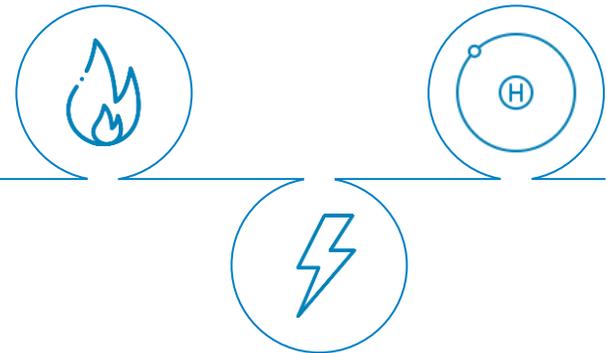




Driving the clean energy transition.

H1 Earnings Call

August 12, 2022



# Key messages

## Key messages



Russia-Ukraine war continues to act as **strong catalyst across all VORWERK end-markets**



Backed by strong industry tailwind, VORWERK again registers **record-level order intakes**



Especially LNG-related investments lead to **substantial short-term opportunities for VORWERK**



With 8% y-o-y revenue growth in H1, VORWERK remains **on track to achieve growth target for 2022**



Profitability lower compared to previous year due to several adverse margin effects – **EBIT margin target for FY 2022 widened to 13-15 % vs. 15 % previously**

