

Comp S.A.



Price target: PLN 97.90

Update

Rating: BUY

The Polish IT and technology company Comp (CMP) reported good 2020 results, which apart from net income exceeded our estimates on all levels. Particularly positive was the very strong operating cash flow, which improved from PLN 7.5m in 2019 to PLN 104.7m and was much higher than our estimate of PLN 60.4m. Given the obligation in Poland to replace cash registers to tamper-proof ones by July, we expect especially strong H1/21E results. We also believe that the new digital services platform M/Platform will have 18,500 shops by the end of 2021E and grow revenues by 228.6% to PLN 17.3m. While its traditional business lines relating to cash registers and IT security should remain flat in the future, in our opinion M/Platform will drive Comp's revenue and EBIT growth going forward. Based on lower than expected net debt as of 31/12/2020 (PLN 157.7m vs. our forecast of PLN 209m), our 12-months SOTP-based fair value for the company's shares goes up from previously PLN 90.10 to PLN 97.90. As on our estimates Comp is currently trading at an EV/EBITDA 2021E of 4.3x and P/E 2021E of 6.6x, we maintain our BUY rating for the stock. We expect that CMP will announce the DPS for 2020 at the end of May.

In 2020, Comp generated revenues of PLN 720.9m (our estimate: PLN 704m), EBIT of PLN 33.8m (PLN 32.3m) and adj. net income of PLN 18.1m (PLN 19.4m). Free cash flow equaled PLN 73m, which corresponded to a FCF yield of 15.3%. Negative was the low ROCE of 3.5%, which however should strongly improve in the future due to the increasing share of high-margin M/Platform in the company's total sales. In our view, the high share of short-term interest-bearing debt of 84.5% is temporary and related to re-financing of a bond and working capital e.g. fiscal equipment. At the end of 2020, the net debt/EBITDA ratio equaled 2x and was thus at a very safe level.

We expect that in Q1/21 Comp generated sales of PLN 155m (+9.7% y-o-y), EBIT of PLN 12.8m (-4.6%) and net income of PLN 7m (+64.4%) driven by both Retail and IT segments. In our view, the M/Platform, which leverages Comp's market leading position in the area of fiscal equipment, will contribute PLN 17.3m of revenues in full-year 2021E and PLN 150m by 2024E (CAGR of 105.6%). This should increase the Group's EBIT margin and ROCE to >10% over the same period.

| in PLNm | 2019 | 2020 | 2021E | 2022E | 2023E | 2024E |
|------------------|--------|--------|--------|--------|--------|--------|
| Net sales | 730.55 | 720.88 | 860.10 | 824.17 | 878.72 | 948.43 |
| EBITDA | 92.72 | 77.24 | 111.49 | 113.39 | 126.86 | 142.19 |
| EBIT | 54.15 | 33.75 | 65.82 | 67.68 | 81.10 | 96.38 |
| Adj. Net income* | 30.61 | 18.14 | 48.62 | 50.12 | 61.67 | 74.75 |
| Adj. EPS* | 5.33 | 3.07 | 8.22 | 8.47 | 10.42 | 12.63 |
| DPS | 0.00 | 1.93 | 2.46 | 2.54 | 3.13 | 3.79 |
| Dividend yield | 0.00% | 3.57% | 4.56% | 4.70% | 5.79% | 7.02% |
| RoE | 3.82% | 3.02% | 9.17% | 8.84% | 10.15% | 11.34% |
| Net gearing | 45.51% | 30.81% | 26.71% | 18.58% | 10.98% | 3.14% |
| EV/Sales | 0.65x | 0.66x | 0.55x | 0.58x | 0.54x | 0.50x |
| EV/EBITDA | 5.15x | 6.18x | 4.28x | 4.21x | 3.76x | 3.36x |
| Adj. P/E* | 10.13x | 17.61x | 6.57x | 6.38x | 5.18x | 4.28x |

* excl. result from discontinued operations

Company profile

Comp is the No 1 provider of fiscal equipment and IT security solutions in Poland. A new, but rapidly growing business area, are innovative software solutions for the retail sector similar to e.g. German Vectron Systems. Comp plans to put a stronger focus on monetisation of data and service revenues.

| | |
|---------------------|-----------------------|
| Date of publication | 10 May 2021 / 6:30 am |
| Website | www.comp.com.pl |
| Sector | IT |
| Country | Poland |
| ISIN | PLCMP0000017 |
| Reuters | CMP.WA |
| Bloomberg | CMP.PW |

Share information

| | |
|------------------------|--------------------|
| Last price | 54.00 |
| No of shares (m) | 5.92 |
| Market cap. (PLNm) | 319.58 |
| Market cap. (EURm) | 69.83 |
| 52-week range | PLN 73 / PLN 47.30 |
| Avg. volume (3-months) | 4,502 |

Performance

| | |
|----------|--------|
| 4-weeks | -4.26% |
| 13-weeks | -8.47% |
| 26-weeks | 3.85% |
| 52-weeks | -8.47% |
| YTD | -0.37% |

Shareholder structure

| | |
|--------------------------|--------|
| Own shares* | 19.20% |
| MetLife Pension Fund | 16.22% |
| NN Pension Fund | 9.45% |
| Robert Tomaszewski (CEO) | 5.13% |
| Jacek Papaj** | 5.00% |
| Free Float | 45.00% |

* thereof 456.6k belong to Comp S.A. and 679.6k to its subsidiary Comp Centrum Innowacji Sp. z o.o

** Mr Papaj is Member of Comp's Supervisory Board, its founder and former CEO

Financial calendar

| | |
|--------------|--------------|
| Q1/21 report | May 21, 2021 |
|--------------|--------------|

Analyst

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Fiscal-year 2020 results

Revenues and Profitability

In 2020, Comp generated total revenues of PLN 720.9m. They were 1.3% lower y-o-y but 2.4% above our estimate, which mainly stemmed from a much better than expected performance of the IT segment (PLN 382.2m vs. our forecast of PLN 350m). The Retail segment, which according to Comp's accounting methodology also includes the results of M/Platform, contributed 11.6% less y-o-y or PLN 343.6m (our estimate incl. M/Platform: PLN 356.9m) as in our view it was negatively affected by the coronavirus-related limitations of economic activity, especially in March-May 2020 and November-December 2020. We believe that the M/Platform generated revenues of PLN 5.3m.

