

MUTARES



# Investor Update Call

October 4, 2024

## Mutares' financial situation is sound, supported by a successful growth strategy that will deliver strong exits in the near future



Mutares' financials are independently audited, fully compliant and without irregularities



Aggressive growth strategy has been executed (number of acquisitions, geography, segments, size) to achieve critical mass for future market positions and exits flows, which has required sizeable cash investments



Strategic investments (equity, loans, consulting receivables) continuously done to finance acquisitions, turnaround programs with the seller and consolidate market positions (esp. in Automotive)



Portfolio now diversified and balanced across four industry segments, with different economic cyclicity, and over EUR 4.4bn of underlying total assets



Financing strategy focused on diversifying Mutares' financing structure - with new bond expansion key part - to enable optimal liquidity deployment in the next 12 months



Strong previous track record on exits - 28 divestments with gross exit proceeds of EUR 389m since 2021 - as well as strong forward looking exit pipeline



## Agenda




1. **Financial Information of H1-2024**
2. Strategy & Value Creation
3. Financing Strategy
4. Sell-side Activities (Exits)

# Signed financials for H1-2024 show no irregularities; only an editorial error

Mutares SE & Co. KGaA  
 Verkürzter Konzern-Zwischenabschluss zum 30. Juni 2024

Konzern-Bilanz  
 Zum 30. Juni 2024

Mio. EUR	Anhang	30.06.2024	31.12.2023
<b>Aktiva</b>			
Immaterielle Vermögenswerte	7	343,9	245,3
Sachanlagen	8	1.167,3	1.166,7
Nutzungsrechte	9	466,4	466,1
Forderungen aus Lieferungen und Leistungen und sonstige Forderungen		3,4	0,7
Sonstige finanzielle Vermögenswerte		140,6	128,7
Ertragsteuerforderungen		1,4	0,7
Sonstige Vermögenswerte		3,3	2,3
Aktive latente Steuern		23,3	28,6
Vertragskosten		0,2	0,2
Langfristige Vertragsvermögenswerte		6,5	5,2
<b>Langfristige Vermögenswerte</b>		<b>2.156,1</b>	<b>2.044,5</b>
Vorräte	10	700,6	673,4
Kurzfristige Vertragsvermögenswerte		147,1	102,8
Forderungen aus Lieferungen und Leistungen und sonstige Forderungen		553,5	491,0
Sonstige finanzielle Vermögenswerte		186,1	225,5
Ertragsteuerforderungen		9,6	9,9
Sonstige Vermögenswerte		170,2	142,8
Zahlungsmittel und -äquivalente		422,2	520,2
Zur Veräußerung gehaltene Vermögenswerte	11	10,5	138,6
<b>Kurzfristige Vermögenswerte</b>		<b>2.199,9</b>	<b>2.304,2</b>
<b>Bilanzsumme</b>		<b>4.356,0</b>	<b>4.348,7</b>

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## Background on the editorial error:

A preliminary draft of the condensed consolidated financial statements (as of June 30, 2024) was sent to graphic designer in preparation for the publication.

Changes made after said draft version were communicated separately to designer, who implemented all required changes into the final version, except for items ‘Cash and cash equivalents’ and ‘Other financial assets’ (including the subtotals for long-term and short-term assets).

This was a **purely editorial error** to be corrected immediately, so that the published version of interim financial statements correspond to the version prepared and signed by management board of the general partner (as shown on the left).

## Unqualified audit opinion on recent full-year financial statements



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BaFin

Bundesanstalt für  
Finanzdienstleistungsaufsicht

Annual financial statements subject to audit by Deloitte as a Big4 audit firm with unqualified audit opinions

Federal Financial Supervisory Authority performed a non-occasioned investigation on Group financials of FY 2021 (standard procedure after uplisting in Prime Standard) with no findings



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## Aggressive growth strategy at heart of Mutares value creation journey has required deployment of cash investments

### Aggressive growth strategy deployed in recent years to achieve critical mass in...

- Amount of portfolio companies, securing steady pipeline of future exits
- Market position in Automotive & Mobility to benefit from ongoing industry consolidation

### Key part of this strategy was high deal frequency at increased purchase prices

(avg. EUR 7m/acquisition signed in FY 2023, incl. equity & other contributions to target) requiring significant MUX cash investments, something that has already started to come down (avg. EUR 3m/acquisition in FY 2024)

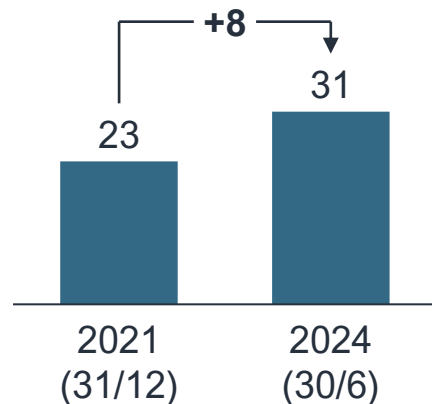


**Geographical expansion enables growth** but requires cash investments to seize opportunities in new regions (China USD 2m, India EUR 0.5m, US nothing yet)

