

Buy (old: Buy)

Price target: EUR 2.40 (old: EUR 2.40)

Price:	EUR 1.14	Next result:	tbd
Bloomberg:	AA@GR	Market cap:	EUR 32.3 m
Reuters:	AAQG.DE	Enterprise Value:	EUR 29.2 m

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Securing foundation for further growth

Over the past few weeks **aap reported on a number of positive operational developments**, which should have largely alleviated market's concerns around the postponement of the FY reporting.

- **Change in leadership, not in strategy.** As of May 1st, Mr. Rubino Di Girolamo, who was a member of the supervisory board of aap, took over the CEO role. Mr. Di Girolamo served aap in various supervisory board functions between 2004 and 2019 and has many years of corporate management experience. With that, aap looks well positioned to continue growing its trauma business while proactively exploring opportunities to unlock the inherent value of its silver coating and magnesium technologies that are focused on unmet needs in trauma and thus representing considerable potential for value creation.
- **Securing financial base for future growth.** As aap is yet to reach profitability (eH&A: positive EBITDA in 2021E), external funds are needed to finance its trauma business growth and clinical development of its potentially breakthrough technologies. The recent capital increase (€ 3.4m) and two asset-based financing (factoring, sale-lease back) resulted in € 5.2m of liquidity at aap's disposal, which should secure at least 12 months of operations. Beyond 2019, further financing should be secured based on potential "technology transactions" with silver coating and magnesium (e.g. JVs, outlicensing).
- **Dynamic start into 2019E.** Q1 trauma sales are off to a good start with 23% yoy growth to € 3.4m. For Q2, management expects sales of € 2.5-3.5m (-7%/+31% yoy) reflecting inherent uncertainty with regards to the timing of initial orders. All in all, thanks to further extension of the LOQTEQ portfolio coupled with intensified sales efforts management is confident to remain on the growth path in 2019 and beyond.

Our **€ 2.4 PT** is based on the average of comparable transitions (€ 2.8) and SOTP (€ 2.0). **BUY.**

Y/E 31.12 (EUR m)	2017	2018	2019E	2020E	2021E	2022E	2023E
Sales	10.9	10.8	15.0	20.0	24.9	29.6	34.2
Sales growth	4 %	-1 %	39 %	33 %	25 %	19 %	16 %
EBITDA	-6.2	-6.4	-3.2	-0.9	1.3	3.2	5.2
EBIT	-8.0	-8.1	-4.6	-2.3	-0.1	1.2	3.1
Net income	-8.9	-7.8	-4.6	-2.3	-0.1	0.9	2.2
Net debt	-12.1	-3.6	-3.0	3.3	4.2	3.6	2.5
Net gearing	-28.5 %	-10.4 %	-9.4 %	13.7 %	18.0 %	15.0 %	9.8 %
Net Debt/EBITDA	0.0	0.0	0.0	-3.7	3.2	1.1	0.5
EPS pro forma	-0.32	-0.27	-0.16	-0.08	0.00	0.03	0.08
CPS	-0.25	-0.23	-0.06	-0.06	0.03	0.07	0.09
DPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Gross profit margin	81.9 %	79.0 %	79.6 %	80.2 %	80.8 %	81.4 %	82.0 %
EBITDA margin	-53.2 %	-50.7 %	-18.3 %	-4.0 %	4.7 %	10.1 %	15.0 %
EBIT margin	-68.5 %	-64.3 %	-26.3 %	-10.2 %	-0.4 %	3.9 %	9.0 %
ROCE	-15.5 %	-20.3 %	-13.3 %	-7.1 %	-0.3 %	4.3 %	10.5 %
EV/sales	1.8	2.7	1.9	1.8	1.5	1.2	1.0
EV/EBITDA	n/a	n/a	n/a	n/a	28.1	11.2	6.7
EV/EBIT	n/a	n/a	n/a	n/a	n/a	28.9	11.1
PER	-3.5	-4.2	-7.0	-14.0	-322.7	37.2	14.7
Adjusted FCF yield	-50.4 %	-28.4 %	-15.0 %	-4.6 %	1.7 %	5.7 %	9.8 %

