Quarterly statement

Q1 2023 (IFRS)

va-Q-tec

WE SOLVE THERMAL CHALLENGES

CONTENTS

1 ABOUT VA-Q-TEC

va-Q-tec is a pioneer in highly efficient products and solutions in the area of thermal insulation and TempChain logistics. The company develops, produces and markets vacuum insulation panels (VIPs) for insulation as well as phase change materials (PCMs) for reliable and energy-efficient thermal management. In addition, va-Q-tec produces passive thermal packaging systems (containers and boxes) through optimally integrating VIPs and PCMs – these maintain constant inner temperatures, depending on external conditions, for up to 200 hours without external energy input, irrespective of surrounding temperatures, whether extremely low, or high. In order to implement temperature-sensitive logistics chains, va-Q-tec – within a global partner network – operates a fleet of rental containers and boxes meeting the most demanding thermal protection standards, such as in the case of constant-temperature transports in the pharmaceuticals industry. Along with Healthcare & Logistics as the main market, va-Q-tec addresses the following further markets: Appliances & Food, Technics & Industry, Building, and Mobility. The high-growth company, which was founded in 2001, is based in Würzburg, Germany. Further information: **www.va-Q-tec.com**

Significant events in Q1 2023

- va-Q-tec reports a subdued start to the year compared to a coronavirus-related strong prior-year base; Q1 2023 revenues of EUR 27.2 million compared with EUR 28.0 million in Q1 2022 (–3 %)

- Services division ("Serviced Rental" of boxes and containers) down –7%; Systems division (thermal packaging) down –14 % compared to previous year's strong base; Products division (sales of vacuum insulation panels) posts very strong revenue growth of +28 %

- Adjusted EBITDA in Q1 2023 of EUR 1.1 million compared with EUR 3.9 million in Q1 2022 (–72 %); adjusted EBITDA margin of 4 % in Q1 2023 compared with 14 % in Q1 2022, based on revenues;

- Earnings impacted by absence of coronavirus revenues, which have not yet been fully offset compared to the heavily impacted prior-year quarter. To this effect are added transaction costs, higher energy costs and again rising travel and trade fair costs.

- Share of coronavirus business now just 7% (Q1 2022: 21 %), share of healthcare revenues 71 % (2022: 78 %).

2 SIGNIFICANT EVENTS IN THE REPORTING PERIOD

In order to better leverage the potential in TempChain logistics, va-Q-tec and Sartorius founded a partnership to optimize logistics for bulk drug substance (BDS) shipments in Q1 2023, and announced it in April 2023. BDS are very temperature-sensitive and high-value goods. The goal of the partnership is to enhance efficiency and security in the transportation of BDS across the entire sector. The partnership is the result of years of cooperation between Sartorius and va-Q-tec and leverages the two companies' established positions and respective expertise in this area. This partnership combines Sartorius' new Celsius disposable solutions for BDS management and va-Q-tec's va-Q-tainer. This solution provides the biopharmaceutical industry with a complete common platform for protecting hundreds of liters of frozen BDS shipments from outside temperatures, as well as mechanical and thermal stresses. The solution eliminates the need for hazardous dry ice. It reduces carbon dioxide emissions during transport and helps make the TempChain more climate-compatible.

The expansion of business with the food industry in the TempChain segment continued on a very positive trend in the first quarter of 2023. With the va-Q-tray, temperature-sensitive foods can be transported and stored securely and at a constant temperature for several hours without external energy supply. The va-Q-tray also helps to enhance sustainability: by using the passive solution, companies can dispense with the very energy- and maintenance-intensive operation of freezer cabinets in its stores. In addition to these energy savings, the volume of packaging waste generated can also be drastically reduced.

va-Q-tec vacuum insulation panels offer advantages in particular wherever secure and highly efficient insulation solutions are required in the tightest of spaces. Accordingly, va-Q-tec is not only appreciated as a reliable partner in the healthcare & logistics area but also in numerous other areas such as technology and industry (e.g. insulation of pipelines), in the area of mobility (e.g. high-tech insulation of electric vehicles), as well as in the construction industry (building insulation). The challenge for building insulation is durability combined with consistent performance over a very long period of time. To date, the question of panel durability can only be proven by extensive simulations and tests, as vacuum insulation technology simply did not exist 50 years ago. The Futurhaus in Munich's Lehel district, completed in 2004, is a reference project that was insulated with va-Q-tec insulation panels. Almost twenty years later – in Q1 2023 – experts from va-Q-tec have reviewed and confirmed the panels' functionality and insulating performance by means of thermal imaging.

