



## Quarterly Report Q1 2020

May 7, 2020

**Hardy Mehl | CFO/COO**

# Agenda

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## **1. Executive Summary**

2. Financials

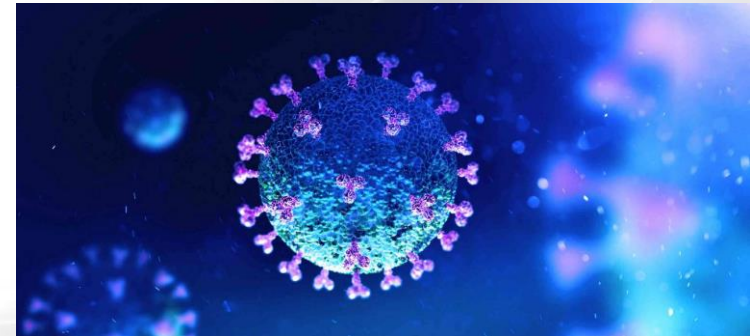
3. Share

4. Outlook

# Executive Summary

## Covid-19 Impact

- Highest priority on employees' health has been successful. No infection within the Basler team as of today. The Basler team did a great job and is highly motivated.
- Organization has been able to continue all operations and successfully serviced the customer with rapid adjustment of shift models and production processes as well as immediate transfer to home office
- Shutdowns temporarily affected incoming orders and supply situation
  - China recovered pretty fast during March
  - Europe, Americas, ROA slowed down in the last weeks due to the lockdown
  - Lead times of some products increased
- Prepared company for potential second row effects
  - Scenario plans in place
  - Cost savings already initiated
  - Drew open innovation loans from KfW
  - Dividend proposal reduced to 20% payout ratio



# Executive Summary

## Highlights Q1/2020 (1/3)

### Market Environment

- German industry for vision components billings +2% and bookings +3%\*
- Increasing business in capex goods semicon/electronics
- Continuing growth in medical and logistics applications
- Automotive industry remains weak and additionally highly affected by Covid-19

### Basler Performance

- Bookings up 26% and billings up 11% (pure organic!)
- Doubled EAT due to high gross margins and economies of scale
- Regional and vertical market diversification helped to grow the business
- Two production sites and supply supported our competitiveness

# Executive Summary

Highlights Q1/2020 (2/3)

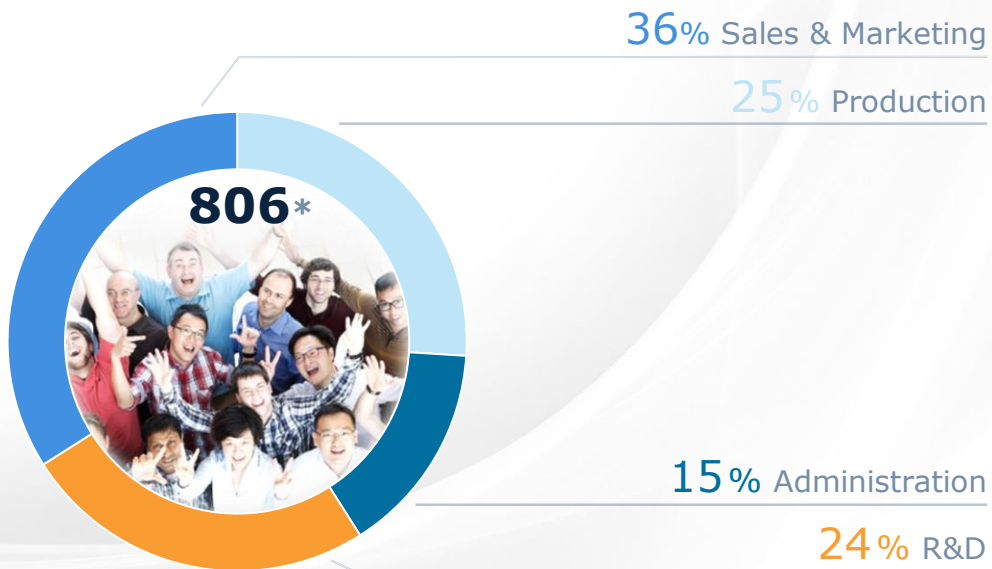
## New Product Introductions & Innovations

