



ANDRITZ GROUP

RESULTS
Q3 2021 / Q1-Q3 2021

NOVEMBER 5, 2021

ANDRITZ

ENGINEERED SUCCESS

AGENDA



1 | Q3 2021 AT A GLANCE

2 | PERFORMANCE Q3 2021/Q1-Q3 2021

3 | UPDATE OF BUSINESS AREAS

4 | OUTLOOK

PrimeLine™

Q3 2021 AT A GLANCE



Solid business development

GROUP ORDER INTAKE AT ALMOST 1.5 BN EUROS DOWN Y/Y

No large order booked in Q3 2021

Decline in **Pulp & Paper Capital**,
Service up

Hydro down as some larger orders
were booked in reference quarter of
last year

Metals and **Separation** slightly
up y/y

GROUP REVENUE AT 1.5 BILLION EUROS

Decline of revenue in Pulp & Paper Capital as some
larger orders which had strong revenue contribution
last year have been finished or are nearing
completion

Revenue in **Metals and Hydro** down due to lower
intake last year; **Separation** practically unchanged y/y

EBITA AT 127 MEUR; MARGIN AT 8.4%, SIGNIFICANTLY UP

Very favorable development across all
four business areas

Continued high profitability in **Pulp & Paper**

Metals continued its positive earnings development,
confirming path to sustained turnaround

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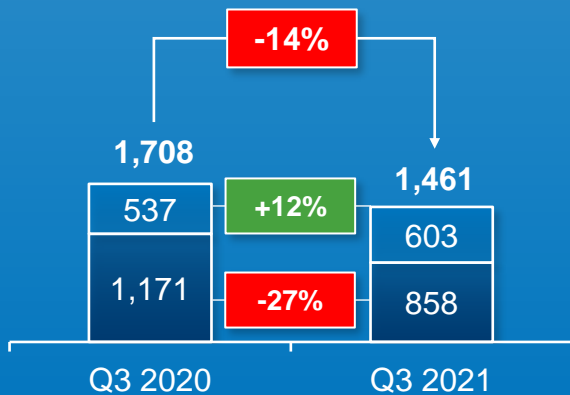
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ORDER INTAKE: SATISFACTORY DEVELOPMENT IN Q3 2021, INCREASE IN Q1-Q3 2021 VS. LAST YEAR

Q1-Q3 2021: Strong increase in Metals more than offsets decline in Pulp & Paper

ORDER INTAKE Q3 2021*

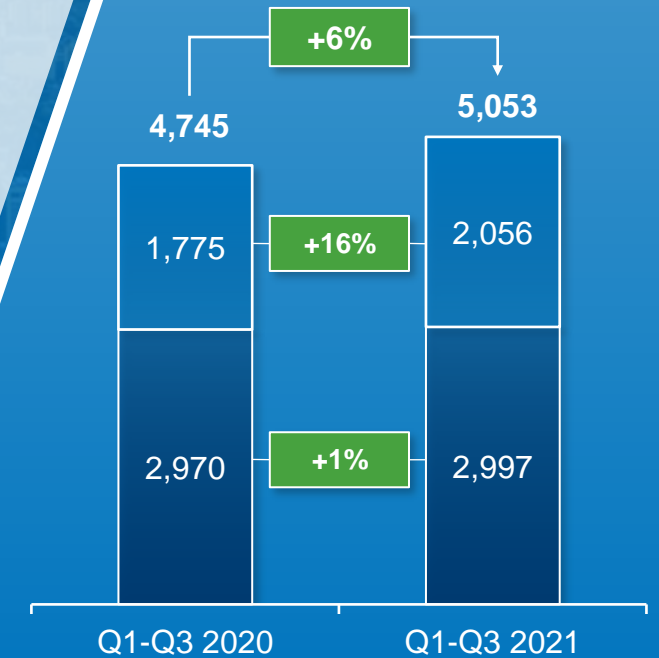


ORDER INTAKE BY BUSINESS AREA*

	Q3 2021	Q3 2020	+/-
Pulp & Paper	602	717	-16%
Metals	362	355	+2%
Hydro	321	469	-32%
Separation	176	168	+5%

	Q1-Q3 2021	Q1-Q3 2020	+/-
Pulp & Paper	2,315	2,416	-4%
Metals	1,206	843	+43%
Hydro	975	961	+1%
Separation	557	524	+6%

