

<b>Buy</b> <b>EUR 200.00</b> (EUR 224.00)  Price EUR 105.90 <b>Upside 88.9 %</b>	<b>Value Indicators:</b> EUR DCF: 199.86	<b>Warburg ESG Risk Score: 3.7</b> ESG Score (MSCI based): 4.0 Balance Sheet Score: 4.0 Market Liquidity Score: 3.0	<b>Description:</b> Technology-based financial services provider
	<b>Market Snapshot:</b> EUR m Market cap: 707.80 No. of shares (m): 6.68 EV: 818.56 Freefloat MC: 436.71 Ø Trad. Vol. (30d): 1.42 m	<b>Shareholders:</b> Freefloat: 61.70 % Revenia (Ronald Slabke): 34.60 % Treasury shares: 3.70 %	<b>Key Figures (WRE):</b> 2023e Beta: 1.2 Price / Book: 2.2 x Equity Ratio: 54 % Net Fin. Debt / EBITDA: 3.4 x Net Debt / EBITDA: 3.4 x

## Continued challenging market environment leads to another profit warning

### Hypoport - Q3 2023

in EUR m	Q3/23	Q3/23e	Q3/22	yoy	9M/23	9M/23e	9M/22	yoy
<b>Sales</b>	<b>88.0</b>	90.0	105.0	-16.2%	<b>267.0</b>	269.0	367.5	-27.3%
<b>EBIT</b>	<b>-1.0</b>	1.0	0.8	-	<b>-2.7</b>	-0.7	31.0	-
<i>margin</i>	<i>-1.1%</i>	<i>1.1%</i>	<i>0.8%</i>		<i>-1.0%</i>	<i>-0.3%</i>	<i>8.4%</i>	

Hypoport reported preliminary Q3 figures that were broadly in line with our estimates.

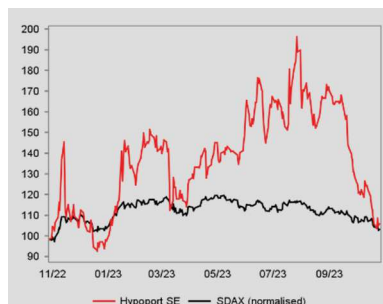
The market environment remained challenging, which is reflected in the fact that transaction volumes on Europace increased only slightly by +6.6% qoq to EUR 16.78bn. However, in a yoy comparison, transaction volumes were still down -15.3%, although Q3 2022 was the first quarter of the current downturn.

Revenues followed a similar trend, rising +3% qoq to EUR 88m, but down around -15% yoy. EBIT improved slightly to EUR -1m (EUR -2.5m in Q2 2023) but remained negative, presumably due to continued high losses in the Real Estate Platform segment.

In view of the challenging market environment, Hypoport has once again reduced its guidance, as was to be expected (see our "Warburg Guide to H2 2023 Warnings" issued at the end of September). The company now expects a revenue decline of up to -25% (previously up to -15%) and EBIT of EUR 10-15m (previously at least EUR 10m). Against the backdrop of the negative EBIT contribution after 9M, it appears clear that the new EBIT guidance will probably not be achieved through operational performance, but the company cited positive net one-off effects (e.g. elimination of purchase price liabilities from a debtor warrant).

Assessment: The profit warning was already expected, but should still result in a negative share-price reaction. However, this should be the end of the bad news for the company as the comparison base becomes easier with Q4 and a slight market recovery is expected in 2024. We therefore stick to our Buy recommendation and believe that share-price levels below 100 are excellent buying opportunities in a mid-term perspective. The price target is lowered to EUR 200.

Changes in Estimates:				Comment on Changes:			
FY End: 31.12. in EUR m	2023e (old)	+ / -	2024e (old)	+ / -	2025e (old)	+ / -	
<b>Sales</b>	388.64	-6.9 %	454.72	-7.1 %	509.73	-6.6 %	▪ Expectations for market volumes and speed of recovery lowered
<b>EBIT</b>	9.79	13.4 %	43.41	-21.4 %	62.28	-17.4 %	

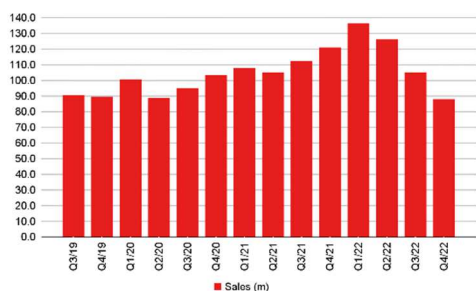


Rel. Performance vs SDAX:	
1 month:	-15.8 %
6 months:	-11.5 %
Year to date:	9.3 %
Trailing 12 months:	5.1 %

