init SE
(CDAX, Other, IXX GR)

WARBURG RESEARCH / A Münchmeyer Petersen Capital Markets Company

Buy	
EUR 56.00	(EUR 58.50)
Price	EUR 40.90
Upside	**36.9 %**

Value Indicators:	EUR
DCF:	56.17
FCF-Value Potential 28e:	51.79

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:	406.2
No. of shares (m):	9.9
EV:	466.2
Freefloat MC:	210.4
Ø Trad. Vol. (30d):	332.94 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):	2026e
Beta:	1.2
Price / Book:	2.6 x
Equity Ratio:	48 %
Net Fin. Debt / EBITDA:	0.9 x
Net Debt / EBITDA:	1.0 x

Q4 results trigger share-price drop; Weakness offers buying opportunity

The 2025 results reported by the company last week showed strong cash-flow generation but softer-than-anticipated revenue growth in Q4 on the back of project delays and weak year-end business in Germany. Management issued its first guidance for 2026, which calls for continuous top-line growth, slight margin progression and good cash creation, but nevertheless fell short of our forecasts for operating earnings. For more detail please see our First Glance dated 19.03.2026 ("Low end of guidance met, strong cash flow").

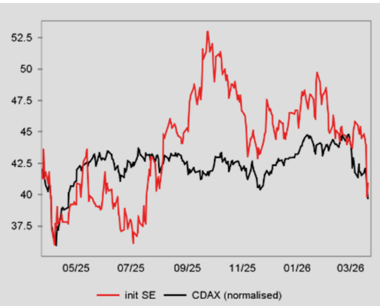
After updating our estimates and rolling our model one year forward, we reduce our DCF-based price target to EUR 56, which corresponds to upside potential of more than 40%. The fair value reduction is smaller than the reduction in EBIT estimates, reflecting a considerably stronger balance sheet than expected at year-end 2025 in the context of the good cash-flow performance. Init shares temporarily fell by about 10% on the day of the release, which we deem to be exaggerated. While the growth trajectory is a bit less pronounced than we were expecting, the company's sales and earnings are heading in the right direction. EPS for 2027/2028 are expected to be around twice the level of 2023/2025. The upward trend is supported by sustained top-line growth and a positive margin development. Management has reshaped the organisation by creating three business units (Integrated Systems, Cloud Solutions, Passenger Intelligence), aiming for a more decentralised approach with greater customer and market proximity, as well as productivity improvements. Init is far ahead of expectations in terms of cash flow following last year's pronounced optimisation in working capital. The operating cash-flow guidance for this year implies that this should be a lasting achievement. Management confirmed that capex spending would decrease in 2026 and beyond as the new stack development has mostly been completed.

The current geopolitical environment is certainly negative for the global macroeconomic picture. However, given init's focus on public transportation and some element of state financing for most of its customers, the cyclical downturn risk is far lower. Furthermore, greater use and expansion of public transport solutions could be part of the solution to prospectively reduce oil consumption and dependency. Against this backdrop and in light of considerable valuation upside, we remain positive on the stock. The latest share-price drop offers an attractive buying opportunity.

Changes in Estimates:

FY End: 31.12. in EUR m	2026e (old)	+ / -	2027e (old)	+ / -	2028e (old)	+ / -
Sales	410.1	-2.8 %	456.0	-2.6 %	n.a.	n.m.
EBIT	46.8	-10.2 %	59.7	-13.5 %	n.a.	n.m.
EPS	3.08	-14.0 %	3.99	-16.2 %	n.a.	n.m.

Comment on Changes:
- Estimates reduced on lower-than-anticipated guidance for 2026.
- Publication of our 2028 forecasts for the first time.



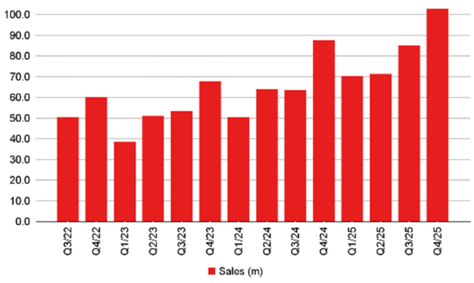
Rel. Performance vs CDAX:	
1 month:	1.9 %
6 months:	-18.0 %
Year to date:	-4.3 %
Trailing 12 months:	8.0 %

