

# Elevating Champions

Earnings Call FY 2023

March 28, 2024

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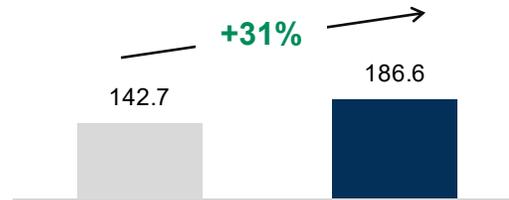
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# Summary FY 2023PF

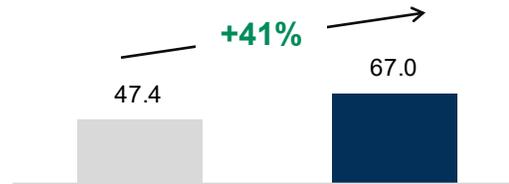
## Selected group financials

(€ million)

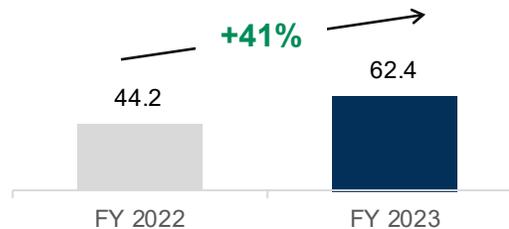
Revenue



Adjusted pro forma EBITDA



Adjusted pro forma EBIT



## Key highlights



Exceeding upper end of revenue forecast (€175 million) by +7% with significant and highly profitable top-line growth across all business segments



Adjusted pro forma EBITDA and EBIT up by +41% compared to prior year, especially driven by highly accretive add-on acquisitions

