

<b>Buy</b>  <b>EUR 28.00</b>  Price <b>EUR 22.00</b> <b>Upside 27.3 %</b>	<b>Value Indicators:</b> EUR DCF: 27.96	<b>Share data:</b> Bloomberg: M7U GR Reuters: M7UG ISIN: DE000A0MSN11	<b>Description:</b> Nynomic provides contactless and non-destructive optical metrology systems
	<b>Market Snapshot:</b> EUR m Market cap: 117.1 No. of shares (m): 5.3 EV: 128.9 Freefloat MC: 80.8 Ø Trad. Vol. (30d): 36.94 th	<b>Shareholders:</b> Freefloat: 69.0 % Management*: 2.0 % Founder*: 29.0 %	<b>Risk Profile (WRe):</b> 2020e Beta: 1.4 Price / Book: 3.0 x Equity Ratio: 47 % Net Fin. Debt / EBITDA: 0.7 x Net Debt / EBITDA: 0.7 x

## Double-digit growth in the midst of a global pandemic

### Nynomic - prelim H1 2020

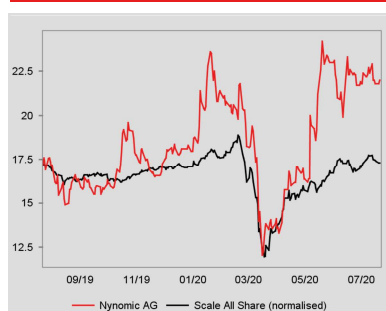
in EURm	Q2/20p	Q2/20e	Q2/19	yoy	6M/20p	6M/20e	6M/19	yoy
<b>Order backlog</b>	45.1	42.4	38.0	19.0%	45.1	42.4	38.0	19.0%
<b>Sales</b>	18.6	18.4	13.9	33.7%	36.8	36.6	29.3	25.6%
<b>EBIT</b>	1.8	1.8	1.4	23.9%	3.6	3.6	3.5	0.0%
<b>margin</b>	9.5%	9.8%	10.2%		9.7%	9.8%	12.0%	

Preliminary H1 figures published by Nynomic showed a revenue increase of 26% yoy to EUR 18.6m in the first six months which was roughly in line with our forecast (EUR 18.4m). We estimate that approx. EUR 5m resulted from the first-time consolidation of Lematec and Sensortherm, which would imply an organic growth rate of 7%. The EBIT margin of 9.7% was close to our estimate (9.8%) but slightly below the previous year's level (10.2%) and the full-year target (>10%).

After a strong start to the year (Q1: sales +18%, organic growth WRe 2.6%), the company managed to raise its growth momentum in Q2 to a growth rate of 34% and achieved a top line of EUR 18.6m. Adjusted for the estimated first-time consolidation effect, this would imply organic growth of approx. 14%. The Q2 EBIT of EUR 1.8m grew by 24% and hence at a slower pace than group sales, but against the backdrop of the current pandemic, we consider this to be a very successful performance.

The management confirmed its guidance for the full year (sales EUR 70m, EBIT margin >10%). In order to reach the sales target, the company does not require any revenue growth in H2 (sales H2/19 EUR 35.5m), which appears conservative given an order backlog (EUR 45.1m) 19% above its previous year's value. The EBIT margin is still slightly below the target, but considering that workplace precautions associated with the COVID pandemic should have had some negative impact on the profitability in Q2, we are confident that the margin will increase again in H2.

Overall, the preliminary H1 figures were in line with our expectations and confirm our view that Nynomic is less affected by the pandemic than other players in the sector. We maintain both our estimates and our target price and confirm our Buy recommendation.

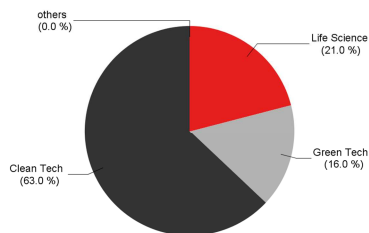


Rel. Performance vs Scale All	
1 month:	-4.6 %
6 months:	0.9 %
Year to date:	21.2 %
Trailing 12 months:	29.6 %

