Annual press and analysts' conference

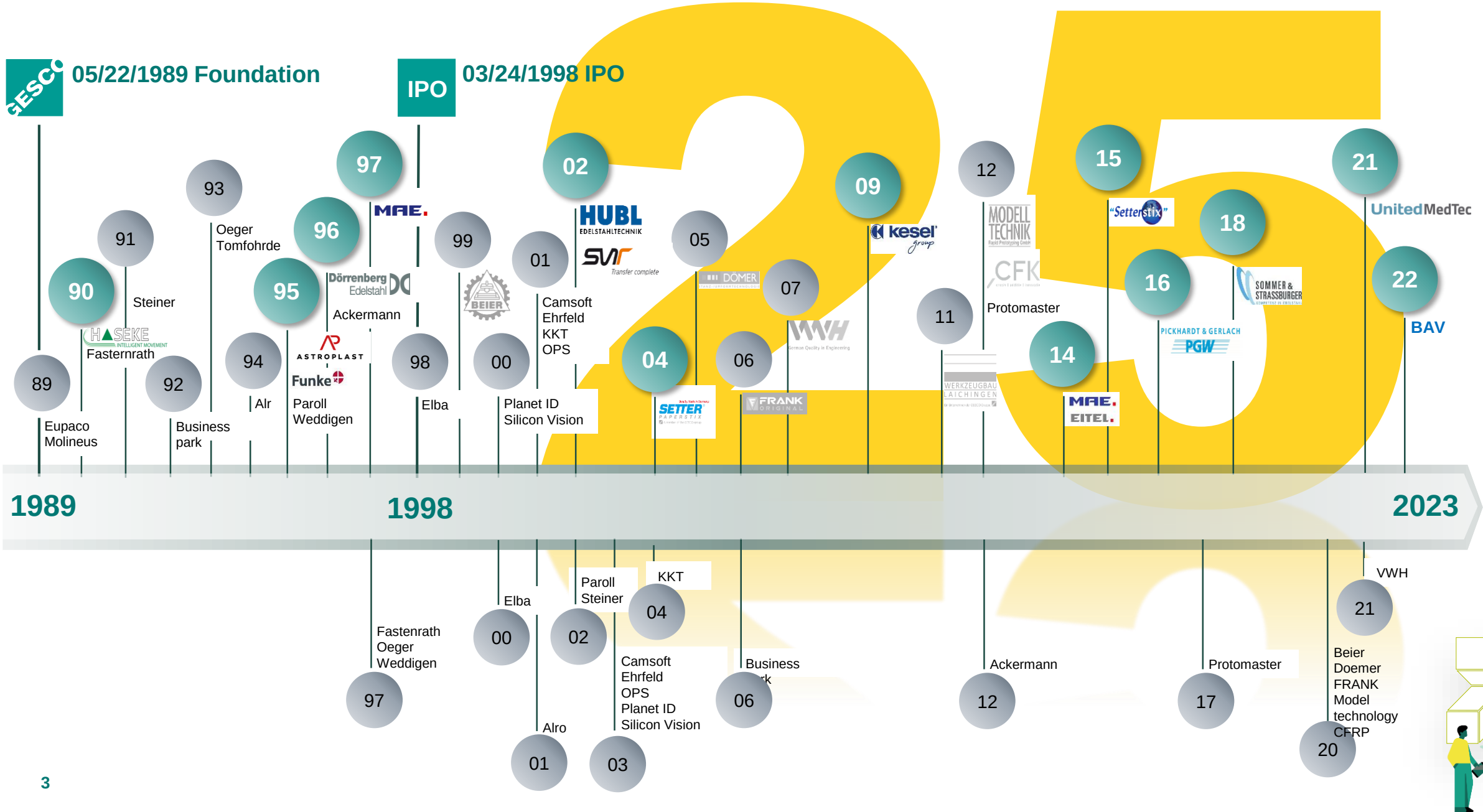
Financial year 2022
Düsseldorf, 18 April 2023

Hidden champions

technology-driven SMEs

... in one share, that is GESCO

25 YEARS ON THE STOCK EXCHANGE



AGENDA

01 THE BUSINESS MODEL

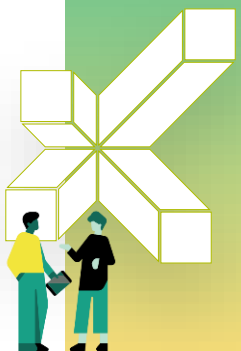
02 THE STRATEGY - NEXT LEVEL 25

03 THE HIGHLIGHTS 2022

04 THE 2022 FINANCIAL YEAR

05 THE OUTLOOK 2023

06 ANNEX



01 THE BUSINESS MODEL

THE BUSINESS MODEL

GESCO Group

Medium-sized market and **technology leaders**

10 operating subsidiaries and 18 international second-tier subsidiaries

Dynamic and operationally independent units that benefit from the best practice of a strong group

Innovative technology for tomorrow's global market

GESCO SE

Long-term investor ensures **future viability**

Acquisition of medium-sized industrial companies with long-term prospects

Acquisitions are majority-owned, usually 100%.

Add-on acquisitions as strategic additions to the subsidiaries

GESCO Holding

Methods & Know-How increase **added value**

Methodological competence via experts with many years of operational experience

Excellence programmes pool Group know-how and ensure progress

Added value is created through intensive consultation with the subsidiaries

... the best SME companies in one share

THE INDUSTRIAL GROUP

Process - Technology

3 Companies
18% Share of Group sales
542 Employees

Demanding markets with **technologically** advanced solutions and a **high degree of innovation.**
The companies deliver equipment with **specific process know-how**

Resources - Technology

Companies 3
Share of Group sales 57%
Employees 739

Material-intensive industries with a focus on niches and customer service.
The companies supply **customised** input materials and **solutions.**

Health - & Infrastructure - Technology

4 Companies
25% Share of Group sales
539 Employees

Markets close to the end consumer in the medical, hygiene, sanitary and food sectors. The markets are often **regulated** and offer high **barriers to entry.**

The companies supply **assemblies** and **components**.

02 THE STRATEGY NEXT LEVEL 25

THE VISION

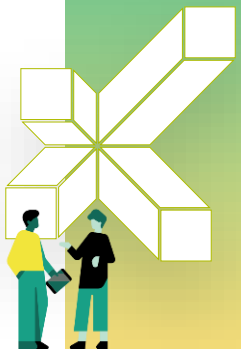
All companies are **hidden champions** or on the way there

Balanced, robust and **resilient portfolio** with **anchor holdings** and base holdings of substantial size

Firmly established **excellence programmes**

Strong corporate culture that attracts employees, offers them development potential and leads to **high-performance teams**

... an attractive destination



THE STRATEGY - NEXT LEVEL 25

- 3 Anchor & 12 Base Participations
- Business model know-how
- Methodological competence
- SE - Europeanisation Direct Invests
- ESG - Sustainability

PORTFOLIO - ARCHITECTURE

M & A

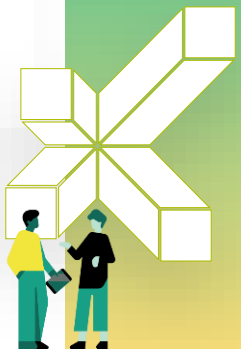
- Grow inorganically
- Buy & Build Program
- Portfolio Roadmap
- Direct approaches & Expand network

