

Buy EUR 5.60 (EUR 4.20) Price EUR 4.85 Upside 15.5 %	Value Indicators: EUR DCF: 5.61	Warburg ESG Risk Score: 1.2 ESG Score (MSCI based): 3.0 Balance Sheet Score: 0.5 Market Liquidity Score: 0.0	Description: High-tech automation specialist
	Market Snapshot: EUR m Market cap: 142.9 No. of shares (m): 29.5 EV: 240.7 Freefloat MC: 85.4 Ø Trad. Vol. (30d): 33.76 th	Shareholders: Freefloat 59.8 % Günther-Gruppe 40.3 % Werner Weber 5.5 % LOYS 5.1 % BW-Versorgungsanstalt 5.0 %	Key Figures (WRe): 2021e Beta: 1.5 Price / Book: 3.6 x Equity Ratio: 14 % Net Fin. Debt / EBITDA: 4.7 x Net Debt / EBITDA: 4.7 x

Strong orders in Q4; FY 21 guidance for strong sales and EBITDA growth

Stated Figures Q4/2020:				Comment on Figures:				
(EURm)	Q4 20	WRe	delta	Q4 19	YOY	FY 20	FY 19	YOY
Order intake	108,8	91,2	19%	100,0	9%	319,6	379,9	-16%
- core	116,9	70,3	66%	84,1	39%	288,6	316,3	-9%
- non core	-8,1	15,9	-151%	15,9	-151%	31,0	63,6	-51%
Sales	81,9	93,1	-12%	128,5	-36%	307,0	425,5	-28%
- core	63,1	73,6	-14%	99,6	-37%	263,4	335,7	-22%
- non core	16,2	17,9	-9%	26,1	-38%	43,6	89,8	-51%
EBITDA	-1,6	4,9	-132,7%	3,7	n.a.	5,7	-0,9	n.a.
EBITDA margin	-2,0%	5,3%		2,9%		1,9%	-0,2%	
- core	3,5	7,4	-52,7%	9,3	n.a.	19,0	35,7	-47%
EBITDA-margin	5,5%	10,1%		9,3%		7,2%	10,6%	
- non core	-5,2	0,1	n.a.	-5,9	n.a.	-13,3	-36,6	-64%
EBITDA-margin	n.a.	0,6%		n.a.		n.a.	n.a.	
Net income	-9,5	6,8	n.a.	1,2	n.a.	-26,3	-35,5	

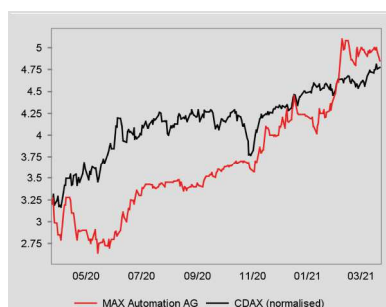
- Q4 orders driven by large order in healthcare, while non-core business had to digest a cancellation, leading to negative order intake in Q4.
- Sales deviation in Q4 largely stems from Environmental Technology.
- Weaker EBITDA in Q4 is impacted by two major items: a) in Evolving Technology, Indat still had a weak performance and additional provisions were booked, while healthcare orders were booked as late as December b) project cancellation in non-core business and costs from the legacy projects at IWM burdened.
- Additionally, new management continued the clean-up and wrote down intangible assets and goodwill (none left in non-core business or Indat) with the respective negative impact on net income.
- FCF of EUR 27m was positively impacted by down payments on the large healthcare order and the non-cash nature of the write-downs.

The positive item in Max Automation's FY 20 figures was clearly the strong order intake in Q4, which was driven by a large order for MA Micro Automation from the healthcare industry. While MA Micro was able to generate large orders for its contact lens offering in the past, we were pleased that this order was for tips & cups and therefore from a new customer and a new product offering. We estimate the order to be around EUR 40m, due over the next two years. Furthermore, management noted that tender activity is picking up at bd tronic, which offers products for e-car production.

In contrast, the company had to digest additional costs for its non-core business, which was impacted by an order cancellation and legacy costs. Probably to be conservative, management booked provisions and took a cautious approach at Indat Robotics, writing down assets. For FY 21, the company expects strong sales growth. EBITDA should improve significantly as the non-core business should finally post a break-even result. However, to account for ongoing litigation and legacy contracts, we included some costs in our FY 20 forecast. Nevertheless, with better prospects for the core business, we maintain our Buy rating and raise our PT from EUR 4.20 to EUR 5.60.

Changes in Estimates:				Comment on Changes:			
FY End: 31.12. in EUR m	2021e (old)	+ / -	2022e (old)	+ / -	2023e (old)	+ / -	
Sales	328.0	3.4 %	379.0	-4.0 %	n.a.	n.m.	
EBITDA	24.3	-14.9 %	36.5	0.9 %	n.a.	n.m.	
EBIT	17.7	-44.6 %	29.5	-14.6 %	n.a.	n.m.	
EPS	0.19	-100.0 %	0.49	-18.4 %	n.a.	n.m.	

- While we have lowered our sales assumptions for the non-core business for FY 21 and beyond, we continue to expect breakeven.
- Our forecast for Evolving Technologies has been raised on the back of strong orders, with a greater impact on profitability in FY 22.
- Net income and EBIT impacted by higher amortization (mainly IFRS 16).

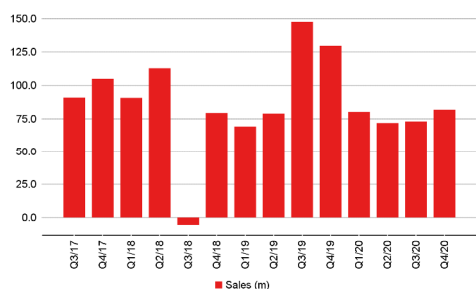


Rel. Performance vs CDAX:	
1 month:	-3.8 %
6 months:	19.4 %
Year to date:	8.5 %
Trailing 12 months:	15.8 %

