

Buy EUR 235.00 Price EUR 150.00 Upside 56.7 %	Value Indicators: EUR DCF: 236.13 FCF-Value Potential 24e: 198.98	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: 566.2 No. of shares (m): 3.8 EV: 642.9 Freefloat MC: 566.2 Ø Trad. Vol. (30d): 144.12 th	Shareholders: Freefloat 100.00 % Thannhuber AG (Ordinary sh.) 93.00 % Others (Ordinary shares) 7.00 %	Key Figures (WRe): 2023e Beta: 1.2 Price / Book: 1.4 x Equity Ratio: 50 % Net Fin. Debt / EBITDA: 0.7 x Net Debt / EBITDA: 0.8 x

Solid Q3 margins underpin full year earnings outlook

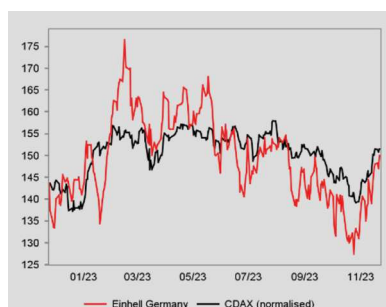
Stated Figures Q3/2023:					Comment on Figures:				
FY End: 31.12. in EUR m	Q3 23	Q3 23e	Q3 22	yoy	9M 23	9M 23e	9M 22	yoy	
Sales	229.9	225.0	242.0	-5 %	755.8	750.9	805.7	-6 %	▪ Einhell reported better Q3 numbers than assumed after the group released preliminary 9M sales of EUR 750m together with an adjusted FY guidance at the beginning of October.
Gross profit	91.4	87.8	87.1	5 %	295.0	291.4	281.8	5 %	▪ The top-line decline in Q3 mainly reflects the weak sales performance in DACH (-8.5% in Q3), while the other regions posted stable or higher sales.
Margin	39.7 %	39.0 %	36.0 %		39.0 %	38.8 %	35.0 %		▪ 9M sales include EUR 10.3m from acquisitions in Vietnam and Thailand consolidated for the first time.
EBIT	20.1	16.4	22.0	-8 %	68.0	64.3	72.7	-7 %	▪ The stock level was lowered to EUR 333m at the end of Q3 (Q3 22: EUR 469m, Q2 22: EUR 359m), which led to a strong FCF and a significant net-debt reduction.
EBT	18.4	15.4	21.0	-12 %	62.8	59.8	69.2	-9 %	
Margin	8.0 %	6.9 %	8.7 %		8.3 %	8.0 %	8.6 %		
Net income	12.3	10.9	14.7	-17 %	42.6	41.2	48.7	-13 %	
EPS	3.25	2.88	3.91	-17 %	11.28	10.91	12.91	-13 %	

Einhell achieved a strong gross-margin increase in Q3 despite the weaker top-line performance. The financial outlook for FY 2023 (which was adjusted on October 5) was fully confirmed. The company expects sales of around EUR 1bn and an EBT margin of ca. 8.0%. This implies a better sales trend and an almost stable EBT for Q4 (WRe: Q4 sales +4% to EUR 236m, EBT of EUR 17.7m).

The group remains highly focused on its mid-term growth strategy. Based on the Power-X-Change battery platform, Einhell is continuously gaining market share in core regions. Supported by the international expansion and new customer listings, we expect a solid sales increase in 2024. The management is aiming for sales of EUR 2bn in 2029, in line with the long-term project to catch up with the large DIY brand names. There is opportunity for growth especially in the US market, where Einhell has started negotiations with a potential takeover-target to gain access to the retail channel in this market.

Overall, the promising mid-term prospects and the strong market position are not reflected in the current valuation. The key parameters of the DCF model and our **PT of EUR 235 remain unchanged** and we **confirm the Buy rating**.

Changes in Estimates:					Comment on Changes:				
FY End: 31.12. in EUR m	2023e (old)	+ / -	2024e (old)	+ / -	2025e (old)	+ / -			
Sales	1,036.0	-4.2 %	1,116.4	-6.3 %	1,190.2	-6.5 %	▪ We have slightly reduced our estimates for 2023 in line with the current guidance. In light of challenging consumer markets and headwinds from currency translation, we have also revised our estimates for the coming years.		
EBITDA	102.4	-1.1 %	110.2	-2.8 %	121.4	-4.5 %	▪ We expect Einhell to return to growth in 2024, supported by organic increases in core regions and the sales potential in the international growth markets (South Africa, Canada, Thailand).		
EBT	82.2	-2.1 %	89.7	-4.1 %	100.7	-6.3 %	▪ For the EBT margin we assume a steady improvement from 8.1% in the current year to 8.5% in 2025.		
Net income	58.0	-3.1 %	63.3	-3.8 %	71.0	-6.1 %			
EPS	15.37	-3.1 %	16.77	-3.8 %	18.82	-6.1 %			

