

Buy EUR 41.00 (EUR 42.50) Price EUR 30.20 Upside 35.8 %	Value Indicators: EUR DCF: 41.11 FCF-Value Potential 24e: 19.46 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: 901.9 No. of shares (m): 29.9 EV: 925.5 Freefloat MC: 342.7 Ø Trad. Vol. (30d): 244.99 th	Shareholders: Freefloat 38.00 % Norbert Basler 53.00 % Treasury shares 5.00 % Dr. Ley (CEO) 4.00 % Invesco 6.00 %	Key Figures (WRe): 2022e Beta: 1.1 Price / Book: 6.7 x Equity Ratio: 62 % Net Fin. Debt / EBITDA: 0.4 x Net Debt / EBITDA: 0.4 x

Decrease in order intake in line with expectations

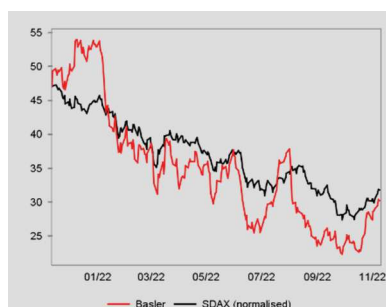
Stated Figures Q3/2022:										Comment on Figures:	
FY End: 31.12. in EUR m	Q3 22	Q3 22e	Q3 21	yoy	9M 22	9M 22e	9M 21	yoy			
Sales	74.4	74.4	49.3	51 %	205.2	205.2	164.6	25 %		Solid sales figures were driven by improvements in the supply-chain situation	
EBT	9.5	9.5	3.8	152 %	24.3	24.3	24.5	-1 %		Recent acquisitions contributed EUR 10m to the top line	
Margin	12.8 %	12.7 %	7.6 %		11.8 %	11.8 %	14.9 %			Increase in EBT is a result of economies of scale and price increases	
EPS	0.26	0.24	0.29	-10 %	0.64	0.63	0.62	3 %		Decline in EPS due to bonus shares issued in July	

Basler published its final Q3 report, which was in line with the preliminary release, and confirmed the recently increased guidance. Sales grew by 50.9% to EUR 74.4m, mainly driven by improvements in the supply situation. Solid business in Korea, including a first-time consolidation effect from the two acquisitions at the beginning of the year (WRe EUR 8m), compensated for lower sales in China and kept the Asia revenue share at approx. 56%. Despite increased material costs and the strong USD, the gross margin improved from 48.8% last year to 51.1%, and returned to Basler's target corridor of 50-52%. EBT reached EUR 9.5m including an extraordinary provision of EUR 2m for the tax-free inflation compensation planned by the German government. The EBT margin of 12.8% increased sequentially, as expected, compared to 8.6% in Q2, owing to the economies of scale associated with the higher top line (+15.5% qoq), the price increases at the beginning of the year after most of the backlog ordered at former prices was shipped in H1 as well as lower acquisition-related one-offs.

After the extraordinarily high order intake last year, Q3 order intake dropped, as expected, by 40.8% to EUR 50.4m. While the underlying demand should have declined by approx. 20% (WRe), the magnitude of the drop was explained, to a large extent, by a normalization of lead times, which more than doubled during the semiconductor crisis. Moreover, some customers especially in Asia, cancelled orders from 2021 with a total volume of EUR 7.6m in Q3 and EUR 19.5m in 9M, as a result of over-ordering during the shortage and a weakening consumer electronics market.

Although the 41%-drop in order intake is not fully attributable to the underlying market development, the current economic environment in general and the reduced demand for consumer electronics in particular might lead to a downturn in the semi and electronics capex cycle. We have reflected this in a reduction of the growth rate for 2023. We confirm our Buy recommendation with a slightly reduced PT of EUR 41.

