



ANDRITZ CAPITAL MARKETS DAY

PULP & PAPER

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EXECUTIVE BOARD MEMBER

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ANDRITZ

ENGINEERED SUCCESS

AGENDA



1 | INTRODUCTION

2 | OUR SUSTAINABILITY PRODUCTS

3 | REVIEW CMD 2021

4 | MARKET DEVELOPMENT / FRAME CONDITIONS

5 | STRATEGIC DIRECTION

6 | FINANCIALS

7 | OUTLOOK

STRONG POSITION IN ALL BUSINESS SEGMENTS



SERVICE



44%
1,502 MEUR*

Pulp service: **#1**
Paper service: **#2-3**

PULP & POWER ~4 BEUR



36%
1,219 MEUR*

Pulp: **#1**
BFB & CFB Boilers: **#2-3**

PAPER & TEXTILE ~4 BEUR



21%
708 MEUR

Board & Tissue: **#3**
Fiber preparation: **#1**
Nonwovens & Textile: **#1**

AUTOMATION & DIGITALIZATION



Sales included in the other segments

P&P Automation: **#3-4**

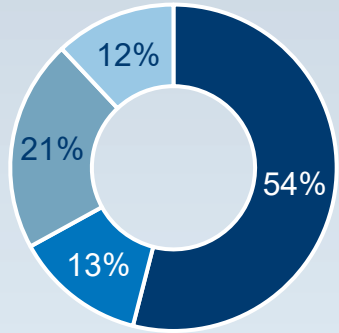
* Share of total P&P revenue, FY2022

Global market position, estimated by ANDRITZ

GLOBAL EXPERTISE AND OPERATIONS



Regional split of employees



- EMEA
- North America
- South America
- China & Asia

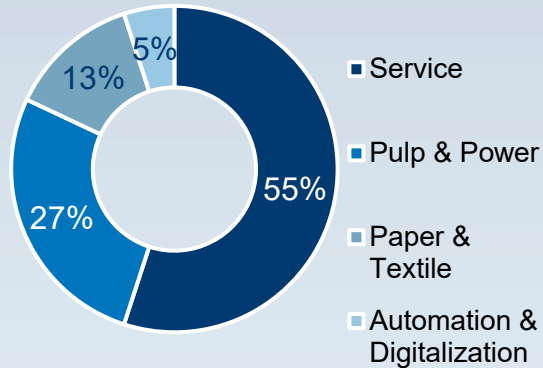
EMERGING MARKETS

- Revenue: 52%
- Employees: 33%

14,000 EMPLOYEES:

- 38% Technology, engineering, project management
- 21% Sales and marketing, administration
- 41% Manufacturing

