

# Mutares SE & Co. KGaA

## Germany - Others



HAUCK  
AUFHÄUSER  
INVESTMENT BANKING

**Buy** (old: Buy)

**Price target: EUR 38.00** (old: EUR 37.00)

**Price:** EUR 21.75      **Next result:** Q3 09.11.23  
**Bloomberg:** MUX GR      **Market cap:** EUR 453.0 m  
**Reuters:** MUXG.BE      **Enterprise Value:** EUR 1,101.8 m

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## Stay on the scene like a deal machine, PT up

Q2 results revealed **impressive turnaround metrics at portfolio companies**, while MUX continues to be very active on the deal front into Q3 as corporates trim and realign their portfolios in both challenging macro, and, more sustainably, accelerated secular shifts causing them to rethink strategic capital allocation.

**Summary portfolio review - Q2 with revenues of c. € 1.165m (eHAIB € 1.150m)** are up 29% yoy, of which c. 5% was organic, an acceleration vs. the 3% organic growth posted in Q1. The current 2023 revenue run-rate including signed but not closed transactions is > € 5.5 billion. vs. € 4.8 – € 5.4 bn guided for FY 2023. Buy-side activity continues to be concentrated in Automotive & Mobility, contributing the vast majority of M&A related revenue growth in H1 23: turnaround opportunities abound given the ongoing tectonic shifts in the sector. Q2 Adjusted EBITDA of € 36.1m (eHAIB € 25.1m) represents an **impressive € 31m sequential turnaround in profitability**; +€ 38m yoy, mostly carried by Automotive & Mobility as supply chains ease and transformation programs bear fruit while also being accelerated with the creation of two “powerhouses” or clusters Amaneos (plastics components) and Ferral United Group (metallic components). The Goods & Services vertical posted a noteworthy € 9m sequential swing at Adj. EBITDA level carried by strong revenue growth. Cash & Cash equivalents were a solid € 299m vs. € 246.4m as of end FY 2022, and do not yet include the SMP exit proceeds (Q3 closing expected - eHAIB € 150m).

**Holding metrics review - Q2 revenue of € 25m (eHAIB € 28m)** roughly doubled yoy on an expanding portfolio and headcount, resulting in an average € 100 -108m annualized figure, with vacation days explaining quarterly swings. Net Income was € 5m (H1 € 13m) slightly lower than the estimated € 7m as provisions for variable compensation were booked. MUX still guides for € 92 -112m, (inc. SMP), with, we believe, **further upside**.

**Deal flow remains brisk.** The company closed six acquisitions year-to-date and signed a further four. MUX is expanding into the USA and Asia. With a new € 150m bond in place maturing 2027 and buoyant liquidity, it is extremely well-positioned to execute fast on transaction opportunities. Last but not least the “harvesting” cluster of portfolio companies boasts roughly € 50m in run-rate adjusted EBITDA, which, at average 6x means € 300m in value uplift, or c. a further € 150m excluding SMP.

**Remains a BUY PT € 38 (€ 37) on an updated DDM model – Cont'd -**

| Y/E 31.12 (EUR m)   | 2019    | 2020    | 2021    | 2022    | 2023E   | 2024E   | 2025E   |
|---------------------|---------|---------|---------|---------|---------|---------|---------|
| Sales               | 1,015.9 | 1,583.9 | 2,504.0 | 3,751.7 | 4,783.4 | 5,112.6 | 5,477.5 |
| Sales growth        | 17 %    | 56 %    | 58 %    | 50 %    | 27 %    | 7 %     | 7 %     |
| EBITDA              | 79.2    | 142.7   | 566.5   | 181.5   | 258.0   | 312.1   | 346.9   |
| EBIT                | 26.2    | 41.2    | 447.3   | -3.1    | 56.7    | 95.6    | 115.8   |
| Net income          | 21.2    | 27.1    | 435.6   | -6.7    | -6.9    | 28.4    | 39.6    |
| Net debt            | 204.7   | 289.2   | 428.6   | 542.5   | 648.8   | 718.1   | 653.0   |
| Net gearing         | 63.4 %  | 90.9 %  | 38.2 %  | 62.9 %  | 78.9 %  | 88.4 %  | 76.2 %  |
| Net Debt/EBITDA     | 2.6     | 2.0     | 0.8     | 3.0     | 2.5     | 2.3     | 1.9     |
| EPS pro forma       | 1.48    | 2.16    | 2.46    | 3.24    | 2.92    | 3.09    | 0.00    |
| CPS                 | -4.18   | -8.92   | -10.79  | -1.49   | -7.01   | 7.65    | 14.94   |
| DPS                 | 1.00    | 1.50    | 1.50    | 1.75    | 1.50    | 1.50    | 1.50    |
| Dividend yield      | 9.9 %   | 13.3 %  | 6.8 %   | 8.0 %   | 6.8 %   | 6.8 %   | 6.8 %   |
| Gross profit margin | 38.5 %  | 37.6 %  | 37.1 %  | 35.8 %  | 38.0 %  | 38.5 %  | 38.5 %  |
| EBITDA margin       | 7.8 %   | 9.0 %   | 22.6 %  | 4.8 %   | 5.4 %   | 6.1 %   | 6.3 %   |
| EBIT margin         | 2.6 %   | 2.6 %   | 17.9 %  | -0.1 %  | 1.2 %   | 1.9 %   | 2.1 %   |
| ROCE                | 5.6 %   | 7.3 %   | 41.9 %  | -0.3 %  | 3.3 %   | 5.4 %   | 6.3 %   |
| Holding Revenues    | 10.5    | 19.3    | 31.9    | 71.1    | 108.0   | 115.0   | 120.0   |
| Portfolio Income    | 54.4    | 41.3    | 66.5    | 139.8   | 133.0   | 143.0   | 150.0   |
| Net Income          | 20.1    | 22.5    | 33.4    | 72.9    | 60.3    | 63.8    | 68.0    |

