

# MAX Automation SE

INTERIM FINANCIAL REPORT  
for the first half of fiscal 2020

### Strategic Highlights Core Business

- Slightly positive operating earnings despite the COVID-19-induced decrease in sales
- Process Technologies offsets decline in sales with higher service share
- Environmental Technologies with sales and earnings at previous year's level
- Evolving Technologies compensates corona impact in other areas with medical technology and packaging automation

### Operational Key Figures Core Business

- Order intake -34.5 % to mEUR 110.7
- Sales -10.4 % to mEUR 135.5
- EBITDA -41.1 % to mEUR 9.4
- Working capital +83.9 % to mEUR 57.3

### Key Share Data H1 2020

Ticker/ISIN	MXHN/DE000A2DA588
Number of shares	mEUR 29.46
Closing price (30/06/2020)*	EUR 3.30
Highest/lowest price*	EUR 4.79 / 2.32
Price performance**	-28.1 %
Market capitalization (30/06/2020)	mEUR 97.2

\* Closing prices Xetra trading system of Deutsche Börse AG

\*\* Comparison of price on 30/06/2020 with the price on 30/12/2019

### Financial Calendar 2020

12 November 2020  
Publication of the Quarterly Statement Q3

16 - 18 November 2020  
German Equity Forum

### STATEMENT BY THE MANAGING DIRECTORS

Dear shareholders,

The first half of 2020 for MAX Automation SE was significantly influenced by the COVID-19 pandemic. After a positive start to 2020, the pandemic set us back somewhat in the initiated Group restructuring. However, as a result of the strategic realignment, which is being consistently pursued, we were successful in cushioning the initial impact of the pandemic on our business better than would have been the case in the past. Measures that we decided on immediately after the lockdown in Germany and Europe in order to minimize the risks for the Group and ensure our ability to act, reduced the effects of the pandemic, so that the operating result was slightly positive at the end of the half-year. Along with the reduction in third-party services and a spending and hiring freeze, the Company's own investments are being reassessed against the background of the investment behaviour of customers and are being executed with prudence and a sense of proportion. We remain committed to these measures.

The most tangible impact of the coronavirus crisis in the first half of 2020 was on a decline in order intake. Customers were reluctant to invest, which prevented new order placements or caused order delays. Therefore, our order intake at the Group level had to record a drop of 32.8% to mEUR 133.4 (H1 2019: mEUR 198.5). Delays in project acceptances, including due to travel restrictions and production stoppages at customers, as well as the pending closure of IWM Automation, led to a decline in sales of 18.0% to mEUR 152.1 (H1 2019: mEUR 185.4). In the core business, the decline was more modest, amounting to a decrease of 10.4%. Substantial decreases in sales were cushioned with progress on major projects in the USA as well as higher service sales.

It is encouraging that despite the negative impact of the pandemic and after an operating loss in the previous year's period, MAX Automation was able to achieve slightly positive Group earnings before interest, taxes, depreciation and amortization (EBITDA) of mEUR 0.5 (H1 2019: mEUR -5.9). Reduced expenses from the non-core business were partially responsible for this.

Given the slight upturn in customer activity in recent weeks, we are looking forward to the second half of the year with cautious optimism. However, developments remain fragile, as initial trends pointing to a macroeconomic recovery are being clouded by renewed increases in COVID-19 infection figures. As before, forecasts are characterized by an extraordinarily high level of uncertainty. Therefore, we continue to refrain from providing a concrete outlook for the full year of 2020. Nevertheless, we remain committed to our goal of developing MAX Automation into a more stable, profitable and future-oriented Group.

The Managing Directors

Patrick Vandenhijn

Werner Berens

Dr. Guido Hild

## PRINCIPLES OF THE GROUP

### Business Model

MAX Automation SE, based in Düsseldorf, Germany, is an internationally active industrial group which offers solutions for efficient industrial production and networked automation systems. Through its Group companies, the Group develops, produces and sells a broadly diversified portfolio of technologically complex components and process solutions for its customers, both in Germany and internationally. The broad range of products and solutions, which are often developed in close cooperation with customers and are tailored to their needs, serves a balanced spectrum of end markets and is characterized by a high degree of innovation. The Group companies function as full-service providers of machinery and equipment for their customers and offer such supplementary services as consulting (including analyses, tests and feasibility studies), production support and services, repairs and software development. The companies are in the position to serve as a one-stop shop and to offer integrated automation solutions of high technical complexity along with numerous services.

### Structure

Since its conversion into a European Company in the 2017 financial year, MAX Automation SE has had a monistic management structure in which the management of the SE is incumbent on a single management body, the Supervisory Board. Operationally, the business is managed by the Managing Directors, who report to the Supervisory Board on the information needed for corporate governance and decision-making. The Managing Directors maintain close personal contact with the Group companies and receive regular financial and progress reports.

As the parent and management company of the MAX Group, MAX Automation SE is responsible for the operational and financial management of the Group. It also determines and monitors suitable strategic measures to ensure that the defined objectives of the segments and the Group are achieved.

As a result of the realignment of the Group in financial year 2019, the business units Process Technologies, Environmental Technologies and Evolving Technologies represent the core business areas of the MAX Automation Group. In addition, the Non-Core Business segment bundles companies that are

strategically no longer relevant to the Group's future development.

In the Process Technologies segment, the associated Group company bdtronic GmbH and its subsidiaries focus on the development and production of machinery and equipment and corresponding software solutions for high-precision production processes (especially dispensing and impregnation), particularly in the automotive and electronics industries.

In the Environmental Technologies segment, the Group company Vecoplan AG and its subsidiaries develop and install machinery and equipment for the sustainable use of primary and secondary raw materials as well as biomass, especially for the recycling, energy and raw materials industries.

The Evolving Technologies segment combines Group companies in the fields of optical solutions, medical technology solutions, industrial robotics and automation and packaging solutions. The Group companies iNDAT Robotics GmbH, NSM Magnettechnik GmbH, Mess- und Regeltechnik Jücker GmbH, and AIM Micro Systems GmbH as well as MA micro Automation GmbH and its subsidiaries are combined in this segment.

The Non-Core Business segment still comprises the companies IWM Automation GmbH and ELWEMA Automotive GmbH. The planned closure of IWM Automation GmbH in Porta Westfalica is scheduled to take place by the third quarter of 2020.

### Strategic Positioning

A strategic orientation toward growth industries is the basis of a sustainable growth strategy, making the MAX Group less susceptible to business volatility. The markets in which the MAX Group companies operate are characterized by intensive competition and ongoing technological progress. The Group companies strive to serve as the technology or quality leaders in their respective markets and sectors.

In its core business areas, MAX Automation benefits from long-term growth drivers. This includes such trends as electrification in the automotive area, the growing need for sustainability, as well as trends in demographic development and the related increasing health awareness of the population. Besides digitalization in industrial production and the associated networking of machinery and equipment, other trends involve rapidly growing industrial sectors such as

micro-automation and robotics. Answers to these trends and a corresponding culture of innovation are essential for the long-term business success. MAX Automation assigns a high priority to the continuous refinement of its technologies as well as the development of innovative solutions in order to secure and expand the market positioning of the individual Group companies. The prerequisite for this is the active recruitment of talented individuals and top-notch professionals and a corresponding employer branding of the Group companies.

The ambition of technology or quality leadership is based on the approach of developing innovative, technologically sophisticated solutions and generating customer-specific added value. Another aspect of this is that customers are addressed comprehensively across country and continental boundaries. The MAX Automation Group operates globally in target markets in Europe, North and South America and Asia. The customer solutions are developed and produced primarily in Germany and to a lesser extent also at locations in the USA, Poland and Italy. An international network of sales and service locations, which is partly shared by the Group companies, is the basis for enabling MAX Automation to meet local customer requirements.

## ECONOMIC AND BUSINESS REPORT

### General economic and business conditions

The COVID-19 pandemic had a more negative economic impact on global economic activities than expected in the first half of 2020, according to the International Monetary Fund (IMF). Accordingly, the contraction process intensified in the second quarter after companies had reduced their investments as a result of a rapid decline in demand and an uncertain earnings outlook. With the gradual opening of the economy following the lockdowns extending from mid-March to mid-May, mobility increased at the end of the reporting period, but remained below the level prior to the outbreak of the pandemic. In the process, the economic downturn may have bottomed out in April, according to the IMF. Meanwhile, the expected recovery should unfold at a slower rate. For the full year of 2020, the IMF anticipates a 4.9% decline in worldwide growth. This is 1.9 percentage points less than forecast in April 2020. In 2019 the growth rate was still 2.9 %.

In its July outlook for the USA, the IMF expected a minus 8.0 % decrease in gross domestic product (GDP) for 2020, 2.1 percentage points lower than in its April forecast, and thus a recession. In 2019, the USA still achieved economic growth of

2.3 %. Given rising employment figures in the economic sectors most severely affected by the lockdowns, the IMF assumes that the United States reached the low point in May.

In the People's Republic of China, the economic recovery was already stronger than expected in the second quarter after the strong contraction in the first three months of the current year. As a result, the IMF reduced its forecast relative to April merely by 0.2 percentage points and even anticipates an expansion of 1.0 % for 2020. In the previous year 2019, GDP still grew by 6.1 %. According to the Kiel Institute for the World Economy (IfW), the Chinese economy was able to compensate for the production slump in January and February.

For the eurozone, the IMF quantifies the decline in economic performance in 2020 as a result of measures to contain the pandemic at 10.2 %. This is another 2.7 percentage points lower than forecast in the April outlook. Numerous countries are countering the negative impact on the labor market with short-time work programs. In 2019 the growth rate in the common currency area was still 1.3 %. Nevertheless, the IfW anticipates an increase in economic activity in the second half of 2020 after the lockdown measures are lifted.

The German economy slumped by 10.1 % in the second quarter of 2020 compared to the previous year's quarter due to the coronavirus crisis, according to the German Federal Statistical Office (Destatis). That is the strongest drop in GDP since the beginning of quarterly measurements in 1970. The decline in the entire first half of the year was 11.7 % from the previous year's period. Accordingly, there were massive drops in the imports and exports of goods and services as well as private consumption and capital expenditure. By contrast, government spending increased during the crisis. According to the IfW, the German economy is only gradually bouncing back after the coronavirus-induced downturn. The economy trough occurred in April. Accordingly, the German economy is in the midst of a tangible recovery process with the relaxation of measures implemented in May. However, capacities are still not fully utilized since the reluctance to invest is lingering. The relaxed measures for protecting against infection domestically and internationally point to stronger supply and demand in the second half of 2020. For 2020 overall, the IfW nevertheless predicts a decline of minus 6.8 %, 6.7 percentage points stronger than in the spring forecast.

