

Buy (old: Buy)

13.03.2025

EUR 34.50 (old: EUR 44.00)

Q4 prelims in line, returning to growth in FY25; chg. est.

Topic: Nynomic released preliminary Q4 figures largely in line with expectations and a FY25 guidance, which reflects a return to growth. Yet, the expected FY25 growth guidance fell short of market expectations due to ongoing macroeconomic headwinds.

Preliminary Q4 sales stood at € 30.5m, down roughly 12% yoy, as the trends witnessed during the first three quarters of the years have not reversed (as expected). For instance, Nynomic had to deal with a broad reluctance in regards to placements of new orders as customers remained cautious about short-term economic developments. Within Clean Tech, customers in traditional silicon-based sectors are experiencing delays in new projects, as well as upgrades to existing systems, due to changes in the AI and memory markets, leading to postponements/delayed product call-offs. **FY24p sales came in at € 102.5m**, a 13% yoy decline. The order book at the end of Q4 stood at € 48m (-12% yoy).

As a result the negative operating leverage, the preliminary **Q4 EBIT decreased 66% yoy to € 2.4m** with a margin of 7.8% (-12.9pp yoy). **FY24p EBIT was down 51% at € 7.5m**.

Management released a conservative FY25 guidance, expecting € 105-110m sales and € 8.5-10m EBIT, which came in below market expectations of € 123m sales and € 15.8m EBIT. This is the result of a rather conservative approach by management following last year's guidance cut and continued significant uncertainties across the group's end markets.

Despite continued short-term headwinds, **management remains confident to be able to reach the mid-term guidance** of at least € 200m sales and a 16-19% EBIT margin. Next to a return to strong organic growth (~ 10% p.a.), meeting the mid-term targets will be subject to acquisitions (€ 45m sales when assuming 10% organic CAGR from 2026e onwards).

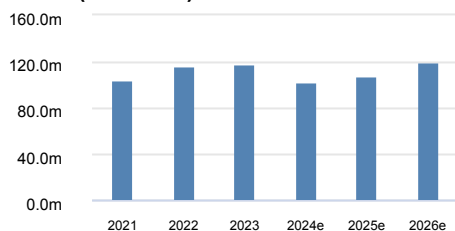
Organic growth should be stemming from a broad recovery of core end markets such as semiconductors, medical devices and pharmaceuticals, the group's R&D efforts bearing fruit (management mentioned a well-filled product development pipeline) and recent promising product launches. For instance, LayTec announced a strategic partnership, supplying advanced optical inspection tools for quality

-continued-

Y/E 31.12 (EUR m)	2021	2022	2023	2024e	2025e	2026e
Sales	105.1	116.8	118.0	102.5	108.3	120.3
Sales growth	33.8%	11.2%	1.0%	-13.1%	5.7%	11.1%
EBITDA	17.0	19.2	20.2	12.0	13.5	19.0
Net debt (if net cash=0)	6.0	2.7	0.4	-1.9	-8.8	-15.8
FCF	16.4	7.1	-5.5	2.2	6.9	7.0
Net Debt/EBITDA	0.4	0.1	0.0	0.0	0.0	0.0
EPS pro forma	1.37	1.26	1.42	0.31	0.49	1.04
EBITDA margin	16.2%	16.4%	17.1%	11.7%	12.5%	15.8%
ROCE	13.6%	14.7%	13.3%	6.1%	7.4%	11.1%
EV/sales	0.9	0.8	0.9	1.0	0.9	0.7
EV/EBITDA	5.6	4.9	5.0	8.3	6.9	4.5
PER	11.3	12.3	10.9	49.4	31.6	14.9
Adjusted FCF yield	8.8%	8.3%	10.3%	2.6%	3.9%	8.5%

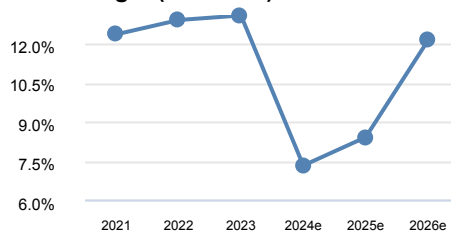
Source: Company data, NuWays, Close price as of 07.03.2025

Sales (2021-26e)



