

Webcast 9 Months 2021

— November 9, 2021

Agenda

- Management Summary
- Business Performance
- Strategy Update – Future Ready 2025
- Supply Chain Status
- Sustainability
- Outlook
- Conclusion

- Contact/Disclaimer

Strategy & operations

Future Ready 2025
Strategic focus markets
Revenue
EBIT
Order situation
Supply Chain Management
Net assets and financial position
Full year forecast 2021

further on track

- ✓ 100 % on track
- ✓ drivers of revenue growth
- ✓ significantly increased
- ✓ more than doubled
- ✓ book to bill of 1.2 indicates growth
- ~ material supply secured
- ✓ remains solid
- ✓ confirmed

Key figures 9 months 2021

€ 156.6 m

+10.7 %

Technology € 116.4 m
Services € 40.2 m

Revenue

€ 8.2 m

+110.9 %

Technology € 2.1 m
Services € 6.1 m

EBIT

5.3 %

(p.y. 2.8 %)

Technology 1.8 %
Services 15.1 %

EBIT margin

€ 0.79

+125.7 %

EPS

55.6 %

(Dec 31, 2020: 53.6 %)

Equity ratio

€ 20.6 m

(Dec 31, 2020: € 21.5 m)

Net debt

€ 4.5 m

+€ 1.0 m

Free cash flow

1,425

(Dec 31, 2020: 1,409)

Employees at
September 30, 2021

Strategy: Important milestones implemented

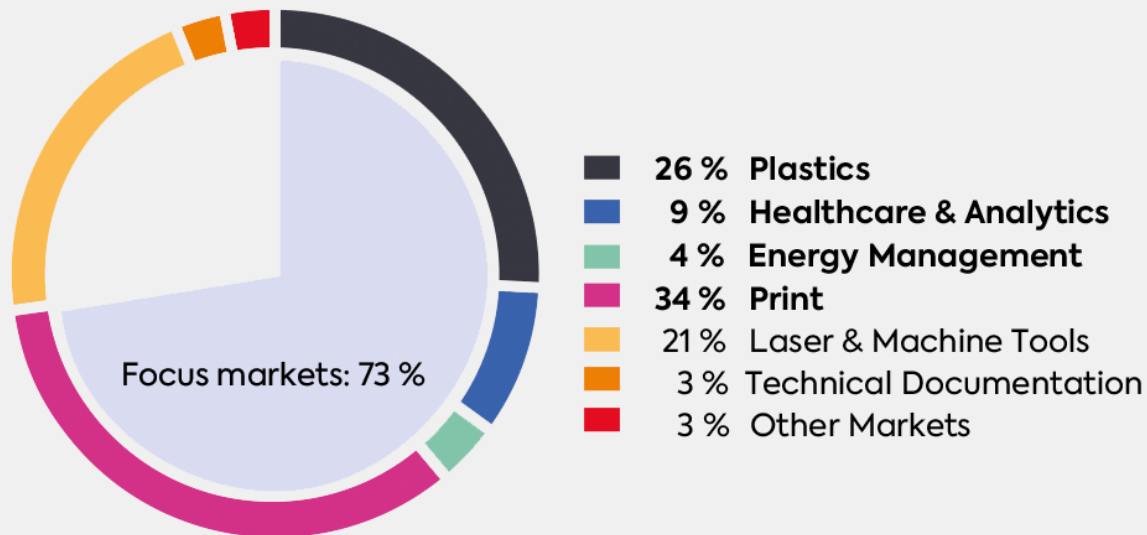
- Clear sales focus on target markets
- Mergers within the group will be completed by the beginning of 2022:

Reisner + gwk → technotrans solutions GmbH
KLH + technotrans SE → technotrans SE

- First renaming completed (gwk → technotrans solutions GmbH)
- Umbrella brand strategy is taking shape
- Successful debut on trade shows as ONE TEAM under new brand



Dynamic focus markets



Plastics

++

- Increased demand for energy efficient solutions
- Attractive new and follow-up business in the low-temperature cooling segment and in compact temperature control systems

Healthcare & Analytics

++

- Ongoing strong demand for cooling systems used in analytics and baggage scanners
- Innovative cooling systems are in clinical trials and indicate revenue potential

Energy Management

+

- Large-volume follow-up orders for battery cooling systems
- Successful development from Tier 2 to Tier 1 supplier
- Supply chain situation leads to revenue shift

Print

+

- Willingness to investment continues and drives revenue growth

Laser & Machine Tools

+

- Revenue increase due to clear strategic sales focus

Technical Documentation

+

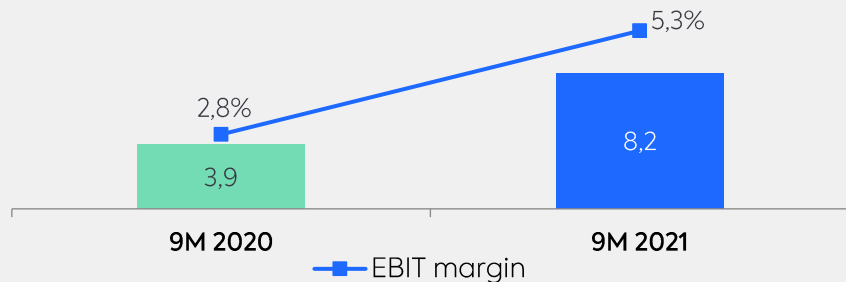
- Expanding expertise as a digitization partner through cloud-based solutions

Strong increase in Sales & EBIT

Revenue 9 months 2021 (€ mio.)



EBIT 9 months 2021 (€ mio.)

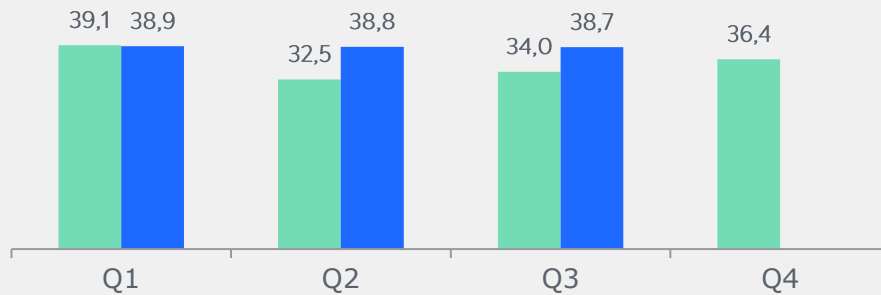


- Group revenue increased by 10.7 % compared to the previous year.
- Strategic focus markets Plastics, Healthcare & Analytics, Energy Management and Print are the main growth drivers.