ORDER INTAKE Q1-Q3 2021*



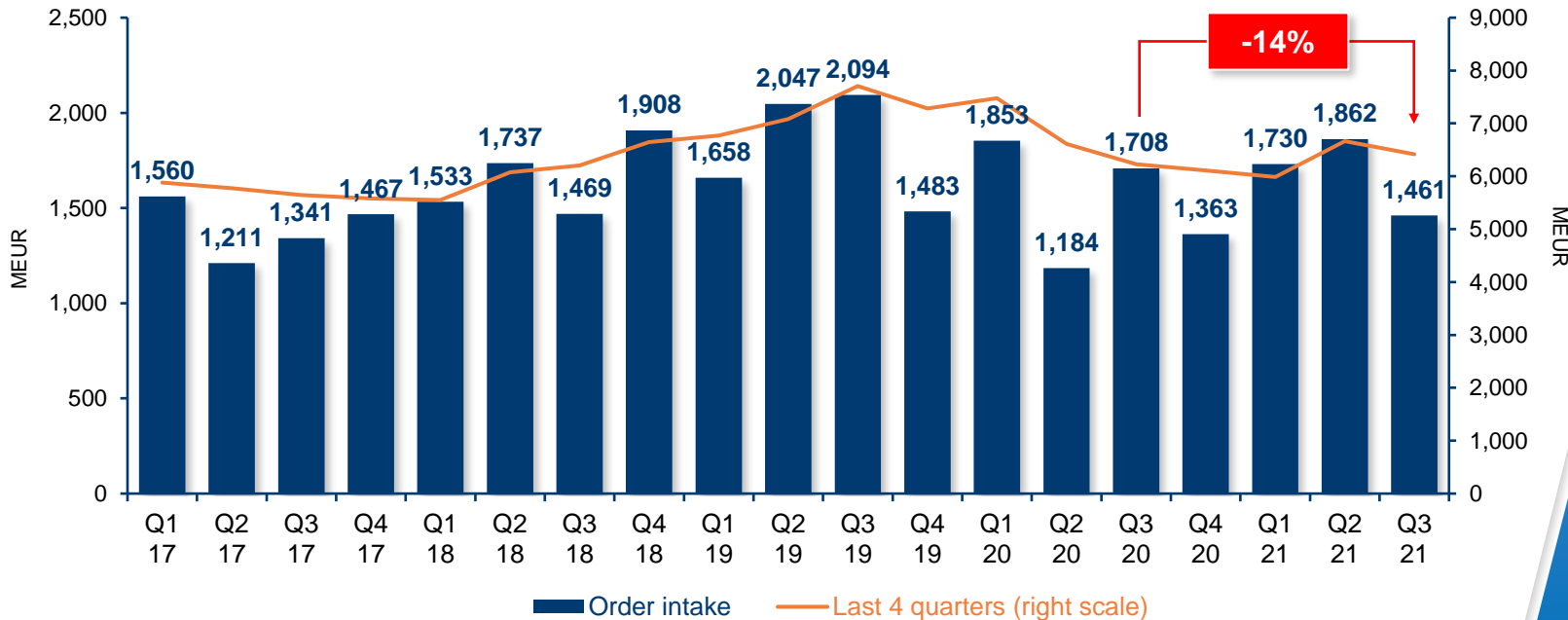
■ Capital business ■ Service business

QUARTERLY DEVELOPMENT OF ORDER INTAKE



Order intake of last 4 quarters amounted to ~6.4 billion euros

Service accounts for roughly 40% of total order intake



ORDER INTAKE SPLIT: CAPITAL / SERVICE
Q3 2021 (Q3 2020)



ORDER INTAKE SERVICE BUSINESS (MEUR)

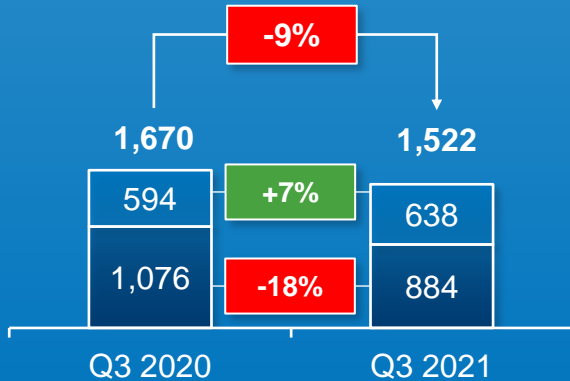




LOWER GROUP REVENUE MAINLY DUE TO PULP & PAPER CAPITAL

Metals down; Hydro stable; Separation up

REVENUE Q3 2021*

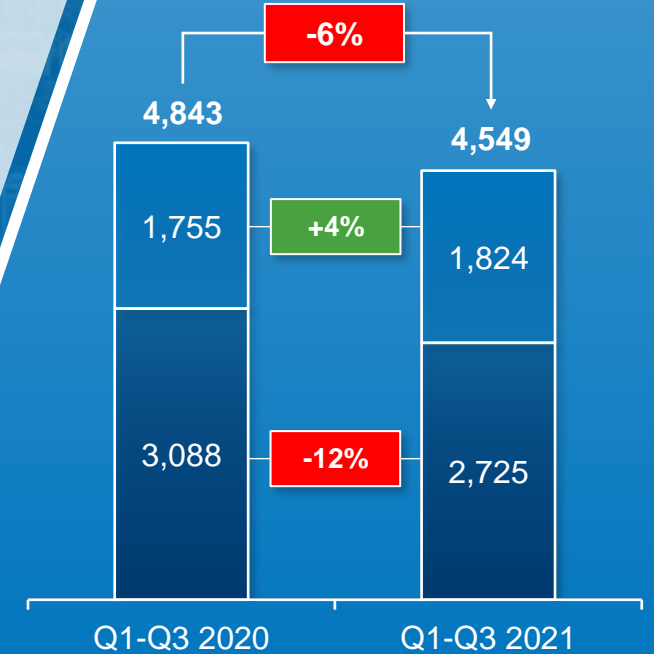


REVENUE BY BUSINESS AREA*

	Q3 2021	Q3 2020	+/-
Pulp & Paper	745	852	-13%
Metals	317	351	-10%
Hydro	295	305	-3%
Separation	165	162	+2%

	Q1-Q3 2021	Q1-Q3 2020	+/-
Pulp & Paper	2,209	2,447	-10%
Metals	955	1,049	-9%
Hydro	904	893	+1%
Separation	480	454	+6%

