



ANDRITZ CAPITAL MARKETS DAY

METALS

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ANDRITZ

ENGINEERED SUCCESS

AGENDA



1 | INTRODUCTION

2 | OUR SUSTAINABLE PRODUCTS

3 | REVIEW CMD 2021

4 | MARKET DEVELOPMENT / FRAME CONDITIONS

5 | STRATEGIC DIRECTION

6 | FINANCIALS

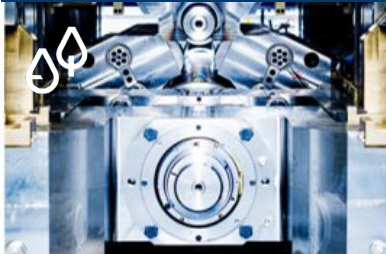
7 | OUTLOOK

INDUSTRIES WE SERVE



METALS PROCESSING

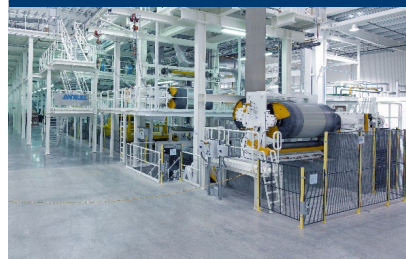
COLD ROLLING & FINISHING



Cold rolling mills in 2-high, 4-high, 6-high, S6-high and 20-high configuration and finishing lines for the carbon, stainless and nonferrous industries.

9%

STRIP PROCESSING



Processing lines and strip furnaces for pickling, annealing, coating, in the quality production of carbon, stainless and nonferrous flat strip plus strip welding and cutting.

12%

COLD FORMING

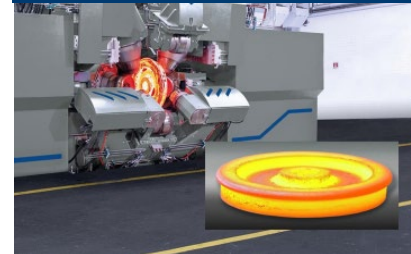


Press lines, single presses, tryout presses, high-speed presses, minting presses, blanking lines and presses for hydroforming. Plus automation and tooling solutions as well as comprehensive services.

37%

METALS FORMING

HOT FORMING



Ring and wheel rollers, hot stamping presses and forging presses. Plus automation and tooling solutions as well as comprehensive services.

10%

BATTERY LINES



Turnkey production equipment for battery cell assembly and cell formation for Li-Ion batteries and innovative solid state batteries. Equipment for entire process chain for the production of lead-acid batteries.