Source: Company data, Hauck Aufhäuser Investment Banking Close price as of: 15.08.2023

Please refer to important disclosures at the end of the report



Source: Company data, Hauck Aufhäuser Investment Banking

**High/low 52 weeks:** 25.45 / 14.58  
**Price/Book Ratio:** 0.7  
**Relative performance (SDAX):**  
3 months -3.8 %  
6 months 9.2 %  
12 months 14.3 %

### Changes in estimates

|      |      | Sales   | EBIT  | EPS  |
|------|------|---------|-------|------|
| 2023 | old: | 4,783.4 | 56.7  | 2.92 |
|      | Δ    | -       | -     | -    |
| 2024 | old: | 5,112.6 | 95.6  | 3.09 |
|      | Δ    | -       | -     | -    |
| 2025 | old: | 5,477.5 | 115.8 | 0.00 |
|      | Δ    | -       | -     | -    |

### Key share data:

Number of shares: (in m pcs) 20.6  
Authorised capital: (in € m) 7.0  
Book value per share: (in €) 33.2  
Ø trading volume: (12 months) 5,400

### Major shareholders:

Free Float 63.0 %  
Robin Laik 25.1 %  
Management 11.9 %

### Company description:

Mutares is a turnaround investor focussed on generating a return on investment through the purchase of underperforming corporate spin-offs, their operational turnaround and subsequent sale.

# Mutares SE & Co. KGaA

| €m                      | Q2 23   | Q2 22 | Q2 23E  | H1 23   |
|-------------------------|---------|-------|---------|---------|
| <b>GROUP</b>            |         |       |         |         |
| Revenues                | 1,165.6 | 902.1 | 1,150.0 | 2,273.6 |
| Adjusted EBITDA         | 36.1    | -2.2  | 25.0    | 41.2    |
| Reported EBITDA         | 293.0   | 80.3  | 250.0   | 405.4   |
| Cash & Cash Equivalents | 299.0   | 12.5  | 345.0   | 299.0   |
| <b>HOLDING</b>          |         |       |         |         |
| Revenues                | 25.0    | 14.0  | 28.0    | 52.1    |
| Portfolio Income        | 25.0    | 17.9  | 28.0    | 52.1    |
| Net Income              | 5.0     | 7.4   | 7.0     | 13.2    |

Source: Company Data, Hauck Aufhäuser Investment Banking

| in € m except per share data     | Min          | Max          |              |
|----------------------------------|--------------|--------------|--------------|
| Number of shares outstanding (m) | 20.6         | 20.6         |              |
| Market cap                       | €451.3       | €451.3       |              |
| Dividend per share               | 1.00         | 1.50         |              |
| Total dividend payout            | <b>€20.6</b> | <b>€30.8</b> |              |
| <b>Hurdle rate*</b>              | <b>3.3%</b>  | <b>3.3%</b>  |              |
| Dividend yield                   | 4.6%         | 6.8%         |              |
| Fair equity value                | €628.5       | 935          |              |
| Fair equity value per share      | <b>€30.6</b> | <b>€45.5</b> | <b>€38.0</b> |

Source: Hauck Aufhäuser Investment Banking

\*FactSet estimates - average dividend yield of selected peers.

