

Buy EUR 235.00	Value Indicators: EUR DCF: 235.47 FCF-Value Potential 23e: 160.77	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: 535.2 No. of shares (m): 3.8 EV: 639.1 Freefloat MC: 535.2 Ø Trad. Vol. (30d): 321.92 th	Shareholders: Freefloat 100.00 % Thannhuber AG (Ordinary sh.) 93.00 % Others (Ordinary shares) 7.00 %	Key Figures (WRe): 2022e Beta: 1.2 Price / Book: 1.4 x Equity Ratio: 47 % Net Fin. Debt / EBITDA: 1.4 x Net Debt / EBITDA: 1.5 x
Price EUR 141.80 Upside 65.7 %			

Positive growth and margin outlook for the current year

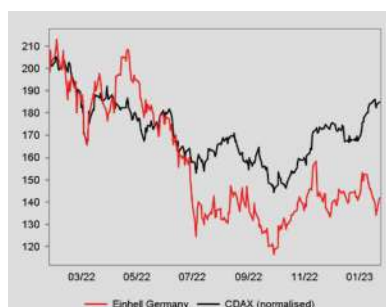
Einhell achieved its sales target and clearly exceeded the EUR 1bn sales threshold in FY 2022. The group reported full-year sales of around EUR 1,030m, which is roughly in line with our estimate of EUR 1,036m. As expected, Q4 sales were down by around 6.5-7.0% in light of the high starting base and the challenging macroeconomic environment. Earnings numbers have not yet been provided for 2022.

Moreover, the group released an initial guidance for the current year. The management expects a sales increase of around 3% and an EBT margin of 8.0-8.5% in 2023. This is above our current estimates and consensus (WRe: sales +1.8%, EBT margin 7.6% / consensus 2023e: sales EUR 1,052m, EBT 78m). The company mentioned a high degree of forecast uncertainty as consumer demand might be affected by high price inflation. On the other hand, the situation on the procurement side (production and freight capacities) has improved.

Overall, the group is optimistic to further expand its market share in existing markets with a strong focus on brand marketing and the ongoing enlargement of its Power-X-Change battery platform product line. Additionally, the continuation of the international expansion remains an important pillar of the strategy.

We regard the initial forecast for the current year as a positive statement. The strategy is well on track and underpins the long-term view to catch up with the large DIY brand names. With its strong position in the segment of cordless power and garden tools, sound financials and a broad regional diversification, the group is well prepared for a deteriorated environment in some regions. The valuation is highly attractive with a PE below 10 and EV/EBIT of 0.5 on next year's sales. **We confirm our Buy recommendation with an unchanged PT of EUR 235.**

Changes in Estimates:				Comment on Changes:			
FY End: 31.12. in EUR m	2022e (old)	+ / -	2023e (old)	+ / -	2024e (old)	+ / -	
Sales	1,035.7	-0.6 %	1,049.0	0.0 %	1,108.0	0.0 %	<ul style="list-style-type: none"> We are leaving our earnings estimates for 2022 unchanged after the reported sales number. Earnings details for 2022 are expected to be released in March. Our 2023 forecast is slightly below the initial management guidance for the current year with a sales increase of 1.8% and an EBT margin of 7.6%.
EBITDA	106.2	0.0 %	96.9	0.0 %	105.1	0.0 %	
EBT	87.8	0.0 %	80.1	0.0 %	88.3	0.0 %	
Net income	61.8	0.0 %	56.3	0.0 %	62.1	0.0 %	
EPS	16.37	0.0 %	14.91	0.0 %	16.46	0.0 %	

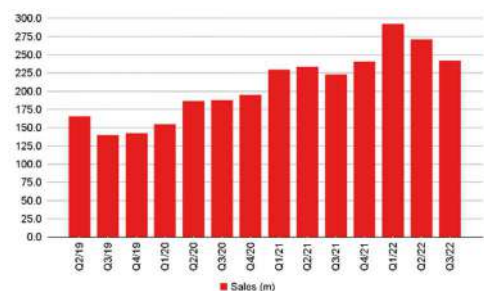


Rel. Performance vs CDAX:	
1 month:	-12.0 %
6 months:	-8.1 %
Year to date:	-9.7 %
Trailing 12 months:	-22.9 %

