

Investor Presentation

m:access Conference

 05 July 2023

Blue Cap AG

■ **Blue Cap at a glance: Listed Private Equity company with investment focus on German-speaking SMEs**



**Buy
Transform
Sell**

8

**Portfolio companies,
primarily control investments**

€348m

**2022 group revenue
(+30% yoy)**

8.6%

**2022 adjusted EBITDA margin
(-0.5pp yoy)**

5

**acquisitions in last 2 years
including three platforms and
two add-ons**

Founded in

2006

**and listed in
Open Market**

■ Agenda



01_ Investment Highlights

02_ Financial Performance

03_ Outlook

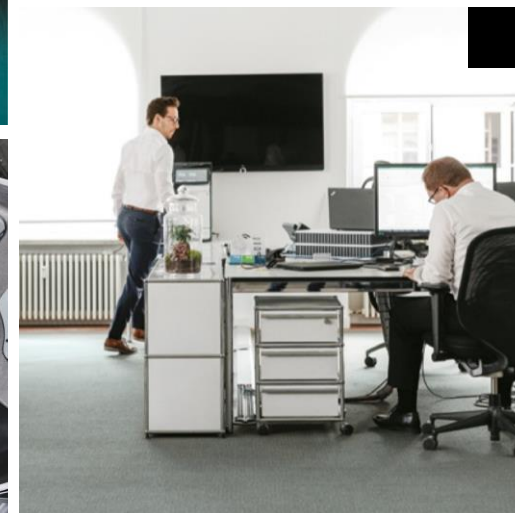
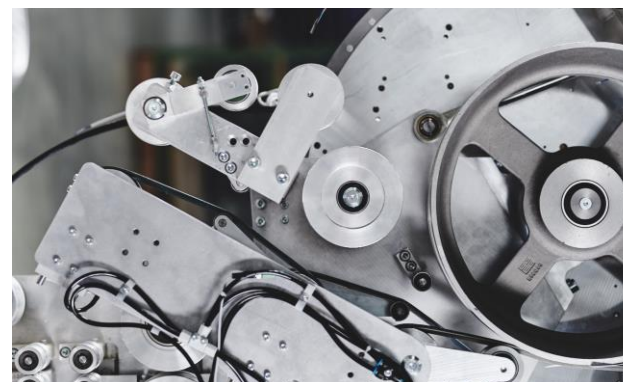
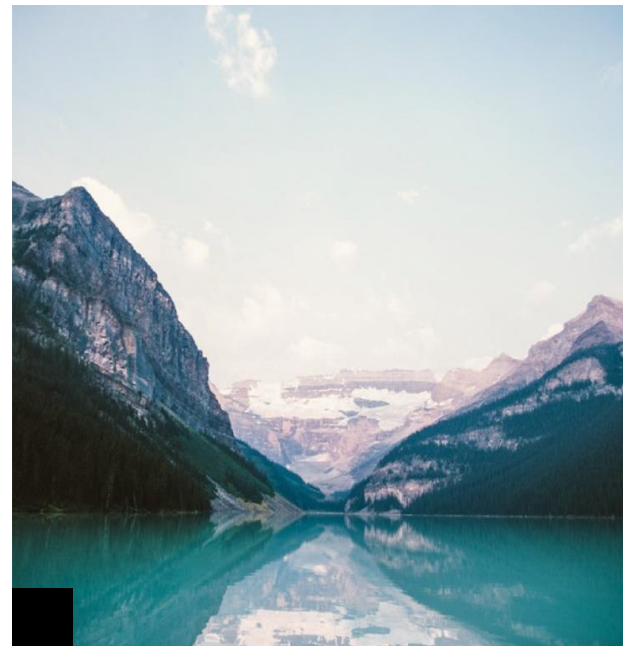
01 Investment Highlights

■ Investment Highlights

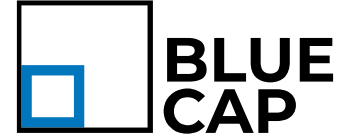
Unique opportunity to invest in German SME companies



