

Buy EUR 39.00 (EUR 41.00) Price EUR 23.00 Upside 69.6 %	Value Indicators: EUR DCF: 39.06 FCF-Value Potential 25e: 20.91 Peer group: 0.00	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: 687.2 No. of shares (m): 29.9 EV: 718.1 Freefloat MC: 261.1 Ø Trad. Vol. (30d): 399.66 th	Shareholders: Freefloat 38.00 % Norbert Basler 53.00 % Treasury shares 5.00 % Dr. Ley (CEO) 4.00 % Invesco 6.00 %	Key Figures (WRe): 2023e Beta: 1.1 Price / Book: 4.6 x Equity Ratio: 58 % Net Fin. Debt / EBITDA: 0.7 x Net Debt / EBITDA: 0.8 x

Demand from semi and electronics expected to remain weak in H1

Stated Figures Q4/2022:									
FY End: 31.12. in EUR m	Q4 22	Q4 22e	Q4 21	yoy	22	22e	21	yoy	
Sales	67.0	67.0	50.2	34 %	272.2	272.2	214.7	27 %	
EBT	4.0	4.0	3.4	18 %	28.3	28.3	28.0	1 %	
Margin	6.0 %	6.0 %	6.8 %		10.4 %	10.4 %	13.0 %		
EPS	0.07	0.07	0.07	0 %	0.71	0.72	0.69	3 %	

Comment on Figures:

- Financial report confirms preliminary numbers
- Despite shortages, sales exceeded the upper end of the target due to high demand
- Order momentum slowed over the course of the year, declining 23% yoy to EUR 248m
- Q4 product mix was burdened by an SAP-S4/HANA update at the main production site and, as a result, a higher share of distribution business

Basler published its financial report for 2022, which confirmed the preliminary figures, and provided a rather weak outlook for 2023. Sales grew by 27% to EUR 272.2m, exceeding the upper end of the guidance (EUR 262-270m). The EBT margin of 10.4% was at the lower end of the 10-12% target range. Order intake declined notably by 23% to EUR 248.4m, leading to an order backlog of EUR 102.5m (2021 EUR 140.9m).

In the first three months of 2023, however, order momentum remained low, especially from Asia and the US. Thus, Basler expects sales to decrease to EUR 235-265m, which is below our forecast (WRe EUR 278m) and consensus (EUR 283m). Moreover, management anticipates an EBT-margin decline to 5-8%, which is significantly lower than our estimate (WRe 11.1%). The low target margin results from lower sales in combination with the recent organic and inorganic headcount expansion (FTE +25% yoy) and increasing wages. Basler will implement cost-saving measures in Q2 to mitigate the effect of the lower sales volume.

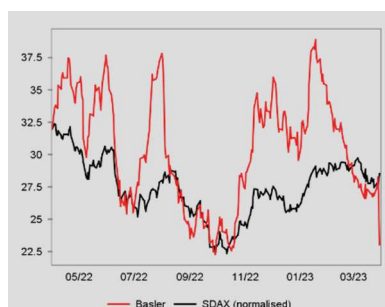
The current lull is mainly a result of the cyclical temporary decline in demand from the semi and electronics industry, which is usually particularly strong in H1. Demand from Europe, especially from automotive and general industry, remains strong but is seasonally more pronounced in the second half of the year. We expect this to help reaccelerate growth in H2. Moreover, we anticipate that demand from the semi and electronics industry will start to recover towards the end of the year, allowing Basler to return to its growth path. With this recovery, the mid-term targets for 2025 (sales EUR 400m incl. smaller acquisitions, EBT margin 12%), as confirmed by Basler, should still be feasible.

We have adjusted our estimates to the upper end of the target range, as we expect demand from Europe to accelerate growth in H2, and we have only slightly reduced our sales forecast for 2024 to reflect the anticipated recovery in semi and electronics. Based on our updated model, we reduce the target price to EUR 39 and confirm our Buy recommendation.

Changes in Estimates:						
FY End: 31.12. in EUR m	2023e (old)	+ / -	2024e (old)	+ / -	2025e (old)	+ / -
Sales	278.1	-5.0 %	343.6	-7.0 %	n.a.	n.m.
EBT	31.0	-36.1 %	44.3	-18.5 %	n.a.	n.m.
EPS	0.75	-36.0 %	1.07	-18.7 %	n.a.	n.m.

