

# Eckert & Ziegler AG

## Germany - High-tech Engineering



HAUCK  
AUFHÄUSER  
INVESTMENT BANKING

**Buy** (old: Buy)

**Price target: EUR 152.00** (old: EUR 152.00)

<b>Price:</b>	EUR 56.15	<b>Next result:</b>	Q1: 12.05.2022
<b>Bloomberg:</b>	EUZ GR	<b>Market cap:</b>	EUR 1,179.8 m
<b>Reuters:</b>	EUZG.DE	<b>Enterprise Value:</b>	EUR 1,137.2 m

11-April-22

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### Q1 prelims; PentixaFor explores further therapeutic areas

EUZ announced preliminary Q1 results with sales of € 47m (+6% yoy) and € 6.5m net income and **confirmed its FY guidance** of € 200m sales and € 38m net income (€ 25m "core" net income + € 13m probability-weighted contribution of "undisclosed projects").

Q1 sales **adjusted for HDR divestment** – which contributed c. € 3m of sales in Q1 2021 – **grew by 14% yoy**. Further, we expect a progressively higher contribution from Ga-68 and Y-90 on the back of the recently approved therapies from Novartis and SIRTEX that are yet to be ramped up. Importantly, for both therapies **EUZ is a mission-critical supplier of relevant isotopes**. At the same time, Q1 net income of € 6.5m (or c. 9.5m EBIT; 20% margin vs. Q1'21 and FY'21: 20%) is in line with the required run-rate to reach the "core" net income guidance of € 25m.

On a different note, **EUZ is making strides with its proprietary compound PentixaFor** – the lead Ga-68-based diagnostic asset of PentixaPharm – **in therapeutics areas outside of its core focus oncology**. Radboud University Medical Center (RUMC) – one of the largest centres of excellence in the Netherlands, for adrenal diseases – treated the first patients with primary aldosteronism (PA) with PentixaFor as part of a clinical study.

The key value proposition of PentixaFor is to **provide a more accurate diagnosis of various oncological and inflammatory diseases** – which is possible thanks to high-resolution images and superior sensitivity – and ultimately **direct patients to the most appropriate therapy**. Further, PentixaFor stands out as a non-invasive, easy to perform method, compared to invasive standard diagnostic procedure and hence has a **potential to replace the current gold standard** altogether.

Separately from this program, **EUZ is preparing for a Phase 3 clinical trial** of PentixaFor as a highly sensitive diagnostic for a range of haemato-oncological malignancies, including myeloma and lymphoma. The **start of the study is expected in Nov. 2022 with a readout in Q1 2024**.

Based on the wide range of applications across oncology and inflammatory diseases coupled with persistently **high deal-making activity** in the space, **PentixaFor carries a substantial option value**. An application across myeloma and lymphoma alone could justify a value of up to € 1bn based on an assumed patient penetration of 20%.

**BUY** with an unchanged **PT of € 152** based on SOTP.

Y/E 31.12 (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
Sales	168.7	178.5	176.1	180.4	204.9	225.5	264.5
Sales growth	22 %	6 %	-1 %	2 %	14 %	10 %	17 %
EBITDA	32.0	43.1	44.8	57.0	52.1	56.6	70.4
EBIT	23.4	32.1	33.7	47.4	42.5	46.6	60.4
Net income	16.1	22.0	22.9	34.4	30.7	33.8	44.1
Net debt	-54.1	-78.9	-88.6	-86.6	-55.7	-7.9	-10.2
Net gearing	-44.1 %	-57.1 %	-59.9 %	-46.2 %	-25.7 %	-2.6 %	-3.0 %
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	3.12	1.06	1.04	1.67	1.49	1.64	2.14
CPS	0.64	1.46	1.28	1.20	1.40	1.38	1.58
DPS	1.20	0.35	0.35	0.56	0.50	0.50	0.50
Dividend yield	2.1 %	0.6 %	0.6 %	1.0 %	0.9 %	0.9 %	0.9 %
Gross profit margin	44.1 %	48.8 %	49.1 %	50.5 %	49.0 %	47.9 %	48.6 %
EBITDA margin	18.9 %	24.2 %	25.4 %	31.6 %	25.4 %	25.1 %	26.6 %
EBIT margin	13.9 %	18.0 %	19.1 %	26.3 %	20.7 %	20.7 %	22.8 %
ROCE	17.6 %	22.5 %	22.9 %	26.0 %	15.7 %	12.6 %	14.0 %
EV/sales	6.7	6.2	6.3	6.1	5.6	5.3	4.5
EV/EBITDA	35.5	25.8	24.7	19.4	21.8	20.9	16.8
EV/EBIT	48.5	34.7	32.8	23.3	26.8	25.4	19.6
PER	69.6	51.1	51.9	31.8	36.7	34.9	26.8
Adjusted FCF yield	1.5 %	2.1 %	2.2 %	3.3 %	2.9 %	3.1 %	4.0 %

