

MUTARES

Earnings Call H1 2023

August 10, 2023

Content



Company & Business Model

Key Highlights of H1 2023

Financials of H1 2023

Outlook

Highly experienced and committed management team

Management interests fully aligned with external shareholders (ca. 37% ownership)



CEO

ROBIN LAIK

born in 1972,
is founder, CEO and main
shareholder of Mutares.
He is responsible
for strategy and business
development.

Today's presenter



CIO

JOHANNES LAUMANN

born in 1983,
joined Mutares in 2016.
In 2019, he was appointed CIO.
He is responsible for
M&A and Investor Relations,
as well as the portfolio development.

Today's presenter



CFO

MARK FRIEDRICH

born in 1978,
with Mutares since 2012.
In 2015, he took over the CFO position.
He is responsible for finance as well as
consulting, HR and compliance.

Strong corporate identity supported by financial performance

First choice for private equity carve-outs



European focus,
global expansion



Four diversified
segments

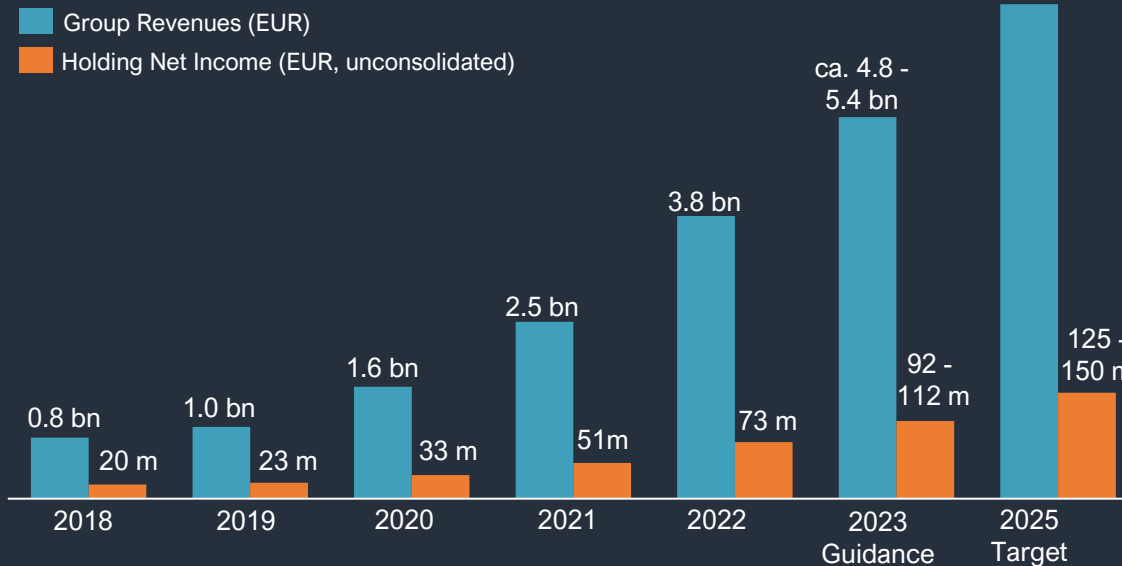


Target company
revenues EUR 100-750m



Turnaround hero

Mutares Group revenues and Holding net income



Portfolio growth drives predictable consulting revenues for servicing debt.



Ability to generate Holding net income across the whole investment lifecycle; resilience to economic cycles.

ROIC target of 7-10x

Creating successful turnarounds with our unique value creation life-cycle

Value creation



Average holding period approx. 3 – 5 years

Invested capital as of June 30, 2023:
EUR 272 million

Portfolio of currently 28 companies with annualized revenues of EUR > 5.5 billion

