



ANDRITZ CAPITAL MARKETS DAY

GROUP FINANCIALS

NORBERT NETTESHEIM
CFO

JANUARY 24, 2024

ANDRITZ

ENGINEERED SUCCESS

AGENDA



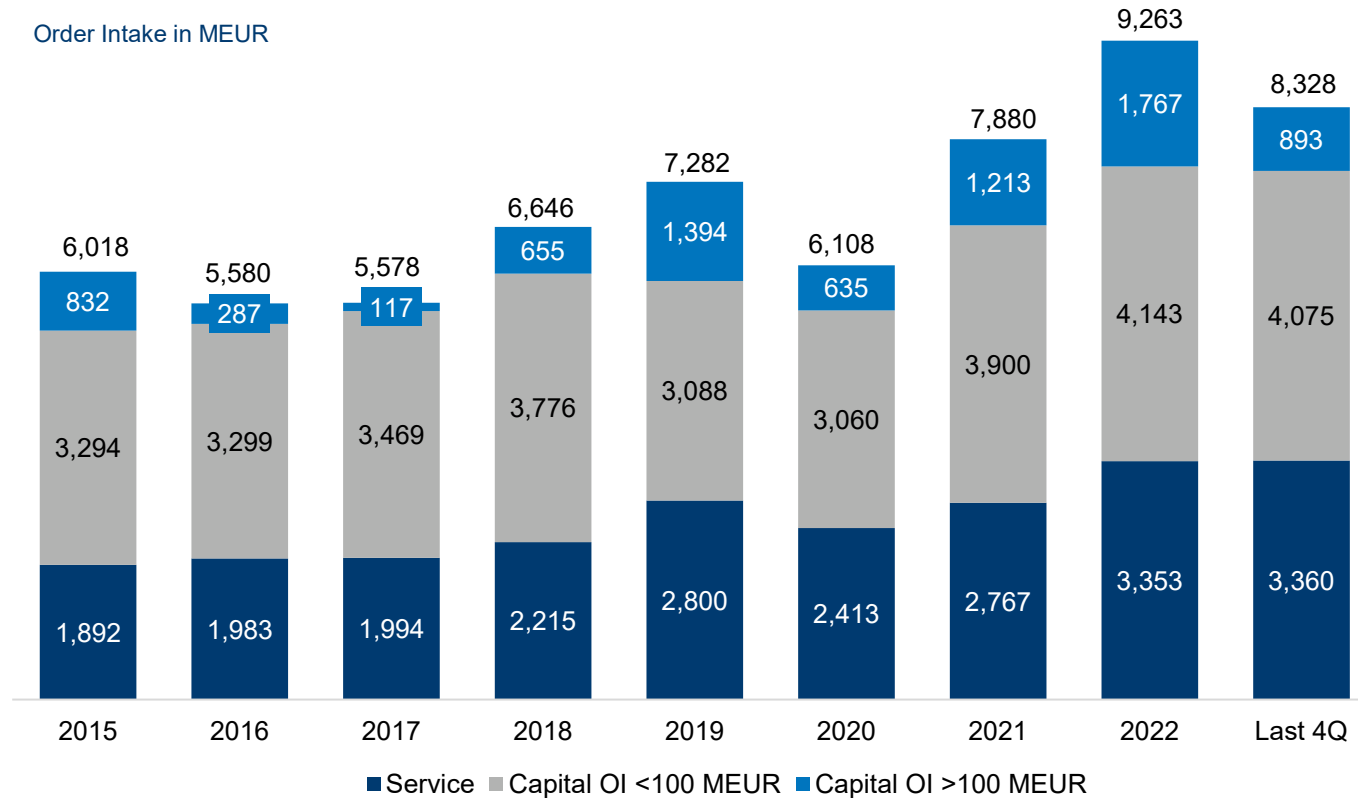
1 | ACHIEVEMENTS SINCE CMD 2021

2 | NEW TARGETS

FAVORABLE ORDER INTAKE DEVELOPMENT WITH YOY VARIATIONS DRIVEN BY LARGE CAPITAL ORDERS



Order Intake in MEUR

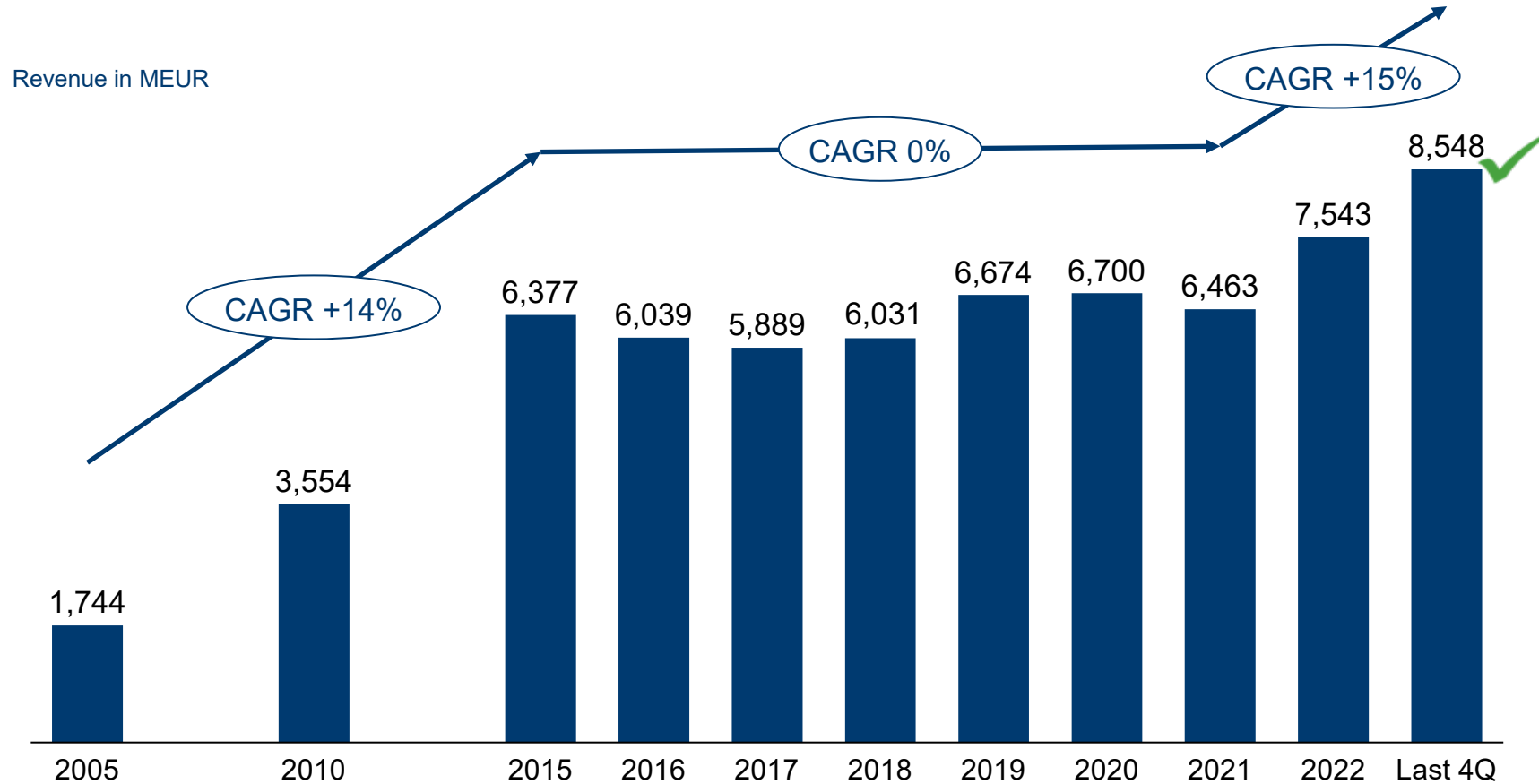


Projects with >100 MEUR order volume have a limited share in the total order intake. On average 12.5% of order intake volume results from large orders. But yearly volumes fluctuate between 100 MEUR and 1,800 MEUR.

Mid-size capital order intake stable and growing with an average growth rate of 3%.

Service order intake has consistently grown with an average growth rate above 7%, supporting the increase in overall profitability in recent years.

