Overview

▪ BAUER Group
▪ Highlights 2020
The BAUER Group is a leading provider of services, equipment & products dealing with ground and groundwater.

Mission

The BAUER Group is a leading provider of services, equipment & products dealing with ground and groundwater.

Construction

Global provider for specialist foundation engineering services

- For private and public clients
- Broad portfolio of specialist foundation techniques and many years of know-how
- Focus on complex projects in the world
- Own equipment in use

Equipment

One of the technical leading manufacturer of specialist foundation equipment

- Equipment for all specialist foundation engineering methods
- Innovative and digital assistance systems
- Specialized machines for mining, deep drilling and offshore drilling

Resources

Products and services for the water, mining and environmental industries

- Drilling services and well construction, environmental technology, constructed wetlands, mining and remediation
- Waste disposal and brownfield services often in combination with specialist foundation engineering
Highlights
Business year 2020 - Positive development despite COVID-19

Total Group revenues
EUR 1,454 million
(-8.8%)

EBIT*
EUR 55.5 million
(+64.8%)

Earnings after tax
EUR -8.2 million
(EUR -36.6 million)

Net debt
EUR 529 million
(-6.2%)

Equity ratio
23.7%
(23.8%)

Significant financial developments

- Decline in total Group revenues due to COVID 19 pandemic
- EBIT increase of around EUR 22 million despite lower revenue volume
- Improved EBIT margin of 4.1
- Significant improvement in earnings after taxes
- Consistent reduction in net debt
- Equity ratio stable at prior-year level

Significant operational developments

- Global business activities continued despite COVID 19 pandemic
- Decline in demand in machinery segment effectively countered by short-time working and capacity adjustments
- Strategic portfolio streamlining completed
- Risk reduction measures implemented
- Successful acquisitions made in core business

* Previous year adjusted; see p. 70 in the Annual Report 2020
Development of the segments

- Overview: Market environment and course of business
- Project highlights
Construction segment
Overview

Market environment 2020 and course of business

- Significantly affected by exit and travel restrictions, with significant adverse effects on logistics for personnel, materials and construction equipment
- Strong regional differences due to country-specific Corona rules; e.g. Far East with massive lockdowns and significant decline in construction activity. Good performance in Germany, Europe and North America.
- Projects well executed despite in part adverse conditions
- Revenues increased and EBIT clearly positive
- Order backlog increased significantly due to large orders

Key figures

<table>
<thead>
<tr>
<th></th>
<th>FY 2019*</th>
<th>FY 2020</th>
<th>Δ FY in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Group revenues</td>
<td>628.8</td>
<td>669.0</td>
<td>+6.4%</td>
</tr>
<tr>
<td>EBIT</td>
<td>-17.4</td>
<td>24.3</td>
<td>n/a</td>
</tr>
<tr>
<td>Earnings after tax</td>
<td>-52.8</td>
<td>-5.0</td>
<td>n/a</td>
</tr>
<tr>
<td>Order backlog</td>
<td>611.1</td>
<td>755.8</td>
<td>+23.7%</td>
</tr>
<tr>
<td>Order intake</td>
<td>692.7</td>
<td>813.7</td>
<td>+17.5%</td>
</tr>
</tbody>
</table>

* Previous year adjusted; see p. 70 and 102 in the Annual Report 2020
设备段
概述

市场环境2020年及业务流程
- 受到COVID-19大流行的投资限制强烈影响
- 除中国外，全球市场非常疲软，由于严格的冠状病毒措施和政府建设活动
- 虽然销售额显著下降，但积极的市场份额得益于系统性的成本削减措施，如缩短工作时间
- 战略重点向前推进；深钻井平台（石油/天然气行业）的合资企业终止，美国的钻井业务收购

