

Analyst Meeting 2021

DÜRR GROUP.

Ralf W. Dieter, CEO Dürr AG
Dr. Jochen Weyrauch, Deputy CEO Dürr AG
Dietmar Heinrich, CFO Dürr AG
November 16, 2021
Frankfurt am Main
www.durr-group.com



Disclaimer

This publication has been prepared independently by Dürr AG/Dürr Group (“Dürr”). It may contain statements which address such key issues as strategy, future financial results, events, competitive positions and product developments. Such forward-looking statements are subject to a number of risks, uncertainties and other factors, including, but not limited to those described in Dürr’s disclosures, in particular in the chapter “Risks” in Dürr’s annual report. Should one or more of these risks, uncertainties and other factors materialize, or should underlying expectations not occur or assumptions prove incorrect, actual results, performances or achievements of Dürr may vary materially from those described in the relevant forward-looking statements. These statements may be identified by words such as “expect,” “want,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “estimate,” “will,” “project” or words of similar meaning. Dürr neither intends, nor assumes any obligation, to update or revise its forward-looking statements regularly in light of developments which differ from those anticipated. Stated competitive positions are based on management estimates supported by information provided by specialized external agencies.

Our financial reports, presentations, press releases and ad-hoc releases may include alternative financial metrics. These metrics are not defined in the IFRS (International Financial Reporting Standards). Dürr’s net assets, financial position and results of operations should not be assessed solely on the basis of these alternative financial metrics. Under no circumstances do they replace the performance indicators presented in the consolidated financial statements and calculated in accordance with the IFRS. The calculation of alternative financial metrics may vary from company to company despite the use of the same terminology. Further information regarding the alternative financial metrics used at Dürr can be found in our financial glossary on the Dürr web page (<https://www.durr-group.com/en/investor-relations/service-awards/glossary/>).



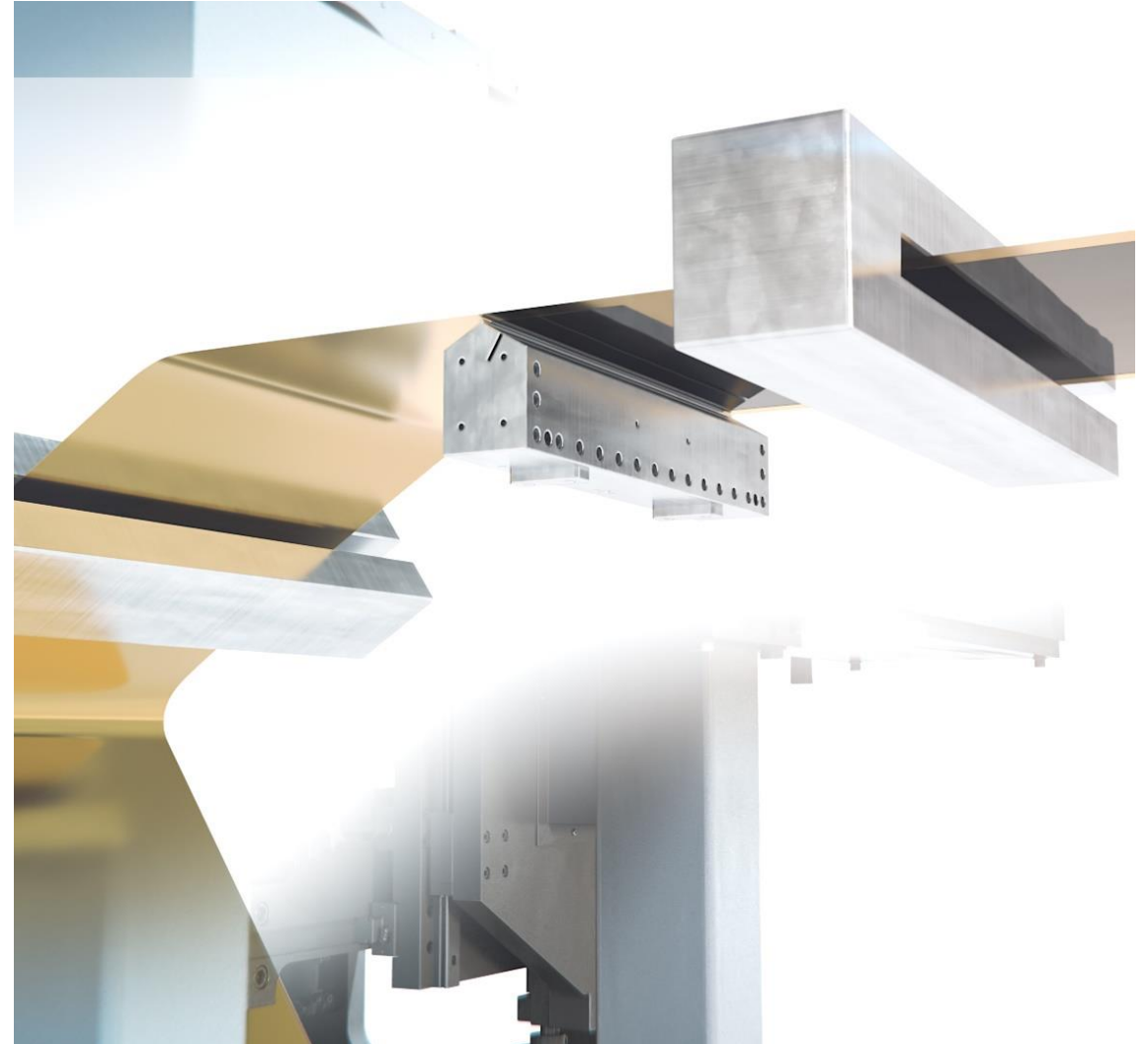
How to ask questions?

- Questions can be asked directly in Zoom
- **Online:** If you want to ask a question, please raise your virtual hand and wait until your name is called. Then you can unmute yourself and ask your question.
- **Via telephone:** If you want to ask a question, please press *9 and wait until you are unmuted. Please mention your name before asking your question.



Agenda

1. Past, present and future
2. Climate Strategy 2030
3. HOMAG: - Outgrowing the market
- Opportunity: Solid Wood
4. Dürr: - Next.assembly
- Opportunity: Battery production
5. Group opportunity: Digitalization
6. Summary
7. Q&A



1

Past, present and future
Dietmar Heinrich, CFO

A lot has changed in the last 16 years...

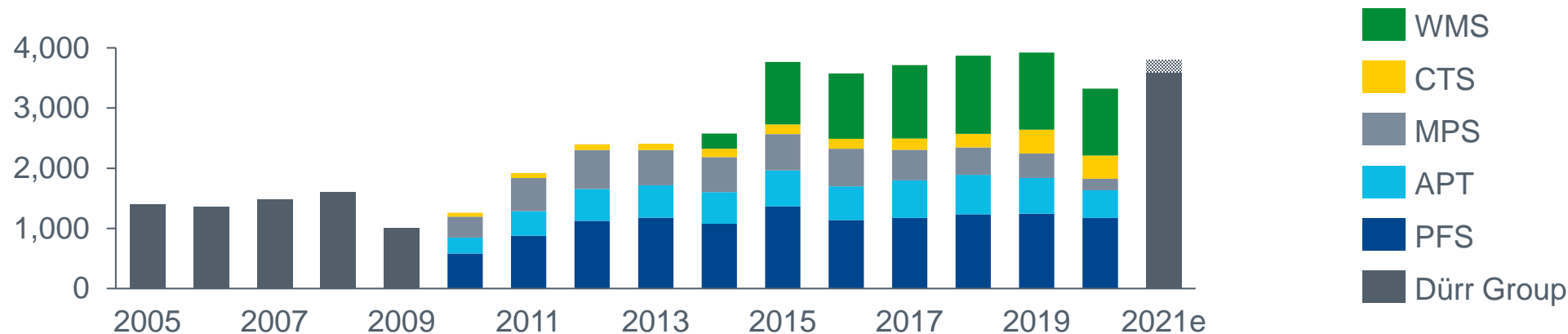


Innovation and new business fields create opportunities

DÜRR GROUP.

Broadening the customer base

Sales revenues in €m



Automotive

Furniture & Solid Wood

Battery

Apps, SaaS

Medtech,
Automation

Machinery and equipment is at the core of all business activities

M&A enables to enter new customer segments

Value accretive acquisitions leveraging Dürr competences

M&A creates potentials for sales growth and efficiency improvements:

Levers

- **Market access:** unlocking growth opportunities in markets with strong fundamental drivers
- **Synergies:**
 - **Sales:** Combine product offering and customer access (e.g. Next.assembly, teamtechnik)
 - **Supply Chain:** Economies of scale (e.g. bundling non-production material purchasing)
 - **Know-how:** Management of large-scale turn-key projects (paintshop -> battery, solid wood)
 - **Digital Factory:** Leveraging group competence; smart app development / AI
- **Know-how transfer:**
 - **Project management** – from calculation to execution;
 - **Efficient cost-management and purchasing**
 - **Engineering:** Collaboration across divisions
 - **Digital Factory:** MES (iTAC); smart apps; SaaS business models
- **Process harmonization:** state of the art process landscape: HR, supplier, customer, ERP

M&A examples

HE HOMAG



HEKUMA

...and many more

Dürr business activities benefit from machinery and equipment know-how

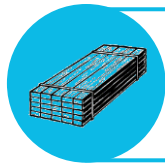
Ready for the future

Way is paved for further profitable growth

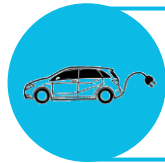
Some of the levers for realizing growth in top- and bottom line



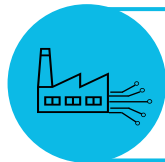
Sustainability is a business driver



HOMAG: Process improvements, service and capacity growth, new business field solid wood



Automotive: E-mobility creates opportunities in assembly and battery technology



Digital factories leveraging huge domain know-how in developing smart software solutions

2-3%

Annual average organic sales growth

≥ 8%

EBIT margin

≥ 25%

ROCE

30%

Service share

A story of pulling the right levers to grow the Dürr Group

2

Climate strategy 2030

Dr. Jochen Weyrauch, Deputy CEO



Dürr's climate strategy – teaser video

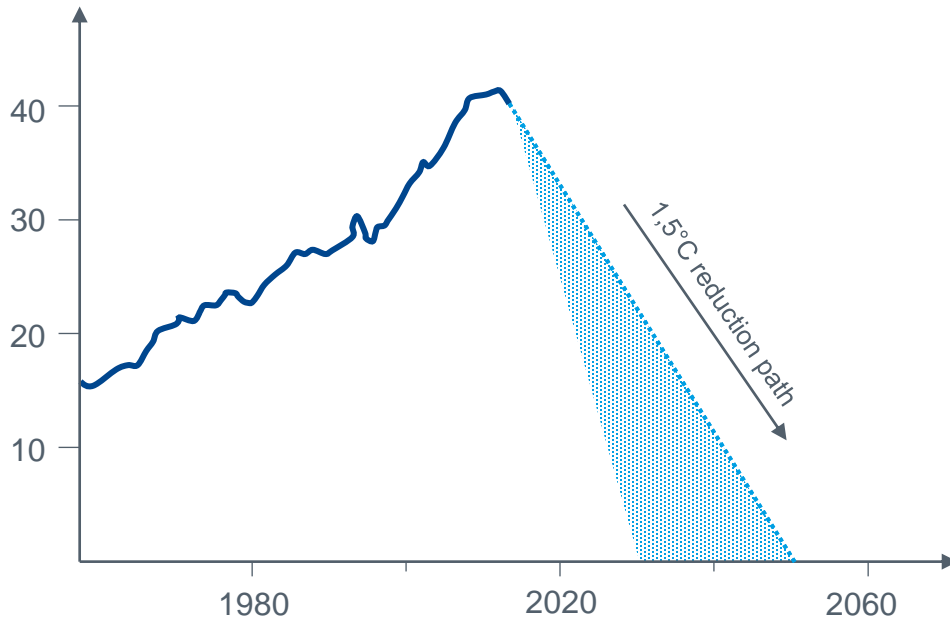
Global climate urge response

Time to act for society, governments and companies

Development of CO₂ emissions¹

in billion tons CO₂e per year (Gt CO₂e/year)

CO₂e: carbon dioxide equivalent = metric measure used to compare the emissions from various greenhouse gases, incl. carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) etc.