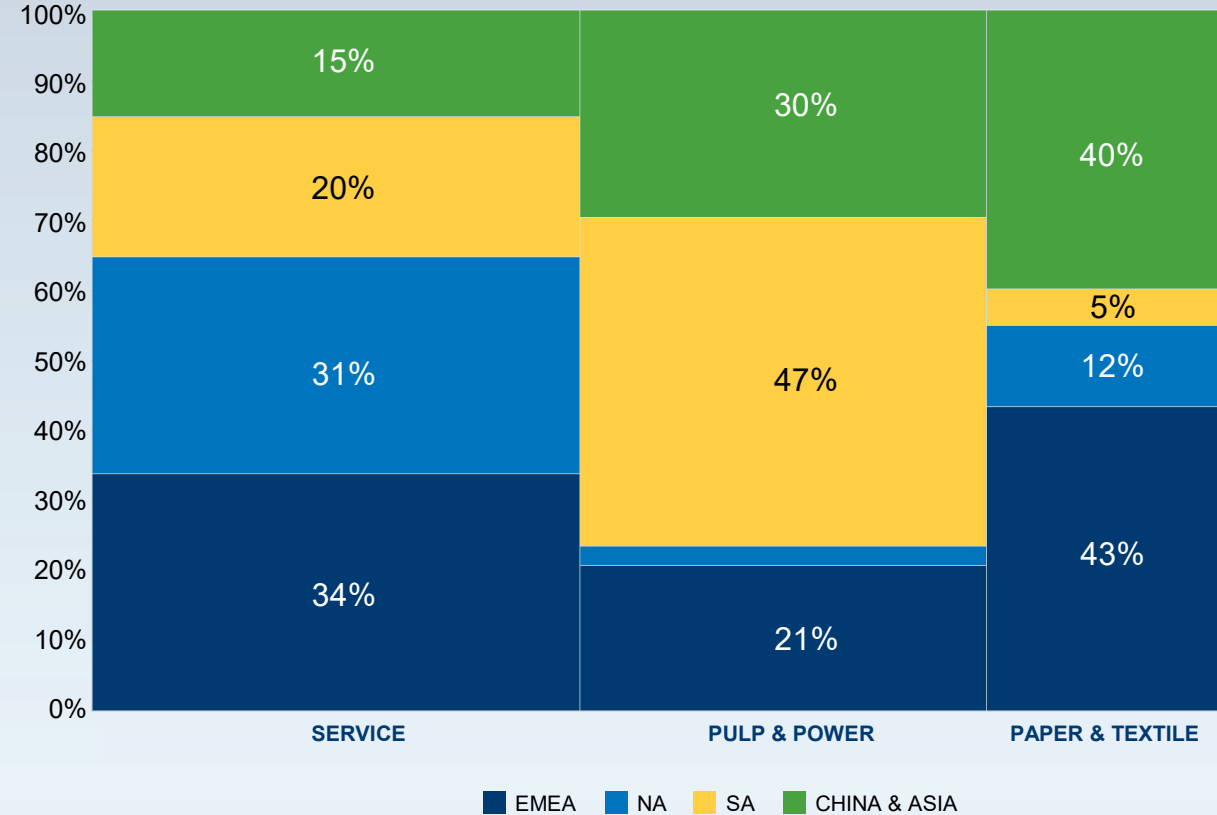
Split of employees by business segment



DEVELOPED MARKETS

- Revenue: 48%
- Employees: 67%

Share of business by region and segment



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SUPPORTING OUR CUSTOMERS TO REACH AND EXCEED THEIR SUSTAINABILITY TARGETS



Highlights

- Biomass and multifuel boilers for green heat & power generation
- Biomass-based systems for lime kiln decarbonization
- Air and energy systems for Paper decarbonization
- P&P side stream solutions
- Cellulose-based nonwovens, from the raw material up to converting solutions
- Textile recycling and man-made cellulosic fiber solutions
- Service and automation & digitalization solutions to optimize process performance for increased energy and environmental efficiency



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REVIEW CMD 2021: ROADMAP 2022-2024



What did we promise / What have we achieved?

TARGET	STATUS
<p>Continue profitable growth:</p> <ul style="list-style-type: none"> • Revenue > 3,500 MEUR • EBITA > 10% • Target to reach 1.5 billion + EUR business organically in aftermarket 	<p>Last 4Q:</p> <ul style="list-style-type: none"> • Revenue 3,952 MEUR • EBITA 10.6% • Service revenue 1,620 MEUR <p style="text-align: right;">  Achieved </p>
<p>Transfer Biorefinery /CircleToZero into business opportunities for ANDRITZ</p>	<ul style="list-style-type: none"> • Multiple plants sold <p style="text-align: right;">  Achieved </p>
<p>Grow with tree to textile and textile recycling opportunities</p>	<ul style="list-style-type: none"> • Strong growth in mechanical recycling (Laroche) • Lots of activity in chemical recycling, but the projects are still in demo scale • Man-made cellulose fiber development is ongoing • Started up world's largest dissolving pulp plant <p style="text-align: right;">  Ongoing </p>
<p>Push autonomous mill operation to the next level</p>	<ul style="list-style-type: none"> • Solutions implemented in one large project • Started up an autonomous logyard <p style="text-align: right;">  Achieved </p>
<p>Expand rolls and shoe press belt business with new manufacturing facilities in China South</p>	<ul style="list-style-type: none"> • The plant is in operation <p style="text-align: right;">  Achieved </p>