In 2020, the share of Comp's revenues, which stemmed from international markets, equaled 5% and was thus below last year (2019: 13.7%). The two best-performing subsidiaries were the IT security company Enigma and Insoft, which provides software that supports Comp's activity relating to cash registers. While the latter increased its sales and EBIT by 12.3% and 83.3% respectively y-o-y, the last improved its top-line and operating profit by 60.2% and 91.4%.

| in PLNm | 2020 | 2019 |
|------------------------|---------------|---------------|
| Segment Retail* | 343.58 | 388.83 |
| Share in total sales | 47.7% | 53.2% |
| EBIT margin | 10.2% | 14.1% |
| Segment IT | 382.21 | 349.28 |
| Share in total sales | 53.0% | 47.8% |
| EBIT margin | 5.9% | 6.9% |
| Others | -4.91 | -7.55 |
| Share in total sales | -0.7% | -1.0% |
| EBIT margin | 482.6% | 329.0% |
| Total sales | 720.88 | 730.55 |

* incl. c. PLN 5.3m of revenues of M/Platform in 2020

Source: Company information, East Value Research GmbH

| Name of the subsidiary | Comp Group's stake | 2020 | | |
|---------------------------------------------|--------------------|------------|------------|------------|
| | | Revenues | EBIT | Net income |
| Comp S.A. (holding company) | 100.0% | PLN 411.1m | PLN 28.4m | PLN 21.1m |
| Enigma Systemy Ochrony Informacji Sp. z.o.o | 100.0% | PLN 193.1m | PLN 11.1m | PLN 867k |
| ZUK Elzab S.A. | 78.4% | PLN 119.7m | PLN 7.3m | PLN 657k |
| Insoft Sp. z.o.o | 52.0% | PLN 7.3m | PLN 2.2m | PLN 1.8m |
| Comp Centrum Innowacji Sp. z.o.o | 50.1% | PLN 16.2m | PLN -14.2m | PLN -15.1m |
| Clou Sp. z.o.o (in liquidation) | 43.0% | PLN 1.1m | PLN -149k | PLN -165k |
| Polski System Korzysci Sp. z.o.o | 100.0% | PLN 4k | PLN -1.1m | PLN -1m |
| PayTel S.A. | 10.8% | PLN 94.8m | PLN -1.3m | PLN -2.9m |

* Clou, which coordinates the marketing activities of the whole Comp Group, is currently in liquidation

** in 2021E, Comp's share in the electronic payment company PayTel is supposed to go down to 0%

Source: Company information, East Value Research GmbH

| in PLNm | 2020 | 2020E | 2019 | 2020 vs. 2020E | 2020 vs. 2019 |
|--------------------------------------------------------|---------------|---------------|---------------|----------------|---------------|
| Net sales | 720.88 | 704.01 | 730.55 | 2.4% | -1.3% |
| EBITDA | 77.24 | 74.25 | 92.72 | 4.0% | -16.7% |
| <i>EBITDA margin</i> | <i>10.7%</i> | <i>10.5%</i> | <i>12.7%</i> | | |
| EBIT | 33.75 | 32.25 | 54.15 | 4.7% | -37.7% |
| <i>EBIT margin</i> | <i>4.7%</i> | <i>4.6%</i> | <i>7.4%</i> | | |
| Net income (after min. but excl. disc. operat.) | 18.14 | 19.35 | 30.61 | -6.2% | -40.7% |
| <i>Net margin</i> | <i>2.5%</i> | <i>2.7%</i> | <i>4.2%</i> | | |
| Net income (after min. & disc. operat.) | 15.22 | 17.35 | 18.59 | -12.3% | -18.1% |
| <i>Net margin</i> | <i>2.1%</i> | <i>2.5%</i> | <i>2.5%</i> | | |

Source: Company information, East Value Research GmbH

Between January and December 2020, Comp's EBIT declined by 37.7% y-o-y to PLN 33.8m, but nevertheless was 4.7% higher than our forecast. Apart from lower sales, the weaker result y-o-y resulted especially from a higher share of CoGS (66.6% vs. 63.4% in 2019), depreciation & amortization (6% vs. 5.3%) and other operating expenses (2.6% vs. 1.8%). At the end of December 2020, Comp had 1,207 employees (31/12/2019: 1,191).

Net income after minorities and discontinued operations went down by 18.1% to PLN 15.2m and was also 12.3% below our estimate. The reasons were 1. a higher effective tax rate than we had forecast (38.8% vs. 19%), 2. PLN 2m of minorities vs. expected PLN -1.5m and 3. result from discontinued operations of PLN -2.9m vs. our forecast of PLN -2m, which reflects the 12.1% shareholding PayTel S.A. that will be completely sold this year and the abandoned electric car business of 100% subsidiary Enigma Systemy Ochrony Informacji (SOI) Sp. z.o.o. in Wrocław.

Balance sheet and Cash flow

At the end of December 2020, Comp had equity (excl. minority interests) of PLN 511.8m, or 51.4% of the balance sheet total. While fixed and intangible assets amounted to PLN 71.3m (2019: PLN 90.1m) and PLN 200.9m (PLN 183.1m) respectively, we believe that working capital equaled PLN 108.1m (PLN 199.4m). At the end of December 2020, Comp had interest-bearing debt (bank loans, leasing, bonds) of PLN 206.8m (thereof: 84.5% short term).

Between January and December 2020, Comp generated an operating cash flow of PLN 104.7m, which was significantly above 2019 (PLN 7.5m) and our forecast of PLN 64m. The reason, why it improved despite a lower net profit, was a cash inflow from working capital of PLN 48.1m. Cash flow from investing equaled PLN -31.8m (2019: PLN -23.1m), while cash flow from financing amounted to PLN -79.4m (PLN 14.9m) as the company repaid much more bank debt and bonds than in the previous year. Between January and December 2020, Comp's cash position went down by PLN 6.4m to PLN 46.6m.

