

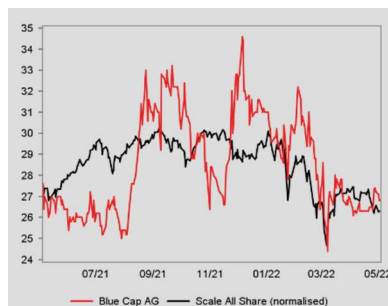
<b>Buy</b> <b>EUR 42.00</b> (EUR 43.00)  Price <b>EUR 26.80</b> Upside <b>56.7 %</b>	<b>Value Indicators:</b> EUR DCF: 42.00	<b>Warburg ESG Risk Score: 2.0</b> ESG Score (MSCI based): 3.0 Balance Sheet Score: 3.0 Market Liquidity Score: 0.0	<b>Description:</b> Investment company focused on Mittelstand manufacturing technology companies
	<b>Market Snapshot:</b> EUR m Market cap: 117.8 No. of shares (m): 4.4 EV: 207.0 Freefloat MC: 52.5 Ø Trad. Vol. (30d): 9.25 th	<b>Shareholders:</b> Freefloat 44.60 % PartnerFonds AG 41.90 % Kreissparkasse Biberach 13.50 %	<b>Key Figures (WRe):</b> 2021e Beta: 1.5 Price / Book: 1.2 x Equity Ratio: 37 % Net Fin. Debt / EBITDA: 2.6 x Net Debt / EBITDA: 3.0 x

## Good start to the year

There were several positive news releases from Blue Cap last week:

- Blue Cap achieved Q1 sales of EUR 82.7m, an increase of 47.9%. This increase is largely related to the first-time consolidation of H+E (as of March 1 2021), HY Line (as of September 1 2021) and Transline (as March 1 2022). However, as the deconsolidation of Carl Schaefer and Gämmerler reduced sales, we estimate that organic sales growth in Q1 was double-digit. The disposals of Gämmerler and Carl Schaefer, which both diluted the group margin, as well as strong growth in the plastics segment, particularly at con-pearl, led to a substantial increase in margins. The adj. EBITDA margin increased 150bp to 9.6% and the adj. EBIT margin rose 140bp to 5.7%. In Q1, Blue Cap achieved 27% of our full-year sales estimate and 29% of our full-year adj. EBITDA estimate. Normally, we would increase our estimates but, in light of the deteriorating economic backdrop, we prefer to keep a larger margin of safety and thus stick to our current estimates which are in the lower half of the confirmed management guidance.
- Blue Cap also released its 2021 annual report. The key new figure was the NAV of EUR 39.30 per share, which is only a slight increase compared with the EUR 38.82 at the end of 2020 but growth was held back by the 10% capital increase in summer 2021. This diluted growth somewhat as the funds have not been deployed for a full year (and Blue Cap has a conservative valuation approach).
- In addition to the figures, management emphasized the rationale and merits of the two most recent acquisitions HY Line (electronic components distribution & services) and Transline (translation services) in the annual report. First of all, these are asset-light business models, operating in fragmented markets with significant potential for bolt-on acquisitions. Furthermore, particularly in the context of the overall portfolio, they are making the group more resilient.
- Against this backdrop we reiterate our Buy rating. Owing to the substantial increase in interest rates across the globe, we have decided to increase the risk-free rate in our coverage universe by 50bps. This leads to a 40bps-increase in our WACC assumption for Blue Cap to 8.4%. The combined impact of rolling our planning period one year forward, a EUR 3m increase in the valuation of the net asset value of the Inheco stake, and the increase in WACC amounts to a slight reduction in our DCF-based price target by EUR 1 to EUR 42.

Changes in Estimates:				Comment on Changes:			
FY End: 31.12. in EUR m	2022e (old)	+ / -	2023e (old)	+ / -	2024e (old)	+ / -	
Sales	307.0	0.0 %	326.5	0.0 %	n.a.	n.m.	<ul style="list-style-type: none"> <li>No change to our adj. EBITDA estimates</li> <li>Reported EBITDA, EBIT and EPS estimates decline as depreciation and amortization increase with the purchase price allocation of the Hero and HY Line acquisition. However, this has no impact on our adj. EBITDA figures or cash flow.</li> </ul>
EBITDA adj.	28.3	0.0 %	32.3	0.0 %	n.a.	n.m.	
EBT	10.2	-57.2 %	13.7	-42.6 %	n.a.	n.m.	
EPS	1.63	-57.1 %	2.18	-42.7 %	n.a.	n.m.	