Company events:	
28.08.20	Q2
30.11.20	Q3

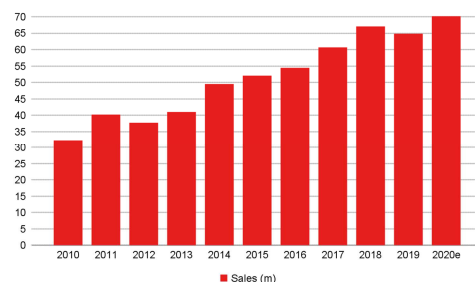
FY End: 31.12. in EUR m	CAGR (19-22e)	2016	2017	2018	2019	2020e	2021e	2022e
<b>Sales</b>	9.0 %	54.5	60.7	67.1	64.9	70.2	77.5	84.1
Change Sales yoy		4.6 %	11.4 %	10.5 %	-3.3 %	8.2 %	10.4 %	8.5 %
Gross profit margin		54.3 %	58.2 %	64.8 %	63.4 %	62.9 %	64.6 %	64.5 %
<b>EBITDA</b>	17.5 %	7.9	10.2	13.2	9.5	11.0	14.4	15.5
Margin		14.5 %	16.8 %	19.7 %	14.7 %	15.7 %	18.6 %	18.4 %
<b>EBIT</b>	25.3 %	6.8	9.1	10.1	6.4	8.4	11.7	12.6
Margin		12.6 %	15.0 %	15.0 %	9.9 %	12.0 %	15.1 %	15.0 %
<b>Net income</b>	17.4 %	3.7	4.6	6.8	4.4	5.5	7.9	7.1
<b>EPS</b>	16.3 %	0.76	0.97	1.35	0.87	1.06	1.51	1.37
<b>EPS adj.</b>	16.3 %	0.80	1.00	1.62	0.87	1.06	1.51	1.37
<b>DPS</b>	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Yield		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>FCFPS</b>		1.13	1.74	0.09	0.29	1.93	1.80	1.88
<b>FCF / Market cap</b>		17.1 %	12.8 %	0.4 %	1.6 %	8.6 %	8.0 %	8.4 %
<b>EV / Sales</b>		0.5 x	0.8 x	1.8 x	1.8 x	1.8 x	1.5 x	1.3 x
<b>EV / EBITDA</b>		3.4 x	4.9 x	9.0 x	12.1 x	11.7 x	8.2 x	7.2 x
<b>EV / EBIT</b>		3.9 x	5.4 x	11.9 x	18.1 x	15.3 x	10.2 x	8.9 x
<b>EV / EBIT adj.</b>		3.8 x	5.3 x	10.1 x	18.1 x	15.3 x	10.2 x	8.9 x
<b>P / E</b>		8.7 x	14.1 x	16.2 x	21.7 x	20.8 x	14.6 x	16.1 x
<b>P / E adj.</b>		8.3 x	13.6 x	13.5 x	21.7 x	20.8 x	14.6 x	16.1 x
<b>Net Debt</b>		-5.2	-15.8	9.6	20.2	8.1	1.7	-5.1
<b>adj. ROCE</b>		58.2 %	51.9 %	28.3 %	9.7 %	10.4 %	24.2 %	n.a.
<b>Guidance:</b>		2020: Sales EUR 70m, EBIT margin 10-15%						

Sales by segment 2019; in %



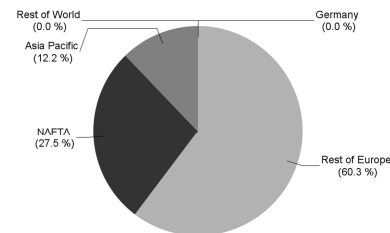
Source: Warburg Research

Sales development in EUR m



Source: Warburg Research

Sales by regions 2019; in %



Source: Warburg Research

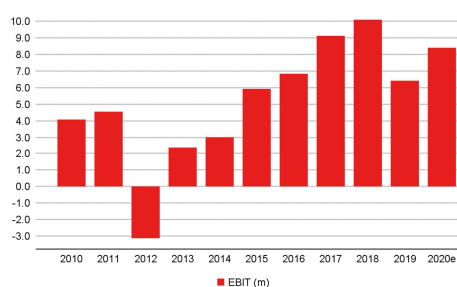
## Company Background

- Founded in 1995 Nynomic has become an international supplier for in line optical metrology systems. With a buy-and-build strategy, the company achieved 10% CAGR 14-17 and increased the EBIT margin to 15% from 6%.
- Nynomic operates three divisions, Clean Tech (68.9% of group sales in 2017), Life Science (14.6%) and Green Tech (14.2%).
- The Clean Tech division targets a wide range of industries including chemicals, semiconductors and LED & Lighting, the timber industry, food and beverages, and logistics.
- The segment Green Tech comprises Nynomic's smart farming sensor systems (e.g. soil fertility or plant assessment) as well as its environmental technology (e.g. solar module inspection).
- Life Science focuses on applications for medical technology such as spectral analysis solutions, systems for process control for medical instruments, and laboratory automation.

