

## Hold

PT: €60.00

## Key data

Ticker	SMHN GY
Price (16 January 2025)	€40.95
Upside to Price Target (%)	46.5
Market Cap (m)	€783.0
Free Float (%)	100.0
Daily Value Traded (m)	1.0
No. of Shares (m)	19.12
1mth perf (%)	(18.3)
3mth perf (%)	(34.7)
12mth perf (%)	49.2
12mth high-low (€)	71 - 27

## Key financials

(In EUR M)

Year to Dec	2023A	2024E	2025E
Group revenue	304	404	415
EBITDA (rep.)	34.7	72.5	75.8
EBIT (rep.)	27.8	64.4	65.5
EPS (adj.)	0.25	2.48	2.46
EPS (cons.)	0.25	2.30	2.75
DPS	0.16	0.28	0.28
Net debt/(cash)	(32)	(112)	(174)
ROCE (NOPAT) (%)	8.7	20.8	23.0
EPS (adj.) y/y (%)	(80.7)	905.8	(1.1)
Net debt/EBITDA	(0.9)	(1.5)	(2.3)
EV/Sales	2.5	1.7	1.5
EV/EBITDA (adj.)	21.8	9.3	8.1
EV/EBIT (adj.)	27.1	10.5	9.4
P/E (adj.)	166	16.5	16.7
Dividend yield (%)	0.4	0.7	0.7
Free CF yield (%)	1.0	10.3	7.9
EV/CE	3.9	3.1	3.0

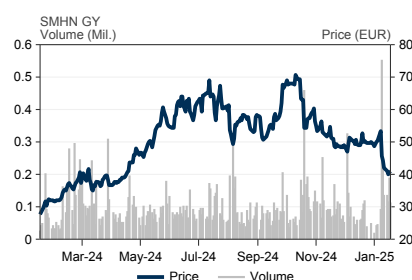
Prices are as of close 16 January 2025

Completed: 16 January 2025 20:28EST

Disseminated: 17 January 2025 01:00EST

All sources unless otherwise stated: Company data, FactSet, Stifel estimates

## Share price performance (indexed)



## Preliminary Results Top Expectations in Seasonally Strong Q4-24

## Summary

- **Q4-24 preliminaries revealed sales of ~€150m (+47% Y/Y), which were significantly ahead of consensus expectations that approximated €110m. The company also managed a beat on EBIT, posting a margin of ~17.5%.**
- **We highlight the fact that Suss' orders also grew and reached ~€147m in Q4-24; in our view, the stock usually trades on orders. This has also been the pain point in the past quarters, when order intake was lower than €100m. Consensus was for orders of €93m, so this is also a strong beat.**
- **In summary, these results are very impressive. It shows what the company is able to deliver at current capacity, which was significantly above our expectations. The results also show that the EBIT margin follows increased revenues and that margins closer to 20% are indeed possible.**

## Key Points

Table 1 - Cons. estimates vs actuals

€m	Q4E	Q4 rep.	Delta
<b>Orders</b>	<b>93.4</b>	<b>147.00</b>	<b>57.4%</b>
growth y-o-y	-32.9%	5.6%	3849bp
<b>Revenue</b>	<b>109.3</b>	<b>150.0</b>	<b>37.2%</b>
growth y-o-y	7.1%	47.0%	3990bp
<b>Gross profit</b>	<b>43.8</b>	<b>60.0</b>	<b>36.9%</b>
gross margin	40.1%	40.0%	-10bp
<b>EBIT</b>	<b>16.0</b>	<b>26.3</b>	<b>64.5%</b>
EBIT margin	14.6%	17.5%	290bp

