

Buy EUR 85.00 (EUR 82.00) Price EUR 61.80 Upside 37.5 %	Value Indicators: EUR DCF: 85.02 FCF-Value Potential 25e: 74.58	Warburg ESG Risk Score: 2.7 ESG Score (MSCI based): 3.0 Balance Sheet Score: 4.0 Market Liquidity Score: 1.0	Description: Supplier of power tools and garden equipment for private household use.
	Market Snapshot: EUR m Market cap: 699.8 No. of shares (m): 11.3 EV: 745.1 Freefloat MC: 699.8 Ø Trad. Vol. (30d): 189.14 th	Shareholders: Freefloat 100.00 % Thannhuber AG (Ordinary sh.) 93.00 % Others (Ordinary shares) 7.00 %	Key Figures (WRe): 2024e Beta: 1.2 Price / Book: 1.8 x Equity Ratio: 48 % Net Fin. Debt / EBITDA: 0.3 x Net Debt / EBITDA: 0.4 x

Sales and EBT outlook raised after significant Q3 growth

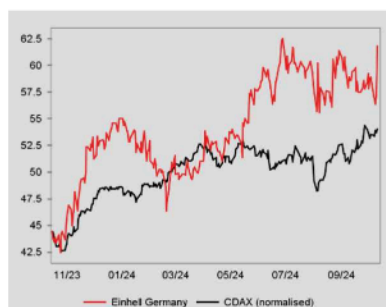
Einhell increased its FY 2024 financial outlook on October 10 after strong sales growth in recent months:

- The group reported a sales increase of 11% to EUR 840m for the nine-month period, which implies accelerated Q2 sales growth of 15% to EUR 264m after +11% in Q2. The sales increase was driven by all regions. The key growth driver remains the Power X-Change battery product line, which accounts for more than 50% of sales in the current year (after 44% in 2023).
- Following the strong sales performance, the management increased its full-year sales forecast for 2024 from EUR 1,030m to ca. EUR 1,070 (+10% y/y, WRe: EUR 1.034m).
- In light of the better turnover development, Einhell also raised the earnings-margin target. The group now expects an EBT margin between 8.0-8.5% (previously: ca. 8%, WRe: 7.9%). This indicates an EBT range of EUR 85-91m for FY 2024.
- Detailed Q3/9M numbers will be released on November 14.

Overall, the Q3/9M sales numbers underline that Einhell is continuously gaining market share based on its Power X-Change battery platform. The increased brand marketing outside the core DACH region (partnership with the Formula One team of Mercedes AMG Petronas) is paying off. The acceleration in Q3 top-line growth is clearly positive in the current macro environment in our view. Moreover, the updated EBT-margin guidance indicates that the gross-margin trend is still robust.

We have increased our earnings scenario and the PT after the strong Q3 performance. The mid to long-term growth strategy is fully intact and underpinned by the strong focus on opportunities for international expansion. Einhell is in a good position to further catch up with the large DIY brands. The strong market position and the promising mid-term prospects are not reflected in the current valuation. **We confirm our Buy recommendation with a new PT of EUR 85** (previously EUR 82), derived from our DCF model.

Changes in Estimates:				Comment on Changes:			
FY End: 31.12. in EUR m	2024e (old)	+ / -	2025e (old)	+ / -	2026e (old)	+ / -	
Sales	1,034.0	3.6 %	1,100.9	2.9 %	1,174.8	2.2 %	<ul style="list-style-type: none"> Higher estimates following the revised FY 2024 guidance and better-than-anticipated Q3/9M top-line growth. We expect an EBT margin of 8.2% in 2024 (previously: 7.9%) and an increase to 8.5% in 2026.
EBITDA	103.3	5.4 %	110.5	4.7 %	119.6	3.9 %	
EBT	82.0	6.5 %	89.0	5.6 %	97.8	4.8 %	
EPS	5.15	6.0 %	5.59	4.1 %	6.14	3.1 %	

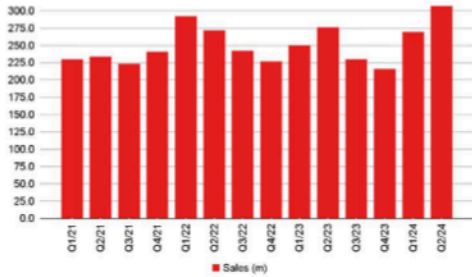


Rel. Performance vs CDAX:	
1 month:	0.2 %
6 months:	11.7 %
Year to date:	1.1 %
Trailing 12 months:	12.5 %

Company events:	

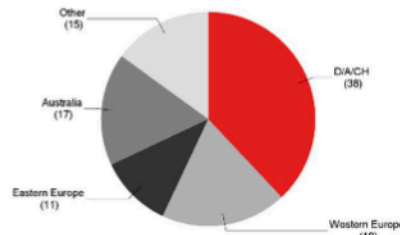
FY End: 31.12. in EUR m	CAGR (23-26e)	2020	2021	2022	2023	2024e	2025e	2026e
Sales	7.3 %	724.7	927.4	1,032.5	971.5	1,071.0	1,132.9	1,200.8
Change Sales yoy		19.6 %	28.0 %	11.3 %	-5.9 %	10.2 %	5.8 %	6.0 %
Gross profit margin		35.9 %	36.0 %	36.2 %	40.0 %	39.7 %	39.7 %	39.8 %
EBITDA	8.5 %	67.6	94.4	107.2	97.3	108.9	115.7	124.2
Margin		9.3 %	10.2 %	10.4 %	10.0 %	10.2 %	10.2 %	10.3 %
EBIT	9.6 %	58.0	82.4	92.5	81.1	91.8	98.2	106.6
Margin		8.0 %	8.9 %	9.0 %	8.3 %	8.6 %	8.7 %	8.9 %
EBT	10.7 %	55.3	81.8	87.4	75.4	87.4	94.0	102.4
Margin		7.6 %	8.8 %	8.5 %	7.8 %	8.2 %	8.3 %	8.5 %
Net income	12.4 %	40.2	58.6	59.8	50.5	61.8	65.9	71.7
EPS	12.4 %	3.64	5.18	5.28	4.46	5.46	5.82	6.33
DPS	10.4 %	0.73	0.87	0.97	0.97	1.10	1.20	1.30
Dividend Yield		3.2 %	1.7 %	1.8 %	1.9 %	1.8 %	1.9 %	2.1 %
FCFPS		0.89	-16.38	-0.31	16.23	2.47	3.51	4.27
FCF / Market cap		3.9 %	-31.8 %	-0.6 %	32.2 %	4.0 %	5.7 %	6.9 %
EV / Sales		0.4 x	0.8 x	0.8 x	0.6 x	0.7 x	0.6 x	0.6 x
EV / EBITDA		4.0 x	8.3 x	7.6 x	6.2 x	6.8 x	6.2 x	5.5 x
EV / EBIT		4.7 x	9.5 x	8.8 x	7.5 x	8.1 x	7.3 x	6.4 x
P / E		6.3 x	9.9 x	10.2 x	11.3 x	11.3 x	10.6 x	9.8 x
FCF Potential Yield		14.8 %	7.5 %	8.0 %	9.6 %	9.3 %	10.2 %	11.6 %
Net Debt		11.6	198.4	205.8	35.9	45.3	18.6	-16.1
ROCE (NOPAT)		17.6 %	15.2 %	11.6 %	11.5 %	15.7 %	15.3 %	15.9 %
Guidance:	2024: sales of around EUR 1,070m, EBT margin 8.0-8.5%							

