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MOI
GLOBAL

MAGALLANES



VALUE INVESTORS

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At the date of presentation, Magallanes, through the different investment vehicles managed and / or advised, holds a 0,22% stake in the share capital of Stabilus.

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1. ABOUT US

- **Equity Long only** asset management company, founded in December 2014
- **Independent:** created and controlled by its founding partners
- **Co-investment – Alignment of interests** with our clients: >20% of AUM internally-owned
- **Family business culture** in the asset management company, in the portfolio and in our investors
- **AUM ≈ €1.9 BN**
- Specialized in one single strategy: **European equity** with a **Value Investing** philosophy, via the following vehicles:
 - European Equity 85%
 - Iberian Equity 10%
 - Microcaps 5%

Aiming to preserve and increase capital in the long run



2. AT A GLANCE

STABILUS



- German **manufacturer** of **gas springs** and **electromechanical systems (Powerise)**
- **>20 plants** and **>6.000 employees**
- **Automotive** and **industrial** supplier
- **Global market leader**
- **Strong balance sheet**
- **Aligned management team**



3. STABILUS: GLOBAL FOOTPRINT

“In the region, for the region”



Source: Stabilus



3.1. STABILUS: “TWO” KIND OF PRODUCTS



- **GAS SPRINGS** are composed by steel and nitrogen
- Up to **10 years** without inflating them
- Average Selling Price **3€/unit**
- **Not** as **commoditized** as it seems
- **Quality** is key because failures are very visible



- **POWERISE** is an automated opening and closing system, no manual force is required
- Average Selling Price **30-40€/unit**
- **Confort** is the name of the game
- No cannibalization but **substitution effect**

3.2. STABILUS: MANY APPLICATIONS



Automotive



Furniture



Swivel Chair



Medical and Rehabilitation



Commercial Vehicles



Transportation and Traffic



RVs and Motorhomes



Machine Construction

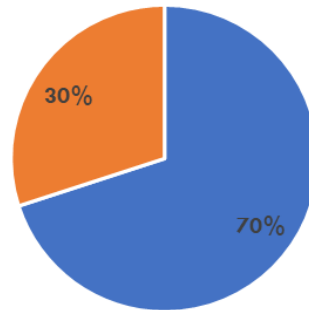


Further Applications



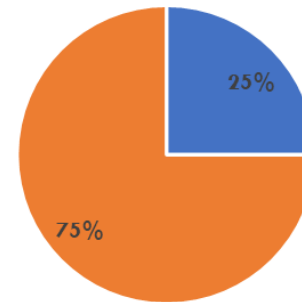
3.3. STABILUS: MARKET STRUCTURE

Global automotive market share



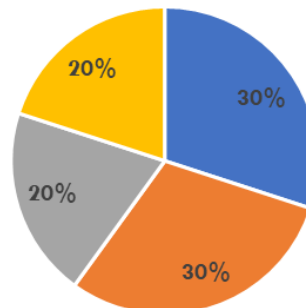
■ Stabilus ■ Defta Airax, Suspa & Others