- Launch of 16 new models based on the new ace 2 platform
- Start of series production of ace 2 Basic and Pro
- Publishing of new pylon release 6.1
- Upgrading of the MED ace cameras with dust protection
- Introduction of first embedded vision camera module based on NXP processor family
- Expansion of vision toolbox: lenses, lighting, framegrabbers, cables



# Executive Summary

## Highlights Q1/2020 (3/3)



- An increase of 16 FTEs since Dec. 31, 2019

\*fulltime equivalent jobs in average for the fiscal year (FTE)

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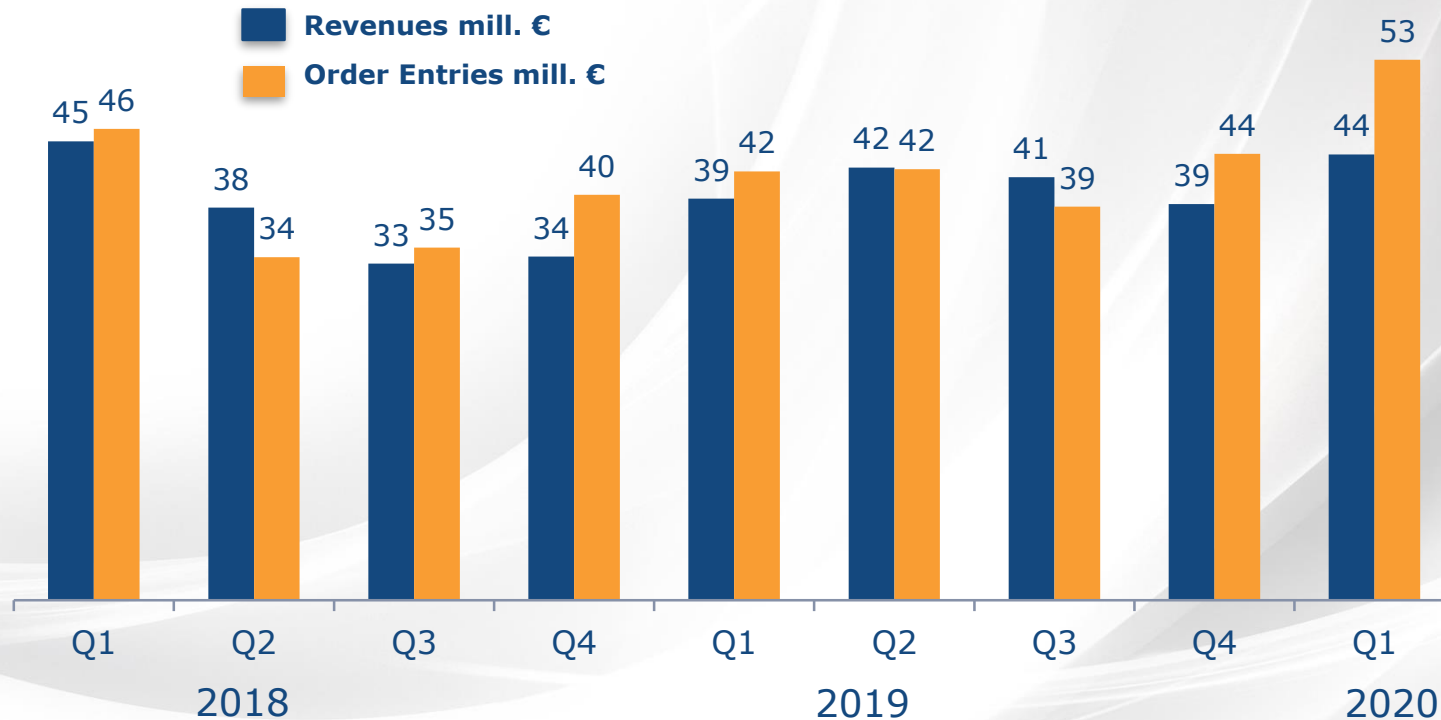
**2. Financials**

