



general meeting Aalberts N.V.

Utrecht, 19 May 2022

agenda

Aalberts highlights 2021

Aalberts 'accelerates unique positioning'

financial development 2021

trading update - first four months 2022

questions & answers



1. Aalberts highlights 2021

Wim Pelsma - CEO

Aalberts highlights



revenue
(in EUR million)

2,979
+14%

added-value
(% of revenue)

62.2
2020: 61.6

EBITA
(in EUR million)

454
+61%

EBITA %
(% of revenue)

15.2
2020: 10.8

**net profit
before amortisation**
(in EUR million)

337
+69%

**earnings per share
before amortisation**
(in EUR)

3.05
+69%

capital expenditure
(in EUR million)

147
+54%

ROCE
(in %)

17.2
2020: 11.7

- revenue EUR 2,979 million; organic growth 16.0%
- orderbook increased with 52%
- EBITA EUR 454 million; EBITA margin 15.2%
- net profit before amortisation EUR 337 million; per share EUR 3.05
- free cash flow EUR 310 million
- capital expenditure increased to EUR 147 million
- additionally: exceptional EBITA benefit of EUR 100 million
- acquisitions Sentinel and Premier Thermal
- divestments Adex, Lasco and Standard Hidráulica Group

Aalberts realises 16% organic revenue growth and an EBITA margin of 15.2%

Aalberts portfolio optimisation



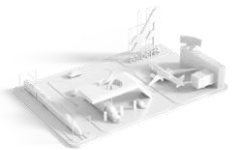
acquisitions 2021

approx. annual revenue



Sentinel Performance Solutions Group Limited (United Kingdom)
strengthens technology portfolio; specialised in cleaning, protecting and maintenance of heating and cooling systems

GBP 20 million



Premier Thermal Solutions (America)
strategic footprint; platform in North America and leading aluminium treatment provider, serving various end markets

USD 60 million

divestments 2021

approx. annual revenue



Adex b.v. (the Netherlands)

EUR 10 million



Lasco Fittings, Inc (Tennessee, USA)
Standard Hidráulica Group (Spain)

USD 150 million

EUR 90 million

Aalberts portfolio optimisation



acquisitions 2022

approx. annual revenue



ISEL Germany AG (Germany)

additional product line; wafer handling & robotics and machine systems with digital services

EUR 35 million



UWS Technologie GmbH and **Heat-Power 24 GmbH** (Germany)

strengthens technology portfolio; specialised in cleaning, protecting and maintenance of heating and cooling systems

EUR 25 million

divestments 2022

approx. annual revenue



Elkhart Tri-Went Industrial (Indiana, USA)

USD 45 million



2. Aalberts 'accelerates unique positioning'

Wim Pelsma - CEO

“you will find Aalberts where technology matters and real progress can be made”

humanly, environmentally and financially



we engineer **mission-critical technologies**
enabling a clean, smart and responsible future

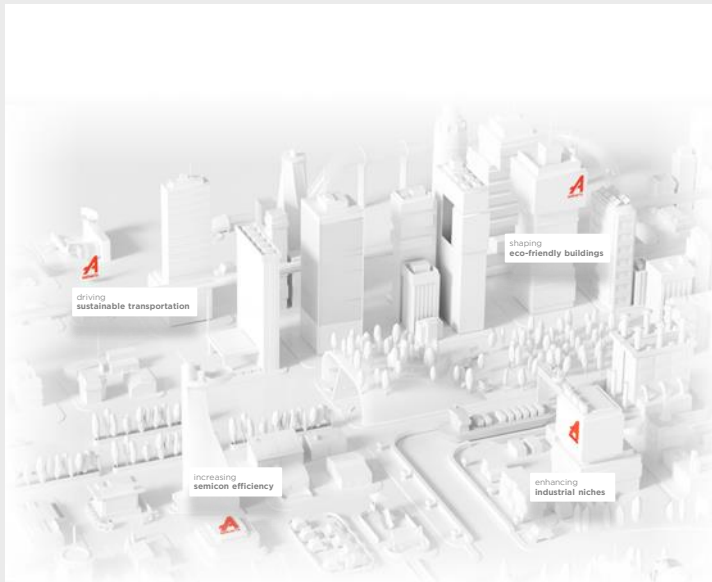
we are a company of mission-critical people who can't resist
going beyond the line of duty - **good is never good enough**

sharing and discussing 'bad' gets us to brilliant
- **greatness is made of shared knowledge**

