



**Buy** (old: Buy)

**Price target: EUR 2.60** (old: EUR 2.15)

<b>Price:</b>	EUR 1.82	<b>Next result:</b>	Q3 11.11.20
<b>Bloomberg:</b>	UUU GY	<b>Market cap:</b>	EUR 62.1 m
<b>Reuters:</b>	UUUG.DE	<b>Enterprise Value:</b>	EUR 54.7 m

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## RS Feedback: Let's talk cloud; chg. est. & PT

**Topic:** Investor discussions focused on portfolio gem cloud ERP-solution provider weclapp (€ 7m sales / 30% EBITDA margin, eH&A), which has a bright future ahead:

- **Differentiation:** Weclapp's proprietary cloud ERP solution is centered on merchandise management rather than financial accounting, providing an **(internationally) standardized and scalable set-up**. This is rounded off by **weclapp's open platform model**, allowing customers to integrate add-on apps such as local GAAP, sales platforms including amazon, Rakuten and the likes as wells as self-developed plugins. The latter can be offered at weclapp's market place, thus further boosting the appeal of the ERP solution to (potential) end-clients and creating a virtuous cycle.
- **Strong growth potential:** Thanks to its scalable set-up, the open platform model and the move towards cloud away from on premise ERP solutions, **weclapp looks poised for dynamic growth**. For FY'21, the company aims at € 11m sales (€ 12m; eH&A), of which around two thirds are locked in thanks to its **forward sales business model**. Aside from market share gains, weclapp intends to continue its **international expansion**. This is in full swing: weclapp has been preparing regional content marketing, providing Italian, English, Spanish and French online content to achieve optimal search engine rankings in the relevant markets. **Proof of concept:** In some countries, weclapp has been approached by a third-party reseller, and marketing and sales is expected to start soon.
- **Growing through M&A** (not included in eH&A): Weclapp looks set to take part in the major consolidation wave to gain further market share. Its current M&A long list comprises 50 small targets. While 3U's net cash position should currently stand at c. € 7m (eH&A), streamlining the business could set additional cash free for financing growth at weclapp.

All of this should open the door to a potential IPO within the next two years as indicated by management, which would be a major catalyst for the share price of 3U.

**Reiterate BUY with a new PT of € 2.60 (old: € 2.15) based on SOTP (old: FCFY'21).**

Y/E 31.12 (EUR m)	2016	2017	2018	2019	2020E	2021E	2022E
Sales	43.7	46.9	48.0	51.4	60.9	69.4	77.8
Sales growth	-9 %	7 %	2 %	7 %	18 %	14 %	12 %
EBITDA	4.7	6.7	6.7	10.1	10.6	10.3	11.0
EBIT	1.3	3.2	2.9	5.7	5.5	4.7	5.6
Net income	0.6	1.1	1.9	4.1	3.4	2.7	3.2
Net debt	33.2	18.9	10.9	1.5	-7.4	-8.0	-10.1
Net gearing	81.8 %	45.8 %	25.7 %	3.2 %	-14.8 %	-15.6 %	-19.1 %
Net Debt/EBITDA	7.1	2.8	1.6	0.1	0.0	0.0	0.0
EPS pro forma	0.02	0.03	0.05	0.11	0.10	0.08	0.09
CPS	-0.16	0.09	-0.10	0.00	0.08	0.05	0.07
DPS	0.01	0.02	0.03	0.04	0.05	0.05	0.05
Dividend yield	0.5 %	1.1 %	1.6 %	2.2 %	2.7 %	2.7 %	2.7 %
Gross profit margin	41.9 %	46.4 %	41.0 %	44.1 %	44.9 %	45.9 %	45.9 %
EBITDA margin	10.8 %	14.2 %	14.0 %	19.6 %	17.5 %	14.9 %	14.2 %
EBIT margin	3.0 %	6.9 %	6.1 %	11.0 %	9.0 %	6.8 %	7.2 %
ROCE	1.7 %	4.1 %	4.2 %	8.3 %	7.9 %	6.6 %	7.6 %
EV/sales	2.1	1.7	1.5	1.3	0.9	0.8	0.7
EV/EBITDA	20.0	11.9	10.7	6.5	5.1	5.2	4.7
EV/EBIT	71.5	24.5	24.5	11.5	9.9	11.4	9.2
PER	100.4	60.7	33.4	15.9	18.5	22.7	19.2
Adjusted FCF yield	1.9 %	3.0 %	4.2 %	8.4 %	8.9 %	7.2 %	8.4 %

