

Buy EUR 31.00 Price EUR 15.00 Upside 106.7 %	Value Indicators: EUR DCF: 30.89 FCF-Value Potential: 35.70 Peer group: 32.41	Share data: Bloomberg: M7U GR Reuters: M7UG ISIN: DE000A0MSN11	Description: Nynomic provides contactless and non-destructive optical metrology systems
	Market Snapshot: EUR m Market cap: 76.1 No. of shares (m): 5.1 EV: 82.4 Freefloat MC: 52.5 Ø Trad. Vol. (30d): 36.38 th	Shareholders: Freefloat: 69.0 % Management*: 2.0 % Founder*: 29.0 %	Risk Profile (WRe): 2019e Beta: 1.2 Price / Book: 3.2 x Equity Ratio: 42 % Net Fin. Debt / EBITDA: 0.3 x Net Debt / EBITDA: 0.3 x

Nynomic starts H2 on record high order backlog

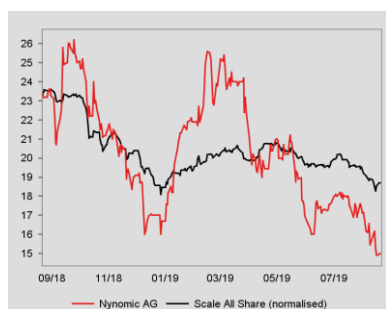
Preliminary Figures Q2/2019: FY End: 31.12. in EUR m										Comment on Figures: <ul style="list-style-type: none"> Weak H1 performance in line with the overall market development Sales decline was slightly greater than anticipated Profitability suffered from lower capacity utilization 			
	Q2/19p	Q2/19e	Q2/18	yoy	6M/19p	6M/19e	6M/18	yoy					
Sales	13.9	15.5	18.0	-23 %	29.3	30.8	36.3	-19 %					
EBIT	1.5	1.7	3.1	-51 %	3.6	3.8	6.4	-43 %					
Margin	10.8 %	11.2 %	17.0 %		12.3 %	12.5 %	17.5 %						

Nynomic published preliminary figures for the first six months. Revenue decreased by 19% to EUR 29.3m, which is a slightly greater decline than we had expected (WRe -15.2%). As for most companies in the sector, the first half of 2019 was challenging with a sharp decline in equipment demand from the semiconductor and electronics industry and increasing macroeconomic uncertainty dampening the overall investment climate. As a result of lower capacity utilisation the EBIT margin dropped by more than 5pp to 12.3% (WRe 12.5%).

The silver lining to the rather weak operating development was the order intake, which increased by 19% to EUR 32m, leading to a new record high order backlog of EUR 38m (+19% yoy). Against this background, the management confirmed the full-year guidance (sales EUR 67-70m), EBIT 8.0-10.5m), although the figures are expected to come in towards the lower end of the target range. For H2 this implies revenue growth of 22.4% to EUR 37.7m. This seems ambitious but feasible considering the high order intake and the weaker comparable base from 2018, since revenues with the semiconductor industry were especially strong in the first half of last year. The implied EBIT margin for H2 of 11.7% seems rather conservative, if the top-line goals are achieved.

We adjusted our estimates to reflect the challenging market environment and the growing economic uncertainties. Furthermore, we incorporated the latest acquisition, LemnaTec, with an estimated revenue contribution of EUR 6m in 2020. Given the attractive mid- to long-term prospects driven by structural growth drivers, we reiterate our target price of EUR 31 and our Buy recommendation.

Changes in Estimates: FY End: 31.12. in EUR m							Comment on Changes: <ul style="list-style-type: none"> 2019 estimates reduced towards the lower end of the target range after weak H1 Figures for 2020 and beyond adjusted for the recent LemnaTec acquisition 			
	2019e (old)	+ / -	2020e (old)	+ / -	2021e (old)	+ / -				
Sales	67.7	-0.7 %	73.7	6.0 %	80.1	6.0 %				
EBITDA	10.4	-11.5 %	13.9	-12.7 %	15.0	-2.9 %				
EBIT	7.9	2.1 %	11.4	-3.7 %	12.4	6.9 %				
EPS	0.80	5.0 %	1.27	-4.7 %	1.43	8.4 %				

