Capital Markets
Canaccord Genuity

Australian Equity Research
23 February 2026

Lowering Target Price

MaxiPARTS Limited
Auto Components

Rating **BUY** *unchanged*	Price Target **A$2.65↓** *from A$2.75*
MXI-ASX	Price **A$2.08**

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Solid 1H26 result and improved 2H expected

Investment Recommendation

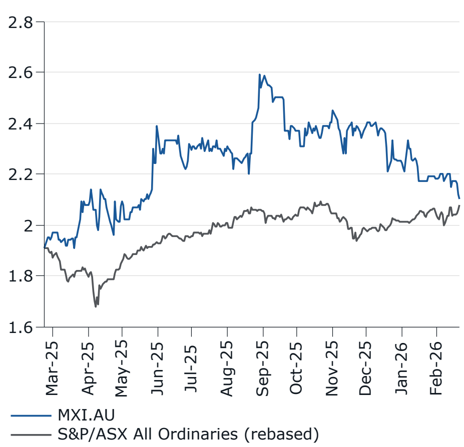
MXI has reported a solid 1H26 result, with EBITDA (u) of $13.9m (+2% on pcp) and margins holding steady at 10%, with an investment made in organic growth initiatives that include the opening of a greenfield site in Kalgoorlie and an investment in the Forch sales team, having acquired 20% minority shareholding of Forch in July 2025. While it is expecting market conditions to remain broadly consistent with those of the 1H25 period, management has guided to 2H revenue growth and EBITDA margin improvement over and above the 1H25 period. With a net leverage ratio of ~0.3x, MXI remains well positioned to fund further growth initiatives.

Market Data

52-Week Range (A$) :	1.63 - 2.49
Avg Daily Vol (000s) :	142
Market Cap (A$M) :	115.3
Shares Out. (M) :	55.4
Net Debt (Cash) (A$M) :	7.2

FYE Jun	2025A	2026E	2027E	2028E
Sales (A$M)	267.1	282.7↓	295.5↓	307.7
Previous	-	*283.2*	*296.1*	-
EBITDA (A$M)	27.3	29.1↓	31.0↓	32.8
Previous	-	*29.6*	*31.2*	-
Cons. EBITDA[1] (A$M)	24.2	25.9	30.7	-
EBITDA Adj (A$M)	18.2	19.8↓	21.4↓	22.9
Previous	-	*20.2*	*21.6*	-
EBIT (A$M)	16.8	18.0↓	19.9↓	22.6
Previous	-	*19.1*	*20.7*	-
Net Income (A$M)	9.3	10.6↓	11.8↓	14.1
Previous	-	*11.2*	*12.2*	-
EPS Adj (A$)	0.17	0.19↓	0.21↓	0.25
Previous	-	*0.20*	*0.22*	-
DPS (AUc)	6.17	8.64↑	9.58↑	11.41
Previous	-	*7.59*	*8.25*	-
P/E (x)	12.4	10.8	9.8	8.2
EV/EBITDA (x)	6.7	6.1	5.1	4.4

[1] : Consensus source: FactSet



Source: FactSet

Priced as of close of business 20 February 2026

MXI is one of Australia's largest suppliers of truck & trailer parts. MXI sells wholesale, and trades commercial vehicle parts to road transport operators as well as commercial vehicle service and repair providers under the MaxiPARTS brand.

Key highlights

Revenue: $139.3m (+2% on pcp, CGe: $139.9); with MaxiParts delivering $128.4m (+1.2% on pcp [+2.6% excl. ATSG]) and Forch $11.5m, up 8.8% but below targeted growth of +10% and guidance for a return to double-digit growth in 2H26.

EBITDA: $13.9m (+1.8% on pcp) was in line with expectations, with MaxiParts delivering $12.6m (+2.2% on pcp). Forch delivered $1.2m (-10% on pcp), impacted by softer sales and an additional investment in headcount (+4 FTEs - sales) for which management expects benefits to be evident in the 2H26 period.