Products division (sale of vacuum insulation panels and phase change materials)

In the Products division (sales of vacuum insulation panels and phase change materials), revenues of kEUR 7,002 posted very dynamic growth compared to the previous year's basis (previous year: kEUR 5,455, +28 %). In particular, revenues in the refrigeration equipment sector increased significantly. In general, it is worth highlighting that VIP technology is becoming increasingly important due to the new EU energy efficiency labels for refrigerators and freezers that came into force on 1 March 2021.

Business in other end markets, particularly in the engineering and industrial sectors, continued to perform well. Business with the innovative "va-Q-shell pipe" insulation solution, which was developed together with Finnish partner Uponor, should be highlighted as an example. The va-Q-shell pipe significantly enhances the energy efficiency of pipelines, such as in industrial plants, building installations, and local and district heating. The va-Q-shell pipe is suitable for the thermal insulation of factory-uninsulated pipes as well as for retrofitting. Thanks to its excellent material properties, the innovative insulation solution improves energy efficiency by up to 50 % while reducing insulation thickness. From va-Q-tec's point of view, this makes the product a particularly good fit at a time when energy prices are rising sharply and efforts to save energy are becoming increasingly urgent.

Systems division (sale of thermal packaging systems)

In the Systems division (thermal packaging), revenues decreased by –14 % from kEUR 8,766 in the strong prior-year period to kEUR 7,579. The previous year was decisively characterized by the coronavirus business with the *va-Q-pal SI* (SI for SuperInsulation). A significant recovery and greater momentum is expected over the further course of the year.

Services division (Serviced Rental of thermal packaging systems)

va-Q-tec's Services division, which comprises the container and box rental business for the transport of temperature-sensitive goods, mainly from the pharmaceutical and biotech sectors, recorded a year-on-year decrease of –7% in Q1 2023 to kEUR 12,166 (Q1 2022: kEUR 13,094). This area was also characterized by a strong prior-year base entailing a high proportion of coronavirus business. Although the number of rentals of small thermal boxes for "last mile" transports grew significantly, it was unable to offset the reduction in coronavirus business. The expansion of the Services division will continue in the future, as this segment is regarded as a crucial growth factor for va-Q-tec and as a value driver.

Earnings trends

Earnings before interest, tax, depreciation and amortization (EBITDA) adjusted for costs in connection with the takeover offer decreased from kEUR 3,865 in the prior-year quarter to kEUR 1,100. The adjusted margin thereby reduced from 13 % to 4 % in terms of total income, and from 14 % to 4 % in terms of revenues.

Overall, earnings were impacted by the absence of coronavirus revenues, which have not yet been fully offset compared to the heavily impacted prior-year quarter. Higher personnel expenses due to the planned hiring in the previous year to support further growth and an increase in other operating expenses (transaction costs in connection with the takeover offer, higher energy costs and a renewed rise in travel and trade show expenses as well as foreign currency losses) also weighed on earnings. In the company's view, this trend will normalize as business expands.

Overall, business trends in Q1 2023 were very mixed within a macroeconomic environment that remains challenging, a year-on-year comparison still very much influenced by vaccine shipments, and with the ongoing takeover process including the antitrust review tying up considerable capacities at the company. The coronavirus business accounted for just 7% of total revenues in Q1 2023, compared with 21 % in Q1 2022. Accordingly, the start to the year was subdued; however, the Management Board expects revenue growth to gather momentum over the course of the year.

Continuation of strategic measures to secure and exploit the growth opportunities of va-Q-tec AG in the long term

Following a selection process in the spring of 2022, in mid-2002 va-Q-tec AG engaged financial advisors with the task of identifying the best alternatives to successfully finance and implement va-Q-tec's growth strategy in the long term. As a consequence, the Management Board came to the conclusion that va-Q-tec's stock market listing in its current overall constellation fails to provide an effective financing channel. Furthermore, the stock market's short-term orientation on quarterly results makes certain investments that pay off in the medium to long term, particularly in the area of energy efficiency, difficult to realize. Instead, the financial advisors' analyses showed that the option of a strategic investment by a major investor with a long-term focus and a subsequent "going private" best met the essential criteria of financial stability while at the same time optimally harnessing the growth potential. As a consequence, in a second step, the financial advisors were commissioned to search for and select a suitable investor. Following the completion of the careful selection process and after weighing all the related advantages and disadvantages, this led in December 2022 to a Business Combination Agreement concerning a voluntary public takeover offer by EQT Private Equity and the terms and conditions of a strategic partnership with Fahrenheit AcquiCo GmbH ("Bidder") and its sole shareholder, each controlled by EQT X Fund (hereafter together with the Bidder "EQT Private Equity").

