

Hold EUR 76.00 Price EUR 97.20 Downside -21.8 %	Value Indicators: EUR DCF: 76.06 FCF-Value Potential 22e: 48.21	Warburg ESG Risk Score: 2.7 ESG Score (MSCI based): 3.0 Balance Sheet Score: 4.0 Market Liquidity Score: 1.0	Description: B2B digital cameras for applications such as factory, medical, traffic or retail.
	Market Snapshot: EUR m Market cap: 966.4 No. of shares (m): 9.9 EV: 958.0 Freefloat MC: 376.9 Ø Trad. Vol. (30d): 304.18 th	Shareholders: Freefloat 39.0 % Norbert Basler 52.0 % Treasury shares 5.0 % Dr. Ley (CEO) 4.0 %	Key Figures (WRe): 2020e Beta: 1.1 Price / Book: 8.4 x Equity Ratio: 74 % Net Fin. Debt / EBITDA: 0.1 x Net Debt / EBITDA: 0.2 x

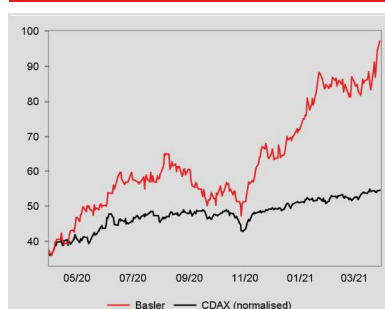
First Glance: Order momentum remains high

Basler - Q4 2020						
in EURm	Q4/20	Q4/19	yoy	2020	2019	yoy
Sales	41.3	38.8	6.4%	170.5	162.0	5.3%
EBITDA	6.4	6.9	-7.7%	34.6	30.0	15.5%
<i>margin</i>	<i>15.4%</i>	<i>17.8%</i>		<i>20.3%</i>	<i>18.5%</i>	
EBT	2.3	3.8	-40.0%	20.4	16.9	20.7%
<i>margin</i>	<i>5.5%</i>	<i>9.8%</i>		<i>12.0%</i>	<i>10.4%</i>	

Basler published the 2020 financial report, which was in line with the preliminary results. The top line grew by 5.3% to EUR 170.5m (guidance EUR 160-171m). Against the backdrop of a global pandemic, the company outperformed the German industrial imaging sector which lost 7% yoy, according to the VDMA. The strong growth was driven by the high demand from the semiconductor and electronics industry, especially from Asian customers. This should have compensated for weaker demand from the automotive and general industry in Europe. The EBT margin recovered from 10.4% to 12.0% and reached the upper end of the guided range (11-12%), after impediments from a major acquisition in 2019. This has also led to a significant increase in the FCF from EUR -9.7m to EUR 14.0m.

The high demand is also reflected in the order intake, which increased by 9% from EUR 166.5m to EUR 181.6m. According to the company, the positive trend in order momentum has continued in the current year as demand from the logistics as well as semiconductor and electronics remains high. For 2021, Basler is aiming for a top line of EUR 190-210m and an EBT margin of 12-14%, which is fully in line with our estimates (sales EUR 202.3m, EBT margin 12-13%). The guidance implies, however, an improvement in the COVID-situation in the second half of the year and no significant impediments on Basler's supply chain.

Considering Basler's usually conservative guidance policy, we consider the strong guidance as a positive signal for the stock, but given the strong performance since our last comment, this appears to be already reflected by the market.



Rel. Performance vs CDAX:

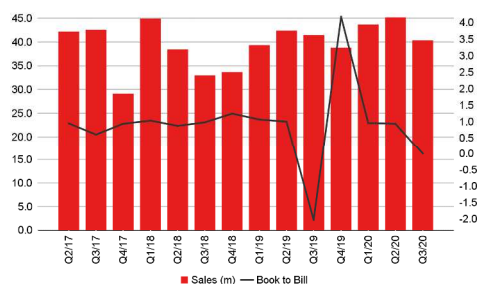
1 month:	6.1 %
6 months:	77.9 %
Year to date:	28.3 %
Trailing 12 months:	136.9 %

Company events:

