

**Buy** (old: Buy)

ESG Rating: BB

10-May-24

**Price target: EUR 47.50** (old: EUR 47.50)

Marie-Therese Gruebner  
Analyst

Price: EUR 42.05    Next result: Q2 13.08.24  
Bloomberg: MUX GR    Market cap: EUR 867.8 m  
Reuters: MUXG.BE    Enterprise Value: EUR 1,009.9 m

marie-therese.gruebner@ha-ib.de  
Tel.: + 49 40 450 6342 - 3097

## Promising Q1, attractive dividend prospects

Here are main takeaways from the release of Q1 results and subsequent conference call (see table on p.2 for details). FY 24E guidance was maintained.

**Deal activity remains buoyant** - The company completed two exits, including the sale of **Frigoscandia: over € 50m in net income impact at Holding level** (some earn-out components still pending). Two acquisitions were closed: PRINZ Kinematics, strengthening the Automotive cluster (42% of group sales) and AL-KO an Italian restaurant chain for fusion cuisine, flowing into the newly carved-out vertical of Retail & Food (18% of group sales). Meanwhile the acquisition of Magirus (vehicles and other products and services for firefighting and disaster control) from Iveco group was announced.

**Cash balances** at Holding level amounted to little **over € 100m as of Q1**, courtesy of the € 100m tap issue on the bond as well as exit proceeds and despite sustained deal flow. **Cash at consolidated group level amounted to € 527m**, providing a **comfortable war chest** for future add-ons and new platform acquisitions.

**Portfolio developments** - The most notable positive surprise came from the Automotive Segment which posted **Q1 Adj. EBITDA of € 22m, or a € 29m yoy turnaround**. This figure could also be reached thanks to compensation one-offs while call-offs from OEMs remain volatile and further loss-making acquisitions could also burden quarters ahead, all of which precludes any extrapolation of the Q1 figure for FY (eHAIB FY 24E € 5.5m, FY 23 € 3.3m). Engineering and Technology saw Adj. EBITDA down to € -7.7m (€ 0.7m), due to a difficult construction market and the negative contribution of the acquisitions made in Q4 23.

At Holding level, run-rate consulting revenues are currently c. € 10 per month, implying c. € 119m for FY 24E. Excluding some € 5m in one-offs Holding costs in Q1 and including the € 50m Frigoscandia book gain, we calculate that net income at Holding level could easily reach the bottom end of guidance without further exits and including some € 35m in portfolio dividends. This being said, more exits could be announced considering that 6 companies are currently in active divestiture processes (see p.2; "Harvesting" cluster) with eHAIB c. € 175 -210m in EV uplift potential. **BUY PT € 47.50 on a dividend discount model.**

Y/E 31.12 (EUR m)	2019	2020	2021	2022	2023	2024E
Sales	1,015.9	1,583.9	2,504.0	3,751.7	4,689.1	5,405.4
Sales growth	n/a	56 %	58 %	50 %	25 %	15 %
EBITDA	79.2	142.7	566.5	181.5	756.9	426.6
EBIT (inc revaluation net)	26.2	41.2	447.3	-3.1	436.9	208.4
Net income	21.2	27.1	435.6	-6.7	397.1	140.4
Net debt	117.4	173.1	275.6	448.1	172.9	-19.7
Net gearing	63.4 %	90.9 %	38.2 %	62.9 %	16.2 %	-1.7 %
Net Debt/EBITDA	1.5	1.2	0.5	2.5	0.2	0.0
EPS pro forma	1.48	2.16	2.46	3.24	19.24	6.85
CPS	-4.18	-8.92	-10.79	-1.49	-1.82	7.79
DPS	1.00	1.50	1.50	1.75	2.25	2.00
Dividend yield	9.9 %	13.3 %	6.8 %	9.1 %	5.4 %	4.8 %
Gross profit margin	38.5 %	37.6 %	37.1 %	35.8 %	40.2 %	41.0 %
EBITDA margin	7.8 %	9.0 %	22.6 %	4.8 %	16.1 %	7.9 %
EBIT margin	2.6 %	2.6 %	17.9 %	-0.1 %	9.3 %	3.9 %
ROCE	4.8 %	6.4 %	38.4 %	-0.2 %	22.3 %	9.1 %
EV/sales	0.4	0.3	0.4	0.3	0.2	0.2
EV/EBITDA	4.5	3.2	1.6	5.2	1.5	2.4
EV/EBIT	13.7	11.2	2.0	-303.2	2.7	5.1
PER	6.8	5.2	9.0	6.0	2.2	6.7
Adjusted FCF yield	9.4 %	11.8 %	57.6 %	18.0 %	78.2 %	25.9 %

Source: Company data, Hauck Aufhäuser Investment Banking Close price as of: 09.05.2024



Source: Company data, HAIB

High/low 52 weeks:	43.30 / 21.45
Price/Book Ratio:	0.8
Relative performance (SDAX):	
3 months	9.2 %
6 months	23.0 %
12 months	69.4 %

### Changes in estimates

		Sales	EBIT	EPS
2024	old:	5,405.4	208.4	6.85
	Δ	-	-	-
2025	old:	5,675.7	212.9	6.30
	Δ	-	-	-
2026	old:	5,959.5	119.2	5.73
	Δ	-	-	-

### Key share data:

Number of shares: (in m pcs)	20.6
Authorised capital: (in € m)	7.0
Book value per share: (in €)	55.6
Ø trading volume: (12 months)	5,400

### Major shareholders:

Free Float	63.0 %
Robin Laik	25.1 %
Management	11.9 %

### Company description:

Turnaround investor focussed on corporate carve-outs with € 100-750m in revenues and ROIC target of 7-10x