- EBIT rises by 110.9% and has more than doubled.
- EBIT margin improves accordingly from 2.8 % to 5.3 %.

Segment Technology

Revenue 2020/2021 by quarters (€ mio.) *



- 10.2 % sales growth realized in the first nine months.
- Focus markets as growth drivers.

EBIT 2020/2021 by quarters (€ mio.) *

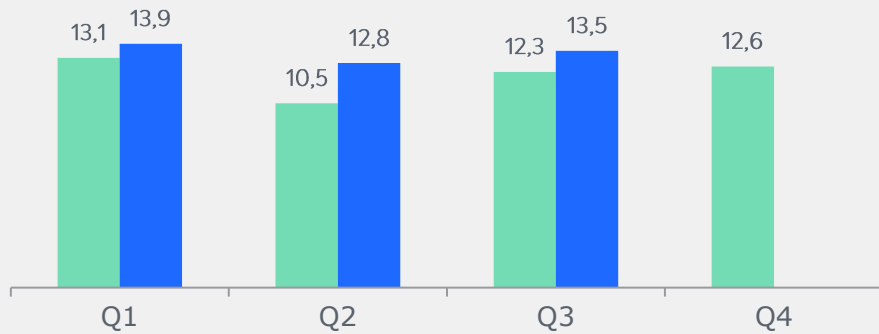


- Positive segment EBIT of €2.2 million achieved in the first nine months.
- EBIT margin at 1.8 % (previous year: -1.0 %).

■ 2021 ■ 2020 * Previous year figures adjusted due to segment reclassification

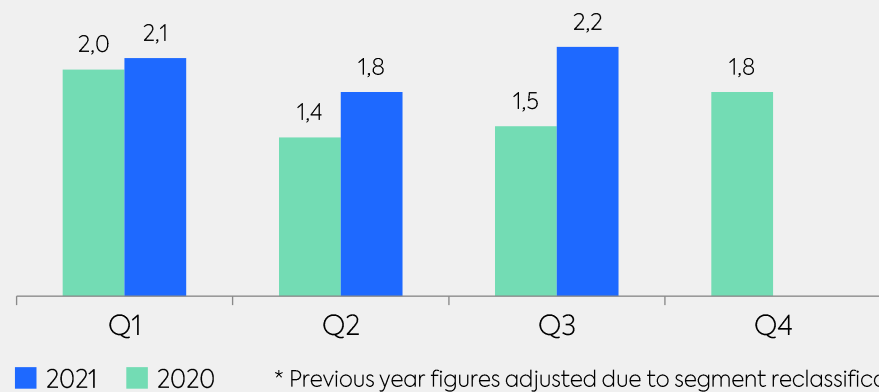
Segment Services

Revenue 2020/2021 by quarters (€ mio.) *



- 11.9 % revenue growth compared to the previous year.
- Withdrawal of corona-related restrictions enables more on-site service activities.

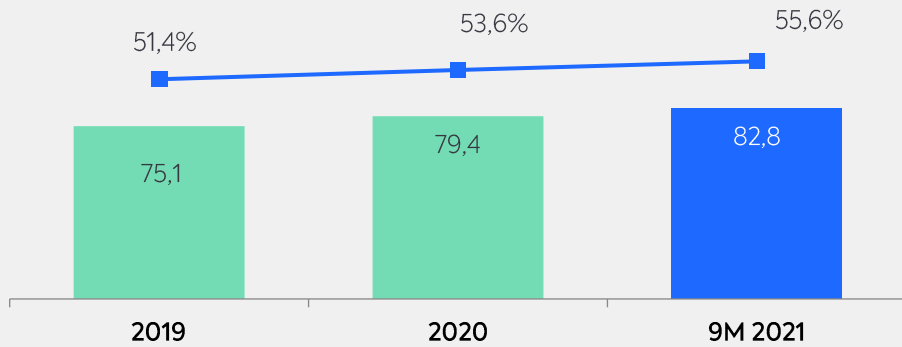
EBIT 2020/2021 by quarters (€ mio.) *



- EBIT reaches € 6.1 million in the first 9 months (previous year: € 4.9 million).
- EBIT margin at 15.1 % (previous year: 13.7 %).

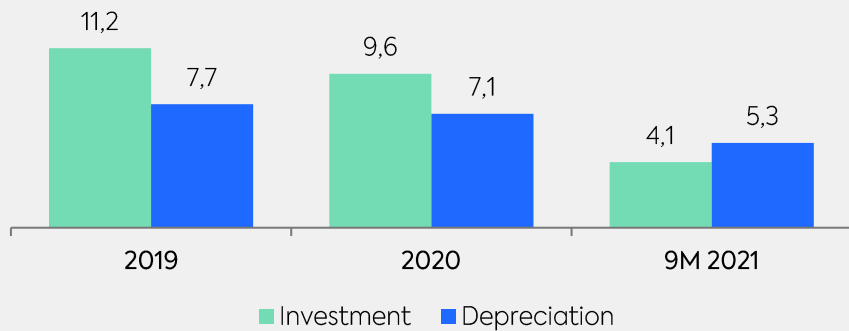
Balance Sheet ratios

Equity & Equity ratio (€ mio./%)

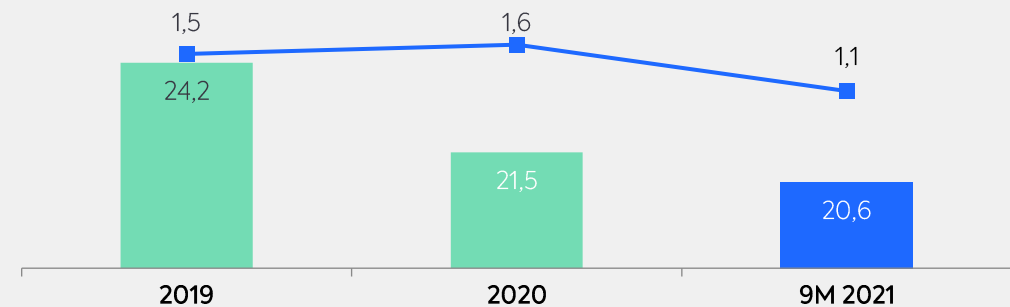


- Solid equity ratio; increased by two percentage points compared with December 31, 2020.
- Leverage further decreased.