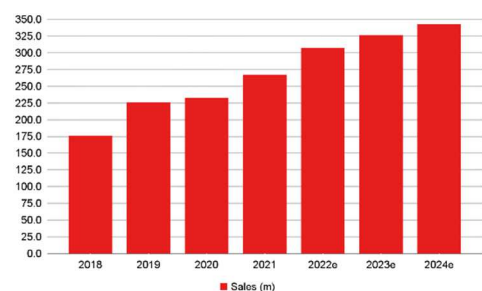


Rel. Performance vs Scale All	
1 month:	5.7 %
6 months:	7.2 %
Year to date:	-3.0 %
Trailing 12 months:	9.1 %

Company events:	

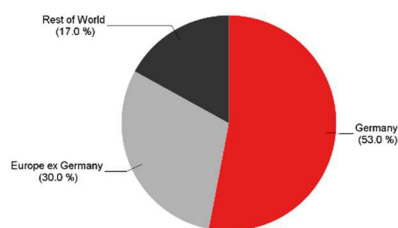
FY End: 31.12. in EUR m	CAGR (21-24e)	2018	2019	2020	2021	2022e	2023e	2024e
Sales	8.6 %	176.0	225.7	233.0	267.3	307.0	326.5	342.8
Change Sales yoy		24.1 %	28.2 %	3.2 %	14.7 %	14.8 %	6.4 %	5.0 %
EBITDA adj.		8.6	14.3	17.6	24.6	28.3	32.3	35.1
Margin	3.5 %	4.9 %	6.4 %	7.6 %	9.2 %	9.2 %	9.9 %	10.2 %
EBIT adj.		2.9	6.4	8.9	13.3	15.9	19.2	21.7
Margin	8.3 %	1.6 %	2.9 %	3.8 %	5.0 %	5.2 %	5.9 %	6.3 %
EBT		12.1	2.4	17.5	5.1	4.4	7.8	10.5
Net income	12.6 %	12.5	2.8	16.6	5.2	3.1	5.5	7.4
EPS	10.4 %	3.14	0.71	4.15	1.24	0.70	1.25	1.67
EPS adj.		1.26	1.15	1.51	2.53	2.40	2.95	3.38
DPS	13.7 %	0.75	0.75	1.00	0.85	1.00	1.10	1.25
Dividend Yield		3.7 %	4.3 %	5.7 %	3.2 %	3.7 %	4.1 %	4.7 %
FCFPS		-1.03	-1.15	1.08	1.54	4.67	3.19	3.86
FCF / Market cap		-5.1 %	-6.6 %	6.2 %	5.8 %	17.4 %	11.9 %	14.4 %
EV / Sales		0.7 x	0.6 x	0.5 x	0.7 x	0.7 x	0.6 x	0.5 x
EV / EBITDA adj.		13.6 x	9.9 x	6.8 x	7.6 x	7.3 x	6.1 x	5.3 x
EV / EBIT adj.		40.7 x	22.0 x	13.5 x	14.1 x	13.1 x	10.2 x	8.5 x
P / E adj.		16.0 x	15.2 x	11.5 x	10.6 x	11.2 x	9.1 x	7.9 x
FCF Potential Yield		18.4 %	10.9 %	27.8 %	13.4 %	11.6 %	13.7 %	15.7 %
Net Debt		36.8	72.6	50.8	76.3	89.2	79.2	66.6
ROE		20.2 %	4.2 %	22.5 %	5.9 %	3.3 %	5.9 %	7.7 %
ROCE (NOPAT)		16.2 %	4.1 %	13.9 %	3.6 %	2.0 %	3.3 %	4.4 %
Guidance:		2022: sales of EUR 305m to EUR 325m and adj. EBITDA margin of 9.0% to 10.0%						

## Sales development in EUR m



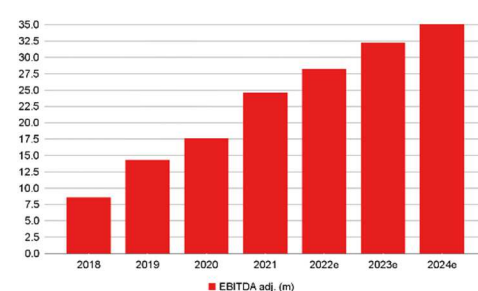
Source: Warburg Research

## Sales by regions 2021; in %



Source: Warburg Research

## adj. EBITDA development in EUR m



Source: Warburg Research

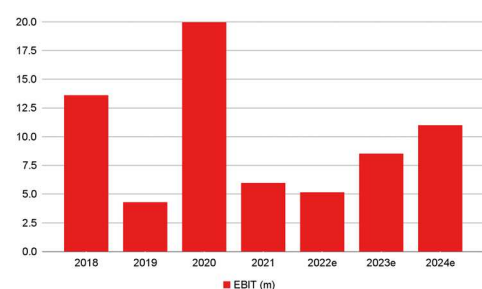
## Company Background

- Blue Cap is a Munich-based investment company 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 plastics, adhesives, coatings (incl. adhesive tape, foil and film), production technology as well as electronics.

