

Buy (old: Buy)

ESG Rating: A

24-April-24

Price target: EUR 60.00 (old: EUR 60.00)

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Analyst

Price: EUR 36.30 Next result: Q4 22.03.24
Bloomberg: EUZ GR Market cap: EUR 776.6 m
Reuters: EUZG.DE Enterprise Value: EUR 810.8 m

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Business earnings power improves further; PTX spin-off pending

Ahead of the planned PTX spin-off, EUZ's share price has been sliding lower. Evidently, the concern is that following the spin-off – unless there is a strategic investor involved – there will be a rush for the exit due to PTX's entirely different risk profile than that of EUZ.

Importantly, **PTX is nowhere near to be priced in** at the current valuation. In fact, our DCF model for EUZ standalone yields a **fair equity value of € 50/share**, reflecting its strong positioning in the highly attractive and structurally growing market for radiopharmaceuticals.

Furthermore, **the core business of EUZ is in a great shape**, as evidenced by the excellent Q1 prelims with € 68m sales (+17% yoy) and an adj EBIT of € 15m (22% margin). The sales growth seems to be broad-based, including radiopharma-related products (e.g. Ga-68 generators, hot cells), but also radioactive seeds and eye applicators for prostate and ophthalmic brachytherapy to name a few.

Noteworthy, despite the ongoing high CAPEX requiring additional opex (e.g. personnel), **incr. adj EBIT margin arrived at 44.5% supporting a 3.7pp yoy margin expansion in Q1**. In our view, this should be driven by higher gross margins – a strong testament to EUZ's strong value add – and strong operating leverage.

After Q1, **the € 50m FY adj EBIT guidance should be easy to beat**, considering that Q2-Q4 adj EBIT may decline by 25% yoy for EUZ to still meet the guidance. With that, **EUZ may reach our 2025E adj EBIT estimates already in 2024E**.

An adj EBIT of € 55-60m would imply **14.5x-13x EV/EBIT'24E**, prior to factoring in any value for PTX. If PTX were to be valued at c. € 100m (as implied by the most recent transaction), **this would result in EV/EBIT'24E of 12-13x**. In light of EUZ's strong positioning in the structurally growing market for radiopharmaceuticals, with Lu-177 and Ac-225 verticals yet to contribute to growth, **the current valuation presents a bargain**, in our view.

Despite better-than-expected Q1, estimates are left unchanged pending further details with full Q1 results (14th May). **BUY** with a **PT of € 60** based on DCF.

Y/E 31.12 (EUR m)	2020	2021	2022	2023	2024E	2025E	2026E
Sales	178.5	180.4	222.3	246.1	267.9	294.5	316.7
Sales growth	0 %	1 %	23 %	11 %	9 %	10 %	8 %
EBITDA	46.3	57.0	55.0	57.3	61.9	69.6	77.7
Adj. EBIT	0.0	0.0	43.8	46.9	50.2	55.3	61.7
Net income	24.4	34.4	29.3	26.3	31.1	34.6	39.2
Net debt	-88.6	-86.6	-60.3	-41.6	-41.5	-37.9	-70.1
EPS pro forma	1.19	1.67	1.41	1.27	1.50	1.67	1.88
CPS	1.32	1.20	1.09	1.64	1.57	1.63	2.37
DPS	0.35	0.56	0.50	0.05	0.50	0.50	0.50
Dividend yield	0.9 %	0.6 %	1.0 %	0.1 %	1.3 %	1.3 %	1.3 %
Gross profit margin	48.5 %	50.5 %	48.0 %	47.3 %	47.6 %	47.2 %	47.7 %
EBITDA margin	26.0 %	31.6 %	24.8 %	23.3 %	23.1 %	23.6 %	24.5 %
Adj. EBIT margin	0.0 %	0.0 %	19.7 %	19.0 %	18.7 %	18.8 %	19.5 %
ROCE	23.7 %	26.1 %	18.1 %	15.6 %	15.1 %	15.2 %	16.4 %
EV/sales	4.5	10.5	4.7	3.6	3.0	2.8	2.5
EV/EBITDA	17.4	33.1	19.0	15.7	13.1	11.7	10.1
EV/adj. EBIT	n/a	n/a	24.0	19.2	16.1	14.7	12.7
PER	33.6	55.1	35.3	32.9	25.0	22.4	19.8
Adjusted FCF yield	3.4 %	2.0 %	3.1 %	4.0 %	4.9 %	5.6 %	6.6 %