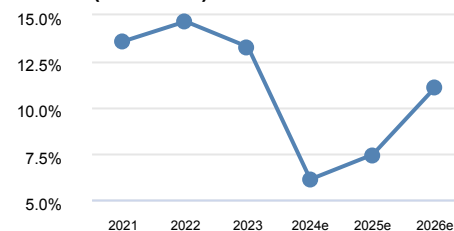
Source: NuWays Research

EBIT margin (2021-26e)



Source: NuWays Research

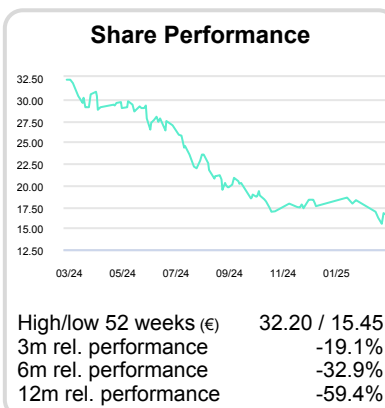
ROCE (2021-26e)



Source: NuWays Research

Company description

Nynomic is a leading supplier of optical metrology solutions, which are based on spectroscopy. Simply put, by measuring the spectrum of light that is emitted by an object one can contactless determine the color, temperature, density and even chemical composition of such.



Market data

Share price (in €)	16.60
Market cap (in € m)	101.6
Number of shares (in m pcs)	6.6
Enterprise value (in € m)	92.8
Ø trading volume (6 months)	6,200

Identifier

Bloomberg	M7U GR
Reuters	M7UG
WKN	AOMSN1
ISIN	DE000A0MSN11

Key shareholders

Management & Supervisory Board	21.4%
Berenberg Asset Management	4.2%
Paladin Asset Management	3.5%
Free Float	70.9%

Estimates changes

	2024e	2025e	2026e
Sales	-3%	-13%	-15%
EBIT	-5%	-49%	-33%
EPS	-11%	-65%	-41%

Comment on changes

- Reduced estimates on the back of ongoing macroeconomic headwinds

Guidance

- Sales: € 105-110m
- EBIT: € 8.5-10m

assurance in a state-of-the art thin film PV production line (perovskite solar glass). Last year, m-u-t launched the LabScanner Plus, a bulk-testing tool for pharmaceutical companies and in 2023 real-time analysis within a tablet press in cooperation with FETTE.

Acquisitions: During the earnings call, management highlighted to be far along several M&A processes and mentioned confidence in the ability to close add-ons this year. Thanks to its strong balance sheet, the company should be able to handle a larger acquisition (eNuW: more than € 10m sales) with a focus on technological and/or geographical diversification.

Conclusion: With macroeconomic headwinds likely to persist throughout FY25, Nynomic looks set to grow slower than management's long-term annual organic growth expectation of roughly 10%. Yet, with ongoing R&D efforts and a strong project pipeline, the company should be well-positioned to reap the benefits once end markets recover. We **confirm our BUY rating with a new € 34.5 PT** (old: € 44) based on DCF.

Financials

Profit and loss (EUR m)	2021	2022	2023	2024e	2025e	2026e
Net sales	105.1	116.8	118.0	102.5	108.3	120.3
<i>Sales growth</i>	33.8%	11.2%	1.0%	-13.1%	5.7%	11.1%
Increase/decrease in finished goods and work-in-process	2.3	3.1	3.1	0.5	0.5	0.5
Total sales	107.4	119.9	121.1	103.0	108.8	120.8
Other operating income	1.1	0.9	1.2	0.6	1.1	1.2
Material expenses	46.5	51.2	45.7	40.2	42.3	46.4
Personnel expenses	33.5	36.9	40.2	38.4	40.1	41.5
Other operating expenses	11.5	13.6	16.2	13.0	14.1	15.0
Total operating expenses	90.4	100.7	100.9	91.0	95.3	101.8
EBITDA	17.0	19.2	20.2	12.0	13.5	19.0
Depreciation	3.2	3.3	4.0	3.7	3.6	3.6
EBITA	13.8	15.9	16.2	8.3	9.9	15.4
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.8	0.8	0.8	0.8	0.8	0.8
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	13.0	15.1	15.4	7.5	9.1	14.6
Interest income	0.0	0.0	0.2	0.2	0.2	0.2
Interest expenses	0.7	0.7	1.1	0.7	0.4	0.4
Investment income	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-0.6	-0.7	-0.9	-0.5	-0.2	-0.2
Recurring pretax income from continuing operations	12.4	14.4	14.6	7.0	8.9	14.4
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	12.4	14.4	14.6	7.0	8.9	14.4
Income tax expense	2.9	4.4	4.0	1.9	2.5	4.0
Net income from continuing operations	9.5	9.9	10.5	5.1	6.4	10.4
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	9.5	9.9	10.5	5.1	6.4	10.4
Minority interest	1.7	2.5	1.2	3.0	3.2	3.5
Net profit (reported)	7.9	7.4	9.3	2.1	3.2	6.8
Average number of shares	5.7	5.9	6.6	6.6	6.6	6.6
EPS reported	1.37	1.26	1.42	0.31	0.49	1.04

