



TES VSETÍN a.s.

Company Introduction

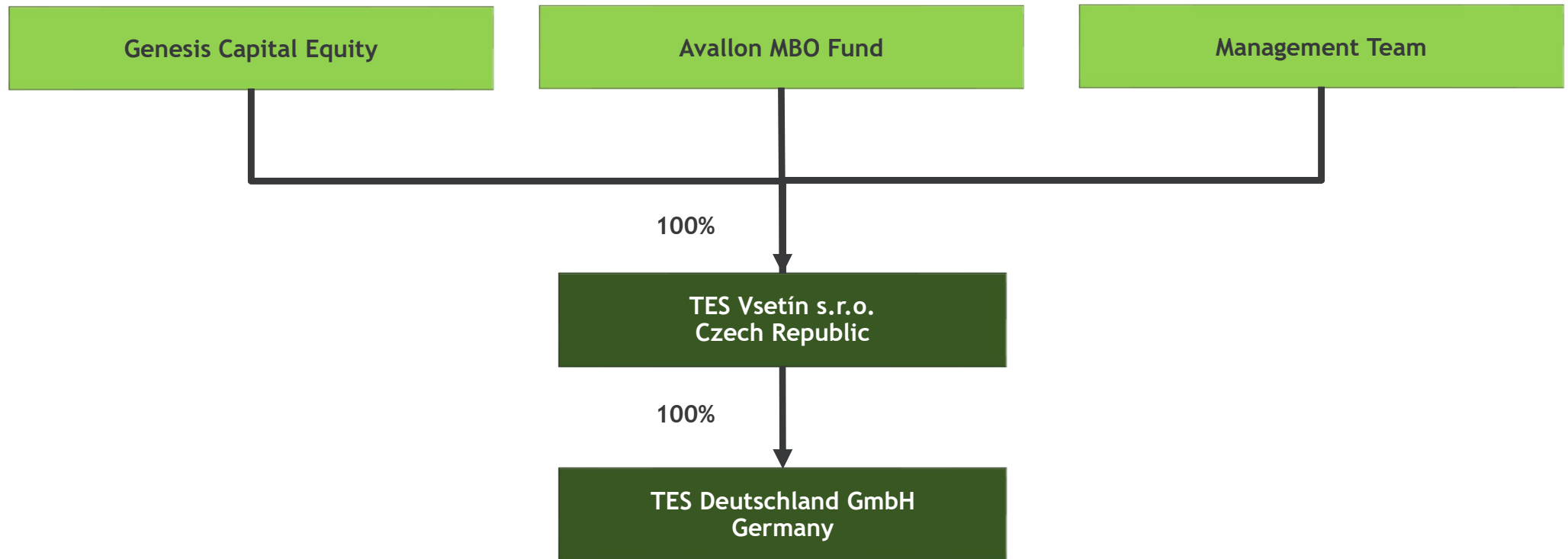
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TES Vsetín a.s. is owned by

GENESIS CAPITAL EQUITY, AVALLON MBO FUND and TES Management Team

Legal and Ownership Structure of TES Vsetín a.s.



GCE seeks out investment opportunities in dynamic small and medium-sized companies with high-growth potential operating in the Czech Republic, Slovakia, Poland, Hungary, and Austria. Since our foundation in 1999, we have managed six private equity funds with a cumulative size of over €300 million, or 7 billion Czech crowns.

We have supported the growth and development of over 60 companies, covering a range of diverse sectors and businesses. Many of the supported companies became business leaders in their respective segments, also thanks to their cooperation with GCE.

€320+ million

Total funds committed since establishment

€150 million

Size of active fund GPEF IV

5,900+

of employees in portfolio companies

60+

Companies supported

7 portfolio companies

As of 12/2021

€1.12 billion

Portfolio revenue generated

Our mission

GCE's mission is to invest in and support the building of successful companies, to create long-term value and to generate superior returns for investors of the funds we advise.

