

Buy EUR 275.00 Price EUR 170.80 Upside 61.0 %	Value Indicators: EUR DCF: 274.96 FCF-Value Potential 23e: 230.42	Warburg ESG Risk Score: 2.7 ESG Score (MSCI based): 3.0 Balance Sheet Score: 4.0 Market Liquidity Score: 1.0	Description: Supplier of power tools and garden equipment for private household use.
	Market Snapshot: EUR m Market cap: 644.7 No. of shares (m): 3.8 EV: 777.0 Freefloat MC: 644.7 Ø Trad. Vol. (30d): 366.39 th	Shareholders: Freefloat 100.00 % Thannhuber AG (Ordinary sh.) 91.00 % Others (Ordinary shares) 9.00 %	Key Figures (WRe): 2022e Beta: 1.2 Price / Book: 1.6 x Equity Ratio: 48 % Net Fin. Debt / EBITDA: 1.2 x Net Debt / EBITDA: 1.2 x

Dynamic Q1 growth rooted in convincing Power-X-Change battery platform strategy

Stated Figures Q1/2022: FY End: 31.12. in EUR m							
	Q1 22	Q1 22e	Q1 21	yoy	22e	21	yoy
Sales	292.3	290.0	229.6	27 %	1,052.0	927.4	13 %
Gross profit	96.7	98.1	78.4	23 %	377.7	333.3	13 %
Margin	33.1 %	33.8 %	34.2 %		35.9 %	35.9 %	
EBIT	25.6	24.6	18.1	42 %	95.0	82.0	16 %
EBT	24.6	24.0	17.5	41 %	92.4	81.4	14 %
Margin	8.4 %	8.3 %	7.6 %		8.8 %	8.8 %	
Net income	17.5	17.1	12.5	39 %	64.5	58.2	11 %
EPS	4.62	4.53	3.32	39 %	17.08	15.53	10 %

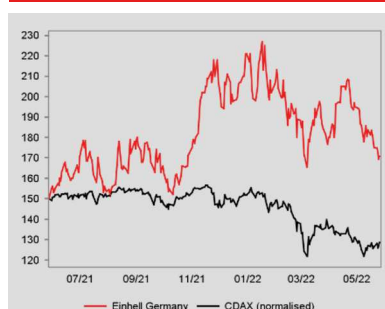
Comment on Figures:

- Einhell released final Q1 numbers that were slightly ahead of our expectations. The group already reported quarterly sales of ca. EUR 290m and increased its FY 2022 guidance on April 7.
- The strong sales increase was driven by double-digit growth in all regions. DACH and Western Europe achieved growth rates of around 30%.
- The share of sales with Power-X-Change products increased further to 43.3% (from 34.4% in last year's Q1).
- Newly acquired Outillages King Canada was included for the first time (consolidated since March 2022) with sales of EUR 3.3m and EBT of EUR 0.5m.
- Inventory level of EUR 482m at the end of Q1 was significantly above the prior year's level (EUR 205m) in light of strong demand and the current supply-chain situation.

Einhell presented strong numbers for Q1 with a remarkable sales and profit increase. With its strong focus on the Power-X-Change battery platform and intensified marketing initiatives in several regions, the group is gaining market share.

Together with the Q1 report, the management fully confirmed its financial outlook for the current year. The group anticipates an organic sales increase of ca. 10% (and additionally ca. EUR 30m sales from Outillages King Canada). The EBT margin is expected in the range of 8.5-9.0%. International expansion remains a key topic. The management stated that Einhell is in talks with further potential acquisition targets. While the supply-chain situation remains challenging, the significantly increased inventory level secures the ability to deliver, which is a competitive advantage in the current environment.

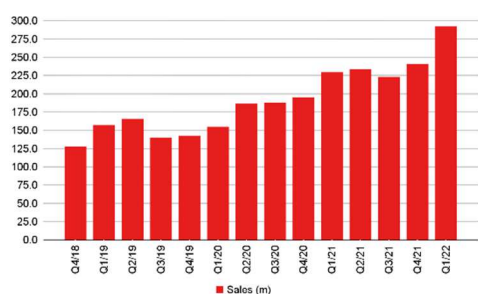
Overall, Einhell is well on track to continue its dynamic sales momentum in 2022 in our view. The full-year sales outlook looks conservative after the considerable Q1 sales expansion. With its successful Power-X-Change battery platform and the long-term strategy of international expansion, Einhell is well prepared for further growth despite current macroeconomic uncertainties. The positive prospects of further profitable growth are not reflected in current earnings multiples. **We confirm our Buy recommendation with a PT of EUR 275**



