IT'S ALL ABOUT POTENTIAL

BLUE CAP

2024
Half-Year Report

CONTENTS

GROUP KEY FIGURES

PLEASE NOTE
You can find the adjusted consolidated income statement in the "Further information section" on page 52.

EUR thousand Continuing operations	H1 2024	H1 2023	Variance in %
Sales revenue	129,214	145,375	–11.1
Adjusted EBITDA	11,118	11,453	–2.9
Adjusted EBITDA margin in %*	8.4	7.9	6.3
Consolidated income	–959	–7,876	–87.8
Cash flow from operating activities	6,820	7,865	–13.3
Cash flow from investment activities	–1,748	–2,173	–19.6
Earnings per share in EUR	–0.11	–1.78	–94.4

PLEASE NOTE
You can find more details about NAV starting on page 6.

	30 June 2024	31 December 2023	Variance in %
Total assets	238,600	243,904	–2.2
Net asset value in EUR million	115.3	112.3	2.7
Equity	83,272	87,254	–4.6
Equity ratio in %	34.9	35.8	–2.5
Net working capital**	45,600	47,263	–3.5
Net debt ratio in years	2.6	2.5	4.0
No. of employees in the Group (average)	1,081	1,279	–15.5
No. of employees in the holding company (average)	11	13	–15.4

* Adjustments: Adjusted to reflect extraordinary, non-period and other effects resulting from reorganisation measures and one-off effects, as well as effects arising from the purchase price allocations
** Incl. contract assets and contract liabilities

LETTER TO OUR SHAREHOLDERS

_ from left to right: Henning Eschweiler, Chief Operating Officer, Dr Henning von Kottwitz, Management Board Chairman and CEO

Dear shareholders,

Blue Cap's performance in the first half of 2024 was largely in line with expectations, despite a challenging economic environment. We have seen very different developments within the segments.

Totalling 129.2 million euro in the first half of the year, consolidated sales revenue was down on the previous year (145.4 million euro). We were able to increase the adjusted EBITDA margin from the previous year's figure of 7.9% to 8.4%. Turning to earnings performance across the segments, a distinct picture is emerging.

In the Plastics segment, which reported an adjusted EBITDA up 8% on previous year, the increase in earnings is down to a number of minor yet continuously implemented measures to optimise yield and also a moderate upturn in sales revenue. con-pearl in particular benefited from the noticeably more dynamic US market in the first half of 2024.

Adjusted EBITDA in the Adhesives & Coatings segment increased significantly compared to 2023, thanks first and foremost to the strong performance at Neschen. The improved margin is essentially the result of the fitness program we have implemented. Sales revenue reached the previous year's level. Planatol's revenue remained behind that of the poor previous year and is significantly impacted by the ongoing sluggish demand in end customer markets. Nonetheless, the company is demonstrating good resilience with a visibly improved margin and adequate cash flow compared to the previous year. This means we can continue to focus on structural and operational measures to improve sales performance.

The significant decrease in adjusted EBITDA in the Business Services segment is primarily due to the significant drop in sales revenue at HY-LINE. The decline following the unusually strong 2023 was sharper than expected and, as a result, has also negatively impacted earnings. Transline also fell below expectations in terms of sales revenue and margin. We are responding by implementing cost adjustment measures at both companies, while ensuring that sales performance is not restricted.

The improvements in earnings achieved are sustainable and more than compensate for the challenges the individual portfolio companies are currently facing. We therefore remain on track to achieve our targets for the year and confirm our forecast for 2024.

This positive development is down to our team's tremendous dedication, at both the holding company and at our portfolio companies. We would like to take this opportunity to extend heartfelt thanks to all of the Group's employees.

For regulatory reasons, we are not yet able to provide you with detailed information on our current M&A activities. But you can rest assured that all the processes we have initiated are still ongoing. We are seeing extended process times in the transaction market overall and the companies in our portfolio earmarked for divestment are no exception in this regard. That said, we are confident of being able to successfully finalize the exits we have planned by the end of 2024.

In terms of acquisitions, we have succeeded in building up a relevant pipeline of potential targets. We conducted an initial analysis of several companies in the second quarter of the first half year in particular, and expect to see the process gain momentum once the summer is behind us.

We remain true to our all-weather strategy across the portfolio, taking the persistent uncertain market conditions into account. The all-weather strategy focuses on cost efficiency and cash flow and optimising the companies as best we can at the current level of sales revenue. We do not hinder their ability to grow during an economic upswing by imposing excessive savings targets, nor do we jeopardise their substance through investment restraint. The overall robust result in the first half of the year and the substantial increase in earnings at the individual companies are testimony to the effectiveness of this strategy.

Finally, we would like to thank you, our shareholders, for the confidence you place in us. This gives us even greater encouragement. We are convinced that with our clear strategy and new investments to suit, we will be able to continuously increase the value of Blue Cap. We look forward to enjoying this journey with you.

Munich, August 2024

Your Management Board

BLUE CAP ON THE CAPITAL MARKET

As a result, the positive trend for the mid-cap segment in the first half of the year was only a modest one. Uncertainty and volatility prevailed in the landscape, largely driven by expectations about the easing of monetary policy. All the more gratifying, then, that our share enjoyed modest improvement. The Blue Cap share saw a gain of 9.6% in the first half of the year.

The market capitalisation of Blue Cap as of 30 June 2024 stood at EUR 87 million. The average daily trading volume fell compared to the same period of the previous year and amounted to 840 shares across all stock exchanges. (H1 2023: 1,091). The daily average XETRA trading volume stood at 758 shares (H1 2023: 566). Most of the remaining shares were traded on the Tradegate stock exchange.

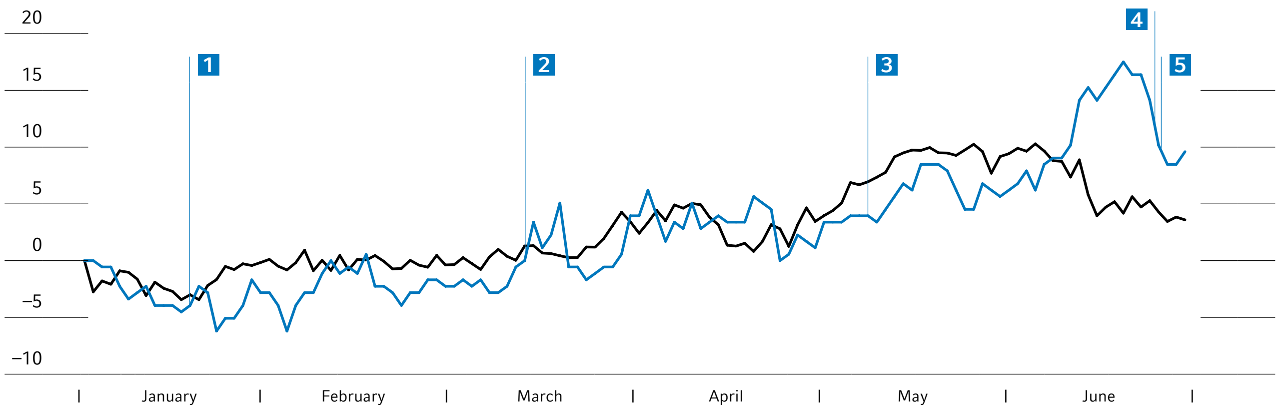
CAPITAL MARKET AND EQUITY

Positive sentiment on the equity markets not shared by mid caps

Modest economic growth combined with declining inflation and expected interest rate cuts by the central banks helped the global equity markets find strong momentum in the first half of the year. The German benchmark indices, however, painted a mixed picture. While the DAX recorded an increase of 9%, the SDAX gained just 3% over the course of the year.

Share price performance of the Blue Cap share | 1 January to 30 June 2024

in %



Blue Cap (excl. dividend)
SDAX (share price index)

Source: Bloomberg

1 19 January 2024: Exceeded the forecast for the 2023 financial year
2 13 March 2024: Publication of preliminary key financial figures for 2023
3 8 May 2024: Publication of key financial figures for Q1 2024
4 24 June 2024: Annual General Meeting approves dividend of EUR 0.65
5 25 June 2024: Ex-dividend day

INVESTOR RELATIONS

Annual General Meeting approves dividend of EUR 0.65 per share

Our Annual General Meeting was held in person on 24 June 2024. Around 69% of the voting capital stock was represented. In its presentation, the Management Board provided the shareholders with detailed information on current developments within the Group. The focus for the next few years would be to increase M&A activities and continue the active value-generating transformation of the portfolio companies. Another objective was to facilitate an interactive general debate. We believe we achieved this successfully thanks to the enthusiastic participation and the numerous questions from the shareholders.

All proposed resolutions were accepted with a large majority. The dividend of EUR 0.65 per share proposed by the Management Board and Supervisory Board met with broad approval among shareholders (previous year: EUR 0.90). This corresponds to a dividend yield of 3.2% based on the XETRA closing price of 21 June 2024. This pay out reflects Blue Cap AG's commitment to upholding its dividend policy, even in economically challenging times.

Two new Supervisory Board members and a new Chairman

The Annual General Meeting also elected two new members to the Supervisory Board – Dr Christian Diekmann and Nikolaus Wiegand. Dr Christian Diekmann was elected Chairman of the Supervisory Board following the Annual General Meeting, succeeding Kirsten Lange, who resigned from her position on 24 June 2024. Nikolaus Wiegand replaces Dr Henning von Kottwitz, who stepped down from the Supervisory Board on 30 September 2023 upon his appointment as Blue Cap CEO. The Supervisory Board of Blue Cap AG now has five members.

NET ASSET VALUE

Blue Cap AG calculates net asset value (NAV), a strategic performance indicator, every six months. The aim is to present the value of the portfolio according to what Blue Cap AG considers to be objective market criteria and to increase transparency over the company's value. The procedure applied here is based on the International Private Equity and Venture Capital (IPEV) Guidelines.

The NAV is based on current forecasts, estimates and expectations, some of which are either difficult to judge or beyond the control of Blue Cap AG. The NAV is therefore exposed to risks and uncertainties. For these reasons, and because the NAV is calculated as of the reporting date, it does not constitute any forecast of the future development of Blue Cap's share price. The calculation of the NAV is presented in detail in the combined management report in the section entitled Development of the Blue Cap Group (starting on page 13).

The NAV of the Group is composed of the NAV of the segments, the net debt of the holding company, the real estate assets and the value of the minority interests.

The NAV of the business divisions (including minority interests) as of 30 June 2024 amounts to EUR 117.4 million, EUR 4.1 million above the figure as of 31 December 2023 (EUR 113.3 million).

The Group's NAV as of 30 June 2024 stood at EUR 115.3 million, EUR 3 million up on the figure as of 31 December 2023 (EUR 112.3 million). The net debt included in the Group's NAV was adjusted to account for the dividend of EUR 2.9 million paid out in June 2024.

Indicative net asset value of the Group

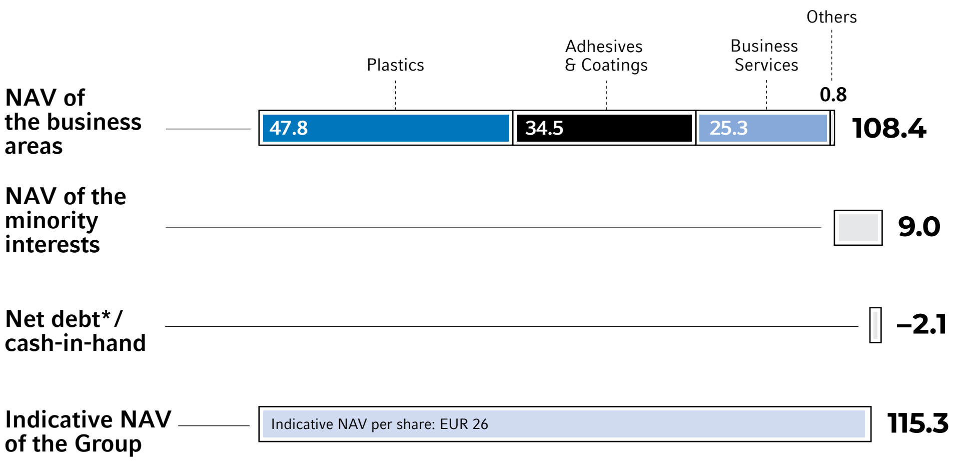
EUR million

	30 June 2024	31 December 2023
NAV of the segments	**108.4**	**101.2**
Plastics	47.8	35.6
Adhesives & Coatings	34.5	33.3
Business Services	25.3	31.5
Others	0.8	0.8
NAV of the minority interests	**9.0**	**12.1**
Net debt* (–) / cash-in-hand (+) of Blue Cap AG (+)	**–2.1**	**–0.9**
Indicative NAV of the Group	**115.3**	**112.3**

*Adjusted to reflect the dividend of EUR 2.9 million paid out in June 2024

Indicative net asset value of the Group (as of 30 June 2024)

EUR million



*Adjusted to reflect the dividend of EUR 2.9 million paid out in June 2024

_Three more analyst conferences are currently planned for the rest of 2024. All relevant dates can be found in the financial calendar on the Investor Relations website.

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INTERIM GROUP MANAGEMENT REPORT

08_ INTERIM GROUP MANAGEMENT REPORT

COMBINED MANAGEMENT REPORT

1 THE COMPANY

1.1 Operating activities and strategic orientation

MAJORITY INTEREST IN THE SME SEGMENT

Blue Cap AG is a listed investment company, established in 2006 and headquartered in Munich. The company buys small and medium-sized enterprises from the B2B sector, focussing on those facing special situations, and oversees their entrepreneurial development with the aim of selling them for a profit at a later date. The companies acquired are primarily headquartered in Germany, Austria and Switzerland, generate revenue of between EUR 20 million and EUR 200 million and have a sustainable and intact core business.

