

**Buy** (old: Buy)

**Price target: EUR 31.00** (old: EUR 31.00)

**Price:** EUR 15.68      **Next result:** FY'21 21.03.22  
**Bloomberg:** SANT GR      **Market cap:** EUR 956.4 m  
**Reuters:** SANT1.DE      **Enterprise Value:** EUR 1,080.1 m

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## Out of ammo

Viceroy yesterday came out with a simple 1-pager in response to S&T's thorough and detailed 13-page rebuttal released on December 28. The 1-pager **does not raise any new allegations nor does it reiterate the key accusation** made in the initial report released on December 15.

**What was this key accusation?** On page 1 of the initial report, Viceroy claimed that "S&T appears to hide several subsidiaries in an off-balance sheet structure to conceal corporate fraud". It named S&T Ukraine and IMG China as off-balance sheet entities.

The updates we put out at the end of December should make it **abundantly clear that this allegation is incorrect**. S&T's rebuttal fully confirmed our independent findings.

**What is Viceroy saying now?** "S&T Ukraine, a company in direct competition with S&T in the country and under criminal investigation while operating under S&T's name pays only EUR35k for branding licenses. We seriously question the rationale behind this relationship considering the reputational damage incurred".

Evidently, **this is a far cry from the initial accusation**. Investors still concerned about the amended allegation should note that **S&T has already discontinued the brand licensing agreement**. Further, the company is **not** in direct competition with the entity in the Ukraine. While S&T generated €7m of revenues in the Ukraine in 2021 (0.5% of group revenues), **this was via subsidiary Iskratel only**, which is active in 5G communications, amongst other. Finally, the license agreement was **not** instigated by the current management team but rather by the board of S&T System Integration & Technology Distribution AG back in 2010 / 2011.

**What about IMG China?** Viceroy does **not** reiterate its off-balance sheet accusation. Rather, it now claims that "IMG China operates with S&T branding [...]" and its "[...] client base poses significant reputational risk to S&T." **Please look at page 2 to see IMG's brand for yourself**. There is nothing reminiscent of S&T AG. Also, there is a single reference to S&T AG in the "About Us" section of the website (because IMG *used* to be a subsidiary) – **that's it**. The claim that "IMG China operates with S&T branding" hence seems absurd, **and we do not see any reputational risk at all**.

All other points raised in the 1-pager **look immaterial**, in our view, **and S&T has already addressed these topics to our full satisfaction**. We expect Deloitte to release its forensic audit in the course of Q1, **which should fully vindicate S&T**. Reiterate **BUY with a € 31.00 PT** based on DCF.

Y/E 31.12 (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Sales	882.0	990.9	1,122.9	1,254.8	1,350.0	1,556.2	1,696.3
Sales growth	75 %	12 %	13 %	12 %	8 %	15 %	9 %
EBITDA	68.1	90.5	111.7	130.0	136.4	165.7	190.8
EBIT	41.7	61.5	61.8	68.6	72.3	100.1	124.8
Net income	22.5	45.0	49.1	55.6	59.4	84.3	100.6
Net debt	-101.8	-52.7	91.5	104.1	96.8	15.4	-73.3
EPS pro forma	0.51	0.68	0.74	0.84	0.90	1.28	1.52
CPS	0.52	0.32	0.88	1.67	0.63	1.78	1.83
DPS	0.13	0.16	0.00	0.30	0.27	0.32	0.34
Dividend yield	0.9 %	1.1 %	0.0 %	2.1 %	1.9 %	2.2 %	2.4 %
Gross profit margin	36.7 %	36.0 %	37.2 %	37.2 %	37.0 %	37.4 %	37.9 %
EBITDA margin	7.7 %	9.1 %	9.9 %	10.4 %	10.1 %	10.7 %	11.3 %
EBIT margin	4.7 %	6.2 %	5.5 %	5.5 %	5.4 %	6.4 %	7.4 %
ROCE	9.4 %	11.9 %	8.8 %	9.9 %	8.2 %	10.9 %	12.8 %
EV/sales	0.9	0.9	1.0	0.9	0.8	0.6	0.5
EV/EBITDA	12.3	10.1	9.6	8.4	7.9	6.0	4.8
EV/EBIT	20.1	14.9	17.5	15.9	14.9	10.0	7.3
PER	28.4	21.3	19.5	17.2	16.1	11.3	9.5
Adjusted FCF yield	5.3 %	7.1 %	7.8 %	8.8 %	9.4 %	12.9 %	16.2 %