Source: Company data, Hauck Aufhäuser Investment Banking Close price as of: 08.04.2022



Source: Company data, Hauck Aufhäuser Investment Banking

**High/low 52 weeks:** 137.40 / 50.35  
**Price/Book Ratio:** 5.3  
**Relative performance (SDAX):**  
3 months -25.5 %  
6 months -40.6 %  
12 months -10.7 %

#### Changes in estimates

		Sales	EBIT	EPS
2022	old:	204.9	42.5	1.49
	Δ	-	-	-
2023	old:	225.5	46.6	1.64
	Δ	-	-	-
2024	old:	264.5	60.4	2.14
	Δ	-	-	-

#### Key share data:

Number of shares: (in m pcs) 20.6  
Authorised capital: (in € m) 0.6  
Book value per share: (in €) 10.5  
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.

## Financials

Profit and loss (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
<b>Sales</b>	<b>168.7</b>	<b>178.5</b>	<b>176.1</b>	<b>180.4</b>	<b>204.9</b>	<b>225.5</b>	<b>264.5</b>
<i>Sales growth</i>	21.7 %	5.8 %	-1.3 %	2.4 %	13.5 %	10.1 %	17.3 %
Cost of sales	94.4	91.5	89.6	89.4	104.6	117.5	135.9
<b>Gross profit</b>	<b>74.3</b>	<b>87.0</b>	<b>86.5</b>	<b>91.1</b>	<b>100.3</b>	<b>108.0</b>	<b>128.6</b>
Sales and marketing	23.3	22.9	21.7	22.6	23.6	25.1	28.0
General and administration	26.9	27.6	28.1	31.5	32.2	34.3	38.2
Research and development	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operating income	3.5	2.8	5.8	17.7	5.0	5.0	5.0
Other operating expenses	4.5	7.1	7.2	7.3	7.0	7.0	7.0
Unusual or infrequent items	0.2	-0.2	-1.6	0.0	0.0	0.0	0.0
<b>EBITDA</b>	<b>32.0</b>	<b>43.1</b>	<b>44.8</b>	<b>57.0</b>	<b>52.1</b>	<b>56.6</b>	<b>70.4</b>
Depreciation	8.6	11.1	11.1	9.6	9.6	10.0	10.0
<b>EBITA</b>	<b>23.4</b>	<b>32.1</b>	<b>33.7</b>	<b>47.4</b>	<b>42.5</b>	<b>46.6</b>	<b>60.4</b>
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
<b>EBIT (inc revaluation net)</b>	<b>23.4</b>	<b>32.1</b>	<b>33.7</b>	<b>47.4</b>	<b>42.5</b>	<b>46.6</b>	<b>60.4</b>
Interest income	0.2	0.3	0.2	0.1	0.1	0.1	0.1
Interest expenses	0.7	1.1	1.2	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	-0.5	-0.8	-0.9	-1.1	-1.1	-1.1	-1.1
<b>Recurring pretax income from continuing operations</b>	<b>22.9</b>	<b>31.2</b>	<b>32.7</b>	<b>46.4</b>	<b>41.4</b>	<b>45.6</b>	<b>59.3</b>
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Earnings before taxes</b>	<b>22.9</b>	<b>31.2</b>	<b>32.7</b>	<b>46.4</b>	<b>41.4</b>	<b>45.6</b>	<b>59.3</b>
Taxes	6.0	8.8	9.6	11.7	10.5	11.5	15.0
<b>Net income from continuing operations</b>	<b>16.9</b>	<b>22.5</b>	<b>23.1</b>	<b>34.7</b>	<b>30.9</b>	<b>34.0</b>	<b>44.3</b>
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>16.9</b>	<b>22.5</b>	<b>23.1</b>	<b>34.7</b>	<b>30.9</b>	<b>34.0</b>	<b>44.3</b>
Minority interest	0.8	0.5	0.2	0.2	0.2	0.2	0.2
<b>Net profit (reported)</b>	<b>16.1</b>	<b>22.0</b>	<b>22.9</b>	<b>34.4</b>	<b>30.7</b>	<b>33.8</b>	<b>44.1</b>
Average number of shares	20.5	20.5	20.6	20.6	20.6	20.6	20.6
<b>EPS reported</b>	<b>0.79</b>	<b>1.07</b>	<b>1.11</b>	<b>1.67</b>	<b>1.49</b>	<b>1.64</b>	<b>2.14</b>

