



ANDRITZ GROUP

INNOVATIVE TECHNOLOGIES FOR THE PLANET

A GLOBAL PARTNER FOR KEY INDUSTRIES THAT SHAPE THE WORLD

MAY 2021

ANDRITZ

ENGINEERED SUCCESS

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THE ANDRITZ GROUP



ANDRITZ is a globally leading supplier of plants, equipment, systems, and services for the pulp and paper industry, the metalworking and steel industries, hydropower stations, pumps, solid/liquid separation in the municipal and industrial sectors as well as for animal feed and biomass pelleting

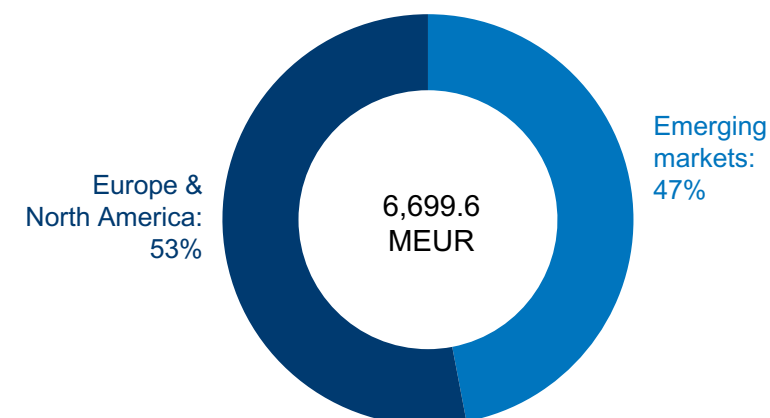
Global presence

Headquarters in Graz, Austria; over 280 production sites and service/sales companies worldwide

KEY FINANCIAL FIGURES:

	UNIT	Q1 2021	2020
Order intake	MEUR	1,729.5	6,108.0
Order backlog (as of end of period)	MEUR	7,071.3	6,774.0
Revenue	MEUR	1,493.2	6,699.6
Net income (including non-controlling interests)	MEUR	61.0	203.7
Employees (as of end of period; without apprentices)	-	26,952	27,232

REVENUE BY REGION 2020 (%)



A WORLD MARKET LEADER WITH FOUR BUSINESS AREAS



ANDRITZ

PULP & PAPER



48

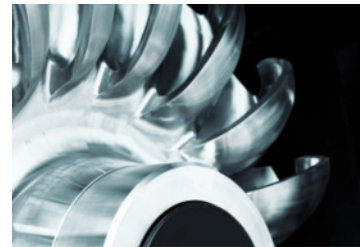
% order intake*

PRODUCT OFFERING

Equipment for production of all types of pulp, paper, tissue, and board; boilers for power generation; flue gas cleaning systems; recycling and shredding solutions; plants for the production of nonwovens and panelboard

* Share of total Group order intake 2020

HYDRO



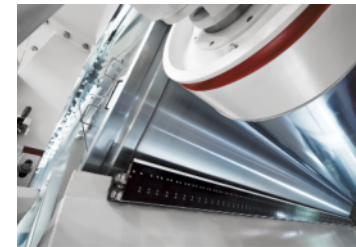
22

% order intake*

PRODUCT OFFERING

Electromechanical equipment for hydropower plants (turbines, generators); pumps; turbo generators

METALS



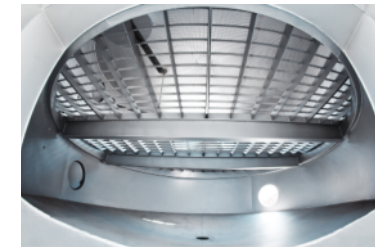
19

% order intake*

PRODUCT OFFERING

Presses/press lines for metal forming (Schuler); systems for production of stainless steel, carbon steel, and non-ferrous metal strip; industrial furnace plants

SEPARATION



11

% order intake*

PRODUCT OFFERING

Equipment for solid/liquid separation for municipalities and various industries; equipment for production of animal feed and biomass pellets

OUR MISSION, VISION AND VALUES



Our MISSION

We drive the success of our customers through innovative and quality engineering and services, and we form strong and sustainable relationships – with a positive impact for key industries and for the planet. The world keeps changing, our passion stays the same.

