

Buy EUR 63.00 (EUR 54.00) Price EUR 38.55 Upside 63.4 %	Value Indicators: EUR DCF: 63.23	Warburg ESG Risk Score: 3.0 ESG Score (MSCI based): 3.0 Balance Sheet Score: 5.0 Market Liquidity Score: 1.0	Description: Wholesaler of speciality drugs and manufacturer of individualised infusions in Germany
	Market Snapshot: EUR m Market cap: 781.2 No. of shares (m): 20.3 EV: 743.1 Freefloat MC: 425.8 Ø Trad. Vol. (30d): 624.07 th	Shareholders: Freefloat 54.5 % Martin Hesse 23.1 % M. Schneider (Founder) 22.4 %	Key Figures (WRe): 2021e Beta: 1.0 Price / Book: 2.4 x Equity Ratio: 72 %

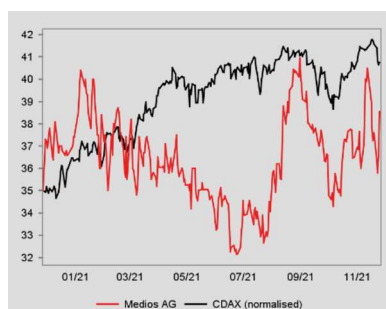
NewCo Pharma deal makes strategic sense and is value-accretive; PT up

Medios announced the acquisition of the speciality pharmaceutical compounder NewCo Pharma, almost tripling the high-margin compounding business of the group. After discussing this with CEO Matthias Gärtner and following the company's management conference call, we have increased our estimates and PT and reiterate our Buy recommendation. **The deal is value-accretive and makes strategic sense.**

The strategic rationale: The target's compounding business is a perfect fit for the Medios business model as it strengthens the company's high-margin and expertise-intensive compounding business with a complementary regional set-up. NewCo Pharma operates five specialised laboratories in Germany and manufactured 200k patient-specific preparations in 2020. This compares to Medios' 120k compounds in 2021e (100k in 2020) and almost triples Medios' output and market share. The average price per compound is EUR 765 compared to some EUR 526 at Medios. The complementary laboratory set-up will allow for efficiency gains. By focusing on specific indications, Medios can optimise the clean-room utilisation without risk of cross-contamination. Furthermore, the country-wide lab network also allows for ad-hoc preparations (sometimes these are a medical need, some 20% of total) outside Berlin. Together with its 550 specialised partner pharmacies all over Germany, Medios can now efficiently supply compounds all over the country. NewCo adds some 50 new pharmacies to the network. Besides cross-selling potential, Medios expects synergies in the areas of purchasing and insourcing and centralisation of operations such as HR, finance, etc. NewCo Pharma's management will stay on board. The acquisition makes Medios a leading player in the German speciality pharmaceuticals compounding market and, together with its leading position in wholesale, a very relevant player in Germany.

The financials: NewCo Pharma generated sales of EUR 153m in 2020 with an EBITDA margin of 8.6% (EUR 13.2m). 75% of the revenues were generated with compounding (EUR 115m). This compares to sales of EUR 62m with an EBITDA margin of 9.6% in Medios' compounding division (2020). For 2021, we estimate that the target will generate sales of EUR 161m and EBITDA of EUR 13.9m. Compared with our FY 2021 estimates for Medios, the target adds 12% to sales and 36% to EBITDA. Medios pays an EV of EUR 125m in cash and shares for NewCo Pharma. This is just 9x EBITDA. A look at Medios' trading multiples suggests that the acquisition is clearly value-accretive and makes sense strategically. While Medios holds EUR 82m in cash, the company announced a capital increase by issuing 924k new Medios shares (4.6% dilution) for a contribution in kind. Taking the closing price as of 24.11.2021 as a base, this would add up to EUR 33.8m. Furthermore, Medios said that it is exploring the possibility of financing the cash component with a private placement of new shares from authorised capital.

Changes in Estimates:				Comment on Changes:			
FY End: 31.12. in EUR m	2021e (old)	+ / -	2022e (old)	+ / -	2023e (old)	+ / -	
Sales	1,334.2	0.0 %	1,499.8	8.0 %	1,684.9	7.7 %	<ul style="list-style-type: none"> ▪ Inclusion of NewCo Pharma as of 1.1.2022, which however is still pending regulatory approval ▪ The acquisition puts the adj. EBITDA margin well above 3% ▪ Number of shares increased by 924k, 4.6% dilution ▪ Some EUR 1.5m transaction costs included in FY 2021
EBITDA adj.	38.2	0.0 %	45.0	26.3 %	53.1	25.1 %	
EPS	0.60	-11.7 %	0.87	40.2 %	1.15	28.7 %	