Investment & Depreciation (€ mio.)

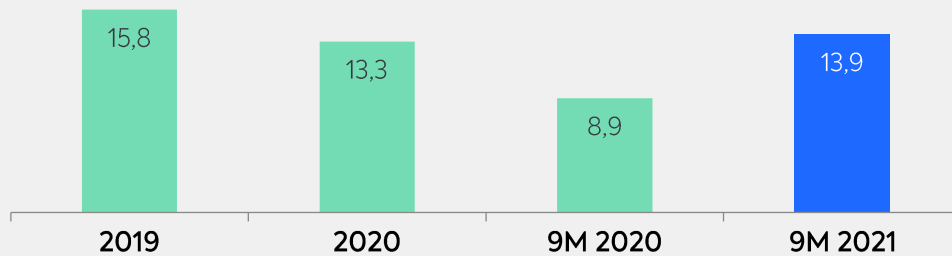


Net debt (€ mio.) & Net debt / EBITDA

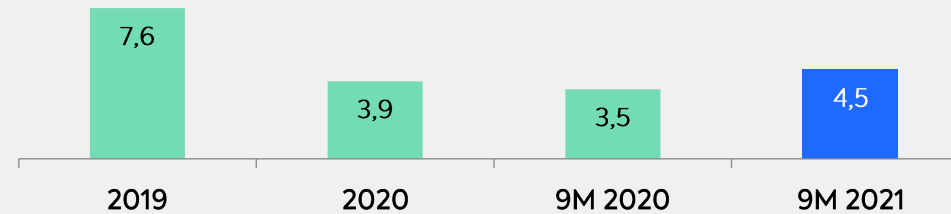


Solid financial position

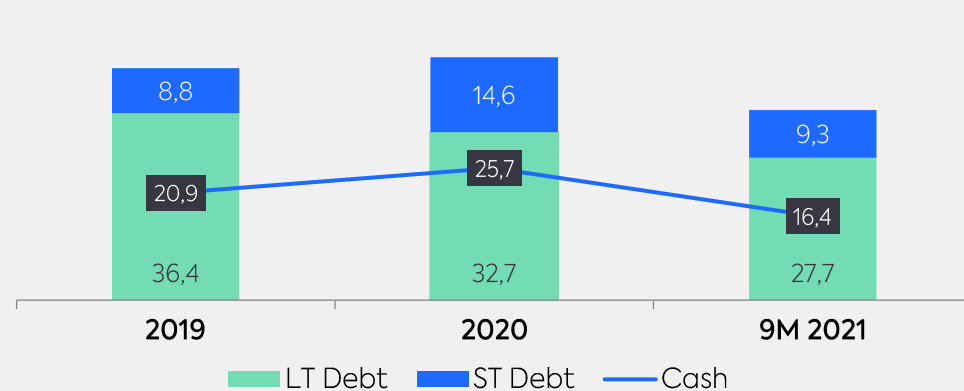
Operating cash flow based on strong business performance (€ mio.)



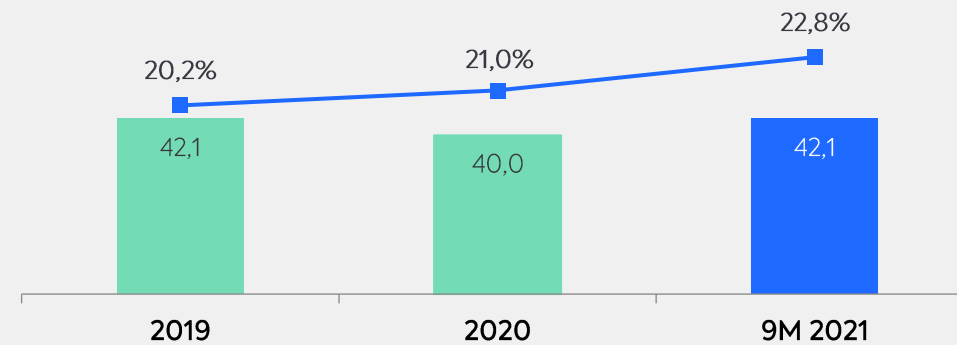
Positive free cash flow; increased compared to previous year (€ mio.)



Cash equivalents remain on a high level despite high scheduled debt repayments (€ mio.)



Net working capital increased, partly due to security stockpiling (€ mio.)



Future Ready 2025 – Strategic Milestones

2021 – 2022

Phase I: Stability & Profitability

- Continuation of the initiated **change process** based on existing core competencies
- **Concentration on focus markets**
- Establishment of a **market-oriented organizational structure**
- **Consolidation** through use of group-wide synergy effects, expansion of shared services
- **Merger** of individual group companies
- **Strengthening** technotrans as one brand

2023 – 2025

Phase II: Profitable Growth & Investment

Accelerated growth based on:

- Consistent **concentration on focus markets** (domestic and international markets)
- **International business expansion**
- **Innovative product** development
- Use of **new technologies**
- **M&A**

