

# Investor Presentation

**35<sup>th</sup> Munich Capital Market Conference**

 04 May 2023

**Blue Cap AG**

# ■ Agenda



## 01\_ Investment Highlights

---

## 02\_ Financial Performance

---

## 03\_ Outlook

---



# 01 Investment Highlights

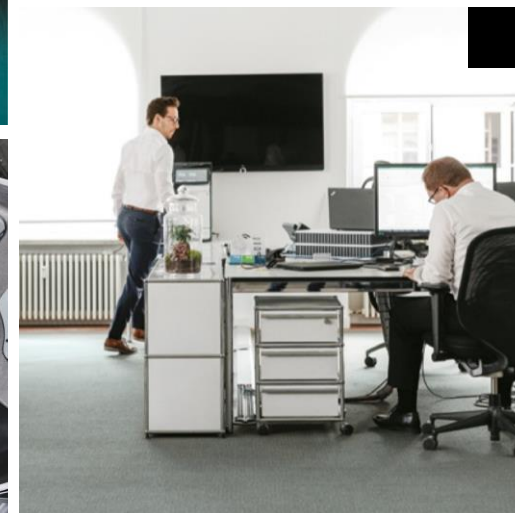
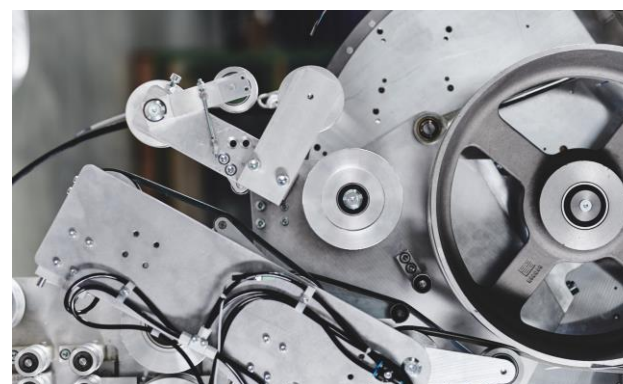
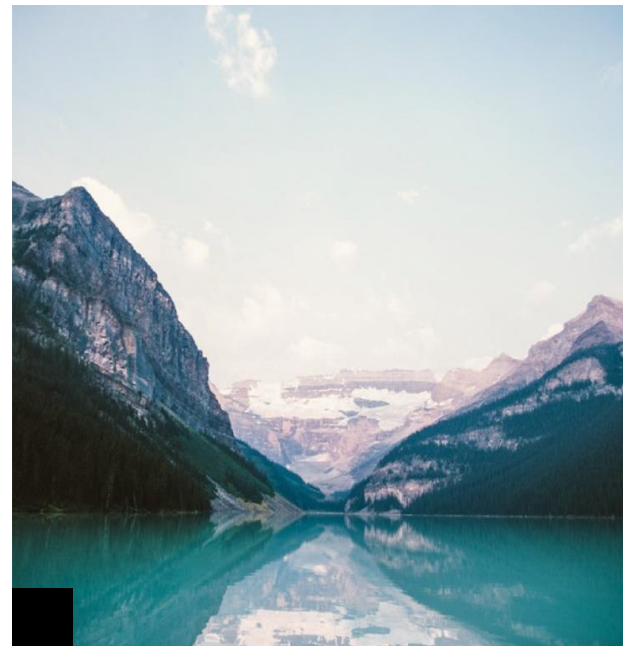


# ■ Investment Highlights

## Unique opportunity to invest in German SME companies



- 01\_ Proven and unique business model
- 02\_ Diversified portfolio of SMEs
- 03\_ Track record for value growth
- 04\_ Substantial earnings growth
- 05\_ Attractive dividend yield
- 06\_ Strong value creation potential



# ■ 01\_ Proven and unique business model – Private Equity business model as publicly listed entity



## BUY

### ▪ Investment situations, among others:



Succession



Carve-out



Growth challenges and internationalisation

### ▪ Investment criteria, among others:

- Fundamentally intact core business
- Potential for transformation & growth
- Majority stake
- Compatibility with ESG targets
- Size: Focus on SMEs with revenues < EUR 100 mn