Company events:	
13.05.26	Q1
21.05.26	AGM
13.08.26	Q2
12.11.26	Q3

FY End: 31.12. in EUR m	CAGR (25-28e)	**2022**	**2023**	**2024**	**2025**	**2026e**	**2027e**	**2028e**
Sales	14.2 %	191.3	210.8	265.7	329.7	398.4	444.2	490.9
Change Sales yoy		8.3 %	10.2 %	26.0 %	24.1 %	20.9 %	11.5 %	10.5 %
Gross profit margin		*40.0 %*	*38.1 %*	*37.0 %*	*36.6 %*	*36.9 %*	*37.1 %*	*37.4 %*
EBITDA	16.8 %	31.2	32.3	38.7	49.2	58.5	68.6	78.3
Margin		*16.3 %*	*15.3 %*	*14.6 %*	*14.9 %*	*14.7 %*	*15.4 %*	*16.0 %*
EBIT	23.5 %	21.0	21.0	24.5	32.5	42.0	51.7	61.3
Margin		*11.0 %*	*10.0 %*	*9.2 %*	*9.9 %*	*10.5 %*	*11.6 %*	*12.5 %*
Net income	27.0 %	16.5	15.2	15.5	19.6	26.3	33.2	40.2
EPS	27.0 %	1.67	1.54	1.57	1.97	2.65	3.34	4.04
EPS adj.	27.0 %	1.67	1.54	1.57	1.97	2.65	3.34	4.04
DPS	18.6 %	0.70	0.70	0.80	0.90	1.00	1.20	1.50
Dividend Yield		2.7 %	2.4 %	2.2 %	2.1 %	2.4 %	2.9 %	3.7 %
FCFPS		1.09	-0.94	-1.26	2.38	1.53	1.90	2.56
FCF / Market cap		4.2 %	-3.2 %	-3.5 %	5.7 %	3.7 %	4.6 %	6.2 %
EV / Sales		1.5 x	1.6 x	1.7 x	1.5 x	1.2 x	1.0 x	0.9 x
EV / EBITDA		9.0 x	10.3 x	11.4 x	9.8 x	8.0 x	6.7 x	5.7 x
EV / EBIT		13.4 x	15.8 x	17.9 x	14.8 x	11.1 x	8.9 x	7.2 x
P / E		15.4 x	18.8 x	23.3 x	21.3 x	15.4 x	12.2 x	10.1 x
P / E adj.		15.4 x	18.8 x	23.3 x	21.3 x	15.4 x	12.2 x	10.1 x
FCF Potential Yield		6.8 %	5.7 %	4.6 %	5.2 %	7.0 %	8.6 %	10.4 %
Net Debt		29.8	49.6	82.8	66.3	60.0	51.2	38.1
ROCE (NOPAT)		12.4 %	10.4 %	8.9 %	10.3 %	13.8 %	16.0 %	17.8 %
Guidance:	FY 2026: Sales EUR 380-410m; EBIT EUR 38-42m; opCF EUR 32-38m							

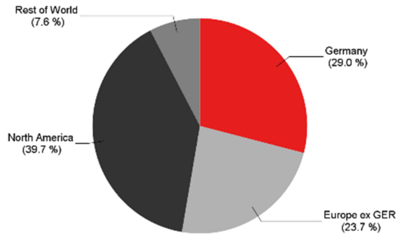
Analyst
Christian Cohrs
ccohrs@warburg-research.com
+49 40 309537-175

Sales development
in EUR m



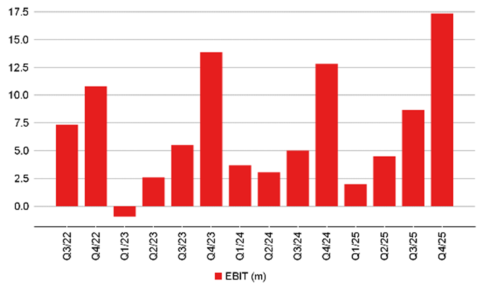
Source: Warburg Research

Sales by regions
2025; in %



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

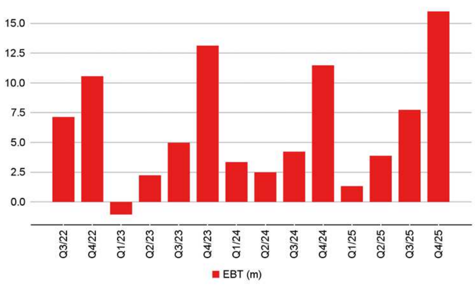
Company Background

- 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 >1,400 public transport providers worldwide with ~40 locations and ~1,600 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

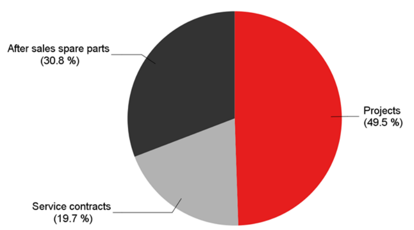
- Revenue growth is driven by structural mega-trends like smart city mobility concepts, urbanisation and growing environmental awareness.
- Focused business model with highly scalable modular platform solutions and low capex requirements.
- Long-standing relationships with more than 1,400 customers worldwide 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