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# Financials

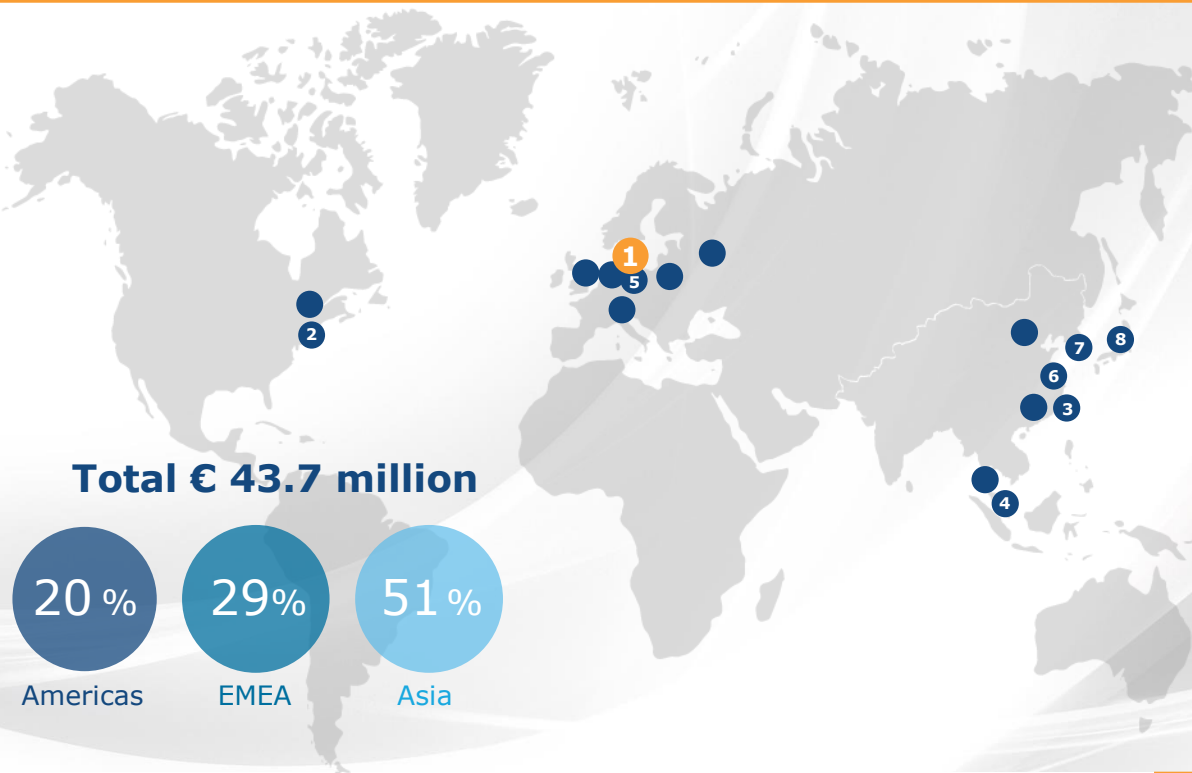
## Development of Bookings and Billings





# Financials

## Revenue Split by Regions



### Basler AG Headquarters

1 Ahrensburg, Germany

