

MLP SE

Financial Services - Germany



Buy (old: Buy)

06.02.2025

EUR 12.50 (old: EUR 12.00)

FY'25e outlook: RE recovery and new mid-term targets

Solid Q4 results at top end of FY'24 guidance ahead: For Q4 results (due Mar' 13th), we expect sales to arrive flat yoy at € 289m, whereas EBIT should expand by 11% to € 28m as we expect lower D&A of € 9m (vs. € 12m in Q4'23, thereof € 4m goodwill impairment at Deutschland.Immobilien). This puts our FY'24e EBIT estimate of € 95m (+33% yoy), at the top-end of the new FY'24 guidance range of € 85-95m.

20% dividend increase likely: Given MLP's target payout ratio of 50-70% (eNuW: 60%) and our estimated EPS of € 0.64, we expect FY'24 dividend proposal of € 0.36 per share (+ 20% yoy; 6% yield). Mind you, the dividend is tax-free under § 27 KStG.

Old mid-term targets to become new FY'25e guidance: This year, MLP's mid-term targets of € 100-110m EBIT (eNuW: € 102m), € 62-68bn AuM (eNuW: € 63bn) and a non-life insurance volume of € 730-810m (eNuW: € 780m) are due and will become the FY'25e guidance, which should be well in reach.

New mid-term targets to be announced: Also on March 13th, MLP will announce new mid-term targets, which the CFO said are "as ambitious as the previous mid-term targets", potentially serving as a share price catalyst.

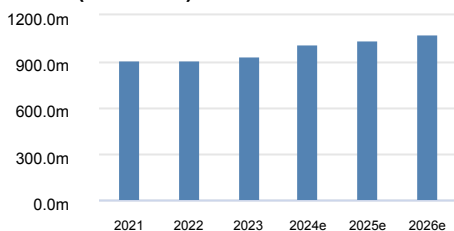
Changing mix in EBIT drivers for FY'25e: While FY'24e EBIT stood under an strong contribution from performance fees (eNuW: € 28m; 9M'24: € 26m), we do not assume a similar development for FY'25e although it could be possible. On the other hand, the still negative real estate segment Deutschland.Immobilien (eNuW: € -14m EBIT in FY'24e), should benefit from a **noticeable market recovery** (e.g. the recent announcement of a brokerage partnership with Dutch RE developer Ten Brinke Group for a € 160m RE portfolio of € 160m). As confirmed by management multiple times and also expected by us, this segment is seen to return to **EBIT breakeven in FY'25e** (eNuW: € 16m EBIT increase from RE). The remaining segments should show similar profitabilities in FY'25e, except for FERI, whose FY'24 EBIT will mark a tough comparable base due to the € 18m EBIT effect of performance fees (eNuW) in FY'24e and us not assuming significant performance fees for FY'25e. - see p. 2 for details

Following the operational development, MLP's valuation should catch up accordingly. Therefore, the stock remains one of our **Alpha Ideas** and we reiterate out **BUY recommendation** with unchanged **PT**

Y/E 31.12 (EUR m)	2021	2022	2023	2024e	2025e	2026e
Sales	907.3	913.8	941.1	1,020.0	1,040.4	1,082.0
Sales growth	21.7%	0.7%	3.0%	8.4%	2.0%	4.0%
EBITDA	124.0	110.6	106.5	125.9	133.0	147.3
Net debt (if net cash=0)	-133.0	-113.5	-131.0	-158.6	-185.1	-220.0
FCF	536.3	-323.5	101.3	65.9	70.9	78.0
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	0.57	0.47	0.44	0.64	0.68	0.77
EBITDA margin	13.7%	12.1%	11.3%	12.3%	12.8%	13.6%
ROCE	13.4%	9.9%	9.2%	12.1%	12.6%	14.0%
EV/sales	0.8	0.6	0.5	0.5	0.5	0.5
EV/EBITDA	5.5	5.1	4.0	3.7	4.3	3.7
PER	12.6	14.7	15.5	10.8	10.1	9.0
Adjusted FCF yield	11.6%	13.5%	17.1%	18.2%	15.7%	18.6%

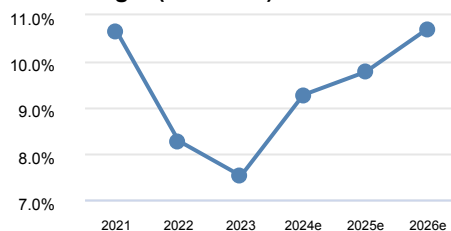
Source: Company data, NuWays, Close price as of 03.02.2025

