

Buy (old: Buy)

ESG rating: n/a

10-December-24

Price target: EUR 17.00 (old: EUR 17.00)

Tim Wunderlich, CFA
Analyst

Price: EUR 8.26 Next result: CMD: 16.01.25
Bloomberg: HNL GR Market cap: EUR 50.1 m
Reuters: HNLG.DE Enterprise Value: EUR 96.4 m

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Conference Call takeaways: back to growth in FY'24/25E

Management held a conference call to discuss preliminary FY'23/24 results and provide an update on the strategic reorganisation of the group. **It also issued an initial FY'24/25E guidance, expecting Hoenle to return to slight sales and earnings growth this year, in-line with eHAIB.** Final results will be released on January 30.

- **Management targets sales of € 95-105m and EBITDA of above € 5.5m** for the fiscal year 2024/25E, both in-line with eHAIB. The revenue mid-point of € 100m **would imply sales growth of c. 3% yoy** when adjusting the prior year for c. € 2m of divested / discontinued revenues. **EBITDA is seen to benefit from approx. € 2m of cost savings** as well as the discontinuation of one-off expenses. These amounted to a total of roughly € 10m in FY'23/24, of which 20-30% are seen to relate to obsolete inventories and 70-80% to goodwill write-downs. The latter did not affect EBITDA but only EBIT. Note that Hoenle should have incurred additional undisclosed one-off expenses for the restructuring and strategic realignment of the group.
- **Net debt arrived at c. € 43m**, in-line with eHAIB, and down from c. € 47m a year ago, which shows that cash flow suffices to cover capex and interest expenses even in a highly challenging year. **We expect Hoenle to remain free cash flow positive through FY'26E**, despite rising w/c requirements on the back of a return to sales growth. While leverage is elevated (6x net debt to EBITDA'25E), the loans are secured until 2038 at an average interest rate of slightly more than 2% thanks to interest rate swaps. **The major capex cycle of 2020 and 2021 is well behind the company.**
- Regarding current trading, the Disinfection segment (24% of group sales) continues to see healthy demand especially for food and water disinfection. The printing end-market has stabilised and is showing some signs of life, albeit from a low level. NB: printing is part of the newly-formed Curing segment, which explains 37% of group sales. **Hoenle has reached the desired set-up, serving growth markets with a focus on UV-related technologies.** Management wants to "grow substantially over the next 5 years"; this fiscal year should lay the groundwork for a significant acceleration of growth in FY'25/26E. We expect more details to emerge at the CMD on January 16. **Confirm Buy with a € 17.00 PT based on DCF.**



Source: Company data, HAIB

High/low 52 weeks: 20.20 / 8.26
Price/Book Ratio: 0.6
Relative performance (SDAX):
3 months -40.7 %
6 months -51.6 %
12 months -62.0 %

Changes in estimates

		Sales	EBIT	EPS
2024	old:			
	Δ			
2025	old:	100.2	2.0	0.03
	Δ	-	-	-
2026	old:	110.4	6.2	0.52
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs) 6.1
Authorised capital: (in € m) -
Book value per share: (in €) 14.4
Ø trading volume: (12 months) 7,000

Major shareholders:

Free Float 74.4 %
Peter Möhrle GmbH 25.6 %
Teslin / Gerlin 4.5 %
Hans-Joachim Vits 4.2 %
Lazard 4.0 %

Company description:

Leading supplier of adhesives for consumer electronics, as well as of equipment, systems and lamps for the printing industry

Company guidance 2024/25E:

