Consumer Goods - Germany



Buy (old: Buy) 23.08.2024

EUR 84.00 (old: EUR 227.00)

Final Q2 results & guidance confirmed; 1:3 share split; chg.

Yesterday, **Einhell released final Q2 results with sales amounting to € 307m or +11.1% yoy,** implying a stronger Q2 performance than initially expected by management after releasing preliminary Q2 results in June (sales of € 295m or vs. eNuW: € 292m). Once again the satisfactory sales development was driven by an **ongoing strong demand for the company's Power X-Change products** (H1'24: 51% PXC share; +5ppts yoy). Q2 sales in DACH came in at € 135m (+6.3% yoy), still making up the bulk of overall revenue with c. 43% of Group sales. Western Europe grew by 6.2% yoy to € 57m, while Eastern Europe performed strongly, growing 30% yoy to € 35m as a result of stronger demand in Turkey, Croatia, and Poland. Overseas and Other Countries grew 13.7% to € 65m, driven by solid performance of Einhell Australia (formerly Ozito), offset by top-line challenges in both Canada and South Africa.

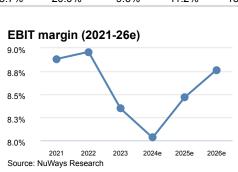
EBT for Q2'24 was € 27.5m (+14.6% yoy) with an EBT margin of 9% (+0.3ppts yoy), mainly due to operating leverage, offset by PPA effects with regards to the acquisitions in Thailand and Vietnam. While the gross margin was roughly on par with last year's figure due to easing but still noticeable cost inflation (41.4% or +1ppts yoy), personnel expenses grew 9% yoy to € 35m (11.5% of sales) as an increased employee base in combination with the acquisitions in Thailand and Vietnam weighed on operating profitability. Other operating expenses also increased markedly by 11.8% to € 59m (19.2% of sales) as the revenue share expended on marketing and advertising increased by 1.7ppts to 7.4% of sales in H1.

Einhell confirmed its FY24e guidance of 6% sales growth yoy to around € 1,030m (eNuW: € 1,035m) and sees its EBT margin at the upper end (8%) of the 7.5-8% guidance corridor (eNuW: 7.6%). In our view, this continues to look achievable as the healthy sales growth and solid EBT profitability in Q1 and Q2 should provide confidence, aided by a less challenging H2'23 comparable base. Given that Einhell has a sound track record of expanding internationally via M&A, a targeted US market entry should provide the company access to the largest DIY market globally and help with rolling-out its leading Power X-Change platform there.

Due to a 1:3 stock split and the increased share count we have adjusted our model and PT accordingly and reiterate our BUY rating post-split with a PT of \le 84 (pre-split: \le 227), based on DCF.

Y/E 31.12 (EUR m)	2021	2022	2023	2024e	2025e	2026e
Sales	927.4	1,032.5	971.5	1,034.7	1,096.8	1,129.7
Sales growth	28.0%	11.3%	-5.9%	6.5%	6.0%	3.0%
EBITDA	94.4	107.2	98.0	99.6	108.5	115.2
Net debt (if net cash=0)	211.1	224.3	67.6	33.0	16.1	0.7
FCF	-168.9	32.2	197.4	45.5	53.1	56.5
Net Debt/EBITDA	2.2	2.1	0.7	0.3	0.1	0.0
EPS pro forma	15.53	15.83	13.56	5.09	5.76	6.16
EBITDA margin	10.2%	10.4%	10.1%	9.6%	9.9%	10.2%
ROCE	18.3%	14.9%	13.6%	14.5%	15.2%	15.3%
EV/sales	0.7	0.5	0.3	0.7	0.6	0.6
EV/EBITDA	7.0	4.4	3.2	7.1	6.4	5.9
PER	9.9	3.5	4.1	11.0	9.7	9.1
Adjusted FCF yield	8.4%	15.7%	20.0%	9.6%	11.2%	13.2%

Source: Company data, NuWays, Close price as of 21.08.2024



15.6% 14.4% 13.2% 2021 2022 2023 2024e 2025e 2026e Source: NuWays Research

Company description

2022

2023

2024e

2025e

20266

2021

Source: NuWays Research

Sales (2021-26e)

1200.0m

900.0m

600.0m

300.0m

0.0m

Einhell is a supplier of power tools and equipment for DIY and semi-professional use. The Bavarian company is active internationally and recently expanded its product portfolio to include the innovative Power X-Change cordless tools, securing market leadership in this segment.

Share Performance 200.00 180.00 140.00 120.00 100.00 80.00 60.00 40.00 09/23 11/23 01/24 03/24 05/24 07/24

High/low 52 weeks (€) 3m rel. performance 6m rel. performance 12m rel. performance -65.9% 187.60 / 57.00 -58.9% -58.9%

Market data

Share price (in €)	57.00
Market cap (in € m)	634.1
Number of shares (in m pcs)	11.3
Enterprise value (in € m)	704.2
Ø trading volume (6 months)	2,600

Identifier

Bloomberg	EIN GR
Reuters	EING_p
WKN	A40ESÜ
ISIN	DE000A40ESU3

Key shareholders

Free float (Preference shares)	100.0%
Thannhuber AG (Ordinary shares)	93.0%
Others (Ordinary shares)	7.0%

Estimates changes

	2024e	2025e	2026e
Sales	0%	0%	0%
EBIT	-3%	0%	0%
EPS	-68%	-67%	-67%

Comment on changes

- Changes reflect elevated marketing investments and higher personnel expenses as well as an increased share count due to a 1:3 stock split
- Terminal year EBIT margin was raised to 8.5%

Guidance

ROCE (2021-26e)

