

# Future Ready

Results for the 2020 financial year

Investor and Analyst Conference Call

March 9, 2021

# Agenda

1. Management Summary
2. Financials
3. The technotrans share
4. Strategy “Future Ready 2025”
5. Outlook

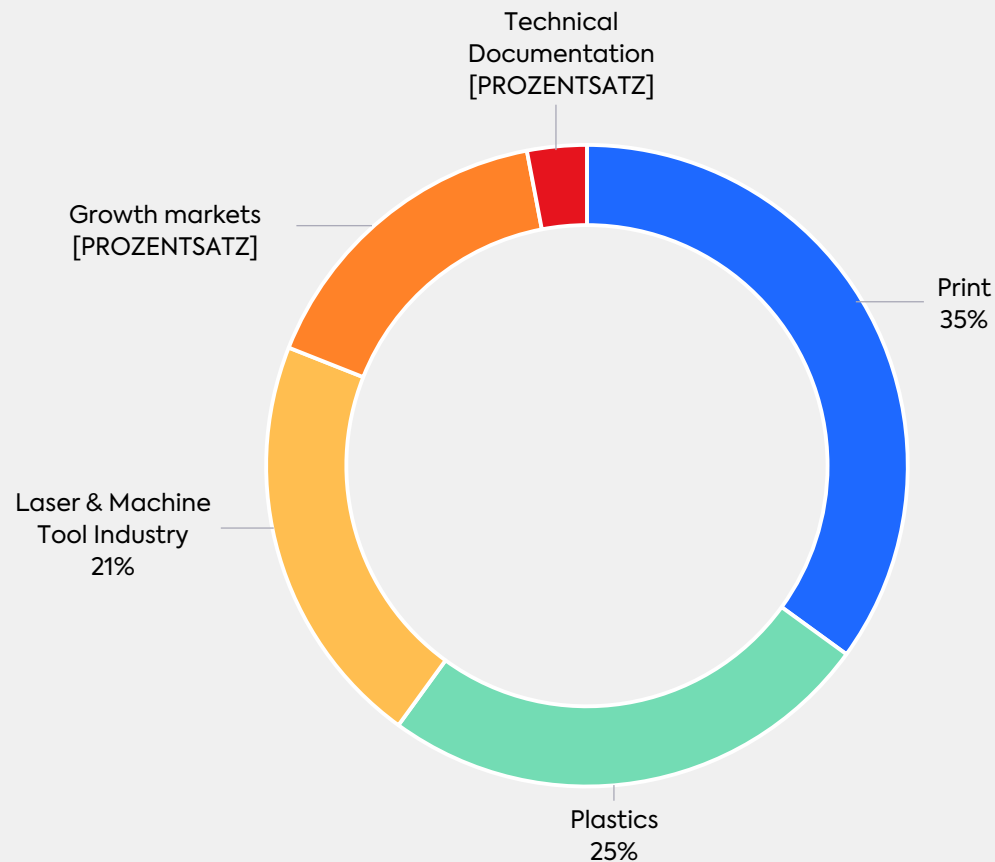
Contact/Disclaimer

Addendum

# Key figures for the Financial year 2020

<b>€ 190.5 m</b> Technology 137.7 m€ Services 52.8 m€  Consolidated Revenue	<b>€ 6.8 m</b> Technology -0.2 m€ Services 7.0 m€ (Adjusted: 9.4 m€)  Consolidated EBIT	<b>3.6%</b> Technology -0.1% Services 13.2% (Adjusted: 4.9%)  EBIT margin	<b>0.72 € /</b> (prev. year: 0.88 €) <b>0.36 €</b>  EPS/ Dividend proposal
<b>53.6%</b> (prev. year: 51.4%)  Equity ratio	<b>€ 21.5 m</b> (prev. year: 24.2 m€)  Net debt	<b>€ 3.9 m</b> (prev. year: 7.6 m€)  Free Cashflow	<b>1,409</b> (prev. year: 1,474)  Employees (Dec. 31)

# Our Markets 2020



## Diversification limits COVID-19 related impacts

### Print

- Sharp revenue decline due to Corona
- Despite difficult market environment revenue with a number of OEMs increased
- Slight recovery in the fourth quarter

### Plastics

- Strong Revenue growth realised

### Laser & Machine Tool Industry

- Corona related impacts in addition to structural changes weighs on revenue

### Growth Markets

- Stable development overall
- technotrans enhances market position on e-mobility rail markets; attractive mid-term projects generated

### Technical Documentation

- Revenue below previous year due to Corona related travel restrictions

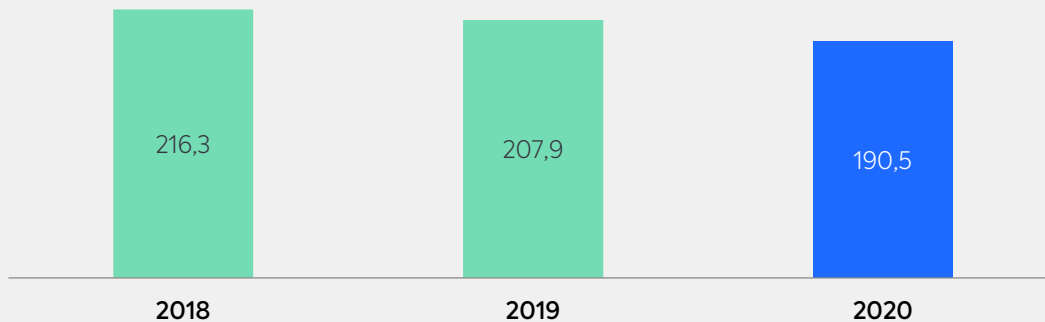
# Providing solid results in a challenging year

		RESULTS 2020	Guidance 1 March 10, 2020 (withdrawn on April 30th, 2020 due to COVID-19)		Guidance 2 Nov. 10, 2020	
Revenue	€m	190.5	204 – 214	–	185	✓
EBIT	€m	6.8	6.0 – 10.7	✓	4.6 – 5.6	✓
EBIT margin	%	3.6	3.0 – 5.0	✓	2.5 – 3.0	✓
Equity ratio	%	53.6	> 50	✓	> 50	✓
Free Cashflow	€m	3.9	positive	✓	positive	✓