06.05.21	Q1
19.05.21	AGM
05.08.21	Q2
04.11.21	Q3

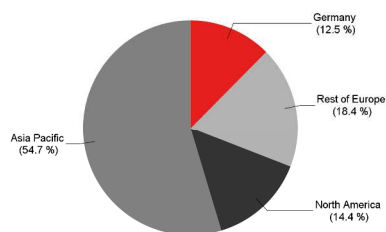
FY End: 31.12. in EUR m	CAGR (19-22e)	2016	2017	2018	2019	2020e	2021e	2022e
Sales	12.1 %	97.5	150.2	150.0	162.0	170.0	202.3	228.1
Change Sales yoy		14.2 %	54.0 %	-0.1 %	8.0 %	5.0 %	19.0 %	12.8 %
Gross profit margin		48.7 %	49.6 %	53.3 %	50.9 %	51.8 %	50.4 %	50.3 %
EBITDA	17.5 %	18.8	39.7	36.0	30.0	34.6	42.1	48.6
Margin		19.2 %	26.4 %	24.0 %	18.5 %	20.3 %	20.8 %	21.3 %
EBIT	25.6 %	12.2	30.5	24.8	17.0	21.0	27.7	33.7
Margin		12.5 %	20.3 %	16.6 %	10.5 %	12.3 %	13.7 %	14.8 %
Net income	22.6 %	7.9	21.6	17.0	12.9	15.1	19.6	23.7
EPS	22.5 %	0.82	2.25	1.76	1.29	1.51	1.96	2.37
DPS	39.8 %	0.25	0.67	0.53	0.26	0.45	0.59	0.71
Dividend Yield		1.4 %	1.6 %	0.9 %	0.6 %	0.5 %	0.6 %	0.7 %
FCFPS		0.84	2.46	0.93	-0.98	1.40	1.92	2.10
FCF / Market cap		4.7 %	5.8 %	1.6 %	-2.1 %	1.4 %	2.0 %	2.2 %
EV / Sales		1.8 x	2.7 x	3.8 x	3.0 x	5.8 x	4.8 x	4.2 x
EV / EBITDA		9.4 x	10.2 x	15.7 x	16.1 x	28.3 x	22.9 x	19.5 x
EV / EBIT		14.5 x	13.2 x	22.8 x	28.4 x	46.6 x	34.8 x	28.1 x
P / E		21.6 x	18.8 x	32.7 x	36.4 x	64.4 x	49.6 x	41.0 x
P / E adj.		21.6 x	18.8 x	32.7 x	36.4 x	64.4 x	49.6 x	41.0 x
FCF Potential Yield		6.0 %	7.2 %	4.1 %	2.3 %	2.1 %	3.0 %	3.5 %
ROE		16.7 %	37.4 %	24.1 %	14.4 %	13.8 %	16.0 %	17.0 %
ROCE (NOPAT)		15.6 %	38.4 %	23.8 %	12.7 %	12.9 %	16.6 %	19.6 %
Guidance:	2020 sales EUR 169-171m, EBT margin 11-12%							

Sales development
in EUR m



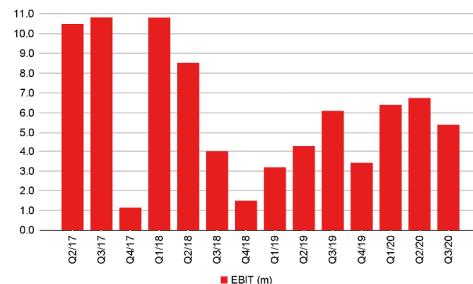
Source: Basler

Sales by regions
2019; in %



Source: Basler

EBIT development
in EUR m



Source: Basler

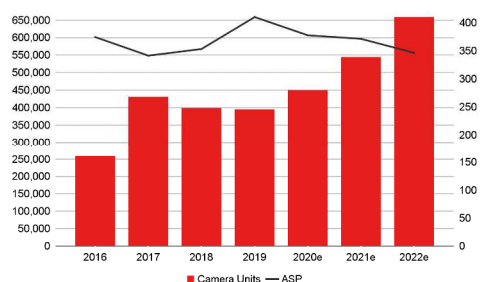
Company Background

- Basler is a provider of digital cameras for production, medical applications, traffic control or retail.
- Basler focuses on the mainstream and entry-level market segments.
- Customers are mainly OEMs. The customer base is well diversified and no single customer accounts for more than 10% of revenue. More than 60% of revenues are direct sales.

Competitive Quality

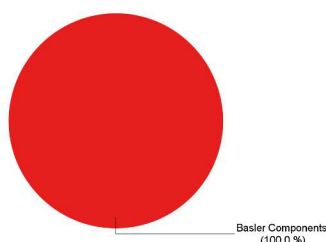
- In terms of units Basler is the world's largest developer and manufacturer of digital cameras in a fragmented, but consolidating, market for digital cameras for B2B-applications.
- High level of vision technology expertise: Basler has one of the largest developer pools in the sector and differentiates itself with camera software competence, which accounts for more than 50% of the value creation.
- State-of-the-art product portfolio: Basler is among the first movers in digital cameras based on GigE Vision and the USB3 Vision standard. It is also an early adopter of new sensor technology.
- High service and consulting quality through direct sales and Basler's network of specialised distributors.
- Basler is present in the most important markets for vision technology in South East Asia, Europe and the US.

