

Investor Call

Q1 2022



➤ Plochingen, July 01, 2022 – public-side information only

- CEO – Dr. Hadi Saleh
- CFO – Eric Oellerer

Investor Call – 2022 Q1 Financial Information Disclaimer

This document contains statements that constitute forward-looking statements. These statements appear in a number of places in this document and include statements regarding the intent, belief or current expectations of our customers, estimates regarding future growth in the different business lines and the global business, market share, financial results and other aspects of the activity and situation relating to the Company. The forward-looking statements in this document can be identified, in some instances, by the use of words such as "expects", "anticipates", "intends", "believes", "plan", "seek", "will", "project", and similar language or the negative thereof or by forward-looking nature of discussions of strategy, plans or intentions. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and other important factors that could cause actual developments or results to differ materially from those expressed in our forward-looking statements. Analysts and investors are cautioned not to place undue reliance on those forward-looking statements which speak only as of the date of this presentation. CeramTec undertakes no obligation to release publicly the results of any revisions to these forward-looking statements which may be made to reflect events and circumstances after the date of this presentation, including, without limitation, changes in the Company's business strategy or to reflect the occurrence of unanticipated events. The financial information contained in this document has been prepared under IFRS. This financial information is unaudited and, therefore, subject to potential future modifications.

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Overview of Q1 Performance



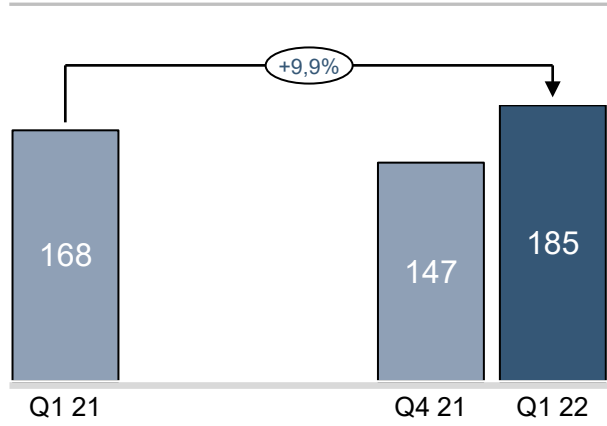
- Group Revenue Q1'22: EUR 185.1m +9.9% vs. PY
- Medical Markets* Revenue Q1'22: EUR 93.6m +12.9% vs. PY. Continued strong growth in all medical end markets
- Industrial Markets* Revenue Q1'22: EUR 91.5m +6.9% vs. PY. Ongoing recovery in business across nearly all end markets and regions
- Management-Adjusted EBITDA Q1'22: EUR 73.0m +3.5% vs. PY.
- Management-Adjusted EBITDA margin Q1'22 of 39.4%
- Following the new financing total net debt leverage ratio Q1'22 at 7.3x including EUR 41.4M of cash on hand at the end of Q1 2022

* Historically, the performance of the Group was monitored based on a Business Unit / legal entity view. In this structure, Medical Products includes Orthopaedic and Dental implants only. All other products were allocated to the Industrial business. Since January 2022, we have been looking at the overall business from a target market perspective, that is split into Medical and Industrial markets and leads to the medical equipment products previously shown in the Industrial business sold to medical customers now being classified in the Medical Markets.

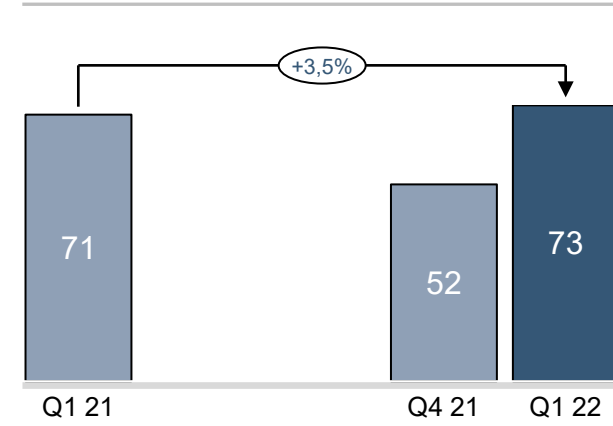
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Q1 2022 Performance