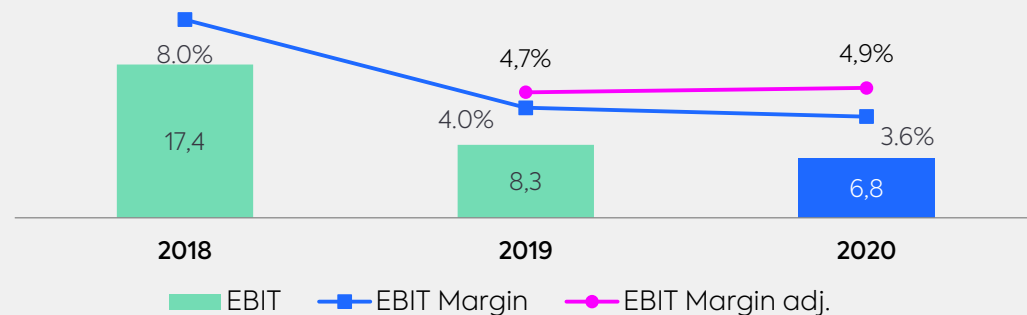
- Profitability maintained – despite structural costs
- Results fully in line even with withdrawn guidance no. #1 – sole exception: revenue

# Revenue and EBIT

## Revenue



## EBIT



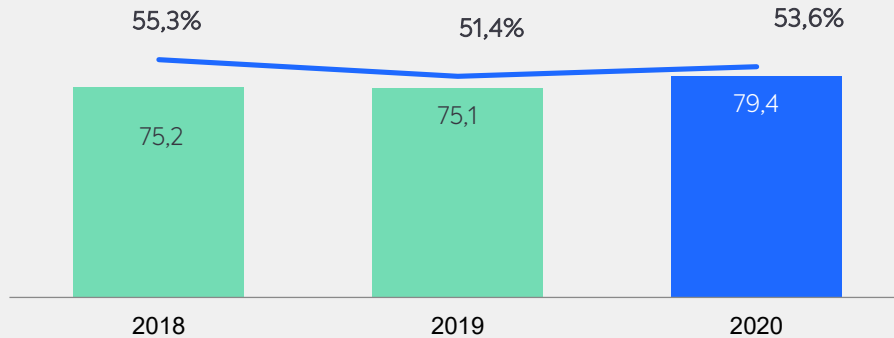
All figures in € m unless not stated differently.

## Adjusted EBIT margin above previous year generated

- Consolidated revenue of **€ 190.5m** only 8.4 % below previous year
- Fourth quarter 2020 much better than expected
- Operating result (EBIT) at **€ 6.8m** (prev. year: € 8.3m).
- EBIT margin at 3.6 % (prev. year: 4.0%)
- Lower result is attributable to the Corona-impact and the following non-recurring effects:
  - > structural costs: € 3.2 m
  - > one-off earnings: € 0.6 m
- EBIT adjusted at **€ 9,4m** (prev. Year: € 9.7m)
- **EBIT-Margin adjusted at 4.9 % exceeded previous year's adjusted EBIT of 4.7 %**

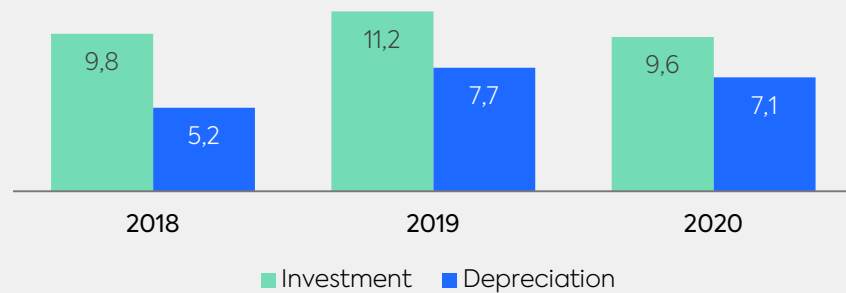
# Balance sheet

## Equity / Equity ratio on a solid level

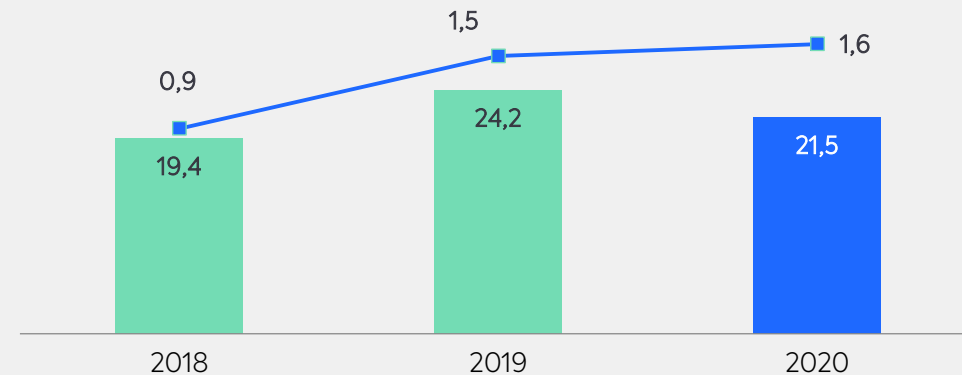


- The financial situation of the technotrans group remained solid and in order even during the corona crisis.
- Despite the construction of a new production plant in Holzwickede, total assets increased only moderately by 1.4 % to € 148.1m (previous year: € 146.0m).

## Investment & depreciation



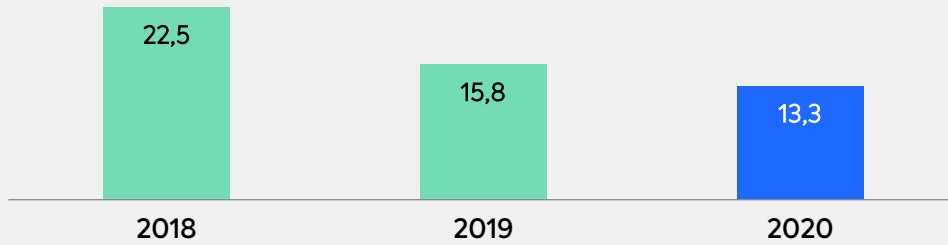
## Net Debt & Net Debt / EBITDA ratio



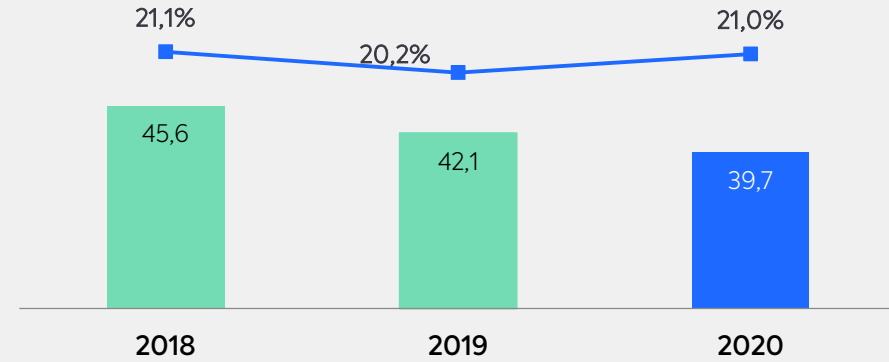
All figures in € m unless not stated differently.

