

# Analyst & Investor Conference Call Q1 2021/2022

Bertrandt AG

February 2022

## Highlights

- Q1 with sales (EUR 233.2m, +16% yoy) and EBIT (EUR 9.9m, +119%) up yoy and qoq
- Utilization increasingly normalizing with recovery in France being slower than in other markets
- EBIT benefitted from higher utilization and cost-cutting initiatives
- Strategic milestone: Airbus awarded Bertrandt as EMES<sup>3</sup> Preferred Supplier
- Acquisition of Philotech strengthens footprint in megatrends, consolidation from Q2 2021/2022
- More than 2,000 vacancies
- Around 700 colleagues in near-shore countries

## Q1 2021/22 at a glance

### P&L

Sales: EUR 233.2m (EUR 201.7m) | EBIT: EUR 9.9m (EUR 4.5m) | margin: 4.3% (2.2%)

### Cashflow

Operating Cashflow EUR 25.1m (EUR 60.7m) | FCF EUR 19.9m (EUR 43.2m)

### Investments

EUR 5.2m (EUR 17.5m)

### BS

Equity ratio 45.0% (45.3%)



Employees: 12,108 | “We are hiring”: vacancies > 2,000

## Current market and customer environment: Automotive industry



Sourcing and utilization increasing



RFQs still at high levels, but normalizing from peak



European registrations still well below pre-Corona levels (Jan 2022: ~30%)



Focus on future megatrends (Digitisation, Autonomous Driving, Connectivity, Electrification)



Pandemic leads to increasing level of sick days



Cost and efficiency pressure ongoing and addressed



Major customers with decent earnings and clear EV-strategies



No direct impact from chip shortage, but industry sentiment depressed

## Current market and customer environment: Aeronautics & Industries



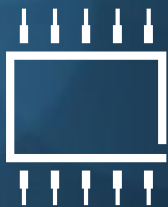
Improving sentiment in the civil aviation industry. R&D sourcing steadily improving. Strategic milestone achieved.



Med-tech resilient; New Certification supportive



Global market for power engineering improving



Economic recovery beneficial for mechanical and plant engineering industries in the months to come.