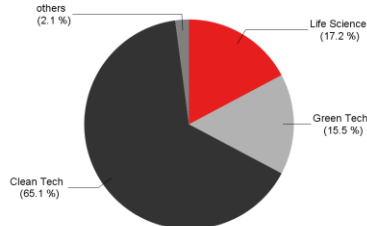


Rel. Performance vs Scale All	
1 month:	-9.3 %
6 months:	-27.9 %
Year to date:	-11.5 %
Trailing 12 months:	-15.9 %

Company events:	

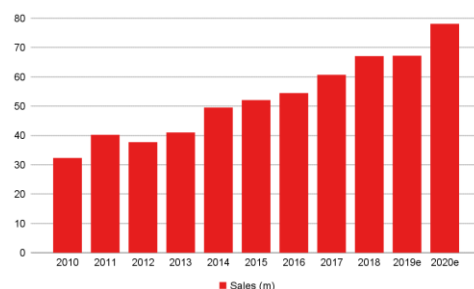
FY End: 31.12. in EUR m	CAGR (18-21e)	2015	2016	2017	2018	2019e	2020e	2021e
Sales	8.2 %	52.1	54.5	60.7	67.1	67.2	78.1	84.9
Change Sales yoy		5.1 %	4.6 %	11.4 %	10.5 %	0.2 %	16.2 %	8.7 %
Gross profit margin		56.3 %	54.3 %	58.2 %	64.8 %	58.7 %	58.4 %	58.6 %
EBITDA	3.2 %	6.8	7.9	10.2	13.2	9.2	12.1	14.5
Margin		13.2 %	14.5 %	16.8 %	19.7 %	13.8 %	15.5 %	17.1 %
EBIT	9.6 %	5.9	6.8	9.1	10.1	8.1	10.9	13.3
Margin		11.4 %	12.6 %	15.0 %	15.0 %	12.1 %	14.0 %	15.6 %
Net income	4.8 %	3.0	3.7	4.6	6.8	4.3	6.2	7.8
EPS	4.7 %	0.64	0.76	0.97	1.35	0.84	1.21	1.55
EPS adj.	-1.5 %	0.67	0.80	1.00	1.62	0.84	1.21	1.55
DPS	-	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.
FCFPS		0.76	1.13	1.74	0.09	1.97	1.38	1.78
FCF / Market cap		18.0 %	17.1 %	12.8 %	0.4 %	13.1 %	9.2 %	11.8 %
EV / Sales		0.3 x	0.5 x	0.8 x	1.8 x	1.2 x	0.9 x	0.8 x
EV / EBITDA		2.7 x	3.4 x	4.9 x	9.0 x	8.9 x	6.1 x	4.6 x
EV / EBIT		3.1 x	3.9 x	5.4 x	11.9 x	10.2 x	6.7 x	5.0 x
EV / EBIT adj.		2.9 x	3.8 x	5.3 x	10.1 x	10.2 x	6.7 x	5.0 x
P / E		6.6 x	8.7 x	14.1 x	16.2 x	17.9 x	12.4 x	9.7 x
P / E adj.		6.3 x	8.3 x	13.6 x	13.5 x	17.9 x	12.4 x	9.7 x
Net Debt		-2.1	-5.2	-15.8	9.6	2.7	-2.4	-9.4
adj. ROCE		49.0 %	58.2 %	51.9 %	28.3 %	15.1 %	21.6 %	33.5 %
Guidance:		Sales EUR 67-70m, EBIT EUR 8.0-10.5m						