Sales development
in EUR m



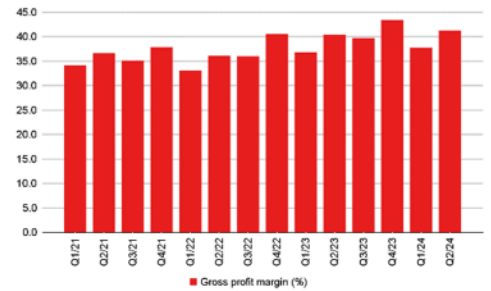
Source: Warburg Research

Sales by regions
2023; in %



Source: Warburg Research

Gross margin development
in %



Source: Warburg Research

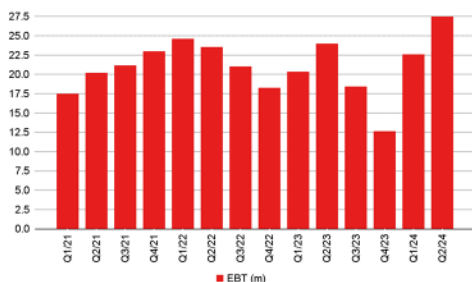
Company Background

- Einhell is a leading provider of power tools and garden equipment for household use. With around 40 subsidiaries, the products are sold globally.
- Particularly in the category of cordless battery-driven products, Einhell has built up a strong position. With the Power-X-Change series the company offers one of the leading systems in the market.
- Einhell's main customers are large DIY chains (57% of sales in 2022), e-commerce (23%) and specialised trade (12%). The share of business with discounters is less than 5%.
- Einhell has long-standing expertise in product development, quality control, international distribution and after-sales services. The production is outsourced and supervised by Einhell's own unit in Asia.
- The company was founded in 1964 by Josef Thannhuber. In 1987 Einhell was listed at the stock exchange. The Thannhuber family holds the majority of the non-listed ordinary shares.

Competitive Quality

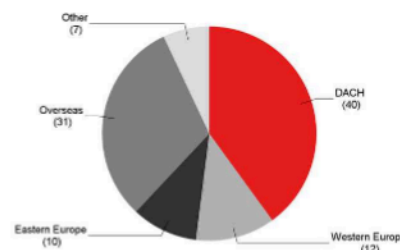
- Einhell has a high brand awareness in key markets, which will be further strengthened by marketing initiatives and presentation at the point-of-sale (including e-commerce) in the course of a long-term brand strategy.
- With its focus on innovative product development, the group can benefit from dynamic growth in the segment of cordless battery systems and gain market share.
- Under the Power-X-Change battery system, the group offers a broad assortment of more than 300 devices for house and garden, which can be further expanded also by cooperation with other manufacturers.
- Einhell shows a strong balance sheet as well as a high level of cost flexibility and generated clearly positive earnings even in economically challenging years.
- Continued international expansion (for example in North America and South East Asia) offers additional growth potential and economies of scale.

EBT development
in EUR m



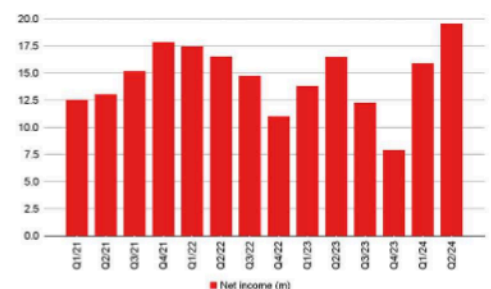
Source: Warburg Research

EBT by regions
2023; in %



Source: Warburg Research

Net income development
in EUR m



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	2036e	
Sales	1,071.0	1,132.9	1,200.8	1,278.9	1,362.0	1,450.5	1,544.8	1,629.8	1,703.1	1,771.2	1,833.2	1,888.2	1,935.4	
Sales change	10.2 %	5.8 %	6.0 %	6.5 %	6.5 %	6.5 %	6.5 %	5.5 %	4.5 %	4.0 %	3.5 %	3.0 %	2.5 %	2.0 %
EBIT	91.8	98.2	106.6	112.5	118.5	124.7	126.7	133.6	139.7	145.2	137.5	141.6	145.2	
EBIT-margin	8.6 %	8.7 %	8.9 %	8.8 %	8.7 %	8.6 %	8.2 %	8.2 %	8.2 %	8.2 %	7.5 %	7.5 %	7.5 %	
Tax rate (EBT)	28.5 %	29.0 %	29.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	
NOPAT	65.6	69.7	75.7	78.8	82.9	87.3	88.7	93.5	97.8	101.7	96.2	99.1	101.6	
Depreciation	17.1	17.5	17.6	19.2	20.4	21.8	23.2	21.2	22.1	23.0	23.8	24.5	25.2	
in % of Sales	1.6 %	1.5 %	1.5 %	1.5 %	1.5 %	1.5 %	1.5 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	
Changes in provisions	0.4	0.5	0.0	-1.3	-0.2	-0.2	0.5	0.4	0.4	0.3	0.3	0.3	0.2	
Change in Liquidity from														
- Working Capital	29.9	19.0	15.0	18.2	8.2	14.7	14.7	26.3	22.7	21.1	19.2	17.0	14.6	
- Capex	25.0	26.0	27.0	26.9	25.9	24.7	23.2	21.2	22.1	23.0	23.8	24.5	25.2	
Capex in % of Sales	2.3 %	2.3 %	2.2 %	2.1 %	1.9 %	1.7 %	1.5 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	1.3 %	
- Other	8.0	8.0	15.0	0.0	5.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Free Cash Flow (WACC Model)	20.3	34.7	36.3	51.6	64.1	69.5	74.4	67.6	75.4	80.9	77.3	82.4	87.2	92
PV of FCF	20.0	31.5	30.4	39.8	45.6	45.6	45.0	37.7	38.7	38.3	33.7	33.1	32.3	523
share of PVs	8.24 %			39.19 %										52.57 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	14.00 %	Financial Strength	1.00
Cost of debt (after tax)	3.3 %	Liquidity (share)	1.50
Market return	8.25 %	Cyclicality	1.00
Risk free rate	2.75 %	Transparency	1.00
		Others	1.50
WACC	8.51 %	Beta	1.20

