HEITECNEWS 01



HEITEC Electronics: Innovation that guarantees success

MOVING AHEAD WITH A NEW STRUCTURE EXPANDING ON OUR POTENTIAL

PAGE 4 – 6

ACHIEVING AND CELEBRATING SUCCESS TOGETHER

PAGE 7

PAGE 2



Dear reader,

2021 and 2022 were challenging years due to the pandemic, political circumstances, supply chain issues, and a shortage of skilled labour. Despite all of these obstacles, we finished 2022 strong and begin the new year with renewed optimism and the highest order intake in our history!

With a new structure for the HEITEC Group, we are paving the way for long-term sustainability and consistency – as well as creating space for new ideas and processes in our organization. This allows us to build on the strengths of our core business – as well as those of our portfolio companies – and to pursue new, promising opportunities for the benefit of our customers and employees.

A solid guarantee of success is and remains our Electronics business. Our increasing focus on the systems business has proven to be the right approach and highly successful. I am particularly pleased with the good development of our site in Shanghai – despite it facing the most adverse conditions since its foundation. This year, too, we will be celebrating successes together – such as the 25th anniversary of our Berlin office, and our renewed certification as "Top Employer".

Kind Regards,

21/Kile

Richard Heindl President, HEITEC Group

Reorganization at HEITEC:

The former leadership duo at HEITEC, Richard Heindl and Johannes Feldmayer, stepped back from their executive roles at HEITEC AG as of December 31, 2022. Effective January 1, 2023, the Supervisory Board unanimously elected Michael Friess as the new CEO of HEITEC AG.

The HEITEC Holding GmbH was founded to serve as the top-level entity for the HEITEC Group, including both the HEITEC AG as well as affiliated companies. Richard Heindl has assumed the position of President of the HEITEC Holding GmbH with Johannes Feldmayer as its General Manager.

Pia Meyer, who has extensive experience in business development, consulting, project and business management, will actively manage the holding company's operations. To ensure that the HEITEC Group continues to present itself in a uniform manner, marketing activities, formerly settled in the HEITEC AG, will now be executed from within the Holding GmbH.

Our new structure's success will be based on a goal-oriented strategy, a focus on our core business areas, and an effective allocation of resources – while at the same time making the most of profitable synergies within the HEITEC Group. This will set our course for new growth.

New CEO Michael Friess provides insights into some of HEITEC AG's goals:

In what direction would you like to take the organization to maintain its successful development and performance to date?

In the last few years, we have already laid the foundation for our transformation into a solutions provider. Now it is time to complete our evolution into an endto-end provider of technically demanding, needs-oriented solutions in electronics, automation, machine construction, and digitalization. In electronics, we're focusing more and more on systems solutions. Our operations in our business areas, Automation, Electronics, and Production and Test Systems will be increasingly interconnected to leverage greater synergies. This approach is vital to create sustainability and resilience. Digitalization spans across



Johannes Feldmayer, Richard Heindl, Pia Meyer

Goals and Opportunities

our business areas and acts as an enabler of new business models.

What do you think will be the cornerstones of your future strategic development?

Our strategic intent rests on a solid foundation with six key focus areas

- Automation, which is deeply rooted in our DNA and forms the basis of our business:
- Digitalization for the continuous optimization of both internal and external processes;
- Focusing on our customers' needs so we can customize our portfolio accordingly;
- Innovation, a driving force for us that continues to safeguard our competitive edge in the future;
- Intensive collaboration, to leverage our corporate group's full potential
- Dealing responsibly with resources ecologically, economically, and socially

Following our vision and mission. we are aiming for further organic and inorganic growth. To support this ambition, we are systematically expanding our entire sales organization and focus intently on the development of our colleagues.

You have been with HEITEC for 22 years and know the company very well. What do you view as its strengths?

Very definitely, the broad range of sectors we have expertise in, enabling us to offer our customers "the best of all worlds." Then there are our close relationships with our customers that are founded on dedicated project management and an optimized balance between our regional presence and our global footprint. Our near-shore locations in Hungary, specializing in software development and in optical and electronic test systems, and in Slovakia, with its skills in hardware development, automation, and robotics, enable us to not only expand our technical services but also offer cost-effective solutions.