Industrial market share



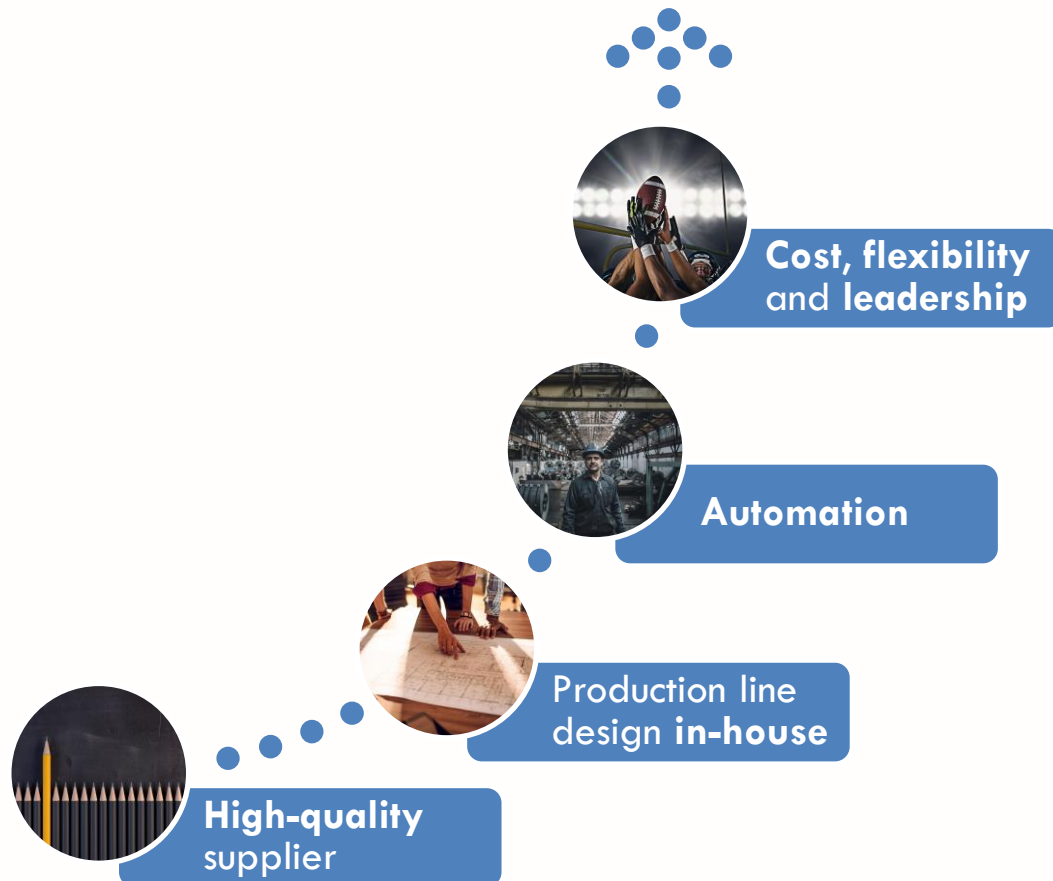
■ Stabilus ■ Defta Airax, Suspa & Others

POWERISE market share



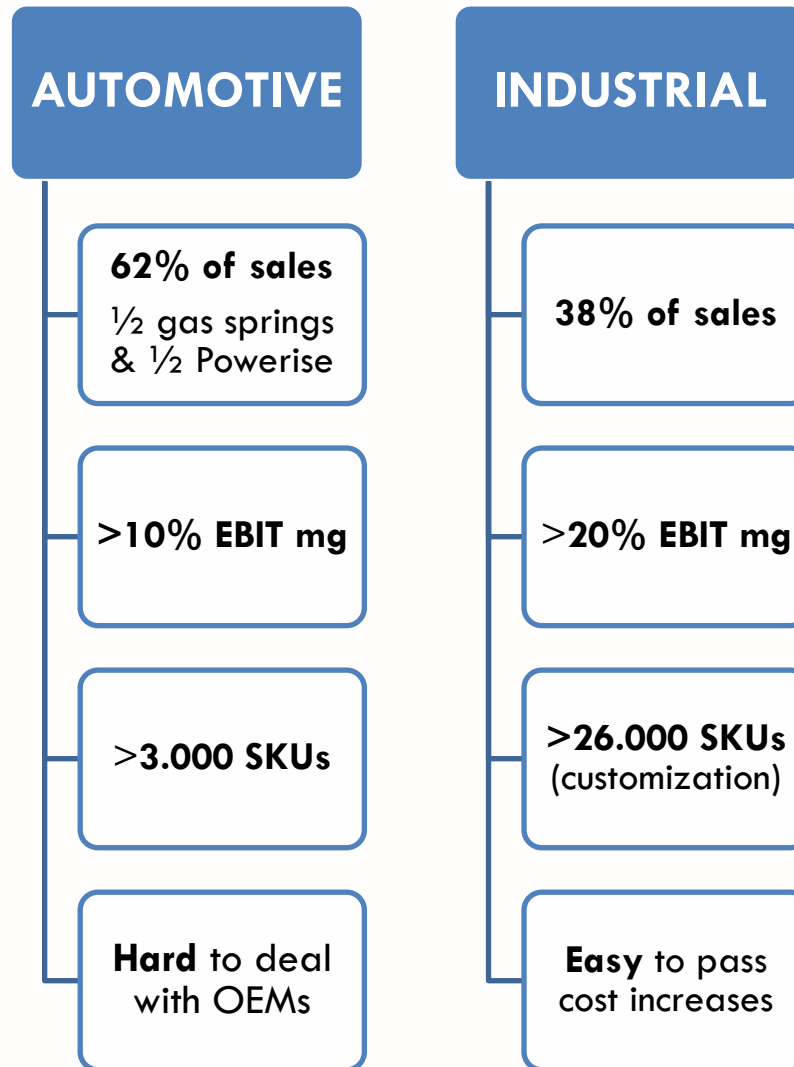
■ Stabilus ■ Brose ■ Edscha ■ Other competitors