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OUR GLOBAL MARKET IS GROWING, AND NEW INITIATIVES GRANT ADDITIONAL GROWTH POSSIBILITIES



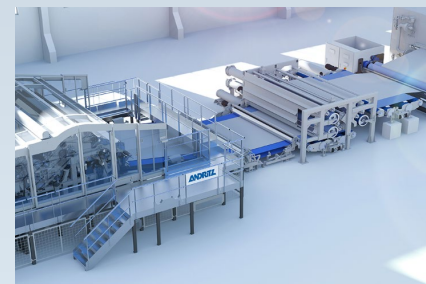
SERVICE



PULP & POWER



PAPER & TEXTILE



AUTOMATION & DIGITALIZATION

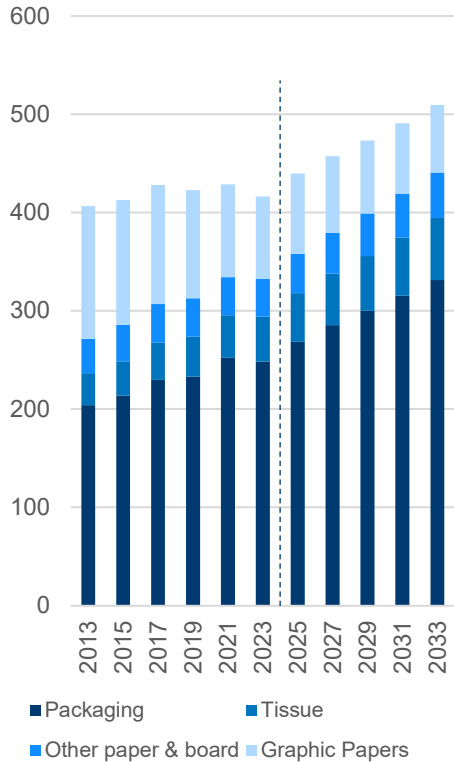


Underlying mid-term market growth	~2-3%	~2-3%	~2-3%	~2-3%
Current strong regional markets	Global	South America and Asia	Paper: North and South America Textile: Global	North and South America, Europe-Nordic
Special growth opportunities	Life cycle solutions and long term service agreements	Side stream solutions, industrial decarbonization, waste boilers	Textile recycling, MMCF, dry molded fiber, cellulose-based nonwovens, heat decarbonization	Smart Products, control valves, autonomous operation, digital solutions

ATTRACTIVE END MARKET DEVELOPMENT

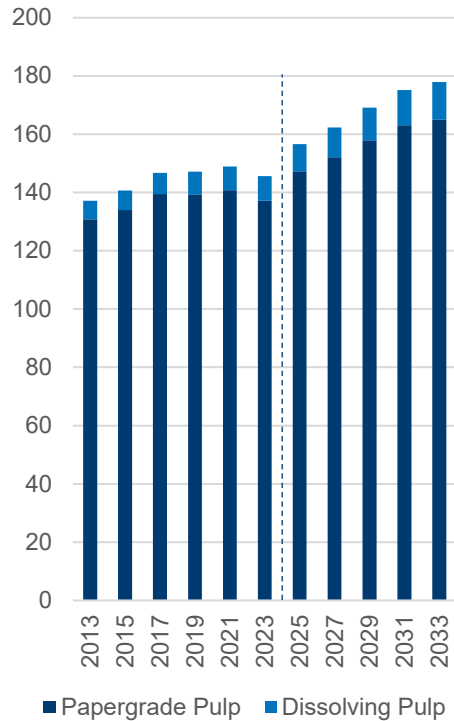


Paper Demand
(million tons)



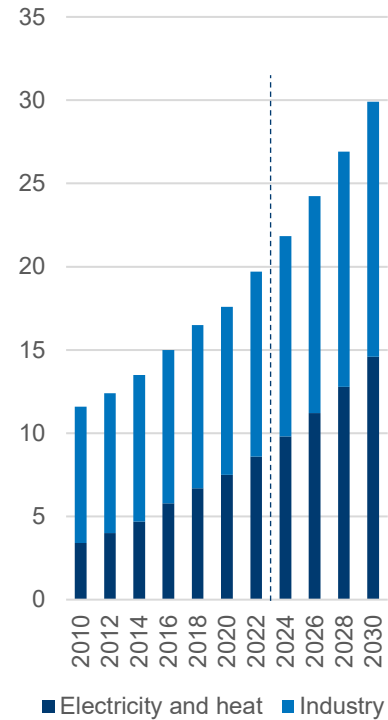
Data source: Fastmarkets RISI, AFRY, ANDRITZ estimates

