

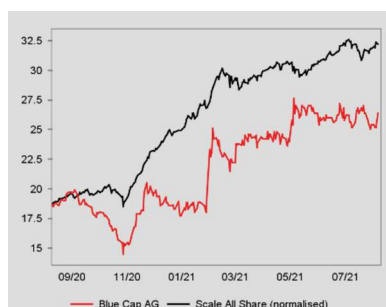
Buy EUR 42.00 (EUR 41.00) Price EUR 26.40 Upside 59.1 %	Value Indicators: EUR DCF: 42.00	Warburg ESG Risk Score: 2.0 ESG Score (MSCI based): 3.0 Balance Sheet Score: 3.0 Market Liquidity Score: 0.0	Description: Industrial holding focused on Mittelstand manufacturing technology companies
	Market Snapshot: EUR m Market cap: 105.1 No. of shares (m): 4.0 EV: 187.3 Freefloat MC: 45.7 Ø Trad. Vol. (30d): 29.32 th	Shareholders: Freefloat 43.5 % PartnerFonds AG 45.6 % Kreissparkasse Biberach 10.9 %	Key Figures (WRe): 2021e Beta: 1.5 Price / Book: 1.3 x Equity Ratio: 40 % Net Fin. Debt / EBITDA: 3.8 x Net Debt / EBITDA: 4.3 x

Positive news-flow continues

In the last couple of days, there were two positive pieces of news from Blue Cap.

- Firstly, Blue Cap delivered strong preliminary Q2 and H1 results. Sales reached EUR 120.8m (+6%) and adj. EBITDA reached EUR 10.5m (prior year EUR 6m). This implies Q2 sales of EUR 64.9m (+32%) and adj. EBITDA of EUR 5.8m (prior year EUR 1.6m). Thus the adj. EBITDA margin improved from 8.4% in Q1 2021 to 9.0% in Q2 2021. With these results, we adopt a more upbeat approach to the full-year margin.
- Secondly, it announced last Thursday the acquisition of 90% of HY Line Verwaltungs GmbH and its subsidiaries for an estimated EUR 30m EV on a 100% basis. HY Line is a value-added distributor of electronic components ranging from display technology & embedded computing to wireless modules and semiconductors. Furthermore, the company is offering customized systems comprising hard- and software e.g. for IoT applications. HY Line has a diverse customer base ranging from the electronics industry to medical applications and is predominantly operating in German-speaking countries. The acquisition is expected to close on September 1.
- Blue Cap gives a sales level of EUR 40m to EUR 50m for HY Line. The company recorded net income of EUR 2.15m in 2018 and EUR 2.73m in 2019 (according to the "Bundesanzeiger"). As the business model is asset-light we expect a high cash conversion. We therefore estimate that, based on historical earnings, the valuation is equivalent to a potential FCF yield of around 9%. In light of Blue Cap's WACC of 8% the acquisition is, in our view, value-accretive, particularly bearing in mind that the growth in the electronics segment should exceed GDP growth.
- With the acquisition, management has increased its FY 2021 guidance by EUR 10m to a range of EUR 265-275m and confirmed its guidance of an adj. EBITDA margin of between 8.0% and 9.0%.
- In light of the strong H1 figures and the value-accretive acquisition, we confirm our Buy rating. On the back of the slightly increased near-term margin for the existing business, we raise our DCF-based price target to EUR 42 (previously EUR 41).

Changes in Estimates:				Comment on Changes:			
FY End: 31.12. in EUR m	2021e (old)	+ / -	2022e (old)	+ / -	2023e (old)	+ / -	
Sales	260.0	3.8 %	285.0	14.0 %	295.0	14.2 %	The increase in estimates mostly reflects the first-time consolidation of HY Line. Furthermore, we have increased our adj. EBITDA margin estimate for the existing business by 30bp to 8.5% on the back of the strong H1 figures.
EBITDA adj.	21.0	9.8 %	26.0	12.3 %	28.6	12.6 %	
EBT	5.2	21.9 %	9.7	16.3 %	11.8	16.1 %	
EPS	0.92	21.7 %	1.70	15.9 %	2.07	16.4 %	

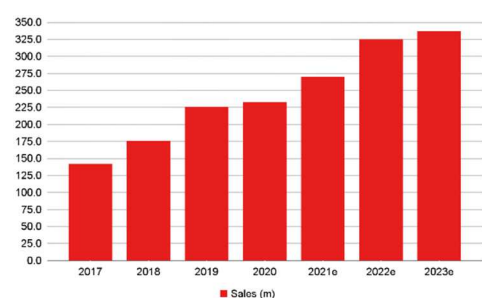


Rel. Performance vs Scale All	
1 month:	4.5 %
6 months:	0.3 %
Year to date:	19.6 %
Trailing 12 months:	-31.4 %

Company events:

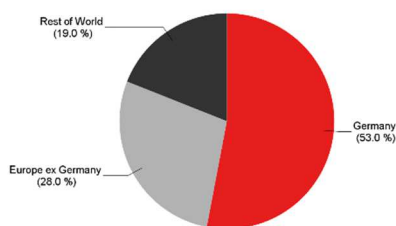
FY End: 31.12. in EUR m	CAGR (20-23e)	2017	2018	2019	2020	2021e	2022e	2023e
Sales	13.1 %	141.8	176.0	225.7	233.0	270.0	325.0	337.0
Change Sales yoy		46.8 %	24.1 %	28.2 %	3.2 %	15.9 %	20.4 %	3.7 %
EBITDA adj.		11.2	8.6	14.3	17.6	23.0	29.2	32.2
Margin	8.1 %	7.9 %	4.9 %	6.4 %	7.6 %	8.5 %	9.0 %	9.5 %
EBIT adj.		8.5	2.9	6.4	8.9	12.7	17.0	19.6
Margin	15.1 %	6.0 %	1.6 %	2.9 %	3.8 %	4.7 %	5.2 %	5.8 %
EBT		41.9	12.1	2.4	17.5	6.4	11.3	13.8
Net income	-16.6 %	39.9	12.5	2.8	16.6	4.5	7.9	9.6
EPS	-16.6 %	10.02	3.14	0.71	4.15	1.12	1.97	2.41
EPS adj.		1.40	1.26	1.15	1.51	1.90	2.67	3.13
DPS	14.5 %	1.00	0.75	0.75	1.00	1.00	1.25	1.50
Dividend Yield		7.2 %	3.7 %	4.3 %	5.7 %	3.8 %	4.7 %	5.7 %
FCFPS		8.43	-1.03	-1.15	1.08	1.04	1.14	3.07
FCF / Market cap		60.6 %	-5.1 %	-6.6 %	6.2 %	4.0 %	4.3 %	11.7 %
EV / Sales		0.5 x	0.7 x	0.6 x	0.5 x	0.7 x	0.6 x	0.5 x
EV / EBITDA adj.		6.2 x	13.6 x	9.9 x	6.8 x	8.1 x	6.4 x	5.6 x
EV / EBIT adj.		8.1 x	40.7 x	22.0 x	13.5 x	14.8 x	11.0 x	9.1 x
P / E adj.		9.9 x	16.0 x	15.2 x	11.5 x	13.9 x	9.9 x	8.4 x
FCF Potential Yield		66.2 %	18.4 %	10.9 %	27.8 %	9.3 %	12.2 %	14.0 %
Net Debt		13.5	36.8	72.6	50.8	82.3	81.7	74.4
ROE		103.8 %	20.2 %	4.2 %	22.5 %	5.6 %	9.5 %	11.1 %
ROCE (NOPAT)		62.3 %	16.2 %	4.1 %	13.9 %	4.0 %	5.5 %	6.6 %
Guidance:		sales of EUR 265m to EUR 275m and adj. EBITDA margin of 8% to 9%						

Sales development in EUR m



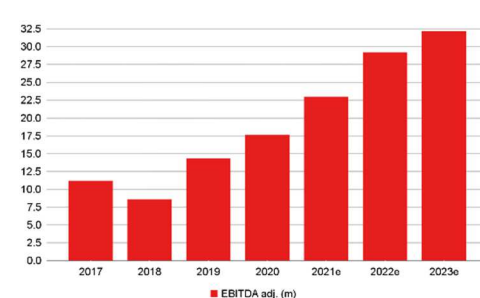
Source: Warburg Research

Sales by regions 2020; in %



Source: Warburg Research

adj. EBITDA development in EUR m



Source: Warburg Research

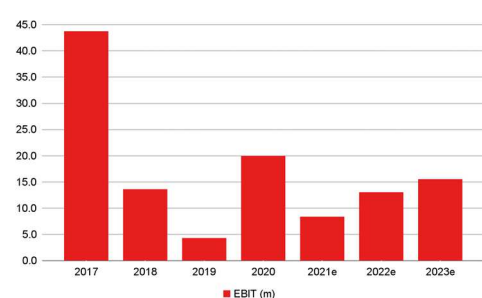
Company Background

- Blue Cap is a Munich-based industrial holding with a focus on Mittelstand niche suppliers with revenue volumes of EUR 30-80m
- The company only invests in well-positioned manufacturing technology companies that find themselves in a so-called “special situation”
- Such “special situations” include e.g. an unresolved succession issue, management problems or financing difficulties. Only companies with an intact core business and high competitive qualities are acquired
- Today, Blue Cap holds operative investments in technological sectors such as polymers, metals, adhesives, coatings (incl. adhesive tape, foil and film), and measurement and testing systems.

Competitive Quality

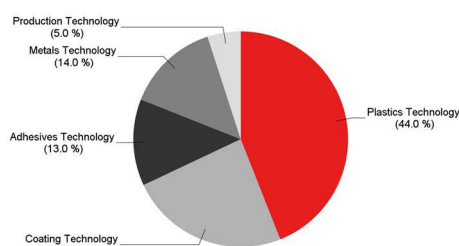
- Blue Cap is headed by management with extensive restructuring experience. The management has more than 20 years of experience in Mittelstand companies
- All subsidiaries operate autonomously and pursue independent strategies, supported by the know-how of the Holding’s management
- New investments can be acquired from a network of banks, financial service providers, consultancies, auditors and tax advisors. This safeguards access to further growth.
- With its focus on small Mittelstand companies with revenue of EUR 30-80m, Blue Cap is targeting a smaller size than most competitors. This clearly improves the choice of attractive investments
- The long-term expansion of the investments strengthens the respective market position. As successful companies remain in the portfolio, Blue Cap is not dependent on expedient exits.