## Acquisition of Philotech

### Acquisition Target

- 100% of Philotech GmbH including subsidiaries in Germany, France, Spain and UK

### Financials/Financing

- Purchase price to be paid from existing cash
- No major PPA effects

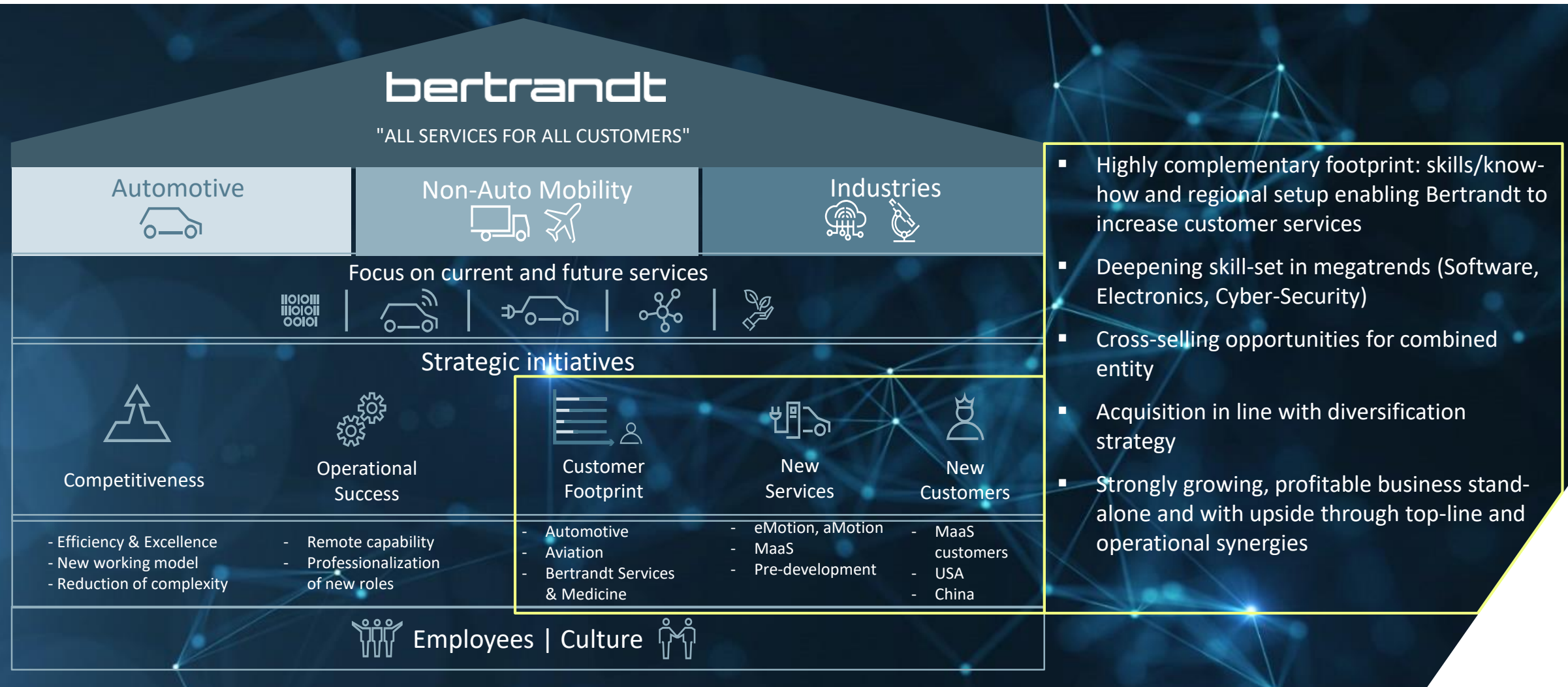
### Conditions & Timing

- Philotech management to be part of Bertrandt
- Approval from German anti-trust authority
- Closing settled end of January 2022
- Consolidation from Q2 2021/2022

### Strategic rationale

- Highly complementary footprint regarding skills/know-how and regional setup enabling Bertrandt to increase customer services
- Enlarging skill-set in megatrends (Software, Electronics, Cyber-Security)
- Cross-selling opportunities for combined entity

# Philotech: acquisition inline with corporate strategy



## Group P&L Q1: Improving utilization drives EBIT

	Q1 2021/22	Q1 2020/21	
	EUR million	EUR million	Δ EUR million
<b>Total revenues</b>	<b>233.167</b>	<b>201.741</b>	<b>31.426</b>
Other operating income	2.349	2.824	-476
Raw materials and consumables used	-23.266	-16.090	-7.176
Personnel expenses	-168.435	-152.984	-15.451
D&A	-14.373	-14.225	-148
Other operating expenses	-19.529	-16.741	-2.788
<b>EBIT</b>	<b>9.912</b>	<b>4.525</b>	<b>5.387</b>
Financial result	-2.016	-1.428	-588
<b>EBT</b>	<b>7.896</b>	<b>3.097</b>	<b>4.799</b>
Other taxes	-503	-526	23
Income taxes	-2.901	-1.768	-1.133
<b>Net income</b>	<b>4.492</b>	<b>803</b>	<b>3.689</b>

- Project-related increase in cost of material
- Personnel expenses increased due to new hires and reduction of short-time work; ratio normalized to 72% in Q1
- Higher other operating expenses due to recruiting, sales initiatives, government-mandated measures such as lateral flow tests



## All segments recorded growth

Segments	Q1 2021/22	yoy	% yoy
<b>Digital Engineering</b>			
Total revenues (EUR million)	116.989	19.688	20.2%
EBIT (EUR million)	6.734	6.193	1.031.8%
<b>Physical Engineering</b>			
Total revenues (EUR million)	50.459	3.006	6.3%
EBIT (EUR million)	-1.434	-1.441	-
<b>Electrical Systems/Electronics</b>			
Total revenues (EUR million)	65.720	8.773	15.3%
EBIT (EUR million)	4.612	689	17.6%

- Digital Engineering: improving utilization
- Physical Engineering: PZN/PZS ramp-up
- Electric/Electronic: mobility mega-trends driving performance

