

Kapsch TrafficCom AG

WKN: A0MUZU | ISIN: AT000KAPSCH9 | Bloomberg: KTCG

H1/23/24: Strong growth in incoming orders

H1/23/24 - Order intake (AE) almost doubled: Based on a continuing, moderate recovery in the market relevant to Kapsch, AE almost doubled to around EUR 480m. This includes two major orders with a volume of EUR 100m each (roughly estimated by us). As agreed, the customers cannot be named. We expect an improved margin profile. According to Kapsch, around 50% of the AE will be relevant to sales in the next two years. The order backlog is therefore at a pleasing level of around EUR 1.4b and corresponds to around 2.5x last year's sales.

H1/23/24: Cash inflow from toll settlement: The significant increase in reported EBIT includes extraordinary income of EUR 72.0m from the toll settlement in Germany. We had already expected the full amount of 99.0m with an impact on EBIT for H1/23/24, meaning that our estimate was significantly higher.

EUR m	Kapsch H1/22/23	Kapsch H1/23/24**	FMR H1/23/24e	Consensus H1/23/24e*
Group sales	264.8	266.4	272.0	271.7
EBIT reported**	4.7	73.1	100.5	92.2
EBIT-margin reported, %	1.8%	neg.	36.9%	neg.

Source: Kapsch, FMR

*provided by Kapsch **thereof from tolling settlement: EUR 72.0m

In operational terms, Kapsch therefore suffered a decline in EBIT to EUR 1.1m, compared to our estimate of EUR 1.0m. Around EUR 20m will still be recognized as a non-EBIT-relevant dividend payment in the financial result.

FMR: Price target falls to EUR 15.80 per share: Kapsch has again confirmed its financial targets for 23/24e: U-growth in the single-digit percentage range; significant improvement in EBIT. FMR values per share: Historically adjusted for the November 2023 KE; our target price falls due to adjustments to NWC and higher share count.

The H1/23/24 report contains significantly more positive news (strong recovery in AE, financial debt reduction, cost discipline) than in the last quarterly reports. Our view on the Kapsch share remains positive. "BUY" confirmed with a price target of EUR 15.80 per share.

FY End: 31.03.; in EUR m	(21/22-24/25e)	2019/20	2020/21	2021/22	2022/23	2023/24e	2024/25e
Turnover	5.6%	731.2	505.2	519.8	553.4	582.0	612.0
EBITDA	3.8%	13.6	-67.1	32.6	29.4	105.8	38.0
Margin	1.9%	-13.3%	6.3%	5.3%	18.2%	6.2%	
EBIT	11.8%	-39.2	-123.1	11.0	7.6	84.7	16.9
Margin	-5.4%	-24.4%	2.1%	1.4%	14.6%	2.8%	
Net result	n.m.	-48.1	-102.8	-9.3	-24.8	59.9	5.0
EPS, EUR	n.m.	-3.70	-7.91	-0.72	-1.91	4.19	0.35
Dividend per share, EUR		0.00	0.00	0.00	0.00	0.00	0.00
EV/Sales		0.82	1.11	0.76	0.73	0.56	0.53
EV/EBITDA		-15.2	-4.6	36.0	53.3	3.8	19.1
P/E		-6.8	-1.9	-19.0	-5.4	2.3	27.3
Net debt/EBITDA		15.0	-2.9	5.6	7.0	1.4	3.9

Source: Kapsch, FMR

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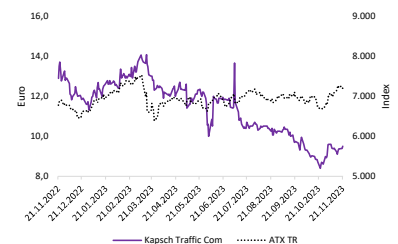
BUY

Before: Buy

Price target EUR **15.80 (18.60)**
Share price* EUR **9.20 (+71.7%)**

*last price Vienna Stock Exchange

Update	2022/23	2023/24e	2024/25e
Turnover	0.0	-3.0	0.0
EBIT	0.0	-1.8	1.5
EPS, EUR	0.00	-0.07	-0.06



Source: Vienna Stock Exchange, FMR

Basic share data

Number of shares (million)	14.30
Free Float (in %)	36.7
Market cap (EURm)	135.85
Trading volume (30 days Ø)	14.971
High (EUR, 52 weeks)	14.08
Low (EUR, 52 weeks)	8.34

Shareholder structure

Kapsch Group Beteiligung	63.3%
Free float	36.7%

Corporate calendar

9M/23/24-report	21.02.2024
Result FY23/24 report	19.06.2024

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Valuation: Update

Our price target has been reduced by 7.5% to EUR 17.20 per share (rounded), in particular due to adjustments to our working capital forecasts. This takes into account the higher number of shares following the capital increase (+ 1.3m new shares).