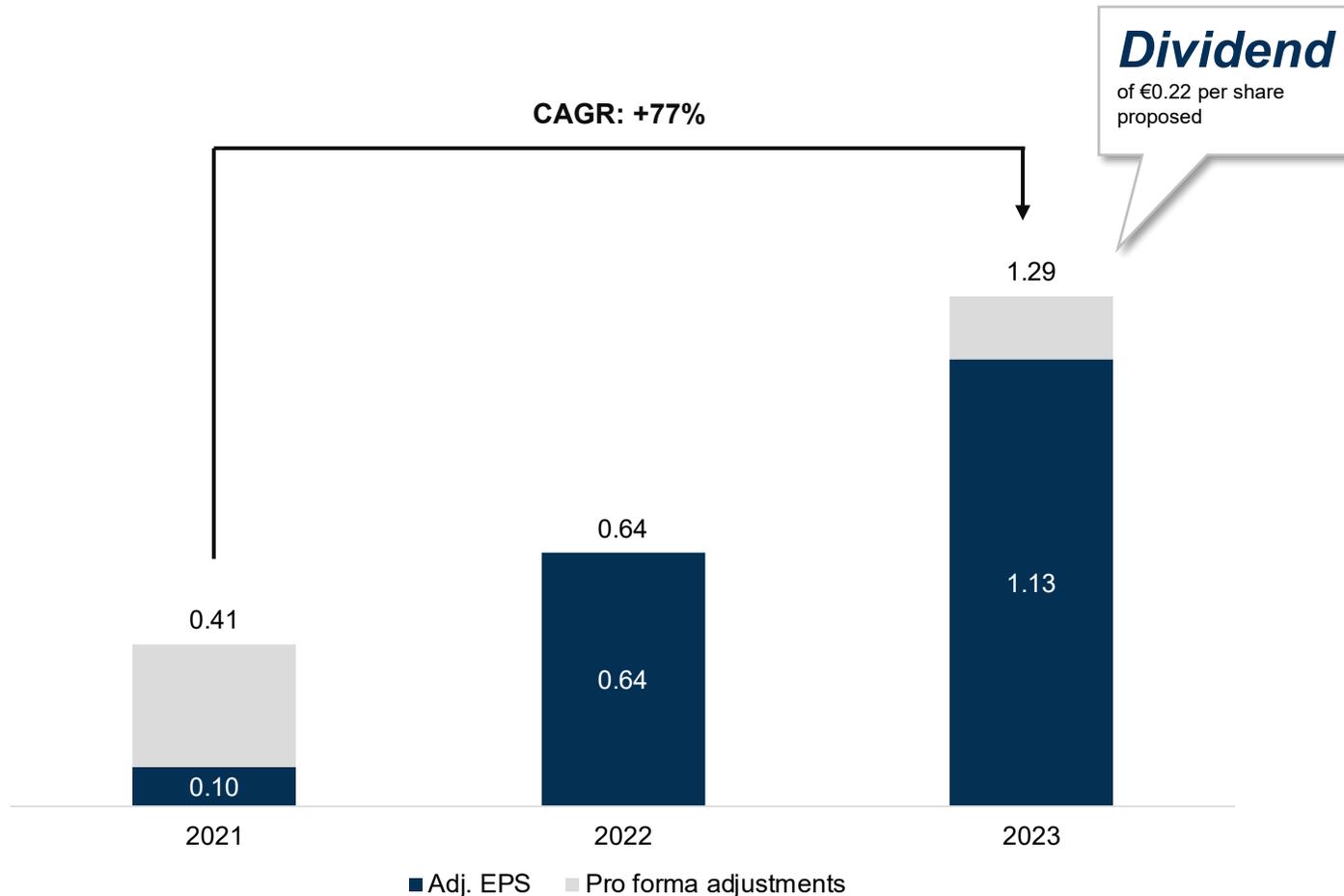


Despite significant investments already made, high financial reserves available for future growth initiatives with cash and cash equivalents of €54 million

# Continuously strong increase of adjusted EPS

## Adjusted earnings per share (EPS)

(in €)



## Highlights



Strong performance of business segments lead to a doubling of adj. pro forma EPS from €0.64 in 2022 to €1.29 in 2023



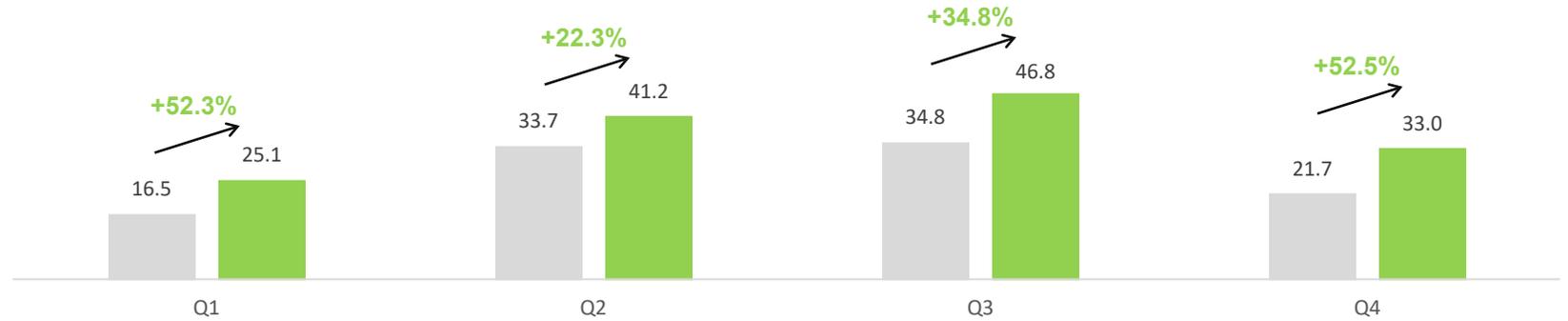
Compound annual growth rate (CAGR) of +77% over the last three years



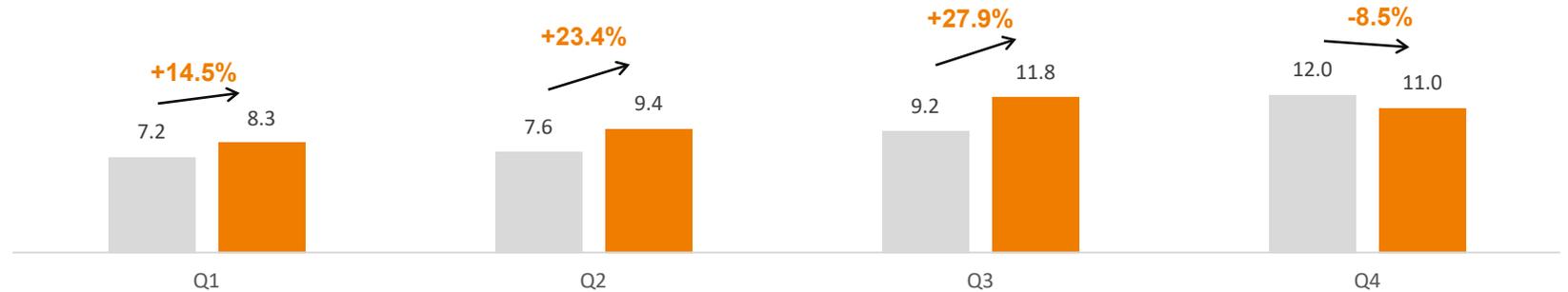
Proposal to Annual General Meeting to distribute a dividend of €0.22 per share