EQT Private Equity subsequently announced that it intends, with the support of co-investors Mubadala Investment Company ("Mubadala") and the Sixth Cinven Fund ("Cinven"), to launch a voluntary public tender offer to the shareholders of va-Q-tec to acquire all of the no-par-value registered shares of va-Q-tec AG against payment of a cash consideration of EUR 26.00 per va-Q-tec share. Under the terms of the merger agreement, va-Q-tec and EQT Private Equity also agreed on the key elements of the transaction and their common understanding regarding the future development of va-Q-tec in the event of a successful completion of the takeover offer.

One of the cornerstones from the perspective of va-Q-tec AG, particularly in relation to financial security, is EQT Private Equity's commitment to subscribe to a cash capital increase from approved share capital equivalent to 10 % of the share capital, without subscription rights and at an offer price of EUR 26.00, immediately after the successful completion of the takeover offer, which would provide va-Q-tec with almost EUR 35 million of additional equity.

In addition, the Combination Agreement provides, among other measures, for the combination of parts of va-Q-tec's service and systems business focused on the pharmaceutical industry with Envirotainer AB ("Envirotainer"), in which EQT Private Equity already holds an indirect majority interest, if the takeover offer is successful. Envirotainer is a provider of active temperature control containers and a global leader in air transport solutions for temperature-sensitive pharmaceuticals, while va-Q-tec is a pioneer and leader in the complementary market segment for passive temperature chains. The merger is intended to combine the two companies' strengths and create a more diverse and balanced portfolio. At the same time, with strategic and financial support from EQT Private Equity, va-Q-tec's business in the area of thermal energy efficiency and thermal boxes is to be further developed in the long term within an independent, new company ("va-Q-tec 2.0") and is to be expanded to include new applications for vacuum insulation technology. The investment by EQT Private Equity and the planned merger between va-Q-tec and Envirotainer are in accordance with the vision of creating two independent groups of companies, each of which will play a leading international role in its business area.

EQT Private Equity has also entered into a job security commitment to va-Q-tec in relation to the Würzburg headquarters and the Kölleda site as well as a bar on redundancies for a period up until the end of 2024. The Management Board of va-Q-tec will continue the business unchanged and the founding families will continue to hold substantial interests in both companies in order to ensure, together with the Bidder, operational and strategic further development in the spirit of the va-Q-tec founders.

Key points of the takeover offer

In accordance with its announcement on 16 January 2023, the Bidder has made an offer to all shareholders of va-Q-tec to acquire their va-Q-tec shares at a price of EUR 26.00 per share. This represents a premium of 97.9 % in relation to the volume-weighted average price of the va-Q-tec share over the three months up until 9 December 2022, the date on which the ad hoc announcement about the expected near-term completion of the merger agreement was published. A fairness opinion prepared by investment bank ParkView Partners concluded that the offer price is fair from a financial perspective. The founding families of va-Q-tec AG have committed to contribute the majority of the va-Q-tec shares they hold (in total 3,464,635, representing 25.8 % of all va-Q-tec shares) to the Bidder and thereby remain invested in va-Q-tec together with EQT Private Equity. The takeover offer provides for standard market conditions for completion and, in particular, a minimum acceptance rate of 62.5 % of all va-Q-tec shares currently in issue, which also includes the shares held by the founding families, and is subject to the necessary regulatory clearances.

After careful review, the Managing and Supervisory boards of va-Q-tec AG In their reasoned opinion dated 25 January 2023 recommended the acceptance of the voluntary public takeover offer by EQT Private Equity. By the end of the extended acceptance period on 7 March 2023, the shareholders paved the way for the strategic partnership with EQT Private Equity with an acceptance rate of 85.75 % (including the shares of the founding families) and supported the takeover offer. After completion of the takeover offer, which at present is still subject to antitrust and regulatory conditions described in the offer document, the Bidder intends, among other measures, to seek a delisting of va-Q-tec.

