

3 September 2025

**Ernst Russ AG**

**Rating** Buy  
**Share price (EUR)** 6.98  
**Target price (EUR)** 10.00

Bloomberg HXCK GR  
Sector Transport & Logistics

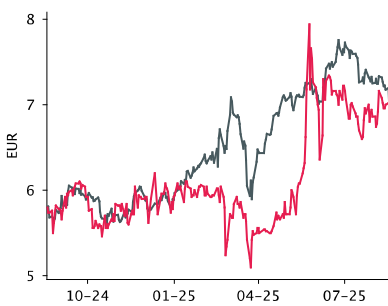
**Share data**

Shares out (m) 33.7  
Daily volume shs (m) 0.1  
Free float (%) 24.90  
Market cap (EUR m) 236  
EV (EUR m) 87  
DPS (EUR) 0.20  
Dividend yield (%) 3.6  
Payout ratio (%) 20.3

**Performance**

ytd (%) 21.7  
12 months (%) 42.0  
12 months rel. (%) 15.0  
Index SDAX

**Share price performance**



— Ernst Russ AG  
— Price rel. to SDAX - Price Index

Source: Bloomberg

**Next triggers**

07 Oct – Quirin SME Conference, Paris  
11 Nov – Q3 Results

**Analysts**

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# Solid H1 Result - Strong Charter Rates

Despite ongoing geopolitical disruptions and a softer macro backdrop, Ernst Russ delivered solid H1 2025 results. Rerouting around the Suez/Red Sea corridor due to the middle east conflicts still extends voyage distances and holds charter rates elevated. For H1 2025, revenue was EUR 79.8m (-8.9% yoy), mainly caused by the reduced ship fleet (current fleet 26 ships). Ernst Russ reported EBIT of EUR 55.6m (+19% yoy.). Given a non-operating result of EUR -9.8m (including non cash FX valuation losses) we calculate an QPB EBIT of EUR 45.8m (+22% yoy). Besides the operating contribution, EBIT was largely influenced by disposal gains of EUR 32.3m (MS Wasl EUR 27.1m; MS Andante 5.2m). Hence, adjusted EBIT (ex-disposals) was EUR 13.5m. The current average remaining charter duration stands at 18.6 months and the current average charter rate as of stands at USD 18,749 per day. Technical availability of the fleet remains high at 99.9%. The balance sheet further strengthened with an equity ratio of 80% (FY24: 75%). ER's net cash position stands largely unchanged at EUR 111.7m (FY24: EUR 107m). Investments of around EUR 15m included the buyout of minorities within the current fleet according to the new strategic approach to increase transparency and focus on capital market attractiveness. We have adjusted our full FY25e EBIT estimates slightly down to EUR 75m. This anticipates the currency changes of H1/25 as well as upcoming non-recurring income of positive disposal proceeds of around EUR 8.5m (Solong). Our medium-term estimates remain unchanged and are based on the current ship fleet. Based on our DCF valuation and peer group analysis we reiterate our BUY recommendation with a TP of EUR 10.00.

Key figures (EUR m)	H1/25	H1/24	yoy %	FY 2025e	yoy %
Revenues	79,8	87,6	-9%	157,0	-9,1%
EBIT (incl. non-operating result)	45,8	37,5	22%	74,9	1,5%
<i>EBIT margin</i>	<i>57,4%</i>	<i>42,8%</i>		<i>47,7%</i>	
adj. EBIT (excl. Disposals)	13,5	33,8	-60%	42,6	-31,9%
<i>adj. EBIT margin</i>	<i>16,9%</i>	<i>38,6%</i>		<i>27,1%</i>	
EBT	51,1	35,0	46%	79,8	4,2%
Minorities	16,3	13,8		29,2	
Net profit post minorities	34,9	20,3	72%	49,8	9,4%
EPS	1,04	0,60		1,48	

Source: Company Data, Quirin Privatbank Estimates

Key figures		2022	2023	2024	2025e	2026e
Sales	EUR m	192	203	173	157	157
EBITDA	EUR m	122	115	98	103	79
EBIT	EUR m	90	83	71	75	52
EPS	EUR	1.40	1.63	1.26	1.48	1.16
Sales growth	%	107.7	5.7	-14.8	-9.1	0.0
EBIT growth	%	192.6	-7.4	-14.8	5.5	-30.8
EPS growth	%	195.7	16.4	-22.9	17.2	-21.3
EBITDA margin	%	63.5	56.9	57.0	65.4	50.2
EBIT margin	%	47.0	41.1	41.1	47.7	33.0
Net margin	%	24.7	27.2	24.6	31.7	24.9
EV/Sales	ratio	1.02	0.98	0.74	0.56	0.34
EV/EBITDA	ratio	1.6	1.7	1.3	0.8	0.7
EV/EBIT	ratio	2.2	2.4	1.8	1.2	1.0
P/E	ratio	3.7	2.8	4.4	4.7	6.0
P/BV	ratio	1.5	0.9	0.7	1.1	0.7
Dividend yield	%	3.9	21.5	3.6	4.3	5.0

Source: Bloomberg, Company data, Quirin Privatbank estimates

Please see final page for important disclaimers and disclosures

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## Financial Overview

### Revenues

Ernst Russ generated revenues of EUR 79.8m in H1 2025, down 8.9% yoy (H1 24: EUR 87.6m). The bulk of revenues stemmed from the Shipping segment (EUR 76.9m; -9.0% yoy). Around EUR 27.1m are related to ships fully owned by ER and EUR 49.8m came from vessels joint ventures. The revenue decline in Shipping is primarily attributable to a lower number of operating days (4,823 vs. 5,233 in H1 24, -410 days), following the reduction of the fleet from 29 to 26 vessels. The current average daily charter rate stands at USD 18,749. The weaker EURUSD exchange rate (average rates of 1.0931) had had a negative translation effect in H1 25, but we expect a more significant impact on the revenues in H2 25e.

