



KLINGELBERG AG

Precision gearing champion with Swiss and German heritage



Presentation for Analysts and Investors

Financial Report H1 2021/22

Zürich, November 2021

Disclaimer

This presentation may contain specific forward-looking statements, e.g., statements including terms like "believe", "assume", "expect", "forecast", "project", "may", "could", "might", "will" or similar expressions. Such forward-looking statements are subject to known and unknown risks, uncertainties and other factors which may result in a substantial divergence between the actual results, financial situation, development or performance of KLINGELNBERG Group and those explicitly or implicitly presumed in these statements. Such factors include, but are not limited to, future global economic conditions, changed market conditions, competition from other companies, effects and risks of new technologies, costs of compliance with applicable laws, regulations and standards, diverse political, legal, economic and other conditions affecting markets in which the KLINGELNBERG Group operates, and other factors beyond its control. Against the background of these uncertainties, readers should not rely on forward-looking statements. KLINGELNBERG Group assumes no responsibility to up-date forward-looking statements or to adapt them to future events or developments.

This presentation may contain certain measures that are not measures defined by Swiss GAAP FER. These non-Swiss GAAP FER financial measures have limitations as analytical tools and should not be viewed as indicators of, or alternatives to, the Group's results or any performance or liquidity measures under Swiss GAAP FER, as set forth in its consolidated financial statements. The non-Swiss GAAP FER financial measures should therefore be considered as supplementary information to, and read only in conjunction with, the consolidated financial statements of the Group. Since not all companies compute these or other non-Swiss GAAP FER financial measures in the same way, the manner in which the KLINGELNBERG Group's management has chosen to compute the non-Swiss GAAP FER financial measures presented herein may not be comparable with similarly defined terms used by other companies. As a result, you are cautioned not to place undue reliance on any non-Swiss GAAP FER financial measures and ratios included herein.

Agenda

1	Introduction
2	Financial results
3	Flood
4	Outlook
5	Q&A

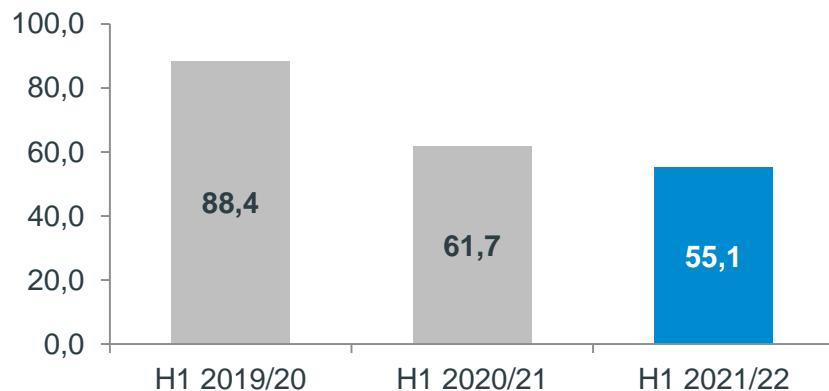
1 Introduction

1	Order intake remains at a good level
2	Order backlog at record high
3	KLINGELNEBRG was well on track to even exceed the planning before the force majeure event occurred on 14 th July
4	Interruption of operations for nearly 8 weeks
5	KLINGELNEBRG Group expects a total cost of around EUR 55 million to EUR 65 million
6	Liquidity secured
7	Government support is promised, but the amount and timing of payments are still unknown

2 Net sales down due to floods – strong recovery in order intake

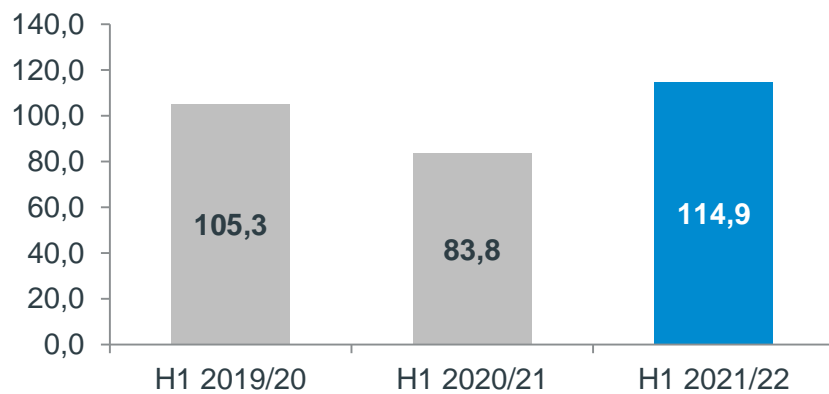
KLINGELNBERG Group – Net sales, order intake and order backlog (in M€)