**Company events:**  
13.11.23 Q3

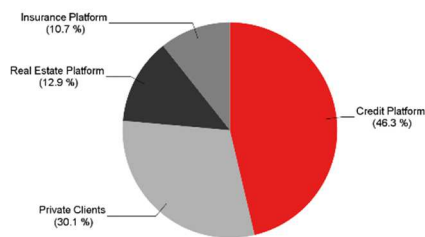
FY End: 31.12. in EUR m	CAGR (22-25e)	2019	2020	2021	2022	2023e	2024e	2025e
<b>Sales</b>	1.5 %	337.24	387.73	446.35	455.45	361.76	422.38	476.23
Change Sales yoy		26.8 %	15.0 %	15.1 %	2.0 %	-20.6 %	16.8 %	12.8 %
Gross profit margin		58.9 %	59.7 %	61.2 %	62.6 %	55.9 %	59.8 %	61.2 %
<b>EBITDA</b>	11.7 %	52.22	63.85	77.10	57.71	32.81	59.21	80.49
Margin		15.5 %	16.5 %	17.3 %	12.7 %	9.1 %	14.0 %	16.9 %
<b>EBIT</b>	27.7 %	33.01	36.24	47.68	24.68	11.11	34.11	51.42
Margin		9.8 %	9.3 %	10.7 %	5.4 %	3.1 %	8.1 %	10.8 %
<b>Net income</b>	27.2 %	24.40	27.27	30.16	18.69	7.09	24.98	38.45
<b>EPS</b>	24.8 %	3.90	4.36	4.83	2.96	1.06	3.74	5.75
<b>EPS adj.</b>	24.8 %	3.90	4.36	4.83	2.96	1.06	3.74	5.75
<b>DPS</b>	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Yield		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>FCFPS</b>		3.07	1.59	4.35	0.41	-0.37	1.17	3.86
<b>FCF / Market cap</b>		1.4 %	0.4 %	0.9 %	0.2 %	-0.3 %	1.1 %	3.6 %
<b>EV / Sales</b>		4.4 x	6.9 x	7.5 x	3.6 x	2.3 x	1.9 x	1.6 x
<b>EV / EBITDA</b>		28.5 x	41.7 x	43.1 x	28.6 x	24.9 x	13.7 x	9.8 x
<b>EV / EBIT</b>		45.0 x	73.5 x	69.8 x	66.8 x	73.7 x	23.8 x	15.3 x
<b>P / E</b>		57.2 x	92.0 x	105.3 x	79.9 x	99.9 x	28.3 x	18.4 x
<b>P / E adj.</b>		57.2 x	92.0 x	105.3 x	79.9 x	99.9 x	28.3 x	18.4 x
<b>FCF Potential Yield</b>		3.0 %	2.2 %	1.9 %	3.3 %	3.8 %	6.4 %	8.9 %
<b>Net Debt</b>		90.89	156.89	149.11	158.30	110.76	102.91	77.13
<b>ROCE (NOPAT)</b>		10.9 %	9.3 %	8.4 %	5.1 %	2.0 %	5.9 %	8.6 %
<b>Guidance:</b>		2023: Revenue -25%; EBIT between EUR 12m and 15m						

## Sales development in EUR m



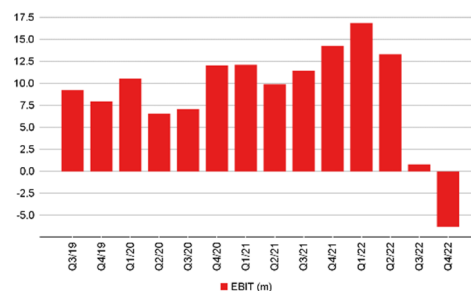
Source: Warburg Research

## Sales by Segments 2021; in %



Source: Warburg Research

## EBIT development in EUR m



Source: Warburg Research

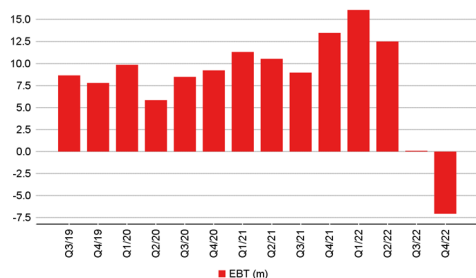
## Company Background

- The company, founded in 1999, is specialised as a property financing intermediary and is expanding its value chain towards the insurance and real estate sectors
- With EUROPACE, Hypoport operates the largest German online B2B platform for property financing and similar products
- Under the Dr. Klein brand, Hypoport operates a franchise system of stationary advisors for private customers
- Hypoport is also in a leading position in the area of institutional property financing (also under the Dr. Klein brand)
- An advanced level of technology is shown in all segments (fintech)