## Competitive Quality

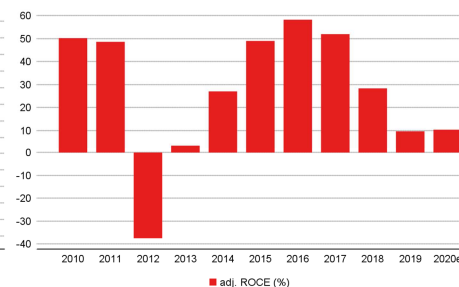
- High expertise in strongly growing niche technologies of optical metrology, which has been transferred to a wide range of industrial applications as a first mover.
- Long-standing customer relationships with deep integration in its clients' development processes and a strong reputation for critical systems in demanding end-markets like biotech or semiconductor.
- Diversified end-markets including non-cyclical industries like food and beverages, medtech, pharma, agriculture, railway as well as growth markets like semiconductor, LED and the chemical industry.
- Asset-light business model focused on system integration, with large part of the production outsourced to a network of more than 100 suppliers, using several sources for all critical components to avoid cluster risks.
- Access to the capital market allows for new market entries and adoption of new technologies via buy-and-build.

EBIT development in EUR m



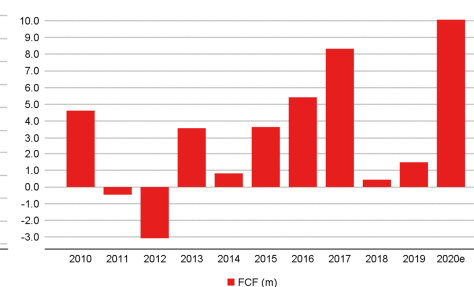
Source: Warburg Research

Adj. ROCE Development in %



Source: Warburg Research

FCF development in EUR m



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	
Sales	70.2	77.5	84.1	90.8	97.6	104.4	111.2	117.9	123.8	128.7	132.6	135.9	138.6	
Sales change	8.2 %	10.4 %	8.5 %	8.0 %	7.5 %	7.0 %	6.5 %	6.0 %	5.0 %	4.0 %	3.0 %	2.5 %	2.0 %	2.0 %
EBIT	8.4	11.7	12.6	13.6	14.6	15.7	16.7	17.7	18.6	19.3	19.9	20.3	20.4	
EBIT-margin	12.0 %	15.1 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	14.9 %	14.7 %	
Tax rate (EBT)	28.9 %	28.6 %	28.6 %	29.1 %	29.5 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	
NOPAT	6.0	8.4	9.0	9.7	10.3	11.0	11.7	12.4	13.0	13.5	13.9	14.2	14.3	
Depreciation	2.6	2.7	2.9	1.4	1.4	1.5	1.5	1.5	1.5	1.5	1.6	1.6	1.7	
in % of Sales	3.7 %	3.5 %	3.4 %	1.5 %	1.5 %	1.4 %	1.4 %	1.3 %	1.3 %	1.2 %	1.2 %	1.2 %	1.2 %	
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	-2.9	0.3	0.7	0.5	1.0	1.2	1.2	1.2	1.0	0.9	0.7	0.6	0.5	
- Capex	0.9	0.9	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.5	1.6	1.6	1.7	
Capex in % of Sales	1.3 %	1.2 %	1.1 %	1.1 %	1.1 %	1.2 %	1.2 %	1.2 %	1.2 %	1.2 %	1.2 %	1.2 %	1.2 %	
Other	-3.5	1.5	1.5	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)	14.0	8.3	8.8	9.5	9.7	10.0	10.7	11.3	12.0	12.7	13.2	13.6	13.8	14
PV of FCF	13.6	7.5	7.2	7.3	6.8	6.5	6.4	6.3	6.2	6.0	5.8	5.5	5.1	83
share of PVs	16.37 %			35.81 %										47.82 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	15.00 %	Financial Strength	1.20
Cost of debt (after tax)	4.2 %	Liquidity (share)	1.50
Market return	7.00 %	Cyclicality	1.20
Risk free rate	1.50 %	Transparency	1.50
		Others	1.40
<b>WACC</b>	<b>8.26 %</b>	<b>Beta</b>	<b>1.36</b>

Valuation (m)

Present values 2032e	90		
Terminal Value	83		
Financial liabilities	31		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	4		
Market val. of investments	0		
Liquidity	11	No. of shares (m)	5.3
<b>Equity Value</b>	<b>149</b>	<b>Value per share (EUR)</b>	<b>27.96</b>

