

Buy (old: Buy)

Price target: EUR 120.50 (old: EUR 80.00)

Price: EUR 73.20 **Next result:** Q2 12.08.21
Bloomberg: EUZ GR **Market cap:** EUR 1,507.2 m
Reuters: EUZG.DE **Enterprise Value:** EUR 1,433.0 m

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Capitalizing on the rapidly growing nuclear medicine market; PT up

Topic: (a) Q1 results confirm that the ongoing **sales mix shift in favor of the high-margin radiopharmaceuticals-related products is in full swing**; (b) recent news flow – including long-term Y-90 supply agreement with Sirtex, exclusive distribution of Telix' imaging kit, license for technetium (Tc-99) generators in Brazil and expansion of CDMO capabilities – underpins **EUZ's rising importance in the radiopharmaceutical market**.

- Q1 sales came in softer at € 44m (-1% yoy) due to fx headwinds and high comps in the project business. Crucially, however, the **high-margin business with pharmaceutical radioisotopes continued to grow strongly** at 20%+ to c. € 12m sales (eH&A), driving up group EBIT margin to 24% (adj for € 10m positive one-off) in Q1'21, compared to 18.6% in Q1'20.
- EUZ signed a **long-term supply agreement with Sirtex** for the mission-critical yttrium-90 used in Sirtex' liver cancer therapy that is expected to be approved in China by Q4'21. As China accounts for 50% of the total liver cancer cases worldwide, we estimate an incr. sales potential of up to € 50m p.a. in the mid-term. Further, **Telix granted EUZ an exclusive distribution license** for Germany for its prostate cancer imaging kit. This should result in additional recurring revenues and market share wins with Ga-68 generators thanks to the synergistic nature of the two products (**next page*).
- EUZ was granted a **license in Brazil for technetium (Tc-99) generators** – used for SPECT imaging – which could already yield first sales in Q4'21E. Importantly, until now this was a monopoly with one party serving the entire € 100m market. Here, **we expect EUZ to capture 1/3rd of the market in 2-3 years yielding c. € 30m sales**.
- In the course of Q1, EUZ announced to expand its **cGMP facilities across its geographic footprint** (in EU, US, and China). With that, it will be able to offer a complete contract development and manufacturing services (CDMO) to pharma companies globally. In light of significant growth of the targeted radiotherapies market (+25% CAGR to € 19bn by 2030E), **CDMO services should be highly sought after**.

Action: We raise our estimates to account for the Tc-99 opportunity (€ 25m by 2025E) and reflect the CDMO as well as PentixaPharm value potential in our SOTP valuation.

BUY with a **new PT of € 120.5** (old: € 80) based on SOTP (old: DCF). - *continued* -

Y/E 31.12 (EUR m)	2017	2018	2019	2020	2021E*	2022E	2023E
Sales	138.6	168.7	178.5	176.1	183.6	226.3	281.3
Sales growth	16 %	22 %	6 %	-1 %	4 %	23 %	24 %
EBITDA	26.6	32.0	43.1	44.8	50.5	66.6	90.5
EBIT	18.0	23.4	32.1	33.7	39.4	55.5	80.5
Net income	14.7	16.1	22.0	22.9	26.9	38.3	55.9
Net debt	-56.0	-54.1	-78.9	-88.6	-96.9	-117.8	-146.2
Net gearing	-49.8 %	-44.1 %	-57.1 %	-59.9 %	-59.6 %	-61.3 %	-62.4 %
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	0.57	3.12	1.06	1.04	1.31	1.86	2.72
CPS	0.89	0.64	1.46	1.28	1.02	1.32	1.88
DPS	0.80	1.20	0.35	0.35	0.44	0.62	0.90
Dividend yield	1.1 %	1.6 %	0.5 %	0.5 %	0.6 %	0.8 %	1.2 %
Gross profit margin	46.1 %	44.1 %	48.8 %	49.1 %	50.5 %	52.5 %	53.1 %
EBITDA margin	19.2 %	18.9 %	24.2 %	25.4 %	27.5 %	29.4 %	32.2 %
EBIT margin	13.0 %	13.9 %	18.0 %	19.1 %	21.5 %	24.5 %	28.6 %
ROCE	13.8 %	17.6 %	22.5 %	22.9 %	26.2 %	26.2 %	27.4 %
EV/sales	10.5	8.7	8.1	8.1	7.8	6.2	4.9
EV/EBITDA	54.8	45.7	33.3	32.0	28.2	21.1	15.2
EV/EBIT	81.2	62.4	44.8	42.5	36.2	25.3	17.1
PER	127.6	89.8	66.3	67.5	53.1	36.6	26.9
Adjusted FCF yield	0.8 %	1.2 %	1.6 %	1.7 %	2.0 %	2.9 %	4.2 %