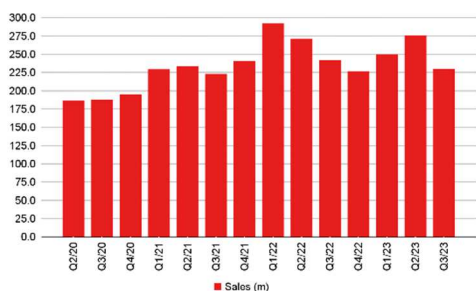


Rel. Performance vs CDAX:	
1 month:	5.8 %
6 months:	-3.1 %
Year to date:	-3.5 %
Trailing 12 months:	-2.0 %

Company events:

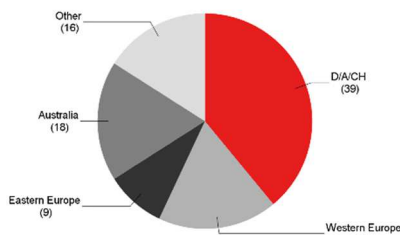
FY End: 31.12. in EUR m	CAGR (22-25e)	2019	2020	2021	2022	2023e	2024e	2025e
Sales	2.5 %	605.7	724.7	927.4	1,032.5	992.0	1,046.1	1,113.3
Change Sales yoy		4.8 %	19.6 %	28.0 %	11.3 %	-3.9 %	5.5 %	6.4 %
Gross profit margin		34.1 %	35.9 %	35.9 %	36.2 %	39.2 %	39.2 %	39.3 %
EBITDA	2.8 %	43.5	67.6	94.0	106.8	101.3	107.2	116.0
Margin		7.2 %	9.3 %	10.1 %	10.3 %	10.2 %	10.2 %	10.4 %
EBIT	2.5 %	35.0	58.0	82.0	92.1	86.1	90.9	99.2
Margin		5.8 %	8.0 %	8.8 %	8.9 %	8.7 %	8.7 %	8.9 %
EBT	2.8 %	32.5	55.3	81.4	87.0	80.5	86.1	94.4
Margin		5.4 %	7.6 %	8.8 %	8.4 %	8.1 %	8.2 %	8.5 %
Net income	4.0 %	24.3	40.2	58.2	59.4	56.2	60.9	66.7
EPS	3.7 %	6.44	10.92	15.53	15.83	14.90	16.13	17.67
DPS	4.4 %	1.40	2.20	2.60	2.90	3.00	3.20	3.30
Dividend Yield		2.2 %	3.2 %	1.7 %	1.8 %	2.0 %	2.1 %	2.2 %
FCFPS		8.62	2.67	-49.14	-0.92	46.47	10.40	12.40
FCF / Market cap		13.6 %	3.9 %	-31.8 %	-0.6 %	31.0 %	6.9 %	8.3 %
EV / Sales		0.4 x	0.4 x	0.8 x	0.8 x	0.6 x	0.6 x	0.5 x
EV / EBITDA		5.9 x	4.0 x	8.3 x	7.7 x	6.3 x	5.8 x	5.1 x
EV / EBIT		7.3 x	4.7 x	9.5 x	8.9 x	7.5 x	6.8 x	6.0 x
P / E		9.8 x	6.3 x	10.0 x	10.2 x	10.1 x	9.3 x	8.5 x
FCF Potential Yield		10.0 %	14.9 %	7.5 %	8.0 %	9.8 %	10.9 %	12.6 %
Net Debt		16.4	11.6	198.4	205.8	76.7	56.2	27.6
ROCE (NOPAT)		11.4 %	17.6 %	15.1 %	11.6 %	11.7 %	13.4 %	14.0 %
Guidance:		2023: Sales around EUR 1bn, EBT margin ca. 8.0%						

Sales development
in EUR m



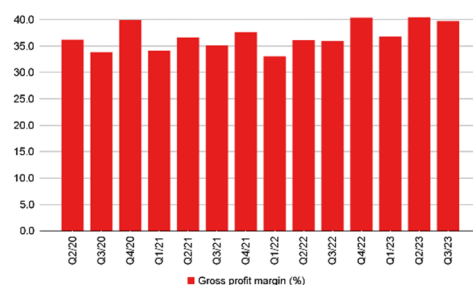
Source: Warburg Research

Sales by regions
2022; in %



Source: Warburg Research

Gross margin development
in %



Source: Warburg Research

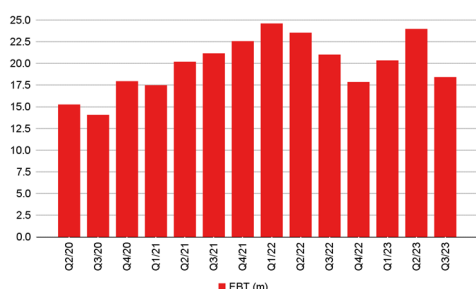
Company Background

- 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 (57% of sales in 2022), e-commerce (23%) and specialised trade (12%). The share of business with discounters is less than 5%.
- 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

