

IBU-tec advanced materials AG

Germany - Chemicals/ Specialty Chemicals



HAUCK & AUFHÄUSER
Investment Banking

Buy (old: Buy)

Price target: EUR 64.50 (old: EUR 64.00)

Price:	EUR 39.10	Next result:	H1 2021 30.08.21
Bloomberg:	IBU GR	Market cap:	EUR 199.0 m
Reuters:	IBU.DE	Enterprise Value:	EUR 190.0 m

05-May-21

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All on track, capital increase included in model, est. & PT chg.

While tangible LFP contract announcements may still take some time (est. Q2/Q3) recent conversations with management and pronouncements made at the AGM on April 29 **give us confidence that the high interest level for IBU-tec as sole source of LFP on the European continent should soon translate into strong revenues and earnings growth.**

LFP production is the main driver of the IBU- TEC equity story as it is set to account for 41% of EBITDA by 2025E vs. close to 0 today (largely third-party testing and sampling volumes). The company will start marketing its own LFP materials in September-October 2021 once the license held by the Canadian consortium has expired.

During latest roadshows a planned **project pipeline for some 11,800 t with an estimated € 150 m revenue potential was presented.** Negotiations on prices and samples are progressing well with an announcement regarding the hearing aids/headphones 200 t contract to be expected first, est. Q3: IBU-tec is now technically approved and market launch is next. Regarding the 8,000 t opportunity for EVs, price negotiations and sample testing are ongoing. Given an 18 months lead-time we would expect larger volumes to be shipped end 2022E in accordance with planned ramp-ups.

While firm commitments are taking time to materialize, **the pond looks even larger than we thought, opening up even more opportunities for IBU-tec** and potentially paving the way for strategic alliances highlighting clear high-grade LFP bottlenecks in Europe as battery production expands fast to cope with EV demand. (see p.2 for details).

Q1 is slightly ahead of company expectations at top line level courtesy of strong catalyst and trial business as well as a positive development at BNT. The glass coating (est. 6% of EBITDA by 2025E) capacity expansion is almost completed (est. € 2.5m in capex in 2021), with IBU-tec now clear European market leader.

We **include the impact of the capital increase in our figures.** We estimate € 1.1m in non-recurring costs and include **higher D&A (HGB accounting), hence the cut in reported EBIT estimates.** The share capital is up 19%. We take out the € 20m debt we originally plugged in to finance LFP and other capacity expansions to accommodate growth. Capex is now stretched out in line with estimated LFP ramp-ups.

The DCF now yields **€ 64.5 per share (€ 64.0):** terminal growth 2%, WACC 8.2%, terminal EBIT margin 16%. **BUY. – cont'd-**

Y/E 31.12 (EUR m)	2019	2020	2021E (1)	2022E	2023E	2024E	2025E
Sales	48.5	33.0	40.9	67.2	84.3	118.1	147.3
Sales growth	49 %	-32 %	24 %	64 %	26 %	40 %	25 %
EBITDA	7.1	7.0	7.0	13.4	18.4	28.7	38.2
EBIT	1.9	2.1	1.5	7.3	11.7	22.0	31.3
Net income	0.9	1.0	0.8	4.7	7.7	14.8	21.1
Net debt	14.6	11.3	-9.0	-8.0	-8.8	-17.4	-34.6
Net gearing	45.7 %	34.5 %	-15.3 %	-12.7 %	-12.6 %	-20.8 %	-33.4 %
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	0.99	1.62	3.11	4.43
CPS	0.03	0.64	-1.08	0.35	1.29	2.85	4.31
DPS	0.00	0.00	0.15	0.18	0.20	0.30	0.45
Dividend yield	0.0 %	0.0 %	0.4 %	0.4 %	0.5 %	0.7 %	1.1 %
Gross profit margin	50.9 %	49.4 %	51.2 %	56.2 %	56.4 %	56.6 %	56.8 %
EBITDA margin	14.7 %	21.2 %	17.1 %	19.9 %	21.8 %	24.3 %	25.9 %
EBIT margin	4.0 %	6.5 %	3.6 %	10.8 %	13.8 %	18.7 %	21.3 %
ROCE	4.1 %	6.3 %	2.3 %	9.3 %	13.9 %	23.4 %	28.2 %
EV/sales	3.8	5.4	4.6	2.8	2.3	1.5	1.1
EV/EBITDA	25.6	25.7	27.2	14.3	10.4	6.3	4.3
EV/EBIT	93.4	83.9	128.5	26.3	16.3	8.2	5.3
PER	193.3	167.3	258.3	42.3	25.8	13.5	9.5
Adjusted FCF yield	1.3 %	2.4 %	2.2 %	4.3 %	5.9 %	9.8 %	14.8 %

