9%	23.3%	24.0%	16.0%	18.2%	19.5%
EBIT margin on revenues	15.6%	15.1%	17.7%	11.2%	14.3%	15.8%
EBT margin on revenues	14.3%	13.9%	16.5%	9.7%	12.8%	14.4%
Net margin on revenues	9.0%	8.8%	10.9%	6.7%	9.0%	10.1%
Tax rate	36.9%	36.7%	34.1%	31.0%	30.0%	30.0%
Expenses as % of revenues						
Personnel costs	32.8%	34.0%	49.9%	31.7%	26.8%	25.0%
Depreciation and amortisation	1.2%	1.1%	1.5%	1.0%	0.8%	0.8%
Depreciation of current assets	5.1%	7.1%	4.8%	3.7%	3.1%	2.9%
Other operating expenses	13.6%	11.8%	16.1%	10.5%	10.0%	9.5%
Y-Y Growth						
Revenues	-16.0%	18.1%	-14.8%	67.1%	25.8%	13.8%
Operating income	-11.6%	14.3%	-0.1%	6.2%	60.0%	25.9%
Net income/ loss	-10.5%	15.1%	5.2%	3.2%	68.2%	27.6%

BALANCE SHEET

All figures in EUR '000	2019A	2020A	2021A	2022E	2023E	2024E
Assets						
Current assets, total	**232,427**	**236,761**	**282,609**	**324,422**	**351,083**	**381,158**
Cash and cash equivalents	9,648	52,798	18,472	36,196	49,937	64,674
Short-term investments	17,665	9,331	11,684	11,684	11,684	11,684
Receivables	20,678	34,020	10,860	34,913	43,931	49,994
Inventories	80,171	64,398	133,019	133,055	136,956	146,232
Other current assets	102,749	74,825	105,708	105,708	105,708	105,708
Non-current assets, total	**10,132**	**12,501**	**14,451**	**15,320**	**16,828**	**18,559**
Property, plant & equipment	5,208	5,653	7,234	8,047	9,403	10,946
Goodwill & other intangibles	1,298	1,116	1,474	1,530	1,682	1,870
Financial assets	3,626	5,732	5,743	5,743	5,743	5,743
Other assets	0	0	0	0	0	0
Total assets	**242,559**	**249,262**	**297,060**	**339,742**	**367,911**	**399,717**
Shareholders' equity & debt						
Current liabilities, total	**69,146**	**44,700**	**56,483**	**80,349**	**79,803**	**84,007**
Short-term debt	19,362	8,594	8,997	28,917	22,000	22,000
Accounts payable	10,380	7,081	14,034	17,980	23,613	27,080
Current provisions	24,572	19,634	21,355	21,355	21,355	21,355
Other current liabilities	14,832	9,391	12,097	12,097	12,835	13,572
Long-term liabilities, total	**69,837**	**64,446**	**90,713**	**99,796**	**109,796**	**112,796**
Long-term debt	55,487	51,662	76,950	86,033	96,033	99,033
Deferred revenue	0	0	0	0	0	0
Other liabilities	14,350	12,784	13,763	13,763	13,763	13,763
Minority interests	**37**	**30**	**41**	**41**	**41**	**41**
Shareholders' equity	**103,539**	**140,086**	**149,823**	**159,556**	**178,271**	**202,873**
Share capital	8,071	9,221	9,221	9,221	9,221	9,221
Capital reserve	19,495	45,490	45,490	45,490	45,490	45,490
Other reserves	0	0	0	0	0	0
Loss carryforward / retained earnings	76,213	85,671	95,329	105,062	123,777	148,379
Total consolidated equity and debt	**242,559**	**249,262**	**297,060**	**339,742**	**367,911**	**399,717**
Ratios						
Current ratio (x)	3.36	5.30	5.00	4.04	4.40	4.54
Quick ratio (x)	2.20	3.86	2.65	2.38	2.68	2.80
Net debt	65,201	7,458	67,475	78,754	68,096	56,359
Net gearing	63.0%	5.3%	45.0%	49.4%	38.2%	27.8%
Book value per share (in €)	13.42	16.47	16.25	17.30	19.33	22.00
Equity ratio	42.7%	56.2%	50.4%	47.0%	48.5%	50.8%
Return on equity (ROE)	11.0%	9.4%	9.2%	8.9%	13.4%	15.1%
Return on assets (ROA)	5.5%	6.2%	5.4%	5.2%	7.7%	8.9%
Return on investment (ROI)	4.7%	5.3%	4.6%	4.2%	6.5%	7.7%
Return on average capital employed (ROCE)	13.4%	14.2%	12.1%	10.4%	15.6%	18.8%
Days of sales outstanding (DSO)	59.8	83.3	31.2	60.0	60.0	60.0
Days inventory outstanding (DIO)	439.5	323.8	620.2	370.0	290.0	270.0
Days in payables (DIP)	56.9	35.6	65.4	50.0	50.0	50.0