Source: Company data, Hauck & Aufhäuser Close price as of: 17.05.2019



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 2.14 / 0.90

Price/Book Ratio: 1.0

Relative performance (SDAX):

3 months	-
6 months	-
12 months	-33.3 %

Changes in estimates

	Sales	EBIT	EPS
2019	old: Δ		
2020	old: Δ		
2021	old: Δ		

Key share data:

Number of shares: (in m pcs)	28.7
Authorised capital: (in € m)	7.0
Book value per share: (in €)	1.1
Ø trading volume: (12 months)	7,448

Major shareholders:

Free Float	48.7 %
Ratio Capital Management BV	15.8 %
Noes Beeheer B.V.	11.7 %
Jürgen W. Krebs	11.6 %
Taaleri Wealth Management	6.8 %
Deepblue Holding AG	5.4 %

Company description:

Pure-play trauma company focusing on the extremities market

Financials

Profit and loss (EUR m)	2017	2018	2019E	2020E	2021E	2022E	2023E
Net sales	10.9	10.8	15.0	20.0	24.9	29.6	34.2
<i>Sales growth</i>	4.0 %	-1.1 %	39.1 %	33.3 %	24.5 %	18.9 %	15.5 %
Increase/decrease in finished goods and work-in-process	0.8	1.9	2.5	2.5	2.5	2.0	0.5
Total sales	11.7	12.6	17.5	22.5	27.4	31.6	34.7
Other operating income	0.8	0.5	0.5	0.5	0.5	0.5	0.5
Material expenses	1.9	2.3	3.2	4.1	4.9	5.6	6.2
Personnel expenses	7.4	7.8	8.3	8.9	9.4	10.0	10.8
Other operating expenses	9.4	9.4	9.7	10.9	12.3	13.3	13.0
Total operating expenses	17.9	19.0	20.7	23.4	26.1	28.4	29.5
EBITDA	-6.2	-6.4	-3.2	-0.9	1.3	3.2	5.2
Depreciation	1.2	1.7	1.3	1.3	1.3	1.4	1.5
EBITA	-7.4	-8.1	-4.5	-2.2	0.0	1.8	3.7
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.6	0.0	0.1	0.1	0.1	0.6	0.6
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	-8.0	-8.1	-4.6	-2.3	-0.1	1.2	3.1
Interest income	0.0	0.5	0.0	0.0	0.0	0.0	0.0
Interest expenses	1.3	0.0	0.0	0.0	0.0	0.0	0.0
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-1.3	0.5	0.0	0.0	0.0	0.0	0.0
Recurring pretax income from continuing operations	-9.3	-7.6	-4.6	-2.3	-0.1	1.2	3.1
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	-9.3	-7.6	-4.6	-2.3	-0.1	1.2	3.1
Taxes	0.0	0.0	0.0	0.0	0.0	0.4	0.9
Net income from continuing operations	-9.3	-7.7	-4.6	-2.3	-0.1	0.9	2.2
Result from discontinued operations (net of tax)	-0.3	0.2	0.0	0.0	0.0	0.0	0.0
Net income	-8.9	-7.8	-4.6	-2.3	-0.1	0.9	2.2
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	-8.9	-7.8	-4.6	-2.3	-0.1	0.9	2.2
Average number of shares	28.6	28.7	28.7	28.7	28.7	28.7	28.7
EPS reported	-0.31	-0.27	-0.16	-0.08	0.00	0.03	0.08

