

PRESS RELEASE

Financial year 2023

technotrans increases revenue by 10 % and confirms strategic targets for 2025

- Consolidated revenue of € 262.1 million exceeds previous year by 10 %
- EBIT margin reaches 5.4 %; EBIT at € 14.2 million
- Free cash flow increases significantly to € 12.8 million
- Peter Hirsch, COO/CTO, to leave the Board of Management of technotrans SE prematurely by mutual agreement in March 2024
- Management Board confirms strategic goals for 2025

Sassenberg, March 21, 2024 - The technotrans Group continued its growth trajectory and ended the 2023 financial year with a 10 % increase in revenue to € 262.1 million (previous year: € 238.2 million). Consolidated EBIT remained almost constant at € 14.2 million (previous year: € 14.3 million) despite one-time costs. The EBIT margin reached 5.4 % (previous year: 6.0 %). The return on capital employed (ROCE) of 13.3 % was at the previous year's level. Free cash flow turned back positive with a significant year over year increase of € 16.5 million to € 12.8 million. The focus market Energy Management achieved the highest revenue growth with an increase of 76 %. technotrans ended the financial year with an order backlog of € 74 million. The corresponding book-to-bill ratio was 0.9. A strategy review conducted in the period under review confirmed the Group's overall strategic direction. As part of this, the market for highly specific laser applications will be classified as an additional technotrans focus market with effect

from the 2024 financial year. For the 2024 financial year, the Board of Management expects consolidated revenue between € 245 and € 270 million with an EBIT margin between 5.5 % and 7.5 % and a ROCE in the range of 14.0 % to 16.0 %. The strategic targets for 2025 have been confirmed.

"technotrans once again significantly increased its consolidated revenue in the 2023 financial year. The growth of almost 80 % in the focus market Energy Management deserves special mention. The major order for the cooling of innovative fast-charging posts from ADS-TEC Energy and the entry into the market for liquid-cooled data centers are significant milestones in the company's development," says Michael Finger, CEO of technotrans SE.

Group revenue up 10%, free cash flow significantly increased

The technotrans Group increased consolidated revenue by 10 % to € 262.1 million in the 2023 financial year (previous year: € 238.2 million). Consolidated EBIT reached € 14.2 million (previous year: € 14.3 million), the EBIT margin amounted to 5.4 % (previous year: 6.0 %). The EBIT margin was impacted by temporary burdens in the first half of 2023, like delays in passing on increased material prices to customers the ramp-up costs for the new production site in Steinhagen and the increased use of temporary staff to reduce the order backlog. Consulting expenses for the strategy review, the economic slump in China and the consolidation of inventories by customers in the focus market of Healthcare & Analytics also had a negative impact on earnings. As expected, the earnings momentum accelerated noticeably in the second half of the year as the temporary burdens were fading out.

The ROCE of 13.3 % is on previous year's level. Consolidated net profit for the year amounted to € 8.5 million, € 0.4 million below previous year. Earnings per share decreased by € 0.05 to € 1.24 (previous year: € 1.29).

Free cash flow turned back positive and increased significantly to € 12.8 million (previous year: € -3.7 million) mainly due to net cash inflows from net working capital. The equity ratio remained constant at a solid level of 56.0 %.

Revenue in the Technology segment increased by 10.8 % to € 199.6 million (previous year: € 180.2 million). The temporary charges outlined above led to a decline in EBIT to € 5.2 million (previous year: € 7.3 million). The segment's EBIT margin reached 2.6% (previous year: 4.1%). The Services segment generated sales growth of 7.8% to € 62.5 million (previous year: € 58.0 million). Segment EBIT increased to € 9.0 million (previous year: € 7.0 million), the profit margin increased significantly to 14.4% (previous year: 12.0%).

Focus market Energy Management increases revenue by 76 %

Within the focus markets, Energy Management recorded the highest growth with an increase of 76 %. This was mainly due to the increasing market penetration of battery thermal management systems (BTMS) for rail vehicles and the ramp-up of call-offs from the major order for cooling systems for ultra-fast charging stations. The entry into the market for liquid cooling of data centers realized in the reporting period suggests that the growth will continue in the 2024 financial year. The focus markets Plastics and Print and Laser & Machine Tools also contributed to growth. Healthcare & Analytics did not reach the previous year's revenue level due to a temporary consolidation of inventories by customers. The financial year 2023 ended with an order backlog of around € 74 million and a book-to-bill ratio of 0.9.

