

# IBU-tec advanced materials AG

## Germany - Chemicals/ Specialty Chemicals



HAUCK & AUFHÄUSER  
Investment Banking

**Buy** (old: Buy)

**Price target: EUR 64.50** (old: EUR 64.50)

**Price:** EUR 53.60      **Next result:** H1 2021 30.08.21  
**Bloomberg:** IBU GR      **Market cap:** EUR 259.4 m  
**Reuters:** IBU.DE      **Enterprise Value:** EUR 250.4 m

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## LOI signed and LFP-supportive soundbites from Tesla

### More pipeline execution

IBU-tec yesterday announced the signing of a LOI with **Blackstone Technology GmbH**, a subsidiary of Zürich-listed Blackstone Resources (BLS), for the supply of LFP battery materials. The tonnage, in the three-digit range initially, is expected to be ramping up to an estimated 3,000 t by 2024/2025E. We estimate pricing to be within the mid-teen range / kg, as featured in our modelling assumptions.

Blackstone Technology is involved in **3D printing technology for lithium-ion batteries** with a factory based in Saxony that will start production in September 2021. The company is currently exploring a US listing to fund expansion plans and tap a broader investor base, highlighting ambitious growth plans. The material IBU-tec will be supplying is intended for the cathodes of LFP battery cells, which are used in e-mobility and in stationary energy storage systems, among others.

We believe this to be “**Customer 4**” featured in the **pipeline shown at our June management roadshow** with an average mark of 2,000 t. The announcement comes on the back of a comprehensive distribution agreement with an Asian-based player supplying some of the largest EV battery producers worldwide (see H&A update from June 17) and **demonstrates strong progress as far as pipeline execution goes.**

### Tesla's LFP pivot becoming more vocal

On Tesla's latest quarterly call, Elon Musk mentioned that the company **will curb battery diversity in the future and will essentially rely on two chemistries: nickel and iron.** Musk pointed out that the ideal case with two formats and two chemistries would feature an “iron chemistry”, i.e. **LFP for two thirds of all Tesla vehicles**, and only the one third with “demanding applications” to be fulfilled with nickel. Stationary storage, such as the Powerwall for home users and the Megapacks for large stationary power storage, is also to be converted to LFP cells. That iron is vastly available and therefore cheaper than nickel is the main reason behind this thinking.

These statements support **the LFP-revival case** witnessed in the lithium-ion battery space and should benefit IBU-tec as the sole European-based high-grade LFP supplier.

**BUY, PT € 64.50 on DCF: attractive play on looming battery materials supply bottlenecks.**

Y/E 31.12 (EUR m)	2019	2020	2021E	2022E	2023E	2024E	2025E
Sales	48.5	33.0	41.1	67.4	84.6	118.6	146.7
Sales growth	49 %	-32 %	25 %	64 %	26 %	40 %	24 %
EBITDA	7.1	7.0	7.0	13.4	18.6	29.1	38.4
EBIT	1.9	2.1	1.5	7.3	11.9	22.4	31.5
Net income	0.9	1.0	0.8	4.8	7.8	15.0	21.2
Net debt	14.6	11.3	-8.9	-8.0	-8.9	-17.7	-35.3
Net gearing	45.7 %	34.5 %	-15.1 %	-12.6 %	-12.7 %	-21.0 %	-34.0 %
Net Debt/EBITDA	2.0	1.6	0.0	0.0	0.0	0.0	0.0
EPS pro forma	0.22	0.25	0.16	1.00	1.65	3.16	4.46
CPS	0.03	0.64	-1.10	0.37	1.32	2.90	4.39
DPS	0.00	0.00	0.15	0.18	0.20	0.30	0.45
Dividend yield	0.0 %	0.0 %	0.3 %	0.3 %	0.4 %	0.5 %	0.8 %
Gross profit margin	50.9 %	49.4 %	51.5 %	56.2 %	56.4 %	56.6 %	56.8 %
EBITDA margin	14.7 %	21.2 %	17.0 %	19.9 %	22.0 %	24.6 %	26.2 %
EBIT margin	4.0 %	6.5 %	3.6 %	10.9 %	14.0 %	18.9 %	21.5 %
ROCE	4.1 %	6.3 %	2.3 %	9.4 %	14.1 %	23.7 %	28.3 %
EV/sales	4.7	6.8	6.0	3.7	2.9	2.0	1.5
EV/EBITDA	32.1	32.4	35.2	18.3	13.2	8.1	5.7
EV/EBIT	117.4	105.8	165.2	33.6	20.7	10.6	7.0
PER	247.3	214.0	328.1	53.5	32.5	16.9	12.0
Adjusted FCF yield	1.0 %	1.9 %	1.7 %	3.3 %	4.6 %	7.7 %	11.1 %

