

Buy EUR 57.00 Price EUR 39.50 Upside 44.3 %	Value Indicators: EUR DCF: 57.91 FCF-Value Potential: 59.13	Warburg Risk Score: 2.6 Balance Sheet Score: 3.8 Market Liquidity Score: 1.5	Description: Init provides hardware and software solutions to public transport companies worldwide
	Market Snapshot: EUR m Market cap: 393.3 No. of shares (m): 10.0 EV: 482.7 Freefloat MC: 203.8 Ø Trad. Vol. (30d): 182.43 th	Shareholders: Freefloat 51.81 % Mr. & Mrs. Dr. G.Greschner 42.58 % Remaining board members 4.71 % Employee shares 0.53 % Own shares 0.37 %	Key Figures (WRe): 2025e Beta: 1.2 Price / Book: 2.7 x Equity Ratio: 45 % Net Fin. Debt / EBITDA: 1.7 x Net Debt / EBITDA: 1.8 x

DILAX acquisition burdens profitability

Stated Figures Q1/2025:								Comment on Figures:							
FY End: 31.12. in EUR m	Q1 25	Q1 25e	Q1 24	yoy	25e	24	yoy	<ul style="list-style-type: none"> Top line includes a first-time consolidation effect from the DILAX acquisition of EUR 4.7m Organic growth of 30.2% driven by a larger US projects (US sales EUR 26.3m, +55.6% yoy) EBIT was below our estimate, mainly due to higher losses at DILAX than we had anticipated 							
Sales	70.4	62.8	50.5	40 %	322.2	265.7	21 %								
EBIT	2.0	4.4	3.7	-46 %	32.9	24.5	34 %								
<i>Margin</i>	<i>2.8 %</i>	<i>7.0 %</i>	<i>7.3 %</i>		<i>10.2 %</i>	<i>9.2 %</i>									
EPS	0.14	0.25	0.24	-42 %	1.96	1.57	25 %								

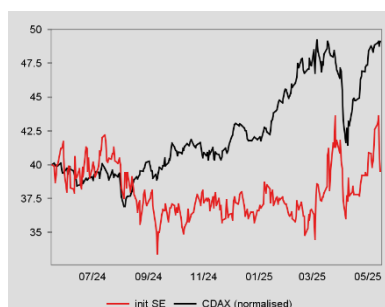
Init has published results for the first quarter and confirmed the guidance for the full year. While sales exceeded our expectation, EBIT missed our estimate. Sales increased by 39.5% to 70.4m (WRe 62.8%) and included a first-time consolidation effect from the DILAX acquisition of EUR 4.7m. The strong organic growth of 30.2% was driven by a larger US project, which increased sales in North America by EUR 9.4m or 55.6% to EUR 26.3m.

EBIT declined by 46% to EUR 2.0m and missed our estimate of EUR 4.4m. The sales contribution from larger projects resulted in a lower gross margin of 33.4% after 35.5% last year and the weaker US Dollar yielded FX losses of EUR 0.7m after an FX gain of EUR 0.5m last year. OPEX increased by EUR 7.3m to EUR 21.5m, driven by the DILAX acquisition (approx. EUR 2.2m), which was still slightly loss-making in the first quarter. In addition, sales and marketing costs increased because of larger ongoing tenders outside init's core markets.

Despite the weaker margins, FCF increased notably from EUR 4.9m last year to EUR 11.4m driven by advance payments from the larger projects. Capitalized R&D remained high in Q1 (EUR 2.8m) and is expected to be at an increased level for the full year as init adds AI and cloud capabilities to its software platform. The project should be concluded in 2025 and capex should return to normal levels next year.

The full-year guidance, which is aiming for EUR 300-330m in sales and EBIT of 30-33m, was confirmed. Considering the usual seasonal weakness of Q1 and the Q4-heavy and highly-profitable aftersales business, these targets should still be within reach. While US customers are becoming more cautious, the solid book-to-bill ratio of 1.1x (order intake EUR 75.7m) and the high order backlog of EUR 375m provides good visibility for the remainder of the year. Init is currently integrating DILAX into its US operations and its European R&D into the highly profitable subsidiary IRIS, which should help to reduce its losses in H2. The management remains confident that DILAX profitability will be closer to the group margin next year, without notable restructuring costs.

While we underestimated the margin-dilutive effect of DILAX and the marketing spend for ongoing tenders in Q1, we remain confident that init will achieve the upper end of its guidance and a further increase in sales and profitability in the subsequent years. Against this background, we confirm our estimates, our target price of EUR 57 and our Buy recommendation.