Source: Company data, Hauck & Aufhäuser Close price as of: 23.09.2020



Source: Company data, Hauck & Aufhäuser

**High/low 52 weeks:** 1.88 / 0.97

**Price/Book Ratio:** 1.2

**Relative performance (SDAX):**

3 months 6.1 %

6 months 19.3 %

12 months -0.9 %

### Changes in estimates

		Sales	EBIT	EPS
2020	<b>old:</b>	60.9	4.0	0.06
	Δ	-	37.4%	61.8%
2021	<b>old:</b>	70.4	5.3	0.09
	Δ	-1.4%	-11.2%	-10.2%
2022	<b>old:</b>	80.3	7.6	0.13
	Δ	-3.1%	-25.8%	-27.4%

### Key share data:

Number of shares: (in m pcs) 34.1

Authorised capital: (in € m) -

Book value per share: (in €) 1.5

Ø trading volume: (12 months) 20,000

### Major shareholders:

Free Float 67.0 %

Michael Schmidt 25.5 %

(speaker of the board)

Jürgen Beck-Bazlen 3.9 %

(supervisory board)

Lupus Alpha Investment 3.4 %

Other executive and 0.2 %

supervisory board members

### Company description:

3U Holding operates in the trending fields of cloud computing, eCommerce and renewable energies with a clear focus on weclapp and Selfio.

**Action:** We have included the sale of the Adelebsen site in our FY'20 earnings (+€ 1.5m) and adjusted our FY'21/22 estimates to reflect the EEG remuneration expiry for three wind farms until FY'22. Furthermore, we have changed our valuation to SOTP from FCFY'21 to better reflect the value of the individual business units. Notably, 3U's 75% stake in the biggest value driver weclapp should account for the lion's share of 3U's total EV today, in our view.

3U SOTP valuation	FV in € m	3U share	FV/share
weclapp	63.6	47.7	1.4
Selfio	12.9	12.9	0.4
Renewables	35.3	35.3	1.0
Remaining ITC	4.6	4.6	0.1
Remaining SHAC	1.1	0.8	0.0
Holding cost	20.0	20.0	0.6
3U net cash	7.0	7.0	0.2
<b>Total FV</b>	<b>104.49</b>	<b>88.32</b>	<b>2.59</b>

Source: company data; Hauck & Aufhäuser estimates

To compute the EV of each value driver, we apply relevant multiples:

- **Weclapp:** Applying a discounted median peer group EV/sales multiple for 2021E indicates a fair enterprise value of € 64m based on EV/sales 2021E. While all the peered companies are still considerably larger, there are no suitable publicly listed small cap peers with comparable growth potential available, in our view. To account for this fact, we apply a 50% discount.

weclapp	Price	Currency	Market Cap	EV/Sales 20E (x)	EV/Sales 21E (x)
APPIAN CORP	58.2	USD	2,190	7.3	6.4
SALESFORCE.COM	242.5	USD	220,648	13.0	10.6
CLOUDERA INC	11.3	USD	3,491	4.5	4.1
SERVICENOW INC	472.8	USD	90,677	20.6	16.5
RINGCENTRAL IN-A	269.1	USD	21,027	18.4	15.0
ATLASSIAN CORP-A	180.9	USD	23,189	14.5	12.1
EXASOL AG	17.4	EUR	387	14.1	8.9
<b>Median (peer group)</b>				<b>14.1</b>	<b>10.6</b>

- **Selfio:** The peer group valuation indicates a fair enterprise value of € 13m based on EV/sales 2021E.

Renewables	Price	Currency	Market Cap	EV/Sales 20E (x)	EV/Sales 21E (x)
ZOOPLUS AG	138.2	EUR	988	0.6	0.5
DELICOM AG	3.8	EUR	47	0.1	0.1
ZALANDO SE	78.1	EUR	19,901	2.6	2.2
MANUTAN INTERNAT	53.6	EUR	408	0.5	0.5
DUSTIN GROUP	56.4	SEK	5,000	0.4	0.4
<b>Median (peer group)</b>				<b>0.5</b>	<b>0.5</b>
<b>Implied fair value</b>				<b>12.4</b>	<b>13.2</b>

- **Renewables:** The renewables segment (50 MW wind / 10 MW solar) is valued at 7x EV/EBITDA 2021E. The corresponding EV of € 35m looks conservative, as current market prices should stand at € 0.7-1m per MW, according to management.