## TRANSFORM

### Active management in the dimensions

- People & Culture
- Balance sheet
- Margin
- Growth

### Realization of additive value levers

- ESG
- Technology
- Business model

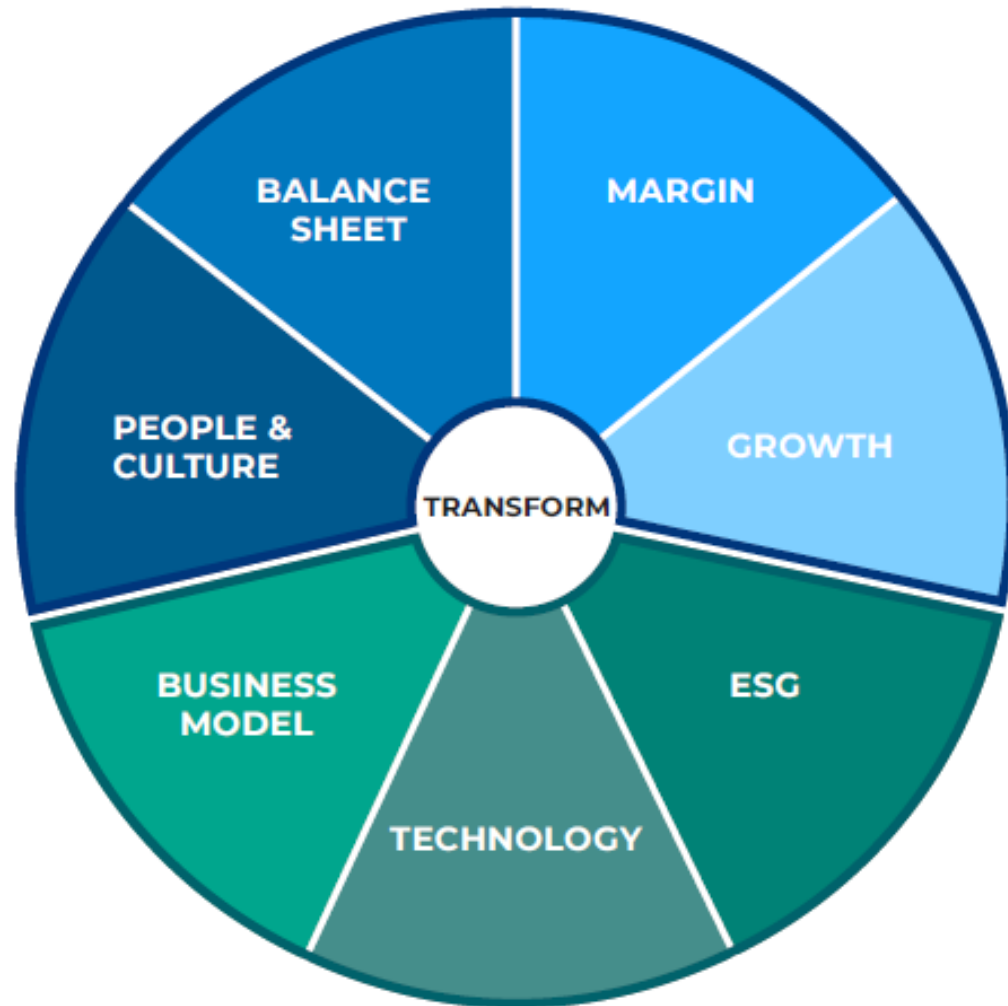
Optimal holding period: 3-7 years

Regular review of exit opportunity

## SELL

- **Active sales process:** best-owner approach
- **Passive sales process:** Approach from strategic buyers
- **Proceeds realized** from exits are reinvested in new and existing companies

## ■ 01\_ The new Blue Cap Transformation Radar



- We newly established structured processes of **value creation initiatives** for our portfolio companies
- **Core of our transformation competence** and value enhancement expertise:
  - People & Culture
  - Balance Sheet
  - Margin
  - Growth
- **Additional value creation drivers:**
  - ESG
  - Technology
  - Business Model
- We aim to assess transformation potential in all value disciplines
- We will **track and communicate** improvements

# ■ 01\_ Differentiation to other listed investment companies

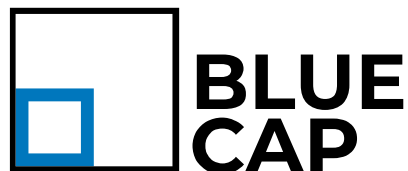


Buy, Turnaround, Sell

MUTARES



Buy, Transform, Sell



## "Best Owner" approach

- We keep our portfolio companies as long as we are the "Best Owner", and value creation is still possible with Blue Cap as main shareholder
- When our full potential is realized we actively look for the next owner who will further develop the company
- Realized proceeds from exits are reinvested in existing portfolio and new companies

**Successful exits are the proof of concept of our business model.**

Buy, Improve, Hold

[INDUS]  
HOLDING AG



## ■ 02\_ Diversified portfolio allows our shareholders to participate in different sectors and economic cycles

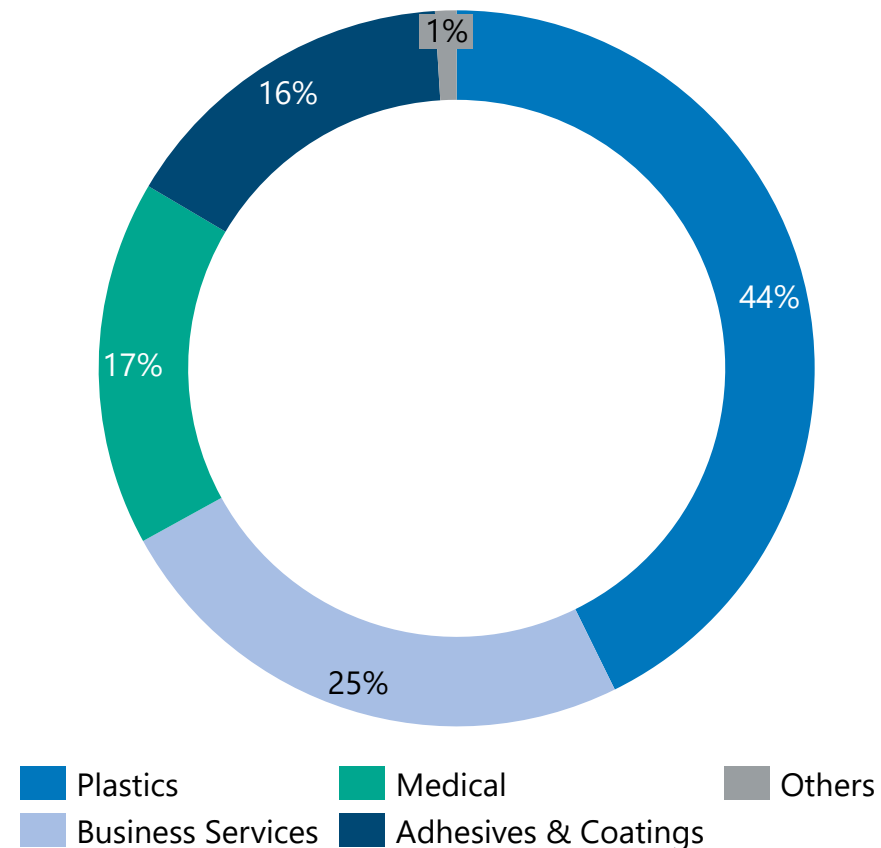


### Portfolio of

- 9 companies with headquarters in Germany
- More than 1,400 employees
- Four major segments represent the value of the group



### Net Asset Value share by segment (\*)



(\*) % shares of Group Net Asset Value as of 31 December 2022



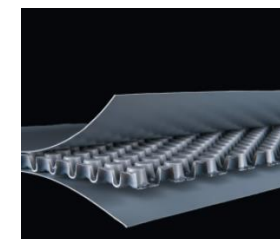
## ■ 02\_ Plastics Segment

### Plastics: 44%\*

**con-pearl®**  
lightweight performance

**Invest: 2019 / 100%**  
**Revenue: € 67.3 mn**

- Manufactures lightweight plastic boards from recycled plastic primarily for the logistic and automotive industry
- Value drivers:
  - Growth: expansion US business
  - Technology: process automatization
  - ESG: circular economy business model



**H+E**

**Invest: 2021 / 71%**  
**Revenue: € 39.9 mn**

- Plastics expert with core competence in the development of flexible plastic parts
- Value drivers:
  - Growth: new (OEM) clients and projects
  - Balance sheet: deleveraging
  - Business model: establish H+E as development partner



**uniplast**  
Wir leben Becher

**Invest: 2018 / 100%**  
**Revenue: € 56.2 mn**

- Develops and manufactures plastic packaging for fast-moving consumer goods (FMCG)
- Value drivers:
  - Growth: expansion: new (non-dairy) clients and markets
  - Technology: innovations, e.g. mono cup