Source: Company data, Hauck Aufhäuser Investment Banking Close price as of: 25.01.2022

Please refer to important disclosures at the end of the report



Source: Company data, Hauck Aufhäuser Investment Banking

**High/low 52 weeks:** 23.80 / 13.25

**Price/Book Ratio:** 2.3

**Relative performance (TecDAX):**

3 months -20.4 %  
6 months -20.2 %  
12 months -30.6 %

## Changes in estimates

		Sales	EBIT	EPS
2021	old:	1,350.0	72.3	0.90
	Δ	-	-	-
2022	old:	1,556.2	100.1	1.28
	Δ	-	-	-
2023	old:	1,696.3	124.8	1.52
	Δ	-	-	-

## Key share data:

Number of shares: (in m pcs) 65.0  
Authorised capital: (in € m) 12.1  
Book value per share: (in €) 6.7  
Ø trading volume: (12 months) 155,000

## Major shareholders:

Free Float 73.4 %  
Ennoconn 26.6 %  
AGI 5.0 %  
Ninety One 4.0 %

## Company description:

Leading IoT solutions provider targeting industrial, medical, avionics, smart energy, and other applications

IMG China: the company's brand as depicted on its website

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首页

产品中心

咨询服务

解决方案

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Source: [www.imgchina.com.cn/](http://www.imgchina.com.cn/)

## Financials

Profit and loss (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
<b>Net sales</b>	<b>882.0</b>	<b>990.9</b>	<b>1,122.9</b>	<b>1,254.8</b>	<b>1,350.0</b>	<b>1,556.2</b>	<b>1,696.3</b>
<i>Sales growth</i>	75.1 %	12.3 %	13.3 %	11.7 %	7.6 %	15.3 %	9.0 %
Increase/decrease in finished goods and work-in-process	13.4	15.1	15.5	17.6	16.2	17.1	17.8
<b>Total sales</b>	<b>895.3</b>	<b>1,006.0</b>	<b>1,138.4</b>	<b>1,272.4</b>	<b>1,366.2</b>	<b>1,573.3</b>	<b>1,714.1</b>
Other operating income	8.5	7.5	8.0	8.8	8.1	8.6	8.5
Material expenses	567.0	644.3	715.4	799.0	861.3	985.1	1,065.3
Personnel expenses	179.4	194.6	245.2	273.3	291.6	333.0	359.6
Other operating expenses	89.4	84.0	74.2	78.8	85.1	98.0	106.9
Total operating expenses	827.3	915.4	1,026.7	1,142.4	1,229.9	1,407.6	1,523.2
<b>EBITDA</b>	<b>68.1</b>	<b>90.5</b>	<b>111.7</b>	<b>130.0</b>	<b>136.4</b>	<b>165.7</b>	<b>190.8</b>
Depreciation	7.4	29.0	25.9	30.9	31.3	32.6	33.0
<b>EBITA</b>	<b>60.7</b>	<b>61.5</b>	<b>85.8</b>	<b>99.1</b>	<b>105.1</b>	<b>133.1</b>	<b>157.8</b>
Amortisation of goodwill	0.0	n/a	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	18.9	n/a	24.0	30.5	32.7	33.0	33.0
Impairment charges	0.0	n/a	0.0	0.0	0.0	0.0	0.0
<b>EBIT (inc revaluation net)</b>	<b>41.7</b>	<b>61.5</b>	<b>61.8</b>	<b>68.6</b>	<b>72.3</b>	<b>100.1</b>	<b>124.8</b>
Interest income	0.6	1.0	1.3	1.6	1.8	1.6	1.6
Interest expenses	6.9	6.2	9.0	9.3	8.1	8.1	8.1
Other financial result	0.0	0.0	0.0	-0.2	0.0	0.0	0.0
Financial result	-6.4	-5.2	-7.7	-7.9	-6.3	-6.5	-6.5
<b>Recurring pretax income from continuing operations</b>	<b>35.4</b>	<b>56.3</b>	<b>54.1</b>	<b>60.7</b>	<b>66.0</b>	<b>93.6</b>	<b>118.3</b>
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Earnings before taxes</b>	<b>35.4</b>	<b>56.3</b>	<b>54.1</b>	<b>60.7</b>	<b>66.0</b>	<b>93.6</b>	<b>118.3</b>
Taxes	6.0	7.9	4.6	6.1	6.6	9.4	17.7
<b>Net income from continuing operations</b>	<b>29.4</b>	<b>48.5</b>	<b>49.5</b>	<b>54.6</b>	<b>59.4</b>	<b>84.3</b>	<b>100.6</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>29.4</b>	<b>48.5</b>	<b>49.5</b>	<b>54.6</b>	<b>59.4</b>	<b>84.3</b>	<b>100.6</b>
Minority interest	6.9	3.5	0.4	-1.0	0.0	0.0	0.0
<b>Net profit (reported)</b>	<b>22.5</b>	<b>45.0</b>	<b>49.1</b>	<b>55.6</b>	<b>59.4</b>	<b>84.3</b>	<b>100.6</b>
Average number of shares	52.5	66.1	66.1	65.0	65.0	65.0	65.0
<b>EPS reported</b>	<b>0.43</b>	<b>0.68</b>	<b>0.74</b>	<b>0.86</b>	<b>0.91</b>	<b>1.30</b>	<b>1.55</b>

