

Buy EUR 45.00 (EUR 44.00) Price EUR 38.20 Upside 17.8 %	Value Indicators: EUR DCF: 45.00 FCF-Value Potential 25e: 34.20	Warburg ESG Risk Score: 3.8 ESG Score (MSCI based): 4.0 Balance Sheet Score: 5.0 Market Liquidity Score: 2.5	Description: Leading solution provider for niche markets advanced packaging, 3D integration, LED, MEMS
	Market Snapshot: EUR m Market cap: 729.6 No. of shares (m): 19.1 EV: 602.2 Freefloat MC: 729.6 Ø Trad. Vol. (30d): 4.49 m	Shareholders: Freefloat 100.00 % Kempen 10.00 % Teslin 7.50 % Henderson 5.00 % Universal Investment 4.70 %	Key Figures (WRe): 2023e Beta: 1.3 Price / Book: 2.4 x Equity Ratio: 48 %

On track to meet expectation of strong growth; Margin guidance very cautious

SÜSS released its annual report and guidance for 2024 yesterday (for further details please see our First Glance publication dated 27.03.24). The **revenue forecast of EUR 340–370m was as strong as expected** (WRe EUR 360m) and ahead of the consensus (EUR 339m). SÜSS expects to turn ~ EUR 300m of its existing equipment order backlog into revenues in 2024. The low end of the guidance would hence already be covered including service and spare parts of ~ EUR 45m. Orders for lithography systems in Q1 or early Q2 should add another low double-digit million. This underpins the expectation that sales should reach the upper half of the range. **As outlined earlier, growth will be driven by the temporary bonders, which should achieve sales of > EUR 100m, up from EUR 28m in 2023.**

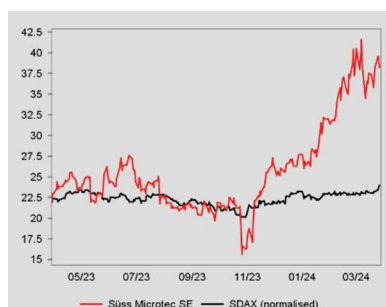
We **reiterate our stance that the 2024 margin guidance appears to be very cautious**, which surely reflects last year's cut shortly after the arrival of the new CEO. The **guidance implies an OPEX increase of ~20%** (or EUR 15m). The company referred to higher spending on R&D and IT. **However, we are not expecting that SÜSS will fully utilize this budget.** Execution at gross-margin level remains key and, here, the company is expecting an improvement to 35-38%. Transformational measures such as the ramp of new capacity in Taiwan and qualification of outsourcing suppliers are continuing to burden profitability ("a couple of percentage points" according to COO). As some items with one-off character should cease, benefits from the implemented measures should start to kick in and, as the product mix provides strong tailwind (temporary bonders should come with above-average margins), **SÜSS should achieve a clear recovery in the gross margin in 2024.**

SÜSS will have its full capacity for **temporary bonders** ready by summer, which equals **sales potential of roughly EUR 150m**. In light of the high AI-related demand also expected for 2025 (strong growth in HBM wafer demand driven by more HBM per NVIDIA chip and more layers per HBM), the **company is preparing to expand capacities even further**. This underlines that temporary bonders should at least reach the high 2024 sales level again next year and might even contribute to further growth. It is expected that other tools can also be produced at the Taiwanese site in future, in case that the currently high demand for temporary bonders slows down at a later stage.

Besides temporary bonders, photomask cleaning equipment (further capacities) and **lithography products** (cyclical recovery) **should contribute to growth next year**, which makes a surpassing of the EUR 400m-mark likely. Hybrid bonding (CEO confirmed that delayed adoption in HBM should be positive), imprint, ink-jet and wafer cleaning remain important drivers past 2025.

Conclusion: **SÜSS is considered to be well on track to achieve the strong growth expected in 2024/25. Strong tailwind related to product mix and the likelihood that SÜSS will not fully utilize its very high OPEX budget, the margin guidance is regarded to be very cautious and an upgrade should be on the cards for later in 2024.** The PT is marginally lifted to EUR 45 and the Buy rating is maintained.

Changes in Estimates:					Comment on Changes:	
FY End: 31.12. in EUR m	2024e (old)	+ / -	2025e (old)	+ / -		
Sales	360.0	0.0 %	410.0	2.4 %	<ul style="list-style-type: none"> Slight reduction in 2024 gross margin to guidance midpoint of 36.5%. EBIT margin nevertheless expected to surpass the 12%-threshold Marginal lift in 2025 estimates as all major product groups should contribute to growth next year 	
EBIT	47.2	-3.8 %	61.7	2.5 %		