# Revenue by quarter

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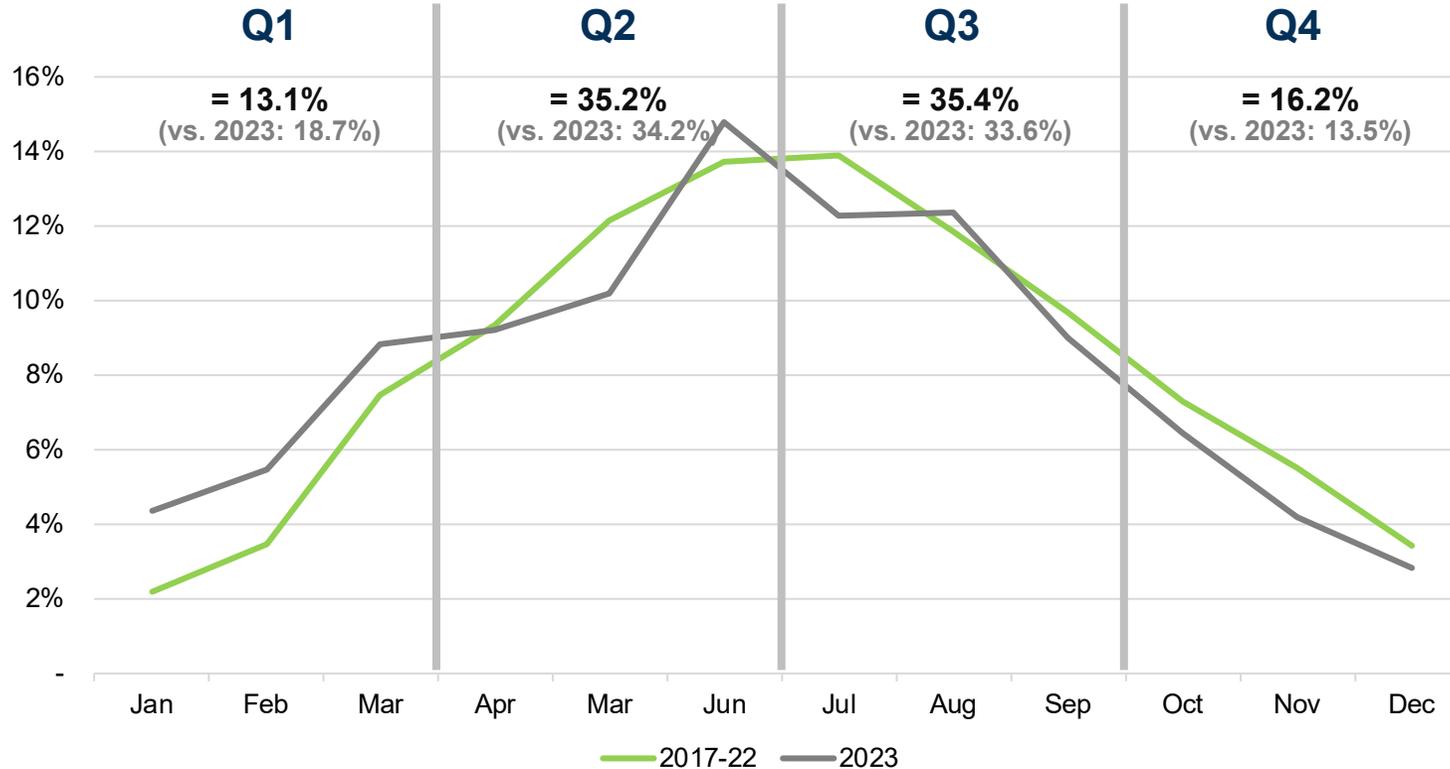
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# Deep dive: Seasonality of Bikeleasing

## Bikeleasing expected to return to “normal” seasonality

(monthly # of bikes facilitated in percent of year's volume)