Comment on Changes:

- Growth forecast adjusted in accordance with short-term and long-term targets
- Margin estimates reduced to reflect cost inflation and increasing wages



Rel. Performance vs SDAX:

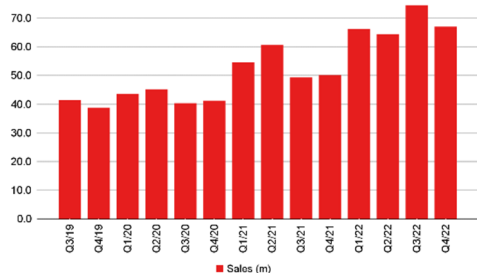
1 month:	-17.6 %
6 months:	-26.1 %
Year to date:	-32.1 %
Trailing 12 months:	-21.2 %

Company events:

04.05.23	Q1
26.05.23	AGM
10.08.23	Q2
08.11.23	Q3

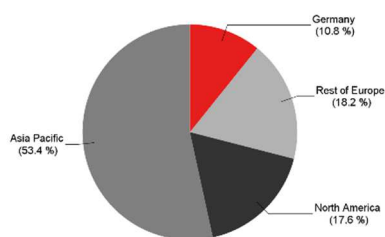
FY End: 31.12. in EUR m	CAGR (22-25e)	2019	2020	2021	2022	2023e	2024e	2025e
Sales	13.0 %	162.0	170.5	214.7	272.2	264.2	319.7	392.5
Change Sales yoy		8.0 %	5.2 %	26.0 %	26.8 %	-2.9 %	21.0 %	22.8 %
Gross profit margin		50.9 %	52.0 %	52.4 %	48.9 %	50.9 %	51.5 %	51.8 %
EBITDA	18.4 %	30.0	34.6	44.5	45.8	40.7	60.2	75.9
Margin		18.5 %	20.3 %	20.7 %	16.8 %	15.4 %	18.8 %	19.3 %
EBIT	20.5 %	17.0	20.1	28.4	28.9	20.6	36.9	50.6
Margin		10.5 %	11.8 %	13.2 %	10.6 %	7.8 %	11.6 %	12.9 %
EBT		16.9	20.4	28.0	28.3	19.8	36.1	49.8
Margin		10.4 %	12.0 %	13.0 %	10.4 %	7.5 %	11.3 %	12.7 %
Net income	18.9 %	12.9	15.1	20.8	21.4	14.2	26.0	35.9
EPS	19.1 %	0.43	0.50	0.69	0.71	0.48	0.87	1.20
DPS	37.0 %	0.09	0.19	0.21	0.14	0.14	0.26	0.36
Dividend Yield		0.6 %	1.1 %	0.5 %	0.4 %	0.6 %	1.1 %	1.3 %
FCFPS		-0.32	0.46	0.32	-0.59	0.91	0.64	0.79
FCF / Market cap		-2.1 %	2.6 %	0.8 %	-1.8 %	4.0 %	8.3 %	8.8 %
EV / Sales		3.0 x	3.2 x	5.5 x	3.7 x	2.7 x	0.8 x	0.7 x
EV / EBITDA		16.1 x	15.6 x	26.5 x	22.3 x	17.7 x	4.1 x	3.5 x
EV / EBIT		28.4 x	26.9 x	41.7 x	35.2 x	34.9 x	6.7 x	5.3 x
P / E		36.4 x	36.1 x	57.2 x	45.6 x	47.9 x	26.4 x	22.5 x
FCF Potential Yield		4.3 %	4.6 %	2.5 %	3.1 %	3.8 %	16.4 %	18.7 %
ROE		14.4 %	13.9 %	17.0 %	15.8 %	9.8 %	16.2 %	19.1 %
ROCE (NOPAT)		12.7 %	12.8 %	17.3 %	13.5 %	7.9 %	14.4 %	18.7 %
Guidance:		Sales EUR 235-265m, EBT margin 5-8%						

Sales development
in EUR m



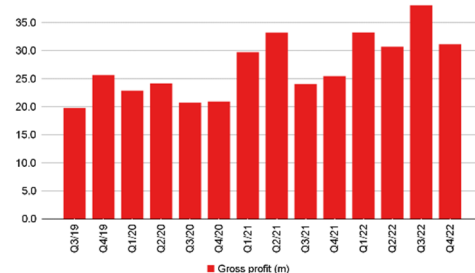
Source: Basler

Sales by regions
2022; in %



Source: Basler

Gross profit development
in EUR m



Source: Basler

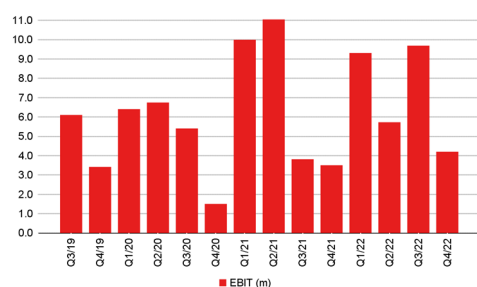
Company Background

- Basler is a full-line supplier of camera solutions 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. Almost 80% of revenues are direct sales.

