

Webcast H1 2024

POWER TO TRANSFORM -
STRATEGY INTO RESULTS

Michael Finger | CEO

Robin Schaede | CFO

Sassenberg, 14th August 2024

Power to transform



Overview



Focus markets



Financials



Strategy & Outlook

Power to transform



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Focus markets



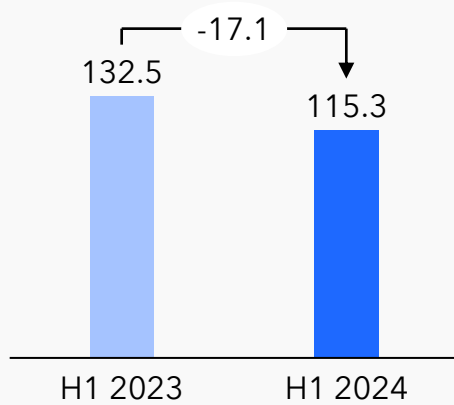
Financials



Strategy & Outlook

Overview 1st half-year 2024

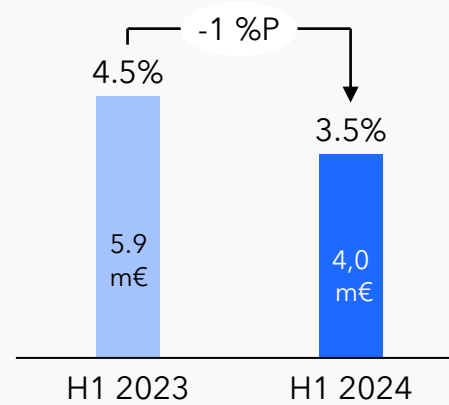
Revenue (m€)



Finances

- Revenue below previous year due to general economic conditions
- Slight sales upturn in the second quarter
- Significant increase in earnings in Q2: EBIT margin 6.2%

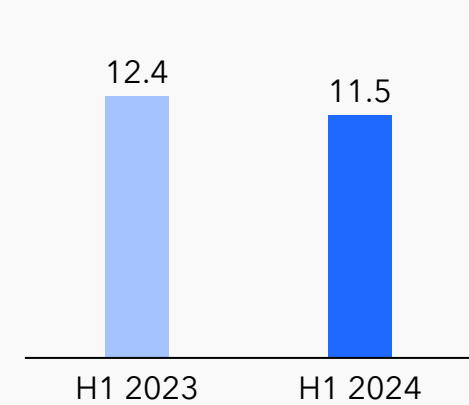
EBIT (m€) | EBIT margin (%)



Markets

- Weak economy dampens business development
- Growth momentum in Energy Management continues (+26%)
- Book-to-bill ratio: 1.0
- Order backlog: 84 m€

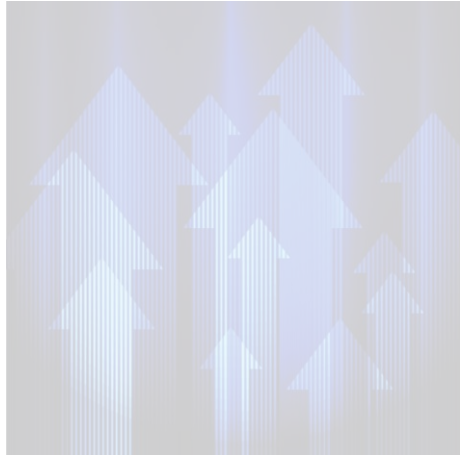
ROCE (%)



Strategy

- Strategy Future Ready 2025 on schedule
- Efficiency program ttSprint is consistently implemented
- All milestones achieved
- Cost structure is sustainably reduced

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Strategy & Outlook

Focus on growth



PRINT

Market characterized by subdued economy | Upswing after drupa confirmed as expected | Energy efficiency and packaging printing remain market drivers



PLASTICS

New generation of temperature control units presented at the NPE trade fair (USA) | Further revenue potential tapped at KUTENO



LASER

subdued economic environment characterizes development | increasing momentum expected in the remaining quarters and subsequent years as the economy picks up



HEALTHCARE & ANALYTICS

Revenue in the analytics segment develop as planned at pre-corona level | economic influences continue to have a dampening effect



ENERGY MANAGEMENT

Strong sales growth continues | market-ready retrofit solution datacenter| major order for electric bus manufacturer | high demand for battery thermal management systems

Revenue H1 2024

38.8 m€

-14 %

Revenue H1 2024

25.5 m€

-15 %

Revenue H1 2024

21 m€

-30 %

Revenue H1 2024

6.7 m€

-4 %

Revenue H1 2024

16.6 m€

+26 %

DRUPA 2024

technotrans reports positive drupa results

- High and positive response to Trade Fair presence
- Future-proof cooling and liquid technology presented
- technotrans focussed on energy efficiency and cost-effectiveness
- New product generation with natural refrigerants with high customer demand
- Major printing press manufacturers report high order intake
- Print business expected to pick up in the second half of the year



DATACENTER COOLING

technotrans expands its portfolio

- Product range expanded to include liquid-based cooling solutions for existing datacenters (retrofit solution)
- Initial order in the single-digit million euro range won for the conversion of US high-performance servers, with follow-up orders expected
- Series production started
- technotrans taps additional potential in the rapidly growing market for liquid cooling of datacenters



