

MUTARES

Earnings Call H1 2024

August 13, 2024





MUTARES

About us

Key Highlights of H1 2024

Financials of H1 2024

Outlook

Highly experienced and committed management

Management interests fully aligned with external shareholders (36% ownership)

Management Board of Mutares Management SE as of July 1, 2024



CEO & Founder
Robin Laik

is responsible for strategy and business development.



CFO
Mark Friedrich

is responsible for finance of the Mutares Group, HR and compliance.

Today's presenter



CIO
Johannes Laumann

is responsible for M&A and Investor relations.



COO
Dr. Lennart Schley

is responsible for operations, consulting and portfolio development.

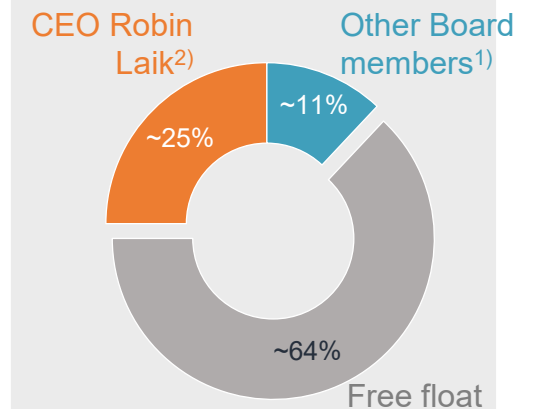
Mutares Team

12 Mutares Offices in Europe, 2 offices in Asia, 1 office in the USA

>250 Professionals in the Mutares Holding

Shareholder structure underlines management commitment

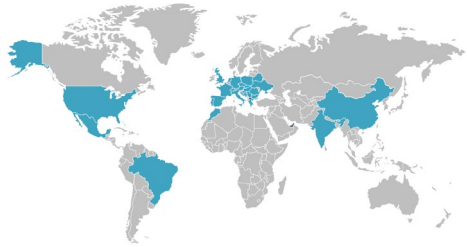
CEO and Management are Mutares' single largest shareholders, still holding ~36% of shares



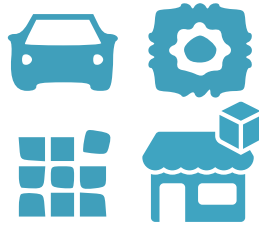
Total registered shares: 21,348,256

Note: 1) Management including supervisory board; 2) Robin Laik and family members

**Business marked by outstanding growth and momentum,
sustainable value creation and turnaround success**



European Focus, with
Global Expansion



Four Diversified
Segments



Target Company Size
EUR 100-750 m



Turnaround
Hero

MUTARES



ROIC target of 7-10x through successful turnarounds with our unique value creation lifecycle

Mutares value creation lifecycle

(avg. holding period 3-5 years)



Well diversified portfolio with as of today 32 companies across four segments, with annualized revenues of approx. EUR 7bn

Automotive & Mobility

Early cyclical,
annual rev. EUR ~2.7 bn



Engineering & Technology

Late cyclical,
annual rev. EUR ~2.3 bn



Goods & Services

Non-cyclical,
annual rev. ~1.1 bn



Retail & Food

Cyclical,
annual rev. EUR ~0.9 bn



 New acquisition, including add-ons

 Acquisition signed, not yet closed



MUTARES

About us

Key Highlights of H1 2024

Financials of H1 2024

Outlook

Key H1 2024 highlights include high transaction activity and setting the course for further internationalization and geographical expansion

Buy-side activity with eleven acquisitions



Sell-side with five exits



Capital market milestones



Second tap issue of EUR 100 million (Bond 2023/2027)



Dividend increase by 29% to EUR 2.25 per share for fiscal year 2023

Geographical expansion into China, India and the US with first transactions



1) Add-on acquisition for HILO Group; 2) Signed, not yet closed; 3) Add-on acquisition for Ganter Group; 4) Add-on acquisition for SFC, part of Amaneos; 5) Add-on acquisition for FerrAI United Group; 6) Signing in May 2024, Closing in July 2024