As of the reporting date, the company holds majority interests in seven groups (previous year: eight) and has one minority interest. The Group had an average of 1,081 employees in the half year under review and operates in Germany, Europe and the USA.

Blue Cap AG is listed on the Frankfurt Stock Exchange in the "Scale" segment and on the Munich Stock Exchange in "m:access" (ISIN: DE000A0JM2M1). The capital market listing places the company under an obligation to provide an appropriate level of transparency, an obligation it fulfils through active capital market communication and investor relations work.

BUSINESS MODEL: BUY, TRANSFORM & SELL

Blue Cap acquires companies from the B2B sector that are standing at a crossroads along their corporate journey. These special situations can include upheavals with extensive restructuring requirements or unresolved succession situations and group spin-offs. Target companies are systematically identified and selected on the basis of defined investment criteria. The investment decision centres on clear operational improvement potential and prospects for value enhancement based on a sustainably stable business model. Blue Cap actively supports the portfolio companies in their strategic and operational development during the holding period. The optimal holding period is usually between three and seven years. The basic principle: Blue Cap is a temporary owner and sells its portfolio companies as soon as successful growth within a different ownership structure appears to make more sense and it has been able to successfully implement large parts of its planned transformation programme.

1.2 Goals and strategy

FOCUS ON TURNAROUND CASES WITH AN INCREASED NEED FOR RESTRUCTURING

In the past, the investment focus has been on companies with healthy business models and (adjusted) EBITDA margins of 7–10%. Since the end of 2023, we have increasingly focussed on companies facing special situations, the transformation of which involves increased restructuring effort. As a rule, these companies generate (adjusted) EBITDA margins of between 0% and 5% and revenue of between EUR 20 million and 200 million. Blue Cap's investment focus is the B2B sector for industrial goods and services. We do not target specific sectors. This strategic approach is designed to pursue the goal of significantly increasing the value of a company during the holding period and achieving an attractive return-on-investment.

ACTIVE SUPPORT DURING THE HOLDING PERIOD

An investment decision is based on a company's potential to grow in value, supported by a sustainably robust business model. Blue Cap's primary objective is to realise this value appreciation potential during the holding period by implementing suitable operational and strategic measures. To achieve this goal, it takes a proactive investment approach. This strategy is based on the extensive M&A, industrial and turnaround experience of the Management Board and the Blue Cap team. Key strategic decisions are taken and improvement and growth programmes are agreed with the management teams of the portfolio companies. When implementing suitable measures, the team supports the portfolio companies closely and proactively with its in-depth expertise. Blue Cap provides the portfolio companies with additional liquidity if required. If inorganic growth makes sense, it also strengthens the portfolio companies through add-on acquisitions.

THE AIM OF A SALE IS A HIGH RETURN ON INVESTED CAPITAL

The optimum holding period of a portfolio company is between three and seven years, as Blue Cap expects to have been able to largely implement the transformation programme planned at the time of acquisition by this time. The aim of selling a portfolio company is a high return on invested capital (ROIC).

PORTFOLIO AND STRUCTURAL CHANGES

As of 31 December 2023, HY-LINE Management GmbH held 2.6% of its own shares. This put Blue Cap AG's shareholding at 95.4% as of 31 December 2023. In the first half of 2024, HY-LINE Management GmbH acquired further shares from a departing shareholder, taking the total of its own shares as of the reporting date to 3.3%. This changed Blue Cap AG's pro rata shareholding in HY-LINE Management GmbH, which amounts to 96.3% as of the reporting date.

In order to streamline the corporate structure of the Blue Cap Group, Blue Cap 13 GmbH and Blue Cap Asset Management GmbH were merged into Blue Cap AG by way of a notarised agreement dated 24 June, 2024. The mergers took place retroactively to 1 January, 2024.

1.3 Governance

MANAGEMENT BOARD

Blue Cap AG, as the Group's parent company, is governed by the Management Board. The Management Board manages the business under its own authority and determines the strategic orientation of the company and hence also of the Group. The strategy is implemented in consultation with the Supervisory Board.

The Management Board regularly advises the Supervisory Board on the course of business, strategy, and potential opportunities and risks.

During the first half of the 2024 financial year, the Management Board comprised two members: Dr Henning von Kottwitz (Chief Executive Officer) and Henning Eschweiler (Chief Operating Officer).

SUPERVISORY BOARD

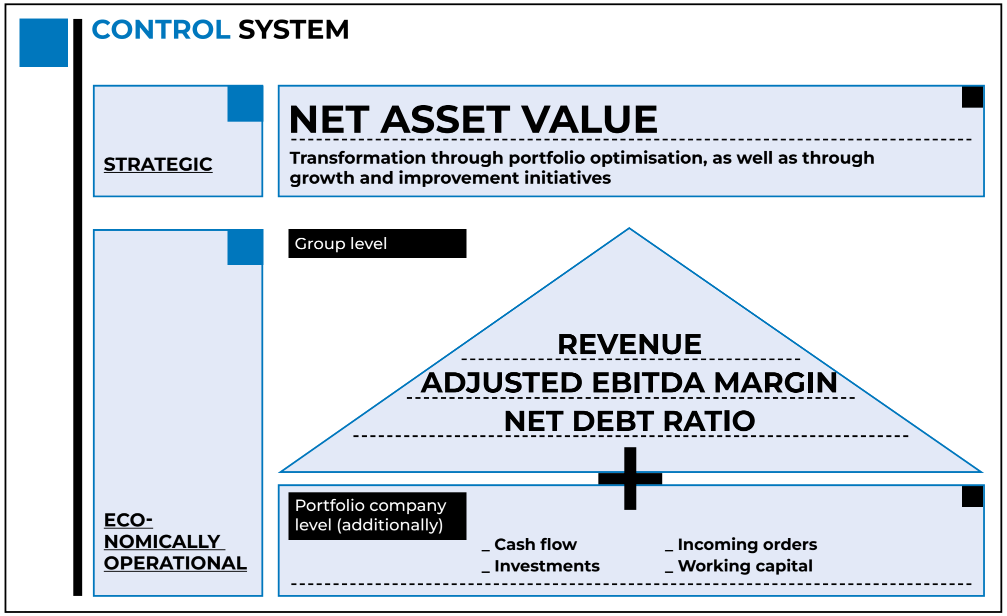
The Management Board is overseen by the Supervisory Board. During the first half of the financial year, the Supervisory Board comprised four or five members. It was chaired by Kirsten Lange until 24 June 2024 and from 24 June 2024 by Dr Christian Diekmann, who was elected to the Supervisory Board by the Annual General Meeting on that day and elected Chairman by the Supervisory Board afterwards. The other members are Deputy Chairman Dr Michael Schieble, Michel Galeazzi, Freya Oehle and, since 24 June 2024, Nikolaus Wiegand. Kirsten Lange stepped down from the Supervisory Board on 24 June 2024. Throughout the reporting period, the Supervisory Board also maintained regular and constructive communication with the Management Board outside of the meetings. The Supervisory Board has formed three committees. The Audit Committee is made up of the members Dr Michael Schieble (Chairman), Kirsten Lange (until 24 June 2024), Dr Christian Diekmann (from 24 June 2024) and Nikolaus Wiegand (from 24 June 2024). The M&A Committee comprises the members Michel Galeazzi (Chairman), Kirsten Lange (until 24 June 2024), Dr Christian Diekmann (from 24 June 2024) and Freya Oehle. The Nomination Committee consists of the members Nikolaus Wiegand (Chairman from 24 June 2024), Dr Michael Schieble (Chairman until 24 June 2024) and Michel Galeazzi.

1.4 Control

CONTROL FOCUS: SUSTAINABLE VALUE CREATION AND INCREASE IN REVENUE AND INCOME

At strategic level, net asset value (NAV) is calculated to show the net asset value of the Blue Cap Group.

The key economic performance indicators are derived from the company's strategic objectives. Across the Group, these are revenue, the EBITDA margin adjusted for non-operating effects (adjusted EBITDA margin), and the net debt ratio. At investment level, cash flow, capital expenditure and the trends in incoming orders and working capital are also relevant key performance indicators.



Net asset value (NAV) corresponds to the proportionate fair value of the equity of the portfolio companies included in the segments less the net debt of the holding company, plus the value of the minority interests, depending on the shareholding ratio. More detailed information on the calculation of the NAV for the financial year can be found in the economic report in section 2.2 under "Net asset value of the segments and the Group".

The economic indicators relevant at Group level – revenue, adjusted EBITDA margin and net debt ratio – are determined in accordance with IFRS. The adjusted EBITDA margin is calculated as the ratio of adjusted EBITDA to total output. EBITDA and total output are adjusted to reflect extraordinary, prior-period and other effects resulting from reorganisation measures, as well as one-off effects (adjustments). In order to ensure consistency with the control parameters used for the portfolio companies, the effects resulting from purchase price allocations (in particular income from "bargain purchases" and amortisation of disclosed hidden reserves) are also corrected. Cash flow is divided into cash flow from operating activities, investment activities and financing activities.

Net debt corresponds to the balance of non-current and current loan liabilities, lease liabilities and cash and cash equivalents. The net debt ratio (in years) represents net debt in relation to adjusted EBITDA.

CONTROL PROCESSES: CLOSELY DOVETAILED

Blue Cap enhances the success of the portfolio companies and hence the Group's performance overall by providing strategic and operational support. To achieve this, Blue Cap's control system dovetails closely with the detailed operational control systems of the portfolio companies, which are based on day-to-day business.

The business plans of the portfolio companies are developed in an iterative process between the portfolio companies and Blue Cap. The planning process is initiated by an exchange of information between the management teams of the portfolio companies and the Management Board concerning the expectations for business development and strategy. The companies then develop detailed corporate plans for a period of three years each on the basis of the strategic principles. From this exchange with the management teams and the plans made by the portfolio companies, the Management Board forms an overall picture of the Group's expected business performance and prepares a consolidated plan.

The portfolio companies provide the holding company with ongoing information on their financial development and submit monthly reports consisting of revenue, earnings, balance sheet and other key financial figures, order development, risks and other specific topics. The investment controlling team at Blue Cap analyses the key figures of the portfolio companies on a monthly basis, compares them with the respective budgets and presents the results to the Management Board. In parallel, the Management Board discusses developments at the portfolio companies and important ongoing projects with the management teams and investment managers. This is the basis from which the Management Board of Blue Cap receives a regular overview of business development of the portfolio companies as well as of the Group.

ONGOING DIALOGUE: THE MANAGEMENT BOARD MAINTAINS CLOSE COMMUNICATION WITH THE PORTFOLIO COMPANIES

Regular meetings between the Management Board, the investment managers and the management teams at the respective portfolio companies are another control tool. At these meetings, key developments such as important contract awards, strategic investments or financing are discussed and alternative courses of action are considered. The management teams also regularly monitor and analyse the respective market and competitive environment and share their insights with the Management Board.

Blue Cap's Management Board is also involved in devising improvement and growth programmes and is regularly informed about their implementation status and results.

In the investment business, the Management Board is closely involved in all major core processes in the selection and review of new investment proposals, as well as in the negotiation of investment acquisitions and disposals.

2. FINANCIAL REPORT

2.1 Development of the economic environment

GLOBAL ECONOMY: MODERATE DEVELOPMENT WITH A STRONG FOCUS ON MONETARY POLICY TRENDS[1]

The global economic recovery continued into early 2024, driven primarily by more vigorous macroeconomic activity in China and the Eurozone. That said, global demand for consumer goods and investment appetite remained subdued, following the previous year's trend. 2024 has seen a resurge in global trade, after dwindling results in the previous quarters.

Although the US economy remained robust, it developed at a lower level than in 2023. The labour market situation in the USA remained steady. Coupled with higher real incomes, this had a positive impact on private consumption and demand. Inflation topped 3% in spring 2024.

In the first quarter of the year, the Eurozone saw a significant economic upturn, evident in the resurgence of industrial production and a boost in exports. Inflation stood at around 2.5% in the spring, the ECB's response in June being an initial interest rate cut of 0.25 percentage points.

China reported robust growth in overall economic production in the first quarter of the year. Nonetheless, China's economy is being hampered by the ongoing property crisis, high real interest rates and high youth unemployment.

In contrast, economic output in Germany rose by just 0.2% in the first quarter of 2024. The construction industry in particular benefited from the mild weather and acted as a key driver, with manufacturing, trade, and various service sectors also following suit. Despite a rise in wage income and a slowdown in inflation, private consumption fell in the first three months.

1 Cf. ifo Economic Forecast Summer 2024, published in June 2024. Available at: https://www.ifo.de/en/facts/2024-06-20/ifo-economic-forecast-summer-2024-new-hope-but-not-a-summer-fairytale

INDUSTRY ENVIRONMENT: SENTIMENT IN THE GERMANY PRIVATE EQUITY MARKET DROPS SIGNIFICANTLY[2]

Following a marked improvement in the assessment of the current business situation on the German private equity market in the previous quarters, the second quarter of 2024 saw a significant drop in sentiment. KfW's business climate indicator fell by 20.6 points to −23.4 balance points in the second quarter. The indicator for the current business situation fell by 30.8 points to −32.7 balance points. The indicator for business expectations also lost 10.5 points, falling to −14.0 balance points.

According to KfW, the sharp drop in sentiment is at odds with the changes in the individual components of the Private Equity Barometer, which showed different trends in the second quarter. The assessment concerning the initial valuations has improved slightly. The investment appetite has grown significantly. On the other hand, fundraising remained a tense issue. There was an improvement in the exit climate and deal flow quantity was assessed at a higher level accordingly. Deal flow quality, interest rate level and available acquisition financing were relatively stable compared to the previous quarter.