Net sales

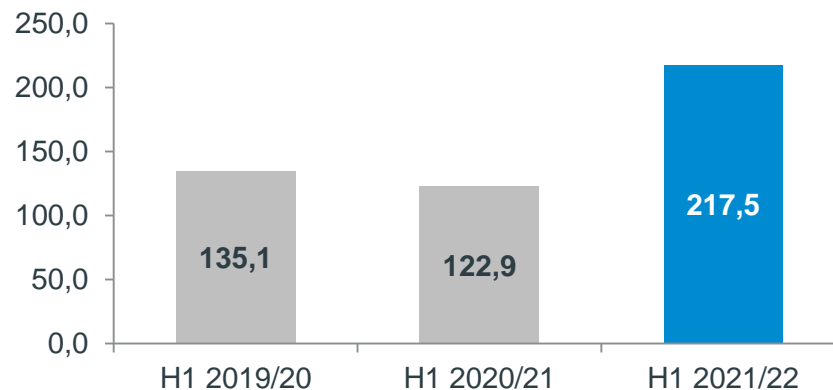


- Net sales declined by EUR 6,6 million compared with the prior-year period, a reduction of 10,6%.
- Order intake significantly increased by EUR 31,1 million from the same period last financial year, a rise of 37,1%.
- The KLINGELNBERG Group's order backlog amounted to EUR 217,5 million, the highest level in the company's history.

Order intake



Order backlog



Note: Unless otherwise indicated, all figures are rounded up or down to the nearest hundred thousand Euros.

2 Due to floods, sales and result below previous year's level

KLINGELNBERG Group – Income statement (in M€)

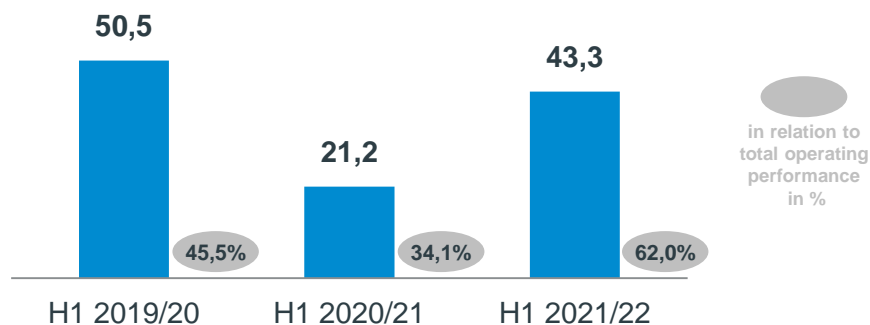
	H1 2020/21		H1 2021/22		Deviations	
Net sales from goods and services	61,7	100%	55,1	100%	-6,6	-11%
Other operating income	1,2	2%	9,5	17%	8,3	
Change in inventory of finished and unfinished goods	0,4	1%	14,7	27%	14,3	
Material expense	-21,2	-34%	-43,3	-79%	-22,2	-105%
Personnel expense	-37,6	-61%	-47,1	-85%	-9,5	-25%
Depreciation on tangible fixed assets	-2,3	-4%	-2,2	-4%	0,2	7%
Amortization on intangible assets	-0,2	0%	-0,2	0%	0,0	2%
Other operating expense	-13,0	-21%	-26,7	-49%	-13,7	-105%
Share of result from joint ventures	0,4	1%	0,2	0%	-0,2	-51%
Operating result	-10,6	-17%	-40,0	-72%	-29,3	
Financial result	1,2	2%	-1,3	-2%	-2,5	
Loss before income taxes	-9,5	-15%	-41,3	-75%	-31,8	
Income taxes	-1,5	-2%	-1,6	-3%	-0,1	-8%
Net loss	-10,9	-18%	-42,9	-78%	-31,9	

Note: Unless otherwise indicated, all figures are rounded up or down to the nearest hundred thousand Euros.