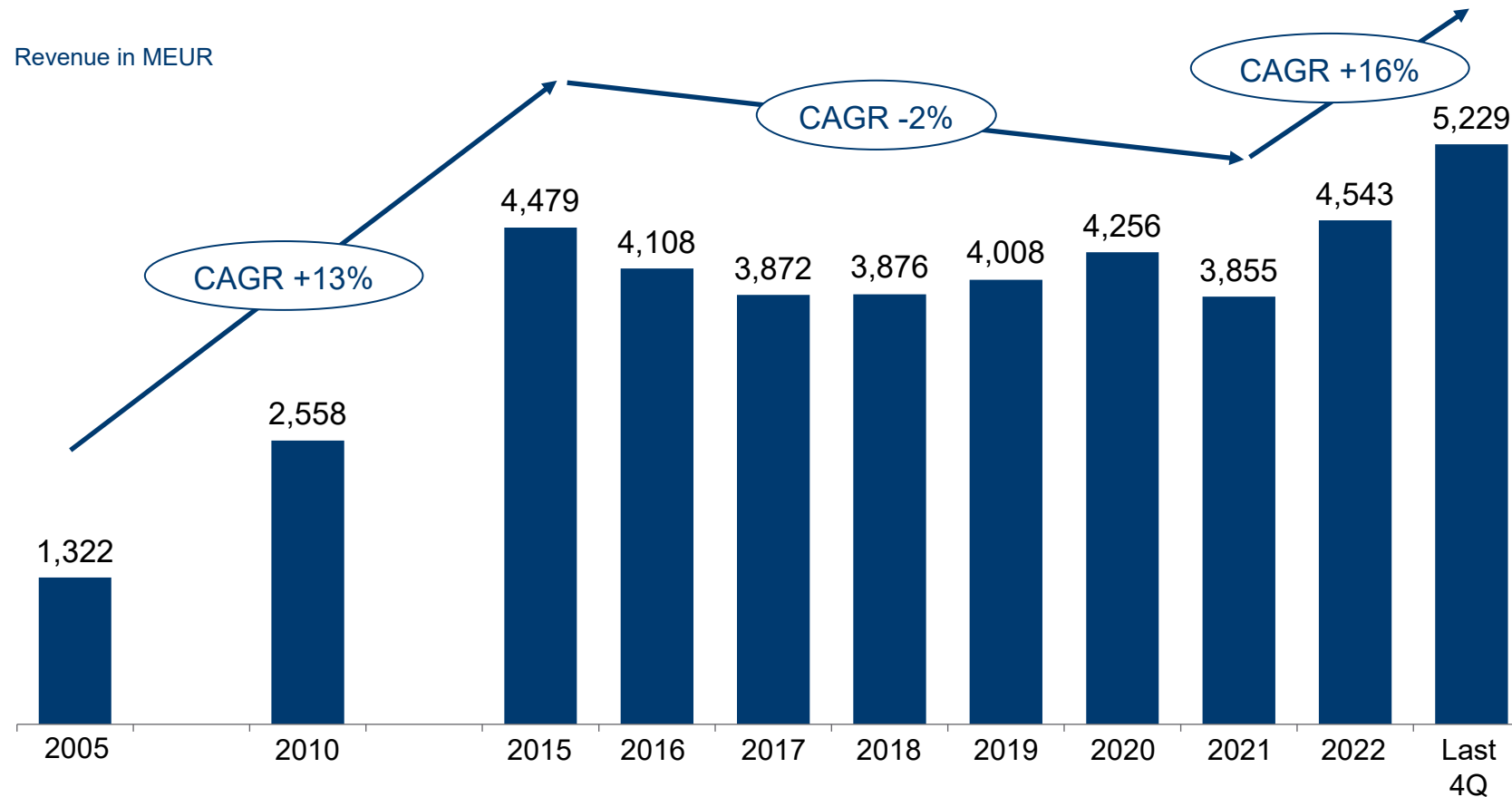
REVENUE TARGET EXCEEDED: OVER 8 BEUR INCL. REVENUES FROM NEWLY ACQUIRED COMPANIES



Revenues from acquisitions made in the years 2021 to 2023 contribute **210 MEUR** to **total** revenues in last 4Q

Hence, the revenue growth target excluding acquisitions of well above 7 BEUR was also achieved.

CAPITAL BUSINESS CONTRIBUTED SIGNIFICANTLY TO THE GROUP'S REVENUE GROWTH IN RECENT YEARS

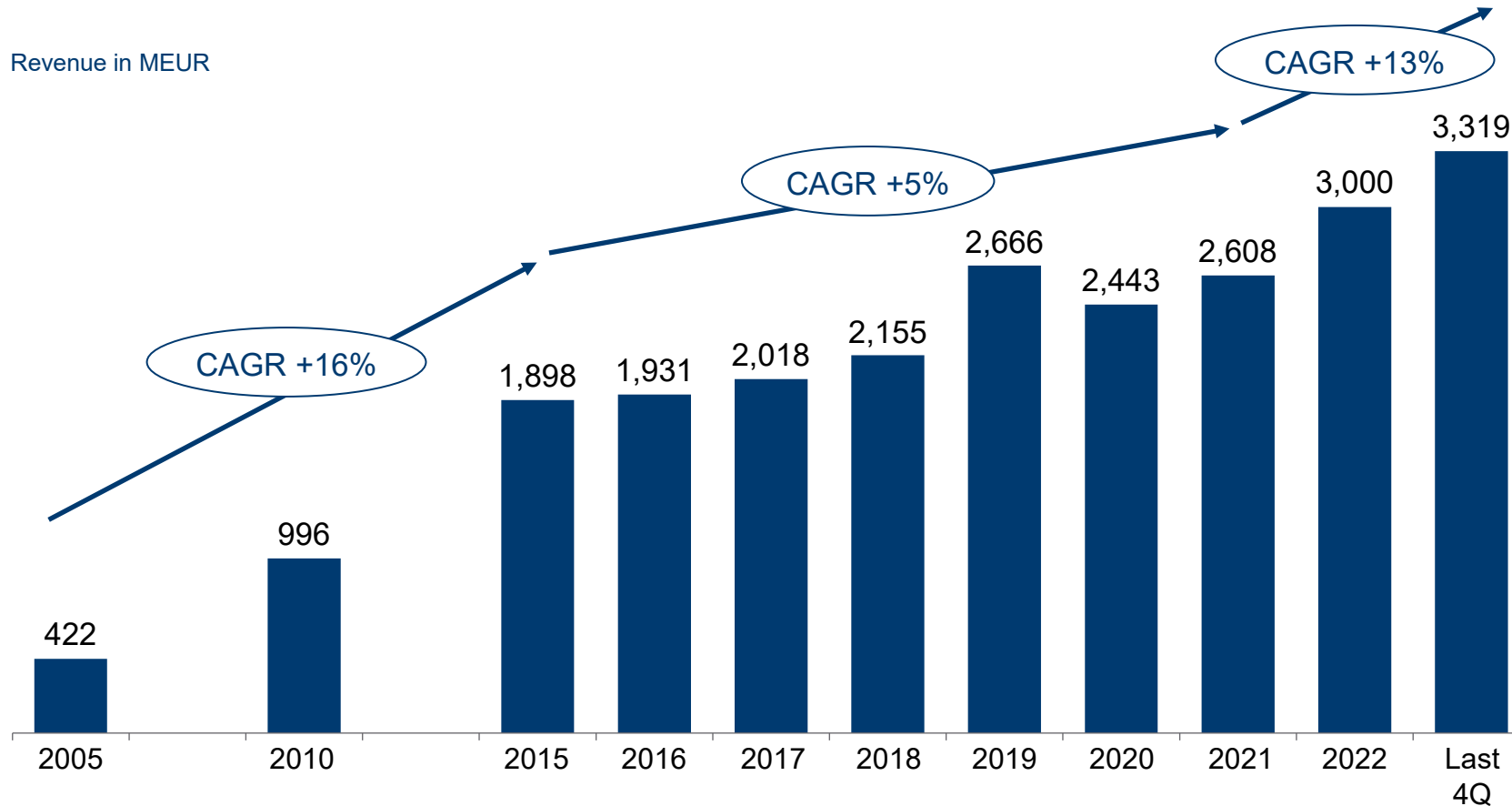


Revenues from acquisitions made in the years 2021 to 2023 contributed **170 MEUR** to capital revenues in the last 4Q

SERVICE CONTINUOUSLY GROWING WITH HIGHER GROWTH RATES IN RECENT YEARS



Revenue in MEUR



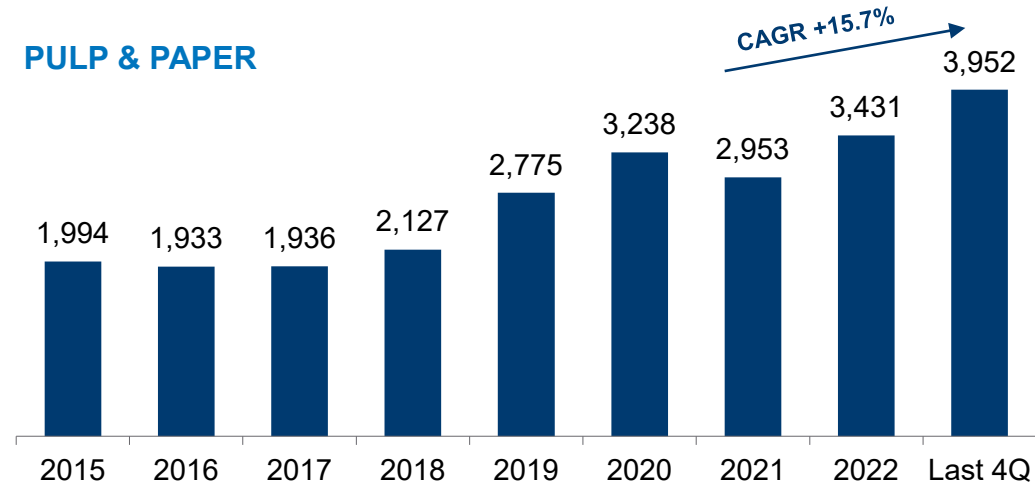
Revenues from acquisitions made in the years 2021 to 2023 contributed **40 MEUR** to **service** revenues in the last 4Q

