



# MANZ AG

## FINANCIAL FIGURES 9M/2019

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NOVEMBER 12, 2019

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# FINANCIAL FIGURES

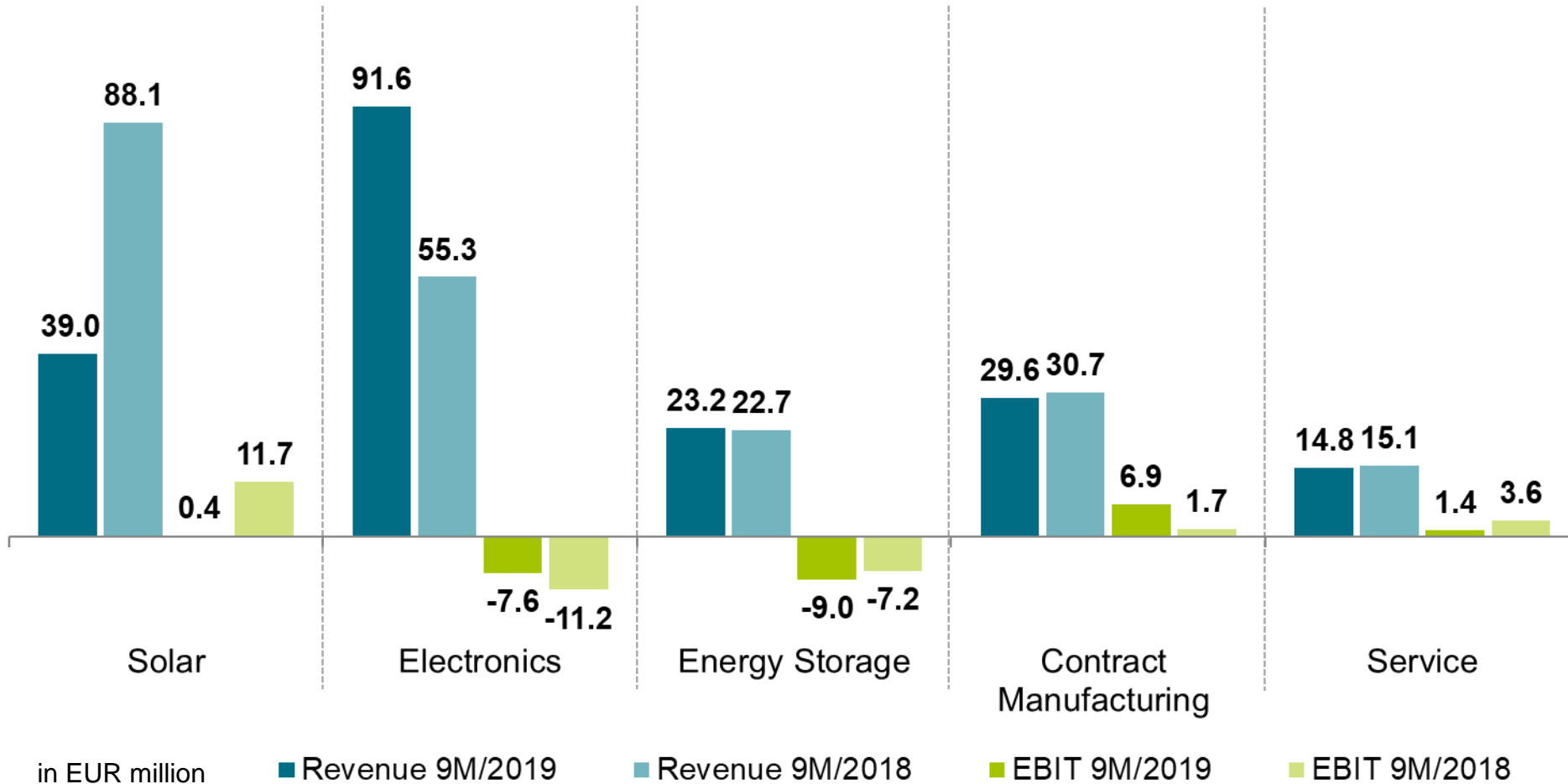
# INCOME STATEMENT

| in EUR million                     | 9M/2019 | 9M/2018 <sup>1</sup> | Change in % |
|------------------------------------|---------|----------------------|-------------|
| Revenues                           | 198.2   | 211.9                | -6.5        |
| Total Operating Performance        | 201.8   | 213.9                | -5.7        |
| Other Operating Income             | 6.3     | 3.8                  | +65.8       |
| Cost of Materials                  | -126.3  | -130.5               | -3.2        |
| Personnel Expenses                 | -54.8   | -52.7                | +4.0        |
| Other Operating Expenses           | -26.3   | -30.1                | -12.6       |
| Share of profit/loss of associates | 5.1     | -0.7                 | n.a.        |
| EBITDA                             | 5.8     | 3.7                  | +56.8       |
| Amortization/Depreciation          | -13.5   | -6.1                 | -121.3      |
| EBIT                               | -7.7    | -2.4                 | -220.8      |