REVENUE Q1-Q3 2021*



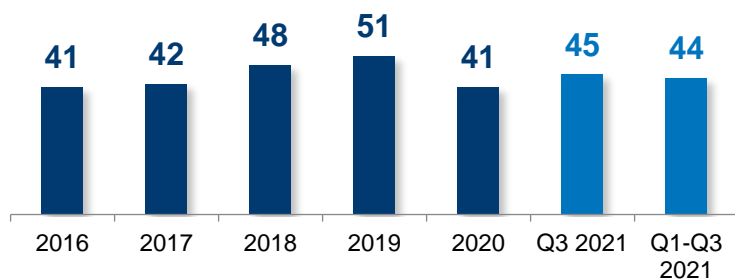
■ Capital business ■ Service business

SERVICE BUSINESS BY BUSINESS AREA

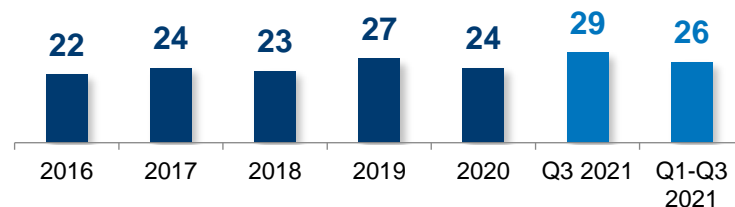


% of total business area revenue

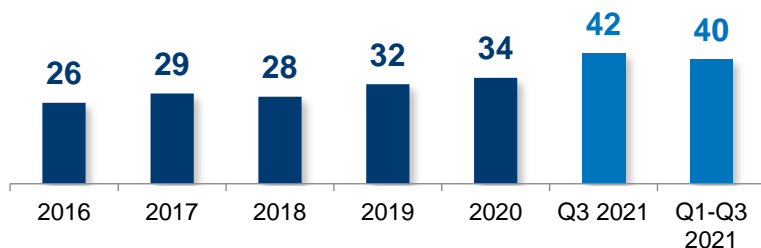
PULP & PAPER



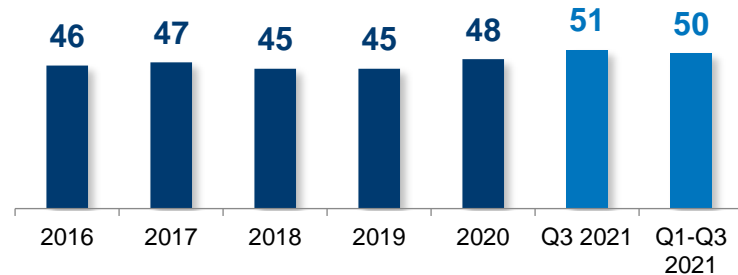
METALS



HYDRO



SEPARATION

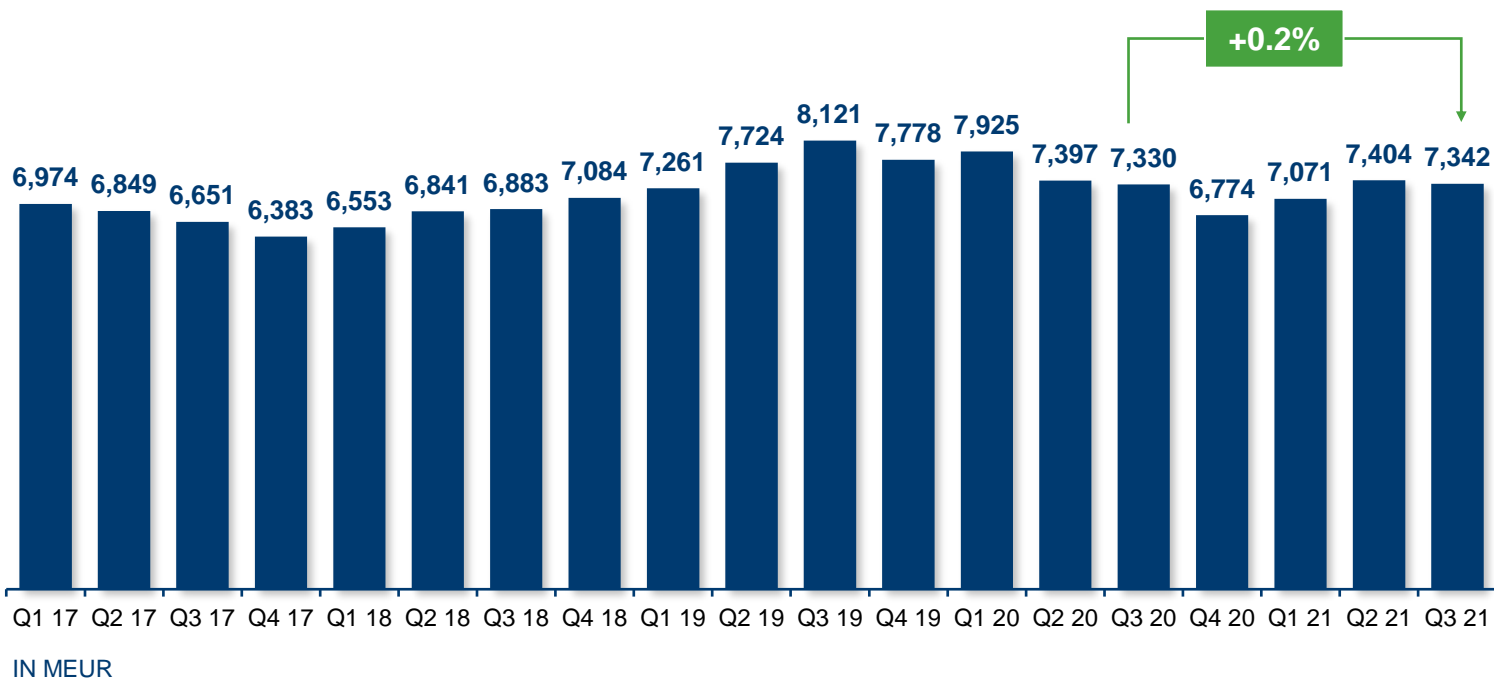


ORDER BACKLOG

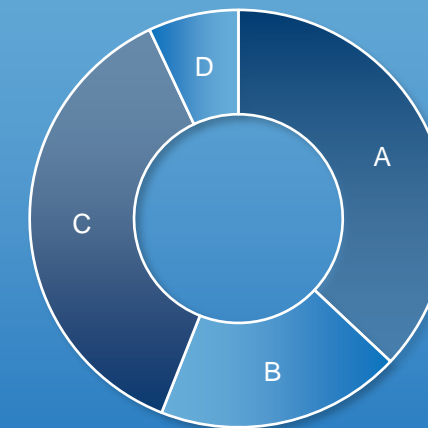


Order backlog at 7.3 billion euros as of end of Q3 2021

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



ORDER BACKLOG BY BUSINESS AREA
AS OF END OF SEPTEMBER 2021
(SEPTEMBER 2020)