we are relentless in our pursuit of excellence

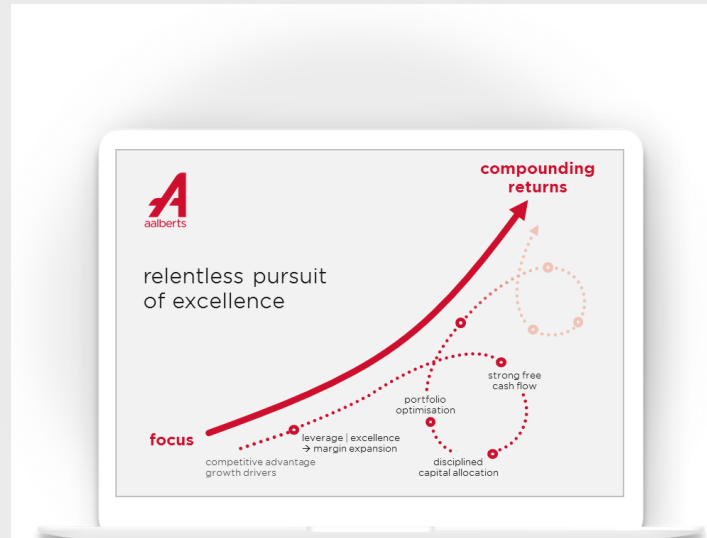
our way of value creation

the Aalberts playing field



mission-critical technologies

the Aalberts playbook



good is never good enough

the Aalberts way



**greatness is made
of shared knowledge**

we are relentless in our pursuit of excellence

we engineer mission-critical technologies
enabling a clean, smart and responsible future

A white 3D architectural model of a city, showing various buildings, streets, and green spaces. Several Aalberts logos are placed on different buildings. Four white text boxes with black text are overlaid on the model, highlighting specific areas of focus.