7%

SERVICE

25%

Worldwide service and support for non-stop productivity



LOCAL SUPPORT



REPAIRS & UPGRADES



SHAPEMETER



TRAINING



OEM SPARE PARTS

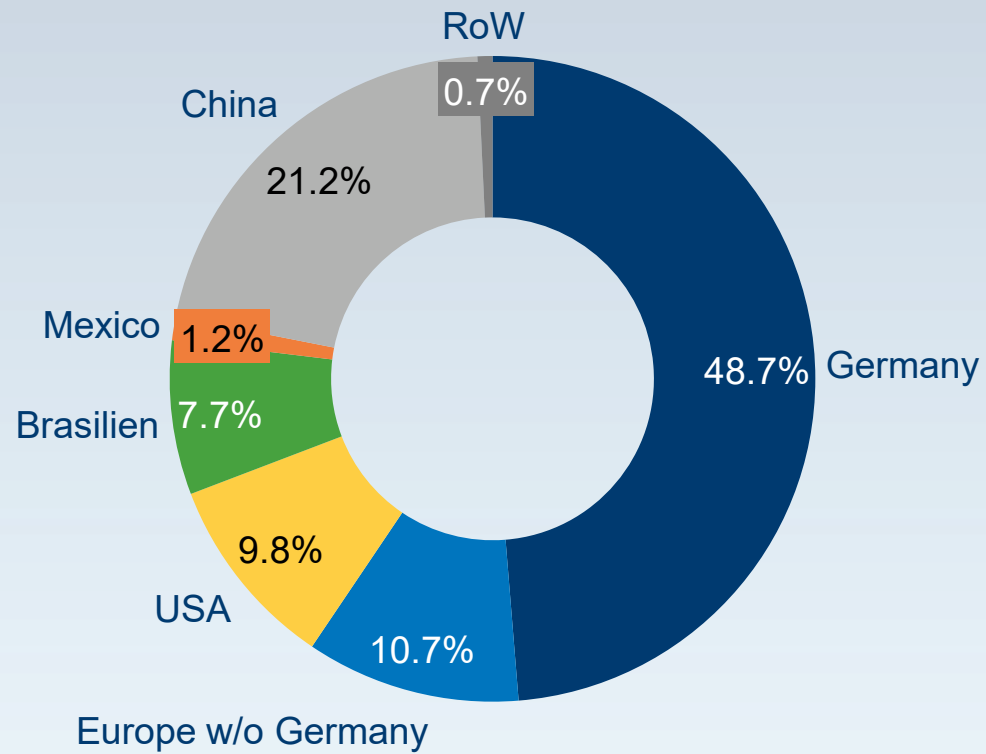


SERVICE AGREEMENTS



PROCESS OPTIMIZATION

AROUND 6,000 EMPLOYEES WORKING FOR BUSINESS AREA METALS



STRONG DEMAND FOR METRIS SOLUTIONS

ASSET OPTIMIZATION



PURPOSE

Maximize productivity and assets availability

PRODUCTS

CLOUD SOLUTIONS/ EDGE CONNECTIVITY

Cloud solutions are standard in nearly all new machines of division industry (>90 **commissioned, >70 online**).

New machine types in area of E-mobility and minting

New solution „**Energy Monitor**“ successfully running

MyFORMING.com-portal with **cross-divisional cloud applications** in one place

PROCESS OPTIMIZATION



Maximize process performance

VISUAL DIE PROTECTION

Visual Die Protection is well established on the market: 72 systems sold, 38 systems already in operation

Visual Die Protection as platform for additional solutions

The vendor agnostic system can be used on FORMING presses as well as competitor machines

PLANT MANAGEMENT



Maximize operations efficiency

TRACK & TRACE

International sales activities in different Industries; 5 sold projects in 2023 in the areas sheet metal forming, forging and battery assembly & formation

Comprehensive south-/northbound connectivity; interfaces to lines PLC's and customers ERP/MES

Full transparency about the products state, quality and production data

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METALS SUSTAINABLE SOLUTIONS REDUCE THE CARBON FOOTPRINT



METALS PROCESSING

COLD ROLLING & FINISHING



- Rolling Mills for GO/NGO electrical steel for electro mobility and for AHSS steel for automotive light-weight design

STRIP PROCESSING



- Acid Regeneration Plants for hydrochlorid and mixed acid in steel pickling or mining, using a "Zero Effluent" approach
- Removal of nitrogen oxides (NOx)
- Reduction of CO₂ in strip annealing and galvanizing with electrically heated furnaces "Green Steel CGL"
- Lines for AHSS steel for automotive light-weight design
- Reduction of CO₂ in heating processes with H₂ burners

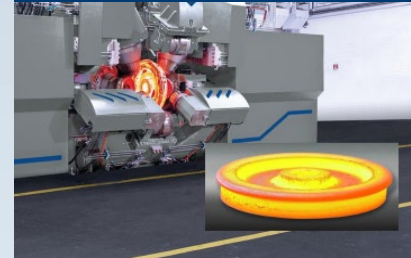
METALS FORMING

COLD FORMING



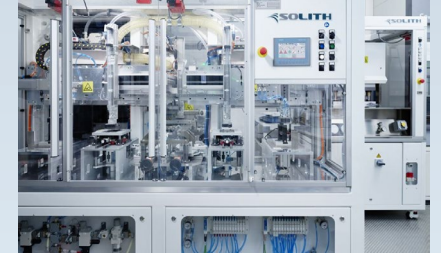
- Hydraulic presses, press lines and welding systems for the production of electrolyzers and bipolar plates
- Presses, press lines and automation lines for the production of electric vehicle components such as body and structural parts or electric motor laminations, welding systems for tailor welded blanks lines for automotive light-weight design

HOT FORMING



- Hot stamping lines, hydroforming and composite forming for automotive light-weight design

BATTERY LINES



- Production lines and equipment for fuel cells as well as prismatic and cylindric battery cell cases