Source: Company data, Hauck & Aufhäuser Close price as of: 02.08.2021



Source: Company data, Hauck & Aufhäuser

**High/low 52 weeks:** 54.60 / 10.50

**Price/Book Ratio:** 3.9

**Relative performance (SDAX):**

3 months 12.8 %

6 months 15.2 %

12 months 295.6 %

### Changes in estimates

		Sales	EBIT	EPS
2021	<b>old:</b>	41.1	1.5	0.16
	Δ	-	-	-
2022	<b>old:</b>	67.4	7.3	1.00
	Δ	-	-	-
2023	<b>old:</b>	84.6	11.9	1.65
	Δ	-	-	-

### Key share data:

Number of shares: (in m pcs) 4.8

Authorised capital: (in € m) -

Book value per share: (in €) 12.4

Ø trading volume: (12 months) 13,736

### Major shareholders:

Free Float 51.9 %

Weitz family 33.4 %

Management board 14.7 %  
(incl. Ulrich Weitz)

### Company description:

Specialty chemicals player active both in wet chemistry and thermal processing. The company develops its own high-end specialty materials while also acting as service provider to industry.

## Financials

Profit and loss (EUR m)	2019	2020	2021E	2022E	2023E	2024E	2025E
<b>Net sales</b>	<b>48.5</b>	<b>33.0</b>	<b>41.1</b>	<b>67.4</b>	<b>84.6</b>	<b>118.6</b>	<b>146.7</b>
<i>Sales growth</i>	48.8 %	-32.0 %	24.8 %	63.9 %	25.5 %	40.1 %	23.8 %
Increase/decrease in finished goods and work-in-process	-0.1	-1.4	-1.5	0.1	0.1	0.1	0.0
<b>Total sales</b>	<b>48.4</b>	<b>31.6</b>	<b>39.6</b>	<b>67.5</b>	<b>84.7</b>	<b>118.6</b>	<b>146.7</b>
Other operating income	2.2	9.2	1.5	0.5	0.5	0.5	0.6
Material expenses	23.7	16.0	19.2	29.6	36.9	51.5	63.4
Personnel expenses	12.7	11.5	12.3	14.1	15.3	16.4	17.5
Other operating expenses	7.0	6.3	2.7	10.9	14.3	22.1	28.1
Total operating expenses	41.3	24.6	32.6	54.1	66.1	89.5	108.3
<b>EBITDA</b>	<b>7.1</b>	<b>7.0</b>	<b>7.0</b>	<b>13.4</b>	<b>18.6</b>	<b>29.1</b>	<b>38.4</b>
Depreciation	5.2	4.1	4.7	5.3	5.9	5.9	6.1
<b>EBITA</b>	<b>1.9</b>	<b>2.9</b>	<b>2.3</b>	<b>8.1</b>	<b>12.7</b>	<b>23.2</b>	<b>32.3</b>
Amortisation of goodwill	0.0	0.8	0.8	0.8	0.8	0.8	0.8
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT (inc revaluation net)</b>	<b>1.9</b>	<b>2.1</b>	<b>1.5</b>	<b>7.3</b>	<b>11.9</b>	<b>22.4</b>	<b>31.5</b>
Interest income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest expenses	0.4	0.5	0.3	0.3	0.3	0.3	0.3
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-0.4	-0.5	-0.3	-0.3	-0.3	-0.3	-0.3
<b>Recurring pretax income from continuing operations</b>	<b>1.5</b>	<b>1.7</b>	<b>1.1</b>	<b>7.0</b>	<b>11.5</b>	<b>22.1</b>	<b>31.2</b>
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Earnings before taxes</b>	<b>1.5</b>	<b>1.7</b>	<b>1.1</b>	<b>7.0</b>	<b>11.5</b>	<b>22.1</b>	<b>31.2</b>
Taxes	0.7	0.6	0.4	2.2	3.7	7.1	10.0
<b>Net income from continuing operations</b>	<b>0.9</b>	<b>1.0</b>	<b>0.8</b>	<b>4.8</b>	<b>7.8</b>	<b>15.0</b>	<b>21.2</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>0.9</b>	<b>1.0</b>	<b>0.8</b>	<b>4.8</b>	<b>7.8</b>	<b>15.0</b>	<b>21.2</b>
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net profit (reported)</b>	<b>0.9</b>	<b>1.0</b>	<b>0.8</b>	<b>4.8</b>	<b>7.8</b>	<b>15.0</b>	<b>21.2</b>
Average number of shares	4.0	4.0	4.8	4.8	4.8	4.8	4.8
<b>EPS reported</b>	<b>0.22</b>	<b>0.25</b>	<b>0.16</b>	<b>1.00</b>	<b>1.65</b>	<b>3.16</b>	<b>4.46</b>

