Future Ready 2025 — 17th December 2020
Agenda

- technotrans today
- It’s time to transform
- Strategy into growth
- Strategic roadmap/Key activities
  1. Focus
  2. Consolidation
  3. Operational excellence
  4. Synergies
  5. Performance management
  6. Sustainability
- Outlook 2021 – 2025
- technotrans tomorrow
technotrans yesterday

2009
82 m €

100 % Print

→

2019
207.9 m €

35 %* Print

24 %* Plastics

21 %*
Laser & Machine Tool Industry

16 %*
E-mobility, Medical/Scanner

4 %*
Technical Documentation

technotrans today
technotrans today

technotrans

Yesterday

100% Print

→

technotrans

Today

21%* Laser & Machine Tool Industry

24%* Plastics

16%* E-mobility, Medical/Scanner

4%* Technical Documentation

35%* Print

* Revenue share as of Sep. 30, 2020, Revenue: 141.5 m. €
Growth story of last decade

- Profitable growth mainly through acquisitions
- Diversified group provides potential for synergies
50 years – A good foundation to build on

– Leading products and technologies for cooling & temperature control solutions
– In-depth knowledge of various markets/industries
– High customer satisfaction & loyalty
– Broad customer base

This has been our basis for success and will continue to be pillars for our future profitable growth.
Customer quotes

»Technotrans can offer the best products in their class in the world.«

»Advice makes the difference – not comparable with others, always motivated and friendly.«

»Technotrans had solutions, where others failed.«

»For every question there seems to be at least one expert at Technotrans.«
From high end solutions to innovations

State of the art engineering
Process know-how
Innovative and entrepreneurial approach
High degree of flexibility and high reaction speed.
The world is changing, we’re also changing.
It's time to transform

Time has come to focus the power to transform.
Our Goal

To make technotrans strong and stable in the long term, and to further expand its position as a technology leader.
Why technotrans?

We strive for the optimum. For us, the optimal state is always a balance: a balance of people and environment, reflection and dialogue, tasks and solutions – cooling and temperature control. This competence creates trust and gives security.
Our Vision:

If there is a challenge in the field of thermal management, we develop and build the better solution.
Our Mission:
Together with our customers, we create the innovations of tomorrow.
It’s time to transform

Step by step transition from a group of multiple affiliated companies towards a strong single brand organisation.
It's time to transform

How will technotrans look in the future?
One brand for all.
power to transform strategy into growth
Future Ready 2025:

2021 – 2022
Phase I: Stability & Profitability

- Continuation of the **initiated change process based** on existing core competencies
- **Merger** of individual group companies
- Use of **group-wide synergy effects** through central control of the functional areas
- Strengthening technotrans as **one brand**

2023 – 2025
Phase II: Profitable growth & Investment

**Accelerated growth based on:**
- Focus on key markets (Plastics, Print, Energy Management, Healthcare & Analytics)
- New technologies
- International business expansion
Main Financial Targets 2025:

265 – 285 m €

M&A
Acquisition of quality targets to further leverage growth

> 15 %

CAGR
6 – 9 %

Revenue
2025
Organic growth

9 – 12 %

Revenue
2020 – 2025

EBIT Margin
2025

ROCE
2025
Key Activities

1. Focus
2. Consolidation
3. Operational Excellence
4. Synergies
5. Performance Management
6. Sustainability
Focus on key markets

- Print
- Healthcare & Analytics*
- Plastics
- Energy Management**
- Food
- Laser & Machine
  Tool Industry
- Metal
- Others

* Incl. Pharma, Chemistry/Biology
** E-mobility rail & road, charging stations, datacentres
Key Activity 1 – Focus

Growth in mainly 4 focus markets

- Plastics (26 %)*: Extrusion, injection moulding, compound forming, surface coating and foaming
- Print (25 %)*: Offset-, digital- and flexo print
- Energy Management (16 %)*: E-mobility rail & road, charging stations, data centres
- Laser & Machine Tool Industry (15 %)*: Laser sources, laser machinery, EUV, machine tools
- Healthcare & Analytics (10 %)*: Laser surgery, diagnostics, laboratory analytics, bio technology, chemical and pharmaceutical processes

