

Buy (old: Buy)

09.05.2025

EUR 34.00 (old: EUR 34.00)

FY'25e outlook reduced due to tungsten supply chains; chg. est.

Topic: On Wednesday evening, INDUS reduced its FY'25e guidance, especially due to a soft Materials Solutions segment, which is impacted by the 10% base tariff on US exports, effective April 5. Further, extended export controls on tungsten compounds from China, put pressure on the supply chain of INDUS' largest holding BETEK (16% of FY'24 sales).

Management changed its FY'25 sales forecast to € 1.70-1.85bn (previously € 1.75-1.85bn; eNuW old € 1.79bn) **and adj. EBITA to € 130-165m** (previously € 150-175m; eNuW old € 164m). Materials Solutions is expected to be particularly soft partly due to the recently introduced tariffs on US exports.

However, even more important in our view are extended **Chinese export controls on tungsten**, tellurium, bismuth, molybdenum, and indium, effective since February 2025. BETEK, a specialist in tungsten carbide wear solutions, depends on tungsten-containing primary products from China and was responsible for around half of Materials Solutions sales and 16% of group sales in FY'24. China was responsible for 82% of the global tungsten production in 2024 and is thus a critical supplier for the whole industry.

Whether an export license will be granted, to what extent and how long it will take is currently unpredictable. If supply chains are not restored in time, missing tungsten carbide could result in a € 20-40m revenue loss and a € 8-15m EBITA reduction in H2'25e according to management. However, as a recovery of tungsten carbide supply is currently still in the cards, the top-line guidance was only adjusted on the lower end. In our view, a noticeable **impact for FY'25 looks highly likely** and for FY'26 plausible.

Having said that, the case remains fully intact. Neither tariffs nor a short-term supply shortage is damaging BETEK's competitive position based on technological leadership in the long-term. Nevertheless, we reduced our estimates, as we conservatively expect a supply shortage and price increase of tungsten carbide to affect FY25e and FY26e.

Reiterate BUY with an unchanged PT of € 34 per share, based on FCFY'25e.

Share Performance



High/low 52 weeks (€)	28.70 / 19.66
3m rel. performance	9.6%
6m rel. performance	3.3%
12m rel. performance	-17.0%

Market data

Share price (in €)	25.05
Market cap (in € m)	583.1
Number of shares (in m pcs)	25.8
Enterprise value (in € m)	1097.0
Ø trading volume (6 months)	15,657

Identifier

Bloomberg	INH GR
Reuters	INHG
WKN	620010
ISIN	DE0006200108

Key shareholders

Versicherungskammer Bayern	10.3%
Hans Selzer et al.	5.8%
Protector Forsikring	5.6%
Treasury Shares	3.5%
Free Float	74.8%

Estimates changes

	2025e	2026e	2027e
Sales	-3%	-2%	-0%
EBIT	-15%	-10%	-1%
EPS	-19%	-12%	-1%

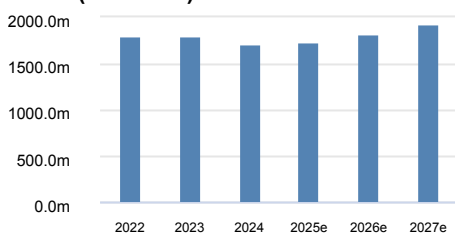
Comment on changes

- We reduced our estimates due to a likely supply shortage in tungsten for H2'25e and potentially FY'26e.

Y/E 31.12 (EUR m)	2022	2023	2024	2025e	2026e	2027e
Sales	1,804.1	1,802.4	1,721.8	1,740.0	1,830.0	1,941.6
Sales growth	3.6%	-0.1%	-4.5%	1.1%	5.2%	6.1%
EBITDA	262.4	258.1	226.1	216.1	240.2	271.6
Net debt (if net cash=0)	593.6	506.2	541.4	485.4	441.0	354.7
FCF	61.8	155.7	92.8	90.1	70.2	117.3
Net Debt/EBITDA	2.3	2.0	2.4	2.2	1.8	1.3
EPS pro forma	3.04	3.10	2.07	2.53	3.06	3.71
EBITDA margin	14.5%	14.3%	13.1%	12.4%	13.1%	14.0%
ROCE	11.8%	10.8%	9.1%	8.1%	9.6%	10.7%
EV/sales	0.7	0.6	0.7	0.6	0.6	0.5
EV/EBITDA	4.9	4.4	5.1	5.1	4.4	3.6
PER	7.4	7.3	10.9	8.9	7.4	6.1
Adjusted FCF yield	8.9%	8.4%	7.6%	8.8%	10.8%	13.7%

