



ANDRITZ GROUP

RESULTS Q2 / H1 2022

JULY 29, 2022

ANDRITZ

ENGINEERED SUCCESS

AGENDA



1 | Q2 2022 AT A GLANCE

2 | PERFORMANCE Q2 2022

3 | UPDATE OF BUSINESS AREAS

4 | OUTLOOK

PrimeLine™
SPECIALTY

VERY FAVORABLE BUSINESS DEVELOPMENT IN Q2 2022



ANDRITZ GROUP key figures at a glance

VERY HIGH GROUP ORDER INTAKE AT 2.2 BN EUROS

Very favorable development with increases across all four business areas

Pulp & Paper with solid development of both capital and service

Metals up, driven by Schuler: booking of major press line order

Hydro continuing upward trend: award of pumped storage plant order in India

Record order backlog at 9.9 bn euros

GROUP REVENUE INCREASED TO 1.8 BILLION EUROS

Group revenue in Q2 2022 strongly (+17%) up versus Q2 2021

All four business areas with significant q/q increases

EBITA AT 151 MEUR AND MARGIN AT 8.4%

All four business areas achieved increases in earnings

Profitability in Pulp & Paper continued at favorable level

Hydro and Separation with margin increases q/q

Metals continues upward trend in earnings and margin

AGENDA



1 | Q2 2022 AT A GLANCE

2 | PERFORMANCE Q2 2022

3 | UPDATE OF BUSINESS AREAS

4 | OUTLOOK

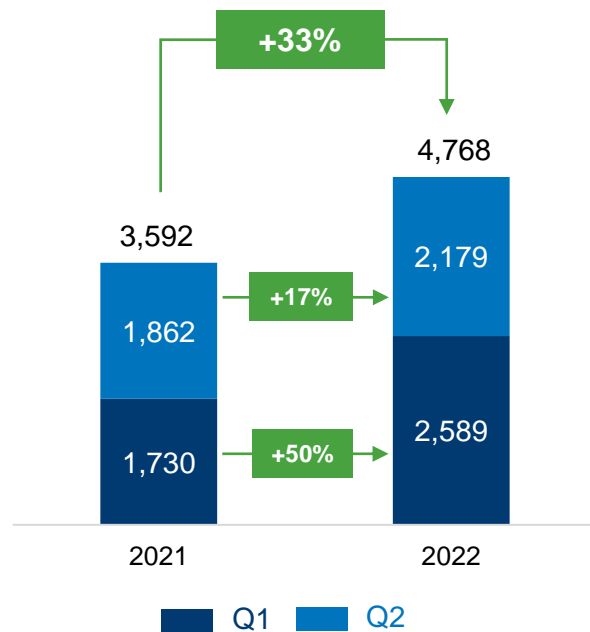
PrimeLine™



FAVORABLE ORDER INTAKE IN Q2 2022 WITH INCREASE IN ALL BUSINESS AREAS

Hydro and Separation strongly up; increase in Metals driven by Schuler

ORDER INTAKE*



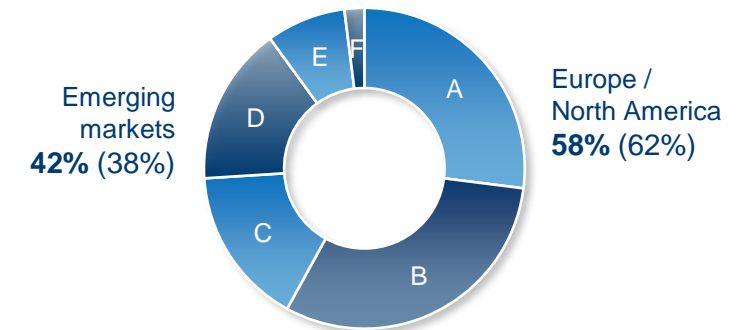
ORDER INTAKE BY BUSINESS AREA*

	Q2 2022	Q2 2021	+/-
Pulp & Paper	975	867	+12%
Metals	489	415	+18%
Hydro	458	370	+24%
Separation	257	211	+22%

	H1 2022	H1 2021	+/-
Pulp & Paper	2,081	1,712	+22%
Metals	991	844	+17%
Hydro	1,214	655	+86%
Separation	482	381	+26%

ORDER INTAKE BY REGION

H1 2022 VS. H1 2021 (%)



A	Europe	27 (39)	D	Asia (without China)	16 (12)
B	North America	31 (23)	E	South America	8 (8)
C	China	16 (14)	F	Africa, Australia	2 (4)