2.2 Development of the Blue Cap Group

NET ASSET VALUE OF THE SEGMENTS AND OF THE GROUP

Blue Cap AG calculates the net asset value (NAV) of the segments and of the Group every six months to demonstrate the Group's performance. The calculation of the NAV is based on the International Private Equity and Venture Capital (IPEV) Guidelines and also takes into account the auditor's opinion on the audit of the consolidated financial statements.

The aim is to value the portfolio companies on the valuation date at the market price achievable in a transaction. In order to determine the most representative fair value possible, IPEV Guidelines recommend using several valuation techniques and comparing the results. NAV is calculated for the portfolio companies on the basis of relative valuation using valuation multiples (enterprise value/EBITDA) and the discounted cash flow method. The resulting value range is then used to determine the value that is judged to be representative of the price that can currently be achieved on the market. This takes into

2 Cf. kfw German Private Equity Barometer, second quarter 2024, published on 24 July 2024. Available at: https://www.kfw.de/PDF/Download-Center/Konzernthemen/Research/KfW-Research/Economic-Research/Wirtschaftsindikatoren/German-Private-Equity-Barometer/PDF-Dateien/GPEB-Q2-2024.pdf (in German)

account the fact that buyers in our market segment prefer relative valuation methods. As of the reporting date and the previous year's reporting date, the enterprise value determined using the multiple method was therefore applied to the companies in the portfolio.

For the relative valuation based on multipliers, valuation multiples (enterprise value/EBITDA) were determined from the most recently reported key financial figures for the last twelve months (LTM) and the forecast key financial figures for the next twelve months (NTM) of the peer group companies. These were subsequently used as a basis due to the generally smaller size of our portfolio companies with a size & profitability discount of 0% to 20% to the multiple in question. To determine the relevant enterprise value, the average value was calculated from the multiples for the past twelve months and the expected key financial figures for the next twelve months. Multiples of between 3.5 and 14.1x were applied to the portfolio companies in relation to the EBITDA.

The discounted cash flow method is based on the approved or current budget plans of the respective portfolio companies for the years 2024 to 2026 and their projection for the years 2027 and 2028. The growth rates after the five-year period for calculating the terminal value were generally assumed to be 1.5% (previous year: 1.5%). The weighted average cost of capital (WACC) was calculated for each portfolio company on the basis of individual peer groups and is within a range of 5.4 to 11.1%.

Companies for which a market price is available from a recently (up to twelve months) completed Blue Cap acquisition are included in this purchase price, provided there is nothing to suggest a significant change in value. This was not relevant in the 2024 financial year.

As of 30 June 2024, the NAV of the divisions (including minority interest) amounted to EUR 117.4 million, putting it EUR 4.1 million above the figure as of 31 December 2023 (EUR 113.3 million).

The increase compared to the year-end figure is primarily due to an earnings-related rise in the NAV of con-pearl from the Plastics segment. This is counterbalanced by a decline in the value of the Business Services division, which is mainly down to lower earnings contributions from HY-LINE. In the Adhesives & Coatings division, NAV increased thanks to Neschen's improved profitability.

The Group's NAV as of 30 June 2024 stood at EUR 115.3 million, EUR 3 million up on the figure as of 31 December 2023 (EUR 112.3 million). The net debt included in the Group's NAV was adjusted to account for the dividend of EUR 2.9 million paid out in June 2024.

SUMMARY OF REVENUE AND EARNINGS PERFORMANCE IN THE HALF YEAR UNDER REVIEW

The Group figures at the end of the first half of 2024 are in line with the latest forecast. In a challenging environment, Group revenue fell by 12.5% year-on-year to EUR 129.2 million (previous year: EUR 145.4 million). Adjusted EBITDA decreased at a lower rate than revenue to EUR 11.1 million (–3.0% year-on-year, previous year: EUR 11.5 million). This corresponds to a margin of 8.4% (previous year: 7.9%).

The net debt ratio of 2.6 years (31 December 2023: 2.7) remained well within the target range of less than 3.5 years. The net financial debt as of the reporting date of 31 December 2023 increased slightly from EUR 59.0 million to EUR 59.9 million.

EARNINGS PERFORMANCE

Slight decline in revenue and earnings

In the first half of 2024, the Blue Cap Group's consolidated revenue fell by 12.5% or EUR 16,161 thousand compared to the same period of the previous year (previous year: –0.3% or EUR –453 thousand) to EUR 129,214 thousand. The decline is primarily attributable to the weaker order intake, as anticipated, and the generally subdued economic situation. In the first half year, we have seen very different developments within the segments.

Revenue performance within the Group H1 2024 (H1 2023)

EUR thousand

Looking at the breakdown of consolidated revenue, the German market accounts for 46.4% or EUR 59,918 thousand (previous year: 55.5% or EUR 80,721 thousand), the rest of the EU for 33.8% or EUR 43,694 thousand (previous year: 32.9% or EUR 47,884 thousand) and third countries for 19.87% or EUR 25,603 thousand (previous year: 11.5% or EUR 16,771 thousand).

Other operating income amounts to EUR 1,532 thousand (previous year: EUR 2,336 thousand), and essentially includes income from reversal of provisions amounting to EUR 157 thousand (previous year: EUR 752 thousand), income from reversal of provisions amounting to EUR 397 thousand (previous year: EUR 639 thousand), income from other benefits in kind amounting to EUR 261 thousand (previous year: EUR 269 thousand), income from the disposal of fixed assets amounting to EUR 38 thousand (previous year: EUR 141 thousand) and non-period income totalling EUR 182 thousand (previous year: EUR 124 thousand).

In the first half of 2024, the Group's total output stood at EUR 133,296 thousand, down on the same period of the previous year (EUR 147,018 thousand). The decline is primarily attributable to the weaker order intake, as anticipated, and the resultant revenue development, particularly at H+E and Planatol, and also in the Business Services segment. Conversely, the strong business development at con-pearl and the improvement measures at Neschen had a positive effect.

At 50.4% of total output, the material usage ratio at the end of the first half of 2024 was slightly down on the same period of the previous year (53.8%). The reduction in the cost of materials ratio compared to the same period of the previous year is mainly due to lower cost of materials ratios at Planatol and H+E. The gross profit ratio for the half year under review stands at 49.6% (previous year: 46.2%) and gross profit, which represents the difference between total output and material usage, amounts to EUR 66,169 thousand (previous year: EUR 67,946 thousand).

In the half year under review, personnel expenses in the Group amounted to EUR 35,425 thousand (previous year: EUR 36,507 thousand), which corresponds to 26.6% (previous year: 24.8%) of total output. Depreciation and amortisation amount to EUR 8,988 thousand (previous year: EUR 10,011 thousand) or 6.7% (previous year: 6.8%) of total output. Other expenses decreased by EUR 351 thousand to EUR 20,665 thousand. At 15.5% of total output, however, they were slightly up on the previous year (14.3%). Overall, the expenses mentioned are at the previous year's level in relation to total output.

For the first half of 2024, EBIT comes to EUR 843 thousand (previous year: EUR –645 thousand), corresponding to 0.6% (previous year: –0.4%) of total output. The EBIT also includes the contribution to earnings from the minority interest INHECO (EUR –105 thousand, previous year: EUR –709 thousand). The financial result of EUR –1,966 thousand (previous year: EUR –1,776 thousand) was down on the previous year.

Consolidated earnings before taxes (EBT) amount to EUR –1,285 thousand (previous year: EUR –2,488 thousand). The lower EBITDA and consolidated earnings before taxes is mainly due to the reduced total output and the disproportionately low reduction in expenses.

Adjusted EBITDA

The portfolio companies and, hence also the Group as a whole, are controlled on the basis of the adjusted EBITDA margin, among other factors. The EBITDA, calculated in accordance with IFRS, is adjusted to reflect extraordinary, prior-period and other effects resulting from reorganisation measures, as well as one-off effects (adjustments). In order to ensure consistency with the control parameters used for the portfolio companies, the effects resulting from purchase price allocations (in particular income from "bargain purchases" and depreciation and amortisation of disclosed hidden reserves) are also corrected.

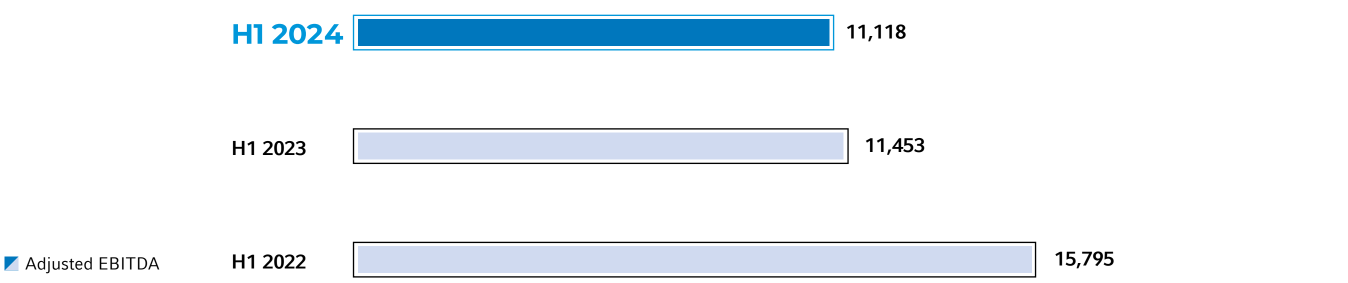
The reconciliation of the EBITDA presented in the IFRS income statement to the adjusted EBITDA and the adjusted EBIT is shown below:

EUR thousand	H1 2024	H1 2023
EBITDA (IFRS)	**10,079**	**10,423**
Adjustments:		
Income from asset disposals	–38	–141
Income from the reversal of provisions	–157	–752
Other non-operating income	–566	–245
Losses on disposal of fixed assets	26	107
Expenses from restructuring and reorganisation	0	31
Personnel costs in connection with personnel measures	447	809
Legal and consultancy costs related to with acquisitions/ divestments and personnel measures	331	738
Other non-operating expenses	997	483
Adjusted EBITDA	**11,118**	**11,453**
Adjusted EBITDA margin in % of total output, adjusted	**8.4**	**7.9**

The adjusted EBITDA margin in the reporting period came to 8.4% (previous year: 7.9%) of adjusted total output.

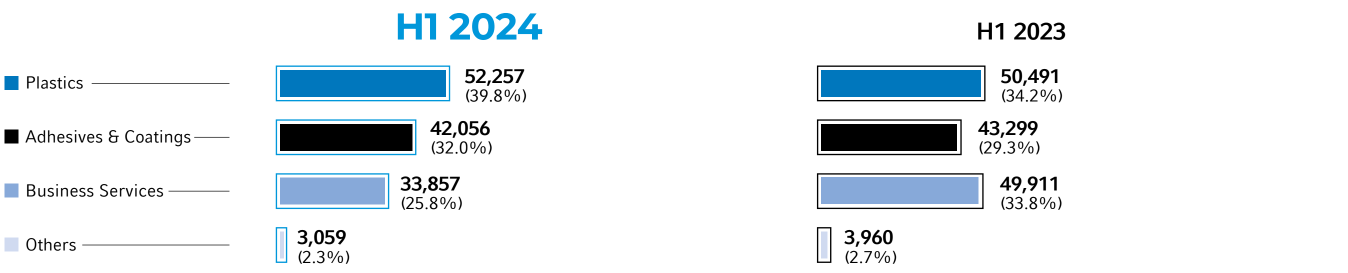
Earnings performance of the Group results (continuing operations)

EUR thousand



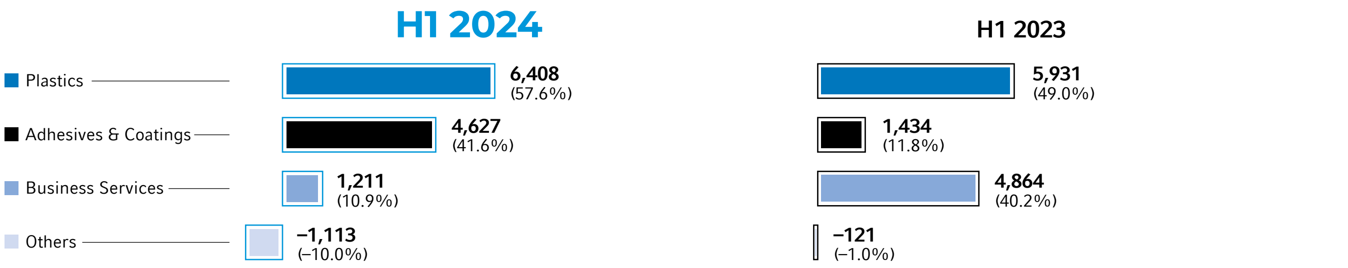
Revenue performance by segment (before consolidation)

EUR thousand



Earnings performance by segment (before consolidation)

EUR thousand



As in the first half of 2023, the Plastics segment remains the most lucrative segment. The contribution of the Plastics segment to total revenue decreased from 34.2% to 39.8% (or from EUR 50,491 thousand to EUR 52,257 thousand). Compared to the previous year, con-pearl enjoyed extremely positive revenue performance in the USA. This effect was counterbalanced by an increase in other operating expenses. Overall, adjusted EBITDA was slightly above plan in the first half of 2024. As of 30 June 2024, H+E was behind the previous year in terms of both revenue and adjusted EBITDA. The main reason was low sales from a major customer coupled with difficult price negotiations. Adjusted EBITDA in the Plastics segment likewise increased overall compared to the previous year and, at 57.6% in the reporting period (previous year: 49.0%) or EUR 6,408 thousand (previous year: EUR 5,931 thousand), accounted for just over half the adjusted EBITDA of the segments.