Chemical Pulp Demand
(million tons)



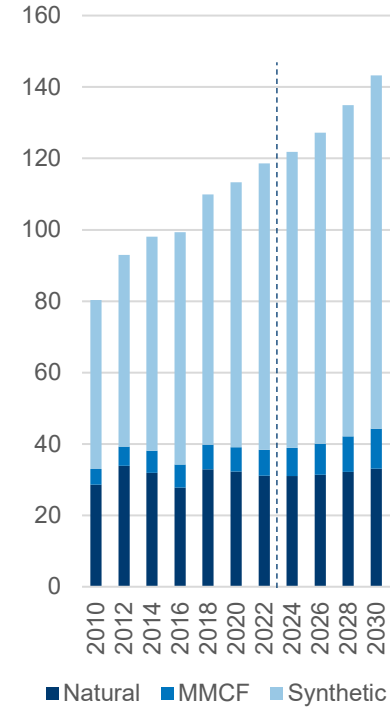
Data source: Fastmarkets RISI, AFRY, ANDRITZ estimates

Bioenergy Use
Modern Solid Bioenergy (EJ)



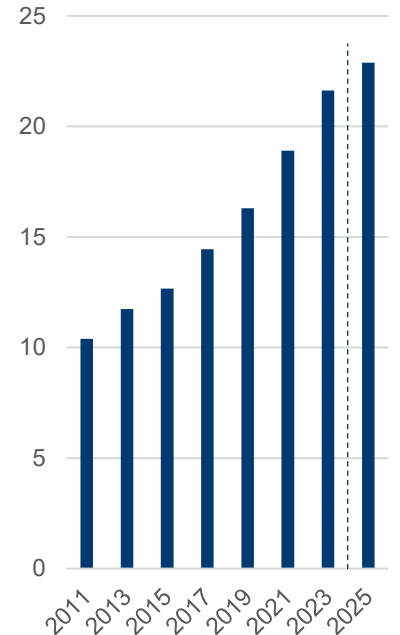
Data source: IEA, Bioenergy use by sector globally in the Net Zero Scenario, 2010-2030. 2024-2028 period based on ANDRITZ estimates

Textile Fiber Demand
(million tons)



Data source: The Fiber Year report 2024-2028 period based on ANDRITZ estimates

Nonwovens Demand
(million tons)

