

Virtual Annual General Meeting

May 13, 2022

Speech by Board of Management:
Michael Finger, Spokesman of the Board

– Check against delivery –

“Twice is a tradition, three times a custom”, as they say in my home region of the Sauerland.

Today’s Annual General Meeting is indeed taking place under a virtual format for the third time. But we do sincerely hope this format will not become a custom, and we hope to be able to meet in person once again next year.

Dear Shareholders,
Dear Colleagues,
Ladies and Gentlemen,

A warm welcome to the 26th Annual General Meeting of technotrans SE!

The challenges of our time are so complex – more complex than they have been for a long time.

The coronavirus is still a big issue, and we are already being challenged by other issues.

War in Europe!
That was hitherto inconceivable.

It has now become a horrific reality. And that reality has shaken us to the core. We wholeheartedly support the sanctions brought in by the German government. Our thoughts are with the people in Ukraine who are affected.

Ladies and Gentlemen,

the new situation has made our context even more difficult. All the more important that you hear from us:

Where does technotrans currently stand?

How is our Future Ready 2025 strategy progressing?

And what can you expect from us this year?

We, my colleague Peter Hirsch and I, will give you answers to all three questions over the next 45 minutes.

Where do we currently stand?

2021 was yet another exceptional year. The market conditions improved somewhat after a weak previous year. The coronavirus disrupted supply chains. Especially for electronic components and semiconductors. Then there were escalating purchasing and logistics costs. As if things weren't difficult enough, on top of that:

An earthquake in Japan, a fire at a chip manufacturer, a cargo ship blocking the Suez Canal, and the catastrophic flooding in the Ahr Valley. All this sapped energy. And cost money.

And yet on balance we achieved a huge amount!

We took landmark decisions for the future of your technotrans! With our Future Ready 2025 strategy. A strategy that focuses emphatically on the market. A strategy that is split into two phases. In the current phase 1, our aims were stability and profitability. We have already impressively achieved them!

We turned things round in the very first year of the measures!

Let me say thank you on behalf of the entire Board of Management! Thank you to over 1,400 employees. All around the world, you have pulled off an outstanding achievement!

Only by working together as a team was it possible to handle such a year successfully!

Throughout this unprecedented time you have demonstrated resilience and huge dedication. Without you, we would not stand where we do now!

Thank you also to one particular member of the Supervisory Board.

Dr Norbert Bröcker, who is stepping down from the board today after 15 years.

Dr Bröcker was already advising technotrans at the time of its IPO in 1998, was appointed to the Supervisory Board in 2007 and has been its Deputy Chair since 2010. He has helped to steer technotrans successfully along a path of diversification.

We would also like to thank you, our esteemed shareholders, for continuing to believe in us throughout these difficult times and for remaining our travelling companions as we pursue our Future Ready 2025 strategy.

Ladies and Gentlemen, amid all this change,

Your technotrans has fared very well. As I mentioned at the start, the pandemic remained an issue for us in the past financial year. The health and safety of our employees and business partners are our overriding priority. We have

implemented far-reaching hygiene concepts at our locations to hold the pandemic in check. We have conducted extensive testing and the Group's own vaccination drives. That is how we managed to get through a pandemic-dominated 2021 with consistently low infection figures.

Our new arrangements for working from home moreover mean we have established a safe and agile form of working that is fit for the time after the pandemic. Technologies that have now become well-established mean we can meet today at least in virtual form for this Annual General Meeting.

I am delighted to see that you have taken up our invitation to find out about technotrans SE, ask questions and, last but not least, use your vote.

We published the Annual Report for 2021 on March 15 of this year.

The report bears the title "Future Ready – transforming strategy into results". And that slogan puts it in a nutshell:

Under our "power to transform" claim, our Future Ready 2025 strategy achieved all its strategic and operational targets in 2021.

The transformation process we have launched is beginning to bear fruit, despite a challenging environment.

Before we go into details, let me first unpack a few of the highlights of 2021.

Update Strategy / Highlights 2021

The absolute highlight is our financial result that I will say more about in a few moments. The basis of this strong financial result as well as the promising level of orders is our strategy.

As I have already mentioned, the first phase of our strategy is all about generating stability and profitability. The focus for the first year – in other words, 2021 – was on stabilising the organisation. The mergers of the companies gwk and Reisner as well as technotrans SE and KLH were part of that. These changes created the fundamentals for synergy effects and for expanding technotrans as a strong umbrella brand. In organisational terms the companies were already merged in the course of the year, with the result that all subgoals were achieved by the end of the year. gwk was already renamed technotrans solutions in October 2021. In the same month, the new brand was unveiled at the international industry exhibition Fakuma. The market's reception was exceptionally positive. That means we are 100 % on track and can already see an initial impact on our results.

One relevant highlight for the entire Group in 2021 was the issue of sustainability:

We calculated the carbon footprint of the technotrans Group and created the new Sustainability Management area.

This represents the basis for our pathway to climate neutrality. We are already helping to reduce carbon emissions with our energy-efficient products.

Investment in a sustainable energy supply involving for example photovoltaics in Baden-Baden or the hydrogen pilot project with WestNetz to supply energy to our Holzwickede location are indicative of the direction we are taking.

