

**Recommendation:** Buy

**Price target:** 3.05 Euro

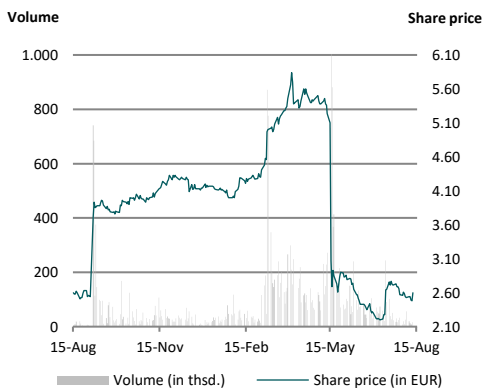
**Upside potential:** +22 percent

**Share data**

Share price	2.51 Euro (XETRA)
Number of shares (in m)	36.7
Market cap. (in EUR m)	92.1
Enterprise Value (in EUR m)	38.9
Code	UUU
ISIN	DE0005167902

**Performance**

52 week high (in EUR)	5.86
52 week low (in EUR)	2.17
3 m relative to CDAX	-17.3%
6 m relative to CDAX	-39.2%



Source: Capital IQ

**Shareholder structure**

free float	74.0%
Michael Schmidt	25.0%
Management & other board member	1.0%

**Calendar**

Hamburger Investorentage 23 August 2023

**Changes in estimates**

	2023e	2024e	2025e
Sales (old)	54.4	56.3	59.5
Δ in %	-	0.4%	0.3%
EBIT (old)	2.2	2.1	3.1
Δ in %	-	9.4%	6.5%
EPS (old)	0.06	0.04	0.04
Δ in %	33.3%	25.0%	-

**Analyst**

Christoph Hoffmann  
+49 40 41111 37 85  
c.hoffmann@montega.de

**Publication**

Comment 16 August 2023

**Headwind in SHAC segment leads to mixed set of figures**

3U HOLDING today has reported H1 results, which fell slightly short of our expectations both in terms of sales and earnings.

3U HOLDING AG KPIs	Q2/23	Q2/22	yoy	H1/23	H1/22	yoy
Group sales	11.8	12.4	-4.8%	25.1	25.4	-1.1%
Group EBITDA	0.7	2.4	-69.3%	2.6	6.0	-56.8%
Sales ITC	3.1	2.9	5.6%	6.0	5.8	3.5%
EBITDA ITC	0.9	0.7	18.9%	1.8	1.6	13.8%
Sales renewable energies	1.8	1.7	3.5%	4.3	4.1	4.6%
EBITDA renewable energies	1.3	1.3	4.8%	3.2	3.3	-1.8%
Sales SHAC	7.0	7.9	-11.3%	14.7	15.4	-4.4%
EBITDA SHAC	-0.3	0.1	n.m.	-0.4	-0.1	n.m.

Source: Company; prev. year figures adj. for weclapp

Figures in EUR m

**Top line decline attributable to SHAC online retail:** The SHAC segment, whose most important product category is underfloor heating, has suffered from the low level of construction in Q2 as well. Segment sales dropped by 11.3% yoy to EUR 7.0m. Conversely, the ITC segment saw a pleasant increase of 5.6% to EUR 3.1m.

**Diverging earnings trend continues:** 3U again recorded very good EBITDA of EUR 0.9m and an EBITDA margin of 28.8% in the ITC segment in Q2. Whilst EBITDA was up 4.8% to EUR 1.3m in the stable Renewables segment, EBITDA in SHAC online retail deteriorated to EUR -0.3m in Q2, after this segment had still generated EUR 0.1m in the previous year. Overall, EBITDA amounted to EUR 0.7m at group level (PY: EUR 2.4m). The strong deviation to the previous year is mainly due to a positive one-off effect from the InnoHubs real estate project in 2022.

**Purchase of commercial property in Würzburg:** In the quarter just ended, 3U has purchased the former premises of weclapp for EUR 3.5m (c. 1,200 sqm), which are planned to be leased to other parties at a price of EUR 14–16 per sqm over the next few months. The management expects a corresponding rental income of EUR 0.2–0.23m p.a. (yield: 5.7–6.5%).

**Earnings outlook slightly raised on strong financial result:** In the first half of the year, 3U has achieved a higher financial result than we had expected (H1/23: EUR 1.4m) by having invested its liquid funds so that we now expect a net profit of EUR 2.9m (previously: EUR 2.2m). We have also modelled in the rental income from the acquired property from 2024 onwards. The company has confirmed its guidance (revenues: EUR 55–60m; EBITDA: EUR 6–8m; net income: EUR 2.5–3.5m).

**Conclusion:** The SHAC market still weighs down on the group’s top line development as expected by us. However, the launch of the ThermCube on 16 August is likely to result in additional sales in the low single-digit million range in H2. We confirm our buy rating and our price target of EUR 3.05.

FYend: 31.12.	2021	2022	2023e	2024e	2025e
Sales	55.9	62.7	54.4	56.5	59.7
Growth yoy	-8.4%	12.0%	-13.2%	3.9%	5.5%
EBITDA	11.3	165.6	5.4	5.5	7.7
EBIT	6.8	161.1	2.2	2.3	3.3
Net income	2.9	159.0	2.9	1.7	1.5
Gross profit margin	52.5%	52.5%	49.4%	35.0%	33.1%
EBITDA margin	20.1%	20.1%	264.3%	9.9%	9.8%
EBIT margin	12.1%	257.1%	4.0%	4.1%	5.5%
Net Debt	23.6	-168.8	-51.4	-27.9	-11.5
Net Debt/EBITDA	2.1	2.1	-1.0	-9.6	-5.0
ROCE	10.2%	251.5%	4.9%	4.1%	4.2%
EPS	0.08	4.44	0.08	0.05	0.04
FCF per share	-0.43	-0.43	0.15	0.09	-0.60
Dividend	0.05	3.20	0.04	0.03	0.02
Dividend yield	2.0%	2.0%	127.5%	1.6%	1.2%
EV/Sales	0.7	0.6	0.7	0.7	0.7
EV/EBITDA	3.5	0.2	7.3	7.0	5.0
EV/EBIT	5.8	0.2	18.1	16.7	11.9
PER	31.4	0.6	31.4	50.2	62.8
P/B	1.7	0.4	1.0	1.0	0.9