Source: Company data, Hauck & Aufhäuser Close price as of: 18.05.2021 *excl. € 10m positive one-off



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 82.25 / 32.75

Price/Book Ratio: 10.7

Relative performance (SDAX):

3 months 21.4 %

6 months 68.0 %

12 months 78.0 %

Changes in estimates

		Sales	EBIT	EPS
2021	old:	179.6	37.8	1.24
	Δ	2.2%	4.1%	5.7%
2022	old:	216.2	54.5	1.80
	Δ	4.7%	1.9%	3.2%
2023	old:	260.3	75.1	2.50
	Δ	8.1%	7.2%	8.5%

Key share data:

Number of shares: (in m pcs) 21.2

Authorised capital: (in € m) 0.6

Book value per share: (in €) 7.1

Ø trading volume: (12 months) 20,453

Major shareholders:

Free float 67.8 %

Founders 32.2 %

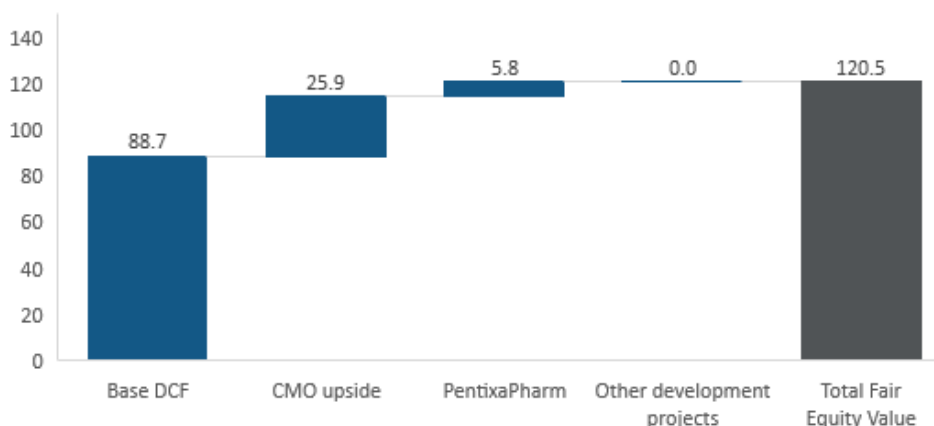
Eckert & Ziegler AG 0.1 %

Company description:

Produces and markets a wide range of industrial and medical applications featuring radioactive isotopes, including prostate seed implants, calibration standards and radiation afterloaders.

*Telix' prostate cancer imaging kit is based on Ga-68 and hence requires a Ga-68 generator. With that, EUZ will be able to offer a highly synergistic product offering on a one-stop-shop basis for nuclear medicine clinics in Germany, thereby protecting or even expanding its market share with Ga-68 generators.