On 13 March 2023, va-Q-tec received notification from the German Federal Cartel Office that the Decision-Making Department had initiated the main examination procedure in connection with the public takeover offer of Fahrenheit AcquiCo GmbH published on 16 January 2023.

For the short-term effects on va-Q-tec AG of the strategic measures, please see the comments in the Annual Report 2022.

3 FINANCIAL POSITION AND PERFORMANCE IN Q1 2023

3.1 RESULTS OF OPERATIONS

The following is an initial overview of the main items of the income statement of the va-Q-tec Group, in each case in comparison with the prior-year quarter.

Results of operations

kEUR unless stated otherwise	Q1 2023 (IFRS)	Q1 2022 (IFRS)	Δ 23/22
Revenues	27,177	27,988	−3 %
Total income	31,165	30,940	+1 %
Cost of materials (including purchased services)	−13,253	−12,261	+8 %
Gross profit	17,912	18,679	−4 %
Gross profit margin	*57 %*	*60 %*	*−3-ppt*
Personnel expenses	−9,932	−9,273	+7%
Other operating expenses	−7,328	−5,541	+32 %
EBITDA	652	3,865	−83 %
EBITDA margin on total income	*2 %*	*13 %*	*−11-ppt*
EBITDA margin on revenue	*2 %*	*14 %*	*−12-ppt*
Depreciation, amortization and impairment losses	−3,659	−3,729	−2 %
EBIT	−3,007	136	−2,311 %
Net financial result	−779	−621	−25 %
EBT	−3,786	−485	−681 %
Number of employees	624	597	+5 %

Revenues in Q1 2023 decreased by −3 % to kEUR 27,177 compared to Q1 2022. This reduction was largely influenced by the Systems (sale of thermal packaging) and Services ("Serviced Rental" of boxes and containers) divisions and is attributable to the very sharp drop in revenues in connection with COVID-19 vaccine shipments.

kEUR	Q1 2023 (IFRS)	Q1 2022 (IFRS)	Δ 23/22
Products	7,002	5,455	+28 %
Systems	7,579	8,766	−14 %
Services	12,166	13,094	−7%

The business with Products (sale of vacuum insulation panels) performed very dynamically in the reporting period and increased by kEUR 1,547, from kEUR 5,455 to kEUR 7,002 (+28 %).

In the Systems division (sale of thermal packaging), revenues decreased by kEUR −1,187, from kEUR 8,766 in the previous year to kEUR 7,579 (14 %). The Group generated revenues of kEUR 12,166 with Services ("Serviced Rental" of thermal packaging), compared with kEUR 13,094 million in the prior-year period, which is equivalent to a decrease of kEUR 928 (−7%).

Overall, this was not a satisfactory start to the 2023 financial year in terms of revenues. The healthcare area, which is reflected in the Systems and Services divisions, currently accounts for 71 % of revenues (previous year: 78 %).

Total income remained almost constant at kEUR 31,165 (previous year: kEUR 30,940, +1 %).

The cost of materials and purchased services increased at a somewhat stronger rate than the rate of growth in total income, by 8 %, from kEUR 12,261 in the previous year to kEUR 13,253. The increase was mainly due to the dynamic growth of the material-intensive Products business. Overall, the ratio of material costs to total income increased from 40 % in the previous year to 43 % in Q1 2023. In parallel, the gross profit ratio decreased to 57% in Q1 2023 (previous year: 60 %).

Personnel expenses in Q1 2023 were up by kEUR 659 year-on-year, rising from kEUR 9,273 to kEUR 9,932 (+7%). In addition to normal wage and salary increases, the increase is mainly due to the annualization of expenses for new employees hired during the previous year. Measured against total income, the personnel expense ratio rose to 32 % (previous year: 30 %).

Other operating expenses increased by kEUR 1,787, from kEUR 5,541 in the prior-year period to kEUR 7,328 in Q1 2023 (+32 %) due to higher energy costs, repair and maintenance costs, a significant increase in travel and trade fair activity compared to Q1 of the prior year, which was still affected by coronavirus, and higher expenses from foreign currency differences (partly offset by corresponding income in other operating income). Other operating expenses include kEUR 448 of non-recurring expenses (Q1 2022: kEUR 0) in connection with the takeover process, which had a material impact on the cost block. This increased the ratio of other operating expenses to total income to 24 % (previous year: 18 %).