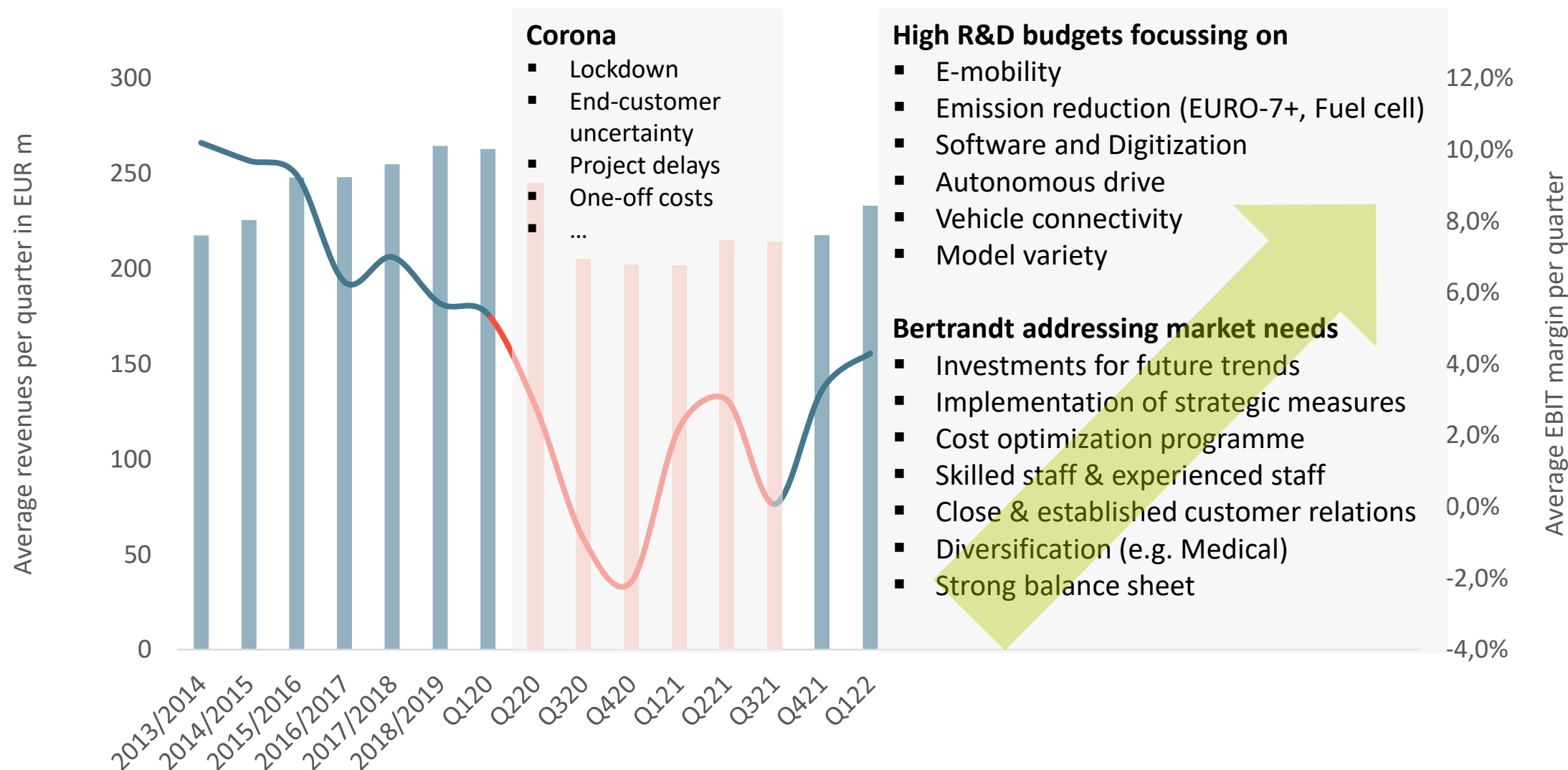
## Human Resources

- Recruitment initiatives intensified globally
- More than 2,000 vacancies in Electronics, Software, Near-shore
- Strong growth in non-mobility activities, aeronautics, in the US, and in Romania
- Around 700 colleagues in near shore countries

## Outlook FY 2021/2022

- Opportunities and threats for economic and industry-specific environment
- External factors and events (e.g. pandemic, indirect impact from supply restraints) lie beyond management's sphere of influence
- Political framework such as the Green Deal or other environmental measures require high investments in mobility and other industries mid- to long-term
- External market research foresees growth opportunities for ESPs driven by megatrends such as Digitization, ADAS, Connectivity or e-mobility

## Back to growth



## Guidance FY 2021/2022 – Update after Philotech acquisition



**EUR 100-140m**

increase  
in total revenues to  
EUR 950-990m



**4-7%**

EBIT margin  
(prior year: 2.4%)



**Positive**

cashflow from  
operating activities



**EUR 30-50m**

CapEx

# INVESTOR PRESENTATION

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Bertrandt AG

## **BACK-UP: FINANCIAL CALENDAR**

## Back-up: Financial calendar

<b>21 February 2022</b>	Q1 release
<b>23 February 2022</b>	Annual General Meeting
<b>19 May 2022</b>	Q2 release, Capital Market Day Ehningen
<b>08 August 2022</b>	Q3 release
<b>15 December 2022</b>	FY 2021/2022, Analyst and Press conference

[FY 2020/2021 Annual & CSR report](#)



**Thank you for your attention**



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