Sales by segment
2018; in %



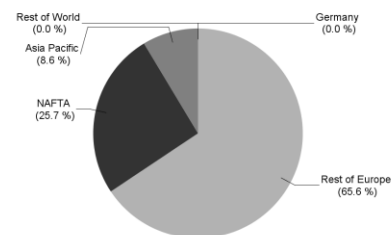
Source: Warburg Research

Sales development
in EUR m



Source: Warburg Research

Sales by regions
2018; in %



Source: Warburg Research

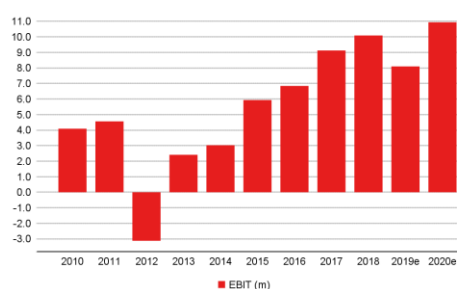
Company Background

- 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

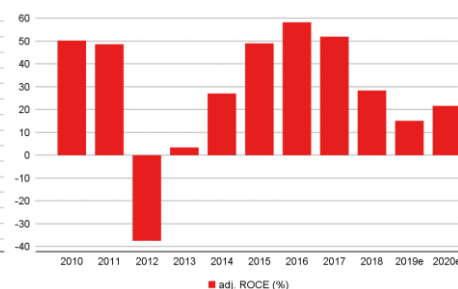
- High expertise in strongly growing niche technologies of optical metrology, which has been transferred to a wide range of industrial applications as a first mover.
- Long-standing customer relationships with deep integration in its clients' development processes and a strong reputation for critical 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



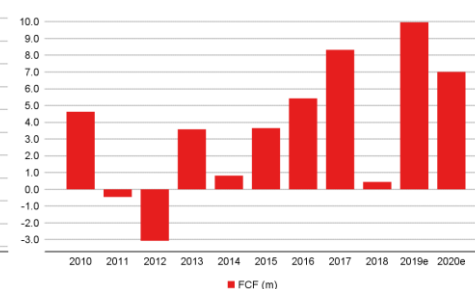
Source: Warburg Research

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
	2019e	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	
Sales	67.2	78.1	84.9	92.1	99.5	106.4	113.4	120.2	126.2	131.2	135.2	138.5	141.3	
Sales change	0.2 %	16.2 %	8.7 %	8.5 %	8.0 %	7.0 %	6.5 %	6.0 %	5.0 %	4.0 %	3.0 %	2.5 %	2.0 %	2.0 %
EBIT	8.1	10.9	13.3	14.3	15.3	16.3	17.2	18.1	18.9	19.7	20.3	20.8	21.2	
EBIT-margin	12.1 %	14.0 %	15.6 %	15.5 %	15.4 %	15.3 %	15.2 %	15.1 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	
Tax rate (EBT)	30.0 %	28.9 %	28.6 %	29.1 %	29.5 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	
NOPAT	5.7	7.8	9.5	10.1	10.8	11.4	12.1	12.7	13.2	13.8	14.2	14.5	14.8	
Depreciation	1.1	1.2	1.3	1.4	1.4	1.5	1.5	1.6	1.6	1.6	1.6	1.7	1.7	
in % of Sales	1.7 %	1.5 %	1.5 %	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	-4.4	0.7	0.5	0.9	1.1	1.2	1.2	1.2	1.1	0.9	0.7	0.6	0.5	
- Capex	0.9	0.9	0.9	1.0	1.1	1.2	1.4	1.4	1.5	1.6	1.6	1.7	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	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Free Cash Flow (WACC Model)	9.3	7.3	9.3	9.6	10.0	10.4	11.0	11.6	12.3	12.9	13.5	14.0	14.4	15
PV of FCF	9.2	6.7	7.8	7.4	7.1	6.8	6.7	6.5	6.3	6.1	5.9	5.6	5.3	83
share of PVs	13.91 %			37.44 %										48.66 %

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)	1.00
Market return	8.00 %	Cyclicality	1.10
Risk free rate	1.50 %	Transparency	1.40
		Others	1.30
WACC	8.54 %	Beta	1.20

Valuation (m)

Present values 2031e	87		
Terminal Value	83		
Financial liabilities	21		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	4		
Market val. of investments	0		
Liquidity	11	No. of shares (m)	5.1
Equity Value	157	Value per share (EUR)	30.89