NPATA (u): $4.9m (+6% on pcp), EPS (u): 8.8cps (+6% on pcp) and DPS of 4.15c (1H25: 3.2c).

Cashflow: OCFBIT of $9.1m represents a cash conversion to EBITDA of 65% (1H25: 80%) and was impacted by the opening of the greenfield site in Kalgoorlie and increased investment in Forch (WC up $4.6m), and we note management has guided to a 2H26 cash conversion returning to +80%.

Capex - MXI remains a capital light capex business, with 1H26 capex of $0.7m and guidance for <$1.5m for the FY26 period.

Balance sheet: Net debt of $8.7m (FY25: $7.2m) represents net leverage of 0.3x (FY25 0.25x) – total facility $28m (out to Sept-2028), $22m drawn and cash on hand of +$13.8m. We note cash consideration of $2.2m was paid for the 20% minority interest in Forch. We forecast net debt fall to $5.1m in 2H26.

New Kalgoorlie delivering quickly

In July, a new greenfield location was opened in Kalgoorlie (WA) that leverages key customer relationships in the region. While we expected the new site would represent a modest drag on 1H26 earnings, it appears to have been minimal and will deliver a positive EBITDA contribution in 2H26.

Outlook

While we deem MXI well positioned to leverage existing operations through both organic and acquisitive growth, and believe it should benefit from any uptick in economic activity, we retain a cautious bias on near-term forecasts given what we deem a patchy east coast market. Our revised for 2H26 PBT of $8.2m still represents a material uplift on 1H26A PBT of $6.5m.

Forecast changes

EBITDA: FY26E -2.1% and FY27E -0.6%.

PBT: FY26E -5.8% and FY27E -3.8%.

Valuation and recommendation

On the back of modest earnings revisions our valuation and target price reduces to $2.65/share, from $2.75/share previously. Our recommendation remains a BUY.

For important information, please see the Important Disclosures beginning on page 5 of this document.

Figure 1: MaxiParts Limited (MXI); Canaccord Genuity forecasts

Profit & Loss ($m)	2025A	2026F	2027F	2028F
Sales Revenue	267.1	282.7	295.5	307.7
EBITDA - pre-AASB16	18.2	19.8	21.4	22.9
EBITDA - AASB16 adopted	27.3	29.1	31.0	32.8
Depn & Amortisation	-9.7	-10.3	-10.4	-9.4
EBITA	17.6	18.8	20.6	23.4
Amort. Id. Intangibles	-0.8	-0.8	-0.8	-0.8
EBIT	16.8	18.0	19.9	22.6
Net Interest Expense	-4.1	-3.4	-3.6	-3.1
NPBT	12.7	14.7	16.3	19.5
Tax expense	-4.0	-4.6	-5.0	-6.0
Minorities	0.0	0.0	0.0	0.0
NPAT - pre NRI's	8.8	10.1	11.3	13.5
NRI's	-0.8	-1.0	0.0	0.0
NPAT - reported	7.9	9.1	11.3	13.5
NPAT - normalised	9.3	10.6	11.8	14.1

Cash Flow ($m)	2025A	2026F	2027F	2028F
Operating EBITDA	27.3	29.1	31.0	32.8
- Interest & Tax Paid	8.1	7.9	8.6	9.1
+/- change in Work. Cap.	-5.0	-11.5	0.6	-1.1
- other	-3.1	-4.8	-2.0	0.0
Operating Cashflow	17.3	14.5	25.1	22.5
- Capex	-1.1	-1.5	-1.5	-1.5
- other	2.3	0.0	0.0	0.0
- equity	0.0	0.0	0.0	0.0
Free Cashflow	18.5	13.0	23.6	21.0
- Ord Dividends	-2.6	-3.7	-4.9	-5.6
- Equity /other	-7.3	-7.3	-7.3	-7.3
Net Cashflow	8.7	2.0	11.4	8.2
Cash at beginning of period	13.6	15.3	14.4	20.8
+/- borrowings / other	-7.0	-3.0	-5.0	-4.0
Cash at end of period	15.3	14.4	20.8	25.0

