



**Buy** (old: Buy)

**Price target: EUR 58.00** (old: EUR 54.00)

**Price:** EUR 40.50      **Next result:** Prelim. Q4'21: 23.02.22  
**Bloomberg:** S9I GR      **Market cap:** EUR 263.3 m  
**Reuters:** S9I.DE      **Enterprise Value:** EUR 230.2 m

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### Turning headwinds into tailwinds; est & PT up

Yesterday after the bell, **STEMMER increased its EBITDA guidance for 2021 once again, now expecting € 16.3-17.0m** on an unchanged sales expectation of € 123-131m, which is ahead of H&A estimates (€ 15.7m) and a substantial lift vs. the previously guided € 15.4m.

Even more impressively, management gave **initial guidance for 2022 already now, aiming at double digit sales growth and EBITDA of more than € 20m**. While H&A estimates are already reflecting 13% yoy sales growth in 2022E combining the ongoing cyclical recovery with strong secular growth trends, the **magnitude of the targeted EBITDA growth once again comes as a positive surprise**. Ultimately, the 2022 guidance implies an EBITDA margin level already close to the upper end of the guided mid-term range of 12-14% (eH&A new 13.7%), levels we previously only expected for 2024 on the back of scale.

The forceful expansion of sales and margins coming out of the Covid crisis is only in part explained by the underlying cyclical rebound of business activity. Beyond this, strong sales growth should be the result of **(1) focusing on fast growing and emerging market segments**, such as sports/entertainment, **(2) market share gains thanks to providing (new) customers with alternative solutions** in times of component shortages and **(3) a structural trend towards re-shoring** supply chains on the customer's side.

But not only do these trends carry dynamic sales growth, as expected, they are also strongly supporting profitability: (1) Ample demand enables STEMMER to focus on projects with healthy pricing and (2) its **key competence in designing solutions becomes even more valuable** as often times a work-around for missing components requires to be found. All of this is capped off with **a leaner corporate structure** as STEMMER used the times of crisis to reduce headcount and increase efficiency.

**Action:** Our estimate changes predominantly relate to faster gross margin expansion on the back of healthy market dynamics as well as a slight reduction in personnel and other opex as the efficiency measures obviously yield even higher returns than anticipated up until now.

Still trading at a deep discount to key peers, the stock remains a **Buy** with a new **DCF based PT of € 58** (old: € 54).

Y/E 31.12 (EUR m)	2017	2018	2019*	2020	2021E	2022E	2023E
Sales	100.6	109.0	62.3	105.2	132.0	149.2	165.6
Sales growth	14 %	8 %	n.m.	n.m.	25 %	13 %	11 %
EBITDA	6.4	7.0	1.9	7.2	16.6	20.4	23.2
EBIT	4.1	5.5	-0.6	-1.6	12.5	16.0	18.6
Net income	2.9	4.4	-1.4	-3.3	9.1	11.6	13.5
Net debt	-51.8	-46.4	-18.4	-27.2	-33.1	-44.6	-57.8
Net gearing	-75.6 %	-64.7 %	-27.4 %	-42.5 %	-46.3 %	-54.7 %	-61.9 %
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	0.97	1.02	0.07	0.47	1.39	1.79	2.07
CPS	0.41	0.64	0.11	1.33	1.04	1.98	1.92
DPS	0.50	0.50	0.00	0.25	0.25	0.25	0.25
Dividend yield	1.2 %	1.2 %	0.0 %	0.6 %	0.6 %	0.6 %	0.6 %
Gross profit margin	36.4 %	35.6 %	35.9 %	36.8 %	38.5 %	38.8 %	38.8 %
EBITDA margin	6.3 %	6.4 %	3.1 %	6.9 %	12.6 %	13.7 %	14.0 %
EBIT margin	4.1 %	5.1 %	-0.9 %	-1.5 %	9.5 %	10.8 %	11.2 %
ROCE	20.0 %	22.9 %	-1.4 %	-2.9 %	25.3 %	29.4 %	30.1 %
EV/sales	2.1	2.0	3.9	2.2	1.7	1.5	1.2
EV/EBITDA	33.1	31.1	125.9	32.7	13.8	10.7	8.9
EV/EBIT	21.7	25.6	185.5	85.8	18.4	13.6	11.1
PER	41.6	39.7	542.0	85.6	29.0	22.6	19.5
Adjusted FCF yield	2.1 %	2.2 %	0.3 %	1.6 %	4.9 %	6.4 %	6.6 %