MAJOR ORDER

Battery cooling systems for new e-buses

- Large-volume order in the high single-digit million euro range
- Series production of battery thermal management systems (BTMS) for several e-bus series
- Delivery to 3 European locations
- Growth accelerator in technotrans' focus market Energy Management
- Milestone in the road vehicles segment



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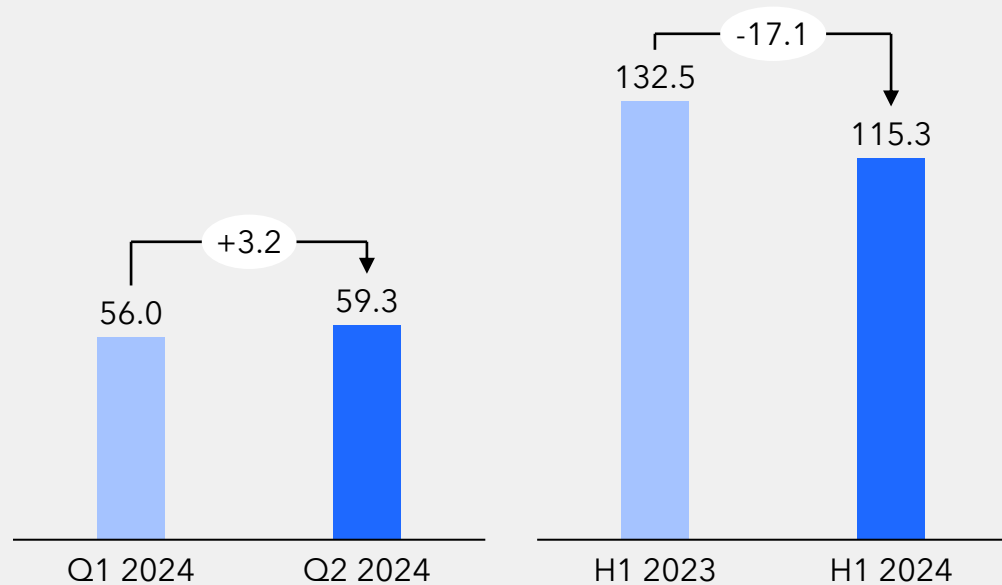
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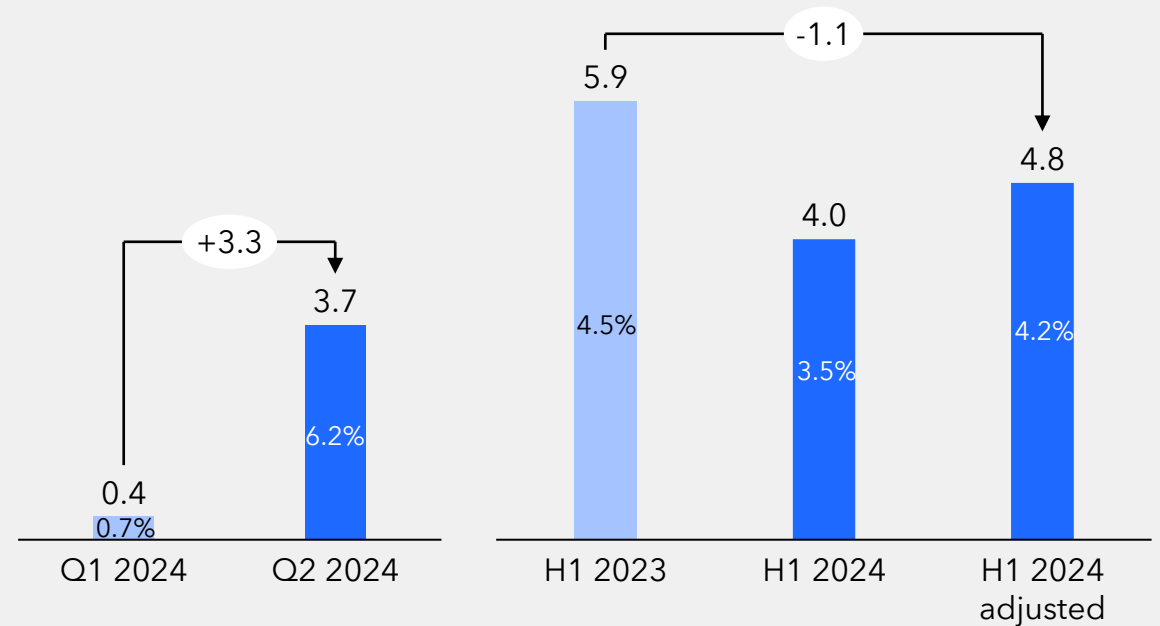
Revenue and EBIT

Revenue (m€)



- Revenue in Q2 slightly improved compared to Q1
- Significant decline in revenue compared to previous year due to economic conditions

