

UBM Development AG

Real Estate - Austria



Buy (old: Buy)

30.10.2024

EUR 27.00 (old: EUR 27.00)

Muted Q3 ahead but successful financing and letting

Topic: UBM will release its Q3 report on 28th November. While we expect the company to have another muted quarter, UBM successfully placed a new green bond and let first parts of the LeopoldQuartier in Vienna.

Q3 sales are seen to come in at € 35.0m (eNuW). The main contributors are again expected to come from the construction progress on forward sold projects. Further, we expect another strong quarter with regards residential units sold. Here UBM already sold more units at H1 (97) than in FY '23 (96). Yet, against the backdrop of a muted top-line, EBT looks again set to come in slightly negative at € -2.4m.

Successful bond placement. After the company announced a good exchange result for its new green bond (€ 74m; click [here](#) for update), UBM now announced the final result of the placement. With a volume of € 93m, nearly double the placement amount of 2023, the company was able to further smoothen its maturity profile. With the issued volume, more than 80% of UBM's bond financing now has a sustainable focus in accordance with the company's *green. smart. and more.* strategy. The new green bond has a five-year term until 2029e and an annual coupon of 7%. Management intends to use the net issue proceeds for refinancing as well as for new and existing suitable green projects.

Letting success in Vienna. UBM recently let first parts of the LeopoldQuartier, the first and largest timber construction quarter in Europe. In detail, with the company rented large parts of the upper three floors (2.8k sqm) to *Your Office – Managed Business Service GmbH*, an operator of flexible office space, as well as the c. 1.2k sqm retail space on the ground floor to *Spar AG*. With this, UBM in a first step let c. 16% of the total floor space of 25.4k sqm. In addition, *Best in Parking Garagen GmbH & Co. KG* will operate the 127 parking spaces in the building. In our view, this is a very good sign that the company can record successes in the office market despite difficult waters. On top, talks with further prospective tenants are at an advanced stage.

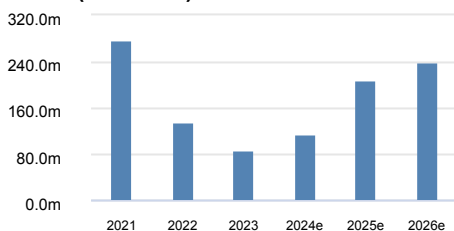
We remain convinced of UBM's prospects in the field of smart and sustainable real estate solutions, especially as ESG requirements are being tightened and investors get increasingly under pressure to comply with the EU taxonomy.

Reiterate **BUY** with an unchanged **€ 27 PT** based on DDM.

Y/E 31.12 (EUR m)	2021	2022	2023	2024e	2025e	2026e
Sales	278.3	133.9	85.3	116.4	209.4	240.9
Sales growth	51.8%	-51.9%	-36.3%	36.4%	80.0%	15.0%
EBITDA	75.9	39.2	-27.3	11.3	44.0	60.2
Net debt (if net cash=0)	436.2	547.6	660.6	648.6	680.0	583.4
FCF	-46.8	-71.2	-54.9	12.1	18.6	55.6
Net Debt/EBITDA	5.7	14.0	-24.2	57.5	15.5	9.7
EPS pro forma	4.50	2.25	-7.03	-1.94	1.72	3.51
EBITDA margin	27.3%	29.2%	-32.0%	9.7%	21.0%	25.0%
ROCE	5.6%	2.6%	-2.3%	0.7%	3.4%	4.9%
EV/sales	2.7	5.3	9.7	7.0	4.0	3.1
EV/EBITDA	9.9	18.1	-30.3	72.2	19.2	12.4
PER	9.2	9.0	-2.9	-10.4	11.8	5.8
Adjusted FCF yield	-79.9%	-44.1%	-97.0%	1.1%	35.7%	217.9%

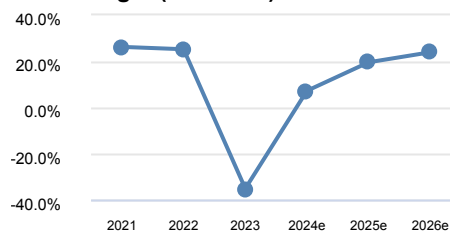
Source: Company data, NuWays, Close price as of 25.10.2024