As a consequence of the disproportionately high increase in expenses in relation to total income, earnings before interest, tax, depreciation and amortization (EBITDA) were down by kEUR 3,213, from kEUR 3,865 in the previous year to kEUR 652. This corresponds to a reduction of 83 % as well as a lower EBITDA margin of 2 % in Q1 2023 in relation to total income (previous year: 13 %), and an EBITDA margin of 2 % (previous year: 14 %) in relation to revenues.

Due to the lower level of investment activity in recent quarters, depreciation and amortization decreased by 2 % to kEUR −3,659 (previous year: kEUR −3,729).

In the context of the reduction in EBTIDA and the increase in depreciation and amortization, earnings before interest and taxes (EBIT) also decreased by kEUR 3,143 to kEUR −3,007 (previous year: kEUR 136).

Finance expenses rose year-on-year to kEUR 779 in Q1 2023 (previous year: kEUR 621).

In light of the trend described above, the result before tax (EBT) for Q1 2023 was negative in the amount of kEUR −3,786 (previous year: kEUR −485).

Adjusted earnings

kEUR unless stated otherwise	Q1 2023 (IFRS)	Q1 2022 (IFRS)	Δ 23/22
Revenues	27,177	27,988	–3 %
Total income	31,165	30,940	+1 %
Cost of materials (including purchased services)	–13,253	–12,261	+8 %
Gross profit	17,912	18,679	–4 %
Gross profit margin	*57%*	*60 %*	*–3-ppt*
Personnel expenses	–9,932	–9,273	+7%
Other operating expenses	–6,880	–5,541	+24 %
EBITDA	1,100	3,865	–72 %
EBITDA margin on total income	*4 %*	*13 %*	*–9-ppt*
EBITDA margin on revenue	*4 %*	*14 %*	*–10-ppt*
Depreciation, amortization and impairment losses	–3,659	–3,729	–2 %
EBIT	–2,559	136	–1982 %
Net financial result	–779	–621	–25 %
EBT	–3,338	–485	–588 %
Number of employees	624	597	+5 %

Significant cost items in other operating expenses are not attributable to operating activities. In Q1 2023 these are non-recurring costs of kEUR 448 incurred in connection with the public takeover offer by EQT Private Equity, combined with the capital increase of approximately EUR 34.9 million to be realized on a binding basis immediately after the closing of the transaction, which is intended to bolster the financial strength and capital structure as well as to secure the growth potential of va-Q-tec AG. In the above table and the following remarks, we have adjusted the results of operations for these cost items in order to improve the comparability of operating costs with the previous year.

Adjusted for the above amount, other operating expenses would have grown by kEUR 1,339, from kEUR –5,541 in the prior-year period to kEUR -6,880 in Q1 2023 (+32 %). This increased the adjusted ratio of other operating expenses to total income to 22 % (previous year: 18 %).

Adjusted for the non-recurring costs not attributable to the operating business, earnings before interest, tax, depreciation and amortization (EBITDA) would have decreased by kEUR 2,765, from kEUR 3,865 in the previous year to kEUR 1,100. This corresponds to a reduction of 72 % as well as a lower EBITDA margin of 4 % in Q1 2023 in relation to total income (previous year: 13 %), and an EBITDA margin of 4 % (previous year: 14 %) in relation to revenues.

Adjusted for the non-recurring expenses not attributable to the operating business, EBIT would have changed by kEUR 2,695, from kEUR 136 in the previous year to kEUR –2,559.

Adjusted for the non-recurring expenses not attributable to the operating business, EBT amounted to kEUR –3,338, compared with kEUR –485 in the previous financial year.