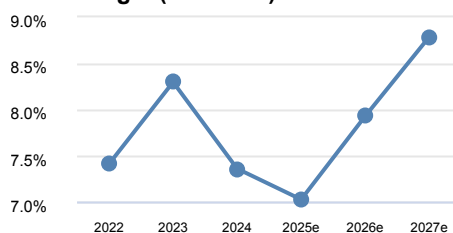
Source: Company data, NuWays, Close price as of 06.05.2025

Sales (2022-27e)



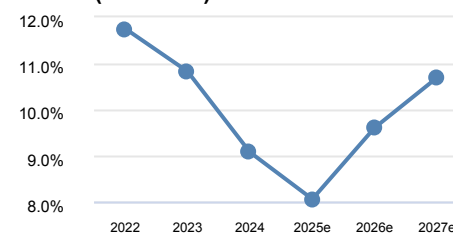
Source: NuWays Research

EBIT margin (2022-27e)



Source: NuWays Research

ROCE (2022-27e)



Source: NuWays Research

Company description

INDUS Holding AG is a leading specialist in the acquisition of and long-term support of small and medium-sized manufacturing companies in the DACH region. INDUS holds a diversified portfolio of key industries and specializes in the field of sustainable companies.

Guidance

- FY25 Sales: € 1.70-1.85bn
- FY25 adj. EBITA: € 130-165m
- FY25 FCF: > € 90m

Financials

Profit and loss (EUR m)	2022	2023	2024	2025e	2026e	2027e
Net sales	1,804.1	1,802.4	1,721.8	1,740.0	1,830.0	1,941.6
Sales growth	3.6%	-0.1%	-4.5%	1.1%	5.2%	6.1%
Increase/decrease in finished goods and work-in-process	33.5	-11.7	-3.3	-1.2	4.0	4.0
Total sales	1,837.7	1,790.7	1,718.5	1,738.8	1,834.0	1,945.7
Other operating income	25.1	20.6	27.8	24.4	25.6	26.0
Material expenses	872.2	801.4	757.0	776.0	814.4	864.0
Personnel expenses	494.6	521.5	536.9	543.1	565.3	583.6
Other operating expenses	233.5	230.3	226.3	227.9	239.7	252.4
Total operating expenses	1,575.2	1,532.6	1,492.4	1,522.7	1,593.8	1,674.1
EBITDA	262.4	258.1	226.1	216.1	240.2	271.6
Depreciation	50.7	62.7	63.4	62.0	60.2	64.0
EBITA	211.8	195.4	162.7	154.2	180.1	207.6
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	35.3	26.5	29.4	32.0	35.0	37.0
Impairment charges	42.8	19.3	6.7	0.0	0.0	0.0
EBIT (inc revaluation net)	133.7	149.6	126.7	122.2	145.1	170.6
Interest income	1.4	1.6	5.0	3.0	2.8	2.8
Interest expenses	14.5	21.2	26.4	27.0	30.0	31.0
Investment income	-4.6	9.8	-9.2	-3.5	-3.5	-3.5
Financial result	-17.7	-9.8	-30.6	-27.5	-30.7	-31.7
Recurring pretax income from continuing operations	115.9	139.7	96.1	94.7	114.4	138.9
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	115.9	139.7	96.1	94.7	114.4	138.9
Income tax expense	33.5	55.8	41.4	28.4	34.3	41.7
Net income from continuing operations	82.5	84.0	54.7	66.3	80.1	97.3
Income from discontinued operations (net of tax)	123.9	27.8	0.0	0.0	0.0	0.0
Net income	-41.4	56.1	54.7	66.3	80.1	97.3
Minority interest	0.8	0.7	1.0	1.0	1.2	1.5
Net profit (reported)	-42.2	55.4	53.7	65.3	78.9	95.8
Average number of shares	26.9	26.9	26.0	25.8	25.8	25.8
EPS reported	-1.57	2.06	2.07	2.53	3.06	3.71