- Revenues decline due to continued investment reluctance from customers of e-mobility sector as well as customer-related project delays in Solar segment
- The EBITDA increase is significantly influenced by the application of new accounting standard IFRS 16 Leases

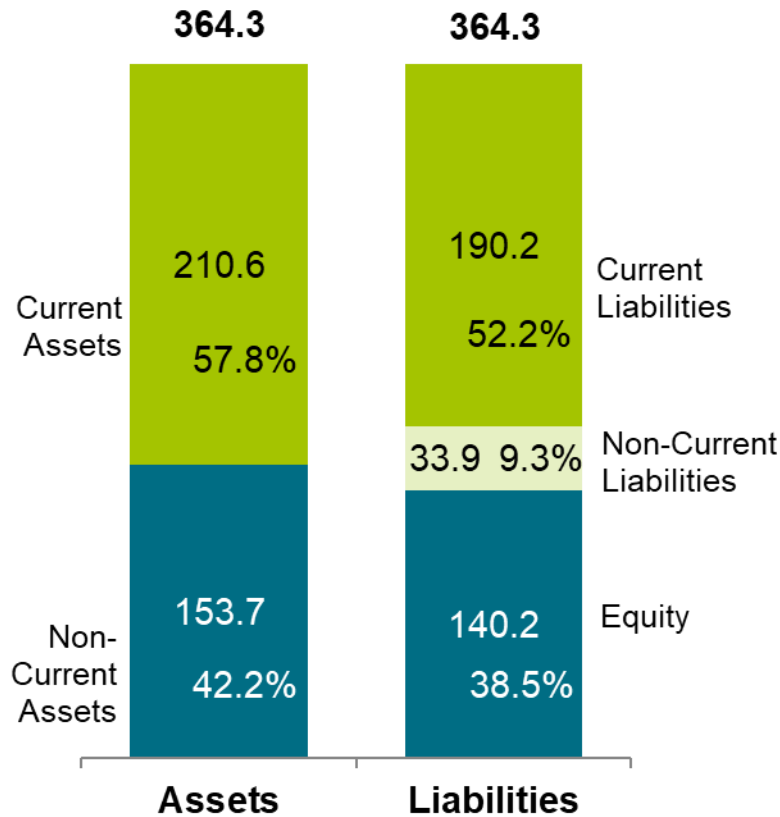
<sup>1</sup>With Talus Manufacturing Ltd., Manz retroactively deconsolidated a previously fully consolidated company within the framework of an adjustment and has now included this company in its financial statements as an associated company.