Reporting segments

The reporting segments performed as follows in Q1 2023:

German reporting segment (va-Q-tec AG)

kEUR unless stated otherwise	Q1 2023	Q1 2022	∆ 23/22
Revenues	16,186	18,451	–12 %
EBITDA	–1,904	–275	–592 %
Number of employees	538	522	+16

In the **German reporting segment (va-Q-tec AG),** revenues decreased from kEUR 18,451 in the previous year to kEUR 16,186 in Q1 2023 (–12 %). The reduction in revenues was mainly due to the downturn in the coronavirus business in the Systems division, while the Products business with VIPs performed very dynamically, as described. EBITDA reported a significant reduction to kEUR –1,904 in Q1 2023 (previous year: kEUR –275). Adjusted for the non-recurring expenses not attributable to the operating business, EBITDA amounted to kEUR 1,456 in Q1 2023. The number of employees stood at 538 at the end of the first quarter (previous year: 522).

UK reporting segment (va-Q-tec UK Ltd)

kEUR unless stated otherwise	Q1 2023	Q1 2022	∆ 23/22
Revenues	9,888	10,968	–10 %
EBITDA	3,026	4,680	–35 %
Number of employees	55	60	–5

The **UK reporting segment** comprises mainly the rental of temperature-controlled containers for the global pharmaceuticals industry. Revenues in this segment reported a decrease of kEUR 1,080 in Q1 2023 (–10 %), from kEUR 10,968 in the previous year to kEUR 9,888. This was again negatively impacted by the loss of coronavirus business, which has not yet been fully offset by non-coronavirus business. EBITDA in this segment decreased by –35 % year-on-year from kEUR 4,680 in Q1 2022 to kEUR 3,026 in Q1 2023. The number of employees reduced compared with the previous year's reporting date to 55 (previous year: 60).

Other reporting segment

kEUR unless stated otherwise	Q1 2023	Q1 2022	Δ 23/22
Revenues	5,541	4,984	+11 %
EBITDA	–26	61	–143 %
Number of employees	63	49	+14

The subsidiaries in Switzerland, China, India, Brazil, Singapore, Korea, Japan, Uruguay and the USA together form the **"Other reporting segment"**. The segment's revenue share rose very significantly to 18 % in Q1 2023 (Q1 2022: 14 %). This was mainly driven by revenue growth in the regions. All subsidiaries in the Other reporting segment are very important for local presence, the expansion of regional operating activities, and the perception of va-Q-tec as a reliable global and regional partner. EBITDA amounted to kEUR –26 (previous year: kEUR 61). The number of staff stood at 63 as of the end of Q1 2023 (previous year: 49).

3.2 NET ASSETS AND CAPITAL STRUCTURE

Compared with 31 December 2022, total assets decreased by kEUR 3,155 to kEUR 139,359 (31 December 2022: kEUR 142,514).

Property, plant and equipment were down by –2 % to kEUR 79,429 as of 31 March 2023, compared with kEUR 80,645 as of 31 December 2022.

Current assets reduced by –5 % to kEUR 42,684 as of 31 March 2023 (31 December 2022: kEUR 44,831). This reduction is particularly due to the normalization of other financial assets, which were very high at kEUR 6,734 as of 31 December 2022 due to factors relating to the reporting date, down to a level of kEUR 1,744 as of 31 March 2023. Offsetting this, inventories increased from kEUR 18,838 to kEUR 20,713 in Q1 2023.

Due to the negative net result for the quarter, consolidated equity recorded a decrease of kEUR –4,074 compared to 31 December 2022, to kEUR 34,625, with the equity ratio thereby reducing by two percentage points to 25 % as of 31 March 2023. If equity is increased by the transaction costs of kEUR 7,105 incurred up until 31 March 2023 in connection with the takeover offer, the adjusted equity ratio rises to 30 %.

Non-current bank borrowings decreased by kEUR –1,137 to kEUR 24,182 compared to 31 December 2022, due to the scheduled repayment of long-term financing. At the same time, current bank borrowings increased by kEUR 6,812 from kEUR 12,180 to kEUR 18,992.

Current liabilities and provisions amounted to kEUR 70,872 as of 31 March 2023, corresponding to 51 % of total equity and liabilities (31 December 2022: kEUR 62,228, 48 %). The Group's non-current liabilities and provisions amounted to kEUR 33,862 as of 31 March 2023. This corresponds to 24 % of total equity and liabilities (31 December 2022: kEUR 35,587, 25 %). Trade payables reduced significantly by kEUR –1,658 to kEUR 5,472 as of the 31 March 2023 reporting date, compared with kEUR 7,130 as of 31 December 2022.

3.3 FINANCIAL POSITION

Liquidity

Before changes in working capital, va-Q-tec generated a reduced cash flow from operating activities of kEUR 300 as of the reporting date, compared to kEUR 3,581 in Q1 2022.

