

SERI Industrial Buy

Italy | Capital goods

MCap: EUR260.2m

Target Price: EUR9.80 (12.50)
Current Price: EUR4.82
Up/downside: 103.3%
Market data: 30 August 2023

Change in TP: -21.6%
Change in Sales: -33.2% 23E/-62.9% 24E
Change in Adj EBIT: 93.5% 23E/-53.6% 24E
Change in Adj. EPS: 83.2% 23E/-63.2% 24E

Bloomberg: SERI IM Reuters: SERK.MI
Free float 36.2%
Avg. daily volume (EURm) 0.7
YTD abs performance -8.0%
52-week high/low (EUR) 6.85/3.67

H1 preview and estimate cuts due to delays

Why this report?

SERI will release its H1 results on 21 September. We do not expect to see revenues from Teverola 1, which should be able to sell only c. 20% of its capacity in the latter part of the year. The longer-than-expected ramp-up of Teverola 1, coupled with delays at both Teverola 2 and the P2P project (now seen at full speed no earlier than 2026) prompted us to sharply cut our SERI 2023-25 estimates (revenues by over 50%, EBITDA by 70% on average). We also upped the execution discount from 25% to 30%. We cut our new TP from EUR12.5 to EUR9.8 and reiterate our Buy rating given the large upside.

Key findings

- H1 2023 preview: With still no revenues from Teverola 1, we expect a mid-single-digit decline in the “as is” business, mostly on lower selling prices. EBITDA should remain broadly stable YOY, thanks to lower input costs.
- New Teverola 2 CTO should speed up the investment process. Even assuming first steps by YE 2023, we do not expect the plant to be at full speed before 2026.
- The same is true for P2P, which has recently secured public grants and subsidised financing covering c. 28% and 46% of expected capex, respectively.

Deconstructing the forecasts

- We cut 2023E revenues and EBITDA by 33% and 63%, respectively, to factor in delays at Teverola 1. 2024-25E revenues and EBITDA were cut by 65-75%, mostly due to Teverola 2 and P2P project delays.

Investment case

- Historically active in lead-acid batteries and plastic businesses, SERI is now launching li-ion battery production, also thanks to support from public grants, in the framework of the European Battery Alliance. This should allow the company to make a huge step up in size.
- Li-ion battery demand is expected to grow massively, and SERI's niche and value-added proposition should allow it to remain competitive against Asian giants.
- SERI's business entails a high degree of circularity, more than 50% of input for plastic production is recycled. For lead-acid batteries, the percentage grows to 100%. The challenge for the future is to extend this virtuous cycle to the li-ion batteries.

Catalysts

- In the short term, successful ramp-up of Teverola 1 capacity.
- On-time development of Teverola 2, with advances in R&D on cell chemistry.
- Potential new projects in plastics recycling.

FY to 31/12 (EUR)	12/22	12/23E	12/24E
Sales (m)	192.9	215.7	327.8
EBITDA adj (m)	17.3	19.4	53.3
EBIT adj (m)	-4.5	-3.3	29.4
Net profit adj (m)	-3.3	-6.3	15.7
Net financial debt (m)	79.0	198.2	255.2
FCF (m)	-36.0	-119.2	-177.0
EPS adj. and ful. dil.	-0.06	-0.12	0.29
Consensus EPS	-0.07	-0.03	0.34
Net dividend	0.00	0.00	0.00
FY to 31/12	12/22	12/23E	12/24E
P/E adj and ful. dil.	na	na	16.6
EV/EBITDA	32.6	29.1	11.7
EV/EBIT	na	na	21.2
FCF yield	-9.4%	-45.8%	-68.0%
Dividend yield	0.0%	0.0%	0.0%
ND(F+IFRS16)/EBITDA	6.0	11.5	5.3
Gearing	55.1%	144.4%	166.9%
ROIC	-0.8%	-0.7%	4.2%
EV/IC	2.0	1.4	1.1
Sector Most Pref.	Sector Least Pref.		
Hexagon	Alfa Laval		
KION	Fluidra		
Siemens	Indutrade		
Valmet	Krones		

Valuation methodology

- We value SERI using a DCF (WACC: 12.8%, g: 2%), with a 30% discount to fair value to reflect execution risk.
- Teverola 2 is roughly two-thirds of company EV. The remaining one-third is equally split among Teverola 1, P2P project, and business "as is".
- We do not consider market multiples at this stage (contribution of li-ion batteries not reflected in short-term estimates, too few listed peers).