€ 95-105m sales / >€ 5.5m EBITDA

Y/E 30.9 (EUR m)	2019/20	2020/21	2021/22	2022/23	2023/24P	2024/25E	2025/26E
Sales	93.9	115.2	116.1	106.3	98.7	100.2	110.4
Sales growth	-13 %	23 %	1 %	-8 %	-7 %	2 %	10 %
EBITDA	14.9	13.8	12.1	0.4	5.5	7.0	11.2
EBIT (inc revaluation net)	8.1	0.3	5.8	-9.4	-10.3	2.0	6.2
Net income	5.7	-4.8	-13.4	-11.0	-8.5	0.2	3.2
Net debt	12.1	41.5	52.3	47.5	43.1	41.5	40.5
Net gearing	10.4 %	37.5 %	48.9 %	49.6 %	49.4 %	47.5 %	44.6 %
Net Debt/EBITDA	0.8	3.0	4.3	119.3	7.8	5.9	3.6
EPS pro forma	0.94	-0.80	0.44	-1.87	-1.41	0.03	0.52
CPS	0.07	-2.04	-1.72	0.02	1.22	0.26	0.17
Gross profit margin	64.9 %	58.6 %	53.6 %	51.1 %	58.9 %	60.1 %	60.7 %
EBITDA margin	15.8 %	12.0 %	10.4 %	0.4 %	5.6 %	7.0 %	10.1 %
EBIT margin	8.6 %	0.3 %	5.0 %	-8.9 %	-10.4 %	2.0 %	5.6 %
ROCE	4.7 %	0.2 %	3.3 %	-5.7 %	-6.7 %	1.3 %	4.1 %
EV/sales	3.2	2.9	1.8	1.6	1.0	0.9	0.8
EV/EBITDA	20.1	24.2	16.9	426.0	17.4	13.5	8.4
EV/EBIT	37.0	958.6	35.0	-18.0	-9.4	47.1	15.2
PER	49.1	-59.0	55.5	-10.5	-5.9	257.4	15.8
Adjusted FCF yield	2.0 %	0.1 %	3.7 %	-1.8 %	6.3 %	4.2 %	7.4 %

Source: Company data, Hauck Aufhäuser Investment Banking Close price as of: 09.12.2024

Please refer to important disclosures at the end of the report

Company in a Nutshell

Dr Hoenle is a specialist for UV lamps and systems that are used in the printing industry to dry / harden ink, for the disinfection of water and surfaces as well as for the simulation of sunlight in the automotive industry. It also offers **adhesives for specialised niche applications** in consumer electronics, automotive, medical, and other verticals.

Curing accounts for 37% of group sales, Adhesives for 37%, and Disinfection for 24%.

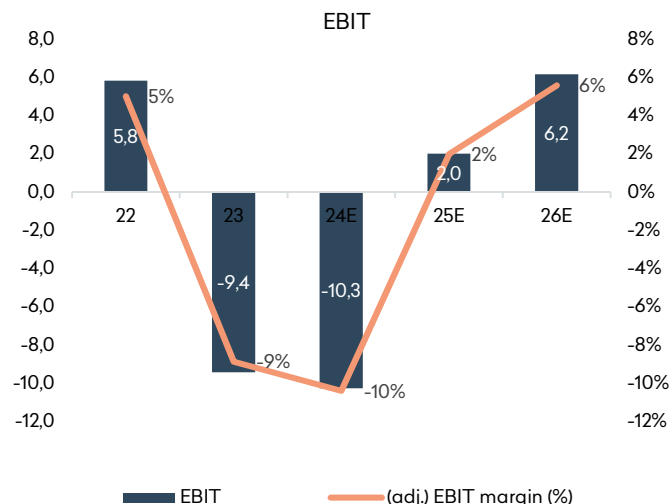
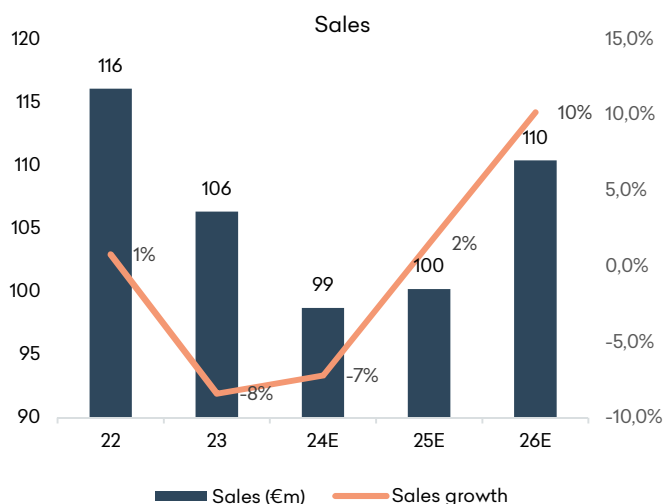
Upcoming Catalysts

Hoenle has undergone an overdue management change and is in the process of **implementing a large number of efficiency measures** that should return the company to stronger growth and higher margins within 12-18 months. We expect an improved operating performance in FY'25E, as well as evidence that efficiency measures are taking effect, to serve as valuation catalysts going forward.