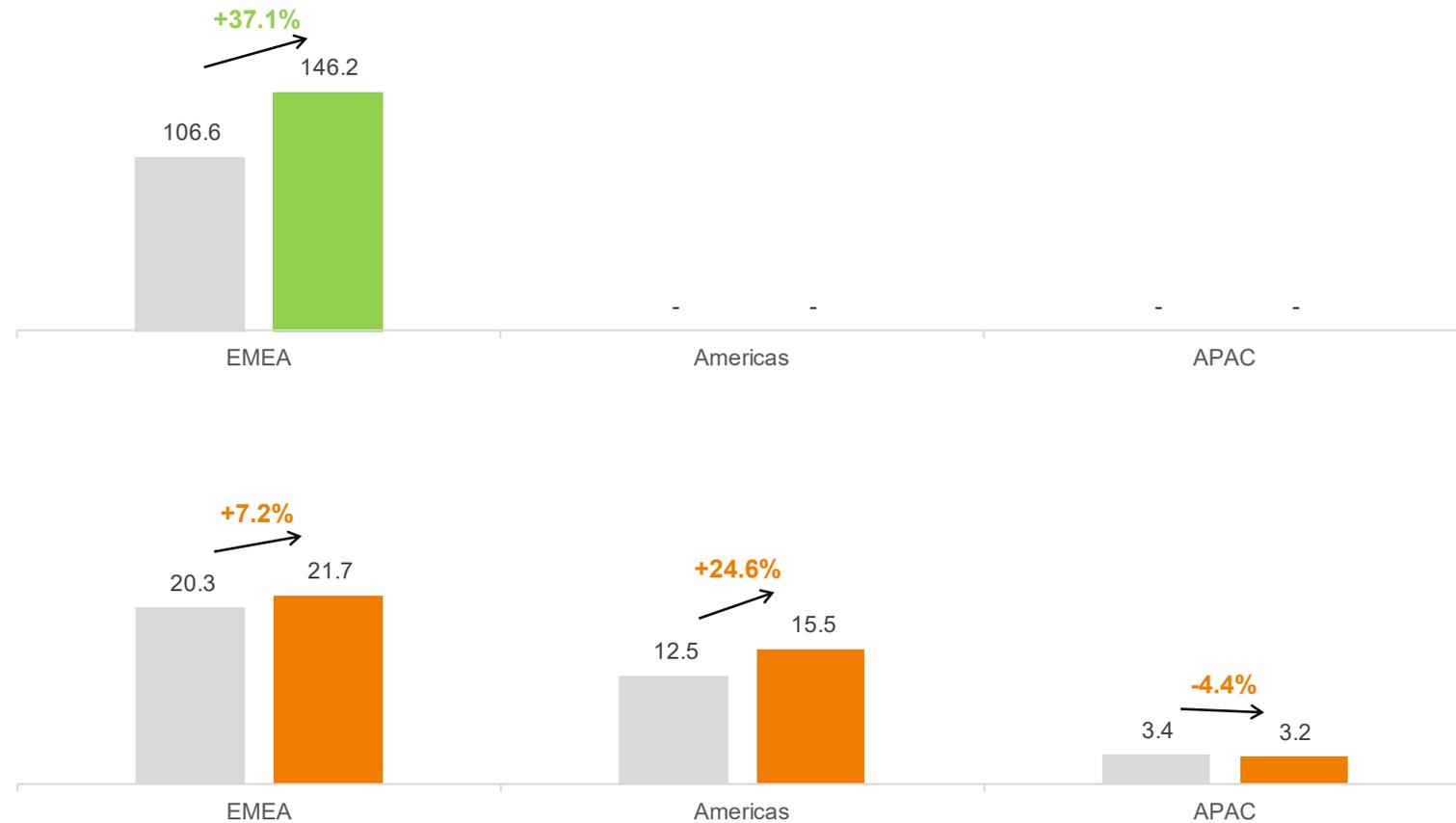
## Comment

- Supply shortages due to COVID led to limited supply at bike retailers until some 12 months ago
- Consumers therefore ordered bikes more evenly throughout the year, expecting longer delivery times
- This led to an extraordinarily strong Q1 2023 and a “flattening” of the usual seasonality
- As delivery times have returned to normal due to the available supply, seasonality is expected to return to its 6-year-average
- This is expected to further intensify the already strong seasonality at Bikeleasing, leading to a reduced % of annual bikes brokered in Q1/Q4

# Revenue by region

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# KPIs by segment (pro forma)

