

Flughafen Wien AG

Logistics - Austria



Hold (old: Hold)

12.04.2024

EUR 58.00 (old: EUR 58.00)

Positive traffic results; guidance too conservative; chg. est.

Yesterday, FWAG released March '24 traffic results ahead of our estimates:

In March, **group passenger numbers rose by 12% yoy to 2.88m** (eNuW: 2.80m). **Vienna (VIE) grew by 8% yoy to 2.21m passengers** (eNuW: 2.21m) despite the strike by Austrian Airlines' employees at the end of the month. **Malta grew much stronger than expected, +30% yoy to 0.63m** (eNuW: 0.54m) while Kosice showed a slight yoy decline of 1.2% to 0.03m passengers (eNuW: 0.05m). (see p. 2)

Looking at VIE only, the most important destination of **Western Europe** (35% of VIE passengers) **rose by 11% yoy**, whereas the second most important destination of **Eastern Europe grew by 1.7%**, followed by the long-haul routes North America (+10% yoy), Africa (+13% yoy) and Far East (+5% yoy).

Thus, Q1'24 counted 7.58m group passengers, up +14% yoy, of which 78% in Vienna, 21% in Malta and 1% in Kosice. This leads us to expect **strong Q1 results**, as the statutory **9.7% increase of airport charges** (c. 40% of sales) coupled with the passenger growth should lead to **overall sales growth of 17% yoy to € 212m** in Q1'24e.

Further down the road, we expect Q2 & Q3'24e to come in even stronger due to the busy summer months ahead. Q4 should show a seasonal decline (qoq). Especially the current summer flight plan as well as airline booking data indicate an outperformance of last year's summer.

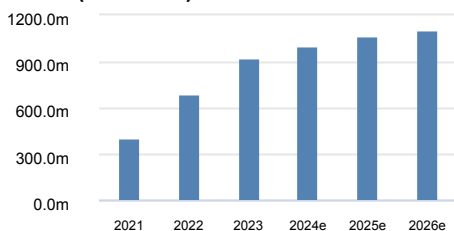
Against this stellar start into the year, the **FY'24 guidance issued in January this year seems conservative already**. As we expect passenger growth rates converging to 3% over the course of the year, FY'24e group passengers should grow by 5.7% yoy to 40.1m (vs. guidance of c. 39m guidance, +3% yoy). This looks set to translate into € 1,010m sales (+8.5% yoy; vs. guidance of c. € 970m) and EBITDA of € 417m (41.2% margin; vs. guidance of "above" € 390m) for FY'24e. (see p. 2 for details)

All in all, FWAG is well on track to record another record year as demand for travel remains unbroken and supply of flight capacity by the airlines is also expanding, leading to rising passenger numbers, ultimately benefiting the airport operator. Nevertheless, this seems to be reflected in its current valuation. Thus, we stick to our HOLD recommendation (**unchanged PT of € 58.00**, based on DCF), despite the company's stellar operating performance.

Y/E 31.12 (EUR m)	2021	2022	2023	2024e	2025e	2026e
Sales	407.0	692.7	931.5	1,010.3	1,064.5	1,107.6
Sales growth	22.0%	70.2%	34.5%	8.5%	5.4%	4.0%
EBITDA	154.4	295.9	393.6	416.7	448.9	469.5
Net debt (if net cash=0)	150.7	-149.1	-362.4	-396.5	-443.3	-487.5
FCF	45.1	277.1	277.8	144.8	175.0	189.8
Net Debt/EBITDA	1.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	0.05	1.26	2.01	2.32	2.63	2.77
EBITDA margin	37.9%	42.7%	42.3%	41.2%	42.2%	42.4%
ROCE	1.1%	9.1%	13.9%	14.1%	14.6%	14.6%
EV/sales	11.2	6.2	4.3	4.0	3.7	3.5
EV/EBITDA	29.5	14.4	10.3	9.6	8.8	8.4
PER	1034.3	40.1	25.1	21.8	19.2	18.2
Adjusted FCF yield	3.5%	7.9%	7.6%	7.0%	7.8%	8.3%

