

# FUCHS GROUP

## Investor Presentation

| January 2022

| Dagmar Steinert, CFO

| Lutz Ackermann, Head of Investor Relations



# Agenda

- 01 | The Leading Independent Lubricants Company**
- 02 | FUCHS2025**
- 03 | 9M 2021**
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# 01 The Leading Independent Lubricants Company



# FUCHS at a glance

Established **3**  
generations ago as a  
family-owned business

**No. 1**  
among the independent  
suppliers of lubricants

The Fuchs family holds  
**55%** of  
ordinary shares

**€2.4** bn  
sales in 2020

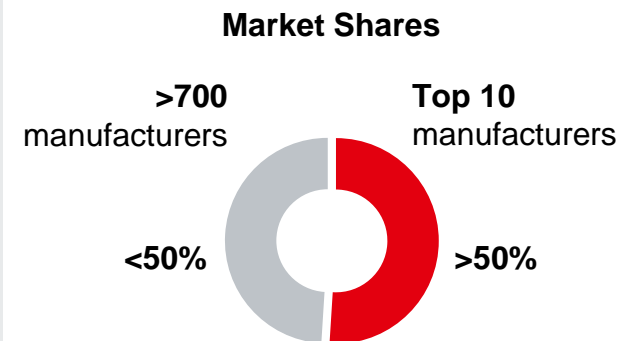
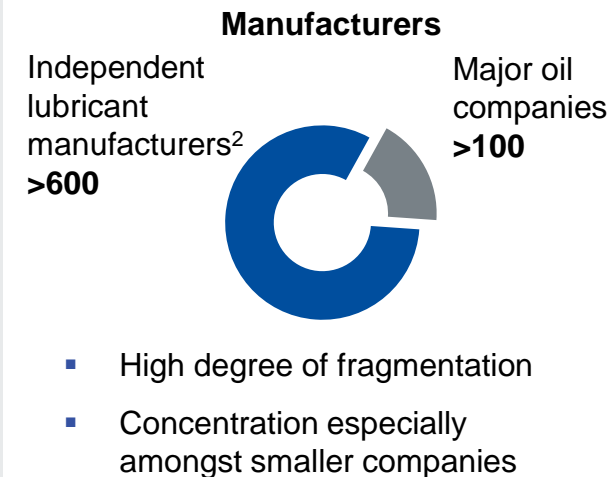
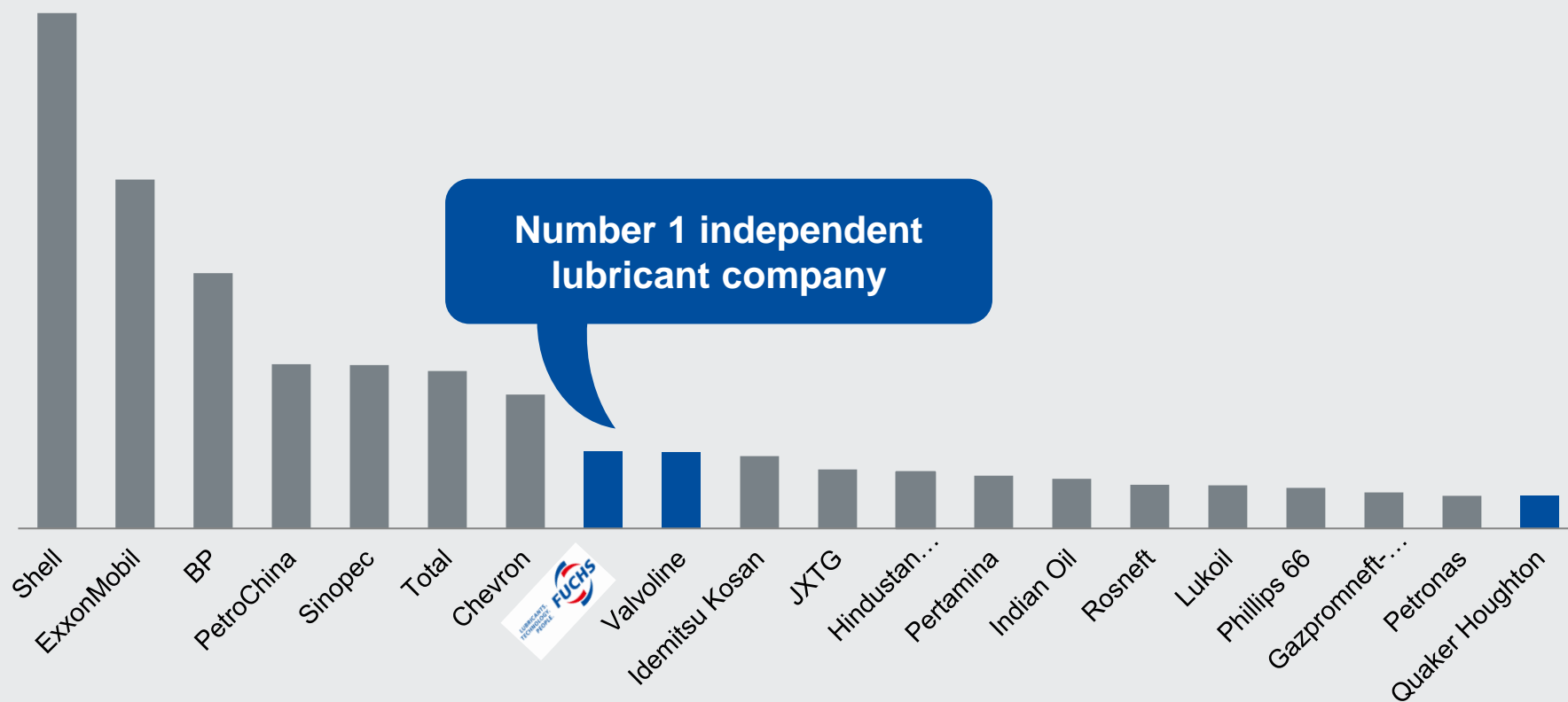
Around **5,900**  
employees

Preference share is listed  
in the MDAX

**58** companies worldwide

A full range  
of over  
**10,000**  
lubricants and related  
specialties

# Top 20 lubricant manufacturers<sup>1</sup>



<sup>1</sup> Market Shares 2020

<sup>2</sup> > 1000 tons

# Our unique business model is the basis for our competitive advantage

Technology and innovation leadership in

strategically important product areas



FUCHS is fully focussed on lubricants



FUCHS is a full-line supplier



Independency allows reliability, customer & market proximity (responsiveness and flexibility) and continuity

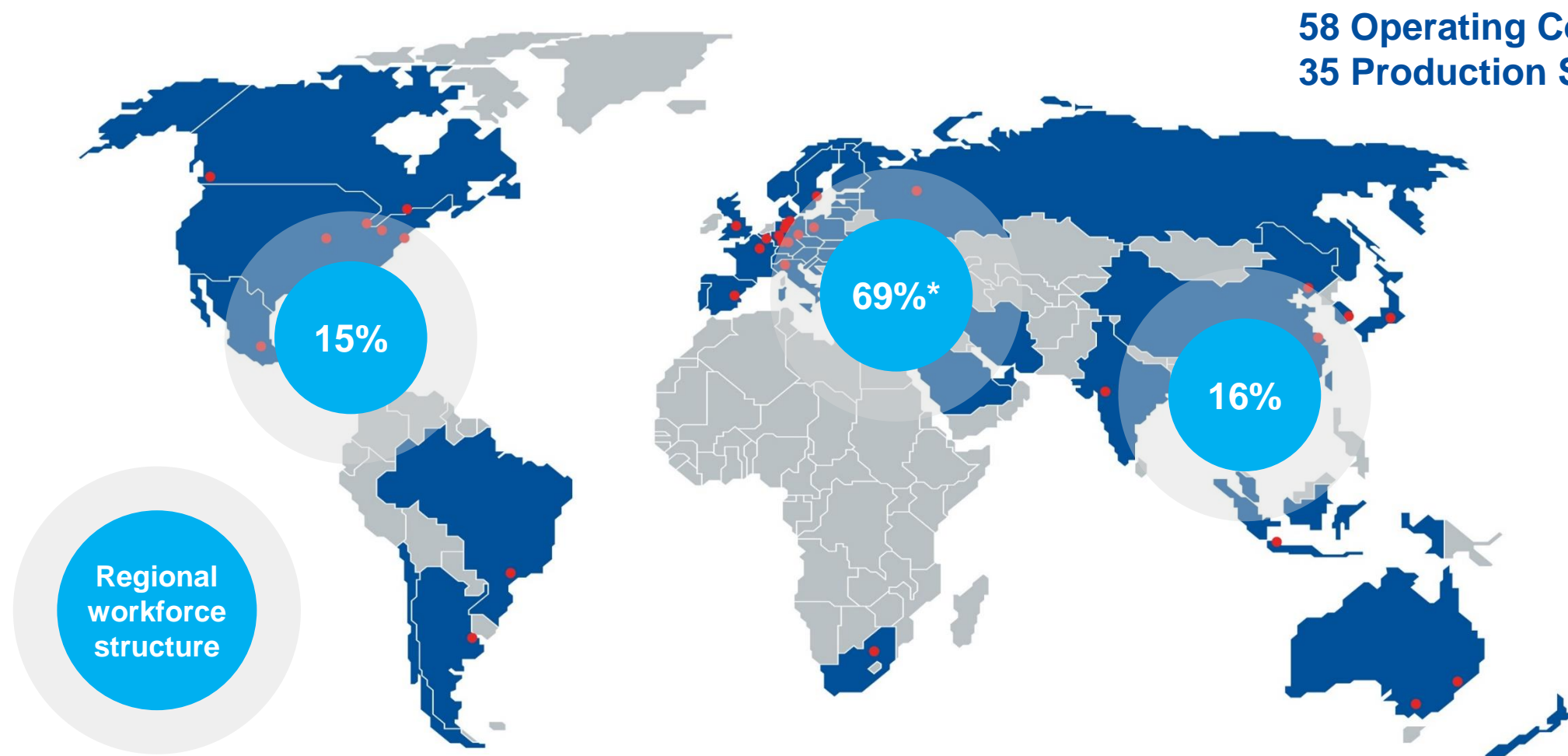


Global presence, R&D strength, know-how transfer, speed

Advantage over major oil companies

Advantage over other independent companies

## We are where our customers are



# Full-line supplier advantage

# 100,000

Customers in more than

# 150

Countries



Car industry



Manufacturing



Engineering



Heavy Duty



Steel & Cement



Aerospace



Construction



Mining



Trade, Services &  
Transportation



Agriculture  
industry



Wind energy



Food

**Sales 2020: €2.4 bn**

(~80% international)  
by customer location

**Automotive Lubricants**  
~45%

e.g. Engine & gear oils,  
hydraulic oils, shock  
absorber fluids, etc.

