

# 2G Energy AG

Germany / Cleantech  
 Primary exchange: Frankfurt  
 Bloomberg: 2GB GR  
 ISIN: DE000A0HL8N9

## 2022 Annual Report & Q1/23 sales

### RATING PRICE TARGET

Return Potential  
 Risk Rating

### BUY € 32.00

29.6%  
 Medium

## VERY GOOD START TO THE NEW YEAR

2G Energy has presented its 2022 annual report, which confirmed the previously reported figures. Net income of €16.4m was above our €14.8m forecast due to an extraordinary gain of €1.8m. As we expected, the management and supervisory boards are proposing a 12% increase in the dividend to €0.14 per share. 2G had an excellent Q1/23 with revenue growth of ca. 40% y/y to ca. €68m. We see the strong Q1 sales figure and the significant increase in order intake in March as confirmation of our revenue forecast of €345m, which is close to the upper end of guidance (€350m). 2G has reconfirmed 2023 guidance (sales: €310 - 350m, EBIT margin: 6.5% - 8.5%). An updated DCF model yields a slightly higher price target of €32 (previously: €31). We reiterate our Buy recommendation.

**Very strong first quarter** Q1 sales rose by ca. 40% to ca. €68m. Given the inventory build-up of €26m in Q4/22, we had expected revenue of this magnitude.

**Order intake has started to pick up** In Q1, 2G's order intake fell by 24% y/y to €41.0m. Although the order intake was weak in January and February, it increased by 92% y/y to €25.9m in March. Given the well-filled project pipeline, we expect this trend to continue in the coming months. Order intake in 2022 amounted to €186.9m. In the CHP plant business, 2G generated sales of €164.5m, resulting in a book-to-bill ratio of 1.14, which, as in the previous year, is above 1.

**Order backlog at record level at the end of 2022** The order backlog at the end of 2022 amounted to €177m and was thus 16% above the previous year's figure of €153m.

(p.t.o.)

### FINANCIAL HISTORY & PROJECTIONS

|                    | 2020   | 2021   | 2022   | 2023E  | 2024E  | 2025E  |
|--------------------|--------|--------|--------|--------|--------|--------|
| Revenue (€m)       | 246.73 | 266.35 | 312.63 | 345.00 | 385.64 | 443.49 |
| Y-o-y growth       | 4.4%   | 8.0%   | 17.4%  | 10.4%  | 11.8%  | 15.0%  |
| EBIT (€m)          | 16.43  | 17.93  | 21.95  | 27.44  | 38.67  | 44.43  |
| EBIT margin        | 6.7%   | 6.7%   | 7.0%   | 8.0%   | 10.0%  | 10.0%  |
| Net income (€m)    | 11.97  | 12.61  | 16.39  | 18.43  | 26.18  | 30.15  |
| EPS (diluted) (€)  | 0.68   | 0.77   | 0.91   | 1.03   | 1.46   | 1.68   |
| DPS (€)            | 0.11   | 0.13   | 0.14   | 0.19   | 0.22   | 0.24   |
| FCF (€m)           | 7.07   | 4.01   | -4.39  | 6.58   | 15.62  | 13.73  |
| Net gearing        | -7.1%  | -15.5% | -6.6%  | -9.0%  | -15.9% | -19.2% |
| Liquid assets (€m) | 11.03  | 19.93  | 13.48  | 17.55  | 29.76  | 39.54  |

### RISKS

The main risks include regulatory changes, internationalisation, high natural gas prices in combination with low electricity prices.

### COMPANY PROFILE

2G Energy AG is a leading producer of combined heat and power (CHP) plants. The company offers a wide product range of plants with a capacity from 20 kW to 4.5 MW and addresses the natural gas, weak gases, and hydrogen markets. 2G is headquartered in Heek, Germany, and has distribution and service sites in various countries.