Kapsch: DCF model - share still has significant upside potential

	PHASE 1					PHASE 2					PHASE 3		
EUR m	2023/24e	2024/25e	2025/26e	2026/27e	2027/28e	2028/29e	2029/30e	2030/31e	2031/32e	2032/33e			
Sales	582.0	612.0	643.0	664.0	690.6	711.7	731.9	751.2	769.4	786.4			
Y-o-Y growth	5.2%	5.2%	5.1%	3.3%	4.0%	3.1%	2.8%	2.6%	2.4%	2.2%			
EBIT	84.7	16.9	24.8	28.6	33.1	35.0	36.9	39.3	42.6	48.4			
EBIT-margin	14.6%	2.8%	3.9%	4.3%	4.8%	4.9%	5.0%	5.2%	5.5%	6.2%			
Income tax on EBIT	-21.2	-4.2	-6.2	-7.2	-8.3	-8.8	-9.2	-9.8	-10.7	-12.1			
Depreciation/Amortisation	21.1	21.1	21.6	21.9	21.9	23.3	23.8	24.3	25.0	27.5			
Change other non-cash items	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0			
Change in net working capital	-6.8	-0.1	8.0	-2.2	-2.2	-2.2	-2.3	-2.2	-2.0	-1.7			
Net capital expenditure	-26.4	-21.5	-22.5	-23.0	-24.0	-24.8	-25.4	-26.1	-26.7	-27.5			
Free cash flow	51.4	12.1	25.7	18.2	20.5	22.7	23.8	25.5	28.3	34.6			
Present values	49.2	10.3	19.5	12.3	12.5	12.4	11.6	11.2	11.1	12.2	212.1		
Present value Phase 1	103.9						Risk free rate	2.0%	Target equity ratio	55.0%			
Present value Phase 2	58.6						Equity risk premium	8.0%	Beta factor	1.6			
Present value Phase 3	212.1						Debt risk premium	3.0%	WACC	10.0%			
Total present value	374.6						EBIT-margin (PHASE 3)	8.0%	Terminal growth rate	2.0%			
+ Non-operating assets/Other	-14.6						Sensitivity analysis						
- Net financial debt	-133.6												
Fair value of equity	226.5												
- Number of shares (m)	14.300												
Fair value per share (in EUR)	15.84												
							WACC						
							9.0%	9.5%	10.0%	10.5%	11.0%		
							3.0%	22.65	20.05	17.83	15.92	14.25	
							Terminal growth rate	2.5%	21.01	18.69	16.70	14.97	13.45
								2.0%	19.60	17.52	15.84	14.14	12.74
								1.5%	18.38	16.50	14.85	13.40	12.10
								1.0%	17.31	15.59	14.08	12.73	11.53

Source: FMR

At the current share price of EUR 9.50, there is considerable upside potential of currently 66.3%. In our opinion, the P/E valuation is currently only of limited value. On the one hand because of the loss-making situation in recent years and on the other because of the high extraordinary income in the current financial year. The high order backlog will lead to an improvement in sales and earnings over the next few years, which we believe will be reflected in the share price.

Highlights H1/23/24 and outlook

In the first half of 2023/24e, **Group sales** increased by 0.6% to EUR 266.4 million. Adjusted for a customer credit of EUR 6 million in the first quarter of 23/24e, revenue would have grown by 4%. Revenue in the toll segment (M) fell by 3.3%, while traffic management

(VM) increased revenue by 11.6%. As a result, the share of sales shifted in favor of the VM segment to 29.1% (previous year: 26.2%); the M segment fell accordingly to 70.9% (previous year: 73.8%). From a regional perspective, EMEA recorded the strongest growth at +5.6%, followed by APC with +3.3%, both compared to the previous year.