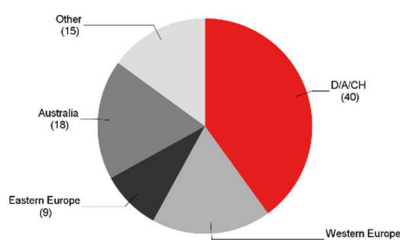
Rel. Performance vs CDAX:	
1 month:	-11.5 %
6 months:	-6.1 %
Year to date:	-7.4 %
Trailing 12 months:	25.2 %

Company events:

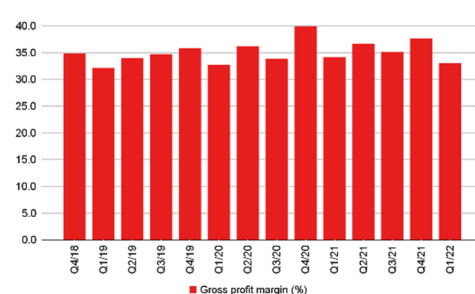
FY End: 31.12. in EUR m	CAGR (21-24e)	2018	2019	2020	2021	2022e	2023e	2024e
Sales	8.8 %	577.9	605.7	724.7	927.4	1,052.0	1,120.0	1,193.0
Change Sales yoy		4.4 %	4.8 %	19.6 %	28.0 %	13.4 %	6.5 %	6.5 %
Gross profit margin		34.2 %	34.1 %	35.9 %	35.9 %	35.9 %	35.9 %	35.9 %
EBITDA	8.9 %	43.7	43.5	67.6	94.0	107.2	114.3	121.3
Margin		7.6 %	7.2 %	9.3 %	10.1 %	10.2 %	10.2 %	10.2 %
EBIT	9.6 %	38.9	35.0	58.0	82.0	95.0	101.2	107.9
Margin		6.7 %	5.8 %	8.0 %	8.8 %	9.0 %	9.0 %	9.0 %
EBT	8.7 %	36.2	32.5	55.3	81.4	92.4	98.7	104.6
Margin		6.3 %	5.4 %	7.6 %	8.8 %	8.8 %	8.8 %	8.8 %
Net income	7.6 %	26.0	24.3	40.2	58.2	64.5	68.6	72.5
EPS	7.4 %	6.90	6.44	10.92	15.53	17.08	18.16	19.22
DPS	9.4 %	1.40	1.40	2.20	2.60	3.00	3.20	3.40
Dividend Yield		1.6 %	2.2 %	3.2 %	1.7 %	1.8 %	1.9 %	2.0 %
FCFPS		-3.64	8.62	2.67	-49.14	15.70	24.36	19.14
FCF / Market cap		-4.1 %	13.6 %	3.9 %	-31.8 %	9.2 %	14.3 %	11.2 %
EV / Sales		0.6 x	0.4 x	0.4 x	0.8 x	0.7 x	0.6 x	0.5 x
EV / EBITDA		8.5 x	5.9 x	4.0 x	8.3 x	7.3 x	6.1 x	5.3 x
EV / EBIT		9.5 x	7.3 x	4.7 x	9.5 x	8.2 x	6.9 x	6.0 x
P / E		12.8 x	9.8 x	6.3 x	10.0 x	10.0 x	9.4 x	8.9 x
FCF Potential Yield		6.9 %	10.0 %	14.9 %	7.5 %	8.5 %	10.2 %	11.9 %
Net Debt		35.9	16.4	11.6	198.4	132.4	57.2	2.6
ROCE (NOPAT)		13.2 %	11.4 %	17.6 %	15.1 %	12.8 %	14.0 %	15.2 %
Guidance:	2022: organic sales increase of ca. 10%, EBT margin 8.5-9.0%							

Sales development
in EUR m


Source: Warburg Research

Sales by regions
2021; in %


Source: Warburg Research

Gross margin development
in %


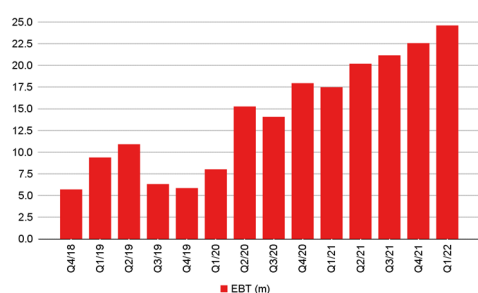
Source: Warburg Research

Company Background

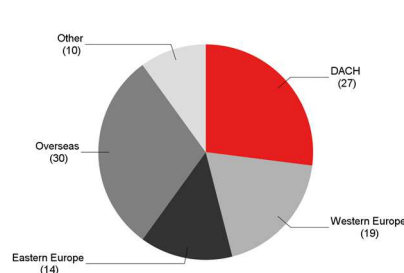
- Einhell is a leading provider of power tools and garden equipment for household use. With around 40 subsidiaries, the products are sold globally.
- Particularly in the category of cordless battery-driven products, Einhell has built up a strong position. With the Power-X-Change series the company offers one of the leading systems in the market.
- Einhell's main customers are large DIY chains (60% of sales in 2020), e-commerce (20%) and specialised trade (11%). The share of business with discounters is less than 10%.
- Einhell has long-standing expertise in product development, quality control, international distribution and after-sales services. The production is outsourced and supervised by Einhell's own unit in Asia.
- The company was founded in 1964 by Josef Thannhuber. In 1987 Einhell was listed at the stock exchange. The Thannhuber family holds the majority of the non-listed ordinary shares.

