

# LION E-Mobility AG

Automotive - Germany



NuWays

by Hauck Aufhäuser Lampe

**Buy** (old: Buy)

20.11.2024

**EUR 3.60** (old: EUR 3.60)

## Q3 with improving operations; first glance at LIGHT potential

**Sales in Q3 came in at € 6.4m**, 40% lower than last year's figure but in line with expectations (9M sales € 12.4m, -58% yoy) due to the ongoing pressure from Chinese storage solution providers and continuously burdened battery demand within the mobility segment. The latter is mainly the result of weakened demand for end products (e.g. electric mini buses) but also by falling battery prices and the resulting "wait and see" mentality of customers. Yet, sales increased sequentially by 33% vs Q2 and 5x vs Q1. **EBITDA also further improved compared to previous quarters**, coming in at € -1.2m (Q2: € -2.2m, Q1: € -2.6m) as a result of ongoing tight cost control (e.g. other operating expenses -33% vs H1). 9M EBITDA came in at € -6m.

**Confirmed FY24e guidance implies notable Q4 pick up.** Management still expects FY sales of up to € 42m and slightly negative EBITDA (eNuW: € 33m sales and € -4.8m EBITDA). Our estimates imply a strong Q4 with € 20.8m sale and € 1.2m EBITDA.

**TÜV SÜD Battery Testing boosts liquidity.** With the announced divestment, LION is seen to have received at least the recorded book value (FY23 annual report) of € 5.6m. In our view, the company should use to cash inflow to repay some of its debt, improving the balance sheet and reducing the interest burden. Mind you, during the first 9M of 2024 the company recorded € 1.9m of interest expenses.

**First glance at LIGHT Battery potential.** Management shared promising testing results of the LIGHT battery (compared to the German premium OEM's current series solution). It showed significantly increased output power and cooling performance as well as high continuous power output without derating or power fade. Importantly, the LIGHT battery's target market is rather a niche (PHEV and BEV cars with >100k€ selling prices). Yet, until 2030 it should reach up to € 1.4bn. While we would not expect series-related revenues until H2 2026e, LION should already be able to record revenues from small test volumes. Assuming testing of the planned series performs as planned, LION should receive a formal order.

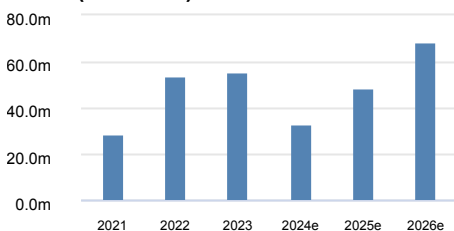
**Operations to improve in H2 2025.** As highlighted during the earnings call, management expects continuously burdened demand from mobility customers until H2 2025. In fact, the company mentioned first promising discussion with e-bus/e-truck makers, underpinning our growth expectations.

**BUY with an unchanged € 3.60 PT** based on DCF.

| Y/E 31.12 (EUR m)        | 2021   | 2022  | 2023   | 2024e  | 2025e | 2026e |
|--------------------------|--------|-------|--------|--------|-------|-------|
| Sales                    | 28.4   | 53.8  | 56.1   | 33.2   | 48.7  | 68.3  |
| Sales growth             | 54.3%  | 89.1% | 4.3%   | -40.8% | 46.6% | 40.3% |
| EBITDA                   | -1.2   | 0.5   | 0.0    | -4.8   | -1.9  | 1.8   |
| Net debt (if net cash=0) | -0.2   | 4.4   | 13.6   | 20.2   | 22.4  | 22.1  |
| FCF                      | -0.6   | -9.4  | -9.2   | -6.5   | -2.2  | 0.3   |
| Net Debt/EBITDA          | 0.0    | 9.5   | 2728.6 | -4.2   | -11.8 | 12.3  |
| EPS pro forma            | -0.12  | 0.03  | -0.08  | -0.44  | -0.30 | -0.06 |
| EBITDA margin            | -4.3%  | 0.9%  | 0.0%   | -14.4% | -3.9% | 2.6%  |
| ROCE                     | -14.3% | 1.9%  | -3.4%  | -16.2% | -7.4% | 2.3%  |
| EV/sales                 | 1.1    | 0.3   | 0.5    | 1.0    | 0.7   | 0.5   |
| EV/EBITDA                | -25.1  | 37.3  | 5296.6 | -6.9   | -18.6 | 19.5  |
| PER                      | -8.4   | 33.6  | -12.7  | -2.2   | -3.3  | -16.6 |
| Adjusted FCF yield       | -3.2%  | -4.3% | -3.8%  | -17.3% | -5.1% | 3.8%  |