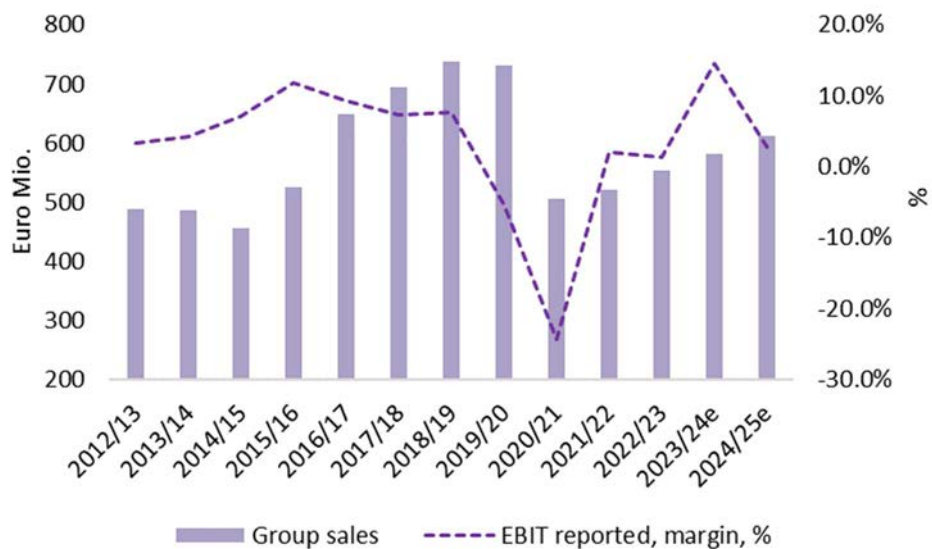
Reported **EBIT** rose from EUR 4.7 million to EUR 73.1 million. In H1/23/24, this includes extraordinary income of EUR 72.0 million from the toll settlement in Germany. In purely operating terms, this resulted in EBIT of "only" EUR 1.1 million. On this basis, our estimate was EUR 1.0 million. Without the extraordinary income, the M segment would have generated negative EBIT of EUR 7.6 million (EUR +64.4 - 72.0 million). In contrast, the VM segment achieved a significant increase to EUR 8.7 million after EUR 2.3 million.

As already announced as part of the financial restructuring, the cash inflow from the toll settlement was used to improve the **financial status**. As a result, net debt was significantly reduced to EUR 141.7 million (EUR -44.6 million) as at September 30. Accordingly, the gearing ratio fell to 152.9% (March 31, '23: 363.1%); the equity ratio rose to 19.2% (March 31, '23: 10.7%). Kapsch's target figure remains in the corridor between 30% and 35%. A first step towards improving the financial situation has thus been implemented in a timely manner.

As part of the agreement on financial restructuring (see notification dated May 31, 2023), Kapsch has also committed to the main financial creditors to make full use of the authorized capital, up to 10% of the share capital or 1.3 million shares. Kapsch made use of this on November 21, 2023 as part of an accelerated offer procedure. A total of 1.3 million shares were issued without subscription rights for existing shareholders. The issue price was set at EUR 9.00. This corresponds to a discount of only 4% compared to the previous day's closing price on the Vienna Stock Exchange. 477,217 shares were issued against cash contributions, resulting in gross proceeds of around EUR 4.3 million. By far the greater part was paid by KAPSCH-Group Beteiligungs GmbH in the form of a contribution in kind (receivables from Kapsch). Kapsch-Group Beteiligungs GmbH thus remains the majority shareholder with an unchanged 63.291%.

**Simplified capital increase
successfully completed**

For the full year 2023/24e, we now expect consolidated sales of EUR 582.0m, an increase of 5.0% on the previous year. According to our forecast, the VM segment will grow by 8%, while M will increase sales by 4.1%. Based on the high order backlog in particular, we expect further growth in subsequent years. According to our estimates, reported EBIT will jump to EUR 84.7m. Excluding the special toll income, purely operating EBIT will rise to EUR 12.7m compared to EUR 7.6m in the previous year. This would result in an EBIT margin of 2.2% (previous year: 1.4%). With the expected sales growth and continued cost discipline, we believe that further significant improvements can be expected.

