

Eckert & Ziegler AG

Germany - High-tech Engineering



HAUCK
AUFHÄUSER
INVESTMENT BANKING

Buy (old: Buy)

Price target: EUR 120.00 (old: EUR 120.00)

Price: EUR 30.66 **Next result:** Q2 11.08.22
Bloomberg: EUZ GR **Market cap:** EUR 634.5 m
Reuters: EUZG.DE **Enterprise Value:** EUR 598.0 m

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EUZ guidance cut! ...or is it?

EUZ lowered its FY net income guidance from € 38m to € 27m. While this looks like a substantial cut, **there is a caveat**: the elimination of a one-time extraordinary income to the tune of € 14m from the guidance more than explains the downgrade.

In fact, on the underlying level, **EUZ raised its net income guidance from € 24m to € 27m** (eHAIB: € 30m), thanks to “a stronger than expected order intake and solid half-year results” (*next page*). This should be driven by a **strong oil and gas business** amid high oil prices, while the **business with Ga-68 generators is likely to accelerate from Q3** supported by the rollout of Illuccix (Ga-68-based prostate cancer imaging).

Some context to the one-off: The extraordinary income of c. € 14m is the probability-weighted value of a number of “undisclosed projects” that carry an initial extraordinary income potential (e.g. via “asset revaluation”) and should sustainably strengthen the company’s core business in the long-term.

Due to “**slow consultation progress and a general worsening of the international business climate**”, management now sees less than 50% chance that “an extraordinary profit from a sale or readjustments of assets” will be realized still in 2022. As a result, the entire probability-weighted contribution had to be taken out from the guidance.

Evidently, the **projects in question have not been terminated**, but rather progress slower than anticipated – not least due to “worsening business climate” –, so that a “re-valuation event” is not likely to materialize in 2022. As the entire one-off contribution is now fully taken out of the guidance, there can only be an upside, should one or the other project contribute in already 2022.

We speculate that the some of the “undisclosed projects” may be related to the company’s activities targeted at the **development of own medicines**, including Myelo and Pentixa (*next page*). While not cash generative today, **these assets** – especially 91%-owned Pentixa – **hold significant therapeutic potential and valuation upside**.

That being said, **the market’s reaction erasing € 125m of the MC looks completely misplaced**. Trading at 14x EBIT 2022E, the market significantly underestimates the company’s growth prospect in the radiopharmaceutical market, which increasingly gains momentum, let alone the optionality stemming from its clinical assets.

BUY with an unchanged **PT of € 120** 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	204.2	217.1	248.1
Sales growth	22 %	6 %	-1 %	2 %	13 %	6 %	14 %
EBITDA	32.0	43.1	44.8	57.0	54.8	61.9	73.0
EBIT	23.4	32.1	33.7	47.4	41.3	42.7	54.5
Net income	16.1	22.0	22.9	34.4	29.9	30.9	39.7
Net debt	-54.1	-78.9	-88.6	-86.6	-49.6	-14.0	-22.7
Net gearing	-44.1 %	-57.1 %	-59.9 %	-46.2 %	-24.0 %	-6.2 %	-9.0 %
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	1.44	1.49	1.92
CPS	0.64	1.46	1.28	1.20	1.38	1.39	1.53
DPS	1.20	0.35	0.35	0.56	0.50	0.50	0.50
Dividend yield	3.9 %	1.2 %	1.1 %	1.8 %	1.6 %	1.6 %	1.6 %
Gross profit margin	44.1 %	48.8 %	49.1 %	50.5 %	48.5 %	47.7 %	48.4 %
EBITDA margin	18.9 %	24.2 %	25.4 %	31.6 %	26.8 %	28.5 %	29.4 %
EBIT margin	13.9 %	18.0 %	19.1 %	26.3 %	20.2 %	19.7 %	22.0 %
ROCE	17.6 %	22.5 %	22.9 %	26.0 %	15.6 %	13.1 %	15.6 %
EV/sales	1.1	3.1	4.2	10.1	2.9	2.9	2.5
EV/EBITDA	5.5	13.0	16.7	32.0	10.9	10.2	8.6
EV/EBIT	7.6	17.5	22.2	38.5	14.5	14.8	11.5
PER	10.5	25.5	34.9	52.7	19.6	20.5	16.0
Adjusted FCF yield	9.8 %	4.2 %	3.3 %	2.0 %	5.5 %	5.6 %	7.0 %