Source: Company data, Hauck Aufhäuser Investment Banking Close price as of: 23.04.2024



Source: Company data, HAIB

High/low 52 weeks:	49.16 / 29.14
Price/Book Ratio:	3.0
Relative performance (SDAX):	
3 months	-19.9 %
6 months	-5.7 %
12 months	-21.2 %

Changes in estimates

		Sales	EBIT	EPS
2024	old:	267.9	48.2	1.50
	Δ	-	-	-
2025	old:	294.5	53.3	1.67
	Δ	-	-	-
2026	old:	316.7	59.7	1.88
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs)	20.8
Authorised capital: (in € m)	0.6
Book value per share: (in €)	12.1
∅ trading volume: (12 months)	20,453

Major shareholders:

Free Float	67.8 %
Founder	32.2 %
Eckert & Ziegler AG	0.1 %

Company description:

A full-service provider for radiopharmaceuticals and isotope technology for industrial applications

Company guidance 2024E:

Sales: € 265m; adj EBIT: € 50m

Company in a Nutshell

Eckert & Ziegler is a leading supplier of isotopes technology into a wide range of industrial applications and, increasingly, to pharmaceutical companies that develop and manufacture targeted radiation therapies. This market is projected to grow from c. \$ 7bn to \$ 39bn by 2032E, strongly driven by Lu-177- and Ac-225-based therapies as well as Ga-68-based diagnostics. All of these hard-to-get isotopes fall under EUZ's expertise. In order to capitalize on these outstanding growth prospects, EUZ is executing a major CAPEX program, which should start to increasingly contribute higher sales and earnings

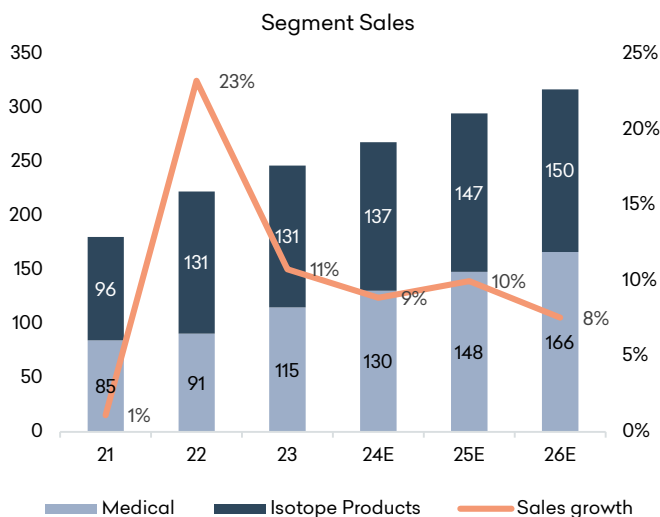
Upcoming Catalysts

- Market launch of Lilly/POINT's prostate cancer drug in 2025E where EUZ is a supplier of Lu-177
- Potential FY'24 guidance hike
- Continuous onboarding of new customers for supply of medical isotopes and CMO services

Investment Case

- A well-established player in multiples attractive niches for the industrial application of isotopes, which is increasingly benefiting from a rapidly growing market for targeted radiopharmaceuticals.
- As a highly experienced supplier of isotope technology, EUZ's portfolio comprises the most sought-after medical isotopes (e.g. Ga-68, Y-90, Lu-177, Ac-225).
- Based on numerous drug launches over the next 5+ years, the market for targeted radiopharmaceuticals is seen to grow from \$ 7bn to \$ 39bn by 2032. In order to capitalize on this, EUZ has been strongly investing into the development and expansion of manufacturing and CMO capacities.
- The valuation of 16x EV/EBIT'24E does not adequately account for the substantial long-term growth runway in the high-margin radiopharma vertical. Adjusted for € 100-150m of PTX's spin-off value, EV/EBIT'24E stands at just 14x and 13x EV/EBIT'24 respectively. Buy with a € 60.0 PT based on DCF.