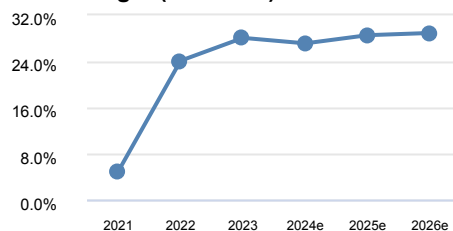
Source: Company data, NuWays, Close price as of 09.04.2024

Sales (2021-26e)



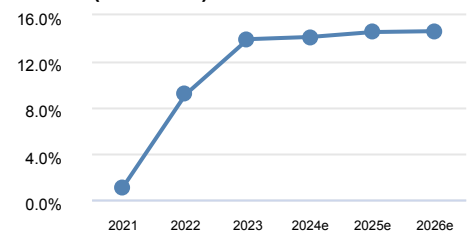
Source: NuWays Research

EBIT margin (2021-26e)



Source: NuWays Research

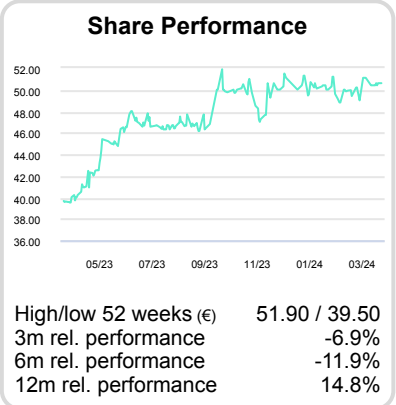
ROCE (2021-26e)



Source: NuWays Research

Company description

Flughafen Wien AG is the operator of Vienna International Airport VIE and holds strategic investments in the international airports Malta and Kosice.



Market data

Share price (in €)	50.60
Market cap (in € m)	4235.7
Number of shares (in m pcs)	83.9
Enterprise value (in € m)	4013.1
Ø trading volume (6 months)	7,985

Identifier

Bloomberg	FLU AV
Reuters	VIEV.VI
WKN	A2AMK9
ISIN	AT00000VIE62

Key shareholders

IFM	43.4%
State of Lower Austria	20.0%
City of Vienna	20.0%
Employee Foundation	10.0%
Free Float	6.6%