HIDDEN - CHAMPIONS

EXCELLENCE PROGRAMS

- CANVAS
- MAPEX
- OPEX
- LEADEX
- DIGITEX

... € 1 billion EMS at 10% EBIT



M & A - GROWING INORGANICALLY

GESCO

in search of future hidden champions

Search profile

Sales € 20 million to € 120 million for direct investments

Add-ons

Strategic added value for our companies
> € 5 million sales

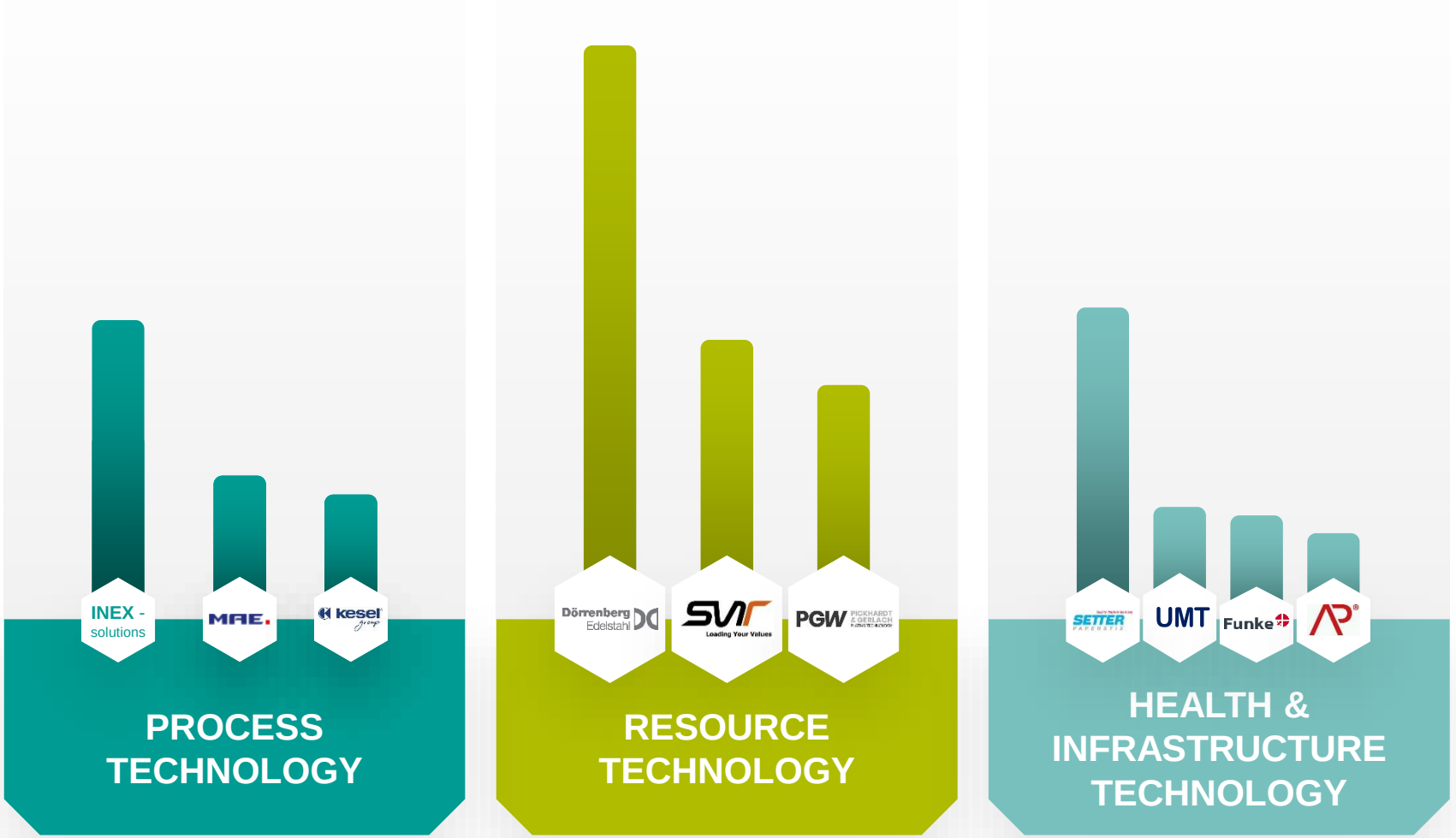
Direct approach

Selected targets through own market analyses

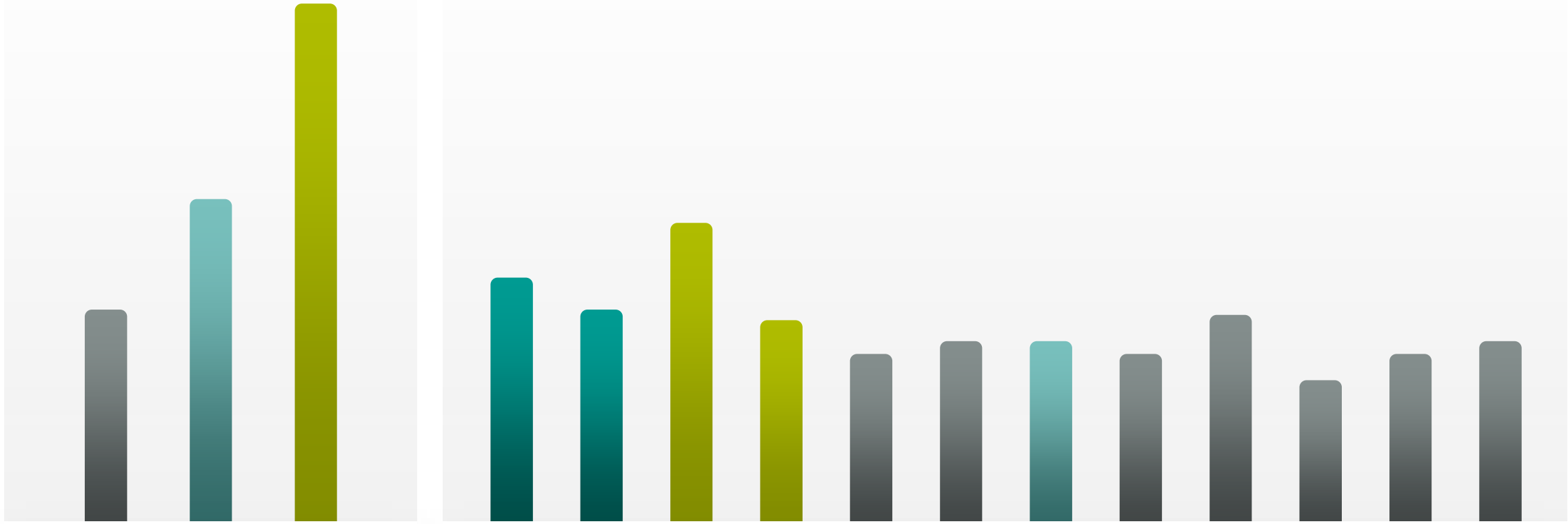
Network

Generates good deal flow

PORTFOLIO ARCHITECTURE - ROADMAP I 2023



PORTFOLIO ARCHITECTURE - ROADMAP II until 2025



ANKER UMS > € 100 m

BASIS EMS Ø 40 - 50 m €

... on course - NEXT LEVEL 25

EXCELLENCE PROGRAMS

CANVAS Business Model Development

Analysis of the **business models** - derivation of **next steps** - processing in annual **business planning**
Consolidate **common understanding**, **identify development potential** and **fix measures**

OPEX Operational Excellence

Analysis of the **company** and **value creation processes,** especially in quality, lead time and delivery performance as well as the cost structures
Increase **efficiency** and thus **margins**

Market & Product Excellence **MAPEX**

Analysis of market trends and **positioning, product portfolio** and new **product ideas**
Increase **market share**, address **new segments**, establish **product innovations**

LEADEX Leadership Excellence

Continuous development of leadership skills
LEADEX offers managers a comprehensive and modern basis consisting of 3 modules:
Teams, Tools and High Performance Teams

Digital Excellence **DIGITEX**

Digitisation of **workflows** along the **value creation processes** - from **customer enquiries** to **life-time end**
→ **Focus: increasing efficiency**
Develop digital business models, **exploit** opportunities of the **digital future** → **Focus: increase market share**

03 THE HIGHLIGHTS 2022

KESEL
Safely on track

CANVAS 2020
LEADEX 2022

€ 15 m sales in 2022	**+ 13,5%** Result since 2018	**+ 18%** Efficiency since 2018
#1 in the world for saw band milling machines	**66%** World market share Milling Band saw blades	**> 73%** from kit

MAPEX - NEW DEVELOPMENT OF GRINDING MACHINES FOR ESTABLISHED APPLICATIONS

MAPEX - NEW APPLICATION FOR BAND SAW GRINDING MACHINES IN THE FOOD SECTOR OPENED UP

MAPEX - NEWLY DEVELOPED CONSTRUCTION KIT REDUCES TIME TO MARKET BY 60%

OPEX - MODULAR SYSTEM COMMON PARTS STRATEGY CREATES COST ADVANTAGES THROUGH BUNDLING EFFECTS

DIGITEX - KESEL CONNECT OFFERS CUSTOMERS 24/7 SERVICE WITH "AMAZON" LOOK AND FEEL

DIGITEX - AUGMENTED REALITY PROJECTS MACHINES ONTO THE PRODUCTION FLOOR

MAE
We keep trains rolling

CANVAS 2018
MAPEX 2021
LEADEX 2022

- 26% sales since 2018	**+ 34%** Margin increase since 2018	**- 4%** Efficiency through product shift
#1 in the world for wheelset presses + straightening machines	**+ 48%** sales with wheelset presses	**> 50%** Reduction automotive share

CANVAS - REDUCTION AUTOMOTIVE AND EXPANSION MOBILITY RAIL TRANSPORT

MAPEX - INTERNATIONALISATION THROUGH NEW DISTRIBUTION NETWORK WITH LOCAL PARTNERS

MAPEX - OUR WHEELSET PRESSES KEEP TRAINS RUNNING SAFELY ALL OVER THE WORLD → NEW YORK, SYDNEY AND NOW SHANGHAI

MAPEX - REDUCTION OF ENERGY CONSUMPTION OF OUR WHEELSET PRESSES >40% THROUGH PATENTED BIPAC NEW DEVELOPMENT

DIGITEX - NEW CONTROL SYSTEM FOR WHEELSET PRESSES EXTENDS CUSTOMER BENEFITS

INEX - solutions

Wafers for the world

CANVAS 2019
OPEX 2019
LEADEX 2022

+ 70% sales since 2018	**+ 140%** Result since 2018	**+ 31%** Efficiency since 2018
#1 in the world for pressure pipes + biotech containers	**+ 186%** plants since 2018	**+ 274%** Biotech Containers since 2018

CANVAS - FOCUSED ON 4 SECTORS: SEMICONDUCTOR / HEALTHCARE / ENERGY & ENVIRONMENTAL / FOOD & BEVERAGE

CANVAS - GLOBAL GROWTH OF WAFER PRODUCTION PLANTS OFFERS OPPORTUNITIES

MAPEX - POSITIONING AS A STRATEGIC PARTNER FOR PLANT DEVELOPMENTS

MAPEX - MARKET ENTRY USA WITH ESTABLISHED CUSTOMER WITH BIOTECH CONTAINERS

OPEX - 40% REDUCTION IN TIME TO MARKET FOR PRESSURE PIPES

DÖRRENBERG
Solutions in Tool Steel

CANVAS 2020
MAPEX 2021
DIGITEX 2022
LEADEX 2022

213 m € sales in 2022	**+ 5%** Result since 2018	**+ 1%** Efficiency since 2018
#1 in the world as a full-range supplier in tool steel	**- 80%** CO2 savings through own Green Steel prod.	**50%** Automotive sales in Foundry transformed

