Equity Valuation Beiersdorf AG

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Dissertation written under the supervision of professor José Carlos Tudela Martins

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Abstract

This thesis presents a valuation of **Beiersdorf AG**, a prominent German global player in the personal care and self-adhesive products industry. Using suitable valuation methods, an investment recommendation is provided for (potential) investors, based on an assessment of the company's intrinsic value relative to its current share price.

The valuation incorporates a financial forecast that anticipates Beiersdorf leveraging its strong market position to benefit from social trends such as the demand for anti-aging products, strategic price adjustments, addressing market "white spots," and capitalizing on its robust R&D capabilities. However, the Beauty and Personal Care sector faces significant challenges arising from macroeconomic factors which are expected to moderate the industry's growth.

The focal point of the dissertation is the valuation of Beiersdorf for which a Discounted Cash Flow valuation supplemented by a relative valuation to validate the plausibility of the derived share price. The analysis estimates a target share price of EUR 126.2, reflecting a 1.80% premium over the share price observed on October 31, 2024. A comparison with the equity report by mwb research, which sets a higher target price of EUR 143, highlights differences in valuation assumptions but aligns with this thesis's overall investment recommendation to **Hold** Beiersdorf AG.

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Resumo

Esta tese apresenta uma avaliação da **Beiersdorf AG**, uma importante empresa alemã global no setor de cuidados pessoais e produtos autoadesivos. Utilizando métodos adequados de avaliação, é fornecida uma recomendação de investimento para investidores (potenciais), com base em uma análise do valor intrínseco da empresa em relação ao preço atual das suas ações.

A avaliação inclui uma previsão financeira que antecipa que a Beiersdorf aproveitará sua sólida posição de mercado para se beneficiar de tendências sociais, como a demanda por produtos antienvelhecimento, ajustes estratégicos de preços, exploração de "espaços em branco" no mercado e aproveitamento de suas robustas capacidades de P&D. No entanto, o setor de Beleza e Cuidados Pessoais enfrenta desafios significativos decorrentes de fatores macroeconômicos, que devem moderar o crescimento da indústria.

O foco central da dissertação é a avaliação da Beiersdorf, para a qual foi realizada uma análise de Fluxo de Caixa Descontado, complementada por uma avaliação relativa para validar a plausibilidade do preço-alvo derivado. A análise estima um preço-alvo de EUR 126.2, refletindo um prêmio de 1.80% em relação ao preço observado em 31 de outubro de 2024. Uma comparação com o relatório de ações da mwb research, que define um preço-alvo mais alto de EUR 143, destaca diferenças nas premissas de avaliação, mas se alinha à recomendação geral desta tese de Manter as ações da Beiersdorf AG.

Autor: Henning Lasse Hans

Título: Avaliação Patrimonial da Beiersdorf AG

Palavras-chave: Beiersdorf AG, Relatório patrimonial, Avaliação, Beleza e Cuidados Pessoais, Autoadesivos, Fluxo de caixa descontado, Avaliação relativa

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List of Abbreviations

#	Number
Δ	Delta
β	Beta
AG	Aktiengesellschaft (Public limited company)
APV	Adjusted present value
AR	Accounts receivable
BOP	Beginning of period
CA	Current assets
CAGR	Compound annual growth rate
CAPEX	Capital expenditures
CAPM	Capital asset pricing model
CCC	Cash conversion cycle
CF	Cash Flow
CL	Current liabilities
COGS	Cost of goods sold
D	Debt
D&A	Depreciation and amortization
DAX	Deutscher Aktienindex
DCF	Discounted cash flow
DDM	Dividend discount model
DIO	Days inventory outstanding
DPO	Days payable outstanding
DPS	Dividend per share
DSO	Days sales outstanding
E	Equity
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation, and amortization
EMM	Exit multiple method
EOP	End of period
EPS	Earnings per share
EqV	Equity Value
EV	Enterprise Value
FA	Fixed assets
FAUB	Fachausschuss für Unternehmensbewertung (Technical Committee for Business Valuation and Economics)
FCF	Free cash flow
FCFE	Free cash flow to equity
FCFF	Free cash flow to firm
G&A	General administrative
GDP	Gross domestic product
GGM	Gordon growth model
GmbH & Co. KGaA	Gesellschaft mit beschränkter Haftung & Compagnie Kommanditgesellschaft auf Aktien
H	Half
IA	Intangible assets
IDW	Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany)
m	million

MRP	Market risk premium
OECD	Organization for Economic Cooperation and Development
OOE	Other operating expenses
OOI	Other operating income
OPEX	Operating expenses
P/E	Price/earnings ratio
PGM	Perpetuity growth method
PPE	Property, Plant and Equipment
PV	Present value
Q	Quarter
R&D	Research and development
ROE	Return on equity
ROIC	Return on invested capital
SE	Societas Europaea
TA	Tangible assets
TV	Terminal value
TWC	Trade working capital
WACC	Weighted average cost of capital
WC	Working capital
YoY	Year-over-Year
YTM	Yield to maturity

Beiersdorf AG
Industry: Personal Care Products and Self-Adhesives
WKN: 520000
Reuters: BEIG.DE
Stock Exchange: XETRA

Recommendation: **HOLD**
Closing Price 31/10/2024: EUR 124.00
Target Price: EUR 126.20
Upside: 1.80%

Company profile

Beiersdorf is a consumer goods company specializing in skincare, primarily under its core brand, NIVEA. Its wholly owned subsidiary, tesa SE, provides self-adhesive products and system solutions to industry, trade, and consumer markets.

Financial ratios 2024E

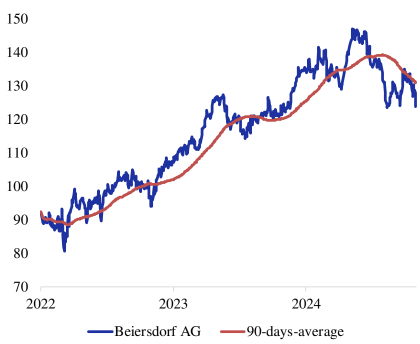
D/E	0.29%
Net debt EURm	-1,878
ROE	11.2%

Valuation metrics 2024E

EV/Revenue	2.45
EV/EBIT	18.03
EV/EBITDA	14.25
P/E	29.41

Key share data

#Shares outstanding	225.12m
52 week	121.15/147.25
Mrkt cap	27.9 bn
Div yield	0.80%



Stable growth in dynamic market environment

Justification of investment opinion

As part of its "Win with Care" strategy, Beiersdorf's Consumer Business segment concentrates on bolstering core brands, driving innovation, and addressing geographic expansion opportunities with its brands Eucerin and NIVEA in India and China. The intensified focus on hyperpigmentation, anti-aging, and acne treatments is viewed as a promising growth driver. However, challenges such as slowing pricing momentum, and uncertainties in profit phasing introduce additional risks to the outcomes.

FY 2024 so far

Beiersdorf had a challenging start in 2024, with profitability impacted primarily by a significant rise in the marketing cost ratio and weaker-than-expected demand for sun care products. However, a turnaround occurred in H2 and Q3, driven by a strong resurgence in North America for derma products, supported by a successful anti-aging product launch of Epicelline in September with high initial sales. Emerging markets delivered double-digit revenue growth, and NIVEA, the core brand, performed strongly. Despite a tough market environment, particularly in the automotive sector, the tesa business segment achieved a 3.10% organic sales increase in the first three quarters of 2024.

Brand highlights

By Q3 24, NIVEA continues to grow strongly +9.40%. Derma which includes Eucerin and Aquaphor was up by +8.80%. Luxury brand La Prairie fell by -7.3% due to continuing weakness of the Chinese economy but was able to gain market share.

Targets 2024/ estimates: The board of executives continues to anticipate the following developments for 2024:
1) Consumer: revenue + 6 to 8%
2) tesa: revenue + 2 to 5%
3) Group: revenue + 6 to 8%/ EBIT-margin slightly above previous year (13.4%)

Key Financials

Year*	2023	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E
Revenue (EURm)	9,447	10,005	10,651	11,324	11,978	12,375	12,717	12,999	13,215
growth rate in %	7.4%	5.9%	6.5%	6.3%	5.8%	3.3%	2.8%	2.2%	1.7%
EBIT (EURm)	1,105	1,357	1,451	1,550	1,646	1,708	1,762	1,809	1,847
growth rate in %	1.2%	22.8%	6.9%	6.8%	6.2%	3.8%	3.2%	2.6%	2.1%
EPS	3.24	4.22	4.48	4.79	5.09	5.31	5.49	5.65	5.78
FCF per share	2.65	0.93	2.80	3.03	3.33	3.86	4.17	4.36	4.45
DPS	0.70	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

**Fiscal year end 31.12*

1 Introduction

Company valuation serves multiple critical purposes. For investors, it offers a substantiated basis for making informed investment decisions. It also identifies the sources of value creation, guides management in setting future strategic directions, and establishes a foundation for determining purchase prices in transactions. The measurement and management of shareholder value represent core responsibilities for management teams, making a solid understanding of valuation principles essential for today's business leaders.

This thesis seeks to estimate the fair value per share of Beiersdorf Aktiengesellschaft (AG) as of December 31, 2024, employing suitable valuation methods to assess whether the company's stock presents an upside or downside potential for current and prospective investors. Beiersdorf AG is recognized as a major global player in the personal care and self-adhesive products industry. This valuation relies on publicly available information, but it also requires subjective assumptions that significantly influence the results. It is important to acknowledge that, as Fernández (2007) argues, no standardized approach exists for valuing companies, and an objectively correct Enterprise Value (EV) is unattainable. Company value and market price may differ depending on stakeholders' perspectives and objectives.

The thesis is structured into seven main chapters. Chapter 2 presents a literature review outlining the theoretical foundations of valuation methods and evaluates their applicability to Beiersdorf AG. Chapter 3 examines the current macroeconomic environment, as well as specific characteristics and trends within the personal care and self-adhesive market. In Chapter 4, a comprehensive overview of Beiersdorf AG is provided. Chapter 5 assesses Beiersdorf's historical financial performance and explains the forecast period's key assumptions. Chapter 6 applies selected valuation methods to determine a fair share price for Beiersdorf AG, and Chapter 7 compares these findings with the equity research report published by mwb research (Wissler, 2024).

2 Literature Review

2.1 Introduction to Valuation Methodologies

This chapter reviews common valuation methods and assesses the best ones for valuing Beiersdorf AG. Analysts employ a broad range of models, from basic to complex. The variety of valuation models is extensive, often grounded in different assumptions about underlying fundamentals. Grouping similar models into categories is essential for comprehensively interpreting the valuation results (Damodaran, 2006a). Damodaran (2006b) categorizes valuation techniques into four major categories:

1. **Intrinsic valuation method**: The intrinsic value of a company is derived from its ability to generate future value (Luehrman, 1997b). Most commonly the Discounted Cash Flow (DCF) is used to determine the present value of its expected Cash Flows (CFs), which are discounted at a rate that accounts for the associated risk (Damodaran, 2006b).
2. **Asset-based valuation methods (liquidation and accounting valuation)**: This method focuses on a company's existing assets, using accounting estimates or book values as the starting point. It calculates a company's value by defining the costs to reproduce an asset. This method is often applied when a company faces financial distress or lacks ongoing concern.
3. **Relative valuation:** In relative valuation, the value of an asset is estimated by comparing it to a similar peer group, using a ratio that relates the peer's valuation to key financial metrics (such as earnings, cashflows, book value, or sales), which is then applied to the company being valued.
4. **Contingent claim valuation:** This method uses option pricing models (Binomial model or Black-Scholes-Merton) to assess the value of assets that share characteristics similar to options.

No single valuation method is inherently superior, as each has its validity, but certain circumstances may make one approach more reliable than others (Fazzini, 2018). In practice, there appears to be a consensus that the DCF method is suitable in most situations (Brotherson et al., 2014), but the same study notes that nearly all practitioners employ multiple methods. This is done either to reach a consensus through various valuations or to validate the primary valuation approach. The choice of a valuation method is shaped by industry conditions, the analyst's expertise, and client acceptance. While the method should align with the company's business model and financial structure, the decision often reflects the evaluator's subjectivity and preference.

Given that Beiersdorf does not face any imminent financial distress, the Asset-Based Valuation will not be considered in this thesis. Additionally, since no potential assets or investments with option-like characteristics were identified, the Contingent Claim Valuation has also been excluded. Instead, this thesis will concentrate on critically examining the intrinsic and relative valuation approaches and the underlying assumptions applied to Beiersdorf AG.

2.2 Intrinsic Valuation Methods

2.2.1 Discounted Cash Flow Methods

Despite the growing importance of alternative valuation methods driven by technological advancements and new insights, DCF valuation remains a fundamental approach in both practical applications and academic research (Luehrman, 1997a). By some researchers, methods based on CF discounting are seen as the only conceptually accurate approaches for valuing companies (Fernández, 2023). These methods are based on the core assumption that every asset or company has an intrinsic value. This value is determined by the assets or company's ability to generate future CFs and is not influenced by external perceptions of its worth (Damodaran, 2006b). This requires individual forecasts of each financial component contributing to the CF. These forecasts are then discounted at a rate that accurately reflects the company's risk (Fernández, 2023):

Equation 1: Discounted cash flow model

$$V_0=\frac{\mathrm{E(CF_1)}}{1+\mathrm{k}}+\frac{\mathrm{E(CF_2)}}{(1+\mathrm{k})^2}+\frac{\mathrm{E(CF_3)}}{(1+\mathrm{k})^3}+\ldots+\frac{\mathrm{E(CF_n)}}{(1+\mathrm{k})^{\mathrm{n}}}$$

Note:

CF_t = expected cash flow in period t

k = discount rate reflecting the riskiness of the cash flow

n = life of the asse

The DCF valuation can be approached in two ways. The first is to value the entire business, including both existing assets and growth opportunities, known as firm or enterprise valuation. This method relies on future expected Free Cash Flow (FCF), which represents the cash available to all capital suppliers, including stockholders and lenders. These CFs, known as Free Cash Flow to the Firm (FCFF), are calculated before debt payments and after accounting for reinvestment needs, and are discounted at the cost of capital, which reflects the overall cost of financing from all sources (Fernández, 2023).

The second approach is equity valuation, which focuses solely on valuing the equity stake in the business. In this method, Free Cash Flow to Equity (FCFE) is calculated by deducting debt payments and reinvestment needs from total CFs, leaving the cash available for shareholders. These CFs are then discounted at the cost of equity, which reflects the return required by equity investors (Damodaran, 2006b).

When applied correctly and using consistent assumptions, the Equity Value (EqV) can always be derived from the firm value by subtracting the value of all non-equity claims (Young et al., 1999). Enterprise models are generally preferred because they separate operating performance from capital structure in CF calculations, reducing the likelihood of implementation errors (Koller et al., 2020).

2.2.2 Equity DCF Models

2.2.2.1 Dividend Discount Model

The Dividend Discount Model (DDM) values equity by determining the present value of expected dividends, which are, in the strictest sense, the only CFs equity holders receive. After purchasing a share, an investor anticipates regular dividend payments throughout the holding period, as well as the share's selling price upon divestment. This estimated selling price is, in turn, driven by future dividends (Damodaran, 2012).

Equation 2: Basis dividend discount model

$$\text{Value per share} = \sum_{t=1}^{\infty} \frac{E(DPS_t)}{(1 + k_e)^t}$$

Note:
$E(DPS_t)$ = expected dividends per share in period t
k_e = Cost of equity

When using the DDM, estimating the dividend per share for each period is essential, but since projections cannot extend indefinitely, alternative models have been developed to address this limitation. One widely used alternative is the Gordon Growth Model (GGM), which assumes dividends grow at a constant rate in perpetuity. This model simplifies the process by requiring only a single dividend per share estimate. However, its reliance on a constant growth rate introduces significant sensitivity to the model's accuracy, making it only suitable for mature companies where a stable growth rate is assumed (Damodaran, 2012).

Equation 3: Gordon growth model

$$V_0^{EqV} = \frac{E(DPS_1)}{k_e - g}$$

Note:
$E(DPS_1)$ = expected dividends per share in the next period
g = constant growth rate to perpetuity

By addressing the issue of non-constant growth the two-stage DDM is a variation of the classic DDM. In the first stage, dividends per share are estimated over an explicit period until the company reaches a steady state of constant growth. The second stage then applies the GGM to value dividends in perpetuity (Damodaran, 2006b).

Equation 4: Two-stage growth model

$$V_0^{EqV} = \sum_{t=1}^{n} \frac{E(DPS_t)}{(1+k_e)^t} + \frac{TV_n}{(1+k_e)^n} \text{ where } TV_n = \frac{E(DPS_n)}{(k_e\text{-}g)}$$

Despite the intuitive appeal and simplicity of the DDM, it faces significant criticism due to its limitations. A key issue arises when a company's dividends do not align with its FCFE, undermining the model's assumptions. Research indicates that signaling effects can influence dividends, therefore companies frequently maintain stable dividends to avoid market punishment, even when these dividends do not reflect their actual FCFE (McNichols & Dravid, 1990). This disconnect can lead to misleading valuations, where the DDM may be overly optimistic if dividends exceed FCFE or overly pessimistic if they fall short (Damodaran, 2006b).

Furthermore, the price is highly sensitive to the growth rate. Paying out dividends can limit funds available for investment, which may slow down growth. Due to these limitations and the unpredictability of future payout policies, the DDM is rarely used in practice (Penman & Sougiannis, 1998). The model is not used to value Beiersdorf AG because the dividends have changed only once in the past ten years and don't grow in line with its net income.

2.2.2.2 Free Cash Flow to Equity

The FCFE model differs from the DDM in that it discounts potential cash that companies can return to their shareholders over time rather than actual payments like dividends or share buybacks. In this scenario, we assume that shareholders are entitled to these CFs, even if managers choose not to pay them out (Damodaran, 2006b). FCFE can be computed directly from net income or by adjusting the FCFF by net borrowings:

Equation 5: Free cash flow to equity

$$\text{FCFE}_t = \text{Net income}_t - \text{NCAPEX}_t - \Delta\text{noncash WC} + \text{net borrowing}$$

Note:

$NCAPEX_t$ = net capital expenditures = Capital Expenditures (CAPEX)− Depreciation & Amortization (D&A)

Net borrowing = new debt issued – debt repayment

Equation 6: Free cash flow to equity derived from free cash flow to firm

$$\mathrm{FCFE_t} = \mathrm{FCFF_t} - \mathrm{I_t} * (1 - \tau_c) + \text{net borrowing}$$

Note:

I_t *= interest expenses*

τ_c *= corporate tax rate*

When calculating Equity Value, similar to how Enterprise Value (EV) is determined, the projected FCFE is discounted using only the company's equity cost, reflecting the return required by equity investors.

Equation 7: Equity value in the free cash flow to equity valuation

$$V_0^{EqV} = \sum_{t=1}^{n} \frac{\mathrm{FCFE_t}}{(1 + k_e)^t} + \frac{\mathrm{TV_n}}{(1 + k_e)^n}$$

2.2.3 Firm DCF Models

2.2.3.1 Free Cash Flow to Firm

To value the entire firm, the FCFF is calculated as if the firm has no debt and no tax benefits from interest expenses, as these factors are accounted for in the discount rate at a later stage (Damodaran, 2006b). Therefore, only items that directly affect cash inflows or outflows are considered.

Equation 8: Computation of free cash flow to firm

$$\mathrm{FCFF} = \mathrm{EBIT} * (1 - \tau_c) + \mathrm{D\&A} - \mathrm{CAPEX} - \Delta\text{Operating Working Capital}$$

To compute the EV of a company, the forecasted FCFF are discounted by the company's cost of capital since the FCFF are distributable to all stakeholders:

Equation 9: Enterprise value in the free cash flow to firm valuation

$$V_0^{EV} = \sum_{t=1}^{n} \frac{\mathrm{FCFF_t}}{(1 + \mathrm{WACC})^t} + \frac{\mathrm{TV_n}}{(1 + \mathrm{WACC})^n}$$

Note:

WACC = Weighted Average Cost of Capital

The model is not only suitable if you assume a constant debt ratio, but it is also more flexible than FCFE models when the company's capital structure is expected to change in the future, as these changes can be incorporated into the valuation through the discount rate, rather than through the CFs (Damodaran, 2006b). It is also beneficial for companies with high levels of leverage or those with a negative FCFE (Pinto, 2020).

2.2.3.2 Adjusted Present Value

Luehrman (1997b) argues that the adjusted present value (APV) method is superior to the WACC-based approach, as WACC can be overly restrictive and error-prone, particularly in complex financial situations. The APV method offers greater flexibility by allowing for dynamic capital structures, as it separates a firm’s value into the unlevered firm value (assuming the firm is fully equity financed) and the value derived from leverage, including tax benefits and the costs associated with increased default risk (bankruptcy costs). Instead of discounting the FCFs using the WACC, the cost of equity is used for the APV method. This approach also provides more managerially relevant insights by clearly delineating the sources of the firm's value.

Equation 10: Adjusted present value

$$V_o^{EV} = V^U + \mathrm{PV}(\text{Interest tax shield}) - \mathrm{PV}(\text{Financial distress costs})$$

Note:

V^U = *value unlevered firm*

The unlevered firm value is calculated by discounting the FCFF at the unlevered cost of equity, excluding any tax benefits from debt (Koller et al., 2020). The next step in this approach involves calculating the expected tax benefit from a specific level of debt. The tax benefit from the deductibility of interests on the tax bill is discounted at the cost of debt to account for the related risk (Damodaran, 2006b).

Equation 11: Present value of interest tax shield

$$\mathrm{PV}\ (\mathrm{ITS}) = \frac{D * k_d * \tau_c}{(1 + k_d)^t}$$

Note:

D = *debt*

k_d = *cost of debt*

The third step involves assessing how the given level of debt impacts the firm's default risk and expected bankruptcy costs. This requires estimating both the probability of default with the added debt and the associated direct and indirect bankruptcy costs.

Equation 12: Expected bankruptcy cost

$$\text{Expected bankruptcy cost} = \text{Probability of bankruptcy} * \text{Bankruptcy cost}$$

This step is the most difficult, as neither the probability of bankruptcy nor the magnitude of associated costs can be estimated directly. There are two ways the probability of bankruptcy can be estimated indirectly using a company's observable characteristics or based on bond ratings (Damodaran, 2006b). While numerous studies have examined the magnitude of bankruptcy costs, indirect costs such as damage to reputation and loss of key employees tend to be substantial relative to the firm's value (Warner, 1977).

As highlighted in the literature review, both the APV and WACC approaches have their benefits. However, the FCFF method is favored for this thesis, as it is deemed the most suitable from the author's perspective. This preference is based on the assumption of a static capital structure and the fact that Beiersdorf maintains a relatively low level of debt.

2.2.4 Terminal Value

Since CFs cannot be estimated indefinitely, a terminal value (TV) is calculated to represent the value of the firm at a specific point in the future. Once the firm reaches a steady state, there are several methods to compute the TV. One approach is to estimate the firm's liquidation value at that time. Alternatively, the firm can be valued as going concern by either assuming it will be sold based on an exit multiple or that it will grow perpetually at a constant rate. In the Perpetuity Growth Method (PGM), it is essential to adjust for the differing reinvestment needs as firms transition into stable growth. Unlike high-growth firms, stable-growth firms typically reinvest less, and this reduced reinvestment must be accurately reflected to sustain the projected stable growth rate in the terminal phase. The specific adjustments made to account for these effects vary depending on the type of CF being discounted. Each scenario requires different treatment to ensure that the reinvestment levels align with the firm's expected growth and financial sustainability (Damodaran, 2012).

Equation 13: Discounted cash flow valuation with terminal value (PGM)

$$TV_t = \frac{FCF_t * (1 + g)}{(k - g)}$$

Note:

FCF_t = free cash flow of explicit period

g = constant growth rate in perpetuity

The TV plays a crucial role in determining EV, often accounting for 50% to 80% of it. Typically, the stable growth rate should not surpass the overall growth rate of the economy and should be carefully evaluated through sensitivity analysis (Damodaran, 2012).

2.2.5 Discount Rate

Since the value of money increases over time due to interest, future payments are worth less in present terms. As a result, identical CFs in different periods do not hold the same value. To account for this the discount rate combines the risk-free rate, representing the time value of money, and a risk premium, reflecting the uncertainty of future CFs (Pinto, 2020). Thus, the discount rate represents the opportunity cost an investor expects from an alternative investment with similar risk (Luehrman, 1997b).

2.2.5.1 Weighted Average Cost of Capital

When valuing the entire firm, the discount rate must account for the risks associated with both equity and debt. Therefore, the WACC is calculated as a weighted average of the cost of equity and the after-tax cost of debt, based on the firm's target capital structure (Luehrman, 1997a).

Equation 14: Calculation of weighted average cost of capital

$$WACC = \frac{E}{D + E} * k_e + \frac{D}{D + E} * k_d * (1 - \tau)$$

Note:

D = market value of debt

E = market value of equity

τ = tax rate

There is no clear consensus on the appropriate tax rate to use in financial projections. One option is the current effective tax rate, which is calculated as taxes due divided by taxable income (Fernández & Bilan, 2007). Alternatively, the marginal tax rate can be applied, as it reflects future funding costs and excludes nonrecurring items (Pinto, 2020). While the marginal rate may underestimate after-tax operating profits in the initial years, it generally provides more accurate estimates in the later periods (Pinto, 2020). Damodaran (2012), however, recommends transitioning from the effective tax rate to the marginal rate over time, eventually using the marginal rate to calculate the TV. A common mistake when using the WACC is using book values instead of market values for debt and equity and relying on the current capital structure rather than the target one (Fernández & Bilan, 2007).

2.2.5.2 Estimating Cost of Equity

The cost of equity reflects the return that investors demand for taking on the risks associated with owning an equity stake in a company (Ross et al., 2022). Several models exist to determine the cost of equity, including Gordon and Shapiro's constant growth model, William Sharpe's Capital Asset Pricing Model (CAPM) (Fernández, 2023), and the Fama-French Three Factor Model. This dissertation will focus on the CAPM, which is based on the principle that shareholders demand a risk premium to compensate for systematic, non-diversifiable market risk. This thesis posits that country-specific risk can be diversified away by international investors and is thus not considered a component of the cost of equity.

Equation 15: Cost of equity

$$k_e = r_f + \beta_L * (r_m - r_f)$$

Note:
r_f = *risk-free rate*
β_L = *levered beta*
r_m = *expected return on the market*
$(r_m - r_f)$ = *market risk premium*

This leads to three components that must be estimated to calculate the cost of equity: the risk-free rate, beta, and the market risk premium (MRP).

The **risk-free rate** represents the time value of money and is typically viewed as the return on a risk-free asset available in the open market. An asset is considered risk-free if it carries no default or reinvestment risk. To eliminate the influence of currency fluctuations and related inflation, the risk-free rate should be derived from long-term government bonds denominated in the same currency as the CFs (Damodaran, 2012).

Beta measures the deviation and sensitivity of an asset's return relative to the return of the market. The most straightforward method to estimate beta involves regressing the asset's returns against those of a market index. The resulting values are influenced by the selection of the market index, the length of the data period, and the return interval used (Pinto, 2020).

Equation 16: Levered beta (regression model)

$$\beta_L = \frac{\sigma(r_i r_m)}{\sigma^2 m}$$

Note:

σ (r_i r_m) = covariance of investment i and market portfolio m

$\sigma^2 m$ = variance of the market portfolio m

An alternative method for estimating beta is known as the "bottom-up" approach. In this approach, a firm's beta is calculated as the weighted average of the betas from all the different business segments in which it operates. To determine these, you typically use the median or average regression beta of peer companies within each business segment. Since the betas obtained are levered, they must first be unlevered to remove the effects of the peer's capital structures. Afterward, the firm's current market debt-to-equity ratio is applied to relever the beta, reflecting its specific financial leverage (Damodaran, 2012).

Empirical evidence demonstrated that most estimated betas tend to converge toward the market's average beta of 1 over time. Consequently, Blume (1975/1979) proposes a mean-reversion adjustment to convert the historical beta into a forward-looking beta.

Equation 17: Beta adjustment

$$\text{adjusted } \beta_L = \frac{2}{3} * \text{raw } \beta_L + \frac{1}{3}$$

The **MRP** represents the expected excess return of the market portfolio, which includes all stocks in the market, and reflects an investor's willingness to hold a portfolio of risky securities (Berk & DeMarzo, 2023). Various methods are used to estimate the MRP (Damodaran, 2022), including Survey Premiums (based on professional expectations), Historical Premiums, and Implied Equity Premiums (a forward-looking estimate). However, there is no consensus in academic literature on the best technique for estimating the MRP. The Technical Committee for Business Valuation and Economics (FAUB) of the Institute of Public Auditors in Germany (IDW) recommends a MRP range of 6% to 8% for Germany, where Beiersdorf AG is based (Schöniger et al., 2023).

2.2.5.3 Estimating Cost of Debt

The cost of debt measures the current expense a firm incurs when borrowing funds to finance its assets, reflecting both the firm's default risk and the prevailing interest rates in the market. There are different ways to determine the cost of debt. For companies with frequently traded bonds, it can be calculated as the average yield to maturity (YTM) of those bonds. If the bonds are not frequently traded, the cost of debt can be estimated using the company's credit rating and the associated default spreads. In cases where a company has neither traded bonds nor a credit rating, a synthetic rating can be derived based on financial characteristics, such as the interest coverage ratio. The pre-tax cost of debt is then determined by adding the default spread to the risk-free rate (Damodaran, 2006a).

2.3 Relative Value Approach

Relative valuation is a financial analysis method used to estimate an asset's value by comparing it to similar assets using multiples. The relative valuation model can be divided into two approaches: Using multiples derived from publicly traded companies or historical transactions. Transaction multiples may include a control premium due to the acquisition of an entity and are rarely disclosed. On the other hand, market multiples assume that peer companies are accurately valued, potentially overlooking any broader overvaluation or undervaluation in the market. Due to these limitations, relative valuation is often viewed as a complement to intrinsic valuation methods and is frequently employed as a robustness check for the TV (Koller et al., 2020).

To apply multiples accurately, certain key principles must be followed. While selecting peer companies within the same industry is a logical starting point, as they typically face similar challenges and risks, it is also essential to ensure that these companies share comparable growth prospects and returns on invested capital (ROIC). Matching peers with similar growth expectations and ROIC is crucial for a proper valuation. Additionally, it is advisable to base multiples on forecasted rather than historical profits (Goedhart et al., 2005).

In this dissertation, a relative valuation of Beiersdorf AG with the following multiples is conducted. The Price to Earnings (P/E) ratio is the most widely used price multiple, directly relating a company's share price to its earnings per share (EPS). However, relying solely on P/E ratios can be misleading for several reasons. First, P/E ratios are systematically affected by a company's capital structure. Second, the earnings component of the P/E ratio often includes non-operating items such as write-offs. These are typically one-time events that do not reflect the company's ongoing operational performance, potentially distorting the P/E ratio (Goedhart, et al., 2005).

