

Shaping the future
through
development!



August 11, 2020

PRESENTATION OF THE RESULTS FOR THE FIRST SIX MONTHS 2020

MANAGEMENT SUMMARY

- › **Consolidated revenue of € 95.1 million realised, only 7.3 % below the previous year**
 - Revenue decline below VDMA calculated industry average Jan. - June 2020
 - Diversification has a stabilising effect
- › **EBIT remains positiv with € 2.8 million, EBIT margin at 3.0 %**
- › **The adjusted EBIT Margin was increased for 4.0 % to 4.2 % compared to the previous year**
 - COVID-19 independent one-off expenses in the amount of € 1.2 million included
 - Adjusted EBIT reaches € 4.0 million
 - Measures for strict cost control take effect (among others short-time-work used)
- › **Earnings per share at € 0.26**
- › **Net worth and financial position remain solid**
 - Equity ratio: 50.4% / Cash and Cash equivalents: € 22.8 million
- › **Free cashflow at € -1.3 million**

DEVELOPMENT IN OUR MARKETS IN THE FIRST SIX MONTHS



Print:

Extensive burdens from COVID-19: Deferred investments and postponed repairs led to lower demand for technotrans equipment from press manufacturers and end customers.



Laser- and machine tool industry:

A broader diversification on the customer side and a continuously growing EUV business had a stabilizing effect.



Plastic processing:

Development in line with expectations. Group companies achieve sales growth compared to the previous year.



Growth markets:

E-Mobility:

Major serial orders acquired in the railway technology sector. Leading position expanded. High prior-year sales of rapid-charging columns could not be maintained due to reduced market dynamics.



Medical- and scannertechnology:

Pre-series order for blood cooling solution received.

Pleasing sales figures for cooling devices for baggage scanners. Airports use market weakness to modernization.

TECHNOTRANS COVID-19 UPDATE

› **Employees and company:**

Extensive measures Measures to protect employees against infection and to safeguard business operations will continue unchanged.

› **Operating activities:**

German plants have been producing without interruption since the beginning of the year. Production in China has returned to normal.

› **Sales:**

Global travel restrictions affect our service and sales activities. Order intake weakened noticeably in the 2nd quarter.

› **Supply chain:**

The supply of components and parts was always sufficiently ensured under difficult delivery conditions.

› **Cost structure:**

Strict cost control and comprehensive measures to further reduce personnel and material costs. In June, 640 employees (= 57 % of the workforce) in Germany were on short-time working. This reduced capacities by around 25 % in June.

DEVELOPMENT IN OUR MARKETS – OUTLOOK 2020



Print:

Continued high volatility of order intake due to COVID-19 expected.



Laser- and machine tool industry:

Negative effects in the shorter-term serial business expected in Q3. EUV business remains stable.



Plastic processing:

Project business with comparatively stable outlook. Series business with increased volatility.



Growth markets:

E-Mobility:

Positive sales expectation based on new business concluded. Revival in the fast-charging segment is not expected before 2021 at the earliest.



Medical- und scannertechnology

The first units are scheduled for delivery from the fourth quarter of 2020.
Continued positive development in cooling solutions for baggage scanners expected.



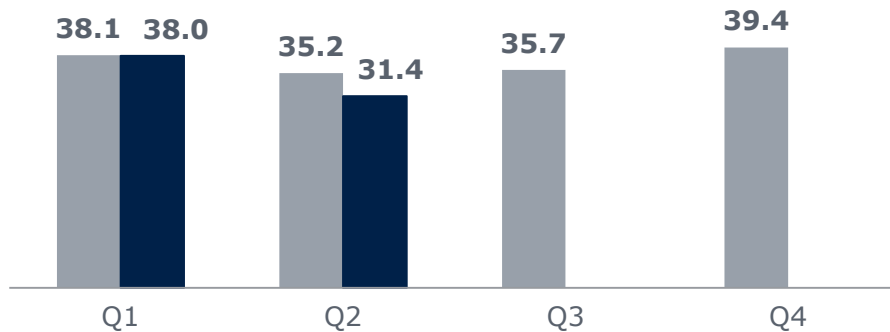
KEY FIGURES FIRST SIX MONTHS 2020

€ million	H1 2019	H1 2020	Δ
Revenue	102.6	95.1	-7%
EBITDA	7.6	6.3	-17%
EBIT	4.1	2.8	-31%
EBIT margin (%)	4.0%	3.0%	
Net profit for the period	2.7	1.8	-34%
Earnings per share (€)	0.39	0.26	
	31/ Dez/ 2019	30/ Jun/ 2020	
Equity	75.1	76.7	2%
Equity ratio (%)	51.4%	50.4%	
Net debt	24.2	25.8	7%
Ø Employees (FTE)	1,280	1,280	0%

