

Buy EUR 39.00 Price EUR 20.85 Upside 87.1 %	Value Indicators: EUR DCF: 39.59 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: 623.0 No. of shares (m): 29.9 EV: 653.9 Freefloat MC: 236.7 Ø Trad. Vol. (30d): 305.12 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: 4.1 x Equity Ratio: 58 % Net Fin. Debt / EBITDA: 0.7 x Net Debt / EBITDA: 0.8 x

Demand from the semi and electronics industry remains weak

Stated Figures Q1/2023:							
FY End: 31.12. in EUR m	Q1 23	Q1 23e	Q1 22	yoy	23e	22	yoy
Sales	56.3	58.4	66.3	-15 %	264.2	272.2	-3 %
EBT	-1.6	-0.1	9.2	n.a.	19.8	28.3	-30 %
Margin	-2.8 %	-0.2 %	13.9 %		7.5 %	10.4 %	
EPS	-0.07	0.00	0.23	n.a.	0.48	0.71	-32 %

Comment on Figures:

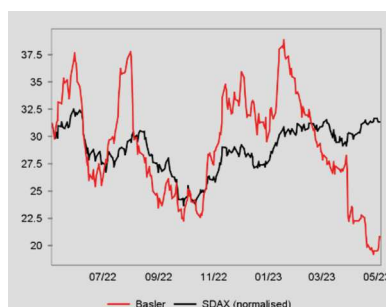
- Sales declined mainly due to a cyclical lull in demand from the semi and electronics industry
- Teething troubles after the S4/Hana roll-out delayed a delivery volume of approx. EUR 3m
- The gross margin was still burdened by inflated spot prices
- EBIT margin suffered from lower sales and last year's headcount increase

Basler published its Q1 results and confirmed the guidance for the full year (sales EUR 235-265m, EBT margin 5-8%). Sales decreased by 15% yoy to EUR 56.3m, which was slightly below our expectation (WRe EUR 58.4m). The decline was mainly driven by low demand from the customer segments semi and electronics industry as well as logistics. As a result, sales in Asia and the Americas dropped by a quarter, while revenues in Europe increased by approx. 15%. In addition, there were some teething troubles with the S4/Hana roll-out in December, which delayed a delivery volume of approx. EUR 3m, originally planned for Q1.

The gross margin was down from 50.2% to 44.6% due to inflated spot prices from some critical components and the recent RMB weakness. The EBT fell from EUR 9.2m in Q1 22 to EUR -1.6, which was again slightly below our estimate (WRe EUR -0.1m). This was mainly a result of the lower sales volume and an increased headcount. The operating cash flow improved from EUR -5.1m last year to EUR -3.3m, mainly due to the significant increase in inventories and accounts receivable last year. However, inventories still grew by 4.4m in the first quarter as a result of the long delivery time of non-cancelable component orders placed during the shortages.

The order intake of EUR 54.1m was significantly below the extraordinarily strong figure of the previous year (Q1 22 EUR 88.5m) but improved compared to the last quarter (Q4 22 EUR 38.7m). At the same time cancelations reached a peak at EUR 13.3m. For the second quarter, we expect some improvement. While the revenue should remain low, cost-cutting measures were implemented that are reducing fixed costs in second quarter by approx. EUR 2m (WRe) compared to Q1. Moreover, the cancelations should decline since the remaining order backlog contains almost no orders from the overheated market phase. We also expect a positive development in the second half of the year. Seasonally, H2 has a higher share of business with automotive and general industry, where there is still rather robust demand as indicated by the solid 15% growth in Europe and a growth rate of 25% in Germany. This should also lead to an acceleration of the order momentum towards the end of Q2, although we are still expecting order intake to be below the previous year's figure of EUR 70.8m.

Against this background, we still expect Basler to reach its confirmed targets at the upper end. Q2 should show some improvement compared to the first quarter, but development throughout the year should be very H2-heavy. With a recovery of the semi and electronics industry next year, Basler should be able to return to its 15% CAGR next year and come close to its 2024 goal of EUR 400m in sales without taking smaller acquisitions into account. Considering the strong mid-term prospect, we maintain our estimates, our target price and our Buy recommendation.