### MARKET DATA

As of 27 Apr 2023

|                         |                 |
|-------------------------|-----------------|
| Closing Price           | € 24.70         |
| Shares outstanding      | 17.94m          |
| Market Capitalisation   | € 443.12m       |
| 52-week Range           | € 18.52 / 27.75 |
| Avg. Volume (12 Months) | 20,306          |

| Multiples  | 2022 | 2023E | 2024E |
|------------|------|-------|-------|
| P/E        | 27.0 | 24.0  | 16.9  |
| EV/Sales   | 1.4  | 1.3   | 1.1   |
| EV/EBIT    | 19.9 | 15.9  | 11.3  |
| Div. Yield | 0.6% | 0.8%  | 0.9%  |

### STOCK OVERVIEW



### COMPANY DATA

As of 31 Dec 2022

|                      |           |
|----------------------|-----------|
| Liquid Assets        | € 13.48m  |
| Current Assets       | € 179.70m |
| Intangible Assets    | € 5.01m   |
| Total Assets         | € 21.59m  |
| Current Liabilities  | € 77.75m  |
| Shareholders' Equity | € 108.61m |

### SHAREHOLDERS

|                    |       |
|--------------------|-------|
| Christian Grotholt | 29.6% |
| Ludger Gausling    | 15.5% |
| Free Float         | 54.9% |

**Hydrogen CHP business benefits from Japanese orders** 2G has received an order to supply three hydrogen CHP plants to Japan. This is the sixth hydrogen CHP order (eight plants in total) from Japan. The country is a pioneer in establishing a hydrogen economy. The orders show that 2G is absolutely competitive in this relatively developed hydrogen market.

**Net income 2022 above our forecast** Net income was €16.4m (see figure 1) – 10% above our estimate of €14.8m – due to extraordinary income of €1.8m (reversal of a provision for back taxes).

**Figure 1: 2022 P&L figures**

| All figures in €m | 2022A | 2022E | delta | 2021A | delta |
|-------------------|-------|-------|-------|-------|-------|
| Sales             | 312.6 | 312.6 | 0%    | 266.3 | 17%   |
| Total output      | 338.8 | 338.8 | 0%    | 268.9 | 26%   |
| EBIT              | 22.0  | 22.0  | 0%    | 17.9  | 23%   |
| EBIT margin       | 7.0%  | 7.0%  | -     | 6.7%  | -     |
| Net income        | 16.4  | 14.8  | 10%   | 12.6  | 30%   |
| Net margin (%)    | 5.2%  | 4.7%  | -     | 4.7%  | -     |
| EPS diluted (€)   | 0.91  | 0.83  | 10%   | 0.77  | 18%   |

Source: First Berlin Equity Research, 2G Energy AG

**Balance sheet remains strong** Equity increased over the year from €95m to €109m (+15% y/y) due mainly to the €16.4m net profit. The equity ratio fell from 56% to 51% owing to the balance sheet expansion (+25% y/y) and thus remains at a high level. Bank borrowings remain low (€6.3m vs. €5.3m in PY) and, as in the prior year, 2G has a net cash position, now €6.1m (2021: €13.6m).

**High investments lead to negative free cash flow** At €5.0m, operating cash flow was below the previous year's value due to higher working capital requirements. Capital expenditure of €9.4m (including the new, integrated Group IT infrastructure, additional plots of land in Heek, takeover of SenerTec) led to free cash flow of €-4.4m. Net cash flow was €-6.4 million (see figure 2).

**Figure 2: Selected items of the cash flow statement**

| All figures in €m    | 2022A | 2021A |
|----------------------|-------|-------|
| Operating cash flow  | 5.0   | 8.9   |
| CAPEX                | -9.4  | -4.9  |
| Free cash flow       | -4.4  | 4.0   |
| Investment cash flow | -9.7  | -1.8  |
| Financial cash flow  | -1.6  | 1.6   |
| Net cash flow        | -6.4  | 8.6   |

Source: First Berlin Equity Research, 2G Energy AG

**Buy confirmed with slightly increased price target** An updated DCF model yields a new price target of €32 (previously: €31). We believe that 2023 will be another successful year of profitable growth for 2G. Our recommendation remains Buy.