Company events:
23.06.23 AGM

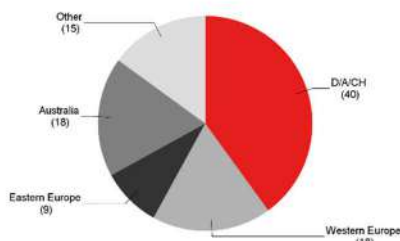
FY End: 31.12. in EUR m	CAGR (21-24e)	2018	2019	2020	2021	2022e	2023e	2024e
Sales	6.1 %	577.9	605.7	724.7	927.4	1,030.0	1,049.0	1,108.0
Change Sales yoy		4.4 %	4.8 %	19.6 %	28.0 %	11.1 %	1.8 %	5.6 %
Gross profit margin		34.2 %	34.1 %	35.9 %	35.9 %	35.7 %	35.5 %	35.7 %
EBITDA	3.8 %	43.7	43.5	67.6	94.0	106.2	96.9	105.1
Margin		7.6 %	7.2 %	9.3 %	10.1 %	10.3 %	9.2 %	9.5 %
EBIT	3.6 %	38.9	35.0	58.0	82.0	92.0	83.1	91.3
Margin		6.7 %	5.8 %	8.0 %	8.8 %	8.9 %	7.9 %	8.2 %
EBT	2.7 %	36.2	32.5	55.3	81.4	87.8	80.1	88.3
Margin		6.3 %	5.4 %	7.6 %	8.8 %	8.5 %	7.6 %	8.0 %
Net income	2.2 %	26.0	24.3	40.2	58.2	61.8	56.3	62.1
EPS	2.0 %	6.90	6.44	10.92	15.53	16.37	14.91	16.46
DPS	4.9 %	1.40	1.40	2.20	2.60	3.00	3.00	3.00
Dividend Yield		1.6 %	2.2 %	3.2 %	1.7 %	2.1 %	2.1 %	2.1 %
FCFPS		-3.64	8.62	2.67	-49.14	17.98	21.00	19.03
FCF / Market cap		-4.1 %	13.6 %	3.9 %	-31.8 %	12.7 %	14.8 %	13.4 %
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	6.5 x	6.6 x	5.7 x
EV / EBIT		9.5 x	7.3 x	4.7 x	9.5 x	7.5 x	7.7 x	6.5 x
P / E		12.8 x	9.8 x	6.3 x	10.0 x	8.7 x	9.5 x	8.6 x
FCF Potential Yield		6.9 %	10.0 %	14.9 %	7.5 %	9.6 %	9.3 %	10.9 %
Net Debt		35.9	16.4	11.6	198.4	157.4	103.9	61.9
ROCE (NOPAT)		13.2 %	11.4 %	17.6 %	15.1 %	12.2 %	11.0 %	12.2 %
Guidance:		2022: EBT margin ca. 8.5%; 2023: sales +3%, EBT margin ca. 8.0-8.5%						