Competitive Quality

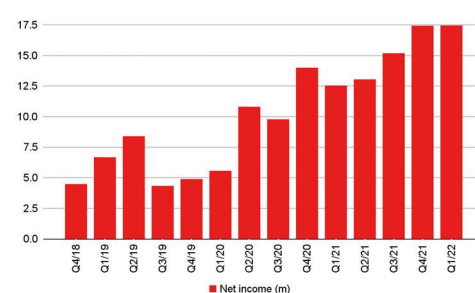
- Einhell has a high brand awareness in key markets, which will be further strengthened by marketing initiatives and presentation at the point-of-sale (including e-commerce) in the course of a long-term brand strategy.
- With its focus on innovative product development, the group can benefit from dynamic growth in the segment of cordless battery systems and gain market share.
- Under the Power-X-Change battery system, the group offers a broad assortment of more than 200 devices for house and garden, which can be further expanded also by cooperation with other manufacturers.
- Einhell shows a strong balance sheet as well as a high level of cost flexibility and generated clearly positive earnings even in economically challenging years.
- Continued international expansion (for example in North America and South East Asia) offers additional growth potential and economies of scale.

EBT development
in EUR m


Source: Warburg Research

EBT by regions
2021; in %


Source: Warburg Research

Net income development
in EUR m


Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	
Sales	1,052.0	1,120.0	1,193.0	1,270.5	1,353.1	1,434.3	1,520.4	1,604.0	1,684.2	1,760.0	1,821.6	1,876.2	1,923.1	2.0 %
Sales change	13.4 %	6.5 %	6.5 %	6.5 %	6.5 %	6.0 %	6.0 %	5.5 %	5.0 %	4.5 %	3.5 %	3.0 %	2.5 %	
EBIT	95.0	101.2	107.9	109.3	115.0	120.5	126.2	131.5	134.7	132.0	136.6	140.7	144.2	7.5 %
EBIT-margin	9.0 %	9.0 %	9.0 %	8.6 %	8.5 %	8.4 %	8.3 %	8.2 %	8.0 %	7.5 %	7.5 %	7.5 %	7.5 %	
Tax rate (EBT)	28.0 %	28.0 %	28.0 %	29.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %
NOPAT	68.4	72.9	77.7	77.6	80.5	84.3	88.3	92.1	94.3	92.4	95.6	98.5	101.0	
Depreciation	12.2	13.1	13.4	16.5	17.6	18.6	19.8	20.9	21.9	22.9	23.7	24.4	25.0	1.3 %
in % of Sales	1.2 %	1.2 %	1.1 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	
Changes in provisions	0.0	0.5	0.5	0.2	0.0	-0.1	0.6	0.6	0.6	-0.3	-0.5	-0.6	-0.7	0.0
Change in Liquidity from														
- Working Capital	-4.3	-31.0	-8.0	1.6	12.9	10.8	22.8	21.7	20.4	18.8	14.3	15.8	13.6	13.6
- Capex	23.0	24.0	25.0	20.3	20.3	20.1	19.8	20.9	21.9	22.9	23.7	24.4	25.0	
Capex in % of Sales	2.2 %	2.1 %	2.1 %	1.6 %	1.5 %	1.4 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %
- Other	0.0	18.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Free Cash Flow (WACC Model)	62.0	75.5	74.6	72.4	64.9	72.0	66.2	70.9	74.5	73.3	80.8	82.0	86.7	91
PV of FCF	59.3	67.1	61.6	55.4	46.1	47.5	40.5	40.3	39.3	35.9	36.7	34.6	34.0	623
share of PVs	15.39 %			33.62 %										50.99 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	15.00 %	Financial Strength	1.00
Cost of debt (after tax)	2.8 %	Liquidity (share)	1.50
Market return	7.50 %	Cyclicality	1.00
Risk free rate	2.00 %	Transparency	1.00
		Others	1.50
WACC	7.73 %	Beta	1.20

Valuation (m)