In the Management Services segment, revenues declined to EUR 4.3m (-4.4% yoy), mainly due to lower fees in connection with a reduced number of vessels under management. The Other Services segment contributed a minor EUR 0.1m (H1 2024: EUR 0.2m) and consolidation effects reduced group revenues by EUR -1.5m (H1 2024: EUR -1.6m).

### EBIT sharply increased in H1 25 due to vessel disposals

EBIT, including non-operating result stood at EUR 45.8m in H1 25, well above the H1 24 figure of EUR 36.5m (+25.4% yoy). We include the non-operating result of EUR -9.8m into our EBIT display, which goes back to the significant non-cash losses at the balance sheet date of EUR 11.2m. The 25%-increase in EBIT over H1 24 mainly results from gains of EUR 32.2m from the disposal of the two vessels MS Wasl in Q1 (EUR 27.1m) and MS Andante in Q2 (EUR 5.2m). Adjusted for these one-off effects, operating result stands at 13.5m. Looking at the margin we see 57.4% including the vessel disposals (H1 24: 42.8%), but a decline to 16.9% excluding them (H1 24: 38.6%).

### Non-cash valuation losses on FX in H1

Ernst Russ entered its full-year planning with an assumed EURUSD exchange rate of 1.13. As of 30.06.2025, the US dollar had significantly depreciated against the Euro to around 1.1720 USD/EUR, which resulted in non-cash FX losses of EUR 11.2m. ER does not employ active currency hedging but benefits from a natural hedge, as a substantial portion of revenues and expenses are denominated in USD. For H2 2025, ER plans on an EUR/USD exchange rate of 1.18. We do not expect further non-cash FX depreciation for H2 25e, but account for losses in operating business of in our model, as the average in H1 25 was 1.0931 and the current rates stand at 1.1720 USD/EUR.

### EURUSD Historical Development



Source: Bloomberg Data, Quirin Privatbank Estimates

### Healthy Balance Sheet

As of 30 June 2025, Ernst Russ reported cash and cash equivalents of EUR 111.7m, broadly unchanged from FY24 (EUR 110.7m). Financial liabilities decreased to only EUR 2m (FY24: EUR 16m) and the net cash position stands at EUR 110m (FY24: EUR 107m). Equity increased to EUR 283m, resulting in an equity ratio of 80.2% (FY24: 75%) and a debt-to-equity ratio of just 1%.

**FY25e Expectation**

Looking ahead to FY25e, we anticipate slightly lower average charter rates compared to FY24 while assuming an unchanged fleet size of 26 vessels. For H2 2025, we forecast largely stable revenues of around EUR 77.2m, as the charter rates are already covered for almost 19 months, adding up to FY25e revenues of EUR 157m.

On the operating side, we do not expect any further vessel disposals in H2. Instead, we base our assumptions on the run-rate of adjusted EBIT from Q2 25 of roughly EUR 10.1m. In addition, we factor in non-recurring insurance proceeds of EUR 8.5m related to the Solong incident. This leads us to an estimated contribution of around EUR 29m to reported EBIT in H2 2025, which would bring our EBIT estimate to roughly EUR 75m, corresponding to the lower end of the company's guidance.

With respect to currency effects, ER plans on an EUR/USD exchange rate of 1.18 for H2 2025. We do not expect further non-cash FX effects in the second half, but we do account for lower reported earnings due to the translation of USD-denominated charter revenues into EUR at less favorable rates.

Summing up, we reaffirm our FY25e revenue estimate of EUR 157m but adjust our EBIT expectation to the lowest end of the guidance at EUR 75m. Excluding vessel disposals, this equates to an adjusted EBIT of roughly EUR 43m, also at the lowest end of the guided range.

## Valuation

### Discounted Cash Flow Approach

Based on our DCF model, we estimate a target price of EUR 10.28 to reflect the short and mid-term development of the business using the following inputs:

- We expect stable sales for FY25e and FY26e due to the high visibility of earnings and the charter backlog of almost 19 months.
- We estimate sales to settle around EUR 145m by the terminal year, driven by the recent fleet reduction and a normalization of charter rates.
- EBIT margin is expected to normalize to 28% by FY31e and 22% in the terminal value.
- CAPEX is assumed at EUR 35m in the terminal year (around 24% of sales), in which we project a fleet expansion over the coming years.
- The tax rate is expected to remain at 1% throughout the forecast horizon.
- Terminal growth rate of 0.5%.
- WACC of 10.03% during the forecast period, declining to 9.2% in the terminal period.
- ER has 33.7m shares outstanding, which gives a value per share of EUR 10.28.