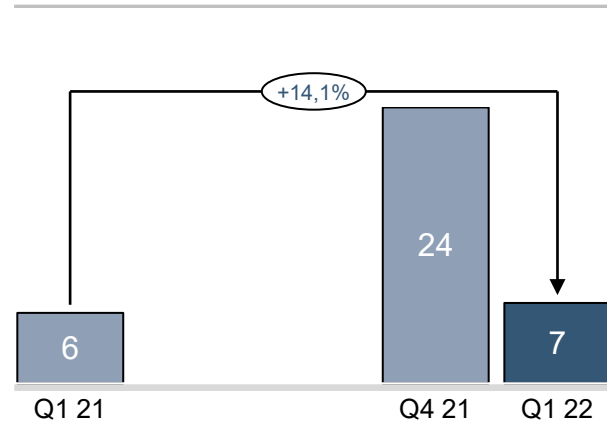
Revenue (EURm)



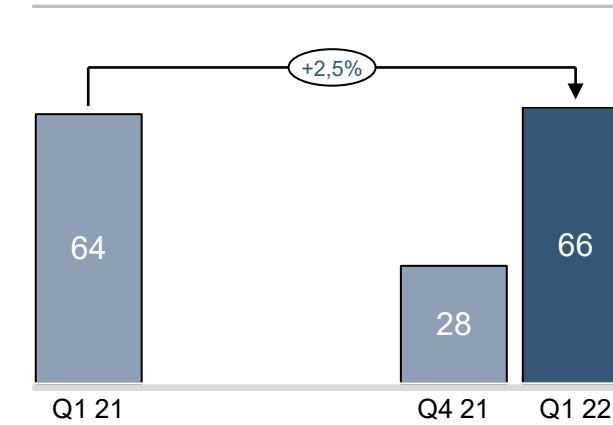
Management Adjusted EBITDA (EURm)



Net Capex (EURm)



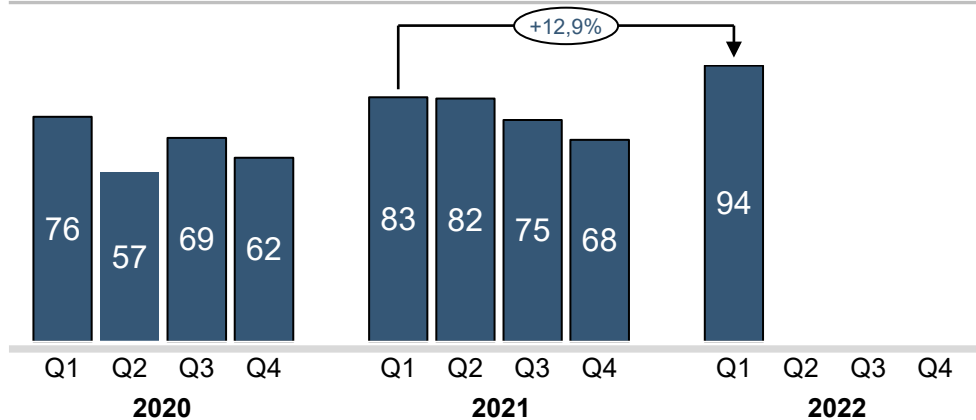
Management Adjusted EBITDA – Net Capex (EURm)



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Medical and Industrial Markets – Revenue Trend

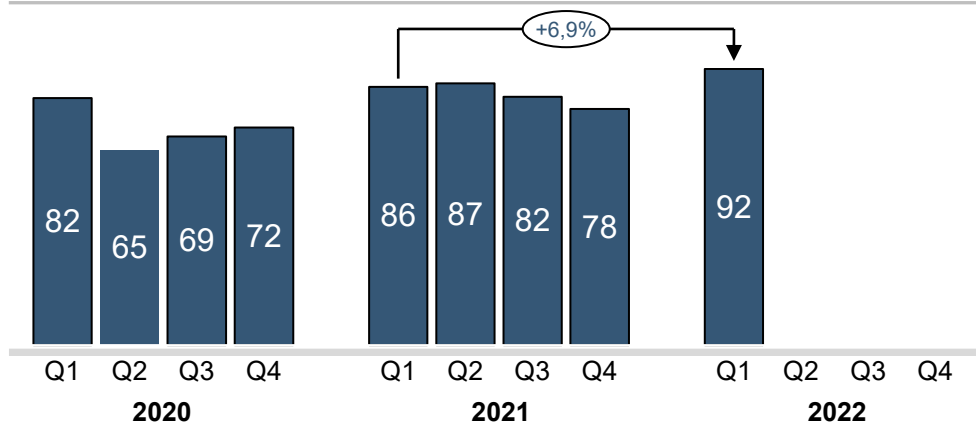
Medical Markets (EURm)



Comments

- Q1'22 Medical Markets Revenue +12.9% vs. PY. On constant currency, revenue growth was +12.5% vs PY.
- Key drivers for the strong performance were growing demand from key customers in China and North America for implants based on solid market growth as well as continued recovery from the Covid-19 related slowdown. Medical equipment is also seeing continued growth supported also by new product and customer wins.