18.0%

16.8%

- · 2024 Sales: 6% growth
- 2024 EBT margin: 7.5-8%

Preview / Review - 23.08.2024



Financials

Profit and loss (EUR m)	2021	2022	2023	2024e	2025e	2026e
Net sales	927.4	1,032.5	971.5	1,034.7	1,096.8	1,129.7
Sales growth	28.0%	11.3%	-5.9%	6.5%	6.0%	3.0%
Increase/decrease in finished goods and work-in-process	0.4	0.4	0.7	0.4	0.4	0.4
Total sales	927.8	1,032.9	972.3	1,035.1	1,097.2	1,130.1
Other operating income	9.3	17.8	18.8	14.4	15.2	15.7
Material expenses	594.2	659.1	583.7	621.8	671.6	691.7
Personnel expenses	107.8	118.7	129.6	134.5	140.4	141.2
Other operating expenses	140.7	165.7	179.8	193.5	191.9	197.7
Total operating expenses	833.4	925.7	874.3	935.4	988.7	1,014.9
EBITDA	94.4	107.2	98.0	99.6	108.5	115.2
Depreciation	12.0	14.7	16.2	16.6	15.7	16.1
EBITA	82.4	92.5	81.7	83.1	92.9	99.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Impairment charges	0.0 82.4	0.0 92.5	0.7	0.0 83.1	0.0 92.9	0.0
EBIT (inc revaluation net)	0.0		81.1			99.0
Interest income	0.0	0.0 5.1	0.0 5.7	0.0	0.0	0.0
Interest expenses				4.7	4.0	4.2
Investment income Financial result	0.0 -0.5	0.0 -5.1	0.0 -5.7	0.0 -4.7	0.0 -4.0	0.0 -4.2
	-0.5 81.8	-5.1 87.4	-5.7 75.4	-4.7 78.4	-4.0 88.8	-4.2 94.9
Recurring pretax income from continuing operations Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
•	81.8	87.4	75.4	78.4	88.8	94.9
Earnings before taxes Income tax expense	21.7	26.6	23.8	20.8	23.5	25.1
Net income from continuing operations	60.2	60.8	51.6	57.6	65.3	69.7
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	60.2	60.8	51.6	57.6	65.3	69.7
Minority interest	1.5	1.0	1.1	0.0	0.0	0.0
Net profit (reported)	58.6	59.8	50.5	57.6	65.3	69.7
Average number of shares	3.8	3.8	3.8	11.3	11.3	11.3
EPS reported	15.53	15.83	13.38	5.09	5.76	6.16
•						
Profit and loss (common size)	2021	2022	2023	2024e	2025e	2026e
Net sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales growth	28.0%	11.3%	-5.9%	6.5%	6.0%	3.0%
Increase/decrease in finished goods and work in process	0.00/	0.0%	0.1%	0.0%	0.0%	0.0%
Increase/decrease in finished goods and work-in-process	0.0%			400 00/		100.0%
Total sales	100.0%	100.0%	100.1%	100.0%	100.0%	100.0 /0
· · · · · · · · · · · · · · · · · · ·		100.0% 1.7%	100.1% 1.9%	100.0% 1.4%	100.0% 1.4%	1.4%
Total sales	100.0%					1.4% 61.2%
Total sales Other operating income	100.0% 1.0%	1.7%	1.9%	1.4%	1.4%	1.4%
Total sales Other operating income Material expenses Personnel expenses Other operating expenses	100.0% 1.0% 64.1% 11.6% 15.2%	1.7% 63.8% 11.5% 16.0%	1.9% 60.1% 13.3% 18.5%	1.4% 60.1% 13.0% 18.7%	1.4% 61.2% 12.8% 17.5%	1.4% 61.2% 12.5% 17.5%
Total sales Other operating income Material expenses Personnel expenses	100.0% 1.0% 64.1% 11.6%	1.7% 63.8% 11.5%	1.9% 60.1% 13.3%	1.4% 60.1% 13.0% 18.7% 90.4%	1.4% 61.2% 12.8%	1.4% 61.2% 12.5% 17.5% 89.8%
Total sales Other operating income Material expenses Personnel expenses Other operating expenses Total operating expenses EBITDA	100.0% 1.0% 64.1% 11.6% 15.2% 89.9% 10.2%	1.7% 63.8% 11.5% 16.0% 89.7% 10.4%	1.9% 60.1% 13.3% 18.5% 90.0% 10.1%	1.4% 60.1% 13.0% 18.7% 90.4% 9.6%	1.4% 61.2% 12.8% 17.5% 90.1% 9.9%	1.4% 61.2% 12.5% 17.5% 89.8% 10.2%
Total sales Other operating income Material expenses Personnel expenses Other operating expenses Total operating expenses	100.0% 1.0% 64.1% 11.6% 15.2% 89.9% 10.2%	1.7% 63.8% 11.5% 16.0% 89.7% 10.4%	1.9% 60.1% 13.3% 18.5% 90.0% 10.1%	1.4% 60.1% 13.0% 18.7% 90.4% 9.6% 1.6%	1.4% 61.2% 12.8% 17.5% 90.1% 9.9% 1.4%	1.4% 61.2% 12.5% 17.5% 89.8% 10.2%
Total sales Other operating income Material expenses Personnel expenses Other operating expenses Total operating expenses EBITDA Depreciation EBITA	100.0% 1.0% 64.1% 11.6% 15.2% 89.9% 10.2% 1.3% 8.9%	1.7% 63.8% 11.5% 16.0% 89.7% 10.4% 1.4% 9.0%	1.9% 60.1% 13.3% 18.5% 90.0% 10.1% 1.7% 8.4%	1.4% 60.1% 13.0% 18.7% 90.4% 9.6% 1.6% 8.0%	1.4% 61.2% 12.8% 17.5% 90.1% 9.9% 1.4% 8.5%	1.4% 61.2% 12.5% 17.5% 89.8% 10.2% 1.4% 8.8%
Total sales Other operating income Material expenses Personnel expenses Other operating expenses Total operating expenses EBITDA Depreciation EBITA Amortisation of goodwill	100.0% 1.0% 64.1% 11.6% 15.2% 89.9% 10.2% 1.3% 8.9% 0.0%	1.7% 63.8% 11.5% 16.0% 89.7% 10.4% 1.4% 9.0% 0.0%	1.9% 60.1% 13.3% 18.5% 90.0% 10.1% 1.7% 8.4% 0.0%	1.4% 60.1% 13.0% 18.7% 90.4% 9.6% 1.6% 8.0% 0.0%	1.4% 61.2% 12.8% 17.5% 90.1% 9.9% 1.4% 8.5% 0.0%	1.4% 61.2% 12.5% 17.5% 89.8% 10.2% 1.4% 8.8% 0.0%
Total sales Other operating income Material expenses Personnel expenses Other operating expenses Total operating expenses EBITDA Depreciation EBITA Amortisation of goodwill Amortisation of intangible assets	100.0% 1.0% 64.1% 11.6% 15.2% 89.9% 10.2% 1.3% 8.9% 0.0% 0.0%	1.7% 63.8% 11.5% 16.0% 89.7% 10.4% 1.4% 9.0% 0.0%	1.9% 60.1% 13.3% 18.5% 90.0% 10.1% 1.7% 8.4% 0.0% 0.0%	1.4% 60.1% 13.0% 18.7% 90.4% 9.6% 1.6% 8.0% 0.0%	1.4% 61.2% 12.8% 17.5% 90.1% 9.9% 1.4% 8.5% 0.0% 0.0%	1.4% 61.2% 12.5% 17.5% 89.8% 10.2% 1.4% 8.8% 0.0% 0.0%