China presence mainly in Automotive & Mobility segment



Shanghai Office opened in Jan 2024

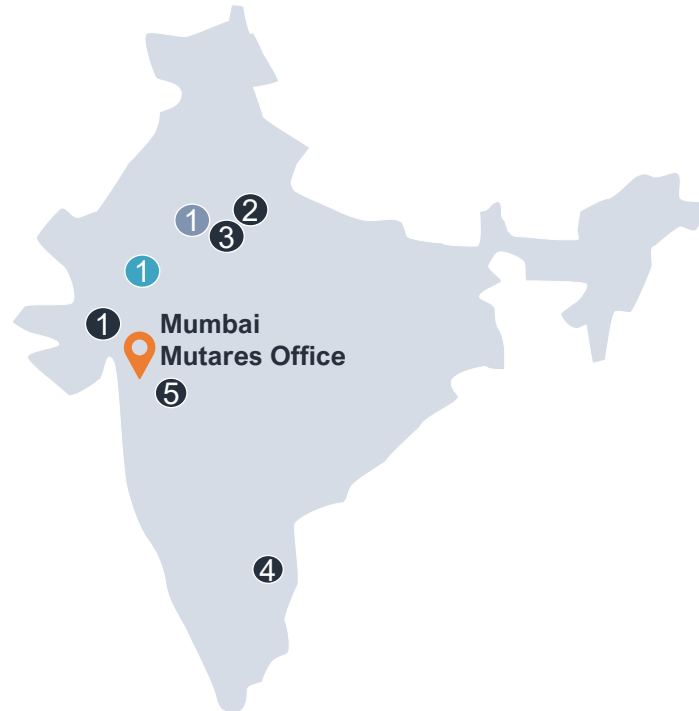
Accelerates Investment in China and actively participates in the Development of the Chinese Automotive Industry

Representative portfolios in China

 Automotive & Mobility	 Engineering & Technology

Sample of top customers in China


Increasing importance with Amaneos and Efacec that are already present in India



SFC India providing Sealing & Fluid solutions to Indian automotive OEMs


1 Sanand

- Start of operations: 2014
- FTEs: 432
- Size: 6,312 sqm




4 Chennai

- Start of operations: 2017
- FTEs: 405
- Size: 11,290 sqm




2 Sahibabad

- Start of operations: 1994
- FTEs: 475
- Size: 18,948 sqm




5 Pune

- Start of operations: 2007
- FTEs: 85
- Size: 6,600 sqm




3 Bawal Plant

- Start of operations: 2013
- FTEs: 970
- Size: 1,288 sqm



H Q Headquarters (Pune)


- FTEs: 33
- Size: 380 sqm



MoldTecs India

1 Bawal Plant

- Start of operations: 2024
- FTEs: 20
- Size: 1,288 sqm



Efacec India

1 Nashik Plant

- Start of operations: 2013
- FTEs: 80
- Size: 9,300 sqm



North American market provides high potential



Target of Development:

	# Portfolio companies	Revenues (USD m)	Net income US holding (USD m)
2024	3	100	0
2025	4	400	4
2026	8	1,000	20



MUTARES

About us

Key Highlights of H1 2024

Financials of H1 2024

Outlook

Net income of Mutares Holding benefiting from exit of Frigoscandia and once again positive Adjusted EBITDA in Mutares Group

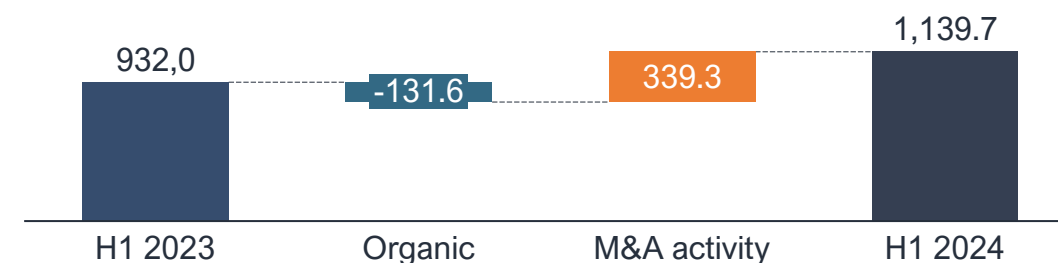
Key financials (EUR million)	Q1 2024	Q2 2024	H1 2024	H1 2023	Δ	2024e
Mutares Group						
Revenues	1,346.1	1,264.3	2,610.4	2,273.6	336.8	5,700 - 6,300
EBITDA	66.1	5.5	71.6	405.4	-333.8	
Adjusted EBITDA	14.0	1.7	15.7	41.2	-25.5	
Mutares Holding						
Revenues	29.3	29.0	58.3	52.1	6.2	
Net Income	51.3	1.7	53.0	13.2	39.8	108.0 - 132.0

