

Buy EUR 7.20 Price EUR 5.78 Upside 24.6 %	Value Indicators: EUR DCF: 7.22	Warburg ESG Risk Score: 1.2 ESG Score (MSCI based): 3.0 Balance Sheet Score: 0.5 Market Liquidity Score: 0.0	Description: Cash flow-oriented financial and investment holding company
	Market Snapshot: EUR m Market cap: 238.4 No. of shares (m): 41.2 EV: 301.1 Freefloat MC: 97.8 Ø Trad. Vol. (30d): 55.26 th	Shareholders: Freefloat 41.03 % Günther-Gruppe 58.97 % LOYS 10.00 % Werner Weber 4.16 % LBBW 3.57 %	Key Figures (WRE): 2023e Beta: 1.4 Price / Book: 2.0 x Equity Ratio: 30 % Net Fin. Debt / EBITDA: 1.3 x Net Debt / EBITDA: 1.3 x

Start of structured divestment of MA micro automation

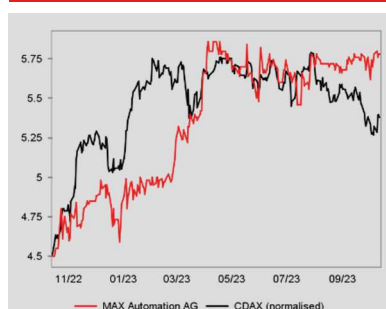
Max Automation announced that it initiated a structured selling process for its holding company MA micro automation. MA micro automation is one of the success stories in the portfolio as its origins are in the automation of production in the automotive industry. The business was bought as part of the AIM group acquisition in 2013 and the seller, Günther-Gruppe, became a major shareholder. Other parts of AIM group did not master the transition into business areas outside the automotive industry and were consequently restructured or closed with the exception of AIM micro systems.

MA micro produces automated production lines for medical devices (e.g. pen injectors or contact lenses). In FY 18, sales stood at EUR 44m and increased in FY 22 to EUR 64m. Likewise, EBITDA grew substantially and reached a level of EUR 11.2m, resulting in an EBITDA margin of 17.4%. In FY 23e, we expect the EBITDA margin to grow to a level well above 20%. However, there is a significant volatility in the business as major projects achieve volumes of about EUR 30m and shifts in order placement lead to temporary underutilization. As a result, the FY 21 EBITDA margin was a comparatively low 11.2%. Such volatility leads to significant swings in the working capital of MA micro automation considering the significant down-payments for projects.

The idea is to find a strategic partner for MA micro to support further growth. Ideally one with a major interest and the ability to invest strongly in further product development even in times of lower project activity. Max Automation stabilized and improved its financial situation with the capital increase for cash and contribution in kind, namely Zeal Network shares. Despite good operational development and significant increases in EBITDA, cash generation and inventory levels have so far not fully lived up to our hopes implied for FY 23e. Net financial debt stands at around EUR 90m, which would bring net debt/EBITDA multiples below 2.5x but would not offer significant headroom either. This is as long as the Zeal stake is viewed as a long-term financial asset as shown on the balance sheet and not as a fungible financial position.

If we conservatively assume a 10x EBITDA multiple on FY 22 EBITDA of MA micro, we would calculate an EV of EUR 110m for MA micro. Net cash for MA micro stood at EUR 19.5m after H1 23, which would mean that Max Automation would be basically debt-free post a sale at this multiple and regain financial flexibility. A successful sale would offer several options for Max Automation, ranging from M&A activity to cash distribution to a share buy-back.

Max Automation's current EV is EUR 340m. In turn, our assumed valuation for MA micro automation is roughly proportionate to its FY 22 profit contribution. At first sight, the disposal does not look value-enhancing, but we want to point out that there would be a positive effect on our price target calculation from the discount effect of the transaction. Further, the deal is likely to have a positive impact on financing rates for the company. For the time being, we reiterate our Buy recommendation and our price target of EUR 7.20.

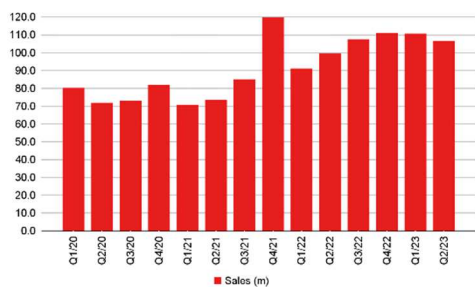


Rel. Performance vs CDAX:	
1 month:	2.7 %
6 months:	4.3 %
Year to date:	13.2 %
Trailing 12 months:	5.5 %