Well diversified portfolio across four segments

Automotive & Mobility 

early-cyclical
ca. EUR 2.5 bn revenues



Engineering & Technology 

late-cyclical
ca. EUR 1.0 bn revenues



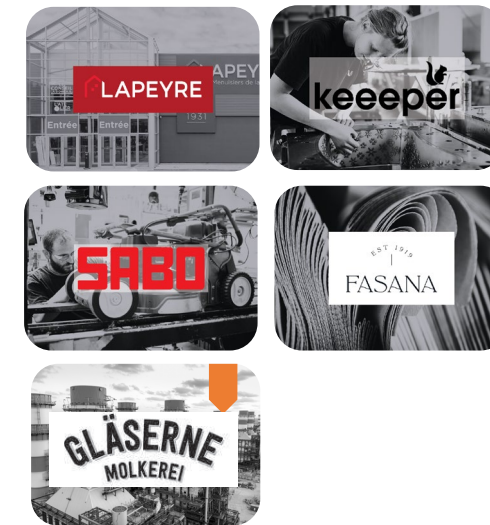
Goods & Services 

non-cyclical
ca. EUR 1.3 bn revenues



Retail & Food* 


cyclical
ca. EUR 0.8 bn revenues



 Acquisition signed, not yet closed

Note: *) new segment since July 2023

Ferr/AI United – newly founded Powerhouse with EUR > 1.3 billion in revenues under development Mutares forms FerrAI United with significant potential for future value appreciation




Automotive Sector

Frankfurt a. M., GER
Headquartered

2023
Founded

5,000
Employees

Geographical presence





Global partner for metallic components and systems for the automotive industry



Unique due to global presence and complementary product range

- More than 25 locations worldwide
- Network of production and development sites - in Europe, North America and Asia Pacific
- Supplying leading OEMs worldwide with a range of products from metal forming and machining to assembly and testing

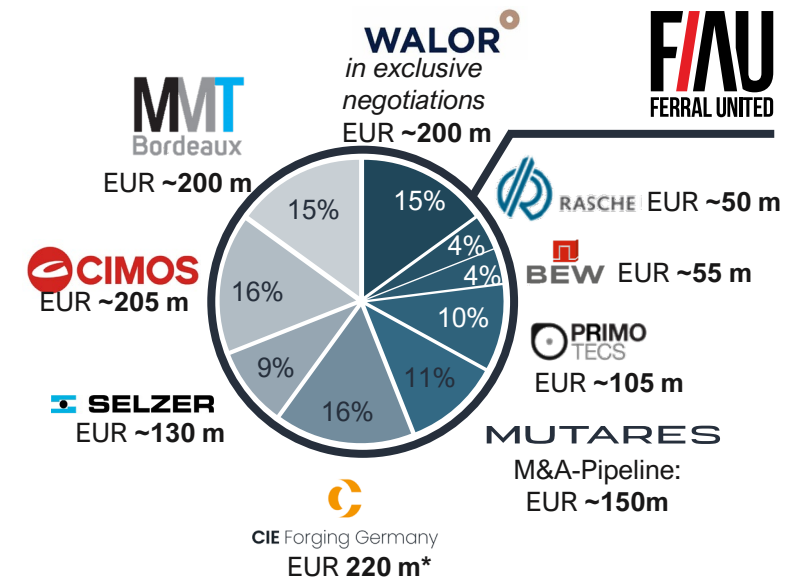


Growth through a strong network and innovation

Goal: Bundling the competences of all companies in the Group in order to lead the automotive industry into the future with global innovative strength together with the OEMs

- Worldwide flexible and fast supply of high-quality products through global presence
- Continuous innovation and upheaval of new and traditional technologies