Valuation (m)

Present values 2036e	472		
Terminal Value	523		
Financial liabilities	109		
Pension liabilities	8		
Hybrid capital	0		
Minority interest	14		
Market val. of investments	0		
Liquidity	99	No. of shares (m)	11.3
Equity Value	963	Value per share (EUR)	85.02

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		1.25 %	1.50 %	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.41	9.5 %	69.07	70.08	71.17	72.32	73.55	74.87	76.29	1.41	9.5 %	53.78	59.96	66.14	72.32	78.50	84.68	90.86
1.31	9.0 %	74.29	75.51	76.81	78.21	79.71	81.32	83.07	1.31	9.0 %	58.32	64.95	71.58	78.21	84.83	91.46	98.09
1.25	8.8 %	77.16	78.51	79.94	81.48	83.15	84.94	86.88	1.25	8.8 %	60.85	67.73	74.61	81.48	88.36	95.24	102.12
1.20	8.5 %	80.25	81.72	83.31	85.02	86.86	88.86	91.03	1.20	8.5 %	63.58	70.73	77.87	85.02	92.17	99.31	106.46
1.15	8.3 %	83.56	85.19	86.95	88.84	90.90	93.13	95.57	1.15	8.3 %	66.53	73.97	81.41	88.84	96.28	103.72	111.15
1.09	8.0 %	87.12	88.93	90.88	92.99	95.29	97.79	100.54	1.09	8.0 %	69.74	77.49	85.24	92.99	100.74	108.49	116.25
0.99	7.5 %	95.12	97.35	99.79	102.44	105.34	108.53	112.06	0.99	7.5 %	77.03	85.50	93.97	102.44	110.91	119.37	127.84

- Mid to long-term EBIT margin assumption in line with management target and average EBIT margin of 7.7% from 2017/23.
- Sales growth assumption in line with Einhell's long-standing target range of +5-10% p.a.
- Beta of 1.2 due to non-voting preference share with limited liquidity.

Free Cash Flow Value Potential

Warburg Research's valuation tool "FCF Value Potential" reflects the ability of the company to generate sustainable free cash flows. It is based on the "FCF potential" - a FCF "ex growth" figure - which assumes unchanged working capital and pure maintenance capex. A value indication is derived via the perpetuity of a given year's "FCF potential" with consideration of the weighted costs of capital. The fluctuating value indications over time add a timing element to the DCF model (our preferred valuation tool).

in EUR m	2020	2021	2022	2023	2024e	2025e	2026e	
Net Income before minorities	41.8	60.2	60.8	51.6	62.5	66.7	72.7	
+ Depreciation + Amortisation	9.6	12.0	14.7	16.2	17.1	17.5	17.6	
- Net Interest Income	-2.6	-0.5	-5.1	-5.7	-4.4	-4.2	-4.2	
- Maintenance Capex	14.0	14.0	15.0	15.0	15.0	15.0	15.0	
+ Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
= Free Cash Flow Potential	40.1	58.7	65.6	58.4	69.0	73.4	79.5	
FCF Potential Yield (on market EV)	14.8 %	7.5 %	8.0 %	9.6 %	9.3 %	10.2 %	11.6 %	
WACC	8.51 %	8.51 %	8.51 %	8.51 %	8.51 %	8.51 %	8.51 %	
= Enterprise Value (EV)	270.0	780.9	818.2	607.2	745.1	718.4	683.6	
= Fair Enterprise Value	471.1	690.6	771.0	686.9	810.9	863.0	934.8	
- Net Debt (Cash)	27.9	27.9	27.9	27.9	36.8	9.6	-25.1	
- Pension Liabilities	8.1	8.1	8.1	8.1	8.5	9.0	9.0	
- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Market value of minorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
+ Market value of investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
= Fair Market Capitalisation	435.1	654.6	735.1	651.0	765.6	844.4	950.9	
Number of shares, average	11.3	11.3	11.3	11.3	11.3	11.3	11.3	
= Fair value per share (EUR)	38.43	57.81	64.92	57.49	67.61	74.58	83.98	
premium (-) / discount (+) in %					9.4 %	20.7 %	35.9 %	
Sensitivity Fair value per Share (EUR)								
	11.51 %	27.58	41.91	47.16	41.68	48.94	54.70	62.46
	10.51 %	30.51	46.20	51.95	45.94	53.98	60.07	68.27
	9.51 %	34.05	51.40	57.75	51.11	60.08	66.56	75.30
WACC	8.51 %	38.43	57.81	64.92	57.49	67.61	74.58	83.98
	7.51 %	43.97	65.94	73.99	65.57	77.15	84.73	94.98
	6.51 %	51.21	76.56	85.85	76.14	89.63	98.00	109.36
	5.51 %	61.09	91.04	102.01	90.54	106.63	116.10	128.96

▪ Decrease in net debt position expected in the coming years.