Another milestone is our membership of the UN Global Compact. The world's biggest and most important initiative for sustainable and responsible corporate governance. The ten principles and 17 goals on sustainable development are in alignment with technotrans' values!

Dear Shareholders,

The highlights I have just mentioned and our results send out a clear message:

technotrans is very well equipped for the present and future. To keep our company on track for long-term success, we will continue systematically rolling out our strategy and will resolutely tackle the challenges that lie in our path.

Before we review the 2021 financial year in detail, let me outline our business model in brief. After the Financial Report and the results on the first quarter of 2022 I will also provide a deeper insight into our current strategy. And in so doing answer the question of how our Future Ready 2025 strategy is progressing.

My colleague Peter Hirsch will then provide further information on how business operations are progressing and on the topics of supply chains, sustainability and some exciting customer projects.

To close, I will then give you a few indications of what you can expect this year and beyond.

Business modell / Market positioning

Dear Shareholders,

You are probably familiar with the “elevator pitch”. You are sharing an elevator with an investor and have just a few moments to explain what makes your business model so attractive. That's precisely what I'm going to do now:

So what is technotrans about?

Why is technotrans so attractive?

In one sentence:

Electrification and digitalisation remain on the increase – they create heat – so you need thermal management – in other words, technotrans!

That's how simple our business model is. Here's a slightly lengthier version, in case the elevator ride is a bit longer:

This diagram gives you the answers!

As you can see, our core skill is thermal management, which is becoming more and more important – so let me explain WHY:

A large number of industrial processes and applications call for precise, sustained thermal management.

A stable temperature level is essential to the success of all high-tech processes. And effective climate protection can ultimately only be achieved if we make intensive use of technology! The global drive to decarbonise and the associated shift to electrification are closely related to our core technology. In every market. Precisely that is and will remain key to our success in steadily expanding our business:

We offer our customers individual cooling and temperature control solutions. Our state-of-the-art products are of the highest calibre in terms of energy efficiency, precision and quality.

Together with our own worldwide sales and service network and the Group's financial strength, we consequently enjoy big market advantages over potential competitors. You can see our core activities in the centre. The outer circle shows our four focus markets Plastics, Energy Management, Healthcare & Analytics and Print. Those four markets already accounted for about 73 % of total revenue in 2021.

We are targeting a leading market position in each of these focus markets.

In absolute figures, the focus markets brought in revenue totalling € 154 million. That is about 11 % more than one year earlier!

So our business model's potential is becoming ever more apparent in our results.

Revenue and earnings development

That brings us to the results for the financial year.

Let us start by looking at the revenue and profit performance.

We recorded the second-highest revenue in the history of the company in 2021. That was € 211.1 million. In other words, double-digit growth of almost 11 % compared with the previous year. The forecast had envisaged consolidated revenue of between € 195 and € 205 million.

With the publication of the report on the third quarter and the market's positive response to our products, in November 2021 the revenue target was raised beyond that range to € 207 million.

In actual fact we exceeded both forecasts.

Our diversified market orientation is an important factor in our success:

The focus on our growth-oriented target markets has given us extra stability.

The focus markets exceeded our expectations for 2021.

One highlight of the past year was our book-to-bill ratio.

This performance indicator of the order backlog rose across all markets and reached 1.2 by the end of the financial year.

By way of comparison, the previous year's figure was 1.0.

The year-end order backlog was 65 % up on the previous year and hit the highest level in the history of the company at more than € 77 million.

Once again we are very pleased with that, because this performance indicator is another pointer to further growth.

We now come to the most important thing, the profit situation in 2021:

The positive development in the cost structure produced a substantial rise in EBIT of almost 63 % to € 11.0 million

The operating profit margin grew from 3.6 % to 5.2 %.

With that, we were approaching the upper end of the forecast range.

We also saw the return on capital employed rise from 7.8 % to 12.5 %. The consolidated result after tax climbed markedly to € 7.0 million. Earnings per share therefore improved by the same measure, rising 41.7 % to € 1.02.

Dear Shareholders,

Defining features of the second half of 2021 included supply bottlenecks and price increases in the procurement market.

These factors palpably affected our efficiency and delivery dates.

Despite this upheaval and the continuing COVID-19 pandemic, revenue for the Technology segment rose to € 156.9 million. That underlines the relevance of our markets and products.

In the first year of implementing our strategy, we therefore managed to achieve all our revenue and earnings targets.

We are extremely pleased that we even exceeded the revenue forecast after revising it upwards.

As mentioned among the highlights, the impact of the strategy is now also filtering through into the results!

Nor is our strong performance limited to the revenue and earnings indicators. They also show up in the very solid net assets and financial position. The balance sheet total at December 31, 2021 was € 147.2 million. Reported equity rose by € 5.4 million to almost € 85 million.

The positive overall result of € 7.6 million was a major factor in this rise.

A dividend of € 2.5 million was distributed to shareholders in the 2021 financial year.

The equity ratio increased to a comfortable 57.6 %.

The return on equity climbed from 6.2 % to 8.3 %.

We are especially pleased with how our free cash flow performed. This figure rose 156 % from € 3.9 to € 10.0 million, so it more than doubled in the past financial year.

This increase bolsters our financial position and is all down to an outstanding team performance.