Balance Sheet	2025A	2026F	2027F	2028F
Cash	15.3	14.4	20.8	25.0
Inventories	72.6	79.2	79.8	80.0
PP&E	5.6	5.6	5.5	6.4
Debtors	36.2	36.8	36.9	38.5
Intangibles	36.8	36.0	35.2	34.5
Other assets	44.2	44.9	44.9	44.9
Total Assets	210.6	216.7	223.1	229.1
Borrowings	22.5	19.5	14.5	10.5
Trade Creditors	36.1	31.8	33.2	33.8
Other Liabilities	46.7	53.2	55.2	55.2
Total Liabilities	105.3	104.5	102.9	99.5
Net Assets	105.3	112.3	120.1	129.6

Board of Directors / Substantial Shareholders		
Name	Shareholding	%
Mary Verschuer - Chair	0.1	0.1%
Gino Butera - Non Executive Director	0.1	0.1%
Frank Micallaf - Non Executive Director	0.0	0.1%
Vincent De Santis - Non Executive Director	0.0	0.0%
Peter Liomaranta - CEO & Managing Director	0.2	0.4%
Substantial Shareholders	Shareholding	%
Naos	13.4	24.2%
HGT Investments	7.2	12.9%
Spheria AM	5.9	10.6%
James Curtis	5.8	10.5%
Perpetual	5.2	9.4%

Valuation ratios	FY25A	FY26F	FY27F	FY28F
EPS (cps) - pre NRI's	15.8	18.2	20.3	24.4
EPS (cps) - normalised	16.8	19.2	21.3	25.3
P/E (x) - normalised	12.4	10.8	9.8	8.2
PER Rel - All Ind.		-42%	-42%	-47%
PER Rel - Small Ind.		-35%	-32%	-32%
Enterprise Value ($m)	122.2	120.5	109.1	100.8
EV / EBITDA (x) - Pre-AASB16	6.7	6.1	5.1	4.4
EV / EBITDA (x)	4.5	4.1	3.5	3.1
EV / EBIT (x)	7.3	6.7	5.5	4.5
DPS (cps)	6.2	8.6	9.6	11.4
Dividend Yield (%)	3.0	4.2	4.6	5.5
Franking (%)	100%	100%	100%	100%
CFPS (cps)	31.3	26.2	45.2	40.7
P / CFPS (x)	6.7	7.9	4.6	5.1

Profitability ratios	2025A	2026F	2027F	2028F
EBITDA Margin (%)	10.2	10.3	10.5	10.7
EBIT Margin (%)	6.3	6.4	6.7	7.3
ROE (%)	8.3	9.1	9.5	10.6
ROA (%)	4.5	5.0	5.6	6.6
ROIC (%)	13.4	13.3	14.2	15.6

Balance Sheet ratios	2025A	2026F	2027F	2028F
Net Debt (cash)	7.2	5.1	-6.3	-14.5
Net Gearing (%)	6.8	4.6	-5.3	-11.4
Interest Cover (x)	-9.1	-11.6	-11.7	-13.6
NTA per share ($)	1.24	1.37	1.53	1.72
Price / NTA (x)	0.7	0.6	0.6	0.0
EFPOWA (m)	55.3	55.4	55.4	55.4

Growth	2025A	2026F	2027F	2028F
Sales revenue ($m)	9.5%	5.8%	4.5%	4.1%
EBITDA ($m)	18.4%	6.7%	6.5%	5.6%
EBITA ($m)	20.4%	7.4%	10.0%	13.8%
EBIT ($m)	24.1%	15.2%	11.2%	19.6%
NPAT ($m)	38.0%	15.4%	11.5%	20.0%
EPS (cps) - normalised	29.2%	14.0%	10.9%	19.1%
DPS (cps)	20.0%	40.0%	10.9%	19.1%