# Financial position

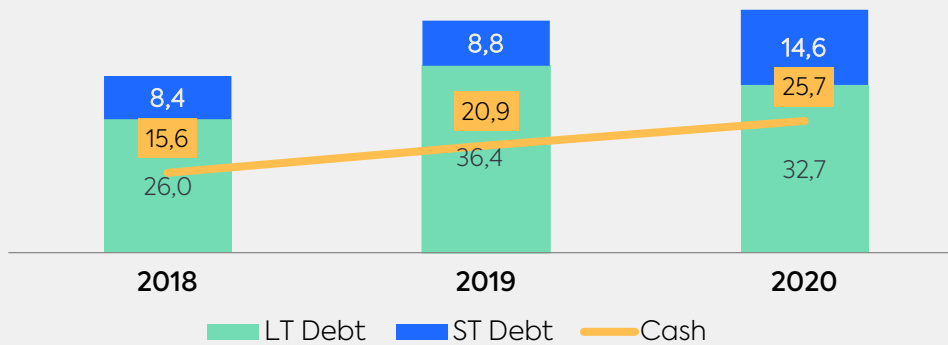
Op. Cash Flow impacted by decreased net profit



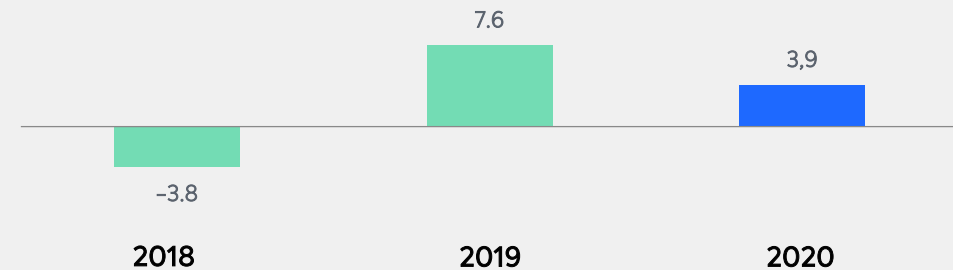
Net-Working Capital ratio slightly above 20% target



Financial liabilities & cash indicate sound financial position



Free Cash Flow remains positive despite Corona

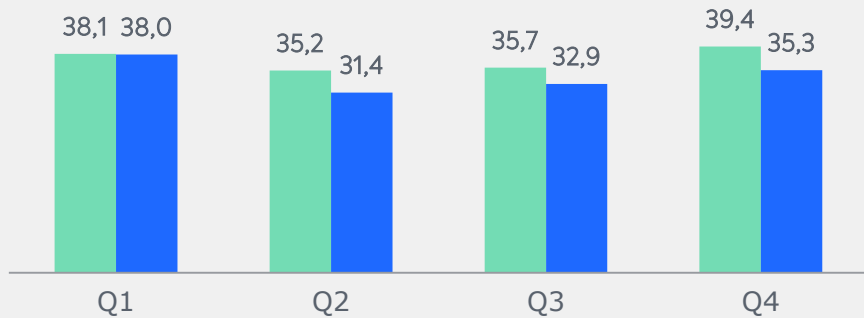


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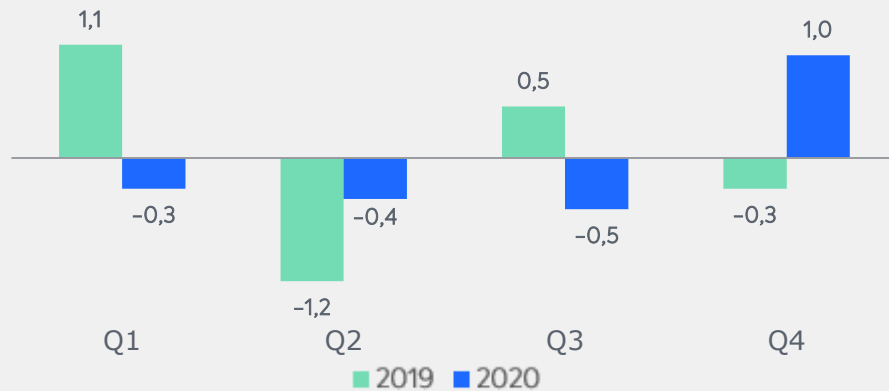


# Segment Technology

Revenue 2019/2020 by quarters



EBIT 2019/2020 by quarters

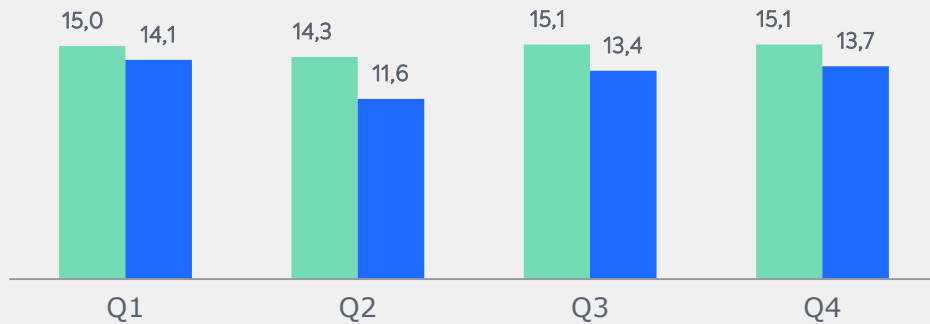


- Revenue of € 137.7m in segment Technology generated (prev. year: € 148.4 m)
- Due to strong sales in fourth quarter only 7.2 % below previous year

- Segment EBIT despite lower revenue with € -0.2m nearly on previous year's level (€ +0.05m)
- Segment return at -0.1 % (previ. year: 0.0 %)
- Adjusted for non-recurring effects of € 2.0m, segment EBIT reached € 1.8m. Profitability was at 1.3 % respectively

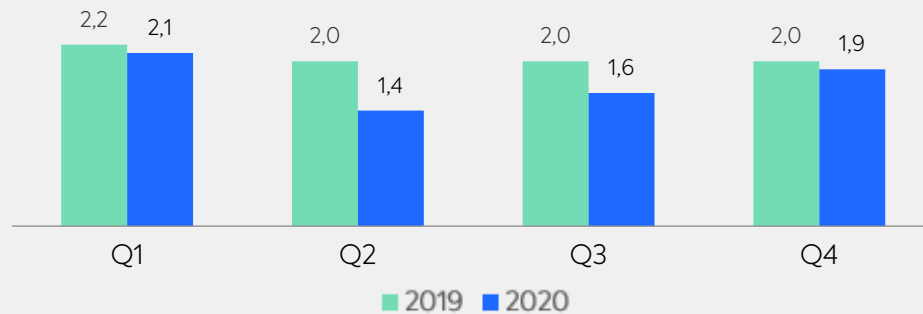
# Segment Services

Revenue 2019/2020 by quarters (€ million)



- Segment revenue at € 52.8m (prev. year: € 59.5m)
- Decrease of 11.4% compared to previous year caused by Corona related travel restrictions.