### Basler Subsidiaries

2 Exton, U.S.

3 Taiwan

4 Singapur

5 Silicon Software **2018**

6 Basler China **2019**

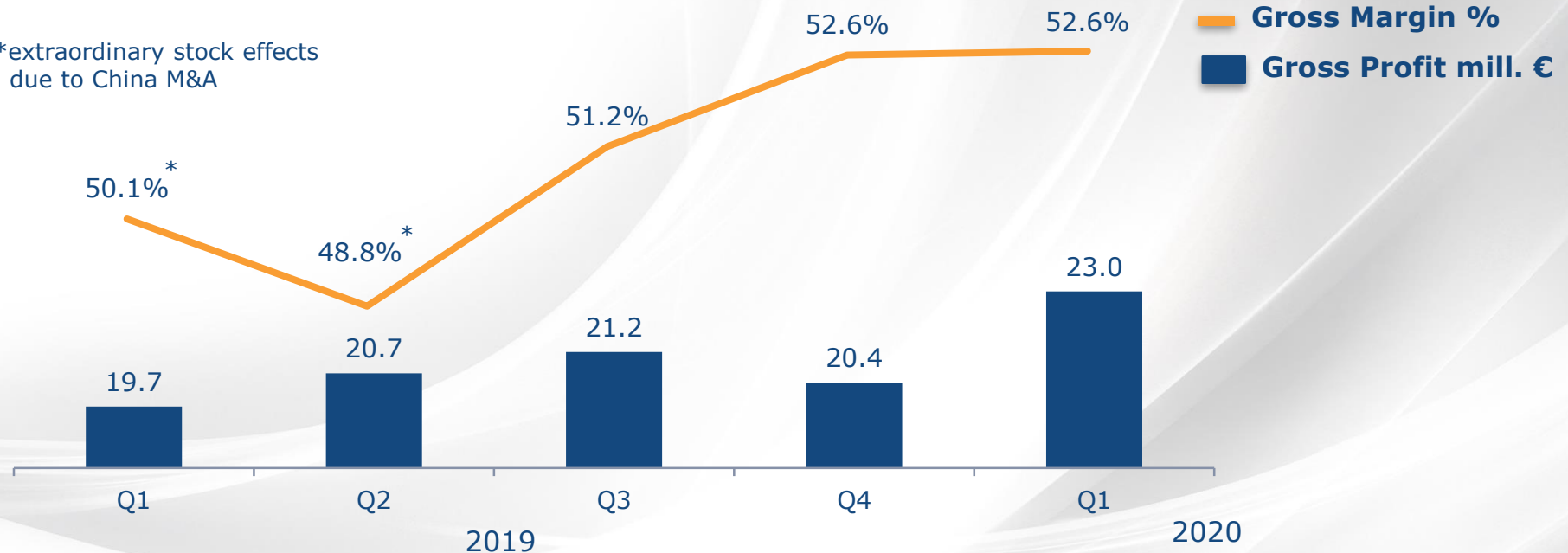
7 Korea

8 Japan

# Financials

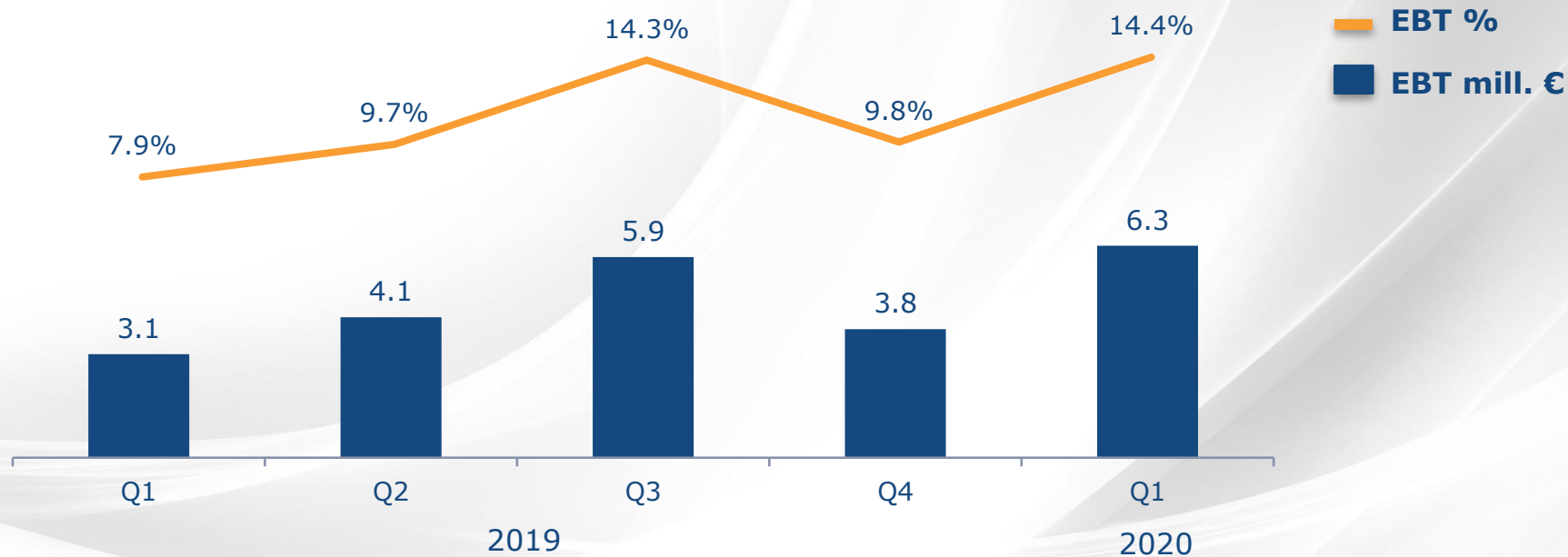
## Development of Gross Profit and Margin by Quarter