Source: Company data, Hauck Aufhäuser Investment Banking Close price as of: 05.06.2022



Source: Company data, Hauck Aufhäuser Investment Banking

High/low 52 weeks: 137.40 / 35.00

Price/Book Ratio: 3.5

Relative performance (SDAX):

3 months -21.7 %

6 months -34.8 %

12 months -36.8 %

Changes in estimates

		Sales	EBIT	EPS
2022	old:	204.2	41.3	1.45
	Δ	-	-	-
2023	old:	217.1	42.7	1.50
	Δ	-	-	-
2024	old:	248.1	54.5	1.93
	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.


Net income, in €	2021	Initial guidance 2022	New guidance 2022	Change, abs.
Recurring business	23.0	24.0	27.0	3.0
Extraordinary income	11.7	14.3	0.0	-14.3
Total	34.7	38.3	27.0	-11.3

Source: Company data; HAIB

Development of own medicines

**MAJORITY
STAKE IN DRUG
DEVELOPER PENTIXAPHARM**

Eckert & Ziegler acquires several share packages from the founders of the drug developer Pentixapharm GmbH. Together with another internal share transfer, Eckert & Ziegler will directly hold a total of about 83% of the shares in the Würzburg-based company as of closing of the transactions.



PentixaPharm
An Eckert & Ziegler Company

**MYELO THERAPEUTICS
RECEIVES ADDITIONAL
FUNDING FOR
PHARMACEUTICAL DEVELOPMENT**

Myelo Therapeutics GmbH, an affiliated company of Eckert & Ziegler, has received additional funding from NIAD, a branch of the U.S. Food and Drug Administration, for the development of its drug component Myelo001.

Source: Company data; HAIB

Pentixapharm – theranostic approach in hematologic and solid tumours

1 SCOPE OF CONSOLIDATION

The subsidiaries included in the 2021 consolidated financial statements are:

	Voting rights
Pentixapharm GmbH, Würzburg (since 16 April 2021)	90.6%

2 Shares in affiliated companies rose sharply by €28.3 million, from €75.4 million in the previous year to €103.7 million. In the year under review, Eckert & Ziegler acquired new interests in Pentixapharm GmbH, Würzburg. As at 31 December 2021, Eckert & Ziegler AG holds 91% of the shares in Pentixapharm GmbH with a carrying amount of €25.9 million. In addition, €17.0 million was invested for capital increases at the subsidiary Eckert & Ziegler Radiopharma GmbH.

3 Pentixapharm GmbH, Würzburg

On 16 April 2021, Eckert & Ziegler Strahlen- und Medizintechnik AG acquired a majority participation in the Würzburg-based medication developer Pentixapharm GmbH. As part of this transaction, Eckert & Ziegler AG acquired various share packages from the founders of Pentixapharm GmbH in exchange for a combination of cash and transfer of shares in Eckert & Ziegler AG. After conclusion of the transaction, Eckert Ziegler AG held approximately 90.63% of the shares in Pentixapharm GmbH as at 31 December 2021. As part of the purchase of shares, the management of Pentixapharm GmbH, which holds the remaining 9.37% of the shares, was in addition granted options to sell their shares.