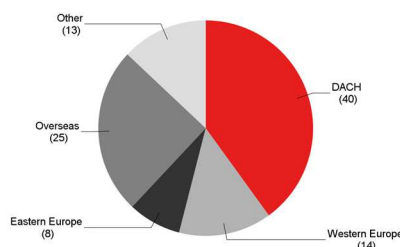
- Einhell has a high brand awareness in key markets, which will be further strengthened by marketing initiatives and presentation at the point-of-sale (including e-commerce) in the course of a long-term brand strategy.
- With its focus on innovative product development, the group can benefit from dynamic 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 250 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



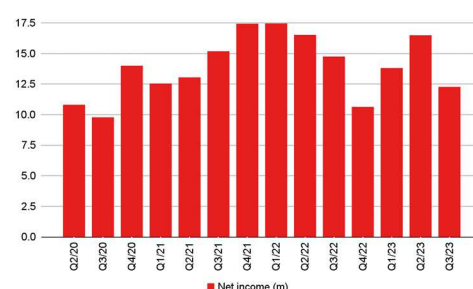
Source: Warburg Research

EBT by regions
2022; 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
	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	
Sales	992.0	1,046.1	1,113.3	1,185.7	1,262.7	1,344.8	1,432.2	1,511.0	1,579.0	1,642.1	1,699.6	1,750.6	1,794.4	
Sales change	-3.9 %	5.5 %	6.4 %	6.5 %	6.5 %	6.5 %	6.5 %	5.5 %	4.5 %	4.0 %	3.5 %	3.0 %	2.5 %	2.0 %
EBIT	86.1	90.9	99.2	102.0	108.6	115.7	117.4	124.2	129.5	134.7	127.5	131.3	134.6	
EBIT-margin	8.7 %	8.7 %	8.9 %	8.6 %	8.6 %	8.6 %	8.2 %	8.2 %	8.2 %	8.2 %	7.5 %	7.5 %	7.5 %	
Tax rate (EBT)	29.0 %	28.0 %	28.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	
NOPAT	61.1	65.4	71.4	71.4	76.0	81.0	82.2	86.9	90.6	94.3	89.2	91.9	94.2	
Depreciation	15.2	16.3	16.8	15.4	16.4	17.5	18.6	19.6	20.5	21.3	22.1	22.8	23.3	
in % of Sales	1.5 %	1.6 %	1.5 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	
Changes in provisions	0.3	0.0	0.0	-0.4	-0.2	-0.2	0.4	0.4	0.3	0.3	0.3	0.3	0.2	
Change in Liquidity from														
- Working Capital	-123.9	14.0	12.0	12.0	1.7	13.6	13.6	24.4	21.1	19.6	17.8	15.8	13.6	
- Capex	24.0	25.0	26.0	23.7	22.7	21.5	18.6	19.6	20.5	21.3	22.1	22.8	23.3	
Capex in % of Sales	2.4 %	2.4 %	2.3 %	2.0 %	1.8 %	1.6 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	
- Other	10.0	18.0	0.0	0.0	5.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Free Cash Flow (WACC Model)	166.5	24.7	50.2	50.7	62.8	63.1	69.0	62.9	69.9	75.0	71.7	76.4	80.9	85
PV of FCF	164.3	22.5	42.2	39.2	44.8	41.5	41.9	35.2	36.1	35.7	31.5	30.9	30.2	494
share of PVs	21.00 %			33.67 %										45.33 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	14.00 %	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	8.43 %	Beta	1.20

Valuation (m)

Present values 2035e	596		
Terminal Value	494		
Financial liabilities	191		
Pension liabilities	7		
Hybrid capital	0		
Minority interest	11		
Market val. of investments	0		
Liquidity	11	No. of shares (m)	3.8
Equity Value	891	Value per share (EUR)	236.13