Source: Company data, Montega, Capital IQ

Figures in EUR m, EPS in EUR, Price: 2.51 EUR

## COMPANY BACKGROUND

3U HOLDING AG is a German investment company, whose current operational activities comprise the fields of renewable energies (RE; wind and solar), information and telecommunications technology (ITC) as well as online retail in sanitary, heating and air conditioning technology (SHAC). The company also pursues opportunistic investment strategies in the real estate sector. Following the disposal of weclapp for some EUR 161m in 2022, 3U has liquid assets at record levels and currently is primarily examining add-on acquisitions across the three defined core markets.

### Key Facts

<b>Ticker</b>	UUU	<b>Revenue</b> (cont. activities)	EUR 50.3m
<b>Sector</b>	Investment company	<b>EBITDA</b> (cont. activities)	EUR 8.5m
<b>Employees</b>	128 (FTEs)	<b>EBITDA margin</b> (cont. activities)	16.9%
<b>Core competence</b>	<ul style="list-style-type: none"> <li>• ITC: Provision of high-quality, secure ITC services</li> <li>• RE: Development and operation of wind and solar farms</li> <li>• SHAC: Operation of an online store for complex products in the DIY sector</li> </ul>		
<b>Locations</b>	Marburg (headquarters), Hannover, Berlin, Koblenz, Bad Honnef, Langendorf, Roge, Klostermoor, Adelebsen		
<b>Customer structure</b>	<ul style="list-style-type: none"> <li>• ITC (B2C &amp; B2B): Companies from a wide range of industries as well as end consumers</li> <li>• RE (B2B): Individual contracts with few companies or fixed government allowance</li> <li>• SHAC (B2C &amp; B2B): End users and craft businesses</li> </ul>		

Source: Company

As of FY 2022

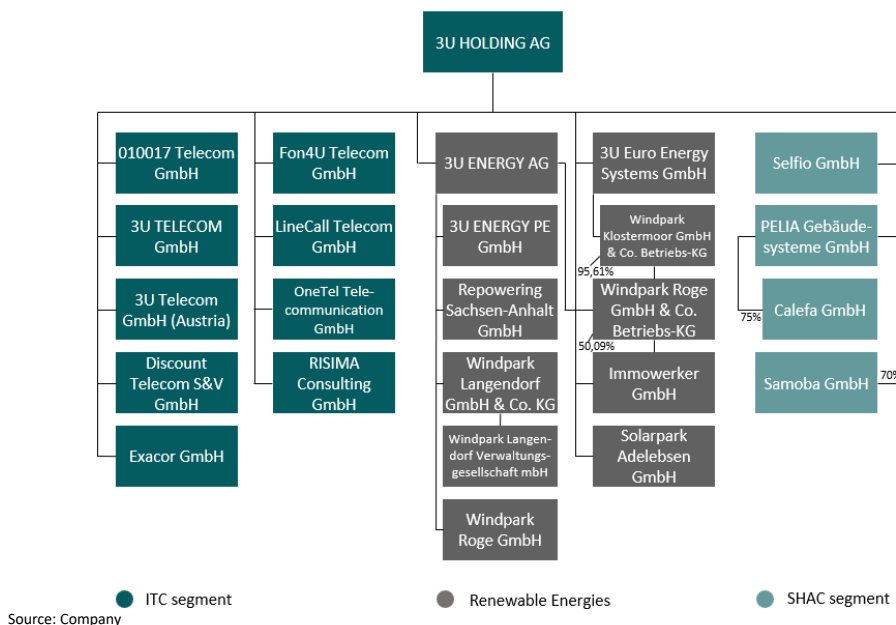
### Major events in the company's history

<b>1997</b>	Foundation of the company as 3U Telekommunikation GmbH, a carrier network operator
<b>1999</b>	Change of name into a stock corporation and initial listing at the Frankfurt stock exchange
<b>2003</b>	Acquisition of OneTel, a network operator for voice telephony
<b>2004</b>	Acquisition of LambdaNet Communications Deutschland
<b>2007</b>	Change of name into 3U HOLDING AG and strategic positioning as management and investment holding
<b>2008</b>	Foundation of the predecessor company of weclapp
<b>2009</b>	Entry into renewable energies
<b>2011</b>	Foundation of Selfio GmbH, an online retailer for sanitary, heating and air conditioning technology
<b>2013</b>	Expansion of data centre business through acquisition of additional capacities in Berlin and Hanover
<b>2014</b>	Expansion of Renewable Energies segment through the acquisition of a wind farm project developer with a pipeline of eight projects and the acquisition of the Langendorf wind farm
<b>2015</b>	Investment in Selfio gmbH increased to 100%
<b>2021</b>	Move into the new distribution centre for the online retail segment
<b>2022</b>	Disposal of the investment in weclapp SE (70.95% stake) for EUR 161.6m

## Organisational structure

3U HOLDING AG acts as the holding company in the group's organisational structure. The ITC segment comprises nine different operational companies. The Renewable Energies segment is also managed by several companies. As is usual in the industry, the group's own wind farms and solar parks are managed by a management company as well as a GmbH & Co. KG. The business activities of the online retail segment are primarily bundled in Selfio and PELIA. In addition to the companies above, 3U operates another 14 companies such as project development companies which currently are of negligible relevance.

### Organizational structure of 3U HOLDING AG



## Business model and individual segments

3U divides its business activities in three segments. To show the relevant sales relations, the figures below include pro-forma sales in 2022 which are essentially adjusted for the revenue contributions of the sold investment in weclapp.