Company events:	
06.05.21	Q1
05.08.21	Q2
04.11.21	Q3

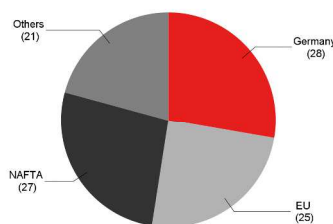
FY End: 31.12. in EUR m	CAGR (20-23e)	2017	2018	2019	2020	2021e	2022e	2023e
Sales	7.6 %	376.2	277.4	425.5	307.0	339.0	364.0	382.0
Change Sales yoy		11.6 %	-26.3 %	53.4 %	-27.8 %	10.4 %	7.4 %	4.9 %
Gross profit margin		48.9 %	53.5 %	46.2 %	52.9 %	54.6 %	56.5 %	56.5 %
EBITDA	90.7 %	28.9	24.1	-0.9	5.7	20.7	36.8	39.3
Margin		7.7 %	8.7 %	-0.2 %	1.8 %	6.1 %	10.1 %	10.3 %
EBIT		20.2	13.6	-15.8	-19.5	9.8	25.2	27.4
Margin		5.4 %	4.9 %	-3.7 %	-6.3 %	2.9 %	6.9 %	7.2 %
Net income		14.0	-30.8	-34.7	-26.5	0.1	11.7	13.3
EPS		0.50	-1.08	-1.18	-0.90	0.00	0.40	0.45
DPS		0.15	0.00	0.00	0.00	0.00	0.15	0.15
Dividend Yield		2.1 %	n.a.	n.a.	n.a.	n.a.	3.1 %	3.1 %
FCFPS		0.39	0.48	-1.00	0.78	-0.39	0.80	0.79
FCF / Market cap		5.4 %	7.1 %	-21.7 %	21.5 %	-8.0 %	16.4 %	16.4 %
EV / Sales		0.7 x	0.9 x	0.6 x	0.6 x	0.7 x	0.6 x	0.5 x
EV / EBITDA		8.6 x	10.5 x	n.a.	34.1 x	11.6 x	5.9 x	5.1 x
EV / EBIT adj.		11.2 x	12.8 x	n.a.	n.a.	24.5 x	8.6 x	7.2 x
P / E		14.5 x	n.a.	n.a.	n.a.	n.a.	12.1 x	10.8 x
FCF Potential Yield		8.9 %	-9.8 %	-2.7 %	1.7 %	7.2 %	12.9 %	15.0 %
Net Debt		48.1	62.2	102.3	86.4	97.8	74.4	55.4
ROCE (NOPAT)		9.1 %	9.5 %	n.a.	n.a.	5.3 %	13.5 %	16.1 %
Guidance:		Strong increase in sales and EBITDA						

Sales development
in EUR m



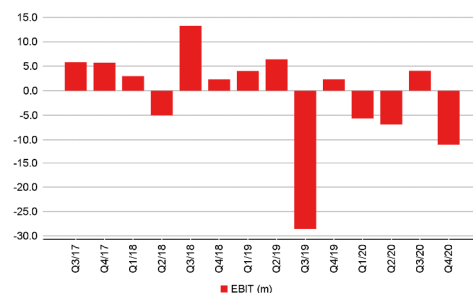
Source: Warburg Research

Sales by regions
2020; in %



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

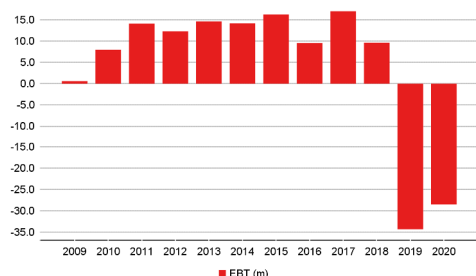
Company Background

- MAX Automation SE (MAX) is a globally active group of companies operating in the industrial automation and environmental technology segments.
- In its Process Technologies and Evolving Technologies segments, MAX develops and produces automated applications for customers in the automotive, medical, electrical and food industries.
- In Environmental technology MAX offers solutions for the disposal and recycling of waste (high-performance systems for shredding, conveying and preparing primary and secondary raw materials).
- The markets that MAX targets are situated mainly in Europe, North America, South America, and Asia. The subsidiaries are represented partly by its own sales companies on international markets.

Competitive Quality

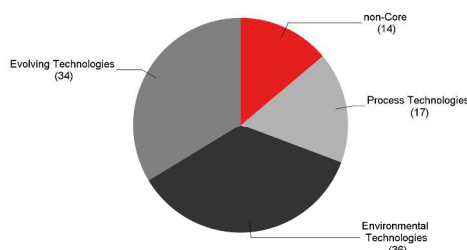
- Many of MAX are positioned as technologically leading providers in their respective markets, offering individual automation and process solutions.
- MAX focuses on the development and production of technologically complex components and systems solutions based on extensive, in-depth process know-how.
- As MAX offers individual technical components and automation systems (80% WRe) as well as parts & services (20% WRe)...
- ... MAX has an important competitive advantage and is able to provide customer-specific, integrated automation solutions with a high degree of technical complexity on a one-stop shop basis.
- As MAX operates in an environment characterized by intense global competition and permanent technological progress, innovation is key to MAX's success.