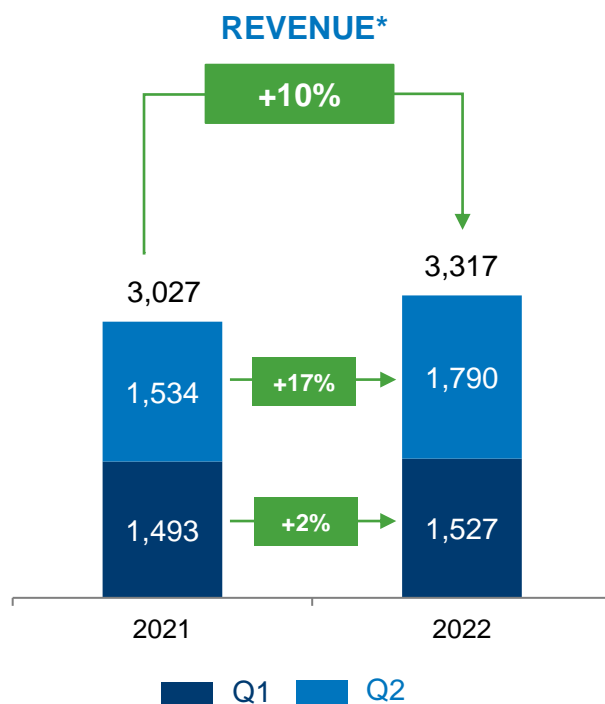
*IN MEUR

- **Pulp & Paper:** Both the Capital business and the Service business increased order intake q/q
- **Hydro** significantly up q/q (receipt of a large order for a pumped storage hydropower plant in India)
- **Metals** (receipt of a large order for a press line in China) and **Separation** well above previous year's reference period

STRONG INCREASE OF REVENUE



Increase in all four business areas



REVENUE BY BUSINESS AREA*

	Q2 2022	Q2 2021	+/-
Pulp & Paper	867	754	+15%
Metals	377	322	+17%
Hydro	359	294	+22%
Separation	187	165	+13%

	H1 2022	H1 2021	+/-
Pulp & Paper	1,581	1,465	+8%
Metals	734	638	+15%
Hydro	650	610	+7%
Separation	352	315	+12%

REVENUE SPLIT: CAPITAL / SERVICE

H1 2022 VS. H1 2021 (%)

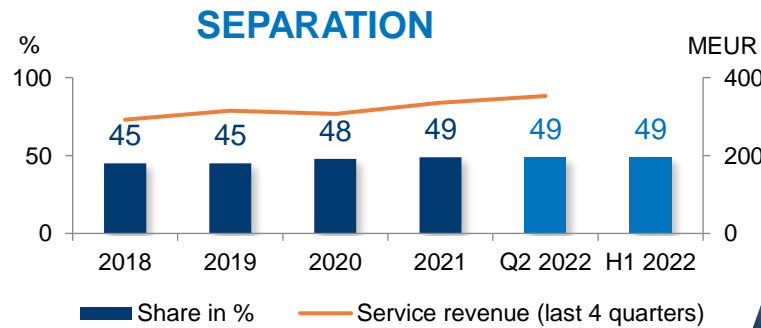
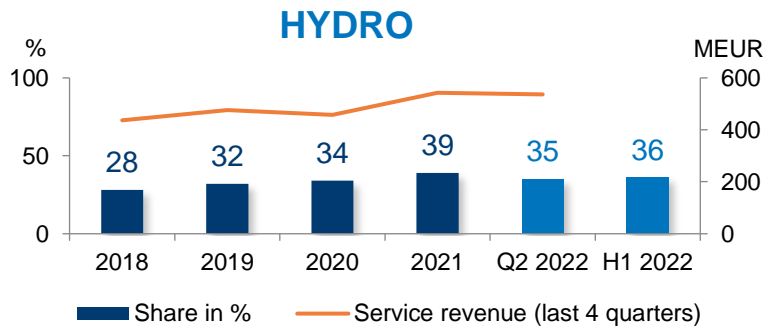
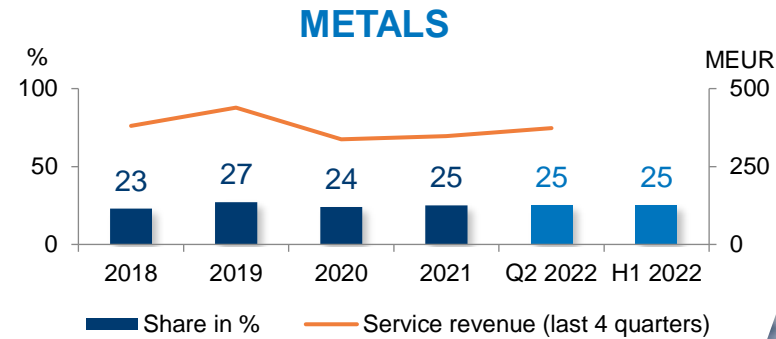
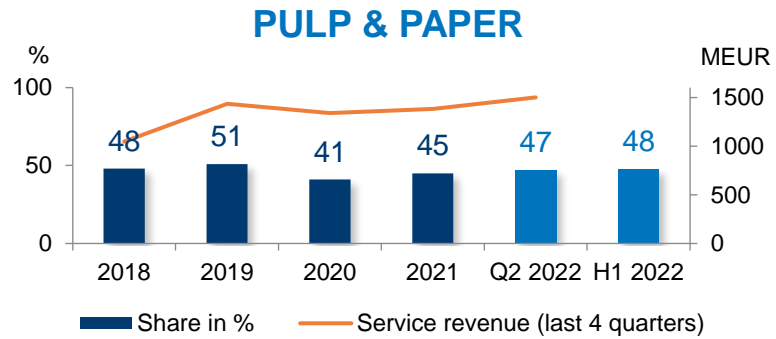