- 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

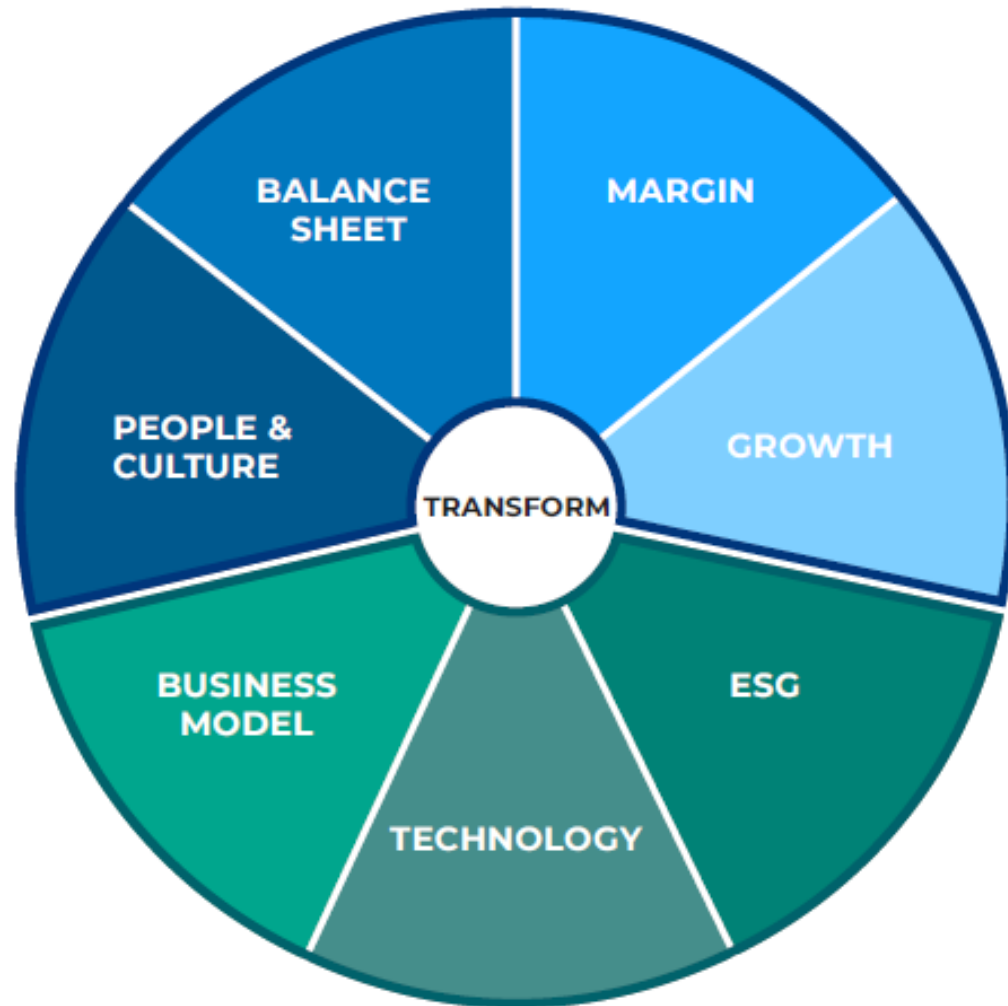
Optimal holding period: 3-7 years

Regular review of exit opportunity

SELL

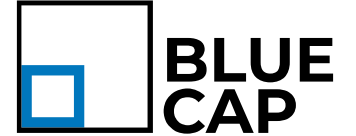
- **Active sales process:** best-owner approach
- **Passive sales process:** approach from strategic buyers
- **Proceeds realized** from exits are reinvested in new and existing companies

■ 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

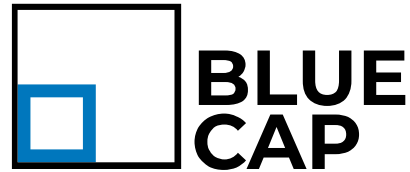


Buy, Turnaround, Sell

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

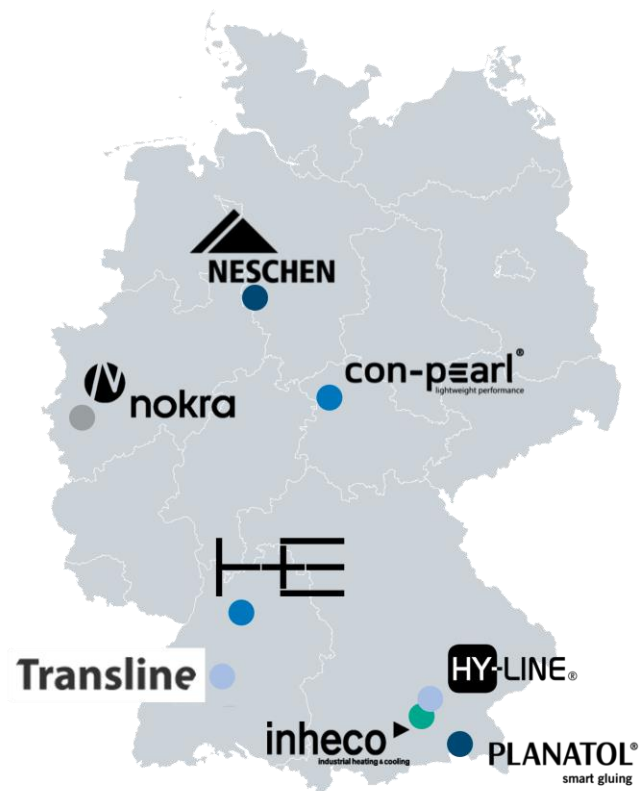


■ 02_ Diversified portfolio allows our shareholders to participate in different sectors and economic cycles