## Competitive Quality

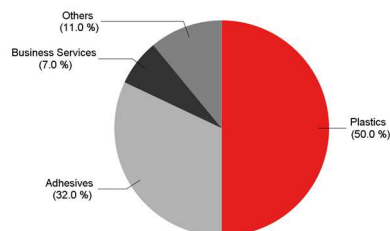
- Blue Cap is headed by management with extensive private equity- and restructuring experience.
- All subsidiaries operate autonomously and pursue independent strategies, supported by the know-how of the Holding's management
- New investments can be acquired from a network of banks, financial service 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
- There is now pre-defined holding period. Thus, Blue Cap remains invested as long as it remains the "best owner" of the business.

## EBIT development in EUR m



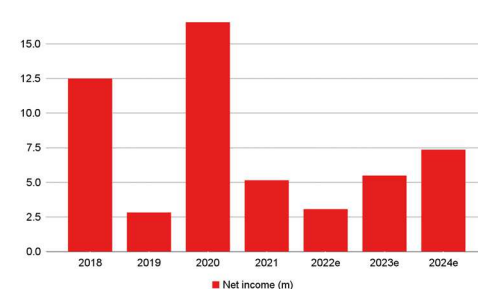
Source: Warburg Research

## Sales by segments 2021; 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
	2021	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	
Sales	267.3	307.0	326.5	342.8	360.0	367.2	374.5	382.0	391.5	399.4	407.4	415.5	423.8	1.5 %
Sales change	14.7 %	14.8 %	6.4 %	5.0 %	5.0 %	2.0 %	2.0 %	2.0 %	2.5 %	2.0 %	2.0 %	2.0 %	2.0 %	
EBIT	6.0	5.2	8.5	11.0	21.6	23.9	26.2	28.6	29.4	30.0	30.6	31.2	31.8	
EBIT-margin	2.2 %	1.7 %	2.6 %	3.2 %	6.0 %	6.5 %	7.0 %	7.5 %	7.5 %	7.5 %	7.5 %	7.5 %	7.5 %	
Tax rate (EBT)	7.5 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	
NOPAT	5.5	3.6	6.0	7.7	15.1	16.7	18.4	20.1	20.6	21.0	21.4	21.8	22.3	
Depreciation	19.4	20.1	20.7	21.1	15.1	14.7	15.0	13.4	13.7	14.0	14.3	14.5	14.8	
in % of Sales	7.3 %	6.6 %	6.4 %	6.2 %	4.2 %	4.0 %	4.0 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %	
Changes in provisions	0.0	0.0	0.0	0.0	1.1	-0.5	-0.6	-0.6	-0.6	-0.6	-0.7	-0.3	0.1	
Change in Liquidity from														
- Working Capital	14.2	-6.1	2.9	2.2	3.0	1.8	1.8	1.9	2.2	1.2	1.2	1.2	1.2	
- Capex	6.1	8.8	9.3	9.3	12.6	12.9	13.1	13.4	13.7	14.0	14.3	14.5	14.8	
Capex in % of Sales	2.3 %	2.9 %	2.8 %	2.7 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %	
- 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)	4.7	21.1	14.5	17.3	15.7	16.3	17.9	17.6	17.8	19.2	19.5	20.3	21.1	
PV of FCF	0.0	20.2	12.8	14.1	11.8	11.3	11.4	10.4	9.7	9.6	9.1	8.7	8.4	117
share of PVs	17.93 %			37.41 %										44.66 %

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	7.50 %	Cyclicality	1.60
Risk free rate	2.00 %	Transparency	1.60
		Others	1.10
<b>WACC</b>	<b>8.39 %</b>	<b>Beta</b>	<b>1.50</b>

Valuation (m)

Present values 2033e	145		
Terminal Value	117		
Financial liabilities	139		
Pension liabilities	9		
Hybrid capital	0		
Minority interest	5		
Market val. of investments	33		
Liquidity	41	No. of shares (m)	4.4
<b>Equity Value</b>	<b>185</b>	<b>Value per share (EUR)</b>	<b>42.00</b>

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							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	9.4 %	32.64	33.20	33.80	34.44	35.12	35.85	36.63	1.74	9.4 %	23.41	27.09	30.77	34.44	38.12	41.80	45.47
1.62	8.9 %	35.80	36.48	37.20	37.96	38.79	39.67	40.62	1.62	8.9 %	26.19	30.12	34.04	37.96	41.89	45.81	49.74
1.56	8.6 %	37.53	38.27	39.07	39.91	40.82	41.80	42.85	1.56	8.6 %	27.73	31.79	35.85	39.91	43.97	48.03	52.10
1.50	8.4 %	39.38	40.20	41.07	42.00	43.01	44.09	45.27	1.50	8.4 %	29.38	33.59	37.80	42.00	46.21	50.42	54.63
1.44	8.1 %	41.36	42.26	43.22	44.26	45.37	46.58	47.89	1.44	8.1 %	31.16	35.53	39.89	44.26	48.62	52.99	57.35
1.38	7.9 %	43.48	44.47	45.54	46.69	47.93	49.28	50.74	1.38	7.9 %	33.08	37.62	42.15	46.69	51.22	55.76	60.29
1.26	7.4 %	48.21	49.43	50.74	52.17	53.73	55.43	57.29	1.26	7.4 %	37.41	42.33	47.25	52.17	57.09	62.01	66.93