* Expected revenue share 2025
Focus market: E-mobility rail & road*

- **Target market:** Manufacturer of locomotives and trams, e-trucks and e-busses, batteries, charging infrastructure
- **Market drivers:** Electrification of rail- and road applications, reduction of CO2 footprint and emissions (green mobility supported by government)
- **Key products:** Battery and inverter cooling systems, cooling systems for power electronics and electric drives
- **Market strategy:** Growing with market, expansion of existing customers, displacement of competitors, acquisition new customers, development of new market areas, retrofitting
- **Key activities:**
  - Expansion of modular concepts for rail and road
  - Step up from tier2 to tier1 supplier
  - Combination of single solutions to systems
  - Keeping leading market position in Europe in rail and expansion sales activities in road
- **Regional focus:** Europe 25 %, USA 20 %, Asia 55 % (esp. China)

* Part of Energy Management
Focus market: Plastics

Target market: Machine manufacturer, mold maker, plastics processors

Market drivers: Technical foils, packaging, substitution of conventional materials e.g. metals by plastics or compounds

Key products: Water treatment systems, chillers, cooling plants/container

Market strategy: General market growth, expansion of existing customers, displacement of competitors, acquisition new customers, development of new market areas

Key activities:
- Increased sales activities especially in rubber industry and deep temperature processes
- Combination of single solutions to systems
- Expansion of energy saving solutions/energy management

Regional focus: Europe 80%, USA 10%, Asia 10% (esp. China)
Focus market: Healthcare & Analytics*

- **Target market:** Manufacturer of medical equipment, diagnostics systems, pharmaceutical products, biological and chemical process equipment
- **Market drivers:** Innovative treatment methods especially deep temperature, cryogenic applications (COVID-19), increasing demand on analytics
- **Key products:** Chiller, process coolers and container, integrated thermal management systems
- **Market strategy:** Growing with market, expansion of existing customers, displacement of competitors, acquisition new customers, development of new market areas
- **Key activities:**
  - Expansion of human cooling technology (e.g. blood, brain, skin)
  - Sales offensive gaining market share from competition with new products
  - Strengthen of the field of process cooling (gwk/reisner)
- **Regional focus:** Europe 35%, USA 30%, Asia 35% (esp. China)

* Incl. Pharma, Chemistry/Biology
Focus market: Print

Target market: Manufacturer of printing presses (offset, digital, flexo), retrofitters, end customers

Market drivers: Packaging, technical foils, individualization of products (digital printing)

Key products: Cooling and filtration systems, chiller, coloring equipment/ink technology

Market strategy: Expansion of existing customers, displacement of competitors, acquisition new customers, development of new market areas, retrofitting

Key activities: – Keep market leader position (offset, flexo) – Development new products (digital) – Combination of single solutions to systems

Regional focus: Europe 80 %, USA 15 %, Asia 5 % (esp. China)
Key Activity 1 – Focus

Focus on key markets

- Healthcare & Analytics*
- Plastics
- Energy Management**
- Food
- Metal
- Laser & Machine Tool Industry
- Others
- Print

* Incl. Pharma, Chemistry/Biology
** E-mobility rail & road, charging stations, datacentres

Bubble size = planned revenues in € 2025
Key Activity 1 – Focus

M & A to further leverage growth

Target criteria
- Customer diversification
- Profitable growth
- Strategic fit
- Significant quality targets

* Bubble size = planned revenue m € 2025
  * Incl. Pharma, Chemistry/Biology
  ** E-mobility rail & road, charging stations, datacentres
Key Activity 1 - Focus

Boost geographic growth

USA
- Expansion of distribution network
- Leveraging of cross selling potentials based on service organisation

Asia
- Business expansion of production site Taicang (China)
- Product development with focus on local competitiveness
- Increase sales efficiency of our regional sales & service units