Profit and loss (common size)	2018	2019	2020	2021	2022E	2023E	2024E
<b>Sales</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
Cost of sales	55.9 %	51.2 %	50.9 %	49.5 %	51.0 %	52.1 %	51.4 %
<b>Gross profit</b>	<b>44.1 %</b>	<b>48.8 %</b>	<b>49.1 %</b>	<b>50.5 %</b>	<b>49.0 %</b>	<b>47.9 %</b>	<b>48.6 %</b>
Sales and marketing	13.8 %	12.8 %	12.3 %	12.5 %	11.5 %	11.1 %	10.6 %
General and administration	15.9 %	15.4 %	15.9 %	17.4 %	15.7 %	15.2 %	14.4 %
Research and development	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other operating income	2.1 %	1.6 %	3.3 %	9.8 %	2.4 %	2.2 %	1.9 %
Other operating expenses	2.6 %	4.0 %	4.1 %	4.0 %	3.4 %	3.1 %	2.6 %
Unusual or infrequent items	0.1 %	neg.	neg.	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBITDA</b>	<b>18.9 %</b>	<b>24.2 %</b>	<b>25.4 %</b>	<b>31.6 %</b>	<b>25.4 %</b>	<b>25.1 %</b>	<b>26.6 %</b>
Depreciation	5.1 %	6.2 %	6.3 %	5.3 %	4.7 %	4.4 %	3.8 %
<b>EBITA</b>	<b>13.9 %</b>	<b>18.0 %</b>	<b>19.1 %</b>	<b>26.3 %</b>	<b>20.7 %</b>	<b>20.7 %</b>	<b>22.8 %</b>
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 %
<b>EBIT (inc revaluation net)</b>	<b>13.9 %</b>	<b>18.0 %</b>	<b>19.1 %</b>	<b>26.3 %</b>	<b>20.7 %</b>	<b>20.7 %</b>	<b>22.8 %</b>
Interest income	0.1 %	0.2 %	0.1 %	0.1 %	0.1 %	0.1 %	0.0 %
Interest expenses	0.4 %	0.6 %	0.7 %	0.7 %	0.6 %	0.5 %	0.5 %
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.
<b>Recurring pretax income from continuing operations</b>	<b>13.6 %</b>	<b>17.5 %</b>	<b>18.6 %</b>	<b>25.7 %</b>	<b>20.2 %</b>	<b>20.2 %</b>	<b>22.4 %</b>
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Earnings before taxes</b>	<b>13.6 %</b>	<b>17.5 %</b>	<b>18.6 %</b>	<b>25.7 %</b>	<b>20.2 %</b>	<b>20.2 %</b>	<b>22.4 %</b>
Tax rate	26.2 %	28.1 %	29.4 %	25.3 %	25.3 %	25.3 %	25.3 %
<b>Net income from continuing operations</b>	<b>10.0 %</b>	<b>12.6 %</b>	<b>13.1 %</b>	<b>19.2 %</b>	<b>15.1 %</b>	<b>15.1 %</b>	<b>16.8 %</b>
Result from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Net income</b>	<b>10.0 %</b>	<b>12.6 %</b>	<b>13.1 %</b>	<b>19.2 %</b>	<b>15.1 %</b>	<b>15.1 %</b>	<b>16.8 %</b>
Minority interest	0.4 %	0.3 %	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %
<b>Net profit (reported)</b>	<b>9.6 %</b>	<b>12.3 %</b>	<b>13.0 %</b>	<b>19.1 %</b>	<b>15.0 %</b>	<b>15.0 %</b>	<b>16.7 %</b>