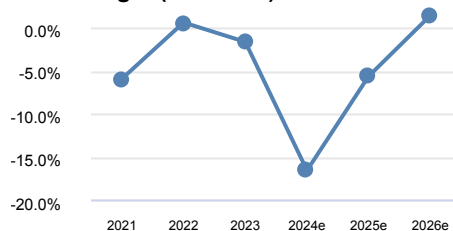
Source: Company data, NuWays, Close price as of 04.11.2024

### Sales (2021-26e)



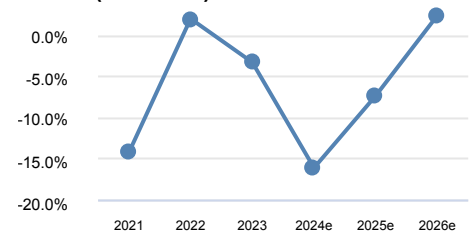
Source: NuWays Research

### EBIT margin (2021-26e)



Source: NuWays Research

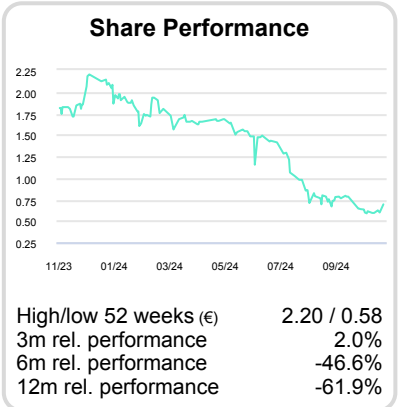
### ROCE (2021-26e)



Source: NuWays Research

### Company description

LION is a fully automated producer of lithium-ion battery packs for a wide range of applications such as buses, commercial vehicles, marine, industrial vehicles but also stationary energy storage with an annual production capacity of 2 GWh, the equivalent to 45k battery packs.



### Market data

|                             |       |
|-----------------------------|-------|
| Share price (in €)          | 0.69  |
| Market cap (in € m)         | 12.1  |
| Number of shares (in m pcs) | 12.4  |
| Enterprise value (in € m)   | 33.0  |
| Ø trading volume (6 months) | 3,900 |

### Identifier

|           |              |
|-----------|--------------|
| Bloomberg | LMIA GR      |
| Reuters   | LMIA.F       |
| WKN       | A2QH97       |
| ISIN      | CH0560888270 |

### Key shareholders

|               |       |
|---------------|-------|
| Ian Mukherjee | 38.7% |
| Founders      | 6.0%  |
| Free Float    | 55.3% |

### Estimates changes

|       | 2024e | 2025e | 2026e |
|-------|-------|-------|-------|
| Sales | 0%    | 0%    | 0%    |
| EBIT  | 0%    | 0%    | 0%    |
| EPS   | 0%    | 0%    | 0%    |