关键数字

<table>
<thead>
<tr>
<th></th>
<th>FY 2019*</th>
<th>FY 2020</th>
<th>Δ FY in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>销售收入（亿欧元）</td>
<td>610.2</td>
<td>491.5</td>
<td>-19.5%</td>
</tr>
<tr>
<td>EBIT</td>
<td>58.7</td>
<td>30.1</td>
<td>-48.8%</td>
</tr>
<tr>
<td>所得税后利润（亿欧元）</td>
<td>39.5</td>
<td>11.0</td>
<td>-72.2%</td>
</tr>
<tr>
<td>订单收入（亿欧元）</td>
<td>672.1</td>
<td>621.3</td>
<td>-7.6%</td>
</tr>
<tr>
<td>订单 backlog（亿欧元）</td>
<td>108.3</td>
<td>118.9</td>
<td>+9.7%</td>
</tr>
</tbody>
</table>

* 前一年调整；见2020年年度报告第70页
Resources segment
Overview

Market environment 2020 and course of business

- Resources segment relatively unaffected by the pandemic
- Environmental (especially brownfield remediation), the well construction materials and mining businesses showed positive development
- Restructuring measures almost completed; brewery and beverage technology business sold off
- Positive EBIT achieved in 2020 despite decline in overall Group performance

Key figures

<table>
<thead>
<tr>
<th></th>
<th>FY 2019*</th>
<th>FY 2020</th>
<th>Δ FY in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Group revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBIT</td>
<td>-5.1</td>
<td>+1.9</td>
<td>n/a</td>
</tr>
<tr>
<td>Earnings after tax</td>
<td>-13.6</td>
<td>-7.2</td>
<td>n/a</td>
</tr>
<tr>
<td>Order backlog</td>
<td>308.2</td>
<td>287.9</td>
<td>-6.6%</td>
</tr>
<tr>
<td>Order intake</td>
<td>306.6</td>
<td>248.5</td>
<td>-19.0%</td>
</tr>
</tbody>
</table>

* Previous year adjusted; see p. 70 and 102 in the Annual Report 2020
BAUER Group FY 2020

- Revenues & Earnings
- Order situation
- Working capital & Net debt
Financials
Revenues & Earnings – Group

**Revenues**
in EUR million

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Group revenues</th>
<th>Sales revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>1,686</td>
<td>1,589</td>
</tr>
<tr>
<td>2019</td>
<td>1,595</td>
<td>1,471</td>
</tr>
<tr>
<td>2020</td>
<td>1,454</td>
<td>1,343</td>
</tr>
</tbody>
</table>

**Development 2020**

- **Decline in total Group revenues** due to COVID 19 pandemic
- Correspondingly, **sales revenues also below prior-year level**

**Earnings**
in EUR million

<table>
<thead>
<tr>
<th>Year</th>
<th>EBIT*</th>
<th>Earnings after tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>100.1</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>24.1</td>
<td>33.7</td>
</tr>
<tr>
<td>2020</td>
<td>55.5</td>
<td>55.5</td>
</tr>
</tbody>
</table>

- **EBIT increase** of around EUR 22 million despite lower overall Group performance
- Improved **EBIT margin** of 4.1% (previous year: 2.3%)
- **Significant improvement in earnings after taxes**, although still negative due to COVID-19

* Previous year adjusted; see p. 70 in the Annual Report 2020
Financials
Order situation – Group

**Order intake**
In EUR million

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4</td>
<td>485</td>
<td>321</td>
<td>318</td>
</tr>
<tr>
<td>Q3</td>
<td>422</td>
<td>450</td>
<td>297</td>
</tr>
<tr>
<td>Q2</td>
<td>386</td>
<td>418</td>
<td>517</td>
</tr>
<tr>
<td>Q1</td>
<td>429</td>
<td>420</td>
<td>455</td>
</tr>
</tbody>
</table>

**Order backlog**
in EUR million

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,014</td>
<td>1,028</td>
<td>1,163</td>
</tr>
</tbody>
</table>

**Development 2020**

- Order intake only slightly down from prior year despite pandemic
- COVID-19-related declines in the Equipment segment
- Construction segment with significant growth due to major projects