Fair Value Composition (€ per share)



Source: H&A

- **DCF:** € 88.7 (WACC: 7%; TY EBIT margin: 30%; TY growth: 2.5%)
- **CMO upside:** € 25.9 (see table below)
- **PentixaPharm:** € 5.8m. We assumed a multiple of 4x on the purchase price of the 83% stake (€ 30m x 4 = € 120m). **NB:** The two pipeline assets of PentixaPharm (PentixaFor and PentixaTher) carry a disruptive potential in treatment of a number of hematologic and solid tumors. If successful, this could be a € 1bn+ asset. For instance, AAA – who developed the first theranostic (NETSPOT/Lutathera) – was acquired by Novartis for \$ 3.9bn and Telix who is developing the same class of therapeutics is currently valued at € 765m.
- **Other development projects:** We restrictively attach “zero” value to other development projects, including Bayer (targeted thorium conjugates), OncoSil (pancreatic cancer treatment with phosphorus-32), myelo (anti-radiation pill; constituent of the Bayer Pharmaceuticals incubator).

Upside from radiopharmaceutical services	2030E
Nuclear medicine market (in € m)	26,400
Targeted radiotherapies share	70.0%
Radiopharma market	18,480
Share of value creation relevant to EUZ	10%
Implied radiopharmaceuticals services sales	1,848
EUZ market share	15%
Implied revenue potential	277.2
EBIT margin	20%
Implied EBIT potential	55.4
EV/EBIT	20.0
implied FV	1,109
WACC	7.0%
Discount factor (2030E)	0.5
PV	578.1
CAPEX	-60.0
CAPEX PV	-43.9
NPV	534.2
NOSH	20.6
PV per share	25.9

Source: H&A

		Share of suppliers				
		8.0%	9.0%	10.0%	15.0%	20.0%
EUZ market share	10.0%	12.8	14.7	16.6	25.9	35.3
	12.5%	16.6	18.9	21.3	33.0	44.7
	15.0%	20.3	23.1	25.9	40.0	54.0
	17.5%	24.1	27.4	30.6	47.0	63.4
	20.0%	27.8	31.6	35.3	54.0	72.7

Financials

Profit and loss (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Sales	138.6	168.7	178.5	176.1	183.6	226.3	281.3
<i>Sales growth</i>	15.7 %	21.7 %	5.8 %	-1.3 %	4.2 %	23.3 %	24.3 %
Cost of sales	74.8	94.4	91.5	89.6	90.9	107.5	131.9
Gross profit	63.9	74.3	87.0	86.5	92.7	118.8	149.3
Sales and marketing	20.0	23.3	22.9	21.7	22.8	26.0	28.1
General and administration	23.9	26.9	27.6	28.1	27.9	33.5	38.3
Research and development	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operating income	3.8	3.5	2.8	5.8	5.8	5.8	5.8
Other operating expenses	4.5	4.5	7.1	7.2	8.4	9.5	8.2
Unusual or infrequent items	-1.2	0.2	-0.2	-1.6	0.0	0.0	0.0
EBITDA	26.6	32.0	43.1	44.8	50.5	66.6	90.5
Depreciation	8.6	8.6	11.1	11.1	11.1	11.1	10.0
EBITA	18.0	23.4	32.1	33.7	39.4	55.5	80.5
Amortisation of goodwill	0.0	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	0.0
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	18.0	23.4	32.1	33.7	39.4	55.5	80.5
Interest income	0.3	0.2	0.3	0.2	0.2	0.2	0.2
Interest expenses	0.9	0.7	1.1	1.2	1.2	1.2	1.2
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-0.6	-0.5	-0.8	-0.9	-0.9	-0.9	-0.9
Recurring pretax income from continuing operations	17.3	22.9	31.2	32.7	38.4	54.6	79.6
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	17.3	22.9	31.2	32.7	38.4	54.6	79.6
Taxes	5.3	6.0	8.8	9.6	11.3	16.1	23.4
Net income from continuing operations	12.0	16.9	22.5	23.1	27.1	38.5	56.2
Result from discontinued operations (net of tax)	3.1	0.0	0.0	0.0	0.0	0.0	0.0
Net income	15.1	16.9	22.5	23.1	27.1	38.5	56.2
Minority interest	0.4	0.8	0.5	0.2	0.2	0.2	0.2
Net profit (reported)	14.7	16.1	22.0	22.9	26.9	38.3	55.9
Average number of shares	20.5	20.5	20.5	20.6	20.6	20.6	20.6
EPS reported	0.72	0.79	1.07	1.11	1.31	1.86	2.72

