

Financial Figures Q1 2023

Earnings Call

Henning Eschweiler, COO
Tobias Hoffmann-Becking, CEO
Matthias Kosch, CFO

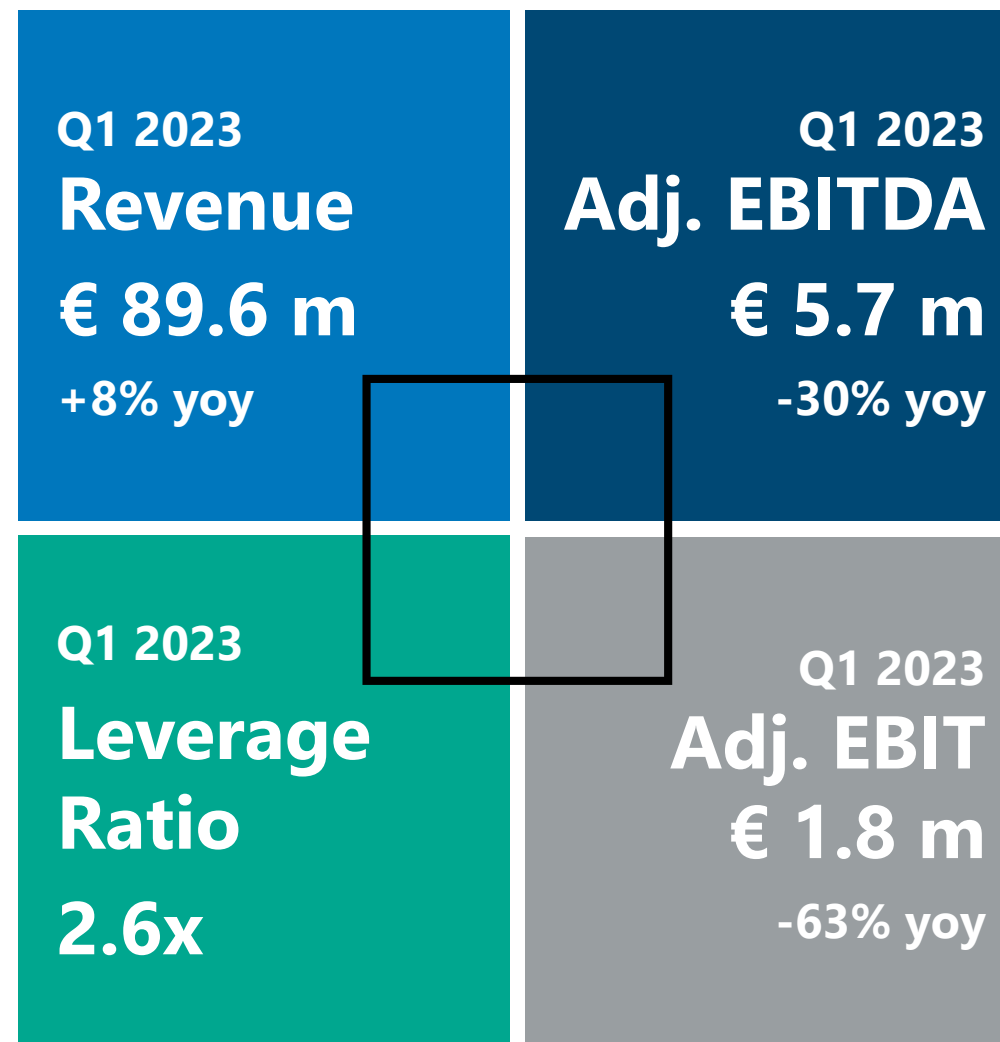
 09 May 2023 – 2:00pm CEST

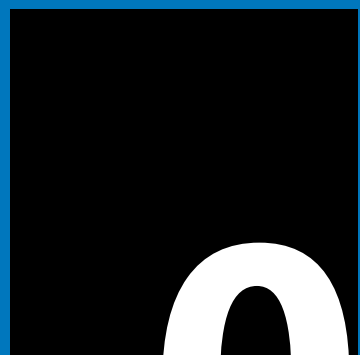
Blue Cap AG

■ Q1 2023 development mainly reflects general macro economic environment and is in line with expectations



- **Revenue development** is supported by strong growth of business services segment
- **EBITDA and EBIT decreased** compared to very strong levels in Q1 2022
- **Order volumes** reflect general macro environment: **decrease of demand** due to destocking
- We see some **stabilization in order entry levels** emerging since March
- Ongoing focus on **countermeasures** to cover the current reductions in order volumes and on **cost and cashflow**