Source: Company data, Hauck & Aufhäuser Close price as of: 04.05.2021, (1) incl. € 1.1m cap. increase costs



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 51.50 / 10.50

Price/Book Ratio: 3.1

Relative performance (SDAX):

3 months -7.8 %

6 months 112.3 %

12 months 158.3 %

Changes in estimates

		Sales	EBIT	EPS
2021	old:	40.2	3.3	0.43
	Δ	1.8%	-54.7%	-62.0%
2022	old:	66.4	7.9	1.18
	Δ	1.2%	-8.3%	-15.8%
2023	old:	83.5	12.3	1.92
	Δ	1.0%	-5.1%	-15.6%

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)

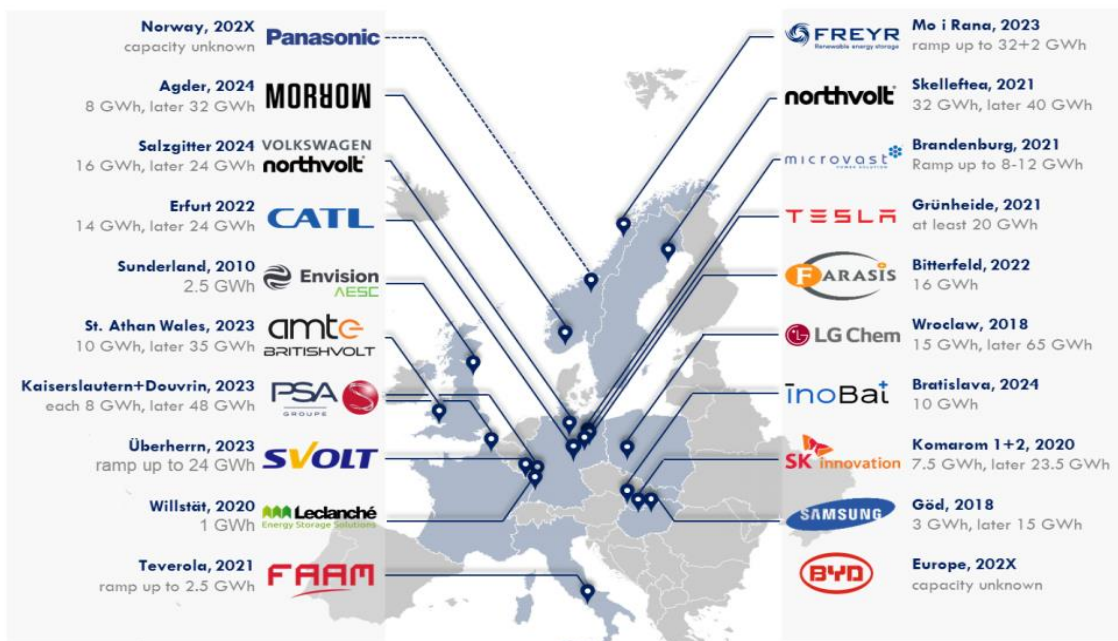
Company description:

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.