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
1.38	9.5 %	25.22	25.58	25.96	26.37	26.80	27.27	27.76	1.38	9.5 %	23.38	24.38	25.37	26.37	27.36	28.35	29.35
1.29	9.0 %	27.08	27.51	27.97	28.46	28.99	29.56	30.17	1.29	9.0 %	25.26	26.33	27.40	28.46	29.53	30.60	31.66
1.25	8.8 %	28.11	28.58	29.09	29.63	30.22	30.85	31.53	1.25	8.8 %	26.31	27.42	28.52	29.63	30.74	31.84	32.95
1.20	8.5 %	29.21	29.73	30.29	30.89	31.54	32.24	33.00	1.20	8.5 %	27.44	28.59	29.74	30.89	32.04	33.19	34.34
1.15	8.3 %	30.39	30.96	31.58	32.25	32.97	33.76	34.61	1.15	8.3 %	28.66	29.85	31.05	32.25	33.44	34.64	35.84
1.11	8.0 %	31.66	32.29	32.98	33.72	34.53	35.41	36.37	1.11	8.0 %	29.98	31.22	32.47	33.72	34.97	36.22	37.47
1.02	7.5 %	34.50	35.29	36.14	37.07	38.09	39.21	40.45	1.02	7.5 %	32.98	34.34	35.71	37.07	38.44	39.80	41.16

- Spectral Engines minorities are valued at EUR 3.7m, consistent with our est. purchase price of EUR 12m for a 75% stake
- The cash outflow of EUR 1.0m for the acquisition of LemnaTec is found in the "Other" line

Valuation	2015	2016	2017	2018	2019e	2020e	2021e
Price / Book	3.1 x	3.3 x	4.9 x	5.4 x	3.2 x	2.6 x	2.1 x
Book value per share ex intangibles	0.69	1.17	0.57	-0.36	0.32	1.42	2.88
EV / Sales	0.3 x	0.5 x	0.8 x	1.8 x	1.2 x	0.9 x	0.8 x
EV / EBITDA	2.7 x	3.4 x	4.9 x	9.0 x	8.9 x	6.1 x	4.6 x
EV / EBIT	3.1 x	3.9 x	5.4 x	11.9 x	10.2 x	6.7 x	5.0 x
EV / EBIT adj.*	2.9 x	3.8 x	5.3 x	10.1 x	10.2 x	6.7 x	5.0 x
P / FCF	5.5 x	5.9 x	7.8 x	250.4 x	7.6 x	10.9 x	8.4 x
P / E	6.6 x	8.7 x	14.1 x	16.2 x	17.9 x	12.4 x	9.7 x
P / E adj.*	6.3 x	8.3 x	13.6 x	13.5 x	17.9 x	12.4 x	9.7 x
Dividend Yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF Potential Yield (on market EV)	27.8 %	20.6 %	13.4 %	7.7 %	7.3 %	11.1 %	14.9 %

*Adjustments made for: Adjusted for HGB specific amortisation of goodwill before 2019

Company Specific Items	2015	2016	2017	2018	2019e	2020e	2021e
adj. ROCE	49.0 %	58.2 %	51.9 %	28.3 %	15.1 %	21.6 %	33.5 %