Industrial Markets (EURm)



Comments

- Q1'22 Industrial Revenue +6.9% vs. PY. On constant currency, revenue growth was +4.2% vs PY.
- Recovery driven by strong Order Income which already saw a positive trend and recovery of business after first wave of Covid-19 pandemic, affecting nearly all key markets including machinery and electronics. Mobility end markets with continued slower development due to supply chain issues at various customers.
- Especially positive development in Asia and North America

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Q1 2022 Management Financials

In EURm	Q1 2022	Q1 2021	Δ
Net Revenue	185.1	168.4	9.9%
Medical Markets	93.6	82.9	12.9%
Industrial Markets	91.5	85.6	6.9%
Gross Profit ⁽¹⁾	95.8	90.7	5.6%
<i>as % of Revenue</i>	51.8%	53.9%	-2.1
SG&A⁽¹⁾	-22.4	-20.8	8.1%
<i>as % of Revenue</i>	-12.1%	-12.3%	
Other Inc./Exp.⁽¹⁾	-0.4	0.5	n/a
<i>as % of Revenue</i>	-0.2%	0.3%	
Management Adj. EBITDA	73.0	70.5	3.5%
<i>as % of Revenue</i>	39.4%	41.9%	-2.4

(1) Incl R&D; w/o Depreciation and Amortization and other extraordinary items

Note: All figures in EURm at actual FX rates including normalization adjustments

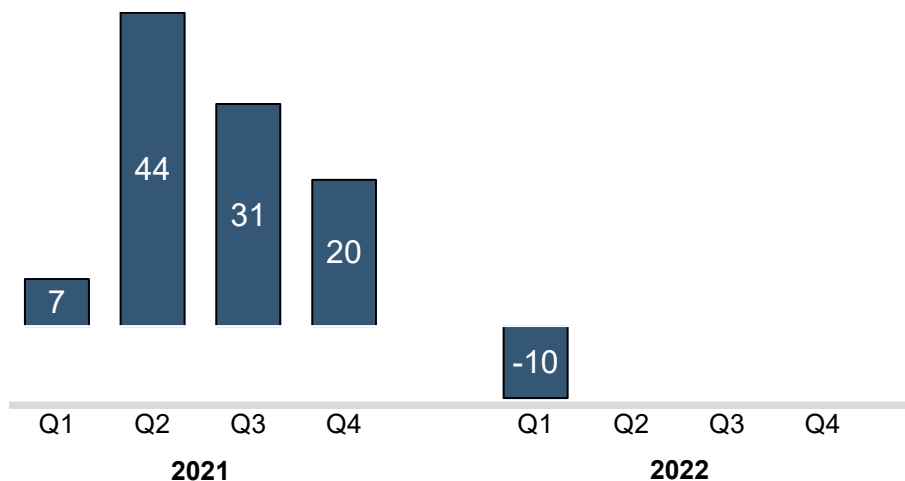
Comments

- Q1'22 Revenue: Medical Markets increased by +12.9% vs. PY and Industrial Markets increased by +6.9% vs. PY, both businesses continue to benefit from the recovery of the markets from Covid-19 impact as well as new customer generation and new product launches. Within Industrial markets the mobility end market continues are seeing slower growth due to worldwide supply chain issues.
- Q1'22 Gross margin: -2.1%pts behind PY, good volumes offset by inflation and energy cost effects with price increases which were put in place with a certain time lag to realize full impact.
- Q1'22 SG&A margin: decrease vs. PY by 0.2%pts partly driven by volume growth and selected initiatives to improve customer focus, with ongoing cost control.
- Q1'22 Management Adj. EBITDA margin at 39.4% with -2.4%pts vs PY.

