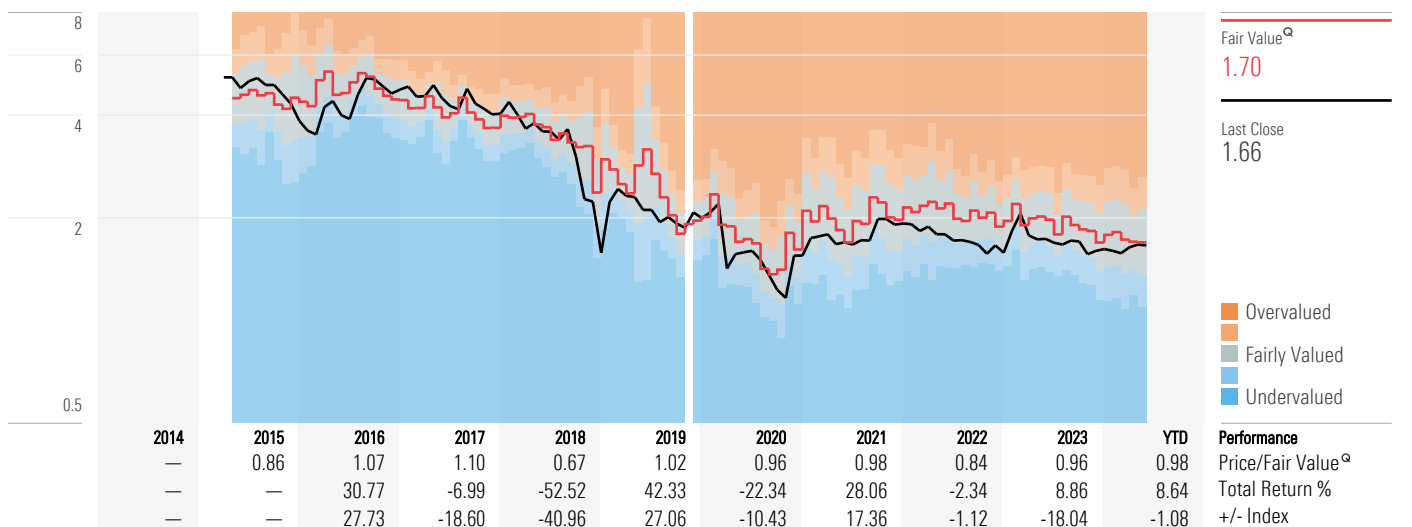


# Naturhouse Health SA NTH ★★★ Q 3 May 2024, 22:48 UTC

Economic Moat <sup>Q</sup>	Uncertainty <sup>Q</sup>	Price/Fair Value <sup>Q</sup>	ESG Risk Rating Assessment <sup>1</sup>	Trailing Dividend Yield %	Market Cap	Investment Style	Sector	Industry
Narrow	Very High	1.0	—	12.05	99.5161 Mil	Small Core	Consumer Defensive	Packaged Foods



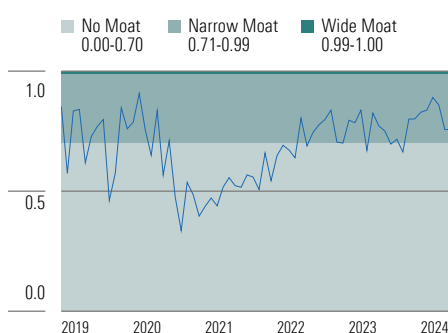
<sup>1</sup>The ESG Risk Rating Assessment is a representation of Sustainalytics' ESG Risk Rating. Lee Davidson, Chief Analytics Officer for Morningstar, Inc, oversees the methodology that supports Quantitative Fair Value Estimates and Quantitative Star Ratings. Mr. Davidson is guided by the Morningstar, Inc. Code of Ethics in carrying out his responsibilities. For information regarding Conflicts of Interests, visit <http://global.morningstar.com/equitydisclosures>.