- 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	2018	2019	2020	2021	2022e	2023e	2024e
Price / Book	1.2 x	1.0 x	0.9 x	1.2 x	1.3 x	1.2 x	1.2 x
Book value per share ex intangibles	15.13	15.05	19.58	13.43	13.30	13.74	14.37
EV / Sales	0.7 x	0.6 x	0.5 x	0.7 x	0.7 x	0.6 x	0.5 x
EV / EBITDA	5.5 x	9.5 x	3.5 x	7.4 x	8.2 x	6.7 x	5.7 x
EV / EBIT	8.6 x	33.1 x	6.0 x	31.3 x	40.1 x	23.1 x	16.8 x
EV / EBIT adj.*	40.7 x	22.0 x	13.5 x	14.1 x	13.1 x	10.2 x	8.5 x
P / FCF	n.a.	n.a.	16.1 x	17.4 x	5.7 x	8.4 x	7.0 x
P / E	6.4 x	24.6 x	4.2 x	21.5 x	38.3 x	21.4 x	16.0 x
P / E adj.*	16.0 x	15.2 x	11.5 x	10.6 x	11.2 x	9.1 x	7.9 x
Dividend Yield	3.7 %	4.3 %	5.7 %	3.2 %	3.7 %	4.1 %	4.7 %
FCF Potential Yield (on market EV)	18.4 %	10.9 %	27.8 %	13.4 %	11.6 %	13.7 %	15.7 %

\*Adjustments made for: -

Company Specific Items	2018	2019	2020	2021	2022e	2023e	2024e
Net Asset Value EURm	n.a.	141.2	153.9	172.8	180.0	190.0	190.0
Net Asset Value pro Aktie	n.a.	35.48	38.58	39.30	40.90	43.00	43.00

