

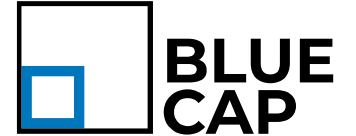


Earnings Call: Financial Figures Q3 2024

Dr. Henning von Kottwitz, CEO and Henning Eschweiler, COO

Munich, 23 October 2024 14:00 CEST

Q3 2024: Significantly improved EBITDA margin



- Revenue development was within expectations, reduction vs previous year mainly affected by lower order intake within business services segment
- Successfully implemented and executed turnaround measures led to significant increase of profitability
- Development of portfolio companies is quite varied
- M&A: Two exits completed successfully
- Plan for Q4: Further development of M&A pipeline, pursuing of acquisitions

Q3 2024
Revenue
€ 66.1 m
+4% yoy

Q3 2024
Adj. EBITDA
€ 7.8 m
+77% yoy

Q3 2024
Leverage Ratio
2.0x

Q3 2024
Adj. EBITDA
margin
11.8%

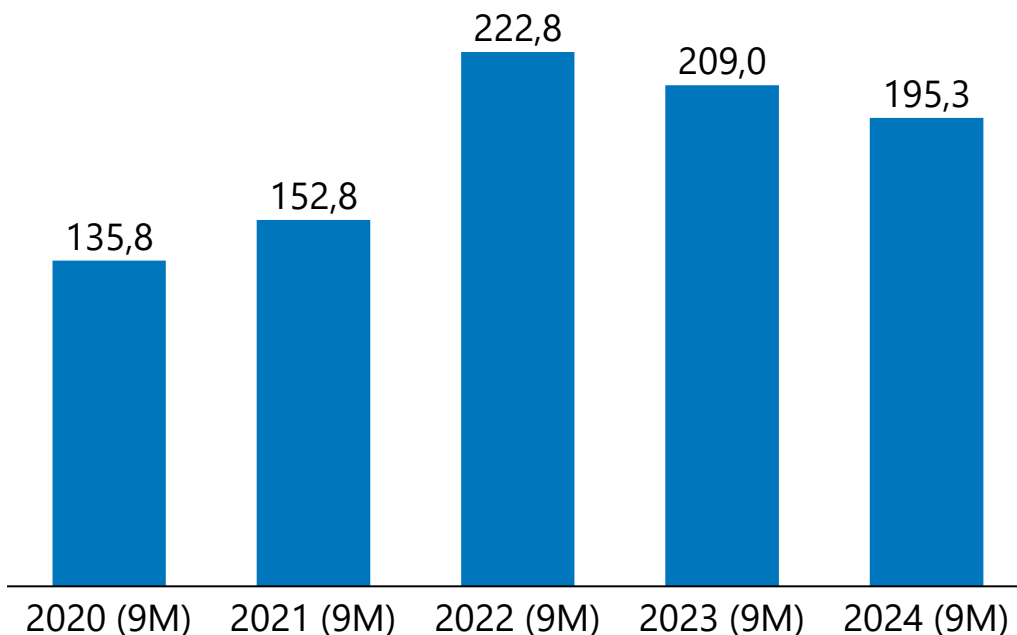
01_ Financial Figures

