

Buy EUR 235.00 Price EUR 155.40 Upside 51.2 %	Value Indicators: EUR DCF: 235.29 FCF-Value Potential 24e: 199.57	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: 586.5 No. of shares (m): 3.8 EV: 705.8 Freefloat MC: 586.5 Ø Trad. Vol. (30d): 196.29 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: 1.5 x Equity Ratio: 49 % Net Fin. Debt / EBITDA: 1.1 x Net Debt / EBITDA: 1.1 x

2023 growth and margin outlook fully intact even after lower Q1 sales

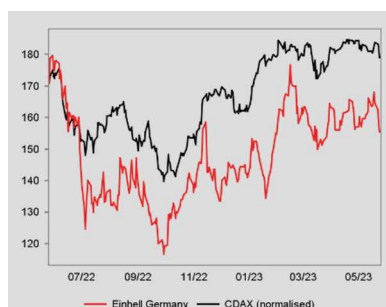
Stated Figures Q1/2023:								Comment on Figures:		
FY End: 31.12. in EUR m	Q1 23	Q1 23e	Q1 22	yoy	23e	22	yoy			
Sales	249.9	264.0	292.3	-14 %	1,056.0	1,032.5	2 %	<ul style="list-style-type: none"> Considerable Q1 sales-decline due to tough comps in DACH (30% sales increase in Q1 22) and a weak DIY retail sector overall (bad weather, macroeconomic uncertainties, high levels of stock in the market) 		
Gross profit	92.0	91.0	96.7	-5 %	382.3	373.4	2 %	<ul style="list-style-type: none"> Strong gross margin indicates supply-chain improvements, lower freight costs and positive product-mix effects with an increasing share of Power-X-Change products. 		
Margin	36.8 %	34.5 %	33.1 %		36.2 %	36.2 %		<ul style="list-style-type: none"> EBT margin down only slightly and still in the 8.0-8.5% target range despite the drop in Q1 sales and higher financial costs. 		
EBIT	22.7	20.2	25.6	-11 %	89.0	92.1	-3 %	<ul style="list-style-type: none"> Inventory reduction from EUR 473m (end of 2022) to EUR 415m leads to positive FCF. 		
EBT	20.3	19.0	24.6	-17 %	84.0	87.0	-4 %			
Margin	8.1 %	7.2 %	8.4 %		8.0 %	8.4 %				
Net income	13.8	13.4	17.5	-21 %	59.1	59.4	-1 %			
EPS	3.66	3.54	4.62	-21 %	15.65	15.83	-1 %			

Einhell reported lower turnover for Q1, which is no surprise in light of the current market environment and a high base effect. Nevertheless, the management fully confirmed its financial guidance for FY 2023 which is expecting organic sales growth of around 3% and an EBT margin between 8.0-8.5%. This implies a better top-line performance in the coming quarters, which is reasonable given lower comps (especially in H2) and a potential pick-up in May/June due to the weather-related later start to the seasonal DIY spring business in core markets.

Besides the quarterly business update, Einhell also announced the signing of the planned acquisition in Thailand (EUR 8m purchase price for the majority stake of 66.7% in an established business for power tools and pressure cleaners). The closing is expected in June. This is a further step in the international expansion strategy and offers Einhell access to the attractive Thai market with its Power-X-Change series. Moreover, the group is near to the acquisition of a sourcing company in Vietnam, mainly for accessories. Such a takeover is part of the strategy to diversify the sourcing structure. In 2024 the company plans to start of its own battery production in Eastern Europe.

Overall, Einhell is well on track with its convincing long-term growth strategy, based on the strong battery platform product portfolio. Further international expansion steps offer additional growth opportunities together with current market-share gains. The promising prospects are not reflected in the current valuation level. We confirm our Buy recommendation with a DCF-based PT of EUR 235.