Additionally, EV multiples are used, which are generally less prone to manipulation arising from changes in capital structure. This is because enterprise value accounts for both debt and equity, making it a more reliable measure (Goedhart, et al., 2005). In the retail sector, the EV/Revenue multiple is commonly used to compare a company's EV to its sales, largely because it remains unaffected by accounting discrepancies (Damodaran, 2012). However, this metric overlooks factors like cost efficiency and capital management. To incorporate these aspects, the EV/EBIT multiple was employed since it includes D&A expenses (Koller et al., 2020). Nevertheless, variations in accounting standards can lead to significant differences in how D&A is recognized. To achieve a more consistent comparison, the EV/EBITDA multiple, which excludes D&A, is also utilized.

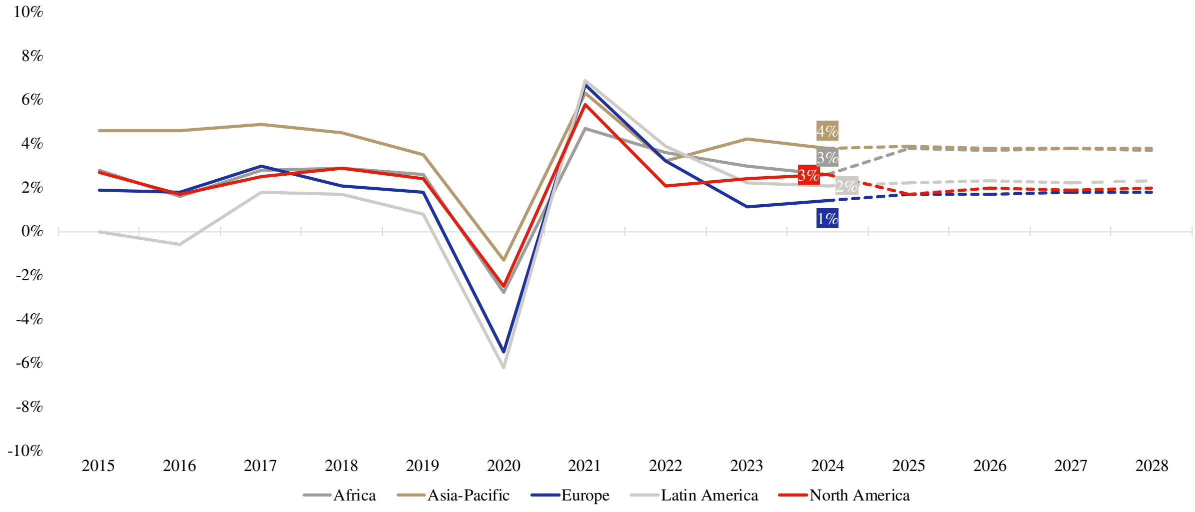
3 Market Overview

3.1 Economic Development

As a global company, Beiersdorf faces various macroeconomic risks. The Organization for Economic Cooperation and Development (OECD) reports that while the global economy is growing at a modest pace, challenges persist. Tight monetary conditions continue to affect housing and credit markets, yet global activity remains relatively resilient, with declining inflation and improving private sector confidence (OECD, 2024).

Labor market imbalances between supply and demand are easing, with unemployment rates staying at historic lows. As inflation slows, real incomes are beginning to recover, and trade growth has turned positive. However, economic trends vary by region. Many advanced economies, particularly in Europe, are seeing slower growth, while strong growth in the United States and several emerging markets provides a counterbalance. The OECD forecasts global growth at 3.10% in 2024 and 3.20% in 2025 (OECD, 2024). Figure 1 presents the projected gross domestic product (GDP) growth rates for the regions in which Beiersdorf operates.

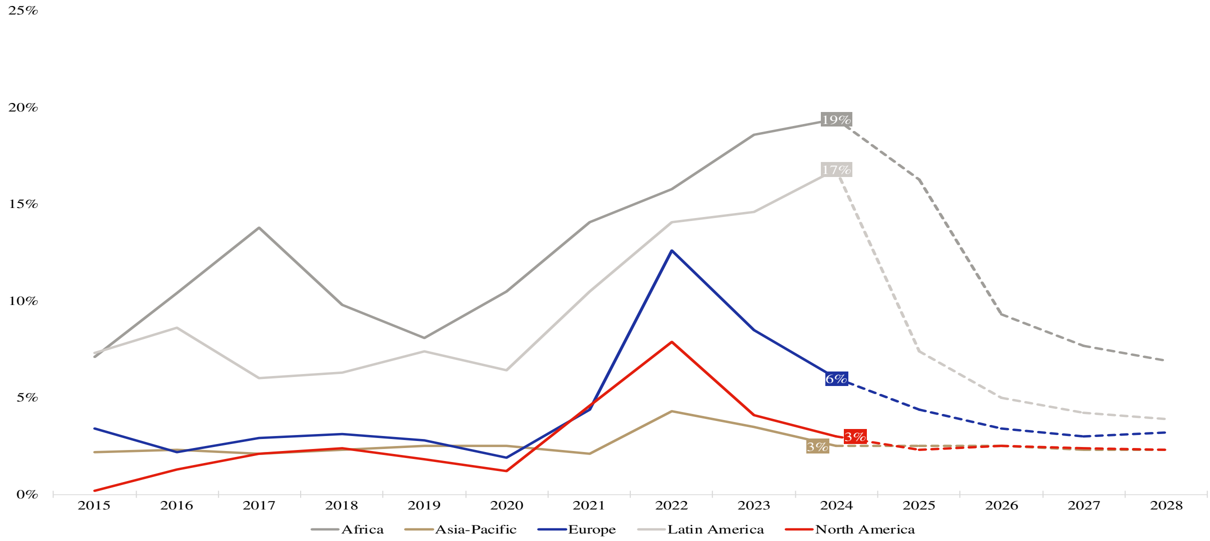
Figure 1: Expected development of real GDP growth by region in %



Source: Economist Intelligence Unit (2024b)

However, there is significant uncertainty lingering. Inflation may remain elevated, delaying policy interest rate reductions and increasing financial vulnerabilities. The ongoing war in Ukraine, coupled with the new conflict in the Middle East, adds further uncertainty, particularly if the conflict spreads regionally. The impact on inflation and growth is expected to remain limited if the conflict does not escalate and the oil price does not rise significantly. Additionally, while the US-China relationship has stabilized somewhat, it still poses significant risks. Economic growth in China could underperform due to ongoing property market issues and potentially insufficient fiscal support. The decline in economic activity is also reducing the chances of economic growth in the eurozone due to decreased export opportunities (Gourinchas, 2024).

Figure 2: Expected inflation rates by region in %



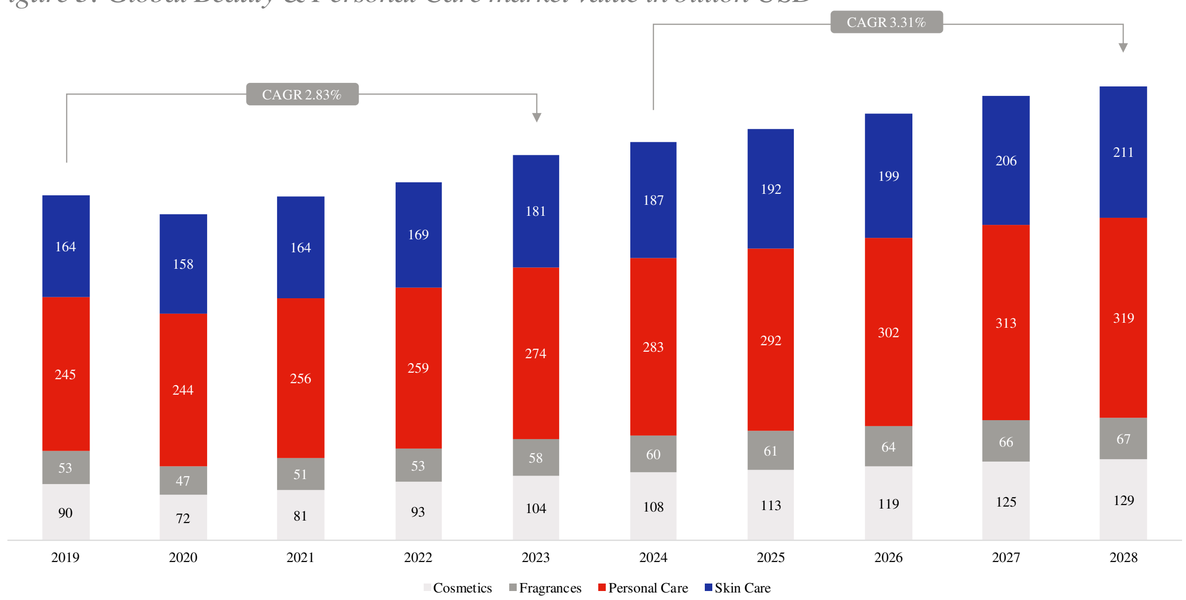
Source: Economist Intelligence Unit (2024a)

Beiersdorf responds to these uncertainties by maintaining a geographically balanced presence across all divisions, avoiding over-reliance on any single market. Potential market entries in new countries are carefully assessed, considering both economic and political factors. In the case of Russia, the company ensures strict compliance with all sanctions (Beiersdorf, 2024a).

3.2 Consumer Market

Beiersdorf is a prominent player in the global beauty and personal care industry, which includes the key segments of Cosmetics, Fragrances, Personal Care and Skincare. Between 2019-2023, the Beauty & Personal Care sector has experienced a compound annual growth rate (CAGR) of 2.80%, despite the economic challenges posed by the COVID-19 pandemic, inflation and the Russia-Ukraine conflict. While wage increases are anticipated to help offset inflation's impact and support consumer spending, the market continues to face pressures from high energy costs, elevated commodity prices, and logistical challenges. The global Skincare segment, which is particularly important for Beiersdorf, is projected to grow at a CAGR of 3.10% through 2028, driven by increasing demand for anti-aging products like face and anti-wrinkle creams. By 2024, e-commerce will account for 35% of revenue in the Beauty & Personal Care market, underscoring its role as a key growth driver. Businesses must prioritize digital strategies to stay competitive and capture this growing share Statista (2024d).

Figure 3: Global Beauty & Personal Care market value in billion USD



Source: Statista (2024d)

3.3 Adhesive Market[1]

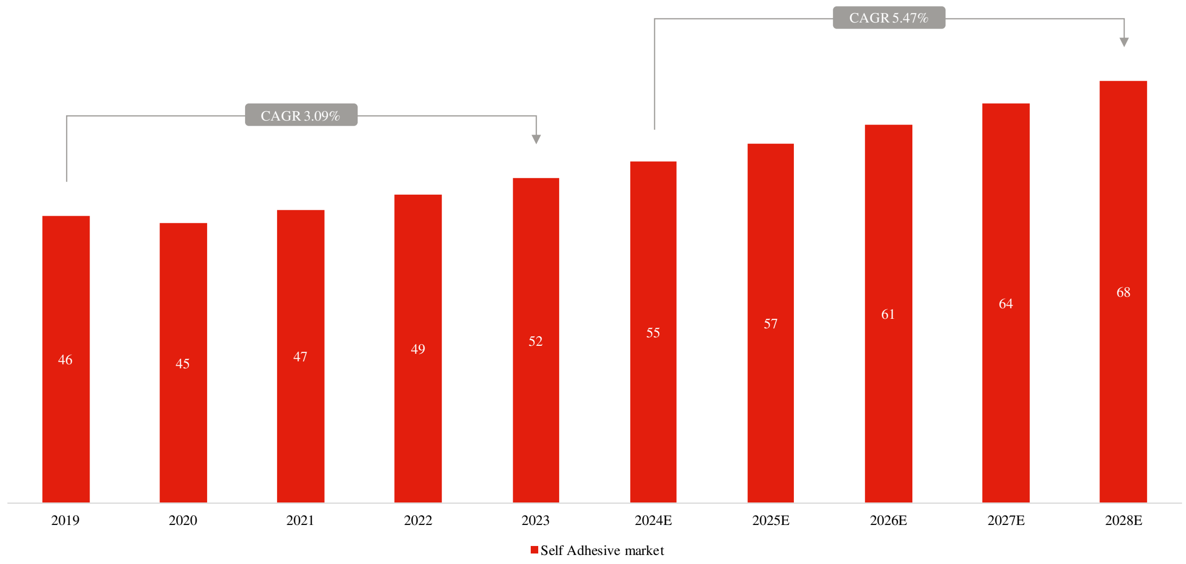
Self-adhesive labels are customizable labels that stick to products without additional adhesives, providing information like ingredients, barcodes, and serial numbers for product identification and traceability (Technavio, 2024). The global self-adhesive label market is poised for stable growth, driven by expanding opportunities across various sectors such as food & beverage, consumer durables, pharmaceuticals, home & personal care, retail labels, and the rapidly growing e-commerce industry. As e-commerce continues to evolve, the demand for efficient labeling solutions in logistics and product identification rises, making this market increasingly vital (Lucintel, 2024). Advancements in printing technology have improved label durability and quality, expanding their use into sectors like electronics, chemicals, and automotives (Technavio, 2024).

Geographically, the Asia-Pacific region currently leads the self-adhesive labels market. The region's growing population and increasing consumption of everyday products are key drivers of this demand (Fortune Business Insights, 2024).

Despite a temporary decline in 2020 due to COVID-19 disruptions, the market is rebounding with the resumption of industrial activities, increased e-commerce adoption, and ongoing technological developments expected to propel growth further. The global self-adhesive label market is expected to reach a valuation of USD 67.5 billion by 2028, growing at a CAGR of 5.47% during the forecast period. This steady growth indicates the market's critical role in modern packaging and labeling solutions (Technavio, 2024).

[1] To analyze the nature of competition within both markets, Porter's 5-forces analysis was conducted and can be found in Appendix A.

Figure 4: Global Self-Adhesive Label market value in billion USD



Source: Technavio (2024)

4 Company Analysis

Beiersdorf AG, a global player in the consumer and self-adhesive goods industry, is headquartered in Hamburg, Germany, and operates with a workforce of over 20,000 across more than 170 subsidiaries worldwide. Established in 1882, the company has been publicly traded on the Hamburg Stock Exchange since 1928. In December 2008, its shares were incorporated into the Deutscher Aktienindex (DAX), Germany's leading stock market index. The company is primarily controlled by maxingvest GmbH & Co. KGaA[2], a family office holding a 52.01% ownership stake (Beiersdorf, 2024a).

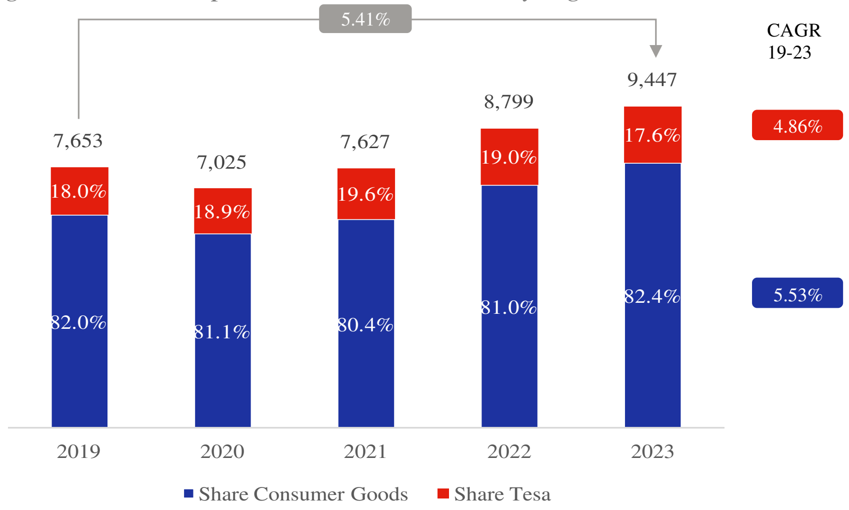
4.1 Business Segments

Beiersdorf's business is divided into two separate, independently operating business segments:

- **Consumer Business Segment:** Specializes in the production of personal care products, offering a diverse range of skin and body care brands.
- **Tesa Business Segment:** Focuses on creating innovative adhesive tapes and self-adhesive solutions for industrial, craft, and consumer applications.

[2] Please refer to Appendix B for information about the maxinvest GmbH & Co. KGaA

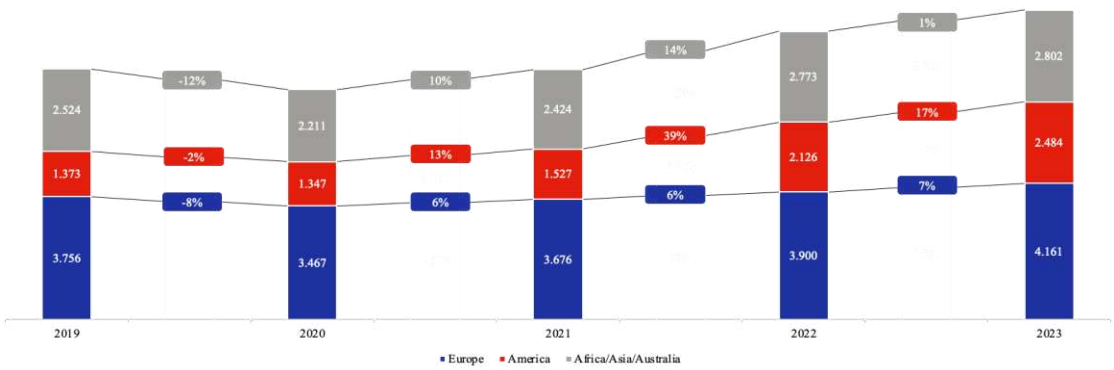
Figure 5: Revenue split and historical CAGR by segment in EURm



Source: https://www.lseg.com/en/data-analytics/products/workspace

The company currently has a strong presence, particularly in Europe, where it generated 44% of its total revenue in 2023. The highest growth was seen in the Americas, driven by the strong performance of the NIVEA brand in South America and the derma business units, Eucerin and Aquaphor, in the United States and Mexico. In the Africa/Asia/Australia (AAA) region, however, revenue grew by only 1%, largely due to the poor performance of La Prairie, which saw a 15.40% decline in organic sales compared to the previous year. This was primarily attributed to a sharp drop in daigou[3] sales and weaker-than-expected economic conditions in China and Korea.

Figure 6: Annual historical revenue in EURm by geography



Source: Beiersdorf (2024a)

[3] Daigou shoppers buy goods from abroad on behalf of domestic customers, providing them with tax and price benefits compared to purchasing from local retailers.

4.2 Corporate Strategy

The **Consumer Business Segment** follows the "C.A.R.E. +" strategy, prioritizing digital transformation. Products are distributed through five key channels: Food and general goods retailers, drugstores, pharmacies, e-commerce, and a few owned stores. E-commerce has seen consistent growth in recent years, driven by strong partnerships with companies like Amazon, Walmart, and Alibaba and effective retail media, making it a significant driver of overall sales growth (Beiersdorf, 2024a).

Beiersdorf has made substantial investments in its global supply chain and in digitalizing its operations, exemplified by the new production center in Leipzig. Additionally, the Group's new headquarter in Hamburg is designed to shape an ideal environment and attract top talent. The company continues to invest in research and development (R&D), bringing innovations to market and securing patents. Notably, they still benefit from the introduction of the first Q10 anti-aging care range in 1998, a key ingredient in NIVEA's top-selling face care products. Beiersdorf is also advancing its climate strategy by reducing packaging and CO2 emissions, changing product formulas, utilizing recycled plastics, refillable packaging, and establishing a circular economy for certain products (Beiersdorf, 2024a).

Beiersdorf's brand portfolio is strategically designed to meet the specific needs, price points, and preferences of individual consumer segments across various geographical markets. The company focuses on strengthening its presence in regions that have not yet been fully developed, which shows high growth potential by aligning the right brands with local demand. In Latin America, there is strong demand for Sun and Derma products, while NIVEA shows significant growth potential in African markets. In China, the strategy centers on premiumization, with brands like La Prairie and Chantecaille (Beiersdorf, 2024a).

Figure 7: Brand portfolio Beiersdorf

Source: Beiersdorf (2024a)

The **Tesa Business Segment** was separated from the Consumer Business Segment in 2001. Tesa Societas Europaea (SE), a 100%-owned subsidiary of Beiersdorf AG, is managed independently.

In the Industry division, tesa provides system solutions primarily designed to enhance production processes, customize packaging systems, and support construction-related applications. These solutions are sold directly to industries such as automotive, electronics, construction, and printing. In addition to its direct business, tesa offers a broad portfolio of products, such as transportation-secure tapes and adhesive solutions for packaging applications. (Beiersdorf, 2024a).

The Consumer division focuses on supplying end consumers with products through retail partners, e-commerce, and retail-like channels, targeting Europe and Latin America. It offers a wide range of both established and innovative solutions for everyday use in offices, homes, and crafts. Consumers can choose from over 300 products available in DIY stores, superstores, paper goods and stationery shops, as well as online (Beiersdorf, 2024a).

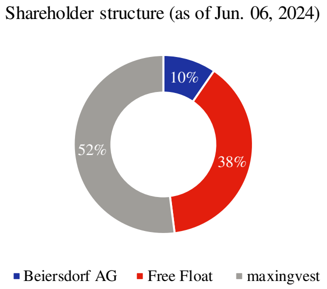
4.3 Shareholder Structure and Share Price Development

Beiersdorf has been included in the DAX, Germany's premier stock market index, since 2008. The DAX comprises the 40 largest companies listed on the Frankfurt Stock Exchange, based on order book volume and market capitalization.

Following a takeover battle with American competitor Procter & Gamble in 2003, Tchibo Holding AG (now maxingvest) increased its stake from 30.30% to 49.90% to strengthen the local industry in Hamburg.[4] Today, maxingvest holds a majority stake of 52.01% of the 248 million shares. Beiersdorf retains 9.59% of its shares, which are accounted for in retained earnings, while the remaining 38.40% are classified as free float.

[4] Please refer to Appendix C for the most important milestones in Beiersdorf's history.

Figure 8: Shareholder structure



Market Data*	
Share Price (EUR)	124.00
52 Weeks High (EUR)	147.25 (May. 13, 2024)
52 Weeks Low (EUR)	121.15 (Oct. 30, 2023)
Market Cap (EURm)	31,153

Last Update: Oct. 31,2024

Source: https://www.lseg.com/en/data-analytics/products/workspace, Beiersdorf (2024a)

Despite only 38.40% of Beiersdorf's shares being publicly traded, the stock exhibits substantial liquidity. Over the past 52 weeks, the average daily trading volume was 248,455 shares, equating to 0.26% of the free float. Annualizing this figure results in a turnover rate of approximately 65.75% of the free float, indicating that the shares are actively traded and not subject to liquidity constraints.

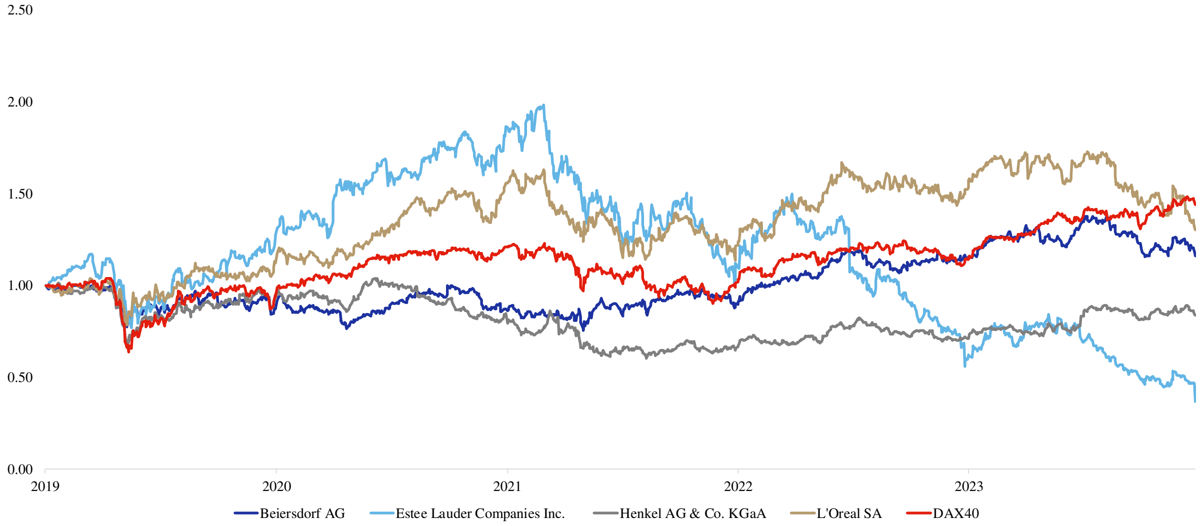
Following a pandemic-induced low of EUR 80.64 in March 2021, Beiersdorf's share price surged to a record high of EUR 147.25 in May 2024, marking an 82.60% increase. This significant appreciation reflects strong market confidence in Beiersdorf's strategic initiatives and financial performance.

Figure 9: Share price development

Source: https://www.lseg.com/en/data-analytics/products/workspace

To strengthen the informative power of the share price development, a comparison was made with three close competitors as well as the DAX40. Beiersdorf has outperformed Estee Lauder as well as Henkel over the period, demonstrating relatively stable performance compared to these competitors. Estee Lauder initially experienced strong growth but later saw a significant decline, contrasting with Beiersdorf's steadier trajectory. L'Oréal's share price growth has been notably higher, peaking significantly above Beiersdorf's performance. Since 2022, Beiersdorf and the DAX40 have shown a similar development.

Figure 10: Share price development compared to DAX and competitors



Source: https://www.lseg.com/en/data-analytics/products/workspace

4.4 Comparable Company Analysis

To identify an appropriate peer group for comparison, a comprehensive list of all publicly traded competitors in the Beauty and Personal Care and Adhesives industries was compiled. Given the high diversification of many companies manufacturing personal care and beauty products, all firms with personal care products in their portfolios were included in the analysis. According to Beiersdorf's compensation report, primary competitors were identified based on similarities in segment focus, company size, and operating regions. (Beiersdorf, 2021).

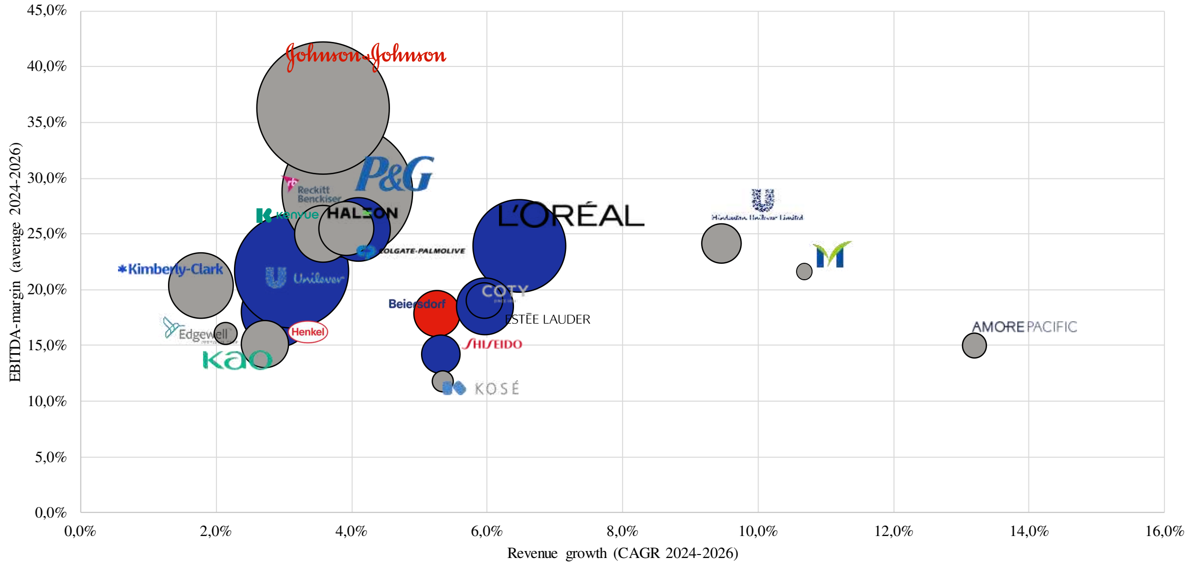
Companies with differing business models, geographical focus, size, profitability, and growth characteristics were subsequently excluded from the peer group. Size was measured by 2023 revenues, profitability by the average EBITDA margin and growth by the revenue CAGR projected for 2024-2026.[5] This forward-looking approach utilized forecasted data from SmartEstimate, accessed via LSEG Workspace on 19.09.2024. Unlike a simple average, SmartEstimate weights analyst's estimates based on their past forecast accuracy.

Figures 11-12 and Appendix D illustrate the competitors that were included and excluded from the analysis. Notably, Beiersdorf generates higher revenue growth in both segments compared to most of its peers. Additionally, Beiersdorf demonstrates lower profitability in the consumer segment. As a result, some of its major competitors, such as Procter & Gamble and Reckitt

[5] If the reporting date differs from December 31, the next projected three years were used.

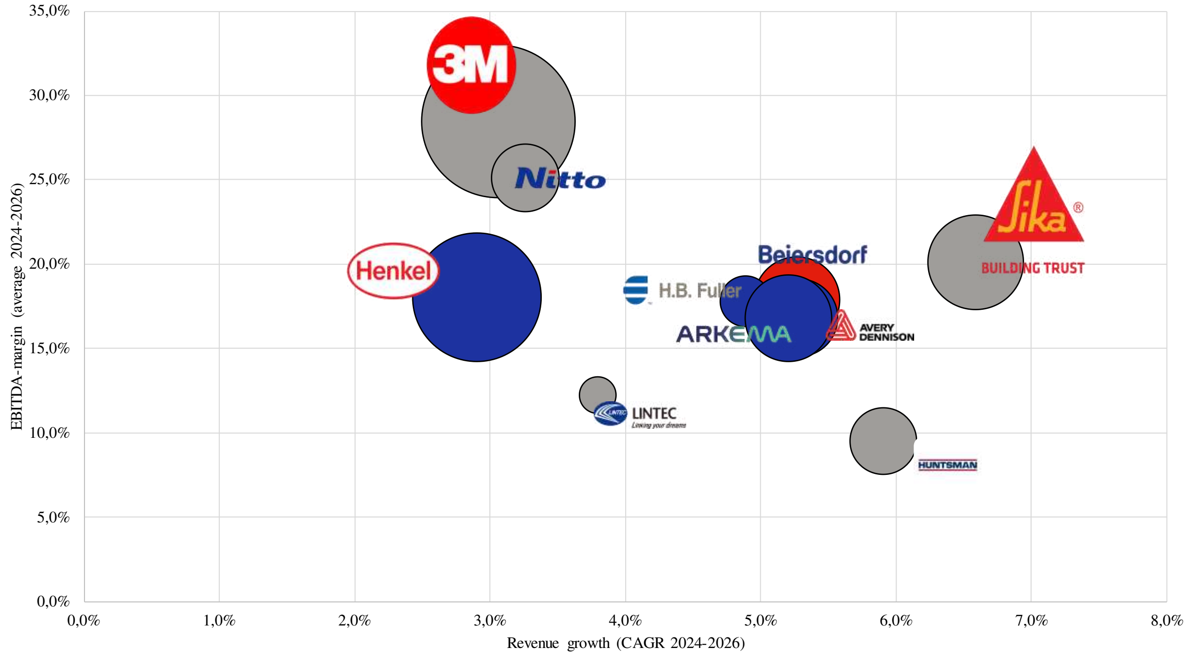
Benckiser were excluded from the peer group. There appears to be no twin company to Beiersdorf, as none of its industry peers have the same characteristics in terms of size, market penetration, and risk.

