

Good Q2 results – guidance confirmed

Mutares reported good results for Q2. Backed by higher transaction activities and the increased number of consultants, revenues on holding level increased by ~18% yoy to EUR 14m (PAsE: EUR 13.4m). Net income on holding level of EUR 7.4m (PAsE: EUR 6.6m) was weak at first glance. However, the decline is related to a tough comparable base in Q2 2021, which had benefitted from an exit gain. Compared to Q1 2022 (EUR 6.8m), net income showed a slight improvement. The figures on consolidated base were heavily impacted by acquisitions as expected. However, worth mentioning is the earnings improvement (yoy and qoq) at the portfolio companies in the Harvesting and Optimization phases. As expected, the guidance for FY 2022e was confirmed. The management expects the high transaction momentum to continue. However, at the same time, Mutares sees challenges for its portfolio companies from the supply chain related issues, the general economic environment, and geopolitical uncertainties. With a TP of 33, we rate the shares a Buy.

Mutares SE - Review Q2 2022

EUR m	Actual			PAsE		PAsE		
	Q2 2022	Q2 2021	% yoy	Q2 2022e	Delta	2022e	2023e	2024e
Holding level								
Revenues	14.0	11.9	17.6%	13.4	4%	75	98	135
Portfolio income	14.2	11.9	18.9%	13.6	4%	90	113	150
Net income	7.4	24.2	-69.4%	6.6	12%	77	49	70
Revenues, consolidated								
	902	600	50.3%	816	10.5%	3,821	4,502	4,614
Automotive & Mobility	223.4	166.0	34.6%	202.2	10%	1,165	1,660	1,677
Engineering & Technology	307.8	235.8	30.5%	299.0	3%	1,176	1,266	1,279
Goods & Services	371.7	198.5	87.3%	314.9	18%	1,480	1,575	1,591
EBITDA								
	80.3	357.7	-77.6%	74.8	7.3%	192	155	208
EBITDA margin	8.9%	59.6%	-5071 BP	9.2%	-27 BP	5.0%	3.4%	4.5%
Adjusted EBITDA								
	-2.2	-4.9	-55.1%	-8.8	-74.9%	52	155	208
Adjusted EBITDA margin	neg.	neg.	nm	neg.	nm	1.4%	3.4%	4.5%

Source: Mutares SE, Pareto Securities Research

- For FY 2022e, Mutares guides a net income on holding level of EUR 72m to EUR 88m (PAsE: EUR 75m) as well as consolidated group revenues of at least EUR 4bn (PAsE: EUR 3.8bn).

Zafer Rüzgar

+49 69 58997 412, zafer.ruezgar@paretosec.com

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