Kapsch: Gradual increase in EBIT margin expected from 2023/24e


Quelle: Kapsch, FMR

Kapsch: Toll segment:

EUR m	2019/20	2020/21	2021/22	2022/23	2023/24e	2024/25e
Implementation T	219.3	100.3	89.2	119.4	124.0	126.0
Operations T	234.9	187.5	205.2	202.5	213.0	220.0
Components T	109.3	70.5	75.5	81.5	83.0	92.0
Sales segment T	563.5	358.2	369.9	403.4	420.0	438.0
y-o-y, %		-36.4%	3.3%	9.1%	4.1%	4.3%
EMEA	315.1	190.0	191.6	186.8		
Americas	221.3	148.0	158.0	189.7		
APAC	27.1	20.2	20.2	26.9		
Sales segment T	563.5	358.2	369.9	403.4		
EBIT: T	1.5	-117.2	3.3	-7.6	68.7	2.5
EBIT-margin: T, %	0.3%	n.m.	0.9%	n.m.	16.4%	0.6%

Quelle: Kapsch, FMR

Kapsch: Segment Traffic Management

EUR m	2019/20	2020/21	2021/22	2022/23	2023/24e	2024/25e	2025/26e	2026/27e
Implementation TM	73.6	65.2	60.0	44.6	53.0	60.0	63.0	65.0
Operations TM	84.4	76.4	84.6	99.8	102.0	106.0	111.0	113.0
Components TM	9.7	5.4	5.4	5.6	7.0	8.0	9.0	10.0
Sales TM segment	167.7	147.0	149.9	150.0	162.0	174.0	183.0	188.0
y-o-y, %		-12.3%	2.0%	0.1%	8.0%	7.4%	5.2%	2.7%
EMEA	88.5	87.1	90.3	85.8				
Americas	72.2	57.0	54.1	59.3				
APAC	7.0	3.0	5.5	4.9				
Sales TM segment	167.7	147.0	149.9	150.0				
EBIT: TM	-40.7	-6.0	7.7	15.2	16.0	14.4	15.2	16.6
EBIT-margin: TM, %	-24.3%	n.m.	5.1%	10.1%	9.9%	8.3%	8.3%	8.8%

Quelle: Kapsch, FMR

Appendix

Profit and loss statement

in EUR m (IFRS)	2019/20	2020/21	2021/22	2022/23	2023/24e	2024/25e
Revenues	731.2	505.2	519.8	553.4	582.0	612.0
YoY growth	-0.9%	-30.9%	2.9%	6.5%	5.2%	5.2%
Increase/Decrease in inventories of finished goods and work in progress	-6.1	-6.2	-2.7	2.0	1.2	1.2
as % of revenues	-0.8%	-1.2%	-0.5%	0.4%	0.2%	0.2%
Total Operating Output	725.1	499.0	517.1	555.4	583.2	613.2
YoY growth	-4.4%	-31.2%	3.6%	7.4%	5.0%	5.2%
Cost of Materials	-334.9	-243.5	-202.8	-222.6	-232.1	-241.0
as % of revenues	-45.8%	-48.2%	-39.0%	-40.2%	-39.9%	-39.4%
Gross Profit	390.1	255.6	314.3	332.8	351.1	372.2
as % of revenues	53.4%	50.6%	60.5%	60.1%	60.3%	60.8%
Personnel expenses	-269.2	-243.8	-227.1	-247.9	-253.1	-263.7
as % of revenues	-36.8%	-48.3%	-43.7%	-44.8%	-43.5%	-43.1%
Other operating expenses	-118.7	-84.7	-69.1	-76.2	-72.9	-78.5
as % of revenues	-16.2%	-16.8%	-13.3%	-13.8%	-12.5%	-12.8%
Other operating income	11.3	5.8	14.5	20.7	80.7	8.0
as % of revenues	1.6%	1.2%	2.8%	3.7%	13.9%	1.3%
EBITDA reported	13.6	-67.1	32.6	29.4	105.8	38.0
as % of revenues	1.9%	-13.3%	6.3%	5.3%	18.2%	6.2%
Depreciation of property, plant and equipment, and amortisation of intangible assets	-52.8	-56.0	-21.6	-21.8	-21.1	-21.1
as % of revenues	-7.2%	-11.1%	-4.2%	-3.9%	-3.6%	-3.4%
EBIT reported	-39.2	-123.1	11.0	7.6	84.7	16.9
as % of revenues	-5.4%	-24.4%	2.1%	1.4%	14.6%	2.8%
Financial result (net)	-24.3	-9.9	-5.7	-17.5	-4.2	-9.6
EBT (Earnings before taxes)	-63.4	-133.1	5.3	-9.9	80.5	7.3
as % of revenues	-8.7%	-26.3%	1.0%	-1.8%	13.8%	1.2%
Income taxes	7.7	27.8	-11.5	-14.3	-20.1	-1.8
as % of EBT	-12.2%	-20.9%	-215.1%	144.1%	-25.0%	-25.0%
Net income	-55.7	-105.2	-6.2	-24.2	60.4	5.5
as % of revenues	-7.6%	-20.8%	-1.2%	-4.4%	10.4%	0.9%
Minority interests	7.6	2.4	-3.1	-0.6	-0.5	-0.5
Net income attributable to shareholders	-48.1	-102.8	-9.3	-24.8	59.9	5.0
as % of revenues	-6.6%	-20.3%	-1.8%	-4.5%	10.3%	0.8%
Shares outstanding (in m), weighted	13.00	13.00	13.00	13.00	13.00	13.00
Basic earnings per share (EUR)	-3.70	-7.91	-0.72	-1.91	4.61	0.38