### DCF Model for Ernst Russ (EUR m)

	2025e	2026e	2027e	2028e	2029e	2030e	2031e	TV
<b>Sales</b>	<b>157,0</b>	<b>157,0</b>	<b>149,2</b>	<b>145,4</b>	<b>141,8</b>	<b>138,2</b>	<b>134,8</b>	<b>145,0</b>
growth yoy	n.a.	0,0%	-5,0%	-2,5%	-2,5%	-2,5%	-2,5%	
<b>EBIT</b>	<b>74,9</b>	<b>51,8</b>	<b>43,3</b>	<b>40,7</b>	<b>39,7</b>	<b>38,7</b>	<b>37,7</b>	<b>31,9</b>
EBIT margin	47,7%	33,0%	29,0%	28,0%	28,0%	28,0%	28,0%	22,0%
<b>Taxes</b>	<b>1,9</b>	<b>1,0</b>	<b>0,9</b>	<b>0,8</b>	<b>0,8</b>	<b>0,8</b>	<b>0,8</b>	
Tax rate	10%	10%	10%	10%	10%	10%	10%	2,0%
<b>Depreciation</b>	<b>28,0</b>	<b>27,0</b>	<b>27,0</b>	<b>27,0</b>	<b>28,0</b>	<b>29,4</b>	<b>29,7</b>	
% of sales	17,8%	17,2%	18,1%	18,6%	19,7%	21,3%	22,0%	
<b>Capex</b>	<b>-20,0</b>	<b>-20,0</b>	<b>-22,0</b>	<b>-22,0</b>	<b>-23,0</b>	<b>-30,9</b>	<b>-33,4</b>	
% of sales	12,7%	12,7%	14,7%	15,1%	16,2%	22,3%	24,8%	
<b>Δ NWC</b>	<b>-0,8</b>	<b>0,0</b>	<b>-0,4</b>	<b>-0,2</b>	<b>-0,2</b>	<b>-0,2</b>	<b>-0,2</b>	
% of sales	0,5%	0,0%	0,3%	0,1%	0,1%	0,1%	0,1%	
<b>FCF</b>	<b>82,9</b>	<b>59,9</b>	<b>48,7</b>	<b>46,4</b>	<b>45,3</b>	<b>37,9</b>	<b>34,6</b>	<b>288,7</b>
growth yoy	n.a.	-38,9%	-18,6%	-4,8%	-2,2%	-16,5%	-8,6%	0,5%
<b>PV FCF</b>	<b>75,4</b>	<b>48,3</b>	<b>35,3</b>	<b>30,2</b>	<b>26,5</b>	<b>19,9</b>	<b>16,4</b>	<b>125,1</b>

<b>PV Forecast Period</b>	<b>265</b>
<b>PV Terminal Value</b>	<b>125</b>

<b>Enterprise value</b>	<b>389,8</b>
- Net Debt / Net Cash	109,7
- Minorities	115,4

<b>Equity value (post minorities)</b>	<b>349,7</b>
Number of shares	33,7
<b>Value per share (€)</b>	<b>10,28</b>

Sensitivity Analysis	Terminal growth rate					
	-0,5%	0,0%	0,5%	1,0%	1,5%	
-10%	9,03%	10,80	11,01	11,24	11,50	11,79
-5%	9,53%	10,35	10,53	10,74	10,96	11,21
<b>WACC</b>	<b>10,03%</b>	9,94	10,10	10,28	10,47	10,69
5%	10,53%	9,57	9,71	9,87	10,04	10,22
10%	11,04%	9,22	9,35	9,49	9,64	10,11

<b>Risk free rate</b>	2,20%	<b>Equity ratio</b>	80,2%
<b>Cost of debt</b>	5,00%	<b>Company beta</b>	1,3
<b>Market Premium</b>	7,00%	<b>WACC</b>	<b>10,03%</b>

Source: Company data, Quirin Privatbank estimates

### International Multiple Peer Group Valuation

Our Peer Group Analysis is based on a multiple comparison of Ernst Russ with other companies in the global shipping industry. We focus on peers with a similar business model, i.e., ship owners and maritime investment managers.

On all relevant valuation multiples, Ernst Russ continues to trade at substantial discounts to the peer group median. Based on FY26e estimates, the company is valued at a

- ◆ P/E of 6.0x (-28% vs. median),
- ◆ EV/Sales of 0.3x (-81% vs. median),
- ◆ EV/EBITDA of 0.5x (-89% vs. median),
- ◆ EV/EBIT of 0.8x (-87% vs. median).

Based on the significant undervaluation compared over all valuation metrics, we maintain support Buy recommendation with a TP of EUR 10.00.