## VALUATION MODEL

| Figures in €m  | 2023E  | 2024E  | 2025E  | 2026E  | 2027E  | 2028E  | 2029E  | 2030E  |
|--|--------|--------|--------|--------|--------|--------|--------|--------|
| Net sales  | 345.00 | 385.64 | 443.49 | 510.01 | 586.52 | 662.76 | 735.67 | 801.88 |
| Growth y/y   | 10%    | 12%    | 15%    | 15%    | 15%    | 13%    | 11%    | 9%     |
| EBIT   | 27.44  | 38.67  | 44.43  | 51.00  | 58.65  | 66.28  | 73.57  | 80.19  |
| EBIT margin  | 8.0%   | 10.0%  | 10.0%  | 10.0%  | 10.0%  | 10.0%  | 10.0%  | 10.0%  |
| NOPLAT   | 18.93  | 26.68  | 30.65  | 35.70  | 41.06  | 46.39  | 51.50  | 56.13  |
| + depreciation & amortis. (excl. GW)                 | 4.62   | 5.24   | 5.88   | 7.65   | 8.80   | 9.94   | 11.03  | 12.03  |
| = net operating cash flow                            | 23.55  | 31.92  | 36.53  | 43.35  | 49.85  | 56.33  | 62.53  | 68.16  |
| - total investments (Capex and WC)                   | -16.48 | -15.80 | -22.30 | -17.42 | -29.45 | -30.53 | -30.72 | -29.90 |
| capital expenditure                                  | -7.40  | -6.40  | -7.40  | -7.65  | -8.80  | -9.94  | -11.03 | -12.03 |
| working capital                                      | -9.08  | -9.40  | -14.90 | -9.77  | -20.66 | -20.59 | -19.68 | -17.88 |
| +/- others (incl. adj. on net int., provisions, etc) | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   |
| = Free cash flow (FCF)                               | 7.08   | 16.12  | 14.23  | 25.93  | 20.40  | 25.81  | 31.81  | 38.25  |
| PV of FCFs   | 6.72   | 14.01  | 11.31  | 18.86  | 13.58  | 15.71  | 17.72  | 19.50  |

| €m                                      |        |
|---|--------|
| PVs of FCFs explicit period (2023E-36E) | 242.25 |
| PVs of FCFs in terminal period          | 332.82 |
| Enterprise Value (EV)                   | 575.08 |
| Net cash / (Net debt)                   | 6.11   |
| Minorities                              | -0.04  |
| Shareholder value                       | 581.15 |
| No. of shares outstanding (m)           | 17.94  |
| Fair value per share (€)                | 32.39  |

|                      |       |
|----------------------|-------|
| Terminal growth      | 3.0%  |
| Terminal EBIT margin | 10.0% |

|                        |       |
|------------------------|-------|
| WACC                   | 9.3%  |
| Cost of equity         | 9.6%  |
| Pre-tax cost of debt   | 4.0%  |
| Normal tax rate        | 30.0% |
| After-tax cost of debt | 2.8%  |
| Share of equity        | 95.0% |
| Share of debt          | 5.0%  |
| Price Target (€)       | 32.00 |

|      |       | Sensitivity analysis |       |       |       |       |       |       | Fair value per share (€) |
|------|-------|----------------------|-------|-------|-------|-------|-------|-------|--------------------------|
|      |       | Terminal EBIT margin |       |       |       |       |       |       |                          |
| WACC |       | 8.5%                 | 9.0%  | 9.5%  | 10.0% | 10.5% | 11.0% | 11.5% |                          |
|      | 12.3% | 15.78                | 17.10 | 18.41 | 19.73 | 21.05 | 22.37 | 23.69 |                          |
|      | 11.3% | 18.25                | 19.75 | 21.25 | 22.74 | 24.24 | 25.74 | 27.23 |                          |
|      | 10.3% | 21.46                | 23.19 | 24.91 | 26.64 | 28.37 | 30.09 | 31.82 |                          |
|      | 9.3%  | 25.76                | 27.79 | 29.82 | 32.39 | 33.88 | 35.92 | 37.95 |                          |
|      | 8.3%  | 31.78                | 34.23 | 36.68 | 39.14 | 41.59 | 44.04 | 46.49 |                          |
|      | 7.3%  | 40.72                | 43.80 | 46.87 | 49.94 | 53.02 | 56.09 | 59.17 |                          |
|      | 6.3%  | 55.28                | 59.36 | 63.43 | 67.51 | 71.59 | 75.66 | 79.74 |                          |