Figure 11: Consumer peer group



Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

Figure 12: Adhesive peer group



Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

5 Financial Statements Analysis & Forecast

5.1 Income Statement

5.1.1 Revenue

Between 2019 and 2023, Beiersdorf's Consumer Segment achieved a CAGR of 5.53%, while the Tesa Segment expanded at a rate of 4.86%. This strong performance culminated in a record-breaking revenue of EUR 9,447 million in 2023 (Beiersdorf, 2024a).

The positive momentum carried into the first half of 2024, with preliminary results showing continued growth. The Consumer Segment recorded an organic growth rate of 5%, while tesa grew by 2%. Beiersdorf forecasts consolidated sales growth of approximately 6-8% for the full year 2024. The primary growth drivers in the Consumer segment were the NIVEA and Eucerin brands, which increased organic sales by 11.10% and 8.30%, respectively. In contrast, the La Prairie brand experienced an organic sales decline of 7%, which is due to high comparative values in 2023 as a result of trade stockpiling. Revenue growth for tesa was primarily driven by the Asian market, thanks to strong business performance in the Electronics, Printing and Packaging Sectors. In particular, the B2B Segment demonstrated significant sales growth, contributing to this positive development (Beiersdorf, 2024b).

The revenue forecast for Beiersdorf's Consumer and tesa Segments was prepared based on revenue projections followed by Beiersdorf's geographical divisions: Europe, Americas, and Africa/Asia/Australia[6]. A direct forecast based on quantity and price trends was not possible due to the diverse range of brands, products, and pricing, as detailed information on these factors is not publicly available.

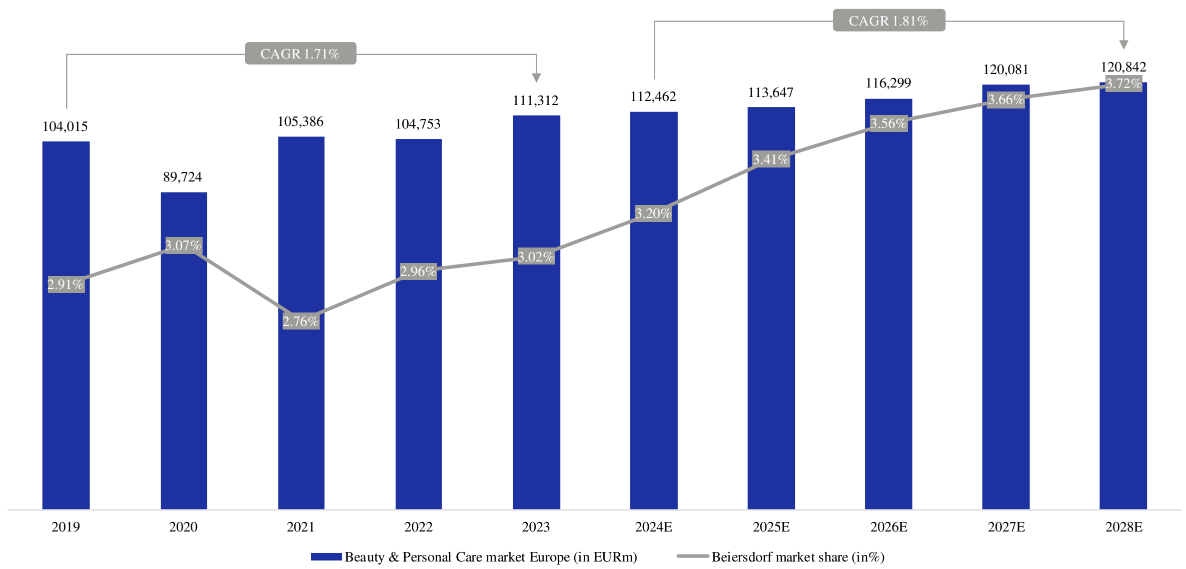
As a result, the future growth of the Consumer Segment was estimated using the historical market share and the development of the Beauty and Personal Care market. Market data was sourced regionally from Statista (2024c), and only the product categories offered by Beiersdorf were included in the analysis.

The European Beauty and Personal Care market for the selected categories grew at a CAGR of 1.71% from 2019 to 2023 and is projected to grow at a slightly higher CAGR of 1.81% from 2024 to 2028. The primary driver of this robust growth is the generational shift, as younger consumers increasingly enter the market. This trend is further amplified by the influence of

[6] Based on the available information, market data for the APAC region was utilized to estimate revenue growth for the Africa/Asia/Australia region.

social media, globalization, and the rise of E-Commerce, all of which have a profound and lasting impact on purchasing behavior in the beauty product sector (Statista, 2024c). During the 2019-2023 period, the market share of Beiersdorf saw a modest annual increase of 0.139 percentage points (p.p.), excluding the outlier year 2021, which was impacted by the COVID-19 pandemic. A continued increase in market share is expected to persist, as indicated by the first half of 2024. However, this growth rate is expected to taper off, as competitors will further penetrate the market. Further growth is anticipated with the upcoming launch of the new anti-aging product, Epicelline, in Germany and Great Britain by September 2024 (Beiersdorf, 2024b). According to Euromonitor International, the global anti-aging industry is forecasted to expand from USD 37.8 billion in 2023 to USD 45 billion by 2028, providing additional growth opportunities (Scheppe, 2024).

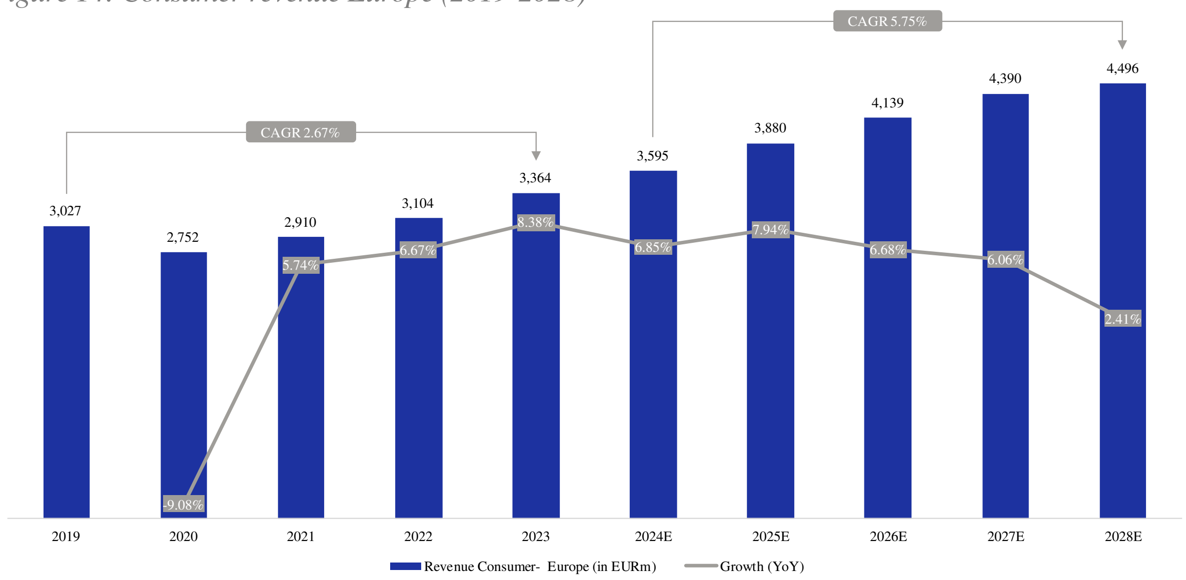
Figure 13: Beauty & Personal Care market development Europe (2019-2028)



Source: Statista (2024c), own analysis

From the market development and the forecasted market share, the revenue of Beiersdorf for the Consumer segment in Europe can be derived, leading to a mid-single-digit CAGR of +5,75% for the explicit forecasted period.

Figure 14: Consumer revenue Europe (2019-2028)



Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

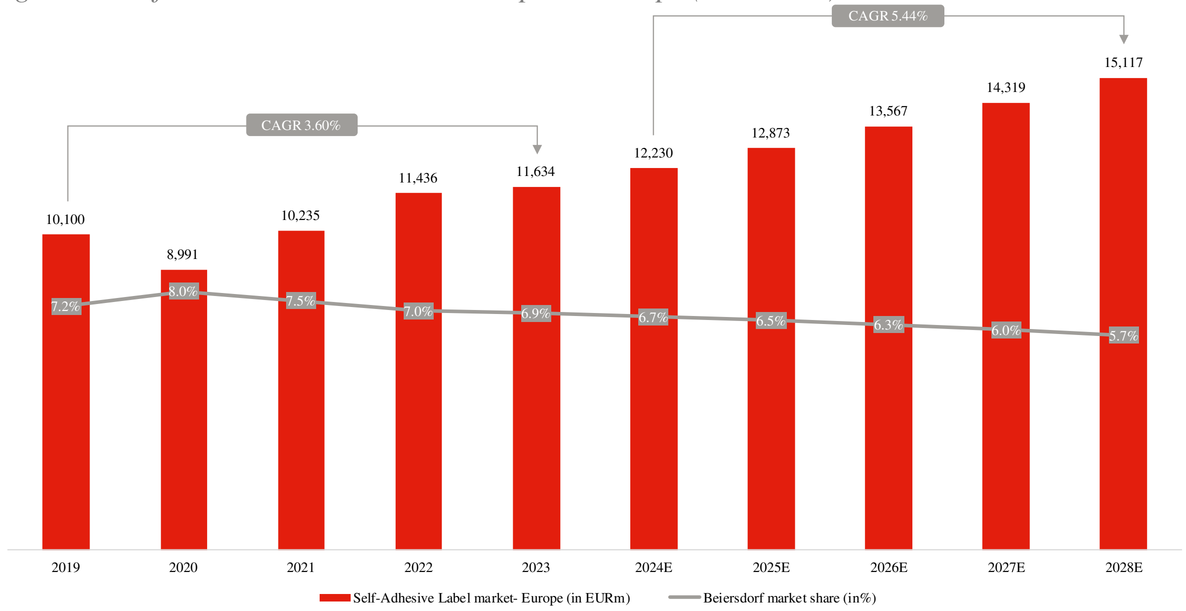
The same approach has been applied to the Americas and Africa/Asia/Australia region. Please refer to the appendices E-F for further details.

The growth projection for the tesa Segment was estimated using a similar methodology as applied to the Consumer Segment, leveraging historical market share data and trends in the Self-Adhesive label market. Regional market data was sourced from Technavio (2024).

The European market demonstrated a CAGR of 3.60% from 2019 to 2023 and is anticipated to expand at an accelerated CAGR of 5.44% from 2024 to 2028. This growth is bolstered by the presence of established manufacturers, such as Avery Dennison Corp., and a broad base of end-users across diverse industries like pharmaceuticals, automotive, and consumer goods. Furthermore, the increasing prevalence of E-Commerce is likely to amplify demand for efficient labeling solutions to support rapid order fulfillment (Technavio, 2024).

Beiersdorf's market share experienced a modest annual decline of 0.367 p.p. over the past three years, a trend likely to continue in a challenging, highly competitive market. Given the company's strategic emphasis on expanding in Asia, substantial efforts to counteract market share erosion in Europe are not anticipated. Consequently, Beiersdorf aims to achieve a stable market share of 5.75% by 2028.

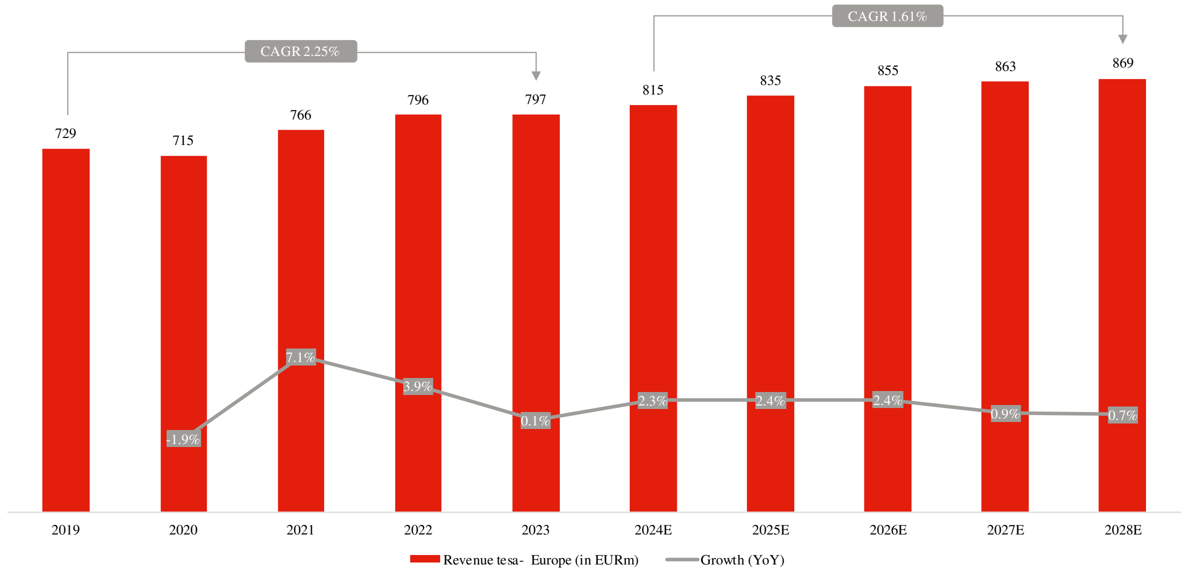
Figure 15: Self-Adhesive Label market development Europe (2019-2028)



Source: Technavio (2024), own analysis

From the market development and the forecasted market share, the revenue of Beiersdorf for the tesa segment in Europe can be derived, leading to a low-single-digit CAGR of +1,61% for the explicit forecasted period.

Figure 16: tesa revenue Europe (2019-2028)

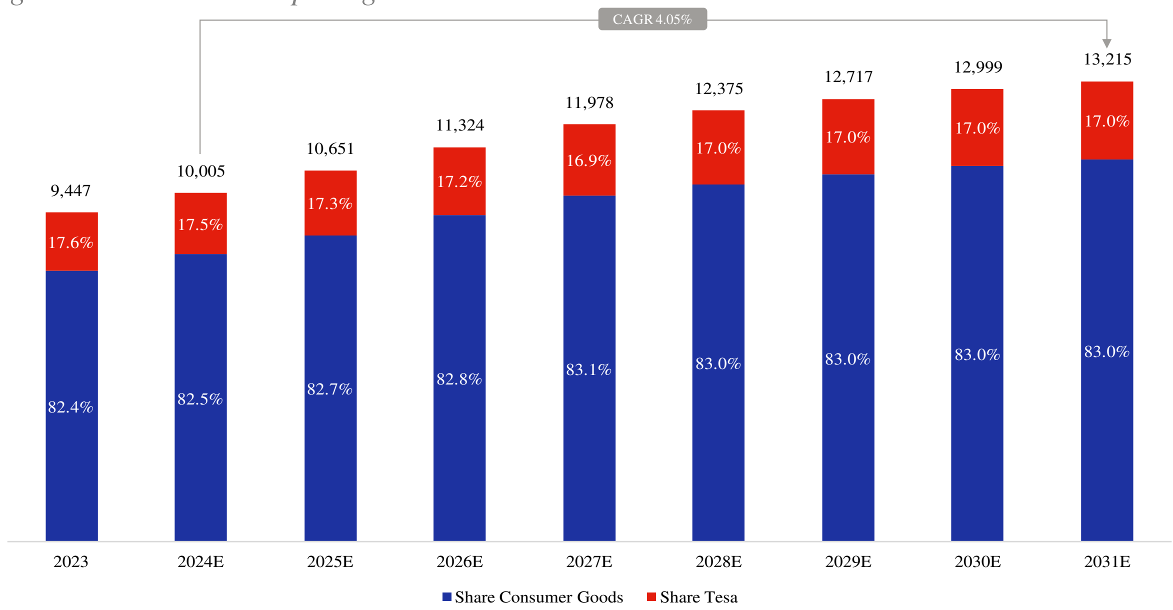


Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

After applying the same approach to the Americas and Africa/Asia/Australia region, please refer to appendices G-H for further details, the expected growth for tesa Segment in 2024 is 5.20%, which is in line with Beiersdorf's management expectations of a modest to mid-single-digit percentage increase in revenue (Beiersdorf, 2024b).

Starting from the sixth planning year (2029), the revenue growth begins a linear convergence toward a mature state anticipated by 2031. From 2029 forward, the revenue share of both segments is assumed to remain constant. As shown in Figure 17, the revenue share of tesa has decreased over the forecast period, reflecting Beiersdorf's strategic emphasis on advancing its Consumer segment (Beiersdorf, 2024a). A detailed forecast of consolidated revenue can be found in Appendix I.

Figure 17: Revenue share per segment



Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

5.1.2 Cost of Goods Sold

Cost of goods sold (COGS) is projected as a percentage of revenue due to their close link. Historically, Beiersdorf's COGS remained relatively high at 43.70% in 2022, largely due to the supply chain disruptions, which was further worsened by significant inflation in raw materials, packaging, and logistics markets. To mitigate these pressures, Beiersdorf has implemented a series of strategic supply chain management initiatives, aimed at securing reliable sourcing, and streamlining supplier relationships. In 2023, these efforts, along with capacity expansions, led to an initial correction of -1.00 p.p. in COGS as a percentage of revenue (Beiersdorf, 2024a).

Despite continued inflationary pressures, COGS grew slower than revenue in H1 2024, with revenue up 4.80% and COGS up 1.20%. This disparity was due to positive pricing and product mix effects, as well as efficiency gains, which more than offset the persistent price pressures in procurement markets. As a result, Beiersdorf achieved an overall increase in gross profit (Beiersdorf, 2024b).

COGS as a percentage of revenue is expected to decrease to 42% in 2024. Key initiatives include enhancing operational efficiency by leveraging newly expanded production capacities to reduce manufacturing costs and concentrating on the premiumization of its product range. By focusing on high-margin luxury skincare and premium personal care products, Beiersdorf seeks to capitalize on growing consumer demand for high-quality.

By 2031, gross profit is projected to rise to 58.50%, with steady, incremental gains expected each year. This forecasted gross margin, while above historical averages, is deemed achievable due to the strategic actions outlined above. This assumption aligns with projections from other analysts, such as DZ Bank, which anticipates a margin level of 59.00% as early as 2028 (DZ Bank AG, 2024). To account for the possibility that this scenario may not fully materialize, a scenario analysis has been conducted in subsequent chapters.

Table 1: Historical and forecasted gross profit (2019-2031)

Standardised income statment						CAGR	Forecast								CAGR
in EURm	**2019**	**2020**	**2021**	**2022**	**2023**	**2019-2023**	**2024E**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2024E-2031E**
Revenue total	**7,653**	**7,025**	**7,627**	**8,799**	**9,447**	**5.41%**	**10,005**	**10,651**	**11,324**	**11,978**	**12,375**	**12,717**	**12,999**	**13,215**	**4.05%**
growth rate	-	-8.2%	8.6%	15.4%	7.4%		5.9%	6.5%	6.3%	5.8%	3.3%	2.8%	2.2%	1.7%	
Share Consmer Goods	82.0%	81.1%	80.4%	81.0%	82.4%		82.5%	82.7%	82.8%	83.1%	83.0%	83.0%	83.0%	83.0%	
Share Tesa	18.0%	18.9%	19.6%	19.0%	17.6%		17.5%	17.3%	17.2%	16.9%	17.0%	17.0%	17.0%	17.0%	
Cost of goods sold	**-3,221**	**-2,984**	**-3,267**	**-3,842**	**-4,031**	**5.77%**	**-4,202**	**-4,466**	**-4,740**	**-5,005**	**-5,162**	**-5,296**	**-5,404**	**-5,484**	**3.88%**
growth rate	-	-7.4%	9.5%	17.6%	4.9%	*Average:*	4.2%	6.3%	6.1%	5.6%	3.1%	2.6%	2.0%	1.5%	*Average:*
in % of revenue	42.1%	42.5%	42.8%	43.7%	42.7%	42.7%	42.0%	41.9%	41.9%	41.8%	41.7%	41.6%	41.6%	41.5%	41.8%
Gross profit	**4,432**	**4,041**	**4,360**	**4,957**	**5,416**	**5.14%**	**5,803**	**6,185**	**6,584**	**6,973**	**7,213**	**7,422**	**7,595**	**7,730**	**4.18%**
growth rate	-	-8.8%	7.9%	13.7%	9.3%		7.1%	6.6%	6.4%	5.9%	3.4%	2.9%	2.3%	1.8%	
in % of revenue	57.9%	57.5%	57.2%	56.3%	57.3%		58.0%	58.1%	58.1%	58.2%	58.3%	58.4%	58.4%	58.5%	

Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

5.1.3 EBIT

Between 2019 and 2023, Beiersdorf's Group EBIT grew modestly, with a CAGR of 1.72% and an average margin of 12.32%. In the first half of 2024, the adjusted EBIT margin dropped by 1.10 p.p., as reported in Beiersdorf's H1 2024 results. This decline in profitability was primarily driven by a 10.90% increase in marketing expenses, reflecting the company's strategic focus on investments in digital media. Beiersdorf attributes the development of marketing costs to a more even distribution of expenses throughout the year compared to the prior year. The firm maintains a target for an adjusted Group EBIT margin slightly above the previous year's 13.40% (Beiersdorf, 2024b).

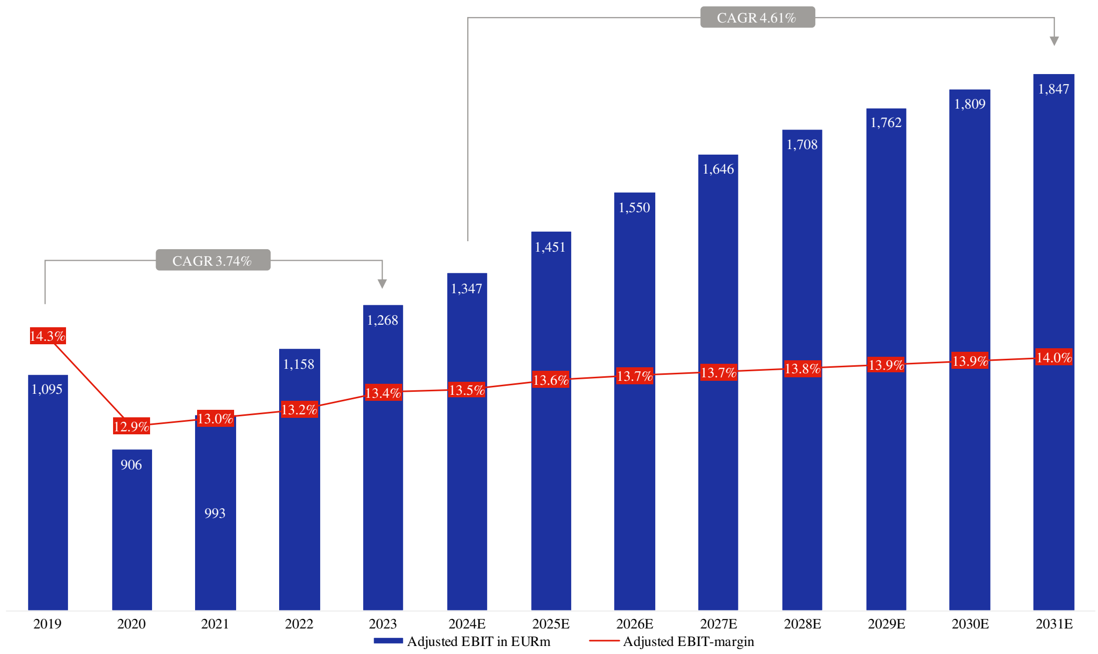
Marketing & Sales and R&D expenses are projected as a percentage of revenue, drawing on historically stable averages. These expenses are projected to remain stable in the first forecasted year, gradually converging by 2031 to the levels achieved during the review period's most successful year, serving as a benchmark for long-term cost efficiency.

G&A expenses as a percentage of revenue have consistently risen, driven largely by increasing personnel costs as Beiersdorf competes for top talent. This upward trend is expected to continue, with the 2023 G&A value serving as a baseline for future projections, reflecting the YoY trend from 2019–2023.

Regarding other operating income (OOI) and other operating expenses (OOE), adjustments were made to exclude non-recurring items in 2023, such as the reversal of provisions related to performance-linked purchase price components following the acquisition of Chantecaille of 15 EURm, and an impairment loss of 157 EURm in goodwill for Chantecaille. This adjusted percentage of revenue in 2023 was then applied consistently throughout the forecast period.

Based on the forecasted figures for COGS and operating expenses (OPEX), EBIT can be calculated after adjusting for non-recurring items and unusual expenses/(income). Special effects totaling 10 EURm in H1 2024 primarily consist of restructuring expenses related to the supply chain organization within the Consumer Division, additional integration costs from the Chantecaille acquisition, and the impairment of goodwill and associated intangible assets of the company "nie wieder bohren GmbH" (Beiersdorf, 2024b). See detailed overview of historical and forecasted EBIT in Appendix J.

Figure 18: Historical and forecasted adjusted EBIT and EBIT-Margin (2019-2031)



Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

Throughout the entire planning period, a continuous optimization of the cost structure is assumed, leading to an increase in the adjusted EBIT, which is projected to reach 14% by 2031.

This target seems reasonable, especially when compared to the 14.95% average of the peer group.

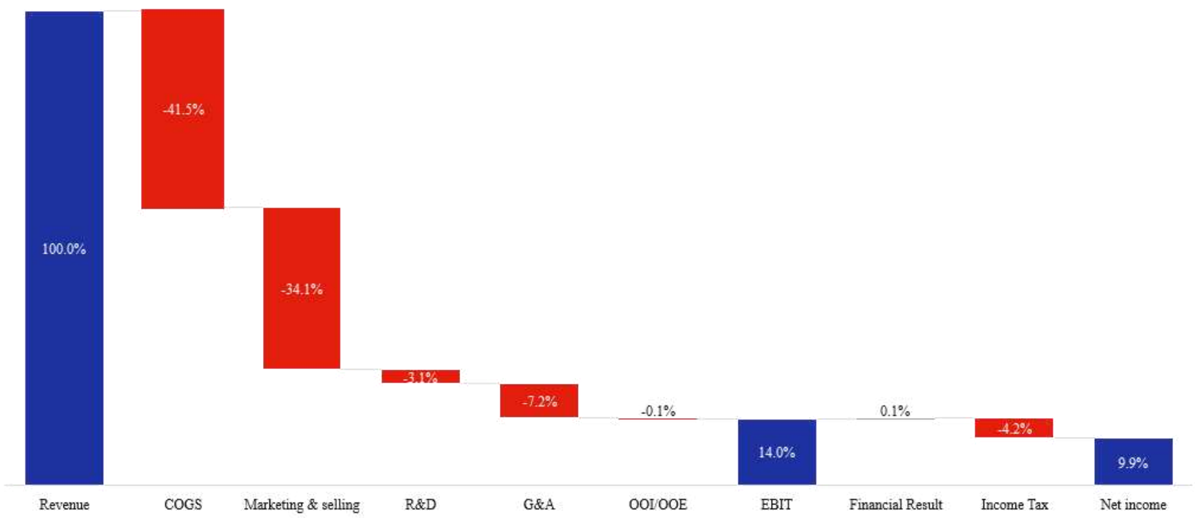
5.1.4 Profit After Tax

In projecting future financial performance, interest income was estimated using historical percentages of cash and marketable securities, while interest expense was directly tied to outstanding debt levels. According to the annual report, 23% of Beiersdorf's interest expenses in 2023 stemmed from lease obligations, a proportion expected to stay relatively consistent in the near term due to the 3- to 10-year duration of most lease contracts. The remaining interest expenses result from tax reassessments and other unspecified factors. This thesis assumes that non-lease debt carries a fix interest rate, making the 2023 increase a more accurate baseline for assessing the cost of debt. Given Beiersdorf's low overall debt levels, interest expenses exert minimal influence on the company's valuation. Net pension result was linked to pension obligations. The forecast utilized the beginning balances of cash, marketable securities, and debt, rather than their average values, for calculating interest income and expenses, as this thesis assumes that interest paid or received affects these balances only after the interest calculation has been completed.

Other financial results reflected gains from changes in the fair value of current securities, offset by losses from financial transactions and exchange rate movements (Beiersdorf, 2024a). As these items were considered immaterial and the value of current securities remained unchanged during the forecast period, they were excluded from the projection. Refer to Appendix K for a detailed overview of historical and forecasted profit after tax.

As discussed in Section 2.2.5.1 of the literature review, academics and practitioners have no clear consensus regarding the appropriate tax rate for valuation purposes. The historical five-year average effective tax rate was 29.68%. Damodaran's methodology was adopted for the forecast period, starting with the historical average effective tax rate, and gradually transitioning to the marginal tax rate, which is 30% in Germany (Damodaran, 2012).

Figure 19: Net income bridge 2031 in % of revenue



Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

Figure 19 illustrates the net income bridge for the final year of the explicit forecast period. The profit after tax margin shows a steady increase from 2024 to 2031, reaching a peak of 9.90%. This improvement is largely attributed to reduced COGS as well as marketing and selling expenses. However, these gains are partially offset by rising G&A.

5.2 Balance Sheet

5.2.1 Fixed Assets, CAPEX and D/A

5.2.1.1 Tangible Assets

Tangible assets (TA) are carried at cost and reduced by straight-line depreciation over the asset's expected useful life.

Table 2: Useful lives of property, plant and equipment Beiersdorf AG

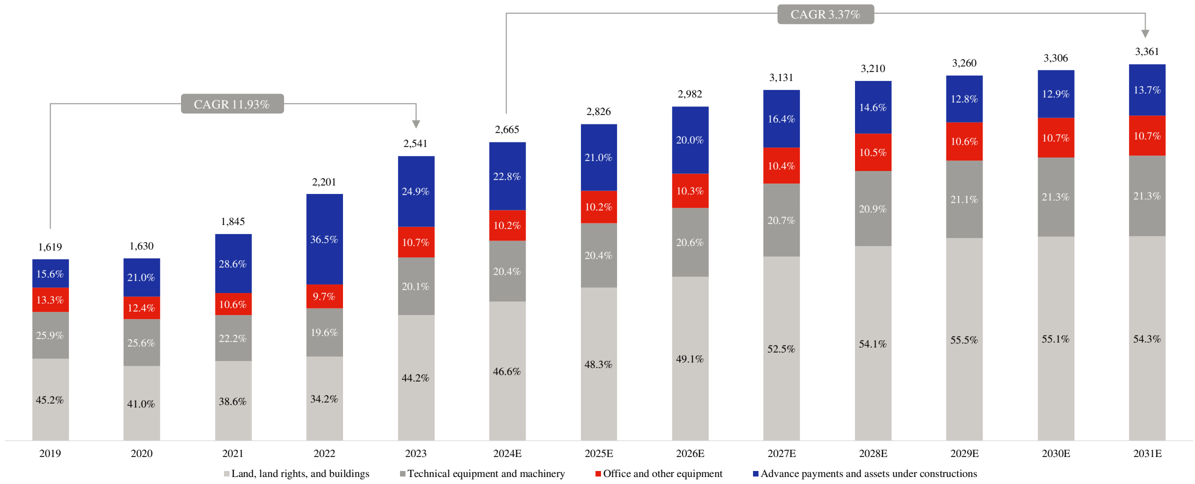
Buildings	10 to 33 years
Technical equipment and machinery	5 to 15 years
Office and other equipment	3 to 15 years

Source: Beiersdorf (2024a)

Right-of-use assets from leases are included within Beiersdorf's PPE. These leases primarily pertain to office space and vehicles. Assets under construction are transferred to the land, land rights, and buildings category once completed and are not subject to depreciation until that point. This category saw significant growth, with a CAGR of 25.72% between 2019 and 2023.