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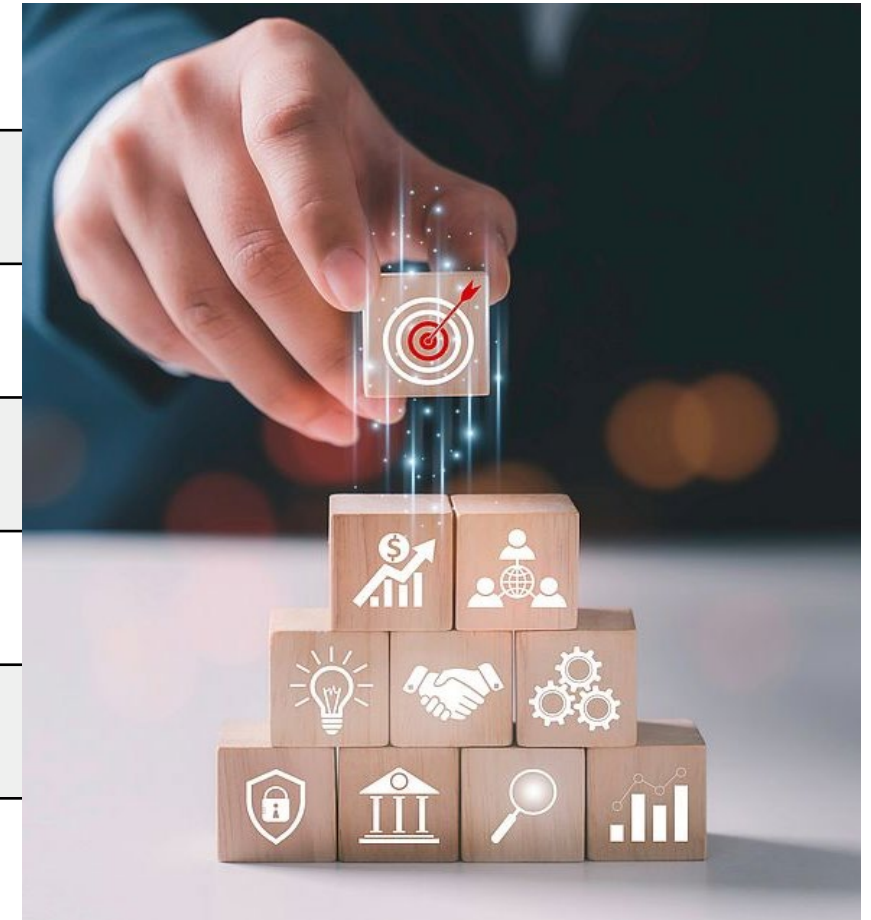
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METALS FORMING: RESTRUCTURING PROGRAM SUCCESSFULLY COMPLETED



What did we promise / What have we achieved?

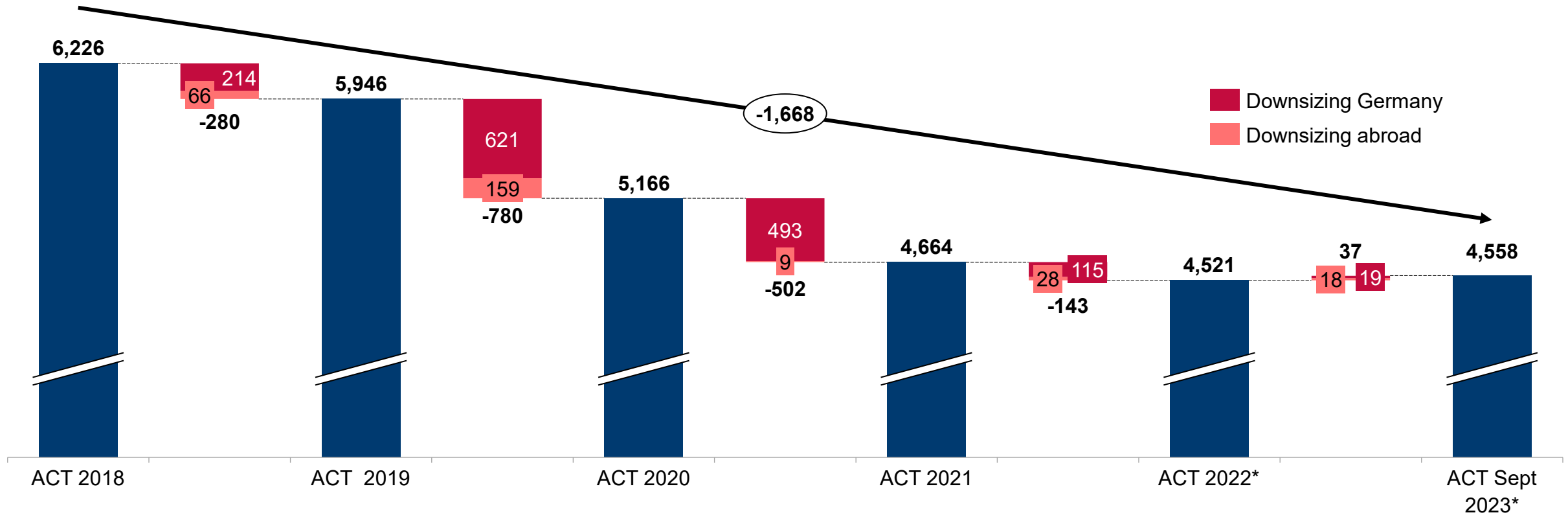
TARGET	STATUS
Spin-off of Business Unit Body Panel	 Achieved
Closure of PTW Weingarten	 Achieved
Downsizing of AWEBA / WVL	 Achieved
Reorganization of Hydraulic	 Achieved
Streamlining of divisions and overheads	 Achieved
International measures	 Achieved
Product adjustments: Separation of non-profitable product groups	 Achieved



METALS FORMING: PERSONNEL COST SAVINGS OF 71 MEUR ACHIEVED



Personnel Measures



*without acquisition of SOVEMA Group, acquired in 09/2022

METALS PROCESSING: STRENGTHENED OUR MARKET POSITION



What did we promise / What have we achieved?