ALL BUSINESS AREAS WITH SIZABLE GROWTH IN RECENT YEAR

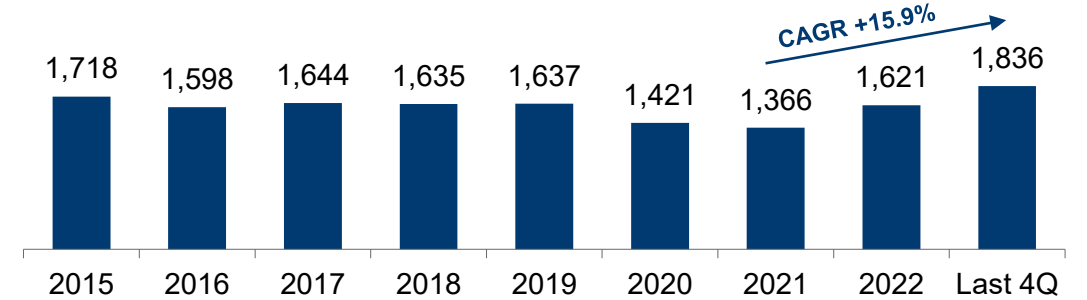


Revenue in MEUR

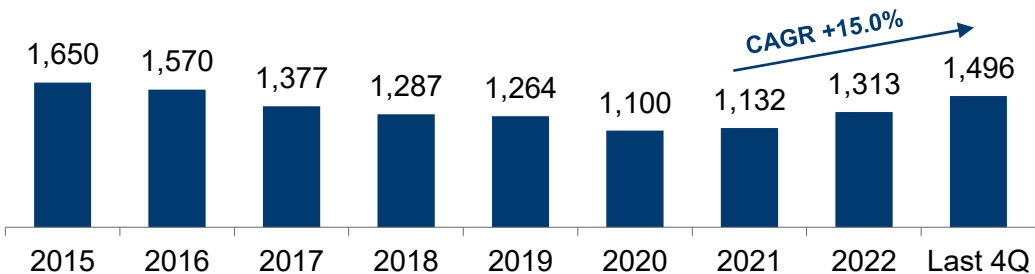
PULP & PAPER



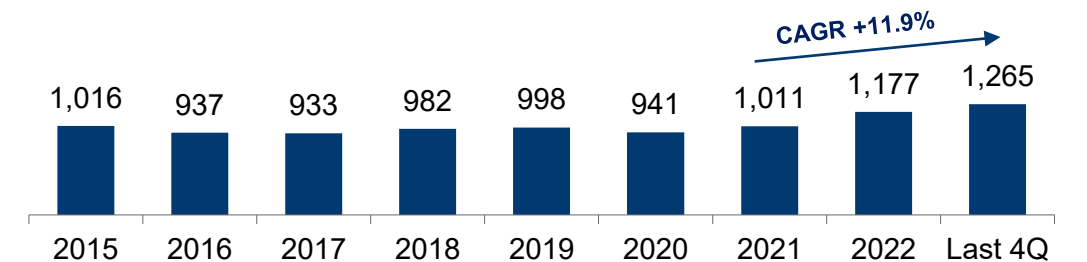
METALS



HYDROPOWER



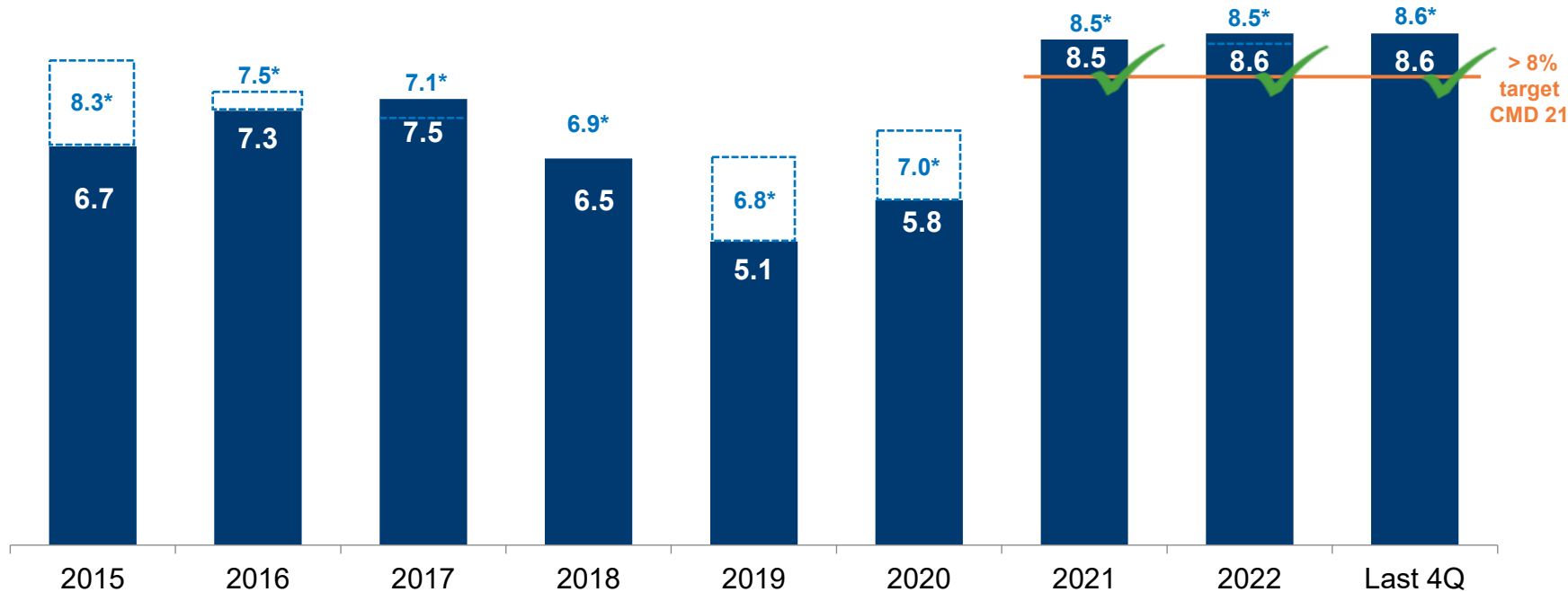
ENVIRONMENT & ENERGY



PROFITABILITY LIFTED TO > 8% SINCE 2021



EBITA-margin in %



Since 2021 no significant non-operating items after Metals restructuring was considered as non-operating adjustment.

EBITA sustainably within the target-range since 2021, as communicated in the CMD '21.

EBITA margin reported

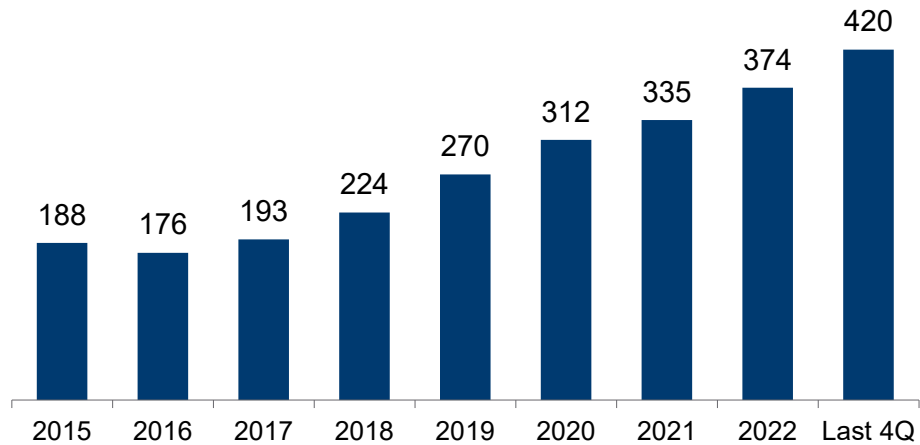
* EBITA margin adjusted by extraordinary items

