

FRANZ HANIEL
CREDITOR UPDATE
CALL

31.03.2023



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CREATING VALUE FOR GENERATIONS

Performance THROUGH Sustainability

- **Outperforming** and handing over a stronger company to our (grand-)children
- Building **sustainable** businesses for a future worth living



CREATING VALUE FOR GENERATIONS

Europe's leading purpose driven investor

9%+ p.a. Total Shareholder Return (TSR)



4+ in Future Worth Living Score (FWL)

Our Strategy

PORTFOLIO

We build sustainable businesses for a **future worth living**

PEOPLE | PLANET | PROGRESS

LEADERSHIP

We **outperform** by focusing on **holistic value creation** within **stand-alone businesses** but a **common leadership approach**

CULTURE

We are the proud home to **bold entrepreneurs** – diverse, entrepreneurial, performance oriented

Our Enabler

Haniel Operating Way (HOW)

We inspire and develop our **leaders and employees** to **run, grow, and transform** their organizations **through a joint operating system** towards **enkelfähig**



SUCCESSFUL HOW IMPLEMENTATION

ENKELFÄHIG SCORE



LIFECYCLE ASSESSMENT



“MUST HAVE” CRITERIA

- No child labor
- No corruption or bribery
- No violation of labor laws and minimum wages
- No discrimination
- No harm to humans or the environment



ENKELFÄHIG CRITERIA

- Profitability
- Circularity
- Effects on climate change
- Biodiversity
- Innovation & technological development

70% OF OUR SALES ENKELFÄHIG BY 2025

VALUE CREATION IS AT THE CORE OF HOW WE DEVELOP OUR PORTFOLIO COMPANIES



Definition of PC strategic priorities

Strategic priorities can be either

- **Value drivers** (quantifiable, linked to strategic ambitions) **or**
- **Foundations/ enablers**



Creation / update of value creation plans

Core questions: How do we create value? Who is responsible? What are the financial implications?

Development of **value creation plan** (incl. value drivers and foundations/enablers if applicable) **embedded in strategy process**

HOW implementation plan to support achievement of value creation plan – **jointly signed off** by PC CEO, Investment Partner, and CPSO



Implementation

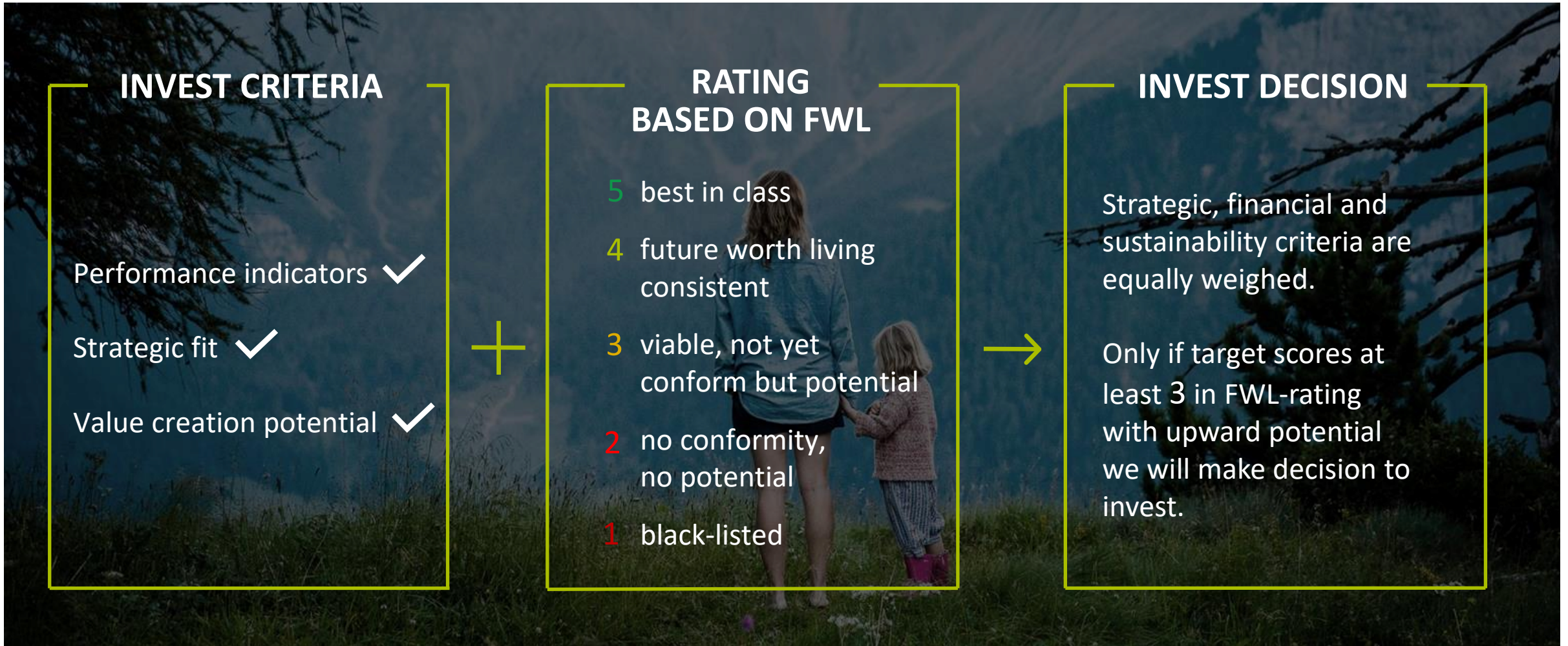
Value creation plan to be executed in PC through **SDP and PMO processes**