Profit and loss (common size)	2019	2020	2021E	2022E	2023E	2024E	2025E
<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	neg.	neg.	neg.	0.1 %	0.1 %	0.0 %	0.0 %
<b>Total sales</b>	<b>99.9 %</b>	<b>95.7 %</b>	<b>96.4 %</b>	<b>100.1 %</b>	<b>100.1 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
Other operating income	4.5 %	27.9 %	3.6 %	0.7 %	0.6 %	0.4 %	0.4 %
Material expenses	49.0 %	48.5 %	46.7 %	43.9 %	43.6 %	43.4 %	43.2 %
Personnel expenses	26.2 %	35.0 %	29.8 %	20.9 %	18.1 %	13.8 %	11.9 %
Other operating expenses	14.4 %	19.0 %	6.5 %	16.2 %	17.0 %	18.6 %	19.1 %
Total operating expenses	85.2 %	74.6 %	79.4 %	80.2 %	78.1 %	75.5 %	73.8 %
<b>EBITDA</b>	<b>14.7 %</b>	<b>21.2 %</b>	<b>17.0 %</b>	<b>19.9 %</b>	<b>22.0 %</b>	<b>24.6 %</b>	<b>26.2 %</b>
Depreciation	10.7 %	12.4 %	11.4 %	7.9 %	7.0 %	5.0 %	4.2 %
<b>EBITA</b>	<b>4.0 %</b>	<b>8.8 %</b>	<b>5.6 %</b>	<b>12.1 %</b>	<b>15.0 %</b>	<b>19.6 %</b>	<b>22.0 %</b>
Amortisation of goodwill	0.0 %	2.3 %	1.9 %	1.2 %	0.9 %	0.7 %	0.5 %
Amortisation of intangible assets	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBIT (inc revaluation net)</b>	<b>4.0 %</b>	<b>6.5 %</b>	<b>3.6 %</b>	<b>10.9 %</b>	<b>14.0 %</b>	<b>18.9 %</b>	<b>21.5 %</b>
Interest income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Interest expenses	0.8 %	1.4 %	0.8 %	0.5 %	0.4 %	0.3 %	0.2 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	neg.	neg.	neg.	neg.	neg.	neg.	neg.
<b>Recurring pretax income from continuing operations</b>	<b>3.2 %</b>	<b>5.1 %</b>	<b>2.8 %</b>	<b>10.4 %</b>	<b>13.6 %</b>	<b>18.6 %</b>	<b>21.2 %</b>
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Earnings before taxes</b>	<b>3.2 %</b>	<b>5.1 %</b>	<b>2.8 %</b>	<b>10.4 %</b>	<b>13.6 %</b>	<b>18.6 %</b>	<b>21.2 %</b>
Tax rate	41.8 %	38.4 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %
<b>Net income from continuing operations</b>	<b>1.8 %</b>	<b>3.1 %</b>	<b>1.9 %</b>	<b>7.1 %</b>	<b>9.3 %</b>	<b>12.7 %</b>	<b>14.4 %</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>1.8 %</b>	<b>3.1 %</b>	<b>1.9 %</b>	<b>7.1 %</b>	<b>9.3 %</b>	<b>12.7 %</b>	<b>14.4 %</b>
Minority interest	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Net profit (reported)</b>	<b>1.8 %</b>	<b>3.0 %</b>	<b>1.9 %</b>	<b>7.1 %</b>	<b>9.3 %</b>	<b>12.7 %</b>	<b>14.4 %</b>