Mergers of group companies

technotrans  

Legal Entity: technotrans SE

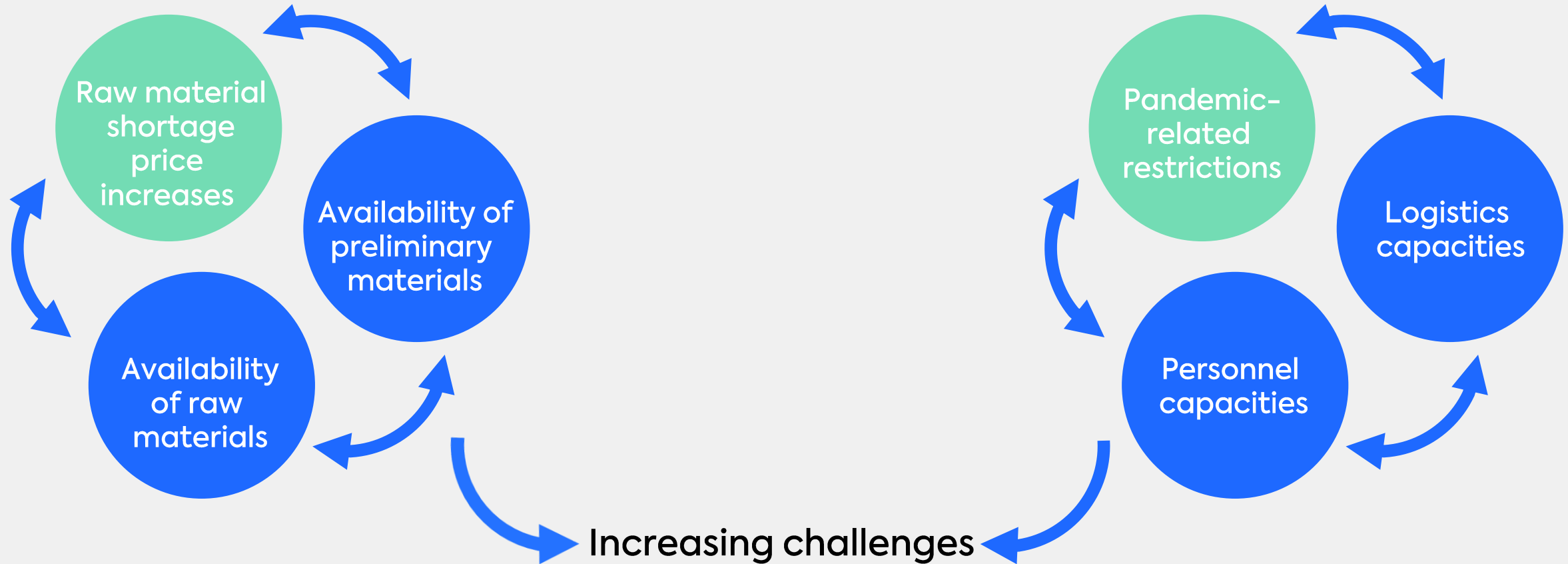
gwk

 **Reisner**
COOLING SOLUTIONS

Legal Entity: technotrans solutions GmbH

- ✓ Mergers to be completed at the beginning of 2022
- ✓ All merger preparations proceeding according to plan
- ✓ gwk already renamed into technotrans solutions GmbH
- ✓ Process analysis for standardization done
- ✓ More flexible capacity control through uniform standard processes
- ✓ All merged entities will work with SAP as of 2022

Supply chain – current situation



Supply chain – challenges

- In the first 9 months 2021 supply of materials was ensured at all times
- Delivery date commitments are increasingly uncertain
- The planning horizons are declining
- Significant price increases for certain raw materials
- Normalization/reduction of supply bottlenecks earliest in 2022

measures

- Increase of the order volume
- Material range extension
- Identification of alternative components/suppliers
- Flexibilization of production setup
- Increase of temporary workers for flexible capacity management
- Price negotiations with customers

Ensuring an adequate supply has top priority!

Sustainability – we take responsibility



New energy efficient location

- Reisner: New energy efficient location built in less than 9 months
- Now 2 out of 5 plants in Germany are KfW-55 standard.



Creation of a group wide CO₂ footprint

- Determination of the CO₂ footprint of all production sites worldwide has been completed
- Measures are being defined



Sustainability management – ESG manager

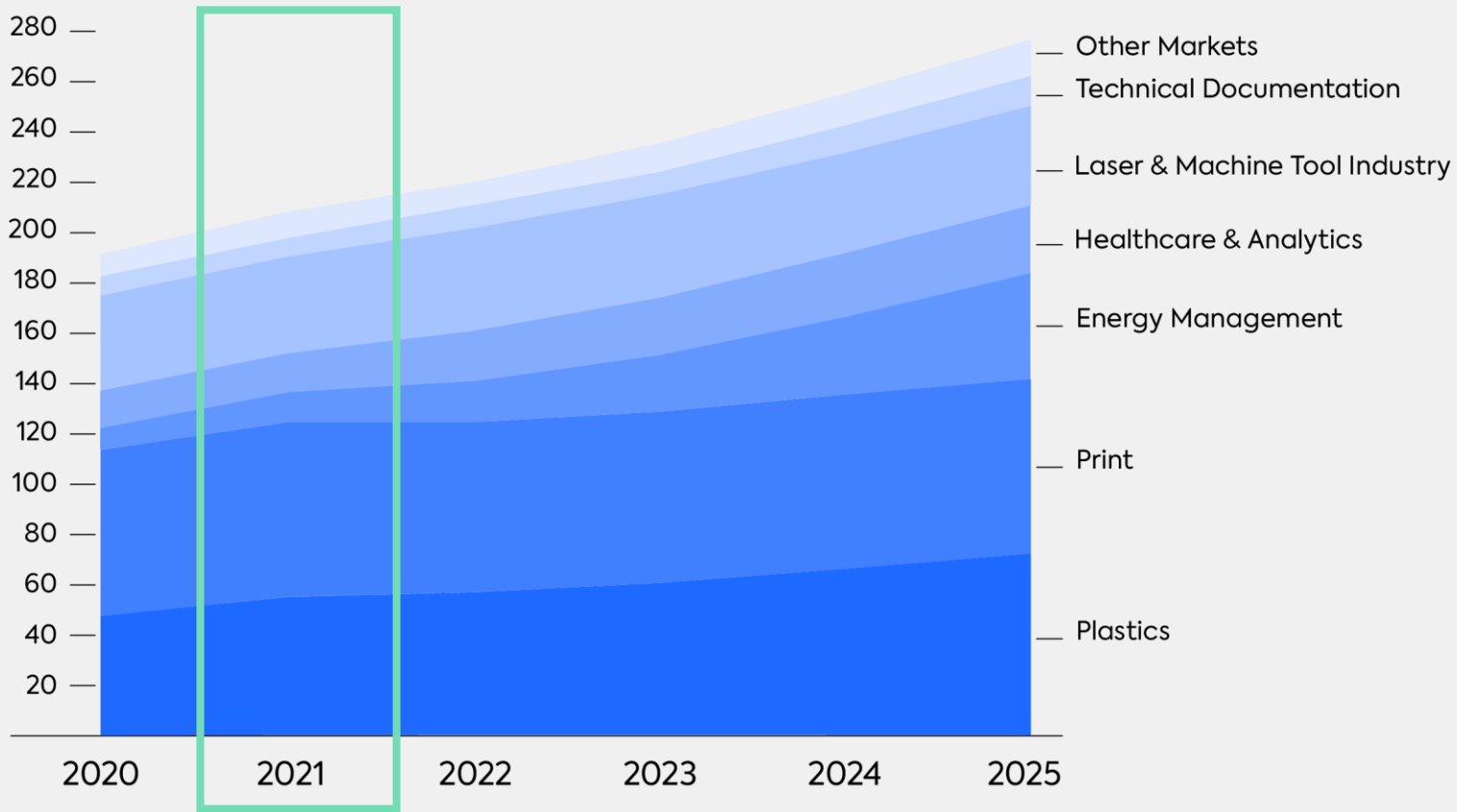
- Division has started activities
- Underlines the sustainable orientation of the group