Sales (2021-26e)



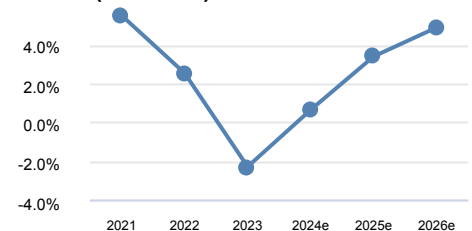
Source: NuWays Research

EBIT margin (2021-26e)



Source: NuWays Research

ROCE (2021-26e)



Source: NuWays Research

Company description

UBM is Europe's leading developer of timber-hybrid real estate with a focus on residential and office properties in its core market Germany and Austria. In comparison to holding assets, development has the highest margin in the real estate value chain.

Guidance

Share Performance



High/low 52 weeks (€)	23.00 / 18.50
3m rel. performance	-11.5%
6m rel. performance	-0.8%
12m rel. performance	-24.8%

Market data

Share price (in €)	18.95
Market cap (in € m)	150.9
Number of shares (in m pcs)	7.5
Enterprise value (in € m)	814.2
Ø trading volume (6 months)	1,986

Identifier

Bloomberg	UBS AV
Reuters	UBMV
WKN	852735
ISIN	AT0000815402

Key shareholders

Syndikat (Ortner/Strauss)	38.8%
IGO Industries Group	7.0%
J. Dickinger	5.0%
Free Float	49.2%

Estimates changes

	2024e	2025e	2026e
Sales	0%	0%	0%
EBIT	0%	0%	0%
EPS	0%	0%	0%

Comment on changes

Financials

Profit and loss (EUR m)	2021	2022	2023	2024e	2025e	2026e
Net sales	278.3	133.9	85.3	116.4	209.4	240.9
<i>Sales growth</i>	51.8%	-51.9%	-36.3%	36.4%	80.0%	15.0%
Increase/decrease in finished goods and work-in-process	-45.9	3.0	33.0	4.6	0.0	0.0
Total sales	232.4	136.9	118.3	120.9	209.4	240.9
Other operating income	59.3	63.6	37.3	3.9	10.5	12.0
Material expenses	141.4	86.9	70.4	64.7	115.2	127.7
Personnel expenses	36.8	37.3	30.9	24.2	33.5	36.1
Other operating expenses	37.6	37.2	81.6	24.7	27.2	28.9
Total operating expenses	215.8	161.3	182.9	113.6	175.9	192.7
EBITDA	75.9	39.2	-27.3	11.3	44.0	60.2
Depreciation	2.6	5.3	2.8	2.8	2.8	2.4
EBITA	73.3	33.9	-30.1	8.5	41.1	57.8
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	0.0	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	73.3	33.9	-30.1	8.5	41.1	57.8
Interest income	14.0	23.4	21.8	16.3	18.7	22.9
Interest expenses	27.2	25.9	31.1	30.5	31.6	33.0
Investment income	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-13.2	-2.5	-9.3	-14.2	-12.9	-10.0
Recurring pretax income from continuing operations	60.1	31.5	-39.4	-5.7	28.2	47.8
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	60.1	31.5	-39.4	-5.7	28.2	47.8
Income tax expense	16.4	4.3	6.7	1.6	8.2	14.3
Net income from continuing operations	43.7	27.1	-46.0	-7.3	20.0	33.4
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	43.7	27.1	-46.0	-7.3	20.0	33.4
Minority interest	10.1	10.3	6.5	7.2	7.2	7.2
Net profit (reported)	33.6	16.8	-52.5	-14.5	12.8	26.2
Average number of shares	7.5	7.5	7.5	7.5	7.5	7.5
EPS reported	4.50	2.25	-7.03	-1.94	1.72	3.51