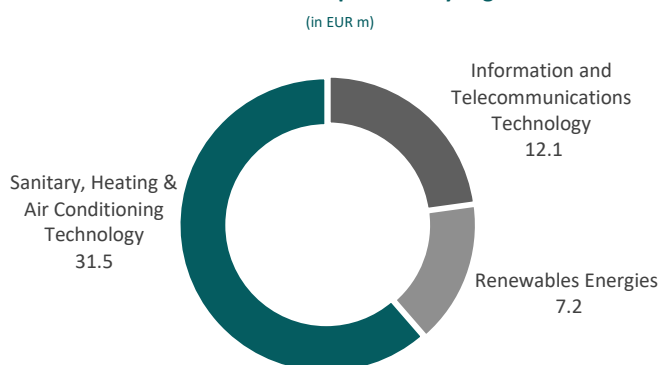
The services provided in the **Information and Telecommunications Technology segment (pro-forma revenue share in 2022: 24%)** are again divided in four business lines:

- *Data Centre Services & Operation* (20% of segment sales) bundles all services around the three own data centres. Corporate customers can choose between renting space to set up their own servers (colocation) or computing capacities provided by 3U (Infrastructure-as-a-Service). Active support and operation of IT landscapes for corporate customers (managed services) complete the company's services.
- The *Voice Retail* business line (13% of segment sales) offers cost-effective telephone connections for end customers and mainly includes call-by-call and pre-selection calls.
- The *Voice Business* business line, whose core business is voice termination, generates the majority of segment sales (60% of segment sales). As a subscriber and carrier network operator, 3U has its own internet-based telephone network and acts as an intermediary for telephone calls across the networks (voice termination). Services cover connections in fixed line and mobile networks, international connections as well as special and service numbers.
- To a lesser extent (7% of segment sales), 3U is also *trading software licences*. In this respect, the company is exclusively focused on the sale of the Litera document management software.

The **Renewable Energies segment (pro-forma revenue share in 2022: 14%)** includes three wind farms with a nominal capacity of 42.9 MW and a solar park with a capacity of 10.1 MW. Earnings are subject to volatility which is typical for the industry and can be put down to changing weather conditions, on the one hand, and fluctuating electricity prices, on the other hand. 3U has already sold most of the electricity yields in 2023 in the form of Power Purchase Agreements (PPA) at fixed conditions. Additionally, the company is planning comprehensive repowering measures at the Langendorf site, which would almost double output from 22.5 MW to 43.0 MW and are expected to triple electricity yields from the start of operations in mid-2025.

The **Sanitary, Heating and Air Conditioning Technology (SHAC) segment (pro-forma revenue share in 2022: 62%)** mainly bundles the activities of the Selfio portfolio company (c. 80% of segment sales). This is a B2C online shop which distributes e.g. underfloor heating or ventilation and water treatment systems of own and third-party brands (e.g. Buderus, Grundfos, Viessmann, Wolf) to handymen and do-it-yourselfers. Customers benefit from extensive assistance in the form of videos or detailed assembly instructions. Additionally, 3U operates PELIA (c. 20% of segment sales), a company which acts as a SHAC wholesaler with customers mainly including handicraft businesses. The company also handles all logistics processes of the segment and is responsible for the still small production of in-house brands.

#### Pro-forma revenue split 2022 by segment



Source: Company

#### Target markets, sales regions and sales structure

In regional terms, 3U is mainly focused on the German market but also offers its telecommunications services in Austria, for instance, and delivers customers in more than 30 countries with its Selfio online shop. In the past, roughly 10% of group revenues were generated abroad. The most important sales markets are Austria and Switzerland, which already account for more than half of the foreign revenues. Most of the remaining revenues are generated in other neighbouring European countries.

#### M&A history

The tables below show the company's exits in chronological order. This illustrates both 3U's long-term investment approach and the opportunistic real estate strategy given that six of the ten transactions are related to real estate. Two transactions are related to self-developed wind farms and an investment in the SHAC sector, respectively, as well as to ERP software provider weclapp. All in all, we believe that 3U has a good track record and a shareholder-friendly dividend policy since the shareholders participate in successful exits in the form dividend payments.

Asset	Historical exits		Disposal value	Year
	Purchase price/investment	Year		
weclapp	EUR 24.0m	2008	EUR 161m	2022
InnoHubs	EUR 3.7m	2019	EUR 10.1m	2022
Property Adelebsen	EUR 4.3m	2011	EUR 5.1m	2021
ClimaLevel energy systems	EUR 1.0m	2012	EUR 2.3m	2021
Wind farm Lüdersdorf	EUR 3.6m	2016	EUR 4.0m	2021
Linz real estate	EUR 0.8m	2012	EUR 0.7m	2020
Montabaur real estate	EUR 1.9m	2012	EUR 1.7m	2019
Marburg real estate	EUR 8.6m	2009	EUR 11.8m	2019
DC-Property Hannover	EUR 8.4m	2013	EUR 10.2m	2018
Wind farm Schlenzer	EUR 4.4m	2017	EUR 7.5m	2017
<b>Total</b>	<b>EUR 60.7m</b>		<b>EUR 215.0m</b>	

Source: Company

### Management

The company is currently run by a management board consisting of three members.



**Uwe Knoke** has been a member of the management board since November 2021 and is responsible for strategy and business development. The chartered engineer (Diplom-Ingenieur) has a long-standing experience and profound expertise in the area of telecommunications, working for LambdaNet Communications Deutschland AG amongst others, followed by a Managing Director role at 3U TELECOM GmbH.



