

PSI SE

Germany / Software
 Primary exchange: Frankfurt
 Bloomberg: PSAN GR
 ISIN: DE000A0Z1JH9

Q3 2024 results

RATING
PRICE TARGET **ADD**
 Return Potential 17.9%
 Risk Rating Medium

€ 25.00

RECOVERY FROM CYBERATTACK CONTINUES; FY/24 GUIDANCE MAINTAINED

PSI's Q3 report showed results continuing to rebound from the impact of the mid-February cyberattack. Q3/24 sales were flat at €65.1m (Q3/23: €65.2m; FBe: €62.0m, but EBIT came in at breakeven (Q3/23: €2.6m; FBe: €1.6m) after losses of €-14.8m and €4.6m in Q1/24 and Q2/24 respectively. The order intake was down 36.2% at €44m (Q3/23: €9m) in Q3/24 after falling 8.9% at the H1/24 stage. The increase in the rate of decline was attributable to a Q3/23 order intake which was 25.5% above the Q2/23 level and included large orders from Malaysia; the Swiss transmission grid operator, Swissgrid (both Energy Management); and the footwear retailer, Deichmann (Production Management). We expect EBIT to improve further to €4.6m in Q4/24, bringing FY24 EBIT to €-14.8m -in line with management guidance that this metric will not undershoot €-15m. Following the Q3/24 results and analysts' call, we now take a more conservative view of the pace of recovery in sales at Energy Management, having reduced our 2025 segment sales forecast by 11.7% and made similar reductions for subsequent years. However, we continue to expect the introduction of the "Control System of the Future" to push Energy Management's EBIT margin towards double digits over the next five years. As we expect Production Management to account for around two thirds of EBIT in the medium term, the impact of the Energy Management sales forecast reductions on our price target is relatively small. We now see fair value for the PSI share at €25 (previously: €26). We maintain our Add recommendation.

Energy Management results recovering more slowly than Production Management numbers Energy Management sales fell 7.5% in Q3/24 to €31.4m (Q3/23: €34.0m; FBe: €31.0m) while segment EBIT came in at €-3.2m (Q3/23: €0.8m; FBe: €0.6m). Energy Management results are recovering more slowly than Production Management numbers, firstly because the former segment is still less project-oriented than the latter business, and secondly because Energy Management contracts typically take longer to execute than Production Management contracts. (p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

| | 2023 | 2024E | 2025E | 2026E | 2027E | 2028E |
|--------------------|-------|-------|-------|-------|-------|-------|
| Revenue (€m) | 269.9 | 251.4 | 288.0 | 313.9 | 345.2 | 379.7 |
| Y-o-y growth | 8.9% | -6.8% | 14.5% | 9.0% | 10.0% | 10.0% |
| EBIT (€m) | 5.6 | -14.8 | 25.6 | 35.3 | 42.4 | 50.4 |
| EBIT margin | 2.1% | -5.9% | 8.9% | 11.3% | 12.3% | 13.3% |
| Net income (€m) | 0.3 | -21.8 | 16.7 | 23.5 | 28.5 | 34.3 |
| EPS (diluted) (€) | 0.02 | -1.41 | 1.08 | 1.52 | 1.84 | 2.21 |
| DPS (€) | 0.00 | 0.00 | 0.40 | 0.50 | 0.60 | 0.70 |
| FCF (€m) | 9.9 | -25.7 | 5.2 | 15.6 | 20.2 | 19.0 |
| Net gearing | 28.9% | 71.7% | 58.8% | 50.4% | 41.4% | 35.8% |
| Liquid assets (€m) | 50.5 | 47.8 | 57.6 | 62.8 | 69.0 | 75.9 |

RISKS

Risks include slower than expected margin expansion than we currently model.

COMPANY PROFILE

PSI makes software control systems, primarily for energy, utility companies and metals producers. Customers also include manufacturers and operators of transportation networks. The company's control system products are widespread in its core German market.