### Company guidance 2024E:

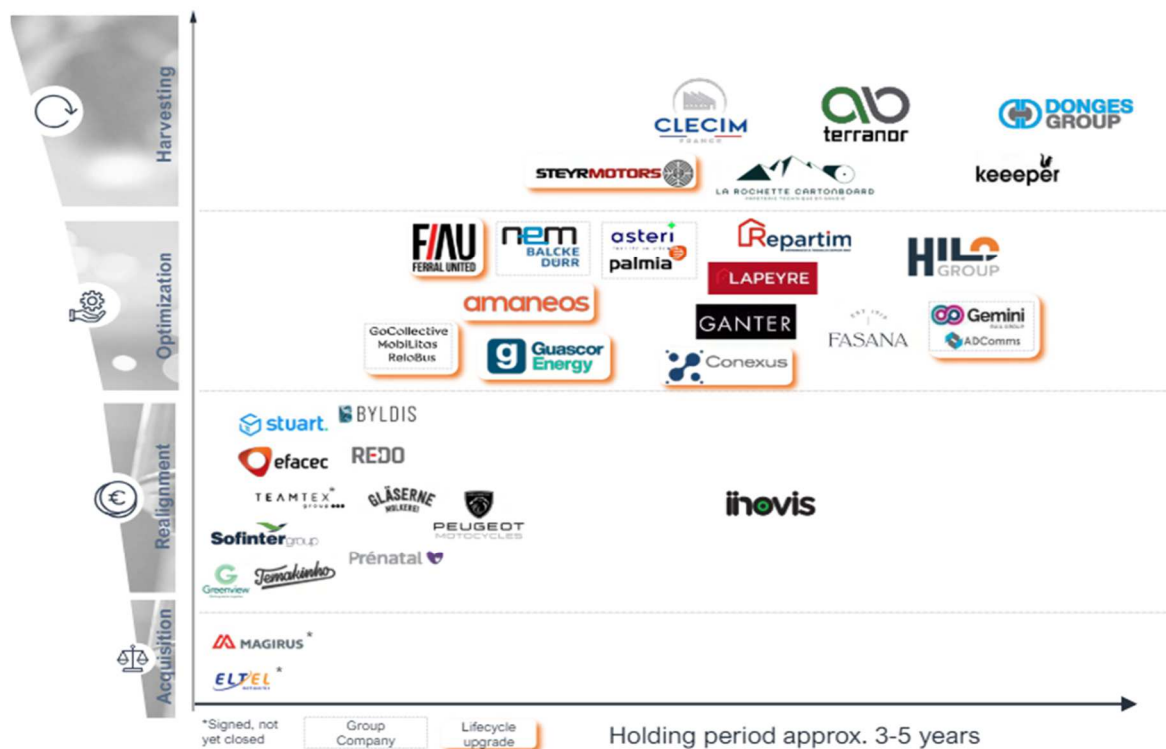
Group revenues € 5.7 - € 6.3 bn;  
Holding Net Income € 108-132m

# Mutares SE & Co. KGaA

EUR	Q1 2024	Q1 2024 est	Q1 2023	yoy
<b>Sales</b>	<b>1,346.1</b>	<b>1,320.6</b>	<b>1,108.0</b>	<b>21.5%</b>
Automotive & Mobility	605.9	560.6	448.7	35.0%
Engineering & Technology	224.3	232.0	263.1	-14.7%
Goods & Services	286.4	295.0	190.4	50.4%
Retail & Food	230.1	233.0	207.0	11.2%
Consolidation	0.0	0.0	-1.2	n.a.
<b>Adj. EBITDA</b>	<b>14.0</b>	<b>11.5</b>	<b>5.1</b>	<b>174.5%</b>
Adj. EBITDA margin	1.0%	0.9%	0.5%	+ 0.6 pp
Automotive & Mobility	22.3	1.0	-6.9	n.a.
Engineering & Technology	-7.7	-2.5	0.7	n.a.
Goods & Services	0.2	8.0	3.7	-94.6%
Retail & Food	-9.7	-5	-2.3	n.a.
<b>Mutares Holding Sales</b>	<b>29.3</b>	<b>29.3</b>	<b>27.1</b>	<b>8.1%</b>
<b>Mutares Holding Net Income</b>	<b>51.3</b>	<b>51.3</b>	<b>8.2</b>	<b>n.m.</b>

Source: Company data; Hauck & Aufhäuser

## Mutares portfolio overview (Q1 2024)



Source: Company data; Hauck Aufhäuser Investment Banking

## Company in a Nutshell

Mutares is a private equity investor focused on special situations active in Europe, the US and Asia. The company focuses on carve-outs and mid-sized companies in a distressed/turnaround phase. The portfolio comprises over 30 companies with an annualized revenue of over € 6 bn, grouped in four clusters: Automotive and Mobility (early cyclical c. € 2.2 bn in FY 23 sales); Engineering and technology (late-cyclical c. € 1.4 bn in FY 23 sales); Goods and Services (non-cyclical € 1.8 bn in FY 23 sales) and Retail and Food (cyclical c. € 1 bn in FY 23 sales).