(\*) % shares of Group Net Asset Value as of 31 December 2022; revenue as of 31 December 2022

## ■ 02\_ Adhesives & Coatings segment



### Adhesives & Coatings: 16%\*

**PLANATOL®**  
smart gluing

**Invest: 2009 / 100%**

**Revenue: € 38.9 mn**

- Niche supplier of adhesive products for different industries
- Value drivers:
  - Growth: strengthen export and international business
  - Technology: focus on innovations and cooperations
  - People & Culture: strengthen sales function

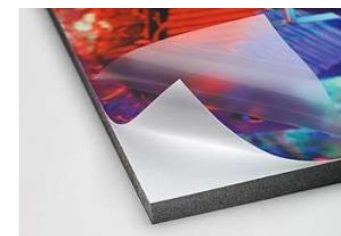


  
**NESCHEN**

**Invest: 2016 / 100%**

**Revenue: € 57 mn**

- Leading international company for self-adhesive media and coating solutions
- Value drivers:
  - Growth: investment in hot melt technology, drive growth in focus regions by business areas
  - People & Culture: strengthen management
  - Margin: focus on industrial applications, optimize product mix & pricing, modification of Filmolux business model



(\*) % shares of Group Net Asset Value as of 31 December 2022; revenue as of 31 December 2022

## ■ 02\_ Business Services segment

### Business Services: 25%\*



**Invest: 2021 / 93%**  
**Revenue: € 67.4 mn**

- Electronic product and systems distributor with a special focus on value-add through technical consulting and development expertise
- Value drivers:
  - Growth + Margin: profitable growth in the areas of system solutions and design-in products
  - People & Culture + Business Modell: establish ONE HY-LINE business model and merge business activities
  - Technology: improve IT-systems



**Transline**  
Übersetzen. Verstehen.

**Invest: 2022 / 74%**  
**Revenue: € 20.7 mn**

- One of the large German translation service providers with high degree of automatization
- Value drivers:
  - Growth + Margin: organic and inorganic growth, improve efficiencies, reduce fixed costs
  - People & Culture: strengthen management
  - Technology: value generation with workflow software



(\*) % shares of Group Net Asset Value as of 31 December 2022; revenue as of 31 December 2022 (also Transline)

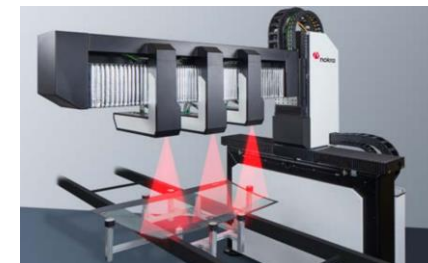
## ■ 02\_ Others and non-consolidated activity

### Others: 1%\*



Invest: 2014 / 90%  
Revenue: € 3.5 mn

- Manufactures inline measurement systems using optical lasers
- Value drivers:
  - Growth: expansion based on product competence and scalability through customer growth
  - Business Model: scaling niche competence through products



### Medical (non-consolidated, minority stake): 17%\*



Invest: 2006 / 42%  
Revenue: € 37.8 mn

- Manufacturer of products for thermal management in the laboratory automation
- Value drivers:
  - Growth: grow US business
  - Balance Sheet: net working capital improvement



(\*) % shares of Group Net Asset Value as of 31 December 2022; revenue as of 31 December 2022

## ■ 03\_ Track record for value growth – high return on invested equity capital targeted



**GÄMMERLER**

*Production Technology*

- Investment: 2011
- Exit: 2022
- Buyer: Merten Group (Austria)
- Actual market value achieved as % of NAV ~ 130%
- Money multiple: ~ 3.3x



**CARL SCHAEFER**

GOLD UND SILBER SEIT 1861

*Metal Technology*

- Investment: 2016
- Exit: 2021
- Buyer: Bauer-Walser AG (Germany)
- Actual market value achieved as % of NAV: ~105%
- Money multiple: ~ 3.1x

**em-tec**

*Medical Technology*

- Investment: 2014
- Exit: 2020
- Buyer: Dover Corp. (USA)
- Actual market value achieved as % of NAV ~ 177%
- Money multiple: ~ 4.0x

**WISAP®**

*Medical Technology*

- Investment: 2012
- Exit: 2018
- Buyer: Aouha (China)
- Actual market value achieved as % of NAV: ~ 189%
- Money multiple: ~ 3.4x

**BIOLINK**

tape solutions

*Adhesive Technology*

- Investment: 2009
- Exit: 2017
- Buyer: St. Gobain (France)
- Actual market value achieved as % of NAV: N/A
- Money multiple: ~ 45.9x

**Target returns: on average >3.0x invested capital**



## ■ 04\_ Substantial earnings growth: 2022 financial figures confirm positive effects from transformation



### Growth Rates 2019-2022

2019 – 2022

**Revenue**  
**+54%**



2019 – 2022

**Adj. EBITDA**  
**+113%**



2019 – 2022

**Adj. EBIT**  
**+140%**



### We have built a stronger group during the last 3 years

- **Since end of 2019 strong growth** in all key metrics despite Covid-19 impacts and economic turbulences
- **Risk significantly reduced** given reduction in leverage
- 3 underperforming platforms have been **replaced by 3 new and stronger companies**
- Portfolio is **more diversified** than ever

**Group is significantly stronger and more resilient than in 2019**

## ■ 05\_ Attractive dividend yield



### Dividend per share and dividend yield

EUR and %



(\*) dividend yield is based on XETRA closing price of the day of the respective AGM, for 2022 as of 27 April 2023

### Our dividend policy enables our shareholders to participate continuously in Blue Cap's success

- Blue Cap AG targets a **stable base dividend** over the cycle
- Over time with a growing portfolio base dividend shall increase
- **Special dividends** from successful exits can be paid in addition to base dividend

