MAIRE

NEUTRAL

Sector: Energy

Price: Eu7.34 - **Target: Eu7.80**

Results a Touch Above, 2024 Guidance Confirmed

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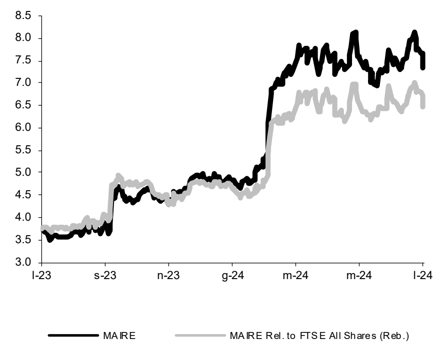
Stock Rating			
Rating:			Unchanged
Target Price (Eu):			Unchanged
	2024E	**2025E**	**2026E**
Chg in Adj EPS	2.1%	4.1%	3.9%

MAIRE - 12M Performance



Stock Data			
Reuters code:			MTCM.MI
Bloomberg code:			MAIRE IM
Performance	**1M**	**3M**	**12M**
Absolute	-5.2%	-5.8%	96.5%
Relative	-6.9%	-5.8%	82.9%
12M (H/L)			8.14/3.50
3M Average Volume (th):			684.57

Shareholder Data	
No. of Ord shares (mn):	329
Total no. of shares (mn):	329
Mkt Cap Ord (Eu mn):	2,412
Total Mkt Cap (Eu mn):	2,412
Mkt Float - Ord (Eu mn):	1,182
Mkt Float (in %):	49.0%
Main Shareholder:	
Maire Gestioni	51.0%

Balance Sheet Data	
Book Value (Eu mn):	653
BVPS (Eu):	1.99
P/BV:	3.7
Net Financial Position (Eu mn):	265
Enterprise Value (Eu mn):	2,147

- **2Q24 results.** Maire's 2Q24 results were slightly above our expectations, thanks primarily to higher volumes at the Integrated E&C Solutions division. The bottom line was also supported by lower-than-expected depreciation and positive net financial income, partly offset by higher taxes. In detail: 2Q24 revenues closed at Eu1,360mn (+35% YoY, +8% QoQ, vs. exp. Eu1,302mn), EBITDA at Eu88mn (+40% YoY, +8% QoQ, vs. exp. Eu84mn), EBIT at Eu73mn (+49% YoY, +9% QoQ, vs. exp. Eu66mn), and group net income at Eu47mn (+78% YoY, +7% QoQ, vs. exp. Eu45mn). By division, Integrated E&C Solutions reported adj. EBITDA of Eu69mn (+40% YoY, +10% QoQ, vs. exp. Eu64mn), with an EBITDA margin of 5.4% (vs. exp. 5.3%), while Sustainable Tech. Solutions reported EBITDA of Eu19mn (+40% YoY, -1% QoQ, vs. exp. Eu20mn), with an EBITDA margin of 23.6% (vs. exp. 23.5%). On the balance sheet, the net financial position (pre-IFRS16) closed cash positive at Eu-358mn (vs. exp. Eu-356mn), a further slight QoQ improvement.
- **Backlog up to Eu16.3bn.** On the commercial front, the order intake reached Eu2,166mn in the quarter (vs. exp. Eu2,100mn), thanks to the US$2.3bn (US$1.7bn Maire's stake) Hassi R'mel gas field contract in Algeria and the US$400mn Holborn SAF (sustainable aviation fuel) refinery project in Hamburg, Germany. The backlog closed at Eu16,344mn (vs. exp. Eu16,101mn), up from the Eu15,303mn recorded at the end of March.
- **2024 guidance confirmed.** Maire confirmed the 2024 guidance issued along with 4Q23 results, with FY24 revenues foreseen in the region of Eu5.7-6.1bn and EBITDA in the Eu360-405mn range, an EBITDA margin of 6.3-6.6%. Looking at the two different divisions, Integrated E&C Solutions revenues are seen at Eu5.4-5.7bn, with an EBITDA margin of 5.3-5.5%, while Sustainable Tech. Solutions are anticipated at Eu0.3-0.4bn, with a margin of 22-25%. The YE24 adj. net financial position is still forecast to be higher than at YE23, after CapEx of Eu140-170mn.
- **Estimates and valuation.** Following 2Q24 results, we are slightly raising our projections for 2024 and the following years, to reflect slightly higher volumes. In terms of the valuation, we are confirming our target price of Eu7.80ps, still based on market multiples (6.0x 2024 EV/EBITDA).
- **Action on the stock:** we downgraded the stock to NEUTRAL after 1Q24 results, given the limited upside to our target price. While we continue to appreciate Maire's robust medium-to-long-term growth potential, we confirm our NEUTRAL recommendation.

Key Figures & Ratios	2022A	2023A	2024E	2025E	2026E
Sales (Eu mn)	3,464	4,260	6,007	6,615	6,824
EBITDA Adj (Eu mn)	209	274	390	445	490
Net Profit Adj (Eu mn)	90	125	191	219	238
EPS New Adj (Eu)	0.274	0.382	0.581	0.665	0.724
EPS Old Adj (Eu)	0.274	0.382	0.569	0.639	0.696
DPS (Eu)	0.124	0.197	0.300	0.383	0.498
EV/EBITDA Adj	5.0	3.8	5.5	4.8	4.2
EV/EBIT Adj	6.6	4.9	7.0	6.0	5.3
P/E Adj	26.8	19.2	12.6	11.0	10.1
Div. Yield	1.7%	2.7%	4.1%	5.2%	6.8%
Net Debt/EBITDA Adj	0.2	-0.8	-0.7	-0.6	-0.7

Intermonte

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- Comparison with market peers, using the most appropriate methods for the individual company analysed: among the main ratios used for industrial sectors are price/ earnings (P/E), EV/EBITDA, EV/EBIT, price /sales.
- Return on capital and multiples of adjusted net book value are the main methods used for banking sector stocks, while for insurance sector stocks return on allocated capital and multiples on net book value and embedded portfolio value are used
- For the utilities sector comparisons are made between expected returns and the return on the regulatory asset base (RAB)

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Frequency of research: quarterly.
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BUY: stock expected to outperform the market by over 25% over a 12 month period;
OUTPERFORM: stock expected to outperform the market by between 10% and 25% over a 12 month period;
NEUTRAL: stock performance expected at between +10% and – 10% compared to the market over a 12 month period;
UNDERPERFORM: stock expected to underperform the market by between –10% and -25% over a 12 month period;
SELL: stock expected to underperform the market by over 25% over a 12 month period.
Prices: The prices reported in the research refer to the price at the close of the previous day of trading

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OUTPERFORM:	49.59 %
NEUTRAL:	25.61 %
UNDERPERFORM	00.83 %
SELL:	00.00 %

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OUTPERFORM:	51.02 %
NEUTRAL:	10.20 %
UNDERPERFORM	00.00 %
SELL:	00.00 %

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Emittente	**%**	**Long/Short**

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