Central group resources support on execution of **HOW implementation plan**



Value creation embedded into overarching strategy and clearly linked to targets/incentives

DEMAND PERFORMANCE AND SUSTAINABILITY



PORTFOLIO: WHAT WE HAVE ACHIEVED



PEOPLE



- Acquisition of majority stake in Emma, KMK kinderzimmer
- Acquisition and consolidation BauWatch
- **Portfolio successfully transformed and expanded**

PLANET



- Increase of stake in CWS to 100%, CWS Firesafety set up
- CWS divisionlization implemented
- **Holistic Planet investment approach**

PROGRESS



- Bolt-On-M&A (Hassia India, Innotech, Prins)
- Growth-Investments (Wandelbots)
- **Process improvements Rovema, MBO at Optimar**

TRANSFORMATION












- Sustainable governance solution for CECONOMY
- Increase of stake in TAKKT to 64.6%
- **Sale of ELG to strategic investor**

GROWTH+

INVESTMENT FOCUS ON PLANET



People		Planet					Progress
							
Healthcare	Safety & Security	Energy Transition	New Mobility	Responsible Food	Sustainable industrials & Services	Circularity & Recycling	Cleantech
Medical Equipment	Safety Products	Hydrogen	Battery Technologies	Novel Agriculture	Water Treatment	Circular Solutions	Clean water
Medical Consumables	Safety Services	Photovoltaics	Electrification	AgTech	Filtration Solutions	Circular Products	Additive manufacturing
Pharma/OTC	Cyber Security	Wind Power	Shared Mobility	Nutrition	Building Services	Recycling & Waste Management	Automation
Specialty clinics	TIC Services	Energy Distribution & Storage	Infrastructure Services	Food Ingredients	Environmental Services	Materials	Robotics
 Priority							

GROWTH+ AT A GLANCE



FOCUS GOING FORWARD ON PLANET INVESTMENTS

**EUR 600m
target**

- Industry insights
- Diversification
- Entrepreneurship
- Return on investment

Fonds

EUR 450m (target)

- EUR 300m confirmed
- Global



Directs

EUR 150m (target)

- EUR 37m invested
- DACH

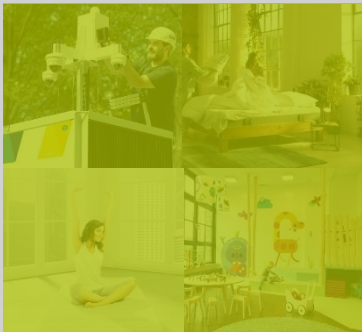


OUR CURRENT PORTFOLIO



PPP CORE

PEOPLE



BAUWATCH
BEKAERTDESLEE
EMMA
KMK KINDERZIMMER

Sales **1,400m**

141m EBITDA

MV **620m**

PLANET



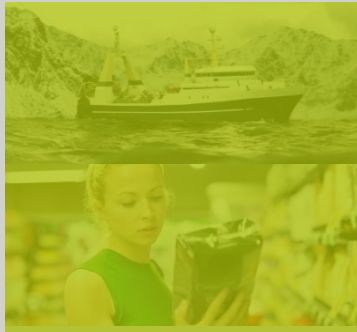
CWS

Sales **1,369m**

411m EBITDA

MV **2,769m**

PROGRESS



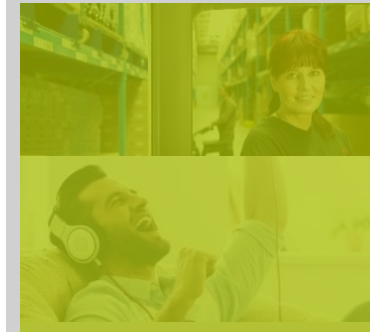
ROVEMA

Sales **132m**

-3m EBITDA

MV **26m**

TRANSFORMATION



TAKKT

Sales **1,337m**

132m EBITDA

MV **577m**

PPP GROWTH+

DIRECT INVESTMENTS



FONDS

(selection displayed)