Location Baden-Baden

- Order placed for supplementary PV system
- Coverage of 34 % of own electricity demand as of Q1 2022

Our markets in 2021



Plastics

- Strong revenue generation expected
- Merger of gwk/Reisner fully on track

Healthcare & Analytics

- Ongoing growth trend expected until the end of the year
- Analytics and baggage scanners as main drivers

Energy Management

- Strong order intake lays foundation for future revenue momentum
- Promising prototype orders generate additional potential

Print

- Continued brightening expected

Laser & Machine Tools

- Revenues will be further stabilized by expanding existing business relationships

Technical Documentation

- Further stabilization expected

Financial targets 2021: Forecast confirmed

€ 207 m

Revenue



positive

Free Cashflow

9 – 12 %

ROCE

> 50 %

Equity ratio

4.5 – 5.5 %

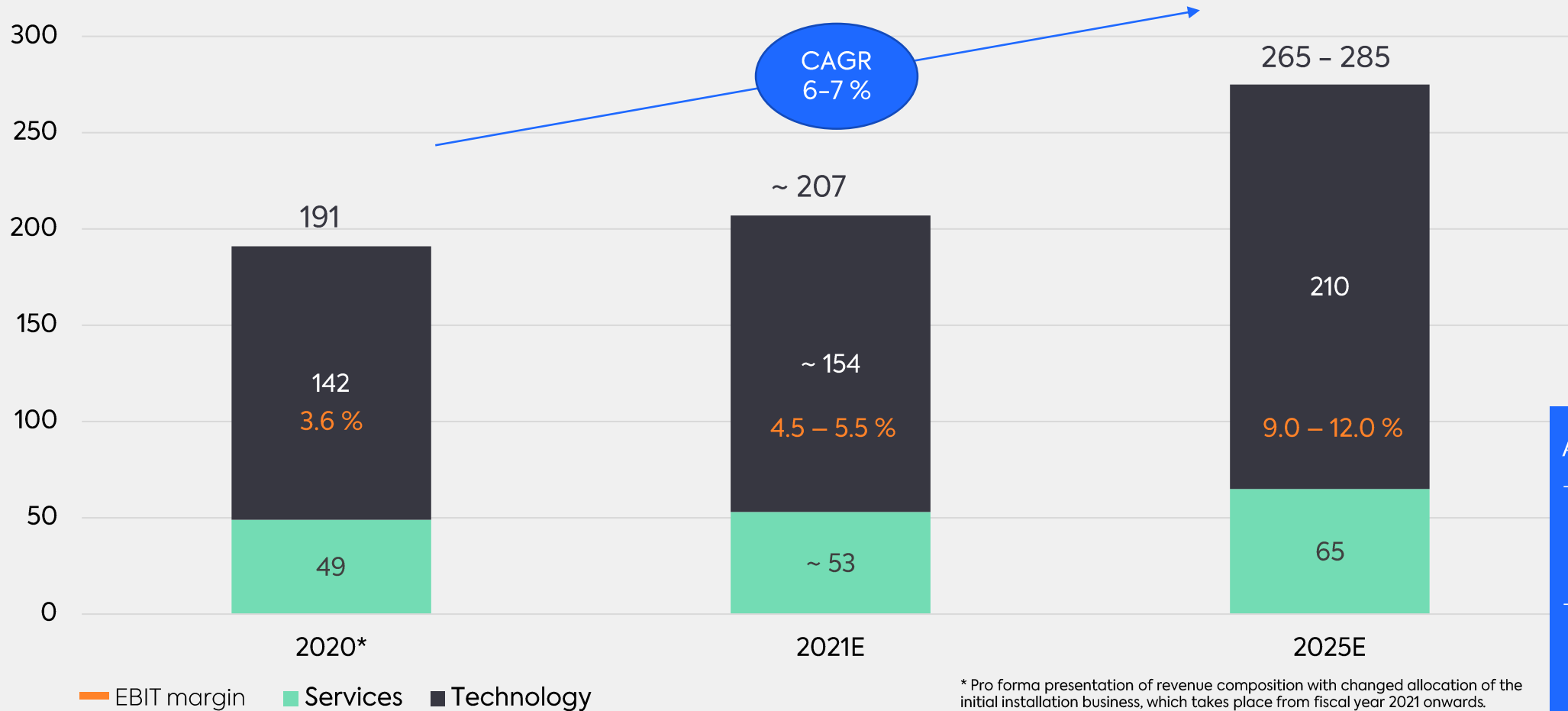
EBIT
EBIT margin



€ 6 m

CAPEX

Medium-term planning 2025



Annahmen:

- No aggravation of the distortions on the supply markets as well as the Corona pandemic
- 2021 – 2025 organic growth

