

va-Q-tec AG

FY 2018 Earnings Release

March 29th, 2019



- **Highlights and Challenges**
- **Financial Performance FY 2018**
- **Outlook 2019**
- **Key Takeaways and Q&A**



Dr. Joachim Kuhn (CEO)

Stefan Döhmen (CFO)



HIGHLIGHTS AND CHALLENGES

va-Q-tec
Q-proof[®]
QUALIFIED THERMAL PACKAGING
vacuum insulated cold chain container

va-Q-tec
102 - BC000351 - 0000106
va-Q-one[®]
QUALIFIED THERMAL PACKAGING
thermal packaging intelligence
made by va-Q-tec
www.va-Q-tec.com

va-Q-tec
JYP20417VQ

va-Q-tec
va-Q-proof[®]
QUALIFIED THERMAL PACKAGING

va-Q-tec
JYP20413VQ
Trainer TWIN^x

JYP60168
VQ
International Shipping Unit

JYP60168
VQ

JYP60160
VQ

JYP60160
VQ

JYP60161
VQ



HIGHLIGHTS AND CHALLENGES FY 2018

50,7 MIO. €

TOTAL REVENUES (+8%)

3,0 MIO. €

EBITDA

Q4 WITH ACCELERATION IN SERVICES



c. 70 MIO. €

INVESTMENTS COMPLETED
SINCE IPO, LIQUIDITY
COMFORTABLE

TECHNOLOGICAL AND QUALITY LEADERSHIP IN ATTRACTIVE END MARKETS

Market survey show excellent reputation for best-in-class passive solutions and services



Power 20+
PROGRAM INITIATED

Cost saving efficiency program

INVESTMENT SETUP LARGELY COMPLETED IN 2018

Investment areas since IPO	Completion	Total Invested amount	Comment
<p>1</p> <p>Rental fleet expansion</p>		<p>c. EUR 12-13m</p>	<ul style="list-style-type: none"> • Container Rental Fleet plus > 1.000 units • Continuous injection of small boxes in own fleets
<p>2</p> <p>Product development</p>		<p>c. EUR 3-4m</p>	<ul style="list-style-type: none"> • Temp and High-Temp VIP • New Systems (e.g. va-Q-pal, va-Q-one, va-Q-shell) • More R&D people
<p>3</p> <p>Capacity expansion</p>		<p>c. EUR 37m</p>	<ul style="list-style-type: none"> • New HQ and enhanced capacities in Wuerzburg and Koelleda • New hubs • More production people
<p>4</p> <p>International Business development</p>		<p>c. EUR 11-12m</p>	<ul style="list-style-type: none"> • New entities in LatAm, Switzerland and Asia • Enhanced ops in the US • Strengthened structures (2nd row mgmt.)

