



ANDRITZ GROUP

INNOVATIVE TECHNOLOGIES FOR THE PLANET

A GLOBAL PARTNER FOR KEY INDUSTRIES THAT SHAPE THE WORLD

RBI INVESTOR CONFERENCE ZÜRS

ANDRITZ

ENGINEERED SUCCESS

AGENDA



1 | ANDRITZ AT A GLANCE

2 | FINANCIALS

3 | OUTLOOK

NO CHALLENGE IS TOO BIG – A PIONEER IN LARGE-SCALE TECH SOLUTIONS WORLDWIDE



WHAT WE DO:

Developing large-scale, state-of-the-art engineering and service solutions



Elevating customer operations with state-of-the-art technologies



Supporting our customers' operations with life-cycle services



Empowering our customers to drive the green transition

FULL-YEAR 2023 WITH SATISFYING ORDER INTAKE AND SIGNIFICANT GROWTH IN REVENUE AND RESULTS



Major financial KPIs FY 2023

ORDER INTAKE
8.6 billion EUR

(2022: 9.3 billion EUR / -8%)

GROUP REVENUE
8.7 billion EUR

(2022: 7.5 billion EUR / +15%)

EBITA (reported)
742 MEUR (8.6%)

(2022: 649 MEUR (8.6%) / +14%)

NET INCOME
(incl. non-controlling interests)
504 MEUR (5.8%)

(2022: 403 MEUR (5.3%) / +25%)

NET LIQUIDITY
913 MEUR

(2022: 983 MEUR / -7%)

DIVIDEND PER SHARE
2.50 EUR

(2022: 2.10 EUR / +19%)

FOUR STRONG AREAS WITH A HIGH PROPORTION OF FUTURE TECHNOLOGIES



ANDRITZ GROUP 2023

Order Intake **8.552 MEUR**

Backlog **9.873 MEUR**

Revenue **8.660 MEUR**

EBITA (reported) **742 MEUR**

PULP & PAPER



46%*

Revenue 3.987 MEUR



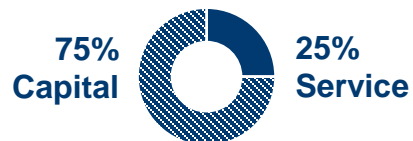
Pulp: **#1**
Paper: **#3**

METALS



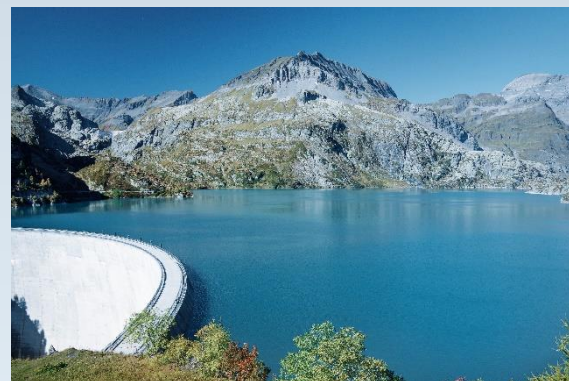
21%

Revenue 1.840 MEUR



Forming: **#1**
Processing: **#1-2**

HYDROPOWER



18%

Revenue 1.522 MEUR



#1-2

ENVIRONMENT & ENERGY



15%

Revenue 1.311 MEUR



#1-3

EXCEPTIONAL GROWTH OPPORTUNITIES IN ALL BUSINESS AREAS



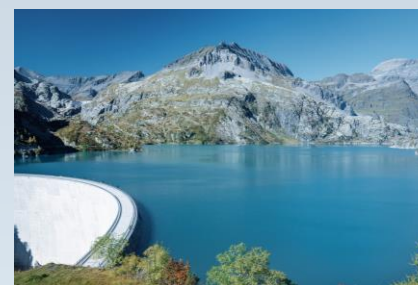
PULP & PAPER



METALS



HYDROPOWER



ENVIRONMENT & ENERGY



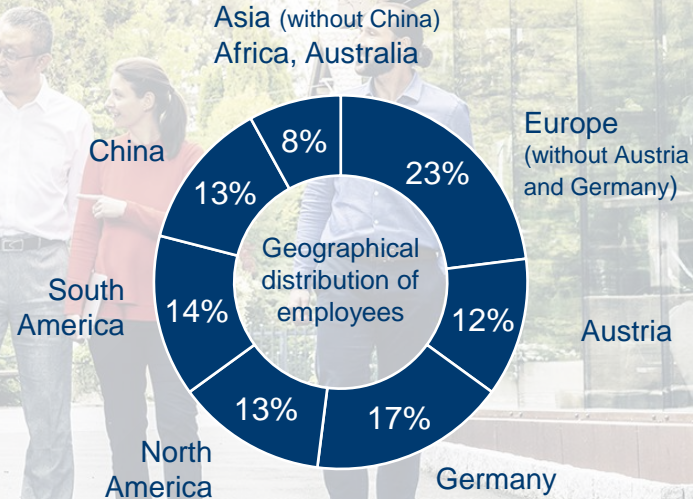
Underlying mid-term market growth	2-3%	2-3%	2-3%	4-5%
Current strong regional markets	South America and Asia	Asia and North America	Asia, Australia, North America, Europe, Middle East	Europe and North America
Special growth opportunities	Paper machines Molded fiber Cellulosic textile Textile recycling	E-mobility Battery Silicon steel Light weight vehicles	Grid services like: Pumped storage Synchronous condensers Hybrid solutions	Green hydrogen Carbon capture Power-to-X Alternative proteins

COMPETENCE, COMMITMENT, PASSION – THE WHOLE TEAM STANDS FOR ANDRITZ SUCCESS

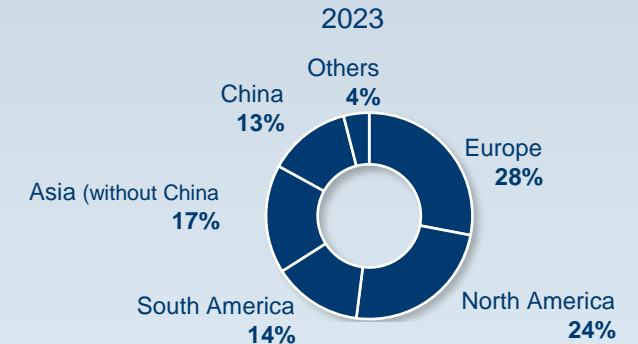


Around **30,000** employees within the ANDRITZ GROUP in over 80 countries

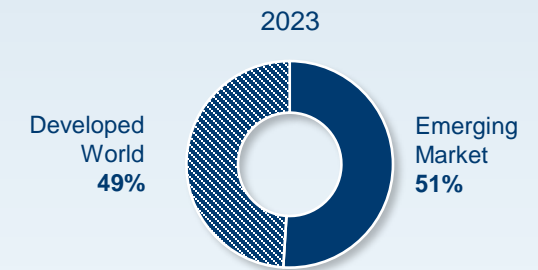
- Approx. 65% white-collar and 35% blue-collar
- **5,000** employees in Germany
- **3,700** employees in Austria



