

Cantourage Group SE

Health Care / Pharma - Germany



Buy (old: Buy)

14.04.2025

EUR 13.00 (old: EUR 12.50)

Growth beating expectations, again; PT up

Q1 sales surged to € 25.6m, more than quadrupling compared to the previous year's figure of € 6.1m and clearly exceeding our expectations of € 22m. Sequentially, sales grew by 21% qoq, marking a new record high. **In March alone, sales stood at € 10.7m**, beating the previous best month, December with € 8.5m. This increase should largely be the result of successful de-bottlenecking efforts on Cantourage's side during the past few months. With strongly growing demand, the company has been working on raising its processing capacities at its German site as well as through partnerships (e.g. with a Portuguese contract manufacturer). Securing sufficient supply (incl. processing capacities) **could allow Cantourage to reach the € 100m sales level already this year**.

Scale to kick in. While Cantourage only announced sales figures, we would also expect a further improving margins as scale effects begin to kick in. We would expect an EBITDA margin of around 10% to be in the cards (for Q1) despite ongoing investments into growth.

No FY25 guidance issued yet. So far, management has not issued a guidance for the current year. We would expect a first FY25 outlook with the publication of final FY24 figures at the end of April. In light of the better than expected start into the year, unbroken demand and further de-bottlenecking efforts, we have increased our sales growth expectations from 67% to 81%, implying € 93m sales.

Easing political risks. Last week, Germany's new government published the coalition agreement, which states an open-ended evaluation of the cannabis legalization law for autumn 2025. In our view, this is a clear positive and a return to the pre-April 1st, 2024 legal framework or a reclassification of cannabis as a narcotic now appears increasingly unlikely, not only due to the high degree of complexity as well as a wave of lawsuits but also a seemingly low importance to the new law-makers (postponed discussions and only one sentence across a 146 page document).

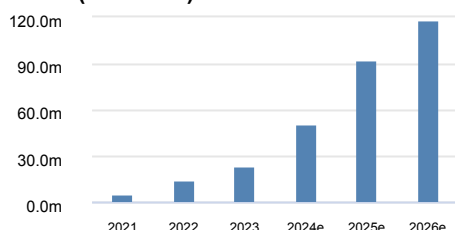
Share price de-coupled from fundamentals. While operations have been strongly improving quarter over quarter for roughly a year, the valuation has decreased to some € 56m. Despite expected FY25e sale growth of 81% yoy, Cantourage should be able to reach a 10% EBITDA margin, implying an attractive EV/EBITDA multiple of 5.2x.

We confirm our BUY rating with a new € 13 PT (€ 12.50) based on DCF.

Y/E 31.12 (EUR m)	2021	2022	2023	2024e	2025e	2026e
Sales	5.2	14.2	23.6	51.4	92.9	118.8
Sales growth	n.a.	171.6%	66.3%	118.3%	80.6%	27.9%
EBITDA	-6.0	-2.5	-0.3	3.9	9.4	15.9
Net debt (if net cash=0)	2.6	2.6	2.6	-2.7	-6.7	-13.3
FCF	-5.1	-2.2	-3.1	1.6	4.1	6.6
Net Debt/EBITDA	-0.4	-1.0	-10.2	0.0	0.0	0.0
EPS pro forma	-0.50	-0.48	-0.34	-0.02	0.29	0.65
EBITDA margin	-115.8%	-17.7%	-1.1%	7.5%	10.2%	13.3%
ROCE	-218.0%	-29.4%	-10.8%	-0.8%	13.5%	27.2%
EV/sales	11.3	4.1	2.5	1.0	0.5	0.4
EV/EBITDA	-9.7	-23.4	-230.7	13.8	5.2	2.7
PER	-9.1	-9.5	-13.3	-247.3	15.3	6.9
Adjusted FCF yield	-10.7%	-10.1%	-7.1%	-0.4%	7.4%	19.1%