Estimates changes

	2024e	2025e	2026e
Sales	0%	0%	0%
EBIT	1%	0%	0%
EPS	1%	0%	0%

Comment on changes

- FY'24e sales estimates raised to reflect slightly higher passenger estimate

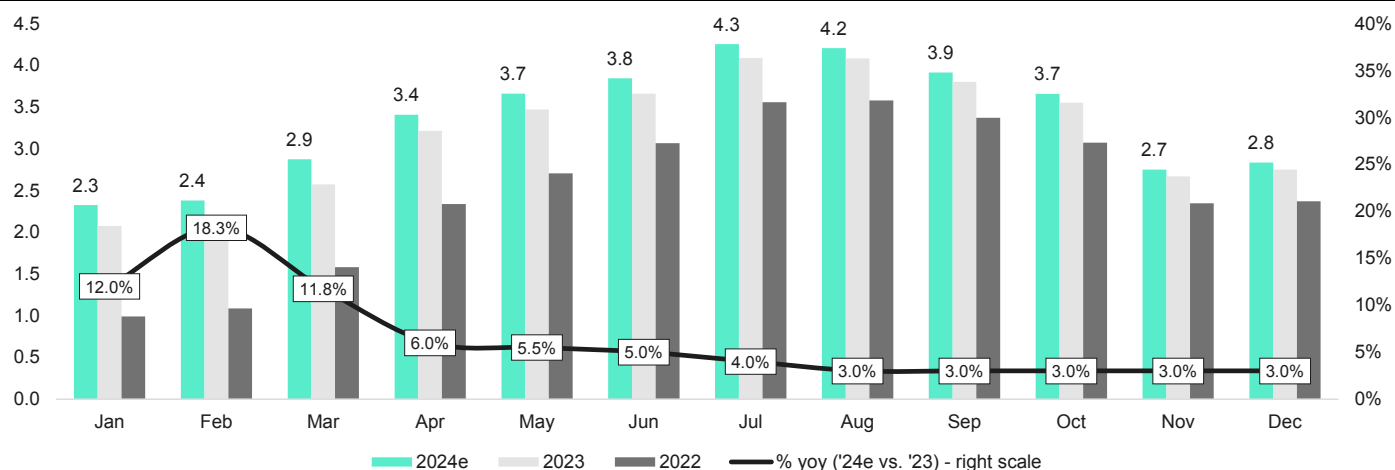
Guidance

- FY'24 Sales: c. € 970m
- FY'24 EBITDA: > € 390m
- FY'24 Net Income (b.m.): > € 210m

FWAG group passengers (in m)	3 2024	3 2024 eNuW	3 2023	yoy	group share	Q1 2024	Q1 2024 eNuW	Q1 2023	yoy	group share
Group Passengers	2.88	2.80	2.57	11.8%		7.58	7.51	6.66	13.8%	
- thereof Vienna	2.21	2.21	2.05	7.6%	76.7%	5.91	5.92	5.33	11.0%	78.0%
- thereof Malta	0.63	0.54	0.49	30.1%	22.0%	1.57	1.48	1.25	26.3%	20.8%
- thereof Kosice	0.03	0.05	0.04	-1.2%	1.2%	0.10	0.12	0.09	6.5%	1.3%

Source: Company data, NuWays

Estimated passenger development (in m)



Source: Company data, NuWays / Apr - Dec '24 are our estimates

in € m	2023	2024e Guidance	2024e eNuW	Delta eNuW vs. guid.
# of passengers - VIE	29.5	c. 30.0	30.9	+3.2%
# of passengers - MAL & KSC	8.4	c. 9.0	9.2	+1.8%
# of group passengers (in m)	38.0	c. 39.0	40.1	+2.9%
<i>implied yoy growth</i>		2.7%	5.7%	
Sales	931.5	c. 970	1,010	+4.2%
<i>implied yoy growth</i>		4.1%	8.5%	
EBITDA	393.6	> 390	417	+6.8%
<i>implied margin</i>	42.3%	40.2%	41.2%	
Net profit (b. m.)	188.7	> 210	217	+3.5%
<i>implied margin</i>	20.3%	21.6%	21.5%	
CAPEX	107	> 200	213	+6.5%

Source: Company data, NuWays

Financials

Profit and loss (EUR m)	2021	2022	2023	2024e	2025e	2026e
Net sales	407.0	692.7	931.5	1,010.3	1,064.5	1,107.6
<i>Sales growth</i>	22.0%	70.2%	34.5%	8.5%	5.4%	4.0%
Increase/decrease in finished goods and work-in-process	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	407.0	692.7	931.5	1,010.3	1,064.5	1,107.6
Other operating income	23.8	20.3	10.1	10.0	10.0	11.0
Material expenses	29.8	44.5	54.1	59.6	65.6	68.4
Personnel expenses	196.7	272.3	349.4	392.4	402.6	417.5
Other operating expenses	49.9	100.3	144.5	151.6	157.4	163.2
Total operating expenses	252.6	396.8	537.9	593.6	615.6	638.1
EBITDA	154.4	295.9	393.6	416.7	448.9	469.5
Depreciation	134.1	131.1	131.8	142.3	144.8	148.8
EBITA	20.3	164.9	261.8	274.3	304.1	320.7
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Impairment charges	0.4	-2.3	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	20.0	167.2	261.8	274.3	304.1	320.7
Interest income	2.0	4.4	15.9	17.8	18.7	18.9
Interest expenses	13.1	13.5	20.3	2.2	2.1	2.0
Investment income	0.7	-0.2	0.4	0.0	0.0	0.0
Financial result	-10.4	-9.3	-4.0	15.6	16.5	16.9
Recurring pretax income from continuing operations	9.5	157.9	257.8	289.9	320.6	337.5
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	9.5	157.9	257.8	289.9	320.6	337.5
Income tax expense	2.9	29.8	69.1	72.5	73.7	77.6
Net income from continuing operations	6.6	128.1	188.7	217.4	246.9	259.9
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	6.6	128.1	188.7	217.4	246.9	259.9
Minority interest	2.9	20.2	20.1	23.2	26.3	27.7
Net profit (reported)	3.7	107.9	168.6	194.2	220.6	232.2
Average number of shares	83.9	83.9	83.9	83.9	83.9	83.9
EPS reported	0.04	1.29	2.01	2.32	2.63	2.77