### Comment on changes

### Guidance

- Sales 2024: up to € 42m
- EBITDA 2024: slightly negative

## Financials

| Profit and loss (EUR m)                                   | 2021         | 2022        | 2023         | 2024e        | 2025e        | 2026e        |
|---|--------------|-------------|--------------|--------------|--------------|--------------|
| <b>Net sales</b>  | <b>28.4</b>  | <b>53.8</b> | <b>56.1</b>  | <b>33.2</b>  | <b>48.7</b>  | <b>68.3</b>  |
| <i>Sales growth</i>                                       | 54.3%        | 89.1%       | 4.3%         | -40.8%       | 46.6%        | 40.3%        |
| Increase/decrease in finished goods and work-in-process   | 0.5          | 0.3         | 1.3          | 0.0          | 0.0          | 0.0          |
| <b>Total sales</b>  | <b>28.9</b>  | <b>54.1</b> | <b>57.4</b>  | <b>33.2</b>  | <b>48.7</b>  | <b>68.3</b>  |
| Other operating income                                    | 1.5          | 0.4         | 1.5          | 0.3          | 0.5          | 0.7          |
| Material expenses   | 25.9         | 46.5        | 48.3         | 28.2         | 40.7         | 56.3         |
| Personnel expenses  | 3.1          | 3.9         | 5.7          | 5.4          | 5.9          | 5.8          |
| Other operating expenses                                  | 2.6          | 3.7         | 4.9          | 4.7          | 4.4          | 5.1          |
| <b>Total operating expenses</b>                           | <b>30.1</b>  | <b>53.6</b> | <b>57.4</b>  | <b>38.0</b>  | <b>50.5</b>  | <b>66.5</b>  |
| <b>EBITDA</b>   | <b>-1.2</b>  | <b>0.5</b>  | <b>0.0</b>   | <b>-4.8</b>  | <b>-1.9</b>  | <b>1.8</b>   |
| Depreciation  | 0.5          | 0.1         | 0.9          | 0.7          | 0.9          | 0.8          |
| <b>EBITA</b>  | <b>-1.7</b>  | <b>0.3</b>  | <b>-0.9</b>  | <b>-5.5</b>  | <b>-2.7</b>  | <b>1.0</b>   |
| Amortisation of goodwill                                  | 0.0          | 0.0         | 0.0          | 0.0          | 0.0          | 0.0          |
| Amortisation of intangible assets                         | 0.0          | 0.0         | 0.0          | 0.0          | 0.0          | 0.0          |
| Impairment charges  | 0.0          | 0.0         | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>EBIT (inc revaluation net)</b>                         | <b>-1.7</b>  | <b>0.3</b>  | <b>-0.9</b>  | <b>-5.5</b>  | <b>-2.7</b>  | <b>1.0</b>   |
| Interest income   | 0.1          | 0.1         | 0.1          | 0.1          | 0.1          | 0.1          |
| Interest expenses   | 0.0          | 0.1         | 1.5          | 2.0          | 2.5          | 2.5          |
| Investment income   | 0.1          | 0.1         | 0.7          | 0.4          | 0.4          | 0.5          |
| Financial result  | 0.2          | 0.1         | -0.7         | -1.5         | -2.0         | -1.9         |
| <b>Recurring pretax income from continuing operations</b> | <b>-1.5</b>  | <b>0.4</b>  | <b>-1.6</b>  | <b>-7.0</b>  | <b>-4.7</b>  | <b>-0.9</b>  |
| Extraordinary income/loss                                 | 0.0          | 0.0         | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Earnings before taxes</b>                              | <b>-1.5</b>  | <b>0.4</b>  | <b>-1.6</b>  | <b>-7.0</b>  | <b>-4.7</b>  | <b>-0.9</b>  |
| Income tax expense  | -0.4         | 0.0         | -0.7         | -1.5         | -1.0         | -0.2         |
| <b>Net income from continuing operations</b>              | <b>-1.2</b>  | <b>0.4</b>  | <b>-1.0</b>  | <b>-5.5</b>  | <b>-3.7</b>  | <b>-0.7</b>  |
| Income from discontinued operations (net of tax)          | 0.0          | 0.0         | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Net income</b>   | <b>-1.2</b>  | <b>0.4</b>  | <b>-1.0</b>  | <b>-5.5</b>  | <b>-3.7</b>  | <b>-0.7</b>  |
| Minority interest   | 0.0          | 0.0         | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Net profit (reported)</b>                              | <b>-1.2</b>  | <b>0.4</b>  | <b>-1.0</b>  | <b>-5.5</b>  | <b>-3.7</b>  | <b>-0.7</b>  |
| Average number of shares                                  | 10.0         | 12.4        | 12.4         | 12.4         | 12.4         | 12.4         |
| <b>EPS reported</b>                                       | <b>-0.12</b> | <b>0.03</b> | <b>-0.08</b> | <b>-0.44</b> | <b>-0.30</b> | <b>-0.06</b> |