Source: Company data, Hauck Aufhäuser Investment Banking

Balance sheet (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
<b>Intangible assets</b>	<b>52.5</b>	<b>51.9</b>	<b>41.4</b>	<b>61.4</b>	<b>71.1</b>	<b>136.1</b>	<b>136.1</b>
Property, plant and equipment	36.9	40.0	38.0	61.9	109.1	174.1	192.9
Financial assets	3.5	5.2	8.0	16.4	16.4	16.4	16.4
<b>FIXED ASSETS</b>	<b>93.0</b>	<b>97.1</b>	<b>87.4</b>	<b>139.7</b>	<b>196.6</b>	<b>326.6</b>	<b>345.4</b>
Inventories	28.8	31.2	33.6	37.4	39.4	43.4	50.9
Accounts receivable	28.3	29.5	28.2	31.9	33.7	37.1	43.5
Other current assets	14.9	26.6	42.3	34.0	34.0	34.0	34.0
Liquid assets	54.2	78.9	88.6	93.7	62.8	14.9	17.3
Deferred taxes	9.9	10.9	11.9	11.2	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
<b>CURRENT ASSETS</b>	<b>136.1</b>	<b>177.1</b>	<b>204.6</b>	<b>208.1</b>	<b>169.8</b>	<b>129.4</b>	<b>145.6</b>
<b>TOTAL ASSETS</b>	<b>229.1</b>	<b>274.2</b>	<b>292.0</b>	<b>347.7</b>	<b>366.4</b>	<b>455.9</b>	<b>491.1</b>
SHAREHOLDERS EQUITY	122.6	138.2	147.8	187.4	217.1	304.1	336.3
MINORITY INTEREST	1.2	1.2	1.1	5.1	0.0	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	11.4	13.5	14.4	13.0	13.0	13.0	13.0
Other provisions	55.1	66.4	70.5	92.5	88.1	89.8	91.6
<b>Non-current liabilities</b>	<b>66.5</b>	<b>79.9</b>	<b>84.9</b>	<b>105.5</b>	<b>101.1</b>	<b>102.9</b>	<b>104.7</b>
short-term liabilities to banks	0.0	0.0	0.0	7.1	7.1	7.1	7.1
Accounts payable	6.5	4.5	5.0	5.6	6.3	7.1	8.2
Advance payments received on orders	4.1	12.0	8.6	11.6	11.6	11.6	11.6
Other liabilities (incl. from lease and rental contracts)	17.4	35.6	42.3	23.1	23.1	23.1	23.1
Deferred taxes	7.1	2.8	2.2	2.2	0.0	0.0	0.0
Deferred income	3.6	0.0	0.0	0.0	0.0	0.0	0.0
<b>Current liabilities</b>	<b>38.8</b>	<b>54.9</b>	<b>58.2</b>	<b>49.7</b>	<b>48.2</b>	<b>48.9</b>	<b>50.0</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>229.1</b>	<b>274.2</b>	<b>292.0</b>	<b>347.7</b>	<b>366.4</b>	<b>455.9</b>	<b>491.1</b>