CASH FLOW STATEMENT

All figures in EUR '000	2019A	2020A	2021A	2022E	2023E	2024E
EBIT	**19,644**	**22,460**	**22,448**	**23,851**	**38,154**	**48,033**
Depreciation and amortisation	1,542	1,649	1,929	2,105	2,233	2,527
EBITDA	**21,186**	**24,109**	**24,377**	**25,955**	**40,387**	**50,560**
Changes in working capital	-37,895	28,412	-68,555	-20,143	-7,286	-11,872
Other adjustments	-5,086	-10,048	-6,558	-6,403	-10,273	-13,112
Operating cash flow	**-21,795**	**42,473**	**-50,736**	**-590**	**22,827**	**25,576**
Investments in PP&E	-1,965	-1,774	-2,941	-2,549	-3,207	-3,650
Investments in intangibles	-661	-173	-375	-425	-534	-608
Free cash flow	**-24,421**	**40,526**	**-54,052**	**-3,564**	**19,086**	**21,318**
Acquisitions & disposals, net	91	7	462	0	0	0
Other investments	282	-1,651	-1,004	0	0	0
Investment cash flow	**-2,253**	**-3,591**	**-3,858**	**-2,973**	**-3,741**	**-4,258**
Debt financing, net	34,323	-16,575	26,764	29,003	3,083	3,000
Equity financing, net	0	27,145	0	0	0	0
Dividends paid	-3,211	-3,558	-4,149	-4,518	-4,518	-5,256
Other financing	-1,948	-2,573	-2,328	-3,197	-3,909	-4,325
Financing cash flow	**29,164**	**4,438**	**20,287**	**21,288**	**-5,345**	**-6,581**
FOREX & other effects	15	-170	19	0	0	0
Net cash flows	**5,131**	**43,150**	**-34,288**	**17,724**	**13,741**	**14,737**
Cash, start of the year	4,517	9,648	52,798	18,472	36,196	49,937
Cash, end of the year	**9,648**	**52,798**	**18,510**	**36,196**	**49,937**	**64,674**
EBITDA/share (in €)	**3.58**	**4.09**	**3.31**	**3.68**	**5.28**	**6.43**
Y-Y Growth						
Operating cash flow	n.m.	n.m.	n.m.	n.m.	n.m.	12.0%
Free cash flow	n.m.	n.m.	n.m.	n.m.	n.m.	11.7%
Financial cash flow	694.2%	-84.8%	357.1%	4.9%	n.m.	n.m.
EBITDA/share	-15.6%	14.2%	-19.1%	11.2%	43.8%	21.7%

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Category		1	2
Current market capitalisation (in €)		0 - 2 billion	> 2 billion
Strong Buy[1]	An expected favourable price trend of:	> 50%	> 30%
Buy	An expected favourable price trend of:	> 25%	> 15%
Add	An expected favourable price trend of:	0% to 25%	0% to 15%
Reduce	An expected negative price trend of:	0% to -15%	0% to -10%
Sell	An expected negative price trend of:	< -15%	< -10%

[1] The expected price trend is in combination with sizable confidence in the quality and forecast security of management.

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Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	12 April 2017	€7.80	BUY	€14.00
2...17	↓	↓	↓	↓
18	22 June 2020	€20.80	BUY	€30.00
19	19 August 2020	€23.40	BUY	€30.50
20	26 November 2020	€34.00	BUY	€54.00
21	24 February 2021	€42.40	BUY	€55.00
22	18 March 2021	€45.40	BUY	€63.00
23	4 August 2021	€48.00	BUY	€66.00
24	6 September 2021	€48.10	BUY	€73.00
25	7 December 2021	€57.00	BUY	€79.00
26	Today	€58.40	BUY	€95.00

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