Profit and loss (common size)	2021	2022	2023	2024e	2025e	2026e
Net sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<i>Sales growth</i>	22.0%	70.2%	34.5%	8.5%	5.4%	4.0%
Increase/decrease in finished goods and work-in-process	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Other operating income	5.8%	2.9%	1.1%	1.0%	0.9%	1.0%
Material expenses	7.3%	6.4%	5.8%	5.9%	6.2%	6.2%
Personnel expenses	48.3%	39.3%	37.5%	38.8%	37.8%	37.7%
Other operating expenses	12.3%	14.5%	15.5%	15.0%	14.8%	14.7%
Total operating expenses	62.1%	57.3%	57.7%	58.8%	57.8%	57.6%
EBITDA	37.9%	42.7%	42.3%	41.2%	42.2%	42.4%
Depreciation	32.9%	18.9%	14.1%	14.1%	13.6%	13.4%
EBITA	5.0%	23.8%	28.1%	27.2%	28.6%	29.0%
Amortisation of goodwill	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Amortisation of intangible assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Impairment charges	0.1%	-0.3%	0.0%	0.0%	0.0%	0.0%
EBIT (inc revaluation net)	4.9%	24.1%	28.1%	27.2%	28.6%	29.0%
Interest income	0.5%	0.6%	1.7%	1.8%	1.8%	1.7%
Interest expenses	3.2%	1.9%	2.2%	0.2%	0.2%	0.2%
Investment income	0.2%	-0.0%	0.0%	0.0%	0.0%	0.0%
Financial result	neg.	neg.	neg.	1.5%	1.6%	1.5%
Recurring pretax income from continuing operations	2.3%	22.8%	27.7%	28.7%	30.1%	30.5%
Extraordinary income/loss	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Earnings before taxes	2.3%	22.8%	27.7%	28.7%	30.1%	30.5%
Tax rate	30.4%	18.9%	26.8%	25.0%	23.0%	23.0%
Net income from continuing operations	1.6%	18.5%	20.3%	21.5%	23.2%	23.5%
Income from discontinued operations (net of tax)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net income	1.6%	18.5%	20.3%	21.5%	23.2%	23.5%
Minority interest	0.7%	2.9%	2.2%	2.3%	2.5%	2.5%
Net profit (reported)	0.9%	15.6%	18.1%	19.2%	20.7%	21.0%