Investment Case

- **Technology leader for UV systems and adhesives with a focus on niche applications**
- A patchy track record but better times ahead: a new management team has **implemented overdue efficiency measures** to return Hönle to stronger growth and higher margins within 12-18 months
- **Sales are seen to rise by 1% CAGR'23-26E to € 110m in FY'26E** as management is re-focusing the company on growth applications and is investing into key account management and sales & marketing to improve execution
- **EBIT should rise to € 6m by FY'26E** from € -9m in 2023 on the back of a strong operating leverage due to idle capacity
- **Value becomes evident only when looking at FY'26E (8.4x EBITDA)**, as efficiency measures will need time to take effect. Still, the inefficiencies have been identified and are being tackled, and smooth execution could result in upside to estimates. **Buy with a € 17.00 PT based on DCF**

Key Performance Indicators



Source: Company data, Hauck Aufhäuser Investment Banking

Source: Company data, Hauck Aufhäuser Investment Banking

Cash flow summary	2021/22	2022/23	2023/24E	2024/25E	2025/26E
Operating cash flow	-7.4	3.1	10.4	4.6	4.0
Capex	4.4	2.9	6.0	3.0	3.0
FCF	-11.8	0.2	4.4	1.6	1.1
FCF per share	neg.	0.0	0.7	0.3	0.2
FCF yield	3.7 %	-1.8 %	6.3 %	4.2 %	7.4 %
Net Debt/EBITDA	4.3	119.3	7.8	5.9	3.6

Source: Company data, Hauck Aufhäuser Investment Banking

Key ratios summary	2021/22	2022/23	2023/24E	2024/25E	2025/26E
EPS growth	177.1 %	-17.6 %	-22.6 %	-102.3 %	1527.6 %
Capital Turnover	0.7	0.7	0.7	0.7	0.7
Avg. working capital / sales	48.0 %	40.6 %	40.6 %	40.6 %	40.6 %
Cash conversion cycle (days)	302.0	249.9	280.0	287.7	291.3
FCF / Net profit	neg.	neg.	neg.	805.2 %	33.5 %
Interest cover	3.8	0.0	0.0	1.1	3.4

Source: Company data, Hauck Aufhäuser Investment Banking

Financials

Profit and loss (EUR m)	2019/20	2020/21	2021/22	2022/23	2023/24E	2024/25E	2025/26E
Net sales	93.9	115.2	116.1	106.3	98.7	100.2	110.4
Sales growth	-12.9 %	22.7 %	0.8 %	-8.4 %	-7.2 %	1.5 %	10.2 %
Increase/decrease in finished goods and work-in-process	-0.6	3.1	2.1	-1.9	1.5	1.0	1.0
Total sales	93.3	118.3	118.2	104.5	100.2	101.2	111.4
Other operating income	1.2	1.6	3.6	3.3	2.5	2.0	2.0
Material expenses	32.7	48.9	54.8	51.1	41.1	40.4	43.8
Personnel expenses	33.2	39.7	39.7	39.5	40.1	40.3	41.6
Other operating expenses	13.7	17.4	15.2	16.7	15.9	15.5	16.8
Total operating expenses	78.4	104.5	106.1	104.1	94.6	94.2	100.2
EBITDA	14.9	13.8	12.1	0.4	5.5	7.0	11.2
Depreciation	6.6	9.8	4.6	9.8	6.9	4.2	4.2
EBITA	8.3	4.0	7.6	-9.4	-1.4	2.8	7.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	8.0	0.0	0.0
Amortisation of intangible assets	0.2	3.7	1.7	0.0	0.9	0.8	0.8
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	8.1	0.3	5.8	-9.4	-10.3	2.0	6.2
Interest income	0.2	0.1	0.1	0.3	0.1	0.1	0.1
Interest expenses	0.5	1.1	1.5	1.8	1.8	1.8	1.8
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-0.3	-1.0	-1.4	-1.6	-1.8	-1.7	-1.7
Recurring pretax income from continuing operations	7.8	-0.6	4.4	-11.0	-12.0	0.3	4.5
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	7.8	-0.6	4.4	-11.0	-12.0	0.3	4.5
Taxes	2.2	4.3	1.6	0.3	-3.5	0.1	1.3
Net income from continuing operations	5.6	-4.9	2.8	-11.3	-8.5	0.2	3.2
Result from discontinued operations (net of tax)	0.0	0.0	16.0	-0.3	0.0	0.0	0.0
Net income	5.6	-4.9	-13.2	-10.9	-8.5	0.2	3.2
Minority interest	-0.1	0.0	0.2	0.1	0.0	0.0	0.0
Net profit (reported)	5.7	-4.8	-13.4	-11.0	-8.5	0.2	3.2
Average number of shares	5.5	6.1	6.1	6.1	6.1	6.1	6.1
EPS reported	1.03	-0.80	-2.20	-1.82	-1.41	0.03	0.52