EBT development
in EUR m



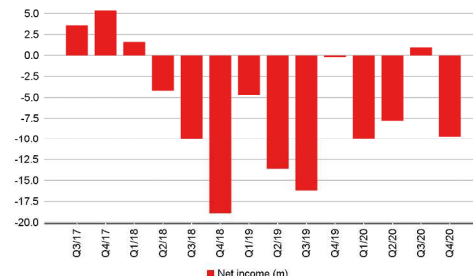
Source: Warburg Research

Sales by segments
2020; in %



Source: Warburg Research

Net income development
in EUR m



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	
Sales	339.0	364.0	382.0	412.6	441.1	467.6	491.8	513.9	533.9	551.9	568.0	582.3	595.1	
Sales change	10.4 %	7.4 %	4.9 %	8.0 %	6.9 %	6.0 %	5.2 %	4.5 %	3.9 %	3.4 %	2.9 %	2.5 %	2.2 %	2.0 %
EBIT	9.8	25.2	27.4	24.8	26.5	28.1	29.5	30.8	32.0	33.1	34.1	34.9	35.7	
EBIT-margin	2.9 %	6.9 %	7.2 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	
Tax rate (EBT)	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	
NOPAT	7.0	17.9	19.5	17.6	18.8	19.9	21.0	21.9	22.7	23.5	24.2	24.8	25.3	
Depreciation	10.8	11.6	11.8	12.8	13.7	14.5	15.2	15.9	16.6	17.1	17.6	18.1	18.4	
in % of Sales	3.2 %	3.2 %	3.1 %	3.1 %	3.1 %	3.1 %	3.1 %	3.1 %	3.1 %	3.1 %	3.1 %	3.1 %	3.1 %	
Changes in provisions	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 Liquidity from														
- Working Capital	16.0	-8.1	-6.2	3.3	3.1	2.8	2.6	2.4	2.1	1.9	1.7	1.5	1.4	
- Capex	6.5	8.0	8.0	8.3	8.8	9.4	9.8	10.3	10.7	11.0	11.4	11.6	11.9	
Capex in % of Sales	1.9 %	2.2 %	2.1 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	
Other	4.5	4.5	4.5	5.0	5.3	5.6	5.9	6.2	6.4	6.6	6.8	7.0	6.5	
Free Cash Flow (WACC Model)	-9.1	25.1	25.0	13.9	15.3	16.6	17.9	19.0	20.1	21.0	21.9	22.7	24.0	25
PV of FCF	-8.9	22.5	20.6	10.6	10.7	10.7	10.6	10.4	10.1	9.7	9.3	8.9	8.7	136
share of PVs	12.69 %			36.99 %										50.31 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	15.00 %	Financial Strength	1.50
Cost of debt (after tax)	2.8 %	Liquidity (share)	1.50
Market return	7.00 %	Cyclicality	1.40
Risk free rate	1.50 %	Transparency	1.50
		Others	1.50
WACC	8.59 %	Beta	1.48

Valuation (m)

Present values 2033e	134		
Terminal Value	136		
Financial liabilities	133		
Pension liabilities	1		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	30	No. of shares (m)	29.5
Equity Value	165	Value per share (EUR)	5.61

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		1.25 %	1.50 %	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.69	9.6 %	4.01	4.11	4.21	4.33	4.45	4.58	4.72	1.69	9.6 %	2.13	2.86	3.60	4.33	5.06	5.79	6.52
1.58	9.1 %	4.54	4.66	4.79	4.92	5.07	5.23	5.40	1.58	9.1 %	2.57	3.36	4.14	4.92	5.71	6.49	7.28
1.53	8.8 %	4.83	4.96	5.10	5.26	5.42	5.60	5.79	1.53	8.8 %	2.82	3.63	4.44	5.26	6.07	6.88	7.70
1.48	8.6 %	5.14	5.29	5.45	5.61	5.80	5.99	6.21	1.48	8.6 %	3.08	3.92	4.77	5.61	6.46	7.30	8.15
1.42	8.3 %	5.48	5.64	5.81	6.00	6.20	6.42	6.66	1.42	8.3 %	3.36	4.24	5.12	6.00	6.88	7.76	8.64
1.37	8.1 %	5.84	6.02	6.21	6.42	6.64	6.89	7.16	1.37	8.1 %	3.67	4.59	5.50	6.42	7.33	8.25	9.16
1.26	7.6 %	6.65	6.87	7.11	7.37	7.65	7.96	8.31	1.26	7.6 %	4.37	5.37	6.37	7.37	8.37	9.36	10.36

- The Beta reflects the cyclicality of the business.
- IFRS 16 depreciation is adjusted in "others"

Valuation	2017	2018	2019	2020	2021e	2022e	2023e
Price / Book	1.4 x	2.0 x	2.0 x	2.7 x	3.6 x	2.8 x	2.4 x
Book value per share ex intangibles	2.45	1.71	0.50	-0.07	0.06	0.61	1.06
EV / Sales	0.7 x	0.9 x	0.6 x	0.6 x	0.7 x	0.6 x	0.5 x
EV / EBITDA	8.6 x	10.5 x	n.a.	34.1 x	11.6 x	5.9 x	5.1 x
EV / EBIT	12.3 x	18.7 x	n.a.	n.a.	24.5 x	8.6 x	7.2 x
EV / EBIT adj.*	11.2 x	12.8 x	n.a.	n.a.	24.5 x	8.6 x	7.2 x
P / FCF	18.4 x	14.1 x	n.a.	4.7 x	n.a.	6.1 x	6.1 x
P / E	14.5 x	n.a.	n.a.	n.a.	n.a.	12.1 x	10.8 x
P / E adj.*	14.5 x	n.a.	n.a.	n.a.	n.a.	12.1 x	10.8 x
Dividend Yield	2.1 %	n.a.	n.a.	n.a.	n.a.	3.1 %	3.1 %
FCF Potential Yield (on market EV)	8.9 %	-9.8 %	-2.7 %	1.7 %	7.2 %	12.9 %	15.0 %

