

Gurit FY2021 Results

Media and Analyst Conference



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WITH PASSION FOR A SUSTAINABLE FUTURE

Introductory statement

This presentation may include forward-looking statements that reflect the intentions, beliefs or current expectations and projections of Gurit Holding AG about the future results of operations, financial condition, liquidity, performance and similar circumstances.

Such statements are made on the basis of assumptions and expectations which may prove to be erroneous, although Gurit Holding AG believes them to be reasonable at this time.

Agenda

- 1 **Business update**
- 2 **Financial results**
- 3 **Outlook**
- 4 **Q&A session** for Analysts & Financial Journalists

2021 Highlights

Revenue of 468m CHF

Impacted by Wind market decline and lower Balsa sales

Adj. Operating profit margin of 7% (*excl. restr. & imp. charges*)

Impacted by material cost inflation; lower tooling business, ramp-up costs

Growing "Lightweighting" business

Marine business on and above pre-Covid levels. Strong demand from Industrial segments. Aerospace with positive business outlook.

On track with global footprint expansions

MX launched and India on track notwithstanding COVID challenges

Improved ESG performance

Initiated the "Gurit 2025" strategy program

Strongly emphasizing sustainability-, customer- and innovation focus



467.9
million CHF
Net sales



7%
Adj. Operating profit



100% Western
Wind OEM served,
90% of all wind
turbine blade makers
(in terms of sales)

2021 review

Footprint expansion & extended customer base

Chennai, South India



Tamaulipas, Mexico

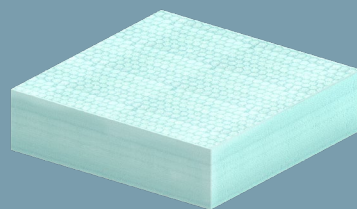


2021 – Extended important customer long-term agreements. Successfully won new customers in new business segments

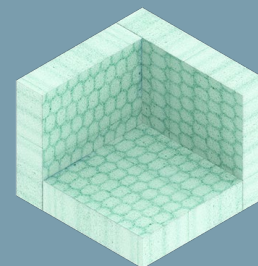
3-year

core kit engineering

and supply contract with a major wind turbine manufacturer



Supply agreement with major North American **composite panel** manufacturer towards industrial applications



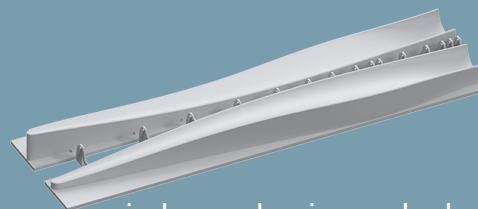
EMEA & USA growth through various channels/formats into **construction applications**



Awarded core and kitting supply contract into Italian world leading **superyacht manufacturer**

5-year

materials supply contract extension with Swiss **aircraft manufacturer**



5-year

in-house business deal with major blade manufacturer on **tooling and manufacturing equipment**



Awarded composite material supply contract into German **high volume yacht manufacturer**

On track with innovation

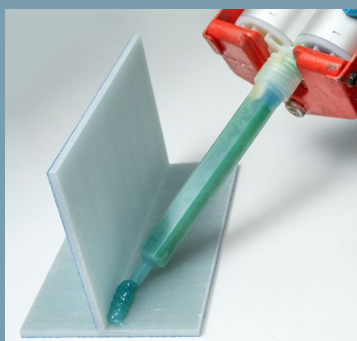
Gurit recognized as Finalist for JEC Innovation Awards



Te Ahi Tupua sculpture



Zero emission high speed ferry



Spabond 800 adhesive



Voith 'Carbon4Stack'



- **Te Ahi Tupua sculpture, New Zealand**
Carbon Fiber Reinforced sculpture, Gurit engineering as enabler for complex shapes with fully recyclable materials
- **Zero Emission High Speed Ferry**
Composites passenger ferry with zero emissions, reduced operational costs and lowered corrosion and fatigue
- **Spabond 800 adhesive**
Innovative adhesive for Wind Turbine Blades. Extended working time, shortened cycle time
- **Marine Rotor Blades made of Voith 'Carbon4Stack'**
Partner Voith and Gurit nominated for award for rotor blades made of "Carbon4Stack" which utilizes Gurit materials

Progress on achieving Gurit's long-term ESG goals

SUSTAINABILITY STRATEGY



Execution of "Sustainability Strategy"

- **Sustainability Organisation** set-up
- **41 targets** set in **8 dedicated workstreams** on environmental, social and governance topics

> 20% **ESG Ranking Improvement** 2021 vs. 2020



FOCUS: HEALTH AND SAFETY



Achieved **42% reduction in accident rate (LTAR)** from 01/2019 to 12/2021.