Conclusion

Conclusion of the Board of Management

- The technotrans group performed well in the first nine months.
- The Future Ready 2025 strategy is being systematically implemented. Revenue and profitability have stabilized; resilience has improved.
- The situation on the supply markets has deteriorated further. The effective measures initiated will be continued and intensified.
- The order situation signals further growth.
- Forecast 2021 confirmed:
Revenue: ~ € 207 m.
EBIT margin: 4.5 – 5.5 %



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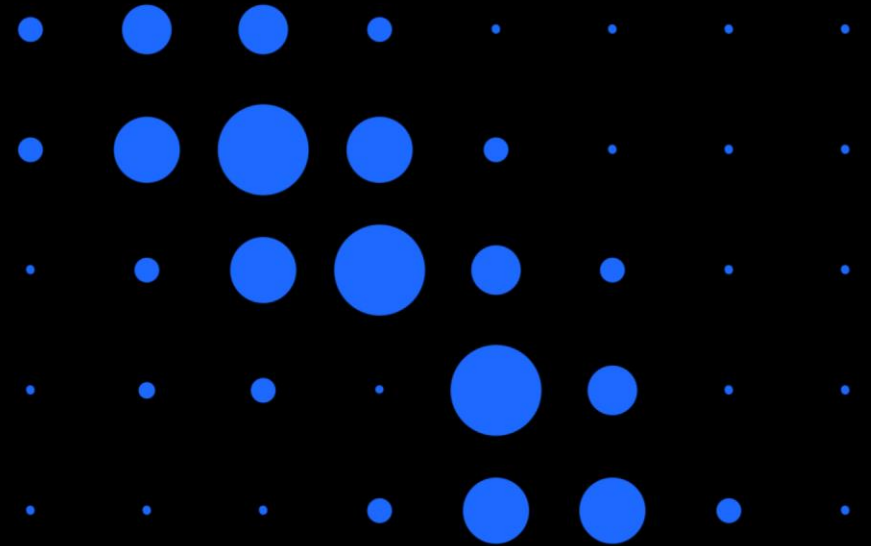


Disclaimer

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.

Annex



Consolidated Balance Sheet as of September 30, 2021

ASSETS	30/09/2021	31/12/2020	EQUITY AND LIABILITIES	30/09/2021	31/12/2020
	€ '000	€ '000		€ '000	€ '000
Non-current assets			Equity		
Property, plant and equipment	36,646	36,781	Issued capital	6,908	6,908
Right-of-use assets	2,750	3,210	Capital reserve	19,097	19,097
Goodwill	23,513	23,513	Retained earnings	57,931	55,461
Intangible assets	6,345	7,016	Other reserves	-6,624	-6,999
Other financial assets	165	151	Net profit for the period	5,433	4,956
Deferred tax	1,141	1,142	Total equity attributable to technotrans SE shareholders	82,745	79,423
	70,560	71,813	Non-controlling interests in equity	-5	-5
Current assets				82,740	79,418
Inventories	33,219	26,702	Non-current liabilities		
Trade receivables	25,472	21,082	Borrowings	26,416	31,043
Income tax receivable	86	103	Employee benefits	781	686
Other financial assets	1,318	546	Other financial liabilities (incl. IFRS 16)	1,300	1,680
Other assets	1,873	2,122	Deferred tax	243	448
Cash and cash equivalents	16,409	25,749		28,740	33,857
	78,377	76,304	Current liabilities		
Total assets	148,937	148,117	Borrowings	7,787	12,960
			Trade payables	7,178	4,606
			Prepayments received	5,889	3,210
			Employee benefits	6,447	5,309
			Provisions	3,947	3,490
			Income tax payable	1,414	274
			Other financial liabilities (inkl. IFRS 16)	1,498	2,715
			Other liabilities	3,297	2,278
				37,457	34,842
			Total equity and liabilities	148,937	148,117

Consolidated Income Statement Jan 1 – September 30, 2021

	01/07 – 30/09/2021	01/07 – 30/09/2020	01/01 – 30/09/2021	01/01 – 30/09/2020
	€ '000	€ '000	€ '000	€ '000
Revenue	52,169	46,313	156,604	141,451
of which Technology	38,697	32,945	116,412	102,380
of which Services	13,472	13,368	40,192	39,071
Cost of Sales	-36,706	-33,754	-111,455	-102,066
Gross profit	15,463	12,559	45,149	39,385
Distribution costs	-6,167	-5,260	-18,006	-16,016
Administrative expenses	-5,047	-4,566	-14,987	-14,165
Development costs	-1,158	-1,626	-3,717	-5,562
Net impairment losses/gains on financial and contract assets	-49	-20	-13	-119
Other operating income	225	447	963	1,757
Other operating expenses	-304	-451	-1,163	-1,379
Earnings before interest and taxes (EBIT)	2,963	1,083	8,226	3,901
Financial income	0	18	1	32
Financial charges	-144	-176	-466	-517
Net finance costs	-144	-158	-465	-485
Profit before tax	2,819	925	7,761	3,416
Income tax expense	-845	-264	-2,328	-974
Net profit for the period	1,974	661	5,433	2,442
of which:				
Profit attributable to technotrans SE shareholders	1,974	661	5,432	2,442
Profit attributable to non controlling interests	0	0	1	0
Earnings per share (€)				
basic / diluted	0.29	0.10	0.79	0.35