### EUR 0.90 per share proposed as dividend for financial year 2022

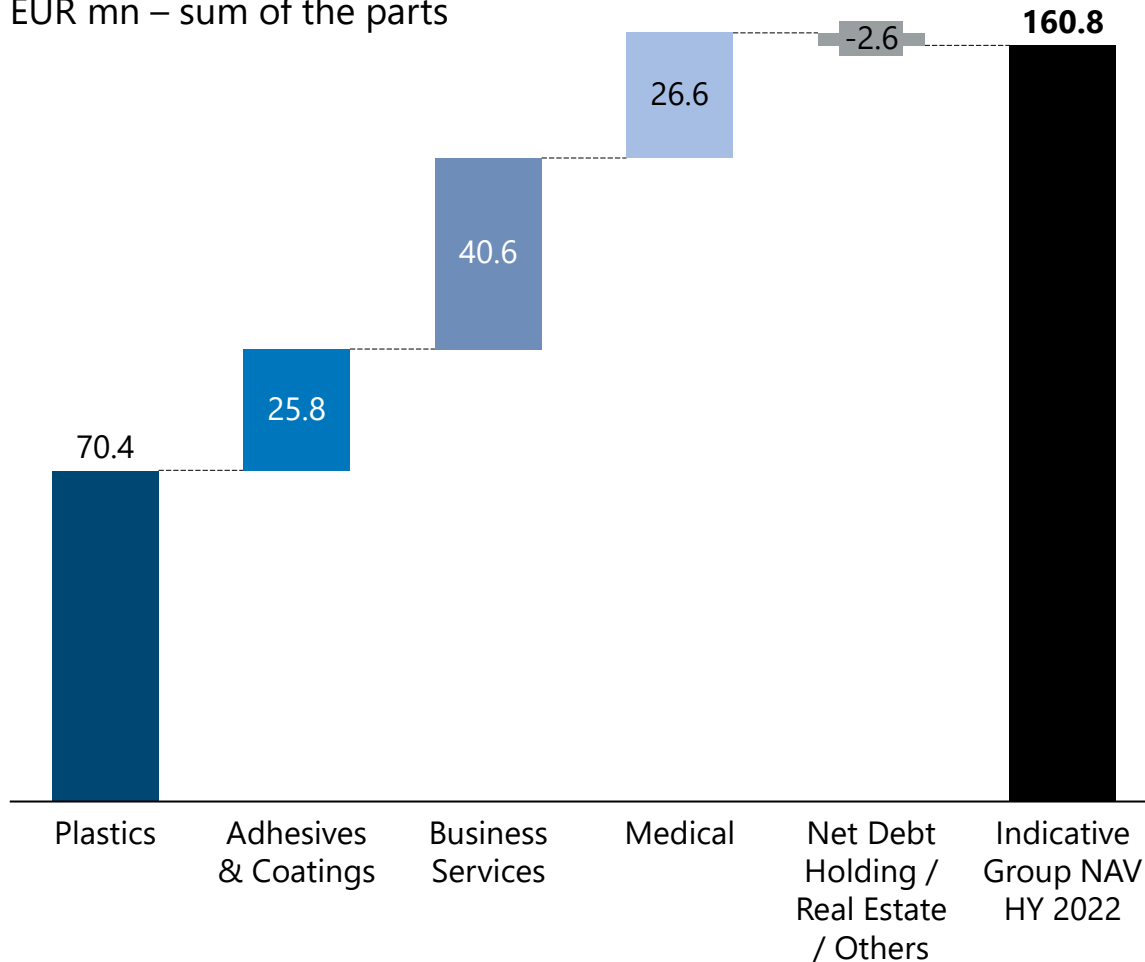
- A **scrip dividend** is offered for the first time
- Shareholders can **choose between dividend in cash or new shares**
- Opportunity to benefit from Blue Cap's long-term success through new shares