*Adjustments made for: -

Consolidated profit & loss

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Sales	376.2	277.4	425.5	307.0	339.0	364.0	382.0
Change Sales yoy	11.6 %	-26.3 %	53.4 %	-27.8 %	10.4 %	7.4 %	4.9 %
Increase / decrease in inventory	1.7	-1.8	-28.5	-10.0	0.6	1.1	1.0
Own work capitalised	2.4	1.3	2.3	2.2	1.1	1.5	1.2
Total Sales	380.3	276.8	399.3	299.2	340.7	366.6	384.2
Material expenses	196.3	128.4	202.7	136.9	155.6	160.9	168.5
Gross profit	184.0	148.4	196.6	162.3	185.1	205.7	215.7
<i>Gross profit margin</i>	<i>48.9 %</i>	<i>53.5 %</i>	<i>46.2 %</i>	<i>52.9 %</i>	<i>54.6 %</i>	<i>56.5 %</i>	<i>56.5 %</i>
Personnel expenses	112.3	90.0	139.1	121.2	129.2	134.7	140.6
Other operating income	7.2	8.2	11.1	14.1	13.6	14.6	15.3
Other operating expenses	50.0	42.6	69.4	49.6	48.8	48.8	51.2
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	28.9	24.1	-0.9	5.7	20.7	36.8	39.3
<i>Margin</i>	<i>7.7 %</i>	<i>8.7 %</i>	<i>-0.2 %</i>	<i>1.8 %</i>	<i>6.1 %</i>	<i>10.1 %</i>	<i>10.3 %</i>
Depreciation of fixed assets	4.1	4.3	4.3	4.5	5.1	5.1	5.3
EBITA	24.7	19.7	-5.2	1.1	15.6	31.7	33.9
Amortisation of intangible assets	4.5	6.2	7.9	13.0	5.8	6.6	6.5
Goodwill amortisation	0.0	0.0	2.7	7.6	0.0	0.0	0.0
EBIT	20.2	13.6	-15.8	-19.5	9.8	25.2	27.4
<i>Margin</i>	<i>5.4 %</i>	<i>4.9 %</i>	<i>-3.7 %</i>	<i>-6.3 %</i>	<i>2.9 %</i>	<i>6.9 %</i>	<i>7.2 %</i>
EBIT adj.	22.2	19.7	-15.8	-19.5	9.8	25.2	27.4
Interest income	0.4	0.0	0.7	0.4	0.4	0.4	0.4
Interest expenses	3.5	2.7	18.9	9.4	10.0	9.0	9.0
Other financial income (loss)	0.0	-1.2	-0.4	0.0	0.0	0.0	0.0
EBT	17.0	9.6	-34.3	-28.5	0.2	16.5	18.8
<i>Margin</i>	<i>4.5 %</i>	<i>3.5 %</i>	<i>-8.1 %</i>	<i>-9.3 %</i>	<i>0.1 %</i>	<i>4.5 %</i>	<i>4.9 %</i>
Total taxes	2.9	-1.9	1.2	-2.2	0.1	4.8	5.4
Net income from continuing operations	14.1	11.5	-35.5	-26.3	0.1	11.7	13.3
Income from discontinued operations (net of tax)	0.0	-47.1	0.0	0.0	0.0	0.0	0.0
Net income before minorities	14.1	-35.6	-35.5	-26.3	0.1	11.7	13.3
Minority interest	0.2	-4.8	-0.7	0.1	0.0	0.0	0.0
Net income	14.0	-30.8	-34.7	-26.5	0.1	11.7	13.3
<i>Margin</i>	<i>3.7 %</i>	<i>-11.1 %</i>	<i>-8.2 %</i>	<i>-8.6 %</i>	<i>0.0 %</i>	<i>3.2 %</i>	<i>3.5 %</i>
Number of shares, average	27.8	28.4	29.5	29.5	29.5	29.5	29.5
EPS	0.50	-1.08	-1.18	-0.90	0.00	0.40	0.45
EPS adj.	0.50	-1.08	-1.18	-0.90	0.00	0.40	0.45

*Adjustments made for:

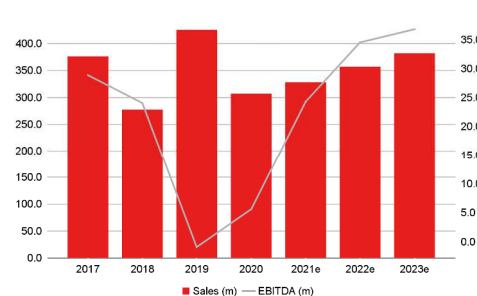
Guidance: Strong increase in sales and EBITDA

Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Total Operating Costs / Sales	93.4 %	91.1 %	94.0 %	95.6 %	94.4 %	90.6 %	90.3 %
Operating Leverage	5.4 x	1.3 x	n.a.	-0.8 x	n.a.	21.1 x	1.8 x
EBITDA / Interest expenses	8.1 x	8.9 x	n.m.	0.6 x	2.1 x	4.1 x	4.4 x
Tax rate (EBT)	17.0 %	-19.5 %	-3.4 %	7.7 %	29.0 %	29.0 %	29.0 %
Dividend Payout Ratio	29.5 %	0.0 %	0.0 %	0.0 %	0.0 %	37.7 %	33.2 %
Sales per Employee	214,837	158,414	234,300	184,829	204,094	219,145	229,982