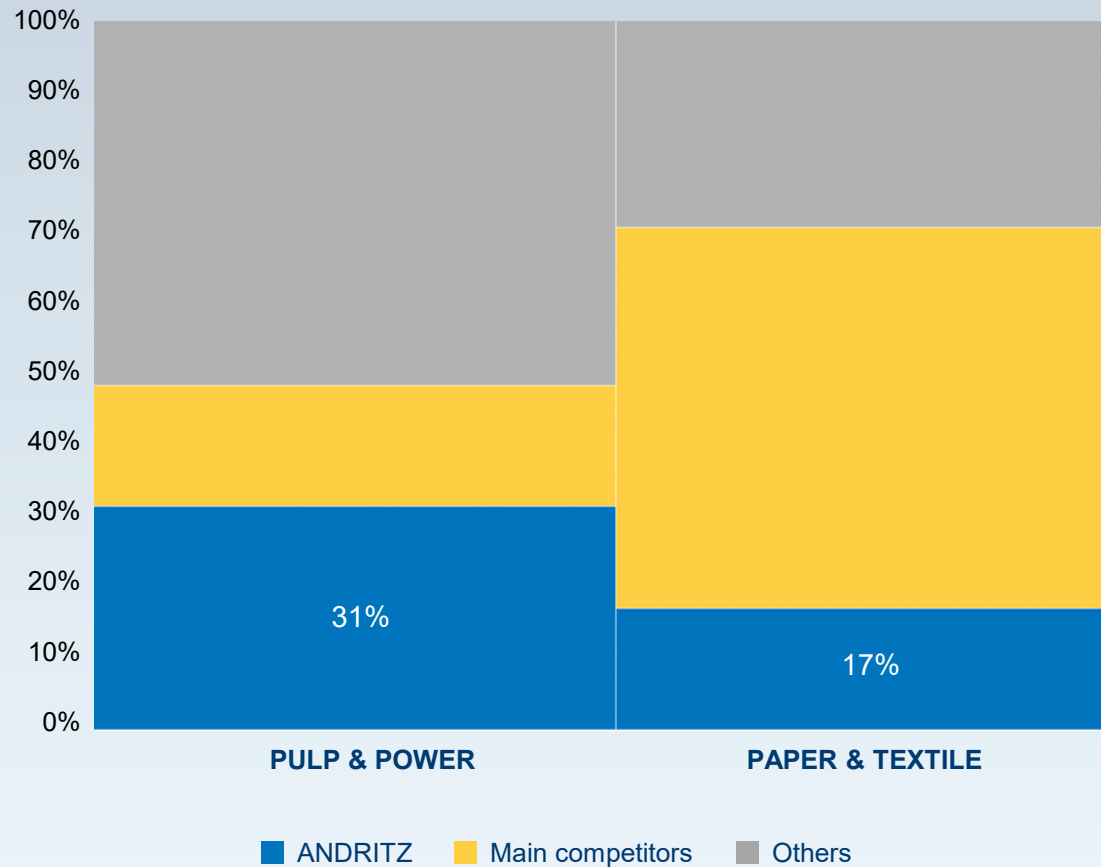


Data source: EDANA and ANDRITZ estimates

CAPITAL MARKET SHARES AND THE COMPETITIVE LANDSCAPE



Market leader in more fragmented Pulp & Power



Note: estimated average market shares 2020-2022

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STRATEGIC DIRECTION



Continue to support customers in their sustainability targets with focused R&D and the full ANDRITZ offering over the life cycle

Actions to grow the business:

- Grow share of wallet with key **service** customers
- Take a leading position in **digitalizing and plant autonomy** in our industries
- Defend the leadership position and introduce new solutions in **Pulp & Power**
- Grow **Paper & Textile** market share in chosen segments and expand the offering
- Continue complementary M&A
- Strong support for the new business growth initiatives

Action to increase profitability:

- Relentless focus on operational excellence
- Keep the flexible cost structure
- New organization opens possibilities for further resource optimization
- Improved business mix



A FULL SUITE FOR TEXTILE RECYCLING



TEXTILE SORTING

Innovative and automated sorting allows to separate clothes, depending on the nature of fibers and/or colors.



CHEMICAL RECYCLING

Chemical recycling of textile waste is a vital emerging business area that completes the picture of textile-to-textile circularity.



TEXTILE FIBER PREPARATION

Preparation of textile waste by means of shredding lays the foundation for the subsequent textile recycling processes.



COMBINED PROCESSES

Combinations of mechanical, thermal and chemical process steps are also possible depending on customer and market needs.



MECHANICAL RECYCLING

Mechanical recycling by means of tearing can be used for almost all types of pre-/post-consumer waste textiles.



NONWOVEN PROCESSES FOR RECYCLED FIBERS

Transformation of recycled textile fibers into technical nonwoven felts is one of the key methods for recycling textiles.

ACQUISITION OF DAN-WEB STRENGTHENS SUSTAINABLE PULP BUSINESS



Dan-Web, based in Galten, Denmark, is a leading supplier of a wide range of technologies for the production of airlaid nonwovens.