Camera Units



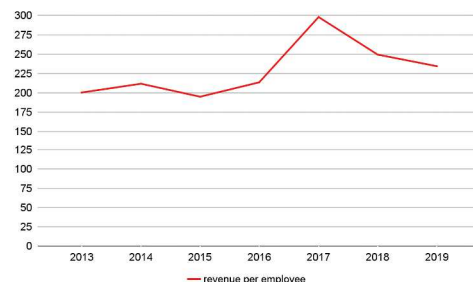
Source: Basler

Sales by segments
2019; in %



Source: Basler

Revenue per employee
in EUR k



Source: Basler

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	
Sales	170.0	202.3	228.1	254.3	283.3	314.3	347.4	382.4	419.4	458.4	499.3	542.1	588.5	2.0 %
Sales change	5.0 %	19.0 %	12.8 %	11.5 %	11.4 %	10.9 %	10.5 %	10.1 %	9.7 %	9.3 %	8.9 %	8.6 %	8.6 %	
EBIT	21.0	27.7	33.7	38.1	41.1	45.6	50.4	55.4	60.8	66.5	72.4	78.6	85.3	14.5 %
EBIT-margin	12.3 %	13.7 %	14.8 %	15.0 %	14.5 %	14.5 %	14.5 %	14.5 %	14.5 %	14.5 %	14.5 %	14.5 %	14.5 %	
Tax rate (EBT)	26.0 %	27.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	61.4
NOPAT	15.5	20.2	24.3	27.5	29.6	32.8	36.3	39.9	43.8	47.9	52.1	56.6	61.4	
Depreciation	13.6	14.5	14.9	14.8	16.4	18.2	20.1	22.2	24.3	26.6	29.0	31.4	34.1	5.8 %
in % of Sales	8.0 %	7.1 %	6.5 %	5.8 %	5.8 %	5.8 %	5.8 %	5.8 %	5.8 %	5.8 %	5.8 %	5.8 %	5.8 %	
Changes in provisions	0.8	0.2	0.0	0.4	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.4	7.7
Change in Liquidity from														
- Working Capital	2.5	2.3	3.8	4.2	4.6	4.8	5.4	5.8	6.1	6.4	6.7	7.1	7.7	34.1
- Capex	14.1	14.0	14.6	15.3	16.8	18.5	20.2	22.0	23.9	25.9	27.9	30.0	34.1	
Capex in % of Sales	8.3 %	6.9 %	6.4 %	6.0 %	5.9 %	5.9 %	5.8 %	5.8 %	5.7 %	5.6 %	5.6 %	5.5 %	5.8 %	0.0
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)	13.4	18.5	20.8	23.2	24.9	28.0	31.0	34.6	38.4	42.5	46.8	51.3	54.2	59
PV of FCF	13.8	17.8	18.7	19.4	19.4	20.4	21.0	21.9	22.7	23.4	24.0	24.6	24.2	
share of PVs	6.48 %			28.51 %										65.02 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	10.00 %	Financial Strength	1.10
Cost of debt (after tax)	2.1 %	Liquidity (share)	1.30
Market return	7.00 %	Cyclicality	1.30
Risk free rate	1.50 %	Transparency	1.00
		Others	1.00
WACC	7.20 %	Beta	1.14

Valuation (m)

Present values 2032e	271		
Terminal Value	504		
Financial liabilities	50		
Pension liabilities	1		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	32	No. of shares (m)	9.9
Equity Value	756	Value per share (EUR)	76.06

Sensitivity Value per Share (EUR)

		Terminal Growth									Delta EBIT-margin						
Beta	WACC	1.25 %	1.50 %	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %	Beta	WACC	-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.34	8.2 %	57.95	59.22	60.59	62.07	63.67	65.42	67.32	1.34	8.2 %	54.77	57.20	59.64	62.07	64.50	66.94	69.37
1.24	7.7 %	63.34	64.90	66.59	68.43	70.44	72.64	75.07	1.24	7.7 %	60.42	63.09	65.76	68.43	71.10	73.77	76.44
1.19	7.5 %	66.37	68.11	70.00	72.07	74.33	76.82	79.57	1.19	7.5 %	63.65	66.46	69.26	72.07	74.87	77.67	80.48
1.14	7.2 %	69.67	71.62	73.74	76.06	78.62	81.45	84.59	1.14	7.2 %	67.20	70.15	73.11	76.06	79.01	81.96	84.92
1.09	7.0 %	73.28	75.45	77.84	80.47	83.38	86.61	90.23	1.09	7.0 %	71.12	74.24	77.35	80.47	83.58	86.70	89.82
1.04	6.7 %	77.22	79.67	82.37	85.36	88.68	92.40	96.59	1.04	6.7 %	75.47	78.77	82.06	85.36	88.66	91.95	95.25
0.94	6.2 %	86.34	89.50	93.00	96.93	101.35	106.37	112.12	0.94	6.2 %	85.76	89.48	93.20	96.93	100.65	104.38	108.10

- Financial liabilities are also related to the lease of the company building.
- The beta takes into consideration the low liquidity of the share.
- The structural growth of the vision technology market forms the basis of Basler's revenue increases.