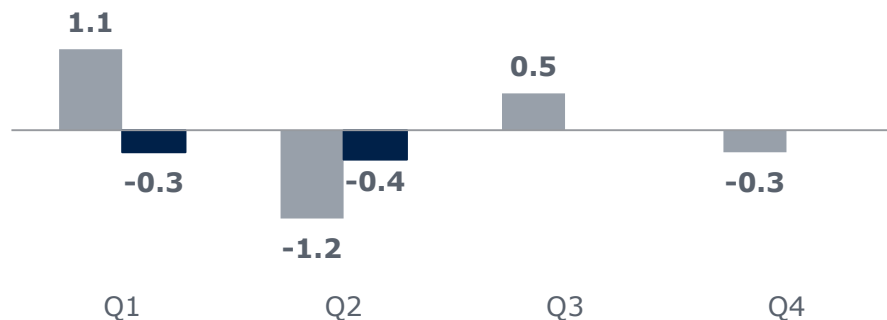
- › Positive EBIT generated
- › COVID-19-independent one-offs:
 - › € 1.8 million expenses from structural and personnel measures
 - › € 0.6 million income from the termination of fine proceedings (BaFin)
- › Adjusted result:
 - › EBIT: € 4.0 million
 - › EBIT margin: 4.2 %
- › Equity ratio > 50%

PERFORMANCE SEGMENT TECHNOLOGY

Revenue 2019/2020 by quarters (€ million)



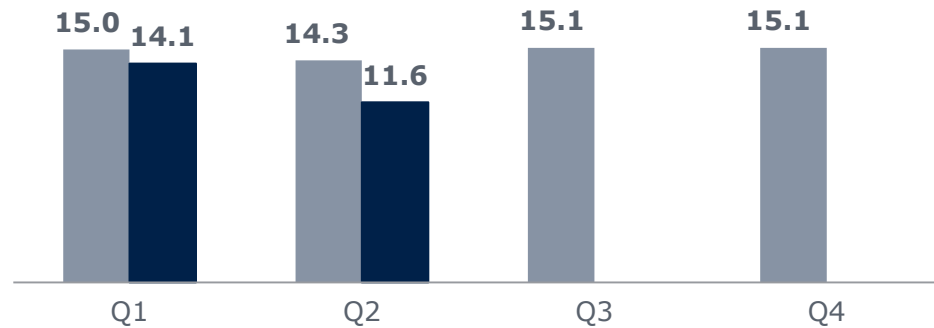
EBIT 2019/2020 by quarters (€ million)



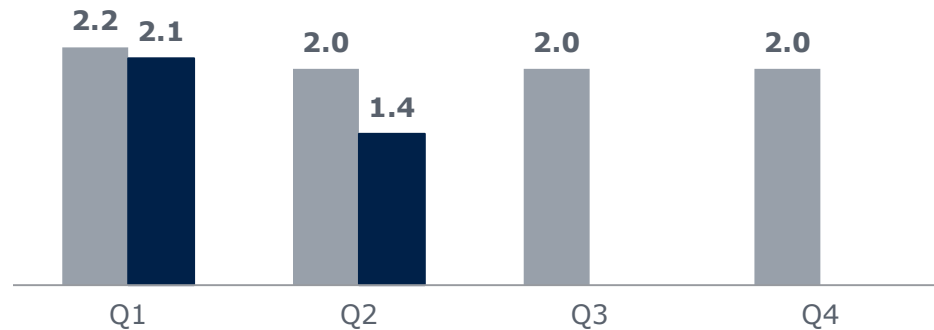
- > Half-year revenue for the Technology segment of € 69.4 million (previous year: € 73.3 million) fell by 5.3%, largely due to corona.
- > The segment EBIT of € -0.7 million (previous year: € -0.1 million) is largely attributable to the weak revenue volume and non-recurring effects from COVID-19-independent structural costs and extraordinary income from the reversal of a provision for a terminated fine proceedings (BaFin)
- > After adjustment for these one-off effects, the Technology segment achieved EBIT of € +0.3 million with an EBIT margin of 0.4 %

PERFORMANCE SEGMENT SERVICES

Revenue 2019/2020 by quarters (€ million)



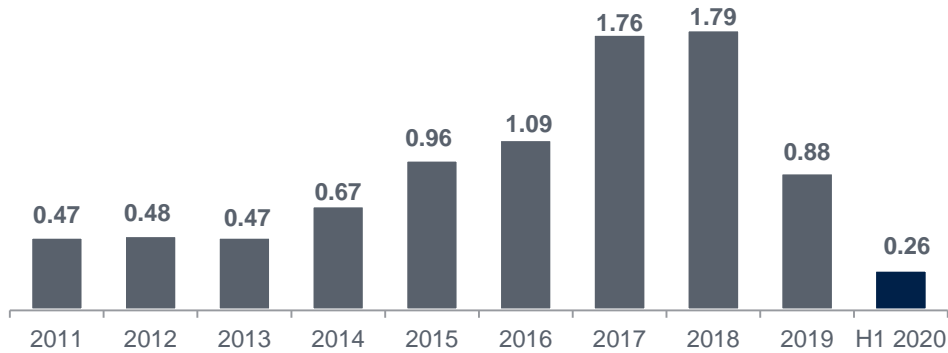
EBIT 2019/2020 by quarters (€ million)