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Financial

Figures

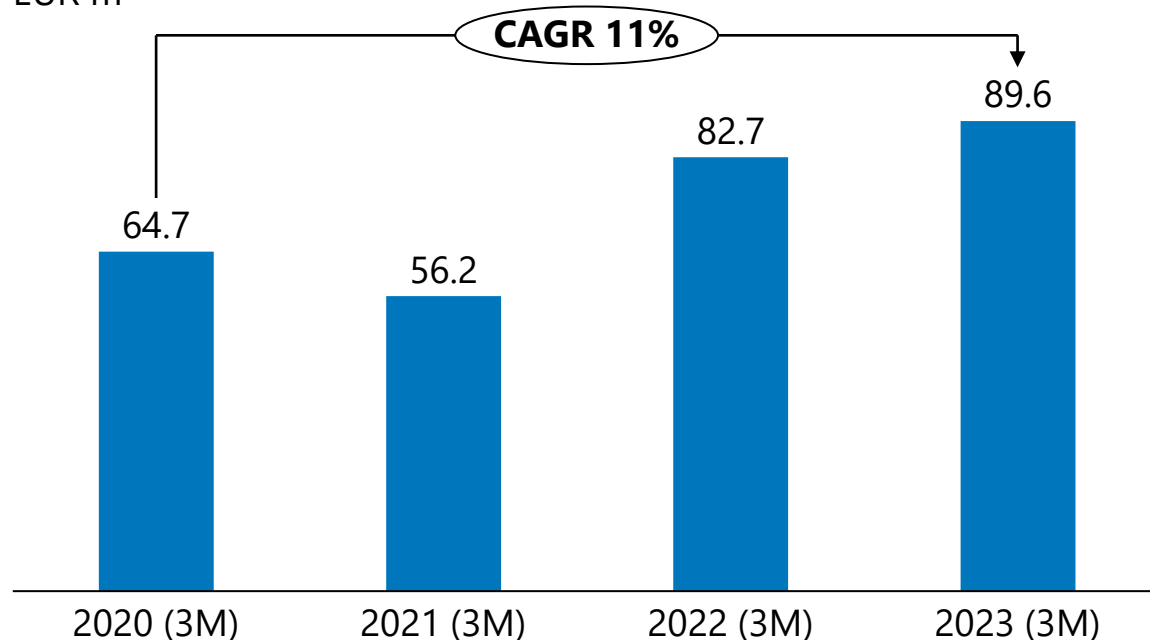
Matthias Kosch

Operational development in Q1 2023 in line with expectations but below extraordinary Q1 2022



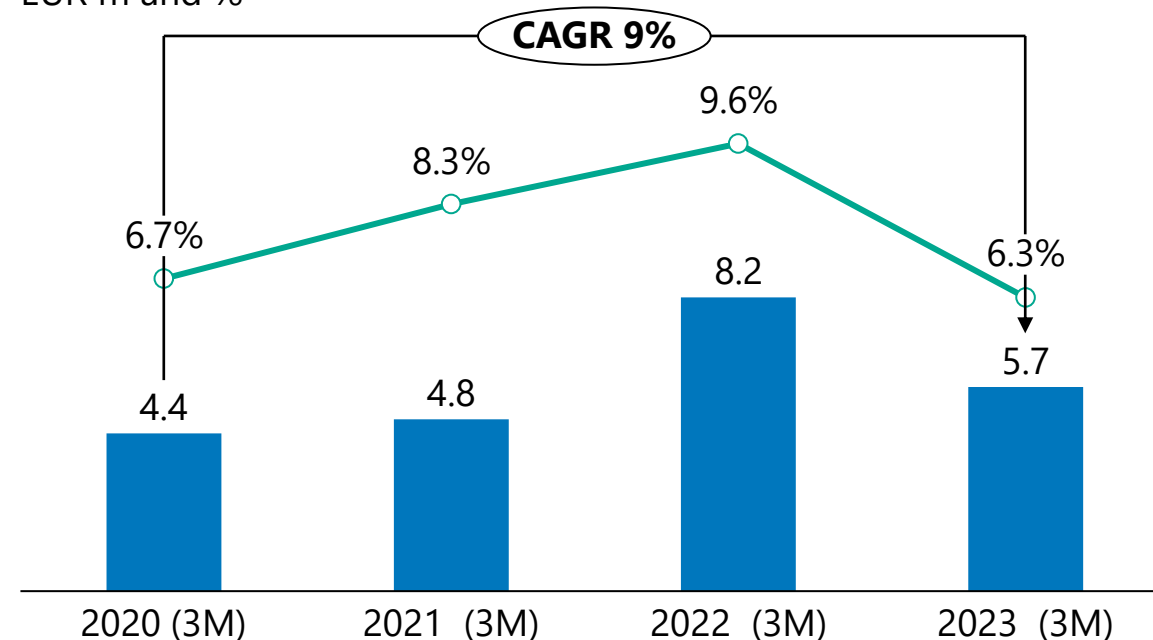
Revenue

EUR m



Adjusted EBITDA and adj. EBITDA margin

EUR m and %



- **Revenue rose by 8% yoy**, positive contribution of business services segment as well as full inclusion of Transline. **Organic growth (like-for-like*) at 4%.**
- **Adjusted EBITDA** decreased by 30% yoy, mainly due to lower contribution of plastics (con-pearl) as well as adhesives & coatings-segment.
- **Inorganic revenue growth** comes from the acquisition of **Transline** in March 2022.