Profit and loss (common size)	2017	2018	2019	2020	2021E	2022E	2023E
Sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	53.9 %	55.9 %	51.2 %	50.9 %	49.5 %	47.5 %	46.9 %
Gross profit	46.1 %	44.1 %	48.8 %	49.1 %	50.5 %	52.5 %	53.1 %
Sales and marketing	14.4 %	13.8 %	12.8 %	12.3 %	12.4 %	11.5 %	10.0 %
General and administration	17.3 %	15.9 %	15.4 %	15.9 %	15.2 %	14.8 %	13.6 %
Research and development	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other operating income	2.7 %	2.1 %	1.6 %	3.3 %	3.1 %	2.5 %	2.0 %
Other operating expenses	3.2 %	2.6 %	4.0 %	4.1 %	4.6 %	4.2 %	2.9 %
Unusual or infrequent items	neg.	0.1 %	neg.	neg.	0.0 %	0.0 %	0.0 %
EBITDA	19.2 %	18.9 %	24.2 %	25.4 %	27.5 %	29.4 %	32.2 %
Depreciation	6.2 %	5.1 %	6.2 %	6.3 %	6.0 %	4.9 %	3.6 %
EBITA	13.0 %	13.9 %	18.0 %	19.1 %	21.5 %	24.5 %	28.6 %
Amortisation of goodwill	0.0 %	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 %	0.0 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT (inc revaluation net)	13.0 %	13.9 %	18.0 %	19.1 %	21.5 %	24.5 %	28.6 %
Interest income	0.2 %	0.1 %	0.2 %	0.1 %	0.1 %	0.1 %	0.1 %
Interest expenses	0.6 %	0.4 %	0.6 %	0.7 %	0.6 %	0.5 %	0.4 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	neg.	neg.	neg.	neg.	neg.	neg.	neg.
Recurring pretax income from continuing operations	12.5 %	13.6 %	17.5 %	18.6 %	20.9 %	24.1 %	28.3 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	12.5 %	13.6 %	17.5 %	18.6 %	20.9 %	24.1 %	28.3 %
Tax rate	30.7 %	26.2 %	28.1 %	29.4 %	29.4 %	29.4 %	29.4 %
Net income from continuing operations	8.7 %	10.0 %	12.6 %	13.1 %	14.8 %	17.0 %	20.0 %
Result from discontinued operations (net of tax)	2.2 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	10.9 %	10.0 %	12.6 %	13.1 %	14.8 %	17.0 %	20.0 %
Minority interest	0.3 %	0.4 %	0.3 %	0.1 %	0.1 %	0.1 %	0.1 %
Net profit (reported)	10.6 %	9.6 %	12.3 %	13.0 %	14.7 %	16.9 %	19.9 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Intangible assets	51.4	52.5	51.9	41.4	41.4	41.4	41.4
Property, plant and equipment	33.8	36.9	40.0	38.0	41.9	38.2	34.7
Financial assets	3.2	3.5	5.2	8.0	8.0	8.0	8.0
FIXED ASSETS	88.5	93.0	97.1	87.4	91.3	87.6	84.1
Inventories	26.8	28.8	31.2	33.6	37.5	43.5	54.1
Accounts receivable	24.3	28.3	29.5	28.2	32.2	39.7	49.3
Other current assets	10.9	14.9	26.6	42.3	42.3	42.3	42.3
Liquid assets	57.7	54.2	78.9	88.6	96.9	117.8	146.2
Deferred taxes	8.8	9.9	10.9	11.9	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	128.5	136.1	177.1	204.6	208.8	243.3	291.9
TOTAL ASSETS	217.0	229.1	274.2	292.0	300.2	330.9	375.9
SHAREHOLDERS EQUITY	112.3	122.6	138.2	147.8	162.6	192.0	234.1
MINORITY INTEREST	5.2	1.2	1.2	1.1	1.1	0.0	0.0
Long-term debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Provisions for pensions and similar obligations	11.7	11.4	13.5	14.4	14.4	14.4	14.4
Other provisions	48.7	55.1	66.4	70.5	64.8	66.1	67.4
Non-current liabilities	60.4	66.5	79.9	84.9	79.3	80.6	81.9
short-term liabilities to banks	1.7	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	4.5	6.5	4.5	5.0	6.2	7.4	9.0
Advance payments received on orders	5.9	4.1	12.0	8.6	8.6	8.6	8.6
Other liabilities (incl. from lease and rental contracts)	17.3	17.4	35.6	42.3	42.3	42.3	42.3
Deferred taxes	6.4	7.1	2.8	2.2	0.0	0.0	0.0
Deferred income	3.3	3.6	0.0	0.0	0.0	0.0	0.0
Current liabilities	39.1	38.8	54.9	58.2	57.2	58.3	60.0
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	217.0	229.1	274.2	292.0	300.2	330.9	375.9