The sole product of Pentixapharm GmbH, which is still in the developmental phase, is PentixaFor (and its supplemental therapeutic agent PentixaTher), an innovating imaging agent that targets chemokine receptor 4 (CXCR4) and is used for the diagnosis of cancer patients with various hemato-oncologic and solid tumour diseases. The Ga-68-based PET radiodiagnostic should have the potential to considerably improve the treatment of patients with these diseases. Since nearly all of the fair value of Pentixapharm GmbH is attributable to this development project, the acquisition was not recognised as a business combination within the meaning of IFRS 3 but instead as the acquisition of the development project and the other assets of Pentixapharm.

Source: Company data; HAIB

Financials

Profit and loss (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
Sales	168.7	178.5	176.1	180.4	204.2	217.1	248.1
<i>Sales growth</i>	21.7 %	5.8 %	-1.3 %	2.4 %	13.2 %	6.3 %	14.2 %
Cost of sales	94.4	91.5	89.6	89.4	105.1	114.3	128.1
Gross profit	74.3	87.0	86.5	91.1	99.1	102.8	120.0
Sales and marketing	23.3	22.9	21.7	22.6	23.6	24.4	26.7
General and administration	26.9	27.6	28.1	31.5	32.2	33.3	36.4
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
EBITDA	32.0	43.1	44.8	57.0	55.1	61.9	73.7
Depreciation	8.6	11.1	11.1	9.6	13.8	18.8	18.8
EBITA	23.4	32.1	33.7	47.4	41.3	43.1	54.9
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	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)	23.4	32.1	33.7	47.4	41.3	42.7	54.5
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
Recurring pretax income from continuing operations	22.9	31.2	32.7	46.4	40.3	41.7	53.4
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	22.9	31.2	32.7	46.4	40.3	41.7	53.4
Taxes	6.0	8.8	9.6	11.7	10.2	10.5	13.5
Net income from continuing operations	16.9	22.5	23.1	34.7	30.1	31.1	39.9
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	16.9	22.5	23.1	34.7	30.1	31.1	39.9
Minority interest	0.8	0.5	0.2	0.2	0.2	0.2	0.2
Net profit (reported)	16.1	22.0	22.9	34.4	29.9	30.9	39.7
Average number of shares	20.5	20.5	20.6	20.6	20.6	20.6	20.6
EPS reported	0.79	1.07	1.11	1.67	1.45	1.50	1.93

Profit and loss (common size)	2018	2019	2020	2021	2022E	2023E	2024E
Sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	55.9 %	51.2 %	50.9 %	49.5 %	51.5 %	52.6 %	51.6 %
Gross profit	44.1 %	48.8 %	49.1 %	50.5 %	48.5 %	47.4 %	48.4 %
Sales and marketing	13.8 %	12.8 %	12.3 %	12.5 %	11.6 %	11.2 %	10.8 %
General and administration	15.9 %	15.4 %	15.9 %	17.4 %	15.8 %	15.3 %	14.7 %
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 %	2.3 %	2.0 %
Other operating expenses	2.6 %	4.0 %	4.1 %	4.0 %	3.4 %	3.2 %	2.8 %
Unusual or infrequent items	0.1 %	neg.	neg.	0.0 %	0.0 %	0.0 %	0.0 %
EBITDA	18.9 %	24.2 %	25.4 %	31.6 %	27.0 %	28.5 %	29.7 %
Depreciation	5.1 %	6.2 %	6.3 %	5.3 %	6.8 %	8.7 %	7.6 %
EBITA	13.9 %	18.0 %	19.1 %	26.3 %	20.2 %	19.9 %	22.1 %
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)	13.9 %	18.0 %	19.1 %	26.3 %	20.2 %	19.7 %	22.0 %
Interest income	0.1 %	0.2 %	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %
Interest expenses	0.4 %	0.6 %	0.7 %	0.7 %	0.6 %	0.6 %	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.
Recurring pretax income from continuing operations	13.6 %	17.5 %	18.6 %	25.7 %	19.7 %	19.2 %	21.5 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	13.6 %	17.5 %	18.6 %	25.7 %	19.7 %	19.2 %	21.5 %
Tax rate	26.2 %	28.1 %	29.4 %	25.3 %	25.3 %	25.3 %	25.3 %
Net income from continuing operations	10.0 %	12.6 %	13.1 %	19.2 %	14.7 %	14.3 %	16.1 %
Result from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	10.0 %	12.6 %	13.1 %	19.2 %	14.7 %	14.3 %	16.1 %
Minority interest	0.4 %	0.3 %	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %
Net profit (reported)	9.6 %	12.3 %	13.0 %	19.1 %	14.6 %	14.2 %	16.0 %