*IN MEUR

SERVICE BUSINESS BY BUSINESS AREA



% of total business area revenue



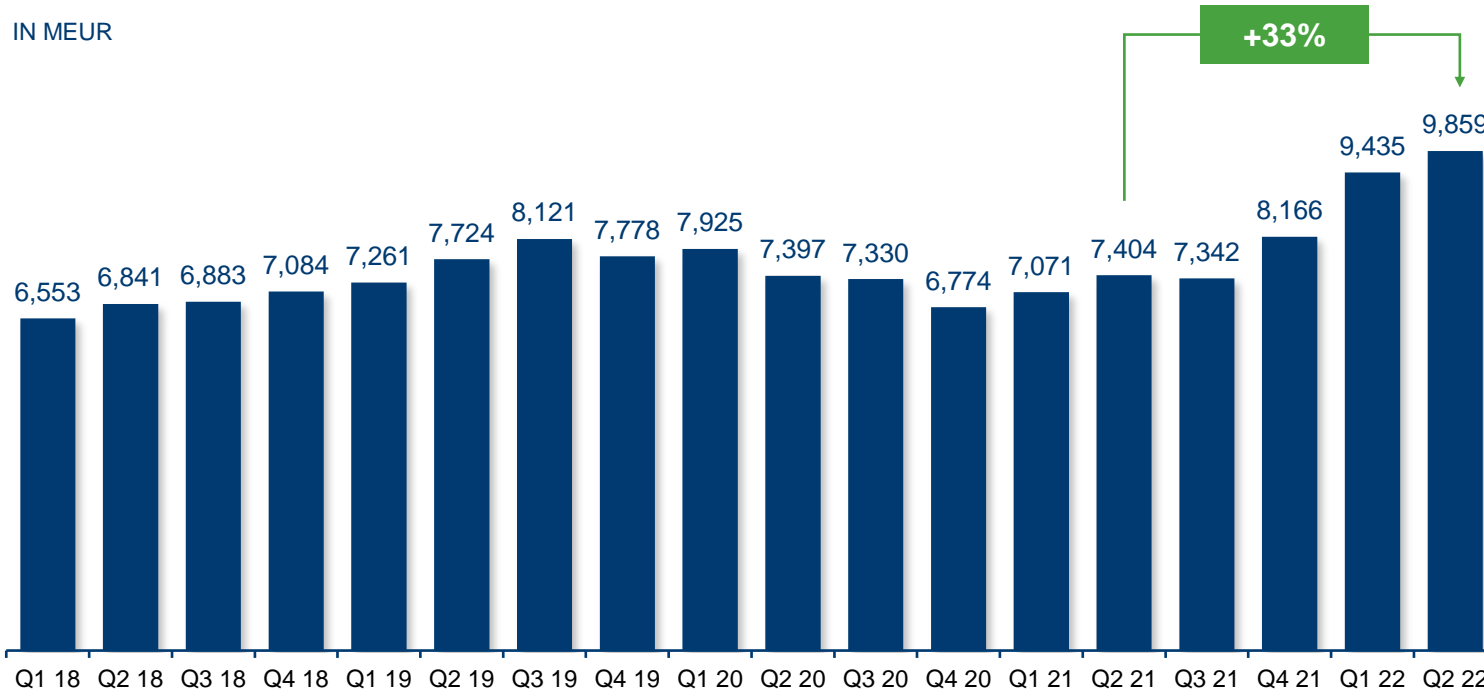
ORDER BACKLOG REACHES NEW RECORD HIGH



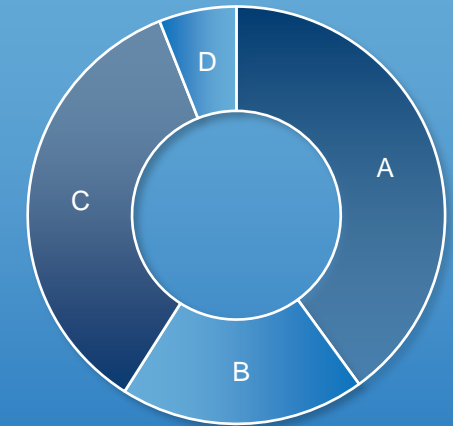
Impact of Russian sanctions and price hikes are taken care of