EBIT development in EUR m



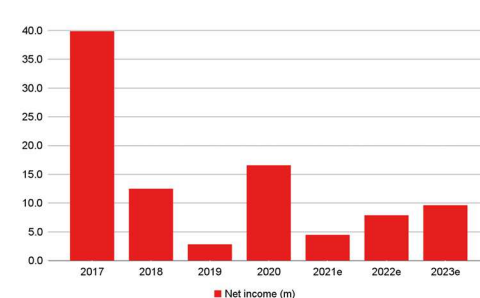
Source: Warburg Research

Sales by segments 2020; in %



Source: Warburg Research

Net income development in EUR m



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	
Sales	270.0	325.0	337.0	353.9	360.9	368.1	375.5	384.9	392.6	400.4	408.5	416.6	425.0	1.5 %
Sales change	15.9 %	20.4 %	3.7 %	5.0 %	2.0 %	2.0 %	2.0 %	2.5 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	
EBIT	8.4	13.0	15.5	17.7	19.9	22.1	24.4	25.0	25.5	26.0	26.5	27.1	27.6	1.5 %
EBIT-margin	3.1 %	4.0 %	4.6 %	5.0 %	5.5 %	6.0 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	
Tax rate (EBT)	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	1.5 %
NOPAT	5.9	9.1	10.9	12.4	13.9	15.5	17.1	17.5	17.9	18.2	18.6	19.0	19.3	
Depreciation	10.9	13.2	13.6	14.2	14.4	14.7	13.1	13.5	13.7	14.0	14.3	14.6	14.9	1.5 %
in % of Sales	4.1 %	4.1 %	4.1 %	4.0 %	4.0 %	4.0 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %	
Changes in provisions	0.0	0.0	0.0	0.9	-0.5	-0.5	-0.6	-0.6	-0.6	-0.7	-0.3	0.1	0.1	1.5 %
Change in Liquidity from														
- Working Capital	2.9	7.7	1.7	2.9	1.7	1.8	1.8	2.2	1.2	1.2	1.2	1.2	1.2	1.5 %
- Capex	8.3	8.8	9.3	12.4	12.6	12.9	13.1	13.5	13.7	14.0	14.3	14.6	14.9	
Capex in % of Sales	3.1 %	2.7 %	2.8 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %	1.5 %
Other	0.0	0.0	0.0	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)	5.6	5.8	13.5	12.1	13.4	15.0	14.7	14.8	16.1	16.4	17.1	17.9	18.2	19
PV of FCF	5.4	5.2	11.2	9.2	9.5	9.8	8.9	8.3	8.4	7.9	7.6	7.4	7.0	110
share of PVs	10.05 %			38.93 %										51.02 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	25.00 %	Financial Strength	1.60
Cost of debt (after tax)	2.8 %	Liquidity (share)	1.60
Market return	7.00 %	Cyclicality	1.60
Risk free rate	1.50 %	Transparency	1.60
		Others	1.10
WACC	8.01 %	Beta	1.50

Valuation (m)

Present values 2033e	106		
Terminal Value	110		
Financial liabilities	78		
Pension liabilities	9		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	30		
Liquidity	9	No. of shares (m)	4.0
Equity Value	167	Value per share (EUR)	42.00

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		0.75 %	1.00 %	1.25 %	1.50 %	1.75 %	2.00 %	2.25 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.74	9.0 %	32.25	32.86	33.50	34.19	34.92	35.71	36.56	1.74	9.0 %	21.66	25.83	30.01	34.19	38.37	42.54	46.72
1.62	8.5 %	35.47	36.20	36.98	37.81	38.70	39.67	40.71	1.62	8.5 %	24.39	28.86	33.34	37.81	42.28	46.76	51.23
1.56	8.3 %	37.24	38.04	38.90	39.82	40.82	41.89	43.05	1.56	8.3 %	25.91	30.55	35.19	39.82	44.46	49.10	53.74
1.50	8.0 %	39.14	40.03	40.98	42.00	43.10	44.30	45.59	1.50	8.0 %	27.55	32.36	37.18	42.00	46.82	51.63	56.45
1.44	7.8 %	41.18	42.16	43.21	44.35	45.58	46.91	48.37	1.44	7.8 %	29.32	34.33	39.34	44.35	49.36	54.37	59.38
1.38	7.5 %	43.38	44.46	45.63	46.90	48.27	49.77	51.42	1.38	7.5 %	31.24	36.46	41.68	46.90	52.11	57.33	62.55
1.26	7.0 %	48.31	49.65	51.11	52.70	54.44	56.36	58.47	1.26	7.0 %	35.63	41.32	47.01	52.70	58.39	64.08	69.77

- For the Group, growth at BSP level is expected.
- The target EBIT margin is derived from an estimate of the margin potential of the individual firms.
- In perpetuity, a comparatively low growth rate of just 1.5% is modelled.
- We included our 2023 SOTP estimate of Inheco in the model