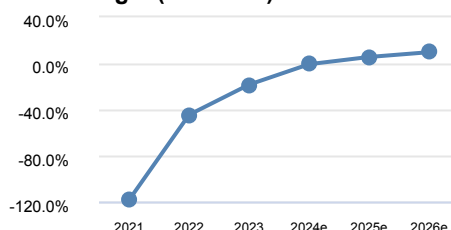
Source: Company data, NuWays, Close price as of 10.04.2025

Sales (2021-26e)



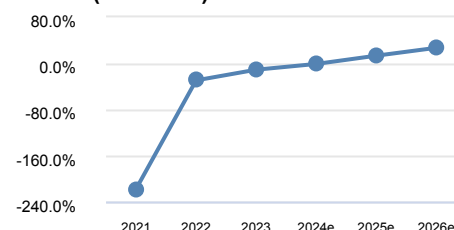
Source: NuWays Research

EBIT margin (2021-26e)



Source: NuWays Research

ROCE (2021-26e)



Source: NuWays Research

Company description

Cantourage wants to revolutionize the German medical cannabis market for the benefit of patients. It enables cultivators from around the world to offer their products in Europe, one of the fastest growing cannabis markets in the world.

Share Performance



High/low 52 weeks (€) 8.15 / 3.64
 3m rel. performance -14.5%
 6m rel. performance -12.3%
 12m rel. performance -41.4%

Market data

Share price (in €) 4.64
 Market cap (in € m) 56.1
 Number of shares (in m pcs) 12.5
 Enterprise value (in € m) 49.4
 Ø trading volume (6 months) 5,080

Identifier

Bloomberg HIGH GR
 Reuters HIGH.DE
 WKN A3DSV0
 ISIN DE000A3DSV01

Key shareholders

Florian Holzapfel 22.7%
 Patrick Hoffmann 22.7%
 PiFiva Verwaltungs - und
 Beteiligungs GmbH 17.9%
 Think.Health 12.7%
 Constanze Pelze 4.6%
 Free Float 19.4%

Estimates changes

	2024e	2025e	2026e
Sales	0%	8%	4%
EBIT	0%	20%	7%
EPS	0%	20%	7%

Comment on changes

- Increased growth estimates on the back of the good start into the year and an improving supply situation

Guidance

- 2024 sales: € 46-50m
- 2024 EBITDA: € 3-4m

Financials

Profit and loss (EUR m)	2021	2022	2023	2024e	2025e	2026e
Net sales	5.2	14.2	23.6	51.4	92.9	118.8
Sales growth	n.a.	171.6%	66.3%	118.3%	80.6%	27.9%
Increase/decrease in finished goods and work-in-process	0.0	0.0	0.5	1.0	1.9	2.4
Total sales	5.2	14.2	24.1	52.5	94.7	121.2
Other operating income	0.0	0.1	0.5	0.9	1.5	2.0
Material expenses	3.4	11.2	16.7	32.8	57.2	70.4
Personnel expenses	0.9	2.2	4.4	9.8	17.4	21.6
Other operating expenses	1.7	3.4	3.7	6.8	12.2	15.3
Total operating expenses	6.0	16.7	24.4	48.6	85.3	105.3
EBITDA	-6.0	-2.5	-0.3	3.9	9.4	15.9
Depreciation	0.0	0.8	0.8	0.5	0.5	0.5
EBITA	-6.1	-3.3	-1.1	3.4	8.9	15.4
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.1	3.0	3.3	3.7	3.7	3.7
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	-6.2	-6.3	-4.3	-0.3	5.2	11.7
Interest income	0.0	0.0	0.0	0.0	0.0	0.0
Interest expenses	0.0	0.0	0.0	0.0	0.0	0.0
Investment income	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	0.0	0.0	-0.0	0.0	0.0	0.0
Recurring pretax income from continuing operations	-6.2	-6.3	-4.3	-0.3	5.2	11.7
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	-6.2	-6.3	-4.3	-0.3	5.2	11.7
Income tax expense	0.0	-0.4	-0.1	-0.1	1.6	3.5
Net income from continuing operations	-6.2	-5.9	-4.2	-0.2	3.7	8.2
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	-6.2	-5.9	-4.2	-0.2	3.7	8.2
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	-6.2	-5.9	-4.2	-0.2	3.7	8.2
Average number of shares	0.0	12.5	12.5	12.5	12.5	12.5
EPS reported	n.a.	-0.48	-0.34	-0.02	0.29	0.65

