

Buy EUR 16.50 (EUR 16.00) Price EUR 15.00 Upside 10.0 %	Value Indicators: EUR DCF: 16.50 FCF-Value Potential 22e: 18.90	Warburg ESG Risk Score: 3.0 ESG Score (MSCI based): 3.0 Balance Sheet Score: 5.0 Market Liquidity Score: 1.0	Description: PLM and EIM specialist; worldwide biggest Dassault VAR
	Market Snapshot: EUR m Market cap: 125.5 No. of shares (m): 8.4 EV: 97.8 Freefloat MC: 106.7 Ø Trad. Vol. (30d): 43.14 th	Shareholders: Freefloat 85.0 % Primepulse 15.0 %	Key Figures (WRe): 2021e Beta: 1.2 Price / Book: 2.2 x Equity Ratio: 66 %

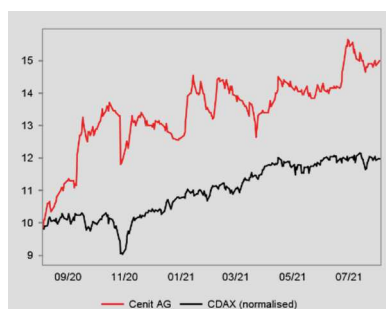
Q2 figures show strong momentum vs. weak comps

in EUR m	Q2/21	Q2/21e	Q2/20	yoy	6M/21	6M/20	yoy
Sales	37.7	37.3	35.5	6.3%	73.9	74.7	-10%
EBIT margin	3.9%	3.2%	-0.7%	-	13%	10%	19.8%
EPS in EUR	0.11	0.08	-0.02	-	0.05	0.04	25.0%
PLM	34.5	33.5	32.1	7.4%	67.1	67.6	-0.6%
EIM	3.3	3.8	3.4	-3.5%	6.8	7.1	-4.8%

Comment on Figures:

- Third-party software revenues grew by 4% yoy to EUR 24m.
- Consulting revenues expanded by 10% to EUR 10m.
- Proprietary Software sales increased by 9% to EUR 4m.
- Order entries were lower than in the first quarter, (Q1: EUR 50.3m vs. EUR 32.5m). However, Q1 order entries reflected multi-period orders related to e.g. software maintenance.

- Cenit's Q2 results were in line with the full-year projection. Revenues in the second quarter compare to a year-earlier quarter which suffered the strongest impact of the social-distancing measures. From a sequential perspective, revenues made slight progress (+EUR 1.5m). Despite the social distancing measures, virtual tutorials, webinars and support contributed to the favourable sales generation. Increased momentum in the area of proprietary software contributed to both the revenue development and favourable EBIT growth.
- In the **EIM** segment, where a substantial part of revenues is generated with clients in the financial industry, demand was slightly more robust and is still characterised by the shift towards services, providing higher value for clients and therefore generating higher margins. The scarcity of qualified staff apparently had a negative impact in the segment. **PLM** showed a more favourable growth rate in Q2 supported by all three revenue types, i.e. consulting, third-party software and proprietary software.
- Proprietary software growth contributed to the EBIT expansion. While Q1 was impacted by higher accruals for holidays than usual, this effect is normalising. Lower travel expenses contributed to a reduction in other costs. The number of employees declined sequentially from 704 in Q1 to 695 in Q2 indicating that, similar to Q1, employee attrition contributed to higher profitability.
- While the business environment is still strained for companies in Cenit's target client groups, investment behaviour should improve towards the second half of the year, supporting our estimates.
- Management confirmed its guidance. Our estimates remain unchanged but the model has been rolled forward, which leads to a slight increase in the price target. **The Buy rating is confirmed.**

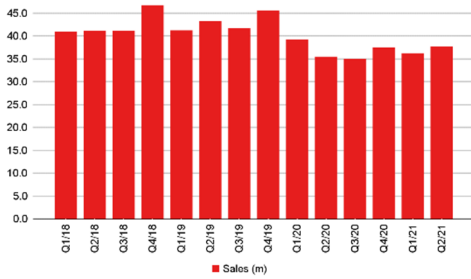


Rel. Performance vs CDAX:	
1 month:	-2.6 %
6 months:	6.1 %
Year to date:	7.9 %
Trailing 12 months:	29.4 %