Financials

| Profit and loss (EUR m)                                   | 2019           | 2020           | 2021           | 2022           | 2023E          | 2024E          | 2025E          |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <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>4,783.4</b> | <b>5,112.6</b> | <b>5,477.5</b> |
| Sales growth  | 17.4 %         | 55.9 %         | 58.1 %         | 49.8 %         | 27.5 %         | 6.9 %          | 7.1 %          |
| Increase/decrease in finished goods and work-in-process   | -3.9           | -23.1          | 6.8            | -16.4          | -23.9          | -25.6          | -27.4          |
| <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>4,759.5</b> | <b>5,087.0</b> | <b>5,450.1</b> |
| Other operating income                                    | 119.1          | 241.3          | 770.1          | 355.5          | 300.0          | 300.0          | 300.0          |
| Material expenses   | 622.6          | 974.6          | 1,579.7        | 2,398.6        | 2,950.9        | 3,128.5        | 3,351.8        |
| Personnel expenses  | 291.8          | 423.9          | 660.4          | 909.6          | 1,148.0        | 1,216.8        | 1,292.7        |
| Other operating expenses                                  | 137.5          | 260.8          | 474.3          | 601.1          | 702.6          | 729.6          | 758.7          |
| Total operating expenses                                  | 932.8          | 1,418.1        | 1,944.3        | 3,553.8        | 4,501.5        | 4,774.9        | 5,103.2        |
| <b>EBITDA</b>   | <b>79.2</b>    | <b>142.7</b>   | <b>566.5</b>   | <b>181.5</b>   | <b>258.0</b>   | <b>312.1</b>   | <b>346.9</b>   |
| Depreciation  | 43.1           | 88.7           | 109.2          | 174.6          | 191.3          | 204.5          | 219.1          |
| <b>EBITA</b>  | <b>36.1</b>    | <b>54.0</b>    | <b>457.3</b>   | <b>6.9</b>     | <b>66.7</b>    | <b>107.6</b>   | <b>127.8</b>   |
| Amortisation of goodwill                                  | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 1.0            | 1.0            |
| Amortisation of intangible assets                         | 9.9            | 12.8           | 10.0           | 10.0           | 10.0           | 10.0           | 10.0           |
| Impairment charges  | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 1.0            | 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>56.7</b>    | <b>95.6</b>    | <b>115.8</b>   |
| Interest income   | 1.5            | 3.9            | 8.5            | 15.1           | 15.1           | 15.1           | 15.1           |
| Interest expenses   | 11.0           | 28.2           | 27.2           | 68.4           | 79.4           | 72.4           | 72.4           |
| Other financial result                                    | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 2.0            | 2.0            |
| Financial result  | -9.5           | -24.3          | -18.7          | -53.3          | -64.3          | -57.3          | -57.3          |
| <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>-7.6</b>    | <b>38.3</b>    | <b>58.5</b>    |
| Extraordinary income/loss                                 | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 1.0            | 1.0            |
| <b>Earnings before taxes</b>                              | <b>16.7</b>    | <b>16.9</b>    | <b>428.6</b>   | <b>-56.5</b>   | <b>-7.6</b>    | <b>39.3</b>    | <b>59.5</b>    |
| Taxes   | 0.0            | -2.8           | -13.7          | 35.5           | -0.8           | 6.9            | 15.9           |
| <b>Net income from continuing operations</b>              | <b>16.7</b>    | <b>19.7</b>    | <b>442.3</b>   | <b>-21.0</b>   | <b>-6.9</b>    | <b>32.4</b>    | <b>43.6</b>    |
| Result from discontinued operations (net of tax)          | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 2.0            | 2.0            |
| <b>Net income</b>   | <b>16.7</b>    | <b>19.7</b>    | <b>442.3</b>   | <b>-21.0</b>   | <b>-6.9</b>    | <b>29.4</b>    | <b>40.6</b>    |
| Minority interest   | -4.5           | -7.4           | 6.7            | -14.2          | 0.0            | 1.0            | 1.0            |
| <b>Net profit (reported)</b>                              | <b>21.2</b>    | <b>27.1</b>    | <b>435.6</b>   | <b>-6.7</b>    | <b>-6.9</b>    | <b>28.4</b>    | <b>39.6</b>    |
| Average number of shares                                  | 15.2           | 15.2           | 20.6           | 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>-0.33</b>   | <b>1.38</b>    | <b>1.92</b>    |

| Profit and loss (common size)                             | 2019           | 2020           | 2021           | 2022           | 2023E          | 2024E          | 2025E          |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <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> | <b>100.0 %</b> |
| Increase/decrease in finished goods and work-in-process   | neg.           | neg.           | 0.3 %          | neg.           | neg.           | neg.           | neg.           |
| <b>Total sales</b>  | <b>99.6 %</b>  | <b>98.5 %</b>  | <b>100.3 %</b> | <b>99.6 %</b>  | <b>99.5 %</b>  | <b>99.5 %</b>  | <b>99.5 %</b>  |
| Other operating income                                    | 11.7 %         | 15.2 %         | 30.8 %         | 9.5 %          | 6.3 %          | 5.9 %          | 5.5 %          |
| Material expenses   | 61.3 %         | 61.5 %         | 63.1 %         | 63.9 %         | 61.7 %         | 61.2 %         | 61.2 %         |
| Personnel expenses  | 28.7 %         | 26.8 %         | 26.4 %         | 24.2 %         | 24.0 %         | 23.8 %         | 23.6 %         |
| Other operating expenses                                  | 13.5 %         | 16.5 %         | 18.9 %         | 16.0 %         | 14.7 %         | 14.3 %         | 13.9 %         |
| Total operating expenses                                  | 91.8 %         | 89.5 %         | 77.6 %         | 94.7 %         | 94.1 %         | 93.4 %         | 93.2 %         |
| <b>EBITDA</b>   | <b>7.8 %</b>   | <b>9.0 %</b>   | <b>22.6 %</b>  | <b>4.8 %</b>   | <b>5.4 %</b>   | <b>6.1 %</b>   | <b>6.3 %</b>   |
| Depreciation  | 4.2 %          | 5.6 %          | 4.4 %          | 4.7 %          | 4.0 %          | 4.0 %          | 4.0 %          |
| <b>EBITA</b>  | <b>3.6 %</b>   | <b>3.4 %</b>   | <b>18.3 %</b>  | <b>0.2 %</b>   | <b>1.4 %</b>   | <b>2.1 %</b>   | <b>2.3 %</b>   |
| Amortisation of goodwill                                  | 0.0 %          | 0.0 %          | 0.0 %          | 0.0 %          | 0.0 %          | 0.0 %          | 0.0 %          |
| Amortisation of intangible assets                         | 1.0 %          | 0.8 %          | 0.4 %          | 0.3 %          | 0.2 %          | 0.2 %          | 0.2 %          |
| Impairment charges  | 0.0 %          | 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>1.2 %</b>   | <b>1.9 %</b>   | <b>2.1 %</b>   |
| Interest income   | 0.1 %          | 0.2 %          | 0.3 %          | 0.4 %          | 0.3 %          | 0.3 %          | 0.3 %          |
| Interest expenses   | 1.1 %          | 1.8 %          | 1.1 %          | 1.8 %          | 1.7 %          | 1.4 %          | 1.3 %          |
| Other financial result                                    | 0.0 %          | 0.0 %          | 0.0 %          | 0.0 %          | 0.0 %          | 0.0 %          | 0.0 %          |
| Financial result  | neg.           | 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>neg.</b>    | <b>0.7 %</b>   | <b>1.1 %</b>   |
| Extraordinary income/loss                                 | 0.0 %          | 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>neg.</b>    | <b>0.8 %</b>   | <b>1.1 %</b>   |
| Tax rate  | 0.0 %          | 0.0 %          | 0.0 %          | -62.8 %        | 10.0 %         | 15.0 %         | 25.0 %         |
| <b>Net income from continuing operations</b>              | <b>1.6 %</b>   | <b>1.2 %</b>   | <b>17.7 %</b>  | <b>neg.</b>    | <b>neg.</b>    | <b>0.6 %</b>   | <b>0.8 %</b>   |
| Income from discontinued operations (net of tax)          | 0.0 %          | 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>neg.</b>    | <b>0.6 %</b>   | <b>0.7 %</b>   |
| Minority interest   | neg.           | neg.           | 0.3 %          | neg.           | 0.0 %          | 0.0 %          | 0.0 %          |
| <b>Net profit (reported)</b>                              | <b>2.1 %</b>   | <b>1.7 %</b>   | <b>17.4 %</b>  | <b>neg.</b>    | <b>neg.</b>    | <b>0.6 %</b>   | <b>0.7 %</b>   |