Our VISION

In our chosen markets, we are global leaders with a passion for innovative engineering solutions. As technology and quality leader, we create sustainable value for our customers and shareholders, thus ensuring the continuation of our long-term profitable growth.

Our VALUES



PASSION

We love what we do. Times and technologies change, but our passion is always there.



PARTNERSHIP

With our special form of traditional pragmatism, we are always approachable, genuine, and at eye level with all stakeholders.



PERSPECTIVES

ANDRITZ is constantly creating new perspectives for the company, ourselves, and our customers.



VERSATILITY

We are willing and able to take on new and often spontaneous challenges and to deal with them flexibly and creatively.

GROUP STRATEGY AND LONG-TERM GOALS



LONG-TERM PROFITABLE GROWTH

- Focus on markets with high growth rates
- Expansion of product portfolio through organic growth (R&D) and acquisitions
- Achieve annual revenue growth averaging 5-8% depending on market growth and acquisitions

EXTEND MARKET POSITION

- Serving markets with long-term and sustained growth potential
- Extending existing position in Europe and North America
- Making use of the growth and revenue opportunities in the emerging markets of South America and Asia

GOAL: GLOBAL MARKET LEADER

SAFETY, TECHNOLOGICAL, AND COST LEADERSHIP

- Become preferred supplier by virtue of safety, technology, quality, and references
- Development of innovative and sustainable technologies through intensive R&D
- Focus on digitalization to support our customers in reaching their goals with regard to safety, productivity, operating costs, energy efficiency, and environmental protection
- Offer best ROI for our customers

GLOBAL AND LOCAL PRESENCE

- Continue expanding worldwide presence
- Offer best possible service close to our customers
- Further relocate manufacturing capacities to emerging markets

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Q1 2021 AT A GLANCE



Very solid development of financial figures

- **Group order intake, at 1.7 billion euros**, reaches favorable level – with all business areas showing solid developments; **strong recovery** in the **service business vs. preceding quarters**
- **Revenue at satisfactory level of 1.5 billion euros; service revenue still somewhat subdued**
- **Order Backlog** at satisfactory level of **7.1 billion euros**
- **EBITA significantly up; Pulp & Paper, Hydro and Separation** continue favorable earnings and profitability performance, **turnaround of Metals Forming to be stabilized**
- **Profitability (EBITA margin) significantly up to 7.4%** (Q1 2020: 4.6%)