## ■ 06\_ Strong value creation potential – NAV per share target of 55 Euro until 2025

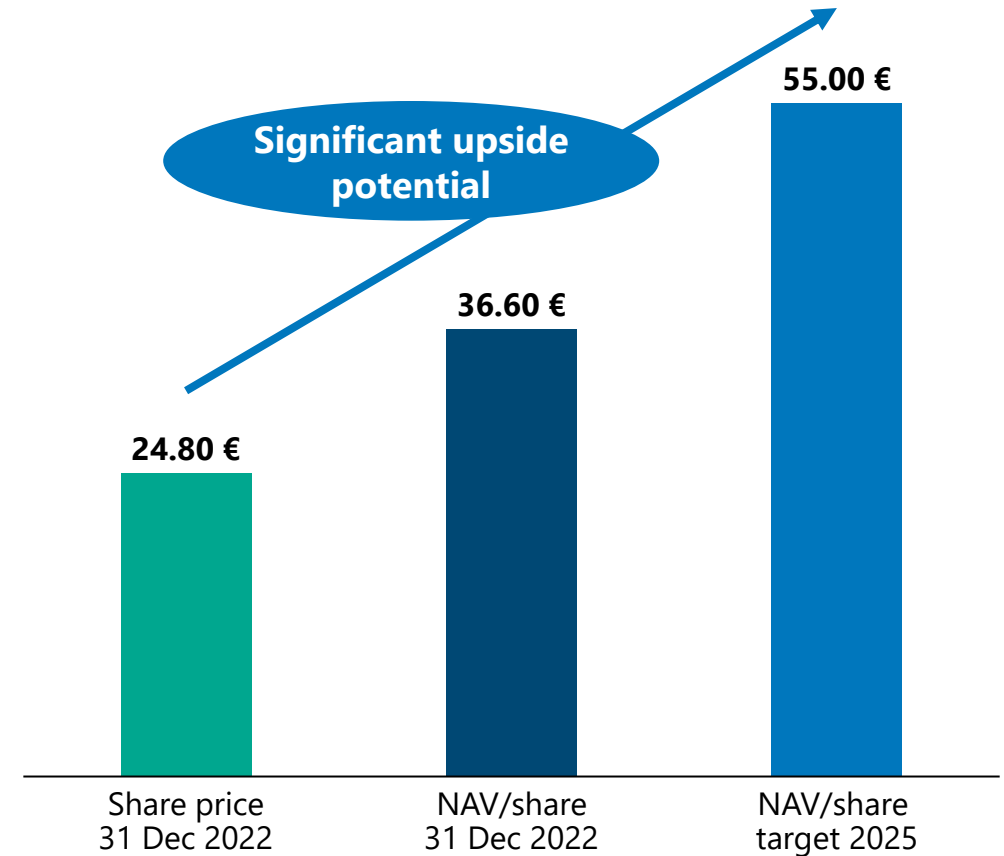


### Net Asset Value as of 31 December 2022

EUR mn – sum of the parts



### Net Asset Value per share target



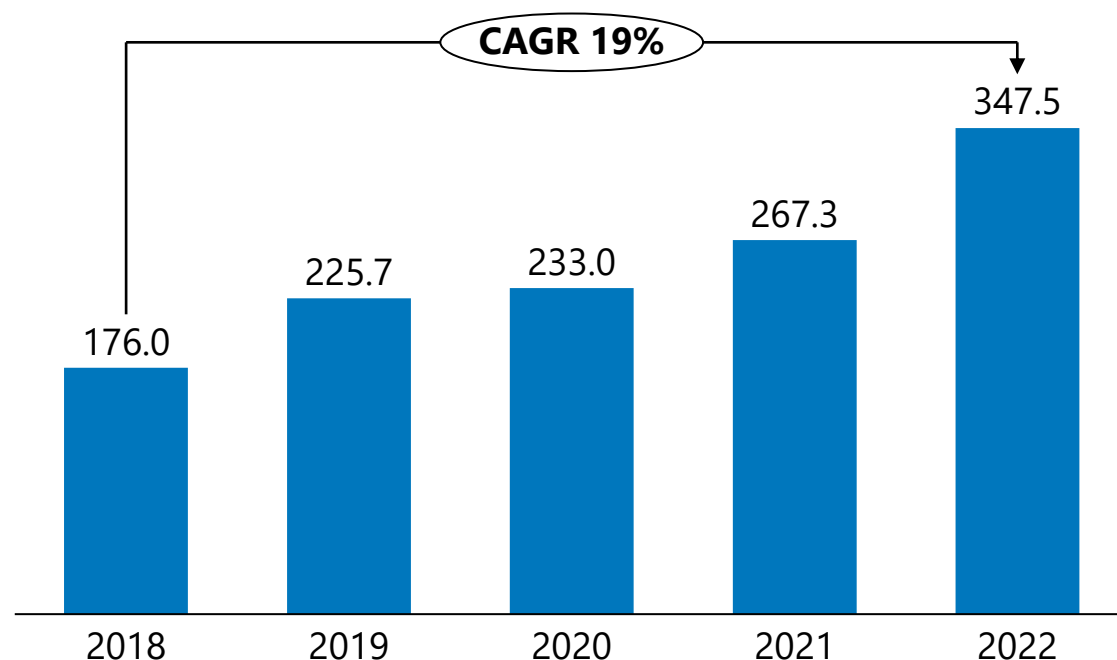
# 02\_ **Financial Performance**

# ■ Revenue and EBITDA have shown very high annual growth rates



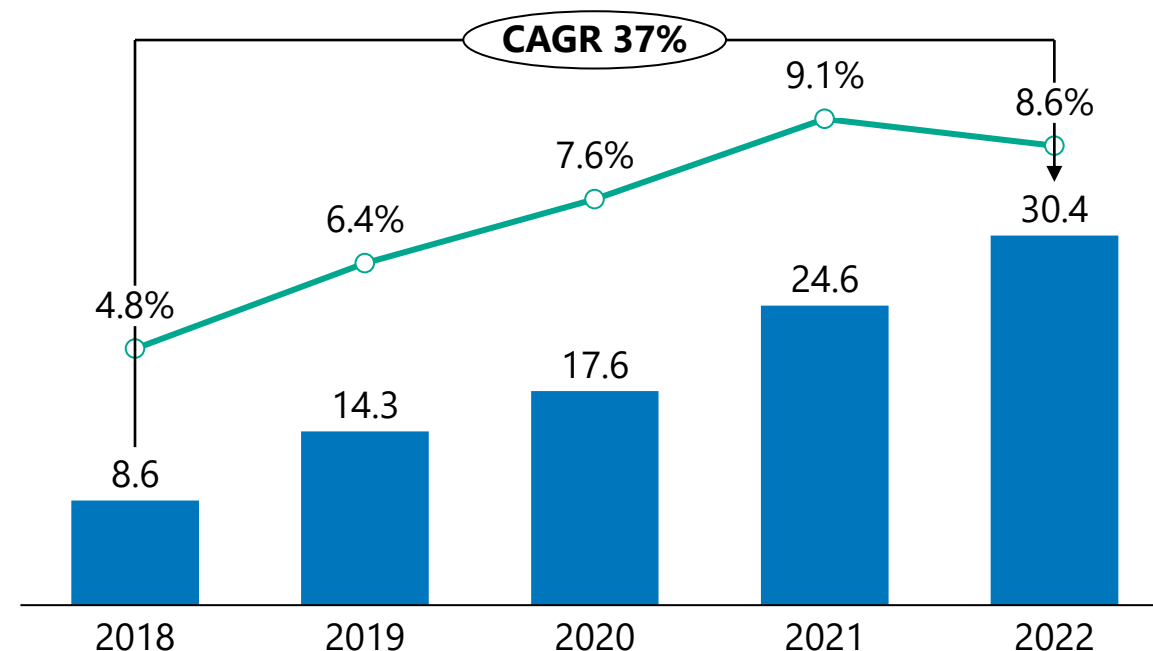
## Revenue

EUR m



## Adjusted EBITDA and adj. EBITDA margin

EUR m and %



- **FY 2022: Revenue** rose by 30% yoy to EUR 347.5 mn
- **Adjusted EBITDA** increased by 23% yoy, mainly due to **positive contribution of Plastic segment** (con-pearl and H+E) and **Business Services** (HY-LINE).
- **Inorganic growth** comes from the acquisition of **Transline** in March 2022 and the first full-year inclusion of **H+E** and **HY-LINE** in the consolidated financial statements.