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2019	2020	2021E	2022E	2023E	2024E	2025E
<b>Intangible assets</b>	<b>4.9</b>	<b>4.1</b>	<b>3.3</b>	<b>2.5</b>	<b>1.7</b>	<b>0.9</b>	<b>0.1</b>
Property, plant and equipment	33.8	33.3	31.1	30.8	32.9	35.0	35.0
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>FIXED ASSETS</b>	<b>38.6</b>	<b>37.4</b>	<b>34.4</b>	<b>33.3</b>	<b>34.6</b>	<b>35.9</b>	<b>35.1</b>
Inventories	8.9	7.3	13.7	16.9	19.9	19.8	21.0
Accounts receivable	6.6	5.0	7.9	12.2	14.8	20.8	24.1
Other current assets	0.0	0.6	0.6	0.7	0.7	0.7	0.7
Liquid assets	0.7	2.5	22.8	21.8	22.7	31.6	49.1
Deferred taxes	0.6	0.0	0.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.2	0.2	0.2	0.2	0.2	0.2	0.2
<b>CURRENT ASSETS</b>	<b>17.0</b>	<b>15.7</b>	<b>45.1</b>	<b>51.7</b>	<b>58.4</b>	<b>73.0</b>	<b>95.1</b>
<b>TOTAL ASSETS</b>	<b>55.6</b>	<b>53.0</b>	<b>79.5</b>	<b>85.0</b>	<b>93.0</b>	<b>108.9</b>	<b>130.2</b>
SHAREHOLDERS EQUITY	31.9	32.8	59.1	63.2	70.1	84.2	104.0
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	1.7	3.5	3.5	3.5	3.5	3.5	3.5
<b>Non-current liabilities</b>	<b>1.7</b>	<b>3.5</b>	<b>3.5</b>	<b>3.5</b>	<b>3.5</b>	<b>3.5</b>	<b>3.5</b>
short-term liabilities to banks	15.3	13.8	13.8	13.8	13.8	13.8	13.8
Accounts payable	2.9	2.1	2.3	3.7	4.6	6.5	8.0
Advance payments received on orders	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Other liabilities (incl. from lease and rental contracts)	3.7	0.3	0.4	0.4	0.4	0.4	0.4
Deferred taxes	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Current liabilities</b>	<b>22.1</b>	<b>16.7</b>	<b>16.9</b>	<b>18.3</b>	<b>19.3</b>	<b>21.1</b>	<b>22.7</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>55.6</b>	<b>53.1</b>	<b>79.5</b>	<b>85.0</b>	<b>93.0</b>	<b>108.9</b>	<b>130.2</b>