Key figures for the Plastics segment

EUR thousand

	H1 2024	H1 2023	Variance
Revenue	52,257	50,491	3.5%
Adjusted EBITDA	6,408	5,931	8.0%
Adjusted EBITDA margin in % Adjusted total output	12.0	11.7	2.6%

In the first half of the year, the Adhesives & Coatings segment accounted for 32.0% (previous year: 29.3%) or EUR 42,056 thousand (previous year: EUR 43,299 thousand) of total revenue of the segments. A market development that fell short of expectations and increasing price pressure led to a weaker first half-year at Planatol compared to the previous year. At Neschen, significant improvements continue to be seen as a result of the reorganisation that has been ongoing since last year. The loss of the French sales company was redressed by a new distributor in France and solid performance by the rest of the companies. The adjusted EBITDA for the segment increased significantly from 11.8% to 41.6% or from EUR 1,434 thousand to EUR 4,627 thousand during the period under review.

Key figures for the Adhesives & Coatings segment

EUR thousand

	H1 2024	H1 2023	Variance
Revenue	42,056	43,299	–2.9%
Adjusted EBITDA	4,627	1,434	>100%
Adjusted EBITDA margin in % Adjusted total output	10.6	3.3	>100%

The Business Services segment's share fell to 25.8% compared to the same period of the previous year (previous year: 33.8%) or EUR 33,842 thousand (previous year: EUR 49,901 thousand). After a strong first six months the previous year, the HY-LINE Group was now faced with customers' reluctance to buy in 2024. The Transline Group performed below expectations in terms of revenue and adjusted EBITDA, primarily due to the lack of new customer business and high staffing costs. Overall, the Business Services division contributed adjusted EBITDA of EUR 1,211 thousand (previous year: EUR 4,864 thousand) or 10.9% (previous year: 40.2%) to the segments' adjusted EBITDA.

Key figures for the Business Services segment

EUR thousand

	H1 2024	H1 2023	Variance
Revenue	33,842	49,901	–32.2%
Adjusted EBITDA	1,211	4,864	–75.1%
Adjusted EBITDA margin in % Adjusted total output	3.5	9.6	–63.7%

The Others segment includes the Blue Cap Group's holding company and, for reasons of materiality, nokra Optische Prüftechnik, a production technology company. As a result, the segment accounted for 2.3% (previous year: 2.7%) or EUR 3,059 thousand (previous year: EUR 3,960 thousand) of total revenue (of which with external third parties: EUR 1,058 thousand, previous year: EUR 1,684 thousand). In the half year under review, adjusted EBITDA of the segment amounted to EUR –1,113 thousand (previous year: EUR –121 thousand) or –10.0% (previous year: –1.0%) of adjusted EBITDA of the segments. nokra's revenue was significantly lower than in the same period of the previous year, in particular due to delays in incoming orders and because an anticipated major project failed to materialise. Adjusted EBITDA also fell significantly compared to the previous year.

Key figures for the Others segment

EUR thousand

	H1 2024	H1 2023	Variance
Revenue (with external third parties)	1,058	1,684	–37.2%
Adjusted EBITDA	–1,113	–121	>100%
Adjusted EBITDA margin in % Adjusted total output	–35.8	–3.0	>100%

The economic situation and the special circumstances in the individual sectors impacted how the revenues and profits of the various segments developed compared to the previous year, both in relative and absolute terms. Section F, Segment reporting, in the notes to the consolidated financial statements, contains further details on this topic and on investments at segment level.

CASH FLOWS AND FINANCIAL POSITION

Fundamental principles of financial management

Blue Cap AG's financial management strategy focuses on procuring equity and debt capital, controlling financing risks and reviewing financing conditions on an ongoing basis. Furthermore, Blue Cap supports its subsidiaries in negotiating and raising new or extending existing finance.

The financing of the portfolio companies is primarily controlled at the level of the respective companies and supported by Blue Cap AG in an advisory capacity. Also, there is no central cash pooling in the Group. In justified individual cases, however, Blue Cap provides portfolio companies with additional liquidity.

Blue Cap AG has long-standing and trusting relationships with German and foreign financial institutions to arrange new financing and refinancing as required. This also results in synergy effects from which the portfolio companies can also benefit through their affiliation with the Blue Cap Group.

Alternative financing instruments such as leasing and factoring are used in the portfolio companies if these forms of financing appear to make more sense than loan financing.

Financing analysis

In the first half of the year, the Blue Cap Group covered its capital requirements from cash and cash equivalents existing at the beginning of the financial year and from operating cash flow. The main financial resources included non-current and revolving loans, as well as financing based on leasing and factoring. In individual cases, Blue Cap AG has also supported its subsidiaries with intra-Group financing.

Lease financing is reflected in the consolidated statement of financial position as follows: The rights of use resulting from leasing/rental amounted to EUR 19,601 thousand as of 30 June 2024 (31 December 2023: EUR 21,436 thousand). This is offset by financial liabilities from lease liabilities amounting to EUR 19,494 thousand (31 December 2023: EUR 22,522 thousand).

As of the half-year reporting date, liabilities to banks amounted to EUR 72,237 thousand (31 December 2023: EUR 75,083 thousand), predominantly denominated in euro. Furthermore, the unused credit lines amounted to EUR 11,635 thousand as of the reporting date (31 December 2023: EUR 15,290 thousand).

Bank borrowings are subject to standard market lending conditions (covenants), which require compliance with defined key financial figures in particular. Failure to comply with such covenants can result, among other things, in the lender's right to terminate or in a loan falling due for repayment early.

Cash flows

Cash flow statement (overview)

EUR thousand

	H1 2024	H1 2023	Variance
Cash flow from operating activities	6,820	7,865	–13.3%
Cash flow from investment activities	–1,748	–2,173	19.6%
Cash flow from financing activities	–12,217	–10,536	16.0%
Changes in cash funds due to exchange rate fluctuations	130	–69	>100 %
Cash funds at the beginning of the period	26,092	23,987	8.8%
Cash funds at the end of the period	19,077	**19,075**	**0.0%**

Calculation of cash flow

In the first half of the year, cash flow from operating activities amounted to EUR 6,820 thousand (previous year: EUR 7,865 thousand), cash flow from investment activities to EUR –1,748 thousand (previous year: EUR –2,173 thousand), and cash flow from financing activities EUR –12,217 thousand (previous year: EUR –10,536 thousand).

Cash flow from operating activities was positively influenced mainly by the adjusted EBITDA of EUR 11,118 thousand (previous year: EUR 11,453 thousand) and by the increase in inventories of EUR 3,753 thousand and the decrease in other liabilities of EUR 3,582 thousand. This was offset by the decrease in trade receivables in the amount of EUR 284 thousand and the increase in trade payables in the amount of EUR 5,313 thousand.

Cash flow from investment activities fell from EUR –2,173 thousand to EUR –1,748 thousand. Cash outflow results mainly from the payments for investments in property, plant and equipment and intangible assets, especially in connection with replacement and expansion investments in technical equipment and machinery as well as software investments, in the total amount of EUR 2,215 thousand (previous year: EUR 2,497 thousand).

Cash outflows from financing activities amounted to EUR 12,217 thousand in the first half of 2024 (previous year: EUR 10,536 thousand) and resulted mainly from payments to settle loans amounting to EUR 4,352 thousand (previous year: EUR 5,943 thousand), payments to settle lease liabilities of EUR 3,537 thousand (previous year: EUR 3,478 thousand), and interest paid amounting to EUR 2,308 thousand (previous year: EUR 1,405 thousand). The dividend for the 2023 financial year was paid out in the first half of 2024. Cash inflows from borrowings amounting to EUR 1,096 thousand (previous year: EUR 291 thousand) had a counteracting effect.

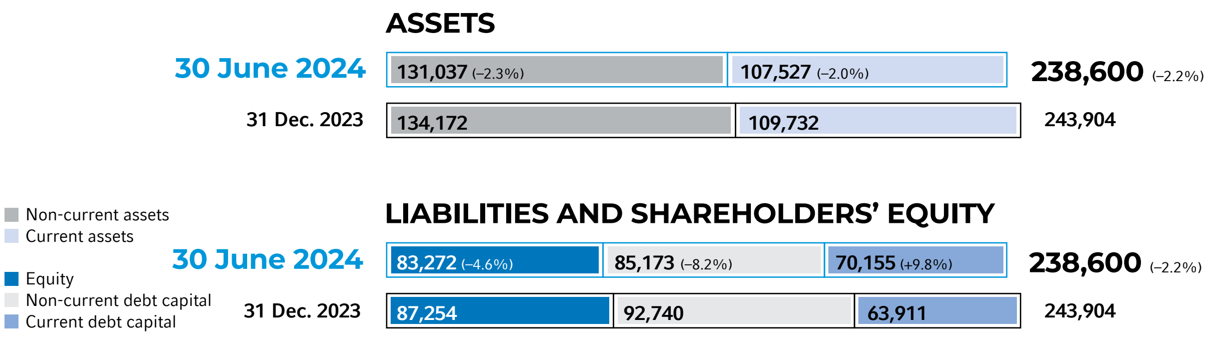
Overall, this led to an effective decrease in the cash fund of EUR 7,145 thousand (previous year: EUR 4,843 thousand). Taking into account the decrease in cash funds due to exchange rate fluctuations of EUR 130 thousand (previous year: increase of EUR 69 thousand), the cash fund at the end of the Group's financial year was positive at EUR 19,077 thousand (previous year: EUR 19,075 thousand).

As of 30 June 2024 there were free credit lines amounting to EUR 11,635 thousand. Together with cash-in-hand and bank balances of EUR 31,832 thousand, this results in cash funds including free credit lines of EUR 43,467 thousand (of which EUR 3,000 thousand restricted) as of 30 June 2024.

FINANCIAL POSITION

Key data on consolidated statement of financial position

EUR thousand



WORKING CAPITAL

Net working capital (incl. contract assets and contract liabilities)

EUR thousand

	30 June 2024	31 December 2023	Variance
Inventories	32,098	28,784	11.5%
+ Trade receivables	26,977	26,954	0.1%
+ Contract assets	8,514	7,899	7.8 %
– Contract liabilities	–928	–627	47.9%
– Trade payables	–21,061	–15,748	33.7%
= Net working capital	45,600	47,263	–3.5%

NET FINANCIAL DEBT

Net financial debt

EUR thousand

	30 June 2024	31 December 2023	Variance
Non-current financial liabilities	49,492	53,345	–7.2%
+ Current financial liabilities	22,745	21,738	4.6%
– Cash and cash equivalents	–31,832	–38,614	–17.6%
= Net financial debt (not including leasing)	40,405	36,469	10.8%
+ Lease liabilities	19,494	22,522	–13.4%
= Net financial debt (including leasing)	59,898	58,991	1.5%

INVESTMENTS, DEPRECIATION AND AMORTISATION

Investments, depreciation and amortisation (of continuing operations)

EUR thousand

	H1 2024	H1 2023	Variance
Investments (investment cash flow)	–1,748	–2,497	–30.0%
of which in property, plant and equipment	–1,711	–2,124	–19.5%
of which in intangible assets	–476	–373	27.8%
of which in others	439	0	100%
Depreciation and amortisation	–8,988	–10,011	–10.2%
of which in property, plant and equipment	–2,686	–3,057	–12.1%
of which in intangible assets	–2,706	–3,439	–21.3%
of which in lease usage rights	–3,595	–3,514	2.3%
of which in others	0	–1	–100.0%

As of the reporting date, the Group's total assets came to EUR 238,600 thousand, EUR 5,305 thousand or 2.2% less than in the previous year (EUR 243,904 thousand).

Non-current assets amounted to EUR 131,073 thousand (previous year: EUR 134,172 thousand) or 54.9% (previous year: 55.0%) of total assets and continue to be dominated by property, plant and equipment, which had decreased by EUR 3,328 thousand to EUR 58,559 thousand or 24.5% (previous year: 25.4%) of total assets compared to the previous year. The decline is mainly attributable to depreciation and amortisation. Intangible assets decreased by EUR 2,379 thousand to EUR 31,157 thousand or 13.1% (previous year: 13.8%) of total assets, likewise resulting in particular from amortisation.

Current assets fell from EUR 109,732 thousand or 45.0% of total assets to EUR 107,527 thousand or 45.1% of total assets, mainly due to the decrease in cash and cash equivalents. This was offset in particular by the increase in inventories. The share of inventories (EUR 32,098 thousand, previous year: EUR 28,784 thousand) amounts to 13.5% (previous year: 11.8%), that of trade receivables (EUR 26,977 thousand, previous year: EUR 26,954 thousand) to 11.3% (previous year: 11.1%), that of contract assets (EUR 8,514 thousand, previous year: EUR 7,899 thousand) to 3.6% (previous year: 3.2%) and that of cash and cash equivalents (EUR 31,832 thousand, previous year: EUR 38,614 thousand) to 13.3% (previous year: 15.8%) of total assets.

As of the reporting date, equity (EUR 83,272 thousand, previous year: EUR 87,254 thousand) accounted for 34.9% of total capital (previous year: 35.8%). The decrease is due to the settlement of the dividend for the 2023 financial year in the amount of EUR 2,916 thousand (previous year: EUR 3,957 thousand) and also the half-year result. The non-controlling interests amount to EUR 2,832 thousand (previous year: EUR 3,478 thousand) of equity and are attributable in particular to the co-shareholder of the H+E Group.