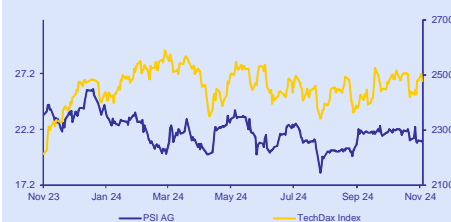
MARKET DATA

As of 12 Nov 2024

Closing Price € 21.20
 Shares outstanding 15.49m
 Market Capitalisation € 328.35m
 52-week Range € 18.30 / 25.80
 Avg. Volume (12 Months) 7,639

| Multiples | 2023 | 2024E | 2025E |
|------------|--------|-------|-------|
| P/E | 1013.4 | n.a. | 19.7 |
| EV/Sales | 1.5 | 1.6 | 1.4 |
| EV/EBIT | 72.0 | n.a. | 15.6 |
| Div. Yield | 0.0% | 0.0% | 1.9% |

STOCK OVERVIEW



COMPANY DATA

As of 30 Sep 2024

Liquid Assets € 27.36m
 Current Assets € 160.00m
 Intangible Assets € 73.03m
 Total Assets € 274.68m
 Current Liabilities € 114.77m
 Shareholders' Equity € 88.02m

SHAREHOLDERS

InvAG für langfristige Investoren TGV 20.7%
 Innogy SE 17.8%
 Management and employees 15.0%
 Harvinder Singh 8.1%
 Free float and other 38.4%



Figure 1: Q3/24 and 9M/24 results versus our forecasts

| €m | Q3 24A | Q3 24E | Δ Q4 24A vs. Q3 24E | Q3 23A | Δ Q3 24A vs. Q3 23A | 9M 24A | 9M 24E | Δ 9M 24A vs. 9M 24E | 9M 23A | Δ 9M 24A vs. 9M 23A |
|-----------------------|---------------|---------------|------------------------|---------------|------------------------|----------------|----------------|------------------------|----------------|------------------------|
| Order intake | 44 | 50 | -12.0% | 69 | -36.2% | 198 | 219 | -9.6% | 238 | -16.8% |
| Order backlog | 188 | 194 | -3.1% | 199 | -5.5% | 188 | 194 | -3.1% | 199 | -5.5% |
| External sales | 65.127 | 62.000 | 5.0% | 65.192 | -0.1% | 177.424 | 174.297 | 1.8% | 184.459 | -3.8% |
| by division: | | | | | | | | | | |
| Energy Management | 31.449 | 31.000 | 1.4% | 33.991 | -7.5% | 84.811 | 84.362 | 0.5% | 91.750 | -7.6% |
| Production Management | 33.678 | 31.000 | 8.6% | 31.201 | 7.9% | 92.613 | 89.935 | 3.0% | 92.709 | -0.1% |
| EBIT | 0.013 | 1.639 | -99.2% | 2.649 | -99.5% | -19.399 | -17.773 | n.a. | -2.714 | n.a. |
| margin | 0.0% | 2.6% | - | 4.1% | - | -10.9% | -10.2% | - | -1.5% | - |
| by division: | | | | | | | | | | |
| Energy Management | -3.292 | 0.634 | n.a. | 0.768 | n.a. | -19.485 | -15.559 | n.a. | -7.479 | n.a. |
| margin | -10.9% | 2.1% | - | 2.2% | - | -23.0% | -18.3% | - | -7.9% | - |
| Production Management | 3.683 | 2.205 | 67.0% | 2.995 | 23.0% | 2.336 | 0.858 | 172.3% | 11.141 | -79.0% |
| margin | 11.1% | 7.2% | - | 8.3% | - | 2.5% | 0.9% | - | 10.4% | - |
| Reconciliation | -0.378 | -1.200 | n.a. | -1.114 | n.a. | -2.250 | -3.072 | n.a. | -6.376 | n.a. |
| EPS (€) | -0.10 | 0.06 | n.a. | 0.10 | n.a. | -1.56 | -1.43 | n.a. | -0.46 | n.a. |

Source: First Berlin Equity Research estimates, PSI SE

This means that some Energy Management revenue held over from H1/24 may not be booked until after 2025. However, we expect Energy Management's results for the final quarter of the year to show the usual seasonal strength and model sales and EBIT of €34.0m and €1.0m respectively for Q4/24.