Source: Company data, Hauck Aufhäuser Investment Banking

| Balance sheet (EUR m)                                     | 2019         | 2020           | 2021           | 2022           | 2023E          | 2024E          | 2025E          |
|---|--------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Intangible assets</b>                                  | <b>58.7</b>  | <b>76.0</b>    | <b>134.0</b>   | <b>143.9</b>   | <b>263.9</b>   | <b>383.9</b>   | <b>523.9</b>   |
| Property, plant and equipment                             | 296.2        | 390.0          | 875.3          | 1,140.9        | 1,049.6        | 945.1          | 826.0          |
| Financial assets  | 16.6         | 8.7            | 73.6           | 73.0           | 73.0           | 73.0           | 73.0           |
| <b>FIXED ASSETS</b>                                       | <b>371.5</b> | <b>474.7</b>   | <b>1,082.9</b> | <b>1,357.8</b> | <b>1,386.5</b> | <b>1,402.0</b> | <b>1,422.9</b> |
| Inventories   | 134.0        | 203.5          | 423.2          | 560.7          | 771.5          | 881.5          | 869.4          |
| Accounts receivable                                       | 143.0        | 258.5          | 285.9          | 407.1          | 519.1          | 554.8          | 594.4          |
| Other current assets                                      | 96.5         | 226.2          | 485.8          | 437.2          | 559.9          | 598.4          | 641.1          |
| Liquid assets   | 79.7         | 145.3          | 255.1          | 246.4          | 202.2          | 141.2          | 215.6          |
| Deferred taxes  | 23.8         | 18.9           | 27.4           | 20.4           | 26.0           | 27.8           | 29.8           |
| Deferred charges and prepaid expenses                     | 0.0          | 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>2,078.7</b> | <b>2,203.6</b> | <b>2,350.3</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>3,465.1</b> | <b>3,605.6</b> | <b>3,773.1</b> |
| SHAREHOLDERS EQUITY                                       | 185.3        | 190.3          | 721.2          | 712.7          | 685.2          | 682.7          | 691.3          |
| MINORITY INTEREST   | 22.9         | 16.9           | 15.2           | 1.4            | 1.4            | 2.4            | 3.4            |
| Long-term debt  | 197.1        | 318.4          | 530.7          | 694.5          | 715.3          | 715.3          | 715.3          |
| Provisions for pensions and similar obligations           | 87.3         | 116.1          | 153.0          | 94.4           | 120.3          | 128.6          | 137.7          |
| Other provisions  | 50.5         | 94.1           | 172.8          | 225.3          | 287.1          | 306.8          | 328.7          |
| <b>Non-current liabilities</b>                            | <b>334.9</b> | <b>528.6</b>   | <b>856.5</b>   | <b>1,014.2</b> | <b>1,122.7</b> | <b>1,150.7</b> | <b>1,181.8</b> |
| short-term liabilities to banks                           | 0.0          | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| Accounts payable  | 159.9        | 250.4          | 372.8          | 588.0          | 747.0          | 798.4          | 855.4          |
| Advance payments received on orders                       | 0.0          | 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          | 561.3          | 599.9          | 642.7          |
| Deferred taxes  | 15.1         | 15.1           | 137.8          | 116.1          | 147.9          | 158.1          | 169.4          |
| Deferred income   | 0.0          | 36.3           | 44.5           | 156.7          | 199.7          | 213.4          | 229.0          |
| <b>Current liabilities</b>                                | <b>305.4</b> | <b>591.4</b>   | <b>967.4</b>   | <b>1,301.3</b> | <b>1,655.9</b> | <b>1,769.8</b> | <b>1,896.6</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>3,465.2</b> | <b>3,605.6</b> | <b>3,773.1</b> |