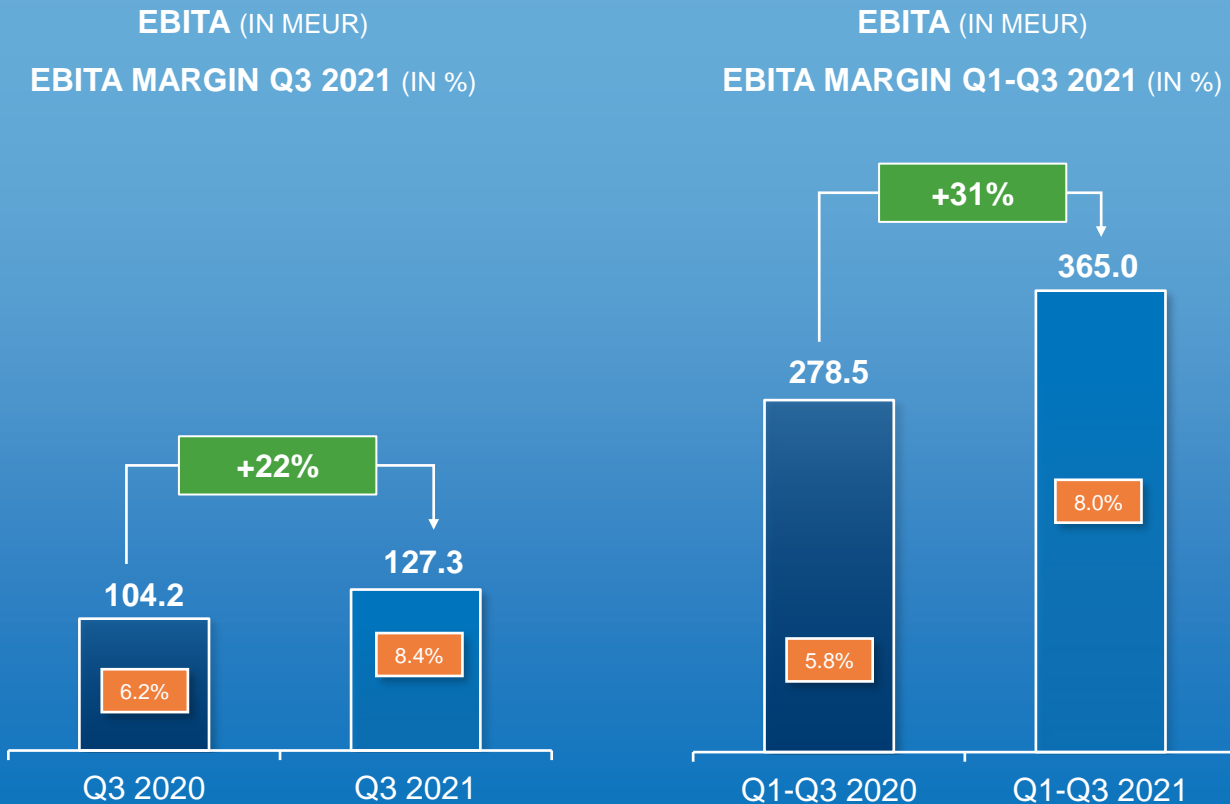


A Pulp & Paper	37% (40%)	C Hydro	37% (36%)
B Metals	19% (18%)	D Separation	7% (6%)

EARNINGS AND PROFITABILITY (REPORTED)



Continuing good business development in Pulp & Paper and Separation



Despite decline in revenue, **EBITA** in Q3 2021 and Q1-Q3 2021 **sharply up** compared to last year's reference figures

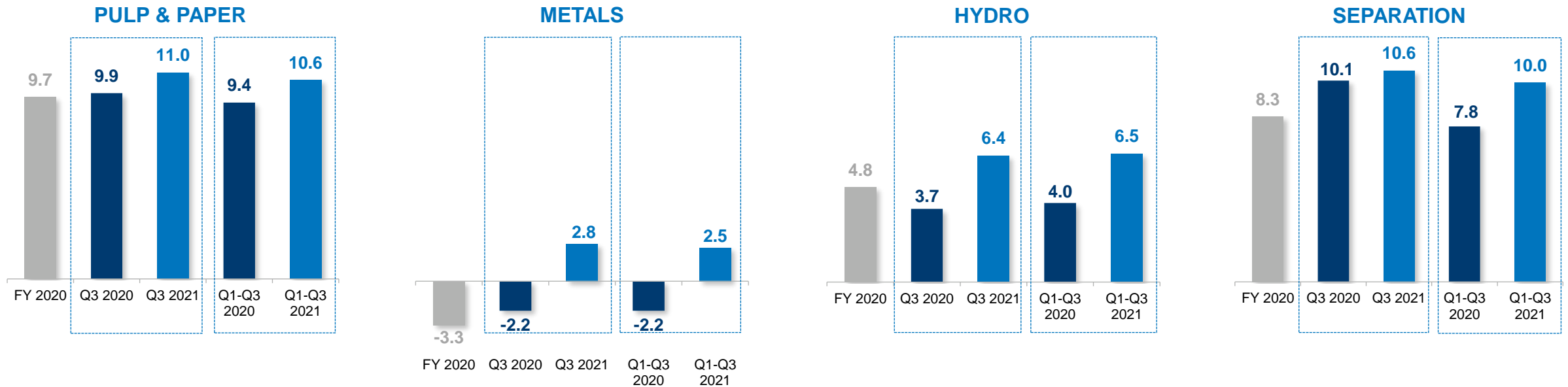
Profitability also strongly up

Metals continued its positive earnings development of the first two quarters → good progress on sustainable turnaround

