



Buy (old: Buy)

Price target: EUR 31.00 (old: EUR 31.00)

Price:	EUR 13.80	Next result:	Q3'21: tba
Bloomberg:	SANT GR	Market cap:	EUR 875.1 m
Reuters:	SANT1.DE	Enterprise Value:	EUR 998.8 m

22-December-21

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Debunking the key accusation

We have discovered official documents clearly proving that S&T is not connected to IMG China (Amogi / Emoki Computer Software Services Co. Ltd.) in any way (see pages 2 and 3). We find it curious that Viceroy would miss such documents, which are available online. This „mishap“ calls into question the credibility of Viceroy's entire report, in our view.

Let's recap: in the note released on Monday, we explained why Viceroy's main accusation looks unfounded. **What is the main line of attack?** Viceroy claims that S&T operates off-balance sheet entities to hide corporate fraud. It cites SandT Holding and IMG China as examples. Viceroy does not provide any further examples, simply stating that “there should be more but such entities are inherently difficult to find”.

Viceroy's claim that IMG China should be one of S&T's off-balance sheet entities is **based on very little evidence:** Viceroy found one reference to S&T on IMG's LinkedIn page and one on its homepage (see pages 26, 27 of its report).

The claim seems even more bizarre when considering that S&T's 2010 annual report details the **full divestment of IMG China** (see next page). Yes, IMG used to be a subsidiary of S&T, which may explain why references to S&T can still be found. IMG's LinkedIn page and About Us section should **simply be outdated**, in our view.

Viceroy's rationale for why S&T should try to hide IMG **sounds far-fetched.** IMG is “[...] providing surveillance tech to Chinese [...] agencies widely known to be persecuting Uyghur communities in Xinjiang (see page 9 of its report).

And indeed, **the claim does not hold up to scrutiny.** In our note released on Monday, we highlighted various Chinese websites which reveal that IMG is owned by several of its managers, including Mr Li Hongbo, **and that there is no relation to S&T.**

We now have definite proof, having found an official document from the Chinese National Equities Exchange and Quotations (NEEQ), also called the Third Board. **IMG went public in November 2016 and is registered under the ticker 839667.**

We show the document and other sources on pages 2 and 3. What is most relevant about the document? It reveals IMG's shareholder structure. Key shareholders are Mr. Li Hongbo, Jia Xinyan and Xu Chao. **All three are part of IMG's management team** (see page 3).

Y/E 31.12 (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Sales	882.0	990.9	1,122.9	1,254.8	1,350.0	1,556.2	1,696.3
Sales growth	75 %	12 %	13 %	12 %	8 %	15 %	9 %
EBITDA	68.1	90.5	111.7	130.0	136.4	165.7	190.8
EBIT	41.7	61.5	61.8	68.6	72.3	100.1	124.8
Net income	22.5	45.0	49.1	55.6	59.4	84.3	100.6
Net debt	-101.8	-52.7	91.5	104.1	96.8	15.4	-73.3
EPS pro forma	0.51	0.68	0.74	0.84	0.90	1.28	1.52
CPS	0.52	0.32	0.88	1.67	0.63	1.78	1.83
DPS	0.13	0.16	0.00	0.30	0.27	0.32	0.34
Dividend yield	1.0 %	1.2 %	0.0 %	2.3 %	2.1 %	2.4 %	2.6 %
Gross profit margin	36.7 %	36.0 %	37.2 %	37.2 %	37.0 %	37.4 %	37.9 %
EBITDA margin	7.7 %	9.1 %	9.9 %	10.4 %	10.1 %	10.7 %	11.3 %
EBIT margin	4.7 %	6.2 %	5.5 %	5.5 %	5.4 %	6.4 %	7.4 %
ROCE	9.4 %	11.9 %	8.8 %	9.9 %	8.2 %	10.9 %	12.8 %
EV/sales	0.9	0.8	0.9	0.8	0.7	0.6	0.5
EV/EBITDA	11.2	9.2	8.9	7.7	7.3	5.5	4.3
EV/EBIT	18.2	13.6	16.1	14.7	13.8	9.2	6.6
PER	26.0	19.5	17.8	15.7	14.7	10.4	8.7
Adjusted FCF yield	5.9 %	7.8 %	8.5 %	9.6 %	10.2 %	14.1 %	17.8 %