Profit and loss (common size)	2019/20	2020/21	2021/22	2022/23	2023/24E	2024/25E	2025/26E
Net sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Increase/decrease in finished goods and work-in-process	neg.	2.7 %	1.8 %	neg.	1.5 %	1.0 %	0.9 %
Total sales	99.4 %	102.7 %	101.8 %	98.2 %	101.5 %	101.0 %	100.9 %
Other operating income	1.3 %	1.4 %	3.1 %	3.1 %	2.5 %	2.0 %	1.8 %
Material expenses	34.9 %	42.5 %	47.2 %	48.1 %	41.7 %	40.3 %	39.7 %
Personnel expenses	35.4 %	34.4 %	34.2 %	37.2 %	40.6 %	40.2 %	37.7 %
Other operating expenses	14.6 %	15.1 %	13.1 %	15.7 %	16.1 %	15.5 %	15.2 %
Total operating expenses	83.5 %	90.7 %	91.4 %	97.9 %	95.9 %	94.0 %	90.8 %
EBITDA	15.8 %	12.0 %	10.4 %	0.4 %	5.6 %	7.0 %	10.1 %
Depreciation	7.0 %	8.5 %	3.9 %	9.2 %	7.0 %	4.2 %	3.8 %
EBITA	8.8 %	3.5 %	6.5 %	neg.	neg.	2.8 %	6.3 %
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	8.1 %	0.0 %	0.0 %
Amortisation of intangible assets	0.2 %	3.2 %	1.5 %	0.0 %	0.9 %	0.8 %	0.7 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT (inc revaluation net)	8.6 %	0.3 %	5.0 %	neg.	neg.	2.0 %	5.6 %
Interest income	0.2 %	0.1 %	0.1 %	0.2 %	0.1 %	0.1 %	0.1 %
Interest expenses	0.5 %	1.0 %	1.3 %	1.7 %	1.8 %	1.8 %	1.6 %
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.
Recurring pretax income from continuing operations	8.4 %	neg.	3.8 %	neg.	neg.	0.3 %	4.0 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	8.4 %	neg.	3.8 %	neg.	neg.	0.3 %	4.0 %
Tax rate	28.6 %	n/a	n/a	n/a	29.0 %	29.0 %	29.0 %
Net income from continuing operations	6.0 %	neg.	2.4 %	neg.	neg.	0.2 %	2.9 %
Income from discontinued operations (net of tax)	0.0 %	0.0 %	13.8 %	-0.3 %	0.0 %	0.0 %	0.0 %
Net income	6.0 %	neg.	neg.	neg.	neg.	0.2 %	2.9 %
Minority interest	neg.	neg.	0.1 %	0.1 %	0.0 %	0.0 %	0.0 %
Net profit (reported)	6.0 %	neg.	neg.	neg.	neg.	0.2 %	2.9 %

