

Buy (Hold) EUR 18.00 (EUR 15.00) Price EUR 12.95 Upside 39.0 %	Value Indicators: EUR DCF: 17.80 FCF-Value Potential 24e: 16.40 Peer group 24e: 13.50	Warburg ESG Risk Score: 3.0 ESG Score (MSCI based): 3.0 Balance Sheet Score: 5.0 Market Liquidity Score: 1.0	Description: PLM and EIM specialist; worldwide biggest Dassault partner
	Market Snapshot: EUR m Market cap: 108.4 No. of shares (m): 8.4 EV: 115.8 Freefloat MC: 76.9 Ø Trad. Vol. (30d): 44.96 th	Shareholders: Freefloat 71.00 % Primepulse 29.00 %	Key Figures (WRe): 2022e Beta: 1.2 Price / Book: 3.5 x Equity Ratio: 36 % Net Fin. Debt / EBITDA: 0.0 x Net Debt / EBITDA: 0.1 x

M&A and diversification to drive growth and improve profitability

Expected Figures Q4/2022:				Comment on Figures:		
in EUR m	Q4/22e	Q4/21	yoy	2022e	2021	yoy
Sales	48.1	42.1	14.3%	164.0	146.1	12.3%
EBIT margin	3.9	3.8	1.4%	6.4	6.2	3.2%
	8.0%	9.0%		3.9%	4.3%	
EPS in EUR	0.30	0.31	-3.2%	0.45	0.51	-11.8%
PLM	36.6	35.8	2.0%	134.5	130.0	3.5%
EIM	7.8	6.3	24.3%	25.7	16.0	60.3%

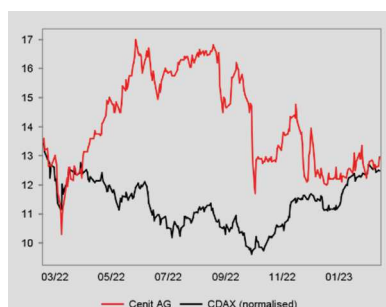
■ Centit is scheduled to report Q422 figures on 31 March
 ■ Solid Q422 top-line growth is expected to lead Centit to reaching the FY22 guidance
 ■ Q422 Profitability should have been impacted by one-off costs for changes in the personnel structure

Cenit recently acquired the Munich-based IBM specialist mip Management Information Partner. The transaction is a continuation of Centit's **buy-and-build strategy** which was implemented by CEO Peter Schneck. The acquisition complements Centit's existing EIM service portfolio especially in the fields of IBM-based information management and document logistics. While details of the deal were not disclosed, we expect mip sales to be about a low to mid single-digit million and assume the EBIT multiple to be mid-single-digit, which is below Centit's valuation. Mip will be consolidated retroactively as of 1 January 2023.

As part of the Centit 2025 strategy, management plans to **diversify Centit's product portfolio** and reduce the dependence on Dassault. While the strategy includes decreasing the revenue share of third-party software, this does not mean that Centit plans to scale back its partnership with Dassault as the platinum partner status has been defended. Rather, Centit plans to expand its remaining business areas by acquiring two to three smaller companies per year in the fields of Digital Factory Solutions, SAP Solutions and Services. Another M&A focus is proprietary software which enlarges Centit's product portfolio, strengthens its position as a one-stop-shop for digitalization, and serves as a **tailwind for margins**.

As management has recently highlighted, macro fears among its customer base are easing which **brightens the outlook for 2023**. Moreover, orders that were originally anticipated in Q4 2022 are expected to come in Q1 2023 – especially in the defence sector. The end of FY22 should have been impacted by macro uncertainties and muted sentiment for IT investment among Centit's customers. Profitability is likely to have been burdened by costs for changes in the personnel structure. Several German IT companies have reported high levels of illness-related absence in Q4. Hence, staff shortages could have been a headwind. Our estimates for Centit's Q4 22 as well as FY22 figures, which will be published on 31 March, are presented on the next page. Overall, the mid-term prospects look promising for Centit, but FY22 figures might come in towards the lower end of guidance.

After rolling forward our model, the DCF-based **PT increases to EUR 18.00**. Given improving sentiment for IT investments, Centit's potential for margin expansion as well as the upside to our PT, we upgrade the rating **from Hold to Buy**.