Source: Company data, Hauck & Aufhäuser Close price as of: 21.12.2021



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 23.80 / 13.25

Price/Book Ratio: 2.1

Relative performance (TecDAX):

3 months -38.8 %

6 months -38.7 %

12 months -48.9 %

Changes in estimates

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

Key share data:

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

Major shareholders:

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

Company description:

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

S&T does not show up anywhere in the document, neither in the shareholder structure nor in any other section. Thus, it seems clear that there is **no connection** between S&T and IMG.

NB: please refer to our note from Monday to see why SandT Holding is also no hidden off-balance sheet entity, in our view.

Raising concerns about an off balance sheet structure that is used to hide corporate fraud - **that is a severe accusation, which should not be made lightly**. Viceroy has shown no proof for this allegation. We advise Viceroy to come clean and **retract the accusation** unless it can deliver definite proof.

What is left of Viceroy’s report now that we have debunked the main accusation? **Not much**. We currently think that Funworld is indeed an undisclosed related-party transaction. This was in 2017 and cost S&T € 0.33m for a 40% stake. **We ask S&T to comment**. We further advise S&T to disclose its procedures to prevent and / or detect possible bribery in its Eastern European subsidiaries. It also needs to disclose any bribery / tender fraud detected in the past as well as any charges brought against its subsidiaries.

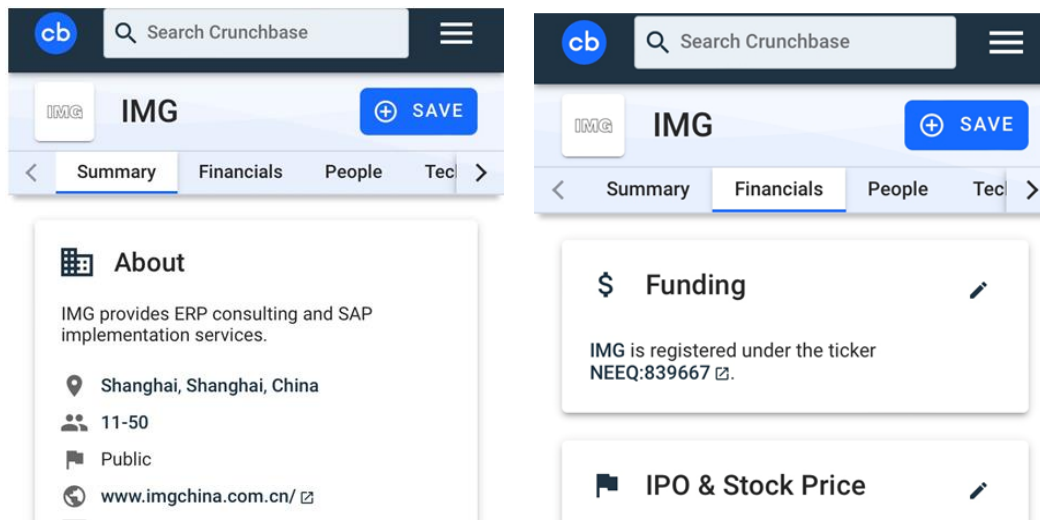
We currently see no indication that the disclosures will reveal anything material enough to change our positive view on the stock. **Reiterate BUY**.