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 %	190.60	193.50	196.59	199.89	203.41	207.20	211.26	1.41	9.4 %	147.77	165.14	182.51	199.89	217.26	234.63	252.01
1.31	8.9 %	205.46	208.95	212.68	216.68	220.98	225.61	230.61	1.31	8.9 %	160.74	179.39	198.03	216.68	235.32	253.97	272.62
1.25	8.7 %	213.67	217.50	221.61	226.03	230.80	235.94	241.53	1.25	8.7 %	167.97	187.32	206.68	226.03	245.39	264.74	284.10
1.20	8.4 %	222.46	226.69	231.23	236.13	241.42	247.16	253.41	1.20	8.4 %	175.77	195.89	216.01	236.13	256.25	276.37	296.49
1.15	8.2 %	231.90	236.57	241.61	247.05	252.96	259.38	266.40	1.15	8.2 %	184.21	205.16	226.11	247.05	268.00	288.95	309.90
1.09	7.9 %	242.06	247.24	252.84	258.91	265.52	272.74	280.65	1.09	7.9 %	193.38	215.22	237.07	258.91	280.76	302.61	324.45
0.99	7.4 %	264.91	271.33	278.33	285.96	294.33	303.55	313.76	0.99	7.4 %	214.28	238.18	262.07	285.96	309.85	333.75	357.64

- 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	2019	2020	2021	2022	2023e	2024e	2025e	
Net Income before minorities	24.6	41.8	60.2	60.8	57.1	62.0	68.0	
+ Depreciation + Amortisation	8.4	9.6	12.0	14.7	15.2	16.3	16.8	
- Net Interest Income	-2.5	-2.6	-0.5	-5.1	-5.6	-4.8	-4.8	
- Maintenance Capex	10.0	14.0	14.0	15.0	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	25.5	40.1	58.7	65.6	62.9	68.1	74.6	
FCF Potential Yield (on market EV)	10.0 %	14.9 %	7.5 %	8.0 %	9.8 %	10.9 %	12.6 %	
WACC	8.43 %	8.43 %	8.43 %	8.43 %	8.43 %	8.43 %	8.43 %	
= Enterprise Value (EV)	254.9	269.6	781.7	818.2	642.9	622.3	593.7	
= Fair Enterprise Value	302.9	475.2	696.6	777.7	746.2	807.2	884.5	
- Net Debt (Cash)	198.6	198.6	198.6	198.6	69.2	48.7	20.1	
- Pension Liabilities	7.2	7.2	7.2	7.2	7.5	7.5	7.5	
- 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	97.1	269.4	490.8	572.0	669.5	751.0	856.9	
Number of shares, average	3.8	3.8	3.8	3.8	3.8	3.8	3.8	
= Fair value per share (EUR)	25.73	71.37	130.03	151.54	177.38	198.98	227.03	
premium (-) / discount (+) in %					18.3 %	32.7 %	51.4 %	
Sensitivity Fair value per Share (EUR)								
	11.43 %	4.67	38.34	81.61	97.47	125.51	142.86	165.54
	10.43 %	10.35	47.24	94.66	112.04	139.48	157.98	182.11
	9.43 %	17.22	58.03	110.47	129.69	156.42	176.31	202.19
WACC	8.43 %	25.73	71.37	130.03	151.54	177.38	198.98	227.03
	7.43 %	36.53	88.31	154.86	179.26	203.98	227.75	258.56
	6.43 %	50.68	110.51	187.41	215.60	238.85	265.47	299.89
	5.43 %	70.04	140.89	231.94	265.32	286.55	317.07	356.43

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

Valuation	2019	2020	2021	2022	2023e	2024e	2025e
Price / Book	1.1 x	1.1 x	1.7 x	1.7 x	1.4 x	1.3 x	1.2 x
Book value per share ex intangibles	51.76	59.11	84.23	83.98	94.21	106.01	119.15
EV / Sales	0.4 x	0.4 x	0.8 x	0.8 x	0.6 x	0.6 x	0.5 x
EV / EBITDA	5.9 x	4.0 x	8.3 x	7.7 x	6.3 x	5.8 x	5.1 x
EV / EBIT	7.3 x	4.7 x	9.5 x	8.9 x	7.5 x	6.8 x	6.0 x
EV / EBIT adj.*	7.3 x	4.7 x	9.5 x	8.9 x	7.5 x	6.8 x	6.0 x
P / FCF	7.3 x	25.6 x	n.a.	n.a.	3.2 x	14.4 x	12.1 x
P / E	9.8 x	6.3 x	10.0 x	10.2 x	10.1 x	9.3 x	8.5 x
P / E adj.*	9.8 x	6.3 x	10.0 x	10.2 x	10.1 x	9.3 x	8.5 x
Dividend Yield	2.2 %	3.2 %	1.7 %	1.8 %	2.0 %	2.1 %	2.2 %
FCF Potential Yield (on market EV)	10.0 %	14.9 %	7.5 %	8.0 %	9.8 %	10.9 %	12.6 %