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%
<i>Sales growth</i>	51.8%	-51.9%	-36.3%	36.4%	80.0%	15.0%
Increase/decrease in finished goods and work-in-process	-16.5%	2.2%	38.7%	3.9%	0.0%	0.0%
Total sales	83.5%	102.2%	138.7%	103.9%	100.0%	100.0%
Other operating income	21.3%	47.5%	43.7%	3.4%	5.0%	5.0%
Material expenses	50.8%	64.8%	82.5%	55.6%	55.0%	53.0%
Personnel expenses	13.2%	27.8%	36.2%	20.8%	16.0%	15.0%
Other operating expenses	13.5%	27.8%	95.7%	21.2%	13.0%	12.0%
Total operating expenses	77.6%	120.4%	214.4%	97.6%	84.0%	80.0%
EBITDA	27.3%	29.2%	-32.0%	9.7%	21.0%	25.0%
Depreciation	0.9%	3.9%	3.3%	2.4%	1.4%	1.0%
EBITA	26.3%	25.3%	-35.2%	7.3%	19.6%	24.0%
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%	0.0%	0.0%	0.0%	0.0%	0.0%
EBIT (inc revaluation net)	26.3%	25.3%	-35.2%	7.3%	19.6%	24.0%
Interest income	5.0%	17.5%	25.5%	14.0%	8.9%	9.5%
Interest expenses	9.8%	19.3%	36.4%	26.2%	15.1%	13.7%
Investment income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Financial result	neg.	neg.	neg.	neg.	neg.	neg.
Recurring pretax income from continuing operations	21.6%	23.5%	-46.1%	-4.9%	13.5%	19.8%
Extraordinary income/loss	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Earnings before taxes	21.6%	23.5%	-46.1%	-4.9%	13.5%	19.8%
Tax rate	27.3%	13.8%	-17.0%	-28.0%	29.0%	30.0%
Net income from continuing operations	15.7%	20.2%	-54.0%	-6.3%	9.6%	13.9%
Income from discontinued operations (net of tax)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net income	15.7%	20.2%	-54.0%	-6.3%	9.6%	13.9%
Minority interest	3.6%	7.7%	7.6%	6.2%	3.4%	3.0%
Net profit (reported)	12.1%	12.5%	-61.5%	-12.5%	6.1%	10.9%

Source: Company data, NuWays

Balance sheet (EUR m)	2021	2022	2023	2024e	2025e	2026e
Intangible assets	4.0	1.6	1.9	1.9	1.9	1.9
Property, plant and equipment	12.9	12.2	11.1	11.1	8.3	5.9
Financial assets	791.1	767.5	723.4	723.4	773.4	723.4
FIXED ASSETS	808.0	781.3	736.4	736.4	783.6	731.2
Inventories	133.1	259.3	265.4	258.6	261.8	240.9
Accounts receivable	60.6	49.5	37.3	31.9	40.2	46.2
Other assets and short-term financial assets	37.2	29.5	54.2	54.2	54.2	54.2
Liquid assets	423.3	322.9	151.5	155.7	95.2	125.1
Deferred taxes	5.7	9.3	8.9	8.9	8.9	8.9
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	659.9	670.6	517.4	509.2	460.3	475.2
TOTAL ASSETS	1,467.8	1,451.8	1,253.8	1,245.6	1,243.9	1,206.4

SHAREHOLDERS EQUITY	518.8	495.9	374.4	368.0	387.0	410.2
MINORITY INTEREST	5.2	5.6	5.3	5.3	5.3	5.3
Long-term liabilities to banks	215.4	269.0	287.8	153.9	267.1	203.7
Bonds (long-term)	446.0	326.6	376.1	426.1	404.1	404.1
other interest-bearing liabilities	113.9	145.6	27.9	37.3	37.3	37.3
Provisions for pensions and similar obligations	9.5	9.3	14.7	14.7	14.7	14.7
Other provisions and accrued liabilities	0.0	0.0	0.0	0.0	0.0	0.0
NON-CURRENT LIABILITIES	784.8	750.5	706.5	631.9	723.1	659.7
Short-term liabilities to banks	84.2	129.4	120.4	187.0	66.8	63.4
Accounts payable	50.1	46.9	25.7	31.9	40.2	46.2
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0
Accrued taxes	13.4	11.2	6.8	6.8	6.8	6.8
Other liabilities (incl. from lease and rental contracts)	5.8	3.5	4.3	4.3	4.3	4.3
Deferred taxes	5.5	8.9	10.4	10.4	10.4	10.4
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT LIABILITIES	159.0	199.9	167.6	240.4	128.5	131.2
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	1,467.8	1,451.8	1,253.8	1,245.6	1,243.9	1,206.4