Source: Refinitiv, Company reports

- **Orders with a strong comeback:** The market had worried (as did we) that order momentum would continue to slow for Suss, particularly due to weak Chinese demand. The €150m in quarterly sales is very impressive and shows strong underlying demand for the company's products. If one really wanted to find a hair in this very strong set of results, it would be that the book-to-bill ratio is still below 1. But in this case, we view that as irrelevant, as the sales were extraordinary.
- **Margins continue to improve and show where the company could be headed:** We also like the strong EBIT margin in Q4-24, which was quite high at 17.5%, while consensus had expected ~15%. We believe this is a preview of where the company may set its next midterm target: 20% EBIT margins. However, we don't expect Suss to come out with new midterm targets soon - we probably have to wait until H2.
- **What's next?** The next chapter for Suss could come with its publication of the annual report and the 2025 guidance, which the company did not publish with its preliminary Q4-24 results. The question remains for us, whether Suss will be able to grow on the really strong performance of 2024. If order intake and sales of Q4-24 are now the "new normal," we think it will. That said, the fourth quarter is usually quite strong for the company, so we are not convinced of growth in 2025, even though we concede that our 2025 numbers might seem too low to some investors, given the latest positive quarterly data.

Florian Sager | +41 (43) 888 6155 | florian.sager@stifel.com

Juergen Wagner | +49 (69) 78808 230 | juergen.wagner@stifel.com

Stifel does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision.

All relevant disclosures and certifications appear on pages 3 - 6 of this report.

## Key Information

### Target Price Methodology/Risks

We value SMHN using a DCF analysis, which yields a value of €60. We use a terminal growth rate of ~2%, a WACC of ~8%.

The semiconductor equipment markets served by SMHN are highly cyclical and demand trends depend on macroeconomic developments.

Risks include:

Lower demand for HBM capacity expansion in 2025, as the company has ridden the AI wave in 2024 and investors still expect growth in 2025. As important operators such as Samsung struggle with capacity additions, risks are rising.

### Investment case summary

Taking a longer-term view, the current restructuring should bring Suss MicroTec (SMHN) back into a position where it can benefit from structural end-market growth in applications such as IoT, 5G and autonomous driving that should create considerable demand for semiconductor back-end equipment. Additionally, the current tailwind provided by AI (we estimate ~35% of sales in 2024) should enable further revenue growth over the coming years. Recent capacity expansion in Taiwan is a blueprint of what needs to be done by management to further increase capacity and execute, in our view.

### Business description

SMHN is a leading supplier of semiconductor manufacturing equipment and process solutions to the semiconductor industry. SMHN's operations consist of five segments: Lithography, Bonders, Photomask Equipment, Microoptics and Others. While the first four segments represent operational activities, the Others segment mainly includes centralised costs that are not attributable to any of these segments. Lithography is the largest segment (54% sales contribution in 2023), followed by Bonders (17%) and Photomask Equipment (29%).

### Senior management

- CEO Burkhardt Frick
- CFO Cornelia Ballwiesser
- COO Thomas Rohe

### Key dates

Annual results: 27 March 2025

Q1 results: 08 May 2025

Q2 results: 07 August 2025

Q3 results: 06 November 2025

### Major shareholders

- Kempen 10%
- Gerlin 7.5%
- Janus Henderson: 5%
- Free float 88%

## Important Disclosures and Certifications

We, Florian Sager and Juergen Wagner, research analysts, certify that our respective views expressed in this research report accurately reflect our respective personal views about the subject securities or issuers; and we, Florian Sager and Juergen Wagner, certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in this research report.

Our European Policy for Managing Research Conflicts of Interest is available at [www.stifel.com/institutional/ImportantDisclosures](http://www.stifel.com/institutional/ImportantDisclosures).

Completed: 16 January 2025 20:28EST  
Disseminated: 17 January 2025 01:00EST

Suss MicroTec SE (SMHN GY) as of January 15, 2025 (in EUR)



\*Represents the value(s) that changed.

Buy=B; Hold=H; Sell=S; Discontinued=D; Suspended=SU; Discontinued=D; Initiation=I

For a price chart with our ratings and any applicable target price changes for SMHN GY go to <http://stifel2.bluematrix.com/sellside/Disclosures.action?ticker=SMHN GY>

Stifel is party to an agreement with Suss MicroTec SE relating to the production of the research (this includes agreements concerning the production of company sponsored research).