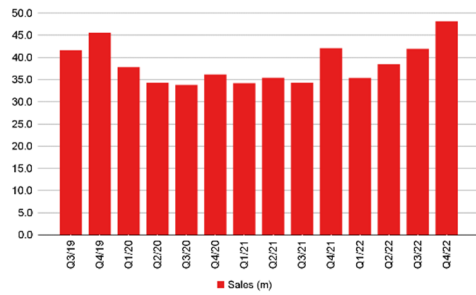


Rel. Performance vs CDAX:	
1 month:	1.3 %
6 months:	-32.0 %
Year to date:	-5.7 %
Trailing 12 months:	4.3 %

Company events:	
31.03.23	FY 2022
11.05.23	Q1
17.05.23	AGM
01.08.23	Q2

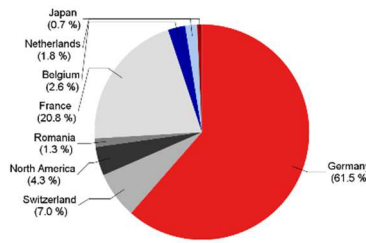
FY End: 31.12. in EUR m	CAGR (22-24e)	2018	2019	2020	2021	2022	2023e	2024e
Sales	7.9 %	170.0	171.7	142.1	146.1	164.0	180.0	191.0
Change Sales yoy		12.1 %	1.0 %	-17.2 %	2.8 %	12.3 %	9.8 %	6.1 %
Gross profit margin		50.4 %	49.8 %	50.6 %	53.0 %	56.3 %	56.0 %	56.3 %
EBITDA	14.3 %	11.9	15.2	9.6	11.3	14.4	17.6	18.8
Margin		7.0 %	8.9 %	6.8 %	7.7 %	8.8 %	9.8 %	9.9 %
EBIT	28.1 %	9.0	9.2	3.6	6.2	6.4	8.9	10.5
Margin		5.3 %	5.4 %	2.6 %	4.3 %	3.9 %	4.9 %	5.5 %
Net income	30.5 %	5.9	6.9	2.3	4.3	3.7	5.3	6.4
EPS	30.0 %	0.71	0.82	0.28	0.51	0.45	0.63	0.76
EPS adj.	30.0 %	0.71	0.82	0.28	0.51	0.45	0.63	0.76
DPS	4.1 %	0.60	0.00	0.47	0.75	0.60	0.65	0.65
Dividend Yield		3.3 %	n.a.	4.2 %	5.3 %	4.2 %	5.0 %	5.0 %
FCFPS		0.95	0.70	0.95	0.51	1.02	0.86	1.05
FCF / Market cap		5.2 %	5.1 %	8.4 %	3.6 %	7.1 %	6.6 %	8.1 %
EV / Sales		n.a.	0.6 x	0.5 x	0.7 x	0.8 x	0.6 x	0.6 x
EV / EBITDA		n.a.	6.8 x	8.1 x	9.0 x	8.9 x	6.6 x	6.0 x
EV / EBIT		n.a.	11.3 x	21.5 x	16.3 x	20.0 x	13.1 x	10.7 x
P / E		25.7 x	16.5 x	40.4 x	27.8 x	31.7 x	20.6 x	17.0 x
P / E adj.		25.7 x	16.5 x	40.4 x	27.8 x	31.7 x	20.6 x	17.0 x
FCF Potential Yield		n.a.	12.4 %	10.3 %	5.5 %	6.8 %	9.4 %	10.4 %
Net Debt		-17.9	-17.0	-24.5	-25.0	1.8	-0.3	-3.6
ROCE (NOPAT)		32.0 %	31.9 %	11.5 %	22.6 %	14.5 %	14.5 %	17.8 %
Guidance:		2022: sales EUR 162-166m; EBIT EUR 6.2-6.8m.						

Sales development
in EUR m



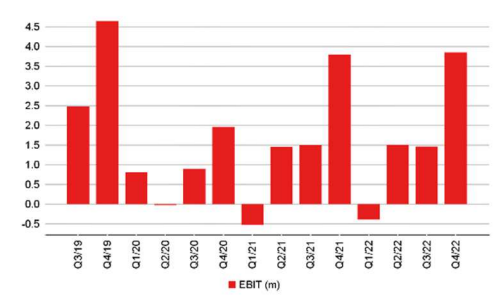
Source: Warburg Research

Sales by regions
2022; in %



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

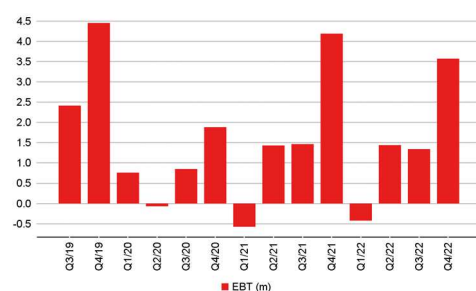
Company Background

- Cenit has evolved from an independent value-added software reseller to a system integrator providing complementary IT services and proprietary software.
- The business activities are divided into two segments: Product Lifecycle Management (PLM) and Enterprise Information Management (EIM).
- In the PLM segment, Cenit operates in the three business fields Dassault reselling and system integration, SAP-Dassault integration solutions and the proprietary software solution FastSuite.
- In the Enterprise Information Management (EIM) segment, Cenit implements document management and analytics software from IBM in addition to its add-on solutions.
- Cenit's fifth business field Digital Business Services provides application managed services, improving operational performance.