*Adjustments made for: -

Consolidated profit & loss

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
Sales	605.7	724.7	927.4	1,032.5	992.0	1,046.1	1,113.3
Change Sales yoy	4.8 %	19.6 %	28.0 %	11.3 %	-3.9 %	5.5 %	6.4 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	0.2	0.0	0.0	0.0	0.3	0.3	0.3
Total Sales	605.9	724.7	927.4	1,032.5	992.3	1,046.4	1,113.6
Material expenses	399.3	464.8	594.2	659.1	603.1	636.0	675.8
Gross profit	206.6	259.9	333.3	373.4	389.2	410.4	437.8
<i>Gross profit margin</i>	<i>34.1 %</i>	<i>35.9 %</i>	<i>35.9 %</i>	<i>36.2 %</i>	<i>39.2 %</i>	<i>39.2 %</i>	<i>39.3 %</i>
Personnel expenses	78.5	92.1	107.8	118.7	131.0	135.5	140.6
Other operating income	6.9	8.9	9.3	17.8	18.8	19.5	19.9
Other operating expenses	91.5	109.1	140.7	165.7	175.7	187.2	201.1
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	43.5	67.6	94.0	106.8	101.3	107.2	116.0
<i>Margin</i>	<i>7.2 %</i>	<i>9.3 %</i>	<i>10.1 %</i>	<i>10.3 %</i>	<i>10.2 %</i>	<i>10.2 %</i>	<i>10.4 %</i>
Depreciation of fixed assets	7.9	9.1	10.0	12.4	12.7	13.6	14.0
EBITA	35.6	58.5	84.0	94.5	88.6	93.6	102.0
Amortisation of intangible assets	0.5	0.5	2.0	2.4	2.5	2.7	2.8
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	35.0	58.0	82.0	92.1	86.1	90.9	99.2
<i>Margin</i>	<i>5.8 %</i>	<i>8.0 %</i>	<i>8.8 %</i>	<i>8.9 %</i>	<i>8.7 %</i>	<i>8.7 %</i>	<i>8.9 %</i>
EBIT adj.	35.0	58.0	82.0	92.1	86.1	90.9	99.2
Interest income	0.2	0.1	0.1	0.4	10.0	6.0	6.0
Interest expenses	1.0	0.9	1.6	5.2	15.5	10.6	10.6
Other financial income (loss)	-1.8	-1.9	1.0	-0.3	-0.1	-0.2	-0.2
EBT	32.5	55.3	81.4	87.0	80.5	86.1	94.4
<i>Margin</i>	<i>5.4 %</i>	<i>7.6 %</i>	<i>8.8 %</i>	<i>8.4 %</i>	<i>8.1 %</i>	<i>8.2 %</i>	<i>8.5 %</i>
Total taxes	7.9	14.6	21.7	26.6	23.3	24.1	26.4
Net income from continuing operations	24.6	40.8	59.7	60.4	57.1	62.0	68.0
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	24.6	40.8	59.7	60.4	57.1	62.0	68.0
Minority interest	0.3	0.6	1.5	1.0	0.9	1.1	1.3
Net income	24.3	40.2	58.2	59.4	56.2	60.9	66.7
<i>Margin</i>	<i>4.0 %</i>	<i>5.5 %</i>	<i>6.3 %</i>	<i>5.7 %</i>	<i>5.7 %</i>	<i>5.8 %</i>	<i>6.0 %</i>
Number of shares, average	3.8	3.8	3.8	3.8	3.8	3.8	3.8
EPS	6.44	10.92	15.53	15.83	14.90	16.13	17.67
EPS adj.	6.44	10.92	15.53	15.83	14.90	16.13	17.67

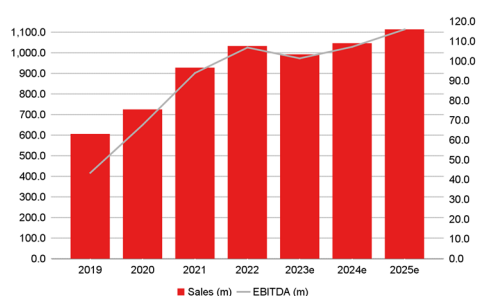
*Adjustments made for:

Guidance: 2023: Sales around EUR 1bn, EBT margin ca. 8.0%

Financial Ratios

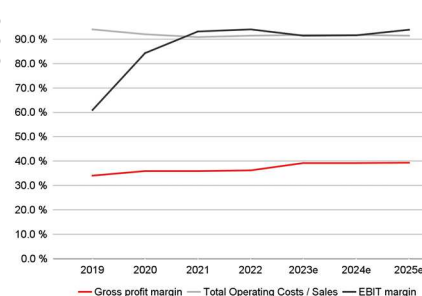
	2019	2020	2021	2022	2023e	2024e	2025e
Total Operating Costs / Sales	94.0 %	91.9 %	90.9 %	91.4 %	91.7 %	91.6 %	91.4 %
Operating Leverage	-2.1 x	3.3 x	1.5 x	1.1 x	1.7 x	1.0 x	1.4 x
EBITDA / Interest expenses	44.6 x	74.8 x	57.5 x	20.7 x	6.5 x	10.1 x	10.9 x
Tax rate (EBT)	24.4 %	25.8 %	26.5 %	30.0 %	29.0 %	28.0 %	28.0 %
Dividend Payout Ratio	21.5 %	20.4 %	16.4 %	18.1 %	19.8 %	19.5 %	18.3 %
Sales per Employee	384,323	437,606	516,380	525,988	493,532	507,816	540,437

Sales, EBITDA
in EUR m



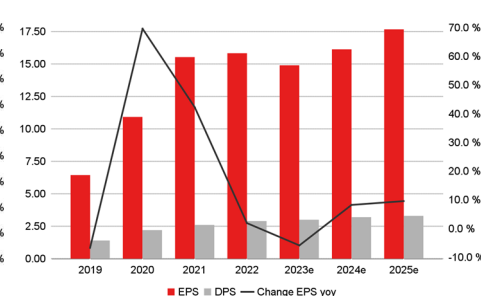
Source: Warburg Research

Operating Performance
in %



Source: Warburg Research

Performance per Share



Source: Warburg Research

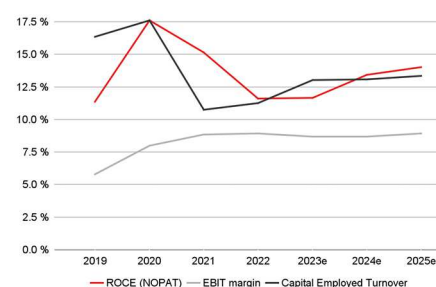
Consolidated balance sheet

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
Assets							
Goodwill and other intangible assets	17.7	19.8	19.6	38.6	40.2	40.2	40.2
thereof other intangible assets	5.9	7.0	7.7	20.3	22.0	22.0	22.0
thereof Goodwill	11.7	11.6	11.6	17.8	17.8	17.8	17.8
Property, plant and equipment	48.9	58.7	75.6	75.4	83.7	92.1	101.1
Financial assets	0.4	0.3	0.9	1.7	1.7	1.7	1.7
Other long-term assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fixed assets	66.9	78.9	96.1	115.6	125.6	134.0	143.0
Inventories	173.3	194.8	450.0	473.5	361.0	374.0	384.0
Accounts receivable	92.9	119.2	135.9	143.7	144.0	152.0	162.0
Liquid assets	25.7	32.1	11.5	10.7	65.9	64.4	58.0
Other short-term assets	38.5	53.5	138.4	99.2	107.0	108.0	108.0
Current assets	330.5	399.6	735.8	727.1	677.9	698.4	712.0
Total Assets	397.4	478.4	831.9	842.7	803.5	832.5	855.1
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	189.6	224.4	274.6	311.2	308.2	348.2	391.9
Other equity components	-12.9	-17.8	26.6	8.0	51.2	55.9	61.7
Shareholders' equity	213.0	242.9	337.6	355.5	395.8	440.4	490.0
Minority interest	1.9	2.4	3.4	11.3	3.0	3.0	3.0
Total equity	214.9	245.3	341.0	366.8	398.8	443.4	493.0
Provisions	25.9	35.7	38.0	28.8	32.0	32.0	32.0
thereof provisions for pensions and similar obligations	4.2	7.9	9.0	7.2	7.5	7.5	7.5
Financial liabilities (total)	37.9	35.7	200.9	209.2	135.1	113.1	78.1
Short-term financial liabilities	2.4	3.4	90.9	102.9	42.0	20.0	10.0
Accounts payable	78.2	96.8	137.5	116.3	128.0	135.0	143.0
Other liabilities	40.6	64.8	114.5	121.5	109.6	109.0	109.0
Liabilities	182.5	233.1	490.9	475.9	404.7	389.1	362.1
Total liabilities and shareholders' equity	397.4	478.4	831.9	842.7	803.5	832.5	855.1