### Peer Group Valuation

Company	P/E	P/E	EV/Sales	EV/Sales	EV/EBITDA	EV/EBITDA	EV/EBIT	EV/EBIT
	26e	27e	26e	27e	26e	27e	26e	27e
NAVIOS MARITIME PARTNERS LP	3,9x	3,1x	2,2x	2,1x	3,2x	2,3x	4,6x	3,9x
COSTAMARE INC	4,0x	4,7x	3,3x	3,5x	3,4x	2,9x	4,6x	4,2x
GLOBAL SHIP LEASE INC-CL A	3,2x	3,9x	2,0x	2,3x	1,6x	1,1x	2,2x	1,6x
MPC CONTAINER SHIPS AS	6,6x	28,9x	2,6x	3,6x	3,4x	5,8x	5,3x	20,0x
AP MOLLER-MAERSK A/S-A	n.a.	n.a.	0,7x	0,7x	6,0x	5,8x	n.a.	206,4x
COSCO SHIPPING HOLDINGS CO-H	12,0x	14,5x	0,9x	0,9x	5,3x	5,6x	11,0x	14,5x
KAWASAKI KISEN KAISHA LTD	11,0x	12,4x	1,4x	1,4x	11,3x	11,7x	17,6x	18,9x
HAPAG-LLOYD AG	n.a.	79,3x	1,3x	1,2x	9,2x	7,4x	64,2x	24,9x
mitsui Osk Lines Ltd	8,1x	9,2x	2,3x	2,3x	15,0x	14,2x	37,9x	35,0x
NIPPON YUSEN KK	8,6x	9,5x	1,2x	1,3x	9,0x	8,7x	18,2x	18,2x
EVERGREEN MARINE CORP LTD	9,0x	10,4x	1,0x	1,0x	4,9x	5,6x	7,9x	11,9x
ORIENT OVERSEAS INTL LTD	16,3x	15,1x	0,6x	0,6x	2,4x	2,2x	3,9x	4,2x
DANAOS CORP	3,5x	4,8x	1,9x	2,1x	2,1x	2,6x	3,1x	4,4x
HMM CO LTD	18,8x	19,7x	1,4x	1,4x	7,0x	6,9x	15,1x	14,9x
YANG MING MARINE TRANSPORT	14,4x	28,5x	0,1x	0,1x	0,2x	n.a.	0,6x	n.a.
<b>Median</b>	<b>8,6x</b>	<b>10,4x</b>	<b>1,4x</b>	<b>1,4x</b>	<b>4,9x</b>	<b>5,7x</b>	<b>6,6x</b>	<b>14,7x</b>
<b>ERNST RUSS AG</b>	<b>6,0x</b>	<b>7,2x</b>	<b>0,3x</b>	<b>0,1x</b>	<b>0,5x</b>	<b>0,3x</b>	<b>0,8x</b>	<b>0,5x</b>
<b>Relative to median</b>	<b>-28%</b>	<b>-27%</b>	<b>-81%</b>	<b>-90%</b>	<b>-89%</b>	<b>-95%</b>	<b>-87%</b>	<b>-97%</b>

Source: Company data, Quirin Privatbank estimates

## Fleet Overview

Following the sale of the two vessels *ESL Wasl* and *Andante* in Q1 25 as well as the accident involving the vessel *Solong*, Ernst Russ currently operates a fleet of 26 vessels with a total container capacity of 51,081 TEU. The average fleet age stands at 16.8 years, with a current utilization of 99.9%. As market prices for new vessels remain very high, we do not expect any changes to the fleet in the short term. Thanks to a charter backlog of almost 19 months and an average daily charter rate of USD 18,749, the business remains highly visible over the coming two financial years with a fixed revenue backlog of USD 281m. The fleet's current accounting value amounts to EUR 228.2m and the reported market value is estimated at around USD 520m.

### Ernst Russ Fleet Overview (as of 02.09.2025)

Name	Vessel type	Capacity in TEU	Capacity in dwt	Flag	Port	Employment
Rome Express	Container	13400	153514	Portugal	Madeira	Charter
<b>ESL Wasl</b>	<b>Container</b>	<b>6.589</b>	<b>81.002</b>	<b>Liberia</b>	<b>Monrovia</b>	<b>Charter</b>
Venetia	Container	4178	52788	Portugal	Madeira	Charter
EF Olivia	Container	3091	42200	Portugal	Madeira	Charter
Hebe	Container	3091	42213	Portugal	Madeira	Charter
Lodur	Container	3091	41833	Antigua & Barbuda	St. Johns	Charter
Rita	Container	2785	37213	Portugal	Madeira	Charter
Frida Russ	Container	2194	25231	Portugal	Madeira	Charter
ESL Winner	Container	1841	28170	Portugal	Madeira	Charter
EF Emira	Container	1710	24106	Portugal	Madeira	Charter
EF Emma	Container	1710	24095	Portugal	Madeira	Charter
EF Eldra	Container	1338	17230	Portugal	Madeira	Charter
Baldur	Container	1341	17842	Portugal	Madeira	Charter
EF Elena	Container	1338	17892	Marshall Islands	Majuro	Charter
Isabella B	Container	1036	12878	Portugal	Madeira	Charter
Bakkafoss	Container	1025	14669	Antigua & Barbuda	St. Johns	Charter
Faith	Container	917	10701	Portugal	Madeira	Charter
<b>Andante</b>	<b>Container</b>	<b>868</b>	<b>11.433</b>	<b>Portugal</b>	<b>Madeira</b>	<b>Charter</b>
Trouper	Container	868	11404	Portugal	Madeira	Charter
Visitor	Container	862	11181	Portugal	Madeira	Charter
Dream	Container	803	9341	Portugal	Madeira	Charter
Ido	Container	803	9313	Portugal	Madeira	Charter
Meandi	Container	803	9350	Portugal	Madeira	Charter
Mirror	Container	803	9344	Portugal	Madeira	Charter
<b>Solong</b>	<b>Container</b>	<b>803</b>	<b>9.300</b>	<b>Portugal</b>	<b>Madeira</b>	<b>Charter</b>
EF Ava	Container	698	8168	Portugal	Madeira	Charter
Skogafoss	Container	690	8210	Antigua & Barbuda	St. Johns	Charter
Rubina	Bulker	0	39959	Portugal	Madeira	Pool
Louise Auerbach	Multipurpose	665	12720	Liberia	Monrovia	Charter