## Key Metrics as of 2 May 2024

Metrics		Percentile in Sector
Earnings Yield (%)	11.5	91.0
Sales Yield (%)	50.7	29.0
Book Value Yield (%)	30.8	33.0
Return on Assets (%)*	24.6	98.0
Revenue (Mil)*	53.9	22.0
Market Value (Mil)	106.4	37.0
Enterprise Value (Mil)	80.8	29.0
EVMV Ratio	0.8	7.0
Volatility TTM (%)	16.4	21.0
Drawdown TTM (%)	13.5	23.0
Volume (K)	19.1	28.0

\*31 Dec 2023

## Economic Moat<sup>Q</sup> History as of 3 May 2024



## Business Description

Naturhouse Health SA provides nutrition & weight management products. The activity of the company is the export, wholesale, and retail sales of all kinds of products related to dietetics, herbal remedies, and natural cosmetics, as well as the preparation, promotion, creation, edition, dissemination, sale, and distribution of all kinds of magazines, books, and brochures and the marketing of dietary products, herbal remedies, and natural cosmetics. This activity is mainly carried out through franchisees and its stores. The geographical segments of the company are Spain, France, Italy, Poland, and Other countries.

## Valuation<sup>Q</sup> as of 3 May 2024

Morningstar affirms a 3-star quantitative rating for Naturhouse Health. We calculate this outcome using the company's underlying model-driven valuation and uncertainty scores.

The stock's last closing price was 1.66, a discount of 4.94% to its Quantitative Fair Value estimate of 1.75. The stock has been trading between a 19.62% discount and 1.4% premium to its quantitative fair value over the past year. The stock's price to fair value ratio is at the 85th percentile in our global equity coverage universe for this methodology and at the 82nd percentile relative to its peers in the consumer defensive sector.

Naturhouse Health furthermore holds a Very High quantitative uncertainty rating.

The company's quantitative star rating remains unchanged over the past year. The firm's uncertainty rating changed from High to Very High after 01/17/2024.

We examine the financials and market statistics for Naturhouse Health to determine these ratings. Its earnings yield is 11.45% and its sales yield is 50.65%. These fall at the 88th and 48th percentiles

in the equity universe and at the 91st and 29th in the consumer defensive sector, respectively.

## Economic Moat<sup>Q</sup> as of 3 May 2024

Quantitatively, we believe Naturhouse Health has a Narrow economic moat. Its moat score of 0.83 corresponds to the 72nd percentile in the consumer defensive sector. Furthermore, this rating last differed from its previous rating of None on 12/19/2023, when the company's moat score fell from its maximum of 0.89 (score of 1 indicates greatest economic moat).

The company also maintains a quantitative financial health rating of Strong. Its score sits at the 94th percentile overall and the 95th percentile in the sector.

Examining the company's financials and market statistics, we find these ratings are principally driven by its book value yield and annualized trailing 12-month volatility. The book value yield is 30.78%, sitting at the 33rd percentile in the consumer defensive sector. The company's annualized trailing 12-month volatility is 16.42%, corresponding to the 12th percentile in the equity coverage universe and the 21st percentile in the sector.

## Fundamentals as of 3 May 2024

The earnings per share for Naturhouse Health is 0.19. The company earns a return on invested capital of 36.11%, falling at the 95th percentile in the consumer defensive sector. The firm maintains a dividend yield of 11.98%. We calculate the above figures over a trailing 12-month period.

Examining valuation further, we find Naturhouse Health holds a price-to-earnings ratio of 8.74, a figure greater than 13% of its sector peers. The company's price-to-free cash flow ratio is 4.88, greater than 13% of its sector peers. These values are calculated

# Naturhouse Health SA NTH ★★★ Q 3 May 2024, 22:48 UTC

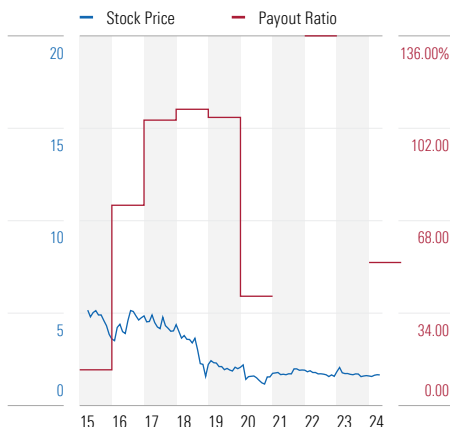
Economic Moat <sup>Q</sup>	Uncertainty <sup>Q</sup>	Price/Fair Value <sup>Q</sup>	ESG Risk Rating Assessment <sup>1</sup>	Trailing Dividend Yield %	Market Cap	Investment Style	Sector	Industry
Narrow	Very High	1.0	—	12.05	99.5161 Mil	Small Core	Consumer Defensive	Packaged Foods