IMG China was completely divested in 2010

	2010	2009	Comments
S&T Consulting GmbH (previously S&T Deutschland GmbH), Germany	100 %	100 %	
S&T Slovakia s.r.o., Slovakia	100 %	100 %	
S&T Asia Holding AG, Switzerland	100 %	100 %	Founded in 2008. In 2009, it was contributed by S&T System Integration & Technology Distribution AG to High Performance Systems Holding GmbH, Austria.
IMG (UK) Ltd., United Kingdom	100 %	100 %	
IMG Japan K.K., Japan	100 %	100 %	
IMG Software Service (Shanghai) Co., Ltd., China	--	100 %	Acquired and consolidated for the first time in 2007. In 2008, it was sold within the group by IMG Japan K.K., Japan, to S&T Asia Holding AG, Switzerland. In 2009, it was classified as held for sale, sold in 2010 (see Note 32).

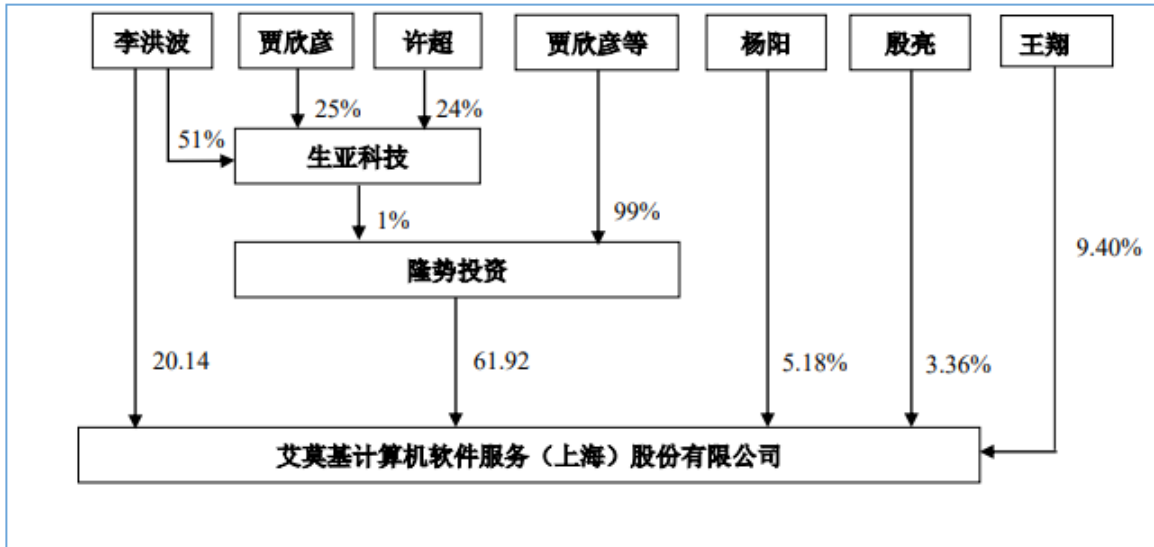
Source: S&T AG System Integration & Technology Distribution AG, 2010 Annual Report