Financial forecasts

Revenues and Profitability

After better than expected results for 2020, we have slightly increased our estimates for 2021E and beyond in order to reflect adjustments to depreciation & amortization and minorities. This year, we believe that Comp will generate total sales of PLN 860.1m (+19.3% y-o-y), an EBIT of PLN 65.8m (+95%; 7.7% margin after 4.7% in 2020) and net income of PLN 48.6m (+219.6%). Our EBITDA estimate of PLN 111.5m is lower than the company's guidance of c. PLN 120m as we have decided to be conservative. While our forecasts do not account for the likely profit from the sale of 10.8% in PayTel this year, we expect that they will especially be driven by the Retail segment as all businesses in Poland have to replace their cash registers with temper-proof ones by July 2021E. Hence, we believe that Comp will report particularly good results for H1 2021E.

Below are our detailed estimates for Comp's business segments:

Retail segment (excl. M/Platform): Together with its listed subsidiary Elzab, Comp is market leader in Poland and Hungary when it comes to fiscal equipment (e.g. cash registers). Despite the introduction of another lockdown in Poland in Q1/21, this year the company is benefitting from regulations, which contain an obligation to exchange traditional cash registers with temper-proof online registers by mid-2021E at the latest (hotels, restaurants, coal distributors had to do it by January 2021; hairdressers, beauty salons, construction companies, lawyers, health facilities and fitness centers are obliged to follow suit by July 2021E).

For the coming years, we have conservatively assumed a revenue CAGR of 1.6% compared to 7.2% in 2016-2020. In 2021E, we expect that sales will sharply increase by 32.7% to PLN 456m due to above-mentioned legal obligation, but decline by 15.6% to PLN 384.7m next year. With regard to the EBIT margin, we expect that in 2021E it will improve from 10.2% last year to 14.5% and amount to 13-14% in the long run.

After 2021E, online cash registers with e-invoices and electronic payment functionality e.g. by phone will likely become Comp's main product. The company already has respective solutions in its product offering, which should allow it to generate recurring revenues in the future. During a recent video call management also mentioned the planned online fiscalisation in Kenia, in which Comp wants to participate. Kenia is an interesting country for the company due to the very large share of small, independent shops in this country (according to CMP, there are c. 600,000 cash registers in Kenia).

M/Platform: M/Platform is Comp's new digital services platform powered by modular cloud-based data mining software integrated directly with fiscal devices (cash registers), which was developed together with strategic partner Heineken. It connects traditional retailers with FMCG producers and helps them to better manage working capital, promotions and loyalty programs and thus to increase profitability. Since its market introduction in 2019, Comp has already gained >12,000 shops (c. PLN 20bn of yearly sales) from all regions and all types of municipalities as well as 17 FMCG producers as clients e.g. Unilever, Nestle, PepsiCo, Danone Waters, Imperial Tobacco. We believe that 2021E will be the last year, when M/Platform generates an operating loss.

We expect that at the end of 2021E Comp will have 18,500 shops on the platform, which will generate a transaction volume of PLN 1.15bn (2020: PLN 350m) that will translate into revenues of PLN 17.3m. Our current estimate is lower than the previous one of PLN 19.1m as according to management the COVID-19 pandemic has slowed down the acquisition of new shops and we now believe that this year CMP will focus its efforts on the sale of cash registers in Poland. In our view, M/Platform's transaction volume will grow at a CAGR of 42.9% by 2029E, but could be even higher if Comp also introduced its digital services platform in other countries e.g. in South-Eastern Europe, Africa or Asia. We maintain our view that this year M/Platform will generate an EBIT margin of 15%, which in the long run could increase up to 25%.

IT segment: Comp is also Polish market leader in the area of IT security, whereby the company sells own and third-party solutions and devices. Its clients are large corporates or public institutions e.g. the Ministry of Defense, which usually require security certificates. In 2016-2020, this segment grew at an average rate of 6.7%.

In 2021E, we expect that revenues of the IT segment will increase by 2% to PLN 389.9m due to the integration part relating to the PLN 86.8m contract with the Polish Ministry of Finance from November 2020 and higher demand for IT solutions in general following the coronavirus pandemic. In our view, the EBIT margin will reach 5%. In the long run, we forecast a sales CAGR of 1.8% and EBIT margins of 5-6%.

| in PLNm | 2021E | 2022E | 2023E | 2024E |
|------------------------------------------|---------------|---------------|---------------|---------------|
| Segment Retail (excl. M/Platform) | 456.00 | 384.72 | 386.52 | 388.32 |
| <i>Share in total sales</i> | 53.0% | 46.7% | 44.0% | 40.9% |
| EBIT margin | 14.5% | 14.3% | 14.1% | 13.9% |
| Number of fiscal equipment sold | 220,000 | 180,400 | 181,400 | 182,400 |
| Average price (PLN) | 1,800 | 1,800 | 1,800 | 1,800 |
| Service & maintenance (PLNk) | 60,000 | 60,000 | 60,000 | 60,000 |
| M/Platform | 17.25 | 45.00 | 90.00 | 150.00 |
| <i>Share in total sales</i> | 2.0% | 5.5% | 10.2% | 15.8% |
| EBIT margin | 15.0% | 22.5% | 25.0% | 24.5% |
| Number of shops | 18,500 | 24,000 | 35,000 | 35,000 |
| Number of FMCG producers | 28 | 40 | 50 | 50 |
| Transaction volume (PLNk) | 1,150,000 | 3,000,000 | 6,000,000 | 10,000,000 |
| % fee | 1.5% | 1.5% | 1.5% | 1.5% |
| Segment IT | 389.85 | 397.65 | 405.60 | 413.71 |
| <i>Share in total sales</i> | 45.3% | 48.2% | 46.2% | 43.6% |
| EBIT margin | 5.0% | 5.9% | 5.8% | 5.7% |
| Others | -3.00 | -3.20 | -3.40 | -3.60 |
| Total sales | 860.10 | 824.17 | 878.72 | 948.43 |
| change y-o-y | 19.3% | -4.2% | 6.6% | 7.9% |