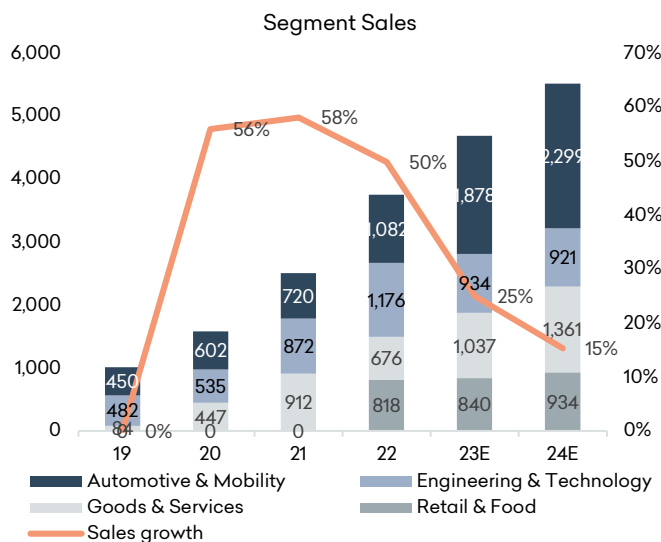
## Upcoming Catalysts

- Upcoming exits could fuel news flow with a “Harvesting” portfolio that could generate valuation uplifts of some € 175-210m over the next 12 to 24 months
- This would pave the way for another “bonus” dividend in FY 24, supporting sound shareholder remuneration

## Investment Case

- Unique turnaround focus with cycle and geographic diversification
- Portfolio growth drives predictable consulting revenues at Holding company level
- MUX targets ROICs of 7-10x with an average holding period of 3-5 years. Invested capital as of Q1 24 amounted to € 427m, pointing to a strong exit pipeline
- Exits typically are to strategic partners and can afford to get executed at low multiples considering the minimal initial cash outlays for MUX. The average exit multiples are around 5x-6x EBITDA
- Attractive shareholder remuneration evident in a € 2.00 base dividend commitment (5%+ yield at current levels) with potential for a special dividend on top
- BUY PT € 47.50 on a DDM valuation model

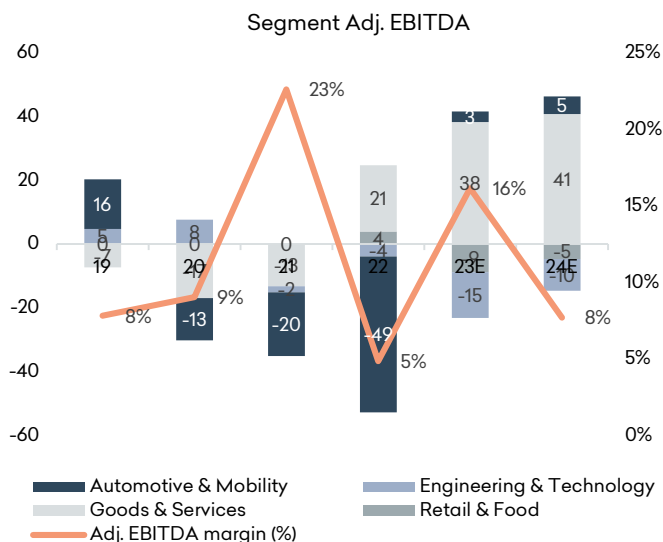
## Key Performance Indicators



Source: Company data, Hauck Aufhäuser Investment Banking

Cash flow summary	2021	2022	2023	2024E
<b>Operating cash flow</b>	<b>-103.5</b>	<b>-20.8</b>	<b>-27.5</b>	<b>379.1</b>
Capex	59.7	102.9	164.5	100.0
<b>FCF</b>	<b>-163.2</b>	<b>-123.7</b>	<b>-192.0</b>	<b>279.1</b>
FCF per share	neg.	neg.	neg.	13.5
FCF yield	57.6 %	18.0 %	80.5 %	28.7 %
Net Debt/EBITDA	0.5	2.5	0.2	0.0

Source: Company data, Hauck Aufhäuser Investment Banking



Source: Company data, Hauck Aufhäuser Investment Banking

Key ratios summary	2021	2022	2023	2024E
EPS growth	1085.7 %	-101.6 %	-5881.8 %	-64.3 %
Capital Turnover	1.6	2.2	2.1	2.2
Avg. working capital / sales	13.4 %	10.1 %	10.4 %	10.4 %
Cash conversion cycle (days)	53.3	35.5	38.1	38.1
FCF / Net profit	neg.	neg.	neg.	197.3 %
Interest cover	16.4	0.0	4.7	2.0