Valuation	2017	2018	2019	2020	2021e	2022e	2023e
Price / Book	1.0 x	1.2 x	1.0 x	0.9 x	1.3 x	1.2 x	1.2 x
Book value per share ex intangibles	12.57	15.13	15.05	19.58	19.66	20.59	21.70
EV / Sales	0.5 x	0.7 x	0.6 x	0.5 x	0.7 x	0.6 x	0.5 x
EV / EBITDA	1.5 x	5.5 x	9.5 x	3.5 x	9.7 x	7.1 x	6.2 x
EV / EBIT	1.6 x	8.6 x	33.1 x	6.0 x	22.4 x	14.3 x	11.6 x
EV / EBIT adj.*	8.1 x	40.7 x	22.0 x	13.5 x	14.8 x	11.0 x	9.1 x
P / FCF	1.6 x	n.a.	n.a.	16.1 x	25.3 x	23.2 x	8.6 x
P / E	1.4 x	6.4 x	24.6 x	4.2 x	23.6 x	13.4 x	11.0 x
P / E adj.*	9.9 x	16.0 x	15.2 x	11.5 x	13.9 x	9.9 x	8.4 x
Dividend Yield	7.2 %	3.7 %	4.3 %	5.7 %	3.8 %	4.7 %	5.7 %
FCF Potential Yield (on market EV)	66.2 %	18.4 %	10.9 %	27.8 %	9.3 %	12.2 %	14.0 %

*Adjustments made for: -

Consolidated profit & loss

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Sales	141.8	176.0	225.7	233.0	270.0	325.0	337.0
Change Sales yoy	46.8 %	24.1 %	28.2 %	3.2 %	15.9 %	20.4 %	3.7 %
Increase / decrease in inventory	3.5	1.4	-2.1	-1.8	0.0	0.0	0.0
Own work capitalised	0.1	0.1	0.0	0.0	0.0	0.0	0.0
Total Sales	145.4	177.4	223.6	231.2	270.0	325.0	337.0
Material expenses	75.9	97.0	123.9	123.7	147.2	180.4	187.0
Gross profit	69.5	80.4	99.7	107.4	122.9	144.6	150.0
<i>Gross profit margin</i>	<i>49.0 %</i>	<i>45.7 %</i>	<i>44.2 %</i>	<i>46.1 %</i>	<i>45.5 %</i>	<i>44.5 %</i>	<i>44.5 %</i>
Personnel expenses	39.6	48.4	58.3	60.5	67.5	74.8	75.8
Other operating income	41.0	16.1	6.9	25.9	0.4	0.2	0.2
Other operating expenses	23.4	26.9	33.3	38.3	36.5	43.9	45.2
EBITDA adj.	11.2	8.6	14.3	17.6	23.0	29.2	32.2
<i>Margin</i>	<i>7.9 %</i>	<i>4.9 %</i>	<i>6.4 %</i>	<i>7.6 %</i>	<i>8.5 %</i>	<i>9.0 %</i>	<i>9.5 %</i>
EBITDA	47.4	21.1	15.0	34.5	19.3	26.2	29.2
<i>Margin</i>	<i>33.5 %</i>	<i>12.0 %</i>	<i>6.7 %</i>	<i>14.8 %</i>	<i>7.1 %</i>	<i>8.1 %</i>	<i>8.7 %</i>
Depreciation of fixed assets	2.4	7.3	10.7	13.0	10.8	13.0	13.5
EBITA	45.0	13.8	4.3	21.5	8.5	13.2	15.7
Amortisation of intangible assets	1.2	0.0	0.0	0.0	0.1	0.2	0.2
Goodwill amortisation	0.0	0.0	0.0	1.6	0.0	0.0	0.0
EBIT	43.8	13.6	4.3	20.0	8.4	13.0	15.5
<i>Margin</i>	<i>30.9 %</i>	<i>7.7 %</i>	<i>1.9 %</i>	<i>8.6 %</i>	<i>3.1 %</i>	<i>4.0 %</i>	<i>4.6 %</i>
EBIT adj.	8.5	2.9	6.4	8.9	12.7	17.0	19.6
Interest income	0.0	0.1	0.1	0.3	0.0	0.0	0.0
Interest expenses	1.8	2.0	2.0	2.8	2.5	2.3	2.3
Other financial income (loss)	0.7	0.5	0.7	2.7	0.5	0.5	0.5
EBT	41.9	12.1	2.4	17.5	6.4	11.3	13.8
<i>Margin</i>	<i>29.5 %</i>	<i>6.9 %</i>	<i>1.1 %</i>	<i>7.5 %</i>	<i>2.4 %</i>	<i>3.5 %</i>	<i>4.1 %</i>
Total taxes	1.9	-0.5	-0.4	1.0	1.9	3.4	4.1
Net income from continuing operations	40.0	12.5	2.8	16.5	4.5	7.9	9.6
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	40.0	12.5	2.8	16.5	4.5	7.9	9.6
Minority interest	0.1	0.0	0.0	-0.1	0.0	0.0	0.0
Net income	39.9	12.5	2.8	16.6	4.5	7.9	9.6
<i>Margin</i>	<i>28.1 %</i>	<i>7.1 %</i>	<i>1.3 %</i>	<i>7.1 %</i>	<i>1.7 %</i>	<i>2.4 %</i>	<i>2.9 %</i>
Number of shares, average	4.0	4.0	4.0	4.0	4.0	4.0	4.0
EPS	10.02	3.14	0.71	4.15	1.12	1.97	2.41
EPS adj.	1.40	1.26	1.15	1.51	1.90	2.67	3.13