MV **307m**

OTHERS

Ceconomy
METRO
Optimar
Bridge Portfolio
Intercompany loans
Own shares

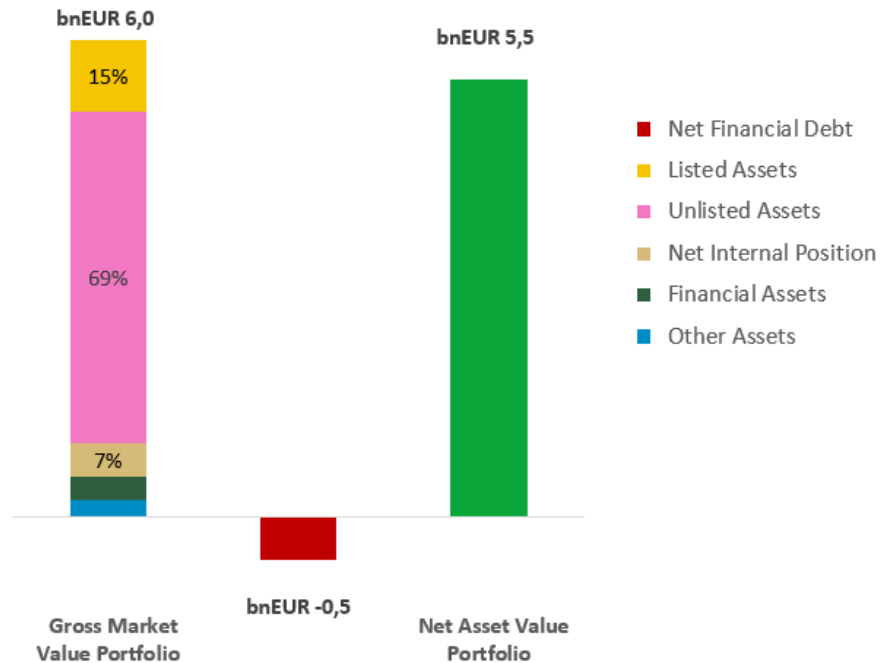
MV **665m**

GROSS ASSET VALUE



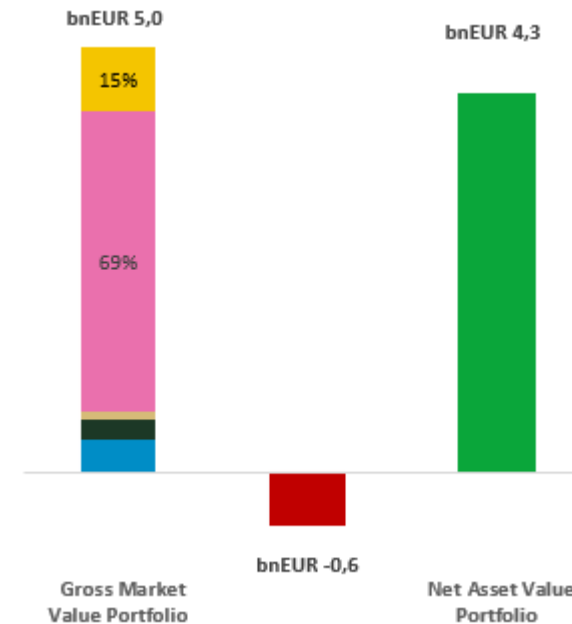
Net Asset Value 2021

as of December 31st, 2021; spot prices

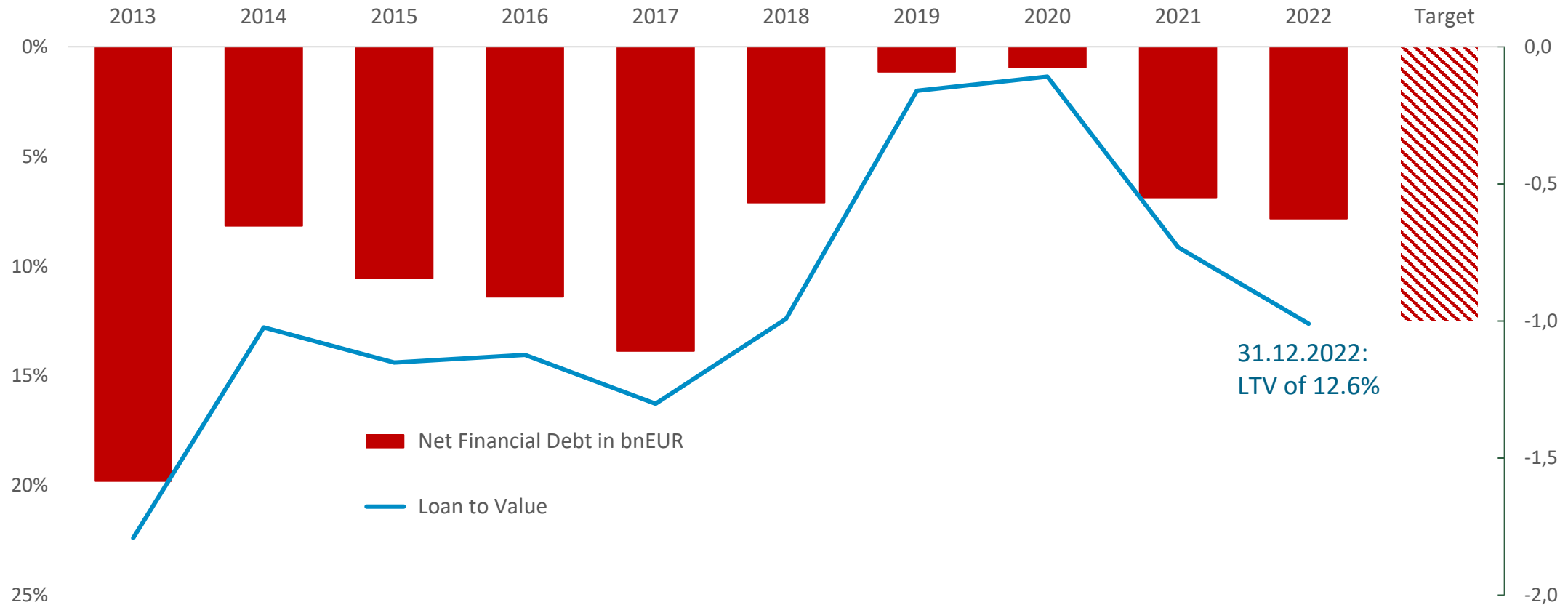


Net Asset Value 2022

as of December 31st, 2022; spot prices



MARKET VALUE GEARING STABLE WITHIN INVESTMENT GRADE AREA



TOTAL CASH COVER

in EURm



	2020	2021	2022	2023(e)
Dividends received	132	159	135*	194
Interest received	11	17	28	13
Interest paid	-14	-12	-25	-25
Holding costs	-58	-43	-40	-46
Funds from operations	65	121	98	137
Dividends paid to shareholders (Haniel family)	-60	-60	-78	-60
Share buyback/Others	-2	-5	-50*	-5
Total cash cover Investment Result	1.3x	1.5x	0.8x/1.0x*	1.7x

*One-offs (depreciation and buy-back offer programme)