REVENUES & EBIT 9M/2019 & 9M/2018 BY SEGMENT



BALANCE SHEET

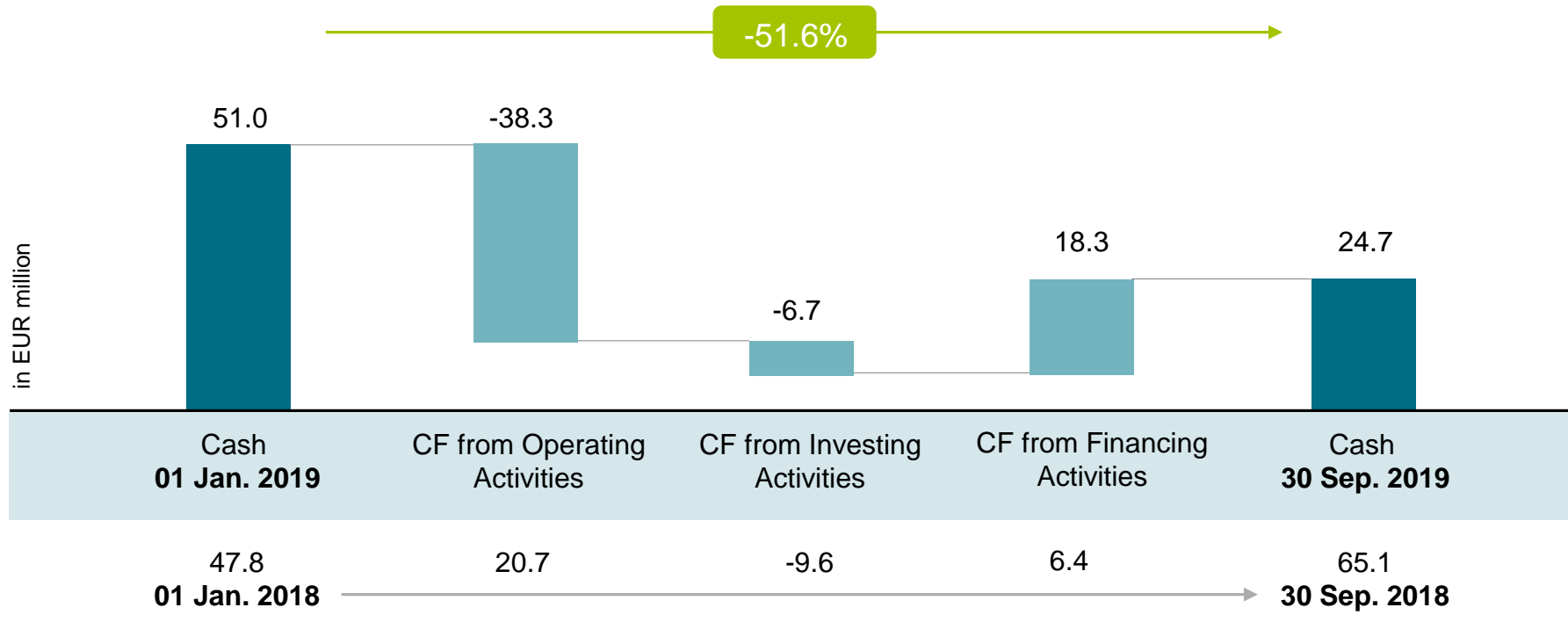
in EUR million



|  | Definition   | Sep. 30, 2019 | Dec. 31, 2018 | Change  |
|--|--|---------------|---------------|---------|
| <b>Equity Ratio</b>                            | $\frac{\text{equity}}{\text{balance sheet total}}$                                 | 38.5%         | 43.4%         | -4.9pp  |
| <b>Net Working Capital</b><br>(in EUR million) | current assets<br>./. liquid funds<br>./. non-interest-bearing current liabilities | 58.2          | 28.2          | +106.4% |
| <b>Net Debt</b><br>(in EUR million)            | interest bearing liabilities<br>./. liquid funds                                   | 39.5          | -7.7          | +47.2   |

- Balance sheet total as of September 30, 2019 increased by 5.4% to EUR 364.3m (Dec 31, 2018: EUR 345.7m) mainly because of IFRS 16 Leases
- Increase of net working capital because of processing of HKC order
- Increase of net debt due to decrease of liquid funds and increase of current financial liabilities

# CASH FLOW



- Cash flow from investing activities of EUR -6.7m mainly due to investment in intangible assets as well as changes in restricted cash
- Cash flow from financing activities results from increase of current financial liabilities for financing of working capital in connection with HKC order

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# SEGMENT STATUS

SEGMENT SOLAR

| in EUR million |          | 9M/2019 | 9M/2018 | Change in % |
|----------------|----------|---------|---------|-------------|
| Solar          | Revenues | 39.0    | 88.1    | -55.7%      |
|                | EBIT     | 0.4     | 11.7    | -96.6%      |



- EBIT decreased to EUR 0.4m due to low revenues in combination with unchanged cost base
- Customer-related delays in the finalization of the buildings for CIGSfab lead to a delay in the installation of the equipment
  - Currently Manz is carrying out preparatory work for the upcoming move-in of the equipment.
  - The final acceptance of the machines and receiving payment of the remaining amount of around EUR 50m for orders with a total volume of EUR 263m is expected by the end of 2020
- Successful execution of customer project from Baosteel Group for pilot line for laser structuring of sheet metal



| in EUR million |          | 9M/2019 | 9M/2018 | Change in % |
|----------------|----------|---------|---------|-------------|
| Electronics    | Revenues | 91.6    | 55.3    | +65.6%      |
|                | EBIT     | -7.6    | -11.2   | +32.1%      |



- Strong increase of revenues
  - ➔ Processing of bulk order from HKC for wet-chemical equipment
  - ➔ Initial order worth EUR 14m from the world's largest manufacturer of LCD flat screens
  - ➔ Won orders for laser systems for dustproof and watertight sealing of wearables and laser engraving of implants
  - ➔ Follow-up order for several assembly lines of the LightAssembly platform
  - ➔ Successful execution of customer project for production equipment for cell contacting systems for battery cells in the e-mobility field
  