Profit and loss (common size)	2017	2018	2019	2020	2021E	2022E	2023E
<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	1.5 %	1.5 %	1.4 %	1.4 %	1.2 %	1.1 %	1.1 %
<b>Total sales</b>	<b>101.5 %</b>	<b>101.5 %</b>	<b>101.4 %</b>	<b>101.4 %</b>	<b>101.2 %</b>	<b>101.1 %</b>	<b>101.1 %</b>
Other operating income	1.0 %	0.8 %	0.7 %	0.7 %	0.6 %	0.6 %	0.5 %
Material expenses	64.3 %	65.0 %	63.7 %	63.7 %	63.8 %	63.3 %	62.8 %
Personnel expenses	20.3 %	19.6 %	21.8 %	21.8 %	21.6 %	21.4 %	21.2 %
Other operating expenses	10.1 %	8.5 %	6.6 %	6.3 %	6.3 %	6.3 %	6.3 %
Total operating expenses	93.8 %	92.4 %	91.4 %	91.0 %	91.1 %	90.5 %	89.8 %
<b>EBITDA</b>	<b>7.7 %</b>	<b>9.1 %</b>	<b>9.9 %</b>	<b>10.4 %</b>	<b>10.1 %</b>	<b>10.7 %</b>	<b>11.3 %</b>
Depreciation	0.8 %	2.9 %	2.3 %	2.5 %	2.3 %	2.1 %	1.9 %
<b>EBITA</b>	<b>6.9 %</b>	<b>6.2 %</b>	<b>7.6 %</b>	<b>7.9 %</b>	<b>7.8 %</b>	<b>8.6 %</b>	<b>9.3 %</b>
Amortisation of goodwill	0.0 %	n/a	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	2.1 %	n/a	2.1 %	2.4 %	2.4 %	2.1 %	1.9 %
Impairment charges	0.0 %	n/a	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBIT (inc revaluation net)</b>	<b>4.7 %</b>	<b>6.2 %</b>	<b>5.5 %</b>	<b>5.5 %</b>	<b>5.4 %</b>	<b>6.4 %</b>	<b>7.4 %</b>
Interest income	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %
Interest expenses	0.8 %	0.6 %	0.8 %	0.7 %	0.6 %	0.5 %	0.5 %
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>4.0 %</b>	<b>5.7 %</b>	<b>4.8 %</b>	<b>4.8 %</b>	<b>4.9 %</b>	<b>6.0 %</b>	<b>7.0 %</b>
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Earnings before taxes</b>	<b>4.0 %</b>	<b>5.7 %</b>	<b>4.8 %</b>	<b>4.8 %</b>	<b>4.9 %</b>	<b>6.0 %</b>	<b>7.0 %</b>
Tax rate	17.0 %	14.0 %	8.4 %	10.0 %	10.0 %	10.0 %	15.0 %
<b>Net income from continuing operations</b>	<b>3.3 %</b>	<b>4.9 %</b>	<b>4.4 %</b>	<b>4.4 %</b>	<b>4.4 %</b>	<b>5.4 %</b>	<b>5.9 %</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>3.3 %</b>	<b>4.9 %</b>	<b>4.4 %</b>	<b>4.4 %</b>	<b>4.4 %</b>	<b>5.4 %</b>	<b>5.9 %</b>
Minority interest	0.8 %	0.4 %	0.0 %	neg.	0.0 %	0.0 %	0.0 %
<b>Net profit (reported)</b>	<b>2.6 %</b>	<b>4.5 %</b>	<b>4.4 %</b>	<b>4.4 %</b>	<b>4.4 %</b>	<b>5.4 %</b>	<b>5.9 %</b>