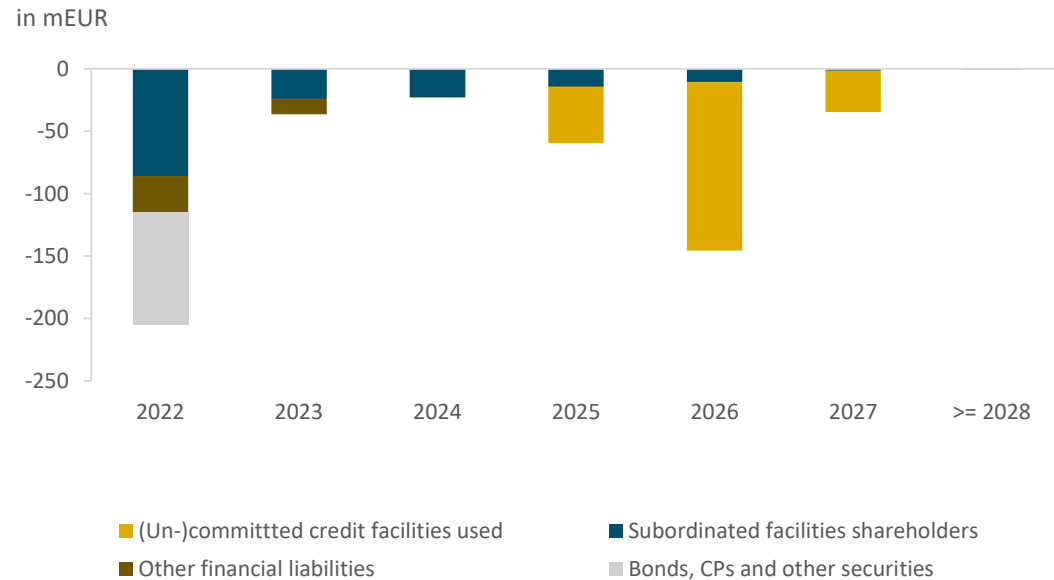
MATURITY PROFILE



Well-developed Maturity Profile with unused bilateral credit facilities
more CP used in 2022 to reduce financing costs