REVENUE BY REGION



MANUFACTURING FOOTPRINT



OUR STRATEGY TO ACHIEVE LONG-TERM PROFITABLE GROWTH



DECARBONIZATION



DIGITALIZATION



CUSTOMER SERVICE



LONG-TERM
PROFITABLE
GROWTH

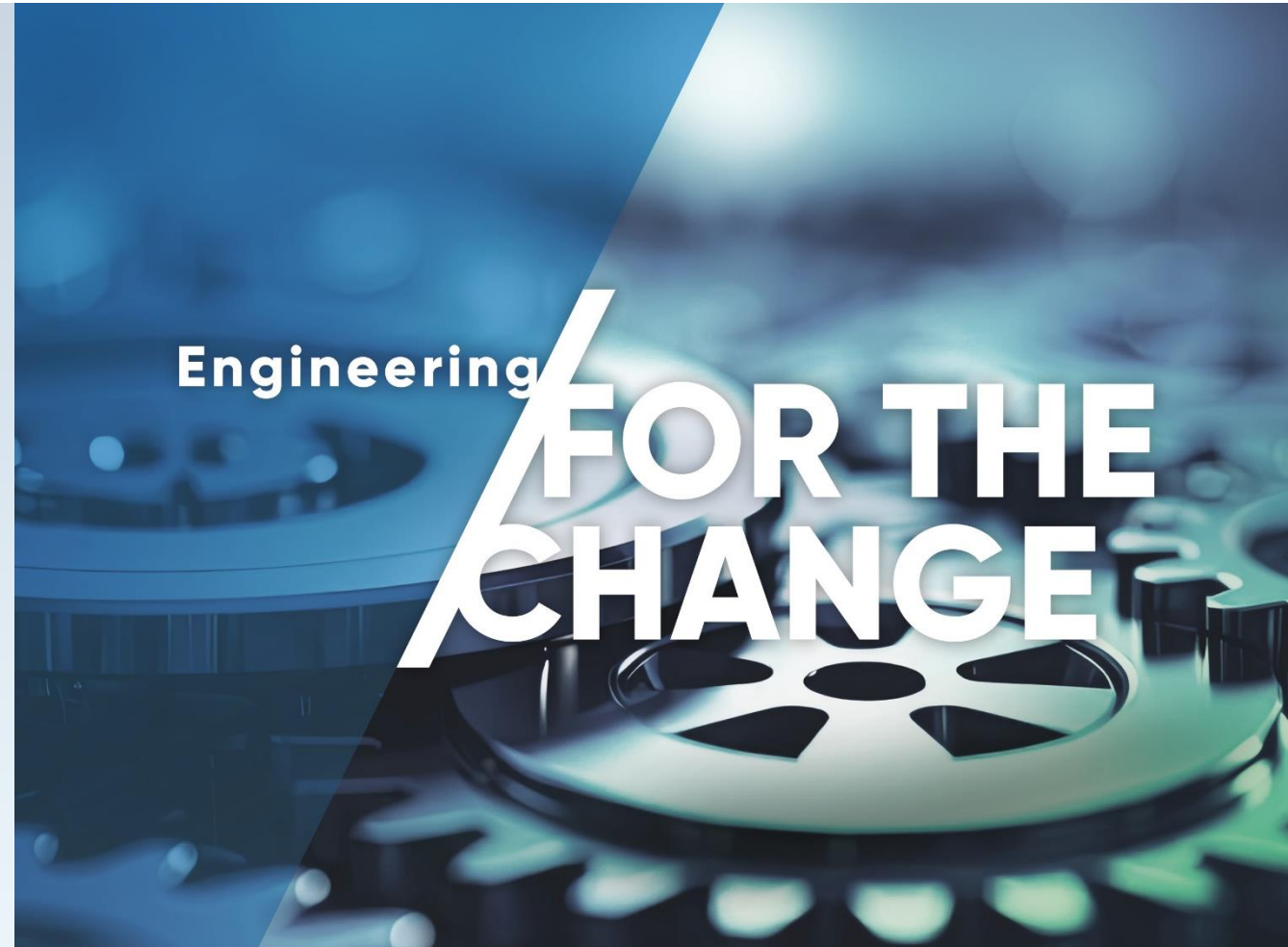


- Grow revenue
- Grow profitability
- Grow service share



DECARBONIZATION: WE ENABLE THE GREEN TRANSITION

- Developing economically feasible key technologies for the green transition
- Providing full life cycle services from project development to operation and maintenance
- We offer solutions e.g. for:
 - carbon capture
 - production of green hydrogen
 - battery production for e-mobility
 - textile recycling
 - Renewable energy production



Engineering

FOR THE
CHANGE

CARBON CAPTURE FOR INDUSTRIAL PROCESS



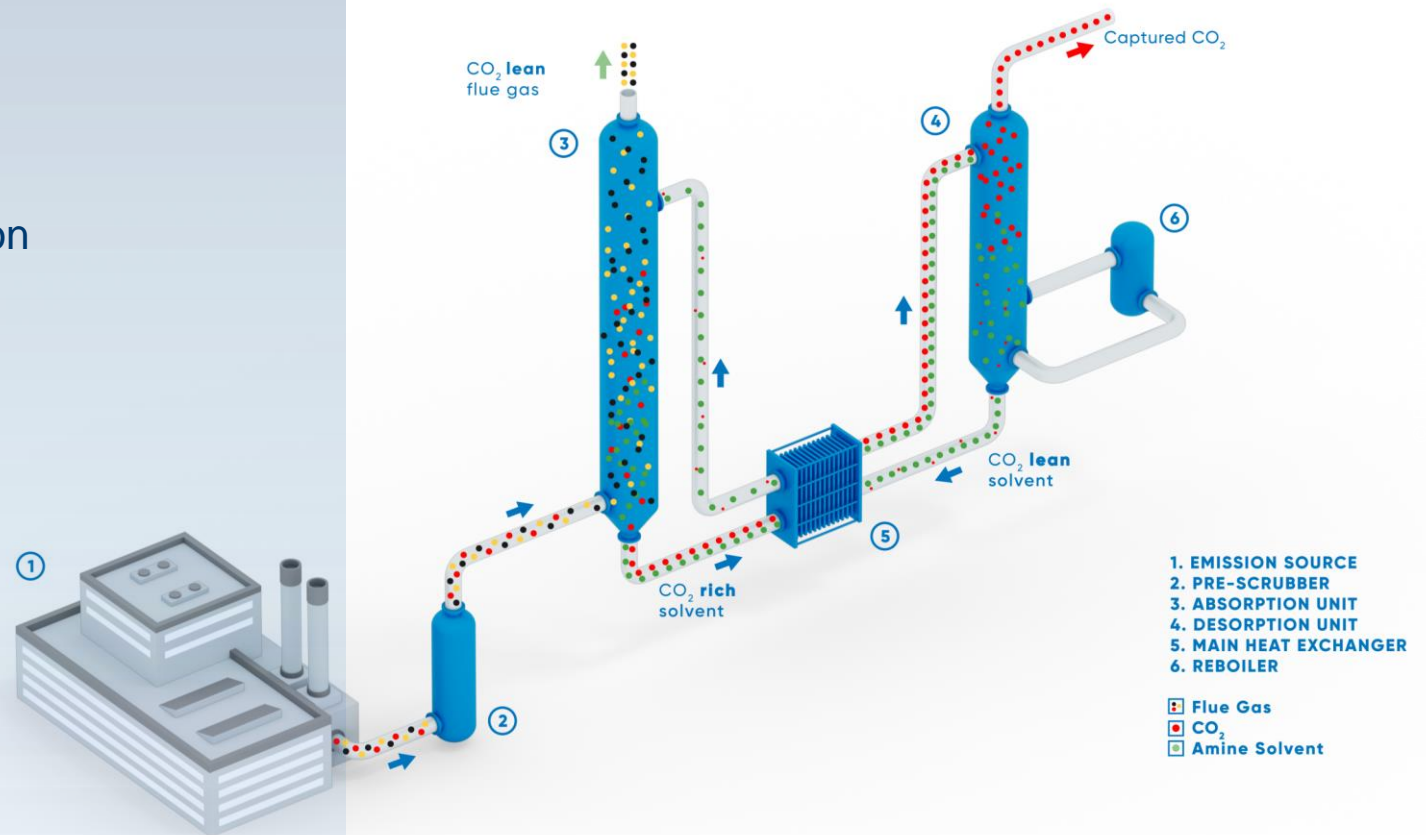
Solutions that remove CO₂ from the emissions of industrial processes

PROJECT Rohrdorfer, Germany.
CO₂ capture plant in Germany based on amines in the cement industry.

SCOPE CO₂ absorption / desorption process

OUTPUT Cement kiln producing approx. 1 Mton clinker/year

CO₂ >2 tons captured per day,
purified and compressed for further industrial use



LARGE-SCALE PLANT FOR THE PRODUCTION OF GREEN HYDROGEN FOR SALZGITTER



Renewable energy transition, plant solutions and complete life cycle services

ONE OF THE LARGEST PLANTS FOR THE PRODUCTION OF GREEN HYDROGEN IN EUROPE

The plant will produce around 9,000 tons of green hydrogen per year, which will be used to produce green steel



