

Solid quarter clouded by order development

MAX Automation has reported results for Q3, which are better than expected by us. Revenues increased slightly to EUR 109m, compared to our estimate of EUR 107m. At segment level, the company posted a mixed picture. The segment *bdtronic* (c.24% of total revenues) was again the growth driver with an increase of 48.5% yoy to EUR 26m. Backed by the improvement in *bdtronic* and lower losses on discontinued level, EBITDA came in at EUR 9.6m and thus significantly better than expected by us (EUR 6.1m). Considering the 9M EBITDA of EUR 37m, the in July increased EBITDA FY guidance of EUR 38m to EUR 44m looks less challenging, in particular at the lower end. However, the order intake development (Q3: -31% yoy) continues to weigh on the sentiment and could cloud the outlook for the coming quarters. With a TP of EUR 7, we rate the shares a Buy.

MAX Automation SE - Review Q3 2023

EURm	Actual			PAsE		2023e	PAsE 2024e	2025e
	Q3 2023	Q3 2022	% yoy	Q3 2023e	Deviation			
Order intake	78.4	113.9	-31.2%	-	-	-	-	-
Order backlog	267.3	339.3	-21.2%	-	-	-	-	-
Revenues	109.1	107.6	1.4%	107.4	1.6%	433	455	477
EBITDA	9.6	6.8	40.2%	6.1	57.4%	40.5	41.7	44.5
EBITDA margin	8.8%	6.4%	243 BP	5.7%	312 BP	9.4%	9.2%	9.3%

Source: MAX Automation SE, Pareto Securities Research

- Guidance confirmed. For FY 2023e, MAX guides group revenues in the range of EUR 410m to EUR 470m (PAsE: EUR 433m) and an operating EBITDA in the range of EUR 38m to EUR 44m (PAsE: EUR 40.5m). The mid-point of the revenue guidance range implies an increase of c.8% yoy (PAsE: +6% yoy).
- The decline in the order intake has accelerated in Q3 (-31% yoy, 9M: -16% yoy) to EUR 78.4m.
- The order backlog of EUR 267m is still a solid cushion for the coming quarters.

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