driving
sustainable transportation

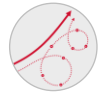
shaping
eco-friendly buildings

increasing
semicon efficiency

enhancing
industrial niches

you will find Aalberts where technology matters and real progress can be made

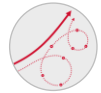
good is never good enough



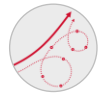
winning with the best teams



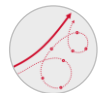
operational excellence | leverage



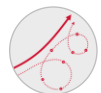
strong cash conversion



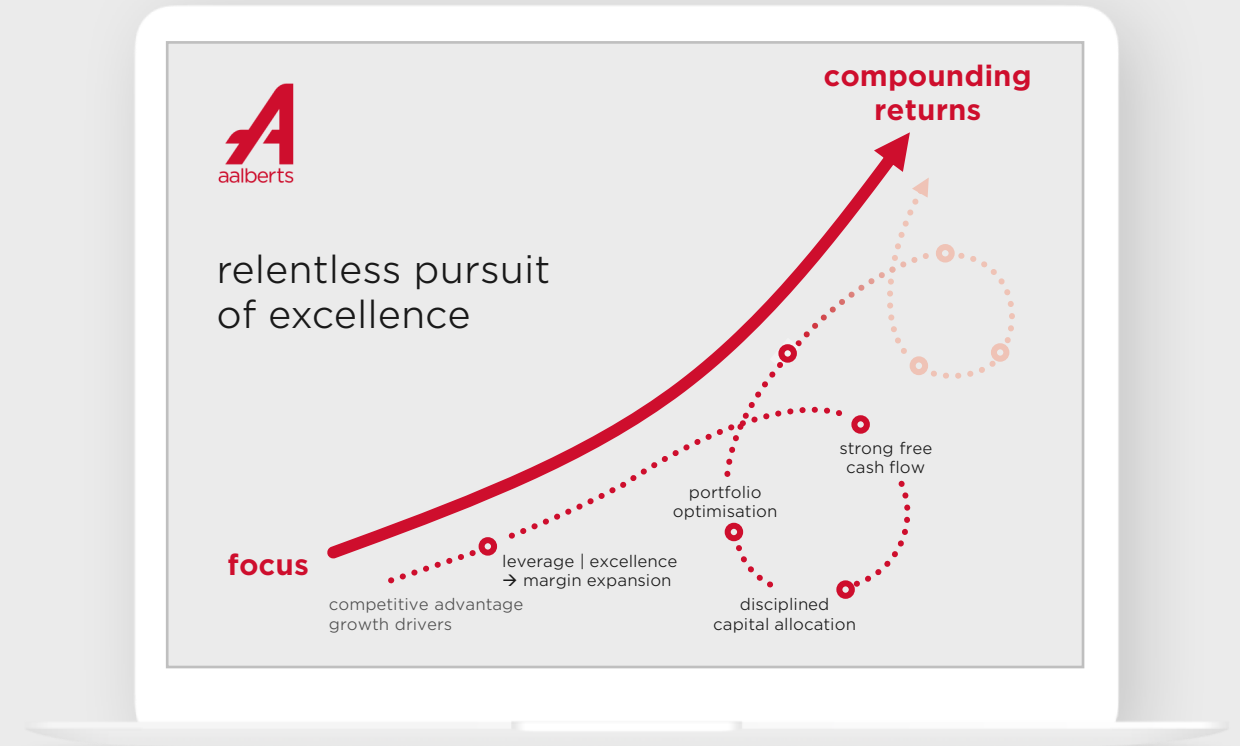
disciplined capital allocation



portfolio optimisation



drive innovations



driven by entrepreneurship and a relentless pursuit of excellence

greatness is made of shared knowledge



be an entrepreneur



take ownership



go for excellence



share and learn



act with integrity



the Aalberts way – winning with people

Aalberts strategy & objectives



accelerating unique positions with mission-critical technologies, high entry barriers and pricing power



creating sustainable profitable growth with high added-value margins, EBITA margins and innovation rates



driving operational excellence and portfolio optimisation converting into free cash flow, achieving world-class operations



allocating capital in a disciplined way strengthening our unique positions



realising sustainable entrepreneurship with clear impact and commitment



ensuring an open, pragmatic culture and lean structure, using the Aalberts strengths

organic revenue growth
(% annually)

EBITA margin
(% of revenue)

ROCE

innovation rate
(% of revenue)

SDG rate
(% of revenue)

leverage ratio

we are relentless in our pursuit of excellence

drive sustainable entrepreneurship

SDG impact increases to >70%

mission-critical technologies



hydraulic flow control

creating energy savings



integrated piping systems

hygienic distribution of water



advanced mechatronics

acceleration of technological breakthroughs



surface technologies

lifetime extension and lightweight materials



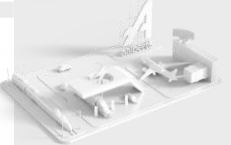
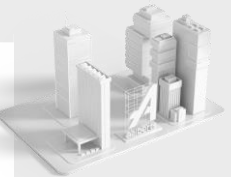
our playing field

eco-friendly buildings

semicon efficiency





sustainable transportation

industrial niches



we engineer mission-critical technologies enabling a clean, smart and responsible future

net zero carbon roadmap

	focus	projects per business team	2018-2022	2022-2026	2040	net zero carbon 2050
scope 1+2	 energy use (in CO ₂ intensity)**	<ul style="list-style-type: none">• drive energy efficiency• use renewable energy	progress ▼ 8%* versus 2018	target ▼ 30% versus 2018		
scope 3	 raw materials, waste  travel, transport  end of life	<ul style="list-style-type: none">• reduce, reuse, recycle• travel consciously• perform life cycle and circular design assessments	measurement	target setting		