Sounds-bites around the potential for LFP in Europe

- In addition to industry sources indicating > 120 GWh/yr of battery capacity installed by 2025E in Germany alone to fuel ambitious EV targets, and implying an estimated **48,000 of annual demand** (€ 576m revenue potential), **VW announced plans for 240 GWh/yr of own battery plants in Europe**. LFP was a key topic for the upcoming entry-level EV vehicles batteries to be produced in Salzgitter (est. 40 GWh/yr or at least 16,000 t). **As a reminder, the recent capital increase will enable IBU-tec to double capacities to 10,000 t, potentially giving the company a 21% market share in Germany.**

Planned battery capacities in Europe by 2025E



Source: Industry sources, Hauck & Aufhäuser

- Battery recycling** where IBU-tec could play a role with black mass treatment capabilities is also an important topic. VW is very keen on a closed-cycle and will be launching a pilot plant in Salzgitter. We understand that IBU-tec is also pursuing this opportunity.
- Solid state** is a battery technology offering higher energy density, greater safety, better rapid charging capability and lower weight and space requirements per KWh. The latter is however not based on less battery material, such as LFP, but on less weight for the battery encapsulation as well as for the electrolyte. With the same size of a current battery pack, the solid battery enables electrical ranges at the level of conventional drives. **While there were concerns as to LFP's relevance in this context, the usage of LFP per cell is in the solid state type the same as in current Li Li-ion batteries.** In fact, CATL, one of the larger battery producers worldwide, has recently stated that **LFP will be the preferred cathode material for battery densities of 200Wh/kg and even up to 230Wh/kg.** CATL is further planning to use the NMC 811 cathode technology (a cathode composition with 80% nickel, 10% manganese, and 10% cobalt) to deliver solid-state batteries with battery density of 300Wh/kg +.
- Last but not least CEO Mr. Weitz pointed out at the AGM that they are "currently flooded" with request from battery producers.

All in all, given how small IBU-tec is today is relative to the size of the opportunity we see potential for strategic alliances with battery manufacturers, beyond standalone capacity expansions such as with the proceeds from the capital increase, making the story even more attractive.

Financials

Profit and loss (EUR m)	2019	2020	2021E	2022E	2023E	2024E	2025E
Net sales	48.5	33.0	40.9	67.2	84.3	118.1	147.3
<i>Sales growth</i>	48.8 %	-32.0 %	24.0 %	64.3 %	25.6 %	40.0 %	24.7 %
Increase/decrease in finished goods and work-in-process	-0.1	-1.4	-1.5	0.1	0.1	0.1	0.0
Total sales	48.4	31.6	39.4	67.3	84.4	118.2	147.3
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	29.5	36.8	51.3	63.6
Personnel expenses	12.7	11.5	12.3	14.1	15.3	16.4	17.5
Other operating expenses	7.0	6.3	2.4	10.9	14.4	22.3	28.6
Total operating expenses	41.3	24.6	32.4	53.9	66.0	89.4	109.1
EBITDA	7.1	7.0	7.0	13.4	18.4	28.7	38.2
Depreciation	5.2	4.1	4.7	5.3	5.9	5.9	6.1
EBITA	1.9	2.9	2.3	8.1	12.5	22.8	32.1
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
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	1.9	2.1	1.5	7.3	11.7	22.0	31.3
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
Recurring pretax income from continuing operations	1.5	1.7	1.1	6.9	11.3	21.7	31.0
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	1.5	1.7	1.1	6.9	11.3	21.7	31.0
Taxes	0.7	0.6	0.4	2.2	3.6	6.9	9.9
Net income from continuing operations	0.9	1.0	0.8	4.7	7.7	14.8	21.1
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	0.9	1.0	0.8	4.7	7.7	14.8	21.1
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	0.9	1.0	0.8	4.7	7.7	14.8	21.1
Average number of shares	4.0	4.0	4.8	4.8	4.8	4.8	4.8
EPS reported	0.22	0.25	0.16	0.99	1.62	3.11	4.43