Sales, EBITDA

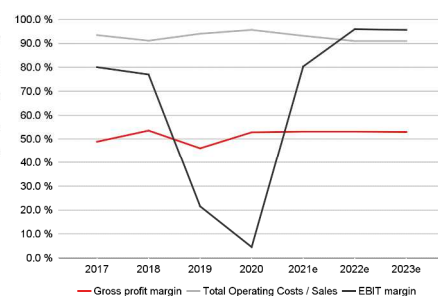
in EUR m



Source: Warburg Research

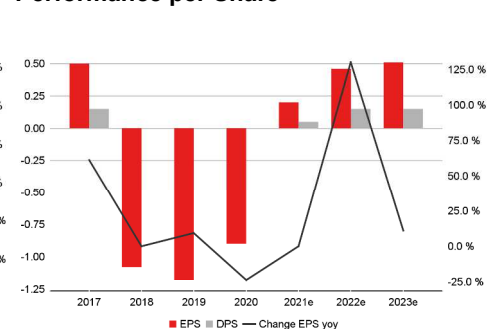
Operating Performance

in %



Source: Warburg Research

Performance per Share



Source: Warburg Research

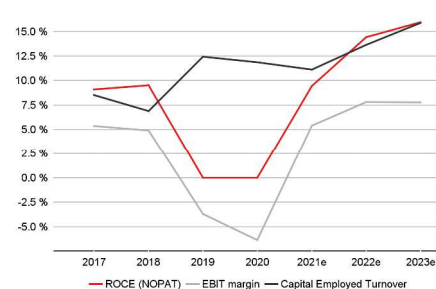
Consolidated balance sheet

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Assets							
Goodwill and other intangible assets	66.8	45.7	53.0	41.7	38.0	33.4	28.9
thereof other intangible assets	13.7	3.6	6.8	3.2	-0.6	-5.2	-9.7
thereof Goodwill	53.1	42.1	46.2	38.6	38.6	38.6	38.6
Property, plant and equipment	31.5	25.1	46.3	44.1	43.5	44.4	45.0
Financial assets	7.5	10.3	14.1	8.3	8.3	8.3	8.3
Other long-term assets	0.6	0.3	0.0	14.8	14.8	14.8	14.8
Fixed assets	106.4	81.5	113.5	108.9	104.5	100.9	97.0
Inventories	42.1	49.0	95.0	76.8	84.8	80.9	76.4
Accounts receivable	138.3	50.0	45.4	27.1	35.3	35.9	37.7
Liquid assets	26.2	31.8	40.6	47.7	36.2	59.7	78.7
Other short-term assets	10.4	152.2	37.9	21.3	21.3	21.3	21.3
Current assets	217.0	282.9	218.9	172.9	177.6	197.8	214.0
Total Assets	323.3	364.4	332.4	281.8	282.1	298.7	311.1
Liabilities and shareholders' equity							
Subscribed capital	29.5	29.5	29.5	29.5	29.5	29.5	29.5
Capital reserve	18.9	18.9	18.9	18.9	18.9	18.9	18.9
Retained earnings	90.6	47.8	35.5	24.2	24.3	36.0	44.9
Other equity components	0.1	-0.1	-16.0	-33.0	-33.0	-33.0	-33.0
Shareholders' equity	139.0	96.1	67.9	39.5	39.7	51.4	60.3
Minority interest	0.0	-4.5	0.0	0.4	0.4	0.4	0.4
Total equity	139.0	91.6	67.9	39.9	40.0	51.8	60.7
Provisions	12.5	11.3	23.1	20.9	20.9	20.9	20.9
thereof provisions for pensions and similar obligations	1.0	1.0	1.1	1.1	1.1	1.1	1.1
Financial liabilities (total)	73.3	93.0	141.8	133.0	133.0	133.0	133.0
thereof short-term financial liabilities	8.4	16.2	1.3	0.8	0.8	0.8	0.8
Accounts payable	72.6	71.1	68.5	64.8	65.0	69.8	73.3
Other liabilities	25.9	97.5	31.1	23.2	23.2	23.2	23.2
Liabilities	184.3	272.8	264.5	241.9	242.1	246.9	250.4
Total liabilities and shareholders' equity	323.3	364.4	332.4	281.8	282.1	298.7	311.1

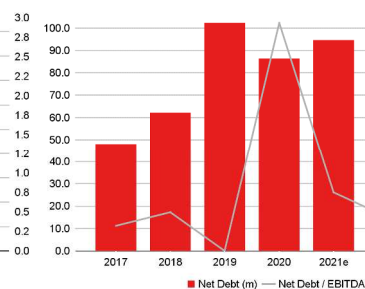
Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Efficiency of Capital Employment							
Operating Assets Turnover	2.7 x	5.2 x	3.6 x	3.7 x	3.4 x	4.0 x	4.5 x
Capital Employed Turnover	2.0 x	1.8 x	2.5 x	2.4 x	2.5 x	2.9 x	3.3 x
ROA	13.1 %	-37.8 %	-30.6 %	-24.3 %	0.1 %	11.6 %	13.7 %
Return on Capital							
ROCE (NOPAT)	9.1 %	9.5 %	n.a.	n.a.	5.3 %	13.5 %	16.1 %
ROE	11.2 %	-26.2 %	-42.4 %	-49.3 %	0.3 %	25.8 %	23.9 %
Adj. ROE	11.2 %	-26.2 %	-42.4 %	-49.3 %	0.3 %	25.8 %	23.9 %
Balance sheet quality							
Net Debt	48.1	62.2	102.3	86.4	97.8	74.4	55.4
Net Financial Debt	47.1	61.2	101.2	85.3	96.8	73.3	54.4
Net Gearing	34.6 %	67.9 %	150.7 %	216.4 %	244.4 %	143.7 %	91.3 %
Net Fin. Debt / EBITDA	163.2 %	254.5 %	n.a.	1507.7 %	468.0 %	199.1 %	138.5 %
Book Value / Share	4.7	3.3	2.3	1.3	1.3	1.7	2.0
Book value per share ex intangibles	2.5	1.7	0.5	-0.1	0.1	0.6	1.1

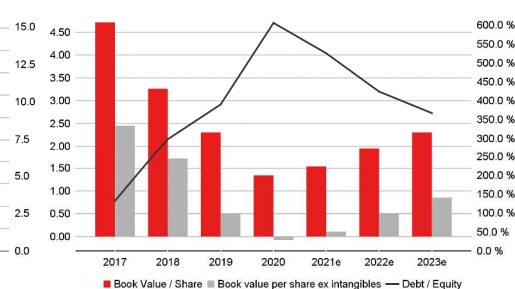
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

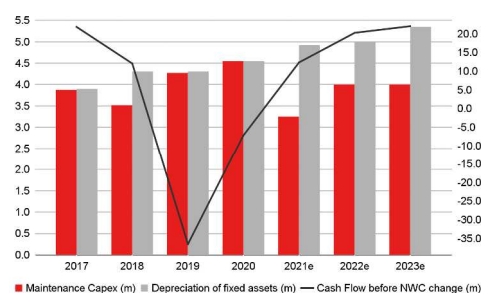
In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Net income	14.1	-35.6	-35.5	-26.3	0.1	11.7	13.3
Depreciation of fixed assets	3.9	4.3	4.3	4.5	5.1	5.1	5.3
Amortisation of goodwill	0.0	0.0	2.7	7.6	0.0	0.0	0.0
Amortisation of intangible assets	4.5	6.2	7.9	13.0	5.8	6.6	6.5
Increase/decrease in long-term provisions	-0.1	0.0	0.1	0.0	0.0	0.0	0.0
Other non-cash income and expenses	-0.6	37.3	-16.1	-6.0	0.0	0.0	0.0
Cash Flow before NWC change	21.9	12.1	-36.5	-7.2	11.0	23.4	25.2
Increase / decrease in inventory	-0.9	-6.9	-46.1	18.2	-8.0	3.9	4.5
Increase / decrease in accounts receivable	-17.1	88.4	4.6	18.3	-8.2	-0.6	-1.8
Increase / decrease in accounts payable	10.8	-1.6	-2.6	-3.7	0.2	4.8	3.5
Increase / decrease in other working capital positions	4.0	-71.5	59.7	6.4	0.0	0.0	0.0
Increase / decrease in working capital (total)	-3.2	8.4	15.6	39.2	-16.0	8.1	6.2
Net cash provided by operating activities [1]	18.7	20.5	-20.9	32.0	-5.0	31.5	31.4
Investments in intangible assets	-3.3	-2.5	-2.4	-3.1	-2.0	-2.0	-2.0
Investments in property, plant and equipment	-4.4	-4.5	-6.2	-6.0	-4.5	-6.0	-6.0
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	3.9	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	5.1	-6.4	-1.7	3.8	0.0	0.0	0.0
Net cash provided by investing activities [2]	-6.5	-13.5	-10.3	-5.2	-6.5	-8.0	-8.0
Change in financial liabilities	-22.9	-22.9	38.7	-8.8	0.0	0.0	0.0
Dividends paid	-4.0	-4.2	0.0	0.0	0.0	0.0	-4.4
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	18.5	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	27.2	0.1	-11.0	0.0	0.0	0.0
Net cash provided by financing activities [3]	-8.4	0.1	38.8	-19.8	0.0	0.0	-4.4
Change in liquid funds [1]+[2]+[3]	3.7	7.2	7.6	7.0	-11.5	23.5	18.9
Effects of exchange-rate changes on cash	-0.6	0.1	-0.6	0.1	0.0	0.0	0.0
Cash and cash equivalent at end of period	26.2	33.5	40.6	47.7	36.2	59.7	78.7