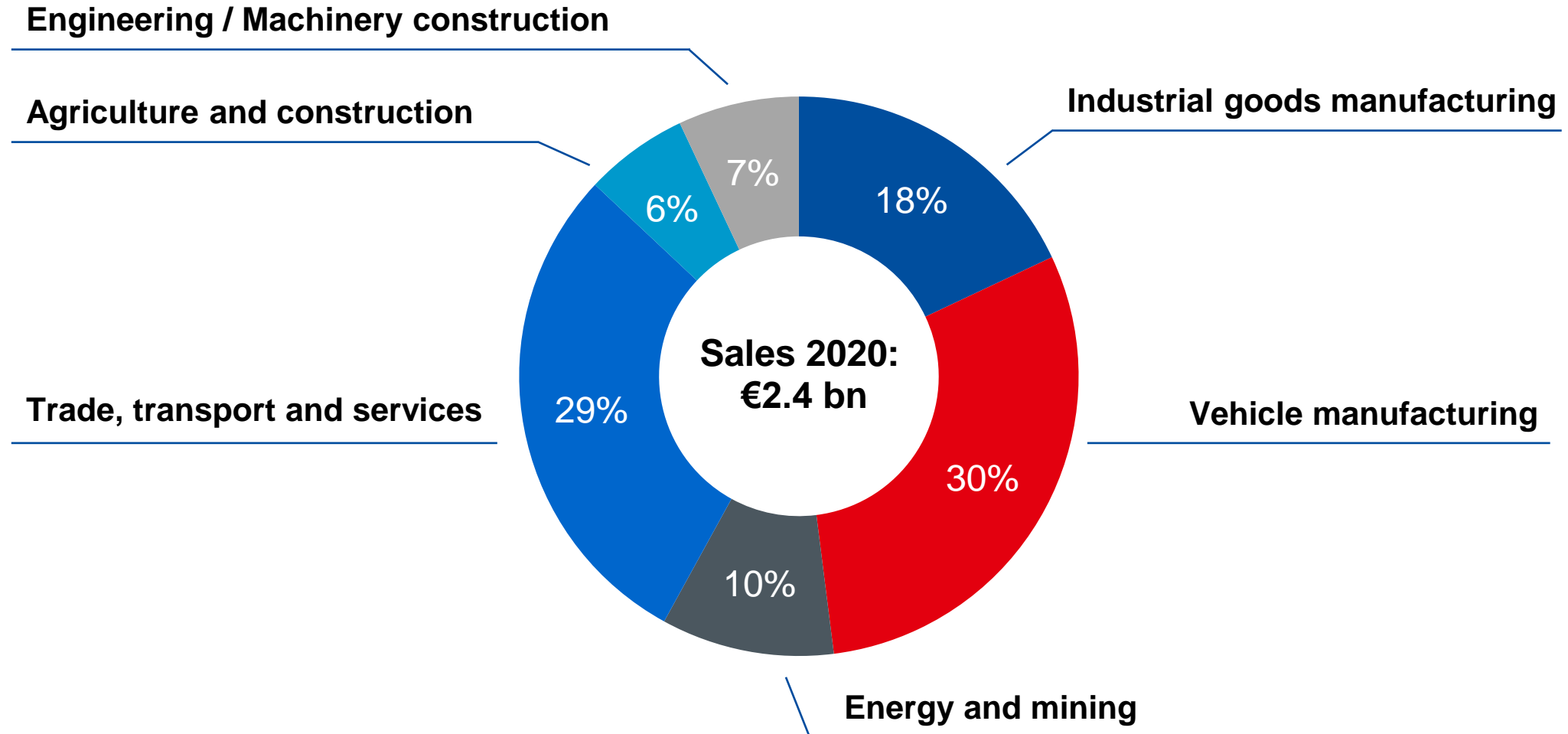
**Industrial Lubricants**  
~55%

e.g. Industrial oils,  
MWF/CP\* and greases

\*metalworking fluids/corrosion preventives

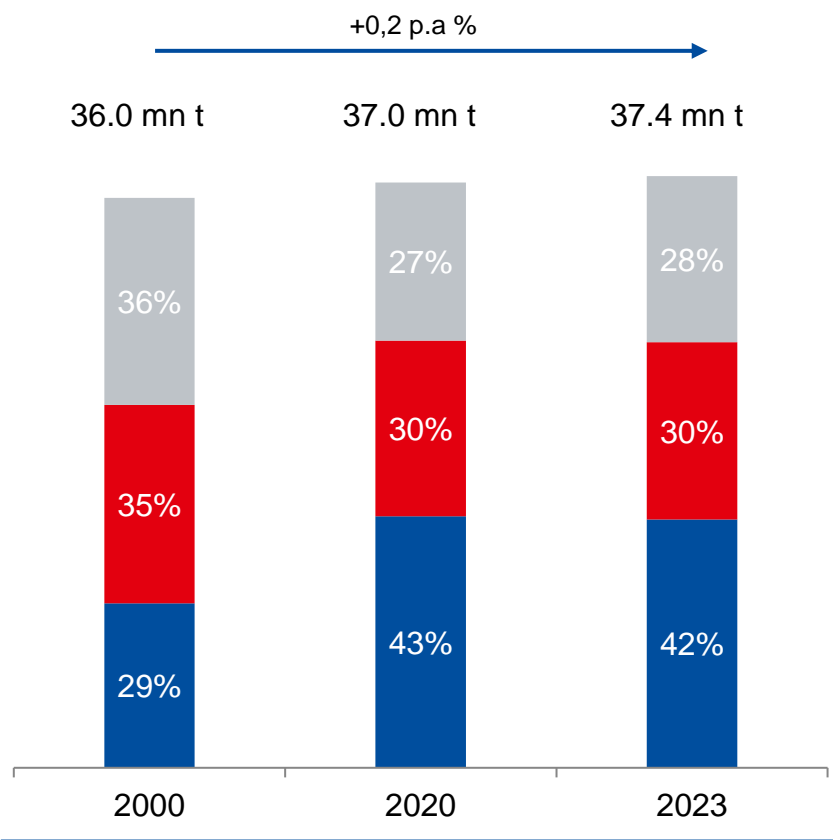
## Well balanced customer structure

Top 20 Customers account for ~ 25% sales

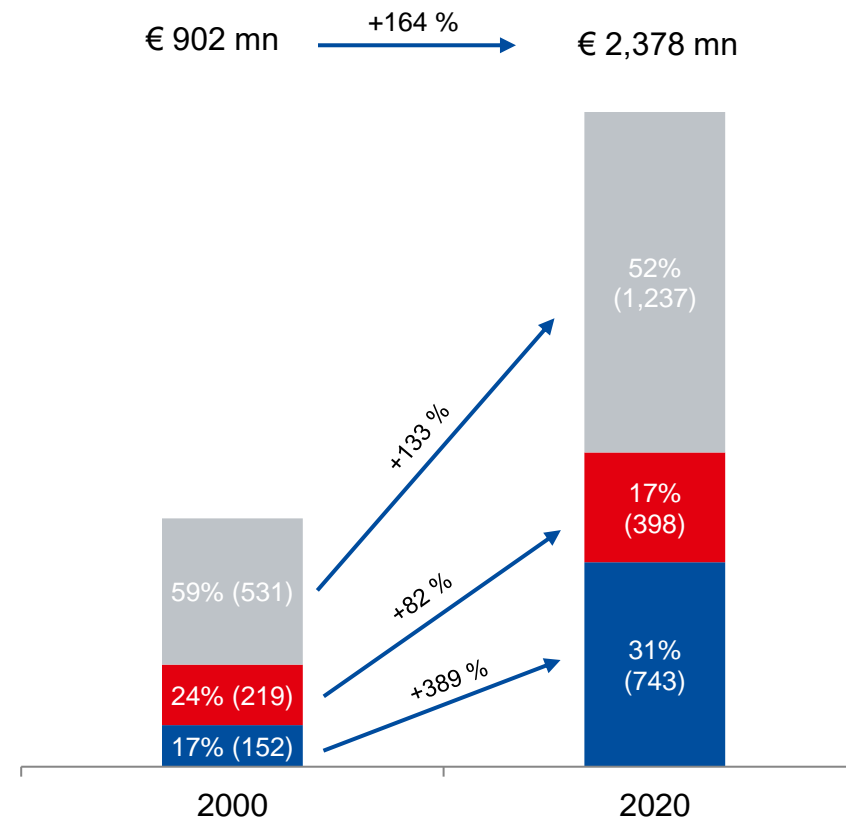


# Slight growth in global lubricant demand

## Market Demand



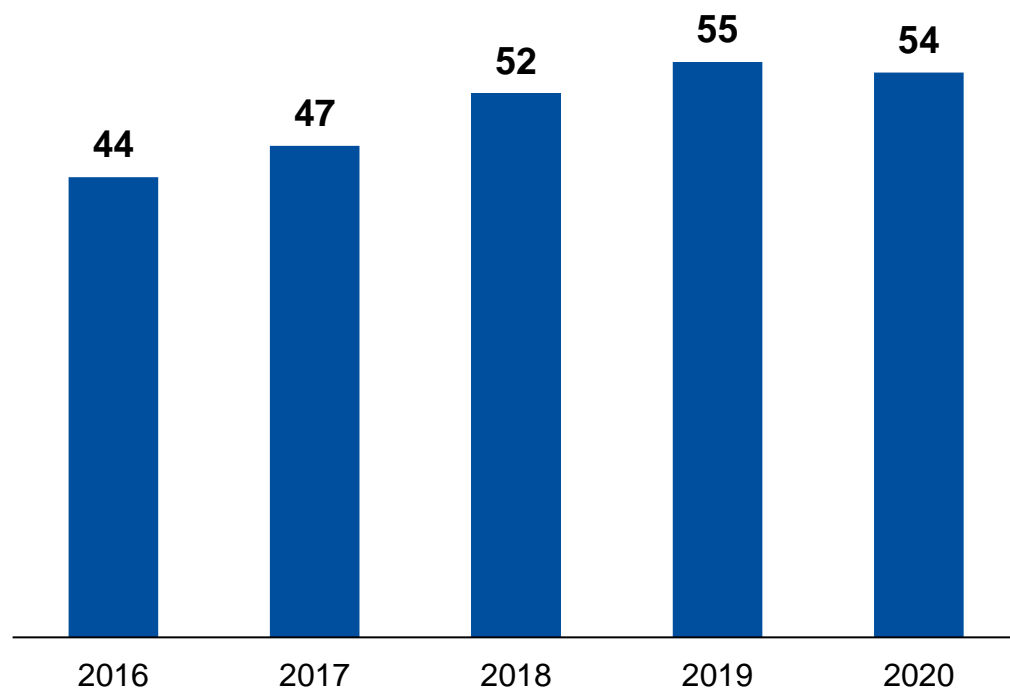
## FUCHS Sales (by customer location)