Profit and loss (common size)	2019	2020	2021E	2022E	2023E	2024E	2025E
Net sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Increase/decrease in finished goods and work-in-process	neg.	neg.	neg.	0.1 %	0.1 %	0.0 %	0.0 %
Total sales	99.9 %	95.7 %	96.3 %	100.1 %	100.1 %	100.0 %	100.0 %
Other operating income	4.5 %	27.9 %	3.7 %	0.7 %	0.6 %	0.4 %	0.4 %
Material expenses	49.0 %	48.5 %	47.0 %	43.9 %	43.6 %	43.4 %	43.2 %
Personnel expenses	26.2 %	35.0 %	30.0 %	20.9 %	18.2 %	13.9 %	11.9 %
Other operating expenses	14.4 %	19.0 %	5.9 %	16.2 %	17.1 %	18.8 %	19.4 %
Total operating expenses	85.2 %	74.6 %	79.3 %	80.2 %	78.3 %	75.7 %	74.1 %
EBITDA	14.7 %	21.2 %	17.1 %	19.9 %	21.8 %	24.3 %	25.9 %
Depreciation	10.7 %	12.4 %	11.5 %	7.9 %	7.0 %	5.0 %	4.1 %
EBITA	4.0 %	8.8 %	5.6 %	12.0 %	14.8 %	19.3 %	21.8 %
Amortisation of goodwill	0.0 %	2.3 %	2.0 %	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 %
EBIT (inc revaluation net)	4.0 %	6.5 %	3.6 %	10.8 %	13.8 %	18.7 %	21.3 %
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.
Recurring pretax income from continuing operations	3.2 %	5.1 %	2.8 %	10.3 %	13.4 %	18.4 %	21.0 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	3.2 %	5.1 %	2.8 %	10.3 %	13.4 %	18.4 %	21.0 %
Tax rate	41.8 %	38.4 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %
Net income from continuing operations	1.8 %	3.1 %	1.9 %	7.0 %	9.1 %	12.5 %	14.3 %
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	1.8 %	3.1 %	1.9 %	7.0 %	9.1 %	12.5 %	14.3 %
Minority interest	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net profit (reported)	1.8 %	3.0 %	1.9 %	7.0 %	9.1 %	12.5 %	14.3 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2019	2020	2021E	2022E	2023E	2024E	2025E
Intangible assets	4.9	4.1	3.3	2.5	1.7	0.9	0.1
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
FIXED ASSETS	38.6	37.4	34.4	33.3	34.6	35.9	35.1
Inventories	8.9	7.3	13.6	16.8	19.8	19.7	21.0
Accounts receivable	6.6	5.0	7.8	12.1	14.8	20.7	24.2
Other current assets	0.0	0.6	0.6	0.7	0.7	0.7	0.7
Liquid assets	0.7	2.5	22.9	21.8	22.6	31.2	48.4
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
CURRENT ASSETS	17.0	15.7	45.1	51.7	58.2	72.5	94.5
TOTAL ASSETS	55.6	53.0	79.5	85.0	92.7	108.4	129.6
SHAREHOLDERS EQUITY	31.9	32.8	59.1	63.1	69.9	83.7	103.4
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
Non-current liabilities	1.7	3.5	3.5	3.5	3.5	3.5	3.5
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	2.2	3.7	4.6	6.5	8.1
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
Current liabilities	22.1	16.7	16.9	18.3	19.3	21.1	22.7
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	55.6	53.1	79.5	85.0	92.7	108.4	129.6

Balance sheet (common size)	2019	2020	2021E	2022E	2023E	2024E	2025E
Intangible assets	8.8 %	7.8 %	4.2 %	3.0 %	1.9 %	0.9 %	0.1 %
Property, plant and equipment	60.7 %	62.7 %	39.1 %	36.2 %	35.4 %	32.2 %	27.0 %
Financial assets	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
FIXED ASSETS	69.4 %	70.5 %	43.2 %	39.2 %	37.3 %	33.1 %	27.1 %
Inventories	16.0 %	13.8 %	17.1 %	19.8 %	21.4 %	18.2 %	16.2 %
Accounts receivable	11.9 %	9.5 %	9.9 %	14.3 %	15.9 %	19.1 %	18.7 %
Other current assets	0.0 %	1.1 %	0.7 %	0.8 %	0.8 %	0.6 %	0.5 %
Liquid assets	1.3 %	4.7 %	28.8 %	25.7 %	24.4 %	28.8 %	37.3 %
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 %
CURRENT ASSETS	30.5 %	29.5 %	56.8 %	60.8 %	62.7 %	66.9 %	72.9 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	57.3 %	61.9 %	74.3 %	74.3 %	75.4 %	77.3 %	79.8 %
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 %	3.3 %	2.7 %
Non-current liabilities	3.1 %	6.7 %	4.4 %	4.2 %	3.8 %	3.3 %	2.7 %
short-term liabilities to banks	27.4 %	26.1 %	17.4 %	16.3 %	14.9 %	12.8 %	10.7 %
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 %
Current liabilities	39.6 %	31.4 %	21.2 %	21.6 %	20.8 %	19.5 %	17.5 %
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