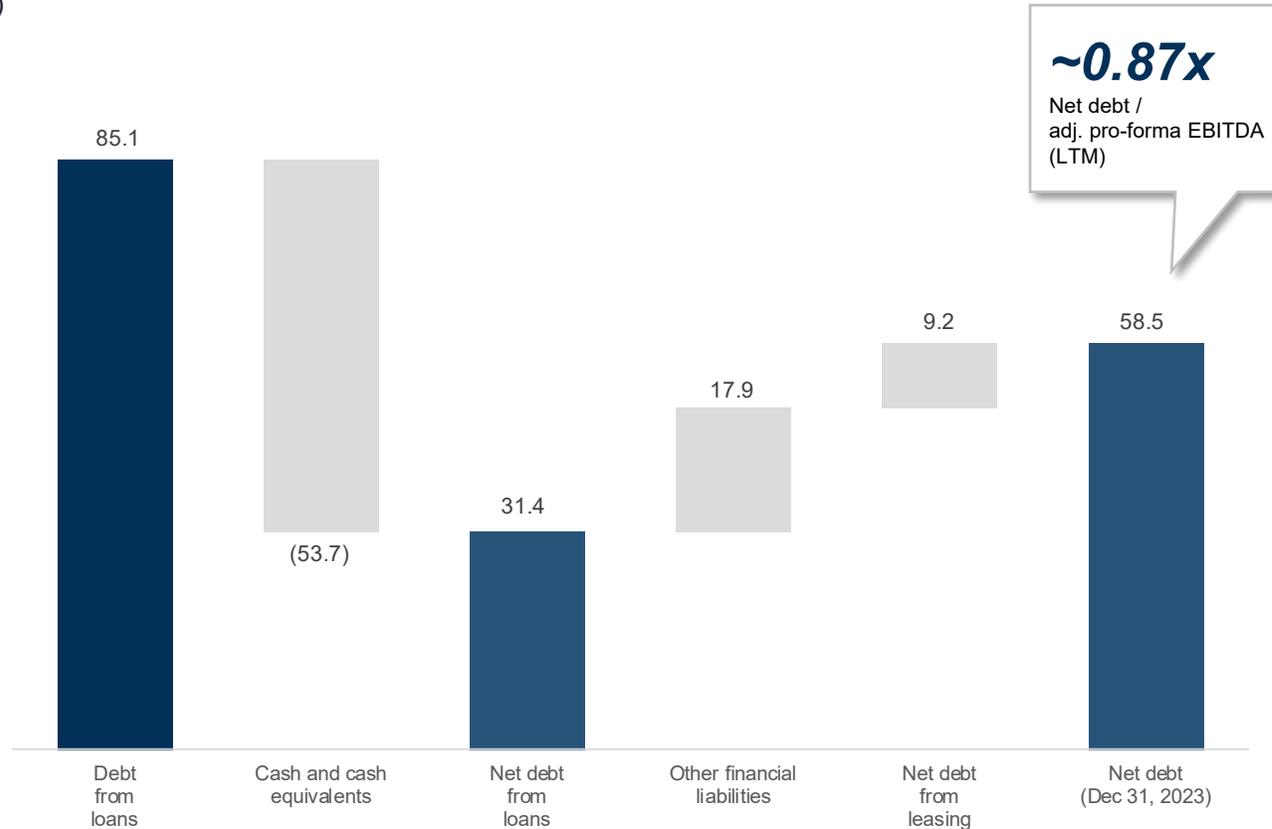
(€ thousand)	Financial Technologies		Security Technologies		Central Functions and Consolidation		BKHT Group	
	Pro forma FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	Pro forma FY 2023	FY 2022
Revenue	146,213	106,623	40,468	36,086	(51)	2	186,631	142,712
Revenue growth	37.1%		12.1%		-		30.8%	
Gross Profit	93,123	65,120	30,542	26,331	372	269	124,037	91,721
Gross Profit Margin	63.7%	61.1%	75.5%	73.0%			66.5%	64.3%
Adjusted EBITDA	63,081	43,938	11,088	8,617	(7,181)	(5,155)	66,988	47,400
Adjusted EBITDA Margin	43.1%	41.2%	27.4%	23.9%			35.9%	33.2%
Adjusted EBIT	60,070	41,980	9,670	7,485	(7,304)	(5,311)	62,437	44,155
Adjusted EBIT Margin	41.1%	39.4%	23.9%	20.7%			33.5%	30.9%

**Total cash and cash equivalents of €54 million as per end of December 2023**

# Constant net leverage well below the target level...

## Net debt calculation as per FY23

(€ million)



## Highlights



Available financing capacity driven by significant deleveraging allows for future growth through new acquisitions