## Key figures

**+142 %**

Order intake  
H1 22 vs. H1 21

**422 €m**

Order backlog  
as of 30.06.2022

**+8 %**

Revenue  
H1 22 vs. H1 21

**10.2 %**

EBIT margin  
in H1 22

# Market update

---



Germany is under pressure to accelerate energy transition due to Ukraine war



Climate Change Act 2021



Compulsory carbon reduction goals by sector



Reductions of carbon emission by 65% by 2030



Carbon neutrality by 2045

July 6, 2022

**Germany must speed up energy transition due to Ukraine war -Scholz**



The Russia-Ukraine war acts as strong catalyst across VORWERKs key markets

**VORWERK**  
opportunity



“

**Germany goes full steam ahead on LNG import infrastructure**



**German parliament passes law on faster grid expansion to ensure renewables growth**



**Invasion of Ukraine an inadvertent boost for green hydrogen**



**Biogas made from farm waste could replace Russian fossil fuels in Germany**

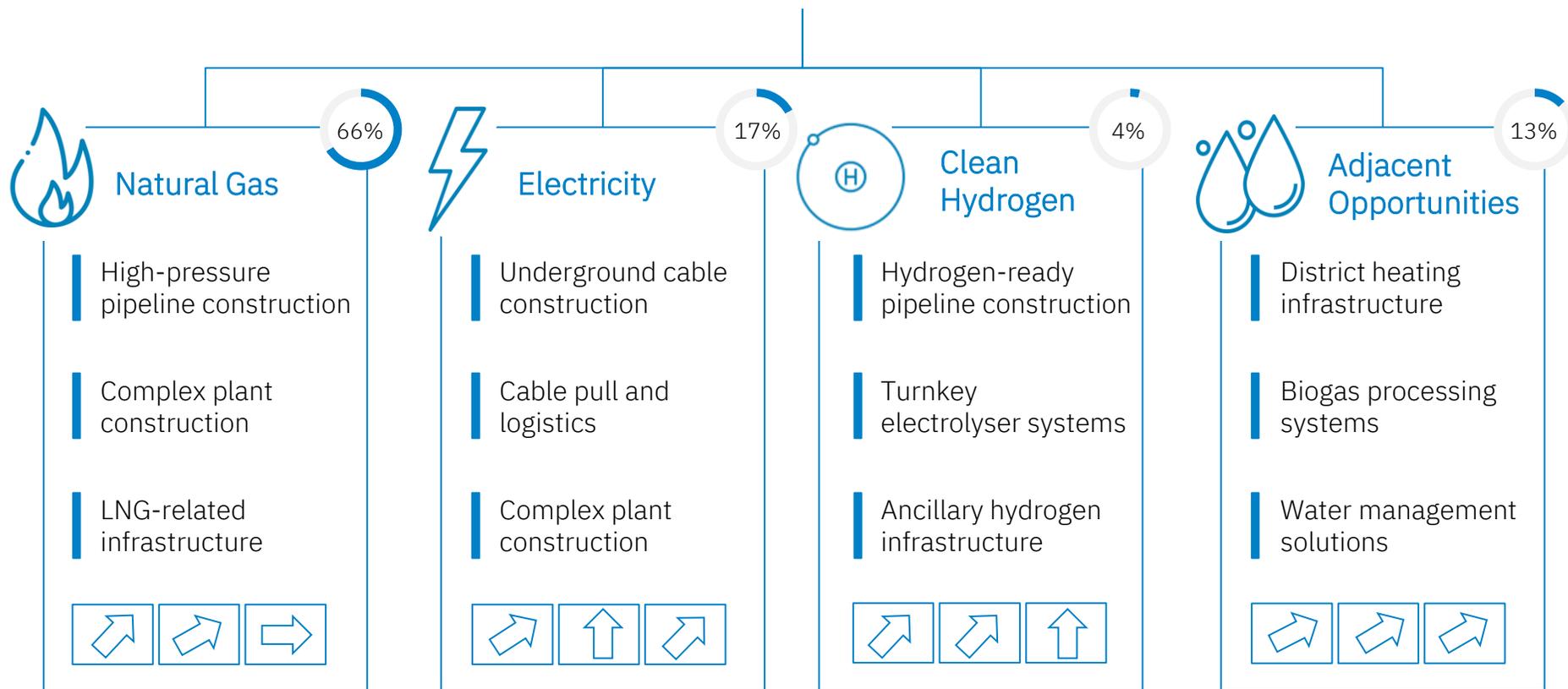


”