\* for layout purposes the model shows numbers only to 2030, but runs until 2036



## INCOME STATEMENT

| All figures in €m                                   | 2020         | 2021         | 2022         | 2023E        | 2024E        | 2025E        |
|---|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Revenues</b>                                     | <b>246.7</b> | <b>266.3</b> | <b>312.6</b> | <b>345.0</b> | <b>385.6</b> | <b>443.5</b> |
| Change in inventories                               | 7.4          | 2.6          | 26.0         | 0.0          | 0.0          | 0.0          |
| Own work  | 0.1          | 0.0          | 0.2          | 0.2          | 0.2          | 0.2          |
| <b>Total output</b>                                 | <b>254.2</b> | <b>268.9</b> | <b>338.8</b> | <b>345.2</b> | <b>385.8</b> | <b>443.7</b> |
| Material costs                                      | -167.3       | -171.3       | -224.1       | -221.5       | -246.8       | -286.5       |
| <b>Gross profit</b>                                 | <b>87.0</b>  | <b>97.7</b>  | <b>114.7</b> | <b>123.7</b> | <b>139.0</b> | <b>157.2</b> |
| Personnel expenses                                  | -44.3        | -49.4        | -57.0        | -61.0        | -64.5        | -72.0        |
| Other operating income                              | 2.3          | 3.4          | 4.4          | 5.0          | 5.4          | 6.2          |
| Other operating expenses                            | -24.6        | -29.7        | -35.3        | -35.6        | -35.9        | -41.0        |
| <b>EBITDA</b>                                       | <b>20.1</b>  | <b>21.9</b>  | <b>26.6</b>  | <b>32.1</b>  | <b>43.9</b>  | <b>50.3</b>  |
| Depreciation and amortisation                       | -3.7         | -3.9         | -4.7         | -4.6         | -5.2         | -5.9         |
| <b>Operating income (EBIT)</b>                      | <b>16.4</b>  | <b>17.9</b>  | <b>22.0</b>  | <b>27.4</b>  | <b>38.7</b>  | <b>44.4</b>  |
| Net financial result                                | -0.2         | -0.2         | -0.4         | -0.7         | -0.7         | -0.7         |
| <b>Income before taxes &amp; minority interests</b> | <b>16.3</b>  | <b>17.7</b>  | <b>23.5</b>  | <b>26.7</b>  | <b>37.9</b>  | <b>43.7</b>  |
| Other income / expenses                             | 0.0          | 0.0          | 1.9          | 0.0          | 0.0          | 0.0          |
| Income taxes  | -4.3         | -5.1         | -7.1         | -8.3         | -11.8        | -13.5        |
| Minority interests                                  | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Net income / loss</b>                            | <b>12.0</b>  | <b>12.6</b>  | <b>16.4</b>  | <b>18.4</b>  | <b>26.2</b>  | <b>30.2</b>  |
| <b>EPS in €</b>                                     | <b>0.68</b>  | <b>0.77</b>  | <b>0.91</b>  | <b>1.03</b>  | <b>1.46</b>  | <b>1.68</b>  |
| <b>Diluted EPS (in €)</b>                           | <b>0.68</b>  | <b>0.77</b>  | <b>0.91</b>  | <b>1.03</b>  | <b>1.46</b>  | <b>1.68</b>  |

### Ratios

|  |       |       |       |       |       |       |
|--|-------|-------|-------|-------|-------|-------|
| Gross margin (gross profit / total output) | 34.2% | 36.3% | 33.9% | 35.8% | 36.0% | 35.4% |
| EBITDA margin (EBITDA / revenue)           | 8.1%  | 8.2%  | 8.5%  | 9.3%  | 11.4% | 11.3% |
| EBIT margin (EBIT / revenue)               | 6.7%  | 6.7%  | 7.0%  | 8.0%  | 10.0% | 10.0% |
| Net income margin                          | 4.9%  | 4.7%  | 5.2%  | 5.3%  | 6.8%  | 6.8%  |
| Tax rate                                   | 26.5% | 28.7% | 30.2% | 31.0% | 31.0% | 31.0% |