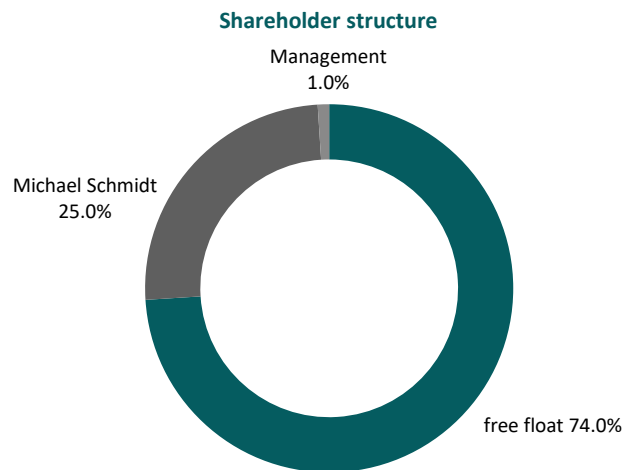
**Christoph Hellrung** (CFO) joined 3U in 2009, when he was Chief Financial Officer of subsidiary LambdaNet Communications Deutschland AG. In March 2012, he was appointed to the group's board of directors. Following almost 10 years in this function, he became CFO of weclapp SE in October 2021 before he was appointed CFO of 3U HOLDING in May 2022. Prior to joining the 3U group, the business graduate had worked for a leading auditor and was a Management Board member at ENRO AG, which is specialised in renewable energies.



**Andreas Odenbreit** has joined the group as early as 2005 and, in his role as Management Board member, is in charge of legal and human resources. Prior to this, the lawyer had worked for the legal departments of Volkswagen and Deutsche Telekom.

### Shareholder structure

3U HOLDING AG has issued 36,617,014 bearer shares. The shareholder structure is dominated by the stake of founder and current CEO Michael Schmidt, who holds 25.0% of the shares. Furthermore, the other members of the Management and Supervisory Board account for another 1.0% of the shares. The remaining 74.0% are free float.



Source: Company

APPENDIX

DCF Model

Figures in m	2023e	2024e	2025e	2026e	2027e	2028e	2029e	Terminal Value
<b>Sales</b>	<b>54.4</b>	<b>56.5</b>	<b>59.7</b>	<b>65.0</b>	<b>67.4</b>	<b>65.6</b>	<b>68.1</b>	<b>69.5</b>
<i>Change yoy</i>	-13.2%	3.9%	5.5%	9.0%	3.6%	-2.7%	3.9%	2.0%
<b>EBIT</b>	<b>2.2</b>	<b>2.3</b>	<b>3.3</b>	<b>4.9</b>	<b>6.2</b>	<b>4.8</b>	<b>5.1</b>	<b>5.6</b>
<i>EBIT margin</i>	4.0%	4.1%	5.5%	7.6%	9.3%	7.3%	7.4%	8.0%
<b>NOPAT</b>	<b>1.5</b>	<b>1.6</b>	<b>2.3</b>	<b>3.4</b>	<b>4.4</b>	<b>3.4</b>	<b>3.5</b>	<b>3.9</b>
<b>Depreciation</b>	<b>3.2</b>	<b>3.2</b>	<b>4.5</b>	<b>5.5</b>	<b>4.5</b>	<b>4.3</b>	<b>4.3</b>	<b>2.7</b>
<i>in % of Sales</i>	5.9%	5.7%	7.5%	8.4%	6.7%	6.6%	6.3%	3.9%
<b>Change in Liquidity from</b>								
- Working Capital	-2.2	-1.5	-0.8	-0.7	-0.3	0.8	-0.3	-0.3
- Capex	-4.5	-25.7	-20.7	-0.7	-0.7	-0.7	-0.7	-2.7
<i>Capex in % of Sales</i>	8.2%	45.5%	34.7%	1.1%	1.0%	1.1%	1.0%	3.9%
Other	0.1	-0.2	-0.1	-0.1	-0.1	0.0	0.0	0.0
<b>Free Cash Flow (WACC model)</b>	<b>-1.9</b>	<b>-22.6</b>	<b>-14.8</b>	<b>7.4</b>	<b>7.7</b>	<b>7.7</b>	<b>6.9</b>	<b>3.6</b>
<b>WACC</b>	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%
Present value	-1.8	-20.8	-12.8	6.0	5.9	5.5	4.6	48.1
<b>Total present value</b>	<b>-1.8</b>	<b>-22.6</b>	<b>-35.5</b>	<b>-29.5</b>	<b>-23.6</b>	<b>-18.1</b>	<b>-13.5</b>	<b>34.6</b>

Valuation

Total present value (Tpv)	34.6
Terminal Value	48.1
Share of TV on Tpv	139%
Liabilities	18.8
Liquidity	72.8
<b>Equity value</b>	<b>88.6</b>

Number of shares (mln)

36.70

**Value per share (EUR)**

**2.41**

**+Upside / -Downside**

**-4%**

Share price

2.51

Model parameter

Debt ratio	37.5%
Costs of Debt	4.0%
Market return	9.0%
Risk free rate	2.50%

Beta

1.00

WACC

6.68%

Terminal Growth

2.0%

Growth: sales and margin

Short term: Sales growth	2023-2026	6.1%
Mid term: Sales growth	2023-2029	3.8%
Long term: Sales growth	from 2030	2.0%
EBIT margin	2023-2026	5.3%
EBIT margin	2023-2029	6.4%
Long term EBIT margin	from 2030	8.0%

Sensitivity Value per Share (EUR)

WACC	Terminal Growth				
	1.25%	1.75%	2.00%	2.25%	2.75%
7.18%	2.10	2.19	2.24	2.30	2.44
6.93%	2.16	2.26	2.32	2.39	2.54
<b>6.68%</b>	2.23	2.35	<b>2.41</b>	2.49	2.66
6.43%	2.31	2.44	2.51	2.60	2.80
6.18%	2.40	2.54	2.63	2.72	2.96

Sensitivity Value per Share (EUR)

WACC	EBIT margin from 2030e				
	7.50%	7.75%	8.00%	8.25%	8.50%
7.18%	2.16	2.20	2.24	2.28	2.32
6.93%	2.24	2.28	2.32	2.36	2.41
<b>6.68%</b>	2.32	2.37	<b>2.41</b>	2.46	2.50
6.43%	2.42	2.47	2.51	2.56	2.61
6.18%	2.52	2.58	2.63	2.68	2.73