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
1.57	9.3 %	22.42	22.77	23.14	23.54	23.96	24.42	24.91	1.57	9.3 %	20.69	21.64	22.59	23.54	24.48	25.43	26.38
1.47	8.8 %	24.23	24.65	25.10	25.58	26.10	26.67	27.28	1.47	8.8 %	22.52	23.54	24.56	25.58	26.60	27.62	28.65
1.41	8.5 %	25.23	25.69	26.19	26.73	27.30	27.93	28.61	1.41	8.5 %	23.54	24.60	25.66	26.73	27.79	28.85	29.91
1.36	8.3 %	26.30	26.81	27.36	27.96	28.61	29.31	30.07	1.36	8.3 %	24.64	25.75	26.86	27.96	29.07	30.17	31.28
1.31	8.0 %	27.45	28.02	28.63	29.30	30.02	30.81	31.67	1.31	8.0 %	25.84	26.99	28.15	29.30	30.45	31.60	32.76
1.25	7.8 %	28.70	29.33	30.01	30.75	31.56	32.45	33.43	1.25	7.8 %	27.14	28.34	29.55	30.75	31.96	33.16	34.37
1.15	7.3 %	31.50	32.29	33.14	34.08	35.12	36.26	37.53	1.15	7.3 %	30.11	31.44	32.76	34.08	35.41	36.73	38.05

- Spectral Engines minorities are valued at EUR 3.7m, consistent with our est. purchase price of EUR 12m for a 75% stake
- The cash inflow from the capital increase of approx. EUR 5m is found in the "Other" line for 2020
- Adjustments for the IFRS 16 effect are included in the "Others" line

Valuation							
	2016	2017	2018	2019	2020e	2021e	2022e
Price / Book	3.3 x	4.9 x	5.4 x	3.1 x	3.0 x	2.7 x	2.4 x
Book value per share ex intangibles	1.17	0.57	-0.36	-0.74	0.73	1.69	2.75
EV / Sales	0.5 x	0.8 x	1.8 x	1.8 x	1.8 x	1.5 x	1.3 x
EV / EBITDA	3.4 x	4.9 x	9.0 x	12.1 x	11.7 x	8.2 x	7.2 x
EV / EBIT	3.9 x	5.4 x	11.9 x	18.1 x	15.3 x	10.2 x	8.9 x
EV / EBIT adj.*	3.8 x	5.3 x	10.1 x	18.1 x	15.3 x	10.2 x	8.9 x
P / FCF	5.9 x	7.8 x	250.4 x	64.5 x	11.4 x	12.2 x	11.7 x
P / E	8.7 x	14.1 x	16.2 x	21.7 x	20.8 x	14.6 x	16.1 x
P / E adj.*	8.3 x	13.6 x	13.5 x	21.7 x	20.8 x	14.6 x	16.1 x
Dividend Yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF Potential Yield (on market EV)	20.6 %	13.4 %	7.7 %	5.2 %	6.1 %	8.7 %	10.0 %

\*Adjustments made for: -

Company Specific Items							
	2016	2017	2018	2019	2020e	2021e	2022e
adj. ROCE	58.2 %	51.9 %	28.3 %	9.7 %	10.4 %	24.2 %	n.a.