Balance sheet (common size)	2017	2018	2019	2020	2021E	2022E	2023E
Intangible assets	23.7 %	22.9 %	18.9 %	14.2 %	13.8 %	12.5 %	11.0 %
Property, plant and equipment	15.6 %	16.1 %	14.6 %	13.0 %	14.0 %	11.5 %	9.2 %
Financial assets	1.5 %	1.5 %	1.9 %	2.7 %	2.7 %	2.4 %	2.1 %
FIXED ASSETS	40.8 %	40.6 %	35.4 %	29.9 %	30.4 %	26.5 %	22.4 %
Inventories	12.3 %	12.6 %	11.4 %	11.5 %	12.5 %	13.2 %	14.4 %
Accounts receivable	11.2 %	12.4 %	10.8 %	9.7 %	10.7 %	12.0 %	13.1 %
Other current assets	5.0 %	6.5 %	9.7 %	14.5 %	14.1 %	12.8 %	11.3 %
Liquid assets	26.6 %	23.7 %	28.8 %	30.3 %	32.3 %	35.6 %	38.9 %
Deferred taxes	4.1 %	4.3 %	4.0 %	4.1 %	0.0 %	0.0 %	0.0 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	59.2 %	59.4 %	64.6 %	70.1 %	69.6 %	73.5 %	77.6 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	51.8 %	53.5 %	50.4 %	50.6 %	54.2 %	58.0 %	62.3 %
MINORITY INTEREST	2.4 %	0.5 %	0.5 %	0.4 %	0.4 %	0.0 %	0.0 %
Long-term debt	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Provisions for pensions and similar obligations	5.4 %	5.0 %	4.9 %	4.9 %	4.8 %	4.4 %	3.8 %
Other provisions	22.4 %	24.0 %	24.2 %	24.1 %	21.6 %	20.0 %	17.9 %
Non-current liabilities	27.8 %	29.0 %	29.1 %	29.1 %	26.4 %	24.4 %	21.8 %
short-term liabilities to banks	0.8 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Accounts payable	2.1 %	2.8 %	1.6 %	1.7 %	2.1 %	2.2 %	2.4 %
Advance payments received on orders	2.7 %	1.8 %	4.4 %	3.0 %	2.9 %	2.6 %	2.3 %
Other liabilities (incl. from lease and rental contracts)	8.0 %	7.6 %	13.0 %	14.5 %	14.1 %	12.8 %	11.3 %
Deferred taxes	3.0 %	3.1 %	1.0 %	0.8 %	0.0 %	0.0 %	0.0 %
Deferred income	1.5 %	1.6 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	18.0 %	16.9 %	20.0 %	19.9 %	19.1 %	17.6 %	16.0 %
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	2019	2020	2021E	2022E	2023E
Net profit/loss	15.1	16.9	22.5	23.1	27.1	38.5	56.2
Depreciation of fixed assets (incl. leases)	8.6	8.6	11.1	11.1	11.1	11.1	10.0
Amortisation of goodwill	0.0	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	0.0
Others	5.5	2.8	10.6	4.3	0.0	0.0	0.0
Cash flow from operations before changes in w/c	29.3	28.2	44.1	38.5	38.2	49.6	66.2
Increase/decrease in inventory	-1.7	0.7	-2.2	-2.4	-3.9	-6.1	-10.6
Increase/decrease in accounts receivable	-1.1	-4.0	-1.2	0.1	-4.0	-7.5	-9.6
Increase/decrease in accounts payable	-1.9	2.0	-0.4	0.5	1.2	1.1	1.7
Increase/decrease in other working capital positions	2.2	-5.7	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	-2.5	-7.0	-3.7	-1.7	-6.7	-12.4	-18.5
Cash flow from operating activities	26.8	21.2	40.4	36.8	31.5	37.2	47.7
CAPEX	4.2	6.1	7.3	8.9	15.0	7.3	6.5
Payments for acquisitions	5.5	2.1	0.9	0.0	0.0	0.0	0.0
Financial investments	0.5	0.0	0.0	5.4	0.0	0.0	0.0
Income from asset disposals	15.2	-2.5	2.5	0.9	0.0	0.0	0.0
Cash flow from investing activities	5.1	-10.7	-5.7	-13.3	-15.0	-7.3	-6.5
Cash flow before financing	31.9	10.5	34.7	23.4	16.5	29.9	41.2
Increase/decrease in debt position	-5.3	-1.7	-2.7	-3.0	0.0	0.0	0.0
Purchase of own shares	0.0	8.6	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	3.5	4.1	6.2	8.8	7.1	9.0	12.8
Others	-1.2	-0.2	-1.7	-1.2	0.0	0.0	0.0
Effects of exchange rate changes on cash	-0.8	0.6	0.5	-1.9	0.0	0.0	0.0
Cash flow from financing activities	-10.0	-14.6	-10.5	-13.0	-7.1	-9.0	-12.8
Increase/decrease in liquid assets	21.1	-3.5	24.7	8.6	9.4	20.9	28.4
Liquid assets at end of period	57.7	54.2	78.9	87.4	96.9	117.8	146.2