# Investment in the future

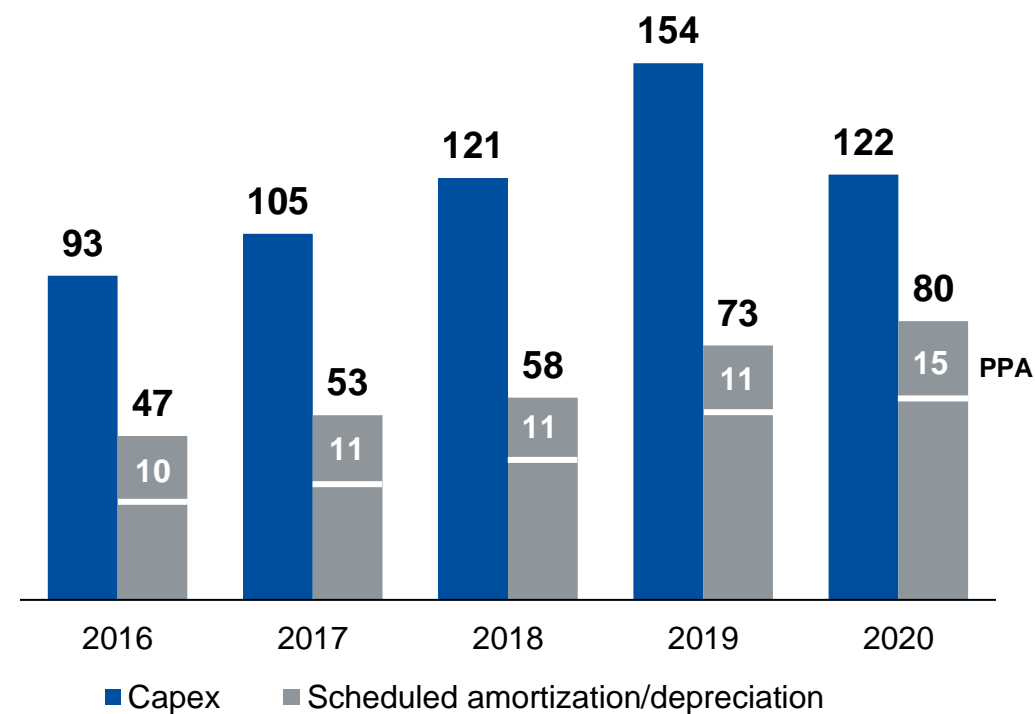
R&D expenses 2020: €54 mn

€ mn



Capex 2020: €122 mn

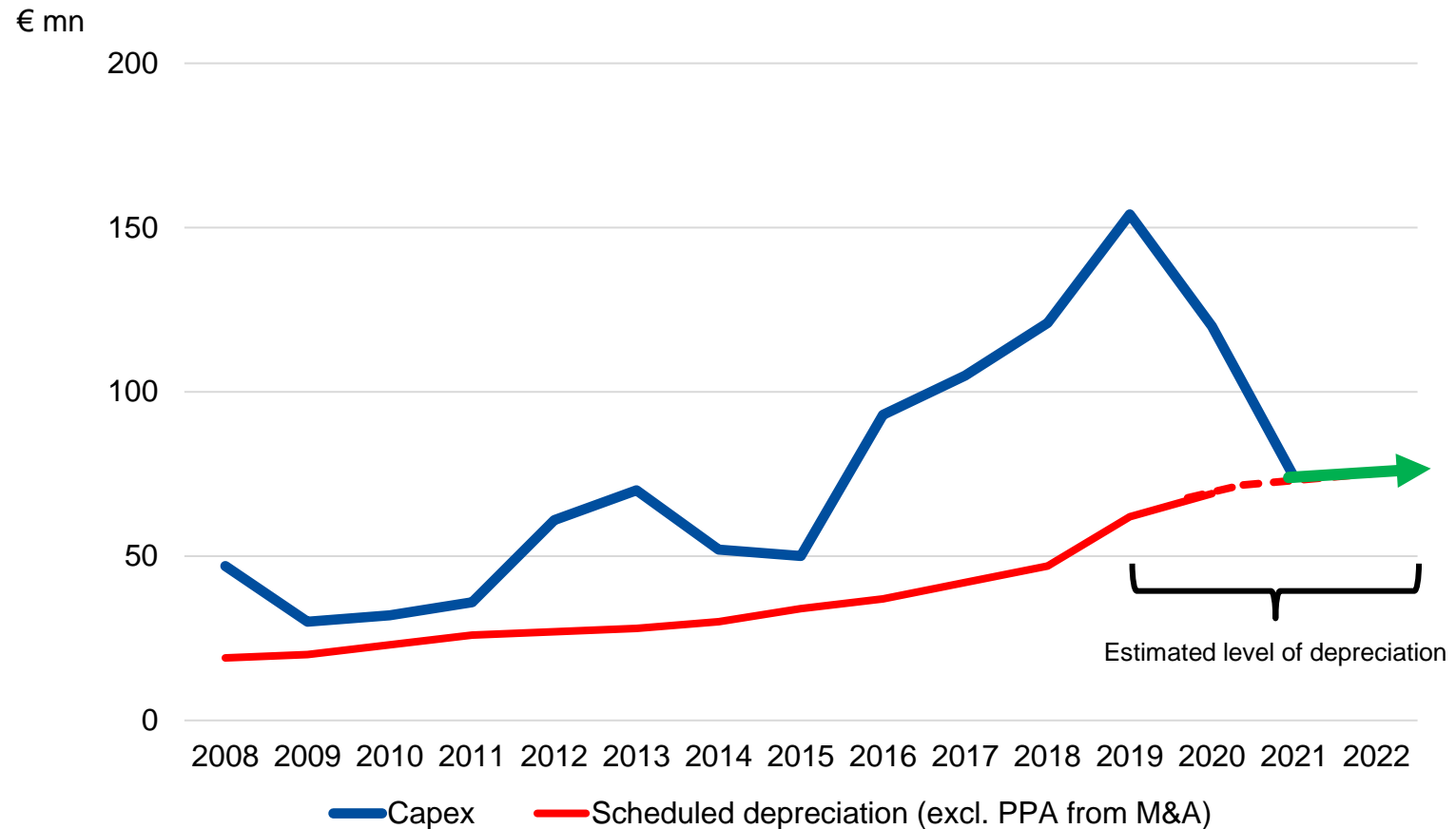
€ mn



# Capex offensive largely finished

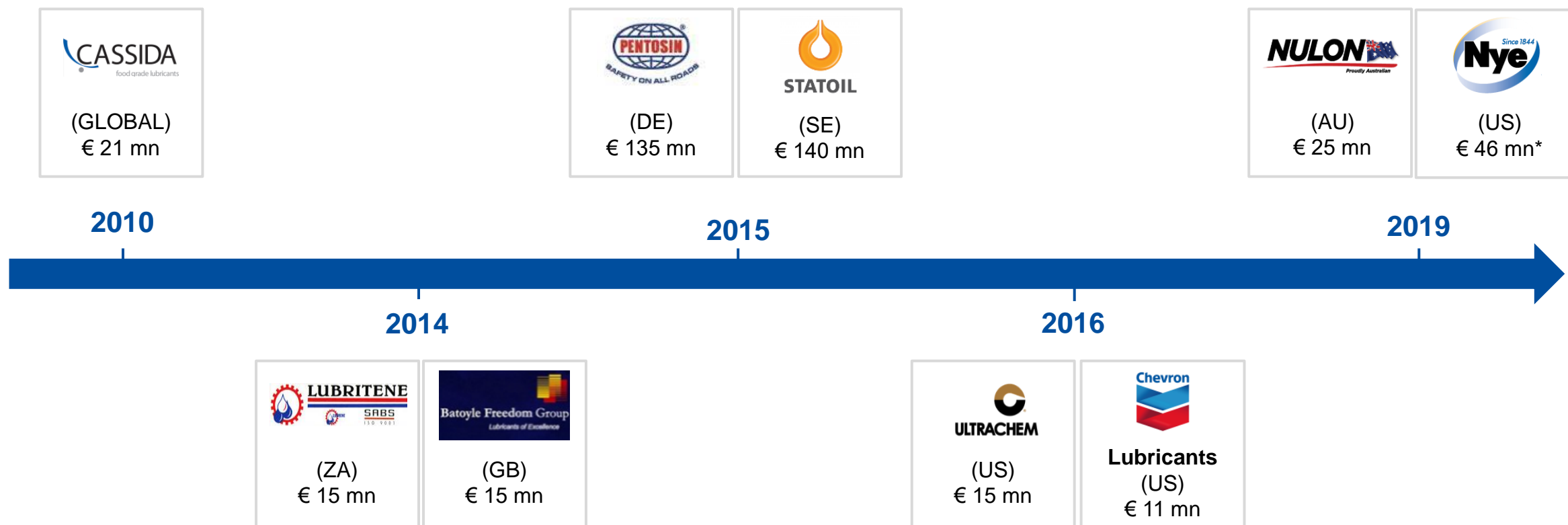
Investment program from 2016-2020 with ~ €600 mn

- Investment program for capacity expansion and production of technologically superior products
- From 2016-2020 close to **€600 mn** capex was spent on the expansion of Mannheim, Kaiserslautern and Chicago as well as new plants in China, Australia and Sweden
- As of 2021 capex is expected to be on D/A level of **€80 mn**



# Strong track record of integrating businesses

M&A transactions with more than € 10mn sales (p.a.)



\* Closing January 24, 2020

# Acquisitions leverage technological edge and specialty exposure



- Automotive, medical, aerospace and in-vacuum industry
- Sales 2019 USD 50 mn (~ €45 mn), 180 employees
- Closing January 24, 2020
- Share Deal



- Longstanding trading partner of FUCHS Italy
- Sales 2019 of around €4 mn
- Acquisition includes customer base and workforce
- Signing / Closing October 1, 2020



- Specialist for silicone greases and gels for many industries
- Located in Sanford, NC, USA
- Sales 2019 USD 9 mn (~ €8 mn), mainly in North America, 21 employees
- Asset Deal ; Signing / Closing November 2, 2020

# Growth market Africa



- Africa represents 6% of the global lubricant market
- FUCHS intends to increase its presence in this rapidly growing market
- FUCHS South Africa generates € 75 million in sales p.a. with 280 employees
- Joint ventures were founded in Tanzania and Egypt in 2019
- At the beginning of 2020, FUCHS acquired 50% of the shares in three distributors each in Zimbabwe, Zambia and Mozambique. The three joint ventures employ 90 people and generate sales of around € 21 million p.a.
- In other African countries, FUCHS has license partners and distributors

# FUCHS CO<sub>2</sub>-neutral since 2020

- Since 2010 already 30% reduction of energy consumption-specific CO<sub>2</sub> emissions per ton of FUCHS lubricant produced
- Since 2020, CO<sub>2</sub>-neutral “gate-to-gate” production
- Emissions not yet avoided are offset by compensation measures
- Investment in high-quality climate protection projects for the expansion of renewable energies

**On track to deliver as promised**



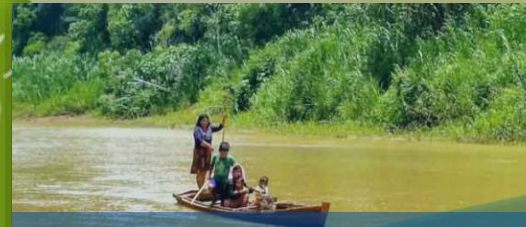
**CO<sub>2</sub>neutral**

# FUCHS CO<sub>2</sub>-neutral since 2020

## Climate Protection Projects 2021 – CO<sub>2</sub>-Neutrality Strategy

### Our Neutrality Strategy

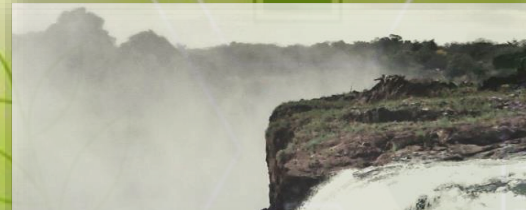
- Reduction of scope 1 and 2 emissions 2010-2019 by 26%
- FUCHS compensated for all remaining Gate-to-Gate emissions of producing affiliates for 2020 by investing in climate protection projects, preferably Gold- + VCS-Standard
- Project focus is the promotion of renewable energy, climate protection and preferably additional social benefits