- Order backlog increased very significantly by 13.1%
- Mainly attributable to the Construction segment
Financials
Working Capital, liabilities to banks & net debt – Group

**Working Capital**

<table>
<thead>
<tr>
<th>Period</th>
<th>In EUR million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4/16</td>
<td>750</td>
</tr>
<tr>
<td>Q2/17</td>
<td>550</td>
</tr>
<tr>
<td>Q4/17</td>
<td>700</td>
</tr>
<tr>
<td>Q2/18</td>
<td>500</td>
</tr>
<tr>
<td>Q4/18</td>
<td>650</td>
</tr>
<tr>
<td>Q2/19</td>
<td>500</td>
</tr>
<tr>
<td>Q4/19</td>
<td>600</td>
</tr>
<tr>
<td>Q2/20</td>
<td>550</td>
</tr>
<tr>
<td>Q4/20</td>
<td>500</td>
</tr>
</tbody>
</table>

**Development 2020**

- **Measures to optimize working capital take effect**: inventories as well as receivables and other assets reduced
- **Liabilities to banks** further reduced
- **Net debt reduced** by EUR 34.9 million to EUR 528.8 million; since peak in 2016: -21.5%.
- **Net debt / EBITDA ratio significantly improved** and almost back within target range at 3.2
Outlook

- Strategic measures
- Capital increase
- Forecast 2021
## BAUER Group
### Key measures 2020 – basis for positive development 2021

| Group | • Significant reduction in net debt achieved  
• Strategic focus on core business |
| --- | --- |
| Resources | • Sale of the brewery business (Esau & Hueber)  
• Financial relief for the subsidiary in Jordan |
| Equipment | • Termination of joint venture in deep drilling technology with Schlumberger  
• Expansion of the well drilling equipment business in the USA (GEFCO) |
| Construction | • Global rollout of the Bauer Construction Process initiated |
BAUER Group
Forecast 2021 – Growth in all segments and the Group

**Construction**
- **Very high demand for infrastructure** characterizes construction activity
- **Growth** in revenues and EBIT

**Equipment**
- **Investments** expected to **pick up from mid-2021 onwards**
- **Growth** in revenues and EBIT

**Resources**
- Measures 2020 are the **basis for the realignment**
- **Growth** in revenues and EBIT

<table>
<thead>
<tr>
<th>Group</th>
<th>2020 final</th>
<th>Forecast 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Group revenues</td>
<td>1,454</td>
<td>1,550 - 1,650</td>
</tr>
<tr>
<td>EBIT</td>
<td>55.5</td>
<td>75 - 85</td>
</tr>
</tbody>
</table>

- **Indication:** **Sales revenues** are expected to be EUR 90 to 100 million lower than total Group revenues (no forecast)
BAUER Group
Capital increase 2021 for long-term stability

Target

- Strengthen equity base and improve balance sheet ratios
- Make the Group even more resilient for the future
- Increase independence from financial partners

Implementation of the capital increase

- Capital increase shall redeem up to EUR 75 million
- Shareholders to be granted statutory subscription rights
- Following the resolution of the Extraordinary General Meeting, preparations for the capital increase are currently being implemented.
### Megatrends

<table>
<thead>
<tr>
<th>Infrastructure</th>
<th>Urbanization</th>
<th>Environmental awareness</th>
<th>Water extraction/treatment</th>
</tr>
</thead>
</table>

### Our focus topics

- **Exploiting opportunities in global fields of the future**
  - Megatrends open up attractive potential worldwide

- **Leveraging synergies between the segments**
  - The three segments Construction, Equipment and Resources enable an interlinking of know-how that is unique in the industry

- **Expand environmental technology into new markets**
  - Expand core business of Resources segment and open up new markets such as USA and China

- **Global footprint for growth opportunities**
  - Worldwide network organization offers opportunity to benefit from regional differences

- **Clear focus on sustainable profitability**
  - Consistent implementation of a comprehensive package of measures for profitable development