At the same time, GCE acknowledges its responsibility towards stakeholders and society in general to act in a sustainable and socially responsible manner, and to use its shareholder position to influence its portfolio companies to do the same.

Therefore, while preserving the commercial focus, GCE commits to integrating ESG-related issues into its activities to the extent reasonably practical under the relevant circumstances.

Investors in Genesis funds are international financial institutions and investment firms. Key GPEF III and GPEF IV investors include KB Private Equity (IKS KB), European Investment Fund, SPM Invest, Alpha Associates, eQ Private Equity, Česká podnikatelská pojišťovna, Raiffeisen IS, Sirius IS, Kooperativa pojišťovna, Amundi IS, Česká spořitelna, RSJ Investments, INVL and the European Bank for Reconstruction and Development (EBRD).



from 1993
to 2000

BUILDING UP TEAM'S
COMPETENCE

from 2001
to 2006

ADVISORY ACTIVITY

from 2004
to 2007

INVESTMENT ACTIVITIES

from
2007

PRIVATE EQUITY FUND
AVALLON MBO I
(EUR 50 M)

from
2012

PRIVATE EQUITY FUND
AVALLON MBO II
(EUR 109 M)

from
2019

PRIVATE EQUITY FUND
AVALLON MBO III
(EUR 137 M)

Investment value
EUR 10 – 20 milion

The regular amount of Avallon's financial involvement is €10-20M. In case of using the transaction debt, the value of the transaction may be as high as €30 M. It is possible for Avallon to get involved in bigger projects, if carried out in cooperation with other investors, or smaller projects if they have a consolidation character or have significant growth dynamics.

Share in the Company's capital from 30% to 50%

Minimum stake in the company's capital. Avallon prefers situations where a fund has a significant shareholder position.

Investment Period

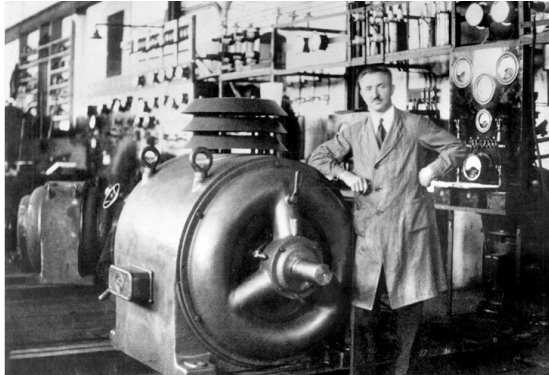
3-7 years

Avallon's investments usually last from 3 to 7 years.