Source: Company data, Hauck Aufhäuser Investment Banking

## Financials

Profit and loss (EUR m)	2019	2020	2021	2022	2023	2024E
<b>Net sales</b>	<b>1,015.9</b>	<b>1,583.9</b>	<b>2,504.0</b>	<b>3,751.7</b>	<b>4,689.1</b>	<b>5,405.4</b>
Sales growth	n/a	55.9 %	58.1 %	49.8 %	25.0 %	15.3 %
Increase/decrease in finished goods and work-in-process	-3.9	-23.1	6.8	-16.4	-4.4	-5.1
<b>Total sales</b>	<b>1,012.0</b>	<b>1,560.8</b>	<b>2,510.8</b>	<b>3,735.3</b>	<b>4,684.7</b>	<b>5,400.3</b>
Other operating income	119.1	241.3	770.1	355.5	986.1	1,081.1
Material expenses	622.6	974.6	1,579.7	2,398.6	2,799.5	3,186.2
Personnel expenses	291.8	423.9	660.4	909.6	1,369.6	1,458.1
Other operating expenses	137.5	260.8	474.3	601.1	744.8	1,410.5
Total operating expenses	932.8	1,418.1	1,944.3	3,553.8	3,927.8	4,973.7
<b>EBITDA</b>	<b>79.2</b>	<b>142.7</b>	<b>566.5</b>	<b>181.5</b>	<b>756.9</b>	<b>426.6</b>
Depreciation	43.1	88.7	109.2	174.6	320.0	216.2
<b>EBITA</b>	<b>36.1</b>	<b>54.0</b>	<b>457.3</b>	<b>6.9</b>	<b>436.9</b>	<b>210.4</b>
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	1.0
Amortisation of intangible assets	9.9	12.8	10.0	10.0	0.0	0.0
Impairment charges	0.0	0.0	0.0	0.0	0.0	1.0
<b>EBIT (inc revaluation net)</b>	<b>26.2</b>	<b>41.2</b>	<b>447.3</b>	<b>-3.1</b>	<b>436.9</b>	<b>208.4</b>
Interest income	1.5	3.9	8.5	15.1	19.5	19.5
Interest expenses	11.0	28.2	27.2	68.4	92.9	104.9
Other financial result	0.0	0.0	0.0	0.0	0.0	1.0
Financial result	-9.5	-24.3	-18.7	-53.3	-73.4	-86.4
<b>Recurring pretax income from continuing operations</b>	<b>16.7</b>	<b>16.9</b>	<b>428.6</b>	<b>-56.5</b>	<b>363.5</b>	<b>122.0</b>
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	1.0
<b>Earnings before taxes</b>	<b>16.7</b>	<b>16.9</b>	<b>428.6</b>	<b>-56.5</b>	<b>363.5</b>	<b>123.0</b>
Taxes	0.0	-2.8	-13.7	35.5	-3.6	-1.5
<b>Net income from continuing operations</b>	<b>16.7</b>	<b>19.7</b>	<b>442.3</b>	<b>-21.0</b>	<b>367.1</b>	<b>125.4</b>
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>16.7</b>	<b>19.7</b>	<b>442.3</b>	<b>-21.0</b>	<b>367.1</b>	<b>125.4</b>
Minority interest	-4.5	-7.4	6.7	-14.2	-30.0	-15.0
<b>Net profit (reported)</b>	<b>21.2</b>	<b>27.1</b>	<b>435.6</b>	<b>-6.7</b>	<b>397.1</b>	<b>140.4</b>
Average number of shares	15.2	15.2	20.6	20.6	20.6	20.6
<b>EPS reported</b>	<b>1.39</b>	<b>1.78</b>	<b>21.11</b>	<b>-0.33</b>	<b>19.08</b>	<b>6.81</b>

Profit and loss (common size)	2019	2020	2021	2022	2023	2024E
<b>Net sales</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
Increase/decrease in finished goods and work-in-process	neg.	neg.	0.3 %	neg.	neg.	neg.
<b>Total sales</b>	<b>99.6 %</b>	<b>98.5 %</b>	<b>100.3 %</b>	<b>99.6 %</b>	<b>99.9 %</b>	<b>99.9 %</b>
Other operating income	11.7 %	15.2 %	30.8 %	9.5 %	21.0 %	20.0 %
Material expenses	61.3 %	61.5 %	63.1 %	63.9 %	59.7 %	58.9 %
Personnel expenses	28.7 %	26.8 %	26.4 %	24.2 %	29.2 %	27.0 %
Other operating expenses	13.5 %	16.5 %	18.9 %	16.0 %	15.9 %	26.1 %
Total operating expenses	91.8 %	89.5 %	77.6 %	94.7 %	83.8 %	92.0 %
<b>EBITDA</b>	<b>7.8 %</b>	<b>9.0 %</b>	<b>22.6 %</b>	<b>4.8 %</b>	<b>16.1 %</b>	<b>7.9 %</b>
Depreciation	4.2 %	5.6 %	4.4 %	4.7 %	6.8 %	4.0 %
<b>EBITA</b>	<b>3.6 %</b>	<b>3.4 %</b>	<b>18.3 %</b>	<b>0.2 %</b>	<b>9.3 %</b>	<b>3.9 %</b>
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	1.0 %	0.8 %	0.4 %	0.3 %	0.0 %	0.0 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBIT (inc revaluation net)</b>	<b>2.6 %</b>	<b>2.6 %</b>	<b>17.9 %</b>	<b>neg.</b>	<b>9.3 %</b>	<b>3.9 %</b>
Interest income	0.1 %	0.2 %	0.3 %	0.4 %	0.4 %	0.4 %
Interest expenses	1.1 %	1.8 %	1.1 %	1.8 %	2.0 %	1.9 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	neg.	neg.	neg.	neg.	neg.	neg.
<b>Recurring pretax income from continuing operations</b>	<b>1.6 %</b>	<b>1.1 %</b>	<b>17.1 %</b>	<b>neg.</b>	<b>7.8 %</b>	<b>2.3 %</b>
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Earnings before taxes</b>	<b>1.6 %</b>	<b>1.1 %</b>	<b>17.1 %</b>	<b>neg.</b>	<b>7.8 %</b>	<b>2.3 %</b>
Tax rate	0.0 %	0.0 %	0.0 %	-62.8 %	-1.5 %	-2.0 %
<b>Net income from continuing operations</b>	<b>1.6 %</b>	<b>1.2 %</b>	<b>17.7 %</b>	<b>neg.</b>	<b>7.8 %</b>	<b>2.3 %</b>
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Net income</b>	<b>1.6 %</b>	<b>1.2 %</b>	<b>17.7 %</b>	<b>neg.</b>	<b>7.8 %</b>	<b>2.3 %</b>
Minority interest	neg.	neg.	0.3 %	neg.	neg.	neg.
<b>Net profit (reported)</b>	<b>2.1 %</b>	<b>1.7 %</b>	<b>17.4 %</b>	<b>neg.</b>	<b>8.5 %</b>	<b>2.6 %</b>