Key projects, such as Beiersdorf's new headquarters, completed in 2022, and the new production facility in Leipzig, finalized in 2023, contributed to the surge in this category. As a result, assets under construction peaked in 2022 before tapering off following the completion of these major developments (Beiersdorf, 2024a).

Figure 20: TA in EURm (2019-2031)



Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

Aligned with Koller et al. (2020), fixed assets were forecasted based on revenue, as the PPE-to-revenue ratio remains stable over time, including for Beiersdorf. For the asset categories land, land rights, and buildings and advance payments and assets under construction, the 2023 PPE-to-revenue ratio serves as the foundation for the explicit forecast. This ratio was adjusted to reflect the investments Beiersdorf made in its production facilities, notably in Leipzig, Poland, and Mexico, totaling 149 EURm in the previous year (Beiersdorf, 2024a). Given that the current PPE-to-revenue ratio is unusually high due to these historically significant investments, it is anticipated that this ratio will decline during the explicit forecast period as the pace of future investments slows. Technical equipment and machinery as well as office and other equipment are forecasted based on the average PPE-to-revenue ratio, reflecting the firm's presence in a mature industry with stable investment patterns. This ensures that historical averages serve as a reliable basis for estimating future capital expenditures.

D&A are forecasted using the D&A-to-PPE ratio based on the average historical data. Finally, CAPEX can be computed according to the following formula (Damodaran, 2012):

Equation 18: Calculation of CAPEX

$$\mathrm{CAPEX_t} = \mathrm{FA_t} - FA_{t-1} + \mathrm{D\&A}_t$$

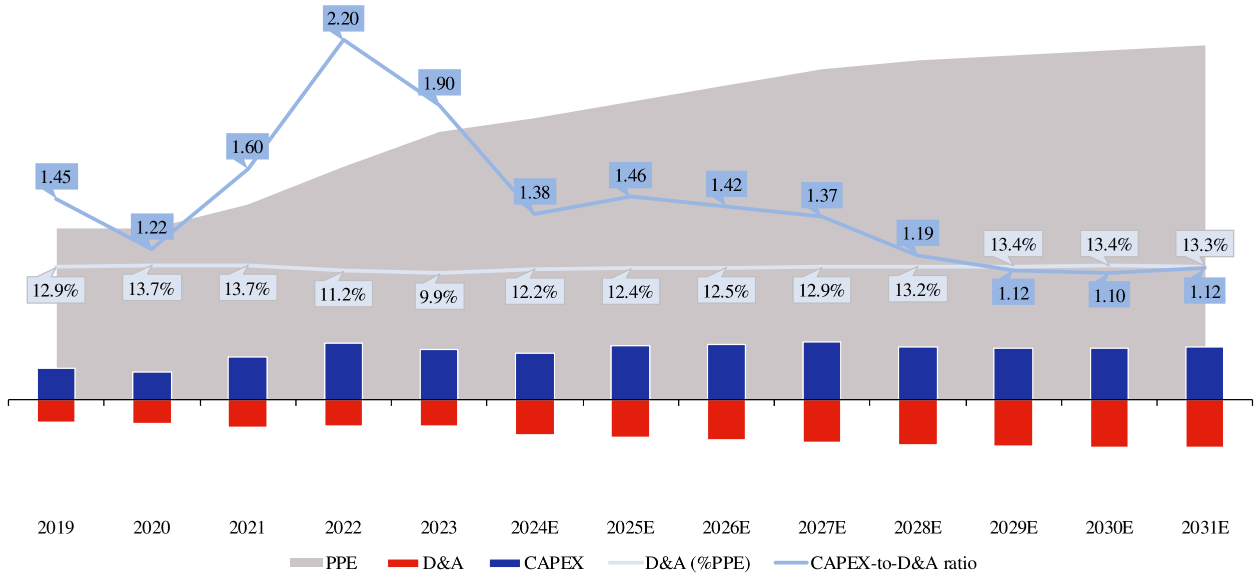
Note:

$CAPEX_t$ = Capital expenditure at time t

FA_t = Fixed assets at time t

The detailed projections for PPE, depreciation, and CAPEX by category are provided in Appendix L. By 2031, the CAPEX-to-D&A ratio is expected to reach 1.12x, indicating that CAPEX will slightly exceed depreciation. This ratio aligns with the assumption of moderate growth in perpetuity. If CAPEX were equal to D&A, it would imply constant PPE, leading to the unrealistic assumption of infinite growth in capital efficiency. As revenue growth slows during the forecast period, capital expenditures decrease accordingly, resulting in a declining CAPEX-to-D&A ratio, while depreciation and amortization remain stable.

Figure 21: Expected development of D&A and CAPEX for PPE



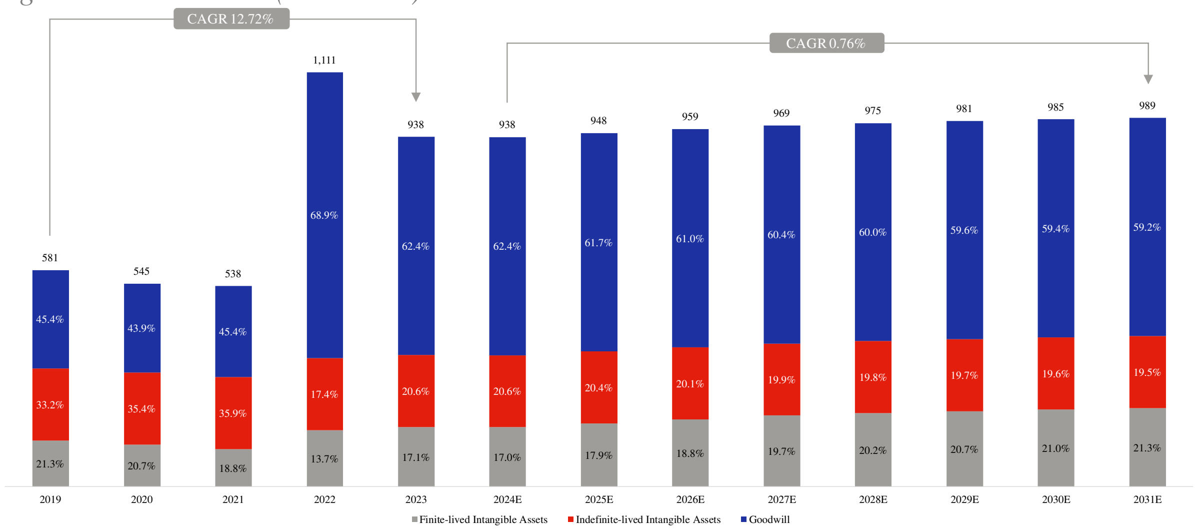
Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

5.2.1.2 Intangible Assets

Beiersdorf classifies intangible assets (IA) into three categories. Finite-lived IA, which includes patents, trademarks, and software, are amortized on a straight-line basis over their respective useful lives. In contrast, goodwill and indefinite-lived IA, primarily trademarks acquired through the Coppertone acquisition, are not subject to amortization but are instead tested for impairment annually. In 2023, goodwill primarily consisted of the Chantecaille Cash-

Generating Unit, valued at 300 EURm. This amount was reduced by an impairment charge of 157 EURm (Beiersdorf, 2024a).

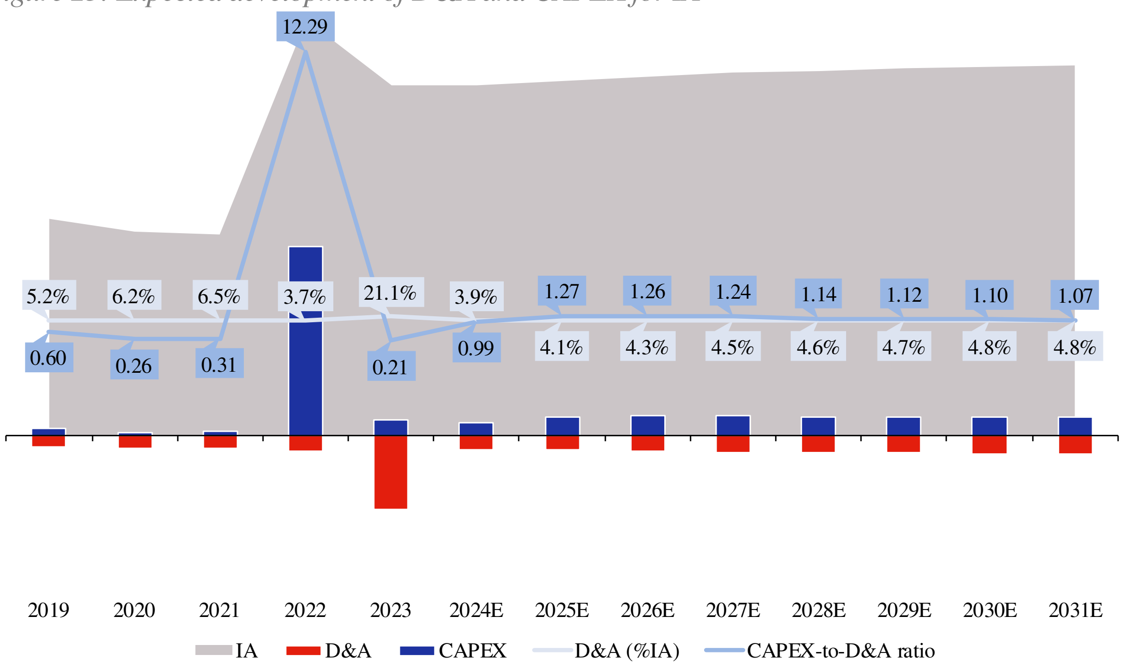
Figure 22: IA in EURm (2019-2031)



Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

To project IA, the same approach used for TA was applied to finite-lived IA. For indefinite-lived IA and goodwill, no impairment adjustments were assumed. As a result, the 2023 values were carried forward unchanged throughout the forecast period. CAPEX-to-D&A ratio is 1.07 in 2031. The detailed projections for IA, depreciation, and CAPEX by category are provided in Appendix M.

Figure 23: Expected development of D&A and CAPEX for IA



Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

5.2.2 Working Capital

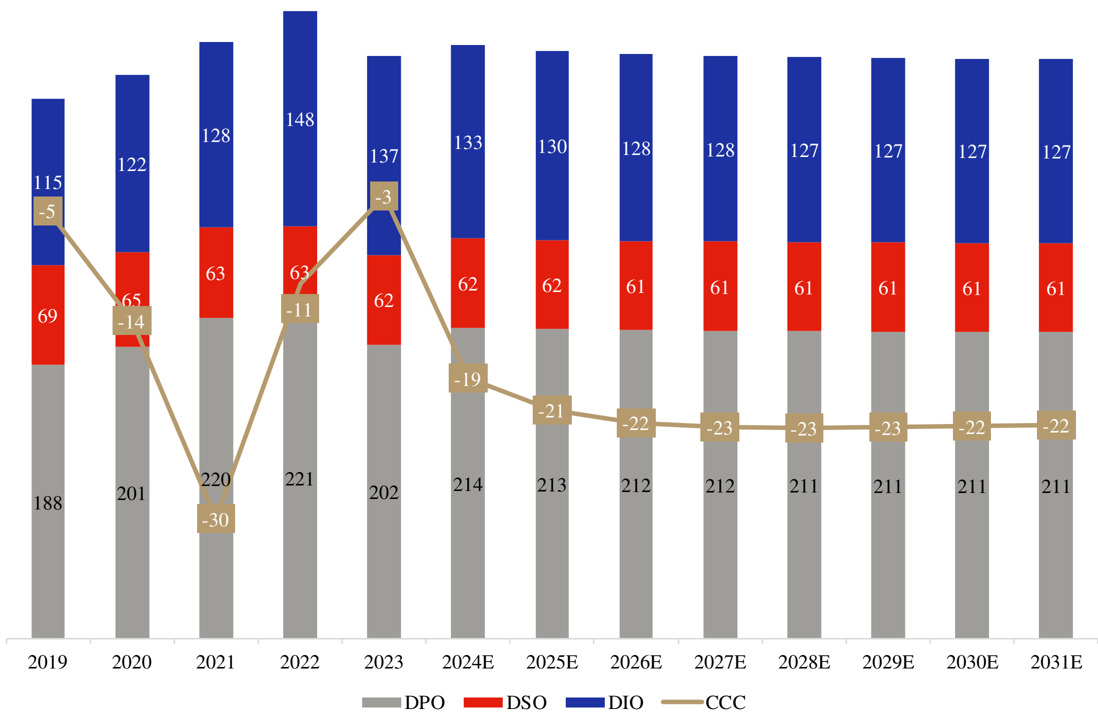
In this thesis, working capital (WC) is defined as the difference between total current assets and total current liabilities, excluding cash and cash equivalents as well as the positive and negative fair values of financial instruments, which are classified under net debt. Similarly, current financial and leasing liabilities are excluded from WC. To analyze trade working capital (TWC), comprising accounts receivable, inventories, and accounts payable, the cash conversion cycle (CCC) is employed. The CCC represents the number of days required to convert investments in inventory into cash from sales. It is calculated by adding the days inventory outstanding (DIO) and days sales outstanding (DSO) and then subtracting the days payable outstanding (DPO).

Equation 19: Calculation of DSO, DIO, DPO and CCC

$$\mathrm{DIO}_t = \frac{\mathrm{Inventories}_t}{\mathrm{COGS}_t} * 365 \quad \mathrm{DSO}_t = \frac{\mathrm{Accounts\ receivables}_t}{\mathrm{Revenue}_t} * 365 \quad \mathrm{DPO}_t = \frac{\mathrm{Trade\ payables}_t}{\mathrm{COGS}_t} * 365$$

DSO measures the average time Beiersdorf takes to collect payments from customers, while DIO evaluates how efficiently inventory is converted into revenue. DPO, on the other hand, reflects the average time the company takes to pay its suppliers. While DSO is tied to Beiersdorf's sales, both DIO and DPO are linked to COGS. For the forecast of trade receivables, inventories, and accounts payables during the explicit period, the average DSO, DIO, and DPO were utilized as key parameters. A three-year horizon was selected due to the observed downward trend in DSO, indicating improved efficiency in receivables management. Conversely, DIO increased throughout the historical period, reaching its highest point in 2022, but began to decline in 2023. This decline is expected to continue as supply chain disruptions ease and Beiersdorf continues to invest in optimizing its supply chain. DPO peaked in 2021–2022 but fell in 2023 to 2020 levels. Going forward, it is expected to align with the three-year average, balancing buyer power and cash flow optimization. See detailed calculation in Appendix N. As seen in Figure 24, CCC is consistently negative, indicating that Beiersdorf requires no additional external financing to fund its TWC needs.

Figure 24: Expected development of CCC

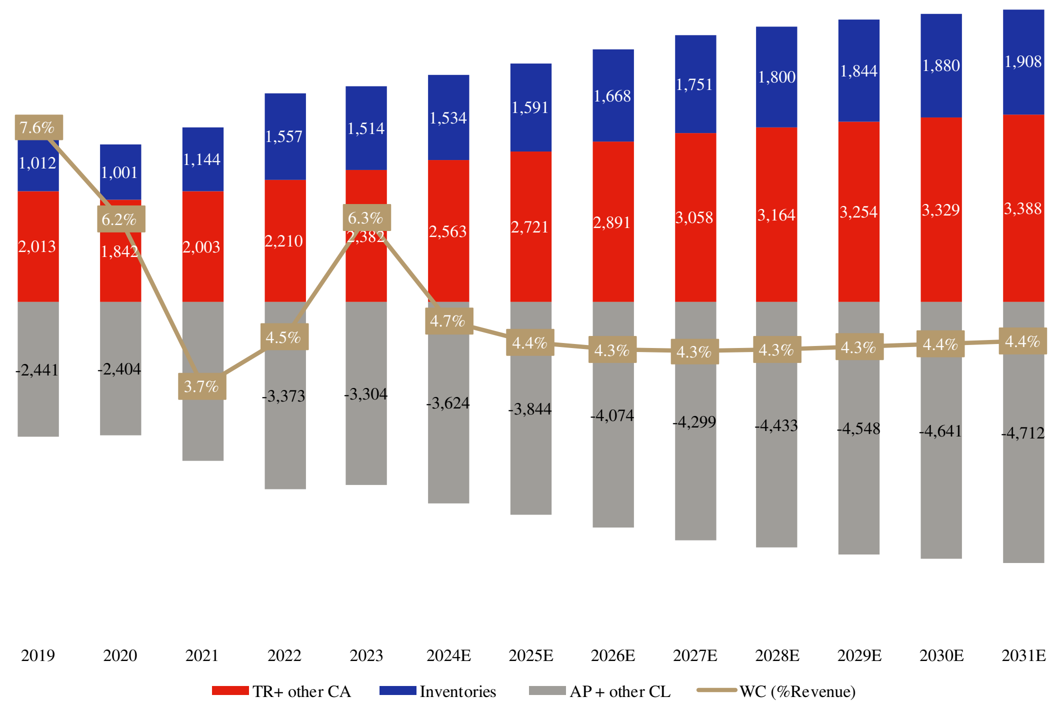


Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

Other working capital components, such as other current assets (including tax receivables and prepaid expenses) and other current liabilities (including customer bonuses and warranty provisions), were projected based on their historical average as a percentage of revenue, as they typically scale in line with revenue growth.

Furthermore, as Beiersdorf pursues strategic acquisitions to expand its brand portfolio, as demonstrated by its 2019 and 2022 acquisitions of Bayer AG's Coppertone business and Chantecaille Beaute Inc., deferred tax assets and liabilities are expected to increase due to temporary differences arising from the revaluation of acquired assets and liabilities. These investments not only drive the projected rise in EBT but also contribute to higher deferred taxes, reinforcing the assumption that deferred taxes will scale proportionally with EBT growth. It is also assumed that future taxable income will be sufficient to utilize the deferred tax assets. See detailed forecast in Appendix O. Figure 25 provides a breakdown of the WC and the percentage to revenue.

Figure 25: Expected development of WC



Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

5.2.3 Shareholders' Equity

The forecast assumes that additional paid-in capital, representing the premium from the issuance of shares, and accumulated other comprehensive income, including hedging instruments, currency translation adjustments, and debt and equity instruments, remain constant at their 2023 levels. The same assumption applies to non-controlling interests, held steady throughout the planning period. This is based on the premise that all net income attributable to minority shareholders will be fully distributed as dividends to them.

Beiersdorf launched a share buyback program, repurchasing approximately 3.6 million shares by August 2024. As part of the initiative, the company canceled four million shares, reducing its total share capital to 248 EURm (Beiersdorf, 2024d). It is assumed that this level of share capital will remain constant throughout the forecast period, given that this buyback marks the first in five years. The total expenditure for the buyback was 500 EURm, which was recorded against Share Capital and retained earnings, based on the assumption that the buyback was funded through cash.

The calculation of retained earnings at the end of period is derived by adding the retained earnings at the beginning of period to the net income for the financial year, and then subtracting the dividend payments.

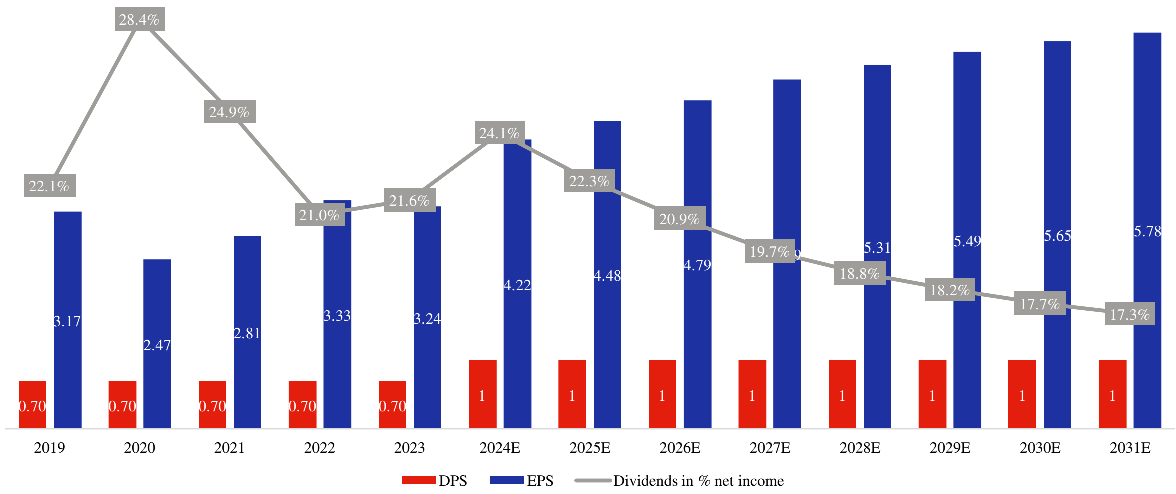
Table 3: Calculation of shareholders' equity

in EURm	2023	2024E
Shareholder's equity		
Retained earnings BOP		**8,315**
Consolidated net income (less: non controlling interest)		941
Dividend payments		227
Sharebuyback		496
Retained earnings EOP	**8,315**	**8,533**
Share capital	252	248
Additional paid-in capital	47	47
Accumulated other comprehensive income	-292	-292
Shareholder's equity	**8,322**	**8,536**

Source: own analysis

After maintaining a consistent DPS for over a decade, Beiersdorf has decided to raise its DPS to EUR 1 (Beiersdorf, 2024b). The increase of around 43% reflects the positive business development of recent years and the confidence in the company's sustainable earnings power. The steady DPS reflects the company's adherence to its dividend policy, emphasizing financial prudence and stable capital distribution. Additionally, since the number of outstanding shares will stabilize following the completion of this year's share buyback, the total dividend payout will remain constant after 2025. As a result, Beiersdorf's EPS will increase while the company's cash reserves will continue to grow, as no further increases in dividend payments are anticipated.

Figure 26: Development of EPS and DPS



Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

The development of EPS and DPS, as illustrated in Figure 26, underscores Beiersdorf's conservative financial strategy, heavily shaped by its majority shareholder, maxingvest AG.

5.2.4 Financial Positions

Beiersdorf's portfolio of securities includes listed government and corporate bonds, commercial paper, and near-money market retail funds, categorized as both current and non-current assets. Additionally, other non-current assets consist of investments in associated companies, while other current financial assets include other liabilities and derivative financial instruments. For simplicity, it is assumed that these asset values remain unchanged, and the 2023 figures are carried forward in the forecast. Cash and cash equivalents are directly tied to the CF statement, making a separate forecast for this position unnecessary.

On the liability side, other current financial liabilities include short-term bank loans and obligations to TROMA Alters- und Hinterbliebenenstiftung. Like the assets, these values are assumed to remain constant over time.

Non-current financial liabilities primarily comprise long-term lease obligations related to office spaces, retail outlets, and warehouses. Like the balance sheet item PPE, which reflects the recognized carrying amounts of rights of use, lease liabilities are expected to increase in proportion to revenue growth.

In 2023, the present value of Beiersdorf's defined benefit obligations totaled EUR 1,525 million, of which EUR 1,204 million have already been transferred to plan assets managed by the

TROMA Alters- und Hinterbliebenenstiftung, a legally independent foundation. Most of these obligations pertain to employees based in Germany. To mitigate risks associated with fluctuations in capital market conditions and demographic changes, Beiersdorf closed its traditional pension plans in 2008. Employees who joined the company after this date are eligible to participate in employee-financed benefit plans (Beiersdorf, 2024a). The remaining unfunded pension obligations, amounting to EUR 350 million, are recognized as pension provisions. For the explicit forecast, pension obligations are projected to gradually decrease by 1.25% YoY, reflecting Germany's current mortality rate, as beneficiaries of the legacy pension plans pass away. Other non-current provisions have been forecasted using the same approach as for other current provisions. Please refer to Appendix P and Q for the historical and forecasted Balance Sheet and Cash Flow statement.

6 Valuation

6.1 Discounted Cash Flow

6.1.1 Discount Rate

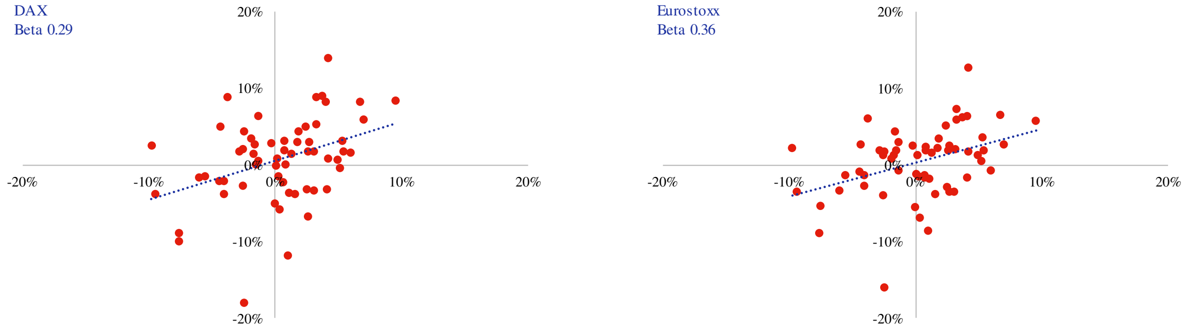
The discount rate used to calculate the present value of FCFF is the WACC. Determining the WACC involves estimating the cost of equity, the cost of debt, and the company's target capital structure based on market values.

To calculate the cost of equity, the yield on the most recent ten-year German AAA-rated government bond, serving as a proxy for the risk-free rate, was used at 2.60% (Deutsche Finanzagentur, 2024). The ten-year German AAA-rated government bond was selected for its alignment with the local currency, minimal default risk, and high liquidity.

The MRP was set at 8%, following FAUB's guidance of a 6%–8% range for Germany (Schöniger et al., 2023), ensuring a conservative approach.

To estimate Beiersdorf's beta, the average of the two methods outlined in Section 2.2.5.2 was employed, given the lack of consensus on the most appropriate approach. Beiersdorf's historical beta was determined using a least squares linear regression on the five-year monthly returns, covering the period from October 31, 2019, to September 30, 2024. For benchmarking purposes, both the DAX40 and EURO STOXX 600 indices were used as market comparisons.

Figure 27: Beta regression



Historical beta	Levered beta	Adjusted beta	Average adjusted beta
Beiersdorf AG/ DAX 40	**0.29**	**0.52**	**0.55**
Beiersdorf AG/ Eurostoxx 600	**0.36**	**0.57**	

Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

In the bottom-up approach, the five-year monthly beta, capital structure, and tax rate of relevant peer companies (refer to Chapter 4.4) were sourced from LSEG Workspace. The unlevered beta for each business segment was calculated by unlevering the median beta of these firms using their median debt-to-equity ratios. Each segment's unlevered beta was then weighted based on its expected revenue share for 2024 (82.50% for Consumer and 17.50% for Adhesive). The resulting weighted beta was subsequently relevered according to Beiersdorf's target capital structure, which is assumed to be its current structure in the absence of specific company guidance. To further refine the estimate, Blume's adjustment was applied to incorporate the effects of mean reversion (see Equation 17).

Table 4: Beta bottom-up approach

Ticker	Company Name	Levered Beta	Equity	% Equity	Debt	% Debt	Tax Rate	Unlevered Beta
Comparable Companies: Consumer								
EL.N	Estee Lauder Companies Inc	1.04	23,900	75.46%	7,771	24.54%	24.6%	
HNKG_p.DE	Henkel AG & Co KGaA	0.70	35,689	91.79%	3,192	8.21%	25.8%	
CL	Colgate-Palmolive CO	0.42	76,251	89.92%	8,549	10.08%	24.3%	
OREP.PA	L'Oreal SA	0.74	201,488	95.46%	9,593	4.54%	25.0%	
ULVR.L	Unilever PLC	0.39	152,024	82.81%	31,555	17.19%	23.5%	
4911.T	Shiseido Co Ltd	0.56	8,309	80.66%	1,992	19.34%	27.6%	
COTY.N	Coty Inc	1.92	6,491	61.95%	3,987	38.05%	36.5%	
Median		**0.70**	**35,689**	**0.83**	**7,771**	**0.17**	**0.25**	**0.60**
Comparable Companies: Adhesive								
HNKG_p.DE	Henkel AG & Co KGaA	0.70	35,689.00	0.92	3,192.00	0.08	0.26	
AVY.N	Avery Dennison Corp	0.90	16,560	83.62%	3,244	16.38%	21.6%	
FUL.N	H.B. Fuller Company	1.42	3,986	68.17%	1,861	31.83%	29.1%	
AKE.PA	Arkema SA	1.17	6,693	58.65%	4,718	41.35%	22.0%	
Median		**1.03**	**11,627**	**76%**	**3,218**	**24%**	**24%**	**0.85**

Ticker	Company Name	weighted unlevered beta Consumer	weighted unlevered beta Adhesive	Unlevered beta firm	MV Equity	% Equity	Debt	% Debt	Tax rate	Levered beta firm	Adjusted beta
BEIG.DE	**Beiersdorf AG**	**0.49**	**0.15**	**0.64**	**27,679**	**97%**	**821**	**3%**	**30%**	**0.66**	**0.77**

Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

The cost of debt is estimated using a synthetic credit rating derived from Beiersdorf's interest coverage ratio, as the company has not issued actively traded bonds. Following Damodaran's framework for large-cap firms, Beiersdorf is assigned a AAA rating. See Appendix R for categorization. To calculate the pre-tax cost of debt of 3.19%, the risk-free rate of 2.60% is combined with the corresponding credit spread of 0.59%.

As discussed in the literature review, the capital structure should be determined using equity and debt market values. The market value of equity was calculated by multiplying the share price on 30.10.2024 (EUR 124.00) by the number of outstanding shares (223.21 million). Beiersdorf's debt comprises non-current and current lease liabilities, current financial liabilities to TROMA Alters- und Hinterbliebenenstiftung, and short-term bank loans. Financial instruments that are not measured at fair value mature within 12 months. Therefore, the carrying amounts are considered approximate to their fair value. Lease liabilities are already reported at fair value, calculated as the present value of future payments discounted by term- and currency-specific incremental borrowing rates (Beiersdorf, 2024a). Therefore, the book value of these liabilities is assumed to be a reasonable proxy for their market value.

Beiersdorf has negative net debt, meaning it holds more cash and liquid assets than it owes in debt. This makes its capital structure like a company funded entirely by equity and cash, which is less risky and changes its cost of capital. The extra liquidity acts as a financial cushion, lowering the risk of default. Additionally, most of the company's debt has long maturities. This increases its liquidity premium by tying up resources for the long term and delaying the distribution of excess cash to a later time, further strengthening its financial stability.