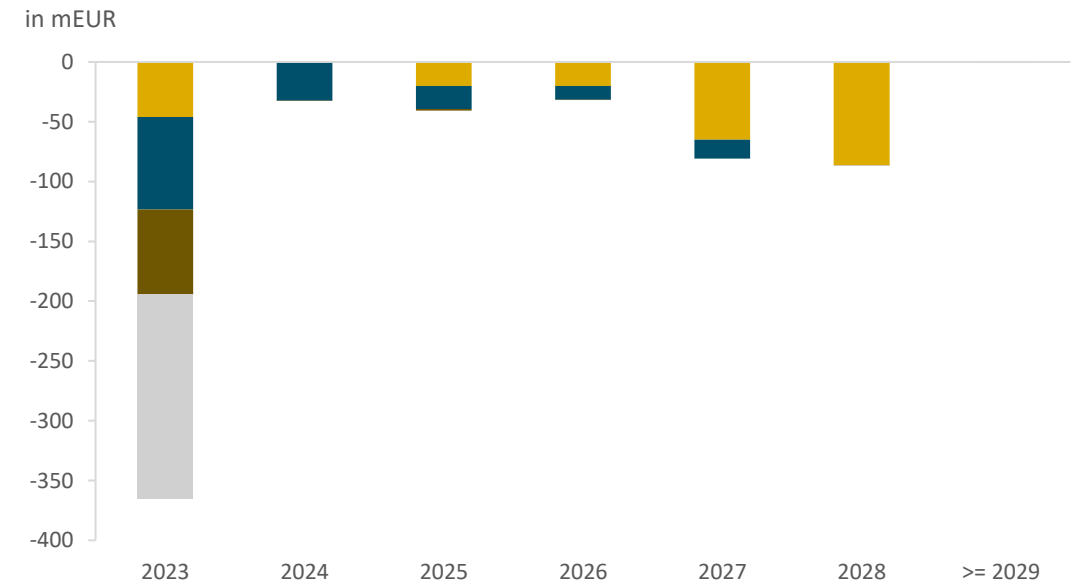
Gross Debt 2021

as of December 31st, 2021



Gross Debt 2022

as of December 31st, 2022



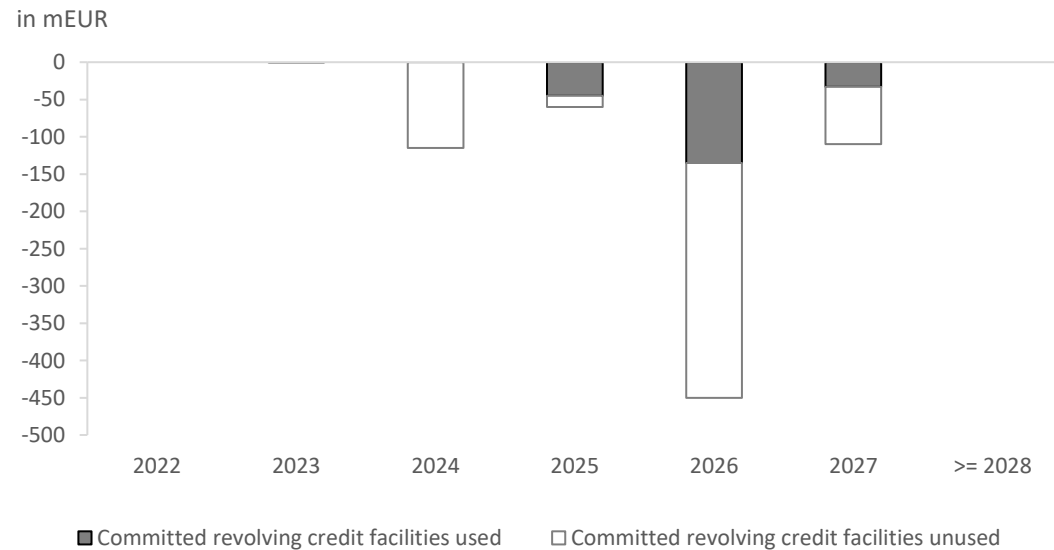
LONG TERM BILATERAL CREDIT FACILITIES



Facilities do not contain any MAC, market disruption/force majeure clauses, financial covenants or rating-related events-of-default

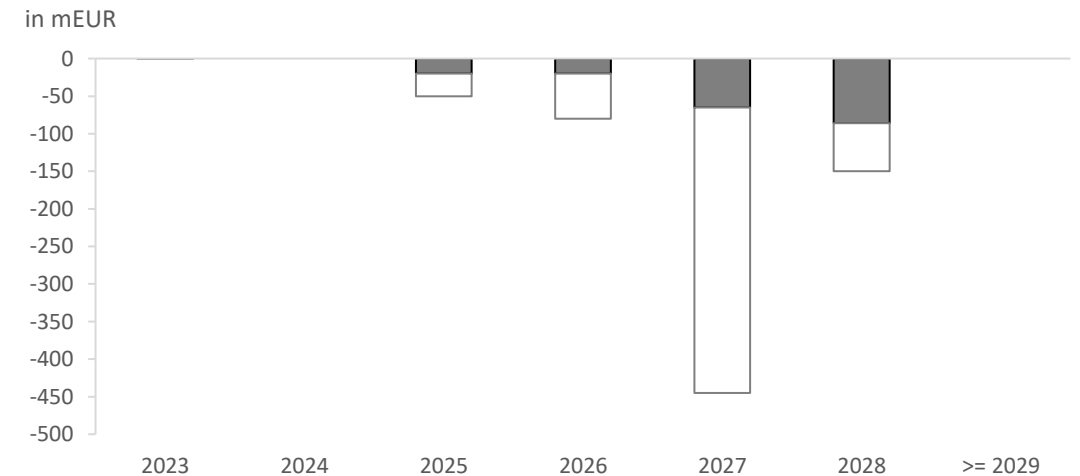
Bank Facilities 2021

as of December 31st, 2021



Bank Facilities 2022

as of December 31st, 2022



HANIEL GROUP - P&L 2022



Operations were running well

One-off events left their mark – mainly technical and non-cash

		vs. py	<u>Additional effect of exceptional, one-off events</u>
Turnover	4,223 Mio.	(+18%)	
EBITDA	640 Mio.	(+10%)	
EBITA	310 Mio.	(+12%)	
EBIT	194 Mio.	(-11%)	additional effect from purchase price allocations KMK and Ratioform
PBT	101 Mio.	(-63%)	technical watering down effect for Ceconomy participation due to capital increase for Convergenta higher interest levels prudent valuation discounts of new PPP Growth+ funds effect from mark-to-market valuation of financial investments
PAT	-108 Mio.	(-162%)	Optimar de-consolidation effect

TARGET: STABLE INVESTMENT-GRADE RATING



IN ORDER TO ENSURE A STABLE ACCESS TO THE CAPITAL MARKETS, HANIEL OFFERS ITS INVESTORS EXTERNAL ASSESSMENTS OF THE CREDITWORTHINESS

→ **Baa3**

→ **Moody's Investors Service**

→ In April 2018 Moody's raised Haniel's long-term issuer rating from Ba1 with a positive outlook to Baa3 with a stable outlook.

MOODY'S

→ **BBB-**

→ **Scope Ratings AG**

→ In February 2016 Scope initially rated Haniel with a BBB- long-term issuer rating and a stable outlook.

SCOPE

OUTLOOK 2023



Haniel expects organic sales growth in all portfolio with organic sales above previous year and slightly increased operating result

- Beside economic imponderables, Haniel is **optimistic** about the year 2023
- **Performance through sustainability** with **HOW measures** to increase efficiency and sustainability in all business areas
- Due to **one-offs in 2022**, the operating free cash flow in 2023 will be below the level of 2022, but significantly above the level of 2021
- **M&A** to be continued on Haniel holding level and within the portfolio companies to expand the portfolio in 2023 while also investing further in **PPP Growth+**

CONTACT



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