## Competitive Quality

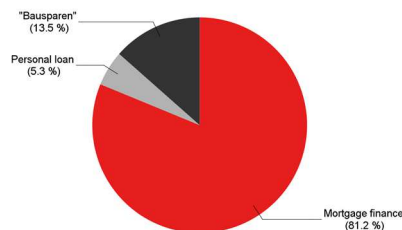
- The online B2B marketplace for property financing (EUROPACE) is the largest of its kind in Germany
- As the number of affiliated suppliers is decisive for marketplaces of this type, this forms a central competitive advantage and a considerable market entry barrier for third parties.
- The Dr. Klein business segments (private clients) benefits from market access over EUROPACE but also from the many years of experience in the area of property financing
- Most importantly however Dr. Klein is strongly focused on property financing and neutral (with offers from every provider). Other financial sales teams or retail banks normally cannot afford both.
- The new platform businesses insurance platform and real estate platform should strongly benefit of the market-leading credit platform and the excellent track record of the company.

## EBT development in EUR m



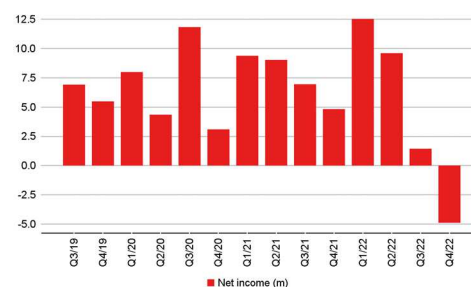
Source: Warburg Research

## EUROPACE by product segments 2022; 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
	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	
Sales	360.99	421.48	475.21	524.55	575.88	633.47	690.48	745.72	797.92	845.80	888.09	923.61	942.08	
Sales change	-20.7 %	16.8 %	12.8 %	10.4 %	9.8 %	10.0 %	9.0 %	8.0 %	7.0 %	6.0 %	5.0 %	4.0 %	2.0 %	1.5 %
EBIT	11.11	34.11	51.42	67.57	84.48	114.02	138.10	164.06	191.50	211.45	222.02	230.90	235.52	
EBIT-margin	0.0 %	8.0 %	10.7 %	12.9 %	14.7 %	18.0 %	20.0 %	22.0 %	24.0 %	25.0 %	25.0 %	25.0 %	25.0 %	
Tax rate (EBT)	22.2 %	22.2 %	22.2 %	22.0 %	22.0 %	22.0 %	22.0 %	22.0 %	22.0 %	22.0 %	22.0 %	22.0 %	22.0 %	
NOPAT	8.64	26.53	40.00	52.70	65.90	88.94	107.72	127.97	149.37	164.93	173.18	180.10	183.71	
Depreciation	21.71	25.11	29.07	28.85	28.79	28.51	27.62	29.83	31.92	33.83	35.52	36.94	37.68	
in % of Sales	6.0 %	6.0 %	6.1 %	5.5 %	5.0 %	4.5 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	
Changes in provisions	0.00	0.00	0.00	-0.06	0.05	0.06	0.06	0.06	0.05	0.05	0.04	0.04	0.02	
Change in Liquidity from														
- Working Capital	-6.68	4.30	3.80	4.64	3.85	4.32	4.28	4.14	3.92	3.59	3.17	2.66	1.39	
- Capex	37.94	37.94	37.94	36.72	34.55	31.67	27.62	29.83	31.92	33.83	35.52	36.94	37.68	
Capex in % of Sales	10.5 %	9.0 %	8.0 %	7.0 %	6.0 %	5.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	
- Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Free Cash Flow (WACC Model)	-0.91	9.40	27.33	40.14	56.34	81.51	103.50	123.88	145.51	161.39	170.05	177.48	182.34	185
PV of FCF	-0.90	8.51	22.68	30.56	39.35	52.24	60.85	66.82	72.02	73.28	70.84	67.84	63.94	868
share of PVs	2.03 %			39.96 %										58.01 %

## Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	2.00 %	Financial Strength	1.00
Cost of debt (after tax)	2.3 %	Liquidity (share)	1.20
Market return	8.25 %	Cyclicality	1.30
Risk free rate	2.75 %	Transparency	1.00
		Others	1.30
<b>WACC</b>	<b>8.99 %</b>	<b>Beta</b>	<b>1.16</b>

## Valuation (m)

Present values 2035e	628		
Terminal Value	868		
Financial liabilities	188		
Pension liabilities	1		
Hybrid capital	0		
Minority interest	2		
Market val. of investments	0		
Liquidity	30	No. of shares (m)	6.7
<b>Equity Value</b>	<b>1,336</b>	<b>Value per share (EUR)</b>	<b>199.86</b>

## Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		0.75 %	1.00 %	1.25 %	1.50 %	1.75 %	2.00 %	2.25 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.35	10.0 %	157.70	160.32	163.09	166.02	169.13	172.43	175.95	1.35	10.0 %	150.20	155.01	159.82	164.63	169.44	174.25	179.06
1.25	9.5 %	171.94	175.04	178.33	181.82	185.53	189.50	193.73	1.25	9.5 %	165.00	170.14	175.28	180.42	185.56	190.70	195.84
1.21	9.2 %	179.74	183.12	186.71	190.53	194.60	198.96	203.63	1.21	9.2 %	173.17	178.49	183.81	189.13	194.46	199.78	205.10
1.16	9.0 %	188.05	191.74	195.66	199.86	204.34	209.14	214.29	1.16	9.0 %	181.92	187.43	192.95	198.46	203.97	209.49	215.00
1.11	8.7 %	196.91	200.95	205.26	209.86	214.80	220.10	225.81	1.11	8.7 %	191.30	197.02	202.74	208.47	214.19	219.91	225.63
1.07	8.5 %	206.38	210.81	215.55	220.62	226.07	231.95	238.29	1.07	8.5 %	201.39	207.33	213.28	219.22	225.17	231.12	237.06
0.97	8.0 %	227.40	232.77	238.54	244.75	251.46	258.73	266.63	0.97	8.0 %	224.02	230.47	236.91	243.35	249.80	256.24	262.69

- The growth anticipated for Hypoport is based on robust business development in all segments
- Credit platform segment (EUROPACE) in particular offers systematic potential for economies of scale and margin growth
- On this basis we assume a positive long-term margin trend
- Based on a sophisticated regional dispersion of tax obligations a low tax rate is assumed long term.

Valuation	2019	2020	2021	2022	2023e	2024e	2025e
Price / Book	7.8 x	11.4 x	12.6 x	5.5 x	2.2 x	2.0 x	1.8 x
Book value per share ex intangibles	-11.24	-13.76	-11.38	-12.06	-3.81	-2.31	1.58
EV / Sales	4.4 x	6.9 x	7.5 x	3.6 x	2.3 x	1.9 x	1.6 x
EV / EBITDA	28.5 x	41.7 x	43.1 x	28.6 x	24.9 x	13.7 x	9.8 x
EV / EBIT	45.0 x	73.5 x	69.8 x	66.8 x	73.7 x	23.8 x	15.3 x
EV / EBIT adj.*	45.0 x	73.5 x	69.8 x	66.8 x	73.7 x	23.8 x	15.3 x
P / FCF	72.7 x	252.7 x	116.8 x	577.0 x	n.a.	90.2 x	27.5 x
P / E	57.2 x	92.0 x	105.3 x	79.9 x	99.9 x	28.3 x	18.4 x
P / E adj.*	57.2 x	92.0 x	105.3 x	79.9 x	99.9 x	28.3 x	18.4 x
Dividend Yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF Potential Yield (on market EV)	3.0 %	2.2 %	1.9 %	3.3 %	3.8 %	6.4 %	8.9 %