Risks to our rating

- The main risk is represented by battery prices, which have been steady deflating over the past few years. In our initiation of coverage on SERI, we performed a sensitivity analysis on battery prices.
- High demand for li-ion batteries could raise questions about raw material prices and availability. SERI's agreement with Argentina's Jemse for lithium supply should partially protect the company from these potential threats.
- Some of SERI's lead-acid battery customers are also competitors.

Reporting date	21 September
Conference call	TBD
Dial in number	TBD

Source: Kepler Cheuvreux

Table 1: H1 2023 preview

EURm	H1 2023E	H1 2022A	YOY chg.
Total revenues	91.5	97.6	-6.2%
o/w plastics (gross)	58.5	61.6	-5.0%
o/w batteries (gross)	34.0	36.9	-8.0%
adj. EBITDA	8.8	9.1	-3.0%
%	9.6%	9.3%	
EBIT	(2.0)	(1.9)	5.7%
%	-2.2%	-2.0%	
Net profit	(5.5)	(5.1)	6.7%
Net debt	120.0	119.9	0.1%

Source: Kepler Cheuvreux

- H1 revenues should total EUR92m, down 6% YOY due to a decline in both plastics and battery businesses, and still no sales from Teverola 1.
- Looking closer, we expect the plastics business to register a mid-single digit drop, with the decline driven by lower selling prices. Volumes should be flattish (with those related to recycled compounds growing).
- We expect the battery business to post a high-single-digit drop. In this case, the trend is also mostly driven by pricing. The division also suffered from a two-month stoppage at the subsidiary Repiombo at the beginning of the year.
- The implied Q2 drop in both the plastics and battery businesses is in the low double-digits.
- EBITDA should hold at around last year's level, thanks to lower cost inflation (energy in particular).
- Net debt should be stable YOY and increase by c. EUR12m versus YE 2022.

Estimates adjusted to factor in key project delays

With this report we are adjusting our estimates mainly to factor in delays in the firm's main projects, which include:

- **Teverola 1:** Given that the plant ramp-up is moving forward, we now expect the company to only be able to sell its full capacity in 2024 (versus 2023 previously). For 2023, we now expect the sale of 60MWh (c. 20% of capacity), condensed towards the end of the year. The good news is that pricing in domestic storage (the reference market so far) has been solid (above EUR500/kWh), and this should allow SERI to post a few million euros of EBITDA already in the current year (down from the EUR27m expected previously).
- **Teverola 2:** Given that the decision on the cell format to be produced has been dragged out, we no longer consider a ramp-up of the plant in 2024 feasible. The hiring of a CTO (Dominique Ligeois, previously the director of process engineering at Northvolt, announced in late June) could speed up the process and we now expect a final decision, with the start of investments, by the end of current year. The start-up of the plant is now expected for late 2025, with full capacity to be reached in 2026.
- **P2P project:** Also in this case, delays (facility cleanup, funding structure) will arguably result in a one-year delay of the plant start-up, which is now expected to take place in mid-2025 (versus mid-2024). As a reminder, EUR109m of capex for plant construction will be funded with EUR30m in public grants and EUR50m in subsidised financing.

Thus, we make massive changes to our estimates: 2023-25E revenues have been cut by over 50% on average, and EBITDA by 70% on average over the same horizon.