	Capacity	100 MW
	Scope of supply	EPC
	Commissioning	2026

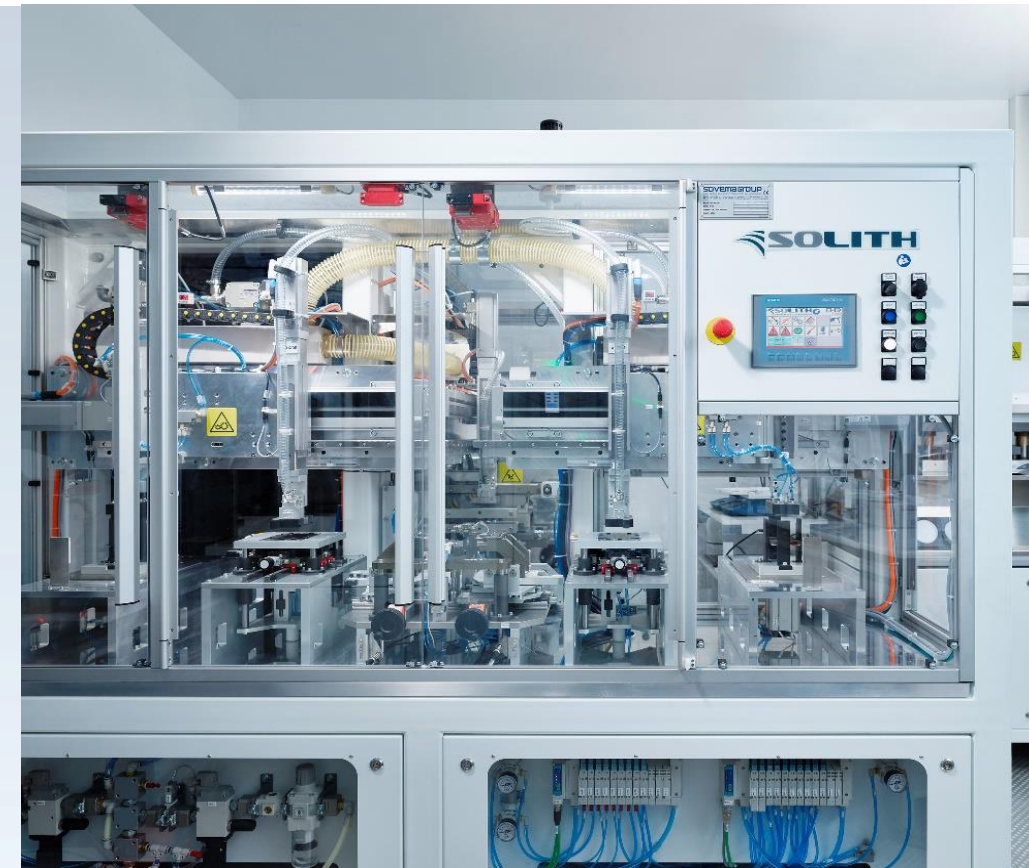
SUCCESSFUL MILESTONES ACHIEVED IN BATTERY DIVISION



Turnkey production equipment for battery cell assembly and cell formation for batteries.
Equipment for entire process chain for the production of batteries.

Strategically important order intakes in the division battery:

- **Fraunhofer FFB Münster:** Cell assembly pilot line for large-format Lithium-Ion pouch cells. Order intake 10/2022
- **German OEM:** Cell assembly pilot line for innovative All Solid State batteries. Solid state batteries have huge benefits regarding safety, energy density and charging time. Order intake 07/2023
- **German battery cell manufacturer:** First giga project: Fully automated cell formation plant incl. intralogistics and steel construction for 80 cylindrical Lithium-Ion cells per minute (~2 GWh per year). Order intake 11/2023



CIRCULAR ECONOMY: WE EMPOWER THE TACKLING OF THE 92 MILLION TONS TEXTILE RECYCLING CHALLENGE



SANKO, a family-owned company in Turkey, excels in spinning recycled fibers and is extending its expertise to textile-to-textile recycling through its RE&UP venture.

- Ordered 10 mechanical recycling lines. Five are operational, with another five scheduled for delivery in 2024
- Aims to recycle over 1 million tons of textile waste by 2030 for a global circular fashion economy
- Plans to set up new recycling hubs in Europe, Asia and America, supported by ANDRITZ's comprehensive textile recycling and circularity solutions

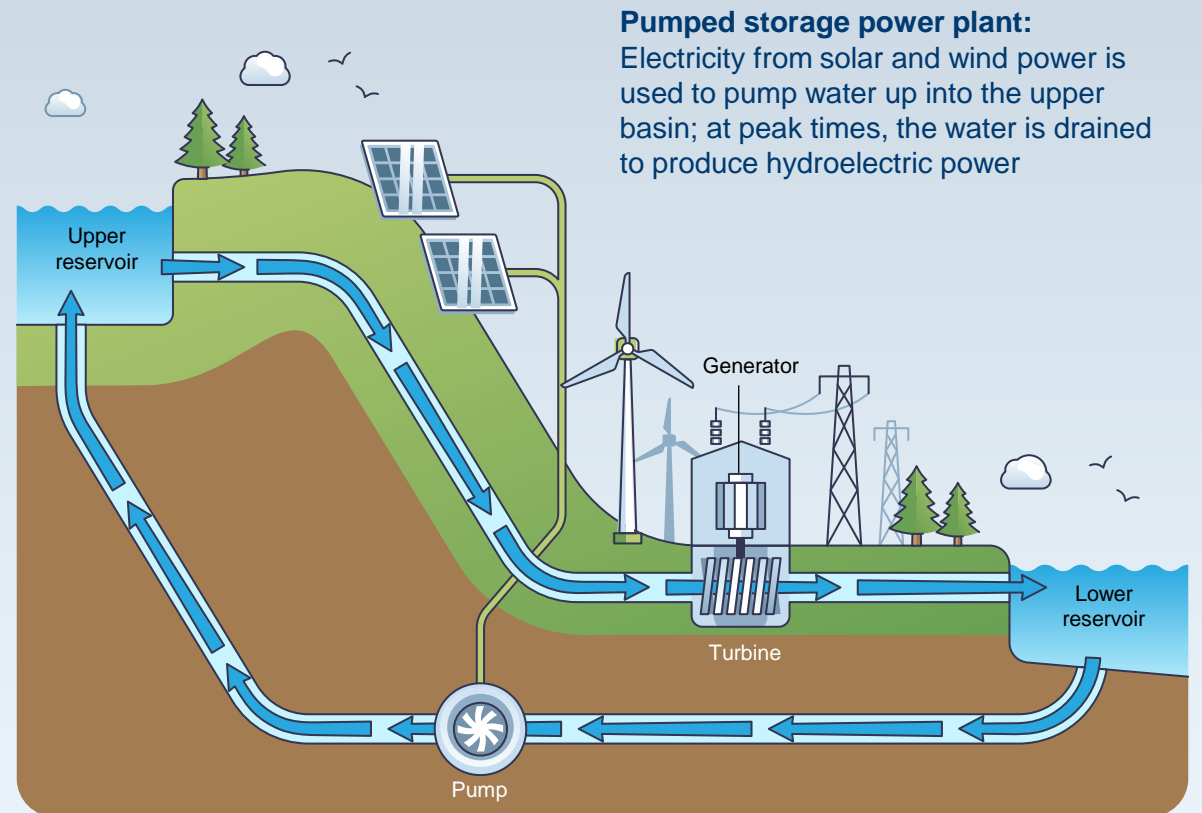


RENEWABLE ENERGY INTELLIGENT 24/7 GREEN ENERGY SUPPLY



Combines electrical energy production from solar, wind, and pumped storage

- Guaranteed renewable energy supply 24/7
- Ongoing projects:
 - Greenko Pinnapuram, India, 1,680 MW.
 - Greenko Gandhi Sagar, India, 1,440 MW.
- **Growing worldwide market**
(China, India, Australia, Southeast Asia, Europe, Middle East, North America)
- Doubling of global pumped storage capacity over the next two decades expected