Dr. Henning von Kottwitz

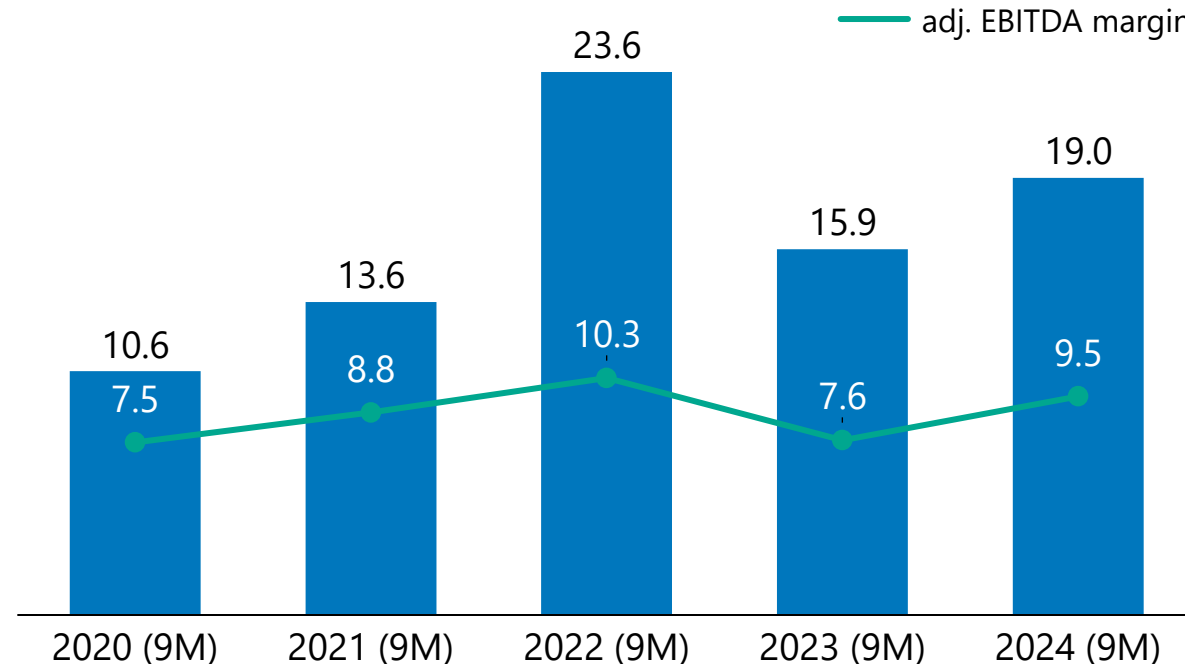
Revenue mainly affected by HY-Line, EBITDA strongly supported by con-pearl and Neschen**



Revenue*
EUR mn

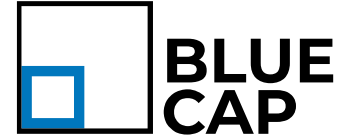


Adjusted EBITDA and adj. EBITDA margin*
EUR mn and %



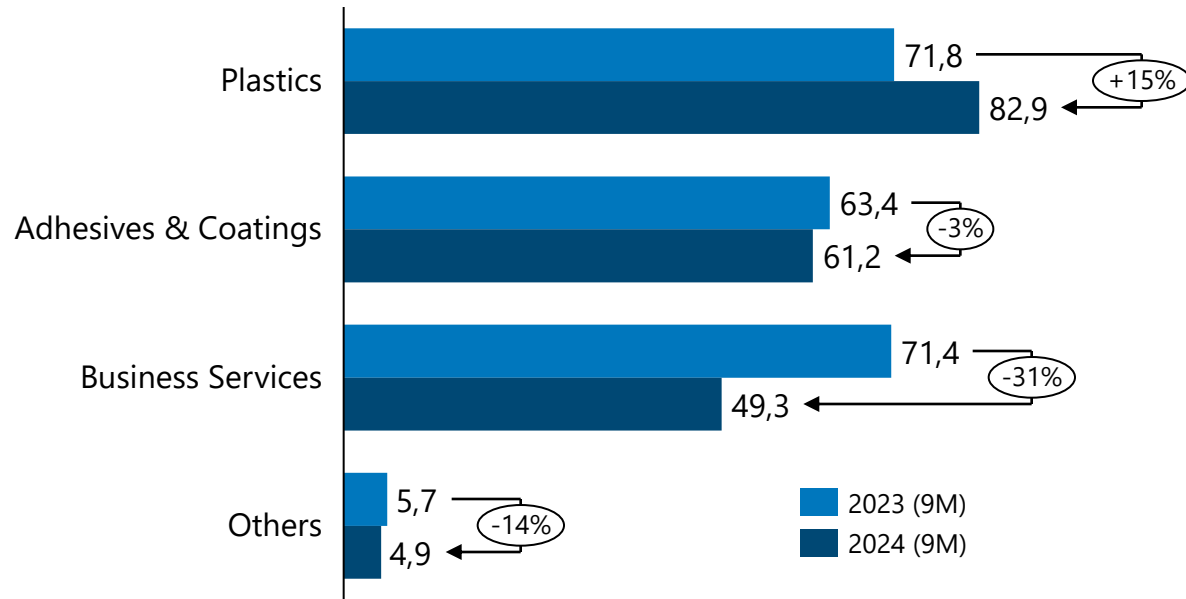
- Revenue yoy: Decline in revenue from 209.0 (HY 2023) to 195.3(HY 2024) driven primarily by declined revenue within the Business Services segment and Planatol; at the same time, the Plastics segment is performing well
- Adjusted EBITDA: Positive developments in the volume of orders and transformation processes are proving successful
- Adjusted EBITDA margin: Overall, these developments led to an increase in the adjusted EBITDA margin to 11.8% in Q3 2024; resulting in an EBITDA margin of 9.5% for the first nine months of 2024 (previous year: 7.6%)