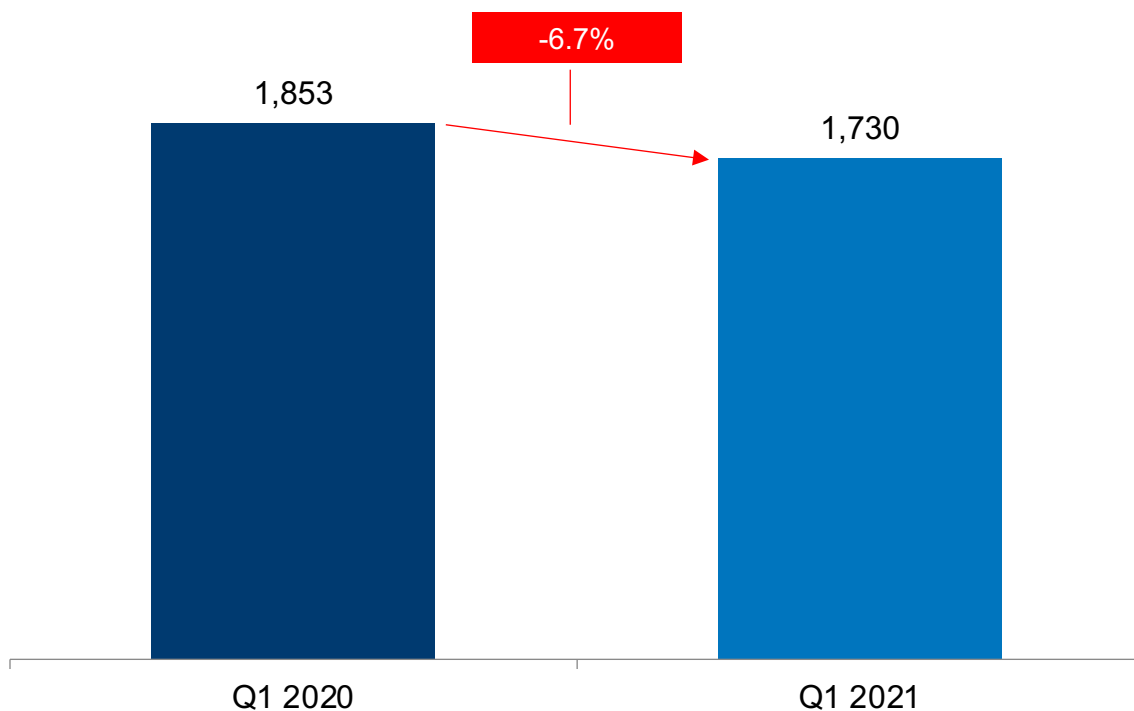


ORDER INTAKE REACHES FAVORABLE LEVEL



Down q/q due to large pulp order in Q1 2020, however positive development across all business areas

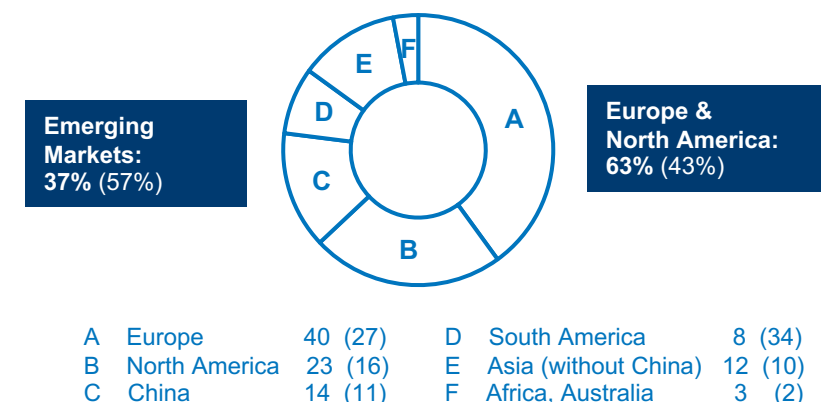
ORDER INTAKE (IN MEUR)



ORDER INTAKE BY BUSINESS AREA (IN MEUR)

	Q1 2021	Q1 2020	+/-
Pulp & Paper	846	1,078	-22%
Metals	429	362	+19%
Hydro	284	246	+16%
Separation	171	168	+2%