EBITA INCREASED SIGNIFICANTLY IN ALL BUSINESS AREAS – TURNAROUND IN METALS ACHIEVED

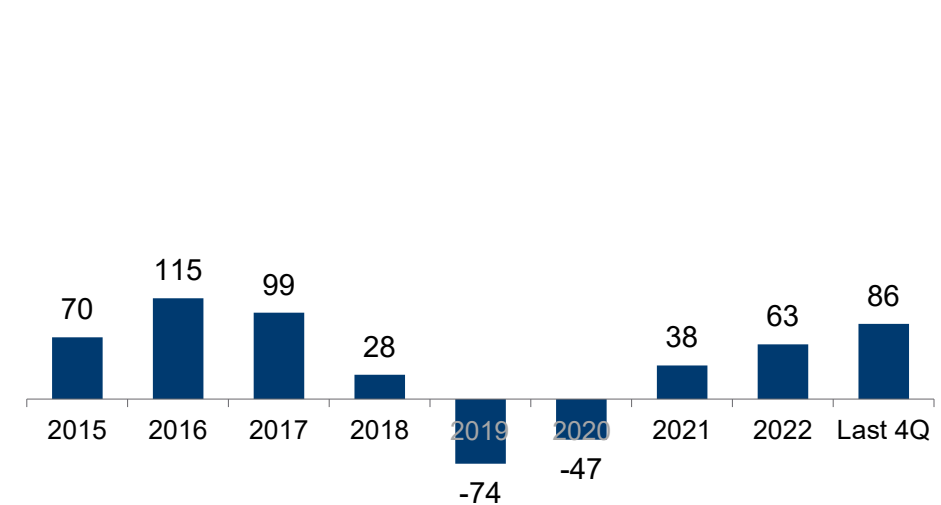


EBITA in MEUR

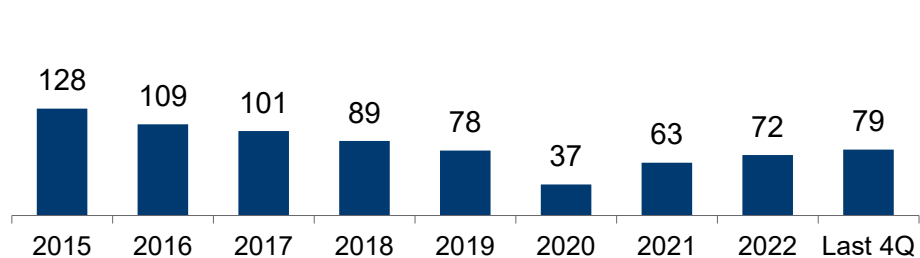
PULP & PAPER



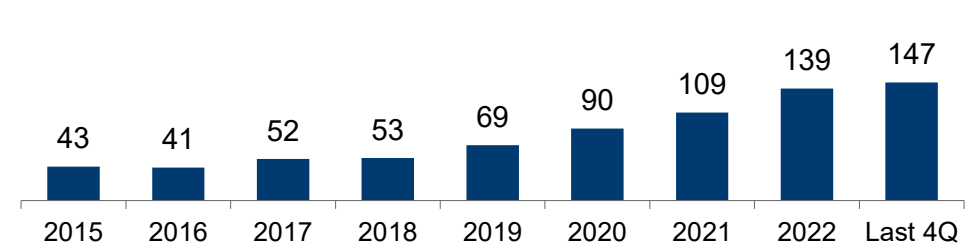
METALS



HYDROPOWER



ENVIRONMENT & ENERGY

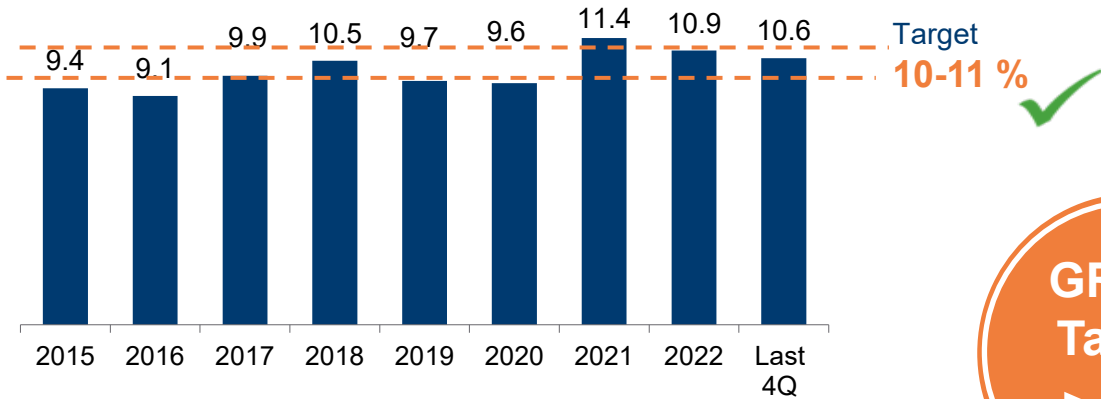


PROFITABILITY TARGETS MOSTLY (OVER-)ACHIEVED, ONLY METALS NOT YET IN TARGET RANGE

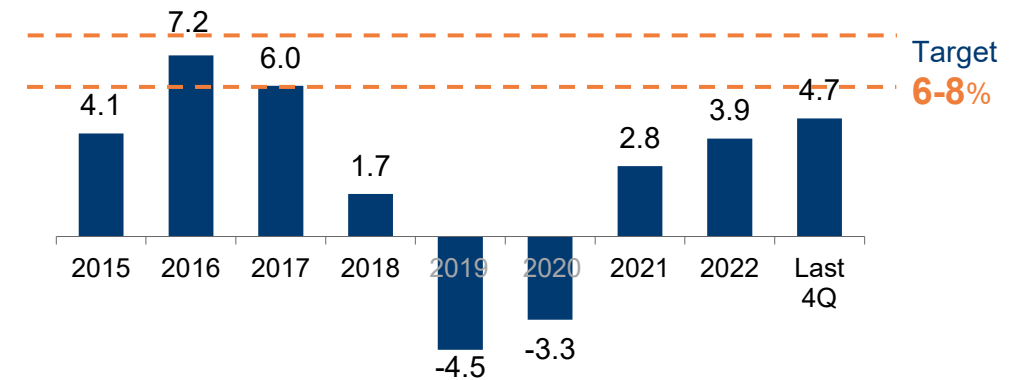


EBITA-margin in % / Targets: CMD 21

PULP & PAPER

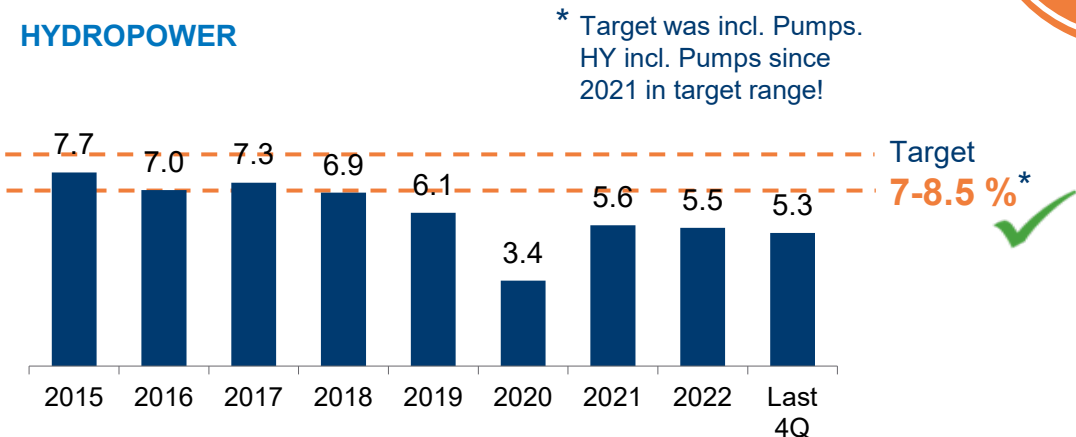


METALS



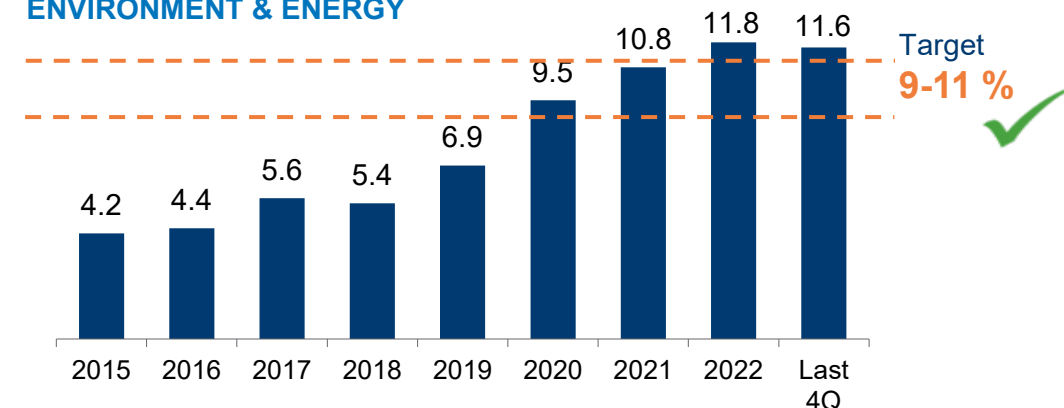
GROUP Target: >8% ✓

HYDROPOWER



* Target was incl. Pumps. HY incl. Pumps since 2021 in target range!