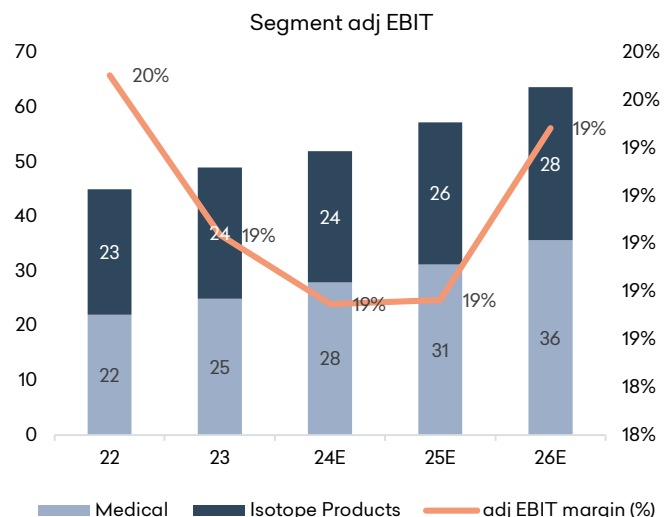
Key Performance Indicators



Source: Company data, Hauck Aufhäuser Investment Banking

Cash flow summary	2022	2023	2024E	2025E	2026E
Operating cash flow	34.3	47.4	44.9	47.8	63.6
Capex	27.1	26.3	40.0	37.0	17.0
FCF	7.2	21.1	4.9	10.8	46.6
FCF per share	0.3	1.0	0.2	0.5	2.2
FCF yield	3.1%	4.0%	4.9%	5.6%	6.6%
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0

Source: Company data, Hauck Aufhäuser Investment Banking



Source: Company data, Hauck Aufhäuser Investment Banking

Key ratios summary	2022	2023	2024E	2025E	2026E
EPS growth	-15.4%	-10.2%	17.7%	11.3%	13.0%
Capital Turnover	0.8	0.8	0.8	0.8	0.9
Avg. working capital / sales	27.9%	29.8%	27.5%	26.2%	22.5%
Cash conversion cycle (days)	158.8	160.7	169.7	161.2	137.2
FCF / Net profit	24.6%	80.3%	15.9%	31.0%	119.0%
Interest cover	25.1	14.4	15.6	17.2	19.3

Source: Company data, Hauck Aufhäuser Investment Banking

Financials

Profit and loss (EUR m)	2020	2021	2022	2023	2024E	2025E	2026E
Sales	178.5	180.4	222.3	246.1	267.9	294.5	316.7
Sales growth	0.0 %	1.1 %	23.2 %	10.7 %	8.9 %	9.9 %	7.5 %
Cost of sales	89.6	89.4	115.5	129.7	140.4	155.4	165.7
Gross profit	86.5	91.1	106.8	116.3	127.5	139.1	151.0
Sales and marketing	21.7	22.6	23.1	24.5	27.8	29.7	31.7
General and administration	28.1	31.5	36.0	39.3	42.7	46.8	49.9
Research and development	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operating income	5.8	17.7	7.2	1.4	2.1	2.1	2.1
Other operating expenses	7.2	7.3	10.4	8.5	8.9	9.4	9.8
Unusual or infrequent items	0.0	0.0	0.0	-1.5	-2.0	-2.0	-2.0
EBITDA	46.3	57.0	55.0	57.3	61.9	69.6	77.7
Depreciation	11.1	9.6	9.3	12.2	12.5	15.1	16.8
EBITA	35.2	47.4	45.7	45.2	49.4	54.5	60.9
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	1.2	1.2	1.2	1.2	1.2
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	35.2	47.4	44.5	45.5	48.2	53.3	59.7
Interest income	0.2	0.1	0.2	0.0	0.0	0.0	0.0
Interest expenses	1.2	1.2	1.8	3.1	3.1	3.1	3.1
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-0.9	-1.1	-1.5	-3.1	-3.1	-3.1	-3.1
Recurring pretax income from continuing operations	34.3	46.4	43.0	42.3	45.1	50.2	56.6
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	34.3	46.4	43.0	42.3	45.1	50.2	56.6
Taxes	9.6	11.7	13.3	11.8	13.5	15.0	17.0
Net income from continuing operations	24.7	34.7	29.7	30.5	31.6	35.1	39.6
Result from discontinued operations (net of tax)	0.0	0.0	0.0	-3.7	0.0	0.0	0.0
Net income	24.7	34.7	29.7	26.8	31.6	35.1	39.6
Minority interest	0.2	0.2	0.5	0.5	0.5	0.5	0.5
Net profit (reported)	24.4	34.4	29.3	26.3	31.1	34.6	39.2
Average number of shares	20.6	20.6	20.7	20.7	20.8	20.8	20.8
EPS reported	1.19	1.67	1.41	1.27	1.50	1.67	1.88