Crunchbase shows that IMG is listed on NEEQ under the ticker 839667



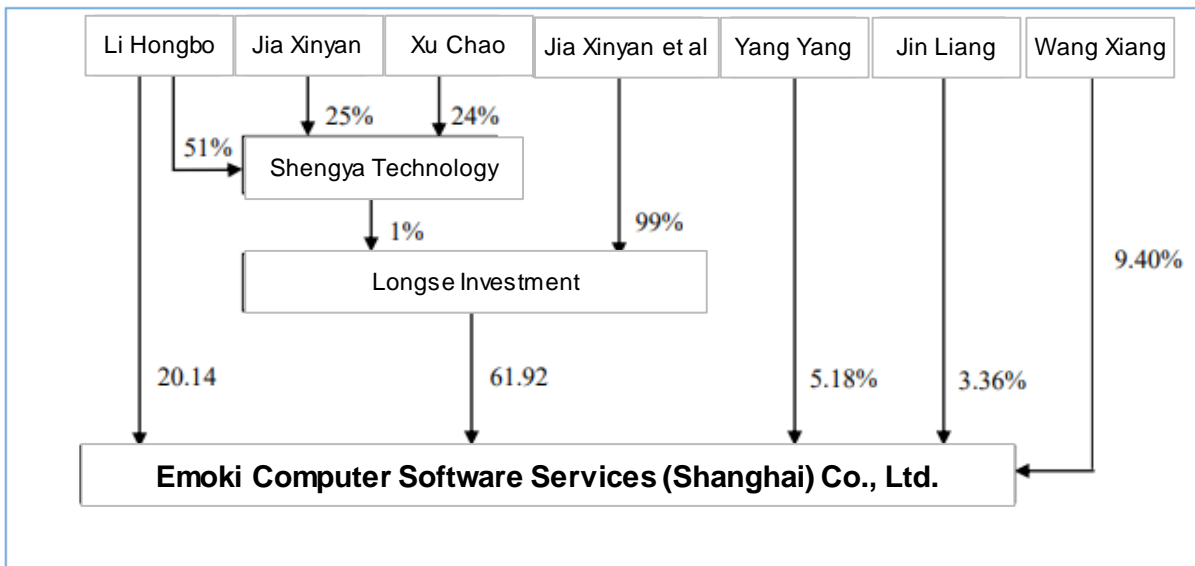
Source: Crunchbase

Shareholder Structure of IMG China (Emoki) according to an official filing with NEEQ



Source: http://www.neeq.com.cn/disclosure/2019/2019-04-24/1556104494_078534.pdf

The shareholder structure of IMG China (Emoki) translated into English



Source: http://www.neeq.com.cn/disclosure/2019/2019-04-24/1556104494_078534.pdf / Google translate / Our graph

IMG China (Emoki): management team

Li Hongbo Chairman of the board	Yin Liang Director and general manager	Xu Chao director	Yuan Tao director
Wang Yingze director	Jia Xinyan director	Shu Weiming director	Yang Yang Supervisor
Jin Hui Supervisor	Tang Xiaolin Supervisor		

Source: pedaily.cn

Financials

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

Profit and loss (common size)	2017	2018	2019	2020	2021E	2022E	2023E
Net sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Increase/decrease in finished goods and work-in-process	1.5 %	1.5 %	1.4 %	1.4 %	1.2 %	1.1 %	1.1 %
Total sales	101.5 %	101.5 %	101.4 %	101.4 %	101.2 %	101.1 %	101.1 %
Other operating income	1.0 %	0.8 %	0.7 %	0.7 %	0.6 %	0.6 %	0.5 %
Material expenses	64.3 %	65.0 %	63.7 %	63.7 %	63.8 %	63.3 %	62.8 %
Personnel expenses	20.3 %	19.6 %	21.8 %	21.8 %	21.6 %	21.4 %	21.2 %
Other operating expenses	10.1 %	8.5 %	6.6 %	6.3 %	6.3 %	6.3 %	6.3 %
Total operating expenses	93.8 %	92.4 %	91.4 %	91.0 %	91.1 %	90.5 %	89.8 %
EBITDA	7.7 %	9.1 %	9.9 %	10.4 %	10.1 %	10.7 %	11.3 %
Depreciation	0.8 %	2.9 %	2.3 %	2.5 %	2.3 %	2.1 %	1.9 %
EBITA	6.9 %	6.2 %	7.6 %	7.9 %	7.8 %	8.6 %	9.3 %
Amortisation of goodwill	0.0 %	n/a	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	2.1 %	n/a	2.1 %	2.4 %	2.4 %	2.1 %	1.9 %
Impairment charges	0.0 %	n/a	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT (inc revaluation net)	4.7 %	6.2 %	5.5 %	5.5 %	5.4 %	6.4 %	7.4 %
Interest income	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %
Interest expenses	0.8 %	0.6 %	0.8 %	0.7 %	0.6 %	0.5 %	0.5 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	neg.	neg.	neg.	neg.	neg.	neg.	neg.
Recurring pretax income from continuing operations	4.0 %	5.7 %	4.8 %	4.8 %	4.9 %	6.0 %	7.0 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	4.0 %	5.7 %	4.8 %	4.8 %	4.9 %	6.0 %	7.0 %
Tax rate	17.0 %	14.0 %	8.4 %	10.0 %	10.0 %	10.0 %	15.0 %
Net income from continuing operations	3.3 %	4.9 %	4.4 %	4.4 %	4.4 %	5.4 %	5.9 %
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	3.3 %	4.9 %	4.4 %	4.4 %	4.4 %	5.4 %	5.9 %
Minority interest	0.8 %	0.4 %	0.0 %	neg.	0.0 %	0.0 %	0.0 %
Net profit (reported)	2.6 %	4.5 %	4.4 %	4.4 %	4.4 %	5.4 %	5.9 %