Source: Company data, Hauck Aufhäuser Investment Banking

Balance sheet (EUR m)	2019/20	2020/21	2021/22	2022/23	2023/24E	2024/25E	2025/26E
Intangible assets	21.0	24.0	23.3	19.7	11.3	11.2	11.0
Property, plant and equipment	76.8	87.8	79.6	75.1	73.7	71.9	70.0
Financial assets	2.4	1.4	1.4	1.4	1.4	1.4	1.4
FIXED ASSETS	100.2	113.2	104.2	96.3	86.4	84.5	82.4
Inventories	35.2	46.7	46.4	35.0	32.5	33.0	36.4
Accounts receivable	14.3	17.1	19.7	15.6	14.5	14.7	16.2
Other current assets	6.5	9.0	15.0	14.8	14.8	14.8	14.8
Liquid assets	34.2	12.1	7.1	9.3	13.7	15.3	16.3
Deferred taxes	5.9	4.9	3.0	5.2	5.2	5.2	5.2
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	96.0	89.7	91.2	79.9	80.6	82.9	88.9
TOTAL ASSETS	196.2	202.9	195.5	176.2	167.1	167.4	171.3
SHAREHOLDERS EQUITY	116.3	110.7	106.9	95.8	87.3	87.5	90.7
MINORITY INTEREST	0.3	0.4	0.4	0.3	0.3	0.3	0.3
Long-term debt	42.8	49.7	33.1	44.4	44.4	44.4	44.4
Provisions for pensions and similar obligations	8.8	8.6	4.0	3.2	3.2	3.2	3.2
Other provisions	1.9	3.0	2.2	1.7	1.7	1.7	1.7
Non-current liabilities	53.5	61.3	39.3	49.3	49.3	49.3	49.3
short-term liabilities to banks	3.5	3.9	26.4	12.4	12.4	12.4	12.4
Accounts payable	6.5	9.4	10.3	7.6	7.0	7.1	7.8
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)	15.6	16.5	11.3	9.5	9.5	9.5	9.5
Deferred taxes	0.4	0.7	1.0	1.2	1.2	1.2	1.2
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	26.0	30.5	49.0	30.7	30.1	30.2	31.0
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	196.2	202.9	195.5	176.2	167.1	167.4	171.3

Balance sheet (common size)	2019/20	2020/21	2021/22	2022/23	2023/24E	2024/25E	2025/26E
Intangible assets	10.7 %	11.8 %	11.9 %	11.2 %	6.8 %	6.7 %	6.4 %
Property, plant and equipment	39.2 %	43.3 %	40.7 %	42.6 %	44.1 %	42.9 %	40.9 %
Financial assets	1.2 %	0.7 %	0.7 %	0.8 %	0.9 %	0.8 %	0.8 %
FIXED ASSETS	51.1 %	55.8 %	53.3 %	54.6 %	51.7 %	50.5 %	48.1 %
Inventories	18.0 %	23.0 %	23.7 %	19.9 %	19.5 %	19.7 %	21.2 %
Accounts receivable	7.3 %	8.4 %	10.1 %	8.9 %	8.7 %	8.8 %	9.5 %
Other current assets	3.3 %	4.4 %	7.7 %	8.4 %	8.8 %	8.8 %	8.6 %
Liquid assets	17.4 %	6.0 %	3.6 %	5.3 %	8.2 %	9.1 %	9.5 %
Deferred taxes	3.0 %	2.4 %	1.6 %	2.9 %	3.1 %	3.1 %	3.0 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	48.9 %	44.2 %	46.7 %	45.4 %	48.3 %	49.5 %	51.9 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	59.3 %	54.6 %	54.7 %	54.4 %	52.2 %	52.3 %	52.9 %
MINORITY INTEREST	0.2 %	0.2 %	0.2 %	0.2 %	0.2 %	0.2 %	0.2 %
Long-term debt	21.8 %	24.5 %	16.9 %	25.2 %	26.6 %	26.5 %	25.9 %
Provisions for pensions and similar obligations	4.5 %	4.2 %	2.1 %	1.8 %	1.9 %	1.9 %	1.9 %
Other provisions	1.0 %	1.5 %	1.1 %	1.0 %	1.0 %	1.0 %	1.0 %
Non-current liabilities	27.3 %	30.2 %	20.1 %	28.0 %	29.5 %	29.5 %	28.8 %
short-term liabilities to banks	1.8 %	1.9 %	13.5 %	7.0 %	7.4 %	7.4 %	7.2 %
Accounts payable	3.3 %	4.6 %	5.3 %	4.3 %	4.2 %	4.3 %	4.6 %
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)	8.0 %	8.1 %	5.8 %	5.4 %	5.7 %	5.7 %	5.6 %
Deferred taxes	0.2 %	0.3 %	0.5 %	0.7 %	0.7 %	0.7 %	0.7 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	13.2 %	15.0 %	25.0 %	17.4 %	18.0 %	18.1 %	18.1 %
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Source: Company data, Hauck Aufhäuser Investment Banking