Balance sheet (common size)	2018	2019	2020	2021	2022E	2023E	2024E
<b>Intangible assets</b>	<b>22.9 %</b>	<b>18.9 %</b>	<b>14.2 %</b>	<b>17.7 %</b>	<b>19.4 %</b>	<b>29.9 %</b>	<b>27.7 %</b>
Property, plant and equipment	16.1 %	14.6 %	13.0 %	17.8 %	29.8 %	38.2 %	39.3 %
Financial assets	1.5 %	1.9 %	2.7 %	4.7 %	4.5 %	3.6 %	3.3 %
<b>FIXED ASSETS</b>	<b>40.6 %</b>	<b>35.4 %</b>	<b>29.9 %</b>	<b>40.2 %</b>	<b>53.6 %</b>	<b>71.6 %</b>	<b>70.3 %</b>
Inventories	12.6 %	11.4 %	11.5 %	10.7 %	10.8 %	9.5 %	10.4 %
Accounts receivable	12.4 %	10.8 %	9.7 %	9.2 %	9.2 %	8.1 %	8.9 %
Other current assets	6.5 %	9.7 %	14.5 %	9.8 %	9.3 %	7.5 %	6.9 %
Liquid assets	23.7 %	28.8 %	30.3 %	26.9 %	17.1 %	3.3 %	3.5 %
Deferred taxes	4.3 %	4.0 %	4.1 %	3.2 %	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 %
<b>CURRENT ASSETS</b>	<b>59.4 %</b>	<b>64.6 %</b>	<b>70.1 %</b>	<b>59.8 %</b>	<b>46.4 %</b>	<b>28.4 %</b>	<b>29.7 %</b>
<b>TOTAL ASSETS</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
SHAREHOLDERS EQUITY	53.5 %	50.4 %	50.6 %	53.9 %	59.3 %	66.7 %	68.5 %
MINORITY INTEREST	0.5 %	0.5 %	0.4 %	1.5 %	0.0 %	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	5.0 %	4.9 %	4.9 %	3.8 %	3.6 %	2.9 %	2.7 %
Other provisions	24.0 %	24.2 %	24.1 %	26.6 %	24.0 %	19.7 %	18.7 %
<b>Non-current liabilities</b>	<b>29.0 %</b>	<b>29.1 %</b>	<b>29.1 %</b>	<b>30.4 %</b>	<b>27.6 %</b>	<b>22.6 %</b>	<b>21.3 %</b>
short-term liabilities to banks	0.0 %	0.0 %	0.0 %	2.0 %	1.9 %	1.6 %	1.4 %
Accounts payable	2.8 %	1.6 %	1.7 %	1.6 %	1.7 %	1.6 %	1.7 %
Advance payments received on orders	1.8 %	4.4 %	3.0 %	3.3 %	3.2 %	2.6 %	2.4 %
Other liabilities (incl. from lease and rental contracts)	7.6 %	13.0 %	14.5 %	6.7 %	6.3 %	5.1 %	4.7 %
Deferred taxes	3.1 %	1.0 %	0.8 %	0.6 %	0.0 %	0.0 %	0.0 %
Deferred income	1.6 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Current liabilities</b>	<b>16.9 %</b>	<b>20.0 %</b>	<b>19.9 %</b>	<b>14.3 %</b>	<b>13.1 %</b>	<b>10.7 %</b>	<b>10.2 %</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>