Source: East Value Research GmbH

| in PLNm | 2021E | | 2022E | | 2023E | | 2024E | |
|--------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | new | old | new | old | new | old | new | old |
| Net sales | 860.10 | 848.26 | 824.17 | 827.18 | 878.72 | 885.80 | 948.43 | 959.78 |
| EBITDA | 111.49 | 109.51 | 113.39 | 112.00 | 126.86 | 125.70 | 142.19 | 140.30 |
| <i>EBITDA margin</i> | 13.0% | 12.9% | 13.8% | 13.5% | 14.4% | 14.2% | 15.0% | 14.6% |
| EBIT | 65.82 | 65.41 | 67.68 | 67.85 | 81.10 | 81.51 | 96.38 | 97.03 |
| <i>EBIT margin</i> | 7.7% | 7.7% | 8.2% | 8.2% | 9.2% | 9.2% | 10.2% | 10.1% |
| Net income (after min. but excl. disc. operat.) | 48.62 | 46.88 | 50.12 | 49.50 | 61.67 | 61.19 | 74.75 | 74.75 |
| <i>Net margin</i> | 5.7% | 5.5% | 6.1% | 6.0% | 7.0% | 6.9% | 7.9% | 7.8% |
| Net income (after minorities and disc. operat.) | 48.62 | 46.88 | 50.12 | 49.50 | 61.67 | 61.19 | 74.75 | 74.75 |
| <i>Net margin</i> | 5.7% | 5.5% | 6.1% | 6.0% | 7.0% | 6.9% | 7.9% | 7.8% |

Source: East Value Research GmbH

| in PLNm | Q1/19 | Q2/19 | Q3/19 | Q4/19 | 2019 | Q1/20 | Q2/20 | Q3/20 | Q4/20 | 2020 | Q1/21E |
|----------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Net sales | 120.33 | 147.13 | 183.57 | 279.52 | 730.55 | 141.28 | 111.61 | 156.65 | 311.34 | 720.88 | 155.00 |
| <i>change y-o-y</i> | 0.4% | -7.1% | 20.0% | 13.3% | 7.8% | 17.4% | -24.1% | -14.7% | 11.4% | -1.3% | 9.7% |
| EBITDA | 14.45 | 25.38 | 26.36 | 26.53 | 92.72 | 23.83 | 4.18 | 20.48 | 28.75 | 77.24 | 23.30 |
| <i>EBITDA margin</i> | 12.0% | 17.3% | 14.4% | 9.5% | 12.7% | 16.9% | 3.7% | 13.1% | 9.2% | 10.7% | 15.0% |
| EBIT | 6.00 | 15.85 | 16.44 | 15.86 | 54.15 | 13.41 | -6.21 | 9.24 | 17.31 | 33.75 | 12.80 |
| <i>EBIT margin</i> | 5.0% | 10.8% | 9.0% | 5.7% | 7.4% | 9.5% | -5.6% | 5.9% | 5.6% | 4.7% | 8.3% |
| Net income | 0.49 | 2.09 | 8.12 | 7.90 | 18.59 | 4.26 | -3.70 | 5.33 | 9.33 | 15.22 | 7.00 |
| <i>Net margin</i> | 0.4% | 1.4% | 4.4% | 2.8% | 2.5% | 3.0% | -3.3% | 3.4% | 3.0% | 2.1% | 4.5% |

Source: Company information, East Value Research GmbH

CAPEX and Working capital

In our view, Comp's total gross CAPEX in 2021-2023E (= mostly investments in intangible assets) will amount to PLN 136.7m and in the long run equal c. 4% of its yearly sales.

We expect that the company's working capital to sales ratio will decline from 15% in 2020 to c. 13% due to improved working capital management. Regarding the cash conversion cycle, we believe that it will remain at c. 60 days in the future.

Valuation

In order to reflect all its business segments appropriately, we have valued Comp by using a Sum-of-the-Parts valuation, which we have additionally discounted by 50% in order to account for uncertainty. Our model accounts for the 1.14m of shares, which have been bought back by Comp in the last years. Our adjusted model results in a new 12-months PT of PLN 97.90 compared to PLN 90.10 before. Given an upside of 81.3% at present, our BUY rating remains unchanged.

Below are the key assumptions of our DCF valuations:

- (1) *Risk-free rate*: Current yield of Polish long-term government bonds with maturity in 2047E is 2.29% (Source: www.boerse-stuttgart.de)
- (2) *Beta*: 4-year average unlevered beta for companies from the Software System & Application sector, which are based in Emerging Markets, is 1.5x (Source: www.damodaran.com)
- (3) *Target equity ratio*: 80%
- (4) *Levered beta*: 1.8x
- (5) *Equity costs*: 12.3%
- (6) *Equity risk premium (Poland)*: 5.54% (Source: www.damodaran.com)
- (7) *WACC*: 10.2%
- (8) *Sales growth in the terminal period*: 2%
- (9) Free cash flows are discounted to 9 May 2021

Sum-of-the Parts

We have valued all of Comp's business segments separately: (1) IT segment – based on peer group multiples for 2020-22E of other listed Polish IT companies, which provide services in the area of IT security, and (2) Retail segment & M/Platform – with DCF models.

IT segment

Comp's main listed competitors in this area are Polish IT companies Wasko S.A., Asseco Poland S.A., Comarch S.A., Atende S.A. and Passus S.A. Below are the most important facts about them.

Overview over listed Polish providers of IT security

| | Description | Market cap | Last FY sales |
|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|---------------|
| Wasko S.A. | <p>Wasko develops and integrates solutions relating to IT, industry automation, Telco and Electronics.</p> <p>The company constructs broadband and transport networks and conducts IT projects in the area of aviation, healthcare and public administration.</p> | PLN 155m | PLN 458.5m |
| Asseco Poland S.A. | <p>Asseco Poland, which is the 6th largest software company in Europe, offers products for clients from the areas of banking, payments, insurance, healthcare, energy, telco, media, uniformed services and public administration.</p> <p>In 2020, 88.3% of its sales stemmed from abroad and 79% from own products.</p> | PLN 5.9bn | PLN 12.2bn |
| Comarch S.A. | <p>Comarch provides software, hardware, integration and training services for clients from various sectors and public administration.</p> <p>Foreign markets account for c. 59% and own software for c. 17% of the company's total sales.</p> | PLN 1.8bn | PLN 1.5bn |
| Atende S.A. | <p>Atende specializes in the integration of ICT e.g. in next-generation computer networks and data centers. It also offers leading solutions in the area of cybersecurity. An increasingly important part of its business is cloud computing and managed services.</p> | PLN 232.2m | PLN 260.1m |
| Passus S.A. | <p>Passus focuses on the design and implementation of highly specialized IT solutions in the area of network and application performance monitoring and improvement, as well as IT security in on-premise architecture, hybrid solutions or private and public clouds.</p> | PLN 113.1m | PLN 43m |