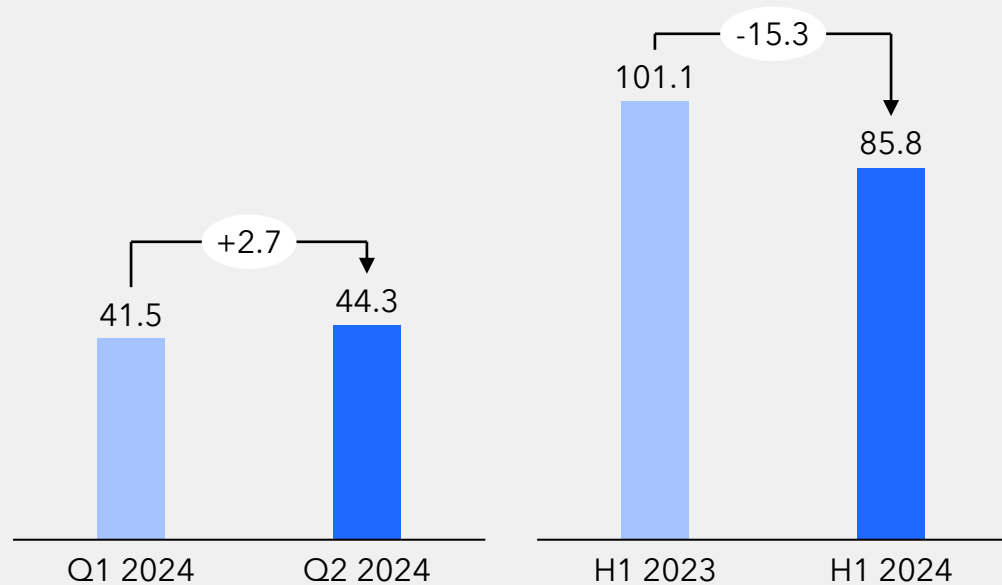
EBIT (m€) | EBIT margin (in %):



- Significant EBIT increase Q2 vs. Q1
- Decline in earnings compared to previous year driven by sales
- Restructuring costs of 0.8 million € included in H1
- Adjusted EBIT 4.8 million € and EBIT margin 4.2%

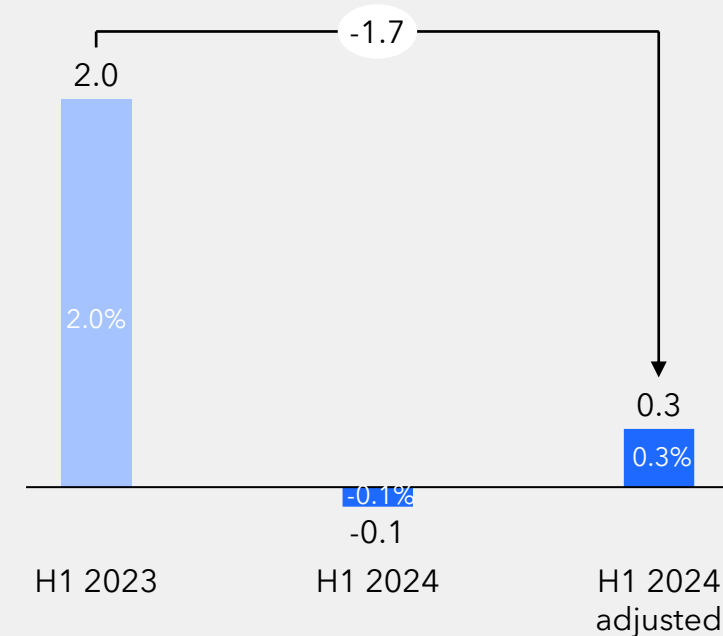
Segment Technology

Revenue (m€)



- Increase in revenue Q2 vs Q1 shows slight upturn in business
- H1 significantly below previous year due to economic conditions
- Energy Management remains a growth driver

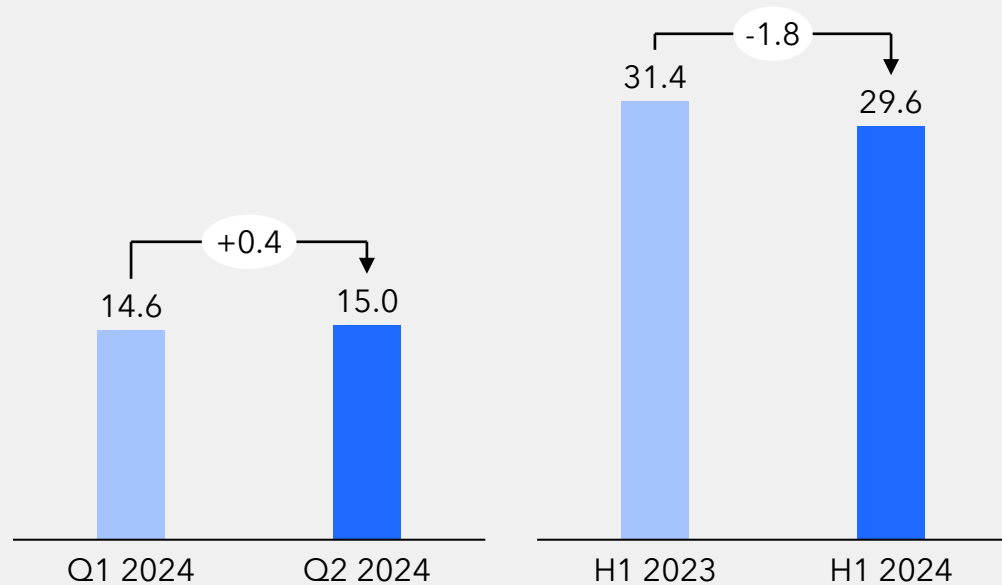
EBIT (m€) | EBIT margin (in %):