Competitive Quality

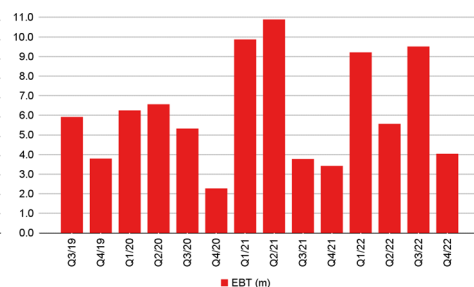
- In terms of units Basler is the world's largest developer and manufacturer of digital cameras in a fragmented, but consolidating, market for digital cameras for B2B-applications.
- High level of vision technology expertise: Basler has one of the largest developer pools in the sector and differentiates 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.

EBIT development
in EUR m



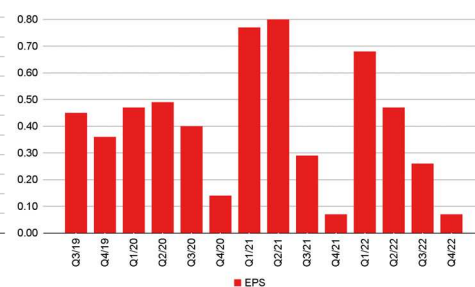
Source: Basler

EBT development
in EUR m



Source: Basler

EPS development
in EUR



Source: Basler

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	
Sales	264.2	319.7	392.5	452.6	520.3	596.4	681.8	777.2	883.6	1,001.9	1,133.1	1,278.2	1,441.8	2.5 %
Sales change	-2.9 %	21.0 %	22.8 %	15.3 %	15.0 %	14.6 %	14.3 %	14.0 %	13.7 %	13.4 %	13.1 %	12.8 %	12.8 %	
EBIT	20.6	36.9	50.6	57.5	65.6	74.6	85.2	97.1	110.4	125.2	145.0	159.8	180.2	
EBIT-margin	7.8 %	11.6 %	12.9 %	12.7 %	12.6 %	12.5 %	12.5 %	12.5 %	12.5 %	12.5 %	12.8 %	12.5 %	12.5 %	
Tax rate (EBT)	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	
NOPAT	14.8	26.6	36.4	41.4	47.2	53.7	61.4	69.9	79.5	90.2	104.4	115.0	129.8	
Depreciation	20.1	23.3	25.3	30.8	33.8	38.8	44.3	50.5	57.4	65.1	73.6	83.1	93.7	
in % of Sales	7.6 %	7.3 %	6.4 %	6.8 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	
Changes in provisions	0.0	0.0	0.0	0.3	0.3	0.4	0.4	0.5	0.5	0.6	0.7	0.7	0.8	
Change in Liquidity from														
- Working Capital	-16.3	3.2	9.2	9.6	10.6	12.9	14.5	16.2	18.1	20.1	22.3	24.7	27.8	
- Capex	24.0	27.5	28.8	31.7	35.9	40.6	45.0	50.5	57.4	65.1	73.6	83.1	93.7	
Capex in % of Sales	9.1 %	8.6 %	7.3 %	7.0 %	6.9 %	6.8 %	6.6 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	
- Other	1.0	1.0	1.0	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)	26.2	18.2	22.8	31.1	34.8	39.3	46.6	54.2	62.0	70.6	82.8	91.1	102.8	127
PV of FCF	24.9	16.0	18.5	23.4	24.3	25.3	27.8	29.9	31.6	33.4	36.2	36.9	38.5	856
share of PVs	4.86 %			25.14 %										69.99 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	8.00 %	Financial Strength	0.90
Cost of debt (after tax)	2.1 %	Liquidity (share)	1.20
Market return	8.25 %	Cyclicality	1.30
Risk free rate	2.75 %	Transparency	1.00
		Others	0.90
WACC	8.06 %	Beta	1.06

Valuation (m)

Present values 2035e	367		
Terminal Value	856		
Financial liabilities	79		
Pension liabilities	2		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	26	No. of shares (m)	29.9
Equity Value	1,167	Value per share (EUR)	39.06

Sensitivity Value per Share (EUR)