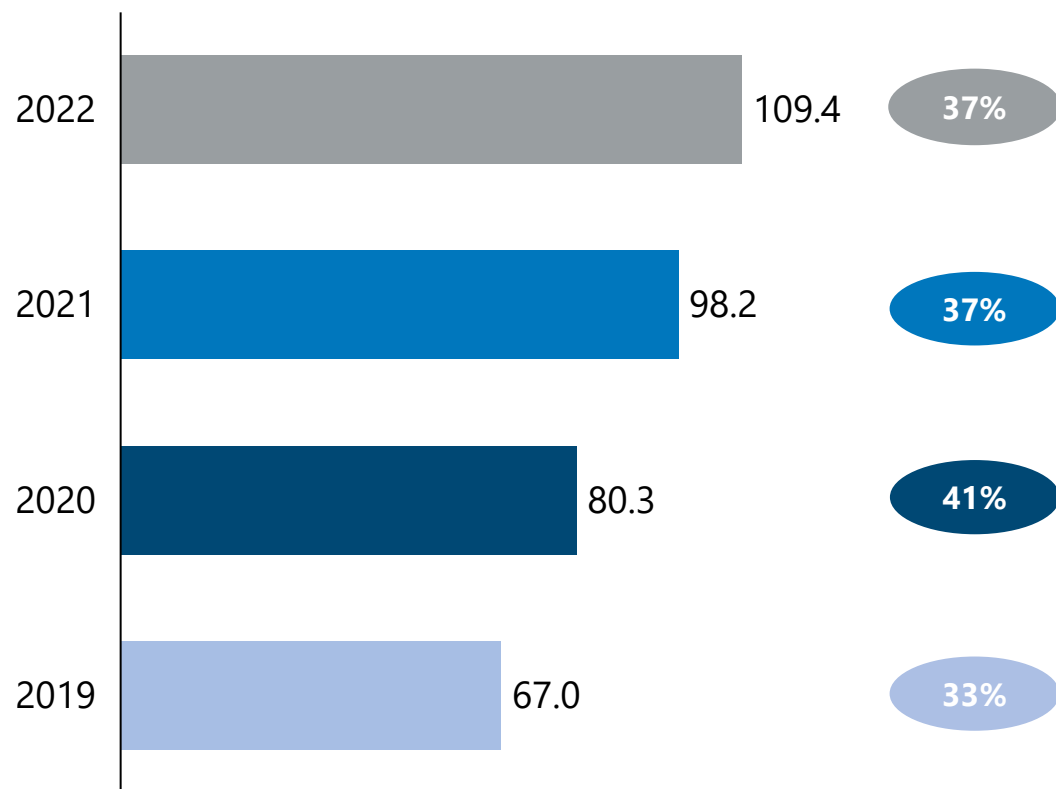


# ■ Solid financial foundation – strong equity and leverage ratios



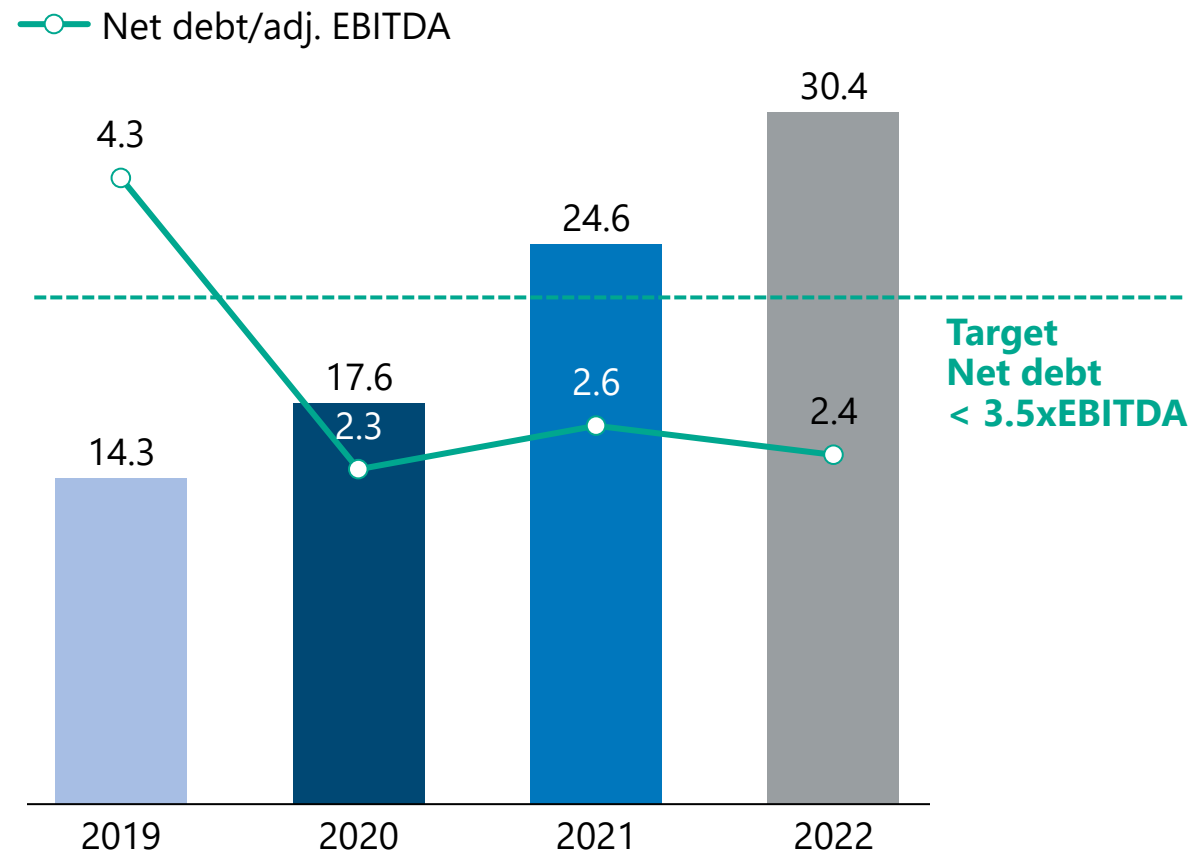
## Equity and equity ratio

EUR m and in % of total assets



## Adj. EBITDA and leverage ratio

EUR m and in x EBITDA

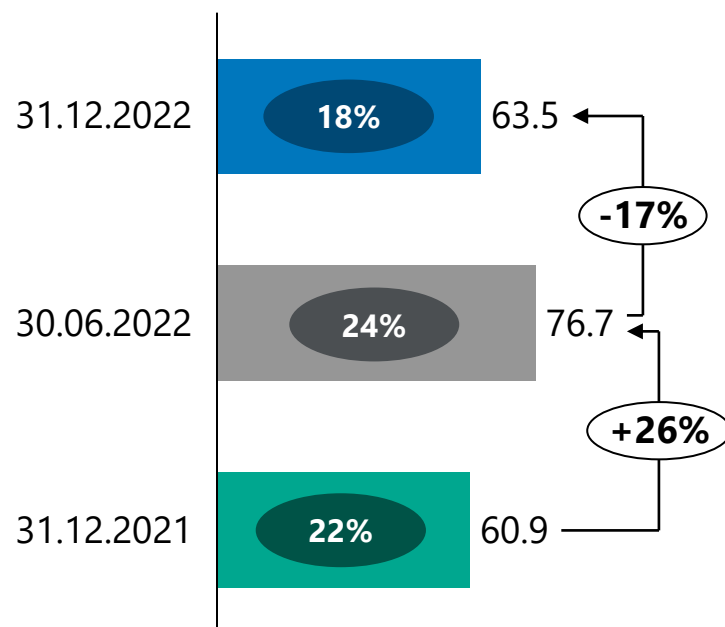


# ■ Focus on cash management with positive effects



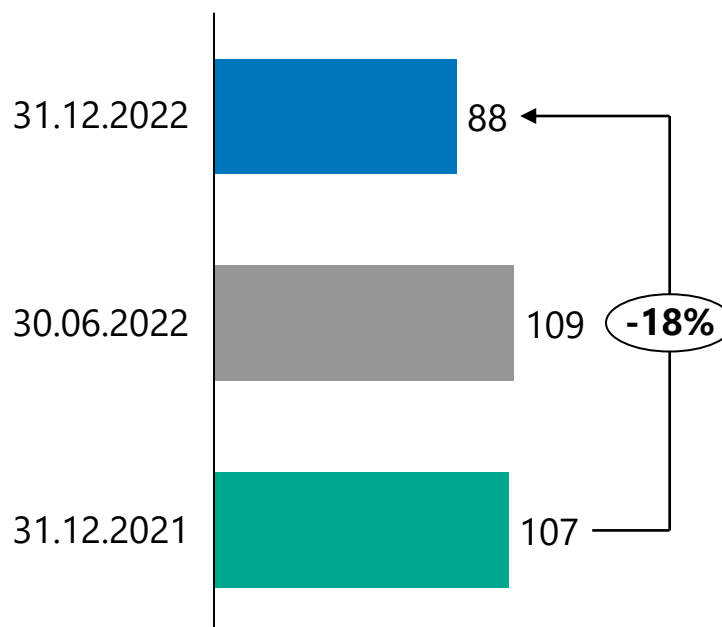
## Net working capital\*

EUR m and in % of total output (LTM)



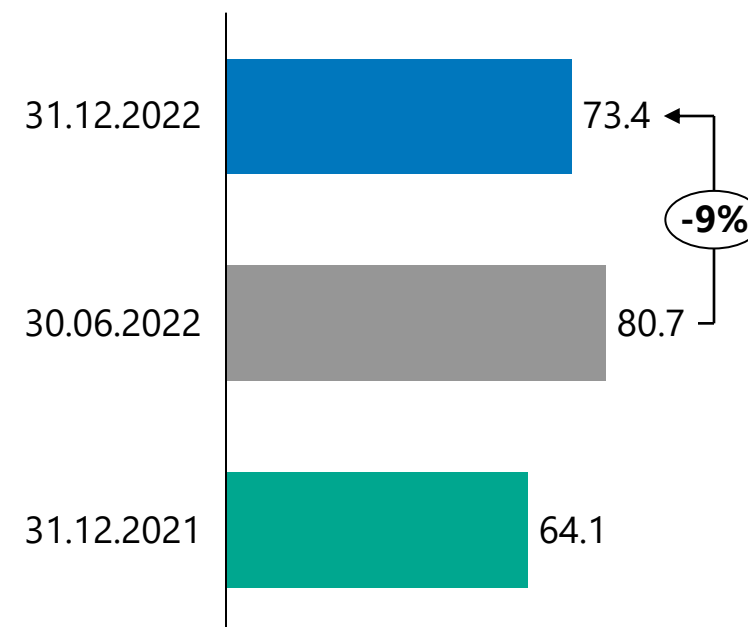
## Cash Conversion Cycle

days



## Net debt

EUR m



\* Net working capital incl. contract assets/contract liabilities

- Significant increase of **net working capital in first half of 2022** which was mainly due to the **build up of receivables** but also to **raw material price increases** which led to a rise in the stock of inventories
- **Focus on working capital management** led to a decrease during second half of the year
- Corresponding effect on **net debt**

# 03 Outlook

# ■ Guidance 2023 and outlook

## Guidance 2023


- Focus on **active and stringent portfolio transformation** in 2023
- Countermeasures to cover the current **reductions in order volumes**
- Selective **growth initiatives**
- Increased **focus on cost and cashflow**
- Continuous review of the **1st and 2nd management level**

Revenue 2023e	EUR 340 – 355 mn
Adjusted EBITDA 2023e	8% - 9%
Net leverage 2023e	≤ 3.5x

- Performance dependent on no worsening of macro environment and expected improvement in second half of 2023

## Medium term outlook

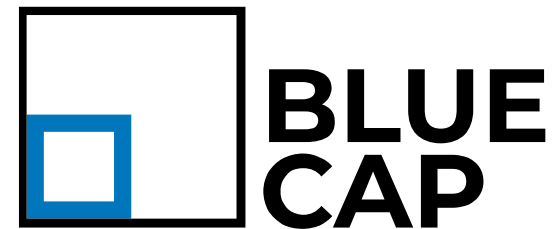