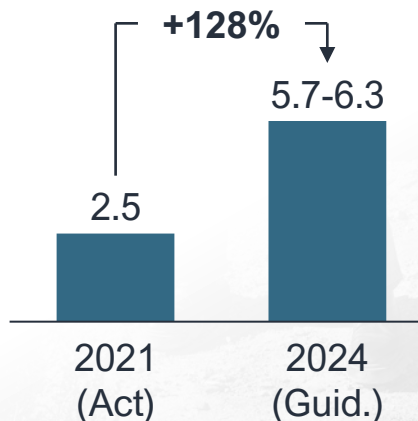


**Strategic add-ons partly even initiated by OEMs**, highlighting their view of Mutares as active partner in ongoing market consolidation with the target to utilize existing cost structure

# of MUX portfolio companies

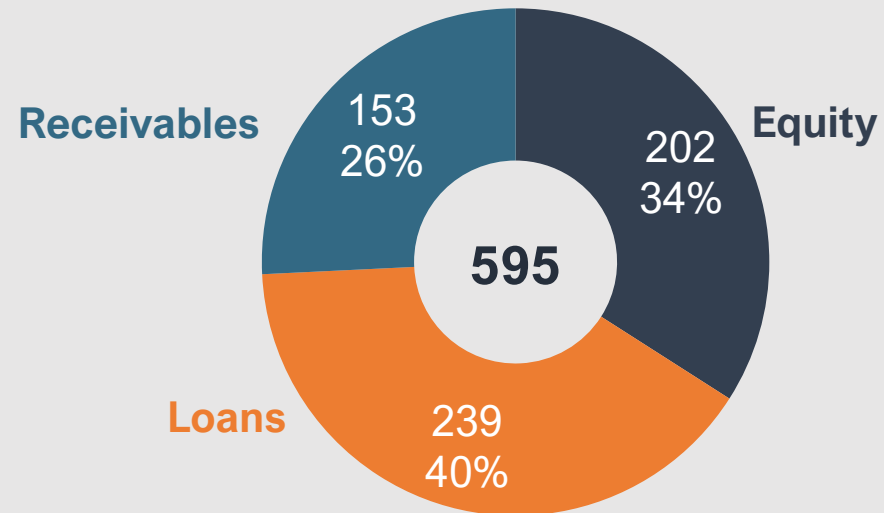


MUX Group revenues (EUR bn)



Strategic investments continuously made into portfolio to finance the turnarounds using not only the purchasing price, but also post-closing equity, loans and consulting services

Mutare Holding's Investment into the Portfolio by category (EUR m, June 30, 2024)



Acquisition



Realignment



Optimization

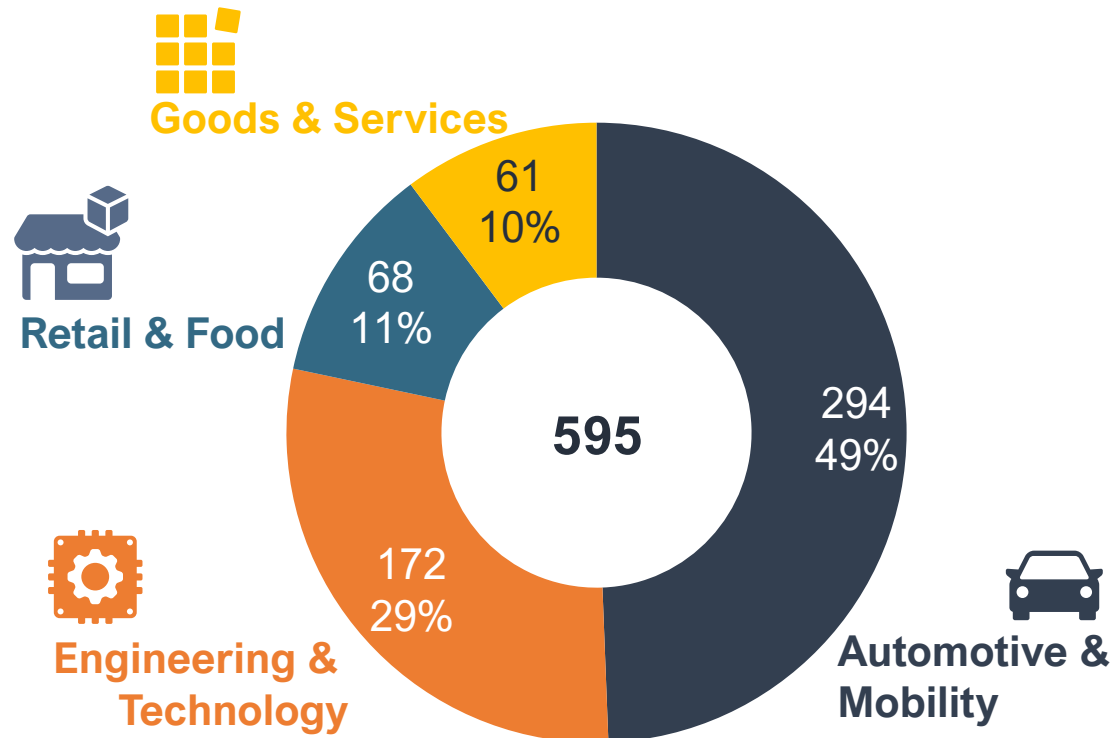


Harvesting



## Investment in portfolio is balanced across segments of varying cyclicity to reduce risk; valuation is assessed internally and externally on regular basis

Mutares Holding's Investment into the Portfolio by Segment (EUR m, June 30, 2024)



Valuation of the exposure toward the portfolio in the Holding balance sheet is...