PROFITABILITY BY BUSINESS AREA (REPORTED)



EBITA margin reported (%)

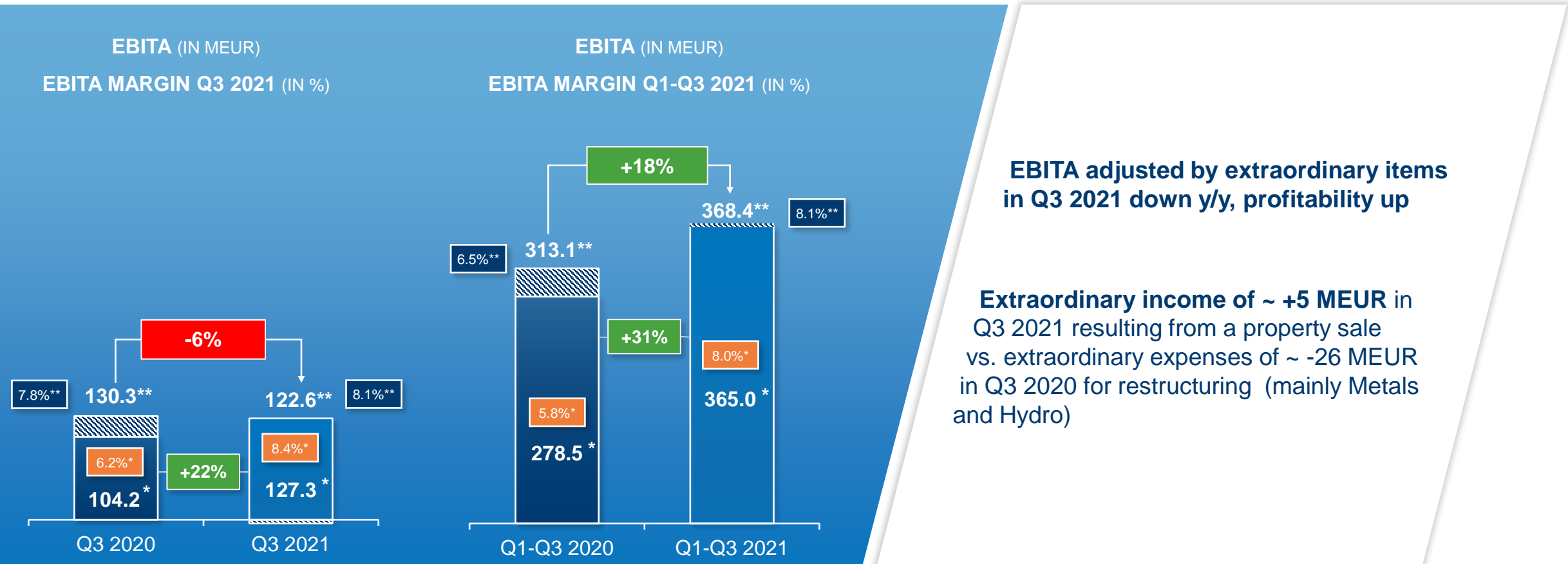


- Continued high profitability in Pulp & Paper Capital and Service
- Schuler on track for sustained turnaround
- Hydro profitability increased compared to last year, which was negatively impacted by capacity adjustment measures
- Separation profitability once again reached a very high level

EARNINGS AND PROFITABILITY (ADJUSTED)



Continuing good business development in Pulp & Paper and Separation

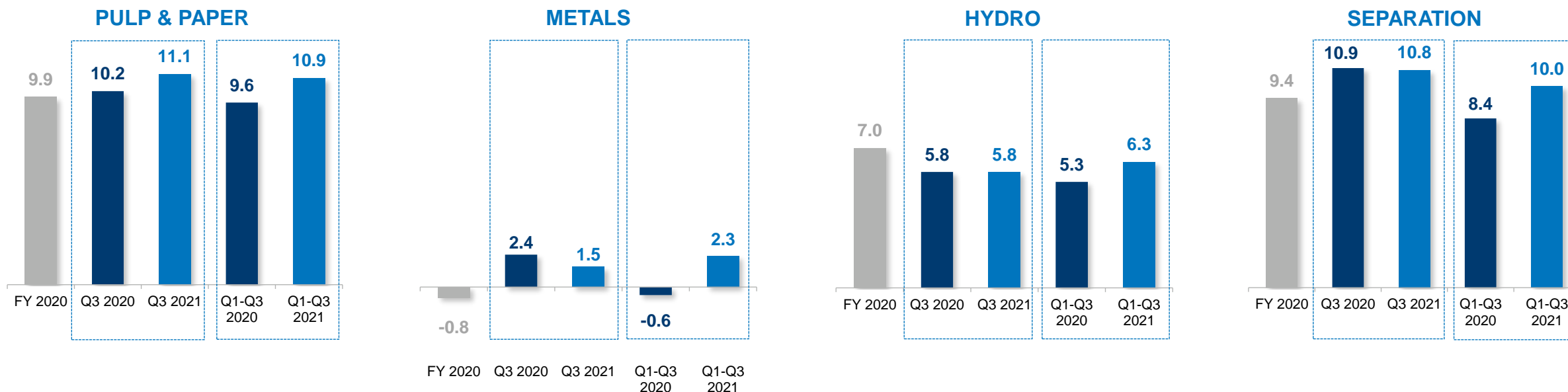


* EBITA and EBITA margin reported / ** EBITA and EBITA margin adjusted by extraordinary items

PROFITABILITY BY BUSINESS AREA (ADJUSTED)