Profit and loss (common size)	2020	2021	2022	2023	2024E	2025E	2026E
Sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	50.2 %	49.5 %	52.0 %	52.7 %	52.4 %	52.8 %	52.3 %
Gross profit	48.5 %	50.5 %	48.0 %	47.3 %	47.6 %	47.2 %	47.7 %
Sales and marketing	12.2 %	12.5 %	10.4 %	10.0 %	10.4 %	10.1 %	10.0 %
General and administration	15.7 %	17.4 %	16.2 %	16.0 %	15.9 %	15.9 %	15.8 %
Research and development	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other operating income	3.2 %	9.8 %	3.2 %	0.6 %	0.8 %	0.7 %	0.7 %
Other operating expenses	4.1 %	4.0 %	4.7 %	3.5 %	3.3 %	3.2 %	3.1 %
Unusual or infrequent items	0.0 %	0.0 %	0.0 %	neg.	neg.	neg.	neg.
EBITDA	26.0 %	31.6 %	24.8 %	23.3 %	23.1 %	23.6 %	24.5 %
Depreciation	6.2 %	5.3 %	4.2 %	4.9 %	4.7 %	5.1 %	5.3 %
EBITA	19.7 %	26.3 %	20.6 %	18.4 %	18.4 %	18.5 %	19.2 %
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 %	0.5 %	0.5 %	0.4 %	0.4 %	0.4 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT (inc revaluation net)	19.7 %	26.3 %	20.0 %	18.5 %	18.0 %	18.1 %	18.9 %
Interest income	0.1 %	0.1 %	0.1 %	0.0 %	0.0 %	0.0 %	0.0 %
Interest expenses	0.7 %	0.7 %	0.8 %	1.3 %	1.2 %	1.1 %	1.0 %
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	19.2 %	25.7 %	19.3 %	17.2 %	16.8 %	17.0 %	17.9 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	19.2 %	25.7 %	19.3 %	17.2 %	16.8 %	17.0 %	17.9 %
Tax rate	28.1 %	25.3 %	30.8 %	27.9 %	30.0 %	30.0 %	30.0 %
Net income from continuing operations	13.8 %	19.2 %	13.4 %	12.4 %	11.8 %	11.9 %	12.5 %
Result from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	-1.5 %	0.0 %	0.0 %	0.0 %
Net income	13.8 %	19.2 %	13.4 %	10.9 %	11.8 %	11.9 %	12.5 %
Minority interest	0.1 %	0.1 %	0.2 %	0.2 %	0.2 %	0.2 %	0.1 %
Net profit (reported)	13.7 %	19.1 %	13.2 %	10.7 %	11.6 %	11.8 %	12.4 %