Renewables	Price	Currency	Market Cap	EV/Sales 20E (x)	EV/Sales 21E (x)	EV/EBITDA 20E (x)	EV/EBITDA 21E (x)
ENCAVIS AG	14.6	EUR	2,027	11.8	10.1	15.1	13.0
7C SOLARPARKEN A	3.7	EUR	225	5.1	4.6	6.0	5.5
SCATEC SOLAR ASA	197.4	NOK	27,179	9.1	7.4	11.3	8.8
ALBIOMA SA	44.6	EUR	1,395	2.6	2.5	6.9	6.5
FALCK RENEWABLES	5.4	EUR	1,562	4.4	4.0	8.0	7.3
ARISE AB	40.1	SEK	1,396	4.4	2.4	12.4	5.0
ABO WIND AG	25.4	EUR	215	1.3	1.1	6.8	5.2
ENERGIEKONTOR AG	36.7	EUR	539	3.0	1.8	8.5	7.0
NEOEN SA	45.2	EUR	3,855	11.0	8.2	13.6	10.5
<b>Median (peer group)</b>				<b>4.4</b>	<b>4.0</b>	<b>8.5</b>	<b>7.0</b>

- **Remaining ITC:** We value the voice business activities at a 5x EV/EBITDA 2021E multiple.
- **Remaining SHAC:** The SHAC segment (excl. selfio) is valued at 5x EV/EBITDA 2021E.

In a second step, we apply a 10x multiple to holding costs of c. € 2m p.a. Additionally, the net cash of 3U group is added to arrive at the equity value of the portfolio.

## Financials

Profit and loss (EUR m)	2016	2017	2018	2019	2020E	2021E	2022E
<b>Net sales</b>	<b>43.7</b>	<b>46.9</b>	<b>48.0</b>	<b>51.4</b>	<b>60.9</b>	<b>69.4</b>	<b>77.8</b>
<i>Sales growth</i>	-9.3 %	7.2 %	2.3 %	7.2 %	18.4 %	14.0 %	12.0 %
Increase/decrease in finished goods and work-in-process	1.7	-0.5	0.6	-0.1	-0.1	-0.1	-0.1
<b>Total sales</b>	<b>45.5</b>	<b>46.4</b>	<b>48.6</b>	<b>51.4</b>	<b>60.8</b>	<b>69.3</b>	<b>77.7</b>
Other operating income	1.4	1.7	4.8	8.0	3.3	2.1	2.3
Material expenses	26.4	24.9	28.6	28.7	33.5	37.5	42.0
Personnel expenses	9.6	9.5	10.3	11.7	13.8	15.7	17.6
Other operating expenses	6.1	7.1	7.7	8.9	6.2	7.9	9.3
Total operating expenses	40.7	39.7	41.8	41.3	50.2	59.0	66.6
<b>EBITDA</b>	<b>4.7</b>	<b>6.7</b>	<b>6.7</b>	<b>10.1</b>	<b>10.6</b>	<b>10.3</b>	<b>11.0</b>
Depreciation	3.2	3.2	3.6	4.2	4.9	5.3	5.1
<b>EBITA</b>	<b>1.5</b>	<b>3.5</b>	<b>3.1</b>	<b>5.9</b>	<b>5.7</b>	<b>5.0</b>	<b>5.9</b>
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.2	0.2	0.2	0.2	0.2	0.3	0.3
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT (inc revaluation net)</b>	<b>1.3</b>	<b>3.2</b>	<b>2.9</b>	<b>5.7</b>	<b>5.5</b>	<b>4.7</b>	<b>5.6</b>
Interest income	0.0	0.0	0.0	0.0	0.0	0.1	0.2
Interest expenses	1.0	1.1	0.9	0.9	0.8	0.7	0.7
Other financial result	0.3	0.3	0.2	0.2	0.2	0.2	0.1
Financial result	-1.2	-1.3	-1.1	-1.0	-0.9	-0.7	-0.6
<b>Recurring pretax income from continuing operations</b>	<b>0.1</b>	<b>1.9</b>	<b>1.8</b>	<b>4.6</b>	<b>4.6</b>	<b>4.1</b>	<b>5.0</b>
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Earnings before taxes</b>	<b>0.1</b>	<b>1.9</b>	<b>1.8</b>	<b>4.6</b>	<b>4.6</b>	<b>4.1</b>	<b>5.0</b>
Taxes	-0.6	0.7	-0.3	0.2	0.9	1.0	1.4
<b>Net income from continuing operations</b>	<b>0.7</b>	<b>1.2</b>	<b>2.2</b>	<b>4.4</b>	<b>3.7</b>	<b>3.1</b>	<b>3.6</b>
Result 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>0.7</b>	<b>1.2</b>	<b>2.2</b>	<b>4.4</b>	<b>3.7</b>	<b>3.1</b>	<b>3.6</b>
Minority interest	0.0	0.1	0.2	0.3	0.3	0.3	0.4
<b>Net profit (reported)</b>	<b>0.6</b>	<b>1.1</b>	<b>1.9</b>	<b>4.1</b>	<b>3.4</b>	<b>2.7</b>	<b>3.2</b>
Average number of shares	33.3	33.3	33.3	34.2	34.1	34.1	34.1
<b>EPS reported</b>	<b>0.02</b>	<b>0.03</b>	<b>0.06</b>	<b>0.12</b>	<b>0.10</b>	<b>0.08</b>	<b>0.09</b>