		Terminal Growth									Delta EBIT-margin						
Beta	WACC	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %	3.00 %	3.25 %	Beta	WACC	-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.26	9.1 %	29.00	29.68	30.42	31.21	32.07	32.99	34.00	1.26	9.1 %	26.73	28.22	29.72	31.21	32.71	34.20	35.70
1.16	8.6 %	32.06	32.90	33.81	34.79	35.86	37.02	38.29	1.16	8.6 %	29.84	31.49	33.14	34.79	36.44	38.09	39.74
1.11	8.3 %	33.79	34.72	35.73	36.83	38.03	39.34	40.77	1.11	8.3 %	31.62	33.36	35.09	36.83	38.57	40.30	42.04
1.06	8.1 %	35.66	36.70	37.83	39.06	40.41	41.89	43.53	1.06	8.1 %	33.57	35.40	37.23	39.06	40.89	42.73	44.56
1.01	7.8 %	37.70	38.86	40.13	41.52	43.04	44.73	46.60	1.01	7.8 %	35.71	37.65	39.58	41.52	43.46	45.39	47.33
0.96	7.6 %	39.93	41.23	42.66	44.23	45.97	47.89	50.04	0.96	7.6 %	38.07	40.13	42.18	44.23	46.28	48.34	50.39
0.86	7.1 %	45.05	46.72	48.56	50.60	52.88	55.43	58.33	0.86	7.1 %	43.63	45.95	48.28	50.60	52.92	55.25	57.57

- Financial liabilities are also related to the lease of the company building.
- The beta takes into consideration Basler's strong track record, the high equity ratio and the cyclicality
- The structural growth of the vision technology market forms the basis of Basler's revenue increases.
- Payment for the acquisitions of DATVISION and IOVIS are accounted for in the "others" line

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	2019	2020	2021	2022	2023e	2024e	2025e	
Net Income before minorities	12.9	15.1	20.8	21.4	14.2	26.0	35.9	
+ Depreciation + Amortisation	12.9	14.5	16.2	16.8	20.1	23.3	25.3	
- Net Interest Income	-0.1	0.4	-0.4	-0.6	-0.8	-0.8	-0.8	
- Maintenance Capex	5.0	4.4	7.5	7.5	7.9	9.6	11.8	
+ Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
= Free Cash Flow Potential	20.9	24.9	29.8	31.3	27.2	40.5	50.2	
FCF Potential Yield (on market EV)	4.3 %	4.6 %	2.5 %	3.1 %	3.8 %	16.4 %	18.7 %	
WACC	8.06 %	8.06 %	8.06 %	8.06 %	8.06 %	8.06 %	8.06 %	
= Enterprise Value (EV)	482.9	540.1	1,181.7	1,019.3	718.1	247.5	267.9	
= Fair Enterprise Value	259.5	308.9	369.8	387.9	337.6	502.8	622.6	
- Net Debt (Cash)	50.4	50.4	50.4	50.4	28.9	15.6	-4.0	
- Pension Liabilities	2.0	2.0	2.0	2.0	2.0	2.0	2.0	
- 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	207.1	256.5	317.4	335.5	306.7	485.3	624.7	
Number of shares, average	29.8	30.0	29.9	29.9	29.9	29.9	29.9	
= Fair value per share (EUR)	6.94	8.55	10.61	11.23	10.26	16.24	20.91	
premium (-) / discount (+) in %					-55.4 %	-29.4 %	-22.6 %	
Sensitivity Fair value per Share (EUR)								
WACC	11.06 %	4.58	5.78	7.27	7.71	7.20	11.68	15.26
	10.06 %	5.21	6.53	8.16	8.65	8.02	12.90	16.76
	9.06 %	5.97	7.45	9.26	9.80	9.02	14.38	18.61
	8.06 %	6.94	8.55	10.61	11.23	10.26	16.24	20.91
	7.06 %	8.16	10.05	12.38	13.07	11.86	18.62	23.86
	6.06 %	9.80	12.00	14.71	15.51	13.99	21.79	27.78
	5.06 %	12.08	14.71	17.96	18.93	16.96	26.22	33.26

- Assumptions on the beta and the wacc are consistent with indicators used in our DCF model
- The capex requirements for machinery and plant are low.