Present values 2034e	598		
Terminal Value	623		
Financial liabilities	182		
Pension liabilities	9		
Hybrid capital	0		
Minority interest	3		
Market val. of investments	0		
Liquidity	12	No. of shares (m)	3.8
Equity Value	1,038	Value per share (EUR)	274.96

Sensitivity Value per Share (EUR)

		Terminal Growth									Delta EBIT-margin						
Beta	WACC	1.25 %	1.50 %	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %	Beta	WACC	-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.41	8.7 %	214.37	218.26	222.43	226.91	231.73	236.94	242.59	1.41	8.7 %	167.26	187.14	207.02	226.91	246.79	266.67	286.55
1.31	8.2 %	233.61	238.35	243.46	248.98	254.97	261.47	268.57	1.31	8.2 %	184.34	205.89	227.44	248.98	270.53	292.08	313.63
1.25	8.0 %	244.32	249.58	255.26	261.42	268.12	275.43	283.44	1.25	8.0 %	193.97	216.45	238.94	261.42	283.91	306.39	328.88
1.20	7.7 %	255.87	261.72	268.06	274.96	282.48	290.73	299.80	1.20	7.7 %	204.44	227.94	251.45	274.96	298.46	321.97	345.48
1.15	7.5 %	268.36	274.89	281.99	289.74	298.23	307.57	317.90	1.15	7.5 %	215.87	240.50	265.12	289.74	314.36	338.98	363.61
1.09	7.2 %	281.92	289.23	297.21	305.95	315.57	326.20	338.03	1.09	7.2 %	228.42	254.26	280.11	305.95	331.80	357.64	383.49
0.99	6.7 %	312.81	322.08	332.28	343.56	356.10	370.12	385.90	0.99	6.7 %	257.51	286.19	314.88	343.56	372.24	400.92	429.61

- Mid to long-term EBIT margin assumption in line with management target and average EBIT margin of 7.3% from 2017/21.
- Sales growth assumption in line with Einhell's long-standing target range of +5-10% p.a.
- Beta of 1.2 due to non-voting preference share with limited liquidity.

Free Cash Flow Value Potential

Warburg Research's valuation tool "FCF Value Potential" reflects the ability of the company to generate sustainable free cash flows. It is based on the "FCF potential" - a FCF "ex growth" figure - which assumes unchanged working capital and pure maintenance capex. A value indication is derived via the perpetuity of a given year's "FCF potential" with consideration of the weighted costs of capital. The fluctuating value indications over time add a timing element to the DCF model (our preferred valuation tool).

in EUR m	2018	2019	2020	2021	2022e	2023e	2024e	
Net Income before minorities	26.3	24.6	41.8	60.2	66.6	71.1	75.3	
+ Depreciation + Amortisation	4.8	8.4	9.6	12.0	12.2	13.1	13.4	
- Net Interest Income	-2.7	-2.5	-2.6	-0.5	-2.5	-2.5	-3.3	
- Maintenance Capex	8.4	10.0	14.0	14.0	15.0	15.0	15.0	
+ Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
= Free Cash Flow Potential	25.4	25.5	40.1	58.7	66.3	71.7	77.0	
FCF Potential Yield (on market EV)	6.9 %	10.0 %	14.9 %	7.5 %	8.5 %	10.2 %	11.9 %	
WACC	7.73 %	7.73 %	7.73 %	7.73 %	7.73 %	7.73 %	7.73 %	
= Enterprise Value (EV)	369.7	254.9	269.6	781.7	777.0	701.9	647.3	
= Fair Enterprise Value	329.1	330.4	518.4	759.9	857.5	926.9	996.5	
- Net Debt (Cash)	189.4	189.4	189.4	189.4	123.4	47.7	-7.4	
- Pension Liabilities	9.0	9.0	9.0	9.0	9.0	9.5	10.0	
- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Market value of minorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
+ Market value of investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
= Fair Market Capitalisation	130.7	132.1	320.0	561.6	725.1	869.7	993.9	
Number of shares, average	3.8	3.8	3.8	3.8	3.8	3.8	3.8	
= Fair value per share (EUR)	34.63	34.99	84.78	148.78	192.11	230.42	263.33	
premium (-) / discount (+) in %					12.5 %	34.9 %	54.2 %	
Sensitivity Fair value per Share (EUR)								
WACC	10.73 %	10.26	10.51	46.38	92.49	128.59	161.76	189.51
	9.73 %	16.71	17.00	56.55	107.39	145.41	179.94	209.06
	8.73 %	24.65	24.96	69.05	125.72	166.09	202.29	233.09
	7.73 %	34.63	34.99	84.78	148.78	192.11	230.42	263.33
	6.73 %	47.59	48.00	105.19	178.70	225.87	266.91	302.56
	5.73 %	65.07	65.55	132.72	219.05	271.41	316.14	355.48
	4.73 %	89.94	90.52	171.89	276.48	336.20	386.18	430.78

■ Decrease in net debt position expected in the coming years.