To summarise so far:

We can look back on a very good performance in 2021 amid difficult circumstances.

All key elements – revenue, profitability and liquidity – showed a clear improvement.

Balance sheet / Equity / Free cash flow

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Employees

Ladies and Gentlemen,

Our Future Ready 2025 strategy represents the foundations of our business model. But our employees are the pillars of our company. At the end of 2021 we employed 1,433 people worldwide.

That is an increase of 24 on the previous year. Our employees are spread over 17 locations: seven in Germany and ten international units. Diversity is also very important for us.

Our goal for the end of 2021 was to have at least 20 % female or diverse employees in our Group. We achieved that goal.

As I mentioned at the start, protecting and promoting the health of our employees is a very high priority.

Throughout 2021, the second year of the coronavirus, we retained the safeguards that we had introduced in the previous year.

Those included working from home. This option was gladly taken up: at its peak, 45 % of our employees were working from home during the financial year. 10 % more than in the previous year. All these measures taken together, in addition to the remarkable personal commitment of all employees, provided the basis for the positive business development in the 2021 financial year.

Segments / Focus markets

We now come to the development of our segments and focus markets.

Our Technology segment generated revenue of € 156.9 million.

This compares with € 141.9 million in the previous year.

The Technology segment saw its profitability increase significantly. EBIT for the segment went up from break-even in the previous year to € 3.1 million.

That is an EBIT margin of 2.0 %.

The Services segment posted revenue of € 54.2 million. Revenue in the previous year was € 48.5 million.

EBIT for the segment rose from € 6.7 million to € 7.9 million. That corresponds to an EBIT margin of nearly 15 %.

Both segments contributed equally to the growth of the technotrans Group and in each case we achieved growth rates above 10 %.

Remember our diagram from earlier?

As part of our strategy, in December 2020 we projected the size and growth of our markets, where we stood, and our growth up to 2025.

I can tell you now:

We were bang on with our assessment of both our markets and their growth rates! We even exceeded our own growth target for 2021!

The highest growth rates were achieved in the Healthcare & Analytics market on 19 % and Plastics on 14 %, followed by Energy Management and Print.

Our diversified but focused market orientation is an important factor in our success. That focus on growth-oriented markets has given us extra stability.

The selectively served Laser & Machine Tools market, with an emphasis on EUV and high-tech laser applications, also contributed to this success with 14 % growth.

Combined with improved profitability for both the Technology and Services segments, our performance in the focus markets underlines one thing above all:

That we can achieve sustained, profitable growth by adopting a focused market approach!

Q1 2022

Dear Shareholders,

We presented our report on the first quarter of 2022 on May 3.

The first quarter was dominated by Russia's attack on Ukraine violation of international law.

Russia's attack in February brought a further deterioration in the overall economic environment.

Despite these growing challenges we increased both our revenue and the EBIT margin compared with the prior-year period.

In the first three months of the current financial year the technotrans Group achieved revenue of € 56.7 million. That is up 7.2 % on the previous year.

We even increased operating profit by 8.5 % to € 3.1 million. The EBIT margin consequently rose to 5.5 %, and the return on capital employed climbed from 9.1 % to 11.7 %.

Below the line, the consolidated result after tax for the first three months reached the two million euro mark.

Earnings per share climbed from 27 eurocents to 29 eurocents.

This positive revenue and profit performance also shows up in the results for our Technology and Services segments.

Both segments achieved an improved performance compared with the previous year.

For Technology, we recorded revenue growth of 9 % to € 42.4 million.

The EBIT margin moreover rose from 2.1 percent to 2.3 percent.

In the Services segment, revenue climbed by 3.2 % to € 14.3 million, with a steady EBIT margin of almost 15 %.

Let's now take a look at our focus markets.

It is very pleasing to note that we recorded consistently steady demand across all markets in the first quarter.

The order backlog at March 31 came to € 85 million.

That was a new all-time high for us!

From our markets, I'd like to pick out two highlights.

In the Plastics focus market, we were able to generate a major order worth a seven-figure sum in the first quarter:

We are the exclusive system partner of Israeli clean tech company UBQ for its market entry in Europe.

Our partnership revolves around the concept design and manufacture of an ultra-efficient cooling and heating system.

This system is part of a plastics recycling plant that will be commissioned at the end of this year.

And it is just one example of the substantial growth potential in the Plastics focus market.

In the Energy Management focus market, demand for technotrans battery cooling systems for rail vehicles has gained further momentum.

Here again, the order books are filling up nicely.

technotrans is also supporting the entry of the Chinese car manufacturer NIO into the European market with exclusive partner status.

As part of that venture the first power swap station, where vehicle batteries are automatically swapped and charged, has gone into operation in Oslo. More stations are set to follow later in the year.

Our innovative contribution here is the entire cooling technology for the process of charging and changing the swapped batteries.

For technotrans, this is a fabulous beacon project in the area of electric mobility.

In another welcome development, we made steady progress with our strategy in the first quarter.

With the legal completion of the merger of the group companies Reisner and technotrans solutions, technotrans reached a significant strategic milestone.

Another building block of the process of creating a shared umbrella brand was the renaming of the group company termotek as technotrans systems. We have now successfully completed our one-brand strategy, earlier than planned in fact!