Valuation	2019	2020	2021	2022	2023e	2024e	2025e
Price / Book	4.5 x	4.7 x	9.2 x	6.8 x	4.6 x	1.3 x	1.3 x
Book value per share ex intangibles	1.32	1.62	2.09	1.57	1.68	6.52	9.33
EV / Sales	3.0 x	3.2 x	5.5 x	3.7 x	2.7 x	0.8 x	0.7 x
EV / EBITDA	16.1 x	15.6 x	26.5 x	22.3 x	17.7 x	4.1 x	3.5 x
EV / EBIT	28.4 x	26.9 x	41.7 x	35.2 x	34.9 x	6.7 x	5.3 x
EV / EBIT adj.*	28.4 x	26.9 x	41.7 x	35.2 x	34.9 x	6.7 x	5.3 x
P / FCF	n.a.	39.2 x	122.9 x	n.a.	25.3 x	35.8 x	34.0 x
P / E	36.4 x	36.1 x	57.2 x	45.6 x	47.9 x	26.4 x	22.5 x
P / E adj.*	36.4 x	36.8 x	57.2 x	45.6 x	47.9 x	26.4 x	22.5 x
Dividend Yield	0.6 %	1.1 %	0.5 %	0.4 %	0.6 %	1.1 %	1.3 %
FCF Potential Yield (on market EV)	4.3 %	4.6 %	2.5 %	3.1 %	3.8 %	16.4 %	18.7 %
*Adjustments made for: -							

Consolidated profit and loss

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
Sales	162.0	170.5	214.7	272.2	264.2	319.7	392.5
Change Sales yoy	8.0 %	5.2 %	26.0 %	26.8 %	-2.9 %	21.0 %	22.8 %
COGS	79.5	81.7	102.2	139.0	129.7	155.1	189.2
Gross profit	82.4	88.7	112.5	133.2	134.5	164.6	203.3
Gross margin	50.9 %	52.0 %	52.4 %	48.9 %	50.9 %	51.5 %	51.8 %
Research and development	17.9	21.7	29.9	31.4	34.2	41.5	50.8
Sales and marketing	31.5	30.6	34.9	47.9	52.4	57.4	67.3
Administration expenses	15.8	17.4	20.4	26.7	27.4	28.5	34.2
Other operating expenses	1.0	0.2	0.3	0.5	1.2	1.4	1.6
Other operating income	0.8	1.1	1.3	2.3	1.3	1.1	1.2
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	30.0	34.6	44.5	45.8	40.7	60.2	75.9
Margin	18.5 %	20.3 %	20.7 %	16.8 %	15.4 %	18.8 %	19.3 %
Depreciation of fixed assets	5.0	6.3	6.3	5.5	6.5	7.2	7.8
EBITA	25.0	28.3	38.2	40.2	34.2	53.0	68.1
Amortisation of intangible assets	8.0	8.2	9.8	11.3	13.6	16.1	17.5
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	17.0	20.1	28.4	28.9	20.6	36.9	50.6
Margin	10.5 %	11.8 %	13.2 %	10.6 %	7.8 %	11.6 %	12.9 %
EBIT adj.	17.0	20.1	28.4	28.9	20.6	36.9	50.6
Interest income	1.0	1.1	0.2	0.3	0.2	0.2	0.2
Interest expenses	1.1	0.8	0.6	1.0	1.0	1.0	1.0
Other financial income (loss)	0.0	0.0	0.0	0.2	0.0	0.0	0.0
EBT	16.9	20.4	28.0	28.3	19.8	36.1	49.8
Margin	10.4 %	12.0 %	13.0 %	10.4 %	7.5 %	11.3 %	12.7 %
Total taxes	4.0	5.3	7.2	7.0	5.5	10.1	13.9
Net income from continuing operations	12.9	15.1	20.8	21.4	14.2	26.0	35.9
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income before minorities	12.9	15.1	20.8	21.4	14.2	26.0	35.9
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	12.9	15.1	20.8	21.4	14.2	26.0	35.9
Margin	7.9 %	8.9 %	9.7 %	7.8 %	5.4 %	8.1 %	9.1 %
Number of shares, average	29.8	30.0	29.9	29.9	29.9	29.9	29.9
EPS	0.43	0.50	0.69	0.71	0.48	0.87	1.20
EPS adj.	0.43	0.49	0.69	0.71	0.48	0.87	1.20

*Adjustments made for:

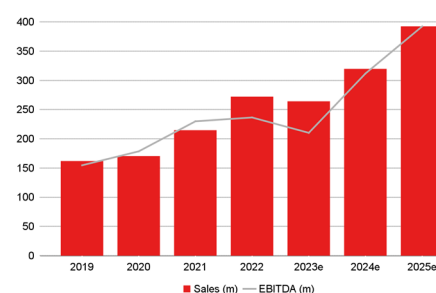
Guidance: Sales EUR 235-265m, EBT margin 5-8%