Very different development between segments in difficult environment



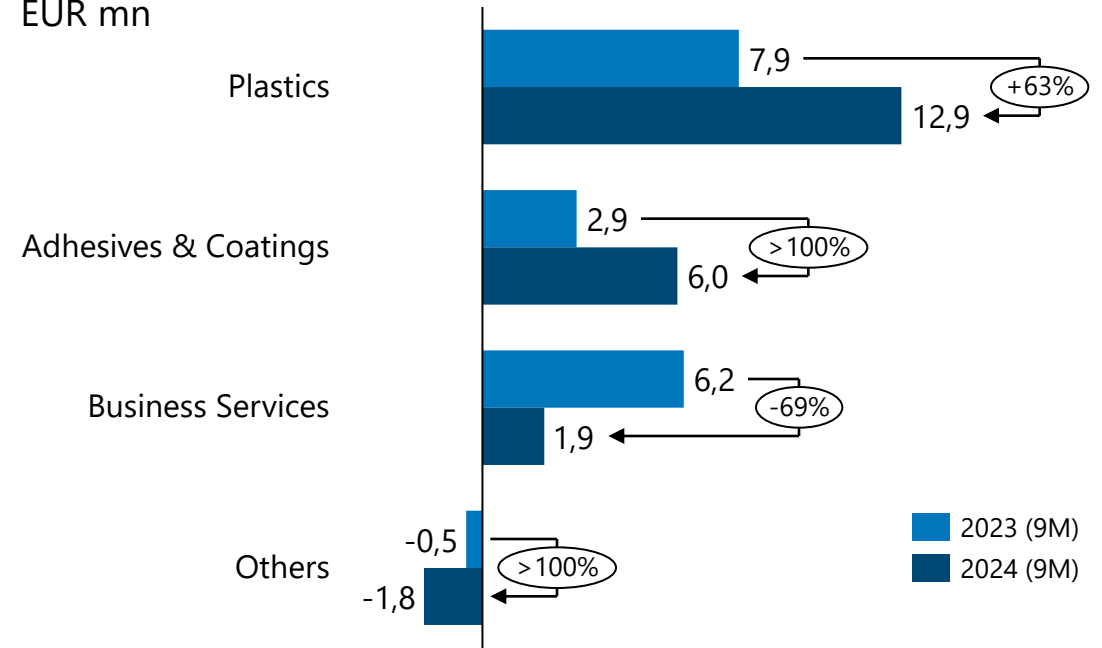
Revenue by segment*

EUR mn



Adjusted EBITDA by segment*

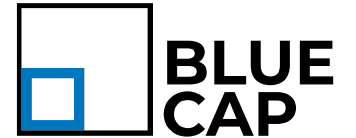
EUR mn



- Plastics: Positive margin development and stable order intake at con-pearl ensure improved EBITDA; H+E is experiencing a positive YTD development
- Adhesives & Coatings: sales are at a historically low point for Planatol, however, margins could be improved due to fitness program
- Business Services: Transline and HY-Line are feeling the restraint in the market; as expected, results are clearly down on the previous year

* all figures shown refer to both the future continuing operations and the discontinued operations involving Neschen and nokra

Net working capital and cash conversion cycle remain on a healthy level; increase driven by con-pearls US business