Pulp & Paper and Hydro account for 75% of total order backlog

IN MEUR



ORDER BACKLOG BY BUSINESS AREA
H1 2022 VS. H1 2021

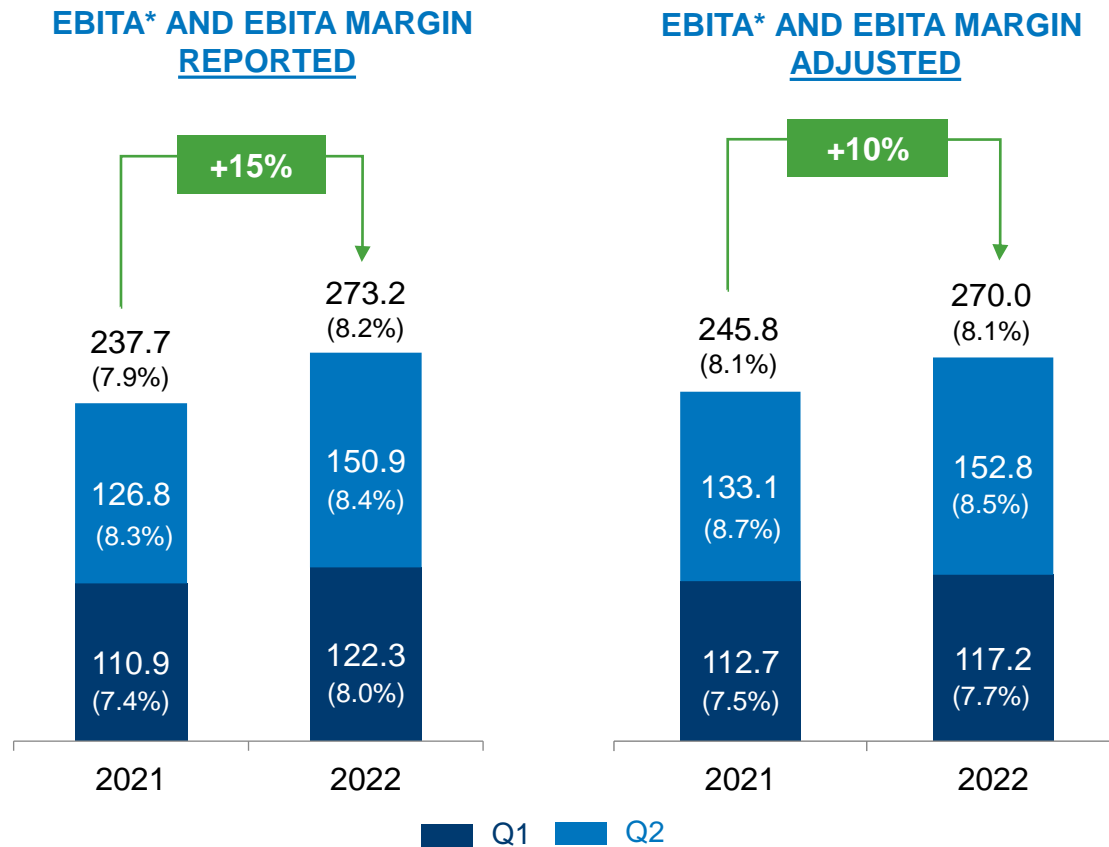


A	Pulp & Paper	40% (39%)	C	Hydro	35% (36%)
B	Metals	19% (18%)	D	Separation	6% (7%)

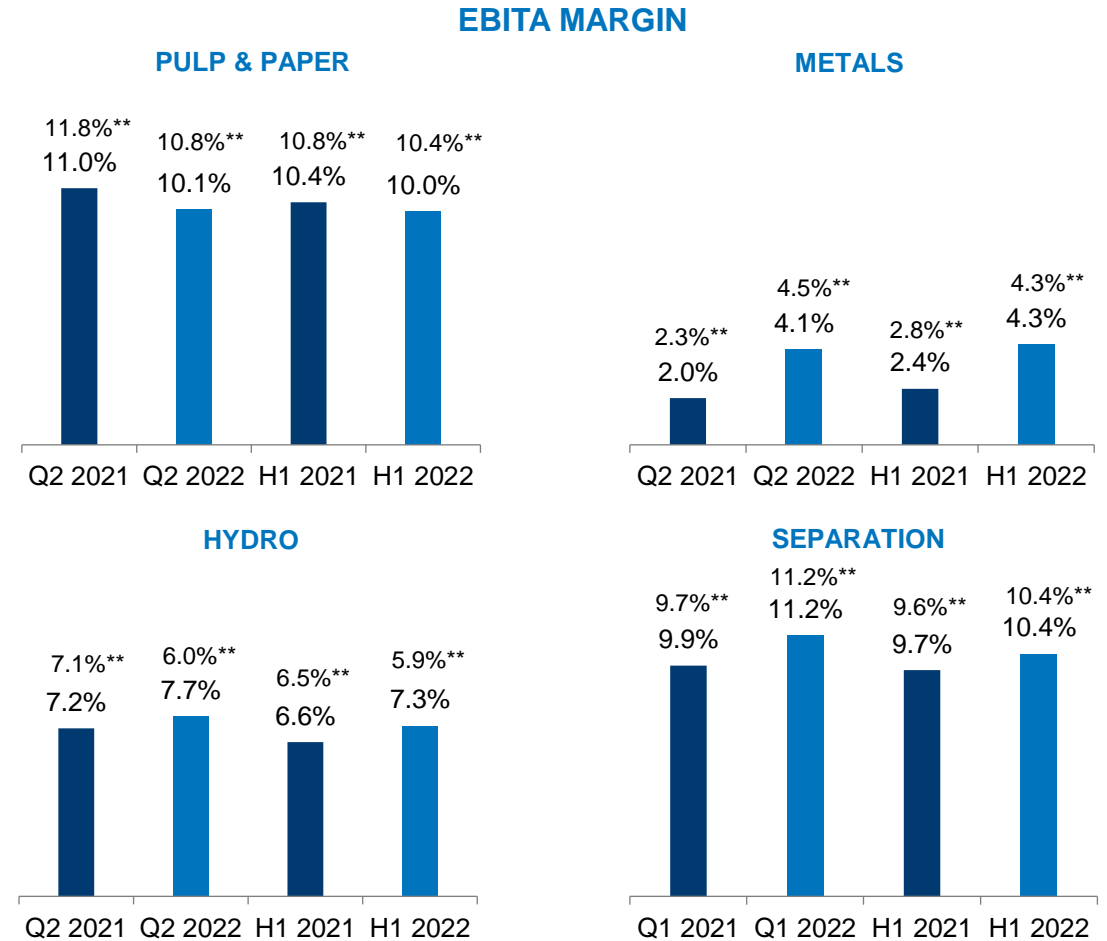
EARNINGS SIGNIFICANTLY UP; FURTHER INCREASE OF MARGIN