### Expenses as % of revenues

|                               |       |       |       |       |       |       |
|-------------------------------|-------|-------|-------|-------|-------|-------|
| Personnel expenses            | 17.9% | 18.5% | 18.2% | 17.7% | 16.7% | 16.2% |
| Other operating expenses      | 10.0% | 11.2% | 11.3% | 10.3% | 9.3%  | 9.2%  |
| Depreciation and amortisation | 1.5%  | 1.5%  | 1.5%  | 1.3%  | 1.4%  | 1.3%  |

### Y/Y growth

|                   |       |      |       |       |       |       |
|-------------------|-------|------|-------|-------|-------|-------|
| Revenues          | 4.4%  | 8.0% | 17.4% | 10.4% | 11.8% | 15.0% |
| Operating income  | 6.2%  | 9.1% | 22.5% | 25.0% | 40.9% | 14.9% |
| Net income / loss | 16.1% | 5.3% | 30.0% | 12.5% | 42.0% | 15.2% |



## BALANCE SHEET

| All figures in €m                          | 2020         | 2021         | 2022         | 2023E        | 2024E        | 2025E        |
|--|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Assets</b>                              |              |              |              |              |              |              |
| <b>Current assets, total</b>               | <b>119.8</b> | <b>142.6</b> | <b>179.7</b> | <b>192.4</b> | <b>216.3</b> | <b>244.6</b> |
| Cash and cash equivalents                  | 11.0         | 19.9         | 13.5         | 17.5         | 29.8         | 39.5         |
| Trade accounts and notes receivables       | 42.2         | 43.4         | 57.1         | 60.5         | 66.6         | 75.3         |
| Inventories                                | 60.8         | 72.2         | 102.6        | 107.8        | 113.4        | 123.2        |
| Other current assets                       | 5.9          | 7.1          | 6.5          | 6.5          | 6.5          | 6.5          |
| <b>Non-current assets, total</b>           | <b>26.7</b>  | <b>27.1</b>  | <b>31.9</b>  | <b>34.7</b>  | <b>35.8</b>  | <b>36.6</b>  |
| Property, plant and equipment              | 22.9         | 22.6         | 26.8         | 30.2         | 31.9         | 34.0         |
| Goodwill + intangible assets               | 2.9          | 4.5          | 5.0          | 4.4          | 3.8          | 2.5          |
| Financial assets                           | 0.9          | 0.0          | 0.1          | 0.1          | 0.1          | 0.1          |
| <b>Total assets</b>                        | <b>146.6</b> | <b>169.7</b> | <b>211.6</b> | <b>227.0</b> | <b>252.1</b> | <b>281.2</b> |
| <b>Shareholders' equity &amp; debt</b>     |              |              |              |              |              |              |
| <b>Liabilities, total</b>                  | <b>68.2</b>  | <b>75.2</b>  | <b>103.0</b> | <b>102.5</b> | <b>104.8</b> | <b>108.4</b> |
| Interest bearing debt                      | 5.5          | 5.3          | 6.3          | 6.3          | 6.3          | 6.3          |
| Trade accounts payable                     | 10.0         | 11.5         | 20.5         | 20.0         | 22.3         | 25.9         |
| Provisions                                 | 13.4         | 17.7         | 21.4         | 21.4         | 21.4         | 21.4         |
| Other current liabilities                  | 39.4         | 40.7         | 54.7         | 54.7         | 54.7         | 54.7         |
| <b>Shareholders equity, total</b>          | <b>78.3</b>  | <b>94.5</b>  | <b>108.6</b> | <b>124.5</b> | <b>147.3</b> | <b>172.8</b> |
| Share capital*                             | 4.4          | 4.5          | 17.9         | 17.9         | 17.9         | 17.9         |
| Capital reserve                            | 11.2         | 16.4         | 3.0          | 3.0          | 3.0          | 3.0          |
| Losses carried forward / retained earnings | 63.7         | 74.3         | 88.5         | 104.4        | 127.2        | 153.4        |
| Other reserves                             | -1.0         | -0.7         | -0.7         | -0.7         | -0.7         | -1.4         |
| Minority interests                         | 0.0          | -0.1         | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Total consolidated equity and debt</b>  | <b>146.6</b> | <b>169.7</b> | <b>211.6</b> | <b>227.0</b> | <b>252.1</b> | <b>281.2</b> |
| *2022: share split                         |              |              |              |              |              |              |
| <b>Ratios</b>                              |              |              |              |              |              |              |
| Current ratio (x)                          | 2.4          | 2.6          | 2.3          | 2.5          | 2.7          | 2.9          |
| Equity ratio (as %)                        | 53.4%        | 55.7%        | 51.3%        | 54.9%        | 58.4%        | 61.5%        |
| Net gearing (as %)                         | -7.1%        | -15.5%       | -6.6%        | -9.0%        | -15.9%       | -19.2%       |
| Equity per share (in €)                    | 17.7         | 21.1         | 6.1          | 6.9          | 8.2          | 9.6          |
| Net debt                                   | -5.6         | -14.6        | -7.1         | -11.2        | -23.4        | -33.2        |
| Interest coverage ratio (x)                | 89           | 87           | 72           | 38           | 53           | 61           |
| Av. working capital/sales                  | 24.5%        | 25.4%        | 26.7%        | 28.7%        | 28.1%        | 27.2%        |
| Return on equity (ROE)                     | 15.3%        | 13.3%        | 15.1%        | 14.8%        | 17.8%        | 17.4%        |
| Return on capital employed (ROCE)          | 17.2%        | 16.7%        | 17.3%        | 19.0%        | 23.6%        | 23.7%        |
| Days of inventory turnover                 | 90           | 99           | 120          | 114          | 107          | 101          |
| Days sales outstanding (DSO)               | 62           | 59           | 67           | 64           | 63           | 62           |
| Days payables outstanding (DPO)            | 22           | 24           | 33           | 33           | 33           | 33           |