Balance sheet (common size)	2019	2020	2021E	2022E	2023E	2024E	2025E
<b>Intangible assets</b>	<b>8.8 %</b>	<b>7.8 %</b>	<b>4.2 %</b>	<b>3.0 %</b>	<b>1.9 %</b>	<b>0.9 %</b>	<b>0.1 %</b>
Property, plant and equipment	60.7 %	62.7 %	39.0 %	36.2 %	35.3 %	32.1 %	26.8 %
Financial assets	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>FIXED ASSETS</b>	<b>69.4 %</b>	<b>70.5 %</b>	<b>43.2 %</b>	<b>39.2 %</b>	<b>37.2 %</b>	<b>33.0 %</b>	<b>27.0 %</b>
Inventories	16.0 %	13.8 %	17.2 %	19.8 %	21.4 %	18.1 %	16.1 %
Accounts receivable	11.9 %	9.5 %	9.9 %	14.3 %	16.0 %	19.1 %	18.5 %
Other current assets	0.0 %	1.1 %	0.7 %	0.8 %	0.7 %	0.6 %	0.5 %
Liquid assets	1.3 %	4.7 %	28.6 %	25.6 %	24.5 %	29.0 %	37.7 %
Deferred taxes	1.1 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Deferred charges and prepaid expenses	0.3 %	0.4 %	0.2 %	0.2 %	0.2 %	0.2 %	0.1 %
<b>CURRENT ASSETS</b>	<b>30.5 %</b>	<b>29.5 %</b>	<b>56.8 %</b>	<b>60.8 %</b>	<b>62.8 %</b>	<b>67.0 %</b>	<b>73.0 %</b>
<b>TOTAL ASSETS</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>
SHAREHOLDERS EQUITY	57.3 %	61.9 %	74.3 %	74.3 %	75.5 %	77.3 %	79.9 %
MINORITY INTEREST	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Long-term debt	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Provisions for pensions and similar obligations	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other provisions	3.1 %	6.7 %	4.4 %	4.2 %	3.8 %	3.2 %	2.7 %
<b>Non-current liabilities</b>	<b>3.1 %</b>	<b>6.7 %</b>	<b>4.4 %</b>	<b>4.2 %</b>	<b>3.8 %</b>	<b>3.2 %</b>	<b>2.7 %</b>
short-term liabilities to banks	27.4 %	26.1 %	17.4 %	16.3 %	14.9 %	12.7 %	10.6 %
Accounts payable	5.2 %	4.0 %	2.8 %	4.3 %	5.0 %	6.0 %	6.2 %
Advance payments received on orders	0.1 %	0.3 %	0.2 %	0.2 %	0.2 %	0.1 %	0.1 %
Other liabilities (incl. from lease and rental contracts)	6.6 %	0.6 %	0.6 %	0.5 %	0.5 %	0.4 %	0.3 %
Deferred taxes	0.3 %	0.4 %	0.3 %	0.3 %	0.2 %	0.2 %	0.2 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Current liabilities</b>	<b>39.6 %</b>	<b>31.4 %</b>	<b>21.2 %</b>	<b>21.6 %</b>	<b>20.7 %</b>	<b>19.4 %</b>	<b>17.4 %</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)	2019	2020	2021E	2022E	2023E	2024E	2025E
Net profit/loss	0.9	1.0	0.8	4.8	7.8	15.0	21.2
Depreciation of fixed assets (incl. leases)	5.2	4.1	4.7	5.3	5.9	5.9	6.1
Amortisation of goodwill	0.0	0.8	0.8	0.8	0.8	0.8	0.8
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	-1.2	-3.7	0.1	-0.1	0.0	0.0	0.0
Cash flow from operations before changes in w/c	4.8	2.2	6.4	10.8	14.5	21.7	28.1
Increase/decrease in inventory	0.0	1.5	-6.4	-3.1	-3.1	0.2	-1.2
Increase/decrease in accounts receivable	4.3	1.6	-2.9	-4.3	-2.6	-6.0	-3.3
Increase/decrease in accounts payable	-5.0	-0.7	0.1	1.4	0.9	1.9	1.5
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	-0.6	2.4	-9.1	-6.0	-4.8	-3.9	-3.0
<b>Cash flow from operating activities</b>	<b>4.2</b>	<b>4.5</b>	<b>-2.7</b>	<b>4.8</b>	<b>9.8</b>	<b>17.8</b>	<b>25.1</b>
CAPEX	6.2	2.2	2.5	5.0	8.0	8.0	6.1
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	1.0	0.0	0.0	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>Cash flow from investing activities</b>	<b>-7.2</b>	<b>-2.2</b>	<b>-2.5</b>	<b>-5.0</b>	<b>-8.0</b>	<b>-8.0</b>	<b>-6.1</b>
Cash flow before financing	-3.0	2.4	-5.2	-0.2	1.8	9.8	19.0
Increase/decrease in debt position	3.9	0.2	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	25.5	0.0	0.0	0.0	0.0
Dividends paid	0.8	0.0	0.0	0.7	0.9	1.0	1.4
Others	0.2	-0.7	0.0	0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>3.3</b>	<b>-0.5</b>	<b>25.5</b>	<b>-0.7</b>	<b>-0.9</b>	<b>-1.0</b>	<b>-1.4</b>
Increase/decrease in liquid assets	0.3	1.8	20.3	-1.0	0.9	8.8	17.6
<b>Liquid assets at end of period</b>	<b>0.7</b>	<b>2.5</b>	<b>22.8</b>	<b>21.8</b>	<b>22.7</b>	<b>31.6</b>	<b>49.1</b>