Source: Company data, Hauck & Aufhäuser Close price as of: 06.12.2021 \*Shortened fiscal year



Source: Company data, Hauck & Aufhäuser

**High/low 52 weeks:** 46.00 / 17.06

**Price/Book Ratio:** 4.2

**Relative performance (SDAX):**

3 months 34.1 %

6 months 73.6 %

12 months 117.8 %

#### Changes in estimates

		Sales	EBIT	EPS
2021	old:	132.0	11.6	1.29
	Δ	-	8.0%	8.0%
2022	old:	149.2	14.1	1.57
	Δ	-	13.8%	13.9%
2023	old:	165.6	17.3	1.93
	Δ	-	7.7%	7.7%

#### Key share data:

Number of shares: (in m pcs) 6.5

Authorised capital: (in € m) -

Book value per share: (in €) 11.0

Ø trading volume: (12 months) 3,500

#### Major shareholders:

primepulse SE 58.0 %

Freefloat 33.0 %

Management 9.0 %

#### Company description:

STEMMER IMAGING is a leading independent provider of bespoke imaging solutions which help customers boost production efficiency, save costs and improve their environmental footprint.

## Financials

Profit and loss (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
<b>Net sales</b>	<b>100.6</b>	<b>109.0</b>	<b>62.3</b>	<b>105.2</b>	<b>132.0</b>	<b>149.2</b>	<b>165.6</b>
<i>Sales growth</i>	14.0 %	8.3 %	-42.8 %	68.7 %	25.5 %	13.0 %	11.0 %
Increase/decrease in finished goods and work-in-process	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total sales</b>	<b>100.6</b>	<b>109.0</b>	<b>62.3</b>	<b>105.2</b>	<b>132.0</b>	<b>149.2</b>	<b>165.6</b>
Other operating income	1.2	1.0	0.5	1.6	1.6	1.8	2.0
Material expenses	64.0	70.2	40.0	66.5	81.2	91.3	101.3
Personnel expenses	19.9	20.0	12.8	23.4	26.1	28.8	31.5
Other operating expenses	11.6	12.9	8.1	9.7	9.6	10.4	11.6
Total operating expenses	94.3	102.0	60.4	98.0	115.4	128.7	142.4
<b>EBITDA</b>	<b>6.4</b>	<b>7.0</b>	<b>1.9</b>	<b>7.2</b>	<b>16.6</b>	<b>20.4</b>	<b>23.2</b>
Depreciation	1.0	0.9	1.4	2.8	2.5	2.7	2.8
<b>EBITA</b>	<b>5.4</b>	<b>6.0</b>	<b>0.5</b>	<b>4.4</b>	<b>14.1</b>	<b>17.7</b>	<b>20.4</b>
Amortisation of goodwill	0.9	0.0	0.0	4.3	0.0	0.0	0.0
Amortisation of intangible assets	0.3	0.5	1.1	1.6	1.6	1.7	1.8
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT (inc revaluation net)</b>	<b>4.1</b>	<b>5.5</b>	<b>-0.6</b>	<b>-1.6</b>	<b>12.5</b>	<b>16.0</b>	<b>18.6</b>
Interest income	0.1	0.5	0.0	0.0	0.0	0.0	0.0
Interest expenses	0.0	0.0	0.1	0.1	0.1	0.1	0.1
Other financial result	0.0	-0.1	-0.7	-0.6	0.0	0.0	0.0
Financial result	0.0	0.5	-0.8	-0.7	-0.1	-0.1	-0.1
<b>Recurring pretax income from continuing operations</b>	<b>4.2</b>	<b>6.0</b>	<b>-1.4</b>	<b>-2.2</b>	<b>12.4</b>	<b>15.9</b>	<b>18.5</b>
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Earnings before taxes</b>	<b>4.2</b>	<b>6.0</b>	<b>-1.4</b>	<b>-2.2</b>	<b>12.4</b>	<b>15.9</b>	<b>18.5</b>
Taxes	1.3	1.6	0.0	1.1	3.4	4.3	5.0
<b>Net income from continuing operations</b>	<b>2.9</b>	<b>4.4</b>	<b>-1.4</b>	<b>-3.3</b>	<b>9.1</b>	<b>11.6</b>	<b>13.5</b>
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>2.9</b>	<b>4.4</b>	<b>-1.4</b>	<b>-3.3</b>	<b>9.1</b>	<b>11.6</b>	<b>13.5</b>
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net profit (reported)</b>	<b>2.9</b>	<b>4.4</b>	<b>-1.4</b>	<b>-3.3</b>	<b>9.1</b>	<b>11.6</b>	<b>13.5</b>
Average number of shares	6.5	6.5	6.5	6.5	6.5	6.5	6.5
<b>EPS reported</b>	<b>0.45</b>	<b>0.68</b>	<b>-0.22</b>	<b>-0.51</b>	<b>1.39</b>	<b>1.79</b>	<b>2.07</b>