Valuation	2018	2019	2020	2021	2022e	2023e	2024e
Price / Book	1.7 x	1.1 x	1.1 x	1.7 x	1.6 x	1.4 x	1.3 x
Book value per share ex intangibles	47.69	51.76	59.11	84.23	96.11	111.14	127.15
EV / Sales	0.6 x	0.4 x	0.4 x	0.8 x	0.7 x	0.6 x	0.5 x
EV / EBITDA	8.5 x	5.9 x	4.0 x	8.3 x	7.3 x	6.1 x	5.3 x
EV / EBIT	9.5 x	7.3 x	4.7 x	9.5 x	8.2 x	6.9 x	6.0 x
EV / EBIT adj.*	9.3 x	7.3 x	4.7 x	9.5 x	8.2 x	6.9 x	6.0 x
P / FCF	n.a.	7.3 x	25.6 x	n.a.	10.9 x	7.0 x	8.9 x
P / E	12.8 x	9.8 x	6.3 x	10.0 x	10.0 x	9.4 x	8.9 x
P / E adj.*	12.8 x	9.8 x	6.3 x	10.0 x	10.0 x	9.4 x	8.9 x
Dividend Yield	1.6 %	2.2 %	3.2 %	1.7 %	1.8 %	1.9 %	2.0 %
FCF Potential Yield (on market EV)	6.9 %	10.0 %	14.9 %	7.5 %	8.5 %	10.2 %	11.9 %
*Adjustments made for: -							

Consolidated profit & loss

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Sales	577.9	605.7	724.7	927.4	1,052.0	1,120.0	1,193.0
Change Sales yoy	4.4 %	4.8 %	19.6 %	28.0 %	13.4 %	6.5 %	6.5 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	0.3	0.2	0.0	0.0	0.0	0.0	0.0
Total Sales	578.2	605.9	724.7	927.4	1,052.0	1,120.0	1,193.0
Material expenses	380.2	399.3	464.8	594.2	674.3	717.4	764.2
Gross profit	197.9	206.6	259.9	333.3	377.7	402.6	428.8
Gross profit margin	34.2 %	34.1 %	35.9 %	35.9 %	35.9 %	35.9 %	35.9 %
Personnel expenses	76.2	78.5	92.1	107.8	121.0	129.0	137.0
Other operating income	11.0	6.9	8.9	9.3	8.5	8.5	8.5
Other operating expenses	88.9	91.5	109.1	140.7	158.0	167.8	179.0
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	43.7	43.5	67.6	94.0	107.2	114.3	121.3
Margin	7.6 %	7.2 %	9.3 %	10.1 %	10.2 %	10.2 %	10.2 %
Depreciation of fixed assets	3.4	7.9	9.1	10.0	10.8	11.5	11.8
EBITA	40.3	35.6	58.5	84.0	96.4	102.8	109.5
Amortisation of intangible assets	1.4	0.5	0.5	2.0	1.4	1.6	1.6
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	38.9	35.0	58.0	82.0	95.0	101.2	107.9
Margin	6.7 %	5.8 %	8.0 %	8.8 %	9.0 %	9.0 %	9.0 %
EBIT adj.	39.8	35.0	58.0	82.0	95.0	101.2	107.9
Interest income	0.2	0.2	0.1	0.1	0.1	0.1	0.0
Interest expenses	1.5	1.0	0.9	1.6	1.6	1.6	2.0
Other financial income (loss)	-1.4	-1.8	-1.9	1.0	-1.0	-1.0	-1.3
EBT	36.2	32.5	55.3	81.4	92.4	98.7	104.6
Margin	6.3 %	5.4 %	7.6 %	8.8 %	8.8 %	8.8 %	8.8 %
Total taxes	9.9	7.9	14.6	21.7	25.9	27.6	29.3
Net income from continuing operations	26.3	24.6	40.8	59.7	66.6	71.1	75.3
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income before minorities	26.3	24.6	40.8	59.7	66.6	71.1	75.3
Minority interest	0.3	0.3	0.6	1.5	2.1	2.5	2.8
Net income	26.0	24.3	40.2	58.2	64.5	68.6	72.5
Margin	4.5 %	4.0 %	5.5 %	6.3 %	6.1 %	6.1 %	6.1 %
Number of shares, average	3.8	3.8	3.8	3.8	3.8	3.8	3.8
EPS	6.90	6.44	10.92	15.53	17.08	18.16	19.22
EPS adj.	6.90	6.44	10.92	15.53	17.08	18.16	19.22