Cash flow statement (EUR m)	2019/20	2020/21	2021/22	2022/23	2023/24E	2024/25E	2025/26E
Net profit/loss	5.6	-4.9	-13.2	-10.9	-8.5	0.2	3.2
Depreciation of fixed assets (incl. leases)	6.6	9.8	4.6	9.8	6.9	4.2	4.2
Amortisation of goodwill	0.0	0.0	0.0	0.0	8.0	0.0	0.0
Amortisation of intangible assets	0.2	3.7	1.7	0.0	0.9	0.8	0.8
Others	-7.2	3.9	15.9	4.8	0.0	0.0	0.0
Cash flow from operations before changes in w/c	7.3	23.0	9.0	3.6	7.3	5.2	8.2
Increase/decrease in inventory	0.6	-11.5	-11.6	-1.8	2.5	-0.5	-3.4
Increase/decrease in accounts receivable	2.7	-2.8	-2.6	4.0	1.1	-0.2	-1.5
Increase/decrease in accounts payable	-1.4	2.9	0.9	-2.7	-0.5	0.1	0.7
Increase/decrease in other working capital positions	0.0	0.0	-3.1	0.0	0.0	0.0	0.0
Increase/decrease in working capital	2.0	-11.3	-16.4	-0.5	3.1	-0.6	-4.1
Cash flow from operating activities	7.2	1.1	-7.4	3.1	10.4	4.6	4.0
CAPEX	30.2	17.1	4.4	2.9	6.0	3.0	3.0
Payments for acquisitions	0.0	7.7	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	-0.1	0.1	-0.6	0.0	0.0	0.0
Income from asset disposals	-0.5	0.2	2.8	5.0	0.0	0.0	0.0
Cash flow from investing activities	-30.7	-24.5	-1.7	2.7	-6.0	-3.0	-3.0
Cash flow before financing	-21.5	-12.9	-9.1	5.8	4.4	1.6	1.1
Increase/decrease in debt position	21.9	4.3	4.9	-3.3	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	25.7	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	4.4	3.0	1.2	0.1	0.0	0.0	0.0
Others	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	-0.1	0.0	0.4	-0.2	0.0	0.0	0.0
Cash flow from financing activities	43.3	1.2	3.7	-3.4	0.0	0.0	0.0
Increase/decrease in liquid assets	21.6	-11.6	-4.9	2.2	4.4	1.6	1.1
Liquid assets at end of period	34.2	12.1	7.1	9.3	13.7	15.3	16.3

Quarterly results (EUR m)	Q4 21/22	Q1 22/23	Q2 22/23	Q3 22/23	Q4 22/23	Q1 23/24	Q2 23/24	Q3 23/24	Q4 23/24E	FY 23/24E
Sales	29.0	27.6	25.9	26.2	26.6	23.8	24.3	23.9	26.6	98.7
Sales growth	n/a	-10 %	-14 %	-1 %	-8 %	-14 %	-6 %	-9 %	0 %	-7 %
Gross profit	8.8	16.7	16.0	4.9	17.6	14.3	15.0	14.8	13.5	59.0
Gross profit margin	30.3 %	60.6 %	61.9 %	18.7 %	66.0 %	59.9 %	61.7 %	62.0 %	50.5 %	58.9 %
EBITDA	8.8	3.8	2.9	-9.1	2.8	0.7	2.1	1.3	1.5	5.5
EBITDA margin	30.3 %	13.9 %	11.1 %	-34.5 %	10.4 %	2.7 %	8.6 %	5.5 %	5.6 %	5.6 %
EBIT (inc revaluation net)	8.8	2.3	1.3	-10.5	-2.6	-0.8	0.7	0.0	-10.1	-10.3
EBIT margin	30.3 %	8.5 %	5.2 %	-40.1 %	-9.7 %	-3.3 %	2.8 %	0.0 %	-38.1 %	-10.4 %
EPS reported	n/a	0.32	0.11	-1.52	-0.72	-0.15	0.03	-0.04	-1.24	-1.41