Source: Company data, Hauck Aufhäuser Investment Banking

Balance sheet (EUR m)	2019	2020	2021	2022	2023	2024E
<b>Intangible assets</b>	<b>58.7</b>	<b>76.0</b>	<b>134.0</b>	<b>143.9</b>	<b>245.3</b>	<b>244.3</b>
Property, plant and equipment	296.2	390.0	875.3	1,140.9	1,632.8	1,556.6
Financial assets	16.6	8.7	73.6	73.0	137.1	136.1
<b>FIXED ASSETS</b>	<b>371.5</b>	<b>474.7</b>	<b>1,082.9</b>	<b>1,357.8</b>	<b>2,015.2</b>	<b>1,937.0</b>
Inventories	134.0	203.5	423.2	560.7	673.4	776.3
Accounts receivable	143.0	258.5	285.9	407.1	491.0	566.0
Other current assets	96.5	226.2	485.8	437.2	620.3	632.1
Liquid assets	79.7	145.3	255.1	246.4	520.2	766.7
Deferred taxes	23.8	18.9	27.4	20.4	28.6	29.5
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0
<b>CURRENT ASSETS</b>	<b>477.0</b>	<b>852.5</b>	<b>1,477.4</b>	<b>1,671.8</b>	<b>2,333.5</b>	<b>2,770.6</b>
<b>TOTAL ASSETS</b>	<b>848.5</b>	<b>1,327.2</b>	<b>2,560.3</b>	<b>3,029.6</b>	<b>4,348.7</b>	<b>4,707.6</b>
SHAREHOLDERS EQUITY	185.3	190.3	721.2	712.7	1,069.3	1,148.3
MINORITY INTEREST	22.9	16.9	15.2	1.4	50.3	35.3
Long-term debt	197.1	318.4	530.7	694.5	693.1	747.0
Provisions for pensions and similar obligations	87.3	116.1	153.0	94.4	130.6	150.7
Other provisions	50.5	94.1	172.8	225.3	240.9	325.7
<b>Non-current liabilities</b>	<b>334.9</b>	<b>528.6</b>	<b>856.5</b>	<b>1,014.2</b>	<b>1,064.6</b>	<b>1,223.4</b>
short-term liabilities to banks	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	159.9	250.4	372.8	588.0	674.6	777.7
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)	130.4	289.5	412.3	440.5	1,128.5	1,128.5
Deferred taxes	15.1	15.1	137.8	116.1	141.0	167.9
Deferred income	0.0	36.3	44.5	156.7	220.4	226.5
<b>Current liabilities</b>	<b>305.4</b>	<b>591.4</b>	<b>967.4</b>	<b>1,301.3</b>	<b>2,164.5</b>	<b>2,300.6</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>848.5</b>	<b>1,327.2</b>	<b>2,560.3</b>	<b>3,029.6</b>	<b>4,348.7</b>	<b>4,707.6</b>

Balance sheet (common size)	2019	2020	2021	2022	2023	2024E
<b>Intangible assets</b>	<b>6.9 %</b>	<b>5.7 %</b>	<b>5.2 %</b>	<b>4.7 %</b>	<b>5.6 %</b>	<b>5.2 %</b>
Property, plant and equipment	34.9 %	29.4 %	34.2 %	37.7 %	37.5 %	33.1 %
Financial assets	2.0 %	0.7 %	2.9 %	2.4 %	3.2 %	2.9 %
<b>FIXED ASSETS</b>	<b>43.8 %</b>	<b>35.8 %</b>	<b>42.3 %</b>	<b>44.8 %</b>	<b>46.3 %</b>	<b>41.1 %</b>
Inventories	15.8 %	15.3 %	16.5 %	18.5 %	15.5 %	16.5 %
Accounts receivable	16.9 %	19.5 %	11.2 %	13.4 %	11.3 %	12.0 %
Other current assets	11.4 %	17.0 %	19.0 %	14.4 %	14.3 %	13.4 %
Liquid assets	9.4 %	11.0 %	10.0 %	8.1 %	12.0 %	16.3 %
Deferred taxes	2.8 %	1.4 %	1.1 %	0.7 %	0.7 %	0.6 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>CURRENT ASSETS</b>	<b>56.2 %</b>	<b>64.2 %</b>	<b>57.7 %</b>	<b>55.2 %</b>	<b>53.7 %</b>	<b>58.9 %</b>
<b>TOTAL ASSETS</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
SHAREHOLDERS EQUITY	21.8 %	14.3 %	28.2 %	23.5 %	24.6 %	24.4 %
MINORITY INTEREST	2.7 %	1.3 %	0.6 %	0.0 %	1.2 %	0.7 %
Long-term debt	23.2 %	24.0 %	20.7 %	22.9 %	15.9 %	15.9 %
Provisions for pensions and similar obligations	10.3 %	8.7 %	6.0 %	3.1 %	3.0 %	3.2 %
Other provisions	6.0 %	7.1 %	6.7 %	7.4 %	5.5 %	6.9 %
<b>Non-current liabilities</b>	<b>39.5 %</b>	<b>39.8 %</b>	<b>33.5 %</b>	<b>33.5 %</b>	<b>24.5 %</b>	<b>26.0 %</b>
short-term liabilities to banks	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Accounts payable	18.8 %	18.9 %	14.6 %	19.4 %	15.5 %	16.5 %
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)	15.4 %	21.8 %	16.1 %	14.5 %	26.0 %	24.0 %
Deferred taxes	1.8 %	1.1 %	5.4 %	3.8 %	3.2 %	3.6 %
Deferred income	0.0 %	2.7 %	1.7 %	5.2 %	5.1 %	4.8 %
<b>Current liabilities</b>	<b>36.0 %</b>	<b>44.6 %</b>	<b>37.8 %</b>	<b>43.0 %</b>	<b>49.8 %</b>	<b>48.9 %</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>