Total investment amount

Σ c. EUR 70m

Foundation for 100 Mio EUR Revenues largely laid



FINANCIAL PERFORMANCE FY 2018

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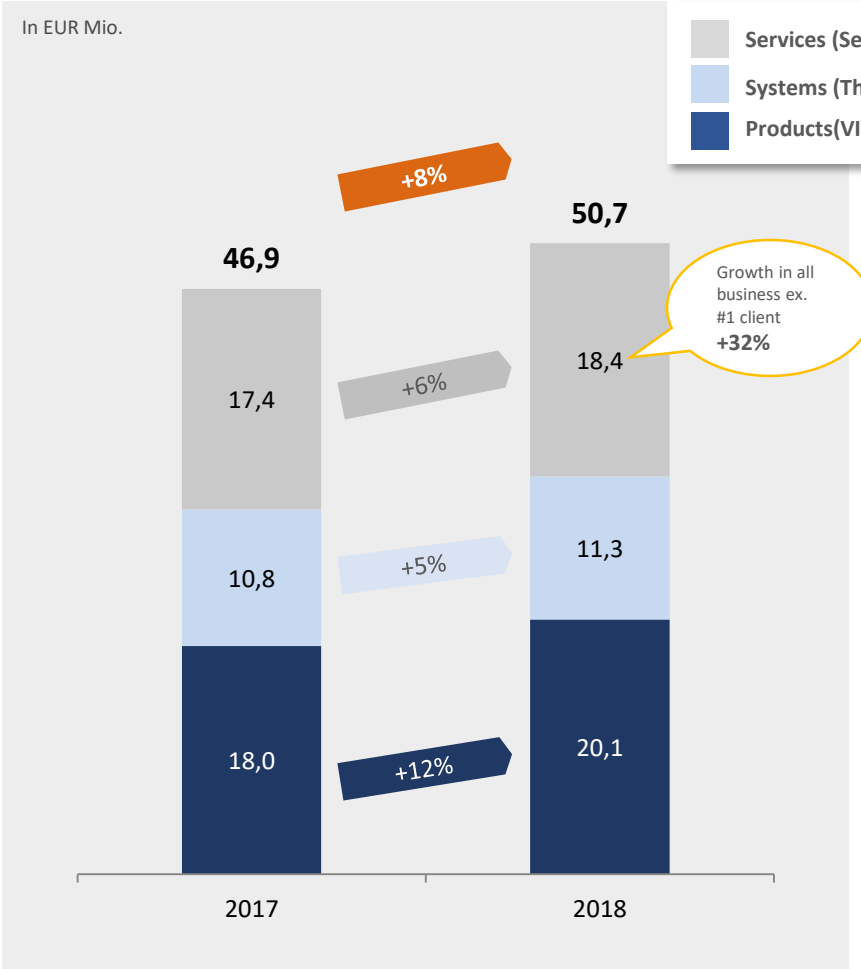
JYP60160
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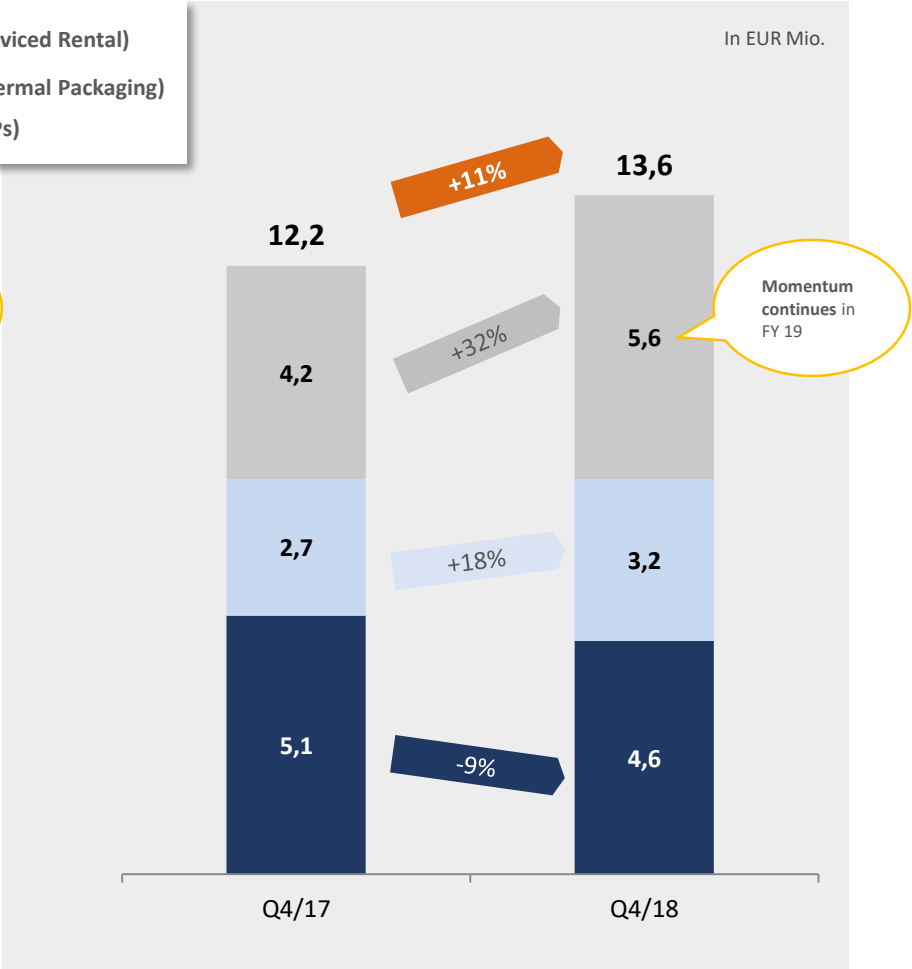