Source: Montega

P&L (in Euro m) 3U HOLDING AG	2020	2021	2022	2023e	2024e	2025e
<b>Sales</b>	<b>61.1</b>	<b>55.9</b>	<b>62.7</b>	<b>54.4</b>	<b>56.5</b>	<b>59.7</b>
Increase / decrease in inventory	-0.4	2.0	0.4	0.0	0.0	0.0
Own work capitalised	0.2	0.8	0.8	0.0	0.0	0.0
<b>Total sales</b>	<b>60.8</b>	<b>58.7</b>	<b>63.9</b>	<b>54.4</b>	<b>56.5</b>	<b>59.7</b>
Material Expenses	33.2	29.3	32.9	35.4	37.8	38.2
<b>Gross profit</b>	<b>27.6</b>	<b>29.4</b>	<b>30.9</b>	<b>19.0</b>	<b>18.7</b>	<b>21.5</b>
Personnel expenses	13.1	15.0	19.6	8.0	7.2	7.2
Other operating expenses	8.3	10.0	21.4	6.6	6.9	7.6
Other operating income	5.3	6.9	175.7	1.0	1.0	1.0
<b>EBITDA</b>	<b>11.6</b>	<b>11.3</b>	<b>165.6</b>	<b>5.4</b>	<b>5.5</b>	<b>7.7</b>
Depreciation on fixed assets	4.3	3.1	3.5	3.0	3.0	4.3
<b>EBITA</b>	<b>7.2</b>	<b>8.1</b>	<b>162.1</b>	<b>2.4</b>	<b>2.5</b>	<b>3.5</b>
Amortisation of intangible assets	1.3	1.4	1.1	0.2	0.2	0.2
Impairment charges and Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>5.9</b>	<b>6.8</b>	<b>161.1</b>	<b>2.2</b>	<b>2.3</b>	<b>3.3</b>
Financial result	-0.7	-0.5	-0.1	2.4	0.5	-1.0
<b>Result from ordinary operations</b>	<b>5.3</b>	<b>6.3</b>	<b>161.0</b>	<b>4.5</b>	<b>2.8</b>	<b>2.3</b>
Extraordinary result	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBT</b>	<b>5.3</b>	<b>6.3</b>	<b>161.0</b>	<b>4.5</b>	<b>2.8</b>	<b>2.3</b>
Taxes	1.3	2.2	1.6	1.4	0.8	0.7
Net Profit of continued operations	4.0	4.0	159.4	3.2	1.9	1.6
Net Profit of discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net profit before minorities</b>	<b>4.0</b>	<b>4.0</b>	<b>159.4</b>	<b>3.2</b>	<b>1.9</b>	<b>1.6</b>
Minority interests	0.7	1.1	0.4	0.3	0.2	0.1
<b>Net profit</b>	<b>3.3</b>	<b>2.9</b>	<b>159.0</b>	<b>2.9</b>	<b>1.7</b>	<b>1.5</b>

Source: Company (reported results), Montega (forecast)

P&L (in % of Sales) 3U HOLDING AG	2020	2021	2022	2023e	2024e	2025e
<b>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>
Increase / decrease in inventory	-0.7%	3.5%	0.6%	0.0%	0.0%	0.0%
Own work capitalised	0.3%	1.4%	1.3%	0.0%	0.0%	0.0%
<b>Total sales</b>	<b>99.6%</b>	<b>104.8%</b>	<b>102.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Material Expenses	54.4%	52.3%	52.6%	65.0%	66.9%	64.0%
<b>Gross profit</b>	<b>45.3%</b>	<b>52.5%</b>	<b>49.4%</b>	<b>35.0%</b>	<b>33.1%</b>	<b>36.0%</b>
Personnel expenses	21.5%	26.8%	31.3%	14.8%	12.8%	12.0%
Other operating expenses	13.6%	17.8%	34.2%	12.2%	12.3%	12.7%
Other operating income	8.7%	12.3%	280.4%	1.8%	1.8%	1.7%
<b>EBITDA</b>	<b>18.9%</b>	<b>20.1%</b>	<b>264.3%</b>	<b>9.9%</b>	<b>9.8%</b>	<b>13.0%</b>
Depreciation on fixed assets	7.1%	5.6%	5.5%	5.5%	5.3%	7.1%
<b>EBITA</b>	<b>11.8%</b>	<b>14.5%</b>	<b>258.8%</b>	<b>4.3%</b>	<b>4.5%</b>	<b>5.8%</b>
Amortisation of intangible assets	2.1%	2.4%	1.7%	0.4%	0.4%	0.3%
Impairment charges and Amortisation of goodwill	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>EBIT</b>	<b>9.7%</b>	<b>12.1%</b>	<b>257.1%</b>	<b>4.0%</b>	<b>4.1%</b>	<b>5.5%</b>
Financial result	-1.1%	-0.8%	-0.2%	4.3%	0.8%	-1.7%
<b>Result from ordinary operations</b>	<b>8.6%</b>	<b>11.2%</b>	<b>256.9%</b>	<b>8.3%</b>	<b>4.9%</b>	<b>3.8%</b>
Extraordinary result	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>EBT</b>	<b>8.6%</b>	<b>11.2%</b>	<b>256.9%</b>	<b>8.3%</b>	<b>4.9%</b>	<b>3.8%</b>
Taxes	2.1%	4.0%	2.5%	2.5%	1.5%	1.2%
Net Profit of continued operations	6.5%	7.2%	254.4%	5.8%	3.4%	2.7%
Net Profit of discontinued operations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Net profit before minorities</b>	<b>6.5%</b>	<b>7.2%</b>	<b>254.4%</b>	<b>5.8%</b>	<b>3.4%</b>	<b>2.7%</b>
Minority interests	1.1%	2.0%	0.7%	0.6%	0.4%	0.2%
<b>Net profit</b>	<b>5.4%</b>	<b>5.2%</b>	<b>253.7%</b>	<b>5.2%</b>	<b>3.1%</b>	<b>2.5%</b>

Source: Company (reported results), Montega (forecast)