CANVAS - TRANSFORMATION OF THE CUSTOMER STRUCTURE IN THE FOUNDRY FROM AUTOMOTIVE TO MECHANICAL ENGINEERING

MAPEX - INTERNATIONALISATION CONTINUES TO EXPAND - FOCUS ON USA BUSINESS

MAPEX – PORTFOLIO EXPANSION OF STEEL TRADING IN PLASTIC MOULD MAKING AND PRECISION FLAT STEEL

DIGITEX - E-PROCUREMENT IN TOOL STEEL MADE EASY

PICKHARDT & GERLACH

SMART into the future

+ 95%
sales since 2018

+ 26%
Result since 2018

+ 70%
Efficiency since 2018

#1 in the world
for brass coatings

2.500 ton
Brake lines
COFIN® since 2018

116 ton
CO_2 saved
EMONI®) since 2018

MAPEX - **COFIN® -** BRAKE LINE TAPE FOR E-MOBILITY - FOR YOUR SAFETY

MAPEX - **COFIN® -** TECHNICAL COPPER SURFACES IN EVERY HOUSE SUPPLY - RCD CIRCUIT BREAKER

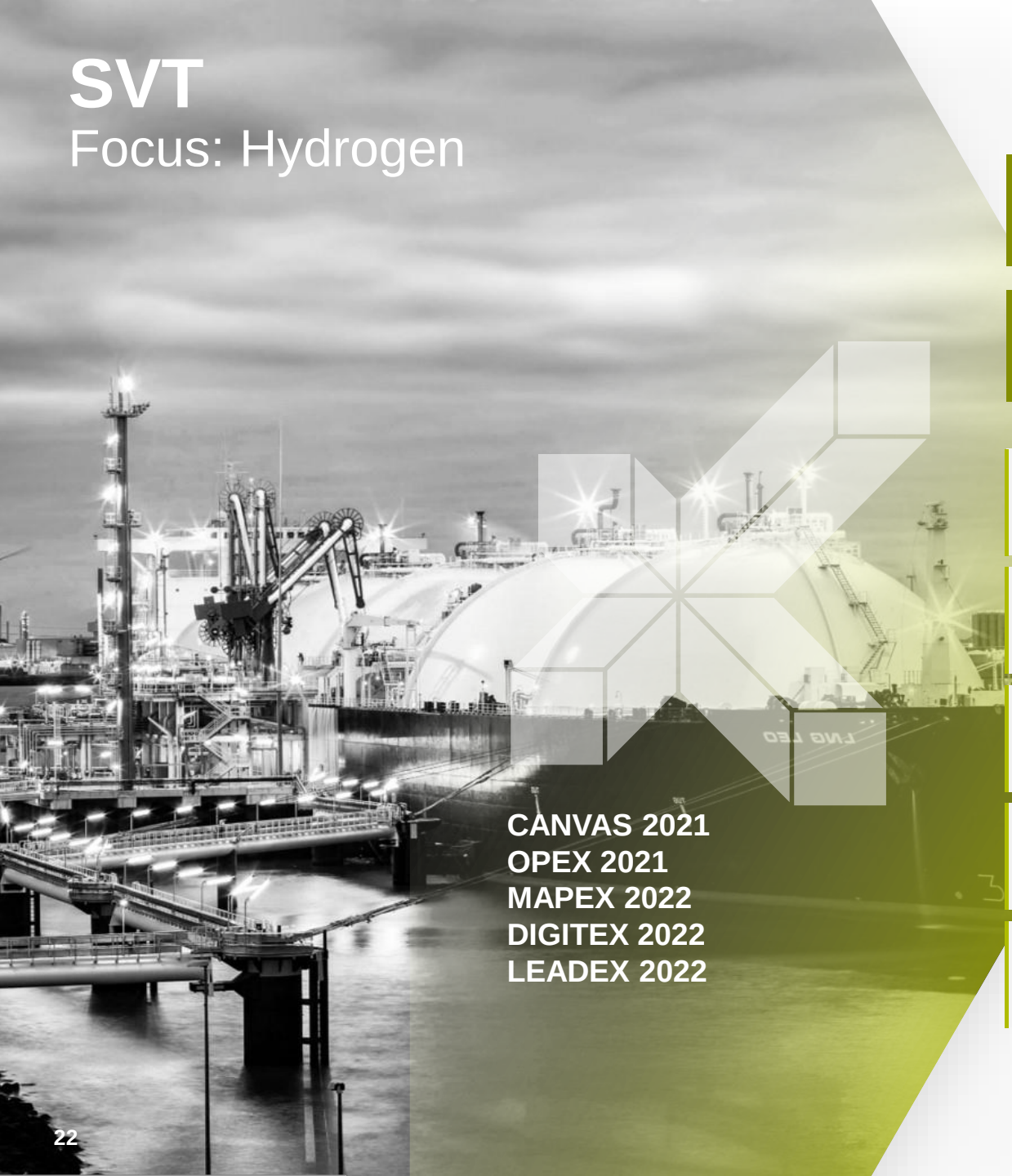
MAPEX - **EMONI® -** HIGHER EFFICIENCY FOR BATTERIES WITH SIMULTANEOUS CO_2 SAVINGS

OPEX - WE SECURE GROWTH THROUGH EFFICIENCY INCREASES AND CAPACITY EXPANSION

DIGITEX - ALWAYS NETWORKED - OUR PRODUCTS WITH OUR PARTNERS

CANVAS 2019
MAPEX 2020
OPEX 2021
DIGITEX 2022
LEADEX 2022

SVT
Focus: Hydrogen



CANVAS 2021
OPEX 2021
MAPEX 2022
DIGITEX 2022
LEADEX 2022

54.0 m € sales in 2022	**+ 47%** sales since 2018	**+ 38%** Efficiency since 2018
#2 in the world for loading systems - #1 for LNG	**+ 60%** Increase in space efficiency since 2018	**> 2.300** Ship loading systems supplied

CANVAS - STRATEGIC ADD-ON ACQUISITION IN LOW COST COUNTRY STRENGTHENS COST POSITION

MAPEX - SUPPORTING THE ENERGY TRANSITION, SOLUTIONS FOR HYDROGEN AND CARBON CAPTURE & STORAGE

MAPEX - AROUND THE GLOBE FOR THE CUSTOMER - WITH HUBS IN USA AND SINGAPORE

OPEX - FOCUSING ON CORE COMPONENTS AND OPTIMISING ASSEMBLY PROCESSES ENABLES SPACE SAVINGS

DIGITEX - REMOTE SERVICE AND 24/7 SPARE PARTS SUPPLY

ASTROPLAST

Products for life from sustainable plastics production

CANVAS 2021
MAPEX 2022
LEADEX 2022

17.9 m € sales in 2022	**+ 4%** sales since 2018	**+ 2%** Efficiency since 2018
46% made from recyclate	**4.5 m** litres of oil avoided	**> 10,000 ton** CO_2 savings

CANVAS - FOCUS ON CIRCULAR ECONOMY, CURRENTLY 46% RECYCLATE IN USE → TARGET > 90%

MAPEX - EXPANSION COIL PROGRAMME - ELECTROMOBILITY SUPPLIED WITH ASTROSPOOLS

MAPEX - FOCUS ON CLAMPING FORCES > 1,000 TON AND COMPONENTS > 5KG

DIGITEX - PAPERLESS PROCESSES AND DIGITAL PRODUCTION CONTROL - GESCO BEACON

FUNKE
Liveable connections

CANVAS 2023
LEADEX 2022

24.8 m € sales in 2022	**+ 29%** sales since 2018	**+ 23%** Efficiency since 2018
100% Lead-free material processed since 2018	**45 million pcs.** Connections produced in 2022	**+ 16%** Capacity expansion since 2018

CANVAS - CONNECTING ELEMENTS FOR THE ENERGY TRANSITION, E.G. HIGH-VOLTAGE CONNECTORS FOR E-MOBILITY

MAPEX - FOCUS ON LARGE SERIES SANITARY APPLICATIONS FOR SAFE DRINKING WATER SUPPLY

OPEX - REDUCTION OF RAW MATERIALS AND SUPPLIES BY > 30%.

SETTER
Sustainability for the world market!