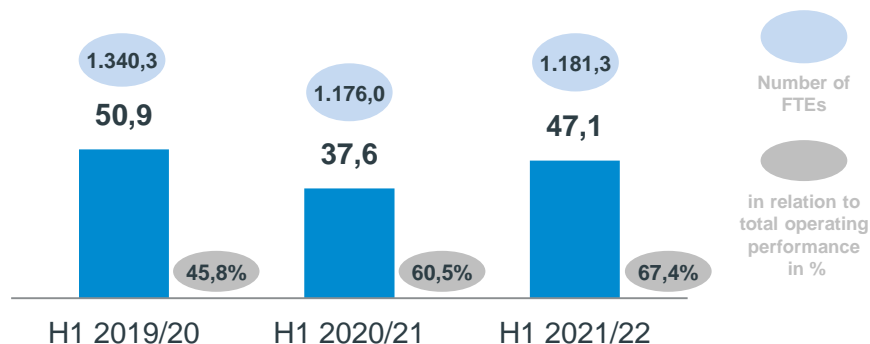
2 Increase in performance-related costs

KLINGELNBERG Group – Income and cost development (in M€)

Material expense



Personnel expense



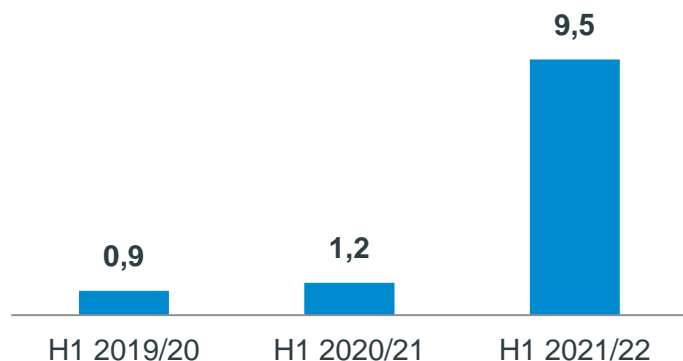
- Material expense rose disproportionately to total operating performance due
 - to the significant increase in change in inventory.
 - to property damage incurred as a result of the floods (EUR 10,4 million).
- Personnel expense increased by EUR 9,5 million as a result of
 - discontinuation of short-time work (previous financial half-year EUR 5,4 million).
 - increased costs for external personnel of EUR 1,8 million.
 - rose number of FTEs from 1.176 to 1.181.

Note: Unless otherwise indicated, all figures are rounded up or down to the nearest hundred thousand Euros.

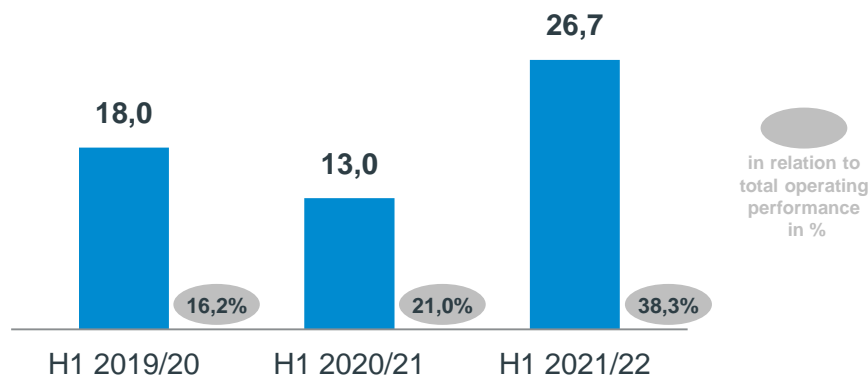
2 Other operating expense ratio increased

KLINGELNBERG Group – Income and cost development (in M€)