Changes in Estimates:							Comment on Changes:		
FY End: 31.12. in EUR m	2023e (old)	+ / -	2024e (old)	+ / -	2025e (old)	+ / -			
Sales	1,056.0	0.0 %	1,116.4	0.0 %	n.a.	n.m.	<ul style="list-style-type: none"> We have only slightly revised our estimates following the Q1 report. 		
EBITDA	100.8	3.4 %	106.9	3.1 %	n.a.	n.m.	<ul style="list-style-type: none"> Our growth and margin scenario for 2023/24 remains almost unchanged. 		
EBT	84.0	-0.1 %	90.1	-0.1 %	n.a.	n.m.	<ul style="list-style-type: none"> By 2025, we assume a return to an EBT margin of 8.5%. 		
Net income	59.0	0.1 %	63.3	0.1 %	n.a.	n.m.	<ul style="list-style-type: none"> In light of the normalization of the inventory position, we expect a reduction in net debt in the current year. 		
EPS	15.63	0.1 %	16.76	0.1 %	n.a.	n.m.	<ul style="list-style-type: none"> Impact of planned add-on acquisitions not yet reflected in our estimates. 		

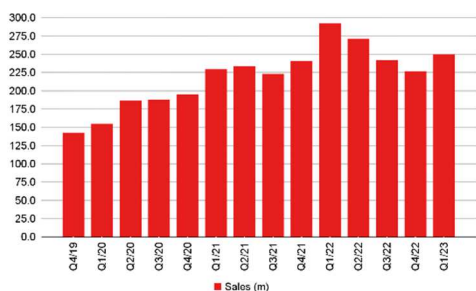


Rel. Performance vs CDAX:	
1 month:	-1.8 %
6 months:	7.1 %
Year to date:	-0.2 %
Trailing 12 months:	-14.7 %

Company events:
23.06.23 AGM

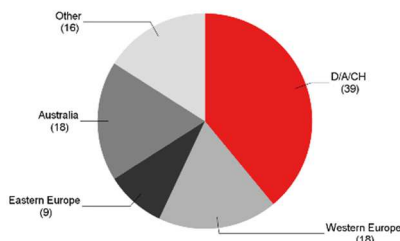
FY End: 31.12. in EUR m	CAGR (22-25e)	2019	2020	2021	2022	2023e	2024e	2025e
Sales	4.9 %	605.7	724.7	927.4	1,032.5	1,056.0	1,116.4	1,190.2
Change Sales yoy		4.8 %	19.6 %	28.0 %	11.3 %	2.3 %	5.7 %	6.6 %
Gross profit margin		34.1 %	35.9 %	35.9 %	36.2 %	36.2 %	36.1 %	36.1 %
EBITDA	4.2 %	43.5	67.6	94.0	106.8	104.3	110.2	121.0
Margin		7.2 %	9.3 %	10.1 %	10.3 %	9.9 %	9.9 %	10.2 %
EBIT	4.4 %	35.0	58.0	82.0	92.1	89.0	94.5	104.9
Margin		5.8 %	8.0 %	8.8 %	8.9 %	8.4 %	8.5 %	8.8 %
EBT	5.0 %	32.5	55.3	81.4	87.0	84.0	90.0	100.9
Margin		5.4 %	7.6 %	8.8 %	8.4 %	8.0 %	8.1 %	8.5 %
Net income	6.2 %	24.3	40.2	58.2	59.4	59.1	63.3	71.0
EPS	5.9 %	6.44	10.92	15.53	15.83	15.65	16.77	18.82
DPS	3.3 %	1.40	2.20	2.60	2.90	3.00	3.20	3.20
Dividend Yield		2.2 %	3.2 %	1.7 %	1.8 %	1.9 %	2.1 %	2.0 %
FCFPS		8.62	2.67	-49.14	-0.92	35.20	14.44	12.91
FCF / Market cap		13.6 %	3.9 %	-31.8 %	-0.6 %	22.6 %	9.3 %	8.1 %
EV / Sales		0.4 x	0.4 x	0.8 x	0.8 x	0.7 x	0.6 x	0.5 x
EV / EBITDA		5.9 x	4.0 x	8.3 x	7.7 x	6.8 x	6.1 x	5.4 x
EV / EBIT		7.3 x	4.7 x	9.5 x	8.9 x	7.9 x	7.1 x	6.2 x
P / E		9.8 x	6.3 x	10.0 x	10.2 x	9.9 x	9.3 x	8.4 x
FCF Potential Yield		10.0 %	14.9 %	7.5 %	8.0 %	9.3 %	10.4 %	11.9 %
Net Debt		16.4	11.6	198.4	205.8	119.3	83.5	52.9
ROCE (NOPAT)		11.4 %	17.6 %	15.1 %	11.6 %	11.7 %	12.9 %	13.9 %
Guidance:		2023: sales +3%, EBT margin ca. 8.0-8.5%						

