

ANDRITZ CAPITAL MARKET DAY 2021

SEPARATION











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SEPTEMBER 15, 2021

ANDRITZ
ENGINEERED SUCCESS

REVIEW CMD 2019: ROADMAP 2020-2022



| TARGET | STATUS |
|---|---|
|  ANDRITZ well positioned in growing industries (starch, lithium, PVC, etc.) → further establish ANDRITZ as premium brand in the market |  Achieved |
|  Organic growth due to development from equipment supplier to solution provider | Covid-19 induced a general standstill in investments, however several major projects won in 2021  Ongoing |
|  Further improve profitability | Strongly improved earnings/profitability due to optimized processes as well as long-term cost reductions  Achieved |
|  Evaluate probability to grow to 1 billion EUR revenue in the long-term → M&A |  Ongoing |
|  Offer customers attractive IIoT solutions (Metris) |  Achieved |

SEPARATION – SERVED INDUSTRIES (1)



Smarter separation solutions and services for sustainable growth to **1 bn. EUR**



Covering everything from presses and centrifuges to filters, screens, and drying systems.



Only supplier to offer a selection of four dewatering, three thickening, four drying, and multiple screening technologies for wastewater, biomass, and organic waste.



Comprehensive range of separation, drying and automation solutions for chemical processing applications.



Most efficient and reliable separation solutions for iron ore, lithium, potash, coal, precious metals, and more.

* Share of total business volume

SEPARATION – SERVED INDUSTRIES (2)



Offering Plant solutions for global markets



ANIMAL FEED

Processing machines and equipment – from raw material intake to finished feed bagging – as single unit or complete plant solution.



AQUA FEED

Extrusion technologies meeting state-of-the-art requirements of successful aquatic feed producers and aqua farming companies.



PET FOOD

Processing technologies meeting highest standards for pet food production.



BIOFUEL

Key processing machines and technologies for the production of biomass pellets, solid biofuel and waste pellets.

SERVICE

Worldwide service and support for non-stop productivity

> 40 %



LOCAL SUPPORT



REPAIRS & UPGRADES



SECOND-HAND & RENTALS



TRAINING



OEM SPARE PARTS



SERVICE AGREEMENTS



PROCESS OPTIMIZATION



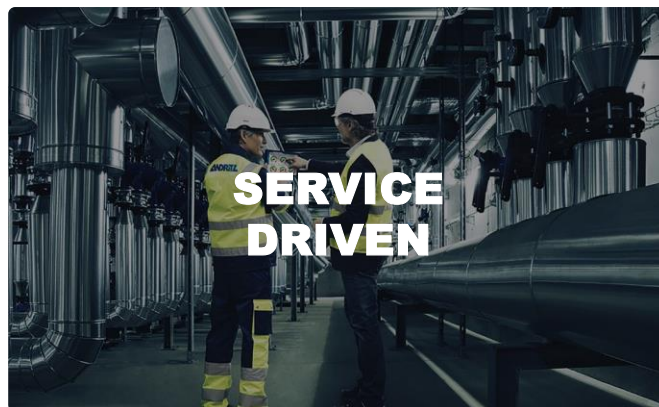
LAB AND ON-SITE TESTS

* Share of total business volume

FOCUS STRATEGY



Strategic approach based on four pillars



INNOVATION FOR LONGTERM SUCCESS (1)

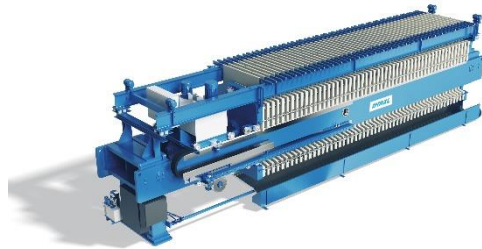


Strong focus on R&D

Innovative ANDRITZ products to solve various challenges of our customers

Performance enhancement

New large scale Mining **Filter Press ME 2500**, excellent in filtration even under roughest conditions.



Extention of application range

Revolutionary **CoRes Vacuum Drum Filter** for the chemical industry. Corrosion-resistant multi-cell rotary vacuum filtration.



Customer experience and service

Standardized **Service Level Agreements** to secure the availability of our customer processes through a long-term partnership with ANDRITZ



Energy efficiency

Pusher Centrifuge ecoOne

For the Chemical and Mining & Minerals industries, reducing operating costs and ecological footprint to a minimum.