CANVAS 2021
OPEX 2022
LEADEX 2022

+ 133% sales since 2018	**+ 82%** Result since 2018	**+ 25%** Efficiency since 2018
#1 in the world of paper sticks	**> 27,500 ton** plastic replaced by paper in 2022	**+ 131%** Growth of foreign sales since 2018

CANVAS - INTERNATIONALISATION WITH PROXIMITY TO CUSTOMERS; EXPANSION IN MEXICO AND NEW COUNTRIES

MAPEX - RESPONSIBILITY FOR THE FUTURE: PAPER RE-PLACES PLASTIC - NEW ALTERNATIVES MADE FROM WASTE PAPER AND SUGAR CANE PAPER IN SERIES PRODUCTION

MAPEX - INNOVATIONS CREATE NEW PRODUCTS: COTTON WOOL, LOLLIPOP, STIRRING STICKS

OPEX - EFFICIENCY INCREASES THROUGH TECHNOLOGY DEVELOPMENT ON OWN MACHINES

UMT Group
Lifesavers trust in us

23.1 m € sales in 2022	**+ 47%** sales since 2018 through acquisition	**+ 19%** Efficiency since 2018
#2 in the world for support arms MED	**19%** Market share world	**100%** Covering all weight classes

CANVAS - HASEKE AND KRÖMKER BECOME AMTRION; AMTRION US, INC. IS FOUNDED

MAPEX - PORTFOLIO COMPLETION TO STRENGTHEN MARKET POSITION IN LABOUR MARKET

OPEX - SYNERGIES AND BEST PRACTICE FROM TWO COMPANIES LEAD TO OPERATIONAL EXCELLENCE

DIGITEX - TWO WORLDS COMBINED IN ONE SYSTEM, EFFICIENCY AND TRANSPARENCY IN DATA MANAGEMENT

LEADEX - MANAGEMENT TEAMS MERGED, INTEGRATION PROCESS LARGELY COMPLETED

KEY FACTS 2022

- **582.3 m € sales**
- **49.4 m € EBIT**
- **33.8 million €** Net profit after minority interests
- **Most successful** business year
- **Transformation** with **recognisable successes**
- **Excellence programmes** show **effect**
- **Highest dividend** proposed at € 1

04 THE FISCAL YEAR 2022

HIGHLIGHTS 2022

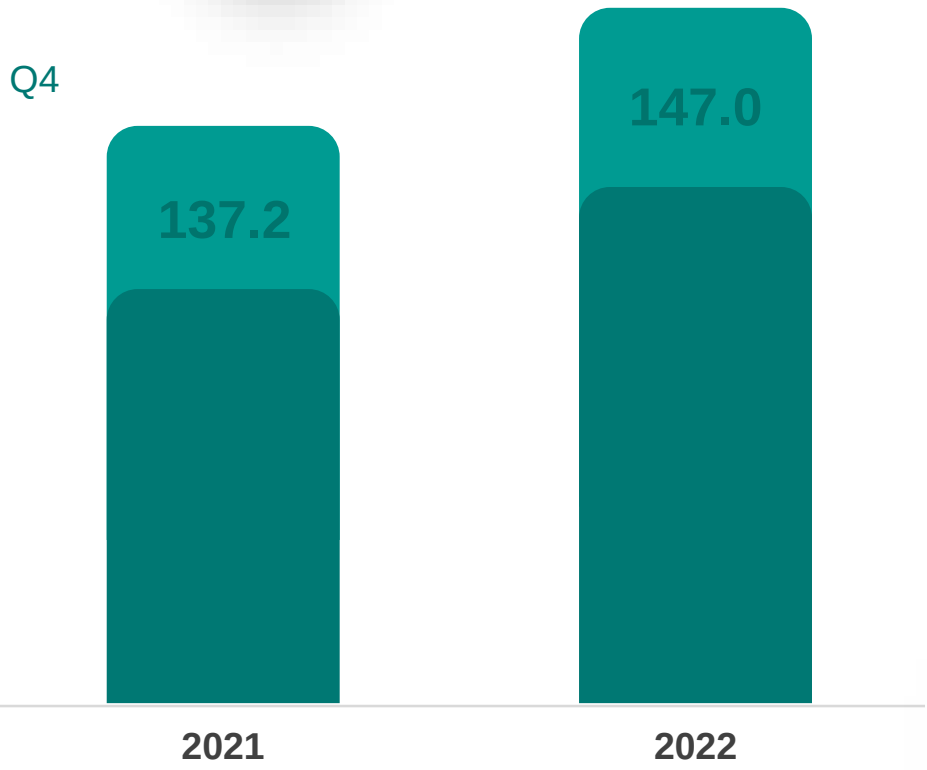
Sales +19.3%

Pleasing growth in sales

across all segments

Price and volume effects

582.3 m €



HIGHLIGHTS 2022

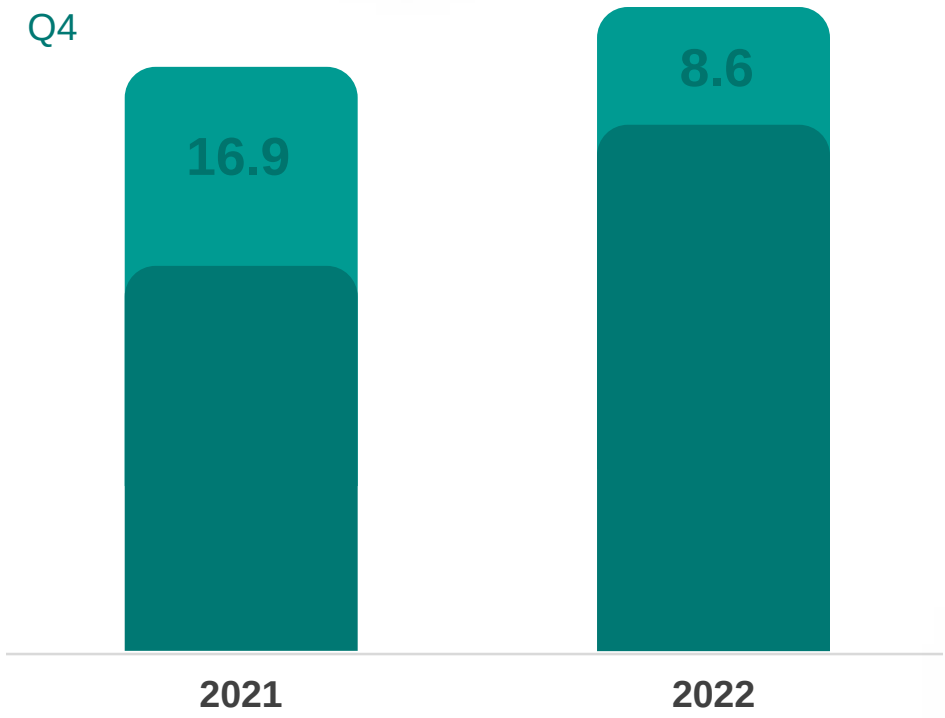
EBIT +10.9%

EBIT with special items in Q4

Positive order situation
Efficiency gains
Margin influenced by inflation passed on

8.5%

49.4 m €

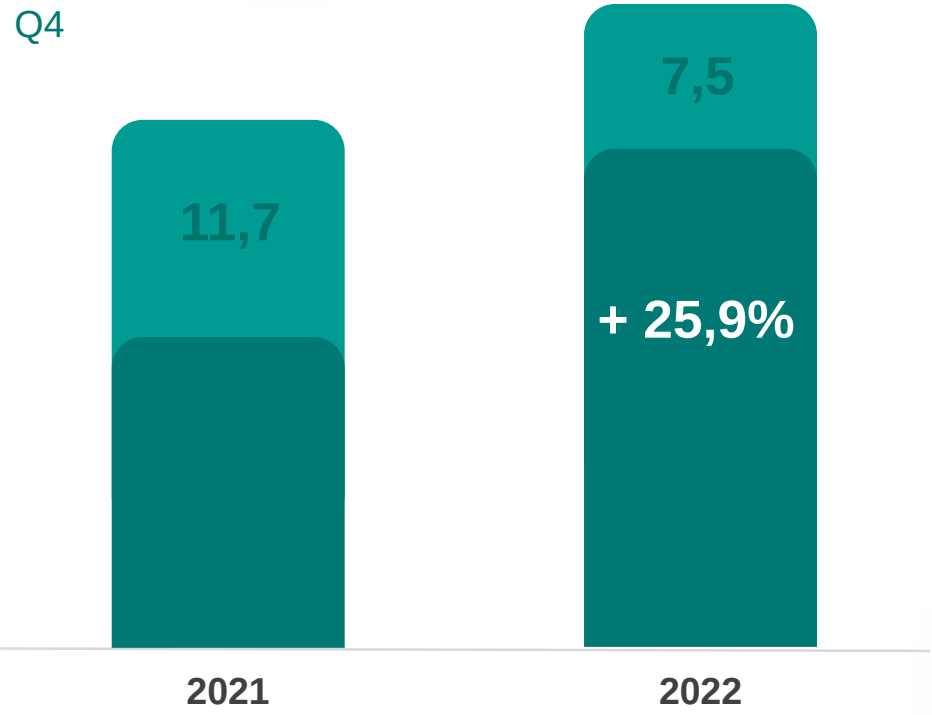


HIGHLIGHTS 2022

Performance indicators improved again!