Source: Company data, NuWays

Balance sheet (EUR m)	2021	2022	2023	2024e	2025e	2026e
Intangible assets	165.6	159.2	162.2	165.2	168.2	168.2
Property, plant and equipment	1,403.9	1,339.2	1,311.4	1,379.1	1,449.3	1,520.4
Financial assets	191.8	189.5	189.5	189.5	189.5	189.5
FIXED ASSETS	1,761.3	1,687.9	1,663.1	1,733.7	1,806.9	1,878.1
Inventories	6.4	7.3	7.5	8.1	8.6	8.9
Accounts receivable	110.7	100.7	89.3	96.9	102.1	106.2
Other assets and short-term financial assets	14.2	0.0	0.0	0.0	0.0	0.0
Liquid assets	181.3	429.0	405.3	439.4	483.3	526.5
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	312.5	537.1	502.1	544.4	593.9	641.6
TOTAL ASSETS	2,073.8	2,224.9	2,165.2	2,278.1	2,400.8	2,519.7
SHAREHOLDERS EQUITY	1,210.0	1,323.6	1,427.6	1,511.1	1,603.5	1,690.2
MINORITY INTEREST	104.5	124.9	145.0	168.1	194.4	222.1
Provisions for pensions and similar obligations	167.4	173.9	173.9	173.9	173.9	173.9
Other provisions and accrued liabilities	63.4	69.3	69.3	69.3	69.3	69.3
Short-term liabilities to banks	51.3	25.0	0.0	0.0	0.0	0.0
Accounts payable	29.8	35.3	91.3	49.8	52.5	54.6
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	132.0	158.8	155.8	155.8	155.8	155.8
Deferred taxes	26.8	27.2	27.2	27.2	27.2	27.2
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT LIABILITIES	161.8	194.1	247.1	205.7	208.3	210.5
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	2,073.8	2,224.9	2,165.2	2,278.1	2,400.8	2,519.7
Balance sheet (common size)	2021	2022	2023	2024e	2025e	2026e
Intangible assets	8.0%	7.2%	7.5%	7.3%	7.0%	6.7%
Property, plant and equipment	67.7%	60.2%	60.6%	60.5%	60.4%	60.3%
Financial assets	9.2%	8.5%	8.8%	8.3%	7.9%	7.5%
FIXED ASSETS	84.9%	75.9%	76.8%	76.1%	75.3%	74.5%
Inventories	0.3%	0.3%	0.3%	0.4%	0.4%	0.4%
Accounts receivable	5.3%	4.5%	4.1%	4.3%	4.3%	4.2%
Other assets and short-term financial assets	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquid assets	8.7%	19.3%	18.7%	19.3%	20.1%	20.9%
Deferred taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Deferred charges and prepaid expenses	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CURRENT ASSETS	15.1%	24.1%	23.2%	23.9%	24.7%	25.5%
TOTAL ASSETS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
SHAREHOLDERS EQUITY	58.3%	59.5%	65.9%	66.3%	66.8%	67.1%
MINORITY INTEREST	5.0%	5.6%	6.7%	7.4%	8.1%	8.8%
Provisions for pensions and similar obligations	8.1%	7.8%	8.0%	7.6%	7.2%	6.9%
Other provisions and accrued liabilities	3.1%	3.1%	3.2%	3.0%	2.9%	2.7%
Short-term liabilities to banks	2.5%	1.1%	0.0%	0.0%	0.0%	0.0%
Accounts payable	1.4%	1.6%	4.2%	2.2%	2.2%	2.2%
Advance payments received on orders	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other liabilities (incl. from lease and rental contracts)	6.4%	7.1%	7.2%	6.8%	6.5%	6.2%
Deferred taxes	1.3%	1.2%	1.3%	1.2%	1.1%	1.1%
Deferred income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CURRENT LIABILITIES	7.8%	8.7%	11.4%	9.0%	8.7%	8.4%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Company data, NuWays