Non-current liabilities increased by 8.9% to EUR 85,173 thousand or 35.7% (previous year: 38.0%) of total capital, in particular due to a reduction in non-current liabilities to banks and non-current lease liabilities. Non-current liabilities consist of non-current financial liabilities to banks amounting to EUR 49,492 thousand (previous year: EUR 53,345 thousand) or 20.7% (previous year: 21.9%), provisions for pensions and similar obligations in the amount of EUR 5,477 thousand (previous year: EUR 5,374 thousand) or 2.3% (previous year: 2.2%), long-term lease liabilities amounting to EUR 11,484 thousand (previous year: EUR 14,770 thousand) or 4.8% (previous year: 6.1%), deferred tax liabilities in the amount of EUR 12,262 thousand (previous year: EUR 12,867 thousand) or 5.1% (previous year: 5.3%) as well as from other non-current liabilities and provisions in the amount of EUR 6,458 thousand (previous year: EUR 6,384 thousand) or 2.7% (previous year: 2.6%) of total assets.

Current liabilities decreased by EUR 6,244 thousand to EUR 70,155 thousand or 29.4% (previous year: 26.2%) of total capital. The increase is mainly due to higher trade payables. Current liabilities include, in particular, current liabilities to banks of EUR 22,745 thousand (previous year: EUR 21,738 thousand) or 9.5% (previous year: 8.9%), trade liabilities of EUR 21,061 thousand (previous year: EUR 15,748 thousand) or 8.8% (previous year: 6.5%), other current non-financial liabilities of EUR 6,986 thousand (previous year: EUR 7,927 thousand) or 2.9% (previous year: 3.3%), current leasing liabilities of EUR 8,010 thousand (previous year: EUR 7,752 thousand) or 3.4% as well as other current provisions of EUR 2,004 (previous year: EUR 1,819 thousand) or 0.8% (previous year: 0.8%) of total capital.

3 OPPORTUNITIES AND RISKS

The business activities of Blue Cap AG and its portfolio companies attract various opportunities and risks that could potentially have an impact on the Group's net asset, financial and income positions. In order to identify and assess these risks, we have conducted comprehensive risk analyses at both investment and holding company level. As part of its opportunity and risk management strategy, Blue Cap AG has also implemented organisational regulations and measures that enable us to identify opportunities and risks at an early stage and manage them accordingly. This systematic approach enables us to proactively minimise potential negative effects on the Group, while making targeted use of existing opportunities at the same time.

A detailed description of the opportunity and risk management system and the individual risks can be found on pages 75 to 83 of the 2023 Annual Report. The overall assessment of the risk situation remains unchanged: Based on the information currently available, there are no identifiable risks that could jeopardise the continued existence of Blue Cap AG or significantly impair its net asset, financial and income positions.

As part of our risk assessment process, we have systematically analysed all of Blue Cap AG's portfolio companies in order to thoroughly evaluate the main risks in the areas of revenue, costs, liquidity and financing. To this end, the portfolio companies were asked specific questions, culminating in the following eight risk types:

1. Risk of a significant drop in revenue
2. Risk of impaired profitability due to changes in the revenue structure
3. Risk of unexpected increases in production or material costs
4. Risk of unforeseen increases in operating costs
5. Risk of short-term insolvency
6. Risk of additional capital requirements due to liquidity bottlenecks
7. Risk of unfavourable extension or non-extension of financing agreements
8. Risk of non-compliance with agreed financial covenants

The assessments of the portfolio companies were then evaluated and weighted. The resultant risk assessments were categorised as "No risk", "Low risk", "Medium risk" and "High risk". The table below provides an overview of the aggregated risk assessments for the individual risk types and offers a transparent presentation of the potential challenges our portfolio companies could face in the months to come.

Weighted risk per risk type

	Weighted risk per risk type	
Drop in sales revenue	1.375	Medium risk
Profitability	0.875	Low risk
Production/material costs	1.000	Medium risk
Operating costs	0.875	Low risk
Payment obligations	1.250	Medium risk
Liquidity bottlenecks	1.250	Medium risk
Financing conditions	1.000	Medium risk
Covenants	1.125	Medium risk

In the risk area of revenue, most portfolio companies see a low risk of significant declines as they maintain steady customer relationships and pursue new acquisition strategies. The loss of a major order or the occurrence of specific market developments would be considered a higher risk. Turning to profitability due to changes in the revenue structure, the risk is assessed as low since adjustment measures and niche strategies are taking effect.

In the area of costs, the risk of unexpected increases is generally seen as low as existing contracts and long-term relationships are keeping costs stable. The risk of unforeseen increases in operating costs is also generally seen as low, thanks to effective cost management and planning processes.

In the liquidity risk area, the risk of short-term insolvency is regarded as a medium risk overall. Some companies see possible bottlenecks due to delays in incoming payments and ongoing restructuring measures, while others do not currently anticipate any immediate liquidity problems. The risk of additional capital requirements due to liquidity bottlenecks is also deemed medium, as some companies are likely to require additional capital in view of tight liquidity situations and upcoming repayments of credit lines.

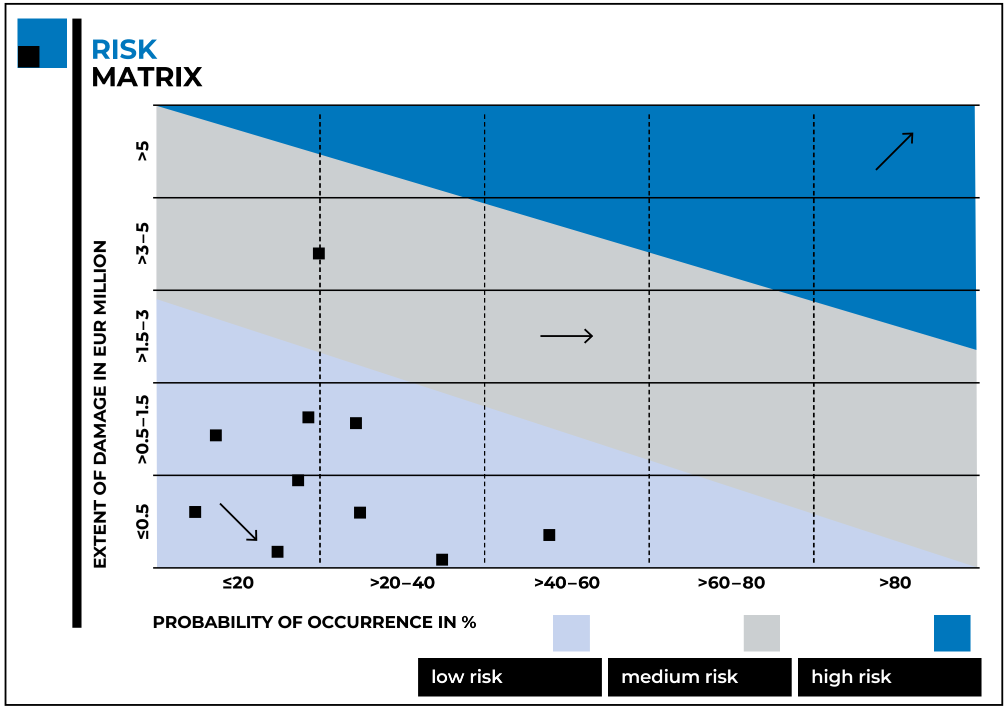
In the area of financing, the risk of an unfavourable extension or non-extension of financing agreements is considered to be low, as the companies refer to existing collateral and positive business relationships with the banks. In contrast, the risk of non-compliance with agreed financial covenants is assessed as medium, as some companies are currently experiencing difficulties in meeting the agreed equity ratios and other requirements, leading to further negotiations with the banks.

In addition to the overall assessment of risks by risk type, we have determined the risk assessments for each individual portfolio company. This detailed presentation makes it possible to identify and assess the specific risks of each company in the portfolio in a targeted manner. The table below shows the overall risk assessments weighted from the eight risk types presented above for each portfolio company, likewise categorised as "No risk", "Low risk", "Medium risk" and "High risk". This overview supports a differentiated analysis of the risk landscape and serves as a basis for targeted risk control measures at company level.

Weighted risk per portfolio company

	Weighted overall risk per portfolio company	
Planatol	1.275	Medium risk
Neschen	0.675	Low risk
H+E	0.975	Low risk
con-pearl	0.750	Low risk
Transline	0.875	Low risk
HY-LINE	1.600	High risk
nokra	1.175	Medium risk
INHECO	1.350	Medium risk

The risk management system at Blue Cap AG level is geared towards identifying, analysing and continuously monitoring both actual and potential risks at an early stage. Risks that the holding company and its portfolio companies could face are systematically documented through established processes. These risks are then assessed according to their potential impact on the net asset, financial and earnings positions as well as their probability of occurrence. The results of these assessments are analysed quarterly as part of the risk reporting system at the holding company and are presented in the risk matrix below.



This presentation provides a clear overview of which risks are particularly relevant for Blue Cap AG, enabling the implementation of targeted mitigation measures. The scatter diagram clearly shows that only one of the risks falls into the "Medium risk" area. This particular risk concerns the possible devaluation of a portfolio company as a result of negative business performance with a relatively high potential loss. However, the likelihood of this risk occurring is considered low due to the current business performance. All other top ten risks are classified as "Low risk".

The analysis of all recorded risks from the areas of administration, exogenous factors, finance, IT, M&A, personnel and portfolio has shown that the total of the weighted risks, after taking into account the measures implemented, confirms that the holding company's risk-bearing capacity is ensured overall.

4 FORECAST REPORT

Expected development of the overall environment

OVERALL ECONOMIC ENVIRONMENT: SUBTLE SIGNS OF RECOVERY IN GERMANY[3]

Following the recovery in global economic growth in 2023 (+2.8% compared to the previous year), the ifo Institute's economic forecast from June 2024 is based on the assumption that the global economy will grow by 2.5% in both 2024 and 2025. According to the latest forecast, global trade, which declined in 2023, is expected to grow slightly in 2024 (+1.5%) and continue to grow at a rate of just under 3% in 2025. The slowdown in inflation should encourage consumer demand and the ifo Institute expects investment to pick up due to the gradual easing of monetary policy.

Turning to the USA, experts project a growth rate of 2.2% in 2024 following a 2.5% increase the previous year. Private consumption should remain at a solid level and have a positive impact on the economy. However, the ifo Institute is predicting a slowdown in investments over the course of the second half of the year. Inflation is also expected to fall further in 2024 and 2025. Consumer prices are forecast to rise by 3.1% this year and by 2.4% in 2025.

In the Eurozone, the ifo Institute forecasts that GDP will grow by just 0.9% this year. This figure, however is an increase on 2022 (0.6%), mainly attributed to the easing of monetary policy, the upturn in global trade, and rising real incomes. A recovery in export and investment demand is expected at the end of the year, with the ifo Institute forecasting growth of 1.8% for 2025. Consumer prices are also gradually falling in the Eurozone. Inflation is projected to hit 2.3% in 2024 and drop below the 2% mark next year at 1.6%.

For the German economy, the ifo Institute is predicting only a modest recovery in inflation-adjusted GDP for 2024 (+0.4%), lagging behind the growth seen in the rest of the Eurozone. Overall, however, there are signs of a slight recovery in the second half of the year. For one thing, energy costs have continued to fall, something which is likely to benefit energy-intensive industries in particular. And the consumer economy is expected to pick up over the course of the year, driven by lower financing costs, a stable labour market and rising real incomes. This should also help the weakened construction sector regain momentum. The average inflation rate in Germany in 2024 is expected to be 2.2% below the previous year (5.3%) and therefore close to the ECB's mandate. The unemployment rate is expected to rise slightly from 5.7% in the previous year to 5.9%.

EXPECTED DEVELOPMENT OF THE GROUP

The following forecast report is based on the 2024 budget prepared at the end of the reporting year. Further findings available up to the preparation of this summarised management report that may have an impact on the business development of Blue Cap and the portfolio companies were also taken into account.

The weak to restrained economic development expected[4] in Germany by the ifo Institute has been factored into the forecast considerations. The forecast is fundamentally based on the assumption that inflationary pressure will continue to ease, primary products will be available and there will be no further intensification of geopolitical uncertainties. It was also assumed that cost pressures will ease and that the expected increases in energy and wage costs, as well as the prices of individual preliminary products, can be passed on to customers on a pro rata basis. However, if the German economy continues to stagnate, sentiment deteriorates further and inflation rises significantly above the expected level, this could have far-reaching effects on the planned revenue and earnings performance.

Turning to the potential consequences of the war in Ukraine and the conflict in the Gaza Strip for the 2024 financial year, it should be noted that Blue Cap AG does not have any subsidiaries or operating facilities in Russia, Ukraine or the Middle East. Although there are some indirect supply and service relationships, these are currently of minor significance in terms of the Blue Cap Group's net asset, financial and earnings positions.

Looking at the 2024 financial year, the further indirect consequences of the Russia-Ukraine war and Middle East conflict, especially on the development of raw material and energy prices as well as supply chains, cannot be assessed

3 Cf. ifo Economic Forecast Summer 2024 of the ifo Institute, published in June 2024. Available at: https://www.ifo.de/en/facts/2024-06-20/ifo-economic-forecast-summer-2024-new-hope-but-not-a-summer-fairytale

4 See ifo Economic Forecast Spring 2024 of the ifo Institute, published in March 2024. Available at: https://www.ifo.de/en/facts/2024-03-06/ifo-economic-forecast-spring-2024-german-economy-paralyzed

with any certainty and can therefore only be taken into account to a limited extent in the current forecast.

The outlook does not consider any further tightening of sanctions against Russia and an expansion of the war with possible further effects on commodity and energy prices as well as supply chains. The potential impact of the war in Eastern Europe and the conflict in the Middle East (Gaza) on the Group's business performance is constantly and closely observed and monitored.

DEVELOPMENT OF THE GROUP

We are expecting a moderate improvement in revenue and adjusted EBITDA.