## CASH FLOW STATEMENT

| All figures in €m                                     | 2020        | 2021        | 2022         | 2023E       | 2024E       | 2025E       |
|---|-------------|-------------|--------------|-------------|-------------|-------------|
| <b>Net income</b>                                     | <b>12.0</b> | <b>12.6</b> | <b>16.4</b>  | <b>18.4</b> | <b>26.2</b> | <b>30.2</b> |
| + Depreciation and amortisation                       | 3.7         | 3.9         | 4.7          | 4.6         | 5.2         | 5.9         |
| - Investment in working capital                       | -5.6        | -6.4        | -21.7        | -9.1        | -9.4        | -14.9       |
| +/- Others (prov., non cash expenses, interest, etc.) | -0.3        | -1.3        | 5.7          | 0.0         | 0.0         | 0.0         |
| <b>Operating cash flow</b>                            | <b>9.8</b>  | <b>8.9</b>  | <b>5.0</b>   | <b>14.0</b> | <b>22.0</b> | <b>21.1</b> |
| - CAPEX   | -2.7        | -4.9        | -9.4         | -7.4        | -6.4        | -7.4        |
| <b>Free cash flow</b>                                 | <b>7.1</b>  | <b>4.0</b>  | <b>-4.4</b>  | <b>6.6</b>  | <b>15.6</b> | <b>13.7</b> |
| Acquisitions  | 0.0         | -1.2        | -0.3         | 0.0         | 0.0         | 0.0         |
| Financial investments                                 | 0.2         | 0.9         | -0.1         | 0.0         | 0.0         | 0.0         |
| Disposals   | 0.4         | 3.3         | 0.0          | 0.0         | 0.0         | 0.0         |
| <b>Investment cash flow</b>                           | <b>-2.1</b> | <b>-1.8</b> | <b>-9.7</b>  | <b>-7.4</b> | <b>-6.4</b> | <b>-7.4</b> |
| Change in financial liabilities                       | -5.0        | -1.3        | 1.0          | 0.0         | 0.0         | 0.0         |
| Dividends paid  | -2.0        | -2.0        | -2.2         | -2.5        | -3.4        | -3.9        |
| Purchase of own shares                                | 0.0         | 0.0         | 0.0          | 0.0         | 0.0         | 0.0         |
| Capital measures                                      | 0.0         | 5.3         | 0.0          | 0.0         | 0.0         | 0.0         |
| Others  | -0.4        | -0.3        | -0.4         | 0.0         | 0.0         | 0.0         |
| <b>Financial cash flow</b>                            | <b>-7.4</b> | <b>1.6</b>  | <b>-1.6</b>  | <b>-2.5</b> | <b>-3.4</b> | <b>-3.9</b> |
| <b>Change in cash</b>                                 | <b>0.3</b>  | <b>8.6</b>  | <b>-6.4</b>  | <b>4.1</b>  | <b>12.2</b> | <b>9.8</b>  |
| Exchange rate-related changes                         | 0.1         | 0.1         | -0.3         | 0.0         | 0.0         | 0.0         |
| Cash, start of the year                               | 10.0        | 10.5        | 19.7         | 13.3        | 17.5        | 29.8        |
| <b>Cash, end of the year</b>                          | <b>10.5</b> | <b>19.7</b> | <b>13.3</b>  | <b>17.5</b> | <b>29.8</b> | <b>39.5</b> |
| <b>Free cash flow per share in €</b>                  | <b>1.60</b> | <b>0.89</b> | <b>-0.24</b> | <b>0.37</b> | <b>0.87</b> | <b>0.77</b> |
| <b>Y/Y growth</b>                                     |             |             |              |             |             |             |
| Operating cash flow                                   | -           | -9.6%       | -43.8%       | 180.7%      | 57.6%       | -4.0%       |
| Free cash flow  | -           | n.a.        | n.a.         | n.a.        | 137.5%      | -12.1%      |
| Financial cash flow                                   | -           | n.a.        | n.a.         | 55.5%       | 35.7%       | 15.8%       |
| Free cash flow per share                              | -           | n.a.        | n.a.         | n.a.        | 137.5%      | -12.1%      |