## Earnings as of 2 May 2024

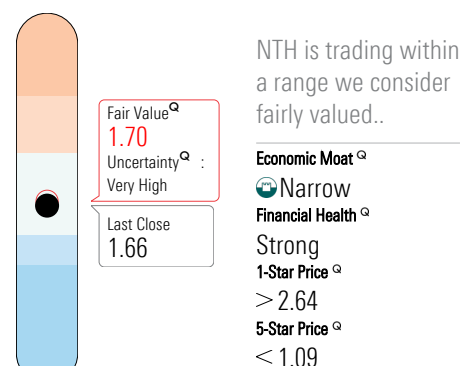
Earnings	%	Percentile in Sector
Dividend Yield*	12.0	98.0
Payout Ratio*	52.6	56.0
Price to Earnings	8.7	13.0
Price to Cash Flow	4.9	13.0
ROIC**	36.1	98.0

\*30 Apr 2024  
\*\*31 Dec 2023

## Dividends as of 3 May 2024



## Valuation <sup>Q</sup> as of 3 May 2024



culated using the stock's price at last market close.

## Contact

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+34 914323953

<https://www.naturhouse.com>

## Financials as of 3 May 2024 (Fiscal Year End 31 Dec 2024)

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD	Fiscal
96	96	98	95	87	82	55	58	52	50	50	Revenue (Mil)
32	33	32	28	22	19	14	18	13	16	16	Operating Income (Mil)
33.93	34.09	32.33	29.77	25.27	22.89	26.09	30.46	24.51	32.29	32.29	Operating Margin (%)
22.56	22.86	22.50	19.86	15.37	13.26	9.38	13.36	9.63	11.29	11.29	Net Income (Mil)
0.38	0.38	0.38	0.33	0.26	0.22	0.16	0.22	0.16	0.19	0.19	Diluted Earnings/Share
24.87	20.95	16.03	16.00	20.10	19.68	14.58	16.17	7.10	20.95	20.95	Operating Cash Flow (Mil)
-3,062	-881	-1,156	-1,327	-720	-886	-201	-50	-964	-570	-570	Capital Spending (K)
21.81	20.07	14.88	14.67	19.38	18.79	14.38	16.12	6.13	20.38	20.38	Free Cash Flow (Mil)
60	60	60	60	60	60	60	60	60	60	60	Avg Shares Outstand(Mil)

## Valuation as of 3 May 2024

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Current	Calendar
—	0.86	1.07	1.10	0.67	1.02	0.96	0.98	0.84	0.96	0.98	Price/Fair Value <sup>Q</sup>
—	2.41	2.90	2.52	1.07	1.44	1.55	1.96	1.70	1.92	1.97	Price/Sales
—	10.13	12.40	11.21	5.96	8.85	10.39	8.02	8.32	9.53	8.74	Price/Earnings
—	10.39	12.41	16.00	4.96	6.63	9.13	5.47	7.62	8.48	4.75	Price/Cash Flow
—	12.85	12.04	10.86	4.61	6.44	3.59	3.74	3.08	3.27	3.25	Price/Book

## Operating Performance as of 3 May 2024 (Fiscal Year End 31 Dec 2024)

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Q3	Fiscal (%)
51.62	55.03	53.19	48.38	42.15	36.99	23.41	29.18	20.97	24.64	4.37	Return on Assets
167	123	91.92	76.98	70.99	75.14	44.22	43.11	30.16	38.65	7.36	Return on Equity
85.54	101	88.41	77.02	71.13	62.51	35.28	38.79	27.97	36.11	6.08	Rtn on Invested Capital

## Dividends as of 3 May 2024

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Current	Calendar (%)
—	0.05	0.28	0.38	0.34	0.25	—	0.06	0.30	0.10	0.20	Dividend Per Share
—	1.3	5.94	9.41	13.94	12.53	3.87	—	18.99	—	12.05	Trailing Dividend Yield
—	—	—	—	0.0	0.07	—	—	—	—	0.0	Buyback Yield