ORDER INTAKE BY REGION Q1 2021 (Q1 2020) IN %

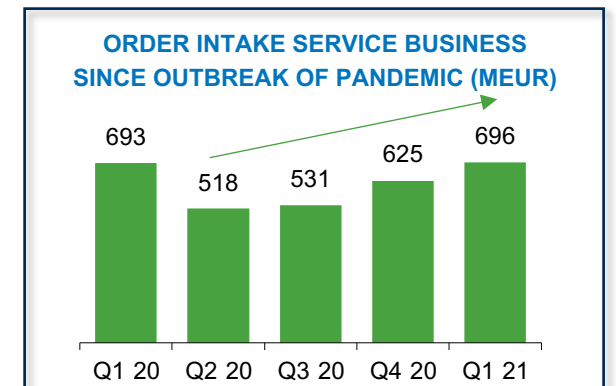
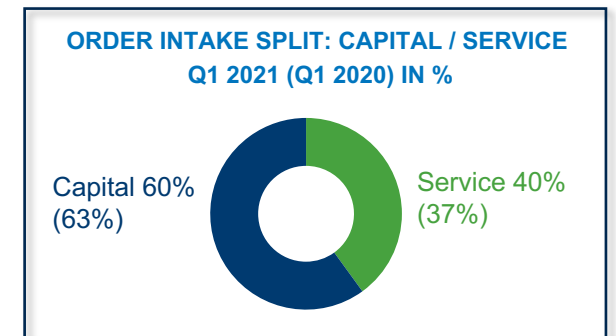
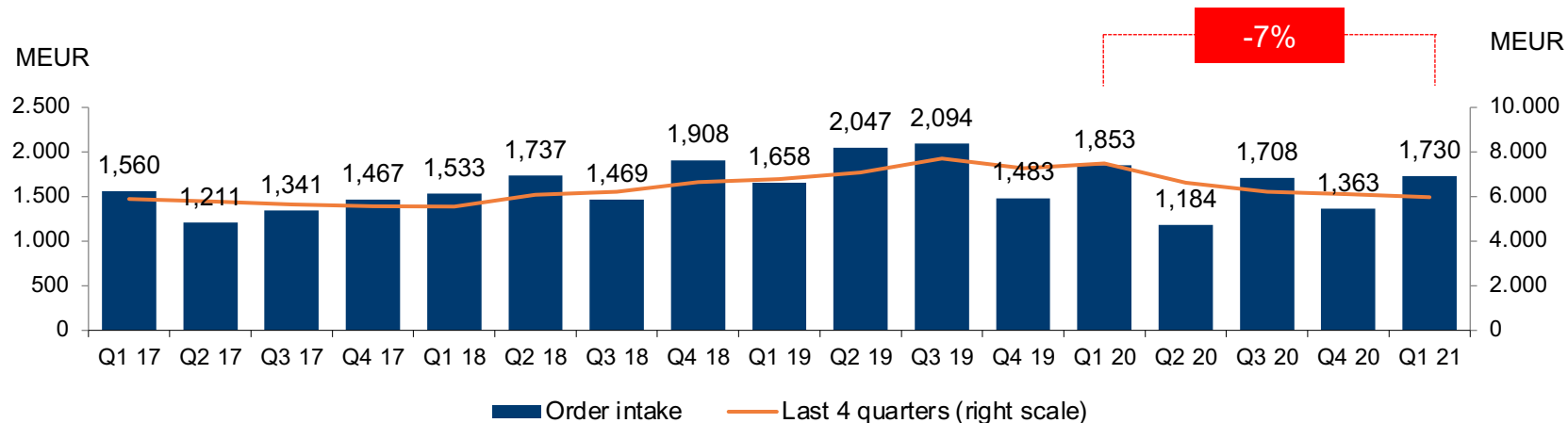


QUARTERLY DEVELOPMENT OF ORDER INTAKE



Order intake of last 4 quarters amounted to ~6.0 billion euros

- **Decline in capital** compared to high level in Q1 2020, which included a large-scale pulp mill order
- **Service business** has shown **strong recovery** during last quarters