Rainforest protection in Peru



Cooking stoves in Zambia



Hydropower in India



Efficient gas power plant in India



Windpower in Indonesia



Hydropower in Argentina and China

# 90 years of experience – for the future

## Milestones of the FUCHS corporate history



## 02 FUCHS2025

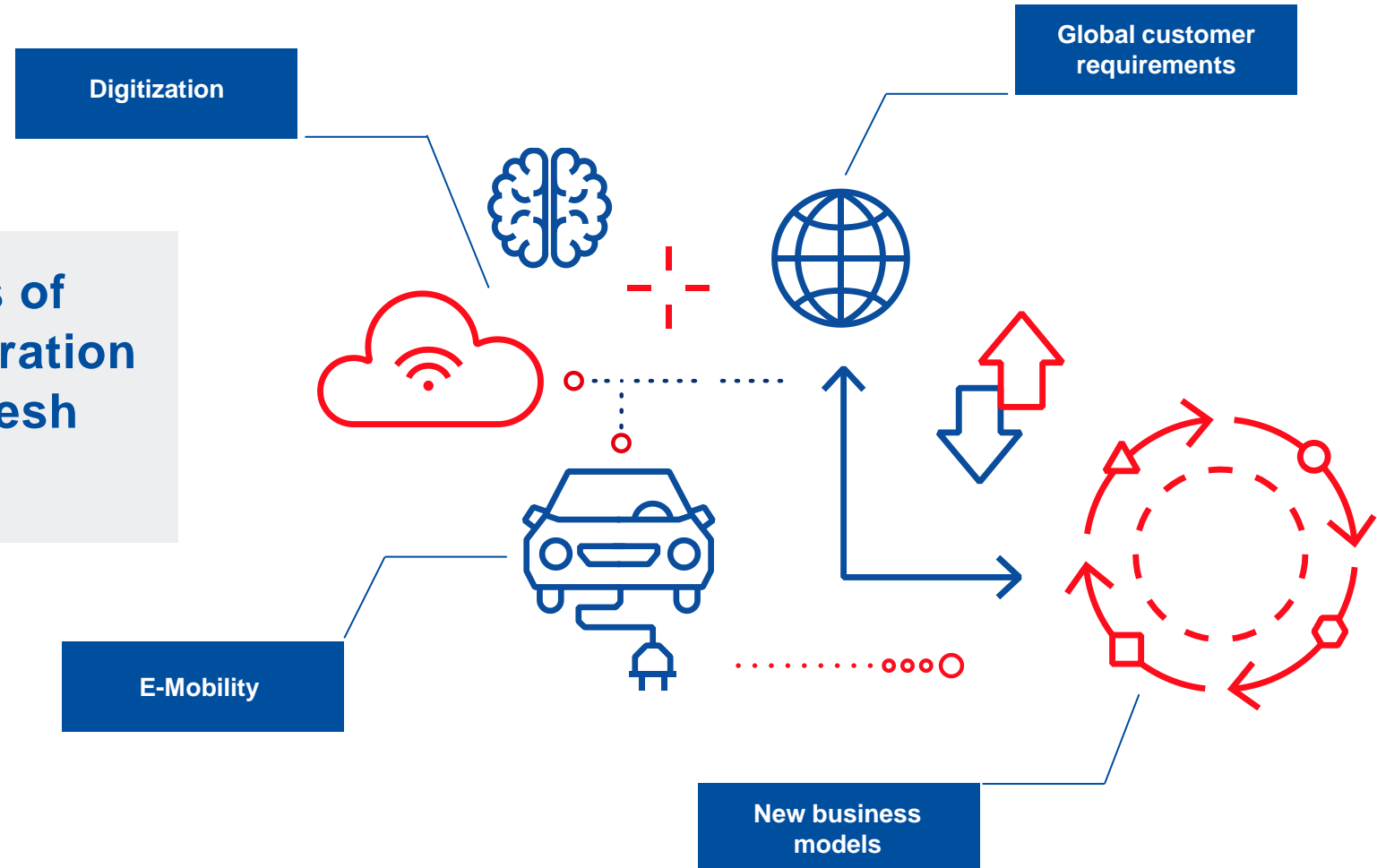
# New Mindset for Future Challenges

The FUCHS2025 Strategy



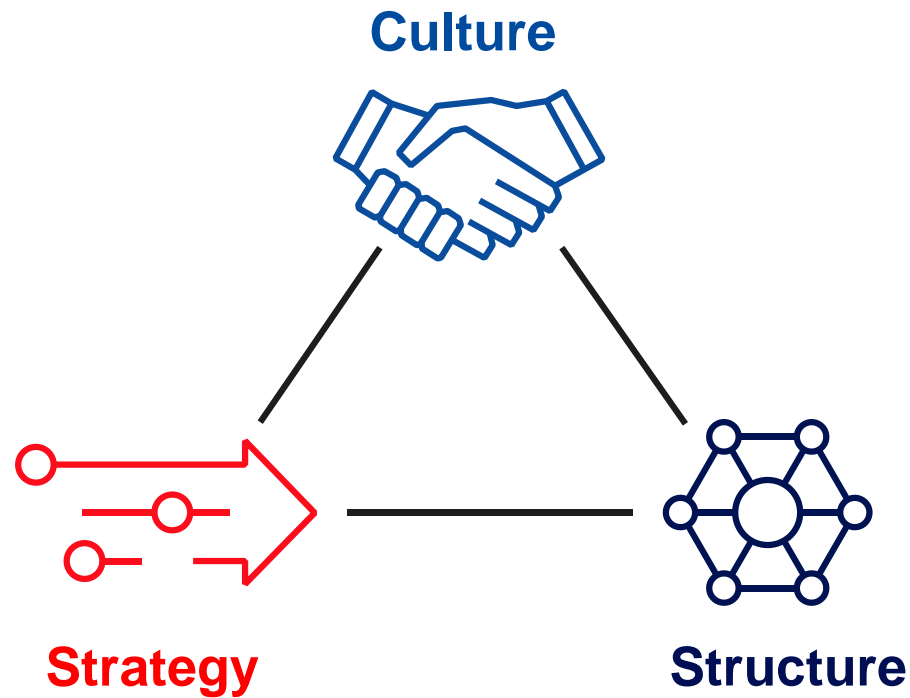
## New Mindset for Future Challenges

**New solutions require new ways of operating. And new ways of operation require a new approach and a fresh mindset.**



# FUCHS2025

## Key Elements



We want to use these challenges as an opportunity. That is why we are responding to them with a new mindset – an attitude that brings strategy, structure and culture into line in a purposeful way.

# FUCHS2025 – growing from a solid foundation

## Based on ...

- Our full product offering and global setup
- Our local entrepreneurship in 60+ subsidiaries
- Our performance driven culture and loyal employee base

## We want to ...

- Be the partner of our customers around their needs in lubrication solutions
- Achieve a better global alignment through harmonized standards and procedures
- Leverage our experience and explore existing opportunities, especially in Asia and the Americas
- Continuously improve the CO<sub>2</sub> footprint of our products based on a lifecycle assessment
- Become the employer of choice

# FUCHS2025 Strategy

## Strategic Pillars

Six strategic pillars form the base of our strategy. They are the guiding principles for our strategic actions to reach our vision for FUCHS2025.



**Global  
Strength**



**Customer &  
Market Focus**



**Technology  
Leader**



**Operational  
Excellence**



**People &  
Organization**



**Sustainability**

# FUCHS2025 Strategy

## Actions



**Extensive market segment approach: holistic segmentation of all operations regarding customers and markets and effective alignment of organization towards it**



**In addition initiation of several strategic initiatives with globally staffed cross-functional teams to introduce the strategic objectives from a group perspective**



**Stronger emphasis on innovation, service solutions and new market perspectives to expand full-line supplier claim**



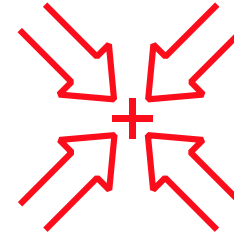
**Joint approach with continuous development of corporate culture program to be able to leverage our strong cultural foundation for further strategy execution**

# FUCHS2025 Strategy

## Highlights



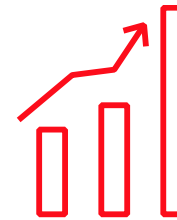
**Sustainable revenue growth  
with operational excellence  
at a 15% EBIT margin and  
corresponding FVA growth**



**Better market penetration  
through market  
segmentation**



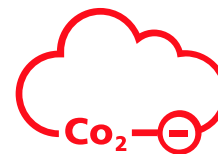
**Technology leadership  
in the segments we target  
until 2025**



**Overproportionate growth in  
Asia-Pacific & the Americas**



**Be the employer of choice  
for our existing and future  
workforce**



**CO<sub>2</sub>-neutrality in production  
“gate-to-gate” since 2020  
and CO<sub>2</sub>-neutral products  
“cradle-to-gate” by 2025**

## 03 Financial Results 9M 2021



# Highlights 9M 2021

Confirmation of positive business development

## €2,129 mn

Sales up 22% yoy

## €279 mn

EBIT up 37% yoy

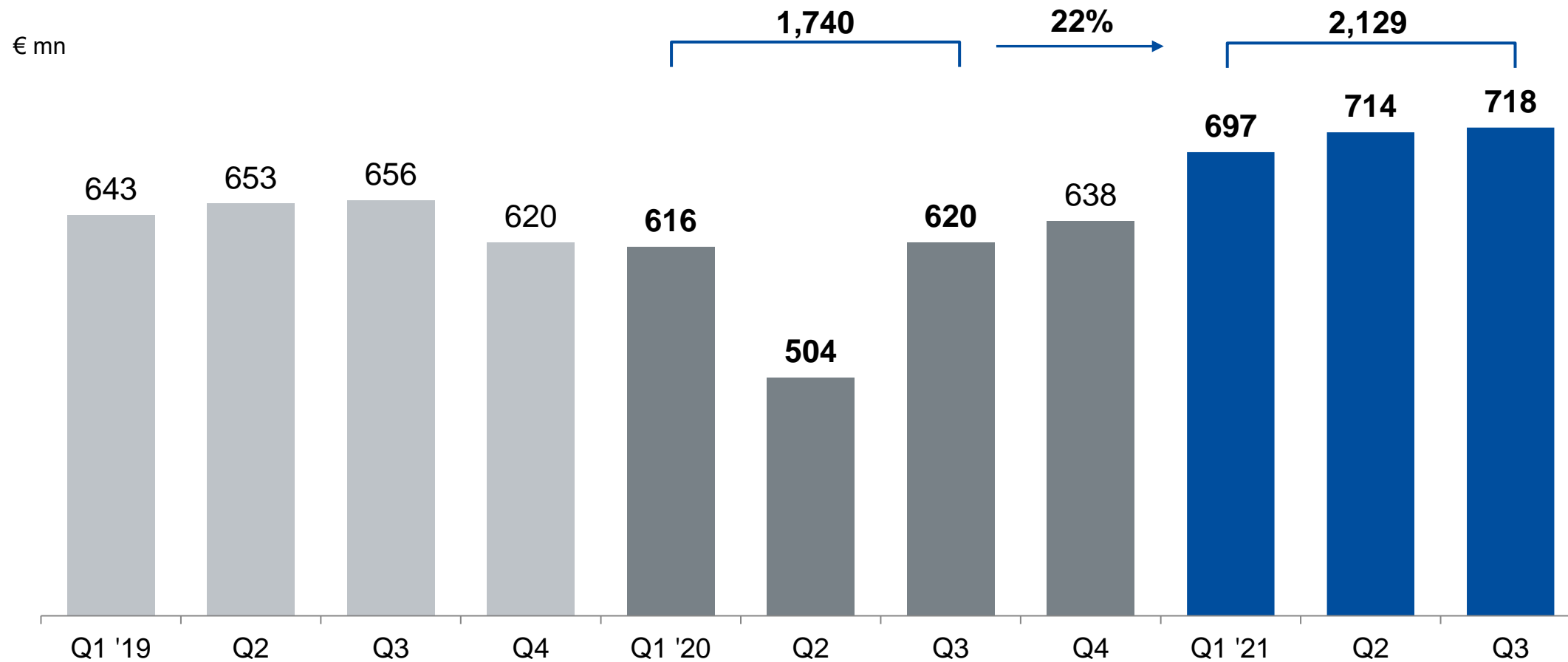
### Q3/9M 2021

- 9M growth mainly volume-driven
- Q3 with positive effects from price increases but moderate volumes
- Despite supply shortages in the automotive industry, all regions – esp. APAC – held up well and in line with our expectations
- Q3 EBIT margin at 12.3% slightly lower sequentially

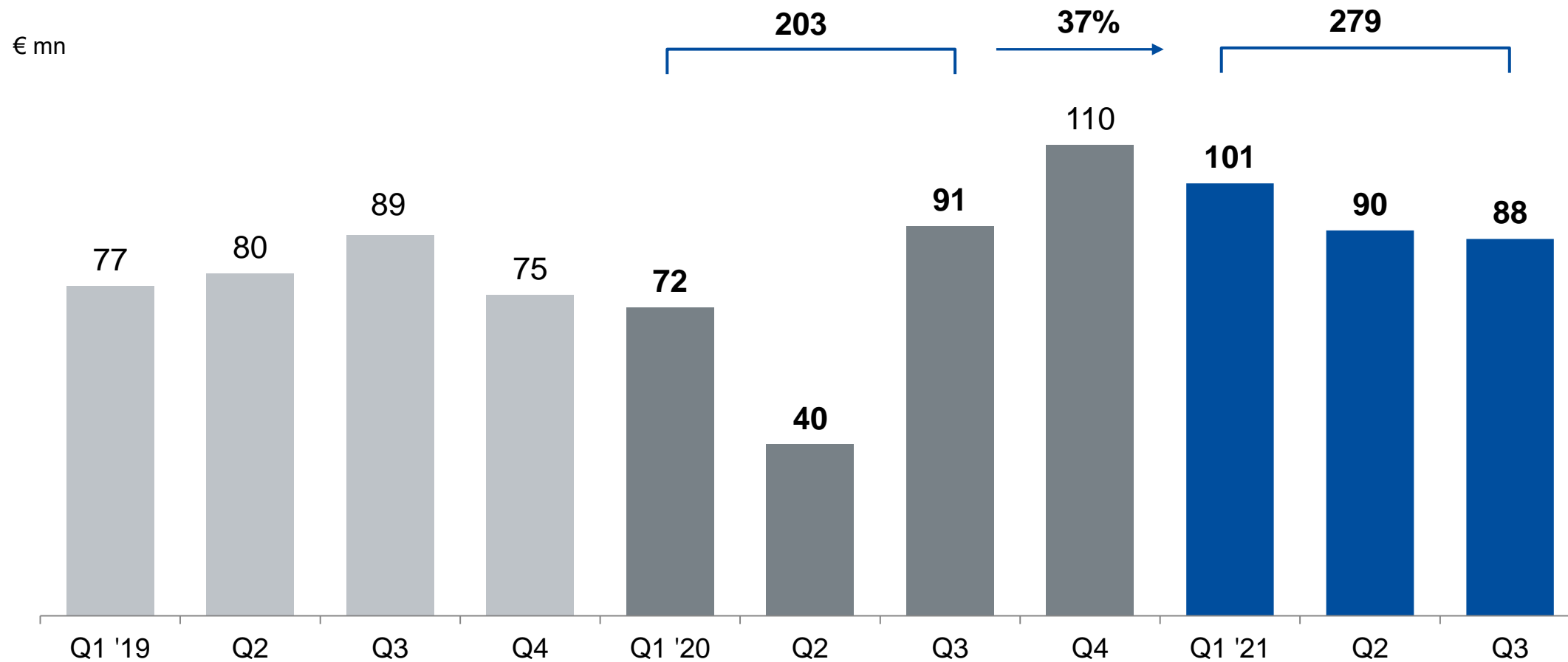
### Outlook confirmed

- Sales: upper end of €2.7 - €2.8 bn range
- EBIT: €350 - €360 mn
- Supply chain uncertainties and other possible effects of the Covid-19 pandemic on the global economy still cannot be reliably estimated