Developments like Industry 4.0, the IoT, AI, and VR are changing the market at a rapid pace. Where do you see the greatest opportunities?

The dynamic evolution of digitalization is creating major opportunities in two areas in particular. The first is digital engineering, where an end-to-end value



Michael Frieß. CEO of HEITEC AG

chain reduces a project's risks and injects greater efficiency with the use of digital methods from the customer's first inquiry to the digital Our twin. The other is 'smart factory', which will enable us to create new business Vision models through the horizontal and vertical connection of shop floors. We move

you into the future -With its diverse business areas, HEITEC covers many sustainably and of today's industries' needs. How can HEITEC best support its customers in meeting those needs?

Our Mission

efficiently.

By applying the latest technologies, we offer our customers standardized, innovative, sustainable solutions in automation, digitalization, and electronics.

The first and most important step is to seek out a dialog with the customer and listen very carefully. As a company, we also need to hone in on our own portfolio in every field. Technologically, we always need to stay right at the forefront so we can differentiate ourselves from the competition. Attractive products and services are the key to our continued, economic success for both our customers and ourselves.

What are the biggest challenges for the internal organization, and what conclusions do you draw from them?

I'd say the biggest one is bringing together our business areas and branches - which until now have operated largely autonomously - into a single unit without sacrificing their flexibility. My motto here is "centralized guidelines supported by decentralized flexibility." It is a difficult, arduous process that will only succeed if we can bring our colleagues on board from the very start and make necessary changes in a planned, systematic way.

HEITEC Electronics: An innovative guarantor

Electronics – 'Made in Germany' are synonyms for quality - especially when it comes to complex embedded electronic systems. Customers in the energy and medical technology markets value the expertise, HEITEC provides.

Centrally located in Eckental, Germany, the Electronics Division sees itself as a close partner to its customers, from the product idea and its development and qualification to series production and product support – if desired, HEITEC supports its customers throughout the entire lifecycle. Through its Shanghai subsidiary, HEITEC is now also able to successfully provide customized system solutions to its customers in Asia. The proof is in the many projects and product designs successfully implemented in Europe and Asia that have enabled customers to increase their competitive advantage.

What drives us: Generating added value

Our experience ranges from defining a system architecture to developing and implementing individual components and the manufacturing and integration of complete systems. We always strive for the bestpossibletechnologicaland commercial solution and a fast market launch.

Through our participation in numerous standardization consortia like PICMG and VITA, we are able to respond to market demands quickly and actively promote technological advancements. This enables us to automatically offer customers the earliest possible access to innovations.

HEITEC employees have in-depth technical knowledge and know the specific requirements of the industries they work with. Our development and production processes are calibrated, audited, and certified to ensure that they fulfill these requirements.

Teamwork as a basis for success

With their order books full to the brim, our site in Eckental, Germany is on a road to success.

This positive development wouldn't have been possible without our highly qualified and dedicated employees. With a new management team and our plans to expand our team, we have laid the foundations for continued growth and success.

That's why HEITEC is also continuing to invest in the modernization of our site. We'll soon be installing a



second SMD line to avoid supply bottlenecks and to process orders with our usual speed and flexibility.

Our global expansion, including our subsidiary in Shanghai, plays a large role in this positive trend.



From left to right: Gerhard Braun (Development), Matthias Rühr (Sales), Kai Lenfert (Business Area Lead), Stefan Pechtel (Production), Rainer Feldner (Procurement)

for success



Everything from one place: From the initial idea, development, verification, and manufacture of a product to its maintenance and service – all the way to the end of its lifecycle

Here's our production site in Eckental, where a second SMD line will soon be added

Complete systems for groundbreaking neurostimulation therapy

After 10 years of fostering a close partnership, HEITEC and MAG & More demonstrate what progressive market development in medical technology looks like. Our customer started out as an innovative regional company specialized in developing transcranial magnetic simulators (TMSs) to treat depression and other psychiatric and neurological disorders. Supported by HEITEC and the "Made in Germany" emblem of quality, MAG & More is now a global player with locations in over 25 countries. Since the beginning of their business relationship, Eckental carries out full system integrations, loads boards, integrates complex electronics in the enclosures, tests functionality and supplies entire systems, including manuals in the relevant languages – all based on the customer's exact specifications. The customer receives a complete, end-to-end design with comprehensive services that include seamless acquisition, long-term supplychain management, and reproducible production processes combined with quality management from us.