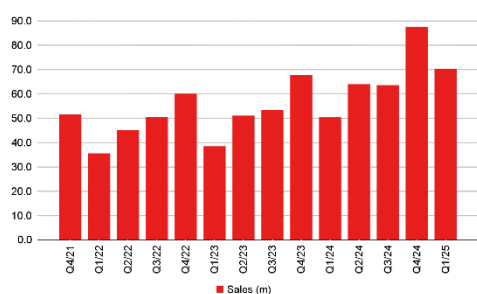


Rel. Performance vs CDAX:	
1 month:	-4.8 %
6 months:	-13.5 %
Year to date:	-9.3 %
Trailing 12 months:	-23.5 %

Company events:	
22.05.25	AGM
14.08.25	Q2
13.11.25	Q3

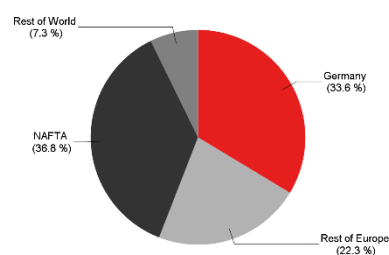
FY End: 31.12. in EUR m	CAGR (24-27e)	2021	2022	2023	2024	2025e	2026e	2027e
Sales	18.9 %	176.7	191.3	210.8	265.7	322.2	387.1	446.7
Change Sales yoy		-2.2 %	8.3 %	10.2 %	26.0 %	21.3 %	20.1 %	15.4 %
Gross profit margin		35.5 %	40.0 %	38.1 %	37.0 %	36.7 %	36.2 %	36.3 %
EBITDA	27.0 %	27.4	31.2	32.3	38.7	48.7	64.6	79.3
Margin		15.5 %	16.3 %	15.3 %	14.6 %	15.1 %	16.7 %	17.8 %
EBIT	34.4 %	17.6	21.0	21.0	24.5	32.9	46.5	59.6
Margin		9.9 %	11.0 %	10.0 %	9.2 %	10.2 %	12.0 %	13.4 %
Net income	34.6 %	12.4	16.5	15.2	15.5	19.4	28.5	37.7
EPS	34.5 %	1.25	1.66	1.54	1.57	1.96	2.89	3.82
EPS adj.	34.5 %	1.25	1.66	1.54	1.57	1.96	2.89	3.82
DPS	11.2 %	0.55	0.70	0.70	0.80	0.90	1.00	1.10
Dividend Yield		1.4 %	2.7 %	2.4 %	2.2 %	2.3 %	2.5 %	2.8 %
FCFPS		1.24	1.45	-0.46	-0.74	0.20	1.56	2.85
FCF / Market cap		3.1 %	5.7 %	-1.6 %	-2.0 %	0.5 %	4.0 %	7.2 %
EV / Sales		2.3 x	1.4 x	1.6 x	1.7 x	1.5 x	1.2 x	1.0 x
EV / EBITDA		14.9 x	8.3 x	10.4 x	11.5 x	9.9 x	7.3 x	5.7 x
EV / EBIT		23.2 x	12.4 x	16.0 x	18.1 x	14.6 x	10.2 x	7.6 x
P / E		31.6 x	15.5 x	18.8 x	23.3 x	20.2 x	13.7 x	10.3 x
P / E adj.		31.6 x	15.5 x	18.8 x	23.3 x	20.2 x	13.7 x	10.3 x
FCF Potential Yield		5.0 %	9.4 %	7.4 %	6.3 %	7.3 %	9.8 %	12.3 %
Net Debt		13.2	5.3	49.6	82.8	88.9	82.6	64.5
ROCE (NOPAT)		11.4 %	14.4 %	11.3 %	8.9 %	10.2 %	13.5 %	16.5 %
Guidance:	Sales: EUR 300-330m, EBIT: EUR 30-33m							

Sales development in EUR m



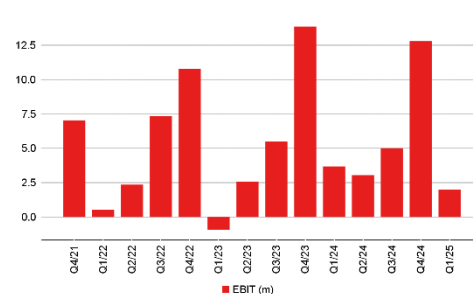
Source: Warburg Research

Sales by regions 2024; in %



Source: Warburg Research

EBIT development in EUR m



Source: Warburg Research

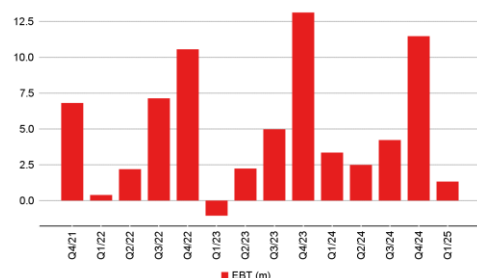
Company Background

- Init is a leading supplier of hardware and software solutions for public transportation and covers a vast part of the value creation of its customers.
- Founded in 1983 as a university spin-off, init provides its services to more than 1,400 public transport providers worldwide with >25 subsidiaries and offices and >1,400 employees
- 65-75% of group sales are usually generated with long-standing existing customers and projects and consist of spare part sales, maintenance and other after sales services.
- The product portfolio includes electronic ticketing (45% of sales), intermodal transport control systems (25%), automated passenger counting (20%) and timetable planning and dispatching (5%).