Cash flow statement (EUR m)	2021	2022	2023	2024e	2025e	2026e
Net profit/loss	17.9	137.4	188.7	217.4	246.9	259.9
Depreciation of fixed assets (incl. leases)	134.1	131.1	131.8	142.3	144.8	148.8
Amortisation of goodwill & intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Other costs affecting income / expenses	14.1	-1.1	0.0	0.0	0.0	0.0
Cash flow from operating activities	47.7	278.6	325.8	297.8	328.0	342.8
Increase/decrease in inventory	-0.4	-0.9	-0.2	-0.6	-0.4	-0.3
Increase/decrease in accounts receivable	-55.2	12.2	11.4	-7.6	-5.2	-4.1
Increase/decrease in accounts payable	0.0	38.6	56.0	-41.5	2.7	2.1
Increase/decrease in other working capital positions	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	-55.7	49.9	67.3	-49.7	-3.0	-2.4
Cash flow from operating activities	105.7	337.6	384.8	357.8	393.0	409.8
CAPEX	60.7	60.5	107.0	213.0	218.0	220.0
Payments for acquisitions	0.1	0.0	0.0	0.0	0.0	0.0
Financial investments	-15.2	287.8	49.6	44.0	55.0	0.0
Income from asset disposals	6.7	43.9	0.0	0.0	0.0	0.0
Cash flow from investing activities	-38.8	-304.5	-156.6	-257.0	-273.0	-220.0
Cash flow before financing	66.9	33.1	163.6	-9.9	-8.2	44.2
Increase/decrease in debt position	-116.4	-51.6	-236.9	-0.0	-2.9	-1.0
Purchase of own shares	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
Dividends paid	0.0	0.0	64.6	110.7	128.2	145.6
Others	0.0	0.0	0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	-116.4	-51.6	-301.5	-110.8	-131.1	-146.6
Increase/decrease in liquid assets	-49.5	-18.4	-73.3	-9.9	-11.1	43.2
Liquid assets at end of period	123.6	105.2	31.9	22.0	10.9	54.1

Key ratios (EUR m)	2021	2022	2023	2024e	2025e	2026e
P&L growth analysis						
Sales growth	22.0%	70.2%	34.5%	8.5%	5.4%	4.0%
EBITDA growth	185.5%	91.7%	33.0%	5.9%	7.7%	4.6%
EBIT growth	-123.1%	737.8%	56.6%	4.8%	10.9%	5.5%
EPS growth	-105.1%	2787.8%	56.3%	15.2%	13.6%	5.3%
Efficiency						
Sales per employee	83.8	147.2	193.1	204.1	215.1	223.8
EBITDA per employee	31.8	62.9	81.6	84.2	90.7	94.8
No. employees (average)	4,858	4,704	4,823	4,950	4,950	4,950
Balance sheet analysis						
Avg. working capital / sales	17.7%	8.1%	5.0%	6.3%	3.0%	5.2%
Inventory turnover (sales/inventory)	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable turnover	99.3	53.1	35.0	35.0	35.0	35.0
Accounts payable turnover	26.7	18.6	35.8	18.0	18.0	18.0
Cash flow analysis						
Free cash flow	45.1	277.1	277.8	144.8	175.0	189.8
Free cash flow/sales	11.1%	40.0%	29.8%	14.3%	16.4%	17.1%
FCF / net profit	252.6%	201.7%	147.2%	66.6%	70.9%	73.0%
Capex / sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Solvency						
Net debt	150.7	-149.1	-362.4	-396.5	-443.3	-487.5
Net Debt/EBITDA	1.0	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio	0.0%	59.9%	65.7%	66.0%	66.0%	66.0%
Interest paid / avg. debt	3.8%	3.7%	10.8%	1.4%	5.2%	5.0%
Returns						
ROCE	1.1%	9.1%	13.9%	14.1%	14.6%	14.6%
ROE	0.3%	8.2%	11.8%	12.9%	13.8%	13.7%
Adjusted FCF yield	3.5%	7.9%	7.6%	7.0%	7.8%	8.3%
Dividend yield	0.0%	1.5%	2.6%	3.0%	3.4%	3.6%
DPS	0.0	0.8	1.3	1.5	1.7	1.8
EPS reported	0.04	1.29	2.01	2.32	2.63	2.77
Average number of shares	83.9	83.9	83.9	83.9	83.9	83.9
Valuation ratios						
P/BV	3.5	3.2	3.0	2.8	2.6	2.5
EV/sales	11.2	6.2	4.3	4.0	3.7	3.5
EV/EBITDA	29.5	14.4	10.3	9.6	8.8	8.4
EV/EBIT	228.2	25.5	15.5	14.6	13.0	12.2