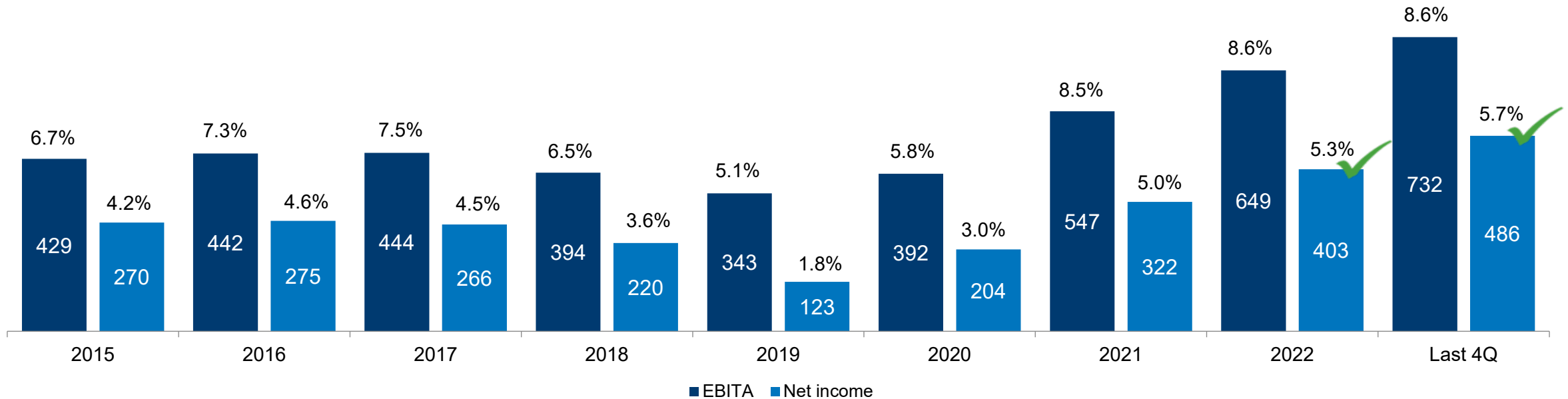
ENVIRONMENT & ENERGY





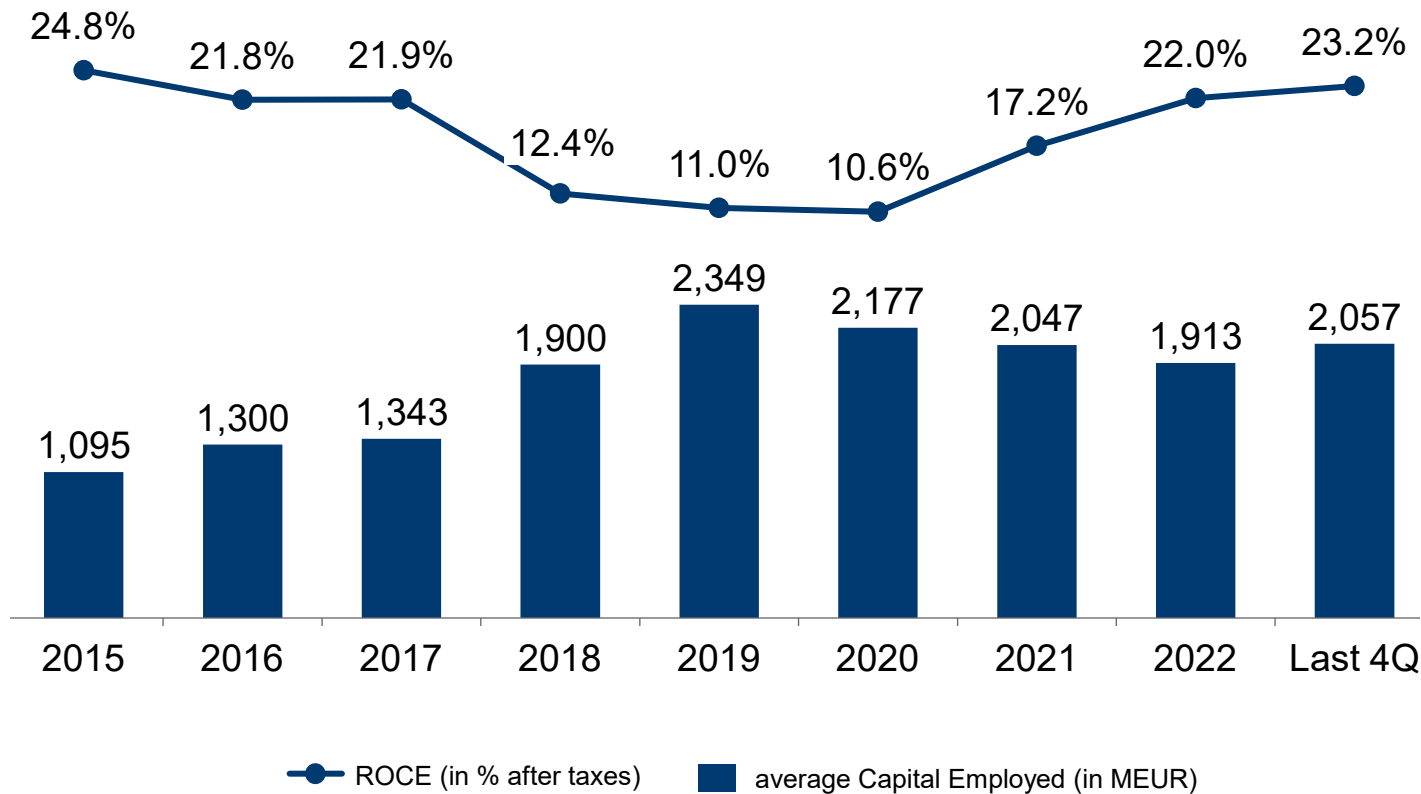
BASED ON EBITA MARGIN OF >8% NET INCOME TARGET OF >5% ACHIEVED

EBITA and net income in MEUR
EBITA margin and net income margin in %





RETURN ON CAPITAL EMPLOYED SIGNIFICANTLY IMPROVED AND WELL ABOVE COST OF CAPITAL



Definition ROCE:
EBIT minus taxes/
average capital employed
(Assets+NWC+Goodwill)

EBITA increase is the main driver for ROCE improvement.

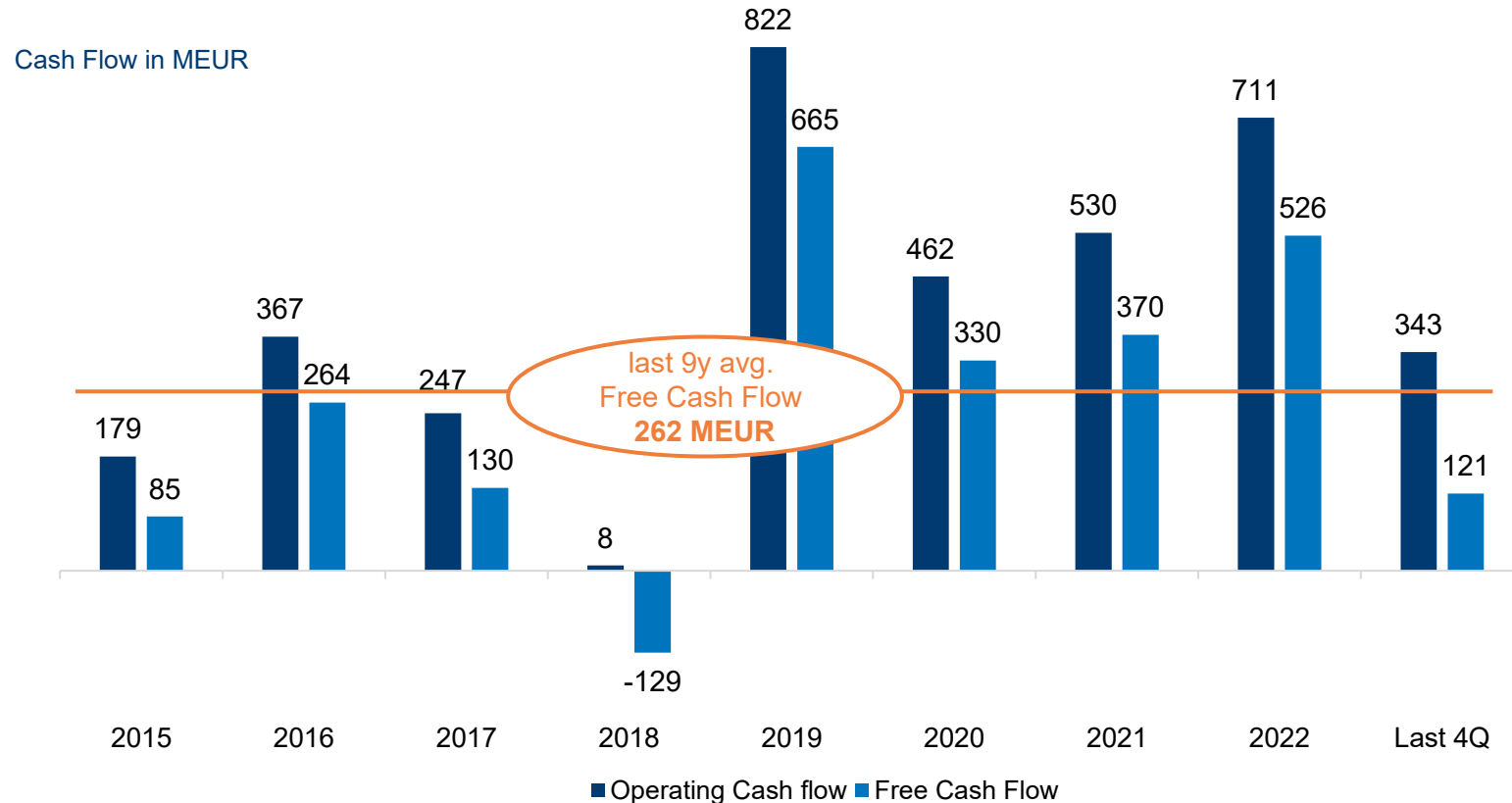
Capital employed increased in 2018 due to the Xerium acquisition.

Avg. **after-tax WACC** from 2015 to 2023 was **8.4%** with yearly values between 7.6% and 9.5%.

CASH FLOW VOLATILITY DRIVEN BY CAPITAL BUSINESS – STRONG CASH FLOW THROUGH CYCLE



Cash flow volatility is driven by working capital fluctuations during regular "order to cash cycle" in capital business – average free cash flow 2015-2022 at 280 MEUR



2022 CF impacted from NWC decrease driven by pre-payments from major orders.

2023 CF impacted by reversal of this effect and NWC increase during order execution, mainly in H1 2023.

Q3 '23 already with stable NWC, for Q4 '23 decrease in NWC expected.

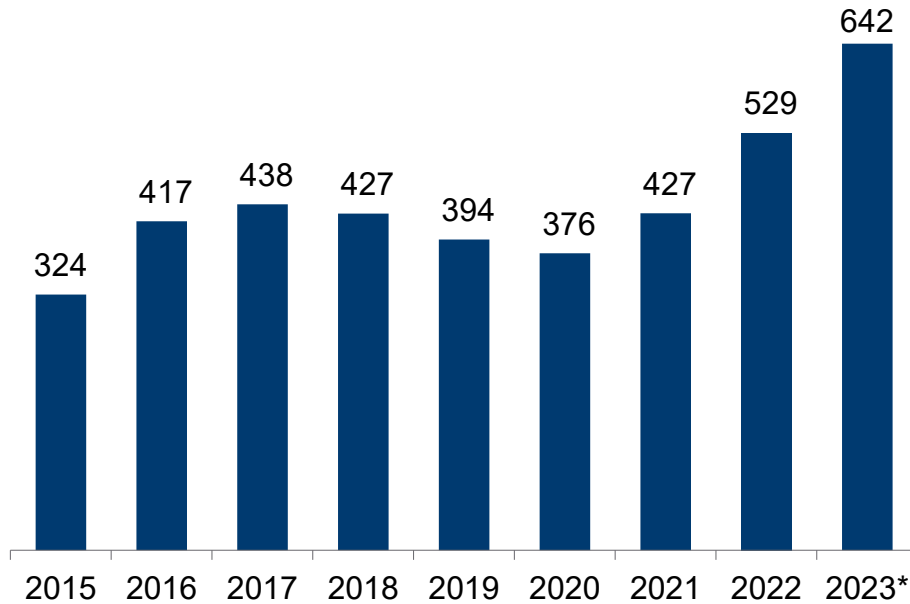
9y avg. net income to free cash flow conversion rate of **0.92** achieved