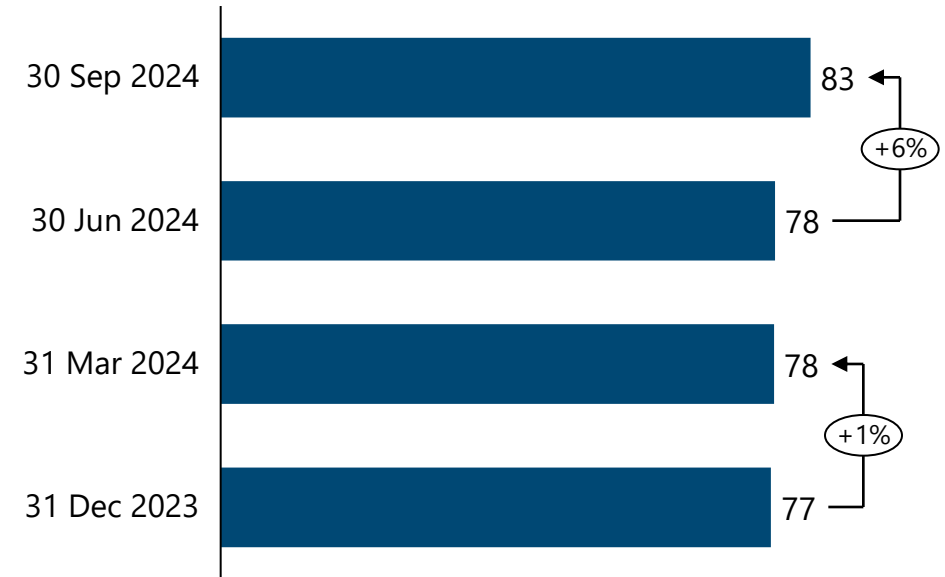
Net working capital*/**

EUR m and in % of total output (LTM)



Cash conversion cycle**

in days

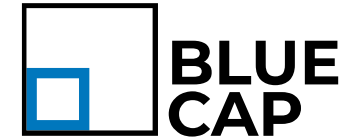


- Working capital levels remained at healthy levels after reduction in 2023
- Cash conversion cycle slightly higher

*Net working capital incl. contract assets / liabilities

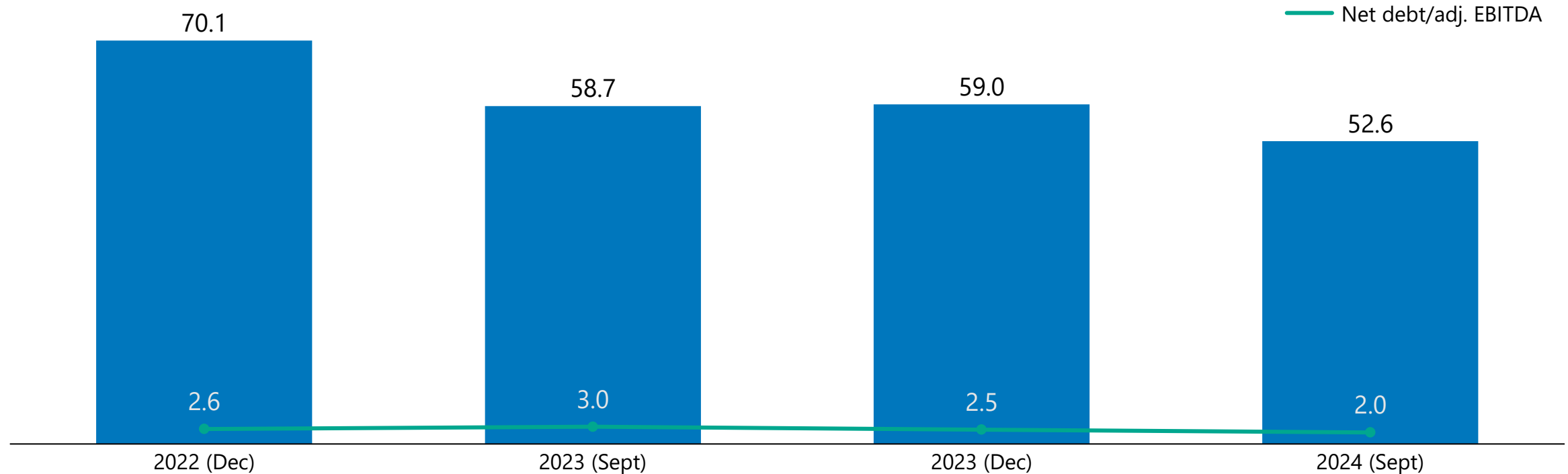
** all figures shown refer to both the future continuing operations and the discontinued operations involving Neschen and nokra

