

Q1 results without surprises – Guidance confirmed

Revenues in Q1 decreased by c.2% yoy to EUR 12.5m and were thus slightly below our estimate of EUR 13.1m. Within the revenue development the increase in the new equipment business (+12% yoy) has to be highlighted in particular, while service revenues were stable. The reason for the slight decline was mainly the spare parts business. As expected, and rather usual for the first quarter, EBIT was negative at EUR -1.0m (PAsE: EUR -1m). SMT has confirmed its FY 2024e guidance, which implies at the mid-point a moderate revenue increase of 5% yoy. On the back of its recent major order from a customer in the Middle East, order intake in Q1 jumped to EUR 41.7m (Q1 2023: EUR 16.8m). The order backlog of EUR 52m provides a very reassuring cushion for the quarters to come. With a TP of EUR 11, we rate the share a Buy.

SMT Scharf AG - Review Q1 2024

EURm	Actual			PAsE		PAsE		
	Q1 2024	Q1 2023	% yoy	Q1 2024e	Delta	FY 2024e	FY 2025e	FY 2026e
Revenues	12.5	12.8	-2.3%	13.1	-4.6%	76.5	90.0	99.9
EBIT	(1.0)	(1.1)	nm	(1.0)	nm	1.9	5.3	7.8
EBIT margin	neg.	neg.	nm	neg.	nm	2.5%	5.9%	7.8%

Source: SMT Scharf AG, Pareto Securities Research

- For FY 2024e, SMT guides revenues in the range of EUR 74m to EUR 79m (PAsE: EUR 76.5m). The EBIT is expected to be in the range of EUR 1.5m to EUR 2.5m (PAsE: EUR 1.9m).
- Per end of Q1, the company had a very strong order backlog of EUR 52m, which was heavily impacted by its recent major order.

Zafer Rüzgar

+49 69 58997 412, zafer.ruezgar@paretosec.com

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