## Development of relevant industries

The order situation in the mechanical engineering sector remains very strained, according to the Mechanical Engineering Industry Association (VDMA). For example, 40 % of companies reported either noticeable or severe reductions, respectively, in orders or cancellations. As a result, more than 80 % of companies carried out extensive capacity adjustments. Of these companies, about two-thirds implemented reduced working hours. According to the VDMA, the performance of supply chains was encouraging with less severe impairments in terms of logistics/transport management, acceptances by customers or travel and accommodation restrictions. Further easing is expected.

According to the VDMA Trade Association for Robotics + Automation (VDMA R+A), the demand for robotics and automation technology from Germany cannot decouple from the economic consequences of the coronavirus crisis. Accordingly, the trade association expects a decline of at least 20 % for 2020, but it sees a positive growth outlook for the period after COVID-19 as a result of coronavirus-driven drive for digitalization as well as new tasks in the area of infection protection. Originally, the VDMA R+A had forecast a decline of 10 % for 2020.

The German Association of the Automotive Industry (VDA) considers economic uncertainty and restrictions for containing the pandemic responsible for the lack of demand. According to the association, the international automotive markets have absolutely collapsed as a result of the coronavirus pandemic and the restrictive measures taken in the first half of 2020. The European passenger vehicle market was the most severely impacted with a drop of 40 % from the previous year's level. The declines in the USA and China were 24 % and 23 %, respectively. However, the Chinese market recovered in June for the second month in a row.

The registration figures for the German passenger vehicle market fell by 35 % in the first half of 2020 to the lowest level since reunification. Compared with other European countries, Germany recorded the smallest decline. Order intake for German manufacturers for the second half of the year indicates a slight recovery, but it will not be able to offset the collapse in the first half of the year. For 2020 overall, VDA anticipates downturns of 24 % and 23 % for the European and German passenger vehicle markets, respectively. In the USA, the decline will amount to 18 % and in China it will be 10 %.

Notwithstanding the increased demand for respirators and intensive-care beds due to the pandemic, the coronavirus crisis had a tangible impact on the medical technology industry in the first half of 2020, according to the German High-Tech Industry Association SPECTARIS. More than 60 % of companies in the sector recorded significantly lower demand. While 47 % experienced logistical bottlenecks, nearly 42% faced a shortage of supplier contracts. A more sustained period of order weakness caused by the coronavirus could lead to significant drops in sales for the full year. Assuming an economic recovery beginning in June, SPECTARIS anticipates an overall sales decline of 18 % for the year.

The VDMA Waste and Recycling Technology Association has not published anything in 2020 regarding developments in the first half of the year. The COVID-19 pandemic is to blame. According to its own statements, the association has conducted an economic survey, but it was completed prior to the direct impact of the pandemic. The very reassuring findings at that time would no longer reflect the current situation in the sector which is why the association has decided not to publish the results. Figures for the first half of 2020 were not available prior to the publication of this report.

## SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

The course of business in the first half of 2020 was shaped by the impact of the COVID-19 pandemic on the three core business areas of Process Technologies, Environmental Technologies and Evolving Technologies as well as the non-core business.

Immediately after the nationwide measures to contain the COVID-19 pandemic in Germany were adopted, MAX Automation SE set up a crisis team on the Management Board in March 2020 to continuously assess the situation and make decisions on this basis. Until April the crisis team of MAX Automation implemented various programs to minimize the risks for the Group, while simultaneously ensuring its ability to act. The measures taken by MAX Automation included the curtailment of third-party services, a spending, investment and hiring freeze as well as the use of short-time work as far as necessary. While placing the highest priority on the health and safety of employees, the Group's subsidiaries maintained their operations to the extent required and possible, preserving the ability to ramp up production in response to dynamic developments. The Group's liquidity position provided sufficient flexibility for this.

After the end of the first quarter of 2020, it was no longer possible to estimate reliably the development and possible impact of the COVID-19 pandemic on the business performance of the MAX companies. The forecast published on 17 March 2020 in conjunction with the annual financial statement for 2019 was generated without taking into account the impact of the COVID-19 pandemic. Consequently, on 29 April 2020 MAX Automation SE withdrew its forecast for the current fiscal year. Notwithstanding the largely positive start to the fiscal year 2020, MAX Automation no longer expected to achieve the originally forecast sales at the Group level of mEUR 380 – 410 along with EBITDA of mEUR 16 – 20 for the 2020 fiscal year due to the development of the pandemic.

On 10 March 2020, Andreas Krause, member of the Supervisory Board, Chief Financial Officer as well as Chairman of the Management Board of MAX Automation SE, informed the Company that he was stepping down from his positions for personal reasons. Andreas Krause announced the resignation of his membership in the Supervisory Board of MAX Automation SE as of the end of this year's General Meeting on 29 May 2020 as well as his position as Managing Director with effect from 15 June 2020.

On 9 June 2020, the Supervisory Board of MAX Automation SE appointed Dr. Christian Diekmann as Managing Director as well as CEO of the Management Board, subject to his also resigning from his position as Chairman of the Supervisory Board with effect no later than 1 January 2021. In addition, Dr. Diekmann will assume responsibility for the financial department from the same date and serve as an ordinary member of the Supervisory Board for the remainder of his term. The appointment of Dr. Diekmann ensures a continuous transition, who has been accompanying the development of MAX Automation SE as Chairman of the Supervisory Board since the beginning of 2019. He looks back on many years of management responsibility in various industries and can therefore provide additional impulses to further develop MAX Automation successfully.

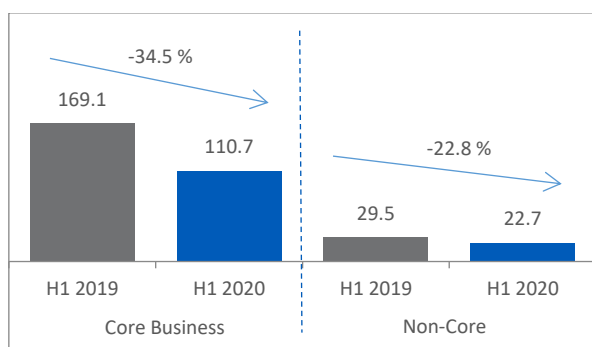
## OVERVIEW

in mEUR	H1 2020	H1 2019	Change
Order intake	133.4	198.5	-32.8%
Order backlog*	179.8	257.5	-30.2%
Working Capital*	82.0	73.4	11.8%
Sales	152.1	185.4	-18.0%
EBITDA	0.5	-5.9	108.3%
Net result for the period	-17.8	-21.9	18.8%
Employees	1,693	1,888	-10.3%
<b>Process Technologies</b>			
Sales	25.1	32.2	-22.0%
EBITDA	3.0	6.7	-55.8%
<b>Environmental Technologies</b>			
Sales	56.2	57.2	-1.7%
EBITDA	6.4	6.3	2.4%
<b>Evolving Technologies</b>			
Sales	53.8	60.8	-11.6%
EBITDA	4.7	7.2	-34.9%
<b>Non-Core</b>			
Sales	17.7	36.0	-50.9%
EBITDA	-8.8	-21.5	58.9%

\*Balance sheet date comparison 30 June 2020 to 30 June 2019

## ORDER SITUATION

### Order intake (in mEUR)



In the first half of 2020 order intake in the Group declined by 32.8 % to mEUR 133.4 (H1 2019: mEUR 198.5). This reflected the reluctance of customers to invest as a result of the COVID-19 pandemic in all business segments.

This reflected customers' reluctance to invest as a result of the COVID 19 pandemic in all divisions.

The core business had to record a 34.5 % decline to mEUR 110.7 (H1 2019: mEUR 169.1). At the end of the first half of 2020, however, the companies in the core business

were able to note a moderate upturn in market activities and an increase in inquiries by customers.

In Process Technologies the decrease was characterized in particular by the reluctance to invest by the automotive industry as a result of the pandemic. Increased inquiries from customers, tests in applications technology and positive developments in preparatory talks at the end of the second quarter give hope for an expected revival. In the first half of 2020 order intake in Process Technologies of mEUR 22.5 was 32.6 % below the previous year's figure (H1 2019: mEUR 33.4). The order intake was driven in particular by dispensing technology, for which other order placements in the automotive industry may have been postponed because of COVID-19 but not canceled.

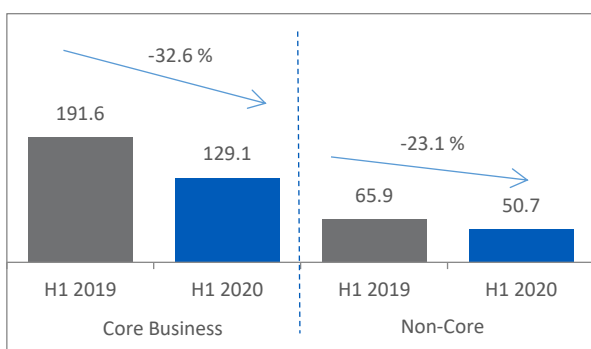
Among other factors, the lower oil price had a negative impact on demand in environmental technologies in the USA, whereas in June it was possible to win orders again in the areas of recycling and mobile trucks despite the corona crisis. In Germany order intake at mid-year exceeded the expectations of management due to the high demand from the timber industry. In the first half of 2020 Environmental Technologies recorded a decline in order intake of 38.8 % to mEUR 50.3 (H1 2019: mEUR 82.1). In the first half of 2019 the order intake was characterized by major orders in the USA.

In Evolving Technologies the COVID-19 pandemic had different impacts. The demand for optoelectronics was much less affected and was on the upswing again with reputable new customers at the end of the reporting period. Good order intakes in medical technology and packaging automation were able to cushion to some extent the negative impact in press automation and robotics. The development of the order situation in robotics will be under particular observation in the coming months. Overall order intake in the Evolving Technologies segment fell in the first half of 2020 by 29.3 % to mEUR 37.9 (H1 2019: mEUR 53.6). The production of machines for the collection and quality control of blood analysis tubes, which e.g. can be used for testing for COVID-19, underscores the high degree of innovative strength and positioning of MAX Automation companies in international competition.

In the non-core business order intake declined by 22.8 % to mEUR 22.7 (H1 2019: mEUR 29.5), reflecting in particular the announced closure of IWM Automation in Porta Westfalica. ELWEMA was able to record good order intake with repeat and conversion orders, particularly for plant optimizations in the automotive industry despite the coronavirus crisis. This is helping the company during its restructuring phase.

The order development of the MAX Automation Group declined as a result of the coronavirus pandemic with a book-to-bill ratio of 0.88 (previous year: 1.07). Based on the currently well-filled order pipeline and expected market recovery in the second half of 2020, an increase in the book-to-bill ratio is anticipated over the remainder of the year.