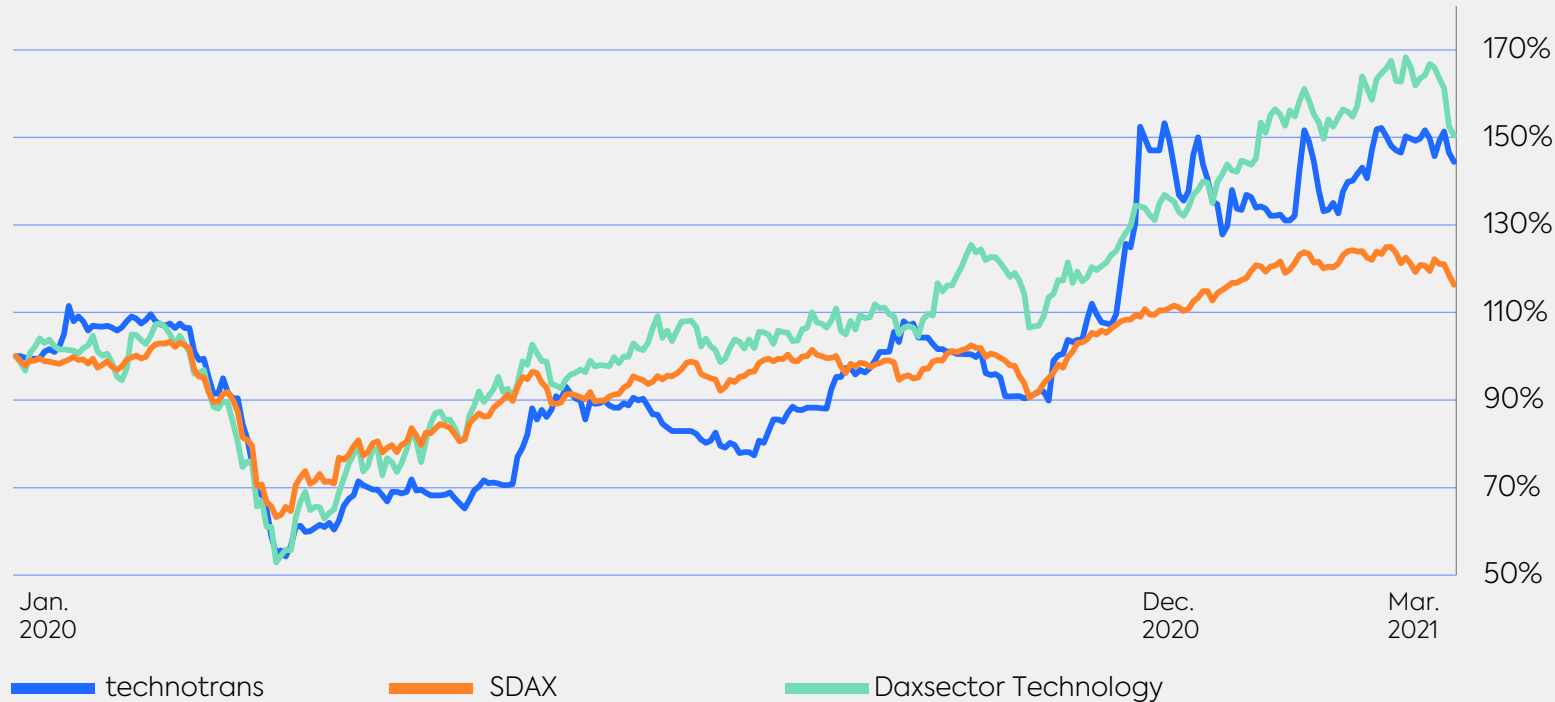
EBIT 2019/2020 by quarters (€ million)



- Segment EBIT robust as expected at € 7.0m (prev. year: € 8.3m)
- Segment profitability at 13.2 % (prev. year: 13.9 %)
- Adjusted for non-recurring effects (0.6 €m), EBIT margin of the segment is at previous year's level of 14.4%

The technotrans share

# Sound share price development



## Data as of March 4, 2021

- Share price: € 27.40
- Market Cap: € 189.3m

## Performance since January 2020:

- Share price: + 46.6%
- Market Cap: + € 60.1m

## Current Analyst Recommendations:

- Bandwidth: 24.00 – 32.00 €
- Recommendation: 2x buy / 1x hold

Dividend proposal to  
Annual General Meeting 2021  
on May 7, 2021:

**€ 0,36**

≈50% of consolidated net profit of the group

# Future Ready 2025: Strategic Plan

2021 – 2022

**Phase I:** Stability & Profitability

- Continuation of the **initiated change process based** on existing core competencies
- **Merger** of individual group companies
- Use of **group-wide synergy effects** through central control of the functional areas
- Strengthening technotrans as **one brand**

2023 – 2025

**Phase II:** Profitable growth & Investment

**Accelerated growth based on:**

- Focus on key markets (Plastics, Print, Energy Management, Healthcare & Analytics)
- New technologies
- International business expansion

Strategy "Future Ready 2025"

# Key Activities



# Future Ready 2025: Main Milestones 2021

## 2021 – 2022 Phase I: Stability & Profitability

- Continuation of the **initiated change process based** on existing core competencies
- **Merger** of individual group companies
- Use of **group-wide synergy effects** through central control of the functional areas
- Strengthening technotrans as **one brand**