Source: Kapsch, FMR

Balance sheet

in EUR m (IFRS)	2019/20	2020/21	2021/22	2022/23	2023/24e	2024/25e
Assets						
Non-current assets	227.3	205.0	195.6	182.8	184.3	184.8
as % of total assets	31.3%	34.6%	38.2%	38.1%	37.9%	38.4%
Intangible assets	15.2	13.4	13.0	9.1	6.8	5.2
Goodwill	44.7	22.8	22.7	22.7	22.7	22.7
Property, plant and equipment	82.3	55.2	49.0	52.1	53.8	55.8
Non-current financial assets	43.5	42.0	42.8	40.9	41.9	42.9
Real Estate held as financial investment	0.0	0.0	0.0	0.0	0.0	0.0
Leasing and rental assets	1.2	0.0	0.0	0.0	0.0	0.0
Other non-current assets	13.8	5.2	3.7	3.9	4.0	4.1
Deferred tax assets, long-term	26.3	62.0	60.2	49.8	50.8	49.8
Other non-current financial assets	0.3	4.4	4.1	4.3	4.3	4.3
Current assets	499.9	388.2	316.6	297.3	301.4	297.0
as % of total assets	68.7%	65.4%	61.8%	61.9%	62.1%	61.6%
Inventories	55.7	41.7	35.6	45.1	48.3	49.2
Trade accounts receivable	177.0	130.0	131.4	118.0	122.1	123.4
Current prepayments made	0.0	0.0	0.0	0.0	0.0	0.0
Other current non-financial assets	138.6	106.6	83.9	82.2	83.0	81.4
Deferred tax assets, short-term	4.7	6.8	4.4	4.9	5.1	5.3
Current financial assets	1.4	1.0	1.6	1.9	2.0	2.1
Cash and cash equivalents	122.6	102.0	59.8	45.2	40.9	35.7
Assets held for sale	0.0	0.0	0.0	0.0	0.0	0.0
as % of total assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total assets	727.2	593.2	512.1	480.1	485.7	481.8
Shareholders' equity and liabilities						
Shareholders' equity	182.5	84.8	77.9	51.3	111.2	116.2
as % of total equity and liabilities	25.1%	14.3%	15.2%	10.7%	22.9%	24.1%
Subscribed capital	13.0	13.0	13.0	13.0	13.0	13.0
Capital reserves	117.5	117.5	117.5	117.5	117.5	117.5
Retained earnings	57.7	-39.3	-47.3	-74.2	-74.2	-74.2
Treasury stocks	0.0	0.0	0.0	0.0	0.0	0.0
Other equity items	0.0	0.0	0.0	0.0	59.9	64.9
Minority interest on equity	-5.7	-6.5	-5.3	-5.0	-5.0	-5.0
Non-current provisions/liabilities	273.2	198.3	194.0	115.2	162.5	155.2
as % of total equity and liabilities	37.6%	33.4%	37.9%	24.0%	33.4%	32.2%
Non-current pension provisions	27.6	27.3	24.2	20.6	19.6	19.2
Other non-current provisions	4.3	3.3	1.7	1.4	1.4	1.4
Non-current financial liabilities	235.3	156.6	163.6	90.7	138.8	131.8
Non-current prepayments received	0.0	0.0	0.0	0.0	0.0	0.0
Non-current deferred tax liabilities	1.7	1.0	2.9	1.6	1.8	1.8
Other non-current liabilities	4.3	10.0	1.6	0.9	1.0	1.0
Current liabilities and provisions	271.5	310.2	240.2	313.6	212.1	210.5
as % of total equity and liabilities	37.3%	52.3%	46.9%	65.3%	43.7%	43.7%
Current provisions	23.4	42.5	28.6	18.9	19.1	19.5
Current financial liabilities	64.3	115.9	55.9	142.8	40.0	38.0
Trade accounts payable	92.4	59.4	71.5	75.0	75.4	75.8
Current prepayments received	0.0	0.0	0.0	0.0	0.0	0.0
Current tax liabilities	4.0	1.8	2.3	2.1	2.1	2.1
Current deferred tax liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Other current liabilities	87.4	90.6	81.8	74.8	75.5	75.2
Liabilities held for sale	0.0	0.0	0.0	0.0	0.0	0.0
as % of total equity and liabilities						
Total equity and liabilities	727.2	593.2	512.1	480.1	485.7	481.8