- Uncertainty of **macroeconomic development**
- **Recession** will have an impact on parts of the portfolio, however, **diversification** will continue to help and reduce overall impact
- Portfolio will be stronger after implementing current changes with **potential of significant value accretion**
- Management targets **Net Asset Value of ~55 EUR/share by the end of 2025**



---

# Questions and Answers





**Thank you for  
your attention!**

---



## **Tobias Hoffmann-Becking**

CEO, M&A / Capital Markets

**hoffmann-becking@blue-cap.de**  
**+49 89 288909-10**



### **Blue Cap AG**

Ludwigstraße 11  
80539 München

office@blue-cap.de  
**www.blue-cap.de**



# Appendix

# ■ Experienced management team with complementary skills



## Tobias Hoffmann-Becking

*Chief Executive Officer*



### Main Responsibilities

- M&A Business
- Capital Market & Investor Relations

### Professional Experience

- Managing Director Rothschild & Co.
- Partner Odewald & Cie.
- Investment Manager Candover plc.
- Associate Bain Capital Ltd
- Consultant Boston Consulting Group

## Henning Eschweiler

*Chief Operating Officer*



### Main Responsibilities

- Portfolio Management
- ESG

### Professional Experience

- Investment Manager Nimbus hands-on investors
- Senior Manager Struktur Management Partner GmbH

## Matthias Kosch

*Chief Financial Officer*



### Main Responsibilities

- Finance and Accounting
- IT/Risk/Compliance

### Professional Experience

- CFO Blue Cap AG
- Investment Manager Blue Cap AG
- Financial Analyst CMP Capital Management-Partners GmbH