To account for this, Equation 14 is adjusted by the risk-free rate associated with the excess cash:

Equation 20: Adjusted calculation of weighted average cost of capital

$$\mathrm{WACC} = \frac{\mathrm{E}}{\mathrm{D} + \mathrm{E} - \mathrm{Excess\ Cash}} * \mathrm{k_e} + \frac{\mathrm{D}}{\mathrm{D} + \mathrm{E} - \mathrm{Excess\ Cash}} * \mathrm{k_d} * (1 - \tau) - \frac{Excess\ Cash}{D + E - Excess\ Cash} * rf$$

If excess cash is not included in the calculation of the WACC, it implicitly is assumed that the cash will be paid out, which is not the case for Beiersdorf. Putting all parameters together, a WACC of 6.22% is obtained, which is in line with other analyst reports such as the 6.20% used by DZ-Bank.

Table 5: WACC calculation

WACC calculation	
Cost of equity (historical beta)	5.56%
Cost of equity (comparable companies)	6.76%
Pre-tax cost of debt	3.19%
WACC (historical beta)	5.60%
WACC (comparable companies)	6.83%
average	**6.22%**

Source: Own analysis

6.1.2 Discounted FCFF and Terminal Value

Table 6 presents the calculation of FCFF, showing a steady increase in CFs over the explicit forecast period. These CFs are discounted to 31.12.2024 using a WACC of 6.22%. The mid-year convention is applied, assuming that cash flows are realized in the middle of each year rather than at the year's end, to enhance the accuracy of the valuation. The assumption of operating cash being 2% of revenues aligns with Beiersdorf's negative CCC. With cash inflows from customers preceding the settlement of liabilities, the company's need for higher operating cash is significantly reduced. Operating cash is included within working capital and places a constraint on CFs.

Table 6: DCF calculation

Beiersdorf AG - DCF							
in EURm	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**
EBIT	1,451	1,550	1,646	1,708	1,762	1,809	1,847
Taxes	-430	-460	-489	-511	-530	-546	-560
NOPAT	**1,021**	**1,090**	**1,157**	**1,197**	**1,233**	**1,263**	**1,287**
+ D&A	388	414	448	467	483	491	496
- Capital expenditures	-560	-581	-607	-553	-539	-541	-555
Change in WC	-9	-30	-38	-29	-26	-24	-20
FCFF	**841**	**893**	**960**	**1,083**	**1,150**	**1,189**	**1,209**
% growth		5.8%	7.0%	11.3%	5.9%	3.2%	1.7%
Discounting period	1	2	3	4	5	6	7
Discount rate	6.22%						
Discount factor (mid-year convention)	97.03%	91.35%	86.01%	80.97%	76.24%	71.77%	67.57%
PV of FCFF	**816**	**816**	**826**	**877**	**877**	**853**	**817**
Terminal Value							**26,984**
Terminal growth	1.66%						
Discount factor	65.57%						
PV of TV							**17,692**

Source: Own analysis

By 2031, it is assumed that the group will cease making acquisitions, and its cost structure, as outlined in previous sections, will remain stable, along with the company's profitability and operational efficiency. Although the group's CAPEX will exceed its D&A, it is projected that by 2031 the company will have reached a steady state. This elevated level of CAPEX is essential for maintaining market share and staying competitive.

The TV of Beiersdorf is estimated under the assumption of going concern. The PGM is preferred over the Exit Multiple Method (EMM) to avoid the pitfalls of blending relative valuation with DCF analysis. Using EMM often relies on market pricing of comparable firms today, which introduces elements of relative valuation, thereby compromising the integrity of a pure DCF approach (Damodaran, 2012).

In the TV, only the price-related, company-specific inflation rate and its pass-through to the market should be recorded. Prior research indicated that, historically, firms captured approximately 45% to 50% of the inflation rate as stable growth (Widmann et al., 2003). Consequently, a common perpetuity rate in practice is set at 1%, reflecting 50% of the European Central Bank's inflation target. Recent findings, however, suggest that the traditional assumption of a 45% to 50% pass-through for German companies from 1998 to 2020 might be conservative. The median figures indicate that large, publicly traded firms can pass on slightly more than 50% of the weighted inflation rate (Emmert et al., 2023).

For estimating the weighted inflation rate, projected inflation rates for 2028, were weighted based on each region's projected revenue share for Beiersdorf by segment. A pass-through rate of 50% was then applied, considered conservative as explained above. Using this methodology and assuming a steady market share, the estimated stable growth rate is 1.66%.

Table 7: Beiersdorf's company specific inflation rate

Revenue weighted inflation rate			
	% of revenue 2028E	Inflation rate 2028	weighted growth
Consumer Segment			
Europe	43.78%	3.20%	1.40%
America	28.16%	4.70%	1.32%
Africa/Asia/Australia	28.06%	2.30%	0.65%
Sum			3.37%
Weighted by revenue share			**2.80%**
tesa Segment			
Europe	41.25%	3.20%	1.32%
America	16.97%	4.70%	0.80%
Africa/Asia/Australia	41.77%	2.30%	0.96%
Sum			3.08%
Weighted by revenue share			**0.52%**
Expected inflation rate			**3.32%**

Source: Economist Intelligence Unit (2024a), own analysis

This stable growth is supported by Beiersdorf’s robust portfolio of globally recognized brands, such as NIVEA and Eucerin, which foster strong customer loyalty and generate consistent revenue streams. The company’s extensive international footprint, particularly in emerging markets where disposable incomes are on the rise, positions it to seize new growth opportunities. In addition to addressing concerns over skin sensitivity, Beiersdorf's ongoing investment in R&D fuels innovation in areas like natural and organic products, as well as the rapidly expanding anti-aging skincare segment.

6.1.3 Equity Bridge

The equity bridge demonstrates how EV is converted into EqV. While EV reflects the total value of Beiersdorf's core business operations, EqV indicates the portion attributable to shareholders. To move from the value of the operating assets to the firm's overall value, cash, marketable securities, and other non-operating assets must be included. Financial and other interest-bearing liabilities are deducted from this EV to arrive at the EqV. Finally, dividing the EqV by the total number of outstanding shares yields the implied share price.

Table 8: Equity bridge

Beiersdorf AG - Equity Bridge 31.12.2024	
PV FCFF	**5,881**
PV of TV	**17,692**
Implied EV	**23,573**
TV as % of implied EV	75.05%
+ Excess cash and cash equivalents	1,313
+ Current securities	1,227
+ Other current financial assets	159
+ Non current securities	2,675
+ Other non current assets	59
- Non current financial liabilities	143
- Other current financial liabilities	333
- Provisions for pensions	345
- Minorities (non-controlling interest)	17
= Equity Value	**28,169**
Number of shares outstanding	223.21
= Price per share	**126.20**

Source: Own analysis

6.1.4 Sensitivity Analysis

For the DCF valuation, a sensitivity analysis was conducted to assess the impact of variations in two of the most critical assumptions: the WACC and the stable growth rate. Both parameters were tested with deviations of ±20 p.p., yielding a share price range between EUR 112.35 and EUR 146.04, as illustrated in Table 9.

Table 9: Sensitivity analysis

Share Price (in EUR)					
	Stable growth rate				
WACC	1.26%	1.46%	1.66%	1.86%	2.06%
5.82%	128.00	131.89	136.15	140.85	146.04
6.02%	123.57	127.09	130.94	135.15	139.80
6.22%	119.51	122.71	126.20	130.00	134.17
6.42%	115.78	118.70	121.87	125.31	129.07
6.62%	112.35	115.02	117.91	121.04	124.44

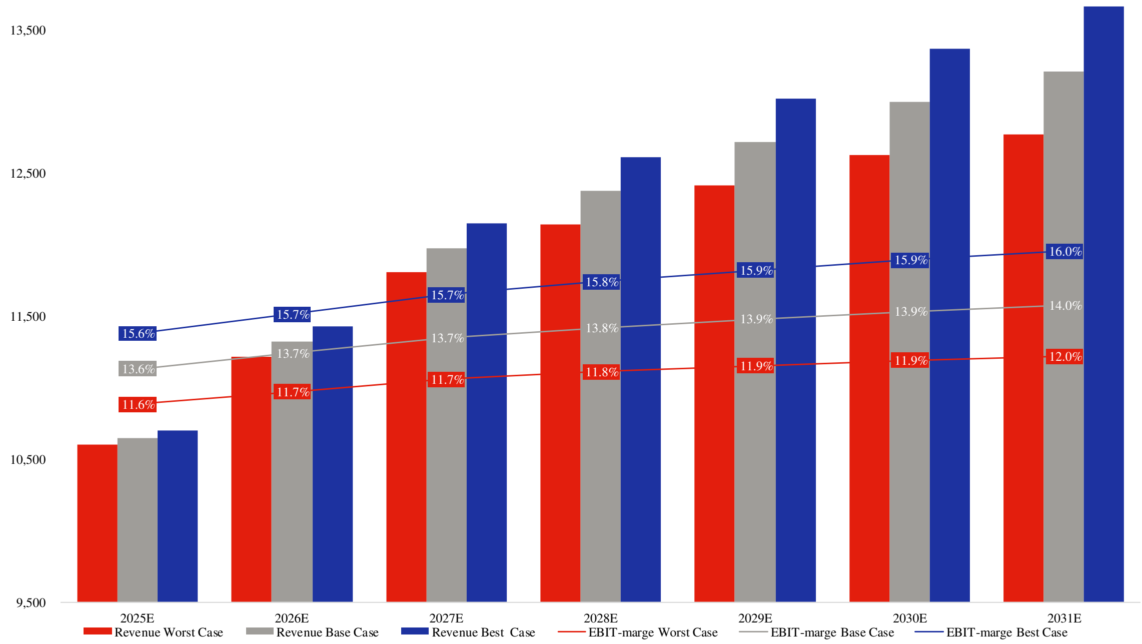
Source: Own analysis

6.1.5 Scenario Analysis

The scenario analysis explores three cases. The base case represents the main scenario outlined in this thesis. In the worst case, sales targets are assumed to either fall short or be delayed due to a dynamic market environment, such as potential postponements in the registration of new products. In response, directly sales-dependent and controllable variable costs are adjusted downward in this scenario. Conversely, the best case assumes that sales targets are exceeded, and margins improve compared to base case. The specific input assumptions for each scenario are detailed in Appendix S-T

Figure 28 and Table 10 illustrate the variations in revenue, operating profits, and the implied share prices across the different scenarios.

Figure 28: Revenue in EURm and EBIT-Margin by scenario



Source: Own analysis

Table 10: Implied share price by scenario

DCF Results	Worst Case	Base Case	Best Case
PV FCFF	4,754	5,881	7,048
PV TV	13,173	17,692	23,337
Implied Share price	100.90	126.20	156.71
Premium/(discount to current price)	-18.6%	1.8%	26.4%

Source: Own analysis

6.2 Relative Valuation

6.2.1 Valuation Based on Comparable Companies

Given that trading multiples vary across industries, the previously defined peer group (as detailed in Chapter 4.4) was employed to differentiate between the Consumer and Adhesive peers. As highlighted in Chapter 2.3, forward-looking multiples offer a more accurate foundation for relative valuation. Therefore, forecasted values were obtained from the SmartEstimate figures provided in the LSEG Workspace (https://www.lseg.com/en/data-analytics/products/workspace). Once the multiples were determined for each segment, a consolidated group multiple was calculated by weighting them according to the revenue share of each segment for each forecasted year. The applied EV/Revenue, EV/EBIT, EV/EBITDA, and P/E multiples, as previously discussed in the literature review, are presented in Table 11 and Appendix U.

Table 11: Valuation results comparable companies (weighted multiples)

Beiersdorf AG - relative valuation (weighted multiples)										
Weighted implied EV Beiersdorf	EV/Revenue			EV/EBITDA			EV/EBIT			P/E
	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E	2024E
25th Percentile	**16,030**	**16,338**	**16,665**	**17,266**	**15,676**	**15,532**	**17,164**	**16,939**	**17,567**	
Median	**25,494**	**25,784**	**25,806**	**21,077**	**21,107**	**22,195**	**22,372**	**22,344**	**21,877**	
75th Percentile	**32,359**	**33,169**	**33,969**	**27,288**	**25,977**	**25,578**	**27,944**	**25,984**	**25,150**	
Weighted implied EQV Beiersdorf										
Net cash/(debt)	**4,595**	**4,595**	**4,595**	**4,595**	**4,595**	**4,595**	**4,595**	**4,595**	**4,595**	
25th Percentile	**20,626**	**20,934**	**21,260**	**21,861**	**20,272**	**20,127**	**21,759**	**21,534**	**22,163**	
Median	**30,089**	**30,379**	**30,402**	**25,672**	**25,702**	**26,790**	**26,967**	**26,939**	**26,472**	
75th Percentile	**36,955**	**37,764**	**38,564**	**31,883**	**30,572**	**30,173**	**32,539**	**30,579**	**29,745**	
Weighted implied share price Beiersdorf										
25th Percentile	**92.40**	**93.78**	**95.25**	**97.94**	**90.82**	**90.17**	**97.48**	**96.47**	**99.29**	**71**
Premium/(discount) to current Price	-34.2%	-32.2%	-30.2%	-26.6%	-36.5%	-37.5%	-27.2%	-28.5%	-24.9%	-75.0%
Median	**134.80**	**136.10**	**136.20**	**115.01**	**115.14**	**120.02**	**120.81**	**120.69**	**118.60**	**108**
Premium/(discount) to current Price	8.0%	8.9%	9.0%	-7.8%	-7.7%	-3.3%	-2.6%	-2.7%	-4.6%	-15.1%
75th Percentile	**165.56**	**169.18**	**172.77**	**142.84**	**136.96**	**135.18**	**145.78**	**136.99**	**133.26**	**119**
Premium/(discount) to current Price	25.1%	26.7%	28.2%	13.2%	9.5%	8.3%	14.9%	9.5%	6.9%	-4.0%

Source: Own analysis

6.2.2 Valuation Based on Comparable Historical Transactions

For the comparable transaction valuation, a list of transactions from the past 12 months with a minimum deal value of EUR 100 million was sourced from Mergermarket. Table 12 displays these comparable transaction E/V and P/E multiples. For comprehensive details regarding the transactions, please consult Appendix V. The implied share prices calculated from comparable transactions are usually higher than those calculated using other valuation methods. This disparity likely arises from acquisition premiums embedded in transaction multiples, reflecting the added value of securing control over a company. For Beiersdorf, the likelihood of an acquisition offer is relatively low due to its control by one single shareholder maxingvest, though it cannot be entirely dismissed. As such, transaction multiples are primarily employed to support the DCF model.

Table 12: Valuation results historical transactions

	EV/Revenue	EV/EBIT	EV/EBITDA	P/E
Maximum	8.9	126.4	40.9	149.6
75th Percentile	3.9	41.9	23.9	88.9
Median	**2.8**	**29.5**	**20.1**	**53.6**
25the Percentile	1.7	21.3	15.1	31.1
Minimum	1.0	3.2	3.0	9.0
Beiersdorf AG	**10,005**	**1,357**	**1,718**	**4.22**
Implied EV	27,916	39,998	34,564	
Net cash/(debt)	4,595	4,595	4,595	
Implied EQV	32,511	44,594	39,160	
Implied share price	**145.65**	**199.78**	**175.44**	**226**
Premium/(discount) to current Price	17.5%	61.1%	41.5%	82.4%

Source: Mergermarket (2024), own analysis

6.2.3 Valuation Summary

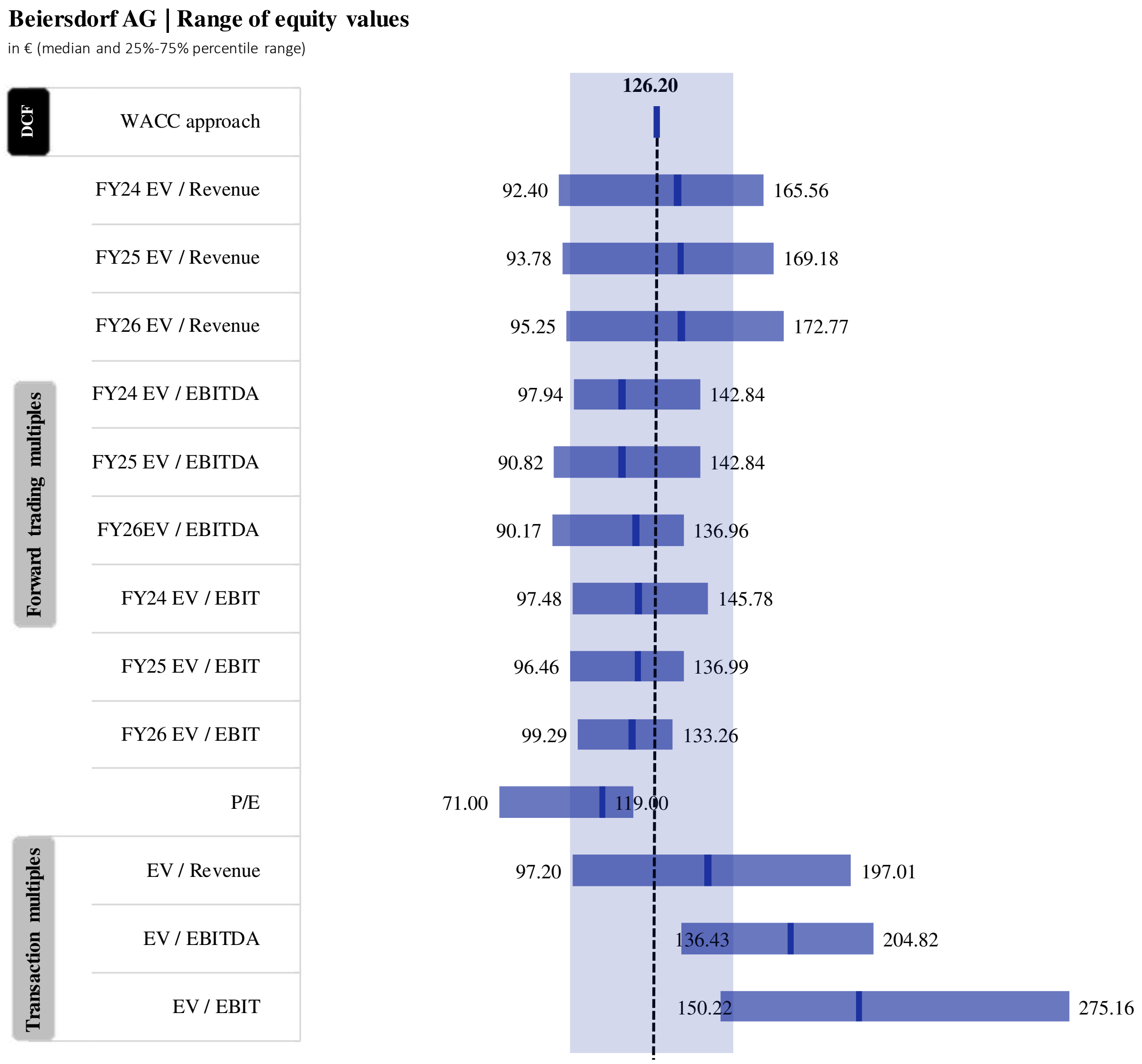
Based on the analysis conducted, the final selected share price for Beiersdorf AG is set at EUR 126.20. This price was derived from the DCF model, which serves as the primary valuation method in this thesis. For plausibility multiples are used following the IDW S1 Rz. 142-144. The sensitivity analysis and the scenario analysis provide a price range of EUR 112.35 to EUR 146.04 and later EUR 100.90 to EUR 156.71. Notably, these ranges encompass most of the values derived from the multiples-based valuation, except for the EV/EBITDA and EV/EBIT transaction multiples, which are considerably higher as seen in Figure 29.

The EUR 126.20 target price also falls within most of the ranges established by multiples valuations, except for the P/E multiple and the beforementioned transaction multiples. This alignment suggests that the selected price is consistent with broader market benchmarks. The P/E multiple is lower due to neglection of Beiersdorf's capital structure and its negative net debt.

This convergence across valuation methods both intrinsic and relative supports the robustness of the EUR 126.20 price, providing a well-rounded view of Beiersdorf's financial standing and market position. Furthermore, comparing this with Beiersdorf's average share price over the past year of EUR 134.44 reinforces the credibility of this target price within the context of recent market trends. Thus, with the DCF and multiples valuations largely supporting the EUR 126.20 level, the recommendation is HOLD. This target price provides a balanced view, suggesting limited upside potential but also low downside risk.

This recommendation is in line with the opinion of leading analysts (see Appendix W). The 25 analysts covering Beiersdorf AG give a recommendation of 4x Strong Buy, 9x Buy, 11x Hold and 1x Sell. The average recommended share price in November 24 is EUR 144.65.

Figure 29: Football field chart

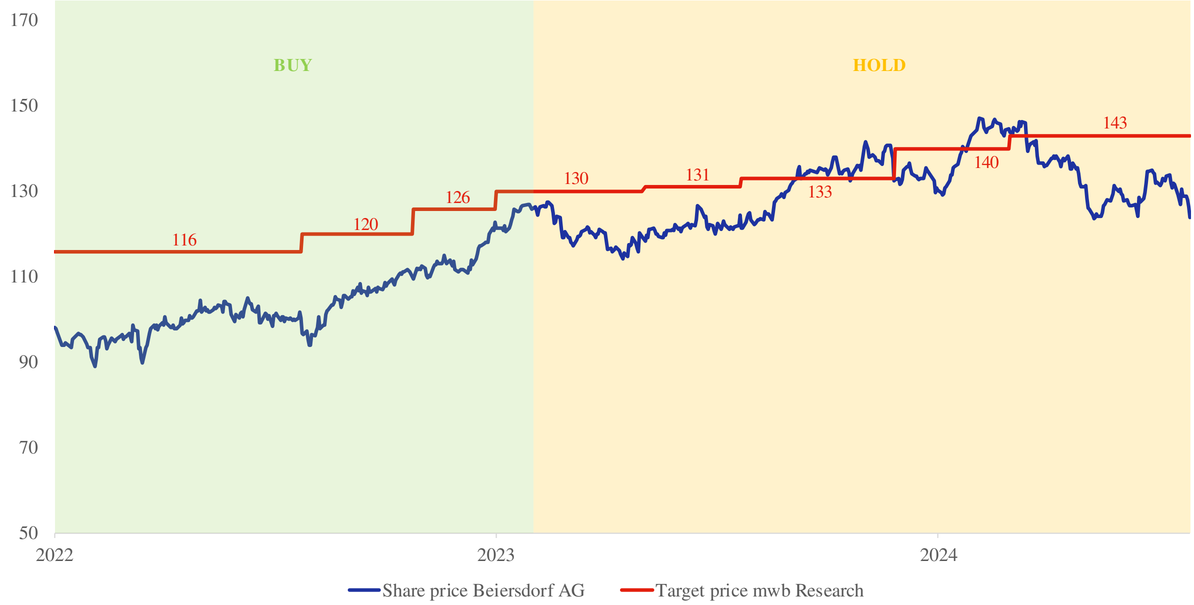


Source: Own analysis

7 Comparison with Analyst Report (mwb research)

The valuation findings of this thesis were benchmarked against the equity report from mwb research, published on August 8, 2024, which also assesses the company's value as of December 31, 2024. Consistent with the thesis findings, the report maintains a HOLD recommendation. Mwb research's target share price of EUR 143.00 aligns with the upper range of values estimated in this thesis. Figure 30 illustrates the trajectory of mwb research's target prices and recommendations, showing a steady upward trend in the target share price. Following the release of the Q3 2024 financials, mwb research reaffirmed its guidance, sustaining the target price at EUR 143.00 (Wissler, 2024).

Figure 30: Overview of mwb research target price and recommendations



Source: Wissler (2024), https://www.lseg.com/en/data-analytics/products/workspace, own analysis

Mwb research also employed a DCF model to value Beiersdorf AG, using the WACC to discount the FCFF. Table 13 presents the respective input factors and deviations in assumptions.

Table 13: Comparison of key assumptions (mwb research vs. thesis)

EURm	Comparison of key assumptions	
	mwb Research	Thesis
Valuation date	31/12/2024	31/12/2024
Method	DCF	DCF
End of explicit period	2031	2031
Key assumptions		
Unlevered beta	0.83	
Relevered beta	1.14	0.66
Risk-free rate	2.00%	2.60%
MRP	6.00%	8.00%
Cost of equity	8.80%	6.16%
Cost of debt	5.00%	3.19%
Target D/E	0.5	0.03
Tax rate (long-term)	25.00%	30.00%
WACC (explicit period)	7.00%	6.22%
WACC (long-term)	7.10%	6.22%
CAGR explicit period	5.30%	4.10%
Stable growth rate	2.00%	1.66%
PV FCFF	7,876	5,881
PV TV	18,839	17,692
Adjustment mid-year	919	
Enterprise Value	27,634	23,573
Net debt/ (cash)	-2,105	-1,878
Financial assets	2,734	2,717
Equity Value	32,473	28,169
# of shares	226.8	223.2
Implied share price	143.17	126.2
Upside/ (downside) compared to 31/10/2024	15.46%	1.77%
Recommendation	HOLD	HOLD

Source: Wissler (2024), own analysis

The following variations in input assumptions account for the observed discrepancies (Wissler, 2024):

- Mwb research projects a 1.20 p.p. higher CAGR in EBIT over the forecast period, driven by more optimistic assumptions on both revenue growth and EBIT margin.
- Mwb research applies a relevered beta of 1.14, which exceeds both the 0.66 assumed in this thesis and the 0.63 utilized in DZ Bank's analyst report. The higher beta results in an increased cost of equity, which subsequently raises the WACC. While this partially offsets the impact of the higher EBIT growth assumed by mwb research, the net effect is a significantly higher present value of FCFF.
- Additionally, mwb research assumes a higher stable growth rate +0.34%. However, due to the higher WACC, the present value of the TV remains comparable to that estimated in this thesis.

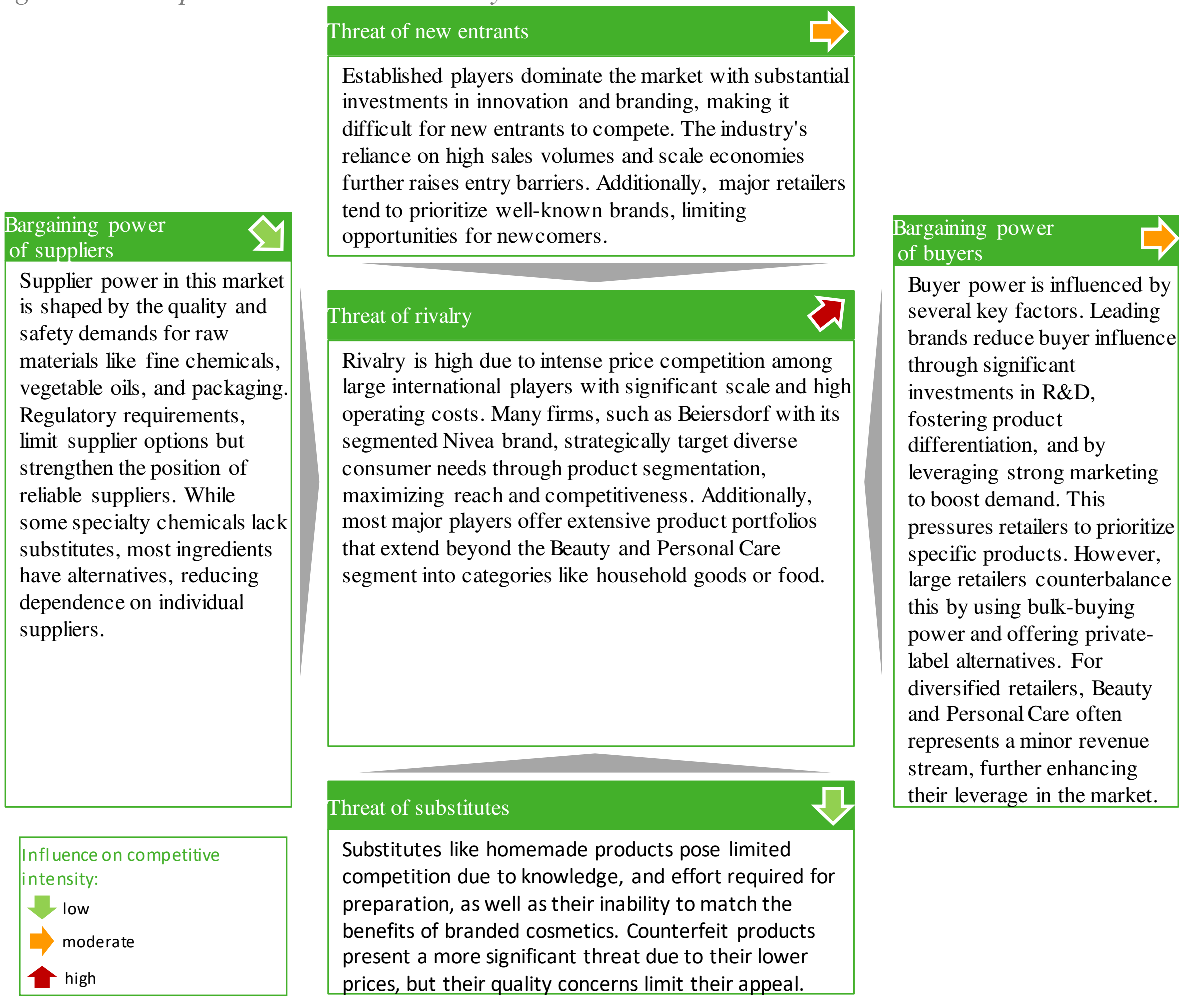
- Despite the higher estimated EqV in mwb research's analysis, the difference in target share price is modest. This is because the mwb analyst did not factor in the effects of the share buyback program, resulting in a higher average number of shares outstanding compared to this thesis.

Overall, while the assumptions differ and mwb research projects a higher share price, both analyses ultimately arrive at the same general recommendation.