TARGET	STATUS
Stabilized business volume at 700 MEUR	 Achieved
Continued strong market position in solutions for annealing and galvanizing of AHSS steel grades (Advanced High Strength Steel)	 Achieved
Strengthened position in aluminum annealing, heat and processing lines (“CASH” lines)	 Achieved
SEGO400 Initiative started to increase the service business volume to 400 MEUR in 2030 starting from the current level of 200 MEUR	 Ongoing
Launched Monoblock Rolling Mill with first market orders	 Achieved
First orders for Green Steel CGL and Hydrogen burners	 Achieved



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METALS FORMING: GLOBAL MARKET OUTLOOK



AUTOMOTIVE INDUSTRY



E-MOBILITY



BATTERY



NON-AUTOMOTIVE INDUSTRY



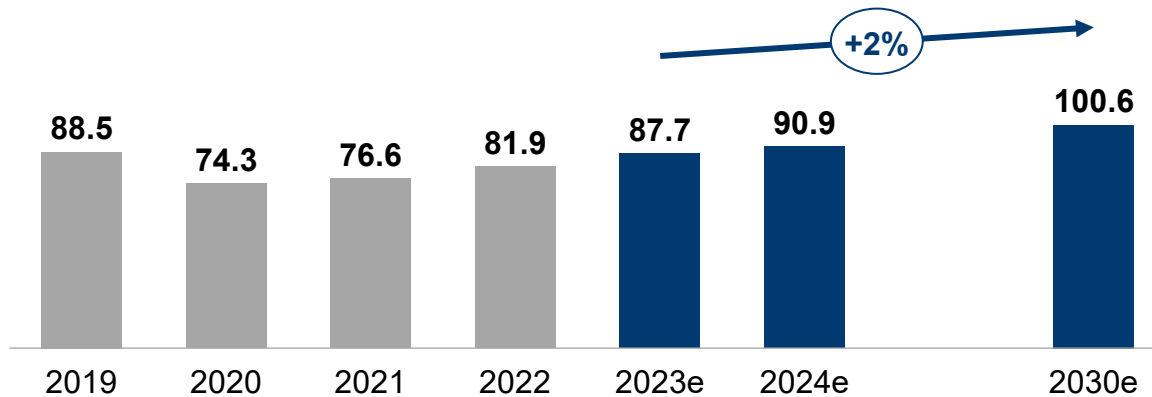
Underlying mid-term market growth	2%	15%	20-25%	2%
Current strong regional markets	USA, Europe, China	Europe, USA, China	Europe, USA	USA, Europe, Asia
Special growth opportunities	Global megatrend towards digitalization and energy savings	New applications with hydrogen technology	State aid investments in new factories	Growing population and wealth

METALS FORMING: STRONG INCREASE IN GLOBAL SALES OF BATTERY ELECTRIC VEHICLE EXPECTED



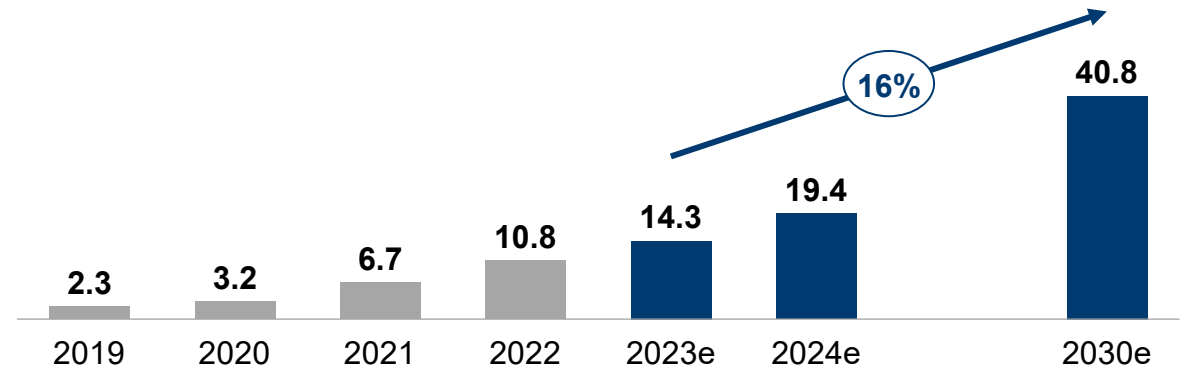
In million cars + light trucks

GLOBAL LIGHT VEHICLE PRODUCTION



Global light vehicle output is expected to grow moderately over the next years. The current macroeconomic and geopolitical uncertainties will create a challenging environment for the automotive industry.