So what does the latest set of results and figures for the first quarter mean for our future development?

We are again very satisfied with the first-quarter results.

Based on the positive development and the higher level of orders, we expect profitable growth to continue in the 2022 financial year.

But there are still certain uncertainties.

The coronavirus pandemic is still not over.

There are renewed lockdowns in major Chinese cities and ports, and procurement markets continue to experience upheaval.

The war in Ukraine will cause further supply bottlenecks and price increases for energy, commodities and components.

With the proviso that the difficult economic environment does not worsen, we stand by our forecasts.

Both our expectations for the 2022 financial year and our medium-term forecast remain unchanged.

I will look at the specific details of our performance indicator forecasts later, in the second part of my speech.

Share price

We now come to the share price performance of technotrans shares in 2021. The shares of technotrans SE started the year trading at € 25.00 and ended the year on € 29.50 on December 30, 2021.

That is a gain of 18.0 %, with the S-DAX outperformed.

Market capitalisation rose by a substantial € 31 million to € 204 million.

We also have cause to be hugely optimistic following our talks with existing and potential investors.

They commented very positively on the new strategic direction and the company's successful development in the first year of its implementation.

Annual General Meeting Resolutions / Dividend

Dear Shareholders,

That brings us to the dividend:

The Board of Management and Supervisory Board propose to today's Annual General Meeting that a dividend of € 0.51 per share be distributed for the past financial year of 2021.

The dividend yield – based on the XETRA closing price of € 29.50 on December 30, 2021 – is therefore 1.73 %.

Our dividend policy envisages the distribution of up to 50 % of consolidated net profit.

The distribution rate, based on the dividend proposal of € 0.51, is consequently 50 %.

The dividend proposal expresses a consistent dividend policy under which you – our esteemed shareholders of technotrans SE – participate appropriately in the profits of your company.

And it is pleasing to note that the dividend is up around 42 % on the previous year.

The details of the other resolutions and agenda items for the AGM will be provided afterwards by Mr Baumgartner.

Sustainability

Dear Shareholders,

I have already mentioned the pillars of our business model:

Our dedicated employees.

I have also outlined what our business success is founded on: the Future Ready 2025 strategy.

But one issue is especially important to me and us.

That was what made it a highlight for our 2021.

The issue of sustainability!

Environmental, social, governance ESG is the basis for our pathway to climate neutrality, but also for sustainable economic success.

With that, I would like to hand you over to my colleague Peter Hirsch, who will now give you a deeper insight into this and other fascinating issues.

Speech by Board of Management:**Peter Hirsch, CTO/COO****– Check against delivery –**

Thank you very much, Michael!

Ladies and Gentlemen, Dear Shareholders,
A warm welcome also from me!

I am delighted to be able to give you an insight into the business operations and technological evolution of the technotrans Group today. In the course of my remarks I would like to take you through the challenges presented by the procurement markets and supply chains, but also the successes of the past financial year.

As well as outlining the status of the merger of selected companies under the single-brand process, I will report on a number of project highlights and on the efforts we are making in the area of sustainability. I will then also give you a foretaste of other exciting projects, technologies and measures.

Review / Challenges in general

But let's begin with a retrospective – and there is only one way to sum it up: what a year!

All in all, 2021 was challenging for technotrans, but also highly successful. The 2021 financial year was again dominated by the effects of the coronavirus pandemic.

We achieved our overriding goal of safeguarding the Group's revenue streams in lockstep with our employees, suppliers and customers and of course yourselves, our esteemed shareholders.

By taking extensive action to protect the workforce, right down to running our own vaccination campaigns, we were able to limit the direct effects of the coronavirus pandemic and maintain operations at all locations throughout the entire year. With rising immunisation levels over the year progressed and as the third wave of the pandemic subsided, there was growing optimism on the capital markets. Economic growth returned and technotrans equally benefited from rising demand for industrial goods, as impressively confirmed by the Group's book-to-bill ratio.

However the indirect consequences of the coronavirus pandemic then came to the fore. The upheaval in global procurement markets became more

pronounced at the start of the second quarter of 2021 and continue to affect the global economy and therefore our business operations.

Challenge logistics, material, production

How did such upheaval come about?

The causes are complex because there are many interlocking factors in today's global economy. One of the main triggers was the third wave of the coronavirus last year. The renewed surge in case rates caused capacity bottlenecks in many companies due to personnel absences. Limited production capacities created substantial backlogs of orders. In parallel with this development, global supply chains were interrupted by two events: the stranding of the "Ever Given" in the Suez Canal in March, and the closing-down of Chinese container terminals from May because of the country's zero COVID strategy.

The consequence was a major disruption to worldwide logistics and a shortage of commodities, primary materials and components. The entire mechanism of the global economy stuttered and is still finding it difficult to run smoothly.

We showed immense creativity in endeavouring to find alternative transport routes for deliveries from Asia, and switched goods from sea to rail. But that option, too, using the new Silk Road across Russia, has been put on hold with the war against Ukraine in violation of international law.

The gaps in supplies can only be filled with considerable effort, for instance by increasing inventory coverage and building up inventory levels. Demand from industry remains high and manufacturers are unable to maintain output due to capacity shortages of materials and personnel. All this has prompted significant rises in market prices, quite often by a percentage running well into double figures.