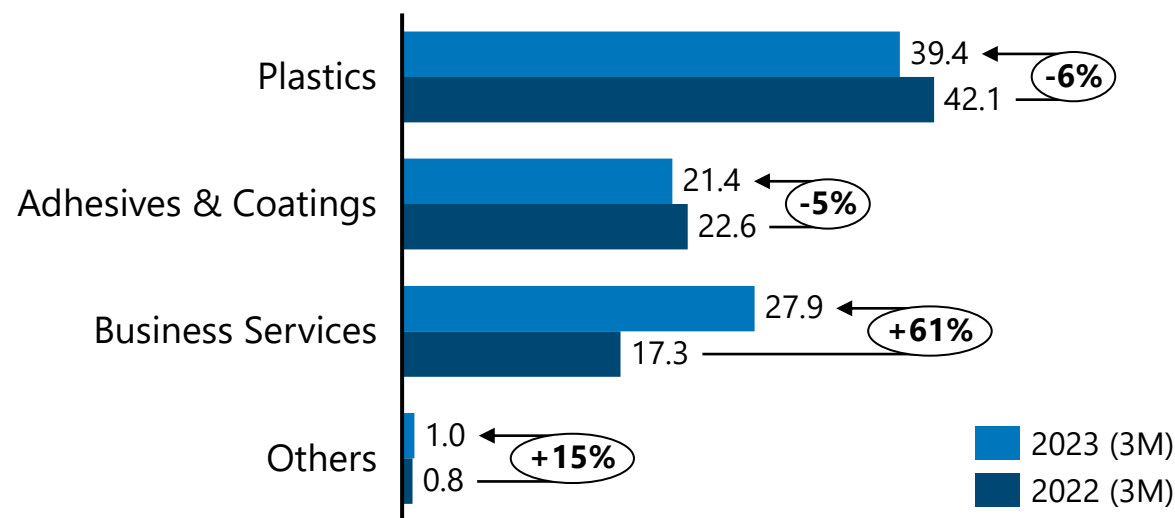
* Calculation is based on portfolio as of 31 March 2023

Strong performance of segment Business Services cannot compensate for the decline in other segments



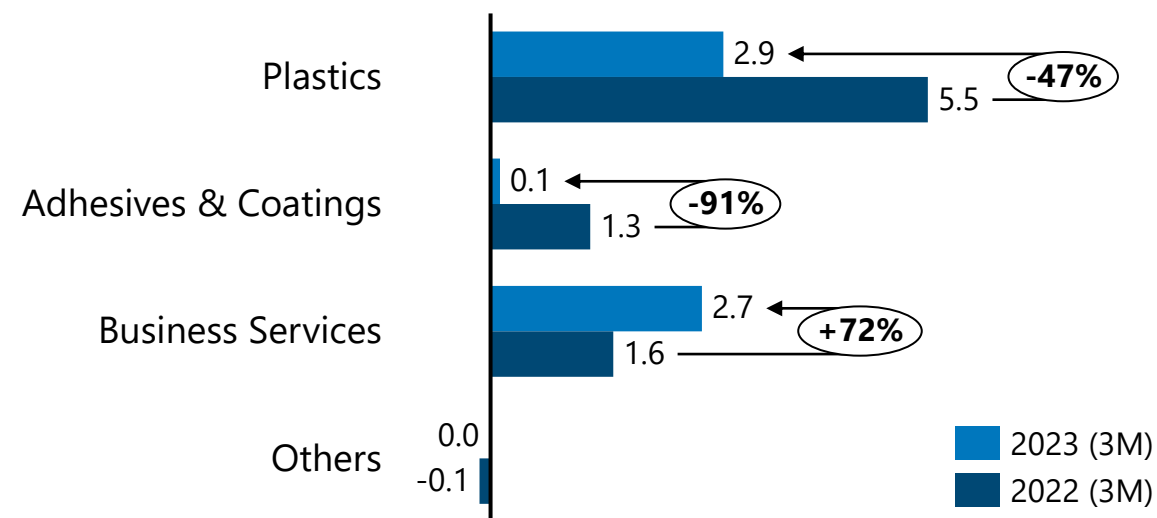
Revenue by segments

EUR m



Adjusted EBITDA by segments

EUR m



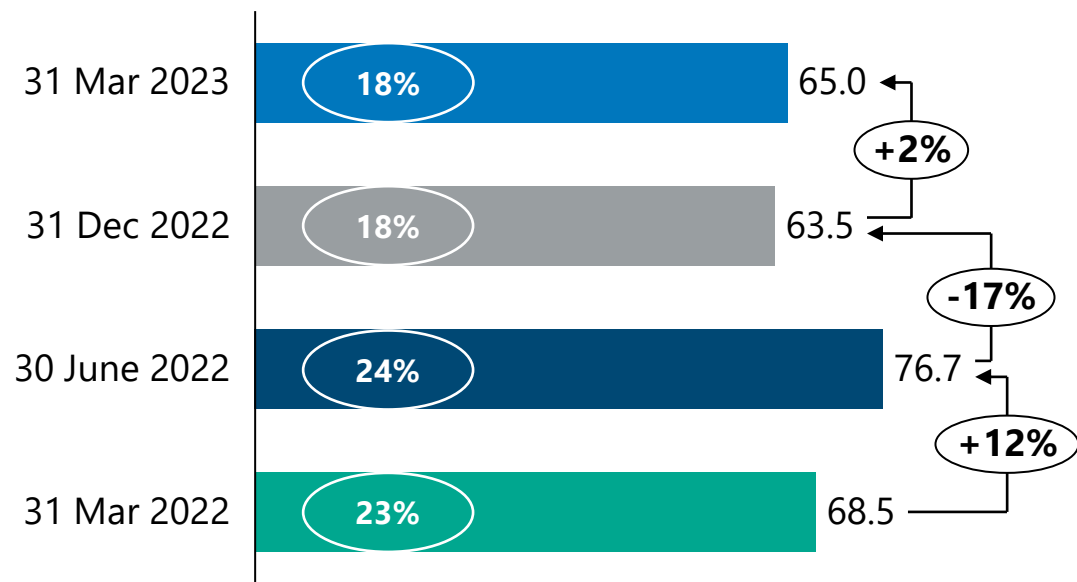
- **Plastics:** lower revenues and adj. EBITDA due to a loss of a large logistics order at **con-pearl** this year. **H+E** is affected by price increases (passing on to clients has not yet been fully implemented). **Uniplast** shows slightly improved values compared to the previous year.
- **Adhesives & Coatings:** demand reduction both at **Neschen** and **Planatol** led to revenue and EBITDA below previous year. Moreover, the ongoing restructuring at **Neschen** affects earnings.
- **Business Services:** very strong growth of revenue and EBITDA at **HY-LINE** as company continued to work off strong order backlog, catch-up effects from Q4/22 at **Transline**.
- **Others:** Revenue of **nokra** slightly higher than previous year, but reduced EBITDA.