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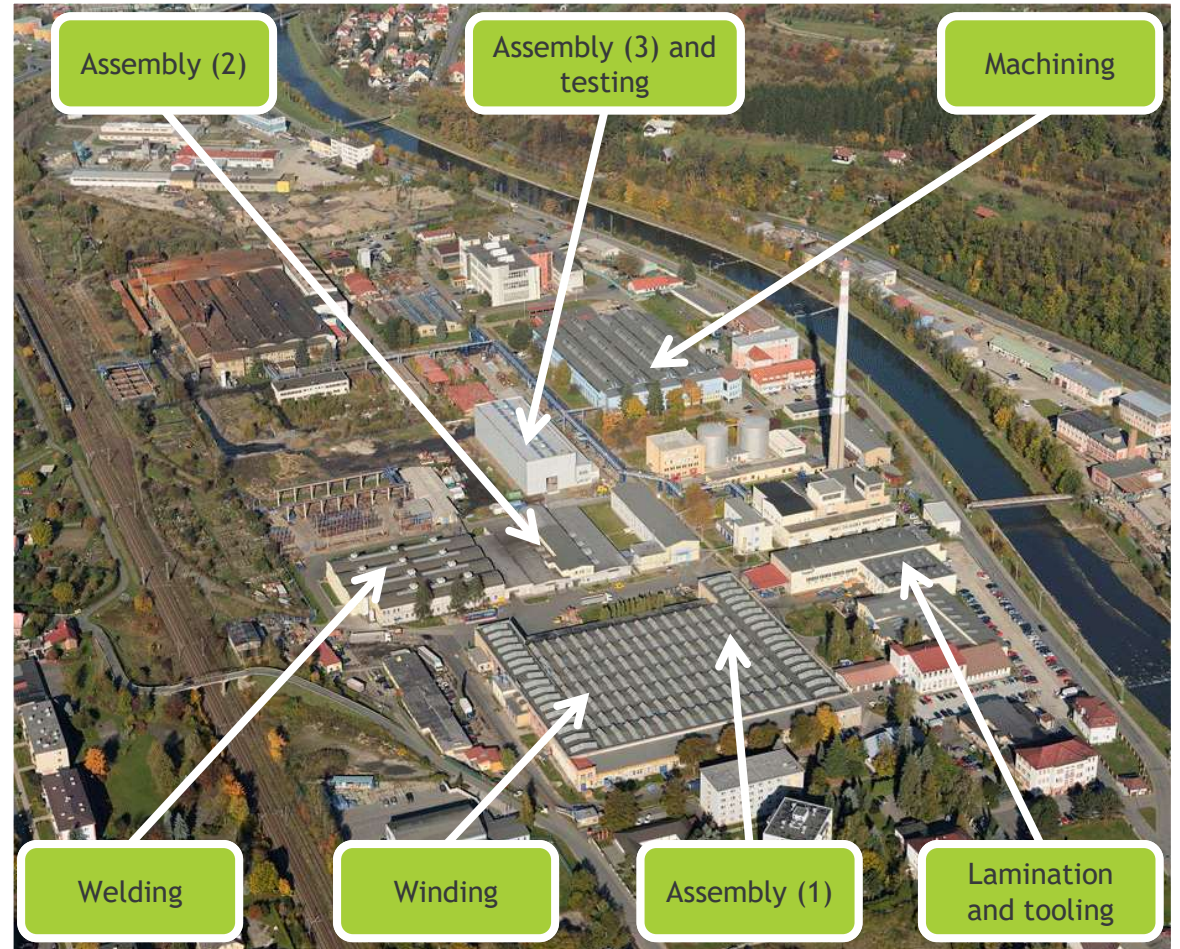
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TES is active in the development and manufacturing of electric machines, drives and components with a **history and experience** of 100 years



- 1919:** Founded by Josef Sousedík in Vsetín, Czech Republic based on 121 patents
- 1927:** A foundry, a pattern and a new machine tool shop goes into operation, where DC machines and later synchronous AC generators and squirrel-cage induction motors are produced
- 1934:** Following the Great Depression, the company is acquired by to the Ringhoffer-Tatra Company with already 200 employees
- 1945:** The Company is transferred under ZSE Praha Holding. Export orientation towards the Soviet Union
- 1994:** The Company is privatized and starts expansion to western markets
- 2002:** TES introduces vertical and horizontal generators for small hydroelectric power stations. Products for the renewable energy sector are first introduced
- 2010:** TES introduces a generator for wind power stations and becomes one of leading companies in the wind power generator sector.
- 2012:** TES merges with MEZSERVIS, a well-known manufacturer of electric drives, testing stands, switchboards and industrial automation projects
- 2013:** Opening of new testing and assembly facilities
- 2016:** New leadership team and project management organization are established. Efficiency project with Fit4Growth started
- 2017:** TES is awarded two EU innovation projects. Prototypes for new generation of ship motors developed
- 2019:** TES celebrates its 100th anniversary and completes Management-Buy-out with ARX Equity Partners
- 2023:** TES completes Management-Buy-out with Genesis Capital Equity and Avallon MBO Fund

Based in Vsetín, Czech Republic, TES is **located in an attractive area**, well-known for engineering and manufacturing know-how and tradition