Source: Company data, Hauck Aufhäuser Investment Banking

Balance sheet (EUR m)	2020	2021	2022	2023	2024E	2025E	2026E
Intangible assets	41.4	61.4	97.0	48.8	49.6	50.4	51.2
Property, plant and equipment	38.0	61.9	111.6	111.8	141.4	165.2	167.4
Financial assets	8.0	16.4	15.9	33.5	33.5	33.5	33.5
FIXED ASSETS	87.4	139.7	224.5	194.1	224.4	249.1	252.1
Inventories	33.6	37.4	39.3	39.9	48.7	50.8	52.8
Accounts receivable	28.2	31.9	37.2	43.7	47.7	51.6	54.7
Other current assets	42.3	34.0	15.2	82.0	82.0	82.0	82.0
Liquid assets	88.6	93.7	82.7	68.0	67.9	64.3	96.5
Deferred taxes	11.9	11.2	8.6	11.7	11.7	11.7	11.7
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	204.6	208.1	182.9	245.3	258.0	260.3	297.6
TOTAL ASSETS	292.0	347.7	407.5	439.4	482.4	509.4	549.6
SHAREHOLDERS EQUITY	147.8	187.4	212.1	222.2	252.7	277.4	306.7
MINORITY INTEREST	1.1	5.1	1.6	1.9	1.9	1.9	1.9
Long-term debt	0.0	0.0	22.4	20.0	20.0	20.0	20.0
Provisions for pensions and similar obligations	14.4	13.0	10.3	11.0	11.0	11.0	11.0
Other provisions	70.5	92.5	108.6	106.1	106.1	106.1	106.1
Non-current liabilities	84.9	105.5	141.3	137.1	137.1	137.1	137.1
short-term liabilities to banks	0.0	7.1	0.0	6.4	6.4	6.4	6.4
Accounts payable	5.0	5.6	8.3	5.9	8.5	9.4	19.1
Advance payments received on orders	8.6	11.6	6.2	4.5	14.4	15.8	17.1
Other liabilities (incl. from lease and rental contracts)	42.3	23.1	33.0	60.1	60.1	60.1	60.1
Deferred taxes	2.2	2.2	5.1	1.3	1.3	1.3	1.3
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	58.2	49.7	52.5	78.1	90.6	92.9	103.9
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	292.0	347.7	407.5	439.4	482.4	509.4	549.6

Balance sheet (common size)	2020	2021	2022	2023	2024E	2025E	2026E
Intangible assets	14.2 %	17.7 %	23.8 %	11.1 %	10.3 %	9.9 %	9.3 %
Property, plant and equipment	13.0 %	17.8 %	27.4 %	25.5 %	29.3 %	32.4 %	30.5 %
Financial assets	2.7 %	4.7 %	3.9 %	7.6 %	6.9 %	6.6 %	6.1 %
FIXED ASSETS	29.9 %	40.2 %	55.1 %	44.2 %	46.5 %	48.9 %	45.9 %
Inventories	11.5 %	10.7 %	9.6 %	9.1 %	10.1 %	10.0 %	9.6 %
Accounts receivable	9.7 %	9.2 %	9.1 %	10.0 %	9.9 %	10.1 %	9.9 %
Other current assets	14.5 %	9.8 %	3.7 %	18.7 %	17.0 %	16.1 %	14.9 %
Liquid assets	30.3 %	26.9 %	20.3 %	15.5 %	14.1 %	12.6 %	17.6 %
Deferred taxes	4.1 %	3.2 %	2.1 %	2.7 %	2.4 %	2.3 %	2.1 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	70.1 %	59.8 %	44.9 %	55.8 %	53.5 %	51.1 %	54.1 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	50.6 %	53.9 %	52.0 %	50.6 %	52.4 %	54.5 %	55.8 %
MINORITY INTEREST	0.4 %	1.5 %	0.4 %	0.4 %	0.4 %	0.4 %	0.3 %
Long-term debt	0.0 %	0.0 %	5.5 %	4.6 %	4.2 %	3.9 %	3.6 %
Provisions for pensions and similar obligations	4.9 %	3.8 %	2.5 %	2.5 %	2.3 %	2.2 %	2.0 %
Other provisions	24.1 %	26.6 %	26.7 %	24.2 %	22.0 %	20.8 %	19.3 %
Non-current liabilities	29.1 %	30.4 %	34.7 %	31.2 %	28.4 %	26.9 %	24.9 %
short-term liabilities to banks	0.0 %	2.0 %	0.0 %	1.4 %	1.3 %	1.2 %	1.2 %
Accounts payable	1.7 %	1.6 %	2.0 %	1.3 %	1.8 %	1.8 %	3.5 %
Advance payments received on orders	3.0 %	3.3 %	1.5 %	1.0 %	3.0 %	3.1 %	3.1 %
Other liabilities (incl. from lease and rental contracts)	14.5 %	6.7 %	8.1 %	13.7 %	12.5 %	11.8 %	10.9 %
Deferred taxes	0.8 %	0.6 %	1.2 %	0.3 %	0.3 %	0.3 %	0.2 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	19.9 %	14.3 %	12.9 %	17.8 %	18.8 %	18.2 %	18.9 %
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Source: Company data, Hauck Aufhäuser Investment Banking