* FY2020
** tonnes CO₂ divided by total revenue in EUR million

committed to be net zero by 2050 or earlier

greatness is made of shared knowledge

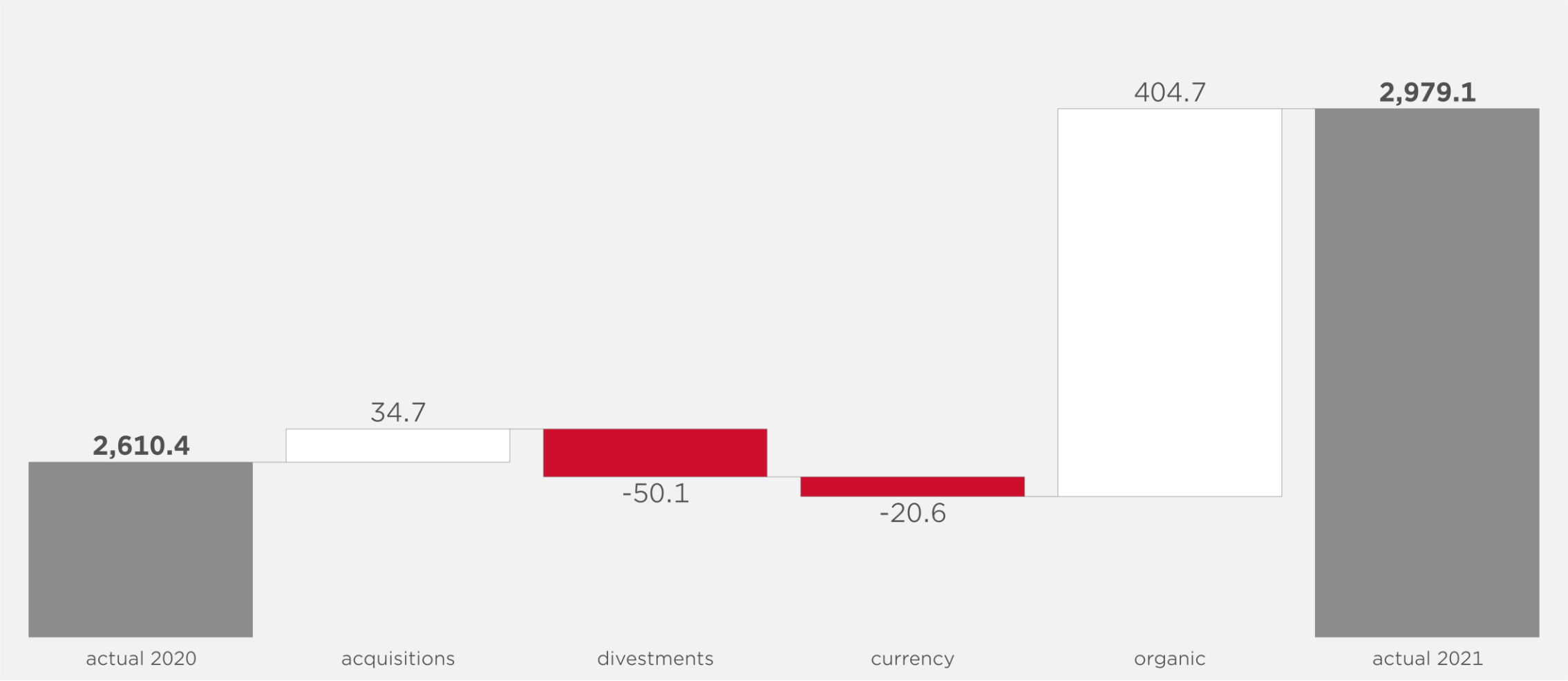
“ our pragmatic culture and lean structure keep us ahead of the game, no matter how frequently or significantly the game is disrupted ”