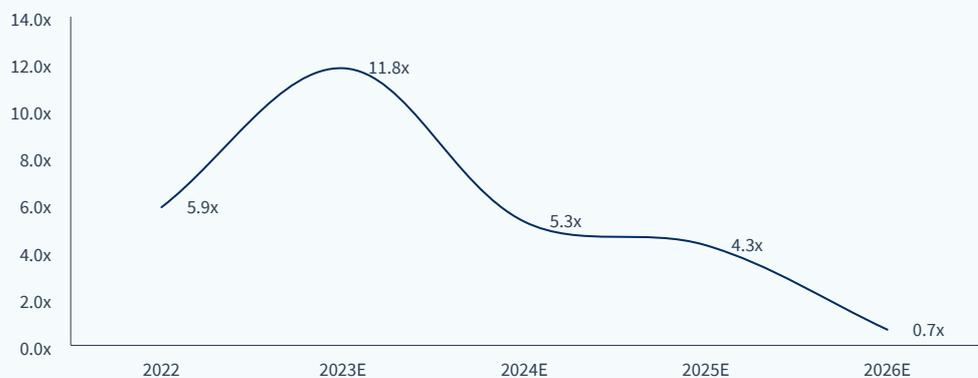
Table 2: Estimate changes

	2023E			2024E			2025E		
	Old	New	% chg.	Old	New	% chg.	Old	New	% chg.
EURm									
Sales	323	216	-33.2%	884	328	-62.9%	1,516	524	-65.4%
EBITDA	51	19	-63.1%	182	53	-70.7%	350	77	-77.9%
%	15.9%	8.8%		20.6%	16.2%		20.6%	14.8%	
EBIT	(52)	(4)	-92.5%	63	29	-53.6%	225	5	-97.7%
%	-16.0%	-1.8%		7.2%	9.0%		7.2%	1.0%	
Net result	(37)	(6)	-83.2%	43	16	-63.2%	151	(4)	nm
Net debt	102	198	94.1%	241	255	5.7%	(6)	304	nm

Source: Kepler Cheuvreux

The change in the phasing of investments will also have an impact on public subsidy disbursements and we now expect SERI to be able to collect the biggest chunk of capex reimbursements in 2026. Thus, the high leverage expected for 2023E (11.8x), and (to a lesser extent) 2024-25E (5.3x and 4.3x, respectively), is not representative of the company’s actual indebtedness.

Chart 1: NFP/EBITDA



Source: Kepler Cheuvreux

Valuation update: TP cut from EUR12.5 to EUR9.8

Following our estimate cuts, we have rerun our DCF model on SERI (keeping main parameters unchanged: long-term growth rate at 2%, WACC at 12.8%). We have also raised the execution discount from 25% to 30% as a result of several key project delays, which leads our TP to fall from EUR12.5 to EUR9.8.

Table 3: DCF summary

EURm	
PV of future cash flows	279.3
PV of terminal value	732.9
Enterprise value	1,012.2
Adj. Net (Debt)/Cash 2023E	(198.2)
Minorities	(81.1)
Pension liabilities	(4.2)
Other net assets/(liabilities)	25.1
Equity value	753.8
Long-term growth rate	2.0%
Outstanding shares (m)	54.0
Equity value ps	14.0
Execution discount	30%
Target price	9.8

Source: Kepler Cheuvreux

Company description

Known as a lead-acid battery and plastics compound/component manufacturer, SERI has been emerging as one of the leading European li-ion battery producers, with over 8 GWh pipeline to be built thanks to c. EUR0.5bn in public grants in the frame of the European Battery Alliance. Other than playing in a structurally growing market, the company has been a champion in circularity of lead, plastics and, in prospect, of lithium. SERI has been listed since 2017 and is controlled by the Civitillo family.

Management

Roberto Maviglia, Chairman
Vittorio Civitillo, CEO



Key shareholders

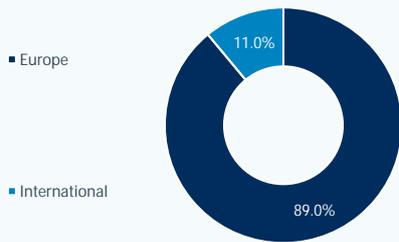
Free float	36.20%
Civitillo family	56.40%
Neuberger Berman	7.40%