Sales development
in EUR m



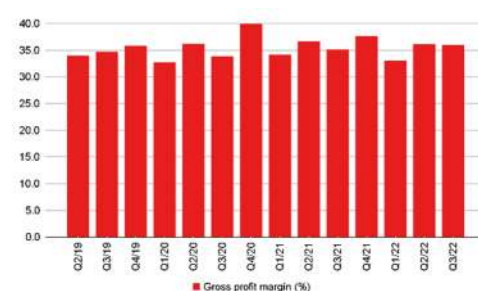
Source: Warburg Research

Sales by regions
2021; in %



Source: Warburg Research

Gross margin development
in %



Source: Warburg Research

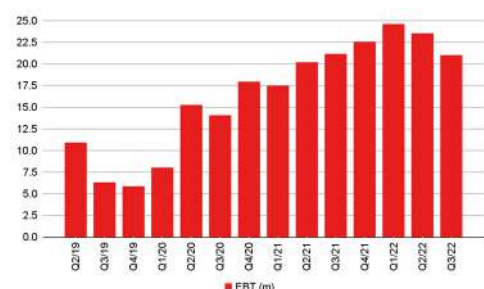
Company Background

- 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

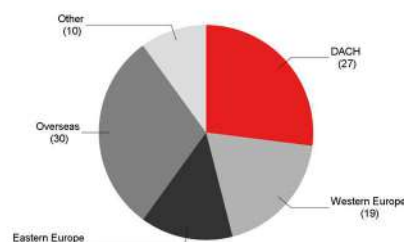
- Einhell has a high brand awareness in key markets, which will be further strengthened by marketing initiatives and presentation at the point-of-sale (including e-commerce) in the course of a long-term brand strategy.
- With its focus on innovative product development, the group can benefit from dynamic 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



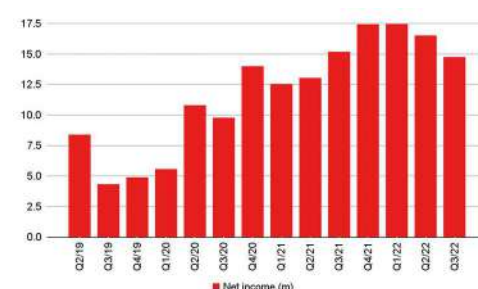
Source: Warburg Research

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	1,030.0	1,049.0	1,108.0	1,180.0	1,256.7	1,332.1	1,412.1	1,489.7	1,564.2	1,634.6	1,691.8	1,742.6	1,786.1	
Sales change	11.1 %	1.8 %	5.6 %	6.5 %	6.5 %	6.0 %	6.0 %	5.5 %	5.0 %	4.5 %	3.5 %	3.0 %	2.5 %	2.0 %
EBIT	92.0	83.1	91.3	96.8	103.1	109.2	115.8	122.2	125.1	122.6	126.9	130.7	134.0	
EBIT-margin	8.9 %	7.9 %	8.2 %	8.2 %	8.2 %	8.2 %	8.2 %	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 %	
NOPAT	66.3	59.8	65.7	68.7	72.1	76.5	81.1	85.5	87.6	85.8	88.8	91.5	93.8	
Depreciation	14.2	13.8	13.8	15.3	16.3	17.3	18.4	19.4	20.3	21.2	22.0	22.7	23.2	
in % of Sales	1.4 %	1.3 %	1.2 %	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	-0.6	0.0	-0.1	0.6	0.5	0.5	-0.3	-0.5	-0.6	-0.7	
Change in Liquidity from														
- Working Capital	-14.3	-31.0	-19.0	5.4	12.7	10.8	10.7	20.3	19.1	17.6	13.4	11.3	12.6	
- Capex	23.0	24.0	25.0	18.3	18.2	18.0	18.4	19.4	20.3	21.2	22.0	22.7	23.2	
Capex in % of Sales	2.2 %	2.3 %	2.3 %	1.6 %	1.5 %	1.4 %	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)	71.8	63.1	74.0	59.8	57.5	64.9	71.0	65.7	69.0	67.9	74.9	79.6	80.5	85
PV of FCF	71.4	57.9	62.6	46.7	41.4	43.1	43.5	37.2	36.1	32.7	33.3	32.7	30.5	503
share of PVs	17.90 %			35.19 %										46.92 %

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	8.25 %	Cyclicality	1.00
Risk free rate	2.75 %	Transparency	1.00
		Others	1.50
WACC	8.37 %	Beta	1.20

Valuation (m)

Present values 2034e	569		
Terminal Value	503		
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	889	Value per share (EUR)	235.47