Source: Company data, Hauck Aufhäuser Investment Banking

Cash flow statement (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
Net profit/loss	16.9	22.5	23.1	34.7	30.9	34.0	44.3
Depreciation of fixed assets (incl. leases)	8.6	11.1	11.1	9.6	9.6	10.0	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	2.8	10.6	4.3	-1.1	0.0	0.0	0.0
Cash flow from operations before changes in w/c	28.2	44.1	38.5	43.1	40.5	44.0	54.3
Increase/decrease in inventory	0.7	-2.2	-2.4	-6.0	-2.0	-4.0	-7.5
Increase/decrease in accounts receivable	-4.0	-1.2	0.1	-3.9	-1.8	-3.4	-6.4
Increase/decrease in accounts payable	2.0	-0.4	0.5	0.6	0.7	0.8	1.1
Increase/decrease in other working capital positions	-5.7	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	-7.0	-3.7	-1.7	-9.3	-3.1	-6.6	-12.8
<b>Cash flow from operating activities</b>	<b>21.2</b>	<b>40.4</b>	<b>36.8</b>	<b>33.9</b>	<b>37.4</b>	<b>37.5</b>	<b>41.5</b>
CAPEX	6.1	7.3	8.9	28.9	56.8	75.0	28.9
Payments for acquisitions	2.1	0.9	0.0	8.3	0.0	0.0	0.0
Financial investments	0.0	0.0	5.4	0.0	0.0	0.0	0.0
Income from asset disposals	-2.5	2.5	0.9	13.5	0.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-10.7</b>	<b>-5.7</b>	<b>-13.3</b>	<b>-23.6</b>	<b>-56.8</b>	<b>-75.0</b>	<b>-28.9</b>
Cash flow before financing	10.5	34.7	23.4	10.3	-19.4	-37.5	12.7
Increase/decrease in debt position	-1.7	-2.7	-3.0	7.1	0.0	0.0	0.0
Purchase of own shares	8.6	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	4.1	6.2	8.8	9.3	11.5	10.3	10.3
Others	-0.2	-1.7	-1.2	-3.8	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.6	0.5	-1.9	2.0	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>-14.6</b>	<b>-10.5</b>	<b>-13.0</b>	<b>-6.1</b>	<b>-11.5</b>	<b>-10.3</b>	<b>-10.3</b>
Increase/decrease in liquid assets	-3.5	24.7	8.6	6.2	-30.8	-47.8	2.4
<b>Liquid assets at end of period</b>	<b>54.2</b>	<b>78.9</b>	<b>87.4</b>	<b>93.6</b>	<b>62.8</b>	<b>14.9</b>	<b>17.3</b>

Source: Company data, Hauck Aufhäuser Investment Banking

Regional split (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
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	96.8	110.4	125.9	143.5	163.6	186.5	212.6
yoy change	14.0 %	14.0 %	14.0 %	14.0 %	14.0 %	14.0 %	14.0 %
NAFTA	60.9	70.1	80.6	92.7	106.6	122.5	140.9
yoy change	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %	15.0 %
Asia Pacific	17.9	20.2	22.9	25.8	29.2	33.0	37.3
yoy change	13.0 %	13.0 %	13.0 %	13.0 %	13.0 %	13.0 %	13.0 %
Rest of world	-7.0	-22.2	-53.1	-81.5	-94.5	-116.5	-126.3
yoy change	neg.	neg.	neg.	neg.	neg.	neg.	neg.
<b>TTL</b>	<b>168.7</b>	<b>178.5</b>	<b>176.1</b>	<b>180.4</b>	<b>204.9</b>	<b>225.5</b>	<b>264.5</b>
yoy change	21.7 %	5.8 %	-1.3 %	2.4 %	13.5 %	10.1 %	17.3 %