Source: CapitalIQ, company websites, East Value Research GmbH

Trading multiples-based valuation of Comp's IT segment

| Company | EV/Sales | | | EV/EBIT | | | P/BVPS | EBITDA margin | Net gearing |
|-------------------------------------------|---------------|--------------|--------------|--------------|--------------|--------------|--------|---------------|-------------|
| | 2020 | 2021E | 2022E | 2020 | 2021E | 2022E | Latest | Last FY | Latest |
| Wasko S.A. (PLN) | 0.17x | n.a | n.a | 4.48x | n.a | n.a | 0.64x | 6.35% | -32.29% |
| Asseco Poland S.A. (PLN) | 0.49x | 0.44x | 0.44x | 4.90x | 4.87x | 4.64x | 0.97x | 15.77% | 1.37% |
| Comarch S.A. (PLN) | 1.06x | 1.02x | 0.97x | 8.53x | 9.61x | 10.14x | 1.71x | 18.08% | -19.80% |
| Atende S.A. (PLN) | 0.66x | 0.75x | n.a | 3.22x | 11.84x | n.a | 2.16x | 25.46% | -56.47% |
| Passus S.A. (PLN) | 2.70x | n.a | n.a | 33.13x | n.a | n.a | 13.19x | 12.94% | 32.58% |
| Median | 0.66x | 0.75x | 0.71x | 4.90x | 9.61x | 7.39x | | | |
| Implied EV Comp S.A. - IT segment (PLN) | 252.19 | 290.90 | 280.72 | 110.01 | 187.27 | 173.25 | | | |
| Fair Enterprise Value - IT segment | 215.72 | | | | | | | | |

Source: CapitalIQ, marketscreener.com, East Value Research GmbH

The valuation of Comp's IT segment is based on 2020 results, our estimates for 2021E-22E and median consensus multiples of Wasko, Asseco Poland, Comarch, Atende and Passus. It results in a Fair Enterprise Value of PLN 215.7m.

Retail segment

In the area of Retail, which reflects Comp's business with fiscal equipment (incl. Point-of-Sale systems), the company is most comparable to German Vectron Systems AG, Canadian Lightspeed POS Inc., Chinese Urovo Technology and Uniform Industrial from Taiwan.

Our DCF model is based on a WACC of 10.2%, yearly growth of depreciation and amortization of 1%, CAPEX = D&A and working capital investments of 2.2% of total sales per annum. Our approach results in a Fair Enterprise Value of Comp's Retail segment (excl. M/Platform) of PLN 213.3m.

| in PLNm | 2021E | 2022E | 2023E | 2024E | 2025E | 2026E | 2027E | 2028E | 2029E |
|------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Net sales | 456.00 | 384.72 | 386.52 | 388.32 | 390.12 | 391.92 | 393.72 | 395.52 | 397.32 |
| (y-o-y change) | 32.7% | -15.6% | 0.5% | 0.5% | 0.5% | 0.5% | 0.5% | 0.5% | 0.5% |
| Operating profit | 66.24 | 55.12 | 54.60 | 54.08 | 53.55 | 53.02 | 50.90 | 48.76 | 46.57 |
| (operating margin) | 14.5% | 14.3% | 14.1% | 13.9% | 13.7% | 13.5% | 12.9% | 12.3% | 11.7% |
| NOPAT | 53.66 | 44.65 | 44.23 | 43.81 | 43.38 | 42.94 | 41.23 | 39.49 | 37.72 |
| + Depreciation & amortisation | 6.95 | 7.02 | 7.09 | 7.16 | 7.23 | 7.31 | 7.38 | 7.45 | 7.53 |
| = Net operating cash flow | 60.61 | 51.67 | 51.32 | 50.97 | 50.61 | 50.25 | 48.60 | 46.94 | 45.25 |
| - Total investments (Capex and WC) | -16.98 | -15.48 | -15.59 | -15.70 | -15.82 | -15.93 | -16.04 | -16.15 | -16.27 |
| Capital expenditures | -6.95 | -7.02 | -7.09 | -7.16 | -7.23 | -7.31 | -7.38 | -7.45 | -7.53 |
| Working capital | -10.03 | -8.46 | -8.50 | -8.54 | -8.58 | -8.62 | -8.66 | -8.70 | -8.74 |
| = Free Cash Flow (FCF) | 43.62 | 36.18 | 35.73 | 35.26 | 34.79 | 34.32 | 32.56 | 30.79 | 28.98 |
| PV of FCFs | 40.96 | 30.82 | 27.61 | 24.72 | 22.13 | 19.80 | 17.05 | 14.62 | 12.49 |
| PV of FCFs in explicit period | 210.21 | | | | | | | | |
| PV of FCFs in terminal period | 3.09 | | | | | | | | |
| Enterprise Value (EV) | 213.30 | | | | | | | | |
| WACC | 10.2% | | | | | | | | |
| Cost of equity | 10.2% | | | | | | | | |
| Pre-tax cost of debt | 2.5% | | | | | | | | |
| Normal tax rate | 19.0% | | | | | | | | |
| After-tax cost of debt | 2.0% | | | | | | | | |
| Share of equity | 80.0% | | | | | | | | |
| Share of debt | 20.0% | | | | | | | | |

Source: East Value Research GmbH

Overview over listed providers of POS systems

| | Description | Market cap | Last FY sales |
|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|---------------|
| Urovo Technology Co. Ltd. | Urovo provides mobile computers, mobile printers & scanners and payment terminals among others for the retail sector. | CNY 5.1bn | CNY 1.2bn |
| Uniform Industrial Corp. | Uniform Industrial Corporation provides customized solutions for the payment industry e.g. magnetic stripes, smart chips, secure card readers, contactless readers and POS systems. | TWD 813.5m | TWD 815.7m |
| Lightspeed POS Inc. | With a cloud-based platform and POS systems, Lightspeed POS helps restaurants and retailers sell across channels, manage operations, engage with consumers, accept payments, and grow their business. In Q1/20, the company acquired German Gastrofix (installed basis of 8,000 devices) for min. EUR 126m implying an EV/Sales multiple of 10.1x | CAD 10bn | CAD 254.2m |
| Vectron Systems AG | With c. 80,000 installed devices, Vectron is market leader in the DACH region in the area of proprietary cash registers for restaurants and bakeries. The company regards itself as innovation and technology leader and focuses on the medium and premium segment of the market. Vectron, which generates gross margins of >50%, sells its cash registers as a means for delivery of digital services relating to customer activity, loyalty programs or payments. | EUR 97.6m | EUR 28.8m |