Profit and loss (common size)	2017	2018	2019	2020	2021E	2022E	2023E
<b>Net sales</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
Increase/decrease in finished goods and work-in-process	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Total sales</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
Other operating income	1.2 %	0.9 %	0.9 %	1.5 %	1.2 %	1.2 %	1.2 %
Material expenses	63.6 %	64.4 %	64.1 %	63.2 %	61.5 %	61.2 %	61.2 %
Personnel expenses	19.8 %	18.3 %	20.6 %	22.3 %	19.8 %	19.3 %	19.0 %
Other operating expenses	11.6 %	11.8 %	13.1 %	9.2 %	7.3 %	7.0 %	7.0 %
Total operating expenses	93.7 %	93.6 %	96.9 %	93.1 %	87.4 %	86.3 %	86.0 %
<b>EBITDA</b>	<b>6.3 %</b>	<b>6.4 %</b>	<b>3.1 %</b>	<b>6.9 %</b>	<b>12.6 %</b>	<b>13.7 %</b>	<b>14.0 %</b>
Depreciation	1.0 %	0.9 %	2.3 %	2.7 %	1.9 %	1.8 %	1.7 %
<b>EBITA</b>	<b>5.4 %</b>	<b>5.5 %</b>	<b>0.8 %</b>	<b>4.2 %</b>	<b>10.7 %</b>	<b>11.9 %</b>	<b>12.3 %</b>
Amortisation of goodwill	0.9 %	0.0 %	0.0 %	4.1 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	0.3 %	0.5 %	1.8 %	1.5 %	1.2 %	1.1 %	1.1 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBIT (inc revaluation net)</b>	<b>4.1 %</b>	<b>5.1 %</b>	<b>neg.</b>	<b>neg.</b>	<b>9.5 %</b>	<b>10.8 %</b>	<b>11.2 %</b>
Interest income	0.1 %	0.5 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Interest expenses	0.0 %	neg.	0.2 %	0.1 %	0.1 %	0.1 %	0.1 %
Other financial result	0.0 %	0.0 %	-1.2 %	-0.6 %	0.0 %	0.0 %	0.0 %
Financial result	0.0 %	0.4 %	neg.	neg.	neg.	neg.	neg.
<b>Recurring pretax income from continuing operations</b>	<b>4.2 %</b>	<b>5.5 %</b>	<b>neg.</b>	<b>neg.</b>	<b>9.4 %</b>	<b>10.7 %</b>	<b>11.2 %</b>
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Earnings before taxes</b>	<b>4.2 %</b>	<b>5.5 %</b>	<b>neg.</b>	<b>neg.</b>	<b>9.4 %</b>	<b>10.7 %</b>	<b>11.2 %</b>
Tax rate	29.9 %	26.1 %	-1.4 %	-48.8 %	27.0 %	27.0 %	27.0 %
<b>Net income from continuing operations</b>	<b>2.9 %</b>	<b>4.1 %</b>	<b>neg.</b>	<b>neg.</b>	<b>6.9 %</b>	<b>7.8 %</b>	<b>8.1 %</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</b>	<b>2.9 %</b>	<b>4.1 %</b>	<b>neg.</b>	<b>neg.</b>	<b>6.9 %</b>	<b>7.8 %</b>	<b>8.1 %</b>
Minority interest	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Net profit (reported)</b>	<b>2.9 %</b>	<b>4.1 %</b>	<b>neg.</b>	<b>neg.</b>	<b>6.9 %</b>	<b>7.8 %</b>	<b>8.1 %</b>