Key data charts

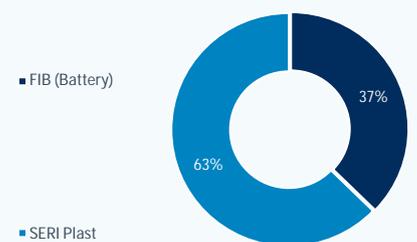
Price performance



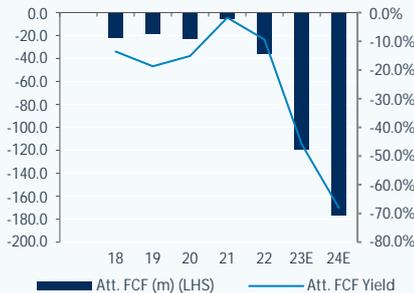
Sales split by region



Sales split by division



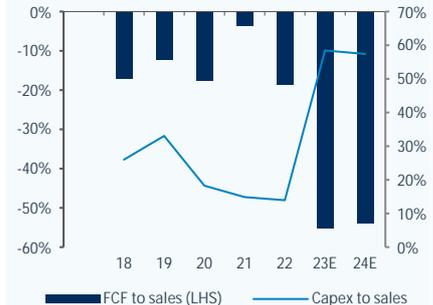
FCF



Sales and EBITDA margin



FCF and Capex to sales



SWOT analysis

Strengths

- Integrated along the battery value chain.
- Player in the circular economy space.
- Exposure to structurally growing demand.
- M&A track record.

Weaknesses

- Small scale compared to largest battery manufacturers.
- Customer Concentration.
- Exposure to old lead-acid technology.
- Limited track record on financial markets.

Opportunities

- Lithium project is a game-changer for SERI.
- Tie-ups with tier one battery users.
- Circularity scope potentially enlargeable.
- R&D success on more advanced battery technologies.

Threats

- Battery price deflation and product obsolescence.
- Raw material price inflation and availability.
- Having competitors as customers.
- Execution risk

Valuation table

Market data as of: 30 August 2023

FY to 31/12 (EUR)	12/18	12/19	12/20	12/21	12/22	12/23E	12/24E
Per share data (EUR)							
EPS adjusted	-0.05	0.10	-0.13	0.01	-0.06	-0.12	0.29
% Change		+chg	-chg	+chg	-chg	-chg	+chg
EPS adjusted and fully diluted		0.08	-0.11	0.01	-0.06	-0.12	0.29
% Change			-chg	+chg	-chg	-chg	+chg
EPS reported	0.11	0.03	-0.08	-0.03	-0.08	-0.12	0.29
% Change		-70.4%	-chg	+chg	-chg	-chg	+chg
EPS Consensus						-0.03	0.34
Cash flow per share	0.24	0.65	0.02	0.40	-0.17	0.13	0.21
Book value per share	2.46	2.46	2.36	2.50	2.66	2.54	2.83
DPS		0.00	0.00	0.00	0.00	0.00	0.00
Number of shares, YE (m)	48.1	48.1	48.1	48.3	54.0	54.0	54.0
Nbr of shares, fully diluted, YE (m)	57.0	57.0	57.0	57.2	54.0	54.0	54.0
Share price							
Latest price / year end	2.0	1.6	4.3	9.7	5.2	4.8	4.8
52 week high	5.5	2.8	4.6	10.7	9.9	6.7	
52 week low	2.0	1.4	1.6	4.0	5.0	3.7	
Average price (Year)	3.6	1.8	3.0	7.2	7.0	4.8	4.8
Enterprise value (EURm)							
Market capitalisation	171.4	84.6	143.1	349.9	377.9	260.2	260.2
Net financial debt	25.6	51.6	77.0	75.0	79.0	198.2	255.2
Pension provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
IFRS 16 debt	16.0	17.4	19.0	23.0	25.3	25.3	25.3
Market value of minorities				0.0	81.1	81.1	81.1
MV of equity affiliates (net of tax)				0.0	0.0	0.0	0.0
Others				0.0	0.0	0.0	0.0
Enterprise value				447.9	563.2	564.8	621.7
Valuation							
P/E adjusted	na	17.7	na	na	na	na	16.6
P/E adjusted and fully diluted		21.0	na	na	na	na	16.6
P/E consensus						na	14.2
P/BV	1.4	0.7	1.3	2.9	2.6	1.9	1.7
P/CF	14.9	2.7	na	18.3	na	38.1	23.2
Dividend yield (%)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	-13.6%	-18.7%	-15.1%	-1.8%	-9.4%	-45.8%	-68.0%
ROE (%)		4.0%	-5.5%	0.4%	-2.5%	-4.5%	10.8%
ROIC (%)		3.1%	-0.7%	0.0%	-0.8%	-0.7%	4.2%
EV/Sales				2.65	2.92	2.62	1.90
EV/EBITDA adj.				21.8	32.6	29.1	11.7
EV/EBIT adj.				na	na	na	21.2
EV/NOPAT				na	na	na	29.8
EV/IC				1.8	2.0	1.4	1.1
ROIC/WACC				0.0	na	na	0.3
EV/IC over ROIC/WACC				na	na	na	3.2