3.4. STABILUS: COMPETITIVE ADVANTAGES



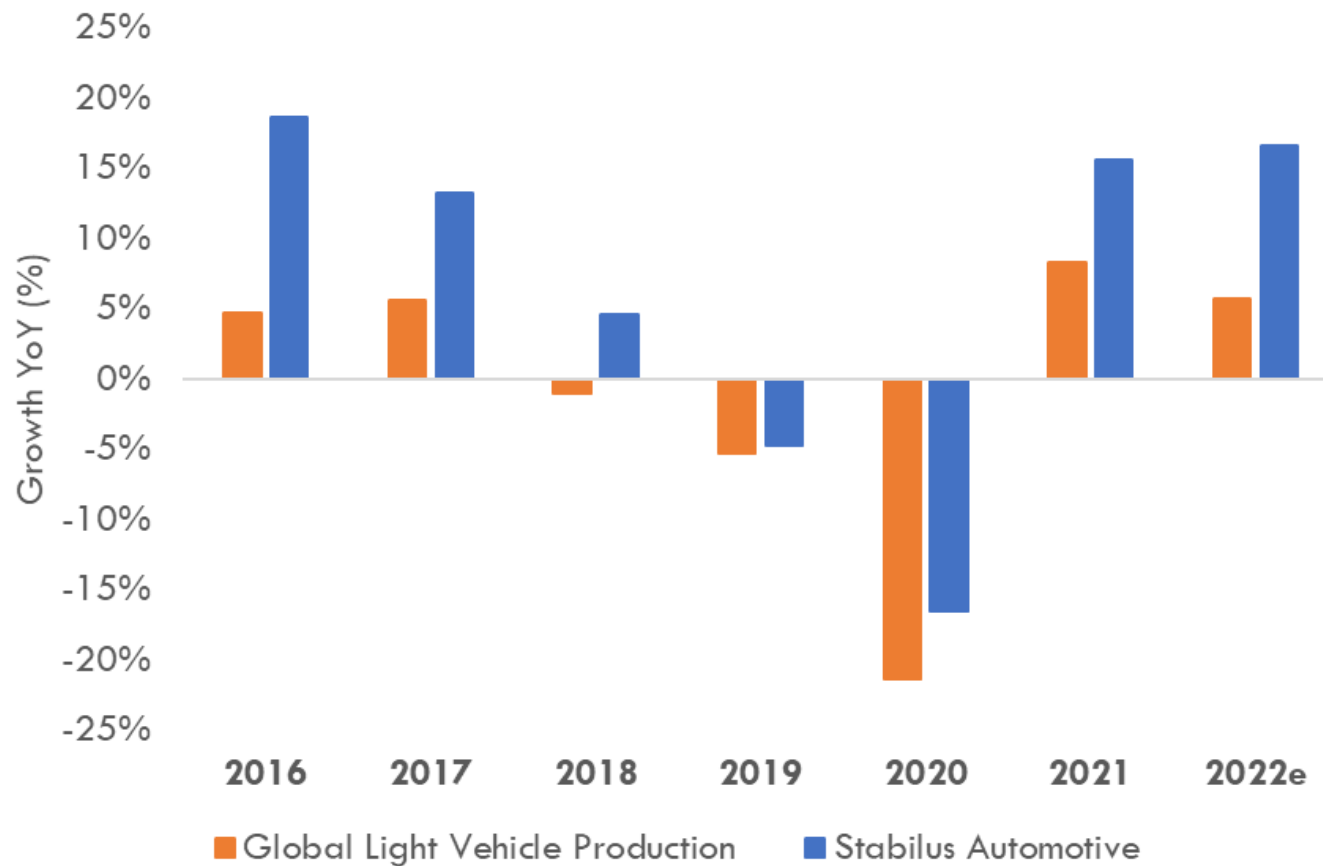


4. TWO SEGMENTS: AUTOMOTIVE AND INDUSTRIAL