Total sales Other operating income Material expenses Personnel expenses Other operating expenses Total operating expenses EBITDA Depreciation EBITA Amortisation of goodwill Amortisation of intangible assets Impairment charges	100.0% 1.0% 64.1% 11.6% 15.2% 89.9% 10.2% 1.3% 8.9% 0.0% 0.0% 0.0%	1.7% 63.8% 11.5% 16.0% 89.7% 10.4% 1.4% 9.0% 0.0% 0.0%	1.9% 60.1% 13.3% 18.5% 90.0% 10.1% 1.7% 8.4% 0.0% 0.0% 0.1%	1.4% 60.1% 13.0% 18.7% 90.4% 9.6% 1.6% 8.0% 0.0% 0.0%	1.4% 61.2% 12.8% 17.5% 90.1% 9.9% 1.4% 8.5% 0.0% 0.0%	1.4% 61.2% 12.5% 17.5% 89.8% 10.2% 1.4% 8.8% 0.0% 0.0%
Total sales Other operating income Material expenses Personnel expenses Other operating expenses Total operating expenses EBITDA Depreciation EBITA Amortisation of goodwill Amortisation of intangible assets	100.0% 1.0% 64.1% 11.6% 15.2% 89.9% 10.2% 1.3% 8.9% 0.0% 0.0% 8.9%	1.7% 63.8% 11.5% 16.0% 89.7% 10.4% 1.4% 9.0% 0.0% 0.0% 9.0%	1.9% 60.1% 13.3% 18.5% 90.0% 10.1% 1.7% 8.4% 0.0% 0.0% 0.1% 8.3%	1.4% 60.1% 13.0% 18.7% 90.4% 9.6% 1.6% 8.0% 0.0%	1.4% 61.2% 12.8% 17.5% 90.1% 9.9% 1.4% 8.5% 0.0% 0.0%	1.4% 61.2% 12.5% 17.5% 89.8% 10.2% 1.4% 8.8% 0.0% 0.0%
Total sales Other operating income Material expenses Personnel expenses Other operating expenses Total operating expenses EBITDA Depreciation EBITA Amortisation of goodwill Amortisation of intangible assets Impairment charges	100.0% 1.0% 64.1% 11.6% 15.2% 89.9% 10.2% 1.3% 8.9% 0.0% 0.0% 0.0% 8.9%	1.7% 63.8% 11.5% 16.0% 89.7% 10.4% 1.4% 9.0% 0.0% 0.0% 0.0%	1.9% 60.1% 13.3% 18.5% 90.0% 10.1% 1.7% 8.4% 0.0% 0.0% 0.1% 8.3% 0.0%	1.4% 60.1% 13.0% 18.7% 90.4% 9.6% 1.6% 8.0% 0.0% 0.0% 0.0% 0.0%	1.4% 61.2% 12.8% 17.5% 90.1% 9.9% 1.4% 8.5% 0.0% 0.0% 0.0% 8.5% 0.0%	1.4% 61.2% 12.5% 17.5% 89.8% 10.2% 1.4% 8.8% 0.0% 0.0% 0.0%
Total sales Other operating income Material expenses Personnel expenses Other operating expenses Total operating expenses EBITDA Depreciation EBITA Amortisation of goodwill Amortisation of intangible assets Impairment charges EBIT (inc revaluation net) Interest income Interest expenses	100.0% 1.0% 64.1% 11.6% 15.2% 89.9% 10.2% 1.3% 8.9% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0%	1.7% 63.8% 11.5% 16.0% 89.7% 10.4% 1.4% 9.0% 0.0% 0.0% 0.0% 0.0% 0.0%	1.9% 60.1% 13.3% 18.5% 90.0% 10.1% 1.7% 8.4% 0.0% 0.0% 0.1% 8.3% 0.0% 0.6%	1.4% 60.1% 13.0% 18.7% 90.4% 9.6% 1.6% 8.0% 0.0% 0.0% 0.0% 0.0% 0.0%	1.4% 61.2% 12.8% 17.5% 90.1% 9.9% 1.4% 8.5% 0.0% 0.0% 0.0% 0.0% 0.0%	1.4% 61.2% 12.5% 17.5% 89.8% 10.2% 1.4% 8.8% 0.0% 0.0% 0.0% 0.0% 0.0%
Total sales Other operating income Material expenses Personnel expenses Other operating expenses Total operating expenses EBITDA Depreciation EBITA Amortisation of goodwill Amortisation of intangible assets Impairment charges EBIT (inc revaluation net) Interest income Interest expenses Investment income	100.0% 1.0% 64.1% 11.6% 15.2% 89.9% 10.2% 1.3% 8.9% 0.0% 0.0% 0.0% 8.9%	1.7% 63.8% 11.5% 16.0% 89.7% 10.4% 1.4% 9.0% 0.0% 0.0% 0.0%	1.9% 60.1% 13.3% 18.5% 90.0% 10.1% 1.7% 8.4% 0.0% 0.0% 0.1% 8.3% 0.0%	1.4% 60.1% 13.0% 18.7% 90.4% 9.6% 1.6% 8.0% 0.0% 0.0% 0.0% 0.0%	1.4% 61.2% 12.8% 17.5% 90.1% 9.9% 1.4% 8.5% 0.0% 0.0% 0.0% 8.5% 0.0%	1.4% 61.2% 12.5% 17.5% 89.8% 10.2% 1.4% 8.8% 0.0% 0.0% 0.0% 0.0% 0.0%
Total sales Other operating income Material expenses Personnel expenses Other operating expenses Total operating expenses EBITDA Depreciation EBITA Amortisation of goodwill Amortisation of intangible assets Impairment charges EBIT (inc revaluation net) Interest income Interest expenses Investment income Financial result	100.0% 1.0% 64.1% 11.6% 11.6% 15.2% 89.9% 10.2% 1.3% 8.9% 0.0% 0.0% 0.0% 0.0% 0.0% neg.	1.7% 63.8% 11.5% 16.0% 89.7% 10.4% 1.4% 9.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% neg.	1.9% 60.1% 13.3% 18.5% 90.0% 10.1% 1.7% 8.4% 0.0% 0.1% 8.3% 0.0% 0.6% 0.0% neg.	1.4% 60.1% 13.0% 18.7% 90.4% 9.6% 1.6% 8.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% neg.	1.4% 61.2% 12.8% 17.5% 90.1% 9.9% 1.4% 8.5% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% neg.	1.4% 61.2% 12.5% 17.5% 89.8% 10.2% 1.4% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0%