- Increase in **consolidated revenues** of Mutares Group by 15% to EUR >2.5bn
- Decrease in **Adjusted EBITDA** reflects the Mutares business model immanent development: acquisitions of new portfolio companies that are naturally significantly loss-making; positive effects from the successfully implemented operational transformation programs thus partly offset.
- **Net income of Mutares Holding** benefited significantly from the exit of Frigoscandia
- Guidance for FY 2024 and long-term growth ambitions unchanged

Automotive & Mobility: Increase in profitability despite ongoing market challenges

EUR million	Q1 2024	Q2 2024	H1 2024	H1 2023	Δ
Revenues	605.9	533.8	1,139.7	932.0	207.7
Cost of material	-356.0	-314.2	-670.2	-591.3	-78.9
Personnel expenses	-169.1	-159.3	-328.4	-237.7	-90.7
Other expenses	-78.8	-74.6	-153.4	-121.9	-31.5
EBITDA	29.7	11.0	40.7	128.7	-88.0
Adjusted EBITDA	22.3	-1.2	21.1	11.5	9.6
in % of Revenues	3.7%	-0.2%	1.9%	1.2%	0.7%

Revenue bridge (EUR million)

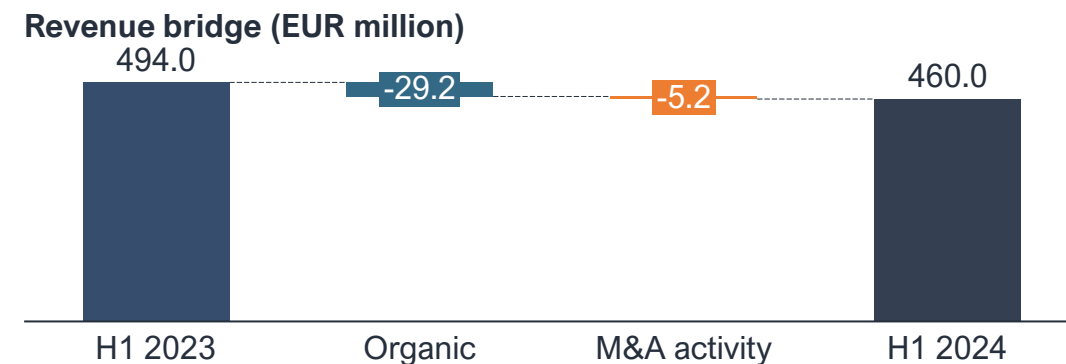


- Add-on acquisitions for the FerrAI United Group (in particular MMT-B) in FY 2023 and for HILO Group (Prinz Kinematics) in FY 2024 drive increase in revenues
- Still market challenges with short-term cancellations or postponements of call-off's from customers as well as the delayed start-up of product series
- Increase in Adjusted EBITDA reflects successful implementation of transformation programs especially at SFC Group (part of Amaneos) as well as MMT-B and CIMOS (part of FerrAI United)



Engineering & Technology: Substantial positive progress in turnaround across the segment with still negative contribution from new acquisitions

EUR million	Q1 2024	Q2 2024	H1 2024	H1 2023	Δ
Revenues	224.3	235.7	460.0	494.4	-34.4
Cost of material	-150.0	-165.9	-315.9	-369.6	53.7
Personnel expenses	-66.3	-73.7	-140.0	-103.8	-36.2
Other expenses	-36.2	-38.6	-74.8	-68.6	-6.2
EBITDA	-11.7	-12.6	-24.3	6.6	-30.9
Adjusted EBITDA	-7.7	0.9	-6.8	0.8	-7.6
in % of Revenues	-3.4%	0.4%	-1.5%	0.2%	-1.7%