Changes in Estimates:							Comment on Changes:	
FY End: 31.12. in EUR m	2022e (old)	+ / -	2023e (old)	+ / -	2024e (old)	+ / -		
Sales	270.5	0.0 %	313.4	-6.1 %	366.2	-4.5 %	We have reduced the sales growth for 2023 to reflect the risk of a cyclical downturn in the semi and electronics industry	
EBT	33.6	0.0 %	42.6	-22.5 %	51.1	-9.0 %	The EBT decline is a result of lower economies of scale	
EPS	1.21	-33.1 %	1.03	-22.3 %	1.23	-8.9 %		

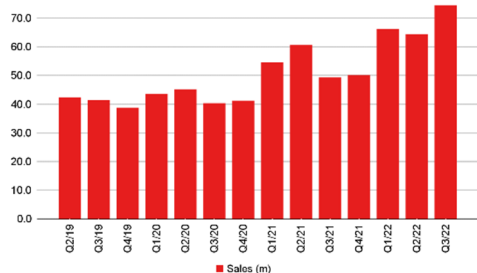


Rel. Performance vs SDAX:	
1 month:	12.1 %
6 months:	6.8 %
Year to date:	-13.9 %
Trailing 12 months:	-3.6 %

Company events:

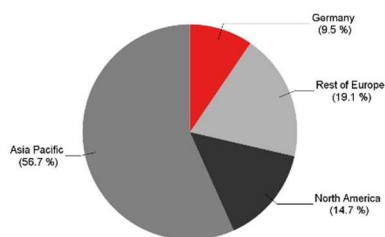
FY End: 31.12. in EUR m	CAGR (21-24e)	2018	2019	2020	2021	2022e	2023e	2024e
Sales	17.7 %	150.0	162.0	170.5	214.7	270.5	294.4	349.8
Change Sales yoy		-0.1 %	8.0 %	5.2 %	26.0 %	26.0 %	8.8 %	18.8 %
Gross profit margin		53.3 %	50.9 %	52.0 %	52.4 %	50.4 %	51.4 %	51.3 %
EBITDA	16.6 %	36.0	30.0	34.6	44.5	52.8	53.9	70.5
Margin		24.0 %	18.5 %	20.3 %	20.7 %	19.5 %	18.3 %	20.2 %
EBIT	18.5 %	24.8	17.0	20.1	28.4	34.4	33.8	47.2
Margin		16.6 %	10.5 %	11.8 %	13.2 %	12.7 %	11.5 %	13.5 %
EBT		24.5	16.9	20.4	28.0	33.6	33.0	46.4
Margin		16.3 %	10.4 %	12.0 %	13.0 %	12.4 %	11.2 %	13.3 %
Net income	17.2 %	17.0	12.9	15.1	20.8	24.2	23.8	33.4
EPS	17.5 %	0.59	0.43	0.50	0.69	0.81	0.80	1.12
DPS	-18.5 %	0.53	0.26	0.58	0.62	0.24	0.24	0.34
Dividend Yield		2.8 %	1.7 %	3.2 %	1.6 %	0.8 %	0.8 %	1.1 %
FCFPS		0.31	-0.32	0.46	0.32	0.58	0.60	0.69
FCF / Market cap		1.6 %	-2.1 %	2.6 %	0.8 %	1.9 %	2.0 %	6.8 %
EV / Sales		3.8 x	3.0 x	3.2 x	5.5 x	3.4 x	3.1 x	0.9 x
EV / EBITDA		15.7 x	16.1 x	15.6 x	26.5 x	17.5 x	17.0 x	4.3 x
EV / EBIT		22.8 x	28.4 x	26.9 x	41.7 x	26.9 x	27.1 x	6.4 x
P / E		32.6 x	36.4 x	36.1 x	57.2 x	37.3 x	37.8 x	27.0 x
FCF Potential Yield		4.5 %	4.3 %	4.6 %	2.5 %	3.8 %	3.9 %	15.4 %
ROE		24.1 %	14.4 %	13.9 %	17.0 %	18.4 %	16.7 %	20.5 %
ROCE (NOPAT)		23.8 %	12.7 %	12.8 %	17.3 %	17.2 %	15.1 %	19.9 %
Guidance:	Sales EUR 262-270m, EBT margin 10-12%							