4.1. AUTOMOTIVE SEGMENT

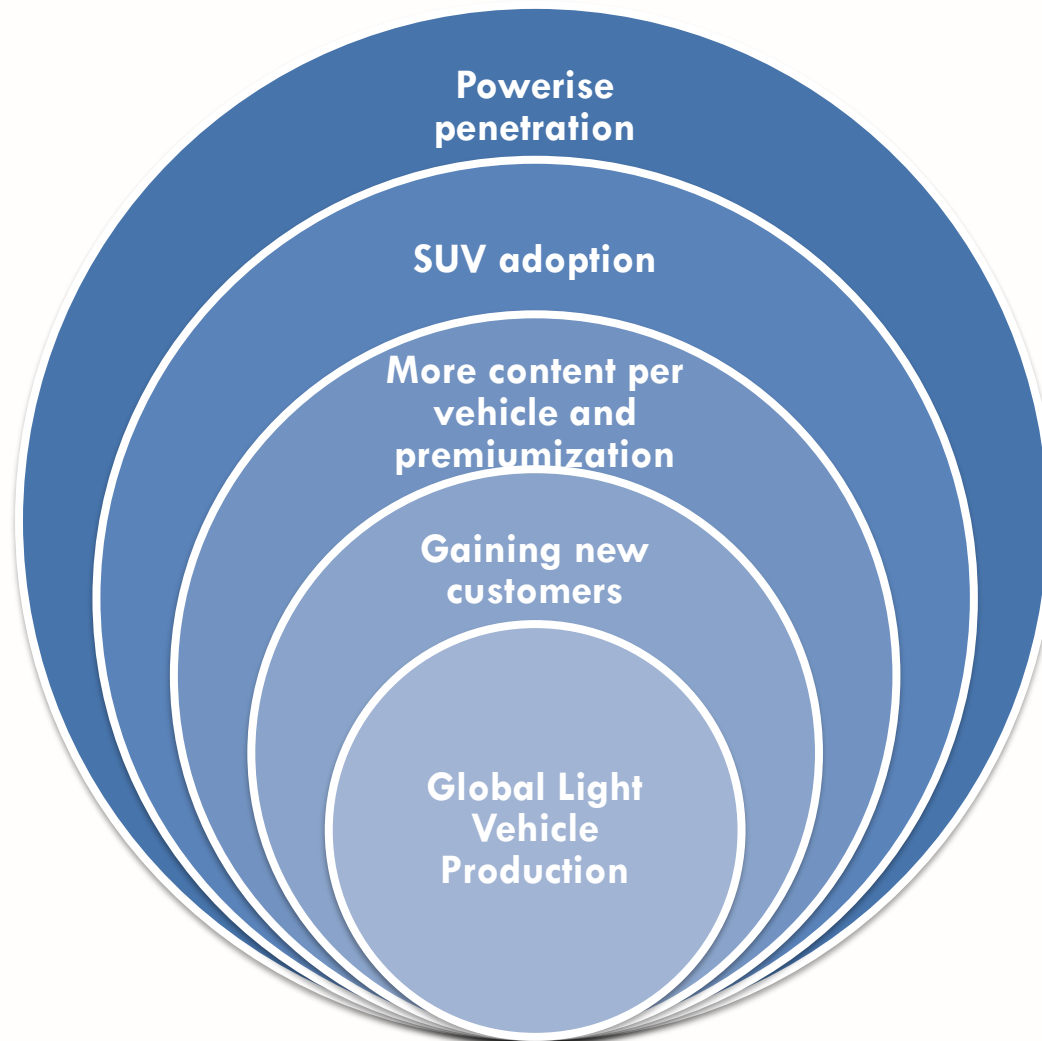
Global Light Vehicle Production -2%/year vs Stabilus +4%/year