Sales development
in EUR m



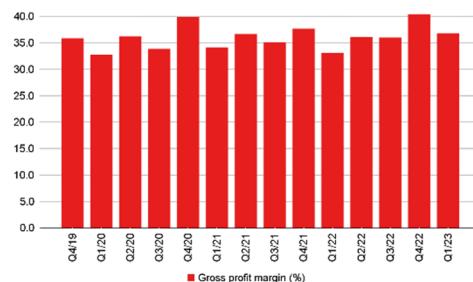
Source: Warburg Research

Sales by regions
2022; in %



Source: Warburg Research

Gross margin development
in %



Source: Warburg Research

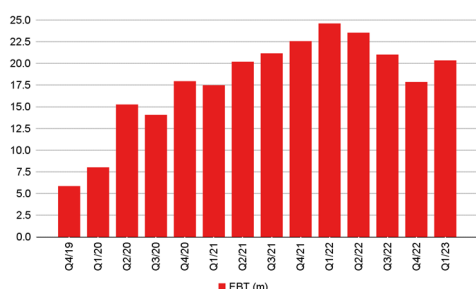
Company Background

- 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

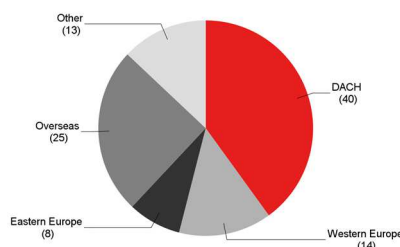
- Einhell has a high brand awareness in key markets, which will be further strengthened by marketing initiatives and presentation at the point-of-sale (including e-commerce) in the course of a long-term brand strategy.
- With its focus on innovative product development, the group can benefit from dynamic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



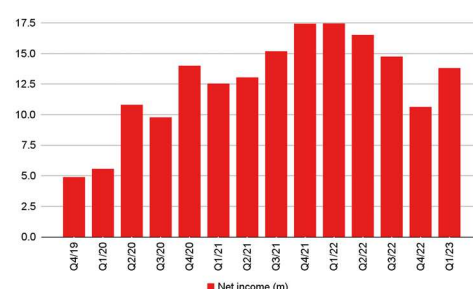
Source: Warburg Research

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	1,056.0	1,116.4	1,190.2	1,267.6	1,350.0	1,431.0	1,516.8	1,600.2	1,680.2	1,755.9	1,817.3	1,871.8	1,918.6	
Sales change	2.3 %	5.7 %	6.6 %	6.5 %	6.5 %	6.0 %	6.0 %	5.5 %	5.0 %	4.5 %	3.5 %	3.0 %	2.5 %	2.0 %
EBIT	89.0	94.5	104.9	109.0	116.1	123.1	124.7	131.5	137.8	131.7	136.3	140.4	143.9	
EBIT-margin	8.4 %	8.5 %	8.8 %	8.6 %	8.6 %	8.6 %	8.2 %	8.2 %	8.2 %	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	64.1	68.1	75.5	77.4	81.3	86.1	87.3	92.1	96.4	92.2	95.4	98.3	100.7	
Depreciation	15.3	15.7	16.1	16.5	17.5	18.6	19.7	20.8	21.8	22.8	23.6	24.3	24.9	
in % of Sales	1.4 %	1.4 %	1.4 %	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	0.1	-0.2	-0.3	0.4	0.4	0.4	0.4	0.3	0.3	0.2	
Change in Liquidity from														
- Working Capital	52.6	-77.9	1.0	19.6	1.8	-1.9	11.4	25.0	24.0	22.7	18.4	16.4	14.0	
- Capex	24.0	25.0	26.0	19.6	19.6	19.3	19.7	20.8	21.8	22.8	23.6	24.3	24.9	
Capex in % of Sales	2.3 %	2.2 %	2.2 %	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)	3.1	118.6	64.6	54.7	77.2	87.0	76.3	67.5	72.8	69.9	77.3	82.2	86.9	91
PV of FCF	3.0	105.2	52.8	41.3	53.8	56.0	45.2	36.9	36.8	32.6	33.2	32.6	31.8	526
share of PVs	14.81 %			36.82 %										48.37 %