Income statement

FY to 31/12 (EUR)	12/18	12/19	12/20	12/21	12/22	12/23E	12/24E
Sales	129.7	151.0	129.5	169.3	192.9	215.7	327.8
Gross profit							
EBITDA reported	19.0	19.4	3.1	20.1	17.7	18.9	53.3
EBITDA adjusted	15.3	22.1	5.7	20.5	17.3	19.4	53.3
Depreciation and amortisation	-11.5	-12.5	-12.2	-20.2	-21.7	-20.7	-20.7
Goodwill impairment	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other financial result and associates	-2.5	-0.2	-1.6	-0.8	-0.2	-2.1	-3.2
EBIT reported	4.9	6.7	-10.7	-0.9	-4.1	-3.8	29.4
EBIT adjusted	2.2	10.4	-5.4	0.0	-4.5	-3.3	29.4
Net financial items	-3.6	-3.4	-3.7	-3.8	-5.9	-5.0	-7.3
Associates	0.0	0.0	0.3	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before tax	1.3	3.3	-14.1	-4.7	-9.9	-8.8	22.1
Tax	4.0	-1.4	9.8	3.2	5.5	2.6	-6.4
Net profit from continuing op.	5.3	1.9	-4.3	-1.5	-4.4	-6.3	15.7
Net profit from disc. activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit before minorities	5.3	1.9	-4.3	-1.5	-4.4	-6.3	15.7
Minorities	0.0	-0.3	0.2	0.0	0.1	0.0	0.0
Net profit reported	5.3	1.6	-4.1	-1.5	-4.4	-6.3	15.7
Adjustments	-7.6	3.2	-2.3	2.0	1.1	0.0	0.0
Net profit adjusted	-2.2	4.8	-6.4	0.4	-3.3	-6.3	15.7
Sales % Change		16.4%	-14.2%	30.8%	13.9%	11.8%	52.0%
EBITDA reported % Change		1.9%	-84.0%	548.2%	-11.8%	6.8%	181.3%
EBITDA adjusted % Change		44.4%	-74.1%	258.8%	-15.7%	12.5%	174.0%
EBIT reported % Change		36.1%	-chg	+chg	-chg	+chg	+chg
EBIT adjusted % Change		370.9%	-chg	+chg	-chg	+chg	+chg
Earnings before tax % Change		147.4%	-chg	+chg	-chg	+chg	+chg
Net profit from cont. op. % Change		-65.2%	-chg	+chg	-chg	-chg	+chg
Net profit reported % Change		-70.4%	-chg	+chg	-chg	-chg	+chg
Net profit adjusted % Change		+chg	-chg	+chg	-chg	-chg	+chg
Gross profit margin (%)							
EBITDA margin (%)	11.8%	14.6%	4.4%	12.1%	9.0%	9.0%	16.2%
EBIT margin (%)	1.7%	6.9%	-4.2%	0.0%	-2.4%	-1.5%	9.0%
Net profit margin (%)	-1.7%	3.2%	-5.0%	0.2%	-1.7%	-2.9%	4.8%
Tax rate (%)	-302.2%	43.4%	69.5%	68.2%	55.3%	29.0%	29.0%
Payout ratio (%)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EPS reported (EUR)	0.11	0.03	-0.08	-0.03	-0.08	-0.12	0.29
EPS adjusted (EUR)	-0.05	0.10	-0.13	0.01	-0.06	-0.12	0.29
EPS adj and fully diluted (EUR)		0.08	-0.11	0.01	-0.06	-0.12	0.29
DPS (EUR)		0.00	0.00	0.00	0.00	0.00	0.00
EPS reported % Change		-70.4%	-chg	+chg	-chg	-chg	+chg
EPS adjusted % Change		+chg	-chg	+chg	-chg	-chg	+chg
EPS adj and fully diluted % Change			-chg	+chg	-chg	-chg	+chg
DPS % Change							
Consensus Sales (EURm)						248.5	354.3
Consensus EBITDA (EURm)						26.5	54.6
Consensus EBIT (EURm)						3.3	30.8
Consensus EPS (EUR)						-0.03	0.34