Sales (2021-26e)



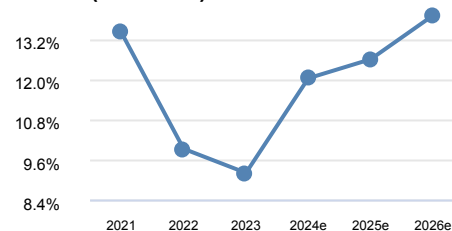
Source: NuWays Research

EBIT margin (2021-26e)

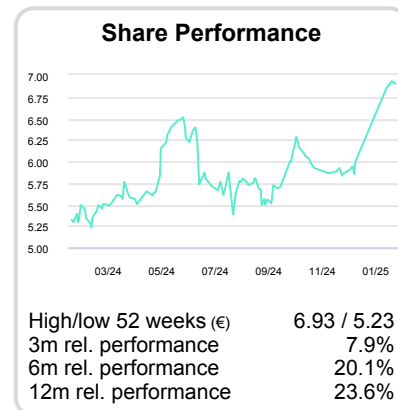


Source: NuWays Research

ROCE (2021-26e)



Source: NuWays Research



Market data

Share price (in €)	6.90
Market cap (in € m)	753.5
Number of shares (in m pcs)	109.2
Enterprise value (in € m)	570.4
Ø trading volume (6 months)	47,158

Identifier

Bloomberg	MLP GR
Reuters	MLPG
WKN	656990
ISIN	DE0006569908

Key shareholders

Lautenschläger Family	29.2%
HanseMerkur	10.0%
Barmenia	9.4%
Allianz SE	6.2%
Free Float	45.2%

Estimates changes

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

Comment on changes

Company description

MLP is a leading financial services provider in Europe with a strong focus on Germany. MLP offers financial services in the fields of old-age provision, wealth management, non-life insurance, banking and real estate. The target group are students, wealthy private and institutional clients.

Guidance

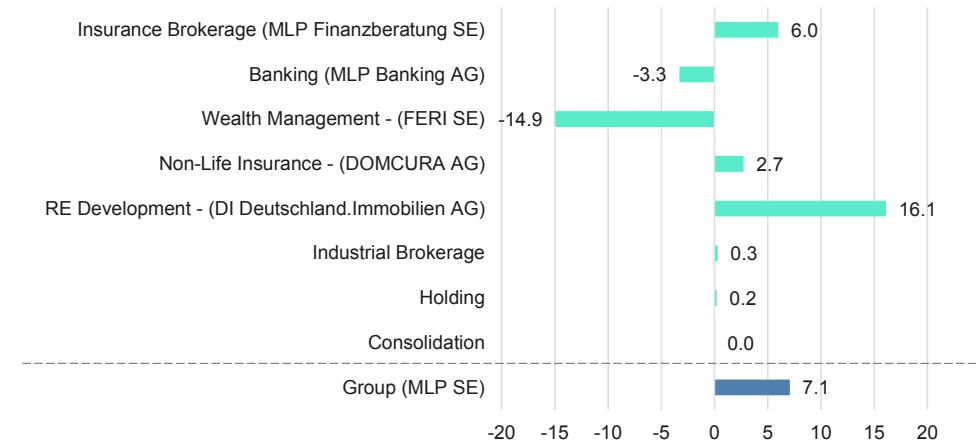
- FY'24e EBIT: €85-95m
- FY'25e: € 100-110m EBIT
- FY'25e: € 62-68bn AuM

MLP SE

Update - 06.02.2025

of € 12.50, based on FCFY'24e and SOTP.

Incremental EBIT development of each segment (FY'25e vs. FY'24e)