Balance sheet (common size)	2021	2022	2023	2024e	2025e	2026e
Intangible assets	0.3%	0.1%	0.2%	0.2%	0.2%	0.2%
Property, plant and equipment	0.9%	0.8%	0.9%	0.9%	0.7%	0.5%
Financial assets	53.9%	52.9%	57.7%	58.1%	62.2%	60.0%
FIXED ASSETS	55.0%	53.8%	58.7%	59.1%	63.0%	60.6%
Inventories	9.1%	17.9%	21.2%	20.8%	21.0%	20.0%
Accounts receivable	4.1%	3.4%	3.0%	2.6%	3.2%	3.8%
Other assets and short-term financial assets	2.5%	2.0%	4.3%	4.4%	4.4%	4.5%
Liquid assets	28.8%	22.2%	12.1%	12.5%	7.7%	10.4%
Deferred taxes	0.4%	0.6%	0.7%	0.7%	0.7%	0.7%
Deferred charges and prepaid expenses	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CURRENT ASSETS	45.0%	46.2%	41.3%	40.9%	37.0%	39.4%
TOTAL ASSETS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

SHAREHOLDERS EQUITY	35.3%	34.2%	29.9%	29.5%	31.1%	34.0%
MINORITY INTEREST	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
Long-term liabilities to banks	14.7%	18.5%	23.0%	12.4%	21.5%	16.9%
Bonds (long-term)	30.4%	22.5%	30.0%	34.2%	32.5%	33.5%
other interest-bearing liabilities	7.8%	10.0%	2.2%	3.0%	3.0%	3.1%
Provisions for pensions and similar obligations	0.6%	0.6%	1.2%	1.2%	1.2%	1.2%
Other provisions and accrued liabilities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
NON-CURRENT LIABILITIES	53.5%	51.7%	56.3%	50.7%	58.1%	54.7%
Short-term liabilities to banks	5.7%	8.9%	9.6%	15.0%	5.4%	5.3%
Accounts payable	3.4%	3.2%	2.0%	2.6%	3.2%	3.8%
Advance payments received on orders	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accrued taxes	0.9%	0.8%	0.5%	0.5%	0.5%	0.6%
Other liabilities (incl. from lease and rental contracts)	0.4%	0.2%	0.3%	0.3%	0.3%	0.4%
Deferred taxes	0.4%	0.6%	0.8%	0.8%	0.8%	0.9%
Deferred income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CURRENT LIABILITIES	10.8%	13.8%	13.4%	19.3%	10.3%	10.9%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Company data, NuWays

Cash flow statement (EUR m)	2021	2022	2023	2024e	2025e	2026e
Net profit/loss	43.7	27.1	-46.0	-7.3	20.0	33.4
Depreciation of fixed assets (incl. leases)	-0.9	-14.2	43.2	1.5	2.8	2.4
Amortisation of goodwill & intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Other costs affecting income / expenses	-29.4	-27.9	-37.4	0.0	0.0	0.0
Cash flow from operating activities	-44.9	-56.6	-97.7	11.2	16.8	54.4
Increase/decrease in inventory	-10.2	-72.0	-6.1	6.8	-3.2	20.9
Increase/decrease in accounts receivable	-33.0	27.0	5.3	5.4	-8.3	-6.0
Increase/decrease in accounts payable	-14.7	-10.7	-13.7	6.2	8.3	6.0
Increase/decrease in other working capital positions	0.0	0.0	0.2	0.0	0.0	0.0
Increase/decrease in working capital	-57.8	-55.7	-14.3	18.5	-3.2	20.9
Cash flow from operating activities	-45.7	-70.7	-54.5	12.7	19.6	56.8
CAPEX	1.1	0.5	0.4	0.6	1.0	1.2
Payments for acquisitions	60.6	32.2	54.4	50.0	50.0	50.0
Financial investments	-59.9	-0.5	-60.4	30.0	200.0	200.0
Income from asset disposals	70.9	40.6	6.8	80.0	200.0	300.0
Cash flow from investing activities	69.1	8.4	12.4	-0.6	-51.0	48.8
Cash flow before financing	-1.8	-90.6	-58.7	12.1	-31.4	96.6
Increase/decrease in debt position	82.1	-9.7	-59.4	-7.9	-29.0	-66.8
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	25.3	28.3	16.6	0.0	0.0	9.0
Others	95.6	0.0	-53.7	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.3	-0.1	0.4	0.0	0.0	0.0
Cash flow from financing activities	152.4	-37.9	-129.7	-7.9	-29.0	-75.7
Increase/decrease in liquid assets	176.1	-100.4	-171.4	4.1	-60.4	29.8
Liquid assets at end of period	423.3	322.9	151.5	155.7	95.2	125.1