DIGITALIZATION: SUPPORTING CUSTOMERS THROUGHOUT PLANT LIFE CYCLE



Maximize
plant process
performance



Maximize the
value of data –
from raw data to
plant insights



Maximize
productivity,
efficiency and
availability
for all assets



Proactively
manage digital
security risks



Boost customer
expertise and
reduce risk to
people, plant and
investment

GROUNDBREAKING AUTONOMOUS LOGYARD CRANE: AI DRIVEN AND ECO-FRIENDLY LOG HANDLING

The world's first autonomously operated crane

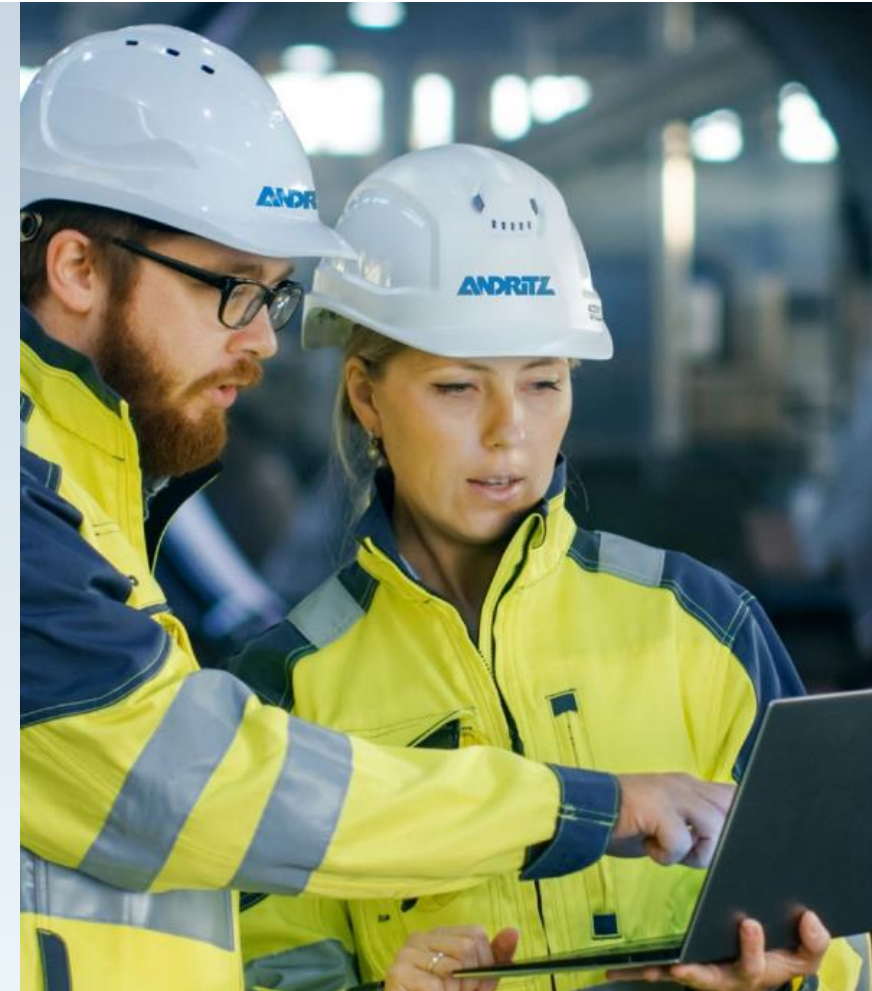
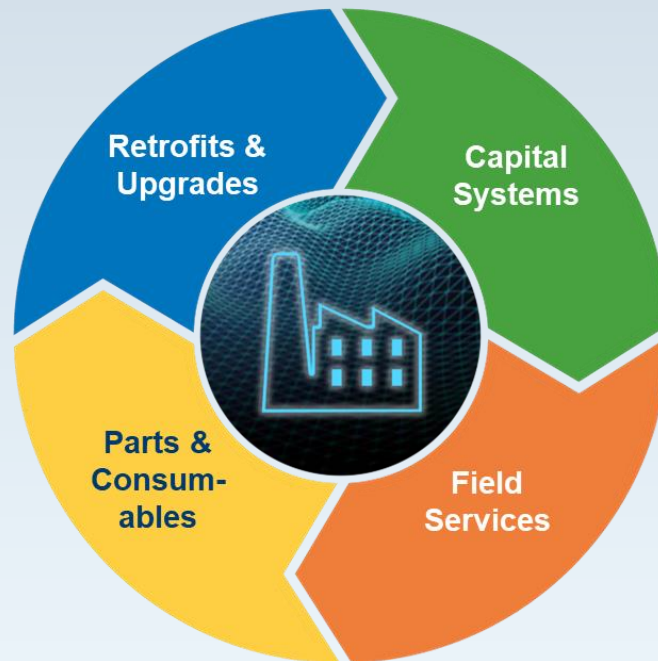
- Artificial intelligence allows detailed tracking and classifying of the wood received in real time
- Running on electricity, the crane causes zero CO₂ emissions and reduces noise pollution
- In operation at Metsä Fiber's pulp mill in Finland since 9/2023



CUSTOMER SERVICE: SUCCESS THROUGH OUR LIFE CYCLE SOLUTIONS



We service our customers at every step, ensuring them high product quality, output and uptime through quick response time and cost-competitive, efficient life cycle solutions.



"WE CARE" – OUR ESG PROGRAM



Sustainability is an integrated part of our corporate policy – we are committed to the SBTi (Science Based Targets initiative) to further reduce our greenhouse gas emissions by 2030

E

ENVIRONMENT

Reduce our CO₂ footprint, save resources and develop sustainable technologies

S

SOCIAL

Ensure a safe and viable future for our employees

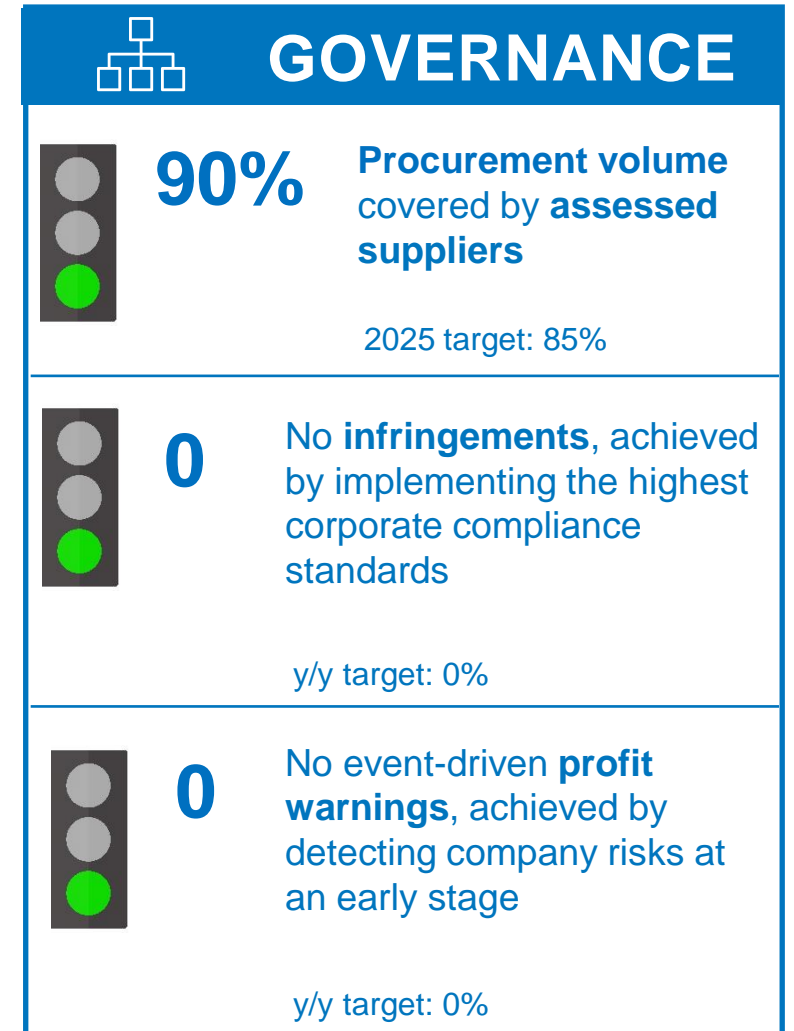
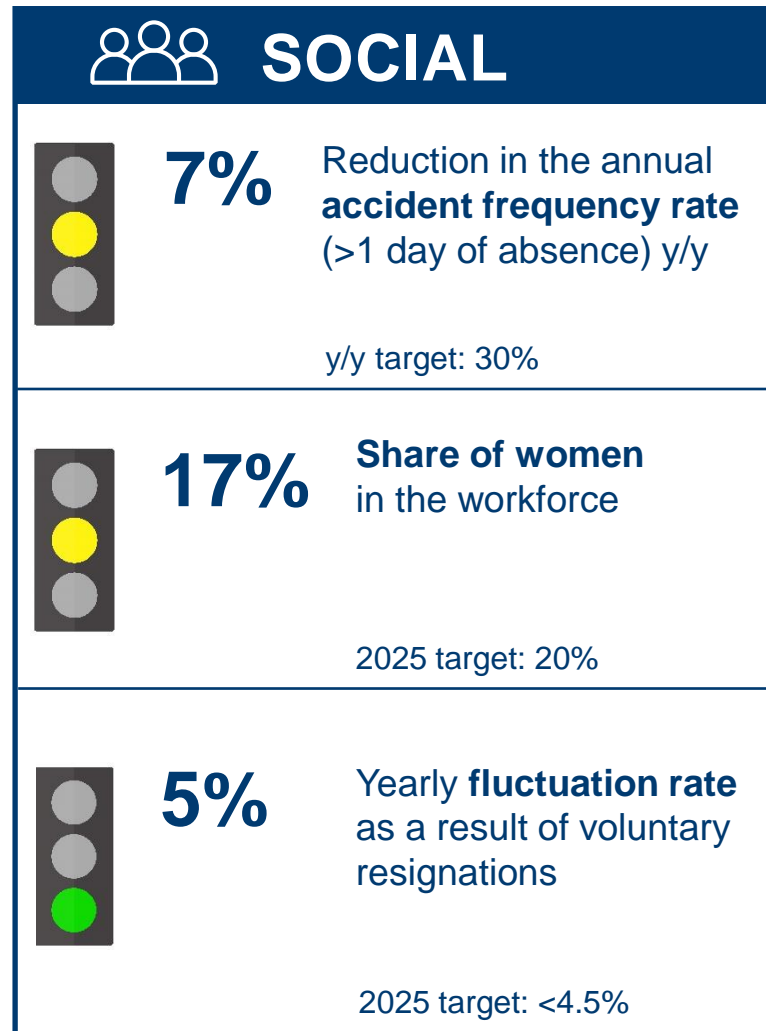
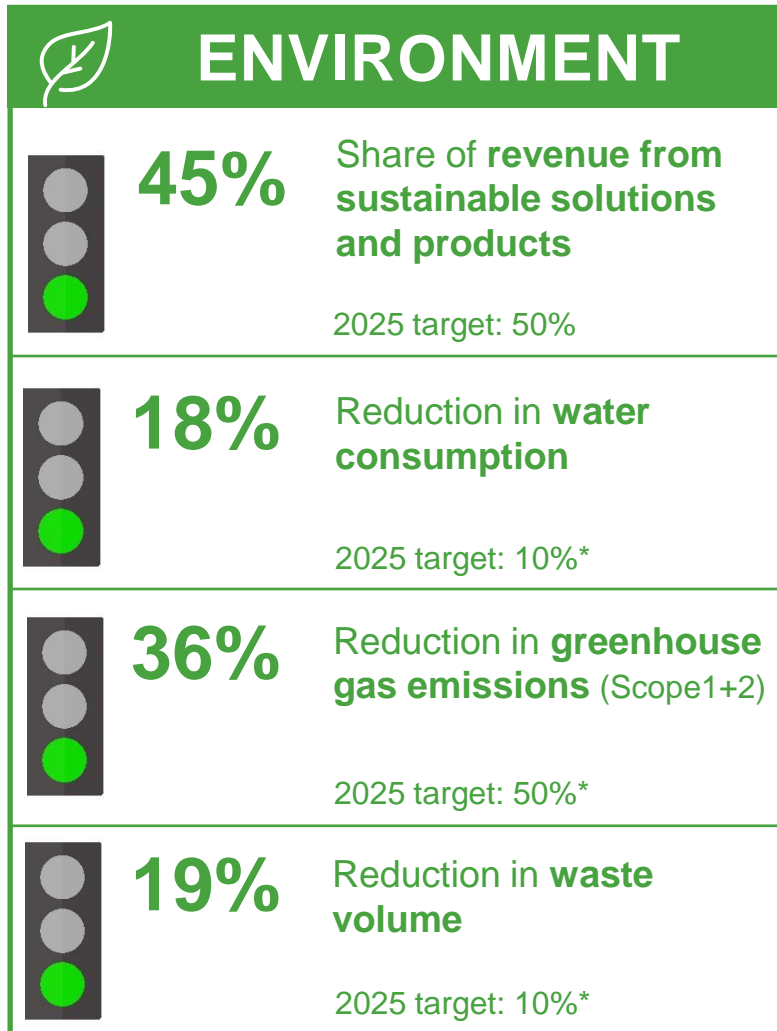
G