VORWERK is ideally positioned to drive the energy transition



Revenue FY 2021: 279 €m



FY21 revenue share Outlook 

2022-25	2025-30	2030+
---------	---------	-------

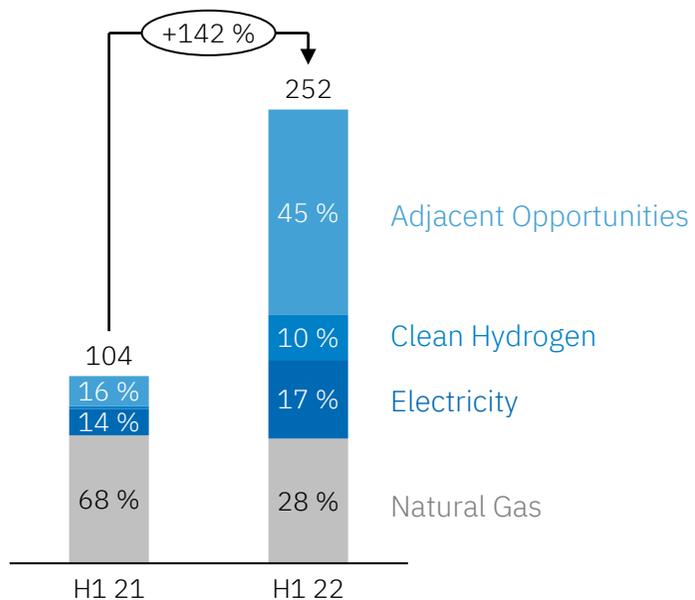
Financial performance

---

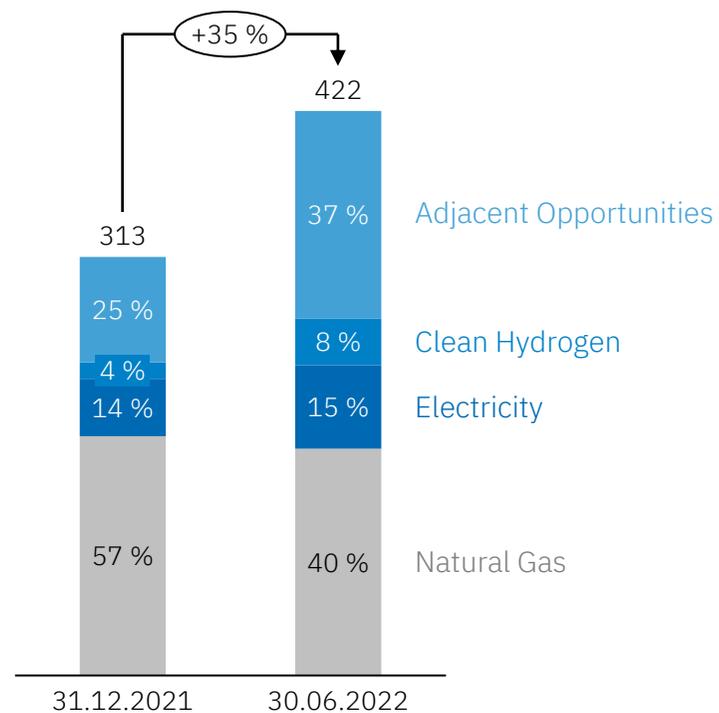


Our record-level order backlog provides excellent visibility and a strong basis for further growth