Company events:
09.11.23 Q3

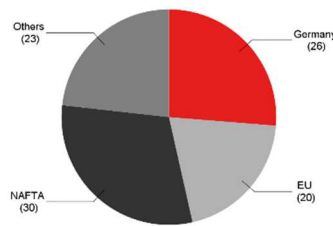
FY End: 31.12. in EUR m	CAGR (22-25e)	2019	2020	2021	2022	2023e	2024e	2025e
Sales	6.4 %	425.5	307.0	349.1	409.2	453.4	434.9	492.8
Change Sales yoy		53.4 %	-27.8 %	13.7 %	17.2 %	10.8 %	-4.1 %	13.3 %
Gross profit margin		46.2 %	52.9 %	51.3 %	52.3 %	54.5 %	55.4 %	55.6 %
EBITDA	17.2 %	-0.9	5.7	25.7	33.7	48.5	44.8	54.2
Margin		-0.2 %	1.8 %	7.4 %	8.2 %	10.7 %	10.3 %	11.0 %
EBIT	22.0 %	-15.8	-19.5	11.6	22.0	35.3	32.2	39.9
Margin		-3.7 %	-6.3 %	3.3 %	5.4 %	7.8 %	7.4 %	8.1 %
Net income	16.0 %	-34.7	-26.5	-1.4	14.7	30.1	18.5	22.9
EPS	12.8 %	-1.18	-0.90	-0.05	0.39	0.73	0.45	0.56
DPS	44.2 %	0.00	0.00	0.00	0.05	0.10	0.15	0.15
Dividend Yield		n.a.	n.a.	n.a.	1.1 %	1.7 %	2.6 %	2.6 %
FCFPS		-1.00	0.78	0.72	-0.32	0.86	0.59	1.18
FCF / Market cap		-21.7 %	21.5 %	16.4 %	-7.4 %	14.9 %	10.3 %	20.6 %
EV / Sales		0.6 x	0.6 x	0.6 x	0.6 x	0.7 x	0.6 x	0.5 x
EV / EBITDA		n.a.	34.1 x	7.9 x	7.7 x	6.2 x	6.3 x	4.4 x
EV / EBIT adj.		n.a.	n.a.	17.6 x	11.8 x	8.5 x	8.7 x	5.9 x
P / E		n.a.	n.a.	n.a.	11.2 x	7.9 x	12.8 x	10.2 x
FCF Potential Yield		-2.7 %	1.7 %	9.0 %	10.8 %	14.6 %	12.1 %	17.0 %
Net Debt		102.3	86.4	74.0	96.3	62.7	42.3	-0.1
ROCE (NOPAT)		n.a.	n.a.	n.a.	13.5 %	17.9 %	13.3 %	17.0 %
Guidance:		Sales of EUR 410-470m, EBITDA of EUR 38-44m						

Sales development
in EUR m



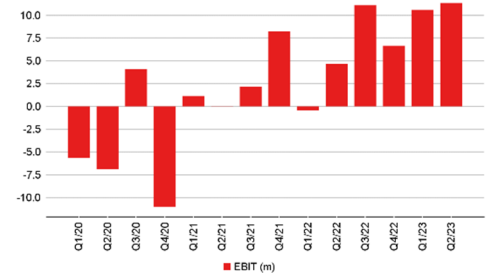
Source: Warburg Research

Sales by regions
2020; in %



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

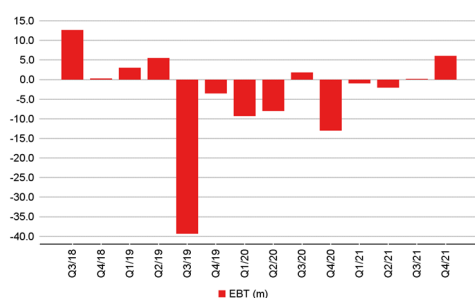
Company Background

- 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

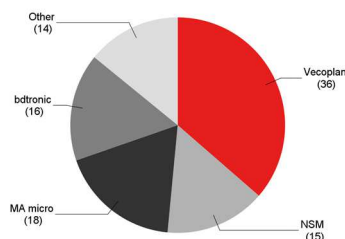
- Many of MAX are positioned as technologically leading providers in their respective markets, offering individual automation and process solutions.
- MAX focuses on the development and production of technologically complex components and systems solutions based on extensive, in-depth process know-how.
- 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