ON A 3-YEAR AVERAGE VIEW EARNINGS ARE TURNED RELIABLY INTO CASH

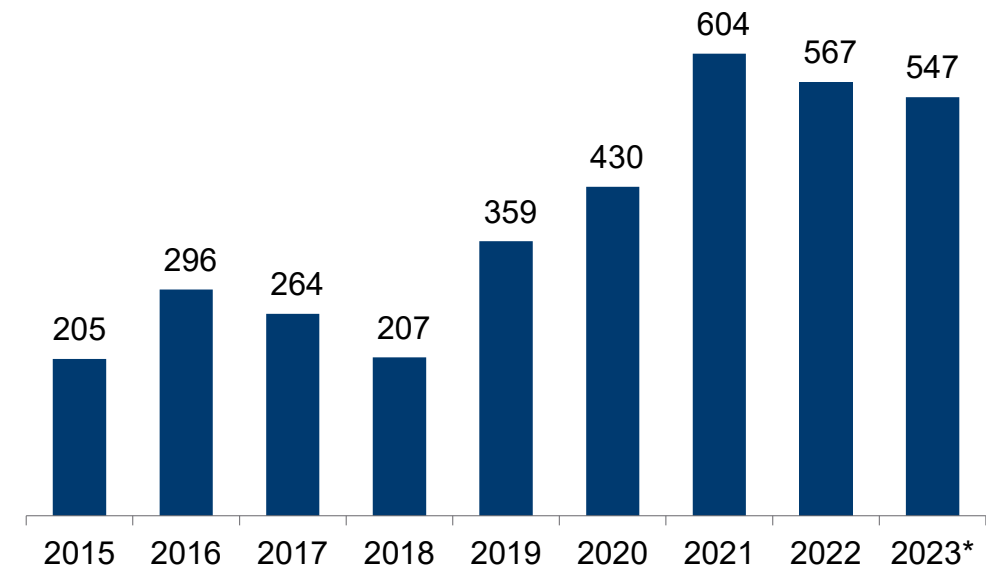


EBITA and operating cash flow 3-year rolling average in MEUR

EBITA 3-YEAR ROLLING AVERAGE



OPERATING CASH FLOW 3-YEAR ROLLING AVERAGE



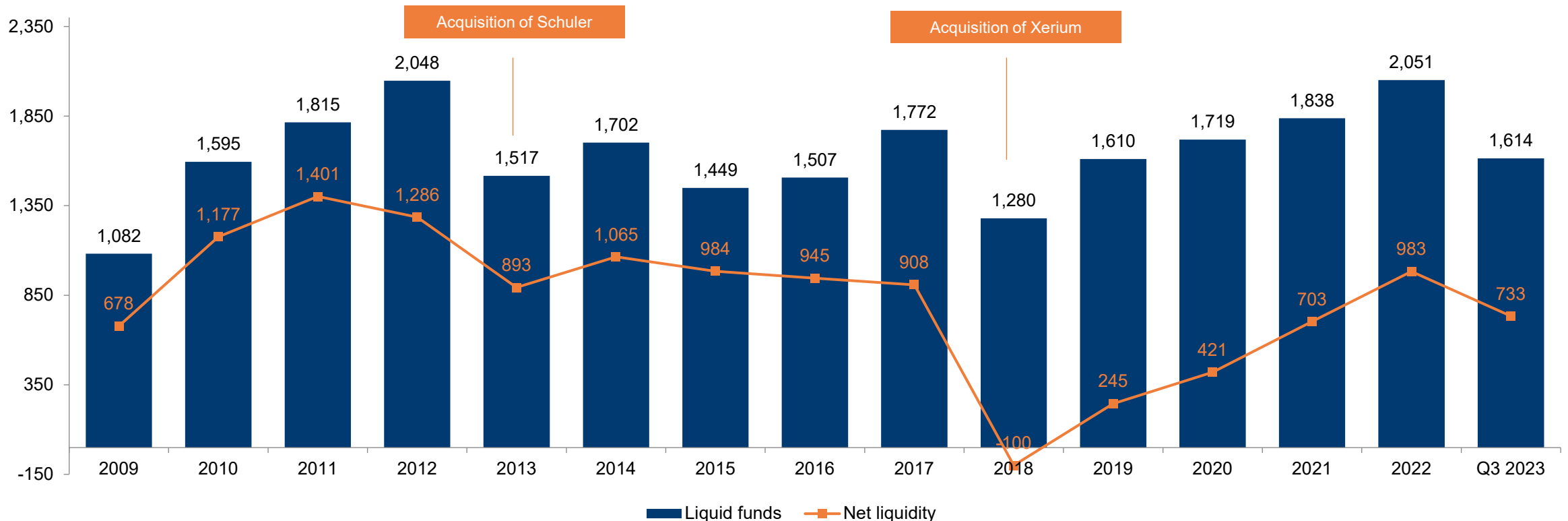
* Q4 2020, 2021, 2022, Q1-Q3 2023

SOLID FINANCIAL POSITION MAINTAINED



2021/22: Net-liquidity increase target exceeded significantly, aided by favorable ONWC development
 2023: Stagnation due to cash consumption from increased ONWC within the regular order cycles

Liquid funds and Net liquidity in MEUR



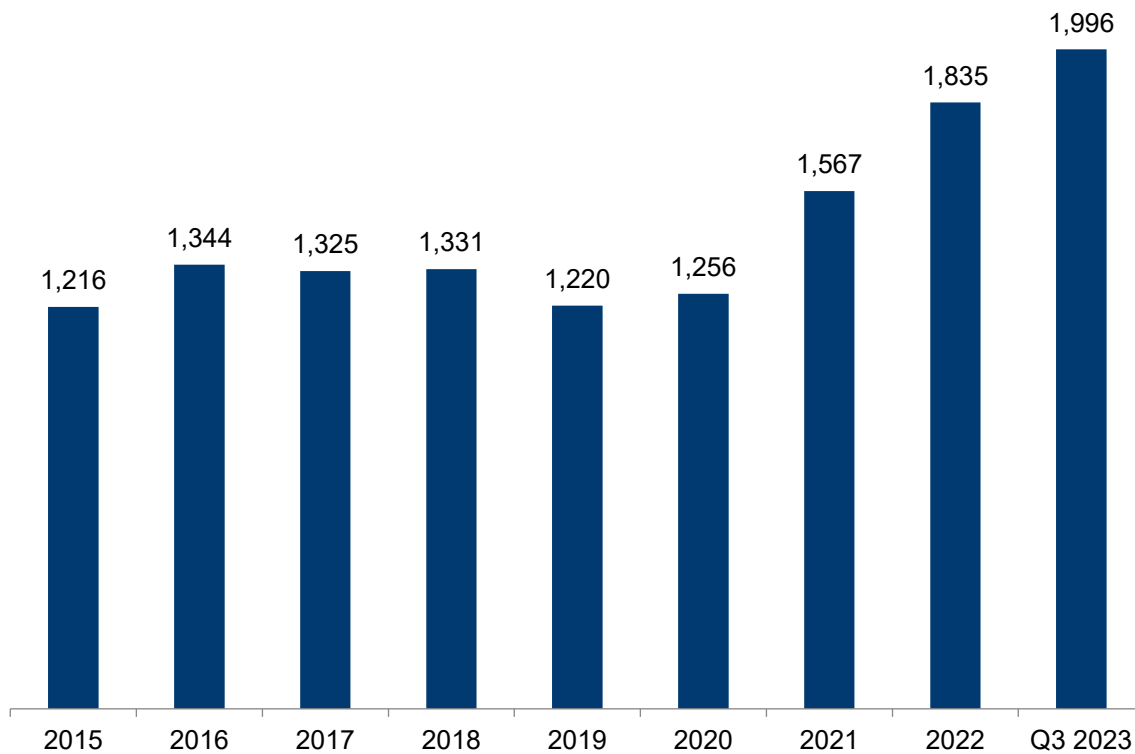
*Since January 1, 2019, lease liabilities are excluded from the calculation of net liquidity

HIGH PROFITABILITY LED TO SIGNIFICANTLY INCREASED EQUITY

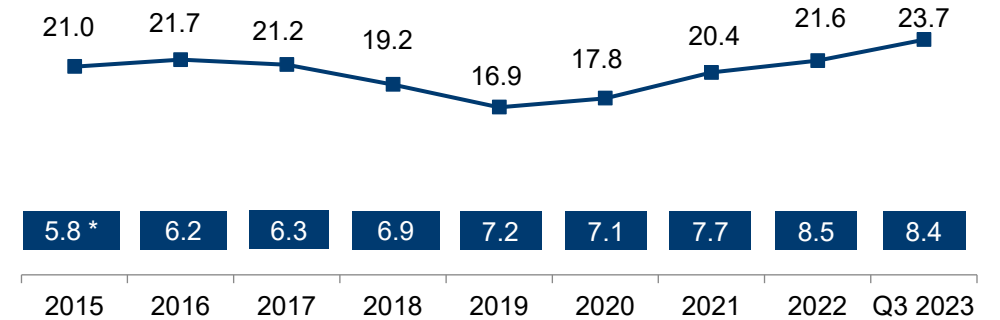


2 BEUR equity combined with a sizable net-liquidity ensures sufficient robustness of the balance sheet to take and execute high-volume capital projects