Consolidated Cash Flow Statement Jan 1 – September 30, 2021

	01/01 – 30/09/2021 € '000	01/01 – 30/09/2020 € '000		01/01 – 30/09/2021 € '000	01/01 – 30/09/2020 € '000
Cash flow from operating activities					
Net profit for the period	5,433	2,442			
Adjustments for:					
Depreciation and amortisation	5,290	5,237			
Income tax expenses	2,328	974			
Gain (-)/loss (+) on the disposal of property, plant and equipment	-63	-34			
Foreign exchange losses (+)/gains (-)	417	-169			
Net finance costs	465	485			
Other non-cash changes	0	0			
Cash flow from operating activities before working capital changes	13,870	8,935			
Change in:					
Inventories	-6,517	-711			
Receivables and other current assets	-4,912	1,084			
Liabilities and prepayments	5,047	-592			
Provisions and employee benefits	1,691	1,879			
Cash from operating activities	9,165	10,612			
Interest received	1	32			
Interest paid	-385	-456			
Income taxes paid/income tax rebates	-1,329	-600			
Net cash from operating activities	7,452	9,588			
			Cash flow from investing activities		
			Cash payments for investments in property, plant and equipment and in intangible assets	-3,160	-6,128
			Proceeds from the sale of property, plant and equipment	175	85
			Net cash used for investing activities	-2,985	-6,043
			Cash flow from financing activities		
			Cash receipts from the raising of short-term and long-term loans	0	9,450
			Cash payments from the repayment of loans	-9,800	-5,097
			Distribution to investors	-2,487	0
			Cash payments from the repayment of lease liabilities	-1,467	-2,111
			Net cash used in financing activities	-13,754	2,242
			Net increase/decrease in cash and cash equivalents	-9,287	5,787
			Cash and cash equivalents at start of period	25,749	20,910
			Net effect of currency translation in cash and cash equivalents	-53	-144
			Cash and cash equivalents at end of period	16,409	26,553

technotrans SE

Core Competence:

customized thermal management solutions

Focus Markets:

Plastics, Healthcare & Analytics, Energy Management (E-Mobility, Data Centers), Print

Employees:

1,409*

Establishment/ IPO:

1970/1998

Locations:

17
worldwide

Group revenue 2020:

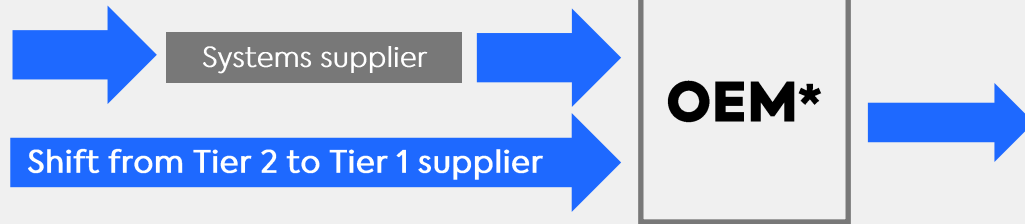
€ 190.5 million

* Angaben per 31.12.2020

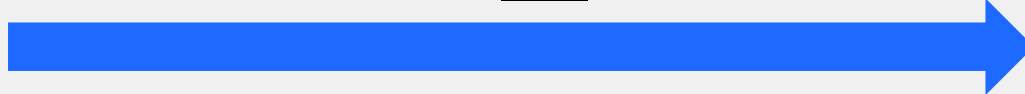
Multichannel Customer Approach



Customized solutions



Customized solutions and Services



End-Customers



Many industrial processes require precise cooling and temperature control. technotrans provides customized state of the art solutions in thermal management.

* Original Equipment Manufacturer

Range of products and services

Thermal Management

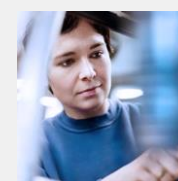
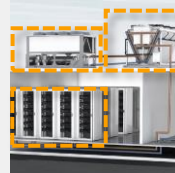
Filtration
Pumping & Spraying

Services

building solutions

integrated systems

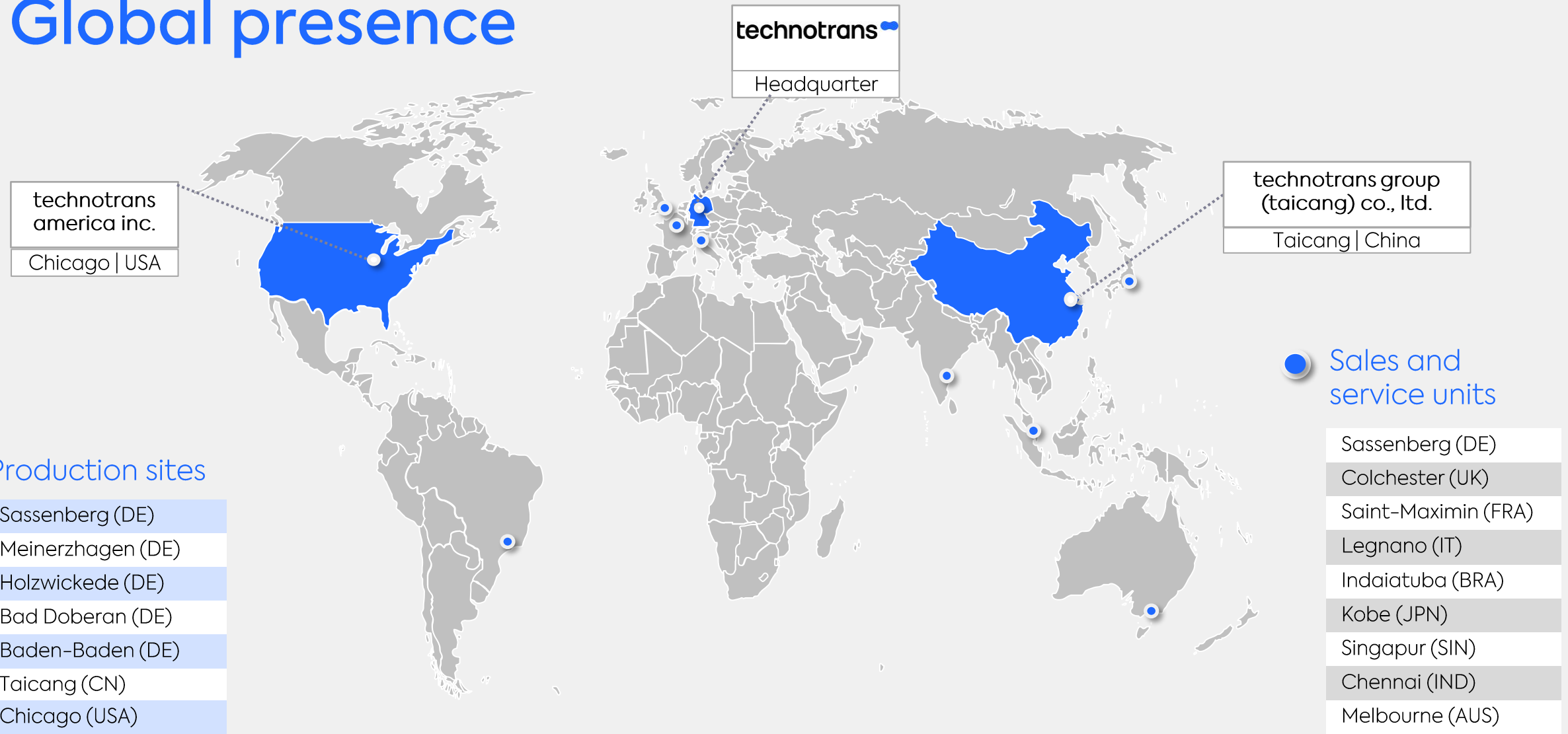
stand alone systems



USPs of technotrans:

- Customer-orientated Engineering
- Wide range of cooling capacity from 0.1 kW to 5.000 kW
- providing highest
 - quality
 - accuracy
 - reliability
 - energy efficiency
 - sustainability
- own worldwide service network
- financial strength

Global presence



technotrans – an attractive investment

€ 186.5 m
+ 8.0 %

Market Cap
Nov. 4, 2021

up to 50%
of consolidated net
profit

Dividend Policy

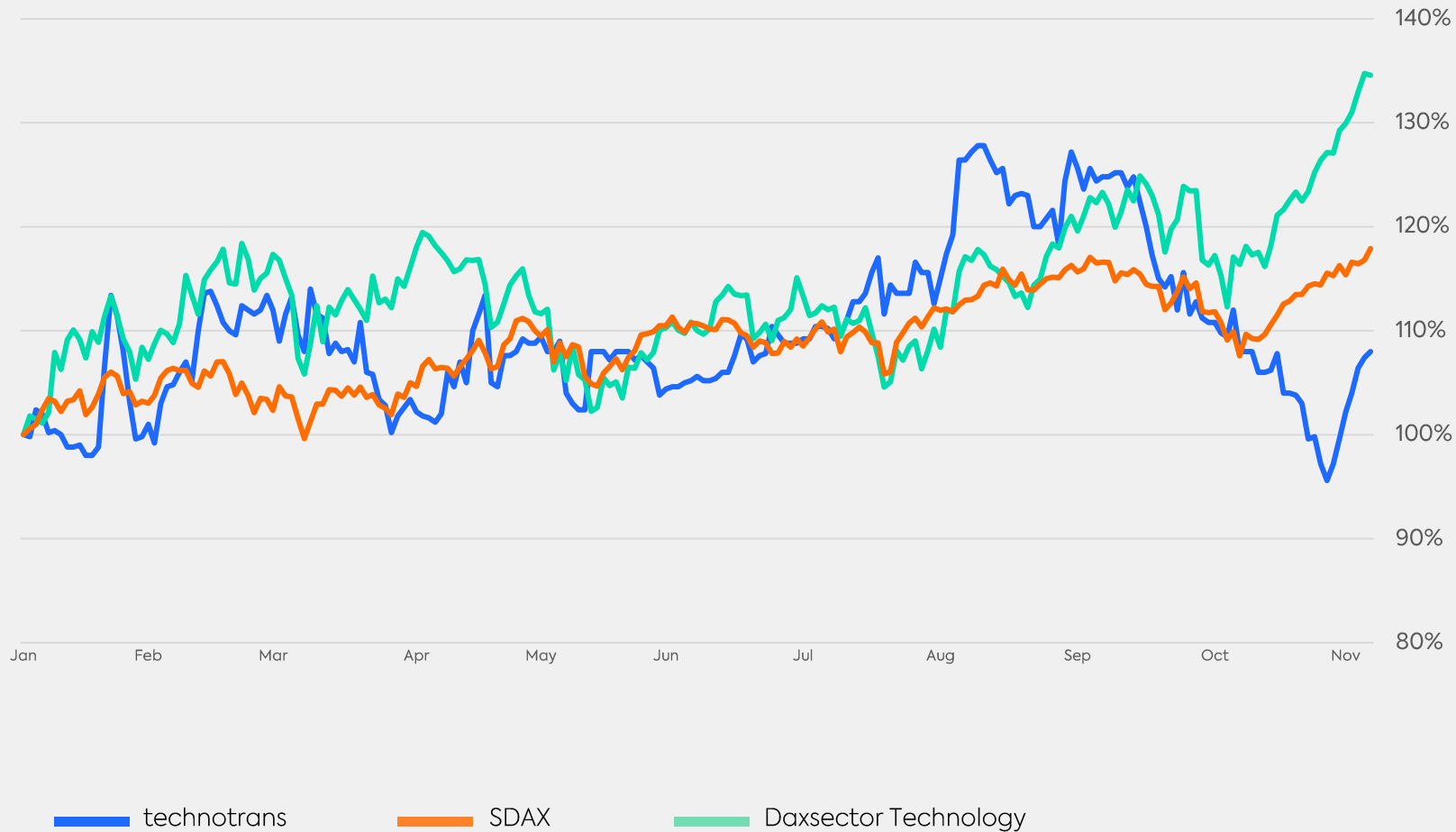
Luxempart S.A.:	13.2 %
Gerlin N.V.:	7.6 %
Objectif Small Cap	5.3 %
Midlin N.V.	5.2 %
Allianz Vie	5.1 %
LOYS Investment	4.7 %
Universal Investment	3.4 %
MONOLITH	3.0 %
Freefloat	52,5 %

Shareholder structure

Equity story

- Profitable growth strategy
- Technological leadership
- Clear market focus
- Diversified customer base
- International network
- Sustainability commitment
- Attractive dividend policy

Share price performance



Date: November 4, 2021

- Share Price: € 27.00
- Market cap: € 186.5 m

Performance since January 2021:

- Share Price: + 8,0 %
- Market cap: + € 13.8 m

Current Analyst Recommendations:

(Hauck und Aufhäuser AG,
Warburg Research GmbH, LBBW)

- Bandwidth: € 32.60 – 38.00
- Recommendation: 2x buy / 1x hold