Group result after minority interests positive effects from financial result and tax rate

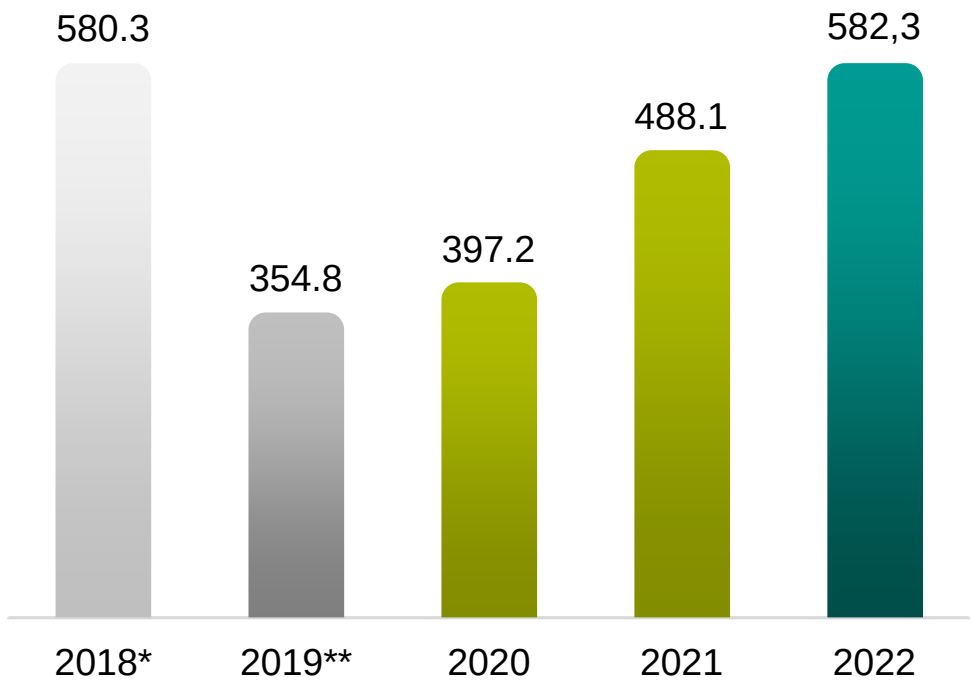
33.8 m €



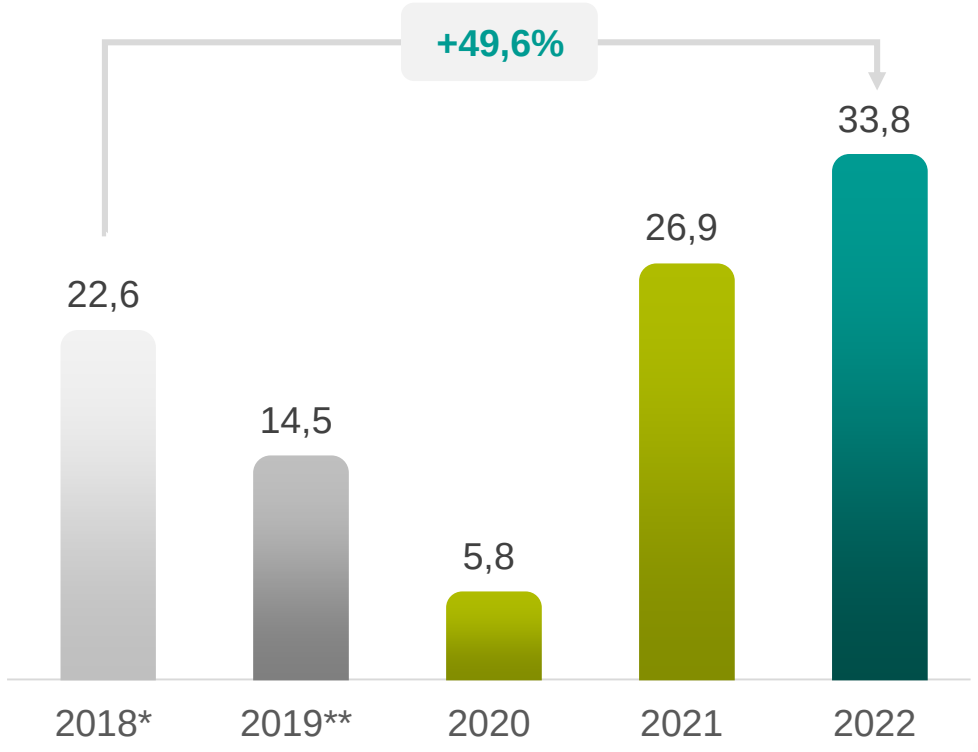
KEY FIGURES 2018 - 2022

NEXT LEVEL 25 works!

Sales
in € m



Consolidated net income after minority interests
in € m

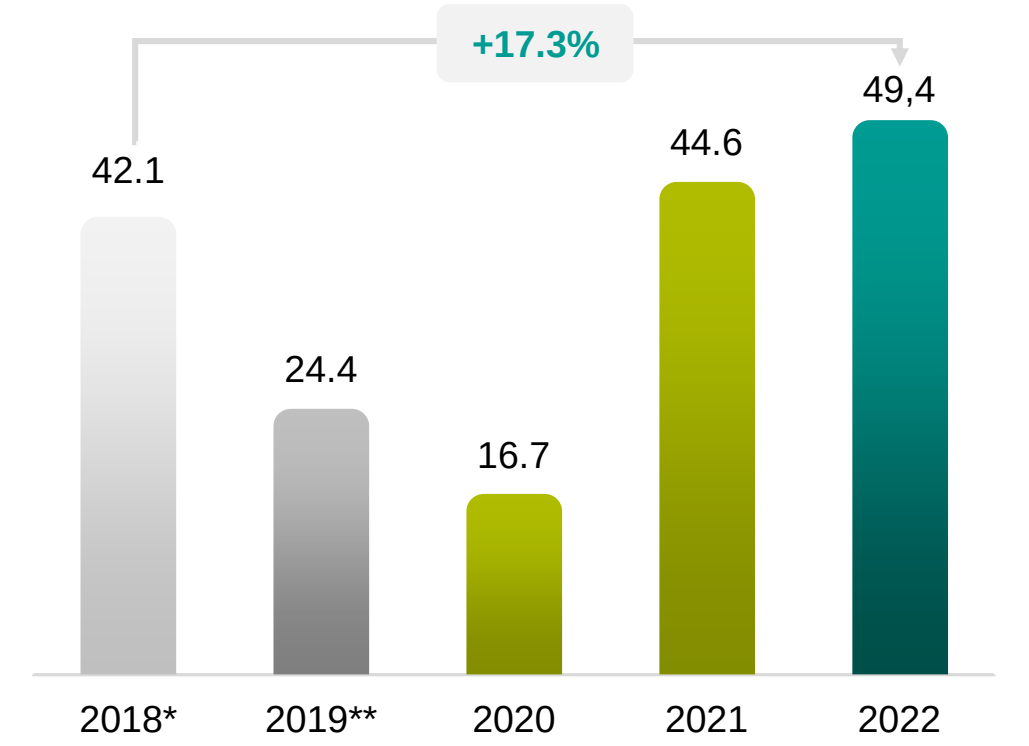


2019-2021 Continuing operations
* 04.18-03.19 without adjustment
** Short financial year (9M)

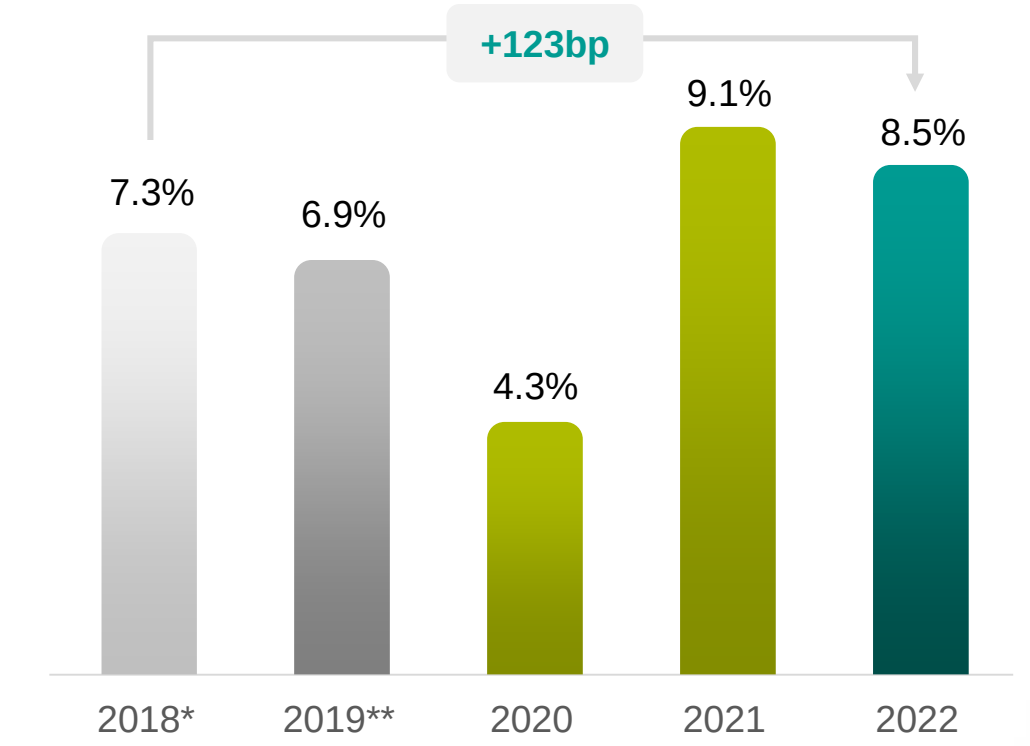
KEY FIGURES 2018 - 2022

Transformation with recognisable successes

EBIT
in € m



EBIT margin
in %



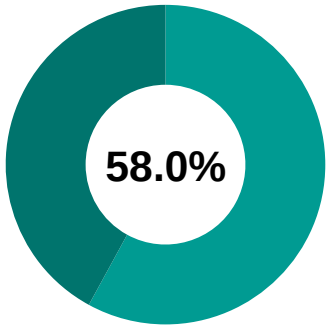
2019-2021 Continuing operations
* 04.18-03.19 without adjustment
** Short financial year (9M)