Profitability increases especially in Metals, Hydro, and Separation



* EBITA (IN MEUR)

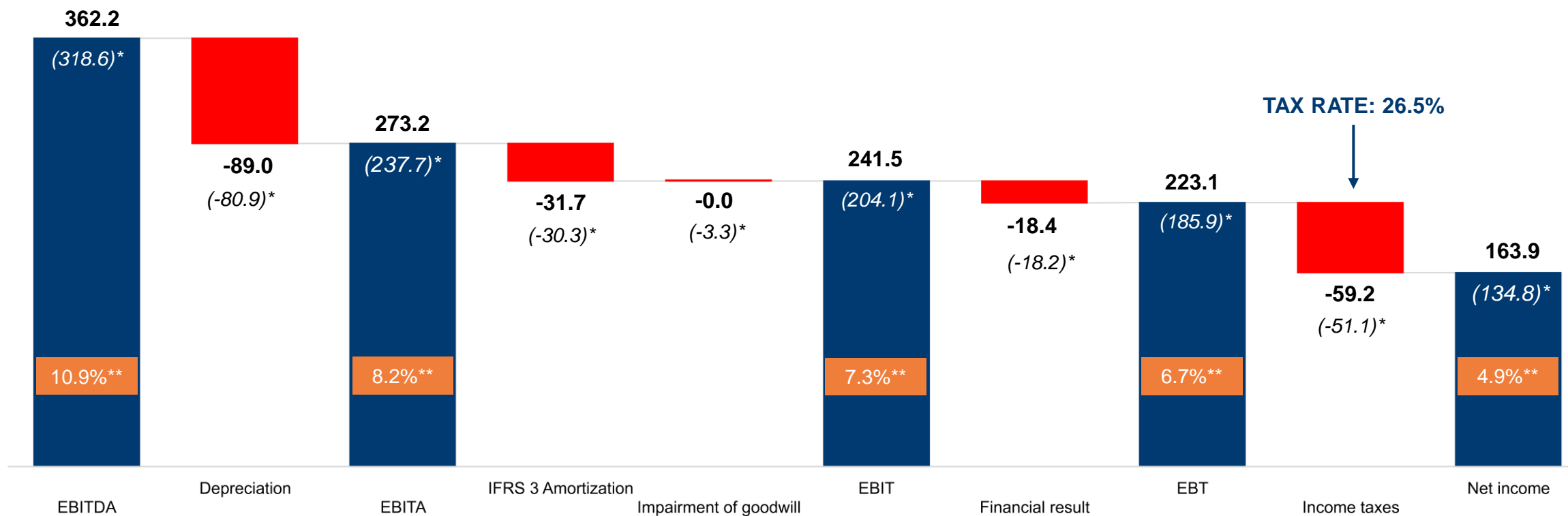


** EBITA MARGIN ADJUSTED

EBITDA – NET INCOME BRIDGE



IN MEUR



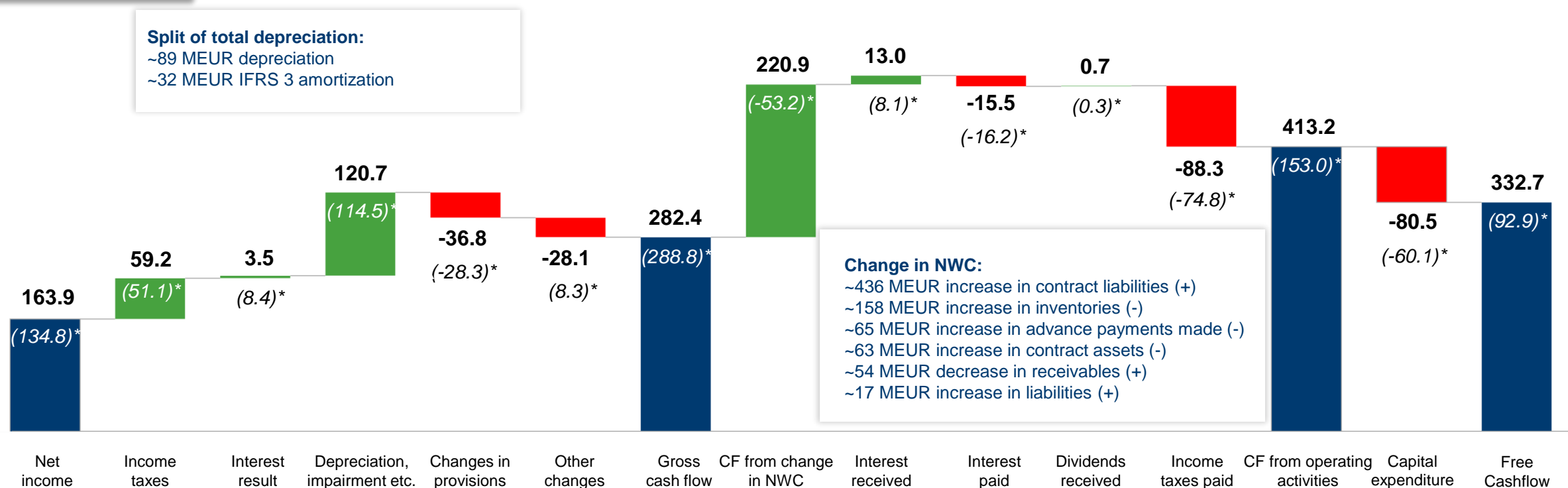
* (H1 2021)