\*extraordinary stock effects  
due to China M&A



# Financials

## Development of EBT and EBT-Margin



# Financials

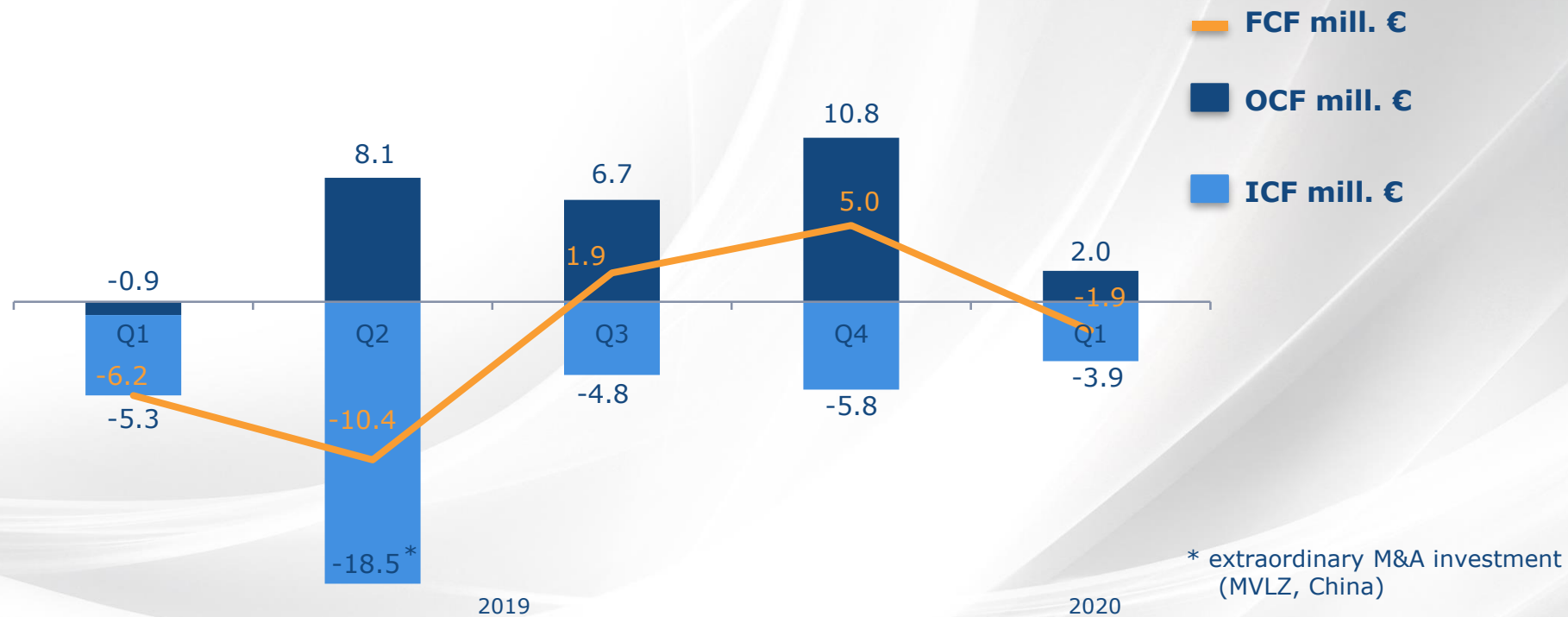
P&L KPIs Q1/2020 versus Q1/2019 (mill. €)

	Q1/2020	Q1/2019	+/-
<b>Order Entry</b>	52.9	<b>42.0</b>	<b>+26%</b>
<b>Sales</b>	43.7	<b>39.3</b>	<b>+11%</b>
<b>Gross Profit</b>	52.6%	<b>50.1%</b>	<b>+2.5 Pp.</b>
<b>EBITDA</b>	9.5	<b>6.0</b>	<b>+58%</b>
<b>EBIT</b>	6.4	<b>3.2</b>	<b>+100%</b>
<b>EBT</b>	6.3	<b>3.1</b>	<b>+103%</b>
<b>Net Income</b>	4.7	<b>1.5</b>	<b>+213%</b>
<b>EPS*</b>	0.47	<b>0.15</b>	<b>+213%</b>