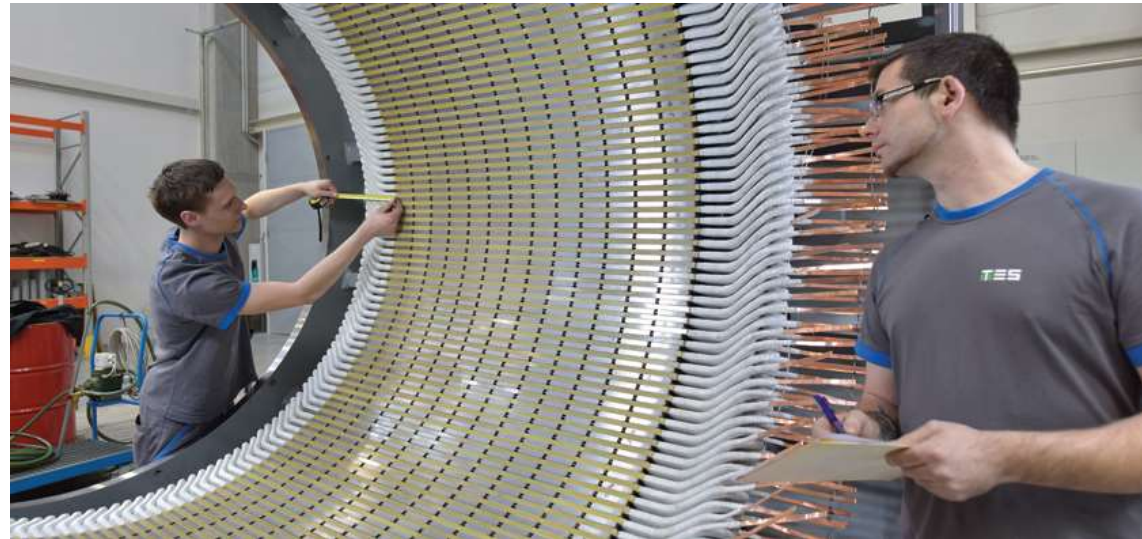


- Total owned property of 100,000 sqm, incl. eight main production halls and expansion space
- Full value chain from design through machining and assembly to testing and certification

TES holds **certifications of standardization bodies**, which are relevant for our business

Quality Certificates include...

- ISO 9001
- ISO 14001
- OHSAS 45001
- EN ISO 3834-2
- EN 15085-2 CL2
- DIN EN 15085-2 CL1
- EN 1090-1,2
- ČD V95
- DNV-GL
- ...



TES benefits from the company's fully integrated value chain by shorter time-to-market, higher quality control, and better margins



Design and Customer Support

- 66 R&D and application engineers



Tooling

- Own inhouse tool shop and team



Stamping

- Pressing
- Notching
- Deburring



Welding

- Robotic or hand welding
- MAG, MIG, TIG, electrode
- Special certifications by LRQA



Machining

- Frames, shafts, end shields, etc.
- max. weight of one unit 50 t



Winding and impregnation

- Windings with round or profile wires
- Impregnation up to dia 3.5 m



Assembly and testing

- Balancing, assembly and testing
- Weight up to 80 t



Technical Service

- Installation, after-sales services
- Repair, maintenance, overhaul
- Testing, balancing, ...

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The product range of TES consists of three **fully vertically integrated business lines**:
Electric rotating machines, System Components, and Technical Service

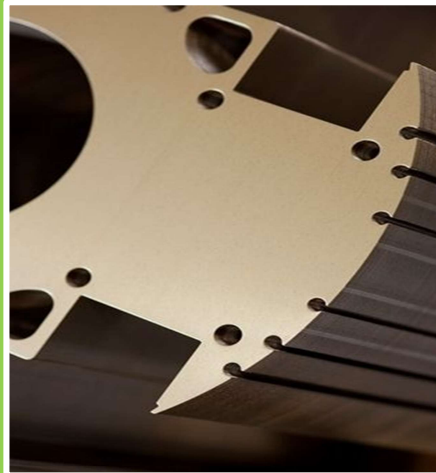


Machines & Solutions



- ▶ Generators
- ▶ Motors
- ▶ Special Purpose Machines
- ▶ Test Stands
- ▶ Switch Boards