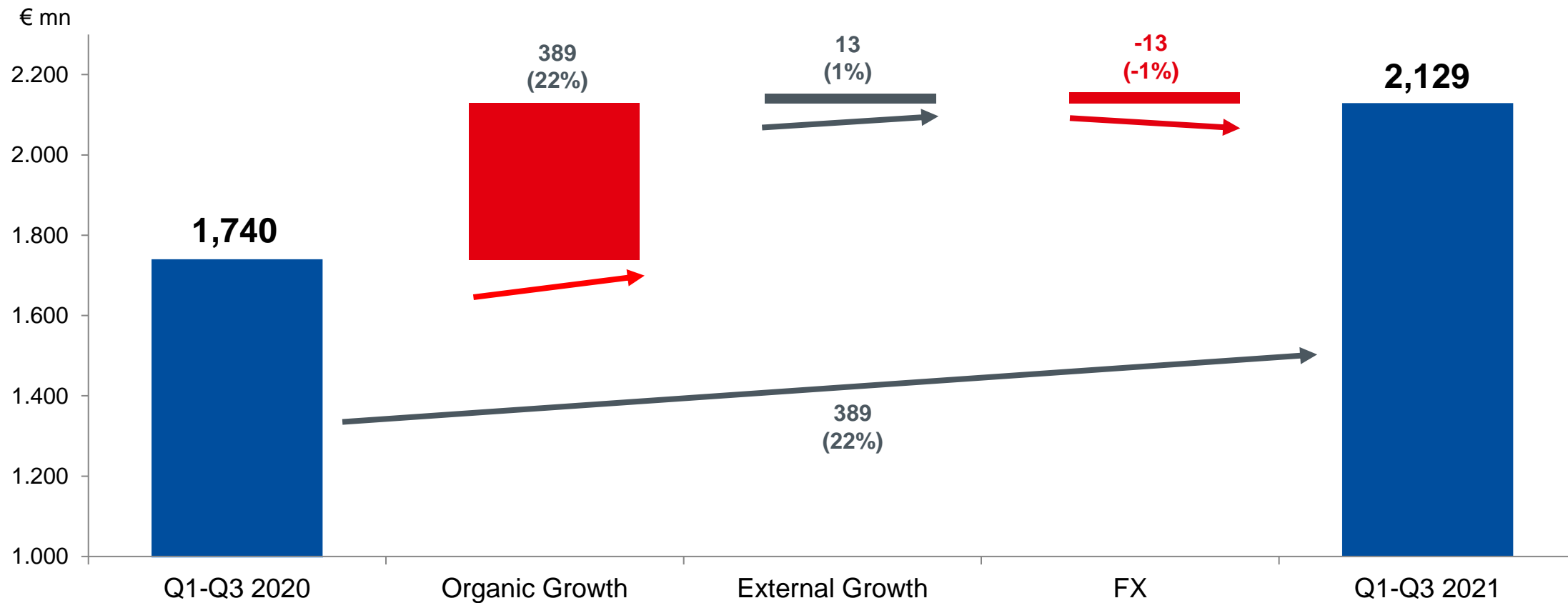
# Sales development



# EBIT development



## 9M 2021 Group sales

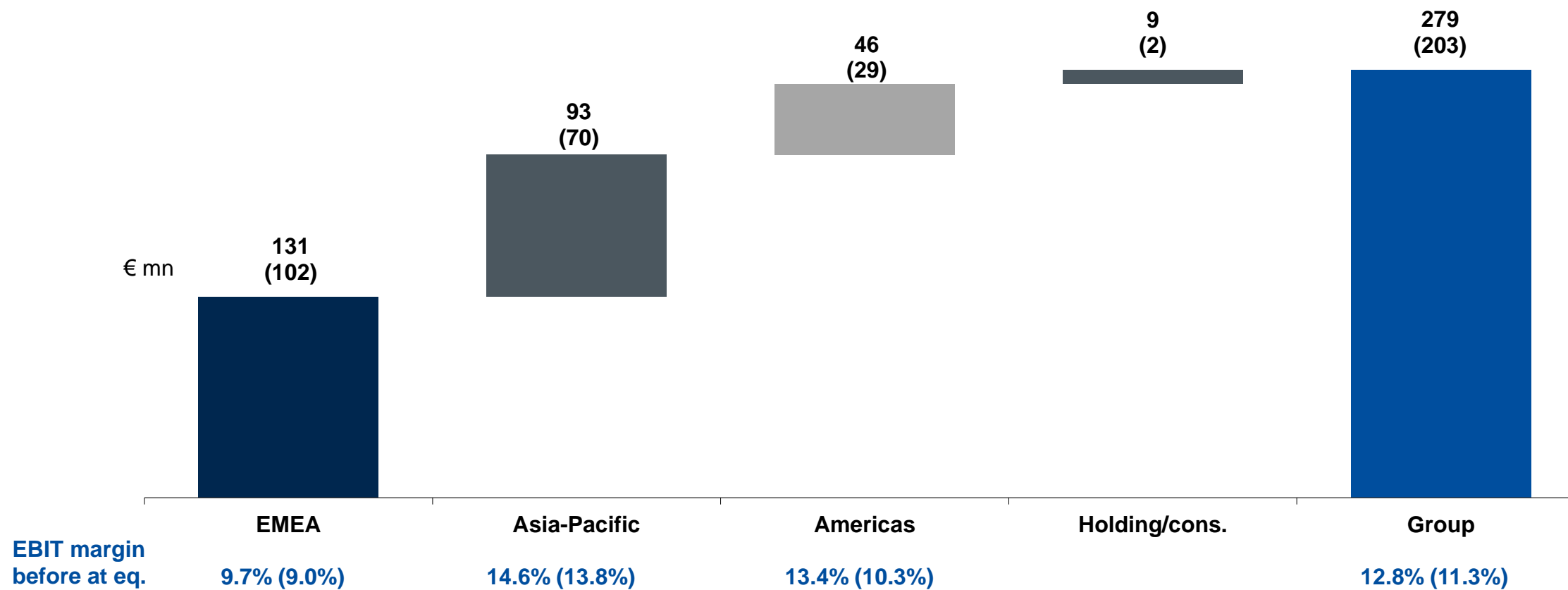


# Income Statement 9M 2021

€ mn	9M 2021	9M 2020	Δ € mn	Δ in %
<b>Sales</b>	<b>2,129</b>	<b>1,740</b>	<b>389</b>	<b>22</b>
Gross Profit	735	615	120	20
<i>Gross Profit margin</i>	34.5 %	35.3 %	-	-0.8 %-points
Other function costs	-463	-419	-44	10
<b>EBIT before at Equity</b>	<b>272</b>	<b>196</b>	<b>76</b>	<b>39</b>
At Equity	7	7	0	0
<b>EBIT</b>	<b>279</b>	<b>203</b>	<b>76</b>	<b>37</b>
Earnings after tax	198	142	56	39

# EBIT by regions

9M 2021 (9M 2020)



## Cash flow 9M 2020

€ mn	9M 2021	9M 2020	Δ in € mn	Δ in %
<b>Earnings after tax</b>	<b>198</b>	<b>142</b>	<b>56</b>	<b>39</b>
Amortization/Depreciation	63	59	4	7
Changes in net operating working capital (NOWC)	-169	-6	-163	>100
Other changes	-3	16	-19	-
Capex	-45	-89	44	49
<b>Free cash flow before acquisitions</b>	<b>44</b>	<b>122</b>	<b>-78</b>	<b>-64</b>
Acquisitions	-29	-95	66	69
<b>Free cash flow</b>	<b>15</b>	<b>27</b>	<b>-12</b>	<b>-44</b>

## 9M 2021 earnings summary

KPI in € mn	9M 2021	9M 2020
<b>Sales</b>	<b>2,129</b>	<b>1,740</b>
Cost of sales	-1,394	-1,125
Gross profit	735	615
Other function costs	-463	-419
<b>EBIT bef. at Equity</b>	<b>272</b>	<b>196</b>
<b>EBIT</b>	<b>279</b>	<b>203</b>
CAPEX	-45	-89
NOWC	681	534
<b>FCF bef. acq.</b>	<b>44</b>	<b>122</b>

- Sales growth in 9M mainly volume-driven, selling price increases increasingly important in Q3
- 9M gross profit margin of 34.5% 0.8 %-points down yoy; Q3 margin with 33.1% below Q2 margin (33,9%)
- With increased business volume, other function costs up by €44 million, primarily due to higher selling, resp. freight costs
- EBIT up 37% yoy; EBIT margin of 13.1%
- CAPEX significantly lower yoy
- NOWC 9% higher qoq (Q2: €624 mn) due to higher sales and prices
- FCF bef. acq. lower yoy: Higher earnings vs. NOWC build-up and tax reversal

## Europe, Middle East, Africa

KPI in € mn	9M 2021	9M 2020
<b>Sales</b>	<b>1,276</b>	<b>1,060</b>
Organic growth	212 (20%)	-125 (-11%)
External growth	2 (0%)	0 (0%)
FX effects	2 (0%)	-16 (-1%)
<b>EBIT bef. at Equity</b>	<b>124</b>	<b>95</b>
<b>EBIT</b>	<b>131</b>	<b>102</b>

- Sales up 20% on prior-year period, which was hit hard by Covid-19 pandemic; 6% higher than first nine months of 2019
- Majority of all countries reported significant double-digit growth rates
- Above-average rises in South Africa and Russia, as well as France, Spain and Italy – which were severely impacted by the pandemic in prior year
- Significant growth in earnings in almost all countries

# Asia-Pacific

KPI in € mn	9M 2021	9M 2020
<b>Sales</b>	<b>637</b>	<b>509</b>
Organic growth	117 (23%)	-19 (-4%)
External growth	0 (0%)	5 (1%)
FX effects	11 (2%)	-12 (-2%)
<b>EBIT bef. at Equity</b>	<b>93</b>	<b>70</b>
<b>EBIT</b>	<b>93</b>	<b>70</b>

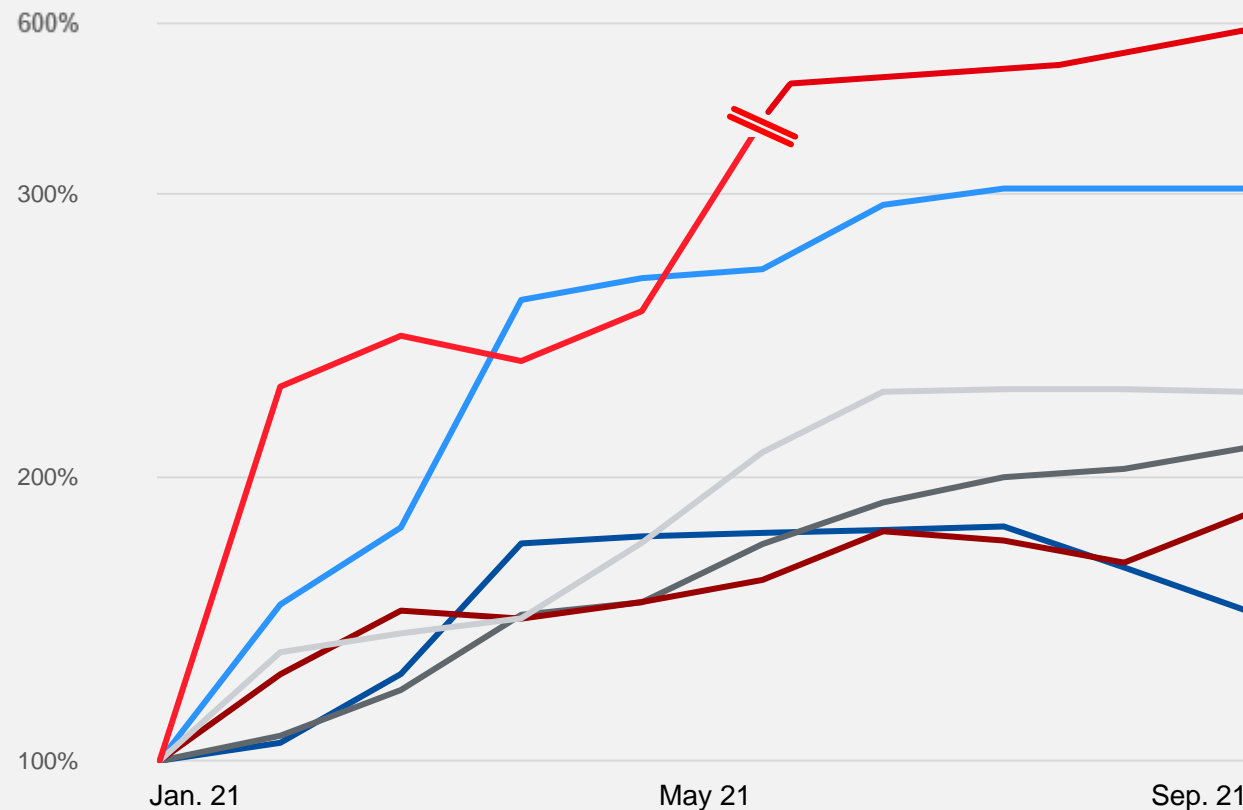
- Sales up 25% on 9M 2020; 19% up on pre-crisis levels in 9M 2019
- China benefitted from high demand of automotive sector
- Other countries in the region also contributed to the increase in sales to above pre-crisis levels
- Positive currency effects from Australia and China largely compensate negative effects from South-Asia
- China biggest earnings contributor; India and Australia also with noticeable gains