2023 technology acquisition to enter the fast-growing market of dry moulded pulp packaging and parts

Main markets:

- Dry molded pulp packaging and parts
- Baby, fem, and adult care products
- Biodegradable wipes



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



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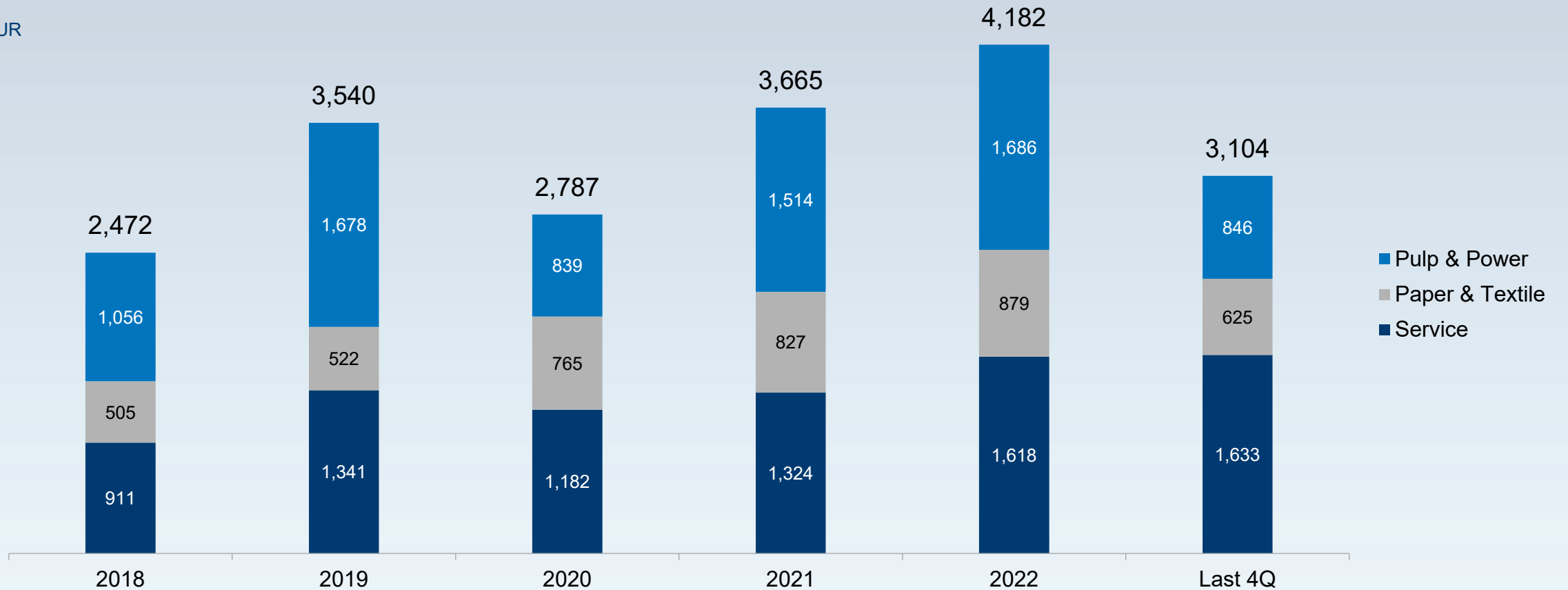
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ORDER INTAKE