# Appendix

Economic Moat <sup>®</sup> History as of 3 May 2024 (No Moat: 0.00-0.70, Narrow Moat: 0.70-0.99, Wide Moat: 0.99-1.00)												
Year	January	February	March	April	May	June	July	August	September	October	November	December
2024	0.83	0.84	0.89	0.86	0.76	—	—	—	—	—	—	—
2023	0.80	0.79	0.84	0.67	0.82	0.77	0.75	0.70	0.72	0.66	0.80	0.80
2022	0.65	0.69	0.67	0.64	0.80	0.69	0.74	0.78	0.80	0.84	0.70	0.70
2021	0.44	0.47	0.44	0.52	0.56	0.52	0.52	0.57	0.56	0.51	0.66	0.54
2020	0.79	0.91	0.76	0.65	0.83	0.57	0.71	0.48	0.34	0.54	0.49	0.40
2019	0.85	0.57	0.83	0.84	0.62	0.73	0.77	0.80	0.46	0.58	0.85	0.76

# Quantitative Equity Report Overview

The quantitative report on equities consists of data, statistics and quantitative equity ratings on equity securities. Morningstar, Inc.'s quantitative equity ratings are forward looking and are generated by a statistical model that is based on Morningstar Inc.'s analyst-driven equity ratings and quantitative statistics. Given the nature of the quantitative report and the quantitative ratings, there is no one analyst in which a given report is attributed to; however, Mr. Lee Davidson, Head of Quantitative Research for Morningstar, Inc., is responsible for overseeing the methodology that supports the quantitative equity ratings used in this report. As an employee of Morningstar, Inc., Mr. Davidson is guided by Morningstar, Inc.'s Code of Ethics and Personal Securities Trading Policy in carrying out his responsibilities.

## Quantitative Equity Ratings

Morningstar's quantitative equity ratings consist of: (i) Quantitative Fair Value Estimate, (ii) Quantitative Star Rating, (iii) Quantitative Uncertainty, (iv) Quantitative Economic Moat, and (v) Quantitative Financial Health (collectively the "Quantitative Ratings").

The Quantitative Ratings are calculated daily and derived from the analyst-driven ratings of a company's peers as determined by statistical algorithms. Morningstar, Inc. ("Morningstar", "we", "our") calculates Quantitative Ratings for companies whether or not it already provides analyst ratings and qualitative coverage. In some cases, the Quantitative Ratings may differ from the analyst ratings because a company's analyst-driven ratings can significantly differ from other companies in its peer group.

i. **Quantitative Fair Value Estimate:** Intended to represent Morningstar's estimate of the per share dollar amount that a company's equity is worth today. Morningstar calculates the Quantitative Fair Value Estimate using a statistical model derived from the Fair Value Estimate Morningstar's equity analysts assign to companies. Please go to <http://global.morningstar.com/equitydisclosures> for information about Fair Value Estimate Morningstar's equity analysts assign to companies.

ii. **Quantitative Economic Moat:** Intended to describe the strength of a firm's competitive position. It is calculated using an algorithm designed to predict the Economic Moat rating a Morningstar analyst would assign to the stock. The rating is expressed as Narrow, Wide, or None.

**Narrow** – assigned when the probability of a stock receiving a "Wide Moat" rating by an analyst is greater than 70% but less than 99%.

**Wide** – assigned when the probability of a stock receiving a "Wide Moat" rating by an analyst is greater than 99%.

**None** – assigned when the probability of an analyst receiving a "Wide Moat" rating by an analyst is less than 70%.

iii. **Quantitative Star Rating:** Intended to be the summary rating based on the combination of our Quantitative Fair Value Estimate, current market price, Quantitative Uncertainty Rating, and momentum. The rating is expressed as One-Star, Two-Star, Three-Star, Four-Star, and Five-Star.

★ – the stock is overvalued with a reasonable margin of safety.

*Log (Quant FVE/Price) < -1\*Quantitative Uncertainty*

*Micro-Caps: Log (Quant FVE/Price) < -1.5\*Quantitative Uncertainty*

★★ – the stock is somewhat overvalued.