Consolidated profit & loss

In EUR m	2015	2016	2017	2018	2019e	2020e	2021e
Sales	52.1	54.5	60.7	67.1	67.2	78.1	84.9
Change Sales yoy	5.1 %	4.6 %	11.4 %	10.5 %	0.2 %	16.2 %	8.7 %
Increase / decrease in inventory	-0.4	0.3	1.7	0.3	-0.1	0.6	0.5
Own work capitalised	0.1	0.0	0.0	0.4	0.0	0.0	0.0
Total Sales	51.8	54.8	62.4	67.7	67.1	78.7	85.4
Material expenses	22.4	25.2	27.1	24.2	27.7	33.1	35.7
Gross profit	29.3	29.6	35.3	43.5	39.4	45.6	49.8
<i>Gross profit margin</i>	<i>56.3 %</i>	<i>54.3 %</i>	<i>58.2 %</i>	<i>64.8 %</i>	<i>58.7 %</i>	<i>58.4 %</i>	<i>58.6 %</i>
Personnel expenses	15.7	16.2	17.8	23.4	23.5	25.5	26.5
Other operating income	1.2	1.3	1.3	3.7	2.1	2.2	2.3
Other operating expenses	8.0	6.8	8.6	10.5	8.8	10.2	11.0
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	6.8	7.9	10.2	13.2	9.2	12.1	14.5
<i>Margin</i>	<i>13.2 %</i>	<i>14.5 %</i>	<i>16.8 %</i>	<i>19.7 %</i>	<i>13.8 %</i>	<i>15.5 %</i>	<i>17.1 %</i>
Depreciation of fixed assets	0.5	0.5	0.5	0.8	0.8	0.9	0.9
EBITA	6.3	7.4	9.7	12.5	8.4	11.3	13.6
Amortisation of intangible assets	0.4	0.6	0.5	2.4	0.3	0.3	0.3
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	5.9	6.8	9.1	10.1	8.1	10.9	13.3
<i>Margin</i>	<i>11.4 %</i>	<i>12.6 %</i>	<i>15.0 %</i>	<i>15.0 %</i>	<i>12.1 %</i>	<i>14.0 %</i>	<i>15.6 %</i>
EBIT adj.	6.2	7.1	9.4	11.9	8.1	10.9	13.3
Interest income	0.0	0.0	0.0	0.1	0.0	0.0	0.0
Interest expenses	0.4	0.3	0.2	0.3	0.5	0.5	0.5
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	6.4	6.5	9.0	9.8	7.6	10.5	12.8
<i>Margin</i>	<i>12.3 %</i>	<i>12.0 %</i>	<i>14.7 %</i>	<i>14.6 %</i>	<i>11.4 %</i>	<i>13.4 %</i>	<i>15.1 %</i>
Total taxes	1.7	1.7	2.9	2.3	2.3	3.0	3.7
Net income from continuing operations	4.7	4.8	6.1	7.6	5.4	7.5	9.1
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	4.7	4.8	6.1	7.6	5.4	7.5	9.1
Minority interest	1.6	1.1	1.4	0.7	1.1	1.3	1.3
Net income	3.0	3.7	4.6	6.8	4.3	6.2	7.8
<i>Margin</i>	<i>5.8 %</i>	<i>6.7 %</i>	<i>7.6 %</i>	<i>10.2 %</i>	<i>6.3 %</i>	<i>7.9 %</i>	<i>9.2 %</i>
Number of shares, average	4.8	4.8	4.8	5.0	5.1	5.1	5.1
EPS	0.64	0.76	0.97	1.35	0.84	1.21	1.55
EPS adj.	0.67	0.80	1.00	1.62	0.84	1.21	1.55

*Adjustments made for: Adjusted for HGB specific amortisation of goodwill before 2019

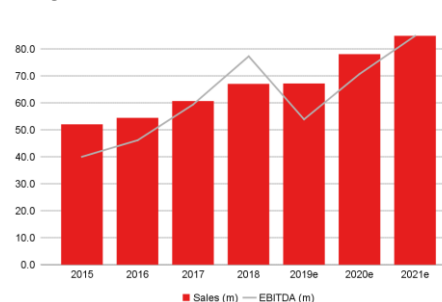
Guidance: Sales EUR 67-70m, EBIT EUR 8.0-10.5m

Financial Ratios

	2015	2016	2017	2018	2019e	2020e	2021e
Total Operating Costs / Sales	86.3 %	86.0 %	86.0 %	81.2 %	86.1 %	85.3 %	83.5 %
Operating Leverage	18.8 x	3.3 x	2.9 x	1.0 x	-98.7 x	2.2 x	2.4 x
EBITDA / Interest expenses	16.4 x	24.1 x	50.0 x	41.2 x	20.3 x	26.6 x	31.9 x
Tax rate (EBT)	26.9 %	26.5 %	32.2 %	23.0 %	30.0 %	28.9 %	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.