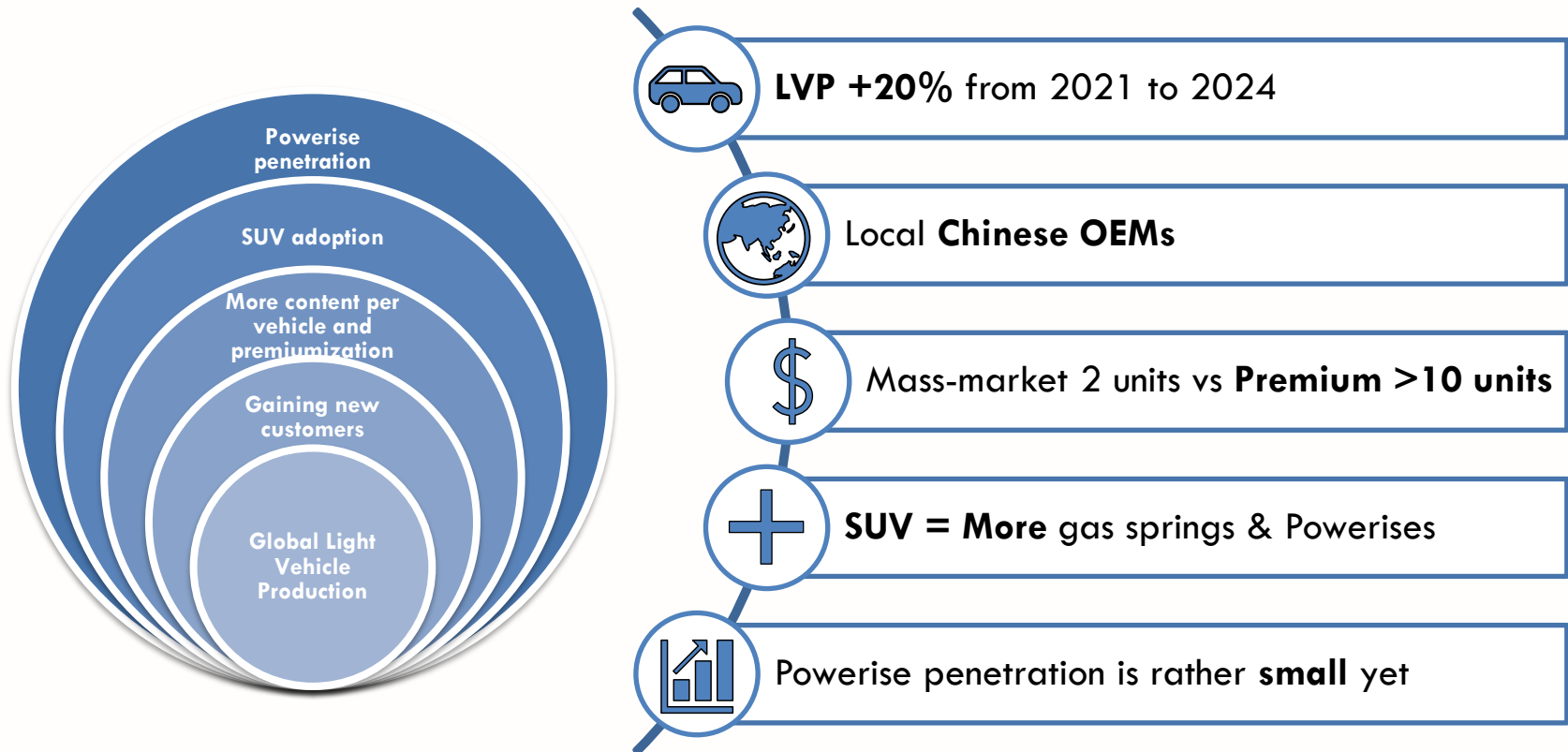
Source: Stabilus & own elaboration



4.1.1. AUTOMOTIVE SEGMENT: GROWTH DRIVERS



4.1.2. AUTOMOTIVE SEGMENT: GROWTH DRIVERS



4.1.3. AUTOMOTIVE SEGMENT: MORE TO COME



Frunk (Front Trunk)