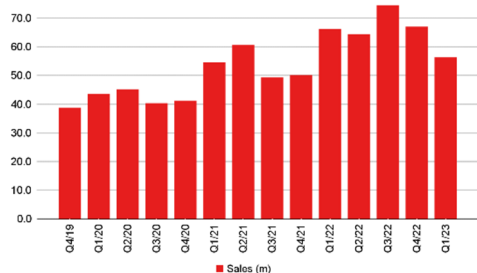


Rel. Performance vs SDAX:	
1 month:	-10.7 %
6 months:	-47.2 %
Year to date:	-43.4 %
Trailing 12 months:	-38.6 %

Company events:	
26.05.23	AGM
10.08.23	Q2
08.11.23	Q3

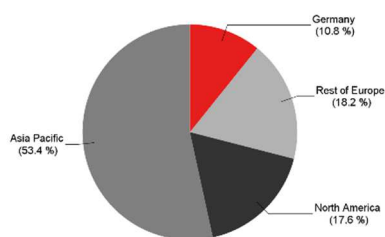
FY End: 31.12. in EUR m	CAGR (22-25e)	2019	2020	2021	2022	2023e	2024e	2025e
Sales	13.0 %	162.0	170.5	214.7	272.2	264.2	319.7	392.5
Change Sales yoy		8.0 %	5.2 %	26.0 %	26.8 %	-2.9 %	21.0 %	22.8 %
Gross profit margin		50.9 %	52.0 %	52.4 %	48.9 %	50.9 %	51.5 %	51.8 %
EBITDA	18.4 %	30.0	34.6	44.5	45.8	40.7	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 %	0.7 %	1.3 %	1.8 %
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 %	4.4 %	9.2 %	12.1 %
EV / Sales		3.0 x	3.2 x	5.5 x	3.7 x	2.5 x	0.7 x	0.5 x
EV / EBITDA		16.1 x	15.6 x	26.5 x	22.3 x	16.1 x	3.8 x	2.6 x
EV / EBIT		28.4 x	26.9 x	41.7 x	35.2 x	31.8 x	6.1 x	3.8 x
P / E		36.4 x	36.1 x	57.2 x	45.6 x	43.4 x	24.0 x	16.4 x
FCF Potential Yield		4.3 %	4.6 %	2.5 %	3.1 %	4.2 %	17.9 %	25.9 %
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



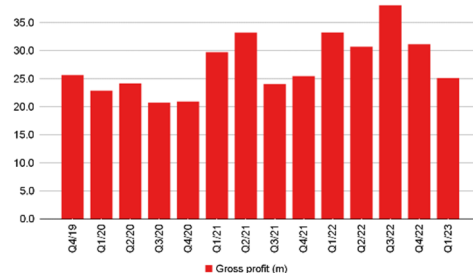
Source: Basler

Sales by regions
2022; in %



Source: Basler

Gross profit development
in EUR m



Source: Basler

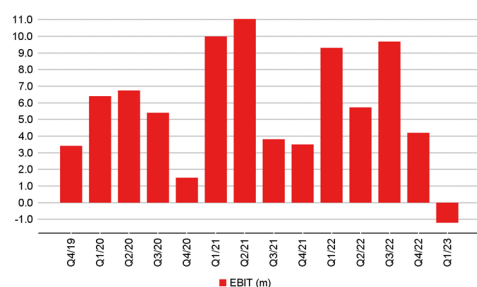
Company Background

- 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

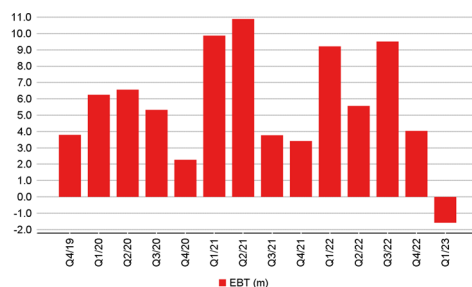
- In terms of units Basler is the world's largest developer and manufacturer of digital cameras in a fragmented, but consolidating, market for digital cameras for B2B-applications.
- High level of vision technology expertise: Basler has one of the largest developer pools in the sector and differentiates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



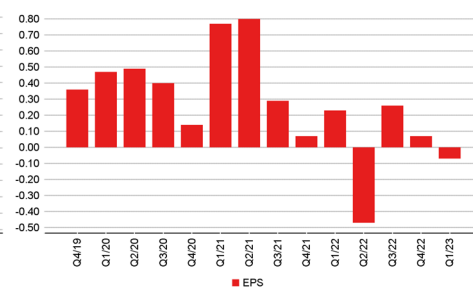
Source: Basler

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 %	127
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	867
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 %	69.99 %
- 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	
PV of FCF	25.2	16.2	18.8	23.7	24.6	25.7	28.2	30.3	32.1	33.8	36.7	37.3	39.0	
share of PVs	4.86 %			25.14 %										