Source: Company data, NuWays

Disclosures

Disclosures regarding research publications of NuWays AG pursuant to section 85 of the German Securities Trading Act (WpHG)

Indication of conflict of interest

It is essential that any research recommendation is fairly presented and discloses interests of indicates relevant conflicts of interest. Pursuant to section 85 of the German Securities Trading Act (WpHG) a research report has to point out possible conflicts of interest in connection with the analysed company. A conflict of interest is presumed to exist in particular if NuWays AG

- (1) or any other person belonging to the same group with it was part of a consortium within the past twelve months that issued the financial instruments of the analysed company by way of a public offer.
- (2) or any other person belonging to the same group with it has entered into an agreement on the production of the research report with the analysed company.
- (3) or any other person belonging to the same group with it has been party to an agreement on the provision of investment banking services with the analysed company or have received services or a promise of services under the term of such an agreement within the past twelve month.
- (4) The analysed company holds 5% or more of the share capital of NuWays AG.
- (5) holds (a) a net short position or (b) a net long position of 0.5% of the outstanding share capital of the analysed company.
- (6) or any other person belonging to the same group with it is a market maker or liquidity provider in the financial instruments of the issuer.
- (7) or the analyst has any other significant financial interests relating to the analysed company such as, for example, exercising mandates in the interest of the analysed company.
- (8) The research report has been made available to the analysed company prior to its publication. Thereafter, only factual changes have been made to the report.

Conflicts of interest that existed at the time when this research report was published:

Company	Disclosures
Flughafen Wien AG	2

Historical target price and rating changes for Flughafen Wien AG

Company	Date	Analyst	Rating	Target Price	Close
Flughafen Wien AG	13.03.2024	Wendisch, Henry	Hold	EUR 58.00	EUR 50.20
	28.02.2024	Wendisch, Henry	Hold	EUR 57.00	EUR 50.00
	18.01.2024	Wendisch, Henry	Hold	EUR 52.00	EUR 49.55
	16.11.2023	Wendisch, Henry	Hold	EUR 46.00	EUR 49.70
	14.07.2023	Wendisch, Henry	Hold	EUR 45.00	EUR 46.65
	13.06.2023	Wendisch, Henry	Hold	EUR 45.00	EUR 44.85
	12.06.2023	Wendisch, Henry	Hold	EUR 44.00	EUR 45.20

1. General Information/Liabilities

This research report has been produced for the information purposes of institutional investors only, and is not in any way a personal recommendation, offer or solicitation to buy or sell the financial instruments mentioned herein. The document is confidential and is made available by NuWays AG exclusively to selected recipients in the European Union (EU) or, in individual cases, also in other countries. It is not allowed to pass the research report on to persons other than the intended recipient without the permission of NuWays AG. Reproduction of this document, in whole or in part, is not permitted without prior permission NuWays AG. All rights reserved.

Under no circumstances shall NuWays AG, any of its employees involved in the preparation, have any liability for possible errors or incompleteness of the information included in this research report – neither in relation to indirect or direct nor consequential damages. Liability for damages arising either directly or as a consequence of the use of information, opinions and estimates is also excluded. Past performance of a financial instrument is not necessarily indicative of future performance.

2. Responsibilities

This research report was prepared by the research analyst named on the front page (the "Producer"). The Producer is solely responsible for the views and estimates expressed in this report. The report has been prepared independently. The content of the research report was not influenced by the issuer of the analysed financial instrument at any time. It may be possible that parts of the research report were handed out to the issuer for information purposes prior to the publication without any major amendments being made thereafter.

3. Organisational Requirements

NuWays AG took internal organisational and regulative precautions to avoid or accordingly disclose possible conflicts of interest in connection with the preparation and distribution of the research report. All members of NuWays AG involved in the preparation of the research report are subject to internal compliance regulations. No part of the Producer's compensation is directly or indirectly related to the preparation of this financial analysis. In case a research analyst or a closely related person is confronted with a conflict of interest, the research analyst is restricted from covering this company.