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 2035e	561		
Terminal Value	526		
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	888	Value per share (EUR)	235.29

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 %	185.66	188.75	192.05	195.58	199.35	203.39	207.74	1.41	9.4 %	141.01	159.20	177.39	195.58	213.76	231.95	250.14
1.31	8.9 %	201.97	205.70	209.69	213.97	218.58	223.55	228.92	1.31	8.9 %	155.28	174.84	194.41	213.97	233.54	253.10	272.67
1.25	8.6 %	210.97	215.08	219.48	224.23	229.34	234.87	240.87	1.25	8.6 %	163.23	183.56	203.89	224.23	244.56	264.89	285.22
1.20	8.4 %	220.61	225.15	230.03	235.29	240.99	247.16	253.89	1.20	8.4 %	171.81	192.97	214.13	235.29	256.45	277.61	298.77
1.15	8.1 %	230.97	235.99	241.41	247.27	253.63	260.56	268.13	1.15	8.1 %	181.10	203.16	225.21	247.27	269.33	291.38	313.44
1.09	7.9 %	242.13	247.70	253.73	260.28	267.41	275.20	283.76	1.09	7.9 %	191.19	214.22	237.25	260.28	283.31	306.34	329.37
0.99	7.4 %	267.22	274.16	281.71	289.97	299.04	309.03	320.11	0.99	7.4 %	214.21	239.46	264.72	289.97	315.22	340.48	365.73

- 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	60.5	64.8	72.6	
+ Depreciation + Amortisation	8.4	9.6	12.0	14.7	15.3	15.7	16.1	
- Net Interest Income	-2.5	-2.6	-0.5	-5.1	-5.0	-4.5	-4.0	
- 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	65.8	70.0	77.7	
FCF Potential Yield (on market EV)	10.0 %	14.9 %	7.5 %	8.0 %	9.3 %	10.4 %	11.9 %	
WACC	8.37 %	8.37 %	8.37 %	8.37 %	8.37 %	8.37 %	8.37 %	
= Enterprise Value (EV)	254.9	269.6	781.7	818.2	705.8	670.0	652.3	
= Fair Enterprise Value	305.3	478.9	702.0	783.8	785.9	836.7	928.8	
- Net Debt (Cash)	198.6	198.6	198.6	198.6	111.8	76.0	45.4	
- 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	99.5	273.1	496.3	578.0	666.6	753.3	875.9	
Number of shares, average	3.8	3.8	3.8	3.8	3.8	3.8	3.8	
= Fair value per share (EUR)	26.36	72.36	131.48	153.15	176.61	199.57	232.06	
premium (-) / discount (+) in %					13.7 %	28.4 %	46.1 %	
Sensitivity Fair value per Share (EUR)								
	11.37 %	5.02	38.87	82.39	98.34	121.66	141.06	167.12
	10.37 %	10.76	47.88	95.60	113.09	136.45	156.80	184.59
	9.37 %	17.73	58.81	111.62	130.98	154.39	175.90	205.79
WACC	8.37 %	26.36	72.36	131.48	153.15	176.61	199.57	232.06
	7.37 %	37.34	89.58	156.72	181.34	204.88	229.66	265.46
	6.37 %	51.76	112.21	189.90	218.38	242.01	269.20	309.36
	5.37 %	71.56	143.27	235.44	269.22	292.99	323.48	369.61