## Consolidated profit & loss

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
<b>Sales</b>	<b>176.0</b>	<b>225.7</b>	<b>233.0</b>	<b>267.3</b>	<b>307.0</b>	<b>326.5</b>	<b>342.8</b>
Change Sales yoy	24.1 %	28.2 %	3.2 %	14.7 %	14.8 %	6.4 %	5.0 %
Increase / decrease in inventory	1.4	-2.1	-1.8	2.1	0.0	0.0	0.0
Own work capitalised	0.1	0.0	0.0	0.2	0.0	0.0	0.0
<b>Total Sales</b>	<b>177.4</b>	<b>223.6</b>	<b>231.2</b>	<b>269.7</b>	<b>307.0</b>	<b>326.5</b>	<b>342.8</b>
Material expenses	97.0	123.9	123.7	144.3	168.9	179.6	188.6
<b>Gross profit</b>	<b>80.4</b>	<b>99.7</b>	<b>107.4</b>	<b>125.4</b>	<b>138.2</b>	<b>146.9</b>	<b>154.3</b>
<i>Gross profit margin</i>	<i>45.7 %</i>	<i>44.2 %</i>	<i>46.1 %</i>	<i>46.9 %</i>	<i>45.0 %</i>	<i>45.0 %</i>	<i>45.0 %</i>
Personnel expenses	48.4	58.3	60.5	67.5	71.8	74.1	77.1
Other operating income	16.1	6.9	25.9	7.4	0.4	0.2	0.2
Other operating expenses	26.9	33.3	38.3	39.9	41.4	43.8	45.3
<b>EBITDA adj.</b>	<b>8.6</b>	<b>14.3</b>	<b>17.6</b>	<b>24.6</b>	<b>28.3</b>	<b>32.3</b>	<b>35.1</b>
<i>Margin</i>	<i>4.9 %</i>	<i>6.4 %</i>	<i>7.6 %</i>	<i>9.2 %</i>	<i>9.2 %</i>	<i>9.9 %</i>	<i>10.2 %</i>
<b>EBITDA</b>	<b>21.1</b>	<b>15.0</b>	<b>34.5</b>	<b>25.4</b>	<b>25.3</b>	<b>29.3</b>	<b>32.1</b>
<i>Margin</i>	<i>12.0 %</i>	<i>6.7 %</i>	<i>14.8 %</i>	<i>9.5 %</i>	<i>8.2 %</i>	<i>9.0 %</i>	<i>9.4 %</i>
Depreciation of fixed assets	7.3	10.7	13.0	19.1	20.0	20.6	20.9
<b>EBITA</b>	<b>13.8</b>	<b>4.3</b>	<b>21.5</b>	<b>6.3</b>	<b>5.3</b>	<b>8.7</b>	<b>11.2</b>
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.2	0.2	0.2
Goodwill amortisation	0.0	0.0	1.6	0.3	0.0	0.0	0.0
<b>EBIT</b>	<b>13.6</b>	<b>4.3</b>	<b>20.0</b>	<b>6.0</b>	<b>5.2</b>	<b>8.5</b>	<b>11.0</b>
<i>Margin</i>	<i>7.7 %</i>	<i>1.9 %</i>	<i>8.6 %</i>	<i>2.2 %</i>	<i>1.7 %</i>	<i>2.6 %</i>	<i>3.2 %</i>
<b>EBIT adj.</b>	<b>2.9</b>	<b>6.4</b>	<b>8.9</b>	<b>13.3</b>	<b>15.9</b>	<b>19.2</b>	<b>21.7</b>
Interest income	0.1	0.1	0.3	0.2	0.0	0.0	0.0
Interest expenses	2.0	2.0	2.8	2.4	2.5	2.5	2.3
Other financial income (loss)	0.5	0.7	2.7	2.4	1.7	1.8	1.8
<b>EBT</b>	<b>12.1</b>	<b>2.4</b>	<b>17.5</b>	<b>5.1</b>	<b>4.4</b>	<b>7.8</b>	<b>10.5</b>
<i>Margin</i>	<i>6.9 %</i>	<i>1.1 %</i>	<i>7.5 %</i>	<i>1.9 %</i>	<i>1.4 %</i>	<i>2.4 %</i>	<i>3.1 %</i>
Total taxes	-0.5	-0.4	1.0	0.4	1.3	2.4	3.2
<b>Net income from continuing operations</b>	<b>12.5</b>	<b>2.8</b>	<b>16.5</b>	<b>4.7</b>	<b>3.1</b>	<b>5.5</b>	<b>7.4</b>
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income before minorities</b>	<b>12.5</b>	<b>2.8</b>	<b>16.5</b>	<b>4.7</b>	<b>3.1</b>	<b>5.5</b>	<b>7.4</b>
Minority interest	0.0	0.0	-0.1	-0.4	0.0	0.0	0.0
<b>Net income</b>	<b>12.5</b>	<b>2.8</b>	<b>16.6</b>	<b>5.2</b>	<b>3.1</b>	<b>5.5</b>	<b>7.4</b>
<i>Margin</i>	<i>7.1 %</i>	<i>1.3 %</i>	<i>7.1 %</i>	<i>1.9 %</i>	<i>1.0 %</i>	<i>1.7 %</i>	<i>2.1 %</i>
Number of shares, average	4.0	4.0	4.0	4.2	4.4	4.4	4.4
<b>EPS</b>	<b>3.14</b>	<b>0.71</b>	<b>4.15</b>	<b>1.24</b>	<b>0.70</b>	<b>1.25</b>	<b>1.67</b>
EPS adj.	1.26	1.15	1.51	2.53	2.40	2.95	3.38

\*Adjustments made for:

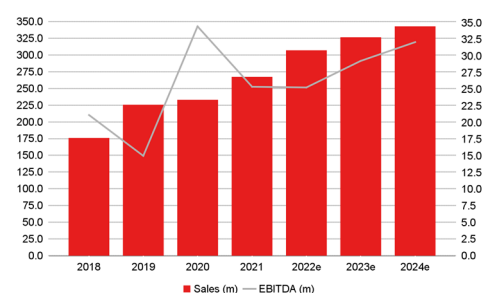
**Guidance: 2022: sales of EUR 305m to EUR 325m and adj. EBITDA margin of 9.0% to 10.0%**

## Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Total Operating Costs / Sales	88.8 %	92.4 %	84.4 %	91.4 %	91.8 %	91.0 %	90.6 %
Operating Leverage	-2.9 x	-2.4 x	112.3 x	-4.8 x	-0.9 x	10.3 x	5.8 x
EBITDA / Interest expenses	10.8 x	7.7 x	12.4 x	10.6 x	10.1 x	11.7 x	13.9 x
Tax rate (EBT)	-4.0 %	-16.3 %	5.9 %	7.5 %	30.0 %	30.0 %	30.0 %
Dividend Payout Ratio	23.8 %	105.9 %	24.2 %	74.8 %	143.4 %	88.0 %	74.6 %