Financial Ratios

	2019	2020	2021	2022	2023e	2024e	2025e
Total Operating Costs / Sales	40.4 %	40.3 %	39.2 %	38.3 %	43.1 %	39.9 %	38.9 %
Operating Leverage	-3.9 x	3.4 x	1.6 x	0.1 x	9.8 x	3.8 x	1.6 x
EBITDA / Interest expenses	28.3 x	45.0 x	75.4 x	43.8 x	40.7 x	60.2 x	75.9 x
Tax rate (EBT)	23.9 %	26.0 %	25.8 %	24.6 %	28.0 %	28.0 %	28.0 %
Dividend Payout Ratio	20.1 %	38.4 %	29.8 %	19.6 %	30.2 %	30.0 %	30.0 %
Sales per Employee	200,944	210,964	248,528	242,173	233,805	284,938	338,946

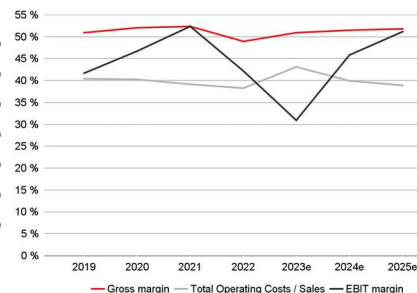
Sales, EBITDA

in EUR m

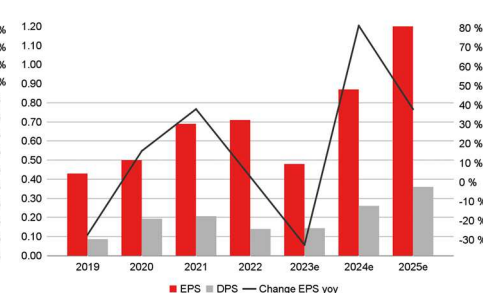


Operating Performance

in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

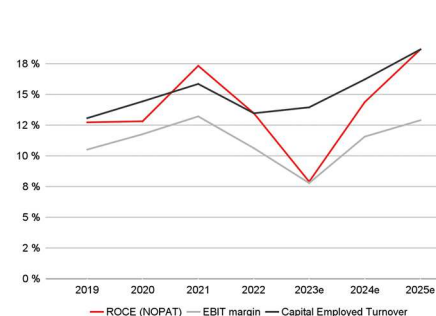
Consolidated balance sheet

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
Assets							
Goodwill and other intangible assets	62.0	64.8	66.0	94.5	100.4	106.0	110.2
thereof other intangible assets	3.0	3.7	6.5	13.8	16.0	18.4	20.5
thereof Goodwill	27.5	27.5	27.5	46.1	46.1	46.1	46.1
Property, plant and equipment	30.6	29.3	28.7	29.4	27.4	25.9	25.2
Financial assets	4.6	2.2	0.0	1.4	1.4	1.4	1.4
Other long-term assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fixed assets	97.2	96.3	94.7	125.3	129.2	133.4	136.8
Inventories	20.9	20.0	37.1	50.3	40.6	43.2	51.0
Accounts receivable	19.4	19.5	33.3	41.2	33.3	36.8	43.0
Liquid assets	35.2	47.9	54.8	28.7	35.7	49.1	68.7
Other short-term assets	8.5	6.5	7.3	20.0	20.0	20.0	20.0
Current assets	84.0	93.8	132.5	140.2	129.6	149.1	182.7
Total Assets	181.2	190.1	227.3	265.5	258.8	282.5	319.5
Liabilities and shareholders' equity							
Subscribed capital	10.0	10.0	10.0	29.8	29.8	29.8	29.8
Capital reserve	22.4	22.6	26.8	7.2	7.2	7.2	7.2
Retained earnings	74.8	87.1	94.2	107.2	121.4	147.5	183.3
Other equity components	-4.2	-4.8	-2.4	-2.8	-7.9	-13.2	-16.9
Shareholders' equity	103.0	114.9	128.7	141.5	150.5	171.3	203.5
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total equity	103.0	114.9	128.7	141.5	150.5	171.3	203.5
Provisions	8.2	9.4	16.0	14.6	14.6	14.6	14.6
thereof provisions for pensions and similar obligations	0.9	1.1	1.6	2.0	2.0	2.0	2.0
Financial liabilities (total)	50.0	45.1	54.4	79.1	64.7	64.7	64.7
Short-term financial liabilities	5.3	4.1	4.1	4.0	4.0	4.0	4.0
Accounts payable	10.6	11.1	18.8	19.4	18.1	21.0	25.8
Other liabilities	9.4	9.7	9.4	10.9	10.9	10.9	10.9
Liabilities	78.2	75.2	98.6	124.0	108.3	111.2	116.0
Total liabilities and shareholders' equity	181.2	190.1	227.3	265.5	258.8	282.5	319.5