Q4 REVENUE WITH VERY STRONG GROWTH FINISH IN SERVICES AFTER WEAK Q1-Q3

REVENUE: GROUP (FY)

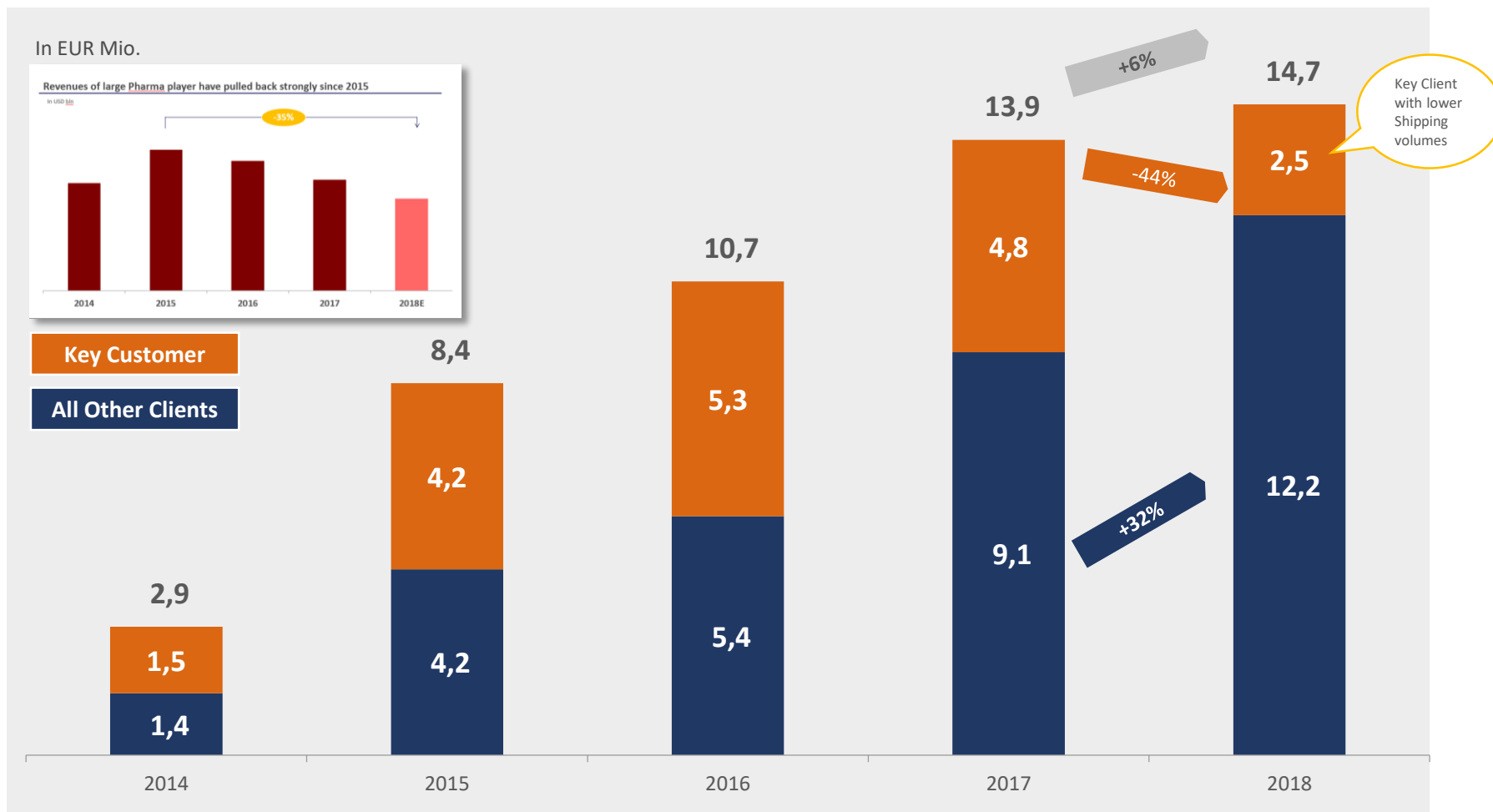


GROUP (Q4)