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| Category                             |  | 1             | 2           |
|--------------------------------------|--|---------------|-------------|
| Current market capitalisation (in €) |  | 0 - 2 billion | > 2 billion |
| Strong Buy <sup>1</sup>              | An expected favourable price trend of: | > 50%         | > 30%       |
| Buy                                  | An expected favourable price trend of: | > 25%         | > 15%       |
| Add                                  | An expected favourable price trend of: | 0% to 25%     | 0% to 15%   |
| Reduce                               | An expected negative price trend of:   | 0% to -15%    | 0% to -10%  |
| Sell                                 | An expected negative price trend of:   | < -15%        | < -10%      |

<sup>1</sup> The expected price trend is in combination with sizable confidence in the quality and forecast security of management.

Our recommendation system places each company into one of two market capitalisation categories. Category 1 companies have a market capitalisation of €0 – €2 billion, and Category 2 companies have a market capitalisation of > €2 billion. The expected return thresholds underlying our recommendation system are lower for Category 2 companies than for Category 1 companies. This reflects the generally lower level of risk associated with higher market capitalisation companies.

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| Report No.:    | Date of publication | Previous day closing price | Recommendation | Price target |
|----------------|---------------------|----------------------------|----------------|--------------|
| Initial Report | 26 November 2010    | €3.30                      | Buy            | €4.50        |
| 2...79         | ↓                   | ↓                          | ↓              | ↓            |
| 80             | 11 April 2022       | €29.90                     | Add            | €31.00       |
| 81             | 25 April 2022       | €28.20                     | Add            | €31.00       |
| 82             | 20 May 2022         | €25.55                     | Add            | €31.00       |
| 83             | 6 September 2022    | €23.80                     | Buy            | €31.00       |
| 84             | 21 October 2022     | €21.65                     | Buy            | €31.00       |
| 85             | 21 November 2022    | €23.55                     | Buy            | €31.00       |
| 86             | 24 February 2023    | €22.50                     | Buy            | €31.00       |
| 87             | 3 April 2023        | €23.05                     | Buy            | €31.00       |
| 88             | Today               | €24.70                     | Buy            | €32.00       |



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