- Gurit is on track with the program
- **Risk Management, training and prevention systems** implemented
- Post-pandemic **global mental health program**

FOCUS: ENVIRONMENT



Achieved **Climate neutrality** for scope 1, 2, partial scope 3 in 2021

- Switched to **100% renewable electricity** in 2021
- Operational emissions improvement program to start in 2022

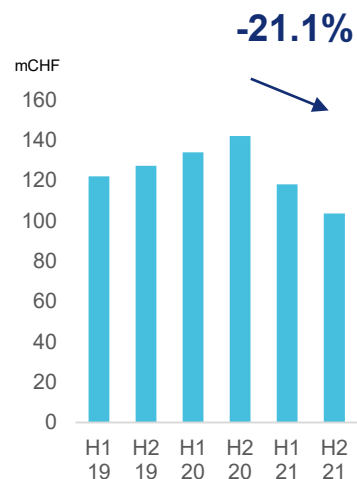
FY2021 Financial Results

Philippe Wirth
CFO



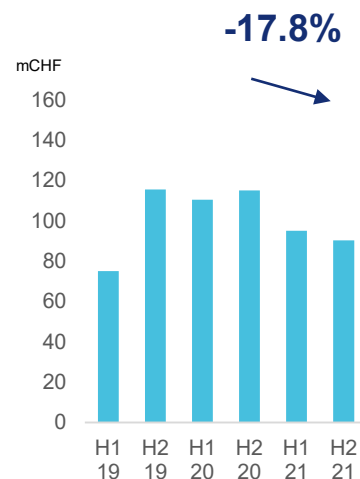
Sales impacted by globally reduced demand for wind blades

Materials



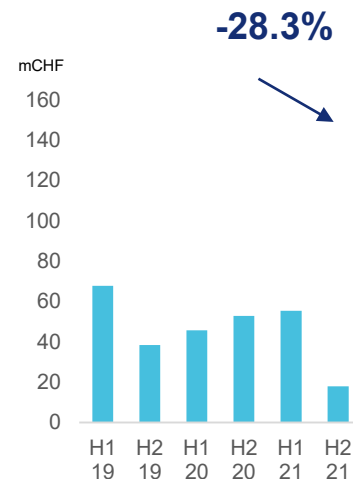
- Decline driven by a reduced demand in Balsa
- Other Wind materials decline offset by strong Marine and Industrial sales

Kitting



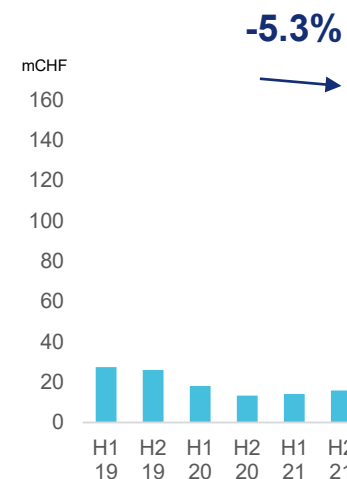
- Decline driven by a reduced customer demand in all regions

Manuf. Solutions



- Sharp decline in second half in all regions

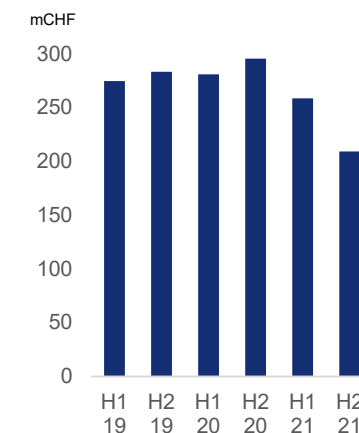
Aero



- Slowly recovering to pre-pandemic levels

Group

(continued operations)