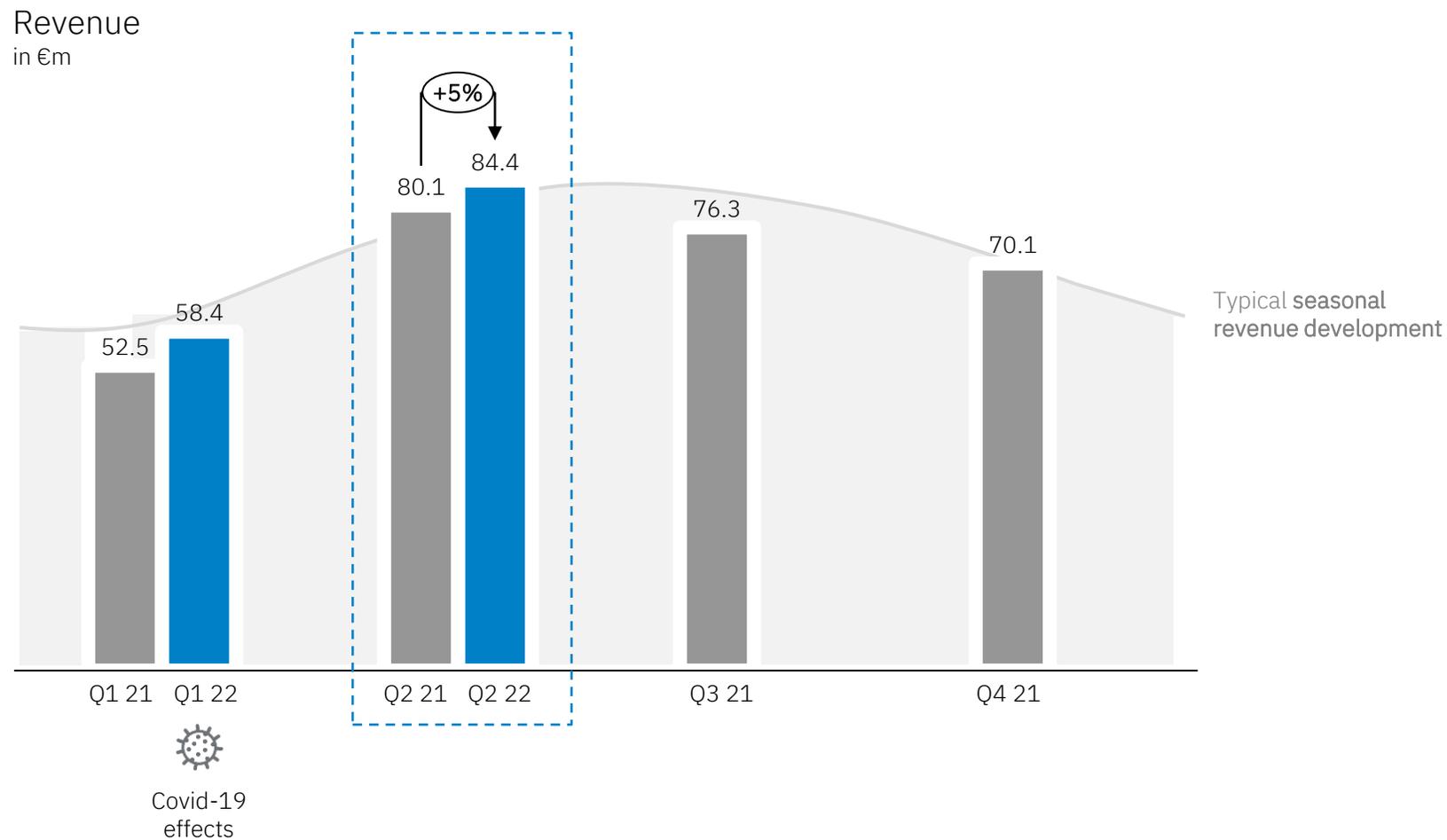
Order intake  
in €m



Order backlog  
in €m

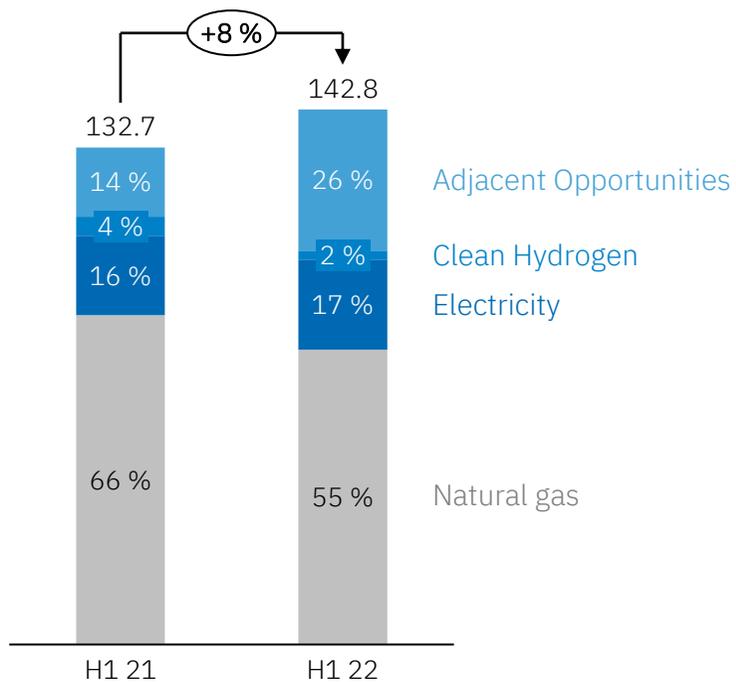


On the back of our strong order backlog, Q2 revenue increased by 5 % year-on-year



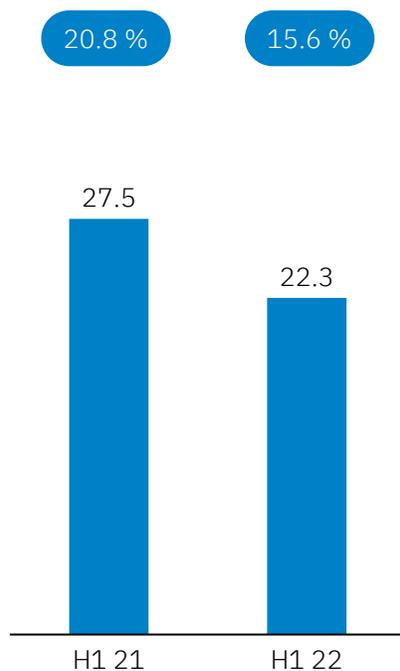
# Revenue growth was strongly driven by our Adjacent Opportunities segment

Revenue by segment  
in €m

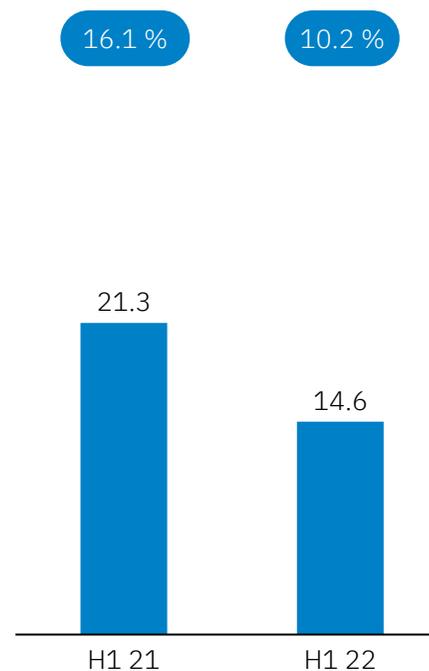


## Profitability remains strong, but below previous year's level

EBITDA (adj.<sup>1</sup>)  
in €m



EBIT (adj.<sup>1</sup>)  
in €m



1) Adjustments primarily refer to IPO-related costs

# Several effects currently weigh down profitability

## Effects primarily in Q1



### Costs associated with project ramp-up

Ramp-up of large projects typically associated with higher costs due to required preparatory works and slower progress