Source: Company data, Hauck Aufhäuser Investment Banking

Cash flow statement (EUR m)	2019	2020	2021	2022	2023	2024E
Net profit/loss	16.7	19.7	442.3	-21.0	367.1	125.4
Depreciation of fixed assets (incl. leases)	43.1	88.7	109.2	0.0	-180.0	217.2
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	1.0
Amortisation of intangible assets	9.9	12.8	10.0	10.0	0.0	0.0
Others	-127.6	-186.8	-677.0	-53.9	-102.0	110.2
Cash flow from operations before changes in w/c	-57.9	-65.6	-115.5	-64.9	82.5	453.9
Increase/decrease in inventory	20.1	16.5	-22.4	-137.5	-112.7	-102.9
Increase/decrease in accounts receivable	34.4	7.1	43.1	-121.2	-83.9	-75.0
Increase/decrease in accounts payable	-1.9	48.0	38.4	215.2	86.6	103.1
Increase/decrease in other working capital positions	-5.4	-40.4	-47.1	87.6	0.0	0.0
Increase/decrease in working capital	47.2	31.2	12.0	44.1	-110.0	-74.8
<b>Cash flow from operating activities</b>	<b>-10.7</b>	<b>-34.4</b>	<b>-103.5</b>	<b>-20.8</b>	<b>-27.5</b>	<b>379.1</b>
CAPEX	31.4	35.5	59.7	102.9	164.5	100.0
Payments for acquisitions	-32.6	-78.6	-188.8	-152.0	-421.7	120.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	43.2	8.3	42.3	35.0	197.2	80.0
<b>Cash flow from investing activities</b>	<b>44.4</b>	<b>51.4</b>	<b>171.5</b>	<b>84.1</b>	<b>454.4</b>	<b>-140.0</b>
Cash flow before financing	33.7	17.0	68.0	63.3	426.9	239.1
Increase/decrease in debt position	-0.1	104.0	44.0	163.8	47.3	53.9
Purchase of own shares	0.0	2.5	-5.4	0.0	0.0	0.0
Capital measures	0.0	0.0	94.3	0.0	0.0	0.0
Dividends paid	15.2	15.2	23.1	31.0	36.1	46.4
Others	-47.1	-28.4	-72.8	-188.6	-155.8	0.0
Effects of exchange rate changes on cash	0.3	-9.2	-6.0	-16.1	-8.6	0.0
<b>Cash flow from financing activities</b>	<b>-62.4</b>	<b>57.9</b>	<b>47.8</b>	<b>-55.8</b>	<b>-144.6</b>	<b>7.5</b>
Increase/decrease in liquid assets	-28.4	65.7	109.7	-8.6	273.7	246.5
<b>Liquid assets at end of period</b>	<b>79.7</b>	<b>145.4</b>	<b>255.1</b>	<b>246.5</b>	<b>520.2</b>	<b>766.7</b>

Key ratios (EUR m)	2019	2020	2021	2022	2023	2024E
<b>P&amp;L growth analysis</b>						
Sales growth	n/a	55.9 %	58.1 %	49.8 %	25.0 %	15.3 %
EBITDA growth	n/a	80.2 %	296.9 %	-68.0 %	317.0 %	-43.6 %
EBIT growth	n/a	57.3 %	985.2 %	-100.7 %	-	-52.3 %
EPS growth	n/a	27.9 %	1085.7 %	-101.6 %	-	-64.3 %
<b>Efficiency</b>						
Total operating costs / sales	91.8 %	89.5 %	77.6 %	94.7 %	83.8 %	92.0 %
Sales per employee	156.2	138.0	178.9	197.2	171.5	n/a
EBITDA per employee	12.2	12.4	40.5	9.5	27.7	n/a
<b>Balance sheet analysis</b>						
Avg. working capital / sales	n/a	10.4 %	10.9 %	9.5 %	9.3 %	9.8 %
Inventory turnover (sales/inventory)	7.6	7.8	5.9	6.7	7.0	7.0
Trade debtors in days of sales	51.4	59.6	41.7	39.6	38.2	38.2
A/P turnover [(A/P*365)/sales]	57.5	57.7	54.3	57.2	52.5	52.5
Cash conversion cycle (days)	36.2	42.0	53.3	35.5	38.1	38.1
<b>Cash flow analysis</b>						
Free cash flow	-42.1	-69.9	-163.2	-123.7	-192.0	279.1
Free cash flow/sales	-4.1 %	-4.4 %	-6.5 %	-3.3 %	-4.1 %	5.2 %
FCF / net profit	neg.	neg.	neg.	neg.	neg.	198.7 %
Capex / deprn	59.2 %	35.0 %	50.0 %	1029.0 %	-91.4 %	45.8 %
Capex / maintenance capex	139.2 %	49.3 %	50.0 %	0.0 %	0.0 %	45.8 %
Capex / sales	n/a	n/a	n/a	n/a	n/a	n/a
<b>Security</b>						
Net debt	117.4	173.1	275.6	448.1	172.9	-19.7
Net Debt/EBITDA	1.5	1.2	0.5	2.5	0.2	0.0
Net debt / equity	0.6	0.9	0.4	0.6	0.2	neg.
Interest cover	2.4	1.5	16.4	0.0	4.7	2.0
Dividend payout ratio	71.9 %	84.3 %	7.1 %	100.0 %	11.7 %	29.4 %
<b>Asset utilisation</b>						
Capital employed turnover	1.9	2.2	1.6	2.2	2.1	2.2
Operating assets turnover	2.5	2.6	2.1	2.5	2.2	2.5
Plant turnover	3.4	4.1	2.9	3.3	2.9	3.5
Inventory turnover (sales/inventory)	7.6	7.8	5.9	6.7	7.0	7.0
<b>Returns</b>						
ROCE	4.8 %	6.4 %	38.4 %	-0.2 %	22.3 %	9.1 %
ROE	11.4 %	14.3 %	60.4 %	-0.9 %	37.1 %	12.2 %
<b>Other</b>						
Interest paid / avg. debt	5.6 %	10.9 %	6.4 %	11.2 %	13.4 %	14.6 %
No. employees (average)	6505	11480	14000	19021	27345	0
Number of shares	15.2	15.2	20.6	20.6	20.6	20.6
DPS	1.0	1.5	1.5	1.8	2.3	2.0
EPS reported	1.39	1.78	21.11	-0.33	19.08	6.81
<b>Valuation ratios</b>						
P/BV	0.8	0.9	0.6	0.6	0.8	0.7
EV/sales	0.4	0.3	0.4	0.3	0.2	0.2
EV/EBITDA	4.5	3.2	1.6	5.2	1.5	2.3
EV/EBITA	9.9	8.5	1.9	136.2	2.6	4.6
EV/EBIT	13.7	11.2	2.0	-303.2	2.6	4.7
EV/FCF	-8.5	-6.6	-5.4	-7.6	-5.9	3.5
Adjusted FCF yield	9.4 %	11.8 %	57.6 %	18.0 %	80.5 %	28.7 %
Dividend yield	9.9 %	13.3 %	6.8 %	9.1 %	5.5 %	4.9 %