Source: Company data, Hauck & Aufhäuser

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

Balance sheet (common size)	2017	2018	2019	2020	2021E	2022E	2023E
Intangible assets	23.6 %	24.5 %	24.1 %	24.2 %	22.0 %	19.9 %	17.5 %
Property, plant and equipment	4.0 %	4.4 %	8.1 %	10.8 %	9.4 %	8.1 %	7.2 %
Financial assets	2.2 %	0.0 %	1.9 %	1.8 %	1.7 %	1.5 %	1.4 %
FIXED ASSETS	29.7 %	28.9 %	34.1 %	36.9 %	33.1 %	29.6 %	26.1 %
Inventories	12.9 %	15.4 %	12.0 %	12.8 %	15.5 %	14.3 %	14.2 %
Accounts receivable	21.4 %	23.9 %	17.3 %	16.4 %	19.1 %	20.3 %	20.6 %
Other current assets	5.4 %	8.0 %	8.4 %	8.4 %	8.0 %	7.6 %	7.2 %
Liquid assets	27.0 %	20.3 %	25.5 %	22.6 %	21.6 %	25.6 %	29.5 %
Deferred taxes	3.6 %	3.5 %	2.8 %	2.9 %	2.7 %	2.5 %	2.4 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	70.3 %	71.1 %	65.9 %	63.1 %	66.9 %	70.4 %	73.9 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	37.9 %	42.0 %	30.4 %	32.4 %	33.1 %	35.2 %	37.6 %
MINORITY INTEREST	3.3 %	1.3 %	1.0 %	0.4 %	0.4 %	0.4 %	0.3 %
Long-term debt	8.5 %	9.4 %	27.8 %	27.5 %	25.7 %	23.7 %	22.1 %
Provisions for pensions and similar obligations	2.6 %	1.7 %	2.4 %	2.2 %	2.0 %	1.9 %	1.7 %
Other provisions	4.6 %	3.3 %	4.4 %	3.2 %	3.0 %	2.8 %	2.6 %
Non-current liabilities	15.7 %	14.4 %	34.7 %	32.9 %	30.7 %	28.4 %	26.4 %
short-term liabilities to banks	5.8 %	4.7 %	5.1 %	3.4 %	3.2 %	3.0 %	2.8 %
Accounts payable	19.2 %	20.9 %	16.7 %	16.8 %	19.4 %	20.6 %	20.9 %
Advance payments received on orders	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other liabilities (incl. from lease and rental contracts)	16.9 %	15.3 %	10.9 %	12.9 %	12.0 %	11.4 %	11.0 %
Deferred taxes	1.2 %	1.5 %	1.1 %	1.1 %	1.3 %	1.0 %	1.0 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	43.0 %	42.3 %	33.9 %	34.2 %	35.8 %	36.1 %	35.6 %
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Source: Company data, Hauck & Aufhäuser