Source: NuWays Research

Financials

Profit and loss (EUR m)	2021	2022	2023	2024e	2025e	2026e
Net sales	907.3	913.8	941.1	1,020.0	1,040.4	1,082.0
<i>Sales growth</i>	21.7%	0.7%	3.0%	8.4%	2.0%	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	907.3	913.8	941.1	1,020.0	1,040.4	1,082.0
Other operating income	44.1	35.4	32.4	30.0	30.6	31.8
Material expenses	482.5	477.9	473.0	500.8	498.0	516.8
Personnel expenses	180.5	187.9	209.1	233.8	248.0	255.5
Other operating expenses	164.4	172.7	184.9	189.5	192.0	194.2
Total operating expenses	783.3	803.2	834.6	894.1	907.4	934.7
EBITDA	124.0	110.6	106.5	125.9	133.0	147.3
Depreciation	27.2	35.0	35.8	31.3	31.3	31.3
EBITA	96.8	75.6	70.7	94.6	101.7	116.0
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	0.0	0.0	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	96.8	75.6	70.7	94.6	101.7	116.0
Interest income	0.7	2.8	8.4	12.0	12.0	12.0
Interest expenses	4.9	5.4	10.2	10.2	10.4	10.7
Investment income	0.6	0.1	0.0	0.0	0.0	0.0
Financial result	-3.6	-2.5	-1.7	1.8	1.6	1.3
Recurring pretax income from continuing operations	93.2	73.1	69.0	96.4	103.3	117.3
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	93.2	73.1	69.0	96.4	103.3	117.3
Income tax expense	30.4	24.4	24.9	30.9	33.0	37.5
Net income from continuing operations	62.8	48.6	44.1	65.6	70.2	79.8
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	62.8	48.6	44.1	65.6	70.2	79.8
Minority interest	0.2	-2.8	-4.5	-4.5	-4.5	-4.5
Net profit (reported)	62.6	51.5	48.6	70.0	74.7	84.2
Average number of shares	109.3	109.2	109.2	109.2	109.2	109.2
EPS reported	0.57	0.47	0.44	0.64	0.68	0.77

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>	21.7%	0.7%	3.0%	8.4%	2.0%	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	4.9%	3.9%	3.4%	2.9%	2.9%	2.9%
Material expenses	53.2%	52.3%	50.3%	49.1%	47.9%	47.8%
Personnel expenses	19.9%	20.6%	22.2%	22.9%	23.8%	23.6%
Other operating expenses	18.1%	18.9%	19.6%	18.6%	18.5%	18.0%
Total operating expenses	86.3%	87.9%	88.7%	87.7%	87.2%	86.4%
EBITDA	13.7%	12.1%	11.3%	12.3%	12.8%	13.6%
Depreciation	3.0%	3.8%	3.8%	3.1%	3.0%	2.9%
EBITA	10.7%	8.3%	7.5%	9.3%	9.8%	10.7%
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	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EBIT (inc revaluation net)	10.7%	8.3%	7.5%	9.3%	9.8%	10.7%
Interest income	0.1%	0.3%	0.9%	1.2%	1.2%	1.1%
Interest expenses	0.5%	0.6%	1.1%	1.0%	1.0%	1.0%
Investment income	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Financial result	neg.	neg.	neg.	0.2%	0.2%	0.1%
Recurring pretax income from continuing operations	10.3%	8.0%	7.3%	9.5%	9.9%	10.8%
Extraordinary income/loss	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Earnings before taxes	10.3%	8.0%	7.3%	9.5%	9.9%	10.8%
Tax rate	32.6%	33.4%	36.0%	32.0%	32.0%	32.0%
Net income from continuing operations	6.9%	5.3%	4.7%	6.4%	6.7%	7.4%
Income from discontinued operations (net of tax)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net income	6.9%	5.3%	4.7%	6.4%	6.7%	7.4%
Minority interest	0.0%	-0.3%	-0.5%	-0.4%	-0.4%	-0.4%
Net profit (reported)	6.9%	5.6%	5.2%	6.9%	7.2%	7.8%