GOVERNANCE

Pursue fair and ethical business practices



WELL ON TRACK TO REACH OUR ESG GOALS STATUS AT THE END OF 2023



OUR GOAL IS ZERO OCCUPATIONAL INJURIES AND ILLNESSES



TARGET 2024

Reduce the LTAFR* **BY FURTHER 30% to 1.9**

We are **constantly improving** and **monitoring** our safety performance.

- LTAFR **reduced** from 10.2 in 2016 to **2.7** in **2023**
- Have all employees working under ISO 45001 certification
- Guarantee a safe, healthy and comfortable working environment for all

* The lost time accident frequency rate (LTAFR) is the number of accidents, causing more than one day absence, per one million working hours





ANDRITZ CONTINUED ITS SUCCESSFUL ACQUISITION STRATEGY

Major acquisitions in 2023

DECARBONIZATION

Dan-Web Machinery, Denmark

Dry molded fiber technology applications in packaging and disposable tableware

Scitech-Service, Finland

Development and engineering hub for advanced biorefinery and fiber technology



DIGITALIZATION

Imagine That, USA

Software platform for digital twins



CUSTOMER SERVICE

NAF, Sweden

Leading process control brand in pulp and paper with a 125-year heritage



GROWTH

Dedert-Group, USA

Expanding our product portfolio for dryers and evaporators



PROVEN VALUE CREATION THROUGH STRATEGIC ACQUISITIONS



Clear acquisition strategy

- Complimentary business in our industries
- Retain the management
- No acquisitions of competitors

76 Successful acquisitions since 2002

2.1 BEUR Invested in acquisitions

3.6 BEUR Total earnings (EBITA) since 2002

4.8 BEUR Total value creation*

* today's stand-alone EV of acquired business minus investment plus accum. EBITA minus tax



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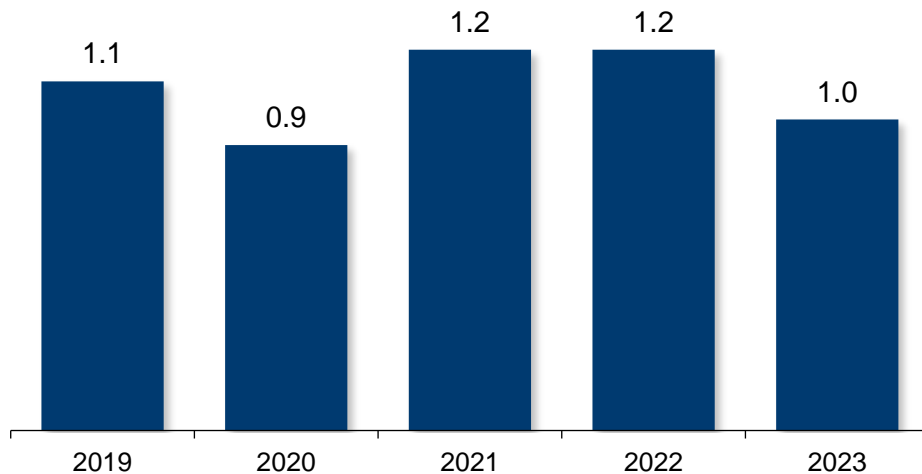
3 | OUTLOOK

DEVELOPMENT OF BOOK-TO-BILL RATIO AS KEY DRIVER FOR SUSTAINABLE GROWTH

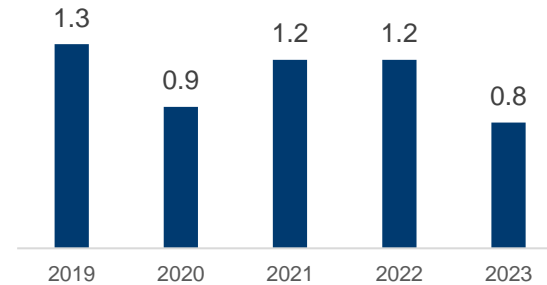


Except for 2020 (Covid), book-to-bill ratio has been around 1

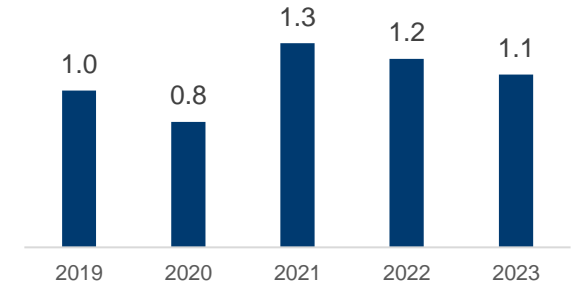
ANDRITZ GROUP – BOOK-TO-BILL RATIO 2019 –2023