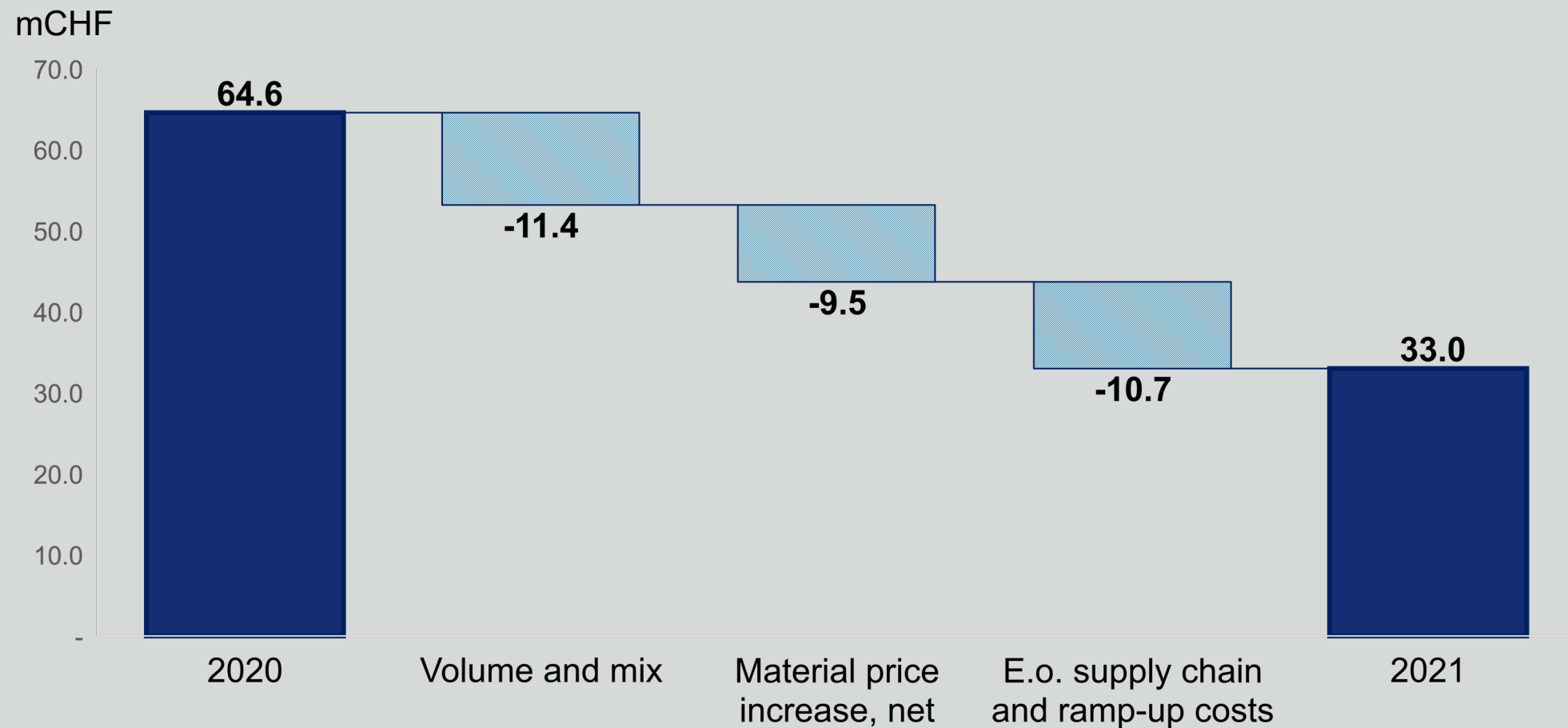


- -19.8% at 2020 exchange rates

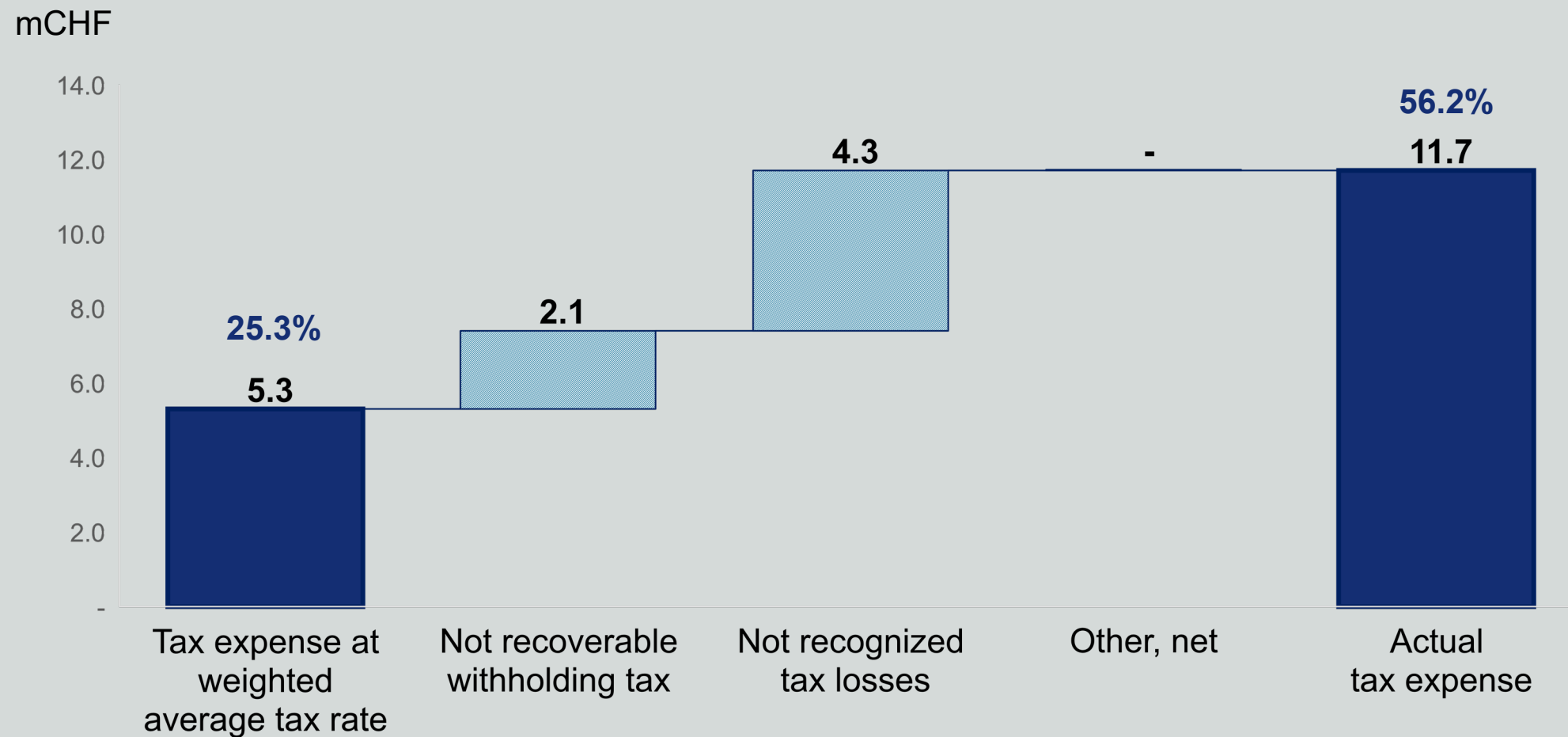
Operating results impacted by challenging market

CHF million	2021	2020	
Sales <i>Growth</i>	467.9 -19.8%	578.8	<ul style="list-style-type: none"> Sales decline -19.8% at constant exchange rate (continued business)
Gross profit <i>% of sales</i>	85.0 18.2%	121.0 20.9%	<ul style="list-style-type: none"> Gross profit margin 2.7%- pts below prior year -1.0%-pts due to one-time balsa inventory write offs Raw material and freight costs
EBITDA <i>% of sales</i>	41.0 8.8%	76.9 13.3%	<ul style="list-style-type: none"> One-time balsa inventory write-off CHF 4.9m Increased raw material costs, net CHF 9.5m Reduced sales volume and ramp-up costs
Adj. operating profit <i>% of sales</i>	33.0 7.0%	64.6 11.2%	<ul style="list-style-type: none"> Adjusted for balsa footprint adjustments and consolidation of Kitting operation CHF 9.6m