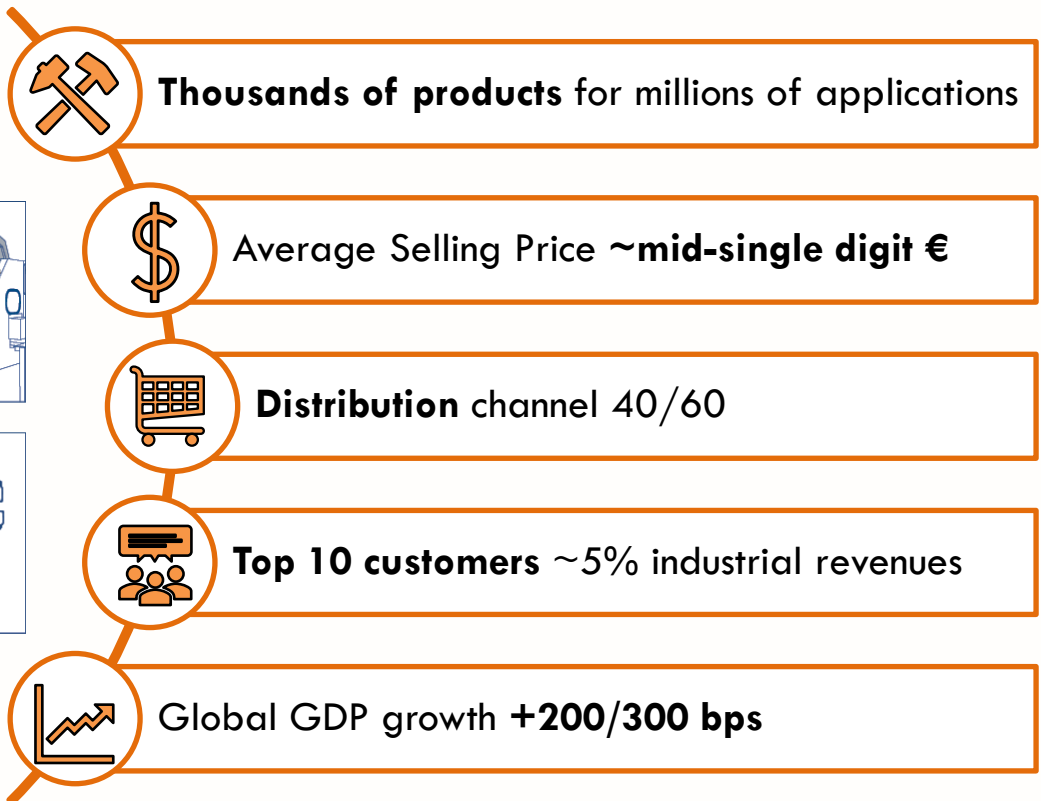
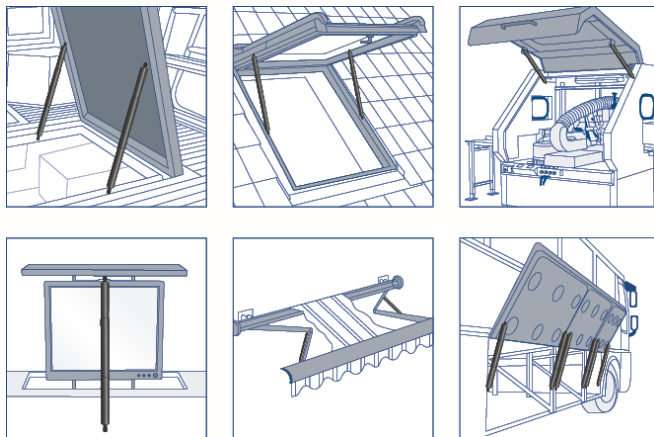