**Consolidated profit & loss**

In EUR m	2016	2017	2018	2019	2020e	2021e	2022e
<b>Sales</b>	<b>54.5</b>	<b>60.7</b>	<b>67.1</b>	<b>64.9</b>	<b>70.2</b>	<b>77.5</b>	<b>84.1</b>
Change Sales yoy	4.6 %	11.4 %	10.5 %	-3.3 %	8.2 %	10.4 %	8.5 %
Increase / decrease in inventory	0.3	1.7	0.3	0.4	-0.5	0.2	0.5
Own work capitalised	0.0	0.0	0.4	0.3	0.3	0.3	0.3
<b>Total Sales</b>	<b>54.8</b>	<b>62.4</b>	<b>67.7</b>	<b>65.5</b>	<b>70.0</b>	<b>77.9</b>	<b>84.9</b>
Material expenses	25.2	27.1	24.2	24.4	25.8	27.9	30.6
<b>Gross profit</b>	<b>29.6</b>	<b>35.3</b>	<b>43.5</b>	<b>41.1</b>	<b>44.1</b>	<b>50.1</b>	<b>54.3</b>
<i>Gross profit margin</i>	<i>54.3 %</i>	<i>58.2 %</i>	<i>64.8 %</i>	<i>63.4 %</i>	<i>62.9 %</i>	<i>64.6 %</i>	<i>64.5 %</i>
Personnel expenses	16.2	17.8	23.4	25.4	26.3	28.0	30.3
Other operating income	1.3	1.3	3.7	0.8	0.8	0.8	0.7
Other operating expenses	6.8	8.6	10.5	7.0	7.6	8.4	9.2
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBITDA</b>	<b>7.9</b>	<b>10.2</b>	<b>13.2</b>	<b>9.5</b>	<b>11.0</b>	<b>14.4</b>	<b>15.5</b>
<i>Margin</i>	<i>14.5 %</i>	<i>16.8 %</i>	<i>19.7 %</i>	<i>14.7 %</i>	<i>15.7 %</i>	<i>18.6 %</i>	<i>18.4 %</i>
Depreciation of fixed assets	0.5	0.5	0.8	2.4	2.3	2.4	2.5
<b>EBITA</b>	<b>7.4</b>	<b>9.7</b>	<b>12.5</b>	<b>7.2</b>	<b>8.7</b>	<b>12.0</b>	<b>13.0</b>
Amortisation of intangible assets	0.6	0.5	2.4	0.8	0.3	0.3	0.3
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>6.8</b>	<b>9.1</b>	<b>10.1</b>	<b>6.4</b>	<b>8.4</b>	<b>11.7</b>	<b>12.6</b>
<i>Margin</i>	<i>12.6 %</i>	<i>15.0 %</i>	<i>15.0 %</i>	<i>9.9 %</i>	<i>12.0 %</i>	<i>15.1 %</i>	<i>15.0 %</i>
<b>EBIT adj.</b>	<b>7.1</b>	<b>9.4</b>	<b>11.9</b>	<b>6.4</b>	<b>8.4</b>	<b>11.7</b>	<b>12.6</b>
Interest income	0.0	0.0	0.1	0.0	0.0	0.0	0.0
Interest expenses	0.3	0.2	0.3	0.7	0.7	0.7	0.7
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBT</b>	<b>6.5</b>	<b>9.0</b>	<b>9.8</b>	<b>5.8</b>	<b>7.7</b>	<b>11.0</b>	<b>12.0</b>
<i>Margin</i>	<i>12.0 %</i>	<i>14.7 %</i>	<i>14.6 %</i>	<i>8.9 %</i>	<i>11.0 %</i>	<i>14.2 %</i>	<i>14.2 %</i>
Total taxes	1.7	2.9	2.3	1.5	2.2	3.2	3.4
<b>Net income from continuing operations</b>	<b>4.8</b>	<b>6.1</b>	<b>7.6</b>	<b>4.3</b>	<b>5.5</b>	<b>7.9</b>	<b>8.5</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 before minorities</b>	<b>4.8</b>	<b>6.1</b>	<b>7.6</b>	<b>4.3</b>	<b>5.5</b>	<b>7.9</b>	<b>8.5</b>
Minority interest	1.1	1.4	0.7	-0.1	0.0	0.0	1.4
<b>Net income</b>	<b>3.7</b>	<b>4.6</b>	<b>6.8</b>	<b>4.4</b>	<b>5.5</b>	<b>7.9</b>	<b>7.1</b>
<i>Margin</i>	<i>6.7 %</i>	<i>7.6 %</i>	<i>10.2 %</i>	<i>6.8 %</i>	<i>7.8 %</i>	<i>10.2 %</i>	<i>8.5 %</i>
Number of shares, average	4.8	4.8	5.0	5.1	5.2	5.2	5.2
<b>EPS</b>	<b>0.76</b>	<b>0.97</b>	<b>1.35</b>	<b>0.87</b>	<b>1.06</b>	<b>1.51</b>	<b>1.37</b>
EPS adj.	0.80	1.00	1.62	0.87	1.06	1.51	1.37

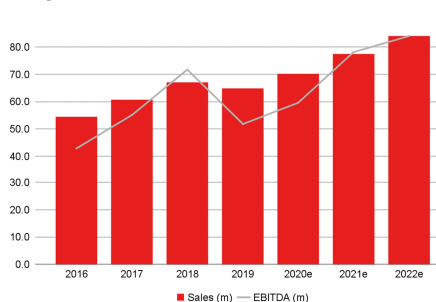
\*Adjustments made for:

**Guidance: 2020: Sales EUR 70m, EBIT margin 10-15%**

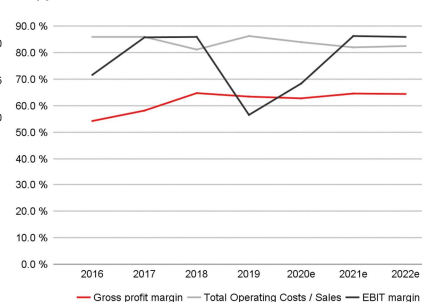
**Financial Ratios**

	2016	2017	2018	2019	2020e	2021e	2022e
Total Operating Costs / Sales	86.0 %	86.0 %	81.2 %	86.3 %	84.0 %	82.0 %	82.5 %
Operating Leverage	3.3 x	2.9 x	1.0 x	11.0 x	3.8 x	3.8 x	0.9 x
EBITDA / Interest expenses	24.1 x	50.0 x	41.2 x	13.6 x	16.2 x	21.2 x	22.8 x
Tax rate (EBT)	26.5 %	32.2 %	23.0 %	25.3 %	28.9 %	28.6 %	28.6 %
Dividend Payout Ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Sales per Employee	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