** % OF TOTAL REVENUE

CASH FLOW FROM OPERATING ACTIVITIES AND FREE CASH FLOW



IN MEUR



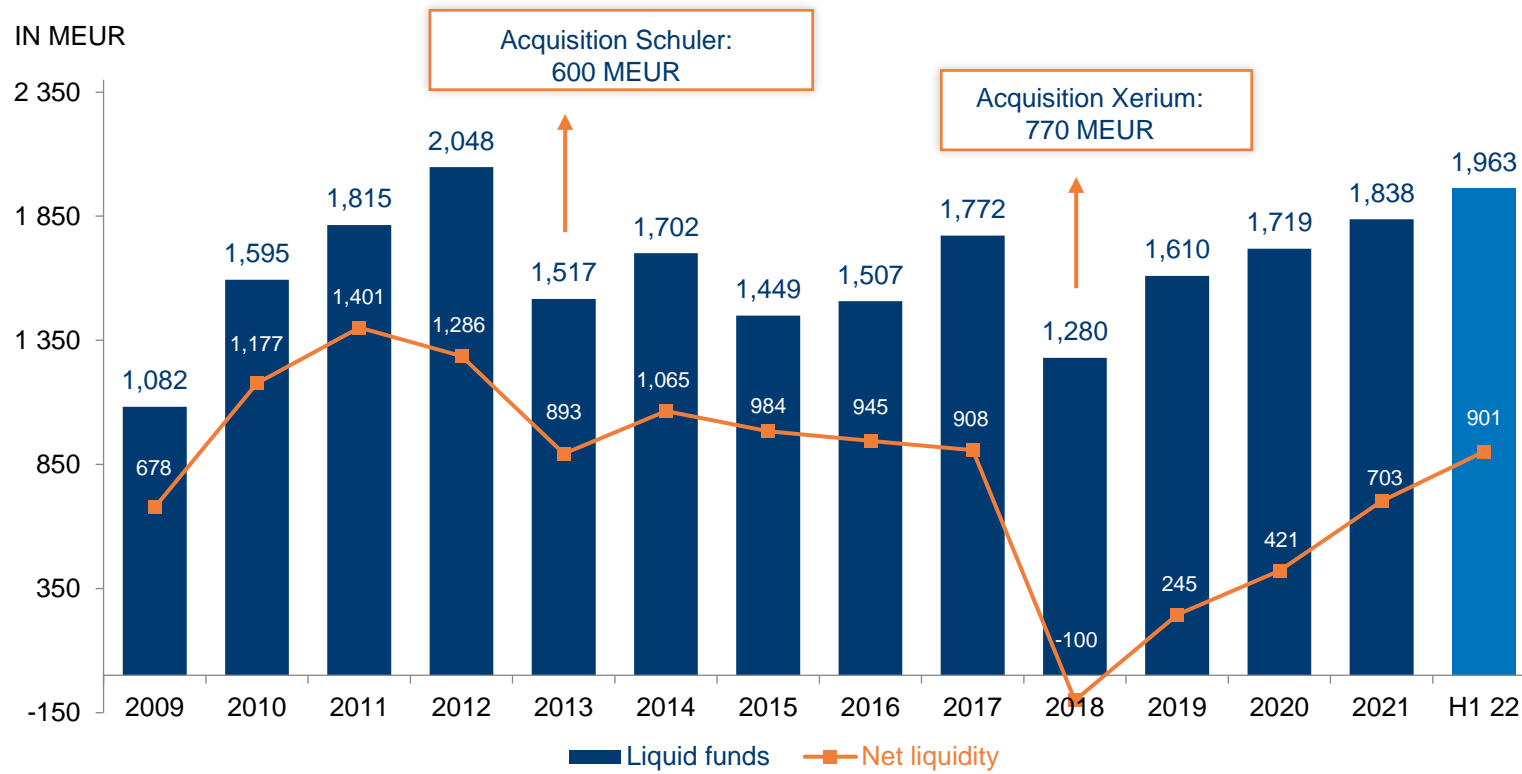
* (H1 2021)

SOLID FINANCIAL POSITION



Gross liquidity of ~2.0 billion euros, net liquidity at ~900 million euros

Note: Since January 1, 2019, lease liabilities are excluded from the calculation of net liquidity; 2018 adjusted



Strong increase in net liquidity of ~1 bn EUR since 2018

In addition to the high amount of disposable cash, ANDRITZ has surety lines of 6.5 bn EUR and credit lines of 0.3 bn EUR.