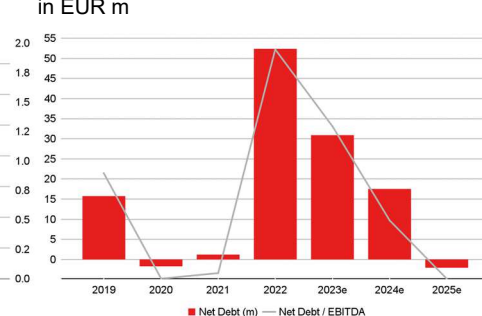
Financial Ratios

	2019	2020	2021	2022	2023e	2024e	2025e
Efficiency of Capital Employment							
Operating Assets Turnover	2.7 x	3.0 x	2.7 x	2.7 x	3.2 x	3.8 x	4.2 x
Capital Employed Turnover	1.4 x	1.5 x	1.7 x	1.4 x	1.5 x	1.7 x	1.9 x
ROA	13.2 %	15.7 %	21.9 %	17.0 %	11.0 %	19.5 %	26.2 %
Return on Capital							
ROCE (NOPAT)	12.7 %	12.8 %	17.3 %	13.5 %	7.9 %	14.4 %	18.7 %
ROE	14.4 %	13.9 %	17.0 %	15.8 %	9.8 %	16.2 %	19.1 %
Adj. ROE	14.4 %	13.4 %	17.0 %	15.8 %	9.8 %	16.2 %	19.1 %
Balance sheet quality							
Net Debt	15.7	-1.7	1.2	52.4	30.9	17.5	-2.1
Net Financial Debt	14.9	-2.8	-0.4	50.4	28.9	15.6	-4.0
Net Gearing	15.3 %	-1.5 %	0.9 %	37.0 %	20.5 %	10.2 %	-1.0 %
Net Fin. Debt / EBITDA	49.6 %	n.a.	n.a.	110.2 %	71.2 %	25.9 %	n.a.
Book Value / Share	3.3	3.7	4.3	4.7	5.0	17.1	20.4
Book value per share ex intangibles	1.3	1.6	2.1	1.6	1.7	6.5	9.3

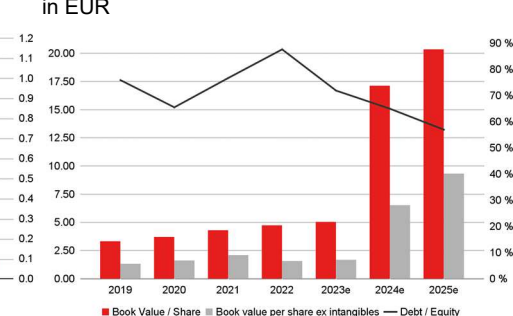
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

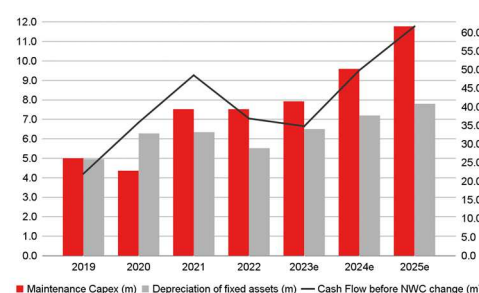
In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
Net income	12.9	15.1	20.8	21.4	14.2	26.0	35.9
Depreciation of fixed assets	5.0	6.3	6.3	5.5	6.5	7.2	7.8
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	8.0	8.2	9.8	11.3	13.6	16.1	17.5
Increase/decrease in long-term provisions	-0.1	1.1	6.6	-1.3	0.0	0.0	0.0
Other non-cash income and expenses	-3.7	5.1	5.1	0.0	0.5	0.5	0.5
Cash Flow before NWC change	22.1	35.9	48.6	36.9	34.8	49.8	61.7
Increase / decrease in inventory	0.1	0.9	-17.1	-13.2	9.7	-2.6	-7.8
Increase / decrease in accounts receivable	-1.1	-0.1	-13.8	-7.9	7.9	-3.5	-6.2
Increase / decrease in accounts payable	3.2	0.5	7.8	0.6	-1.3	2.9	4.8
Increase / decrease in other working capital positions	0.5	0.1	-0.1	-4.0	0.0	0.0	0.0
Increase / decrease in working capital (total)	2.7	1.5	-23.2	-24.5	16.3	-3.2	-9.2
Net cash provided by operating activities [1]	24.7	37.3	25.3	12.4	51.1	46.6	52.5
Investments in intangible assets	-29.3	-20.6	-11.8	-20.8	-19.5	-21.7	-21.7
Investments in property, plant and equipment	-5.1	-2.7	-3.9	-8.6	-4.5	-5.8	-7.1
Payments for acquisitions	0.0	0.0	0.0	-14.5	-1.0	-1.0	-1.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.1	0.2	0.4	0.3	0.1	0.1	0.1
Net cash provided by investing activities [2]	-34.2	-23.3	-15.3	-44.2	-24.9	-28.4	-29.7
Change in financial liabilities	-1.8	2.3	10.4	18.0	-14.4	0.0	0.0
Dividends paid	-5.1	-2.6	-5.8	-6.2	-4.2	-4.3	-2.6
Purchase of own shares	20.8	-0.2	-3.9	-2.7	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	-1.0	-0.8	0.1	0.0	-0.6	-0.6	-0.6
Net cash provided by financing activities [3]	13.0	-1.3	-3.1	5.7	-19.2	-4.9	-3.2
Change in liquid funds [1]+[2]+[3]	3.5	12.7	7.0	-26.1	7.0	13.4	19.6
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	35.3	47.9	54.8	28.7	35.7	49.1	68.7