Cash flow statement (EUR m)	2020	2021	2022	2023	2024E	2025E	2026E
Net profit/loss	24.7	34.7	29.7	26.3	31.6	35.1	39.6
Depreciation of fixed assets (incl. leases)	11.1	9.6	10.5	12.2	12.5	15.1	16.8
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	1.2	1.2	1.2	1.2	1.2
Others	4.3	-0.7	-30.7	17.4	9.9	1.4	1.3
Cash flow from operations before changes in w/c	40.0	43.6	10.7	57.1	55.1	52.8	58.9
Increase/decrease in inventory	-2.4	-6.0	-14.3	-0.7	-8.8	-2.1	-2.0
Increase/decrease in accounts receivable	0.1	-3.9	-5.3	-6.5	-4.0	-3.9	-3.0
Increase/decrease in accounts payable	0.5	0.6	2.8	-2.5	2.6	0.9	9.7
Increase/decrease in other working capital positions	0.0	0.0	40.4	0.0	0.0	0.0	0.0
Increase/decrease in working capital	-1.7	-9.3	23.6	-9.7	-10.2	-5.1	4.7
Cash flow from operating activities	38.3	34.3	34.3	47.4	44.9	47.8	63.6
CAPEX	8.9	28.9	27.1	26.3	40.0	37.0	17.0
Payments for acquisitions	0.0	8.3	10.8	4.7	0.0	0.0	0.0
Financial investments	5.4	0.0	2.2	0.0	0.0	0.0	0.0
Income from asset disposals	0.9	13.5	-1.0	-11.8	0.0	0.0	0.0
Cash flow from investing activities	-13.3	-23.6	-41.0	-42.7	-40.0	-37.0	-17.0
Cash flow before financing	25.0	10.7	-6.7	4.7	4.9	10.8	46.6
Increase/decrease in debt position	-3.0	7.1	24.2	17.2	0.0	0.0	0.0
Purchase of own shares	0.0	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	0.0
Dividends paid	8.8	9.3	10.4	10.4	1.0	10.4	10.4
Others	-1.2	-3.8	-19.5	-25.8	-4.0	-4.0	-4.0
Effects of exchange rate changes on cash	-1.9	2.0	1.5	-0.4	0.0	0.0	0.0
Cash flow from financing activities	-13.0	-6.1	-5.7	-19.0	-5.0	-14.4	-14.4
Increase/decrease in liquid assets	10.1	6.6	-11.0	-14.7	-0.1	-3.7	32.2
Liquid assets at end of period	89.0	95.6	82.7	68.0	67.9	64.3	96.5

Quarterly results (EUR m)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024P	FY 2024E
Sales	49.9	57.4	58.4	57.1	57.9	60.0	65.9	57.1	67.6	267.9
Sales growth	13 %	27 %	41 %	15 %	16 %	5 %	13 %	0 %	17 %	9 %
Gross profit	26.2	29.2	29.3	22.3	27.4	29.9	32.5	28.0	32.4	127.5
Gross profit margin	52.5 %	50.9 %	50.3 %	39.2 %	47.3 %	49.9 %	49.3 %	49.0 %	48.0 %	47.6 %
Adj. EBIT	n/a	n/a	n/a	n/a	10.7	n/a	n/a	n/a	15.0	50.2
Adj. EBIT margin	n/a	n/a	n/a	n/a	18.5 %	n/a	n/a	n/a	22.2 %	18.7 %