Free Cash Flow Value Potential

Warburg Research's valuation tool "FCF Value Potential" reflects the ability of the company to generate sustainable free cash flows. It is based on the "FCF potential" - a FCF "ex growth" figure - which assumes unchanged working capital and pure maintenance capex. A value indication is derived via the perpetuity of a given year's "FCF potential" with consideration of the weighted costs of capital. The fluctuating value indications over time add a timing element to the DCF model (our preferred valuation tool).

in EUR m	2016	2017	2018	2019	2020e	2021e	2022e	
Net Income before minorities	7.9	21.6	17.0	12.9	15.1	19.6	23.7	
+ Depreciation + Amortisation	6.6	9.2	11.1	12.9	13.6	14.5	14.9	
- Net Interest Income	-0.7	-0.7	-0.3	-0.1	-0.6	-0.8	-0.8	
- Maintenance Capex	2.7	2.8	2.9	5.0	5.1	6.1	6.8	
+ Other	-2.0	0.3	-2.1	-10.0	-3.3	0.3	0.3	
= Free Cash Flow Potential	10.6	29.0	23.4	10.9	20.9	29.1	32.9	
FCF Potential Yield (on market EV)	6.0 %	7.2 %	4.1 %	2.3 %	2.1 %	3.0 %	3.5 %	
WACC	7.20 %	7.20 %	7.20 %	7.20 %	7.20 %	7.20 %	7.20 %	
= Enterprise Value (EV)	176.6	402.6	564.9	482.6	977.6	963.7	949.0	
= Fair Enterprise Value	146.9	402.6	325.1	151.6	289.7	403.6	456.3	
- Net Debt (Cash)	14.9	14.9	14.9	14.9	3.9	-10.2	-24.9	
- Pension Liabilities	0.9	0.9	0.9	0.9	1.7	1.9	1.9	
- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Market value of minorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
+ Market value of investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
= Fair Market Capitalisation	131.2	386.9	309.4	135.8	284.1	412.0	479.3	
Number of shares, average	9.7	9.6	9.6	9.9	10.0	10.0	10.0	
= Fair value per share (EUR)	13.53	40.19	32.09	13.66	28.41	41.20	47.93	
premium (-) / discount (+) in %					-70.8 %	-57.6 %	-50.7 %	
Sensitivity Fair value per Share (EUR)								
WACC	10.20 %	8.85	27.01	21.50	9.18	20.00	29.50	34.71
	9.20 %	9.98	30.11	24.01	10.35	22.24	32.62	38.24
	8.20 %	11.39	33.98	27.13	11.80	25.02	36.49	42.61
	7.20 %	13.19	38.91	31.12	13.66	28.57	41.44	48.21
	6.20 %	15.58	45.44	36.39	16.12	33.27	47.98	55.61
	5.20 %	18.87	54.48	43.69	19.52	39.77	57.04	65.85
	4.20 %	23.74	67.82	54.46	24.55	49.37	70.42	80.97

- Adjustment of the capitalised R&D impact
- The capex requirements for machinery and plant are low.

Valuation	2016	2017	2018	2019	2020e	2021e	2022e
Price / Book	3.4 x	6.2 x	7.4 x	4.5 x	8.4 x	7.4 x	6.6 x
Book value per share ex intangibles	2.83	4.22	3.57	4.10	5.11	6.45	8.11
EV / Sales	1.8 x	2.7 x	3.8 x	3.0 x	5.8 x	4.8 x	4.2 x
EV / EBITDA	9.4 x	10.2 x	15.7 x	16.1 x	28.3 x	22.9 x	19.5 x
EV / EBIT	14.5 x	13.2 x	22.8 x	28.4 x	46.6 x	34.8 x	28.1 x
EV / EBIT adj.*	14.5 x	13.2 x	22.8 x	28.4 x	46.6 x	34.8 x	28.1 x
P / FCF	21.2 x	17.2 x	61.9 x	n.a.	72.7 x	53.2 x	48.6 x
P / E	21.6 x	18.8 x	32.7 x	36.4 x	64.4 x	49.6 x	41.0 x
P / E adj.*	21.6 x	18.8 x	32.7 x	36.4 x	64.4 x	49.6 x	41.0 x
Dividend Yield	1.4 %	1.6 %	0.9 %	0.6 %	0.5 %	0.6 %	0.7 %
FCF Potential Yield (on market EV)	6.0 %	7.2 %	4.1 %	2.3 %	2.1 %	3.0 %	3.5 %
*Adjustments made for: -							