ALL SEGMENTS IN THE TARGET CORRIDOR

FINANCIAL PERFORMANCE 2022

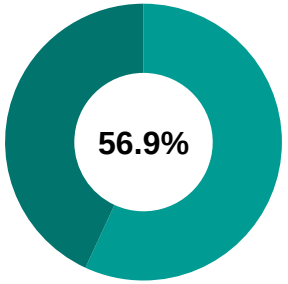
Solid basis for further growth

Equity ratio



Eigenkapital Bilanzsumme

Previous year

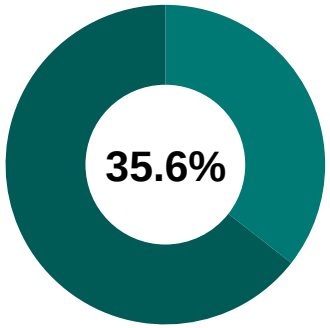


Net debt ratio

EBITDA Nettoverschuldung

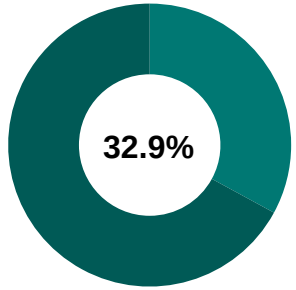
Previous year

WOC ratio



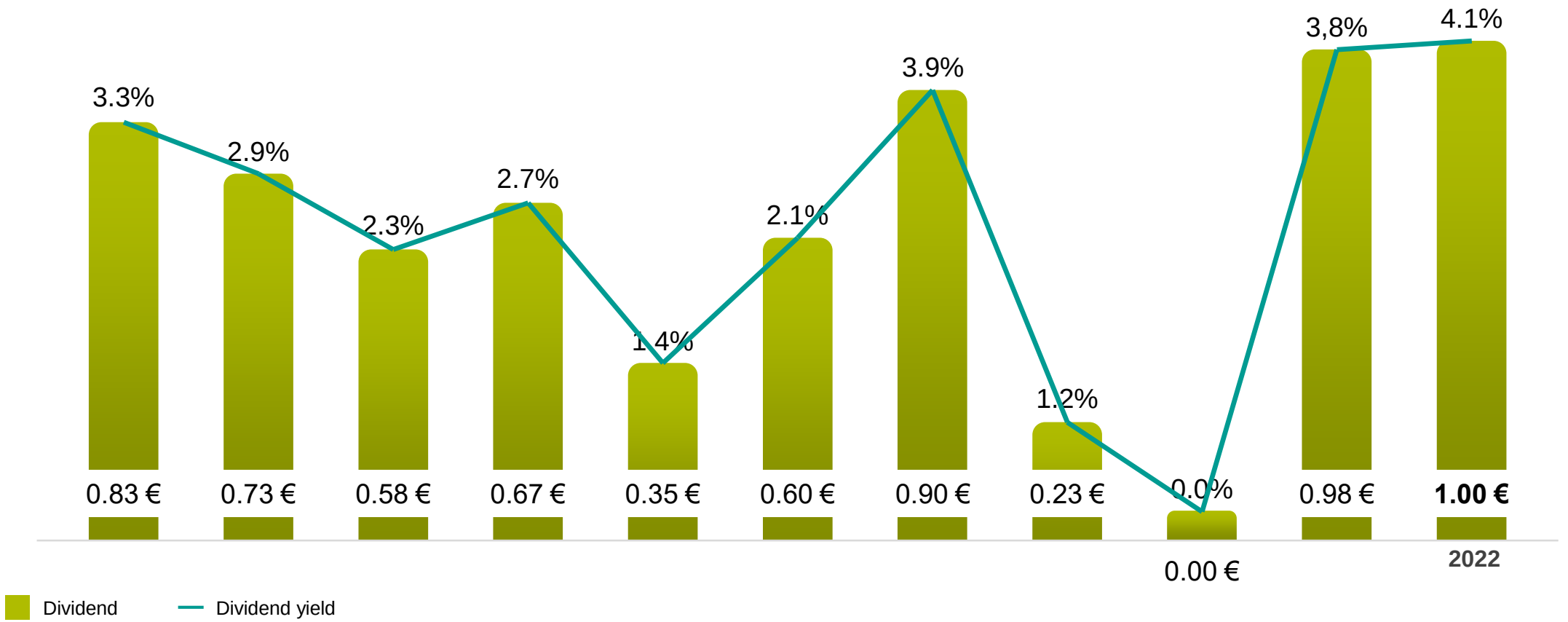
WOC Umsatz

Previous year



DIVIDEND HISTORY

Dividend policy:
Distribution within range of 20-60% of Group net profit after minority interests



Dividend yield calculation: Dividend for the financial year/XETRA closing price at the end of the financial year

GESCO ON THE EXCHANGE (price development since 1.1.2022)

GESCO vs. peers & SDAX price index

7% return p.a. since IPO

GESCO - SHARE

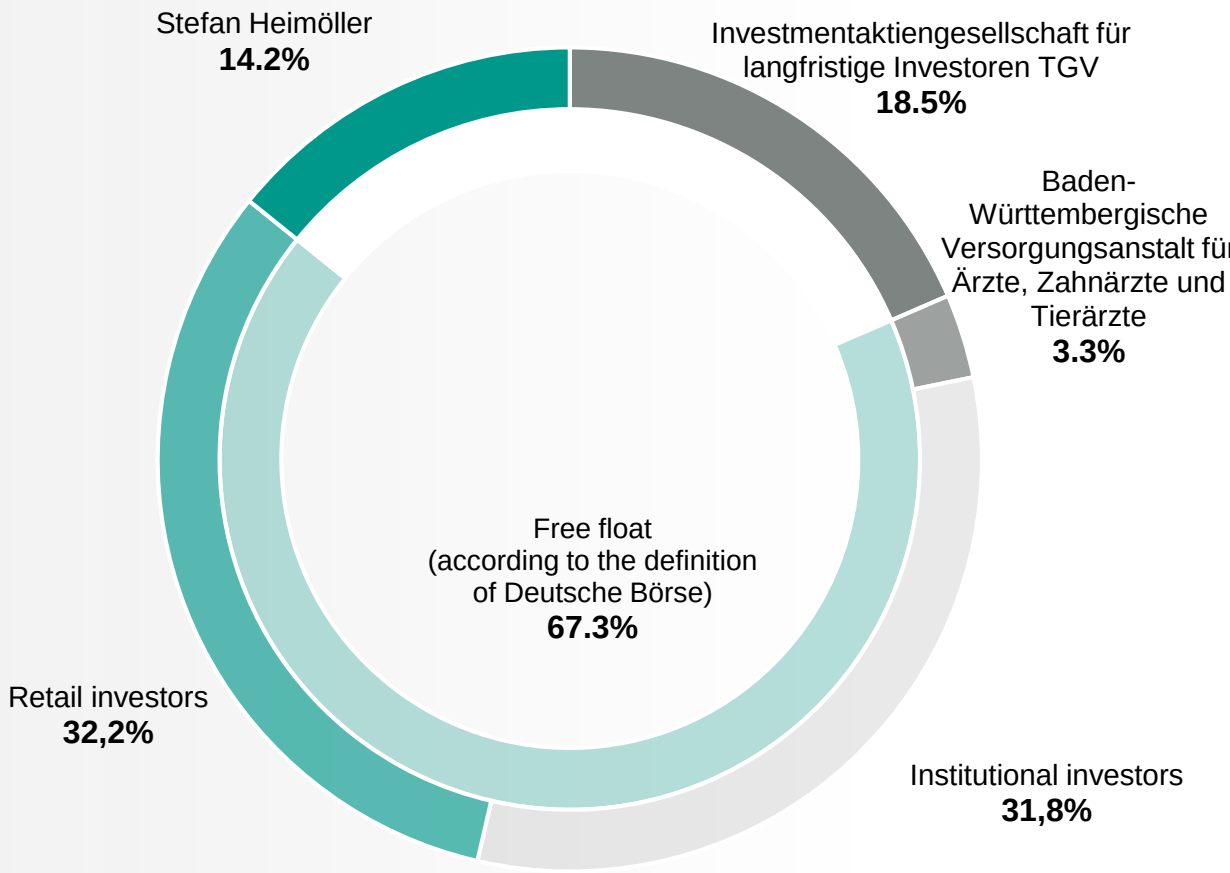
ISIN	DE000A1K0201
WKN	A1K020
Stock exchange symbol	GSC1

Share capital (17.04.2023)	10,839,499 €
Number of shares (17.04.2023)	10,839,499
IPO	03/24/1998
Transparency standard	Prime Standard

Share price (04/17/2023)	27.00 €
Market capitalisation (04/17/2023)	292.7 m €
Free float (04/17/2023)	67.3%

Research/Coverage	GSC Research (Buy: € 48.00)
	Pareto Securities (Buy: € 38.00)
	SMC Research (Buy: € 50.00)
	Warburg Research (Buy: € 37.00)
	Consensus: Buy: € 43.25

Indices	CDAX Total Index
	Prime All Shares
	Prime Industrial
	Prime Industrial Diversified
	Classic All Share



... with potential

ESG IN FOCUS

Sustainability as part of our strategic value system

Main focus

Environment:

- Climate protection and energy management
- Resource management and sustainable products

Social:

- Employees
- Responsibility in the supply chain

Governance:

- Establishment of a modern sustainability management

Activities

Environment:

- Energy consumption
- Products

Social:

- Education and training
- Supply chain analysis

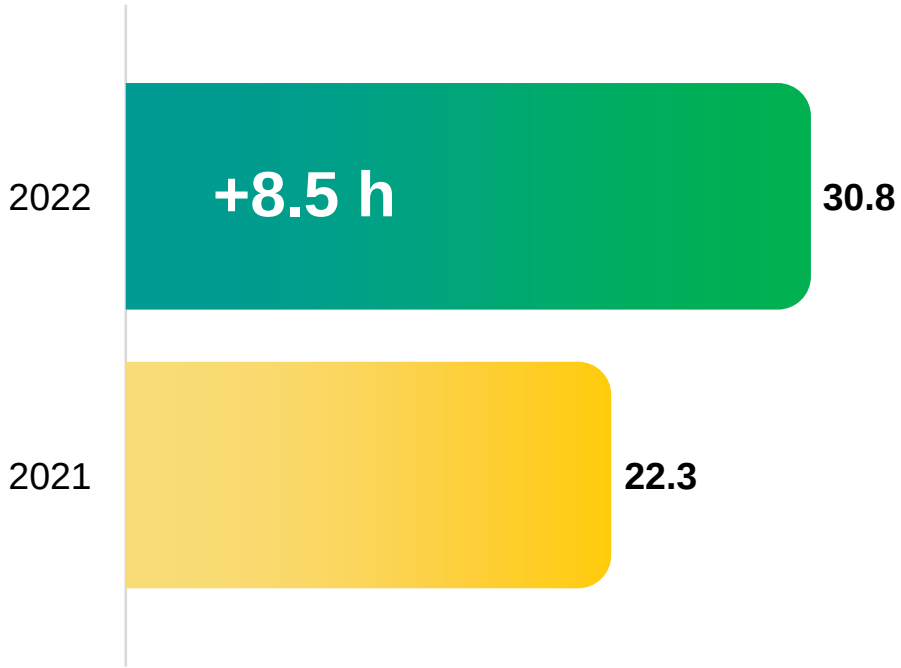
Governance:

- ESG organisation defined
- EU taxonomy analysis done
  - Taxonomy-eligible sales 2022: € 22.5 million
  - Ecologically sustainable investments: € 1.1 million

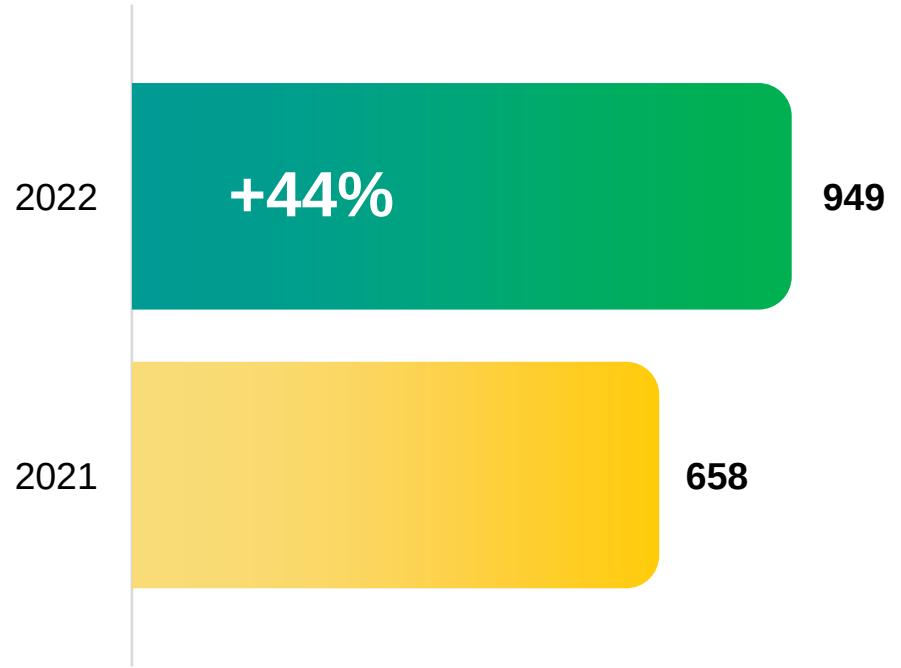
EDUCATION AND TRAINING AS THE BASIS FOR SUCCESS

In 2022, 56,110 hours were invested in training our employees

Further training
in hours / employees



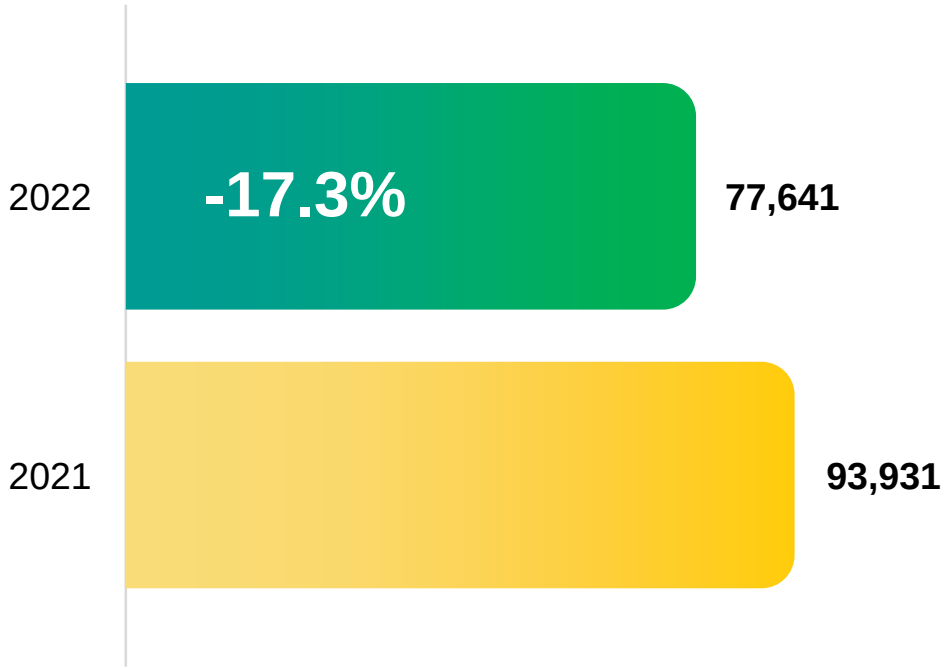
Training and further education costs
in T€



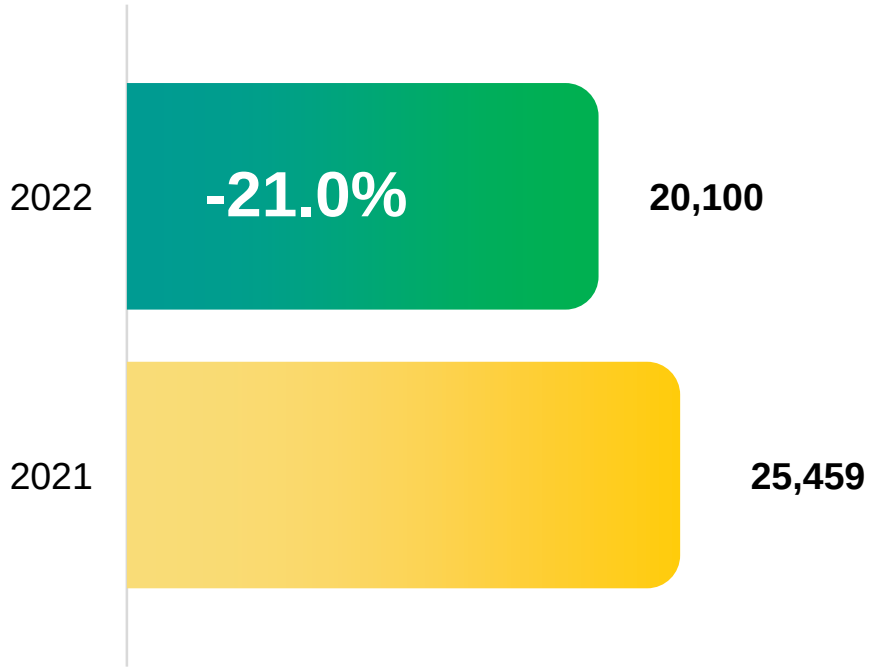
CO_2 INTENSITY* REDUCED BY 34% TO 34.5

75% of electricity consumption from certified green electricity, first own PV systems active

Energy consumption
in MWh



GHG emissions Scope 1&2
in t CO e_2



*CO_2 intensity = t CO_2 e / million € turnover on the basis of Scope 1+2

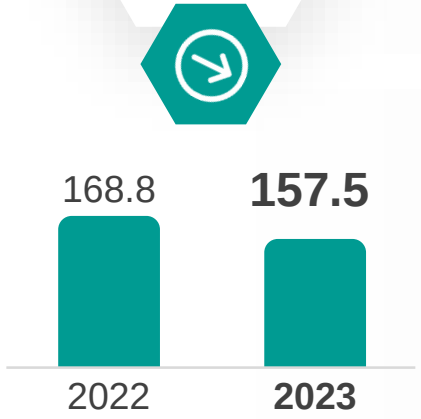
05 OUTLOOK 2023

OUTLOOK 2023

- IMF forecasts global economic growth of 2.8% for 2023, 1.3% for developed countries and a slowdown of 0.1% for Germany.
- IfO economic forecast GDP for Germany -0.1%.
- The German government's Council of Economic Experts sees a GDP of +0.2% for 2023.
- The VDMA expects a 2% decline in machinery and plant construction worldwide.
- GESCO companies have stopped doing business with Russia and allies.
- Acquisitions planned in 2023 with good fit to portfolio strategy
- Excellence programmes being implemented in many companies → Further positive effects expected
- Outlook fraught with uncertainties

