



PRESS RELEASE

Despite weaker economy and rising interest rates:

ANDRITZ significantly increases revenue and earnings in the first half of 2023

- Revenue up 24%, net income up 36% compared to H1 2022
- Order intake at 4,713 MEUR at the high level of H1 2022
- Growth trend sustainability intact
- First order in the field of green hydrogen

GRAZ, JULY 27, 2023. International technology group ANDRITZ significantly increased revenue and earnings in the first half of 2023 compared to the first six months of the previous year despite the cooling global economy.

With order intake stable, the order backlog at the end of June 2023 was six percent above the level at year-end 2022. ANDRITZ also expects a significant increase in revenue and earnings for the full year 2023 compared to the previous year.

Products for sustainable transformation on the customer side remain an important growth driver. ANDRITZ booked the order for the Luang Prabang hydropower plant in Laos in the second quarter. In addition, the company succeeded in entering the business with large-scale plants for the production of green hydrogen in Finland.

CEO Schönbeck: robust business despite difficult conditions

ANDRITZ CEO Dr. Joachim Schönbeck stated: *“Business development in the first half of the year was positive. Despite the weakening economy and rising interest rates our project activity held up at a good level. We do not anticipate an economic turnaround in the second half of the year. For our green products, however, we expect demand to remain stable.”*





Overview of key financial figures:

- In the second quarter of 2023, **order intake** saw very favorable development with 2,292.3 MEUR (+5.2% versus Q2 2022: 2,179.0 MEUR). The Hydro business area in particular was able to significantly increase its order intake due to the booking of a major order in Asia. The order intake of the ANDRITZ GROUP amounted to 4,712.5 MEUR in the first half of 2023 and was thus practically at the high level of the previous year's reference period (-1.2% versus H1 2022 4,767.6 MEUR).
- The **order backlog** as of June 30, 2023 amounted to 10,569.0 MEUR and increased by 5.9% compared to the end of 2022 (9,976.5 MEUR).
- **Revenue** increased in the second quarter of 2023 by 19.9% compared to the previous year's reference period (Q2 2022: 1,790.1 MEUR) to reach 2,146.4 MEUR. All four business areas recorded an increase in revenue, some of them significant, compared to the previous year. Revenue of the ANDRITZ GROUP in the first half of 2023 amounted to 4,109.0 MEUR and increased by 23.9% compared to the previous year's reference period (first half of 2022: 3,317.0 MEUR).
- The **EBITA** in the second quarter of 2023 amounted to 174.1 MEUR, and was thus significantly higher than in the previous year's reference period (+15.4% versus Q2 2022: 150.9 MEUR). In particular, the Pulp & Paper, Hydro, and Metals business areas were able to increase their earnings significantly compared to the reference period of the previous year. Profitability (EBITA margin) amounted to 8.1% (Q2 2022: 8.4%). EBITA of the ANDRITZ GROUP in the first half of 2023 increased in line with revenue and reached a very satisfactory level of 332.6 MEUR (+21.7% vs. H1 2022: 273.2 MEUR). EBITA margin was again at a very solid level of 8.1% (H1 2022: 8.2%).
- The **net income** (without non-controlling interests) increased significantly in the second quarter of 2023 to 122.3 MEUR (Q2 2022: 95.7 MEUR). In the first half of 2023, the net income (without non-controlling interests) amounted to 226.8 MEUR (H1 2022: 167.2 MEUR).

Following the successful first half of 2023, ANDRITZ confirms its previously published outlook for the full year 2023. Both revenue and earnings for the full year will be significantly above the level of 2022.



Major order from Laos for Luang Prabang hydropower plant

In the Southeast Asian state of Laos, ANDRITZ again succeeded in winning an order for a large hydropower plant and booked this order in the second quarter of 2023. The customer is Thai construction and energy group CH. Karnchang Co. Ltd. The hydropower plant in Luang Prabang on the Mekong River is planned with a capacity of 1,470 MW. This makes the plant the largest of its kind in Laos and also one of the largest hydropower plants ANDRITZ has ever equipped. The plant's state-of-the-art turbine-generator units will feature oil-less turbine runners and a fish-friendly design. The start-up is scheduled for 2029.