Cash flow statement

Market data as of: 30 August 2023

FY to 31/12 (EUR)	12/18	12/19	12/20	12/21	12/22	12/23E	12/24E
Net profit before minorities	5.3	1.9	-4.3	-1.5	-4.4	-6.3	15.7
Depreciation and amortisation	11.5	12.5	12.2	20.2	21.7	20.7	20.7
Goodwill impairment	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Change in working capital	-7.9	1.5	-18.2	-2.2	-14.9	-9.7	-28.4
Others	2.5	15.5	11.1	2.7	-11.4	2.1	3.2
Levered post tax CF before capex	11.5	31.3	0.8	19.1	-9.1	6.8	11.2
% Change		171.9%	-97.4%	2263.0%	-chg	+chg	64.5%
Capex	-33.7	-49.9	-23.7	-25.2	-26.9	-126.0	-188.2
Free cash flow	-22.2	-18.6	-22.8	-6.0	-36.0	-119.2	-177.0
% Change		+chg	-chg	+chg	-chg	-chg	-chg
Acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Divestments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividend paid	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Share buy back	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital increases	0.0	0.0	0.0	8.0	23.0	0.0	0.0
Others	-3.4	-7.4	-2.5	0.0	9.0	0.0	120.0
Change in net financial debt	25.6	26.0	25.3	-2.0	4.0	119.2	57.0
Change in cash and cash equiv.		13.4	16.6	-16.3	5.8	12.5	40.0
Attributable FCF	-23.3	-15.8	-21.7	-6.2	-35.5	-119.2	-177.0
Cash flow per share (EUR)	0.24	0.65	0.02	0.40	-0.17	0.13	0.21
% Change		171.9%	-97.4%	2252.4%	-chg	+chg	64.5%
FCF per share (EUR)	-0.48	-0.33	-0.45	-0.13	-0.66	-2.21	-3.28
% Change		+chg	-chg	+chg	-chg	-chg	-chg
Capex / Sales (%)	26.0%	33.1%	18.3%	14.9%	13.9%	58.4%	57.4%
Capex / D&A (%)	292.0%	400.6%	194.7%	124.8%	124.1%	608.9%	909.1%
Cash flow / Sales (%)	8.9%	20.7%	0.6%	11.3%	-4.7%	3.2%	3.4%
FCF / Sales (%)	-17.1%	-12.3%	-17.6%	-3.6%	-18.7%	-55.3%	-54.0%
FCF Yield (%)	-13.6%	-18.7%	-15.1%	-1.8%	-9.4%	-45.8%	-68.0%
Unlevered FCF Yield (%)				-1.1%	-5.8%	-20.5%	-27.6%