▪ 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	1.5 x	1.3 x	1.2 x
Book value per share ex intangibles	51.76	59.11	84.23	83.98	94.95	107.41	121.70
EV / Sales	0.4 x	0.4 x	0.8 x	0.8 x	0.7 x	0.6 x	0.5 x
EV / EBITDA	5.9 x	4.0 x	8.3 x	7.7 x	6.8 x	6.1 x	5.4 x
EV / EBIT	7.3 x	4.7 x	9.5 x	8.9 x	7.9 x	7.1 x	6.2 x
EV / EBIT adj.*	7.3 x	4.7 x	9.5 x	8.9 x	7.9 x	7.1 x	6.2 x
P / FCF	7.3 x	25.6 x	n.a.	n.a.	4.4 x	10.8 x	12.3 x
P / E	9.8 x	6.3 x	10.0 x	10.2 x	9.9 x	9.3 x	8.4 x
P / E adj.*	9.8 x	6.3 x	10.0 x	10.2 x	9.9 x	9.3 x	8.4 x
Dividend Yield	2.2 %	3.2 %	1.7 %	1.8 %	1.9 %	2.1 %	2.0 %
FCF Potential Yield (on market EV)	10.0 %	14.9 %	7.5 %	8.0 %	9.3 %	10.4 %	11.9 %

*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	1,056.0	1,116.4	1,190.2
Change Sales yoy	4.8 %	19.6 %	28.0 %	11.3 %	2.3 %	5.7 %	6.6 %
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	0.0	0.0	0.0
Total Sales	605.9	724.7	927.4	1,032.5	1,056.0	1,116.4	1,190.2
Material expenses	399.3	464.8	594.2	659.1	673.7	713.4	760.5
Gross profit	206.6	259.9	333.3	373.4	382.3	403.0	429.7
<i>Gross profit margin</i>	<i>34.1 %</i>	<i>35.9 %</i>	<i>35.9 %</i>	<i>36.2 %</i>	<i>36.2 %</i>	<i>36.1 %</i>	<i>36.1 %</i>
Personnel expenses	78.5	92.1	107.8	118.7	126.0	132.8	138.2
Other operating income	6.9	8.9	9.3	17.8	16.0	16.0	16.0
Other operating expenses	91.5	109.1	140.7	165.7	168.0	176.0	186.5
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	104.3	110.2	121.0
<i>Margin</i>	<i>7.2 %</i>	<i>9.3 %</i>	<i>10.1 %</i>	<i>10.3 %</i>	<i>9.9 %</i>	<i>9.9 %</i>	<i>10.2 %</i>
Depreciation of fixed assets	7.9	9.1	10.0	12.4	12.8	13.2	13.6
EBITA	35.6	58.5	84.0	94.5	91.5	97.0	107.4
Amortisation of intangible assets	0.5	0.5	2.0	2.4	2.5	2.5	2.5
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	89.0	94.5	104.9
<i>Margin</i>	<i>5.8 %</i>	<i>8.0 %</i>	<i>8.8 %</i>	<i>8.9 %</i>	<i>8.4 %</i>	<i>8.5 %</i>	<i>8.8 %</i>
EBIT adj.	35.0	58.0	82.0	92.1	89.0	94.5	104.9
Interest income	0.2	0.1	0.1	0.4	0.1	0.1	0.1
Interest expenses	1.0	0.9	1.6	5.2	4.1	3.6	3.1
Other financial income (loss)	-1.8	-1.9	1.0	-0.3	-1.0	-1.0	-1.0
EBT	32.5	55.3	81.4	87.0	84.0	90.0	100.9
<i>Margin</i>	<i>5.4 %</i>	<i>7.6 %</i>	<i>8.8 %</i>	<i>8.4 %</i>	<i>8.0 %</i>	<i>8.1 %</i>	<i>8.5 %</i>
Total taxes	7.9	14.6	21.7	26.6	23.5	25.2	28.2
Net income from continuing operations	24.6	40.8	59.7	60.4	60.5	64.8	72.6
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	60.5	64.8	72.6
Minority interest	0.3	0.6	1.5	1.0	1.4	1.5	1.6
Net income	24.3	40.2	58.2	59.4	59.1	63.3	71.0
<i>Margin</i>	<i>4.0 %</i>	<i>5.5 %</i>	<i>6.3 %</i>	<i>5.7 %</i>	<i>5.6 %</i>	<i>5.7 %</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	15.65	16.77	18.82
EPS adj.	6.44	10.92	15.53	15.83	15.65	16.77	18.82