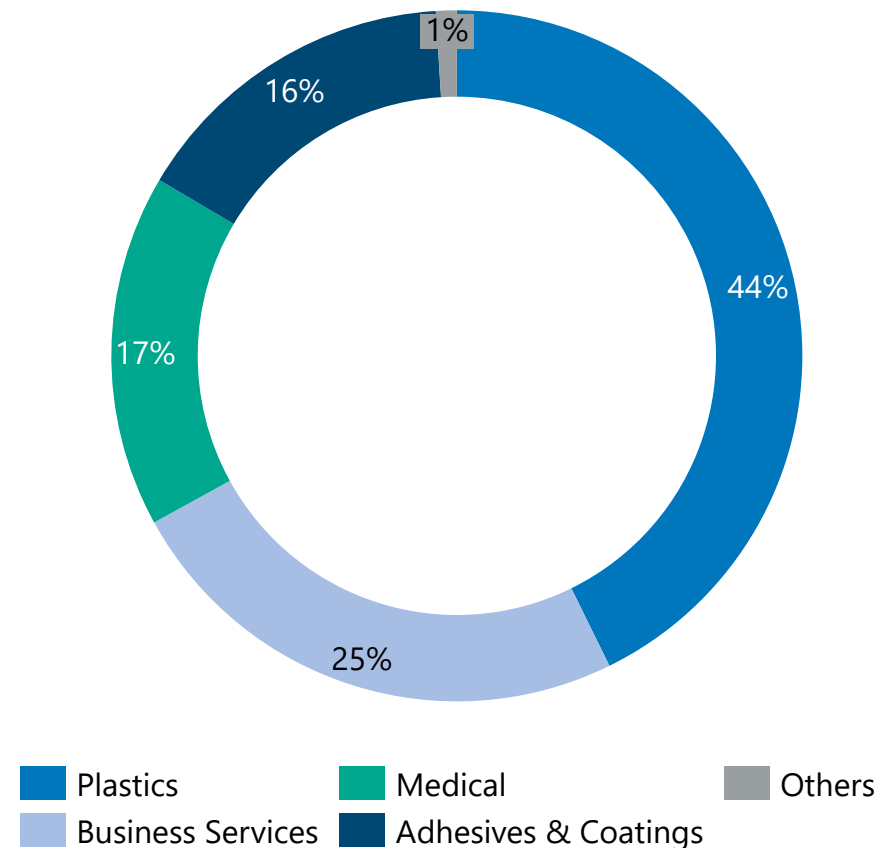


Portfolio of

- 8 companies with headquarters in Germany
- More than 1,000 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, includes Uniplast which was sold in June 2023

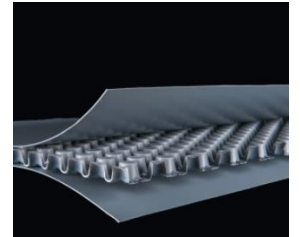
■ 02_ Plastics segment

Plastics

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



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



(*) revenue as of 31 December 2022

■ 02_ Adhesives & Coatings segment

Adhesives & Coatings

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 management and sales department

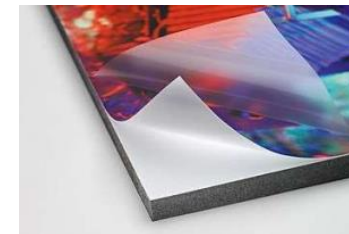



NESCHEN

Invest: 2016 / 100%

Revenue: € 57 mn

- Leading international company for self-adhesive media and coating solutions
- Value drivers:
 - People & Culture: strengthen management
 - Margin: focus on industrial applications, optimize product mix & pricing, personnel measures, modification of Filmolux business model



■ 02_ Business Services segment

Business Services



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



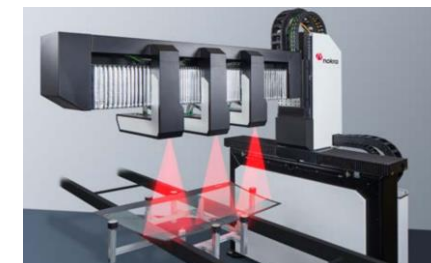
■ 02_ Others and non-consolidated activity

Others



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)

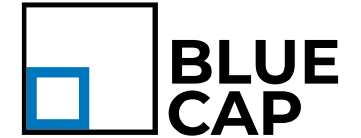


Invest: 2006 / 42%
Revenue: € 37.8 mn

- Manufacturer of products for thermal management in the laboratory automation
- Value drivers:
 - Margin: secure earnings by consistent cost management, personnel measures
 - Balance Sheet: net working capital improvement
 - Growth: grow US business



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



2018 – 2023



Plastics

Buyer: Management buy-out to CEO and COO/CIO

Actual market value achieved as % of NAV: ~117%

Money multiple: ~1.2x

2011 – 2022



Production Technology

Buyer: Merten Group (Austria)

Actual market value achieved as % of NAV ~130%

Money multiple: ~3.3x

2016 – 2021



Metal Technology

Buyer: Bauer-Walser AG (Germany)

Actual market value achieved as % of NAV: ~105%

Money multiple: ~3.1x

2014 – 2020



Medical Technology

Buyer: Dover Corp. (USA)

Actual market value achieved as % of NAV ~177%

Money multiple: ~4.0x

2012 – 2018



Medical Technology

Buyer: Aouha (China)