■ NWC stabilizing on slightly lower level compared to Q1/22 due to implementation of measures last year



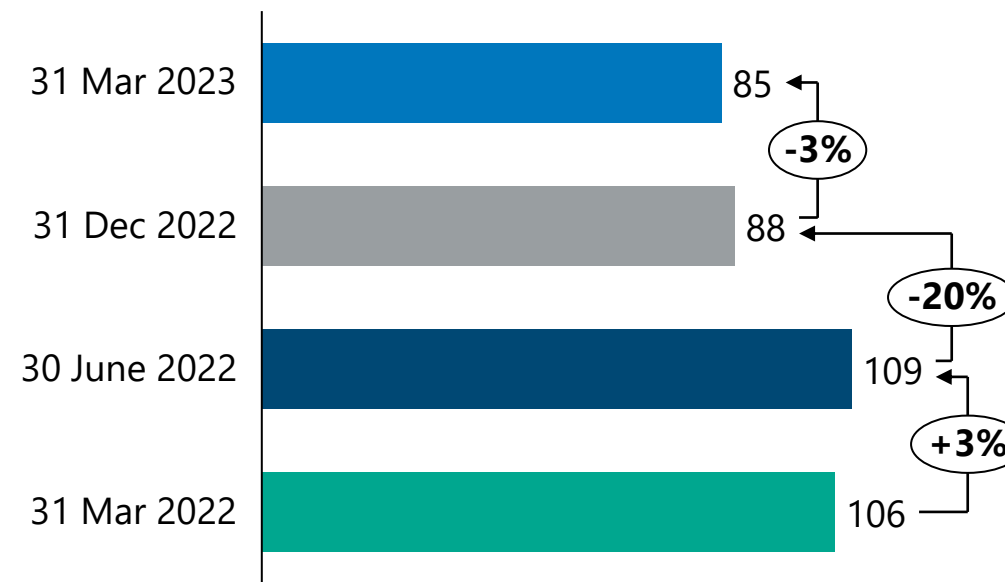
Net working capital*

EUR m and in % of total output (LTM)



Cash conversion cycle

days



*Net working capital incl. contract assets/contract liabilities

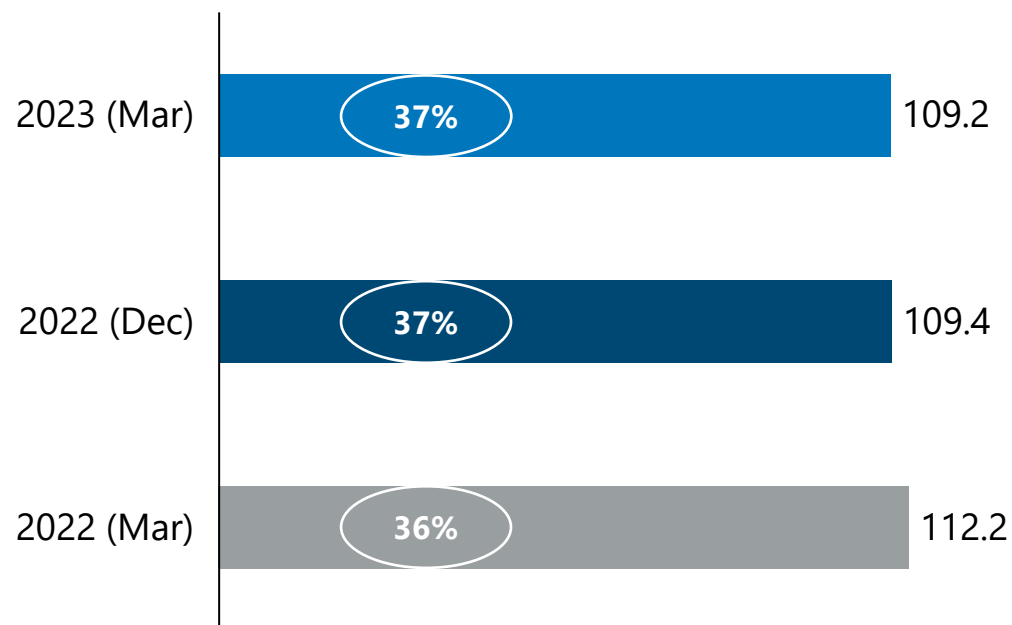
- In 2023 **continued focus** on further improvements regarding **working capital management**
- **Factoring** is being considered or already implemented where applicable (e.g. HY-LINE, Neschen, con-pearl)
- **Reduction of inventories** and optimization of **warehousing processes** throughout the portfolio
- Optimization of the **management of accounts receivables**