**Premium =
Differentiation**



Door actuators

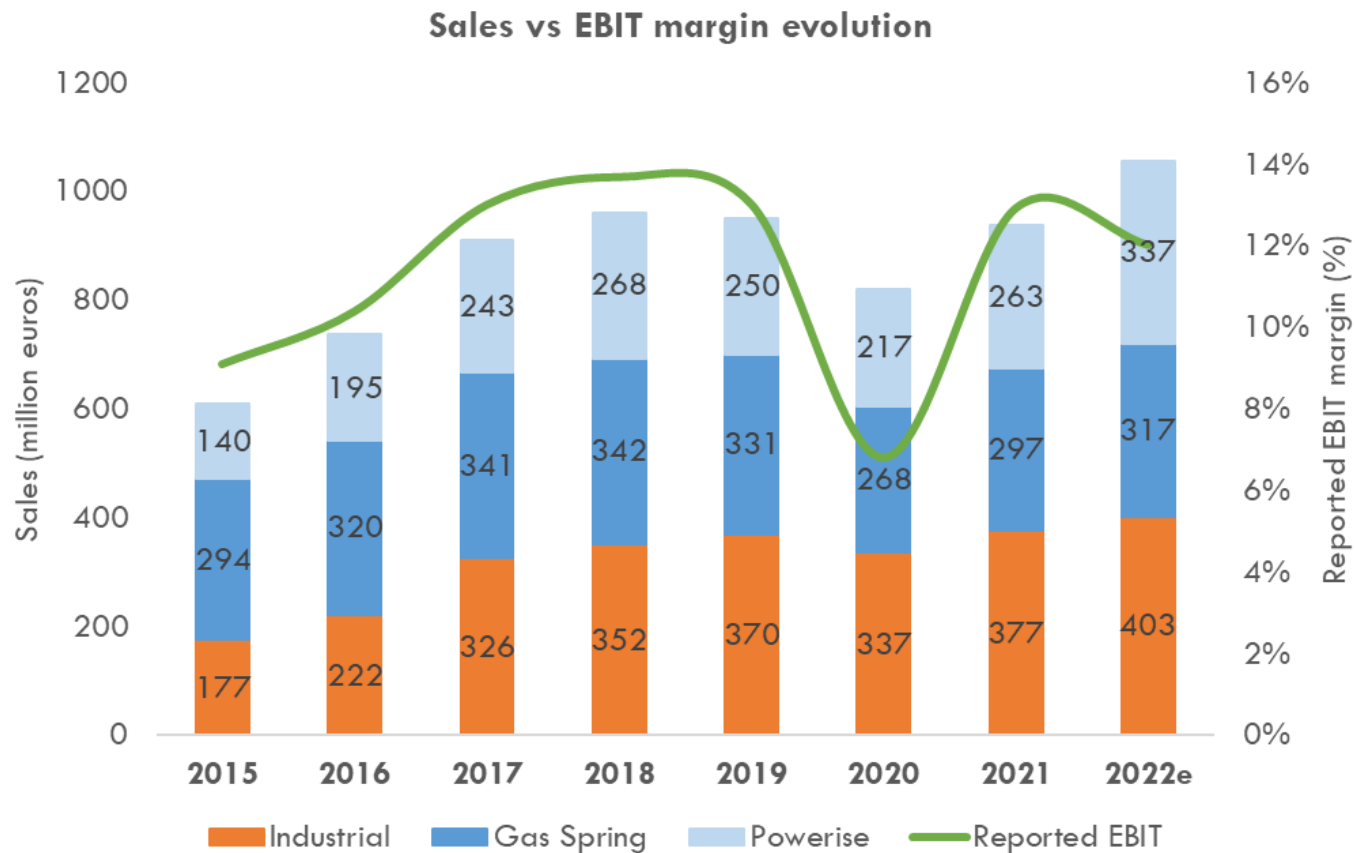
4.2. INDUSTRIAL SEGMENT





5. A GOOD COMPANY FOR UNEASY TIMES

Main growth vectors: Powerise (higher ASP) & Industrial (higher margin)