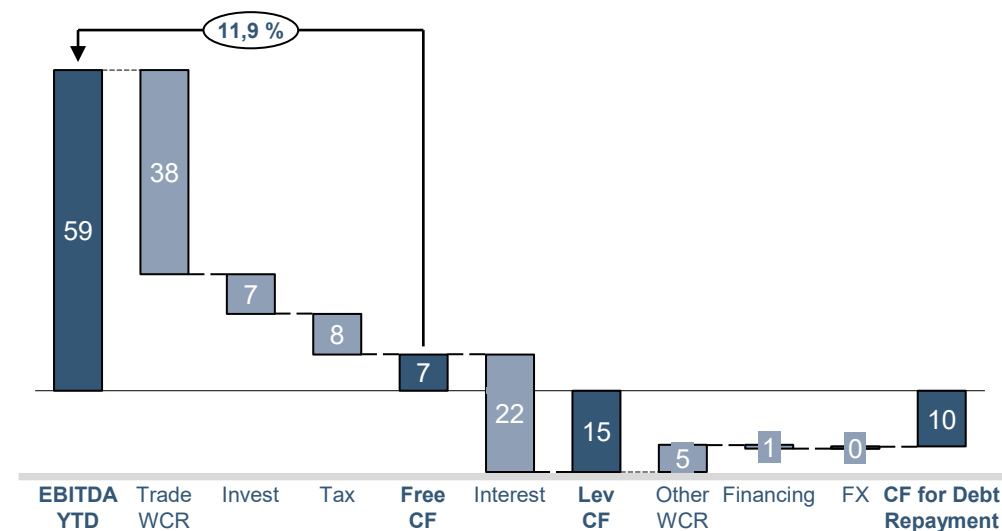
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YTD 12% Operational Cash Conversion

Quarterly Cash Flow for Debt Repayment (EURm)



YTD Cash Flow for Debt Repayment (EURm)

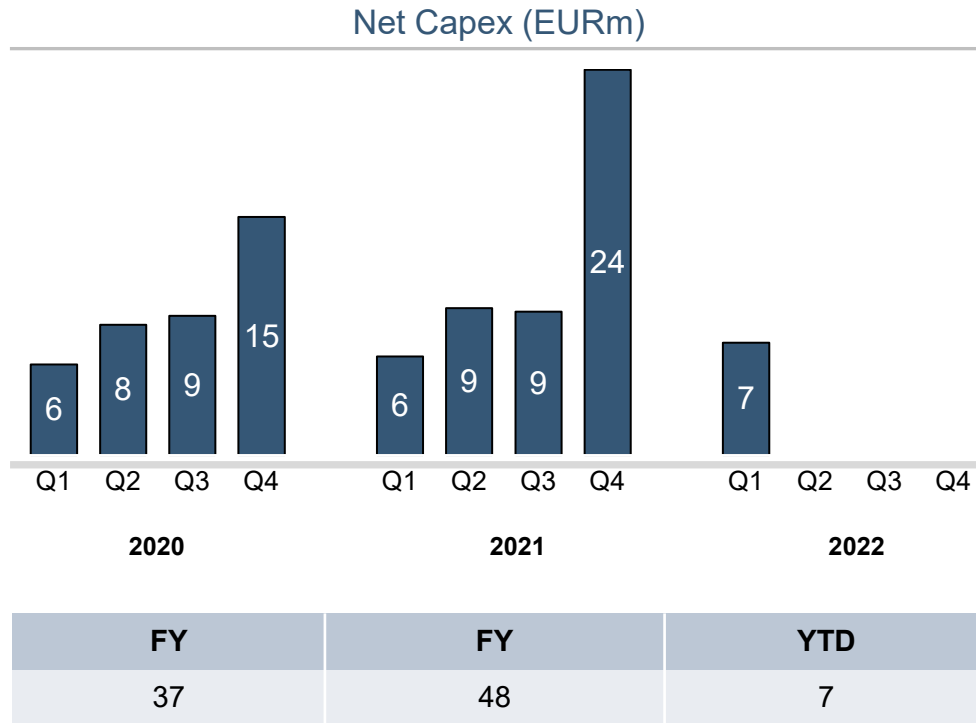


Reported Total CF to Cash Flow for Debt Repayment

in EURm	Q1 21	Q2 21	Q3 21	Q4 21	FY 21	Q1 22	Q2 22	Q3 22	Q4 22	YTD 22
Cash flow for debt repayment	7	44	31	20	101	-10				-10
+ RCF drawdown / (repayment)	0	0	0	0	0	0				0
+ Ancillary drawdown / (repayment) / syndicated loan	0	0	0	0	0	238				237
- Acquisition / Transaction	-50	0	1	0	-49	-1834				-1834
- Cash received from contribution to capital reserve	0	0	0	0	0	1608				1608
- Bond issuance / repurchase	0	0	0	0	0	42				42
- SHL cash received / repayment (principal + interest)	0	0	0	-5	-5	-293				-293
Total CF (as reported)	-44	44	32	15	47	-250				-250