- Lack of economies of scale after decline in revenue
- Restructuring costs of 0.4 million € as additional burden
- Short-time work at various locations only compensates to a limited extent

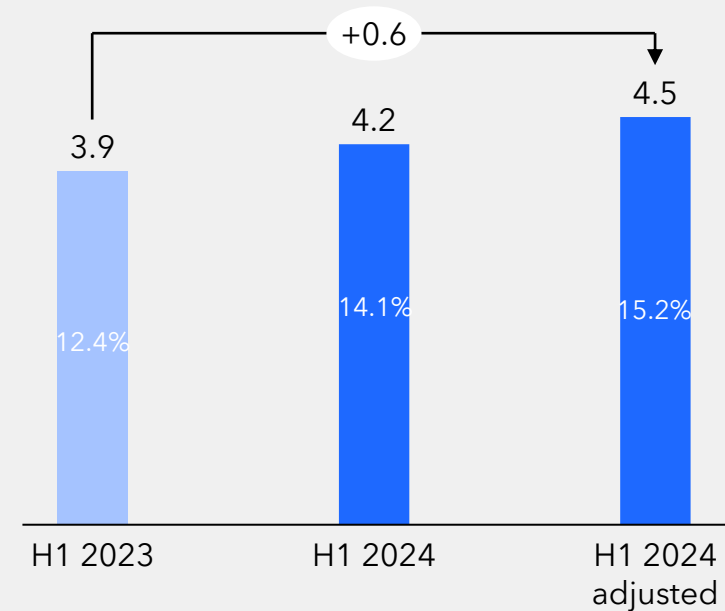
Segment Services

Revenue (m€)



- Slight increase in service revenue in Q2 compared to Q1
- H1 1.8 million € below previous year due to overall economic conditions
- Decline in spare parts business in Print

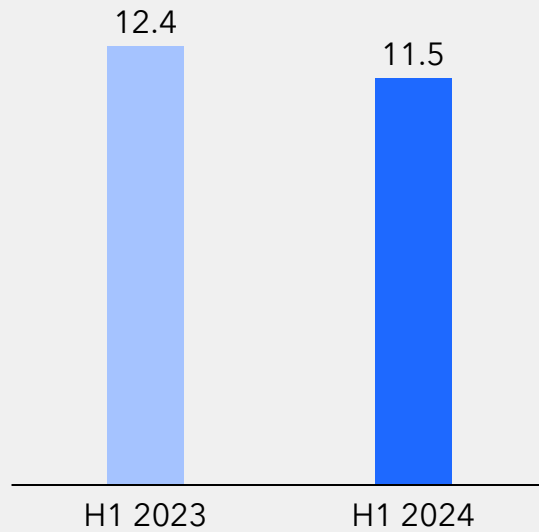
EBIT (m€) | EBIT margin (in %):



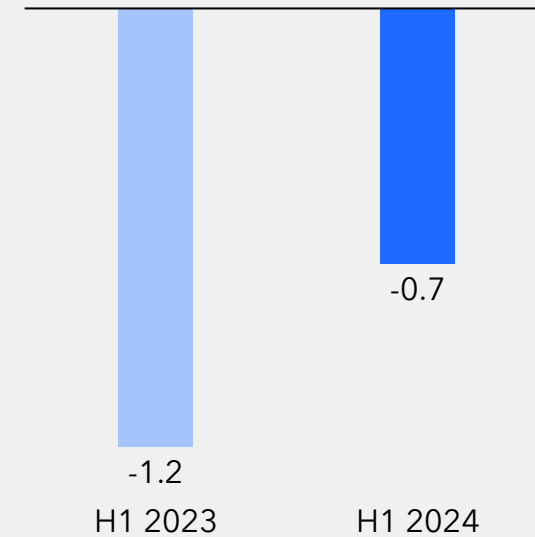
- Profitability increased despite decline in revenue
- Restructuring costs of 0.4 million € have a negative impact
- Margin increase to 14.1% (adjusted 15.2%)

ROCE and free cash flow

ROCE (%)



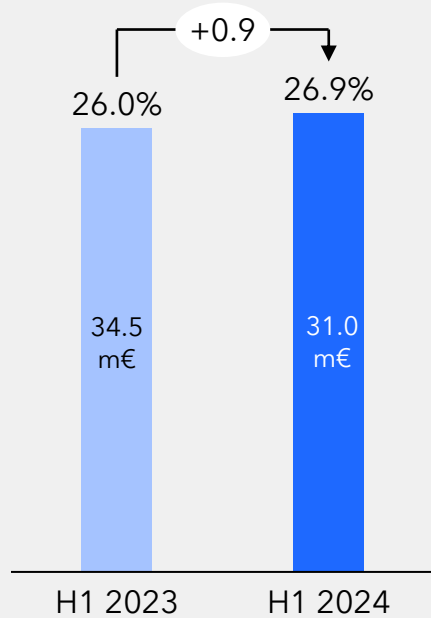
Free cash flow (m €)