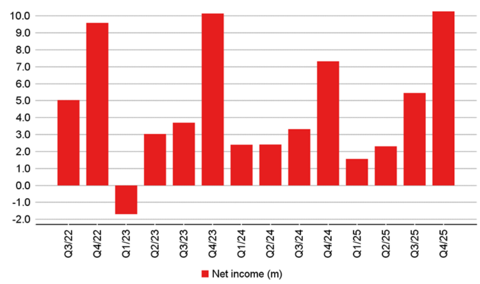
Source: Warburg Research

Sales by segments
2025



Source: Warburg Research

Net income development
in EUR m



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period 2026e	2027e	2028e	Transitional period 2029e	2030e	2031e	2032e	2033e	2034e	2035e	2036e	2037e	2038e	Term. Value
Sales	398.4	444.2	490.9	535.1	579.5	623.5	666.5	707.8	746.8	782.6	814.7	842.4	865.2	
Sales change	*20.9 %*	*11.5 %*	*10.5 %*	*9.0 %*	*8.3 %*	*7.6 %*	*6.9 %*	*6.2 %*	*5.5 %*	*4.8 %*	*4.1 %*	*3.4 %*	*2.7 %*	*2.0 %*
EBIT	42.0	51.7	61.3	69.6	74.3	78.7	82.9	86.6	89.8	92.3	94.2	95.3	95.5	
EBIT-margin	*10.5 %*	*11.6 %*	*12.5 %*	*13.0 %*	*12.8 %*	*12.6 %*	*12.4 %*	*12.2 %*	*12.0 %*	*11.8 %*	*11.6 %*	*11.3 %*	*11.0 %*	
Tax rate (EBT)	*30.0 %*	*30.0 %*	*30.0 %*	*30.0 %*	*30.5 %*	*31.0 %*	*31.5 %*	*32.0 %*	*32.5 %*	*33.0 %*	*33.5 %*	*34.0 %*	*34.5 %*	
NOPAT	29.4	36.2	42.9	48.7	51.6	54.3	56.8	58.9	60.6	61.9	62.6	62.9	62.6	
Depreciation	16.5	16.9	17.0	18.2	19.7	21.2	22.6	24.1	25.6	27.1	28.6	30.1	31.6	
in % of Sales	*4.1 %*	*3.8 %*	*3.5 %*	*3.4 %*	*3.4 %*	*3.4 %*	*3.4 %*	*3.4 %*	*3.4 %*	*3.5 %*	*3.5 %*	*3.6 %*	*3.6 %*	
Changes in provisions	0.4	0.3	0.3	-0.5	-0.5	-0.5	-0.5	-0.5	-0.5	-0.5	-0.5	-0.5	-0.5	
Change in Liquidity from														
- Working Capital	6.5	13.7	14.2	11.1	11.5	11.5	11.2	10.7	10.1	9.3	8.3	7.2	5.9	
- Capex	20.8	17.7	18.1	19.1	20.5	22.0	23.4	24.9	26.3	27.8	29.2	30.6	32.1	
Capex in % of Sales	*5.2 %*	*4.0 %*	*3.7 %*	*3.6 %*	*3.5 %*	*3.5 %*	*3.5 %*	*3.5 %*	*3.5 %*	*3.5 %*	*3.6 %*	*3.6 %*	*3.7 %*	
- 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)	18.9	21.9	28.0	36.2	38.7	41.5	44.3	46.9	49.3	51.4	53.2	54.6	55.6	56
PV of FCF	18.1	19.3	22.7	27.1	26.7	26.5	26.1	25.5	24.7	23.7	22.7	21.5	20.2	319
share of PVs	**9.63 %**			**39.20 %**										**51.17 %**

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	14.00 %	Financial Strength	1.20
Cost of debt (after tax)	3.2 %	Liquidity (share)	1.40
Market return	8.25 %	Cyclicality	0.90
Risk free rate	2.75 %	Transparency	1.20
		Others	1.20
WACC	**8.39 %**	**Beta**	**1.18**

Valuation (m)

Present values 2038e	305		
Terminal Value	319		
Financial liabilities	85		
Pension liabilities	7		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	25	No. of shares (m)	9.9
Equity Value	**558**	**Value per share (EUR)**	**56.17**

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth 1.25 %	1.50 %	1.75 %	**2.00 %**	2.25 %	2.50 %	2.75 %
1.39	9.4 %	44.71	45.42	46.18	46.99	47.86	48.79	49.79
1.29	8.9 %	48.48	49.34	50.26	51.24	52.30	53.44	54.68
1.23	8.6 %	50.56	51.51	52.52	53.61	54.79	56.06	57.44
1.18	8.4 %	52.79	53.84	54.96	**56.17**	57.48	58.90	60.45
1.13	8.1 %	55.19	56.34	57.59	58.94	60.40	62.00	63.74
1.07	7.9 %	57.77	59.05	60.44	61.95	63.59	65.38	67.35
0.97	7.4 %	63.58	65.17	66.91	68.81	70.90	73.20	75.74

Beta	WACC	Delta EBIT-margin -1.5 pp	-1.0 pp	-0.5 pp	**+0.0 pp**	+0.5 pp	+1.0 pp	+1.5 pp
1.39	9.4 %	38.44	41.29	44.14	46.99	49.84	52.69	55.54
1.29	8.9 %	42.04	45.11	48.18	51.24	54.31	57.37	60.44
1.23	8.6 %	44.05	47.24	50.42	53.61	56.80	59.99	63.18
1.18	8.4 %	46.21	49.53	52.85	**56.17**	59.49	62.81	66.13
1.13	8.1 %	48.56	52.02	55.48	58.94	62.40	65.86	69.32
1.07	7.9 %	51.10	54.72	58.33	61.95	65.56	69.18	72.79
0.97	7.4 %	56.91	60.88	64.85	68.81	72.78	76.74	80.71