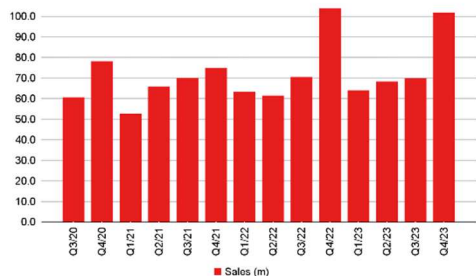


Rel. Performance vs SDAX:	
1 month:	-2.1 %
6 months:	67.6 %
Year to date:	34.9 %
Trailing 12 months:	67.4 %

Company events:	
08.05.24	Q1
11.06.24	AGM
07.08.24	Q2
07.11.24	Q3

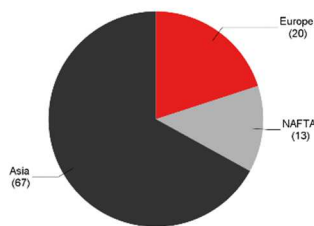
FY End: 31.12. in EUR m	CAGR (23-25e)	2019	2020	2021	2022	2023	2024e	2025e
Sales	17.5 %	213.8	252.1	263.4	299.1	304.3	360.0	420.0
Change Sales yoy		4.8 %	17.9 %	4.5 %	13.6 %	1.7 %	18.3 %	16.7 %
Gross profit margin		23.3 %	33.2 %	35.8 %	36.8 %	34.1 %	36.5 %	37.7 %
EBITDA	43.0 %	-5.2	28.2	29.6	41.9	34.7	52.7	70.8
Margin		-2.4 %	11.2 %	11.2 %	14.0 %	11.4 %	14.6 %	16.9 %
EBIT		-13.8	20.4	22.6	32.8	27.8	45.4	63.2
Margin		-6.4 %	8.1 %	8.6 %	11.0 %	9.1 %	12.6 %	15.1 %
Net income	208.3 %	-16.3	12.3	16.0	24.5	4.7	90.4	45.0
EPS	206.6 %	-0.85	0.65	0.84	1.28	0.25	4.73	2.35
EPS adj.	60.7 %	-0.11	0.78	0.84	1.28	0.91	1.69	2.35
DPS	32.3 %	0.00	0.00	0.16	0.20	0.20	0.30	0.35
Dividend Yield		n.a.	n.a.	0.7 %	1.3 %	0.9 %	0.8 %	0.9 %
FCFPS		-1.93	2.47	0.77	0.84	0.41	1.57	1.45
FCF / Market cap		-19.8 %	19.2 %	3.2 %	5.6 %	1.8 %	4.1 %	3.8 %
EV / Sales		n.a.	0.9 x	1.6 x	0.8 x	1.3 x	1.7 x	1.4 x
EV / EBITDA		n.a.	8.2 x	14.5 x	6.0 x	11.5 x	11.4 x	8.2 x
EV / EBIT		n.a.	11.4 x	19.1 x	7.6 x	14.3 x	13.3 x	9.2 x
P / E		n.a.	19.8 x	28.6 x	11.7 x	89.7 x	8.1 x	16.3 x
P / E adj.	-18.8 %	n.a.	16.5 x	28.6 x	11.7 x	24.6 x	22.6 x	16.3 x
FCF Potential Yield		n.a.	7.7 %	5.4 %	12.4 %	2.0 %	6.0 %	8.4 %
Net Debt		24.0	-13.9	-28.4	-36.3	-31.2	-127.5	-149.4
ROCE (NOPAT)		n.a.	9.3 %	13.0 %	18.3 %	11.9 %	23.5 %	32.9 %
Guidance:		2024: Sales: 340 - 370m; EBIT 10-12%						

Sales development
in EUR m



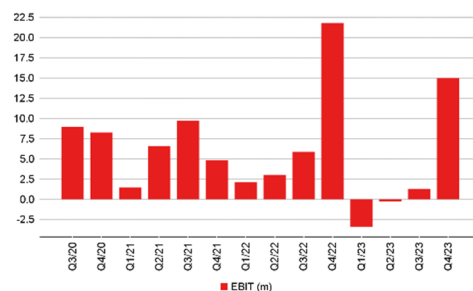
Source: Warburg Research

Sales by regions
2022; in %



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

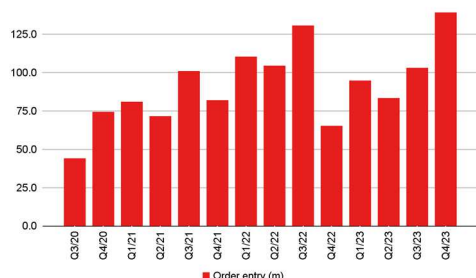
Company Background

- Globally leading manufacturer of systems for the MEMS, advanced packaging, 3D IC and LED niche markets with the product segments lithography (mask aligner,coater), bonder and equipment to clean photomasks.
- MEMS integrate electronic and mechanical components.
- Advanced packaging is a special packaging process used as an alternative to the classic wire bonding ("flip chip") for semiconductors where these are directly bonded to the substrate without wire connections.
- 3D packaging is a solution to the increasingly difficult ongoing structural downsizing of semiconductors, which is e.g. used in AI related ICs. This market offers enormous growth potential for SÜSS.
- The majority of production is located at two sites in Germany (Garching, Sternenfels) which offer ample capacity for anticipated growth. SÜSS has ca. 1100 employees.