Source: Company data, Hauck Aufhäuser Investment Banking

Balance sheet (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
Intangible assets	52.5	51.9	41.4	61.4	71.1	136.1	136.1
Property, plant and equipment	36.9	40.0	38.0	61.9	104.9	161.1	171.2
Financial assets	3.5	5.2	8.0	16.4	16.4	16.4	16.4
FIXED ASSETS	93.0	97.1	87.4	139.7	192.4	313.6	323.7
Inventories	28.8	31.2	33.6	37.4	39.3	41.8	47.7
Accounts receivable	28.3	29.5	28.2	31.9	33.6	35.7	40.8
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	66.4	26.9	36.3
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
CURRENT ASSETS	136.1	177.1	204.6	208.1	173.2	138.4	158.8
TOTAL ASSETS	229.1	274.2	292.0	347.7	365.6	452.0	482.4
SHAREHOLDERS EQUITY	122.6	138.2	147.8	187.4	216.3	300.3	328.2
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
Non-current liabilities	66.5	79.9	84.9	105.5	101.1	102.9	104.7
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	6.9	7.7
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
Current liabilities	38.8	54.9	58.2	49.7	48.2	48.7	49.6
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	229.1	274.2	292.0	347.7	365.6	452.0	482.4

Balance sheet (common size)	2018	2019	2020	2021	2022E	2023E	2024E
Intangible assets	22.9 %	18.9 %	14.2 %	17.7 %	19.5 %	30.1 %	28.2 %
Property, plant and equipment	16.1 %	14.6 %	13.0 %	17.8 %	28.7 %	35.6 %	35.5 %
Financial assets	1.5 %	1.9 %	2.7 %	4.7 %	4.5 %	3.6 %	3.4 %
FIXED ASSETS	40.6 %	35.4 %	29.9 %	40.2 %	52.6 %	69.4 %	67.1 %
Inventories	12.6 %	11.4 %	11.5 %	10.7 %	10.7 %	9.2 %	9.9 %
Accounts receivable	12.4 %	10.8 %	9.7 %	9.2 %	9.2 %	7.9 %	8.5 %
Other current assets	6.5 %	9.7 %	14.5 %	9.8 %	9.3 %	7.5 %	7.0 %
Liquid assets	23.7 %	28.8 %	30.3 %	26.9 %	18.2 %	6.0 %	7.5 %
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 %
CURRENT ASSETS	59.4 %	64.6 %	70.1 %	59.8 %	47.4 %	30.6 %	32.9 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	53.5 %	50.4 %	50.6 %	53.9 %	59.2 %	66.4 %	68.0 %
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 %	24.1 %	19.9 %	19.0 %
Non-current liabilities	29.0 %	29.1 %	29.1 %	30.4 %	27.7 %	22.8 %	21.7 %
short-term liabilities to banks	0.0 %	0.0 %	0.0 %	2.0 %	1.9 %	1.6 %	1.5 %
Accounts payable	2.8 %	1.6 %	1.7 %	1.6 %	1.7 %	1.5 %	1.6 %
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 %	4.8 %
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 %
Current liabilities	16.9 %	20.0 %	19.9 %	14.3 %	13.2 %	10.8 %	10.3 %
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)	2018	2019	2020	2021	2022E	2023E	2024E
Net profit/loss	16.9	22.5	23.1	34.7	30.1	31.1	39.9
Depreciation of fixed assets (incl. leases)	8.6	11.1	11.1	9.6	13.8	18.8	18.8
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	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	43.9	49.9	58.7
Increase/decrease in inventory	0.7	-2.2	-2.4	-6.0	-1.9	-2.5	-5.9
Increase/decrease in accounts receivable	-4.0	-1.2	0.1	-3.9	-1.7	-2.1	-5.1
Increase/decrease in accounts payable	2.0	-0.4	0.5	0.6	0.8	0.6	0.8
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	-2.9	-4.0	-10.2
Cash flow from operating activities	21.2	40.4	36.8	33.9	41.0	45.9	48.5
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
Cash flow from investing activities	-10.7	-5.7	-13.3	-23.6	-56.8	-75.0	-28.9
Cash flow before financing	10.5	34.7	23.4	10.3	-15.8	-29.1	19.7
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
Cash flow from financing activities	-14.6	-10.5	-13.0	-6.1	-11.5	-10.3	-10.3
Increase/decrease in liquid assets	-3.5	24.7	8.6	6.2	-27.3	-39.4	9.4
Liquid assets at end of period	54.2	78.9	87.4	93.6	66.4	26.9	36.3