Sales development
in EUR m



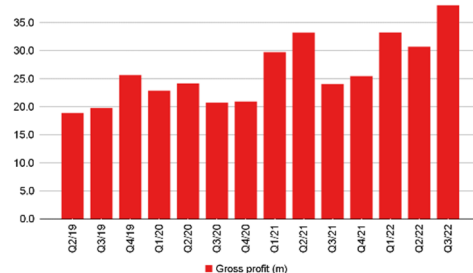
Source: Basler

Sales by regions
2021; in %



Source: Basler

Gross profit development
in EUR m



Source: Basler

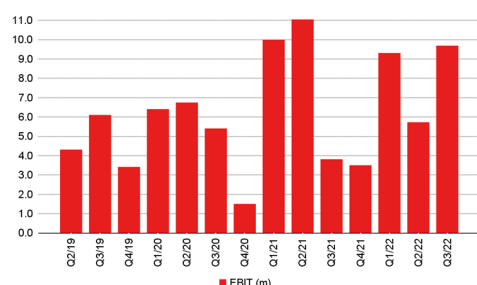
Company Background

- 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

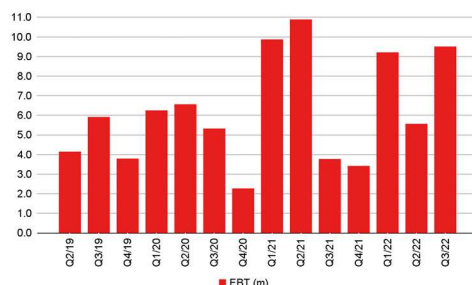
- In terms of units, Basler is the world's largest developer and manufacturer of digital cameras in a fragmented, but consolidating, market for digital cameras for B2B-applications.
- High level of vision-technology expertise: Basler has one of the largest developer pools in the sector and differentiates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



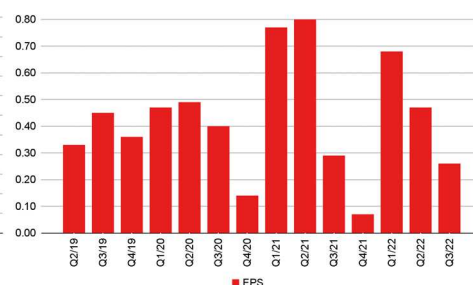
Source: Basler

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
	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	
Sales	270.5	294.4	349.8	406.4	470.8	543.9	626.7	720.2	825.4	943.7	1,076.2	1,224.3	1,392.7	2.5 %
Sales change	26.0 %	8.8 %	18.8 %	16.2 %	15.8 %	15.5 %	15.2 %	14.9 %	14.6 %	14.3 %	14.0 %	13.8 %	13.8 %	
EBIT	34.4	33.8	47.2	56.1	64.0	73.4	84.0	95.8	109.0	123.6	139.9	159.2	181.1	
EBIT-margin	12.7 %	11.5 %	13.5 %	13.8 %	13.6 %	13.5 %	13.4 %	13.3 %	13.2 %	13.1 %	13.0 %	13.0 %	13.0 %	
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	24.8	24.4	34.0	40.4	46.1	52.9	60.5	69.0	78.4	89.0	100.7	114.6	130.4	
Depreciation	18.4	20.1	23.3	26.4	30.6	35.4	40.7	46.8	53.7	61.3	70.0	79.6	90.5	
in % of Sales	6.8 %	6.8 %	6.7 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	
Changes in provisions	0.3	0.0	0.0	0.3	0.3	0.4	0.4	0.5	0.6	0.6	0.7	0.8	0.9	
Change in Liquidity from														
- Working Capital	-2.7	2.2	9.0	9.0	10.9	12.4	14.1	15.9	17.9	20.1	22.5	25.2	28.6	
- Capex	23.1	24.5	28.0	31.7	37.2	42.7	47.7	53.2	59.1	65.6	72.5	80.1	90.5	
Capex in % of Sales	8.5 %	8.3 %	8.0 %	7.8 %	7.9 %	7.9 %	7.6 %	7.4 %	7.2 %	6.9 %	6.7 %	6.5 %	6.5 %	
- Other	23.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Free Cash Flow (WACC Model)	0.1	16.7	19.3	25.4	28.9	33.5	39.9	47.2	55.6	65.3	76.3	89.7	102.6	128
PV of FCF	0.1	15.5	16.5	20.1	21.2	22.7	25.0	27.4	29.9	32.5	35.2	38.3	40.5	907
share of PVs	2.61 %			23.77 %										73.62 %

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 2034e	325		
Terminal Value	907		
Financial liabilities	54		
Pension liabilities	2		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	52	No. of shares (m)	29.9
Equity Value	1,228	Value per share (EUR)	41.11