Leverage ratio significantly improved, net debt below target



Net debt and leverage ratio*

EUR mn and in years



- Total net debt in the group significantly lower than Q3 2023
- Net leverage ratio of 2.0x comfortably below target of <3.5x

* all figures shown refer to both the future continuing operations and the discontinued operations involving Neschen and nokra

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Portfolio Update

Henning Eschweiler

Current developments in our portfolio

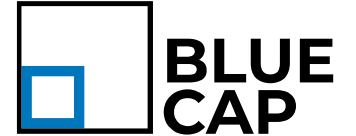
Plastics







Plastics	Q3 2024	Outlook 2024
 Invest: 2019 / 100% Revenue 2023: €55mn	<ul style="list-style-type: none">▪ YTD significantly better than PY▪ Pick-up in H2 visible▪ Margins remain sustainably high	<ul style="list-style-type: none">▪ Strong Q4 outlook, mainly driven by US-Business▪ Sale of recycling facility Hillscheid <p>→ An increase in sales, mainly driven by the US-Business, combined with sustainably strong margins will add up to a strong FY24</p> 
 Invest: 2021 / 71% Revenue 2023: €41mn	<ul style="list-style-type: none">▪ Price negotiations with OEMs tougher than previous year, putting pressure on margins▪ Recent OEM-wins reflect overall improved sales performance, start of production in 2026/27▪ Overall steady-demand on modest level with high variation between different OEMs and models suggests budget achievement for remaining year, volatility remains high	<ul style="list-style-type: none">▪ Although the YTD 2024 development went well for H+E and leads to an optimistic year-end-outlook, volatility in demand remains high and makes forecasting increasingly hard <p>→ Securing margins has been set as top priority in 2024 and will likely be achieved</p> 

Current developments in our portfolio

Adhesives & Coatings







Adhesives & Coatings	Q3 2024	Outlook 2024
 <p>Invest: 2016 / 100% Revenue 2023: €51mn</p>	<ul style="list-style-type: none"> ▪ Last 9 months with sales on plan ▪ Margins significantly ahead of plan and previous year 	<ul style="list-style-type: none"> ▪ Sold to strategic buyer ATP <p>→ Sold after successful turnaround (in 2023). ROIC 8x</p> 
 <p>Invest: 2009 / 100% Revenue 2023: €33mn</p>	<ul style="list-style-type: none"> ▪ Strong Q1 saved a decent H1 ▪ Margins better than previous year (in % as well as in EUR) ▪ Sales remain on a historic low point, way below previous year and plan 	<ul style="list-style-type: none"> ▪ No visible market recovery ▪ Prepare for further quarters on similarly low sales levels <p>→ We do not expect sales to recover shortly and prepare for an equally challenging 2025</p> 

Current developments in our portfolio

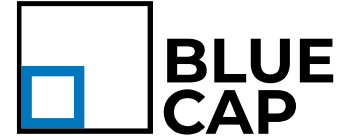
Business Services



Business Services	Q3 2024	Outlook 2024
 <p>Invest: 2021 / 93% Revenue 2023: €69mn</p>	<ul style="list-style-type: none"> As initially expected, 2024 kicked-off below a strong 2023 Since then, it went from bad to worse, with sales remaining on disappointingly low levels In consequence, margins are under pressure and the organization is underutilized 	<ul style="list-style-type: none"> Based on customer feedback and research, we expect no short-term recovery, but a crisis of the electronic industry, which obviously effects HY-LINE The difficult market environment is a challenge for the entire sector, but we identified tangible value levers and are preparing to implement them. We aim for a quick EBITDA recovery on modest sales levels and intend to use this crisis to catch-up to the peer group <p>→ We expect no recovery for 2024 and prepare for an equally challenging 2025</p> 
 <p>Übersetzen. Verstehen.</p> <p>Invest: 2022 / 74% Revenue 2023: €21mn</p>	<ul style="list-style-type: none"> H2 unfolds even more difficult than H1 Sales targets seem currently out of reach, with in particular key accounts causing deviations On project level, there is a silver lining on the horizon regarding the expected margin uplift, but that is fully jeopardized by the overall underutilization 	<ul style="list-style-type: none"> Focus on utilization of AI for productivity improvements The focus on sales excellence turns now into a prerequisite for sales recovery, with making up for lost volumes the top priority <p>→ Targets for margin and sales improvements are missed, with no catch-up to be expected for the remainder of 2024. Key challenge for 2025 will be to compensate for lost volumes.</p> 

