

Earnings Report (German GAAP) | Mutares SE & Co. KGaA | 2023

Munich | April 11th, 2024

Disclaimer

This document has been prepared by Mutares SE & Co. KGaA solely for the use in this presentation.

The information contained in this document has not been independently verified. No representation or warranty - whether expressed or implied – is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained therein. Neither the company nor any of its affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss arising from any use of this document or its content or otherwise arising in connection with this document.

This document does not constitute an offer or invitation to purchase or subscribe for any shares and neither this document nor any part of it shall form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

This document contains forward-looking statements that are based on current estimates and assumptions made by the management of Mutares SE & Co. KGaA, and other information currently available to them. The words “anticipate”, “assume”, “believe”, “estimate”, “expect”, “intend”, “may”, “plan”, “project”, “should” and similar expressions are used to identify forward-looking statements. Various known and unknown risks, uncertainties and other factors could cause actual results to differ materially from those contained in the forward-looking statements. Mutares SE & Co. KGaA does not intend or assume any obligation to update any forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made and is based on numerous assumptions which may or may not prove to be correct.

This presentation and its contents are confidential and are not for release, reproduction, publication or distribution, in whole or in part, directly or indirectly, in or into or from the United States of America, Canada, Australia, Japan or any jurisdiction where such distribution is unlawful. This presentation is not an offer or invitation to buy or sell securities in any jurisdiction.

By accepting this document, you agree with the foregoing.

Income Statement

Growth in revenues due to larger portfolio; net income benefiting in particular from the exit of Special Melted Products (“SMP”)

mEUR	2023	2022
Revenues	103.6	71.1
Other operating income	4.8	12.9
Expenses for purchased services	-33.7	-21.5
Personnel expenses	-23.4	-17.6
Other operating expenses	-58.0	-51.7
EBITDA	-6.6	-6.8
Financial result	112.8	70.3
Taxes	-3.6	9.3
Net income	102.5	72.9

Comments

- **Revenues** comprise consulting revenues and management fees charged to portfolio companies; the material increase vs. 2022 is a consequence of the expanded portfolio resulting from the high level of acquisition activity in the past, which was followed by an increase in operational consulting capacities
- **Expenses for purchased services** include expenses charged from Mutares’ country subsidiaries in connection with restructuring services for portfolio companies and are in line with the growth of the company
- Increase in **personnel expenses** as well as **other operating expenses** mainly in relation with the growth of the company and the portfolio
- **Financial result** is benefiting in particular from the exit of SMP, partly offset by impairments on the exposure towards several portfolio companies*, costs related to the refinancing of the bond and higher financial debt as well as the increase in reference interest rates
- **Net income** with increase in comparison to 2022 mainly driven by the positive contribution from the exit of SMP

* Impairments on receivables towards affiliated companies (resulting from consulting services and management fees as well as dividends and loans granted) are presented as part of other expenses in the annual report as of 31/12/2023.

Balance sheet – Assets

Increase in total assets driven by investments into the portfolio

mEUR	31/12/2023	31/12/2022
Financial assets	150.5	65.5
Other non-current assets	8.6	11.1
Non-current assets	159.1	105.9
Receivables & other assets	346.7	323.6
Cash and cash equivalents	56.4	12.5
Current assets	403.1	336.1
Total assets	562.2	442.0

Comments

- **Financial assets** contain shares in affiliated companies and long-term loans to affiliated companies; the increase results in particular from various capital measures at direct subsidiaries, partly to strengthen the capital structure, partly in connection with the acquisition activities
- **Receivables** exist towards affiliated companies resulting from consulting services and management fees as well as dividends and loans granted

Balance sheet – Equity and Liabilities

Increase in equity due to positive contribution from net income; total assets increased due to bond refinancing and tap issue

mEUR	31/12/2023	31/12/2022
Total equity	343.5	273.9
Provisions	24.6	21.5
Bond	150.0	80.0
Trade & other liabilities	44.1	66.7
Liabilities	194.1	146.7
Total equity and liabilities	562.2	442.0

Comments

- **Equity** increases in connection with positive net income, partly offset by dividend distribution
- Refinancing of **bond** in 2023 of EUR 100m and tap issues of EUR 50m
- Decrease in **trade & other liabilities** mainly due to lower intercompany loans from portfolio companies

Cash Flow

Exit of SMP and bond placement driving cash flow

mEUR	2023	2022
Net result	102.5	72.9
Financial result	-112.8	-70.3
Non-cash expense (+)/ income (-)	0.0	-23.7
Increase (-)/ decrease (+) in other assets	8.6	2.6
Increase (+)/ decrease (-) in provisions	3.1	4.2
Increase (+)/ decrease (-) in trade payables	-7.2	14.2
Cash from operating activities	-5.8	-0.1
Net investments (-) in affiliated companies (shares, loans, other receivables)	36.1	-23.8
Proceeds (+) from short-term financials assets	0.0	29.9
Cash from investing activities	36.1	6.1
Capital increase due to exercise of share plans	1.7	0.0
Increase in bond (+)	70.0	0.0
Dividends paid (-)	-36.1	-30.9
Interests and related cost paid (-)	-23.7	-7.6
Proceeds (+) in connection with treasury shares	1.6	0.0
Cash from financing activities	13.6	-38.5
Cash and cash equivalents at the beginning of the period	12.5	44.9
Cash and cash equivalents at the end of the period	56.4	12.5

Rounding differences may occur

Comments

- **Cash flow from operating activities** driven by positive net result; high non-recurring expenses due to high number of highly complex transactions in 2023 (Efacec, SMP, Stuart, Add-ons for FerralUnited)
- **Cash flow from investing activities** shows the (net) investment in the portfolio consisting of purchase prices for new acquisitions, as well as investments into existing portfolio companies (mainly through equity contribution, loans granted); net investment is positive for 2023 due to the proceeds from the exit of SMP, partly offset by investments into the portfolio
- **Cash flow from financing activities** overall positive due to proceeds from refinancing the bond, partly offset by dividend distribution and financing costs

MUTARES