Total sales Other operating income Material expenses Personnel expenses Other operating expenses Total operating expenses EBITDA Depreciation EBITA Amortisation of goodwill Amortisation of intangible assets Impairment charges EBIT (inc revaluation net) Interest income Interest expenses Investment income Financial result Recurring pretax income from continuing operations	100.0% 1.0% 64.1% 11.6% 15.2% 89.9% 10.2% 1.3% 8.9% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0	1.7% 63.8% 11.5% 16.0% 89.7% 10.4% 1.4% 9.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.5% 0.0% neg. 8.5%	1.9% 60.1% 13.3% 18.5% 90.0% 10.1% 1.7% 8.4% 0.0% 0.1% 8.3% 0.0% 0.6% 0.0% neg. 7.8%	1.4% 60.1% 13.0% 18.7% 90.4% 9.6% 1.6% 8.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0	1.4% 61.2% 12.8% 17.5% 90.1% 9.9% 1.4% 8.5% 0.0% 0.0% 0.0% 0.0% 0.0% 8.5% 0.0% 0.0% 0.4% 0.0% neg. 8.1%	1.4% 61.2% 12.5% 17.5% 89.8% 10.2% 1.4% 8.8% 0.0% 0.0% 0.0% 0.0% 8.8% 0.0% 0.4% 0.0% neg. 8.4%
Total sales Other operating income Material expenses Personnel expenses Other operating expenses Total operating expenses EBITDA Depreciation EBITA Amortisation of goodwill Amortisation of intangible assets Impairment charges EBIT (inc revaluation net) Interest income Interest expenses Investment income Financial result Recurring pretax income from continuing operations Extraordinary income/loss	100.0% 1.0% 64.1% 11.6% 115.2% 89.9% 10.2% 1.3% 8.9% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0	1.7% 63.8% 11.5% 16.0% 89.7% 10.4% 1.4% 9.0% 0.0% 0.0% 0.0% 0.0% 0.5% 0.0% neg. 8.5% 0.0%	1.9% 60.1% 13.3% 18.5% 90.0% 10.1% 1.7% 8.4% 0.0% 0.1% 8.3% 0.0% 0.6% 0.0% neg. 7.8% 0.0%	1.4% 60.1% 13.0% 18.7% 90.4% 9.6% 1.6% 8.0% 0.0% 0.0% 0.0% 0.0% 7.6% 0.0%	1.4% 61.2% 12.8% 17.5% 90.1% 9.9% 1.4% 8.5% 0.0% 0.0% 0.0% 0.0% 8.5% 0.0% 0.0% 0.0% 0.0% 0.0%	1.4% 61.2% 12.5% 17.5% 89.8% 10.2% 1.4% 8.8% 0.0% 0.0% 0.0% 8.8% 0.0% 0.4% 0.0% neg. 8.4% 0.0%
Total sales Other operating income Material expenses Personnel expenses Other operating expenses Total operating expenses EBITDA Depreciation EBITA Amortisation of goodwill Amortisation of intangible assets Impairment charges EBIT (inc revaluation net) Interest income Interest expenses Investment income Financial result Recurring pretax income from continuing operations Extraordinary income/loss Earnings before taxes	100.0% 1.0% 64.1% 11.6% 11.6% 15.2% 89.9% 10.2% 1.3% 8.9% 0.0% 0.0% 0.0% 0.0% 0.0% 8.9% 0.0% 0.1% 0.0% neg. 8.8% 0.0% 8.8%	1.7% 63.8% 11.5% 16.0% 89.7% 10.4% 1.4% 9.0% 0.0% 0.0% 0.0% 0.0% 0.5% 0.0% neg. 8.5%	1.9% 60.1% 13.3% 18.5% 90.0% 10.1% 1.7% 8.4% 0.0% 0.1% 8.3% 0.0% 0.6% 0.0% neg. 7.8% 0.0% 7.8%	1.4% 60.1% 13.0% 18.7% 90.4% 9.6% 1.6% 8.0% 0.0% 0.0% 0.0% 0.0% 7.6%	1.4% 61.2% 12.8% 17.5% 90.1% 9.9% 1.4% 8.5% 0.0% 0.0% 0.0% 8.5% 0.0% 0.4% 0.0% neg. 8.1% 0.0% 8.1%	1.4% 61.2% 12.5% 17.5% 89.8% 10.2% 1.4% 8.8% 0.0% 0.0% 0.0% 8.8% 0.0% 0.4% 0.0% neg. 8.4% 0.0% 8.4%
Total sales Other operating income Material expenses Personnel expenses Other operating expenses Total operating expenses EBITDA Depreciation EBITA Amortisation of goodwill Amortisation of intangible assets Impairment charges EBIT (inc revaluation net) Interest income Interest expenses Investment income Financial result Recurring pretax income from continuing operations Extraordinary income/loss Earnings before taxes Tax rate	100.0% 1.0% 64.1% 11.6% 115.2% 89.9% 10.2% 1.3% 8.9% 0.0% 0.0% 0.0% 0.0% 0.0% 8.9% 0.0% 0.1% 0.0% neg. 8.8% 0.0% 8.8% 26.5%	1.7% 63.8% 11.5% 16.0% 89.7% 10.4% 1.4% 9.0% 0.0% 0.0% 0.0% 0.0% 0.5% 0.0% neg. 8.5% 0.0% 8.5%	1.9% 60.1% 13.3% 18.5% 90.0% 10.1% 1.7% 8.4% 0.0% 0.1% 8.3% 0.0% 0.6% 0.0% neg. 7.8% 0.0% 31.6%	1.4% 60.1% 13.0% 18.7% 90.4% 9.6% 1.6% 8.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0	1.4% 61.2% 12.8% 17.5% 90.1% 9.9% 1.4% 8.5% 0.0% 0.0% 0.0% 8.5% 0.0% 0.4% 0.0% neg. 8.1% 0.0% 8.1% 26.5%	1.4% 61.2% 12.5% 17.5% 89.8% 10.2% 1.4% 8.8% 0.0% 0.0% 0.0% 8.8% 0.0% 0.4% 0.0% 0.6% 0.0% 8.4% 0.0% 0.0%
Total sales Other operating income Material expenses Personnel expenses Other operating expenses Total operating expenses EBITDA Depreciation EBITA Amortisation of goodwill Amortisation of intangible assets Impairment charges EBIT (inc revaluation net) Interest income Interest expenses Investment income Financial result Recurring pretax income from continuing operations Extraordinary income/loss Earnings before taxes Tax rate Net income from continuing operations	100.0% 1.0% 64.1% 11.6% 11.6% 15.2% 89.9% 10.2% 1.3% 8.9% 0.0% 0.0% 0.0% 0.0% 0.0% 8.9% 0.0% 0.1% 0.0% neg. 8.8% 0.0% 8.8% 26.5% 6.5%	1.7% 63.8% 11.5% 16.0% 89.7% 10.4% 1.4% 9.0% 0.0% 0.0% 0.0% 0.0% 0.5% 0.0% neg. 8.5% 0.0% 8.5% 30.5% 5.9%	1.9% 60.1% 13.3% 18.5% 90.0% 10.1% 1.7% 8.4% 0.0% 0.1% 8.3% 0.0% 0.6% 0.0% neg. 7.8% 0.0% 7.8% 31.6% 5.3%	1.4% 60.1% 13.0% 18.7% 90.4% 9.6% 1.6% 8.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 7.6% 0.0% 5.6%	1.4% 61.2% 12.8% 17.5% 90.1% 9.9% 1.4% 8.5% 0.0% 0.0% 0.0% 8.5% 0.0% 0.4% 0.0% neg. 8.1% 0.0% 8.1% 26.5% 6.0%	1.4% 61.2% 12.5% 17.5% 89.8% 10.2% 1.4% 8.8% 0.0% 0.0% 0.0% 0.0% 8.8% 0.0% 0.4% 0.0% 0.6% 0.6% 0.6% 0.6% 0.6% 0.6% 0.6