As well as passing on price increases for materials to our customers, consistent cost management is therefore extremely important if we are to remain economically successful in the face of higher expenses and the resulting inefficiency. Our positive financial indicators and the steady material costs ratio are impressive proof that we achieved that.

All the same, we still find ourselves in an unstable environment, the defining features of which include supply-chain delays that are difficult to predict and unforeseeable price increases. The medium to long-term effects of Russia's attack on Ukraine and the latest rigorous lockdown in Shanghai, which includes the closing-down of the world's biggest container terminal, are something we cannot predict with any certainty at this point in time.

Over the coming months, these challenges will place demands especially on our purchasing and production planning activities. The absence of a reliable basis on which to guarantee delivery dates calls for tight monitoring and agile capacity management. Manufacturing operations in particular continue to require huge flexibility to respond at short notice to missing parts and delays. Wherever possible, procurement-end price increases for materials and energy are passed on to the customer in consultation with the Sales department.

Efficiency increase / Thanks to employees

But the positive business performance is not down simply to the operational measures outlined. We also owe much of this achievement to the exceptional personal dedication of all our employees. Last year, you again demonstrated very high commitment in difficult circumstances. I and my colleague Michael Finger owe you our sincere thanks for that. Because such a successful financial year in these extremely demanding times is not a matter of course; it is the result of concerted, intensive work.

To reward such work, for the first time we have introduced a bonus-based remuneration model for production personnel in Sassenberg. It will be gradually refined and will have a pilot function for other locations. Taking three selected criteria as the starting point, an individual performance level is calculated to incentivise work performance, but also quality and deadline achievement. This arrangement has improved the efficiency of the production pools that have so far taken part by a high single-digit percentage. A win-win situation for employees and company alike.

The technotrans Group demonstrated strength last year and systematically implemented the Future Ready 2025 strategy. This is the key element of its successful business development. The focus on four core markets and the diversified spectrum of customers and products promoted ruggedness in the face of wide-ranging economic variables. The technotrans Group's resilience has risen yet again. Stability and profitability have improved, despite all the cost-intensive challenges.

A core aspect of the strategy involves creating a lean, market-led organisational structure. We have taken a huge step forward with the mergers of gwk and Reisner and also technotrans and KLH. Processes and structures were standardised across all locations and the number of legal entities reduced. Similar products were consolidated at a single location and production capacities were coordinated to increase the new organisation's efficiency.

All measures pursue a single goal: to create a strong umbrella brand technotrans, which radiates an impactful appeal both inwardly and outwardly – but more on that later.

Merger / Umbrella brand

First, the mergers themselves: in the Plastics focus market, the companies gwK and Reisner now form a complementary entity. Under the technotrans umbrella brand, they now offer customers unique technological breadth as technotrans solutions. With immediate effect, customers can obtain the entire product range from a small, compact temperature control device to a large container-based process cooling device from a single source – across a temperature range of -80 to +400 °C.

technotrans and KLH merged in March 2022. From now on the Bad Doberan location, with its pronounced expertise in volume production, will take charge of making our new, modular, highly energy-efficient ECOtec.chiller cooling system for the entire technotrans Group. In terms of markets and technologies, every location will therefore have its own profile within the Group. That is a key requirement for the further focused optimisation of the individual manufacturing companies.

termotek in Baden-Baden is the last Group company to have undergone a change of name. Since this February it has been operating as technotrans systems.

So all companies in the Group are now presented as technotrans. This new umbrella brand supports the positive external perception of the Group as a strong, reliable technology partner for thermal management.

Internally, too, the transformation process is being received positively: the umbrella brand technotrans creates a special sense of togetherness, reinforces cohesion across all locations and inspires a new self-assurance among the workforce. This enabled the technotrans Group to become even more tightly knit in the past year. We transformed concerns and worries among the workforce into energy that is reflected in the brilliant result.

Strategy Phase I: Synergy effects / Outlook Phase II

In addition to shaping an umbrella brand, the two mergers provide the basis for unlocking further synergy potential. Let's therefore take a look at the specific measures associated with the Group-wide synergies in business operations.

One key issue in the 2021 financial year was the streamlining of the organisational structure. The mergers standardised processes, redefined

responsibilities at a higher level and streamlined the management organisation. The shared service areas HR, IT and Services, too, underwent further expansion. This created extra scope to compensate for capacity bottlenecks across locations and deploy the available personnel capacities with maximum efficiency.

We also made progress with creating a uniform ERP system: at the start of this month, the Bad Doberan location successfully made the switch to SAP, leaving only the Baden-Baden location to follow suit shortly. The roll-out creates the basis for a future Group-wide material data management approach, an essential requirement for further purchasing synergies and stock optimisations. By systematically implementing all these measures, we are steadily improving the cost structure. The personnel costs ratio, for example, was cut year on year by 1.2 % despite higher material costs. The average number of full-time jobs fell by 1.3 % while revenue rose, and revenue per employee jumped 12.1 % compared with the previous year.

We are again maintaining our efforts this year to unlock further synergy potential in the organisational and technical sphere. That includes for example the further harmonising of cross-location processes and the streamlining of the Group-wide software and hardware architecture. Another focus of our efforts is optimising the production space at individual locations to create capacity for further growth.