Several simultaneous project kick-offs in Q1/22 and Q2/22 – especially the large district heat projects in Bremen (start in Q1) and Hamburg (start in Q2)

Revenue realization and profitability of larger multi-year projects expected to improve significantly over further course of project



### Integration of Puhlmann Group

Integration of recently acquired Puhlmann Group still ongoing

Profitability currently impacted by obligation to partially fulfil less profitable long-term framework agreements

Profitability expected to improve continuously as framework agreements are being phased-out or re-negotiated and share of more lucrative individual projects increases

## Effects primarily in Q2



### Increase in material, energy and personnel expenses

Progress and profitability of ongoing projects partially impacted by material shortages and price increases (e.g. Diesel, other site materials)

Overall high pressure on wage levels leads to increased personnel expenses

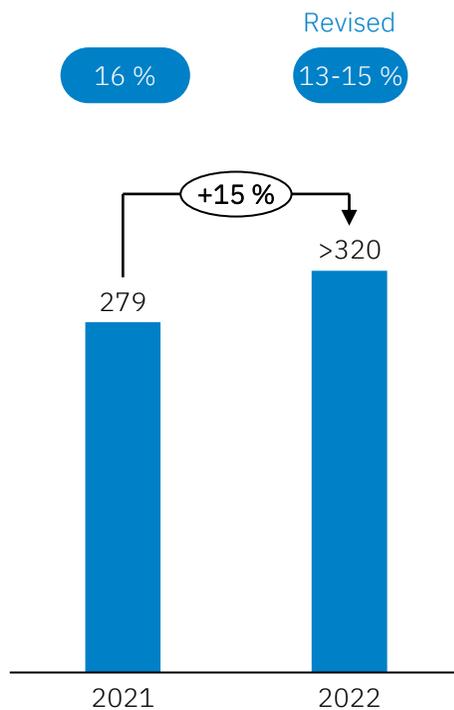
Impact expected to continue to weigh down profitability over course of year as some projects taken in last year do not reflect higher cost base

Impact to lessen going forward as inflationary effects are taken into account for new order intakes

For FY 2022 we expect to generate revenues of >320 million € at a 13-15% EBIT margin

### Revenue

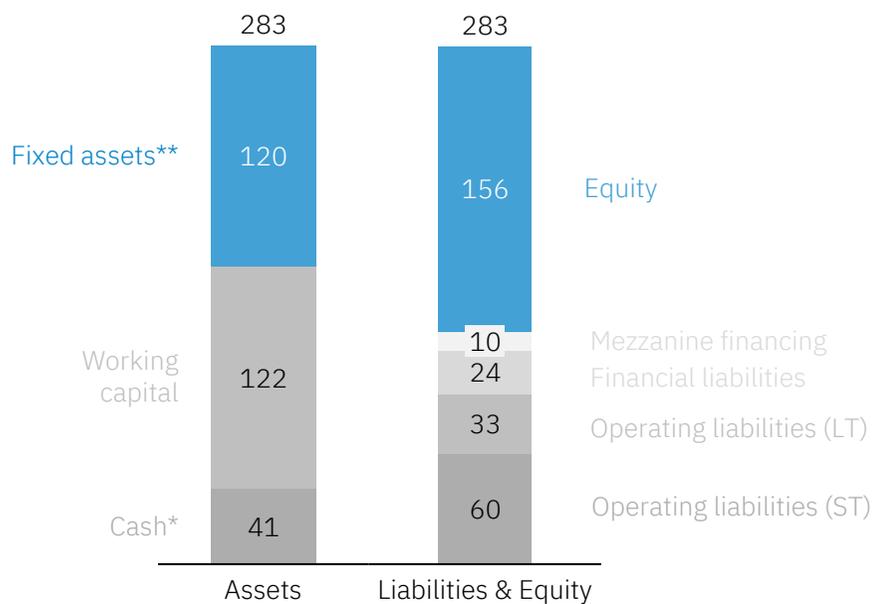
in €m, blue bubbles show adj. EBIT margin<sup>1</sup>