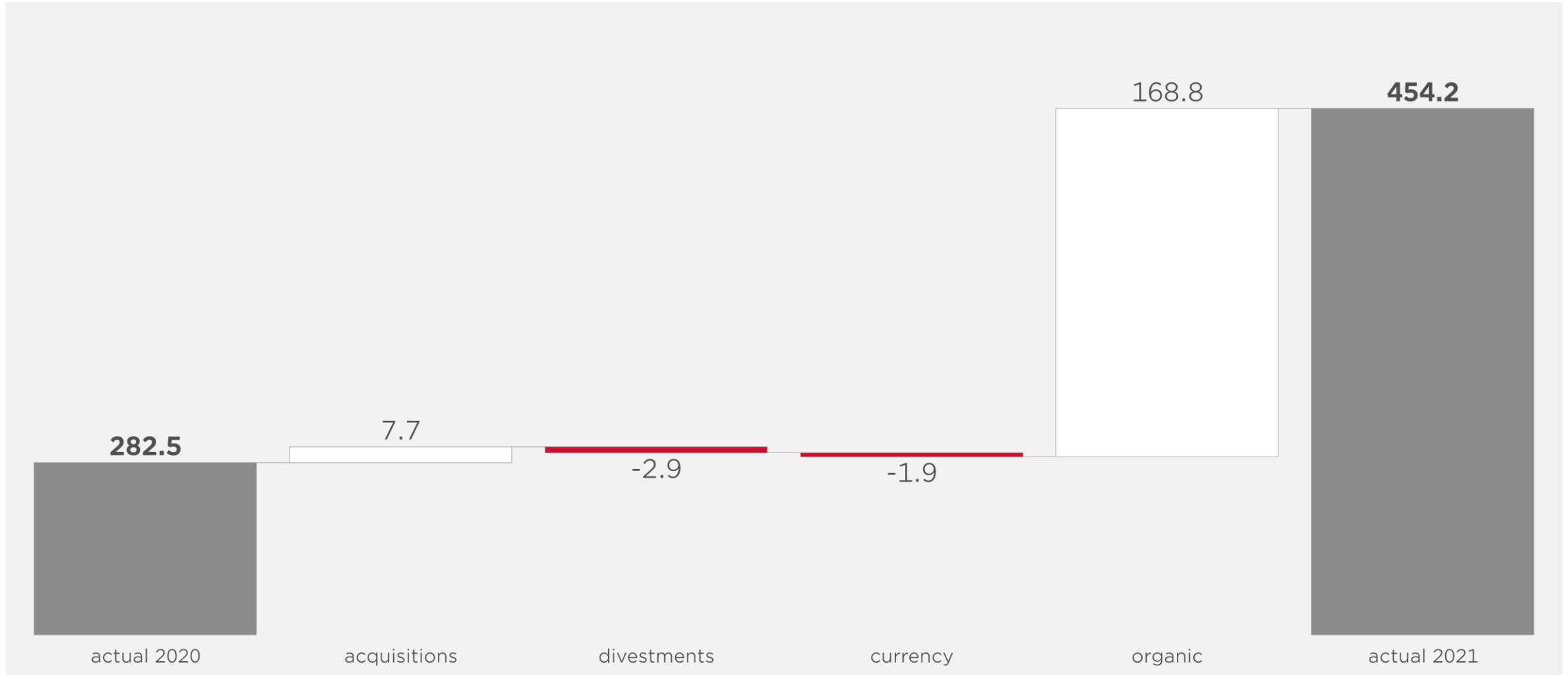
3. financial development 2021

Arno Monincx - CFO

revenue bridge



EBITA bridge



all figures before exceptionals

condensed consolidated income statement

in EUR million (before exceptionals)	2021	2020
revenue	2,979.1	2,610.4
EBITDA	585.1	422.6
depreciation	(130.9)	(140.1)
EBITA	454.2	282.5
net finance cost	(13.2)	(22.4)
income tax expense (<i>ETR 2021: 24.5, 2020: 24.4</i>)	(96.0)	(52.7)
non-controlling interests	(7.7)	(7.8)
net profit before amortisation	337.3	199.6
EPS before amortisation in EUR	3.05	1.81

- revenue growth 14.1% (16.0% organic)
- FX impact EUR 20.6 million *negative* on revenue and EUR 1.9 million *negative* on EBITA

strong performance, 16% organic revenue growth and EBITA margin 15.2%

condensed consolidated balance sheet

in EUR million

	31.12.2021	31.12.2020
total non-current assets	2,460	2,273
total current assets	1,195	982
total assets	3,655	3,255
total equity	2,184	1,806
total non-current liabilities	525	588
total current liabilities	946	861
total equity and liabilities	3,655	3,255
net debt	492	600
leverage ratio: net debt / EBITDA (12-months-rolling)	0.9	1.4
net working capital	452	399
days net working capital	58	55
solvability (total equity as a % of total assets)	59.7	55.5
return on capital employed	17.2	11.7

return on capital employed increased to 17.2%

free cash flow

in EUR million (before exceptionals)

	2021	2020	delta
EBITDA	585.1	422.6	162.5
gain on disposal of subsidiaries	(13.1)	-	(13.1)
result on sale of equipment / changes in provisions	0.9	(9.6)	10.5
changes in working capital	(108.7)	61.9	(170.6)
cash flow from operations	464.2	474.9	(10.7)
purchase of property, plant and equipment	(144.6)	(107.6)	(37.0)
purchase of intangible assets	(12.2)	(10.4)	(1.8)
proceeds from sale of equipment	2.1	3.0	(0.9)
free cash flow	309.5	359.9	(50.4)

solid free cash flow despite increase working capital and CAPEX cash out

segment reporting structure

building technology



revenue
(in EUR million)

organic growth
(% of revenue)

EBITA margin
(% of revenue)

capital expenditure
(in EUR million)

industrial technology



revenue
(in EUR million)

organic growth
(% of revenue)

EBITA margin
(% of revenue)

capital expenditure
(in EUR million)

greatness is made of shared knowledge

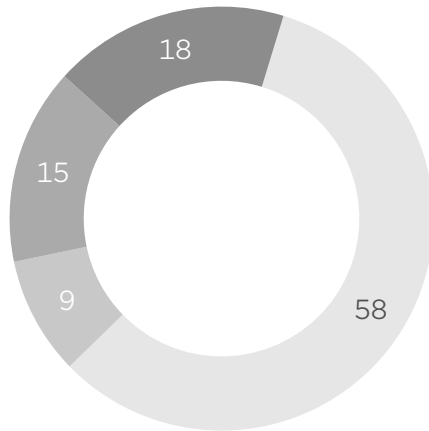
reporting per business segment

building technology	2021	2020	delta
revenue (in EUR million)	1,837.9	1,623.8	13%
organic revenue growth (in %)	16.2	-	
EBITA (in EUR million)	285.7	187.1	53%
EBITA as a % of revenue (in %)	15.5	11.5	4.0
capital expenditure (in EUR million)	75.7	49.5	53%

industrial technology	2021	2020	delta
revenue (in EUR million)	1,141.2	986.6	16%
organic revenue growth (in %)	15.6	-	
EBITA (in EUR million)	175.8	102.7	71%
EBITA as a % of revenue (in %)	15.4	10.4	5.0
capital expenditure (in EUR million)	68.1	45.6	49%