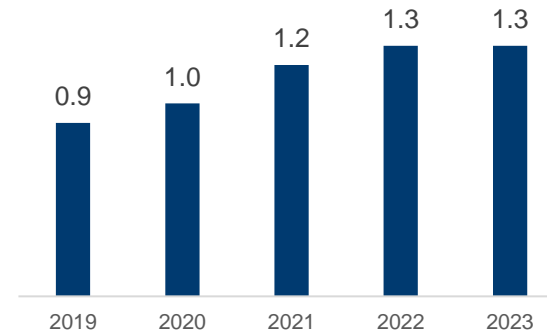
PULP & PAPER



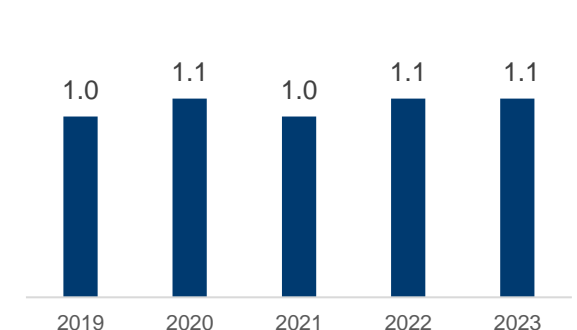
METALS



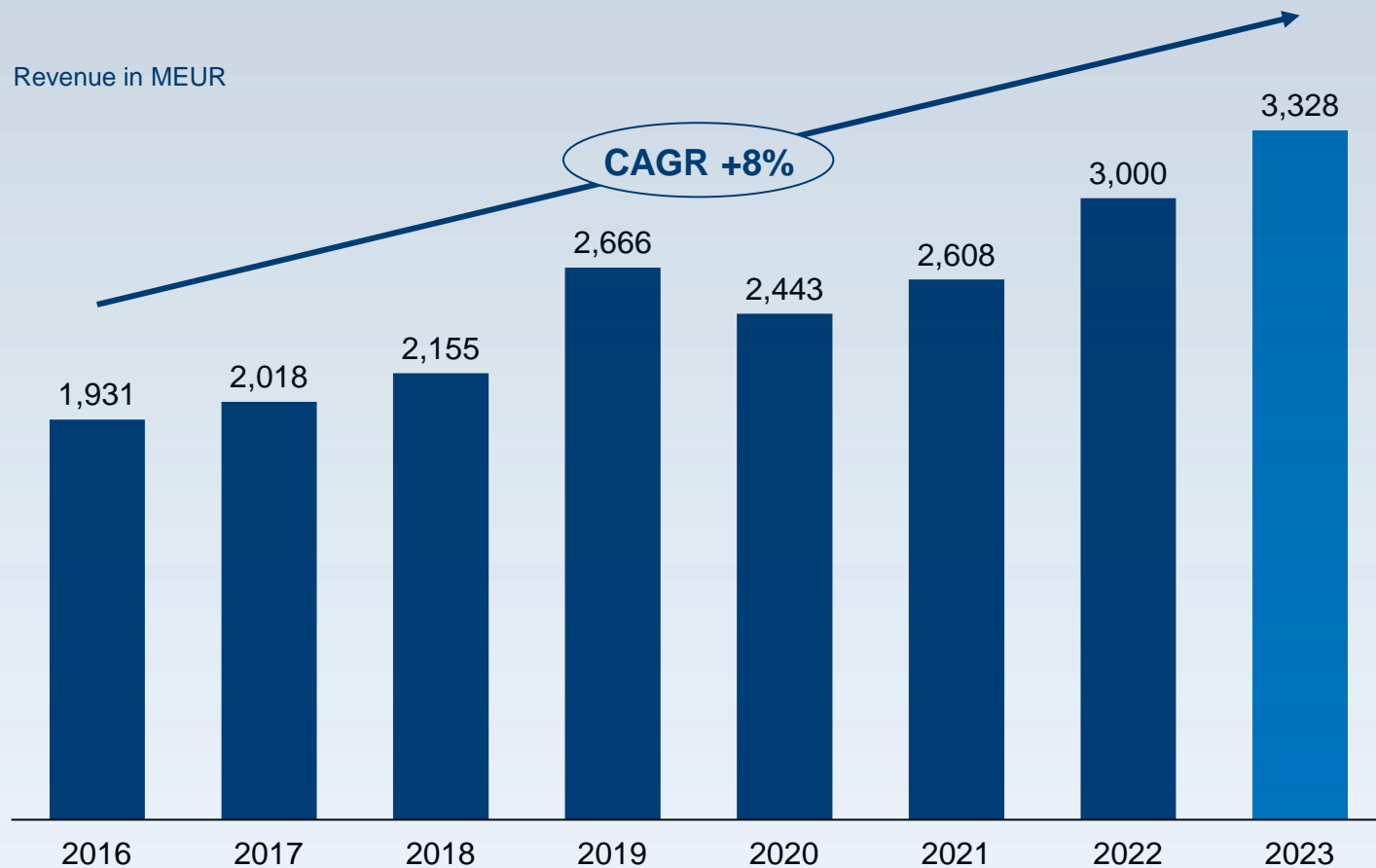
HYDROPOWER



ENVIRONMENT & ENERGY



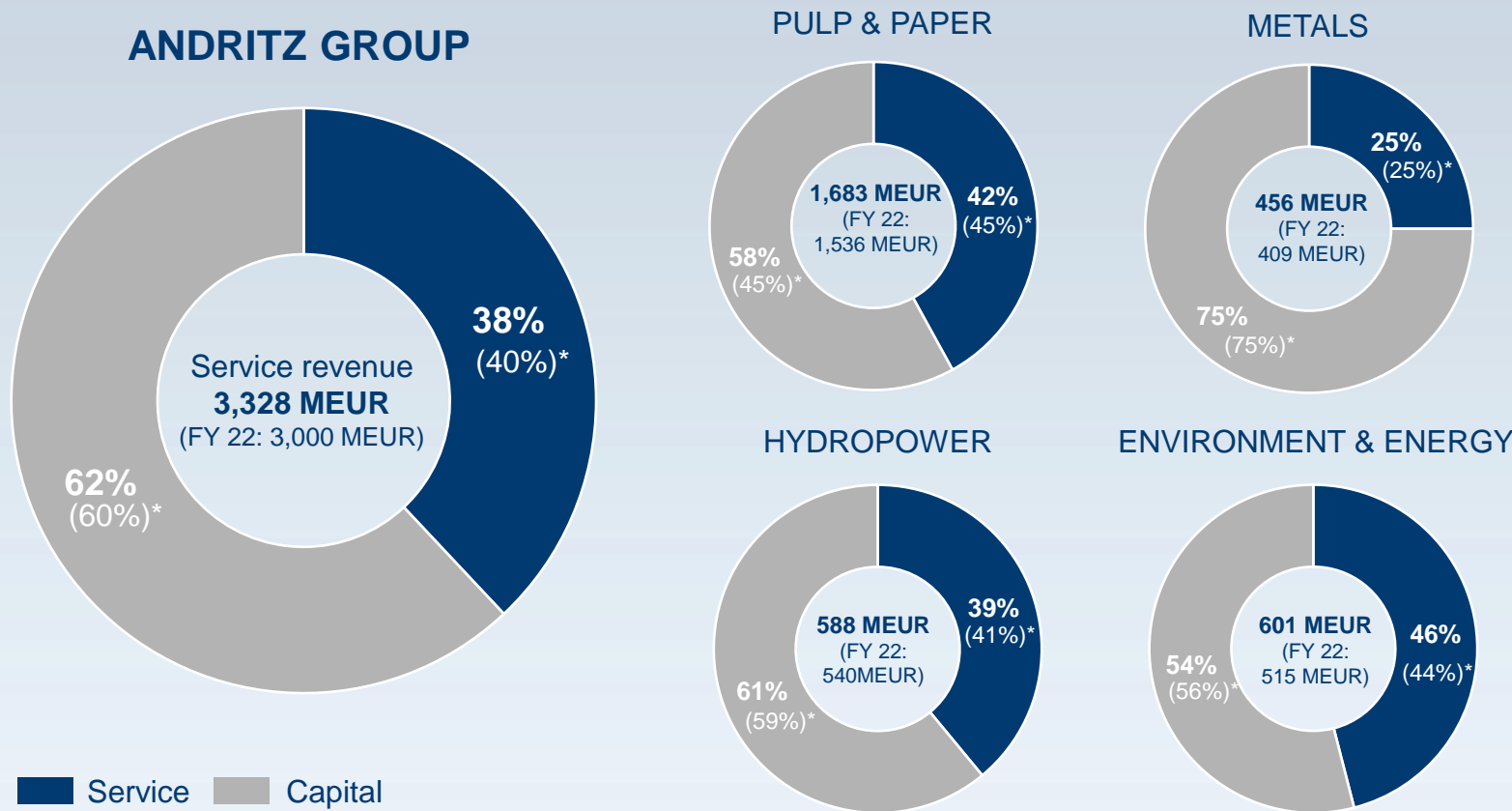
SERVICE CONTINUOUSLY GROWING WITH HIGHER GROWTH RATES IN RECENT YEARS



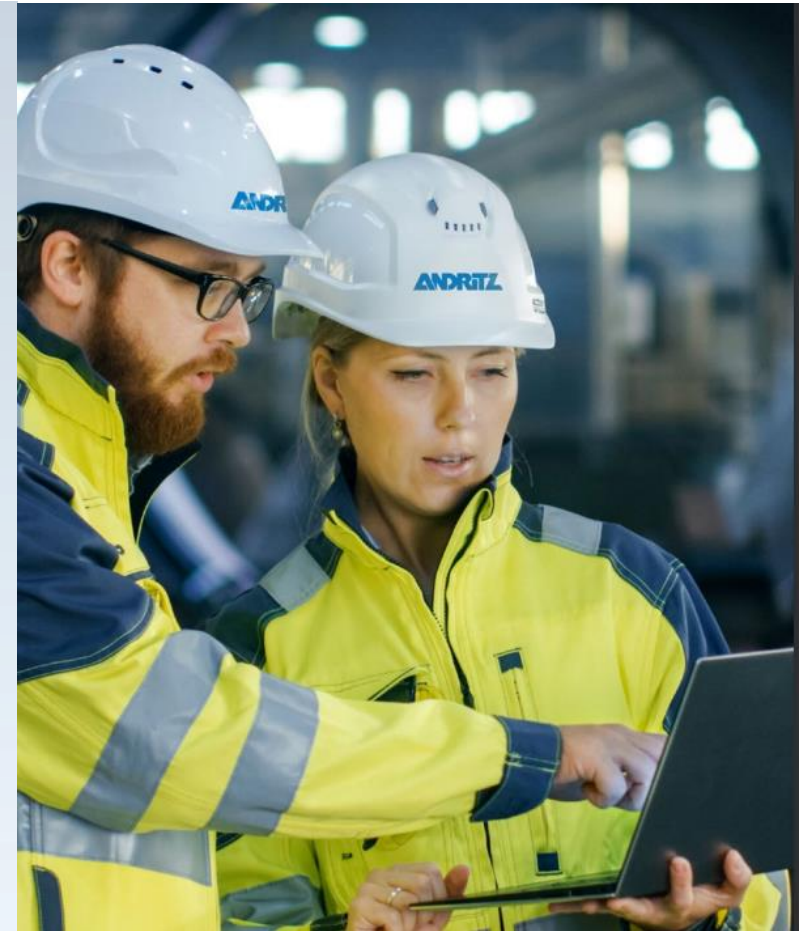
STABLE SERVICE BUSINESS CONTINUES TO SUPPORT PROFITABILITY