Half Year Data	1H25A	2H25A	1H26A	2H26F
Sales Revenue	136.9	130.2	139.3	143.4
EBITDA - pre-AASB16	9.4	8.8	9.3	10.5
EBITDA - AASB16 adopted	13.8	13.6	13.9	15.2
Depn & Amort	-5.2	-5.3	-5.6	-5.4
EBIT	8.6	8.2	8.3	9.8
Net interest	-2.1	-2.0	-1.8	-1.6
PBT	6.4	6.3	6.5	8.2
NPAT - pre-NRI's	4.3	4.4	4.6	5.5
NPAT - normalised	4.6	4.7	4.9	5.8
NPAT - reported	3.8	4.1	3.6	5.5
EPS - normalised	8.4	8.5	8.8	10.4
DPS	3.1	3.1	4.2	4.5

Valuation ($m)	2026F
Normalised EBIT	18.0
Target EBIT multiple (x)	8.5
Enterprise Value	153.6
Net debt	7.2
Equity value	146.4
Per share ($)	2.65

Discounted Cash Flow			
Cost of equity	12.9%	WACC	10.0%
Cost of debt	6.0%	Terminal Growth Rate	3.0%
Net debt/debt +equity	1.2%	Per Share	3.35

Source: Company reports, Canaccord Genuity estimates

1H26 result in line

MXI reported 1H26 EBITDA of $13.9m (+1% on pcp) on revenues of $139.3m (+2% on pcp), with EBITDA in the core MaxiParts business of $12.6m (+2.2%) and margins ticking up to 9.8% (1H25 9.7%), and Forch delivering $1.2m (-10%) as margins declined 10.9% (1H25 13.1%) with an investment made in the Forch sales capability (+4 FTEs or 10% in FTE ↑).

We note while Forch delivered solid revenue growth (+8.8% on pcp), it was below management's target of >10% organic growth, while management expects the MaxiParts revenue growth (+1.2% on pcp [+2.6% excl. ATSG]) to again return to a mid-single digit level in the 2H26 period.

Group 1H26 EBITDA margins of 10% (1H25 10% & 2H25 10.4%) were steady and impacted by the Forch investment in additional headcount, while the opening of a new MaxiParts greenfield location in Kalgoorlie also represented drag on margins; however, it has quickly moved to breakeven and management expects it make a positive contribution in the 2H26 period. We note the also higher margin categories including MXI emerging Japanese Parts offering continues to deliver >15% LFL revenue growth.

We note MXI's 1H26 result was in line with our estimates across the board.

Figure 2: 1H26 result summary

($m) – unless satated	1H25A	1H26A	vs pcp	CGe	vs CGe	Comment
Revenue	**136.9**	**139.3**	**2%**	**139.9**	**0%**	
EBITDA - pre-AASB16	9.4	9.3	-1%	9.3	0%	CG estimate for pre-AASB16 EBITDA
margin %	*6.58%*	*6.67%*	*9bps*	*6.68%*	*(1.2bps)*	
EBITDA - post-AASB16	**13.8**	**13.9**	1%	**13.9**	0%	
margin %	*10.04%*	*9.97%*	*(7.5bps)*	*9.96%*	*(1.1bps)*	Steady despite investment in growth
D&A	-5.2	-5.6	9%	5.3	-206%	
EBIT	**8.6**	8.3	-4%	**8.6**	-3%	
Net Interest exp	-2.1	-1.8	-17%	-2.0	-11%	Net debt declining
PBT	**6.4**	**6.5**	**1%**	**6.6**	**-1%**	
Tax	-2.1	-1.9	-10%	-1.8	2%	
NPAT - pre NRI's	**4.3**	**4.6**	**6%**	**4.8**	**-3%**	
NPAT - normalised	**4.6**	**4.9**	**6%**	**5.1**	**-3%**	
NPAT reported	3.8	3.6	-5%	4.8	-23%	
EPS - normalised (cps)	8.4	8.8	6%	8.7	2%	
DPS (cps)	3.20	4.15	30%	3.4	22%	Higher payout of +45% v CGe for 40%

Source: Company Reports, Canaccord Genuity estimates

Forecast changes modest; 2H26 growth forecasts remain material

While MXI's 1H26 result was in line with our estimates and we believe it should benefit from any uptick in economic activity, we retain a cautious bias with our near-term forecasts given what we deem is still a patchy, albeit slightly improving east coast market. While we have made modest revisions to our near-term estimates, we continue to forecast a significantly stronger 2H26 period with revised 2H26 EBIT of $9.8m still a meaningful 18% uplift on the 1H25 result.