Valuation	2020	2021	2022	2023	2024e	2025e	2026e
Price / Book	1.1 x	1.7 x	1.7 x	1.7 x	1.8 x	1.6 x	1.4 x
Book value per share ex intangibles	19.70	28.08	27.99	25.88	29.88	34.07	38.68
EV / Sales	0.4 x	0.8 x	0.8 x	0.6 x	0.7 x	0.6 x	0.6 x
EV / EBITDA	4.0 x	8.3 x	7.6 x	6.2 x	6.8 x	6.2 x	5.5 x
EV / EBIT	4.7 x	9.5 x	8.8 x	7.5 x	8.1 x	7.3 x	6.4 x
EV / EBIT adj.*	4.7 x	9.5 x	8.8 x	7.5 x	8.1 x	7.3 x	6.4 x
P / FCF	25.7 x	n.a.	n.a.	3.1 x	25.0 x	17.6 x	14.5 x
P / E	6.3 x	9.9 x	10.2 x	11.3 x	11.3 x	10.6 x	9.8 x
P / E adj.*	6.3 x	9.9 x	10.2 x	11.3 x	11.3 x	10.6 x	9.8 x
Dividend Yield	3.2 %	1.7 %	1.8 %	1.9 %	1.8 %	1.9 %	2.1 %
FCF Potential Yield (on market EV)	14.8 %	7.5 %	8.0 %	9.6 %	9.3 %	10.2 %	11.6 %
*Adjustments made for: -							

Consolidated profit & loss

In EUR m	2020	2021	2022	2023	2024e	2025e	2026e
Sales	724.7	927.4	1,032.5	971.5	1,071.0	1,132.9	1,200.8
Change Sales yoy	19.6 %	28.0 %	11.3 %	-5.9 %	10.2 %	5.8 %	6.0 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	0.0	0.4	0.4	0.7	0.5	0.2	0.2
Total Sales	724.7	927.8	1,032.9	972.3	1,071.5	1,133.1	1,201.0
Material expenses	464.8	594.2	659.1	583.7	645.8	683.1	722.9
Gross profit	259.9	333.7	373.8	388.6	425.7	450.0	478.1
<i>Gross profit margin</i>	<i>35.9 %</i>	<i>36.0 %</i>	<i>36.2 %</i>	<i>40.0 %</i>	<i>39.7 %</i>	<i>39.7 %</i>	<i>39.8 %</i>
Personnel expenses	92.1	107.8	118.7	129.6	139.0	146.8	155.0
Other operating income	8.9	9.3	17.8	18.8	15.0	15.5	16.0
Other operating expenses	109.1	140.7	165.7	180.5	192.8	203.0	214.9
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	67.6	94.4	107.2	97.3	108.9	115.7	124.2
<i>Margin</i>	<i>9.3 %</i>	<i>10.2 %</i>	<i>10.4 %</i>	<i>10.0 %</i>	<i>10.2 %</i>	<i>10.2 %</i>	<i>10.3 %</i>
Depreciation of fixed assets	9.1	10.0	12.4	13.3	14.1	14.4	14.4
EBITA	58.5	84.4	94.9	84.0	94.8	101.3	109.8
Amortisation of intangible assets	0.5	2.0	2.4	2.9	3.0	3.1	3.2
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	58.0	82.4	92.5	81.1	91.8	98.2	106.6
<i>Margin</i>	<i>8.0 %</i>	<i>8.9 %</i>	<i>9.0 %</i>	<i>8.3 %</i>	<i>8.6 %</i>	<i>8.7 %</i>	<i>8.9 %</i>
EBIT adj.	58.0	82.4	92.5	81.1	91.8	98.2	106.6
Interest income	0.1	0.1	0.4	1.9	2.0	1.8	1.8
Interest expenses	0.9	1.6	5.2	6.4	6.0	5.8	5.8
Other financial income (loss)	-1.9	1.0	-0.3	-1.1	-0.4	-0.2	-0.2
EBT	55.3	81.8	87.4	75.4	87.4	94.0	102.4
<i>Margin</i>	<i>7.6 %</i>	<i>8.8 %</i>	<i>8.5 %</i>	<i>7.8 %</i>	<i>8.2 %</i>	<i>8.3 %</i>	<i>8.5 %</i>
Total taxes	14.6	21.7	26.6	23.8	24.9	27.2	29.7
Net income from continuing operations	40.8	60.2	60.8	51.6	62.5	66.7	72.7
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income before minorities	40.8	60.2	60.8	51.6	62.5	66.7	72.7
Minority interest	0.6	1.5	1.0	1.1	0.7	0.8	1.0
Net income	40.2	58.6	59.8	50.5	61.8	65.9	71.7
<i>Margin</i>	<i>5.5 %</i>	<i>6.3 %</i>	<i>5.8 %</i>	<i>5.2 %</i>	<i>5.8 %</i>	<i>5.8 %</i>	<i>6.0 %</i>
Number of shares, average	11.3	11.3	11.3	11.3	11.3	11.3	11.3
EPS	3.64	5.18	5.28	4.46	5.46	5.82	6.33
EPS adj.	3.64	5.18	5.28	4.46	5.46	5.82	6.33

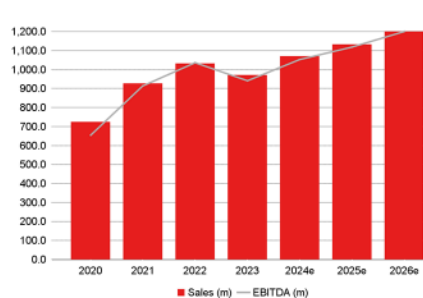
*Adjustments made for:

Guidance: 2024: sales of around EUR 1,070m, EBT margin 8.0-8.5%

Financial Ratios

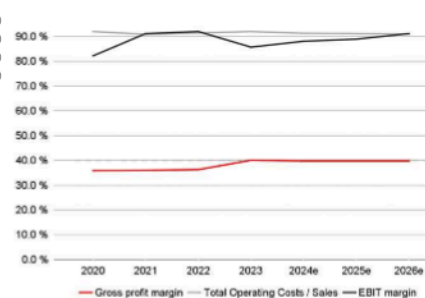
	2020	2021	2022	2023	2024e	2025e	2026e
Total Operating Costs / Sales	91.9 %	90.9 %	91.4 %	92.0 %	91.3 %	91.2 %	91.0 %
Operating Leverage	3.3 x	1.5 x	1.1 x	2.1 x	1.3 x	1.2 x	1.4 x
EBITDA / Interest expenses	74.8 x	57.8 x	20.7 x	15.1 x	18.1 x	19.9 x	21.4 x
Tax rate (EBT)	25.8 %	26.5 %	30.5 %	31.6 %	28.5 %	29.0 %	29.0 %
Dividend Payout Ratio	20.4 %	16.3 %	18.0 %	21.2 %	19.9 %	20.4 %	20.2 %
Sales per Employee	437,606	516,380	525,988	420,756	455,745	470,083	486,154