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

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Domestic	108.3	98.4	102.2	106.7	108.0	141.6	0.0
yoy change	80.1 %	-9.1 %	3.8 %	4.4 %	1.3 %	31.1 %	n/a
Rest of Europe	242.7	300.0	336.9	373.9	395.6	471.5	0.0
yoy change	46.0 %	23.6 %	12.3 %	11.0 %	5.8 %	19.2 %	n/a
NAFTA	132.1	133.2	152.7	178.2	198.5	211.6	0.0
yoy change	n/a	0.8 %	14.7 %	16.7 %	11.4 %	6.6 %	n/a
Asia Pacific	n/a	n/a	n/a	n/a	n/a	n/a	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of world	398.9	459.4	531.1	596.0	648.0	722.1	0.0
yoy change	43.8 %	15.2 %	15.6 %	12.2 %	8.7 %	11.4 %	n/a
TTL	882.0	990.9	1,122.9	1,254.8	1,350.0	1,556.2	0.0
yoy change	75.1 %	12.3 %	13.3 %	11.7 %	7.6 %	15.3 %	n/a

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
P&L growth analysis							
Sales growth	75.1 %	12.3 %	13.3 %	11.7 %	7.6 %	15.3 %	9.0 %
EBITDA growth	97.9 %	33.0 %	23.4 %	43.6 %	22.1 %	27.4 %	40.0 %
EBIT growth	73.1 %	47.3 %	0.4 %	11.5 %	17.1 %	46.0 %	72.5 %
EPS growth	29.9 %	58.9 %	9.2 %	25.7 %	23.1 %	51.5 %	69.2 %
Efficiency							
Total operating costs / sales	93.8 %	92.4 %	91.4 %	91.0 %	91.1 %	90.5 %	89.8 %
Sales per employee	306.0	254.1	259.8	288.9	307.8	709.6	765.8
EBITDA per employee	23.6	23.2	25.9	29.9	31.1	75.6	86.1
Balance sheet analysis							
Avg. working capital / sales	13.6 %	14.0 %	13.8 %	12.4 %	13.3 %	11.5 %	12.4 %
Inventory turnover (sales/inventory)	8.5	7.6	7.7	7.8	6.5	7.5	7.7
Trade debtors in days of sales	71.3	74.6	69.0	59.5	69.0	69.0	69.0
A/P turnover [(A/P*365)/sales]	64.1	65.2	66.6	61.1	70.0	70.0	70.0
Cash conversion cycle (days)	38.6	48.5	39.2	36.6	47.3	35.3	33.0
Cash flow analysis							
Free cash flow	21.9	10.4	56.3	106.9	34.6	107.1	110.1
Free cash flow/sales	2.5 %	1.1 %	5.0 %	8.5 %	2.6 %	6.9 %	6.5 %
FCF / net profit	97.3 %	23.2 %	114.6 %	192.2 %	58.3 %	127.0 %	109.4 %
Capex / depre	109.2 %	82.3 %	62.9 %	61.2 %	61.2 %	66.4 %	66.8 %
Capex / maintenance capex	145.7 %	n/a	74.6 %	70.3 %	67.5 %	75.9 %	82.2 %
Capex / sales	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Security							
Net debt	-101.8	-52.7	91.5	104.1	96.8	15.4	-73.3
Net Debt/EBITDA	0.0	0.0	0.8	0.8	0.7	0.1	0.0
Net debt / equity	neg.	neg.	0.2	0.3	0.2	0.0	neg.
Interest cover	6.0	10.0	6.9	7.4	8.9	12.4	15.4
Dividend payout ratio	36.6 %	23.5 %	0.0 %	35.7 %	30.5 %	25.4 %	22.4 %
Asset utilisation							
Capital employed turnover	1.7	1.9	1.3	1.5	1.5	1.6	1.6
Operating assets turnover	5.7	5.1	4.4	4.3	4.1	4.8	5.2
Plant turnover	27.7	26.7	11.3	9.3	10.8	13.2	15.2
Inventory turnover (sales/inventory)	8.5	7.6	7.7	7.8	6.5	7.5	7.7
Returns							
ROCE	9.4 %	11.9 %	8.8 %	9.9 %	8.2 %	10.9 %	12.8 %
ROE	7.4 %	12.6 %	13.2 %	13.8 %	13.4 %	16.6 %	17.2 %
Other							
Interest paid / avg. debt	6.6 %	5.3 %	3.4 %	3.7 %	2.1 %	2.1 %	2.1 %
No. employees (average)	2882	3900	4322	4343	4387	2193	2215
Number of shares	52.5	66.1	66.1	65.0	65.0	65.0	65.0
DPS	0.1	0.2	0.0	0.3	0.3	0.3	0.3
EPS reported	0.43	0.68	0.74	0.86	0.91	1.30	1.55
Valuation ratios							
P/BV	2.8	2.5	2.3	2.2	2.0	1.7	1.5
EV/sales	0.9	0.8	0.9	0.8	0.7	0.6	0.5
EV/EBITDA	11.2	9.2	8.9	7.7	7.3	5.5	4.3
EV/EBITA	12.5	13.6	11.6	10.2	9.5	6.9	5.3
EV/EBIT	18.2	13.6	16.1	14.7	13.8	9.2	6.6
EV/FCF	34.7	80.2	17.7	9.4	28.8	8.6	7.5
Adjusted FCF yield	5.9 %	7.8 %	8.5 %	9.6 %	10.2 %	14.1 %	17.8 %
Dividend yield	1.0 %	1.2 %	0.0 %	2.3 %	2.1 %	2.4 %	2.6 %