Competitive Quality

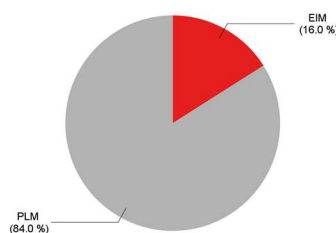
- Cenit is Dassault's biggest partner worldwide.
- Dassault's dominant market position in the PLM software market is reflected in its market share north of 30%, which lays the foundation for Cenit's competitive quality.
- Proprietary add-on software refines off-the-shelf products and provides bridges to industry standard software such as SAP S/4 HANA.
- The high level of industry expertise in verticals such as aerospace, discrete manufacturing and automotive underlines Cenit's reputation built up over 30 years.
- Cenit's M&A strategy is supported by the strong buy-and-build experience of CEO Peter Schneck and the extensive network of active anchor investor Primepulse.

EBT development
in EUR m



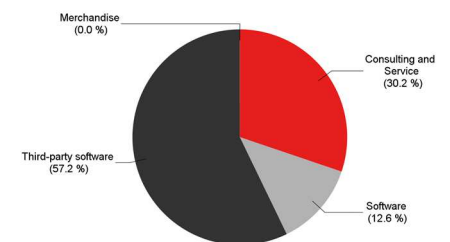
Source: Warburg Research

Sales by segments
2022; in %



Source: Warburg Research

Revenue types
2022



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2022	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	
Sales	164.0	180.0	191.0	198.6	206.6	214.2	221.7	229.0	236.1	242.8	249.1	255.0	260.7	
Sales change	12.3 %	9.8 %	6.1 %	4.0 %	4.0 %	3.7 %	3.5 %	3.3 %	3.1 %	2.8 %	2.6 %	2.4 %	2.2 %	2.0 %
EBIT	6.4	8.9	10.5	11.7	12.6	13.3	14.0	14.7	15.1	15.8	16.9	17.3	18.0	
EBIT-margin	3.9 %	4.9 %	5.5 %	5.9 %	6.1 %	6.2 %	6.3 %	6.4 %	6.4 %	6.5 %	6.8 %	6.8 %	6.9 %	
Tax rate (EBT)	30.0 %	30.0 %	30.0 %	30.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	32.0 %	
NOPAT	4.5	6.2	7.4	8.2	8.6	9.0	9.5	10.0	10.3	10.7	11.5	11.8	12.2	
Depreciation	8.0	8.7	8.3	8.3	7.9	8.1	8.0	7.8	8.0	8.3	8.5	8.7	8.9	
in % of Sales	4.9 %	4.8 %	4.3 %	4.2 %	3.8 %	3.8 %	3.6 %	3.4 %	3.4 %	3.4 %	3.4 %	3.4 %	3.4 %	
Changes in provisions	0.0	0.0	0.0	0.0	0.7	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	
Change in Liquidity from														
- Working Capital	-0.5	2.0	1.3	1.0	-3.6	0.7	0.6	0.6	0.6	0.6	0.5	0.5	0.5	
- Capex	0.9	2.1	2.0	1.9	2.1	2.6	3.1	3.2	4.3	4.4	5.0	5.1	6.3	
Capex in % of Sales	0.5 %	1.2 %	1.0 %	1.0 %	1.0 %	1.2 %	1.4 %	1.4 %	1.8 %	1.8 %	2.0 %	2.0 %	2.4 %	
- Other	3.3	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	
Free Cash Flow (WACC Model)	8.8	7.4	9.0	10.2	15.3	10.6	10.4	10.6	10.1	10.7	11.1	11.5	11.0	12
PV of FCF	0.0	7.4	8.3	8.7	12.0	7.7	7.0	6.6	5.8	5.7	5.4	5.2	4.6	72
share of PVs	15.14 %			39.95 %										44.91 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	20.00 %	Financial Strength	1.20
Cost of debt (after tax)	3.2 %	Liquidity (share)	1.30
Market return	8.25 %	Cyclicality	1.30
Risk free rate	2.75 %	Transparency	1.10
		Others	1.30
WACC	8.29 %	Beta	1.24

Valuation (m)

Present values 2034e	89		
Terminal Value	72		
Financial liabilities	23		
Pension liabilities	1		
Hybrid capital	0		
Minority interest	10		
Market val. of investments	0		
Liquidity	23	No. of shares (m)	8.4
Equity Value	149	Value per share (EUR)	17.83

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
1.47	9.3 %	14.76	14.95	15.16	15.38	15.62	15.87	16.15	1.47	9.3 %	11.66	12.90	14.14	15.38	16.62	17.87	19.11
1.35	8.8 %	15.76	16.00	16.25	16.52	16.81	17.12	17.46	1.35	8.8 %	12.53	13.86	15.19	16.52	17.85	19.18	20.51
1.30	8.5 %	16.32	16.58	16.85	17.15	17.47	17.82	18.20	1.30	8.5 %	13.02	14.39	15.77	17.15	18.53	19.91	21.28
1.24	8.3 %	16.91	17.20	17.50	17.83	18.19	18.58	19.00	1.24	8.3 %	13.54	14.97	16.40	17.83	19.26	20.69	22.12
1.18	8.0 %	17.55	17.86	18.20	18.57	18.97	19.41	19.88	1.18	8.0 %	14.11	15.59	17.08	18.57	20.06	21.55	23.03
1.13	7.8 %	18.23	18.58	18.96	19.37	19.82	20.31	20.85	1.13	7.8 %	14.72	16.27	17.82	19.37	20.92	22.47	24.02
1.01	7.3 %	19.77	20.21	20.68	21.20	21.77	22.40	23.10	1.01	7.3 %	16.13	17.82	19.51	21.20	22.89	24.59	26.28

- We expect Cenit to increase margins going forward.
- The higher depreciation expense from leased objects in the detailed forecast period is adjusted for in Other.