Balance sheet (in Euro m) 3U HOLDING AG	2020	2021	2022	2023e	2024e	2025e
<b>ASSETS</b>						
Intangible assets	4.9	34.3	4.9	4.9	4.9	4.9
Property, plant & equipment	32.3	33.5	28.4	26.1	48.6	64.9
Financial assets	0.2	0.2	0.2	3.7	3.7	3.7
<b>Fixed assets</b>	<b>37.3</b>	<b>68.0</b>	<b>33.5</b>	<b>34.8</b>	<b>57.3</b>	<b>73.5</b>
Inventories	8.6	13.6	10.8	13.6	15.0	15.8
Accounts receivable	3.8	16.0	3.6	3.7	3.9	4.1
Liquid assets	26.4	12.7	189.7	72.4	48.8	64.5
Other assets	9.8	8.7	6.0	6.0	6.0	6.0
<b>Current assets</b>	<b>48.5</b>	<b>51.0</b>	<b>210.1</b>	<b>95.7</b>	<b>73.7</b>	<b>90.4</b>
<b>Total assets</b>	<b>85.9</b>	<b>119.0</b>	<b>243.6</b>	<b>130.4</b>	<b>131.0</b>	<b>163.9</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
Shareholders' equity	51.1	55.2	210.4	96.1	96.6	97.3
Minority Interest	0.8	6.9	0.8	0.8	0.8	0.8
Provisions	2.6	2.3	2.8	2.8	2.8	2.8
Financial liabilities	20.1	35.0	19.5	19.5	19.5	51.5
Accounts payable	3.2	3.9	3.0	3.8	3.9	4.1
Other liabilities	8.0	15.7	7.1	7.1	7.1	7.1
<b>Liabilities</b>	<b>33.9</b>	<b>56.9</b>	<b>32.4</b>	<b>33.2</b>	<b>33.3</b>	<b>65.5</b>
<b>Total liabilities and shareholders' equity</b>	<b>85.9</b>	<b>119.0</b>	<b>243.6</b>	<b>130.1</b>	<b>130.6</b>	<b>163.6</b>

Source: Company (reported results), Montega (forecast)

Balance sheet (in %) 3U HOLDING AG	2020	2021	2022	2023e	2024e	2025e
<b>ASSETS</b>						
Intangible assets	5.7%	28.8%	2.0%	3.8%	3.7%	3.0%
Property, plant & equipment	37.6%	28.2%	11.7%	20.0%	37.1%	39.6%
Financial assets	0.2%	0.2%	0.1%	2.8%	2.8%	2.3%
<b>Fixed assets</b>	<b>43.5%</b>	<b>57.2%</b>	<b>13.8%</b>	<b>26.7%</b>	<b>43.7%</b>	<b>44.8%</b>
Inventories	10.0%	11.4%	4.4%	10.4%	11.5%	9.6%
Accounts receivable	4.4%	13.5%	1.5%	2.8%	3.0%	2.5%
Liquid assets	30.8%	10.7%	77.9%	55.5%	37.3%	39.3%
Other assets	11.4%	7.3%	2.5%	4.6%	4.6%	3.7%
<b>Current assets</b>	<b>56.5%</b>	<b>42.9%</b>	<b>86.2%</b>	<b>73.4%</b>	<b>56.3%</b>	<b>55.1%</b>
<b>Total Assets</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
Shareholders' equity	59.5%	46.4%	86.4%	73.8%	73.9%	59.5%
Minority Interest	1.0%	5.8%	0.3%	0.6%	0.6%	0.5%
Provisions	3.1%	1.9%	1.2%	2.2%	2.2%	1.7%
Financial liabilities	23.4%	29.4%	8.0%	15.0%	14.9%	31.5%
Accounts payable	3.7%	3.3%	1.2%	2.9%	3.0%	2.5%
Other liabilities	9.3%	13.2%	2.9%	5.4%	5.4%	4.3%
<b>Total Liabilities</b>	<b>39.5%</b>	<b>47.8%</b>	<b>13.3%</b>	<b>25.5%</b>	<b>25.5%</b>	<b>40.0%</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>

Source: Company (reported results), Montega (forecast)

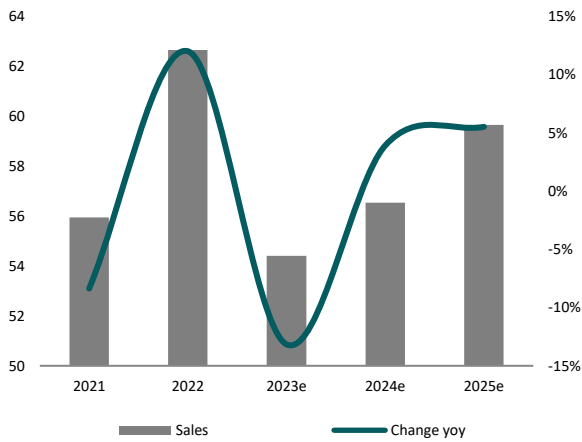
Statement of cash flows (in Euro m) 3U HOLDING AG	2020	2021	2022	2023e	2024e	2025e
Net income	4.0	4.0	159.4	3.2	1.9	1.6
Depreciation of fixed assets	4.3	3.1	3.5	3.0	3.0	4.3
Amortisation of intangible assets	1.3	1.4	1.1	0.2	0.2	0.2
Increase/decrease in long-term provisions	0.2	0.0	0.2	0.0	0.0	0.0
Other non-cash related payments	-4.5	-1.4	-162.0	0.0	0.0	0.0
<b>Cash flow</b>	<b>5.3</b>	<b>7.1</b>	<b>2.1</b>	<b>6.4</b>	<b>5.2</b>	<b>6.1</b>
Increase / decrease in working capital	-0.5	-16.6	14.4	-2.2	-1.5	-0.8
<b>Cash flow from operating activities</b>	<b>4.8</b>	<b>-9.5</b>	<b>16.5</b>	<b>4.2</b>	<b>3.7</b>	<b>5.3</b>
CAPEX	-10.4	-5.6	-11.0	-1.0	-25.7	-20.7
Other	5.6	-8.1	158.8	-3.2	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-4.8</b>	<b>-13.8</b>	<b>147.8</b>	<b>-4.1</b>	<b>-25.7</b>	<b>-20.7</b>
Dividends paid	-2.0	-2.0	-2.0	-117.4	-1.5	-0.9
Change in financial liabilities	6.4	12.2	15.0	0.0	0.0	32.0
Other	0.8	-1.0	-0.4	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>5.3</b>	<b>9.2</b>	<b>12.6</b>	<b>-117.4</b>	<b>-1.5</b>	<b>31.1</b>
Effects of exchange rate changes on cash	0.5	0.3	0.0	0.0	0.0	0.0
<b>Change in liquid funds</b>	<b>5.3</b>	<b>-14.0</b>	<b>177.0</b>	<b>-117.4</b>	<b>-23.5</b>	<b>15.6</b>
<b>Liquid assets at end of period</b>	<b>26.4</b>	<b>12.7</b>	<b>189.7</b>	<b>72.4</b>	<b>48.8</b>	<b>64.5</b>