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 %	30.70	31.43	32.22	33.06	33.98	34.96	36.04	1.26	9.1 %	28.53	30.04	31.55	33.06	34.57	36.09	37.60
1.16	8.6 %	33.83	34.72	35.69	36.73	37.87	39.10	40.45	1.16	8.6 %	31.74	33.40	35.07	36.73	38.39	40.06	41.72
1.11	8.3 %	35.59	36.58	37.65	38.82	40.09	41.48	43.01	1.11	8.3 %	33.57	35.32	37.07	38.82	40.57	42.32	44.07
1.06	8.1 %	37.50	38.60	39.80	41.11	42.54	44.11	45.84	1.06	8.1 %	35.58	37.42	39.26	41.11	42.95	44.79	46.64
1.01	7.8 %	39.58	40.81	42.15	43.62	45.24	47.02	49.00	1.01	7.8 %	37.78	39.73	41.68	43.62	45.57	47.52	49.46
0.96	7.6 %	41.85	43.23	44.74	46.40	48.24	50.27	52.54	0.96	7.6 %	40.22	42.28	44.34	46.40	48.46	50.53	52.59
0.86	7.1 %	47.08	48.84	50.78	52.93	55.33	58.02	61.07	0.86	7.1 %	45.94	48.27	50.60	52.93	55.25	57.58	59.91

- 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	2018	2019	2020	2021	2022e	2023e	2024e	
Net Income before minorities	17.0	12.9	15.1	20.8	24.2	23.8	33.4	
+ Depreciation + Amortisation	11.1	12.9	14.5	16.2	18.4	20.1	23.3	
- Net Interest Income	-0.3	-0.1	0.4	-0.4	-0.8	-0.8	-0.8	
- Maintenance Capex	2.9	5.0	4.4	7.5	8.1	8.8	10.5	
+ Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
= Free Cash Flow Potential	25.6	20.9	24.9	29.8	35.3	35.8	47.0	
FCF Potential Yield (on market EV)	4.5 %	4.3 %	4.6 %	2.5 %	3.8 %	3.9 %	15.4 %	
WACC	8.06 %	8.06 %	8.06 %	8.06 %	8.06 %	8.06 %	8.06 %	
= Enterprise Value (EV)	564.9	482.9	540.1	1,181.7	925.5	916.3	304.6	
= Fair Enterprise Value	317.1	259.5	308.9	369.8	437.7	444.6	583.6	
- Net Debt (Cash)	-0.4	-0.4	-0.4	-0.4	21.7	12.5	0.7	
- Pension Liabilities	1.6	1.6	1.6	1.6	1.9	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	315.8	258.3	307.7	368.6	414.1	430.2	581.0	
Number of shares, average	28.9	29.8	30.0	29.9	29.9	29.9	29.9	
= Fair value per share (EUR)	10.92	8.66	10.25	12.32	13.87	14.40	19.46	
premium (-) / discount (+) in %					-54.1 %	-52.3 %	-35.6 %	
Sensitivity Fair value per Share (EUR)								
WACC	11.06 %	7.70	6.29	7.50	8.98	9.89	10.37	14.16
	10.06 %	8.47	6.92	8.25	9.88	10.95	11.45	15.57
	9.06 %	9.40	7.69	9.16	10.97	12.25	12.76	17.30
	8.06 %	10.92	8.66	10.25	12.32	13.87	14.40	19.46
	7.06 %	12.08	9.88	11.77	14.09	15.94	16.51	22.22
	6.06 %	14.08	11.51	13.72	16.43	18.70	19.32	25.90
	5.06 %	16.87	13.80	16.43	19.68	22.55	23.23	31.04

■ 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	2018	2019	2020	2021	2022e	2023e	2024e
Price / Book	7.4 x	4.5 x	4.7 x	9.2 x	6.7 x	6.0 x	1.7 x
Book value per share ex intangibles	1.19	1.32	1.62	2.09	1.56	1.88	7.58
EV / Sales	3.8 x	3.0 x	3.2 x	5.5 x	3.4 x	3.1 x	0.9 x
EV / EBITDA	15.7 x	16.1 x	15.6 x	26.5 x	17.5 x	17.0 x	4.3 x
EV / EBIT	22.8 x	28.4 x	26.9 x	41.7 x	26.9 x	27.1 x	6.4 x
EV / EBIT adj.*	22.8 x	28.4 x	26.9 x	41.7 x	26.9 x	27.1 x	6.4 x
P / FCF	61.9 x	n.a.	39.2 x	122.9 x	51.7 x	50.3 x	44.0 x
P / E	32.6 x	36.4 x	36.1 x	57.2 x	37.3 x	37.8 x	27.0 x
P / E adj.*	32.6 x	36.4 x	36.8 x	57.2 x	37.3 x	37.8 x	27.0 x
Dividend Yield	2.8 %	1.7 %	3.2 %	1.6 %	0.8 %	0.8 %	1.1 %
FCF Potential Yield (on market EV)	4.5 %	4.3 %	4.6 %	2.5 %	3.8 %	3.9 %	15.4 %
*Adjustments made for: -							