Sales, EBITDA
in EUR m



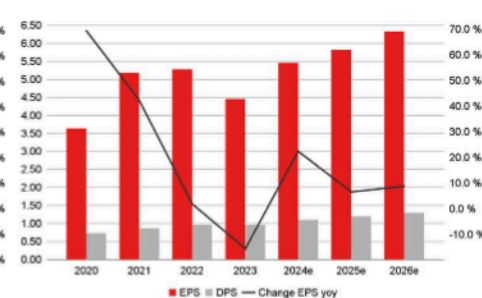
Source: Warburg Research

Operating Performance
in %



Source: Warburg Research

Performance per Share



Source: Warburg Research

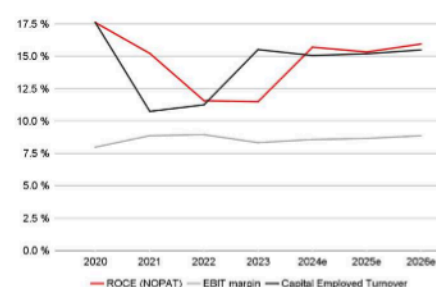
Consolidated balance sheet

In EUR m	2020	2021	2022	2023	2024e	2025e	2026e
Assets							
Goodwill and other intangible assets	19.8	19.6	38.6	47.9	48.4	49.4	50.4
thereof other intangible assets	7.0	7.7	20.3	26.4	27.0	28.0	29.0
thereof Goodwill	11.6	11.6	17.8	20.9	20.9	20.9	20.9
Property, plant and equipment	58.7	75.6	75.4	80.4	85.3	90.9	97.5
Financial assets	0.3	0.9	1.7	4.6	4.6	4.6	4.6
Other long-term assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fixed assets	78.9	96.1	115.6	132.9	138.3	144.9	152.5
Inventories	194.8	450.0	473.5	363.6	389.0	405.0	421.0
Accounts receivable	119.2	135.9	143.7	149.8	161.0	168.0	178.0
Liquid assets	32.1	11.5	10.7	99.4	76.4	93.6	88.4
Other short-term assets	53.5	138.4	99.2	64.3	73.0	73.0	73.0
Current assets	399.6	735.8	727.1	677.1	699.4	739.6	760.4
Total Assets	478.4	831.9	842.7	810.1	837.7	884.6	912.9
Liabilities and shareholders' equity							
Subscribed capital	9.7	9.7	9.7	9.7	9.7	9.7	9.7
Capital reserve	26.7	26.7	26.7	26.7	26.7	26.7	26.7
Retained earnings	224.4	274.6	311.2	347.5	293.7	338.0	385.3
Other equity components	-17.8	26.6	8.0	-42.9	56.8	60.9	66.7
Shareholders' equity	242.9	337.6	355.5	340.9	386.8	435.2	488.4
Minority interest	2.4	3.4	11.3	14.0	12.0	12.0	12.0
Total equity	245.3	341.0	366.8	354.9	398.8	447.2	500.4
Provisions	35.7	38.0	28.8	27.7	31.0	31.5	31.5
thereof provisions for pensions and similar obligations	7.9	9.0	7.2	8.1	8.5	9.0	9.0
Financial liabilities (total)	35.7	200.9	209.2	127.3	113.2	103.2	63.2
Short-term financial liabilities	3.4	90.9	102.9	16.8	20.0	10.0	5.0
Accounts payable	96.8	137.5	116.3	154.3	161.0	165.0	176.0
Other liabilities	64.8	114.5	121.5	145.8	133.7	137.6	141.8
Liabilities	233.1	490.9	475.9	455.1	438.9	437.3	412.5
Total liabilities and shareholders' equity	478.4	831.9	842.7	810.1	837.7	884.6	912.9

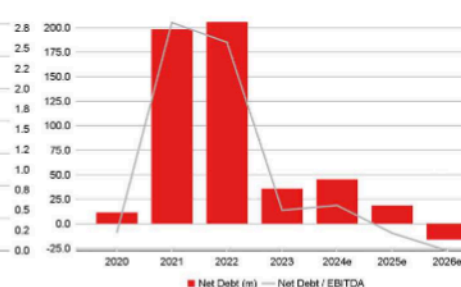
Financial Ratios

	2020	2021	2022	2023	2024e	2025e	2026e
Efficiency of Capital Employment							
Operating Assets Turnover	2.6 x	1.8 x	1.8 x	2.2 x	2.3 x	2.3 x	2.3 x
Capital Employed Turnover	2.8 x	1.7 x	1.8 x	2.5 x	2.4 x	2.4 x	2.5 x
ROA	50.9 %	61.0 %	51.7 %	38.0 %	44.7 %	45.5 %	47.0 %
Return on Capital							
ROCE (NOPAT)	17.6 %	15.2 %	11.6 %	11.5 %	15.7 %	15.3 %	15.9 %
ROE	17.6 %	20.2 %	17.2 %	14.5 %	17.0 %	16.0 %	15.5 %
Adj. ROE	17.6 %	20.2 %	17.2 %	14.5 %	17.0 %	16.0 %	15.5 %
Balance sheet quality							
Net Debt	11.6	198.4	205.8	35.9	45.3	18.6	-16.1
Net Financial Debt	3.6	189.4	198.6	27.9	36.8	9.6	-25.1
Net Gearing	4.7 %	58.2 %	56.1 %	10.1 %	11.4 %	4.2 %	-3.2 %
Net Fin. Debt / EBITDA	5.4 %	200.6 %	185.2 %	28.6 %	33.8 %	8.3 %	n.a.
Book Value / Share	21.5	29.8	31.4	30.1	34.2	38.4	43.1
Book value per share ex intangibles	19.7	28.1	28.0	25.9	29.9	34.1	38.7

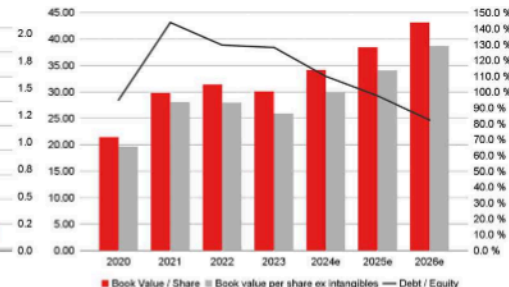
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