Actual market value achieved as % of NAV: ~ 189%

Money multiple: ~3.4x

2009 – 2017



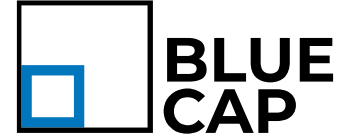
Adhesives Technology

Buyer: St. Gobain (France)

Actual market value achieved as % of NAV: N/A

Money multiple: ~45.9x

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



Growth Rates 2019-2022

Revenue
+54%



Adj. EBITDA
+113%



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 increase to EUR 0.90 per share, choice between cash and scrip dividend



Dividend per share and dividend yield

EUR and %



Stable and sustainable dividend

- Another slight **increase in the base dividend**

Attractive dividend yield

- Continued **stable yield of ~4%**

First time offering of a stock dividend

- Shareholders can choose between **payment in cash or the granting of new shares**
- **Major shareholders** have already signaled **strong support for the scrip dividend**
- If new shares are chosen: **greater participation** in the planned **growth of Blue Cap**

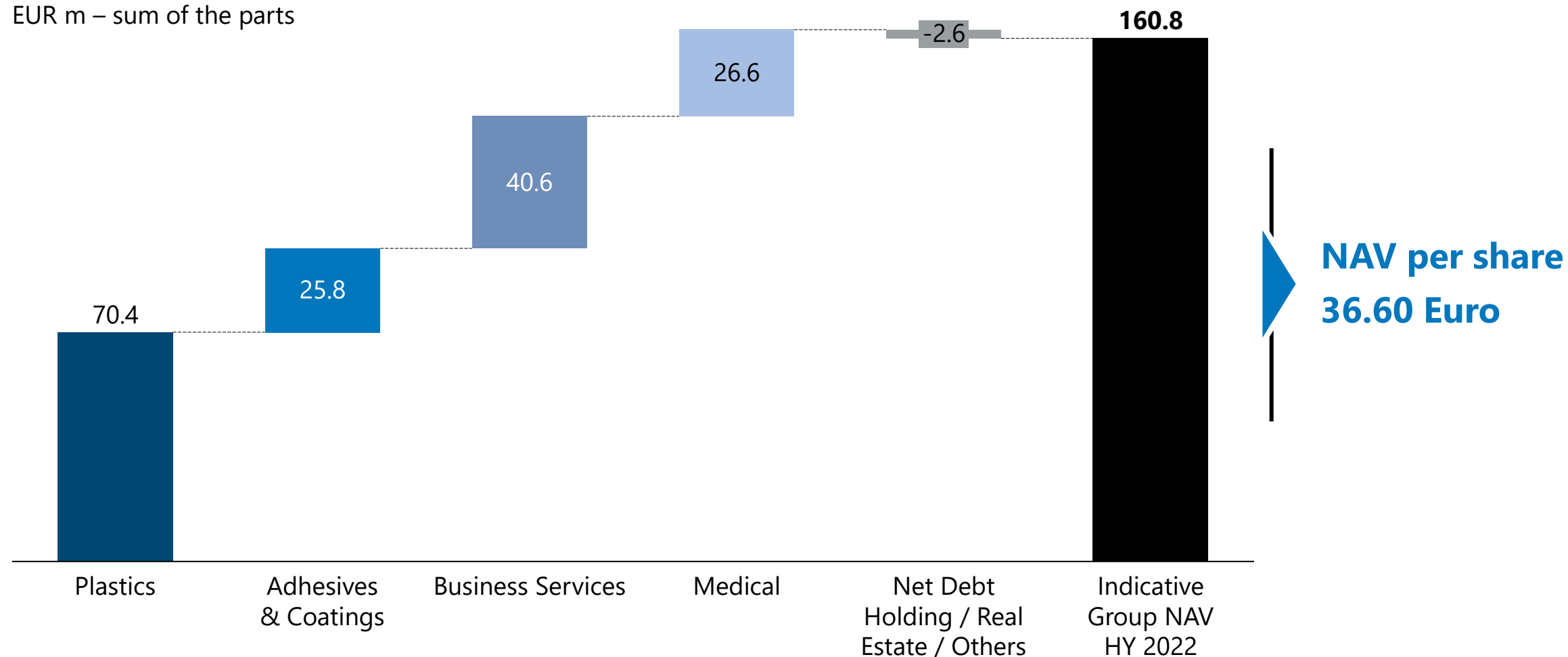
(*) dividend yield is based on XETRA closing price of the day of the respective AGM