Source: Stabilus & own elaboration



5.1. SOUND FOUNDATION



Strong balance sheet
ND/EBITDA < 1x

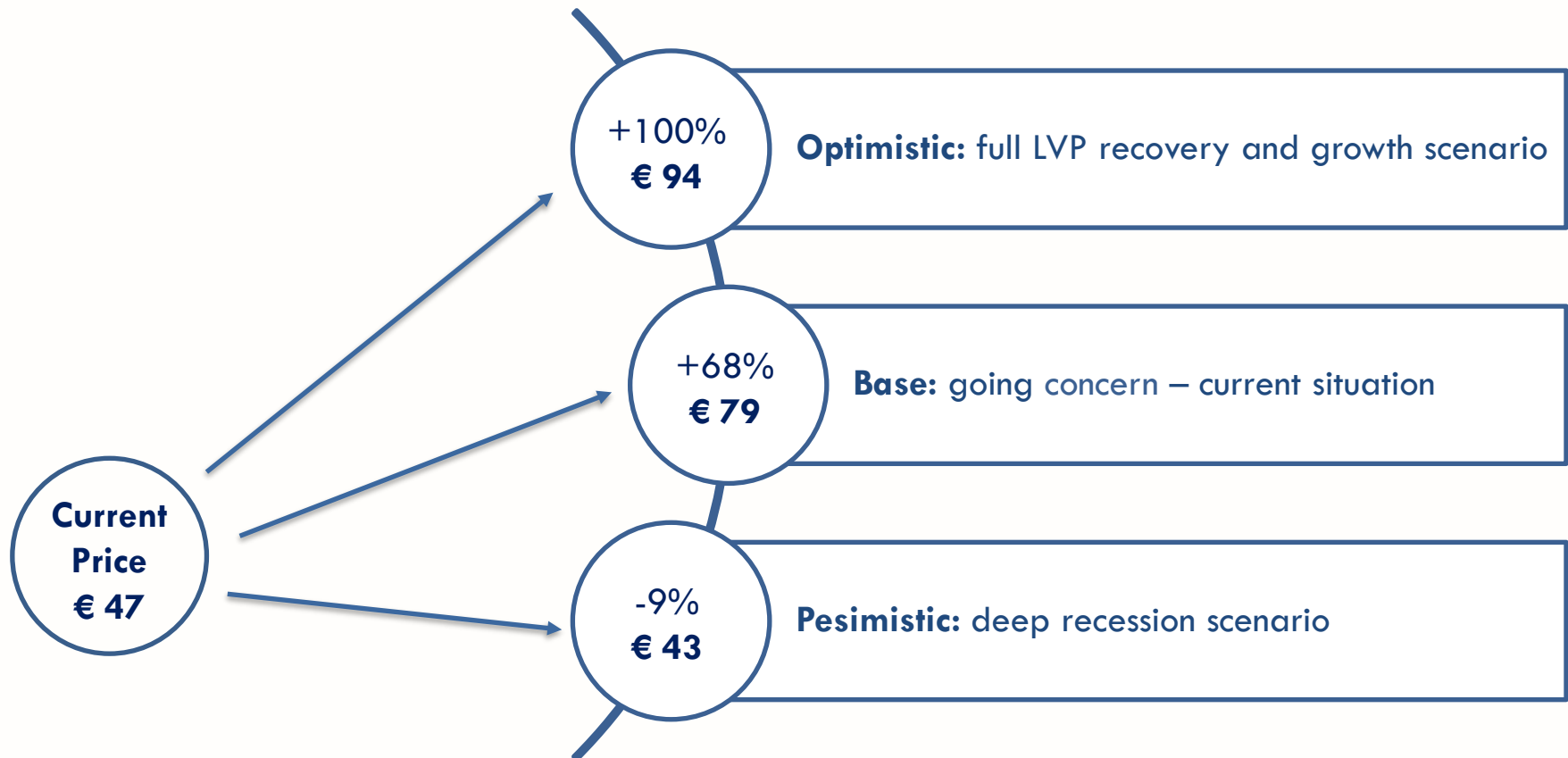


Pay out 30% and
excess funds
distribution



No anchor investor
but **aligned**
management

6. VALUATION



7. FINAL REMARKS

STABILUS



“UNCOOL” INDUSTRY



MARKET LEADER



GROWTH OPPORTUNITIES



SOUND BALANCE SHEET

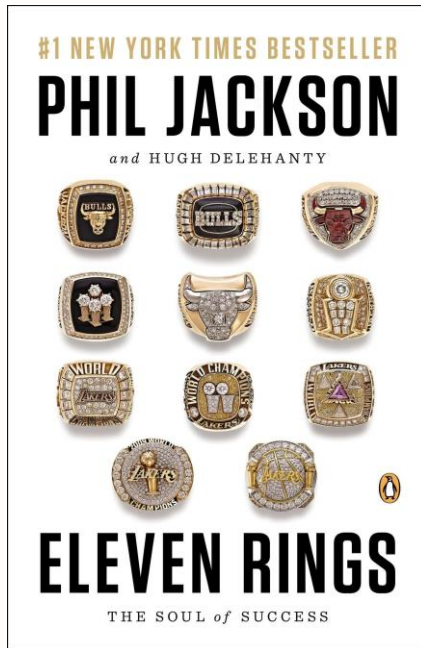


CHEAP VALUATION





6. A BOOK, SERIES AND PHRASE



“You must **survive** on the darkest days”

Howard Marks



THANK YOU