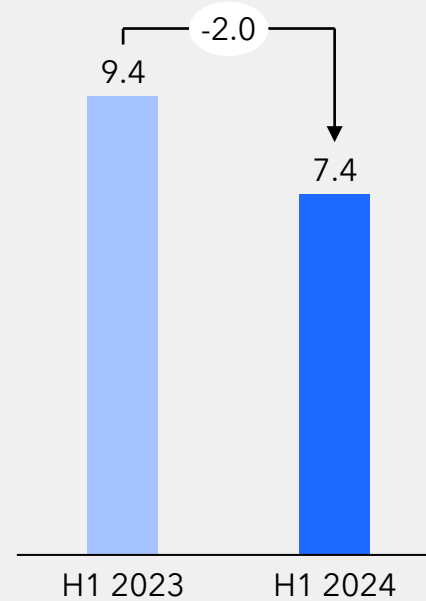
- ROCE suffers from EBIT decline
- Free cash flow improved compared to previous year
- Reporting date effects in receivables and inventories prevent positive FCF figure

Earnings performance

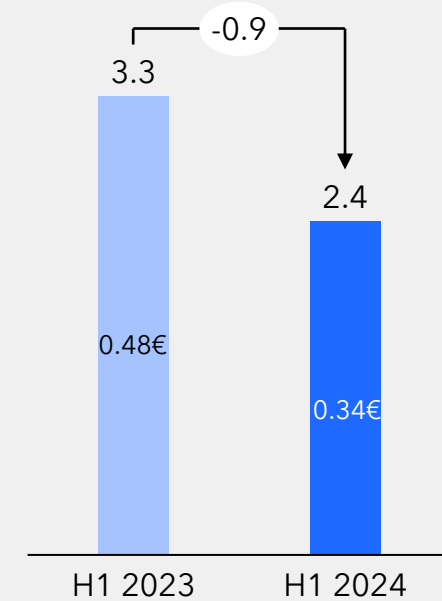
Gross margin (%) | Gross profit (m€)



EBITDA (m€)



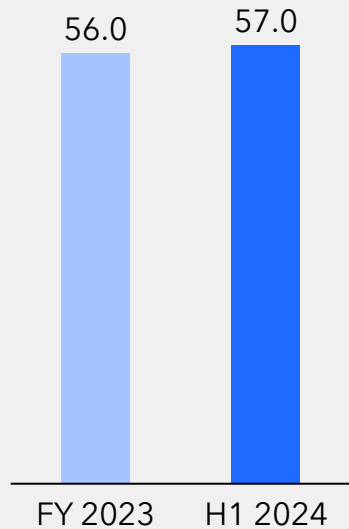
Profit for the period (m€)
Earnings per share (€)



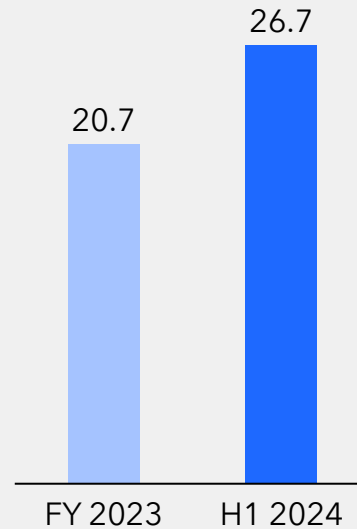
- Improvement in gross margin despite decline in revenue
- Sales development and restructuring costs impact EBITDA and net profit
- Earnings per share down year-on-year, significantly increased compared to Q1

Net assets

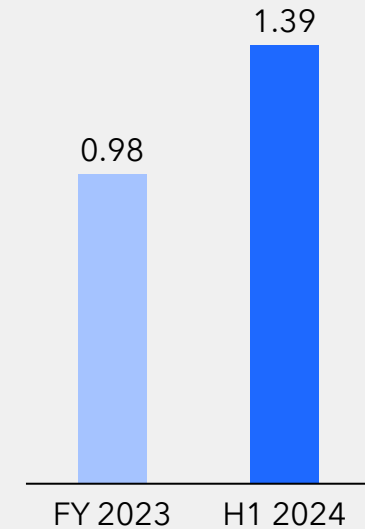
Equity ratio (%)



Net debt (m€)