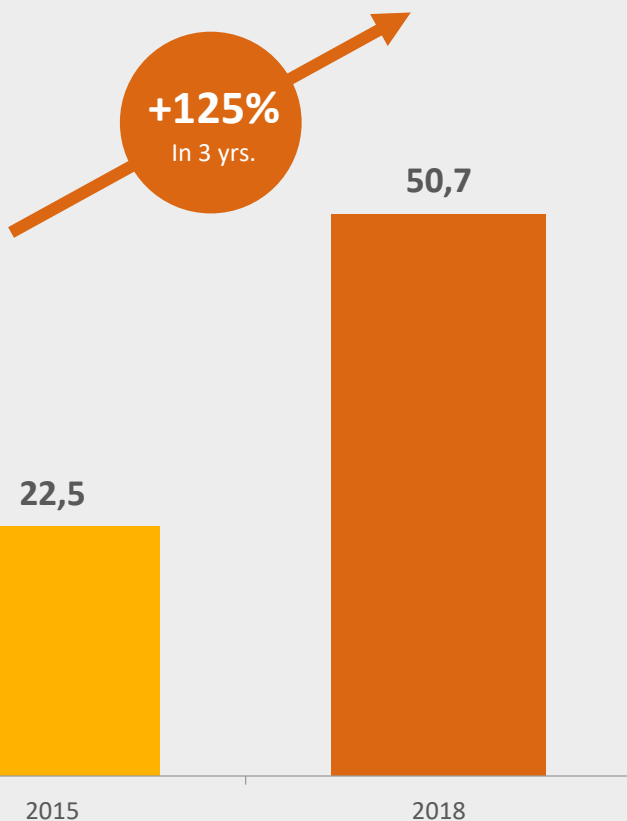
2018 GROWTH IN SERVICES DAMPENED BY DROP AT KEY CLIENT

REVENUES AND SHARE OF KEY CLIENT IN CONTAINER RENTAL, 2014-2018



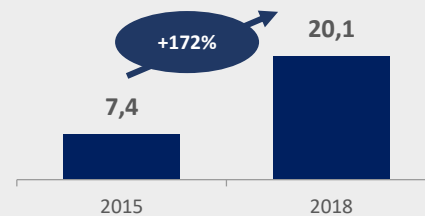
TOTAL REVENUE: GROUP

In EUR Mio.

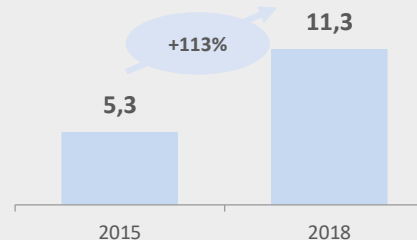


TOTAL REVENUE: BY BUSINESS LINE

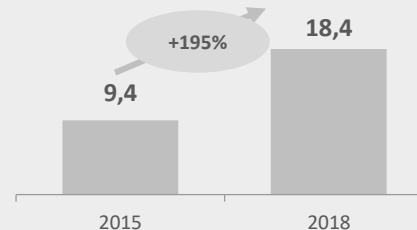
Products (Vacuum Insulation Panels)



Systems (Thermal Packaging)



Services (Serviced Rental of Boxes & Containers)



P&L HEAVILY AFFECTED BY NEXT GROWTH STEP

P&L

In EUR Mio.

	FY		
	2017	2018	Delta
Total Income	57,4	61,4	+7%
Revenues	46,9	50,7	+8%
COST OF MATERIALS AND SERVICES	-24,7	-25,7	+4%
GROSS PROFIT	32,8	35,6	+9%
PERSONNEL EXPENSES	-15,6	-20,4	+31%
OPEX	-9,9	12,2	+23%
EBITDA	7,2	3,0	-58%
D&A	-7,5	-9,9	+31%
Earnings before interest and tax (EBIT)	-0,3	-7,8	