| Balance sheet (common size)                               | 2019           | 2020           | 2021           | 2022           | 2023E          | 2024E          | 2025E          |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Intangible assets</b>                                  | <b>6.9 %</b>   | <b>5.7 %</b>   | <b>5.2 %</b>   | <b>4.7 %</b>   | <b>7.6 %</b>   | <b>10.6 %</b>  | <b>13.9 %</b>  |
| Property, plant and equipment                             | 34.9 %         | 29.4 %         | 34.2 %         | 37.7 %         | 30.3 %         | 26.2 %         | 21.9 %         |
| Financial assets  | 2.0 %          | 0.7 %          | 2.9 %          | 2.4 %          | 2.1 %          | 2.0 %          | 1.9 %          |
| <b>FIXED ASSETS</b>                                       | <b>43.8 %</b>  | <b>35.8 %</b>  | <b>42.3 %</b>  | <b>44.8 %</b>  | <b>40.0 %</b>  | <b>38.9 %</b>  | <b>37.7 %</b>  |
| Inventories   | 15.8 %         | 15.3 %         | 16.5 %         | 18.5 %         | 22.3 %         | 24.4 %         | 23.0 %         |
| Accounts receivable                                       | 16.9 %         | 19.5 %         | 11.2 %         | 13.4 %         | 15.0 %         | 15.4 %         | 15.8 %         |
| Other current assets                                      | 11.4 %         | 17.0 %         | 19.0 %         | 14.4 %         | 16.2 %         | 16.6 %         | 17.0 %         |
| Liquid assets   | 9.4 %          | 11.0 %         | 10.0 %         | 8.1 %          | 5.8 %          | 3.9 %          | 5.7 %          |
| Deferred taxes  | 2.8 %          | 1.4 %          | 1.1 %          | 0.7 %          | 0.8 %          | 0.8 %          | 0.8 %          |
| Deferred charges and prepaid expenses                     | 0.0 %          | 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>60.0 %</b>  | <b>61.1 %</b>  | <b>62.3 %</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> | <b>100.0 %</b> |
| SHAREHOLDERS EQUITY                                       | 21.8 %         | 14.3 %         | 28.2 %         | 23.5 %         | 19.8 %         | 18.9 %         | 18.3 %         |
| MINORITY INTEREST   | 2.7 %          | 1.3 %          | 0.6 %          | 0.0 %          | 0.0 %          | 0.1 %          | 0.1 %          |
| Long-term debt  | 23.2 %         | 24.0 %         | 20.7 %         | 22.9 %         | 20.6 %         | 19.8 %         | 19.0 %         |
| Provisions for pensions and similar obligations           | 10.3 %         | 8.7 %          | 6.0 %          | 3.1 %          | 3.5 %          | 3.6 %          | 3.7 %          |
| Other provisions  | 6.0 %          | 7.1 %          | 6.7 %          | 7.4 %          | 8.3 %          | 8.5 %          | 8.7 %          |
| <b>Non-current liabilities</b>                            | <b>39.5 %</b>  | <b>39.8 %</b>  | <b>33.5 %</b>  | <b>33.5 %</b>  | <b>32.4 %</b>  | <b>31.9 %</b>  | <b>31.3 %</b>  |
| short-term liabilities to banks                           | 0.0 %          | 0.0 %          | 0.0 %          | 0.0 %          | 0.0 %          | 0.0 %          | 0.0 %          |
| Accounts payable  | 18.8 %         | 18.9 %         | 14.6 %         | 19.4 %         | 21.6 %         | 22.1 %         | 22.7 %         |
| Advance payments received on orders                       | 0.0 %          | 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 %         | 16.2 %         | 16.6 %         | 17.0 %         |
| Deferred taxes  | 1.8 %          | 1.1 %          | 5.4 %          | 3.8 %          | 4.3 %          | 4.4 %          | 4.5 %          |
| Deferred income   | 0.0 %          | 2.7 %          | 1.7 %          | 5.2 %          | 5.8 %          | 5.9 %          | 6.1 %          |
| <b>Current liabilities</b>                                | <b>36.0 %</b>  | <b>44.6 %</b>  | <b>37.8 %</b>  | <b>43.0 %</b>  | <b>47.8 %</b>  | <b>49.1 %</b>  | <b>50.3 %</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> | <b>100.0 %</b> |