Competitive Quality

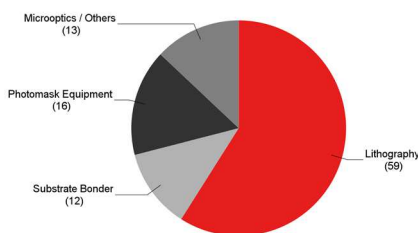
- SÜSS consistently focuses on the core topics (precision, reliability and low total cost of ownership) in all segments and gears the products to the customers' needs.
- The 70-year company history and the consistently high product quality have firmly established SÜSS as a brand-name in the addressed markets.
- This and the global service network make the company a preferred supplier for production equipment in particular.
- As the respective markets have a niche character, SÜSS usually only has to face moderate competition and rarely has to compete with the major suppliers of the sector.
- This combined with the high product complexity poses a major barrier to market entry and secures the company a leading position in the respective markets.

Order development
in EUR m



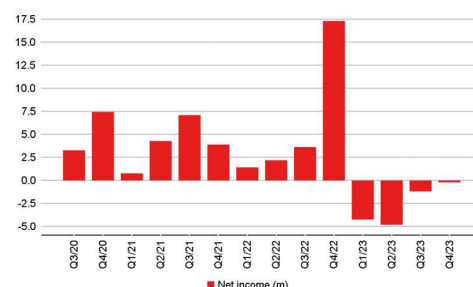
Source: Warburg Research

Sales by segments
2022; in %



Source: Warburg Research

Net income development
in EUR m



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2023	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	
Sales	304.3	360.0	420.0	457.8	508.2	564.1	626.1	695.0	729.7	766.2	796.9	828.7	845.3	
Sales change	1.7 %	18.3 %	16.7 %	9.0 %	11.0 %	11.0 %	11.0 %	11.0 %	5.0 %	5.0 %	4.0 %	4.0 %	2.0 %	2.0 %
EBIT	27.8	45.4	63.2	75.0	76.2	84.6	93.9	104.2	109.5	114.9	119.5	124.3	126.8	
EBIT-margin	9.1 %	12.6 %	15.1 %	16.4 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	
Tax rate (EBT)	38.8 %	24.2 %	21.4 %	25.1 %	28.5 %	28.5 %	28.5 %	28.5 %	28.5 %	28.5 %	28.5 %	28.5 %	28.5 %	
NOPAT	17.0	34.4	49.7	56.2	54.5	60.5	67.1	74.5	78.3	82.2	85.5	88.9	90.7	
Depreciation	6.9	7.3	7.6	7.0	9.9	11.3	12.5	13.9	14.6	15.3	15.9	16.6	16.9	
in % of Sales	2.3 %	2.0 %	1.8 %	1.5 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	
Changes in provisions	-3.4	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	3.0	-2.4	8.9	10.8	19.5	15.7	17.4	19.3	9.7	10.2	8.6	8.9	4.6	
- Capex	4.6	12.0	16.0	9.5	21.7	13.0	13.8	14.6	15.3	16.1	16.7	17.4	17.8	
Capex in % of Sales	1.5 %	3.3 %	3.8 %	2.1 %	2.3 %	2.3 %	2.2 %	2.1 %	2.1 %	2.1 %	2.1 %	2.1 %	2.1 %	
- Other	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	
Free Cash Flow (WACC Model)	12.8	32.1	32.4	42.9	23.2	43.2	48.5	54.6	67.8	71.2	76.1	79.1	85.2	89
PV of FCF	0.0	31.8	29.3	35.4	17.5	29.5	30.3	31.0	35.1	33.6	32.8	31.0	30.5	374
share of PVs	12.53 %			38.91 %										48.55 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	2.50 %	Financial Strength	1.10
Cost of debt (after tax)	2.9 %	Liquidity (share)	1.30
Market return	8.25 %	Cyclicality	1.60
Risk free rate	2.75 %	Transparency	1.10
		Others	1.40
WACC	9.72 %	Beta	1.30

Valuation (m)

Present values 2035e	396		
Terminal Value	374		
Financial liabilities	15		
Pension liabilities	2		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	107	No. of shares (m)	19.1
Equity Value	860	Value per share (EUR)	45.04