Challenge: Limit global warming to **1.5°C** compared to pre-industrial times, corresponding to **~400 Gt of CO₂ budget** within **<10 years**²

Politics

 **0 t CO₂**

EU climate neutrality until 2050

 **€ 1 tn**

Financing „Green Deal“ 2030

Investors³

 **> \$ 40 tn**

Global ESG capital in 2020

 **+ 100 %**

Increase in ESG capital (2016-2020)

Customers

 **2020**

CO₂-neutral production

 **2030**

CO₂-positive company

Society & Media^{4,5}

 **> 75 %**

of employees value sustainability when choosing an employer²

 **4 / 5**

of world's most likely risks in 2021 are environmental risks

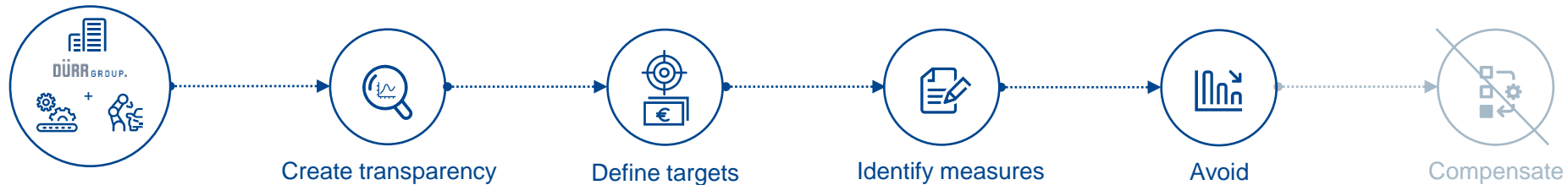
Opportunity: additional global market potential of **€10 tn** by 2050 in mechanical and plant engineering: **~15%** of industry's current sales⁶

¹ IPCC 2018, ² IPCC 2021, ³ Bloomberg 2021, ⁴ Stepstone 2021, ⁵ World Economic Forum 2021, ⁶ BCG, VDMA 2020

Climate action supported by policies, capital markets, customers and society

Dürr Group Climate Strategy 2030 - commitments

Taking responsibility: Development of a science-based climate strategy



Five key objectives:

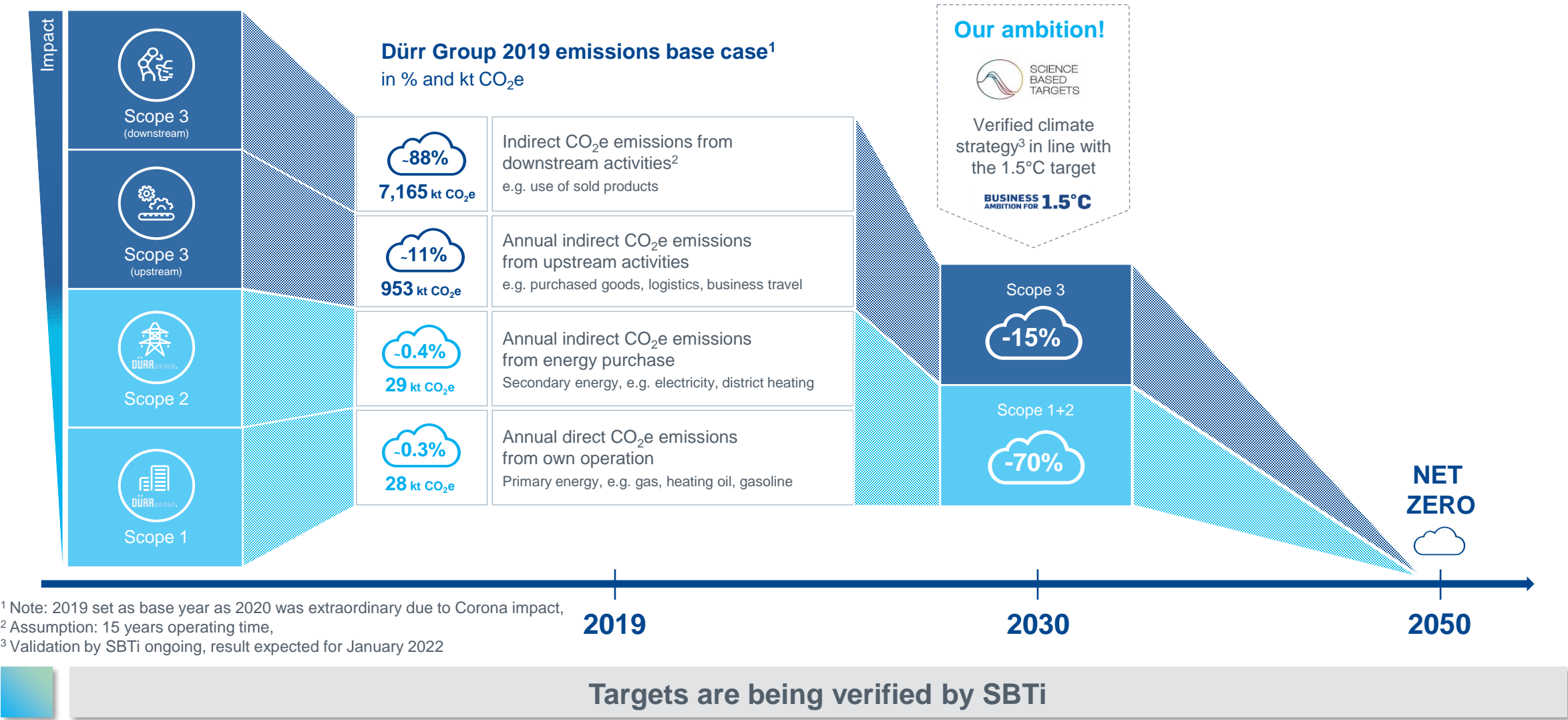
-  We are committed to the **Paris Climate Agreement**
-  Application of **GHG-Protocol** as standardized approach for emission reporting
-  Submission and validation of targets by **Science Based Targets initiative (SBTi)**
-  Science-based climate strategy in line with the **1.5°C target**
-  **Investments** instead of **compensation**: Climate certificates are not an option today!



Dürr actively supports the 1.5°C target

Dürr Group Climate Strategy 2030 – data and targets

Our path to net zero: Emissions breakdown and ambitious target framework



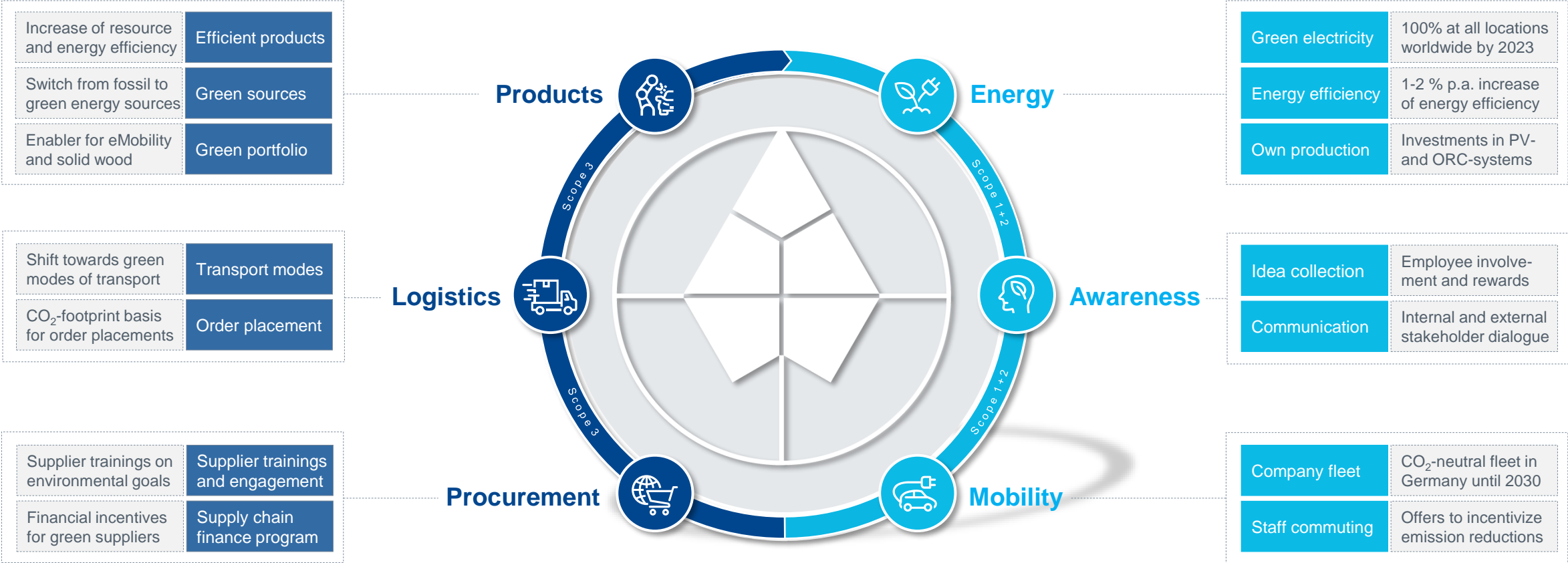
¹ Note: 2019 set as base year as 2020 was extraordinary due to Corona impact,

² Assumption: 15 years operating time,

³ Validation by SBTi ongoing, result expected for January 2022

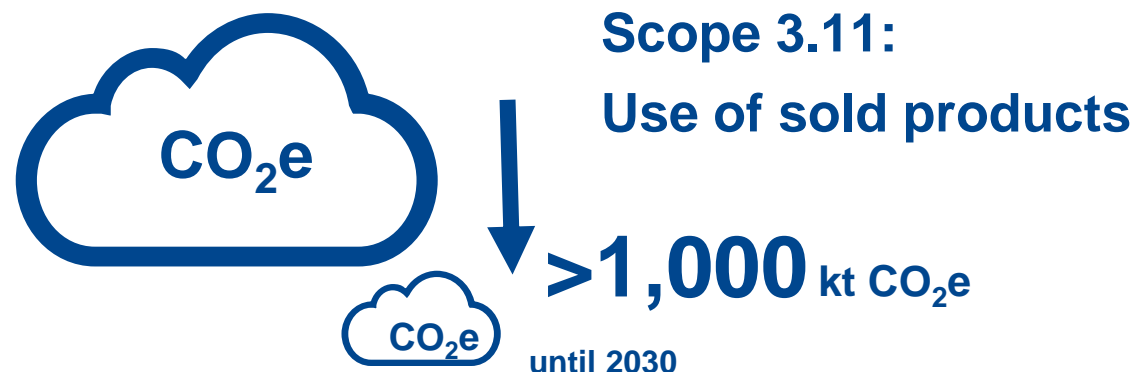
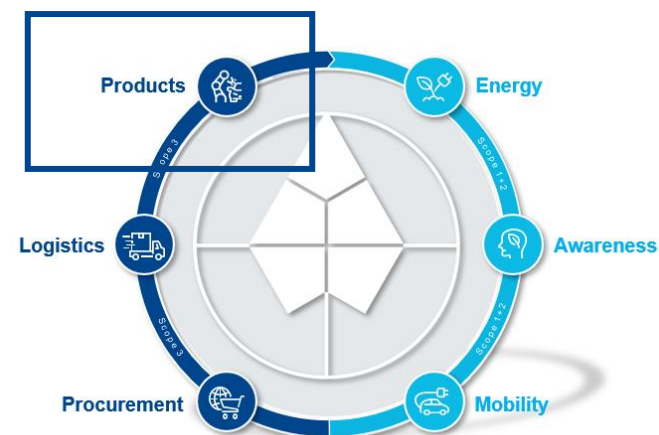


Pulling a variety of levers to decarbonize



Fast move towards renewable energy – R&D focus on product efficiency

Product portfolio the main lever for emission reductions DÜRR GROUP.



Ressource efficient solutions



- sustainable production technologies
- Focus on resource efficiency in R&D



100% Application
due to overspray-free paint application ([video](#))



Paintshop of the future
Airflow handling & accessibility push efficiency ([video](#))

Industrial air purification



- Reduction of **unavoidable emissions** and pollutants in several **industries**
- Power generation from decentralized heat sources using **ORC technology**



- 100 mt CO₂e
per year by Dürr oxidation plants

Using Dürr equipment reduces emissions, waste and costs

Enabling sustainable transformation of our society

Highly innovative products drive green businesses

E-mobility



- **Enabler for e-mobility** through production technology for **batteries** and **e-drives** like **battery cell coating, battery cooling, battery assembly**



Timber construction



- Technology partner for sustainable **wood constructions**
- Push for use of **climate-friendly construction materials**

Durr's growth activities are enablers for a carbon neutral society

Dürr Group sustainability management

Holistic framework across five fields of action



Dürr Group Climate Strategy 2030



Products and
Services

Development of innovative and sustainable technologies as basis for higher efficiency and environmental protection in production



Value Creation and
Supply Chain

Consistent reduction of the environmental footprint of our own business activities while ensuring transparent supply chain processes



Employees and
Qualification

Perception as attractive and responsible employer with various career opportunities and qualification offers for our employees



Management and
Governance

Sustainable business strategy with focus on profitable growth, future-oriented business models and responsible governance



Engagement and
Society

Active contribution to society through regional engagement, industry partnerships and support of global sustainability initiatives