KEY FIGURES Q2 / H1 2022 AT A GLANCE



	UNIT	Q2 2022	Q2 2021	+/-	H1 2022	H1 2021	+/-	2021
Order intake	MEUR	2,179.0	1,862.3	+17.0%	4,767.6	3,591.8	+32.7%	7,879.7
Order backlog (as of end of period)	MEUR	9,859.1	7,403.5	+33.2%	9,859.1	7,403.5	+33.2%	8,165.8
Revenue	MEUR	1,790.1	1,533.8	+16.7%	3,317.0	3,027.0	+9.6%	6,463.0
EBITA	MEUR	150.9	126.8	+19.0%	273.2	237.7	+14.9%	546.5
Net income (including non-controlling interests)	MEUR	93.7	73.8	+27.0%	163.9	134.8	+21.6%	321.7
Cash flow from operating activities	MEUR	186.1	83.8	+122.1%	413.2	153.0	+170.1%	529.6
Capital expenditure	MEUR	41.4	28.2	+46.8%	80.5	60.1	+33.9%	160.1
Liquid funds	MEUR	1,963.2	1,670.7	+17.5%	1,963.2	1,670.7	+17.5%	1,837.9
Net liquidity	MEUR	900.6	384.5	+134.2%	900.6	384.5	+134.2%	703.3
Net working capital	MEUR	-351.2	31.9	n.a.	-351.2	31.9	n.a.	-150.1

Significant increase in cash flow mainly due to change in net working capital

Strong decrease in net working capital mainly due to receipt of advance payments for large new projects (PP, HY)

AGENDA



1 | Q2 2022 AT A GLANCE

2 | PERFORMANCE Q2 2022

3 | UPDATE OF BUSINESS AREAS

4 | OUTLOOK

PrimeLine™

PULP & PAPER: UNCHANGED FAVORABLE BUSINESS DEVELOPMENT



Increase in order intake and revenue

	UNIT	Q2 2022	Q2 2021	+/-	H1 2022	H1 2021	+/-	2021
Order intake	MEUR	975.0	866.8	+12.5%	2,080.8	1,712.3	+21.5%	3,774.7
Order backlog (as of end of period)	MEUR	3,940.8	2,888.4	+36.4%	3,940.8	2,888.4	+36.4%	3,377.2
Revenue	MEUR	867.5	753.7	+15.1%	1,580.4	1,464.6	+7.9%	3,070.6
EBITDA	MEUR	114.0	101.9	+11.9%	204.5	189.2	+8.1%	423.4
EBITDA margin	%	13.1	13.5	-	12.9	12.9	-	13.8
EBITA	MEUR	87.2	83.2	+4.8%	157.6	152.0	+3.7%	346.0
EBITA margin	%	10.1	11.0	-	10.0	10.4	-	11.3
Employees (as of end of period; without apprentices)	-	12,112	11,363	+6.6%	12,112	11,363	+6.6%	11,668

- **Order intake** up q/q: Both the capital and service business were able to increase their order intake
- **Revenue** significantly up compared to Q2 2021
- **Earnings** at unchanged favorable level; **profitability** slightly below Q2 2021 due to the project mix

ORDER INTAKE BY REGION

H1 2022 VS. H1 2021 (%)



REVENUE BY REGION

H1 2022 VS. H1 2021 (%)





METALS: EARNINGS AND PROFITABILITY IMPROVEMENT CONTINUED

Receipt of a large order for a press line in China; Revenue significantly up q/q

	UNIT	Q2 2022	Q2 2021	+/-	H1 2022	H1 2021	+/-	2021
Order intake	MEUR	489.3	414.5	+18.0%	990.7	843.6	+17.4%	1,778.8
Order backlog (as of end of period)	MEUR	1,846.2	1,365.9	+35.2%	1,846.2	1,365.9	+35.2%	1,541.7
Revenue	MEUR	377.5	322.0	+17.2%	734.0	638.1	+15.0%	1,366.1
EBITDA	MEUR	25.1	16.3	+54.0%	50.0	34.9	+43.3%	81.7
EBITDA margin	%	6.6	5.1	-	6.8	5.5	-	6.0
EBITA	MEUR	15.3	6.3	+142.9%	31.6	15.2	+107.9%	38.4
EBITA margin	%	4.1	2.0	-	4.3	2.4	-	2.8
Employees (as of end of period; without apprentices)	-	5,960	6,129	-2.8%	5,960	6,129	-2.8%	5,930

- **Order intake** continued on a favorable level; **Metals Forming** succeeded in booking a larger order for a press line in China
- Significant increase in **revenue** due favorable development of order intake since 2021
- **Earnings and profitability** up, further improvement in Metals Forming

ORDER INTAKE BY REGION

H1 2022 VS. H1 2021 (%)



REVENUE BY REGION

H1 2022 VS. H1 2021 (%)