System Components







- ▶ Laminations
- ▶ Stators
- ▶ Rotors
- ▶ Coils
- ▶ Shafts and other parts

Technical Service



- ▶ Customized Design
- ▶ Prototyping
- ▶ Repair & Maintenance
- ▶ Testing
- ▶ Other services

TES Product Offering: Purpose-built rotating electrical **Machines & Solutions**

Products and Applications	<h2>Generators</h2>  <ul style="list-style-type: none"> For hydro power plants, marine, ... 	<h2>Motors</h2>  <ul style="list-style-type: none"> For steel industry, marine, heavy duty 	<h2>PMG's</h2>  <ul style="list-style-type: none"> For wind-power plants, marine, ... 	<h2>Test Field Equipment</h2>  <ul style="list-style-type: none"> For testing electrical machines
Power Range	<ul style="list-style-type: none"> 30 - 30,000 kW IP 23 - IP 56 400 - 13,800 V 	<ul style="list-style-type: none"> 200 - 4,000 kW IP 23 - IP 56 400 - 6,600 V 	<ul style="list-style-type: none"> 500 - 4,000 kW IP 23 - IP 56 400 - 6,600 V 	<ul style="list-style-type: none"> Custom-made products
Technical Features	<ul style="list-style-type: none"> Smooth rotor / Salient poles Synchronous / Asynchronous / Permanent magnets Horizontal or vertical 	<ul style="list-style-type: none"> Asynchronous Permanent magnets Fed from frequency converters Horizontal or vertical 	<ul style="list-style-type: none"> Permanent magnet Horizontal or vertical Air or water cooling 	<ul style="list-style-type: none"> Induction voltage regulators Lifting tables Rotating frequency convertors

TES Product Offering: Purpose-built rotating electrical **Motors & Machines (cont'd)**

Products and Applications

Industrial Automation & Drives



- For automotive industry, plastic, rubber industry, etc.

Test Stands



- For automotive manufacturing

Special Purpose Machines



- For application in processes of various industries

Switchboards



- Outsourced manufacturing services

Technical Features

- Single or multi motor drives, complete engineering and manufacturing

- Test beds for automotive industry focusing on testing of combustion engines, gearboxes, final drives
- Hot and cold tests, mobile stations

- Comprehensive services in development and manufacturing of special single purpose machines and production lines

- Custom-made switchboards to customer's design or TES design

TES Product Offering: Dedicated **System Components Portfolio** for electric machines



LAMINATIONS



FRAMES & ENDSHIELDS



SHAFTS & OTHER PARTS



COILS



WOUND STACKS



STATOR AND ROTOR STACKS

TES Product Offering: **Technical Service Portfolio** for after-sales and other value-added services around motors and machines



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Since almost 100 years, TES has developed a broad cross-industrial **application range** for products and services for customers from different industries