Company events:
04.11.21 Q3

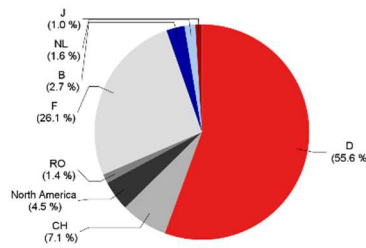
FY End: 31.12. in EUR m	CAGR (20-23e)	2017	2018	2019	2020	2021e	2022e	2023e
Sales	4.0 %	151.7	170.0	171.7	147.2	155.0	160.1	165.4
Change Sales yoy		22.6 %	12.1 %	1.0 %	-14.3 %	5.3 %	3.3 %	3.3 %
Gross profit margin		54.3 %	50.4 %	49.8 %	48.8 %	51.0 %	51.0 %	51.0 %
EBITDA	19.9 %	15.3	11.9	15.2	9.6	12.6	13.8	16.6
Margin		10.1 %	7.0 %	8.9 %	6.5 %	8.1 %	8.6 %	10.0 %
EBIT	34.8 %	12.8	9.0	9.2	3.6	4.9	6.1	8.9
Margin		8.5 %	5.3 %	5.4 %	2.5 %	3.2 %	3.8 %	5.4 %
Net income	36.7 %	8.8	5.9	6.9	2.3	3.1	4.0	5.9
EPS	36.4 %	1.05	0.71	0.82	0.28	0.37	0.47	0.71
EPS adj.	36.4 %	1.05	0.71	0.82	0.28	0.37	0.47	0.71
DPS	2.1 %	1.00	0.60	0.00	0.47	0.30	0.40	0.50
Dividend Yield		4.7 %	3.3 %	n.a.	4.2 %	2.0 %	2.7 %	3.3 %
FCFPS		0.28	0.95	0.70	0.95	0.41	0.38	0.92
FCF / Market cap		1.3 %	5.2 %	5.1 %	8.4 %	2.7 %	2.6 %	6.1 %
EV / Sales		1.0 x	0.8 x	0.6 x	0.5 x	0.6 x	0.6 x	0.5 x
EV / EBITDA		10.1 x	11.3 x	6.3 x	7.3 x	7.8 x	6.9 x	5.3 x
EV / EBIT		12.0 x	15.0 x	10.5 x	19.4 x	20.0 x	15.6 x	9.8 x
P / E		20.2 x	25.7 x	16.5 x	40.4 x	40.5 x	31.9 x	21.1 x
P / E adj.		20.2 x	25.7 x	16.5 x	40.4 x	40.5 x	31.9 x	21.1 x
FCF Potential Yield		6.6 %	5.7 %	11.5 %	11.0 %	9.5 %	10.7 %	13.9 %
Net Debt		-23.5	-17.9	-17.0	-24.5	-27.7	-30.7	-38.2
ROCE (NOPAT)		74.2 %	32.0 %	31.9 %	11.5 %	14.4 %	14.5 %	21.9 %
Guidance:		2021: sales approx. EUR 152m; EBIT approx. EUR 4.9m.						

Sales development
in EUR m



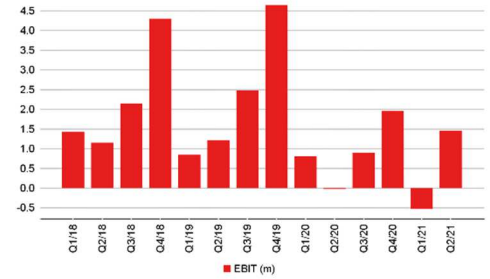
Source: Warburg Research

Sales by regions
2020; in %



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

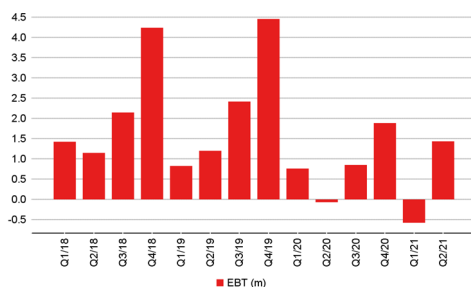
Company Background

- Cenit is an independent software reseller providing complementary IT services and proprietary software.
- The business activities are divided into two segments: Product Lifecycle Management (PLM) and Enterprise Information Management (EIM).
- In the PLM segment, Cenit provides its customers with the full range of consulting, software and IT service offerings which are a necessity for operating an integrated PLM infrastructure.
- In the Enterprise Information Management (EIM) segment, Cenit addresses customer needs in trade and commerce, banks, insurance companies as well as utilities. IBM is an important software partner.
- PLM and EIM comprise submarkets such as Computer-aided Design (CAD), collaborative Product Definition Management (cPDM), Digital Manufacturing (DM), Enterprise Content Management (ECM) and Business Intelligence (BI).