COMMENTS

- Significant Improvement in Q4 2018

- News subsidiaries/International BizDev
- „Up-front“ costs for future growth

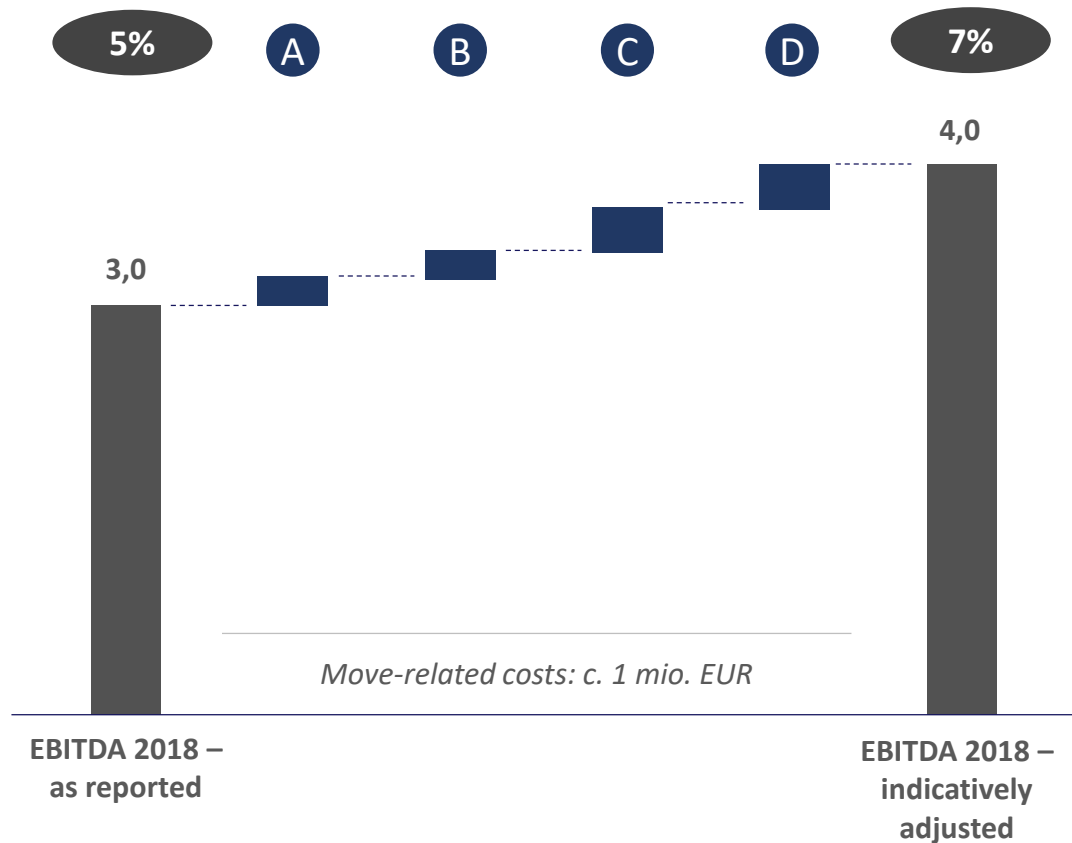
- Includes cost of relocation of facilities/production and „up-front“ costs of intl. BizDev

- Increase due to high-pace CAPEX since IPO

EBITDA SUBSTANTIALLY AFFECTED BY MOVE OF MAJOR PRODUCTION SITES

EFFECTS OF SITE MOVES ON 2018 EBITDA

In EUR Mio. and % of
Total Income



COMMENTS

- A** Costs of running two sites in parallel...
- B** ...Moving equipment, deinstallation and reinstallation at new sites...
- C** ...Higher scrap due to use of different, but available lines during move...
- D** ...Temporary workers above normal rate during move