	Forecast for 2024	Actual 2023
Revenue (EUR million)	270 – 290	273.3
Adjusted EBITDA margin in % of total output, adjusted	8.5 – 9.5	8.5
Net debt ratio in years (including lease liabilities)	< 3.5	2.5

Based on the latest forecast, the Management Board is still expecting Group revenue of between EUR 270 and 290 million for the full year 2024 (2023: EUR 273.3 million) with an adjusted EBITDA margin between 8.5% and 9.5% (2023: 8.5%). The anticipated revenue growth, slightly up on the previous year, is due to improved demand in the individual companies in the Plastics and Adhesives & Coatings segments. The increase in margin compared to the previous year is due to the earnings enhancement measures implemented last year. Both effects offset the anticipated decline in revenue and margin in the Business Services segment.

Blue Cap's financial strength plays an important role for both financing banks and investors. Therefore, the debt repayment period is an important control parameter within the Group. The Management Board reaffirms its goal for the forecast year to keep the Blue Cap Group's net debt ratio significantly below 3.5 years.

In addition to further developing the existing business areas with a view to increasing their substance, Blue Cap is constantly examining opportunities for expansion. The aforementioned target figures do not take into account the effects of planned acquisitions or disposals of portfolio companies. Furthermore, possible company acquisitions and sales can lead to changes in the Blue Cap's consolidated group between the reporting dates with a corresponding effect on the control parameters.

As part of its "Buy, Transform & Sell" business model, Blue Cap regularly reviews investment and divestment opportunities. The existing portfolio will be developed in line with the individually defined earnings enhancement concepts.

DEVELOPMENT OF THE SEGMENTS

In the Plastics segment, the Management Board is expecting a contrasting but clearly positive development overall. At con-pearl, revenue and margins are projected to be above plan, largely driven by rising demand in the US.

This is counterbalanced by the ongoing volatility in the automotive market and price negotiations with OEMs. The H+E Group therefore expects revenue and margins for 2024 to be down on the previous year.

Overall, Blue Cap expects revenue to increase with an improved adjusted EBITDA margin in the Plastics segment.

For the Adhesives & Coatings segment, an increase in the adjusted EBITDA margin is expected with revenue development at the previous year's level. The strong performance in the segment is driven by Neschen, where the successful implementation of the fitness program is clearly evident in the company's results. At Planatol, the second half of the year is marked by significant forecast uncertainty. Despite an adjusted EBITDA margin above plan and up on the previous year for the first six months, the revenue targets were missed by a wide margin. Blue Cap does not currently see an upturn in demand.

Turning to the Business Services segment, Blue Cap is planning for a decline in sales and an adjusted EBITDA margin below that of the previous year. Following the delivery of the HY-LINE Group's high order backlog in

2023, the current financial year is significantly below the previous year in terms of both sales revenue and the adjusted EBITDA margin.

Transline's sales revenue and adjusted EBITDA margin are also down on the previous year and below expectations. The forecast uncertainty remains high. Operationally, improving margins remains a top priority, but this clearly stands contrary to the goal of acquiring new customers. Artificial intelligence (AI) and large language models are potential value drivers that are still at the development stage.

Overall, Blue Cap anticipates only a moderate recovery for this segment in the second half of the year.

In the Others segment, the Management Board is projecting a stronger second half year due to delays with projects at nokra. Blue Cap expects revenue and adjusted EBITDA to remain at the previous year's level.

FINAL REMARKS

The economic environment, especially in Germany, remains plagued by weak momentum and considerable uncertainty, partly due to the unpredictable further impacts of geopolitical crises and their effects on supply chains, energy prices, and consumer behaviour. It could be, therefore, that future results differ significantly from the Management Board's current expectations. The results of the Group and of the individual segments are also influenced by other unforeseen, unpredictable factors. This includes, though not limited to, effects on results from the acquisition or restructuring of portfolio companies as well as the sale and deconsolidation of subsidiaries.

Blue Cap believes that its strategy has been confirmed by the company's positive development to date and its proven business model, and that it is well positioned with its existing organisational structure in both the short and long term. Therefore, the Company expects to grow and strengthen the Group's operating profitability in the financial years to come.

Munich, 22 August 2024

The Management Board

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

30_ INTERIM CONSOLIDATED FINANCIAL STATEMENTS

INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF BLUE CAP AG

AS OF 30 JUNE 2024

Consolidated income statement

EUR thousand

Continuing operations	Reference	H1 2024	H1 2023
Sales revenue	D.1	129,214	145,375
Change in inventories		2,463	–851
Other services provided by the company and capitalised		87	159
Other income	D.2	1,532	2,336
Total output		**133,296**	**147,018**
Cost of materials	D.3	–67,127	–79,073
Personnel expenses	D.4	–35,425	–36,507
Other expenses	D.5	–20,665	–21,016
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		**10,079**	**10,423**
Depreciation and amortisation		–8,988	–10,011
Impairment losses and reversals		–142	–349
Share of profit/loss in associates		–105	–709
Earnings before interest and taxes (EBIT)		**843**	**–645**
Impairment losses and reversals pursuant to IFRS 9		–162	–67
Financing income		779	403
Financing expenses		–2,745	–2,179
Earnings before taxes (EBT)		**–1,285**	**–2,488**
Income tax		325	734
Earnings after taxes from continuing operations		**–959**	**–1,754**
Earnings after taxes from discontinued operations	E.7	0	–6,122
Consolidated income		**–959**	**–7,876**
of which attributable to			
Owners of the parent company		–452	–7,807
Non-controlling interests		–507	–69
Earnings per share in EUR (undiluted)	D.6	**–0.11**	**–1.78**
Earnings per share in EUR (diluted)	D.6	**–0.11**	**–1.78**

Consolidated statement of comprehensive income

EUR thousand

	H1 2024	H1 2023
Consolidated income	–959	–7,876
Remeasurements of defined benefit plans, before taxes	–17	–16
Remeasurement of financial assets at fair value under other comprehensive income and gains (losses) on disposal of such assets, before taxes	0	0
Items not subsequently reclassified to profit or loss	**–17**	**–16**
Currency translation differences, before taxes	0	0
Items subsequently reclassified to profit or loss under certain conditions	**–6**	**0**
Other comprehensive income	**22**	**–16**
of which attributable to		
Owners of the parent company	22	–16
Non-controlling interests	0	0
Total comprehensive income	**–982**	**–7,891**
of which attributable to		
Owners of the parent company	–475	–7,822
Non-controlling interests	–507	–69

Consolidated statement of financial position

EUR thousand

	Reference	30 June 2024	31 December 2023
ASSETS			
Goodwill		23,553	23,553
Intangible assets	E.1	31,157	33,536
Property, plant and equipment	E.2	58,559	61,887
Financial investments accounted for using the equity method		4,006	4,111
Participating interests		93	93
Other financial assets	E.3	5,135	5,013
Other non-financial assets	E.4	4,151	2,523
Deferred tax assets		4,419	3,457
Non-current assets		**131,073**	**134,172**
Inventories	E.5	32,098	28,784
Current contract assets		8,514	7,899
Trade receivables		26,977	26,954
Other financial assets		1,388	2,023
Income tax receivables		1,555	785
Other non-financial assets		5,162	4,672
Cash and cash equivalents	E.6	31,832	38,614
Current assets		**107,527**	**109,732**
Total assets		**238,600**	**243,904**

EUR thousand

	Reference	30 June 2024	31 December 2023
LIABILITIES			
Subscribed capital		4,486	4,486
Capital reserve		17,545	17,545
Other equity components		2,446	2,374
Retained earnings		55,964	59,371
Equity attributable to the owners of the parent company		80,441	83,776
Non-controlling interests		2,832	3,478
Total equity		**83,272**	**87,254**
Provisions for pensions and similar obligations		5,477	5,374
Other provisions		**1,328**	**1,242**
Deferred tax liabilities		12,262	12,867
Non-current financial liabilities		66,106	73,257
Total non-current liabilities		**85,173**	**92,740**
Other provisions		2,004	1,819
Income tax liabilities		6,540	6,360
Current contract liabilities		928	627
Trade payables		21,061	15,748
Other current financial liabilities		32,634	31,429
Other current non-financial liabilities		6,986	**7,927**
Total current liabilities		**70,155**	**63,911**
Total equity and liabilities		**238,600**	**243,904**

Consolidated statement of changes in equity

EUR thousand

	Equity attributable to shareholders of the parent company									
			Other equity components							
	Subscribed capital	Capital reserve	Reserve for remeasurements of defined benefit plans	Currency translation reserve	Reserve for changes in the fair value of financial assets	Other equity components	Retained earnings	Shareholders of the parent company in total	Non-controlling interests	**Total**
As of 1 January 2023	**4,396**	**15,665**	**2,490**	**744**	**–872**	**–409**	**81,665**	**103,679**	**5,682**	**109,362**
Capital increase/decrease	90	1,880	0	0	0	0	0	1,970	0	1,970
Dividends	0	0	0	0	0	0	–3,957	–3,957	0	–3,957
Transactions with non-controlling interests	0	0	0	0	0	409	–452	–42	51	9
Change in scope of consolidation	0	0	0	0	0	0	–50	–50	198	149
Total comprehensive income	0	0	105	–94	0	0	–17,830	–17,818	–2,454	–20,272
As of 31 December 2023	**4,486**	**17,545**	**2,596**	**651**	**–872**	**0**	**59,371**	**83,776**	**3,478**	**87,254**
As of 1 January 2024	**4,486**	**17,545**	**2,596**	**651**	**–872**	**0**	**59,371**	**83,776**	**3,478**	**87,254**
Capital increase/decrease	0	0	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	–2,916	–2,916	0	–2,916
Transactions with non-controlling interests	0	0	0	0	0	0	–48	–48	–139	–187
Change in scope of consolidation	0	0	0	0	0	0	0	0	0	0
Total comprehensive income	0	0	–22	6	0	0	–135	–152	–507	–659
As of 30 June 2024	**4,486**	**17,545**	**2,573**	**657**	**–872**	**0**	**56,271**	**80,660**	**2,832**	**83,492**

Consolidated cash flow statement

EUR thousand

Continuing operations	H1 2024	H1 2023
Consolidated income	–959	–1,754
Increase (–)/decrease (+) in inventories	–3,753	3,153
Increase (–)/decrease (+) in trade receivables	284	–4,569
Increase (–)/decrease (+) in contract assets	–615	–844
Increase (–)/decrease (+) in other receivables and assets	943	–758
Increase (+)/decrease (–) in provisions	374	–463
Increase (+)/decrease (–) in trade payables	5,313	–1,810
Increase (+)/decrease (–) in contract liabilities	301	901
Increase (+)/decrease (–) in other liabilities	–3,582	2,804
Depreciation, amortisation and impairment losses on intangible assets and property, plant and equipment	9,130	10,359
Profit (–)/loss (+) from the disposal of intangible assets and property, plant and equipment	–12	–124
Profit (–)/loss (+) from deconsolidation measures	0	90
Other non-cash expenses (+)/income (–)	–394	622
Contribution to earnings from currency effects	–63	–24
Interest expenses (+)/interest income (–)	1,942	1,812
Income tax expense (+)/income tax income (–)	–325	–734
Income taxes paid (–)/income tax refunds (+)	–1,765	–797
Cash flow from operating activities	**6,820**	**7,865**

EUR thousand

	H1 2024	H1 2023
Proceeds (+) from disposals of property, plant and equipment	29	76
Payments (–) for investments in property, plant and equipment	–1,739	–2,124
Payments (–) for investments in intangible assets	–476	–373
Interest received (+)	439	247
Cash flow from investment activities	**–1,748**	**–2,173**
Payments for the acquisition of shares of a consolidated company	–200	0
Dividends paid (–) to shareholders of the parent company	–2,916	**0**
Proceeds (+) from (financial) borrowings	1,096	291
Payments (–) for the repayment of (financial) loans	–4,352	–5,943
Payments (–) for the repayment of lease liabilities	–3,537	–3,478
Interest paid (–)	–2,308	–1,405
Dividends paid (–) to other shareholders	0	–2
Cash flow from financing activities	**–12,217**	**–10,536**
Effective variance in cash funds	**–7,145**	**–4,843**
Changes in cash funds due to exchange rate fluctuations	130	–69
Cash funds at the beginning of the period	26,092	23,987
Cash funds at the end of the period	**19,077**	**19,075**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF BLUE CAP AG

AS OF 30 JUNE 2024

A. GENERAL INFORMATION AND ACCOUNTING POLICIES

A.1 General information on the company

Blue Cap AG, registered with Munich District Court under HRB 162137, is an investment company established in 2006 with its registered office in Munich. The company acquires small and medium-sized enterprises from the B2B sector that are facing special situations and oversees their entrepreneurial development, the aim being to sell them for a profit at a later date. The companies are headquartered in Germany, Austria and Switzerland, generate revenue of between EUR 20 and EUR 200 million and have a sustainable and intact core business.

As of the reporting date, the company holds majority interests in seven groups (previous year: eight) and has one minority interest. The Group had an average of 1,081 employees in the reporting year and operates in Germany, Europe and the USA.

Blue Cap AG is listed on the Frankfurt Stock Exchange in the "Scale" segment and on the Munich Stock Exchange in "m:access" (ISIN: DE000A0JM2M1). The capital market listing places the company under an obligation to provide an appropriate level of transparency, an obligation it fulfils through active capital market communication and investor relations work.

Business model: Buy, Transform & Sell

Blue Cap AG acquires companies from the B2B sector that face special situations, standing at a crossroads along their corporate journey. This can include situations of upheaval with extensive restructuring requirements or unresolved succession situations and group spin-offs. Target companies are systematically identified and selected on the basis of defined investment criteria. The investment decision centres on clear operational improvement potential and prospects for value enhancement based on a sustainably stable business model. Blue Cap AG actively supports the portfolio companies in their strategic and operational development during the holding period. The optimal holding period is usually between three and seven years. The basic principle: Blue Cap AG is a temporary owner and sells its portfolio companies as soon as successful growth within a different ownership structure appears to make more sense and it has been able to successfully implement large parts of its planned transformation programme.