New Website – Go Live



Consolidation of group companies

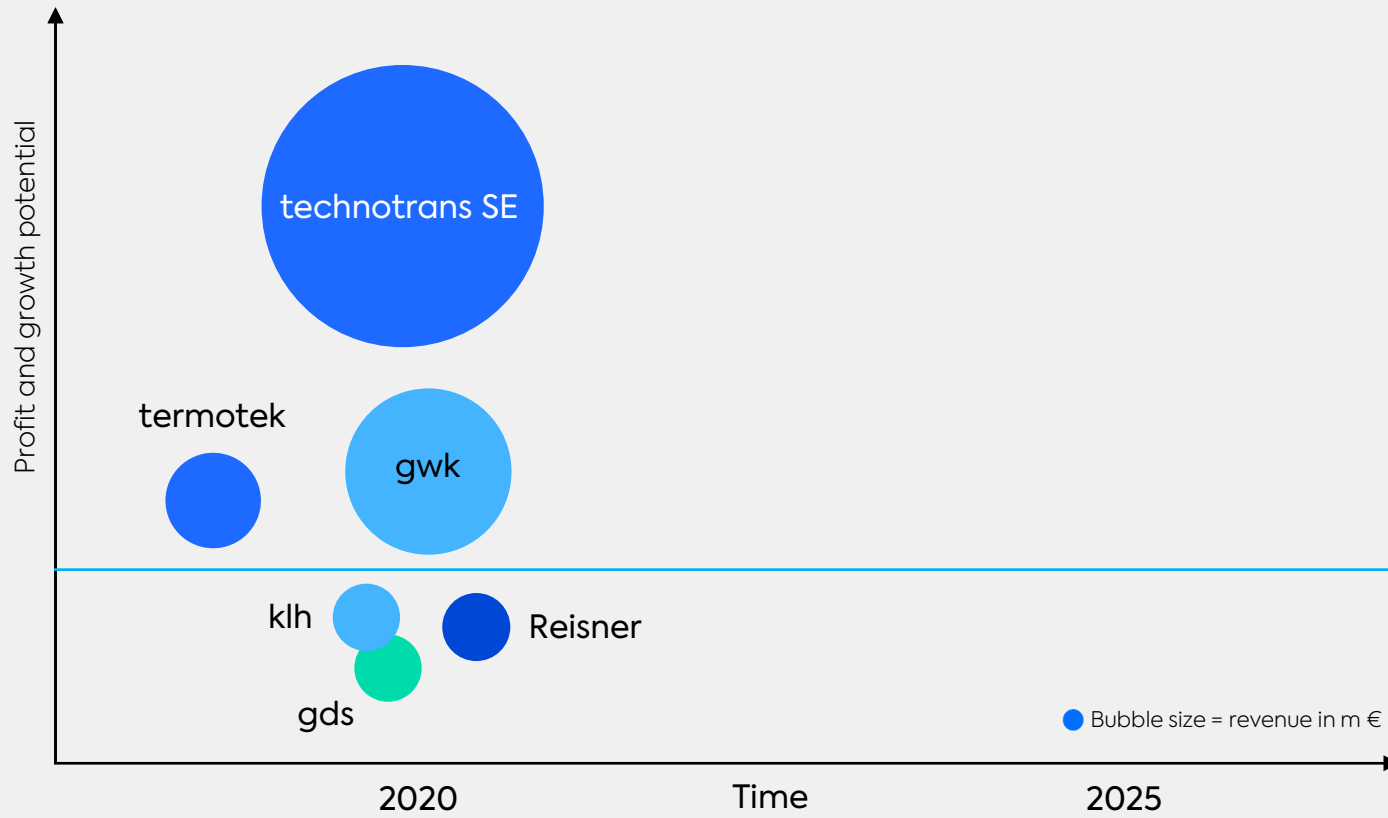


Establish umbrella brand



ESG – Next steps

# Consolidation of group companies

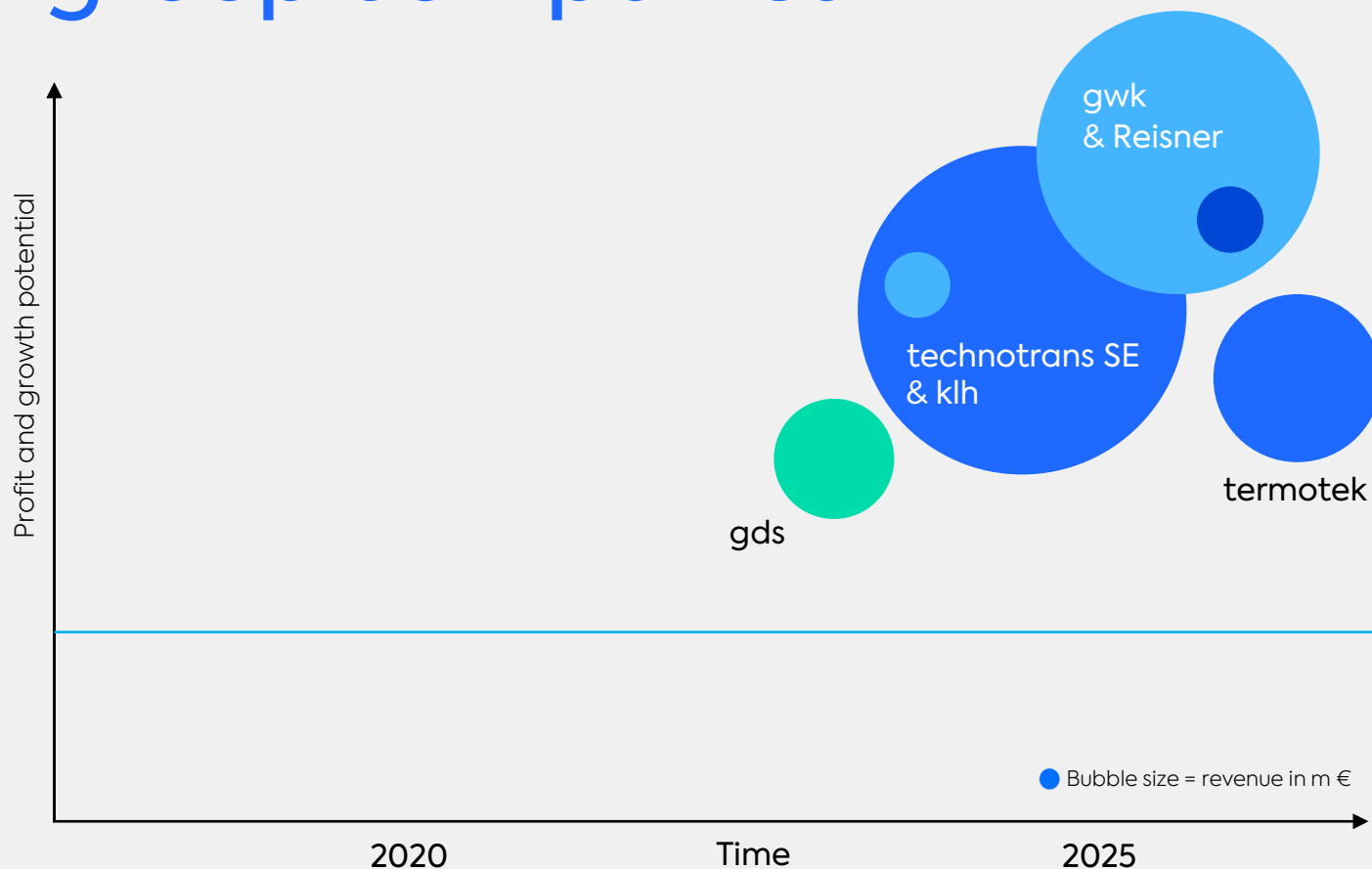


## Consolidation in terms of

- organisational merging to increase efficiency
- market focus, through technological and sales competence for our customers

Strategy "Future Ready 2025"