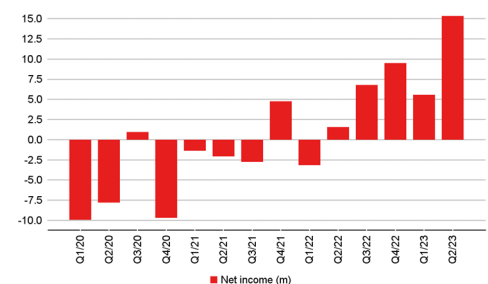
Source: Warburg Research

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
	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	
Sales	453.4	434.9	492.8	512.6	531.7	550.3	568.3	585.7	602.4	618.5	634.0	648.8	662.9	
Sales change	10.8 %	-4.1 %	13.3 %	4.0 %	3.7 %	3.5 %	3.3 %	3.1 %	2.9 %	2.7 %	2.5 %	2.3 %	2.2 %	2.0 %
EBIT	35.3	32.2	39.9	33.3	34.6	35.8	36.9	38.1	39.2	40.2	41.2	42.2	43.1	
EBIT-margin	7.8 %	7.4 %	8.1 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	
Tax rate (EBT)	5.0 %	25.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	
NOPAT	33.6	24.2	28.3	23.7	24.5	25.4	26.2	27.0	27.8	28.5	29.3	29.9	30.6	
Depreciation	13.1	12.6	14.3	14.9	15.4	16.0	16.5	17.0	17.5	17.9	18.4	18.8	19.2	
in % of Sales	2.9 %	2.9 %	2.9 %	2.9 %	2.9 %	2.9 %	2.9 %	2.9 %	2.9 %	2.9 %	2.9 %	2.9 %	2.9 %	
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	-1.8	-2.9	-20.9	1.8	1.8	1.7	1.7	1.6	1.6	1.5	1.4	1.4	1.3	
- Capex	9.5	9.5	9.5	10.3	10.6	11.0	11.4	11.7	12.0	12.4	12.7	13.0	13.3	
Capex in % of Sales	2.1 %	2.2 %	1.9 %	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	5.6	5.8	6.1	6.3	6.4	6.6	6.8	7.0	7.1	7.3	
Free Cash Flow (WACC Model)	34.5	25.7	49.5	20.8	21.7	22.6	23.4	24.2	25.0	25.8	26.5	27.3	27.9	29
PV of FCF	33.2	22.6	39.9	15.3	14.6	13.9	13.2	12.4	11.8	11.1	10.4	9.8	9.2	128
share of PVs	27.76 %			35.26 %										36.99 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	15.00 %	Financial Strength	1.30
Cost of debt (after tax)	2.8 %	Liquidity (share)	1.50
Market return	8.25 %	Cyclicality	1.40
Risk free rate	2.75 %	Transparency	1.50
		Others	1.40
WACC	9.40 %	Beta	1.42

Valuation (m)

Present values 2035e	217		
Terminal Value	128		
Financial liabilities	131		
Pension liabilities	1		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	49		
Liquidity	36	No. of shares (m)	41.2
Equity Value	297	Value per share (EUR)	7.21

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
1.63	10.4 %	6.12	6.19	6.25	6.32	6.40	6.48	6.56	1.63	10.4 %	4.65	5.21	5.77	6.32	6.88	7.44	8.00
1.53	9.9 %	6.50	6.57	6.65	6.74	6.83	6.92	7.02	1.53	9.9 %	4.96	5.55	6.14	6.74	7.33	7.92	8.51
1.47	9.6 %	6.70	6.79	6.87	6.96	7.06	7.17	7.28	1.47	9.6 %	5.13	5.74	6.35	6.96	7.57	8.18	8.79
1.42	9.4 %	6.92	7.01	7.10	7.21	7.31	7.43	7.55	1.42	9.4 %	5.31	5.94	6.58	7.21	7.84	8.47	9.10
1.37	9.1 %	7.15	7.25	7.35	7.46	7.58	7.71	7.85	1.37	9.1 %	5.51	6.16	6.81	7.46	8.12	8.77	9.42
1.31	8.9 %	7.40	7.51	7.62	7.74	7.87	8.02	8.17	1.31	8.9 %	5.72	6.39	7.07	7.74	8.42	9.09	9.77
1.21	8.4 %	7.94	8.07	8.21	8.36	8.53	8.70	8.89	1.21	8.4 %	6.18	6.91	7.64	8.36	9.09	9.81	10.54

- The Beta reflects the cyclicality of the business.
- IFRS 16 depreciation is adjusted in "others"
- 1.27m Zeal Network shares shown in market value of investments

Free Cash Flow Value Potential

Warburg Research's valuation tool "FCF Value Potential" reflects the ability of the company to generate sustainable free cash flows. It is based on the "FCF potential" - a FCF "ex growth" figure - which assumes unchanged working capital and pure maintenance capex. A value indication is derived via the perpetuity of a given year's "FCF potential" with consideration of the weighted costs of capital. The fluctuating value indications over time add a timing element to the DCF model (our preferred valuation tool).

in EUR m	2019	2020	2021	2022	2023e	2024e	2025e	
Net Income before minorities	-35.5	-26.3	-0.9	15.0	30.1	18.5	22.9	
+ Depreciation + Amortisation	14.9	25.1	14.2	11.7	13.1	12.6	14.3	
- Net Interest Income	-18.5	-9.0	-8.3	-6.0	-5.6	-7.6	-7.6	
- Maintenance Capex	4.3	4.5	3.3	4.6	4.8	4.8	4.8	
+ Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
= Free Cash Flow Potential	-6.3	3.3	18.4	28.0	44.1	33.9	40.1	
FCF Potential Yield (on market EV)	-2.7 %	1.7 %	9.0 %	10.8 %	14.6 %	12.1 %	17.0 %	
WACC	9.40 %	9.40 %	9.40 %	9.40 %	9.40 %	9.40 %	9.40 %	
= Enterprise Value (EV)	238.0	193.1	203.4	259.0	301.1	280.7	235.8	
= Fair Enterprise Value	n.a.	35.2	195.3	298.2	468.8	361.1	426.3	
- Net Debt (Cash)	95.8	95.8	95.8	95.8	62.2	41.8	-0.7	
- Pension Liabilities	0.6	0.6	0.6	0.6	0.6	0.6	0.6	
- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Market value of minorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
+ Market value of investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
= Fair Market Capitalisation	n.a.	n.a.	99.0	201.9	406.1	318.8	426.4	
Number of shares, average	29.5	29.5	29.5	37.3	41.2	41.2	41.2	
= Fair value per share (EUR)	n.a.	n.a.	3.36	5.41	9.85	7.73	10.34	
premium (-) / discount (+) in %					70.4 %	33.7 %	80.8 %	
Sensitivity Fair value per Share (EUR)								
	12.40 %	n.a.	n.a.	1.25	3.15	7.10	5.61	7.84
	11.40 %	n.a.	n.a.	1.57	3.63	7.85	6.19	8.53
	10.40 %	n.a.	n.a.	1.94	4.20	8.75	6.89	9.35
WACC	9.40 %	n.a.	n.a.	3.36	5.41	9.85	7.73	10.34
	8.40 %	n.a.	n.a.	2.96	5.76	11.20	8.77	11.57
	7.40 %	n.a.	n.a.	3.68	6.85	12.92	10.10	13.13
	6.40 %	n.a.	n.a.	4.62	8.29	15.18	11.84	15.19

