

Supporting material Q3-2020 presentation

November 30, 2020

About TRESU

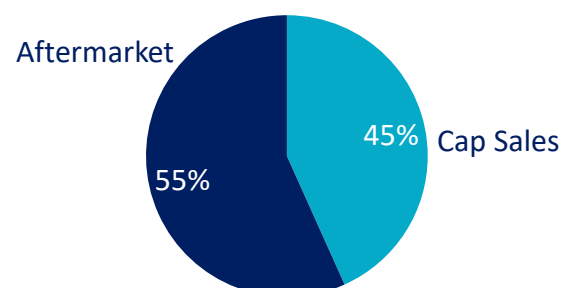
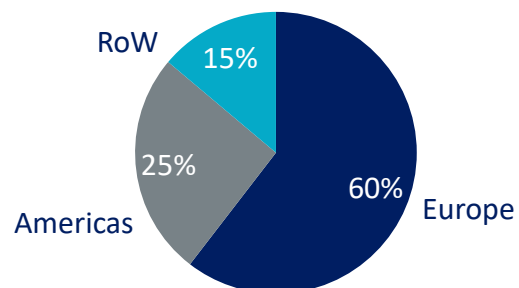
TRESU is a leading manufacturer of Flexographic Printing Solutions and Systems, primarily to the packaging industry, e.g. food and beverage, but also to specialty printing industries such as lottery, liquid pouches and hygiene products. In 2019, the company had a turnover of around DKK 400 million with an EBITDA of DKK 21 million, around 150 employees, and sales offices in 6 countries.

Since 2017, TRESU is owned by Altor Equity Partners and has its headquarters in Kolding, Denmark.



Revenue 2019 by geography

Revenue 2019 by Cap sales/Aftermarket



TRESU offers Flexo Solutions and Systems as well as Customer Care

Offerings

Complete Solutions

Ancillary Systems

Customer Care

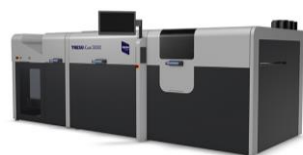
Description

Complete Flexographic Printing Machines mainly to packaging industry but also to niche areas such as scratch lottery, hygiene products and water-soluble foils for laundry

Flexographic Printing Systems to both OEMs and End Users, e.g. Pump- and Chamber Systems

Providing spare parts, consumables and services for the TRESU installed base of Solutions and Systems

Example of Products



Flexo units built into Digital presses



Pump Systems



Seals



Service Agreements



Large Inline Flexo



Chamber Systems



Doctor Blades

Leading technology and products for sustainable printing & productivity



High quality on par with Offset and Gravure

Flexo print quality has increased dramatically in past decade



State-of-the art coating

Variety of finishes and coatings (water-based and UV coating) to add value for users



Fastest speed in the industry (~800m / min)

Speed ideal for large volumes / long runs



Advanced thermodynamics

Individual cooling and heating for best substrate treatment leading to less energy used and better quality



High OEE

Combination of high speed, quick changeover, low downtime and waste proven by installed base to date



High automation level

E.g. automated ink supply delivery systems



Low cost per print

Savings in labour and materials translate into strong value proposition for user



Quick-sleeve change

Allows production of jobs of any size and quick changeovers



Sustainability front-runner

Ability to print on recycled and lower-grade paper minimizing printing costs and environmental footprint



Sustainable solutions

Waste reduction (ink, water, energy)
Ability to do water-based ink printing

TRESU Mission Statement (*“Who we are”*)

TRESU provides excellent printing and coating performance to our partners through our in depth Flexo Technology knowledge

“TRESU provides excellent printing and coating performance”, this means we are:

- Focused on helping our customers achieving excellent performance, not just selling products
- Focused on a “life cycle perspective”, as excellent performance is not achieved just by installing a new Flexo Innovator or a new Chamber, but through hard work over time
- Clear about being focused on printing and coating, that is where we want to make a difference