\*All numbers other than EPS in € mill., EPS in €

# Financials

## Development Free Cashflow



# Financials

Liquidity and Cashflow (in mill. €)

	Q1/2020	Q1/2019
<b>Cash, b.o. period</b>	35.2	<b>31.8</b>
<b>Cashflow from Operations</b>	2.0	<b>-0.9</b>
<b>Cashflow from Investments</b>	-3.9	<b>-5.3</b>
<b>Free Cashflow</b>	-1.9	<b>-6.2</b>
<b>Cashflow from Financing</b>	5.1	<b>21.8</b>
<b>Cash, e.o. period</b>	38.4	<b>47.4</b>

	March 31st, 2020	<b>Dec. 31st, 2019</b>
Liabilities to banks	-25.7	<b>-19.5</b>
Cash & Cash equivalents	38.4	<b>35.2</b>
<b>Operative Net Cash</b>	12.7	<b>15.7</b>

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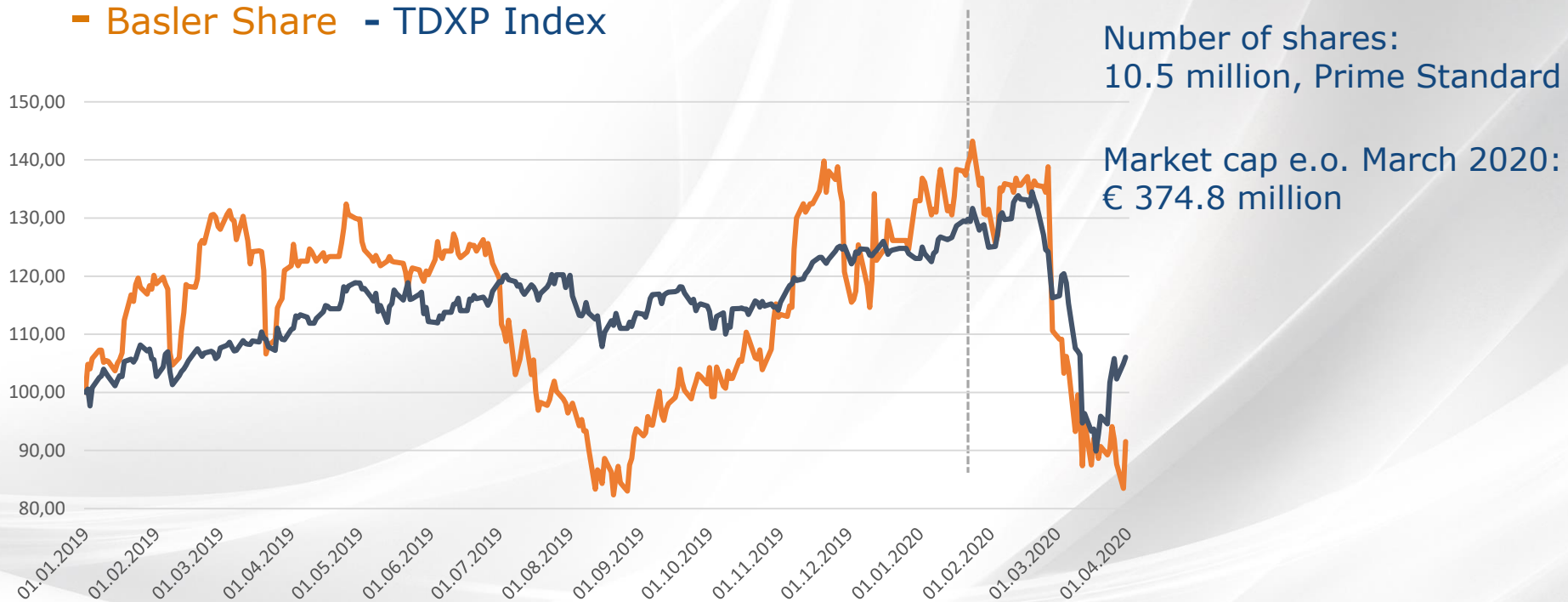
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# Share