1) Adjustments for 2021 primarily refer to IPO-related costs

# VORWERK balance sheet

Balance sheet  
in €m, as at 30.06.2022



\* Liquidity incl. securities

\*\* Without cash positions

## Business update

---



# The Wilhelmshaven connecting pipeline is critical for Germany's energy security

## Wilhelmshaven connecting pipeline



## Project description

### Critical infrastructure

The Wilhelmshaven connecting pipeline serves to connect the new Wilhelmshaven LNG terminal to the existing natural gas grid (NETRA transmission pipeline near the gas storage facility in Etzel)

### Urgent

Completion of the construction project is planned by the end of 2022 – enabled by recently passed LNG acceleration law

### H2-ready

The pipeline will be constructed in such a way that it can be converted to hydrogen in the future (H2-ready)

### Project volume

Total project volume in the mid double-digit million range

### Ongoing

04.08.2022

#### Wilhelmshaven LNG Terminal: Construction of the pipeline started

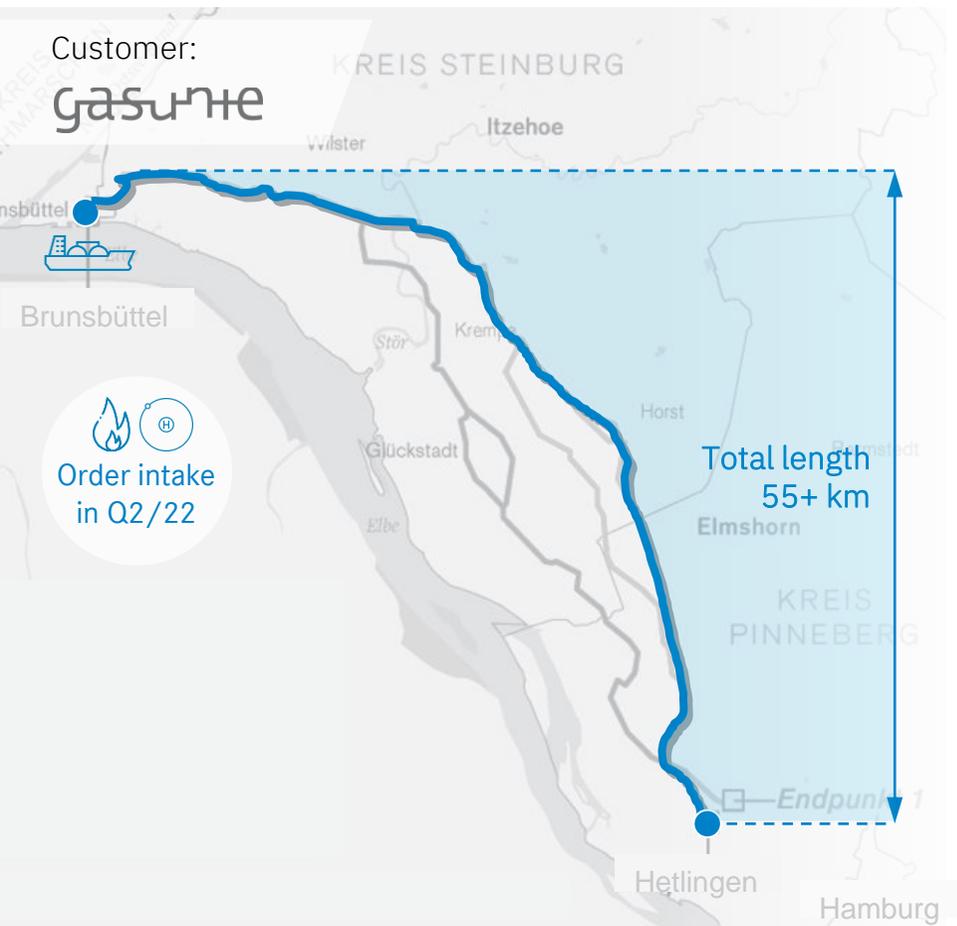
Construction of a gas pipeline has begun in Lower Saxony. The aim is to deliver liquefied natural gas from a floating LNG platform in Wilhelmshaven to the German grid before Christmas.