Profit and loss (common size)	2021	2022	2023	2024e	2025e	2026e
Net sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<i>Sales growth</i>	33.8%	11.2%	1.0%	-13.1%	5.7%	11.1%
Increase/decrease in finished goods and work-in-process	2.2%	2.7%	2.6%	0.5%	0.5%	0.4%
Total sales	102.2%	102.7%	102.6%	100.5%	100.5%	100.4%
Other operating income	1.1%	0.8%	1.0%	0.6%	1.0%	1.0%
Material expenses	44.3%	43.9%	38.7%	39.2%	39.0%	38.6%
Personnel expenses	31.8%	31.6%	34.1%	37.5%	37.0%	34.5%
Other operating expenses	11.0%	11.6%	13.7%	12.7%	13.0%	12.5%
Total operating expenses	86.0%	86.3%	85.5%	88.8%	88.0%	84.6%
EBITDA	16.2%	16.4%	17.1%	11.7%	12.5%	15.8%
Depreciation	3.1%	2.8%	3.4%	3.6%	3.3%	3.0%
EBITA	13.1%	13.6%	13.8%	8.1%	9.1%	12.8%
Amortisation of goodwill	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Amortisation of intangible assets	0.8%	0.7%	0.7%	0.8%	0.7%	0.7%
Impairment charges	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EBIT (inc revaluation net)	12.4%	12.9%	13.1%	7.3%	8.4%	12.1%
Interest income	0.0%	0.0%	0.2%	0.2%	0.2%	0.2%
Interest expenses	0.6%	0.6%	0.9%	0.7%	0.4%	0.4%
Investment income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Financial result	neg.	neg.	neg.	neg.	neg.	neg.
Recurring pretax income from continuing operations	11.8%	12.3%	12.3%	6.8%	8.2%	11.9%
Extraordinary income/loss	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Earnings before taxes	11.8%	12.3%	12.3%	6.8%	8.2%	11.9%
Tax rate	23.1%	30.9%	27.7%	27.7%	27.7%	27.7%
Net income from continuing operations	9.1%	8.5%	8.9%	5.0%	5.9%	8.6%
Income from discontinued operations (net of tax)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net income	9.1%	8.5%	8.9%	5.0%	5.9%	8.6%
Minority interest	1.6%	2.1%	1.0%	2.9%	2.9%	2.9%
Net profit (reported)	7.5%	6.4%	7.9%	2.0%	3.0%	5.7%

Source: Company data, NuWays

Balance sheet (EUR m)	2021	2022	2023	2024e	2025e	2026e
Intangible assets	42.1	46.9	48.2	50.2	52.2	54.2
Property, plant and equipment	17.3	19.0	20.5	20.0	20.2	20.6
Financial assets	0.4	0.6	5.6	5.6	5.6	5.6
FIXED ASSETS	59.9	66.5	74.4	75.9	78.1	80.5
Inventories	18.8	23.8	28.6	29.3	27.1	30.1
Accounts receivable	11.8	16.4	22.0	16.8	17.8	19.8
Other assets and short-term financial assets	1.6	2.4	1.5	1.5	1.5	1.5
Liquid assets	26.7	26.6	21.9	16.3	23.1	30.1
Deferred taxes	1.4	2.7	3.2	3.2	3.2	3.2
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	60.4	72.0	77.1	67.1	72.7	84.7
TOTAL ASSETS	120.3	138.4	151.5	143.0	150.8	165.2