Profit and loss (common size)	2022	2023	2024	2025e	2026e	2027e
Net sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales growth	3.6%	-0.1%	-4.5%	1.1%	5.2%	6.1%
Increase/decrease in finished goods and work-in-process	1.9%	-0.6%	-0.2%	-0.1%	0.2%	0.2%
Total sales	101.9%	99.4%	99.8%	99.9%	100.2%	100.2%
Other operating income	1.4%	1.1%	1.6%	1.4%	1.4%	1.3%
Material expenses	48.3%	44.5%	44.0%	44.6%	44.5%	44.5%
Personnel expenses	27.4%	28.9%	31.2%	31.2%	30.9%	30.1%
Other operating expenses	12.9%	12.8%	13.1%	13.1%	13.1%	13.0%
Total operating expenses	87.3%	85.0%	86.7%	87.5%	87.1%	86.2%
EBITDA	14.5%	14.3%	13.1%	12.4%	13.1%	14.0%
Depreciation	2.8%	3.5%	3.7%	3.6%	3.3%	3.3%
EBITA	11.7%	10.8%	9.5%	8.9%	9.8%	10.7%
Amortisation of goodwill	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Amortisation of intangible assets	2.0%	1.5%	1.7%	1.8%	1.9%	1.9%
Impairment charges	2.4%	1.1%	0.4%	0.0%	0.0%	0.0%
EBIT (inc revaluation net)	7.4%	8.3%	7.4%	7.0%	7.9%	8.8%
Interest income	0.1%	0.1%	0.3%	0.2%	0.2%	0.1%
Interest expenses	0.8%	1.2%	1.5%	1.6%	1.6%	1.6%
Investment income	-0.3%	0.5%	-0.5%	-0.2%	-0.2%	-0.2%
Financial result	neg.	neg.	neg.	neg.	neg.	neg.
Recurring pretax income from continuing operations	6.4%	7.8%	5.6%	5.4%	6.2%	7.2%
Extraordinary income/loss	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Earnings before taxes	6.4%	7.8%	5.6%	5.4%	6.2%	7.2%
Tax rate	28.9%	39.9%	43.1%	30.0%	30.0%	30.0%
Net income from continuing operations	4.6%	4.7%	3.2%	3.8%	4.4%	5.0%
Income from discontinued operations (net of tax)	6.9%	1.5%	0.0%	0.0%	0.0%	0.0%
Net income	-2.3%	3.1%	3.2%	3.8%	4.4%	5.0%
Minority interest	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%
Net profit (reported)	-2.3%	3.1%	3.1%	3.8%	4.3%	4.9%

Source: Company data, NuWays

Balance sheet (EUR m)	2022	2023	2024	2025e	2026e	2027e
Intangible assets	645.1	633.9	661.8	641.2	617.2	591.2
Property, plant and equipment	346.5	354.4	349.3	337.4	332.2	323.3
Financial assets	76.1	17.0	9.2	9.2	9.2	9.2
FIXED ASSETS	1,067.7	1,005.3	1,020.3	987.9	958.7	923.7
Inventories	449.4	429.3	410.6	408.4	428.6	454.8
Accounts receivable	195.5	181.3	185.2	174.0	183.0	200.2
Other assets and short-term financial assets	29.4	25.8	31.6	59.0	60.0	62.0
Liquid assets	127.8	265.8	145.2	189.6	234.0	320.3
Deferred taxes	20.2	21.3	13.9	17.0	18.0	20.0
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	822.2	923.5	786.5	848.0	923.6	1,057.2
TOTAL ASSETS	1,889.9	1,928.8	1,806.8	1,835.9	1,882.3	1,980.9

SHAREHOLDERS EQUITY	692.8	717.9	697.5	732.0	796.3	885.5
MINORITY INTEREST	2.1	1.7	2.5	2.5	2.5	2.5
Long-term liabilities to banks	580.6	618.2	540.6	550.0	550.0	550.0
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	23.6	27.0	27.8	28.5	30.0	31.8
Other provisions and accrued liabilities	43.4	42.3	43.3	35.7	34.0	36.0
NON-CURRENT LIABILITIES	647.6	687.4	611.7	614.2	613.9	617.8
Short-term liabilities to banks	140.7	153.8	146.0	125.0	125.0	125.0
Accounts payable	74.3	63.7	74.9	69.6	73.2	77.7
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0
Accrued taxes	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	278.4	248.8	220.0	237.7	214.5	214.5
Deferred taxes	54.0	55.4	54.4	55.0	57.0	58.0
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT LIABILITIES	547.4	521.7	495.2	487.3	469.7	475.1
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	1,889.9	1,928.8	1,806.8	1,835.9	1,882.3	1,980.9