# The Brunsbüttel connecting pipeline marks the second large-scale LNG-related project

## Brunsbüttel connecting pipeline

## Project description



### Critical infrastructure

The Brunsbüttel connecting pipeline (ETL 180/185) serves to connect the new Brunsbüttel LNG terminal to the existing natural gas grid near the metropolitan area Hamburg

### Joint effort

Project executed as equal joint venture together with HABAU Group (PPS Pipeline Systems and HABAU)

### Urgent

Construction of ETL 185 start as early as Q3/2022 – enabled by recently passed LNG acceleration law

### H2-ready

The pipeline will be constructed in such a way that it can be converted to hydrogen in the future (H2-ready)

### Project volume

Total project volume for joint venture of more than 120 million €

# Multiple additional LNG-related infrastructure projects are already underway



Exemplary LNG projects

## Wilhelmshaven connecting pipeline Sande-Nüttermoor

Currently planned by EWE

Connecting pipeline to major gas storage points in Nüttermoor/ Huntorf

Pipeline to be constructed H2-ready

## Stade connecting pipeline ETL 179

Planned by Gasunie Deutschland

Connecting pipeline from planned LNG terminal Stade to Deinste

Pipeline to be constructed H2-ready

## Lubmin LNG terminals

Floating LNG terminal planned by private investors (Regas), additional floating unit to be provided by federal government by end of 2023

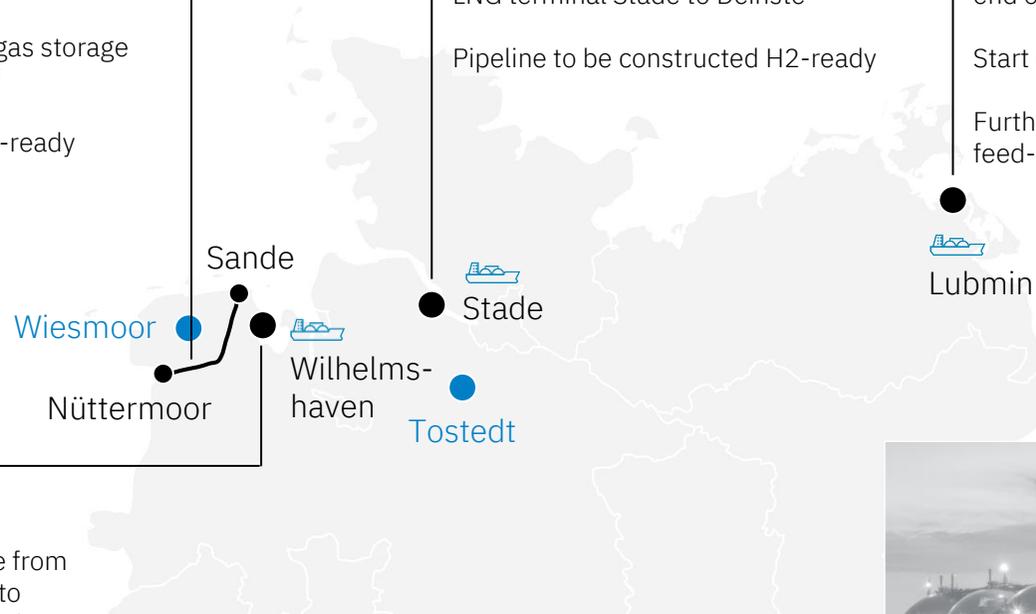
Start of operation as early as 12/22

Further infrastructure investments for feed-in and transport to be determined

## Wilhelmshaven connecting pipeline 2

Planned by OGE

Additional connecting pipeline from LNG terminal Wilhelmshaven to Etzel to extend transport capacity



● Main VORWERK locations



# VORWERK is driving sustainability for our customers and across our own operations

## Cooperation with Hoeller electrolyzer



- ✓ Project management
- ✓ Plant engineering & system integration
- ✓ Balance-of-Plant
- ✓ Service & operation



- ✓ 25+ years experience in the development and manufacturing of specialized PEM electrolysis stacks