Current developments in our portfolio

Life Science



Life Science

Q3 2024

Outlook 2024

inheco
industrial heating & cooling

- Turnaround concept "Restart 2023" completed
- Sales as planned, based on modest expectations
- EBITDA back at profitable levels, with single months showing capability to return to double digit

Invest: 2006 / 42%
Revenue 2023: €21mn

- Focus on operational improvements and productivity
- Finance team upgrade with new CFO in Sep
- Market dynamics still a bit disappointing, but in line with modest expectations.

→ 2024 will show a strong recovery. Inheco carries a good order backlog, ensuring sales in line with current trading; however, no additional tailwind expected from the markets

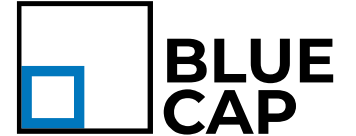


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Outlook

Dr. Henning von Kottwitz

Neschen is a blueprint for the goals we aim to achieve with our strategy



- Joined Portfolio: 2016
- Revenue 2023: EUR 51.1 Mio
- Headquarter: Bückeberg (Lower Saxony)
- Employees (31.12.2023): 215
- Shareholdings in %: 100

Case

- Bought from insolvency in 2016
- Optimisation of working capital management
- Advancement of the industrial coatings business
- Continuation of internationalisation strategy
- Development of organization and digitalisation of sales
- Fitness program in 2023 and exit readiness in 2024

Exit

- Exit: 07.10.2024
- Sold to ATP adhesive systems AG, a strategic investor
- Total proceeds (before taxes): double-digit million range
- 10% above NAV valuation as of 30.06.2024
- Internal rate of return: 44% p.a.
- Money multiple on the capital employed: around 8x

- Successful execution of typical structured M&A process in a challenging environment
- Excellent transaction result proves value proposition (money multiple, NAV)
- Proceeds provide foundation for new investments – and special dividend!

Guidance* 2024 reflects strong EBITDA development and recent exit(s)



Outlook 2024

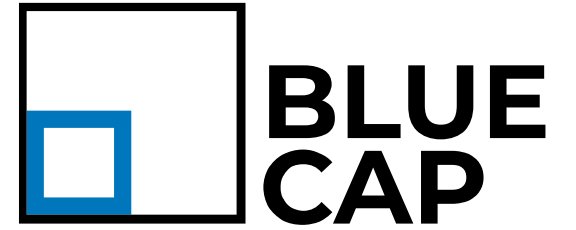
- For 2024, we currently expect revenue at EUR 200-220m with an EBITDA margin (adj.) at 9.5-10.5%

Revenue 2024e	EUR 200-220 mn
Adjusted EBITDA margin 2024e	9.5-10.5%
Net leverage 2024e	≤ 3.5x

- We aim for ...
Further development of M&A pipeline, pursuing of acquisitions, value creation turnaround initiated
Solid financing of holding and portfolio
- Economic recovery is part of premise

Questions & Answers

Thank you!



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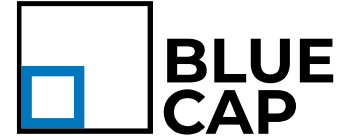
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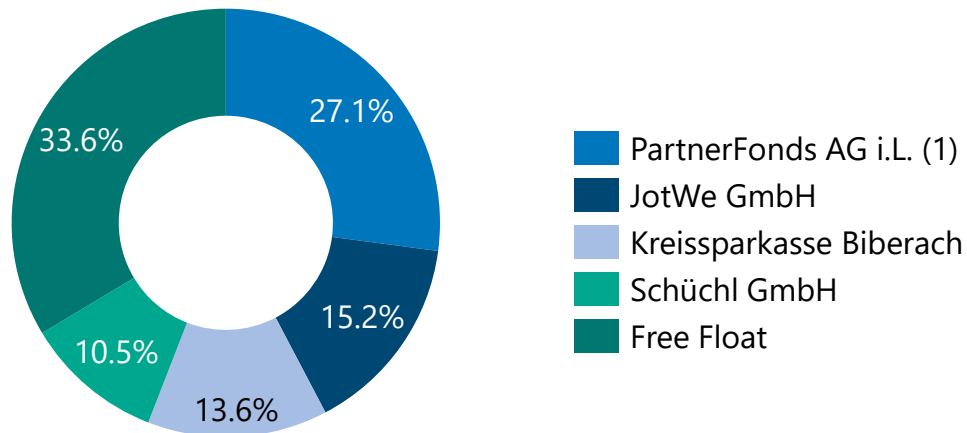
Blue Cap on the stock market