Company Specific Items	2016	2017	2018	2019	2020e	2021e	2022e
revenue per employee	213.43	298.02	249.59	234.34	234.34	234.34	234.34
Camera Units	259,000	431,000	399,000	395,000	450,000	544,500	658,845
Book to Bill	1.1	1.0	1.0	1.0	1.0	1.0	1.0
ASP	375	341	353	410	378	372	346

Consolidated profit and loss

In EUR m	2016	2017	2018	2019	2020e	2021e	2022e
Sales	97.5	150.2	150.0	162.0	170.0	202.3	228.1
Change Sales yoy	14.2 %	54.0 %	-0.1 %	8.0 %	5.0 %	19.0 %	12.8 %
COGS	50.1	75.7	70.1	79.5	81.9	100.3	113.4
Gross profit	47.5	74.5	79.9	82.4	88.1	102.0	114.7
<i>Gross margin</i>	<i>48.7 %</i>	<i>49.6 %</i>	<i>53.3 %</i>	<i>50.9 %</i>	<i>51.8 %</i>	<i>50.4 %</i>	<i>50.3 %</i>
Research and development	7.9	10.8	18.8	17.9	20.9	22.3	22.9
Sales and marketing	16.9	19.6	23.0	31.5	30.1	34.8	38.6
Administration expenses	11.5	13.1	12.7	15.8	16.5	17.0	18.7
Other operating expenses	0.5	1.2	1.4	1.0	0.5	0.9	1.4
Other operating income	1.6	0.7	0.8	0.8	0.9	0.7	0.6
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	18.8	39.7	36.0	30.0	34.6	42.1	48.6
<i>Margin</i>	<i>19.2 %</i>	<i>26.4 %</i>	<i>24.0 %</i>	<i>18.5 %</i>	<i>20.3 %</i>	<i>20.8 %</i>	<i>21.3 %</i>
Depreciation of fixed assets	2.2	3.6	3.2	5.0	5.4	6.0	6.2
EBITA	16.5	36.1	32.8	25.0	29.2	36.1	42.4
Amortisation of intangible assets	4.4	5.6	7.9	8.0	8.2	8.5	8.7
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	12.2	30.5	24.8	17.0	21.0	27.7	33.7
<i>Margin</i>	<i>12.5 %</i>	<i>20.3 %</i>	<i>16.6 %</i>	<i>10.5 %</i>	<i>12.3 %</i>	<i>13.7 %</i>	<i>14.8 %</i>
EBIT adj.	12.2	30.5	24.8	17.0	21.0	27.7	33.7
Interest income	0.3	0.3	0.2	1.0	0.2	0.2	0.2
Interest expenses	1.0	1.0	0.5	1.1	0.8	1.0	1.0
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	11.4	29.8	24.5	16.9	20.4	26.9	32.9
<i>Margin</i>	<i>11.7 %</i>	<i>19.8 %</i>	<i>16.3 %</i>	<i>10.4 %</i>	<i>12.0 %</i>	<i>13.3 %</i>	<i>14.4 %</i>
Total taxes	3.5	8.2	7.5	4.0	5.3	7.3	9.2
Net income from continuing operations	7.9	21.6	17.0	12.9	15.1	19.6	23.7
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	7.9	21.6	17.0	12.9	15.1	19.6	23.7
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	7.9	21.6	17.0	12.9	15.1	19.6	23.7
<i>Margin</i>	<i>8.1 %</i>	<i>14.4 %</i>	<i>11.3 %</i>	<i>7.9 %</i>	<i>8.9 %</i>	<i>9.7 %</i>	<i>10.4 %</i>
Number of shares, average	9.7	9.6	9.6	9.9	10.0	10.0	10.0
EPS	0.82	2.25	1.76	1.29	1.51	1.96	2.37
EPS adj.	0.82	2.25	1.76	1.29	1.51	1.96	2.37

*Adjustments made for:

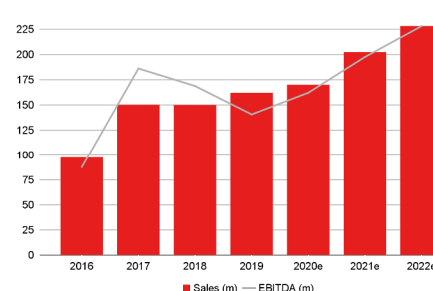
Guidance: 2020 sales EUR 169-171m, EBT margin 11-12%

Financial Ratios

	2016	2017	2018	2019	2020e	2021e	2022e
Total Operating Costs / Sales	36.2 %	29.3 %	36.7 %	40.4 %	39.5 %	36.7 %	35.5 %
Operating Leverage	1.5 x	2.8 x	140.8 x	-3.9 x	4.7 x	1.7 x	1.7 x
EBITDA / Interest expenses	18.5 x	40.5 x	78.2 x	28.3 x	43.2 x	44.3 x	48.6 x
Tax rate (EBT)	30.6 %	27.4 %	30.6 %	23.9 %	26.0 %	27.0 %	28.0 %
Dividend Payout Ratio	30.2 %	30.0 %	30.0 %	20.1 %	30.1 %	29.9 %	30.0 %
Sales per Employee	213,431	298,018	249,589	189,872	197,674	222,308	237,604