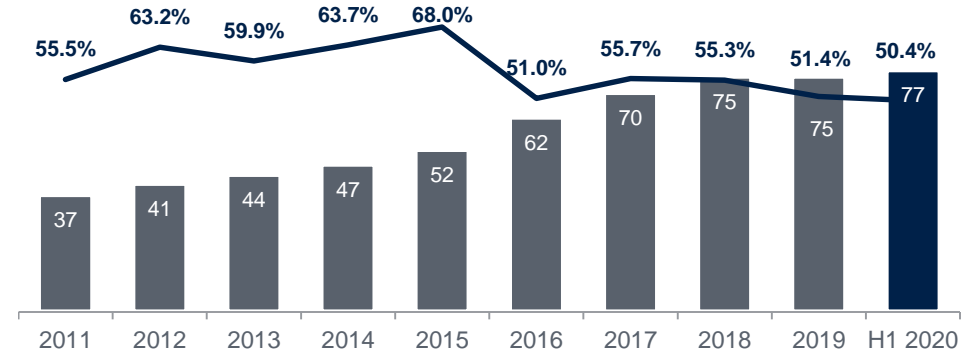
- > Revenue for the first six months amounted to € 25.7 million, compared with € 29.3 million in the previous year. The 12.1% decline is mainly due to COVID-19-related travel restrictions, which have impacted the performance in the second quarter of 2020
- > With EBIT of € 3.5 million in the first six months (previous year: € 4.2 million), the segment result is proving to be comparatively robust
- > The EBIT margin in the Services segment fell to 13.6%. Adjusted for one-time effects the segment achieved an EBIT margin of 14.5% at the previous year's level

KEY PERFORMANCE INDICATORS

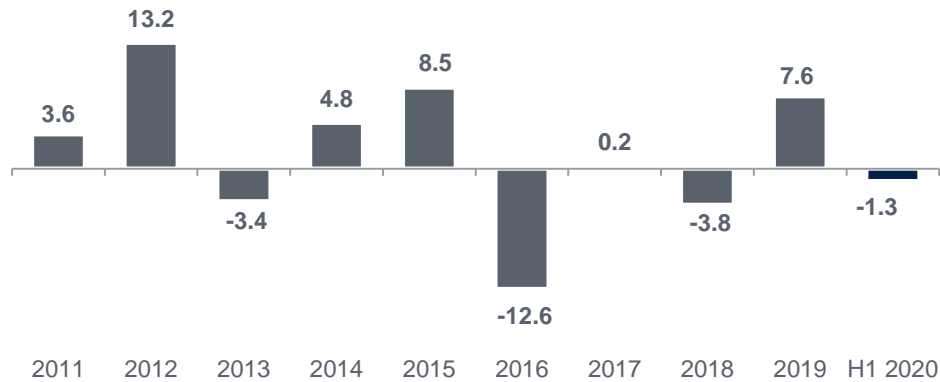
Earnings per Share 2011 – 2020 (€)



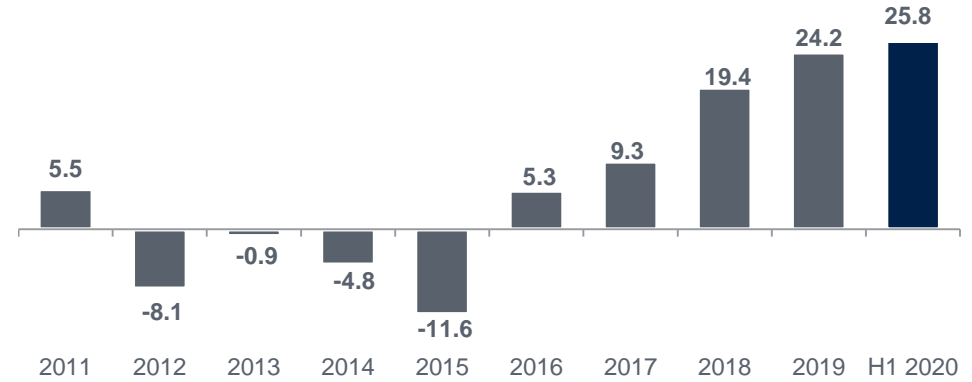
Equity base remains solid (€ million / %)



Free Cash Flow moderately negative (€ million)