# Consolidation of group companies



## Company

## Markets

ttSE/KLH

Print, Energy Management, Laser & Machine Tool Industry

gwk/Reisner

Plastics

termotek

Healthcare & Analytics, Laser & Machine Tool Industry (small size)

gds

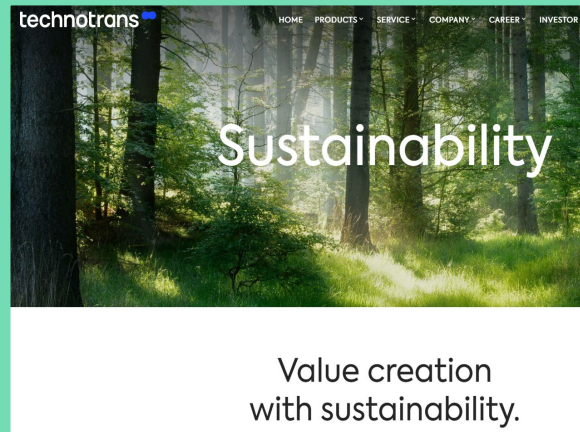
Technical Documentation



# Sustainability – moving forward step by step



- Reisner: New energy efficient location built in less than 9 months in 2020
- Now 2 out of 5 plants in Germany are KfW 55 standard.



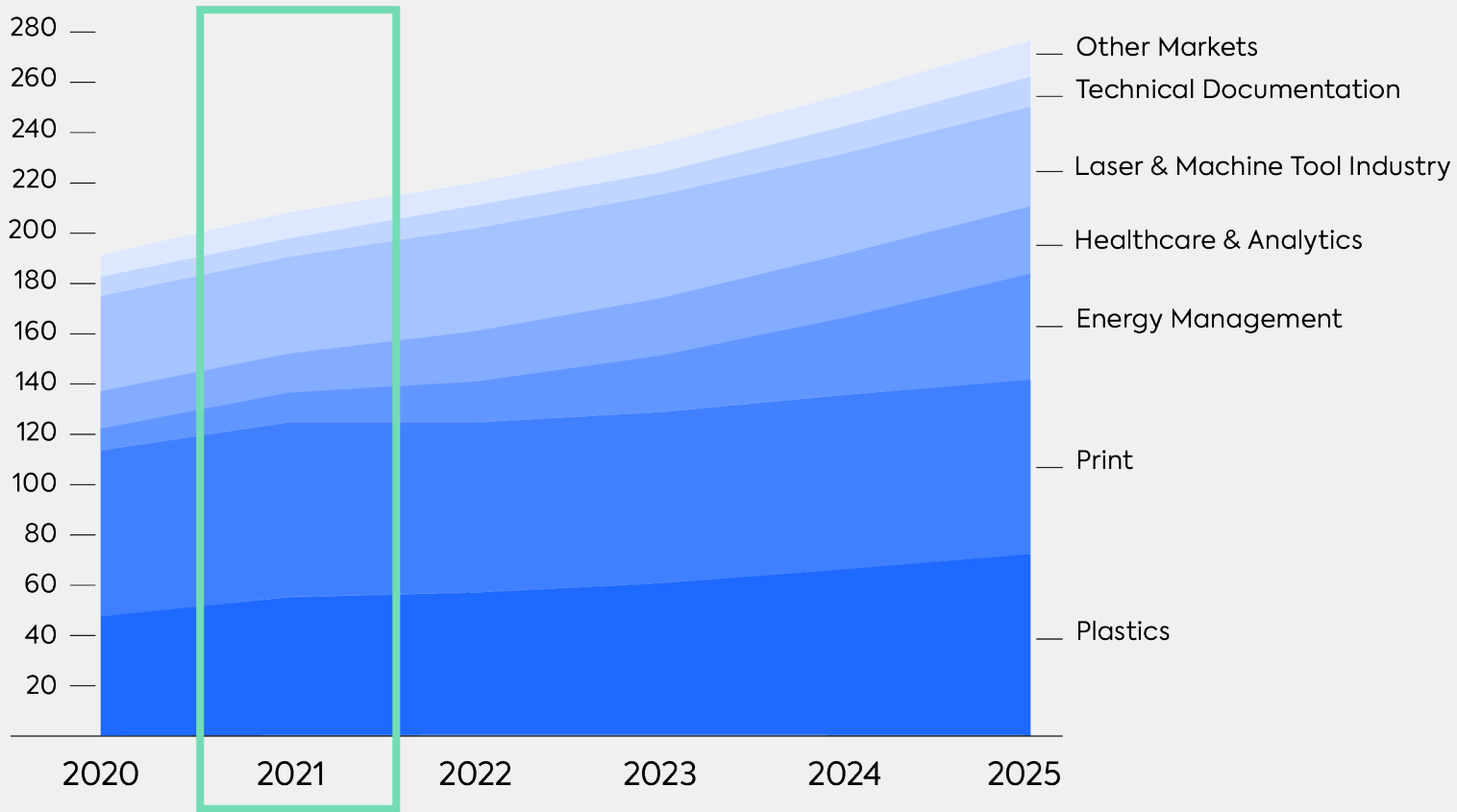
- Website Relaunch:**
- technotrans implements a dedicated page for sustainability.

Kriterium	Verstärkt	Typischer Indikator*	Einheit	2020	
Umwelt	Ressourceneffizienz	ESG-01	GWh	11,8	
	Energieverbrauch - Produktion	ESG-01	GWh	4,7	
	Energieverbrauch - Produktion CO <sub>2</sub> -Äquivalent	ESG-01	10 <sup>3</sup> t CO <sub>2</sub> -Eq	809	
	Treibhauspotenzial	Durchschnittliches GWP der Klimabelastung <sup>1)</sup>	Jahre	145 Jahre	
Mensch	Lebensdauer der Produkte				
	Wartung				
Prozess	Reparierbarkeit eigener Produkte	%	> 95%		
	Mitarbeiterstruktur	Alterstrukturverteilung	Nach Altersgruppen	30.3-01	
		18-30 Jahre	FTE	2	
		31-39 Jahre	FTE	238	
		40-49 Jahre	FTE	340	
	50-59 Jahre	FTE	394		
	60-69 Jahre	FTE	369		
	70+ Jahre	FTE	369		
	Wahlberechtigte Mitarbeiter im Konzern	Anteil an der Belegschaft (Mitarbeiter)		%	20,2
	Traditionelle Führungsrollen im Konzern (erste und zweite Führungsebene)	Anteil an der Belegschaft (OTB)	150-01	%	11,4
Ausländische Konzern	Anteil innerhalb der Führungsrollen		%	12,4	
Umwelt	Fluchtlinien	Anteil an der Belegschaft		Anzahl	
	Mitarbeitergewerkschaft		%	0,0	
Mitarbeiterqualifikation	Kennzahlquote	Anteil an Gesamtbeschäftigten	%	5,8	
	Mitarbeiter im Konzern, die das technotrans-Verhaltenscodex erhalten haben	Anteil an der Belegschaft	%	100	
Prozess	Qualifizierung/Aus- und Fortbildung	Ausgaben pro FTE	EUR	377	
	Leifachrate		%	100	
Umwelt	Anteil Lieferanten, die auf Einhaltung von ESG Kriterien bewertet wurden <sup>1)</sup>	ESG-01	%	100	
	Anteil Lieferanten, die auf Einhaltung von ESG Kriterien nicht bewertet wurden <sup>1)</sup>	ESG-02	%	100	
Umwelt	Zahlungen an politische Parteien	000-01	%	0	
	Einzahlungen für Wettbewerbszwecke	000-01	EUR	0	

\*1) Produktkategorien in Deutschland: Gosseberg, Meineropfen, Boden-Boden, Bod-Dobben, Holzdecke

- Annual Report 2020:**
- technotrans enhances ESG reporting by introducing and reporting selected EFFAS indicators.