Strategy review confirms strategic direction

Due to the changed framework conditions, the Future Ready 2025 strategy was reviewed by an external consultancy. The review confirmed the overall strategic direction as well as the 2025 targets. Individual aspects were sharpened to ensure the targeted growth and earnings momentum. These include increased modularization, the accelerated expansion of the series production business and the expansion of the service business. Other strategic building blocks are the geographical focus on Europe and North America, the implementation of a market-oriented organization. M&A may supplement the organic growth. In addition, the market for highly specific laser applications will be classified as a focus market in future.

Change in the Board of Management

Peter Hirsch, COO/CTO, resigned from his position prematurely by mutual agreement on March 11, 2024. His responsibilities were transferred to CEO Michael Finger and CFO Robin Schaede. The Management Board will consist of 2 members in future.

Dividend proposal

The Board of Management and Supervisory Board will propose to the Annual General Meeting on May 17, 2024 the distribution of a dividend of € 0.62 per share (previous year: € 0.64). This is in line with the long-standing dividend policy of distributing of up to 50 % of the consolidated net profit for the year.

Outlook

For the financial year 2024, the Board of Management expects ongoing geopolitical tensions, a sideward economic trend in Germany and at best a moderate growth in Europe, the US and China. Irrespective of this, the Energy Management focus market is expected to continue its strong growth momentum. This expectation is supported by the follow-up order for cooling systems for ultra-fast charging stations acquired from ADS-TEC Energy in February 2024. technotrans is also well positioned for the future in the other focus markets. However, the expected weak economic environment may have a dampening effect on the customer's willingness to invest especially in the first half of 2024. For the second half of the year, the Board of Management expects an improvement in the overall macroeconomic environment also supported by decreasing interest rates.

technotrans is continuing to implement and execute the strategy Future Ready 2025. The measures derived from the strategy review are already being implemented. Improving profitability and strengthening the market-focus of the organization are key priority. For the 2024 financial year, the Board of Management expects consolidated revenue between € 245 million and € 270 million with an EBIT margin of 5.5 % to 7.5 %. ROCE is expected in the range of 14.0 % to 16.0 %. In addition, the Board of Management confirms its mid-term forecast of achieving revenue in the range of € 265 million to € 285 million with an EBIT margin between 9.0 % and 12.0 % and ROCE above 15 % in the 2025 financial year.

"We would like to thank our employees for their commitment in the financial year 2023. We are starting the new financial year 2024 with a sharper strategic focus and a high level of motivation. Increasing profitability is our top priority.



We want to achieve this in particular by the consistent further development of the Group's market-orientation," says Michael Finger.

Further information at: www.technotrans.com

About technotrans SE:

technotrans SE is a technology and services group with worldwide operations. The company's core skill focuses on application-specific solutions in the area of thermal management. As an integral aspect of customer systems, these solutions optimise energy consumption and govern the temperatures encountered in sophisticated technological applications. With 18 locations, the Group has a presence in all major markets worldwide. Based on the Future Ready 2025 strategy, technotrans has defined the 5 focus markets Plastics, Energy Management (including electric mobility, high power charging stations and data centers), Healthcare & Analytics, Print and Laser. In addition, technotrans offers its customers an extensive portfolio of services including installation, refurbishment, maintenance, repair, a 24/7 parts supply and technical documentation. The Group has 6 manufacturing locations in Germany, one in China and one in the United States. technotrans SE is listed in the Prime Standard (ISIN: DE000A0XYGA7 / WKN: A0XYGA) and employs 1,600 people worldwide. The Group reported revenue of € 262.1 million for the 2023 financial year.

Note

This press release contains statements on the future development of the technotrans Group. They reflect the current views of the management of technotrans SE and are based on corresponding plans, estimates and expectations. Please note that the statements contain certain risks and uncertainties that could cause actual results to differ materially from those anticipated.

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