■ ...

Peer Group										
Company	Price	EV / Sales		EV / EBITDA		EV / EBIT		P / E		EPS CAGR (22-25e)
		23e	24e	23e	24e	23e	24e	23e	24e	
Prices in local currency										
Andritz	46.08	0.5	4.6	4.3	6.1	5.6	9.0	8.9	6.3 %	
Automation Tooling Systems	37.55	2.1	13.2	11.8	15.4	13.5	20.4	18.5	11.4 %	
DMG Mori Seiki	42.60	-	-	-	-	-	-	-	-	
Dürr	24.36	0.4	4.9	4.2	7.0	5.8	9.1	7.7	24.3 %	
Industria Macchine	67.90	-	-	-	-	-	-	-	-	
Krones	97.10	0.6	5.8	4.8	8.5	6.7	12.9	10.8	20.1 %	
Manz	13.62	0.4	8.3	4.7	48.1	9.7	-	20.7	-	
Mikron Holding	14.32	0.5	4.2	3.9	5.4	5.1	8.7	9.1	0.8 %	
Average		0.7	6.8	5.6	15.1	7.7	12.0	12.6	12.6 %	
Median		0.5	5.3	4.5	7.8	6.3	9.1	9.9	24.3 %	
MAX Automation	5.78	0.7	6.2	6.3	8.5	8.7	7.9	12.8	12.8 %	
Delta to median		39.1 %	16.7 %	39.1 %	9.7 %	39.3 %	-12.8 %	29.1 %	-47.3 %	

- Closest peers and competitors are Andritz (through Schuler), ATS and Dürr.
- Manz and DMG are not active in MAX's business areas but they are perceived as high-tech automation specialist.

Valuation							
	2019	2020	2021	2022	2023e	2024e	2025e
Price / Book	2.0 x	2.7 x	3.3 x	1.7 x	2.0 x	1.8 x	1.5 x
Book value per share ex intangibles	0.50	-0.07	-0.08	1.21	1.89	2.24	2.65
EV / Sales	0.6 x	0.6 x	0.6 x	0.6 x	0.7 x	0.6 x	0.5 x
EV / EBITDA	n.a.	34.1 x	7.9 x	7.7 x	6.2 x	6.3 x	4.4 x
EV / EBIT	n.a.	n.a.	17.6 x	11.8 x	8.5 x	8.7 x	5.9 x
EV / EBIT adj.*	n.a.	n.a.	17.6 x	11.8 x	8.5 x	8.7 x	5.9 x
P / FCF	n.a.	4.7 x	6.1 x	n.a.	6.7 x	9.7 x	4.9 x
P / E	n.a.	n.a.	n.a.	11.2 x	7.9 x	12.8 x	10.2 x
P / E adj.*	n.a.	n.a.	n.a.	11.2 x	7.9 x	12.8 x	10.2 x
Dividend Yield	n.a.	n.a.	n.a.	1.1 %	1.7 %	2.6 %	2.6 %
FCF Potential Yield (on market EV)	-2.7 %	1.7 %	9.0 %	10.8 %	14.6 %	12.1 %	17.0 %