\*Adjustments made for: -

## Consolidated profit &amp; loss

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
<b>Sales</b>	<b>337.24</b>	<b>387.73</b>	<b>446.35</b>	<b>455.45</b>	<b>361.76</b>	<b>422.38</b>	<b>476.23</b>
Change Sales yoy	26.8 %	15.0 %	15.1 %	2.0 %	-20.6 %	16.8 %	12.8 %
Increase / decrease in inventory	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Own work capitalised	16.58	20.78	23.62	23.99	19.53	22.81	25.72
<b>Total Sales</b>	<b>353.82</b>	<b>408.51</b>	<b>469.97</b>	<b>479.44</b>	<b>381.29</b>	<b>445.19</b>	<b>501.95</b>
Material expenses	155.32	177.20	196.86	194.47	179.12	192.40	210.52
<b>Gross profit</b>	<b>198.50</b>	<b>231.31</b>	<b>273.10</b>	<b>284.97</b>	<b>202.17</b>	<b>252.78</b>	<b>291.43</b>
<i>Gross profit margin</i>	<i>58.9 %</i>	<i>59.7 %</i>	<i>61.2 %</i>	<i>62.6 %</i>	<i>55.9 %</i>	<i>59.8 %</i>	<i>61.2 %</i>
Personnel expenses	106.64	133.88	155.46	176.45	141.13	151.59	165.86
Other operating income	3.03	6.61	5.64	8.99	4.34	4.66	5.95
Other operating expenses	42.06	40.48	46.06	59.46	43.42	46.64	51.03
Unfrequent items	-0.62	0.28	-0.12	-0.34	10.85	0.00	0.00
<b>EBITDA</b>	<b>52.22</b>	<b>63.85</b>	<b>77.10</b>	<b>57.71</b>	<b>32.81</b>	<b>59.21</b>	<b>80.49</b>
<i>Margin</i>	<i>15.5 %</i>	<i>16.5 %</i>	<i>17.3 %</i>	<i>12.7 %</i>	<i>9.1 %</i>	<i>14.0 %</i>	<i>16.9 %</i>
Depreciation of fixed assets	9.69	14.70	13.49	13.46	8.68	10.04	11.63
<b>EBITA</b>	<b>42.52</b>	<b>49.15</b>	<b>63.61</b>	<b>44.26</b>	<b>24.13</b>	<b>49.17</b>	<b>68.86</b>
Amortisation of intangible assets	9.52	12.92	15.93	19.58	13.02	15.06	17.44
Goodwill amortisation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>EBIT</b>	<b>33.01</b>	<b>36.24</b>	<b>47.68</b>	<b>24.68</b>	<b>11.11</b>	<b>34.11</b>	<b>51.42</b>
<i>Margin</i>	<i>9.8 %</i>	<i>9.3 %</i>	<i>10.7 %</i>	<i>5.4 %</i>	<i>3.1 %</i>	<i>8.1 %</i>	<i>10.8 %</i>
<b>EBIT adj.</b>	<b>33.01</b>	<b>36.24</b>	<b>47.68</b>	<b>24.68</b>	<b>11.11</b>	<b>34.11</b>	<b>51.42</b>
Interest income	0.51	0.23	0.16	0.22	0.80	0.80	0.80
Interest expenses	2.07	3.07	3.59	3.28	3.00	3.00	3.00
Other financial income (loss)	0.00	0.00	0.00	0.00	0.20	0.20	0.20
<b>EBT</b>	<b>31.44</b>	<b>33.40</b>	<b>44.25</b>	<b>21.61</b>	<b>9.11</b>	<b>32.11</b>	<b>49.42</b>
<i>Margin</i>	<i>9.3 %</i>	<i>8.6 %</i>	<i>9.9 %</i>	<i>4.7 %</i>	<i>2.5 %</i>	<i>7.6 %</i>	<i>10.4 %</i>
Total taxes	7.04	5.54	13.68	2.94	2.02	7.13	10.97
<b>Net income from continuing operations</b>	<b>24.40</b>	<b>27.86</b>	<b>30.58</b>	<b>18.67</b>	<b>7.09</b>	<b>24.98</b>	<b>38.45</b>
Income from discontinued operations (net of tax)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net income before minorities</b>	<b>24.40</b>	<b>27.86</b>	<b>30.58</b>	<b>18.67</b>	<b>7.09</b>	<b>24.98</b>	<b>38.45</b>
Minority interest	0.00	0.59	0.41	-0.02	0.00	0.00	0.00
<b>Net income</b>	<b>24.40</b>	<b>27.27</b>	<b>30.16</b>	<b>18.69</b>	<b>7.09</b>	<b>24.98</b>	<b>38.45</b>
<i>Margin</i>	<i>7.2 %</i>	<i>7.0 %</i>	<i>6.8 %</i>	<i>4.1 %</i>	<i>2.0 %</i>	<i>5.9 %</i>	<i>8.1 %</i>
Number of shares, average	6.25	6.25	6.25	6.30	6.68	6.68	6.68
<b>EPS</b>	<b>3.90</b>	<b>4.36</b>	<b>4.83</b>	<b>2.96</b>	<b>1.06</b>	<b>3.74</b>	<b>5.75</b>
EPS adj.	3.90	4.36	4.83	2.96	1.06	3.74	5.75

\*Adjustments made for:

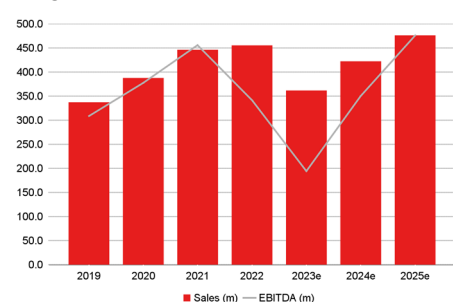
**Guidance: 2023: Revenue -25%; EBIT between EUR 12m and 15m**

## Financial Ratios

	2019	2020	2021	2022	2023e	2024e	2025e
Total Operating Costs / Sales	89.2 %	89.0 %	88.0 %	92.5 %	99.3 %	91.4 %	88.5 %
Operating Leverage	0.5 x	0.7 x	2.1 x	-23.6 x	2.7 x	12.4 x	4.0 x
EBITDA / Interest expenses	25.2 x	20.8 x	21.5 x	17.6 x	10.9 x	19.7 x	26.8 x
Tax rate (EBT)	22.4 %	16.6 %	30.9 %	13.6 %	22.2 %	22.2 %	22.2 %
Dividend Payout Ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Sales per Employee	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