3

HOMAG

Ralf Dieter, CEO

Outgrowing the market - agenda

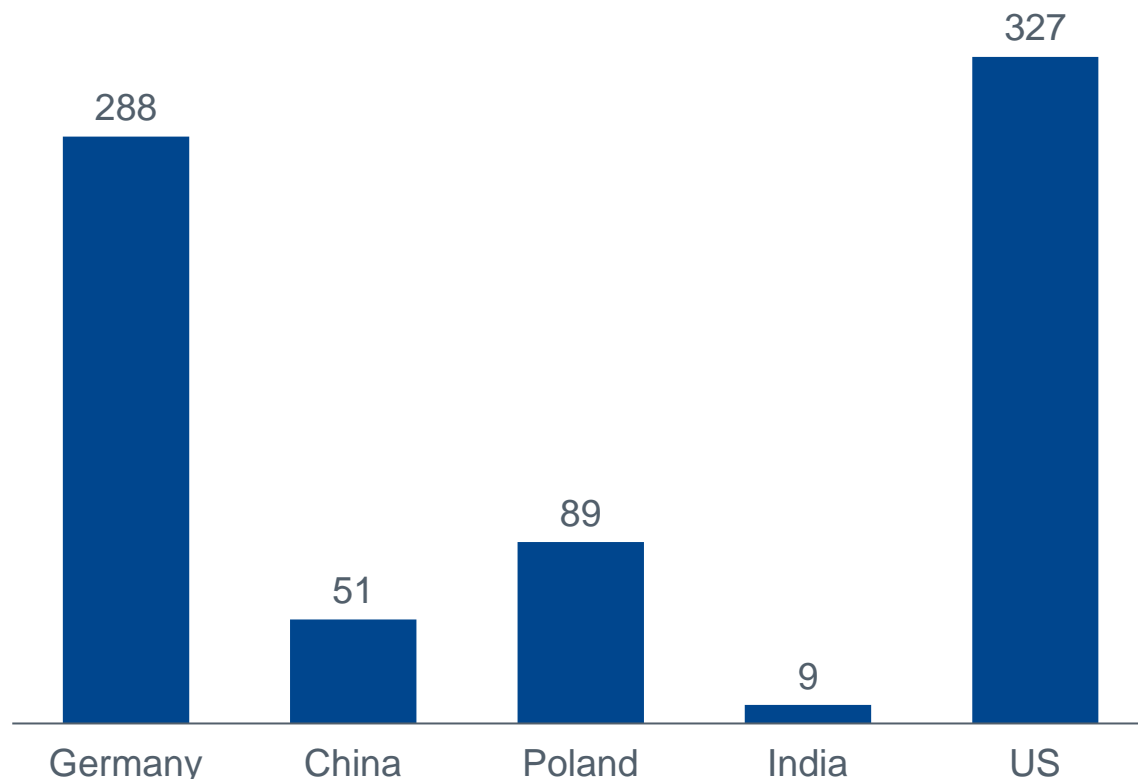
1. Trends in the furniture market
2. HOMAG well positioned for growth in the woodworking machinery market
3. Capex spend to capture market potential
4. Service as key USP
5. Summary



3.1 Furniture market with fundamental growth drivers

Significant catch-up potential in emerging markets

Per Capita volumes as of 2020 (in €)



Global furniture market in 2021: \$ ~ 1.4tn
4% CAGR 2021-2025

Growth drivers

- Population growth and Urbanization
- Consumer demand for quality furniture
- Growing middle class – increasing lifestyle

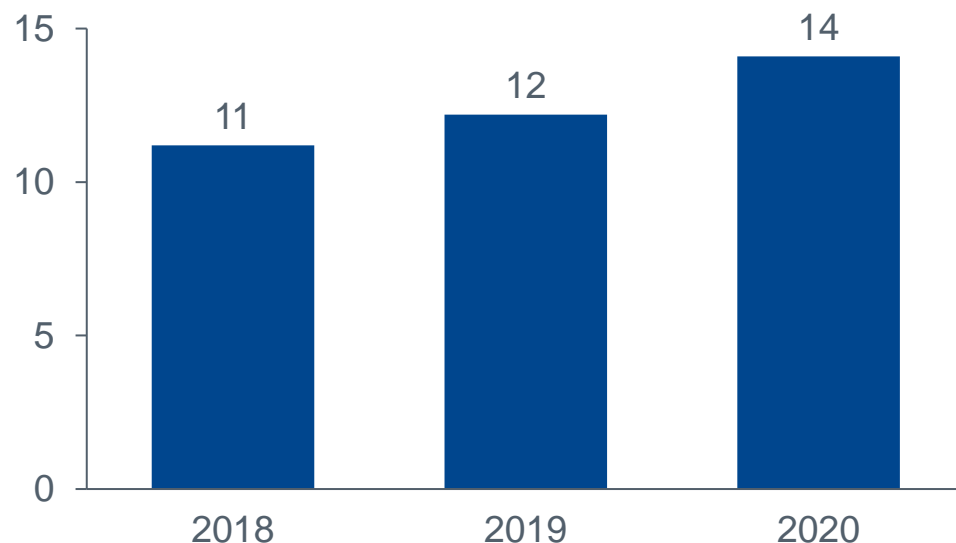
Source: Based on CSIL, China National Bureau of Statistics, EUROSTAT, US Census

Furniture market set to grow above GDP

3.1 Consolidation among furniture manufacturers

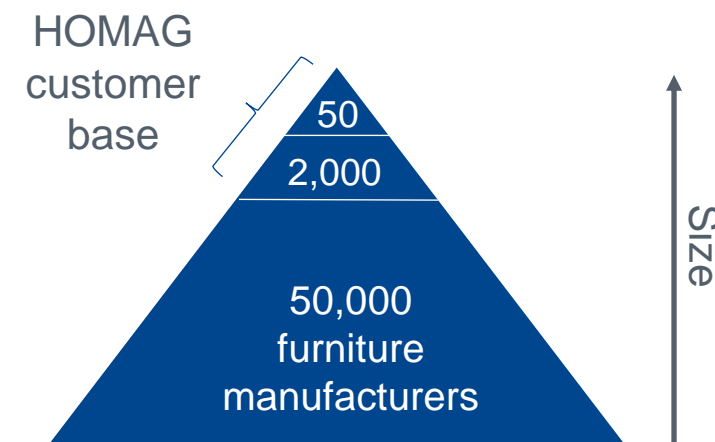
Example China – largest furniture market in the world

Sales share in % of top22 listed furniture manufacturers¹



- Top 22 furniture manufacturers clearly outgrow the market → further capacity demand

50,000 furniture manufacturers in China



- HOMAG has the largest sales force in China

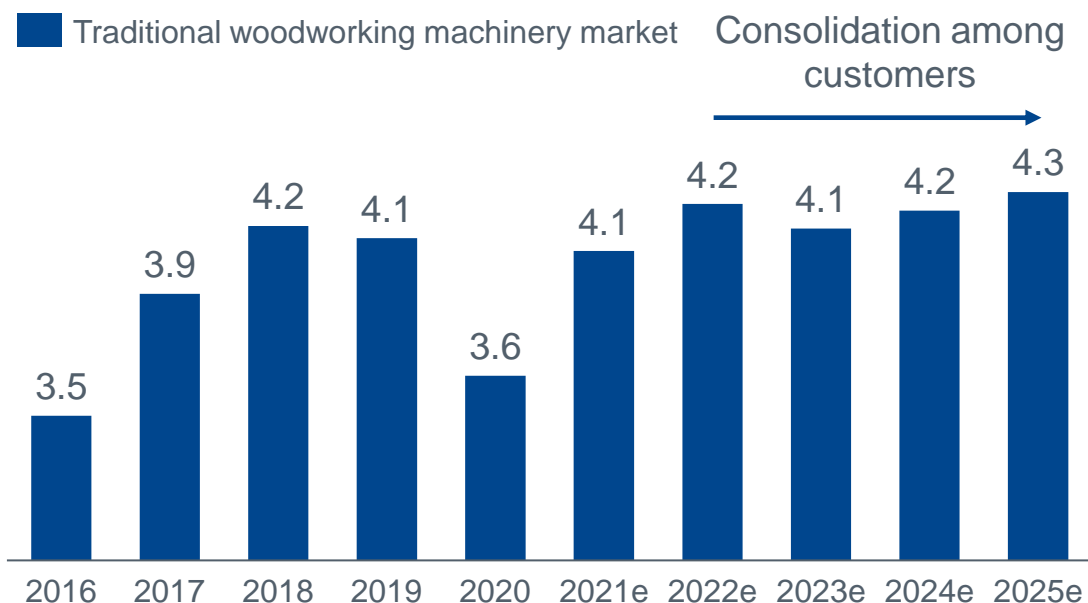
¹Compiled by HOMAG CHINA, based on public information.
Company information for private companies not available

Large automated furniture producers gain share

3.2 HOMAG well positioned to grow

HOMAG: Gaining market share and increasing service business

Market volumes in € billion



→ Consolidation in furniture markets drive investments at large scale furniture producers

¹Based on relevant woodworking machinery revenues; w/o solid wood business (Weinmann/System TM/Kallesoe) until 2020

²Source: Innomis, CSIL, regional market expectation, competitor information | e = expected

Leveraging systems know-how and superior service



Market share

Market growth

2020-2022: ~ 20%

Order growth 9M 2021

HOMAG: +82%

Main competitor: +74%



Service business

9M 2021 vs. 9M 2020

+22%

+29%

HOMAG sales

HOMAG
service sales

Service share 9M 2020: 24%

Service share 9M 2021: 26%

HOMAG offers products and services needed by automated furniture producers

Capacity increase, automation and digitalization are growth drivers for HOMAG

3.2 Global market drivers play into HOMAG's hands

Market driver

- Lack of qualified personnel and raising labor costs drive **automation**
- Need to increase competitiveness and new business models drive **digitalization (digital point of sales)**
- Globalization drives demand for **high quality furniture** and respective production equipment
- Mass individualism drives **Batch Size One**
- Consolidation drives **capacity expansion of larger producers**

HOMAG capability

- **Strong automation capabilities** (hardware and software)
- Strong digital competence and a **wide portfolio of software solutions**
- **HOMAG's reputation for quality production**
- **Engineering power** to develop solutions addressing market trends
- **Global reach** through local network of production and service locations

HOMAG best positioned to benefit from trends towards automation and digitalization

3.3 HOMAG invests into its future

150-200m CAPEX until 2024 to boost efficiency, capacity and workplace attractiveness

Schopfloch

New customer center,
modern office buildings,
and a new logistics center

Herzebrock

Workshop extension to create
assembly areas for cell and
system projects and to optimize
processes and logistics.

Weinmann (St. Johann)

expanding production
and office space

Holzbronn

Logistics center, to combine warehouse
areas and automate logistics.

Kallesoe

(Lem, Denmark)

Workshop expansion
and new office building

System TM

(Odder, Denmark)

New workshop and
additional office building

Środa (Poland)

completely new plant
with buildings for production,
warehousing and logistics,
modern offices, assembly
areas and showroom

2024ff.: Shanghai (China)

New Campus China

Blue: Furniture

Yellow: Solid wood

- Production sites worldwide
- ▲ Sales and service companies worldwide
- ▲ Branch Offices of Sales and service companies worldwide

Capture market potential through investment in new capacities and better work environments

3.4 HOMAG USP: Service


HOMAG known for best-in-class service

Strong offering...

Global	1,200	+100	~90%
Global service structure unique in the industry	Service experts globally	Additional service experts in 2021	of service case fixes kicked-off with Hotline call

... already pays off!

No. 1	~25%	>Ø \$\$	Record
HOMAG Group with largest installed base in industry	Service sales ratio	Above-average earnings contribution	New monthly service sales record in May 2021



Customer view

- **Savings of 5h up to days per month** based on basic machine training offered by HOMAG
- **High interest in “Know-How on Demand”** and of production team qualification level monitoring

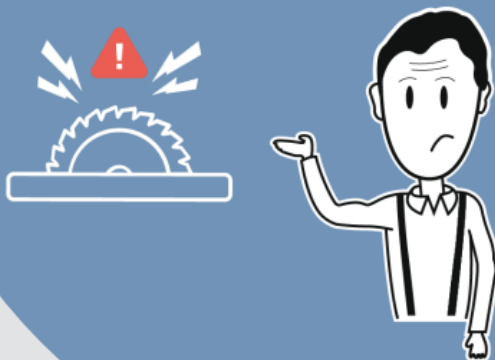
Service will become even more important with automation and digitalization

3.4 Bringing service to the next stage

On the way to become the proactive production partner

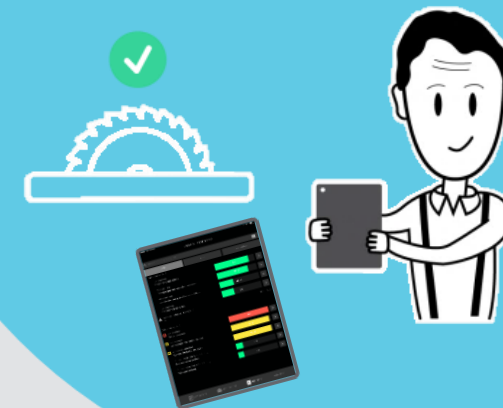
„Traditional Service“

- State-of-the-art availability
- Fast (reactive) interaction
- Hotline education & qualification for (new) customers
- Assuring high technical availability



Production partner

- Prediction
- Overall equipment efficiency
- Continuous service planning
- (Joint) education & tools



Service as value creator for both customers and HOMAG

3.4 Lifecycle services are important value driver

From training to optimizing OEE – Enabler and value provider

Trainings



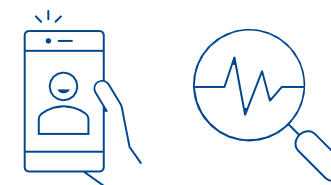
Advanced Training
Joint Education concept + tool
Initial OEE Workshop + Def.