Competitive Quality

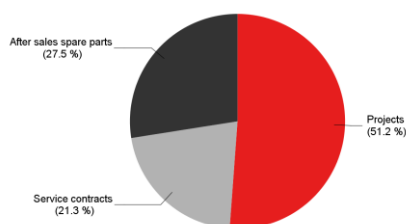
- Revenue growth is driven by structural mega-trends like smart city mobility concepts, urbanisation and growing environmental awareness.
- Focused business model with highly scalable modular platform solutions and low capex requirements
- Long-standing relationships with more than 1,400 customers worldwide yield significant cross-selling potential
- Large installed base includes >300 APC systems, >130 ICTS/RTPI, >120 personnel assignment, >100 planning, and >140 ticketing systems, while >200,000 equipped vehicles generate a profitable stream of recurring revenues
- Deep integration into its clients' processes along the value chain creates significant switching costs for init's customers

EBT development in EUR m



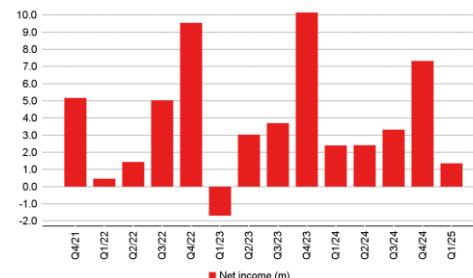
Source: Warburg Research

Sales by segments 2024



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
	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	2036e	2037e	
Sales	322.2	387.1	446.7	509.3	570.4	633.1	696.4	759.1	819.8	877.2	921.1	948.7	972.4	2.5 %
Sales change	21.3 %	20.1 %	15.4 %	14.0 %	12.0 %	11.0 %	10.0 %	9.0 %	8.0 %	7.0 %	5.0 %	3.0 %	2.5 %	
EBIT	32.9	46.5	59.6	66.2	71.3	76.0	80.1	83.5	86.1	87.7	92.1	94.9	97.2	10.0 %
EBIT-margin	10.2 %	12.0 %	13.4 %	13.0 %	12.5 %	12.0 %	11.5 %	11.0 %	10.5 %	10.0 %	10.0 %	10.0 %	10.0 %	
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 %	68.1
NOPAT	23.0	32.5	41.7	46.3	49.9	53.2	56.1	58.5	60.3	61.4	64.5	66.4	68.1	
Depreciation	15.8	18.2	19.7	18.3	18.3	19.0	20.9	22.8	24.6	26.3	27.6	28.5	29.2	3.0 %
in % of Sales	4.9 %	4.7 %	4.4 %	3.6 %	3.2 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	
Changes in provisions	0.2	0.2	0.2	1.2	1.2	1.2	1.2	1.2	1.1	1.1	0.8	0.5	0.4	6.6
Change in Liquidity from														
- Working Capital	12.2	18.4	18.8	13.6	15.5	15.3	14.9	14.1	17.0	16.1	12.3	7.7	6.6	29.2
- Capex	17.6	13.1	10.6	11.2	13.7	16.5	20.9	22.8	24.6	26.3	27.6	28.5	29.2	
Capex in % of Sales	5.5 %	3.4 %	2.4 %	2.2 %	2.4 %	2.6 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	0.0
- Other	4.7	4.7	4.7	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)	4.5	14.7	27.5	41.1	40.1	41.6	42.4	45.6	44.4	46.4	53.0	59.2	61.9	63
PV of FCF	4.3	13.0	22.4	30.8	27.7	26.4	24.8	24.6	22.1	21.3	22.4	23.0	22.2	
share of PVs	6.02 %			37.18 %										56.80 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	9.00 %	Financial Strength	1.20
Cost of debt (after tax)	2.8 %	Liquidity (share)	1.30
Market return	8.25 %	Cyclicality	0.90
Risk free rate	2.75 %	Transparency	1.20
		Others	1.20
WACC	8.56 %	Beta	1.16

Valuation (m)

Present values 2037e	285		
Terminal Value	375		
Financial liabilities	99		
Pension liabilities	8		
Hybrid capital	0		
Minority interest	1		
Market val. of investments	0		
Liquidity	24	No. of shares (m)	10.0
Equity Value	577	Value per share (EUR)	57.91

Sensitivity Value per Share (EUR)