Source: Company data, Hauck Aufhäuser Investment Banking

| Cash flow statement (EUR m)                          | 2019         | 2020         | 2021          | 2022         | 2023E         | 2024E         | 2025E         |
|--|--------------|--------------|---------------|--------------|---------------|---------------|---------------|
| Net profit/loss                                      | 16.7         | 19.7         | 442.3         | -21.0        | -6.9          | 29.4          | 40.6          |
| Depreciation of fixed assets (incl. leases)          | 43.1         | 88.7         | 109.2         | 0.0          | 191.3         | 204.5         | 219.1         |
| Amortisation of goodwill                             | 0.0          | 0.0          | 0.0           | 0.0          | 0.0           | 1.0           | 1.0           |
| Amortisation of intangible assets                    | 9.9          | 12.8         | 10.0          | 10.0         | 10.0          | 10.0          | 10.0          |
| Others   | -127.6       | -186.8       | -677.0        | -53.9        | 25.9          | 8.3           | 9.2           |
| Cash flow from operations before changes in w/c      | -57.9        | -65.6        | -115.5        | -64.9        | 220.3         | 253.2         | 279.9         |
| Increase/decrease in inventory                       | 20.1         | 16.5         | -22.4         | -137.5       | -210.8        | -110.0        | 12.0          |
| Increase/decrease in accounts receivable             | 34.4         | 7.1          | 43.1          | -121.2       | -112.0        | -35.7         | -39.6         |
| Increase/decrease in accounts payable                | -1.9         | 48.0         | 38.4          | 215.2        | 159.0         | 51.4          | 57.0          |
| Increase/decrease in other working capital positions | -5.4         | -40.4        | -47.1         | 87.6         | 0.0           | 0.0           | 0.0           |
| Increase/decrease in working capital                 | 47.2         | 31.2         | 12.0          | 44.1         | -163.8        | -94.3         | 29.4          |
| <b>Cash flow from operating activities</b>           | <b>-10.7</b> | <b>-34.4</b> | <b>-103.5</b> | <b>-20.8</b> | <b>56.6</b>   | <b>158.9</b>  | <b>309.3</b>  |
| CAPEX  | 31.4         | 35.5         | 59.7          | 102.9        | -100.0        | -100.0        | -100.0        |
| Payments for acquisitions                            | -32.6        | -78.6        | -188.8        | -152.0       | -120.0        | -120.0        | -140.0        |
| Financial investments                                | 0.0          | 0.0          | 0.0           | 0.0          | 0.0           | 1.0           | 1.0           |
| Income from asset disposals                          | 43.2         | 8.3          | 42.3          | 35.0         | 50.0          | 50.0          | 50.0          |
| <b>Cash flow from investing activities</b>           | <b>44.4</b>  | <b>51.4</b>  | <b>171.5</b>  | <b>84.1</b>  | <b>-170.0</b> | <b>-171.0</b> | <b>-191.0</b> |
| Cash flow before financing                           | 33.7         | 17.0         | 23.1          | 31.0         | 20.6          | 31.0          | 31.0          |
| Increase/decrease in debt position                   | -0.1         | 104.0        | 44.0          | 163.8        | 20.8          | 0.0           | 0.0           |
| Purchase of own shares                               | 0.0          | 2.5          | -5.4          | 0.0          | 0.0           | 0.0           | 0.0           |
| Capital measures                                     | 0.0          | 0.0          | 94.3          | 0.0          | 0.0           | 0.0           | 0.0           |
| Dividends paid                                       | 15.2         | 15.2         | 23.1          | 31.0         | 20.6          | 31.0          | 31.0          |
| Others   | -47.1        | -28.4        | -72.8         | -188.6       | 69.0          | -18.0         | -13.0         |
| Effects of exchange rate changes on cash             | 0.3          | -9.2         | -6.0          | -16.1        | 0.0           | 0.0           | 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>69.2</b>   | <b>-49.0</b>  | <b>-44.0</b>  |
| Increase/decrease in liquid assets                   | -28.4        | 65.7         | n/a           | n/a          | n/a           | n/a           | n/a           |
| <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>202.2</b>  | <b>141.2</b>  | <b>215.6</b>  |

Source: Company data, Hauck Aufhäuser Investment Banking

| Regional split (EUR m) | 2019         | 2020           | 2021           | 2022           | 2023E          | 2024E          | 2025E          |
|------------------------|--------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Domestic               | 121.1        | 188.8          | 298.5          | 447.2          | 570.2          | 609.4          | 652.9          |
| yoy change             | 17.4 %       | 55.9 %         | 58.1 %         | 49.8 %         | 27.5 %         | 6.9 %          | 7.1 %          |
| Rest of Europe         | 833.0        | 1,298.8        | 2,053.3        | 3,076.4        | 3,922.4        | 4,192.3        | 4,491.6        |
| yoy change             | 17.4 %       | 55.9 %         | 58.1 %         | 49.8 %         | 27.5 %         | 6.9 %          | 7.1 %          |
| NAFTA                  | 0.0          | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| yoy change             | n/a          | n/a            | n/a            | n/a            | n/a            | n/a            | n/a            |
| Asia Pacific           | 0.0          | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| yoy change             | n/a          | n/a            | n/a            | n/a            | n/a            | n/a            | n/a            |
| Rest of world          | 9.4          | 14.6           | 23.1           | 34.6           | 44.1           | 47.2           | 50.6           |
| yoy change             | 17.4 %       | 55.9 %         | 58.1 %         | 49.8 %         | 27.5 %         | 6.9 %          | 7.1 %          |
| <b>TTL</b>             | <b>963.5</b> | <b>1,502.2</b> | <b>2,374.9</b> | <b>3,558.2</b> | <b>4,536.7</b> | <b>4,848.9</b> | <b>5,195.0</b> |
| yoy change             | 17.4 %       | 55.9 %         | 58.1 %         | 49.8 %         | 27.5 %         | 6.9 %          | 7.1 %          |