Source: Company data, Hauck Aufhäuser Investment Banking

Balance sheet (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
<b>Intangible assets</b>	<b>189.9</b>	<b>207.6</b>	<b>294.9</b>	<b>302.3</b>	<b>294.6</b>	<b>287.8</b>	<b>271.8</b>
Property, plant and equipment	31.9	37.1	99.8	135.1	125.4	117.7	111.9
Financial assets	17.6	0.3	22.8	22.1	22.1	22.1	22.1
<b>FIXED ASSETS</b>	<b>239.4</b>	<b>244.9</b>	<b>417.5</b>	<b>459.5</b>	<b>442.2</b>	<b>427.6</b>	<b>405.7</b>
Inventories	104.0	130.8	146.8	159.9	207.7	207.5	220.3
Accounts receivable	172.4	202.7	212.2	204.5	255.2	294.2	320.7
Other current assets	43.5	68.0	102.6	104.2	106.9	109.5	112.3
Liquid assets	216.9	171.8	312.3	281.9	289.2	370.6	459.3
Deferred taxes	28.6	29.8	34.4	36.6	36.6	36.6	36.6
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>CURRENT ASSETS</b>	<b>565.5</b>	<b>603.0</b>	<b>808.2</b>	<b>787.1</b>	<b>895.6</b>	<b>1,018.4</b>	<b>1,149.1</b>
<b>TOTAL ASSETS</b>	<b>804.9</b>	<b>847.9</b>	<b>1,225.7</b>	<b>1,246.6</b>	<b>1,337.7</b>	<b>1,446.1</b>	<b>1,554.9</b>
SHAREHOLDERS EQUITY	305.1	356.0	372.7	404.0	442.5	508.3	585.3
MINORITY INTEREST	26.7	11.3	12.4	5.4	5.4	5.4	5.4
Long-term debt	68.7	79.4	341.0	343.2	343.2	343.2	343.2
Provisions for pensions and similar obligations	21.2	14.6	30.0	26.8	26.8	26.8	26.8
Other provisions	36.7	28.0	54.4	40.5	40.5	40.5	40.5
<b>Non-current liabilities</b>	<b>126.6</b>	<b>122.0</b>	<b>425.4</b>	<b>410.5</b>	<b>410.5</b>	<b>410.5</b>	<b>410.5</b>
short-term liabilities to banks	46.4	39.6	62.8	42.8	42.8	42.8	42.8
Accounts payable	154.9	177.0	205.0	210.0	258.9	298.4	325.3
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	135.6	129.4	134.2	160.6	160.6	165.4	170.3
Deferred taxes	9.5	12.6	13.4	13.3	17.0	15.2	15.2
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Current liabilities</b>	<b>346.4</b>	<b>358.6</b>	<b>415.3</b>	<b>426.6</b>	<b>479.3</b>	<b>521.8</b>	<b>553.6</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>804.9</b>	<b>847.9</b>	<b>1,225.7</b>	<b>1,246.6</b>	<b>1,337.7</b>	<b>1,446.1</b>	<b>1,554.9</b>