Successful entry to green hydrogen sector

For the Kristinestad site in Finland, ANDRITZ will develop the Front-End Engineering Design (FEED) for a large-scale green hydrogen production plant. The customer is Koppö Energia, a joint venture of Prime Capital, Frankfurt (75%) and CPC Finland Oy, Helsinki (25%). On the basis of the FEED study, Koppö Energia intends to decide in early 2024 on the award of the contract for the engineering and construction of the plant with a capacity of 200 MW. *"This project is a milestone for the strategic development of ANDRITZ,"* said CEO Schönbeck. *"Green hydrogen will play a key role in decarbonizing global industrial production."*

Acquisition of Dan-Web strengthens nonwovens business

With the acquisition of the Danish Dan-Web Group, ANDRITZ expanded its product range in the Nonwoven sector during the first half of the year. The company builds airlaid lines for nonwovens and dry molded pulp packaging and parts such as coffee cups and disposable tableware. ANDRITZ sees great potential for such applications for avoiding plastic in mass consumption.



Key financial figures at a glance

	Unit	H1 2023	H1 2022	+/-	Q2 2023	Q2 2022	+/-	2022
Revenue	MEUR	4,109.0	3,317.0	+23.9%	2,146.4	1,790.1	+19.9%	7,542.9
Pulp & Paper	MEUR	1,950.2	1,542.5	+26.4%	1,042.3	847.4	+23.0%	3,513.8
Metals	MEUR	892.2	734.0	+21.6%	470.4	377.5	+24.6%	1,621.2
Hydro	MEUR	710.5	547.4	+29.8%	354.9	299.7	+18.4%	1,313.0
Separation	MEUR	556.1	493.1	+12.8%	278.8	265.5	+5.0%	1,094.9
Order intake	MEUR	4,712.5	4,767.6	-1.2%	2,292.3	2,179.0	+5.2%	9,263.4
Pulp & Paper	MEUR	1,836.0	2,031.6	-9.6%	842.7	952.3	-11.5%	4,296.4
Metals	MEUR	1,177.0	990.7	+18.8%	507.6	489.3	+3.7%	2,008.6
Hydro	MEUR	1,086.6	1,105.7	-1.7%	657.3	402.2	+63.4%	1,720.5
Separation	MEUR	612.9	639.6	-4.2%	284.7	335.2	-15.1%	1,237.9
Order backlog (as of end of period)	MEUR	10,569.0	9,859.1	+7.2%	10,569.0	9,859.1	+7.2%	9,976.5
EBITDA	MEUR	415.3	362.2	+14.7%	214.9	198.8	+8.1%	825.5
EBITDA margin	%	10.1	10.9	-	10.0	11.1	-	10.9
EBITA	MEUR	332.6	273.2	+21.7%	174.1	150.9	+15.4%	648.5
EBITA margin	%	8.1	8.2	-	8.1	8.4	-	8.6
Earnings Before Interest and Taxes (EBIT)	MEUR	308.5	241.5	+27.7%	162.5	135.2	+20.2%	572.7
Financial result	MEUR	-6.8	-18.4	+63.0%	1.5	-7.7	+119.5%	-31.8
Earnings Before Taxes (EBT)	MEUR	301.7	223.1	+35.2%	164.0	127.5	+28.6%	540.9
Net income (without non- controlling interests)	MEUR	226.8	167.2	+35.6%	122.3	95.7	+27.8%	409.6
Cash flow from operating activities	MEUR	-79.3	413.2	n.a.	-47.9	186.1	n.a.	710.8
Capital expenditure	MEUR	93.3	80.5	+15.9%	44.9	41.4	+8.5%	184.4
Employees (as of end of period; without apprentices)	-	29,927	27,428	+9.1%	29,927	27,428	+9.1%	29,094

All figures according to IFRS. Due to the utilization of automatic calculation programs, differences can arise in the addition of rounded totals and percentages.

MEUR = million euros. EUR = euros.

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ANDRITZ GROUP

International technology group ANDRITZ offers a broad portfolio of innovative plants, equipment, systems, services and digital solutions for a wide range of industries and end markets.

Sustainability is an integral part of the company's business strategy and corporate culture. With its extensive portfolio of sustainable products and solutions, ANDRITZ aims to make the greatest possible contribution to a sustainable future and help its customers achieve their sustainability goals. ANDRITZ is a global market leader in all four of its business areas – Pulp & Paper, Metals, Hydro and Separation. Technological leadership and global presence are cornerstones of the group's strategy, which is focused on long-term profitable growth. The publicly listed group has around 29,900 employees and over 280 locations in more than 40 countries.

ANNUAL AND FINANCIAL REPORTS

The annual and financial reports are available for download on the ANDRITZ web site at [andritz.com](https://www.andritz.com).

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