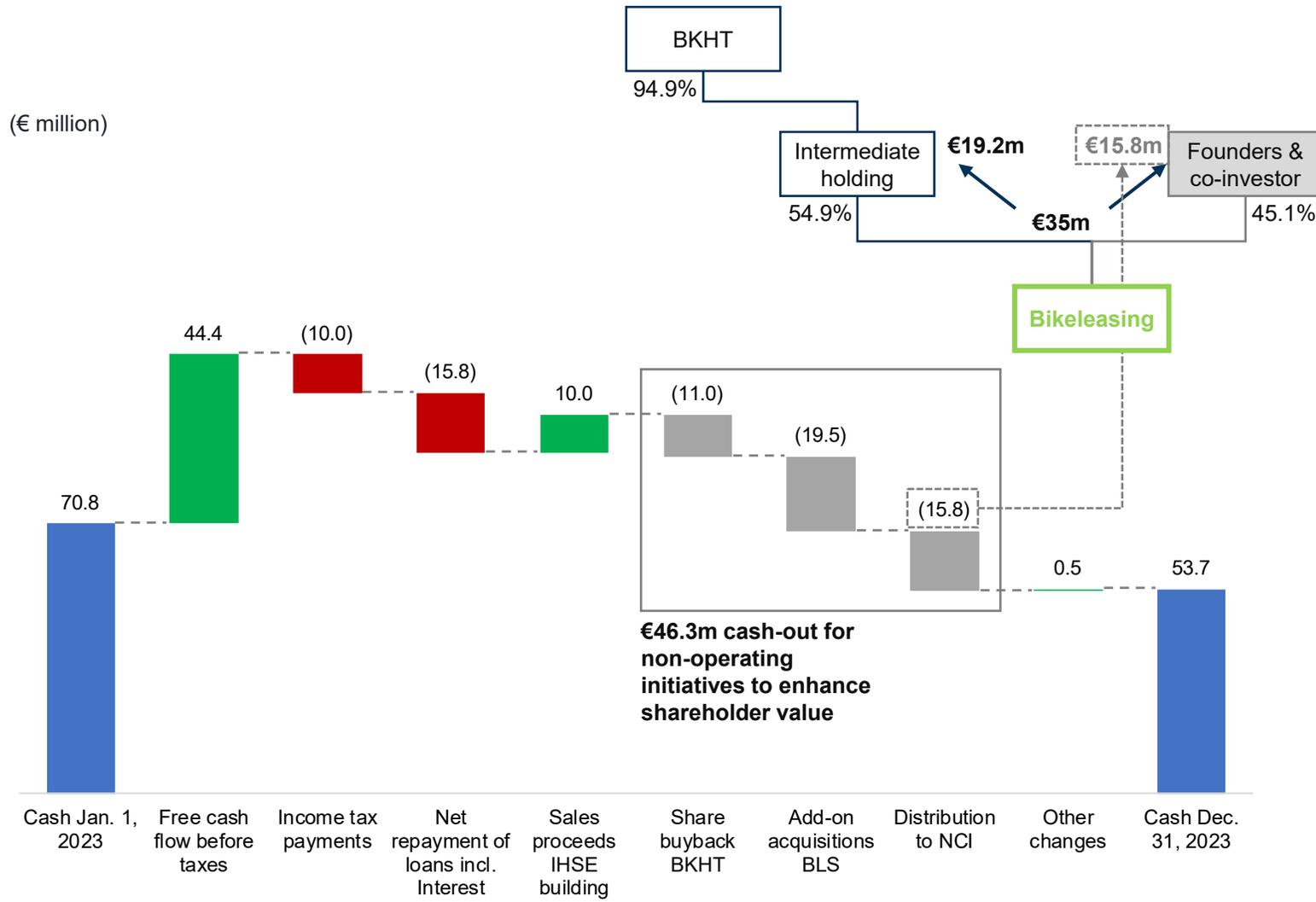


Conservative net leverage ratio of **~0.87x** adj. pro-forma EBITDA 2023 (target value of **~2.5x**) despite high payouts for sales agencies and share buyback



High balance sheet quality underlining resilience of our business

# ...despite significant investments in 2023



## Highlights



Share buyback of €11m in December 2023 acquiring 4.6% of outstanding BKHT shares



Acquisition of 4 sales agencies of Bikeleasing for total cash-out of €19.5m



Bikeleasing distributed €35m to its shareholders

- €19.2m to the intermediate holding, which repaid debt
- €15.8m to the founders and external co-investor

# Bikeleasing - Operational deep dive



Record year for Bikeleasing in terms of financial and operating KPIs



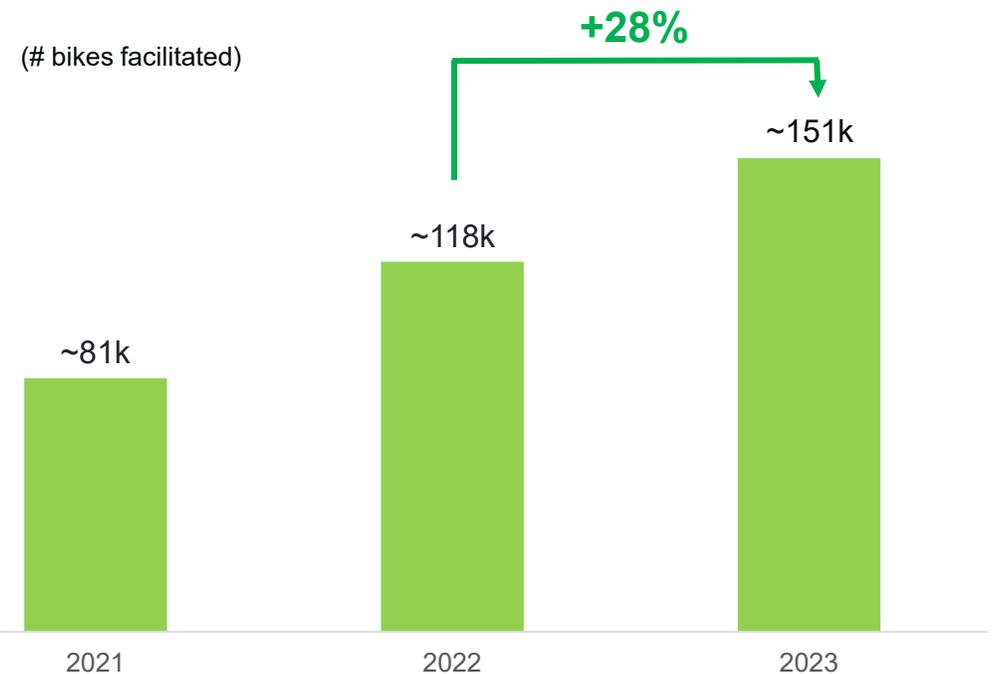
# of facilitated bikes grew by +28% to ~151,000