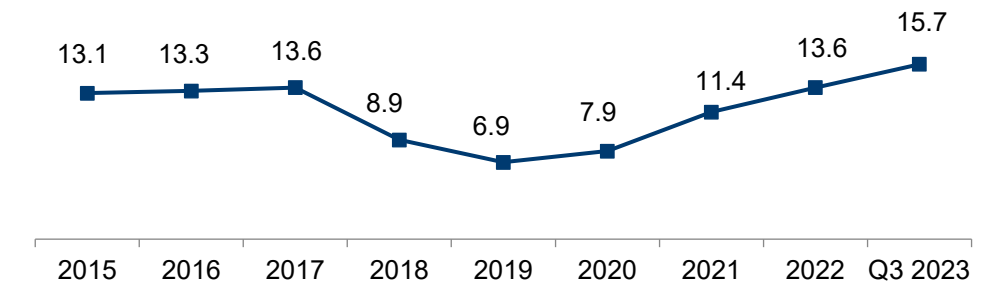
TOTAL SHAREHOLDERS' EQUITY (IN MEUR)



EQUITY RATIO (IN %)



GOODWILL ADJUSTED EQUITY RATIO** (IN %)



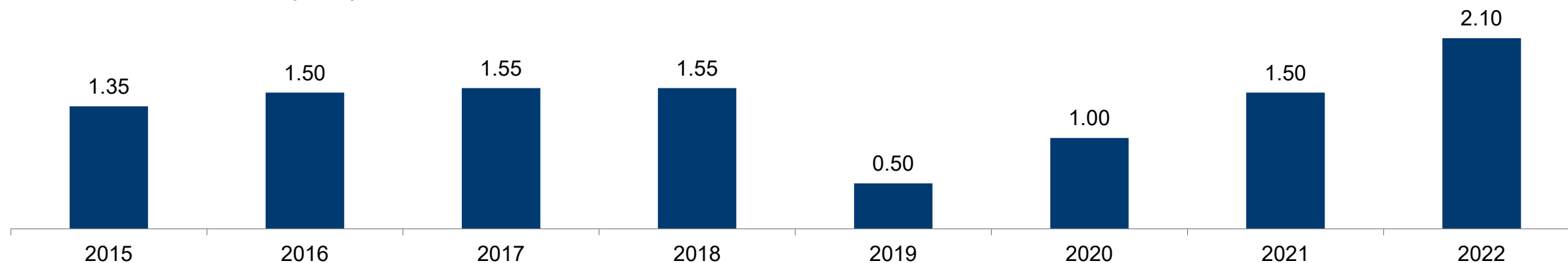
* Total assets in bn. EUR

** Total shareholders' equity minus goodwill divided by total assets minus goodwill

SHAREHOLDERS BENEFITTED FROM FAVOURABLE DIVIDEND GROWTH IN RECENT YEARS

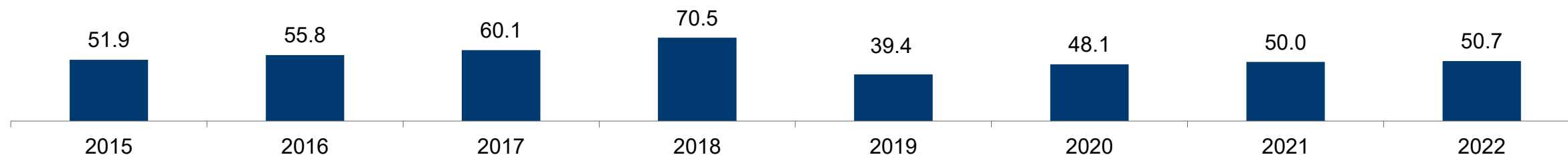


DIVIDEND PER SHARE (EUR)



PAYOUT RATIO (%)

53.3% average payout ratio



CMD 21 TARGETS ACHIEVED



GROUP TARGETS 2021-2023

STATUS L4Q

Group business volume well above 7 billion EUR, including M&A towards 8 billion EUR

