

FY 2021 figures ahead of the company's guidance

Daldrup & Söhne reported results for FY 2021, which were slightly ahead of the company's guidance. As a result of a strong commissioning of large projects and the related final invoicing, group revenues in H2 2021 significantly jumped to EUR 70.2m (PAsE: EUR 54.6m). However, down the P&L the positive impact of the revenue increase has been offset due to a related decrease in work in progress, so that total operating output in H2 amounted to EUR 22m (H2 2020: EUR 24.3m). Adjusted by one-off items, group EBIT amounted to EUR 0.9m in H2 or to EUR 1.58m in FY 2021 (PAsE: EUR 1.27m). The write-down of financial assets of EUR 4.44m was offset by a positive one-time gain in the same amount from a pledge of debt by J.D. Apparate- und Maschinenbau GmbH. The reported figures reflect an operating improvement. We see it as clearly positive that the significant one-offs have declined. The guidance for FY 2022e (EBIT margin of 4-6%) implies a further profitability improvement. With a TP of EUR 4.60, we rate the shares a Hold.

Daldrup & Soehne AG - Review H2 2021

EUR m	Actual			PAsE	
	H2 2021	H2 2020	% yoy	PAsE	Delta
Revenues	70.2	14.3	390.9%	54.6	28.5%
EBITDA	2.1	2.5	-14.0%	1.6	29.2%
EBITDA margin (of TOO)	9.6%	10.1%	-49 BP	3.1%	648 BP
EBIT	0.9	-5.1	nm	0.6	52.4%
EBIT margin (of TOO)	4.1%	-20.8%	2492 BP	1.1%	299 BP

Source: Daldrup & Soehne, Pareto Securities

- Total operating output in FY 2021 amounted to EUR 44.9m (guidance: ~EUR 43m). The EBIT of EUR 1.6m implies an EBIT margin of 3.5%, which is at the higher end of the guided margin range of 2% to 4%.
- It is also worth highlighting, that the company has achieved in 2021 a positive net income of EUR 0.8m, for the first time since 2016.
- For FY 2022e, the company guides a total operating output of EUR 42m (PAsE: EUR 48m) and an EBIT margin (of total operating output) of 4% to 6% (PAsE: 3.1%). The targeted EBIT margin range implies at the mid-point an EBIT of ~EUR 2m (PAsE: EUR 1.5m).
- Per end of March 2022, the order backlog amounted to a decent level of EUR 20m.

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