Total sales Other operating income Material expenses Personnel expenses Other operating expenses Total operating expenses EBITDA Depreciation EBITA Amortisation of goodwill Amortisation of intangible assets Impairment charges EBIT (inc revaluation net) Interest income Interest expenses Investment income Financial result Recurring pretax income from continuing operations Extraordinary income/loss Earnings before taxes Tax rate Net income from continuing operations Income from discontinued operations (net of tax)	100.0% 1.0% 64.1% 11.6% 11.6% 15.2% 89.9% 10.2% 1.3% 8.9% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0	1.7% 63.8% 11.5% 16.0% 89.7% 10.4% 1.4% 9.0% 0.0% 0.0% 0.0% 0.0% 0.5% 0.0% neg. 8.5% 0.0% 8.5% 5.9% 0.0%	1.9% 60.1% 13.3% 18.5% 90.0% 10.1% 1.7% 8.4% 0.0% 0.1% 8.3% 0.0% 0.6% 0.0% neg. 7.8% 0.0% 31.6% 5.3% 0.0%	1.4% 60.1% 13.0% 18.7% 90.4% 9.6% 1.6% 8.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 7.6% 0.0% 7.6% 26.5% 5.6% 0.0%	1.4% 61.2% 12.8% 17.5% 90.1% 9.9% 1.4% 8.5% 0.0% 0.0% 0.0% 8.5% 0.0% 0.4% 0.0% neg. 8.1% 0.0% 8.1% 6.0% 0.0%	1.4% 61.2% 12.5% 17.5% 89.8% 10.2% 1.4% 8.8% 0.0% 0.0% 0.0% 0.0% 8.8% 0.0% 0.4% 0.0% 0.0% 6.2% 0.0%
Total sales Other operating income Material expenses Personnel expenses Other operating expenses Total operating expenses EBITDA Depreciation EBITA Amortisation of goodwill Amortisation of intangible assets Impairment charges EBIT (inc revaluation net) Interest income Interest expenses Investment income Financial result Recurring pretax income from continuing operations Extraordinary income/loss Earnings before taxes Tax rate Net income from continuing operations (net of tax) Net income	100.0% 1.0% 64.1% 11.6% 11.6% 15.2% 89.9% 10.2% 1.3% 8.9% 0.0% 0.0% 0.0% 0.0% 0.0% 8.9% 0.0% 0.1% 0.0% neg. 8.8% 0.0% 8.8% 26.5% 6.5% 0.0%	1.7% 63.8% 11.5% 16.0% 89.7% 10.4% 1.4% 9.0% 0.0% 0.0% 0.0% 0.0% 0.5% 0.0% neg. 8.5% 0.0% 8.5% 5.9% 0.0%	1.9% 60.1% 13.3% 18.5% 90.0% 10.1% 1.7% 8.4% 0.0% 0.1% 8.3% 0.0% 0.6% 0.0% neg. 7.8% 0.0% 7.8% 31.6% 5.3% 0.0% 5.3%	1.4% 60.1% 13.0% 18.7% 90.4% 9.6% 1.6% 8.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0	1.4% 61.2% 12.8% 17.5% 90.1% 9.9% 1.4% 8.5% 0.0% 0.0% 0.0% 0.0% 8.5% 0.0% 0.0% 0.0% 6.0% 6.0%	1.4% 61.2% 12.5% 17.5% 89.8% 10.2% 1.4% 8.8% 0.0% 0.0% 0.0% 0.0% 8.8% 0.0% 0.4% 0.0% 0.0% 6.2%
Total sales Other operating income Material expenses Personnel expenses Other operating expenses Total operating expenses EBITDA Depreciation EBITA Amortisation of goodwill Amortisation of intangible assets Impairment charges EBIT (inc revaluation net) Interest income Interest expenses Investment income Financial result Recurring pretax income from continuing operations Extraordinary income/loss Earnings before taxes Tax rate Net income from continuing operations (net of tax) Net income Minority interest	100.0% 1.0% 64.1% 11.6% 11.6% 15.2% 89.9% 10.2% 1.3% 8.9% 0.0% 0.0% 0.0% 0.0% 0.1% 0.0% neg. 8.8% 0.0% 8.8% 26.5% 6.5% 0.0% 6.5%	1.7% 63.8% 11.5% 16.0% 89.7% 10.4% 1.4% 9.0% 0.0% 0.0% 0.0% 0.0% 0.5% 0.0% neg. 8.5% 0.0% 8.5% 5.9% 0.0% 5.9% 0.1%	1.9% 60.1% 13.3% 18.5% 90.0% 10.1% 1.7% 8.4% 0.0% 0.1% 8.3% 0.0% 0.6% 0.0% neg. 7.8% 0.0% 7.8% 31.6% 5.3% 0.0% 5.3% 0.1%	1.4% 60.1% 13.0% 18.7% 90.4% 9.6% 1.6% 8.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0	1.4% 61.2% 12.8% 17.5% 90.1% 9.9% 1.4% 8.5% 0.0% 0.0% 0.0% 0.0% 8.5% 0.0% 0.0% 0.0% 6.0% 0.0% 6.0% 0.0%	1.4% 61.2% 12.5% 17.5% 89.8% 10.2% 1.4% 8.8% 0.0% 0.0% 0.0% 0.4% 0.0% 0.6% 0.6% 6.2% 0.0% 6.2% 0.0%
Total sales Other operating income Material expenses Personnel expenses Other operating expenses Other operating expenses Total operating expenses EBITDA Depreciation EBITA Amortisation of goodwill Amortisation of intangible assets Impairment charges EBIT (inc revaluation net) Interest income Interest expenses Investment income Financial result Recurring pretax income from continuing operations Extraordinary income/loss Earnings before taxes Tax rate Net income from continuing operations Income from discontinued operations (net of tax) Net income	100.0% 1.0% 64.1% 11.6% 11.6% 15.2% 89.9% 10.2% 1.3% 8.9% 0.0% 0.0% 0.0% 0.0% 0.0% 8.9% 0.0% 0.1% 0.0% neg. 8.8% 0.0% 8.8% 26.5% 6.5% 0.0%	1.7% 63.8% 11.5% 16.0% 89.7% 10.4% 1.4% 9.0% 0.0% 0.0% 0.0% 0.0% 0.5% 0.0% neg. 8.5% 0.0% 8.5% 5.9% 0.0%	1.9% 60.1% 13.3% 18.5% 90.0% 10.1% 1.7% 8.4% 0.0% 0.1% 8.3% 0.0% 0.6% 0.0% neg. 7.8% 0.0% 7.8% 31.6% 5.3% 0.0% 5.3%	1.4% 60.1% 13.0% 18.7% 90.4% 9.6% 1.6% 8.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0	1.4% 61.2% 12.8% 17.5% 90.1% 9.9% 1.4% 8.5% 0.0% 0.0% 0.0% 0.0% 8.5% 0.0% 0.0% 0.0% 6.0% 6.0%	1.4% 61.2% 12.5% 17.5% 89.8% 10.2% 1.4% 8.8% 0.0% 0.0% 0.0% 0.0% 6.2% 6.2% 6.2%