Number of Vessels: 26

Ø Backlog of Charters: 18.6 Months

Container Capacity: 51.081 TEU

Ø Charterrate / Day: 18.749 USD

Ø Age of the Fleet: 18,6

Utilization of the Fleet 99,9%

Accounting Fleet Value: 226.9m EUR

Fleet Market Value: ~520m EUR

Source: Company data, Quirin Privatbank Estimates

### Solong Update: Neutral impact on FY25 accounts

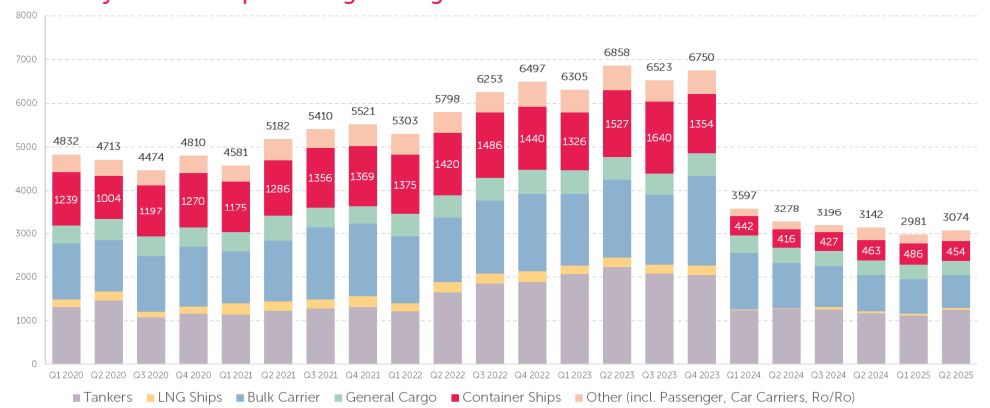
The *Solong* (55% ER stake) suffered severe fire damage after a North Sea collision in Q1 2025 and was towed to Belgium for recycling. As expected, the incident is covered by EUR 8.9m in insurance proceeds. ER has recognized a passive deferral and we expect around EUR 8.5m to be recognized in H2 2025e, which is included in our models.

## Macro Update

### Red Sea Disruptions remain Key Market Driver until today

Since late 2023, Houthi attacks in the Red Sea have heavily disrupted global shipping. The chart illustrates the number of vessels that passed through the Suez Canal in each respective quarter. Since the first Houthi attack on October 19, 2023, traffic has dropped sharply. The number of container ships particularly dropped, declining from 1,354 in Q3 2023 to only 442 in Q4 2023. Overall vessel transits almost halved within the same period, from 6,750 to 3,597, as shipping companies increasingly rerouted their fleets around the Cape of Good Hope. The disruption persists until today and Q2 2025 even marks the second-lowest number of quarterly Suez Canal transits. On the supply side, the inactive container fleet is near full utilization with very limited open positions, which helps keep charter rates up. The current global orderbook remains historically high but is skewed toward large 10k+ TEU ships placed mainly by liner companies. The feeder segment in which ER operates has comparatively fewer orders and an older global fleet profile, which protects it relatively better in the near term.

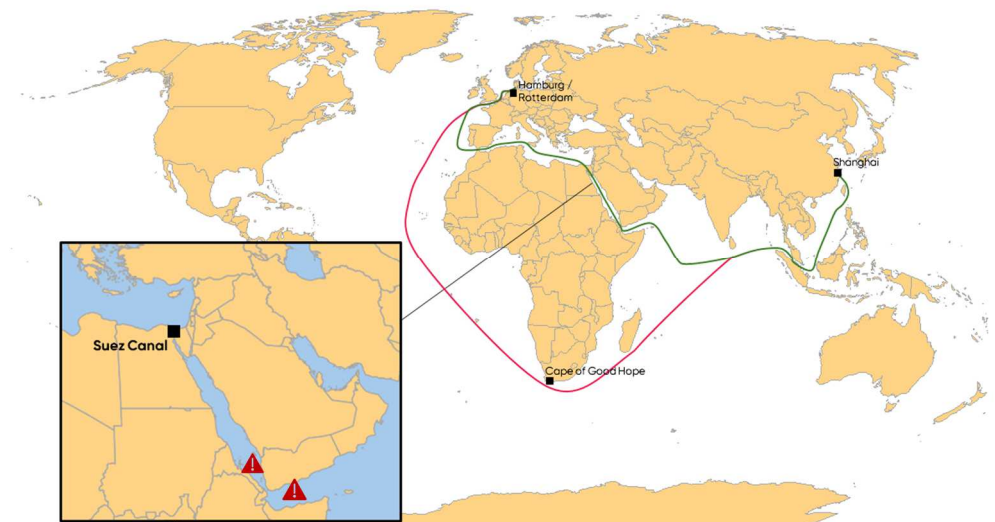
### Quarterly Data of Ships Passing Through the Suez Canal



Source: Quirin Privatbank Estimates

Many carriers are still rerouting via the Cape of Good Hope, which adds 10 to 14 days to voyages between Hamburg and Shanghai and increases costs by up to USD 1,000 per TEU. The rerouting caused maritime traffic to increase by 6% in 2024.