Appendix A

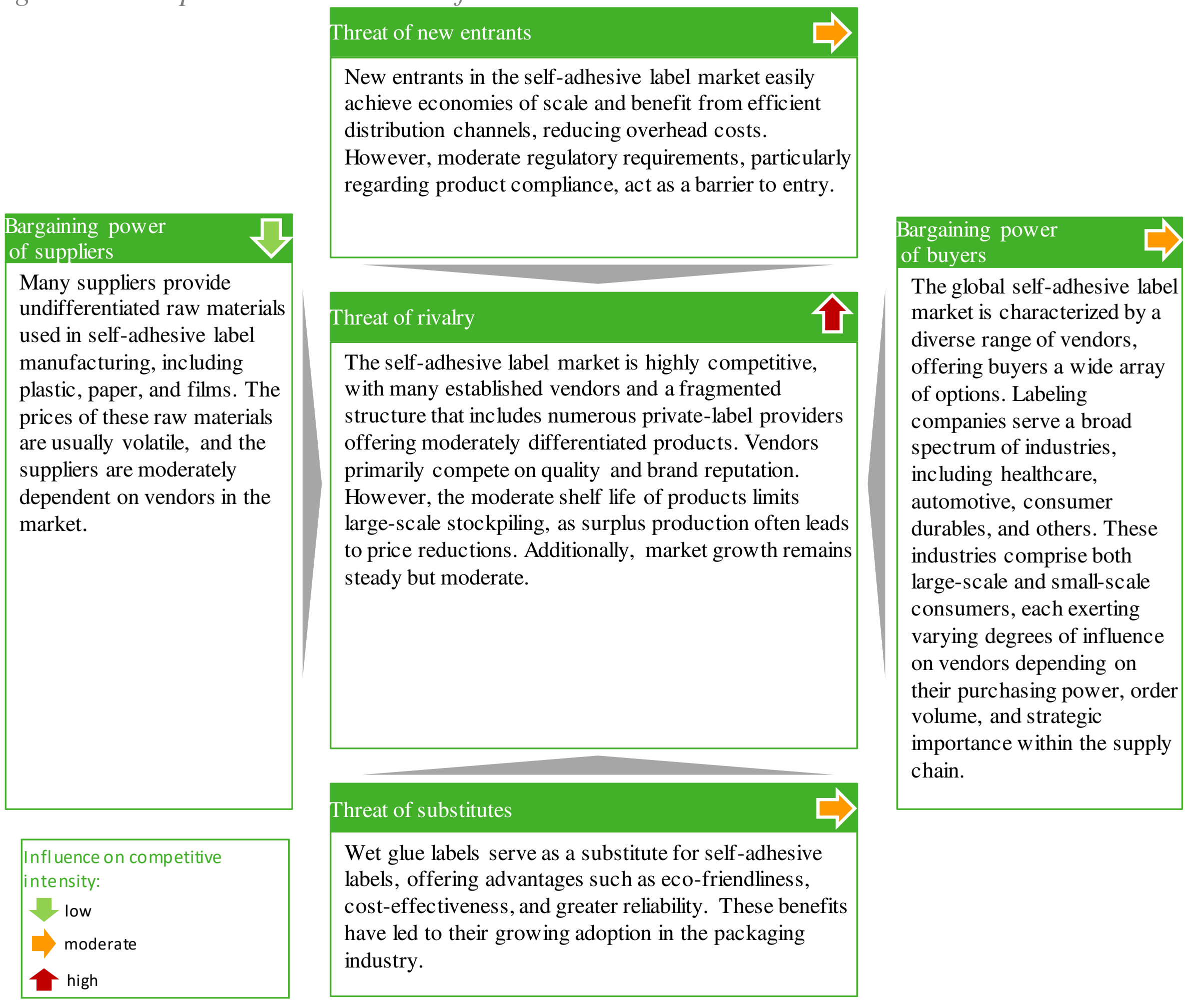
Porter 5-Forces

Figure A1: Competitive environment Beauty and Personal Care market



Source: MarketLine (2024)

Figure A2: Competitive environment Self-Adhesive Label market



Source: Technavio (2024), own analysis

Appendix B

maxingvest GmbH & Co. KGaA

The maxingvest Group is comprised of the holding company maxingvest GmbH & Co. KGaA and two operating companies, Tchibo and Beiersdorf. As a family-owned entity, the holding company focuses on strategic corporate management. Maxingvest owns 100% of Tchibo GmbH’s shares and holds a controlling interest in Beiersdorf AG, with over 50% of the voting rights. Tchibo operates approximately 900 shops across eight countries, along with over 24,200 retail depots and national online stores, making it one of Europe's largest coffee, consumer goods, and retail companies. In 2023, Tchibo generated EUR 3.2 billion in revenue with a global workforce of 10,708 employees (Tchibo, 2023).

It is important to note that while Beiersdorf officially operates as an independent entity, maxingvest exerts significant influence over its subsidiaries. Maxingvest not only oversees and supports its holdings but also plays a pivotal role in shaping core strategic decisions, such as acquisitions, dividend distribution, and the appointment of management positions. This influence is evident in the composition of Beiersdorf's supervisory board, which includes members from maxingvest's management board (Beiersdorf, 2024a).

The current shareholders of maxingvest are the founders' sons, Michael and Wolfgang Herz, who have transferred portions of their shares to their children to maintain family unity. Together, they hold 80% of the shares. The remaining 20% are owned by the non-profit Max and Ingeburg-Herz Foundation, which also represents the shares formerly held by their parents. Michael Herz currently leads the family, holding positions on the management board of maxingvest and the supervisory board of Beiersdorf (Beiersdorf, 2024a).

Appendix C

Milestones in Company History

1882-1911 Foundation

The company traces its origins to 1882, when pharmacist Paul C. Beiersdorf founded it in Hamburg, Germany, following the issuance of a patent for the production of coated medical patches. In 1890, Oscar Troplowitz, a pharmacist and entrepreneur, acquired the business and quickly expanded its operations. A significant milestone came in 1909 with the launch of Labello, which became a synonym for lip care products. Two years later, in 1911, Troplowitz introduced NIVEA, a skin cream formulated using a stable oil-in-water emulsion, with its name derived from the Latin word for snow (Beiersdorf, 2024c).

1914-1936

By 1914, Beiersdorf had established business relationships in 34 countries, with nearly half of its revenue coming from international markets. Following the death of Oscar Troplowitz in 1918, the company transitioned into a stock corporation and went public on the Hamburg Stock Exchange in 1928. During this period, Beiersdorf introduced several key brands, including Hansaplast in 1922, the first adhesive plaster with gauze pads, and NIVEA-Cream in its iconic blue-and-white tin in 1925. In 1936, the company launched tesa as an umbrella brand for its self-adhesive technologies, introducing the groundbreaking transparent adhesive tape (Beiersdorf, 2024c).

1940-1974

During World War II, Beiersdorf faced significant setbacks, as the NIVEA brand was expropriated in many countries, and the company lost several trademarks. Additionally, many of its production facilities and administrative buildings in Hamburg were destroyed. However, after repurchasing the lost licenses and trademarks, the company quickly recovered and expanded globally, reaching a workforce of 10,000 employees by 1972. In 1974, the heirs of Max Herz, from Tchibo Holding, acquired a 25% stake in Beiersdorf to support local industry and began playing a strategic role in the company's operations (Beiersdorf, 2024c).

1980-2003

In 1981, Beiersdorf implemented a strategic realignment, restructuring the company into divisions focused on its core areas of skin care, wound care, and adhesive technology. To better adapt to market demands, the adhesive technology division was spun off into a separate entity, tesa AG. A decade later, in 1991, Beiersdorf expanded its skin care portfolio by acquiring the La Prairie brand, known for its pioneering work in cellular therapy to combat skin aging. In 2003, after a two-year takeover battle with American competitor Procter & Gamble for Allianz's 19.60% stake in Beiersdorf, Tchibo Holding AG raised its ownership from 30.30% to 49.90%, making it Beiersdorf’s largest shareholder. This strategic action, backed by the Hamburg government and existing investors, was driven by fears that Procter & Gamble was mainly interested in acquiring Beiersdorf's patents and brands. The resolution of this prolonged struggle led to the implementation of a new functional organizational structure, replacing the previous divisional setup (Beiersdorf, 2024c).

2003-present

On December 22, 2008, Beiersdorf was admitted into the DAX, Germany's premier stock index, recognizing it as one of the nation's 30 largest and most successful companies. Continuing its commitment to innovation, the company’s brand Eucerin launched the anti-pigment series featuring Thiamidol, a patented active ingredient that reduces pigment spots. To expand its operations, Beiersdorf announced plans to build a new corporate headquarters and research center in Hamburg, investing EUR 230 million with completion scheduled for 2023. Additionally, the company decided to construct a new production facility in Leipzig-Seehausen, Germany, to enhance its production capacities in Europe, with the plant expected to become operational in 2022 (Beiersdorf, 2024c).

Appendix D

Selection of comparable companies

#	Company	Ticker	Primary Industry	Free Float (in %)	Sales Dez 2023 (in EURm)	Market Cap Dez 2023 (in EURm)	EV Dez 2023 (in EURm)	Total Debt 2023 (in EURm)	Sales Growth CAGR		EBITDA-margin av.		Included (x = Yes)	Reason for Inclusion
									2021-2023	2024E-2026E	2021-2023	2024E-2026E		
	Beiersdorf AG	**BEIG.DE**	**Personal Products**	**42%**	**9,447**	**34,196**	**31,862**	**168**	**11.3%**	**5.3%**	**16.0%**	**17.9%**		
Comparable Companies: Consumer														
1	Marico Ltd*	MRCO.NS	Food Processing	41%	1,076	7,152	7,115	59	0.7%	10.7%	21.1%	21.6%		
2	Henkel AG & Co. KGaA*	HNKG_p.DE	Household Products	100%	21,514	29,862	30,580	2,892	3.5%	2.9%	16.0%	18.0%	x	Main competitor, similar operational structure and profitability
3	Recklit Benckiser Group PLC*	RKT.L	Household Products	100%	16,956	46,551	55,642	10,042	5.1%	3.8%	25.7%	26.8%		
4	L'Oreal SA*	OREP.PA	Personal Products	43%	41,183	240,974	245,352	8,692	12.9%	6.5%	24.0%	23.9%	x	Main competitor and similar estimated growth
5	Unilever PLC*	ULVR.L	Personal Products	100%	59,601	109,841	135,243	28,593	2.0%	3.1%	20.0%	21.7%	x	Main competitor and similar estimated profitability
6	Procter & Gamble*	PG	Personal Products	100%	77,719	363,330	385,778	31,000	2.4%	3.9%	26.1%	28.8%		
7	Estee Lauder Companies Inc.*	EL	Personal Products	65%	14,435	35,612	39,697	7,254	-6.2%	6.0%	18.5%	18.5%	x	Main competitor and similar estimated profitability
8	Colgate-Palmolive CO*	CL	Personal Products	100%	17,997	59,470	66,495	7,747	5.7%	4.1%	24.2%	25.4%	x	Main competitor and similar estimated growth
9	Kao Corp	445.T	Personal Products	98%	10,109	20,957	n/a	1,677	4.6%	2.7%	13.7%	15.1%		
10	Shiseido Co Ltd*	4911.T	Personal Products	100%	6,418	10,925	12,056	1,805	-3.0%	5.3%	10.6%	14.2%	x	Main competitor and similar estimated growth
11	Amorepacific	090430.KS	Personal Products	50%	2,604	6,209	5,648	245	-13.1%	13.2%	12.0%	15.0%		
12	Kose Corp	4922.T	Personal Products	57%	1,981	4,116	3,437	66	15.6%	5.3%	10.8%	11.8%		
13	Coty Inc	COTY.K	Personal Products	39%	5,658	8,117	11,790	3,722	7.4%	6.0%	17.5%	19.0%	x	Similar estimated growth and profitability
14	Kimberly-Clark Corp	KMB	Personal Products	100%	18,898	37,209	43,615	7,258	2.5%	1.8%	17.8%	20.4%		
15	KENVUE INC	KVUE.N	Personal Products	100%	14,285	37,358	43,614	7,508	1.3%	3.6%	24.7%	25.0%		
16	Hindustian Unilever Ltd	HLL.NS	Personal Products	38%	6,897	59,141	58,009	165	8.6%	9.5%	23.9%	24.1%		
17	Edgewell Personal Care *	EPC	Personal Products	95%	2,112	1,777	2,878	1,306	3.9%	2.1%	15.8%	16.1%		
18	Haleon PLC	HLN.L	Pharmaceuticals	82%	12,999	34,260	44,104	10,907	8.8%	3.9%	25.3%	25.5%		
19	Johnson & Johnson*	JNJ	Pharmaceuticals	100%	78,769	341,898	347,702	26,579	-4.7%	3.6%	35.2%	36.3%		
min					1,076	1,777	2,878	59	-13.1%	1.8%	10.6%	11.8%		
max					78,769	363,330	385,778	31,000	15.6%	13.2%	35.2%	36.3%		
mean					21,643	76,566	85,486	8,290	3.0%	5.2%	20.1%	21.4%		
median					14,285	35,612	43,615	7,254	3.5%	3.9%	20.0%	21.6%		
Comparable Companies: Adhesive														
1	3M	MMM	Consumer Goods Conglomerates	100%	30,229	45,743	54,958	14,584	-5.8%	3.1%	26.1%	28.4%		
2	Huntsman Corp	HUN	Diversified Chemicals	94%	5,652	3,969	5,240	1,530	-15.0%	5.9%	12.7%	9.5%		
3	Henkel AG & Co. KGaA*	HNKG_p.DE	Household Products	100%	21,514	29,862	30,580	2,892	3.5%	2.9%	16.0%	18.0%	x	Main competitor, similar operational structure and estimated profitability
4	Avery Dennison Corp	AVY	Non-Paper Containers & Packaging	100%	7,737	14,761	17,506	2,940	-0.3%	5.3%	15.6%	16.8%	x	Similar estimated growth and profitability
5	Sika AG	SIKA.A	Specialty Chemicals	98%	11,576	47,297	52,899	6,286	10.2%	6.6%	18.6%	20.1%		
6	Nitto Denko Corp	6988.T	Specialty Chemicals	98%	5,845	12,113	10,178	187	3.6%	3.3%	21.7%	25.1%		
7	Lintec Corp	7966.T	Specialty Chemicals	58%	1,765	1,486	1,240	89	3.7%	3.8%	11.1%	12.2%		
8	H.B. Fuller Company	FUL.N	Specialty Chemicals	100%	3,256	3,817	5,364	1,710	3.5%	4.9%	15.0%	17.8%	x	Similar estimated growth and profitability
9	Arkema SA	AKE.PA	Commodity Chemicals	94%	9,514	7,729	10,211	4,275	0.0%	5.2%	17.4%	16.8%	x	Similar estimated growth and profitability
min					1,765	1,486	1,240	89	-15.0%	2.9%	11.1%	9.5%		
max					30,229	47,297	54,958	14,584	10.2%	6.6%	26.1%	28.4%		
mean					10,788	18,531	20,908	3,833	0.4%	4.5%	17.1%	18.3%		
median					7,737	12,113	10,211	2,892	3.5%	4.9%	16.0%	17.8%		

*Beiersdorf's primary competitors

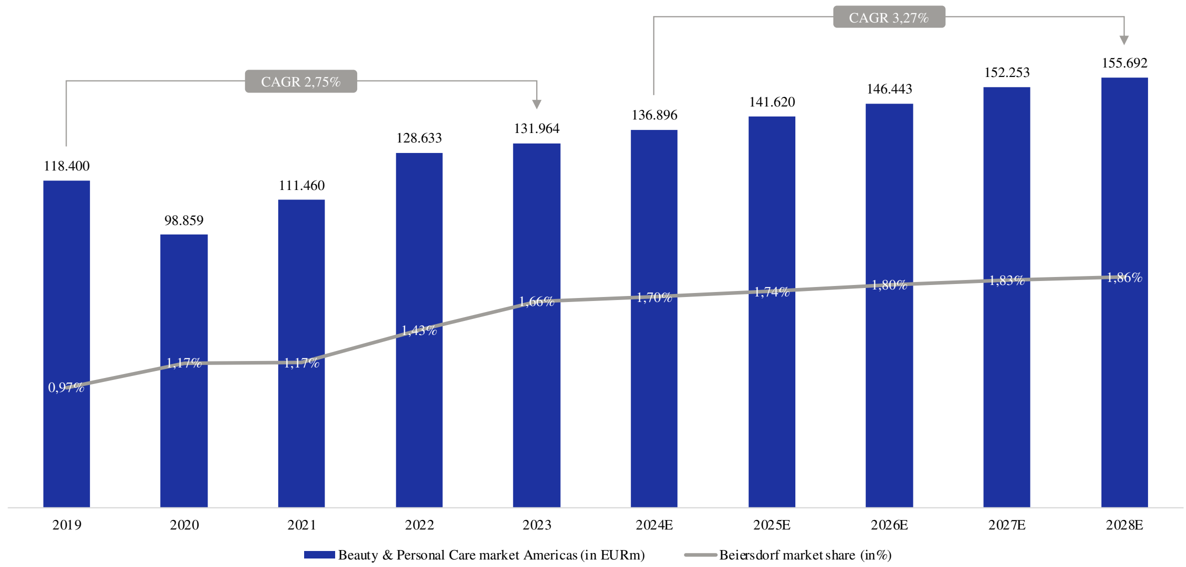
Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

Appendix E

Consumer Development Americas (2019-2028)

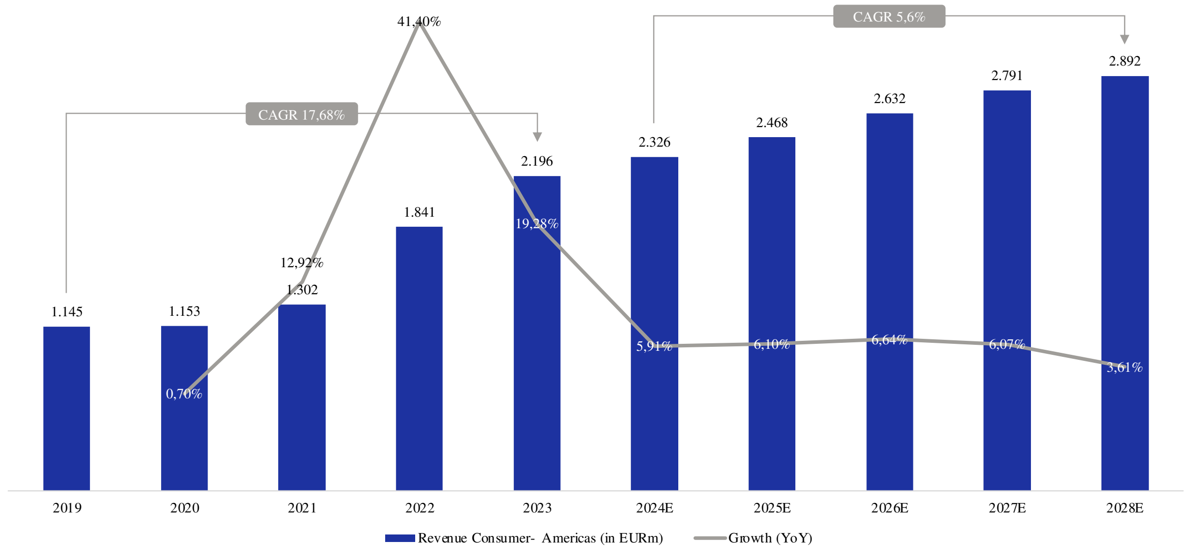
The beauty and personal care market in the Americas for selected categories experienced a CAGR of 2.75% between 2019 and 2023 and is projected to grow at a slightly higher CAGR of 3.27% from 2024 to 2028. During the 2019-2023 period, Beiersdorf's market share in the region showed on average a notable annual increase of 0.174 p.p. However, in the first half of 2024, Americas underperformed expectations, posting only a 4.50% YoY growth, primarily due to weak performance in the sun and derma care segments in North America. As a result, the average adjustment factor was reduced, though market share growth is still expected, supported by good performance in Latin America and the sun care market in July. Looking ahead, Beiersdorf plans to capitalize on the launch of its Eucerin products, which feature the patented ingredient Thiamidol, anticipated to drive revenue growth. The adjustment factor is projected to rise during 2025 and 2026, followed by a decrease in 2027 and 2028 as inventory levels stabilize after the product rollout. Market share is forecasted to grow by 0.035 p.p. in 2024 and by 0.044 p.p. in 2025, ultimately reaching a stable 1.86% by 2028.

Figure E1: Beauty & personal care market development Americas (2019-2028)



Source: Statista (2024a), own analysis

Figure E2: Consumer revenue Americas (2019-2028)



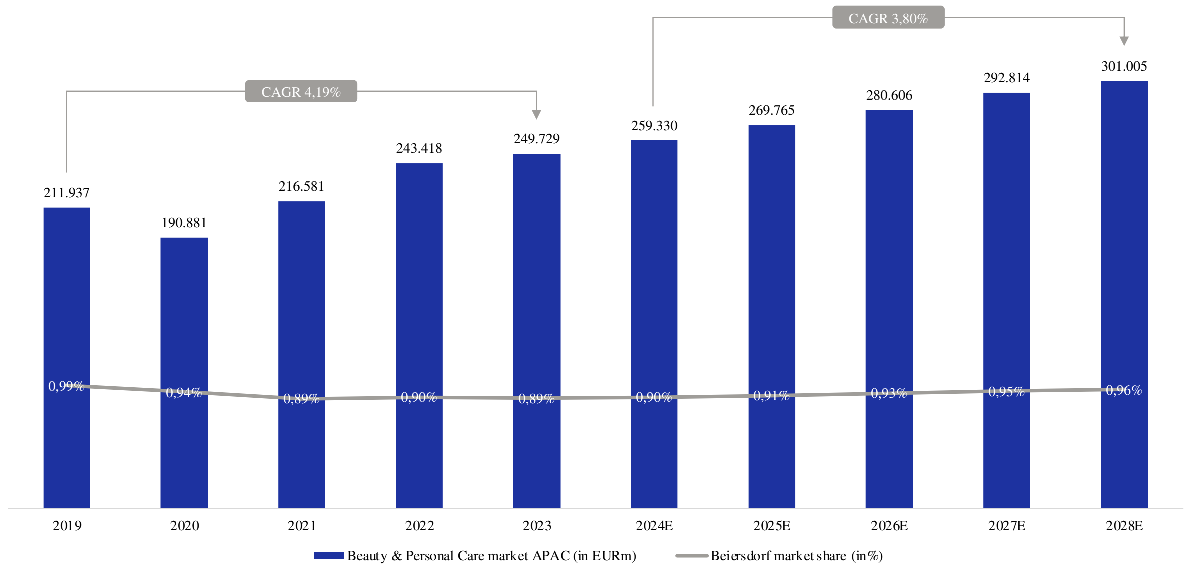
Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

Appendix F

Consumer Development Africa/Asia/Australia (2019-2028)

The beauty and personal care market in the APAC region for selected categories saw a CAGR of 4.19% between 2019 and 2023, with a projected, slightly lower CAGR of 3.80% from 2024 to 2028. Over the 2019-2023 period, Beiersdorf's market share in the region experienced a marginal annual decline, averaging -0.026 p.p. Despite this downturn, Beiersdorf anticipates a mid-term increase in market share as it expands into untapped markets like India, where the company has not yet been active.

Figure F1: Beauty & personal care market development APAC (2019-2028)

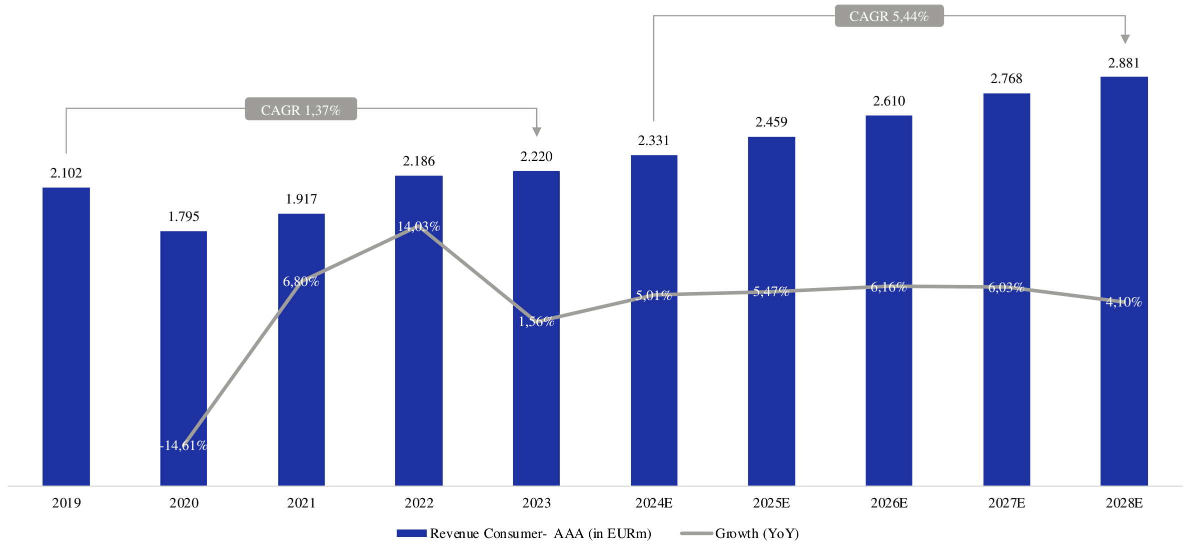


Source: Statista (2024b), own analysis

In the first half of 2024, the AAA region underperformed expectations, with a nominal YoY growth of 4.10%. Beiersdorf plans to introduce its Nivea Luminous brand in India by 2025 and is awaiting product registration in China. The potential for market share growth will heavily depend on the performance of its luxury brands, La Prairie and Chantecaille. Notably, La Prairie has struggled to meet expectations, reporting a 7.00% YoY decline in the first half of 2024, largely due to a slowdown in the destination retail business in China's vacation regions.

The adjustment factor for market share is projected to be 0.01 p.p. in 2024, with growth expected to accelerate in 2025 and 2026, following the product rollout. The adjustment will then taper off, ultimately stabilizing at a market share of 0.96% by 2028.

Figure F2: Consumer revenue AAA (2019-2028)



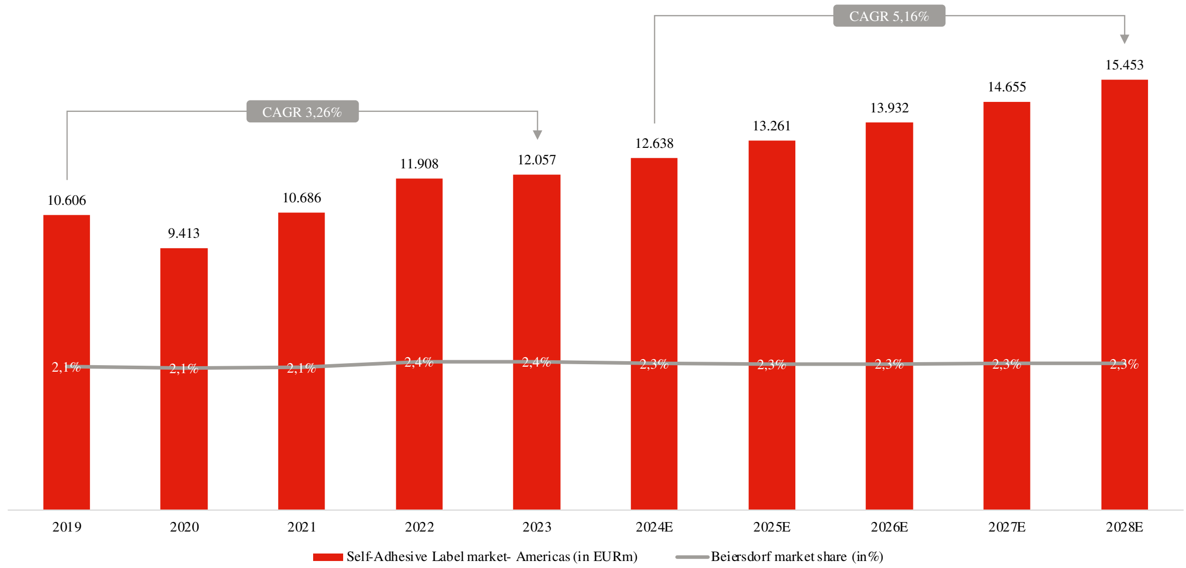
Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

Appendix G

tesa Development Americas (2019-2028)

The self-adhesive label market in Americas grew at a CAGR of 3.26% from 2019 to 2023 and is projected to expand more rapidly, at a CAGR of 5.16%, from 2024 to 2028. Growth has been fueled by the increase in online shopping, which has intensified demand for self-adhesive labels for shipping and handling. Additionally, trends toward product personalization and customization are boosting demand as businesses aim to differentiate their offerings in the market. The food and beverage sector in the Americas has significantly contributed to this growth due to rising requirements for accurate labeling and packaging to meet stringent food safety regulations. Another factor driving growth in the American self-adhesive label market is the rising demand for sustainable labeling solutions, as consumers increasingly prefer eco-friendly options like labels made from recycled materials (Technavio, 2024).

Figure G1: Self-adhesive labels market development Americas (2019-2028)

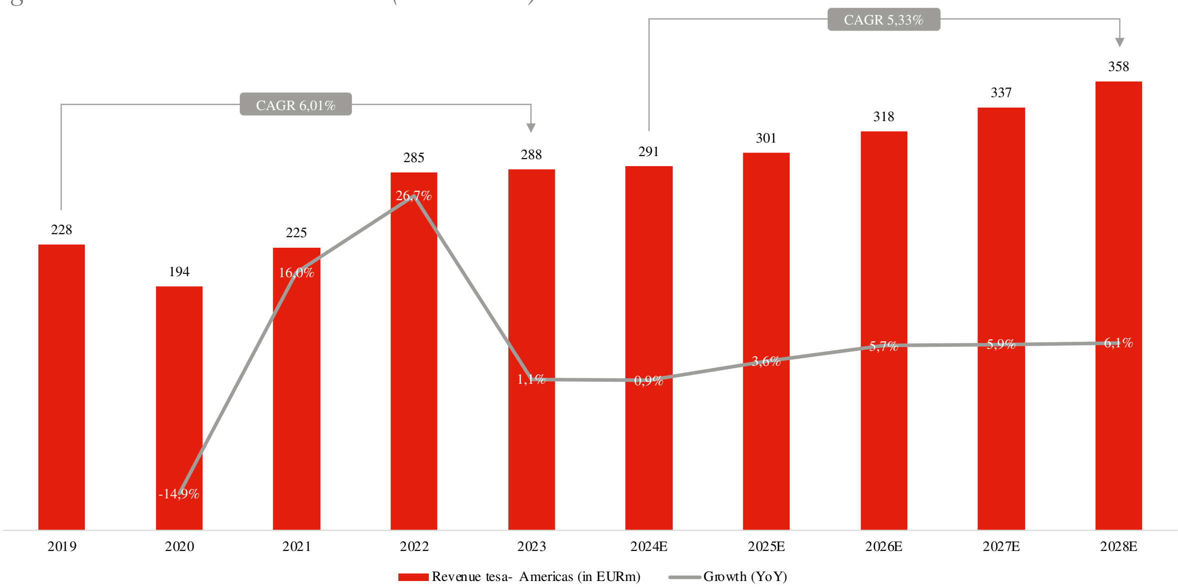


Source: Technavio (2024), own analysis

Over the past four years, Beiersdorf's market share in the Americas tesa segment has shown a modest annual increase of 0.06 p.p. However, in this expanding market, Beiersdorf is unlikely to continue increasing its share due to increasing competition from regional players and is instead expected to maintain a rather stable market share of 2.31%. This resilience is attributed to Beiersdorf's strategic investments in product innovation and regional expansion. The company has launched advanced adhesive solutions specifically designed for high-demand sectors, such as automotive and electronics, which represent substantial markets in the

Americas. Additionally, Beiersdorf continuously innovates to meet customer demands, introducing products such as recyclable paper-based transport securing tape and a new double-sided tape made from biomass-balanced acrylic monomers, which reduces emissions by 40% compared to the original tape (tesa, 2024b).