## North and South America

KPI in € mn	9M 2021	9M 2020
<b>Sales</b>	<b>344</b>	<b>281</b>
Organic growth	78 (28%)	-63 (-20%)
External growth	11 (4%)	32 (10%)
FX effects	-26 (-10%)	-8 (-2%)
<b>EBIT bef. at Equity</b>	<b>46</b>	<b>29</b>
<b>EBIT</b>	<b>46</b>	<b>29</b>

- Sales around 22% higher than in the prior-year period, which was severely impacted by the pandemic; 8% higher than 9M 2019
- External growth of €11 million due to the acquisition of two specialty lubricant manufacturers in the US in the previous year
- Currency effects from North and South America in total -10 %
- Significantly higher earnings - also from recovery trends in S. America - compared to prior year, which was impacted from pandemic and bad debts

# Substantial cost base inflation in 2021



- Significant price increases in raw materials across the board
- Significantly higher freight and packaging costs

— SN 150 (Domestic)      — 4 cSt EU  
 — WTI      — N200/220 US  
 — Steel (MEPS) proxy for packg. costs      — Baltic Container Index

%-changes vs.  
2020 avg. prices (=100%)

# Outlook FY 2021 confirmed

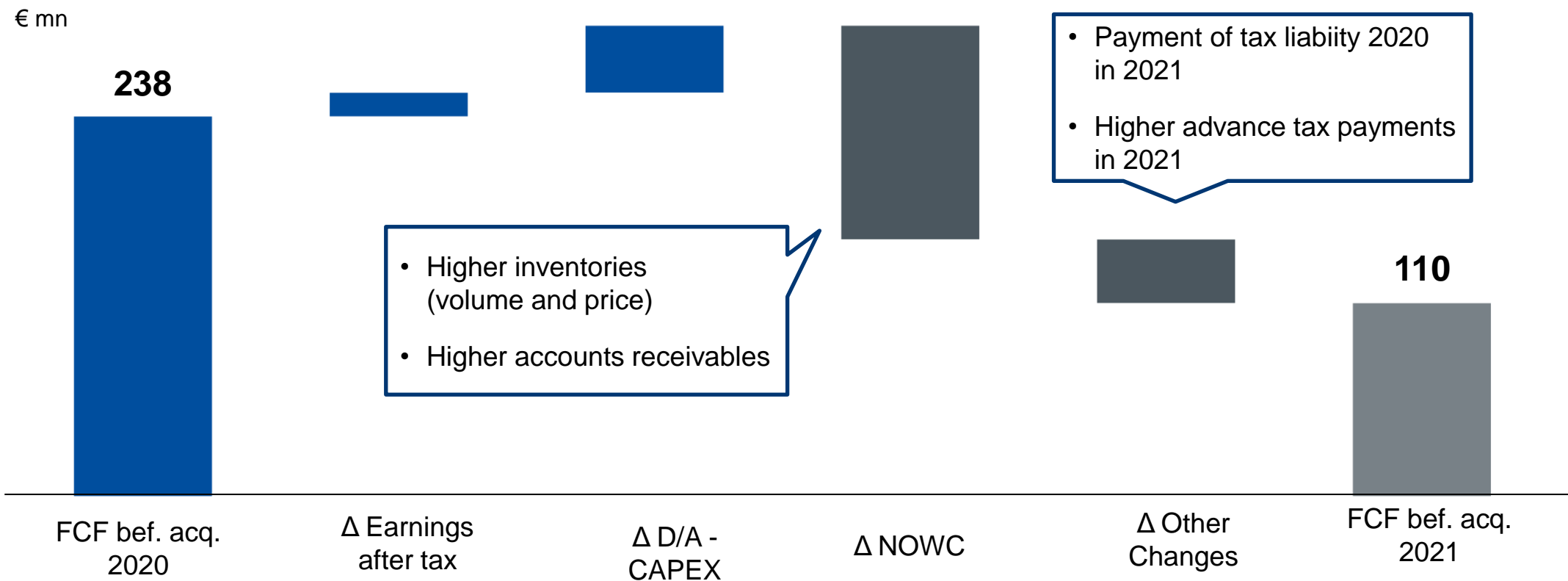
Positive business development vs. raw material price increases and stressed supply chains

KPI* in € mn	2020	March, 9 <sup>th</sup> 2021	April, 29 <sup>th</sup> 2021	July, 29 <sup>th</sup> 2021	Confirmation of July outlook
Sales	2,378	2019 level	€2.7-2.8 bn	upper end	Strong demand and price increases
EBIT	313	2020 level	330-340	350-360	Higher sales vs. sig. higher raw mat. costs and supply chain disruptions
FVA	165	~160	~180	~200	Higher earnings vs. slightly higher cost of capital
FCF bef. acq.	238	~160	~110	~110	Higher EAT and reduced capex vs. NOWC build-up and higher taxes

\* Supply chain uncertainties and other possible effects of the Covid-19 pandemic on the global economy still cannot be reliably estimated.

# FCF outlook 2021 burdened by NOWC build-up and tax payments

Bridge 2021 vs 2020



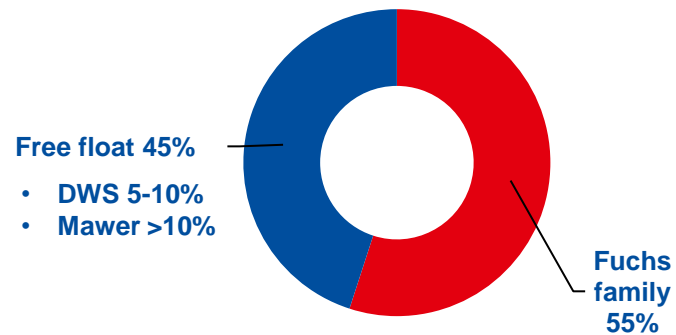
## 04 Shares



# Breakdown ordinary & preference shares

(December 31, 2021)

## Ordinary shares



Basis: 69,500,000 ordinary shares

### Characteristics:

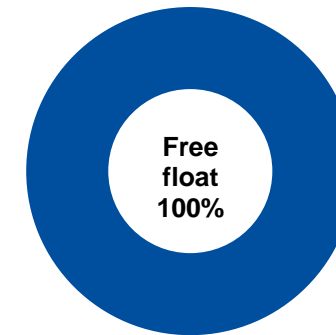
- Dividend
- Voting rights

### Share data:

- Symbol: FPE
- ISIN: DE000A3E5D56
- WKN: A3E5D5

## Preference shares

*MDAX-listed*



Basis: 69,500,000 preference shares

### Characteristics:

- Dividend plus preference profit share (0.01€)
- Restricted voting rights in case of:
  - preference profit share has not been fully paid
  - exclusion of pre-emption rights (e.g. capital increase, share buyback, etc.)

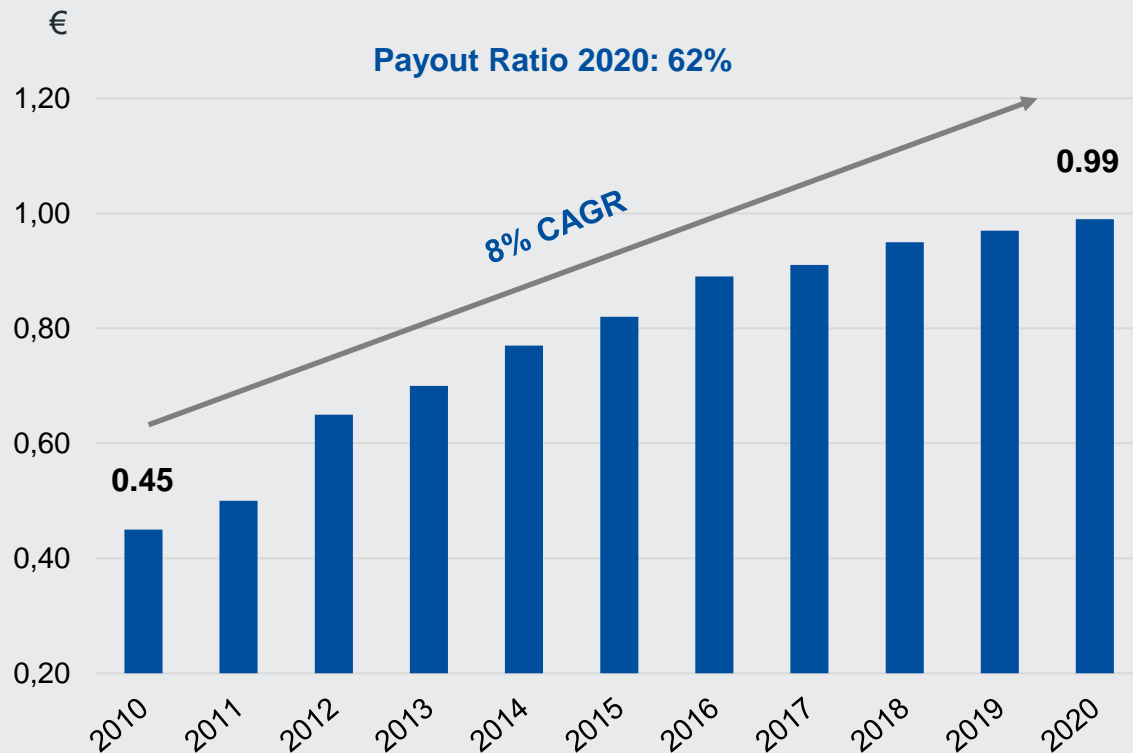
### Share data:

- Symbol: FPE3
- ISIN: DE000A3E5D64
- WKN: A3E5D6

## Stable dividend policy

Our target: Increase the absolute dividend amount each year or at least maintain previous year's level