Source: Company data, Hauck &amp; Aufhäuser

Balance sheet (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
<b>Intangible assets</b>	<b>3.9</b>	<b>9.2</b>	<b>33.9</b>	<b>28.0</b>	<b>26.6</b>	<b>25.1</b>	<b>23.5</b>
Property, plant and equipment	2.8	2.8	8.0	5.9	4.5	3.6	2.9
Financial assets	0.1	1.4	0.6	0.1	0.1	0.1	0.1
<b>FIXED ASSETS</b>	<b>6.8</b>	<b>13.4</b>	<b>42.5</b>	<b>33.9</b>	<b>31.1</b>	<b>28.7</b>	<b>26.4</b>
Inventories	8.6	10.7	11.2	11.0	15.5	16.6	17.4
Accounts receivable	14.2	15.8	16.8	15.2	16.3	17.6	19.1
Other current assets	1.4	0.9	2.2	1.5	1.5	1.5	1.5
Liquid assets	51.8	46.4	28.0	34.7	40.6	52.1	65.3
Deferred taxes	0.0	0.2	0.3	0.3	0.3	0.3	0.3
Deferred charges and prepaid expenses	0.2	0.0	0.0	0.0	0.0	0.0	0.0
<b>CURRENT ASSETS</b>	<b>76.1</b>	<b>74.1</b>	<b>58.4</b>	<b>62.8</b>	<b>74.2</b>	<b>88.0</b>	<b>103.6</b>
<b>TOTAL ASSETS</b>	<b>82.9</b>	<b>87.5</b>	<b>100.9</b>	<b>96.7</b>	<b>105.3</b>	<b>116.8</b>	<b>130.0</b>
SHAREHOLDERS EQUITY	68.4	71.6	67.2	64.1	71.5	81.5	93.4
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	0.0	0.0	7.5	5.5	5.5	5.5	5.5
Provisions for pensions and similar obligations	0.0	0.0	0.1	0.0	0.0	0.0	0.0
Other provisions	4.9	1.0	1.0	1.7	1.7	1.7	1.7
<b>Non-current liabilities</b>	<b>4.9</b>	<b>1.1</b>	<b>8.6</b>	<b>7.3</b>	<b>7.3</b>	<b>7.3</b>	<b>7.3</b>
short-term liabilities to banks	0.0	0.1	2.0	2.0	2.0	2.0	2.0
Accounts payable	6.6	8.5	9.1	9.6	10.8	12.3	13.6
Advance payments received on orders	0.1	0.0	0.5	2.2	2.2	2.2	2.2
Other liabilities (incl. from lease and rental contracts)	2.8	5.7	11.4	9.8	9.8	9.8	9.8
Deferred taxes	0.0	0.5	2.1	1.7	1.6	1.7	1.7
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Current liabilities</b>	<b>9.6</b>	<b>14.8</b>	<b>25.2</b>	<b>25.4</b>	<b>26.5</b>	<b>28.0</b>	<b>29.4</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>82.9</b>	<b>87.5</b>	<b>101.0</b>	<b>96.7</b>	<b>105.3</b>	<b>116.8</b>	<b>130.0</b>