Balance sheet (common size)	2017	2018	2019	2020	2021E	2022E	2023E
<b>Intangible assets</b>	<b>23.6 %</b>	<b>24.5 %</b>	<b>24.1 %</b>	<b>24.2 %</b>	<b>22.0 %</b>	<b>19.9 %</b>	<b>17.5 %</b>
Property, plant and equipment	4.0 %	4.4 %	8.1 %	10.8 %	9.4 %	8.1 %	7.2 %
Financial assets	2.2 %	0.0 %	1.9 %	1.8 %	1.7 %	1.5 %	1.4 %
<b>FIXED ASSETS</b>	<b>29.7 %</b>	<b>28.9 %</b>	<b>34.1 %</b>	<b>36.9 %</b>	<b>33.1 %</b>	<b>29.6 %</b>	<b>26.1 %</b>
Inventories	12.9 %	15.4 %	12.0 %	12.8 %	15.5 %	14.3 %	14.2 %
Accounts receivable	21.4 %	23.9 %	17.3 %	16.4 %	19.1 %	20.3 %	20.6 %
Other current assets	5.4 %	8.0 %	8.4 %	8.4 %	8.0 %	7.6 %	7.2 %
Liquid assets	27.0 %	20.3 %	25.5 %	22.6 %	21.6 %	25.6 %	29.5 %
Deferred taxes	3.6 %	3.5 %	2.8 %	2.9 %	2.7 %	2.5 %	2.4 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>CURRENT ASSETS</b>	<b>70.3 %</b>	<b>71.1 %</b>	<b>65.9 %</b>	<b>63.1 %</b>	<b>66.9 %</b>	<b>70.4 %</b>	<b>73.9 %</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	37.9 %	42.0 %	30.4 %	32.4 %	33.1 %	35.2 %	37.6 %
MINORITY INTEREST	3.3 %	1.3 %	1.0 %	0.4 %	0.4 %	0.4 %	0.3 %
Long-term debt	8.5 %	9.4 %	27.8 %	27.5 %	25.7 %	23.7 %	22.1 %
Provisions for pensions and similar obligations	2.6 %	1.7 %	2.4 %	2.2 %	2.0 %	1.9 %	1.7 %
Other provisions	4.6 %	3.3 %	4.4 %	3.2 %	3.0 %	2.8 %	2.6 %
<b>Non-current liabilities</b>	<b>15.7 %</b>	<b>14.4 %</b>	<b>34.7 %</b>	<b>32.9 %</b>	<b>30.7 %</b>	<b>28.4 %</b>	<b>26.4 %</b>
short-term liabilities to banks	5.8 %	4.7 %	5.1 %	3.4 %	3.2 %	3.0 %	2.8 %
Accounts payable	19.2 %	20.9 %	16.7 %	16.8 %	19.4 %	20.6 %	20.9 %
Advance payments received on orders	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other liabilities (incl. from lease and rental contracts)	16.9 %	15.3 %	10.9 %	12.9 %	12.0 %	11.4 %	11.0 %
Deferred taxes	1.2 %	1.5 %	1.1 %	1.1 %	1.3 %	1.0 %	1.0 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Current liabilities</b>	<b>43.0 %</b>	<b>42.3 %</b>	<b>33.9 %</b>	<b>34.2 %</b>	<b>35.8 %</b>	<b>36.1 %</b>	<b>35.6 %</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 Investment Banking