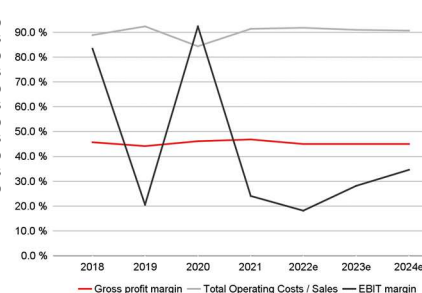
## Sales, EBITDA

in EUR m

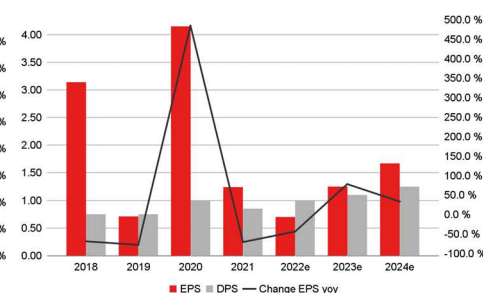


## Operating Performance

in %



## Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

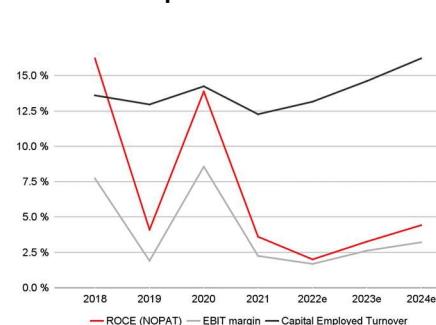
**Consolidated balance sheet**

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
<b>Assets</b>							
Goodwill and other intangible assets	6.6	6.9	2.2	34.0	34.2	34.3	34.4
thereof other intangible assets	6.3	6.8	2.2	23.6	23.8	23.9	24.0
thereof Goodwill	0.2	0.2	0.0	10.4	10.4	10.4	10.4
Property, plant and equipment	59.7	90.7	82.1	85.0	73.5	62.0	50.1
Financial assets	8.4	7.0	5.9	8.0	38.0	38.0	38.0
Other long-term assets	3.4	10.3	5.8	7.6	7.6	7.6	7.6
<b>Fixed assets</b>	<b>78.0</b>	<b>115.0</b>	<b>96.1</b>	<b>134.6</b>	<b>153.3</b>	<b>141.9</b>	<b>130.1</b>
Inventories	27.0	30.5	27.5	40.4	34.1	36.3	38.1
Accounts receivable	18.5	21.8	16.6	25.7	21.0	22.4	23.5
Liquid assets	28.8	25.1	36.3	41.4	21.3	31.3	43.8
Other short-term assets	7.8	9.1	22.0	26.0	25.9	26.5	26.4
<b>Current assets</b>	<b>82.1</b>	<b>86.4</b>	<b>102.4</b>	<b>133.4</b>	<b>102.2</b>	<b>116.4</b>	<b>131.8</b>
<b>Total Assets</b>	<b>160.1</b>	<b>201.3</b>	<b>198.5</b>	<b>268.0</b>	<b>255.5</b>	<b>258.3</b>	<b>261.9</b>
<b>Liabilities and shareholders' equity</b>							
Subscribed capital	4.0	4.0	4.0	4.4	4.4	4.4	4.4
Capital reserve	5.1	5.1	5.3	15.7	15.7	15.7	15.7
Retained earnings	0.0	0.0	0.0	0.0	-0.4	1.7	4.5
Other equity components	57.7	57.7	70.9	73.0	73.0	73.0	73.0
Shareholders' equity	66.8	66.8	80.2	93.1	92.6	94.7	97.6
Minority interest	0.1	0.2	0.1	5.2	5.2	5.2	5.2
<b>Total equity</b>	<b>66.9</b>	<b>67.0</b>	<b>80.3</b>	<b>98.2</b>	<b>97.8</b>	<b>99.9</b>	<b>102.8</b>
Provisions	9.5	18.5	16.8	18.9	18.9	18.9	18.9
thereof provisions for pensions and similar obligations	2.9	9.2	9.0	9.0	9.0	9.0	9.0
Financial liabilities (total)	62.8	88.4	78.0	108.7	101.4	101.4	101.4
Short-term financial liabilities	27.4	35.1	22.5	32.2	25.0	25.0	25.0
Accounts payable	6.7	11.7	9.2	17.0	12.1	12.8	13.5
Other liabilities	14.2	15.8	14.2	25.3	25.3	25.3	25.3
<b>Liabilities</b>	<b>93.3</b>	<b>134.4</b>	<b>118.2</b>	<b>169.8</b>	<b>157.7</b>	<b>158.4</b>	<b>159.1</b>
<b>Total liabilities and shareholders' equity</b>	<b>160.1</b>	<b>201.3</b>	<b>198.5</b>	<b>268.0</b>	<b>255.5</b>	<b>258.3</b>	<b>261.9</b>