		Terminal Growth									Delta EBIT-margin						
Beta	WACC	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %	3.00 %	3.25 %	Beta	WACC	-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.36	9.6 %	44.57	45.43	46.35	47.33	48.39	49.53	50.76	1.36	9.6 %	37.69	40.90	44.12	47.33	50.55	53.77	56.98
1.26	9.1 %	48.84	49.88	51.00	52.21	53.51	54.92	56.45	1.26	9.1 %	41.75	45.23	48.72	52.21	55.69	59.18	62.67
1.21	8.8 %	51.21	52.36	53.60	54.94	56.39	57.97	59.68	1.21	8.8 %	44.03	47.67	51.30	54.94	58.58	62.22	65.86
1.16	8.6 %	53.76	55.04	56.42	57.91	59.53	61.29	63.23	1.16	8.6 %	46.50	50.30	54.11	57.91	61.71	65.52	69.32
1.11	8.3 %	56.52	57.94	59.47	61.14	62.95	64.94	67.13	1.11	8.3 %	49.19	53.17	57.16	61.14	65.12	69.10	73.08
1.06	8.1 %	59.50	61.08	62.79	64.66	66.71	68.96	71.44	1.06	8.1 %	52.13	56.31	60.49	64.66	68.84	73.02	77.19
0.96	7.6 %	66.25	68.23	70.40	72.78	75.41	78.33	81.59	0.96	7.6 %	58.90	63.53	68.15	72.78	77.41	82.04	86.66

- The minority interest in CarMediaLab, TQA and SQM has not played a significant role in recent years
- To calculate the minorities, we multiplied the current book value with our target P/B 2022 of 4.0x
- Adjustments for the IFRS 16 effect are included in the "other" line
- Depreciation of usage rights is excluded from our D&A estimates in the transitional period

Free Cash Flow Value Potential

Warburg Research's valuation tool "FCF Value Potential" reflects the ability of the company to generate sustainable free cash flows. It is based on the "FCF potential" - a FCF "ex growth" figure - which assumes unchanged working capital and pure maintenance capex. A value indication is derived via the perpetuity of a given year's "FCF potential" with consideration of the weighted costs of capital. The fluctuating value indications over time add a timing element to the DCF model (our preferred valuation tool).

in EUR m	2021	2022	2023	2024	2025e	2026e	2027e	
Net Income before minorities	12.4	16.5	15.2	15.2	19.4	28.5	37.7	
+ Depreciation + Amortisation	9.8	10.2	11.2	14.2	15.8	18.2	19.7	
- Net Interest Income	-1.0	-0.7	-1.7	-3.0	-5.2	-5.7	-5.7	
- Maintenance Capex	2.8	3.1	3.4	4.3	5.2	6.2	7.1	
+ Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
= Free Cash Flow Potential	20.5	24.4	24.8	28.1	35.2	46.2	56.0	
FCF Potential Yield (on market EV)	5.0 %	9.4 %	7.4 %	6.3 %	7.3 %	9.8 %	12.3 %	
WACC	8.56 %	8.56 %	8.56 %	8.56 %	8.56 %	8.56 %	8.56 %	
= Enterprise Value (EV)	407.2	260.4	336.3	443.6	479.2	472.9	454.8	
= Fair Enterprise Value	239.4	284.7	289.2	328.6	411.2	540.1	653.8	
- Net Debt (Cash)	75.0	75.0	75.0	75.0	80.9	74.4	56.1	
- Pension Liabilities	7.8	7.8	7.8	7.8	8.0	8.2	8.4	
- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Market value of minorities	0.5	0.5	0.5	0.5	0.5	0.5	0.5	
+ Market value of investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
= Fair Market Capitalisation	156.0	201.3	205.8	245.3	321.8	457.0	588.8	
Number of shares, average	10.0	9.9	9.9	9.9	9.9	9.9	9.9	
= Fair value per share (EUR)	15.67	20.29	20.84	24.85	32.61	46.30	59.66	
premium (-) / discount (+) in %					-17.4 %	17.2 %	51.0 %	
Sensitivity Fair value per Share (EUR)								
WACC	11.56 %	9.43	12.80	13.14	16.07	21.60	31.82	42.09
	10.56 %	11.12	14.81	15.17	18.38	24.50	35.62	46.70
	9.56 %	13.16	17.23	17.63	21.18	28.00	40.22	52.26
	8.56 %	15.67	20.29	20.84	24.85	32.61	46.30	59.66
	7.56 %	18.85	24.00	24.51	29.00	37.78	53.07	67.82
	6.56 %	23.00	28.93	29.52	34.69	44.91	62.43	79.15
	5.56 %	28.64	35.64	36.34	42.44	54.60	75.16	94.56

- Maintenance capex is estimated at 1.6% of sales, reflecting low level of production equipment required
- The minority interest in iris, CarMediaLab, TQA and SQM has not played a significant role in recent years
- To calculate the minorities, we multiplied the current book value with our target P/B 2019 of 5.5x
- WACC is assumed at 7.4% consistent with cost of capital calculated in our DCF model
- Cash payments of EUR 7.1m for the DILAX acquisition are included in the "Others" Line