- Peak EBIT(DA) margin factored in for 2029.
- Thereafter, we assume a slowdown in sales momentum and a moderate margin erosion.
- Cost of debt set at 4.5% (pre-tax)

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	2022	2023	2024	2025	2026e	2027e	2028e
Net Income before minorities	16.5	15.2	15.2	19.4	26.3	33.2	40.2
+ Depreciation + Amortisation	10.2	11.2	14.2	16.7	16.5	16.9	17.0
- Net Interest Income	-0.7	-1.7	-3.0	-3.6	-4.4	-4.2	-4.0
- Maintenance Capex	8.2	9.0	11.4	13.4	13.2	13.5	13.6
+ Other	-0.1	-0.4	-0.9	-1.2	-1.3	-1.3	-1.2
= Free Cash Flow Potential	**19.1**	**18.8**	**20.1**	**25.1**	**32.7**	**39.5**	**46.3**
FCF Potential Yield (on market EV)	6.8 %	5.7 %	4.6 %	5.2 %	7.0 %	8.6 %	10.4 %
WACC	8.39 %	8.39 %	8.39 %	8.39 %	8.39 %	8.39 %	8.39 %
= Enterprise Value (EV)	**280.7**	**331.6**	**440.3**	**480.4**	**466.2**	**457.4**	**444.3**
= Fair Enterprise Value	**228.1**	**223.7**	**240.1**	**299.6**	**389.8**	**471.5**	**552.5**
- Net Debt (Cash)	59.3	59.3	59.3	59.3	53.2	44.6	31.7
- Pension Liabilities	7.0	7.0	7.0	7.0	6.8	6.6	6.4
- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Market value of minorities	-3.1	-3.1	-3.1	-3.1	0.0	0.0	0.0
+ Market value of investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
= Fair Market Capitalisation	**164.9**	**160.5**	**176.9**	**236.4**	**329.7**	**420.3**	**514.3**
Number of shares, average	9.9	9.8	9.9	9.9	9.9	9.9	9.9
= Fair value per share (EUR)	**16.66**	**16.31**	**17.91**	**23.81**	**33.20**	**42.32**	**51.79**
premium (-) / discount (+) in %					-18.8 %	3.5 %	26.6 %

Sensitivity Fair value per Share (EUR)

	11.39 %	10.59	10.32	11.51	15.86	22.86	29.81	37.13
	10.39 %	12.22	11.94	13.23	18.00	25.65	33.18	41.08
	9.39 %	14.20	13.89	15.32	20.59	29.02	37.27	45.86
WACC	**8.39 %**	**16.66**	**16.31**	**17.91**	**23.81**	**33.20**	**42.32**	**51.79**
	7.39 %	19.78	19.39	21.20	27.89	38.52	48.75	59.32
	6.39 %	23.87	23.43	25.52	33.26	45.49	57.19	69.21
	5.39 %	29.49	28.97	31.45	40.61	55.06	68.76	82.77

- The line "Others" in the calculation of FCF covers the tax shield on net interest result.
- Maintenance capex estimates 2026-28e: 20% below D&A.

Valuation

	2022	2023	2024	2025	2026e	2027e	2028e
Price / Book	2.2 x	2.4 x	2.7 x	3.0 x	2.6 x	2.2 x	1.9 x
Book value per share ex intangibles	8.47	8.35	7.77	7.36	8.68	10.98	13.82
EV / Sales	1.5 x	1.6 x	1.7 x	1.5 x	1.2 x	1.0 x	0.9 x
EV / EBITDA	9.0 x	10.3 x	11.4 x	9.8 x	8.0 x	6.7 x	5.7 x
EV / EBIT	13.4 x	15.8 x	17.9 x	14.8 x	11.1 x	8.9 x	7.2 x
EV / EBIT adj.*	13.4 x	15.8 x	17.9 x	14.8 x	11.1 x	8.9 x	7.2 x
P / FCF	23.6 x	n.a.	n.a.	17.7 x	26.7 x	21.6 x	16.0 x
P / E	15.4 x	18.8 x	23.3 x	21.3 x	15.4 x	12.2 x	10.1 x
P / E adj.*	15.4 x	18.8 x	23.3 x	21.3 x	15.4 x	12.2 x	10.1 x
Dividend Yield	2.7 %	2.4 %	2.2 %	2.1 %	2.4 %	2.9 %	3.7 %
FCF Potential Yield (on market EV)	6.8 %	5.7 %	4.6 %	5.2 %	7.0 %	8.6 %	10.4 %