### Routing via Cape of Good Hope Due to Suez Canal Disruption



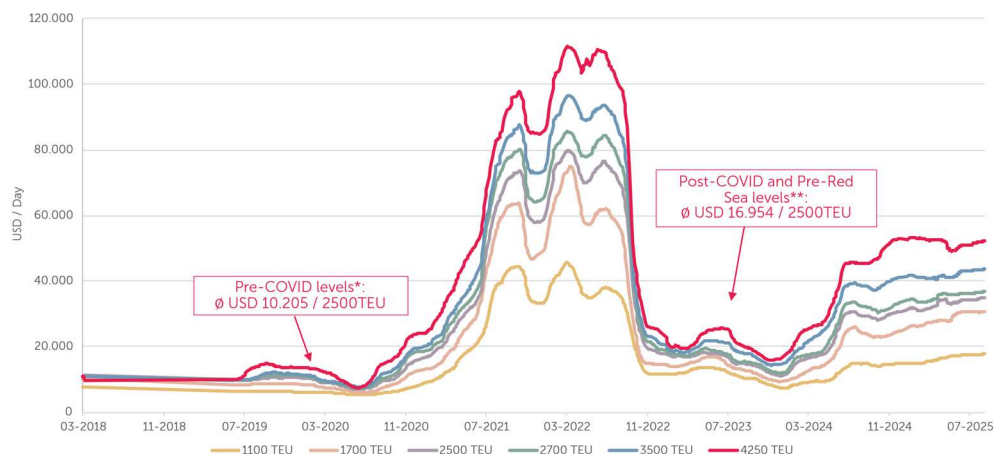
Source: Own Illustration, Quirin Privatbank Estimates

### First Carriers reroute through Suez Canal

Recently, there were first signs of easing. The French shipping company CMA CGM became the first major carrier to announce a regular return to the Suez route on selected services. We do not see this as a full return to normal, but as a first signal that risk levels are seen as more manageable. If indeed more shipping companies will follow

CMA CGM, the overall capacity will expand and operating costs will normalize, which should exert downward pressure on freight rates. Spot rates naturally adjust first, while time-charter rates are expected to correct more gradually given the contractual nature of longer-term fixtures. Even further, lower fixtures from the post-COVID / pre-Red Sea crisis period are rolling off, which can even lift time-charter rates, as seen at Ernst Russ, where the current average rate is higher than the H1 average (USD 18,749 vs. USD 17,412). In our view, a gradual normalization over the coming years toward late-2023 rate levels (post-COVID but prior to the Red Sea crisis) is more realistic than a return to pre-COVID lows, as structural cost inflation and ongoing geopolitical risks are likely to keep rates elevated.

### Containership Charter Rates by TEU Capacity



Source: Bloomberg Data, Quirin Privatbank Estimates

\*Pre-COVID Period until 03/2020 \*\*Post-Covid Period between 11/2022 - 10/2023 (Quirin Privatbank Estimates)

### Implications of US Tariffs

While geopolitical conflicts in the Middle East and Russia's war against Ukraine continue to weigh on the global economy, the focus has increasingly shifted towards the protectionist turn of the United States. Since February 2025, sweeping U.S. tariffs and corresponding countermeasures have unsettled financial markets and continue to redirect cargoes, lengthen supply chains and bring volatility into the spot rates. However, time-charter rates have held up thanks to low tonnage availability and constant uncertainty about the tariffs. In late August, US courts have challenged the validity of the tariffs, which adds even further uncertainty about the US tariff policy. Looking into H2 25e, we still expect some decline from spring peaks. However, the persistent Red Sea disruptions and constantly changing policy headlines are likely to temper any sharp correction.

### World-Fleet Development

**The world merchant fleet** grew ~3.5% yoy. Orderbooks remain large, especially for containerships, car- and gas carriers, but the number of new orders decreased after an exceptionally busy 2024: overall orders are ~54% lower yoy due to higher geopolitical and economic uncertainty. However, container ships are the exception: about 200 ships (~1.9m TEU) were ordered in H1 25, adding around 10% to the container orderbook up to a record ~9.4m TEU.

**Newbuild** Ship prices slipped by about 1% and shipyards stayed busy. Of all ships built, 48% came from China, 31% from South Korea and 13% from Japan. China still wins the most orders, but its share of new orders fell to about 52% (70% in 2024). "Green" ships remain a hot topic, as roughly 55% of new orders are able to run on alternative fuels (going back to EU and IMO rules).

**Scrapping** is still low in 2025. So far only around 145 ships (~5.1m dwt) have been recycled. That's in line with recent years (about 10m dwt per year) and about 73% below the 2010s average. Fewer ships are scrapped because employment is good, also helped by the Red Sea detours. Further, weak steel prices, currency moves and political uncertainty in South Asia reduce the demand from recycling yards.

## New Management Board

### Realigned Strategic Focus

The new Executive Board is placing capital market presence at the core of its strategy: Clear ownership structures, simplified corporate relationships and transparent reporting, in order to increase visibility on the capital market. The reduction of non-strategic minority interests of vessels already increased the transparency of the asset side. The operational focus lies on the expansion of a profitable and efficient fleet, under consideration of future regulatory and geopolitical impacts.

**Robert Gärtner**, Ex-CEO of Ernst Russ AG since March 2019 retired from his position on 31 August 2025.



**Dr. Christopher Eilers** joined the executive board of Ernst Russ AG as Chief Financial Officer and Co-CEO in August 2025. Prior, Dr. Eilers held various management positions in the field of asset management and asset financing, most recently as managing director of a company he co-founded that specialized in a new asset class. After completing his business studies and doctorate, Dr. Christopher Eilers worked for one of the major international auditing firms with a focus on financial consulting before taking on commercial responsibility at a medium-sized shipping group and establishing a specialized financial consulting service for institutional investors within the group.