**Order Backlog (in mEUR)**

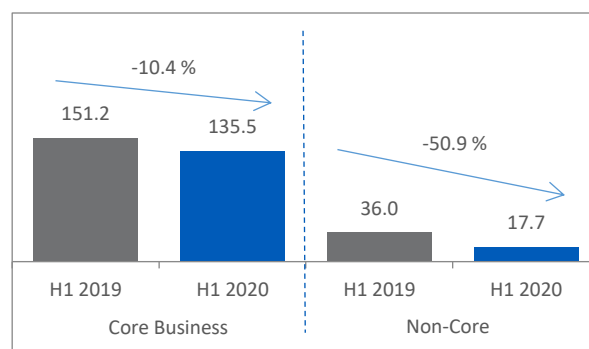


At the Group level order backlog fell by 30.2 % to mEUR 179.8 as of 30 June 2020 (H1 2019: mEUR 257.5 ). The high order backlog at the beginning of the year, particularly as a result of the major orders received by both Process Technologies and Evolving Technologies over the course of the fourth quarter of 2019, provided for robust production activity in the first half of the year despite the COVID 19 pandemic and ensured a basic level of capacity utilization in terms of the outlook for the full year of 2020.

The order backlog in the non-core business as of 30 June 2020 declined with the gradual processing of still ongoing projects by 23.1 % to mEUR 50.7 (H1 2019: mEUR 65.9). The available projects in the first half of the year of the remaining non-core companies IWM Automation and ELWEMA offer sufficient production potential for the full year of 2020.

**SALES AND RESULT OF OPERATIONS**

**Sales (in mEUR)**



In the first half of 2020 Group sales fell by 18.0 % to mEUR 152.1 (H1 2019: mEUR 185.4). After the previous initial months of the 2020 fiscal year, a slight upturn became evident starting in June, as project activities could be resumed. The core business generated sales of mEUR 135.5 (H1 2019: mEUR 151.2), representing a relatively lower decline of 10.4 %.

Process Technology recorded a smaller decline in sales than management had expected after the outbreak of the pandemic due to an increased service share. Sales in this segment declined by 22.0 % to mEUR 25.1 (H1 2019: mEUR 32.2). The decrease was primarily attributable to delayed project acceptances due to the pandemic.

By contrast, due to the accelerated processing of major projects in the USA, Environmental Technologies was able to record sales of mEUR 56.2 that was nearly at the previous year’s level (H1 2019: mEUR 57.2).



Particularly in Evolving Technologies, project interruptions in press automation as well as robotics due to the coronavirus crisis accounted for a sales decline of 11.6 % to mEUR 53.8 (H1 2019: mEUR 60.8), which could be mitigated, however, by project acceptances in medical technology and packaging automation.

Sales in the non-core business declined as a result of closures and coronavirus-driven project delays at ELWEMA and IWM Automation by 50.9 % to mEUR 17.7 (H1 2019: mEUR 36.0).

The export share of sales at the Group level increased by 7.6 % to 64.5 % (H1 2019: 59.9 %). Major customers in the USA made special contributions here. With the exception of higher sales in the USA, the restrictive measures to overcome the COVID-19 pandemic had a negative impact on the foreign business of MAX Automation in all regions.

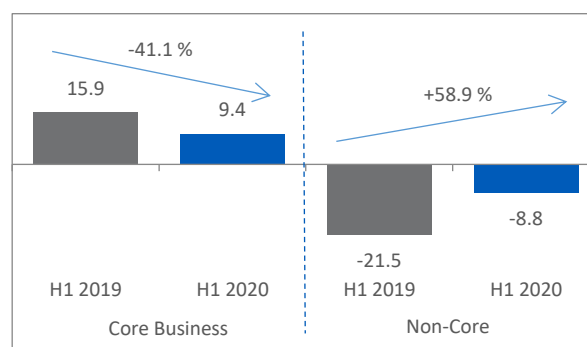
The cost of materials at the Group level fell due to restrictions in the provision of services due to the pandemic by 32.0 % to mEUR 68.8 (H1 2019: mEUR 101.3). At 45.2 %, the cost of materials ratio – in relation to total output – was below the level of the comparable period (H1 2019: 53.1 %). In the previous year, there were disproportionately higher burdens from the non-core business, in particular from the closed company IWM Automation Bodensee.

While the personnel expenses of the Group declined particularly due to the lower number of employees in the IWM companies as well as short-term work rules except for environmental technology and medical technology by 6.2 % to mEUR 63.2 (H1 2019: mEUR 67.3), the personnel expenses ratio increased as a result of lower total output to 41.5 % (H1 2019: 35.3 %).

Write-downs of the overall Group, including PPA amortization, increased by 124.5 % amounting in the first half of the year 2020 to mEUR 13.0 (H1 2019: mEUR 5.8). This increase was mainly due to corona-induced impairments on goodwill and internally generated intangible assets in the non-core company ELWEMA.

Other operating expenses of the Group fell by 25.0 % to mEUR 25.9 (H1 2019: mEUR 34.5) as a result of active cost management. In the previous year's period, special effects from the settlement of the non-core companies were also a significant factor.

## EBITDA (in mEUR)



In the first half of 2020, the Group achieved positive earnings before interest, taxes, depreciation and amortization (EBITDA) in the amount of mEUR 0.5 (H1 2019: mEUR -5.9). The EBITDA of the core business has declined from the first half of the previous year by 41.1 % to mEUR 9.4 (H1 2019: mEUR 15.9). It should be considered here that the previous year's figures in the statement of comprehensive income were adjusted to the recognition as of 31 December 2019.

In the Process Technologies segment the EBITDA declined in the first half of 2020 by 55.8 % to mEUR 3.0 (H1 2019: mEUR 6.7) mainly as a result of delayed commissionings due to COVID-19 and the associated lower sales.

EBITDA in the Environmental Technologies segment increased in the first half of 2020 with more rapid progress with high-margin projects by 2.4 % to mEUR 6.4 (H1 2019: mEUR 6.3), thereby exceeding the expectations of management.

In the Evolving Technologies segment, EBITDA fell in the first half of 2020 by 34.9 % to mEUR 4.7 (H1 2019: mEUR 7.2). The impact of the COVID-19 pandemic weighed in particular on press automation as well as robotics through delays in project acceptances, while medical technology and packaging automation had no restrictions.

In the non-core business EBITDA improved by 58.9 % compared to the first half of the year of 2019 but remained clearly negative, reflecting weak sales, at mEUR -8.8 (H1 2019: mEUR -21.5).

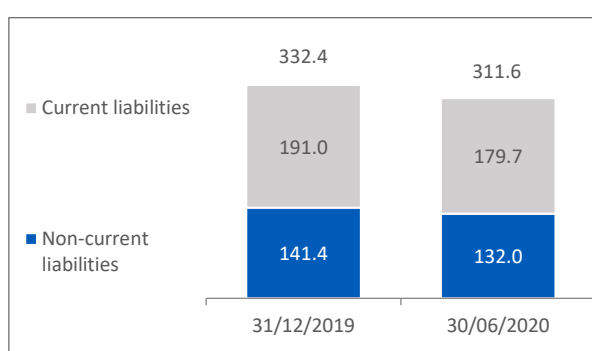
Group earnings before interest and taxes (EBIT) as well as before PPA amortization improved in the first half of 2020 to mEUR -8.2 (H1 2019: mEUR -10.9). Group earnings before taxes (EBT) fell in the first half of 2020 by 25.6 % to mEUR -17.3 (H1 2019: mEUR -13.8) due to valuation allowances at ELWEMA and higher interest expense for the syndicated loan.

Income tax expense amounted to mEUR 0.4 (H1 2019: mEUR 8.1). In the previous year this expense also included losses from discontinued operations due to the existing fiscal unity.

MAX Automation closed the first half of 2020 at the Group level with a net profit for the period of mEUR -17.8 (H1 2019: mEUR -21.9).

## ASSETS AND FINANCIAL POSITION

### Assets and financial position (in mEUR)



As of 30 June 2020 the MAX Automation Group recorded a decline in total assets by 6.3 % to EUR 311.6 (31 December 2019: mEUR 332.4). Fixed assets (excluding deferred taxes) are financed through equity and non-current liabilities. Current assets cover current liabilities.

Non-current assets declined by 6.7 % to mEUR 132.0 (31 December 2019: mEUR 141.4). In the process, intangible assets fell by 45.7 % to mEUR 3.7 (31 December 2019: mEUR 6.8). Primarily through valuation allowances in the non-core company ELWEMA, goodwill declined by 8.9 % to mEUR 42.1 (31 December 2019: mEUR 46.2). Property, plant and equipment increased by 1.9 % to mEUR 47.2 (31 December 2019: mEUR 46.3). The value of other long-term financial assets decreased due to the repayment of the bridge loan to the former associated company ESSERT GmbH as well as write-downs on sold companies by 58.2 % to mEUR 2.8 (31 December 2019: mEUR 6.7). Deferred tax assets decreased by 2.0 % to mEUR 10.6 (31 December 2019: mEUR 10.4).

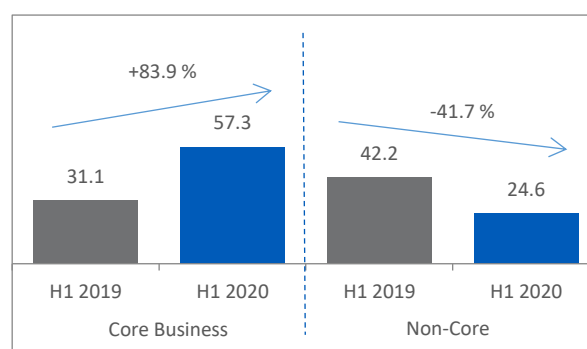
The share of non-current assets in total assets declined slightly to 42.3 % (31 December 2019: 42.5 %).

Current assets declined by 5.9 % to mEUR 179.7 (31 December 2019: mEUR 191.0) primarily due to the reduction of cash and cash equivalents by 20.7 % to

mEUR 32.2 (31 December 2019: mEUR 40.6). In the process inventories increased by 4.2 % to mEUR 56.3 (31 December 2019: mEUR 54.0). Contractual assets were recognized with an increase of 3.1 % to mEUR 42.3 (31 December 2019: mEUR 41.0). Trade receivables fell by 13.5 % to mEUR 39.3 (31 December 2019: mEUR 45.4).

Overall, the share of current assets in total assets increased to 57.7 % (31 December 2019: 57.5%).

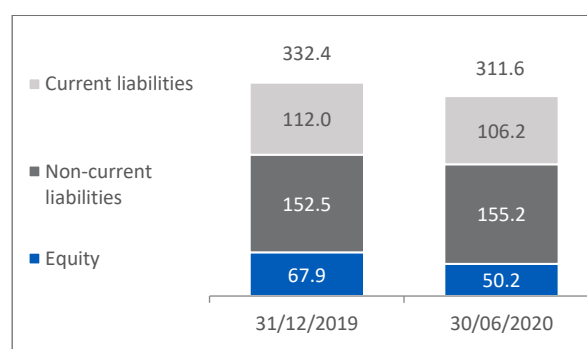
### Working Capital (in mEUR)



At the Group level, working capital rose by 11.8 % to mEUR 82.0 (31 December 2019: mEUR 73.4). Working Capital in the core business increased by 83.9 % to mEUR 57.3 (30 December 2019: mEUR 31.1) through advance payments for ongoing projects and coronavirus-driven delays in the acceptance of completed projects. In the non-core business, working capital decreased by 41.7 % with the decline in new business as a result of closures as well as the final acceptance of open projects.