Competitive Quality

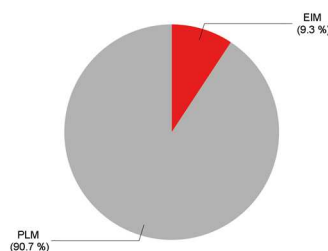
- Cenit is Dassault's worldwide biggest value-added reseller
- Dassault's dominant market position in the PLM software market is reflected in its market share north of 30% laying the foundation for Cenit's competitive quality.
- Proprietary add-on software refines off-the-shelf products and provides bridges to industry standard software such as SAP.
- Cenit is IBM's top-3 European partner for Cognos and FileNet

EBT development
in EUR m



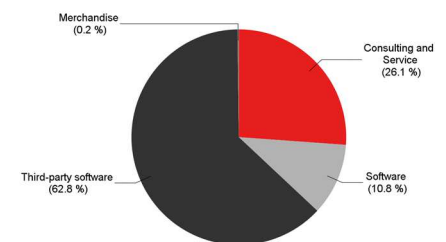
Source: Warburg Research

Sales by segments
2020; in %



Source: Warburg Research

Revenue types
2020



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	
Sales	155.0	160.1	165.4	170.4	174.3	178.3	182.4	186.6	190.9	195.3	199.8	204.3	208.4	
Sales change	5.3 %	3.3 %	3.3 %	3.0 %	2.3 %	2.3 %	2.3 %	2.3 %	2.3 %	2.3 %	2.3 %	2.3 %	2.0 %	2.0 %
EBIT	4.9	6.1	8.9	9.4	9.9	10.7	10.9	11.2	11.5	11.7	12.0	12.3	12.5	
EBIT-margin	3.2 %	3.8 %	5.4 %	5.5 %	5.7 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	
Tax rate (EBT)	30.0 %	30.0 %	30.0 %	31.0 %	31.0 %	31.0 %	31.0 %	31.0 %	31.0 %	31.0 %	31.0 %	31.0 %	31.0 %	
NOPAT	3.4	4.3	6.2	6.5	6.9	7.4	7.6	7.7	7.9	8.1	8.3	8.5	8.6	
Depreciation	7.7	7.7	7.7	5.1	5.2	5.3	5.5	5.6	5.7	5.9	6.0	6.1	6.3	
in % of Sales	4.9 %	4.8 %	4.6 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	
Changes in provisions	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	
Change in Liquidity from														
- Working Capital	2.0	3.1	0.6	-3.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	
- Capex	2.0	2.0	2.0	5.1	5.2	5.3	5.5	5.6	5.7	5.9	6.0	6.1	6.3	
Capex in % of Sales	1.3 %	1.2 %	1.2 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	
Other	3.4	3.4	3.4	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)	3.7	3.4	7.9	9.8	6.5	7.1	7.2	7.4	7.6	7.7	7.9	8.1	8.3	8
PV of FCF	3.7	3.2	6.8	7.8	4.8	4.8	4.6	4.3	4.1	3.9	3.7	3.5	3.3	56
share of PVs	11.88 %			38.97 %										49.15 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	2.00 %	Financial Strength	1.25
Cost of debt (after tax)	2.1 %	Liquidity (share)	1.25
Market return	7.00 %	Cyclicality	1.25
Risk free rate	1.50 %	Transparency	1.10
		Others	1.15
WACC	7.98 %	Beta	1.20

Valuation (m)

Present values 2033e	58		
Terminal Value	56		
Financial liabilities	0		
Pension liabilities	2		
Hybrid capital	0		
Minority interest	1		
Market val. of investments	0		
Liquidity	26	No. of shares (m)	8.4
Equity Value	138	Value per share (EUR)	16.54