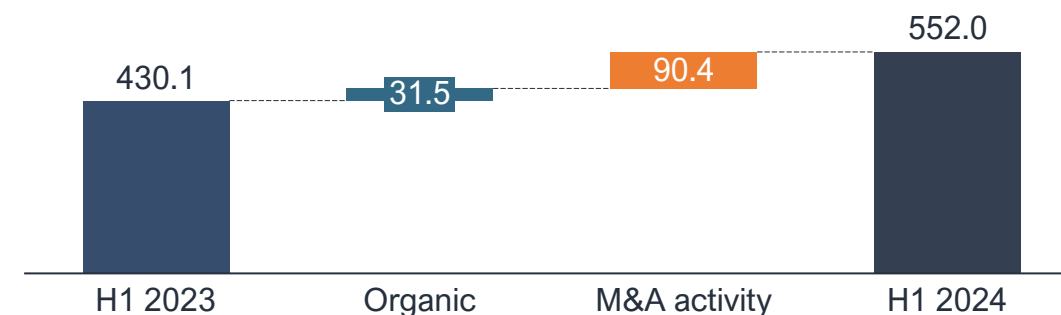
- Acquisitions of Efacec and Byldis (in Q4 2023) do not fully compensate the decrease in revenues resulting from the exits, especially of Special Melted Products (“SMP”)
- Strong performance especially from Steyr Motors, positive developments in realizing improvement potentials at Guascor Energy and Gemini Rail
- Substantial negative contributions on Adjusted EBITDA from the newly acquired portfolio companies (Efacec and Byldis)



Goods & Services: Adjusted EBITDA remains positive despite exit of Frigoscandia

EUR million	Q1 2024	Q2 2024	H1 2024	H1 2023	Δ
Revenues	286.4	265.6	552.0	430.1	121.9
Cost of material	-139.2	-124.1	-263.3	-236.8	-26.5
Personnel expenses	-121.6	-115.4	-237.0	-140.5	-96.5
Other expenses	-35.5	-38.2	-73.7	-45.3	-28.4
EBITDA	52.8	14.3	67.1	237.9	-170.8
Adjusted EBITDA	0.2	6.6	6.8	14.4	-7.6
in % of Revenues	0.1%	2.5%	1.2%	3.3%	-2.1%

Revenue bridge (EUR million)



- Increase in revenues due to acquisitions, mainly of GoCollective, ReloBus and MobiLitas (together formerly: Arriva Group) and SRT Group (Stuart), compensating the effect from the exit of Frigoscandia in Q1 2024
- Positive organic development at Conexus, Palmia and Terranor Group
- EBITDA includes the gain from the exit of Frigoscandia in Q1 2024; in H1 2023, EBITDA was significantly influenced by the gain from bargain purchase from the acquisition of GoCollective, ReloBus and MobiLitas
- Adjusted EBITDA again positive, although Frigoscandia has no longer made a positive contribution since the exit

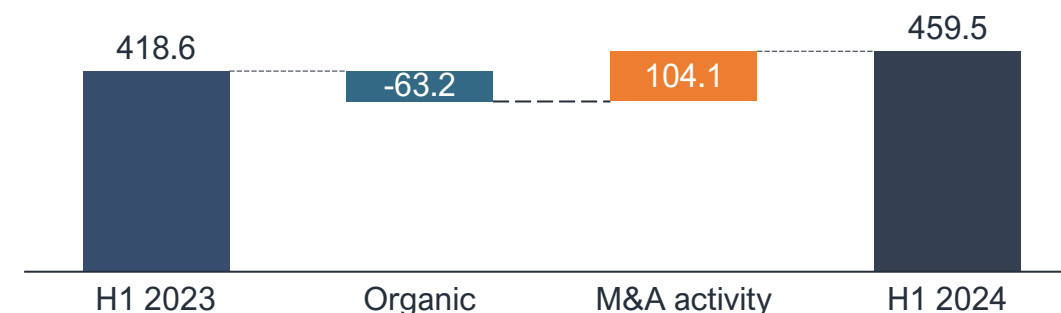


* Exited in July 2024

Retail & Food: Weak consumer climate affecting revenue development and profitability

EUR million	Q1 2024	Q2 2024	H1 2024	H1 2023	Δ
Revenues	230.1	229.4	459.5	418.6	40.9
Cost of material	-129.6	-128.0	-257.6	-229.9	-27.7
Personnel expenses	-52.9	-57.3	-110.2	-98.9	-11.3
Other expenses	-69.5	-61.7	-131.2	-119.3	-11.9
EBITDA	-13.5	-15.1	-28.6	16.5	-45.1
Adjusted EBITDA	-9.7	-12.4	-22.1	-1.9	-20.2
in % of Revenues	-4.2%	-5.4%	-4.8%	-0.5%	-4.4%