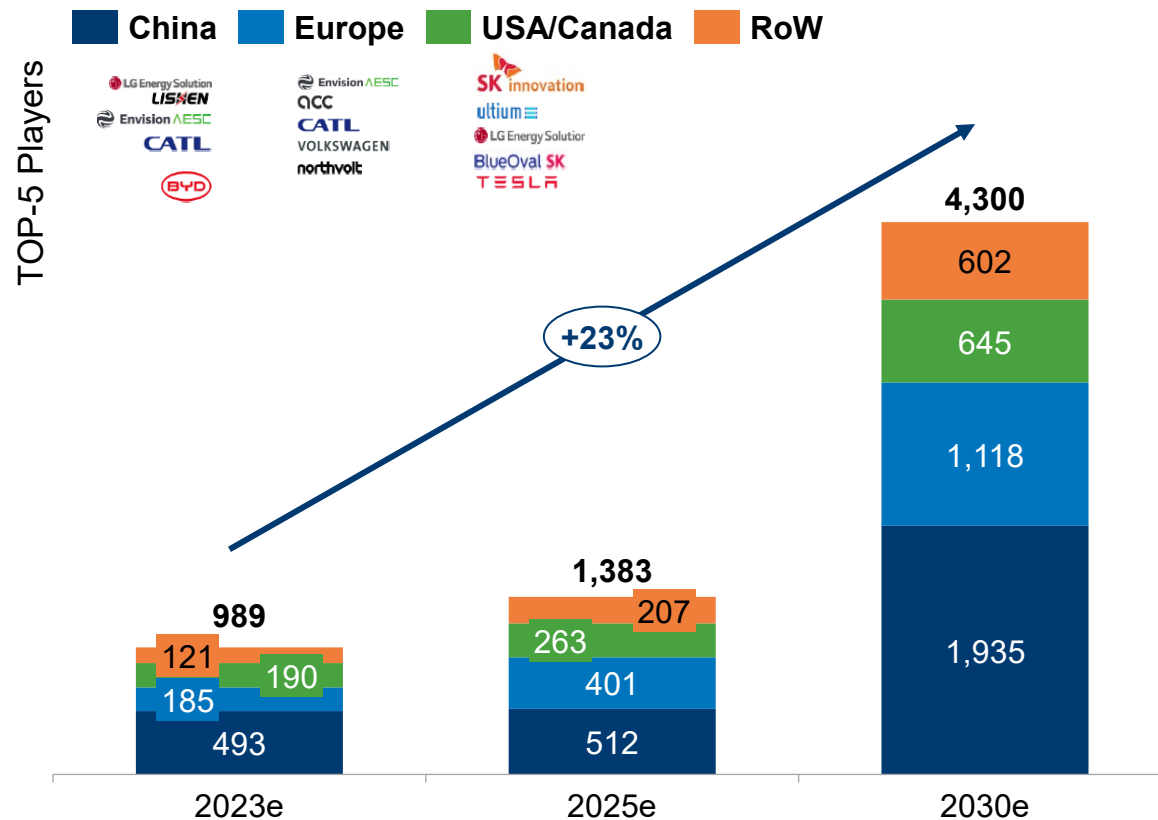
GLOBAL SALES OF BATTERY ELECTRIC VEHICLE



Current forecasts assume that in 2023 approx. 14 mil. BEVs will be sold (market share approx. 17%). The share is expected to rise further to 40% by 2030.

METALS FORMING: GLOBAL DEMAND FOR BATTERIES FOR ELECTRIC VEHICLES EXPANDS

Realistic Scenario; in GWh



By 2030, around 40% of all light vehicles will have a BEV platform. **Global demand for batteries** for electric vehicles is expected to rise to **4.3 TWh by 2030**.

In order to meet the demand for battery cells, **over 100 new battery cell factories** will have to be built and ramped up by 2030. The typical size per factory is currently around 40 GWh. The addressable market volume is about 3 billion EUR p.a.

With a battery capacity of approx. 60 kWh per vehicle, the expected demand in 2025 corresponds to a **production volume of approx. 23 million BEVs**.