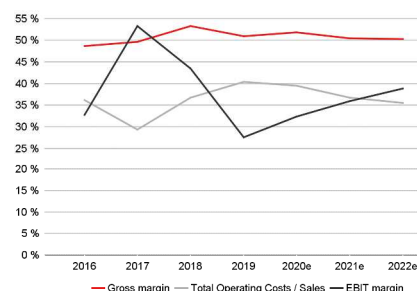
Sales, EBITDA

in EUR m

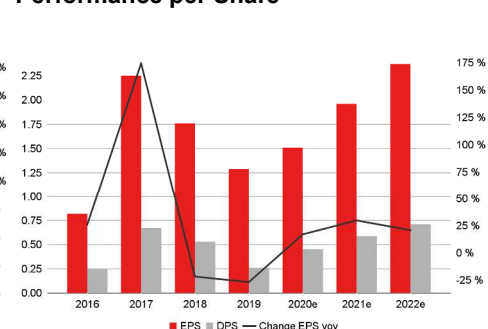


Operating Performance

in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

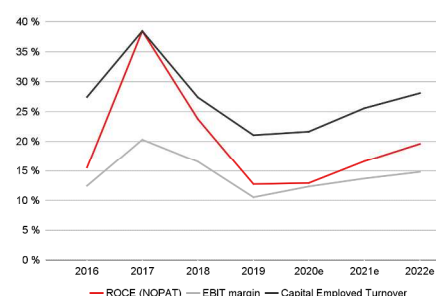
Consolidated balance sheet

In EUR m	2016	2017	2018	2019	2020e	2021e	2022e
Assets							
Goodwill and other intangible assets	22.5	24.6	40.8	62.0	64.5	66.0	67.3
thereof other intangible assets	1.4	1.5	6.5	16.8	17.7	18.5	19.2
thereof Goodwill	0.0	3.1	12.7	27.5	27.5	27.5	27.5
Property, plant and equipment	21.3	21.3	22.5	30.6	28.6	26.7	25.1
Financial assets	0.5	1.7	1.7	4.6	4.6	4.6	4.6
Other long-term assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fixed assets	44.4	47.5	65.1	97.2	97.7	97.3	97.0
Inventories	14.6	20.8	21.0	20.9	26.6	28.9	32.1
Accounts receivable	10.4	11.1	18.2	19.4	14.0	16.1	18.7
Liquid assets	19.4	36.0	31.8	35.2	10.4	24.5	39.2
Other short-term assets	1.6	2.2	2.8	8.5	8.5	8.5	8.5
Current assets	46.0	70.2	73.9	84.0	59.5	78.0	98.5
Total Assets	90.4	117.7	139.0	181.2	157.2	175.3	195.4
Liabilities and shareholders' equity							
Subscribed capital	3.2	3.2	3.2	10.0	10.0	10.0	10.0
Capital reserve	2.4	3.1	5.3	22.4	22.4	22.4	22.4
Retained earnings	43.6	59.0	66.5	70.0	85.1	104.7	128.5
Other equity components	0.7	0.3	0.5	0.5	-2.0	-6.6	-12.5
Shareholders' equity	50.0	65.6	75.5	103.0	115.5	130.6	148.4
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total equity	50.0	65.6	75.5	103.0	115.5	130.6	148.4
Provisions	5.4	7.2	8.3	8.2	9.7	10.6	10.9
thereof provisions for pensions and similar obligations	0.9	1.4	1.2	0.9	1.7	1.9	1.9
Financial liabilities (total)	23.3	29.3	39.8	50.0	14.3	14.3	14.3
thereof short-term financial liabilities	0.0	0.0	1.8	5.3	5.3	5.3	5.3
Accounts payable	6.2	10.1	7.4	10.6	8.4	10.5	12.5
Other liabilities	5.4	5.5	7.9	9.4	9.4	9.4	9.4
Liabilities	40.3	52.1	63.4	78.2	41.7	44.7	47.0
Total liabilities and shareholders' equity	90.4	117.7	139.0	181.2	157.2	175.3	195.4