# of corporate customers grew to ~60k with ~3.3 million employees



Stable cash at ~€23m despite purchase of 4 sales agencies for €19.5m, voluntary repayment of the senior acquisition loan for €10m as well as a first dividend of €35m to its shareholders

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# Bikeleasing – Creating lasting value

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## Acquisition and integration of sales agencies



- Successful acquisition of 4, previously external sales agencies and termination of the 5<sup>th</sup>
- Internalization of sales teams allows for better orchestration of different sales channels and individual strengths
- Sales agencies earned a total of ~€11m in commissions in 2022, which would have grown pro-rata the brokered bike volume, and will be saved now



## Continued shift to variable leasing factor



- Historically, customers were onboarded to the platform with fixed leasing factors (i.e. implicit interest rates underlying any contract)
- With sharply increasing interest rates the margin earned per bicycle was hence squeezed (as seen in 2023)
- To mitigate this risk going forward, Bikeleasing changed to a floating rate system beginning of 2023 and successfully converted already ~80% of their customers



## Completion of C-Level management



- C-Level management around the founders successfully complemented by:
  - Chief Technology Officer
  - Chief Financial Officer
  - Chief People Officer
  - Chief Operating Officer (starting in H2 2024)

# IHSE – Operational deep dive



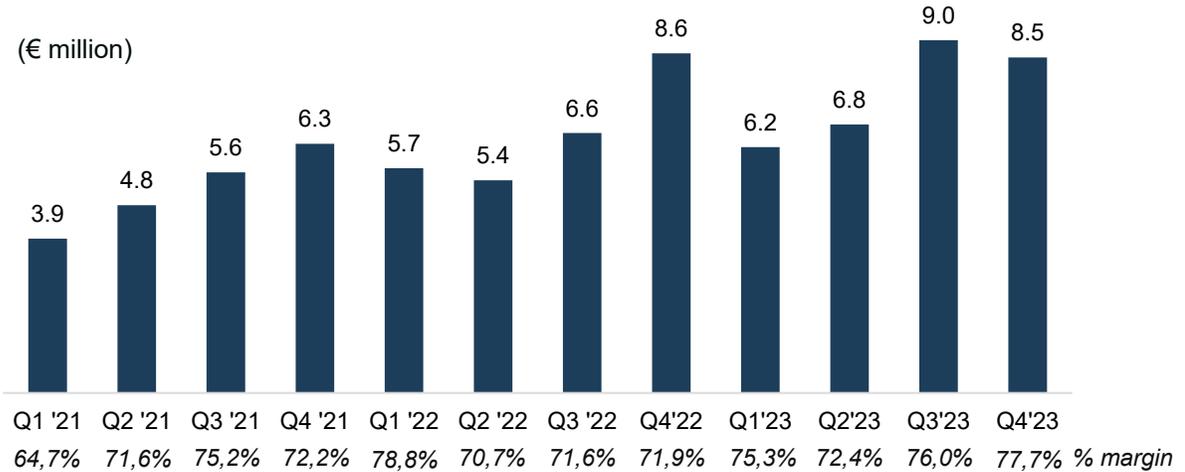
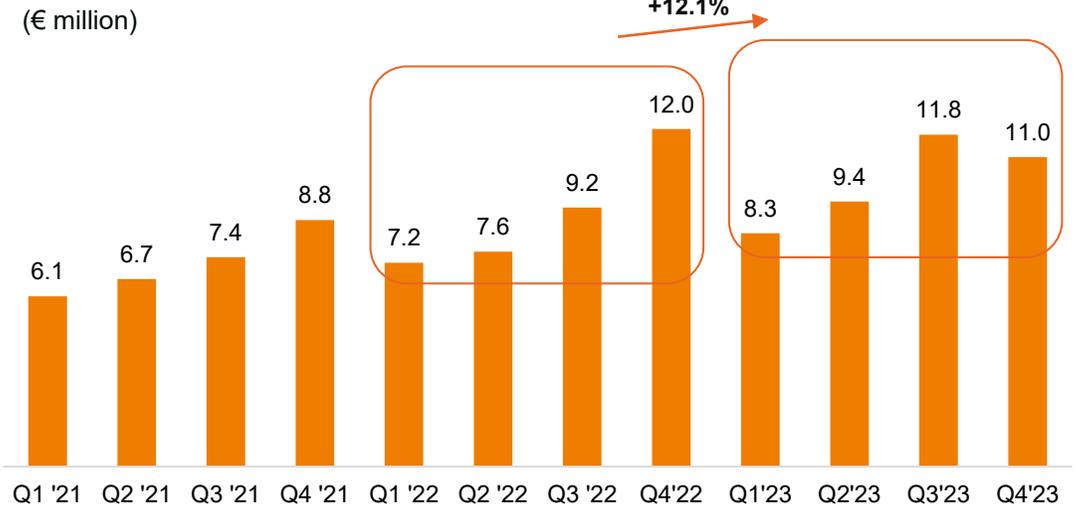
Further acceleration of revenue growth to +12.1% in 2023 especially due to a continued strong development in Americas and overall successful second half year