Financial Ratios

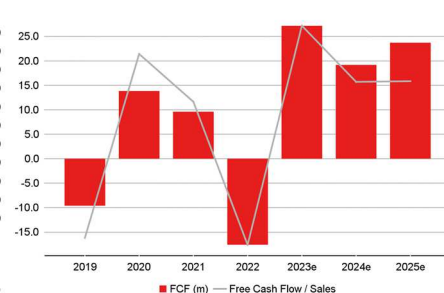
	2019	2020	2021	2022	2023e	2024e	2025e
Cash Flow							
FCF	-9.6	13.8	9.6	-17.6	27.2	19.2	23.7
Free Cash Flow / Sales	-5.9 %	8.1 %	4.5 %	-6.5 %	10.3 %	6.0 %	6.0 %
Free Cash Flow Potential	20.9	24.9	29.8	31.3	27.2	40.5	50.2
Free Cash Flow / Net Profit	-74.6 %	91.6 %	46.3 %	-82.3 %	190.7 %	73.7 %	66.1 %
Interest Received / Avg. Cash	2.9 %	2.7 %	0.4 %	0.7 %	0.6 %	0.5 %	0.3 %
Interest Paid / Avg. Debt	2.4 %	1.6 %	1.2 %	1.6 %	1.4 %	1.5 %	1.5 %
Management of Funds							
Investment ratio	21.2 %	13.7 %	7.3 %	10.8 %	9.1 %	8.6 %	7.3 %
Maint. Capex / Sales	3.1 %	2.6 %	3.5 %	2.8 %	3.0 %	3.0 %	3.0 %
Capex / Dep	265.4 %	160.6 %	97.2 %	174.8 %	119.4 %	117.8 %	113.7 %
Avg. Working Capital / Sales	19.0 %	17.1 %	18.6 %	22.7 %	24.2 %	18.0 %	16.2 %
Trade Debtors / Trade Creditors	183.1 %	175.9 %	176.9 %	212.1 %	184.0 %	175.2 %	166.7 %
Inventory Turnover	3.8 x	4.1 x	2.8 x	2.8 x	3.2 x	3.6 x	3.7 x
Receivables collection period (days)	44	42	57	55	46	42	40
Payables payment period (days)	49	49	67	51	51	49	50
Cash conversion cycle (Days)	91	82	122	136	109	94	89

CAPEX and Cash Flow

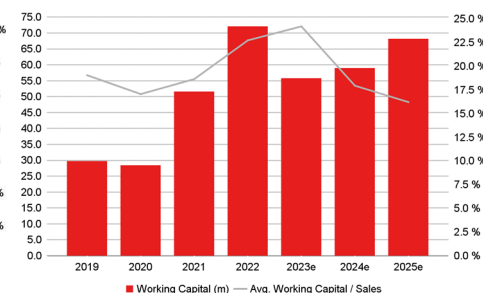
in EUR m



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
Basler	3, 4, 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.

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING

Rating	Number of stocks	% of Universe
Buy	159	74
Hold	46	21
Sell	7	3
Rating suspended	3	1
Total	215	100

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...

... taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	44	86
Hold	6	12
Sell	0	0
Rating suspended	1	2
Total	51	100

PRICE AND RATING HISTORY BASLER AS OF 31.03.2023



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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