Free Cash Flow Value Potential

Warburg Research's valuation tool "FCF Value Potential" reflects the ability of the company to generate sustainable free cash flows. It is based on the "FCF potential" - a FCF "ex growth" figure - which assumes unchanged working capital and pure maintenance capex. A value indication is derived via the perpetuity of a given year's "FCF potential" with consideration of the weighted costs of capital. The fluctuating value indications over time add a timing element to the DCF model (our preferred valuation tool).

in EUR m	2018	2019	2020	2021	2022	2023e	2024e	
Net Income before minorities	n.a.	7.0	2.3	4.4	4.2	5.9	7.0	
+ Depreciation + Amortisation	n.a.	6.0	6.0	5.0	8.0	8.7	8.3	
- Net Interest Income	n.a.	-0.3	-0.2	0.3	-0.5	-0.5	-0.5	
- Maintenance Capex	n.a.	0.4	0.4	0.2	0.4	0.9	0.8	
+ Other	n.a.	0.0	0.0	-3.4	-3.5	-3.3	-3.3	
= Free Cash Flow Potential	n.a.	12.9	8.1	5.6	8.8	10.9	11.7	
FCF Potential Yield (on market EV)	n/a	12.4 %	10.3 %	5.5 %	6.8 %	9.4 %	10.4 %	
WACC	8.29 %	8.29 %	8.29 %	8.29 %	8.29 %	8.29 %	8.29 %	
= Enterprise Value (EV)	n.a.	104.0	78.1	101.5	128.8	115.8	112.5	
= Fair Enterprise Value	n.a.	155.2	97.4	67.4	106.0	131.2	141.6	
- Net Debt (Cash)	n.a.	0.4	0.4	0.4	0.4	-1.7	-5.0	
- Pension Liabilities	n.a.	1.4	1.4	1.4	1.4	1.4	1.4	
- Other	n.a.	0.0	0.0	0.0	0.0	0.0	0.0	
- Market value of minorities	n.a.	7.8	7.8	7.8	7.8	7.8	7.8	
+ Market value of investments	n.a.	0.0	0.0	0.0	0.0	0.0	0.0	
= Fair Market Capitalisation	n.a.	145.6	87.8	57.8	96.4	123.7	137.5	
Number of shares, average	8.4	8.4	8.4	8.4	8.4	8.4	8.4	
= Fair value per share (EUR)	n.a.	17.40	10.49	6.90	11.52	14.78	16.43	
premium (-) / discount (+) in %						14.2 %	26.9 %	
Sensitivity Fair value per Share (EUR)								
	11.29 %	n.a.	12.47	7.40	4.76	8.15	10.62	11.93
	10.29 %	n.a.	13.79	8.23	5.34	9.06	11.73	13.14
	9.29 %	n.a.	15.40	9.24	6.04	10.16	13.09	14.61
WACC	8.29 %	n.a.	17.40	10.49	6.90	11.52	14.78	16.43
	7.29 %	n.a.	19.94	12.09	8.01	13.26	16.93	18.75
	6.29 %	n.a.	23.30	14.20	9.46	15.55	19.77	21.82
	5.29 %	n.a.	27.92	17.10	11.47	18.71	23.68	26.04

- Business model with low capex requirements and high FCF...
- ...provides scope for acquisitions and a shareholder-friendly dividend policy.
- FCF-Value-CAGR 2019-2025e: 1%

Valuation	2018	2019	2020	2021	2022	2023e	2024e
Price / Book	4.0 x	2.8 x	2.3 x	2.8 x	3.5 x	3.1 x	3.0 x
Book value per share ex intangibles	2.90	3.30	3.70	3.90	-0.15	0.35	0.90
EV / Sales	n.a.	0.6 x	0.5 x	0.7 x	0.8 x	0.6 x	0.6 x
EV / EBITDA	n.a.	6.8 x	8.1 x	9.0 x	8.9 x	6.6 x	6.0 x
EV / EBIT	n.a.	11.3 x	21.5 x	16.3 x	20.0 x	13.1 x	10.7 x
EV / EBIT adj.*	n.a.	11.3 x	21.5 x	16.3 x	14.1 x	9.4 x	8.3 x
P / FCF	19.1 x	19.5 x	11.9 x	27.6 x	14.0 x	15.1 x	12.4 x
P / E	25.7 x	16.5 x	40.4 x	27.8 x	31.7 x	20.6 x	17.0 x
P / E adj.*	25.7 x	16.5 x	40.4 x	27.8 x	31.7 x	20.6 x	17.0 x
Dividend Yield	3.3 %	n.a.	4.2 %	5.3 %	4.2 %	5.0 %	5.0 %
FCF Potential Yield (on market EV)	n.a.	12.4 %	10.3 %	5.5 %	6.8 %	9.4 %	10.4 %