## FINANCIAL POSITION

### Financial position (in mEUR)



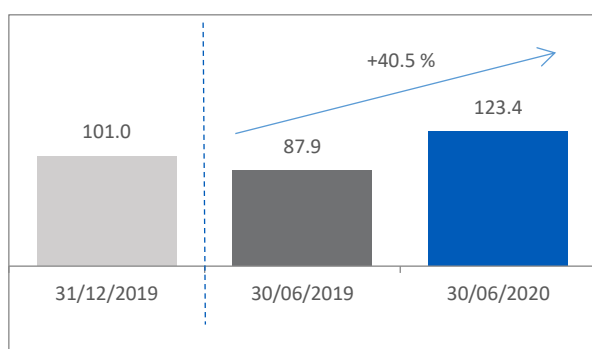
Equity fell to mEUR 50.2 (31 December 2019: mEUR 67.9). The equity ratio of the MAX Automation Group declined as of 30 June 2020 to 16.1 % (31 December 2019: 20.4 %).

Non-current liabilities increased by 1.8 % to mEUR 155.2 (31 December 2019: mEUR 152.5). In the process, non-current liabilities to banks increased by 3.0 % to mEUR 124.2 (31 December 2019: mEUR 120.6). Due to the impact of the COVID-19 pandemic on the Group, MAX Automation submitted an application for contract amendment to the administrative office of the syndicated loan agreement on June 5, 2020. The application provides for the testing of the covenants to be suspended until December 31, 2020 and for them to be readjusted thereafter. The application was approved by the syndicate banks on 25 June.

Other long-term provisions were at the level of the previous year's period at mEUR 4.5 (31 December 2019: mEUR 4.2). Liabilities from deferred taxes amounted to mEUR 10.1 (31 December 2019: mEUR 10.9).

Current liabilities decreased by 5.2 % to mEUR 106.2 (31 December 2019: mEUR 112.0). In the process, trade payables fell by 49.7 % to mEUR 25.0 (31 December 2019: mEUR 49.8). By contrast, current liabilities to banks increased to mEUR 11.5 (31 December 2019: mEUR 1.3). Other current financial liabilities decreased by 7.3 % to mEUR 14.5 (31 December 2019: mEUR 15.7). Provisions and liabilities from income taxes increased to mEUR 3.6 (31 December 2019: mEUR 2.2).

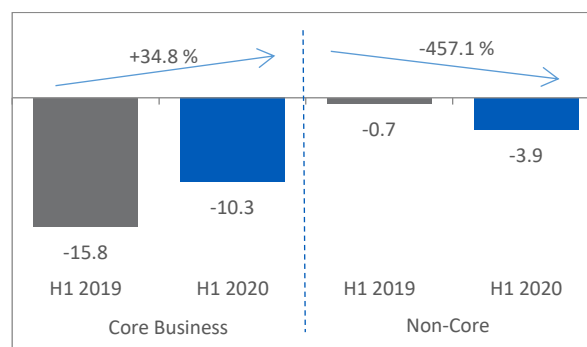
## Net debt (in mEUR)



Net debt at the end of the first half of 2020 of mEUR 123.4 was 22.2 % above the comparable figure at the end of the previous year (31 December 2019: mEUR 101.0). It is the declared objective of MAX Automation to reduce debt again.

## LIQUIDITY DEVELOPMENT

### Cash flow from operating activities (in mEUR)



In the first half of 2020 the MAX Group reported a cash outflow from operating activities of mEUR 14.3 (H1 2019: mEUR 16.6). The cash outflow from investing activities driven by the coronavirus was less at mEUR 2.0 (H1 2019: mEUR 4.0). The cash flow from financing activities in the first six months of the current fiscal year amounted to a balance of cash inflows and outflows of mEUR 7.8 (H1 2019: mEUR 14.3).

In the first half of 2020 there was a cash-effective decrease in cash and cash equivalents of mEUR 8.5 (H1 2019: mEUR 6.2). In sum as of 30 June 2020, taking into account exchange rate movements, MAX Automation reported a cash-effective increase in cash and cash equivalents of 20.7 % to mEUR 32.2 (31 December 2019: mEUR 40.6).

## EVENTS AFTER THE REPORTING DATE

After the end of the reporting period on 30 June 2020 no further events of particular significance for the asset, financial and earnings position of the Group and MAX Automation SE occurred.

## RISKS AND OPPORTUNITIES REPORT

The risks and opportunities profile of the MAX Automation Group is presented in detail in the Group management report as of 31 December 2019 beginning on p. 48. As for the assessment for the 2020 fiscal year, the assessment of the risk situation with respect to market and economic risks has worsened since the publication of the 2019 Annual Report. The assessment of the other risks has not changed significantly.

The recovery of the global economy is being hindered by fundamental uncertainty regarding the further development of the COVID-19 pandemic, according to the International Monetary Fund (IMF). The deterioration of the current situation or the outbreak of renewed waves of infection could make containment measures essential again and thereby continue to weigh on the affected economies. A consequent sustained weakness in demand from foreign markets would further slow the global economy. Therefore, pandemic-related risks remain significant. Successes in the development of therapeutics and vaccines as well as the maintenance of hygienic and social distancing rules could take pressure off healthcare systems, reduce uncertainty and improve the outlook for growth particularly beginning in 2021.

Additional delays in order placements and project acceptances, such as the MAX Automation Group had to book at times in the first half of the year, cannot be ruled out for the second half of 2020. In view of the business volume and the general economic situation, the overall risk potential continues to be considered appropriate and easily manageable. At present, no risks have been identified that could endanger the existence of the Company either separately or in interaction with other risks.

## OUTLOOK

After the world economy had to endure major setbacks in the first half of the year, its performance in the second half will continue to be shaped to a significant degree by the coronavirus crisis. How quickly the worldwide pandemic is brought under control and how soon the restrictions imposed on economic activities are minimized or eliminated will be decisive for the economic recovery in the second half of 2020. From today's perspective, MAX Automation expects a noticeable drop in worldwide economic performance for the full year of 2020.

The order and revenue development of the MAX Automation Group was also influenced by the COVID-19 pandemic in the first half of 2020. The order situation in almost all Group companies was negatively affected by the global reluctance to invest by industry. The impact on sales performance was less profound. At the end of June, a slow recovery was noted. That MAX Automation was able to achieve a slightly positive EBITDA after an operating loss in the previous year's period despite the harm caused by the COVID-19 pandemic demonstrates that the Group is on a more crisis-resistant path through its alignment with its core business. In the second half of the year, the primary focus of operating

activities will be on systematically continuing the Group's realignment, stabilizing the order situation and taking advantage of the market recovery with new orders. The potential for this exists in the view of the Management Board.

Since the economic consequences of the COVID-19 pandemic on the business development of MAX Automation could not be reliably assessed, the Group withdrew its forecast for the 2020 fiscal year on 29 April 2020. Current conditions continue to be driven to a material extent by the COVID-19 pandemic so that future business performance is subject to an extraordinarily high degree of uncertainty. Although there are signs of a slow market recovery, the ability to forecast remains extremely constrained and does not permit any specific statements regarding sales and earnings development for 2020 as a whole. MAX Automation continues to assume that it will not achieve sales of mEUR 380 – 410 along with EBITDA of mEU 16 – 20 as was originally forecast for the 2020 fiscal year, but will end up significantly below the original forecast.

## FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements based on current assumptions and forecasts made by the management of MAX Automation SE. Such statements are subject to risks and uncertainties. These and other factors can cause the actual results, financial situation, development or performance of the company to differ materially from the estimates given here. The company assumes no obligation to update such forward-looking statements or to adjust them to future events or developments.

Dusseldorf, 13 August 2020

The Managing Directors

Patrick Vandenhijn      Werner Berens      Dr. Guido Hild

## CONSOLIDATED BALANCE SHEET



of MAX Automation SE, Dusseldorf  
as of June 30, 2020

ASSETS	30/06/2020 kEUR	31/12/2019 kEUR
<b>Non-current assets</b>		
Intangible Assets	3,684	6,787
Goodwill	42,075	46,239
Right-of-Use Assets	18,115	17,232
Property, plant and equipment	47,195	46,338
Investment property	7,454	7,454
Other investments	2,805	6,692
Deferred tax	10,590	10,383
Other non-current assets	44	286
<b>Non-current assets, total</b>	<b>131,962</b>	<b>141,411</b>
<b>Current assets</b>		
Inventories	56,297	54,029
Contract Assets	42,252	40,987
Trade receivables	39,270	45,402
Prepayments, accrued income and other current assets	9,671	9,968
Cash and cash equivalents	32,196	40,596
<b>Current assets, total</b>	<b>179,686</b>	<b>190,981</b>
<b>Total assets</b>	<b>311,648</b>	<b>332,392</b>

# CONSOLIDATED BALANCE SHEET



of MAX Automation SE, Dusseldorf  
as of June 30, 2020

EQUITY AND LIABILITIES	30/06/2020 kEUR	31/12/2019 kEUR
<b>EQUITY</b>		
Subscribed share capital	29,459	29,459
Capital reserve	18,907	18,907
Revenue reserve	24,151	24,126
Revaluation reserve	11,340	11,340
Equity difference resulting from currency translation	749	609
Non-controlling interests	249	310
Unappropriated retained earnings	-34,620	-16,876
<b>Total Equity</b>	<b>50,235</b>	<b>67,875</b>
<b>Non-current liabilities</b>		
Non-current loans less current portion	124,180	120,574
Non-current lease liabilities	15,365	15,438
Pension provisions	1,080	1,048
Other provisions	4,497	4,224
Deferred tax	10,110	10,912
Other non-current liabilities	1	300
<b>Non-current liabilities, total</b>	<b>155,233</b>	<b>152,496</b>
<b>Current liabilities</b>		
Trade payables	25,044	49,818
Contract liabilities	30,759	18,637
Current loans and current portion of non-current loans	11,488	1,327
Current lease liabilities	4,596	4,257
Other current financial liabilities	14,534	15,670
Income tax provisions and liabilities	3,572	2,208
Other provisions	13,081	15,625
Other current liabilities	3,106	4,479
<b>Current liabilities, total</b>	<b>106,180</b>	<b>112,021</b>
<b>Equity and liabilities, total</b>	<b>311,648</b>	<b>332,392</b>

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME



of MAX Automation SE, Dusseldorf,  
for the period from January 1 to June 30, 2020