**Joseph Schuchmann** has been Chief Commercial Officer of Ernst Russ AG since December 2024 and serves as Co-CEO going forward. Prior he was working in corporate development at various European shipping companies, most recently in Norway at a company listed on the Oslo Stock Exchange. After completing his training as a shipping merchant, Joseph Schuchmann studied technology and management at the Technical University of Munich and shipping, trade, and finance at Cass Business School in London.



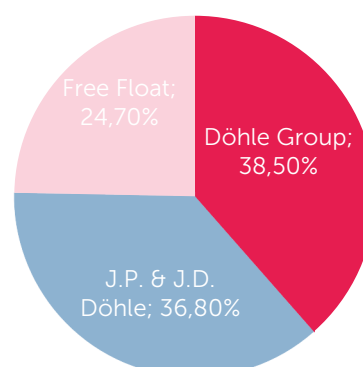
**Thomas Deutsch** has held a management position at the ER Group for over 16 years. As head of the commercial division and member of the management board, he is responsible for accounting, taxes, controlling, IT, business development as well as investor relations and is involved in all strategic decisions of the group. Before joining ER Group, Thomas Deutsch worked at one of the large, international auditing firms for seven years after completing his studies in business administration.

## New Shareholder structure

### New shareholders of Ernst Russ

As of 30 June 2025, 12,960,083 shares (38.5%) were still held by Jochen Thomas Döhle, Germany, or by companies controlled by him or in which he has a significant influence ('Döhle Group'). In the course of the pooling of shares held jointly by Jan Peter Döhle and Jost Diedrich Döhle (both Germany) in the first half of 2025, 12,405,597 shares (36.8%) are now held by companies jointly controlled by or in which Jan Peter Döhle and Jost Diedrich Döhle have a significant influence ('J.P. and J.D. Döhle'). The remaining shares make up the free float.

### Shareholder structure of Ernst Russ



Source: Company Data, Quirin Privatbank AG estimates

Profit & loss statement (EUR m)	2022	YOY	2023	YOY	2024	YOY	2025e	YOY	2026e	YOY
Sales	191.7	107.7 %	202.7	5.7 %	172.7	-14.8 %	157.0	-9.1 %	157.0	0.0 %
EBITDA	121.7	215.3 %	115.4	-5.2 %	98.4	-14.7 %	102.7	4.4 %	78.8	-23.2 %
EBITDA margin (%)	63.48		56.92		56.96		65.40		50.20	
EBIT	90.1	192.6 %	83.4	-7.4 %	71.0	-14.8 %	74.9	5.5 %	51.8	-30.8 %
EBIT margin (%)	47.00		41.15		41.11		47.70		33.00	
Net interest	-2.3		0.0		1.9		4.0		0.0	
Income from Participations	2.6		2.2		0.9		0.9		0.9	
Net financial result	-1.0		-1.2		2.5		4.9		0.9	
Exceptional items	-4.8		0.0		0.0		0.0		0.0	
Pretax profit	84.3	213.5 %	82.2	-2.5 %	73.5	-10.5 %	79.8	8.5 %	52.7	-33.9 %
Pretax margin (%)	43.97		40.56		42.58		50.81		33.56	
Taxes	0.4		0.6		1.8		0.8		0.5	
Tax rate (%)	0.47		0.73		2.39		1.00		0.98	
Earnings after taxes	83.9		81.6		71.8		79.0		52.2	
Minorities	36.6		26.6		29.3		29.2		13.0	
Group attributable income	47.3	195.7 %	55.1	16.4 %	42.5	-22.9 %	49.8	17.2 %	39.1	-21.3 %
No. of shares (m)	33.7		33.7		33.7		33.7		33.7	
Earnings per share (EUR)	1.40	195.7 %	1.63	16.4 %	1.26	-22.9 %	1.48	17.2 %	1.16	-21.3 %