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2019	2020	2021E	2022E	2023E	2024E	2025E
<b>P&amp;L growth analysis</b>							
Sales growth	48.8 %	-32.0 %	24.8 %	63.9 %	25.5 %	40.1 %	23.8 %
EBITDA growth	9.4 %	7.1 %	-1.9 %	92.8 %	165.9 %	116.7 %	106.7 %
EBIT growth	-33.8 %	-27.6 %	-23.7 %	244.5 %	698.7 %	205.4 %	165.3 %
EPS growth	-53.9 %	-46.7 %	-24.6 %	300.2 %	910.6 %	215.6 %	170.2 %
<b>Efficiency</b>							
Total operating costs / sales	85.2 %	74.6 %	79.4 %	80.2 %	78.1 %	75.5 %	73.8 %
Sales per employee	184.2	139.1	137.1	214.0	256.4	338.7	407.6
EBITDA per employee	27.1	29.4	23.3	42.7	56.3	83.3	106.7
<b>Balance sheet analysis</b>							
Avg. working capital / sales	28.5 %	38.2 %	38.6 %	26.2 %	29.1 %	24.9 %	22.8 %
Inventory turnover (sales/inventory)	5.5	4.5	3.0	4.0	4.3	6.0	7.0
Trade debtors in days of sales	49.8	55.6	70.0	66.0	64.0	64.0	60.0
A/P turnover [(A/P*365)/sales]	21.8	23.7	20.0	20.0	20.0	20.0	20.0
Cash conversion cycle (days)	141.9	174.5	287.8	228.4	215.0	158.0	134.4
<b>Cash flow analysis</b>							
Free cash flow	-2.0	2.4	-5.2	-0.2	1.8	9.8	19.0
Free cash flow/sales	-4.1 %	7.2 %	-12.8 %	-0.4 %	2.1 %	8.3 %	13.0 %
FCF / net profit	neg.	235.7 %	neg.	neg.	22.7 %	65.1 %	89.7 %
Capex / deprn	138.8 %	45.2 %	45.5 %	82.0 %	119.4 %	119.4 %	88.4 %
Capex / maintenance capex	9.8 %	300.0 %	100.0 %	166.7 %	228.6 %	200.0 %	144.2 %
Capex / sales	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Security</b>							
Net debt	14.6	11.3	-8.9	-8.0	-8.9	-17.7	-35.3
Net Debt/EBITDA	2.0	1.6	0.0	0.0	0.0	0.0	0.0
Net debt / equity	0.5	0.3	neg.	neg.	neg.	neg.	neg.
Interest cover	4.7	4.6	4.3	21.2	34.3	64.9	91.1
Dividend payout ratio	0.0 %	0.0 %	91.8 %	18.0 %	12.1 %	9.5 %	10.1 %
<b>Asset utilisation</b>							
Capital employed turnover	1.0	0.7	0.5	0.8	1.0	1.2	1.2
Operating assets turnover	1.0	0.8	0.8	1.2	1.3	1.7	2.0
Plant turnover	1.4	1.0	1.3	2.2	2.6	3.4	4.2
Inventory turnover (sales/inventory)	5.5	4.5	3.0	4.0	4.3	6.0	7.0
<b>Returns</b>							
ROCE	4.1 %	6.3 %	2.3 %	9.4 %	14.1 %	23.7 %	28.3 %
ROE	2.7 %	3.1 %	1.3 %	7.5 %	11.2 %	17.8 %	20.4 %
<b>Other</b>							
Interest paid / avg. debt	3.1 %	3.7 %	2.4 %	2.5 %	2.5 %	2.5 %	2.5 %
No. employees (average)	263	237	300	315	330	350	360
Number of shares	4.0	4.0	4.8	4.8	4.8	4.8	4.8
DPS	0.0	0.0	0.2	0.2	0.2	0.3	0.5
EPS reported	0.22	0.25	0.16	1.00	1.65	3.16	4.46
<b>Valuation ratios</b>							
P/BV	6.7	6.5	4.3	4.0	3.6	3.0	2.4
EV/sales	4.7	6.8	6.0	3.7	2.9	2.0	1.5
EV/EBITDA	32.1	32.4	35.2	18.3	13.2	8.1	5.7
EV/EBITA	117.4	78.0	107.4	30.3	19.4	10.2	6.8
EV/EBIT	117.4	105.8	165.2	33.6	20.7	10.6	7.0
EV/FCF	-116.3	95.6	-46.8	-1009.3	138.1	24.2	11.5
Adjusted FCF yield	1.0 %	1.9 %	1.7 %	3.3 %	4.6 %	7.7 %	11.1 %
Dividend yield	0.0 %	0.0 %	0.3 %	0.3 %	0.4 %	0.6 %	0.8 %