Balance sheet

FY to 31/12 (EUR)	12/18	12/19	12/20	12/21	12/22	12/23E	12/24E
Cash and cash equivalents	8.0	21.4	38.0	21.7	27.5	40.0	80.0
Inventories	35.8	55.4	48.2	63.6	75.8	79.7	113.9
Accounts receivable	44.7	43.6	39.4	37.0	32.3	45.5	70.1
Other current assets	0.0	0.0	9.9	9.3	15.4	10.0	10.0
Current assets	88.5	120.3	135.6	131.6	151.0	175.2	274.0
Tangible assets	38.4	74.3	81.0	79.0	73.5	173.9	336.1
Goodwill	54.4	54.4	54.3	55.0	55.0	55.0	55.0
Other Intangible assets	6.1	7.8	9.3	12.3	18.1	21.8	25.6
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other non-current assets	28.6	27.1	39.1	46.0	55.3	56.7	58.1
Non-current assets	127.5	163.6	183.8	192.3	202.0	307.3	474.8
Short term debt	8.0	15.0	21.0	58.1	38.3	15.0	15.0
Accounts payable	32.6	45.1	37.8	47.9	46.5	48.6	79.1
Other short term liabilities	4.9	12.3	0.0	0.0	0.0	0.0	0.0
Current liabilities	45.5	72.4	58.8	106.0	84.8	63.6	94.1
Long term debt	25.6	58.0	94.0	38.7	68.3	223.2	320.2
Pension provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
IFRS16 Debt	16.0	17.4	19.0	23.0	25.3	25.3	25.3
Other long term provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	8.8	16.1	33.6	35.3	31.1	33.2	156.4
Non-current liabilities	50.4	91.5	146.6	97.0	124.6	281.7	501.8
Shareholders' equity	118.5	118.4	113.6	120.5	143.5	137.2	152.9
Minority interests	1.6	1.8	0.4	0.4	0.0	0.0	0.0
Total equity	120.1	120.1	114.0	120.9	143.5	137.2	152.9
Balance sheet total	216.0	284.0	319.3	323.9	353.0	482.5	748.8
% Change		31.5%	12.4%	1.4%	9.0%	36.7%	55.2%
Book value per share (EUR)	2.46	2.46	2.36	2.50	2.66	2.54	2.83
% Change		-0.1%	-4.1%	5.6%	6.5%	-4.4%	11.4%
Net financial debt	25.6	51.6	77.0	75.0	79.0	198.2	255.2
IFRS16 Debt	16.0	17.4	19.0	23.0	25.3	25.3	25.3
Pension provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net debt	41.6	69.0	96.0	98.0	104.3	223.5	280.5
Net fi. debt (+IFRS16) / EBITDA (x)	2.7	3.1	16.8	4.8	6.0	11.5	5.3
Trade working capital	48.0	53.9	49.8	52.7	61.5	76.6	104.9
Net working capital	43.1	41.6	59.8	62.0	76.9	86.6	114.9
NWC/Sales	33.2%	27.5%	46.1%	36.6%	39.9%	40.1%	35.1%
Inventories/sales	27.6%	36.7%	37.2%	37.6%	39.3%	36.9%	34.7%
Invested capital	170.6	205.2	243.5	254.3	278.9	393.9	589.8
Net fin. debt / FCF (x)	-1.2	-2.8	-3.4	-12.4	-2.2	-1.7	-1.4
Gearing (%)	21.3%	43.0%	67.5%	62.1%	55.1%	144.4%	166.9%
Goodwill / Equity (%)	45.3%	45.3%	47.7%	45.5%	38.4%	40.1%	36.0%

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Total	100%	100%

Source: Kepler Cheuvreux

A: % of all research recommendations

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SERI Industrial (EUR)	20/10/2022 05:04	Equity Research	Buy	12.00	5.26
	02/01/2023 05:36	Equity Research	Buy	12.50	5.24

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Europe

 **Amsterdam**
Kepler Cheuvreux Benelux
Johannes Vermeerstraat 9
1071 DK Amsterdam
+31 20 563 2365

 **London**
Kepler Cheuvreux UK
5th Floor
95 Gresham Street
London EC2V 7NA
+44 20 7621 5100

 **Brussels**
Kepler Cheuvreux Belgium
Rogier Tower
Place Rogier 11
1210 Brussels
+32 11 491460

 **Madrid**
Kepler Cheuvreux Espana
Paseo de la Castellana, 52
28046 Madrid
+34 914 36 5100

 **Frankfurt**
Kepler Cheuvreux Germany
Taunusanlage 19
60325 Frankfurt
+49 69 756 960

 **Milan**
Kepler Cheuvreux Italia
Via C. Cornaggia 10
20123 Milan
+39 02 8550 7201

 **Geneva**
Kepler Cheuvreux SA
Avenue Perdtemps 23,
1260 Nyon
Switzerland
+41 22361 5151

 **Oslo**
Kepler Cheuvreux Norway
Munkedamsveien 59B
0270 Oslo
+47 23 13 9080

 **Paris**
Kepler Cheuvreux France
112 Avenue Kleber
75016 Paris
+33 1 53 65 35 00

 **Stockholm**
Kepler Cheuvreux Sweden
Malmskillnadsgatan 23
11157 Stockholm
+46 8 723 51 00

 **Vienna**
Kepler Cheuvreux Austria
Schottenring 16/2
1010 Vienna
+43 1 537 124 147

 **Zurich**
Kepler Cheuvreux Switzerland
Stadelhoferstrasse 22
8001 Zurich
+41 43 333 66 66

North America

 **New York**
Kepler Capital Markets, Inc.
Tower 49
12 East 49th Street, Floor 36
10017 New York, NY USA
+1 212 710 7600