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	372		
Terminal Value	867		
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	1,183	Value per share (EUR)	39.59

Sensitivity Value per Share (EUR)

Beta WACC		Terminal Growth							Beta WACC		Delta EBIT-margin						
		1.75 %	2.00 %	2.25 %	2.50 %	2.75 %	3.00 %	3.25 %			-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 %	29.45	30.14	30.89	31.69	32.56	33.50	34.52	1.26	9.1 %	27.14	28.66	30.18	31.69	33.21	34.73	36.25
1.16	8.6 %	32.53	33.38	34.30	35.30	36.38	37.56	38.84	1.16	8.6 %	30.28	31.95	33.63	35.30	36.97	38.64	40.31
1.11	8.3 %	34.26	35.21	36.24	37.35	38.56	39.89	41.34	1.11	8.3 %	32.07	33.83	35.59	37.35	39.11	40.87	42.63
1.06	8.1 %	36.15	37.20	38.35	39.59	40.96	42.46	44.12	1.06	8.1 %	34.03	35.88	37.74	39.59	41.45	43.31	45.16
1.01	7.8 %	38.20	39.38	40.66	42.07	43.61	45.32	47.21	1.01	7.8 %	36.18	38.14	40.10	42.07	44.03	45.99	47.95
0.96	7.6 %	40.44	41.76	43.21	44.80	46.55	48.50	50.67	0.96	7.6 %	38.56	40.64	42.72	44.80	46.87	48.95	51.03
0.86	7.1 %	45.59	47.27	49.13	51.20	53.50	56.09	59.02	0.86	7.1 %	44.15	46.50	48.85	51.20	53.55	55.90	58.25

- 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 %	4.2 %	17.9 %	25.9 %	
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	653.9	226.0	194.1	
= 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 %					-50.8 %	-22.1 %	6.6 %	
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	4.1 x	1.2 x	1.0 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	2.5 x	0.7 x	0.5 x
EV / EBITDA	16.1 x	15.6 x	26.5 x	22.3 x	16.1 x	3.8 x	2.6 x
EV / EBIT	28.4 x	26.9 x	41.7 x	35.2 x	31.8 x	6.1 x	3.8 x
EV / EBIT adj.*	28.4 x	26.9 x	41.7 x	35.2 x	31.8 x	6.1 x	3.8 x
P / FCF	n.a.	39.2 x	122.9 x	n.a.	22.9 x	32.5 x	24.7 x
P / E	36.4 x	36.1 x	57.2 x	45.6 x	43.4 x	24.0 x	16.4 x
P / E adj.*	36.4 x	36.8 x	57.2 x	45.6 x	43.4 x	24.0 x	16.4 x
Dividend Yield	0.6 %	1.1 %	0.5 %	0.4 %	0.7 %	1.3 %	1.8 %
FCF Potential Yield (on market EV)	4.3 %	4.6 %	2.5 %	3.1 %	4.2 %	17.9 %	25.9 %
*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:

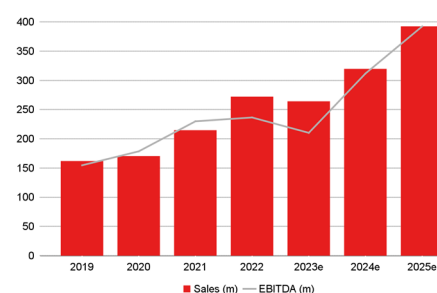
Guidance: Sales EUR 235-265m, EBT margin 5-8%