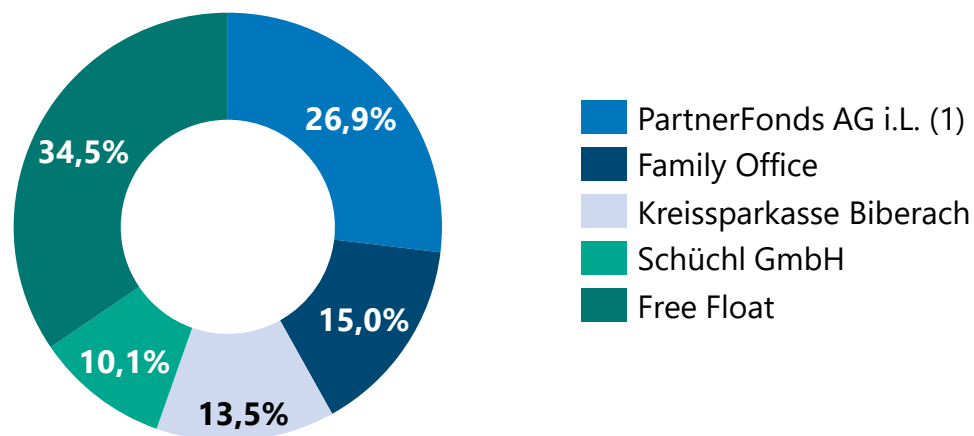
# ■ Blue Cap on the stock market



## Reference data

- ISIN/WKN: DE 00A0JM2M1 / A0JM2M
- Ticker: B7E, B7E.DE (Reuters), B7E:GR (Bloomberg)
- Share Capital: 4,396,290.00 Euro / 4,396,290 pcs
- Market Segment: Scale (Frankfurt), m:access (Munich)
- Designated Sponsor: BankM AG
- Stock Exchanges: XETRA, Frankfurt, Munich, Hamburg, Düsseldorf, Berlin, Stuttgart, Tradegate

## Shareholder structure



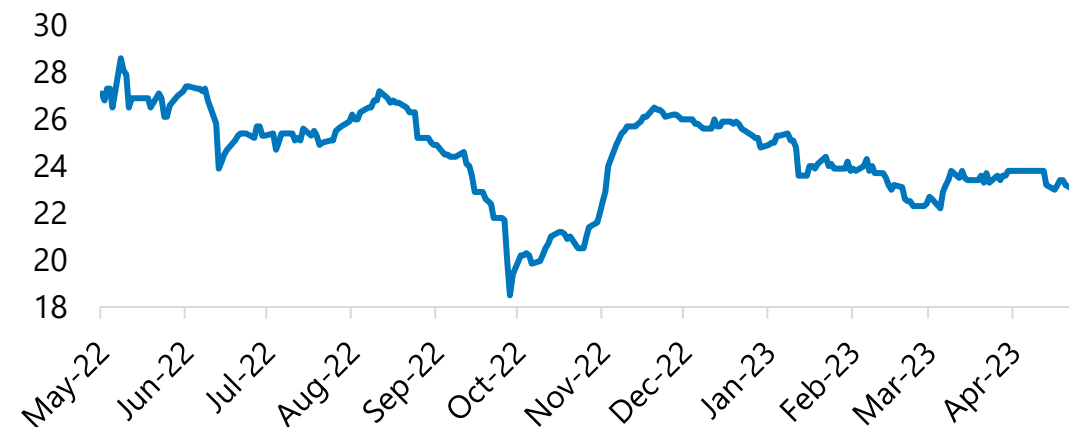
(1) In an extraordinary meeting on May 6, 2020, it was decided to liquidate PartnerFonds AG with effect from January 1, 2021.

## Positive recommendations by Analysts

Analyst	Date	Rating	Target Price
M.M. Warburg	15.03.2023	Buy	40.00 €
SMC Research	09.03.2023	Buy	39.00 €

## Share Price Development LTM

EUR



Source: Stock Exchange Frankfurt (XETRA)



## ■ Financial calendar and contact details



Date	Event	Location
May 2023	Annual Report 2022	Publication
04 May 2023	35th Munich Capital Market Conference - MKK	Munich
09 May 2023	Q1 2023 and Earnings Call at 2 pm	Publication & virtual
23 June 2023	Annual General Meeting	Virtual
05 July 2023	m:access Conference Investment Companies	Munich
August 2023	Publication Half Year Report 2023	Publication
23-24 August 2023	10th Hamburg Investor Day – HIT	Hamburg



### Lisa Marie Schraml

Investor Relations & Corporate Communications

[lschraml@blue-cap.de](mailto:lschraml@blue-cap.de)

+49 89 288909-24

### Blue Cap AG

Ludwigstraße 11  
80539 Munich

[office@blue-cap.de](mailto:office@blue-cap.de)  
[www.blue-cap.de/en](http://www.blue-cap.de/en)

Stay informed about the latest news and developments and receive our press releases and other information.

Subscribe to our newsletter [here](#)

# ■ Disclaimer



By accessing this document, you acknowledge the restrictions on use set out herein. The information contained in this document regarding Blue Cap AG ("Blue Cap" or the "Company") may not be distributed, reproduced, published or passed on to other persons, either in whole or in part. No responsibility is taken for the correctness of the information provided.

This document is for information purposes only and should not be considered as investment advice. It does not constitute, nor is it intended to constitute, a securities prospectus and should not be construed as an offer to buy or sell securities or as a solicitation of an offer to buy or sell securities. This document should not be used as the sole basis for any analysis or evaluation and investors should not purchase or subscribe for securities of the Company on the basis of this document or in reliance on the accuracy of the information contained herein.

To the extent that forecasts, estimates, opinions or expectations are expressed or forward-looking statements are made in this document, these statements may involve known and unknown risks and uncertainties. The actual results and developments may therefore differ materially from the expectations and assumptions expressed. There is no obligation to publicly update or revise these forward-looking statements if actual developments differ from those expected.

Insofar as the information contained in this document is based on statements made by third parties, we would like to point out that no warranty or guarantee, either explicit or implicit, is given regarding the appropriateness, accuracy, completeness or correctness of this information. This also applies to any other statement or opinion in this document.

Neither the Company, its directors, employees or affiliates, nor any other person assumes or accepts any responsibility, obligation or liability whatsoever (whether as a result of negligence or otherwise) for any loss or damage arising out of the use of this document or any statement or information contained herein. The provision of this document does not create any obligation for Blue Cap AG or its representatives to provide the recipient with additional information, to update this document or any information contained herein, or to correct any errors or inaccuracies.