Basic Services



Recurring Inspections
Recurring Maintenance
Hotline & TeleService
Defined spare and wear parts

Advanced / digital services



ServiceRemote
MachineBoard
ServiceBoard
Predictive Services
OEE potential analysis
Spare part analysis

Lifecycle

HOMAG offers full scope of customer support from trainings to digital services

3.5 Summary

1. Furniture market growth is driven by fundamental trends
2. Consolidation among furniture manufacturers creates opportunities for HOMAG - automation and digitalization fit well to HOMAG's capabilities
3. HOMAG intends to grow through expansion of market share and service business
4. HOMAG invests € 150 m - € 200 m in capacity expansion, efficiency improvements and workforce attractivity until 2024
5. HOMAG further develops its service offering from a strong #1 position in the industry – clear USP



HOMAG is gaining market share in woodworking machinery for furniture production

Opportunity Solid Wood - agenda

- 6. Construction trends are a tailwind
- 7. Living space from the conveyor belt
- 8. Market growth and business development
- 9. HOMAG with pole position



3.6 Construction trends are a tailwind for HOMAG

Sustainability awareness, efficiency and regulations to drive construction industry



Replacing concrete



Shift to pre-fabricated building elements



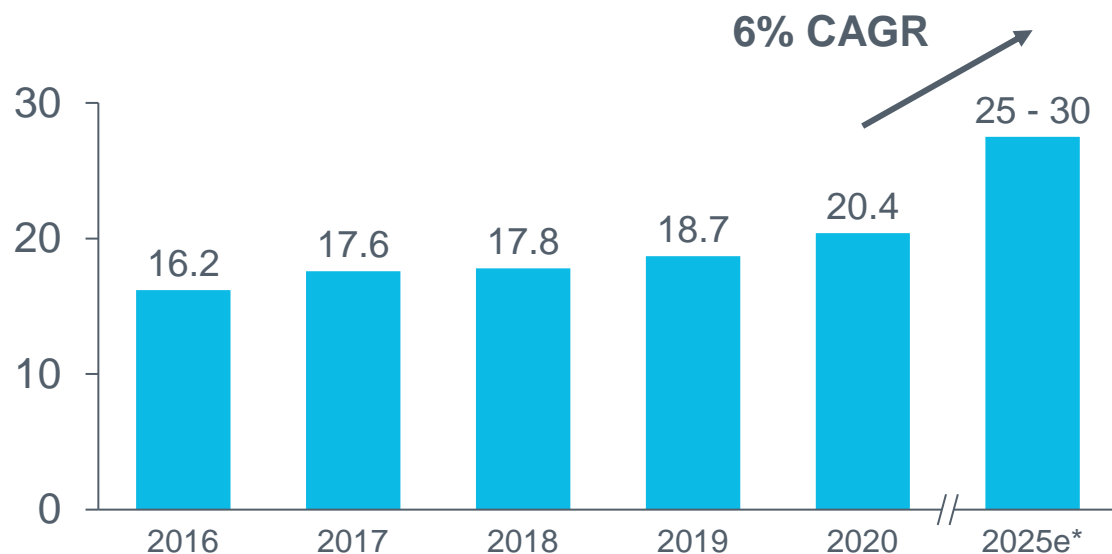
New: Wood in high-rise construction



Clear trend towards wood as sustainable construction material

3.6 Timber building share steadily on the rise

German prefabricated timber frame houses share to grow from 20% to 25-30%

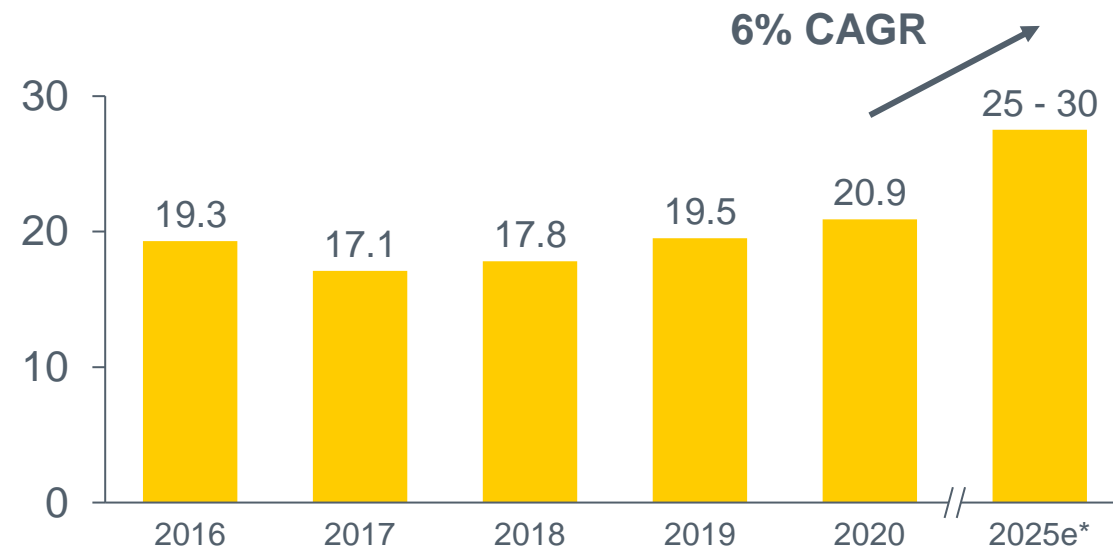


■ timber building share on German residential building permits

2020 share range:

Low: 5.6% (Bremen)

High: 33.4% (Baden-Württemberg)



■ timber buildings share on German non-residential building permits

2020 share range:

Low: 8.9% (Hamburg)

High: 27.4% (Baden-Württemberg)

Source: Holzbau Deutschland – Bund Deutscher Zimmermeister im Zentralverband des Deutschen Baugewerbes e.V.; [Lagebericht 2021 mit Statistiken.pdf \(holzbau-deutschland.de\)](#), Statistisches Bundesamt/Heinze GmbH; 2025 estimates: HOMAG company view (range between 25-30%)

Strong push in multi-storey timber construction to come with regulative easing

3.7 Living space from the conveyer belt

Industrialized production of timber construction elements increases affordability

New construction players

New market players with diverse tech- and start-up backgrounds to industrially build:

- Modern multi-storey buildings
- In attractive urban spots
- With focus on sustainable materials
- With affordable rental rates (~10-12 €/m²)
- Building and operating by one company; partly additional value streams
- At large scale: (ten-)thousands of units intended every year
- **Car plant-like production of prefabricated living room modules**

Business potential HOMAG

- Turn-key project setup (with Dürr)
- Weinmann wood-framing technology enables automated production



- Suppliers to expand capacities for timber, business potential for System TM and Kallesoe
- Decent project volume sizes

Picture: Lehmann Group

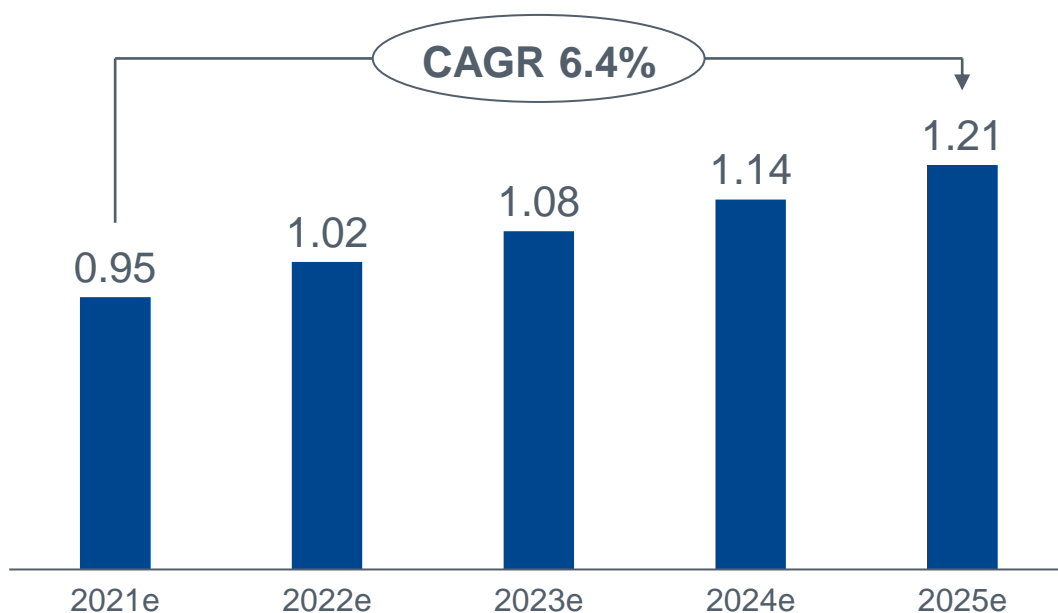
HOMAG only supplier of woodworking machinery with turnkey project know-how for industrialized production

3.8 Solid wood construction market growth

~30% market volume growth by 2025

Solid wood machinery market development in € bn

■ Market Model Autumn 2021 (October 2021)



Source: Innomis, CSIL, regional market expectation, competitor information | e = expected

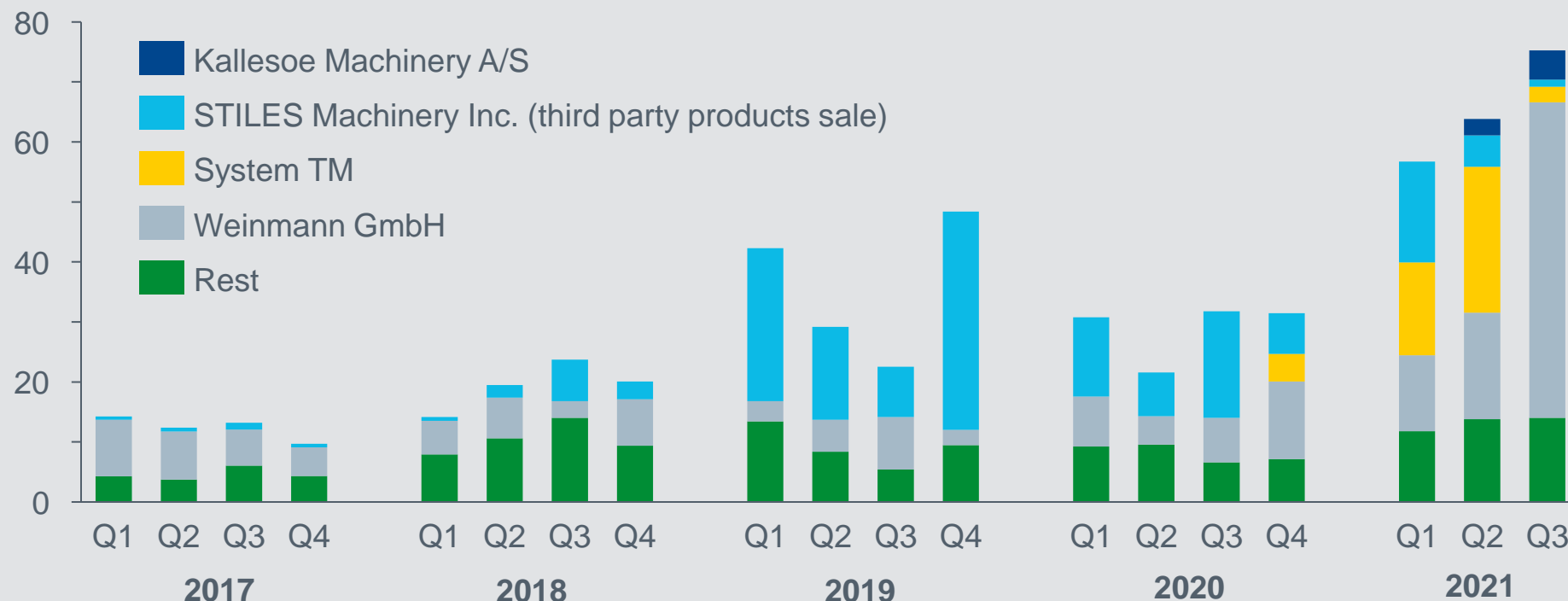
- Sustainability is key growth driver:
 - Shift from concrete to wood as building material
 - Shift from construction on site to pre-fabricated elements
 - Wood enters high-riser construction
- Recent order intake development underpins potential

More than €1 bn additional market volume in solid wood construction equipment

3.8 Solid wood business development

Growing portfolio in growing markets leveraging HOMAG solid wood business volume

Order intake in €m



Note: Solid wood business pre 2020 reflects also third party trade activity with HOMAG's north American subsidiary Stiles and some other parts

HOMAG solid wood business showing clear signs of accelerated growth in next years

3.9 Pole position in solid wood construction market

On the way to become a leading full solution provider

- HOMAG is the #1 equipment provider for the solid wood construction industry
- Ready for giga factory turn-key projects for solid wood construction elements
- Coverage of almost entire value chain, via own technology and with strategic partnerships