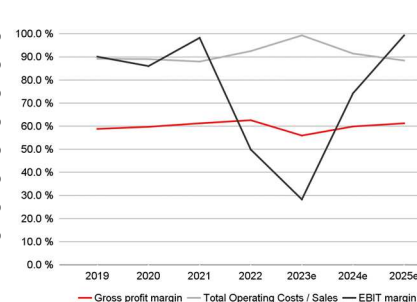
## Sales, EBITDA

in EUR m

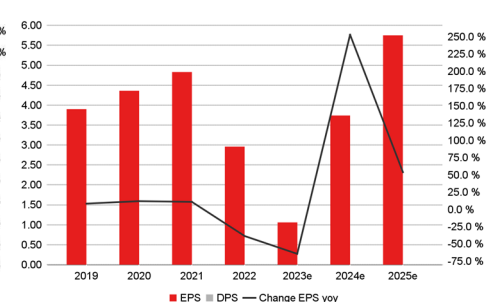


## Operating Performance

in %



## Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

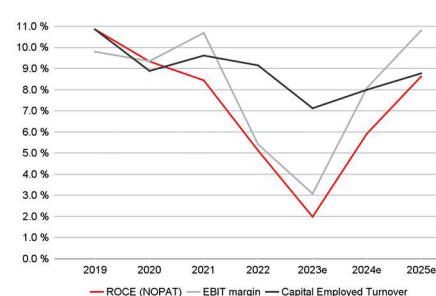
## Consolidated balance sheet

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
<b>Assets</b>							
Goodwill and other intangible assets	248.24	306.42	322.89	347.13	353.64	368.58	381.14
thereof other intangible assets	14.64	24.06	27.74	41.51	58.49	73.42	85.98
thereof Goodwill	186.40	221.96	222.41	222.41	222.41	222.41	222.41
Property, plant and equipment	34.99	97.66	101.89	95.58	94.84	92.73	89.04
Financial assets	0.19	0.40	0.78	0.96	0.96	0.96	0.96
Other long-term assets	14.14	28.96	28.30	21.41	21.41	21.41	21.41
<b>Fixed assets</b>	<b>297.56</b>	<b>433.44</b>	<b>453.86</b>	<b>465.08</b>	<b>470.85</b>	<b>483.68</b>	<b>492.55</b>
Inventories	1.09	1.51	1.50	1.07	1.00	1.00	1.00
Accounts receivable	63.07	75.20	83.03	75.12	59.70	69.70	78.60
Liquid assets	24.89	33.51	48.92	29.95	65.48	61.33	75.11
Other short-term assets	4.97	8.39	8.45	12.40	12.40	12.40	12.40
<b>Current assets</b>	<b>94.02</b>	<b>118.61</b>	<b>141.91</b>	<b>118.53</b>	<b>138.58</b>	<b>144.43</b>	<b>167.11</b>
<b>Total Assets</b>	<b>391.60</b>	<b>552.00</b>	<b>595.80</b>	<b>583.60</b>	<b>609.40</b>	<b>628.10</b>	<b>659.70</b>
<b>Liabilities and shareholders' equity</b>							
Subscribed capital	6.49	6.49	6.49	6.49	6.87	6.87	6.87
Capital reserve	51.11	65.77	66.93	67.56	117.18	117.18	117.18
Retained earnings	120.67	148.38	178.56	197.24	204.33	229.31	267.76
Other equity components	-0.24	-0.19	-0.19	-0.19	-0.19	-0.19	-0.09
Shareholders' equity	178.03	220.46	251.78	271.11	328.19	353.17	391.72
Minority interest	0.34	0.94	1.65	1.63	1.63	1.63	1.63
<b>Total equity</b>	<b>178.38</b>	<b>221.39</b>	<b>253.43</b>	<b>272.74</b>	<b>329.82</b>	<b>354.80</b>	<b>393.35</b>
Provisions	0.92	0.74	0.62	0.58	0.58	0.58	0.58
thereof provisions for pensions and similar obligations	0.92	0.74	0.62	0.58	0.58	0.58	0.58
Financial liabilities (total)	114.87	189.66	197.41	187.66	175.66	163.66	151.66
Short-term financial liabilities	16.41	14.02	16.11	16.92	16.92	16.92	16.92
Accounts payable	39.58	46.94	49.66	42.91	34.10	39.80	44.90
Other liabilities	57.84	93.31	94.65	79.73	69.21	69.21	69.21
<b>Liabilities</b>	<b>213.20</b>	<b>330.66</b>	<b>342.34</b>	<b>310.88</b>	<b>279.55</b>	<b>273.25</b>	<b>266.35</b>
<b>Total liabilities and shareholders' equity</b>	<b>391.60</b>	<b>552.00</b>	<b>595.80</b>	<b>583.60</b>	<b>609.40</b>	<b>628.10</b>	<b>659.70</b>