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Domestic	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 Europe	84.9	96.8	110.4	125.9	143.5	163.6	186.5
yoy change	14.0 %	14.0 %	14.0 %	14.0 %	14.0 %	14.0 %	14.0 %
NAFTA	53.0	60.9	70.1	80.6	92.7	106.6	122.5
yoy change	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %
Asia Pacific	15.8	17.9	20.2	22.9	25.8	29.2	33.0
yoy change	13.0 %	13.0 %	13.0 %	13.0 %	13.0 %	13.0 %	13.0 %
Rest of world	-15.1	-7.0	-22.2	-53.1	-78.4	-73.0	-60.7
yoy change	neg.	neg.	neg.	neg.	neg.	neg.	neg.
TTL	138.6	168.7	178.5	176.1	183.6	226.3	281.3
yoy change	15.7 %	21.7 %	5.8 %	-1.3 %	4.2 %	23.3 %	24.3 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
P&L growth analysis							
Sales growth	15.7 %	21.7 %	5.8 %	-1.3 %	4.2 %	23.3 %	24.3 %
EBITDA growth	7.0 %	20.1 %	35.0 %	3.8 %	12.7 %	32.0 %	35.9 %
EBIT growth	11.4 %	30.1 %	37.1 %	5.1 %	16.9 %	41.0 %	45.0 %
EPS growth	-60.4 %	9.7 %	36.5 %	3.6 %	17.6 %	42.4 %	46.0 %
Efficiency							
Total operating costs / sales	32.2 %	30.3 %	30.7 %	29.1 %	29.0 %	28.0 %	24.5 %
Sales per employee	n/a	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	n/a
Balance sheet analysis							
Avg. working capital / sales	29.3 %	25.8 %	25.4 %	26.2 %	28.0 %	27.0 %	27.2 %
Inventory turnover (sales/inventory)	5.2	5.2	5.2	4.9	4.9	5.2	5.2
Trade debtors in days of sales	64.0	64.0	64.0	64.0	64.0	64.0	64.0
A/P turnover [(A/P*365)/sales]	22.0	25.0	25.0	25.0	25.0	25.0	25.0
Cash conversion cycle (days)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cash flow analysis							
Free cash flow	22.7	15.1	33.2	27.9	16.5	29.9	41.2
Free cash flow/sales	16.4 %	8.9 %	18.6 %	15.8 %	9.0 %	13.2 %	14.6 %
