

# Press Information

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Equipment-as-a-Service model for printing machines grows: HEIDELBERG and Munich Re Group win WEIG Packaging for their "Subscription Plus Model"

- Strategic partnership enables further expansion of the subscription business model for HEIDELBERG
- WEIG Packaging, folding carton printing company from Emskirchen: first industry partner for the new "Subscription Plus Model"
- Relayr and IoT Financing Services (IFS) from Munich Re Group implement the Equipment-as-a-Service model, including financing and operational asset management, as well as IoT technologies around the model

The price per printed sheet is the focus: Heidelberger Druckmaschinen AG (HEIDELBERG), together with Munich Re Group companies, continues to successfully drive the expansion of the digital business model Equipment-as-a-Service (EaaS) as a part of the strategic partnership. In this model, the customer pays exclusively for productive industrial performance, i.e., for the number of printed sheets. The price includes software, all necessary consumables, and service. The packaging manufacturer WEIG Packaging GmbH & Co. KG concluded a further subscription contract as part of the cooperation at the beginning of 2023 to grow its business.

The subscription approach offers print companies attractive, usage-based financing. At the same time, the offer helps users improve their processes and increase their productivity. This is achieved through significant performance improvements in setup time, printing speed, and waste reduction. Customers benefit from the automated delivery of consumables and optimized logistics organization. Specifically, these attractive subscription offers for printing and packaging solutions aim to further establish the digitalization of business models in the printing industry. As part of the

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"Subscription Plus Model," the customer continues receiving all services, such as service, training, consulting, software, and consumables, delivered through Vendor Managed Inventory (VMI) by HEIDELBERG. The machine is provided as a part of the partnership.

The company WEIG Packaging GmbH & Co. KG, which produces around 160 million printed sheets per year at the Emskirchen location, is now expanding the use of this model within the company. Stefan Leonhardt, Managing Director of WEIG Packaging GmbH & Co. KG, explains: "We have decided to use the subscription model from HEIDELBERG again because it allows us to implement our production goals flexibly and efficiently. We consider the excellent partnership with HEIDELBERG in service, maintenance, upkeep, and supply of consumables to be an advantage. "

Since the introduction of subscription models, HEIDELBERG has observed growing customer interest. "We are pleased to support WEIG Packaging GmbH & Co. KG through the subscription model in further optimizing their business," emphasizes Dr. Ludwin Monz, CEO of HEIDELBERG.

This contract model is financed through the strategic partnership. The basis of the cooperation is the joint expansion of HEIDELBERG's "Subscription Plus Model". Relayr and IFS not only support HEIDELBERG in the operational implementation of their EaaS business model but are also responsible for financing in this case. The advantage: the essential services, financing, and IoT solutions are provided from a single source.

Relayr and IFS implement the EaaS model in practice by leveraging IoT technology to integrate HEIDLBERG's machine data combined with financing and operational asset management. "We are convinced of the benefits of Equipment-as-a-Service business models, especially for the manufacturing industry. Internationally active medium-sized companies are the main pillar of the German economy. We are well-positioned to help shape the digitalization of this important sector with forward-looking business models such as Equipment-as-a-Service. Cross-industry partnerships that link different business areas are crucial for Germany as a technology location to remain competitive," explains Jessica Poliner, CEO of relayr.

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#### **About WEIG Packaging**

WEIG Packaging produces cardboard packaging for the food and non-food sectors and cardboard tubes for the paper and geotextile industries at several locations in Germany. WEIG Packaging and its companies are part of the WEIG Group, which operates in the fields of packaging, cardboard, and recycling.

www.weig-packaging.de

#### About relayr – a Munich Re company:

Relayr is the Industrial Internet of Things (IIoT) powerhouse delivering the most complete solutions for a risk-free digital transformation and supporting our customers on the journey to Equipment as a Service. We enable industrial companies to shift from CAPEX to OPEX-based offerings by providing a combination of unique IIoT technology and solutions with powerful business services such as IoT Financing Services or bespoke transformation de-risking instruments – all from a single source. With relayr, manufacturers, operators, and service companies for industrial equipment are empowered to implement fully interoperable Industrial IoT solutions guaranteed to enable their digital and Equipment as a Service transformation journey, regardless of their starting point.

#### www.relayr.io

#### **About HEIDELBERG Subscription:**

HEIDELBERG is following a growing trend in the machinery industry with its subscription model for Equipment-as-a-Service. In this model, HEIDELBERG's customers pay exclusively for productive industrial performance, i.e., the number of printed sheets, rather than for the printing machine itself in the traditional business model. In this digital business model, HEIDELBERG offers the highest level of development, "Subscription Plus," which, together with Munich Re Group, provides a smart system consisting of equipment, software, all necessary consumables such as printing plates, inks, varnishes, detergents, rubber blankets, and an extensive service offering focused on availability. The stable management of such a comprehensive system is only possible with big data applications, such as predictive maintenance, and HEIDELBERG's push-to-stop approach to autonomous printing. The rollout of the subscription model is set to be further

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expanded and is the result of HEIDELBERG's ongoing software and data expertise development.

Subscription Smart & Plus | Heidelberg

Image: HEIDELBERG Subscription: the price per printed sheet is the focus.

Image material and further information about the company are available on the <u>Investor</u> <u>Relations</u> and <u>Press Portal</u> of Heidelberger Druckmaschinen AG at <u>www.heidel-</u> <u>berg.com</u>.

#### Heidelberg IR is also on Twitter:

Link to IR Twitter channel: https://twitter.com/Heidelberg\_IR

Twitter Handle: @Heidelberg\_IR

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