■ 06_ Strong value creation potential



Net Asset Value as of 31 December 2022

EUR m – sum of the parts



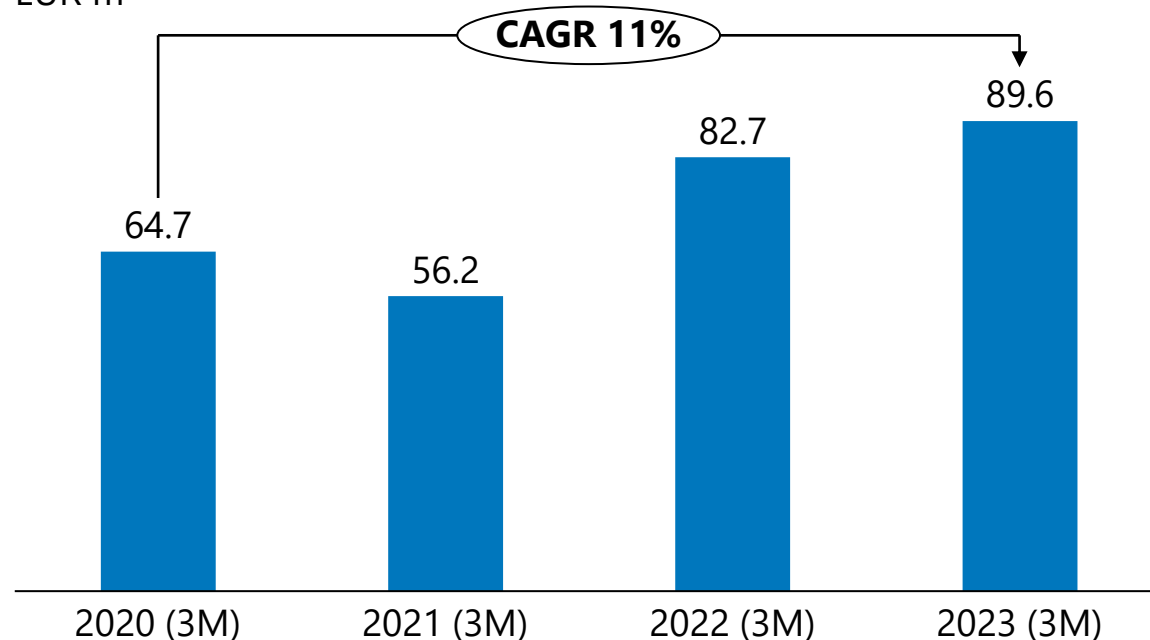
02_ **Financial Performance**

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



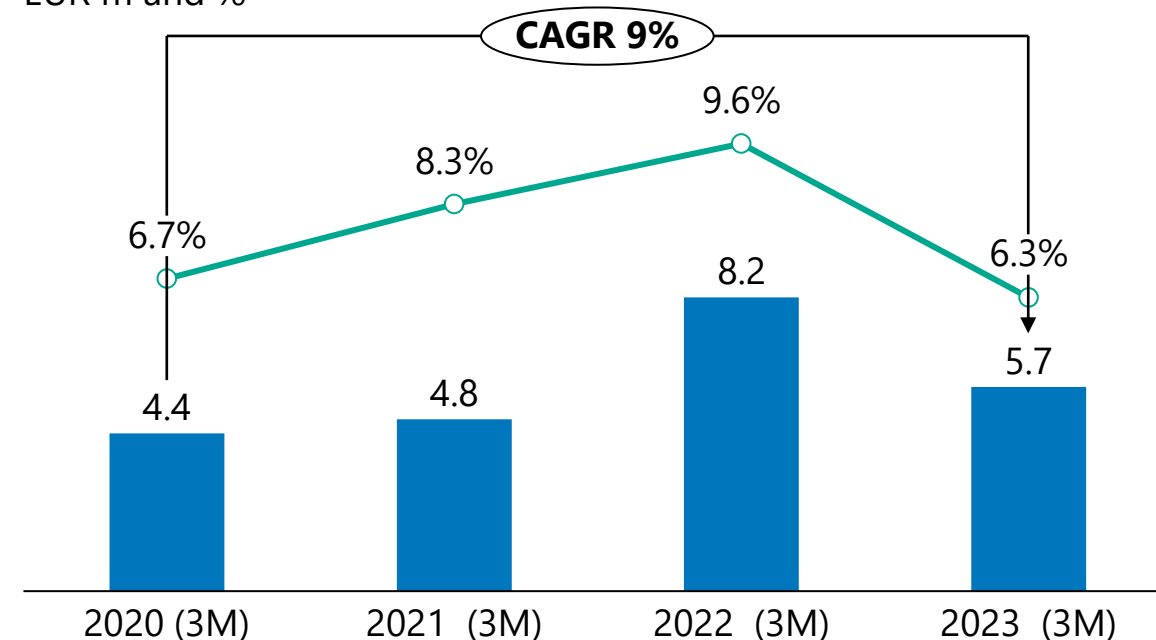
Revenue

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.