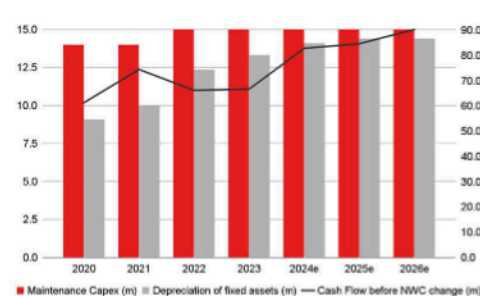
Consolidated cash flow statement

In EUR m	2020	2021	2022	2023	2024e	2025e	2026e
Net income	56.4	81.8	87.4	75.4	87.4	94.0	102.4
Depreciation of fixed assets	9.1	10.0	12.4	13.3	14.1	14.4	14.4
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.5	2.0	2.4	2.9	3.0	3.1	3.2
Increase/decrease in long-term provisions	9.9	2.3	-9.2	-1.1	3.3	0.5	0.0
Other non-cash income and expenses	-14.6	-21.7	-26.6	-23.8	-24.9	-27.2	-29.7
Cash Flow before NWC change	61.3	74.5	66.3	66.7	82.8	84.7	90.3
Increase / decrease in inventory	-21.4	-255.2	-23.5	109.9	-25.4	-16.0	-16.0
Increase / decrease in accounts receivable	-26.3	-16.7	-7.8	-6.1	-11.2	-7.0	-10.0
Increase / decrease in accounts payable	18.6	40.7	-21.2	38.0	6.7	4.0	11.0
Increase / decrease in other working capital positions	0.0	0.0	0.0	-4.0	-4.0	-4.0	-4.0
Increase / decrease in working capital (total)	-29.2	-231.2	-52.6	137.8	-33.9	-23.0	-19.0
Net cash provided by operating activities [1]	32.1	-156.7	13.7	204.5	49.0	61.7	71.3
Investments in intangible assets	-2.8	-1.6	-2.6	-2.7	-2.0	-2.0	-2.0
Investments in property, plant and equipment	-19.2	-27.2	-14.6	-18.0	-19.0	-20.0	-21.0
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.6	0.0	0.0	0.0	0.0
Net cash provided by investing activities [2]	-22.1	-28.8	-16.6	-20.7	-21.0	-22.0	-23.0
Change in financial liabilities	-2.2	165.2	8.3	-81.9	-14.1	-10.0	-40.0
Dividends paid	-5.3	-8.3	-9.8	-10.9	-10.9	-12.5	-13.6
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by financing activities [3]	-7.5	156.9	-1.5	-92.9	-25.0	-22.5	-53.6
Change in liquid funds [1]+[2]+[3]	2.6	-28.6	-4.4	90.8	2.9	17.3	-5.3
Effects of exchange-rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalent at end of period	28.3	3.5	7.1	101.5	102.4	93.6	88.4

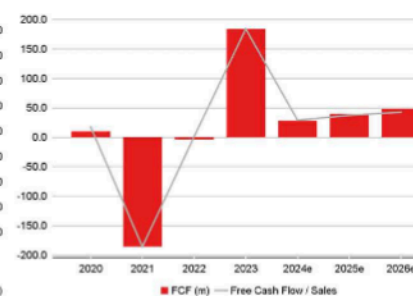
Financial Ratios

	2020	2021	2022	2023	2024e	2025e	2026e
Cash Flow							
FCF	10.1	-185.5	-3.5	183.7	28.0	39.7	48.3
Free Cash Flow / Sales	1.4 %	-20.0 %	-0.3 %	18.9 %	2.6 %	3.5 %	4.0 %
Free Cash Flow Potential	40.1	58.7	65.6	58.4	69.0	73.4	79.5
Free Cash Flow / Net Profit	25.1 %	-316.4 %	-5.8 %	363.9 %	45.3 %	60.3 %	67.4 %
Interest Received / Avg. Cash	0.5 %	0.5 %	3.2 %	3.4 %	2.3 %	2.1 %	2.0 %
Interest Paid / Avg. Debt	2.5 %	1.4 %	2.5 %	3.8 %	5.0 %	5.4 %	7.0 %
Management of Funds							
Investment ratio	3.0 %	3.1 %	1.7 %	2.1 %	2.0 %	1.9 %	1.9 %
Maint. Capex / Sales	1.9 %	1.5 %	1.5 %	1.5 %	1.4 %	1.3 %	1.2 %
Capex / Dep	229.4 %	239.2 %	117.0 %	128.0 %	122.8 %	125.7 %	130.7 %
Avg. Working Capital / Sales	28.0 %	35.9 %	46.0 %	44.3 %	34.9 %	35.2 %	34.6 %
Trade Debtors / Trade Creditors	123.1 %	98.8 %	123.6 %	97.1 %	100.0 %	101.8 %	101.1 %
Inventory Turnover	2.4 x	1.3 x	1.4 x	1.6 x	1.7 x	1.7 x	1.7 x
Receivables collection period (days)	60	53	51	56	55	54	54
Payables payment period (days)	76	84	64	96	91	88	89
Cash conversion cycle (Days)	137	245	249	187	184	182	178