*Adjustments made for: -

Company Specific Items	2018	2019	2020	2021	2022	2023e	2024e
Consulting and Service	49.8	49.5	38.5	39.8	49.1	58.9	60.7
Software	15.4	16.5	15.9	17.7	20.5	22.0	25.9
Third-party software	104.3	105.6	87.4	88.5	93.0	94.4	95.4
Merchandise	0.5	0.2	0.3	0.0	0.0	0.0	0.0

Consolidated profit & loss

In EUR m	2018	2019	2020	2021	2022	2023e	2024e
Sales	170.0	171.7	142.1	146.1	164.0	180.0	191.0
Change Sales yoy	12.1 %	1.0 %	-17.2 %	2.8 %	12.3 %	9.8 %	6.1 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Sales	170.0	171.7	142.1	146.1	164.0	180.0	191.0
Material expenses	84.2	86.3	70.3	68.6	71.7	79.2	83.5
Gross profit	85.8	85.5	71.9	77.5	92.3	100.8	107.5
<i>Gross profit margin</i>	<i>50.4 %</i>	<i>49.8 %</i>	<i>50.6 %</i>	<i>53.0 %</i>	<i>56.3 %</i>	<i>56.0 %</i>	<i>56.3 %</i>
Personnel expenses	58.6	60.3	54.8	59.7	68.0	72.0	77.0
Other operating income	1.9	1.3	1.2	2.3	1.6	1.7	1.7
Other operating expenses	17.1	11.3	8.6	8.8	11.5	12.9	13.4
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	11.9	15.2	9.6	11.3	14.4	17.6	18.8
<i>Margin</i>	<i>7.0 %</i>	<i>8.9 %</i>	<i>6.8 %</i>	<i>7.7 %</i>	<i>8.8 %</i>	<i>9.8 %</i>	<i>9.9 %</i>
Depreciation of fixed assets	1.1	4.3	4.4	4.1	4.5	4.5	4.5
EBITA	10.9	11.0	5.2	7.2	9.9	13.1	14.3
Amortisation of intangible assets	1.9	1.8	1.6	1.0	3.5	4.2	3.8
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	9.0	9.2	3.6	6.2	6.4	8.9	10.5
<i>Margin</i>	<i>5.3 %</i>	<i>5.4 %</i>	<i>2.6 %</i>	<i>4.3 %</i>	<i>3.9 %</i>	<i>4.9 %</i>	<i>5.5 %</i>
EBIT adj.	9.0	9.2	3.6	6.2	9.1	12.3	13.5
Interest income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest expenses	0.1	0.3	0.2	0.2	0.5	0.5	0.5
Other financial income (loss)	0.0	0.0	0.0	0.4	0.0	0.0	0.0
EBT	9.0	8.9	3.4	6.5	5.9	8.4	10.1
<i>Margin</i>	<i>5.3 %</i>	<i>5.2 %</i>	<i>2.4 %</i>	<i>4.5 %</i>	<i>3.6 %</i>	<i>4.6 %</i>	<i>5.3 %</i>
Total taxes	2.8	1.9	1.1	2.2	1.8	2.5	3.0
Net income from continuing operations	6.1	7.0	2.3	4.4	4.2	5.9	7.0
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	6.1	7.0	2.3	4.4	4.2	5.9	7.0
Minority interest	0.2	0.1	0.0	0.1	0.4	0.6	0.7
Net income	5.9	6.9	2.3	4.3	3.7	5.3	6.4
<i>Margin</i>	<i>3.5 %</i>	<i>4.0 %</i>	<i>1.6 %</i>	<i>2.9 %</i>	<i>2.3 %</i>	<i>2.9 %</i>	<i>3.3 %</i>
Number of shares, average	8.4	8.4	8.4	8.4	8.4	8.4	8.4
EPS	0.71	0.82	0.28	0.51	0.45	0.63	0.76
EPS adj.	0.71	0.82	0.28	0.51	0.45	0.63	0.76

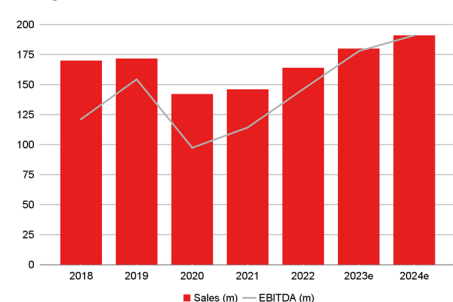
*Adjustments made for:

Guidance: 2022: sales EUR 162-166m; EBIT EUR 6.2-6.8m.