Source: Company data, Hauck & Aufhäuser

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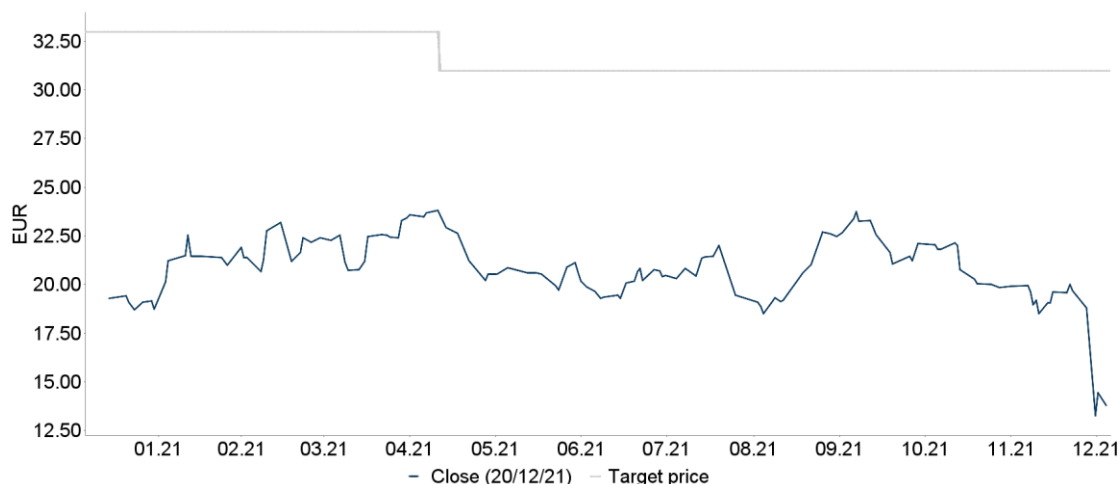
Company	Disclosure
S&T AG	3

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

Price and Rating History S&T AG as of 21/12/21

Initiation coverage

30-May-12



Company	Date	Analyst	Rating	Target price	Close
S&T AG	20.12.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 13,78
	17.12.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 14,43
	10.11.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 20,02
	26.10.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,82
	12.10.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,22

10.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 22,70
07.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,04
07.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,04
07.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,04
07.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,04
07.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,04
07.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,04
07.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,04
07.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,04
07.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,04
07.09.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,04
06.08.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 22,02
03.08.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,46
11.05.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,22
11.05.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,22
07.05.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 21,22
28.04.2021	Wunderlich, CFA, Tim	Buy	EUR 31,00	EUR 23,80
24.02.2021	Wunderlich, CFA, Tim	Buy	EUR 33,00	EUR 22,76

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Buy	78.95 %	96.43 %
Sell	5.26 %	0.00 %
Hold	15.79 %	3.57 %

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