FY 2023: Lower share in Service due to execution of large pulp mill projects



*FY 2022

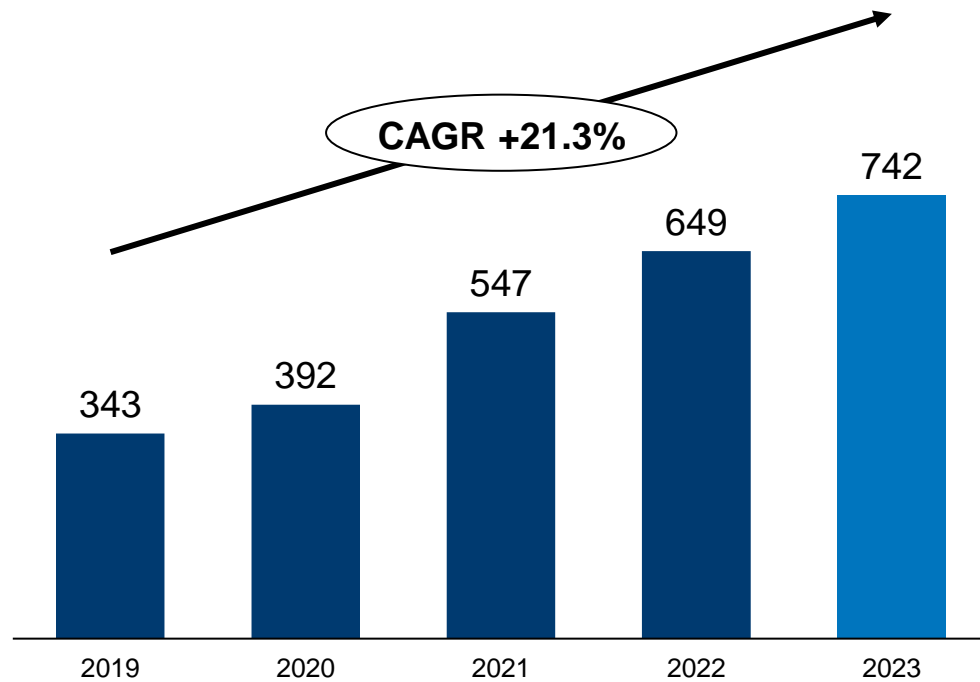




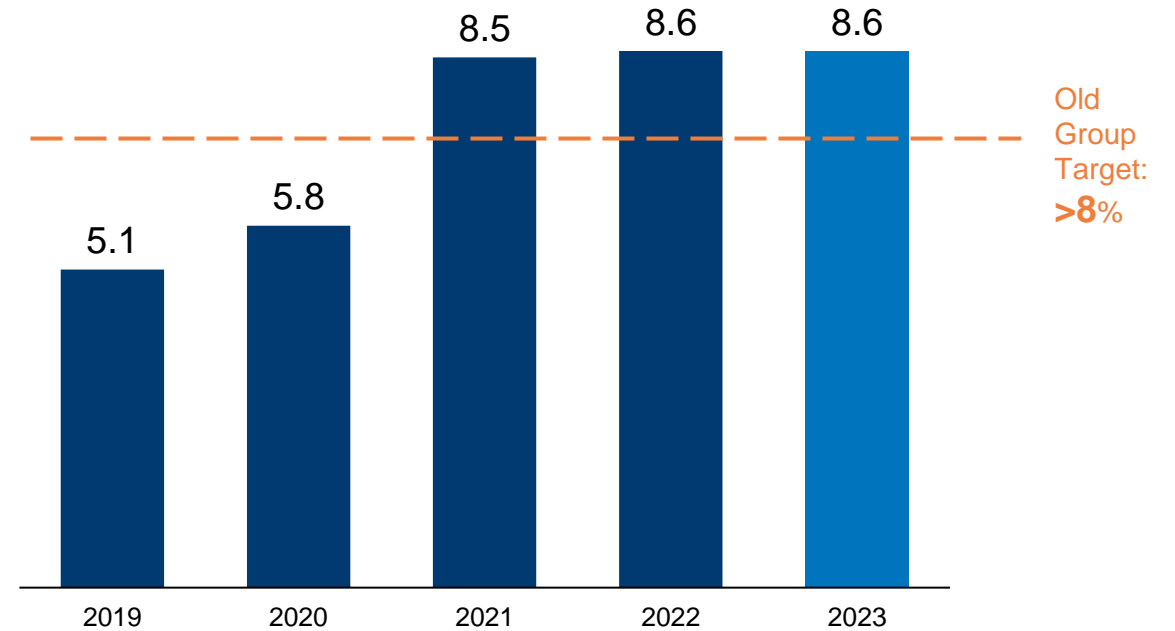
EBITA MARGIN REPORTED THE THIRD CONSECUTIVE YEAR ABOVE THE GROUP TARGET

Despite economic and geopolitical challenges (Covid-19; Russian War)

EBITA REPORTED (IN MEUR)



EBITA MARGIN REPORTED (IN %)