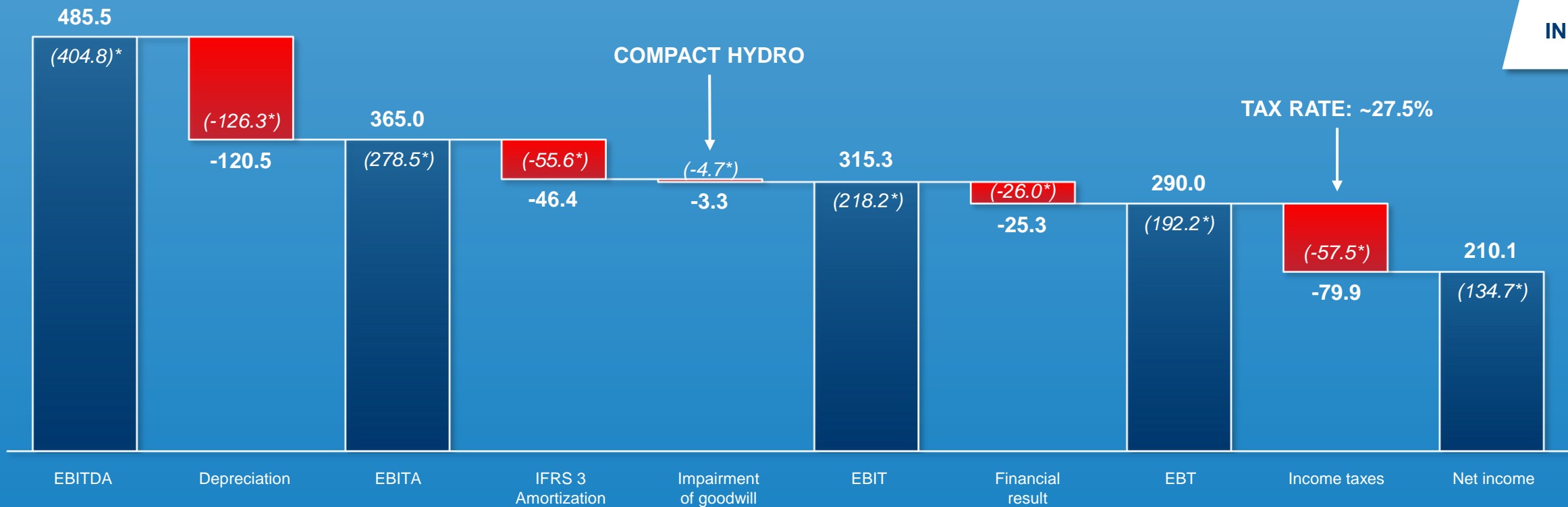


EBITA margin adjusted (%)



- Continued high profitability in Pulp & Paper Capital and Service
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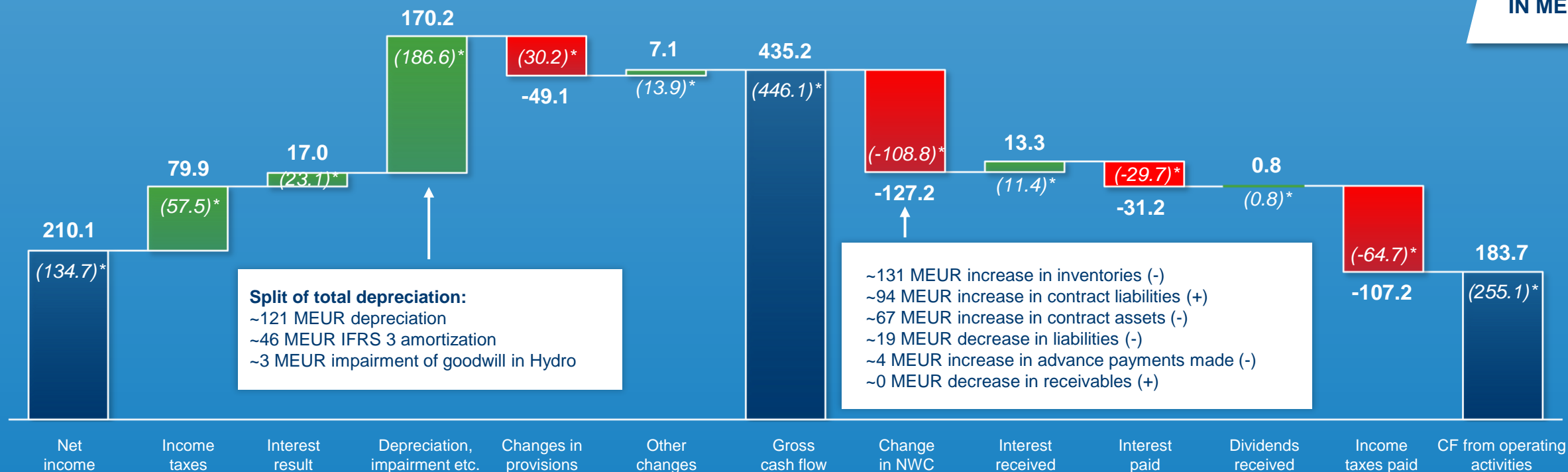
Q1-Q3 2021: EBITDA – NET INCOME BRIDGE