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		1.25 %	1.50 %	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.41	9.4 %	188.92	191.90	195.06	198.45	202.07	205.95	210.13	1.41	9.4 %	145.56	163.19	180.82	198.45	216.08	233.71	251.33
1.31	8.9 %	204.09	207.67	211.49	215.60	220.01	224.77	229.92	1.31	8.9 %	158.83	177.75	196.67	215.60	234.52	253.44	272.36
1.25	8.6 %	212.46	216.39	220.61	225.15	230.05	235.34	241.09	1.25	8.6 %	166.22	185.87	205.51	225.15	244.80	264.44	284.09
1.20	8.4 %	221.43	225.77	230.44	235.47	240.92	246.82	253.26	1.20	8.4 %	174.20	194.63	215.05	235.47	255.89	276.32	296.74
1.15	8.1 %	231.07	235.87	241.04	246.64	252.72	259.33	266.57	1.15	8.1 %	182.85	204.11	225.38	246.64	267.91	289.17	310.44
1.09	7.9 %	241.44	246.77	252.52	258.77	265.58	273.02	281.18	1.09	7.9 %	192.23	214.41	236.59	258.77	280.95	303.13	325.31
0.99	7.4 %	264.78	271.39	278.59	286.46	295.09	304.62	315.17	0.99	7.4 %	213.65	237.92	262.19	286.46	310.73	335.00	359.26

- 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	63.2	57.7	63.5	
+ Depreciation + Amortisation	4.8	8.4	9.6	12.0	14.2	13.8	13.8	
- Net Interest Income	-2.7	-2.5	-2.6	-0.5	-4.3	-3.0	-3.0	
- 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	66.7	59.5	65.3	
FCF Potential Yield (on market EV)	6.9 %	10.0 %	14.9 %	7.5 %	9.6 %	9.3 %	10.9 %	
WACC	8.37 %	8.37 %	8.37 %	8.37 %	8.37 %	8.37 %	8.37 %	
= Enterprise Value (EV)	369.7	254.9	269.6	781.7	692.6	639.1	597.1	
= Fair Enterprise Value	304.0	305.3	478.9	702.0	796.8	710.7	780.9	
- Net Debt (Cash)	189.4	189.4	189.4	189.4	148.4	94.4	51.9	
- 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	105.7	106.9	280.5	503.7	639.4	606.8	719.0	
Number of shares, average	3.8	3.8	3.8	3.8	3.8	3.8	3.8	
= Fair value per share (EUR)	27.99	28.32	74.32	133.44	169.41	160.77	190.51	
premium (-) / discount (+) in %					19.5 %	13.4 %	34.3 %	
Sensitivity Fair value per Share (EUR)								
	11.37 %	6.73	6.98	40.83	84.35	113.70	111.07	135.90
	10.37 %	12.45	12.72	49.84	97.56	128.69	124.44	150.59
	9.37 %	19.39	19.69	60.77	113.58	146.87	140.67	168.42
WACC	8.37 %	27.99	28.32	74.32	133.44	169.41	160.77	190.51
	7.37 %	38.92	39.30	91.54	158.69	198.06	186.32	218.59
	6.37 %	53.29	53.72	114.17	191.86	235.71	219.91	255.49
	5.37 %	73.01	73.52	145.23	237.40	287.40	266.01	306.15

▪ 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	1.4 x	1.2 x	1.1 x
Book value per share ex intangibles	47.69	51.76	59.11	84.23	90.89	103.20	115.34
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	6.5 x	6.6 x	5.7 x
EV / EBIT	9.5 x	7.3 x	4.7 x	9.5 x	7.5 x	7.7 x	6.5 x
EV / EBIT adj.*	9.3 x	7.3 x	4.7 x	9.5 x	7.5 x	7.7 x	6.5 x
P / FCF	n.a.	7.3 x	25.6 x	n.a.	7.9 x	6.8 x	7.4 x
P / E	12.8 x	9.8 x	6.3 x	10.0 x	8.7 x	9.5 x	8.6 x
P / E adj.*	12.8 x	9.8 x	6.3 x	10.0 x	8.7 x	9.5 x	8.6 x
Dividend Yield	1.6 %	2.2 %	3.2 %	1.7 %	2.1 %	2.1 %	2.1 %
FCF Potential Yield (on market EV)	6.9 %	10.0 %	14.9 %	7.5 %	9.6 %	9.3 %	10.9 %