Other operating income



Other operating expense



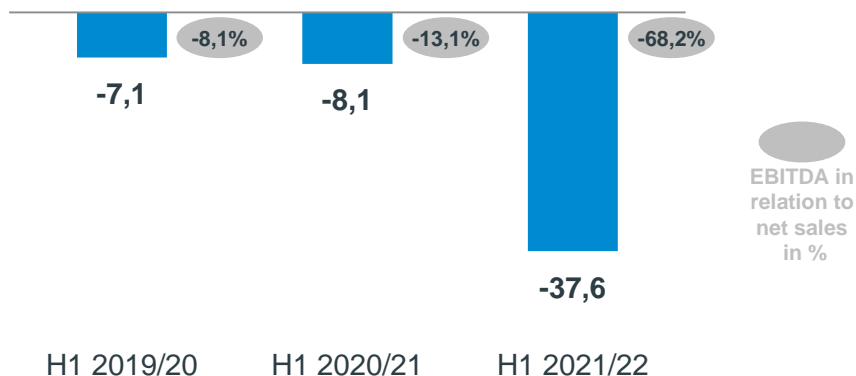
- OOI was EUR 8,3 million higher than in the comparable period of the previous financial year. This was due to advance payments for damages of EUR 8,6 million made by the insurer in connection with damages caused by the flood.
- The increase in OOE was mainly due to repairs, clean-up work and losses from the disposal of property, plant and equipment, all of which were flood-related.

Note: Unless otherwise indicated, all figures are rounded up or down to the nearest hundred thousand Euros.

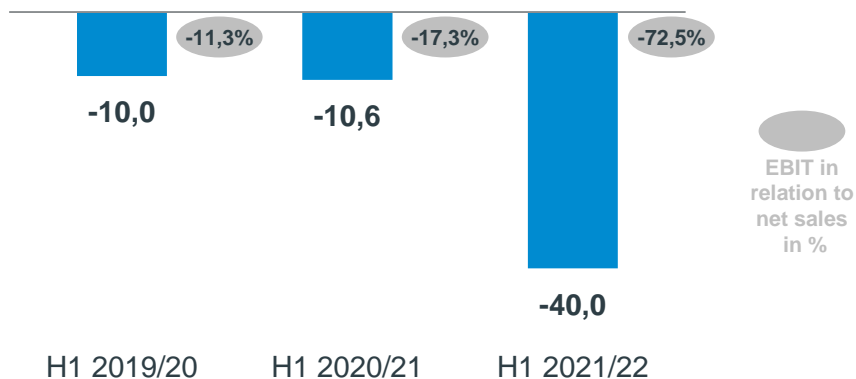
2 EBIT significantly below previous year's figure

KLINGELNBERG Group – EBITDA & EBIT development (in M€)

EBITDA



EBIT



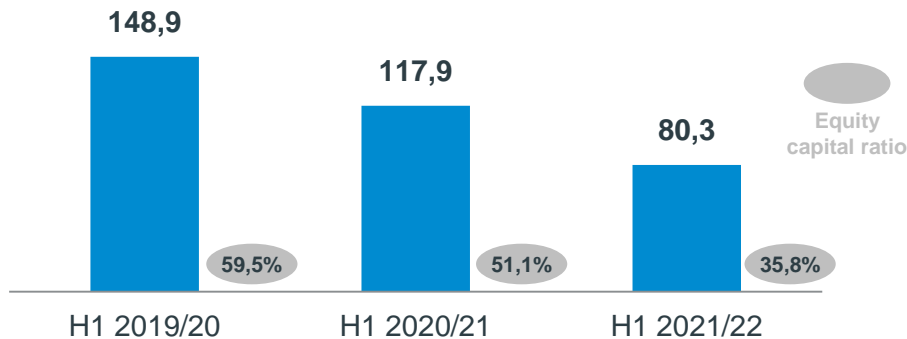
- KLINGELNBERG Group had expected a clearly positive result for the 2021/22 financial year.
- Before the flood disaster, the company was well on its track.
- Following the floods, the company suffered property damage totaling EUR 25,3 million as well as a loss of sales into the millions.
- Accordingly, the operating result fell significantly by EUR 29,4 million to EUR -40,0 million compared to the same period of the previous financial year.

Note: Unless otherwise indicated, all figures are rounded up or down to the nearest hundred thousand Euros.