*Log (Quant FVE/Price) between (-1\*Quantitative Uncertainty, -0.5\*Quantitative Uncertainty)*

*Micro-Caps: Log (Quant FVE/Price) between (-1.5\*Quantitative Uncertainty, -0.75\*Quantitative Uncertainty)*

★★★ – the stock is approximately fairly valued.

*Log (Quant FVE/Price) between (-0.5\*Quantitative Uncertainty, 0.5\*Quantitative Uncertainty)*

*Micro-Caps: Log (Quant FVE/Price) between (-0.75\*Quantitative Uncertainty, 0.75\*Quantitative Uncertainty)*

★★★★ – the stock is somewhat undervalued.

*Log (Quant FVE/Price) between (0.5\*Quantitative Uncertainty, 1\*Quantitative*

*Uncertainty)*

*Micro-Caps: Log (Quant FVE/Price) between (0.75\*Quantitative Uncertainty, 1.5\*Quantitative Uncertainty)*

★★★★★ – the stock is undervalued with a reasonable margin of safety.

*Log (Quant FVE/Price) > 1\*Quantitative Uncertainty*

*Micro-Caps: Log (Quant FVE/Price) > 1.5\*Quantitative Uncertainty*

After the initial calculation for the star rating, there is a final filtering step based on the momentum of the company. We rank the companies based on their 12-1 month momentum, then restrict those below the 30th percentile to a maximum of 3 stars.

iv. **Quantitative Uncertainty:** Intended to represent Morningstar's level of uncertainty about the accuracy of the Quantitative Fair Value Estimate. Generally, the lower the Quantitative Uncertainty, the narrower the potential range of outcomes for that particular company. The rating is expressed as Low, Medium, High, Very High, and Extreme.

**Low** – the interquartile range for possible fair values is less than 10%

**Medium** – the interquartile range for possible fair values is less than 15% but greater than 10%

**High** – the interquartile range for possible fair values is less than 35% but greater than 15%

**Very High** – the interquartile range for possible fair values is less than 80% but greater than 35%

**Extreme** – the interquartile range for possible fair values is greater than 80%

v. **Quantitative Financial Health:** Intended to reflect the probability that a firm will face financial distress in the near future. The calculation uses a predictive model designed to anticipate when a company may default on its financial obligations. The rating is expressed as Weak, Moderate, and Strong.

**Weak** – assigned when Quantitative Financial Health < 0.2

**Moderate** – assigned when Quantitative Financial Health is between 0.2 and 0.7

**Strong** – assigned when Quantitative Financial Health > 0.7

## Other Definitions

i. **Last Close** – Price of the stock as of the close of the market of the last trading day before date of the report.

ii. **Quantitative Valuation** – Using the below terms, intended to denote the relationship between the security's **Last Price** and Morningstar's quantitative fair value estimate for that security.

**Undervalued – Last Price** is below Morningstar's quantitative fair value estimate.

**Fairly Valued – Last Price** is in line with Morningstar's quantitative fair value estimate.

**Fairly Valued – Last Price** is in line with Morningstar's quantitative fair value estimate.

**Overvalued – Last Price** is above Morningstar's quantitative fair value estimate.

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Sustainalytics analyzes over 1,300 data points to assess a company's exposure to and management of ESG risks. In other words, ESG Risk Ratings measures a company's unmanaged ESG Risks represented as a quantitative score. Unmanaged Risk is measured on an open-ended scale starting at zero (no risk) with lower scores representing less unmanaged risk and, for 95% of cases, the unmanaged ESG Risk score is below 50.

Based on their quantitative scores, companies are grouped into one of five Risk Categories (negligible, low, medium, high, severe). These risk categories are absolute, meaning that a 'high risk' assessment reflects a comparable degree

of unmanaged ESG risk across all subindustries covered.

The ESG Risk Rating Assessment is a visual representation of Sustainalytics ESG Risk Categories on a 1 to 5 scale. Companies with Negligible Risk = 5 Globes, Low Risk = 4, Medium Risk = 3 Globes, High Risk = 2 Globes, Severe Risk = 1 Globe. For more information, please visit [sustainalytics.com/esg-ratings/](https://sustainalytics.com/esg-ratings/)

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