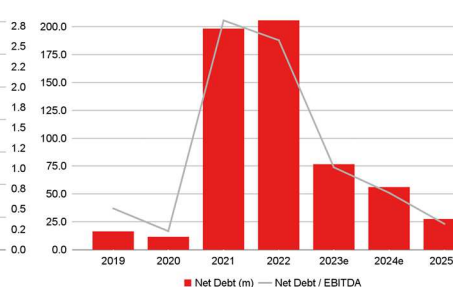
Financial Ratios

	2019	2020	2021	2022	2023e	2024e	2025e
Efficiency of Capital Employment							
Operating Assets Turnover	2.6 x	2.6 x	1.8 x	1.8 x	2.2 x	2.2 x	2.2 x
Capital Employed Turnover	2.6 x	2.8 x	1.7 x	1.8 x	2.1 x	2.1 x	2.1 x
ROA	36.3 %	50.9 %	60.6 %	51.3 %	44.8 %	45.4 %	46.6 %
Return on Capital							
ROCE (NOPAT)	11.4 %	17.6 %	15.1 %	11.6 %	11.7 %	13.4 %	14.0 %
ROE	11.9 %	17.6 %	20.1 %	17.1 %	15.0 %	14.6 %	14.3 %
Adj. ROE	11.9 %	17.6 %	20.1 %	17.1 %	15.0 %	14.6 %	14.3 %
Balance sheet quality							
Net Debt	16.4	11.6	198.4	205.8	76.7	56.2	27.6
Net Financial Debt	12.2	3.6	189.4	198.6	69.2	48.7	20.1
Net Gearing	7.6 %	4.7 %	58.2 %	56.1 %	19.2 %	12.7 %	5.6 %
Net Fin. Debt / EBITDA	28.1 %	5.4 %	201.5 %	185.9 %	68.3 %	45.4 %	17.3 %
Book Value / Share	56.4	64.4	89.4	94.2	104.9	116.7	129.8
Book value per share ex intangibles	51.8	59.1	84.2	84.0	94.2	106.0	119.2

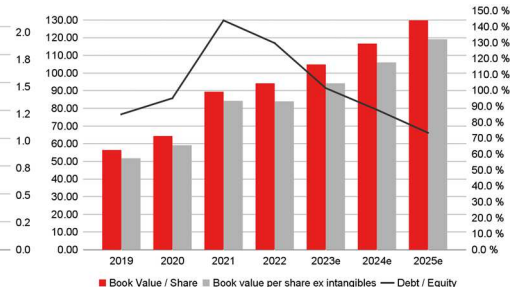
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

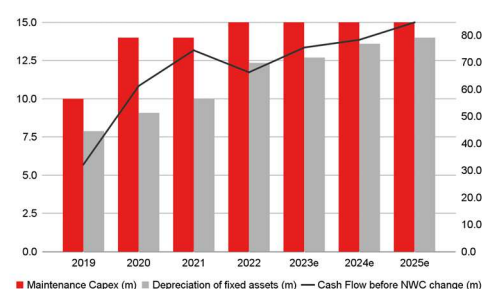
In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
Net income	32.5	56.4	81.8	87.4	80.5	86.1	94.4
Depreciation of fixed assets	7.9	9.1	10.0	12.4	12.7	13.6	14.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.5	0.5	2.0	2.4	2.5	2.7	2.8
Increase/decrease in long-term provisions	-0.7	9.9	2.3	-9.2	3.2	0.0	0.0
Other non-cash income and expenses	-7.9	-14.6	-21.7	-26.6	-23.3	-24.1	-26.4
Cash Flow before NWC change	32.3	61.3	74.5	66.3	75.5	78.3	84.8
Increase / decrease in inventory	15.2	-21.4	-255.2	-23.5	112.5	-13.0	-10.0
Increase / decrease in accounts receivable	-4.7	-26.3	-16.7	-7.8	-0.3	-8.0	-10.0
Increase / decrease in accounts payable	9.7	18.6	40.7	-21.2	11.7	7.0	8.0
Increase / decrease in other working capital positions	-4.0	0.0	0.0	0.0	-4.0	-4.0	-4.0
Increase / decrease in working capital (total)	16.2	-29.2	-231.2	-52.6	119.9	-18.0	-16.0
Net cash provided by operating activities [1]	48.5	32.1	-156.7	13.7	195.4	60.3	68.8
Investments in intangible assets	-1.7	-2.8	-1.6	-2.6	-2.0	-2.0	-2.0
Investments in property, plant and equipment	-14.2	-19.2	-27.2	-14.6	-18.0	-19.0	-20.0
Payments for acquisitions	0.0	0.0	0.0	0.0	-3.0	-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	0.6	0.0	0.0	0.0
Net cash provided by investing activities [2]	-15.9	-22.1	-28.8	-16.6	-23.0	-24.0	-25.0
Change in financial liabilities	-8.7	-2.2	165.2	8.3	-74.1	-22.0	-35.0
Dividends paid	-5.3	-5.3	-8.3	-9.8	-10.9	-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]	-14.0	-7.5	156.9	-1.5	-85.1	-33.3	-47.1
Change in liquid funds [1]+[2]+[3]	18.5	2.6	-28.6	-4.4	87.3	2.9	-3.3
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	32.6	28.3	3.5	7.1	98.0	68.8	61.1