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		1.25 %	1.50 %	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.39	9.0 %	14.13	14.29	14.45	14.63	14.82	15.03	15.25	1.39	9.0 %	11.49	12.54	13.59	14.63	15.68	16.73	17.77
1.29	8.5 %	14.90	15.09	15.30	15.51	15.75	16.01	16.28	1.29	8.5 %	12.14	13.27	14.39	15.51	16.64	17.76	18.88
1.25	8.2 %	15.33	15.54	15.77	16.01	16.27	16.56	16.87	1.25	8.2 %	12.51	13.68	14.84	16.01	17.17	18.34	19.51
1.20	8.0 %	15.79	16.02	16.27	16.54	16.84	17.16	17.51	1.20	8.0 %	12.91	14.12	15.33	16.54	17.76	18.97	20.18
1.15	7.7 %	16.29	16.55	16.82	17.13	17.46	17.82	18.21	1.15	7.7 %	13.34	14.60	15.86	17.13	18.39	19.65	20.91
1.11	7.5 %	16.83	17.11	17.42	17.76	18.13	18.54	18.99	1.11	7.5 %	13.81	15.13	16.44	17.76	19.08	20.40	21.71
1.01	7.0 %	18.04	18.40	18.79	19.22	19.70	20.23	20.83	1.01	7.0 %	14.89	16.34	17.78	19.22	20.67	22.11	23.56

- We expect Cenit to return to its historical margin levels.

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	2017	2018	2019	2020	2021e	2022e	2023e	
Net Income before minorities	9.0	6.1	7.0	2.3	3.3	4.2	6.1	
+ Depreciation + Amortisation	2.4	2.9	6.0	6.0	7.7	7.7	7.7	
- Net Interest Income	-0.2	-0.1	-0.3	-0.2	-0.2	-0.2	-0.2	
- Maintenance Capex	1.4	1.5	2.3	0.7	1.8	1.8	1.8	
+ Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
= Free Cash Flow Potential	10.2	7.7	11.0	7.7	9.3	10.2	12.1	
FCF Potential Yield (on market EV)	6.6 %	5.7 %	11.5 %	11.0 %	9.5 %	10.7 %	13.9 %	
WACC	7.98 %	7.98 %	7.98 %	7.98 %	7.98 %	7.98 %	7.98 %	
= Enterprise Value (EV)	154.0	135.1	96.3	70.3	97.8	94.8	87.3	
= Fair Enterprise Value	127.6	95.9	138.4	96.9	117.0	127.6	152.1	
- Net Debt (Cash)	-26.1	-26.1	-26.1	-26.1	-29.3	-32.3	-39.8	
- Pension Liabilities	1.6	1.6	1.6	1.6	1.6	1.6	1.6	
- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Market value of minorities	0.0	0.0	0.0	0.0	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	152.1	120.4	162.9	121.4	144.7	158.3	190.3	
Number of shares, average	8.4	8.4	8.4	8.4	8.4	8.4	8.4	
= Fair value per share (EUR)	18.18	14.39	19.47	14.51	17.29	18.92	22.75	
premium (-) / discount (+) in %					15.3 %	26.1 %	51.6 %	
Sensitivity Fair value per Share (EUR)								
	10.98 %	14.01	11.26	14.95	11.35	13.47	14.75	17.78
	9.98 %	15.12	12.09	16.15	12.19	14.49	15.86	19.10
	8.98 %	16.48	13.11	17.62	13.22	15.74	17.22	20.72
WACC	7.98 %	18.18	14.39	19.47	14.51	17.29	18.92	22.75
	6.98 %	20.36	16.03	21.84	16.17	19.30	21.10	25.35
	5.98 %	23.28	18.22	25.00	18.39	21.97	24.02	28.83
	4.98 %	27.37	21.30	29.43	21.49	25.71	28.10	33.70

- Business model with low capex requirements and high FCF...
- ...provides scope for acquisitions and a shareholder-friendly dividend policy.
- FCF-Value-CAGR 2017-2023e: 4%

Valuation	2017	2018	2019	2020	2021e	2022e	2023e
Price / Book	4.5 x	4.0 x	2.8 x	2.3 x	2.2 x	2.1 x	1.9 x
Book value per share ex intangibles	2.96	2.90	3.30	3.70	5.37	5.73	6.31
EV / Sales	1.0 x	0.8 x	0.6 x	0.5 x	0.6 x	0.6 x	0.5 x
EV / EBITDA	10.1 x	11.3 x	6.3 x	7.3 x	7.8 x	6.9 x	5.3 x
EV / EBIT	12.0 x	15.0 x	10.5 x	19.4 x	20.0 x	15.6 x	9.8 x
EV / EBIT adj.*	12.0 x	15.0 x	10.5 x	19.4 x	20.0 x	15.6 x	9.8 x
P / FCF	75.1 x	19.1 x	19.5 x	11.9 x	36.4 x	39.1 x	16.4 x
P / E	20.2 x	25.7 x	16.5 x	40.4 x	40.5 x	31.9 x	21.1 x
P / E adj.*	20.2 x	25.7 x	16.5 x	40.4 x	40.5 x	31.9 x	21.1 x
Dividend Yield	4.7 %	3.3 %	n.a.	4.2 %	2.0 %	2.7 %	3.3 %
FCF Potential Yield (on market EV)	6.6 %	5.7 %	11.5 %	11.0 %	9.5 %	10.7 %	13.9 %