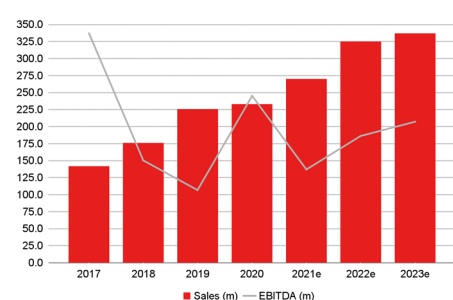
*Adjustments made for:

Guidance: sales of EUR 265m to EUR 275m and adj. EBITDA margin of 8% to 9%

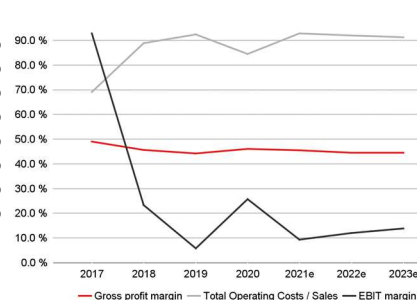
Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Total Operating Costs / Sales	69.1 %	88.8 %	92.4 %	84.4 %	92.9 %	91.9 %	91.3 %
Operating Leverage	26.9 x	-2.9 x	-2.4 x	112.3 x	-3.7 x	2.7 x	5.2 x
EBITDA / Interest expenses	26.9 x	10.8 x	7.7 x	12.4 x	7.7 x	11.4 x	12.7 x
Tax rate (EBT)	4.5 %	-4.0 %	-16.3 %	5.9 %	30.0 %	30.0 %	30.0 %
Dividend Payout Ratio	9.9 %	23.8 %	105.9 %	24.2 %	89.4 %	63.4 %	62.3 %

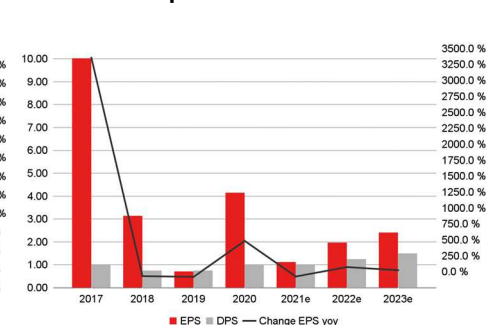
Sales, EBITDA in EUR m



Operating Performance in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

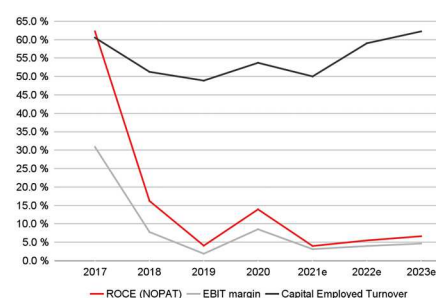
Consolidated balance sheet

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Assets							
Goodwill and other intangible assets	7.2	6.6	6.9	2.2	2.4	2.5	2.7
thereof other intangible assets	7.0	6.3	6.8	2.2	2.4	2.5	2.7
thereof Goodwill	0.2	0.2	0.2	0.0	0.0	0.0	0.0
Property, plant and equipment	35.5	59.7	90.7	82.1	79.3	74.8	70.3
Financial assets	2.6	8.4	7.0	5.9	43.9	43.9	43.9
Other long-term assets	0.0	3.4	10.3	5.8	0.0	0.0	0.0
Fixed assets	45.3	78.0	115.0	96.1	125.6	121.3	116.9
Inventories	18.9	27.0	30.5	27.5	30.0	36.1	37.4
Accounts receivable	19.1	18.5	21.8	16.6	18.5	22.3	23.1
Liquid assets	36.4	28.8	25.1	36.3	4.8	5.3	12.6
Other short-term assets	5.2	7.8	9.1	22.0	21.5	21.4	21.4
Current assets	79.7	82.1	86.4	102.4	74.8	85.1	94.5
Total Assets	124.9	160.1	201.3	198.5	200.4	206.4	211.4
Liabilities and shareholders' equity							
Subscribed capital	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Capital reserve	5.1	5.1	5.1	5.3	5.3	5.3	5.3
Retained earnings	0.0	0.0	0.0	0.0	1.5	5.3	9.9
Other equity components	48.1	57.7	57.7	70.9	69.9	69.9	69.9
Shareholders' equity	57.2	66.8	66.8	80.2	80.6	84.5	89.0
Minority interest	0.1	0.1	0.2	0.1	0.1	0.1	0.1
Total equity	57.3	66.9	67.0	80.3	80.8	84.6	89.2
Provisions	9.8	9.5	18.5	16.8	16.8	16.8	16.8
thereof provisions for pensions and similar obligations	2.2	2.9	9.2	9.0	9.0	9.0	9.0
Financial liabilities (total)	47.7	62.8	88.4	78.0	78.0	78.0	78.0
Short-term financial liabilities	16.4	27.4	35.1	22.5	22.5	22.5	22.5
Accounts payable	5.0	6.7	11.7	9.2	10.6	12.8	13.2
Other liabilities	5.2	14.2	15.8	14.2	14.2	14.2	14.2
Liabilities	67.6	93.3	134.4	118.2	119.6	121.8	122.2
Total liabilities and shareholders' equity	124.9	160.1	201.3	198.5	200.4	206.4	211.4