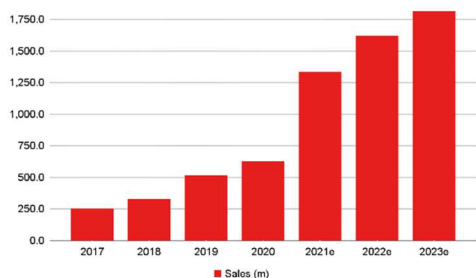
Rel. Performance vs CDAX:

1 month:	2.3 %
6 months:	9.1 %
Year to date:	-9.1 %
Trailing 12 months:	15.9 %

Company events:

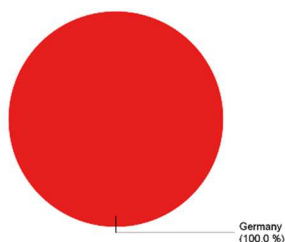
FY End: 31.12. in EUR m	CAGR (20-23e)	2017	2018	2019	2020	2021e	2022e	2023e
Sales	42.5 %	253.6	327.8	516.8	626.5	1,334.2	1,619.8	1,814.6
Change Sales yoy		58.1 %	29.3 %	57.6 %	21.2 %	113.0 %	21.4 %	12.0 %
Gross profit margin		6.8 %	7.1 %	6.6 %	6.0 %	5.1 %	6.1 %	6.3 %
EBITDA adj.	64.1 %	8.5	11.7	17.7	15.1	38.2	56.8	66.5
Margin		3.4 %	3.6 %	3.4 %	2.4 %	2.9 %	3.5 %	3.7 %
EBIT	71.7 %	6.8	7.4	14.4	9.5	17.8	40.0	48.3
Margin		2.7 %	2.3 %	2.8 %	1.5 %	1.3 %	2.5 %	2.7 %
Net income	73.0 %	4.1	4.3	9.8	6.1	10.7	25.8	31.4
EPS	57.3 %	0.32	0.54	0.67	0.38	0.53	1.22	1.48
EPS adj.	57.3 %	0.39	0.67	0.76	0.38	0.53	1.22	1.48
DPS	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Yield		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCFPS		-0.38	-0.36	-0.34	-2.67	0.37	0.27	1.02
FCF / Market cap		-3.4 %	-1.9 %	-1.9 %	-8.3 %	1.0 %	0.7 %	2.7 %
EV / Sales		0.5 x	0.8 x	0.5 x	0.8 x	0.6 x	0.5 x	0.5 x
EV / EBITDA		17.6 x	31.4 x	15.3 x	39.5 x	21.1 x	15.6 x	13.0 x
EV / EBIT		18.9 x	36.2 x	17.4 x	54.2 x	41.6 x	21.6 x	17.5 x
P / E		35.6 x	35.6 x	26.7 x	84.7 x	72.7 x	31.6 x	26.0 x
P / E adj.		29.2 x	28.7 x	23.5 x	84.7 x	72.7 x	31.6 x	26.0 x
FCF Potential Yield		2.9 %	1.7 %	4.3 %	1.8 %	3.9 %	4.9 %	5.8 %
Net Debt		-16.7	-11.6	-9.4	-0.6	-38.1	47.3	25.6
ROCE (NOPAT)		18.2 %	9.9 %	15.1 %	6.1 %	5.6 %	7.7 %	7.9 %
Guidance:		FY21: sales EUR 1.2-1.3bn, adj. EBITDA EUR 38-39m; adj. EBT EUR 31-32m						

Sales development
in EUR m



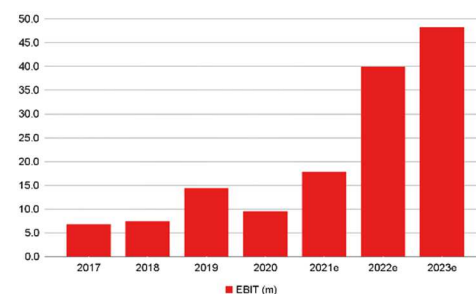
Source: Warburg Research

Sales by regions
2020; in %



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

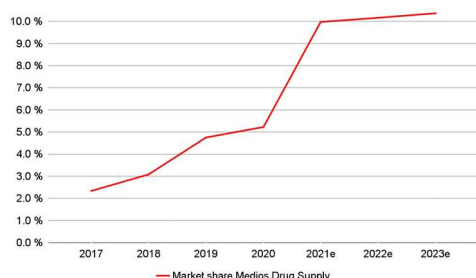
Company Background

- Medios AG is a solutions provider for speciality pharmaceuticals. In the company's definition, these are drugs with cost per unit of more than EUR 800.
- Medios operates a wholesale business for speciality pharmaceuticals in Germany (Drug Supply) and laboratories for individualised prescription-based parenteral infusions based in Berlin (Patient-specific Therapies).
- Medios "Drug Supply" is a licensed pharmaceutical wholesaler in Germany (§52a AMG). It supplies its partner pharmacies and manufacturers with speciality pharmaceuticals from its centralised warehouse in Berlin.
- "Patient-specific Therapies" is a licensed pharmaceutical producer of individualised prescription-based parenteral infusions (§13 AMG). It operates 2 labs with cleanrooms, supplying >100 practices via 10 pharmacies.
- Medios was created in 2016 but the operations originated in 2008 (compounding) and 2013 (wholesale). Founder Manfred Schneider and his team are highly experienced in the pharmacy and pharma market.