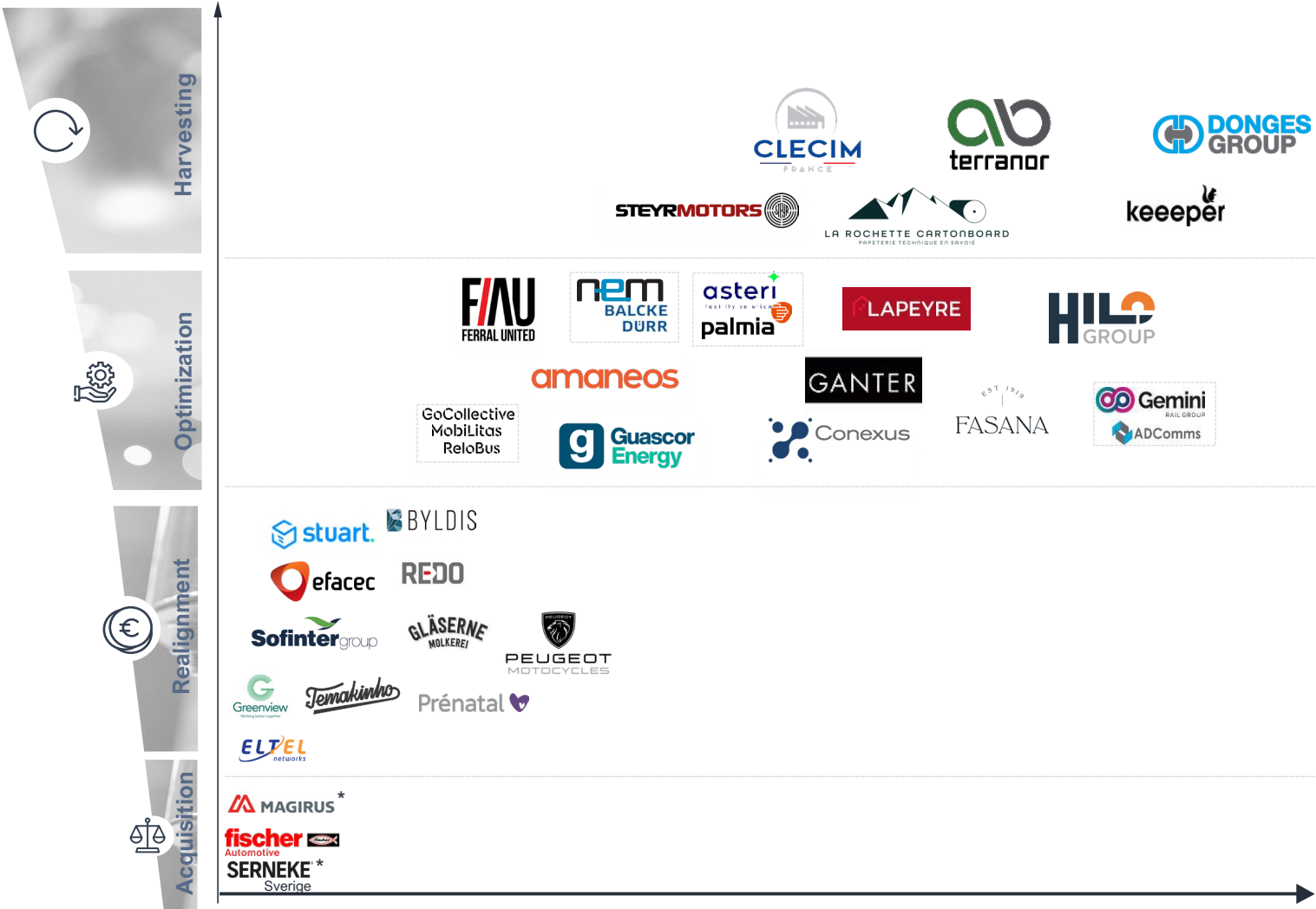
Revenue bridge (EUR million)



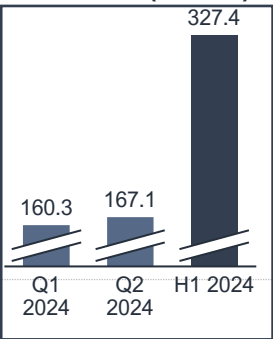
- Increase in revenues resulting mainly from the acquisition of Prénatal and Gläserne Molkerei in FY 2023, partly offset by decline in revenues at Lapeyre due to ongoing challenges in the market environment
- Adjusted EBITDA mainly affected by lower profitability in connection with the decline in revenues at Lapeyre and the negative contribution of the latest acquisitions
- Very good performance at keeper with increase in profitability