MAG & More especially appreciated the excellent support, we provided with our supply chain management in 2022, which proved to be a very difficult year.

With our support, MAG & More is able to fully concentrate on its core capabilities: the development of devices, its sale organization, market placement, and internationalization. Our combined success to date proves the value of this ongoing partnership.



HEITEC's complete systems for MAG & More's transcranial magnetic stimulation

Fail-safe power engineering: Control electronics for the energy transition

HVDC (high-voltage direct-current) transmission plays a significant role in maintaining a stable power supply. It serves as a lower-loss and more stable alternative to conventional three-phase high-voltage lines, especially when transmitting electrical power over longer distances. The key here is fault tolerance.

HEITEC has focused its solution expertise in the areas of system development and control electronics, developed a control computer for this type of plant, and started series production. In addition to specifics like functionality, real-time capability, throughput, fault tolerance, and ease of maintenance, a fundamental component of the order is support, which extends throughout the product lifecycle – for a stable power supply in the future.

Efficient cooling management: HeiCool ECO saves energy and money

Cooling that features a high packing density and energy efficiency is a core issue in electronics. With the 1U HeiCool ECO fan tray for installation in the 19" cabinet or subrack, HEITEC has focused on developing an extremely compact, energy- and cost-saving fan tray. Using about one-quarter of the energy consumed by conventional fan trays, HeiCool ECO is a real value-addition for any user.

A successful launch for HEITEC China despite difficult conditions



Despite the most difficult conditions, including the COVID-19 pandemic and the subsequent strict lockdowns, our HEITEC subsidiary in China can look back on successful business growth in the years since its foundation in January 2020.

This fortunate development is primarily due to the tremendous dedication of our Chinese colleagues under the leadership of General Manager Yunling Wu – a dedication that's also highly valued by our customers.

Customer proximity and complete solutions

The company headquarters in the Songjiang District of Shanghai accommodates Sales and Marketing, Development, Production, and Logistics. The HEITEC subsidiary's portfolio includes chassis technology, system platforms and solutions, and comprehensive services like technical support, product management, project management, and supply-chain management.

Continuous expansion of the product and service offering

Our top priorities are to continuously expand our product and service offerings and to continue to expand our market share in China and other Asian markets.

Shanghai is excellently located to reach all the major markets on the Asian continent. The HEITEC subsidiary is conveniently situated on the G60 Corridor in a recently created technology center. HEITEC AG's entire service portfolio is gradually being established on-site, including automation, digitalization, and production systems.

Optimization of the global value chain

The direct market access also creates more opportunities in regards to the sourcing of components, which also allows us to optimize our global value chain. This is being developed in close collaboration with the headquarters in Eckental to create optimal synergies for supplying the global market.

Systems for power engineering

With its high technological requirements, China is one of the most important target markets for nuclear energy. HEITEC recently supplied robust systems for a high packing density to the China Nuclear Control System Engineering Co., Ltd. (CNNC) and also assumed responsibility for all services. As a system development partner, customer proximity is a definite plus for HEITEC.

Our Shanghai team's commitment to implementing the project and procuring the products necessary for its success was greatly appreciated by our customer, the CNNC development department.



Subrack system for power engineering

HEITEC Berlin is celebrating its 25th anniversary

One-quarter of a century of successful business development and design work.

On February 1, HEITEC is celebrating the 25th anniversary of the opening of its Berlin office. The subsidiary was opened in 1998 as part of HEITEC Industrieplanung GmbH under the direction of Dipl.-Ing. Jürgen Eggebrecht, who successfully headed the location for four years. In 2000, it changed its name to HEITEC AG. As a result of its flourishing business development, the office headed by Dipl.-Ing. Klaus Wehmeyer moved to the building at Georg-Knorr-Strasse 4 in early 2002, and is still located there today.

From the very beginning, the office's core capabilities have been in software and hardware development, design, and documentation management. Berlin has successfully met its customers' needs for more than 20 years, not just in the retrofit business but also in the new project business in the automation technology and production systems business segments.

At the same time, virtual commissioning – as part of digital engineering – is becoming much more important. In recent years, the thriving team headed by site



manager Marcel Best has been able to add young and dedicated employees through numerous recruitments. Congratulations on your anniversary!