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
1.49	10.7 %	38.65	39.04	39.45	39.88	40.34	40.82	41.34	1.49	10.7 %	35.70	37.09	38.49	39.88	41.27	42.67	44.06
1.39	10.2 %	40.84	41.30	41.78	42.30	42.84	43.42	44.04	1.39	10.2 %	37.85	39.33	40.81	42.30	43.78	45.26	46.74
1.35	10.0 %	42.04	42.53	43.06	43.62	44.22	44.86	45.54	1.35	10.0 %	39.03	40.56	42.09	43.62	45.15	46.68	48.21
1.30	9.7 %	43.30	43.85	44.42	45.04	45.69	46.39	47.14	1.30	9.7 %	40.29	41.88	43.46	45.04	46.62	48.20	49.78
1.25	9.5 %	44.65	45.25	45.88	46.55	47.27	48.04	48.87	1.25	9.5 %	41.64	43.28	44.91	46.55	48.19	49.82	51.46
1.21	9.2 %	46.09	46.74	47.43	48.17	48.97	49.82	50.74	1.21	9.2 %	43.09	44.78	46.48	48.17	49.87	51.56	53.26
1.11	8.7 %	49.27	50.05	50.89	51.79	52.76	53.81	54.94	1.11	8.7 %	46.31	48.14	49.97	51.79	53.62	55.44	57.27

- Growth estimates mirror 10% CAGR past 2025
- Sustainable EBIT margin of 15% anticipated

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	2019	2020	2021	2022	2023	2024e	2025e	
Net Income before minorities	n.a.	12.3	16.0	24.5	4.7	90.4	45.0	
+ Depreciation + Amortisation	n.a.	7.8	7.1	9.1	6.9	7.3	7.6	
- Net Interest Income	n.a.	-0.4	-0.5	-0.3	0.5	0.5	0.6	
- Maintenance Capex	n.a.	2.7	2.8	2.9	3.0	3.0	3.0	
+ Other	n.a.	0.0	2.6	0.0	0.0	-58.0	0.0	
= Free Cash Flow Potential	n.a.	17.8	23.3	31.0	8.1	36.2	49.0	
FCF Potential Yield (on market EV)	n/a	7.7 %	5.4 %	12.4 %	2.0 %	6.0 %	8.4 %	
WACC	9.72 %	9.72 %	9.72 %	9.72 %	9.72 %	9.72 %	9.72 %	
= Enterprise Value (EV)	n.a.	232.3	430.1	249.4	397.2	602.7	580.8	
= Fair Enterprise Value	n.a.	183.2	239.8	318.9	82.9	371.9	504.0	
- Net Debt (Cash)	n.a.	-32.8	-32.8	-32.8	-32.8	-129.1	-151.0	
- Pension Liabilities	n.a.	1.6	1.6	1.6	1.6	1.6	1.6	
- Other	n.a.	0.0	0.0	0.0	0.0	0.0	0.0	
- Market value of minorities	n.a.	0.0	0.0	0.0	0.0	0.0	0.0	
+ Market value of investments	n.a.	0.0	0.0	0.0	0.0	0.0	0.0	
= Fair Market Capitalisation	n.a.	214.5	271.1	350.2	114.2	499.3	653.4	
Number of shares, average	19.1	19.1	19.1	19.1	19.1	19.1	19.1	
= Fair value per share (EUR)	n.a.	11.22	14.18	18.32	5.97	26.12	34.18	
premium (-) / discount (+) in %						-31.6 %	-10.5 %	
Sensitivity Fair value per Share (EUR)								
	12.72 %	n.a.	8.97	11.23	14.40	4.95	21.55	27.99
	11.72 %	n.a.	9.59	12.05	15.49	5.24	22.82	29.71
	10.72 %	n.a.	10.33	13.02	16.78	5.57	24.33	31.75
WACC	9.72 %	n.a.	11.22	14.18	18.32	5.97	26.12	34.18
	8.72 %	n.a.	12.33	15.63	20.25	6.47	28.37	37.24
	7.72 %	n.a.	13.71	17.45	22.66	7.10	31.18	41.04
	6.72 %	n.a.	15.51	19.80	25.78	7.91	34.83	45.98

- Increasing sales and margins result in higher value indications in coming years

Valuation	2019	2020	2021	2022	2023	2024e	2025e
Price / Book	1.5 x	1.8 x	2.9 x	1.6 x	2.4 x	2.9 x	2.5 x
Book value per share ex intangibles	5.52	5.92	6.95	8.01	7.98	12.03	14.09
EV / Sales	n.a.	0.9 x	1.6 x	0.8 x	1.3 x	1.7 x	1.4 x
EV / EBITDA	n.a.	8.2 x	14.5 x	6.0 x	11.5 x	11.4 x	8.2 x
EV / EBIT	n.a.	11.4 x	19.1 x	7.6 x	14.3 x	13.3 x	9.2 x
EV / EBIT adj.*	n.a.	10.1 x	19.1 x	8.3 x	14.3 x	13.3 x	9.2 x
P / FCF	n.a.	5.2 x	31.2 x	17.8 x	54.1 x	24.3 x	26.4 x
P / E	n.a.	19.8 x	28.6 x	11.7 x	89.7 x	8.1 x	16.3 x
P / E adj.*	n.a.	16.5 x	28.6 x	11.7 x	24.6 x	22.6 x	16.3 x
Dividend Yield	n.a.	n.a.	0.7 %	1.3 %	0.9 %	0.8 %	0.9 %
FCF Potential Yield (on market EV)	n.a.	7.7 %	5.4 %	12.4 %	2.0 %	6.0 %	8.4 %