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Net Capex Development



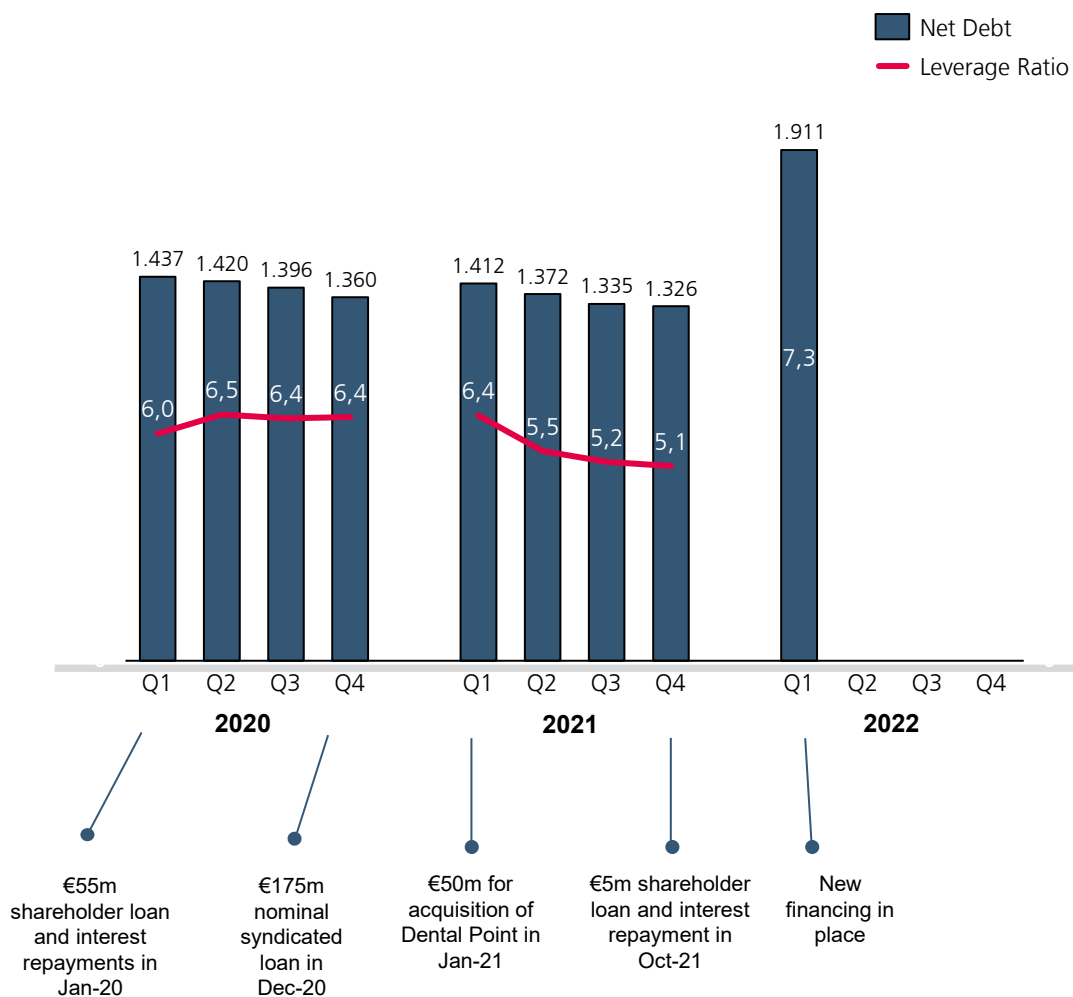
Comments

- Capex continues to be managed tightly with focus on growth investments in key end markets.
- Key Projects ensure long term capacity increase projects in Medical markets, necessary maintenance activities and selected Industrial projects, digitalization and ESG projects.
- Q1 on prior year level, expected to accelerate over the next quarters to ensure that strong increase in order intake.

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Net Debt And Leverage Ratio

Net Financial Debt (EURm)



In EURm	March 31, 2021	March 31, 2022
Senior Debt	1,196.1	1,480.0
Bonds	406.0	465.0
Other	4.8	1.0
Revolver	0.0	0.0
Accrued Interests	5.6	6.5
Gross Debt	1,612.5	1,952.5
- Cash	-200.6	-41.4
Total Net Debt	1,411.9	1,911.1
LTM Adj. EBITDA	219.9	261.4
Leverage Ratio	6.4x	7.3x
Senior Net Debt Lev. Ratio	4.5x	5.4x
Net Senior Debt (SFA)	1,000.2	- *
Cons. Pro Forma EBITDA (SFA)	228.0	- *
Leverage ratio (SFA)	4.4x	- *

* No Compliance Certificate required

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