Source: CapitalIQ, company websites, East Value Research GmbH

Trading multiples of listed providers of POS systems

| Company | EV/Sales | | | EV/EBITDA | | | P/BVPS | EBITDA margin | Net gearing |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-------------|
| | 2020 | 2021E | 2022E | 2020 | 2021E | 2022E | Latest | Last FY | Latest |
| Urovo Technology Co. Ltd. (CNY) | 4.01x | n.a | n.a | 30.10x | n.a | n.a | 3.25x | 13.33% | -30.72% |
| Uniform Industrial Corp. (TWD) | 0.87x | n.a | n.a | n.a | n.a | n.a | 1.12x | -0.69% | -13.74% |
| Lightspeed POS Inc. (CAD) | 38.62x | 22.78x | 16.16x | n.a | n.a | n.a | 7.31x | -12.35% | -12.95% |
| Vectron Systems AG (EUR) | 3.18x | 2.31x | 1.52x | n.a | 25.74x | 7.27x | 4.20x | -7.64% | -26.72% |
| Median | 3.59x | 12.54x | 8.84x | 30.10x | 25.74x | 7.27x | 3.72x | | |
| Comp S.A. (PLN)* | 0.58x | 0.48x | 0.50x | 5.38x | 3.73x | 3.67x | 0.50x | 10.72% | 30.81% |
| Premium/discount | -83.9% | -96.1% | -94.3% | -82.1% | -85.5% | -49.5% | -86.4% | | |

* excl. 1.14m own shares

Source: CapitalIQ, East Value Research GmbH

Our analysis shows that Comp is currently trading at a significant double-digit discount versus international providers of POS systems.

M/Platform

Like the Retail segment, we have valued the M/Platform with a DCF model, whereby we have used WACC = 10.2% and assumed Depreciation & Amortisation of 4.8% of yearly sales in the long run, CAPEX = D&A and yearly working capital investments = 0. This approach derives a Fair Enterprise Value of PLN 444.6m.

| in PLNm | 2021E | 2022E | 2023E | 2024E | 2025E | 2026E | 2027E | 2028E | 2029E |
|------------------------------------|---------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Net sales | 17.25 | 45.00 | 90.00 | 150.00 | 180.00 | 210.00 | 240.00 | 270.00 | 300.00 |
| (y-o-y change) | 228.6% | 160.9% | 100.0% | 66.7% | 20.0% | 16.7% | 14.3% | 12.5% | 11.1% |
| Operating profit | 2.59 | 10.13 | 22.50 | 36.75 | 43.20 | 49.35 | 55.20 | 60.75 | 66.00 |
| (operating margin) | 15.0% | 22.5% | 25.0% | 24.5% | 24.0% | 23.5% | 23.0% | 22.5% | 22.0% |
| NOPAT | 2.10 | 8.20 | 18.23 | 29.77 | 34.99 | 39.97 | 44.71 | 49.21 | 53.46 |
| + Depreciation & amortisation | 4.20 | 6.30 | 7.25 | 8.33 | 9.58 | 11.02 | 11.96 | 12.97 | 14.07 |
| = Net operating cash flow | 6.30 | 14.50 | 25.47 | 38.10 | 44.57 | 50.99 | 56.67 | 62.18 | 67.53 |
| - Total investments (Capex and WC) | -4.20 | -6.30 | -7.25 | -8.33 | -9.58 | -11.02 | -11.96 | -12.97 | -14.07 |
| Capital expenditures | -4.20 | -6.30 | -7.25 | -8.33 | -9.58 | -11.02 | -11.96 | -12.97 | -14.07 |
| Working capital | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| = Free Cash Flow (FCF) | 2.10 | 8.20 | 18.23 | 29.77 | 34.99 | 39.97 | 44.71 | 49.21 | 53.46 |
| PV of FCFs | 1.97 | 6.99 | 14.08 | 20.87 | 22.26 | 23.07 | 23.41 | 23.37 | 23.03 |
| PV of FCFs in explicit period | 159.05 | | | | | | | | |
| PV of FCFs in terminal period | 285.58 | | | | | | | | |
| Enterprise Value (EV) | 444.62 | | | | | | | | |
| WACC | 10.2% | | | | | | | | |
| Cost of equity | 10.2% | | | | | | | | |
| Pre-tax cost of debt | 2.5% | | | | | | | | |
| Normal tax rate | 19.0% | | | | | | | | |
| After-tax cost of debt | 2.0% | | | | | | | | |
| Share of equity | 80.0% | | | | | | | | |
| Share of debt | 20.0% | | | | | | | | |

Source: East Value Research GmbH

Price target calculation

| Sum-of-the-Parts | |
|------------------------------------------------------|---------------|
| IT segment | 215.72 |
| Retail segment | 213.30 |
| M/Platform | 444.62 |
| Sum of Enterprise Values (PLNm) | 873.65 |
| Sum of EV (with 50% discount) | 582.43 |
| - Net debt (31/12/2020) | -157.66 |
| Implied Equity Value (PLNm) | 424.77 |
| Number of shares less 1.14m own shares | 4.78 |
| Implied Equity Value per share (PLN) | 88.82 |
| Implied Equity Value per share (in 12 months) | 97.90 |