Source: Company data, Hauck Aufhäuser Investment Banking

Key ratios (EUR m)	2020	2021	2022	2023	2024E	2025E	2026E
P&L growth analysis							
Sales growth	0.0 %	1.1 %	23.2 %	10.7 %	8.9 %	9.9 %	7.5 %
EBITDA growth	7.4 %	23.2 %	-3.5 %	4.2 %	7.9 %	12.5 %	11.7 %
EBIT growth	9.9 %	34.6 %	-6.1 %	2.0 %	6.1 %	10.5 %	12.1 %
EPS growth	13.0 %	40.9 %	-15.4 %	-10.2 %	17.7 %	11.3 %	13.0 %
Efficiency							
Total operating costs / sales	28.7 %	24.2 %	28.0 %	28.8 %	28.9 %	28.5 %	28.2 %
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	n/a	27.8 %	25.6 %	27.5 %	27.4 %	25.6 %	23.4 %
Inventory turnover (sales/inventory)	5.3	4.8	5.7	6.2	5.5	5.8	6.0
Trade debtors in days of sales	57.7	64.5	61.0	64.8	65.0	64.0	63.0
A/P turnover [(A/P*365)/sales]	20.4	22.8	26.4	16.5	22.0	22.0	22.0
Cash conversion cycle (days)	174.0	194.3	158.8	160.7	169.7	161.2	137.2
Cash flow analysis							
Free cash flow	29.4	5.4	7.2	21.1	4.9	10.8	46.6
Free cash flow/sales	16.5 %	3.0 %	3.2 %	8.6 %	1.8 %	3.7 %	14.7 %
FCF / net profit	120.5 %	15.8 %	24.6 %	80.3 %	15.9 %	31.0 %	119.0 %
Capex / deprn	128.8 %	300.7 %	250.3 %	196.5 %	292.7 %	226.5 %	94.4 %
Capex / maintenance capex	80.4 %	300.7 %	231.6 %	196.5 %	309.0 %	252.1 %	104.2 %
Capex / sales	8.0 %	16.0 %	13.2 %	10.7 %	14.9 %	12.6 %	5.4 %
Security							
Net debt	-88.6	-86.6	-60.3	-41.6	-41.5	-37.9	-70.1
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	29.5	39.7	25.1	14.4	15.6	17.2	19.3
Dividend payout ratio	29.1 %	33.3 %	35.3 %	3.9 %	33.4 %	30.0 %	26.6 %
Asset utilisation							
Capital employed turnover	1.2	0.8	0.8	0.8	0.8	0.8	0.9
Operating assets turnover	2.1	1.6	1.3	1.3	1.2	1.2	1.3
Plant turnover	4.7	2.9	2.0	2.2	1.9	1.8	1.9
Inventory turnover (sales/inventory)	5.3	4.8	5.7	6.2	5.5	5.8	6.0
Returns							
ROCE	23.7 %	26.1 %	18.1 %	15.6 %	15.1 %	15.2 %	16.4 %
ROE	16.5 %	18.4 %	13.8 %	11.8 %	12.3 %	12.5 %	12.8 %
Other							
Interest paid / avg. debt	19883.3	33.7 %	12.0 %	12.9 %	11.7 %	11.7 %	11.7 %
No. employees (average)	0	0	0	0	0	0	0
Number of shares	20.6	20.6	20.7	20.7	20.8	20.8	20.8
DPS	0.3	0.6	0.5	0.1	0.5	0.5	0.5
EPS reported	1.19	1.67	1.41	1.27	1.50	1.67	1.88
Valuation ratios							
P/BV	5.6	10.1	4.9	3.9	3.1	2.8	2.5
EV/sales	4.5	10.5	4.7	3.6	3.0	2.8	2.5
EV/EBITDA	17.4	33.1	19.0	15.7	13.1	11.7	10.1
EV/EBITA	22.9	39.8	22.9	19.9	16.4	15.0	12.8
EV/EBIT	22.9	39.8	23.5	19.7	16.8	15.3	13.1
EV/FCF	27.4	346.8	145.1	42.5	164.0	75.7	16.8
Adjusted FCF yield	3.4 %	2.0 %	3.1 %	4.0 %	4.9 %	5.6 %	6.6 %
Dividend yield	0.9 %	0.6 %	1.0 %	0.1 %	1.3 %	1.3 %	1.3 %