Financial Ratios

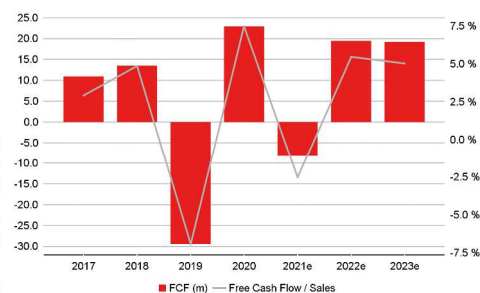
	2017	2018	2019	2020	2021e	2022e	2023e
Cash Flow							
FCF	10.9	13.5	-29.4	22.9	-11.5	23.5	23.4
Free Cash Flow / Sales	2.9 %	4.9 %	-6.9 %	7.5 %	-3.4 %	6.5 %	6.1 %
Free Cash Flow Potential	22.1	-24.7	-6.3	3.3	17.4	28.0	29.8
Free Cash Flow / Net Profit	78.3 %	-43.9 %	84.7 %	-86.7 %	-8519.0 %	200.1 %	175.4 %
Interest Received / Avg. Cash	1.6 %	0.0 %	2.1 %	0.8 %	0.8 %	0.7 %	0.5 %
Interest Paid / Avg. Debt	4.3 %	3.2 %	16.1 %	6.8 %	7.5 %	6.8 %	6.8 %
Management of Funds							
Investment ratio	2.1 %	2.5 %	2.0 %	3.0 %	1.9 %	2.2 %	2.1 %
Maint. Capex / Sales	1.0 %	1.3 %	1.0 %	1.5 %	1.0 %	1.1 %	1.0 %
Capex / Dep	89.4 %	67.0 %	57.3 %	36.1 %	59.9 %	68.7 %	67.6 %
Avg. Working Capital / Sales	27.7 %	24.5 %	11.7 %	18.1 %	13.9 %	14.0 %	11.5 %
Trade Debtors / Trade Creditors	190.5 %	70.3 %	66.3 %	41.8 %	54.3 %	51.4 %	51.4 %
Inventory Turnover	4.7 x	2.6 x	2.1 x	1.8 x	1.8 x	2.0 x	2.2 x
Receivables collection period (days)	134	66	39	32	38	36	36
Payables payment period (days)	135	202	123	173	152	158	159
Cash conversion cycle (Days)	77	3	87	64	84	61	43

CAPEX and Cash Flow

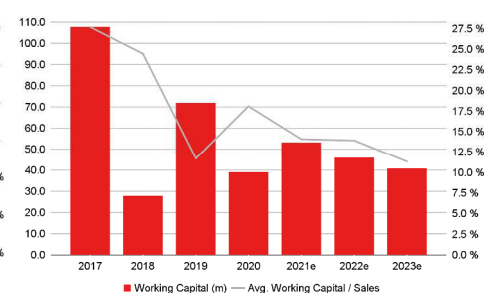
in EUR m



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

LEGAL DISCLAIMER

This research report ("investment recommendation") was prepared by the Warburg Research GmbH, a fully owned subsidiary of the M.M.Warburg & CO (AG & Co.) KGaA and is passed on by the M.M.Warburg & CO (AG & Co.) KGaA. It is intended solely for the recipient and may not be passed on to another company without their prior consent, regardless of whether the company is part of the same corporation or not. It contains selected information and does not purport to be complete. The investment recommendation is based on publicly available information and data ("information") believed to be accurate and complete. Warburg Research GmbH neither examines the information for accuracy and completeness, nor guarantees its accuracy and completeness. Possible errors or incompleteness of the information do not constitute grounds for liability of M.M.Warburg & CO (AG & Co.) KGaA or Warburg Research GmbH for damages of any kind whatsoever, and M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH are not liable for indirect and/or direct and/or consequential damages. In particular, neither M.M.Warburg & CO (AG & Co.) KGaA nor Warburg Research GmbH are liable for the statements, plans or other details contained in these investment recommendations concerning the examined companies, their affiliated companies, strategies, economic situations, market and competitive situations, regulatory environment, etc. Although due care has been taken in compiling this investment recommendation, it cannot be excluded that it is incomplete or contains errors. M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH, their shareholders and employees are not liable for the accuracy and completeness of the statements, estimations and the conclusions derived from the information contained in this investment recommendation. Provided a investment recommendation is being transmitted in connection with an existing contractual relationship, i.e. financial advisory or similar services, the liability of M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH shall be restricted to gross negligence and wilful misconduct. In case of failure in essential tasks, M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH are liable for normal negligence. In any case, the liability of M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH is limited to typical, expectable damages. This investment recommendation does not constitute an offer or a solicitation of an offer for the purchase or sale of any security. Partners, directors or employees of M.M.Warburg & CO (AG & Co.) KGaA, Warburg Research GmbH or affiliated companies may serve in a position of responsibility, i.e. on the board of directors of companies mentioned in the report. Opinions expressed in this investment recommendation are subject to change without notice. All rights reserved.

COPYRIGHT NOTICE

This work including all its parts is protected by copyright. Any use beyond the limits provided by copyright law without permission is prohibited and punishable. This applies, in particular, to reproductions, translations, microfilming, and storage and processing on electronic media of the entire content or parts thereof.