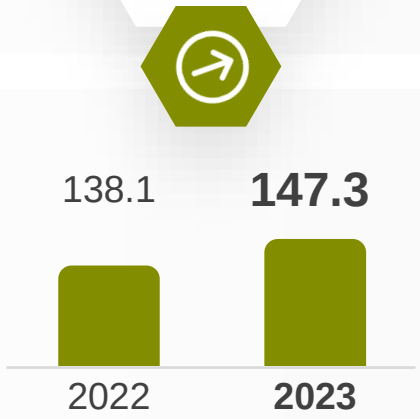
PRELIMINARY FIGURES Q1.2023

Incoming orders
in € m



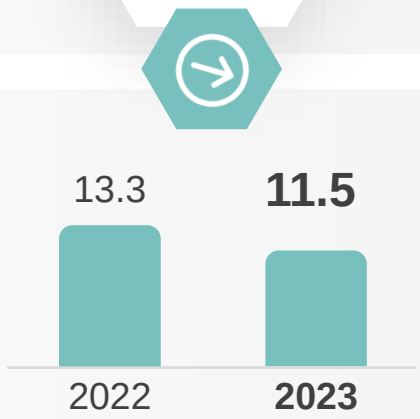
Order intake in Process and Health & Infrastructure Technology below previous year. In Resources Technology above previous year.

Sales
in € m



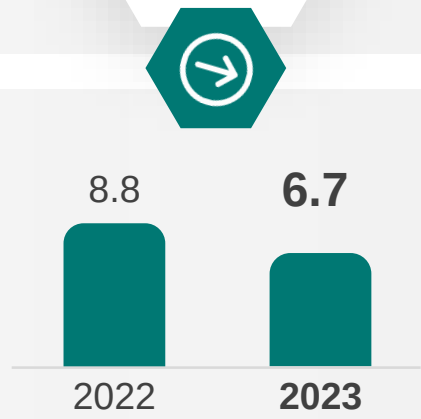
Sales in all segments above the previous year's values.

EBIT
in %



EBIT margin below previous year due to special items in Q1.2022, but 1.2 percentage points above Q1.2021.

Group earnings
after min.
in € m

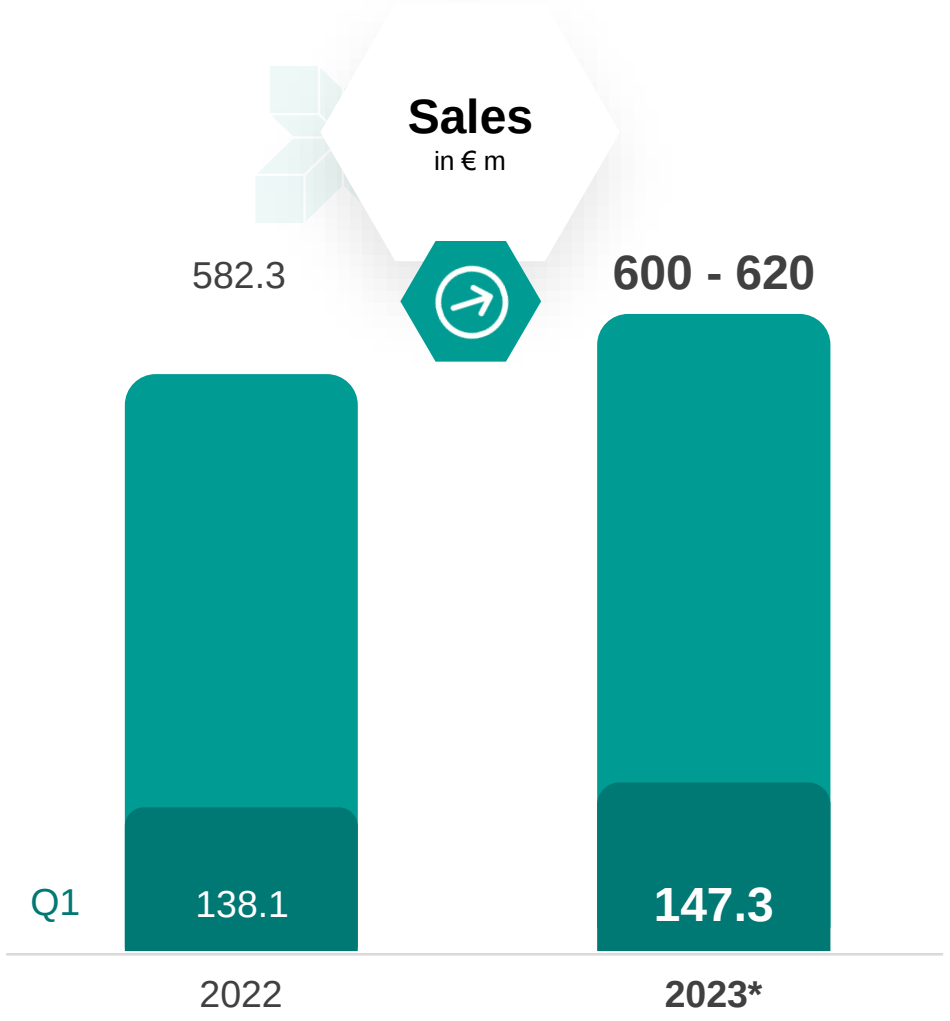


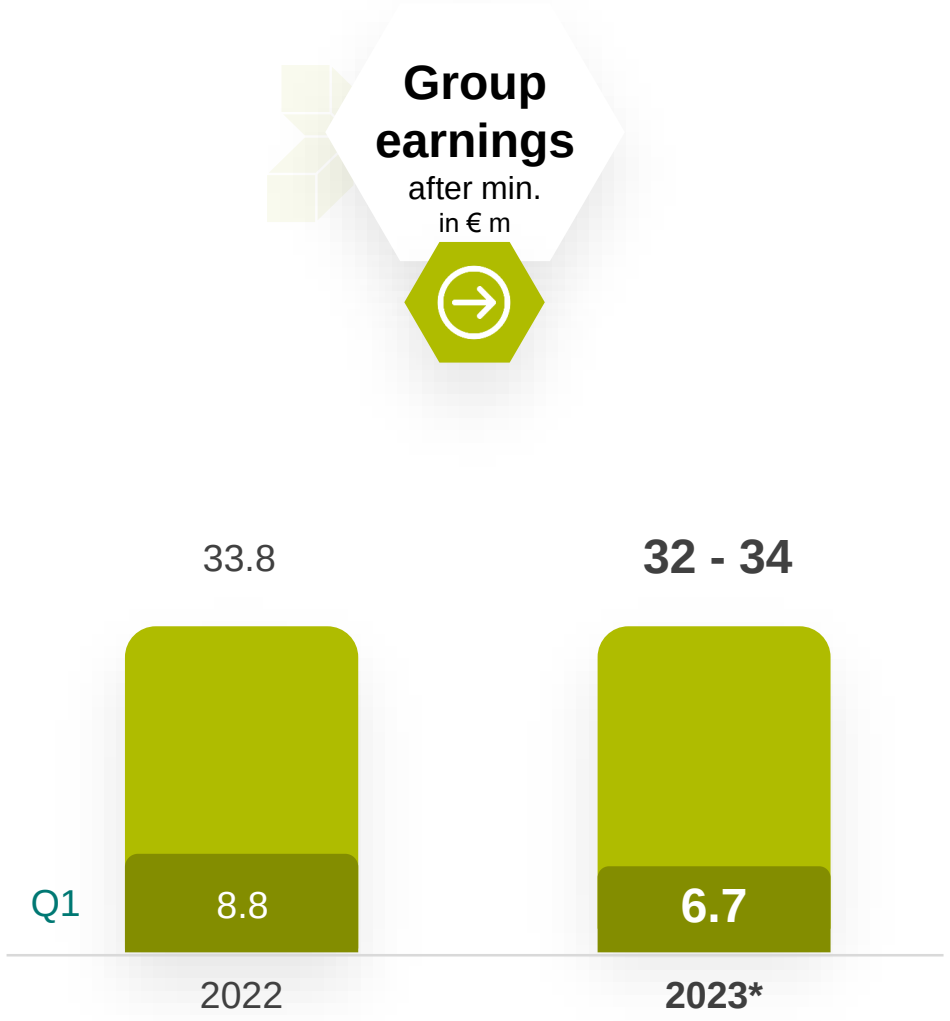
Group earnings excluding special items Q1.2022 at comparable level.
2.5 € m over 2021.

* Scope of consolidation expanded to include BAV and Connex (US) of the SVT Group

... good start in 2023

OUTLOOK GROUP 2023





- * Scope of consolidation expanded to include BAV and Connex (US) of the SVT Group
- Information before acquisitions

- Forecast Group result 2023 based on a tax rate of 30%

Thank you very much!