Production Management EBIT up 23% in Q3/24 Q3/24 sales at Production Management rose 7.9% to €33.7m (Q3/23: €31.2m; FBe: €31.0m). Segment EBIT jumped 23% to €3.7m (Q3/23: €3.0m; FBe: €2.2m). Production Management results should also benefit from seasonal strength in Q4/24. We forecast sales of €40m and EBIT of €5m for the current quarter.

We expect PSI's cash position to rebound in Q4 As figure 2 shows, PSI's cash position declined from €50.5m at the end of 2023 to €27.4m at the end of September 2024. The reduction stemmed on the one hand from operating losses, and on the other from working capital-related cash consumption of €17.7m. Cashflow from working capital is usually positive at PSI in Q1 as the company receives prepayments for software maintenance. It is usually negative in Q2 and Q3 as work-in-progress rises, and falls in Q4 as an above average number of projects are completed and receivables are collected. We expect PSI's cash position to rebound in Q4 due to seasonal strength in operating profitability and the collection of receivables.

Figure 2: Abridged cashflow statement

| € 000's | 9M/22 | Q4/22 | FY/22 | 9M/23 | Q4/23 | FY/23 | 9M/24 | Q4/24E | FY/24E |
|-------------------------------------|----------------|---------------|----------------|---------------|---------------|---------------|----------------|---------------|----------------|
| Profit before tax | 11,184 | 1,639 | 12,823 | -3,262 | 7,334 | 4,072 | -20,492 | 3,536 | -16,956 |
| Depreciation and amortisation | 10,037 | 3,777 | 13,814 | 10,996 | 3,602 | 14,598 | 10,506 | 4,100 | 14,606 |
| Other | 621 | 6,669 | 7,290 | 319 | 1,170 | 1,489 | -1,906 | 1,601 | -305 |
| Gross cashflow from operations | 21,842 | 12,085 | 33,927 | 8,053 | 12,106 | 20,159 | -11,892 | 9,238 | -2,654 |
| Change in working capital | -27,059 | 2,204 | -24,855 | -9,586 | 12,616 | 3,030 | -17,664 | 9,493 | -8,171 |
| Taxes paid | -1,690 | -3,855 | -5,545 | -5,010 | -1,400 | -6,410 | -4,630 | -228 | -4,858 |
| Net cashflow from operations | -6,907 | 10,434 | 3,527 | -6,543 | 23,322 | 16,779 | -34,186 | 18,503 | -15,683 |
| Cashflow from investing | -3,961 | -5,838 | -9,799 | -1,090 | -5,830 | -6,920 | -1,956 | -8,019 | -9,975 |
| Free cashflow | -10,868 | 4,596 | -6,272 | -7,633 | 17,492 | 9,859 | -36,142 | 10,484 | -25,658 |
| Cashflow from financing | -11,856 | -4,159 | -16,015 | 9,818 | -14,781 | -4,963 | 13,092 | 9,862 | 22,954 |
| Change in cash before FX/other | -22,724 | 437 | -22,287 | 2,185 | 2,711 | 4,896 | -23,050 | 20,346 | -2,704 |
| Foreign exchange/other | 267 | -14 | 253 | -648 | 783 | 135 | -65 | 65 | 0 |
| Change in cash | -22,457 | 423 | -22,034 | 1,537 | 3,494 | 5,031 | -23,115 | 20,411 | -2,704 |
| Cash at the beginning of the period | 67,478 | 45,021 | 67,478 | 45,444 | 46,981 | 45,444 | 50,475 | 27,360 | 50,475 |
| Cash at the end of the period | 45,021 | 45,444 | 45,444 | 46,981 | 50,475 | 50,475 | 27,360 | 47,771 | 47,771 |
| Net gearing | 29.0% | 22.1% | 22.1% | 41.3% | 28.9% | 28.9% | 82.0% | 71.7% | 71.7% |
| Net debt | 32,274 | 26,365 | 26,365 | 43,311 | 32,289 | 32,289 | 72,218 | 63,709 | 63,709 |
| Consolidated equity | 111,412 | 119,039 | 119,039 | 104,811 | 111,726 | 111,726 | 88,021 | 88,826 | 88,826 |