The business activities of Blue Cap AG and its subsidiaries (hereinafter also referred to as the "Blue Cap Group" or "Blue Cap") are presented in detail in the economic report of the Group management report, which is combined with the management report of the company.

A.2 Basis for preparing the annual financial statements

These unaudited interim consolidated financial statements, prepared as of the reporting date of 30 June 2024, are to be read in conjunction with the consolidated financial statements for 2023. The disclosures contained therein also apply to these interim consolidated financial statements, unless changes are explicitly addressed in these interim consolidated financial statements.

New standards and interpretations not yet applied

All mandatory pronouncements issued by the International Accounting Standards Boards (IASB), which were adopted by the EU as part of the endorsement process, were taken into account when preparing these interim consolidated financial statements.

The effects of the amendments/new provisions not yet adopted into EU law on the Blue Cap Group are currently still being examined. No significant impact is expected at present.

B. SCOPE OF CONSOLIDATION AND CONSOLIDATION METHODS

B.1 Scope of consolidation

The scope of consolidation of the Blue Cap Group is derived from the application of IFRS 10 (Consolidated Financial Statements) and IFRS 11 (Joint Arrangements).

As of 30 June 2024 , the scope of consolidation includes, in addition to the parent company, 32 (31 December 2023: 34) companies, fully consolidated. Of which, 18 (31 December 2023: 20) companies have their registered office in Germany and 14 (31 December 2023: 14) have their registered office abroad.

As of 30 June 2024, eight subsidiaries were not included in the interim consolidated financial statements because they are of minor importance for the presentation of a true and fair view of the Group's financial position, cash flows and financial performance. The total revenue of these companies corresponds to less than one per cent of the Group's revenue.

B.2 Changes to the scope of consolidation

B.2.1 CHANGES TO THE SCOPE OF CONSOLIDATION IN H1 2024

The following changes in the scope of consolidation occurred during the first half of 2024:

As of 31 December 2023, HY-LINE Management GmbH held 2.6% of its own shares. This put Blue Cap AG's shareholding at 95.4% as of 31 December 2023.

HY-LINE Management GmbH acquired further shares from a departing shareholder in the first half of 2024, therefore holding 3.3% of its own shares as of the reporting date. This changed Blue Cap AG's pro rata shareholding in HY-LINE Management GmbH, which amounts to 96.3% as of the reporting date.

In order to streamline the corporate structure of the Blue Cap Group, Blue Cap 13 GmbH and Blue Cap Asset Management GmbH were merged into Blue Cap AG by way of a notarised agreement dated 24 June, 2024. The mergers took place retroactively to 1 January, 2024.

Acquisitions of subsidiaries in H1 2024

No company acquisitions were completed in the first half of 2024.

Sale of subsidiaries in H1 2024

No subsidiary sales were completed in the first half of 2024.

B.2.2 CHANGES TO THE SCOPE OF CONSOLIDATION IN H1 2023

For information on changes in the scope of consolidation in the comparative period, please refer to the notes to the consolidated financial statements that form part of the consolidated financial statements as of 31 December 2023.

C. ACCOUNTING POLICIES

The accounting policies applied in the past business year generally continued to apply unchanged to these interim consolidated financial statements.

In general, the main assumptions, estimates and judgements used in the preparation of the interim consolidated financial statements match those used in the consolidated financial statements as of 31 December 2023.

D. NOTES TO THE CONSOLIDATED INCOME STATEMENT

D.1 Sales revenue

The Blue Cap Group's revenue consists primarily of income from contracts with customers. This is mainly made up of sales of goods, services rendered and revenue from contract manufacturing and customised products. The Blue Cap Group also generates a small amount of other revenue (primarily from the rental of real estate).

In accordance with IFRS 15, revenue is recognised over time or at a point in time and comprises the following for the reporting year and the comparative period:

EUR thousand	H1 2024	H1 2023
Revenue recognised over time	59,150	58,041
Revenue recognised at a point in time	70,064	87,334
Sales revenue	**129,214**	**145,375**

Revenue is broken down geographically by market, based on the customer's registered office, as follows:

Geographical breakdown of revenue

EUR thousand

	H1 2024	%	H1 2023	%
Germany	59,918	46.4	80,721	55.5
Rest of Europe	43,694	33.8	47,884	32.9
Third countries	25,603	19.8	16,771	11.5
Sales revenue	**129,214**		**145,375**	

D.2 Other income

Other income includes the following:

EUR thousand	H1 2024	H1 2023
Income from foreign currency conversion	397	639
Income relating to previous periods	182	124
Income from the disposal of fixed assets	38	141
Income from the reversal of provisions	157	752
Miscellaneous other income	758	679
Other income	**1,532**	**2,336**

D.3 Cost of materials

The cost of materials includes the direct costs incurred in connection with the generation of revenue and comprises the following:

EUR thousand	H1 2024	H1 2023
Cost of raw materials, consumables and supplies, and purchased merchandise	–59,011	–70,618
Cost of purchased services	–8,116	–8,455
Cost of materials	**–67,127**	**–79,073**

D.4 Personnel expenses

EUR thousand	H1 2024	H1 2023
Wages and salaries	–29,487	–30,317
Social security costs and expenses for pension plans	–5,939	–6,190
Personnel expenses	**–35,425**	**–36,507**

D.5 Other expenses

EUR thousand	H1 2024	H1 2023
Outgoing freight, commission and distribution costs	–3,288	–3,500
Advertising costs	–1,106	–996
Vehicle and travel expenses	–1,091	–1,109
Legal and consultancy costs	–2,786	–2,634
Training and temporary employment costs	–796	–726
Other rent, leasing and storage costs	–255	–647
Operating and maintenance costs for operating resources	–7,677	–7,185
Contributions, fees and insurance costs	–1,292	–1,342
Losses from the disposal of assets	–26	–17
Extraordinary and prior-period expenses	–697	–377
Expenses from currency translation	–211	–730
Expenses from deconsolidation measures	0	–90
Miscellaneous other expenses	–1,441	–1,661
Other expenses	**–20,665**	**–21,016**

Miscellaneous other expenses mainly relate to expenses for IT, communications, office supplies and other taxes.

D.6 Earnings per share

Earnings per share are as follows:

Earnings per share		H1 2024	H1 2023
Consolidated net income for the year after taxes, attributable to owners of the parent company	**EUR thousand**	**–475**	**–7,807**
Weighted average number of shares to calculate earnings per share			
Undiluted	No.	4,429,082	4,396,290
Diluted	No.	4,429,082	4,396,290
Earnings per share			
Undiluted	EUR	–0.11	–1.78
Diluted	EUR	–0.11	–1.78

The average weighted number of shares in circulation rose in the 2023 financial year due to the increase in share capital in the financial year as a result of the partial conversion of dividend entitlements into new shares.

E. NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

E.1 Intangible assets

EUR thousand	Internally generated intangible assets	Purchased concessions, industrial property rights and similar rights and assets	Rights to use intangible assets	Total
Acquisition or production costs				
As of 1 January 2024	**1,092**	**61,612**	**149**	**62,853**
Changes to the scope of consolidation	0	0	0	0
IFRS 5 reclassification	177	0	0	177
Additions	0	240	189	429
Disposals	0	–95	0	–95
Exchange rate effects	0	3	0	3
As of 30 June 2024	**1,268**	**61,760**	**338**	**63,366**
Accumulated amortisation and impairment losses				
As of 1 January 2024	**–667**	**–28,600**	**–50**	**–29,317**
Changes to the scope of consolidation	0	0	0	0
IFRS 5 reclassification	0	0	0	0
Disposals	0	0	18	18
Depreciation and amortisation	–41	–2,812	–57	–2,910
Impairment losses/reversal of impairment losses	0	0	0	0
Exchange rate effects	0	–1	0	–1
As of 30 June 2024	**–708**	**–31,414**	**–89**	**–32,210**
Carrying amounts				
31 December 2023	425	33,012	99	**33,536**
30 June 2024	561	30,346	249	**31,157**

Amortisation amounting to EUR 2,910 thousand was recognised in the reporting period.

Impairment losses on intangible assets in the amount of EUR 0 thousand were recognised in the current financial year. No reversals were recognised in the periods presented.

The rights to use intangible assets relate primarily to the software required for the operations of the Group companies.

E.2 Property, plant and equipment

EUR thousand	Land and buildings	Technical equipment and machinery	Operating and office equipment	Prepayments and assets under construction	Rights of use for land and buildings	Rights of use for technical equipment and machinery	Rights of use for operating and office equipment	Total
Acquisition or production costs								
As of 1 January 2024	**52,221**	**82,449**	**26,525**	**47**	**27,320**	**11,079**	**4,955**	**204,596**
Changes to the scope of consolidation	0	0	0	0	0	0	0	0
IFRS 5 reclassification	0	0	–12	0	0	0	0	–12
Additions	90	–204	1,337	190	–59	748	2,294	4,395
Disposals	0	–50	–104	–8	–3,571	–282	–954	–4,969
Exchange rate effects	5	74	0	0	6	18	–6	98
As of 30 June 2024	**52,316**	**82,269**	**27,747**	**228**	**23,696**	**11,562**	**6,289**	**204,108**
Accumulated amortisation and impairment losses								
As of 1 January 2024	**–29,343**	**–69,806**	**–21,544**	**0**	**–14,913**	**–4,981**	**–2,122**	**–142,709**
Changes to the scope of consolidation	0	0	0	0	0	0	0	0
IFRS 5 reclassification	0	0	0	0	0	0	0	0
Disposals	0	8	73	0	2,001	624	746	3,452
Depreciation and amortisation	–549	–1,483	–649	0	–1,704	–1,026	–809	–6,220
Impairment losses/reversal of impairment losses	0	0	0	0	0	0	0	0
Exchange rate effects	–4	–58	3	0	–8	–6	2	–72
As of 30 June 2024	**–29,896**	**–71,339**	**–22,117**	**0**	**–14,624**	**–5,389**	**–2,183**	**–145,549**
Carrying amounts								
31 December 2023	22,878	12,643	4,981	47	12,407	6,098	2,833	**61,887**
30 June 2024	22,420	10,930	5,630	228	9,072	6,173	4,106	**58,559**

Depreciation of property, plant and equipment and rights of use for assets in the amount of EUR 6,220 thousand are reported in the consolidated income statement under "Depreciation and amortisation".

Impairment losses totalling EUR 0 thousand were recognised on unused property, plant and equipment and rights of use. No reversals of impairment losses were recognised, as in the comparative period.

E.3 Other non-current financial assets

Interest rate hedges were concluded as part of the acquisition financing for the purchase of the HY-LINE Group and the Transline Group. As of the reporting date, these non-current derivatives are reported under other non-current financial assets in the amount of EUR 767 thousand (31 December 2023: EUR 708 thousand).

Other non-current financial assets also mainly relate to deposits paid for properties rented in Germany and abroad (office, warehouse and production properties).

In addition, the Group holds an interest-bearing loan receivable from the Knauer-Uniplast Group. As of 30 June 2024, the loan receivable is valued at EUR 3,500 thousand.

E.4 Other non-current non-financial assets

As of the reporting date, this item mainly consists of prepayments made on various items of property, plant and equipment and, to a lesser extent, prepayments made on intangible assets.

E.5 Inventories

EUR thousand	30 June 2024	31 December 2023
Raw materials, consumables and supplies	9,742	9,319
Unfinished goods, services in progress	4,883	4,326
Finished goods and merchandise	17,473	15,140
Inventories	**32,098**	**28,784**

The impairment losses recognised on inventories in the current financial year amount to EUR 2,515 thousand (31 December 2023: EUR 2,510 thousand). The impairment takes into account marketability, age and all apparent storage and inventory risks.

The Blue Cap Group does not hold any long-term inventories in the current reporting year.

E.6 Cash and cash equivalents

Bank balances bear interest mainly at variable rates for deposits redeemable on demand and at fixed rates for time deposits. Short-term deposits are made for varying periods of time, ranging from one day to three months, depending on the Group's cash requirements. These bear interest at the interest rates applicable to short-term deposits. The fair values of cash and cash equivalents correspond to the carrying amounts.

As of the reporting date, the cash and cash equivalents shown include a fixed-term deposit account deposited with a bank as collateral for a loan in the amount of EUR 2,802 thousand (31 December 2023: EUR 2,800 thousand). The credit balance attracts interest at market rates on an ongoing basis. These means of payment can only be used to a limited extent until the loan has been repaid.

E.7 Other financial liabilities

The other financial liabilities are broken down by maturity as follows:

	30 June 2024			31 December 2023		
EUR thousand	Current	Non-current	Total	Current	Non-current	Total
Liabilities to banks	22,745	49,492	72,237	21,738	53,345	75,083
of which from loan agreements	12,989	49,492	62,482	12,216	53,345	65,561
of which from current account agreements	9,755	0	9,755	9,522	0	9,522
Lease liabilities	8,010	11,484	19,494	7,752	14,770	22,522
Other loan liabilities	275	0	275	92	0	92
Remaining other financial liabilities without borrowings	1,605	5,130	6,734	1,846	5,142	6,988
Other financial liabilities	**32,634**	**66,106**	**98,740**	**31,429**	**73,257**	**104,686**

F. SEGMENT REPORTING

The information provided to the Management Board of the Blue Cap Group (the "chief operating decision maker") for the purposes of resource allocation and the assessment of segment performance focuses on the industrial sectors of the individual equity investments. The presentation of segment reporting is consistent with the management approach, and is based on the internal organisational and reporting structures.

The individual segments represent different business areas with different products and services and are managed separately. The legal entities can all be clearly assigned to a segment.