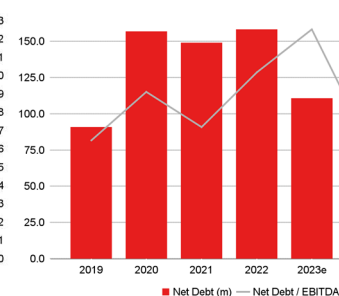
## Financial Ratios

	2019	2020	2021	2022	2023e	2024e	2025e
<b>Efficiency of Capital Employment</b>							
Operating Assets Turnover	5.7 x	3.0 x	3.3 x	3.5 x	3.0 x	3.4 x	3.8 x
Capital Employed Turnover	1.3 x	1.0 x	1.1 x	1.1 x	0.8 x	0.9 x	1.0 x
ROA	8.2 %	6.3 %	6.6 %	4.0 %	1.5 %	5.2 %	7.8 %
<b>Return on Capital</b>							
ROCE (NOPAT)	10.9 %	9.3 %	8.4 %	5.1 %	2.0 %	5.9 %	8.6 %
ROE	14.7 %	13.7 %	12.8 %	7.1 %	2.4 %	7.3 %	10.3 %
Adj. ROE	14.7 %	13.7 %	12.8 %	7.1 %	2.4 %	7.3 %	10.3 %
<b>Balance sheet quality</b>							
Net Debt	90.89	156.89	149.11	158.30	110.76	102.91	77.13
Net Financial Debt	89.98	156.15	148.49	157.72	110.18	102.33	76.55
Net Gearing	51.0 %	70.9 %	58.8 %	58.0 %	33.6 %	29.0 %	19.6 %
Net Fin. Debt / EBITDA	172.3 %	244.6 %	192.6 %	273.3 %	335.8 %	172.8 %	95.1 %
Book Value / Share	28.5	35.3	40.3	43.0	49.1	52.8	58.6
Book value per share ex intangibles	-11.2	-13.8	-11.4	-12.1	-3.8	-2.3	1.6

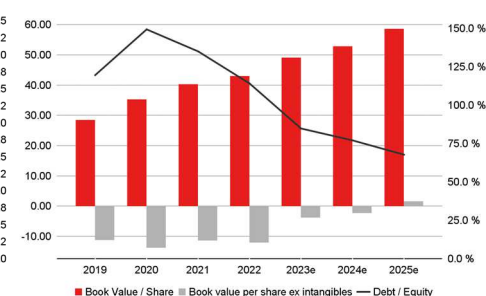
### ROCE Development



### Net debt in EUR m



### Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

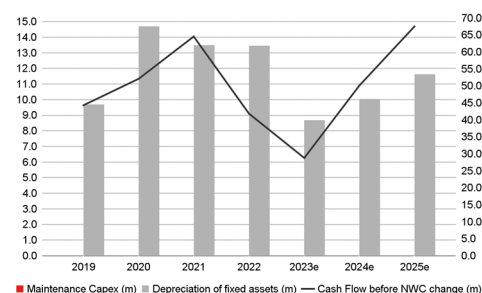
### Consolidated cash flow statement

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
Net income	24.40	27.86	30.58	18.67	7.09	24.98	38.45
Depreciation of fixed assets	9.69	14.70	13.49	13.46	8.68	10.04	11.63
Amortisation of goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Amortisation of intangible assets	9.52	12.92	15.93	19.58	13.02	15.06	17.44
Increase/decrease in long-term provisions	0.63	-0.18	-0.12	-0.04	0.00	0.00	0.00
Other non-cash income and expenses	0.00	-3.25	4.70	-9.83	0.00	0.00	0.00
<b>Cash Flow before NWC change</b>	<b>44.24</b>	<b>52.04</b>	<b>64.57</b>	<b>41.84</b>	<b>28.79</b>	<b>50.09</b>	<b>67.52</b>
Increase / decrease in inventory	-0.31	-0.42	0.01	0.05	0.06	0.00	0.00
Increase / decrease in accounts receivable	-8.85	-12.13	-7.83	11.31	15.42	-10.00	-8.90
Increase / decrease in accounts payable	7.59	7.36	2.72	-14.64	-8.81	5.70	5.10
Increase / decrease in other working capital positions	3.53	-0.30	4.88	0.00	0.00	0.00	0.00
Increase / decrease in working capital (total)	1.97	-5.49	-0.22	-3.28	6.68	-4.30	-3.80
<b>Net cash provided by operating activities [1]</b>	<b>46.21</b>	<b>46.55</b>	<b>64.35</b>	<b>38.56</b>	<b>35.47</b>	<b>45.79</b>	<b>63.72</b>
Investments in intangible assets	-27.02	-27.10	-30.02	-33.36	-30.00	-30.00	-30.00
Investments in property, plant and equipment	0.00	-77.36	-17.81	-7.94	-7.94	-7.94	-7.94
Payments for acquisitions	-33.04	-22.90	-7.17	-7.91	0.00	0.00	0.00
Financial investments	0.02	0.02	0.92	0.23	0.00	0.00	0.00
Income from asset disposals	0.20	0.05	0.53	1.64	0.00	0.00	0.00
<b>Net cash provided by investing activities [2]</b>	<b>-59.88</b>	<b>-59.51</b>	<b>-44.71</b>	<b>-42.48</b>	<b>-37.94</b>	<b>-37.94</b>	<b>-37.94</b>
Change in financial liabilities	23.50	7.04	-4.23	-15.06	-12.00	-12.00	-12.00
Dividends paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchase of own shares	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital measures	0.00	14.54	0.00	0.00	50.00	0.00	0.00
Other	-16.72	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net cash provided by financing activities [3]</b>	<b>6.78</b>	<b>21.57</b>	<b>-4.23</b>	<b>-15.06</b>	<b>38.00</b>	<b>-12.00</b>	<b>-12.00</b>
<b>Change in liquid funds [1]+[2]+[3]</b>	<b>-6.90</b>	<b>8.62</b>	<b>15.41</b>	<b>-18.98</b>	<b>35.53</b>	<b>-4.15</b>	<b>13.78</b>
Effects of exchange-rate changes on cash	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Cash and cash equivalent at end of period</b>	<b>24.86</b>	<b>33.51</b>	<b>48.92</b>	<b>29.95</b>	<b>65.48</b>	<b>61.33</b>	<b>75.11</b>