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%
Sales growth	n.a.	171.6%	66.3%	118.3%	80.6%	27.9%
Increase/decrease in finished goods and work-in-process	0.0%	0.0%	2.3%	2.0%	2.0%	2.0%
Total sales	100.0%	100.0%	102.3%	102.0%	102.0%	102.0%
Other operating income	0.0%	0.5%	1.9%	1.7%	1.7%	1.7%
Material expenses	64.9%	78.8%	70.9%	63.9%	61.6%	59.2%
Personnel expenses	18.2%	15.3%	18.8%	19.0%	18.7%	18.2%
Other operating expenses	32.8%	24.2%	15.7%	13.3%	13.2%	12.9%
Total operating expenses	115.8%	117.7%	103.4%	94.5%	91.8%	88.7%
EBITDA	-115.8%	-17.7%	-1.1%	7.5%	10.2%	13.3%
Depreciation	0.6%	5.4%	3.5%	1.0%	0.5%	0.4%
EBITA	-116.4%	-23.1%	-4.5%	6.6%	9.6%	12.9%
Amortisation of goodwill	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Amortisation of intangible assets	2.2%	21.5%	13.8%	7.2%	4.0%	3.1%
Impairment charges	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EBIT (inc revaluation net)	-118.6%	-44.6%	-18.4%	-0.6%	5.7%	9.8%
Interest income	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
Interest expenses	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%
Investment income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Financial result	0.0%	0.1%	neg.	0.0%	0.0%	0.0%
Recurring pretax income from continuing operations	-118.6%	-44.5%	-18.4%	-0.6%	5.7%	9.8%
Extraordinary income/loss	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Earnings before taxes	-118.6%	-44.5%	-18.4%	-0.6%	5.7%	9.8%
Tax rate	0.0%	6.0%	3.1%	30.0%	30.0%	30.0%
Net income from continuing operations	-118.6%	-41.8%	-17.8%	-0.4%	4.0%	6.9%
Income from discontinued operations (net of tax)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net income	-118.6%	-41.8%	-17.8%	-0.4%	4.0%	6.9%
Minority interest	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net profit (reported)	-118.6%	-41.8%	-17.8%	-0.4%	4.0%	6.9%

Source: Company data, NuWays

Balance sheet (EUR m)	2021	2022	2023	2024e	2025e	2026e
Intangible assets	0.2	33.5	35.7	32.0	28.3	24.6
Property, plant and equipment	0.4	0.5	1.2	2.6	4.1	5.9
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0
FIXED ASSETS	0.5	34.0	36.9	34.5	32.4	30.5
Inventories	1.1	0.4	1.1	2.3	4.2	5.4
Accounts receivable	1.3	4.3	5.1	8.5	15.3	19.5
Other assets and short-term financial assets	0.0	0.0	0.0	0.0	0.0	0.0
Liquid assets	2.0	4.1	1.0	2.7	6.7	13.3
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.0	0.0	0.1	0.1	0.1	0.1
CURRENT ASSETS	4.3	8.8	7.3	13.5	26.3	38.3
TOTAL ASSETS	4.9	42.8	44.2	48.0	58.7	68.8