Net cash flow from operating activities, including working capital changes, decreased to kEUR –2,522 in Q1 2023 (previous year: kEUR 2,062). The working capital changes resulted on the one hand from an increase in inventories and at the same time a reduced level of trade payables, whereas trade receivables decreased slightly. The working capital changes also include the kEUR 4,297 of non-recurring, extraordinary payments in connection with the takeover offer. Excluding these payments, net cash flow from operating activities would have been clearly positive at kEUR 1,755 and almost at the previous year's level.

Cash flow from investing activities remained at the previous year's level at kEUR −2,125 in Q1 2023, compared to kEUR −2,185 in Q1 2022.

In the first instance, free cash flow is clearly negative at kEUR −4,707. Adjusted for the non-recurring, extraordinary payments in connection with the takeover offer, this negative free cash flow reduces significantly to just kEUR −410.

Overall, va-Q-tec currently has a comfortable liquidity situation as of 31 March 2023, with bank balances plus open credit lines of more than EUR 20.0 million. As already explained above in section 2, one of the cornerstones of the takeover offer from the perspective of va-Q-tec AG, particularly in relation to financial security, is EQT Private Equity's commitment to subscribe to a cash capital increase from approved share capital equivalent to 10 % of the share capital, without subscription rights and at an offer price of EUR 26.00, immediately after the successful completion of the takeover offer, which would provide va-Q-tec with almost EUR 35 million of additional equity.

For further information about the financial position of va-Q-tec, please refer to the detailed remarks in the 2022 Annual Report.

4 CONSOLIDATED INCOME STATEMENT (UNAUDITED)

kEUR	Q1 2023	Q1 2022
Revenues	**27,177**	**27,988**
Change in inventories	1,106	−890
Work performed by the company and capitalised	1,378	1,763
Other operating income	1,504	2,079
Total Income	**31,165**	**30,940**
Cost of materials and services	−13,253	−12,261
Gross profit	**17,912**	**18,679**
Personnel expenses	−9,932	−9,273
Other operating expenses	−7,328	−5,541
EBITDA	**652**	**3,865**
Depreciation, amortization and impairment losses	−3,659	−3,729
Earnings before interest and tax (EBIT)	**−3,007**	**136**
Finance Income	17	1
Finance expenses	−796	−622
Net financial result	**−779**	**−621**
Earnings before tax (EBT)	**−3,786**	**−485**
Income tax	−303	−442
Net income	**−4,089**	**−927**
Consolidated net income attributable to owners of va-Q-tec AG	**−4,089**	**−927**
Earnings per share – basic / diluted in EUR	**−0,31**	**−0,07**

5 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

kEUR	Q1 2023	Q1 2022
Net Income	**–4,089**	**–927**
Consolidated other comprehensive income		
Currency translation differences	18	–49
Derivative financial instruments		
Unrealized gains / losses (pre-tax)	–5	203
Taxes on unrealized gains / losses and on reclassifications	2	–61
Derivative financial instruments (after tax)	–3	142
Total other comprehensive income that will be reclassified to profit or loss	**15**	**93**
Consolidated total comprehensive income	**–4,074**	**–834**
Consolidated total comprehensive income attributable to owners of va-Q-tec AG	**–4,074**	**–834**

6 CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

Assets

kEUR	31.03.2023	31.12.2022
Non-current assets		
Intangible assets	5,713	6,036
Property, plant and equipment	79,429	80,645
Investment property	1,020	1,020
Contract assets	62	48
Other financial assets	8,248	7,752
Other non-financial assets	1,443	1,307
Deferred tax assets	760	875
Total non-current assets	**96,675**	**97,683**
Current assets		
Inventories	20,713	18,838
Trade receivables	7,095	7,733
Other financial assets	1,744	6,734
Current tax assets	5	–
Other non-financial assets	3,542	2,145
Cash and cash equivalents	9,585	9,381
Total current assets	**42,684**	**44,831**
Total assets	**139,359**	**142,514**