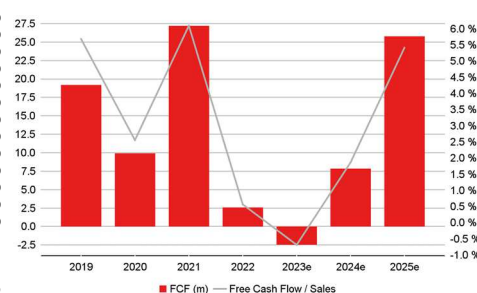
### Financial Ratios

	2019	2020	2021	2022	2023e	2024e	2025e
<b>Cash Flow</b>							
FCF	19.19	9.92	27.20	2.58	-2.47	7.85	25.78
Free Cash Flow / Sales	5.7 %	2.6 %	6.1 %	0.6 %	-0.7 %	1.9 %	5.4 %
Free Cash Flow Potential	45.18	58.31	63.42	54.77	30.79	52.09	69.52
Free Cash Flow / Net Profit	78.6 %	36.4 %	90.2 %	13.8 %	-34.8 %	31.4 %	67.0 %
Interest Received / Avg. Cash	1.8 %	0.8 %	0.4 %	0.6 %	1.7 %	1.3 %	1.2 %
Interest Paid / Avg. Debt	2.1 %	2.0 %	1.9 %	1.7 %	1.7 %	1.8 %	1.9 %
<b>Management of Funds</b>							
Investment ratio	8.0 %	26.9 %	10.7 %	9.1 %	10.5 %	9.0 %	8.0 %
Maint. Capex / Sales	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Capex / Dep	140.7 %	378.4 %	162.5 %	125.0 %	174.8 %	151.1 %	130.5 %
Avg. Working Capital / Sales	7.1 %	7.0 %	7.2 %	7.5 %	8.3 %	6.8 %	6.9 %
Trade Debtors / Trade Creditors	159.3 %	160.2 %	167.2 %	175.1 %	175.1 %	175.1 %	175.1 %
Inventory Turnover	142.9 x	117.4 x	131.4 x	182.6 x	179.1 x	192.4 x	210.5 x
Receivables collection period (days)	68	71	68	60	60	60	60
Payables payment period (days)	93	97	92	81	69	76	78
Cash conversion cycle (Days)	-22	-23	-21	-18	-7	-13	-16

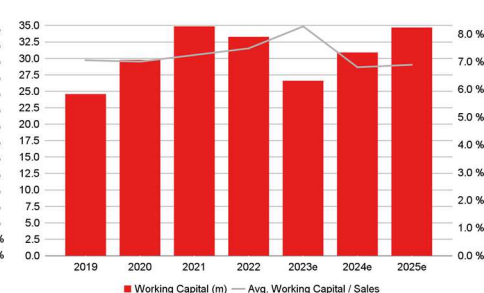
### CAPEX and Cash Flow in EUR m



### Free Cash Flow Generation



### Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
HYPOPORT	5	<a href="https://www.mmwarburg.com/disclaimer/disclaimer_en/DE0005493365.htm">https://www.mmwarburg.com/disclaimer/disclaimer_en/DE0005493365.htm</a>

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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-	<b>Buy:</b>	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	<b>Hold:</b>	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	<b>Sell:</b>	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	<b>Rating suspended:</b>	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	155	73
Hold	46	22
Sell	6	3
Rating suspended	5	2
<b>Total</b>	<b>212</b>	<b>100</b>

## 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	83
Hold	7	13
Sell	0	0
Rating suspended	2	4
<b>Total</b>	<b>52</b>	<b>100</b>

## PRICE AND RATING HISTORY HYPOPORT AS OF 27.10.2023



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.

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