Cash flow statement (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Net profit/loss	29.4	48.5	49.5	54.6	59.4	84.3	100.6
Depreciation of fixed assets (incl. leases)	7.4	29.9	49.9	30.9	31.3	32.6	33.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	18.9	0.0	0.0	30.5	32.7	33.0	33.0
Others	-13.6	-17.7	3.7	-8.5	0.0	0.0	0.0
Cash flow from operations before changes in w/c	42.1	60.7	103.1	107.5	123.4	149.9	166.6
Increase/decrease in inventory	-17.9	-4.1	-16.0	-13.1	-47.8	0.2	-12.8
Increase/decrease in accounts receivable	5.5	-23.1	-30.0	41.4	-50.7	-39.0	-26.5
Increase/decrease in accounts payable	15.2	2.1	49.7	5.0	48.9	39.5	26.9
Increase/decrease in other working capital positions	0.0	0.0	-23.5	0.0	0.0	0.0	0.0
Increase/decrease in working capital	2.8	-25.1	-19.8	33.3	-49.7	0.8	-12.4
<b>Cash flow from operating activities</b>	<b>44.9</b>	<b>35.5</b>	<b>83.4</b>	<b>140.8</b>	<b>73.8</b>	<b>150.6</b>	<b>154.2</b>
CAPEX	23.0	25.1	27.1	33.9	39.2	43.6	44.1
Payments for acquisitions	11.5	39.6	27.2	41.0	7.5	7.5	0.0
Financial investments	5.7	-0.5	4.3	3.6	0.0	0.0	0.0
Income from asset disposals	1.2	1.1	2.9	1.3	0.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-39.1</b>	<b>-63.1</b>	<b>-55.7</b>	<b>-77.2</b>	<b>-46.7</b>	<b>-51.1</b>	<b>-44.1</b>
Cash flow before financing	5.8	-27.6	27.7	63.6	27.1	99.6	110.1
Increase/decrease in debt position	28.8	1.2	128.1	-40.9	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	14.6	12.2	0.0	0.0	0.0
Capital measures	86.9	2.2	0.0	1.4	0.0	0.0	0.0
Dividends paid	4.9	8.3	10.6	0.0	19.8	18.1	21.4
Others	-17.7	-15.9	-19.1	-14.1	0.0	0.0	0.0
Effects of exchange rate changes on cash	-2.0	0.3	1.1	-8.1	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>93.1</b>	<b>-20.9</b>	<b>83.8</b>	<b>-65.8</b>	<b>-19.8</b>	<b>-18.1</b>	<b>-21.4</b>
Increase/decrease in liquid assets	97.0	-48.2	112.6	-10.2	7.3	81.4	88.6
<b>Liquid assets at end of period</b>	<b>216.9</b>	<b>171.8</b>	<b>312.3</b>	<b>281.9</b>	<b>289.2</b>	<b>370.6</b>	<b>459.3</b>

Source: Company data, Hauck Aufhäuser Investment Banking

Regional split (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Domestic	108.3	98.4	102.2	106.7	108.0	124.5	135.7
yoy change	80.1 %	-9.1 %	3.8 %	4.4 %	1.3 %	15.3 %	9.0 %
Rest of Europe	242.7	300.0	336.9	373.9	395.6	471.5	514.0
yoy change	46.0 %	23.6 %	12.3 %	11.0 %	5.8 %	19.2 %	9.0 %
NAFTA	132.1	133.2	152.7	178.2	198.5	213.2	232.4
yoy change	n/a	0.8 %	14.7 %	16.7 %	11.4 %	7.4 %	9.0 %
Asia Pacific	n/a	n/a	n/a	n/a	n/a	n/a	n/a
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of world	398.9	459.4	531.1	596.0	648.0	747.0	814.2
yoy change	43.8 %	15.2 %	15.6 %	12.2 %	8.7 %	15.3 %	9.0 %
<b>TTL</b>	<b>882.0</b>	<b>990.9</b>	<b>1,122.9</b>	<b>1,254.8</b>	<b>1,350.0</b>	<b>1,556.2</b>	<b>1,696.3</b>
yoy change	75.1 %	12.3 %	13.3 %	11.7 %	7.6 %	15.3 %	9.0 %