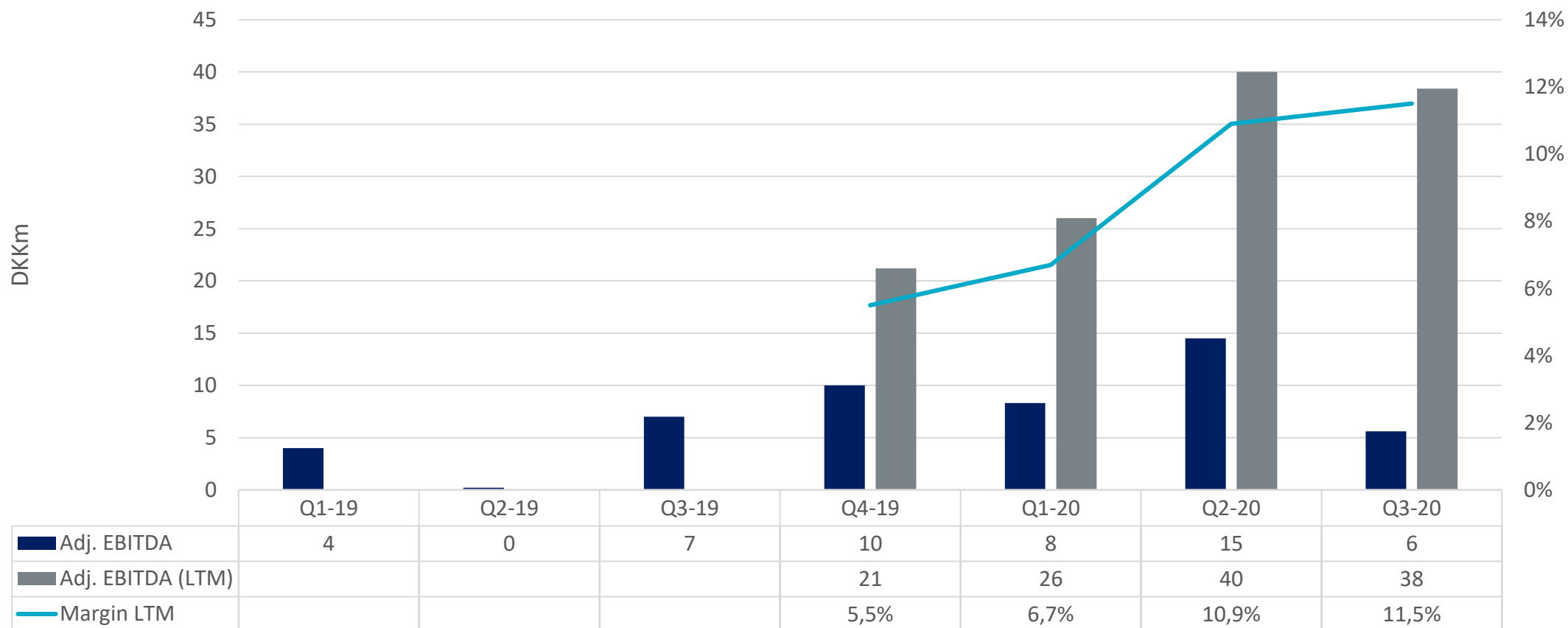
“to our partners”, means we are:

- Focused on creating true partnerships with our key customers. We want our relationship to be more than a supplier-customer relationship, we want to be seen as a trusted partner for everything that has to do with printing and coating

“through our in depth Flexo Technology knowledge”, means we are:

- Aware of the importance of having in depth knowledge and how it helps supporting our customers
- Focused on the Flexo Technology
- We are among the leading partners on Flexo Technology

TRESU has returned to a profitable core business during 2019 and increased profitability during 2020 despite COVID-19



TRESU Sales in 2020 significantly impacted by COVID 19

TRESU Market in 2020

Overall the printing market is estimated to be down 5-10% in 2020. Eventhough the Packaging part has held up relatively better most of TRESUs customers (both End Users and OEMs) are down in 2020

Complete Solutions

- No Capital Sales projects lost, but several larger Cap Ex projects postponed by customers due to the uncertain times
- Upgrades more interesting when Cap Ex is postponed. However, travel and visiting restrictions have influenced the Upgrade business negatively

LARGE IMPACT

Ancillary Systems

- System Sales to OEMs influenced by the OEMs drop in OI and sales
- System Sales to End Users has the same dynamics as Upgrades, i.e. the demand is there, but travel and visiting restrictions make it difficult to close the business

MEDIUM IMPACT

Customer Care

- Customer Care demand still the same, maybe even higher when Cap Ex is postponed, but also here travel and visiting restriction to customer plants have impacted the Customer Care sales