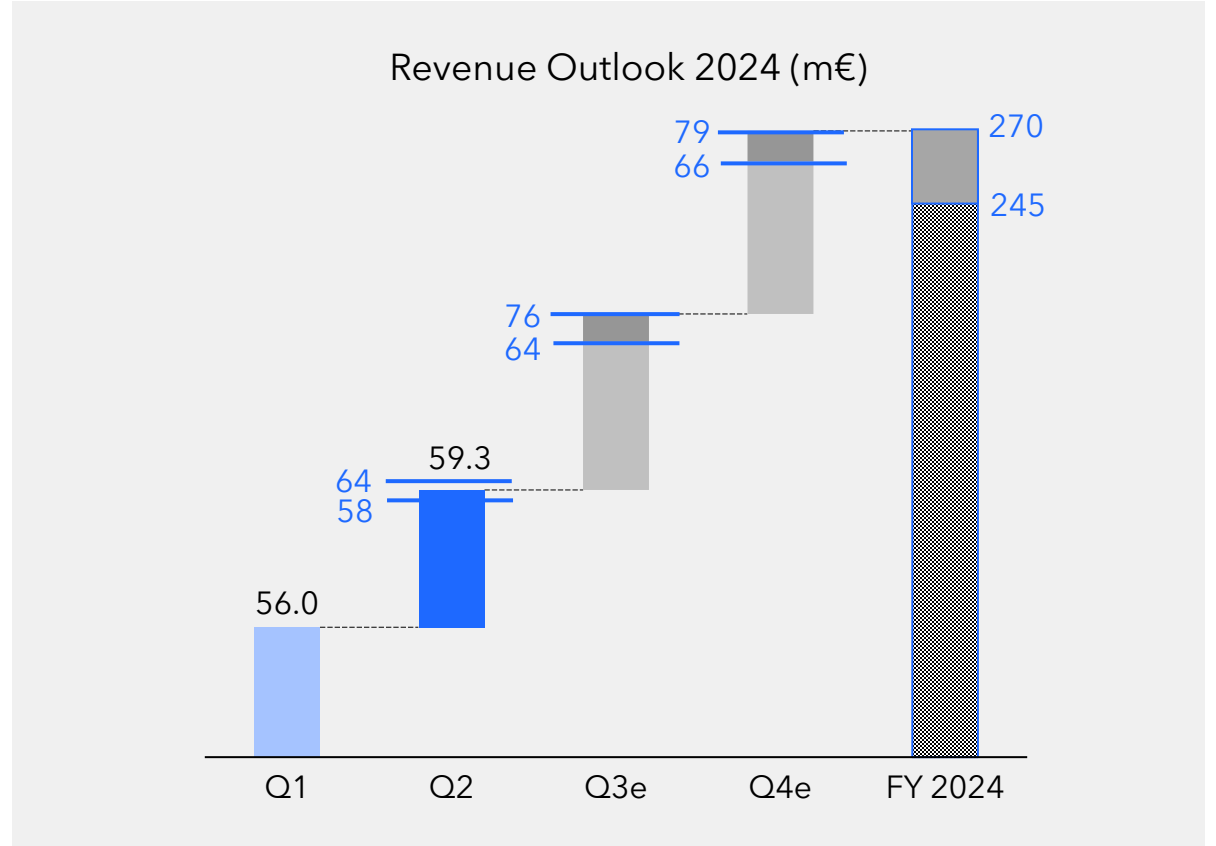
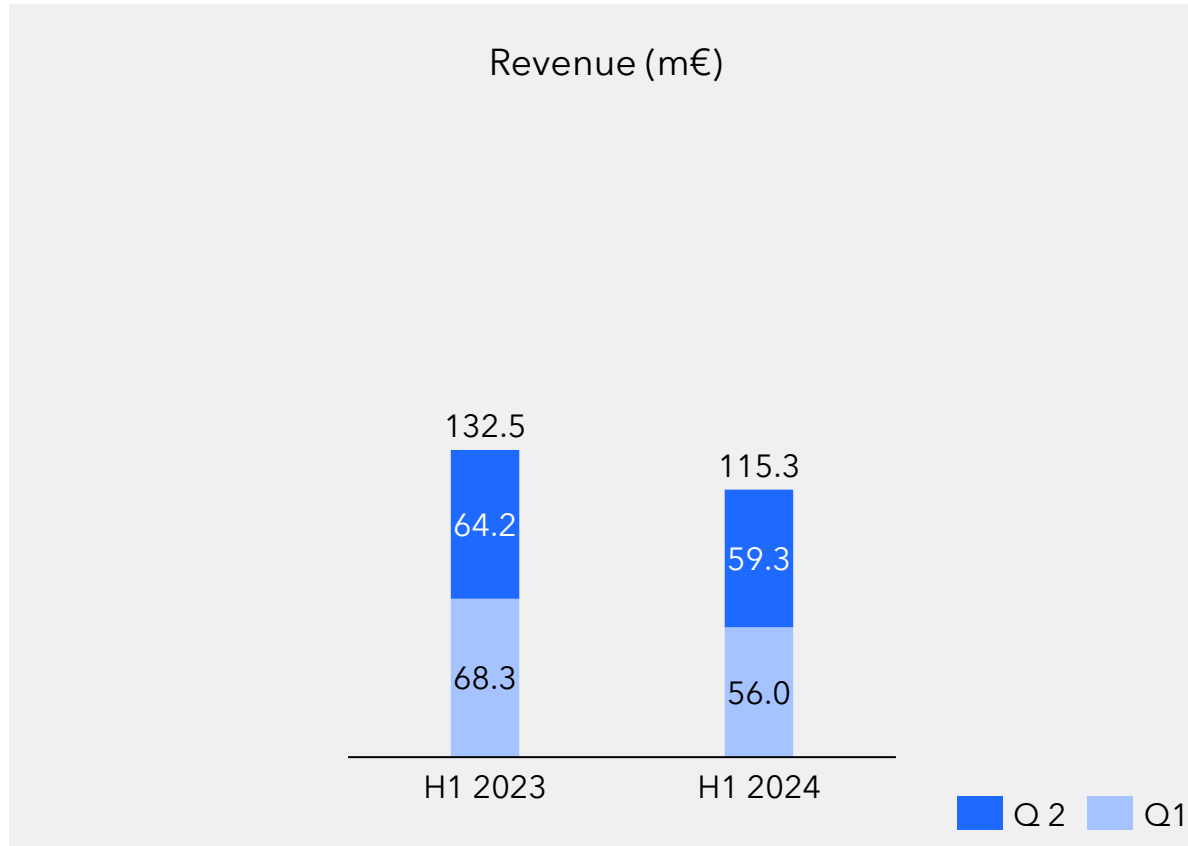