Annualized Revenues in 2024e:
EUR > 1.3 billion



* Signing in August 2023

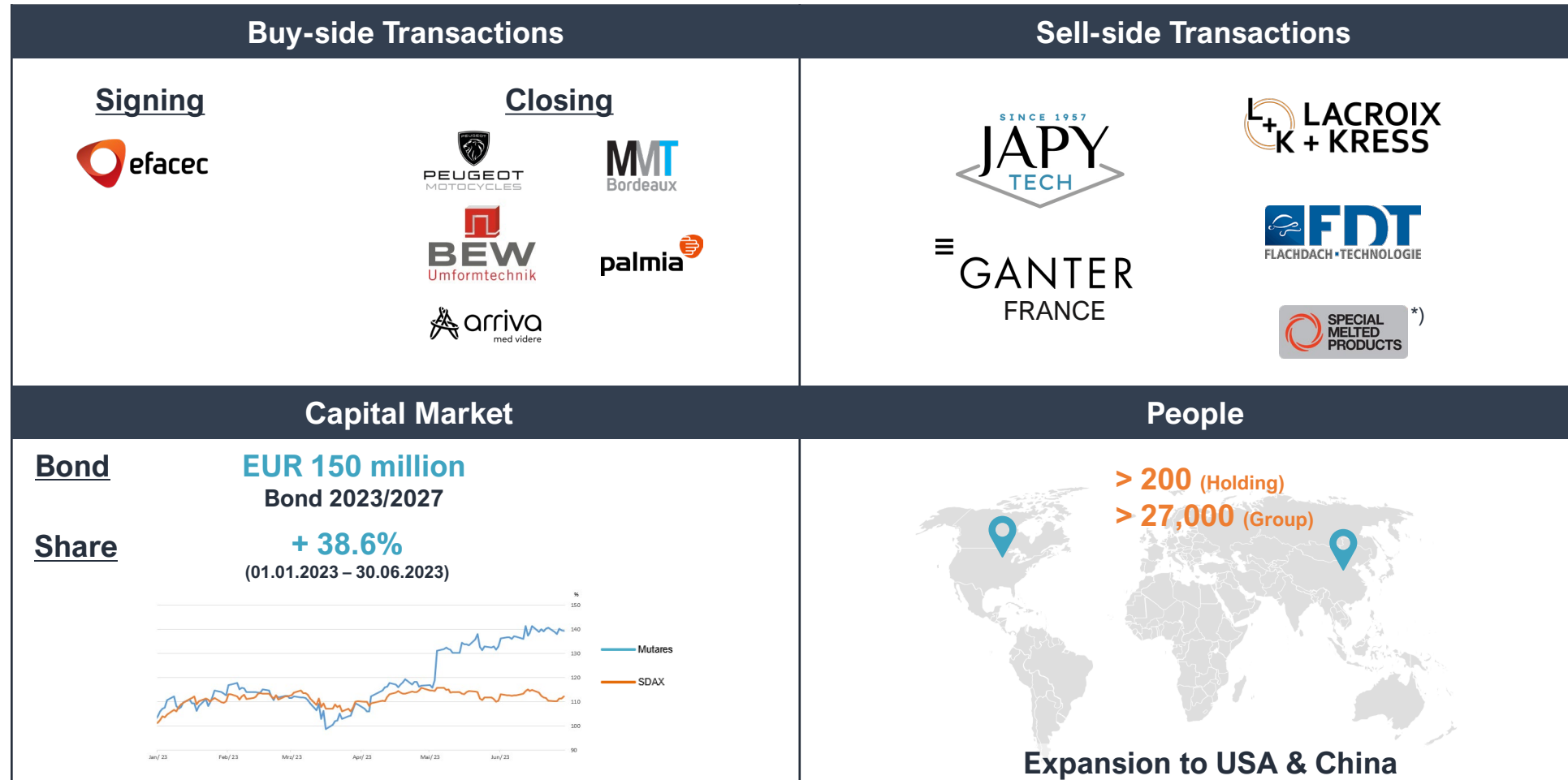


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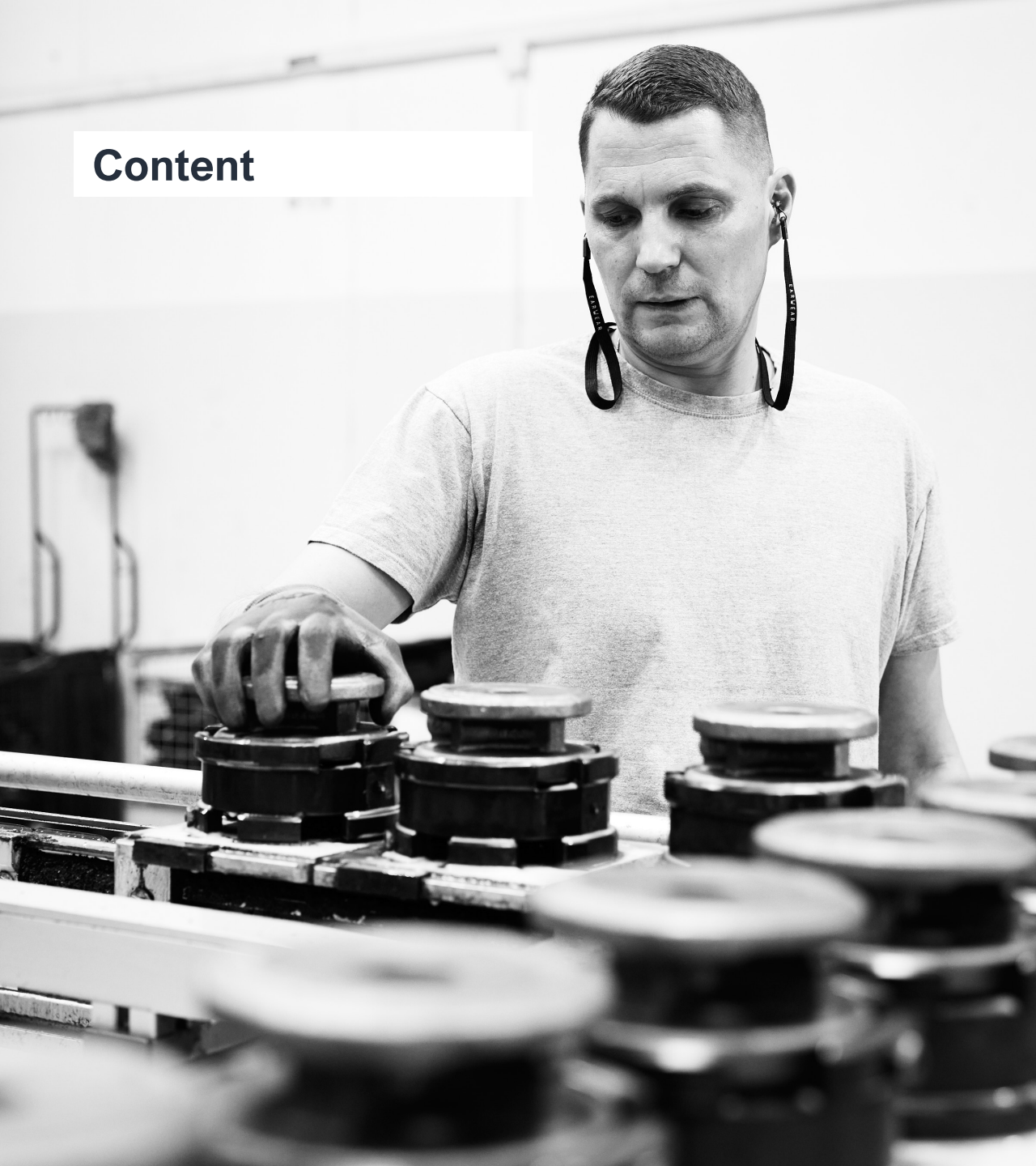
Key Highlights of H1 2023

Development well on track with focus on exits and global expansion



Note: *) signed, not yet closed

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Company & Business Model

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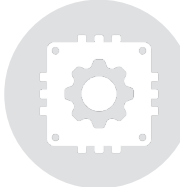

Key financials for Mutares Group and Mutares Holding of H1 2023

Positive Adjusted EBITDA shows progress in transformations

EUR million	Q1 2023	Q2 2023	H1 2023	H1 2022	Δ	2023e
Mutares Group						
Revenues	1,108.0	1,165.6	2,273.6	1,754.6	519.0	4,800 - 5,400
EBITDA	112.4	293.0	405.4	66.0	339.4	
Adjusted EBITDA	5.1	36.1	41.2	-32.9	74.1	↗
Mutares Holding						
Revenues	27.1	25.0	52.1	28.7	23.4	↗
Portfolio Income	27.1	25.0	52.1	32.6	19.5	↗
Net Income	8.2	5.0	13.2	14.2	-1.0	92.0 - 112.0