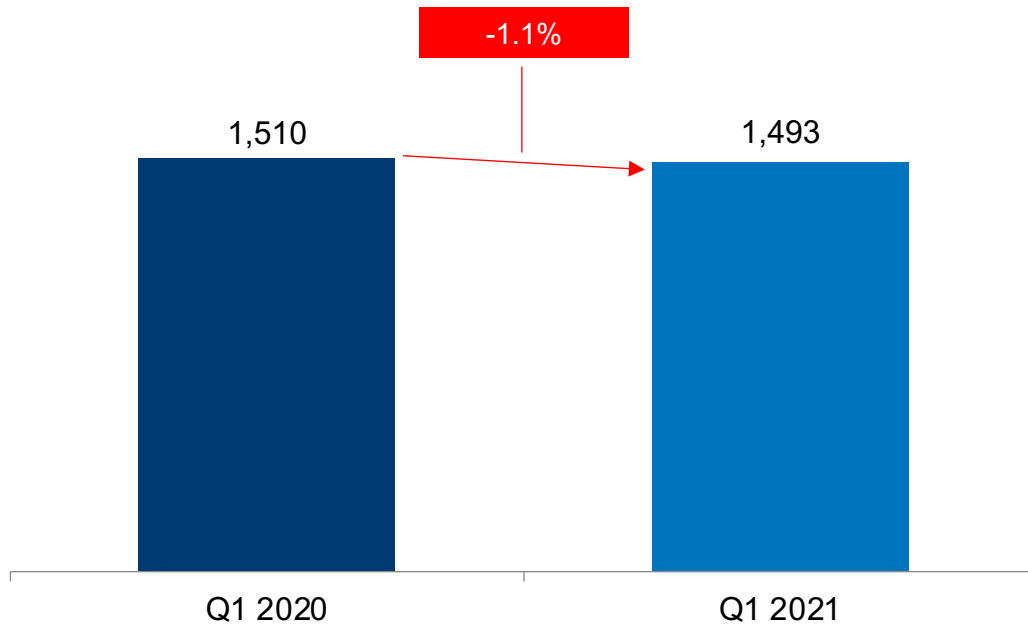


GROUP REVENUE PRACTICALLY STABLE Q/Q



Pulp & Paper stable, Hydro, and Separation up, Metals down

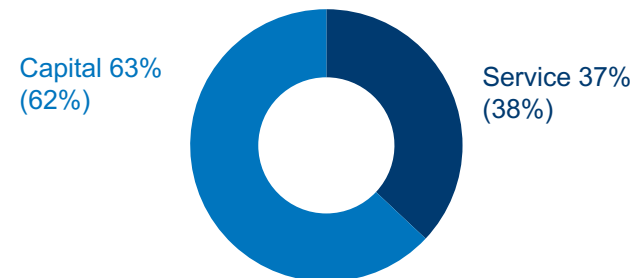
REVENUE (IN MEUR)



REVENUE BY BUSINESS AREA (IN MEUR)

	Q1 2021	Q1 2020	+/-
Pulp & Paper	711	713	0%
Metals	316	355	-11%
Hydro	316	298	+6%
Separation	150	144	+5%