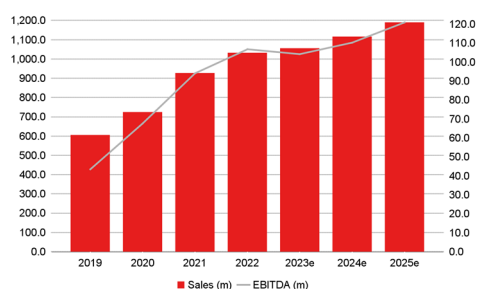
*Adjustments made for:

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

Financial Ratios

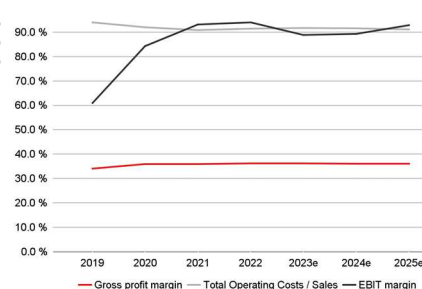
	2019	2020	2021	2022	2023e	2024e	2025e
Total Operating Costs / Sales	94.0 %	91.9 %	90.9 %	91.4 %	91.6 %	91.6 %	91.2 %
Operating Leverage	-2.1 x	3.3 x	1.5 x	1.1 x	-1.5 x	1.1 x	1.7 x
EBITDA / Interest expenses	44.6 x	74.8 x	57.5 x	20.7 x	25.4 x	30.6 x	39.0 x
Tax rate (EBT)	24.4 %	25.8 %	26.5 %	30.0 %	28.0 %	28.0 %	28.0 %
Dividend Payout Ratio	21.5 %	20.4 %	16.4 %	18.1 %	18.7 %	18.6 %	16.6 %
Sales per Employee	384,323	437,606	516,380	525,988	525,373	541,942	577,767