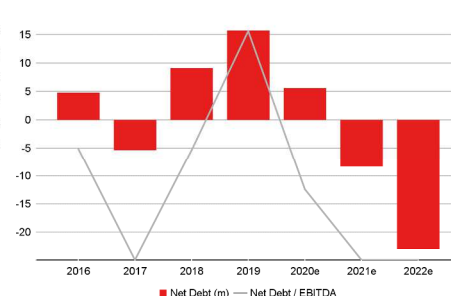
Financial Ratios

	2016	2017	2018	2019	2020e	2021e	2022e
Efficiency of Capital Employment							
Operating Assets Turnover	2.4 x	3.5 x	2.8 x	2.7 x	2.8 x	3.3 x	3.6 x
Capital Employed Turnover	1.8 x	2.5 x	1.8 x	1.4 x	1.4 x	1.7 x	1.8 x
ROA	17.9 %	45.5 %	26.1 %	13.2 %	15.4 %	20.2 %	24.5 %
Return on Capital							
ROCE (NOPAT)	15.6 %	38.4 %	23.8 %	12.7 %	12.9 %	16.6 %	19.6 %
ROE	16.7 %	37.4 %	24.1 %	14.4 %	13.8 %	16.0 %	17.0 %
Adj. ROE	16.7 %	37.4 %	24.1 %	14.4 %	13.8 %	16.0 %	17.0 %
Balance sheet quality							
Net Debt	4.8	-5.3	9.1	15.7	5.6	-8.3	-23.0
Net Financial Debt	3.9	-6.7	8.0	14.9	3.9	-10.2	-24.9
Net Gearing	9.6 %	-8.1 %	12.1 %	15.3 %	4.9 %	-6.4 %	-15.5 %
Net Fin. Debt / EBITDA	20.6 %	n.a.	22.2 %	49.6 %	11.4 %	n.a.	n.a.
Book Value / Share	5.2	6.8	7.8	10.3	11.6	13.1	14.8
Book value per share ex intangibles	2.8	4.2	3.6	4.1	5.1	6.5	8.1

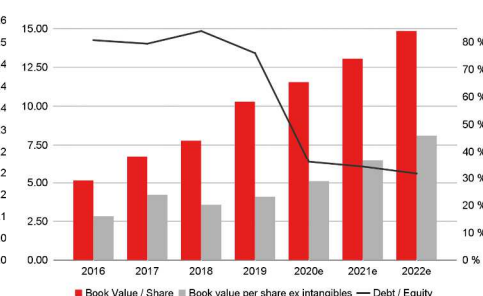
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

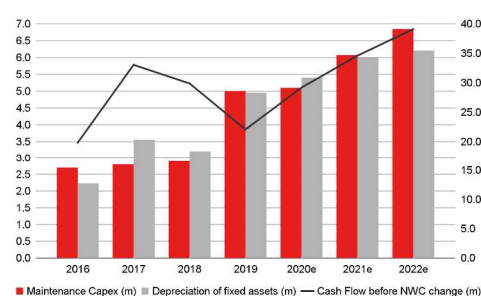
In EUR m	2016	2017	2018	2019	2020e	2021e	2022e
Net income	7.9	21.6	17.0	12.9	15.1	19.6	23.7
Depreciation of fixed assets	2.2	3.6	3.2	5.0	5.4	6.0	6.2
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	4.4	5.6	7.9	8.0	8.2	8.5	8.7
Increase/decrease in long-term provisions	2.6	0.0	0.0	-0.1	0.8	0.2	0.0
Other non-cash income and expenses	2.7	2.3	1.7	-3.7	-0.3	0.3	0.5
Cash Flow before NWC change	19.8	33.1	29.9	22.1	29.2	34.6	39.1
Increase / decrease in inventory	-3.8	-5.8	2.2	0.1	-5.7	-2.3	-3.2
Increase / decrease in accounts receivable	-2.6	-0.5	-6.4	-1.1	5.4	-2.1	-2.6
Increase / decrease in accounts payable	3.6	5.3	-4.5	3.2	-2.2	2.1	2.0
Increase / decrease in other working capital positions	-0.9	-0.3	5.8	0.5	1.4	0.9	0.3
Increase / decrease in working capital (total)	-3.7	-1.3	-2.9	2.7	-1.0	-1.4	-3.5
Net cash provided by operating activities [1]	16.1	31.8	27.0	24.7	28.1	33.2	35.6
Investments in intangible assets	-6.0	-4.0	-13.6	-29.4	-10.7	-10.0	-10.0
Investments in property, plant and equipment	-2.0	-4.1	-4.5	-5.1	-3.4	-4.0	-4.6
Payments for acquisitions	0.0	-1.9	-7.7	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	0.2	0.1	0.1	0.1	0.1	0.1
Net cash provided by investing activities [2]	-8.0	-9.8	-25.7	-34.4	-14.0	-13.9	-14.5
Change in financial liabilities	1.7	-1.3	4.8	-1.8	-35.8	0.0	0.0
Dividends paid	-1.9	-2.4	-6.5	-5.1	-2.6	-4.5	-5.9
Purchase of own shares	-1.4	-0.7	-3.3	20.8	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	-1.2	-1.1	-0.5	-1.0	-0.6	-0.6	-0.6
Net cash provided by financing activities [3]	-2.7	-5.4	-5.5	13.0	-39.0	-5.1	-6.5
Change in liquid funds [1]+[2]+[3]	5.4	16.6	-4.2	3.3	-24.8	14.2	14.6
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	19.4	36.0	31.8	35.2	10.4	24.5	39.2