*Adjustments made for: -

Consolidated profit & loss

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
Sales	425.5	307.0	349.1	409.2	453.4	434.9	492.8
Change Sales yoy	53.4 %	-27.8 %	13.7 %	17.2 %	10.8 %	-4.1 %	13.3 %
Increase / decrease in inventory	-28.5	-10.0	3.6	21.6	1.4	2.3	3.6
Own work capitalised	2.3	2.2	1.2	0.5	1.3	0.8	0.8
Total Sales	399.3	299.2	353.8	431.3	456.1	438.0	497.2
Material expenses	202.7	136.9	174.7	217.3	209.0	197.0	223.3
Gross profit	196.6	162.3	179.1	214.0	247.1	241.0	274.0
<i>Gross profit margin</i>	<i>46.2 %</i>	<i>52.9 %</i>	<i>51.3 %</i>	<i>52.3 %</i>	<i>54.5 %</i>	<i>55.4 %</i>	<i>55.6 %</i>
Personnel expenses	139.1	121.2	122.5	133.7	153.2	152.6	171.5
Other operating income	11.1	14.1	19.8	11.6	18.1	17.4	19.7
Other operating expenses	69.4	49.6	50.7	58.2	63.5	60.9	68.0
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	-0.9	5.7	25.7	33.7	48.5	44.8	54.2
<i>Margin</i>	<i>-0.2 %</i>	<i>1.8 %</i>	<i>7.4 %</i>	<i>8.2 %</i>	<i>10.7 %</i>	<i>10.3 %</i>	<i>11.0 %</i>
Depreciation of fixed assets	4.3	4.5	5.3	5.9	6.8	6.5	7.4
EBITA	-5.2	1.1	20.4	27.8	41.7	38.3	46.8
Amortisation of intangible assets	7.9	13.0	8.9	5.8	6.3	6.1	6.9
Goodwill amortisation	2.7	7.6	0.0	0.0	0.0	0.0	0.0
EBIT	-15.8	-19.5	11.6	22.0	35.3	32.2	39.9
<i>Margin</i>	<i>-3.7 %</i>	<i>-6.3 %</i>	<i>3.3 %</i>	<i>5.4 %</i>	<i>7.8 %</i>	<i>7.4 %</i>	<i>8.1 %</i>
EBIT adj.	-15.8	-19.5	11.6	22.0	35.3	32.2	39.9
Interest income	0.7	0.4	0.0	0.4	0.4	0.4	0.4
Interest expenses	18.9	9.4	8.3	9.1	10.5	11.0	11.0
Other financial income (loss)	-0.4	0.0	0.0	2.7	4.5	3.0	3.0
EBT	-34.3	-28.5	3.2	16.0	29.8	24.7	32.3
<i>Margin</i>	<i>-8.1 %</i>	<i>-9.3 %</i>	<i>0.9 %</i>	<i>3.9 %</i>	<i>6.6 %</i>	<i>5.7 %</i>	<i>6.6 %</i>
Total taxes	1.2	-2.2	4.1	1.0	1.5	6.2	9.4
Net income from continuing operations	-35.5	-26.3	-0.9	15.0	28.3	18.5	22.9
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	1.8	0.0	0.0
Net income before minorities	-35.5	-26.3	-0.9	15.0	30.1	18.5	22.9
Minority interest	-0.7	0.1	0.5	0.3	0.0	0.0	0.0
Net income	-34.7	-26.5	-1.4	14.7	30.1	18.5	22.9
<i>Margin</i>	<i>-8.2 %</i>	<i>-8.6 %</i>	<i>-0.4 %</i>	<i>3.6 %</i>	<i>6.6 %</i>	<i>4.3 %</i>	<i>4.7 %</i>
Number of shares, average	29.5	29.5	29.5	37.3	41.2	41.2	41.2
EPS	-1.18	-0.90	-0.05	0.39	0.73	0.45	0.56
EPS adj.	-1.18	-0.90	-0.05	0.39	0.73	0.45	0.56

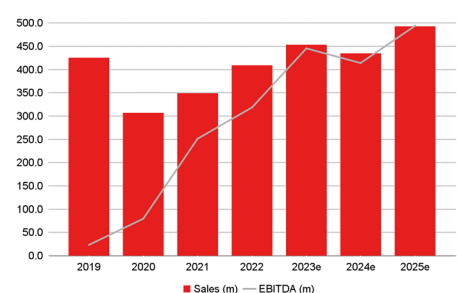
*Adjustments made for:

Guidance: Sales of EUR 410-470m, EBITDA of EUR 38-44m

Financial Ratios

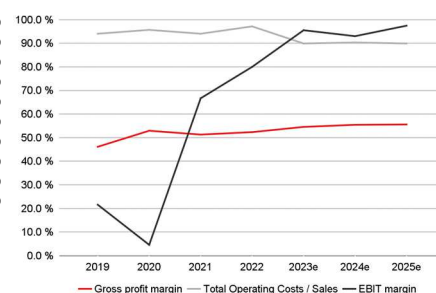
	2019	2020	2021	2022	2023e	2024e	2025e
Total Operating Costs / Sales	94.0 %	95.6 %	94.0 %	97.2 %	89.9 %	90.4 %	89.9 %
Operating Leverage	n.a.	-0.8 x	n.a.	5.2 x	5.6 x	2.2 x	1.8 x
EBITDA / Interest expenses	n.m.	0.6 x	3.1 x	3.7 x	4.6 x	4.1 x	4.9 x
Tax rate (EBT)	-3.4 %	7.7 %	128.2 %	6.5 %	5.0 %	25.0 %	29.0 %
Dividend Payout Ratio	0.0 %	0.0 %	0.0 %	12.5 %	14.6 %	33.4 %	27.0 %
Sales per Employee	234,300	184,829	210,161	246,353	272,942	261,807	296,715