Source: Company data, Hauck Aufhäuser Investment Banking

Key ratios (EUR m)	2019/20	2020/21	2021/22	2022/23	2023/24E	2024/25E	2025/26E
P&L growth analysis							
Sales growth	-12.9 %	22.7 %	0.8 %	-8.4 %	-7.2 %	15 %	10.2 %
EBITDA growth	-86.2 %	-7.0 %	-12.3 %	-96.7 %	1293.7 %	26.4 %	59.2 %
EBIT growth	n/a	-95.7 %	1572.5 %	-261.4 %	8.9 %	-119.6 %	206.3 %
EPS growth	n/a	-177.2 %	177.1 %	-17.6 %	-22.6 %	-102.3 %	1527.6 %
Efficiency							
Total operating costs / sales	83.5 %	90.7 %	91.4 %	97.9 %	95.9 %	94.0 %	90.8 %
Sales per employee	152.9	184.4	176.6	171.2	165.3	167.0	179.5
EBITDA per employee	24.2	22.1	18.4	0.6	9.3	11.7	18.2
Balance sheet analysis							
Avg. working capital / sales	45.8 %	42.3 %	47.5 %	46.5 %	42.2 %	40.3 %	38.8 %
Inventory turnover (sales/inventory)	0.4	2.5	2.5	3.0	3.0	3.0	3.0
Trade debtors in days of sales	380.8	54.1	61.8	53.6	53.6	53.6	53.6
A/P turnover [(A/P*365)/sales]	173.3	29.9	32.4	25.9	25.9	25.9	25.9
Cash conversion cycle (days)	376.0	332.2	302.0	249.9	280.0	287.7	291.3
Cash flow analysis							
Free cash flow	-23.0	-16.0	-11.8	0.2	4.4	1.6	1.1
Free cash flow/sales	-24.5 %	-13.9 %	-10.2 %	0.2 %	4.4 %	1.6 %	1.0 %
FCF / net profit	neg.	neg.	neg.	neg.	neg.	805.2 %	33.5 %
Capex / deprn	443.6 %	125.6 %	71.9 %	23.8 %	37.9 %	60.4 %	59.4 %
Capex / maintenance capex	n/a	76.3 %	172.8 %	184.3 %	181.7 %	80.0 %	76.7 %
Capex / sales	n/a	14.7 %	3.9 %	2.2 %	6.1 %	3.0 %	2.7 %
Security							
Net debt	121	415	523	475	431	415	405
Net Debt/EBITDA	0.8	3.0	4.3	119.3	7.8	5.9	3.6
Net debt / equity	0.1	0.4	0.5	0.5	0.5	0.5	0.4
Interest cover	17.7	0.3	3.8	0.0	0.0	1.1	3.4
Dividend payout ratio	85.4 %	100.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Asset utilisation							
Capital employed turnover	0.5	0.7	0.7	0.7	0.7	0.7	0.7
Operating assets turnover	0.8	0.8	0.9	0.9	0.9	0.9	1.0
Plant turnover	1.2	1.3	1.5	1.4	1.3	1.4	1.6
Inventory turnover (sales/inventory)	0.4	2.5	2.5	3.0	3.0	3.0	3.0
Returns							
ROCE	4.7 %	0.2 %	3.3 %	-5.7 %	-6.7 %	1.3 %	4.1 %
ROE	4.9 %	-4.4 %	-12.5 %	-11.5 %	-9.8 %	0.2 %	3.5 %
Other							
Interest paid / avg. debt	1.0 %	2.2 %	2.7 %	3.1 %	3.2 %	3.2 %	3.2 %
No. employees (average)	614	625	658	621	597	600	615
Number of shares	5.5	6.1	6.1	6.1	6.1	6.1	6.1
DPS	0.8	0.2	0.0	0.0	0.0	0.0	0.0
EPS reported	1.03	-0.80	-2.20	-1.82	-1.41	0.03	0.52
Valuation ratios							
P/BV	2.4	2.6	1.4	1.2	0.6	0.6	0.6
EV/sales	3.2	2.9	1.8	1.6	1.0	0.9	0.8
EV/EBITDA	20.1	24.2	16.9	426.0	17.4	13.5	8.4
EV/EBITA	36.3	83.4	27.0	-18.0	-71.2	33.7	13.5
EV/EBIT	37.0	958.6	35.0	-18.0	-9.4	47.1	15.2
EV/FCF	-13.0	-21.0	-17.3	811.2	22.0	60.5	88.3
Adjusted FCF yield	2.0 %	0.1 %	3.7 %	-1.8 %	6.3 %	4.2 %	7.4 %
Dividend yield	1.7 %	0.4 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