The companies belonging to the con-pearl Group and the H+E Group are allocated to the Plastics segment. Neschen Coating GmbH and its subsidiaries as well as the companies of the Planatol Group make up the Adhesives & Coatings segment. The HY-LINE Group and the Transline Group make up the Business Services segment. nokra Optische Prüftechnik und Automation GmbH, Blue Cap AG and other holding and shelf companies are allocated to the Others segment. Further information on the segments and the associated companies can be found in the combined interim Group management report.

The Group's reportable segments in accordance with IFRS 8 are therefore as follows for the reporting and comparative periods:

H1 2024

EUR thousand	Plastics	Adhesives & Coatings	Business Services	Others	Total segments	Consolidation	Group
Sales revenue with external third parties	**52,257**	**42,056**	**33,842**	**1,058**	**129,214**	**0**	**129,214**
Revenues with Group companies	**0**	**0**	**15**	**2,001**	**2,016**	**–2,016**	**0**
Total revenue	**52,257**	**42,056**	**33,857**	**3,059**	**131,230**	**–2,016**	**129,214**
Total output	**53,286**	**44,137**	**34,738**	**3,165**	**135,314**	**–2,030**	**133,296**
EBITDA	**5,995**	**4,800**	**529**	**–1,871**	**9,454**	**625**	**10,079**
Depreciation, amortisation and impairment	**–4,852**	**–1,475**	**–2,602**	**–268**	**–9,197**	**67**	**–9,130**
of which impairment losses/reversals	0	0	–142	0	–142	0	–142
Result from valuation based on the equity method	**0**	**0**	**0**	**0**	**0**	**–105**	**–105**
EBIT	**1,143**	**3,326**	**–2,073**	**–2,139**	**257**	**587**	**834**
Adjusted total output	**53,240**	**43,543**	**34,673**	**3,113**	**134,568**	**–2,030**	**132,537**
Adjusted EBITDA	**6,408**	**4,627**	**1,211**	**–1,113**	**11,133**	**–15**	**11,118**
Adjusted EBITDA margin	12.0%	10.6%	3.5%	–35.8%	8.3%	0.7%	8.4 %
Net debt ratio (in years)*	**1.6**	**1.5**	**7.5**	**–9.7**	**2.6**		**2.6**
Investments/divestments**	**–1,122**	**–491**	**–481**	**–6**	**–2,099**	**0**	**–2,099**
of which company acquisitions/disposals	0	0	0	0	0	0	0
30 June 2024							
Working capital (net)***	**14,537**	**21,724**	**8,145**	**1,194**	**45,600**	**0**	**45,600**
Segment assets	**83,080**	**55,901**	**72,003**	**92,881**	**303,865**	**–65,265**	**238,600**
Segment liabilities	**58,918**	**29,609**	**65,256**	**36,057**	**189,840**	**–34,513**	**155,328**

* The reported net debt ratio (in years) represents the segment's debt (including lease liabilities) less cash in relation to adjusted EBITDA over the last twelve months.
** The investments/divestments shown relate to proceeds from (+) / payments for (–) property, plant and equipment, intangible assets, investment property and acquisitions of companies and participating interests.
*** The reported working capital (net) corresponds to the segments' inventories plus trade receivables and contract assets, less trade payables and contract.

H1 2023

EUR thousand	Plastics	Adhesives & Coatings	Business Services	Others	**Total segments**	Consolidation	**Group**
Revenues with external third parties	**50,491**	**43,299**	**49,901**	**1,684**	**145,375**	**0**	**145,375**
Revenues with Group companies	**0**	**0**	**10**	**2,276**	**2,286**	**–2,286**	**0**
Total revenue	**50,491**	**43,299**	**49,911**	**3,960**	**147,661**	**–2,286**	**145,375**
Total output	**50,788**	**43,447**	**51,027**	**4,335**	**149,597**	**–2,579**	**147,018**
EBITDA	**6,116**	**455**	**4,782**	**–102**	**11,251**	**–828**	**10,423**
Depreciation, amortisation and impairment	**–5,223**	**–1,648**	**–2,952**	**–815**	**–10,638**	**279**	**–10,359**
of which impairment losses/reversals	0	0	–31	–515	–546	197	–349
Result from valuation based on the equity method	**0**	**0**	**0**	**0**	**0**	**–709**	**–709**
EBIT	**893**	**–1,193**	**1,830**	**–917**	**613**	**–1,258**	**–645**
Adjusted total output	**50,551**	**43,175**	**50,511**	**4,001**	**148,238**	**–2,358**	**145,880**
Adjusted EBITDA	**5,931**	**1,434**	**4,864**	**–121**	**12,108**	**–655**	**11,453**
Adjusted EBITDA margin	11.7%	3.3%	9.6 %	–3.0 %	8.2%	27.8%	7.9 %
Net debt ratio (in years)*	**1.6**	**6.0**	**2.9**	**72.7**	**3.3**	**0.0**	**3.1**
Investments/divestments**	**–1,236**	**–819**	**–242**	**–123**	**–2,420**	**0**	**–2,420**
of which company acquisitions/disposals	0	0	0	0	0	0	0

* The reported net debt ratio (in years) represents the segment's debt (including lease liabilities) less cash in relation to adjusted EBITDA over the last twelve months.
** The investments/divestments shown relate to proceeds from (+) / payments for (–) property, plant and equipment, intangible assets, investment property and acquisitions of companies and participating interests.

The segment results for the reported segments can be reconciled to earnings before tax as follows:

Reconciliation to earnings before tax

EUR thousand	Group	
	H1 2024	H1 2023
EBIT of the reportable segments	**2,396**	**1,530**
Other segment	–2,139	917
Consolidation	587	–1,258
Impairment losses according to IFRS 9	–162	–67
Financing income	779	403
Financing expenses	–2,745	–2,179
Earnings before taxes (EBT)	**–1,285**	**–2,488**

G. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

CASH FUNDS

The cash funds included in the cash flow statement include all cash and cash equivalents reported in the statement of financial position (cash-in-hand, bank balances, time deposits and available-for-sale financial instruments with a maturity of less than three months).

The Group's cash funds break down as follows:

Composition of cash funds

EUR thousand	30 June 2024	30 June 2023
Cash and cash equivalents	31,832	28,410
Pledged cash and cash equivalents	–2,802	–3,000
Liabilities to banks under current account agreements	–9,755	–7,941
Cash funds	**19,275**	**17,468**

CASH INFLOW/OUTFLOW FROM INVESTING ACTIVITIES

The main cash outflows from investing activities in the first half of 2024 resulted from investments amounting to EUR 2,215 thousand in various property, plant and equipment, and intangible assets.

No significant cash inflows from divestments were received in the first half of 2023.

There were no cash inflows or outflows from acquisitions or disposals of subsidiaries.

DEVELOPMENT IN CASH FUNDS

In the period under review, there was a total cash outflow for the Blue Cap Group – excluding changes in value due to exchange rates – of EUR 7,145 thousand (H1 2023: EUR 4,843 thousand).

H. OTHER DISCLOSURES

H.1 Financial instruments

The table below shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include any fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of the fair value.

Balance sheet value pursuant to IFRS 9

EUR thousand Financial assets by category		Carrying amount as of 30 June 2024	Amortised cost	Fair value through OCI	Fair value through profit or loss	Fair value as of 30 June 2024	Hierarchy
Non-current assets							
Participating interests	FVOCI	93		93		93	Level 2
Miscellaneous other financial assets		5,135					
of which derivatives	FVPL	767			767	767	Level 2
of which miscellaneous other financial assets	AC	4,368	4,368			4,368	
Current assets							
Trade receivables		26,977					
of which recognised at amortised cost	AC	26,977	26,977			26,977	
Other financial assets		1,388					
of which derivatives	FVPL	175			175	175	Level 2
of which miscellaneous other financial assets	AC	1,213	1,213			1,213	
Cash and cash equivalents	AC	31,832	31,832			31,832	

Balance sheet value pursuant to IFRS 9

EUR thousand

Financial liabilities by category		Carrying amount as of 30 June 2024	Amortised cost	Fair value through OCI	Fair value through profit or loss	Fair value as of 30 June 2024	Hierarchy
Non-current liabilities							
Non-current financial liabilities		66,106					
of which liabilities to banks	FLAC	49,492	49,492			49,492	Level 2
of which derivatives	FLFVPL	21			21	21	Level 2
of which lease liabilities	n/a	11,484					
of which miscellaneous other financial liabilities	FLAC	5,108	5,108			5,108	
Current liabilities							
Trade payables	FLAC	21,061	21,061			21,061	
Other financial liabilities		32,634					
of which liabilities to banks	FLAC	22,745	22,745			22,745	Level 2
of which lease liabilities	n/a	8,010					
of which miscellaneous other financial liabilities	FLAC	1,880	1,880			1,880	

Summary per category

Financial assets at fair value through profit or loss	FVPL	942
Financial assets at fair value through other comprehensive income	FVOCI	93
Financial assets measured at amortised cost	AC	64,391
Financial liabilities at fair value through profit or loss	FLFVPL	21
Financial liabilities measured at amortised cost	FLAC	100,286

The net gains or losses in the individual categories according to IFRS 9 for the first half of 2024 and the comparative period are shown below:

EUR thousand		H1 2024	H1 2023
Financial assets at fair value through profit or loss	FVPL	–102	–64
Financial assets at fair value through other comprehensive income	FVOCI	0	0
Financial assets measured at amortised cost	AC	936	874
Financial liabilities at fair value through profit or loss	FLFVPL	78	101
Financial liabilities measured at amortised cost	FLAC	–2,549	–2,679
Total		**–1,637**	**–1,768**

There are no significant default risks on the reporting date.

H.2 Events after the reporting date

No events of particular significance with an impact on the asset, financial or income position of the Group have occurred after 30 June 2024.

H.3 Approval of the consolidated interim financial statements in accordance with IAS 10.17

These interim consolidated financial statements of Blue Cap AG for the first half of 2024 were approved for publication by the Management Board on 22 August 2024.

Munich, 22 August 2024

Blue Cap AG
The Management Board

Dr Henning von Kottwitz   Henning Eschweiler

FURTHER INFORMATION

51_ FURTHER INFORMATION

ADJUSTED CONSOLIDATED INCOME STATEMENT

FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2024 (CONTINUING OPERATIONS)

	H1 2024		H1 2023		Variance	
	EUR thousand	%	EUR thousand	%	EUR thousand	%
Sales revenue	129,214	97.5	145,375	99.7	–16,161	–11.1
Change in inventories	2,463	1.9	–851	–0.6	3,314	< –100
Other capitalised own work	87	0.1	159	0.1	–71	100
Other operating income	774	0.6	1,198	0.8	–424	–35.4
Adjusted total output	**132,537**	**100.0**	**145,880**	**100.0**	**–13,342**	**–9.1**
Cost of materials	–67,127	–50.6	–79,073	–54.2	11,946	–15.1
Personnel expenses	–34,978	–26.4	–35,698	–24.5	720	–2.0
Other operating expenses	–19,314	–14.6	–19,656	–13.5	342	–1.7
Adjusted EBITDA	**11,118**	**8.4**	**11,453**	**7.9**	**–335**	**–2.9**
Depreciation and amortisation	–6,626	–5.0	–6,617	–4.5	–9	0.1
Share of profit/loss in associates	–105	–0.1	–709	–0.5	603	–85.1
Adjusted EBIT	**4,387**	**3.3**	**4,128**	**2.8**	**259**	**6.3**
Financing income	701	0.5	292	0.2	409	> 100
Financing expenses	–2,664	–2.0	–2,078	–1.4	–586	28.2
Financial result	**–1,963**	**–1.5**	**–1,786**	**–1.2**	**–177**	**9.9**
Income from adjustments	777	0.6	1,650	1.1	–873	–52.9
Expenses from adjustments	–4,342	–3.3	–6,339	–4.3	1,997	–31.5
Adjustments	**–3,565**	**–2.7**	**–4,689**	**–3.2**	**1,124**	**–24.0**
Earnings before taxes	**–1,140**	**–0.9**	**–2,347**	**–1.6**	**1,207**	**–51.4**
Income tax	181	0.1	592	0.4	–411	–69.4
Minority interests	507	0.4	69	0.0	438	> 100
Consolidated income	**–452**	**–0.3**	**–1,685**	**–1.2**	**1,233**	**–73.2**

Reconciliation of reported EBITDA (IFRS) to adjusted EBITDA

EUR thousand

	H1 2024	H1 2023
EBITDA (IFRS)	**10,079**	**10,423**
Adjustments:		
Income from asset disposals	–38	–141
Income from the reversal of provisions	–157	–752
Other non-operating income	–566	–245
Losses on disposal of fixed assets	26	107
Expenses from restructuring and reorganisation	0	31
Personnel costs in connection with personnel measures	447	809
Legal and consultancy costs related to with acquisitions and personnel measures	331	738
Other non-operating expenses	997	483
Adjusted EBITDA	**11,118**	**11,453**
Adjusted EBITDA margin in % of total output, adjusted	**8.4**	**7.9**

CONTACT, FINANCIAL CALENDAR AND LEGAL NOTICE

CONTACT

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NOTE

The Annual Report is published in German and English. The German version is always the authoritative version. You can also find the half-year report on our website at www.blue-cap.de/en/investor-relations/reports

FINANCIAL CALENDAR

Date	Event	Location
16 October 2024	Vienna Capital Market Conference (Family Office Day)	Vienna
25 – 27 November 2024	German Equity Forum - EKF	Frankfurt am Main

Subject to change without notice

As of: August 2024

LEGAL NOTICE

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This half-year report does not constitute an offer to sell, nor an invitation to submit an offer to buy, securities of Blue Cap AG.