Source: Company (reported results), Montega (forecast)

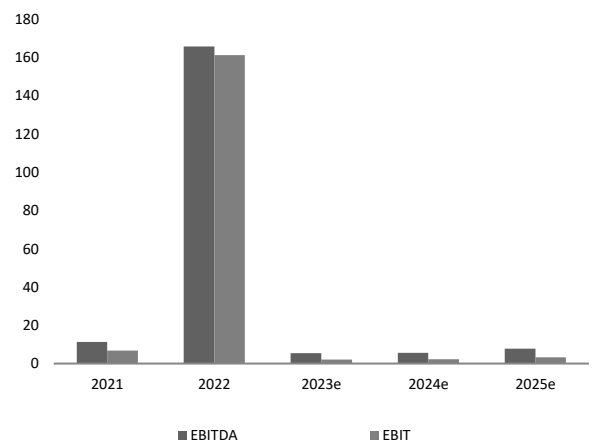
Key figures 3U HOLDING AG	2020	2021	2022	2023e	2024e	2025e
<b>Earnings margins</b>						
Gross margin (%)	45.3%	52.5%	49.4%	35.0%	33.1%	36.0%
EBITDA margin (%)	18.9%	20.1%	264.3%	9.9%	9.8%	13.0%
EBIT margin (%)	9.7%	12.1%	257.1%	4.0%	4.1%	5.5%
EBT margin (%)	8.6%	11.2%	256.9%	8.3%	4.9%	3.8%
Net income margin (%)	6.5%	7.2%	254.4%	5.8%	3.4%	2.7%
<b>Return on capital</b>						
ROCE (%)	12.4%	10.2%	251.5%	4.9%	4.1%	4.2%
ROE (%)	7.0%	5.6%	256.0%	1.4%	1.8%	1.5%
ROA (%)	3.8%	2.5%	65.3%	2.2%	1.3%	0.9%
<b>Solvency</b>						
YE net debt (in EUR)	-5.0	23.6	-168.8	-51.4	-27.9	-11.5
Net debt / EBITDA	-0.4	2.1	-1.0	-9.6	-5.0	-1.5
Net gearing (Net debt/equity)	-0.1	0.4	-0.8	-0.5	-0.3	-0.1
<b>Cash Flow</b>						
Free cash flow (EUR m)	-5.6	-15.1	5.5	3.3	-22.0	-15.4
Capex / sales (%)	17.0%	10.1%	17.6%	8.2%	45.5%	34.7%
Working capital / sales (%)	15%	31%	30%	23%	25%	26%
<b>Valuation</b>						
EV/Sales	0.6	0.7	0.6	0.7	0.7	0.7
EV/EBITDA	3.4	3.5	0.2	7.3	7.0	5.0
EV/EBIT	6.6	5.8	0.2	18.1	16.7	11.9
EV/FCF	-	-	7.0	12.0	-	-
PE	27.9	31.4	0.6	31.4	50.2	62.8
P/B	1.8	1.7	0.4	1.0	1.0	0.9
Dividend yield	2.0%	2.0%	127.5%	1.6%	1.0%	0.8%

Source: Company (reported results), Montega (forecast)