- Earnings still negative, but improved compared to previous year's figure

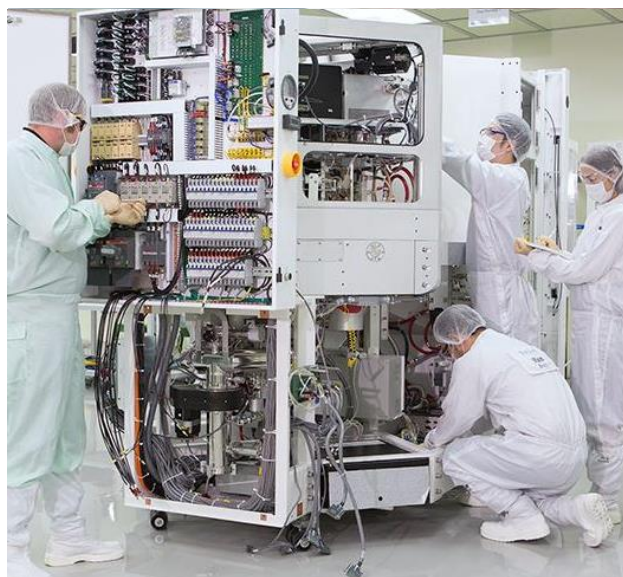
SEGMENT ENERGY STORAGE

| in EUR million |          | 9M/2019 | 9M/2018 | Change in % |
|----------------|----------|---------|---------|-------------|
| Energy Storage | Revenues | 23.2    | 22.7    | +2.2%       |
|                | EBIT     | -9.0    | -7.2    | -25.0%      |



- Energy Storage fell behind initial expectations in 2019 reporting period
  - Continued reluctance of German and European automotive industries to invest in capacity for production of lithium-ion battery cells and modules
- Increasing business dynamics in the first nine months of 2019 with a well-known manufacturer of wound battery cells for consumer electronics
  - Since beginning of the year order volume of almost EUR 40m

| in EUR million         |          | 9M/2019 | 9M/2018 | Change in % |
|------------------------|----------|---------|---------|-------------|
| Contract Manufacturing | Revenues | 29.6    | 30.7    | -3.6%       |
|                        | EBIT     | 6.9     | 1.7     | +305.9%     |



- Revenue slightly below previous year's figure reflects temporary push out of semi-conductor products
- Significant growth in EBIT mainly driven by contribution of Talus Manufacturing Ltd. and insurance claim from cable fire at Taiwan site in 2018

| in EUR million |          | 9M/2019 | 9M/2018 | Change in % |
|----------------|----------|---------|---------|-------------|
| Service        | Revenues | 14.8    | 15.1    | -2.0%       |
|                | EBIT     | 1.4     | 3.6     | -61.1%      |



- Slight decline in revenues and earnings compared to previous year's figures
  - Unretrieved maintenance and service contracts due to challenging economic development
  - Changes in project mix

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OUTLOOK

## ORDER INTAKE &amp; BACKLOG BY SEGMENT YOY 2019/2018

## ORDER INTAKE

| in EUR million         | 9M/2019      | 9M/2018      | Change in %  |
|------------------------|--------------|--------------|--------------|
| Solar                  | 0.8          | 32.2         | -97.5        |
| Electronics            | 62.3         | 126.7        | -50.8        |
| Energy Storage         | 23.0         | 37.3         | -38.3        |
| Contract Manufacturing | 27.9         | 30.9         | -9.7         |
| Service                | 14.8         | 15.6         | -5.1         |
| <b>Total</b>           | <b>128.7</b> | <b>242.6</b> | <b>-46.9</b> |

- Previous year mainly influenced by large order in FPD business
- Decline in order intake reflects current uncertainties in global markets including ongoing trade conflicts
- Postponed customer decisions on still high sales funnel level

## ORDER BACKLOG

| in EUR million         | 30/09/2019   | 30/09/2018   | Change in %  |
|------------------------|--------------|--------------|--------------|
| Solar                  | 53.9         | 105.0        | -48.7        |
| Electronics            | 66.3         | 102.6        | -34.4        |
| Energy Storage         | 11.8         | 26.4         | -55.3        |
| Contract Manufacturing | 8.7          | 12.4         | -29.8        |
| Service                | -            | -            | -            |
| <b>Total</b>           | <b>140.6</b> | <b>246.4</b> | <b>-42.5</b> |

- Order backlog still on acceptable level, but strongly influenced by restrained order intake



## GUIDANCE 2019

- Adjustment of earnings forecast 2019
  - Positive EBITDA margin in the low single-digit percentage range
  - Negative EBIT in the upper single-digit million range
  - Revenues remain at a level slightly below previous year

THANKS

THANK YOU  
VERY MUCH FOR  
YOUR ATTENTION!

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