HYDRO: STRONG INCREASE IN ORDER INTAKE AND REVENUE



Earnings and profitability improved

	UNIT	Q2 2022	Q2 2021	+/-	H1 2022	H1 2021	+/-	2021
Order intake	MEUR	457.8	370.2	+23.7%	1,214.1	654.5	+85.5%	1,565.2
Order backlog (as of end of period)	MEUR	3,422.5	2,664.4	+28.5%	3,422.5	2,664.4	+28.5%	2,747.8
Revenue	MEUR	358.6	293.5	+22.2%	650.2	609.5	+6.7%	1,345.1
EBITDA	MEUR	35.3	29.5	+19.7%	64.2	57.2	+12.2%	133.0
EBITDA margin	%	9.8	10.1	-	9.9	9.4	-	9.9
EBITA	MEUR	27.5	21.0	+31.0%	47.4	40.0	+18.5%	95.4
EBITA margin	%	7.7	7.2	-	7.3	6.6	-	7.1
Employees (as of end of period; without apprentices)	-	6,689	6,651	+0.6%	6,689	6,651	+0.6%	6,628

- **Order intake** significantly up: receipt of a large order for a pumped storage hydropower plant in India
- **Revenue** significantly up q/q due to increased order intake in previous quarters
- **Earnings and profitability** improved q/q

ORDER INTAKE BY REGION

H1 2022 VS. H1 2021 (%)



REVENUE BY REGION

H1 2022 VS. H1 2021 (%)





SEPARATION: VERY FAVORABLE BUSINESS DEVELOPMENT

Strong increase in order intake, revenue, and earnings q/q

	UNIT	Q2 2022	Q2 2021	+/-	H1 2022	H1 2021	+/-	2021
Order intake	MEUR	256.9	210.8	+21.9%	482.0	381.4	+26.4%	761.0
Order backlog (as of end of period)	MEUR	649.6	484.8	+34.0%	649.6	484.8	+34.0%	499.1
Revenue	MEUR	186.5	164.6	+13.3%	352.4	314.8	+11.9%	681.2
EBITDA	MEUR	24.4	19.8	+23.2%	43.5	37.3	+16.6%	80.2
EBITDA margin	%	13.1	12.0	-	12.3	11.8	-	11.8
EBITA	MEUR	20.9	16.3	+28.2%	36.6	30.5	+20.0%	66.7
EBITA margin	%	11.2	9.9	-	10.4	9.7	-	9.8
Employees (as of end of period; without apprentices)	-	2,667	2,568	+3.9%	2,667	2,568	+3.9%	2,578

- **Order intake** significantly above the previous year's reference figure, with very good development in feed & biofuel sector; solid/liquid separation sector with stable development
- **Revenue** up q/q as a result of very good order intake development of the last quarters
- **Earnings and profitability** continued at a very favorable level

ORDER INTAKE BY REGION

H1 2022 VS. H1 2021 (%)



REVENUE BY REGION

H1 2022 VS. H1 2021 (%)



AGENDA



1 | Q2 2022 AT A GLANCE

2 | PERFORMANCE Q2 2022

3 | UPDATE OF BUSINESS AREAS

4 | OUTLOOK

MARKET OUTLOOK AND FINANCIAL GUIDANCE



Financial guidance 2022 is based on current framework conditions

OUTLOOK

- Project and investment activities in the industries served by ANDRITZ remain solid
- Geo-economical challenges (Russian war, sanctions, Covid-19, inflation, etc.) are closely monitored

FINANCIAL GUIDANCE for 2022 confirmed

- Increase in Group revenue compared to 2021 (6,463 MEUR)
- Increase in reported EBITA (2021: 547 MEUR)
- Increase in net income (2021: 322 MEUR)



LEGAL DISCLAIMER



© ANDRITZ AG 2022

This presentation contains valuable, proprietary property belonging to ANDRITZ AG or its affiliates (“the ANDRITZ GROUP”), and no licenses or other intellectual property rights are granted herein, nor shall the contents of this presentation form part of any sales contracts which may be concluded between the ANDRITZ GROUP companies and purchasers of any equipment and/or systems referenced herein. Please be aware that the ANDRITZ GROUP actively and aggressively enforces its intellectual property rights to the fullest extent of applicable law. Any information contained herein (other than publically available information) shall not be disclosed or reproduced, in whole or in part, electronically or in hard copy, to third parties. No information contained herein shall be used in any way either commercially or for any purpose other than internal viewing, reading, or evaluation of its contents by recipient and the ANDRITZ GROUP disclaims all liability arising from recipient’s use or reliance upon such information. Title in and to all intellectual property rights embodied in this presentation, and all information contained therein, is and shall remain with the ANDRITZ GROUP. None of the information contained herein shall be construed as legal, tax, or investment advice, and private counsel, accountants, or other professional advisers should be consulted and relied upon for any such advice.

All copyrightable text and graphics, the selection, arrangement, and presentation of all materials, and the overall design of this presentation are © ANDRITZ GROUP 2022. All rights reserved. No part of this information or materials may be reproduced, retransmitted, displayed, distributed, or modified without the prior written approval of Owner. All trademarks and other names, logos, and icons identifying Owner’s goods and services are proprietary marks belonging to the ANDRITZ GROUP. If recipient is in doubt whether permission is needed for any type of use of the contents of this presentation, please contact the ANDRITZ GROUP at welcome@andritz.com.