Financial Ratios

	2016	2017	2018	2019	2020e	2021e	2022e
Cash Flow							
FCF	8.1	23.7	9.0	-9.7	14.0	19.2	21.0
Free Cash Flow / Sales	8.3 %	15.8 %	6.0 %	-6.0 %	8.3 %	9.5 %	9.2 %
Free Cash Flow Potential	10.6	29.0	23.4	10.9	20.9	29.1	32.9
Free Cash Flow / Net Profit	102.3 %	109.5 %	52.7 %	-75.7 %	93.2 %	97.7 %	88.7 %
Interest Received / Avg. Cash	1.6 %	1.0 %	0.5 %	2.9 %	0.9 %	1.1 %	0.6 %
Interest Paid / Avg. Debt	4.5 %	3.7 %	1.3 %	2.4 %	2.5 %	6.7 %	7.0 %
Management of Funds							
Investment ratio	8.2 %	5.4 %	12.0 %	21.3 %	8.3 %	6.9 %	6.4 %
Maint. Capex / Sales	2.8 %	1.9 %	1.9 %	3.1 %	3.0 %	3.0 %	3.0 %
Capex / Dep	121.3 %	88.3 %	161.8 %	266.4 %	103.7 %	97.2 %	97.7 %
Avg. Working Capital / Sales	17.7 %	13.5 %	17.9 %	19.0 %	18.2 %	16.5 %	16.0 %
Trade Debtors / Trade Creditors	166.3 %	109.5 %	246.9 %	183.1 %	166.7 %	153.3 %	149.6 %
Inventory Turnover	3.4 x	3.6 x	3.3 x	3.8 x	3.1 x	3.5 x	3.5 x
Receivables collection period (days)	39	27	44	44	30	29	30
Payables payment period (days)	45	49	39	49	37	38	40
Cash conversion cycle (Days)	100	79	115	91	111	96	93

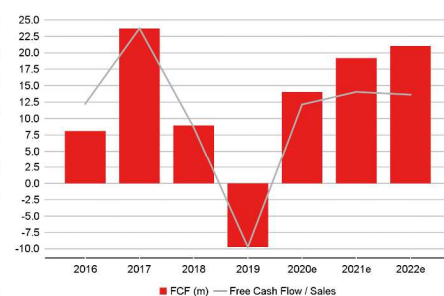
CAPEX and Cash Flow

in EUR m



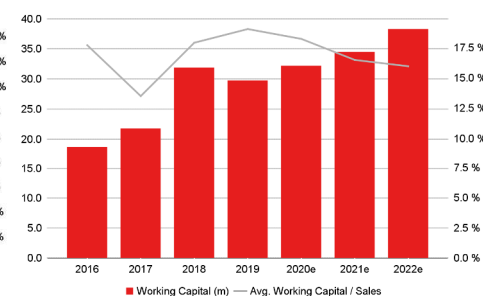
Source: Warburg Research

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)
Basler	3, 5	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE0005102008.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.

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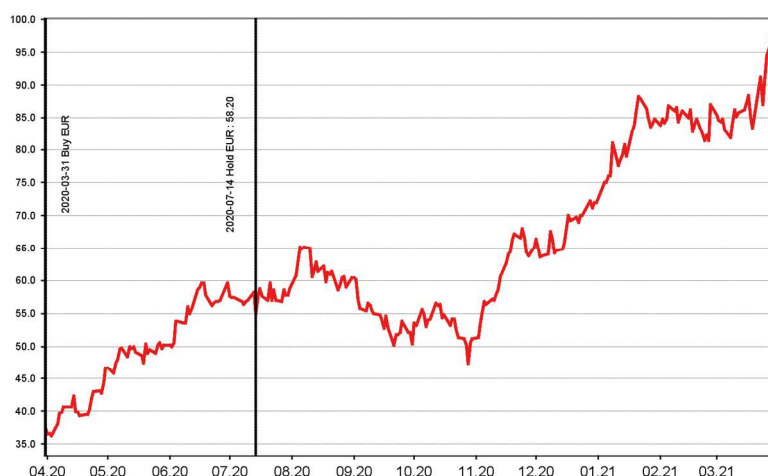
Rating	Number of stocks	% of Universe
Buy	134	65
Hold	62	30
Sell	6	3
Rating suspended	5	2
Total	207	100

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	38	78
Hold	8	16
Sell	0	0
Rating suspended	3	6
Total	49	100

PRICE AND RATING HISTORY BASLER AS OF 30.03.2021



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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