

## PRESS RELEASE

Interim financial report

### **technotrans continues to grow: Revenue and EBIT increased in the first half-year**

- Consolidated group revenue of € 104.4 million around 10 % above the previous year's level
- Consolidated EBIT rises significantly by 86.8 % to € 5.3 million
- Book-to-bill ratio of 1.2 signals further growth
- Board of Management confirms forecast for the 2021 financial year

**Sassenberg, August 10, 2021 - technotrans SE remains on track for growth and increases consolidated revenue by around 10 % to € 104.4 million in the first six months of the 2021 financial year (previous year: € 95.1 million). Consolidated EBIT of the specialist for thermal management solutions increased significantly by 86.8 % to € 5.3 million (previous year: € 2.8 million). The EBIT margin improved to 5.0% (previous year: 3,0 %). The main growth drivers are the strategic focus markets. A book-to-bill ratio of 1.2 provides the foundation for continuing the growth trend. The Board of Management therefore expects consolidated group revenue for the 2021 financial year to be at the upper end of the range of € 195 to 205 million with an EBIT margin of between 4.5 and 5.5 %. The group is continuing to consistently implement its Future Ready 2025 strategy: the focus in the current financial year remains on creating the technotrans umbrella brand and merging selected group companies.**

"technotrans has performed very well in the first six months. The group has continued to develop both strategically and operationally and is consistently pursuing the goals it has set. In particular, the focus markets defined in the Future Ready 2025 strategy contributed to the revenue growth. The Plastics and Healthcare & Analytics markets showed particularly high revenue momentum in the reporting period. The Energy Management market will gain considerable momentum in the second half of the year based on large-volume battery cooling system orders won in the Rail segment," says Michael Finger, Spokesman of the Board of Management of technotrans SE.

## **Revenue and EBIT substantially above previous year's level**

The technotrans group generated consolidated revenue of € 104.4 million in the first six months of the 2021 financial year. It was thus about 10 % above the previous year (€ 95.1 million). Consolidated EBIT reached € 5.3 million and exceeded the previous year's figure of € 2.8 million by 86.8 %. Adjusted for one-off effects from additional structural measures amounting to € 0.4 million, the adjusted EBIT margin was 5.4 %. "The Future Ready 2025 strategy with its concentration on the four focus markets Plastics, Healthcare & Analytics, Energy Management, and Print is increasingly having an impact," says Michael Finger. Revenue and profitability are developing positively, as expected. The return on capital employed (ROCE) is back in double digits at 10.5% as of June (previous year: 7.8 %). The net result for the period of € 3.5 million almost doubled compared to the previous year (€ 1.8 million). Earnings per share improved accordingly from € 0.26 to € 0.50.

## **Assets and financial position remain in order and comfortable**

The net assets and financial position of the technotrans group remain sound and in order. The equity ratio rose to 54.6 % (December 31, 2020: 53.6 %). The operating cash flow of € 9.0 million exceeded the previous year's value by 45.5 %. The positive free cash

flow also recorded a significant increase of around € 5.0 million to € 3.7 million (previous year: € -1.3 million). As of the reporting date, the group had cash and cash equivalents at a comfortable level of € 17.8 million. This already includes the dividend payment of € 2.5 million and high scheduled loan repayments of € 8.2 million (of which € 5.0 million for short-term loans drawn as Corona related precaution).

## **Increase in revenue and EBIT in the reporting segments**

Revenue and profitability increased in both segments compared to the previous year. Revenue in the Technology segment, which has already been rising for four quarters, reached € 77.7 million and exceeded the previous year by 8.6 %. The significantly increased segment EBIT reached € 1.4 million (previous year: € -0.5 million) with a segment margin of 1.8 % (previous year: -0,7 %). The Services segment benefited, among other things, from the withdrawal of Corona-related travel restrictions. Revenue increased by 13.2 % in double digits compared to the previous year to € 26.7 million. The segment EBIT increased by € 0.5 million to € 3.9 million. The segment margin rose moderately to 14.6 % (previous year: 14.4 %).

## **Positive momentum continues in the strategic focus markets**

The growth in revenue was mainly generated in the strategic focus markets of Plastics, Healthcare & Analytics, Energy Management and Print, which accounted for around 74% of consolidated group revenue. The highest momentum was seen in the Healthcare & Analytics focus market with an increase in revenue of around 36 %. The decisive factors for this were a continuing high demand for cooling systems for analysis technology as well as sales impulses from the areas of blood cooling and baggage scanners. The focus market Plastics also posted double-digit growth, with revenue up by around 24 %. technotrans maintained its stable growth trend here with energy-efficient temperature control units, chillers and large-volume cooling systems. This also applies to the focus market Energy Management. There, the

technology group again won large-volume orders for battery thermal management systems (BTMS) in the rail sector and further expanded its leading position in Europe. Sales growth of 5.3 % in the first half of the year was fully in line with expectations, as successful series launches suggest higher sales momentum in the coming six months.