Suss MicroTec SE is a client of Stifel or an affiliate was a client of Stifel or an affiliate within the past 12 months.

Stifel or an affiliate expects to receive or intends to seek compensation for investment banking services from Suss MicroTec SE in the next 3 months.

Stifel or an affiliate is a market maker or liquidity provider in the securities of Suss MicroTec SE.

Suss MicroTec SE is provided with non-investment banking, securities related services by Stifel or an affiliate or was provided with non-investment banking, securities related services by Stifel or an affiliate within the past 12 months.

Stifel or an affiliate has received compensation for non-investment banking, securities related services from Suss MicroTec SE in the past 12 months.

The equity research analyst(s) responsible for the preparation of this report receive(s) compensation based on various factors, including Stifel's overall revenue, which includes investment banking revenue.

### Investment Rating System

Our investment rating system is defined as follows:

**Buy** - We expect a total return of greater than 10% over the next 12 months with total return equal to the percentage price change plus dividend yield.

**Speculative Buy**<sup>1</sup> - We expect a total return of greater than 30% over the next 12 months, with total return equal to the percentage price change plus dividend yield, accompanied by substantially higher than normal risk including the possibility of a binary outcome.

**Hold** - We expect a total return between -5% and 10% over the next 12 months with total return equal to the percentage price change plus dividend yield.

**Sell** - We expect a total return below -5% over the next 12 months with total return equal to the percentage price change plus dividend yield.

Occasionally, we use the ancillary rating of **Suspended (SU)** to indicate a long-term suspension in rating and/or target price, and/or coverage due to applicable regulations or Stifel policies. Alternatively, **Suspended** may indicate the analyst is unable to determine a “reasonable basis” for rating/target price or estimates due to lack of publicly available information or the inability to quantify the publicly available information provided by the company and it is unknown when the outlook will be clarified. **Suspended** may also be used when an analyst has left the firm.

<sup>1</sup> This rating is only utilised by Stifel Canada.

Of the securities we rate, 51% are rated Buy, 1% are rated Speculative Buy, 24% are rated Hold, 1% are rated Sell and 23% are rated Suspended.

Within the last 12 months, Stifel or an affiliate has provided investment banking services for 19%, 4%, 6% and 3% of the companies whose shares are rated Buy (includes Speculative Buy), Hold, Sell and Suspended, respectively.

Within the last 12 months, Stifel or an affiliate has provided material services for 35%, 69%, 21%, 35% and 13% of the companies whose shares are rated Buy, Speculative Buy, Hold, Sell and Suspended, respectively.

The securities of the company or companies mentioned in this report may not be registered in certain states or other jurisdictions and as a result, the securities may not be eligible for sale in some states or jurisdictions. Additionally, the securities of non-U.S. issuers may not be registered with, nor be subject to the reporting requirements of, the U.S. Securities and Exchange Commission. The information contained herein is not an offer to sell or the solicitation of an offer to buy any security in any state or jurisdiction where such an offer or solicitation would be prohibited.

### Additional Disclosures

Please visit the [Stifel Research Page](#) for the current research disclosures applicable to the companies mentioned in this publication that are within the Stifel coverage universe. For a discussion of target price methodology and risks pertaining to the covered companies mentioned in this report, please refer to the [Stifel Research Library](#) or the most recently published company-specific report on the applicable names.