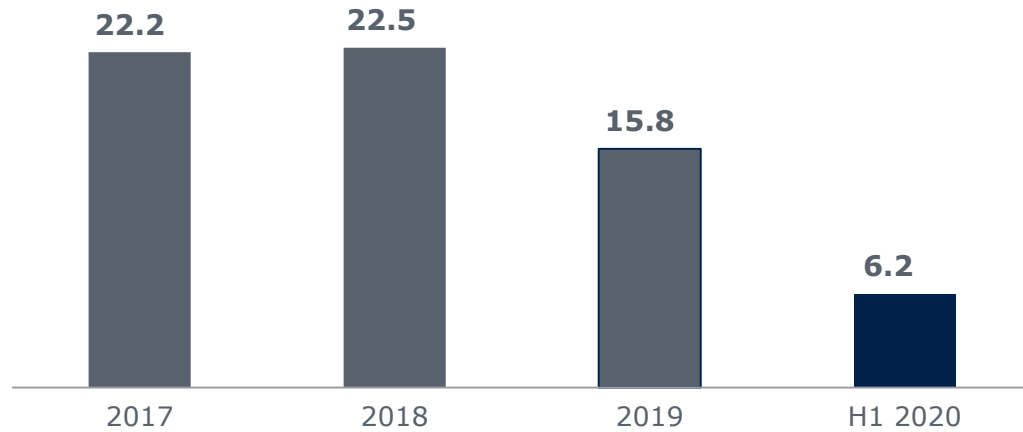
Net debt increased (€ million)*



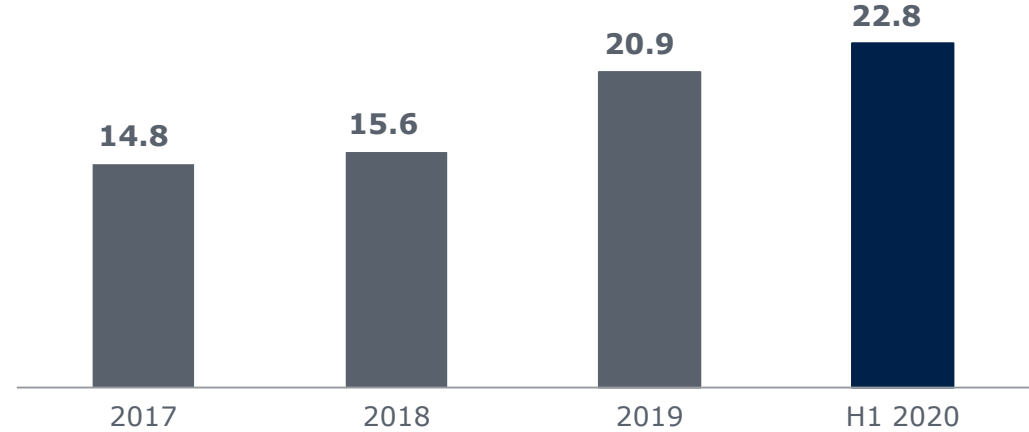
* H1 2020 incl. € 4,1 million lease liabilities according to IFRS 16

FINANCIAL POSITION

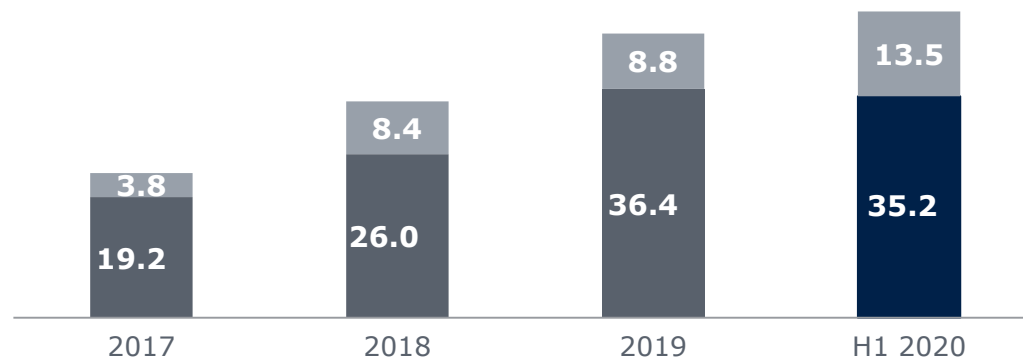
Op. Cash Flow 2017-2020 (€ million)



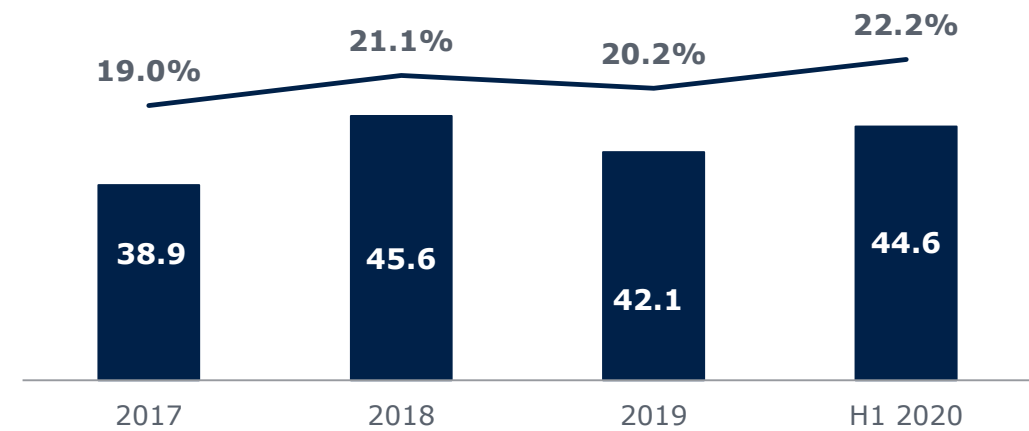
Cash & Cash Equivalents 2017-2020 (€ million)



Financial liabilities 2017-2020 short-term/long-term (€ million)



Net-Working Capital 2017-2020 (€ million)

