It's not allowed to change the master safe space.
Agenda

1 | Business Update

2 | Q1 Financials

3 | Q&A
# Summary Q1

## Financials

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>643m</td>
<td>+35%</td>
</tr>
<tr>
<td>Sales</td>
<td>568m</td>
<td>+7%</td>
</tr>
<tr>
<td>Operational EBITDA</td>
<td>88m</td>
<td>+46%</td>
</tr>
<tr>
<td>Operational EBIT</td>
<td>39m</td>
<td>+100%</td>
</tr>
</tbody>
</table>

## Key messages

- **Operational EBITDA** +46% in Q1, driven by Polymer Processing Solutions sales growth and **cost control** in Surface Solutions.
- Polymer Processing Solutions on-track to deliver FY guidance; **diversification** of Division towards non-filament is accelerated by INglass acquisition, enhancing the growth profile and unlocking shareholder value.
- Surface Solutions sales slightly down with trend turning positive in March; **markets recovering** at varying speeds; operational EBITDA margin strongly up YoY supported by structural cost measures.
- Reiterate guidance.

## Strategic priorities

<table>
<thead>
<tr>
<th>Sustainable Innovation</th>
<th>Cost Containment</th>
<th>Disciplined Capital Allocation</th>
</tr>
</thead>
</table>

## Confirm FY’21 guidance
End Markets with Varying Recovery Profiles

Polymer Processing Solutions
47% of FY'20 sales

Tooling
16%

General Industrial
16%

Automotive
14%

Aviation
7%

2021 markets

Filament stable; ex-filament growth

- Large filament producers confirm expansion plans; visibility into 2023; key players in China continue downstream vertical integration into DTY
- Robust Nonwoven market, not any longer driven just by melt blown facial masks but also by other applications like wet wipes and filters

High single-digit

- Shorter-cycle services recovering at varying rates across all markets and geographies
- Driven by recovery in industrial production and automotive production
- Continued trend to polymer lightweight materials produced on forming tools

Mid - single-digit

- Shorter-cycle services recovering at varying rates across all markets and geographies
- Driven by recovery in industrial production

High single-digit

- Sustained higher level of activity into 2021 driven by automotive production
- Some short-term supply chain interruption due to semiconductor shortages
- Full year picture moderated with overall YoY growth still expected

Growth in H2'21 off low base

- COVID 19 creating perfect storm for aviation industry alongside Trent and 737 impacts
- In April IATA forecast for 2021 lowered to 43% of 2019 levels (down from 50%)
- Narrow body recovery expected before widebody

Strong market in polymers

Surface Solutions well placed for recovery in Automotive, Tooling and General Industry; Aviation remaining on low levels
Continued Focus on Strategic Priorities

**Sustainable Innovation**
- Drive global technology leadership with effective R&D
- Focus on strong quality, sustainability and economic return

**Cost Containment**
- Focus on cost containment and reinvest into profitable growth
- Commitment to 16-18% operational EBITDA margin mid-term

**Disciplined Capital Allocation**
- Diversify organically into adjacent markets and enhance structural growth with acquisitions
- Continue to pay a stable or progressive dividend, while maintaining a prudent financial policy and strong balance sheet

Q1 launches include innovative heat shield for e-mobility batteries

Achieved ~420bps operational EBITDA margin expansion

Diversified Polymer Processing Solutions by acquiring INglass

Drive profitable growth and expand market share
Acquisition of INglass

INglass overview

- Innovation, technology and **market leader** in precision polymer flow control with strong intellectual property
- **Hot runner systems** (HRS) are key to process and control molten polymers before being injected into molds for production of light-weight high-end components
- INglass’ HRS are applied in multiple industries from automotive, consumer goods and household appliances to packaging, waste management, construction and transportation
- INglass is based in Italy with 3 global production sites and 52 additional service centres; 1’000+ employees worldwide

Financials

- INglass 2020 sales were approximately **CHF 135m**
- Transaction to be highly cash- and margin-accretive to Oerlikon from day 1
- Highly synergistic deal driven by complementary technology & shared market access points

Key impacts

- Expands Division’s strategic optionality in the polymer processing market; significantly accelerates **diversification**
- INglass benefits from **megatrends** around future mobility, lightweight parts, functional sensors and high-grade polymers
- High single-digit organic **growth** potential for precision flow control solutions

Execution

- Manmade Fibers Division **renamed** to Polymer Processing Solutions
- Completion subject to customary merger control clearances with anticipated completion at end of H1’21
- Management team to stay on board, incentivized by additional earn-out linked to growth potential

**Enhances growth profile, aids diversification and creates significant value**
Financial Overview Q1

**Operational EBITDA up +46% driven by both Divisions**

### Orders
- **Order intake up** +35% driven by Polymer Processing Solutions which showed robust performance and had low comparables YoY as China was impacted by extended lockdown last year
- Surface Solutions slightly down YoY; positive sequential momentum, >1 book-to-bill, positive trend towards Q1 end

### Sales
- **Sales up** 7% YoY driven by Polymer Processing Solutions
- Surface Solutions with slightly lower sales YoY and positive trend towards end of Q1; in-line with company expectation and FY guidance

### Profit
- **Operational EBITDA up** 46% with ~420bps improvement in margin
- Driven by positive operating leverage and structural cost measures; positive business mix effect in Surface Solutions
Surface Solutions with Recovering Markets and Cost Containment

**Market**
- Markets recovering at varying rates
- Automotive sustains higher activity levels
- Tooling and General Industry with improving trends, particularly in coating service business
- Aviation continues to be flat on low levels

**Orders**
- Flat order intake at constant FX; book-to-bill >1 as longer-cycle business starts to take orders; short-cycle business continues recovery
- Positive order trend towards end of quarter