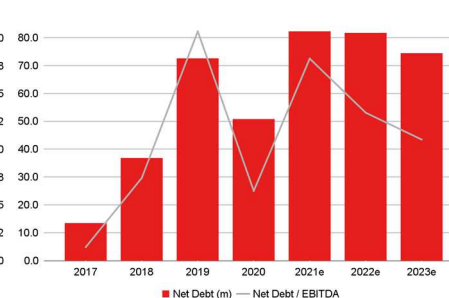
Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Efficiency of Capital Employment							
Operating Assets Turnover	2.1 x	1.8 x	1.7 x	2.0 x	2.3 x	2.7 x	2.9 x
Capital Employed Turnover	2.0 x	1.7 x	1.6 x	1.8 x	1.7 x	2.0 x	2.1 x
ROA	88.1 %	16.0 %	2.5 %	17.2 %	3.6 %	6.5 %	8.2 %
Return on Capital							
ROCE (NOPAT)	62.3 %	16.2 %	4.1 %	13.9 %	4.0 %	5.5 %	6.6 %
ROE	103.8 %	20.2 %	4.2 %	22.5 %	5.6 %	9.5 %	11.1 %
Adj. ROE	14.5 %	8.1 %	6.8 %	8.2 %	9.5 %	12.9 %	14.4 %
Balance sheet quality							
Net Debt	13.5	36.8	72.6	50.8	82.3	81.7	74.4
Net Financial Debt	11.3	34.0	63.4	41.8	73.2	72.7	65.4
Net Gearing	23.6 %	55.1 %	108.4 %	63.3 %	101.9 %	96.6 %	83.5 %
Net Fin. Debt / EBITDA	23.8 %	160.9 %	422.0 %	121.2 %	379.5 %	277.5 %	224.2 %
Book Value / Share	14.4	16.8	16.8	20.1	20.3	21.2	22.4
Book value per share ex intangibles	12.6	15.1	15.1	19.6	19.7	20.6	21.7

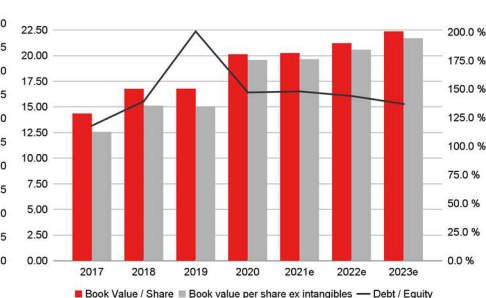
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

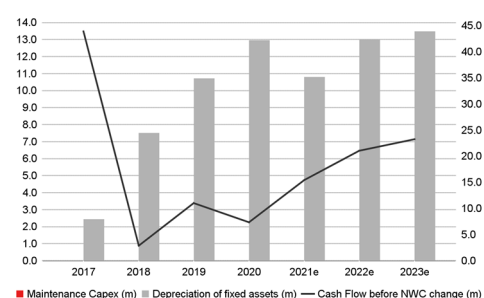
In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Net income	40.0	12.5	2.8	16.5	4.5	7.9	9.6
Depreciation of fixed assets	2.4	7.5	10.7	13.0	10.8	13.0	13.5
Amortisation of goodwill	0.0	0.0	0.0	1.6	0.0	0.0	0.0
Amortisation of intangible assets	1.2	0.0	0.0	0.0	0.1	0.2	0.2
Increase/decrease in long-term provisions	0.2	0.3	0.8	-1.3	0.0	0.0	0.0
Other non-cash income and expenses	0.0	-17.5	-3.3	-22.4	0.0	0.0	0.0
Cash Flow before NWC change	43.9	2.8	11.1	7.3	15.4	21.0	23.3
Increase / decrease in inventory	-1.4	-1.8	3.5	0.4	-2.5	-6.1	-1.3
Increase / decrease in accounts receivable	-2.3	0.2	-0.5	1.4	-1.9	-3.8	-0.8
Increase / decrease in accounts payable	0.0	-2.3	0.3	-1.7	1.4	2.2	0.4
Increase / decrease in other working capital positions	0.0	1.4	-10.5	3.2	0.0	0.0	0.0
Increase / decrease in working capital (total)	-3.7	-2.5	-7.2	3.3	-2.9	-7.7	-1.7
Net cash provided by operating activities [1]	40.2	0.3	3.9	10.6	12.5	13.3	21.6
Investments in intangible assets	-0.5	-0.7	-0.5	-0.2	-0.3	-0.3	-0.3
Investments in property, plant and equipment	-6.1	-6.3	-8.5	-7.2	-8.0	-8.5	-9.0
Payments for acquisitions	0.0	-12.3	-13.4	-0.1	0.0	0.0	0.0
Financial investments	-1.4	0.0	-1.1	0.3	-38.0	0.0	0.0
Income from asset disposals	0.0	6.9	3.8	19.9	0.0	0.0	0.0
Net cash provided by investing activities [2]	-8.0	-9.8	-19.0	13.9	-46.3	-8.8	-9.3
Change in financial liabilities	1.0	6.2	13.8	-4.2	0.0	0.0	0.0
Dividends paid	0.0	-4.0	-3.0	-3.0	-4.0	-4.0	-5.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.1	0.2	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by financing activities [3]	1.0	2.2	10.8	-7.0	-4.0	-4.0	-5.0
Change in liquid funds [1]+[2]+[3]	33.2	-7.3	-4.3	17.5	-37.8	0.5	7.3
Effects of exchange-rate changes on cash	0.0	0.0	0.0	0.1	0.0	0.0	0.0
Cash and cash equivalent at end of period	39.5	17.1	24.6	42.6	4.8	5.3	12.6