Reference data

- ISIN/WKN: DE 00A0JM2M1 / A0JM2M
- Ticker: B7E, B7E.DE (Reuters), B7E:GR (Bloomberg)
- Share Capital: 4,486,283.00 Euro / 4,486,283 pcs
- Market Segment: Scale (Frankfurt), m:access (Munich)
- Designated Sponsor: BankM AG
- Stock Exchanges: XETRA, Frankfurt, Munich, Hamburg, Düsseldorf, Berlin, Stuttgart, Tradegate

Shareholder structure

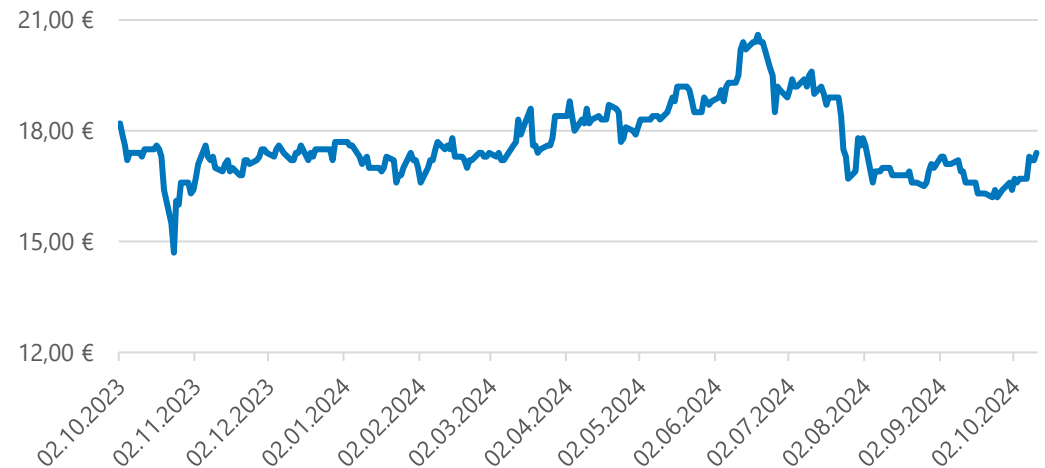


(1) In an extraordinary meeting on May 6, 2020, it was decided to liquidate PartnerFonds AG with effect from January 1, 2021.

Positive recommendations by analysts

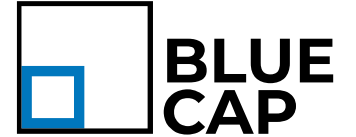
Analyst	Date	Rating	Target Price
SMC Research	08 October 2024	Buy	34.00 €
M.M. Warburg	08 October 2024	Buy	32.00 €

Share Price Development LTM EUR



Source: Stock Exchange Frankfurt (XETRA)

Management Board



Dr. Henning von Kottwitz

Chief Executive Officer



Main Responsibilities

M&A, Finance, Capital Market & Investor Relations, Law

Before

- Ex BCG – industrial goods core group
- 10+ years experience in restructuring and investing
- Corporate lawyer by education

Henning Eschweiler

Chief Operating Officer



Main Responsibilities

Portfolio Management, ESG, IT, People & Culture

Before

- Ex Nimbus hands-on investors and ex Struktur Management Partner
- 10+ years experience in private equity and turnaround management
- Mech. engineer and business economist by education

Financial calendar and contact details



Date	Event	Location
23 October 2024	Earnings Call Q3	Virtual
13 November 2024	Münchner Kapitalmarkt Konferenz	Munich
25-27 November 2024	Deutsches Eigenkapitalforum	Frankfurt/Main



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