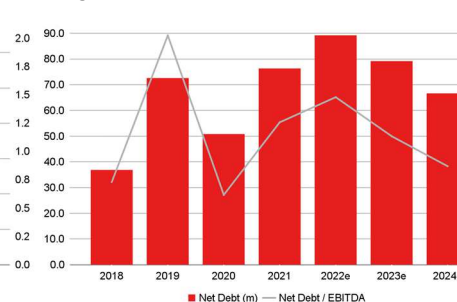
**Financial Ratios**

	2018	2019	2020	2021	2022e	2023e	2024e
<b>Efficiency of Capital Employment</b>							
Operating Assets Turnover	1.8 x	1.7 x	2.0 x	2.0 x	2.6 x	3.0 x	3.5 x
Capital Employed Turnover	1.7 x	1.6 x	1.8 x	1.5 x	1.6 x	1.8 x	2.0 x
ROA	16.0 %	2.5 %	17.2 %	3.8 %	2.0 %	3.9 %	5.7 %
<b>Return on Capital</b>							
ROCE (NOPAT)	16.2 %	4.1 %	13.9 %	3.6 %	2.0 %	3.3 %	4.4 %
ROE	20.2 %	4.2 %	22.5 %	5.9 %	3.3 %	5.9 %	7.7 %
Adj. ROE	8.1 %	6.8 %	8.2 %	12.1 %	11.4 %	13.9 %	15.4 %
<b>Balance sheet quality</b>							
Net Debt	36.8	72.6	50.8	76.3	89.2	79.2	66.6
Net Financial Debt	34.0	63.4	41.8	67.3	80.2	70.2	57.6
Net Gearing	55.1 %	108.4 %	63.3 %	77.7 %	91.2 %	79.2 %	64.8 %
Net Fin. Debt / EBITDA	160.9 %	422.0 %	121.2 %	264.9 %	317.4 %	239.8 %	179.6 %
Book Value / Share	16.8	16.8	20.1	21.2	21.1	21.5	22.2
Book value per share ex intangibles	15.1	15.1	19.6	13.4	13.3	13.7	14.4

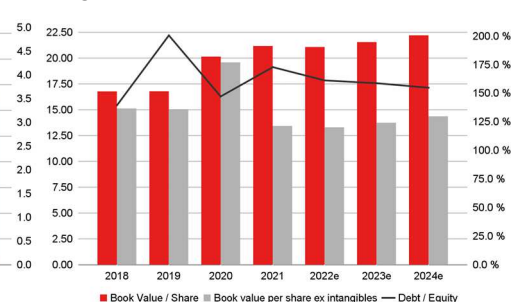
**ROCE Development**



**Net debt in EUR m**



**Book Value per Share in EUR**



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

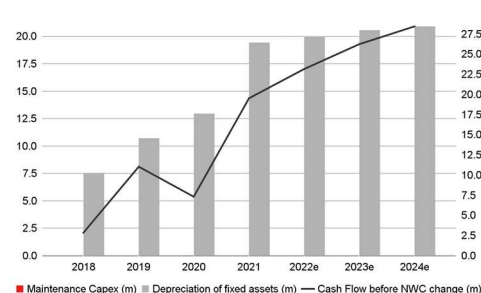
## Consolidated cash flow statement

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Net income	12.5	2.8	16.5	4.7	3.1	5.5	7.4
Depreciation of fixed assets	7.5	10.7	13.0	19.4	20.0	20.6	20.9
Amortisation of goodwill	0.0	0.0	1.6	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.2	0.2	0.2
Increase/decrease in long-term provisions	0.3	0.8	-1.3	-1.4	0.0	0.0	0.0
Other non-cash income and expenses	-17.5	-3.3	-22.4	-3.3	0.0	0.0	0.0
<b>Cash Flow before NWC change</b>	<b>2.8</b>	<b>11.1</b>	<b>7.3</b>	<b>19.5</b>	<b>23.2</b>	<b>26.2</b>	<b>28.4</b>
Increase / decrease in inventory	-1.8	3.5	0.4	-6.8	6.3	-2.2	-1.8
Increase / decrease in accounts receivable	0.2	-0.5	1.4	-1.2	4.7	-1.4	-1.1
Increase / decrease in accounts payable	-2.3	0.3	-1.7	4.2	-4.9	0.7	0.7
Increase / decrease in other working capital positions	1.4	-10.5	3.2	-3.2	0.0	0.0	0.0
Increase / decrease in working capital (total)	-2.5	-7.2	3.3	-7.1	6.1	-2.9	-2.2
<b>Net cash provided by operating activities [1]</b>	<b>0.3</b>	<b>3.9</b>	<b>10.6</b>	<b>12.4</b>	<b>29.3</b>	<b>23.3</b>	<b>26.2</b>
Investments in intangible assets	-0.7	-0.5	-0.2	-0.6	-0.3	-0.3	-0.3
Investments in property, plant and equipment	-6.3	-8.5	-7.2	-9.7	-8.5	-9.0	-9.0
Payments for acquisitions	-12.3	-13.4	-0.1	-29.2	0.0	0.0	0.0
Financial investments	0.0	-1.1	0.3	0.0	-30.0	0.0	0.0
Income from asset disposals	6.9	3.8	19.9	16.4	0.0	0.0	0.0
<b>Net cash provided by investing activities [2]</b>	<b>-9.8</b>	<b>-19.0</b>	<b>13.9</b>	<b>-18.9</b>	<b>-38.8</b>	<b>-9.3</b>	<b>-9.3</b>
Change in financial liabilities	6.2	13.8	-4.2	0.5	-7.2	0.0	0.0
Dividends paid	-4.0	-3.0	-3.0	-4.0	-3.4	-4.0	-4.4
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.1	0.2	10.8	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net cash provided by financing activities [3]</b>	<b>2.2</b>	<b>10.8</b>	<b>-7.0</b>	<b>7.3</b>	<b>-10.6</b>	<b>-4.0</b>	<b>-4.4</b>
<b>Change in liquid funds [1]+[2]+[3]</b>	<b>-7.3</b>	<b>-4.3</b>	<b>17.5</b>	<b>0.9</b>	<b>-20.1</b>	<b>10.0</b>	<b>12.5</b>
Effects of exchange-rate changes on cash	0.0	0.0	0.1	-0.1	0.0	0.0	0.0
Cash and cash equivalent at end of period	17.1	24.6	42.6	43.4	21.3	31.3	43.8