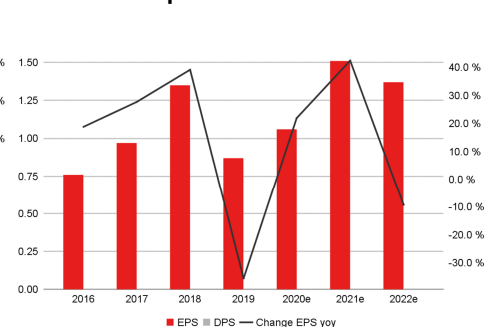
**Sales, EBITDA**  
in EUR m



**Operating Performance**  
in %



**Performance per Share**



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

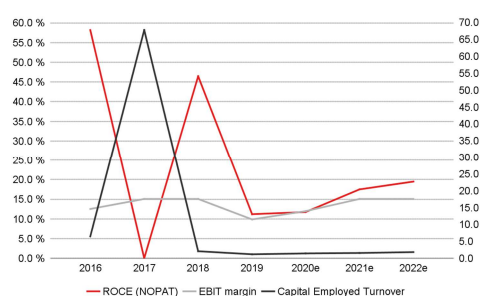
**Consolidated balance sheet**

In EUR m	2016	2017	2018	2019	2020e	2021e	2022e
<b>Assets</b>							
Goodwill and other intangible assets	3.9	10.7	22.4	35.1	35.0	34.9	34.8
thereof other intangible assets	1.4	1.2	2.2	2.2	2.1	2.0	1.8
thereof Goodwill	2.4	9.3	20.1	32.9	32.9	32.9	32.9
Property, plant and equipment	1.5	2.0	2.3	8.2	6.6	4.9	3.1
Financial assets	0.0	0.7	0.0	0.0	0.0	0.0	0.0
Other long-term assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Fixed assets</b>	<b>5.4</b>	<b>13.4</b>	<b>24.7</b>	<b>43.3</b>	<b>41.6</b>	<b>39.8</b>	<b>37.9</b>
Inventories	6.7	8.4	10.4	11.6	11.0	11.1	11.5
Accounts receivable	4.6	6.2	10.1	9.5	6.3	7.0	7.6
Liquid assets	10.6	19.6	11.1	10.6	22.8	29.2	36.0
Other short-term assets	1.4	1.6	2.8	4.2	4.2	4.2	4.2
<b>Current assets</b>	<b>23.3</b>	<b>35.8</b>	<b>34.4</b>	<b>35.9</b>	<b>44.3</b>	<b>51.5</b>	<b>59.3</b>
<b>Total Assets</b>	<b>28.7</b>	<b>49.1</b>	<b>59.1</b>	<b>79.2</b>	<b>85.9</b>	<b>91.3</b>	<b>97.2</b>
<b>Liabilities and shareholders' equity</b>							
Subscribed capital	4.8	4.8	5.1	5.1	5.3	5.3	5.3
Capital reserve	0.0	0.0	4.3	4.3	9.0	9.0	9.0
Retained earnings	4.2	4.0	11.0	21.8	24.4	29.4	34.9
Other equity components	0.5	4.6	0.2	0.2	0.2	0.2	0.2
Shareholders' equity	9.5	13.4	20.5	31.4	38.9	43.9	49.5
Minority interest	4.1	3.3	2.3	1.5	1.5	1.5	1.5
<b>Total equity</b>	<b>13.6</b>	<b>16.7</b>	<b>22.9</b>	<b>32.8</b>	<b>40.4</b>	<b>45.4</b>	<b>50.9</b>
Provisions	5.9	23.3	10.7	1.8	1.8	1.8	1.8
thereof provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial liabilities (total)	5.3	3.7	20.7	30.9	30.9	30.9	30.9
thereof short-term financial liabilities	5.3	3.7	20.7	3.8	3.8	3.8	3.8
Accounts payable	1.8	2.4	1.9	3.6	2.7	3.2	3.5
Other liabilities	2.0	3.0	2.8	10.1	10.1	10.1	10.1
<b>Liabilities</b>	<b>15.1</b>	<b>32.4</b>	<b>36.2</b>	<b>46.4</b>	<b>45.5</b>	<b>46.0</b>	<b>46.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>28.7</b>	<b>49.1</b>	<b>59.1</b>	<b>79.2</b>	<b>85.9</b>	<b>91.3</b>	<b>97.2</b>