REVENUE SPLIT CAPITAL / SERVICE Q1 2021 (Q1 2020) IN %

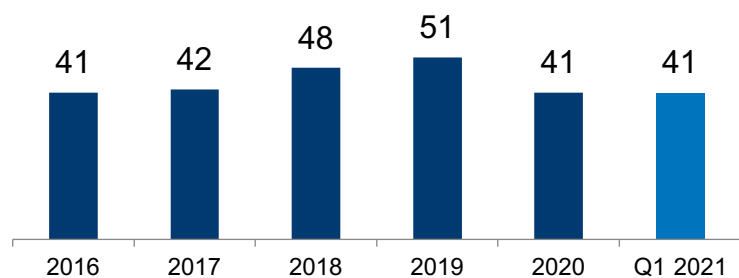


SERVICE BUSINESS BY BUSINESS AREA

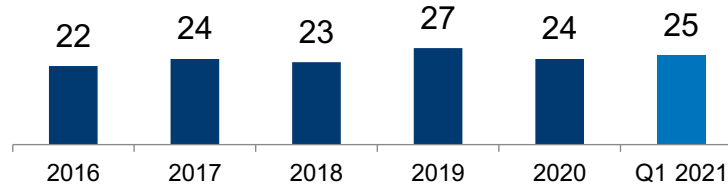


% of total business area revenue

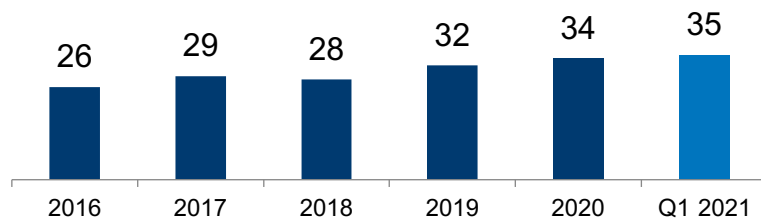
PULP & PAPER



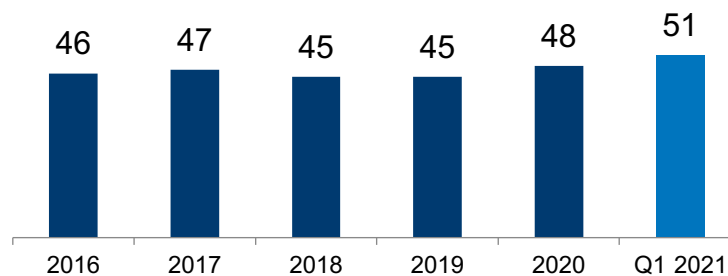
METALS



HYDRO



SEPARATION

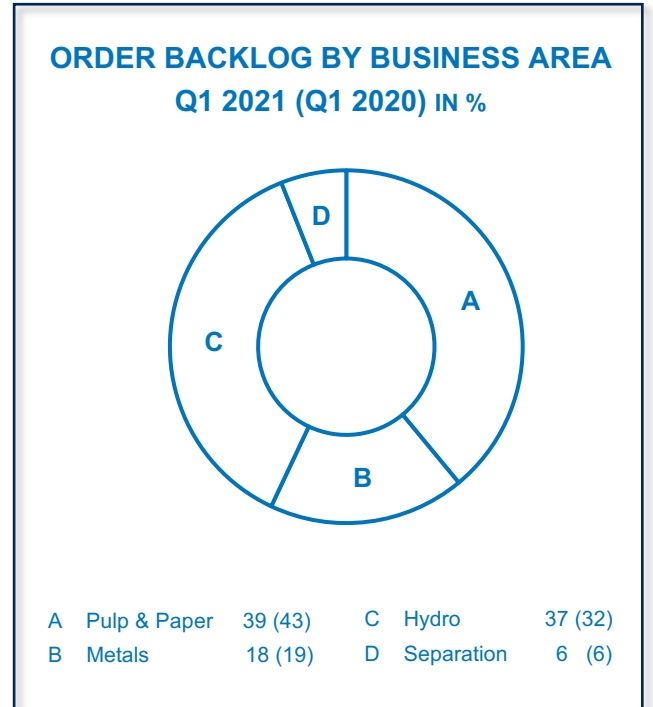
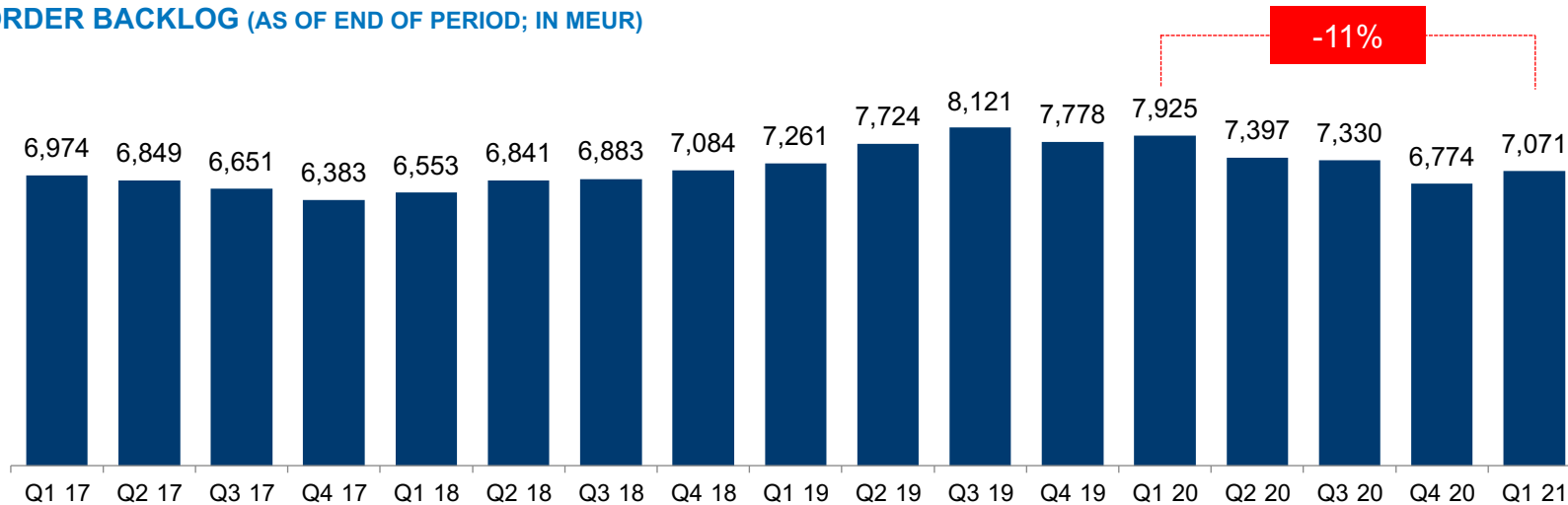