| Profit and loss (common size)                             | 2021          | 2022          | 2023          | 2024e         | 2025e         | 2026e         |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| <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> |
| <i>Sales growth</i>                                       | 54.3%         | 89.1%         | 4.3%          | -40.8%        | 46.6%         | 40.3%         |
| Increase/decrease in finished goods and work-in-process   | 1.7%          | 0.6%          | 2.4%          | 0.0%          | 0.0%          | 0.0%          |
| <b>Total sales</b>  | <b>101.7%</b> | <b>100.6%</b> | <b>102.4%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> |
| Other operating income                                    | 5.2%          | 0.8%          | 2.7%          | 1.0%          | 1.0%          | 1.0%          |
| Material expenses   | 91.2%         | 86.4%         | 86.2%         | 84.9%         | 83.7%         | 82.4%         |
| Personnel expenses  | 10.8%         | 7.2%          | 10.1%         | 16.4%         | 12.1%         | 8.5%          |
| Other operating expenses                                  | 9.2%          | 6.9%          | 8.7%          | 14.0%         | 9.1%          | 7.5%          |
| <b>Total operating expenses</b>                           | <b>106.0%</b> | <b>99.8%</b>  | <b>102.4%</b> | <b>114.4%</b> | <b>103.9%</b> | <b>97.4%</b>  |
| <b>EBITDA</b>   | <b>-4.3%</b>  | <b>0.9%</b>   | <b>0.0%</b>   | <b>-14.4%</b> | <b>-3.9%</b>  | <b>2.6%</b>   |
| Depreciation  | 1.6%          | 0.3%          | 1.7%          | 2.2%          | 1.8%          | 1.2%          |
| <b>EBITA</b>  | <b>-5.9%</b>  | <b>0.6%</b>   | <b>-1.7%</b>  | <b>-16.6%</b> | <b>-5.6%</b>  | <b>1.4%</b>   |
| Amortisation of goodwill                                  | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| Amortisation of intangible assets                         | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| Impairment charges  | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| <b>EBIT (inc revaluation net)</b>                         | <b>-5.9%</b>  | <b>0.6%</b>   | <b>-1.7%</b>  | <b>-16.6%</b> | <b>-5.6%</b>  | <b>1.4%</b>   |
| Interest income   | 0.2%          | 0.1%          | 0.2%          | 0.4%          | 0.3%          | 0.2%          |
| Interest expenses   | 0.1%          | 0.2%          | 2.7%          | 6.0%          | 5.2%          | 3.7%          |
| Investment income   | 0.5%          | 0.2%          | 1.2%          | 1.1%          | 0.9%          | 0.7%          |
| Financial result  | 0.6%          | 0.1%          | neg.          | neg.          | neg.          | neg.          |
| <b>Recurring pretax income from continuing operations</b> | <b>-5.4%</b>  | <b>0.7%</b>   | <b>-2.9%</b>  | <b>-21.1%</b> | <b>-9.7%</b>  | <b>-1.4%</b>  |
| Extraordinary income/loss                                 | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| <b>Earnings before taxes</b>                              | <b>-5.4%</b>  | <b>0.7%</b>   | <b>-2.9%</b>  | <b>-21.1%</b> | <b>-9.7%</b>  | <b>-1.4%</b>  |
| Tax rate  | 23.5%         | 9.1%          | 41.7%         | 22.0%         | 22.0%         | 22.0%         |
| <b>Net income from continuing operations</b>              | <b>-4.1%</b>  | <b>0.7%</b>   | <b>-1.7%</b>  | <b>-16.5%</b> | <b>-7.6%</b>  | <b>-1.1%</b>  |
| Income from discontinued operations (net of tax)          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| <b>Net income</b>   | <b>-4.1%</b>  | <b>0.7%</b>   | <b>-1.7%</b>  | <b>-16.5%</b> | <b>-7.6%</b>  | <b>-1.1%</b>  |
| Minority interest   | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| <b>Net profit (reported)</b>                              | <b>-4.1%</b>  | <b>0.7%</b>   | <b>-1.7%</b>  | <b>-16.5%</b> | <b>-7.6%</b>  | <b>-1.1%</b>  |