Source: Company data, Quirin Privatbank estimates

Balance sheet (EUR m)	2022	YOY	2023	YOY	2024	YOY	2025e	YOY	2026e	YOY
<b>Assets</b>										
Cash and cash equivalents	57.7		67.3		110.7		149.9		184.2	
Accounts receivables	15.2		11.0		8.7		7.9		7.9	
Inventories	1.7		2.5		2.7		2.5		2.5	
Other current assets	0.0		0.0		0.0		0.0		0.0	
Tax claims	0.0		0.0		0.0		0.0		0.0	
<b>Total current assets</b>	<b>74.7</b>	<b>83.4 %</b>	<b>80.7</b>	<b>8.1 %</b>	<b>122.1</b>	<b>51.3 %</b>	<b>160.3</b>	<b>31.3 %</b>	<b>194.7</b>	<b>21.4 %</b>
Fixed assets	196.1		252.0		227.1		219.3		212.3	
Goodwill	1.6		1.0		0.4		0.4		0.4	
Other intangible assets	0.7		0.5		0.3		0.3		0.3	
Financial assets	6.8		3.2		3.0		3.0		3.0	
Deferred taxes	0.5		0.4		0.2		0.2		0.2	
Other fixed assets	2.9		2.5		1.9		1.9		1.9	
<b>Total fixed assets</b>	<b>208.6</b>	<b>-6.4 %</b>	<b>259.5</b>	<b>24.4 %</b>	<b>232.9</b>	<b>-10.3 %</b>	<b>225.1</b>	<b>-3.3 %</b>	<b>218.1</b>	<b>-3.1 %</b>
<b>Total assets</b>	<b>283.3</b>	<b>7.4 %</b>	<b>340.3</b>	<b>20.1 %</b>	<b>355.0</b>	<b>4.3 %</b>	<b>385.4</b>	<b>8.6 %</b>	<b>412.7</b>	<b>7.1 %</b>
<b>Equity &amp; Liabilities</b>										
Subscribed capital	32.4		33.5		33.7		33.7		33.7	
Reserves & other	6.7		10.2		11.0		11.0		11.0	
Revenue reserves	8.5		8.5		8.5		48.2		75.5	
Accumulated other comprehensive	70.4		118.5		127.6		127.6		127.6	
<b>Shareholder's equity</b>	<b>207.5</b>	<b>45.3 %</b>	<b>260.1</b>	<b>25.3 %</b>	<b>266.4</b>	<b>2.4 %</b>	<b>306.0</b>	<b>14.9 %</b>	<b>333.4</b>	<b>8.9 %</b>
Minorities	89.5		89.4		85.5		85.5		85.5	
<b>Shareholder's equity incl. minorities</b>	<b>207.5</b>	<b>45.3 %</b>	<b>260.1</b>	<b>25.3 %</b>	<b>266.4</b>	<b>2.4 %</b>	<b>306.0</b>	<b>14.9 %</b>	<b>333.4</b>	<b>8.9 %</b>
<b>Long-term liabilities</b>										
Pension provisions	1.3		1.2		1.0		1.2		1.2	
Financial liabilities	3.3		2.3		2.1		0.0		0.0	
Tax liabilities	0.0		0.0		0.0		0.0		0.0	
Other liabilities	0.0		0.0		0.0		0.0		0.0	
<b>Total long-term debt</b>	<b>16.2</b>	<b>-81.2 %</b>	<b>9.7</b>	<b>-40.0 %</b>	<b>18.2</b>	<b>87.2 %</b>	<b>15.0</b>	<b>-18.0 %</b>	<b>15.0</b>	<b>0.0 %</b>
<b>Short-term debt</b>										
Other provisions	0.0		0.0		0.0		0.0		0.0	
Trade payables	5.1		3.4		2.8		2.6		2.6	
Financial debt	12.5		25.8		0.0		0.0		0.0	
Other liabilities	36.3		28.4		56.6		51.5		51.5	
<b>Total short-term debt</b>	<b>59.5</b>	<b>71.9 %</b>	<b>70.4</b>	<b>18.3 %</b>	<b>70.4</b>	<b>-0.1 %</b>	<b>64.4</b>	<b>-8.5 %</b>	<b>64.4</b>	<b>0.0 %</b>
<b>Total equity &amp; liabilities</b>	<b>283.3</b>	<b>7.5 %</b>	<b>340.3</b>	<b>20.1 %</b>	<b>355.0</b>	<b>4.3 %</b>	<b>385.4</b>	<b>8.6 %</b>	<b>412.7</b>	<b>7.1 %</b>

Source: Company data, Quirin Privatbank estimates

Key ratios	2022	2023	2024	2025e	2026e
<b>Per share data (EUR)</b>					
EPS	1.40	1.63	1.26	1.48	1.16
Book value per share	3.5	5.1	7.9	6.5	9.9
Free cash flow per share	2.8	2.9	2.7	2.6	2.3
Dividend per share	0.20	1.00	0.20	0.30	0.35
<b>Valuation ratios</b>					
EV/Sales	1.02	0.98	0.74	0.56	0.34
EV/EBITDA	1.6	1.7	1.3	0.8	0.7
EV/EBIT	2.2	2.4	1.8	1.2	1.0
P/E	3.7	2.8	4.4	4.7	6.0
P/B	1.5	0.9	0.7	1.1	0.7
Dividend yield (%)	3.9	21.5	3.6	4.3	5.0
<b>Growth</b>					
Sales growth (%)	107.7	5.7	-14.8	-9.1	0.0
EBITDA growth (%)	215.3	-5.2	-14.7	4.4	-23.2
EBIT growth (%)	192.6	-7.4	-14.8	5.5	-30.8
EPS growth (%)	195.7	16.4	-22.9	17.2	-21.3
<b>Profitability ratios</b>					
EBITDA margin (%)	63.5	56.9	57.0	65.4	50.2
EBIT margin (%)	47.0	41.1	41.1	47.7	33.0
Net margin (%)	24.7	27.2	24.6	31.7	24.9
ROCE (%)	43.5	54.3	39.8	35.8	27.2
<b>Financial ratios</b>					
Total equity (EUR m)	207.5	260.1	266.4	306.0	333.4
Equity ratio (%)	73.2	76.4	75.0	79.4	80.8
Net financial debt (EUR m)	-40.7	-38.1	-107.6	-148.7	-183.0
Net debt/Equity	0.7	0.8	0.8	0.8	0.8
Interest cover	32.2	65.4	49.1	49.9	34.5
Net debt/EBITDA	-0.3	-0.3	-1.1	-1.4	-2.3
Payout ratio (%)	14.2	61.2	15.9	20.3	30.1
Working Capital (EUR m)	15.1	10.3	51.8	95.9	130.3
Working capital/Sales	0.08	0.05	0.30	0.61	0.83

Source: Company data, Quirin Privatbank estimates

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HOLD <=-10% and < = +10%

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#### Price and Rating History (last 12 months)

Date	Price target-EUR	Rating	Initiation
03.09.2025	10.00	Buy	
05.06.2025	10.00	Buy	
28.03.2025	10.00	Buy	
19.09.2024	7.30	Buy	28.03.2023

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#### Competent supervisory authority

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