Net debt / EBITDA ratio



- Equity ratio increases slightly to 57.0 %.
- Net debt and net debt / EBITDA ratio increased due to decrease in liquidity (e.g. due to dividend distribution) and weaker earnings situation

Revenue expected to pick up in H2 2024



- Revenue in Q2 slightly improved compared to Q1 and within the target corridor
- Increasing upturn in revenue expected in the coming quarters | Revenue guidance 2024 confirmed
- Energy Management, Plastics and Print will drive development over the rest of the year

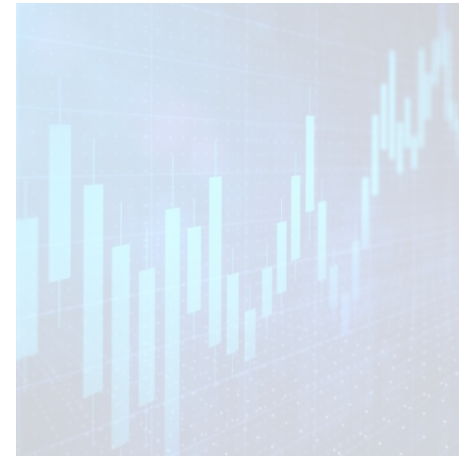
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Focus markets

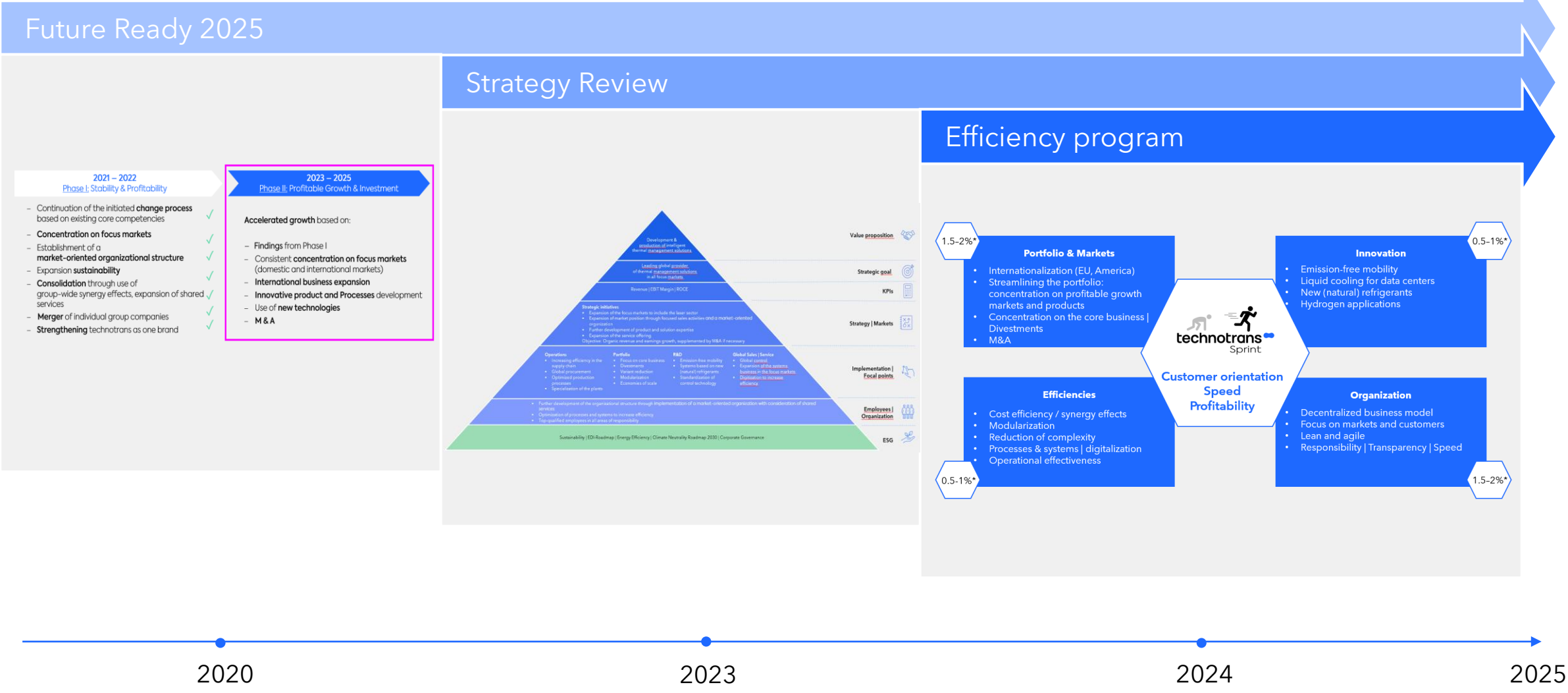


Financials



Strategy & Outlook

Future Ready 2025 & ttSprint on track



Future Ready 2025

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** ✓
- Expansion **sustainability** ✓
- 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:

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

Strategy Review

	Value proposition
	Strategic goal
	KPIs
	Strategy Markets
	Implementation Focal points
	Employees Organization
	ESG

Efficiency program

1.5-2%*

Portfolio & Markets

- Internationalization (EU, America)
- Streamlining the portfolio: concentration on profitable growth markets and products
- Concentration on the core business | Divestments
- M&A

0.5-1%*

Innovation

- Emission-free mobility
- Liquid cooling for data centers
- New (natural) refrigerants
- Hydrogen applications

0.5-1%*

Efficiencies

- Cost efficiency / synergy effects
- Modularization
- Reduction of complexity
- Processes & systems | digitalization
- Operational effectiveness

1.5-2%*

Organization

- Decentralized business model
- Focus on markets and customers
- Lean and agile
- Responsibility | Transparency | Speed