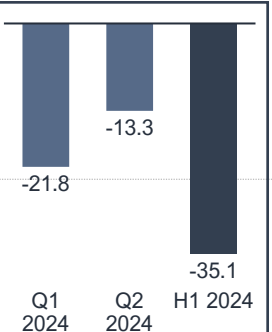
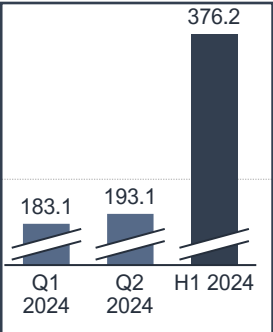
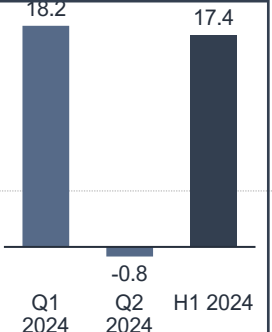
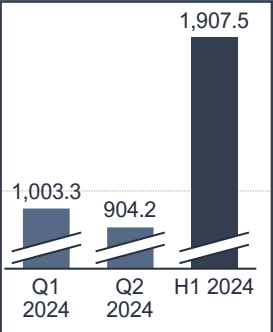
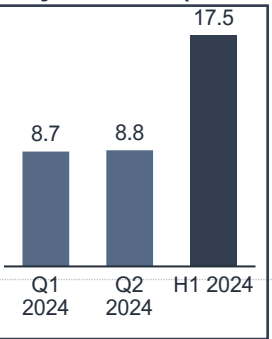
Current portfolio allocation well diversified across value creation life cycle



Revenues (EURm)



Adj. EBITDA (EURm)



*Signed, not yet closed Group Company

Holding period approx. 3-5 years



MUTARES

- About us
- Key Highlights of H1 2024
- Financials of H1 2024
- Outlook**

Investment summary

-  **Focus on growth**
-  **Successful track record & proven industry knowledge**
-  **Strong share and bond performance**
-  **Attractive dividend strategy**
-  **High transparency**
-  **Sustainability oriented**
-  **Family and owner managed company**
-  **Attractive access to the private equity market**



Q&A

Thank you for your questions.

If you want to ask a question, please register in the contact section in the webcast to receive the telephone dial ins.

Please mute yourself on the webcast.

Appendix: Group Financials

Condensed consolidated statement of profit and loss

EUR million	H1 2024	H1 2023
Revenues	2,610.4	2,273.6
+/- Change in inventories	19.2	47.6
Other income	180.6	427.8
Cost of material	-1,506.9	-1,427.5
Personnel expenses	-846.5	-606.5
Other expenses	-385.3	-309.7
EBITDA	71.6	405.4
Depreciation & Amortisation	-187.4	-112.9
EBIT	-115.9	292.5
Financial result	-48.8	-25.0
Income taxes	-11.0	3.9
Net income	-175.7	271.4