SHAREHOLDERS EQUITY	3.7	38.3	40.0	36.6	39.3	44.5
MINORITY INTEREST	-0.1	0.1	0.1	0.1	0.1	0.1
Long-term liabilities to banks	0.0	0.0	0.0	0.0	0.0	0.0
Bonds (long-term)	0.0	0.0	0.0	0.0	0.0	0.0
other interest-bearing liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions and accrued liabilities	0.1	0.6	0.8	0.8	0.8	0.8
NON-CURRENT LIABILITIES	0.1	0.6	0.8	0.8	0.8	0.8
Short-term liabilities to banks	0.2	0.0	0.0	0.0	0.0	0.0
Accounts payable	0.7	2.7	2.7	9.9	17.8	22.8
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0
Accrued taxes	0.1	0.0	0.1	0.1	0.1	0.1
Other liabilities (incl. from lease and rental contracts)	0.2	1.1	0.6	0.6	0.6	0.6
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT LIABILITIES	1.2	3.8	3.3	10.5	18.4	23.4
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	4.9	42.8	44.2	48.0	58.7	68.8

Balance sheet (common size)	2021	2022	2023	2024e	2025e	2026e
Intangible assets	3.4%	78.3%	80.7%	66.5%	48.2%	35.7%
Property, plant and equipment	7.7%	1.1%	2.8%	5.3%	7.0%	8.6%
Financial assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FIXED ASSETS	11.0%	79.5%	83.5%	71.9%	55.2%	44.3%
Inventories	22.2%	0.9%	2.4%	4.9%	7.2%	7.9%
Accounts receivable	26.4%	9.9%	11.6%	17.6%	26.0%	28.4%
Other assets and short-term financial assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquid assets	40.2%	9.7%	2.3%	5.5%	11.5%	19.3%
Deferred taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Deferred charges and prepaid expenses	0.2%	0.0%	0.2%	0.2%	0.1%	0.1%
CURRENT ASSETS	89.0%	20.5%	16.5%	28.1%	44.8%	55.7%
TOTAL ASSETS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

SHAREHOLDERS EQUITY	76.1%	89.4%	90.5%	76.3%	67.0%	64.7%
MINORITY INTEREST	-2.6%	0.2%	0.2%	0.1%	0.1%	0.1%
Long-term liabilities to banks	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Bonds (long-term)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
other interest-bearing liabilities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Provisions for pensions and similar obligations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other provisions and accrued liabilities	2.2%	1.5%	1.9%	1.8%	1.4%	1.2%
NON-CURRENT LIABILITIES	2.2%	1.5%	1.9%	1.8%	1.4%	1.2%
Short-term liabilities to banks	3.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts payable	14.7%	6.4%	6.1%	20.5%	30.4%	33.1%
Advance payments received on orders	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accrued taxes	3.1%	0.0%	0.1%	0.1%	0.1%	0.1%
Other liabilities (incl. from lease and rental contracts)	3.2%	2.5%	1.3%	1.2%	0.9%	0.8%
Deferred taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Deferred income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CURRENT LIABILITIES	24.2%	8.9%	7.5%	21.8%	31.4%	34.0%
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	-6.2	-5.9	-4.2	-0.2	3.7	8.2
Depreciation of fixed assets (incl. leases)	0.1	0.8	0.8	0.5	0.5	0.5
Amortisation of goodwill & intangible assets	0.1	3.0	3.3	3.7	3.7	3.7
Other costs affecting income / expenses	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from operating activities	-4.9	-5.2	-5.7	-0.8	1.9	4.7
Increase/decrease in inventory	-0.6	0.7	-0.7	-1.3	-1.9	-1.2
Increase/decrease in accounts receivable	-1.1	-3.0	-0.9	-3.3	-6.8	-4.3
Increase/decrease in accounts payable	1.1	2.0	-0.1	7.2	7.9	5.0
Increase/decrease in other working capital positions	2.0	1.0	0.2	-3.1	-1.0	-3.0
Increase/decrease in working capital	1.3	0.8	-1.5	-0.5	-1.7	-3.5
Cash flow from operating activities	-4.6	-1.3	-1.6	3.4	6.1	8.9
CAPEX	0.5	0.9	1.6	1.8	2.1	2.3
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	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
Cash flow from investing activities	-0.5	-0.9	-1.6	-1.8	-2.1	-2.3
Cash flow before financing	-5.1	-2.2	-3.1	1.6	4.1	6.6
Increase/decrease in debt position	0.2	-0.2	0.0	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	3.0	3.5	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	3.5	1.0	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	6.7	4.4	0.0	0.0	0.0	0.0
Increase/decrease in liquid assets	1.6	2.1	-3.1	1.6	4.1	6.6
Liquid assets at end of period	2.0	4.1	1.0	2.7	6.7	13.3