Latest acquisitions and their product portfolio

HC WEINMANN



- Timber framing, framework assembly, elements and modules creation

System TM



- Scanning for material weaknesses, cutting off weak parts, finger jointing

KALLESOE
MACHINERY AS
Member of the HOMAG Group



- Glueing boards to produce (cross-) laminated timberwood

Expanding coverage of value chain in a fast-growing market

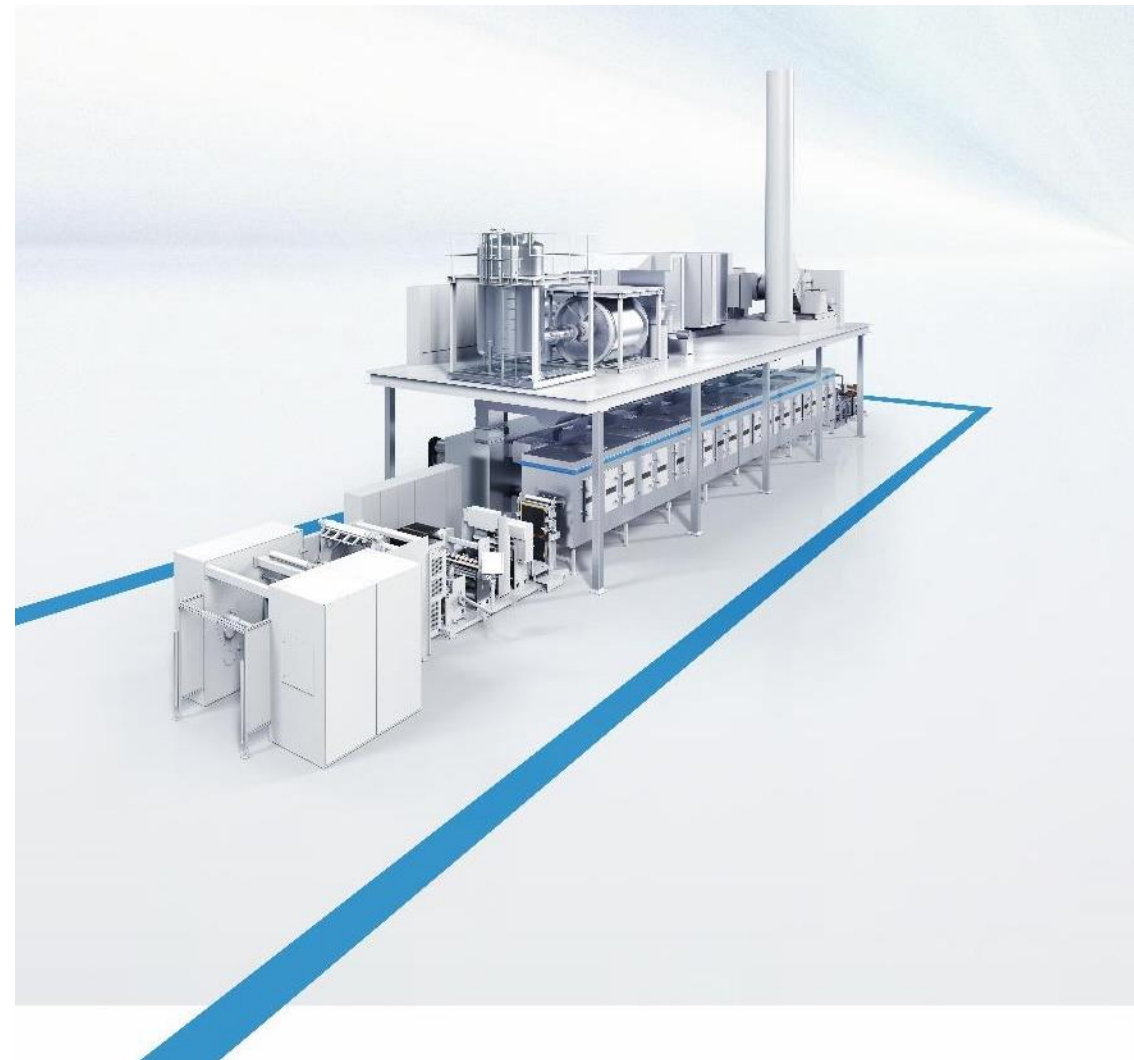
4

Dürr

Dr. Jochen Weyrauch, Deputy CEO

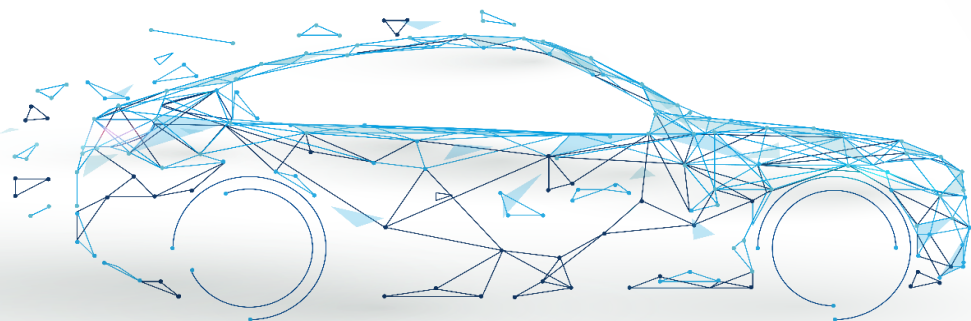
Next.Assembly - Agenda

1. One stop shop
2. Activities
3. Market growth
4. Achievements and next steps



4.1 Next assembly – the one stop shop for OEMs

Leveraging Final Assembly market growth chances with efficient internal setup



NEXT.assembly

Created by combining expertise from two divisions: PFS and MPS

4.1 NEXT.assembly: Simply everything for Final Assembly **DÜRR** GROUP.

NEXT.assembly: containing all projects & products within automotive final assembly

[See VW Zwickau side window glueing video](#)



[See Next.Assembly introduction video](#)

Dürr Systems AG

- Location (HQ): Bietigheim-Bissingen, Germany
- Employees: ~ 50



CPM S.p.A

- Location (HQ): Beinasco, Italy
- Employees: ~ 80



Dürr Assembly Products GmbH

- Location (HQ): Püttlingen, Germany
- Employees: ~ 370



Dürr Somac GmbH

- Location (HQ): Stollberg, Germany
- Employees: ~ 300

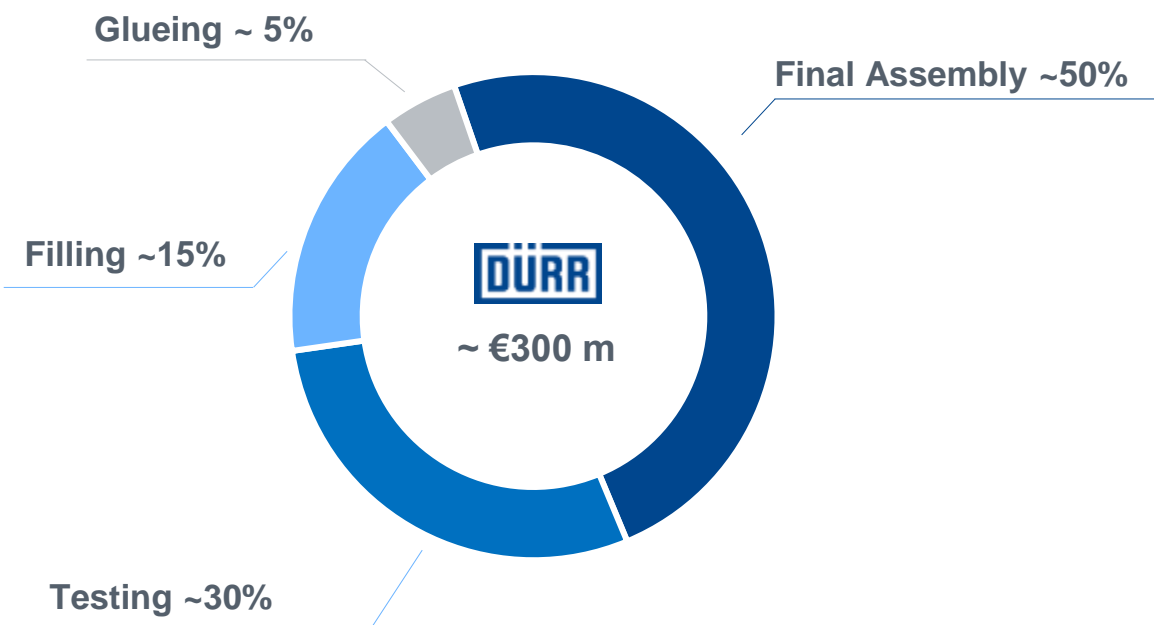


Joined forces to enhance automotive market reach

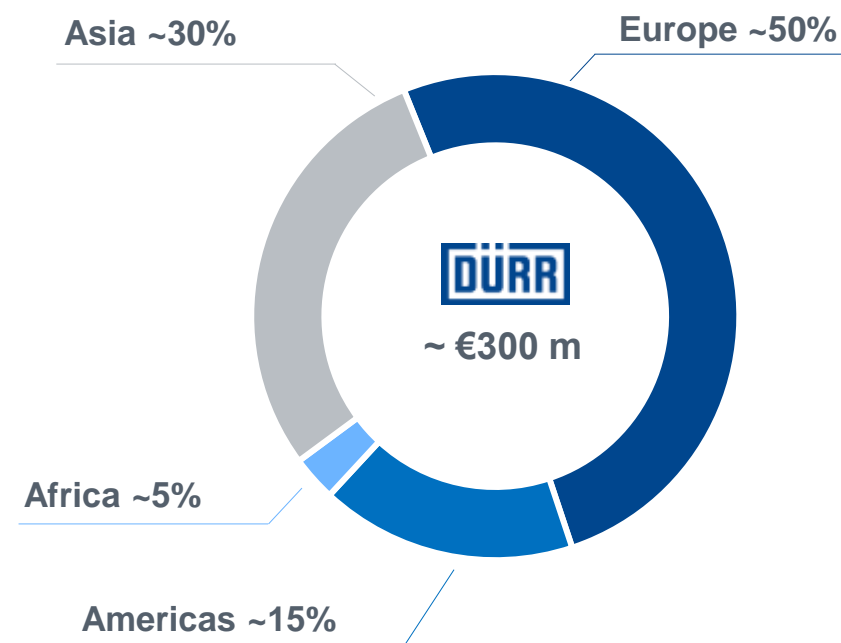
4.2 Next assembly sales split

Above-average margins already today and to reach double-digit by 2025!

Sales split in subsegments 2021e



Regional Sales 2021e split



Note: Totals may deviate from 100% due to rounding;

Next.assembly is an important part of the automotive business

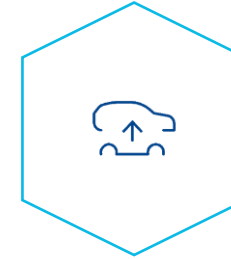
4.2 Spotlight: Conveyor technology & marriage systems

DÜRR GROUP.

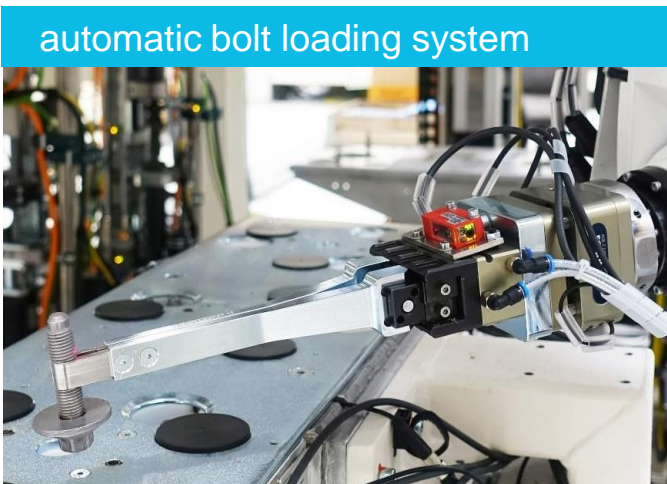
Suitable for any ergonomic or economic requirement



[See marriage video](#)



[See X-bolt elect video](#)



State-of-the-art car body transport in automotive mass production

4.2 Spotlight: Testing systems

Commercial vehicles

Passenger cars



- Wheel alignment and headlamp adjustment
- Setting of driver assistance systems
- Roll, brake, ABS and electronic testing
- Water test

Passenger cars



- Autonomous driving
- Testing for e-mobility

Commercial vehicles



- Wheel alignment and headlamp adjustment
- Setting of driver assistance systems
- Roll, brake, ABS and electronics testing
- Water test