Source: Company data, Hauck Aufhäuser Investment Banking

## Disclosures regarding research publications of Hauck Aufhäuser Lampe Privatbank AG pursuant to section 85 of the German Securities Trading Act (WpHG) and distributed in the UK through Hauck Aufhäuser IB Ltd., subject to the FCA requirements on research recommendation disclosures

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. Further to this, under the FCA's rules on research recommendations, any conflicts of interest in connection with the recommendation must be disclosed. A conflict of interest is presumed to exist in particular if Hauck Aufhäuser Lampe Privatbank AG

- (1) or any other person belonging to the same group with that person (as part of a consortium) within the past twelve months, acquired the financial instruments of the analysed company,
- (2) or any other person belonging to the same group with that person has entered into an agreement on the production of the research report with the analysed company,
- (3) has, within the past twelve months, 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,
- (4) holds a) 5% or more of the share capital of the analysed company, or b) the analysed company holds 5% or more of the share capital of Hauck Aufhäuser Lampe Privatbank AG or its affiliate(s),
- (5) holds a net short (a) or a net long (b) position of 0.5% of the outstanding share capital of the analysed company or derivatives thereof,
- (6) or any other person belonging to the same group with that person 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 or a significant conflict of interest with respect to the issuer,
- (8) The research report has been made available to the 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	Disclosure
Mutares SE & Co. KGaA	2, 6, 8

### Historical target price and rating changes for Mutares SE & Co. KGaA in the last 12 months





## Mutares SE & Co. KGaA

Mutares SE & Co. KGaA	18.04.2024	Gruebner, Marie-Therese	Buy	EUR 47,50	EUR 39,50
	11.03.2024	Gruebner, Marie-Therese	Buy	EUR 46,40	EUR 33,10
	13.11.2023	Gruebner, Marie-Therese	Buy	EUR 46,40	EUR 31,70
	19.09.2023	Gruebner, Marie-Therese	Buy	EUR 38,00	EUR 24,25
	16.08.2023	Gruebner, Marie-Therese	Buy	EUR 38,00	EUR 22,10
	11.05.2023	Gruebner, Marie-Therese	Buy	EUR 37,00	EUR 23,70

### Hauck Aufhäuser Investment Banking distribution of ratings and in proportion to investment banking services

<b>Buy</b>	72.63 %	84.38 %
<b>Sell</b>	3.68 %	0.00 %
<b>Hold</b>	23.68 %	15.63 %

*Date of publication creation: 10/05/2024 07:52 AM*

*Date of publication dissemination: 10/05/2024 08:06 AM*

## 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 Hauck Aufhäuser Lampe Privatbank AG, distributed in the UK through Hauck Aufhäuser IB Ltd., exclusively to selected recipients (in DE, GB, FR, CH, US, UK, Scandinavia, and Benelux or, in individual cases, also in other countries). A distribution to private investors in the sense of the German Securities Trading Act (WpHG) is excluded. It is not allowed to pass the research report on to persons other than the intended recipient without the permission of Hauck Aufhäuser Lampe Privatbank AG. Reproduction of this document, in whole or in part, is not permitted without prior permission Hauck Aufhäuser Lampe Privatbank AG. All rights reserved.

Under no circumstances shall Hauck Aufhäuser Lampe Privatbank 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

Hauck Aufhäuser Lampe Privatbank 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 Hauck Aufhäuser Lampe Privatbank 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 adjustment 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.

Hauck Aufhäuser Lampe Privatbank AG uses the following three-step rating system for the analysed companies:

Buy: Sustainable upside potential of more than 10% within 12 months

Sell: Sustainable downside potential of more than 10% within 12 months.

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

NB: The ratings of Hauck Aufhäuser Lampe Privatbank AG are not based on a performance that is expected to be "relative" to the market.

The decision on the choice of the financial instruments analysed in this document was solely made by Hauck Aufhäuser Lampe Privatbank AG. The opinions and estimates in this research report are subject to change without notice. It is within the discretion of Hauck Aufhäuser Lampe Privatbank 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. Hauck Aufhäuser Lampe Privatbank AG has checked the information for plausibility but not for accuracy or completeness.

## 6. Competent Supervisory Authority

Hauck Aufhäuser Lampe Privatbank AG are 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.

This document is distributed in the UK through Hauck Aufhäuser IB Ltd. and in compliance with the applicable FCA requirements.

## 7. Specific Comments for Recipients Outside of Germany

This research report is subject to the law of the Federal Republic of Germany. 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.