Key ratios (EUR m)	2021	2022	2023	2024e	2025e	2026e
P&L growth analysis						
Sales growth	51.8%	-51.9%	-36.3%	36.4%	80.0%	15.0%
EBITDA growth	1.3%	-39.8%	-135.9%	-71.2%	-261.2%	434.3%
EBIT growth	2.6%	-45.3%	-141.0%	-75.0%	-236.9%	583.0%
EPS growth	2.6%	-50.1%	-412.7%	-72.3%	-188.3%	104.6%
Efficiency						
Sales per employee	748.2	424.5	252.3	360.6	590.1	616.9
EBITDA per employee	204.1	124.2	-80.7	34.9	123.9	154.2
No. employees (average)	372	316	338	323	355	390
Balance sheet analysis						
Avg. working capital / sales	57.1%	162.3%	246.5%	223.6%	128.6%	103.7%
Inventory turnover (sales/inventory)	2.1	0.5	0.3	0.4	0.8	1.0
Accounts receivable turnover	79.4	134.9	159.6	100.0	70.0	70.0
Accounts payable turnover	65.7	127.9	109.8	100.0	70.0	70.0
Cash flow analysis						
Free cash flow	-46.8	-71.2	-54.9	12.1	18.6	55.6
Free cash flow/sales	-16.8%	-53.2%	-64.3%	10.4%	8.9%	23.1%
FCF / net profit	neg.	neg.	119.1%	neg.	92.8%	166.2%
Capex / sales	-21.1%	-0.0%	-70.3%	26.3%	96.0%	83.5%
Solvency						
Net debt	436.2	547.6	660.6	648.6	680.0	583.4
Net Debt/EBITDA	5.7	14.0	-24.2	57.5	15.5	9.7
Dividend payout ratio	50.0%	49.0%	0.0%	0.0%	70.0%	72.8%
Interest paid / avg. debt	3.4%	3.1%	3.7%	3.6%	4.0%	4.4%
Returns						
ROCE	5.6%	2.6%	-2.3%	0.7%	3.4%	4.9%
ROE	6.5%	3.4%	-14.0%	-3.9%	3.3%	6.4%
Adjusted FCF yield	-79.9%	-44.1%	-97.0%	1.1%	35.7%	217.9%
Dividend yield	11.1%	5.4%	0.0%	0.0%	5.9%	12.7%
DPS	2.2	1.1	0.0	0.0	1.2	2.6
EPS reported	4.50	2.25	-7.03	-1.94	1.72	3.51
Average number of shares	7.5	7.5	7.5	7.5	7.5	7.5
Valuation ratios						
P/BV	0.3	0.3	0.4	0.4	0.4	0.4
EV/sales	2.7	5.3	9.7	7.0	4.0	3.1
EV/EBITDA	9.9	18.1	-30.3	72.2	19.2	12.4
EV/EBIT	10.3	20.9	-27.5	96.2	20.6	13.0

Source: Company data, NuWays

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
UBM Development AG	2

Historical target price and rating changes for UBM Development AG

Company	Date	Analyst	Rating	Target Price	Close
UBM Development AG	30.05.2024	Sennewald, Philipp	Buy	EUR 27.00	EUR 20.30
	14.03.2024	Sennewald, Philipp	Buy	EUR 28.00	EUR 20.00

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 relevant 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 companies:

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: 30/10/2024 07:51 AM

Date of publication dissemination: 30/10/2024 07:51 AM

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

Instagram



Twitter/X



LinkedIn