*Adjustments made for: -

Company Specific Items	2017	2018	2019	2020	2021e	2022e	2023e
Consulting and Service	51.62	49.78	49.49	38.49	53.00	53.00	53.00
Software	17.56	15.45	16.54	15.93	18.00	18.00	18.00
Third-party software	82.36	104.30	105.63	92.51	112.00	112.00	112.00
Merchandise	0.16	0.47	0.24	0.31	0.70	0.70	0.70

Consolidated profit & loss

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Sales	151.7	170.0	171.7	147.2	155.0	160.1	165.4
Change Sales yoy	22.6 %	12.1 %	1.0 %	-14.3 %	5.3 %	3.3 %	3.3 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Sales	151.7	170.0	171.7	147.2	155.0	160.1	165.4
Material expenses	69.3	84.2	86.3	75.4	76.0	78.5	81.0
Gross profit	82.4	85.8	85.5	71.9	79.1	81.7	84.4
<i>Gross profit margin</i>	<i>54.3 %</i>	<i>50.4 %</i>	<i>49.8 %</i>	<i>48.8 %</i>	<i>51.0 %</i>	<i>51.0 %</i>	<i>51.0 %</i>
Personnel expenses	53.1	58.6	60.3	54.8	58.0	60.0	60.0
Other operating income	1.5	1.9	1.3	1.2	2.5	2.6	2.7
Other operating expenses	15.5	17.1	11.3	8.6	11.0	10.5	10.5
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	15.3	11.9	15.2	9.6	12.6	13.8	16.6
<i>Margin</i>	<i>10.1 %</i>	<i>7.0 %</i>	<i>8.9 %</i>	<i>6.5 %</i>	<i>8.1 %</i>	<i>8.6 %</i>	<i>10.0 %</i>
Depreciation of fixed assets	0.9	1.1	4.4	6.0	6.0	6.0	6.0
EBITA	14.3	10.9	10.9	3.6	6.6	7.8	10.6
Amortisation of intangible assets	1.5	1.9	1.7	0.0	1.7	1.7	1.7
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	12.8	9.0	9.2	3.6	4.9	6.1	8.9
<i>Margin</i>	<i>8.5 %</i>	<i>5.3 %</i>	<i>5.4 %</i>	<i>2.5 %</i>	<i>3.2 %</i>	<i>3.8 %</i>	<i>5.4 %</i>
EBIT adj.	12.8	9.0	9.2	3.6	4.9	6.1	8.9
Interest income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest expenses	0.2	0.1	0.3	0.2	0.2	0.2	0.2
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	12.7	9.0	8.9	3.4	4.7	5.9	8.7
<i>Margin</i>	<i>8.4 %</i>	<i>5.3 %</i>	<i>5.2 %</i>	<i>2.3 %</i>	<i>3.0 %</i>	<i>3.7 %</i>	<i>5.3 %</i>
Total taxes	3.7	2.8	1.9	1.1	1.4	1.8	2.6
Net income from continuing operations	9.0	6.1	7.0	2.3	3.3	4.2	6.1
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	9.0	6.1	7.0	2.3	3.3	4.2	6.1
Minority interest	0.2	0.2	0.1	0.0	0.2	0.2	0.2
Net income	8.8	5.9	6.9	2.3	3.1	4.0	5.9
<i>Margin</i>	<i>5.8 %</i>	<i>3.5 %</i>	<i>4.0 %</i>	<i>1.6 %</i>	<i>2.0 %</i>	<i>2.5 %</i>	<i>3.6 %</i>
Number of shares, average	8.4	8.4	8.4	8.4	8.4	8.4	8.4
EPS	1.05	0.71	0.82	0.28	0.37	0.47	0.71
EPS adj.	1.05	0.71	0.82	0.28	0.37	0.47	0.71

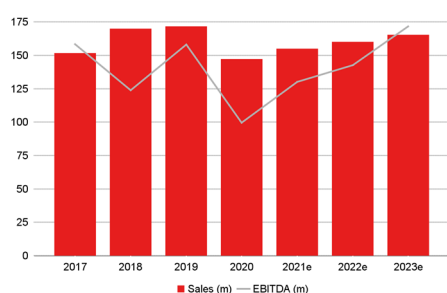
*Adjustments made for:

Guidance: 2021: sales approx. EUR 152m; EBIT approx. EUR 4.9m.