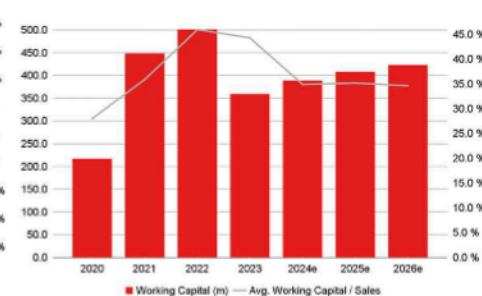
CAPEX and Cash Flow
in EUR m



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

LEGAL DISCLAIMER

This research report ("investment recommendation") was prepared by the Warburg Research GmbH, a fully owned subsidiary of the M.M.Warburg & CO (AG & Co.) KGaA and is passed on by the M.M.Warburg & CO (AG & Co.) KGaA. It is intended solely for the recipient and may not be passed on to another company without their prior consent, regardless of whether the company is part of the same corporation or not. It contains selected information and does not purport to be complete. The investment recommendation is based on publicly available information and data ("information") believed to be accurate and complete. Warburg Research GmbH neither examines the information for accuracy and completeness, nor guarantees its accuracy and completeness. Possible errors or incompleteness of the information do not constitute grounds for liability of M.M.Warburg & CO (AG & Co.) KGaA or Warburg Research GmbH for damages of any kind whatsoever, and M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH are not liable for indirect and/or direct and/or consequential damages. In particular, neither M.M.Warburg & CO (AG & Co.) KGaA nor Warburg Research GmbH are liable for the statements, plans or other details contained in these investment recommendations concerning the examined companies, their affiliated companies, strategies, economic situations, market and competitive situations, regulatory environment, etc. Although due care has been taken in compiling this investment recommendation, it cannot be excluded that it is incomplete or contains errors. M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH, their shareholders and employees are not liable for the accuracy and completeness of the statements, estimations and the conclusions derived from the information contained in this investment recommendation. Provided a investment recommendation is being transmitted in connection with an existing contractual relationship, i.e. financial advisory or similar services, the liability of M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH shall be restricted to gross negligence and wilful misconduct. In case of failure in essential tasks, M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH are liable for normal negligence. In any case, the liability of M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH is limited to typical, expectable damages. This investment recommendation does not constitute an offer or a solicitation of an offer for the purchase or sale of any security. Partners, directors or employees of M.M.Warburg & CO (AG & Co.) KGaA, Warburg Research GmbH or affiliated companies may serve in a position of responsibility, i.e. on the board of directors of companies mentioned in the report. Opinions expressed in this investment recommendation are subject to change without notice. The views expressed in this research report accurately reflect the research analyst's personal views about the subject securities and issuers. Unless otherwise specified in the research report, no part of the research analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in the research report. All rights reserved.

COPYRIGHT NOTICE

This work including all its parts is protected by copyright. Any use beyond the limits provided by copyright law without permission is prohibited and punishable. This applies, in particular, to reproductions, translations, microfilming, and storage and processing on electronic media of the entire content or parts thereof.

DISCLOSURE ACCORDING TO §85 OF THE GERMAN SECURITIES TRADING ACT (WPHG), MAR AND MIFID II INCL. COMMISSION DELEGATED REGULATION (EU) 2016/958 AND (EU) 2017/565

The valuation underlying the investment recommendation for the company analysed here is based on generally accepted and widely used methods of fundamental analysis, such as e.g. DCF Model, Free Cash Flow Value Potential, NAV, Peer Group Comparison or Sum of the Parts Model (see also <http://www.mmwarburg.de/disclaimer/disclaimer.htm#Valuation>). The result of this fundamental valuation is modified to take into consideration the analyst's assessment as regards the expected development of investor sentiment and its impact on the share price.

Independent of the applied valuation methods, there is the risk that the price target will not be met, for instance because of unforeseen changes in demand for the company's products, changes in management, technology, economic development, interest rate development, operating and/or material costs, competitive pressure, supervisory law, exchange rate, tax rate etc. For investments in foreign markets and instruments there are further risks, generally based on exchange rate changes or changes in political and social conditions.

This commentary reflects the opinion of the relevant author at the point in time of its compilation. A change in the fundamental factors underlying the valuation can mean that the valuation is subsequently no longer accurate. Whether, or in what time frame, an update of this commentary follows is not determined in advance.

Additional internal and organisational arrangements to prevent or to deal with conflicts of interest have been implemented. Among these are the spatial separation of Warburg Research GmbH from M.M.Warburg & CO (AG & Co.) KGaA and the creation of areas of confidentiality. This prevents the exchange of information, which could form the basis of conflicts of interest for Warburg Research GmbH in terms of the analysed issuers or their financial instruments.

The analysts of Warburg Research GmbH do not receive a gratuity – directly or indirectly – from the investment banking activities of M.M.Warburg & CO (AG & Co.) KGaA or of any company within the Warburg-Group.

All prices of financial instruments given in this investment recommendation are the closing prices on the last stock-market trading day before the publication date stated, unless another point in time is explicitly stated.

M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH are subject to the supervision of the Federal Financial Supervisory Authority, BaFin. M.M.Warburg & CO (AG & Co.) KGaA is additionally subject to the supervision of the European Central Bank (ECB).

SOURCES

All data and consensus estimates have been obtained from FactSet except where stated otherwise.

The **Warburg ESG Risk Score** is based on information © 2020 MSCI ESG Research LLC. Reproduced by permission. Although Warburg Research's information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for, or a component, of any financial instruments or products indices. Further, none of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damage (including lost profits) even if notified of the possibility.

Additional information for clients in the United States

1. This research report (the "Report") is a product of Warburg Research GmbH, Germany, a fully owned subsidiary of M.M.Warburg & CO (AG & Co.) KGaA, Germany (in the following collectively "Warburg"). Warburg is the employer of the research analyst(s), who have prepared the Report. The research analyst(s) reside outside the United States and are not associated persons of any U.S. regulated broker-dealer and therefore are not subject to the supervision of any U.S. regulated broker-dealer.
2. The Report is provided in the United States for distribution solely to "major U.S. institutional investors" under Rule 15a-6 of the U.S. Securities Exchange Act of 1934 by CIC.
3. CIC (Crédit Industriel et Commercial) and M.M.Warburg & CO have concluded a Research Distribution Agreement that gives CIC Market Solutions exclusive distribution in France, the US and Canada of the Warburg Research GmbH research product.
4. The research reports are distributed in the United States of America by CIC ("CIC") pursuant to a SEC Rule 15a-6 agreement with CIC Market Solutions Inc ("CICI"), a U.S. registered broker-dealer and a related company of CIC, and are distributed solely to persons who qualify as "Major U.S. Institutional Investors" as defined in SEC Rule 15a-6 under the Securities Exchange Act of 1934.
5. Any person who is not a Major U.S. Institutional Investor must not rely on this communication. The delivery of this research report to any person in the United States of America is not a recommendation to effect any transactions in the securities discussed herein, or an endorsement of any opinion expressed herein.