	01/01/- 30/06/2020	01/01/- 30/06/2019 <sup>1)</sup>	01/04/- 30/06/2020 <sup>2)</sup>	01/04/- 30/06/2019 <sup>1), 2)</sup>
	kEUR	KEUR	kEUR	kEUR
<b>Sales</b>	<b>152,080</b>	<b>185,383</b>	<b>71,846</b>	<b>98,030</b>
Change in finished goods and work-in-progress	-572	4,174	2,352	-1,218
Work performed by the company and capitalized	845	1,035	469	690
<b>Total operating revenue</b>	<b>152,353</b>	<b>190,592</b>	<b>74,667</b>	<b>97,502</b>
Other operating revenue	6,020	6,591	2,449	5,256
Cost of materials	-68,832	-101,254	-33,989	-52,848
Personnel expenses	-63,167	-67,325	-30,364	-33,827
Depreciation, amortization and impairment losses	-13,042	-5,809	-6,704	-2,709
Other operating expenses	-25,882	-34,503	-12,899	-21,494
<b>Operating profit</b>	<b>-12,550</b>	<b>-11,708</b>	<b>-6,840</b>	<b>-8,120</b>
Financial income	189	33	139	11
Financial expenses	-4,979	-1,805	-1,275	-891
<b>Financial Result</b>	<b>-4,790</b>	<b>-1,772</b>	<b>-1,136</b>	<b>-880</b>
Result from equity accounted investments	0	-331	0	-115
<b>Earnings before tax</b>	<b>-17,340</b>	<b>-13,811</b>	<b>-7,976</b>	<b>-9,115</b>
Income taxes	-440	-8,084	232	-6,647
<b>Net income</b>	<b>-17,780</b>	<b>-21,895</b>	<b>-7,744</b>	<b>-15,762</b>
of wich attributable to non-controlling interests	-61	-836	6	-663
of wich attributable to shareholders of MAX Automation SE	-17,719	-21,059	-7,750	-15,099
<b>Other comprehensive income that is never recycled to the income statement</b>				
Revaluation of land and buildings	0	2,044	0	2,044
Actual gains and losses on employee benefits	0	0	0	0
Income taxes on actuarial gains and losses	0	0	0	0
<b>Other comprehensive income that can be recycled to the income statement</b>	<b>0</b>	<b>2,044</b>	<b>0</b>	<b>2,044</b>
Change arising from currency translation	140	588	-418	332
<b>Total comprehensive income</b>	<b>-17,640</b>	<b>-19,263</b>	<b>-8,162</b>	<b>-13,386</b>
of wich attributable to non-controlling interests	-61	-836	6	-663
of wich attributable to shareholders of MAX Automation SE	-17,579	-18,427	-8,168	-12,723
Earnings per share (diluted and basic) in EUR	-0.60	-0.71	-0.26	-0.51

1) The previous year's figures were adjusted to the balance sheet as of 31/12/2019. Further information can be found in the attached notes.

2) Additional information: Not the subject of the audit review.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

of MAX Automation SE, Dusseldorf,  
for the period from January 1 to June 30, 2020

	Subscribed share capital kEUR	Capital reserves kEUR	Revaluation reserves kEUR	Actual gains and losses kEUR	Other revenue reserves kEUR	Differences from currency translation kEUR	Reconciling item for non- controlling interests kEUR	Unappro- priated profit kEUR	Total kEUR
<b>As of 01/01/2019</b>	<b>29,459</b>	<b>18,907</b>	<b>0</b>	<b>-177</b>	<b>29,392</b>	<b>-64</b>	<b>-4,520</b>	<b>10,653</b>	<b>83,650</b>
Adjustment	0	0	0	0	-906	0	0	0	-906
Reclassification	0	0	0	0	-7,201	0	0	7,201	0
Change of accounting methods (IFRS 16)	0	0	0	0	0	0	0	0	0
<b>As of 01/01/2019 after adjustment</b>	<b>29,459</b>	<b>18,907</b>	<b>0</b>	<b>-177</b>	<b>21,284</b>	<b>-64</b>	<b>-4,520</b>	<b>17,854</b>	<b>82,744</b>
Dividend payments	0	0	0	0	0	0	0	0	0
Non controlling interest	0	0	0	0	0	0	5,574	0	5,574
Transfer to put option	0	0	0	0	2,937	0	0	0	2,937
Transfer to retained earnings	0	0	0	0	0	0	0	0	0
Total comprehensive income	0	0	2,044	0	0	588	-836	-21,059	-19,263
<b>As of 30/06/2019<sup>1)</sup></b>	<b>29,459</b>	<b>18,907</b>	<b>2,044</b>	<b>-177</b>	<b>24,221</b>	<b>524</b>	<b>218</b>	<b>-3,205</b>	<b>71,992</b>
<b>As of 01/01/2020</b>	<b>29,459</b>	<b>18,907</b>	<b>11,340</b>	<b>-97</b>	<b>24,223</b>	<b>609</b>	<b>310</b>	<b>-16,876</b>	<b>67,875</b>
Dividend payments	0	0	0	0	0	0	0	0	0
Transfer to retained earnings	0	0	0	0	25	0	0	-25	0
Total comprehensive income	0	0	0	0	0	140	-61	-17,719	-17,640
<b>As of 30/06/2020</b>	<b>29,459</b>	<b>18,907</b>	<b>11,340</b>	<b>-97</b>	<b>24,248</b>	<b>749</b>	<b>249</b>	<b>-34,620</b>	<b>50,235</b>

1) The previous year's figures were adjusted to the balance sheet as of 31/12/2019. Further information can be found in the attached notes.



# CONSOLIDATED STATEMENT OF CASH FLOWS



of MAX Automation SE, Dusseldorf,  
for the period from January 1 to June 30, 2020

	Q1-Q2 2020 kEUR	Q1-Q2 2019 <sup>1)</sup> kEUR
<b>Cash flow from operating activities</b>		
Net income	-17,780	-21,895
<b>Adjustments relating to the reconciliation of consolidated net income for the year to cash flow from operating activities</b>		
Income taxes	440	8,084
Net interest result	3,192	-1,772
Amortization of intangible assets	6,919	3,760
Amortization of goodwill	4,165	0
Depreciation of property, plant and equipment	1,958	2,035
Depreciation of financial assets	1,597	0
Gain (-) / loss (+) on disposal of property, plant and equipment	-23	-156
Other non-cash expenses and income	-2,310	-4,600
<b>Changes in assets and liabilities</b>		
Increase (-) / decrease (+) in other non-current assets	41	4,435
Increase (-) / decrease (+) in inventories	-351	-9,785
Increase (-) / decrease (+) in trade receivables	6,296	4,940
Increase (-) / decrease (+) in contract assets	-1,298	11,345
Increase (-) / decrease (+) in receivables due from related companies	0	19
Increase (-) / decrease (+) in prepayments, accrued income and other assets	-507	-2,074
Increase (-) / decrease (+) in other non-current liabilities	-442	-308
Increase (-) / decrease (+) in pensions provisions	32	-17
Increase (-) / decrease (+) in trade payables	-7,330	-1,269
Increase (-) / decrease (+) in contract liabilities	-4,784	-13,490
Increase (-) / decrease (+) in other provisions and liabilities	-4,799	9,205
Income tax paid	-283	-5,468
Income tax reimbursed	947	429
<b>= Cash flow from operating activities</b>	<b>-14,320</b>	<b>-16,582</b>
<b>2 Cash flow from investing activities</b>		
Outgoing payments for investments in intangible assets	-1,513	-1,570
Outgoing payments for investments in property, plant and equipment	-4,358	-2,475
Payments received for loans granted to third parties	2,330	0
Payments received from disposals of intangible assets	2	190
Payments received from disposals of property, plant and equipment	1,550	269
Payments received from the sale of subsidiaries less cash & cash equivalents	0	-364
<b>= Cash flow from investing activities</b>	<b>-1,989</b>	<b>-3,950</b>
<b>3 Cash flow from financing activities</b>		
Borrowing of non-current financial loans	15,000	18,416
Repayment of non-current financial loans	-9,603	0
Change in non-current financial debt	-1,646	0
Change in current financial debt	7,262	-2,933
Interest paid	-3,319	-1,197
Interest received	99	20
<b>= Cash flow from financing activities</b>	<b>7,793</b>	<b>14,306</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS



of MAX Automation SE, Dusseldorf,  
for the period from January 1 to June 30, 2020

	Q1-Q2 2020 kEUR	Q1-Q2 2019 <sup>1)</sup> kEUR
<b>4 Cash and cash equivalents</b>		
Increase/decrease in cash and cash equivalents	-8,516	-6,226
Effect of changes in exchange rates	116	24
Consolidation-related changes in cash and cash equivalents	0	0
<b>Cash and cash equivalents at the start of the financial year</b>	<b>40,596</b>	<b>33,518</b>
<b>Cash and cash equivalents at the end of the financial year</b>	<b>32,196</b>	<b>27,316</b>
<b>5 Composition of cash and cash equivalents</b>		
= <b>Cash and cash equivalents</b>	<b>32,196</b>	<b>27,316</b>

1) The previous year's figures were adjusted to the balance sheet as of 31/12/2019. Further information can be found in the attached notes.

## Accounting policies

The accounting policies in the consolidated interim financial report of MAX Automation SE as of 30 June 2020 were applied in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board, London (IASB) applicable in the EU on the reporting date, taking into account the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Standards Interpretations Committee (IFRS IC). The corresponding comparative figures for the previous year were calculated applying the same policies. Accordingly, these interim consolidated financial statements have been prepared in accordance with IAS 34.

Taking into consideration the purpose of interim financial reporting as an information instrument based on the consolidated financial statements, we refer to the notes to the consolidated financial statements as of 31 December 2019, where accounting policies and consolidation methods as well as the use of options contained in IFRS are explained.

The accounting policies and consolidation principles were applied as in the last consolidated financial statements.

## COVID-19 Pandemic

On 5 June 2020, due to the impact of the COVID 19 pandemic on the Company, the Company submitted an application for a contract modification to the administrative office for a syndicated loan contract in view of the impact of the COVID-19 pandemic on the Company. The essential objectives of the application were the suspension of covenant testing until 31 December 2020 as well as a readjustment of the covenants. On 25 June 2020, the bank syndicate approved the application.

In the USA, a subsidiary of Vecoplan AG applied for and received a government loan in the amount of kEUR 850 from the Paycheck Protection Program ("PPP loan"). This program is aimed at small businesses with fewer than 500 employees. The conversion of the loan into a grant is tied to various conditions. The Company currently assumes that it will fulfill these conditions. Given the large number of applications in the USA and the related extended processing time, the recognition of a grant in profit or loss is expected in the fourth quarter 2020.

In Germany, Group companies have used the tool of short-term work to the extent possible and necessary.