*Adjustments made for: -

Company Specific Items	2019	2020	2021	2022	2023	2024e	2025e
Order entry	219.2	281.1	335.6	410.9	420.5	0.0	0.0
Order backlog	93.2	120.1	193.3	346.4	452.5	0.0	0.0

Consolidated profit and loss

In EUR m	2019	2020	2021	2022	2023	2024e	2025e
Sales	213.8	252.1	263.4	299.1	304.3	360.0	420.0
Change Sales yoy	4.8 %	17.9 %	4.5 %	13.6 %	1.7 %	18.3 %	16.7 %
COGS	164.1	168.4	169.2	189.1	200.4	228.6	261.7
Gross profit	49.7	83.7	94.2	110.1	103.9	131.4	158.3
<i>Gross margin</i>	<i>23.3 %</i>	<i>33.2 %</i>	<i>35.8 %</i>	<i>36.8 %</i>	<i>34.1 %</i>	<i>36.5 %</i>	<i>37.7 %</i>
Research and development	20.2	19.8	22.1	25.0	31.3	33.5	37.5
Sales and marketing	22.9	23.5	24.9	28.5	21.4	24.5	27.0
Administration expenses	18.9	20.8	22.9	23.3	24.2	27.0	29.0
Other operating expenses	3.2	3.4	5.9	12.2	6.5	1.0	1.6
Other operating income	1.7	4.3	4.2	11.8	7.3	0.0	0.0
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	-5.2	28.2	29.6	41.9	34.7	52.7	70.8
<i>Margin</i>	<i>-2.4 %</i>	<i>11.2 %</i>	<i>11.2 %</i>	<i>14.0 %</i>	<i>11.4 %</i>	<i>14.6 %</i>	<i>16.9 %</i>
Depreciation of fixed assets	7.3	7.1	6.4	8.1	5.3	6.3	6.6
EBITA	-12.5	21.1	23.2	33.8	29.3	46.4	64.2
Amortisation of intangible assets	1.2	0.7	0.7	1.0	1.5	1.0	1.0
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	-13.8	20.4	22.6	32.8	27.8	45.4	63.2
<i>Margin</i>	<i>-6.4 %</i>	<i>8.1 %</i>	<i>8.6 %</i>	<i>11.0 %</i>	<i>9.1 %</i>	<i>12.6 %</i>	<i>15.1 %</i>
EBIT adj.	0.5	23.0	22.6	30.0	27.8	45.4	63.2
Interest income	0.0	0.0	0.0	0.3	1.0	0.7	0.8
Interest expenses	0.4	0.4	0.5	0.6	0.4	0.2	0.2
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	-14.1	20.0	22.1	32.5	28.3	45.9	63.8
<i>Margin</i>	<i>-6.6 %</i>	<i>7.9 %</i>	<i>8.4 %</i>	<i>10.9 %</i>	<i>9.3 %</i>	<i>12.8 %</i>	<i>15.2 %</i>
Total taxes	2.1	7.7	6.1	8.0	11.0	13.5	18.8
Net income from continuing operations	-16.3	12.3	16.0	24.5	17.3	32.4	45.0
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	-12.6	58.0	0.0
Net income before minorities	-16.3	12.3	16.0	24.5	4.7	90.4	45.0
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	-16.3	12.3	16.0	24.5	4.7	90.4	45.0
<i>Margin</i>	<i>-7.6 %</i>	<i>4.9 %</i>	<i>6.1 %</i>	<i>8.2 %</i>	<i>1.6 %</i>	<i>25.1 %</i>	<i>10.7 %</i>
Number of shares, average	19.1	19.1	19.1	19.1	19.1	19.1	19.1
EPS	-0.85	0.65	0.84	1.28	0.25	4.73	2.35
EPS adj.	-0.11	0.78	0.84	1.28	0.91	1.69	2.35

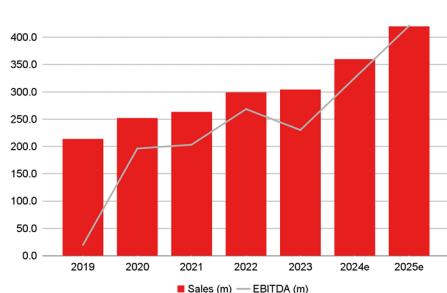
*Adjustments made for:

Guidance: 2024: Sales: 340 - 370m; EBIT 10-12%

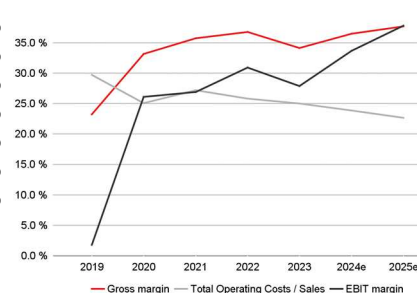
Financial Ratios

	2019	2020	2021	2022	2023	2024e	2025e
Total Operating Costs / Sales	29.7 %	25.1 %	27.2 %	25.8 %	25.0 %	23.9 %	22.6 %
Operating Leverage	n.a.	n.a.	2.3 x	3.4 x	-8.9 x	3.5 x	2.4 x
EBITDA / Interest expenses	n.m.	66.6 x	63.5 x	74.2 x	82.9 x	263.5 x	354.2 x
Tax rate (EBT)	-15.2 %	38.3 %	27.5 %	24.6 %	38.8 %	29.5 %	29.5 %
Dividend Payout Ratio	0.0 %	0.0 %	19.1 %	15.6 %	22.1 %	17.7 %	14.9 %
Sales per Employee	228,174	263,139	237,760	248,246	252,081	288,000	641,221

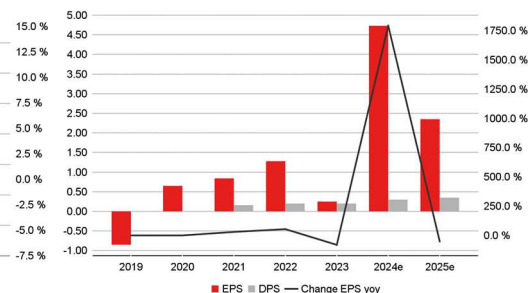
Sales, EBITDA
in EUR m



Operating Performance
in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

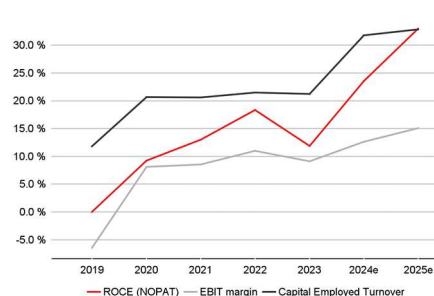
Consolidated balance sheet

In EUR m	2019	2020	2021	2022	2023	2024e	2025e
Assets							
Goodwill and other intangible assets	19.9	23.4	24.0	24.6	24.1	24.1	24.1
thereof other intangible assets	4.2	5.0	5.6	5.9	5.5	5.5	5.5
thereof Goodwill	15.7	18.3	18.4	18.6	18.5	18.5	18.5
Property, plant and equipment	33.9	40.4	44.5	48.9	31.1	35.8	44.2
Financial assets	0.0	0.0	0.0	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	53.8	63.7	68.5	73.4	55.2	59.9	68.3
Inventories	75.0	73.0	99.5	150.5	166.7	156.5	155.6
Accounts receivable	50.2	48.0	47.4	57.0	52.9	61.2	70.2
Liquid assets	10.3	40.8	52.1	61.3	48.0	143.2	165.2
Other short-term assets	10.6	5.9	11.6	11.0	46.9	12.9	12.9
Current assets	146.1	167.7	210.7	279.8	314.5	373.8	403.9
Total Assets	199.9	231.4	279.2	353.3	369.7	433.7	472.2
Liabilities and shareholders' equity							
Subscribed capital	19.1	19.1	19.1	19.1	19.1	19.1	19.1
Capital reserve	106.6	119.0	135.0	156.5	157.3	157.3	157.3
Retained earnings	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other equity components	-0.3	-1.6	2.8	2.2	0.2	77.7	117.0
Shareholders' equity	125.4	136.5	156.9	177.7	176.6	254.2	293.4
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total equity	125.4	136.5	156.9	177.7	176.6	254.2	293.4
Provisions	10.2	10.9	11.2	11.8	10.6	10.6	10.6
thereof provisions for pensions and similar obligations	6.0	6.4	5.3	5.0	1.6	1.6	1.6
Financial liabilities (total)	28.3	20.5	18.3	20.0	15.2	14.2	14.2
Short-term financial liabilities	10.4	1.4	1.2	1.2	1.2	1.2	1.2
Accounts payable	10.0	9.8	24.4	27.1	27.1	29.6	28.8
Other liabilities	26.0	53.7	68.4	116.7	140.2	125.2	125.2
Liabilities	74.5	94.9	122.3	175.5	193.1	179.6	178.8
Total liabilities and shareholders' equity	199.9	231.4	279.2	353.3	369.7	433.7	472.2