Source: PSI SE, First Berlin Equity Research estimates



Price target lowered from €26 to €25. Add recommendaion maintained We have raised our FY/24 forecasts for the Production Management segment to reflect Q3/24 results which were above our forecast. However, weaker Q3/24 results from Energy Management than we expected, as well as a higher than usual proportion of hardware in Q4/23 sales, prompt us to take a more cautious stance on Q4/24 numbers for this segment. As outlined above, Energy Management sales are likely to continue to recover at a slower pace than Production Management sales and so we have also scaled back our forecasts for the segment for the years beyond 2024. However, we continue to expect the introduction of the "Control System of the Future" to push Energy Management's EBIT margin towards double digits over the next five years. Given our projection that Production Management will account for around two thirds of EBIT in the medium term, the impact of the Energy Management sales forecast reductions is relatively small. We now see fair value for the PSI share at €25 (previously: €26). We maintain our Addrecommendation.

Figure 3: Changes to forecasts

| €m | 2024E | | | 2025E | | | 2026E | | | 2027E | | | 2028E | | |
|-----------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | New | Old | Δ % | New | Old | Δ % | New | Old | Δ % | New | Old | Δ % | New | Old | Δ % |
| External sales | 251.4 | 252.9 | -0.6% | 288.0 | 305.1 | -5.6% | 313.9 | 332.7 | -5.7% | 345.2 | 362.9 | -4.9% | 379.7 | 395.8 | -4.0% |
| by segment: | | | | | | | | | | | | | | | |
| Energy Man. | 118.8 | 125.4 | -5.2% | 141.0 | 159.7 | -11.7% | 155.1 | 175.7 | -11.7% | 173.7 | 193.2 | -10.1% | 194.6 | 212.5 | -8.5% |
| Production Man. | 132.6 | 127.5 | 4.0% | 147.0 | 145.5 | 1.1% | 158.8 | 157.1 | 1.1% | 171.5 | 169.7 | 1.1% | 185.2 | 183.2 | 1.1% |
| Total EBIT | -14.8 | -12.0 | n.a. | 25.6 | 27.3 | -6.1% | 35.3 | 37.3 | -5.3% | 42.4 | 44.2 | -4.1% | 50.4 | 52.1 | -3.3% |
| margin (%) | -5.9% | -4.7% | - | 8.9% | 8.9% | - | 11.3% | 11.2% | - | 12.3% | 12.2% | - | 13.3% | 13.2% | - |
| by segment: | | | | | | | | | | | | | | | |
| Energy Man. | -18.5 | -14.3 | n.a. | 7.9 | 9.8 | -19.1% | 10.3 | 12.6 | -18.0% | 13.7 | 15.8 | -13.5% | 17.5 | 19.5 | -10.5% |
| margin (%) | -15.5% | -11.2% | - | 5.5% | 6.0% | - | 6.5% | 7.0% | - | 7.7% | 8.0% | - | 8.8% | 9.0% | - |
| Production Man. | 7.3 | 5.8 | 25.4% | 20.2 | 20.0 | 1.1% | 27.0 | 26.8 | 1.1% | 31.2 | 30.8 | 1.1% | 35.7 | 35.4 | 1.1% |
| margin (%) | 5.5% | 4.5% | - | 12.1% | 12.1% | - | 15.0% | 15.0% | - | 16.0% | 16.0% | - | 17.0% | 17.0% | - |
| Reconciliation | -3.6 | -3.5 | n.a. | -2.5 | -2.5 | n.a. | -2.0 | -2.0 | n.a. | -2.4 | -2.4 | n.a. | -2.9 | -2.8 | n.a. |
| EPS (€) | -1.41 | -1.09 | n.a. | 1.08 | 1.12 | -3.4% | 1.52 | 1.55 | -2.0% | 1.84 | 1.86 | -0.9% | 2.21 | 2.23 | -0.7% |