Equity ratio and leverage continue to be comfortable



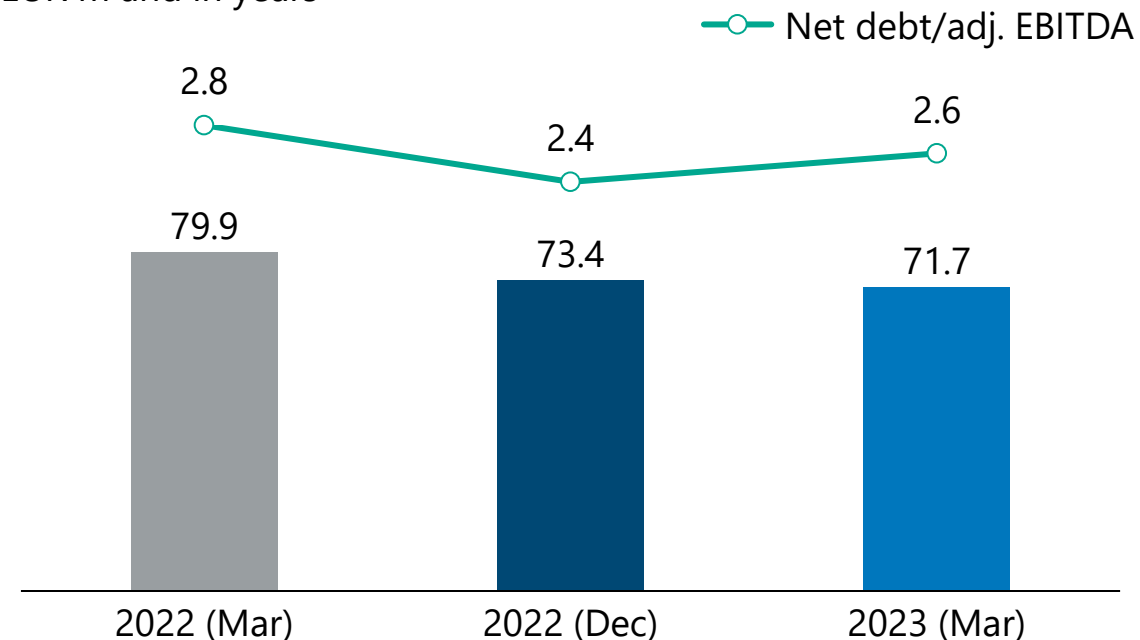
Equity and equity ratio

EUR m and in % of total assets



Net debt and leverage ratio

EUR m and in years



Note: adj. EBITDA based on last 12 months

- **Equity decreased** mainly to due goodwill impairment in Dec 22 for Transline (EUR 4.3 m)
- **Reduction of net debt** was driven by NWC improvements (con-pearl, Planatol, Neschen) and use of cash from operating activities for repayment of (acquisition) loans.
- **Net leverage ratio** with **2.6 years** well below the target of **<3,5**



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Portfolio

Update

Henning Eschweiler

■ Current developments in our portfolio

Plastics

| Plastics | Development Q1 2023 | Outlook 2023 |
|---|---|---|
|  <p>Invest: 2019 / 100% Revenue 2022: €67mn</p> | <ul style="list-style-type: none"> ▪ Q1 better than expected, although significantly below Q1 22 (2022 was supported by a single large order) ▪ Raw material prices have stabilized, margins for recycled plastics slightly improved ▪ Recycling plant in Hillscheid now operational with full capacity | <ul style="list-style-type: none"> ▪ Postponement of large order into 2024 ▪ Investment in US sales effort to gain new orders and diversify customer base ▪ Establish circular economy business model as a key differentiator ▪ Increase employer attractiveness to attract / retain skilled workers  |
|  <p>Invest: 2018 / 100% Revenue 2022: €56mn</p> | <ul style="list-style-type: none"> ▪ Q1 slightly above previous year ▪ Flexibilization of production infrastructure in progress | <ul style="list-style-type: none"> ▪ Robust development expected ▪ Upgrade to X-System (flexible injection moulding) enables new product launches ▪ Sales push for non-dairy products  |
|  <p>Invest: 2021 / 71% Revenue 2022: €40mn</p> | <ul style="list-style-type: none"> ▪ Strong Q1 significantly above previous year ▪ Margins still under pressure as negotiations with OEMs to compensate for past 'cost explosion' (energy/material) are ongoing | <ul style="list-style-type: none"> ▪ Strengthen position as development supplier ▪ Improve sales pipeline ▪ Loss of volume due to localization to China expected (single OEM customer) ▪ Implementation of new site structure: reduce from 4 to 3  |

■ Current developments in our portfolio

Adhesives & Coatings

Adhesives & Coatings



Invest: 2016 / 100%
Revenue 2022: €57mn

Development Q1 2023

- **De-stocking effect** in industrial applications, driven mainly by reduced volumes in consumer electronic end markets
- **Fitness program:** focus on sales improvements, cost structure and personnel measures
- Successful **working capital management** and **cash management**

Outlook 2023

- **Sales push in industrial segment** to gain new customers
- Reorganization of **Filmolux group**
- Strengthening of **management team**



PLANATOL®
smart gluing

Invest: 2009 / 100%
Revenue 2022: €39mn

- **Decreased demand** in nearly **every segment**, adds up to challenging Q1
- **Downturn caused by cyclical** with various root causes: wood/furniture down because of **crisis in building industry**, with the remainder below plan because of **de-stocking**
- Despite low order intakes **no lost customers**
- **Successful cost management**





- Full force on **sales activation**
- **Increase swiftness** of sales processes and **optimize sales structure**
- Focus on **export sales** and **OEM cooperations**
- Capitalize on **cooperation** with circular bioeconomy startup traceless®