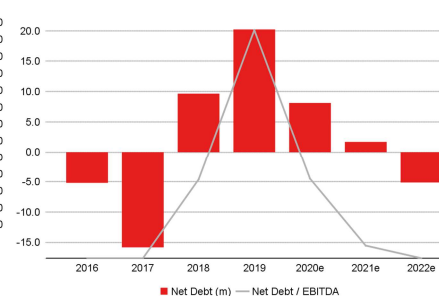
**Financial Ratios**

	2016	2017	2018	2019	2020e	2021e	2022e
<b>Efficiency of Capital Employment</b>							
Operating Assets Turnover	4.9 x	4.3 x	3.2 x	2.5 x	3.3 x	3.9 x	4.5 x
Capital Employed Turnover	6.5 x	67.8 x	2.1 x	1.2 x	1.4 x	1.6 x	1.8 x
ROA	67.3 %	34.7 %	27.6 %	10.2 %	13.2 %	19.8 %	18.9 %
<b>Return on Capital</b>							
ROCE (NOPAT)	58.2 %	n.a.	46.5 %	11.2 %	11.8 %	17.5 %	19.5 %
ROE	45.7 %	40.4 %	40.1 %	17.0 %	15.6 %	19.0 %	15.3 %
Adj. ROE	48.0 %	41.9 %	48.2 %	17.0 %	15.6 %	19.0 %	15.3 %
<b>Balance sheet quality</b>							
Net Debt	-5.2	-15.8	9.6	20.2	8.1	1.7	-5.1
Net Financial Debt	-5.2	-15.8	9.6	20.2	8.1	1.7	-5.1
Net Gearing	-38.1 %	-94.6 %	42.2 %	61.6 %	20.1 %	3.7 %	-10.1 %
Net Fin. Debt / EBITDA	n.a.	n.a.	72.9 %	211.9 %	73.8 %	11.8 %	n.a.
Book Value / Share	2.0	2.8	4.1	6.2	7.3	8.2	9.3
Book value per share ex intangibles	1.2	0.6	-0.4	-0.7	0.7	1.7	2.8

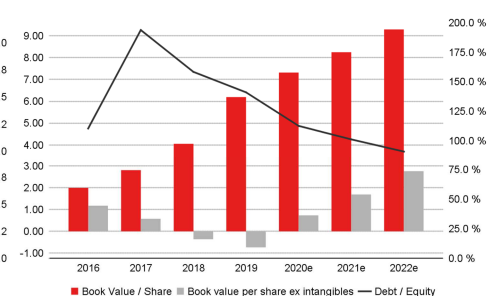
**ROCE Development**



**Net debt in EUR m**



**Book Value per Share in EUR**



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

**Consolidated cash flow statement**

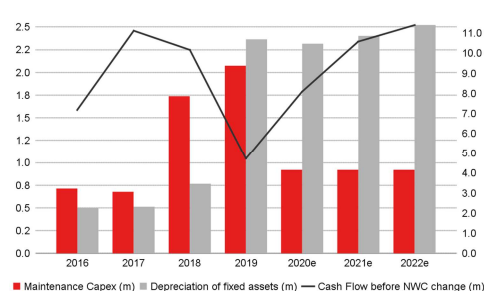
In EUR m	2016	2017	2018	2019	2020e	2021e	2022e
Net income	4.8	6.1	7.6	4.3	5.5	7.9	8.5
Depreciation of fixed assets	0.5	0.5	0.8	2.4	2.3	2.4	2.5
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.6	0.5	2.4	0.8	0.3	0.3	0.3
Increase/decrease in long-term provisions	0.4	2.1	-0.9	-2.3	0.0	0.0	0.0
Other non-cash income and expenses	0.9	1.9	0.4	-0.4	0.0	0.0	0.0
<b>Cash Flow before NWC change</b>	<b>7.2</b>	<b>11.1</b>	<b>10.2</b>	<b>4.7</b>	<b>8.1</b>	<b>10.6</b>	<b>11.4</b>
Increase / decrease in inventory	-0.4	-1.7	-2.0	-1.2	0.6	-0.1	-0.4
Increase / decrease in accounts receivable	1.4	-1.7	-3.8	0.6	3.2	-0.7	-0.6
Increase / decrease in accounts payable	0.5	0.6	-0.5	1.7	-0.9	0.5	0.3
Increase / decrease in other working capital positions	-2.6	0.6	-1.7	-2.3	0.0	0.0	0.0
Increase / decrease in working capital (total)	-1.0	-2.1	-8.0	-1.2	2.9	-0.3	-0.7
<b>Net cash provided by operating activities [1]</b>	<b>6.1</b>	<b>9.0</b>	<b>2.2</b>	<b>3.6</b>	<b>11.0</b>	<b>10.3</b>	<b>10.7</b>
Investments in intangible assets	-0.1	-0.1	-0.7	-0.7	-0.2	-0.2	-0.2
Investments in property, plant and equipment	-0.6	-0.6	-1.1	-7.8	-0.7	-0.7	-0.7
Payments for acquisitions	-1.1	0.0	-24.4	-4.5	0.0	0.0	0.0
Financial investments	0.0	0.0	-0.7	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
<b>Net cash provided by investing activities [2]</b>	<b>-1.8</b>	<b>-0.6</b>	<b>-25.4</b>	<b>-6.6</b>	<b>-0.9</b>	<b>-0.9</b>	<b>-0.9</b>
Change in financial liabilities	-0.8	-1.5	16.3	4.7	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	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	0.0	0.0	0.0	0.0	5.0	0.0	0.0
Other	-1.5	-1.5	-2.0	-2.9	-2.9	-2.9	-2.9
<b>Net cash provided by financing activities [3]</b>	<b>-2.3</b>	<b>-3.1</b>	<b>14.3</b>	<b>1.7</b>	<b>2.1</b>	<b>-2.9</b>	<b>-2.9</b>
<b>Change in liquid funds [1]+[2]+[3]</b>	<b>2.0</b>	<b>5.3</b>	<b>-8.9</b>	<b>-1.3</b>	<b>12.1</b>	<b>6.4</b>	<b>6.8</b>
Effects of exchange-rate changes on cash	0.6	-0.7	0.1	0.0	0.0	0.0	0.0
Cash and cash equivalent at end of period	10.4	19.5	10.9	10.6	22.8	29.2	36.0