## Goodwill, intangible assets and property, plant and equipment

### Goodwill

If the acquisition costs for a business combination exceed the sum of the wholly revalued assets and liabilities including contingent liabilities, a positive difference is capitalized as goodwill. A negative difference is recognized in profit or loss after a reassessment. The Group has identified the Process Technologies and Environmental Technologies business units, the individual companies of Evolving Technologies and the individual companies of non-core business as cash-generating units. Essentially, the latter is ELWEMA Automotive GmbH. Goodwill is subjected to an impairment test in accordance with IAS 36 on each reporting date.

In addition, the provisions of IAS 36 require that impairment tests are carried out if certain indicators (triggering events) are present. Since the COVID-19 pandemic has a material impact on the earnings forecasts of the business units or the cash generating units (CGUs) assigned to them, such an indicator is present for an impairment test of the goodwill allocated to the respective CGUs. A possible decline in value is recognized immediately as an expense in the statement of comprehensive income; it is reported under depreciation and amortization. Impairment losses are not reversed in subsequent periods.

The goodwill arising from acquisitions made prior to the date of transition to IFRS on 1 January 2004, was taken from the previous HGB financial statement and tested for impairment at this time. Goodwill amortized in previous periods has not been reversed.

The impairment test of goodwill is usually carried out at the level of a cash-generating unit. The impairment test is based on the calculation of the recoverable amount. The recoverable amount is either fair value less costs to sell or value in use, whichever is higher. Impairment tests in the MAX Automation Group are carried out as a rule by comparing the value in use and the carrying amount, whereby in individual cases the use of fair value less costs to sell is also possible.

If the carrying amount of the cash-generating unit to which the goodwill was allocated exceeds its recoverable amount, the goodwill allocated to this cash-generating unit is reduced by the difference. If the impairment loss exceeds the goodwill, the additional impairment loss is allocated pro rata to the assets allocated to the cash-generating unit (IAS 36.104 et seq.). The fair values or values in use (where quantifiable) of the individual assets are regarded as the lower limit.

The carrying amount of the cash-generating unit represents the so-called net assets and is composed of the assets required for business operations (operating assets) plus disclosed hidden reserves (especially goodwill) and minus liabilities resulting from the operations.

When calculating the fair value less costs to sell, the procedure is conducted primarily with reference to market prices. The value in use is calculated on the basis of the discounted cash flow (DCF) method. The weighted average cost of capital (WACC) approach is applied here (IDW RS HFA 16 (30)). The market risk premium amount is selected with reference to the pronouncements issued by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer - IDW). The risk-free base rate is calculated using a system recommended by the IDW (Svensson method). The beta factor, the borrowing rate and the debt-equity ratio are calculated with reference to capital market data relating to comparable companies (peer group) in the same sector.

#### The following input requirements must be taken into account:

- Under IAS36.50, cash flows from financing and for income taxes are not to be included in the calculation of the value in use.
- The capitalization rate is a pre-tax interest rate which reflects current market estimates of the time value of money and the specific risks of the valuation object. Since the returns on risk-bearing equity securities which can be observed in the capital markets routinely include tax effects, the weighted capitalization rate must be adjusted for these tax effects.
- The cost of equity is calculated on the basis of the Capital Asset Pricing Model. This calculation involves the risk-free rate, a risk premium and the beta factor of the respective business unit's peer group. The borrowing rate used similarly results from the specific peer group. The weighted average costs of capital below reflect the individual debt-equity ratio.
- A value of 7% in accordance with the range of 6 – 8% recommended by IDW was used as the market risk premium.

#### Pre-tax cost of capital

Business Unit	30/06/2020	31/12/2019
Process Technologies	9.12%	7.51%
Environmental Technologies	8.20%	9.99%
NSM Magnettechnik GmbH	8.24%	10.07%
Mess- und Regeltechnik Jücker GmbH,	8.40%	10.11%
MA micro automation GmbH	8.31%	10.08%
iNDAT Robotics GmbH	8.11%	9.83%
AIM Micro Systems GmbH	8.23%	9.98%
ELWEMA Automotive GmbH	8.85%	n/a <sup>1)</sup>

1) 2019 Use of net realizable value

The value in use is determined on the basis of the present value of the cash flow from two periods of growth. The first period is based on the five-year plan prepared by the management of the respective cash-generating unit. This plan has been updated and takes into account the impact of the COVID-19 pandemic. A perpetuity equal to the permanently recoverable amount according to the last year of the detailed forecast period is taken as a basis for the second period, allowing for a growth rate of 1%. Based on the order backlog and the chronological completion of the orders, the chosen planning horizon mainly reflects the following assumptions for short-term to medium-term market developments: sales trend, market shares and growth rates, raw material

costs, customer acquisition and retention costs, personnel development and investments. The assumptions are essentially determined internally and mainly reflect past experience or are compared with external market values.

On the balance sheet date, each cash-generating unit was subjected to an impairment test. In the course of this test, a recoverable amount of kEuro 20,193 was determined for ELWEMA Automotive GmbH. This resulted in an impairment loss of kEUR 7,006.

In the annual financial statements for 2019, the recoverable amount of ELWEMA Automotive GmbH was determined by the net realizable value. Since the basis for measurement based on net recoverable value no longer applied in the first quarter, another impairment test was carried out, in which the recoverable amount was determined by the value in use. This resulted in a goodwill impairment of kEUR 3,671, which was recognised in the first quarter of 2020. Following the goodwill impairment already recognized in the first quarter, the remaining goodwill of kEUR 494 and internally generated intangible assets of kEUR 3,088 were impaired in full as of the reporting date. Since the remaining fixed assets would fall below the fair value or value in use upon further recognition of the calculated impairment, additional depreciation was not made in accordance with IAS IAS 36.105. In addition, a sensitivity analysis for the cash-generating units to which significant goodwill was allocated yielded the assumption that the discount rates would increase by one percentage point and that the cash flows would decrease by 10% at the same time. No additional need for impairment was determined in the process.

Therefore, the goodwill fell during the fiscal year to kEUR 42,075 (previous year: kEUR 46,239). The decline resulted primarily from writing down the goodwill of ELWEMA Automotive GmbH in the amount of kEUR 4,165; the rest results from currency translation in the Environmental Technologies business unit. As a result, the disclosed goodwill figures break down in detail as follows:

In kEUR	30/06/2020	31/12/2019
<b>Goodwill</b>	<b>42,075</b>	<b>46,239</b>
<b>Process Technologies</b>	<b>6,163</b>	<b>6,163</b>
- thereof bdtronic Group	6,163	6,163
<b>Evolving Technologies</b>	<b>29,512</b>	<b>29,512</b>
- thereof NSM Magnettechnik Group	12,124	12,124
- thereof MA micro automation GmbH	11,661	11,661
- thereof iNDAT Robotics GmbH	3,463	3,463
- thereof Mess- und Regeltechnik Jücker GmbH	1,403	1,403
- thereof AIM Micro Systems GmbH	860	860
<b>Environmental Technologies</b>	<b>6,400</b>	<b>6,399</b>
- thereof Vecoplan Group	6,400	6,399
<b>Non-core business</b>	<b>0</b>	<b>4,165</b>
- thereof ELWEMA Automotive GmbH	0	4,165

## Expected credit losses

Aside from the individual valuation adjustments on receivables in case of a default event, an allowance for expected credit losses was also recognized in accordance with IFRS 9. The MAX Automation Group's financial assets which are subject to the model of expected credit losses are trade receivables and contractual assets. The MAX Automation Group applies the simplified approach in accordance with IFRS 9 in order to measure the expected credit losses. Accordingly, the expected credit losses over the relevant term are used for all trade receivables and contractual assets.

In order to measure the expected credit losses, trade receivables and contractual assets are clustered: The valuation allowance ratios are determined on the basis of the specific debtor, the industry or region using credit default swap spreads. The calculation takes into account the interest rate effect. Since credit default swaps reflect the current market situation, they also price in the effect of the COVID-19 pandemic on potential credit losses; the overall impact of the COVID-19 pandemic is described in the management report.

As of 30 June 2020 there is an expected credit loss of kEUR 555 (31 December 2019: kEUR 125). This corresponds to 0.68 % (31 December 2019: 0.14 %) of the amount of trade and other receivables and contractual assets. Taking into account individual valuation adjustments yields, there is an expected loss of kEUR 2,766 (31 December 2019: kEUR 2,753); this corresponds to 3.37 % (31 December 2019: 3.18 %) of the amount of trade receivables and contractual assets.

## Adjustment of figures for the previous year

The recognition of the previous year's figures in the statement of comprehensive income was adjusted as of 31 December 2019. This involves the correction of errors performed in accordance with IAS 8. The errors corrected in profit or loss for the years 2018 and earlier were still corrected in full on a current account basis in the 2019 interim report. For further details we refer to the corresponding section "Correction of errors" in the Notes to the 2019 consolidated financial statement.

Furthermore, the fair value recognition of the property on Kesselbachstrasse, which is classified as an investment property, was adjusted as of 31 December 2019. The effect on income of this adjustment amounts to kEUR -3,829.

In the third quarter of 2019, the discontinued operations were reclassified as income from continuing operations due to the fact that the twelve-month period stipulated by IFRS 5 was exceeded. The previously suspended scheduled depreciation of assets in the amount of kEUR 2,375 was made up for accordingly. Of this amount, kEUR 1,801 was attributable to the first half of 2019 and kEUR 574 to the fourth quarter of 2018.

## Changes in presentation

In addition, beginning in the 2020 fiscal year, the Company reports advance payments received under contractual liabilities provided that the amount exceeds contractual assets. In 2019, they were still disclosed under trade payables.

## Consolidation principles

MAX Automation SE and its subsidiaries over which it exercises control are included in the consolidated financial statements. Control is given if MAX Automation SE is exposed to fluctuating returns from the relationship with the associated company and has the possibility to influence these returns by means of its power of disposal over the associated company.

Consolidation of a subsidiary begins on the date on which the Group gains control of the subsidiary and ends when the Group loses control. All intercompany assets and liabilities, equity, income and expenses and cash flows from transactions between group companies are eliminated in full on consolidation.

## Scope of consolidation

All active Group companies are included in the scope of consolidation. These are majority holdings.

The scope of consolidation as of the reporting date encompasses MAX Automation SE and a total of 28 subsidiaries and second-tier subsidiaries as well as MAX Automation (Asia Pacific) Co.Ltd., Hong Kong, which is accounted for using the equity method.

The existing companies were subdivided into the Process Technologies, Environmental Technologies, Evolving Technologies and Non-Core Business segments in line with the clear strategic direction.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT



The scope of consolidation is comprised as follows:

<b>Number of companies included</b>	<b>2020</b>	<b>2019</b>
Process Technologies	7	7
Environmental Technologies	9	9
Evolving Technologies	8	8
Non-core business	4	4
<b>Group</b>	<b>28</b>	<b>28</b>

### Changes in the scope of consolidation

After the reporting date, MA micro automation GmbH has acquired 100% of the shares of the shelf company Kronen zweitausend596 GmbH, Frankfurt am Main, with notarial certification as of 23 July 2020. In connection with the acquisition, the change in the company's name to MA Life Science GmbH and the move of its headquarters to St. Leon-Rot were submitted for entry in the commercial register. In the future, the international equity investments of MA micro automation GmbH will be bundled under the company, which should function as an intermediate holding company. This company is not included in the above table.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT



## Segment information

The following tables show the segment information for the reportable segments for the half-year ended 30 June 2020. Further details on the individual segments can be found in the interim Group management report with its explanations on the net assets, financial position and results of operations.