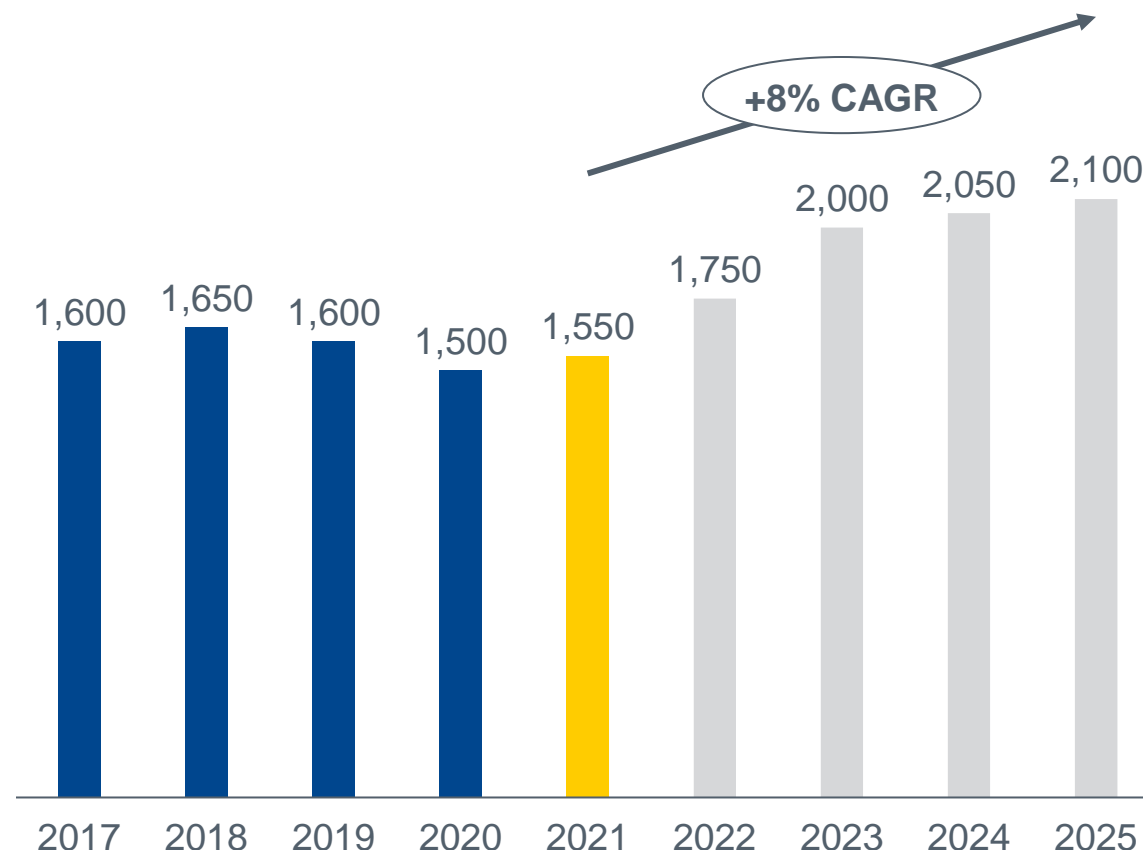
Highest process and production safety for your end of line

One-stop-shop for automotive end-of-line test system

4.3 Next assembly – market growth

Market CAGR 2021-2025 of 8%

Market development¹ in €m



¹Source: Company estimates

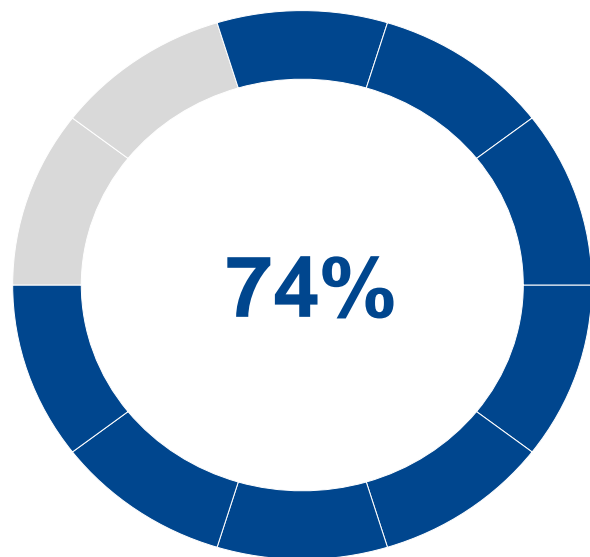
Business potential

- Increasing cost-pressure for OEMS
- Localization in customer markets
- Reduced ramp-up and delivery times for equipment and installation
- New vehicle integration in existing plants (e.g. EVs) – challenge for assembly technology and organization
- Digital applications, automation, sustainability and production efficiency along the OEE
- **Integration of EVs and higher model variety drives increasingly complex brownfield projects**

Clear growth opportunities from shift towards EVs and higher automation

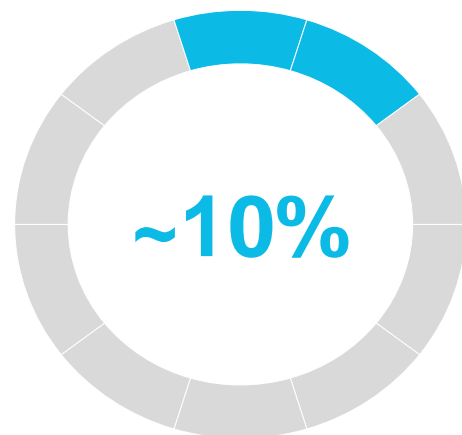
4.4 NEXT.assembly achievements

Implementation of measures pushing competitiveness on costs and EBIT potential



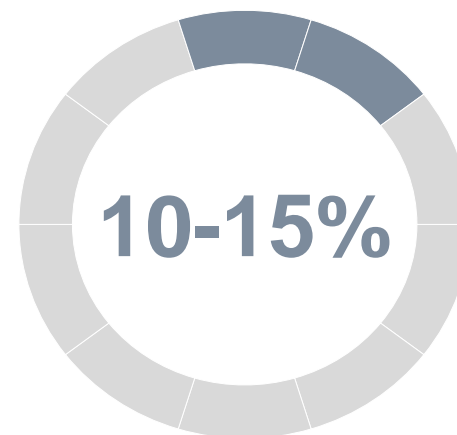
Increased sales opportunities

>70% more volume sales pipeline compared to 2019



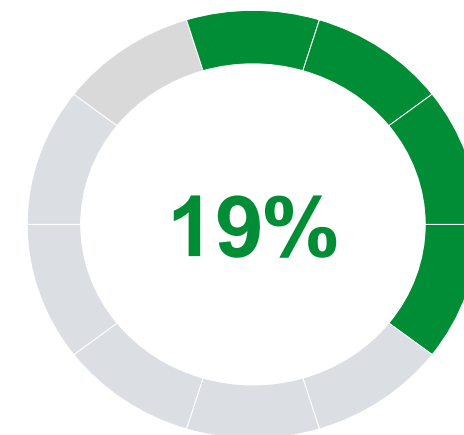
Reduced production cost

Relocation of assembly parts to Poland and China saved ~10% in European manufacturing cost



Purchasing Frontloading

Early link of purchasing and sales resulted in ~15% of cost-savings in external packages



Product Cost-Down

>550 ideas through product-cost-down initiative, resulted in ~ 19% cost-saving potential

Well on track in reducing costs and driving opportunities

4.4 Next assembly – next steps

Measures to push our market share



Global Product-cost-down initiative – levered by multiple Cross functional teams, e.g. Sales, Purchasing, Product management and Engineering, Digitization, Marketing



Service business alignment within next assembly organization



Global service antenna network as lever for sales generation



Streamlines Global sales approach

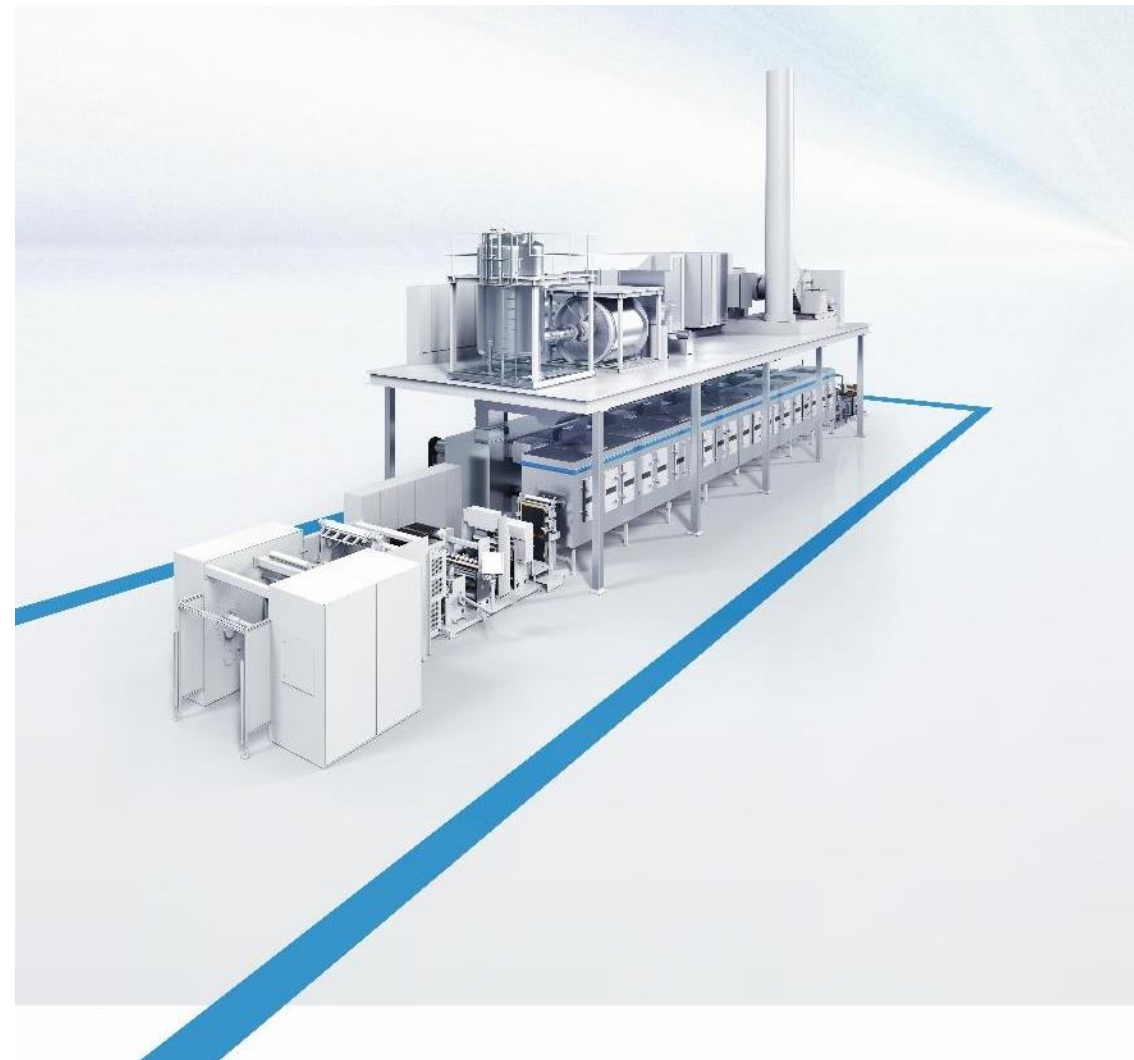


Innovations and smart DXQ software solutions

Targeting further sales acceleration and earnings growth

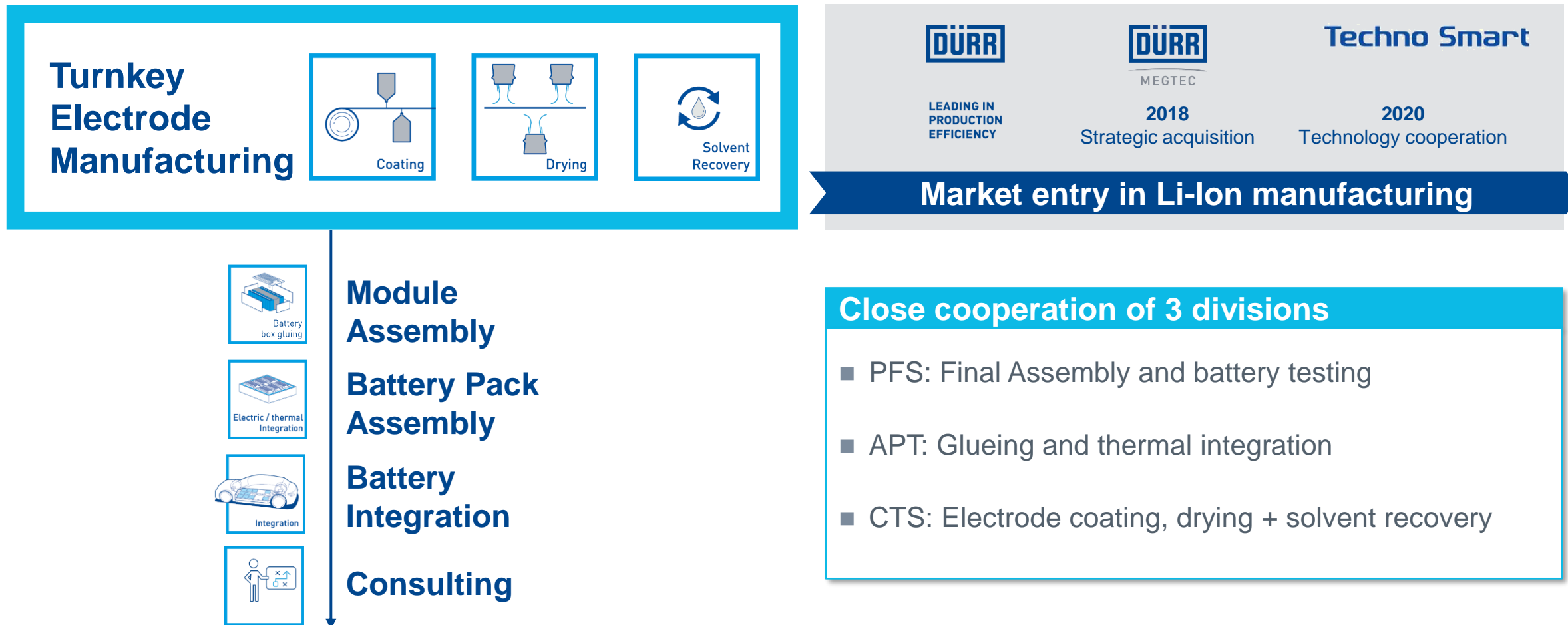
Opportunity Battery Production - Agenda

- 5. Dürr: Partner along the value chain for battery production
- 6. Strong offering
- 7. Battery market growth
- 8. Dürr strategy and first success



4.5 Partner along value chain of battery production

Battery manufacturing technology as key enabler for global E-Mobility growth



Strong partner along the entire value chain of battery production

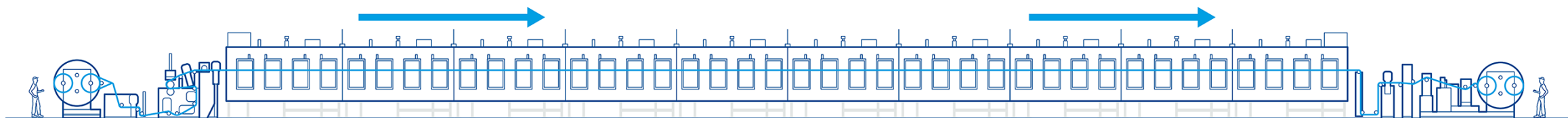
4.6 Dürr offers all relevant coating technologies

DÜRR GROUP.