Competitive Quality

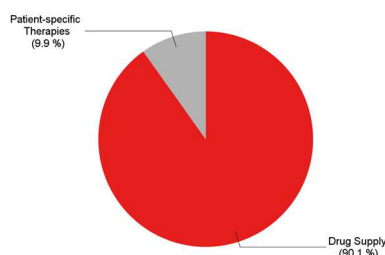
- First-mover in the growing niche market of speciality pharmaceuticals with a proven business concept.
- The EUR 3bn market for patient-specific infusions is undergoing structural change. Today, the market is supplied by more than 300 local pharmacies. A new bill aiming to save costs will drive market consolidation.
- Medios is set to be a major beneficiary of the industrialisation of the sector as it emerged as the winner of a tender process in the test market Berlin. Hence, its operations are probably the most efficient in Germany.
- In the wholesale business, it adds value for all partners: Pharmacies benefit from better buying conditions and pharma companies from efficient buying patterns and access to relevant market data.
- Key competitive advantages lie in better buying conditions owing to the pooling of volumes and direct negotiation with pharma companies on specialty pharmaceuticals, the company's expertise and network of pharmacies.

Market share Medios Pharma
in %



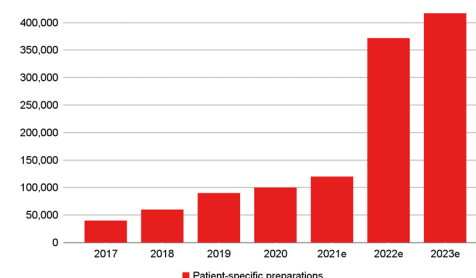
Source: Warburg Research

Sales by segments
2020; in %



Source: Warburg Research

Patient-specific preparations
Quantity



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	1,334.2	1,619.8	1,814.6	1,963.3	2,124.2	2,298.0	2,485.8	2,688.8	2,908.1	3,145.1	3,401.2	3,677.9	3,976.8	
Sales change	113.0 %	21.4 %	12.0 %	8.2 %	8.2 %	8.2 %	8.2 %	8.2 %	8.2 %	8.1 %	8.1 %	8.1 %	8.1 %	3.0 %
EBIT	17.8	40.0	48.3	55.4	61.0	66.0	74.2	90.8	98.8	107.4	116.6	126.4	137.6	
EBIT-margin	1.3 %	2.5 %	2.7 %	2.8 %	2.9 %	2.9 %	3.0 %	3.4 %	3.4 %	3.4 %	3.4 %	3.4 %	3.5 %	
Tax rate (EBT)	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	
NOPAT	12.1	27.2	32.8	37.7	41.5	44.9	50.5	61.7	67.2	73.1	79.3	85.9	93.6	
Depreciation	17.3	15.3	16.7	16.7	18.0	20.2	19.6	11.4	11.6	12.1	12.6	13.3	13.4	
in % of Sales	1.3 %	0.9 %	0.9 %	0.8 %	0.8 %	0.9 %	0.8 %	0.4 %	0.4 %	0.4 %	0.4 %	0.4 %	0.3 %	
Changes in provisions	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	
Change in Liquidity from														
- Working Capital	12.5	21.5	14.6	11.3	12.1	13.1	14.0	15.2	16.6	17.8	19.2	20.8	22.5	
- Capex	18.0	13.8	11.8	12.8	9.6	10.3	11.2	12.1	13.1	14.2	15.3	11.0	11.9	
Capex in % of Sales	1.4 %	0.9 %	0.7 %	0.7 %	0.5 %	0.5 %	0.5 %	0.5 %	0.5 %	0.5 %	0.5 %	0.3 %	0.3 %	
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)	-1.1	7.3	23.1	30.3	37.9	41.6	44.9	45.8	49.2	53.2	57.4	67.5	72.6	87
PV of FCF	-1.1	6.8	20.3	25.0	29.4	30.4	30.8	29.6	29.9	30.3	30.8	34.0	34.4	1,230
share of PVs	1.67 %			19.52 %										78.81 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	15.00 %	Financial Strength	1.00
Cost of debt (after tax)	2.8 %	Liquidity (share)	1.00
Market return	7.00 %	Cyclicality	1.00
Risk free rate	1.50 %	Transparency	1.00
		Others	1.00
WACC	6.37 %	Beta	1.00