Balance sheet (common size)	2022	2023	2024	2025e	2026e	2027e
Intangible assets	34.1%	32.9%	36.6%	34.9%	32.8%	29.8%
Property, plant and equipment	18.3%	18.4%	19.3%	18.4%	17.6%	16.3%
Financial assets	4.0%	0.9%	0.5%	0.5%	0.5%	0.5%
FIXED ASSETS	56.5%	52.1%	56.5%	53.8%	50.9%	46.6%
Inventories	23.8%	22.3%	22.7%	22.2%	22.8%	23.0%
Accounts receivable	10.3%	9.4%	10.3%	9.5%	9.7%	10.1%
Other assets and short-term financial assets	1.6%	1.3%	1.8%	3.2%	3.2%	3.1%
Liquid assets	6.8%	13.8%	8.0%	10.3%	12.4%	16.2%
Deferred taxes	1.1%	1.1%	0.8%	0.9%	1.0%	1.0%
Deferred charges and prepaid expenses	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CURRENT ASSETS	43.5%	47.9%	43.5%	46.2%	49.1%	53.4%
TOTAL ASSETS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

SHAREHOLDERS EQUITY	36.7%	37.2%	38.6%	39.9%	42.3%	44.7%
MINORITY INTEREST	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Long-term liabilities to banks	30.7%	32.0%	29.9%	30.0%	29.2%	27.8%
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	1.2%	1.4%	1.5%	1.6%	1.6%	1.6%
Other provisions and accrued liabilities	2.3%	2.2%	2.4%	1.9%	1.8%	1.8%
NON-CURRENT LIABILITIES	34.3%	35.6%	33.9%	33.5%	32.6%	31.2%
Short-term liabilities to banks	7.4%	8.0%	8.1%	6.8%	6.6%	6.3%
Accounts payable	3.9%	3.3%	4.1%	3.8%	3.9%	3.9%
Advance payments received on orders	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accrued taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other liabilities (incl. from lease and rental contracts)	14.7%	12.9%	12.2%	12.9%	11.4%	10.8%
Deferred taxes	2.9%	2.9%	3.0%	3.0%	3.0%	2.9%
Deferred income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CURRENT LIABILITIES	29.0%	27.0%	27.4%	26.5%	25.0%	24.0%
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)	2022	2023	2024	2025e	2026e	2027e
Net profit/loss	82.5	84.0	54.7	66.3	80.1	97.3
Depreciation of fixed assets (incl. leases)	93.4	82.1	70.1	62.0	60.2	64.0
Amortisation of goodwill & intangible assets	35.3	26.5	29.4	32.0	35.0	37.0
Other costs affecting income / expenses	-17.7	-9.8	-30.6	-27.5	-30.7	-31.7
Cash flow from operating activities	-12.4	109.1	44.2	57.6	41.0	82.3
Increase/decrease in inventory	-45.5	20.1	18.7	2.1	-20.2	26.1
Increase/decrease in accounts receivable	-26.6	14.2	-3.9	11.2	-9.0	-17.2
Increase/decrease in accounts payable	9.9	-10.6	11.2	-5.3	3.6	4.5
Increase/decrease in other working capital positions	23.5	7.9	-6.6	10.0	15.0	0.0
Increase/decrease in working capital	-38.6	31.5	19.4	18.1	-10.6	13.4
Cash flow from operating activities	116.3	217.7	143.7	151.6	136.2	183.3
CAPEX	54.5	61.9	50.9	61.5	66.0	66.0
Payments for acquisitions	58.8	8.9	29.4	0.0	0.0	0.0
Financial investments	0.4	0.6	0.8	0.0	0.0	0.0
Income from asset disposals	19.3	21.3	15.7	0.0	0.0	0.0
Cash flow from investing activities	-94.4	-50.1	-65.4	-61.5	-66.0	-66.0
Cash flow before financing	-6.3	146.1	47.4	59.1	44.4	86.3
Increase/decrease in debt position	87.2	50.6	-99.8	-11.6	0.0	0.0
Purchase of own shares	0.0	0.0	41.7	3.1	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	28.2	21.5	31.0	31.0	25.8	31.0
Others	-3.1	-29.6	-27.4	0.0	0.0	0.0
Effects of exchange rate changes on cash	-0.3	0.0	0.9	0.0	0.0	0.0
Cash flow from financing activities	55.9	-0.5	-199.9	-45.6	-25.8	-31.0
Increase/decrease in liquid assets	77.5	167.1	-120.7	44.5	44.4	86.3
Liquid assets at end of period	127.8	265.8	145.2	189.6	234.0	320.3