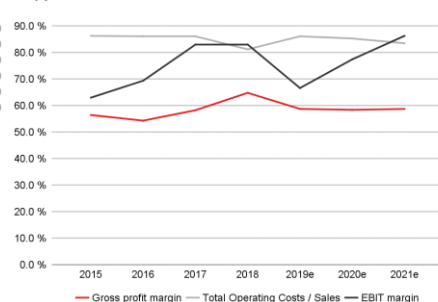
Sales, EBITDA

in EUR m

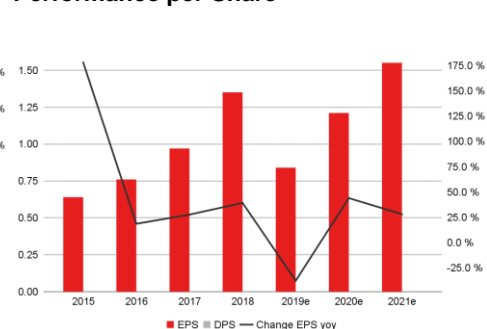


Operating Performance

in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

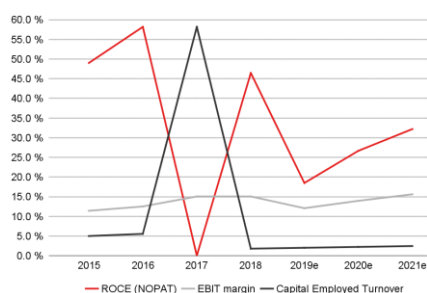
Consolidated balance sheet

In EUR m	2015	2016	2017	2018	2019e	2020e	2021e
Assets							
Goodwill and other intangible assets	3.2	3.9	10.7	22.4	22.3	22.1	22.0
thereof other intangible assets	0.5	1.4	1.2	2.2	2.1	1.9	1.8
thereof Goodwill	2.7	2.4	9.3	20.1	20.1	20.1	20.1
Property, plant and equipment	1.4	1.5	2.0	2.3	3.2	3.1	2.9
Financial assets	0.0	0.0	0.7	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
Fixed assets	4.6	5.4	13.4	24.7	25.5	25.2	24.9
Inventories	6.4	6.7	8.4	10.4	10.3	10.8	11.2
Accounts receivable	6.0	4.6	6.2	10.1	6.1	7.1	7.7
Liquid assets	8.3	10.6	19.6	11.1	18.1	23.1	30.1
Other short-term assets	0.9	1.4	1.6	2.8	2.8	2.8	2.8
Current assets	21.6	23.3	35.8	34.4	37.3	43.8	51.8
Total Assets	26.2	28.7	49.1	59.1	62.7	69.0	76.7
Liabilities and shareholders' equity							
Subscribed capital	4.8	4.8	4.8	5.1	5.1	5.1	5.1
Capital reserve	0.6	0.0	0.0	4.3	4.3	4.3	4.3
Retained earnings	0.0	4.2	4.0	11.0	14.3	19.8	27.0
Other equity components	1.1	0.5	4.6	0.2	0.2	0.2	0.2
Shareholders' equity	6.5	9.5	13.4	20.5	23.9	29.4	36.6
Minority interest	4.4	4.1	3.3	2.3	2.3	2.3	2.3
Total equity	10.9	13.6	16.7	22.9	26.2	31.7	38.9
Provisions	5.0	5.9	23.3	10.7	10.7	10.7	10.7
thereof provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial liabilities (total)	6.2	5.3	3.7	20.7	20.7	20.7	20.7
thereof short-term financial liabilities	1.5	5.3	3.7	20.7	20.7	20.7	20.7
Accounts payable	1.3	1.8	2.4	1.9	2.2	3.0	3.5
Other liabilities	2.8	2.0	3.0	2.8	2.8	2.8	2.8
Liabilities	15.3	15.1	32.4	36.2	36.5	37.3	37.8
Total liabilities and shareholders' equity	26.2	28.7	49.1	59.1	62.7	69.0	76.7