Source: First Berlin Equity Research estimates



VALUATION MODEL

| €000s | 2024E | 2025E | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Net sales | 251,424 | 288,000 | 313,860 | 345,173 | 379,735 | 414,005 | 447,406 | 476,839 |
| NOPLAT | -16,988 | 18,571 | 25,617 | 30,745 | 36,522 | 43,041 | 46,223 | 49,029 |
| + Depreciation and amortisation | 14,606 | 14,688 | 15,693 | 16,913 | 18,227 | 19,458 | 21,923 | 23,365 |
| = net operating cash flow | -2,381 | 33,259 | 41,310 | 47,659 | 54,749 | 62,499 | 68,146 | 72,394 |
| - total investments (Capex and WC) | -23,907 | -36,305 | -33,062 | -35,554 | -44,574 | -38,496 | -41,030 | -41,002 |
| Capital expenditure | -15,737 | -28,727 | -28,640 | -32,512 | -36,184 | -29,665 | -31,871 | -32,131 |
| w working capital | -8,171 | -7,577 | -4,422 | -3,042 | -8,390 | -8,831 | -9,159 | -8,871 |
| = Free cash flow (FCF) | -26,289 | -3,046 | 8,248 | 12,105 | 10,175 | 24,003 | 27,116 | 31,392 |
| PV of FCFs | -26,030 | -2,793 | 7,005 | 9,521 | 7,412 | 16,194 | 16,943 | 18,166 |

| €000s | |
|--|---------|
| PVs of FCFs explicit period (2024-35)* | 118,459 |
| PVs of FCFs in terminal period | 332,498 |
| Enterprise Value (EV) | 450,957 |
| Net cash/(net debt) | -63,709 |
| Shareholder value | 387,248 |
| No. shares (000s) | 15,488 |
| Value per share (€) | 25.00 |

| | |
|------------------------|-------|
| WACC | 7.98% |
| Cost of equity | 9.9% |
| Pre-tax cost of debt | 5.0% |
| Normal tax rate | 30.0% |
| After-tax cost of debt | 3.5% |
| Share of equity | 70.0% |
| Share of debt | 30.0% |
| Terminal growth | 2.5% |
| Terminal EBIT margin | 12.0% |

Sensitivity analysis

| | | Terminal growth rate (%) | | | | | | Fair value per share |
|------|--------|--------------------------|-------|-------|-------|-------|--------|----------------------|
| | | 1.0% | 1.5% | 2.0% | 2.5% | 3.0% | 3.5% | 4.0% |
| WACC | 4.98% | 51.04 | 55.71 | 61.96 | 70.74 | 83.95 | 106.12 | 151.01 |
| | 5.98% | 37.51 | 39.86 | 42.81 | 46.60 | 51.67 | 58.78 | 69.50 |
| | 6.98% | 28.63 | 29.91 | 31.46 | 33.34 | 35.71 | 38.75 | 42.81 |
| | 7.98% | 22.39 | 23.13 | 23.99 | 25.00 | 26.22 | 27.72 | 29.58 |
| | 8.98% | 17.80 | 18.23 | 18.73 | 19.30 | 19.96 | 20.75 | 21.70 |
| | 9.98% | 14.29 | 14.55 | 14.84 | 15.16 | 15.54 | 15.97 | 16.47 |
| | 10.98% | 11.54 | 11.69 | 11.86 | 12.04 | 12.25 | 12.49 | 12.76 |
| | 11.98% | 9.33 | 9.42 | 9.51 | 9.61 | 9.73 | 9.85 | 10.00 |