Source: Company data, Hauck Aufhäuser Investment Banking

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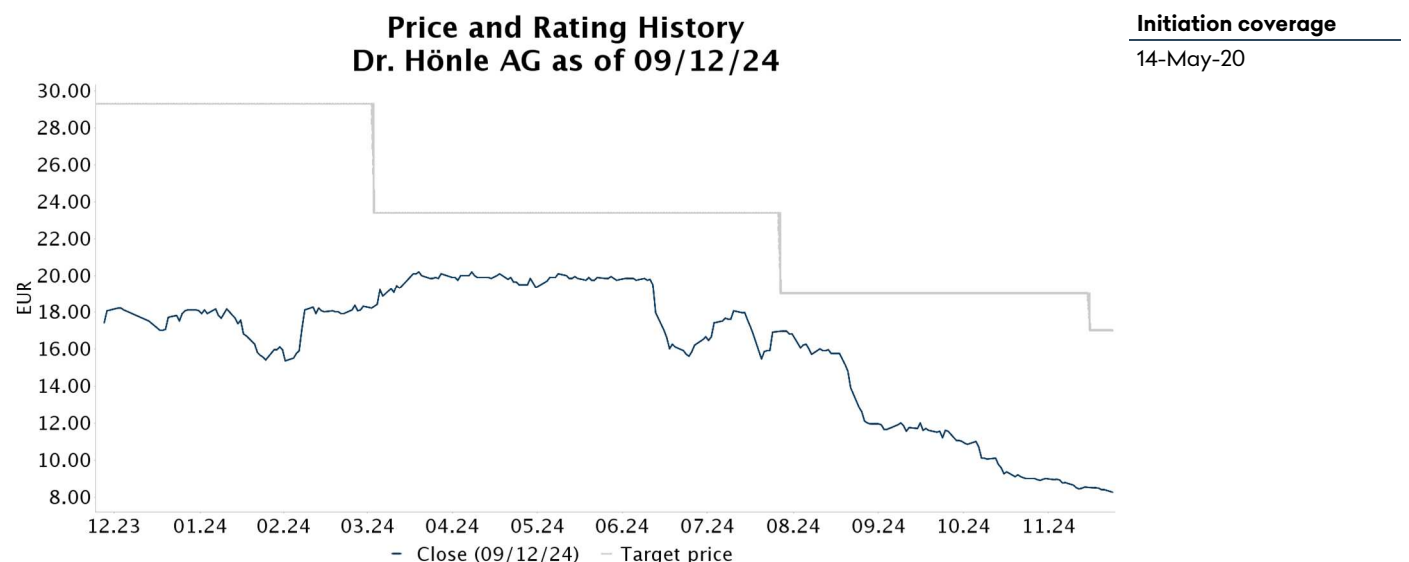
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Company	Disclosure
Dr. Hönle AG	2, 6

Historical target price and rating changes for Dr. Hönle AG in the last 12 months



Company	Date	Analyst	Rating	Target price	Close
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Dr. Höhle AG

Dr. Höhle AG	02.12.2024	Wunderlich, Tim	Buy	EUR 17,00	EUR 8,50
	13.08.2024	Wunderlich, Tim	Buy	EUR 19,00	EUR 16,95
	15.05.2024	Wunderlich, Tim	Buy	EUR 23,40	EUR 19,85
	21.03.2024	Wunderlich, Tim	Buy	EUR 23,40	EUR 19,20
	11.12.2023	Wunderlich, Tim	Buy	EUR 29,30	EUR 18,45

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