4. Information Concerning the Methods of Valuation/Update

The determination of the fair value per share, i.e. the price target, and the relevant rating is done on the basis of the adjusted free cash flow (adj. FCF) method and on the basis of the discounted cash flow – DCF model. Furthermore, a peer group comparison is made.

The adj. FCF method is based on the assumption that investors purchase assets only at a price (enterprise value) at which the operating cash flow return after taxes on this investment exceeds their opportunity costs in the form of a hurdle rate of 7.5%. The operating cash flow is calculated as EBITDA less maintenance capex and taxes.

Within the framework of the DCF approach, the future free cash flows are calculated initially on the basis of a fictitious capital structure of 100% equity, i.e. interest and repayments on debt capital are not factored in initially. The adjust-

ment towards the actual capital structure is done by discounting the calculated free cash flows with the weighted average cost of capital (WACC), which takes into account both the cost of equity capital and the cost of debt. After discounting, the calculated total enterprise value is reduced by the interest-bearing debt capital in order to arrive at the equity value.

NuWays AG uses the following three-step rating system for the analysed companies:

Buy: Sustainable upside potential of more than 20% within 12 months

Sell: Sustainable downside potential of more than 20% within 12 months.

Hold: Upside/downside potential is limited. No immediate catalyst visible.

The decision on the choice of the financial instruments analysed in this document was solely made by NuWays AG. The opinions and estimates in this research report are subject to change without notice. It is within the discretion of NuWays AG whether and when it publishes an update to this research report, but in general updates are created on a regular basis, after 6 months at the latest. A sensitivity analysis is included and published in company's initial studies.

5. Major Sources of Information

Part of the information required for this research report was made available by the issuer of the financial instrument. Furthermore, this report is based on publicly available sources (such as, for example, Bloomberg, Reuters, VWD-Trader and the relevant daily press) believed to be reliable. NuWays AG has checked the information for plausibility but not for accuracy or completeness.

6. Competent Supervisory Authority

NuWays AG is an affiliated company of Hauck Aufhäuser Lampe Privatbank AG which is under supervision of the BaFin – German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht), Graurheindorfer Straße 108, 53117 Bonn and Marie-Curie-Straße 24 – 28, 60439 Frankfurt a.M.

7. Specific Comments for Recipients Outside of Germany

This research report is subject to the law of the Federal Republic of Germany and the European Union (EU). The distribution of this information to other states in particular to the USA, Canada, Australia and Japan may be restricted or prohibited by the laws applicable within this state. If this communication is distributed in the United Kingdom it is solely directed at (i) investment professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "FPO") or (ii) high net-worth entities as defined in article 49 of the FPO. This document should not be distributed or forwarded, either directly or indirectly, to any other individuals.

8. Miscellaneous

According to Article 4(1) No. i of the delegated regulation 2016/958 supplementing regulation 596/2014 of the European Parliament, further information regarding investment recommendations of the last 12 months are published under: www.nuways-ag.com

Date of publication creation: 12/04/2024 07:47 AM

Date of publication dissemination: 12/04/2024 07:47 AM

Contacts

NuWays AG

Mittelweg 16-17
20148 Hamburg
Germany

+49 170 119 8648
info@nuways-ag.com
www.nuways-ag.com



Christian Sandherr

Co-CEO/Analyst

christian.sandherr@nuways-ag.com



Frederik Jarchow

Co-CEO/Analyst

frederik.jarchow@nuways-ag.com



Philipp Sennewald

Analyst

philipp.sennewald@nuways-ag.com



Henry Wendisch

Analyst

henry.wendisch@nuways-ag.com



Mark Schüssler

Analyst

mark-hendrik.schuessler@nuways-ag.com



Konstantin Völk

Analyst

konstantin.voelk@nuways-ag.com

Find us on Social Media

[Instagram](#)



[Twitter/X](#)



[LinkedIn](#)