Smart operation

The **Intelligent Filter Press**

combines our proven automation solutions with IIoT technologies to optimize efficiency and maximize profit



INNOVATION FOR LONGTERM SUCCESS (2)



INNOVATION

30%

Development of next generation applied technology for our Capital and Aftermarket industries.

Aqua & Pet Food

- First China developed high-capacity *Twin Screw Extruder Ex718* with capacity up to 18 tph
- China developed mid-capacity *Twin Screw Extruder Ex616* with capacity up to 12 tph

Aftermarket

- *Online Spare Parts catalogue* with access to > 1,000 of wear and spare parts



Twin Screw Extruder 718

LIFECYCLE MANAGEMENT

55%

Upgrade of Cash Cow products and extension of lifetime program building on existing successful products and technologies.

Animal Feed

- Upgrade of 6'000 – 12'000 l *Optimix* Mixer Line targeting at integrated feed mills
- Upgrade of *G-Series Pellet Mill* to industry standards

Biofuels

- Upgrade of *Paladin 2000* Pellet Mill for Waste compacting
- Upgrade of 26 *LM-III* Biomass Pellet Mill fostering our market leadership on pelleting in North America



26LM-III



Paladin 2000

NEW MARKET POTENTIAL

15%

Investigation of new trends and business potential given major trends.

Animal Feed

- Development of *Green Deal* Feed Milling technologies and solutions

Texturized Non-Animal Protein

- Development of expertise and technology in extruded products

Aftermarket

- Development of SMART technologies applying Metris intelligent technology
- Investment into *New Die Manufacturing Plant* in China increasing price, quality and lead time competitiveness

Metris
Remote
Sensor
Technology



METRIS VIBE – MONITORING SYSTEM



Significant reduction in OPEX and down time

CUSTOMER BENEFITS

- Continuous performance monitoring of process equipment
- Ability to plan downtime
- Reduction of down time
- Reduction of OPEX
- Prediction of break downs
- Opex reduction 70%*
- Down time reduction 50%*

Project Data

| | |
|--------------------|----------|
| Start date: | JAN 2020 |
| End date: | DEC 2021 |

Status Quo / Key Topics

- Test setup ran in 2019 with DLG / DK: successfully reduced parts cost for the customer (70% from average break down cost) and down time by 60% (from 2-3 days to 1 day)
- Product and service definition complete June 2021
- Planning of global roll-out Q3 2021



*based on DLG use case only

SUSTAINABLE SOLUTIONS/PRODUCTS

ALTERNATIVE PROTEIN






New growth opportunities

The alternative protein segment continues to grow at a rapid pace.

Consumers' growing environmental and health-consciousness to support transition from animal-based protein towards alternative sources of protein (e.g. **plant-based** and **insect** protein).

These shifts will be particularly pronounced in high-income countries.

| | Est. Market (bn USD) | | CAGR 2021 - 2027 |
|--|----------------------|---------|---------------------|
| | 2022 | 2027 | |
|  Plant Protein | 10.4 bn | 15.2 bn | 7.7% |
|  Insects | 0.24 bn | 1.6 bn | 45.0% |
|  Algae | 0.88 bn | 1.2 bn | 6.2% |

Established Big Players

New/Growing Start Ups

ANDRITZ to get early access to a rapidly developing market.
Early relationships already established with some big players and high-profile startups.

PLAYERS



Combined expertise, know-how and product portfolio of

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lead to a strong and competitive market position going forward

ROADMAP 2022-2024



- Further establish **ANDRITZ as premium brand** in the market and **participate in megatrends**, e.g. Non-Animal Protein and E-Mobility
- **Grow business volume to 1 bn. EUR by**
 - **becoming technology leader** (investment in R&D pilot plant)
→ increased launch of new products and
 - **Service growth** by closing white spots, investment in wear part manufacturing (global footprint), new Die Shop (China)
- **9-11% EBITA margin goal** -> continuation of cost control, completion of restructuring of low performing units and continuing transfer of manufacturing & engineering to Best Cost Countries
- Shift from machine supplier to **Process Solution Provider** in Capital and from Preferred Supplier to **Strategic Business Partner** in Aftermarket
- **Gain Digital Leadership by** implementing innovative and integrated Solutions



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MANY THANKS!

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