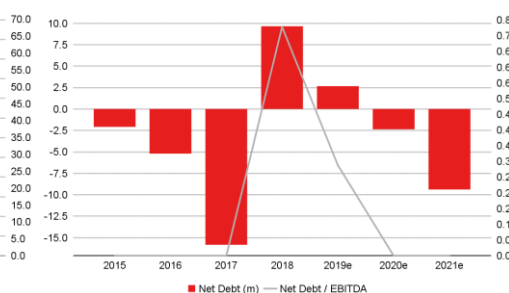
Financial Ratios

	2015	2016	2017	2018	2019e	2020e	2021e
Efficiency of Capital Employment							
Operating Assets Turnover	4.2 x	4.9 x	4.3 x	3.2 x	3.9 x	4.3 x	4.6 x
Capital Employed Turnover	5.9 x	6.5 x	67.8 x	2.1 x	2.3 x	2.7 x	2.9 x
ROA	66.3 %	67.3 %	34.7 %	27.6 %	16.7 %	24.4 %	31.6 %
Return on Capital							
ROCE (NOPAT)	49.0 %	58.2 %	n.a.	46.5 %	18.5 %	26.7 %	32.2 %
ROE	62.4 %	45.7 %	40.4 %	40.1 %	19.1 %	23.1 %	23.8 %
Adj. ROE	66.1 %	48.0 %	41.9 %	48.2 %	19.1 %	23.1 %	23.8 %
Balance sheet quality							
Net Debt	-2.1	-5.2	-15.8	9.6	2.7	-2.4	-9.4
Net Financial Debt	-2.1	-5.2	-15.8	9.6	2.7	-2.4	-9.4
Net Gearing	-19.1 %	-38.1 %	-94.6 %	42.2 %	10.1 %	-7.5 %	-24.1 %
Net Fin. Debt / EBITDA	n.a.	n.a.	n.a.	72.9 %	28.8 %	n.a.	n.a.
Book Value / Share	1.4	2.0	2.8	4.1	4.7	5.8	7.2
Book value per share ex intangibles	0.7	1.2	0.6	-0.4	0.3	1.4	2.9

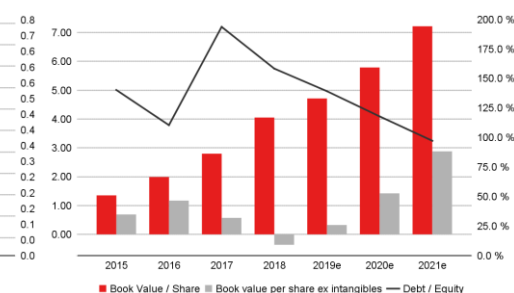
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

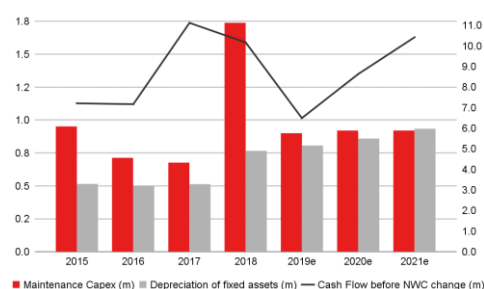
In EUR m	2015	2016	2017	2018	2019e	2020e	2021e
Net income	4.7	4.8	6.1	7.6	5.4	7.5	9.1
Depreciation of fixed assets	0.5	0.5	0.5	0.8	0.8	0.9	0.9
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.4	0.6	0.5	2.4	0.3	0.3	0.3
Increase/decrease in long-term provisions	2.2	0.4	2.1	-0.9	0.0	0.0	0.0
Other non-cash income and expenses	-0.6	0.9	1.9	0.4	0.0	0.0	0.0
Cash Flow before NWC change	7.2	7.2	11.1	10.2	6.5	8.6	10.4
Increase / decrease in inventory	1.0	-0.4	-1.7	-2.0	0.1	-0.5	-0.4
Increase / decrease in accounts receivable	-1.9	1.4	-1.7	-3.8	4.0	-1.0	-0.6
Increase / decrease in accounts payable	-1.0	0.5	0.6	-0.5	0.3	0.8	0.5
Increase / decrease in other working capital positions	-0.8	-2.6	0.6	-1.7	0.0	0.0	0.0
Increase / decrease in working capital (total)	-2.6	-1.0	-2.1	-8.0	4.4	-0.7	-0.5
Net cash provided by operating activities [1]	4.6	6.1	9.0	2.2	10.9	7.9	9.9
Investments in intangible assets	-0.4	-0.1	-0.1	-0.7	-0.2	-0.2	-0.2
Investments in property, plant and equipment	-0.5	-0.6	-0.6	-1.1	-0.7	-0.7	-0.7
Payments for acquisitions	0.0	-1.1	0.0	-24.4	-1.0	0.0	0.0
Financial investments	0.0	0.0	0.0	-0.7	0.0	0.0	0.0
Income from asset disposals	1.4	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by investing activities [2]	0.5	-1.8	-0.6	-25.4	-1.9	-0.9	-0.9
Change in financial liabilities	-3.1	-0.8	-1.5	16.3	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	0.0	0.0	0.0
Other	-1.0	-1.5	-1.5	-2.0	-2.0	-2.0	-2.0
Net cash provided by financing activities [3]	-4.0	-2.3	-3.1	14.3	-2.0	-2.0	-2.0
Change in liquid funds [1]+[2]+[3]	1.1	2.0	5.3	-8.9	7.0	5.0	7.0
Effects of exchange-rate changes on cash	0.4	0.6	-0.7	0.1	0.0	0.0	0.0
Cash and cash equivalent at end of period	7.9	10.4	19.5	10.9	18.1	23.1	30.1