Profit and loss (common size)	2016	2017	2018	2019	2020E	2021E	2022E
<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	3.9 %	neg.	1.2 %	neg.	neg.	neg.	neg.
<b>Total sales</b>	<b>103.9 %</b>	<b>99.0 %</b>	<b>101.2 %</b>	<b>99.9 %</b>	<b>99.9 %</b>	<b>99.9 %</b>	<b>99.9 %</b>
Other operating income	3.2 %	3.6 %	10.0 %	15.6 %	5.5 %	3.0 %	3.0 %
Material expenses	60.4 %	53.1 %	59.7 %	55.8 %	55.0 %	54.0 %	54.0 %
Personnel expenses	21.9 %	20.2 %	21.5 %	22.6 %	22.7 %	22.7 %	22.7 %
Other operating expenses	14.0 %	15.1 %	16.1 %	17.4 %	10.2 %	11.3 %	12.0 %
Total operating expenses	93.2 %	84.7 %	87.2 %	80.2 %	82.4 %	85.0 %	85.7 %
<b>EBITDA</b>	<b>10.8 %</b>	<b>14.2 %</b>	<b>14.0 %</b>	<b>19.6 %</b>	<b>17.5 %</b>	<b>14.9 %</b>	<b>14.2 %</b>
Depreciation	7.2 %	6.9 %	7.5 %	8.2 %	8.0 %	7.6 %	6.6 %
<b>EBITA</b>	<b>3.5 %</b>	<b>7.4 %</b>	<b>6.5 %</b>	<b>11.4 %</b>	<b>9.4 %</b>	<b>7.2 %</b>	<b>7.6 %</b>
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	0.5 %	0.5 %	0.4 %	0.4 %	0.4 %	0.4 %	0.4 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>EBIT (inc revaluation net)</b>	<b>3.0 %</b>	<b>6.9 %</b>	<b>6.1 %</b>	<b>11.0 %</b>	<b>9.0 %</b>	<b>6.8 %</b>	<b>7.2 %</b>
Interest income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.2 %	0.2 %
Interest expenses	2.2 %	2.3 %	1.8 %	1.7 %	1.3 %	1.0 %	0.9 %
Other financial result	0.6 %	0.6 %	0.5 %	0.3 %	0.2 %	0.2 %	0.1 %
Financial result	neg.	neg.	neg.	neg.	neg.	neg.	neg.
<b>Recurring pretax income from continuing operations</b>	<b>0.2 %</b>	<b>4.1 %</b>	<b>3.8 %</b>	<b>9.0 %</b>	<b>7.5 %</b>	<b>5.9 %</b>	<b>6.5 %</b>
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Earnings before taxes</b>	<b>0.2 %</b>	<b>4.1 %</b>	<b>3.8 %</b>	<b>9.0 %</b>	<b>7.5 %</b>	<b>5.9 %</b>	<b>6.5 %</b>
Tax rate	-558.1 %	36.6 %	-17.5 %	5.3 %	20.0 %	24.0 %	28.0 %
<b>Net income from continuing operations</b>	<b>1.6 %</b>	<b>2.6 %</b>	<b>4.5 %</b>	<b>8.5 %</b>	<b>6.0 %</b>	<b>4.4 %</b>	<b>4.7 %</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>2.6 %</b>	<b>4.5 %</b>	<b>8.5 %</b>	<b>6.0 %</b>	<b>4.4 %</b>	<b>4.7 %</b>
Minority interest	0.1 %	0.3 %	0.5 %	0.6 %	0.5 %	0.5 %	0.5 %
<b>Net profit (reported)</b>	<b>1.5 %</b>	<b>2.3 %</b>	<b>4.0 %</b>	<b>7.9 %</b>	<b>5.5 %</b>	<b>3.9 %</b>	<b>4.2 %</b>