### Dividend per Preference Share

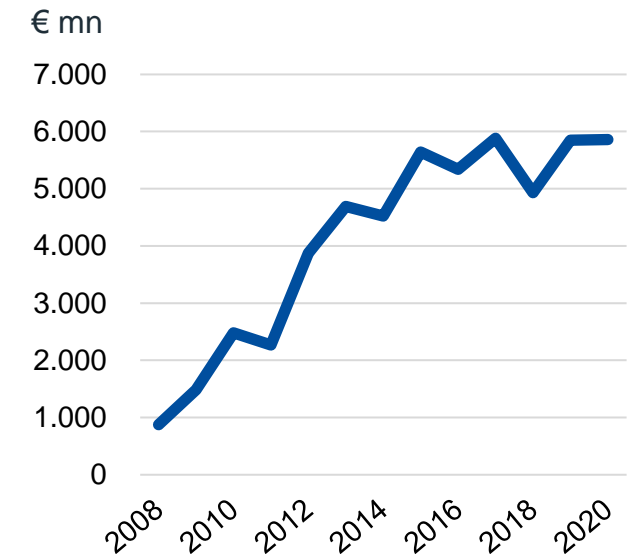


➔ **19 years**  
of consecutive  
dividend increases

➔ **8 %**  
CAGR over the  
last 10 years

➔ **28 years**  
without dividend  
decreases

### Market Capitalization

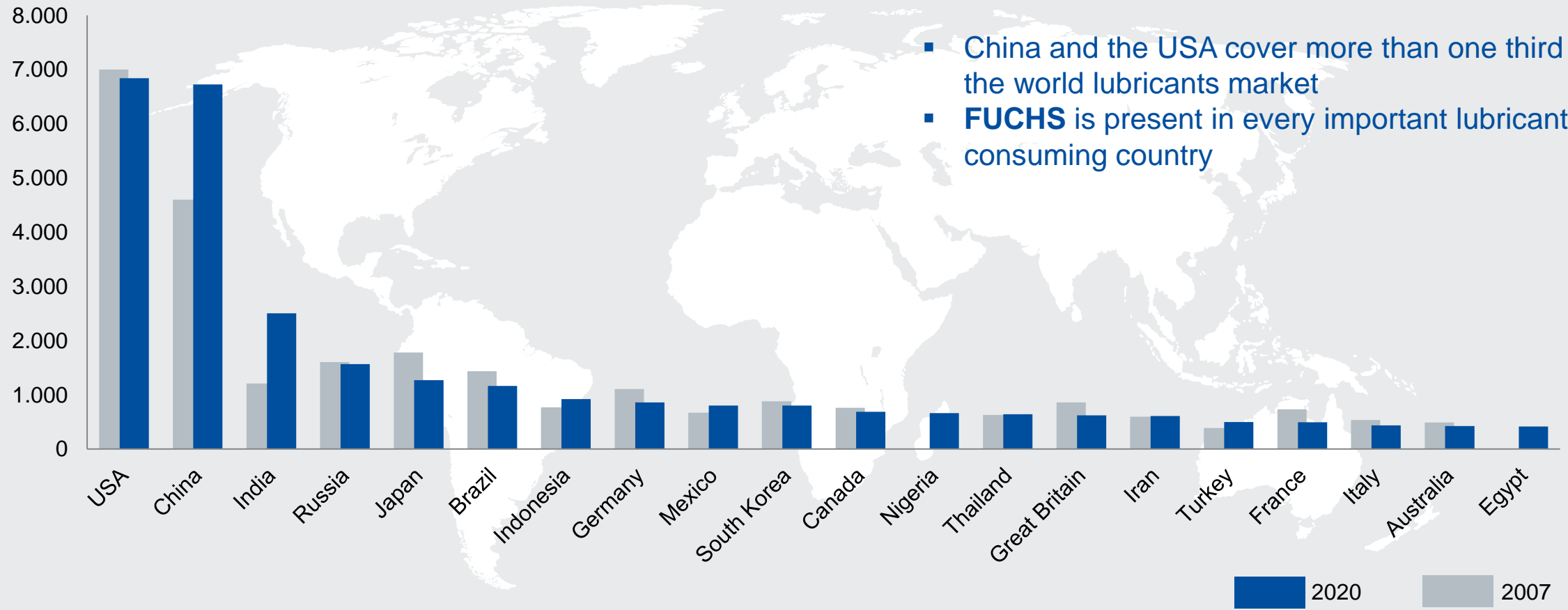


## 05 Appendix

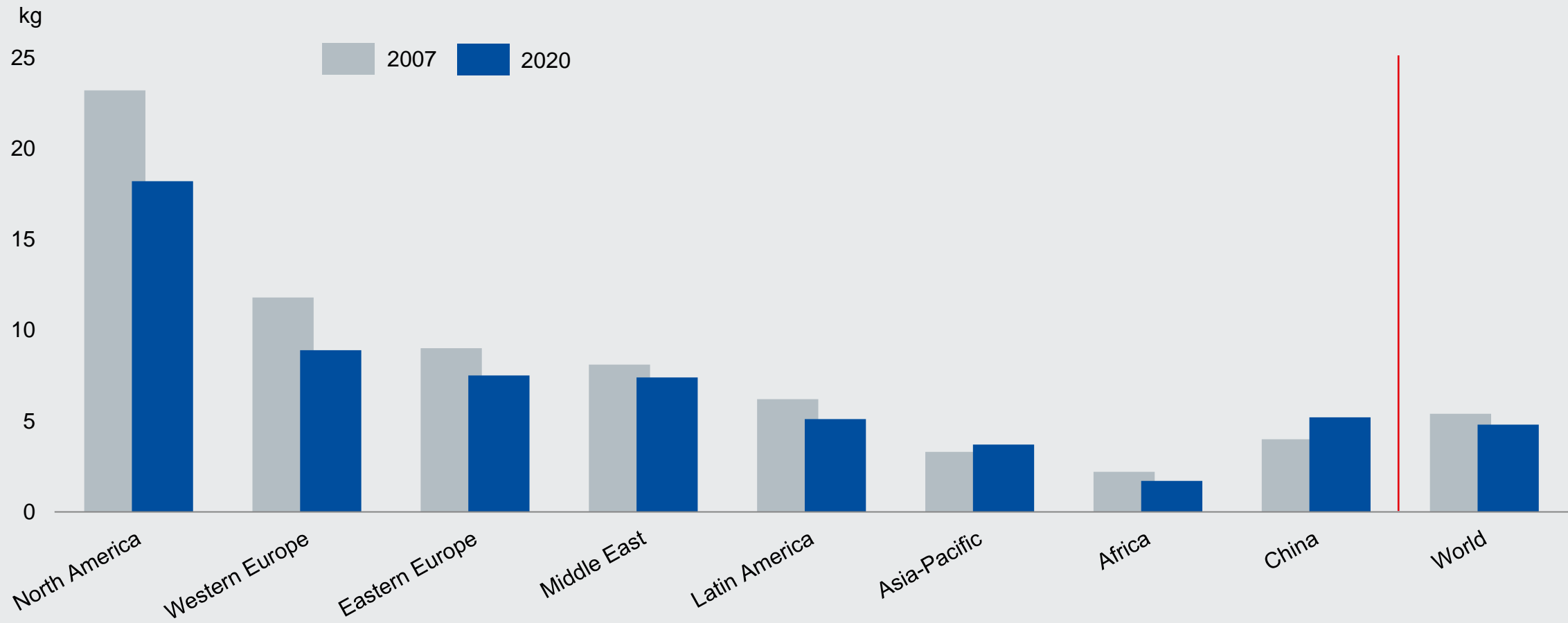


# Top 20 lubricant countries

- China and the USA cover more than one third of the world lubricants market
- FUCHS** is present in every important lubricants consuming country

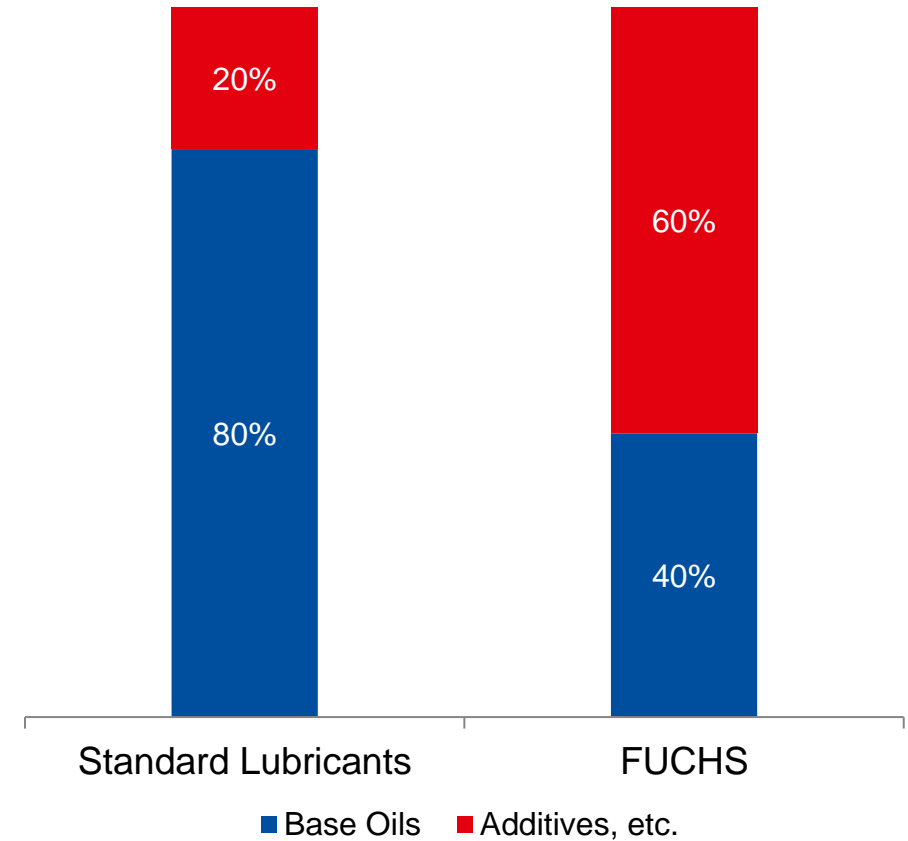


## Regional per-capita lubricants demand



## Base oil / additives value split

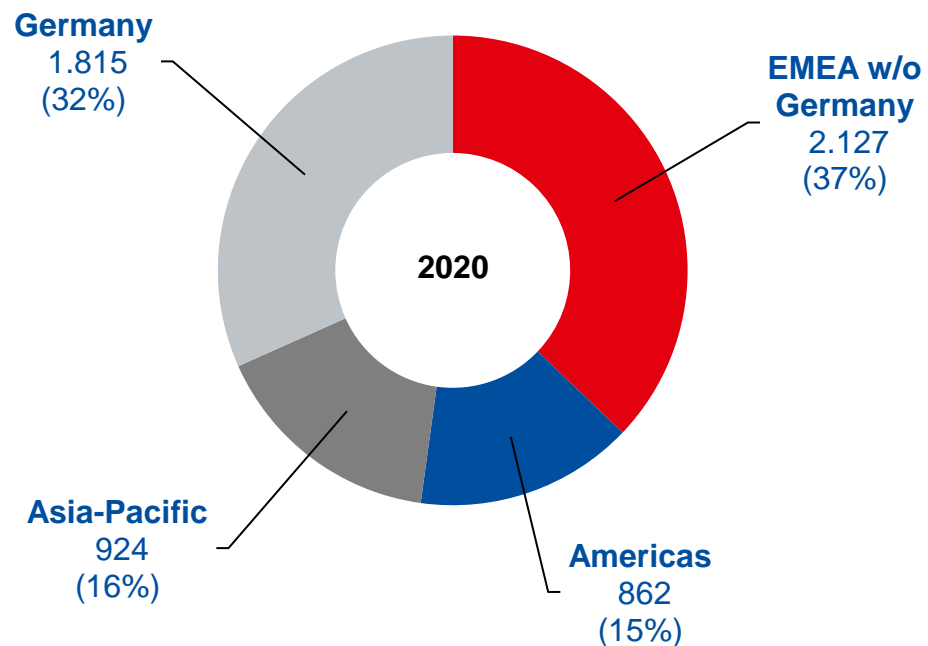
- Base oil prices do not necessarily follow crude oil prices
- No direct link between additives and crude oil prices
  - We even face price increases for certain raw materials where supply/demand is not balanced, or special situations occur
- Special lubricants consist of less base fluid and more additives



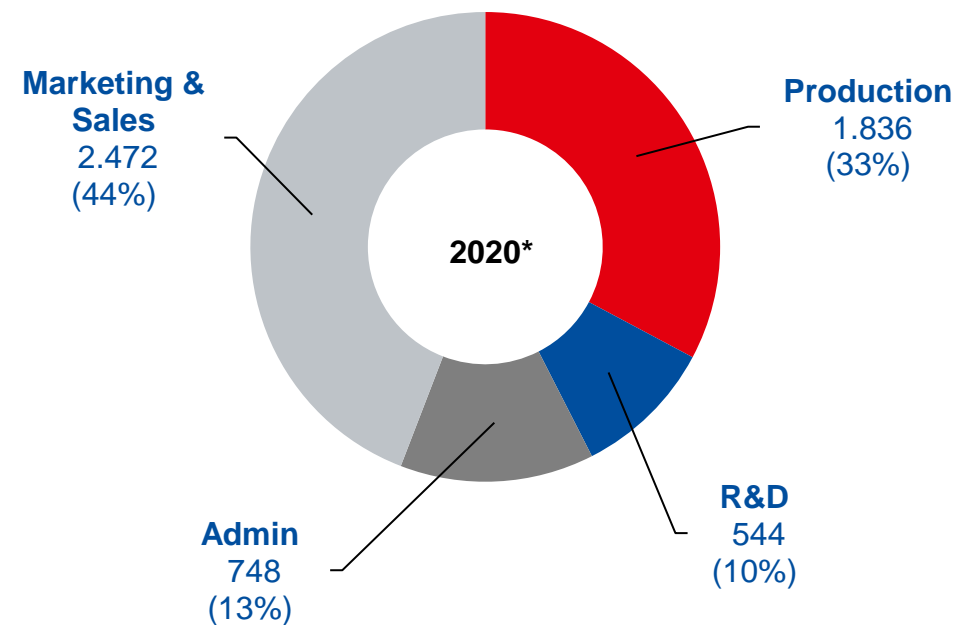
# Workforce Structure

5,728 employees globally (as at December 31, 2020)

## Regional Workforce Structure



## Functional Workforce Structure



\*Excl. 128 Trainees

# FUCHS – Act together

## Mission statement

### Lubricants

Fully focused on lubricants

### Technology

Technological leadership in strategically important fields

### People

Basis for our success: loyal and motivated workforce

## Values

### Trust

Trust is the basis of our self-understanding

### Creating value

We deliver leading technology and first class service

### Respect

We acknowledge our responsibility

### Reliability

Act in a responsive and transparent way

### Integrity

We believe in a high level of ethics and adhere to our CoC

# FUCHS2025 Strategy

## Global Strength



### Strategic Objectives:

- Use market segmentation as basis for strategic and global business development, achieve better market penetration
- Grow above Group average in Asia-Pacific and the Americas, achieve a better balance between all three world regions by 2025
- Further refine the brand profile, strengthen brand equity and attractiveness