## Financial Ratios

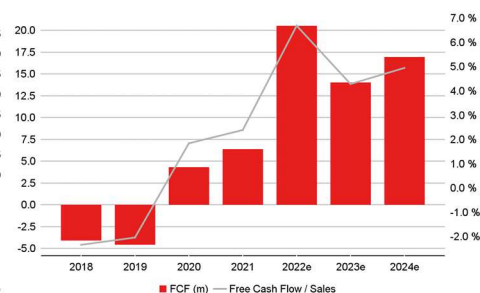
	2018	2019	2020	2021	2022e	2023e	2024e
<b>Cash Flow</b>							
FCF	-4.1	-4.6	4.3	6.4	20.5	14.0	16.9
Free Cash Flow / Sales	-2.3 %	-2.0 %	1.9 %	2.4 %	6.7 %	4.3 %	4.9 %
Free Cash Flow Potential	21.6	15.4	33.4	25.0	24.0	26.9	28.9
Free Cash Flow / Net Profit	-32.8 %	-162.4 %	26.0 %	123.9 %	669.5 %	255.4 %	230.2 %
Interest Received / Avg. Cash	0.3 %	0.3 %	0.8 %	0.4 %	0.1 %	0.1 %	0.1 %
Interest Paid / Avg. Debt	3.5 %	2.6 %	3.3 %	2.6 %	2.4 %	2.5 %	2.3 %
<b>Management of Funds</b>							
Investment ratio	4.0 %	4.0 %	3.2 %	3.9 %	2.9 %	2.8 %	2.7 %
Maint. Capex / Sales	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Capex / Dep	93.2 %	84.8 %	50.7 %	53.0 %	43.8 %	44.9 %	44.1 %
Avg. Working Capital / Sales	20.4 %	17.6 %	16.2 %	15.7 %	15.0 %	13.6 %	13.7 %
Trade Debtors / Trade Creditors	275.5 %	186.1 %	181.6 %	151.6 %	173.6 %	175.0 %	174.1 %
Inventory Turnover	3.6 x	4.1 x	4.5 x	3.6 x	5.0 x	4.9 x	4.9 x
Receivables collection period (days)	38	35	26	35	25	25	25
Payables payment period (days)	25	34	27	43	26	26	26
Cash conversion cycle (Days)	115	91	80	94	73	73	73

### CAPEX and Cash Flow in EUR m



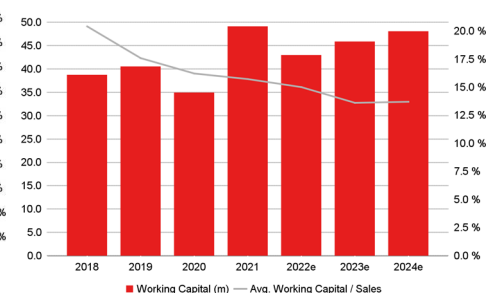
Source: Warburg Research

### Free Cash Flow Generation



Source: Warburg Research

### Working Capital



Source: Warburg Research

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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-	<b>Buy:</b>	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	<b>Hold:</b>	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	<b>Sell:</b>	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	<b>Rating suspended:</b>	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	171	81
Hold	35	17
Sell	3	1
Rating suspended	2	1
<b>Total</b>	<b>211</b>	<b>100</b>

**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	51	86
Hold	6	10
Sell	0	0
Rating suspended	2	3
<b>Total</b>	<b>59</b>	<b>100</b>

**PRICE AND RATING HISTORY BLUE CAP AS OF 04.05.2022**


Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

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