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2016	2017	2018	2019	2020E	2021E	2022E
<b>Intangible assets</b>	<b>2.3</b>	<b>2.3</b>	<b>2.2</b>	<b>2.6</b>	<b>2.5</b>	<b>2.3</b>	<b>2.0</b>
Property, plant and equipment	48.7	46.1	39.7	34.8	27.9	27.6	27.5
Financial assets	7.9	7.6	4.2	5.4	5.2	5.1	5.0
<b>FIXED ASSETS</b>	<b>58.9</b>	<b>56.0</b>	<b>46.1</b>	<b>42.7</b>	<b>35.5</b>	<b>34.9</b>	<b>34.4</b>
Inventories	14.8	5.9	7.0	7.8	8.6	9.6	10.8
Accounts receivable	4.7	4.5	4.4	3.9	4.6	5.3	5.9
Other current assets	3.8	1.6	3.0	2.8	2.8	2.8	2.8
Liquid assets	11.7	11.7	12.3	20.6	29.4	30.0	32.1
Deferred taxes	1.8	1.5	1.7	2.7	2.7	2.7	2.7
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>CURRENT ASSETS</b>	<b>36.8</b>	<b>25.2</b>	<b>28.4</b>	<b>37.8</b>	<b>48.1</b>	<b>50.4</b>	<b>54.3</b>
<b>TOTAL ASSETS</b>	<b>95.8</b>	<b>81.2</b>	<b>74.5</b>	<b>80.5</b>	<b>83.7</b>	<b>85.3</b>	<b>88.7</b>
SHAREHOLDERS EQUITY	40.5	41.2	42.4	47.2	49.8	51.1	52.9
MINORITY INTEREST	-1.4	-1.2	-1.0	-0.7	-0.7	-0.7	-0.7
Long-term debt	35.4	23.5	19.6	20.5	20.5	20.5	20.5
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	1.2	1.2	1.4	1.5	1.5	1.5	1.5
<b>Non-current liabilities</b>	<b>36.6</b>	<b>24.7</b>	<b>21.0</b>	<b>22.0</b>	<b>22.0</b>	<b>22.0</b>	<b>22.0</b>
short-term liabilities to banks	9.4	7.1	3.5	1.5	1.5	1.5	1.5
Accounts payable	4.6	3.1	3.2	3.0	3.5	4.0	4.5
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)	4.5	4.8	4.4	5.6	5.6	5.6	5.6
Deferred taxes	1.6	1.6	0.9	1.9	1.9	1.9	1.9
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Current liabilities</b>	<b>20.0</b>	<b>16.6</b>	<b>12.0</b>	<b>12.0</b>	<b>12.6</b>	<b>13.1</b>	<b>13.5</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>95.8</b>	<b>81.2</b>	<b>74.5</b>	<b>80.5</b>	<b>83.7</b>	<b>85.4</b>	<b>87.7</b>