Consolidated profit and loss

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Sales	150.0	162.0	170.5	214.7	270.5	294.4	349.8
Change Sales yoy	-0.1 %	8.0 %	5.2 %	26.0 %	26.0 %	8.8 %	18.8 %
COGS	70.1	79.5	81.7	102.2	134.2	143.1	170.4
Gross profit	79.9	82.4	88.7	112.5	136.3	151.3	179.4
Gross margin	53.3 %	50.9 %	52.0 %	52.4 %	50.4 %	51.4 %	51.3 %
Research and development	18.8	17.9	21.7	29.9	30.7	39.4	44.7
Sales and marketing	23.0	31.5	30.6	34.9	47.3	50.8	58.1
Administration expenses	12.7	15.8	17.4	20.4	25.1	27.1	29.2
Other operating expenses	1.4	1.0	0.2	0.3	0.9	1.2	1.3
Other operating income	0.8	0.8	1.1	1.3	2.1	1.0	1.1
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	36.0	30.0	34.6	44.5	52.8	53.9	70.5
Margin	24.0 %	18.5 %	20.3 %	20.7 %	19.5 %	18.3 %	20.2 %
Depreciation of fixed assets	3.2	5.0	6.3	6.3	6.4	6.5	7.2
EBITA	32.8	25.0	28.3	38.2	46.4	47.4	63.3
Amortisation of intangible assets	7.9	8.0	8.2	9.8	12.0	13.6	16.1
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	24.8	17.0	20.1	28.4	34.4	33.8	47.2
Margin	16.6 %	10.5 %	11.8 %	13.2 %	12.7 %	11.5 %	13.5 %
EBIT adj.	24.8	17.0	20.1	28.4	34.4	33.8	47.2
Interest income	0.2	1.0	1.1	0.2	0.2	0.2	0.2
Interest expenses	0.5	1.1	0.8	0.6	1.0	1.0	1.0
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	24.5	16.9	20.4	28.0	33.6	33.0	46.4
Margin	16.3 %	10.4 %	12.0 %	13.0 %	12.4 %	11.2 %	13.3 %
Total taxes	7.5	4.0	5.3	7.2	9.4	9.2	13.0
Net income from continuing operations	17.0	12.9	15.1	20.8	24.2	23.8	33.4
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	17.0	12.9	15.1	20.8	24.2	23.8	33.4
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	17.0	12.9	15.1	20.8	24.2	23.8	33.4
Margin	11.3 %	7.9 %	8.9 %	9.7 %	8.9 %	8.1 %	9.6 %
Number of shares, average	28.9	29.8	30.0	29.9	29.9	29.9	29.9
EPS	0.59	0.43	0.50	0.69	0.81	0.80	1.12
EPS adj.	0.59	0.43	0.49	0.69	0.81	0.80	1.12

*Adjustments made for:

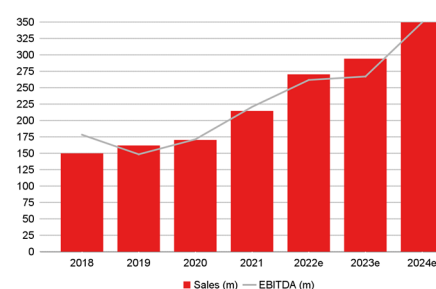
Guidance: Sales EUR 262-270m, EBT margin 10-12%

Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Total Operating Costs / Sales	36.7 %	40.4 %	40.3 %	39.2 %	37.7 %	39.9 %	37.8 %
Operating Leverage	140.8 x	-3.9 x	3.4 x	1.6 x	0.8 x	-0.2 x	2.1 x
EBITDA / Interest expenses	78.2 x	28.3 x	45.0 x	75.4 x	52.8 x	53.9 x	70.5 x
Tax rate (EBT)	30.6 %	23.9 %	26.0 %	25.8 %	28.0 %	28.0 %	28.0 %
Dividend Payout Ratio	90.1 %	60.2 %	115.2 %	89.4 %	30.0 %	30.1 %	30.0 %
Sales per Employee	249,589	200,944	210,964	248,528	281,802	306,667	364,375