Profit and loss (common size)	2017	2018	2019E	2020E	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	7.0 %	17.2 %	16.7 %	12.5 %	10.0 %	6.8 %	1.5 %
Total sales	107.0 %	117.2 %	116.7 %	112.5 %	110.0 %	106.8 %	101.5 %
Other operating income	6.9 %	4.3 %	3.3 %	2.5 %	2.0 %	1.7 %	1.5 %
Material expenses	17.2 %	21.7 %	21.1 %	20.3 %	19.6 %	18.9 %	18.3 %
Personnel expenses	67.7 %	72.1 %	55.6 %	44.5 %	37.8 %	33.8 %	31.6 %
Other operating expenses	86.0 %	87.1 %	64.7 %	54.7 %	49.5 %	44.9 %	37.9 %
Total operating expenses	164.0 %	176.7 %	138.0 %	117.0 %	104.8 %	95.9 %	86.3 %
EBITDA	neg.	neg.	neg.	neg.	5.2 %	10.8 %	15.2 %
Depreciation	10.6 %	16.0 %	8.7 %	6.5 %	5.2 %	4.7 %	4.4 %
EBITA	neg.	neg.	neg.	neg.	0.0 %	6.1 %	10.8 %
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	5.8 %	0.0 %	0.7 %	0.5 %	0.4 %	1.9 %	1.6 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT (inc revaluation net)	neg.	neg.	neg.	neg.	neg.	4.2 %	9.2 %
Interest income	0.0 %	4.5 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Interest expenses	12.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	neg.	4.5 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Recurring pretax income from continuing operations	neg.	neg.	neg.	neg.	neg.	4.2 %	9.2 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	neg.	neg.	neg.	neg.	neg.	4.2 %	9.2 %
Tax rate	0.3 %	-0.2 %	-0.2 %	-0.2 %	-0.2 %	30.0 %	30.0 %
Net income from continuing operations	neg.	neg.	neg.	neg.	neg.	2.9 %	6.4 %
Income from discontinued operations (net of tax)	-3.0 %	1.6 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	neg.	neg.	neg.	neg.	neg.	2.9 %	6.4 %
Minority interest	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net profit (reported)	neg.	neg.	neg.	neg.	neg.	2.9 %	6.4 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2017	2018	2019E	2020E	2021E	2022E	2023E
Intangible assets	11.8	13.3	14.7	16.1	17.5	17.9	18.9
Property, plant and equipment	7.2	6.9	6.1	5.3	4.5	4.3	3.8
Financial assets	4.3	3.6	3.2	0.5	0.5	0.5	0.5
FIXED ASSETS	23.3	23.8	24.0	21.9	22.5	22.7	23.1
Inventories	9.6	9.6	9.0	9.5	9.5	9.9	10.9
Accounts receivable	2.5	2.7	2.1	2.7	3.4	4.1	4.7
Other current assets	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Liquid assets	13.3	4.3	3.7	1.3	0.4	1.1	2.1
Deferred taxes	1.4	1.6	1.6	1.6	1.6	1.6	1.6
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	27.2	18.5	16.6	15.5	15.3	17.0	19.6
TOTAL ASSETS	50.5	42.2	40.7	37.4	37.8	39.7	42.8
SHAREHOLDERS EQUITY	42.6	34.9	32.3	24.0	23.4	23.7	25.9
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	0.8	0.3	0.3	4.3	4.3	4.3	4.3
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	0.8	0.3	0.5	0.5	0.5	0.5	0.5
Non-current liabilities	1.5	0.6	0.8	4.8	4.8	4.8	4.8
short-term liabilities to banks	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Accounts payable	1.8	2.2	3.1	4.1	5.1	6.0	7.0
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)	3.0	2.7	2.7	2.7	2.7	2.7	2.7
Deferred taxes	1.3	1.5	1.5	1.5	1.5	1.5	1.5
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	6.4	6.7	7.6	8.6	9.6	10.5	11.5
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	50.5	42.2	40.7	37.4	37.8	39.1	42.2