Sales, EBITDA
in EUR m



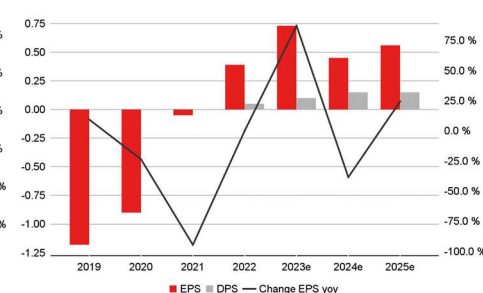
Source: Warburg Research

Operating Performance
in %



Source: Warburg Research

Performance per Share



Source: Warburg Research

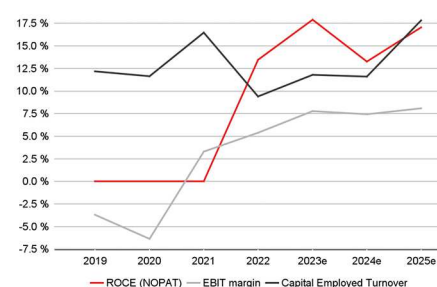
Consolidated balance sheet

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
Assets							
Goodwill and other intangible assets	53.0	41.7	42.3	43.4	43.4	43.4	43.4
thereof other intangible assets	6.8	3.2	3.7	4.8	4.8	4.8	4.8
thereof Goodwill	46.2	38.6	38.6	38.6	38.6	38.6	38.6
Property, plant and equipment	46.3	44.1	43.2	46.1	45.3	44.8	43.4
Financial assets	14.1	8.3	7.1	42.6	42.6	42.6	42.6
Other long-term assets	0.0	14.8	12.5	11.1	8.3	5.7	2.3
Fixed assets	113.5	108.9	105.1	143.2	139.6	136.5	131.7
Inventories	95.0	76.8	90.4	131.8	129.5	124.2	109.5
Accounts receivable	45.4	27.1	31.9	40.1	52.2	50.0	58.1
Liquid assets	40.6	47.7	30.2	35.7	69.3	89.7	132.1
Other short-term assets	37.9	21.3	20.2	22.6	22.6	22.6	22.6
Current assets	218.9	172.9	172.7	230.2	273.6	286.5	322.3
Total Assets	332.4	281.8	277.8	373.4	413.2	423.0	454.0
Liabilities and shareholders' equity							
Subscribed capital	29.5	29.5	29.5	41.2	41.2	41.2	41.2
Capital reserve	18.9	18.9	18.9	55.6	55.6	55.6	55.6
Retained earnings	35.5	24.2	24.2	24.1	52.4	66.7	83.5
Other equity components	-16.0	-33.0	-32.8	-27.7	-27.7	-27.6	-27.7
Shareholders' equity	67.9	39.5	39.8	93.3	121.5	136.0	152.6
Minority interest	0.0	0.4	0.8	0.8	0.8	0.8	0.8
Total equity	67.9	39.9	40.6	94.1	122.3	136.8	153.4
Provisions	23.1	20.9	16.3	19.7	19.7	19.7	19.7
thereof provisions for pensions and similar obligations	1.1	1.1	0.9	0.6	0.6	0.6	0.6
Financial liabilities (total)	141.8	133.0	103.3	131.5	131.5	131.5	131.5
Short-term financial liabilities	1.3	0.8	86.3	0.5	0.5	0.5	0.5
Accounts payable	68.5	64.8	91.7	100.2	111.8	107.2	121.5
Other liabilities	31.1	23.2	25.9	27.9	27.9	27.9	27.9
Liabilities	264.5	241.9	237.2	279.3	290.9	286.3	300.6
Total liabilities and shareholders' equity	332.4	281.8	277.8	373.4	413.2	423.0	454.0

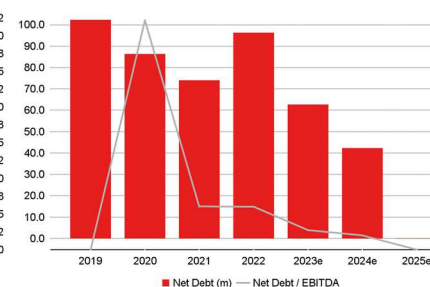
Financial Ratios

	2019	2020	2021	2022	2023e	2024e	2025e
Efficiency of Capital Employment							
Operating Assets Turnover	3.6 x	3.7 x	4.7 x	3.5 x	3.9 x	3.9 x	5.5 x
Capital Employed Turnover	2.5 x	2.4 x	3.0 x	2.1 x	2.5 x	2.4 x	3.2 x
ROA	-30.6 %	-24.3 %	-1.3 %	10.3 %	21.6 %	13.6 %	17.4 %
Return on Capital							
ROCE (NOPAT)	n.a.	n.a.	n.a.	13.5 %	17.9 %	13.3 %	17.0 %
ROE	-42.4 %	-49.3 %	-3.6 %	22.1 %	28.0 %	14.4 %	15.9 %
Adj. ROE	-42.4 %	-49.3 %	-3.6 %	22.1 %	28.0 %	14.4 %	15.9 %
Balance sheet quality							
Net Debt	102.3	86.4	74.0	96.3	62.7	42.3	-0.1
Net Financial Debt	101.2	85.3	73.1	95.8	62.2	41.8	-0.7
Net Gearing	150.7 %	216.4 %	182.4 %	102.4 %	51.3 %	30.9 %	-0.1 %
Net Fin. Debt / EBITDA	n.a.	1507.7 %	284.2 %	284.4 %	128.2 %	93.1 %	n.a.
Book Value / Share	2.3	1.3	1.4	2.3	2.9	3.3	3.7
Book value per share ex intangibles	0.5	-0.1	-0.1	1.2	1.9	2.2	2.6