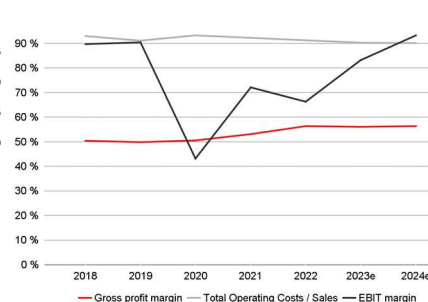
Financial Ratios

	2018	2019	2020	2021	2022	2023e	2024e
Total Operating Costs / Sales	93.0 %	91.1 %	93.2 %	92.3 %	91.2 %	90.2 %	90.1 %
Operating Leverage	-2.5 x	1.8 x	3.5 x	25.8 x	0.3 x	3.9 x	3.1 x
EBITDA / Interest expenses	168.3 x	51.1 x	47.5 x	70.0 x	28.9 x	35.1 x	37.7 x
Tax rate (EBT)	31.6 %	21.8 %	33.2 %	33.2 %	30.0 %	30.0 %	30.0 %
Dividend Payout Ratio	81.9 %	0.0 %	171.6 %	144.1 %	120.8 %	92.9 %	77.3 %
Sales per Employee	226,502	232,986	199,900	213,242	184,063	198,895	208,288

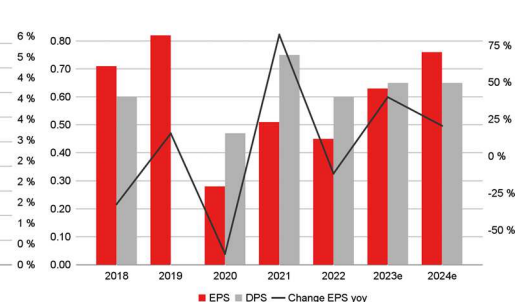
Sales, EBITDA
in EUR m



Operating Performance
in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

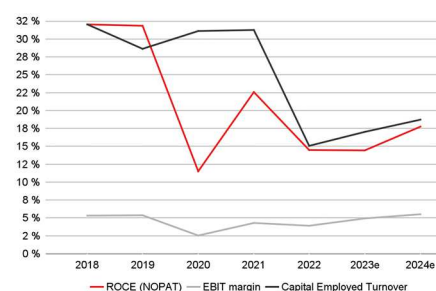
Consolidated balance sheet

In EUR m	2018	2019	2020	2021	2022	2023e	2024e
Assets							
Goodwill and other intangible assets	13.5	12.2	11.1	10.3	35.2	32.0	29.1
thereof other intangible assets	1.6	1.3	0.9	0.6	0.2	0.4	0.5
thereof Goodwill	6.6	6.6	6.6	6.6	20.6	20.6	20.6
Property, plant and equipment	2.7	2.4	1.8	1.4	1.7	1.7	1.7
Financial assets	2.6	2.7	2.6	3.2	3.2	3.2	3.2
Other long-term assets	0.0	14.1	11.9	10.5	11.0	11.4	11.9
Fixed assets	18.7	31.4	27.3	25.4	51.1	48.3	45.9
Inventories	0.0	0.3	0.0	0.0	0.1	0.1	0.1
Accounts receivable	25.0	24.1	17.0	26.8	27.0	29.6	31.4
Liquid assets	18.0	18.5	26.1	26.4	22.6	24.7	28.0
Other short-term assets	17.3	15.1	13.0	14.2	14.2	14.2	14.2
Current assets	60.3	58.0	56.1	67.4	63.9	68.6	73.7
Total Assets	79.1	89.3	83.4	92.8	115.0	117.0	119.6
Liabilities and shareholders' equity							
Subscribed capital	8.4	8.4	8.4	8.4	8.4	8.4	8.4
Capital reserve	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Retained earnings	14.1	14.2	14.2	14.5	12.0	12.2	13.2
Other equity components	14.3	16.2	18.4	19.0	12.5	13.2	14.0
Shareholders' equity	37.8	39.8	42.1	42.9	33.9	34.9	36.6
Minority interest	1.3	1.1	0.7	0.8	7.8	7.8	7.8
Total equity	39.1	40.9	42.7	43.6	41.7	42.7	44.4
Provisions	0.9	1.9	2.8	2.0	2.0	2.0	2.0
thereof provisions for pensions and similar obligations	0.1	1.5	1.6	1.4	1.4	1.4	1.4
Financial liabilities (total)	0.0	0.0	0.0	0.0	23.0	23.0	23.0
Short-term financial liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	7.9	6.0	3.3	6.0	6.8	7.4	7.9
Other liabilities	31.1	40.5	34.7	41.2	41.5	41.9	42.3
Liabilities	40.0	48.4	40.7	49.2	73.3	74.3	75.2
Total liabilities and shareholders' equity	79.1	89.3	83.4	92.8	115.0	117.0	119.6