Balance sheet (common size)	2017	2018	2019	2020	2021E	2022E	2023E
<b>Intangible assets</b>	<b>4.7 %</b>	<b>10.5 %</b>	<b>33.6 %</b>	<b>28.9 %</b>	<b>25.2 %</b>	<b>21.5 %</b>	<b>18.0 %</b>
Property, plant and equipment	3.4 %	3.2 %	7.9 %	6.1 %	4.3 %	3.1 %	2.2 %
Financial assets	0.1 %	1.6 %	0.6 %	0.1 %	0.1 %	0.1 %	0.1 %
<b>FIXED ASSETS</b>	<b>8.2 %</b>	<b>15.3 %</b>	<b>42.1 %</b>	<b>35.1 %</b>	<b>29.6 %</b>	<b>24.6 %</b>	<b>20.3 %</b>
Inventories	10.3 %	12.3 %	11.0 %	11.4 %	14.7 %	14.2 %	13.4 %
Accounts receivable	17.1 %	18.1 %	16.6 %	15.7 %	15.5 %	15.0 %	14.7 %
Other current assets	1.7 %	1.0 %	2.2 %	1.5 %	1.4 %	1.2 %	1.1 %
Liquid assets	62.4 %	53.1 %	27.7 %	35.9 %	38.6 %	44.6 %	50.2 %
Deferred taxes	0.0 %	0.2 %	0.3 %	0.3 %	0.3 %	0.3 %	0.3 %
Deferred charges and prepaid expenses	0.3 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>CURRENT ASSETS</b>	<b>91.8 %</b>	<b>84.6 %</b>	<b>57.8 %</b>	<b>64.9 %</b>	<b>70.5 %</b>	<b>75.4 %</b>	<b>79.7 %</b>
<b>TOTAL ASSETS</b>	<b>100.0 %</b>	<b>99.9 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
SHAREHOLDERS EQUITY	82.5 %	81.8 %	66.6 %	66.2 %	67.9 %	69.8 %	71.8 %
MINORITY INTEREST	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Long-term debt	0.0 %	0.0 %	7.4 %	5.7 %	5.2 %	4.7 %	4.2 %
Provisions for pensions and similar obligations	0.0 %	0.0 %	0.1 %	0.0 %	0.0 %	0.0 %	0.0 %
Other provisions	5.9 %	1.2 %	1.0 %	1.8 %	1.6 %	1.5 %	1.3 %
<b>Non-current liabilities</b>	<b>5.9 %</b>	<b>1.2 %</b>	<b>8.5 %</b>	<b>7.5 %</b>	<b>6.9 %</b>	<b>6.2 %</b>	<b>5.6 %</b>
short-term liabilities to banks	0.0 %	0.1 %	2.0 %	2.1 %	1.9 %	1.7 %	1.5 %
Accounts payable	7.9 %	9.7 %	9.0 %	10.0 %	10.3 %	10.5 %	10.5 %
Advance payments received on orders	0.1 %	0.0 %	0.5 %	2.3 %	2.1 %	1.9 %	1.7 %
Other liabilities (incl. from lease and rental contracts)	3.4 %	6.5 %	11.3 %	10.2 %	9.3 %	8.4 %	7.6 %
Deferred taxes	0.0 %	0.6 %	2.1 %	1.7 %	1.5 %	1.4 %	1.3 %
Deferred income	0.1 %	0.1 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Current liabilities</b>	<b>11.5 %</b>	<b>16.9 %</b>	<b>25.0 %</b>	<b>26.3 %</b>	<b>25.2 %</b>	<b>24.0 %</b>	<b>22.6 %</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>