Figure G2: tesa revenue Americas (2019-2028)



Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

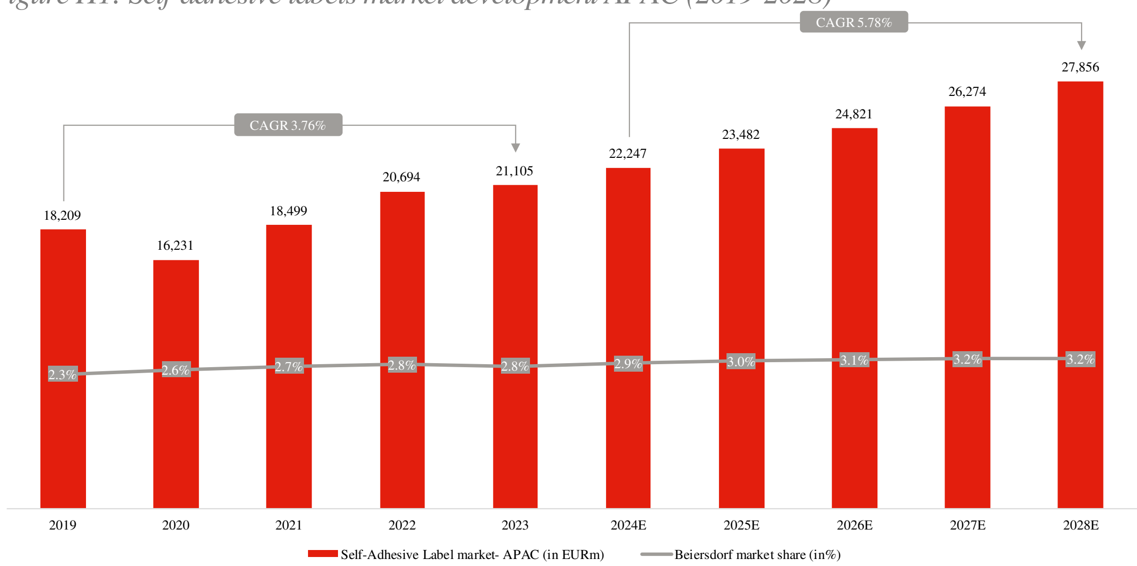
Appendix H

tesa Development Africa/Asia/Australia (2019-2028)

In 2023, the APAC region dominated the global self-adhesive label market, accounting for 44.9% of the total market share. The region is expected to maintain its leading position, exhibiting the highest CAGR of 5.7% and gaining an additional 0.7% market share by 2028. The growth of the self-adhesive label market in APAC is primarily driven by the rapid expansion of e-commerce and increasing consumer demand for packaged goods. Additionally, many developing economies within the region, such as India, and Vietnam, are experiencing robust economic growth. These countries have become key players in the global market, benefiting from favorable business environments and government policies promoting industrialization (Technavio, 2024).

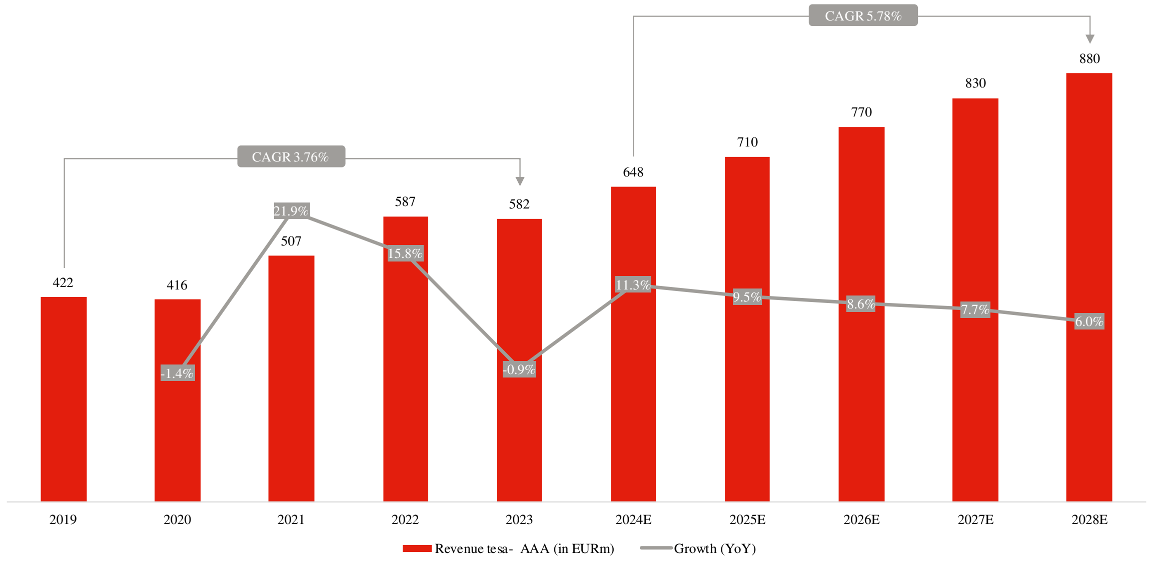
Revenue in the AAA region experienced a CAGR of 8.37% between 2019 and 2023, a trend that is expected to persist. Sales growth in the first half of 2024, particularly within the tesa segment, was largely driven by strong performance in Asia, supported by favorable business developments in the Electronics and Printing and Packaging Solutions segments (Beiersdorf, 2024b). As part of its strategic expansion, tesa plans to strengthen its presence in the AAA region with the opening of its new solution center in Bangkok in October 2024, aimed at fostering collaboration with partners and customers. This follows the recent establishment of a new production facility and office in Vietnam, further reinforcing tesa's commitment to the region (tesa, 2024a).

Figure H1: Self-adhesive labels market development APAC (2019-2028)



Source: Technavio (2024), own analysis

Figure H2: tesa revenue Africa/Asia/Australia (2019-2028)



Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

Appendix I

Sales Forecast per Segment

Sales Forecast per Region/Segment						CAGR				Forecast					CAGR
in EURm	2019	2020	2021	2022	2023	2019-2023	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2024E-2031E
Revenue Total	**7,653**	**7,025**	**7,627**	**8,799**	**9,447**	**5.41%**	**10,005**	**10,651**	**11,324**	**11,978**	**12,375**	**12,717**	**12,999**	**13,215**	**4.05%**
growth rate	-	-8.2%	8.6%	15.4%	7.4%		5.9%	6.5%	6.3%	5.8%	3.3%	2.8%	2.2%	1.7%	
Share Consmer Goods	82.0%	81.1%	80.4%	81.0%	82.4%		82.5%	82.7%	82.8%	83.1%	83.0%	83.0%	83.0%	83.0%	
Share Tesa	18.0%	18.9%	19.6%	19.0%	17.6%		17.5%	17.3%	17.2%	16.9%	17.0%	17.0%	17.0%	17.0%	
Revenue Consumer Goods	**6,274**	**5,700**	**6,129**	**7,131**	**7,780**	**5.53%**	**8,252**	**8,806**	**9,381**	**9,949**	**10,269**	**10,552**	**10,786**	**10,965**	**4.14%**
growth rate	-	-9.1%	7.5%	16.3%	9.1%		6.1%	6.7%	6.5%	6.1%	3.2%	2.8%	2.2%	1.7%	
Europe	**3,027**	**2,752**	**2,910**	**3,104**	**3,364**	**2.67%**	**3,595**	**3,880**	**4,139**	**4,390**	**4,496**				**5.75%**
growth rate	-	-9.1%	5.7%	6.7%	8.4%		6.9%	7.9%	6.7%	6.1%	2.4%				
in % of Consumer revenue	48.2%	48.3%	47.5%	43.5%	43.2%		43.6%	44.1%	44.1%	44.1%	43.8%				
Americas	**1,145**	**1,153**	**1,302**	**1,841**	**2,196**	**17.68%**	**2,326**	**2,468**	**2,632**	**2,791**	**2,892**				**5.60%**
growth rate	-	0.7%	12.9%	41.4%	19.3%		5.9%	6.1%	6.6%	6.1%	3.6%				
in % of Consumer revenue	18.2%	20.2%	21.2%	25.8%	28.2%		28.2%	28.0%	28.1%	28.1%	28.2%				
Africa/Asia/Australia	**2,102**	**1,795**	**1,917**	**2,186**	**2,220**	**1.37%**	**2,331**	**2,459**	**2,610**	**2,768**	**2,881**				**5.44%**
growth rate	-	-14.6%	6.8%	14.0%	1.6%		5.0%	5.5%	6.2%	6.0%	4.1%				
in % of Consumer revenue	33.5%	31.5%	31.3%	30.7%	28.5%		28.3%	27.9%	27.8%	27.8%	28.1%				
Revenue Tesa	**1,379**	**1,325**	**1,498**	**1,668**	**1,667**	**4.86%**	**1,754**	**1,845**	**1,943**	**2,030**	**2,107**	**2,165**	**2,213**	**2,250**	**3.62%**
growth rate	-	-3.9%	13.1%	11.3%	-0.1%		5.2%	5.2%	5.3%	4.4%	3.8%	2.8%	2.2%	1.7%	
Europe	**729**	**715**	**766**	**796**	**797**	**2.25%**	**815**	**835**	**855**	**863**	**869**				**1.61%**
growth rate	-	-1.9%	7.1%	3.9%	0.1%		2.3%	2.4%	2.4%	0.9%	0.7%				
in % of Tesa revenue	52.9%	54.0%	51.1%	47.7%	47.8%		46.5%	45.2%	44.0%	42.5%	41.3%				
Americas	**228**	**194**	**225**	**285**	**288**	**6.01%**	**291**	**301**	**318**	**337**	**358**				**5.33%**
growth rate	-	-14.9%	16.0%	26.7%	1.1%		0.9%	3.6%	5.7%	5.9%	6.1%				
in % of Tesa revenue	16.5%	14.6%	15.0%	17.1%	17.3%		16.6%	16.3%	16.4%	16.6%	17.0%				
Africa/Asia/Australia	**422**	**416**	**507**	**587**	**582**	**8.37%**	**648**	**710**	**770**	**830**	**880**				**7.96%**
growth rate	-	-1.4%	21.9%	15.8%	-0.9%		11.3%	9.5%	8.6%	7.7%	6.0%				
in % of Tesa revenue	30.6%	31.4%	33.8%	35.2%	34.9%		36.9%	38.5%	39.6%	40.9%	41.8%				

Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

Appendix J

Historical and Forecasted EBIT

Standardised income statment						CAGR	Forecast								CAGR
in EURm	2019	2020	2021	2022	2023	2019-2023	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2024E-2031E
Operating expenses	-3,400	-3,213	-3,427	-3,865	-4,311	6.11%	-4,446	-4,734	-5,035	-5,327	-5,505	-5,659	-5,786	-5,884	4.09%
Marketing and selling	**-2,666**	**-2,485**	**-2,675**	**-2,998**	**-3,250**		**-3,477**	**-3,691**	**-3,913**	**-4,128**	**-4,253**	**-4,358**	**-4,442**	**-4,502**	
growth rate	-	-6.8%	7.6%	12.1%	8.4%	*Average:*	7.0%	6.2%	6.0%	5.5%	3.0%	2.5%	1.9%	1.4%	*Average:*
in % of revenue	34.8%	35.4%	35.1%	34.1%	34.4%	34.8%	34.8%	34.7%	34.6%	34.5%	34.4%	34.3%	34.2%	34.1%	34.4%
Change in %	-	0.5%	-0.3%	-1.0%	0.3%		0.3%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	
Research and development	**-236**	**-246**	**-268**	**-291**	**-320**		**-336**	**-354**	**-371**	**-388**	**-396**	**-402**	**-406**	**-408**	
growth rate	-	4.2%	8.9%	8.6%	10.0%	*Average:*	5.0%	5.2%	5.1%	4.5%	2.1%	1.5%	0.9%	0.4%	*Average:*
in % of revenue	3.1%	3.5%	3.5%	3.3%	3.4%	3.4%	3.4%	3.3%	3.3%	3.2%	3.2%	3.2%	3.1%	3.1%	3.2%
Change in %	-	0.4%	0.0%	-0.2%	0.1%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
General and adminestrative	**-416**	**-400**	**-448**	**-524**	**-570**		**-619**	**-675**	**-734**	**-794**	**-839**	**-881**	**-920**	**-955**	
growth rate	-	-3.8%	12.0%	17.0%	8.8%	*Average:*	8.5%	9.0%	8.8%	8.2%	5.6%	5.0%	4.4%	3.8%	*Average:*
in % of revenue	5.4%	5.7%	5.9%	6.0%	6.0%	5.8%	6.2%	6.3%	6.5%	6.6%	6.8%	6.9%	7.1%	7.2%	6.7%
Change in %	-	0.3%	0.2%	0.1%	0.1%		0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	
Other operating income	**171**	**226**	**243**	**266**	**263**		**262**	**279**	**296**	**313**	**324**	**333**	**340**	**346**	
growth rate	-	32.2%	7.5%	9.5%	-1.1%	*Average:*	-0.4%	6.5%	6.3%	5.8%	3.3%	2.8%	2.2%	1.7%	*Average:*
in % of revenue	2.2%	3.2%	3.2%	3.0%	2.8%	2.9%	2.6%	2.6%	2.6%	2.6%	2.6%	2.6%	2.6%	2.6%	2.6%
Change in %	-	1.0%	0.0%	-0.2%	-0.2%		-0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Other operating expenses	**-253**	**-308**	**-279**	**-318**	**-434**		**-276**	**-294**	**-312**	**-330**	**-341**	**-351**	**-358**	**-364**	
growth rate	-	21.7%	-9.4%	14.0%	36.5%	*Average:*	-36.5%	6.5%	6.3%	5.8%	3.3%	2.8%	2.2%	1.7%	*Average:*
in % of revenue	3.3%	4.4%	3.7%	3.6%	4.6%	3.9%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%
Change in %	-	1.1%	-0.7%	0.0%	1.0%		-1.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Operating result (EBIT)	**1,032**	**828**	**933**	**1,092**	**1,105**	**1.72%**	**1,357**	**1,451**	**1,550**	**1,646**	**1,708**	**1,762**	**1,809**	**1,847**	**4.50%**
growth rate	-	-19.8%	12.7%	17.0%	1.2%	*Average:*	22.8%	6.9%	6.8%	6.2%	3.8%	3.2%	2.6%	2.1%	*Average:*
in % of revenue	13.5%	11.8%	12.2%	12.4%	11.7%	12.3%	13.6%	13.6%	13.7%	13.7%	13.8%	13.9%	13.9%	14.0%	13.8%
Adjusted (EBIT)	**1,095**	**906**	**993**	**1,158**	**1,268**	**3.74%**	**1,347**	**1,451**	**1,550**	**1,646**	**1,708**	**1,762**	**1,809**	**1,847**	**4.61%**
growth rate	-	-17.3%	9.6%	16.6%	9.5%		6.3%	7.7%	6.8%	6.2%	3.8%	3.2%	2.6%	2.1%	
in % of revenue	14.3%	12.9%	13.0%	13.2%	13.4%		13.5%	13.6%	13.7%	13.7%	13.8%	13.9%	13.9%	14.0%	

Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

Appendix K

Historical and Forecasted profit after tax

Standardised income statment						CAGR	Forecast								CAGR
in EURm	**2019**	**2020**	**2021**	**2022**	**2023**	**2019-2023**	**2024E**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2024E-2031E**
Financial result	**5**	**-7**	**-26**	**4**	**0**		**4**	**-4**	**-5**	**-5**	**4**	**8**	**13**	**18**	
in % of revenue	0.1%	-0.1%	-0.3%	0.0%	-		0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	
Interest income	**37**	**33**	**32**	**36**	**43**	*Average:*	**36**	**28**	**28**	**28**	**38**	**42**	**47**	**52**	*Average:*
in % of cash and securities	0.8%	0.7%	0.6%	0.7%	0.9%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
Interest expense	**-13**	**-13**	**-14**	**-16**	**-26**	*Average:*	**-25**	**-26**	**-26**	**-27**	**-27**	**-28**	**-28**	**-28**	*Average:*
in % of financial liabilities	2.4%	2.9%	2.3%	2.5%	5.3%	3.1%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%
Net pension result	**-13**	**-9**	**-8**	**-10**	**-12**	*Average:*	**-7**	**-6**	**-6**	**-6**	**-6**	**-6**	**-6**	**-6**	*Average:*
in % of pensions	1.5%	0.9%	1.0%	2.6%	3.4%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%
Other financial result	**-6**	**-18**	**-36**	**-6**	**-5**	*Average:*									
in % of revenue	-0.1%	-0.3%	-0.5%	-0.1%	-0.1%	-0.2%									
Profit before tax	**1,037**	**821**	**907**	**1,096**	**1,105**	**1.60%**	**1,361**	**1,447**	**1,545**	**1,641**	**1,712**	**1,771**	**1,822**	**1,865**	**4.60%**
growth rate	-	-20.8%	10.5%	20.8%	0.8%		23.2%	6.3%	6.8%	6.2%	4.3%	3.4%	2.9%	2.4%	
in % of revenue	13.6%	11.7%	11.9%	12.5%	11.7%		13.6%	13.6%	13.6%	13.7%	13.8%	13.9%	14.0%	14.1%	
Income taxes	**-301**	**-244**	**-252**	**-325**	**-356**	**4.28%**	**-404**	**-430**	**-460**	**-489**	**-511**	**-530**	**-546**	**-560**	**4.76%**
growth rate	-	-18.9%	3.3%	29.0%	9.5%	*Average:*	13.5%	6.4%	6.9%	6.4%	4.5%	3.6%	3.1%	2.5%	*Average:*
in % of profit before tax	29.0%	29.7%	27.8%	29.7%	32.2%	29.7%	29.7%	29.7%	29.8%	29.8%	29.9%	29.9%	30.0%	30.0%	29.8%
Profit after tax	**736**	**577**	**655**	**771**	**749**	**0.44%**	**957**	**1,017**	**1,085**	**1,152**	**1,201**	**1,241**	**1,276**	**1,306**	**4.53%**
growth rate	-	-21.6%	13.5%	17.7%	-2.9%		27.8%	6.2%	6.7%	6.2%	4.3%	3.4%	2.8%	2.3%	
in % of revenue	9.6%	8.2%	8.6%	8.8%	7.9%		9.6%	9.5%	9.6%	9.6%	9.7%	9.8%	9.8%	9.9%	
Of which attributable to															
Equity holders of Beiersdorf AG	**718**	**560**	**638**	**755**	**736**	*Average:*	**941**	**1,001**	**1,069**	**1,135**	**1,185**	**1,225**	**1,260**	**1,289**	*Average:*
Non-controlling interest	**18**	**17**	**17**	**16**	**13**	16	**16**	**16**	**16**	**16**	**16**	**16**	**16**	**16**	16
Weighted average shares outstanding	**226.82**	**226.82**	**226.82**	**226.82**	**226.82**		**223.21**	**223.21**	**223.21**	**223.21**	**223.21**	**223.21**	**223.21**	**223.21**	
Basic/diluted earnings per share (in EUR)	**3.17**	**2.47**	**2.81**	**3.33**	**3.24**		**4.22**	**4.48**	**4.79**	**5.09**	**5.31**	**5.49**	**5.65**	**5.78**	
growth rate	-	-22.0%	13.9%	18.3%	-2.5%		29.9%	6.3%	6.8%	6.2%	4.3%	3.4%	2.9%	2.3%	
For information purposes															
Depreciation & Amortization	**239**	**257**	**287**	**287**	**449**		**361**	**388**	**414**	**448**	**467**	**483**	**491**	**496**	
EBITDA	**1,271**	**1,085**	**1,220**	**1,379**	**1,554**		**1,718**	**1,840**	**1,964**	**2,095**	**2,175**	**2,245**	**2,300**	**2,343**	
Gross Dividend	**159**	**159**	**159**	**159**	**159**		**227**	**223**	**223**	**223**	**223**	**223**	**223**	**223**	
in % of profit after tax	21.6%	27.5%	24.2%	20.6%	21.2%		23.7%	22.0%	20.6%	19.4%	18.6%	18.0%	17.5%	17.1%	
Dividend per share	**0.70**	**0.70**	**0.70**	**0.70**	**0.70**		**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	

Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

Appendix L

CAPEX and D&A of PPE

CAPEX and D&A PPE						CAGR	Forecast								CAGR
in EURm	2019	2020	2021	2022	2023	2019-2023	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2019-2031E
Revenue Total	7,653	7,025	7,627	8,799	9,447	5.41%	10,005	10,651	11,324	11,978	12,375	12,717	12,999	13,215	4.05%
growth rate	-	-8.2%	8.6%	15.4%	7.4%		5.9%	6.5%	6.3%	5.8%	3.3%	2.8%	2.2%	1.7%	
Check: PPE according to BS	*TRUE*	*TRUE*	*TRUE*	*TRUE*	*TRUE*		*TRUE*	*TRUE*	*TRUE*	*TRUE*	*TRUE*	*TRUE*	*TRUE*	*TRUE*	
PPE (at the end of the year)	1,619	1,630	1,845	2,201	2,541	11.93%	2,665	2,826	2,982	3,131	3,210	3,260	3,306	3,361	3.37%
in % of revenue	21.2%	23.2%	24.2%	25.0%	26.9%		26.6%	26.5%	26.3%	26.1%	25.9%	25.6%	25.4%	25.4%	
Change in %	-	2.0%	1.0%	0.8%	1.9%		-0.3%	-0.1%	-0.2%	-0.2%	-0.2%	-0.3%	-0.2%	0.0%	
Land, land rights, and buildings	732	668	712	752	1,124	*Average:*	1,243	1,366	1,463	1,644	1,735	1,809	1,823	1,827	*Average:*
in % of revenue	9.6%	9.5%	9.3%	8.5%	11.9%	9.8%	12.4%	12.8%	12.9%	13.7%	14.0%	14.2%	14.0%	13.8%	13.5%
Change in %	-	-0.1%	-0.2%	-0.8%	3.4%	0.6%	0.5%	0.4%	0.1%	0.8%	0.3%	0.2%	-0.2%	-0.2%	0.2%
Technical equipment and machinery	419	417	409	432	512	*Average:*	542	577	614	649	671	689	705	716	*Average:*
in % of revenue	5.5%	5.9%	5.4%	4.9%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%
Change in %	-	0.5%	-0.6%	-0.5%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Office and other equipment	215	202	196	213	273	*Average:*	271	289	307	325	336	345	353	359	*Average:*
in % of revenue	2.8%	2.9%	2.6%	2.4%	2.9%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%
Change in %	-	0.1%	-0.3%	-0.1%	0.5%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Advance payments and assets under constructioins	253	343	528	804	632	*Average:*	608	594	598	512	468	417	426	460	*Average:*
in % of revenue	3.3%	4.9%	6.9%	9.1%	6.7%	6.2%	6.1%	5.6%	5.3%	4.3%	3.8%	3.3%	3.3%	3.5%	4.4%
Change in %	-	1.6%	2.0%	2.2%	-2.4%	0.8%	-0.6%	-0.5%	-0.3%	-1.0%	-0.5%	-0.5%	0.0%	0.2%	-0.4%
D&A	209	223	252	246	251	4.68%	324	350	373	405	423	437	444	448	4.74%
in % of PPE	12.9%	13.7%	13.7%	11.2%	9.9%		12.2%	12.4%	12.5%	12.9%	13.2%	13.4%	13.4%	13.3%	
Change in %	-	0.8%	0.0%	-2.5%	-1.3%		2.3%	0.2%	0.1%	0.4%	0.2%	0.2%	0.0%	-0.1%	
Land, land rights, and buildings	74	76	90	90	90	*Average:*	134	148	158	178	188	196	197	198	*Average:*
in % of Land	10.1%	11.4%	12.6%	12.0%	8.0%	10.8%	10.8%	10.8%	10.8%	10.8%	10.8%	10.8%	10.8%	10.8%	10.8%
Change in %	-	1.3%	1.3%	-0.7%	-4.0%	-0.5%	2.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%
Technical equipment and machinery	62	71	86	71	81	*Average:*	92	98	104	111	114	117	120	122	*Average:*
in % of Tech.	14.8%	17.0%	21.0%	16.4%	15.8%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%
Change in %	-	2.2%	4.0%	-4.6%	-0.6%	0.3%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%
Office and other equipment	73	76	76	85	80	*Average:*	97	104	110	117	121	124	127	129	*Average:*
in % of Office	34.0%	37.6%	38.8%	39.9%	29.3%	35.9%	35.9%	35.9%	35.9%	35.9%	35.9%	35.9%	35.9%	35.9%	35.9%
Change in %	-	3.7%	1.2%	1.1%	-10.6%	-1.2%	6.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.8%
Advance payments and assets under constructioins	0	0	0	0	0		0	0	0	0	0	0	0	0	*Average:*
in % of Adv.	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Change in %	-	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CAPEX-Calculation	304	271	402	542	476	11.86%	448	511	529	553	502	487	490	503	1.67%
in % of D&A	145.5%	121.5%	159.5%	220.3%	189.6%		138.2%	146.1%	141.8%	136.6%	118.7%	111.6%	110.4%	112.2%	
Change in %	-	-23.9%	38.0%	60.8%	-30.7%		-51.4%	7.9%	-4.4%	-5.2%	-17.9%	-7.1%	-1.2%	1.9%	
Land, land rights, and buildings	38	9	21	12	48	*Average:*	253	271	256	358	279	269	211	201	*Average:*
in % of Land D&A	51.4%	11.8%	23.3%	13.3%	53.3%	30.6%	188.4%	183.1%	161.6%	201.4%	148.8%	137.5%	107.1%	101.9%	153.7%
Change in %	-	-39.5%	11.5%	-10.0%	40.0%	0.5%	135.1%	-5.3%	-21.5%	39.8%	-52.6%	-11.3%	-30.4%	-5.2%	6.1%
Technical equipment and machinery	67	37	27	39	32	*Average:*	123	133	141	146	136	136	135	134	*Average:*
in % of Tech D&A	108.1%	52.1%	31.4%	54.9%	39.5%	57.2%	132.9%	135.6%	134.9%	132.1%	118.8%	115.8%	112.7%	109.6%	124.1%
Change in %	-	-56.0%	-20.7%	23.5%	-15.4%	-17.1%	93.4%	2.8%	-0.7%	-2.8%	-13.2%	-3.1%	-3.1%	-3.1%	8.8%
Office and other equipment	57	43	47	50	65	*Average:*	96	121	129	134	131	133	134	135	*Average:*
in % of Office D&A	78.1%	56.6%	61.8%	58.8%	81.3%	67.3%	98.4%	116.9%	116.5%	115.2%	108.9%	107.5%	106.0%	104.5%	109.3%
Change in %	-	-21.5%	5.3%	-3.0%	22.4%	0.8%	17.2%	18.5%	-0.3%	-1.3%	-6.3%	-1.4%	-1.5%	-1.5%	2.9%
Advance payments and assets under constructioins	142	182	307	441	331		-24	-14	4	-85	-45	-51	9	34	
in % of Adv. D&A	-	-	-	-	-		-	-	-	-	-	-	-	-	
Change in %	-	-	-	-	-		-	-	-	-	-	-	-	-	

Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

Appendix M

CAPEX and D&A of IA

CAPEX and D&A IA						CAGR	Forecast								CAGR
in EURm	2019	2020	2021	2022	2023	2019-2023	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2019-2031E
Revenue Total	7,653	7,025	7,627	8,799	9,447	5.41%	10,005	10,651	11,324	11,978	12,375	12,717	12,999	13,215	4.05%
growth rate	-	-8.2%	8.6%	15.4%	7.4%		5.9%	6.5%	6.3%	5.8%	3.3%	2.8%	2.2%	1.7%	
Check: IA according to BS	*TRUE*	*TRUE*	*TRUE*	*TRUE*	*TRUE*		*TRUE*	*TRUE*	*TRUE*	*TRUE*	*TRUE*	*TRUE*	*TRUE*	*TRUE*	
IA (at the end of the year)	581	545	538	1,111	938	12.72%	938	948	959	969	975	981	985	989	0.76%
in % of revenue	7.6%	7.8%	7.1%	12.6%	9.9%		9.4%	8.9%	8.5%	8.1%	7.9%	7.7%	7.6%	7.5%	
Change in %	-	0.2%	-0.7%	5.6%	-2.7%		-0.6%	-0.5%	-0.4%	-0.4%	-0.2%	-0.2%	-0.1%	-0.1%	
Finite-lived intangible assets	**124**	**113**	**101**	**152**	**160**	*Average:*	**160**	**170**	**181**	**191**	**197**	**203**	**207**	**211**	*Average:*
in % of revenue	1.6%	1.6%	1.3%	1.7%	1.7%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%
Change in %	-	0.0%	-0.3%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Indefinite-lived intangible assets	**193**	**193**	**193**	**193**	**193**	*Average:*	**193**	**193**	**193**	**193**	**193**	**193**	**193**	**193**	*Average:*
in % of revenue	2.5%	2.7%	2.5%	2.2%	2.0%	2.4%	1.9%	1.8%	1.7%	1.6%	1.6%	1.5%	1.5%	1.5%	1.6%
Change in %	-	0.2%	-0.2%	-0.3%	-0.2%	-0.1%	-0.1%	-0.1%	-0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Goodwill	**264**	**239**	**244**	**766**	**585**	*Average:*	**585**	**585**	**585**	**585**	**585**	**585**	**585**	**585**	*Average:*
in % of revenue	3.4%	3.4%	3.2%	8.7%	6.2%	5.0%	5.8%	5.5%	5.2%	4.9%	4.7%	4.6%	4.5%	4.4%	5.0%
Change in %	-	0.0%	-0.2%	5.5%	-2.5%	0.7%	-0.3%	-0.4%	-0.3%	-0.3%	-0.2%	-0.1%	-0.1%	-0.1%	-0.2%
D&A	30	34	35	41	198	60.28%	36	39	41	43	45	46	47	48	4.05%
in % of IA	5.2%	6.2%	6.5%	3.7%	21.1%		3.9%	4.1%	4.3%	4.5%	4.6%	4.7%	4.8%	4.8%	
Change in %	-	1.1%	0.3%	-2.8%	17.4%		-17.2%	0.2%	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	
Finite-lived intangible assets	**27**	**24**	**26**	**33**	**37**	*Average:*	**36**	**39**	**41**	**43**	**45**	**46**	**47**	**48**	*Average:*
in % of Finite IA	21.8%	21.2%	25.7%	21.7%	23.1%	22.7%	22.7%	22.7%	22.7%	22.7%	22.7%	22.7%	22.7%	22.7%	22.7%
Change in %	-	-0.5%	4.5%	-4.0%	1.4%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Indefinite-lived intangible assets	**0**	**0**	**0**	**0**	**0**		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	
in % of Indefinite IA	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Change in %	-	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Goodwill	**3**	**10**	**9**	**8**	**161**	*Average:*	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	*Average:*
in % of Goodwill	1.1%	4.2%	3.7%	1.0%	27.5%	7.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Change in %	-	3.0%	-0.5%	-2.6%	26.5%	6.6%	-27.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-3.4%
CAPEX-Calculation	18	9	11	504	41	22.85%	36	49	52	54	51	52	52	51	5.26%
in % of D&A	60.0%	26.5%	31.4%	1229.3%	20.7%		98.8%	126.7%	126.2%	124.0%	114.1%	111.8%	109.5%	107.2%	
Change in %	-	-33.5%	5.0%	1197.8%	-1208.6%		78.1%	27.9%	-0.5%	-2.1%	-9.9%	-2.3%	-2.3%	-2.3%	
Finite-lived intangible assets	**16**	**9**	**11**	**5**	**41**	*Average:*	**36**	**49**	**52**	**54**	**51**	**52**	**52**	**51**	*Average:*
in % of Finite D&A	59.3%	37.5%	42.3%	15.2%	110.8%	53.0%	98.8%	126.7%	126.2%	124.0%	114.1%	111.8%	109.5%	107.2%	114.8%
Change in %	-	-21.8%	4.8%	-27.2%	95.7%	12.9%	-12.0%	27.9%	-0.5%	-2.1%	-9.9%	-2.3%	-2.3%	-2.3%	-0.5%
Indefinite-lived intangible assets	**0**	**0**	**0**	**0**	**0**		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	
in % of Indefinite D&A	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	200.0%	300.0%	
Change in %	-	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%	100.0%	
Goodwill	**2**	**0**	**0**	**499**	**0**		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	
in % of Goodwill D&A	66.7%	0.0%	0.0%	6237.5%	0.0%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Change in %	-	-66.7%	0.0%	6237.5%	-6237.5%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	

Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

Appendix N

Historical and Forecasted Trade Working Capital

	Historical						CAGR	Forecast								CAGR
in EURm	2019	2020	2021	2022	2023		2019-2023	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2024E-2028E
TWC	794	603	477	737	878		2.55%	769	785	820	864	893	920	944	963	3.79%
growth rate	-	-24.1%	-20.9%	54.5%	19.1%			-12.4%	2.0%	4.5%	5.3%	3.4%	3.1%	2.6%	2.0%	
Cash conversion cycle	-5	-14	-30	-11	-3	*Average last 3 years:*	-15	-19	-21	-22	-23	-23	-23	-22	-22	-22
Trade receivables	1,442	1,244	1,306	1,508	1,598		2.60%	1,694	1,797	1,906	2,015	2,080	2,137	2,185	2,221	5.27%
growth rate	-	-13.7%	5.0%	15.5%	6.0%			6.0%	6.1%	6.1%	5.7%	3.3%	2.7%	2.2%	1.7%	
DSO (Days Sales Outstanding) -	69	65	63	63	62	*Average last 3 years:*	62	62	62	61	61	61	61	61	61	61
growth rate	-	-6.0%	-3.3%	0.1%	-1.3%		-1.5%	-0.8%	-0.4%	-0.2%	-0.1%	0.0%	0.0%	0.0%	0.0%	-0.1%
Inventories	1,012	1,001	1,144	1,557	1,514		10.60%	1,534	1,591	1,668	1,751	1,800	1,844	1,880	1,908	4.09%
growth rate	-	-1.1%	14.3%	36.1%	-2.8%			1.3%	3.7%	4.9%	5.0%	2.8%	2.4%	2.0%	1.4%	
DIO (Days Inventories	115	122	128	148	137	*Average last 3 years:*	138	133	130	128	128	127	127	127	127	128
growth rate	-	6.8%	4.4%	15.7%	-7.3%		4.3%	-3.2%	-2.4%	-1.2%	-0.6%	-0.3%	-0.1%	-0.1%	0.0%	-0.7%
Accounts Payable	1,660	1,642	1,973	2,328	2,234		7.71%	2,458	2,602	2,754	2,902	2,988	3,062	3,121	3,165	5.00%
growth rate	-	-1.1%	20.2%	18.0%	-4.0%			10.0%	5.9%	5.8%	5.4%	3.0%	2.5%	1.9%	1.4%	
DPO (Days Payables Outstanding) -COGS	188	201	220	221	202	*Average last 3 years:*	215	214	213	212	212	211	211	211	211	212
growth rate	-	6.8%	9.7%	0.3%	-8.5%		0.5%	-0.5%	-0.4%	-0.3%	-0.2%	-0.2%	-0.1%	-0.1%	-0.1%	-0.2%

Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

Appendix O

Historical and Forecasted WC

	Historical						CAGR	Forecast								CAGR
in EURm	2019	2020	2021	2022	2023		2019-2023	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2024E-2028E
Trade Working	794	603	477	737	878		2.55%	769	785	820	864	893	920	944	963	3.79%
Other current assets	155	140	198	239	253		13.03%	240	256	272	288	297	305	312	317	
in % of Revenue	2.0%	2.0%	2.6%	2.7%	2.7%	*Average:*	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	
Income tax	140	169	207	205	227		12.84%	234	249	265	280	289	297	304	309	
in % of Revenue	1.8%	2.4%	2.7%	2.3%	2.4%	*Average:*	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	
Deffered tax assets	276	289	292	258	304		2.45%	395	420	448	476	497	514	529	541	
in % of EBT	26.6%	35.2%	32.2%	23.5%	27.5%	*Average:*	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	
Other current	491	504	582	614	629		6.39%	698	743	789	835	863	887	906	921	
in % of Revenue	6.4%	7.2%	7.6%	7.0%	6.7%	*Average:*	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	
Income tax liabilities	163	156	160	183	152		-1.73%	203	216	230	243	251	258	264	268	
in % of Revenue	2.1%	2.2%	2.1%	2.1%	1.6%	*Average:*	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Other current	111	89	109	111	156		8.88%	141	150	160	169	175	180	184	187	
in % of Revenue	1.5%	1.3%	1.4%	1.3%	1.7%	*Average:*	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	
Deffered tax liabilities	16	13	38	137	133		69.80%	125	132	141	150	157	162	167	171	
in % of EBT	2.2%	2.3%	5.8%	17.8%	17.8%	*Average:*	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	
WC	584	439	285	394	592		0.34%	472	468	485	510	531	550	568	584	2.97%
in % of Revenue	7.6%	6.2%	3.7%	4.5%	6.3%	*Average:*	5.7%	4.7%	4.4%	4.3%	4.3%	4.3%	4.3%	4.4%	4.4%	

Source: Own analysis

Appendix P

Historical and Forecasted Balance Sheet

Beiersdorf AG - Balance Sheet						CAGR	Forecast								CAGR
in EURm	**2019**	**2020**	**2021**	**2022**	**2023**	**2019-2023**	**2024E**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2024E-2031E**
Assets															
Non-current assets	**5,308**	**5,929**	**6,668**	**6,806**	**6,517**	**5.26%**	**6,731**	**6,928**	**7,123**	**7,310**	**7,416**	**7,489**	**7,554**	**7,625**	**1.80%**
Intangible assets	581	545	538	1,111	938		938	948	959	969	975	981	985	989	
Property, plant, and equipment	1,619	1,630	1,845	2,201	2,541		2,665	2,826	2,982	3,131	3,210	3,260	3,306	3,361	
Non-current securities	2,795	3,415	3,937	3,184	2,675		2,675	2,675	2,675	2,675	2,675	2,675	2,675	2,675	
Other non-current assets	37	50	56	52	59		59	59	59	59	59	59	59	59	
Deferred tax asstes	276	289	292	258	304		395	420	448	476	497	514	529	541	
Current assets	**4,746**	**4,276**	**4,631**	**5,542**	**6,112**	**6.53%**	**6,428**	**7,242**	**8,139**	**9,104**	**10,100**	**11,149**	**12,217**	**13,285**	**10.93%**
Inventories	1,012	1,001	1,144	1,557	1,514		1,534	1,591	1,668	1,751	1,800	1,844	1,880	1,908	
Trade receivables	1,442	1,244	1,306	1,508	1,598		1,694	1,797	1,906	2,015	2,080	2,137	2,185	2,221	
Other current financial assets	82	70	124	147	159		159	159	159	159	159	159	159	159	
Income tax receivables	140	169	207	205	227		234	249	265	280	289	297	304	309	
Other current assets	155	140	198	239	253		240	256	272	288	297	305	312	317	
Current securities	770	647	616	771	1,227		1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227	
Cash and cash equivalents	1,145	1,005	1,036	1,080	1,133		1,340	1,964	2,641	3,384	4,247	5,179	6,151	7,145	
Non-current assets and disposal groups held for sale	-	-	-	35	1		-	-	-	-	-	-	-	-	
Total assets	**10,054**	**10,205**	**11,299**	**12,348**	**12,629**		**13,159**	**14,170**	**15,261**	**16,413**	**17,516**	**18,637**	**19,772**	**20,910**	
	TRUE	*TRUE*	*TRUE*	*TRUE*	*TRUE*		*TRUE*	*TRUE*	*TRUE*	*TRUE*	*TRUE*	*TRUE*	*TRUE*	*TRUE*	

Beiersdorf AG - Balance Sheet						CAGR	Forecast								CAGR
in EURm	**2019**	**2020**	**2021**	**2022**	**2023**	**2019-2023**	**2024E**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**2030E**	**2031E**	**2024E-2031E**
Equities & liabilities															
Equity	**6,093**	**6,263**	**6,894**	**7,805**	**8,339**	**8.16%**	**8,553**	**9,331**	**10,176**	**11,088**	**12,050**	**13,051**	**14,088**	**15,155**	**8.51%**
Shareholder equity	**6,066**	**6,239**	**6,871**	**7,785**	**8,322**		**8,536**	**9,314**	**10,159**	**11,071**	**12,033**	**13,034**	**14,071**	**15,138**	
Share capital	252	252	252	252	252		248	248	248	248	248	248	248	248	
Additional paid-in capital	47	47	47	47	47		47	47	47	47	47	47	47	47	
Retained earnings	5,944	6,283	6,879	7,725	8,315		8,533	9,311	10,156	11,068	12,030	13,031	14,068	15,135	
Accumulated other comprehensive income	-177	-343	-307	-239	-292		-292	-292	-292	-292	-292	-292	-292	-292	
Non-controlling interests	**27**	**24**	**23**	**20**	**17**		**17**	**17**	**17**	**17**	**17**	**17**	**17**	**17**	
Liabilities	**3,961**	**3,942**	**4,405**	**4,543**	**4,290**	**2.01%**	**4,606**	**4,839**	**5,085**	**5,325**	**5,466**	**5,586**	**5,683**	**5,756**	**3.24%**
Non-current liabilities	**1,124**	**1,193**	**1,080**	**782**	**786**		**773**	**795**	**819**	**843**	**856**	**867**	**876**	**882**	
Provisions for pensions and other post-	878	972	808	382	350		345	340	334	329	325	320	315	310	
Other non-current provisions	109	118	127	146	150		160	171	182	192	198	204	208	212	
Non-current financial liabilities	119	88	106	117	153		143	152	162	171	177	182	186	189	
Other non-current liabilities	2	2	1	-	-										
Deferred tax liabilities	16	13	38	137	133		125	132	141	150	157	162	167	171	
Current liabilities	**2,837**	**2,749**	**3,325**	**3,761**	**3,504**		**3,833**	**4,044**	**4,266**	**4,482**	**4,609**	**4,719**	**4,807**	**4,874**	
Other current provisions	491	504	582	614	629		698	743	789	835	863	887	906	921	
Income tax liabilities	163	156	160	183	152		203	216	230	243	251	258	264	268	
Trade payables	1,660	1,642	1,973	2,328	2,234		2,458	2,602	2,754	2,902	2,988	3,062	3,121	3,165	
Other current financial liabilities	412	358	501	525	333		333	333	333	333	333	333	333	333	
Other current liabilities	111	89	109	111	156		141	150	160	169	175	180	184	187	
Total equity & liabilities	**10,054**	**10,205**	**11,299**	**12,348**	**12,629**		**13,159**	**14,170**	**15,261**	**16,413**	**17,516**	**18,637**	**19,772**	**20,910**	
	TRUE	*TRUE*	*TRUE*	*TRUE*	*TRUE*		*TRUE*	*TRUE*	*TRUE*	*TRUE*	*TRUE*	*TRUE*	*TRUE*	*TRUE*	

Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

Appendix Q

Historical and Forecasted Cash Flow Statement

Beiersdorf AG - Cash Flow Statement		Forecast							
in EURm	2023	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E
EBIT	**1,105**	**1,357**	**1,451**	**1,550**	**1,646**	**1,708**	**1,762**	**1,809**	**1,847**
Income taxes paid	-464	-404	-430	-460	-489	-511	-530	-546	-560
Depreciation and amortization	449	361	388	414	448	467	483	491	496
Gain/loss on disposal of property, plant, and equipment, and intangible assets	-6								
Change in non-current provisions	-27	5	5	6	5	1	1	0	-1
Gross cash flow	**1,057**	**1,319**	**1,415**	**1,510**	**1,611**	**1,665**	**1,716**	**1,754**	**1,782**
Change in inventories	43	-20	-57	-77	-83	-50	-44	-36	-27
Change in receivabels and other assets	-108	-181	-158	-170	-167	-105	-90	-75	-59
Change in liabilities and current provisions	-51	320	219	231	225	134	115	93	71
Change in Working Capital	-116	120	4	-17	-25	-21	-20	-18	-15
Net cash flow from operating activities	**941**	**1,439**	**1,419**	**1,493**	**1,586**	**1,645**	**1,697**	**1,736**	**1,767**
Investments in assets	-1,031	-484	-560	-581	-607	-553	-539	-541	-555
Proceeds from the sale of assets	615	1							
Interest received	51	36	28	28	28	38	42	47	52
Proceeds from dividens and other financing activitie	24								
Net cash flow from investing activities	**-341**	**-447**	**-532**	**-553**	**-579**	**-515**	**-497**	**-495**	**-502**
Free cash flow	**600**	**992**	**887**	**940**	**1,006**	**1,129**	**1,200**	**1,241**	**1,264**
Borrowing/repayment of debt	-252	-10	9	10	9	6	5	4	3
Interest paid	-19	-32	-32	-33	-33	-33	-34	-34	-34
Cash dividends paid	-159	-227	-223	-223	-223	-223	-223	-223	-223
Cash dividends paid (non controlling interest)	-13	-16	-16	-16	-16	-16	-16	-16	-16
Other effects of financing activities	-49								
Payment for the acquistion of own shares	0	-500							
Net cash flow from financing activities	**-492**	**-785**	**-263**	**-263**	**-263**	**-267**	**-268**	**-269**	**-270**
Effect of exchange rate fluctuations and other changes on cash held	-55								
Net change in cash and cash equivalents	**53**	**207**	**624**	**677**	**743**	**862**	**932**	**972**	**994**

Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

Appendix R

Synthetic spread table

Interest coverage ratio and spread			
>	<= to	Rating is	Spread is
-100000	0.199999	D2/D	20%
0.2	0.649999	C2/C	17%
0.65	0.799999	Ca2/CC	11.78%
0.8	1.249999	Caa/CCC	8.51%
1.25	1.499999	B3/B-	5.24%
1.5	1.749999	B2/B	3.61%
1.75	1.999999	B1/B+	3.14%
2	2.249999	Ba2/BB	2.21%
2.25	2.499999	Ba1/BB+	1.74%
2.5	2.999999	Baa2/BBB	1.47%
3	4.249999	A3/A-	1.21%
4.25	5.499999	A2/A	1.07%
5.5	6.499999	A1/A+	0.92%
6.5	8.499999	Aa2/AA	0.70%
8.5	100000	Aaa/AAA	0.59%

Source: Damodaran (2024)

Appendix S

Scenario Model Assumptions

Switches			Worst Case	Base Case	Best Case
Business Case	Base Case	Revenue growth (YoY)	-0.5 p.p.	-	+0.5p.p.
		COGS (% Revenue)	+1 p.p.	-	-1p.p.
		Operating Expenses (% Revenue)	+1 p.p.	-	-1p.p.
		Financial result (% Revenue)	-0.01p.p	-	+0.01p.p
		CAPEX (% Revenue)	+0,5p.p	-	-0,5p.p
		stable growth rate	-0.4p.p	-	+0.4p.p

in EURm	2025E	2026E	2027E	2028E	2029E	2030E	2031E
Revenue total	**10,651**	**11,324**	**11,978**	**12,375**	**12,717**	**12,999**	**13,215**
Worst Case	5.96%	5.82%	5.28%	2.81%	2.26%	1.71%	1.16%
Base Case	6.46%	6.32%	5.78%	3.31%	2.76%	2.21%	1.66%
Best Case	6.96%	6.82%	6.28%	3.81%	3.26%	2.71%	2.16%
COGS	**4,466**	**4,740**	**5,005**	**5,162**	**5,296**	**5,404**	**5,484**
Worst Case	42.93%	42.86%	42.79%	42.71%	42.64%	42.57%	42.50%
Base Case	41.93%	41.86%	41.79%	41.71%	41.64%	41.57%	41.50%
Best Case	40.93%	40.86%	40.79%	40.71%	40.64%	40.57%	40.50%
Operating expense	**4,734**	**5,035**	**5,327**	**5,505**	**5,659**	**5,786**	**5,884**
Worst Case	45.45%	45.46%	45.47%	45.49%	45.50%	45.51%	45.52%
Base Case	44.45%	44.46%	44.47%	44.49%	44.50%	44.51%	44.52%
Best Case	43.45%	43.46%	43.47%	43.49%	43.50%	43.51%	43.52%
Financial result	**-4.45**	**-4.87**	**-5.27**	**4.11**	**8.41**	**13.13**	**18.37**
Worst Case	-0.05%	-0.05%	-0.05%	0.02%	0.06%	0.09%	0.13%
Base Case	-0.04%	-0.04%	-0.04%	0.03%	0.07%	0.10%	0.14%
Best Case	-0.03%	-0.03%	-0.03%	0.04%	0.08%	0.11%	0.15%
Income taxes	**430**	**460**	**489**	**511**	**530**	**546**	**560**
Worst Case	29.73%	29.77%	29.82%	29.86%	29.91%	29.95%	30.00%
Base Case	29.73%	29.77%	29.82%	29.86%	29.91%	29.95%	30.00%
Best Case	29.73%	29.77%	29.82%	29.86%	29.91%	29.95%	30.00%
CAPEX	**560**	**581**	**607**	**553**	**539**	**541**	**555**
Worst Case	5.76%	5.63%	5.57%	4.97%	4.74%	4.67%	4.70%
Base Case	5.26%	5.13%	5.07%	4.47%	4.24%	4.17%	4.20%
Best Case	4.76%	4.63%	4.57%	3.97%	3.74%	3.67%	3.70%
D&A	**388**	**414**	**448**	**467**	**483**	**491**	**496**
Worst Case	69.34%	71.31%	73.86%	84.56%	89.61%	90.66%	89.48%
Base Case	69.34%	71.31%	73.86%	84.56%	89.61%	90.66%	89.48%
Best Case	69.34%	71.31%	73.86%	84.56%	89.61%	90.66%	89.48%
TV							**26,984**
Worst Case							1.26%
Base Case							1.66%
Best Case							2.06%

Source: Own analysis

Appendix T

Scenario Model Results

	Worst Case							Base Case							Best Case						
in EURm	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2025E	2026E	2027E	2028E	2029E	2030E	2031E
Revenue total	**10,601**	**11,218**	**11,810**	**12,142**	**12,417**	**12,630**	**12,776**	**10,651**	**11,324**	**11,978**	**12,375**	**12,717**	**12,999**	**13,215**	**10,701**	**11,431**	**12,148**	**12,612**	**13,023**	**13,377**	**13,666**
COGS	(4,551)	(4,808)	(5,053)	(5,187)	(5,295)	(5,377)	(5,430)	(4,466)	(4,740)	(5,005)	(5,162)	(5,296)	(5,404)	(5,484)	(4,380)	(4,670)	(4,955)	(5,135)	(5,293)	(5,427)	(5,535)
Gross profit	**6,050**	**6,410**	**6,757**	**6,956**	**7,122**	**7,253**	**7,346**	**6,185**	**6,584**	**6,973**	**7,213**	**7,422**	**7,595**	**7,730**	**6,322**	**6,761**	**7,194**	**7,477**	**7,730**	**7,950**	**8,131**
Operating expense	(4,818)	(5,100)	(5,370)	(5,523)	(5,650)	(5,748)	(5,816)	(4,734)	(5,035)	(5,327)	(5,505)	(5,659)	(5,786)	(5,884)	(4,649)	(4,968)	(5,281)	(5,484)	(5,665)	(5,820)	(5,948)
Operating result (EBIT)	**1,232**	**1,311**	**1,387**	**1,433**	**1,473**	**1,505**	**1,530**	**1,451**	**1,550**	**1,646**	**1,708**	**1,762**	**1,809**	**1,847**	**1,672**	**1,793**	**1,912**	**1,993**	**2,065**	**2,129**	**2,183**
Financial result	(5)	(6)	(6)	3	7	11	16	(4)	(5)	(5)	4	8	13	18	(3)	(4)	(4)	5	10	15	20
Profit before tax	**1,227**	**1,305**	**1,380**	**1,436**	**1,479**	**1,517**	**1,546**	**1,447**	**1,545**	**1,641**	**1,712**	**1,771**	**1,822**	**1,865**	**1,669**	**1,789**	**1,908**	**1,998**	**2,075**	**2,144**	**2,203**
Income taxes	(365)	(388)	(412)	(429)	(442)	(454)	(464)	(430)	(460)	(489)	(511)	(530)	(546)	(560)	(496)	(533)	(569)	(597)	(621)	(642)	(661)
Profit after tax	**862**	**916**	**969**	**1,007**	**1,037**	**1,062**	**1,083**	**1,017**	**1,085**	**1,152**	**1,201**	**1,241**	**1,276**	**1,306**	**1,173**	**1,256**	**1,339**	**1,401**	**1,455**	**1,502**	**1,542**
KPIs in % of revenue																					
Gross profit	*57.1%*	*57.1%*	*57.2%*	*57.3%*	*57.4%*	*57.4%*	*57.5%*	*58.1%*	*58.1%*	*58.2%*	*58.3%*	*58.4%*	*58.4%*	*58.5%*	*59.1%*	*59.1%*	*59.2%*	*59.3%*	*59.4%*	*59.4%*	*59.5%*
Operating result (EBIT)	*11.6%*	*11.7%*	*11.7%*	*11.8%*	*11.9%*	*11.9%*	*12.0%*	*13.6%*	*13.7%*	*13.7%*	*13.8%*	*13.9%*	*13.9%*	*14.0%*	*15.6%*	*15.7%*	*15.7%*	*15.8%*	*15.9%*	*15.9%*	*16.0%*
Profit before tax	*11.6%*	*11.6%*	*11.7%*	*11.8%*	*11.9%*	*12.0%*	*12.1%*	*13.6%*	*13.6%*	*13.7%*	*13.8%*	*13.9%*	*14.0%*	*14.1%*	*15.6%*	*15.7%*	*15.7%*	*15.8%*	*15.9%*	*16.0%*	*16.1%*
Profit after tax	*8.1%*	*8.2%*	*8.2%*	*8.3%*	*8.4%*	*8.4%*	*8.5%*	*9.5%*	*9.6%*	*9.6%*	*9.7%*	*9.8%*	*9.8%*	*9.9%*	*11.0%*	*11.0%*	*11.0%*	*11.1%*	*11.2%*	*11.2%*	*11.3%*

Source: Own analysis

Appendix U

Valuation results comparable companies

U.1: Valuation results comparable companies (estimated values)

Beiersdorf AG - relative valuation (estimated values)														
Company	Ticker	Primary Industry	Current Share Price 30.10.24	Current EV	Revenue (in mio)			EBITDA (in mio)			EBIT (in mio)			EPS
					2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E	2024E
Beiersdorf AG	**BEIG.DE**	**Personal Products**	**124.0**	**24,479**	**10,005**	**10,651**	**11,324**	**1,718**	**1,840**	**1,964**	**1,357**	**1,451**	**1,550**	**4.22**
Comparable Companies: Consumer														
Henkel AG & Co. KGaA	HNKG_p.DE	Household Products	79.58	32,746	21,755	22,381	23,035	3,859	4,062	4,190	3,044	3,236	3,351	5.36
Colgate-Palmolive CO	CL	Personal Products	94.66	86,743	20,186	20,943	21,875	5,005	5,314	5,685	4,377	4,661	5,000	3.59
L'Oreal SA	OREP.PA	Personal Products	348.70	197,635	43,919	46,683	49,793	10,384	11,197	11,980	8,761	9,479	10,255	12.64
Unilever PLC	UL	Personal Products	61.60	183,856	66,602	69,063	70,810	14,206	15,197	15,355	12,238	13,142	13,662	3.14
Estee Lauder Companies Inc.	EL	Personal Products	87.15	43,128	15,684	16,534	17,613	2,599	3,158	3,496	1,779	2,271	2,644	2.94
Shiseido Co Ltd	4911.T	Personal Products	3,383.00	1,409,975	1,033,167	1,090,741	1,145,963	123,659	164,150	178,580				39.97
Coty Inc	COTY.K	Personal Products	7.64	11,617	6,458	6,855	7,250	1,205	1,300	1,407	934	1,018	1,040	0.56
Comparable Companies: Adhesive														
Henkel AG & Co. KGaA	HNKG_p.DE	Household Products	79.58	32,746	21,755	22,381	23,035	3,859	4,062	4,190	3,044	3,236	3,351	5.36
Avery Dennison Corp	AVY	Non-Paper Containers & Packaging	207.76	20,373	8,791	9,247	9,743	1,443	1,554	1,676	1,131	1,240	1,355	9.45
H.B. Fuller Company	FUL.N	Specialty Chemicals	74.58	6,128	3,623	3,805	3,986	631	681	724	459	504	546	4.37
Arkema SA	AKE.PA	Commodity Chemicals	79.55	9,200	9,632	10,229	10,661	1,573	1,729	1,829	913	1,019	1,094	8.91

Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

U.2: Valuation results comparable companies (estimated multiples)

Beiersdorf AG - relative valuation (estimated multiples)													
Company	Ticker	Primary Industry	EV/Revenue			EV/EBITDA			EV/EBIT			P/E
			2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E	2024E
Beiersdorf AG	**BEIG.DE**	**Personal Products**	**2.45**	**2.30**	**2.16**	**14.25**	**13.31**	**12.47**	**18.03**	**16.87**	**15.80**	**29.41**
Comparable Companies: Consumer												
Henkel AG & Co. KGaA	HNKG_p.DE	Household Products	1.51	1.46	1.42	8.49	8.06	7.82	10.76	10.12	9.77	14.85
Colgate			4.30	4.14	3.97	17.33	16.32	15.26	19.82	18.61	17.35	31.20
L'Oreal SA	OREP.PA	Personal Products	4.50	4.23	3.97	19.03	17.65	16.50	22.56	20.85	19.27	27.59
Unilever PLC	UL	Personal Products	2.76	2.66	2.60	12.94	12.10	11.97	15.02	13.99	13.46	19.59
Estee Lauder Companies Inc.	EL	Personal Products	2.75	2.61	2.45	16.59	13.66	12.34	24.24	18.99	16.31	29.60
Shiseido Co Ltd	4911.T	Personal Products	1.36	1.29	1.23	11.40	8.59	7.90				84.65
Coty Inc	COTY.K	Personal Products	1.80	1.69	1.60	9.64	8.94	8.26	12.43	11.42	11.17	13.63
Maximum			4.50	4.23	3.97	19.03	17.65	16.50	24.24	20.85	19.27	84.65
75th Percentile			3.53	3.40	3.28	16.96	14.99	13.80	21.87	18.90	17.09	30.40
Median			**2.75**	**2.61**	**2.45**	**12.94**	**12.10**	**11.97**	**17.42**	**16.30**	**14.89**	**27.59**
25th Percentile			1.65	1.58	1.51	10.52	8.76	8.08	13.08	12.06	11.74	17.22
Minimum			1.36	1.29	1.23	8.49	8.06	7.82	10.76	10.12	9.77	13.63
Comparable Companies: Adhesive												
Henkel AG & Co. KGaA	HNKG_p.DE	Household Products	1.51	1.46	1.42	8.49	8.06	7.82	10.76	10.12	9.77	14.85
Avery Dennison Corp	AVY	Non-Paper Containers & Packaging	2.32	2.20	2.09	14.12	13.11	12.15	18.01	16.43	15.03	14.85
H.B. Fuller Company	FUL.N	Specialty Chemicals	1.69	1.61	1.54	9.71	9.00	8.47	13.36	12.16	11.23	21.99
Arkema SA	AKE.PA	Commodity Chemicals	0.96	0.90	0.86	5.85	5.32	5.03	10.08	9.03	8.41	17.06
Maximum			2.32	2.20	2.09	14.12	13.11	12.15	18.01	16.43	15.03	21.99
75th Percentile			1.85	1.76	1.68	10.81	10.03	9.39	14.52	13.23	12.18	18.30
Median			**1.60**	**1.54**	**1.48**	**9.10**	**8.53**	**8.14**	**12.06**	**11.14**	**10.50**	**15.96**
25th Percentile			1.37	1.32	1.28	7.83	7.38	7.12	10.59	9.85	9.43	14.85
Minimum			0.96	0.90	0.86	5.85	5.32	5.03	10.08	9.03	8.41	14.85

Source: https://www.lseg.com/en/data-analytics/products/workspace, own analysis

Appendix V

Valuation results historical transactions

Announced Date	Target Company	Target Description	Target Country/Territory	Bidder Company	Bidder HQ	EV/Revenue	EV/EBIT	EV/EBITDA	P/E	Deal Value EUR(m)
05/08/2024	Galderma Group AG (10% Stake)	Pharmaceutical company with focus on the field of dermatology.	Switzerland	L'Oreal SA	France	5.0	34.3	24.7	n/a	1,715
14/06/2024	Fancl Corp (67.32% Stake)	Manufacturer and seller of cosmetics, medicine and health food.	Japan	Kirin Holdings Company, Ltd.	Japan	2.8	24.7	18.7	38.5	1,363
30/04/2024	Godrej Consumer Products Ltd - GCPL (51.16% Stake)	Group of fast moving consumer goods companies sepcializing in household and personal care products, including soap, toiletries, hair care, household and fabric care and baby care products.	India	Godrej Family	India	8.9	44.4	40.9	n/a	7,250
29/04/2024	L'Occitane International SA (27.62% Stake)	Manufacturer of toiletries and cosmetics.	Switzerland,Luxembourg	L'Occitane Groupe SA	Switzerland	2.9	20.2	13.8	68.7	1,657
26/04/2024	KIKO SpA (100% Stake)	Manufacturer and retailer of cosmetic products, retailing both online & in-store.	Italy	Catterton Management Co LLC	USA	1.8	n/a	n/a	n/a	1,400
03/04/2024	Best World International Limited (34.88% Stake)	Singapore-based company engaged in developing and marketing of skincare, personal care, nutritional, and wellness products	Singapore	Best World International Limited	Singapore	1.0	3.2	3.0	9.0	264
15/12/2023	Vinda International Holdings Ltd (92.3% Stake)	Manufacturer of consumer tissue paper and personal care products.	Cayman Islands,Hong Kong (China)	Asia Pacific Resources International Holdings Ltd; Royal Golden Eagle Pte Ltd	Singapore	1.7	126.4	21.6	149.6	3,614
Maximum						8.9	126.4	40.9	149.6	7,249.6
75th Percentile						3.9	41.9	23.9	88.9	2,664.4
Median						**2.8**	**29.5**	**20.1**	**53.6**	**1,657.3**
25the Percentile						1.7	21.3	15.1	31.1	1,381.5
Minimum						1.0	3.2	3.0	9.0	263.6
Beiersdorf AG						**10,005**	**1,357**	**1,718**	**4.22**	
Implied EV						27,916	39,998	34,564		
Net cash/(debt)						4,595	4,595	4,595		
Implied EQV						32,511	44,594	39,160		
Implied share price						**145.65**	**199.78**	**175.44**	**226**	
Premium/(discount) to current Price						17.5%	61.1%	41.5%	82.4%	

Source: Mergermarket (2024), own analysis

Appendix W

Analyst Recommendations

Source: https://www.lseg.com/en/data-analytics/products/workspace

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