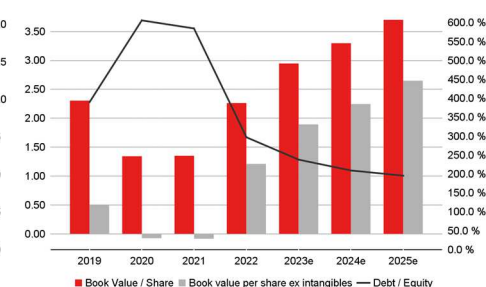
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

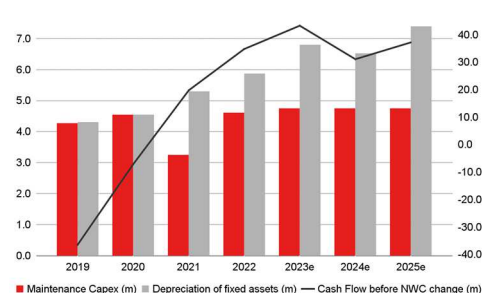
In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
Net income	-35.5	-26.3	-0.9	15.0	30.1	18.5	22.9
Depreciation of fixed assets	4.3	4.5	5.3	5.9	6.8	6.5	7.4
Amortisation of goodwill	2.7	7.6	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	7.9	13.0	8.9	5.8	6.3	6.1	6.9
Increase/decrease in long-term provisions	0.1	0.0	-0.1	-0.4	0.0	0.0	0.0
Other non-cash income and expenses	-16.1	-6.0	6.7	8.5	0.0	0.0	0.0
Cash Flow before NWC change	-36.5	-7.2	19.8	34.8	43.2	31.1	37.2
Increase / decrease in inventory	-46.1	18.2	-13.5	-41.4	2.3	5.3	14.7
Increase / decrease in accounts receivable	4.6	18.3	-4.8	-8.2	-12.1	2.2	-8.1
Increase / decrease in accounts payable	-2.6	-3.7	26.9	8.6	11.6	-4.6	14.3
Increase / decrease in other working capital positions	59.7	6.4	-0.7	3.4	0.0	0.0	0.0
Increase / decrease in working capital (total)	15.6	39.2	7.8	-37.6	1.8	2.9	20.9
Net cash provided by operating activities [1]	-20.9	32.0	27.7	-2.9	45.0	34.0	58.1
Investments in intangible assets	-2.4	-3.1	-2.0	-1.7	-3.5	-3.5	-3.5
Investments in property, plant and equipment	-6.2	-6.0	-4.5	-7.5	-6.0	-6.0	-6.0
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	-1.7	3.8	3.2	0.8	0.0	0.0	0.0
Net cash provided by investing activities [2]	-10.3	-5.2	-3.3	-8.4	-9.5	-9.5	-9.5
Change in financial liabilities	38.7	-8.8	-29.8	28.2	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	-1.9	-4.1	-6.2
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	47.3	0.0	0.0	0.0
Other	0.1	-11.0	-12.3	-59.2	0.0	0.0	0.0
Net cash provided by financing activities [3]	38.8	-19.8	-42.0	16.3	-1.9	-4.1	-6.2
Change in liquid funds [1]+[2]+[3]	7.6	7.0	-17.7	5.0	33.6	20.4	42.5
Effects of exchange-rate changes on cash	-0.6	0.1	0.1	0.5	0.0	0.0	0.0
Cash and cash equivalent at end of period	40.6	47.7	30.2	35.7	69.3	89.7	132.1