- Cooperation agreement** between Hoeller and VORWERK
- Focus on **joint testing and optimization of PEM electrolysis stacks** in practical operation
- Aim of **executing a first joint project on VORWERK operational site** to integrate and test new stack prototype “Prometheus”
- Potential for long-term supplier relationship** between Hoeller and VORWERK in upcoming hydrogen projects

## Wiesmoor hydrogen project

**Start of operation planned in H1/2023**

- Power generation** through PV
- Conversion of excess power into hydrogen** through own electrolyzer
- On-site storage of hydrogen**
- Usage of hydrogen in **innovative bi-fuel combined heat and power plant (CHP)** to supply site with power and heat



- Significant optimization of carbon footprint** at major VORWERK operating location in Wiesmoor – potential to serve as **blueprint for other VORWERK sites**
- Testing of Hoeller PEM stacks in practical operation** to identify room for optimization and enhance product offering
- Further build up VORWERK know-how and reputation** to enhance industry leadership in emerging hydrogen hub in Northern Germany

# Questions & Answers



**Torben Kleinfeldt**  
CEO



**Tim Hameister**  
CFO

## Financial Calendar 2022

March 2	Preliminary Figures FY 2021   Earnings Call
March 16	Berenberg EU Opportunities Conference
March 29	Jefferies Pan-European Mid-Cap Conference
March 31	Annual Report 2021
May 13	Quarterly Report Q1 2022   Earnings Call
May 25	Berenberg Tarrytown Conference
June 1	Annual General Meeting
August 12	<b>Half-Year Report 2022   Earnings Call</b>
September 21	Berenberg Munich Conference
November 11	Quarterly Report Q3 2022   Earnings Call
November 28-30	Deutsches Eigenkapitalforum
December 31	End of Financial Year 2022

# Disclaimer

By accessing this document you agree to abide by the limitations set out hereafter. The information contained in this document relating to Friedrich Vorwerk Group SE ("Friedrich Vorwerk" or the "Company") may not be redistributed, reproduced, published, or passed on to any other person and must not be relied upon for any purpose as it is given without any guarantee .

This document is being presented solely for informational purposes and should not be treated as giving investment advice. It is not and is not intended to be a prospectus. It is not and should not be construed as an offer to sell or the solicitation of an offer to buy any securities and should not be used as the basis of an evaluation of the Company and investors should not subscribe for or purchase any shares or other securities in the Company on the basis of or in reliance on the information in this document.

If the information in this document expresses forecasts, estimates, opinions or expectations, or forward-looking statements are made, these statements can be related to known and unknown risks and uncertainties. Therefore, the actual results and developments can differ greatly from the expectations and assumptions expressed here. No one undertakes to publicly update or revise any such forward-looking statement in light of developments which differ from those anticipated.

As far as information is contained in this document that is based on statements by third parties, we advise you that no representation or warranty, express or implied, is made as to and no reliance should be placed on the fairness, accuracy, completeness or correctness of this information or any other information or opinions contained herein for any purpose whatsoever.

Neither the Company nor any of their respective officers, employees or affiliates nor any other person shall assume or accept any responsibility, obligation or liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or the statements contained herein. In providing this document, neither Friedrich Vorwerk nor its respective agents undertake any obligation to provide the recipient with access to any additional information or to update this document or any information or to correct any inaccuracies in any such information.

As far as measures are being used in this document which are not measurements of financial performance defined under IFRS, these should neither be viewed in isolation nor considered as an alternative of the Company's financial position, results of operations or liquidity as presented in accordance with IFRS in its Consolidated Financial Statements. Other companies that report or describe similarly titled financial measures may calculate them differently.

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided. Percentages may not precisely reflect the absolute figures and percentages may not precisely add up to 100%.

In case of any questions in relation to this document, please contact:

Friedrich Vorwerk Group SE  
Niedersachsenstraße 19-21  
D-21255 Tostedt  
web: [www.friedrich-vorwerk.de](http://www.friedrich-vorwerk.de)  
Tel: +49-4182-29470  
Fax: +49-4182-6155  
E-mail: [tostedt@friedrich-vorwerk.de](mailto:tostedt@friedrich-vorwerk.de)



---

Driving the clean energy transition