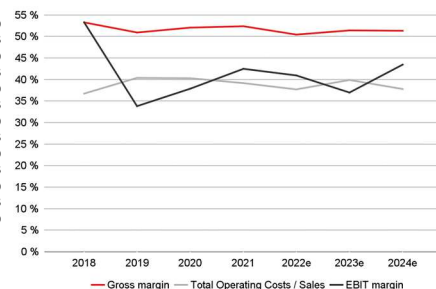
Sales, EBITDA

in EUR m

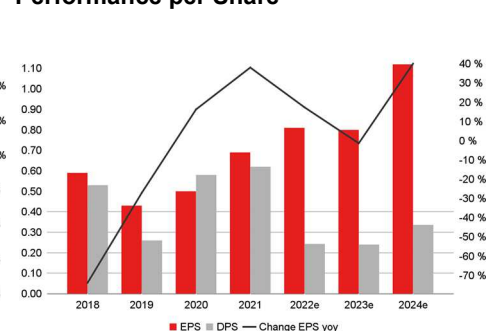


Operating Performance

in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

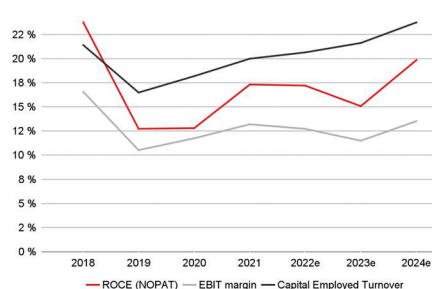
Consolidated balance sheet

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Assets							
Goodwill and other intangible assets	40.8	62.0	64.8	66.0	88.0	93.9	99.5
thereof other intangible assets	6.5	3.0	3.7	6.5	8.6	10.8	13.2
thereof Goodwill	12.7	27.5	27.5	27.5	42.9	42.9	42.9
Property, plant and equipment	22.5	30.6	29.3	28.7	31.9	30.4	29.5
Financial assets	1.7	4.6	2.2	0.0	0.0	0.0	0.0
Other long-term assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fixed assets	65.1	97.2	96.3	94.7	119.9	124.3	129.0
Inventories	21.0	20.9	20.0	37.1	35.6	38.2	44.8
Accounts receivable	18.2	19.4	19.5	33.3	31.1	32.3	38.3
Liquid assets	31.8	35.2	47.9	54.8	23.4	32.6	44.5
Other short-term assets	2.8	8.5	6.5	7.3	7.3	7.3	7.3
Current assets	73.9	84.0	93.8	132.5	97.4	110.4	134.8
Total Assets	139.0	181.2	190.1	227.3	217.3	234.7	263.8
Liabilities and shareholders' equity							
Subscribed capital	3.2	10.0	10.0	10.0	31.5	31.5	31.5
Capital reserve	5.3	22.4	22.6	26.8	26.8	26.8	26.8
Retained earnings	66.5	74.8	87.1	94.2	118.4	142.2	175.7
Other equity components	0.5	-4.2	-4.8	-2.4	-42.1	-50.4	-58.6
Shareholders' equity	75.5	103.0	114.9	128.7	134.6	150.2	175.3
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total equity	75.5	103.0	114.9	128.7	134.6	150.2	175.3
Provisions	8.3	8.2	9.4	16.0	10.4	10.6	10.9
thereof provisions for pensions and similar obligations	1.2	0.9	1.1	1.6	1.9	1.9	1.9
Financial liabilities (total)	39.8	50.0	45.1	54.4	45.1	45.1	45.1
Short-term financial liabilities	1.8	5.3	4.1	4.1	4.1	4.1	4.1
Accounts payable	7.4	10.6	11.1	18.8	17.8	19.4	23.0
Other liabilities	7.9	9.4	9.7	9.4	9.4	9.4	9.4
Liabilities	63.4	78.2	75.2	98.6	82.7	84.6	88.4
Total liabilities and shareholders' equity	139.0	181.2	190.1	227.3	217.3	234.7	263.8