Key ratios (EUR m)	2022	2023	2024	2025e	2026e	2027e
P&L growth analysis						
Sales growth	3.6%	-0.1%	-4.5%	1.1%	5.2%	6.1%
EBITDA growth	66.4%	17.1%	-13.8%	-16.3%	-8.5%	5.2%
EBIT growth	475.8%	29.6%	-5.2%	-18.3%	8.5%	14.1%
EPS growth	33.1%	15.9%	-231.8%	22.8%	-294.6%	80.1%
Efficiency						
Sales per employee	173.6	193.5	196.4	196.5	196.5	196.5
EBITDA per employee	25.3	27.7	25.8	24.4	25.8	27.5
No. employees (average)	10,391	9,317	8,768	8,856	9,314	9,882
Balance sheet analysis						
Avg. working capital / sales	28.2%	29.3%	31.7%	30.5%	30.3%	28.9%
Inventory turnover (sales/inventory)	2.0	1.8	1.8	1.9	1.9	1.9
Accounts receivable turnover	9.2	9.9		10.0	10.0	9.7
Accounts payable turnover	24.3	28.3	23.0	25.0	25.0	25.0
Cash flow analysis						
Free cash flow	61.8	155.7	92.8	90.1	70.2	117.3
Free cash flow/sales	3.4%	8.6%	5.4%	5.2%	3.8%	6.0%
FCF / net profit	74.9%	185.5%	169.6%	135.9%	87.7%	120.6%
Capex / sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Solvency						
Net debt	593.6	506.2	541.4	485.4	441.0	354.7
Net Debt/EBITDA	2.3	2.0	2.4	2.2	1.8	1.3
Dividend payout ratio	100.0%	58.2%	57.6%	39.5%	39.3%	40.4%
Interest paid / avg. debt	2.0%	3.0%	3.7%	3.7%	4.3%	4.3%
Returns						
ROCE	11.8%	10.8%	9.1%	8.1%	9.6%	10.7%
ROE	-6.1%	7.7%	7.7%	8.9%	9.9%	10.8%
Adjusted FCF yield	8.9%	8.4%	7.6%	8.8%	10.8%	13.7%
Dividend yield	3.5%	5.3%	5.3%	4.4%	5.3%	6.6%
DPS	0.8	1.2	1.2	1.0	1.2	1.5
EPS reported	-1.57	2.06	2.07	2.53	3.06	3.71
Average number of shares	26.9	26.9	26.0	25.8	25.8	25.8
Valuation ratios						
P/BV	0.9	0.8	0.8	0.8	0.7	0.7
EV/sales	0.7	0.6	0.7	0.6	0.6	0.5
EV/EBITDA	4.9	4.4	5.1	5.1	4.4	3.6
EV/EBIT	9.7	7.6	9.1	9.0	7.3	5.7

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
INDUS Holding AG	2

Historical target price and rating changes for INDUS Holding AG

Company	Date	Analyst	Rating	Target Price	Close
INDUS Holding AG	04.11.2024	Sandherr, Christian	Buy	EUR 34.00	EUR 20.45
	26.09.2024	Sandherr, Christian	Buy	EUR 34.00	EUR 22.15
	02.09.2024	Sandherr, Christian	Buy	EUR 34.00	EUR 22.40
	14.08.2024	Sandherr, Christian	Buy	EUR 34.00	EUR 20.50

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 resultant 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: 09/05/2025 07:47 AM

Date of publication dissemination: 09/05/2025 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](#)