2020

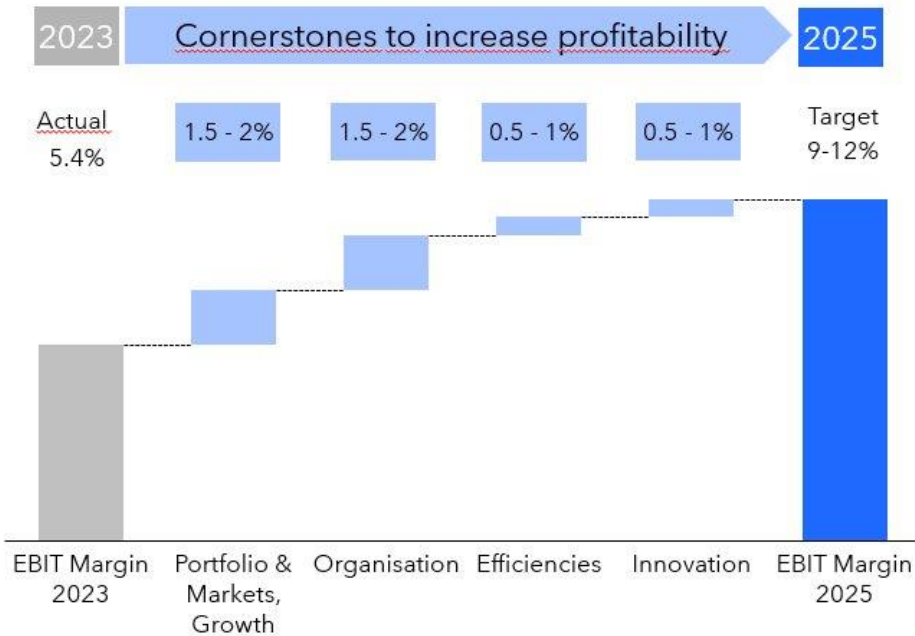
2023

2024

2025

ttSprint: Significant increase in earnings in 2025

Diagram for illustration from webcast FY/2023



Portfolio & Markets	1.5 - 2%	<ul style="list-style-type: none"> Focus on core business Divestment possible Ongoing portfolio adjustment Expansion of the series business Optimization of contribution margins
Organization	1.5 - 2%	<ul style="list-style-type: none"> Transformation successfully launched on July 1, 2024 Headcount already sustainably reduced by 83 employees since December 31, 2023
Efficiencies	0.5 - 1%	<ul style="list-style-type: none"> Material cost and OPEX savings identified Synergies from the introduction of shared service centers
Innovation	0.5 - 1%	<ul style="list-style-type: none"> High demand for energy-efficient appliances Development of hydrogen applications Applications for emission-free mobility Natural refrigerants

- All projects on track and generating the planned increases in earnings | Full-year effects effective in 2025
- Earnings contributions from cost savings for 2025 already identified
- Transformation into a market-oriented & decentralized organization proceeding according to plan
- Approx. 0.8 m€ restructuring expenses included in H1 | Expectation for full year 2024: 1.5 - 2.0 m€

OUTLOOK

Guidance 2024 - 2025

Successful in the long term

	2024e	2025e
Revenue (m€)	245 - 270	265 - 285
EBIT-margin (%)	5.5 - 7.5	9.0 - 12.0*
ROCE (%)	14.0 - 16.0	> 15.0

* On the basis of a stable geopolitical situation and a stable economy

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- These reflect the current 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 that could cause actual results to differ materially from those anticipated.