Balance sheet (common size)	2016	2017	2018	2019	2020E	2021E	2022E
<b>Intangible assets</b>	<b>2.4 %</b>	<b>2.8 %</b>	<b>2.9 %</b>	<b>3.2 %</b>	<b>2.9 %</b>	<b>2.7 %</b>	<b>2.2 %</b>
Property, plant and equipment	50.9 %	56.8 %	53.2 %	43.2 %	33.3 %	32.3 %	31.3 %
Financial assets	8.2 %	9.4 %	5.7 %	6.7 %	6.2 %	5.9 %	5.7 %
<b>FIXED ASSETS</b>	<b>61.5 %</b>	<b>69.0 %</b>	<b>61.9 %</b>	<b>53.1 %</b>	<b>42.5 %</b>	<b>40.9 %</b>	<b>39.2 %</b>
Inventories	15.5 %	7.3 %	9.4 %	9.7 %	10.3 %	11.3 %	12.3 %
Accounts receivable	4.9 %	5.5 %	6.0 %	4.9 %	5.5 %	6.2 %	6.7 %
Other current assets	4.0 %	2.0 %	4.0 %	3.5 %	3.4 %	3.3 %	3.2 %
Liquid assets	12.2 %	14.4 %	16.5 %	25.5 %	35.2 %	35.2 %	36.6 %
Deferred taxes	1.9 %	1.8 %	2.2 %	3.3 %	3.2 %	3.1 %	3.0 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>CURRENT ASSETS</b>	<b>38.5 %</b>	<b>31.0 %</b>	<b>38.1 %</b>	<b>46.9 %</b>	<b>57.5 %</b>	<b>59.1 %</b>	<b>62.0 %</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>99.9 %</b>	<b>101.2 %</b>
SHAREHOLDERS EQUITY	42.3 %	50.7 %	57.0 %	58.7 %	59.6 %	59.8 %	60.3 %
MINORITY INTEREST	neg.	neg.	neg.	neg.	neg.	neg.	neg.
Long-term debt	37.0 %	29.0 %	26.4 %	25.5 %	24.5 %	24.0 %	23.4 %
Provisions for pensions and similar obligations	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other provisions	1.2 %	1.4 %	1.8 %	1.8 %	1.7 %	1.7 %	1.7 %
<b>Non-current liabilities</b>	<b>38.2 %</b>	<b>30.4 %</b>	<b>28.2 %</b>	<b>27.3 %</b>	<b>26.2 %</b>	<b>25.7 %</b>	<b>25.0 %</b>
short-term liabilities to banks	9.8 %	8.7 %	4.8 %	1.9 %	1.8 %	1.8 %	1.8 %
Accounts payable	4.8 %	3.9 %	4.3 %	3.7 %	4.2 %	4.7 %	5.1 %
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)	4.7 %	5.9 %	5.9 %	6.9 %	6.7 %	6.5 %	6.3 %
Deferred taxes	1.6 %	1.9 %	1.2 %	2.4 %	2.3 %	2.2 %	2.2 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
<b>Current liabilities</b>	<b>20.9 %</b>	<b>20.4 %</b>	<b>16.1 %</b>	<b>14.9 %</b>	<b>15.0 %</b>	<b>15.3 %</b>	<b>15.4 %</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

Cash flow statement (EUR m)	2016	2017	2018	2019	2020E	2021E	2022E
Net profit/loss	0.7	1.2	2.2	4.4	3.7	3.1	3.6
Depreciation of fixed assets (incl. leases)	3.2	3.2	3.6	4.2	4.9	5.3	5.1
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.5	0.5	0.4	0.4	0.2	0.3	0.3
Others	-1.3	-5.9	-4.6	-3.8	0.0	0.0	0.0
Cash flow from operations before changes in w/c	3.0	-1.0	1.6	5.2	8.8	8.7	9.0
Increase/decrease in inventory	-8.0	8.9	-1.0	-0.8	-0.8	-1.1	-1.2
Increase/decrease in accounts receivable	2.2	0.2	0.0	0.5	-0.7	-0.6	-0.6
Increase/decrease in accounts payable	1.0	-1.4	0.1	-0.2	0.5	0.5	0.5
Increase/decrease in other working capital positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	-4.8	7.7	-1.0	-0.5	-1.0	-1.2	-1.3
<b>Cash flow from operating activities</b>	<b>-1.7</b>	<b>6.6</b>	<b>0.6</b>	<b>4.7</b>	<b>7.9</b>	<b>7.4</b>	<b>7.7</b>
CAPEX	10.6	0.8	0.7	3.0	1.6	5.1	5.0
Payments for acquisitions	0.0	0.0	1.3	0.0	0.0	0.0	0.0
Financial investments	0.1	0.0	0.1	1.3	0.0	0.0	0.0
Income from asset disposals	0.1	-0.3	10.2	13.5	5.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-10.6</b>	<b>-1.2</b>	<b>8.1</b>	<b>9.2</b>	<b>3.4</b>	<b>-5.1</b>	<b>-5.0</b>
Cash flow before financing	-12.3	5.5	8.7	13.9	11.3	2.3	2.7
Increase/decrease in debt position	16.4	-5.0	-7.4	-6.2	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	0.0	0.0	0.0	1.6	0.0	0.0	0.0
Dividends paid	0.0	0.3	0.7	1.0	1.4	1.7	1.7
Others	-0.1	-0.1	-0.1	0.0	2.1	0.0	0.0
Effects of exchange rate changes on cash	-1.1	0.8	-0.4	0.8	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>16.3</b>	<b>-5.4</b>	<b>-8.2</b>	<b>-5.6</b>	<b>0.7</b>	<b>-1.7</b>	<b>-1.7</b>
Increase/decrease in liquid assets	2.9	0.8	0.2	9.1	12.0	0.6	1.0
<b>Liquid assets at end of period</b>	<b>7.3</b>	<b>8.2</b>	<b>8.4</b>	<b>17.5</b>	<b>29.4</b>	<b>30.1</b>	<b>31.1</b>