Source: Company data, Hauck Aufhäuser Investment Banking

Key ratios (EUR m)	2018	2019	2020	2021	2022E	2023E	2024E
P&L growth analysis							
Sales growth	21.7 %	5.8 %	-1.3 %	2.4 %	13.2 %	6.3 %	14.2 %
EBITDA growth	20.1 %	35.0 %	3.8 %	27.4 %	-3.4 %	12.3 %	19.0 %
EBIT growth	30.1 %	37.1 %	5.1 %	40.8 %	-12.9 %	3.4 %	27.6 %
EPS growth	9.7 %	36.5 %	3.6 %	50.5 %	-13.3 %	3.5 %	28.5 %
Efficiency							
Total operating costs / sales	30.3 %	30.7 %	29.1 %	24.2 %	28.3 %	27.5 %	26.2 %
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	25.8 %	25.4 %	26.2 %	27.8 %	26.2 %	26.2 %	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
Cash flow analysis							
Free cash flow	15.1	33.2	27.9	5.0	-15.8	-29.1	19.7
Free cash flow/sales	8.9 %	18.6 %	15.8 %	2.8 %	-7.7 %	-13.4 %	7.9 %
FCF / net profit	93.5 %	150.7 %	121.8 %	14.5 %	neg.	neg.	49.5 %
Capex / deprn	71.4 %	65.5 %	128.8 %	300.7 %	412.0 %	399.2 %	153.6 %
Capex / maintenance capex	75.2 %	68.9 %	84.6 %	316.6 %	457.8 %	443.6 %	170.7 %
Capex / sales	3.6 %	4.1 %	8.1 %	16.0 %	27.8 %	34.5 %	11.6 %
Security							
Net debt	-54.1	-78.9	-88.6	-86.6	-59.3	-19.8	-29.2
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	34.6	35.7	45.6
Dividend payout ratio	152.7 %	33.0 %	31.1 %	33.3 %	34.5 %	33.3 %	25.9 %
Asset utilisation							
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	1.3	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
Returns							
ROCE	17.6 %	22.5 %	22.9 %	26.0 %	15.3 %	11.6 %	12.8 %
ROE	13.2 %	15.9 %	15.5 %	18.4 %	13.8 %	10.3 %	12.1 %
Other							
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	1.45	1.50	1.93
Valuation ratios							
P/BV	6.8	6.0	5.6	4.5	3.9	2.8	2.5
EV/sales	4.7	4.3	4.3	4.2	3.9	3.8	3.3
EV/EBITDA	24.7	17.8	17.0	13.3	14.3	13.4	11.1
EV/EBITA	33.8	23.9	22.6	16.0	19.1	19.2	14.9
EV/EBIT	33.8	23.9	22.6	16.0	19.1	19.4	15.0
EV/FCF	52.3	23.1	27.3	152.2	-50.0	-28.4	41.6
Adjusted FCF yield	2.2 %	3.0 %	3.2 %	4.8 %	4.2 %	4.2 %	5.4 %
Dividend yield	3.0 %	0.9 %	0.9 %	1.4 %	1.2 %	1.2 %	1.2 %