Source: Company data, Hauck Aufhäuser Investment Banking

Key ratios (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
<b>P&amp;L growth analysis</b>							
Sales growth	75.1 %	12.3 %	13.3 %	11.7 %	7.6 %	15.3 %	9.0 %
EBITDA growth	97.9 %	33.0 %	23.4 %	43.6 %	22.1 %	27.4 %	40.0 %
EBIT growth	73.1 %	47.3 %	0.4 %	11.5 %	17.1 %	46.0 %	72.5 %
EPS growth	29.9 %	58.9 %	9.2 %	25.7 %	23.1 %	51.5 %	69.2 %
<b>Efficiency</b>							
Total operating costs / sales	93.8 %	92.4 %	91.4 %	91.0 %	91.1 %	90.5 %	89.8 %
Sales per employee	306.0	254.1	259.8	288.9	307.8	351.2	379.1
EBITDA per employee	23.6	23.2	25.9	29.9	31.1	37.4	42.6
<b>Balance sheet analysis</b>							
Avg. working capital / sales	13.6 %	14.0 %	13.8 %	12.4 %	13.3 %	11.5 %	12.4 %
Inventory turnover (sales/inventory)	8.5	7.6	7.7	7.8	6.5	7.5	7.7
Trade debtors in days of sales	71.3	74.6	69.0	59.5	69.0	69.0	69.0
A/P turnover [(A/P*365)/sales]	64.1	65.2	66.6	61.1	70.0	70.0	70.0
Cash conversion cycle (days)	38.6	48.5	39.2	36.6	47.3	35.3	33.0
<b>Cash flow analysis</b>							
Free cash flow	21.9	10.4	56.3	106.9	34.6	107.1	110.1
Free cash flow/sales	2.5 %	1.1 %	5.0 %	8.5 %	2.6 %	6.9 %	6.5 %
FCF / net profit	97.3 %	23.2 %	114.6 %	192.2 %	58.3 %	127.0 %	109.4 %
Capex / depre	109.2 %	82.3 %	62.9 %	61.2 %	61.2 %	66.4 %	66.8 %
Capex / maintenance capex	145.7 %	n/a	74.6 %	70.3 %	67.5 %	75.9 %	82.2 %
Capex / sales	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Security</b>							
Net debt	-101.8	-52.7	91.5	104.1	96.8	15.4	-73.3
Net Debt/EBITDA	0.0	0.0	0.8	0.8	0.7	0.1	0.0
Net debt / equity	neg.	neg.	0.2	0.3	0.2	0.0	neg.
Interest cover	6.0	10.0	6.9	7.4	8.9	12.4	15.4
Dividend payout ratio	36.6 %	23.5 %	0.0 %	35.7 %	30.5 %	25.4 %	22.4 %
<b>Asset utilisation</b>							
Capital employed turnover	1.7	1.9	1.3	1.5	1.5	1.6	1.6
Operating assets turnover	5.7	5.1	4.4	4.3	4.1	4.8	5.2
Plant turnover	27.7	26.7	11.3	9.3	10.8	13.2	15.2
Inventory turnover (sales/inventory)	8.5	7.6	7.7	7.8	6.5	7.5	7.7
<b>Returns</b>							
ROCE	9.4 %	11.9 %	8.8 %	9.9 %	8.2 %	10.9 %	12.8 %
ROE	7.4 %	12.6 %	13.2 %	13.8 %	13.4 %	16.6 %	17.2 %
<b>Other</b>							
Interest paid / avg. debt	6.6 %	5.3 %	3.4 %	3.7 %	2.1 %	2.1 %	2.1 %
No. employees (average)	2882	3900	4322	4343	4387	4431	4475
Number of shares	52.5	66.1	66.1	65.0	65.0	65.0	65.0
DPS	0.1	0.2	0.0	0.3	0.3	0.3	0.3
EPS reported	0.43	0.68	0.74	0.86	0.91	1.30	1.55
<b>Valuation ratios</b>							
P/BV	3.0	2.7	2.6	2.4	2.2	1.9	1.6
EV/sales	0.9	0.9	1.0	0.9	0.8	0.6	0.5
EV/EBITDA	12.3	10.1	9.6	8.4	7.9	6.0	4.8
EV/EBITA	13.8	14.9	12.6	11.0	10.3	7.5	5.8
EV/EBIT	20.1	14.9	17.5	15.9	14.9	10.0	7.3
EV/FCF	38.2	88.0	19.1	10.2	31.2	9.3	8.3
Adjusted FCF yield	5.3 %	7.1 %	7.8 %	8.8 %	9.4 %	12.9 %	16.2 %
Dividend yield	0.9 %	1.1 %	0.0 %	2.1 %	1.9 %	2.2 %	2.4 %