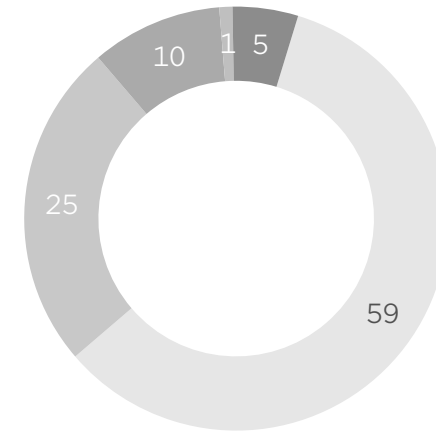
revenue per end market and region

revenue per end market (in %)



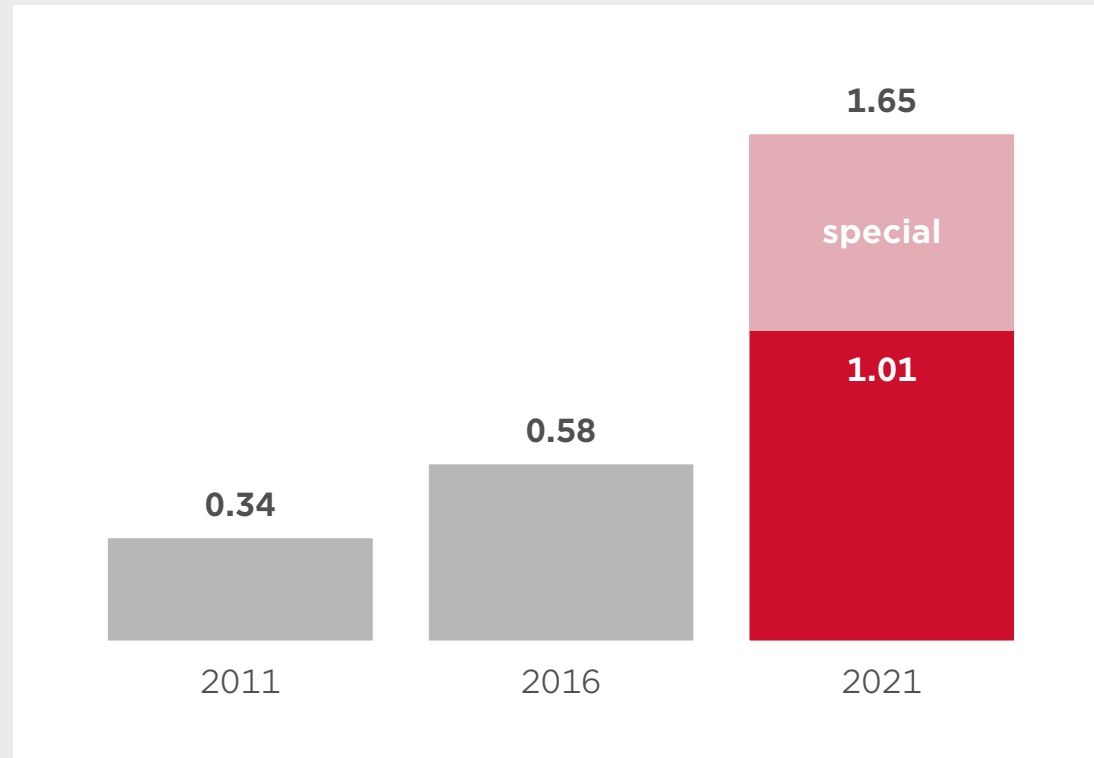
- eco-friendly buildings **58%**
- semicon efficiency **9%**
- sustainable transportation **15%**
- industrial niches **18%**

revenue per region (in %)



- Western Europe **59%**
- America **25%**
- Eastern Europe **10%**
- Russia **1%**
- APAC, Middle East, Africa **5%**

dividend



dividend proposal:

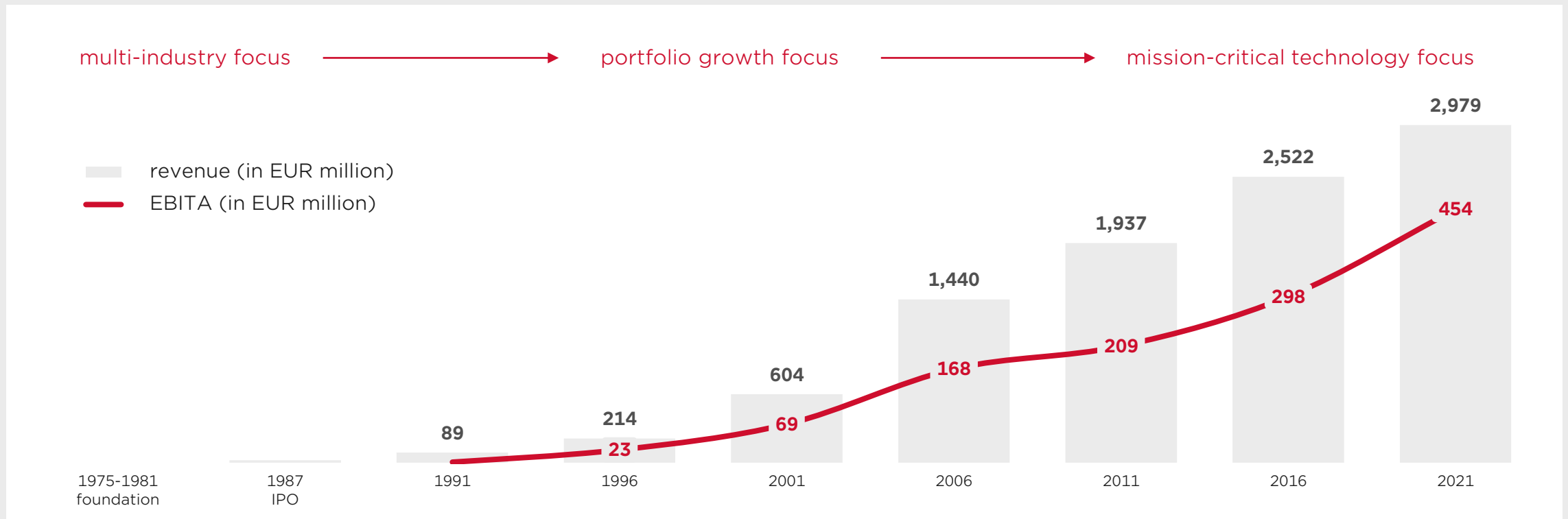
cash dividend of EUR 1.01 per share
(2020: EUR 0.60), an increase of 68%

special cash dividend of EUR 0.64 per share,
due to exceptional EBITA benefit

cash dividend EUR 1.01 per share and special cash dividend EUR 0.64 per share

our track record

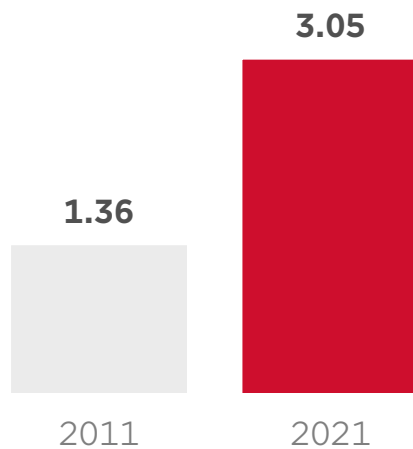
over 45 years of sustainable profitable growth



a proven sustainable business model

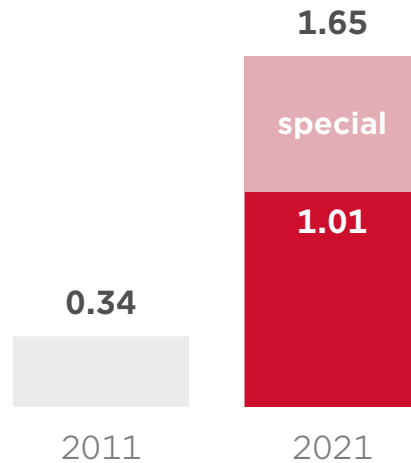
shareholder value creation

earnings per share (in EUR)



CAGR \nearrow 8%

dividend per share (in EUR)



CAGR \nearrow 12%

return on incremental capital employed

EBITA		capital employed
209	2011	1,464
454	2021	2,676
(1)	IFRS 16	(174)
244		1,038