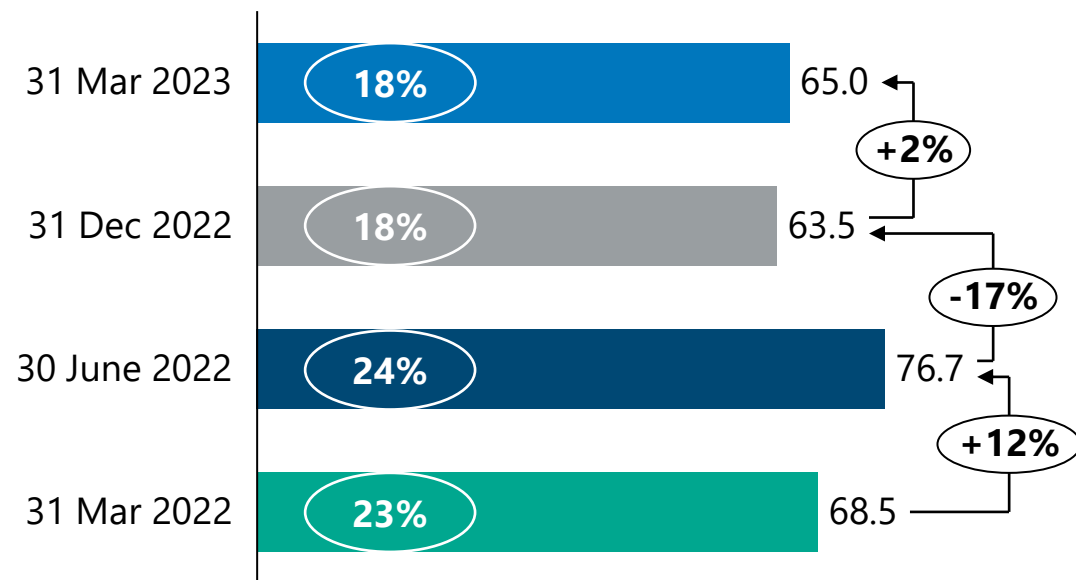
* Calculation is based on portfolio as of 31 March 2023

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



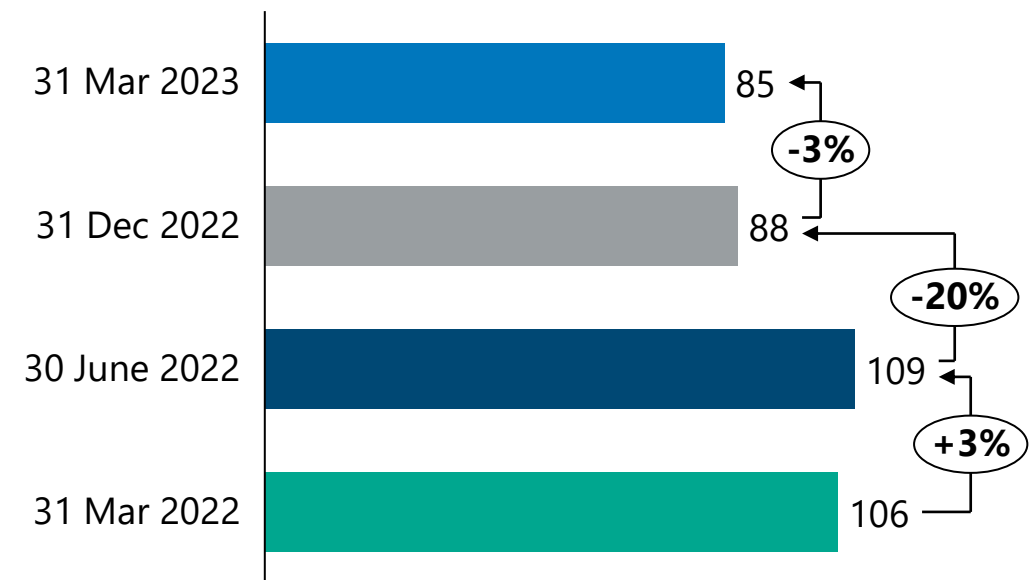
Net working capital*

EUR m and in % of total output (LTM)



Cash conversion cycle

days



- 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**

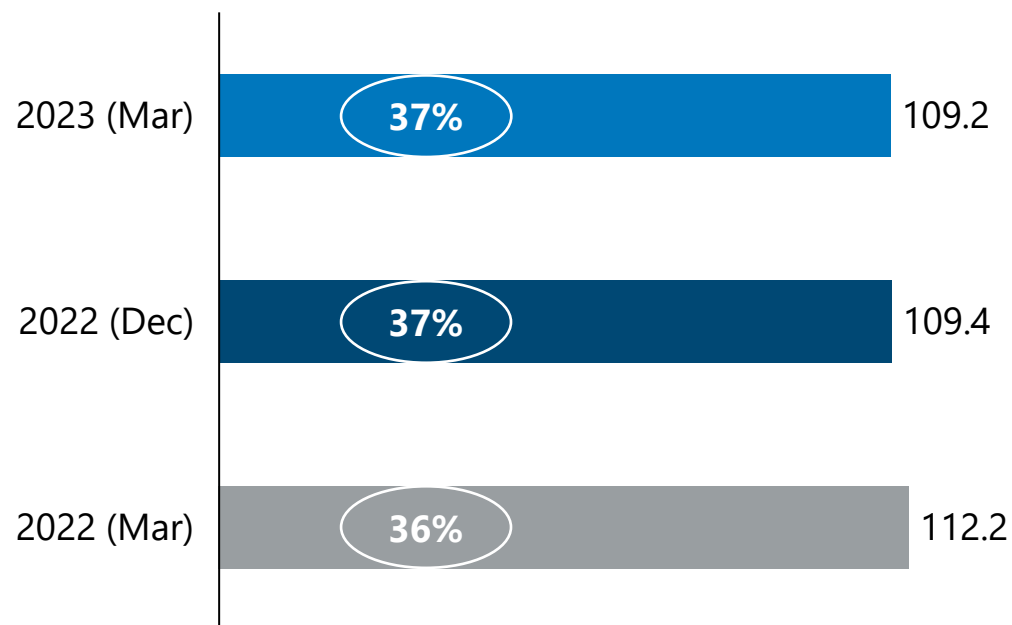
* Net working capital incl. contract assets/contract liabilities