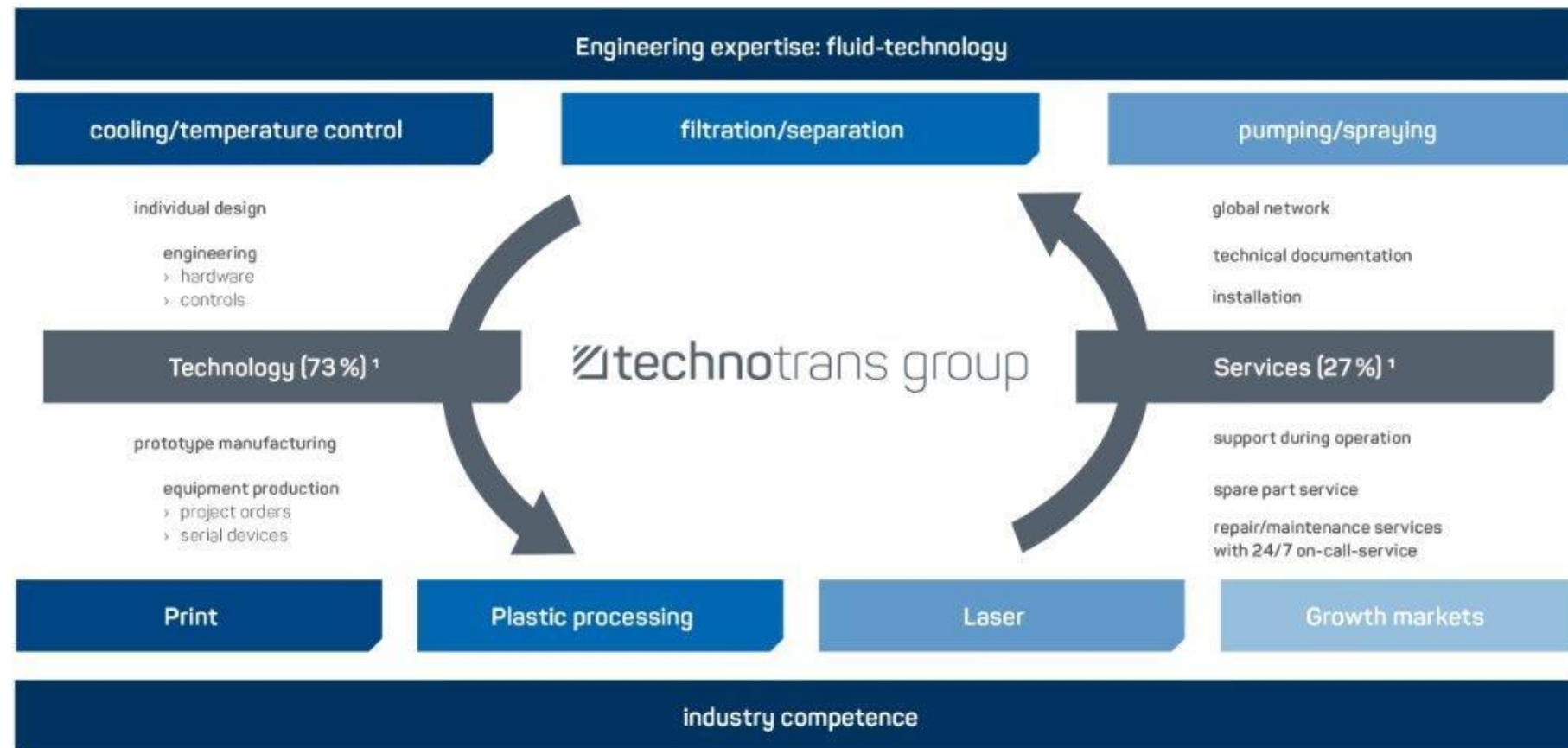


H1 2020 incl. liabilities from leases € 2,1 million (long term) and € 2.0 million (short term)