Segment Financials: Overview

Strong development especially in Q2 2023 with positive Adjusted EBITDA across all segments

EUR million	Q1 2023	Q2 2023	H1 2023	H1 2022	Δ
 Automotive & Mobility					
Revenues	448.7	483.3	932.0	457.5	474.5
Adjusted EBITDA	-6.9	18.4	11.5	-36.5	48.0
 Engineering & Technology					
Revenues	263.1	231.3	494.4	551.2	-56.8
Adjusted EBITDA	0.7	0.1	0.8	0.9	-0.1
 Goods & Services					
Revenues	396.7	452.0	848.7	746.8	101.9
Adjusted EBITDA	1.9	10.6	12.5	-0.2	12.7
Mutares Group					
Revenues ¹	1,108.0	1,165.6	2,273.6	1,754.6	519.0
Adjusted EBITDA ¹	5.1	36.1	41.2	-32.9	74.1

Note: 1) after consolidation

Segment Financials: Automotive & Mobility

Substantial improvement in Adjusted EBITDA in light of successful transformation and improved market environment

amaneos

F/AU
FERRAL UNITED

PEUGEOT
MOTORCYCLES

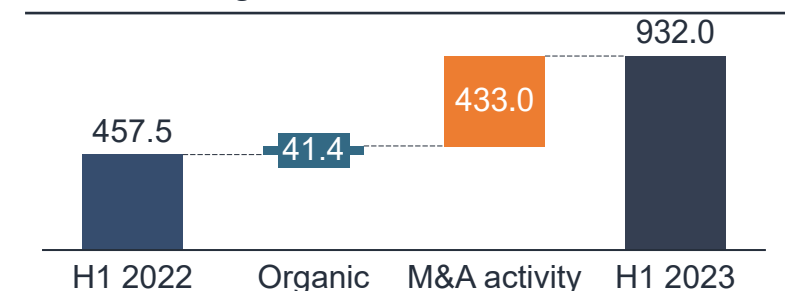
KICO
simply innovative
ISH
COMPETENCE IN AUTOMOTIVE

inovis

PLATI

EUR million	Q1 2023	Q2 2023	H1 2023	H1 2022	Δ
Revenues	448.7	483.3	932.0	457.5	474.5
Cost of material	-289.6	-301.7	-591.3	-306.7	-284.6
Personnel expenses	-113.1	-124.6	-237.7	-139.1	-98.6
Other expenses	-62.8	-59.1	-121.9	-65.3	-56.6
EBITDA	65.9	62.8	128.7	-40.3	169.0
Adjusted EBITDA	-6.9	18.4	11.5	-36.5	48.0
in % of Revenues	-1.5%	3.8%	1.2%	-8.0%	9.2%

Revenue Bridge



Comments

- New acquisitions, mainly MoldTecs Group and Cimos Group (acquired in FY 2022) as well as Peugeot Motorcycles, MMT-B and BEW (acquired in H1 2023) drive growth in revenues
- Increase in Adjusted EBITDA reflects successful implementation of transformation programs (especially at SFC as part of Amaneos) after strong increase of raw material and energy prices in H1 2022
- EBITDA benefits from gains from bargain purchase from the acquisitions of H1 2023

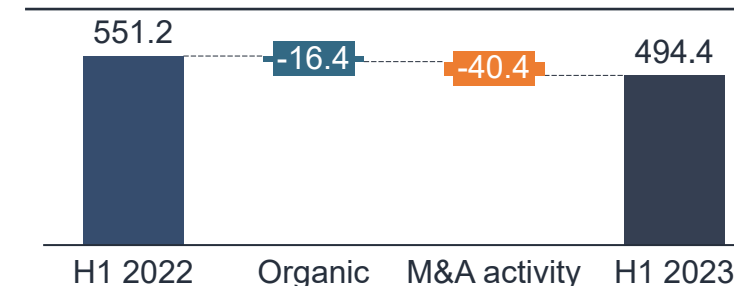
Segment Financials: Engineering & Technology