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2016	2017	2018	2019	2020E	2021E	2022E
Domestic	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 Europe	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
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	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
<b>TTL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2016	2017	2018	2019	2020E	2021E	2022E
<b>P&amp;L growth analysis</b>							
Sales growth	-9.3 %	7.2 %	2.3 %	7.2 %	18.4 %	14.0 %	12.0 %
EBITDA growth	17.3 %	41.9 %	0.6 %	50.3 %	58.6 %	2.2 %	3.6 %
EBIT growth	48.7 %	147.4 %	-10.0 %	94.3 %	88.4 %	-16.5 %	2.2 %
EPS growth	-178.4 %	65.4 %	81.5 %	105.9 %	70.0 %	-32.7 %	-4.0 %
<b>Efficiency</b>							
Total operating costs / sales	93.2 %	84.7 %	87.2 %	80.2 %	82.4 %	85.0 %	85.7 %
Sales per employee	292.6	311.5	291.6	581.3	688.2	n/a	n/a
EBITDA per employee	31.5	44.3	40.8	114.1	120.3	n/a	n/a
<b>Balance sheet analysis</b>							
Avg. working capital / sales	28.7 %	23.7 %	16.2 %	16.5 %	14.7 %	14.1 %	14.1 %
Inventory turnover (sales/inventory)	3.0	7.9	6.9	6.6	7.1	7.2	7.2
Trade debtors in days of sales	39.3	34.8	33.8	27.7	27.7	27.7	27.7
A/P turnover [(A/P*365)/sales]	38.1	24.4	24.2	21.2	21.2	21.2	21.2
Cash conversion cycle (days)	180.8	76.1	82.3	88.8	82.7	82.4	82.4
<b>Cash flow analysis</b>							
Free cash flow	-12.3	5.8	-0.1	1.6	6.3	2.3	2.7
Free cash flow/sales	-28.1 %	12.4 %	-0.1 %	3.2 %	10.3 %	3.4 %	3.5 %
FCF / net profit	neg.	547.8 %	neg.	40.4 %	186.1 %	85.7 %	84.3 %
Capex / depre	291.5 %	22.0 %	19.2 %	95.0 %	31.1 %	91.4 %	92.4 %
Capex / maintenance capex	261.9 %	17.6 %	13.3 %	52.4 %	29.2 %	89.6 %	92.4 %
Capex / sales	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Security</b>							
Net debt	33.2	18.9	10.9	1.5	-7.4	-8.0	-10.1
Net Debt/EBITDA	7.1	2.8	1.6	0.1	0.0	0.0	0.0
Net debt / equity	0.8	0.5	0.3	0.0	neg.	neg.	neg.
Interest cover	1.4	3.0	3.3	6.6	7.1	7.2	8.5
Dividend payout ratio	51.8 %	62.6 %	51.7 %	34.3 %	50.7 %	62.2 %	52.9 %
<b>Asset utilisation</b>							
Capital employed turnover	0.5	0.7	0.7	0.7	0.8	0.9	1.0
Operating assets turnover	0.7	0.9	1.0	1.2	1.6	1.8	2.0
Plant turnover	0.9	1.0	1.2	1.5	2.2	2.5	2.8
Inventory turnover (sales/inventory)	3.0	7.9	6.9	6.6	7.1	7.2	7.2
<b>Returns</b>							
ROCE	1.7 %	4.1 %	4.2 %	8.3 %	7.9 %	6.6 %	7.6 %
ROE	1.6 %	2.6 %	4.6 %	8.6 %	6.7 %	5.4 %	6.1 %
<b>Other</b>							
Interest paid / avg. debt	2.6 %	2.9 %	3.2 %	3.8 %	3.4 %	3.0 %	3.0 %
No. employees (average)	150	151	165	89	89	0	0
Number of shares	33.3	33.3	33.3	34.2	34.1	34.1	34.1
DPS	0.0	0.0	0.0	0.0	0.1	0.1	0.1
EPS reported	0.02	0.03	0.06	0.12	0.10	0.08	0.09
<b>Valuation ratios</b>							
P/BV	1.6	1.6	1.5	1.4	1.2	1.2	1.2
EV/sales	2.1	1.7	1.5	1.3	0.9	0.8	0.7
EV/EBITDA	20.0	11.9	10.7	6.5	5.1	5.2	4.7
EV/EBITA	61.2	23.0	22.9	11.1	9.5	10.8	8.8
EV/EBIT	71.5	24.5	24.5	11.5	9.9	11.4	9.2
EV/FCF	-7.6	13.6	-1068.2	39.6	8.7	23.1	19.1
Adjusted FCF yield	1.9 %	3.0 %	4.2 %	8.4 %	8.9 %	7.2 %	8.4 %
Dividend yield	0.5 %	1.1 %	1.6 %	2.2 %	2.7 %	2.7 %	2.7 %