*Adjustments made for: -

Consolidated profit and loss

In EUR m	2022	2023	2024	2025	2026e	2027e	2028e
Sales	**191.3**	**210.8**	**265.7**	**329.7**	**398.4**	**444.2**	**490.9**
Change Sales yoy	8.3 %	10.2 %	26.0 %	24.1 %	20.9 %	11.5 %	10.5 %
COGS	114.7	130.4	167.3	208.9	251.5	279.2	307.1
Gross profit	**76.6**	**80.4**	**98.4**	**120.8**	**146.9**	**165.0**	**183.8**
Gross margin	*40.0 %*	*38.1 %*	*37.0 %*	*36.6 %*	*36.9 %*	*37.1 %*	*37.4 %*
Research and development	13.5	13.0	13.9	18.5	21.3	22.3	23.5
Sales and marketing	24.1	26.1	31.3	34.8	41.4	44.9	48.7
Administration expenses	20.4	23.4	30.2	36.5	43.8	47.8	52.1
Other operating expenses	-1.6	-0.3	-2.6	-1.0	-1.2	-1.3	-1.4
Other operating income	4.1	3.4	4.1	2.6	2.8	3.0	3.2
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	**31.2**	**32.3**	**38.7**	**49.2**	**58.5**	**68.6**	**78.3**
Margin	*16.3 %*	*15.3 %*	*14.6 %*	*14.9 %*	*14.7 %*	*15.4 %*	*16.0 %*
Depreciation of fixed assets	7.8	8.3	10.2	10.9	10.0	10.3	10.4
EBITA	**23.4**	**24.0**	**28.5**	**38.3**	**48.5**	**58.3**	**67.9**
Amortisation of intangible assets	2.4	3.0	4.0	5.8	6.5	6.6	6.6
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	**21.0**	**21.0**	**24.5**	**32.5**	**42.0**	**51.7**	**61.3**
Margin	*11.0 %*	*10.0 %*	*9.2 %*	*9.9 %*	*10.5 %*	*11.6 %*	*12.5 %*
EBIT adj.	**21.0**	**21.0**	**24.5**	**32.5**	**42.0**	**51.7**	**61.3**
Interest income	0.0	0.3	0.4	0.2	0.5	0.7	1.0
Interest expenses	0.8	2.0	3.4	3.8	4.9	4.9	4.9
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	**20.3**	**19.3**	**21.5**	**28.9**	**37.6**	**47.4**	**57.4**
Margin	*10.6 %*	*9.1 %*	*8.1 %*	*8.8 %*	*9.4 %*	*10.7 %*	*11.7 %*
Total taxes	3.8	4.1	6.4	9.6	11.3	14.2	17.2
Net income from continuing operations	**16.5**	**15.2**	**15.2**	**19.4**	**26.3**	**33.2**	**40.2**
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	**16.5**	**15.2**	**15.2**	**19.4**	**26.3**	**33.2**	**40.2**
Minority interest	0.0	0.0	-0.3	-0.2	0.0	0.0	0.0
Net income	**16.5**	**15.2**	**15.5**	**19.6**	**26.3**	**33.2**	**40.2**
Margin	*8.6 %*	*7.2 %*	*5.8 %*	*5.9 %*	*6.6 %*	*7.5 %*	*8.2 %*
Number of shares, average	9.9	9.8	9.9	9.9	9.9	9.9	9.9
EPS	**1.67**	**1.54**	**1.57**	**1.97**	**2.65**	**3.34**	**4.04**
EPS adj.	1.67	1.54	1.57	1.97	2.65	3.34	4.04

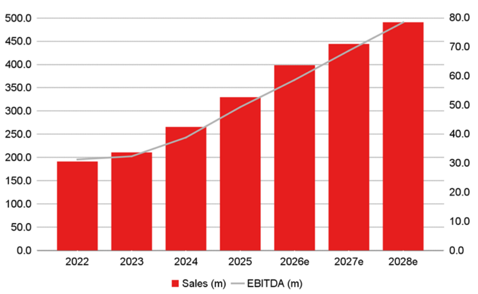
*Adjustments made for:

Guidance: FY 2026: Sales EUR 380-410m; EBIT EUR 38-42m; opCF EUR 32-38m

Financial Ratios

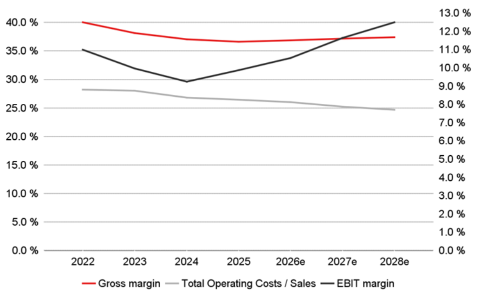
	2022	2023	2024	2025	2026e	2027e	2028e
Total Operating Costs / Sales	28.2 %	28.0 %	26.8 %	26.5 %	26.0 %	25.2 %	24.6 %
Operating Leverage	2.4 x	0.0 x	0.6 x	1.4 x	1.4 x	2.0 x	1.8 x
EBITDA / Interest expenses	41.6 x	16.0 x	11.5 x	12.9 x	11.9 x	13.9 x	15.8 x
Tax rate (EBT)	18.6 %	21.4 %	29.5 %	33.0 %	30.0 %	30.0 %	30.0 %
Dividend Payout Ratio	42.0 %	45.5 %	52.0 %	46.1 %	37.8 %	35.9 %	37.1 %
Sales per Employee	174,182	184,913	195,205	211,599	n.a.	n.a.	n.a.