# Our markets in 2021



## Plastics

- Stable development to be expected.
- Merger of gwk/Reisner enhances our value for clients

## Energy Management

- Stability through mid-term order book
- Enhanced market position offers additional potential for further projects

## Healthcare & Analytics

- We intend to leverage our sales successes of 2020 in medical technology.
- In addition we expect a stable development in scanner applications.

## Print

- Flat market development expected.
- We will support our customers as a preferred development partner.

## Laser & Machine Tool Industry

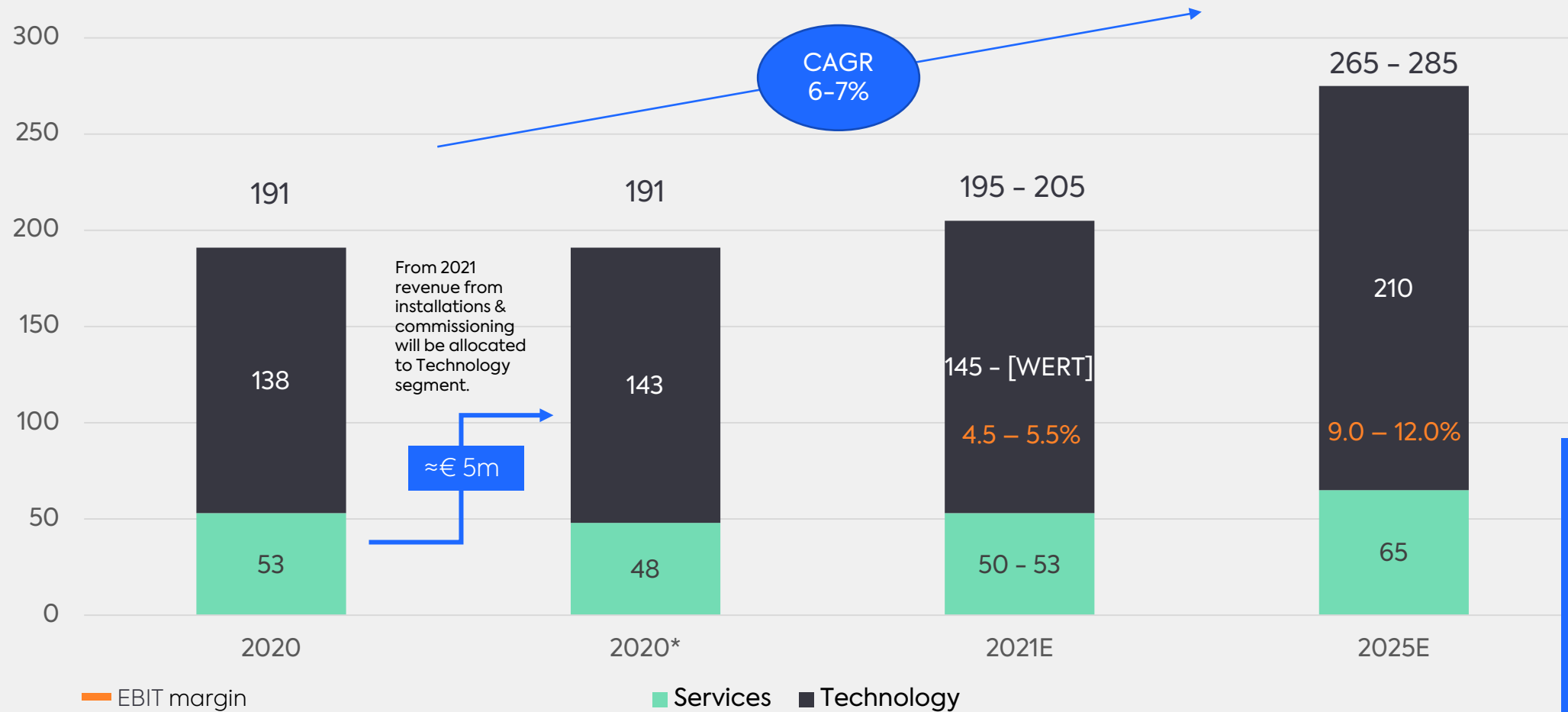
- Markets will remain challenging.

# Main Financial Targets 2021:



Outlook

# Guidance 2021/2025: Organic growth track



**Assumptions:**

- Market recovery in 2021
- No additional impacts from COVID-19 in 2021

\*) Pro forma presentation of revenue composition with amended allocation of initial installation & commissioning business.

Investor and Analyst Conference Call

# For 2020, it has been confirmed, that

- technotrans remains profitable also under difficult conditions.
- technotrans remains successful in winning new business despite of the critical economic conditions.
- technotrans remains an attractive investment based on the growth potential that is being extended even in the currently challenging environment.



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# Investor Relations



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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.

# Addendum



# Consolidated Balance Sheet as of December 31, 2020

Assets	Note	31/12/2020	31/12/2019
		€ '000	€ '000
<b>Non-current assets</b>			
Property, plant and equipment	(1)	36,781	33,268
Right-of-use assets	(2)	3,210	3,846
Goodwill	(3)	23,513	23,513
Intangible assets	(4)	7,016	7,493
Other financial assets	(5)	151	185
Deferred taxes	(28)	1,442	1,484
		<b>71,813</b>	<b>69,789</b>
<b>Current assets</b>			
Inventories	(6)	26,702	28,257
Trade receivables	(7)	21,082	24,039
Income tax receivable	(8)	103	349
Other financial assets	(9)	546	733
Other assets	(9)	2,122	1,926
Cash and cash equivalents	(10)	25,749	20,910
		<b>76,304</b>	<b>76,214</b>
<b>Total assets</b>		<b>148,117</b>	<b>146,003</b>