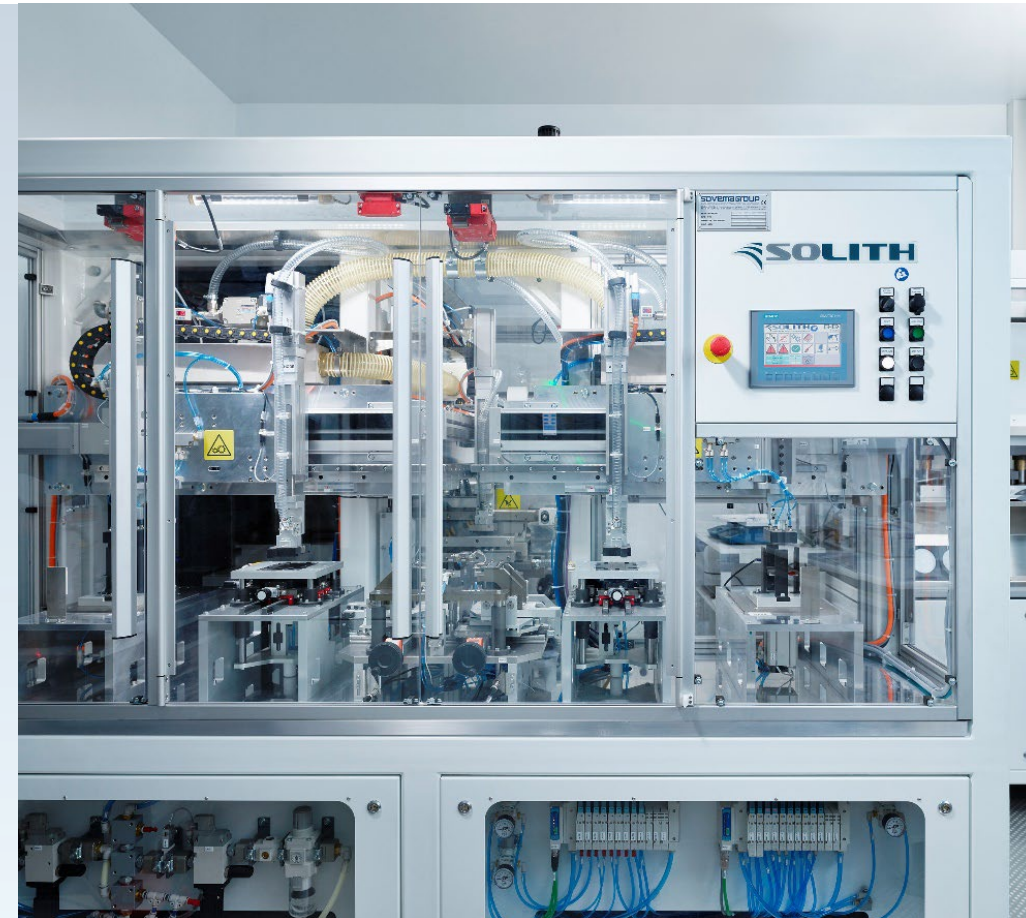
METALS FORMING: SUCCESSFUL MILESTONES ACHIEVED IN BATTERY DIVISION



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

Two new potential giga customers with high order probability for cell formation plants in Europe and North America



METALS PROCESSING

Market growth in niches and some regions



CARBON STEEL INCL. ELECTRICAL STEEL (GO/NGO)



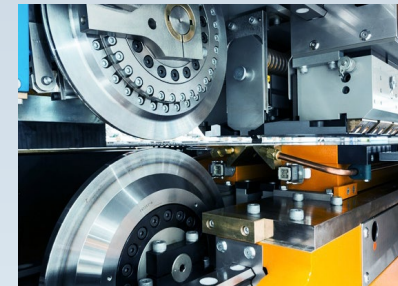
STAINLESS STEEL



ALUMINIUM



WELDING



STAMPING



Mid-term market growth

2% for C-steel,
2-3% for GO/NGO
(low growth in weight but demand for more lines due to lower thickness)

3%

4%

4%

2%

Current strong regional markets

Europe, USA

China, India

USA, China

USA, China

Europe

Additional growth opportunities

Electrical steel
Green steel CGL
H2 burners

Growing market India

CO₂ reduction
- H2 burners

Light weight for cars

Niche product bipolar plates for fuel-cells

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METALS FORMING: CORE IS OUR STRATEGY TO SUCCEED



METALS: OUR KEY CHALLENGES ARE IN FOCUS WITH COMBINED EFFORTS



Improve Profitability

We have to improve our profitability significantly further. It is our goal to reach an EBITA margin at ANDRITZ group level. Doing so will improve our resilience in case of crisis and market volatility.



Benefit from AI

AI and other global megatrends will affect our business. We need to identify major factors resulting from those trends relevant to Schuler.



Working as One Metals

Working in cross-border and cross-silo teams is essential for Schuler when it comes to winning orders and implementing projects on target.



Press Business and New Markets

Both our traditional business and new markets provide opportunities to grow and to improve profitability.



Attracting the right People

Making sure that we can attract properly skilled and highly motivated people at the right places at competitive cost is crucial for Schuler.