Sales, EBITDA
in EUR m



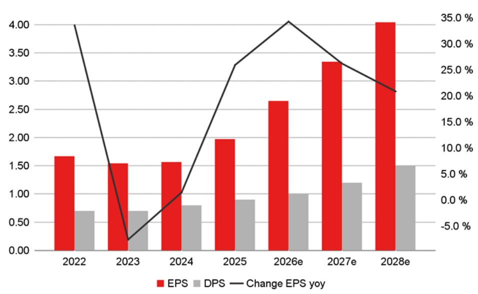
Source: Warburg Research

Operating Performance
in %



Source: Warburg Research

Performance per Share



Source: Warburg Research

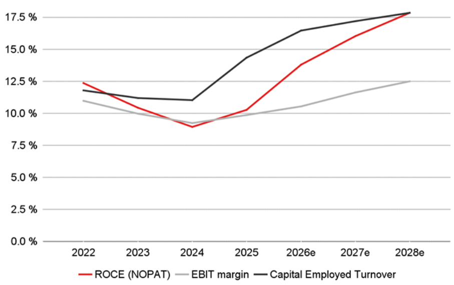
Consolidated balance sheet

In EUR m	2022	2023	2024	2025	2026e	2027e	2028e
Assets							
Goodwill and other intangible assets	32.5	38.0	57.4	68.1	72.3	72.7	72.8
thereof other intangible assets	20.0	25.5	44.1	52.6	56.8	57.2	57.3
thereof Goodwill	12.5	12.5	13.3	15.5	15.5	15.5	15.5
Property, plant and equipment	65.0	64.1	70.9	66.0	66.1	66.5	67.5
Financial assets	2.1	2.1	2.1	1.8	1.8	1.8	1.8
Other long-term assets	8.4	8.4	4.7	7.8	9.4	10.5	11.6
Fixed assets	**108.1**	**112.6**	**135.1**	**143.6**	**149.6**	**151.5**	**153.7**
Inventories	42.1	49.3	57.2	48.9	54.1	61.1	68.2
Accounts receivable	50.0	65.1	87.7	81.9	87.0	98.5	110.3
Liquid assets	40.1	27.3	23.5	25.5	28.8	37.7	51.2
Other short-term assets	5.6	6.2	9.5	11.4	13.8	15.4	17.0
Current assets	**137.7**	**147.9**	**178.0**	**167.7**	**183.8**	**212.6**	**246.7**
Total Assets	**245.8**	**260.5**	**313.0**	**311.4**	**333.3**	**364.1**	**400.4**
Liabilities and shareholders' equity							
Subscribed capital	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Capital reserve	6.6	6.9	7.7	7.3	7.3	7.3	7.3
Retained earnings	103.3	108.7	120.9	126.8	144.2	167.4	195.7
Other equity components	-3.5	-5.4	-4.5	-3.0	-3.0	-3.0	-3.0
Shareholders' equity	116.4	120.2	134.2	141.1	158.5	181.8	210.0
Minority interest	0.2	0.4	0.1	0.0	0.0	0.0	0.0
Total equity	**116.6**	**120.6**	**134.3**	**141.2**	**158.5**	**181.8**	**210.0**
Provisions	16.3	13.4	13.9	11.7	12.1	12.4	12.7
thereof provisions for pensions and similar obligations	7.3	7.6	7.8	7.0	6.8	6.6	6.4
Financial liabilities (total)	62.5	69.3	98.6	84.7	82.0	82.3	82.9
Short-term financial liabilities	21.8	23.4	44.4	37.9	35.4	35.5	35.6
Accounts payable	19.5	28.3	34.0	33.9	36.9	41.2	45.5
Other liabilities	29.7	25.8	30.7	36.6	39.7	42.0	44.3
Liabilities	**129.2**	**139.9**	**178.7**	**170.2**	**174.8**	**182.3**	**190.4**
Total liabilities and shareholders' equity	**245.8**	**260.5**	**313.0**	**311.4**	**333.3**	**364.1**	**400.4**

Financial Ratios

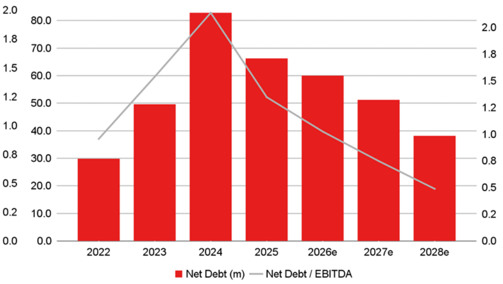
	2022	2023	2024	2025	2026e	2027e	2028e
Efficiency of Capital Employment							
Operating Assets Turnover	1.4 x	1.4 x	1.5 x	2.1 x	2.4 x	2.5 x	2.5 x
Capital Employed Turnover	1.3 x	1.2 x	1.2 x	1.6 x	1.8 x	1.9 x	2.0 x
ROA	15.3 %	13.5 %	11.4 %	13.6 %	17.6 %	21.9 %	26.1 %
Return on Capital							
ROCE (NOPAT)	12.4 %	10.4 %	8.9 %	10.3 %	13.8 %	16.0 %	17.8 %
ROE	15.1 %	12.8 %	12.2 %	14.2 %	17.6 %	19.5 %	20.5 %
Adj. ROE	15.1 %	12.8 %	12.2 %	14.2 %	17.6 %	19.5 %	20.5 %
Balance sheet quality							
Net Debt	29.8	49.6	82.8	66.3	60.0	51.2	38.1
Net Financial Debt	22.5	42.0	75.0	59.3	53.2	44.6	31.7
Net Gearing	25.6 %	41.2 %	61.7 %	47.0 %	37.9 %	28.2 %	18.2 %
Net Fin. Debt / EBITDA	72.1 %	130.2 %	193.7 %	120.4 %	91.0 %	65.1 %	40.5 %
Book Value / Share	11.8	12.2	13.6	14.2	16.0	18.3	21.1
Book value per share ex intangibles	8.5	8.4	7.8	7.4	8.7	11.0	13.8