Balance sheet (common size)	2017	2018	2019E	2020E	2021E	2022E	2023E
Intangible assets	23.5 %	31.5 %	36.1 %	43.0 %	46.3 %	45.8 %	44.7 %
Property, plant and equipment	14.3 %	16.3 %	14.9 %	14.1 %	12.0 %	10.9 %	8.9 %
Financial assets	8.4 %	8.5 %	8.0 %	1.3 %	1.3 %	1.3 %	1.2 %
FIXED ASSETS	46.2 %	56.3 %	59.1 %	58.5 %	59.6 %	58.1 %	54.8 %
Inventories	19.1 %	22.8 %	22.1 %	25.4 %	25.1 %	25.3 %	25.8 %
Accounts receivable	5.0 %	6.3 %	5.1 %	7.3 %	9.0 %	10.4 %	11.1 %
Other current assets	0.6 %	0.8 %	0.8 %	0.9 %	0.9 %	0.9 %	0.8 %
Liquid assets	26.3 %	10.1 %	9.0 %	3.6 %	1.1 %	2.8 %	5.0 %
Deferred taxes	2.8 %	3.8 %	3.9 %	4.3 %	4.2 %	4.1 %	3.8 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	53.8 %	43.7 %	40.9 %	41.5 %	40.4 %	43.4 %	46.4 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	101.4 %	101.2 %
SHAREHOLDERS EQUITY	84.3 %	82.7 %	79.4 %	64.1 %	61.9 %	60.7 %	61.4 %
MINORITY INTEREST	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Long-term debt	1.6 %	0.8 %	0.8 %	11.6 %	11.5 %	11.1 %	10.3 %
Provisions for pensions and similar obligations	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other provisions	1.5 %	0.7 %	1.2 %	1.3 %	1.3 %	1.3 %	1.2 %
Non-current liabilities	3.1 %	1.4 %	2.0 %	12.9 %	12.8 %	12.4 %	11.4 %
short-term liabilities to banks	0.7 %	0.7 %	0.7 %	0.8 %	0.8 %	0.8 %	0.7 %
Accounts payable	3.5 %	5.2 %	7.5 %	10.9 %	13.5 %	15.4 %	16.5 %
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)	5.8 %	6.3 %	6.6 %	7.2 %	7.1 %	6.8 %	6.3 %
Deferred taxes	2.6 %	3.6 %	3.7 %	4.1 %	4.0 %	3.9 %	3.6 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	12.6 %	15.9 %	18.6 %	22.9 %	25.4 %	26.9 %	27.2 %
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	2019E	2020E	2021E	2022E	2023E
Net profit/loss	-8.9	-7.8	-4.6	-2.3	-0.1	0.9	2.2
Depreciation of fixed assets (incl. leases)	1.2	1.7	1.3	1.3	1.3	1.4	1.5
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.6	0.0	0.1	0.1	0.1	0.6	0.6
Others	0.7	-0.1	0.0	0.0	0.0	0.0	0.0
Cash flow from operations before changes in w/c	-6.5	-6.2	-3.2	-0.9	1.3	2.8	4.3
Increase/decrease in inventory	1.4	0.0	0.6	-0.5	0.0	-0.4	-1.0
Increase/decrease in accounts receivable	0.4	-0.1	0.6	-0.7	-0.7	-0.6	-0.6
Increase/decrease in accounts payable	-0.8	0.4	0.9	1.0	1.0	1.0	0.9
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	1.0	0.3	2.1	-0.2	0.3	-0.1	-0.7
Cash flow from operating activities	-5.4	-5.9	-1.1	-1.1	1.6	2.7	3.6
CAPEX	2.1	3.0	2.5	2.5	2.6	2.7	2.5
Payments for acquisitions	0.0	0.0	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	0.5	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from investing activities	-1.5	-3.0	-2.5	-2.5	-2.6	-2.7	-2.5
Cash flow before financing	-6.9	-8.9	-3.6	-3.6	-0.9	0.1	1.1
Increase/decrease in debt position	-0.1	-0.2	0.0	4.0	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	-3.4	0.1	3.4	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	-0.3	-2.7	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	-3.5	-0.2	3.0	1.3	0.0	0.0	0.0
Increase/decrease in liquid assets	-10.5	-9.0	-0.6	-2.3	-0.9	0.1	1.1
Liquid assets at end of period	13.3	4.3	3.7	1.3	0.4	0.5	1.6