Sales, EBITDA in EUR m



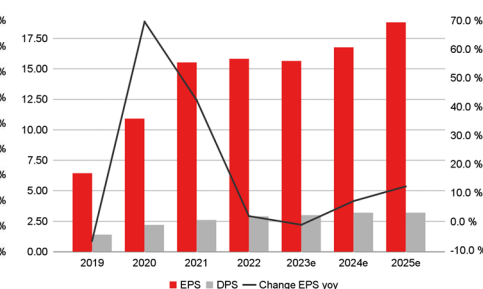
Source: Warburg Research

Operating Performance in %



Source: Warburg Research

Performance per Share



Source: Warburg Research

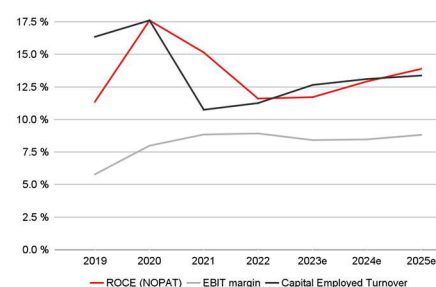
Consolidated balance sheet

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	83.6	92.4	101.8
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	125.5	134.3	143.7
Inventories	173.3	194.8	450.0	473.5	406.0	406.0	418.0
Accounts receivable	92.9	119.2	135.9	143.7	153.0	162.0	173.0
Liquid assets	25.7	32.1	11.5	10.7	23.3	37.1	32.6
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	689.3	713.1	731.6
Total Assets	397.4	478.4	831.9	842.7	814.9	847.4	875.4
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	189.6	224.4	274.6	311.2	308.2	351.0	397.2
Other equity components	-12.9	-17.8	26.6	8.0	54.1	58.3	66.0
Shareholders' equity	213.0	242.9	337.6	355.5	398.6	445.6	499.6
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	401.6	448.6	502.6
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	136.0	144.0	153.0
Other liabilities	40.6	64.8	114.5	121.5	110.2	109.7	109.7
Liabilities	182.5	233.1	490.9	475.9	413.3	398.8	372.8
Total liabilities and shareholders' equity	397.4	478.4	831.9	842.7	814.9	847.4	875.4

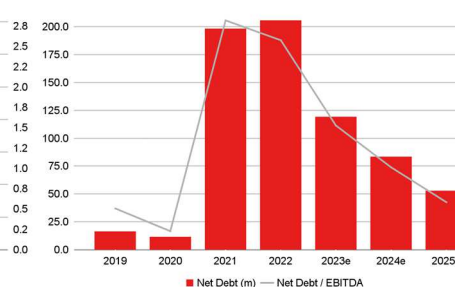
Financial Ratios

	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	2.1 x	2.2 x	2.2 x
Capital Employed Turnover	2.6 x	2.8 x	1.7 x	1.8 x	2.0 x	2.1 x	2.1 x
ROA	36.3 %	50.9 %	60.6 %	51.3 %	47.0 %	47.1 %	49.4 %
Return on Capital							
ROCE (NOPAT)	11.4 %	17.6 %	15.1 %	11.6 %	11.7 %	12.9 %	13.9 %
ROE	11.9 %	17.6 %	20.1 %	17.1 %	15.7 %	15.0 %	15.0 %
Adj. ROE	11.9 %	17.6 %	20.1 %	17.1 %	15.7 %	15.0 %	15.0 %
Balance sheet quality							
Net Debt	16.4	11.6	198.4	205.8	119.3	83.5	52.9
Net Financial Debt	12.2	3.6	189.4	198.6	111.8	76.0	45.4
Net Gearing	7.6 %	4.7 %	58.2 %	56.1 %	29.7 %	18.6 %	10.5 %
Net Fin. Debt / EBITDA	28.1 %	5.4 %	201.5 %	185.9 %	107.2 %	68.9 %	37.6 %
Book Value / Share	56.4	64.4	89.4	94.2	105.6	118.1	132.4
Book value per share ex intangibles	51.8	59.1	84.2	84.0	95.0	107.4	121.7

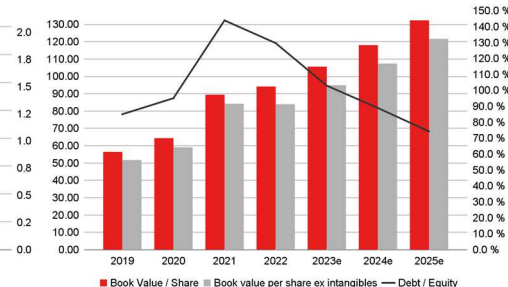
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