*Adjustments made for:

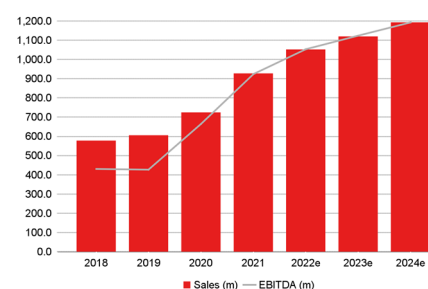
Guidance: 2022: organic sales increase of ca. 10%, EBT margin 8.5-9.0%

Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Total Operating Costs / Sales	94.4 %	94.0 %	91.9 %	90.9 %	90.6 %	90.6 %	90.5 %
Operating Leverage	0.2 x	-2.1 x	3.3 x	1.5 x	1.2 x	1.0 x	1.0 x
EBITDA / Interest expenses	29.2 x	44.6 x	74.8 x	57.5 x	65.5 x	71.4 x	60.7 x
Tax rate (EBT)	27.3 %	24.4 %	25.8 %	26.5 %	28.0 %	28.0 %	28.0 %
Dividend Payout Ratio	20.1 %	21.5 %	20.4 %	16.4 %	17.0 %	17.0 %	17.0 %
Sales per Employee	368,326	384,323	437,606	516,380	568,649	589,474	614,948

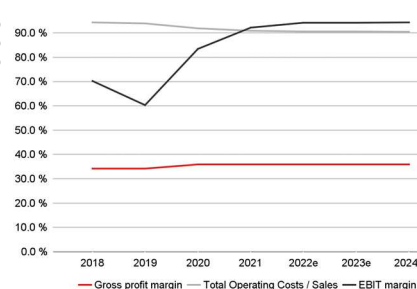
Sales, EBITDA

in EUR m

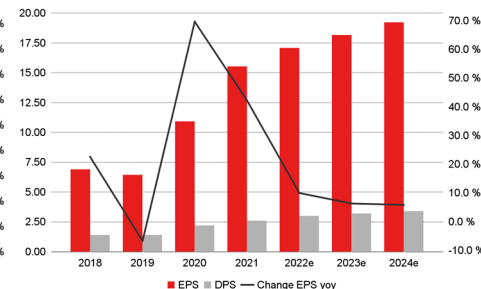


Operating Performance

in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

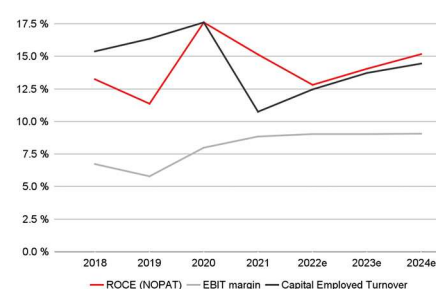
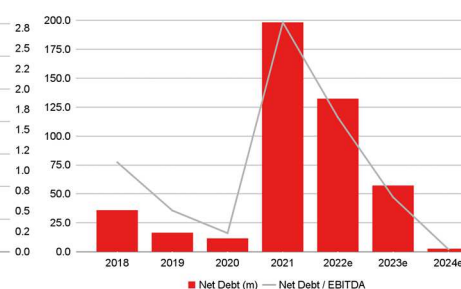
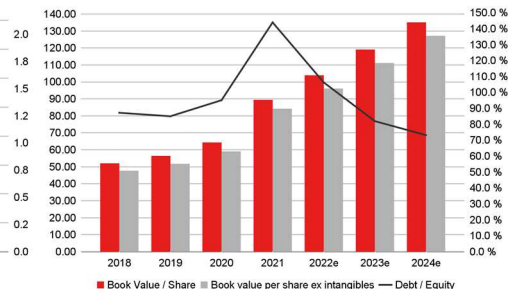
Consolidated balance sheet