ROCE Development



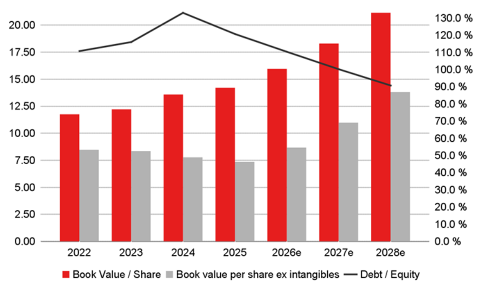
Source: Warburg Research

Net debt
in EUR m



Source: Warburg Research

Book Value per Share
in EUR



Source: Warburg Research

Consolidated cash flow statement

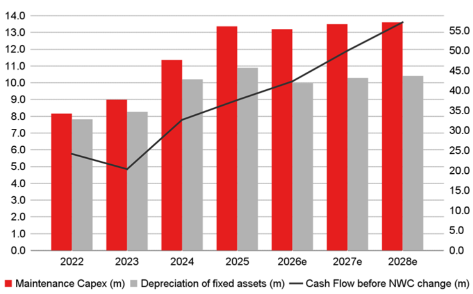
In EUR m	2022	2023	2024	2025	2026e	2027e	2028e
Net income	15.5	16.3	18.6	20.6	27.6	34.1	41.0
Depreciation of fixed assets	7.8	8.3	10.2	10.9	10.0	10.3	10.4
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	2.4	3.0	4.0	5.8	6.5	6.6	6.6
Increase/decrease in long-term provisions	-3.5	-0.4	0.2	-1.0	0.1	0.0	0.0
Other non-cash income and expenses	2.0	-6.9	-0.4	1.3	-1.9	-1.0	-1.0
Cash Flow before NWC change	**24.1**	**20.3**	**32.7**	**37.6**	**42.3**	**50.0**	**57.1**
Increase / decrease in inventory	-7.8	-7.2	-7.9	8.3	-5.2	-6.9	-7.1
Increase / decrease in accounts receivable	3.7	-15.1	-22.7	5.8	-5.1	-11.5	-11.9
Increase / decrease in accounts payable	5.5	8.8	5.6	-0.1	3.1	4.2	4.3
Increase / decrease in other working capital positions	-1.3	0.9	2.7	-3.3	0.7	0.5	0.5
Increase / decrease in working capital (total)	0.1	-12.6	-22.3	10.7	-6.5	-13.7	-14.2
Net cash provided by operating activities [1]	**24.3**	**7.7**	**10.4**	**48.2**	**35.8**	**36.3**	**42.9**
Investments in intangible assets	-5.6	-8.4	-11.5	-14.4	-10.8	-7.0	-6.7
Investments in property, plant and equipment	-4.3	-4.1	-6.6	-4.4	-4.7	-5.0	-5.4
Payments for acquisitions	-0.9	-1.1	-7.1	-0.9	0.0	0.0	0.0
Financial investments	0.0	0.1	0.2	0.3	0.0	0.0	0.0
Income from asset disposals	0.3	0.0	1.1	0.3	0.0	0.0	0.0
Net cash provided by investing activities [2]	**-10.5**	**-13.5**	**-24.0**	**-19.1**	**-15.5**	**-12.0**	**-12.0**
Change in financial liabilities	8.7	7.3	24.0	-11.5	-2.9	0.0	0.0
Dividends paid	-5.5	-6.9	-6.9	-7.9	-8.9	-9.9	-11.9
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	-2.1	-1.6	1.8	1.0	0.0	0.0	0.0
Other	-3.3	-5.3	-10.0	-6.9	-5.1	-5.4	-5.5
Net cash provided by financing activities [3]	**-2.1**	**-6.5**	**8.9**	**-25.3**	**-16.9**	**-15.3**	**-17.4**
Change in liquid funds [1]+[2]+[3]	**11.6**	**-12.3**	**-4.6**	**3.9**	**3.4**	**8.9**	**13.5**
Effects of exchange-rate changes on cash	0.3	-0.5	0.9	-1.9	0.0	0.0	0.0
Cash and cash equivalent at end of period	40.1	27.3	23.5	25.5	28.8	37.7	51.2