*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	1,030.0	1,049.0	1,108.0
Change Sales yoy	4.4 %	4.8 %	19.6 %	28.0 %	11.1 %	1.8 %	5.6 %
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	1,030.0	1,049.0	1,108.0
Material expenses	380.2	399.3	464.8	594.2	662.3	676.6	712.4
Gross profit	197.9	206.6	259.9	333.3	367.7	372.4	395.6
<i>Gross profit margin</i>	<i>34.2 %</i>	<i>34.1 %</i>	<i>35.9 %</i>	<i>35.9 %</i>	<i>35.7 %</i>	<i>35.5 %</i>	<i>35.7 %</i>
Personnel expenses	76.2	78.5	92.1	107.8	117.0	124.0	132.0
Other operating income	11.0	6.9	8.9	9.3	11.5	12.0	12.5
Other operating expenses	88.9	91.5	109.1	140.7	156.0	163.5	171.0
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	106.2	96.9	105.1
<i>Margin</i>	<i>7.6 %</i>	<i>7.2 %</i>	<i>9.3 %</i>	<i>10.1 %</i>	<i>10.3 %</i>	<i>9.2 %</i>	<i>9.5 %</i>
Depreciation of fixed assets	3.4	7.9	9.1	10.0	12.0	11.8	11.8
EBITA	40.3	35.6	58.5	84.0	94.2	85.1	93.3
Amortisation of intangible assets	1.4	0.5	0.5	2.0	2.2	2.0	2.0
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	92.0	83.1	91.3
<i>Margin</i>	<i>6.7 %</i>	<i>5.8 %</i>	<i>8.0 %</i>	<i>8.8 %</i>	<i>8.9 %</i>	<i>7.9 %</i>	<i>8.2 %</i>
EBIT adj.	39.8	35.0	58.0	82.0	92.0	83.1	91.3
Interest income	0.2	0.2	0.1	0.1	0.1	0.1	0.1
Interest expenses	1.5	1.0	0.9	1.6	3.4	2.1	2.1
Other financial income (loss)	-1.4	-1.8	-1.9	1.0	-1.0	-1.0	-1.0
EBT	36.2	32.5	55.3	81.4	87.8	80.1	88.3
<i>Margin</i>	<i>6.3 %</i>	<i>5.4 %</i>	<i>7.6 %</i>	<i>8.8 %</i>	<i>8.5 %</i>	<i>7.6 %</i>	<i>8.0 %</i>
Total taxes	9.9	7.9	14.6	21.7	24.6	22.4	24.7
Net income from continuing operations	26.3	24.6	40.8	59.7	63.2	57.7	63.5
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	63.2	57.7	63.5
Minority interest	0.3	0.3	0.6	1.5	1.4	1.4	1.4
Net income	26.0	24.3	40.2	58.2	61.8	56.3	62.1
<i>Margin</i>	<i>4.5 %</i>	<i>4.0 %</i>	<i>5.5 %</i>	<i>6.3 %</i>	<i>6.0 %</i>	<i>5.4 %</i>	<i>5.6 %</i>
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	16.37	14.91	16.46
EPS adj.	6.90	6.44	10.92	15.53	16.37	14.91	16.46

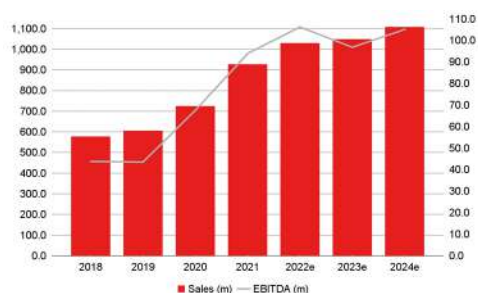
*Adjustments made for:

Guidance: 2022: EBT margin ca. 8.5%; 2023: sales +3%, EBT margin ca. 8.0-8.5%

Financial Ratios

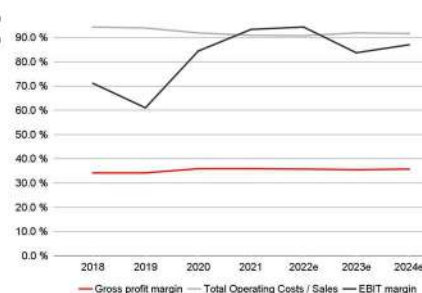
	2018	2019	2020	2021	2022e	2023e	2024e
Total Operating Costs / Sales	94.4 %	94.0 %	91.9 %	90.9 %	90.8 %	91.9 %	91.6 %
Operating Leverage	0.2 x	-2.1 x	3.3 x	1.5 x	1.1 x	-5.3 x	1.7 x
EBITDA / Interest expenses	29.2 x	44.6 x	74.8 x	57.5 x	31.2 x	46.1 x	50.0 x
Tax rate (EBT)	27.3 %	24.4 %	25.8 %	26.5 %	28.0 %	28.0 %	28.0 %
Dividend Payout Ratio	20.1 %	21.5 %	20.4 %	16.4 %	17.9 %	19.6 %	17.8 %
Sales per Employee	368,326	384,323	437,606	516,380	556,757	552,105	571,134

Sales, EBITDA in EUR m



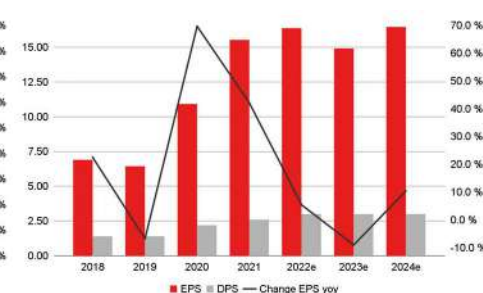
Source: Warburg Research

Operating Performance in %



Source: Warburg Research

Performance per Share



Source: Warburg Research

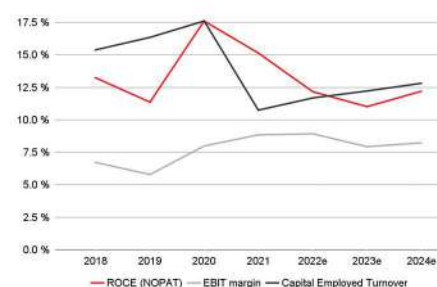
Consolidated balance sheet

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Assets							
Goodwill and other intangible assets	16.5	17.7	19.8	19.6	46.5	40.0	40.0
thereof other intangible assets	4.8	5.9	7.0	7.7	22.5	28.0	28.0
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	85.6	94.8	105.0
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	132.9	135.6	145.8
Inventories	188.5	173.3	194.8	450.0	429.0	389.0	369.0
Accounts receivable	88.1	92.9	119.2	135.9	155.0	158.0	167.0
Liquid assets	14.1	25.7	32.1	11.5	15.3	15.2	41.8
Other short-term assets	37.8	38.5	53.5	138.4	96.0	97.0	98.0
Current assets	328.6	330.5	399.6	735.8	695.3	659.2	675.8
Total Assets	371.8	397.4	478.4	831.9	828.2	794.9	821.6
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	341.9	381.8
Other equity components	-13.2	-12.9	-17.8	26.6	61.8	51.3	57.1
Shareholders' equity	196.5	213.0	242.9	337.6	389.5	429.5	475.3
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	392.5	432.5	478.3
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	163.6	109.6	93.6
Short-term financial liabilities	21.6	2.4	3.4	90.9	70.0	16.0	0.0
Accounts payable	68.5	78.2	96.8	137.5	150.0	144.0	152.0
Other liabilities	31.4	40.6	64.8	114.5	84.8	70.8	59.2
Liabilities	173.1	182.5	233.1	490.9	435.6	362.4	343.3
Total liabilities and shareholders' equity	371.8	397.4	478.4	831.9	828.2	794.9	821.6