**Financial Ratios**

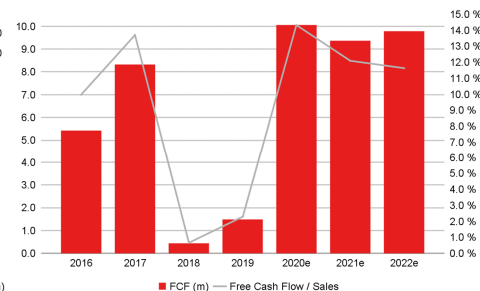
	2016	2017	2018	2019	2020e	2021e	2022e
<b>Cash Flow</b>							
FCF	5.4	8.3	0.4	1.5	10.1	9.4	9.8
Free Cash Flow / Sales	10.0 %	13.7 %	0.7 %	2.3 %	14.3 %	12.1 %	11.6 %
Free Cash Flow Potential	5.5	6.6	9.2	6.0	7.8	10.3	11.2
Free Cash Flow / Net Profit	148.3 %	179.7 %	6.5 %	33.6 %	183.1 %	118.9 %	136.9 %
Interest Received / Avg. Cash	0.3 %	0.2 %	0.3 %	0.3 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	5.7 %	4.5 %	2.6 %	2.7 %	2.2 %	2.2 %	2.2 %
<b>Management of Funds</b>							
Investment ratio	1.3 %	1.1 %	2.6 %	13.2 %	1.3 %	1.2 %	1.1 %
Maint. Capex / Sales	1.3 %	1.1 %	2.6 %	3.2 %	1.3 %	1.2 %	1.1 %
Capex / Dep	66.4 %	64.1 %	55.1 %	273.7 %	35.4 %	33.9 %	32.2 %
Avg. Working Capital / Sales	18.9 %	17.9 %	23.0 %	27.8 %	22.9 %	19.0 %	18.1 %
Trade Debtors / Trade Creditors	255.4 %	256.4 %	526.5 %	263.1 %	233.3 %	218.8 %	217.1 %
Inventory Turnover	3.7 x	3.2 x	2.3 x	2.1 x	2.3 x	2.5 x	2.7 x
Receivables collection period (days)	31	37	55	53	33	33	33
Payables payment period (days)	26	33	29	54	38	42	42
Cash conversion cycle (Days)	102	119	183	173	150	136	128

**CAPEX and Cash Flow**

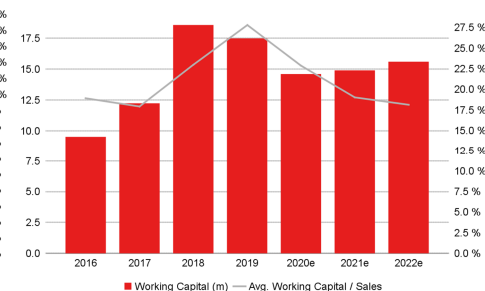
in EUR m



**Free Cash Flow Generation**



**Working Capital**



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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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-	<b>Buy:</b>	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	<b>Hold:</b>	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	<b>Sell:</b>	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	<b>Rating suspended:</b>	The available information currently does not permit an evaluation of the company.

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Rating	Number of stocks	% of Universe
Buy	128	62
Hold	58	28
Sell	12	6
Rating suspended	7	3
<b>Total</b>	<b>205</b>	<b>100</b>

## 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	33	83
Hold	5	13
Sell	0	0
Rating suspended	2	5
<b>Total</b>	<b>40</b>	<b>100</b>

## PRICE AND RATING HISTORY NYNOMIC AS OF 22.07.2020



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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