LOW IMPACT

Journey to become leading Flexo Technology Lifecycle Partner

2019-2020

Return to profitable core

Profitable Growth



Project Management
Secure margins



Digital
Improve profitability



Supply Chain
Transform and improve



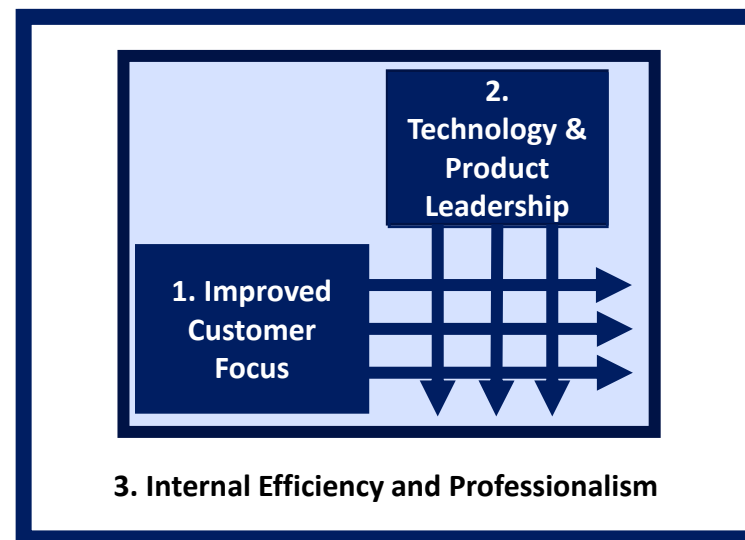
Right Sizing
Lower break-even point



2021-

Profitable growth

Three Strategic Pillars



Be the leading Flexo Technology Lifecycle Partner

Three Strategic Pillars for Profitable Growth

1. Improved Customer Focus

- A. Ensure End User Lifecycle Focus
- B. Be pro-active OEM Flexo Partner
- C. Grow Americas

2. Technology & Product Leadership

- A. Continue to invest in Flexo Technology Leadership
- B. Drive professional Product Management
- C. Continue to improve Project Management

3. Internal Efficiency & Professionalism

- A. Professionalize governance
- B. Improve all core processes
- C. Be facts and data driven

Market Outlook provides opportunities for Profitable Growth

Overall Market Size and Growth

LARGE AND GROWING FLEXO MARKET

The market for Flexographic printing is large (~160 USD billions) and is expected to continue to grow until 2025 (CAGR ~2%). The largest segments are all packaging related, i.e. Corrugated, Flexible Packaging, Labels and Folding Carton where TRESU has strong offerings, both within Ancillary Systems and Complete Solutions

LARGE INSTALLED BASE TO BE SERVICED

There is also a large installed base needing Upgrades, Spare Parts, Consumables and Services that TRESU offers. Only in Western Europe and North America there are some 23.000 Flexo Printers installed with in total >100.000 Flexo Print Units

Market Trends and Drivers

SUSTAINABILITY TREND FAVOURS TRESU

Overall strong drive for both Sustainable Materials and Processes will favour TRESU with focus on water based inks and ability to print on recycled material

ONLINE SHOPPING DRIVES PACKAGING

Increased online purchasing drives packaging needs, which in turn drives Flexo market

SHORTER RUN LENGTHS DRIVES DIGITAL PRINTING

Shorter run lengths are becoming a growing share of the total in labels, flexible packaging, folding carton and corrugated, which in turn drives need for digital printing. TRESU has already solutions for Flexo Digital Hybrid Printing and Coating Machines

Source: Smithers Market report "The Future of Flexo printing to 2025"

Shift from plastic to paperboard packaging

<p>Foam Cups \$1B</p> 	<p>Plastic Cups \$1B</p> 	<p>Foam Containers \$1B</p> 
<p>Beverage Packaging \$1B</p> 	<p>CPET Trays, Bowls \$500M</p> 	<p>Stand-up Pouches \$250M</p> 



<p>Insulated paperboard cups (hot & cold)</p> 	<p>Paperboard bowls</p> 	<p>Packaging machinery & beverage carriers</p> 
<p>PE-free cups</p> 	<p>Microwave cooking solutions</p> 	<p>Packaging machinery & food can containers</p> 
<p>Compostable cups</p> 	<p>Food containers</p> 	
	<p>High strength packaging</p> 	
	<p>Ship in own container (SIOC)</p> 	