Equity and liabilities

kEUR	31.03.2023	31.12.2022
Equity		
Issued share capital	13,415	13,415
Treasury shares	–54	–54
Additional paid-in capital	54,020	54,020
Consolidated total other comprehensive income	393	378
Retained earnings	–33,149	–29,060
Total equity	**34,625**	**38,699**
Non-current liabilities		
Provisions	226	208
Bank borrowings	24,182	25,319
Other financial liabilities	4,808	5,307
Other non-financial liabilities	4,646	4,753
Total non-current liabilities	**33,862**	**35,587**
Current liabilities		
Provisions	3,218	3,188
Bonds issued	24,562	24,821
Bank borrowings	18,992	12,180
Other financial liabilities	10,099	11,732
Liabilities from contracts with customers	96	65
Trade payables	5,472	7,130
Tax liabilities	–	973
Other non-financial liabilities	8,433	8,139
Total current liabilities	**70,872**	**68,228**
Total Equity and liabilities	**139,359**	**142,514**

7 CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

kEUR	Q1 2023	Q1 2022
Cash flow from operating activities		
Net income	–4,089	–927
Current income taxes recognised income statement	187	392
Income taxes paid	–4	–
Net finance costs recognised income statement	779	621
Interest received	17	–
Interest paid	–505	–322
Depreciation on contract assets	1	–
Depreciation, amortisation and impairment losses	3,626	3,699
Gain/loss from disposal of non-current assets	–362	–909
Change in other assets	3,152	1,124
Change in other liabilities	–1,650	1,214
Change in provisions	49	15
Other non-cash expenses or income	–901	–1,226
Cash flow from operating activities before working capital changes	**300**	**3,681**
Change in inventories	–2,129	–1,231
Change in trade receivables	542	897
Change in trade payables	–1,235	–1,185
Net cash flow from operating activities	**–2,522**	**2,162**
Cash flow from investing activities		
Payments for investment in intangible assets	–301	–652
Proceeds from disposal of property, plant and equipment	490	989
Payments for investments in property, plant and equipment	–2,358	–2,462
Payments for investments in contract assets	–16	–
Net cash flow from investing activities	**–2,185**	**–2,125**
Cash flow from financing activities		
Proceeds from bank loans	13,458	9,283
Repayments of bank loans	–7,783	–8,470
Payments for leases liabilities	–633	–747
Net cash flow from financing activities	**5,042**	**66**
Change in cash and cash equivalents before exchange rate effects	**335**	**103**
Effect of exchange rate changes on cash and cash equivalents	–131	141
Net change in cash and cash equivalents	**204**	**244**
Cash and cash equivalents at start of period	**9,381**	**9,810**
Cash and cash equivalents at end of period	**9,585**	**10,054**

IMPRINT

PUBLISHER

va-Q-tec AG
Alfred-Nobel-Straße 33
97080 Würzburg

Tel.: +49 (0)931 35 94 2-0
Fax: +49 (0)931 35 94 2-10

E-Mail: ir@va-Q-tec.com
www.va-q-tec.com

IR-CONTACT

va-Q-tec AG
Felix Rau

Tel.: +49 (0)931 35 94 2 - 2973
E-Mail: felix.rau@va-Q-tec.com

LAYOUT & DESIGN

cometis AG
Unter den Eichen 7
65195 Wiesbaden

Tel.: +49 (0)611 20 58 55-0
Fax: +49 (0)611 20 85 55-66

E-Mail: info@cometis.de
www.cometis.de

EDITING

va-Q-tec AG
Alfred-Nobel-Straße 33
97080 Würzburg

Tel.: +49 (0)931 35 942 0
Fax: +49 (0)931 35 942 10

E-Mail: ir@va-Q-tec.com
www.va-q-tec.com

PICTURE CREDITS

va-Q-tec AG

FINANCIAL CALENDAR

06.2022	Annual General Meeting
10.08.2023	Publication half-yearly financial report
09.11.2023	Publication quarterly financial report (call-date Q3)

REMARKS

This report can include forward-looking statements based on current assumptions and forecasts of the management of va-Q-tec AG. Such statements are subject to risks and uncertainties. These and other factors can lead the company's actual results, financial position, development or performance to differ significantly from the estimates provided here. The company assumes no obligation of any kind to update such forward-looking statements and adjust them to future events or developments.

va-Q-tec AG
Alfred-Nobel-Straße 33
97080 Würzburg

Tel.: +49 (0)931 35 942 0
Fax: +49 (0)931 35 942 10

E-mail: ir@va-Q-tec.com
www.va-q-tec.com