Source: Company data, NuWays

| Balance sheet (EUR m)                        | 2021        | 2022        | 2023        | 2024e       | 2025e       | 2026e       |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| Intangible assets                            | 3.1         | 4.7         | 12.4        | 13.2        | 14.0        | 14.8        |
| Property, plant and equipment                | 0.4         | 2.2         | 5.2         | 6.0         | 5.8         | 5.8         |
| Financial assets                             | 4.4         | 5.6         | 5.7         | 5.7         | 5.7         | 5.7         |
| <b>FIXED ASSETS</b>                          | <b>7.9</b>  | <b>12.5</b> | <b>23.4</b> | <b>24.9</b> | <b>25.5</b> | <b>26.4</b> |
| Inventories                                  | 0.2         | 6.5         | 13.8        | 7.3         | 9.6         | 12.3        |
| Accounts receivable                          | 4.2         | 4.4         | 24.9        | 4.5         | 6.7         | 9.4         |
| Other assets and short-term financial assets | 2.4         | 1.0         | 0.7         | 0.7         | 2.7         | 6.7         |
| Liquid assets                                | 1.2         | 3.0         | 4.4         | 2.9         | 0.7         | 1.0         |
| Deferred taxes                               | 2.2         | 2.3         | 2.1         | 2.1         | 2.1         | 2.1         |
| Deferred charges and prepaid expenses        | 0.1         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| <b>CURRENT ASSETS</b>                        | <b>10.3</b> | <b>17.2</b> | <b>46.0</b> | <b>17.6</b> | <b>21.9</b> | <b>31.5</b> |
| <b>TOTAL ASSETS</b>                          | <b>18.2</b> | <b>29.8</b> | <b>69.4</b> | <b>42.5</b> | <b>47.4</b> | <b>57.9</b> |

|   |             |             |             |             |             |             |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>SHAREHOLDERS EQUITY</b>                                | <b>9.3</b>  | <b>14.4</b> | <b>13.5</b> | <b>12.1</b> | <b>14.4</b> | <b>21.6</b> |
| MINORITY INTEREST   | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| Long-term liabilities to banks                            | 0.0         | 0.0         | 7.5         | 12.5        | 12.5        | 12.5        |
| Bonds (long-term)   | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| other interest-bearing liabilities                        | 1.1         | 1.4         | 1.6         | 1.6         | 1.6         | 1.6         |
| Provisions for pensions and similar obligations           | 0.6         | 0.9         | 0.7         | 0.7         | 0.7         | 0.7         |
| Other provisions and accrued liabilities                  | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| <b>NON-CURRENT LIABILITIES</b>                            | <b>1.7</b>  | <b>2.3</b>  | <b>9.7</b>  | <b>14.7</b> | <b>14.7</b> | <b>14.7</b> |
| Short-term liabilities to banks                           | 0.0         | 6.0         | 9.1         | 9.1         | 9.1         | 9.1         |
| Accounts payable  | 5.9         | 4.6         | 35.8        | 5.5         | 8.0         | 11.2        |
| Advance payments received on orders                       | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| Accrued taxes   | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| Other liabilities (incl. from lease and rental contracts) | 0.6         | 1.5         | 1.2         | 1.2         | 1.2         | 1.2         |
| Deferred taxes  | 0.7         | 1.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| Deferred income   | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| <b>CURRENT LIABILITIES</b>                                | <b>7.2</b>  | <b>13.0</b> | <b>46.1</b> | <b>15.7</b> | <b>18.3</b> | <b>21.5</b> |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>          | <b>18.2</b> | <b>29.8</b> | <b>69.4</b> | <b>42.5</b> | <b>47.4</b> | <b>57.9</b> |