SMP, La Rochette and Clecim with substantial progress, low activity in construction business



EUR million	Q1 2023	Q2 2023	H1 2023	H1 2022	Δ
Revenues	263.1	231.3	494.4	551.2	-56.8
Cost of material	-207.6	-162.0	-369.6	-372.0	2.4
Personnel expenses	-56.1	-47.7	-103.8	-101.5	-2.3
Other expenses	-33.6	-31.5	-65.1	-67.8	2.7
EBITDA	10.2	-3.6	6.6	99.6	-93.0
Adjusted EBITDA	0.7	0.1	0.8	0.9	-0.1
in % of Revenues	0.3%	0.1%	0.2%	0.2%	0.0%

Revenue Bridge



Comments

- Acquisitions of NEM Energy, Guascor Energy, SMP, Valti and Steyr Motors do not fully compensate the decrease in revenues as a result of the exits of Nordec Group, Lacroix+Kress and Japy Tech
- EBITDA positively impacted by the gain from the exit of FDT Flachdach Technologie (as part of Donges Group) as well as Lacroix+Kress
- Improvement in Adjusted EBITDA reflects the quick restructuring successes at SMP and Steyr Motors as well as the continued positive contribution from La Rochette and Clecim
- Improvement potential at Guascor Energy; integration of NEM Energy and Balcke-Dürr

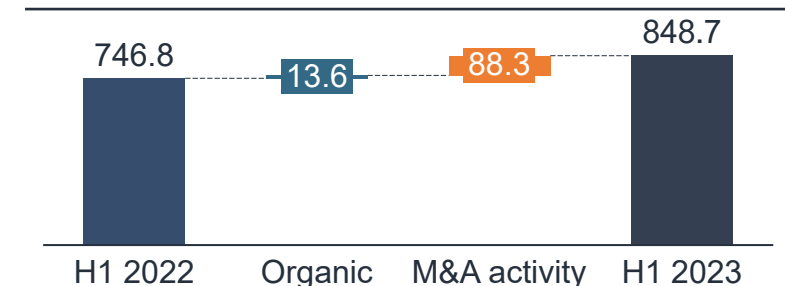
Segment Financials: Goods & Services

Progress in transformation programs across the segment leads to turnaround in Adjusted EBITDA



EUR million	Q1 2023	Q2 2023	H1 2023	H1 2022	Δ
Revenues	396.7	452.0	848.7	746.8	101.9
Cost of material	-233.6	-233.1	-466.7	-449.6	-17.1
Personnel expenses	-106.0	-133.4	-239.4	-180.0	-59.4
Other expenses	-84.4	-80.2	-164.6	-169.3	4.7
EBITDA	27.5	227.0	254.5	6.1	248.4
Adjusted EBITDA	1.9	10.6	12.5	-0.2	12.7
in % of Revenues	0.5%	2.4%	1.5%	0.0%	1.5%