Source: Kapsch, FMR

Cash flow statement

in EUR m (IFRS)	2019/20	2020/21	2021/22	2022/23	2023/24e	2024/25e
EBIT	-39.2	-123.1	11.0	7.6	84.7	16.9
Depreciation/impairments	52.8	56.0	21.6	21.8	21.1	21.1
Change in pension and similar provisions	-4.7	-2.0	-2.6	-1.8	-1.0	-0.4
Other non-cash expenses/income	7.4	15.3	-3.7	-12.2	-0.6	-0.7
Change in Working Capital	31.3	82.9	16.6	-8.6	-6.8	-0.1
Cash effects from divestment of fixed assets						
Cash effect from interests	-4.0	-4.3	-5.0	-6.5	0.0	0.0
Cash effect from other participation result	0.0	0.0	0.0	0.0	0.0	0.0
Cash tax adjustments	-10.2	-13.7	-12.6	-6.1	-20.0	-1.8
Cash effects from extraordinary items						
Cashflow from Operations	33.4	11.1	25.5	-5.8	77.4	35.0
Investments in Fixed assets	-33.6	-14.1	-16.0	-8.7	-21.5	-22.5
Payments received: Disposal of non-current assets	0.0	1.3	0.8	6.6	0.0	0.0
Change in consolidation: Disposals/Acquisitions	2.2	-0.8	1.2	0.9	0.0	0.0
Interest and other financial income	0.4	6.8	5.3	1.0	0.0	0.0
Cash changes from extraordinary items	0.0	0.0	0.0	0.0	0.0	0.0
Other changes from investing activities	0.0	0.0	0.0	0.0	-1.1	0.9
Cashflow from investing activities	-31.0	-6.8	-8.7	-0.2	-22.6	-21.6
Cash changes in financial debt	66.6	-11.4	-45.6	9.9	-54.7	-8.9
Changes in shareholders equity	0.0	0.0	0.0	0.0	0.0	0.0
Dividend payments	-19.5	0.0	0.0	0.0	0.0	0.0
Cash changes from own shares	0.0	0.0	0.0	0.0	0.0	0.0
Interest and other financial expenses	0.0	0.0	0.0	0.0	0.0	0.0
Other changes from financing activities	-15.6	-15.5	-15.4	-14.4	-4.3	-9.7
Cashflow from financing activities	31.4	-26.8	-61.1	-4.5	-59.0	-18.7
Total change in cash and cash equivalents	33.8	-22.5	-44.3	-10.5	-4.3	-5.2
Effect of exchange rate changes on cash	-5.8	1.9	2.1	-4.1	0.0	0.0
Other changes in cash and cash equivalents	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalents: Beginning of period	94.7	122.6	102.0	59.8	45.2	40.9
Cash and cash equivalents: End of period	122.6	102.0	59.8	45.2	40.9	35.7