■ Equity ratio and leverage continue to be comfortable



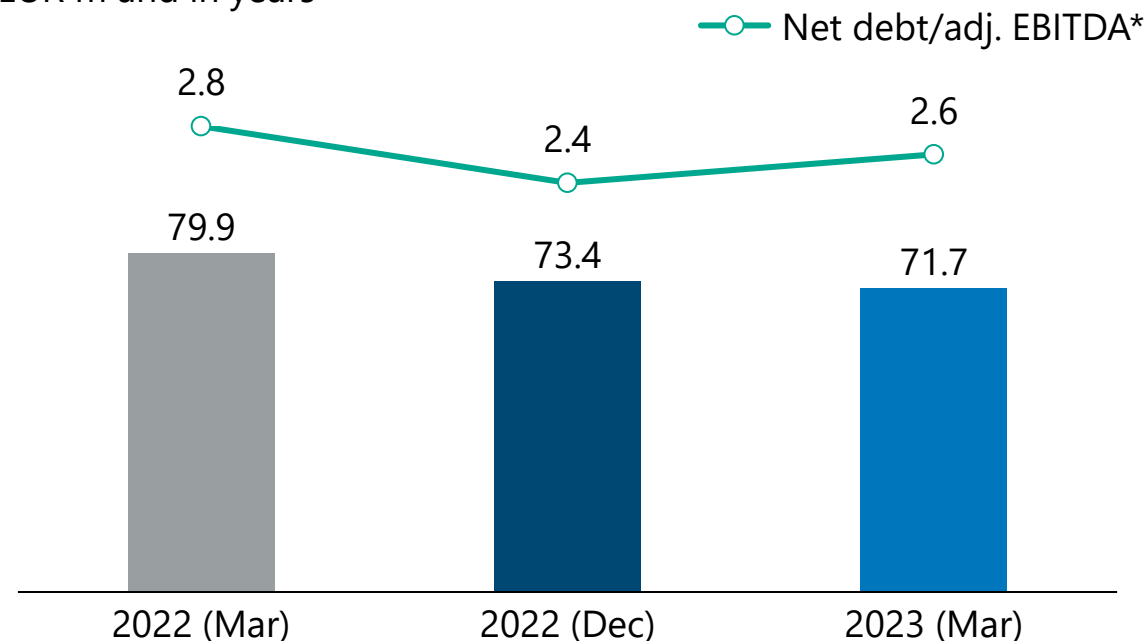
Equity and equity ratio

EUR m and in % of total assets



Net debt and leverage ratio

EUR m and in years



- **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**

* adj. EBITDA based on last 12 months

03 Outlook

■ Outlook 2023: guidance adjusted after Uniplast exit



Focus on extensive work for medium-term increases in value

- Increased focus on **active and stringent portfolio management** and **transformation**
- A **large number of measures** have already been initiated, and more will follow
- Guidance for the rest of the year depends on **macroeconomic developments**
- **Q1 development in line with expectations**

Adjusted guidance 2023

	Guidance after Uniplast exit (June 2023)	Guidance before Uniplast exit (March 2023)
Revenue in EUR m	300 – 320	340 – 355
Adjusted EBITDA margin	8 – 9 %	8 – 9 %
Net leverage	≤ 3,5x	≤ 3,5x