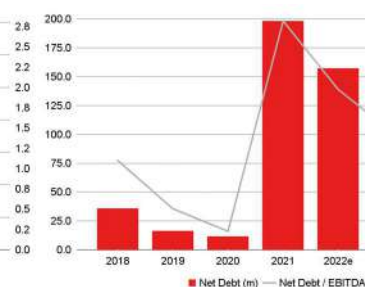
Financial Ratios

	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	2.1 x	2.3 x
Capital Employed Turnover	2.5 x	2.6 x	2.8 x	1.7 x	1.9 x	2.0 x	2.1 x
ROA	60.3 %	36.3 %	50.9 %	60.6 %	46.5 %	41.5 %	42.6 %
Return on Capital							
ROCE (NOPAT)	13.2 %	11.4 %	17.6 %	15.1 %	12.2 %	11.0 %	12.2 %
ROE	13.8 %	11.9 %	17.6 %	20.1 %	17.0 %	13.7 %	13.7 %
Adj. ROE	13.8 %	11.9 %	17.6 %	20.1 %	17.0 %	13.7 %	13.7 %
Balance sheet quality							
Net Debt	35.9	16.4	11.6	198.4	157.4	103.9	61.9
Net Financial Debt	32.6	12.2	3.6	189.4	148.4	94.4	51.9
Net Gearing	18.1 %	7.6 %	4.7 %	58.2 %	40.1 %	24.0 %	12.9 %
Net Fin. Debt / EBITDA	74.4 %	28.1 %	5.4 %	201.5 %	139.6 %	97.4 %	49.4 %
Book Value / Share	52.1	56.4	64.4	89.4	103.2	113.8	125.9
Book value per share ex intangibles	47.7	51.8	59.1	84.2	90.9	103.2	115.3

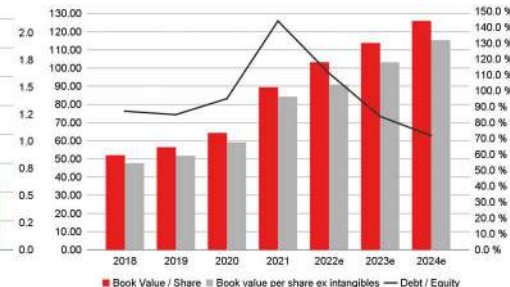
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

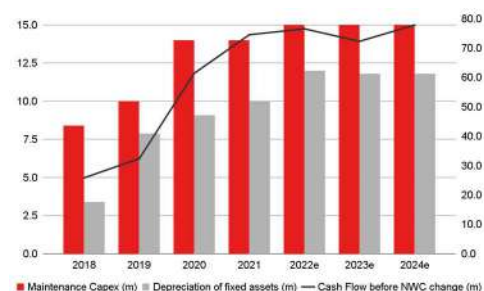
In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Net income	36.2	32.5	56.4	81.8	87.8	80.1	88.3
Depreciation of fixed assets	3.4	7.9	9.1	10.0	12.0	11.8	11.8
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	1.4	0.5	0.5	2.0	2.2	2.0	2.0
Increase/decrease in long-term provisions	-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	-24.6	-22.4	-24.7
Cash Flow before NWC change	25.8	32.3	61.3	74.5	76.5	72.3	77.8
Increase / decrease in inventory	-8.4	15.2	-21.4	-255.2	21.0	40.0	20.0
Increase / decrease in accounts receivable	-5.8	-4.7	-26.3	-16.7	-19.1	-3.0	-9.0
Increase / decrease in accounts payable	-17.0	9.7	18.6	40.7	12.5	-6.0	8.0
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	10.3	27.0	15.0
Net cash provided by operating activities [1]	-5.4	48.5	32.1	-156.7	86.9	99.3	92.8
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	-17.0	-3.0	-3.0
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	-36.0	-23.0	-24.0
Change in financial liabilities	24.2	-8.7	-2.2	165.2	-37.3	-54.0	-16.0
Dividends paid	-4.5	-5.3	-5.3	-8.3	-9.8	-11.3	-11.3
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	-47.1	-65.3	-27.3
Change in liquid funds [1]+[2]+[3]	6.4	18.5	2.6	-28.6	3.8	10.9	41.5
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	15.3	26.2	56.8

Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Cash Flow							
FCF	-13.7	32.5	10.1	-185.5	67.9	79.3	71.8
Free Cash Flow / Sales	-2.4 %	5.4 %	1.4 %	-20.0 %	6.6 %	7.6 %	6.5 %
Free Cash Flow Potential	25.4	25.5	40.1	58.7	66.7	59.5	65.3
Free Cash Flow / Net Profit	-52.7 %	133.7 %	25.1 %	-318.7 %	109.9 %	140.9 %	115.6 %
Interest Received / Avg. Cash	1.2 %	1.1 %	0.5 %	0.5 %	0.8 %	0.7 %	0.4 %
Interest Paid / Avg. Debt	4.3 %	2.3 %	2.5 %	1.4 %	1.9 %	1.5 %	2.1 %
Management of Funds							
Investment ratio	1.4 %	2.6 %	3.0 %	3.1 %	1.8 %	1.9 %	1.9 %
Maint. Capex / Sales	1.5 %	1.7 %	1.9 %	1.5 %	1.5 %	1.4 %	1.4 %
Capex / Dep	173.1 %	189.3 %	229.4 %	239.2 %	133.8 %	144.9 %	152.2 %
Avg. Working Capital / Sales	33.3 %	32.7 %	28.0 %	35.9 %	42.8 %	39.9 %	35.5 %
Trade Debtors / Trade Creditors	128.7 %	118.8 %	123.1 %	98.8 %	103.3 %	109.7 %	109.9 %
Inventory Turnover	2.0 x	2.3 x	2.4 x	1.3 x	1.5 x	1.7 x	1.9 x
Receivables collection period (days)	56	56	60	53	55	55	55
Payables payment period (days)	66	71	76	84	83	78	78
Cash conversion cycle (Days)	171	143	137	245	209	187	166

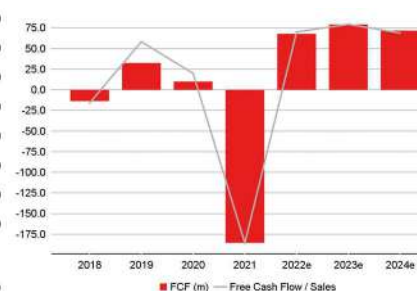
CAPEX and Cash Flow

in EUR m



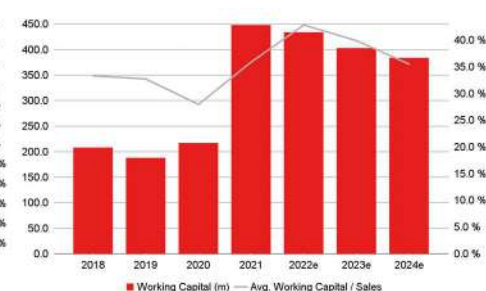
Source: Warburg Research

Free Cash Flow Generation



Source: Warburg Research

Working Capital



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	160	75
Hold	45	21
Sell	6	3
Rating suspended	3	1
Total	214	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	44	86
Hold	6	12
Sell	0	0
Rating suspended	1	2
Total	51	100

PRICE AND RATING HISTORY EINHELL PREF. AS OF 24.01.2023



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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