| Balance sheet (common size)                  | 2021          | 2022          | 2023          | 2024e         | 2025e         | 2026e         |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| Intangible assets                            | 17.3%         | 15.7%         | 17.9%         | 31.1%         | 29.6%         | 25.6%         |
| Property, plant and equipment                | 2.0%          | 7.5%          | 7.5%          | 14.0%         | 12.1%         | 10.1%         |
| Financial assets                             | 24.1%         | 18.9%         | 8.3%          | 13.5%         | 12.1%         | 9.9%          |
| <b>FIXED ASSETS</b>                          | <b>43.4%</b>  | <b>42.1%</b>  | <b>33.7%</b>  | <b>58.6%</b>  | <b>53.9%</b>  | <b>45.6%</b>  |
| Inventories                                  | 0.9%          | 21.9%         | 19.9%         | 17.1%         | 20.3%         | 21.2%         |
| Accounts receivable                          | 23.3%         | 14.8%         | 35.9%         | 10.7%         | 14.1%         | 16.2%         |
| Other assets and short-term financial assets | 13.1%         | 3.4%          | 1.1%          | 1.8%          | 5.8%          | 11.7%         |
| Liquid assets                                | 6.8%          | 10.2%         | 6.4%          | 6.8%          | 1.5%          | 1.7%          |
| Deferred taxes                               | 12.0%         | 7.7%          | 3.1%          | 5.0%          | 4.5%          | 3.7%          |
| Deferred charges and prepaid expenses        | 0.4%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| <b>CURRENT ASSETS</b>                        | <b>56.6%</b>  | <b>57.9%</b>  | <b>66.3%</b>  | <b>41.4%</b>  | <b>46.1%</b>  | <b>54.4%</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>SHAREHOLDERS EQUITY</b>                                | <b>50.9%</b>  | <b>48.4%</b>  | <b>19.5%</b>  | <b>28.4%</b>  | <b>30.3%</b>  | <b>37.4%</b>  |
| MINORITY INTEREST   | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| Long-term liabilities to banks                            | 0.0%          | 0.0%          | 10.8%         | 29.3%         | 26.3%         | 21.5%         |
| Bonds (long-term)   | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| other interest-bearing liabilities                        | 5.9%          | 4.8%          | 2.2%          | 3.7%          | 3.3%          | 2.7%          |
| Provisions for pensions and similar obligations           | 3.5%          | 3.1%          | 1.0%          | 1.7%          | 1.5%          | 1.3%          |
| Other provisions and accrued liabilities                  | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| <b>NON-CURRENT LIABILITIES</b>                            | <b>9.4%</b>   | <b>7.9%</b>   | <b>14.1%</b>  | <b>34.7%</b>  | <b>31.1%</b>  | <b>25.5%</b>  |
| Short-term liabilities to banks                           | 0.0%          | 20.3%         | 13.1%         | 21.3%         | 19.1%         | 15.7%         |
| Accounts payable  | 32.3%         | 15.4%         | 51.6%         | 12.8%         | 16.9%         | 19.4%         |
| Advance payments received on orders                       | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| Accrued taxes   | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| Other liabilities (incl. from lease and rental contracts) | 3.5%          | 4.9%          | 1.7%          | 2.7%          | 2.4%          | 2.0%          |
| Deferred taxes  | 4.0%          | 3.2%          | 0.0%          | 0.1%          | 0.1%          | 0.1%          |
| Deferred income   | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| <b>CURRENT LIABILITIES</b>                                | <b>39.7%</b>  | <b>43.7%</b>  | <b>66.4%</b>  | <b>36.9%</b>  | <b>38.5%</b>  | <b>37.1%</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 data, NuWays