Equity and liabilities	Note	31/12/2020	31/12/2019
		€ '000	€ '000
<b>Equity</b>			
Issued capital	(11)	6,908	6,908
Capital reserve		19,097	19,097
Retained earnings		55,461	49,374 *
Other reserves		-6,999	-6,394
Net profit for the period		4,956	6,088 *
<b>Total equity attributable to technotrans SE shareholders</b>		<b>79,423</b>	<b>75,073</b>
Non-controlling interests in equity		-5	-6 *
		<b>79,418</b>	<b>75,067</b>
<b>Non-current liabilities</b>			
Borrowings	(12)	31,043	33,760
Employee benefits	(16)	686	809
Other financial liabilities	(13)	1,680	2,607
Deferred taxes	(28)	448	657
		<b>33,857</b>	<b>37,833</b>
<b>Current liabilities</b>			
Borrowings	(12)	12,960	6,696
Trade payables	(14)	4,606	5,952
Prepayments received	(15)	3,210	4,242
Employee benefits	(16)	5,309	5,154
Provisions	(17)	3,490	3,891
Income tax payable	(18)	274	745
Other financial liabilities	(19)	2,715	2,991
Other liabilities	(19)	2,278	3,432
		<b>34,842</b>	<b>33,103</b>
<b>Total equity and liabilities</b>		<b>148,117</b>	<b>146,003</b>

\* Adjustment of the previous year to show the non-controlling interests. For additional information please refer to note "II. Group a) Consolidated Companies" of the Annual Report 2020.

# Consolidated income statement

	Note	2020	2019
		€ '000	€ '000
Revenue	(20)	190,454	207,927
of which Technology		137,716	148,424
of which Services		52,738	59,503
Cost of Sales	(21)	-137,012	-146,612
Gross profit		53,442	61,315
Distribution costs	(22)	-21,226	-25,606
Administrative expenses	(23)	-18,375	-18,760
Development costs	(24)	-7,347	-7,575
Net impairment losses on financial and contract assets	(7)	-165	-510
Other operating income	(25)	1,511	1,911
Other operating expenses	(26)	-1,060	-2,437
Earnings before interest and taxes (EBIT)		6,780	8,338
Financial income		86	630
Financial charges		-746	-763
Net finance costs	(27)	-660	-133
Profit before tax		6,120	8,205
Income tax expense	(28)	-1,163	-2,116
Net profit for the period		4,957	6,089
of which:			
Profit attributable to technotrans SE shareholders		4,956	6,088 *
Profit attributable to non-controlling interests		1	1 *
Earnings per share (€)	(29)		
basic / diluted		0.72	0.88

\* Adjustment of the previous year to show the non-controlling interests. For additional information please refer to note "II. Group a) Consolidated Companies" in the Annual Report 2020.

# Consolidated cash flow statement Jan. 1, 2020 – DEC. 31, 2020

	Note	2020	2019
		€ '000	€ '000
<b>Cash flow from operating activities</b>	(30)		
Net profit for the period		4,957	6,089
Adjustments for:			
Depreciation and amortisation		7,069	7,670
Income tax expenses	(28)	1,163	2,115
Gain (-) / loss (+) on the disposal of property, plant and equipment	(25), (26)	-49	-142
Foreign exchange losses (+) / gains (-)		-320	-46
Net finance costs	(27)	660	133
Other non-cash changes from leases	(2)	-202	0
Cash flow from operating activities before working capital changes		13,278	15,819
Change in:			
Inventories	(6)	1,555	38
Receivables and other current assets		2,983	3,402
Liabilities and prepayments		-3,856	1,178
Provisions and employee benefits	(16), (17)	-370	-863
Cash from operating activities		13,590	19,574
Interest received		34	15
Interest paid		-659	-630
Income taxes paid/income tax rebates		-738	-2,158
Net cash from operating activities		12,227	16,801
Cash flow from investing activities	(31)		
Cash payments for investments in property, plant and equipment and in intangible assets		-8,412	-9,363
Proceeds from the sale of property, plant and equipment		100	210
Net cash used for investing activities		-8,312	-9,153

	Note	2020	2019
		€ '000	€ '000
<b>Cash flow from financing activities</b>	(32)		
Cash receipts from the raising of short-term and long-term loans		10,500	17,500
Cash payments from the repayment of loans		-6,696	-11,431
Distribution to investors		0	-6,079
Cash payments from the repayment of lease liabilities		-2,620	-2,356
Net cash used in financing activities		1,184	-2,366
Change in cash and cash equivalents		5,099	5,282
Cash and cash equivalents at start of period		20,910	15,566
Net effect of currency translation in cash and cash equivalents		-260	62
Cash and cash equivalents at end of period	(10), (33)	25,749	20,910

# technotrans – an attractive investment

<ul style="list-style-type: none"> <li>– Profitable growth strategy</li> <li>– Technological leadership</li> <li>– Clear market focus</li> <li>– Diversified customer base</li> <li>– International network</li> <li>– Sustainability commitment</li> <li>– Attractive dividend policy</li> </ul> <p><b>Equity Story</b></p>	<p><b>172,7 € mn</b>                  + 34% in the year 2020                  (18,70€ to 25,00 €)</p> <p><b>Market Cap                  Dec 31, 2020</b></p>	<p><b>up to 50%</b>                  of consolidated                  net profit</p> <p><b>Dividend                  Policy</b></p>	<table border="0"> <tr><td>Gerlin/Midlin/Luxempart</td><td>25.1 %</td></tr> <tr><td>Objectif Small Cap</td><td>5.3 %</td></tr> <tr><td>Allianz Vie</td><td>5.1 %</td></tr> <tr><td>LOYS Investment</td><td>4.7 %</td></tr> <tr><td>Universal Investment</td><td>3.4 %</td></tr> <tr><td>MONOLITH</td><td>3.0 %</td></tr> <tr><td>FREE FLOAT</td><td>53.4 %</td></tr> </table> <p><b>Current Shareholder                  Structure</b></p>	Gerlin/Midlin/Luxempart	25.1 %	Objectif Small Cap	5.3 %	Allianz Vie	5.1 %	LOYS Investment	4.7 %	Universal Investment	3.4 %	MONOLITH	3.0 %	FREE FLOAT	53.4 %	<table border="0"> <tr><td>Commerzbank</td><td>HOLD 24,00€</td></tr> <tr><td>Hauck &amp; Aufhäuser</td><td>BUY 32,00€</td></tr> <tr><td>Warburg</td><td>BUY 31,10€</td></tr> </table> <p><b>Research                  Coverage</b></p>	Commerzbank	HOLD 24,00€	Hauck & Aufhäuser	BUY 32,00€	Warburg	BUY 31,10€
Gerlin/Midlin/Luxempart	25.1 %																							
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FREE FLOAT	53.4 %																							
Commerzbank	HOLD 24,00€																							
Hauck & Aufhäuser	BUY 32,00€																							
Warburg	BUY 31,10€																							

Share Price as of March 8, 2021 (Xetra closing): € 28.50

Dividend proposal to Annual General Meeting 2021: € 0.36