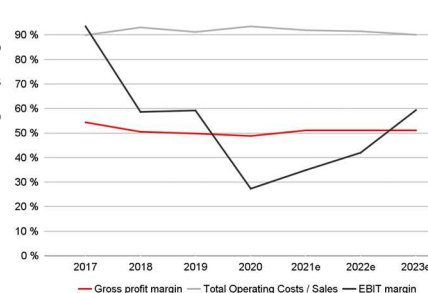
Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Total Operating Costs / Sales	89.9 %	93.0 %	91.1 %	93.5 %	91.9 %	91.4 %	90.0 %
Operating Leverage	0.4 x	-2.5 x	1.8 x	4.2 x	6.5 x	7.5 x	13.9 x
EBITDA / Interest expenses	92.0 x	168.3 x	51.1 x	47.5 x	75.6 x	82.9 x	99.7 x
Tax rate (EBT)	29.1 %	31.6 %	21.8 %	33.1 %	30.0 %	30.0 %	30.0 %
Dividend Payout Ratio	93.1 %	81.9 %	0.0 %	171.5 %	76.0 %	80.6 %	68.5 %
Sales per Employee	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

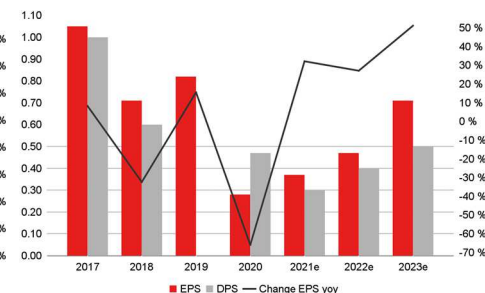
Sales, EBITDA
in EUR m



Operating Performance
in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

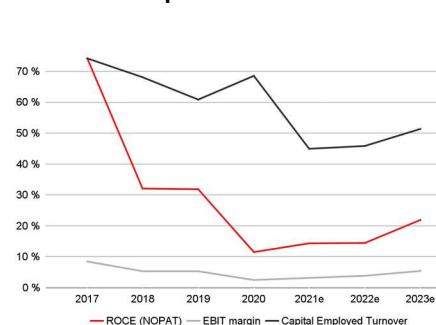
Consolidated balance sheet

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Assets							
Goodwill and other intangible assets	14.8	13.5	12.2	11.1	11.4	11.7	12.1
thereof other intangible assets	2.0	1.6	1.3	0.1	0.5	0.8	1.1
thereof Goodwill	6.6	6.6	6.6	6.6	6.6	6.6	6.6
Property, plant and equipment	2.7	2.7	16.5	13.7	10.9	8.1	5.3
Financial assets	0.1	2.6	2.7	3.1	3.1	3.1	3.1
Other long-term assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fixed assets	17.6	18.7	31.4	27.9	25.4	22.9	20.5
Inventories	0.1	0.0	0.3	0.0	0.1	0.1	0.1
Accounts receivable	28.6	25.0	24.1	17.0	19.1	22.4	23.1
Liquid assets	23.7	18.0	18.5	26.1	29.3	32.3	39.8
Other short-term assets	17.3	17.3	15.1	12.4	12.4	12.4	12.4
Current assets	69.7	60.3	58.0	55.5	60.9	67.2	75.4
Total Assets	87.3	79.1	89.3	83.4	86.3	90.2	95.9
Liabilities and shareholders' equity							
Subscribed capital	8.4	8.4	8.4	8.4	8.4	8.4	8.4
Capital reserve	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Retained earnings	13.7	14.1	14.2	14.2	13.4	14.9	17.4
Other equity components	16.5	14.3	16.2	18.4	33.5	35.4	38.0
Shareholders' equity	39.6	37.8	39.8	42.1	56.3	59.7	64.9
Minority interest	1.2	1.3	1.1	0.7	0.7	0.7	0.7
Total equity	40.9	39.1	40.9	42.7	57.0	60.4	65.5
Provisions	0.7	0.9	1.9	2.8	2.8	2.8	2.8
thereof provisions for pensions and similar obligations	0.2	0.1	1.5	1.6	1.6	1.6	1.6
Financial liabilities (total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Short-term financial liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	7.9	7.9	6.0	3.3	3.4	3.6	3.7
Other liabilities	37.8	31.1	40.5	34.7	23.1	23.5	23.9
Liabilities	46.4	40.0	48.4	40.7	29.3	29.9	30.4
Total liabilities and shareholders' equity	87.3	79.1	89.3	83.4	86.3	90.2	95.9