Expanding global sales & service activities

Europe
USA
Asia

2021
2025
Consolidation of group companies

Consolidation in terms of
- organisational merging to increase efficiency
- market focus, through technological and sales competence for our customers

Key Activity 2 – Consolidation
Consolidation of group companies

- gwk/Reisner: Plastics
- termotek: Healthcare & Analytics, Laser & Machine Tool Industry (small size)
- gds: Technical Documentation

Key Activity 2 - Consolidation
Key Activity 3 – Operational Excellence

Operational Excellence

1. Supply/Logistics
   - Optimisation of stocks
   - Improvement of availability and delivery time
   - Group-wide standardisation of parts

2. Engineering
   - Technological focus
   - Implementation of platforms
   - Software modularisation
   - Equal parts strategy

3. Production
   - Group-wide make or buy process
   - Ongoing lean transformation
   - Improvement of resource efficiency and productivity
   - Group-wide standards for processes and quality
   - Digitalisation/paperless production

Based on actual product mix:
- Targeted improvement of productivity
- CAGR: 5.3 %
  \(\text{(Revenue/FTE}_{\text{Operations}})\)
Lifting of Synergies

Key Activity 4 - Synergies

- Merger
- Shared Services e.g. FiCo, HR, IT
- Global Service (based on technotrans service experience & success)
- Group wide standardised bought-in-parts
- Software
- Group-wide Innovation
- Use of Sales & Service Units
- Expand Global Sourcing
- Competence Center e.g. welding
- Talent (skill) Pools

Targeted results:
- Personal cost ratio ↓
- Material cost ratio ↓
Key Activity 5 – Performance Management

**Continuously to Success**

- Standardised KPI & processes
- Consistent management culture & extent management skills
- Inspiring talents

- Performance orientated organization
- Target & result orientated
- Accountability
- Strong & inspiring Management team
- Entrepreneurial thinking & action
- Dedicated, motivated and capable employees
- Employer of choice
What is precious to us

<table>
<thead>
<tr>
<th>ESG criteria</th>
<th>We preserve and promote</th>
<th>Our Targets/KPIs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Electricity</td>
<td>Continuous expansion of electricity purchasing and/or production from renewable resources</td>
<td>share 2025: 100 % „green power“</td>
</tr>
<tr>
<td>2. Fleet consumption</td>
<td>Reducing consumption of fuel</td>
<td>5 % p.a. reduction</td>
</tr>
<tr>
<td>3. Diversity</td>
<td>Continuously <strong>uphold a share</strong> of female/divers employees group-wide</td>
<td>min. 20 %</td>
</tr>
<tr>
<td>4. Personnel development</td>
<td>Increase expenses for personnel development</td>
<td>5 % p.a. increase</td>
</tr>
<tr>
<td>5. Packaging waste reduction</td>
<td><strong>Increase recycling quota</strong> of packaging material</td>
<td>share 2025: 100 %</td>
</tr>
</tbody>
</table>
power to transform the future
Outlook 2021/2025

CAGR 6 – 9%

Revenue 2020 FC
- Technology: 185, 2.5 – 3%
- Services: 48, 2.5 – 3%

Revenue 2021 E
- Technology: 195 – 205, 4.5 – 5.5%
- Services: 145 – 152, 50 – 53%

Revenue plan 2025
- Technology: 265 – 285, 9 – 12%
- Services: 210, 65

Assumptions:
- Market recovery from 2021
- No additional impacts from COVID-19 in 2021
With our strategy, technotrans

...will be even more powerful through the bundling of forces.

...will be even more creative through the development of tailor-made solutions.

...will become even more efficient through operational excellence.

...will be even more focused on markets and profitability.

.. becomes even more sustainable.

...will be even more valuable for our customers and FOR YOU.
Contact

Frank Dernesch
Manager Investor Relations & Corporate Finance

Tel. +49 (0)2583 301-1868
Fax +49 (0)2583 301-1054
frank.dernesch@technotrans.de
Disclaimer

This presentation contains statements on the future development of the technotrans Group.

These reflect the present 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 which could mean that the actual results differ considerably from those expected.
Thank you for your participation.