Source: Company data, NuWays

Balance sheet (EUR m)	2021	2022	2023	2024e	2025e	2026e
Intangible assets	226.8	234.5	225.5	228.5	231.5	234.5
Property, plant and equipment	128.1	136.6	142.3	142.0	146.4	146.4
Financial assets	206.4	247.1	186.3	188.3	190.3	192.3
FIXED ASSETS	561.2	618.2	554.1	558.8	568.2	573.2
Inventories	34.6	51.9	39.6	39.6	39.6	39.6
Accounts receivable	1,439.7	1,902.5	2,010.1	2,010.1	2,010.1	2,010.1
Other assets and short-term financial assets	268.0	242.4	248.7	248.7	248.7	248.7
Liquid assets	1,377.8	961.2	1,053.9	1,064.5	1,081.0	1,101.9
Deferred taxes	12.1	8.4	11.1	11.1	11.1	11.1
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	3,132.1	3,166.4	3,363.3	3,373.9	3,390.5	3,411.4
TOTAL ASSETS	3,693.4	3,784.6	3,917.5	3,932.7	3,958.6	3,984.5
SHAREHOLDERS EQUITY	495.2	527.4	538.3	567.2	599.1	633.5
MINORITY INTEREST	1.0	-1.9	-6.3	-5.0	-5.0	-3.5
Long-term liabilities to banks	129.3	137.0	140.6	125.6	110.6	95.6
Bonds (long-term)	0.0	0.0	0.0	0.0	0.0	0.0
other interest-bearing liabilities	2,516.1	2,633.5	2,764.6	2,764.6	2,764.6	2,764.6
Provisions for pensions and similar obligations	27.0	0.0	0.0	0.0	2.0	4.0
Other provisions and accrued liabilities	110.0	97.6	104.2	104.2	107.2	110.2
NON-CURRENT LIABILITIES	2,782.4	2,868.1	3,009.4	2,994.4	2,984.4	2,974.4
Short-term liabilities to banks	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	0.0	0.0	0.0	0.0	0.0	0.0
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	4.0	4.0
Other liabilities (incl. from lease and rental contracts)	403.4	371.7	358.5	358.5	358.5	358.5
Deferred taxes	11.3	19.3	17.3	17.3	17.3	17.3
Deferred income	0.0	0.0	0.2	0.2	0.2	0.2
CURRENT LIABILITIES	414.7	391.0	376.0	376.0	380.0	380.0
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	3,693.4	3,784.6	3,917.5	3,932.7	3,958.6	3,984.5
Balance sheet (common size)	2021	2022	2023	2024e	2025e	2026e
Intangible assets	6.1%	6.2%	5.8%	5.8%	5.8%	5.9%
Property, plant and equipment	3.5%	3.6%	3.6%	3.6%	3.7%	3.7%
Financial assets	5.6%	6.5%	4.8%	4.8%	4.8%	4.8%
FIXED ASSETS	15.2%	16.3%	14.1%	14.2%	14.4%	14.4%
Inventories	0.9%	1.4%	1.0%	1.0%	1.0%	1.0%
Accounts receivable	39.0%	50.3%	51.3%	51.1%	50.8%	50.4%
Other assets and short-term financial assets	7.3%	6.4%	6.3%	6.3%	6.3%	6.2%
Liquid assets	37.3%	25.4%	26.9%	27.1%	27.3%	27.7%
Deferred taxes	0.3%	0.2%	0.3%	0.3%	0.3%	0.3%
Deferred charges and prepaid expenses	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CURRENT ASSETS	84.8%	83.7%	85.9%	85.8%	85.6%	85.6%
TOTAL ASSETS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
SHAREHOLDERS EQUITY	13.4%	13.9%	13.7%	14.4%	15.1%	15.9%
MINORITY INTEREST	0.0%	-0.0%	-0.2%	-0.1%	-0.1%	-0.1%
Long-term liabilities to banks	3.5%	3.6%	3.6%	3.2%	2.8%	2.4%
Bonds (long-term)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
other interest-bearing liabilities	68.1%	69.6%	70.6%	70.3%	69.8%	69.4%
Provisions for pensions and similar obligations	0.7%	0.0%	0.0%	0.0%	0.1%	0.1%
Other provisions and accrued liabilities	3.0%	2.6%	2.7%	2.6%	2.7%	2.8%
NON-CURRENT LIABILITIES	75.3%	75.8%	76.8%	76.1%	75.4%	74.6%
Short-term liabilities to banks	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts payable	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
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%	0.1%	0.1%
Other liabilities (incl. from lease and rental contracts)	10.9%	9.8%	9.2%	9.1%	9.1%	9.0%
Deferred taxes	0.3%	0.5%	0.4%	0.4%	0.4%	0.4%
Deferred income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CURRENT LIABILITIES	11.2%	10.3%	9.6%	9.6%	9.6%	9.5%
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	62.8	48.6	44.1	65.6	70.2	79.8
Depreciation of fixed assets (incl. leases)	27.2	35.0	35.8	31.3	31.3	31.3