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Assets							
Goodwill and other intangible assets	16.5	17.7	19.8	19.6	29.5	30.0	30.0
thereof other intangible assets	4.8	5.9	7.0	7.7	17.5	18.0	18.0
thereof Goodwill	11.7	11.7	11.6	11.6	11.6	11.6	11.6
Property, plant and equipment	26.0	48.9	58.7	75.6	86.8	98.3	110.5
Financial assets	0.7	0.4	0.3	0.9	0.9	0.9	0.9
Other long-term assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fixed assets	43.2	66.9	78.9	96.1	117.1	129.1	141.3
Inventories	188.5	173.3	194.8	450.0	438.0	407.0	398.0
Accounts receivable	88.1	92.9	119.2	135.9	159.0	169.0	180.0
Liquid assets	14.1	25.7	32.1	11.5	35.3	50.9	101.1
Other short-term assets	37.8	38.5	53.5	138.4	66.0	67.0	68.0
Current assets	328.6	330.5	399.6	735.8	698.3	693.9	747.1
Total Assets	371.8	397.4	478.4	831.9	815.4	823.1	888.4
Liabilities and shareholders' equity							
Subscribed capital	9.7	9.7	9.7	9.7	9.7	9.7	9.7
Capital reserve	26.7	26.7	26.7	26.7	26.7	26.7	26.7
Retained earnings	173.4	189.6	224.4	274.6	291.4	344.5	401.0
Other equity components	-13.2	-12.9	-17.8	26.6	64.5	68.6	72.5
Shareholders' equity	196.5	213.0	242.9	337.6	392.2	449.4	509.9
Minority interest	2.1	1.9	2.4	3.4	3.0	3.0	3.0
Total equity	198.6	214.9	245.3	341.0	395.2	452.4	512.9
Provisions	26.6	25.9	35.7	38.0	37.2	38.0	38.5
thereof provisions for pensions and similar obligations	3.4	4.2	7.9	9.0	9.0	9.5	10.0
Financial liabilities (total)	46.7	37.9	35.7	200.9	158.6	98.6	93.6
Short-term financial liabilities	21.6	2.4	3.4	90.9	65.0	5.0	0.0
Accounts payable	68.5	78.2	96.8	137.5	153.0	163.0	173.0
Other liabilities	31.4	40.6	64.8	114.5	71.3	71.0	70.4
Liabilities	173.1	182.5	233.1	490.9	420.1	370.6	375.5
Total liabilities and shareholders' equity	371.8	397.4	478.4	831.9	815.4	823.1	888.4

Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Efficiency of Capital Employment							
Operating Assets Turnover	2.5 x	2.6 x	2.6 x	1.8 x	2.0 x	2.2 x	2.3 x
Capital Employed Turnover	2.5 x	2.6 x	2.8 x	1.7 x	2.0 x	2.2 x	2.3 x
ROA	60.3 %	36.3 %	50.9 %	60.6 %	55.0 %	53.1 %	51.3 %
Return on Capital							
ROCE (NOPAT)	13.2 %	11.4 %	17.6 %	15.1 %	12.8 %	14.0 %	15.2 %
ROE	13.8 %	11.9 %	17.6 %	20.1 %	17.7 %	16.3 %	15.1 %
Adj. ROE	13.8 %	11.9 %	17.6 %	20.1 %	17.7 %	16.3 %	15.1 %
Balance sheet quality							
Net Debt	35.9	16.4	11.6	198.4	132.4	57.2	2.6
Net Financial Debt	32.6	12.2	3.6	189.4	123.4	47.7	-7.4
Net Gearing	18.1 %	7.6 %	4.7 %	58.2 %	33.5 %	12.7 %	0.5 %
Net Fin. Debt / EBITDA	74.4 %	28.1 %	5.4 %	201.5 %	115.1 %	41.8 %	n.a.
Book Value / Share	52.1	56.4	64.4	89.4	103.9	119.1	135.1
Book value per share ex intangibles	47.7	51.8	59.1	84.2	96.1	111.1	127.2

ROCE Development

Net debt
in EUR mBook Value per Share
in EUR

Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

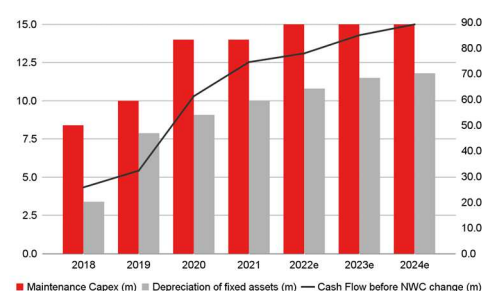
In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Net income	36.2	32.5	56.4	81.8	92.4	98.7	104.6
Depreciation of fixed assets	3.4	7.9	9.1	10.0	10.8	11.5	11.8
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.4	0.5	0.5	2.0	1.4	1.6	1.6
Increase/decrease in long-term provisions	-5.3	-0.7	9.9	2.3	-0.8	0.8	0.5
Other non-cash income and expenses	-9.9	-7.9	-14.6	-21.7	-25.9	-27.6	-29.3
Cash Flow before NWC change	25.8	32.3	61.3	74.5	77.9	85.0	89.2
Increase / decrease in inventory	-8.4	15.2	-21.4	-255.2	12.0	31.0	9.0
Increase / decrease in accounts receivable	-5.8	-4.7	-26.3	-16.7	-23.1	-10.0	-11.0
Increase / decrease in accounts payable	-17.0	9.7	18.6	40.7	15.5	10.0	10.0
Increase / decrease in other working capital positions	0.0	-4.0	0.0	0.0	-4.0	-4.0	-4.0
Increase / decrease in working capital (total)	-31.2	16.2	-29.2	-231.2	0.3	27.0	4.0
Net cash provided by operating activities [1]	-5.4	48.5	32.1	-156.7	78.3	112.0	93.2
Investments in intangible assets	-0.7	-1.7	-2.8	-1.6	-2.0	-2.0	-2.0
Investments in property, plant and equipment	-7.7	-14.2	-19.2	-27.2	-17.0	-18.0	-19.0
Payments for acquisitions	0.4	0.0	0.0	0.0	-5.0	-5.0	-5.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by investing activities [2]	-8.0	-15.9	-22.1	-28.8	-24.0	-25.0	-26.0
Change in financial liabilities	24.2	-8.7	-2.2	165.2	-42.3	-60.0	-5.0
Dividends paid	-4.5	-5.3	-5.3	-8.3	-9.8	-11.3	-12.1
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
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by financing activities [3]	19.7	-14.0	-7.5	156.9	-52.1	-71.3	-17.1
Change in liquid funds [1]+[2]+[3]	6.4	18.5	2.6	-28.6	2.2	15.6	50.2
Effects of exchange-rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalent at end of period	20.8	32.6	28.3	3.5	13.7	50.9	101.1