ORDER BACKLOG



Order backlog at 7.1 billion euros as of end of Q1 2021

ORDER BACKLOG (AS OF END OF PERIOD; IN MEUR)



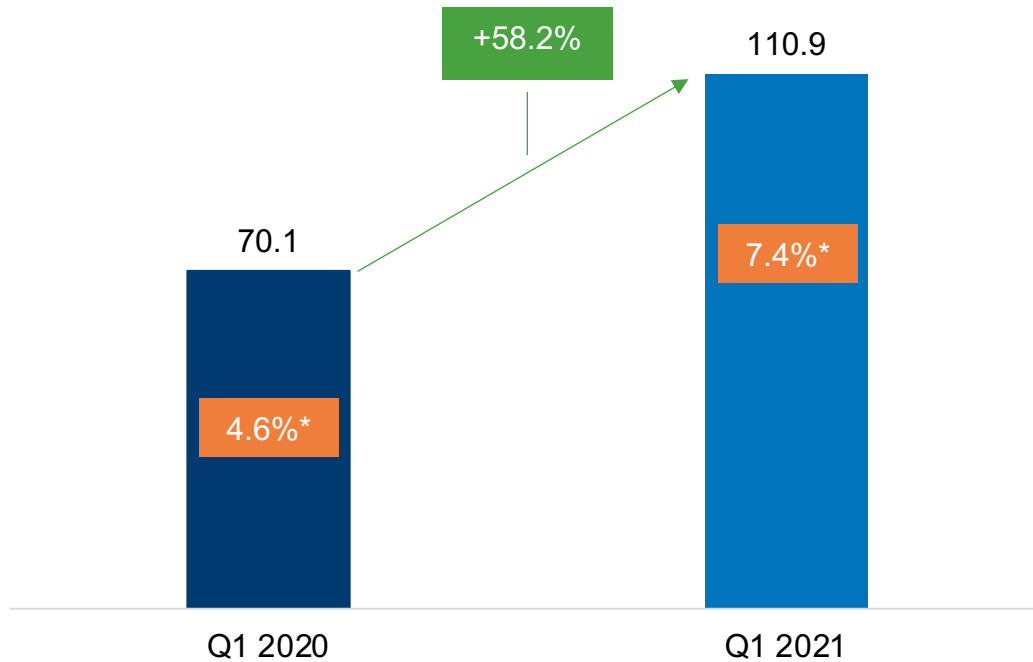
- Pulp & Paper and Hydro **account for 76% of total order backlog**