CASH FLOW FROM OPERATING ACTIVITIES



IN MEUR

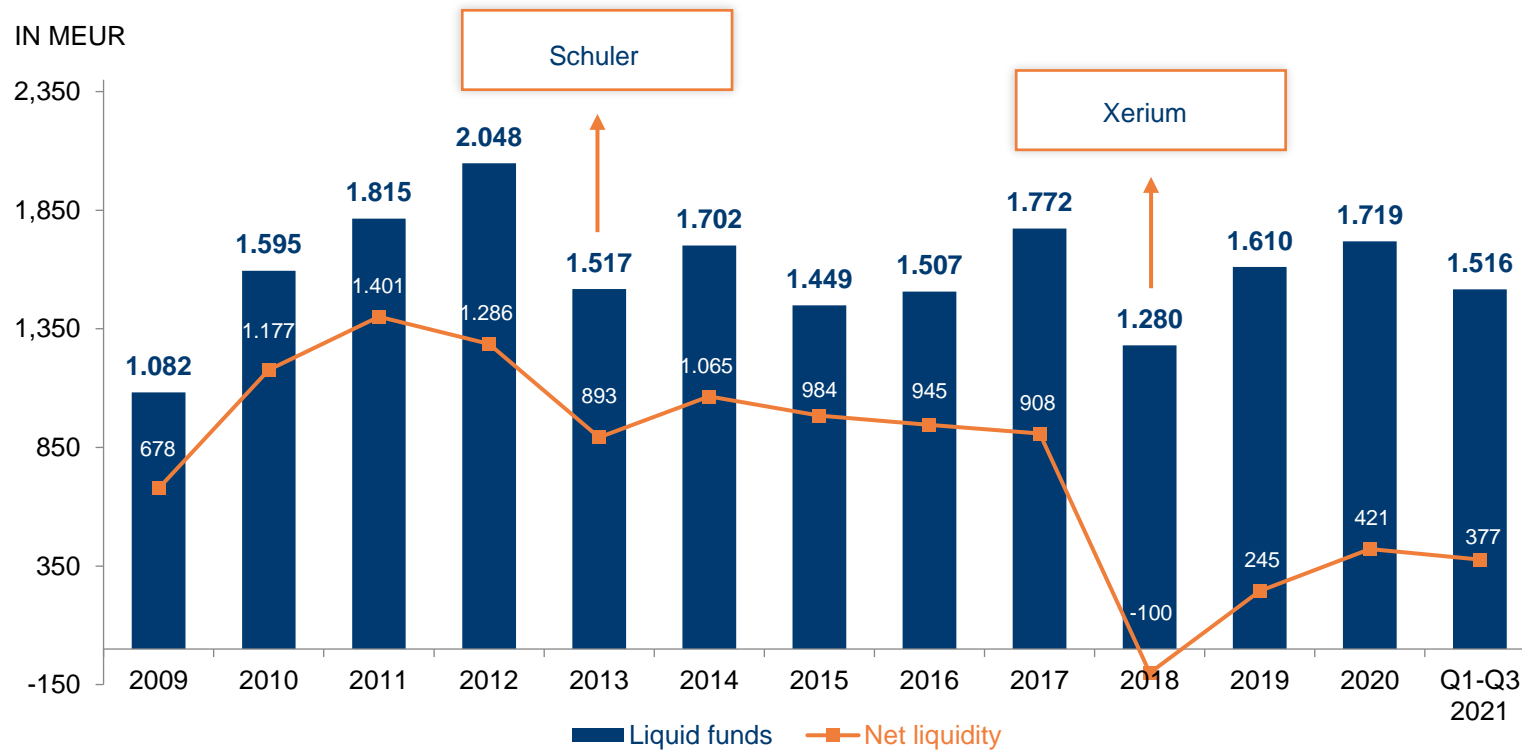


SOLID FINANCIAL POSITION



Gross liquidity of ~1.5 billion euros, net liquidity almost 400 million euros

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



In addition to the high amount of disposable cash, ANDRITZ has **surety lines** of 5.8 bn EUR and **credit lines** of 0.3 bn EUR

Decline in gross liquidity mainly due to **early redemption of two Schulscheindarlehen tranches** in Q3 2021 (volume: ~123 MEUR)

KEY FIGURES Q3 / Q1-Q3 2021 AT A GLANCE



	UNIT	Q3 2021	Q3 2020	+/-	Q1-Q3 2021	Q1-Q3 2020	+/-	2020
Order intake	MEUR	1,461.0	1,708.0	-14.5%	5,052.8	4,744.7	+6.5%	6,108.0
Order backlog (as of end of period)	MEUR	7,341.9	7,330.1	+0.2%	7,341.9	7,330.1	+0.2%	6,774.0
Revenue	MEUR	1,521.5	1,669.7	-8.9%	4,548.5	4,842.7	-6.1%	6,699.6
EBITA	MEUR	127.3	104.2	+22.2%	365.0	278.5	+31.1%	391.7
Net income (including non-controlling interests)	MEUR	75.3	51.4	+46.5%	210.1	134.7	+56.0%	203.7
Cash flow from operating activities	MEUR	30.7	155.1	-80.2%	183.7	255.1	-28.0%	461.5
Capital expenditure	MEUR	29.0	27.7	+4.7%	89.1	87.6	+1.7%	131.8
Liquid funds	MEUR	1,515.6	1,556.3	-2.6%	1,515.6	1,556.3	-2.6%	1,719.3
Net liquidity	MEUR	377.4	253.8	+48.7%	377.4	253.8	+48.7%	420.9
Net working capital	MEUR	95.5	22.2	+330.2%	95.5	22.2	+330.2%	-48.8

Stable capex at around 2% of revenue

Increase in net working capital mainly driven by increase in inventories (WIP, raw materials)

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PULP & PAPER: EARNINGS AND PROFITABILITY UP DESPITE DECLINE IN REVENUE



Order intake down q/q mainly driven by capital business

	UNIT	Q3 2021	Q3 2020	+/-	Q1-Q3 2021	Q1-Q3 2020	+/-	2020
Order intake	MEUR	602.3	716.5	-15.9%	2,314.6	2,416.3	-4.2%	2,961.1
Order backlog (as of end of period)	MEUR	2,751.3	2,938.3	-6.4%	2,751.3	2,938.3	-6.4%	2,591.0
Revenue	MEUR	744.8	851.7	-12.6%	2,209.4	2,447.3	-9.7%	3,339.0
EBITDA	MEUR	100.2	103.3	-3.0%	289.4	288.1	+0.5%	399.6
EBITDA margin	%	13.5	12.1	-	13.1	11.8	-	12.0
EBITA	MEUR	82.0	84.1	-2.5%	234.0	230.4	+1.6%	322.7
EBITA margin	%	11.0	9.9	-	10.6	9.4	-	9.7
Employees (as of end of period; without apprentices)	-	11,539	11,169	+3.3%	11,539	11,169	+3.3%	11,127