Valuation	2021	2022	2023	2024	2025e	2026e	2027e
Price / Book	3.8 x	2.2 x	2.4 x	2.7 x	2.7 x	2.4 x	2.0 x
Book value per share ex intangibles	7.36	8.44	8.32	7.78	8.33	10.29	13.44
EV / Sales	2.3 x	1.4 x	1.6 x	1.7 x	1.5 x	1.2 x	1.0 x
EV / EBITDA	14.9 x	8.3 x	10.4 x	11.5 x	9.9 x	7.3 x	5.7 x
EV / EBIT	23.2 x	12.4 x	16.0 x	18.1 x	14.6 x	10.2 x	7.6 x
EV / EBIT adj.*	23.2 x	12.4 x	16.0 x	18.1 x	14.6 x	10.2 x	7.6 x
P / FCF	31.9 x	17.7 x	n.a.	n.a.	197.4 x	25.3 x	13.8 x
P / E	31.6 x	15.5 x	18.8 x	23.3 x	20.2 x	13.7 x	10.3 x
P / E adj.*	31.6 x	15.5 x	18.8 x	23.3 x	20.2 x	13.7 x	10.3 x
Dividend Yield	1.4 %	2.7 %	2.4 %	2.2 %	2.3 %	2.5 %	2.8 %
FCF Potential Yield (on market EV)	5.0 %	9.4 %	7.4 %	6.3 %	7.3 %	9.8 %	12.3 %
*Adjustments made for: -							

Consolidated profit and loss

In EUR m	2021	2022	2023	2024	2025e	2026e	2027e
Sales	176.7	191.3	210.8	265.7	322.2	387.1	446.7
Change Sales yoy	-2.2 %	8.3 %	10.2 %	26.0 %	21.3 %	20.1 %	15.4 %
COGS	114.0	114.7	130.4	167.3	204.0	247.0	284.6
Gross profit	62.7	76.6	80.4	98.4	118.2	140.1	162.2
Gross margin	35.5 %	40.0 %	38.1 %	37.0 %	36.7 %	36.2 %	36.3 %
Research and development	12.6	13.5	13.0	13.9	17.1	19.7	20.5
Sales and marketing	19.7	24.1	26.1	31.3	36.7	39.1	44.2
Administration expenses	17.4	20.4	23.4	30.2	34.2	39.1	42.4
Other operating expenses	0.4	1.6	0.4	2.6	1.9	0.8	0.9
Other operating income	4.9	4.1	3.6	4.1	4.5	5.0	5.6
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	27.4	31.2	32.3	38.7	48.7	64.6	79.3
Margin	15.5 %	16.3 %	15.3 %	14.6 %	15.1 %	16.7 %	17.8 %
Depreciation of fixed assets	7.7	7.8	8.3	10.2	10.0	11.6	13.0
EBITA	19.7	23.4	24.0	28.5	38.7	53.0	66.3
Amortisation of intangible assets	2.1	2.4	3.0	4.0	5.8	6.6	6.7
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	17.6	21.0	21.0	24.5	32.9	46.5	59.6
Margin	9.9 %	11.0 %	10.0 %	9.2 %	10.2 %	12.0 %	13.4 %
EBIT adj.	17.6	21.0	21.0	24.5	32.9	46.5	59.6
Interest income	0.0	0.0	0.3	0.4	0.2	0.2	0.2
Interest expenses	1.0	0.8	2.0	3.4	5.4	5.9	5.9
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	16.5	20.3	19.3	21.5	27.6	40.7	53.9
Margin	9.4 %	10.6 %	9.1 %	8.1 %	8.6 %	10.5 %	12.1 %
Total taxes	4.1	3.8	4.1	6.4	8.3	12.2	16.2
Net income from continuing operations	12.4	16.5	15.2	15.2	19.4	28.5	37.7
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income before minorities	12.4	16.5	15.2	15.2	19.4	28.5	37.7
Minority interest	0.0	0.0	0.0	-0.3	0.0	0.0	0.0
Net income	12.4	16.5	15.2	15.5	19.4	28.5	37.7
Margin	7.0 %	8.6 %	7.2 %	5.8 %	6.0 %	7.4 %	8.4 %
Number of shares, average	10.0	9.9	9.9	9.9	9.9	9.9	9.9
EPS	1.25	1.66	1.54	1.57	1.96	2.89	3.82
EPS adj.	1.25	1.66	1.54	1.57	1.96	2.89	3.82

*Adjustments made for:

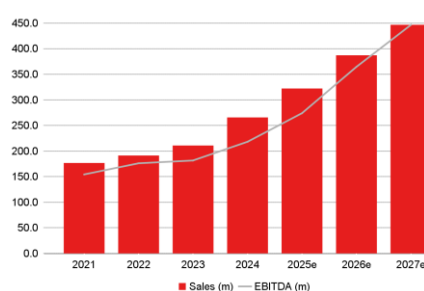
Guidance: Sales: EUR 300-330m, EBIT: EUR 30-33m

Financial Ratios

	2021	2022	2023	2024	2025e	2026e	2027e
Total Operating Costs / Sales	25.5 %	29.0 %	28.2 %	27.8 %	26.5 %	24.2 %	23.0 %
Operating Leverage	4.8 x	2.4 x	0.0 x	0.6 x	1.6 x	2.1 x	1.8 x
EBITDA / Interest expenses	26.2 x	41.6 x	16.0 x	11.5 x	9.0 x	10.9 x	13.4 x
Tax rate (EBT)	24.8 %	18.6 %	21.4 %	29.5 %	30.0 %	30.0 %	30.0 %
Dividend Payout Ratio	44.0 %	42.1 %	45.6 %	52.0 %	45.9 %	34.6 %	28.8 %
Sales per Employee	167,449	181,282	199,811	251,824	282,780	314,574	336,128

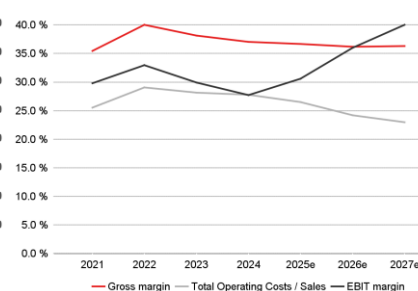
Sales, EBITDA

in EUR m

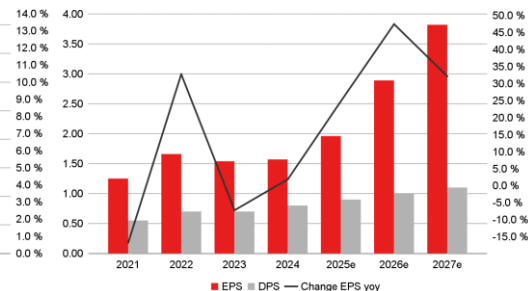


Operating Performance

in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

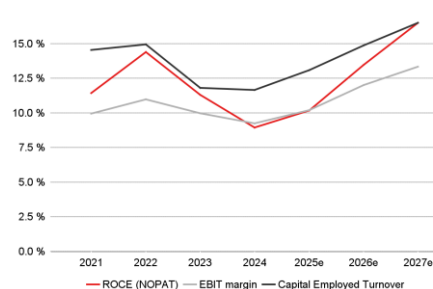
Consolidated balance sheet

In EUR m	2021	2022	2023	2024	2025e	2026e	2027e
Assets							
Goodwill and other intangible assets	29.3	32.5	38.0	57.4	63.4	63.8	60.5
thereof other intangible assets	16.8	17.3	15.8	19.8	25.8	26.1	22.9
thereof Goodwill	12.5	12.5	12.5	13.3	13.3	13.3	13.3
Property, plant and equipment	55.7	65.0	64.1	70.9	66.7	61.3	55.5
Financial assets	2.2	2.1	2.1	2.1	2.1	2.1	2.1
Other long-term assets	3.3	3.5	3.6	2.1	2.1	2.1	2.1
Fixed assets	90.4	103.2	107.8	132.5	134.3	129.2	120.2
Inventories	34.3	42.1	49.3	57.2	58.6	67.9	78.4
Accounts receivable	32.0	35.2	43.5	47.8	59.1	71.1	82.0
Liquid assets	28.2	40.1	27.3	23.6	17.6	24.2	42.5
Other short-term assets	31.9	25.1	32.6	51.9	51.9	51.9	51.9
Current assets	126.5	142.5	152.7	180.5	187.3	215.1	254.8
Total Assets	216.9	245.7	260.5	313.0	321.6	344.3	375.0
Liabilities and shareholders' equity							
Subscribed capital	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Capital reserve	7.6	6.6	6.9	7.7	7.7	7.7	7.7
Retained earnings	87.3	98.4	106.2	115.8	127.3	146.9	174.8
Other equity components	-2.6	1.4	-2.9	0.6	0.6	0.6	0.6
Shareholders' equity	102.4	116.4	120.2	134.2	145.6	165.3	193.2
Minority interest	0.2	0.2	0.4	0.1	0.1	0.1	0.1
Total equity	102.6	116.6	120.6	134.3	145.8	165.4	193.3
Provisions	21.8	16.3	13.4	13.9	14.1	14.3	14.5
thereof provisions for pensions and similar obligations	10.8	7.3	7.6	7.8	8.0	8.2	8.4
Financial liabilities (total)	30.6	38.0	69.3	98.6	98.6	98.6	98.6
Short-term financial liabilities	14.1	18.5	19.7	39.4	39.4	39.4	39.4
Accounts payable	6.9	9.7	12.0	13.6	14.1	17.0	19.6
Other liabilities	55.0	65.1	45.3	52.7	49.1	49.1	49.1
Liabilities	114.3	129.2	139.9	178.7	175.8	178.9	181.7
Total liabilities and shareholders' equity	216.9	245.7	260.5	313.0	321.6	344.3	375.0