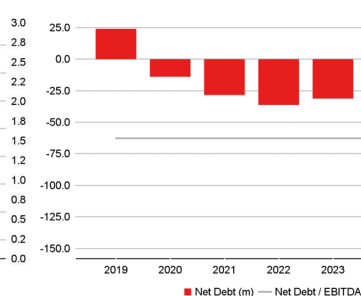
Financial Ratios

	2019	2020	2021	2022	2023	2024e	2025e
Efficiency of Capital Employment							
Operating Assets Turnover	1.5 x	2.0 x	2.0 x	2.0 x	2.2 x	2.6 x	2.7 x
Capital Employed Turnover	1.4 x	2.1 x	2.1 x	2.1 x	2.1 x	2.8 x	2.9 x
ROA	-30.3 %	19.4 %	23.4 %	33.4 %	8.6 %	150.8 %	65.9 %
Return on Capital							
ROCE (NOPAT)	n.a.	9.3 %	13.0 %	18.3 %	11.9 %	23.5 %	32.9 %
ROE	-12.2 %	9.4 %	10.9 %	14.7 %	2.7 %	42.0 %	16.4 %
Adj. ROE	-1.6 %	11.4 %	10.9 %	14.7 %	9.8 %	15.0 %	16.4 %
Balance sheet quality							
Net Debt	24.0	-13.9	-28.4	-36.3	-31.2	-127.5	-149.4
Net Financial Debt	18.0	-20.3	-33.8	-41.3	-32.8	-129.1	-151.0
Net Gearing	19.2 %	-10.2 %	-18.1 %	-20.4 %	-17.7 %	-50.2 %	-50.9 %
Net Fin. Debt / EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Book Value / Share	6.6	7.1	8.2	9.3	9.2	13.3	15.4
Book value per share ex intangibles	5.5	5.9	7.0	8.0	8.0	12.0	14.1

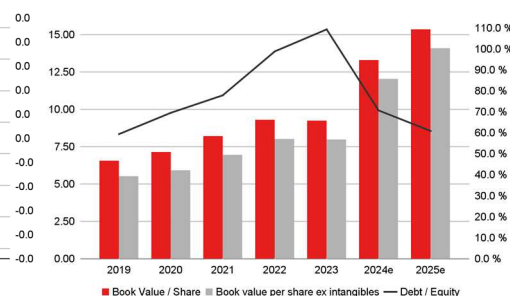
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

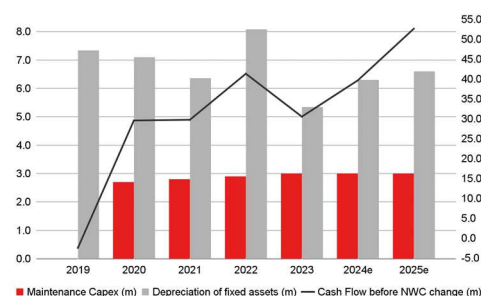
Consolidated cash flow statement

In EUR m	2019	2020	2021	2022	2023	2024e	2025e
Net income	-16.3	12.3	16.0	24.5	4.7	90.4	45.0
Depreciation of fixed assets	7.3	7.1	6.4	8.1	5.3	6.3	6.6
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.2	0.7	0.7	1.0	1.5	1.0	1.0
Increase/decrease in long-term provisions	0.1	0.4	-1.2	-0.5	-0.1	0.0	0.0
Other non-cash income and expenses	5.2	9.1	7.8	8.2	19.0	-58.0	0.0
Cash Flow before NWC change	-2.4	29.5	29.7	41.3	30.5	39.7	52.6
Increase / decrease in inventory	4.6	9.8	-29.5	-52.8	-29.4	10.2	0.9
Increase / decrease in accounts receivable	-25.0	2.1	1.9	-11.1	0.2	-8.3	-9.0
Increase / decrease in accounts payable	-8.0	13.7	22.3	46.5	11.2	0.5	-0.8
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)	-28.4	25.6	-5.4	-17.4	-18.0	2.4	-8.9
Net cash provided by operating activities [1]	-30.8	55.1	24.3	23.9	12.5	42.0	43.7
Investments in intangible assets	3.4	1.1	1.2	1.1	1.1	1.0	1.0
Investments in property, plant and equipment	5.7	8.0	8.5	10.5	10.5	11.0	15.0
Payments for acquisitions	0.0	-3.3	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.1	0.0	0.0	0.0	70.0	0.0
Net cash provided by investing activities [2]	-6.1	-11.2	-9.6	-7.9	-4.6	58.0	-16.0
Change in financial liabilities	16.4	-13.3	-3.8	-3.7	-3.4	-1.0	0.0
Dividends paid	0.0	0.0	0.0	-3.1	-3.8	-3.8	-5.7
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	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by financing activities [3]	16.4	-13.3	-3.8	-6.8	-7.2	-4.8	-5.7
Change in liquid funds [1]+[2]+[3]	-20.5	30.7	10.9	9.3	0.7	95.2	22.0
Effects of exchange-rate changes on cash	0.1	-0.2	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalent at end of period	10.3	40.8	51.7	61.3	52.0	133.3	155.3