Source: East Value Research GmbH

Profit and loss statement

| in PLNm | 2019 | 2020 | 2021E* | 2022E | 2023E | 2024E |
|---------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Revenues | 730.55 | 720.88 | 860.10 | 824.17 | 878.72 | 948.43 |
| Cost of goods sold | -463.35 | -480.33 | -541.86 | -509.34 | -537.78 | -577.60 |
| Gross profit | 267.20 | 240.54 | 318.24 | 314.83 | 340.94 | 370.84 |
| Other operating income | 7.71 | 17.60 | 6.16 | 6.28 | 6.41 | 6.54 |
| Distribution costs | -96.35 | -91.33 | -108.97 | -104.42 | -111.33 | -120.16 |
| Administration costs | -72.49 | -71.11 | -84.85 | -81.30 | -86.68 | -93.56 |
| Other operating expenses | -13.35 | -18.47 | -19.10 | -22.01 | -22.49 | -21.47 |
| EBITDA | 92.72 | 77.24 | 111.49 | 113.39 | 126.86 | 142.19 |
| Depreciation & amortisation | -38.57 | -43.49 | -45.67 | -45.71 | -45.76 | -45.80 |
| EBIT | 54.15 | 33.75 | 65.82 | 67.68 | 81.10 | 96.38 |
| Net financial result | -15.14 | -7.28 | -6.28 | -5.28 | -4.28 | -3.28 |
| EBT | 39.01 | 26.48 | 59.55 | 62.40 | 76.83 | 93.11 |
| Income taxes | -8.85 | -10.28 | -11.31 | -11.86 | -14.60 | -17.69 |
| Minorities | 0.45 | 1.95 | 0.39 | -0.43 | -0.56 | -0.67 |
| Result from discontinued operations (PayTel S.A.) | -12.03 | -2.93 | 0.00 | 0.00 | 0.00 | 0.00 |
| Adj. Net income / loss (excl. discount. operat.) | 30.61 | 18.14 | 48.62 | 50.12 | 61.67 | 74.75 |
| Net income / loss | 18.59 | 15.22 | 48.62 | 50.12 | 61.67 | 74.75 |
| EPS | 3.89 | 2.57 | 8.22 | 8.47 | 10.42 | 12.63 |
| Adj. EPS | 5.33 | 3.07 | 8.22 | 8.47 | 10.42 | 12.63 |
| DPS | 0.00 | 1.93 | 2.46 | 2.54 | 3.13 | 3.79 |
| Share in total sales | | | | | | |
| Revenues | 100.00 % | 100.00 % | 100.00 % | 100.00 % | 100.00 % | 100.00 % |
| Cost of goods sold | -63.43 % | -66.63 % | -63.00 % | -61.80 % | -61.20 % | -60.90 % |
| Gross profit | 36.57 % | 33.37 % | 37.00 % | 38.20 % | 38.80 % | 39.10 % |
| Other operating income | 1.06 % | 2.44 % | 0.72 % | 0.76 % | 0.73 % | 0.69 % |
| Distribution costs | -13.19 % | -12.67 % | -12.67 % | -12.67 % | -12.67 % | -12.67 % |
| Administration costs | -9.92 % | -9.86 % | -9.86 % | -9.86 % | -9.86 % | -9.86 % |
| Other operating expenses | -1.83 % | -2.56 % | -2.22 % | -2.67 % | -2.56 % | -2.26 % |
| EBITDA | 12.69 % | 10.72 % | 12.96 % | 13.76 % | 14.44 % | 14.99 % |
| Depreciation & amortisation | -5.28 % | -6.03 % | -5.31 % | -5.55 % | -5.21 % | -4.83 % |
| EBIT | 7.41 % | 4.68 % | 7.65 % | 8.21 % | 9.23 % | 10.16 % |
| Net financial result | -2.07 % | -1.01 % | -0.73 % | -0.64 % | -0.49 % | -0.35 % |
| EBT | 5.34 % | 3.67 % | 6.92 % | 7.57 % | 8.74 % | 9.82 % |
| Income taxes | -1.21 % | -1.43 % | -1.32 % | -1.44 % | -1.66 % | -1.87 % |
| Minorities | 0.06 % | 0.27 % | 0.05 % | -0.05 % | -0.06 % | -0.07 % |
| Result from discontinued operations (PayTel S.A.) | -1.65 % | -0.41 % | 0.00 % | 0.00 % | 0.00 % | 0.00 % |
| Adj. Net income / loss (excl. discount. operat.) | 4.19 % | 2.52 % | 5.65 % | 6.08 % | 7.02 % | 7.88 % |
| Net income / loss | 2.54 % | 2.11 % | 5.65 % | 6.08 % | 7.02 % | 7.88 % |

* our forecasts for 2021E do to include the profit from the sale of the remaining 10.75% stake in PayTel

Balance Sheet

| in PLNm | 2019 | 2020 | 2021E | 2022E | 2023E | 2024E |
|-------------------------------------------|----------------|---------------|----------------|----------------|----------------|----------------|
| Assets | | | | | | |
| Cash and equivalents | 53.09 | 46.64 | 36.00 | 52.49 | 70.24 | 96.53 |
| Short-term financial assets | 2.30 | 2.46 | 2.51 | 2.56 | 2.61 | 2.66 |
| Inventories | 82.75 | 97.25 | 107.48 | 98.94 | 102.25 | 107.45 |
| Trade accounts and notes receivables | 261.52 | 173.29 | 199.69 | 184.57 | 189.57 | 196.81 |
| Other current assets | 34.16 | 38.92 | 34.40 | 32.80 | 34.80 | 37.37 |
| Short-term part of construction contracts | 24.51 | 42.88 | 43.38 | 43.88 | 44.38 | 44.88 |
| Assets-held-for-sale | 1.41 | 0.71 | 0.00 | 0.00 | 0.00 | 0.00 |
| Current assets, total | 459.74 | 402.14 | 423.46 | 415.23 | 443.84 | 485.69 |
| Property, plant and equipment | 90.14 | 71.26 | 71.26 | 71.27 | 71.27 | 71.27 |
| Other intangible assets | 183.11 | 200.89 | 200.99 | 201.09 | 201.19 | 201.29 |
| Goodwill | 272.80 | 272.80 | 272.80 | 272.80 | 272.80 | 272.80 |
| Long-term financial assets | 2.37 | 20.87 | 21.29 | 21.72 | 22.15 | 22.59 |
| Other long-term assets | 15.36 | 12.27 | 12.52 | 12.77 | 13.03 | 13.29 |
| Long-term part of construction contracts | 13.75 | 14.87 | 15.07 | 15.27 | 15.47 | 15.67 |
| Deferred tax assets | 5.74 | 0.92 | 0.00 | 0.00 | 0.00 | 0.00 |
| Non-current assets, total | 583.26 | 593.88 | 593.93 | 594.91 | 595.90 | 596.90 |
| Total assets | 1043.01 | 996.02 | 1017.39 | 1010.14 | 1039.74 | 1082.60 |
| Liabilities | | | | | | |
| Trade payables | 125.62 | 132.17 | 142.59 | 127.92 | 128.61 | 131.20 |
| Other short-term liabilities | 53.37 | 69.18 | 81.68 | 77.45 | 81.70 | 87.23 |
| Short-term financial debt | 215.99 | 174.62 | 154.62 | 134.62 | 114.62 | 94.62 |
| Provisions | 32.09 | 24.07 | 14.07 | 12.07 | 10.07 | 8.07 |
| Current liabilities, total | 427.07 | 400.05 | 392.97 | 352.06 | 335.00 | 321.12 |
| Long-term financial debt | 65.35 | 32.14 | 30.53 | 29.01 | 27.56 | 26.18 |
| Other long-term liabilities | 15.78 | 13.41 | 16.00 | 15.34 | 16.35 | 17.65 |
| Provisions | 1.84 | 2.04 | 1.94 | 1.84 | 1.74 | 1.64 |
| Deferred tax liabilities | 6.78 | 9.27 | 0.00 | 0.00 | 0.00 | 0.00 |
| Long-term liabilities, total | 89.75 | 56.86 | 48.48 | 46.18 | 45.65 | 45.47 |
| Total liabilities | 516.82 | 456.90 | 441.45 | 398.24 | 380.64 | 366.59 |
| Shareholders equity, total | 496.55 | 511.80 | 549.01 | 584.54 | 631.17 | 687.42 |
| Minority interests | 29.64 | 27.32 | 26.93 | 27.36 | 27.92 | 28.59 |
| Total equity and liabilities | 1043.01 | 996.02 | 1017.39 | 1010.14 | 1039.74 | 1082.60 |