DISCLOSURE ACCORDING TO §85 OF THE GERMAN SECURITIES TRADING ACT (WPHG), MAR AND MIFID II INCL. COMMISSION DELEGATED REGULATION (EU) 2016/958 AND (EU) 2017/565

The valuation underlying the investment recommendation for the company analysed here is based on generally accepted and widely used methods of fundamental analysis, such as e.g. DCF Model, Free Cash Flow Value Potential, NAV, Peer Group Comparison or Sum of the Parts Model (see also <http://www.mmwarburg.de/disclaimer/disclaimer.htm#Valuation>). The result of this fundamental valuation is modified to take into consideration the analyst's assessment as regards the expected development of investor sentiment and its impact on the share price.

Independent of the applied valuation methods, there is the risk that the price target will not be met, for instance because of unforeseen changes in demand for the company's products, changes in management, technology, economic development, interest rate development, operating and/or material costs, competitive pressure, supervisory law, exchange rate, tax rate etc. For investments in foreign markets and instruments there are further risks, generally based on exchange rate changes or changes in political and social conditions.

This commentary reflects the opinion of the relevant author at the point in time of its compilation. A change in the fundamental factors underlying the valuation can mean that the valuation is subsequently no longer accurate. Whether, or in what time frame, an update of this commentary follows is not determined in advance.

Additional internal and organisational arrangements to prevent or to deal with conflicts of interest have been implemented. Among these are the spatial separation of Warburg Research GmbH from M.M.Warburg & CO (AG & Co.) KGaA and the creation of areas of confidentiality. This prevents the exchange of information, which could form the basis of conflicts of interest for Warburg Research GmbH in terms of the analysed issuers or their financial instruments.

The analysts of Warburg Research GmbH do not receive a gratuity – directly or indirectly – from the investment banking activities of M.M.Warburg & CO (AG & Co.) KGaA or of any company within the Warburg-Group.

All prices of financial instruments given in this investment recommendation are the closing prices on the last stock-market trading day before the publication date stated, unless another point in time is explicitly stated.

M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH are subject to the supervision of the Federal Financial Supervisory Authority, BaFin. M.M.Warburg & CO (AG & Co.) KGaA is additionally subject to the supervision of the European Central Bank (ECB).

SOURCES

All **data and consensus estimates** have been obtained from FactSet except where stated otherwise.

The **Warburg ESG Risk Score** is based on information © 2020 MSCI ESG Research LLC. Reproduced by permission. Although Warburg Research's information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for, or a component, of any financial instruments or products indices. Further, none of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damage (including lost profits) even if notified of the possibility.

Additional information for clients in the United States

1. This research report (the "Report") is a product of Warburg Research GmbH, Germany, a fully owned subsidiary of M.M.Warburg & CO (AG & Co.) KGaA, Germany (in the following collectively "Warburg"). Warburg is the employer of the research analyst(s), who have prepared the Report. The research analyst(s) reside outside the United States and are not associated persons of any U.S. regulated broker-dealer and therefore are not subject to the supervision of any U.S. regulated broker-dealer.
2. The Report is provided in the United States for distribution solely to "major U.S. institutional investors" under Rule 15a-6 of the U.S. Securities Exchange Act of 1934 by CIC.
3. CIC (Crédit Industriel et Commercial) and M.M. Warburg & CO have concluded a Research Distribution Agreement that gives CIC Market Solutions exclusive distribution in France, the US and Canada of the Warburg Research GmbH research product.
4. The research reports are distributed in the United States of America by CIC ("CIC") pursuant to a SEC Rule 15a-6 agreement with CIC Market Solutions Inc ("CICI"), a U.S. registered broker-dealer and a related company of CIC, and are distributed solely to persons who qualify as "Major U.S. Institutional Investors" as defined in SEC Rule 15a-6 under the Securities Exchange Act of 1934.
5. Any person who is not a Major U.S. Institutional Investor must not rely on this communication. The delivery of this research report to any person in the United States of America is not a recommendation to effect any transactions in the securities discussed herein, or an endorsement of any opinion expressed herein.

Reference in accordance with section 85 of the German Securities Trading Act (WpHG) and Art. 20 MAR regarding possible conflicts of interest with companies analysed:

- 1- Warburg Research, or an affiliated company, or an employee of one of these companies responsible for the compilation of the research, hold a **share of more than 5%** of the equity capital of the analysed company.
- 2- Warburg Research, or an affiliated company, within the last twelve months participated in the **management of a consortium** for an issue in the course of a public offering of such financial instruments, which are, or the issuer of which is, the subject of the investment recommendation.
- 3- Companies affiliated with Warburg Research **manage financial instruments**, which are, or the issuers of which are, subject of the investment recommendation, in a market based on the provision of buy or sell contracts.
- 4- MMWB, Warburg Research, or an affiliated company, reached an agreement with the issuer to provide **investment banking and/or investment services** and the relevant agreement was in force in the last 12 months or there arose for this period, based on the relevant agreement, the obligation to provide or to receive a service or compensation - provided that this disclosure does not result in the disclosure of confidential business information.
- 5- The company compiling the analysis or an affiliated company had reached an **agreement on the compilation of the investment recommendation** with the analysed company.
- 6a- Warburg Research, or an affiliated company, holds a **net long position of more than 0.5%** of the total issued share capital of the analysed company.
- 6b- Warburg Research, or an affiliated company, holds a **net short position of more than 0.5%** of the total issued share capital of the analysed company.
- 6c- The issuer holds shares of more than 5% of the total issued capital of Warburg Research or an affiliated company.
- 7- The company preparing the analysis as well as its affiliated companies and employees have **other important interests** in relation to the analysed company, such as, for example, the exercising of mandates at analysed companies.

This report has been made accessible to the company analysed and was modified thereafter.

Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
MAX Automation	5, 7	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A2DA588.htm

INVESTMENT RECOMMENDATION

Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

-B-	Buy:	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	Hold:	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	Sell:	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	Rating suspended:	The available information currently does not permit an evaluation of the company.