Source: Company data, Hauck Aufhäuser Investment Banking

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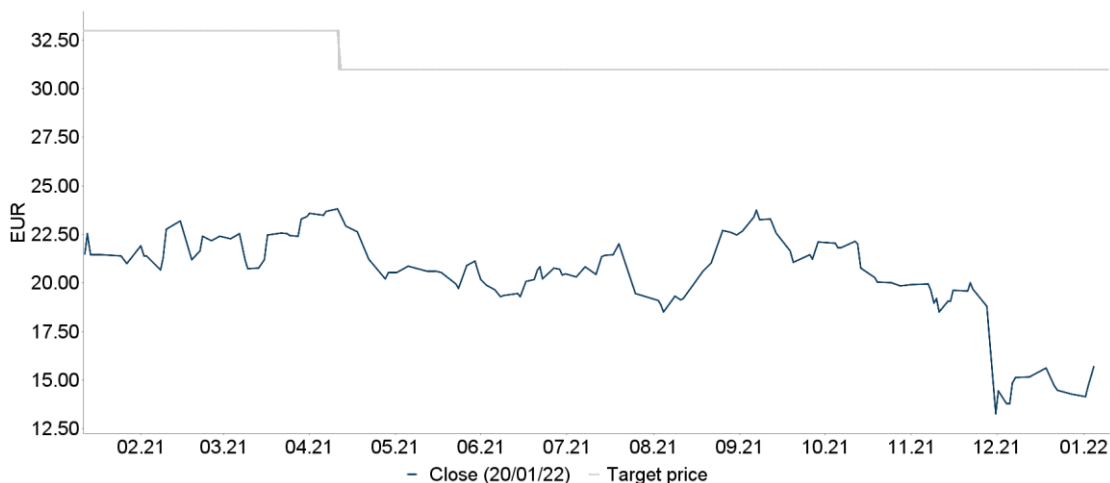
Company	Disclosure
S&T AG	

### Historical target price and rating changes for S&T AG in the last 12 months

#### Price and Rating History S&T AG as of 25/01/22

#### Initiation coverage

30-May-12



Company	Date	Analyst	Rating	Target price	Close
S&T AG	18.01.2022	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 14,66
	11.01.2022	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 14,47
	10.01.2022	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 14,47
	03.01.2022	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 15,62
	24.12.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 15,12

23.12.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 15,12
22.12.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 14,85
20.12.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 13,78
17.12.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 14,43
10.11.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 20,02
26.10.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,82
12.10.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,22
10.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 22,70
07.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,04
07.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,04
07.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,04
07.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,04
07.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,04
07.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,04
07.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,04
07.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,04
07.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,04
06.08.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 22,02
03.08.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,46
11.05.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,22
11.05.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,22
07.05.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,22
28.04.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 23,80
24.02.2021	Wunderlich, CFA, Tim	Buy	EUR 33,00	EUR 22,76

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<b>Sell</b>	5.19 %	0.00 %
<b>Hold</b>	16.23 %	3.57 %

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