Source: Kapsch, FMR

Declaration of liability (disclaimer) and mandatory details pursuant to Section 85 Securities Trading Act (WpHG), EU Market Abuse Regulation (EU Regulation No. 596/2014), Delegated Regulation 2016/958 and Delegated Regulation 2017/565 including details of possible conflicts of interest (disclosures), the author and the responsible supervisory authority

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2. Mandatory details

a) First publication: 29.11.2023

b) Time conditions of expected updates: quarterly

c) Supervisory authority: Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht), Marie-Curie-Straße 24-28, 60439 Frankfurt am Main

d) Previous analyses: No analysis was published in the 12 months before publication of this analysis that contains a recommendation for a specific investment decision which contradicts this analysis.

e) The analysis was made available to the issuer, to the extent that is legally permissible, before publication and was not amended thereafter.

f) All prices and price developments listed in the analysis are based on closing prices insofar as no contradictory details were provided about prices and price developments.

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(vii.) has other significant interests with regard to the company being analysed, for example clients with the company being analysed.

Company **Disclosure(s)**

Kapsch TrafficCom

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(iii.) managed financial instruments of the issuer on a market by means of concluding purchase or sale agreements:

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(vii.) has other significant interests with regard to the company being analysed, for example clients with the company being analysed.

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Recommendation history over last 12 months:

Date	Recommendation	Share price at publishing date	Target price
17.06.2022	HOLD	13.80	16.00
18.08.2022	HOLD	12.68	15.70
17.11.2022	BUY	11.38	16.00
23.02.2023	BUY	12.98	15.80
20.04.2023	BUY	12.50	15.20
01.06.2023	BUY	10.55	13.90
23.06.2023	BUY	11.85	13.80
07.07.2023	BUY	11.70	18.60
23.08.2023	BUY	10.40	18.60
29.11.2023	BUY	9.20	15.80

4. Creation and distribution

a) Responsibility for creation and distribution

FMR Frankfurt Main Research AG

Registered office: Frankfurt am Main; Commercial Register No. HRB 113537, Frankfurt am Main district court; Chairman: Marcus Silbe

b) Issuer

Dr. Mohamad Vaseghi, Equity Analyst

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5. Investment recommendation details

Investment recommendation details - stocks:

BUY: In our opinion, the stock will demonstrate an absolute price gain of at least 10 % in a 12-month period.

HOLD: In our opinion, the stock will not exceed or fall below an absolute price gain or loss of 10% in a 12-month period.

Sell: In our opinion, the stock will demonstrate an absolute price loss of at least 10 % in a 12-month period.

6. Sensitivity of the evaluation parameters

The figures from profit and loss calculations, cash flow statements and balance sheets which form the basis of the company evaluation are date-related estimates and therefore subject to risks. These may change at any time without prior notice. Regardless of the evaluation methods used, there are significant risks that the price goal/trend will not be achieved within the expected time frame. The risks include unforeseeable changes with regard to competition pressure, demand for the products of an issuer and the offer situation with respect to materials required for production as well as non-occurrence of the assumed development. Such deviations may be the result of changes relating to technology and changes relating to the economy, legal situation and exchange rates. No claim is made that this statement of evaluation methods and risk factors is complete.

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Individual issuers: Current and recognised evaluation methods (e.g. DCF method and Peer Group Analysis) are used for company analysis purposes. The DCF method calculates the value of the issuer based on the sum of the discounted cash flows, i.e. the cash value of the future cash flows of the issuer. The value is therefore determined on the basis of expected future cash flows and the applied discount rate. In Peer Group Analysis, issuers listed on the stock exchange are evaluated by comparing ratios (e.g. price/profit ratio, Enterprise Value/turnover, Enterprise Value/EBITDA, Enterprise Value/EBIT). The comparability of the ratios is primarily determined with reference to the business activity and economic prospects.

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