23.5%

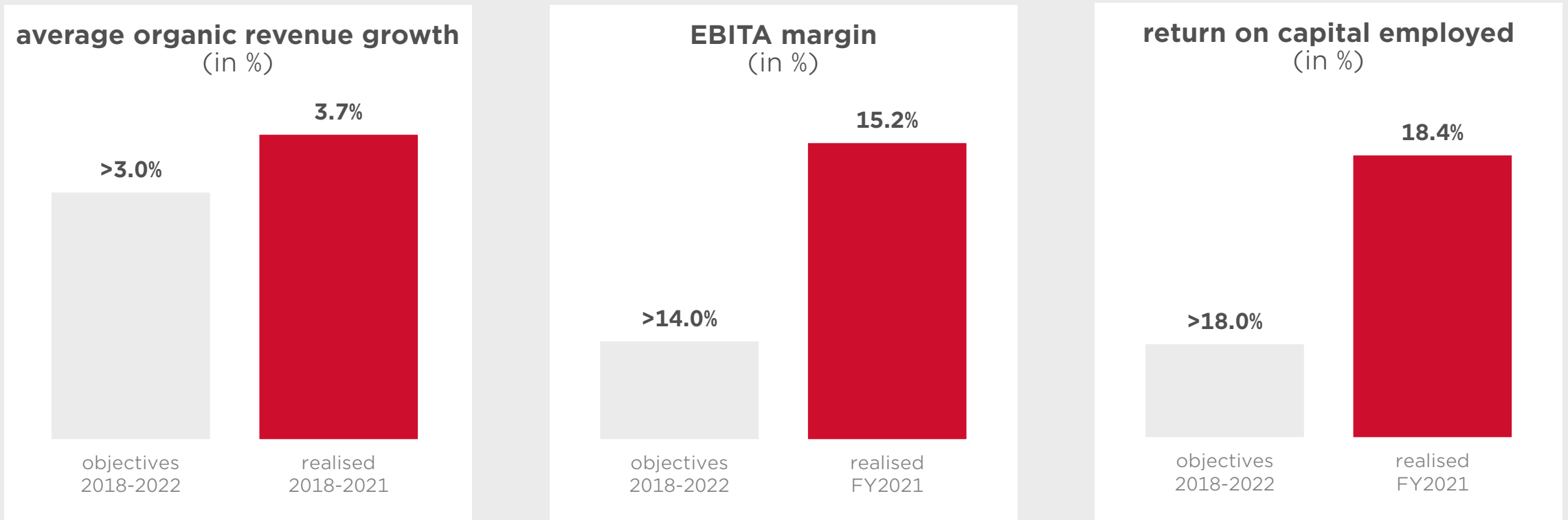
long-term shareholders (>3% holdings)



>50%

a proven sustainable business model

review objectives 2018-2022



a proven sustainable business model

all figures before IFRS 16

objectives Aalberts 'accelerates unique positioning'

organic revenue growth

(% annually)

4-6%

EBITA margin

(% of revenue)

16-18%

ROCE

18-20%

innovation rate

(% of revenue)

>20%

SDG rate

(% of revenue)

>70%

leverage ratio

<2.5

we are relentless in our pursuit of excellence



4. trading update - first four months 2022

Wim Pelsma - CEO

trading update - first four months 2022

- organic revenue growth 9%
- orderbook end of April 51% higher than last year
- added value margin on a good level
- capital expenditure further accelerated to facilitate organic growth plans
- we were able to manage ongoing pandemic, disruptions in our supply chains and raw material and labour shortages; so far, no severe issues
- we invested in additional inventory to secure customer deliveries; in parallel, work in progress is increasing to facilitate growth and gain market share
- regional manufacturing becomes favourable
 - » to improve service, protect supply chains, reduce transport and energy use
 - » driving business and capital expenditure plans to anticipate on this reshoring trend
- activities in Russia, less than 1% of our total revenue, continued on a lower level
 - » we postponed our investments; we comply with international sanctions

trading update - first four months 2022

- **eco-friendly buildings**
 - » continued to do well in all regions with record orderbook
 - » increasing manufacturing efficiency and capacity with acceleration of capital expenditure
 - » innovations driving our growth
- **semicon efficiency**
 - » continued strong growth and performance
 - » orderbook further increased to record level
 - » capacity expansions and efficiency improvements ongoing
- **sustainable transportation**
 - » good performance with an increased orderbook
 - » demand passenger cars and commercial vehicles remains strong
 - accelerated by new developments e-mobility and lightweight materials
 - » aerospace and marine further recovery
- **industrial niches**
 - » strong growth and improved performance
 - » orderbook further increased
- relentlessly executing updated strategy Aalberts 'accelerates unique positioning'



5. questions & answers

aalberts.com/investors