■ NAV per share target of 55 Euro until 2025



Essential value drivers

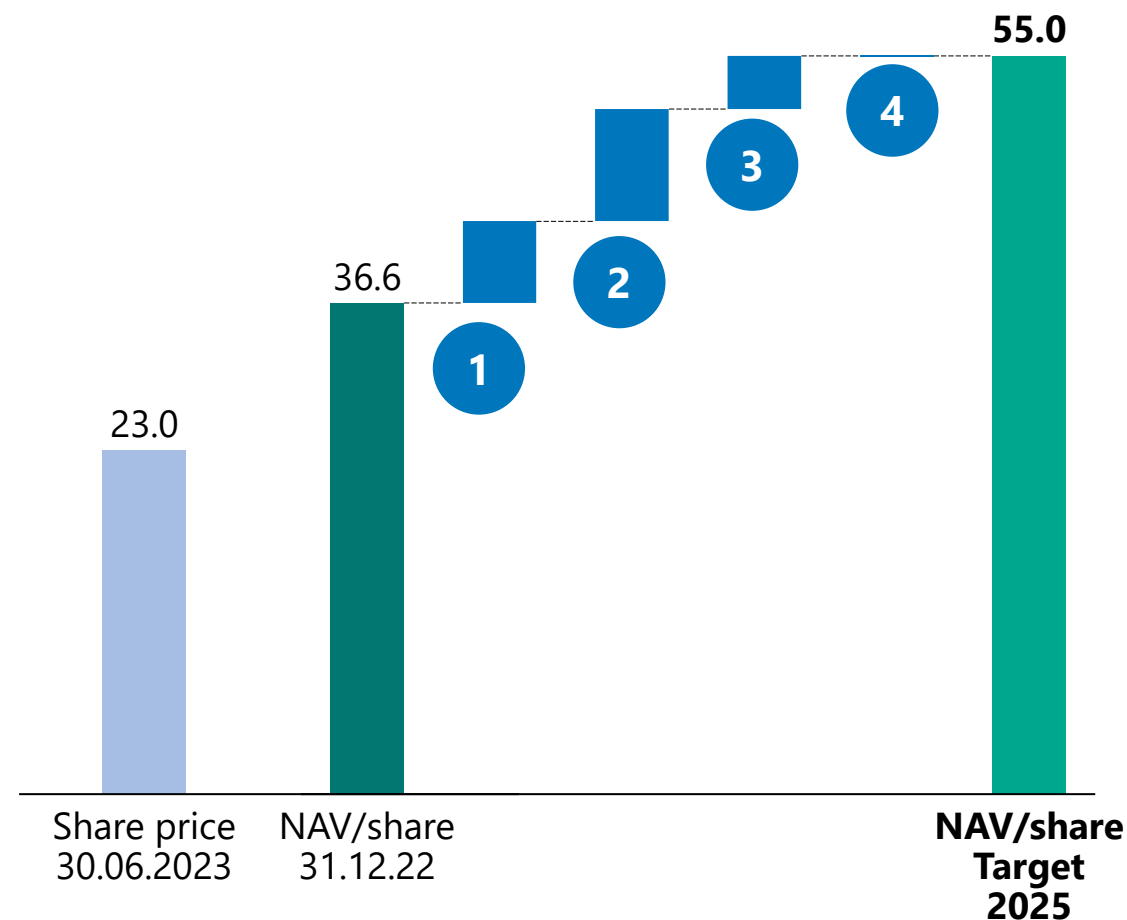
1 **Growth:** Growth initiatives and medium-term economic recovery


2 **Margin:** Active cost and price management

3 Strong focus on cash flow enables consistent **de-leveraging**

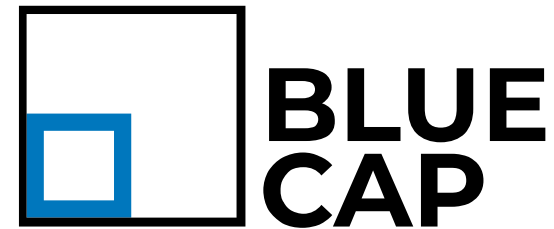
4 **Note:** without possible effects from M&A transactions, no change in valuation multiples

Net Asset Value target of EUR 55 per share





Questions and Answers



**Thank you for
your attention!**

■ Financial calendar and contact details



Date	Event	Location
05 July 2023	m:access Conference Investment Companies	Munich
End of July	Publication of preliminary financials for H1 2023	Publication
August 2023	Publication Half Year Report 2023	Publication
23-24 August 2023	10th Hamburg Investor Day – HIT	Hamburg
27-29 November 2023	Deutsches Eigenkapitalforum	Frankfurt / Main



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Appendix

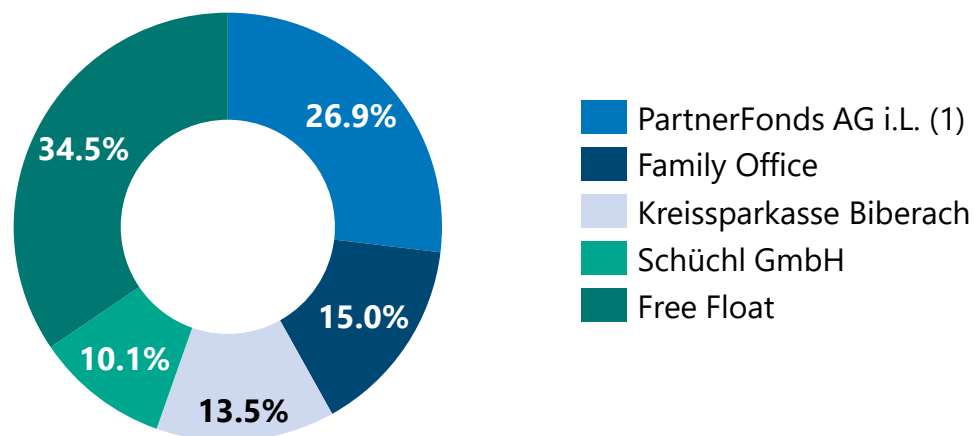
■ Blue Cap on the stock market



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	11.05.2023	Buy	40.00 €
SMC Research	19.06.2023	Buy	36.00 €

Share Price Development LTM

EUR



Source: Stock Exchange Frankfurt (XETRA)

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