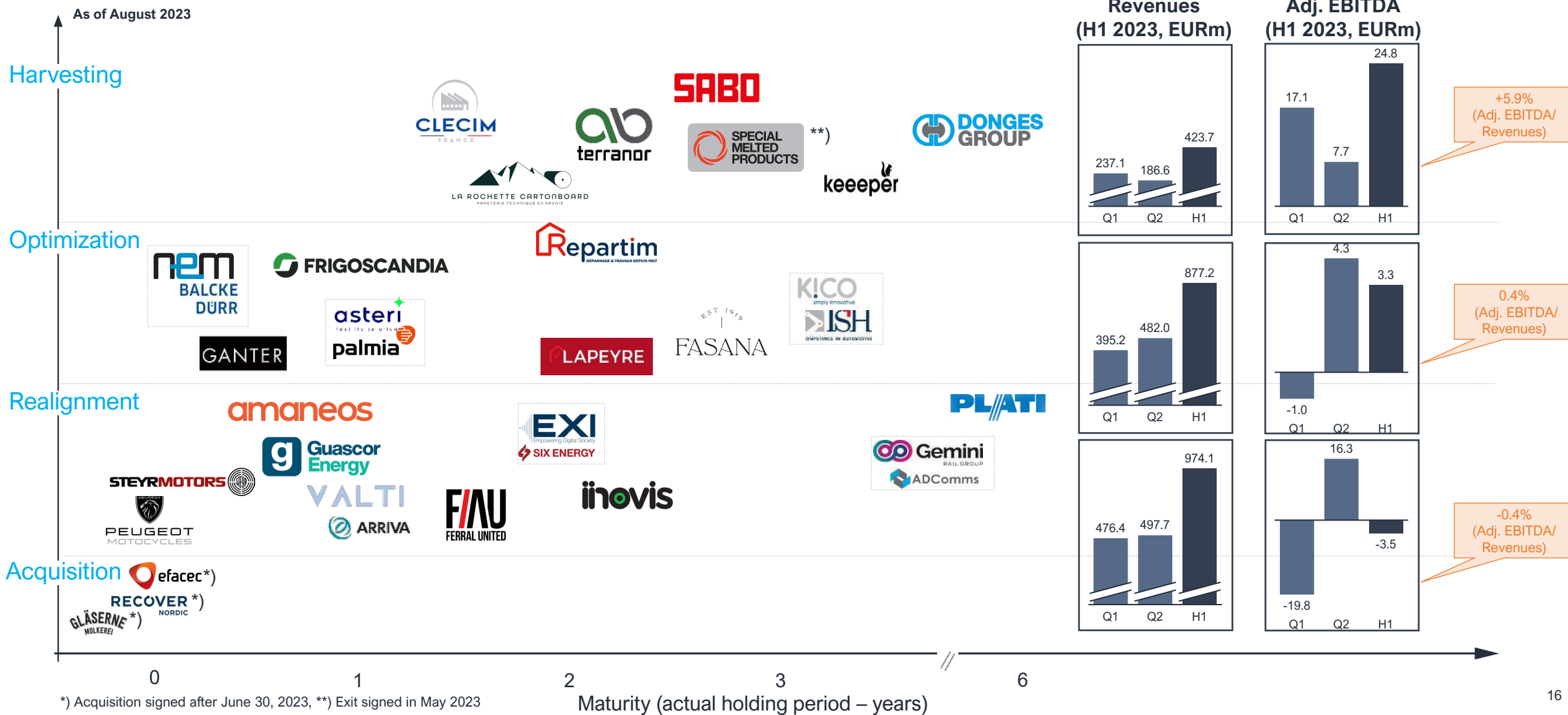
Revenue Bridge



Comments

- Increase in revenues due to recent acquisitions of Palmia and the businesses of Arriva;
- Terranor Group with significant organic revenue growth and significantly positive Adjusted EBITDA contribution
- Strong development in H1 2023 especially at Terranor, Frigoscandia and Ganter lead to a significant increase in profitability and a positive Adjusted EBITDA

Current Portfolio allocation to the value creation life cycle Diversified portfolio in Realignment, Optimization and Harvesting phases





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Mutares China at a glance

Expansion to China as starting point to explore global opportunities and foster further growth



**Shanghai Office
opened in August
2023**

4

**Portfolio Companies
operating in China**

~ 600

Employees in China

- **Great opportunities to explore in China**
- **Important market and trade partner for our portfolio companies**
- **Government regulations supporting foreign direct investments**
- **Strong automotive sector with well developed electric vehicle sector**



We deliver what we promise

Mutares is the top player when it comes to carve-outs, restructuring and turnaround with ambitious growth targets

Revenues

Mutares Group

Net Income

Mutares Holding

2022

EUR 3.8 bn

EUR 73 m

2023

EUR 4.8 – 5.4 bn

EUR 92 – 112 m

2025

ca. EUR 7.0 bn

EUR 125 – 150 m



SAVE THE DATE

CAPITAL MARKETS DAY 2023



October 12, 2023



Frankfurt am Main, Fifty Heights / virtually



Agenda:

1. Mutares Introduction
2. Portfolio Insights
3. Mutares Outlook
4. Get Together & Networking

Registration via ir@mutares.com

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.

MUTARES

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