■ Current developments in our portfolio

Business Services



| Business Services | Development Q1 2023 | Outlook 2023 |
|--|--|---|
|  <p>Invest: 2021 / 93% Revenue 2022: €67mn</p> | <ul style="list-style-type: none"> ▪ After slight dip in Q4-22 (due to destocking in value chain) strong order entry and backlog ▪ Improved supply chains ▪ Working capital management significantly improved | <ul style="list-style-type: none"> ▪ Implementation of new business structure ONE HY-LINE to support organic and inorganic growth ▪ Delivery of still high order backlog in 2023 ▪ Continuous improvement of cash conversion cycle ▪ Strengthening of leadership team ▪ Examine add-on possibilities  |
|  <p>Übersetzen. Verstehen.</p> <p>Invest: 2022 / 74% Revenue 2022*: €21mn</p> | <ul style="list-style-type: none"> ▪ Catch-up with plan in March ▪ Increasing market dynamics noticeable ▪ Cost adjustments according to restructuring plan nearly completed (personnel as well as opex) ▪ Significant improvements in receivables management | <ul style="list-style-type: none"> ▪ New CFO from July on ▪ New Sales Performance Manager since April ▪ Focus on sales excellence as part of ongoing turnaround plan ▪ Simplification of legal structure  |

*Transline shows full twelve months revenue

■ Current developments in our portfolio

Medical

Medical

inheco ▶
industrial heating & cooling

Invest: 2006 / 42%
Revenue 2022: €38mn

Development Q1 2023

- **Reduced demand**
- Reduction in EBITDA margin given **increased cost base** that is due to **team expansion, investment in products and sales** for next growth phase

Outlook 2023

- Focus on **medium term growth**, major **sales push in US** biotech market which is backed by positive signals from US-market
- Introduction of **new IoT ready** products





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Outlook

Tobias Hoffmann-Becking

■ Guidance 2023 and outlook



Guidance 2023

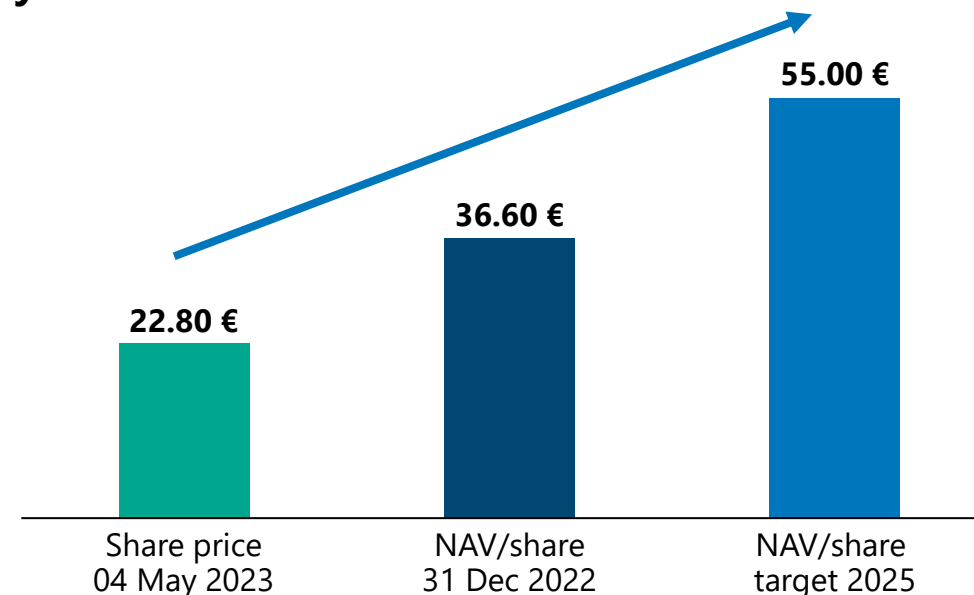
- Focus on **active and stringent portfolio transformation** in 2023
- Countermeasures to cover the current **reductions in order volumes**
- Selective **growth initiatives**
- Increased **focus on cost and cashflow**
- **Strengthening of management and key personnel**


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

- Performance dependent on
 - continued **improvement in order entries**
 - **positive cost effects** from measures undertaken to improve overall performance in H2 2023

Medium term outlook

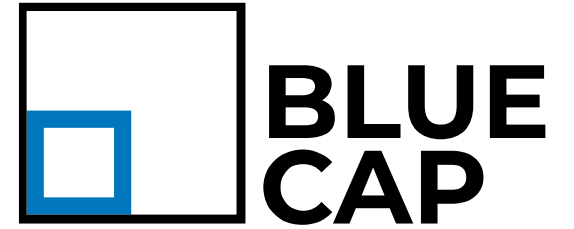
- Uncertainty of **macroeconomic development**
- **Recession** will have an impact on parts of the portfolio, however, **diversification** will continue to help and reduce overall impact
- Portfolio will be stronger after implementing current changes with **potential of significant value creation**
-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





Questions and Answers

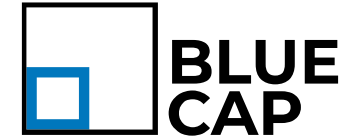
**Thank you for
your attention!**





Appendix

■ Diversified portfolio allows our shareholders to participate in different sectors and economic cycles