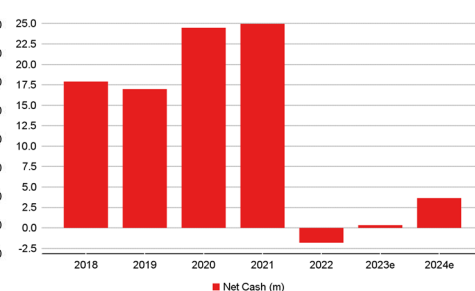
Financial Ratios

	2018	2019	2020	2021	2022	2023e	2024e
Efficiency of Capital Employment							
Operating Assets Turnover	9.9 x	9.0 x	10.9 x	7.7 x	8.7 x	8.7 x	8.6 x
Capital Employed Turnover	8.0 x	7.2 x	7.8 x	7.8 x	3.8 x	4.3 x	4.7 x
ROA	31.8 %	21.9 %	8.5 %	16.7 %	7.3 %	10.9 %	13.9 %
Return on Capital							
ROCE (NOPAT)	32.0 %	31.9 %	11.5 %	22.6 %	14.5 %	14.5 %	17.8 %
ROE	15.4 %	17.7 %	5.7 %	10.0 %	9.8 %	15.4 %	17.9 %
Adj. ROE	15.4 %	17.7 %	5.7 %	10.0 %	9.8 %	15.4 %	17.9 %
Balance sheet quality							
Net Debt	-17.9	-17.0	-24.5	-25.0	1.8	-0.3	-3.6
Net Financial Debt	-18.0	-18.5	-26.1	-26.4	0.4	-1.7	-5.0
Net Gearing	-45.8 %	-41.5 %	-57.3 %	-57.2 %	4.4 %	-0.8 %	-8.2 %
Net Fin. Debt / EBITDA	n.a.	n.a.	n.a.	n.a.	2.9 %	n.a.	n.a.
Book Value / Share	4.5	4.8	5.0	5.1	4.1	4.2	4.4
Book value per share ex intangibles	2.9	3.3	3.7	3.9	-0.2	0.3	0.9

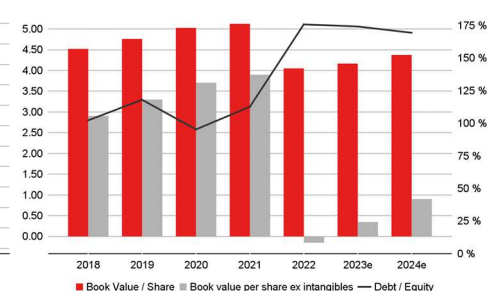
ROCE Development



Net cash in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

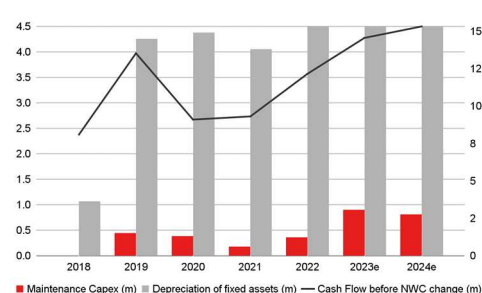
In EUR m	2018	2019	2020	2021	2022	2023e	2024e
Net income	6.1	7.0	2.3	4.4	4.2	5.9	7.0
Depreciation of fixed assets	1.1	4.3	4.4	4.1	4.5	4.5	4.5
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.9	1.8	1.6	1.0	3.5	4.2	3.8
Increase/decrease in long-term provisions	0.0	0.7	0.0	0.3	0.0	0.0	0.0
Other non-cash income and expenses	-1.0	-0.2	0.9	-0.4	0.0	0.0	0.0
Cash Flow before NWC change	8.1	13.5	9.1	9.3	12.2	14.6	15.3
Increase / decrease in inventory	0.1	-0.2	0.2	0.0	-0.1	0.0	0.0
Increase / decrease in accounts receivable	4.5	3.0	9.0	-11.4	-0.2	-2.6	-1.8
Increase / decrease in accounts payable	-3.1	-4.6	-6.0	10.3	0.8	0.6	0.5
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 (total)	1.5	-1.9	3.2	-1.1	0.5	-2.0	-1.3
Net cash provided by operating activities [1]	9.6	11.7	12.3	8.2	12.7	12.6	14.0
Investments in intangible assets	-0.5	-0.5	-0.4	-0.2	-0.4	-1.0	-0.9
Investments in property, plant and equipment	-1.1	-2.0	-0.4	-0.4	-0.5	-1.1	-1.1
Payments for acquisitions	-0.2	-0.1	-0.1	0.0	-29.0	0.0	0.0
Financial investments	2.0	0.1	0.0	0.3	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by investing activities [2]	-3.8	-2.8	-0.9	-0.9	-29.9	-2.1	-2.0
Change in financial liabilities	0.0	0.0	0.0	0.0	23.0	0.0	0.0
Dividends paid	-8.4	-5.0	0.0	-3.9	-6.3	-5.0	-5.4
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	-0.1	-3.6	-3.7	-3.3	-3.3	-3.3	-3.3
Net cash provided by financing activities [3]	-8.5	-8.6	-3.7	-7.2	13.4	-8.3	-8.7
Change in liquid funds [1]+[2]+[3]	-2.7	0.3	7.7	0.1	-3.8	2.2	3.3
Effects of exchange-rate changes on cash	0.2	0.1	-0.1	0.2	0.0	0.0	0.0
Cash and cash equivalent at end of period	18.0	18.5	26.1	26.4	22.6	24.7	28.0