Financial Ratios

	2015	2016	2017	2018	2019e	2020e	2021e
Cash Flow							
FCF	3.7	5.4	8.3	0.4	10.0	7.0	9.0
Free Cash Flow / Sales	7.0 %	10.0 %	13.7 %	0.7 %	14.8 %	9.0 %	10.6 %
Free Cash Flow Potential	5.0	5.5	6.6	9.2	6.0	8.2	10.0
Free Cash Flow / Net Profit	120.0 %	148.3 %	179.7 %	6.5 %	234.5 %	113.8 %	114.7 %
Interest Received / Avg. Cash	0.4 %	0.3 %	0.2 %	0.3 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	5.7 %	5.7 %	4.5 %	2.6 %	2.2 %	2.2 %	2.2 %
Management of Funds							
Investment ratio	1.8 %	1.3 %	1.1 %	2.6 %	1.3 %	1.2 %	1.1 %
Maint. Capex / Sales	1.8 %	1.3 %	1.1 %	2.6 %	1.3 %	1.2 %	1.1 %
Capex / Dep	103.9 %	66.4 %	64.1 %	55.1 %	78.8 %	78.5 %	72.2 %
Avg. Working Capital / Sales	19.6 %	18.9 %	17.9 %	23.0 %	24.4 %	18.6 %	17.8 %
Trade Debtors / Trade Creditors	471.3 %	255.4 %	256.4 %	526.5 %	277.3 %	236.7 %	220.0 %
Inventory Turnover	3.5 x	3.7 x	3.2 x	2.3 x	2.7 x	3.1 x	3.2 x
Receivables collection period (days)	42	31	37	55	33	33	33
Payables payment period (days)	21	26	33	29	29	33	36
Cash conversion cycle (Days)	125	102	119	183	140	119	112

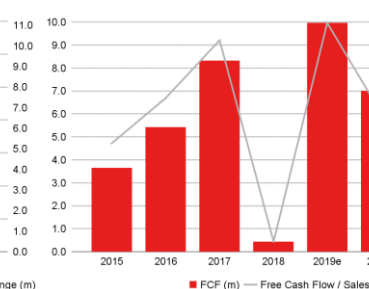
CAPEX and Cash Flow

in EUR m



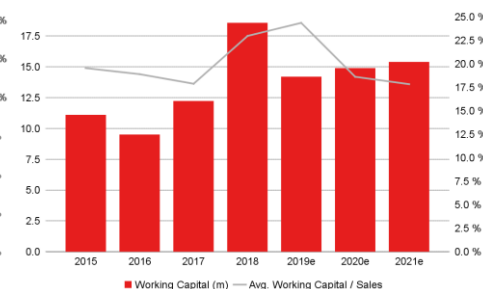
Source: Warburg Research

Free Cash Flow Generation



Source: Warburg Research

Working Capital



Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
Nynomic	2, 3, 4, 5	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A0MSN11.htm

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-B-	Buy:	The price of the analysed financial instrument is expected to rise over the next 12 months.
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“-“	Rating suspended:	The available information currently does not permit an evaluation of the company.

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Rating	Number of stocks	% of Universe
Buy	119	60
Hold	67	34
Sell	7	4
Rating suspended	5	3
Total	198	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	33	79
Hold	7	17
Sell	0	0
Rating suspended	2	5
Total	42	100

PRICE AND RATING HISTORY NYNOMIC AS OF 21.08.2019



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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