Amortisation of goodwill & intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Other costs affecting income / expenses	-400.1	4.9	2.0	0.0	0.0	0.0
Cash flow from operating activities	529.4	-319.3	98.9	76.9	82.5	91.1
Increase/decrease in inventory	-16.8	-17.3	12.3	0.0	0.0	0.0
Increase/decrease in accounts receivable	192.4	-462.9	-107.5	0.0	0.0	0.0
Increase/decrease in accounts payable	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in other working capital positions	244.2	117.4	131.1	0.0	0.0	0.0
Increase/decrease in working capital	419.8	-362.8	35.9	0.0	0.0	0.0
Cash flow from operating activities	546.4	-301.3	117.9	96.9	103.5	113.1
CAPEX	10.1	22.3	16.6	31.0	32.6	35.0
Payments for acquisitions	39.9	13.9	0.0	0.0	0.0	0.0
Financial investments	4.6	48.3	63.2	0.0	0.0	0.0
Income from asset disposals	0.0	0.1	-18.0	0.0	0.0	0.0
Cash flow from investing activities	-45.4	-84.4	28.6	-31.0	-32.6	-35.0
Cash flow before financing	466.7	-418.5	-12.7	33.1	31.6	35.9
Increase/decrease in debt position	54.6	-5.0	-20.4	-15.0	-15.0	-15.0
Purchase of own shares	0.0	0.4	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	25.1	32.8	32.8	32.8	39.3	42.1
Others	-15.5	-1.3	0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	4.3	0.0	0.0	0.0
Cash flow from financing activities	14.0	-39.5	-53.2	-47.8	-54.3	-57.1
Increase/decrease in liquid assets	505.8	-425.2	-28.8	18.1	16.6	20.9
Liquid assets at end of period	1,374.1	948.8	1,046.4	1,064.5	1,081.0	1,101.9
Key ratios (EUR m)	2021	2022	2023	2024e	2025e	2026e
P&L growth analysis						
Sales growth	21.7%	0.7%	3.0%	8.4%	2.0%	4.0%
EBITDA growth	42.5%	-10.8%	-3.7%	18.2%	5.6%	10.7%
EBIT growth	63.1%	-21.9%	-6.5%	33.7%	7.5%	14.0%
EPS growth	44.8%	-17.7%	-5.6%	44.1%	6.7%	12.8%
Efficiency						
Sales per employee	507.0	500.6	505.5	537.1	537.1	547.6
EBITDA per employee	69.3	60.6	57.2	66.3	68.7	74.5
No. employees (average)	1,790	1,825	1,862	1,899	1,937	1,976
Balance sheet analysis						
Avg. working capital / sales	-48.8%	-46.5%	-65.9%	-44.3%	-44.8%	-43.1%
Inventory turnover (sales/inventory)	26.2	17.6	23.8	25.8	26.3	26.3
Accounts receivable turnover	579.2	759.9	779.6	719.3	705.2	678.1
Accounts payable turnover	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow analysis						
Free cash flow	536.3	-323.5	101.3	65.9	70.9	78.0
Free cash flow/sales	59.1%	-35.4%	10.8%	6.5%	6.8%	7.2%
FCF / net profit	853.8%	neg.	229.5%	100.5%	101.0%	97.9%
Capex / sales	1.6%	7.7%	8.5%	3.0%	3.1%	3.2%
Solvency						
Net debt	-133.0	-113.5	-131.0	-158.6	-185.1	-220.0
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio	52.2%	67.4%	74.3%	60.0%	60.0%	60.0%
Interest paid / avg. debt	4.1%	4.1%	7.3%	7.6%	8.8%	10.4%
Returns						
ROCE	13.4%	9.9%	9.2%	12.1%	12.6%	14.0%
ROE	12.6%	9.8%	9.0%	12.3%	12.5%	13.3%
Adjusted FCF yield	11.6%	13.5%	17.1%	18.2%	15.7%	18.6%
Dividend yield	4.1%	4.3%	4.3%	5.2%	5.6%	6.3%
DPS	0.3	0.3	0.3	0.4	0.4	0.4
EPS reported	0.57	0.47	0.44	0.64	0.68	0.77
Average number of shares	109.3	109.2	109.2	109.2	109.2	109.2
Valuation ratios						
P/BV	1.6	1.4	1.4	1.3	1.3	1.2
EV/sales	0.8	0.6	0.5	0.5	0.5	0.5
EV/EBITDA	5.5	5.1	4.0	3.7	4.3	3.7
EV/EBIT	7.1	7.4	6.0	5.0	5.6	4.6

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
MLP SE	2

Historical target price and rating changes for MLP SE

Company	Date	Analyst	Rating	Target Price	Close
MLP SE	08.10.2024	Wendisch, Henry	Buy	EUR 12.00	EUR 5.70
	16.05.2024	Wendisch, Henry	Buy	EUR 11.50	EUR 5.83
	04.04.2024	Wendisch, Henry	Buy	EUR 12.00	EUR 5.56

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: 06/02/2025 07:59 AM

Date of publication dissemination: 06/02/2025 07:59 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](#)