Source: Company data, NuWays

Preview / Review - 23.08.2024



Balance sheet (EUR m)	2021	2022	2023	2024e	2025e	2026e
Intangible assets	19.6	38.6	47.9	51.0	54.1	55.7
Property, plant and equipment	57.2	57.6	85.4	90.9	96.4	99.3
Financial assets	15.5	7.2	8.6	9.2	9.7	10.0
FIXED ASSETS	92.3	103.4	141.9	151.2	160.2	165.0
Inventories	450.0	473.5	363.6	387.2	410.4	439.2
Accounts receivable	135.9	143.7	149.8	159.6	169.1	174.2
Other assets and short-term financial assets	124.8	93.9	32.0	32.0	32.0	32.0
Liquid assets	11.5	10.7	99.4	109.4	126.2	141.6
Deferred taxes	17.4	17.6	23.3	23.3	23.3	23.3
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	739.6	739.3	668.1	711.4	761.1	810.3
TOTAL ASSETS	831.9	842.7	810.0	862.6	921.3	975.3
SHAREHOLDERS EQUITY	340.9	355.5	340.9	396.9	434.4	471.7
MINORITY INTEREST	3.4	11.3	14.0	14.0	14.0	14.0
Long-term liabilities to banks	91.4	88.3	92.2	73.8	73.8	73.8
Bonds (long-term)	0.0	0.0	0.0	0.0	0.0	0.0
other interest-bearing liabilities	40.3	43.8	58.0	55.1	55.1	55.1
Provisions for pensions and similar obligations	37.7	33.5	34.8	37.1	39.3	40.5
Other provisions and accrued liabilities	0.0	0.0	0.0	0.0	0.0	0.0
NON-CURRENT LIABILITIES	169.3	165.6	185.0	166.0	168.2	169.4
Short-term liabilities to banks	90.9	102.9	16.8	13.5	13.5	13.5
Accounts payable	137.5	116.3	154.3	167.2	180.2	182.5
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0
Accrued taxes	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	69.3	75.8	93.8	99.9	105.9	109.1
Deferred taxes	20.5	15.3	5.2	5.2	5.2	15.3
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT LIABILITIES	318.2	310.2	270.1	285.7	304.7	320.3
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	831.9	842.7	810.0	862.6	921.3	975.3
Balance sheet (common size)	2021	2022	2023	2024e	2025e	2026e
Intangible assets	2.4%	4.6%	5.9%	5.9%	5.9%	5.7%
Property, plant and equipment	6.9%	6.8%	10.5%	10.5%	10.5%	10.2%
Financial assets	1.9%	0.9%	1.1%	1.1%	1.1%	1.0%
FIXED ASSETS	11.1%	12.3%	17.5%	17.5%	17.4%	16.9%
Inventories	54.1%	56.2%	44.9%	44.9%	44.6%	45.0%
Accounts receivable	16.3%	17.1%	18.5%	18.5%	18.4%	17.9%
Other assets and short-term financial assets	15.0%	11.1%	4.0%	3.7%	3.5%	3.3%
Liquid assets	1.4%	1.3%	12.3%	12.7%	13.7%	14.5%
Deferred taxes	2.1%	2.1%	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%
CURRENT ASSETS	88.9%	87.7%	82.5%	82.5%	82.6%	83.1%
TOTAL ASSETS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
SHAREHOLDERS EQUITY	41.0%	42.2%	42.1%	46.0%	47.2%	48.4%
MINORITY INTEREST	0.4%	1.3%	1.7%	1.6%	1.5%	1.4%
Long-term liabilities to banks	11.0%	10.5%	11.4%	8.6%	8.0%	7.6%
Bonds (long-term)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
other interest-bearing liabilities	4.8%	5.2%	7.2%	6.4%	6.0%	5.6%
Provisions for pensions and similar obligations	4.5%	4.0%	4.3%	4.3%	4.3%	4.2%
Other provisions and accrued liabilities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
NON-CURRENT LIABILITIES	20.4%	19.7%	22.8%	19.2%	18.3%	17.4%
Short-term liabilities to banks	10.9%	12.2%	2.1%	1.6%	1.5%	1.4%
Accounts payable	16.5%	13.8%	19.0%	19.4%	19.6%	18.7%
Advance payments received on orders	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accrued taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other liabilities (incl. from lease and rental contracts)	8.3%	9.0%	11.6%	11.6%	11.5%	11.2%
Deferred taxes	2.5%	1.8%	0.6%	0.6%	0.6%	1.6%
Deferred income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CURRENT LIABILITIES	38.2%	36.8%	33.3%	33.1%	33.1%	32.8%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Course: Company data NuWaye	100.070	. 5 3 10 70	. 5 5 10 75			