*for layout purposes the model shows numbers only to 2031 but runs until 2035



INCOME STATEMENT

| All figures in €'000 | 2023 | 2024E | 2025E | 2026E | 2027E | 2028E |
|---------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Revenues | 269,891 | 251,424 | 288,000 | 313,860 | 345,173 | 379,735 |
| Cost of materials | -46,117 | -38,971 | -38,880 | -40,802 | -43,147 | -47,467 |
| Gross profit | 223,774 | 212,453 | 249,120 | 273,058 | 302,026 | 332,268 |
| Total personnel costs | -183,725 | -188,568 | -187,200 | -200,870 | -220,911 | -241,132 |
| Net other operating costs | -19,889 | -24,051 | -21,617 | -21,161 | -21,795 | -22,534 |
| Depreciation & amortisation | -14,598 | -14,606 | -14,688 | -15,693 | -16,913 | -18,227 |
| EBIT | 5,562 | -14,772 | 25,615 | 35,334 | 42,408 | 50,375 |
| Net interest | -2,813 | -2,489 | -3,010 | -3,412 | -3,524 | -3,581 |
| Associates | 268 | 305 | 320 | 336 | 353 | 371 |
| Pretax profit | 3,017 | -16,956 | 22,926 | 32,259 | 39,237 | 47,165 |
| Income taxes | -3,748 | -4,858 | -6,217 | -8,779 | -10,693 | -12,868 |
| Earnings from discontinued operations | 1,055 | 0 | 0 | 0 | 0 | 0 |
| Net income / loss | 324 | -21,814 | 16,709 | 23,480 | 28,544 | 34,296 |
| EPS (€) | 0.02 | -1.41 | 1.08 | 1.52 | 1.84 | 2.21 |
| EBITDA | 20,160 | -166 | 40,303 | 51,027 | 59,321 | 68,603 |
| Ratios | | | | | | |
| Gross margin | 82.9% | 84.5% | 86.5% | 87.0% | 87.5% | 87.5% |
| EBIT margin | 2.1% | -5.9% | 8.9% | 11.3% | 12.3% | 13.3% |
| EBITDA margin | 7.5% | -0.1% | 14.0% | 16.3% | 17.2% | 18.1% |
| Net income margin | 0.1% | -8.7% | 5.8% | 7.5% | 8.3% | 9.0% |
| Tax rate | 124.2% | -28.7% | 27.1% | 27.2% | 27.3% | 27.3% |
| Expenses as % of output | | | | | | |
| Personnel | -68.1% | -75.0% | -65.0% | -64.0% | -64.0% | -63.5% |
| Net other operating income/expenses | -7.4% | -9.6% | -7.5% | -6.7% | -6.3% | -5.9% |
| Depreciation & amortisation | -5.4% | -5.8% | -5.1% | -5.0% | -4.9% | -4.8% |
| Y-o-y growth | | | | | | |
| Total revenues | 8.9% | -6.8% | 14.5% | 9.0% | 10.0% | 10.0% |
| EBIT | -72.4% | n.a. | n.a. | 37.9% | 20.0% | 18.8% |
| Net income / loss | -96.7% | n.a. | n.a. | 40.5% | 21.6% | 20.2% |