Source: Company data, Hauck & Aufhäuser

Cash flow statement (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Net profit/loss	2.9	4.4	-1.4	-3.3	9.1	11.6	13.5
Depreciation of fixed assets (incl. leases)	1.0	0.9	1.4	2.8	2.5	2.7	2.8
Amortisation of goodwill	0.9	0.0	0.0	4.3	0.0	0.0	0.0
Amortisation of intangible assets	0.3	0.5	1.1	1.6	1.6	1.7	1.8
Others	2.2	0.9	1.7	3.3	0.0	0.0	0.0
Cash flow from operations before changes in w/c	7.4	6.8	2.7	8.7	13.2	16.0	18.1
Increase/decrease in inventory	-2.3	-2.2	-0.4	0.1	-4.5	-1.0	-0.9
Increase/decrease in accounts receivable	-2.5	-1.6	-1.0	1.6	-1.1	-1.3	-1.5
Increase/decrease in accounts payable	0.8	1.9	0.6	0.5	1.2	1.4	1.3
Increase/decrease in other working capital positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	-4.1	-1.9	-0.8	2.2	-4.3	-0.9	-1.0
<b>Cash flow from operating activities</b>	<b>3.3</b>	<b>4.9</b>	<b>2.0</b>	<b>10.9</b>	<b>8.8</b>	<b>15.1</b>	<b>17.1</b>
CAPEX	1.3	1.3	2.0	0.4	1.3	2.0	2.3
Payments for acquisitions	3.3	4.5	23.7	0.0	0.0	0.0	0.0
Financial investments	0.0	1.4	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	1.8	5.1	0.1	0.1	0.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-2.7</b>	<b>-2.1</b>	<b>-25.6</b>	<b>-0.4</b>	<b>-1.3</b>	<b>-2.0</b>	<b>-2.3</b>
Cash flow before financing	0.6	2.8	-23.7	10.5	7.5	13.1	14.8
Increase/decrease in debt position	0.0	-0.1	8.5	-4.0	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	47.8	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	0.0	3.3	3.3	0.0	1.6	1.6	1.6
Others	-0.4	0.0	-0.1	0.5	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.2	-0.3	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>47.4</b>	<b>-3.3</b>	<b>5.2</b>	<b>-3.5</b>	<b>-1.6</b>	<b>-1.6</b>	<b>-1.6</b>
Increase/decrease in liquid assets	48.1	-0.5	-18.3	6.7	5.9	11.5	13.2
<b>Liquid assets at end of period</b>	<b>51.8</b>	<b>46.3</b>	<b>28.0</b>	<b>34.7</b>	<b>40.6</b>	<b>52.1</b>	<b>65.3</b>