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING

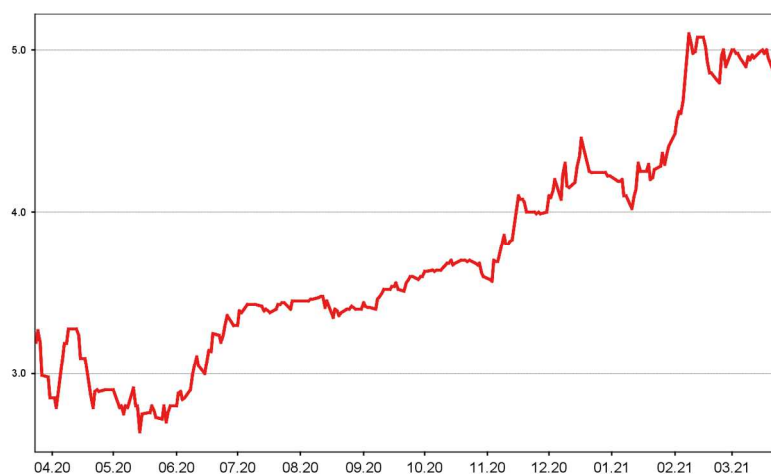
Rating	Number of stocks	% of Universe
Buy	132	64
Hold	63	30
Sell	7	3
Rating suspended	5	2
Total	207	100

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...

... taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	39	80
Hold	7	14
Sell	0	0
Rating suspended	3	6
Total	49	100

PRICE AND RATING HISTORY MAX AUTOMATION AS OF 23.03.2021



Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

EQUITIES

Matthias Rode +49 40 3282-2678
Head of Equities mrode@mmwarburg.com

RESEARCH

Michael Heider +49 40 309537-280
Head of Research mheider@warburg-research.com

Henner Rüschemeyer +49 40 309537-270
Head of Research hrueschmeier@warburg-research.com

Stefan Augustin +49 40 309537-168
Cap. Goods, Engineering saugustin@warburg-research.com

Jan Bauer +49 40 309537-155
Renewables jbauer@warburg-research.com

Jonas Blum +49 40 309537-240
Telco, Media, Construction jblum@warburg-research.com

Christian Cohrs +49 40 309537-175
Industrials & Transportation ccohrs@warburg-research.com

Dr. Christian Ehmann +49 40 309537-167
BioTech, Life Science cehmann@warburg-research.com

Felix Ellmann +49 40 309537-120
Software, IT fellmann@warburg-research.com

Jörg Philipp Frey +49 40 309537-258
Retail, Consumer Goods jfrey@warburg-research.com

Marius Fuhrberg +49 40 309537-185
Financial Services mfuhrberg@warburg-research.com

Mustafa Hidir +49 40 309537-230
Automobiles, Car Suppliers mhidir@warburg-research.com

Ulrich Huwald +49 40 309537-255
Health Care, Pharma uhuwald@warburg-research.com

Philipp Kaiser +49 40 309537-260
Real Estate pkaiser@warburg-research.com

Thilo Kleibauer +49 40 309537-257
Retail, Consumer Goods tkleibauer@warburg-research.com

Eggert Kuls +49 40 309537-256
Engineering ekuls@warburg-research.com

Andreas Pläsier +49 40 309537-246
Banks, Financial Services aplaesier@warburg-research.com

Malte Schaumann +49 40 309537-170
Technology mschaumann@warburg-research.com

Oliver Schwarz +49 40 309537-250
Chemicals, Agriculture oschwarz@warburg-research.com

Simon Stippig +49 40 309537-265
Real Estate sstippig@warburg-research.com

Cansu Tatar +49 40 309537-248
Cap. Goods, Engineering ctatar@warburg-research.com

Marc-René Tonn +49 40 309537-259
Automobiles, Car Suppliers mtonn@warburg-research.com

Robert-Jan van der Horst +49 40 309537-290
Technology rvanderhorst@warburg-research.com

Andreas Wolf +49 40 309537-140
Software, IT awolf@warburg-research.com

INSTITUTIONAL EQUITY SALES

Marc Niemann +49 40 3282-2660
Head of Equity Sales, Germany mniemann@mmwarburg.com

Klaus Schilling +49 40 3282-2664
Head of Equity Sales, Germany kschilling@mmwarburg.com

Tim Beckmann +49 40 3282-2665
United Kingdom tbeckmann@mmwarburg.com

Lea Bogdanova +49 69 5050-7411
United Kingdom, Ireland lbogdanova@mmwarburg.com

Jens Buchmüller +49 69 5050-7415
Scandinavia, Austria jbuchmueller@mmwarburg.com

Alexander Eschweiler +49 40 3282-2669
Germany, Luxembourg aeschweiler@mmwarburg.com

Matthias Fritsch +49 40 3282-2696
United Kingdom mfritsch@mmwarburg.com

Maximilian Martin +49 69 5050-7413
Austria, Poland mmartin@mmwarburg.com

Christopher Seedorf +49 69 5050-7414
Switzerland cseedorf@mmwarburg.com

Sophie Hauer +49 69 5050-7417
Roadshow/Marketing shauer@mmwarburg.com

Juliane Niemann +49 40 3282-2694
Roadshow/Marketing jniemann@mmwarburg.com

SALES TRADING

Oliver Merckel +49 40 3282-2634
Head of Sales Trading omerckel@mmwarburg.com

Elyaz Dust +49 40 3282-2702
Sales Trading edust@mmwarburg.com

Michael Ilgenstein +49 40 3282-2700
Sales Trading milgenstein@mmwarburg.com

Marcel Magiera +49 40 3282-2662
Sales Trading mmagiera@mmwarburg.com

Bastian Quast +49 40 3282-2701
Sales Trading bquast@mmwarburg.com

Jörg Treptow +49 40 3282-2658
Sales Trading jtreptow@mmwarburg.com

MACRO RESEARCH

Carsten Klude +49 40 3282-2572
Macro Research cklude@mmwarburg.com

Dr. Christian Jasperneite +49 40 3282-2439
Investment Strategy cjasperneite@mmwarburg.com

Our research can be found under:

Warburg Research research.mmwarburg.com/en/index.html
Bloomberg RESP MMWA GO
FactSet www.factset.com

Thomson Reuters www.thomsonreuters.com
Capital IQ www.capitaliq.com

For access please contact:

Andrea Schaper +49 40 3282-2632
Sales Assistance aschaper@mmwarburg.com

Kerstin Muthig +49 40 3282-2703
Sales Assistance kmuthig@mmwarburg.com