Financial Ratios

	2022	2023	2024	2025	2026e	2027e	2028e
Cash Flow							
FCF	10.8	-9.2	-12.5	23.6	15.2	18.8	25.4
Free Cash Flow / Sales	5.6 %	-4.4 %	-4.7 %	7.2 %	3.8 %	4.2 %	5.2 %
Free Cash Flow Potential	19.1	18.8	20.1	25.1	32.7	39.5	46.3
Free Cash Flow / Net Profit	65.2 %	-60.6 %	-80.5 %	120.6 %	57.8 %	56.7 %	63.2 %
Interest Received / Avg. Cash	0.1 %	0.8 %	1.4 %	1.0 %	1.9 %	2.1 %	2.2 %
Interest Paid / Avg. Debt	1.4 %	3.1 %	4.0 %	4.2 %	5.9 %	6.0 %	6.0 %
Management of Funds							
Investment ratio	5.2 %	5.9 %	6.8 %	5.7 %	3.9 %	2.7 %	2.5 %
Maint. Capex / Sales	4.3 %	4.3 %	4.3 %	4.1 %	3.3 %	3.0 %	2.8 %
Capex / Dep	97.8 %	111.4 %	127.6 %	112.4 %	93.9 %	71.4 %	70.8 %
Avg. Working Capital / Sales	37.4 %	36.6 %	36.2 %	30.8 %	24.3 %	24.1 %	24.6 %
Trade Debtors / Trade Creditors	256.4 %	229.7 %	258.2 %	241.8 %	235.5 %	239.1 %	242.4 %
Inventory Turnover	2.7 x	2.6 x	2.9 x	4.3 x	4.6 x	4.6 x	4.5 x
Receivables collection period (days)	95	113	121	91	80	81	82
Payables payment period (days)	62	79	74	59	54	54	54
Cash conversion cycle (Days)	164	163	168	111	99	101	103

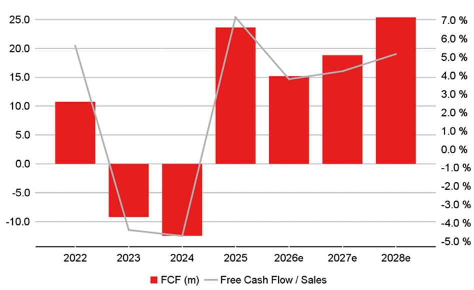
CAPEX and Cash Flow

in EUR m



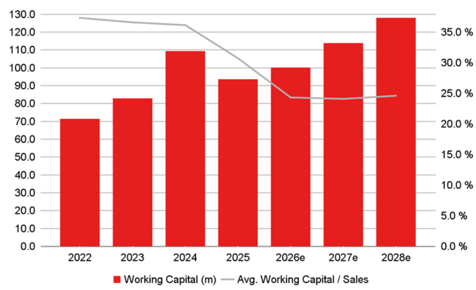
Source: Warburg Research

Free Cash Flow Generation



Source: Warburg Research

Working Capital



Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
init SE	5	https://disclaimer.mp-capitalmarkets.com/disclaimer_en/DE0005759807.htm

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-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.

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING

Rating	Number of stocks	% of Universe
Buy	134	72
Hold	44	24
Sell	5	3
Rating suspended	3	2
Total	**186**	**100**

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING …

… taking into account only those companies for which affiliated companies provided major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	2	100
Hold	0	0
Sell	0	0
Rating suspended	0	0
Total	**2**	**100**

PRICE AND RATING HISTORY INIT SE AS OF 23.03.2026

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

Ebbi Attarzadeh +49 40 38022-1236
e.attarzadeh@mp-capitalmarkets.com

RESEARCH

Henner Rüschmeier Head of Research	+49 40 309537-270 hrueschmeier@warburg-research.com	**Andreas Pläsier** Banks, Financial Services	+49 40 309537-246 aplaesier@warburg-research.com
Stefan Augustin Cap. Goods, Engineering	+49 40 309537-168 saugustin@warburg-research.com	**Malte Schaumann** Technology	+49 40 309537-170 mschaumann@warburg-research.com
Christian Cohrs Industrials & Transportation	+49 40 309537-175 ccohrs@warburg-research.com	**Oliver Schwarz** Chemicals, Agriculture	+49 40 309537-250 oschwarz@warburg-research.com
Felix Ellmann Software, IT	+49 40 309537-120 fellmann@warburg-research.com		
Jörg Philipp Frey Retail, Consumer Goods	+49 40 309537-258 jfrey@warburg-research.com		
Fabio Hölscher Automobiles, Car Suppliers	+49 40 309537-240 fhoelscher@warburg-research.com		
Philipp Kaiser Real Estate, Construction	+49 40 309537-260 pkaiser@warburg-research.com		

INSTITUTIONAL EQUITY SALES

Michael Grohmann Head of Equity Sales	+49 40 38022-1238 m.grohmann@mp-capitalmarkets.com		
Ebbi Attarzadeh Sales	+49 40 38022-1236 e.attarzadeh@mp-capitalmarkets.com		
Olaf Gabriel Sales	+49 40 38022-1239 o.gabriel@mp-capitalmarkets.com	**Antonia Möller** Roadshow/Marketing	+49 40 38022-1248 a.moeller@mp-capitalmarkets.com

SALES TRADING

Bastian Quast +49 40 38022-1242
b.quast@mp-capitalmarkets.com

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For access please contact:

Antonia Möller +49 40 38022-1248
Sales Assistance a.moeller@mp-capitalmarkets.com