HEITEC is again recognized as a TOP employer for IT jobs in 2023

The search for IT specialists continues to be extremely challenging. The demand in companies remains exceptionally high, and a reversal of the trend is nowhere in sight. So it's all the more gratifying that – just like in the previous year – HEITEC was far ahead of the pack in the vote for TOP employer for IT jobs conducted by CHIP and GreatJobs.org.

Of the more than 2,500 companies surveyed, only 17 percent were able to meet the stipulated requirements, and only the very best received the "TOP Employer for IT Jobs 2023" award.

In the three categories Mystery Checks, Analysis of Career Areas, and Employee Evaluations, HEITEC was well ahead of the competition.

The excellent evaluations prove that our efforts to offer employees a pleasant and motivating work environment have been rewarded. It's extremely important for us that trainees are provided with the very best learning opportunities. We're especially pleased when their hard work and commitment are recognized, as in the case of Tim Ziller.

Since 2020, Ziller has been training as a Mechatronik-PLUS student at HEITEC PTS in Kuchen, Germany. He was recently awarded with the "Prize of the ROTARY Club Göppingen" at a ceremony at the Göppingen Vocational School. He received this prize for his excellent vocational qualifications as a mechatronics engineer upon completion of his vocational training and for his dedication as a volunteer. For years, he's been devoting his free time to coaching the A-Youth handball team at the SG Lauterstein Treffelhausen-Böhmenkirch sports club.

We take pride in our employees and are pleased to be among the TOP employers of 2023!



Handball-highlights

Three players from HC Erlangen at the World Championship



Offensive player Christoph Steinert and line player Tim Zechel from Germany, along with Torhüter Klemen Ferlin from Slovenia, represented HC Erlangen at the Handball World Championship in Poland and Sweden. The German national handball team thrilled fans with its fighting spirit, and they also ensured their participation in the Olympic Qualification Tournament. "We're happy to welcome back all three players, and we're sure that they'll keep up their momentum and triumph in the coming games," says Richard Heindl. The next home game against TBV Lemgo Lippe is scheduled for March 5.

HC-Youth participates in the "Mini World Cup" as the national team for Qatar



Like adult, like child: With 32 teams, the next generation of handball players also participated in their own "World Cup." The TSV Anderten club tournament at the beginning of the year is growing in popularity, and D-Youth teams from all parts of Germany went to Hanover for the thirteenth time. The "Mini World Cup" follows the game schedule of the official World Championship. This year, the HCE team wore the jerseys of Qatar. The winner was the Netherlands.

March

Intec

March 7-10, 2023 in Leipzig

In Hall 3, D 50 (VEMASinnovativ Pavilion), HEITEC Chemnitz will demonstrate how Industry 4.0 can be implemented quickly, easily, and economically with the help of digital engineering, virtual models, and production networking.

GMP-Pharma Technica

March 28-29, 2023 in Wiesbaden

The elite of the pharmaceutical industry will be meeting in Wiesbaden in late March. As an expert in regulated markets and the high quality standards associated with them, HEITEC is presenting smart factory solutions for greenfield and brownfield pharmaceutical plants at Booth A2.

April

LogiMAT

April 25-27, 2023 in Stuttgart

At the Mobility & Logistics Clusters booth in Hall 8, 8C55, we're presenting modular upgrade and expansion solutions for modernizing warehouse systems. Along with software specialist Artschwager + Kohl, we're able to meet every warehouse management requirement. Virtual simulation offers maximum control in every project phase.

May

Interpack May 4-10, 2023 in Düsseldorf

Interpack is a global trendsetter for the industry's topics of tomorrow, from sustainability to digitalization. Would you like to travel through time? Get ready to be surprised! Visit us at Hall 6, Booth 6C42.

PRODUCTION INFORMATION HEITEC News, a publication of HEITEC AG, Güterbahnhofstrasse 5, 91052 Erlangen, Germany, phone +49 9131 8 77-0. fax +49 9131 8 77-199, email: info@heitec.de, www.heitec.de

Legal responsibility: HEITEC AG: Martina Greisinger; Editor in Chief: Sylvia König

This customer magazine is part of HEITEC AG's public relations work. It is distributed free of charge and is not intended for sale.