BUSINESS MODEL

BUSINESS MODEL

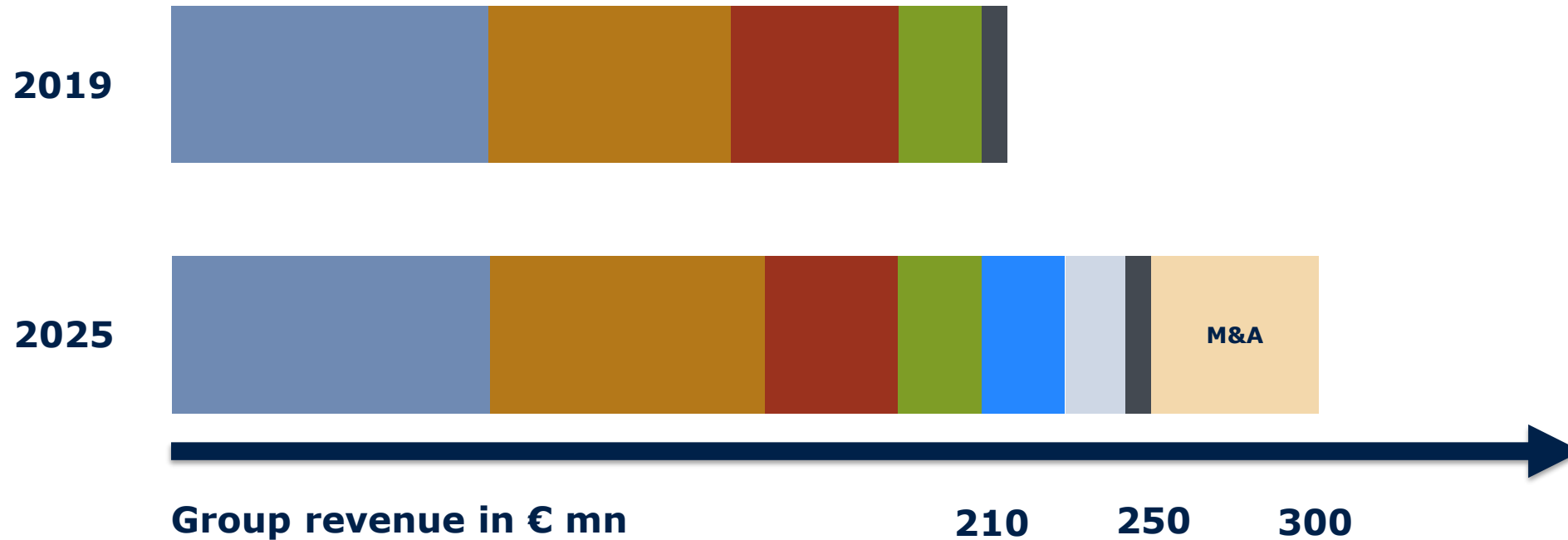
360° COMPETENCE FOR OUR CUSTOMERS



¹ Share of Group revenue

Data as of June 30, 2020

GROWTH STRATEGY



THE TECHNOTRANS GROUP



technotrans
gds
termotek
klh
gwk
reisner

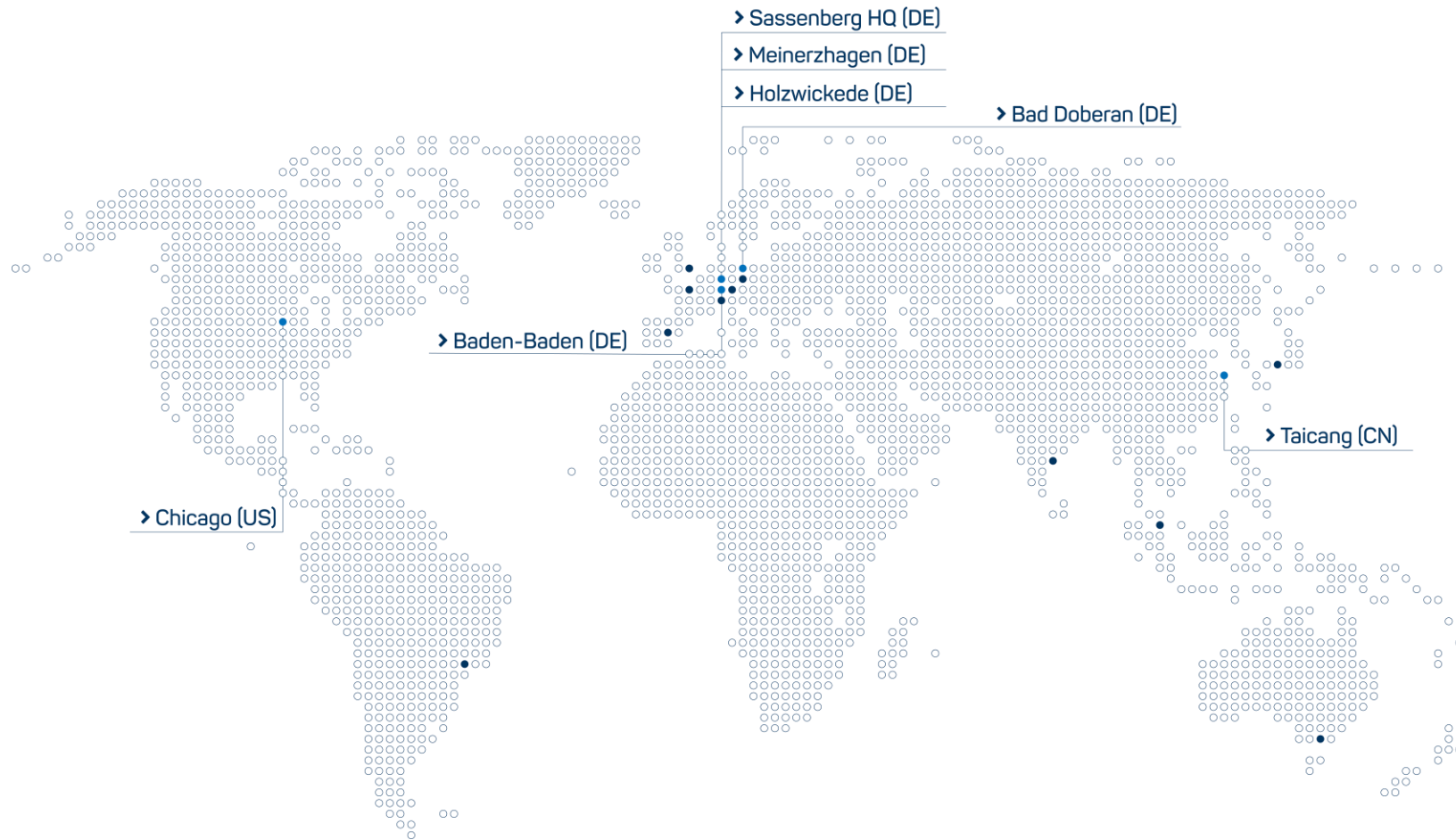


Headquarter:

technotrans SE,
Sassenberg, Germany

- › 1,445 employees (June 30, 2020)
- › IPO: 1998
- › **18 locations, thereof 7 production sites**
(5 x Germany, China, USA)
- › Worldwide sales- and services network

INTERNATIONAL FOOTPRINT



12 SALES AND SERVICE UNITS

- › Indaiatuba (BR)
- › Colchester (GB)
- › Saint-Maximin (FR)
- › Madrid (ES)
- › Legnano (IT)
- › Huenfeld (DE)
- › Berlin (DE)
- › Kobe (JP)
- › Singapore (SG)
- › Melbourne (AU)
- › Chennai (IN)

“SHAPING THE FUTURE THROUGH DEVELOPMENT!”