The information contained herein has been prepared from sources believed to be reliable but is not guaranteed by us and is not a complete summary or statement of all available data, nor is it considered an offer to buy or sell any securities referred to herein. Opinions expressed are as of the date of this publication and are subject to change without notice. These opinions do not constitute a personal recommendation and do not take into account the particular investment objectives, financial situation or needs of individual investors. Employees of Stifel, or its affiliates may, at times, release written or oral commentary, technical analysis or trading strategies that differ from the opinions expressed within. Stifel or any of its affiliates may have positions in the securities mentioned and may make purchases or sales of such securities from time to time in the open market or otherwise and may sell to or buy from customers such securities on a principal basis; such transactions may be contrary to recommendations in this report. Past performance should not and cannot be viewed as an indicator of future performance. Unless otherwise noted, the financial instruments mentioned in this report are priced as of market close on the previous trading day and presumed performance is calculated always over the next 12 months.

As a multi-disciplined financial services firm, Stifel regularly seeks investment banking assignments and compensation from issuers for services including, but not limited to, acting as an underwriter in an offering or financial advisor in a merger or acquisition, or serving as a placement agent in private transactions.

### Affiliate Disclosures

References to “**Stifel**” (collectively “Stifel”) refer to SFC and other associated affiliated subsidiaries including (i) Stifel, Nicolaus & Company, Incorporated (“**SNC**”); (ii) Keefe, Bruyette & Woods, Incorporated (“**KBWI**”), which are both U.S. broker-dealers registered with the United States Securities and Exchange Commission (“**SEC**”) and members of the Financial Industry National Regulatory Authority (“**FINRA**”), respectively; (iii) Stifel Nicolaus Canada Inc. (“**Stifel Canada**”), which is authorised and regulated by the Canadian Investment Regulatory Organization (“**CIRO**”); (iv) Stifel Nicolaus Europe Limited (“**SNEL**”), which is authorised and regulated by the Financial Conduct Authority (“**FCA**”) (FRN 190412) and is a member of the London Stock Exchange and also trades under the name Keefe, Bruyette & Woods Europe (“**KBW Europe**”); (v) Stifel Europe AG (“**STEA**”), which is regulated by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht; “**BaFin**”) and is a member of Deutsche Boerse and SIX Swiss Exchange and (vi) Stifel Schweiz AG (“**STSA**”), which is representative of STEA in Switzerland and regulated by the Eidgenössische Finanzmarktaufsicht (“**FINMA**”). SNEL, STEA and STSA are collectively referred to as **Stifel Europe**.

**Registration of non-US Analysts:** Any non-US research analyst employed by Stifel contributing to this report is not registered/qualified as a research analyst with FINRA and is not an associated person of the US broker-dealer and

therefore may not be subject to FINRA Rule 2241 restrictions on communications with a subject company, public appearances, and trading securities held by a research analyst account.

**Global Research Notes:** Research analysts contributing content to these reports are subject to different regulatory requirements based on the jurisdiction in which they operate. Clients seeking additional information should contact the Stifel entity through which they conduct business.

**STEA & STSA Sponsored research:** At STEA & STSA, analysts may produce issuer paid research ('sponsored research'). This research is produced by analysts in accordance with local regulatory requirements relating to such research. In certain jurisdictions, this issuer paid research may be deemed to be independent research albeit not produced to the same conflicts of interest standards required by all jurisdictions for independent research. Where research has been paid for by an issuer, this will be clearly labelled. Please see our [European Policy for Managing Research Conflicts of Interest](#) for additional information.

### Country Specific and Jurisdictional Disclosures

**United States:** Research produced and distributed by Stifel Europe is distributed by Stifel Europe to "Major US Institutional Investors" as defined in Rule 15a-6 under the US Securities Exchange Act of 1934, as amended. SNC may also distribute research prepared by Stifel Europe directly to US clients, including US clients that are not Major US Institutional Investors. In these instances, SNC accepts responsibility for the content. Stifel Europe is a non-US broker-dealer and accordingly, any transaction by a US client in the securities discussed in the document must be effected by SNC. US clients wishing to place an order should contact their SNC representative.

**UK:** This report is distributed in the UK by SNEL, which is authorised and regulated by the Financial Conduct Authority (FCA). In these instances, SNEL accepts responsibility for the content. Research produced by Stifel Europe is not intended for use by and should not be made available to retail clients as defined by the FCA.