## Basler Share versus TecDax



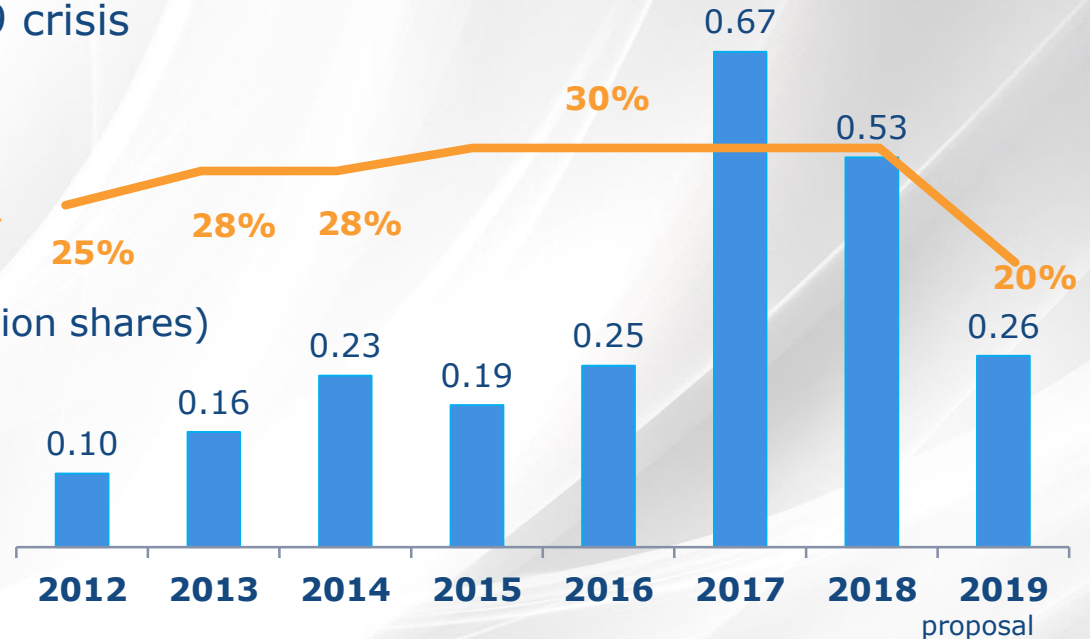


# Share

## Dividend Proposal for 2019

Lower payout ratio for 2019 due to high risks and uncertainties of Covid-19 crisis

Payout ratio from EAT  
Dividend per share  
(adjusted to 10.5 million shares)



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# Outlook

## Market Environment

**We experienced high demand in the first quarter. However, the potential second row effects of Covid-19 for our industry are uncertain and the visibility is low.**

**For the second quarter, we expect:**

- demand from semicon/electronics, medical and logistics to remain good
- continuous improvement of China
- declining business in EMEA and Americas as an effect of the lockdowns
- continuing production and supply-chain risks due to Covid-19 restrictions



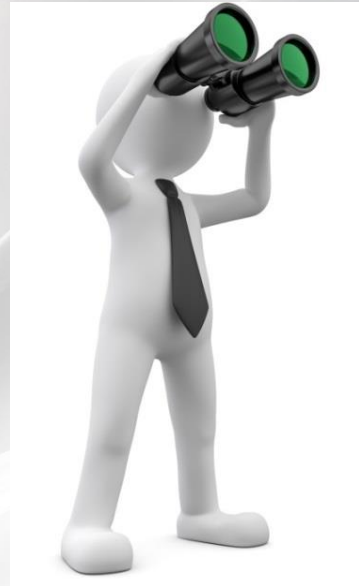
# Outlook

## Basler 2020 1st HY Guidance

**Considering the current supply and demand situation we confirm our guidance for the 1st HY at the upper end:**

### **First 6 months 2020**

- Revenue € 78 million
- EBT-Margin 9 - 10 %



# 2023 Outlook

## Financial Mid-term Plan



\* Cash Conversion Rate FCF/EAT (excl. M&A transactions)

\*\* Mid-term goals, 2023

# Disclaimer

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# Questions & Answers



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