KEY AREAS OF THE STRATEGIC REORIENTATION

- › Create an integrated Group to reinforce the global brand „technotrans“
- › Establish industry focus in sales independent from location
- › Enhance competencies of locations in order to prevent parallel structures
- › Improve innovative strength
- › Adjust organisational structure
- › Leverage additional synergies, expand shared service functions

2020 - 2025

“SHAPING THE FUTURE THROUGH DEVELOPMENT!”

CURRENT STATUS OF STRUCTURAL MEASURES



“SHAPING THE FUTURE THROUGH DEVELOPMENT!”

MID-TERM TARGETS 2025

**Group
revenue
€ 250m
+
€ 50m
(approx.)**

› **Organic growth**

- › 5 – 6 % p.a.
- › Increase market penetration with existing and new customers through solutions at the latest technical level

› **M & A**

- › Opening up new markets and fields of application
- › Further sharpening technological expertise through strategic additions
- › Extend regional coverage

EBIT margin

≈ 10 % p.a.

› **Efficiency program**

- › Establish production sites with high specialisation of flexibility
- › Increase capacity utilisation, flexibility and quality level
- › Optimize production processes (operational excellence)
- › Consolidate production volumes
- › Realise additional synergy potentials
- › Reduce complexity– increase fixed cost degression

THE BOARD OF MANAGEMENT



Michael Finger (Dipl.-Ing.)
CEO

- › **Spokesman of the Board of Management** (DOB 1970)
- › Since May 2020 member of the Board of Management
- › Responsible for **Markets** (Sales & Services, Quality Management and Marketing)



Dirk Engel (Dipl. Kfm.)
CFO

- › **Member of the Board of Management** (DOB 1967)
- › Since 2004 Head of Corporate Accounting, since 2006 Chief Financial Officer, since March 12, 2018 Spokesman of the Board of Management
- › Responsible for **Finance & Administration** (Finance/Controlling, Human Resources, IT, Legal & Compliance and Investor Relations)



Peter Hirsch (Dipl.-Ing.)
CTO / COO

- › **Member of the Board of Management** (DOB 1972)
- › Since 2013 Business Development Manager, since 2014 Managing Director of termotek GmbH, since July 1, 2018 member of the Board of Management
- › Responsible for **Technology & Operations** (Research & Development, Electrical engineering, Production, Purchasing and Logistics)

THE TECHNOTRANS SHARE

TECHNOTRANS SHARE AND SHAREHOLDER STRUCTURE

Shareholder structure at end of period in %



- › Freefloat: 64.4 %
- › Objectif Small Cap (F) : 5.3 %
- › Midlin NV/Teslin Capital Management (NL): 5.2 %
- › Gerlin NV/Teslin Capital Management (NL): 6.7 %
- › Loys Investment S.A. (LUX): 5.2 %
- › Allianz VIE S.A. (F): 5.1 %
- › Luxempart Pipe SARL (LUX): 5.1%
- › Universal-Investment-Gesellschaft (D): 3.0 %

Market capitalisation: € 100.9 (August 7, 2020)

Dividend policy: Distribution of up to 50% of the consolidated net profit

PERFORMANCE OF SHARE PRICE AND RESEARCH

Share price development from June 2019 to June 2020



Research		
2020-08-07	TP € 22.00, buy	Bankhaus Lampe
2020-05-04	TP € 26.80, buy	Warburg Research
2020-03-11	TP € 24.00, buy	Hauck + Aufhäuser
2020-04-15	TP € 11.50, reduce	Commerzbank
2020-03-13	TP € 12.00, hold	Berenberg

2019: Max: € 30.00 Min: € 24.00	Share Price as of 30/12/2019: € 18.70	Market Cap as of 30/12/2018: € 129.2 Mio.
H1 2020: Max: € 20.85 Min: € 10.14	Share Price as of 08/07/2020: € 14.60	Market Cap as of 08/07/2020: € 100.9 Mio.

Share prices = XETRA closing prices

EQUITY STORY

- › **Niche supplier for technologically sophisticated solutions**
- › **High market entry barriers for competitors** due to special know-how in "liquid technology" and focus on individual solutions
- › **Diversified product portfolio** focused on growth markets
- › **Limited cyclicality** through product/market diversification and comprehensive complementary services
- › **International network** as a base for the development of new customers and markets
- › **Growth strategy** focused on revenue and profitability
- › **Adequate participation of shareholders in the company's success**, dividend policy generally provides for distribution of up to 50% of the consolidated net income
- › **Commitment to sustainability**

FINANCIAL CALENDAR 2020

November 10, 2020	Quarterly Communication 1-9/2020
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EVENTS 2020

August 18-19, 2020	Bankhaus Lampe Conference
September 22, 2020	Berenberg / Goldman Sachs Conference
November 16-18, 2020	Deutsches Eigenkapitalforum
Dezember 2, 2020	Berenberg Pennyhill Conference

As a result of the COVID 19 pandemic, numerous events (investor conferences, roadshows) were cancelled or postponed by the organisers.

technotrans is available at all times for virtual meetings and conference calls.

CONTACT



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DISCLAIMER

This presentation contains statements on the future development of the technotrans Group.