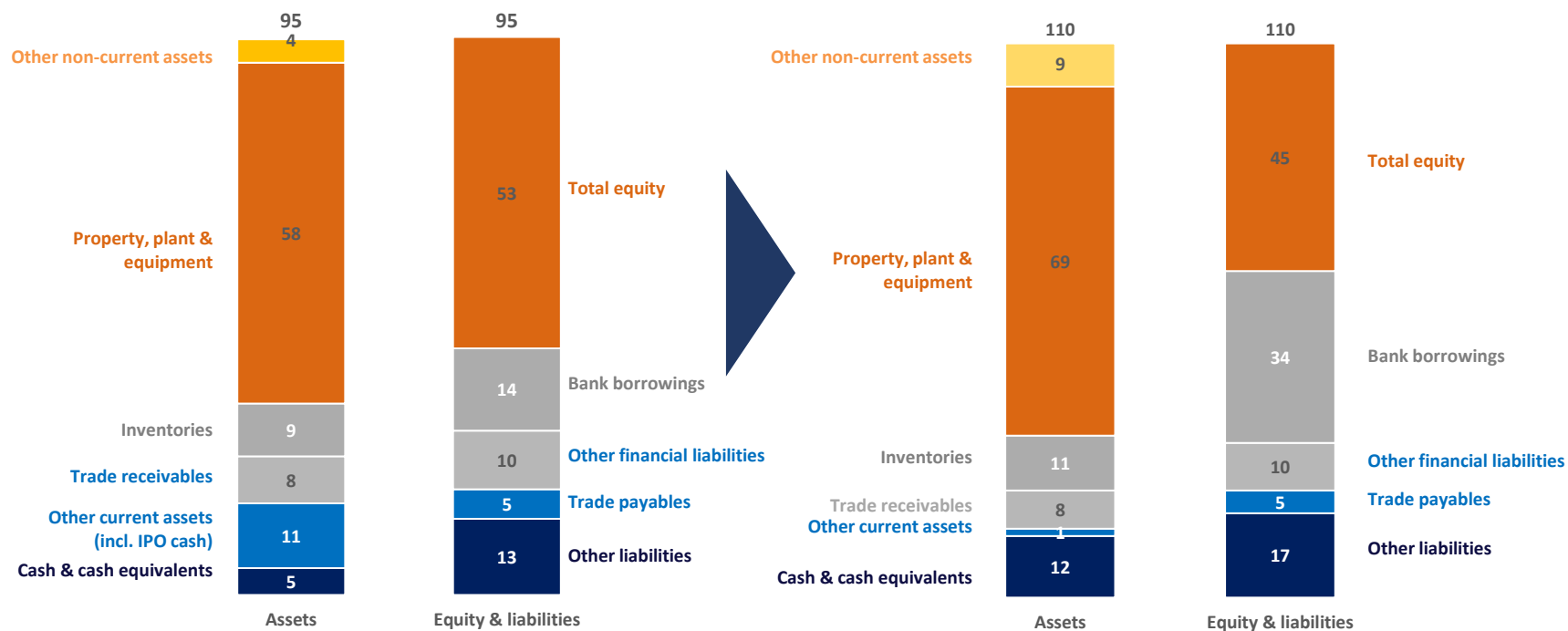
BALANCE SHEET INCREASED IN LINE WITH HEAVY INVESTMENTS

BALANCE SHEET

FY 2017

FY 2018

In EUR Mio.



OPERATING CF BEFORE WC CHANGES CLOSE TO 0

CASH FLOW STATEMENT

in EUR Mio.	2017	2018
Operating cash flow before changes in Working Capital	3,2	-0,4
Operating cash flow	1,5	-3,7
Investing cash flow	-1,1	-12,0
Financing cash flow	0,3	22,6
Net change in cash	5,2	12,2