SHAREHOLDERS EQUITY	62.4	70.6	98.9	100.2	105.6	119.0
MINORITY INTEREST	4.1	6.4	5.1	5.1	5.1	5.1
Long-term liabilities to banks	16.9	12.4	4.8	4.8	4.8	4.8
Bonds (long-term)	0.0	0.0	0.0	0.0	0.0	0.0
other interest-bearing liabilities	11.6	12.6	13.0	8.6	8.6	8.6
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions and accrued liabilities	0.0	0.0	0.0	0.0	0.0	0.0
NON-CURRENT LIABILITIES	28.5	24.9	17.7	13.3	13.3	13.3
Short-term liabilities to banks	4.2	4.3	4.5	1.0	1.0	1.0
Accounts payable	4.8	6.6	8.3	6.5	8.9	9.9
Advance payments received on orders	1.8	4.8	2.6	2.6	2.6	2.6
Accrued taxes	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	11.2	17.1	12.4	12.4	12.4	12.4
Deferred taxes	3.1	3.5	1.9	1.9	1.9	1.9
Deferred income	0.1	0.2	0.2	0.0	0.0	0.0
CURRENT LIABILITIES	25.2	36.5	29.8	24.3	26.7	27.7
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	120.3	138.4	151.5	142.9	150.8	165.1

Balance sheet (common size)	2021	2022	2023	2024e	2025e	2026e
Intangible assets	35.0%	33.9%	31.8%	35.1%	34.6%	32.8%
Property, plant and equipment	14.4%	13.7%	13.5%	14.0%	13.4%	12.5%
Financial assets	0.4%	0.4%	3.7%	3.9%	3.7%	3.4%
FIXED ASSETS	49.8%	48.0%	49.1%	53.1%	51.8%	48.7%
Inventories	15.6%	17.2%	18.8%	20.5%	18.0%	18.2%
Accounts receivable	9.8%	11.9%	14.5%	11.8%	11.8%	12.0%
Other assets and short-term financial assets	1.4%	1.7%	1.0%	1.1%	1.0%	0.9%
Liquid assets	22.2%	19.2%	14.4%	11.4%	15.3%	18.2%
Deferred taxes	1.2%	2.0%	2.1%	2.2%	2.1%	1.9%
Deferred charges and prepaid expenses	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CURRENT ASSETS	50.2%	52.0%	50.9%	46.9%	48.2%	51.3%
TOTAL ASSETS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

SHAREHOLDERS EQUITY	51.9%	51.0%	65.2%	70.1%	70.0%	72.1%
MINORITY INTEREST	3.4%	4.6%	3.4%	3.6%	3.4%	3.1%
Long-term liabilities to banks	14.0%	9.0%	3.2%	3.3%	3.2%	2.9%
Bonds (long-term)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
other interest-bearing liabilities	9.7%	9.1%	8.6%	6.0%	5.7%	5.2%
Provisions for pensions and similar obligations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other provisions and accrued liabilities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
NON-CURRENT LIABILITIES	23.7%	18.0%	11.7%	9.3%	8.8%	8.1%
Short-term liabilities to banks	3.5%	3.1%	3.0%	0.7%	0.7%	0.6%
Accounts payable	4.0%	4.8%	5.5%	4.5%	5.9%	6.0%
Advance payments received on orders	1.5%	3.5%	1.7%	1.8%	1.7%	1.6%
Accrued taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other liabilities (incl. from lease and rental contracts)	9.3%	12.4%	8.2%	8.7%	8.2%	7.5%
Deferred taxes	2.5%	2.5%	1.2%	1.3%	1.2%	1.1%
Deferred income	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%
CURRENT LIABILITIES	21.0%	26.3%	19.7%	17.0%	17.7%	16.8%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Company data, NuWays