Applications Range



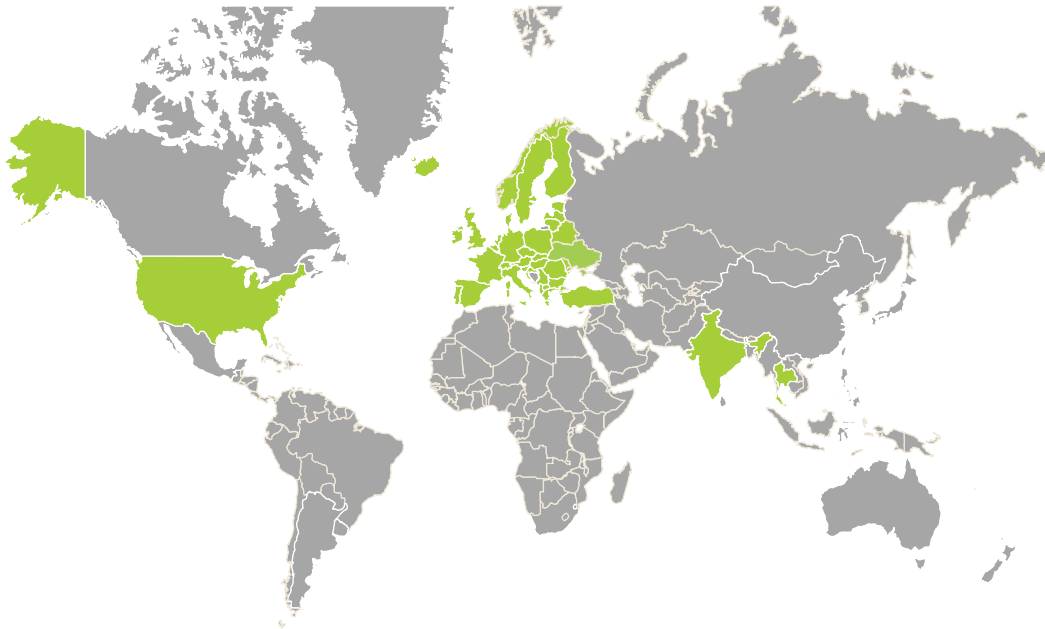
- ▶ Hydro Power Generation
- ▶ Wind Power Generation
- ▶ OEM Solutions
- ▶ Industrial Automation
- ▶ Elevators & People Moving Products
- ▶ Test Stands
- ▶ Permanent Magnets
- ▶ Traction
- ▶ Marine & Offshore
- ▶ Steel Industry
- ▶ General Industry

Customer Base (Examples)



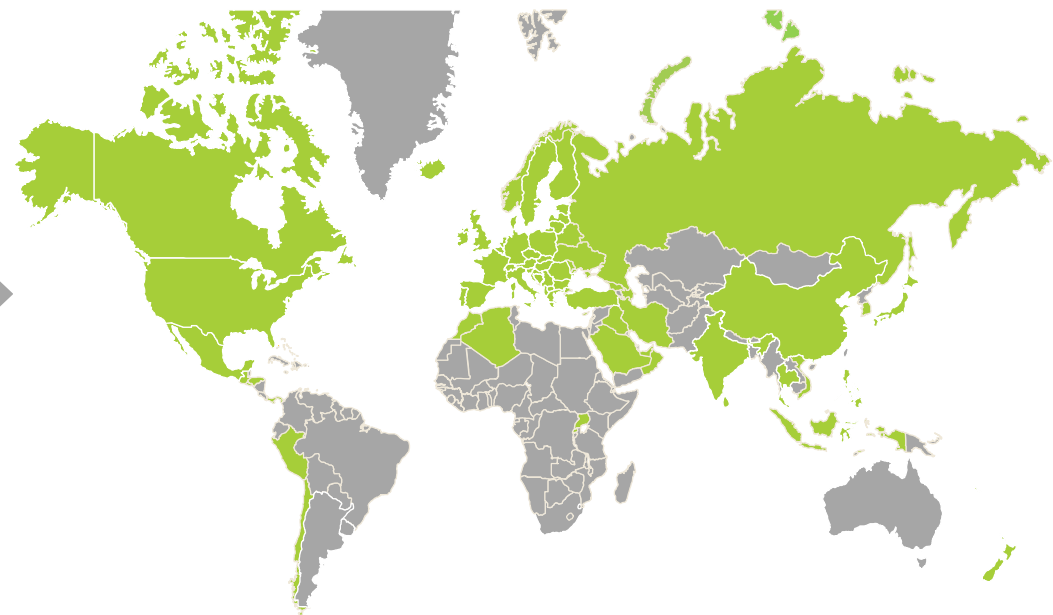
Since 2012, TES has developed and expanded from an (Eastern) European focused manufacturer to an **solution provider with a global footprint**

TES Country Presence in 2012



Markets covered by TES

TES Country Presence in 2023



Markets not yet developed by TES

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TES offers customized solutions for electric machines, drives and components as value added partner based on about 100 years of technical expertise and track record