Source: Company data, Hauck Aufhäuser Investment Banking

Key ratios (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
<b>P&amp;L growth analysis</b>							
Sales growth	21.7 %	5.8 %	-1.3 %	2.4 %	13.5 %	10.1 %	17.3 %
EBITDA growth	20.1 %	35.0 %	3.8 %	27.4 %	-8.7 %	8.7 %	24.3 %
EBIT growth	30.1 %	37.1 %	5.1 %	40.8 %	-10.5 %	9.8 %	29.5 %
EPS growth	9.7 %	36.5 %	3.6 %	50.5 %	-10.8 %	10.1 %	30.4 %
<b>Efficiency</b>							
Total operating costs / sales	30.3 %	30.7 %	29.1 %	24.2 %	28.2 %	27.2 %	25.8 %
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
<b>Balance sheet analysis</b>							
Avg. working capital / sales	25.8 %	25.4 %	26.2 %	27.8 %	26.1 %	25.9 %	25.8 %
Inventory turnover (sales/inventory)	5.9	5.7	5.2	4.8	5.2	5.2	5.2
Trade debtors in days of sales	61.2	60.3	58.4	64.5	60.0	60.0	60.0
A/P turnover [(A/P*365)/sales]	25.1	17.9	20.4	22.8	22.0	22.0	22.0
Cash conversion cycle (days)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Cash flow analysis</b>							
Free cash flow	15.1	33.2	27.9	5.0	-19.4	-37.5	12.7
Free cash flow/sales	8.9 %	18.6 %	15.8 %	2.8 %	-9.5 %	-16.7 %	4.8 %
FCF / net profit	93.5 %	150.7 %	121.8 %	14.5 %	neg.	neg.	28.7 %
Capex / depre	71.4 %	65.5 %	128.8 %	300.7 %	592.0 %	750.0 %	288.6 %
Capex / maintenance capex	75.2 %	68.9 %	84.6 %	316.6 %	657.7 %	833.3 %	320.6 %
Capex / sales	3.6 %	4.1 %	8.1 %	16.0 %	27.7 %	33.3 %	10.9 %
<b>Security</b>							
Net debt	-54.1	-78.9	-88.6	-86.6	-55.7	-7.9	-10.2
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	34.8	29.3	28.2	39.7	35.5	39.0	50.5
Dividend payout ratio	152.7 %	33.0 %	31.1 %	33.3 %	33.5 %	30.4 %	23.3 %
<b>Asset utilisation</b>							
Capital employed turnover	1.2	1.2	1.2	0.8	0.6	0.5	0.6
Operating assets turnover	2.0	2.1	2.0	1.6	1.2	1.0	1.0
Plant turnover	4.6	4.5	4.6	2.9	1.9	1.3	1.4
Inventory turnover (sales/inventory)	5.9	5.7	5.2	4.8	5.2	5.2	5.2
<b>Returns</b>							
ROCE	17.6 %	22.5 %	22.9 %	26.0 %	15.7 %	12.6 %	14.0 %
ROE	13.2 %	15.9 %	15.5 %	18.4 %	14.1 %	11.1 %	13.1 %
<b>Other</b>							
Interest paid / avg. debt	73.9 %	1809.9 %	5819.5 %	33.7 %	16.9 %	16.9 %	16.9 %
No. employees (average)	0	0	0	0	0	0	0
Number of shares	20.5	20.5	20.6	20.6	20.6	20.6	20.6
DPS	1.2	0.4	0.3	0.6	0.5	0.5	0.5
EPS reported	0.79	1.07	1.11	1.67	1.49	1.64	2.14
<b>Valuation ratios</b>							
P/BV	9.6	8.5	8.0	6.3	5.4	3.9	3.5
EV/sales	6.7	6.2	6.3	6.1	5.6	5.3	4.5
EV/EBITDA	35.5	25.8	24.7	19.4	21.8	20.9	16.8
EV/EBITA	48.5	34.7	32.8	23.3	26.8	25.4	19.6
EV/EBIT	48.5	34.7	32.8	23.3	26.8	25.4	19.6
EV/FCF	75.1	33.5	39.7	221.3	-58.7	-31.6	93.3
Adjusted FCF yield	1.5 %	2.1 %	2.2 %	3.3 %	2.9 %	3.1 %	4.0 %
Dividend yield	2.1 %	0.6 %	0.6 %	1.0 %	0.9 %	0.9 %	0.9 %