METALS: FOCUS ON “IMPROVE PROFITABILITY” AND “PRESS BUSINESS & NEW MARKETS”



Improve Profitability

Introduction of modular system for products

Strengthening the local for local approach

Strengthening high- margin Service Business



Press Business & New Markets

Adaptation of the product portfolio and technical know-how to the new e-mobility products

Environmentally friendly Galvanizing Lines

Get Turnkey-Supplier for Battery Cell Assembly and Cell Finishing

Extension of products for digitalization in the press shop

New Monoblock Rolling Mills combining advantages of both basic technologies

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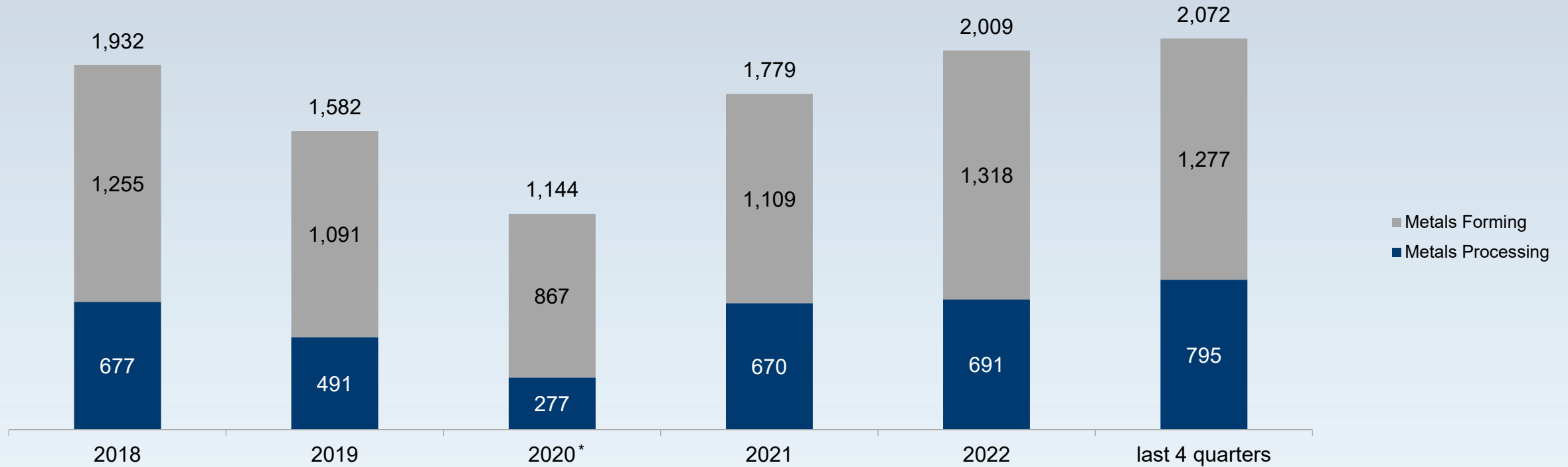
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ORDER INTAKE