Valuation (m)

Present values 2033e	331		
Terminal Value	1,230		
Financial liabilities	80		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	-41	No. of shares (m)	22.8
Equity Value	1,440	Value per share (EUR)	63.23

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		2.25 %	2.50 %	2.75 %	3.00 %	3.25 %	3.50 %	3.75 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.21	7.4 %	40.00	41.64	43.44	45.46	47.72	50.27	53.17	1.21	7.4 %	18.40	27.42	36.44	45.46	54.48	63.50	72.52
1.11	6.9 %	45.95	48.08	50.47	53.17	56.24	59.77	63.86	1.11	6.9 %	22.37	32.64	42.91	53.17	63.44	73.70	83.97
1.05	6.6 %	49.46	51.91	54.69	57.85	61.48	65.69	70.63	1.05	6.6 %	24.79	35.81	46.83	57.85	68.87	79.89	90.91
1.00	6.4 %	53.40	56.25	59.50	63.23	67.57	72.65	78.71	1.00	6.4 %	27.57	39.46	51.35	63.23	75.12	87.01	98.90
0.95	6.1 %	57.86	61.21	65.05	69.50	74.73	80.96	88.51	0.95	6.1 %	30.82	43.71	56.61	69.50	82.40	95.29	108.19
0.89	5.9 %	62.96	66.91	71.50	76.88	83.29	91.05	100.64	0.89	5.9 %	34.64	48.72	62.80	76.88	90.96	105.04	119.12
0.79	5.4 %	75.67	81.37	88.16	96.38	106.53	119.41	136.25	0.79	5.4 %	44.76	61.96	79.17	96.38	113.58	130.79	147.99

- Medios targets an EBITDA margin of above 4% in the medium term
- We fully reflect the dilution from the ESOP in the number of shares (max. 1.6m shares) as well as the cash inflow
- ESOP cash inflow reflected in "market value of investments"
- Cranach net debt of EUR 30m is reflected in financial liabilities

Valuation							
	2017	2018	2019	2020	2021e	2022e	2023e
Price / Book	3.2 x	4.0 x	3.2 x	3.6 x	2.4 x	2.2 x	2.1 x
Book value per share ex intangibles	2.67	2.67	3.46	6.66	7.78	5.22	7.07
EV / Sales	0.5 x	0.8 x	0.5 x	0.8 x	0.6 x	0.5 x	0.5 x
EV / EBITDA	17.6 x	31.4 x	15.3 x	39.5 x	21.1 x	15.6 x	13.0 x
EV / EBIT	18.9 x	36.2 x	17.4 x	54.2 x	41.6 x	21.6 x	17.5 x
EV / EBIT adj.*	18.9 x	36.2 x	17.4 x	54.2 x	41.6 x	21.6 x	17.5 x
P / FCF	n.a.	n.a.	n.a.	n.a.	106.3 x	144.1 x	38.7 x
P / E	35.6 x	35.6 x	26.7 x	84.7 x	72.7 x	31.6 x	26.0 x
P / E adj.*	29.2 x	28.7 x	23.5 x	84.7 x	72.7 x	31.6 x	26.0 x
Dividend Yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF Potential Yield (on market EV)	2.9 %	1.7 %	4.3 %	1.8 %	3.9 %	4.9 %	5.8 %

*Adjustments made for: extraord. exp. (stock options (non-cash), start-up); going forward not planned; reflected in valuation through dilution

Company Specific Items							
	2017	2018	2019	2020	2021e	2022e	2023e
Market share Medios Drug Supply	2.3 %	3.1 %	4.7 %	5.2 %	10.0 %	10.2 %	10.4 %
Patient-specific preparations	40,000	60,000	90,000	100,000	120,000	371,782	417,005

	2017	2018	2019	2020	2021e	2022e	2023e
Divisional Net Sales (EUR m)							
Drug Supply	211	289	466	564	1,270	1,425	1,599
Patient-specific Therapies	43	39	50	62	63	194	215
Services	0	0	0	0	1	1	1
Total	254	328	517	627	1,334	1,620	1,815

	2017	2018	2019	2020	2021e	2022e	2023e
Divisional Sales Shares							
Drug Supply	83%	88%	90%	90%	95%	88%	88%
Patient-specific Therapies	17%	12%	10%	10%	5%	12%	12%
Services	0%	0%	0%	0%	0%	0%	0%
Total	100%	100%	100%	100%	100%	100%	100%

	2017	2018	2019	2020	2021e	2022e	2023e
Divisional Sales Growth							
Drug Supply	65%	37%	61%	21%	125%	12%	12%
Patient-specific Therapies	-1%	-10%	30%	23%	2%	207%	11%
Services					96%	0%	0%
Total	58%	29%	58%	21%	113%	21%	12%