Financial Ratios

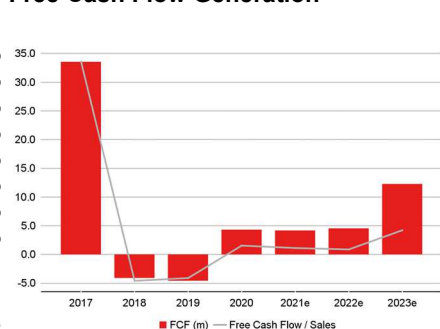
	2017	2018	2019	2020	2021e	2022e	2023e
Cash Flow							
FCF	33.5	-4.1	-4.6	4.3	4.2	4.5	12.3
Free Cash Flow / Sales	23.7 %	-2.3 %	-2.0 %	1.9 %	1.5 %	1.4 %	3.6 %
Free Cash Flow Potential	45.6	21.6	15.4	33.4	17.4	22.8	25.1
Free Cash Flow / Net Profit	84.1 %	-32.8 %	-162.4 %	26.0 %	93.4 %	57.6 %	127.5 %
Interest Received / Avg. Cash	0.2 %	0.3 %	0.3 %	0.8 %	0.1 %	0.4 %	0.2 %
Interest Paid / Avg. Debt	3.7 %	3.5 %	2.6 %	3.3 %	3.2 %	2.9 %	2.9 %
Management of Funds							
Investment ratio	4.7 %	4.0 %	4.0 %	3.2 %	3.1 %	2.7 %	2.8 %
Maint. Capex / Sales	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Capex / Dep	181.6 %	93.2 %	84.8 %	50.7 %	75.9 %	66.9 %	68.1 %
Avg. Working Capital / Sales	22.0 %	20.4 %	17.6 %	16.2 %	13.5 %	12.8 %	13.8 %
Trade Debtors / Trade Creditors	385.4 %	275.5 %	186.1 %	181.6 %	174.5 %	174.2 %	175.0 %
Inventory Turnover	4.0 x	3.6 x	4.1 x	4.5 x	4.9 x	5.0 x	5.0 x
Receivables collection period (days)	49	38	35	26	25	25	25
Payables payment period (days)	24	25	34	27	26	26	26
Cash conversion cycle (Days)	116	115	91	80	73	72	72

CAPEX and Cash Flow

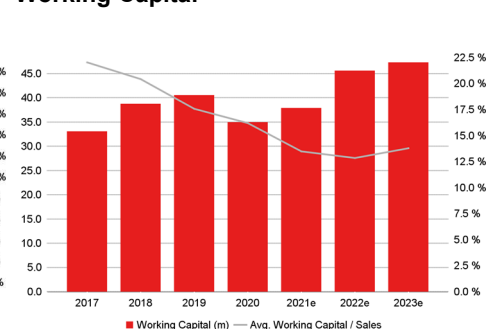
in EUR m



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)
Blue Cap	5	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A0JM2M1.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.

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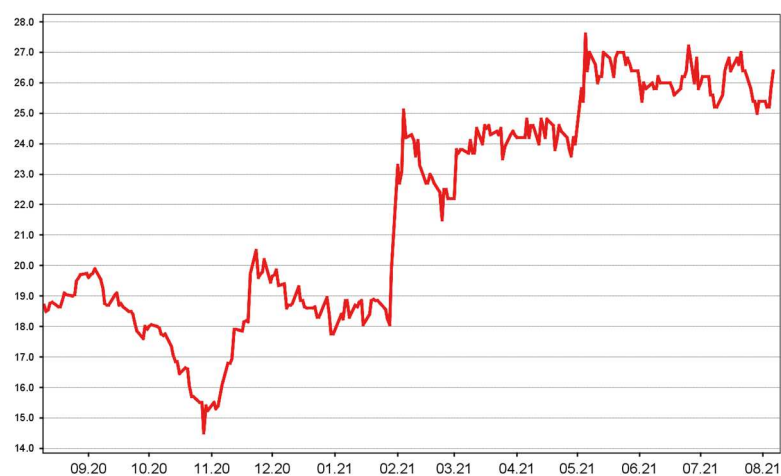
Rating	Number of stocks	% of Universe
Buy	153	71
Hold	56	26
Sell	4	2
Rating suspended	2	1
Total	215	100

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

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

Rating	Number of stocks	% of Universe
Buy	43	81
Hold	8	15
Sell	0	0
Rating suspended	2	4
Total	53	100

PRICE AND RATING HISTORY BLUE CAP AS OF 09.08.2021



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.