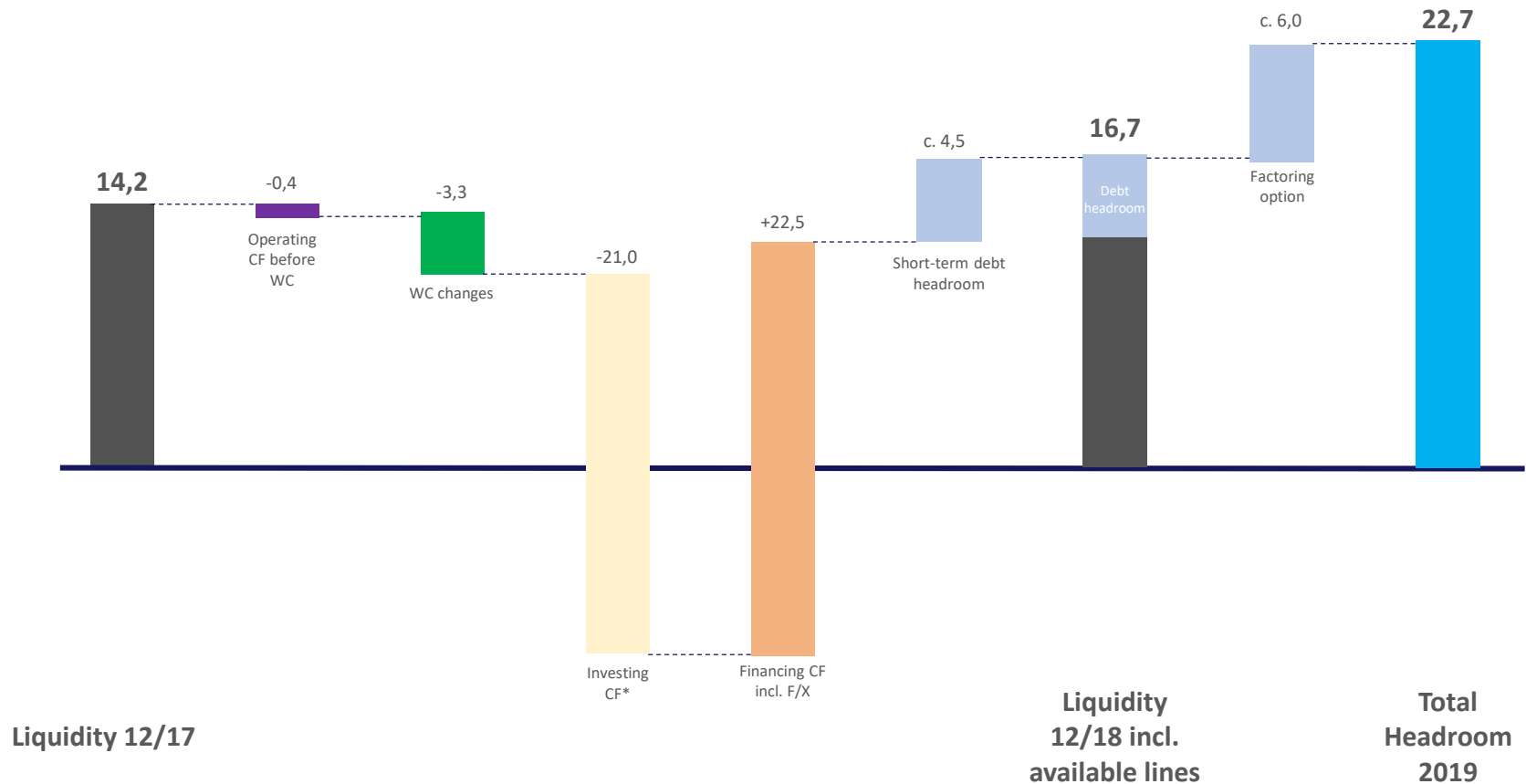
COMMENTS

- Despite significantly negative result, operating CF before WC close to 0 (after positive OCF in 2017 and 2016)
- Difference reflects inventory increase and lower accounts payables at year-end
- **Investing CF** influenced by deduction of 9,0 Mio. EUR dissolution of short-term investments(IPO funds)
- **Financing CF** reflects majority of long term-financing of PP&E, i.e. 15-20 yrs.

CONTINUED COMFORTABLE LIQUIDITY POSITION

LIQUIDITY DEVELOPMENT, 12/2017 – 12/2018

In EUR Mio.



*excl. Proceeds from the release from of short-term deposits



KEY TAKEAWAYS AND OUTLOOK 2019

OUTLOOK 2019

- Very strong revenue growth (CAGR +25%) in the past five years
- Moderate growth (+8%) in 2018



Topline: Medium to strong revenue growth



EBITDA: Strong growth and substantial margin improvement



ACHIEVEMENTS

Investments largely completed, liquidity comfortable

+400 new containers, totaling to **c. 2.000 units**
+ Production capacities
Up to 23 Mio. EUR liquidity

Significantly increased global reach

+3 new intl. subsidiaries, totaling to **8 group companies**
Enhanced footprint in the US

Upswing in services

Drop of a key client digested
We **added ASML and others**
Technology and quality leadership confirmed by **market surveys**

Power 20+ Program

++ Revenue growth
>> Cost efficiency



LEARNINGS

Heavy **growth investments** impacting profitability more than expected

Key clients still with strong impact on **economics in Services**

We need to improve growth planning and expectation management

We are still operating in very **attractive markets** and are tapping into **new opportunities**

**Thank you for
your attention!**

 **Lufthansa Cargo**

JYP50294VQ

va-Q-tainer

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TICKER

Symbol: VQT
Bloomberg: VQT:GY
Reuters: VQTG:DE
ISIN: DE0006636681
WKN: 663668