2015/2016 figures pro forma and pre consolidation

	2017	2018	2019	2020	2021e	2022e	2023e
Adjusted EBITDA* (EUR m)							
Drug Supply	7.6	9.4	11.9	9.6	31.8	37.1	43.2
Patient-specific Therapies	1.9	3.3	6.2	5.9	8.2	22.3	25.8
Services	-1.0	-1.0	-0.4	-0.5	-1.8	-2.5	-2.5
Total	8.5	11.7	17.7	15.1	38.2	56.8	66.5

	2017	2018	2019	2020	2021e	2022e	2023e
Divisional adj. EBITDA Margin							
Drug Supply	3.6%	3.3%	2.6%	1.7%	2.5%	2.6%	2.7%
Patient-specific Therapies	4.3%	8.5%	12.4%	9.6%	13.0%	11.5%	12.0%
Services	na	na	na	na	na	na	na
Total	3.4%	3.6%	3.4%	2.4%	2.9%	3.5%	3.7%

	2017	2018	2019	2020	2021e	2022e	2023e
Divisional adj. EBITDA Share							
Drug Supply	89.3%	80.2%	67.2%	64.0%	83.2%	65.2%	64.9%
Patient-specific Therapies	21.9%	28.0%	35.1%	39.4%	21.5%	39.2%	38.8%
Services	-11.2%	-8.2%	-2.3%	-3.5%	-4.7%	-4.4%	-3.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

*excluding extraordinary items; 2015/2016 figures pro forma and pre consolidation

Consolidated profit & loss

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Sales	253.6	327.8	516.8	626.5	1,334.2	1,619.8	1,814.6
Change Sales yoy	58.1 %	29.3 %	57.6 %	21.2 %	113.0 %	21.4 %	12.0 %
Increase / decrease in inventory	0.8	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	0.4	0.9	0.5	0.4	0.0	0.0	0.0
Total Sales	254.8	328.8	517.4	626.9	1,334.2	1,619.8	1,814.6
Material expenses	237.4	305.6	483.4	589.3	1,266.2	1,520.7	1,700.6
Gross profit	17.4	23.1	34.0	37.6	68.1	99.1	114.0
<i>Gross profit margin</i>	<i>6.8 %</i>	<i>7.1 %</i>	<i>6.6 %</i>	<i>6.0 %</i>	<i>5.1 %</i>	<i>6.1 %</i>	<i>6.3 %</i>
Personnel expenses	6.1	9.8	11.0	15.3	19.5	25.9	29.0
Other operating income	0.1	0.3	1.3	0.5	0.6	1.6	1.8
Other operating expenses	4.1	5.1	8.0	9.7	14.0	19.4	21.8
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	7.3	8.5	16.4	13.1	35.2	55.3	65.0
<i>Margin</i>	<i>2.9 %</i>	<i>2.6 %</i>	<i>3.2 %</i>	<i>2.1 %</i>	<i>2.6 %</i>	<i>3.4 %</i>	<i>3.6 %</i>
EBITDA adj.	8.5	11.7	17.7	15.1	38.2	56.8	66.5
Depreciation of fixed assets	0.4	0.6	1.1	2.5	5.0	4.2	5.9
EBITA	6.9	7.9	15.3	10.6	30.2	51.2	59.1
Amortisation of intangible assets	0.1	0.5	0.9	1.1	12.3	11.2	10.8
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	6.8	7.4	14.4	9.5	17.8	40.0	48.3
<i>Margin</i>	<i>2.7 %</i>	<i>2.3 %</i>	<i>2.8 %</i>	<i>1.5 %</i>	<i>1.3 %</i>	<i>2.5 %</i>	<i>2.7 %</i>
Interest income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest expenses	0.1	0.0	0.2	0.7	2.0	2.1	2.1
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	6.7	7.4	14.2	8.9	15.8	37.9	46.1
<i>Margin</i>	<i>2.6 %</i>	<i>2.3 %</i>	<i>2.8 %</i>	<i>1.4 %</i>	<i>1.2 %</i>	<i>2.3 %</i>	<i>2.5 %</i>
Total taxes	2.6	3.1	4.5	2.8	5.1	12.1	14.8
Net income from continuing operations	4.1	4.3	9.8	6.1	10.7	25.8	31.4
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	4.1	4.3	9.8	6.1	10.7	25.8	31.4
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	4.1	4.3	9.8	6.1	10.7	25.8	31.4
<i>Margin</i>	<i>1.6 %</i>	<i>1.3 %</i>	<i>1.9 %</i>	<i>1.0 %</i>	<i>0.8 %</i>	<i>1.6 %</i>	<i>1.7 %</i>
Number of shares, average	12.7	14.6	14.6	16.1	20.3	21.2	21.2
EPS	0.32	0.54	0.67	0.38	0.53	1.22	1.48
EPS adj.	0.39	0.67	0.76	0.38	0.53	1.22	1.48