IN MEUR

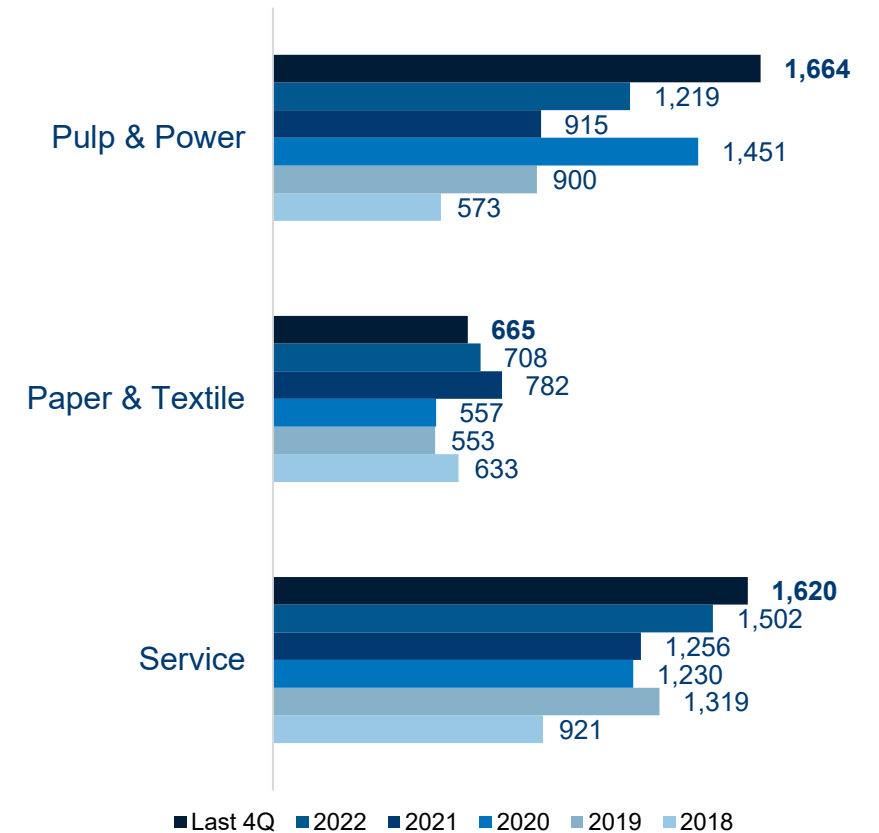


PULP & PAPER FINANCIAL DEVELOPMENT



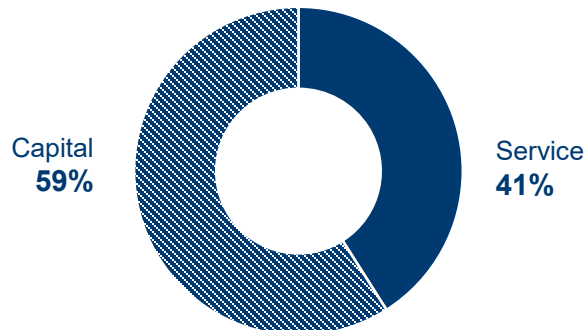
FINANCIAL OVERVIEW						
in MEUR	2018	2019	2020	2021	2022	last 4Q
Order Intake	2,472	3,540	2,787	3,665	4,182	3,104
Order backlog (as of end of period)	2,352	3,100	2,457	3,248	4,083	3,624
Revenue	2,127	2,775	3,238	2,953	3,431	3,952
EBITA	224	270	312	335	374	420
EBITA margin in %	10.5%	9.7%	9.6%	11.4%	10.9%	10.6%

REVENUE BY SEGMENT*



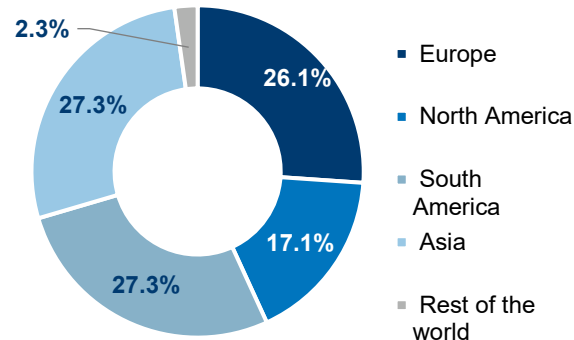
REVENUE SPLIT CAPITAL / SERVICE

LAST 4Q (Q4-Q3)



REVENUE BY REGION

LAST 4Q (Q4-Q3)



FINANCIAL TARGETS & AMBITIONS



Revenue (in MEUR)



EBITA margin (in %)



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STRONG FUNDAMENTALS FOR PROFITABLE GROWTH



- Strong position in growing markets
- Large, stable, profitable, and growing service business
- Technology leader, investing in R&D and developing processes further with the world's leading P&P companies.
- New organization
- Ready to digitalize our industries with Metris application and IDEAS simulation platform.
- Proven track record in project execution
- Attractive returns in complementary M&A





QUESTIONS?

ANDRITZ

ENGINEERED SUCCESS

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