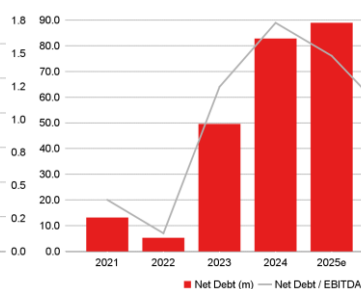
Financial Ratios

	2021	2022	2023	2024	2025e	2026e	2027e
Efficiency of Capital Employment							
Operating Assets Turnover	1.6 x	1.5 x	1.5 x	1.7 x	1.9 x	2.1 x	2.3 x
Capital Employed Turnover	1.5 x	1.6 x	1.2 x	1.2 x	1.4 x	1.6 x	1.7 x
ROA	13.7 %	16.0 %	14.1 %	11.7 %	14.4 %	22.1 %	31.4 %
Return on Capital							
ROCE (NOPAT)	11.4 %	14.4 %	11.3 %	8.9 %	10.2 %	13.5 %	16.5 %
ROE	12.9 %	15.1 %	12.8 %	12.2 %	13.8 %	18.3 %	21.1 %
Adj. ROE	12.9 %	15.1 %	12.8 %	12.2 %	13.8 %	18.3 %	21.1 %
Balance sheet quality							
Net Debt	13.2	5.3	49.6	82.8	88.9	82.6	64.5
Net Financial Debt	2.4	-2.0	42.0	75.0	80.9	74.4	56.1
Net Gearing	12.8 %	4.5 %	41.1 %	61.7 %	61.0 %	49.9 %	33.4 %
Net Fin. Debt / EBITDA	8.6 %	n.a.	130.1 %	193.6 %	166.3 %	115.1 %	70.8 %
Book Value / Share	10.3	11.7	12.2	13.6	14.8	16.7	19.6
Book value per share ex intangibles	7.4	8.4	8.3	7.8	8.3	10.3	13.4

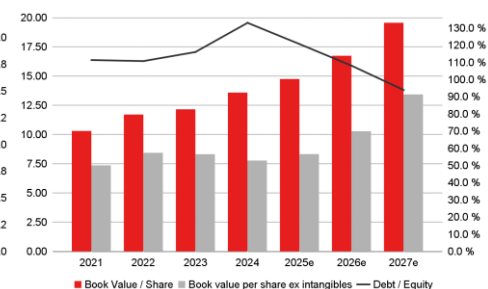
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

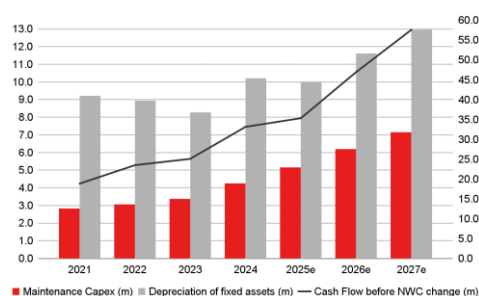
In EUR m	2021	2022	2023	2024	2025e	2026e	2027e
Net income	12.4	16.5	15.2	15.2	19.4	28.5	37.7
Depreciation of fixed assets	9.2	8.9	8.3	10.2	10.0	11.6	13.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	2.1	2.4	3.0	4.0	5.8	6.6	6.7
Increase/decrease in long-term provisions	-4.3	-5.7	-2.9	-2.0	0.2	0.2	0.2
Other non-cash income and expenses	-0.7	1.4	1.6	5.7	0.0	0.0	0.0
Cash Flow before NWC change	18.8	23.5	25.0	33.1	35.3	46.9	57.6
Increase / decrease in inventory	-0.7	-7.1	-7.8	-4.3	-1.4	-9.3	-10.5
Increase / decrease in accounts receivable	11.3	5.9	-16.6	-17.4	-11.3	-12.0	-10.9
Increase / decrease in accounts payable	-9.7	2.6	3.0	-2.2	0.5	2.9	2.6
Increase / decrease in other working capital positions	-3.7	-0.6	4.3	1.6	-3.6	0.0	0.0
Increase / decrease in working capital (total)	-2.8	0.9	-17.1	-22.3	-15.8	-18.4	-18.8
Net cash provided by operating activities [1]	16.0	24.4	8.0	10.8	19.6	28.5	38.8
Investments in intangible assets	-1.6	-5.6	-8.4	-11.5	-11.8	-6.9	-3.5
Investments in property, plant and equipment	-2.1	-16.6	-7.8	-10.7	-5.8	-6.2	-7.1
Payments for acquisitions	0.0	-1.1	-1.1	-7.1	0.0	0.0	0.0
Financial investments	0.0	-0.2	-0.1	0.0	0.0	0.0	0.0
Income from asset disposals	0.3	0.3	0.0	1.3	0.0	0.0	0.0
Net cash provided by investing activities [2]	-3.4	-10.5	-13.5	-24.0	-17.6	-13.1	-10.6
Change in financial liabilities	-8.1	8.6	7.3	20.6	0.0	0.0	0.0
Dividends paid	-5.5	-5.5	-6.9	-6.9	-7.9	-8.9	-9.9
Purchase of own shares	-0.7	-1.8	-2.7	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.2	0.0	0.0	0.0	0.0
Other	-3.5	-3.5	-4.7	-5.2	0.0	0.0	0.0
Net cash provided by financing activities [3]	-17.7	-2.2	-6.8	8.5	-7.9	-8.9	-9.9
Change in liquid funds [1]+[2]+[3]	-5.1	11.6	-12.3	-4.6	-5.9	6.5	18.3
Effects of exchange-rate changes on cash	1.1	0.3	-0.5	0.9	0.0	0.0	0.0
Cash and cash equivalent at end of period	28.2	40.1	27.3	23.5	17.6	24.1	42.4