FCF / net profit	154.2 %	93.5 %	150.7 %	121.8 %	61.5 %	78.0 %	73.6 %
Capex / depre	53.9 %	71.4 %	65.5 %	128.8 %	135.4 %	65.9 %	65.0 %
Capex / maintenance capex	48.1 %	75.2 %	68.9 %	84.6 %	142.5 %	73.2 %	72.2 %
Capex / sales	3.4 %	3.6 %	4.1 %	8.1 %	8.2 %	3.2 %	2.3 %
Security							
Net debt	-56.0	-54.1	-78.9	-88.6	-96.9	-117.8	-146.2
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net debt / equity	neg.	neg.	neg.	neg.	neg.	neg.	neg.
Interest cover	20.4	34.8	29.3	28.2	33.0	46.6	67.5
Dividend payout ratio	111.7 %	152.7 %	33.0 %	31.1 %	33.3 %	33.3 %	33.2 %
Asset utilisation							
Capital employed turnover	1.1	1.2	1.2	1.2	1.2	0.8	0.9
Operating assets turnover	1.9	2.0	2.1	2.0	1.9	2.1	2.3
Plant turnover	4.1	4.6	4.5	4.6	4.4	5.9	8.1
Inventory turnover (sales/inventory)	5.2	5.2	5.2	4.9	4.9	5.2	5.2
Returns							
ROCE	13.8 %	17.6 %	22.5 %	22.9 %	26.2 %	26.2 %	27.4 %
ROE	13.1 %	13.2 %	15.9 %	15.5 %	16.5 %	20.0 %	23.9 %
Other							
Interest paid / avg. debt	13.2 %	73.9 %	1809.9 %	5819.5 %	19883.3	19883.3	19883.3
No. employees (average)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Number of shares	20.5	20.5	20.5	20.6	20.6	20.6	20.6
DPS	0.8	1.2	0.4	0.3	0.4	0.6	0.9
EPS reported	0.72	0.79	1.07	1.11	1.31	1.86	2.72
Valuation ratios							
P/BV	13.4	12.3	10.9	10.2	9.3	7.9	6.4
EV/sales	10.5	8.7	8.1	8.1	7.8	6.2	4.9
EV/EBITDA	54.8	45.7	33.3	32.0	28.2	21.1	15.2
EV/EBITA	81.2	62.4	44.8	42.5	36.2	25.3	17.1
EV/EBIT	81.2	62.4	44.8	42.5	36.2	25.3	17.1
EV/FCF	64.4	96.8	43.3	51.4	86.2	47.0	33.4
Adjusted FCF yield	0.8 %	1.2 %	1.6 %	1.7 %	2.0 %	2.9 %	4.2 %
Dividend yield	1.1 %	1.6 %	0.5 %	0.5 %	0.6 %	0.8 %	1.2 %