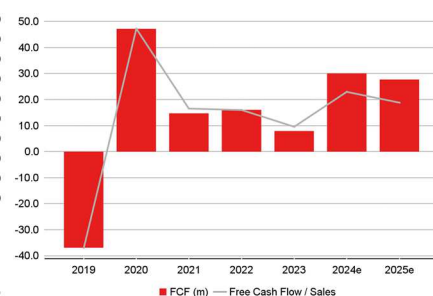
Financial Ratios

	2019	2020	2021	2022	2023	2024e	2025e
Cash Flow							
FCF	-36.9	47.2	14.7	16.0	7.9	30.0	27.7
Free Cash Flow / Sales	-17.3 %	18.7 %	5.6 %	5.4 %	2.6 %	8.3 %	6.6 %
Free Cash Flow Potential	n.a.	17.8	23.3	31.0	8.1	36.2	49.0
Free Cash Flow / Net Profit	226.9 %	382.4 %	91.9 %	65.4 %	167.2 %	33.2 %	61.6 %
Interest Received / Avg. Cash	0.0 %	0.0 %	0.0 %	0.5 %	1.7 %	0.7 %	0.5 %
Interest Paid / Avg. Debt	2.5 %	1.7 %	2.4 %	2.9 %	2.4 %	1.4 %	1.4 %
Management of Funds							
Investment ratio	4.2 %	3.6 %	3.7 %	3.9 %	3.8 %	3.3 %	3.8 %
Maint. Capex / Sales	n.a.	1.1 %	1.1 %	1.0 %	1.0 %	0.8 %	0.7 %
Capex / Dep	105.6 %	117.1 %	136.4 %	127.6 %	169.0 %	164.4 %	210.5 %
Avg. Working Capital / Sales	46.1 %	37.9 %	33.0 %	32.0 %	34.2 %	29.0 %	25.6 %
Trade Debtors / Trade Creditors	501.1 %	487.7 %	194.0 %	210.3 %	195.2 %	206.8 %	243.8 %
Inventory Turnover	2.2 x	2.3 x	1.7 x	1.3 x	1.2 x	1.5 x	1.7 x
Receivables collection period (days)	86	69	66	70	63	62	61
Payables payment period (days)	22	21	53	52	49	47	40
Cash conversion cycle (Days)	210	151	155	157	159	129	119

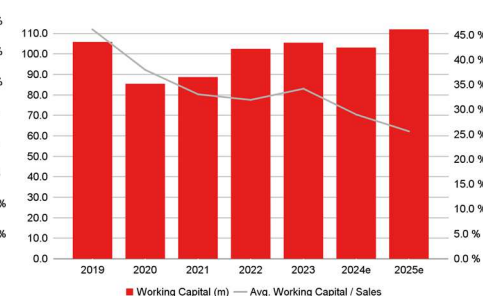
CAPEX and Cash Flow
in EUR m



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
SÜSS MicroTec	5	https://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A1K0235.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

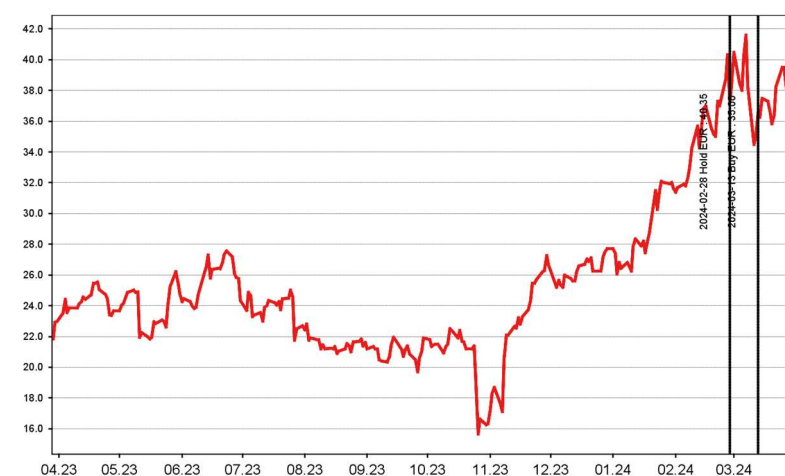
Rating	Number of stocks	% of Universe
Buy	148	70
Hold	47	22
Sell	8	4
Rating suspended	7	3
Total	210	100

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	49	83
Hold	7	12
Sell	0	0
Rating suspended	3	5
Total	59	100

PRICE AND RATING HISTORY SÜSS MICROTEC AS OF 28.03.2024



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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