**European Economic Area (EEA):** This report is distributed in the EEA by STEA, which is authorized and regulated by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht; "BaFin"). In these instances, STEA accepts responsibility for the content. Research produced by Stifel Europe is not intended for use by and should not be made available to retail clients as defined under MiFID II.

The complete preceding 12-month recommendations history related to recommendation(s) in this research report is available at <https://stifel2.bluematrix.com/sellside/MAR.action>

**Australia:** Research produced by Stifel is distributed by SNEL under the Australian Securities and Investments Commission ("ASIC") Class Order [CO 03/1099] exemption from the requirement to hold an Australian Financial Services Licence ("AFSL"). This research may only be distributed to a "Wholesale Client" within the meaning of section 761G of the Corporations Act 2001 (Cth).

**Brunei:** This document has not been delivered to, registered with or approved by the Brunei Darussalam Registrar of Companies, Registrar of International Business Companies, the Brunei Darussalam Ministry of Finance or the Autoriti Monetari Brunei Darussalam. This document and the information contained within will not be registered with any relevant Brunei Authorities under the relevant securities laws of Brunei Darussalam. The interests in the document have not been and will not be offered, transferred, delivered or sold in or from any part of Brunei Darussalam. This document and the information contained within is strictly private and confidential and is being distributed to a limited number of accredited investors, expert investors and institutional investors under the Securities Markets Order, 2013 ("Relevant Persons") upon their request and confirmation that they fully understand that neither the document nor the information contained within have been approved or licensed by or registered with the Brunei Darussalam Registrar of Companies, Registrar of International Business Companies, the Brunei Darussalam Ministry of Finance, the Autoriti Monetari Brunei Darussalam or any other relevant governmental agencies within Brunei Darussalam. This document and the information contained within must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which the document or information contained within is only available to, and will be engaged in only with Relevant Persons.

**Canada:** Stifel Canada is a member of CIO and a participant of the TSX, and TSX Venture Exchange. All relevant disclosures required by regulatory rules (including CIO) and Stifel Canada's recommendation statistics and research dissemination policies can be obtained at [www.Stifel.com/Research](http://www.Stifel.com/Research) or by calling Stifel Canada's Compliance Department. Stifel Canada will provide, upon request, a statement of its financial condition and a list of the names of its Directors and senior officers. Research produced by Stifel Europe is distributed in Canada by Stifel Canada in reliance on the international dealer exemption. This material is intended for use only by professional or institutional investors. None of the investments or investment services mentioned or described herein is available to other persons or to anyone in Canada who is not a "permitted client" as defined under applicable Canadian securities laws.

**Republic of South Africa:** Research produced by Stifel is distributed by SNEL to “Clients” as defined in FSCA FAIS Notice 20 of 2018 (the “FAIS Notice”) issued by the Financial Sector Conduct Authority. Research distributed by SNEL is pursuant to an exemption from the licensing requirements under Section 7(1) of the Financial Advisory and Intermediary Services Act, 2002.

In jurisdictions where Stifel is not already licensed or registered to trade securities, transactions will only be affected in accordance with local securities legislation which will vary from jurisdiction to jurisdiction and may require that a transaction is carried out in accordance with applicable exemptions from registration and licensing requirements. Non-US customers wishing to effect transactions should contact a representative of the Stifel entity in their regional jurisdiction except where governing law permits otherwise. US customers wishing to effect transactions should contact their US salesperson.

The securities discussed in this report may not be available for sale in all jurisdictions and may have adverse tax implications for investors. Clients are advised to speak with their legal or tax advisor prior to making an investment decision.

#### **Additional Information Is Available Upon Request**

© 2025 Stifel. This report is produced for the use of Stifel customers and may not be reproduced, re-distributed or passed to any other person or published in whole or in part for any purpose without the prior consent of Stifel.