Financial Ratios

	2019	2020	2021	2022	2023e	2024e	2025e
Cash Flow							
FCF	-29.4	22.9	21.2	-12.1	35.5	24.5	48.6
Free Cash Flow / Sales	-6.9 %	7.5 %	6.1 %	-3.0 %	7.8 %	5.6 %	9.9 %
Free Cash Flow Potential	-6.3	3.3	18.4	28.0	44.1	33.9	40.1
Free Cash Flow / Net Profit	84.7 %	-86.7 %	-1494.5 %	-82.2 %	117.9 %	132.5 %	212.0 %
Interest Received / Avg. Cash	2.1 %	0.8 %	0.0 %	1.3 %	0.8 %	0.5 %	0.4 %
Interest Paid / Avg. Debt	16.1 %	6.8 %	7.1 %	7.7 %	8.0 %	8.4 %	8.4 %
Management of Funds							
Investment ratio	2.0 %	3.0 %	1.9 %	2.3 %	2.1 %	2.2 %	1.9 %
Maint. Capex / Sales	1.0 %	1.5 %	0.9 %	1.1 %	1.0 %	1.1 %	1.0 %
Capex / Dep	57.3 %	36.1 %	45.9 %	78.8 %	72.3 %	75.3 %	66.5 %
Avg. Working Capital / Sales	11.7 %	18.1 %	10.0 %	12.5 %	15.6 %	15.7 %	11.5 %
Trade Debtors / Trade Creditors	66.3 %	41.8 %	34.8 %	40.0 %	46.7 %	46.6 %	47.8 %
Inventory Turnover	2.1 x	1.8 x	1.9 x	1.6 x	1.6 x	1.6 x	2.0 x
Receivables collection period (days)	39	32	33	36	42	42	43
Payables payment period (days)	123	173	192	168	195	199	199
Cash conversion cycle (Days)	87	64	31	89	73	73	23

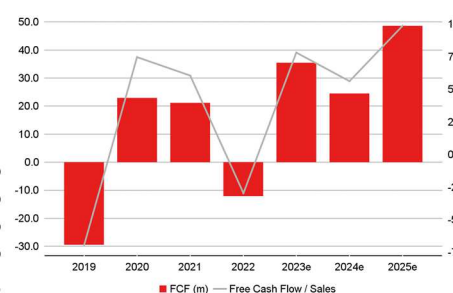
CAPEX and Cash Flow

in EUR m



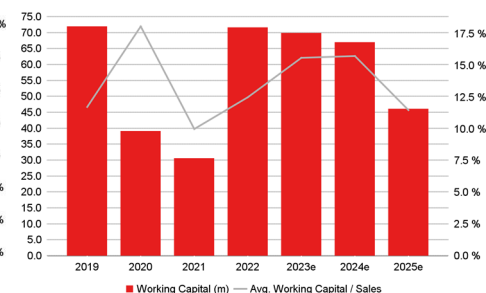
Source: Warburg Research

Free Cash Flow Generation



Source: Warburg Research

Working Capital



Source: Warburg Research

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This report has been made accessible to the company analysed.

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

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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

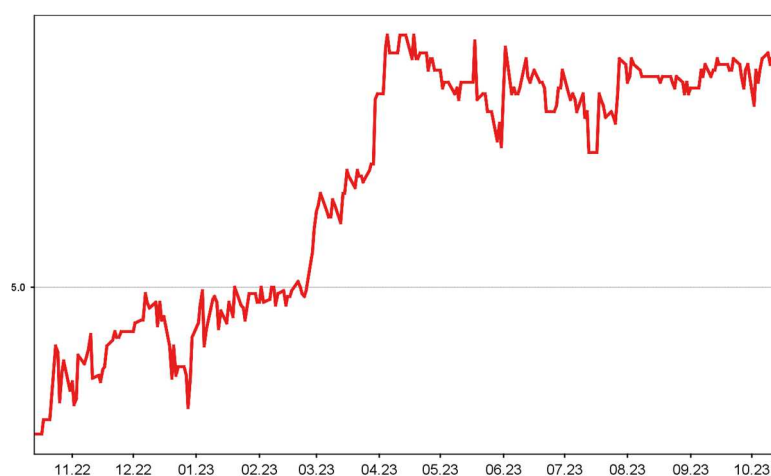
Rating	Number of stocks	% of Universe
Buy	157	74
Hold	44	21
Sell	6	3
Rating suspended	4	2
Total	211	100

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	44	86
Hold	5	10
Sell	0	0
Rating suspended	2	4
Total	51	100

PRICE AND RATING HISTORY MAX AUTOMATION AS OF 13.10.2023



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 Rüschemier +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

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

Fabio Hölscher +49 40 309537-240
Automobiles, Car Suppliers fhoelscher@warburg-research.com

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

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

Hannes Müller +49 40 309537-255
Software, IT hmueller@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, Telco sstippig@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

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

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

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

Rudolf Alexander Michaelis +49 40 3282-2649
Germany rmichaelis@mmwarburg.com

Roman Alexander Niklas +49 69 5050-7412
Switzerland rniklas@mmwarburg.com

Antonia Möller +49 69 5050-7417
Roadshow/Marketing amoeller@mmwarburg.com

Charlotte Wernicke +49 40 3282-2669
Roadshow/Marketing cwernicke@mmwarburg.com

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

SALES TRADING

Oliver Merkel +49 40 3282-2634
Head of Sales Trading omerkel@mmwarburg.com

Rico Müller +49 40 3282-2685
Sales Trading rmueller@mmwarburg.com

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

DESIGNATED SPONSORING

Marcel Magiera +49 40 3282-2662
Designated Sponsoring mmagiera@mmwarburg.com

Sebastian Schulz +49 40 3282-2631
Designated Sponsoring sschulz@mmwarburg.com

Jörg Treptow +49 40 3282-2658
Designated Sponsoring 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
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Refinitiv www.refinitiv.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