Adjusted operating profit

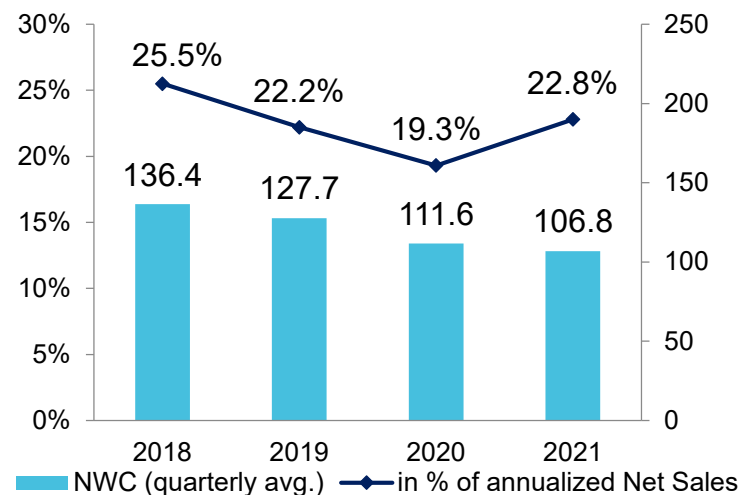


Not recognized tax losses negatively impact the tax rate



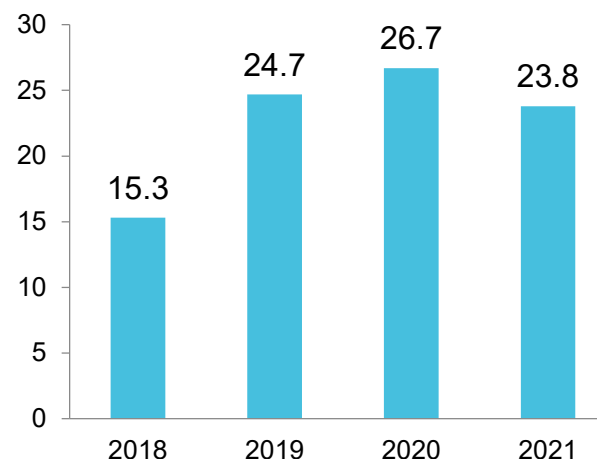
Cash flow: continued investments in capacity

Trade Net Working Capital



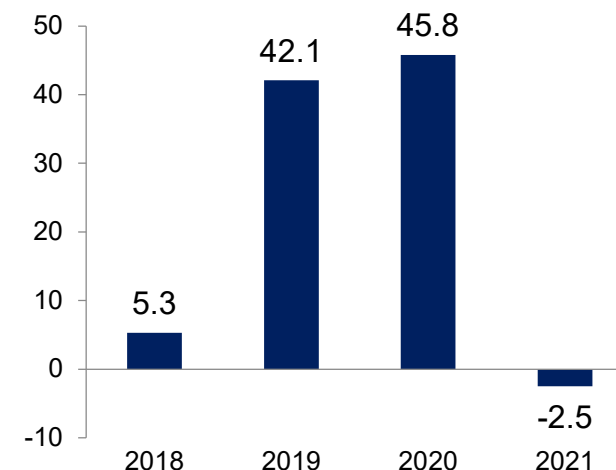
- Timing of prepayments in our China operations (mainly Manufacturing Solutions)
- Inventory inefficiencies (safety stocks) due to ramp up and supply chain disruptions

CAPEX



- Investments into India (PET)