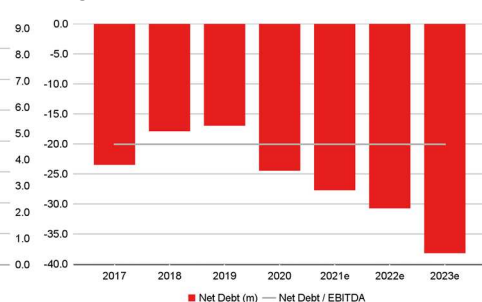
Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Efficiency of Capital Employment							
Operating Assets Turnover	7.5 x	9.9 x	5.2 x	5.5 x	6.0 x	6.1 x	6.9 x
Capital Employed Turnover	8.7 x	8.0 x	7.2 x	8.1 x	5.3 x	5.4 x	6.1 x
ROA	50.0 %	31.8 %	21.9 %	8.3 %	12.3 %	17.3 %	29.0 %
Return on Capital							
ROCE (NOPAT)	74.2 %	32.0 %	31.9 %	11.5 %	14.4 %	14.5 %	21.9 %
ROE	22.2 %	15.4 %	17.7 %	5.7 %	6.3 %	6.8 %	9.5 %
Adj. ROE	22.2 %	15.4 %	17.7 %	5.7 %	6.3 %	6.8 %	9.5 %
Balance sheet quality							
Net Debt	-23.5	-17.9	-17.0	-24.5	-27.7	-30.7	-38.2
Net Financial Debt	-23.7	-18.0	-18.5	-26.1	-29.3	-32.3	-39.8
Net Gearing	-57.5 %	-45.8 %	-41.5 %	-57.3 %	-48.6 %	-50.9 %	-58.3 %
Net Fin. Debt / EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Book Value / Share	4.7	4.5	4.8	5.0	6.7	7.1	7.8
Book value per share ex intangibles	3.0	2.9	3.3	3.7	5.4	5.7	6.3

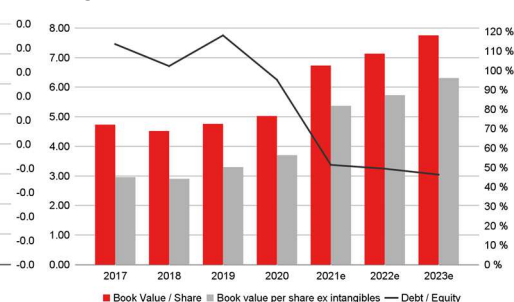
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