Appendix: Group Financials

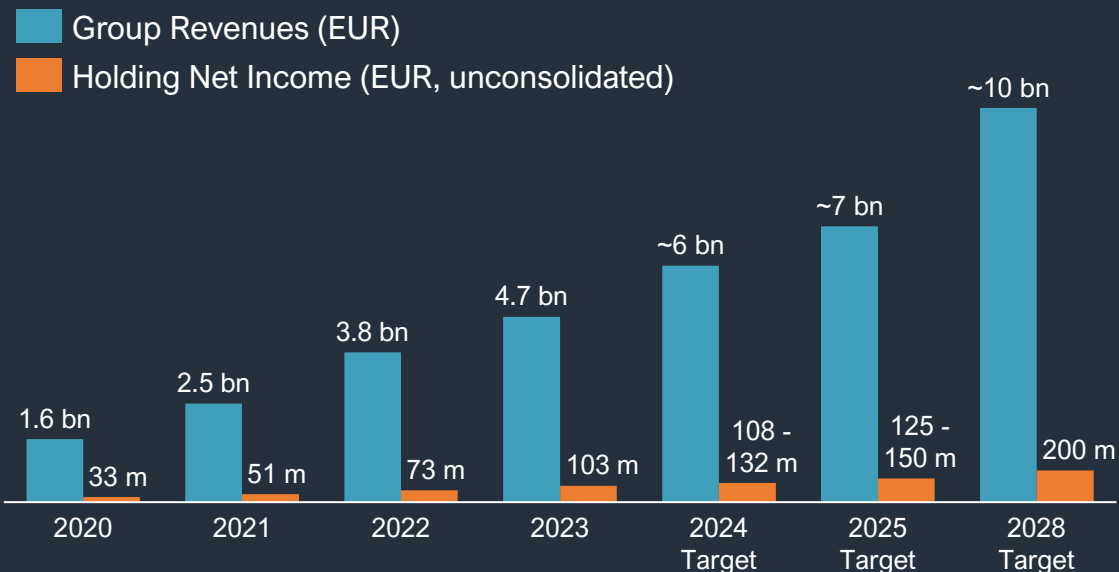
Condensed consolidated balance sheet

EUR million	30/06/2024	31/12/2023
Intangible assets	343.9	245.3
PP&E	1,167.3	1,166.7
Right of use assets	466.4	466.1
Other	178.7	166.4
Non-current assets	2,156.1	2,044.5
Inventories	700.6	673.4
Trade & other rec.	553.5	491.0
Contract Assets	147.1	102.8
Cash & equivalents	422.2	520.2
Assets held for sale	10.5	138.6
Other	366.0	378.2
Current assets	2,199.9	2,304.2
Total assets	4,356.0	4,348.7

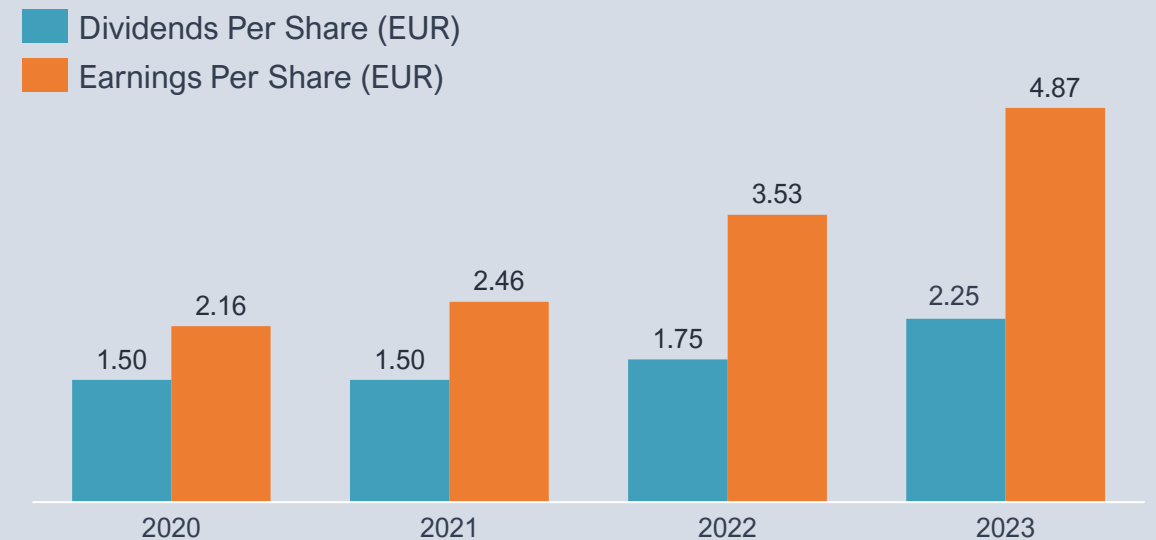
EUR million	30/06/2024	31/12/2023
Total equity	894.9	1,119.6
Financial liabilities	945.2	736.4
Provisions	312.8	342.3
Other	144.8	145.9
Non-current liabilities	1,402.9	1,224.6
Trade payables	665.4	674.6
Other financial liab.	446.0	429.4
Contract Liabilities	349.8	220.4
Provisions	176.9	166.3
Liabilities held for sale	10.9	131.3
Other	409.1	382.6
Current liabilities	2,058.2	2,004.5
Total equity & liabilities	4,356.0	4,348.7

Strong financial performance, with direct performance contribution resulting in strong shareholder returns

Both Mutares Group revenue and Holding net income with strong historical growth that is expected to continue



Strong financial performance continues to translate into sizeable and sustained shareholder returns



Market Cap¹⁾ 243 469 371 746

of shares 21,348,256

ISIN DE000A2NB650

1) EUR million, End of Year (31/12)