...assessed on regular basis by Mutares Management Board



...subject to year-end audit procedures by Deloitte as key audit matter



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## Financing strategy focused on diversifying Mutares' financing structure to enable optimized liquidity position for upcoming opportunities



New bond issue diversifies financing structure (significantly reducing weighted cost of capital) with no plans of increasing debt in the future



Opened for smooth roll/partial buyback e.g. in Q4-2025, providing significant room for further debt optimization



Enabled even more optimal liquidity deployment into upcoming new opportunities next 12 months

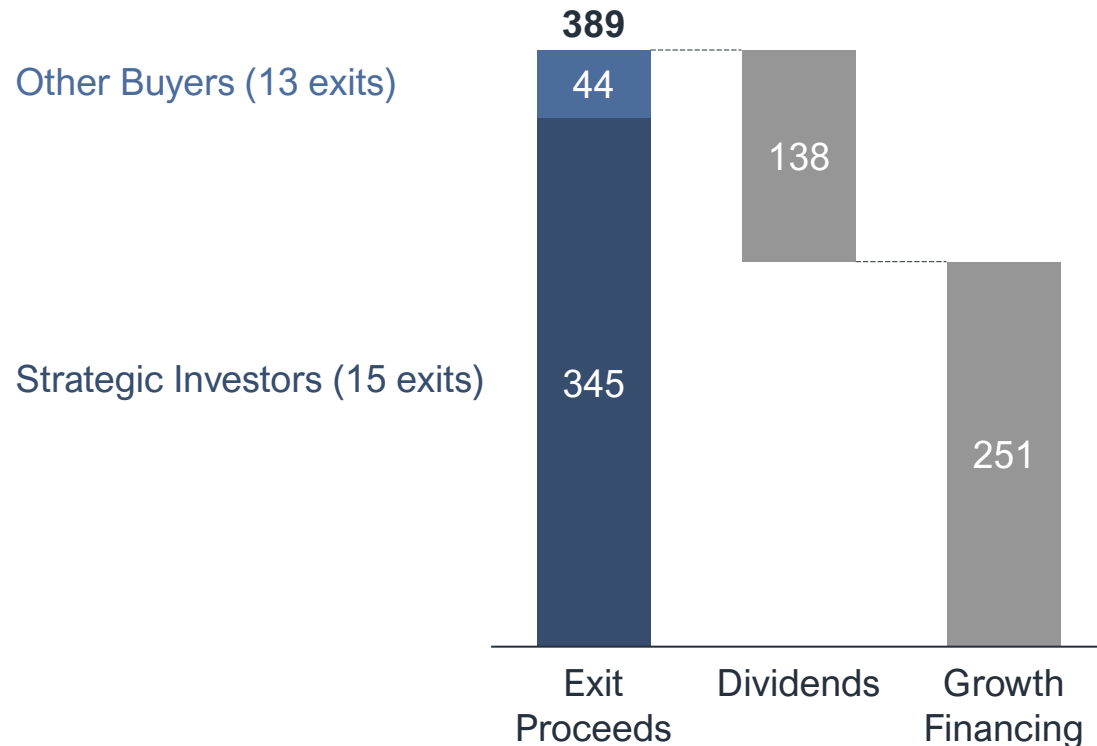


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Exits a key contributor to both shareholder dividends and growth strategy financing


Gross Exit Proceeds (EUR m, 2021-2024)



LTM Exit Activity (Sep 2023 – Sep 2024)



## Sell-side activities to increase in FY 2025 as holding periods reach maturity, with portfolio companies to be exited across all segments with exit proceeds of EUR >200m targeted

	<b>Automotive &amp; Mobility</b>	(EUR m)
	A&M company #1	~350
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	Total annual revenues	~350

	<b>Goods &amp; Services</b>	(EUR m)
	G&S company #1	~100
	G&S company #2	~250
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	Total annual revenues	~350

	<b>Engineering &amp; Technology</b>	(EUR m)
	E&T company #1	~50
	E&T company #2	~300
	E&T company #3	~150
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	Total annual revenues	~500

	<b>Retail &amp; Food</b>	(EUR m)
	R&F company #1	~100
	R&F company #2	~550
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	Total annual revenues	~650

## In summation...



**Financials are duly audited** by 3<sup>rd</sup> party on a regular basis and show no irregularities



**Diversified financing enacted** to reduce cost of capital & enable further liquidity deployment



**Aggressive growth** (with balanced exposure) has been financed through equity (cash), loans & receivables



**Strong upcoming exit pipeline** to harvest returns from previous investments into the portfolio

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**We are now ready to take your questions**

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