Source: Company data, Hauck & Aufhäuser

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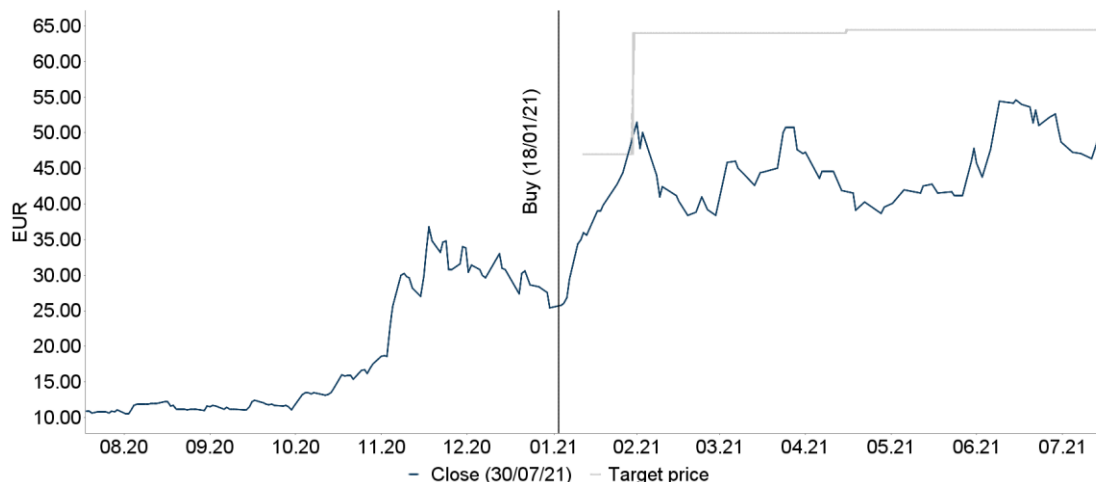
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Company	Disclosure
IBU-tec advanced materials AG	3, 8

**Historical target price and rating changes for IBU-tec advanced materials AG in the last 12 months**

**Price and Rating History**  
**IBU-tec advanced materials AG as of 02/08/21**

**Initiation coverage**  
 27-January-21



Company	Date	Analyst	Rating	Target price	Close
IBU-tec advanced materials AG	02.07.2021	Gruebner, Marie-Therese	Buy	EUR 64,50	EUR 54,00
	17.06.2021	Gruebner, Marie-Therese	Buy	EUR 64,50	EUR 45,70
	05.05.2021	Gruebner, Marie-Therese	Buy	EUR 64,50	EUR 39,10
	15.02.2021	Gruebner, Marie-Therese	Buy	EUR 64,00	EUR 51,50

04.02.2021	Gruebner, Marie-Therese	Buy	EUR 47,00	EUR 39,80
27.01.2021	Gruebner, Marie-Therese	Buy	EUR 47,00	EUR 36,00
27.01.2021	Gruebner, Marie-Therese	Buy	EUR 47,00	EUR 36,00

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