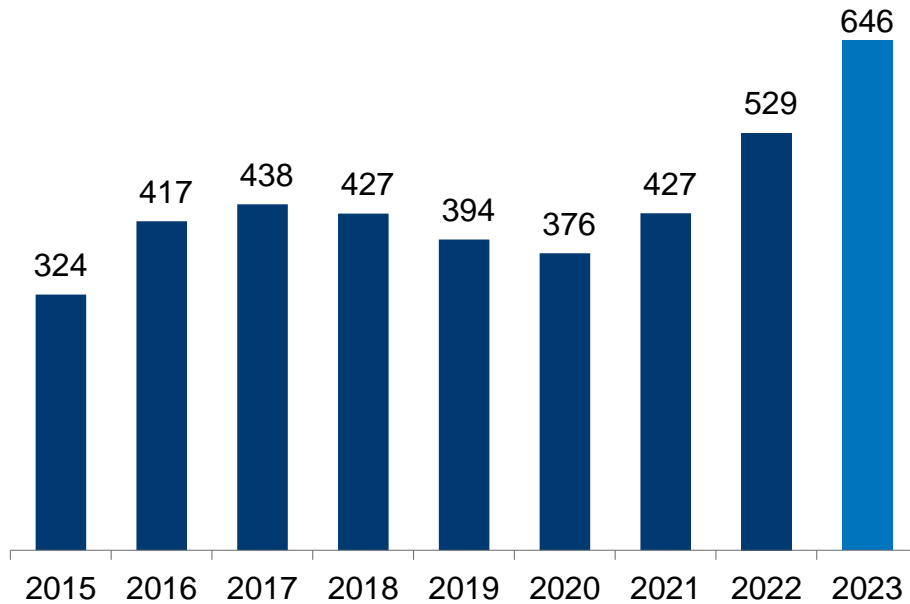




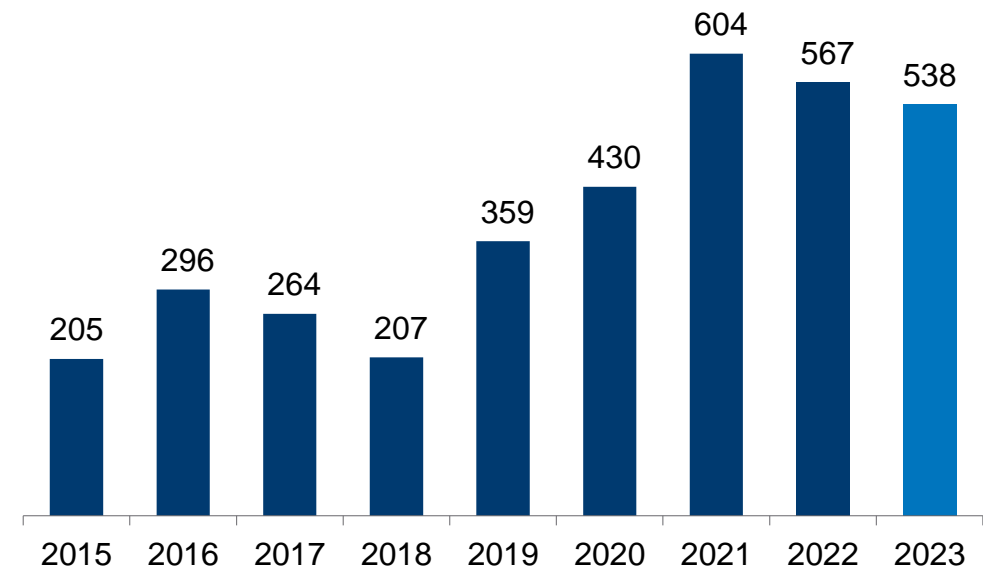
ON A 3-YEAR AVERAGE VIEW EARNINGS ARE TURNED RELIABLY INTO CASH IN RECENT YEARS

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

EBITA 3-YEAR ROLLING AVERAGE



OPERATING CASH FLOW 3-YEAR ROLLING AVERAGE

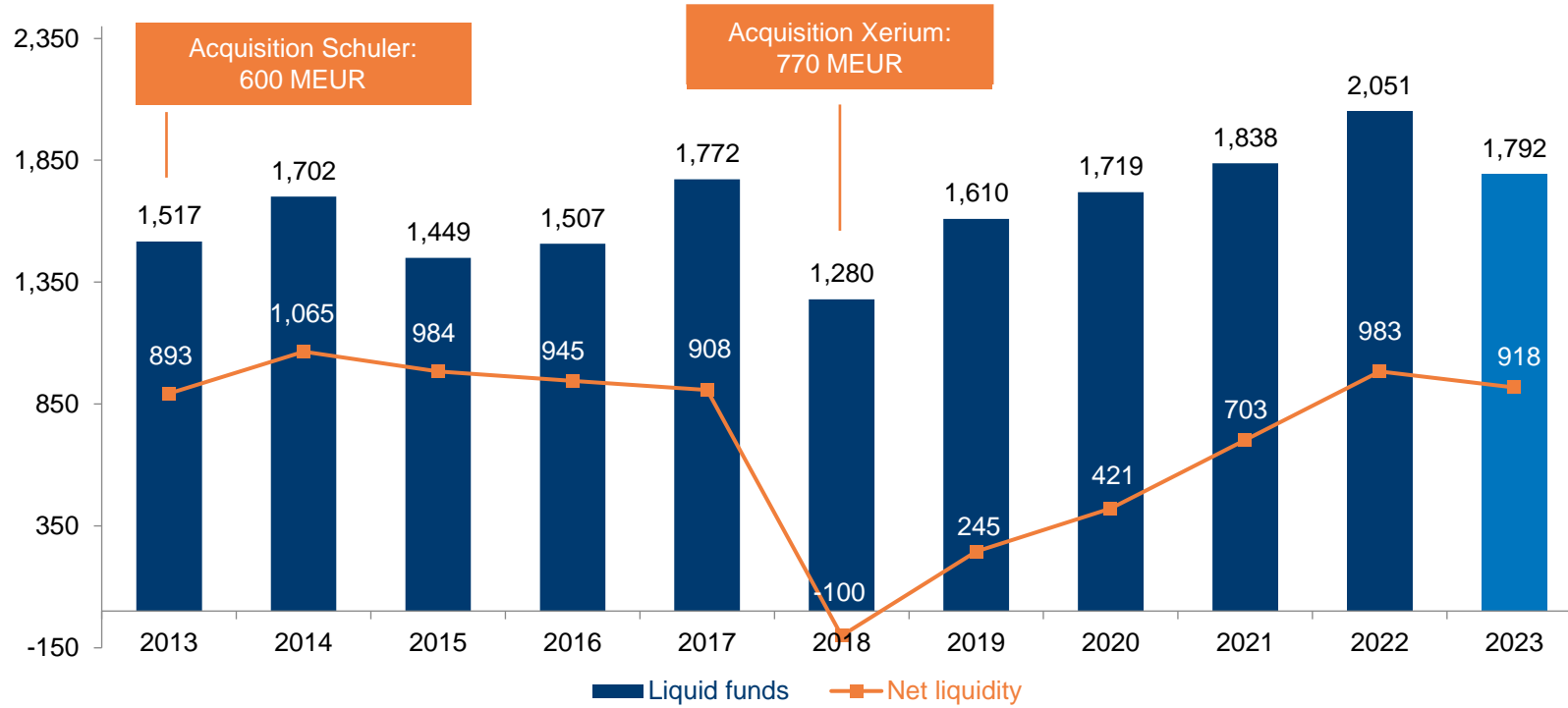


SOLID FINANCIAL POSITION



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



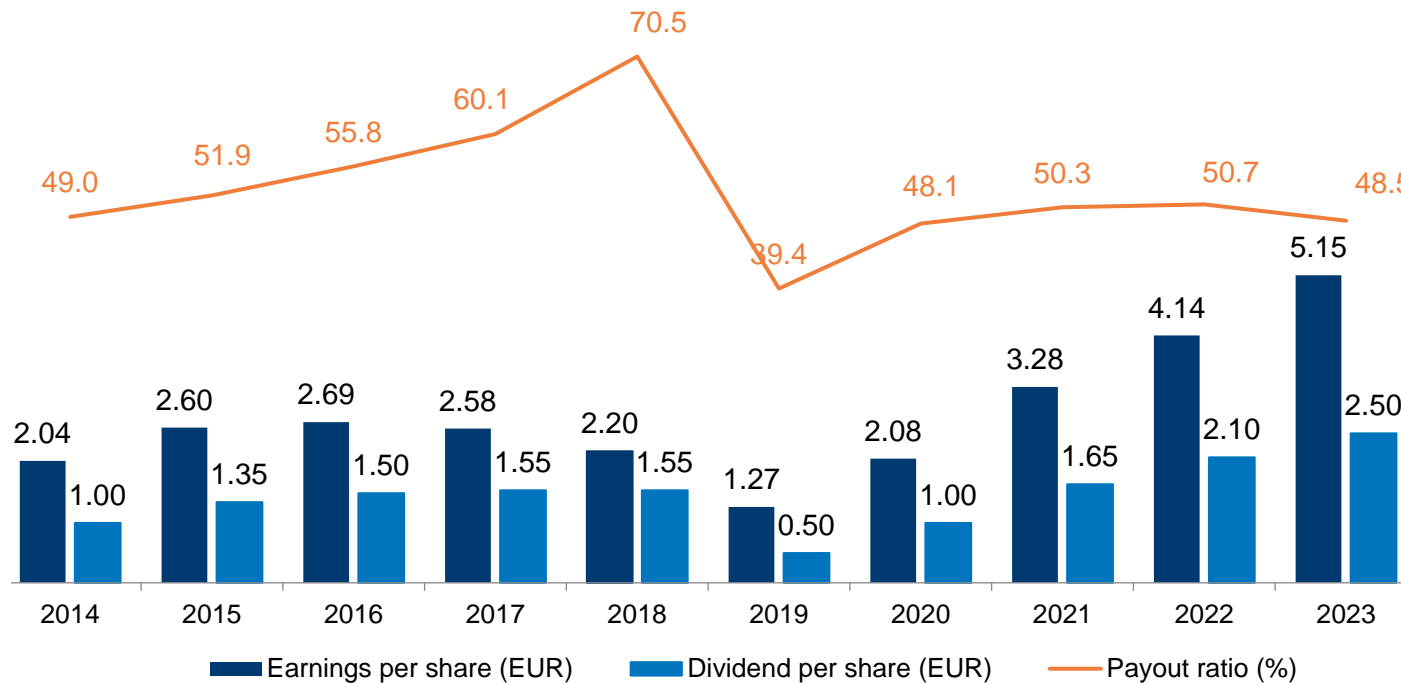
- **Aggregated dividend payments**
2018-2023: 836 MEUR
- **Aggregated capex**
2018-2023: 997 MEUR
- **Re-payment of loans (SSD)**
2018-2023: 180.5 MEUR
2023: 165.5 MEUR

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

STABLE AND INCREASING DIVIDENDS



Strong EPS growth since 2019 and mid-term avg. pay-out ratio at 52 %



Target to distribute an average of 50%-60% of EPS

Consistent dividend growth intended

Aggregated dividend payments 2018-2023: ~876 MEUR

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GROUP TARGETS 2024-2026



- **Continue Growth** to >10bn revenues
- **EBITA margin** to increase to >9%
- **Net income** to increase to >6%
- Continue successful **M&A strategy** with focus on **service and digitalization**
- Overachieve **ESG targets**



MARKET OUTLOOK AND FINANCIAL GUIDANCE



Continued good market expectations for all four business areas

MARKET OUTLOOK

- Generally satisfactory market activities
- Good markets for Hydro and other Green Products as well as in North America
- Economic and geopolitical challenges are closely monitored

FINANCIAL GUIDANCE FOR 2024

- ANDRITZ expects for the business year **2024** a **slight increase of revenue and earnings**





ANDRITZ GROUP

THANK YOU!

ANDRITZ

ENGINEERED SUCCESS

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