Figure 3: Revised half yearly forecasts

($m) – unless stated	1H25A	2H25A	1H26A	2H26F
Revenue	**136.9**	**130.2**	**139.3**	**143.4**
EBITDA - pre-AASB16	9.4	8.8	9.3	10.5
EBITDA - AASB16 adopted	**13.8**	**13.6**	**13.9**	**15.2**
Depn & Amort	-5.2	-5.3	-5.6	-5.4
EBIT	8.6	8.2	8.3	9.8
PBT	**6.4**	**6.3**	**6.5**	**8.2**
NPAT - pre-NRI's	**4.3**	**4.4**	**4.6**	**5.5**
NPAT - normalised	**4.6**	**4.7**	**4.9**	**5.8**
NPAT - reported	3.8	4.1	3.6	5.5

Source: Company Reports, Canaccord Genuity estimates

As stated above, revisions to our medium-term forecasts largely reflect some caution in our expectations given the east-coast of Australia remains patchy, albeit with some signs of improvement, and we note also MXI is heavily concentrated to the east coast with 22 of MXI's 30 branches located on the eastern seaboard.

We note also one key line in the financials being a step-up in depreciation and amortisation, reflecting a higher charge in the 1H26 period of $5.6m vs CGe of $5.3m.

Figure 4: Revised annual forecasts

	FY26F			FY27F		
($m) - unless stated	**Previous**	**Revised**	**% Δ**	**Revised**	**Revised**	**% Δ**
Sales Revenue	**283.2**	**282.7**	**-0.2%**	**296.1**	**295.5**	**-0.2%**
EBITDA post-AASB16	**29.6**	**29.1**	**-1.6%**	**31.2**	**31.0**	**-0.5%**
EBITDA %	10.5%	10.3%	-15bps	10.5%	10.5%	-4bps
Depn & Amortisation	-9.7	-10.3	6.2%	-9.7	-10.4	7.3%
EBITA	19.9	18.8	-5.2%	21.5	20.6	-4.0%
EBIT	19.1	18.0	-5.3%	20.7	19.9	-4.2%
Net Interest Exp	-3.5	-3.4	-2.9%	-3.8	-3.6	-5.3%
PBT	**15.6**	**14.7**	**-5.8%**	**17.0**	**16.3**	**-3.8%**
NPAT - pre NRI's	**10.7**	**10.1**	**-5.1%**	**11.6**	**11.3**	**-2.8%**
NRI's	0.0	-1.0	0.0%	0.0	0.0	0.0%
NPAT - reported	10.7	9.1	-14.5%	11.6	11.3	-2.8%
NPAT - normalised	**11.2**	**10.6**	**-4.5%**	**12.2**	**11.8**	**-3.1%**
EPS - pre NRI's	19.3	18.2	-5.3%	21.0	20.3	-3.1%
EPS - normalised	20.3	19.2	-5.2%	22.0	21.3	-3.0%

Source: Company Reports, Canaccord Genuity estimates

Appendix: Important Disclosures

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Investment Recommendation

Date and time of first dissemination: February 22, 2026, 18:22 ET

Date and time of production: February 22, 2026, 18:22 ET

Target Price / Valuation Methodology:

MaxiPARTS Limited - MXI

Our target price is based on applying an EV/EBIT multiple of 8.4x to MaxiPARTS FY26E EBIT of $19.1m, which underpins our valuation approach.