2 Equity ratio significantly decreased

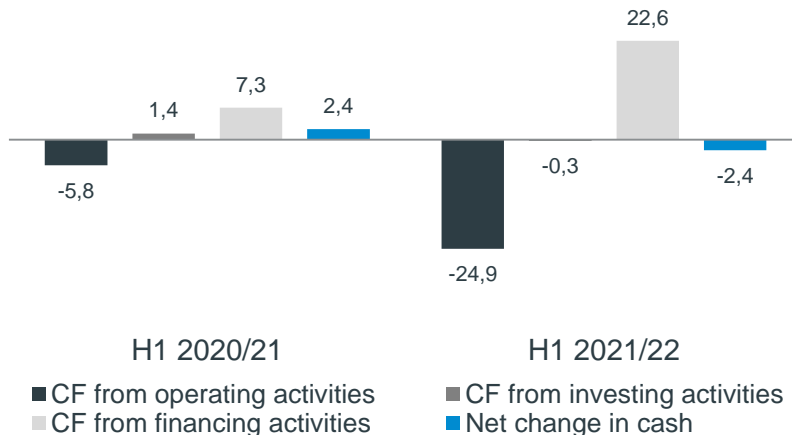
KLINGELNBERG Group – Balance sheet ratios (in M€)

Equity capital

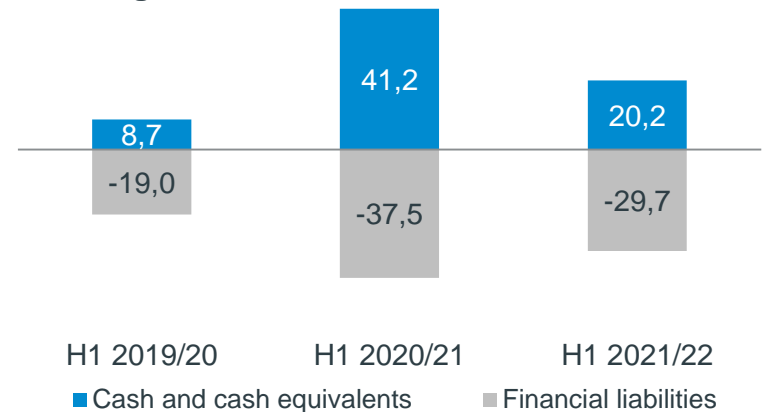


- Equity fell by EUR 37,6 million compared to H1 2020/21. As a result, the equity ratio decreased by 15,3 percentage points compared with the prior-year period, to 35,8%.
- Net change in cash was EUR -2,4 million in the first half of the 2021/22 financial year, a decrease of EUR 4,8 million compared to H1 2020/21.

Cash flow statement



Financing structure



Note: Unless otherwise indicated, all figures are rounded up or down to the nearest hundred thousand Euros.

3 Flood

14.07.2021



3 Flood

...3 months in between...



4 Outlook

KLINGELNBERG Group

- The annual result for 2021/22 is expected to be EUR -30 million to EUR -40 million based on an estimated damage of EUR 40 million to EUR 50 million (net of insurance payments).
- Company collective agreement in negotiations
- Strong position in the market for renewable energy (Wind)
- Successful entry in E-Mobility applications



Financial Year 2022/23: Significant return to profitability

5 Q+A

KLINGELNBERG Group



COMPACT, FLEXIBLE AND HIGHLY ACCURATE TESTING TECHNOLOGY

The Höfler Roll Testing Machine R 300 is covering the same component spectrum as the Speed Viper series in terms of axis traversing paths. Wheel components can be tested up to an outside diameter of 300 mm. In conjunction with the optional counter support, shafts up to 800 mm long in extreme cases can be analyzed to determine their running performance and noise behavior.

Appendix

Net debt is increased by EUR 13,1 million

KLINGELNBERG Group – Balance sheet (in M€)

	2020-09-30 ACTUAL Q2		2021-09-30 ACTUAL Q2		Deviations	
Cash and cash equivalents	41,2	18%	20,2	9%	-21,0	-51%
Receivables from goods and services	33,5	15%	24,6	11%	-8,8	-26%
Inventories	88,5	38%	108,7	48%	20,2	23%
Other current assets	8,0	3%	11,3	5%	3,2	40%
Non-current assets	59,4	26%	59,7	27%	0,3	0%
Total assets	230,6	100%	224,4	100%	-6,2	-3%
Short-term financial liabilities	34,8	15%	29,0	13%	-5,8	-17%
Long-term financial liabilities	2,7	1%	0,7	0%	-2,0	-75%
Payables from goods and services	6,8	3%	31,6	14%	24,8	
Other liabilities	68,4	30%	82,9	37%	14,5	21%
Total equity	117,9	51%	80,3	36%	-37,6	-32%
Total liabilities and equity	230,6	100%	224,4	100%	-6,2	-3%

Note: Unless otherwise indicated, all figures are rounded up or down to the nearest hundred thousand Euros.