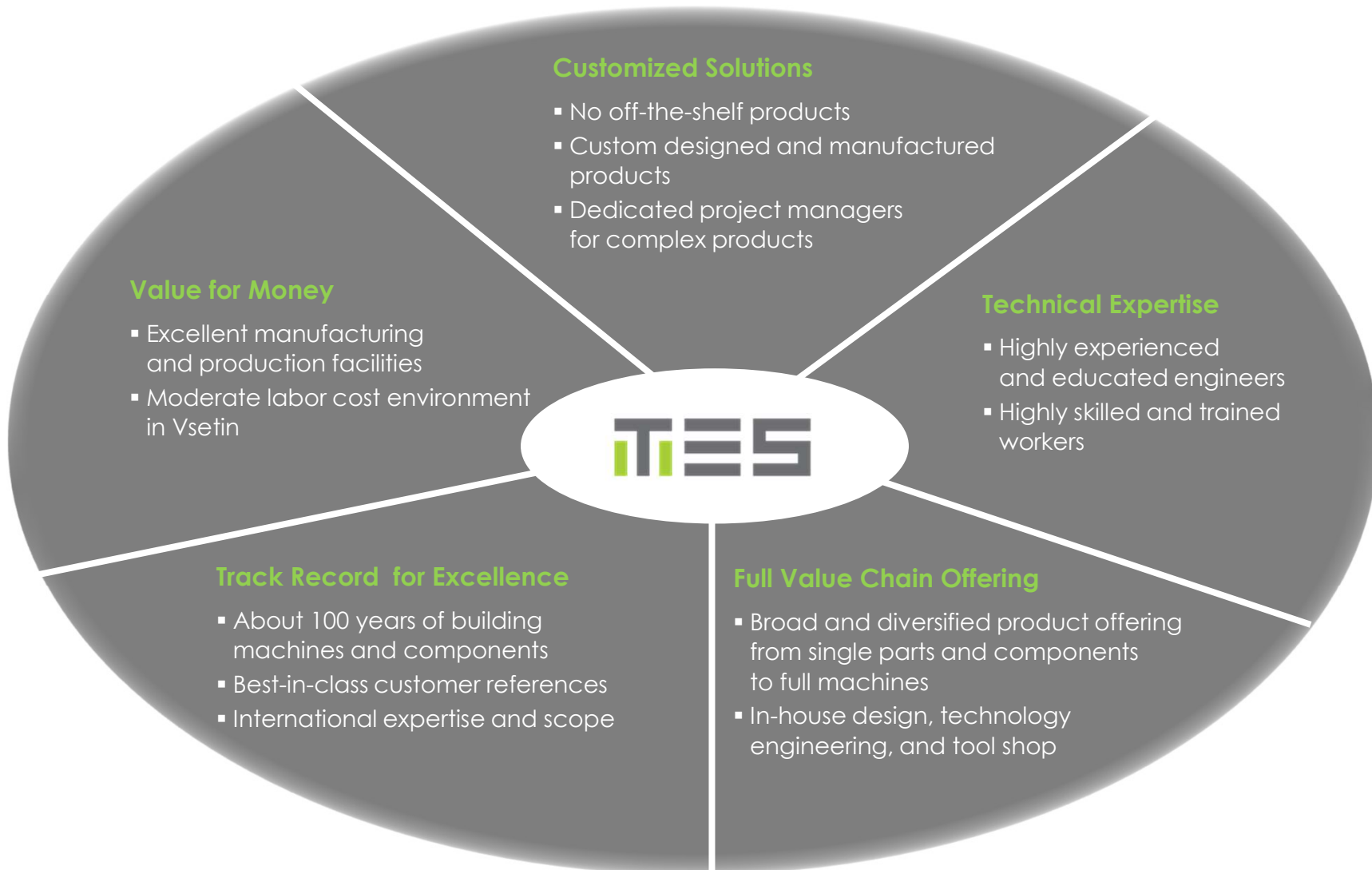


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