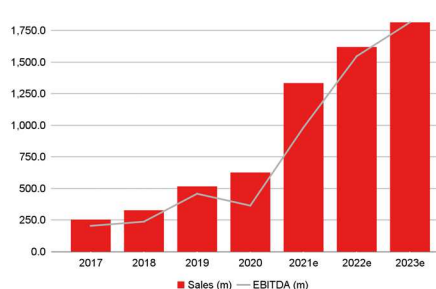
*Adjustments made for: extraord. exp. (stock options (non-cash), start-up); going forward not planned; reflected in valuation through dilution

Guidance: FY21: sales EUR 1.2-1.3bn, adj. EBITDA EUR 38-39m; adj. EBT EUR 31-32m

Financial Ratios

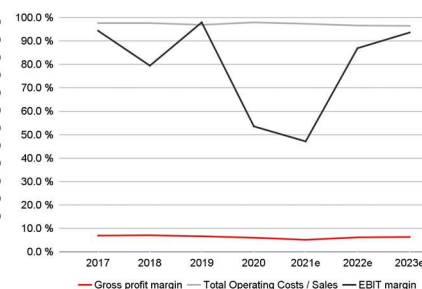
	2017	2018	2019	2020	2021e	2022e	2023e
Total Operating Costs / Sales	97.6 %	97.7 %	96.9 %	98.0 %	97.4 %	96.6 %	96.4 %
Operating Leverage	0.3 x	0.3 x	1.6 x	-1.6 x	0.8 x	5.8 x	1.7 x
EBITDA / Interest expenses	75.6 x	243.6 x	84.4 x	19.5 x	17.2 x	26.1 x	30.6 x
Tax rate (EBT)	38.4 %	41.4 %	31.4 %	31.9 %	32.0 %	32.0 %	32.0 %
Dividend Payout Ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Sales per Employee	2,415,587	2,245,410	3,468,489	2,516,237	4,303,977	4,976,345	5,309,195

Sales, EBITDA in EUR m



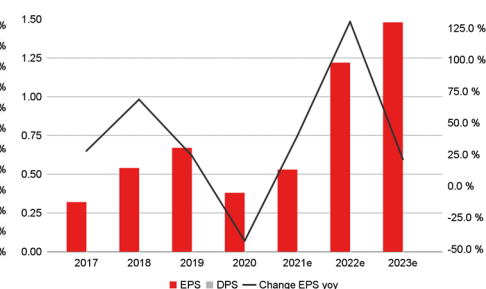
Source: Warburg Research

Operating Performance in %



Source: Warburg Research

Performance per Share



Source: Warburg Research

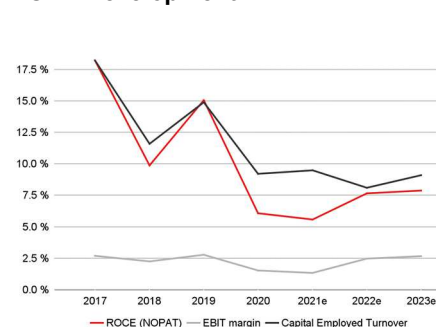
Consolidated balance sheet

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Assets							
Goodwill and other intangible assets	9.3	31.6	31.3	35.2	173.7	259.1	240.7
thereof other intangible assets	2.0	14.9	14.0	12.9	0.6	0.6	0.6
thereof Goodwill	7.2	16.7	16.7	18.4	167.8	250.8	229.7
Property, plant and equipment	5.4	5.6	5.6	22.6	41.5	58.7	61.9
Financial assets	0.0	0.1	0.3	0.4	0.4	0.4	0.4
Other long-term assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fixed assets	14.7	37.4	37.1	58.2	215.6	318.2	303.0
Inventories	10.6	14.0	16.1	35.3	38.1	46.3	51.8
Accounts receivable	17.1	31.1	42.8	74.8	106.0	128.7	144.2
Liquid assets	16.7	11.8	15.6	19.8	91.2	5.8	27.4
Other short-term assets	2.6	4.3	5.0	6.4	8.0	9.7	10.9
Current assets	47.0	61.1	79.4	136.3	243.3	190.5	234.3
Total Assets	61.7	98.4	116.6	194.5	458.9	508.7	537.3
Liabilities and shareholders' equity							
Subscribed capital	6.5	14.6	14.6	16.1	16.1	16.1	16.1
Capital reserve	37.4	49.9	51.3	104.5	104.5	104.5	104.5
Retained earnings	0.7	6.0	15.8	21.9	32.6	58.3	89.7
Other equity components	1.0	0.0	0.0	0.0	178.1	190.7	180.1
Shareholders' equity	45.7	70.5	81.6	142.4	331.3	369.6	390.4
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total equity	45.7	70.5	81.6	142.4	331.3	369.6	390.4
Provisions	2.6	2.6	8.1	4.2	5.7	7.0	7.8
thereof provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial liabilities (total)	0.0	0.2	6.2	19.2	53.1	53.1	53.1
Short-term financial liabilities	0.0	0.2	3.7	2.6	2.5	2.5	2.5
Accounts payable	11.9	18.8	12.9	22.4	43.9	53.3	59.7
Other liabilities	1.6	6.3	7.7	6.3	24.9	25.7	26.3
Liabilities	16.0	27.9	34.9	52.1	127.6	139.1	146.9
Total liabilities and shareholders' equity	61.7	98.4	116.6	194.5	458.9	508.7	537.3