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	4.7	7.7	14.8	21.1
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	10.7	14.4	21.5	28.0
Increase/decrease in inventory	0.0	1.5	-6.3	-3.2	-3.1	0.2	-1.4
Increase/decrease in accounts receivable	4.3	1.6	-2.8	-4.3	-2.6	-5.9	-3.5
Increase/decrease in accounts payable	-5.0	-0.7	0.1	1.4	0.9	1.9	1.6
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	-9.0	-6.0	-4.8	-3.9	-3.3
Cash flow from operating activities	4.2	4.5	-2.6	4.7	9.6	17.5	24.7
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
Cash flow from investing activities	-7.2	-2.2	-2.5	-5.0	-8.0	-8.0	-6.1
Cash flow before financing	-3.0	2.4	-5.1	-0.3	1.6	9.5	18.6
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
Cash flow from financing activities	3.3	-0.5	25.5	-0.7	-0.9	-1.0	-1.4
Increase/decrease in liquid assets	0.3	1.8	20.4	-1.0	0.8	8.6	17.2
Liquid assets at end of period	0.7	2.5	22.9	21.8	22.6	31.2	48.4

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2019	2020	2021E	2022E	2023E	2024E	2025E
Domestic	14.3	16.0	20.0	24.1	28.9	0.0	0.0
yoy change	13.8 %	12.0 %	25.0 %	20.0 %	20.0 %	n/a	n/a
Rest of Europe	4.0	12.0	9.0	20.1	27.1	0.0	0.0
yoy change	15.4 %	199.7 %	-24.9 %	122.7 %	35.0 %	n/a	n/a
NAFTA	30.1	4.9	11.8	23.0	28.3	0.0	0.0
yoy change	1721.2 %	-83.7 %	140.8 %	94.9 %	23.2 %	n/a	n/a
Asia Pacific	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of world	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
TTL	48.5	33.0	40.9	67.2	84.3	118.1	0.0
yoy change	173.5 %	-32.0 %	24.0 %	64.3 %	25.6 %	40.0 %	n/a