Source: Company data, NuWays

Preview / Review - 23.08.2024



Cash flow statement (EUR m)	2021	2022	2023	2024e	2025e	2026e
Net profit/loss	60.2	60.8	51.6	57.6	65.3	69.7
Depreciation of fixed assets (incl. leases)	12.0	14.7	16.2	16.6	15.7	16.1
Amortisation of goodwill & intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Other costs affecting income / expenses	-21.0	21.9	0.9	4.0	4.0	14.0
Cash flow from operating activities	-168.9	32.2	197.4	46.9	54.6	61.7
Increase/decrease in inventory	-255.2	-23.5	109.9	-23.6	-23.2	-28.7
Increase/decrease in accounts receivable	-16.7	-7.8	-6.1	-9.7	-9.6	-5.1
Increase/decrease in accounts payable	40.7	-21.2	38.0	12.9	13.0	2.3
Increase/decrease in other working capital positions	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	-231.2	-52.6	141.8	-20.5	-19.8	-31.5
Cash flow from operating activities	-251.2 - 151.4	40.8	211.7	59.9	67.4	69.5
CAPEX						
	17.5	8.6	14.2	14.5	14.3	13.0
Payments for acquisitions	0.0	19.0	4.7	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.1	0.7	0.1	0.0	0.0	0.0
Cash flow from investing activities	-17.4	-26.9	-18.9	-14.5	-14.3	-13.0
Cash flow before financing	-177.4	3.3	181.3	34.6	16.8	15.4
Increase/decrease in debt position	183.2	12.4	-67.9	-24.7	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	8.6	10.5	11.4	10.8	36.3	41.1
Others	-28.1	-16.3	-23.5	0.0	0.0	0.0
Effects of exchange rate changes on cash	1.7	-0.3	-1.2	0.0	0.0	0.0
Cash flow from financing activities	146.5	-14.5	-102.8	-35.5	-36.3	-41.1
Increase/decrease in liquid assets	-20.6	-0.9	88.8	9.9	16.8	15.4
Liquid assets at end of period	11.5	10.7	99.4	109.4	126.2	141.6
Elquid assets at end of period	11.0	10.7	33.4	103.4	120.2	171.0
Key ratios (EUR m)	2021	2022	2023	2024e	2025e	2026e
P&L growth analysis	2021	LUZZ	2020	20240	20230	20200
	28.0%	11.3%	-5.9%	6.5%	6.0%	3.0%
Sales growth	37.6%					6.1%
EBITDA growth		13.6%	-8.6%	1.7%	8.9%	
EBIT growth	39.6%	12.3%	-12.4%	2.5%	11.8%	6.6%
EPS growth	42.3%	1.9%	-15.5%	-62.0%	13.3%	6.8%
Efficiency						
Sales per employee	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA per employee	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
No. employees (average)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Balance sheet analysis						
Avg. working capital / sales	35.9%	46.0%	44.3%	35.7%	35.5%	36.8%
Inventory turnover (sales/inventory)	2.1	2.2	2.7	2.7	2.7	2.6
Accounts receivable turnover	53.5	50.8	56.3	56.3	56.3	56.3
Accounts payable turnover	54.1	41.1	58.0	59.0	60.0	59.0
Cash flow analysis						
Free cash flow	-168.9	32.2	197.4	45.5	53.1	56.5
Free cash flow/sales	-18.2%	3.1%	20.3%	4.4%	4.8%	5.0%
FCF / net profit	neg.	52.9%	382.9%	78.9%	81.4%	81.1%
Capex / sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Solvency						
Net debt	211.1	224.3	67.6	33.0	16.1	0.7
Net Debt/EBITDA	2.2	2.1	0.7	0.3	0.1	0.0
Dividend payout ratio	14.6%	17.6%	22.6%	18.8%	55.6%	58.9%
Interest paid / avg. debt	0.4%	2.2%	2.8%	3.0%	2.8%	2.9%
	0.4 /6	2.2 /0	2.0 /0	3.070	2.0 /0	2.970
Returns	10.00/	14.00/	12.00/	14 50/	15 00/	45.00/
ROCE	18.3%	14.9%	13.6%	14.5%	15.2%	15.3%
ROE	17.2%	16.8%	14.8%	14.5%	15.0%	14.8%
Adjusted FCF yield	8.4%	15.7%	20.0%	9.6%	11.2%	13.2%
Dividend yield	1.7%	5.1%	5.1%	5.7%	6.4%	6.9%
DPS	2.5	2.8	2.8	3.2	3.6	3.8
EPS reported	15.53	15.83	13.38	5.09	5.76	6.16
Average number of shares	3.8	3.8	3.8	11.3	11.3	11.3
Valuation ratios						
P/BV	1.7	0.6	0.6	1.6	1.5	1.3
EV/sales	0.7	0.5	0.3	0.7	0.6	0.6
EV/EBITDA						
	7.0	4.4	3.2	7.1	6.4	5.9
EV/EBIT EV/EBIT						
EV/EBIT Source: Company data, NuWays	7.0 8.1	4.4 5.1	3.2 3.9	7.1 8.5	6.4 7.4	5.9 6.8

Preview / Review - 23.08.2024



Disclosures

Disclosures regarding research publications of NuWays AG pursuant to section 85 of the German Securities Trading Act (WpHG)

Indication of conflict of interest

It is essential that any research recommendation is fairly presented and discloses interests of indicates relevant conflicts of interest. Pursuant to section 85 of the German Securities Trading Act (WpHG) a research report has to point out possible conflicts of interest in connection with the analysed company. A conflict of interest is presumed to exist in particular if NuWays AG

- (1) or any other person belonging to the same group with it was part of a consortium within the past twelve months that issued the financial instruments of the analysed company by way of a public offer.
- (2) or any other person belonging to the same group with it has entered into an agreement on the production of the research report with the analysed company.
- (3) or any other person belonging to the same group with it has been party to an agreement on the provision of investment banking services with the analysed company or have received services or a promise of services under the term of such an agreement within the past twelve month.
- (4) The analysed company holds 5% or more of the share capital of NuWays AG.
- (5) holds (a) a net short position or (b) a net long position of 0.5% of the outstanding share capital of the analysed company.
- (6) or any other person belonging to the same group with it is a market maker or liquidity provider in the financial instruments of the issuer.
- (7) or the analyst has any other significant financial interests relating to the analysed company such as, for example, exercising mandates in the interest of the analysed company.
- (8) The research report has been made available to the analysed company prior to its publication. Thereafter, only factual changes have been made to the report.