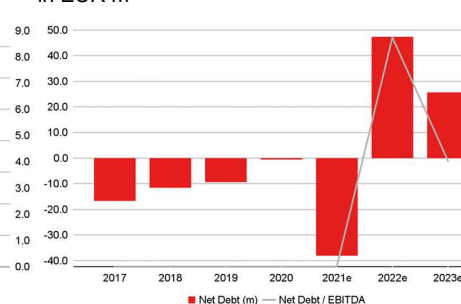
Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Efficiency of Capital Employment							
Operating Assets Turnover	11.9 x	10.3 x	10.0 x	5.7 x	9.4 x	9.0 x	9.2 x
Capital Employed Turnover	8.7 x	5.6 x	7.2 x	4.4 x	4.6 x	3.9 x	4.4 x
ROA	28.1 %	11.6 %	26.3 %	10.4 %	5.0 %	8.1 %	10.4 %
Return on Capital							
ROCE (NOPAT)	18.2 %	9.9 %	15.1 %	6.1 %	5.6 %	7.7 %	7.9 %
ROE	10.6 %	7.4 %	12.8 %	5.4 %	4.5 %	7.3 %	8.3 %
Adj. ROE	12.6 %	10.7 %	14.6 %	5.4 %	4.5 %	7.3 %	8.3 %
Balance sheet quality							
Net Debt	-16.7	-11.6	-9.4	-0.6	-38.1	47.3	25.6
Net Financial Debt	-16.7	-11.6	-9.4	-0.6	-38.1	47.3	25.6
Net Gearing	-36.5 %	-16.4 %	-11.5 %	-0.4 %	-11.5 %	12.8 %	6.6 %
Net Fin. Debt / EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	85.5 %	39.5 %
Book Value / Share	3.3	4.8	5.6	8.9	16.3	17.4	18.4
Book value per share ex intangibles	2.7	2.7	3.5	6.7	7.8	5.2	7.1

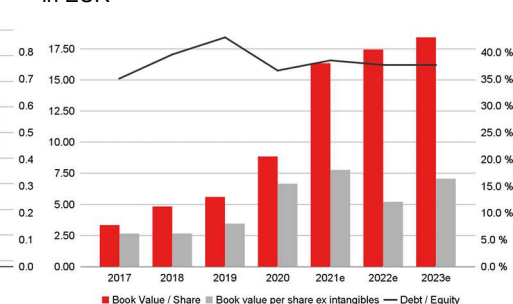
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