Source: Company data, Hauck Aufhäuser Investment Banking

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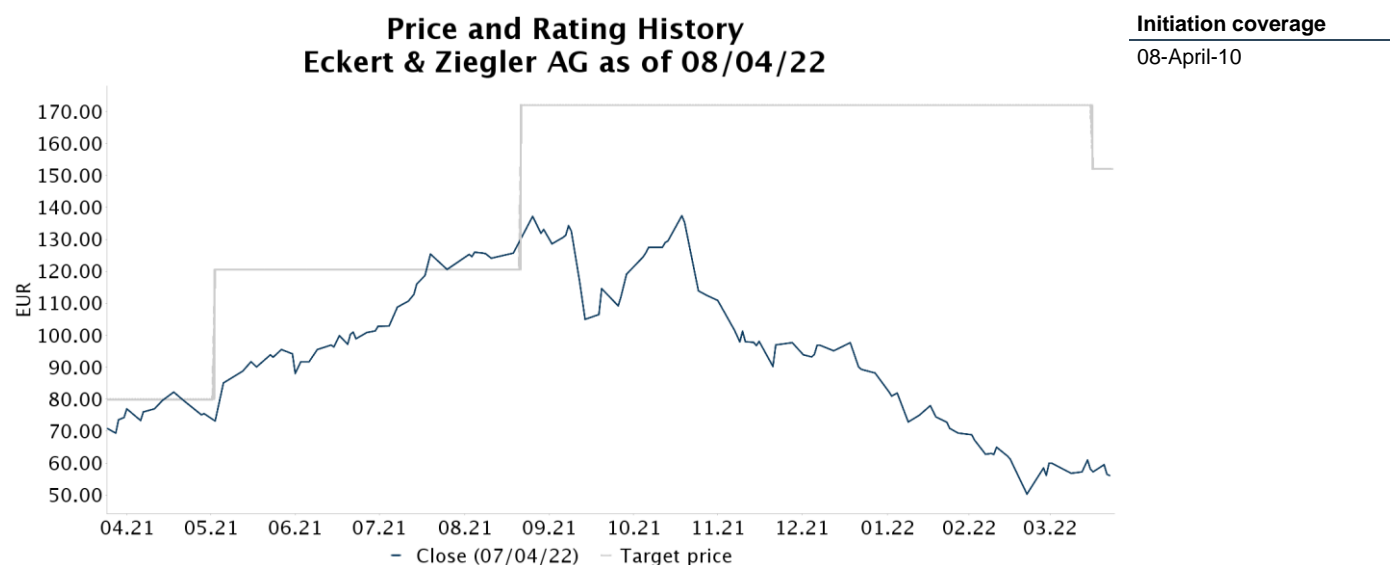
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Company	Disclosure
Eckert & Ziegler AG	2

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



Company	Date	Analyst	Rating	Target price	Close
Eckert & Ziegler AG	04.04.2022	Galitsa, Alexander	Buy	EUR 152,00	EUR 57,30
	28.09.2021	Galitsa, Alexander	Buy	EUR 172,00	EUR 116,90
	07.09.2021	Galitsa, Alexander	Buy	EUR 172,00	EUR 125,70
	07.09.2021	Galitsa, Alexander	Buy	EUR 172,00	EUR 125,70
	07.09.2021	Galitsa, Alexander	Buy	EUR 172,00	EUR 125,70
	07.09.2021	Galitsa, Alexander	Buy	EUR 172,00	EUR 125,70

07.09.2021	Galiitsa, Alexander	Buy	EUR 172,00	EUR 125,70
07.09.2021	Galiitsa, Alexander	Buy	EUR 172,00	EUR 125,70
07.09.2021	Galiitsa, Alexander	Buy	EUR 172,00	EUR 125,70
07.09.2021	Galiitsa, Alexander	Buy	EUR 172,00	EUR 125,70
07.09.2021	Galiitsa, Alexander	Buy	EUR 172,00	EUR 125,70
07.09.2021	Galiitsa, Alexander	Buy	EUR 172,00	EUR 125,70
10.06.2021	Galiitsa, Alexander	Buy	EUR 120,50	EUR 93,15
19.05.2021	Galiitsa, Alexander	Buy	EUR 120,50	EUR 73,20

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Date of publication creation: 11/04/2022 08:04 AM

Date of publication dissemination: 11/04/2022 08:04 AM

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