Cash Flow Statement

| in PLNm | 2019 | 2020 | 2021E | 2022E | 2023E | 2024E |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Net income / loss | 18.59 | 15.22 | 48.62 | 50.12 | 61.67 | 74.75 |
| Depreciation | 38.57 | 43.49 | 45.67 | 45.71 | 45.76 | 45.80 |
| Change of working capital | -86.92 | 48.08 | -9.19 | 6.36 | -5.37 | -6.89 |
| Others | 37.25 | -2.09 | 18.45 | 2.10 | 2.10 | 2.10 |
| Net operating cash flow | 7.48 | 104.69 | 103.55 | 104.28 | 104.16 | 115.77 |
| Cash flow from investing | -23.08 | -31.75 | -45.06 | -45.81 | -45.86 | -45.90 |
| Free cash flow | -15.59 | 72.95 | 58.48 | 58.47 | 58.30 | 69.86 |
| Cash flow from financing | 14.89 | -79.39 | -69.13 | -41.98 | -40.55 | -43.57 |
| Change of cash | -0.71 | -6.44 | -10.65 | 16.49 | 17.75 | 26.29 |
| Cash at the beginning of the period | 53.79 | 53.09 | 46.64 | 36.00 | 52.49 | 70.24 |
| Cash at the end of the period | 53.09 | 46.64 | 36.00 | 52.49 | 70.24 | 96.53 |

Financial ratios

| Fiscal year | 2019 | 2020 | 2021E | 2022E | 2023E | 2024E |
|------------------------------------------------|--------|--------|--------|--------|--------|--------|
| Profitability and balance sheet quality | | | | | | |
| Gross margin | 36.57% | 33.37% | 37.00% | 38.20% | 38.80% | 39.10% |
| EBITDA margin | 12.69% | 10.72% | 12.96% | 13.76% | 14.44% | 14.99% |
| EBIT margin | 7.41% | 4.68% | 7.65% | 8.21% | 9.23% | 10.16% |
| Net margin | 2.54% | 2.11% | 5.65% | 2.70% | 7.02% | 7.88% |
| Return on equity (ROE) | 3.82% | 3.02% | 9.17% | 8.84% | 10.15% | 11.34% |
| Return on assets (ROA) | 3.23% | 2.26% | 5.40% | 5.48% | 6.34% | 7.21% |
| Return on capital employed (ROCE) | 6.80% | 3.46% | 8.54% | 8.33% | 9.32% | 10.25% |
| Economic Value Added (in PLNm) | -21.13 | -40.31 | -10.54 | -12.48 | -6.38 | 0.19 |
| Net debt (in PLNm) | 225.96 | 157.66 | 146.65 | 108.58 | 69.33 | 21.61 |
| Net gearing | 45.51% | 30.81% | 26.71% | 18.58% | 10.98% | 3.14% |
| Equity ratio | 47.61% | 51.38% | 53.96% | 57.87% | 60.71% | 63.50% |
| Current ratio | 1.08 | 1.01 | 1.08 | 1.18 | 1.32 | 1.51 |
| Quick ratio | 0.74 | 0.56 | 0.61 | 0.68 | 0.78 | 0.92 |
| Net interest cover | 3.58 | 4.64 | 10.49 | 12.83 | 18.97 | 29.43 |
| Net debt/EBITDA | 2.44 | 2.04 | 1.32 | 0.96 | 0.55 | 0.15 |
| Tangible BVPS | 46.79 | 40.38 | 46.67 | 52.67 | 60.55 | 70.05 |
| CAPEX/Sales | 8.81% | 5.78% | 5.24% | 5.56% | 5.22% | 4.84% |
| Working capital/Sales | 27.30% | 15.00% | 13.64% | 13.46% | 13.24% | 12.99% |
| Cash Conversion Cycle (in days) | 97 | 61 | 61 | 61 | 61 | 61 |
| Trading multiples | | | | | | |
| EV/Sales | 0.65 | 0.66 | 0.55 | 0.58 | 0.54 | 0.50 |
| EV/EBITDA | 5.15 | 6.18 | 4.28 | 4.21 | 3.76 | 3.36 |
| EV/EBIT | 8.81 | 14.14 | 7.25 | 7.05 | 5.88 | 4.95 |
| P/Tangible BVPS | 1.15 | 1.34 | 1.16 | 1.03 | 0.89 | 0.77 |
| Adj. P/E | 10.13 | 17.61 | 6.57 | 6.38 | 5.18 | 4.28 |
| P/FCF | -20.50 | 4.38 | 5.46 | 5.47 | 5.48 | 4.57 |

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Reduce: Based on our analysis, we expect the stock to cause a negative return between 0% and -10% over the next twelve months

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