Technology / Project highlights

Dear Shareholders,

Technology made by technotrans plays an essential role in our customers' applications. It is fundamentally important for many industrial processes and applications. Or, to put it another way: without custom-made thermal management by technotrans, many processes and measuring and production methods would not function.

Our thermal management is also the backbone of electric mobility and digitalisation: all these applications rely on precise temperature control. But we do more than merely assure the functionality of a wide range of applications. We provide energy-efficient, resource-light technologies that enable our customers to shrink their carbon footprint, and therefore proactively make a vital contribution to promoting our society's energy transition.

technotrans possesses a unique breadth of application knowledge. That is what makes us the leading development partner and solution provider for our customers. With our innovative capability and cross-industry expertise, we develop thermal management systems of the highest calibre and performance for and with our customers. In fact, from very small versions from a cooling or heating output of a few 100 W to vast units running into megawatts.

I would now like to show you a selection of examples that illustrate some of the orders we have fulfilled for our customers; they give a flavour of just how exciting these projects can be.

Right at the start of 2021, technotrans secured a major order for process cooling relating to the manufacture of lithium-ion batteries for electric mobility.

The project in question involved a deep freeze system with a cooling performance of 3x 750 kilowatts and a flow temperature of -10 °C. Our assignment was to develop a modular, failsafe system that would take the efficiency of the manufacturing process to a new level. In addition to providing the client with comprehensive technical advice on the custom-made solution, ultimately it was the energy-saving concept that truly won them over, prompting them to order a second deep freeze system shortly afterwards. Yet more orders could follow. In view of its technological basis, this project comes under the Plastics focus market.

In the Energy Management focus market, we have extended our position as technological leader and become established as system partner and tier 1 supplier. Almost all leading train manufacturers rely on our innovative position in this market and involve us in strategic development projects early on thanks to our expertise. That was the case in a research project funded by the European Union for the development of a hydrogen train with “fuel cell hybrid power pack”. In this project, technotrans is working for three consortium partners on the development of a thermal management system for the high and low-temperature circuit of a fuel cell. We fundamentally identify a large number of exciting hydrogen power applications for us to explore successively, not merely for rail travel.

Not only did the steadily growing Healthcare & Analytics focus market enjoy healthy revenue growth in the past financial year; it also emphatically demonstrates the innovative capability of the technotrans Group. The latest highlight is the cooling system for special cooling fittings that are used in cancer treatment in the patient's oral cavity. It is manufactured at our Baden-Baden location.

That is also where we are currently building the Group's first clean-room production facility for cooling and temperature control systems that find use for example in ultra-precise measuring machinery for the semiconductor industry. That brings us full circle: this type of technically highly specialised, innovative system is used to measure the latest-generation computer chips that are manufactured using extreme ultraviolet lithography systems, or EUV technology. Once again, technotrans has long been the cooling technology supplier. It brings technotrans yet further problem-solving expertise, because there are not many manufacturers who can produce temperature control technology in such specialised manufacturing conditions.

Ladies and Gentlemen,

Innovation is the driving force behind every technology company! Given that, we are constantly exploring forward-looking technologies and services. Moreover, the issue of sustainability is becoming an ever clearer focus of our development activities.

The refrigerant is a key element of many of our thermal management systems. Amid our efforts to shrink our carbon footprint and minimise emissions of greenhouse gases, whenever we develop new products we only use refrigerants with the lowest possible global warming potential. And there is more: for the Baden-Baden location, we have taken the decision to switch the bulk of the cooling systems we manufacture to natural and therefore environmentally neutral refrigerants by the end of 2023. The changeover has considerable relevance for our carbon footprint and will mean we save carbon emissions equivalent to driving a car round the globe at least 300 times.

Another example of a sustainability-led new development comes from our subsidiary gds, the full-service provider for all aspects of technical documentation. The “digital only concept” denotes a technique for the legally compliant publication of operating and maintenance manuals in exclusively digital form. In conjunction with the in-house software “easybrowse”, the intuitively operated information and publication platform, compared with the conventional paper-based approach to producing documents it unlocks a wide range of advantages in terms of flexibility, system integration and cost. For the technotrans Group alone, it will mean a saving of about 25,000 binders and 1.3 million sheets of paper printed double-sided. A huge gain not just for technotrans, but more importantly for our environment.

Sustainability / ESG

These examples – and they are just a small selection – demonstrate one thing: contributing to the efficient use of resources is of core importance to us here at technotrans. Sustainability and protecting the climate are not just integral elements of the Future Ready 2025 corporate strategy, they are causes we espouse with conviction.

Economic, environmental and social responsibility are therefore firmly embedded in technotrans’ corporate culture, and have been for many years.

Everything we do is geared towards sustainability. It begins with all our research and development activities and with the design process for our products. They are configured for maximum possible energy efficiency and low global warming potential, and as such actively help to shrink our carbon footprint.

Meanwhile this enables us to position ourselves as an attractive employer. We also get a very clear sense of that from our workforce, which strongly identifies with the Group's endeavours to promote sustainability and regularly contributes its own ideas.

But what does all that mean specifically? What progress did we make with sustainability in the past year?