Financial Ratios

	2018	2019	2020	2021	2022	2023e	2024e
Cash Flow							
FCF	8.0	5.8	8.0	4.3	8.5	7.2	8.8
Free Cash Flow / Sales	4.7 %	3.4 %	5.6 %	2.9 %	5.2 %	4.0 %	4.6 %
Free Cash Flow Potential	n.a.	12.9	8.1	5.6	8.8	10.9	11.7
Free Cash Flow / Net Profit	134.3 %	84.6 %	343.7 %	101.2 %	226.7 %	135.6 %	137.1 %
Interest Received / Avg. Cash	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	n.a.	n.a.	n.a.	16100.0 %	4.3 %	2.2 %	2.2 %
Management of Funds							
Investment ratio	1.0 %	1.5 %	0.6 %	0.4 %	0.5 %	1.2 %	1.0 %
Maint. Capex / Sales	n.a.	0.3 %	0.3 %	0.1 %	0.2 %	0.5 %	0.4 %
Capex / Dep	55.7 %	41.5 %	13.4 %	12.8 %	11.3 %	24.1 %	24.1 %
Avg. Working Capital / Sales	9.5 %	9.1 %	9.8 %	9.9 %	10.6 %	10.1 %	10.3 %
Trade Debtors / Trade Creditors	315.4 %	404.5 %	520.8 %	444.2 %	397.1 %	400.0 %	397.5 %
Inventory Turnover	2807.9 x	334.3 x	5855.7 x	4573.0 x	823.8 x	910.3 x	959.4 x
Receivables collection period (days)	54	51	44	67	60	60	60
Payables payment period (days)	34	25	17	32	35	34	35
Cash conversion cycle (Days)	9	19	14	18	10	12	12

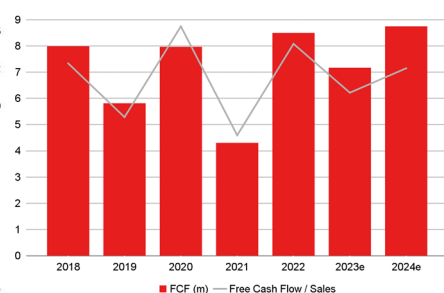
CAPEX and Cash Flow

in EUR m



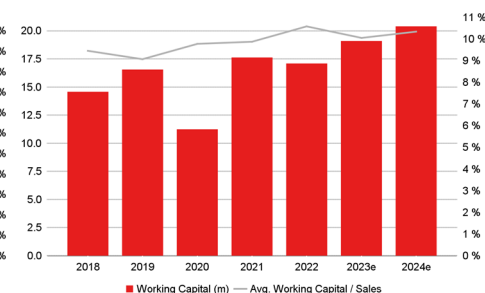
Source: Warburg Research

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)
CENIT	5	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE0005407100.htm

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

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING

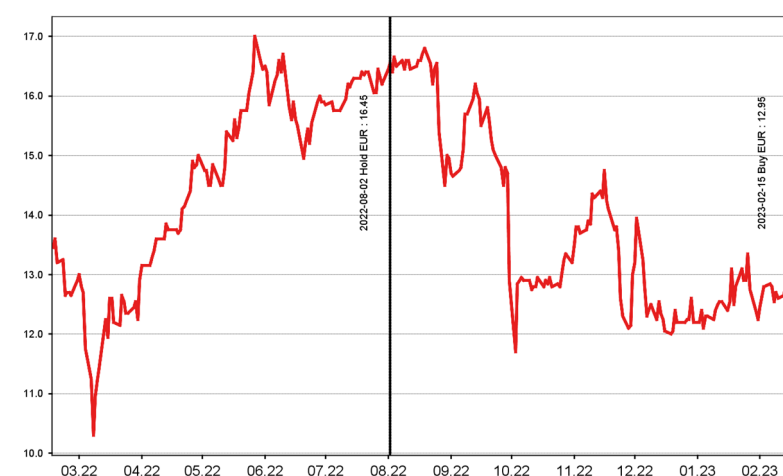
Rating	Number of stocks	% of Universe
Buy	161	75
Hold	44	21
Sell	6	3
Rating suspended	3	1
Total	214	100

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	44	86
Hold	6	12
Sell	0	0
Rating suspended	1	2
Total	51	100

PRICE AND RATING HISTORY CENIT AS OF 15.02.2023



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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