Tandem coater and simultaneous coater

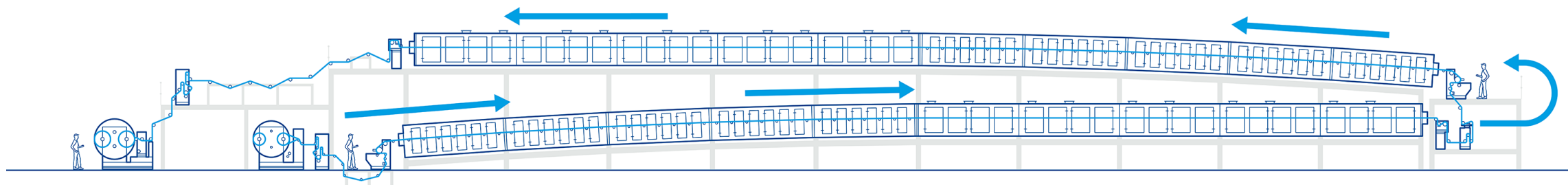


Two-side simultaneous coater with 50 m flotation dryer



Tandem Coater with 50 m combined roll support and flotation dryer

Techno Smart



Innovative and proven technologies in the portfolio

4.6 Complete range - laboratory to volume production

Specialized coating lines for energy storage

Laboratory coating lines



R&D / Prototype production



Full-scale lithium-ion battery coating lines for energy storage/automotive



Dedicated to Lithium-Ion electrodes

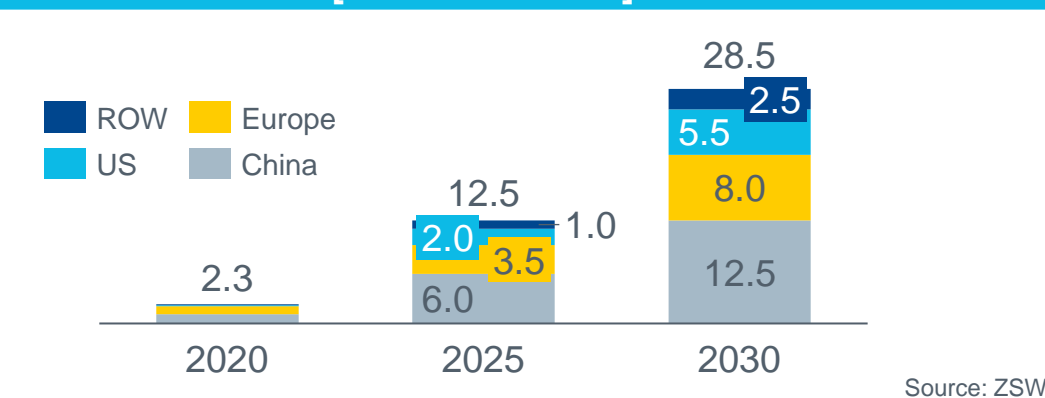
- Advanced technology
- Simultaneous two-sided horizontal tensioned-web coating
- Improved productivity & quality
- Reduced capital investment & operating costs
- Includes solvent recovery/purification and emissions control

Dürr supports customers in R&D and production

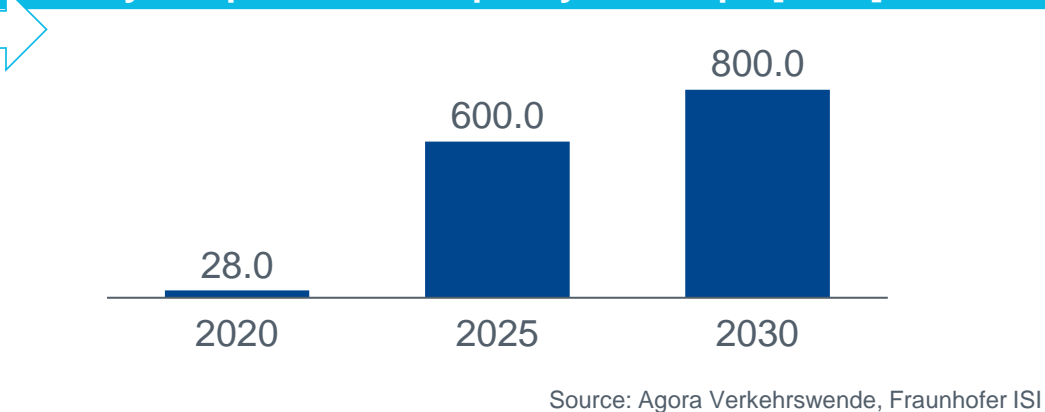
4.7 Battery market development

EV adoption drives battery production capacity build-up

Global BEV sales [million vehicles]



Battery cell production capacity in Europe [GWh]



Market potential and competition

- Approx. €bn 1 total invest per 10 GWh capacity
- Thereof 15%- 20% addressable equipment market
- Project sizes from 1GWh to 10 GWh
- Competition (mainly Asia): Katop, Yinghe, PNT, Hirano, CIS

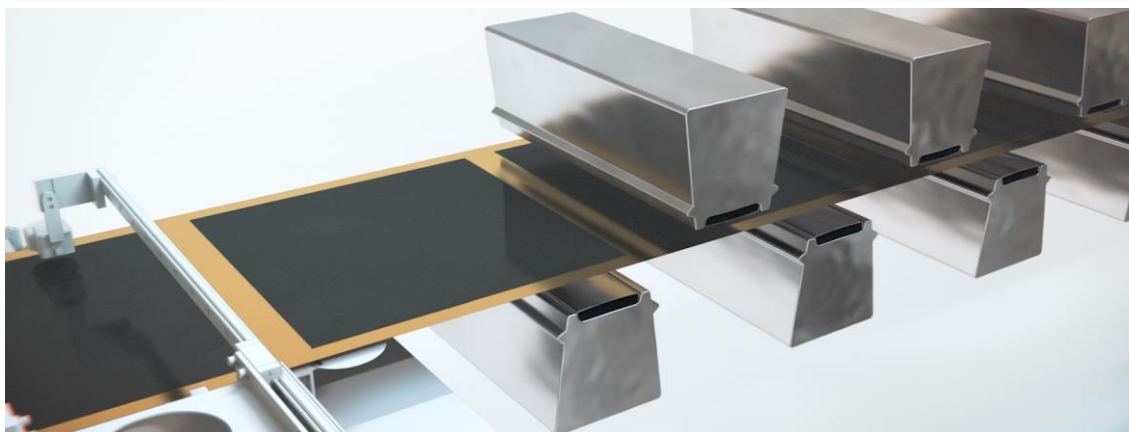
Strong investment into battery cell manufacturing capacities expected

4.8 Strategic approach and first success

First larger order received in growth area of battery cell production for electric cars

Strategic approach – unique selling proposition

- Leveraging strong product portfolio:
Dürr only supplier offering two technologies (tandem and dual-sided simultaneous coating) and solvent recovery out of one hand
- Offer turnkey solutions (coater + solvent recovery) to start-ups and automotive OEMs
- Offer solvent recovery to Asian led projects



First success: Order from Cellforce

- Cellforce orders equipment for new factory in Germany
- Simultaneous dual-sided coating technology from Dürr for high-performance battery cells
- Initial prototype development in 2022, series production planned to start in 2024
- Order size: low double-digit million €
- First move into automotive battery production (so far R&D and test-lines were provided)
- Interesting growth market:
Share of battery vehicles in global car sales expected to grow from 3% in 2020 to 30% in 2030.

Dürr got the foot into the door of automotive battery producers – bidding for further projects

5

Group opportunity: Digitalization

Ralf Dieter, CEO

Agenda

1. Recap digital@Dürr
2. HOMAG/tapio Update
3. Several awards underline leadership
4. First SaaS Apps: DXQ for filling
5. Customer benefit: DXQplant.analytics
6. Introduced: Schenck ONE
7. Summary



5.1 Recap digital@Dürr - Our digitalization strategy

Vision: Leader in digitalization in the Dürr Group's business areas

Mission: Data-driven software products, solutions & business models

Objectives: New revenue streams + differentiation + disruption protection

Strategy:

- Develop and expand software competencies
- Develop customer oriented software solutions with new digital technologies
- Introduce new business models to the customer
- Exchange for synergies, learning effects and support within Dürr subgroups
- Strengthen IoT networks (ADAMOS, tapio)
- Drive internal digital transformation

Software
Competence

+

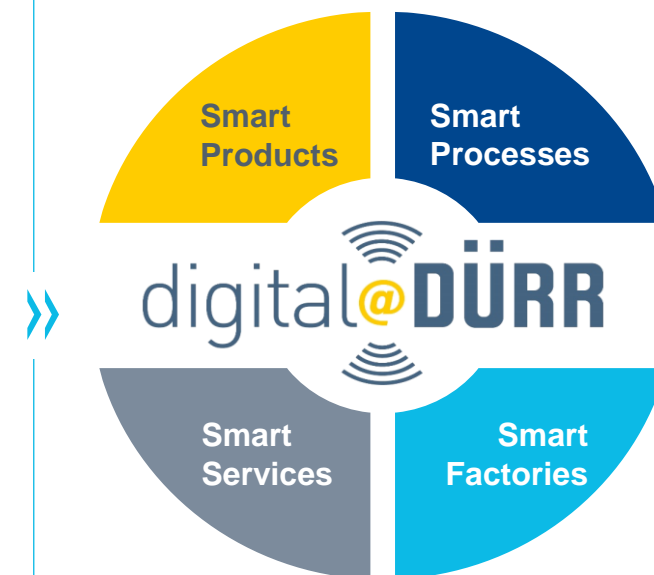
New Business
Models

+

Partner
Network

+

Internal
Transformation



Digitalization creates value for our customers and for us

5.1 Recap Digital@Dürr - Large MES installation base

Great reference and potential for cross and upselling of digital products



- Dürr incl. ITAC and Cogiscan with > 650 MES installations across different industries
 - > 275 automotive OEM and Tier-1/2 installations
 - ~ 75% software installations without hardware
- Even automotive OEMs with competitor hardware count on Dürr for MES solutions
 - > 40 automotive OEMs using Dürr digital products



An **MES** (Manufacturing Execution System) allows to digitally track, control and improve production processes based on real-time and historical production data = **Backbone of an Industry 4.0 factory.**