Source: Company data, Hauck & Aufhäuser

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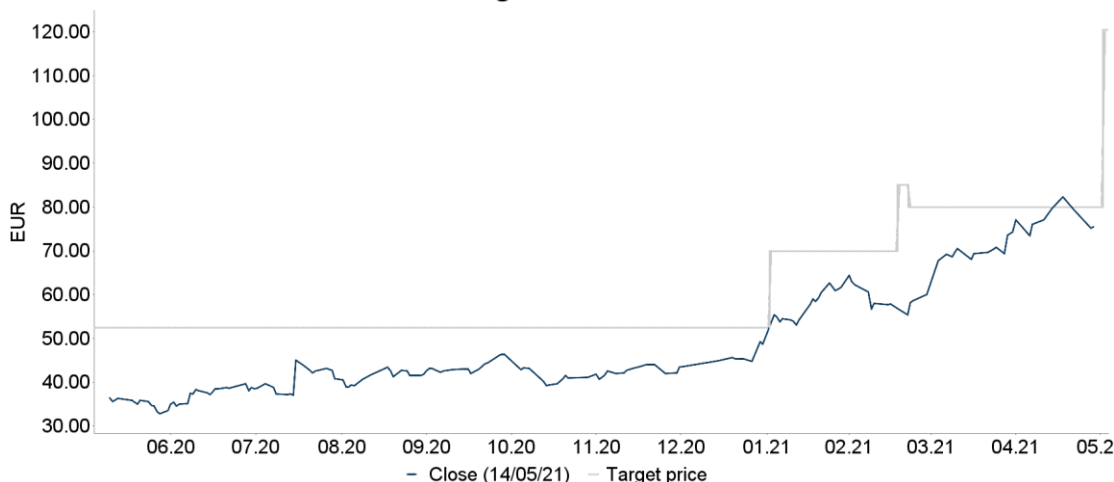
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Company	Disclosure
Eckert & Ziegler AG	2

Historical target price and rating changes for Eckert & Ziegler AG in the last 12 months

**Price and Rating History
Eckert & Ziegler AG as of 19/05/21**

Initiation coverage
08-April-10



Company	Date	Analyst	Rating	Target price	Close
Eckert & Ziegler AG	30.03.2021	Halitsa, Aliaksandr	Buy	EUR 80,00	EUR 70,50
	24.03.2021	Halitsa, Aliaksandr	Buy	EUR 80,00	EUR 68,60
	10.03.2021	Halitsa, Aliaksandr	Buy	EUR 80,00	EUR 58,50
	16.02.2021	Halitsa, Aliaksandr	Buy	EUR 70,00	EUR 62,95
	08.02.2021	Halitsa, Aliaksandr	Buy	EUR 70,00	EUR 62,60

29.01.2021	Halitsa, Aliaksandr	Buy	EUR 70,00	EUR 54,20
19.01.2021	Halitsa, Aliaksandr	Buy	EUR 70,00	EUR 55,30
26.10.2020	Halitsa, Aliaksandr	Buy	EUR 52,50	EUR 43,18
12.10.2020	Halitsa, Aliaksandr	Buy	EUR 52,50	EUR 45,98
24.08.2020	Halitsa, Aliaksandr	Buy	EUR 52,50	EUR 40,60
28.07.2020	Halitsa, Aliaksandr	Buy	EUR 52,50	EUR 37,13
02.07.2020	Halitsa, Aliaksandr	Buy	EUR 52,50	EUR 38,50
24.06.2020	Halitsa, Aliaksandr	Buy	EUR 52,50	EUR 37,28
15.06.2020	Halitsa, Aliaksandr	Buy	EUR 52,50	EUR 33,58

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Sell	6.45 %	0.00 %
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