2021 was the first year for which we calculated the carbon footprint of the technotrans Group. We created a Sustainability Management area and appointed a Sustainability Manager. He coordinates all activities in the area of environmental, social, governance – or ESG for short. All these measures provide a basis for our pathway towards becoming climate-neutral, or “greening” technotrans.

Investment in sustainable energy with photovoltaics and hydrogen at our locations in Baden-Baden and Holzwickede demonstrate our commitment in this area. As a result, two technotrans Group locations are already entirely independent of fossil fuels, an advantage especially considering the current economic policy discussions about how to protect gas supplies.

Given this sustainability-oriented entrepreneurial self-view, we ultimately took the entirely logical and consistent step for technotrans at the end of last year and joined the UN Global Compact, the world's biggest and most important initiative for sustainable and responsible corporate governance. This move sends out a clear message that we will continue to act on our social and societal responsibility.

We have kept our sustainability goals firmly in our sight. We are methodically tracking the key performance indicators of sustainability that we defined for the first time in 2021. Last year we increased the Group-wide proportion of renewable energy, for example, and cut fuel consumption by 8 %. In addition, at the Sassenberg and Baden-Baden locations, we now use exclusively packaging materials that can be recycled as single grades.

With the appointment of a Sustainability Manager last October, technotrans restated the importance it attaches to the issue. His tasks also include actively monitoring and managing sustainability-related objectives, and striving for continuous improvement in this area.

Outlook

Ladies and Gentlemen,

That brings me to the end of my speech, so let me wind up by looking at the wider operating context and development priorities for technotrans.

As mentioned at the start, the general economic situation remains challenging in the financial year in progress. Disruptions to supply chains and bottlenecks in

supplies of materials will persist. We have learned to live with these and are looking ahead with confidence. Across the Group, we have quite a few plans in store:

Again this year, we will be working on highly promising projects and new product series. The issue of sustainability is always at the very forefront of all our developments.

We will continue to refine our bonus-based remuneration model and prepare to roll it out at other locations. The aim is to boost motivation among our employees and make a concerted effort to increase the efficiency of our manufacturing locations.

We are also broadening our manufacturing expertise. In the Healthcare & Analytics focus market, we are starting to build cooling systems under clean-room conditions.

In the current financial year we will also place even greater emphasis on innovations that will enable us to approach more customer groups with new products in our four focus markets. The technology screening process for this will also pave the way for potential M&A activities in phase 2 of our Future Ready 2025 strategy.

Dear Shareholders,

Our business operations have been and are exposed to huge global economic challenges, the ramifications of which are not yet foreseeable.

Thanks to flexibility and the continuing development of our organisation, we have made a major contribution to the profitable growth of the technotrans Group.

We have demonstrated our responsibility to our customers, suppliers, shareholders and employees in a spirit of partnership and with huge commitment. Our strategy is a trailblazing one that already delivered clear results in its very first year.

In other words, we are on track and can look forward to the future.

As Board of Management member for the Technology & Operations areas and co-initiator of the Future Ready 2025 strategy, I am also personally looking forward to its ongoing implementation beyond 2022 and would like to thank the Supervisory Board for their confidence in me and for extending my contract until December 31, 2025.

On that basis, Ladies and Gentlemen, we will see each other again next year at the latest for this event, which we hope will then be in-person.

But let me now hand you back to Michael Finger for more on what we have in store up until then, as well as for phase 2 of the strategy from 2023.

Thank you very much!

Speech by Board of Management:
Michael Finger, Spokesman of the Board

– Check against delivery –

Targets / focus areas of the Future Ready 2025 strategy

Thank you, Peter.

I too am very much looking forward to pursuing our chosen course together with you!

Ladies and Gentlemen,

In the first part of my speech I looked back on the 2021 financial year, in other words on where technotrans currently stands. It is now time for us to look ahead.

How is our Future Ready 2025 strategy progressing?

And what can you expect from us this year?

In this part I will also look at what economic developments lie ahead. In other words, at the outlook and our forecasts. Let's start by returning to our foundations – the strategy. Our corporate strategy aims to permanently improve revenue and profitability and steadily expand our market position based on the core skill of thermal management.

As you are aware, the strategy is being implemented in two phases.

Phase 1 spans financial years 2021 and 2022. This phase involves stabilising the business performance and improving the profitability of the Group. So we have now successfully completed the first year of phase 1.

Phase 2 will follow in the years 2023 to 2025.

The focus there will be on accelerating profitable growth through targeted investments and innovations.

Detailed mileposts have been defined for each phase. We have already given you a detailed description of the individual mileposts. We now find ourselves in the second year of phase 1. One relevant milestone for the 2022 financial year is the focus on our four target markets. But in the current financial year of 2022 we must expect an even stronger headwind:

As we know, the pandemic is not yet over and the further course of the pandemic is hard to anticipate.

Furthermore, as mentioned earlier the war in Ukraine has created considerable market distortion and uncertainties.

Then there is the issue of inflation.

So uncertainty has increased!

But we will continue to do all we can to cushion the impact on technotrans.

Our healthy results are a source of encouragement and demonstrate that our Future Ready strategy has appreciably improved the Group's resilience in a volatile environment.

Expectations Focus markets / segments

So what can you expect for 2022 in light of this?