Segment Reporting Period	Process Technologies		Environmental Technologies	
	Q1-Q2 2020	Q1-Q2 2019	Q1-Q2 2020	Q1-Q2 2019
	kEUR	kEUR	kEUR	kEUR
<b>Order intake</b>	<b>22,526</b>	<b>33,404</b>	<b>50,262</b>	<b>82,089</b>
<b>Order book position</b>	<b>21,949</b>	<b>37,334</b>	<b>41,616</b>	<b>59,300</b>
<b>Segment revenue</b>	<b>25,114</b>	<b>32,197</b>	<b>56,249</b>	<b>57,245</b>
With external customers	25,108	32,169	56,247	57,242
- of which Germany	10,330	12,677	8,274	9,057
- of which other EU countries	7,493	7,390	15,398	16,924
- of which North America	2,165	4,615	22,623	23,253
- of which China	3,524	5,916	0	0
- of which Rest of the world	1,596	1,571	9,952	8,008
- Inter-segment revenue	6	28	2	3
<b>EBITDA</b>	<b>2,951</b>	<b>6,677</b>	<b>6,422</b>	<b>6,273</b>
<b>EBITDA margin (in %, in relation to sales revenue)</b>	<b>11.7%</b>	<b>20.7%</b>	<b>11.4%</b>	<b>11.0%</b>
Total operating revenue	25,110	34,893	58,722	57,638
<b>Segment operating profit (EBIT before PPA amortization)</b>	<b>1,669</b>	<b>5,703</b>	<b>5,376</b>	<b>5,404</b>
Including:				
- depreciation/amortization	-1,282	-974	-1,046	-869
- Additions to other provisions and pension provisions	-466	-818	-1,347	-937
<b>Segment operating profit after PPA amortization</b>	<b>1,558</b>	<b>5,592</b>	<b>5,376</b>	<b>5,404</b>
Including:				
- PPA amortization	-111	-111	0	0
- Goodwill Impairment	0	0	0	0
<b>Segment result from ordinary activities (EBT)</b>	<b>1,339</b>	<b>5,443</b>	<b>5,267</b>	<b>5,349</b>
Including:				
- Interest and similar income	0	3	52	64
- Interest and similar expenses	-218	-152	-161	-119
- Income from equity accounted investments	0	0	0	0
Income taxes	-213	81	-1,543	-1,662
<b>Net income</b>	<b>1,126</b>	<b>5,524</b>	<b>3,724</b>	<b>3,687</b>
<b>Non-current segment assets (excluding deferred tax)</b>	<b>20,702</b>	<b>19,142</b>	<b>23,361</b>	<b>14,195</b>
- of which Germany	14,942	14,504	19,133	11,338
- of which other EU countries	4,241	3,948	96	12
- of which North America	1,370	501	4,132	2,845
- of which Rest of the world	149	189	0	0
<b>Investments in non-current segment assets</b>	<b>682</b>	<b>925</b>	<b>3,558</b>	<b>1,326</b>
<b>Working Capital</b>	<b>17,318</b>	<b>15,024</b>	<b>19,441</b>	<b>9,106</b>
<b>Goodwill</b>	<b>6,163</b>	<b>6,163</b>	<b>6,400</b>	<b>6,394</b>
<b>ROCE (in %)<sup>1)</sup></b>	<b>22.1%</b>	<b>38.5%</b>	<b>27.0%</b>	<b>31.9%</b>
<b>Average number of personnel excluding trainees</b>	<b>407</b>	<b>352</b>	<b>417</b>	<b>395</b>

<sup>1)</sup> The return on capital employed (ROCE) corresponds to the ratio of EBIT to capital employed. Capital employed corresponds to the sum of intangible assets, property, plant and equipment, working capital, investment property and goodwill based on the twelve-month average.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT



Segment Reporting Period	Evolving Technologies		Non-Core	
	Q1-Q2 2020	Q1-Q2 2019 <sup>2)</sup>	Q1-Q2 2020	Q1-Q2 2019
	kEUR	kEUR	kEUR	kEUR
<b>Order intake</b>	<b>37,908</b>	<b>53,582</b>	<b>22,735</b>	<b>29,451</b>
<b>Order book position</b>	<b>65,577</b>	<b>95,009</b>	<b>50,701</b>	<b>65,890</b>
<b>Segment revenue</b>	<b>53,782</b>	<b>60,837</b>	<b>17,671</b>	<b>36,018</b>
With external customers	53,223	60,066	17,502	35,900
- of which Germany	29,039	42,412	6,363	10,116
- of which other EU countries	5,557	9,039	5,778	15,410
- of which North America	8,913	1,100	316	298
- of which China	5,807	614	3,385	7,099
- of which Rest of the world	3,907	6,901	1,660	2,977
- Inter-segment revenue	559	771	169	118
<b>EBITDA</b>	<b>4,663</b>	<b>7,163</b>	<b>-8,826</b>	<b>-21,467</b>
<b>EBITDA margin (in %, in relation to sales revenue)</b>	<b>8.7%</b>	<b>11.8%</b>	<b>-49.9%</b>	<b>-59.6%</b>
Total operating revenue	55,263	61,291	13,994	37,684
<b>Segment operating profit (EBIT before PPA amortization)</b>	<b>3,055</b>	<b>5,393</b>	<b>-13,478</b>	<b>-22,658</b>
Including:				
- depreciation/amortization	-1,608	-1,770	-4,652	-1,191
- Additions to other provisions and pension provisions	-2,146	-1,078	-1,463	-7,065
<b>Segment operating profit after PPA amortization</b>	<b>2,992</b>	<b>5,267</b>	<b>-17,643</b>	<b>-23,268</b>
Including:				
- PPA amortization	-63	-126	0	-610
- Goodwill Impairment	0	0	-4,165	0
<b>Segment result from ordinary activities (EBT)</b>	<b>1,908</b>	<b>4,661</b>	<b>-17,942</b>	<b>-24,152</b>
Including:				
- Interest and similar income	168	115	536	160
- Interest and similar expenses	-1,252	-707	-835	-1,044
- Income from equity accounted investments	0	0	0	0
Income taxes	240	-4,746	1,268	-3,036
<b>Net income</b>	<b>2,148</b>	<b>-85</b>	<b>-16,674</b>	<b>-27,188</b>
<b>Non-current segment assets (excluding deferred tax)</b>	<b>40,984</b>	<b>37,251</b>	<b>12,125</b>	<b>13,956</b>
- of which Germany	40,880	37,095	10,435	13,943
- of which other EU countries	0	0	1,690	13
- of which North America	0	0	0	0
- of which Rest of the world	104	156	0	0
<b>Investments in non-current segment assets</b>	<b>1,068</b>	<b>770</b>	<b>675</b>	<b>965</b>
<b>Working Capital</b>	<b>21,258</b>	<b>2,650</b>	<b>24,611</b>	<b>42,225</b>
<b>Goodwill</b>	<b>29,512</b>	<b>29,512</b>	<b>0</b>	<b>6,841</b>
<b>ROCE (in %)<sup>1)</sup></b>	<b>16.9%</b>	<b>-2.5%</b>	<b>-60.6%</b>	<b>-88.6%</b>
<b>Average number of personnel excluding trainees</b>	<b>561</b>	<b>553</b>	<b>294</b>	<b>583</b>

<sup>1)</sup> The return on capital employed (ROCE) corresponds to the ratio of EBIT to capital employed. Capital employed corresponds to the sum of intangible assets, property, plant and equipment, working capital, investment property and goodwill based on the twelve-month average.

<sup>2)</sup> The previous year's figures were adjusted to the balance sheet as of 31 December 2019. Further information can be found in the attached notes.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT



Segment Reporting Period	MAX Automation SE <sup>3)</sup>		Consolidation	
	Q1-Q2 2020	Q1-Q2 2019	Q1-Q2 2020	Q1-Q2 2019 <sup>2)</sup>
	kEUR	kEUR	kEUR	kEUR
<b>Order intake</b>	0	0	0	0
<b>Order book position</b>	0	0	0	0
<b>Segment revenue</b>	939	1,343	-1,675	-2,257
With external customers	0	6	0	0
- of which Germany	0	6	0	0
- of which other EU countries	0	0	0	0
- of which North America	0	0	0	0
- of which China	0	0	0	0
- of which Rest of the world	0	0	0	0
- Inter-segment revenue	939	1,337	-1,675	-2,257
<b>EBITDA</b>	<b>-4,608</b>	<b>-4,210</b>	<b>-110</b>	<b>-335</b>
<b>EBITDA margin (in %, in relation to sales revenue)</b>	-	-	-	-
Total operating revenue	939	1,343	-1,675	-2,257
<b>Segment operating profit (EBIT before PPA amortization)</b>	<b>-4,729</b>	<b>-4,367</b>	<b>-104</b>	<b>-335</b>
Including:				
- depreciation/amortization	-121	-157	6	0
- Additions to other provisions and pension provisions	-481	-1,340	0	0
<b>Segment operating profit after PPA amortization</b>	<b>-4,729</b>	<b>-4,367</b>	<b>-104</b>	<b>-335</b>
Including:				
- PPA amortization	0	0	0	0
- Goodwill Impairment	0	0	0	0
<b>Segment result from ordinary activities (EBT)</b>	<b>-7,785</b>	<b>-4,782</b>	<b>-126</b>	<b>-330</b>
Including:	0	0	0	0
- Interest and similar income	1,641	1,119	-2,208	-1,427
- Interest and similar expenses	-3,100	-1,202	2,186	1,418
- Income from equity accounted investments	0	-332	0	0
Income taxes	-227	1,279	35	0
<b>Net income</b>	<b>-8,012</b>	<b>-3,503</b>	<b>-91</b>	<b>-330</b>
<b>Non-current segment assets (excluding deferred tax)</b>	<b>88,782</b>	<b>108,538</b>	<b>-64,582</b>	<b>-64,551</b>
- of which Germany	88,782	108,538	-64,582	-64,551
- of which other EU countries	0	0	0	0
- of which North America	0	0	0	0
- of which Rest of the world	0	0	0	0
<b>Investments in non-current segment assets</b>	<b>11</b>	<b>60</b>	<b>-123</b>	<b>0</b>
<b>Working Capital</b>	<b>-746</b>	<b>4,360</b>	<b>134</b>	<b>0</b>
<b>Goodwill</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>ROCE (in %)<sup>1)</sup></b>	-	-	-	-
<b>Average number of personnel excluding trainees</b>	<b>14</b>	<b>5</b>	<b>0</b>	<b>0</b>

<sup>1)</sup> The return on capital employed (ROCE) corresponds to the ratio of EBIT to capital employed. Capital employed corresponds to the sum of intangible assets, property, plant and equipment, working capital, investment property and goodwill based on the twelve-month average.