Free Cash Flow



- Lower EBITDA
- Not compromising on expansion plans

Healthy balance sheet

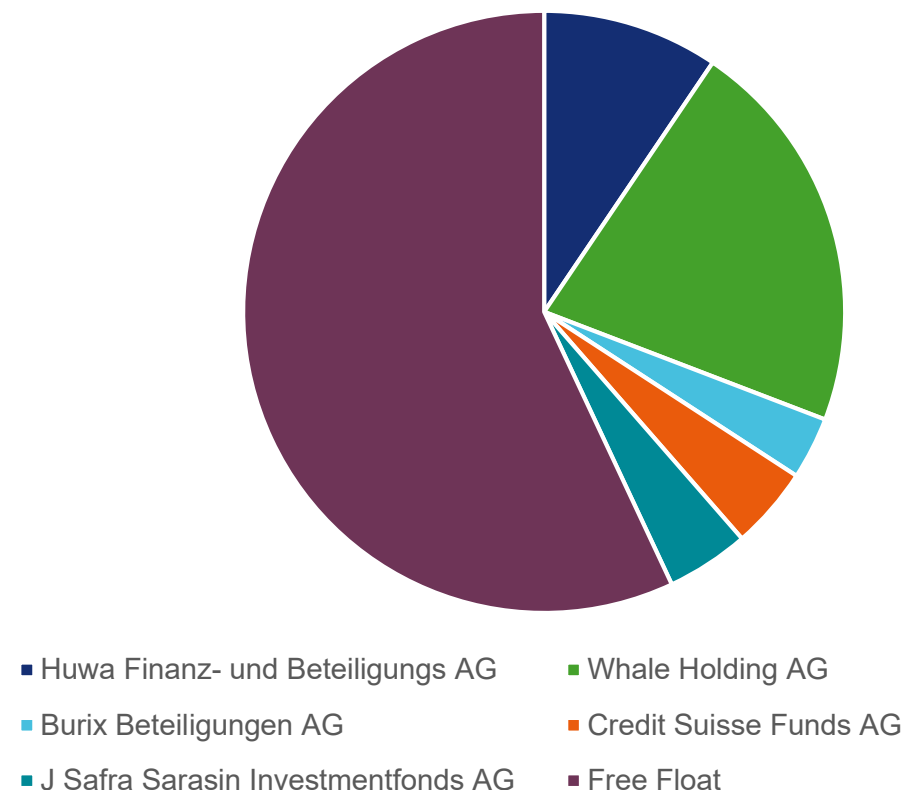
CHF million	Dec 2021	Dec 2020	
Net Debt <i>Change</i>	38.3 +18.4	19.9	▪ Net debt increase CHF 18.4m compared to prior year
Equity Ratio <i>Change</i>	51.3% 5.6%-pts	45.7%	▪ Equity ratio remains solid
Gross Debt / EBITDA <i>Change</i>	1.6x +0.7x	0.9x	▪ Increase due to lower EBITDA
RONA¹⁾ <i>Change</i>	3.1% -12.9%-pts	16.0%	▪ Adjusted for restructuring 7.7% in 2021

1) Return on net assets: Operating profit less adjusted taxes / net operating assets (including goodwill)

One share, one vote

- Introduction of listed **single registered share**
- **1:10 share split** of current bearer shares, 1:2 split of current registered shares
- Voting rights of current registered shareholders would change from 36.4% to 10.3%
- Share capital remains at CHF 23 400 000, newly consisting of **4 680 000 registered shares with a nominal value of CHF 5.00 each**; listed on SIX
- Changes would become effective in **May 2022**

Major share holders after single share
(based on Dec 2021 holdings)