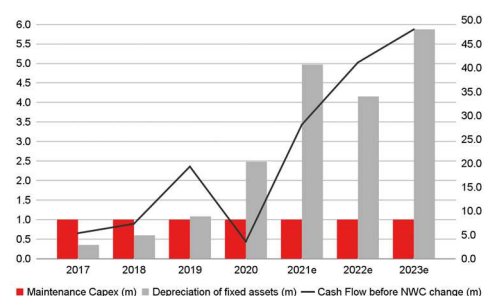
In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Net income	4.1	4.3	9.8	6.1	10.7	25.8	31.4
Depreciation of fixed assets	0.4	0.6	1.1	2.5	5.0	4.2	5.9
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.1	0.5	0.9	1.1	12.3	11.2	10.8
Increase/decrease in long-term provisions	0.0	-0.8	0.0	0.0	0.0	0.0	0.0
Other non-cash income and expenses	0.7	2.6	7.6	-6.0	0.0	0.0	0.0
Cash Flow before NWC change	5.4	7.3	19.3	3.6	28.1	41.1	48.1
Increase / decrease in inventory	-4.0	-3.4	-2.1	-19.3	-2.8	-8.2	-5.5
Increase / decrease in accounts receivable	-2.6	-14.0	-11.7	-32.0	-31.2	-22.7	-15.5
Increase / decrease in accounts payable	2.0	6.9	-5.9	9.5	21.5	9.4	6.4
Increase / decrease in other working capital positions	0.0	0.0	0.0	0.0	10.0	0.0	0.0
Increase / decrease in working capital (total)	-4.6	-10.4	-19.8	-41.7	-2.5	-21.5	-14.6
Net cash provided by operating activities [1]	0.8	-3.1	-0.4	-38.1	25.6	19.6	33.5
Investments in intangible assets	-1.3	-1.3	-1.2	-2.1	-2.0	-2.4	-2.7
Investments in property, plant and equipment	-4.4	-0.9	-3.2	-19.3	-16.0	-11.3	-9.1
Payments for acquisitions	-1.7	0.0	0.0	-1.2	0.0	-125.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.3	0.3	4.3	0.1	30.0	0.0	0.0
Net cash provided by investing activities [2]	-7.2	-1.8	-0.2	-5.9	12.0	-138.8	-11.8
Change in financial liabilities	0.0	0.2	-0.5	1.5	33.8	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	14.9	-0.4	0.0	53.2	0.0	33.8	0.0
Other	-8.9	0.0	-0.2	-3.5	0.0	0.0	0.0
Net cash provided by financing activities [3]	6.0	-0.2	-0.7	51.1	33.8	33.8	0.0
Change in liquid funds [1]+[2]+[3]	-0.4	-5.1	-1.3	7.1	71.4	-85.4	21.7
Effects of exchange-rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalent at end of period	16.7	11.6	10.3	19.8	91.2	5.8	27.4

Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Cash Flow							
FCF	-4.9	-5.3	-4.9	-43.0	7.6	5.8	21.7
Free Cash Flow / Sales	-1.9 %	-1.6 %	-0.9 %	-6.9 %	0.6 %	0.4 %	1.2 %
Free Cash Flow Potential	3.7	4.5	10.9	9.3	29.1	42.2	49.2
Free Cash Flow / Net Profit	-118.3 %	-122.3 %	-50.1 %	-708.7 %	70.3 %	22.6 %	69.1 %
Interest Received / Avg. Cash	0.0 %	0.1 %	0.2 %	0.2 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	n.a.	34.5 %	6.0 %	5.3 %	5.7 %	4.0 %	4.0 %
Management of Funds							
Investment ratio	2.3 %	0.7 %	0.9 %	3.4 %	1.4 %	0.9 %	0.7 %
Maint. Capex / Sales	0.4 %	0.3 %	0.2 %	0.2 %	0.1 %	0.1 %	0.1 %
Capex / Dep	1162.1 %	188.6 %	224.1 %	604.9 %	104.0 %	89.8 %	70.6 %
Avg. Working Capital / Sales	5.3 %	6.4 %	7.0 %	10.7 %	7.0 %	6.8 %	7.1 %
Trade Debtors / Trade Creditors	143.8 %	165.2 %	332.3 %	333.9 %	241.5 %	241.5 %	241.5 %
Inventory Turnover	22.4 x	21.9 x	30.1 x	16.7 x	33.2 x	32.8 x	32.8 x
Receivables collection period (days)	25	35	30	44	29	29	29
Payables payment period (days)	18	22	10	14	13	13	13
Cash conversion cycle (Days)	23	29	33	52	27	27	27

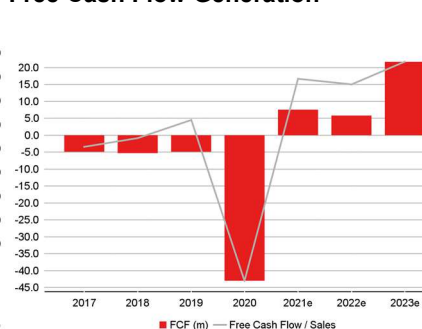
CAPEX and Cash Flow

in EUR m



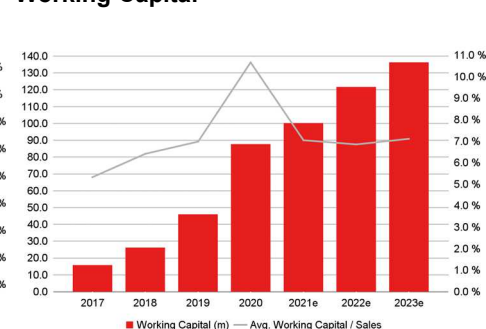
Source: Warburg Research

Free Cash Flow Generation



Source: Warburg Research

Working Capital



Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
Medios	3, 4, 5	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A1MMCC8.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	154	71
Hold	56	26
Sell	5	2
Rating suspended	3	1
Total	218	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	49	83
Hold	8	14
Sell	0	0
Rating suspended	2	3
Total	59	100

PRICE AND RATING HISTORY MEDIOS AS OF 26.11.2021


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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