Reference in accordance with section 85 of the German Securities Trading Act (WpHG) and Art. 20 MAR regarding possible conflicts of interest with companies analysed:

- 1- Warburg Research, or an affiliated company, or an employee of one of these companies responsible for the compilation of the research, hold a **share of more than 5%** of the equity capital of the analysed company.
- 2- Warburg Research, or an affiliated company, within the last twelve months participated in the **management of a consortium** for an issue in the course of a public offering of such financial instruments, which are, or the issuer of which is, the subject of the investment recommendation.
- 3- Companies affiliated with Warburg Research **manage financial instruments**, which are, or the issuers of which are, subject of the investment recommendation, in a market based on the provision of buy or sell contracts.
- 4- MMWB, Warburg Research, or an affiliated company, reached an agreement with the issuer to provide **investment banking and/or investment services** and the relevant agreement was in force in the last 12 months or there arose for this period, based on the relevant agreement, the obligation to provide or to receive a service or compensation - provided that this disclosure does not result in the disclosure of confidential business information.
- 5- The company compiling the analysis or an affiliated company had reached an **agreement on the compilation of the investment recommendation** with the analysed company.
- 6a- Warburg Research, or an affiliated company, holds a **net long position of more than 0.5%** of the total issued share capital of the analysed company.
- 6b- Warburg Research, or an affiliated company, holds a **net short position of more than 0.5%** of the total issued share capital of the analysed company.
- 6c- The issuer holds shares of more than 5% of the total issued capital of Warburg Research or an affiliated company.
- 7- The company preparing the analysis as well as its affiliated companies and employees have **other important interests** in relation to the analysed company, such as, for example, the exercising of mandates at analysed companies.

Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
Einhell Pref.	3, 5	https://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A40ESU3.htm

INVESTMENT RECOMMENDATION

Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

-B-	Buy:	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	Hold:	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	Sell:	The price of the analysed financial instrument is expected to fall over the next 12 months.
"-"	Rating suspended:	The available information currently does not permit an evaluation of the company.

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING

Rating	Number of stocks	% of Universe
Buy	142	71
Hold	42	21
Sell	10	5
Rating suspended	6	3
Total	200	100

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...

... taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	43	77
Hold	9	16
Sell	2	4
Rating suspended	2	4
Total	56	100

PRICE AND RATING HISTORY EINHELL PREF. AS OF 14.10.2024



Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

EQUITIES

Matthias Rode +49 40 3282-2678
Head of Equities mrode@mmwarburg.com

RESEARCH

Michael Heider +49 40 309537-280
Head of Research mheider@warburg-research.com

Henner Rüschemier +49 40 309537-270
Head of Research hrueschmeier@warburg-research.com

Stefan Augustin +49 40 309537-168
Cap. Goods, Engineering saugustin@warburg-research.com

Jan Bauer +49 40 309537-155
Renewables jbauer@warburg-research.com

Christian Cohrs +49 40 309537-175
Industrials & Transportation ccohrs@warburg-research.com

Dr. Christian Ehmann +49 40 309537-167
BioTech, Life Science cehmann@warburg-research.com

Felix Ellmann +49 40 309537-120
Software, IT fellmann@warburg-research.com

Jörg Philipp Frey +49 40 309537-258
Retail, Consumer Goods jfrey@warburg-research.com

Marius Fuhrberg +49 40 309537-185
Financial Services mfuhrberg@warburg-research.com

Fabio Hölscher +49 40 309537-240
Automobiles, Car Suppliers fhoelscher@warburg-research.com

Philipp Kaiser +49 40 309537-260
Real Estate, Construction pkaiser@warburg-research.com

Thilo Kleibauer +49 40 309537-257
Retail, Consumer Goods tkleibauer@warburg-research.com

Hannes Müller +49 40 309537-255
Software, IT hmueller@warburg-research.com

Andreas Pläsier +49 40 309537-246
Banks, Financial Services aplaesier@warburg-research.com

Malte Schaumann +49 40 309537-170
Technology mschaumann@warburg-research.com

Oliver Schwarz +49 40 309537-250
Chemicals, Agriculture oschwarz@warburg-research.com

Simon Stippig +49 40 309537-265
Real Estate, Telco sstippig@warburg-research.com

Marc-René Tonn +49 40 309537-259
Automobiles, Car Suppliers mtonn@warburg-research.com

Robert-Jan van der Horst +49 40 309537-290
Technology rvanderhorst@warburg-research.com

Andreas Wolf +49 40 309537-140
Software, IT awolf@warburg-research.com

INSTITUTIONAL EQUITY SALES

Klaus Schilling +49 69 5050-7400
Head of Equity Sales, Germany kschilling@mmwarburg.com

Tim Beckmann +49 40 3282-2665
United Kingdom tbeckmann@mmwarburg.com

Jens Buchmüller +49 69 5050-7415
Scandinavia, Austria jbuchmueller@mmwarburg.com

Matthias Fritsch +49 40 3282-2696
United Kingdom, Ireland mfritsch@mmwarburg.com

Rudolf Alexander Michaelis +49 40 3282-2649
Germany rmichaelis@mmwarburg.com

Roman Alexander Niklas +49 69 5050-7412
Switzerland, Poland, Italy rniklas@mmwarburg.com

Sascha Propp +49 40 3282-2656
France spropp@mmwarburg.com

Antonia Möller +49 69 5050-7417
Roadshow/Marketing amoeller@mmwarburg.com

Charlotte Wernicke +49 40 3282-2669
Roadshow/Marketing cwernicke@mmwarburg.com

Juliane Niemann +49 40 3282-2694
Roadshow/Marketing jniemann@mmwarburg.com

SALES TRADING

Oliver Merkel +49 40 3282-2634
Head of Sales Trading omerkel@mmwarburg.com

Rico Müller +49 40 3282-2685
Sales Trading rmueller@mmwarburg.com

Bastian Quast +49 40 3282-2701
Sales Trading bquast@mmwarburg.com

DESIGNATED SPONSORING

Marcel Magiera +49 40 3282-2662
Designated Sponsoring mmagiera@mmwarburg.com

Sebastian Schulz +49 40 3282-2631
Designated Sponsoring sschulz@mmwarburg.com

Jörg Treptow +49 40 3282-2658
Designated Sponsoring jtreptow@mmwarburg.com

MACRO RESEARCH

Carsten Klude +49 40 3282-2572
Macro Research cklude@mmwarburg.com

Dr. Christian Jasperneite +49 40 3282-2439
Investment Strategy cjasperneite@mmwarburg.com

Our research can be found under:

Warburg Research research.mmwarburg.com/en/index.html
Bloomberg RESP MMWA GO
FactSet www.factset.com

LSEG www.lseg.com
Capital IQ www.capitaliq.com

For access please contact:

Andrea Schaper +49 40 3282-2632
Sales Assistance aschaper@mmwarburg.com

Kerstin Muthig +49 40 3282-2703
Sales Assistance kmuthig@mmwarburg.com