BALANCE SHEET

| All figures in €'000 | 2023 | 2024E | 2025E | 2026E | 2027E | 2028E |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Assets | | | | | | |
| Current assets, total | 163,786 | 164,934 | 191,808 | 209,031 | 227,918 | 252,311 |
| Cash and cash equivalents | 50,475 | 47,771 | 57,600 | 62,772 | 69,035 | 75,947 |
| Trade accounts and notes receivables | 48,315 | 51,542 | 59,040 | 64,341 | 68,793 | 75,681 |
| Inventories | 4,977 | 4,526 | 5,184 | 5,649 | 6,213 | 6,835 |
| Receivables relating to long term contracts | 49,552 | 51,542 | 59,040 | 64,341 | 70,760 | 79,418 |
| Other current assets | 10,467 | 9,554 | 10,944 | 11,927 | 13,117 | 14,430 |
| Assets held for sale and discontinued operations | 0 | 0 | 0 | 0 | 0 | 0 |
| Non-current assets, total | 119,367 | 120,246 | 135,708 | 149,771 | 166,666 | 186,035 |
| Property, plant and equipment | 37,429 | 34,957 | 40,042 | 43,638 | 47,991 | 52,797 |
| Goodwill | 59,115 | 59,115 | 59,115 | 59,115 | 59,115 | 59,115 |
| Other intangible assets | 13,997 | 17,600 | 26,554 | 35,906 | 47,151 | 60,302 |
| Associates | 693 | 998 | 1,318 | 1,655 | 2,008 | 2,378 |
| Deferred tax assets | 8,133 | 7,577 | 8,679 | 9,458 | 10,402 | 11,443 |
| Total assets | 283,153 | 285,180 | 327,516 | 358,801 | 394,584 | 438,346 |
| Shareholders' equity & debt | | | | | | |
| Current liabilities, total | 90,993 | 111,221 | 122,013 | 124,937 | 112,982 | 123,136 |
| Interest bearing debt | 2,118 | 27,800 | 28,000 | 22,500 | 0 | 0 |
| Leasing liabilities | 6,581 | 6,168 | 7,037 | 7,651 | 8,394 | 9,215 |
| Trade accounts payable | 18,864 | 20,114 | 23,040 | 25,109 | 27,959 | 30,379 |
| Liabilities relating to long term contracts | 26,289 | 28,159 | 32,256 | 35,152 | 38,659 | 42,151 |
| Provisions | 3,017 | 2,514 | 2,880 | 3,139 | 3,452 | 3,797 |
| Other current liabilities | 32,801 | 25,142 | 28,800 | 31,386 | 34,517 | 37,594 |
| Liabilities in connection with discontinued assets | 1,323 | 1,323 | 0 | 0 | 0 | 0 |
| Non-current liabilities, total | 80,434 | 85,132 | 100,230 | 111,492 | 138,654 | 147,508 |
| Interest bearing debt | 13,189 | 17,545 | 28,952 | 37,542 | 61,512 | 66,864 |
| Leasing liabilities | 17,918 | 16,794 | 19,159 | 20,831 | 22,856 | 25,090 |
| Pension provisions | 42,958 | 43,173 | 43,389 | 43,606 | 43,824 | 44,043 |
| Deferred tax liabilities | 4,803 | 4,474 | 5,125 | 5,585 | 6,143 | 6,758 |
| Other liabilities | 534 | 754 | 864 | 942 | 1,036 | 1,139 |
| Provisions | 1,032 | 2,392 | 2,740 | 2,987 | 3,285 | 3,613 |
| Consolidated equity | 111,726 | 88,826 | 105,273 | 122,372 | 142,947 | 167,703 |
| Shareholders' equity | 111,726 | 88,826 | 105,273 | 122,372 | 142,947 | 167,703 |
| Minorities | 0 | 0 | 0 | 0 | 0 | 0 |
| Total consolidated equity and debt | 283,153 | 285,180 | 327,516 | 358,801 | 394,584 | 438,346 |
| Ratios | | | | | | |
| Current ratio (x) | 1.80 | 1.48 | 1.57 | 1.67 | 2.02 | 2.05 |
| Quick ratio (x) | 1.75 | 1.44 | 1.53 | 1.63 | 1.96 | 1.99 |
| Debt/equity ratio (x) | 1.53 | 2.21 | 2.11 | 1.93 | 1.76 | 1.61 |
| Net gearing | 28.9% | 71.7% | 58.8% | 50.4% | 41.4% | 35.8% |
| Equity per share (€) | 7.12 | 5.66 | 6.71 | 7.80 | 9.11 | 10.68 |
| Interest coverage ratio (x) | 1.98 | -5.93 | 8.51 | 10.36 | 12.03 | 14.07 |
| Capital employed (CE) | 147,372 | 151,041 | 166,070 | 185,979 | 204,410 | 227,358 |
| Return on capital employed (ROCE) | 2.7% | -11.2% | 11.2% | 13.8% | 15.0% | 16.1% |