Order intake: 8.3 billion EUR
Revenue: 8.5 billion EUR



EBITA margin at solid 8%

8.6%



Net income to increase to >5%

5.7%



Continue **M&A strategy** within existing business areas

11 acquisitions from 2021 to 2023, new technologies for further growth



Reach **ESG targets**

Well on track



AGENDA



1 | ACHIEVEMENTS SINCE CMD 2021

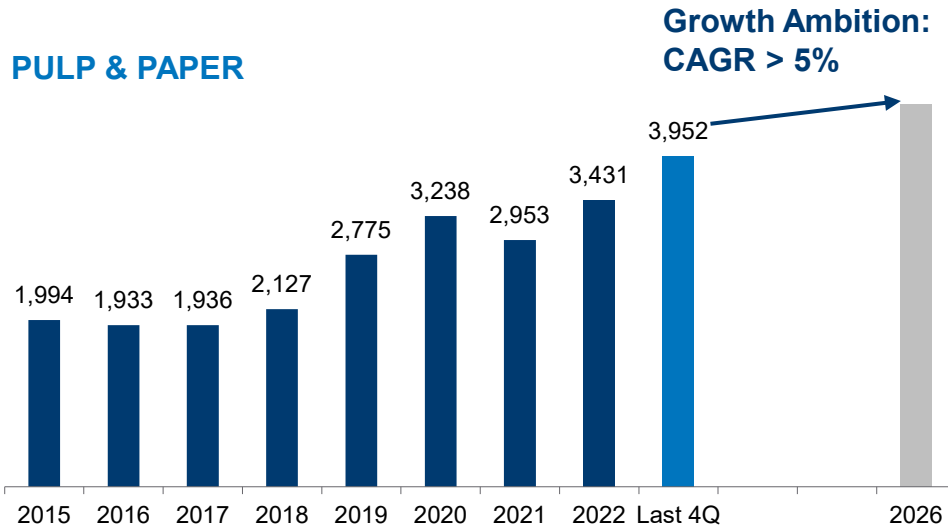
2 | NEW TARGETS

GROUP REVENUE TO EXCEED 10 BEUR BY 2026, WITH CONTINUED GROWTH IN ALL BUSINESS AREAS

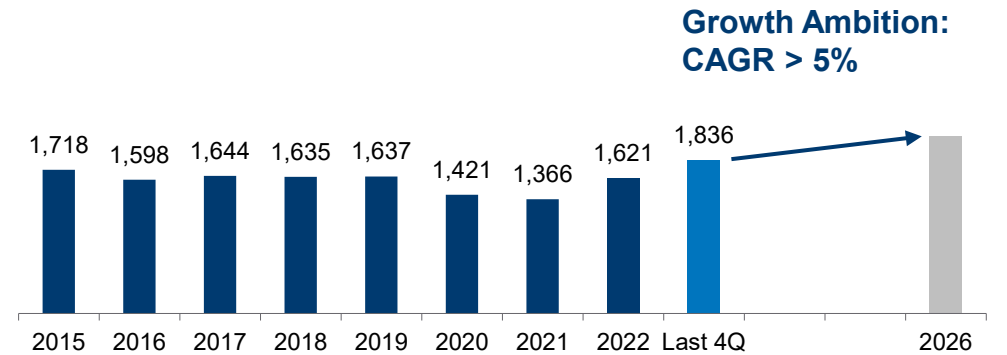


Revenue in MEUR

PULP & PAPER

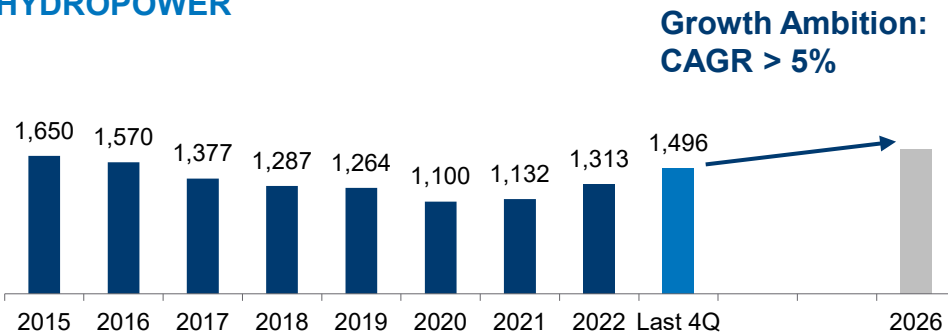


METALS

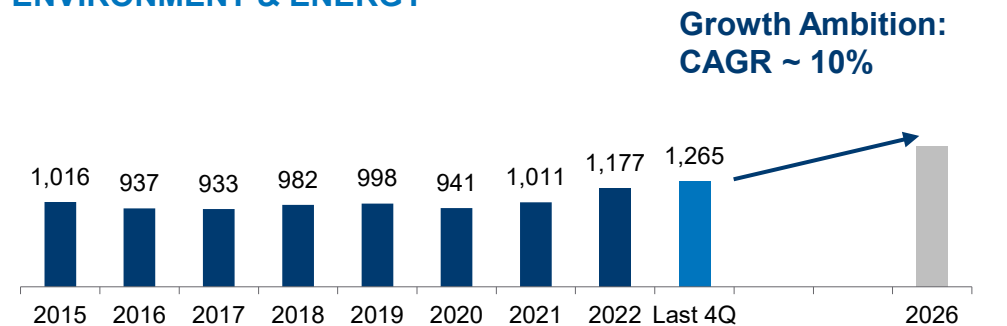


GROUP Target: Revenue in 2026 above 10 BEUR

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ENVIRONMENT & ENERGY

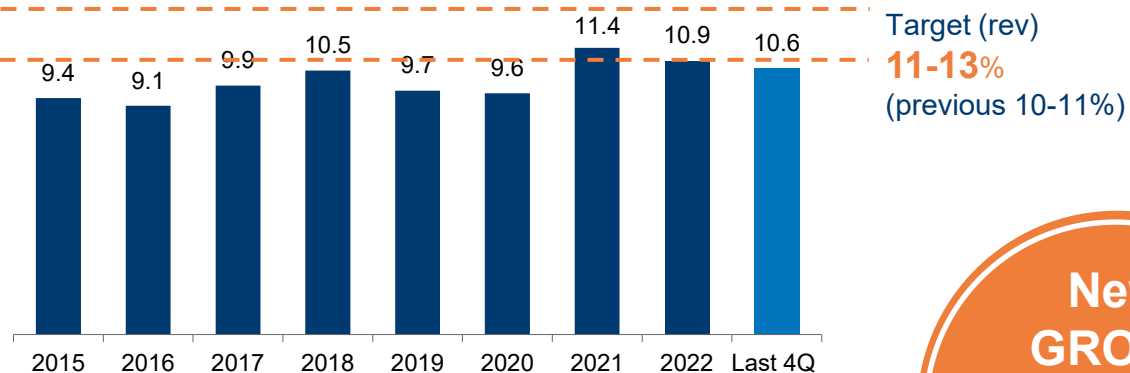


RAISED EBITA TARGETS FOR ALL BUSINESS AREAS EXCEPT METALS – NEW GROUP TARGET: >9%

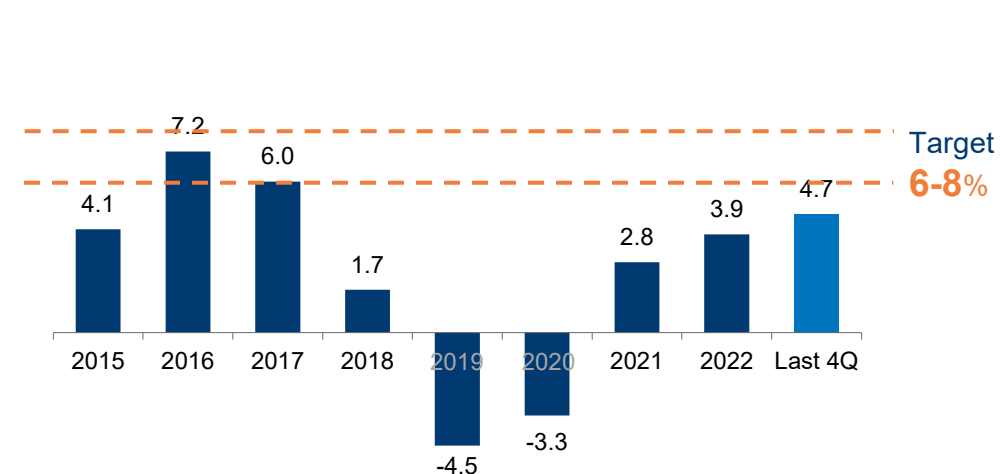


EBITA-margin in %

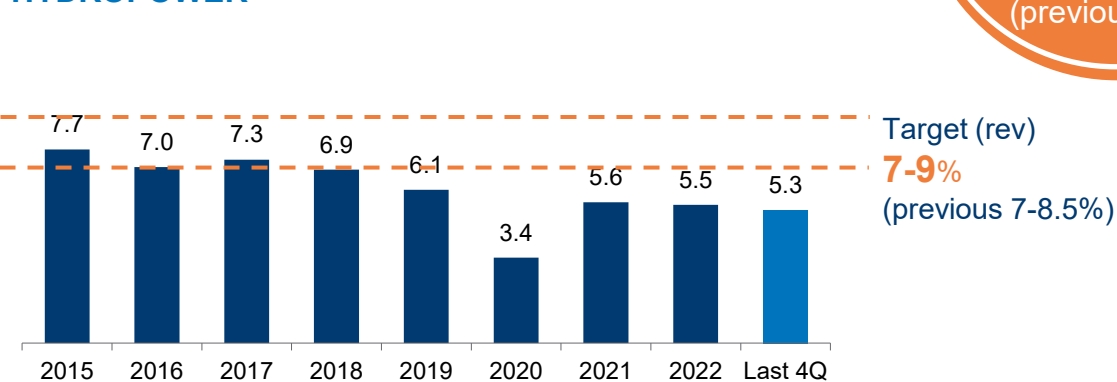
PULP & PAPER



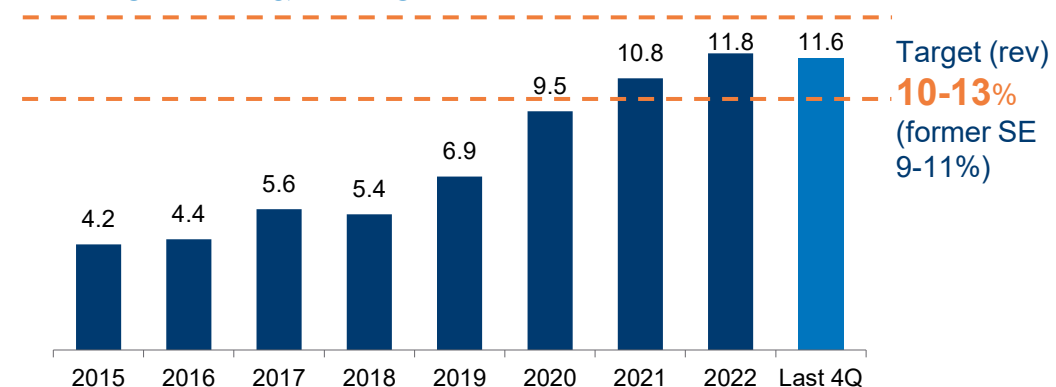
METALS



HYDROPOWER



ENVIRONMENT & ENERGY

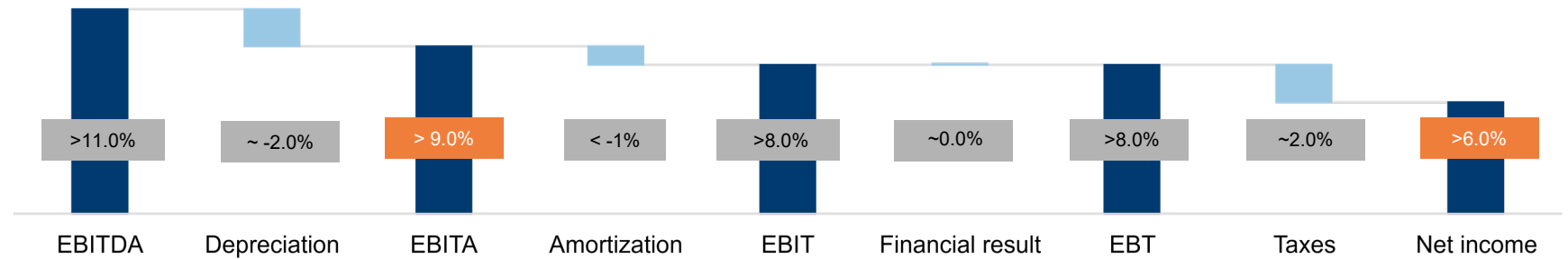


New GROUP Target: >9%
(previous >8%)

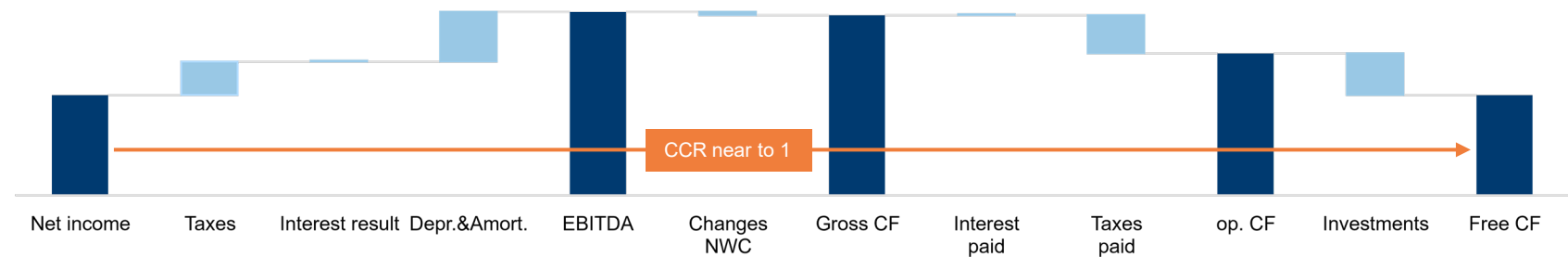
NET INCOME >6% AND AVERAGE CASH CONVERSION RATE AROUND 1 ALLOWS GROWING DIVIDEND



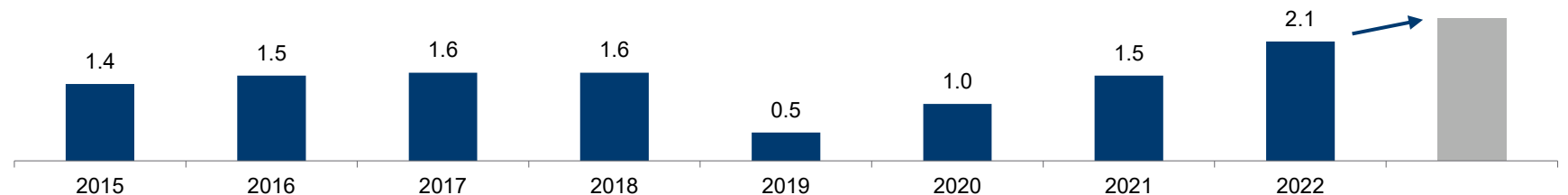
- Target Net income margin: >6%



- Cash conversion rate (net income to free cash-flow) mid-term avg. near to 1



- Stable and increasing dividends at pay-out ratio of on average 50-60%



NEW FINANCIAL TARGETS ANDRITZ GROUP



GROWTH

before new major acquisitions

2026
Revenue
> 10
BEUR

PROFITABILITY

EBITA
>9%

NET INCOME MARGIN

NI
>6%

CASH CONVERSION RATE

CCR ~1

STABLE AND INCREASING DIVIDENDS

50-60%
of EPS



QUESTIONS?

ANDRITZ

ENGINEERED SUCCESS

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