These reflect the present views of the management of technotrans SE and are based on the corresponding plans, estimates and expectations. We point out that the statements are subject to certain risks and uncertainties which could mean that the actual results differ considerably from those expected.

BACKUP

CONSOLIDATED BALANCE SHEET AS OF JUNE 30, 2020

ASSETS	30/06/2020	31/12/2019
	€ '000	€ '000
Non-current assets		
Property, plant and equipment	35,063	33,268
Right-of-use assets	3,388	3,846
Goodwill	23,513	23,513
Intangible assets	6,940	7,493
Other financial assets	170	185
Deferred tax	1,483	1,484
	70,557	69,789
Current assets		
Inventories	31,417	28,257
Trade receivables	23,421	24,039
Income tax receivable	294	349
Other financial assets	1,583	733
Other assets	2,199	1,926
Cash and cash equivalents	22,812	20,910
	81,726	76,214
Total assets	152,283	146,003

EQUITY AND LIABILITIES	30/06/2020	31/12/2019
	€ '000	€ '000
Equity		
Issued capital	6,908	6,908
Capital reserve	19,097	19,097
Retained earnings	55,456	49,367
Other reserves	-6,563	-6,394
Net profit for the period	1,781	6,089
Total equity attributable to technotrans SE shareholders	76,679	75,067
Non-current liabilities		
Borrowings	33,054	33,760
Employee benefits	824	809
Other financial liabilities	2,111	2,607
Deferred tax	523	657
	36,512	37,833
Current liabilities		
Borrowings	11,507	6,696
Trade payables	5,774	5,952
Prepayments received	4,465	4,242
Employee benefits	7,083	5,154
Provisions	3,280	3,891
Income tax payable	835	745
Other financial liabilities	3,338	2,991
Other liabilities	2,810	3,432
	39,092	33,103
Total equity and liabilities	152,283	146,003

CONSOLIDATED INCOME STATEMENT JANUARY 1 – JUNE 30, 2020

	01/04 - 30/06/2020	01/04 - 30/06/2020	01/01 - 30/06/2020	01/01 - 30/06/2019
	€ '000	€ '000	€ '000	€ '000
Revenue	42,977	49,522	95,138	102,591
of which Technology	31,401	35,218	69,435	73,337
of which Services	11,576	14,304	25,703	29,254
Cost of Sales	-31,080	-35,928	-68,312	-72,162
Gross profit	11,897	13,594	26,826	30,429
Distribution costs	-4,782	-6,358	-10,756	-12,579
Administrative expenses	-4,387	-4,686	-9,599	-9,611
Development costs	-1,504	-1,911	-3,936	-3,966
Net impairment losses on financial and contract assets	-23	-43	-99	-242
Other operating income	288	538	1,310	1,018
Other operating expenses	-427	-369	-928	-950
Earnings before interest and taxes (EBIT)	1,062	765	2,818	4,099
Financial income	14	13	14	13
Financial charges	-174	-156	-341	-329
Net finance costs	-160	-143	-327	-316
Profit before tax	902	622	2,491	3,783
Income tax expense	-256	-163	-710	-1,076
Net profit for the period	646	459	1,781	2,707
Earnings per share (€)				
basic / diluted	0.09	0.07	0.26	0.39

Previous year's figures partly adjusted.

CONSOLIDATED CASH FLOW STATEMENT JANUARY 1– JUNE 30, 2020

	01/01 - 30/06/2020	01/01 - 30/06/2019		01/01 - 31/03/2020	01/01 - 31/03/2019
	€ '000	€ '000		€ '000	€ '000
Cash flow from operating activities			Cash flow from investing activities		
Net profit for the period	1,781	2,707	Cash payments for investments in property, plant and equipment and in intangible assets	-4,046	-5,234
Adjustments for:			Proceeds from the sale of property, plant and equipment	61	78
Depreciation and amortisation	3,498	3,464	Net cash used for investing activities	-3,985	-5,156
Income tax expenses	710	1,076			
Gain (-)/loss (+) on the disposal of property, plant and equipment	-16	-99	Cash flow from financing activities		
Foreign exchange losses (+)/gains (-)	-116	5	Cash receipts from the raising of short-term and long-term loans	7,750	4,061
Net finance costs	327	316	Cash payments from the repayment of loans	-3,389	-2,786
Other non-cash changes	0	-3	Distribution to investors	0	-6,079
Cash flow from operating activities before working capital changes	6,184	7,466	Cash payments from the repayment of lease liabilities	-1,189	-1,158
			Net cash used in financing activities	3,172	-5,962
Change in:					
Inventories	-3,160	-4,731	Net increase/decrease in cash and cash equivalents	1,916	-4,904
Receivables and other current assets	-504	2,369	Cash and cash equivalents at start of period	20,910	15,566
Other non-current assets	16	-14	Net effect of currency translation in cash and cash equivalents	-14	0
Liabilities and prepayments	-286	3,794	Cash and cash equivalents at end of period	22,812	10,662
Provisions and employee benefits	1,333	-758			
Cash from operating activities	3,583	8,126			
Interest received	14	0			
Interest paid	-300	-291			
Income taxes paid/income tax rebates	-568	-1,621			
Net cash from operating activities	2,729	6,214			

Previous year's figures partly adjusted.



Member of
the technotrans group