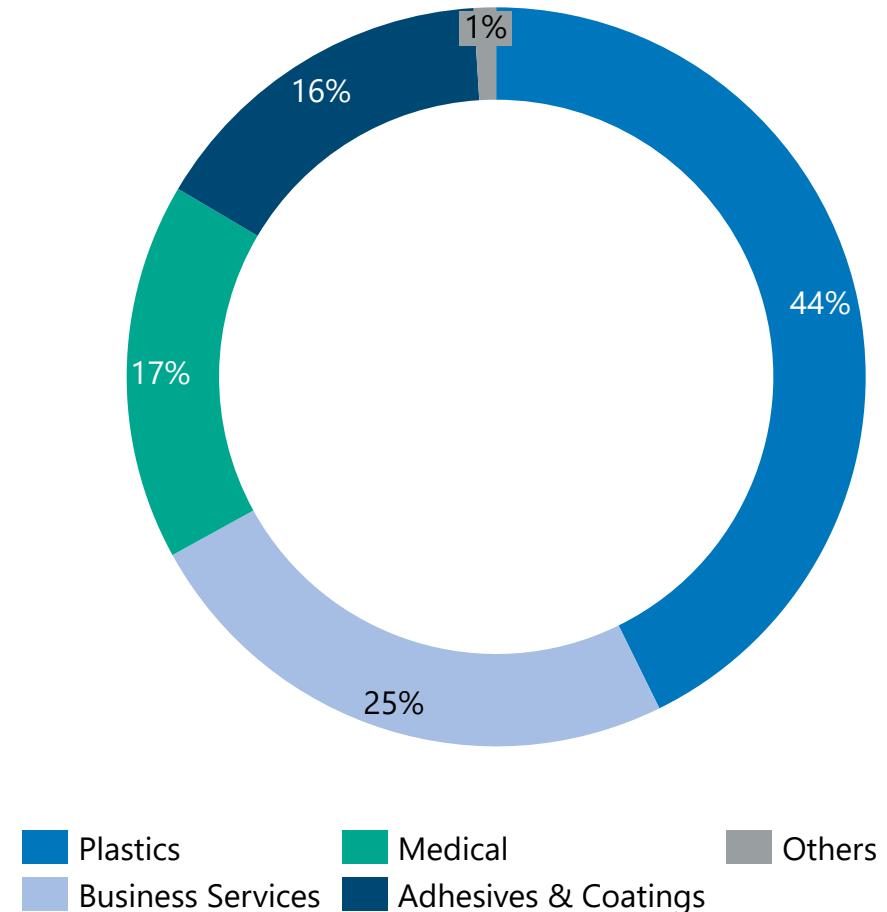


Portfolio of

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

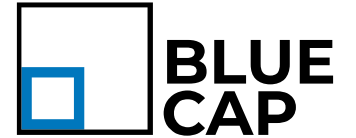


Net Asset Value share by segment (*)



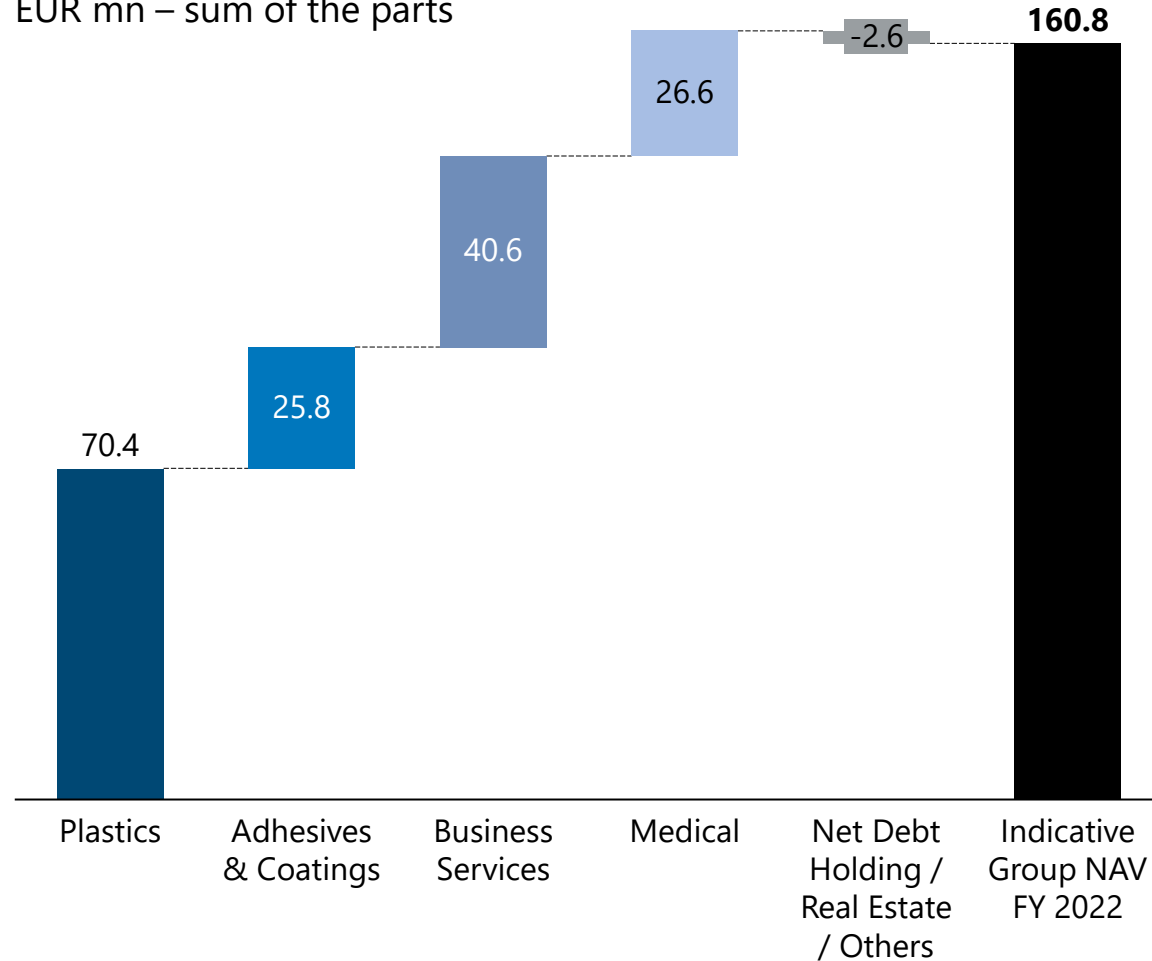
(*) % shares of Group Net Asset Value as of 31 December 2022