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Domestic	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of Europe	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
NAFTA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Asia Pacific	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of world	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>TTL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
<b>P&amp;L growth analysis</b>							
Sales growth	14.0 %	8.3 %	-42.8 %	68.7 %	25.5 %	13.0 %	11.0 %
EBITDA growth	6.1 %	9.3 %	-69.5 %	3.4 %	755.1 %	183.3 %	39.4 %
EBIT growth	-2.2 %	33.0 %	-114.0 %	-128.1 %	-	-	48.3 %
EPS growth	4.7 %	51.2 %	-149.1 %	-174.9 %	-729.2 %	-449.8 %	48.7 %
<b>Efficiency</b>							
Total operating costs / sales	93.7 %	93.6 %	96.9 %	93.1 %	87.4 %	86.3 %	86.0 %
Sales per employee	374.3	376.1	209.8	337.1	402.9	911.7	963.8
EBITDA per employee	23.7	24.1	6.5	23.1	50.8	124.9	134.9
<b>Balance sheet analysis</b>							
Avg. working capital / sales	13.9 %	15.6 %	27.6 %	15.4 %	14.1 %	11.4 %	11.9 %
Inventory turnover (sales/inventory)	11.8	10.2	5.6	9.5	8.5	9.0	9.5
Trade debtors in days of sales	51.4	52.9	98.3	45.0	45.0	43.0	42.0
A/P turnover [(A/P*365)/sales]	23.9	28.3	53.3	33.4	30.0	30.0	30.0
Cash conversion cycle (days)	62.7	64.7	117.1	60.5	66.0	60.2	55.8
<b>Cash flow analysis</b>							
Free cash flow	2.1	3.6	-0.1	10.5	7.5	13.1	14.8
Free cash flow/sales	2.1 %	3.3 %	-0.1 %	9.9 %	5.7 %	8.8 %	8.9 %
FCF / net profit	70.6 %	81.2 %	neg.	neg.	83.1 %	112.6 %	109.8 %
Capex / depn	56.4 %	185.4 %	79.4 %	5.0 %	31.7 %	45.5 %	50.0 %
Capex / maintenance capex	254.5 %	260.8 %	63.4 %	31.4 %	53.7 %	81.8 %	45.7 %
Capex / sales	1.3 %	2.5 %	3.2 %	0.4 %	1.0 %	1.3 %	n/a
<b>Security</b>							
Net debt	-51.8	-46.4	-18.4	-27.2	-33.1	-44.6	-57.8
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net debt / equity	neg.	neg.	neg.	neg.	neg.	neg.	neg.
Interest cover	88.3	-204.4	0.0	0.0	111.3	142.4	165.0
Dividend payout ratio	110.8 %	73.2 %	0.0 %	100.0 %	17.9 %	14.0 %	12.1 %
<b>Asset utilisation</b>							
Capital employed turnover	4.1	4.6	1.1	2.2	2.6	2.5	2.3
Operating assets turnover	5.3	5.2	2.4	5.2	5.7	6.4	7.0
Plant turnover	35.7	38.4	7.8	17.8	29.4	41.5	57.2
Inventory turnover (sales/inventory)	11.8	10.2	5.6	9.5	8.5	9.0	9.5
<b>Returns</b>							
ROCE	20.0 %	22.9 %	-1.4 %	-2.9 %	25.3 %	29.4 %	30.1 %
ROE	4.3 %	6.2 %	-2.1 %	-5.2 %	12.7 %	14.3 %	14.4 %
<b>Other</b>							
Interest paid / avg. debt	n/a	-34.6 %	1.1 %	3.2 %	1.3 %	1.5 %	1.5 %
No. employees (average)	269	290	297	312	328	164	172
Number of shares	42.3	42.3	42.3	42.3	42.3	42.3	42.3
DPS	0.5	0.5	0.0	0.3	0.3	0.3	0.3
EPS reported	0.45	0.68	-0.22	-0.51	1.39	1.79	2.07
<b>Valuation ratios</b>							
P/BV	3.8	3.7	3.9	4.1	3.7	3.2	2.8
EV/sales	2.1	2.0	3.9	2.2	1.7	1.5	1.2
EV/EBITDA	33.1	31.1	125.9	32.7	13.8	10.7	8.9
EV/EBITA	39.3	35.9	463.8	53.9	16.3	12.3	10.1
EV/EBIT	21.7	25.6	185.5	85.8	18.4	13.6	11.1
EV/FCF	102.1	60.2	-4709.3	22.6	30.6	16.7	13.9
Adjusted FCF yield	2.1 %	2.2 %	0.3 %	1.6 %	4.9 %	6.4 %	6.6 %
Dividend yield	1.2 %	1.2 %	0.0 %	0.6 %	0.6 %	0.6 %	0.6 %