In the focus market Print, the mood brightened in the course of the half-year as expected. The slowly dissipating investment restraint and the accompanying revival of demand from OEM and end customers led to a noticeable increase in revenue in the second quarter. Thus, a revenue level slightly above the previous year was achieved in the reporting period. The main drivers remained offset and flexo printing applications for packaging, especially for food and medicine. The Laser & Machine Tools market also made gains. In this area, technotrans has predominantly successfully supported existing customers in challenging projects. The Technical Documentation division also developed in line with expectations.

### **Strategy Future Ready 2025 is consistently implemented**

The implementation of the strategy is proceeding according to plan. The mergers of the group companies gwk Gesellschaft Wärme Kältetechnik mbH with Reisner Cooling Solutions GmbH and technotrans SE with klh Kältetechnik GmbH are in preparation and will be completed at the beginning of 2022. The umbrella brand strategy was also further specified: in future gwk/Reisner will be renamed in the trade register into technotrans solutions GmbH. termotek GmbH becomes technotrans systems GmbH.

## **Sustainability further developed**

With the commissioning of the new site in Holzwickede, two of the five domestic plants will achieve the KfW-55 energy efficiency standard from the first quarter of 2021. Technotrans prepares a CO<sub>2</sub> footprint for all its locations as a basis for continuing reduction of CO<sub>2</sub> emissions. In addition, the new position of an ESG manager was created.

## **Guidance for the 2021 financial year confirmed and concretised**

The recently published sentiment indicators and growth forecasts paint a positive economic picture. At the same time, however, they also signal the first uncertainties among companies due to setbacks in the fight against corona and current supply chain problems. Procuring materials in line with demand is also proving increasingly challenging for technotrans. In the first half of 2021, however, the supply of materials for production was always ensured. With a view to realising the planned revenue and EBIT targets in the second half of the year, the Board of Management is critically observing the current supply chain situation. Therefore, extensive measures to secure the supply of materials have been taken. The Board expects availability to improve again in the fourth quarter for most of the materials.

Based on the current forecasts and in view of the solid business performance in the first half of 2021, the Board of Management assumes that the technotrans focus markets will continue to develop positively. The structural measures already implemented in the previous year showed first successes in the reporting period, both on the revenue and on profitability side. A book-to-bill ratio of 1.2 at the end of June supports this expectation.

Provided that the general conditions do not change significantly the Board of Management expects a continuation of the stable revenue generation, especially in the strategic focus markets. In Plastics and Healthcare & Analytics, he expects continued high growth. "In the focus

market Energy Management, momentum will increase in the second half of the year, and we also expect the Print market to continue to brighten," Michael Finger emphasises. "The position in the Laser & Machine Tools market will be further stabilised by expanding existing business relationships. In the area of Technical Documentation, the development will continue to normalise."

The Board of Management confirms the existing forecast in the form that it now expects consolidated group revenue at the upper end of the range between € 195 and 205 million. The expectation for the EBIT margin remains unchanged in a range between 4.5 and 5.5 %. The Board also confirms the medium-term goals of achieving consolidated group revenue in a range between € 265 and 285 million with an EBIT margin between 9.0 and 12.0 % in the 2025 financial year. Acquisitions are not included in these forecasts.

"Due to the pleasing development in the first six months, we are looking positively to the second half of the financial year. In view of the excellent order situation, we expect to be able to continue the positive revenue and earnings trend. Here it will be particularly important to ensure the supply of materials and to continue to optimise the group. Thanks to the implemented strategy Future Ready 2025 we are well equipped to meet these challenges," Michael Finger sums up.

**Further information at [www.technotrans.com](http://www.technotrans.com)**

## About technotrans SE:

technotrans SE is a global technology and service group with its headquarters in Sassenberg in the German Münsterland region. Its application-specific thermal management solutions are the core competence of the company. This also includes the energetic optimisation and control of the temperature of sophisticated technological applications. With 17 sites, the company has a presence in all the major markets worldwide. Based on its Future Ready 2025 strategy, the group has defined four focus markets: Plastics, Healthcare & Analytics, Energy Management (including E-Mobility, high power charging stations and data centres) and Print. In addition, the technology company is developing solutions for the Laser & Machine Tools market. Furthermore, technotrans offers a wide range of services including, for example, construction site installations, maintenance, repairs, 24/7 spare parts supply and technical documentations. As of 2021, the individual companies of the group – technotrans SE, gwk Gesellschaft für Wärme Kältetechnik mbH, termotek GmbH, klh Kältetechnik GmbH and Reisner Cooling Solutions GmbH – are unified under the technotrans umbrella brand. An exception is gds GmbH, with its headquarters in Sassenberg, as a full-service supplier of technical documentation services which will remain a separate brand within the group of companies. technotrans SE is listed on the Prime Standard segment (ISIN: DE000A0XYGA7 / WKN: A0X YGA) and has a global workforce of more than 1,400 employees. In the 2020 financial year, the group generated consolidated revenue of € 190.5 million.

### Note

This communication 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

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