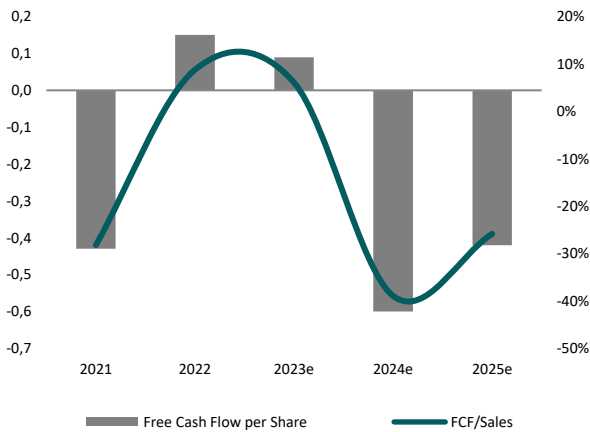
Sales development



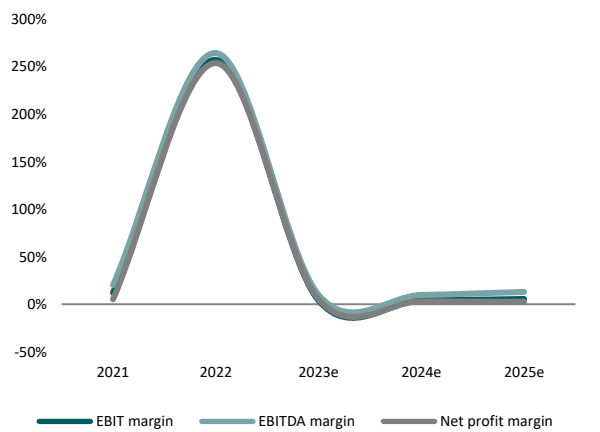
Earnings development



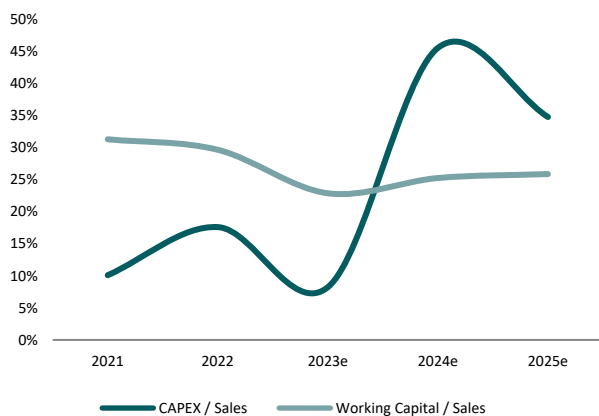
Free-Cash-Flow development



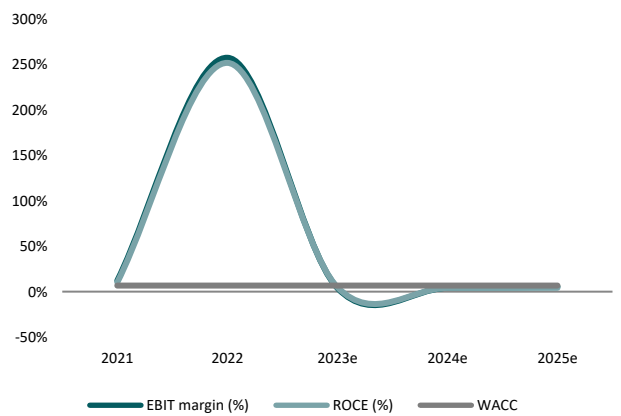
Margin development



Capex / Working Capital



EBIT-Yield / ROCE



## DISCLAIMER

This document does not represent any offer or invitation to buy or sell any kind of securities or financial instruments. The document serves for information purposes only. This document only contains a non-binding opinion on the investment instruments concerned and non-binding judgments on market conditions at the time of publication. Due to its content, which serves for general information purposes only, this document may not replace personal, investor- or issue-specific advice and does also not provide basic information required for an investment decision that are formulated and expressed in other sources, especially in properly authorised prospectuses. All data, statements and conclusions drawn in this document are based on sources believed to be reliable but we do not guarantee their correctness or their completeness. The expressed statements reflect the personal judgement of the author at a certain point in time. These judgements may be changed at any time and without prior announcement. No liability for direct and indirect damages is assumed by either the analyst or the institution employing the analyst. This confidential report is made available to a limited audience only. This publication and its contents may only be disseminated or distributed to third parties following the prior consent of Montega. All capital market rules and regulations governing the compilation, content, and distribution of research in force in the different national legal systems apply and are to be complied with by both suppliers and recipients. Distribution within the United Kingdom: this document is allotted exclusively to persons who are authorized or appointed in the sense of the Financial Services Act of 1986 or on any valid resolution on the basis of this act. Recipients also include persons described in para 11(3) of the Financial Act 1986 (Investments Advertisements) (Exemptions) Order 1996 (in each currently valid amendment). It is not intended to remit information directly or indirectly to any other groups or recipients. It is not allowed to transmit, distribute, or to make this document or a copy thereof available to persons within the United States of America, Canada, and Japan or to their overseas territories.

**Declaration according to Section 85 of the German Securities Trading Act (WpHG) and Art. 20 Regulation (EU) No. 596/2014 in conjunction with Commission Delegated Regulation (Delegierte Verordnung) 2016/958 (as of 16 August, 2023):** Montega has made an agreement with this company about the preparation of a financial analysis. The research report has been made available to the company prior to its publication / dissemination. A company affiliated with Montega may hold an interest in the issuer's share capital or other financial instruments.

Prices of financial instruments mentioned in this analysis are closing prices of the publishing date (respectively the previous day) if not explicitly mentioned otherwise. Any updating of this publication will be made in the case of events that Montega considers to be possibly relevant to the stocks' price performance. The end of regular comments on events in context with the issuer (coverage) will be announced beforehand.

**Sources of information:** The main sources of information for the preparation of this financial analysis are publications of the issuer as well as publicly available information of national and international media, which Montega regards as reliable. There have also been discussions with members of the management team or the investor relations division of the company concerned when preparing this analysis.

**Reference pursuant to MiFID II (as of 16 August, 2023):** This publication was prepared on the basis of a contract between Montega AG and the issuer and will be paid by the issuer. This document has been widely published and Montega AG makes it simultaneously available for all interested parties. Its receipt therefore is considered a permissible minor non-monetary benefit in the sense of section 64 Paragraph 7 Sentence 2 No. 1 and 2 of the German Securities Trading Act (WpHG).

**Fundamental basics and principles of the evaluative judgements contained in this document:** Assessments and valuations leading to ratings and judgements given by Montega AG are generally based on acknowledged and broadly approved methods of analysis i.e. a DCF model, a peer group comparison, or sum-of-the-parts model.

### Our ratings:

Buy: The analysts at Montega AG believe the share price will rise during the next twelve months.

Hold: Upside/downside potential limited. No immediate catalyst visible.

Sell: The analysts at Montega AG believe the share price will fall during the next twelve months.

### Authority responsible for supervision:

Bundesanstalt für Finanzdienstleistungsaufsicht  
Graurheindorfer Str. 108 and Marie-Curie-Str. 24-28  
53117 Bonn 60439 Frankfurt

### Contact Montega AG:

Schauenburgerstraße 10  
20095 Hamburg  
www.montega.de  
Tel: +49 40 4 1111 37 80

**Share price and recommendation history**

<b>Recommendation</b>	<b>Date</b>	<b>Price (EUR)</b>	<b>Price target (EUR)</b>	<b>Potential</b>
Buy (Initiation)	20.03.2023	5.08	5.50	+8%
Hold	27.06.2023	2.44	2.20	-10%
Buy	18.07.2023	2.76	3.05	+10%
Buy	16.08.2023	2.51	3.05	+22%