Source: Company data, Hauck & Aufhäuser

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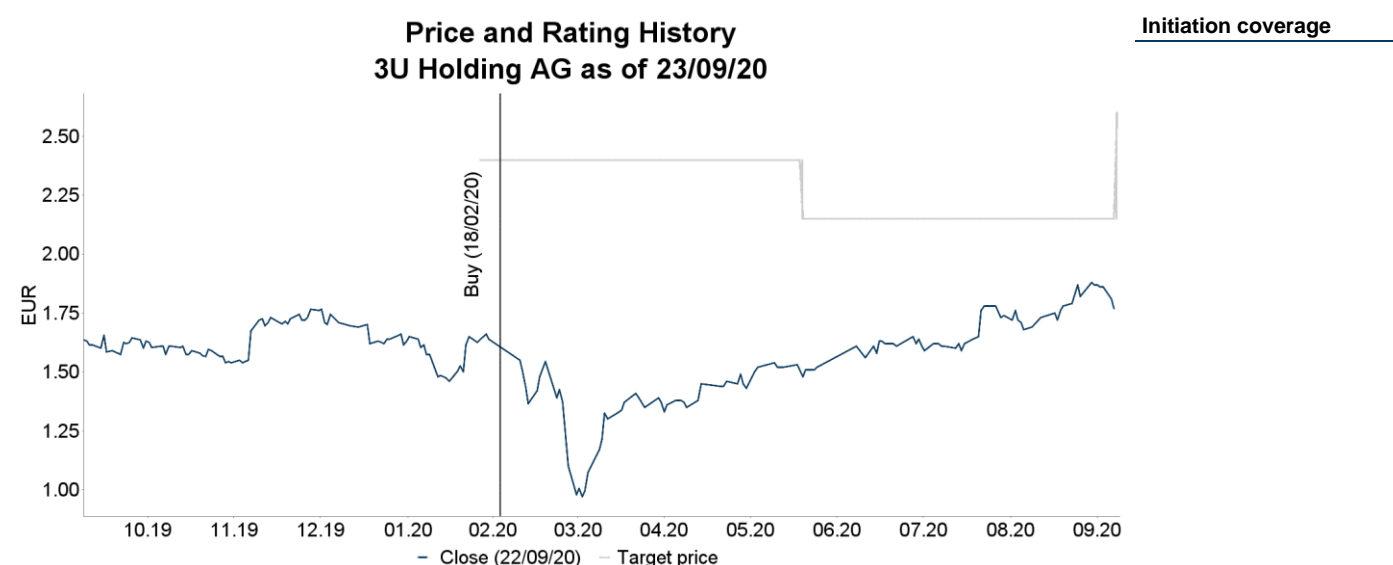
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Company	Disclosure
3U Holding AG	2, 8

### Historical target price and rating changes for 3U Holding AG in the last 12 months



Company	Date	Analyst	Rating	Target price	Close
3U Holding AG	13.08.2020	Köhler, Alina	Buy	EUR 2,15	EUR 1,73
	10.08.2020	Köhler, Alina	Buy	EUR 2,15	EUR 1,78
	05.06.2020	Köhler, Alina	Buy	EUR 2,15	EUR 1,51
	20.02.2020	Köhler, Alina	Buy	EUR 2,40	EUR 1,64

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