

Gigaset's 2021 results beats guidance

Gigaset has reported 2021 revenues of EUR 217m, +1.4% (PAsE EUR 213m) and has seen a good recovery in EBITDA to EUR 16.5m (PAsE EUR 11.2m), up from EUR 1.9m. Despite the uncertain background, management is targeting a slight increase in both revenues and EBITDA in the current year, which we find encouraging against the macro background. We have a Buy rating with EUR 0.42 target.

B2B and Smartphone segments supported revenues

Gigaset has reported 2021 revenues of EUR 217m, +1.4%, beating our EUR 213m forecast. We found the 39% growth with the Professional segment (EUR 57.2m) particularly encouraging, with Smartphones increasing 37% to EUR 18.2m, whilst the main Phones division dropped 11% to EUR 140m. It was the latter segment that was most impacted by chip shortages in 2021, meaning that not all demand could be met (Q4'21 revenues in this division dropped 29%, dragging the group level down 22% in the quarter).

Good recovery in EBITDA from low base

We have yet to see the details, but the headline EBITDA kpi increased to EUR 16.5m (from EUR 1.9m), clearly beating PAsE EUR 11.2m. This means that the EBITDA margin has recovered to 7.6% from the depressed 0.9% recorded in 2020.

Hopeful of a slight improvement in revenue and EBITDA in the current year

Despite the uncertain background, management is targeting a slight increase in both revenues and EBITDA in the current year, which we find encouraging against the macro background. We have a Buy with EUR 0.42 TP.

Mark Josefson

+49 69 58997 437, mark.josefson@paretosec.com

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