Provided the underlying situation does not markedly deteriorate, we expect revenue to continue developing steadily, especially in the strategic focus markets.

Let's start with the Plastics focus market.

The positive market outlook has confirmed our decision to highlight the Plastics focus market within our strategy.

This market will play a significant part in the expected revenue growth of the technotrans Group.

Because the project lead times for large-scale refrigeration systems for plastics machinery are generally quite long and thanks to the high demand for our energy-efficient temperature control units, this industry's positive momentum continues into the current financial year, leading us to expect significant revenue growth reaching a double-digit percentage for 2022. The order books are well filled and demand is still holding up.

In the Energy Management focus market, a large number of project requests and orders associated with implementing volume production, especially for rail transport, create the basis for a positive business performance in 2022. In addition, we expect growth in the charging infrastructure and battery cooling for electrified special-purpose vehicles.

Business involving server cooling is also showing progress. We expect the Energy Management focus market overall to achieve the highest growth rate of all the focus markets, reaching the low double digits.

The market for Healthcare & Analytics is proving volatile due to the current disruptions to the supply markets. On the one hand we expect exciting new projects and production starts. On the other hand the interrupted supply chain caused by the marked impact on volume production quickly causes noticeable delays to revenue, which are difficult to make up for

Nevertheless, the market offers plenty of opportunities for a positive business development:

Laser-based treatment methods, the use of thermal management for therapeutic purposes, imaging diagnostic methods and optical analysis

systems have high potential. technotrans has therefore already been involved in this area for many years and believes it offers further growth potential, including internationally.

In the fourth focus market Print, there are clear signs that the pandemic-related reluctance to invest is abating. The order situation appears very promising. Our major customers are very optimistic. And that optimism is also reflected in our order books. As a result, we expect a positive business development for 2022 with revenue rising by a moderate single-digit percentage.

Our Laser and Machine Tools market completes the picture.

The prospects for 2022 are very promising – not least thanks to our USP in laser cooling for EUV lithography.

It is now time to look ahead in our two segments Technology and Services.

The turbulence in the supply chains is affecting above all the Technology segment. We will continue to face problems with costs and efficiency.

But thanks to Group-wide diversification of markets and products, we expect to be able to compensate for these restrictions in the course of the year, so the segment will continue to develop positively.

For the Services area, we expect slight revenue growth mirroring the factors discussed previously. Something that gives us cause for clear optimism about all our markets and segments is our record order backlog and the positive book-to-bill ratio of now 1.3! These performance indicators point to further growth!

Revenue / EBIT / ROCE forecasts

What does that now mean for revenue and earnings in the 2022 financial year?

And do our medium-term targets up to the end of phase 2 of our strategy remain valid – in other words, our forecasts up to 2025?

For the current 2022 financial year, we expect revenue in the range of € 220 to € 230 million and an EBIT margin of between 5.0 % and 6.0 %. This represents an operating result of between € 11.0 and € 13.8 million.

We expect the return on capital employed to reach between 12.5 % and 14.0 %

Further pandemic-related disruption, knock-on effects of the war in Ukraine and acquisitions are not built into this revenue and earnings forecast.

And now for our medium-term targets:

We are aiming for organic revenue growth to around € 265 to € 285 million by 2025.

Our expectations for the operating profit margin that this will produce are between 9.0 % and 12.0 %. Targeted M&A transactions are a possible means of

increasing growth further. Our criteria for potential acquisitions include complementary technologies, profitability, strategic fit and internationality. We have a clear vision for every market and will elaborate on it appropriately!

Conclusion

Dear Shareholders,

In summary, allow me to state very clearly again:

We are more than satisfied with the results for the 2021 financial year.

The tools used and actions taken in the very first year of implementing the Future Ready 2025 strategy are bearing fruit.

Despite the continuing impact of the COVID-19 pandemic, we increased our revenue and operating result.

On that basis we were also able to define clear targets for the current financial year.

We are consistently pursuing the adopted strategic course in order to increase stability and profitability.

Thanks to the increasingly positive underlying sentiment in our focus markets and the high order backlog, we are optimistic that the technotrans Group will be able to maintain its profitable growth in 2022.

More disruption may lie ahead – if the geopolitical situation remains tense and the COVID-19 pandemic persists.

Despite these risks, we are convinced your technotrans is well-placed!

To conclude, let's return to the three questions I raised at the start:

Where does technotrans currently stand?

technotrans is growing – sustainably and profitably!

Not only have we achieved our forecasts; in some cases we have exceeded them.

How is our Future Ready 2025 strategy progressing?

We have a clear strategy and are methodically putting it into action!

Our assumptions have been borne out!

We are emphatically on track!

And what can you expect from us this year?

We will again transform our milestones into results, as expressed loosely by our motto:

Transforming strategy into results!

Our forecast is robust!

We have the right structure.

We have a highly motivated team.

And together, we can create even more momentum under one roof.

We now look back on two exceptional years. With experiences that are historic in their significance. We have handled them well.

We are now at another turning point. And nobody knows what the road ahead will bring. But we know our employees. Over 52 years, they have demonstrated we are capable of handling change!

And change always harbours opportunities.

Change stimulates evolution!

We know how we can sustainably create value.

We can rely on that!

And you can rely on that!

Thank you!