**Sales**
- Down -5% at constant FX, driven by high comparables YoY (e.g. aviation) and longer cycle equipment business
- Positive trend towards Q1 end

**Operational EBITDA**
- Up +32% driven by structural cost program initiated in FY’19 and by positive business mix effect
- Q1 in-line with company expectation and FY guidance

### Q1’21 Sales split by markets

<table>
<thead>
<tr>
<th>Market</th>
<th>Q1’20</th>
<th>Q1’21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power Generation</td>
<td>24%</td>
<td>31%</td>
</tr>
<tr>
<td>Tooling</td>
<td>5%</td>
<td>10%</td>
</tr>
<tr>
<td>NA</td>
<td>18%</td>
<td>45%</td>
</tr>
<tr>
<td>APAC</td>
<td>18%</td>
<td>33%</td>
</tr>
<tr>
<td>General Industry</td>
<td>30%</td>
<td>10%</td>
</tr>
<tr>
<td>Aviation</td>
<td>45%</td>
<td>45%</td>
</tr>
<tr>
<td>Automotive</td>
<td>33%</td>
<td>31%</td>
</tr>
</tbody>
</table>

**Order intake**
- Q1’20: 333
- Q1’21: 327
- Flat -1.9% FX. adj: -0.3%

**Sales (3rd party)**
- Q1’20: 325
- Q1’21: 304
- Down -6.3% FX. adj: -4.7%

**Operational EBITDA**
- Q1’20: 41
- Q1’21: 54
- Up +32.0%
Polymer Processing Solutions with Strong Q1, In-line with Company Expectation

**Market**
- Favorable market conditions in filament: full order book to 2022 and taking orders for 2023
- Market share gains in nonwoven driven by facial masks, wipes, and filtration applications

**Orders**
- Doubling order intake, with strong bookings in nonwoven & plant engineering and industrial & interiors
- Supported by strong performance and low comparables YoY as China was impacted by extended lockdown in Q1’20

**Sales**
- Up +27% at constant FX, supported by low comparables as China was impacted by extended lockdown in Q1’20; Q1 with usual lower seasonality
- Organic diversification into non-filament markets well on-track with sales up +~70% YoY driven by low comparables and growth initiatives

**Operational EBITDA**
- Up +77% driven by higher sales
- Improving margin supported by positive operating leverage

**Q1’21 Sales split by markets 1)**

- Filament 73%
- Nonwoven & Plant Engineering 19%
- Flow Control 6%
- Industrial & Interiors 5%
- APAC 3%
- Europe 14%
- NA 14%
- RoW 3%

**Order intake**
- Q1’20: 144
- Q1’21: 315

- +119.0%
- FX. adj: +116.3%

**Sales (3rd party)**
- Q1’20: 205
- Q1’21: 263

- +28.7%
- FX. adj: +27.0%

**Operational EBITDA**
- Q1’20: 18
- Q1’21: 33

- +76.9%

1) Adjusted subdivision definition mainly due to introduction of ‘Flow Control’ subdivision (currently including pumps; will include INglass acquisition at completion) which was excluded from other subdivisions; Special Filament renamed to Industrial & Interiors; Plant Engineering renamed to Nonwoven & Plant Engineering
Conclusion: reiterate guidance after Q1

- **Q1**
  - Higher orders (+35%) and sales (+7%)
  - Improved operational EBITDA margin by ~420bps

- **Outlook**
  - Polymer Processing Solutions on-track to deliver FY’21 sales of CHF 1 100 - 1 150m with ~14% operational EBITDA margin
  - Surface Solutions market recovery on-track; reiterate CHF1 250 – 1 300m sales and 16.5 - 17.5% operational EBITDA margin

- **Forward Looking Priorities**
  - Deliver sales growth as Surface Solutions Division end markets recover; position both Divisions for structural growth
  - Return to operational 16-18% EBITDA margin corridor
  - Deliver double digit ROCE; mid-term reinvestment ratio below 1
  - Focus on accretive small- to mid-sized M&A for both Divisions; retain capability for transformational deals
  - Continue to pay a stable or progressive dividend

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2021 Guidance is excluding INglass acquisition; 1) refers to operational EBITDA margin

- **Sales**
  - 2 350 – 2 450m

- **EBITDA margin**
  - 15.5% - 16.0%<sup>1)</sup>

- **CAPEX**
  - ~120m
Q&A
Appendix
Reconciliation of Profitability Measures

**EBITDA to EBIT bridge**

<table>
<thead>
<tr>
<th>Group</th>
<th>Surface Solutions</th>
<th>Polymer Processing Solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1'21</td>
<td>Q1'20</td>
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<tr>
<td>EBITDA</td>
<td>88</td>
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<tr>
<td>Depreciation</td>
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<tr>
<td>Impairments</td>
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<td>EBITA</td>
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<tr>
<td>Amortization of Acquired Intangibles</td>
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<td>Other Amortization</td>
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<td>-8</td>
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<tr>
<td>Impairments</td>
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<tr>
<td>EBIT</td>
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**Operational profitability reconciliations**

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<td>Q1'20</td>
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<tr>
<td>Operational EBITDA</td>
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<td>Restructuring expenses</td>
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<td>Discontinued activities</td>
<td>--</td>
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</tr>
<tr>
<td>EBITDA</td>
<td>88</td>
<td>58</td>
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</tr>
<tr>
<td>Operational EBIT</td>
<td>39</td>
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<tr>
<td>Restructuring expenses</td>
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<td>Impairments related to restructuring</td>
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<td>Discontinued activities</td>
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<tr>
<td>EBIT</td>
<td>38</td>
<td>6</td>
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