<sup>2)</sup> The previous year's figures were adjusted to the balance sheet as of 31 December 2019. Further information can be found in the attached notes.

<sup>3)</sup> The values of the parent company are included in the MAX Automation SE column; transactions between the segments are eliminated in the Consolidation column. The sum of the two aforementioned columns are presented in the Reconciliation column in order to reconcile the segment disclosures with the Group figures.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT



Segment Reporting Period	Reconciliation		Group	
	Q1-Q2 2020	Q1-Q2 2019	Q1-Q2 2020	Q1-Q2 2019 <sup>2)</sup>
	kEUR	kEUR	kEUR	kEUR
<b>Order intake</b>	0	0	133,431	198,526
<b>Order book position</b>	0	0	179,843	257,533
<b>Segment revenue</b>	-736	-914	152,080	185,383
With external customers	0	6	152,080	185,383
- of which Germany	0	6	54,006	74,268
- of which other EU countries	0	0	34,226	48,763
- of which North America	0	0	34,017	29,266
- of which China	0	0	12,716	13,629
- of which Rest of the world	0	0	17,115	19,457
- Inter-segment revenue	-736	-920	0	0
<b>EBITDA</b>	<b>-4,718</b>	<b>-4,545</b>	<b>492</b>	<b>-5,899</b>
<b>EBITDA margin (in %, in relation to sales revenue)</b>	-	-	<b>0.3%</b>	<b>-3.2%</b>
Total operating revenue	-736	-914	152,353	190,592
<b>Segment operating profit (EBIT before PPA amortization)</b>	<b>-4,833</b>	<b>-4,702</b>	<b>-8,211</b>	<b>-10,860</b>
Including:				
- depreciation/amortization	-115	-157	-8,703	-4,961
- Additions to other provisions and pension provisions	-481	-1,340	-5,903	-11,238
<b>Segment operating profit after PPA amortization</b>	<b>-4,833</b>	<b>-4,702</b>	<b>-12,550</b>	<b>-11,707</b>
Including:				
- PPA amortization	0	0	-174	-847
- Goodwill impairment	0	0	-4,165	0
<b>Segment result from ordinary activities (EBT)</b>	<b>-7,911</b>	<b>-5,112</b>	<b>-17,339</b>	<b>-13,811</b>
Including:				
- Interest and similar income	-567	-308	189	34
- Interest and similar expenses	-914	216	-3,380	-1,806
- Income from equity accounted investments	0	-332	0	-332
Income taxes	-192	1,279	-440	-8,084
<b>Net income</b>	<b>-8,103</b>	<b>-3,833</b>	<b>-17,779</b>	<b>-21,895</b>
<b>Non-current segment assets (excluding deferred tax)</b>	<b>24,200</b>	<b>43,987</b>	<b>121,372</b>	<b>128,531</b>
- of which Germany	24,200	43,987	109,590	120,867
- of which other EU countries	0	0	6,027	3,973
- of which North America	0	0	5,502	3,346
- of which Rest of the world	0	0	253	345
<b>Investments in non-current segment assets</b>	<b>-112</b>	<b>60</b>	<b>5,871</b>	<b>4,046</b>
<b>Working Capital</b>	<b>-612</b>	<b>4,360</b>	<b>82,016</b>	<b>73,365</b>
<b>Goodwill</b>	<b>0</b>	<b>0</b>	<b>42,075</b>	<b>48,910</b>
<b>ROCE (in %)<sup>1)</sup></b>	-	-	<b>-8.0%</b>	<b>-25.8%</b>
<b>Average number of personnel excluding trainees</b>	<b>14</b>	<b>5</b>	<b>1,693</b>	<b>1,888</b>

<sup>1)</sup> The return on capital employed (ROCE) corresponds to the ratio of EBIT to capital employed. Capital employed corresponds to the sum of intangible assets, property, plant and equipment, working capital, investment property and goodwill based on the twelve-month average.

<sup>2)</sup> The previous year's figures were adjusted to the balance sheet as of 31 December 2019. Further information can be found in the attached notes.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT



## Sales

The following tables show sales by segment:

Q1-Q2 2020	Process Technologies	Environmental Technologies	Evolving Technologies	Non-Core Business	Reconciliation	Total
<b>Total segment revenues</b>	<b>25,114</b>	<b>56,249</b>	<b>53,782</b>	<b>17,671</b>	<b>-736</b>	<b>152,080</b>
Intercompany sales	5	2	559	169	-736	0
<b>Revenue with external customers</b>	<b>25,108</b>	<b>56,247</b>	<b>53,223</b>	<b>17,502</b>	<b>0</b>	<b>152,080</b>
<b>Timing of revenue recognition</b>						
At a certain time	16,460	34,811	10,699	5,813	0	67,783
Over a period of time	8,649	21,436	42,524	11,688	0	84,297

Q1-Q2 2019	Process Technologies	Environmental Technologies	Evolving Technologies <sup>1)</sup>	Non-Core Business	Reconciliation	Total
<b>Total segment revenues</b>	<b>32,197</b>	<b>57,245</b>	<b>60,837</b>	<b>36,018</b>	<b>-914</b>	<b>185,383</b>
Intercompany sales	28	3	771	118	-920	0
<b>Revenue with external customers</b>	<b>32,169</b>	<b>57,242</b>	<b>60,066</b>	<b>35,900</b>	<b>6</b>	<b>185,383</b>
<b>Timing of revenue recognition</b>						
At a certain time	26,954	38,989	22,645	12,563	6	101,158
Over a period of time	5,215	18,253	37,420	23,337	0	84,225

<sup>1)</sup> The previous year's figures were adjusted to the balance sheet as of 31 December 2019. Further information can be found in the attached notes.

The following table shows sales revenues by geographical market:

in kEUR	Q1-Q2 2020	Q1-Q2 2019
Germany	53,931	74,268
EU	34,388	48,763
North America	33,346	29,266
China	4,713	13,629
Rest of the World	25,703	19,457
<b>Total</b>	<b>152,080</b>	<b>185,383</b>

## Income taxes

Income taxes are determined on the basis of an estimated weighted average annual income tax rate.

Since the COVID-19 pandemic affects the earnings forecasts of companies, the recoverability of deferred tax assets was reviewed in the interim financial statement. Accordingly, in the first half of 2020, capitalized loss carryforwards were value-adjusted in the amount of kEUR 1,252.

The following loss carryforwards exist in the Group as of the reporting date:

In kEUR	Loss carryforwards	Applicable taxes	Thereof capitalized	Thereof no recognition
Domestic corporation tax	83,067	13,150	5,258	7,892
Domestic trade tax	80,340	10,292	4,748	5,544
Foreign	5,207	1,123	119	1,004
<b>Total</b>	<b>168,614</b>	<b>24,565</b>	<b>10,125</b>	<b>14,440</b>

## Earnings per share

At present, MAX Automation SE has not issued any dilutive instruments. For this reason, undiluted and diluted earnings per share are identical.

In the reporting period, the number of weighted shares corresponds to the number of shares issued.

Due to the adjustment of the previous year's figures, undiluted and diluted earnings per share for Q1-Q2 2019 deteriorated from EUR -0.07 to EUR 0.71.

in kEUR	Q1-Q2/2020	Q1-Q2/2019
Profit attributable to the shareholders of MAX Automation SE used in calculation basic earnings per share undiluted/diluted	-17,719	-21,059

Number	Q1-Q2/2020	Q1-Q2/2019
Weighted average number of shares used as the denominator in calculation basic of undiluted/diluted earnings per share	29,459,415	29,459,415

in kEUR	Q1-Q2/2020	Q1-Q2/2019
Undiluted/diluted earnings per share attributable to the shareholders of MAX Automation SE	-0.60	-0.71

## Events after the 30 June 2020 reporting date

No further events occurred after the 30 June 2020 reporting date.

## RESPONSIBILITY STATEMENT

To the best of our knowledge, we assure that, pursuant to applicable accounting principles for interim financial reporting, the condensed consolidated interim financial statement conveys a true and fair view of the Group's financial position and performance, that the course of business, including the business results and the Group's position, are presented in the Group interim management report so as to convey a true and fair view, and that the significant opportunities and risks pertaining to the Group's prospective development for the remainder of the fiscal year are described

Dusseldorf, 13 August 2020

The Managing Directors

Werner Berens

Dr. Guido Hild

Patrick Vandenrijn

## REPORT AFTER AUDIT REVIEW

To MAX Automation SE, Düsseldorf

We have reviewed the condensed consolidated interim financial statements - comprising the condensed statement of financial position, condensed statement of comprehensive income, condensed statement of cash flows, condensed statement of changes in equity and selected explanatory notes - and the interim group management report of MAX Automation SE for the period from 1 January 2020 to 30 June 2020 which are part of the halfyear financial report pursuant to § (Article) 115 WpHG ("Wertpapierhandelsgesetz": German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company's Managing Directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Düsseldorf, 13 August 2020

PricewaterhouseCoopers GmbH  
Wirtschaftsprüfungsgesellschaft

Dr. Andreas Focke  
Wirtschaftsprüfer  
(German Public Auditor)

Norbert Klütsch  
Wirtschaftsprüfer  
(German Public Auditor)

## **IMPRINT**

### **Publisher**

MAX Automation SE  
Breite Strasse 29-31  
40213 Dusseldorf  
Germany

Tel.: +49 211 90 99 1 - 0  
Fax: +49 211 90 99 1 -11  
E-Mail: [info@maxautomation.com](mailto:info@maxautomation.com)  
[www.maxautomation.com](http://www.maxautomation.com)

### **Investor Relations**

CROSS ALLIANCE communication GmbH  
Bahnhofstr. 98  
82166 Graefelfing / Munich  
Germany

Tel.: +49 89 125 09 03 - 33  
E-Mail: [sh@crossalliance.de](mailto:sh@crossalliance.de)  
[www.crossalliance.de](http://www.crossalliance.de)

This report is also available in German. In the event of differences, the German version takes precedent. The digital version of the MAX Automation SE annual report and the interim reports are available online at [www.maxautomation.com](http://www.maxautomation.com) under "Investor Relations / Financial Reports."

## **DISCLAIMER**

This interim report contains forward-looking statements regarding the business, earnings, financial and asset position of MAX Automation SE and its subsidiaries. These statements are based on the company's current plans, estimates, forecasts and expectations and are therefore subject to risks and uncertainties that could cause actual developments to differ significantly from those anticipated. These forward-looking statements are only valid at the time of publication of this quarterly report. MAX Automation SE does not intend to update these forward-looking statements and assumes no obligation to do so.