CASH FLOW STATEMENT

| All figures in €'000 | 2023 | 2024E | 2025E | 2026E | 2027E | 2028E |
|--------------------------------------|---------------|----------------|---------------|----------------|----------------|----------------|
| Pretax result | 4,072 | -16,956 | 22,926 | 32,259 | 39,237 | 47,165 |
| Depreciation and amortisation | 14,598 | 14,606 | 14,688 | 15,693 | 16,913 | 18,227 |
| Other | -4,921 | -5,163 | -6,537 | -9,115 | -11,046 | -13,239 |
| Operating cash flow | 13,749 | -7,513 | 31,077 | 38,837 | 45,104 | 52,153 |
| Investment in working capital | 3,030 | -8,171 | -7,577 | -4,422 | -3,042 | -8,390 |
| Net operating cash flow | 16,779 | -15,683 | 23,499 | 34,415 | 42,062 | 43,763 |
| Cashflow from investing | -6,920 | -9,975 | -18,309 | -18,832 | -21,818 | -24,788 |
| Free cash flow | 9,859 | -25,658 | 5,191 | 15,583 | 20,245 | 18,975 |
| Dividend paid | -6,195 | 0 | 0 | -6,195 | -7,744 | -9,293 |
| Share buy back | 0 | 0 | 0 | 0 | 0 | 0 |
| New share capital | 0 | 0 | 0 | 0 | 0 | 0 |
| Debt financing | -931 | 30,252 | 11,824 | 3,307 | 1,688 | 5,571 |
| Lease liabilities | -6,807 | -7,298 | -7,185 | -7,522 | -7,926 | -8,340 |
| Other | 8,970 | 0 | 0 | 0 | 0 | 0 |
| Cash flow from financing | -4,963 | 22,954 | 4,639 | -10,411 | -13,982 | -12,062 |
| Other | 135 | 0 | 0 | 0 | 0 | 0 |
| Change in cash | 5,031 | -2,704 | 9,829 | 5,172 | 6,263 | 6,912 |
| Cash, start of the year | 45,444 | 50,475 | 47,771 | 57,600 | 62,772 | 69,035 |
| Cash, end of the year | 50,475 | 47,771 | 57,600 | 62,772 | 69,035 | 75,947 |
| Free cash flow per share in € | 0.64 | -1.66 | 0.34 | 1.01 | 1.31 | 1.23 |
| Y-o-y growth | | | | | | |
| Operating cash flow | -52% | -155% | -514% | 25% | 16% | 16% |
| Net operating cash flow | 376% | -193% | -250% | 46% | 22% | 4% |
| Free cash flow | n.a. | n.a. | n.a. | 200% | 30% | -6% |

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| Category | | 1 | 2 |
|--------------------------------------|--|---------------|-------------|
| Current market capitalisation (in €) | | 0 - 2 billion | > 2 billion |
| Strong Buy ¹ | An expected favourable price trend of: | > 50% | > 30% |
| Buy | An expected favourable price trend of: | > 25% | > 15% |
| Add | An expected favourable price trend of: | 0% to 25% | 0% to 15% |
| Reduce | An expected negative price trend of: | 0% to -15% | 0% to -10% |
| Sell | An expected negative price trend of: | < -15% | < -10% |

¹ The expected price trend is in combination with sizable confidence in the quality and forecast security of management.

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| Report No.: | Date of publication | Previous day closing price | Recommendation | Price target |
|----------------|---------------------|----------------------------|----------------|--------------|
| Initial Report | 15 July 2003 | €4.96 | Market Perform | €5.00 |
| 2...77 | ↓ | ↓ | ↓ | ↓ |
| 78 | 29 August 2022 | €25.00 | Buy | €40.00 |
| 79 | 1 November 2022 | €22.95 | Buy | €37.00 |
| 80 | 3 August 2022 | €25.05 | Buy | €32.00 |
| 81 | 31 October 2023 | €22.50 | Buy | €30.00 |
| 82 | 25 March 2024 | €21.80 | Buy | €30.00 |
| 83 | 30 July 2024 | €21.10 | Buy | €28.00 |
| 84 | 10 September 2024 | €20.80 | Buy | €28.00 |
| 85 | 24 September 2024 | €21.90 | Add | €26.00 |
| 86 | Today | €21.20 | Add | €25.00 |

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