EQUITIES

Matthias Rode +49 40 3282-2678
Head of Equities mrode@mmwarburg.com

RESEARCH

Michael Heider +49 40 309537-280
Head of Research mheider@warburg-research.com

Henner Rüschemier +49 40 309537-270
Head of Research hrueschmeier@warburg-research.com

Stefan Augustin +49 40 309537-168
Cap. Goods, Engineering saugustin@warburg-research.com

Jan Bauer +49 40 309537-155
Renewables jbauer@warburg-research.com

Jonas Blum +49 40 309537-240
Telco, Media, Construction jblum@warburg-research.com

Christian Cohrs +49 40 309537-175
Industrials & Transportation ccohrs@warburg-research.com

Dr. Christian Ehmann +49 40 309537-167
BioTech, Life Science cehmann@warburg-research.com

Felix Ellmann +49 40 309537-120
Software, IT fellmann@warburg-research.com

Jörg Philipp Frey +49 40 309537-258
Retail, Consumer Goods jfrey@warburg-research.com

Marius Fuhrberg +49 40 309537-185
Financial Services mfuhrberg@warburg-research.com

Mustafa Hidir +49 40 309537-230
Automobiles, Car Suppliers mhidir@warburg-research.com

Ulrich Huwald +49 40 309537-255
Health Care, Pharma uhuwald@warburg-research.com

Philipp Kaiser +49 40 309537-260
Real Estate pkaiser@warburg-research.com

Thilo Kleibauer +49 40 309537-257
Retail, Consumer Goods tkleibauer@warburg-research.com

Eggert Kuls +49 40 309537-256
Engineering ekuls@warburg-research.com

Andreas Pläsier +49 40 309537-246
Banks, Financial Services aplaesier@warburg-research.com

Malte Schaumann +49 40 309537-170
Technology mschaumann@warburg-research.com

Oliver Schwarz +49 40 309537-250
Chemicals, Agriculture oschwarz@warburg-research.com

Simon Stippig +49 40 309537-265
Real Estate sstippig@warburg-research.com

Cansu Tatar +49 40 309537-248
Cap. Goods, Engineering ctatar@warburg-research.com

Marc-René Tonn +49 40 309537-259
Automobiles, Car Suppliers mtonn@warburg-research.com

Robert-Jan van der Horst +49 40 309537-290
Technology rvanderhorst@warburg-research.com

Andreas Wolf +49 40 309537-140
Software, IT awolf@warburg-research.com

INSTITUTIONAL EQUITY SALES

Marc Niemann +49 40 3282-2660
Head of Equity Sales, Germany mniemann@mmwarburg.com

Klaus Schilling +49 69 5050-7400
Head of Equity Sales, Germany kschilling@mmwarburg.com

Tim Beckmann +49 40 3282-2665
United Kingdom tbeckmann@mmwarburg.com

Lea Bogdanova +49 69 5050-7411
United Kingdom, Ireland lbogdanova@mmwarburg.com

Jens Buchmüller +49 69 5050-7415
Scandinavia, Austria jbuchmueller@mmwarburg.com

Alexander Eschweiler +49 40 3282-2669
Germany, Luxembourg aeschweiler@mmwarburg.com

Matthias Fritsch +49 40 3282-2696
United Kingdom mfritsch@mmwarburg.com

Maximilian Martin +49 69 5050-7413
Austria, Poland mmartin@mmwarburg.com

Christopher Seedorf +49 40 3282-2695
Switzerland cseedorf@mmwarburg.com

Sophie Hauer +49 69 5050-7417
Roadshow/Marketing shauer@mmwarburg.com

Juliane Niemann +49 40 3282-2694
Roadshow/Marketing jniemann@mmwarburg.com

SALES TRADING

Oliver Merckel +49 40 3282-2634
Head of Sales Trading omerckel@mmwarburg.com

Elyaz Dust +49 40 3282-2702
Sales Trading edust@mmwarburg.com

Michael Ilgenstein +49 40 3282-2700
Sales Trading milgenstein@mmwarburg.com

Marcel Magiera +49 40 3282-2662
Sales Trading mmagiera@mmwarburg.com

Bastian Quast +49 40 3282-2701
Sales Trading bquast@mmwarburg.com

Jörg Treptow +49 40 3282-2658
Sales Trading jtreptow@mmwarburg.com

MACRO RESEARCH

Carsten Klude +49 40 3282-2572
Macro Research cklude@mmwarburg.com

Dr. Christian Jasperneite +49 40 3282-2439
Investment Strategy cjasperneite@mmwarburg.com

Our research can be found under:

Warburg Research research.mmwarburg.com/en/index.html
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Capital IQ www.capitaliq.com

For access please contact:

Andrea Schaper +49 40 3282-2632
Sales Assistance aschaper@mmwarburg.com

Kerstin Muthig +49 40 3282-2703
Sales Assistance kmuthig@mmwarburg.com