Financial Ratios

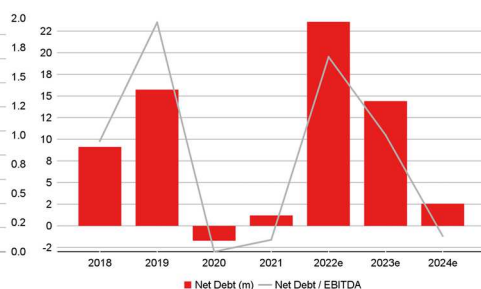
	2018	2019	2020	2021	2022e	2023e	2024e
Efficiency of Capital Employment							
Operating Assets Turnover	2.8 x	2.7 x	3.0 x	2.7 x	3.3 x	3.6 x	3.9 x
Capital Employed Turnover	1.8 x	1.4 x	1.5 x	1.7 x	1.7 x	1.8 x	2.0 x
ROA	26.1 %	13.2 %	15.7 %	21.9 %	20.2 %	19.1 %	25.9 %
Return on Capital							
ROCE (NOPAT)	23.8 %	12.7 %	12.8 %	17.3 %	17.2 %	15.1 %	19.9 %
ROE	24.1 %	14.4 %	13.9 %	17.0 %	18.4 %	16.7 %	20.5 %
Adj. ROE	24.1 %	14.4 %	13.4 %	17.0 %	18.4 %	16.7 %	20.5 %
Balance sheet quality							
Net Debt	9.1	15.7	-1.7	1.2	23.6	14.4	2.6
Net Financial Debt	8.0	14.9	-2.8	-0.4	21.7	12.5	0.7
Net Gearing	12.1 %	15.3 %	-1.5 %	0.9 %	17.5 %	9.6 %	1.5 %
Net Fin. Debt / EBITDA	22.2 %	49.6 %	n.a.	n.a.	41.1 %	23.2 %	0.9 %
Book Value / Share	2.6	3.3	3.7	4.3	4.5	5.0	17.5
Book value per share ex intangibles	1.2	1.3	1.6	2.1	1.6	1.9	7.6

ROCE Development



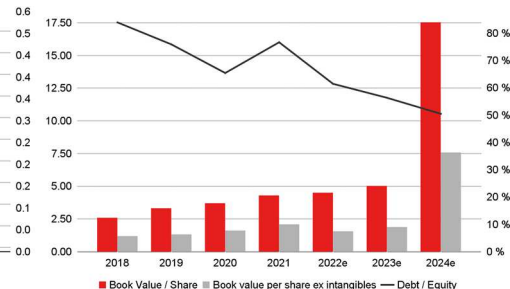
Source: Warburg Research

Net debt in EUR m



Source: Warburg Research

Book Value per Share in EUR



Source: Warburg Research

Consolidated cash flow statement

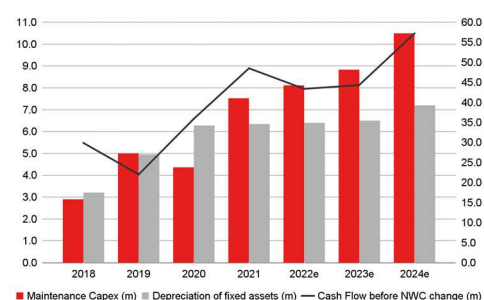
In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Net income	17.0	12.9	15.1	20.8	24.2	23.8	33.4
Depreciation of fixed assets	3.2	5.0	6.3	6.3	6.4	6.5	7.2
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	7.9	8.0	8.2	9.8	12.0	13.6	16.1
Increase/decrease in long-term provisions	0.0	-0.1	1.1	6.6	0.3	0.0	0.0
Other non-cash income and expenses	1.7	-3.7	5.1	5.1	0.5	0.5	0.5
Cash Flow before NWC change	29.9	22.1	35.9	48.6	43.4	44.4	57.2
Increase / decrease in inventory	2.2	0.1	0.9	-17.1	1.5	-2.6	-6.6
Increase / decrease in accounts receivable	-6.4	-1.1	-0.1	-13.8	2.2	-1.2	-6.0
Increase / decrease in accounts payable	-4.5	3.2	0.5	7.8	-1.0	1.6	3.6
Increase / decrease in other working capital positions	5.8	0.5	0.1	-0.1	-5.6	0.2	0.3
Increase / decrease in working capital (total)	-2.9	2.7	1.5	-23.2	-2.9	-2.0	-8.7
Net cash provided by operating activities [1]	27.0	24.7	37.3	25.3	40.5	42.4	48.5
Investments in intangible assets	-13.6	-29.3	-20.6	-11.8	-18.5	-19.5	-21.7
Investments in property, plant and equipment	-4.5	-5.1	-2.7	-3.9	-4.6	-5.0	-6.3
Payments for acquisitions	-7.7	0.0	0.0	0.0	-20.5	-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	0.1	0.2	0.4	0.1	0.1	0.1
Net cash provided by investing activities [2]	-25.7	-34.2	-23.3	-15.3	-43.5	-25.4	-28.9
Change in financial liabilities	4.8	-1.8	2.3	10.4	-9.3	0.0	0.0
Dividends paid	-6.5	-5.1	-2.6	-5.8	-18.5	-7.3	-7.2
Purchase of own shares	-3.3	20.8	-0.2	-3.9	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	-0.5	-1.0	-0.8	0.1	-0.6	-0.6	-0.6
Net cash provided by financing activities [3]	-5.5	13.0	-1.3	-3.1	-28.5	-7.9	-7.8
Change in liquid funds [1]+[2]+[3]	-4.2	3.5	12.7	7.0	-31.4	9.2	11.9
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	31.8	35.3	47.9	54.8	23.4	32.6	44.5

Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Cash Flow							
FCF	9.0	-9.6	13.8	9.6	17.4	17.9	20.5
Free Cash Flow / Sales	6.0 %	-5.9 %	8.1 %	4.5 %	6.4 %	6.1 %	5.9 %
Free Cash Flow Potential	25.6	20.9	24.9	29.8	35.3	35.8	47.0
Free Cash Flow / Net Profit	52.7 %	-74.6 %	91.6 %	46.3 %	72.1 %	75.4 %	61.4 %
Interest Received / Avg. Cash	0.5 %	2.9 %	2.7 %	0.4 %	0.5 %	0.7 %	0.5 %
Interest Paid / Avg. Debt	1.3 %	2.4 %	1.6 %	1.2 %	2.0 %	2.2 %	2.2 %
Management of Funds							
Investment ratio	12.0 %	21.2 %	13.7 %	7.3 %	8.5 %	8.3 %	8.0 %
Maint. Capex / Sales	1.9 %	3.1 %	2.6 %	3.5 %	3.0 %	3.0 %	3.0 %
Capex / Dep	161.8 %	265.4 %	160.6 %	97.2 %	125.5 %	121.9 %	120.2 %
Avg. Working Capital / Sales	17.9 %	19.0 %	17.1 %	18.6 %	18.6 %	17.0 %	15.9 %
Trade Debtors / Trade Creditors	246.9 %	183.1 %	175.9 %	176.9 %	174.7 %	166.5 %	166.5 %
Inventory Turnover	3.3 x	3.8 x	4.1 x	2.8 x	3.8 x	3.7 x	3.8 x
Receivables collection period (days)	44	44	42	57	42	40	40
Payables payment period (days)	39	49	49	67	48	49	49
Cash conversion cycle (Days)	115	91	82	122	90	88	87

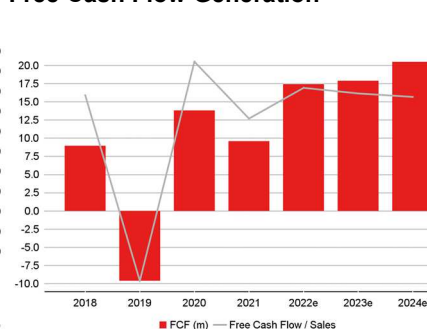
CAPEX and Cash Flow

in EUR m



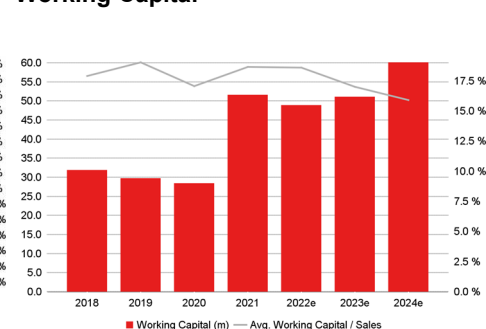
Source: Warburg Research

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, 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	163	75
Hold	43	20
Sell	6	3
Rating suspended	4	2
Total	216	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	46	82
Hold	7	13
Sell	1	2
Rating suspended	2	4
Total	56	100

PRICE AND RATING HISTORY BASLER AS OF 10.11.2022



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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