Cash flow statement (EUR m)	2021	2022	2023	2024e	2025e	2026e
Net profit/loss	9.5	9.9	10.5	5.1	6.4	10.4
Depreciation of fixed assets (incl. leases)	3.2	3.3	4.0	3.7	3.6	3.6
Amortisation of goodwill & intangible assets	0.8	0.8	0.8	0.8	0.8	0.8
Other costs affecting income / expenses	5.5	3.5	5.0	5.0	5.0	5.0
Cash flow from operating activities	13.8	5.6	-1.6	3.7	9.1	9.4
Increase/decrease in inventory	-3.8	-5.0	-4.8	-0.7	2.2	-3.0
Increase/decrease in accounts receivable	0.5	-4.6	-5.6	5.2	-1.0	-2.0
Increase/decrease in accounts payable	-0.1	1.8	1.7	-1.9	2.4	1.0
Increase/decrease in other working capital positions	2.1	-0.0	-8.5	-8.9	-6.0	-2.0
Increase/decrease in working capital	-1.2	-7.9	-17.1	-6.3	-2.3	-6.0
Cash flow from operating activities	17.8	9.7	3.2	8.2	13.5	13.8
CAPEX	1.4	2.6	8.7	6.0	6.6	6.8
Payments for acquisitions	3.9	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	5.1	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.3	0.0	0.0	0.0
Cash flow from investing activities	-5.3	-2.6	-13.5	-6.0	-6.6	-6.8
Cash flow before financing	12.5	7.1	-10.4	2.2	6.9	7.0
Increase/decrease in debt position	-8.4	-6.8	-10.0	-7.9	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.6	0.4	19.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	-1.4	-1.2	-3.1	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.6	0.3	-0.2	0.0	0.0	0.0
Cash flow from financing activities	-9.2	-7.6	5.8	-7.9	0.0	0.0
Increase/decrease in liquid assets	3.9	-0.2	-4.7	-5.7	6.9	7.0
Liquid assets at end of period	26.7	26.6	21.9	16.2	23.1	30.1

Key ratios (EUR m)	2021	2022	2023	2024e	2025e	2026e
P&L growth analysis						
Sales growth	33.8%	11.2%	1.0%	-13.1%	5.7%	11.1%
EBITDA growth	78.1%	67.8%	19.0%	-37.5%	-33.3%	58.8%
EBIT growth	251.1%	215.6%	104.7%	119.0%	-100.0%	-100.0%
EPS growth	58.5%	52.9%	3.3%	-75.1%	-65.4%	232.4%
Efficiency						
Sales per employee	99.2	103.7	96.6	84.5	87.8	98.2
EBITDA per employee	16.0	17.0	16.6	9.9	10.9	15.5
No. employees (average)	1,060	1,126	1,222	1,213	1,234	1,226
Balance sheet analysis						
Avg. working capital / sales	22.3%	22.0%	29.0%	37.4%	32.5%	30.9%
Inventory turnover (sales/inventory)	5.6	4.9	4.1	3.5	4.0	4.0
Accounts receivable turnover	40.9	51.3	68.1	60.0	60.0	60.0
Accounts payable turnover	22.8	23.0	23.0	23.0	30.0	30.0
Cash flow analysis						
Free cash flow	16.4	7.1	-5.5	2.2	6.9	7.0
Free cash flow/sales	15.6%	6.1%	-4.7%	2.2%	6.4%	5.8%
FCF / net profit	171.9%	71.5%	neg.	43.7%	107.5%	67.4%
Capex / sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Solvency						
Net debt	6.0	2.7	0.4	-1.9	-8.8	-15.8
Net Debt/EBITDA	0.4	0.1	0.0	0.0	0.0	0.0
Dividend payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest paid / avg. debt	2.0%	2.1%	3.9%	3.1%	2.4%	3.0%
Returns						
ROCE	13.6%	14.7%	13.3%	6.1%	7.4%	11.1%
ROE	12.6%	10.5%	9.4%	2.1%	3.0%	5.7%
Adjusted FCF yield	8.8%	8.3%	10.3%	2.6%	3.9%	8.5%
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	1.37	1.26	1.42	0.31	0.49	1.04
Average number of shares	5.7	5.9	6.6	6.6	6.6	6.6
Valuation ratios						
P/BV	1.4	1.3	1.0	1.0	1.0	0.9
EV/sales	0.9	0.8	0.9	1.0	0.9	0.7
EV/EBITDA	5.6	4.9	5.0	8.3	6.9	4.5
EV/EBIT	7.3	6.2	6.6	13.3	10.2	5.9

Source: Company data, NuWays

Disclosures

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Company	Disclosures
Nynomic AG	2,8

Historical target price and rating changes for Nynomic AG

Company	Date	Analyst	Rating	Target Price	Close
Nynomic AG	09.10.2024	Sandherr, Christian	Buy	EUR 44.00	EUR 18.40
	21.08.2024	Sandherr, Christian	Buy	EUR 50.00	EUR 23.50
	27.03.2024	Sandherr, Christian	Buy	EUR 52.00	EUR 31.80

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According to Article 4(1) No. i of the delegated regulation 2016/958 supplementing regulation 596/2014 of the European Parliament, further information regarding investment recommendations of the last 12 months are published under: www.nuways-ag.com

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