Financial Ratios

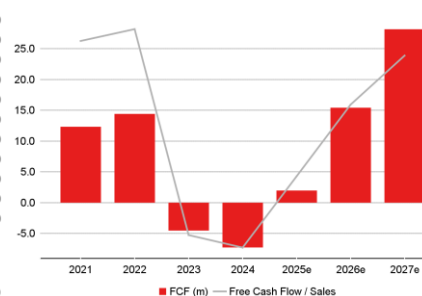
	2021	2022	2023	2024	2025e	2026e	2027e
Cash Flow							
FCF	12.3	14.4	-4.5	-7.3	2.0	15.4	28.2
Free Cash Flow / Sales	7.0 %	7.5 %	-2.1 %	-2.7 %	0.6 %	4.0 %	6.3 %
Free Cash Flow Potential	20.5	24.4	24.8	28.1	35.2	46.2	56.0
Free Cash Flow / Net Profit	99.3 %	87.5 %	-29.8 %	-47.0 %	10.2 %	54.1 %	74.6 %
Interest Received / Avg. Cash	0.1 %	0.1 %	0.8 %	1.4 %	1.0 %	1.0 %	0.6 %
Interest Paid / Avg. Debt	2.7 %	2.2 %	3.8 %	4.0 %	5.5 %	6.0 %	6.0 %
Management of Funds							
Investment ratio	2.1 %	11.6 %	7.7 %	8.4 %	5.5 %	3.4 %	2.4 %
Maint. Capex / Sales	1.6 %	1.6 %	1.6 %	1.6 %	1.6 %	1.6 %	1.6 %
Capex / Dep	37.4 %	217.8 %	144.8 %	156.4 %	111.5 %	72.0 %	54.2 %
Avg. Working Capital / Sales	33.8 %	32.3 %	34.2 %	31.5 %	29.8 %	28.7 %	29.1 %
Trade Debtors / Trade Creditors	462.2 %	361.4 %	363.6 %	352.0 %	419.1 %	418.2 %	418.4 %
Inventory Turnover	3.3 x	2.7 x	2.6 x	2.9 x	3.5 x	3.6 x	3.6 x
Receivables collection period (days)	66	67	75	66	67	67	67
Payables payment period (days)	22	31	33	30	25	25	25
Cash conversion cycle (Days)	146	166	171	157	144	140	140

CAPEX and Cash Flow

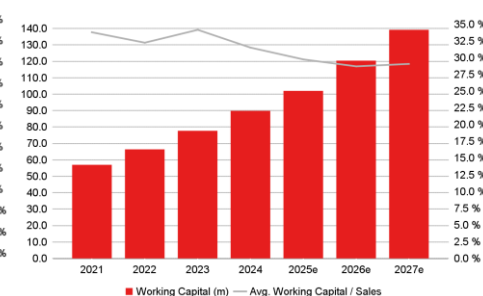
in EUR m



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)
init SE	3, 5	https://www.mmwarburg.com/disclaimer/disclaimer_en/DE0005759807.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	141	71
Hold	47	24
Sell	6	3
Rating suspended	5	3
Total	199	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	36	72
Hold	10	20
Sell	1	2
Rating suspended	3	6
Total	50	100

PRICE AND RATING HISTORY INIT SE AS OF 16.05.2025



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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