Financial Ratios

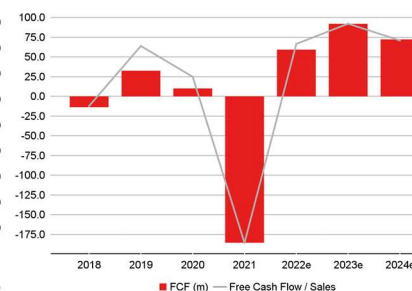
	2018	2019	2020	2021	2022e	2023e	2024e
Cash Flow							
FCF	-13.7	32.5	10.1	-185.5	59.3	92.0	72.2
Free Cash Flow / Sales	-2.4 %	5.4 %	1.4 %	-20.0 %	5.6 %	8.2 %	6.1 %
Free Cash Flow Potential	25.4	25.5	40.1	58.7	66.3	71.7	77.0
Free Cash Flow / Net Profit	-52.7 %	133.7 %	25.1 %	-318.7 %	91.9 %	134.1 %	99.6 %
Interest Received / Avg. Cash	1.2 %	1.1 %	0.5 %	0.5 %	0.5 %	0.2 %	0.0 %
Interest Paid / Avg. Debt	4.3 %	2.3 %	2.5 %	1.4 %	0.9 %	1.2 %	2.1 %
Management of Funds							
Investment ratio	1.4 %	2.6 %	3.0 %	3.1 %	1.8 %	1.8 %	1.8 %
Maint. Capex / Sales	1.5 %	1.7 %	1.9 %	1.5 %	1.4 %	1.3 %	1.3 %
Capex / Dep	173.1 %	189.3 %	229.4 %	239.2 %	155.7 %	152.7 %	156.7 %
Avg. Working Capital / Sales	33.3 %	32.7 %	28.0 %	35.9 %	42.4 %	38.3 %	34.3 %
Trade Debtors / Trade Creditors	128.7 %	118.8 %	123.1 %	98.8 %	103.9 %	103.7 %	104.0 %
Inventory Turnover	2.0 x	2.3 x	2.4 x	1.3 x	1.5 x	1.8 x	1.9 x
Receivables collection period (days)	56	56	60	53	55	55	55
Payables payment period (days)	66	71	76	84	83	83	83
Cash conversion cycle (Days)	171	143	137	245	209	179	163

CAPEX and Cash Flow

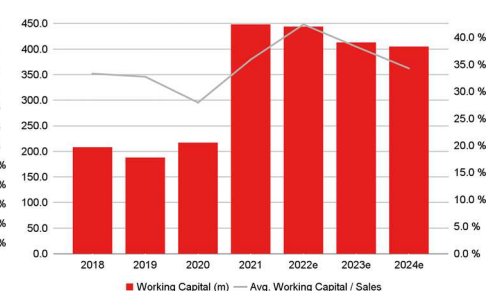
in EUR m



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
Einhell Pref.	3, 5	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE0005654933.htm

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Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

-B-	Buy:	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	Hold:	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	Sell:	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	Rating suspended:	The available information currently does not permit an evaluation of the company.

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING

Rating	Number of stocks	% of Universe
Buy	171	80
Hold	37	17
Sell	3	1
Rating suspended	2	1
Total	213	100

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...

... taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	50	86
Hold	6	10
Sell	0	0
Rating suspended	2	3
Total	58	100

PRICE AND RATING HISTORY EINHELL PREF. AS OF 27.05.2022


Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

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