Source: Company data, Hauck & Aufhäuser

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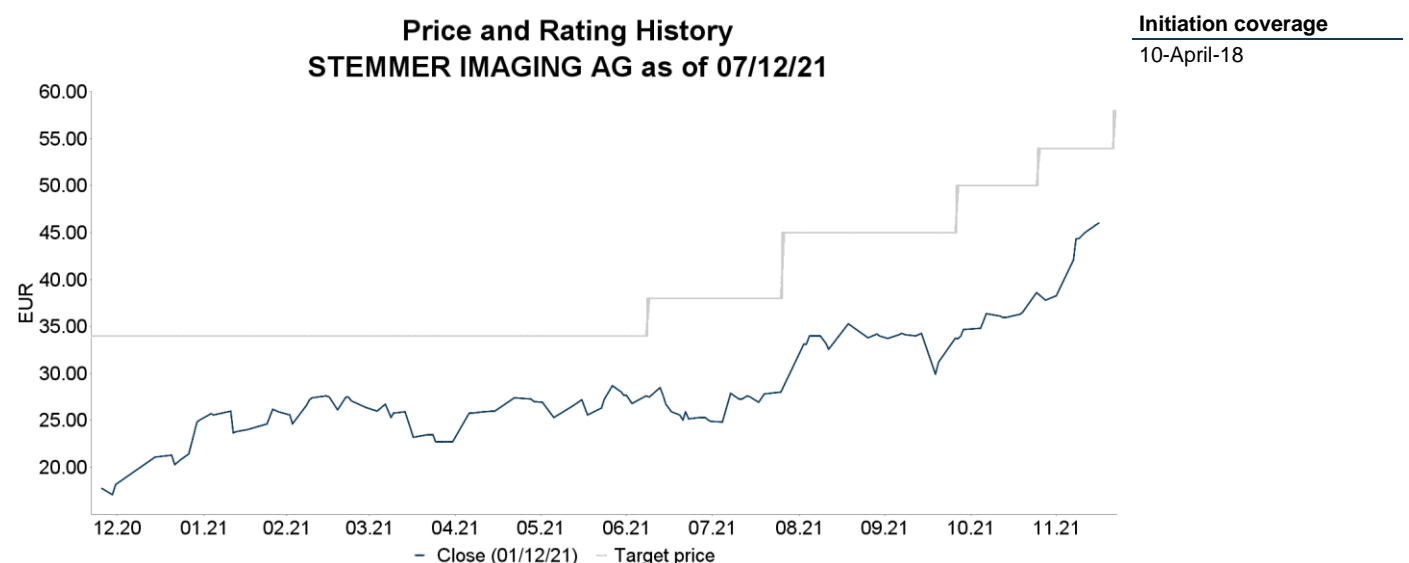
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Company	Disclosure
STEMMER IMAGING AG	6

**Historical target price and rating changes for STEMMER IMAGING AG in the last 12 months**



Company	Date	Analyst	Rating	Target price	Close
STEMMER IMAGING AG	11.11.2021	Breiter, Henning	Buy	EUR 54,00	EUR 38,60
	07.09.2021	Breiter, Henning	Buy	EUR 45,00	EUR 35,30
	07.09.2021	Breiter, Henning	Buy	EUR 45,00	EUR 35,30
	07.09.2021	Breiter, Henning	Buy	EUR 45,00	EUR 35,30
	07.09.2021	Breiter, Henning	Buy	EUR 45,00	EUR 35,30

07.09.2021	Breiter, Henning	Buy	EUR 45,00	EUR 35,30
07.09.2021	Breiter, Henning	Buy	EUR 45,00	EUR 35,30
07.09.2021	Breiter, Henning	Buy	EUR 45,00	EUR 35,30
07.09.2021	Breiter, Henning	Buy	EUR 45,00	EUR 35,30
07.09.2021	Breiter, Henning	Buy	EUR 45,00	EUR 35,30
07.09.2021	Breiter, Henning	Buy	EUR 45,00	EUR 35,30
12.08.2021	Breiter, Henning	Buy	EUR 45,00	EUR 28,00
25.06.2021	Breiter, Henning	Buy	EUR 38,00	EUR 27,50
17.12.2020	Breiter, Henning	Buy	EUR 34,00	EUR 18,15

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