Risks to achieving Target Price / Valuation:

MaxiPARTS Limited - MXI

Economic conditions: MXI operations are exposed to broader economic conditions and the cyclical nature of these operations can adversely impact revenues and margins. Competition: MXI has a number of established competitors within each product category which it operates; therefore, the potential for price competition is a constant challenge to margin as is size and scale of operations

Distribution of Ratings:

Global Stock Ratings (as of 02/22/26)

Rating	Coverage Universe		IB Clients
	#	%	%
Buy	675	69.30%	24.89%
Hold	136	13.96%	7.35%
Sell	3	0.31%	0.00%
Speculative Buy	155	15.91%	65.16%
	974*	100.0%	

*Total includes stocks that are Under Review

Canaccord Genuity Ratings System

BUY: The stock is expected to generate returns greater than 10% during the next 12 months.

HOLD: The stock is expected to generate returns from -10% to 10% during the next 12 months.

SELL: The stock is expected to generate returns less than -10% during the next 12 months.

NOT RATED: Canaccord Genuity does not provide research coverage of the relevant issuer.

Given the inherent volatility of some stocks under coverage, price targets for some stocks may imply target returns that vary temporarily from the ratings criteria above.

*As of January 1, 2024, the Ratings History Chart will reflect the new Canaccord Genuity Ratings System as defined above.

Risk Qualifier

SPECULATIVE: The stock bears significantly above-average risk and volatility. Investments in the stock may result in material loss.

12-Month Recommendation History (as of date same as the **Global Stock Ratings** table)

A list of all the recommendations on any issuer under coverage that was disseminated during the preceding 12-month period may be obtained at the following website (provided as a hyperlink if this report is being read electronically) http://disclosures-mar.canaccordgenuity.com/EN/Pages/default.aspx

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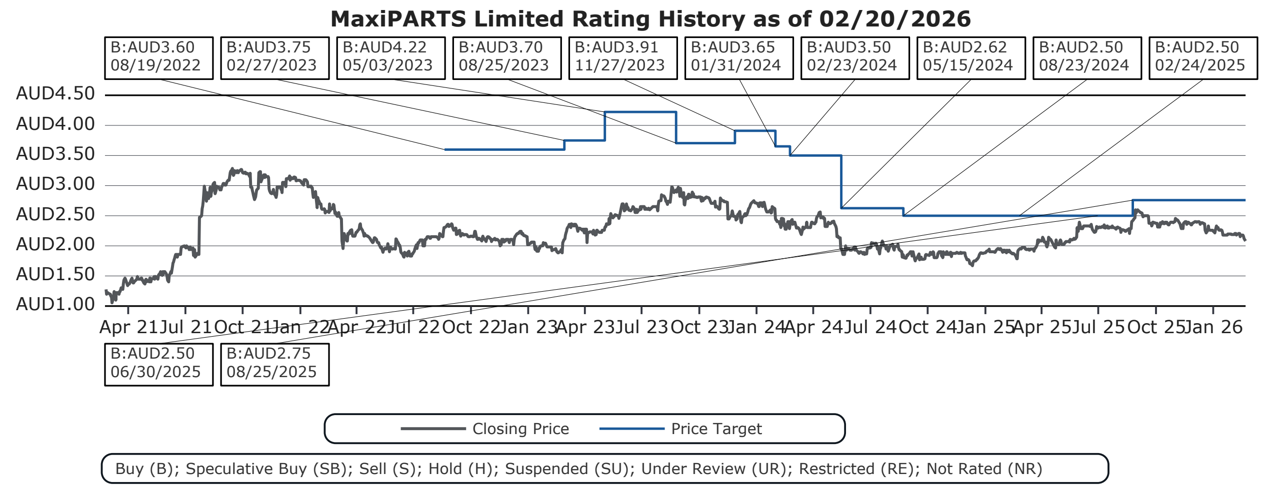

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In line with Article 44(4)(b), MiFID II Delegated Regulation, we disclose price performance for the preceding five years or the whole period for which the financial instrument has been offered or investment service provided where less than five years. Please note price history refers to actual past performance, and that past performance is not a reliable indicator of future price and/or performance.

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