Source: Company data, Hauck Aufhäuser Investment Banking

| Key ratios (EUR m)                   | 2019    | 2020    | 2021     | 2022     | 2023E    | 2024E    | 2025E    |
|--------------------------------------|---------|---------|----------|----------|----------|----------|----------|
| <b>P&amp;L growth analysis</b>       |         |         |          |          |          |          |          |
| Sales growth                         | 17.4 %  | 55.9 %  | 58.1 %   | 49.8 %   | 27.5 %   | 6.9 %    | 7.1 %    |
| EBITDA growth                        | 61.3 %  | 190.7 % | 615.3 %  | 27.2 %   | -54.5 %  | 72.0 %   | 34.5 %   |
| EBIT growth                          | 35.1 %  | 112.5 % | 1607.3 % | -107.5 % | -87.3 %  | -        | 104.4 %  |
| EPS growth                           | 44.2 %  | 84.5 %  | 1416.8 % | -118.5 % | -101.6 % | -517.1 % | -676.6 % |
| <b>Efficiency</b>                    |         |         |          |          |          |          |          |
| Total operating costs / sales        | 91.8 %  | 89.5 %  | 77.6 %   | 94.7 %   | 94.1 %   | 93.4 %   | 93.2 %   |
| Sales per employee                   | n/a     | n/a     | n/a      | n/a      | n/a      | n/a      | n/a      |
| EBITDA per employee                  | n/a     | n/a     | n/a      | n/a      | n/a      | n/a      | n/a      |
| <b>Balance sheet analysis</b>        |         |         |          |          |          |          |          |
| Avg. working capital / sales         | 12.5 %  | 11.0 %  | 9.1 %    | 7.9 %    | 9.2 %    | 10.0 %   | 10.5 %   |
| Inventory turnover (sales/inventory) | 7.6     | 7.8     | 5.9      | 6.7      | 6.2      | 5.8      | 6.3      |
| Trade debtors in days of sales       | 51.4    | 59.6    | 41.7     | 39.6     | 39.6     | 39.6     | 39.6     |
| A/P turnover [(A/P*365)/sales]       | 57.5    | 57.7    | 54.3     | 57.2     | 57.0     | 57.0     | 57.0     |
| Cash conversion cycle (days)         | 36.2    | 42.0    | 53.3     | 35.5     | 42.6     | 49.3     | 41.1     |
| <b>Cash flow analysis</b>            |         |         |          |          |          |          |          |
| Free cash flow                       | -42.1   | -69.9   | -163.2   | -123.7   | 156.6    | 258.9    | 409.3    |
| Free cash flow/sales                 | -4.1 %  | -4.4 %  | -6.5 %   | -3.3 %   | 3.3 %    | 5.1 %    | 7.5 %    |
| FCF / net profit                     | neg.    | neg.    | neg.     | neg.     | neg.     | 911.6 %  | 1033.0 % |
| Capex / depre                        | 59.2 %  | 35.0 %  | 50.0 %   | 1029.0 % | -49.7 %  | -45.9 %  | -43.0 %  |
| Capex / maintenance capex            | 139.2 % | 49.3 %  | 50.0 %   | 0.0 %    | 49.7 %   | 10000.0  | 10000.0  |
| Capex / sales                        | n/a     | n/a     | n/a      | n/a      | n/a      | n/a      | n/a      |
| <b>Security</b>                      |         |         |          |          |          |          |          |
| Net debt                             | 204.7   | 289.2   | 428.6    | 542.5    | 633.3    | 702.7    | 637.5    |
| Net Debt/EBITDA                      | 2.6     | 2.0     | 0.8      | 3.0      | 2.5      | 2.3      | 1.8      |
| Net debt / equity                    | 1.1     | 1.5     | 0.6      | 0.8      | 0.9      | 1.0      | 0.9      |
| Interest cover                       | 2.4     | 1.5     | 16.4     | 0.0      | 0.7      | 1.3      | 1.6      |
| Dividend payout ratio                | 71.9 %  | 84.3 %  | 7.1 %    | 100.0 %  | 100.0 %  | 109.0 %  | 78.1 %   |
| <b>Asset utilisation</b>             |         |         |          |          |          |          |          |
| Capital employed turnover            | 1.9     | 2.2     | 1.6      | 2.2      | 2.6      | 2.8      | 2.9      |
| Operating assets turnover            | 2.5     | 2.6     | 2.1      | 2.5      | 3.0      | 3.2      | 3.8      |
| Plant turnover                       | 3.4     | 4.1     | 2.9      | 3.3      | 4.6      | 5.4      | 6.6      |
| Inventory turnover (sales/inventory) | 7.6     | 7.8     | 5.9      | 6.7      | 6.2      | 5.8      | 6.3      |
| <b>Returns</b>                       |         |         |          |          |          |          |          |
| ROCE                                 | 5.6 %   | 7.3 %   | 41.9 %   | -0.3 %   | 3.3 %    | 5.4 %    | 6.3 %    |
| ROE                                  | 11.4 %  | 14.3 %  | 60.4 %   | -0.9 %   | -1.0 %   | 4.2 %    | 5.7 %    |
| <b>Other</b>                         |         |         |          |          |          |          |          |
| Interest paid / avg. debt            | 7.6 %   | 13.7 %  | 7.5 %    | 13.5 %   | 12.7 %   | 10.3 %   | 10.1 %   |
| No. employees (average)              | n/a     | n/a     | n/a      | n/a      | n/a      | n/a      | n/a      |
| Number of shares                     | 15.2    | 15.2    | 20.6     | 20.6     | 20.6     | 20.6     | 20.6     |
| DPS                                  | 1.0     | 1.5     | 1.5      | 1.0      | 1.5      | 1.5      | 1.5      |
| EPS reported                         | 1.39    | 1.78    | 21.11    | -0.33    | -0.33    | 1.38     | 1.92     |
| <b>Valuation ratios</b>              |         |         |          |          |          |          |          |
| P/BV                                 | 1.8     | 1.8     | 0.6      | 0.6      | 0.7      | 0.7      | 0.7      |
| EV/sales                             | 0.4     | 0.3     | 0.4      | 0.3      | 0.2      | 0.2      | 0.2      |
| EV/EBITDA                            | 4.5     | 3.2     | 1.6      | 5.5      | 4.2      | 3.7      | 3.1      |
| EV/EBITA                             | 9.9     | 8.5     | 1.9      | 144.4    | 16.3     | 10.8     | 8.5      |
| EV/EBIT                              | 13.7    | 11.2    | 2.0      | -321.5   | 19.2     | 12.1     | 9.4      |
| EV/FCF                               | -8.5    | -6.6    | -5.4     | -8.1     | 6.9      | 4.5      | 2.7      |
| Adjusted FCF yield                   | 7.4 %   | 9.3 %   | 48.2 %   | 15.2 %   | 5.2 %    | 25.8 %   | 29.3 %   |
| Dividend yield                       | 9.9 %   | 13.3 %  | 6.8 %    | 4.5 %    | 6.8 %    | 6.8 %    | 6.8 %    |