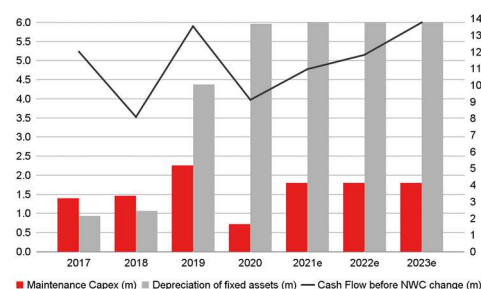
Consolidated cash flow statement

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Net income	9.0	6.1	7.0	2.3	3.3	4.2	6.1
Depreciation of fixed assets	0.9	1.1	4.4	6.0	6.0	6.0	6.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.5	1.9	1.7	0.0	1.7	1.7	1.7
Increase/decrease in long-term provisions	0.0	0.0	0.7	0.0	0.0	0.0	0.0
Other non-cash income and expenses	0.6	-1.0	-0.2	0.9	0.0	0.0	0.0
Cash Flow before NWC change	12.0	8.1	13.5	9.1	11.0	11.8	13.8
Increase / decrease in inventory	0.4	0.1	-0.2	0.2	-0.1	0.0	0.0
Increase / decrease in accounts receivable	-2.5	4.5	3.0	9.0	-2.1	-3.3	-0.7
Increase / decrease in accounts payable	-6.0	-3.1	-4.6	-6.0	0.1	0.2	0.1
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 (total)	-8.1	1.5	-1.9	3.2	-2.0	-3.1	-0.6
Net cash provided by operating activities [1]	3.9	9.6	11.7	12.3	9.0	8.7	13.2
Investments in intangible assets	-1.6	-1.6	-2.5	-0.8	-2.0	-2.0	-2.0
Investments in property, plant and equipment	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payments for acquisitions	-6.2	-0.2	-0.1	-0.1	0.0	0.0	0.0
Financial investments	0.0	2.0	0.1	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by investing activities [2]	-7.7	-3.8	-2.8	-0.9	-2.0	-2.0	-2.0
Change in financial liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	-8.4	-8.4	-5.0	0.0	-3.9	-2.5	-3.3
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	-0.1	-0.1	-3.6	-3.7	-6.5	-6.5	-6.5
Net cash provided by financing activities [3]	-8.5	-8.5	-8.6	-3.7	-3.7	-3.7	-3.7
Change in liquid funds [1]+[2]+[3]	-12.3	-2.7	0.3	7.7	3.3	3.0	7.5
Effects of exchange-rate changes on cash	-0.7	0.2	0.1	-0.1	0.0	0.0	0.0
Cash and cash equivalent at end of period	20.5	21.2	18.5	26.1	29.3	32.3	39.8

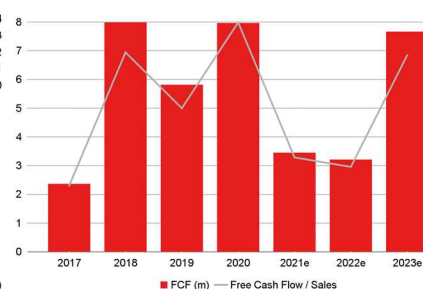
Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Cash Flow							
FCF	2.4	8.0	5.8	8.0	3.4	3.2	7.7
Free Cash Flow / Sales	1.6 %	4.7 %	3.4 %	5.4 %	2.2 %	2.0 %	4.6 %
Free Cash Flow Potential	10.2	7.7	11.0	7.7	9.3	10.2	12.1
Free Cash Flow / Net Profit	26.8 %	134.3 %	84.6 %	343.5 %	110.6 %	80.9 %	129.4 %
Interest Received / Avg. Cash	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Management of Funds							
Investment ratio	1.0 %	1.0 %	1.5 %	0.5 %	1.3 %	1.2 %	1.2 %
Maint. Capex / Sales	0.9 %	0.9 %	1.3 %	0.5 %	1.2 %	1.1 %	1.1 %
Capex / Dep	63.9 %	55.7 %	41.5 %	13.4 %	26.1 %	26.1 %	26.1 %
Avg. Working Capital / Sales	11.2 %	9.5 %	9.1 %	10.0 %	9.0 %	10.3 %	11.1 %
Trade Debtors / Trade Creditors	360.4 %	315.4 %	404.5 %	520.8 %	561.8 %	622.2 %	624.3 %
Inventory Turnover	796.8 x	2807.9 x	334.3 x	6281.6 x	873.0 x	901.8 x	931.6 x
Receivables collection period (days)	69	54	51	42	45	51	51
Payables payment period (days)	42	34	25	16	16	17	17
Cash conversion cycle (Days)	11	9	19	23	25	31	31

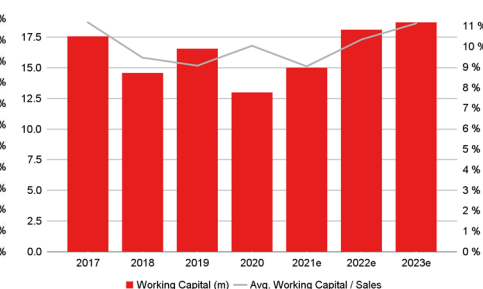
CAPEX and Cash Flow
in EUR m



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)
CENIT	5	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE0005407100.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.

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING

Rating	Number of stocks	% of Universe
Buy	152	71
Hold	56	26
Sell	4	2
Rating suspended	2	1
Total	214	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	43	81
Hold	8	15
Sell	0	0
Rating suspended	2	4
Total	53	100

PRICE AND RATING HISTORY CENIT AS OF 04.08.2021


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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