■ Strong value creation potential – NAV per share target of 55 Euro until 2025

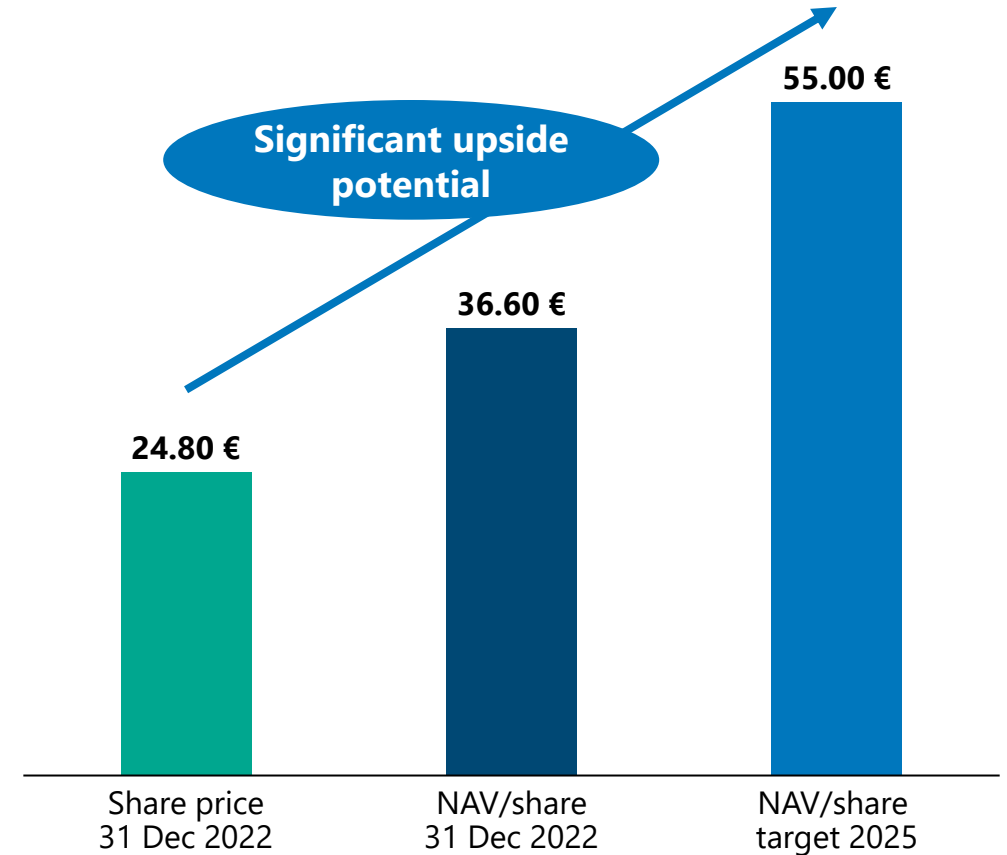


Net Asset Value as of 31 December 2022

EUR mn – sum of the parts



Net Asset Value per share target



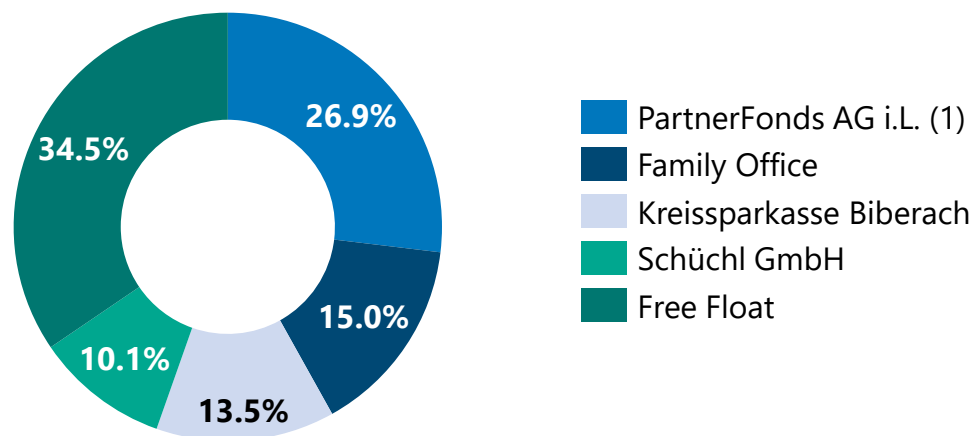
Blue Cap on the stock market



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 our 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



Source: Börse Frankfurt

■ Financial calendar and contact details



| Date | Event | Location |
|-------------------|--|-----------------------|
| 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 |



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