| Cash flow statement (EUR m)                          | 2021        | 2022        | 2023         | 2024e       | 2025e       | 2026e       |
|--|-------------|-------------|--------------|-------------|-------------|-------------|
| Net profit/loss                                      | -1.2        | 0.4         | -1.0         | -5.5        | -3.7        | -0.7        |
| Depreciation of fixed assets (incl. leases)          | 0.5         | 0.1         | 0.9          | 0.7         | 0.9         | 0.8         |
| Amortisation of goodwill & intangible assets         | 0.0         | 0.0         | 0.0          | 0.0         | 0.0         | 0.0         |
| Other costs affecting income / expenses              | -0.5        | 0.0         | 0.0          | 0.0         | 0.0         | 0.0         |
| Cash flow from operating activities                  | -0.1        | -8.8        | 1.3          | -5.7        | -1.4        | 1.1         |
| Increase/decrease in inventory                       | -0.0        | -6.4        | -7.3         | 6.5         | -2.3        | -2.7        |
| Increase/decrease in accounts receivable             | -0.8        | -0.2        | -20.5        | 20.4        | -2.1        | -2.7        |
| Increase/decrease in accounts payable                | 2.6         | -1.3        | 31.2         | -30.4       | 2.5         | 3.2         |
| Increase/decrease in other working capital positions | -0.7        | -0.5        | 0.4          | 4.0         | 4.0         | 4.0         |
| Increase/decrease in working capital                 | 1.1         | -8.3        | 3.8          | 0.5         | 2.1         | 1.9         |
| <b>Cash flow from operating activities</b>           | <b>-0.1</b> | <b>-6.8</b> | <b>2.8</b>   | <b>-4.2</b> | <b>-0.7</b> | <b>2.0</b>  |
| CAPEX  | 0.5         | 2.6         | 11.9         | 2.3         | 1.4         | 1.7         |
| Payments for acquisitions                            | 0.0         | 0.1         | 0.0          | 0.0         | 0.0         | 0.0         |
| Financial investments                                | 0.0         | 0.0         | 0.8          | 0.0         | 0.0         | 0.0         |
| Income from asset disposals                          | 0.3         | 0.0         | 1.9          | 0.0         | 0.0         | 0.0         |
| <b>Cash flow from investing activities</b>           | <b>-0.2</b> | <b>-2.7</b> | <b>-10.8</b> | <b>-2.3</b> | <b>-1.4</b> | <b>-1.7</b> |
| Cash flow before financing                           | -0.3        | -9.5        | -8.1         | -6.5        | -2.2        | 0.3         |
| Increase/decrease in debt position                   | 0.4         | 6.0         | 10.0         | 5.0         | 0.0         | 0.0         |
| Purchase of own shares                               | 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         |
| Dividends paid                                       | 0.0         | 0.0         | 0.0          | 0.0         | 0.0         | 0.0         |
| Others   | -0.1        | 5.4         | -0.5         | 0.0         | 0.0         | 0.0         |
| Effects of exchange rate changes on cash             | 0.0         | 0.0         | 0.0          | 0.0         | 0.0         | 0.0         |
| <b>Cash flow from financing activities</b>           | <b>0.3</b>  | <b>11.4</b> | <b>9.5</b>   | <b>5.0</b>  | <b>0.0</b>  | <b>0.0</b>  |
| Increase/decrease in liquid assets                   | -0.0        | 1.9         | 1.4          | -1.5        | -2.2        | 0.3         |
| <b>Liquid assets at end of period</b>                | <b>1.2</b>  | <b>3.0</b>  | <b>4.4</b>   | <b>2.9</b>  | <b>0.7</b>  | <b>1.0</b>  |