## 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:

<https://www.hal-privatbank.com/en/investmentbank/investment-banking>

## Disclosures for U.S. persons only

---

This research report is a product of HAUCK AUFHÄUSER LAMPE PRIVATBANK AG, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by HAUCK AUFHÄUSER LAMPE PRIVATBANK AG, only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a-6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, HAUCK AUFHÄUSER LAMPE PRIVATBANK AG, has entered into an agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo"). Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

---

## Contacts: Hauck Aufhäuser Investment Banking

### HAIB Research

Hauck Aufhäuser Investment Banking  
Mittelweg 16/17  
20148 Hamburg  
Germany

Hauck Aufhäuser Investment Banking  
Goetheplatz 9-11  
60313 Frankfurt am Main  
Germany

Tel.: +49 (0) 40 414 3885 97  
Fax: +49 (0) 40 414 3885 71  
E-Mail: [research@ha-ib.de](mailto:research@ha-ib.de)  
[www.ha-research.de](http://www.ha-research.de)

**Tim Wunderlich, CFA**  
Head of Transactional Research  
Tel.: +49 40 414 3885 81  
E-Mail: [tim.wunderlich@ha-ib.de](mailto:tim.wunderlich@ha-ib.de)

**Marie-Thérèse Grübner**  
Head of Research  
Tel.: +49 40 450 6342 3097  
E-Mail: [marie-therese.gruebner@ha-ib.de](mailto:marie-therese.gruebner@ha-ib.de)

**Alexander Galitsa**  
Analyst  
Tel.: +49 40 414 3885 83  
E-Mail: [alexander.galitsa@ha-ib.de](mailto:alexander.galitsa@ha-ib.de)

**Christian Glowa**  
Analyst  
Tel.: +49 40 414 3885 95  
E-Mail: [christian.glowa@ha-ib.de](mailto:christian.glowa@ha-ib.de)

**Christian Salis**  
Analyst  
Tel.: +49 40 414 3885 96  
E-Mail: [christian.salis@ha-ib.de](mailto:christian.salis@ha-ib.de)

**Cornelis Kik**  
Analyst  
Tel.: +49 40 450 6342 3096  
E-Mail: [cornelis.kik@ha-ib.de](mailto:cornelis.kik@ha-ib.de)

**Finn Kemper**  
Analyst  
Tel.: +49 40 450 6342 3098  
E-Mail: [finn.kemper@ha-ib.de](mailto:finn.kemper@ha-ib.de)

**Jorge González Sadornil**  
Analyst  
Tel.: +49 40 414 3885 84  
E-Mail: [jorge.gonzalez@ha-ib.de](mailto:jorge.gonzalez@ha-ib.de)

**Simon Jouck**  
Analyst  
Tel.: +49 40 450 6342 3093  
E-Mail: [simon.jouck@ha-ib.de](mailto:simon.jouck@ha-ib.de)

**Simon Keller, CFA**  
Analyst  
Tel.: +49 40 414 388 573  
E-Mail: [simon.keller@ha-ib.de](mailto:simon.keller@ha-ib.de)

### HAIB Sales

**Alexander Lachmann**  
Equity Sales  
Tel.: +41 43 497 30 23  
E-Mail: [alexander.lachmann@ha-ib.de](mailto:alexander.lachmann@ha-ib.de)

**Carlos Becke**  
Equity Sales  
Tel.: +44 203 84 107 97  
E-Mail: [carlos.becke@ha-ib.de](mailto:carlos.becke@ha-ib.de)

**Carsten Kinder**  
Head of Equities  
Tel.: +41 43 497 3024  
E-Mail: [carsten.kinder@ha-ib.de](mailto:carsten.kinder@ha-ib.de)

**Christian Bybjerg**  
Equity Sales  
Tel.: +49 414 3885 74  
E-Mail: [christian.bybjerg@ha-ib.de](mailto:christian.bybjerg@ha-ib.de)

**Florian Kurz**  
Equity Sales  
Tel.: +49 69 84 2161 1793  
E-Mail: [florian.kurz@ha-ib.de](mailto:florian.kurz@ha-ib.de)

**Hugues Madelin**  
Equity Sales  
Tel.: +33 1 426 850 12  
E-Mail: [hugues.madelin@ha-ib.de](mailto:hugues.madelin@ha-ib.de)

**Imogen Voorspuy**  
Equity Sales  
Tel.: +44 203 84 107 98  
E-Mail: [imogen.voorspuy@ha-ib.de](mailto:imogen.voorspuy@ha-ib.de)

**Markus Scharhag**  
Equity Sales  
Tel.: +49 89 23 93 2813  
E-Mail: [markus.scharhag@ha-ib.de](mailto:markus.scharhag@ha-ib.de)

**Vincent Bischoff**  
Equity Sales  
Tel.: +49 40 414 38 85 88  
E-Mail: [vincent.bischoff@ha-ib.de](mailto:vincent.bischoff@ha-ib.de)

### HAIB Trading

Hauck Aufhäuser Investment Banking  
Privatbank AG  
Mittelweg 16/17  
20148 Hamburg  
Germany

Tel.: +49 40 414 3885 78  
Fax: +49 40 414 3885 71  
E-Mail: [info@hal-privatbank.com](mailto:info@hal-privatbank.com)  
[www.hal-privatbank.com](http://www.hal-privatbank.com)

**Fin Schaffer**  
Trading  
Tel.: +49 40 414 38 85 98  
E-Mail: [fin.schaffer@ha-ib.de](mailto:fin.schaffer@ha-ib.de)

**Nils Carstens**  
Trading  
Tel.: +49 40 414 38 85 85  
E-Mail: [nils.carstens@ha-ib.de](mailto:nils.carstens@ha-ib.de)

**Carolin Heidrich**  
Middle-Office  
Tel.: +49 40 414 3885 87  
E-Mail: [carolin.heidrich@hal-privatbank.com](mailto:carolin.heidrich@hal-privatbank.com)

**Tom Warlich**  
Middle-Office  
Tel.: +49 40 414 3885 78  
E-Mail: [tom.warlich@hal-privatbank.com](mailto:tom.warlich@hal-privatbank.com)