Conflicts of interest that existed at the time when this research report was published:

Company	Disclosures
Einhell Germany AG	2

Historical target price and	rating changes for Einhell G	ermany AG			
Company	Date	Analyst	Rating	Target Price	Close
Einhell Germany AG	09.04.2024	Salis, Christian	Buy	EUR 227.00	EUR 160.00
	06.10.2023	Salis, Christian	Buy	EUR 225.00	EUR 131.60

Preview / Review - 23.08.2024



1. General Information/Liabilities

This research report has been produced for the information purposes of institutional investors only, and is not in any way a personal recommendation, offer or solicitation to buy or sell the financial instruments mentioned herein. The document is confidential and is made available by NuWays AG exclusively to selected recipients in the European Union (EU) or, in individual cases, also in other countries. It is not allowed to pass the research report on to persons other than the intended recipient without the permission of NuWays AG. Reproduction of this document, in whole or in part, is not permitted without prior permission NuWays AG. All rights reserved.

Under no circumstances shall NuWays AG, any of its employees involved in the preparation, have any liability for possible errors or incompleteness of the information included in this research report – neither in relation to indirect or direct nor consequential damages. Liability for damages arising either directly or as a consequence of the use of information, opinions and estimates is also excluded. Past performance of a financial instrument is not necessarily indicative of future performance.

2. Responsibilities

This research report was prepared by the research analyst named on the front page (the "Producer"). The Producer is solely responsible for the views and estimates expressed in this report. The report has been prepared independently. The content of the research report was not influenced by the issuer of the analysed financial instrument at any time. It may be possible that parts of the research report were handed out to the issuer for information purposes prior to the publication without any major amendments being made thereafter.

3. Organisational Requirements

NuWays AG took internal organisational and regulative precautions to avoid or accordingly disclose possible conflicts of interest in connection with the preparation and distribution of the research report. All members of NuWays AG involved in the preparation of the research report are subject to internal compliance regulations. No part of the Producer's compensation is directly or indirectly related to the preparation of this financial analysis. In case a research analyst or a closely related person is confronted with a conflict of interest, the research analyst is restricted from covering this company.

4. Information Concerning the Methods of Valuation/Update

The determination of the fair value per share, i.e. the price target, and the resultant rating is done on the basis of the adjusted free cash flow (adj. FCF) method and on the basis of the discounted cash flow – DCF model. Furthermore, a peer group comparison is made.

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.

Within the framework of the DCF approach, the future free cash flows are calculated initially on the basis of a fictitious capital structure of 100% equity, i.e. interest and repayments on debt capital are not factored in initially. The adjust-

ment towards the actual capital structure is done by discounting the calculated free cash flows with the weighted average cost of capital (WACC), which takes into account both the cost of equity capital and the cost of debt. After discounting, the calculated total enterprise value is reduced by the interest-bearing debt capital in order to arrive at the equity value.

NuWays AG uses the following three-step rating system for the analysed com-

Buy: Sustainable upside potential of more than 20% within 12 months

Sell: Sustainable downside potential of more than 20% within 12 months.

Hold: Upside/downside potential is limited. No immediate catalyst visible.

The decision on the choice of the financial instruments analysed in this document was solely made by NuWays AG. The opinions and estimates in this research report are subject to change without notice. It is within the discretion of NuWays AG whether and when it publishes an update to this research report, but in general updates are created on a regular basis, after 6 months at the latest. A sensitivity analysis is included and published in company's initial studies.

5. Major Sources of Information

Part of the information required for this research report was made available by the issuer of the financial instrument. Furthermore, this report is based on publicly available sources (such as, for example, Bloomberg, Reuters, VWD-Trader and the relevant daily press) believed to be reliable. NuWays AG has checked the information for plausibility but not for accuracy or completeness.

6. Competent Supervisory Authority

NuWays AG is an affiliated company of Hauck Aufhäuser Lampe Privatbank AG which is under supervision of the BaFin – German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht), Graurheindorfer Straße 108, 53117 Bonn and Marie-Curie-Straße 24 – 28, 60439 Frankfurt a.M.

7. Specific Comments for Recipients Outside of Germany

This research report is subject to the law of the Federal Republic of Germany and the European Union (EU). The distribution of this information to other states in particular to the USA, Canada, Australia and Japan may be restricted or prohibited by the laws applicable within this state. If this communication is distributed in the United Kingdom it is solely directed at (i) investment professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "FPO") or (ii) high net-worth entities as defined in article 49 of the FPO. This document should not be distributed or forwarded, either directly or indirectly, to any other individuals.

8. Miscellaneous

According to Article 4(1) No. i of the delegated regulation 2016/958 supplementing regulation 596/2014 of the European Parliament, further information regarding investment recommendations of the last 12 months are published under: www.nuways-ag.com

Date of publication creation: 23/08/2024 07:27 AM

Date of publication dissemination: 23/08/2024 07:28 AM

Preview / Review - 23.08.2024



Contacts

NuWays AG

Mittelweg 16-17 20148 Hamburg Germany +49 170 119 8648 info@nuways-ag.com www.nuways-ag.com



Christian Sandherr Co-CEO/Analyst

christian.sandherr@nuways-ag.com



Frederik Jarchow Co-CEO/Analyst

frederik.jarchow@nuways-ag.com



Philipp Sennewald

Analyst

philipp.sennewald@nuways-ag.com



Henry Wendisch

Analyst

henry.wendisch@nuways-ag.com



Mark Schüssler

Analyst

mark-hendrik.schuessler@nuways-ag.com



Konstantin Völk

Analyst

konstantin.voelk@nuways-ag.com

Find us on Social Media

<u>Instagram</u>



Twitter/X



LinkedIn