EBITDA margin of 27.4% significantly above previous year's level of 23.9% showcasing the operational leverage of the business



Improvement of gross profit not only due to positive top line development but also due to continuously increasing product gross profit margins



# IHSE – Creating lasting value



Investing in new, cutting-edge products, commercialization of new technology and revenue streams, as well as intensified market presence in security and government verticals are drivers for continuous growth



Applications to bridge proprietary and IP based solutions with software-based KVM were launched, as well as the new generation of IP-based products



New markets in East-Asia and Oceania are now addressable for IHSE, generating future business opportunities while at the same time production capacity is established by increased automatization in Oberteuringen

## Recent product innovations in 2023

- Certified secure KVM products



- Software-based KVM (“CON App”)



- ScalableLine (IP based)



## Product and assembly roadmap for 2024

- JPEG-XS video IP core (encoder/decoder)



- Extended software-based KVM portfolio



- NextGen extender platform



- Establishment of Industry 4.0 assembly standards with integrated robotic solutions

# Group Forecast FY 2024

Revenue

**€220m - €240m**

(2023: €187m | +18% to 29%)

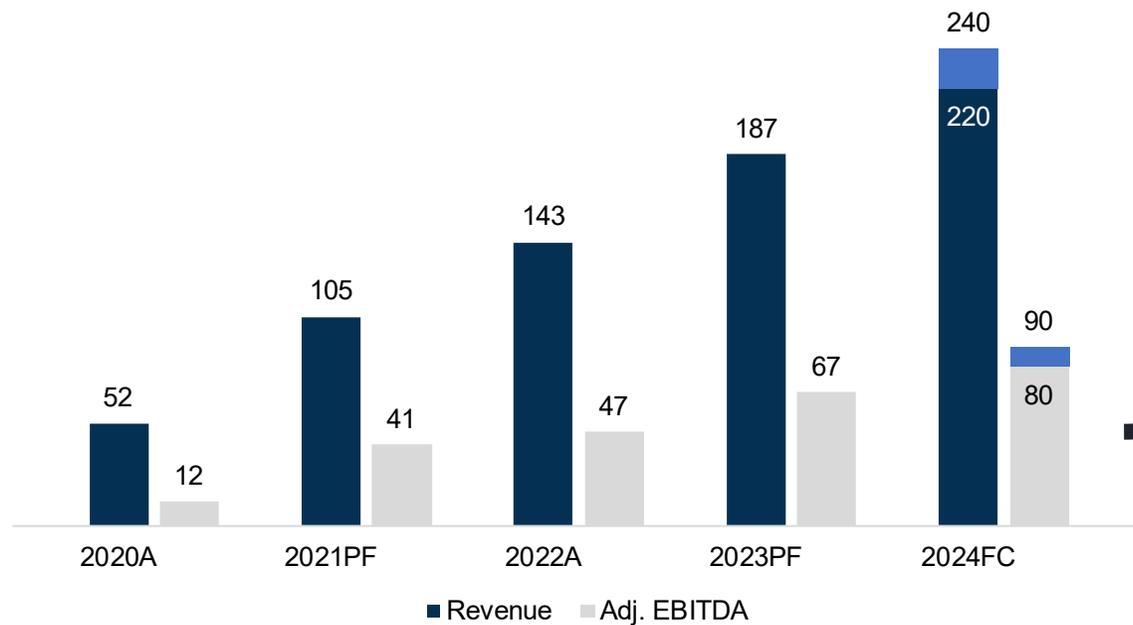
Adj. EBITDA

**€80m - €90m**

(2023: €62m | +29% to +45%)

# Medium-term Outlook 2025

(€ million)



2025  
**€290-320m**  
revenue target

**40%**  
adj. EBITDA  
margin

**2025E**

**Q&A**

**Happy to answer  
your questions**

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