Outlook

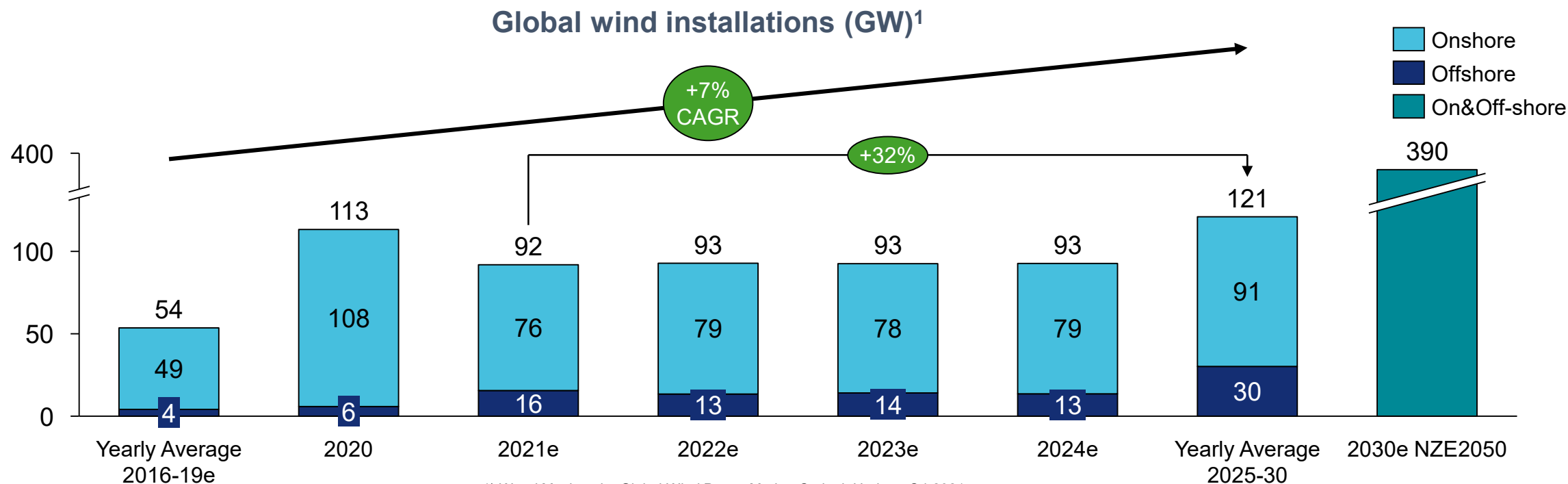
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CEO



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Wind Energy Market Outlook

Transition period after high 2020, strong growth post-2024 expected



- Flat Annual Demand in 2022-24e, followed by **solid long-term demand growth driven by the energy market decarbonisation**
- Abnormal 2020 confirmed, within a period 2016-2030 developing a **7% CAGR growth** (52,7 to 135,6 GW)

- **Offshore doubling** during the next decade
- Expected **2024 pivotal year** to re-engage with growth globally
- **NetZero in 2050** would require 4.2x the current level of annual wind installation **reaching 390 GW average by 2030**

Positive Lightweighting Markets Outlook

Pursuing diversification



2020-2028,
the Marine Composite market
will

ACCELERATE
at a CAGR *) of
6.6%



Marine and Industry market environment // Gurit CAGR 2020-25 11%

- **Marine** market continues to recover across all regions, exceeding expectations
- Renewed focus on wider Marine markets beyond super yachts
- **Strong demand for PET** across all markets, in particular related to sustainability
- **Industrial segments** offer new growth potentials through replacement of existing technologies with advanced composites
- **Organization has been strengthened to focus on diversified PET growth markets**
- Business Unit growing **faster than market segment**

Aerospace market environment

- Aerospace has **stabilized at a low level**, gradual longer-term **recovery phase** has started, Gurit following the **market growth rate**



*) source: Reportsanddata (2021)

°) source: Marketdataforecast (2021)

2022: Operational Execution and Strategy Fulfillment



Conclusion

- **Strategically on track**
- **Challenging Wind market environment**
- **Marine & Industrial with strong growth trajectory**
- **Firming up our ESG commitments**
- **2022 is all about EXECUTION**

Outlook 2022

An uncertain wind market outlook, recent geopolitical developments and potentially continued disruptions of global supply chains influence our FY 2022 guidance. Gurit expects a revenue of around CHF 440-480 million, and an operating profit margin between 5.5% and 8.0%.

End of presentation

Thank you for joining us today!

Please stay on the line if you wish to attend the Q&A session

Contact: investor@gurit.com
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Next dates

- **20 April: Virtual AGM & Q1 net sales**
- **17 August: 1HY 2022 results**
- **21 October: Q3 net sales**

Questions & Answers



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Thank you for your attention

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