| Key ratios (EUR m)                   | 2021    | 2022    | 2023    | 2024e     | 2025e  | 2026e   |
|--------------------------------------|---------|---------|---------|-----------|--------|---------|
| <b>P&amp;L growth analysis</b>       |         |         |         |           |        |         |
| Sales growth                         | 54.3%   | 89.1%   | 4.3%    | -40.8%    | 46.6%  | 40.3%   |
| EBITDA growth                        | -22.2%  | -138.0% | -98.9%  | -95493.8% | -60.3% | -194.7% |
| EBIT growth                          | -10.3%  | -119.2% | -384.9% | 495.6%    | -50.2% | -135.4% |
| EPS growth                           | 26.4%   | -125.0% | -363.8% | 474.5%    | -32.5% | -80.2%  |
| <b>Efficiency</b>                    |         |         |         |           |        |         |
| Sales per employee                   | 1,137.3 | 1,536.0 | 992.1   | 433.9     | 556.0  | 682.8   |
| EBITDA per employee                  | -49.2   | 13.4    | 0.1     | -62.3     | -21.6  | 17.9    |
| No. employees (average)              | 25      | 35      | 56      | 76        | 88     | 100     |
| <b>Balance sheet analysis</b>        |         |         |         |           |        |         |
| Avg. working capital / sales         | -1.7%   | 5.0%    | 1.2%    | 19.1%     | 11.4%  | 12.3%   |
| Inventory turnover (sales/inventory) | 181.0   | 8.3     | 4.1     | 4.6       | 5.1    | 5.6     |
| Accounts receivable turnover         | 54.4    | 29.9    | 162.2   | 50.0      | 50.0   | 50.0    |
| Accounts payable turnover            | 75.3    | 31.1    | 233.2   | 60.0      | 60.0   | 60.0    |
| <b>Cash flow analysis</b>            |         |         |         |           |        |         |
| Free cash flow                       | -0.6    | -9.4    | -9.2    | -6.5      | -2.2   | 0.3     |
| Free cash flow/sales                 | -2.0%   | -17.5%  | -16.4%  | -19.6%    | -4.5%  | 0.4%    |
| FCF / net profit                     | 49.4%   | neg.    | 965.4%  | 119.1%    | 59.0%  | neg.    |
| Capex / sales                        | n.a.    | n.a.    | n.a.    | n.a.      | n.a.   | n.a.    |
| <b>Solvency</b>                      |         |         |         |           |        |         |
| Net debt                             | -0.2    | 4.4     | 13.6    | 20.2      | 22.4   | 22.1    |
| Net Debt/EBITDA                      | 0.0     | 9.5     | 2728.6  | -4.2      | -11.8  | 12.3    |
| Dividend payout ratio                | 0.0%    | 0.0%    | 0.0%    | 0.0%      | 0.0%   | 0.0%    |
| Interest paid / avg. debt            | 3.4%    | 2.4%    | 15.7%   | 13.0%     | 12.3%  | 11.0%   |
| <b>Returns</b>                       |         |         |         |           |        |         |
| ROCE                                 | -14.3%  | 1.9%    | -3.4%   | -16.2%    | -7.4%  | 2.3%    |
| ROE                                  | -12.6%  | 2.5%    | -7.0%   | -45.2%    | -25.7% | -3.4%   |
| Adjusted FCF yield                   | -3.2%   | -4.3%   | -3.8%   | -17.3%    | -5.1%  | 3.8%    |
| Dividend yield                       | 0.0%    | 0.0%    | 0.0%    | 0.0%      | 0.0%   | 0.0%    |
| DPS                                  | 0.0     | 0.0     | 0.0     | 0.0       | 0.0    | 0.0     |
| EPS reported                         | -0.12   | 0.03    | -0.08   | -0.44     | -0.30  | -0.06   |
| Average number of shares             | 10.0    | 12.4    | 12.4    | 12.4      | 12.4   | 12.4    |
| <b>Valuation ratios</b>              |         |         |         |           |        |         |
| P/BV                                 | 1.1     | 0.8     | 0.9     | 1.0       | 0.8    | 0.6     |
| EV/sales                             | 1.1     | 0.3     | 0.5     | 1.0       | 0.7    | 0.5     |
| EV/EBITDA                            | -25.1   | 37.3    | 5296.6  | -6.9      | -18.6  | 19.5    |
| EV/EBIT                              | -18.3   | 53.7    | -28.6   | -6.0      | -12.8  | 35.9    |

Source: Company data, NuWays

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| Company            | Disclosures |
|--------------------|-------------|
| LION E-Mobility AG | 2,8         |

### Historical target price and rating changes for LION E-Mobility AG

| Company            | Date       | Analyst             | Rating | Target Price | Close    |
|--------------------|------------|---------------------|--------|--------------|----------|
| LION E-Mobility AG | 05.08.2024 | Sandherr, Christian | Buy    | EUR 3.60     | EUR 1.02 |
|                    | 13.05.2024 | Sandherr, Christian | Buy    | EUR 7.00     | EUR 1.66 |
|                    | 22.03.2024 | Sandherr, Christian | Buy    | EUR 8.00     | EUR 1.72 |

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The adj. FCF method is based on the assumption that investors purchase assets only at a price (enterprise value) at which the operating cash flow return after taxes on this investment exceeds their opportunity costs in the form of a hurdle rate of 7.5%. The operating cash flow is calculated as EBITDA less maintenance capex and taxes.

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## Contacts

### NuWays AG

Mittelweg 16-17  
20148 Hamburg  
Germany

+49 170 119 8648  
info@nuways-ag.com  
www.nuways-ag.com



**Christian Sandherr**

Co-CEO/Analyst

christian.sandherr@nuways-ag.com



**Frederik Jarchow**

Co-CEO/Analyst

frederik.jarchow@nuways-ag.com



**Philipp Sennewald**

Analyst

philipp.sennewald@nuways-ag.com



**Henry Wendisch**

Analyst

henry.wendisch@nuways-ag.com



**Mark Schüssler**

Analyst

mark-hendrik.schuessler@nuways-ag.com



**Konstantin Völk**

Analyst

konstantin.voelk@nuways-ag.com

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