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2017	2018	2019E	2020E	2021E	2022E	2023E
Domestic	2.4	3.5	3.0	3.5	4.3	5.0	5.7
yoy change	3.2 %	42.5 %	-13.3 %	16.7 %	22.9 %	16.3 %	14.0 %
Rest of Europe	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
NAFTA	3.1	2.2	3.8	6.4	8.8	11.0	13.5
yoy change	26.1 %	-27.1 %	69.6 %	68.4 %	37.5 %	25.0 %	22.7 %
Asia Pacific	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of world	5.1	5.4	8.2	10.1	11.8	13.6	15.0
yoy change	25.9 %	4.9 %	51.8 %	23.2 %	16.8 %	15.3 %	10.3 %
TTL	10.6	11.1	15.0	20.0	24.9	29.6	34.2
yoy change	20.0 %	4.3 %	35.1 %	33.3 %	24.5 %	18.9 %	15.5 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2017	2018	2019E	2020E	2021E	2022E	2023E
P&L growth analysis							
Sales growth	4.0 %	-1.1 %	39.1 %	33.3 %	24.5 %	18.9 %	15.5 %
EBITDA growth	-21.3 %	3.2 %	-50.1 %	-71.9 %	-244.4 %	146.2 %	62.5 %
EBIT growth	-21.5 %	1.7 %	-43.4 %	-50.0 %	-95.7 %	-	153.2 %
EPS growth	3.2 %	-12.5 %	-41.3 %	-50.0 %	-95.7 %	-968.0 %	153.2 %
Efficiency							
Total operating costs / sales	164.0 %	176.7 %	138.0 %	117.0 %	104.8 %	95.9 %	86.3 %
Sales per employee	147.3	74.1	102.4	133.3	158.6	180.5	201.2
EBITDA per employee	-83.9	-44.0	-21.8	-6.0	8.3	19.5	30.6
Balance sheet analysis							
Avg. working capital / sales	100.2 %	95.0 %	60.2 %	45.6 %	31.8 %	27.2 %	24.0 %
Inventory turnover (sales/inventory)	1.1	1.1	1.7	2.1	2.6	3.0	3.1
Trade debtors in days of sales	85.1	90.2	50.0	50.0	50.0	50.0	50.0
A/P turnover [(A/P*365)/sales]	58.7	74.5	74.5	74.5	74.5	74.5	74.5
Cash conversion cycle (days)	1,618.6	1,247.1	735.6	537.3	380.7	301.6	279.1
Cash flow analysis							
Free cash flow	-7.5	-8.9	-3.6	-3.6	-0.9	0.1	1.1
Free cash flow/sales	-68.7 %	-82.5 %	-24.1 %	-17.8 %	-3.7 %	0.3 %	3.1 %
FCF / net profit	neg.	neg.	neg.	neg.	neg.	10.7 %	48.5 %
Capex / depre	115.4 %	172.2 %	178.6 %	178.6 %	182.1 %	135.2 %	121.4 %
Capex / maintenance capex	39.3 %	115.7 %	71.4 %	71.4 %	78.6 %	143.8 %	111.1 %
Capex / sales	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Security							
Net debt	-12.1	-3.6	-3.0	3.3	4.2	3.6	2.5
Net Debt/EBITDA	0.0	0.0	0.0	-3.7	3.2	1.1	0.5
Net debt / equity	neg.	neg.	neg.	0.1	0.2	0.1	0.1
Interest cover	0.0	999.0	999.0	999.0	999.0	999.0	999.0
Dividend payout ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Asset utilisation							
Capital employed turnover	0.2	0.3	0.4	0.7	0.9	1.0	1.1
Operating assets turnover	0.6	0.6	1.1	1.5	2.0	2.4	2.8
Plant turnover	1.5	1.6	2.5	3.8	5.5	6.9	9.1
Inventory turnover (sales/inventory)	1.1	1.1	1.7	2.1	2.6	3.0	3.1
Returns							
ROCE	-15.5 %	-20.3 %	-13.3 %	-7.1 %	-0.3 %	4.3 %	10.5 %
ROE	-21.0 %	-22.4 %	-14.3 %	-9.6 %	-0.4 %	3.7 %	8.5 %
Other							
Interest paid / avg. debt	57.8 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
No. employees (average)	74	146	147	150	157	164	170
Number of shares	28.6	28.7	28.7	28.7	28.7	28.7	28.7
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS reported	-0.31	-0.27	-0.16	-0.08	0.00	0.03	0.08
Valuation ratios							
P/BV	0.8	0.9	1.0	1.3	1.4	1.4	1.2
EV/sales	1.8	2.7	1.9	1.8	1.5	1.2	1.0
EV/EBITDA	n/a	n/a	n/a	n/a	28.1	11.2	6.7
EV/EBITA	n/a	n/a	n/a	n/a	n/a	19.9	9.4
EV/EBIT	n/a	n/a	n/a	n/a	n/a	28.9	11.1
EV/FCF	-2.7	-3.2	-8.1	-10.0	-39.6	384.2	32.6
Adjusted FCF yield	-50.4 %	-28.4 %	-15.0 %	-4.6 %	1.7 %	5.7 %	9.8 %
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