Source: Company data, Hauck Aufhäuser Investment Banking

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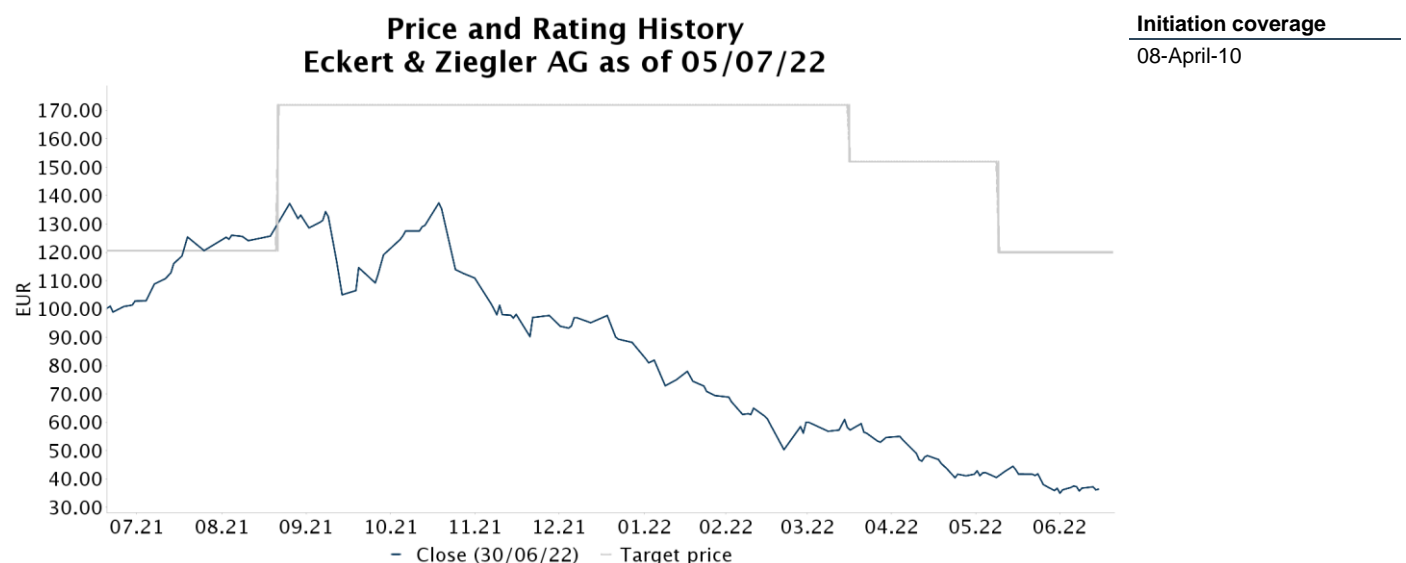
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Company	Disclosure
Eckert & Ziegler AG	2

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	31.05.2022	Galitsa, Alexander	Buy	EUR 120.00	EUR 43.28
	27.05.2022	Galitsa, Alexander	Buy	EUR 120.00	EUR 42.66
	17.05.2022	Galitsa, Alexander	Buy	EUR 152.00	EUR 42.90
	11.04.2022	Galitsa, Alexander	Buy	EUR 152.00	EUR 53.35
	04.04.2022	Galitsa, Alexander	Buy	EUR 152.00	EUR 57.30

28.09.2021	Galiitsa, Alexander	Buy	EUR 172.00	EUR 116.90
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
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

Hauck Aufhäuser Investment Banking distribution of ratings and in proportion to investment banking services

Buy	78.66 %	96.55 %
Sell	3.66 %	0.00 %
Hold	17.68 %	3.45 %

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