Source: Company data, Hauck Aufhäuser Investment Banking

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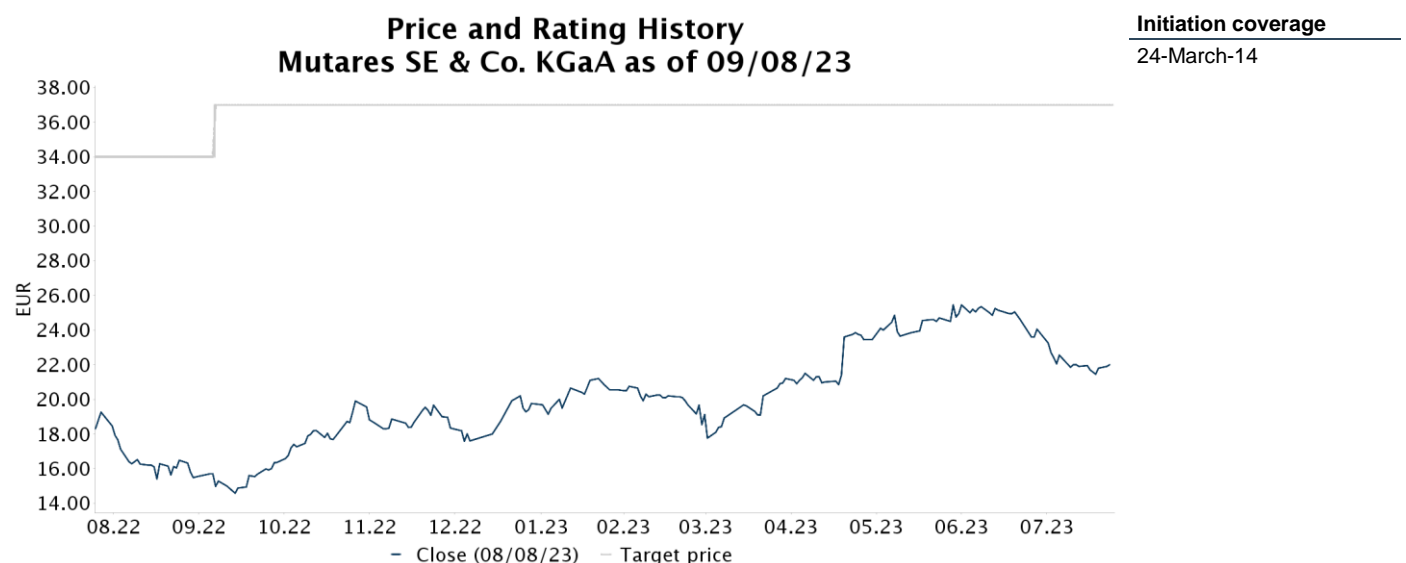
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| Company               | Disclosure |
|-----------------------|------------|
| Mutares SE & Co. KGaA | 2, 6       |

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



| Company               | Date       | Analyst                 | Rating | Target price | Close     |
|-----------------------|------------|-------------------------|--------|--------------|-----------|
| Mutares SE & Co. KGaA | 11.05.2023 | Gruebner, Marie-Therese | Buy    | EUR 37,00    | EUR 23,70 |
|                       | 12.04.2023 | Gruebner, Marie-Therese | Buy    | EUR 37,00    | EUR 20,90 |
|                       | 17.02.2023 | Gruebner, Marie-Therese | Buy    | EUR 37,00    | EUR 20,75 |
|                       | 23.12.2022 | Gruebner, Marie-Therese | Buy    | EUR 37,00    | EUR 17,60 |
|                       | 11.11.2022 | Gruebner, Marie-Therese | Buy    | EUR 37,00    | EUR 19,90 |

## Mutares SE & Co. KGaA

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|            |                         |     |           |           |
|------------|-------------------------|-----|-----------|-----------|
| 24.10.2022 | Gruebner, Marie-Therese | Buy | EUR 37,00 | EUR 17,46 |
| 23.09.2022 | Gruebner, Marie-Therese | Buy | EUR 37,00 | EUR 15,28 |
| 15.08.2022 | Gruebner, Marie-Therese | Buy | EUR 34,00 | EUR 18,66 |

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|             |         |         |
|-------------|---------|---------|
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| <b>Sell</b> | 4.55 %  | 0.00 %  |
| <b>Hold</b> | 21.59 % | 8.82 %  |

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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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