Key ratios (EUR m)	2021	2022	2023	2024e	2025e	2026e
P&L growth analysis						
Sales growth	n.a.	171.6%	66.3%	118.3%	80.6%	27.9%
EBITDA growth	456.7%	-58.5%	-95.8%	-1623.3%	143.8%	67.8%
EBIT growth	453.7%	2.1%	-30.0%	-92.5%	-1719.0%	122.2%
EPS growth	n.a.	n.a.	n.a.	-94.6%	-1719.0%	122.2%
Efficiency						
Sales per employee	289.8	566.6	604.0	1,082.6	3,714.7	6,788.8
EBITDA per employee	n.a.	n.a.	-6.5	81.6	377.9	906.2
No. employees (average)	18	25	39	48	25	18
Balance sheet analysis						
Avg. working capital / sales	15.9%	8.3%	10.9%	2.7%	2.8%	1.7%
Inventory turnover (sales/inventory)	4.8	38.2	22.2	22.0	22.0	22.0
Accounts receivable turnover	89.9	109.7	79.2	60.0	60.0	60.0
Accounts payable turnover	77.5	75.0	70.0	70.0	70.0	70.0
Cash flow analysis						
Free cash flow	-5.1	-2.2	-3.1	1.6	4.1	6.6
Free cash flow/sales	-97.8%	-15.7%	-13.3%	3.2%	4.4%	5.5%
FCF / net profit	82.5%	37.6%	74.7%	neg.	110.6%	80.6%
Capex / sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Solvency						
Net debt	2.6	2.6	2.6	-2.7	-6.7	-13.3
Net Debt/EBITDA	-0.4	-1.0	-10.2	0.0	0.0	0.0
Dividend payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest paid / avg. debt	0.0%	n.a.	22.7%	n.a.	n.a.	n.a.
Returns						
ROCE	-218.0%	-29.4%	-10.8%	-0.8%	13.5%	27.2%
ROE	-166.8%	-15.5%	-10.5%	-0.6%	9.3%	18.3%
Adjusted FCF yield	-10.7%	-10.1%	-7.1%	-0.4%	7.4%	19.1%
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
DPS	0.0	0.0	0.0	0.0	0.0	0.0
EPS reported	n.a.	-0.48	-0.34	-0.02	0.29	0.65
Average number of shares	0.0	12.5	12.5	12.5	12.5	12.5
Valuation ratios						
P/BV	15.1	1.5	1.4	1.5	1.4	1.3
EV/sales	11.3	4.1	2.5	1.0	0.5	0.4
EV/EBITDA	-9.7	-23.4	-230.7	13.8	5.2	2.7
EV/EBIT	-9.5	-9.3	-13.6	-164.9	9.4	3.7

Source: Company data, NuWays

Disclosures

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

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Company	Disclosures
Cantourage Group SE	2

Historical target price and rating changes for Cantourage Group SE

Company	Date	Analyst	Rating	Target Price	Close
Cantourage Group SE	27.01.2025	Sandherr, Christian	Buy	EUR 12.50	EUR 4.84
	20.12.2024	Sandherr, Christian	Buy	EUR 12.00	EUR 5.25
	06.12.2024	Sandherr, Christian	Buy	EUR 11.50	EUR 4.46
	17.05.2024	Sandherr, Christian	Buy	EUR 10.00	EUR 7.25

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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.

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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

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