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2019	2020	2021E	2022E	2023E	2024E	2025E
P&L growth analysis							
Sales growth	48.8 %	-32.0 %	24.0 %	64.3 %	25.6 %	40.0 %	24.7 %
EBITDA growth	9.4 %	7.1 %	-2.0 %	91.7 %	163.2 %	115.0 %	108.0 %
EBIT growth	-33.8 %	-27.6 %	-24.1 %	240.7 %	689.1 %	203.2 %	168.3 %
EPS growth	-53.9 %	-46.7 %	-25.2 %	295.6 %	899.5 %	213.4 %	173.4 %
Efficiency							
Total operating costs / sales	85.2 %	74.6 %	79.3 %	80.2 %	78.3 %	75.7 %	74.1 %
Sales per employee	184.2	139.1	136.2	213.2	255.6	337.5	409.2
EBITDA per employee	27.1	29.4	23.3	42.4	55.7	82.1	106.1
Balance sheet analysis							
Avg. working capital / sales	28.5 %	38.2 %	38.7 %	26.2 %	29.0 %	24.9 %	22.7 %
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	286.4	228.4	215.0	158.0	134.4
Cash flow analysis							
Free cash flow	-2.0	2.4	-5.1	-0.3	1.6	9.5	18.6
Free cash flow/sales	-4.1 %	7.2 %	-12.6 %	-0.5 %	1.9 %	8.1 %	12.6 %
FCF / net profit	neg.	235.7 %	neg.	neg.	21.3 %	64.7 %	88.3 %
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
Security							
Net debt	14.6	11.3	-9.0	-8.0	-8.8	-17.4	-34.6
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	21.0	33.7	63.7	90.5
Dividend payout ratio	0.0 %	0.0 %	92.5 %	18.2 %	12.3 %	9.7 %	10.2 %
Asset utilisation							
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
Returns							
ROCE	4.1 %	6.3 %	2.3 %	9.3 %	13.9 %	23.4 %	28.2 %
ROE	2.7 %	3.1 %	1.3 %	7.5 %	11.0 %	17.6 %	20.4 %
Other							
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	0.99	1.62	3.11	4.43
Valuation ratios							
P/BV	5.3	5.1	3.4	3.2	2.8	2.4	1.9
EV/sales	3.8	5.4	4.6	2.8	2.3	1.5	1.1
EV/EBITDA	25.6	25.7	27.2	14.3	10.4	6.3	4.3
EV/EBITA	93.4	61.8	83.4	23.7	15.3	8.0	5.1
EV/EBIT	93.4	83.9	128.5	26.3	16.3	8.2	5.3
EV/FCF	-92.5	75.8	-37.0	-591.7	115.9	19.0	8.8
Adjusted FCF yield	1.3 %	2.4 %	2.2 %	4.3 %	5.9 %	9.8 %	14.8 %
Dividend yield	0.0 %	0.0 %	0.4 %	0.4 %	0.5 %	0.7 %	1.1 %

Source: Company data, Hauck & Aufhäuser

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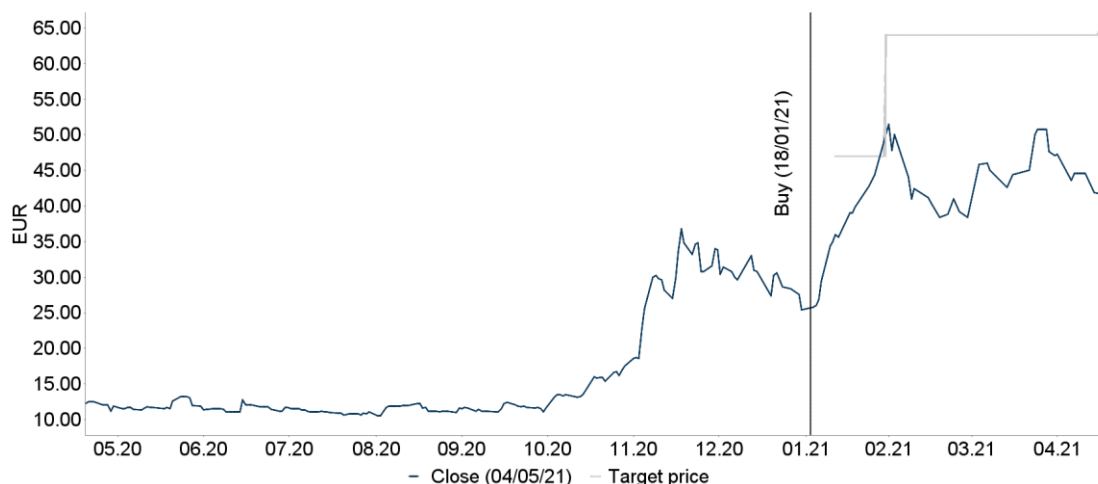
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Company	Disclosure
IBU-tec advanced materials AG	3, 8

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 04/05/21

Initiation coverage
 27-January-21



Company	Date	Analyst	Rating	Target price	Close
IBU-tec advanced materials AG	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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Date of publication creation: 05/05/2021 08:18 AM

Date of publication dissemination: 05/05/2021 08:24 AM

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