Leveraging today's widespread use for tomorrow's transformation

5.2 HOMAG/tapio Update – HOMAG MES distribution

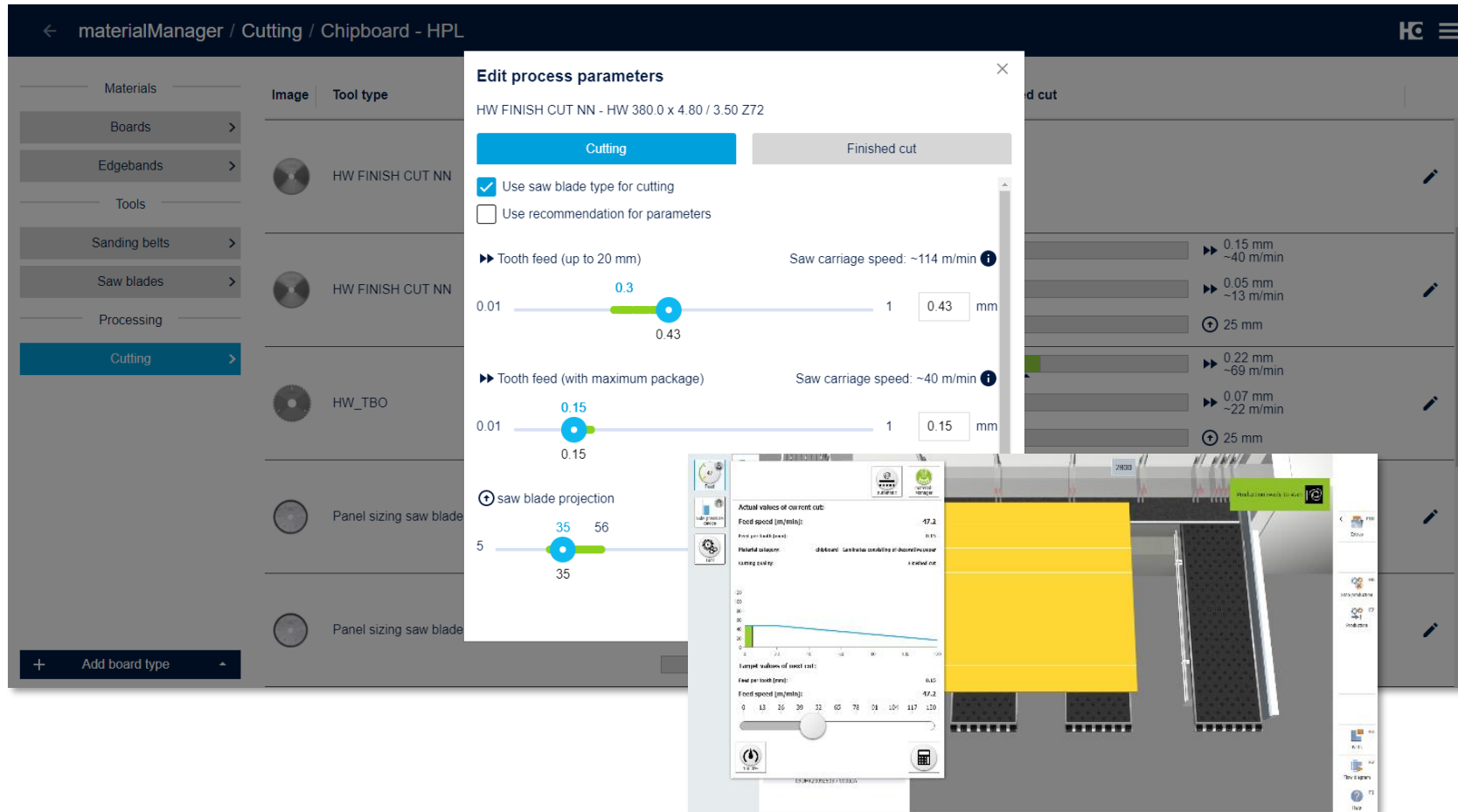
>100 customers running on HOMAG MES solutions



- Furniture manufacturers worldwide
- Number of customers > 100
- Acquisition & development

HOMAG is a large MES provider to the woodworking market

5.2 HOMAG/tapio Update: Digital Factory App Example: MaterialManager Advanced



- Tool data via tapio from tool manufacturers
- Material data via tapio from material manufacturers
- Know-How from HOMAG

Perfect process settings for the customer

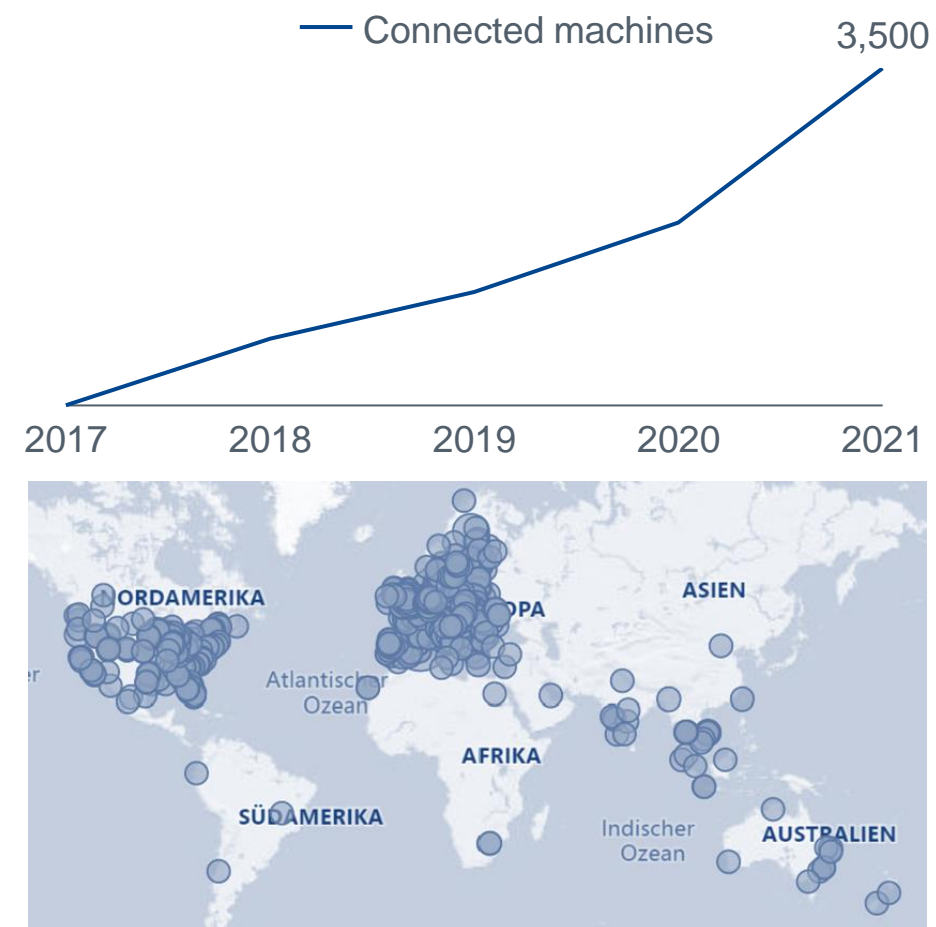
materialManager Advanced

Combining tool-, material- and machine-data enables perfect process settings

5.2 HOMAG/tapio Update – tapio platform adoption

tapio as a leading platform is on a strong growth path

- tapio serves customers in more than 30 countries and on all continents. In 2021 a couple of Asian countries like India, Japan, South Korea, Singapore, Malaysia, Indonesia have been entered
- With now 47 partners the tapio ecosystem has grown very strongly since its beginning
- Customer growth over the last three years is solid with a CAGR of 61% (2018 - 2021)
- Digital solution licenses outgrow customers with a CAGR of 125% (2018-2021)



Significant growth momentum for tapio in recent years

5.3 Several awards underline Dürr's leadership



Award for deploying artificial intelligence in our DXQ product family presented by RWTH Aachen University



VDE¹ Industrie 4.0 Innovation Award 2021 for our DXQanalyze product family



Digitalization award "Excellent supplier of intelligent equipment management solutions for China's automobile industry" for DXQ software at SAIC Volkswagen paint shop

1: VDE (Verband der Elektrotechnik, Elektronik und Informationstechnik e.V.) is one of the largest technology associations in Europe with 60 sites worldwide; their network includes more than 1,500 companies and more than 100,000 expert volunteers

Dürr with industry leading digital offering

5.4 DXQ for filling – first apps on a customer cloud

Dürr Filling Apps



„All in one“-solution by market leader Dürr Somac

Benefits

- Visualization of system data
- Administration of vehicle type parameter settings
- Product quality analysis
- Rapid identification of deviations
- Lead to recommendations for action
- Remote service

Status and market potential

- First apps running on a customer cloud in 2021
- Market potential: mid double-digit million € range

First apps running on a customer cloud – double-digit million € market potential

5.5 Customer benefit: DXQplant.analytics

Quality pattern analysis for sustainable OEE improvements (AI inside)

Plant.analytics

Identifies patterns in surface quality information and helps to find potential root causes based on:

- vehicle datasets (Type, time, color..)
- process parameters (Temperature, solvent amount...)
- process-anomaly detection (Equipment Analytics)

Purpose

- Identification of systematic faults within the production processes
- Sustainable improvement of quality parameters and continuous improvement of production process
- Improved ramp-up time for new vehicle types and maintenance teams

2 active customer projects and multiple rollouts planned for 2022

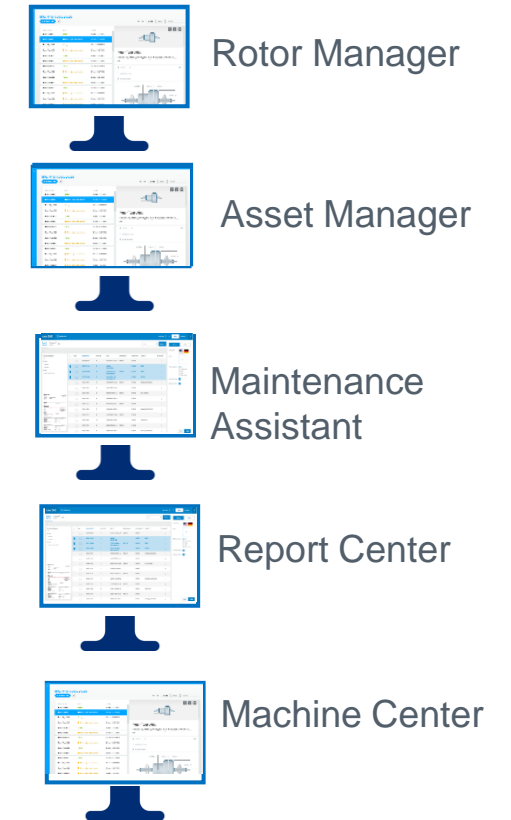
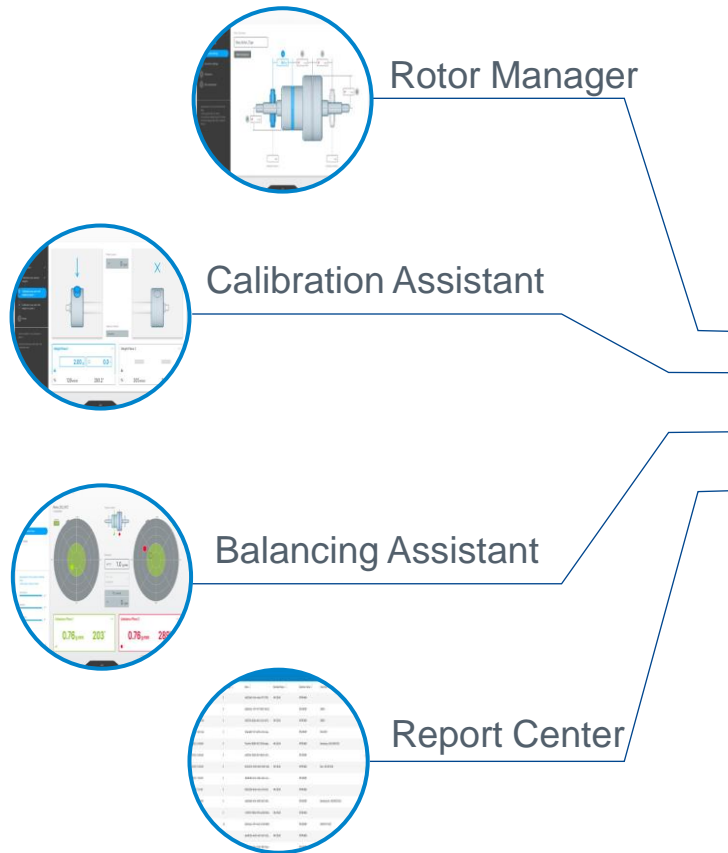
Improvement of first-run of 7% within the first 4 months at a customer reference



Positive customer feedback – rollouts planned for 2022

5.6 Introducing SchenckONE SaaS on October 4, 2021

on the machine



+ in the cloud

First full connected system: Planning – Production – Analysis – Maintenance

5.7 Summary Digitalization

Broad progress made despite Corona pandemic

1. Dürr and HOMAG with a strong global MES base
2. tapio network growing fast with increasing number of machines coming on-line
3. Successful test-phase with customers results in app sales, e.g. DXQ for filling
4. Clear customer benefit identified (DXQ analytics)
5. Product portfolio expanded with Schenck ONE SaaS offering for full connected systems



6

Summary **Ralf Dieter, CEO**

Key take-aways

1. Dürr Group is a diversified provider of machines, equipment, automation and digital solutions
2. HOMAG benefits from the consolidation trend in the growing furniture market
3. Solid Wood construction and its industrialization is a huge opportunity for Dürr
4. Combined offering of NEXT.assembly meets demand from shift towards EVs and automation
5. Dürr turnkey solutions for battery cell production is a growth opportunity
6. Digitalization makes progress: Growing MES opportunity, apps and SaaS offerings



Dürr Group is well positioned to capture growth opportunities in several markets



Team players





Building
the future



Expanding
globally



Supported
by
Dürr family

DMG MORI



software AG

ZEISS

ADAMOS



Entering
ventures



**Thank
you!**

7

Q&A
All topics

Dürr Aktiengesellschaft
Carl-Benz-Str. 34
74321 Bietigheim-Bissingen
Germany

+49 7142 78-0
Corpcom@durr.com
www.durr-group.com

Analyst Meeting 2021

Ralf W. Dieter, CEO Dürr AG
Dr. Jochen Weyrauch, Deputy CEO Dürr AG
Dietmar Heinrich, CFO Dürr AG

November 16, 2021
Frankfurt am Main