Source: Company data, Hauck Aufhäuser Investment Banking

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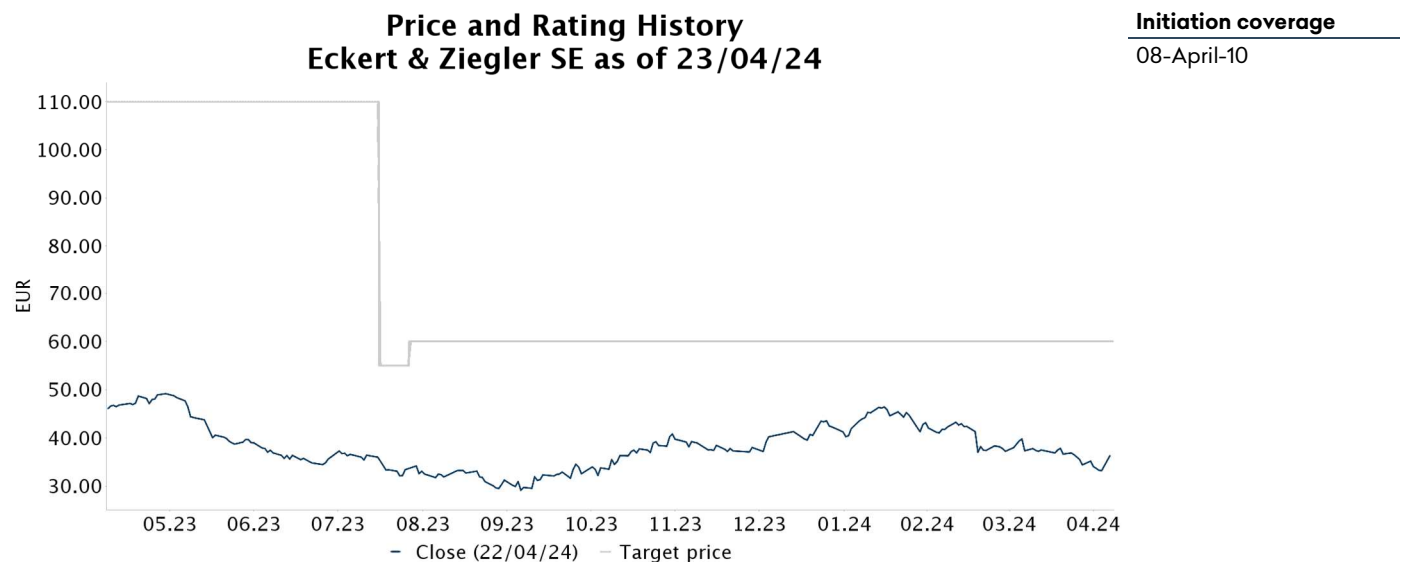
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Company	Disclosure
Eckert & Ziegler SE	2

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



Company	Date	Analyst	Rating	Target price	Close
Eckert & Ziegler SE	25.03.2024	Galitsa, Alexander	Buy	EUR 60.00	EUR 37.78
	06.03.2024	Galitsa, Alexander	Buy	EUR 60.00	EUR 38.20
	11.01.2024	Galitsa, Alexander	Buy	EUR 60.00	EUR 42.44
	03.01.2024	Galitsa, Alexander	Buy	EUR 60.00	EUR 39.54
	07.12.2023	Galitsa, Alexander	Buy	EUR 60.00	EUR 37.30
	20.11.2023	Galitsa, Alexander	Buy	EUR 60.00	EUR 39.14
	08.11.2023	Galitsa, Alexander	Buy	EUR 60.00	EUR 38.92
	25.10.2023	Galitsa, Alexander	Buy	EUR 60.00	EUR 34.50
	18.10.2023	Galitsa, Alexander	Buy	EUR 60.00	EUR 33.46
	10.10.2023	Galitsa, Alexander	Buy	EUR 60.00	EUR 33.46
	29.08.2023	Galitsa, Alexander	Buy	EUR 60.00	EUR 33.24
	15.08.2023	Galitsa, Alexander	Buy	EUR 60.00	EUR 32.58

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Sell	3.72 %	0.00 %
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Date of publication creation: 24/04/2024 08:28 AM

Date of publication dissemination: 24/04/2024 08:29 AM

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