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

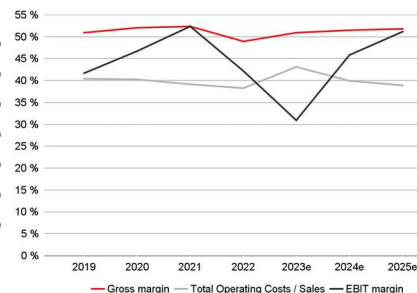
Sales, EBITDA

in EUR m

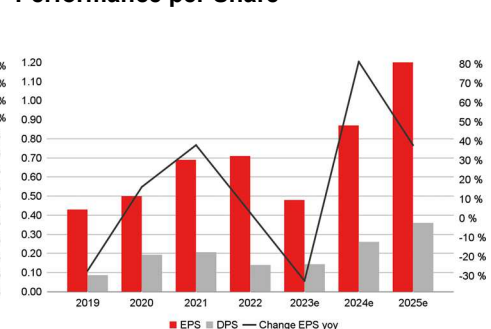


Operating Performance

in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

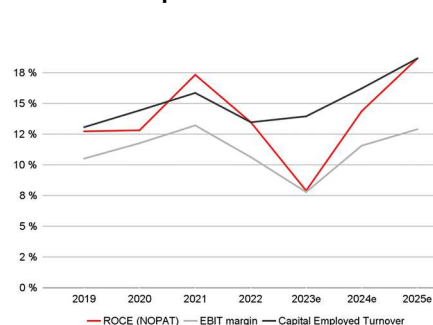
Consolidated balance sheet

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

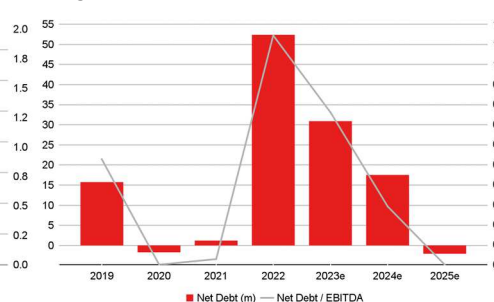
Financial Ratios

	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

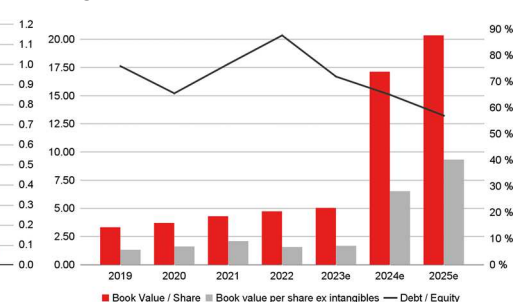
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

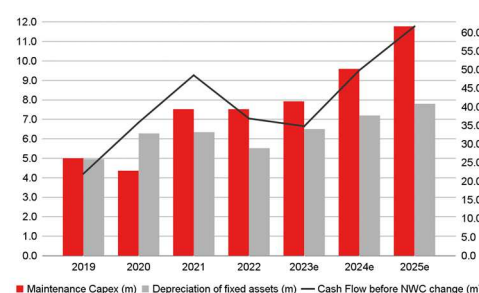
In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
Net income	12.9	15.1	20.8	21.4	14.2	26.0	35.9
Depreciation of fixed assets	5.0	6.3	6.3	5.5	6.5	7.2	7.8
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	8.0	8.2	9.8	11.3	13.6	16.1	17.5
Increase/decrease in long-term provisions	-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

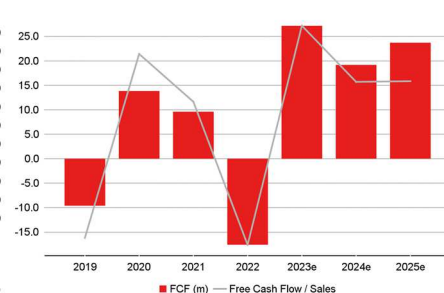
	2019	2020	2021	2022	2023e	2024e	2025e
Cash Flow							
FCF	-9.6	13.8	9.6	-17.6	27.2	19.2	23.7
Free Cash Flow / Sales	-5.9 %	8.1 %	4.5 %	-6.5 %	10.3 %	6.0 %	6.0 %
Free Cash Flow Potential	20.9	24.9	29.8	31.3	27.2	40.5	50.2
Free Cash Flow / Net Profit	-74.6 %	91.6 %	46.3 %	-82.3 %	190.7 %	73.7 %	66.1 %
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

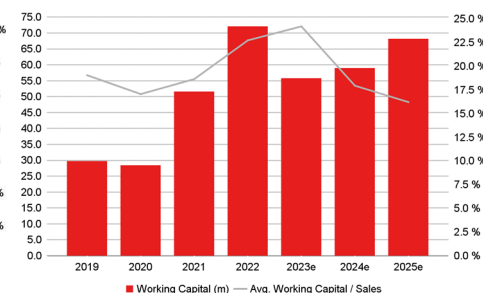
in EUR m



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	160	75
Hold	42	20
Sell	8	4
Rating suspended	3	1
Total	213	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	88
Hold	5	10
Sell	0	0
Rating suspended	1	2
Total	52	100

PRICE AND RATING HISTORY BASLER AS OF 05.05.2023



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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