IN MEUR



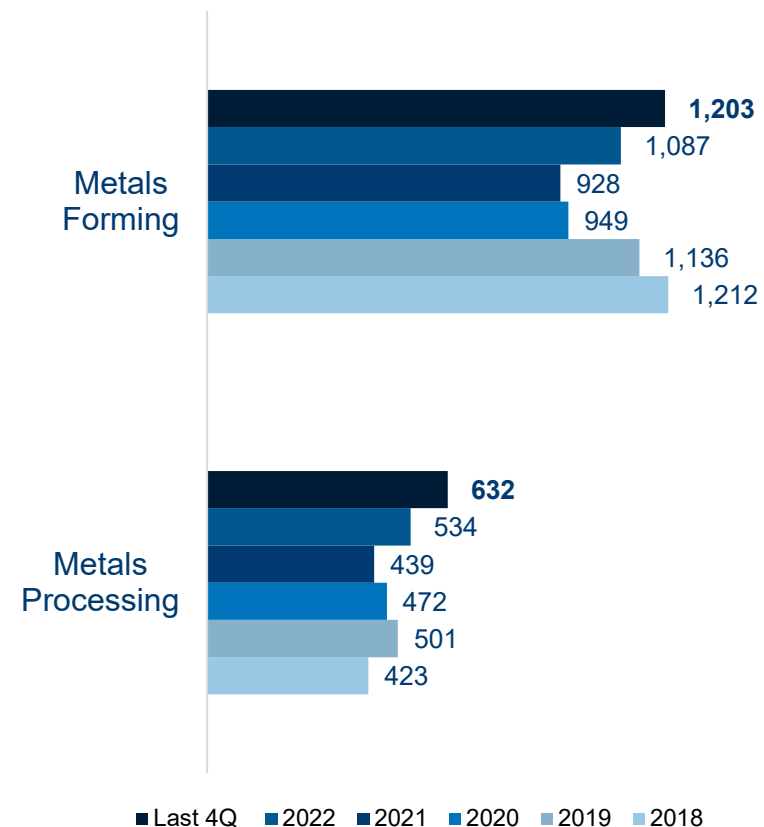
* COVID-19

METALS FINANCIAL DEVELOPMENT



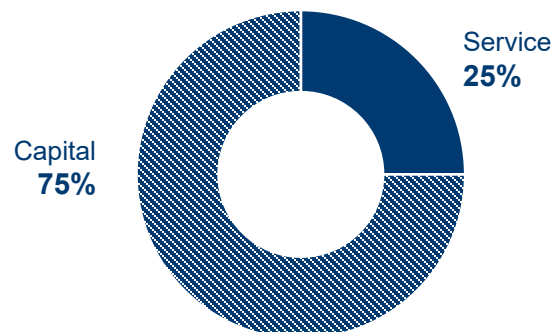
FINANCIAL OVERVIEW						
in MEUR	2018	2019	2020	2021	2022	last 4Q
Order Intake	1,932	1,582	1,144	1,779	2,009	2,072
Order backlog (as of end of period)	1,592	1,533	1,182	1,542	1,938	2,201
Revenue	1,635	1,637	1,421	1,366	1,621	1,836
EBITA	28	-74	-47	38	63	86
EBITA margin in %	1.7%	-4.5%	-3.3%	2.8%	3.9%	4.7%
EBITA margin in % (adj. by extraordinary items)	2.0%	0.5%	-0.8%	2.0%	3.7%	4.5%

REVENUE BY SEGMENT



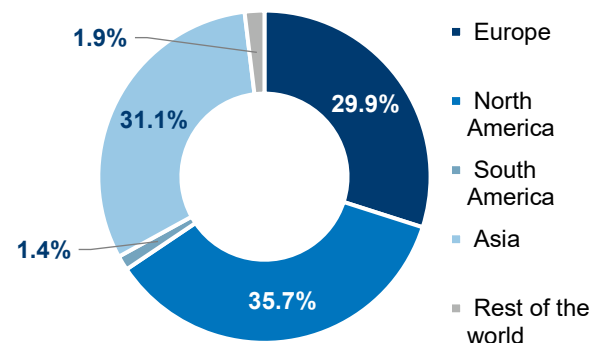
REVENUE SPLIT CAPITAL / SERVICE

LAST 4Q (Q4-Q3)



REVENUE BY REGION

LAST 4Q (Q4-Q3)



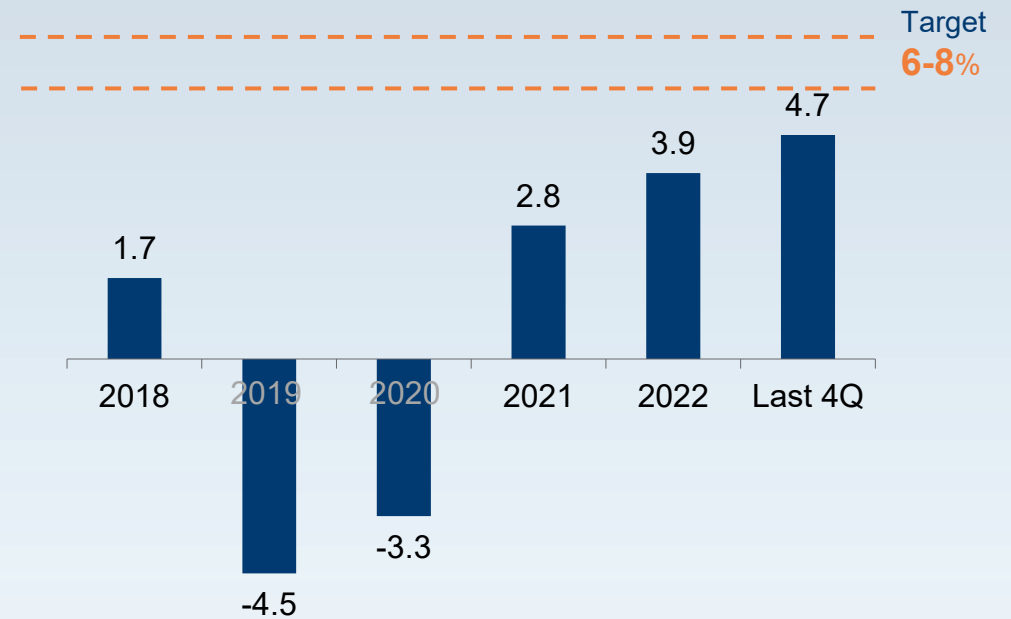
FINANCIAL TARGETS & AMBITIONS



Revenue (in MEUR)



EBITA margin (in %)



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POSITIVE OUTLOOK FOR METALS



MARKET POSITION

High quality products with leading technology differentiate Metals from competitors

GROWTH DRIVER

Promising market opportunities in battery business and new products and solutions with focus on environment and energy saving create new potential, service business enables further growth

COST STRUCTURE

Optimization through staff reduction as well as improved processes

STANDARDIZATION

Modular product systems enables increase of profitability

LONG-TERM PROFITABLE GROWTH

Revenues shall increase about 5% CAGR until 2026 and EBITA margin shall also rise until 2026.



QUESTIONS?

ANDRITZ

ENGINEERED SUCCESS

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