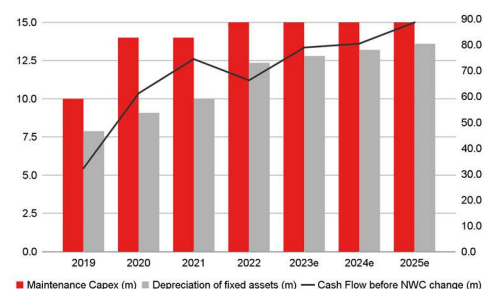
Consolidated cash flow statement

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
Net income	32.5	56.4	81.8	87.4	84.0	90.0	100.9
Depreciation of fixed assets	7.9	9.1	10.0	12.4	12.8	13.2	13.6
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	2.5	2.5
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	-23.5	-25.2	-28.2
Cash Flow before NWC change	32.3	61.3	74.5	66.3	79.0	80.5	88.7
Increase / decrease in inventory	15.2	-21.4	-255.2	-23.5	67.5	0.0	-12.0
Increase / decrease in accounts receivable	-4.7	-26.3	-16.7	-7.8	-9.3	-9.0	-11.0
Increase / decrease in accounts payable	9.7	18.6	40.7	-21.2	19.7	8.0	9.0
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	73.9	-5.0	-18.0
Net cash provided by operating activities [1]	48.5	32.1	-156.7	13.7	152.8	75.5	70.7
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	44.8	18.2	-1.4
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	55.4	41.5	35.7

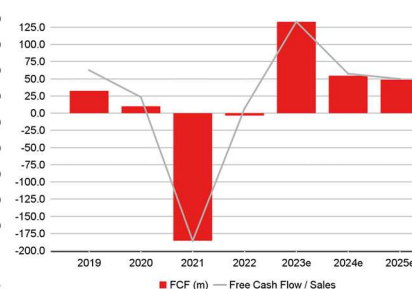
Financial Ratios

	2019	2020	2021	2022	2023e	2024e	2025e
Cash Flow							
FCF	32.5	10.1	-185.5	-3.5	132.8	54.5	48.7
Free Cash Flow / Sales	5.4 %	1.4 %	-20.0 %	-0.3 %	12.6 %	4.9 %	4.1 %
Free Cash Flow Potential	25.5	40.1	58.7	65.6	65.8	70.0	77.7
Free Cash Flow / Net Profit	133.7 %	25.1 %	-318.7 %	-5.9 %	224.9 %	86.1 %	68.6 %
Interest Received / Avg. Cash	1.1 %	0.5 %	0.5 %	3.2 %	0.6 %	0.3 %	0.3 %
Interest Paid / Avg. Debt	2.3 %	2.5 %	1.4 %	2.5 %	2.4 %	2.9 %	3.2 %
Management of Funds							
Investment ratio	2.6 %	3.0 %	3.1 %	1.7 %	1.9 %	1.9 %	1.8 %
Maint. Capex / Sales	1.7 %	1.9 %	1.5 %	1.5 %	1.4 %	1.3 %	1.3 %
Capex / Dep	189.3 %	229.4 %	239.2 %	117.0 %	130.7 %	133.8 %	136.6 %
Avg. Working Capital / Sales	32.7 %	28.0 %	35.9 %	46.0 %	43.7 %	37.9 %	36.2 %
Trade Debtors / Trade Creditors	118.8 %	123.1 %	98.8 %	123.6 %	112.5 %	112.5 %	113.1 %
Inventory Turnover	2.3 x	2.4 x	1.3 x	1.4 x	1.7 x	1.8 x	1.8 x
Receivables collection period (days)	56	60	53	51	53	53	53
Payables payment period (days)	71	76	84	64	74	74	73
Cash conversion cycle (Days)	143	137	245	249	199	187	180

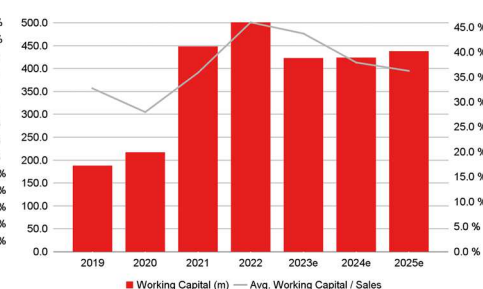
CAPEX and Cash Flow
in EUR m



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	159	75
Hold	44	21
Sell	7	3
Rating suspended	3	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	46	88
Hold	5	10
Sell	0	0
Rating suspended	1	2
Total	52	100

PRICE AND RATING HISTORY EINHELL PREF. AS OF 25.05.2023



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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