Financial Ratios

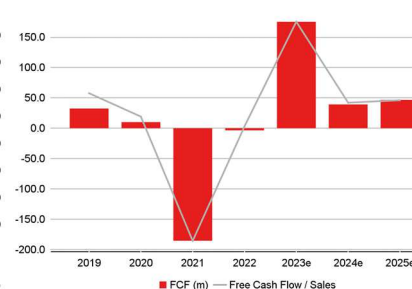
	2019	2020	2021	2022	2023e	2024e	2025e
Cash Flow							
FCF	32.5	10.1	-185.5	-3.5	175.4	39.3	46.8
Free Cash Flow / Sales	5.4 %	1.4 %	-20.0 %	-0.3 %	17.7 %	3.8 %	4.2 %
Free Cash Flow Potential	25.5	40.1	58.7	65.6	62.9	68.1	74.6
Free Cash Flow / Net Profit	133.7 %	25.1 %	-318.7 %	-5.9 %	312.0 %	64.5 %	70.2 %
Interest Received / Avg. Cash	1.1 %	0.5 %	0.5 %	3.2 %	26.1 %	9.2 %	9.8 %
Interest Paid / Avg. Debt	2.3 %	2.5 %	1.4 %	2.5 %	9.0 %	8.5 %	11.1 %
Management of Funds							
Investment ratio	2.6 %	3.0 %	3.1 %	1.7 %	2.0 %	2.0 %	2.0 %
Maint. Capex / Sales	1.7 %	1.9 %	1.5 %	1.5 %	1.5 %	1.4 %	1.3 %
Capex / Dep	189.3 %	229.4 %	239.2 %	117.0 %	131.6 %	128.8 %	131.0 %
Avg. Working Capital / Sales	32.7 %	28.0 %	35.9 %	46.0 %	44.2 %	36.7 %	35.7 %
Trade Debtors / Trade Creditors	118.8 %	123.1 %	98.8 %	123.6 %	112.5 %	112.6 %	113.3 %
Inventory Turnover	2.3 x	2.4 x	1.3 x	1.4 x	1.7 x	1.7 x	1.8 x
Receivables collection period (days)	56	60	53	51	53	53	53
Payables payment period (days)	71	76	84	64	77	77	77
Cash conversion cycle (Days)	143	137	245	249	194	190	183

CAPEX and Cash Flow

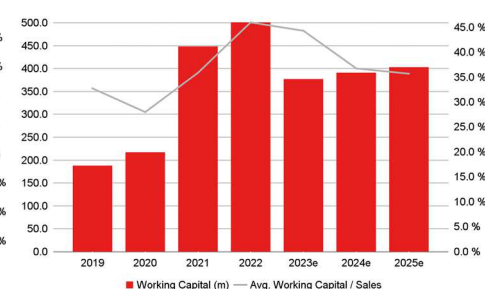
in EUR m



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	https://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

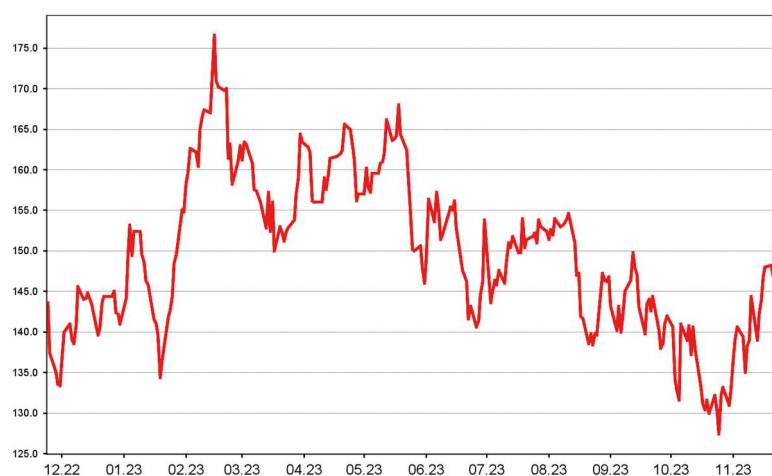
Rating	Number of stocks	% of Universe
Buy	155	73
Hold	46	22
Sell	5	2
Rating suspended	7	3
Total	213	100

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	43	81
Hold	7	13
Sell	0	0
Rating suspended	3	6
Total	53	100

PRICE AND RATING HISTORY EINHELL PREF. AS OF 23.11.2023



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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