Source: Company data, Hauck & Aufhäuser

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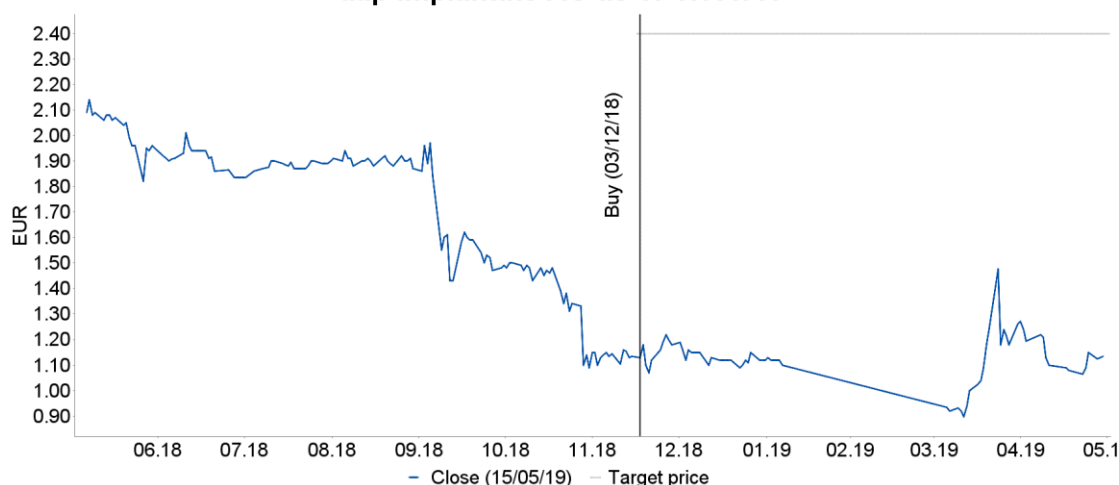
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Company	Disclosure
aap Implantate AG	2, 8

Historical target price and rating changes for aap Implantate AG in the last 12 months

Initiation coverage

Price and Rating History aap Implantate AG as of 17/05/19



Company	Date	Analyst	Rating	Target price	Close
aap Implantate AG	05.04.2019	Halitsa, Aliaksandr	Buy	EUR 2,40	EUR 1,25
	23.01.2019	Halitsa, Aliaksandr	Buy	EUR 2,40	EUR 1,10
	04.12.2018	Halitsa, Aliaksandr	Buy	EUR 2,40	EUR 1,18

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The adj. FCF method is based on the assumption that investors purchase assets only at a price (enterprise value) at which the operating cash flow return after taxes on this investment exceeds their opportunity costs in the form of a hurdle rate of 7.5%. The operating cash flow is calculated as EBITDA less maintenance capex and taxes.

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