EBITA AND PROFITABILITY SIGNIFICANTLY UP



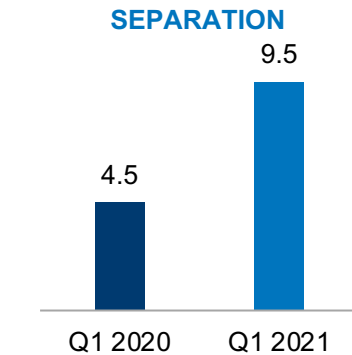
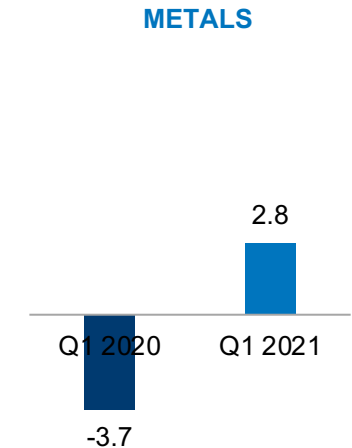
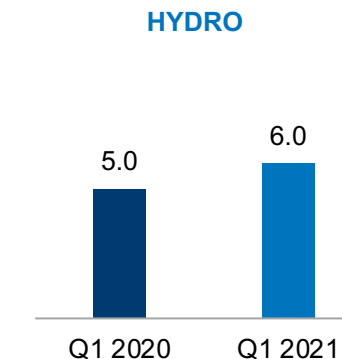
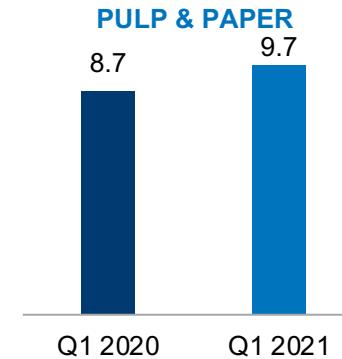
Improvement in all business areas, turnaround in Metals

EBITA (IN MEUR) AND EBITA MARGIN (IN %)



* EBITA and EBITA margin reported

EBITA MARGIN (IN %)



KEY FIGURES Q1 2021 AT A GLANCE



Slight improvement of cash flow, solid financial position

	UNIT	Q1 2021	Q1 2020	+/-	2020
Order intake	MEUR	1,729.5	1,852.9	-6.7%	6,108.0
Order backlog (as of end of period)	MEUR	7,071.3	7,924.6	-10.8%	6,774.0
Revenue	MEUR	1,493.2	1,510.2	-1.1%	6,699.6
EBITA	MEUR	110.9	70.1	+58.2%	391.7
Net income (including non-controlling interests)	MEUR	61.0	30.5	+100.0%	203.7
Cash flow from operating activities	MEUR	69.2	56.9	+21.6%	461.5
Capital expenditure	MEUR	31.9	29.9	+6.7%	131.8
Liquid funds	MEUR	1,652.3	1,543.1	+7.1%	1,719.3
Net liquidity	MEUR	365.9	208.4	+75.6%	420.9
Net working capital	MEUR	-56.8	-122.9	+53.8%	-48.8

- Solid financial position with slightly higher cash flow
- Net liquidity down compared to end of 2020 due to dividend payment (79 MEUR) and acquisition of Laroche
- Net working capital slightly improved compared to end of 2020

UPDATE MARKET EXPECTATIONS 2021



Continued solid outlook for basically all industries served by ANDRITZ

Market outlook:

- **Pulp and Paper:** solid project activity for both modernizations and new installations to continue, supported by high pulp prices and high demand for tissue, nonwoven and container board; pent-up demand in service to increasingly materialize during coming months
- **Metals Forming:** market stabilization underway, some improvement during H2 2021 possible
- **Metals Processing:** good market environment to remain, driven by high steel prices and overall economic recovery in most parts of the world
- **Hydro:** market is troughing out, some midsize/larger order may be placed in coming months
- **Separation:** satisfactory market growth to continue



GUIDANCE 2021 CONFIRMED



Financial guidance for 2021:

- Due to decline of order intake in 2020, **Group revenue** expected to be slightly lower vs. 2020 (2020: 6.700 MEUR)
- **Increase in reported EBITA** compared to 2020 (2020: 392 MEUR)
- Depending on revenue development, **adjusted EBITA** approximately **stable y/y** (adjusted EBITA 2020: 471 MEUR)
- Currently, no significant capacity adjustment measures planned, however depending on development of global economy



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