- **Order intake** in service business significantly up q/q, capital business down
- Decline in **revenue** compared to last year which included several larger orders with a strong revenue contribution
- **Earnings and profitability** at unchanged high level. Both the capital and service business showed a very favorable development

ORDER INTAKE BY REGION

Q1-Q3 2021 VS. Q1-Q3 2020 (%)



REVENUE BY REGION

Q1-Q3 2021 VS. Q1-Q3 2020 (%)



METALS: POSITIVE EARNINGS DEVELOPMENT CONTINUES



Order intake reached a solid level

	UNIT	Q3 2021	Q3 2020	+/-	Q1-Q3 2021	Q1-Q3 2020	+/-	2020
Order intake	MEUR	362.3	354.6	+2.2%	1,205.9	842.7	+43.1%	1,143.6
Order backlog (as of end of period)	MEUR	1,375.7	1,286.6	+6.9%	1,375.7	1,286.6	+6.9%	1,181.6
Revenue	MEUR	317.2	350.8	-9.6%	955.3	1,049.0	-8.9%	1,420.5
EBITDA	MEUR	18.9	3.3	+472.7%	53.8	9.1	+491.2%	5.5
EBITDA margin	%	6.0	0.9	-	5.6	0.9	-	0.4
EBITA	MEUR	8.8	-7.6	n.a.	24.0	-22.6	n.a.	-46.7
EBITA margin	%	2.8	-2.2	-	2.5	-2.2	-	-3.3
Employees (as of end of period; without apprentices)	-	6,006	6,737	-10.9%	6,006	6,737	-10.9%	6,513

- **Order intake** in Q3 2021 slightly up q/q; Metals Processing significantly up from very low comparison level; Metals Forming down q/q (some larger orders were booked in Q3 2020)
- Decrease in **revenue** due to decline in order intake in the past year
- **Earnings and profitability** continued its positive development of the first two quarters, Schuler making good progress on achieving sustained turnaround

ORDER INTAKE BY REGION

Q1-Q3 2021 VS. Q1-Q3 2020 (%)



REVENUE BY REGION

Q1-Q3 2021 VS. Q1-Q3 2020 (%)



HYDRO: SATISFACTORY BUSINESS DEVELOPMENT



Order intake down q/q; revenue practically flat; earnings and profitability up

	UNIT	Q3 2021	Q3 2020	+/-	Q1-Q3 2021	Q1-Q3 2020	+/-	2020
Order intake	MEUR	320.8	469.0	-31.6%	975.3	961.4	+1.4%	1,335.4
Order backlog (as of end of period)	MEUR	2,720.6	2,639.3	+3.1%	2,720.6	2,639.3	+3.1%	2,587.9
Revenue	MEUR	294.6	305.0	-3.4%	904.1	892.6	+1.3%	1,296.0
EBITDA	MEUR	27.0	19.7	+37.1%	84.2	61.8	+36.2%	98.5
EBITDA margin	%	9.2	6.5	-	9.3	6.9	-	7.6
EBITA	MEUR	19.0	11.3	+68.1%	59.0	35.3	+67.1%	62.0
EBITA margin	%	6.4	3.7	-	6.5	4.0	-	4.8
Employees (as of end of period; without apprentices)	-	6,687	7,205	-7.2%	6,687	7,205	-7.2%	6,941

- **Order intake** below the high level of Q3 2020, which included some larger orders from North America and Asia
- **Revenue** slightly down q/q
- **Earnings and profitability** improved significantly compared to last year which was negatively impacted by capacity adjustment measures

ORDER INTAKE BY REGION

Q1-Q3 2021 VS. Q1-Q3 2020 (%)



REVENUE BY REGION

Q1-Q3 2021 VS. Q1-Q3 2020 (%)



SEPARATION: VERY FAVORABLE BUSINESS DEVELOPMENT



Increase in order intake and revenue q/q

	UNIT	Q3 2021	Q3 2020	+/-	Q1-Q3 2021	Q1-Q3 2020	+/-	2020
Order intake	MEUR	175.6	167.9	+4.6%	557.0	524.3	+6.2%	667.9
Order backlog (as of end of period)	MEUR	494.3	465.9	+6.1%	494.3	465.9	+6.1%	413.5
Revenue	MEUR	164.9	162.2	+1.7%	479.7	453.8	+5.7%	644.1
EBITDA	MEUR	20.8	19.9	+4.5%	58.1	45.8	+26.9%	67.5
EBITDA margin	%	12.6	12.3	-	12.1	10.1	-	10.5
EBITA	MEUR	17.5	16.4	+6.7%	48.0	35.4	+35.6%	53.7
EBITA margin	%	10.6	10.1	-	10.0	7.8	-	8.3
Employees (as of end of period; without apprentices)	-	2,557	2,675	-4.4%	2,557	2,675	-4.4%	2,651

- **Order intake** increased q/q, with very positive development in feed technologies
- **Revenue** slightly up q/q
- **Earnings and profitability** once again reached a very favorable level

ORDER INTAKE BY REGION

Q1-Q3 2021 VS. Q1-Q3 2020 (%)



REVENUE BY REGION

Q1-Q3 2021 VS. Q1-Q3 2020 (%)



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MARKET OUTLOOK AND FINANCIAL GUIDANCE



Continued solid market expectations for all four business areas; financial guidance 2021 confirmed

MARKET OUTLOOK

Project and investment activity in the individual business areas is expected to continue at Q3 2021 levels

FINANCIAL GUIDANCE 2021: CONFIRMED

- **Group revenue** to show a **slight decline** compared to 2020 (6,700 MEUR)
- Significant **increase in reported EBITA** compared to 2020 (392 MEUR) and profitability of around 8% (EBITA margin reported 2020: 5.8%)