# FUCHS2025 Strategy

## Customer & Market Focus



### Customer & Market Focus



### Strategic Objectives:

- Achieve maximum customer proximity, further utilize cross-selling opportunities, become the full-line supplier for our customers
- Develop global service portfolio up to 2025, change from product-driven approach to solution-driven approach
- Grow market shares to be amongst the leaders in the segments we target
- Systematically introduce new business models within the broader world of lubrication

# FUCHS2025 Strategy

## Technology Leader



Technology  
Leader

### Strategic Objectives:

- Increase our innovation power in R&D and beyond. Be technology leader in the segments we target until 2025
- Innovate products and operational performance to make our customers more connected with us beyond lubricants by introducing digital solutions and platforms
- Bring all three R&D centers in China, USA and Germany to the same level of expertise until 2025

# FUCHS2025 Strategy

## Operational Excellence



### Strategic Objectives:

- Strengthen our global manufacturing and distribution network to achieve self-sufficient supply and technology hubs in Asia-Pacific, EMEA and the Americas until 2025
- Further standardize manufacturing and procurement procedures, equipment and output to achieve a more efficient supply chain
- Expand data transparency based on further globalization of structures and harmonization of systems

# FUCHS2025 Strategy

## People & Organization



### People & Organization



#### Strategic Objectives:

- Be the employer of choice for our existing and future workforce
- Further improve working environments and global collaboration
- Strengthen global talent acquisition and retention, enhance our development programs, competence models and succession planning
- Endorse internationalization of entities, remote leadership, international job rotation

# FUCHS2025 Strategy

## Sustainability



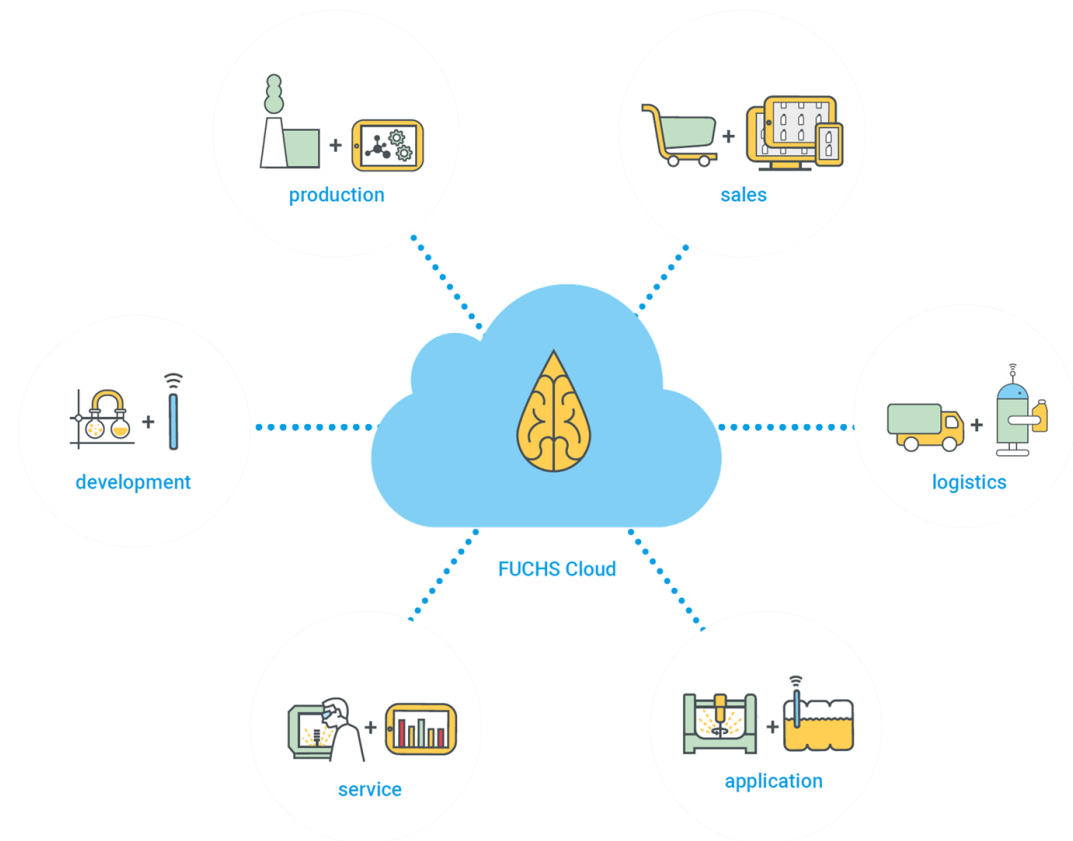
**Sustainability**

### Strategic Objectives:

- Economical Sustainability
  - Generate sustainable revenue growth at 15% EBIT margin with a corresponding increase of our FUCHS Value Added
- Ecological Sustainability
  - CO<sub>2</sub>-neutral production (“gate-to-gate”) since 2020 and carbon-neutral products (“cradle-to-gate”) by 2025. Foster additional ecological sustainability projects
- Social Sustainability
  - Further promote Corporate Social Responsibility projects

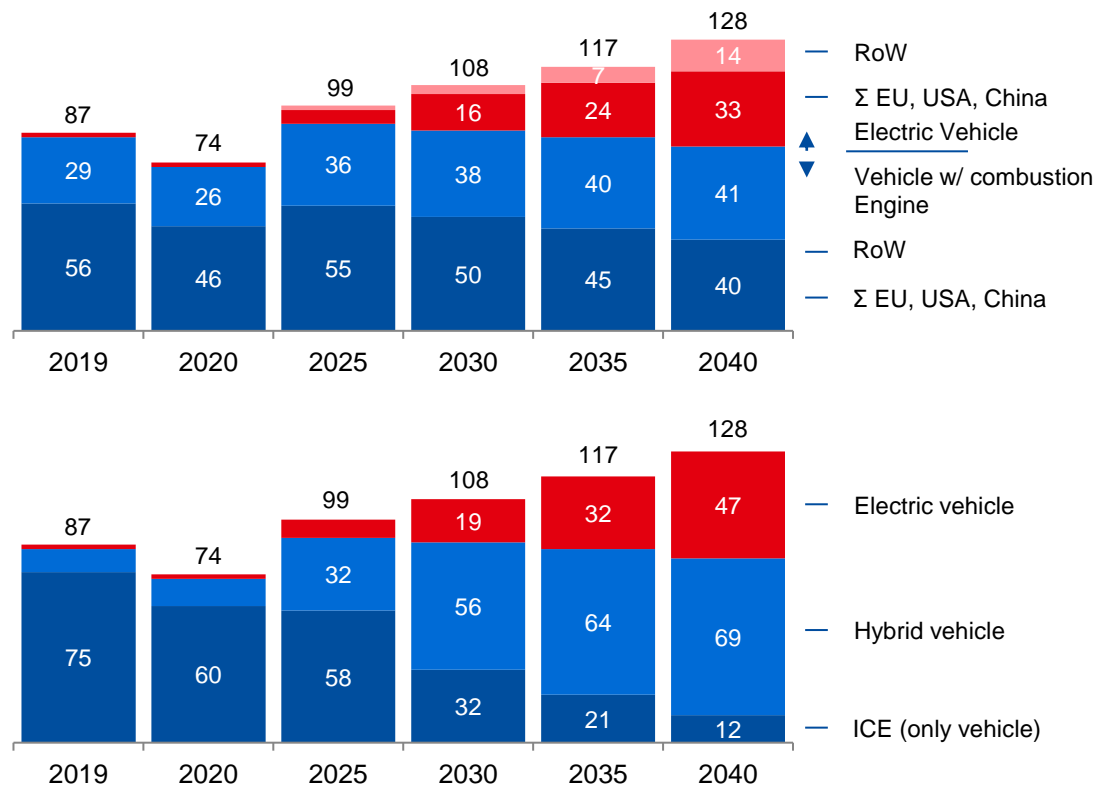
# Digitalisation will fundamentally change our value creation

- FUCHS will become a truly digital company
- Chief Digital Officer
  - Push further digitization of the FUCHS Group
  - Big data, Machine Learning, etc.
- Business Model Innovation and internal innovation as part of strategy development
- Advanced Technology becomes more digital and international, e.g. sensors and IoT are added to the portfolio
- Global Product Management Services & Equipment



# Electrification of cars creates new applications

Global light-duty vehicles sales forecast (in mn units)



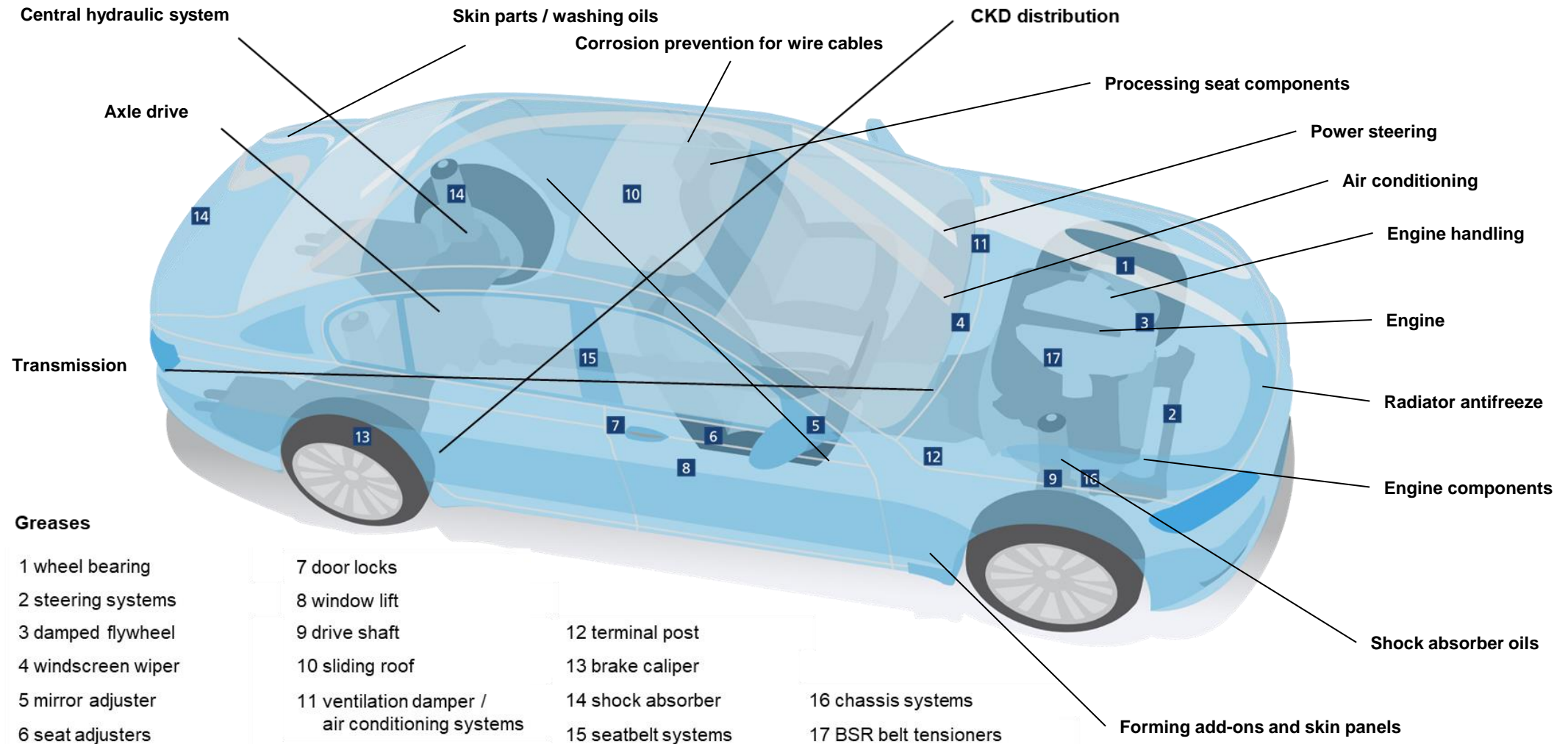
Source: FEV / Base Scenario

## Electrification is an opportunity for FUCHS to further strengthen its market leadership with technically advanced solutions

- Electrification of cars will lead to new applications and higher requirements for existing applications
- Regardless of the powertrain type, every car needs a variety of other lubricant applications
- Combustion engines will face further efficiency improvements leading to higher requirements of existing lubricants (e.g. higher protection against deposits for turbocharged engines, higher heat and ageing stability for more compact engines)
- Hybrid cars with efficient combustion engines will place complex requirements for existing applications but also create new demand for new applications
- EVs will place whole new demand on gear oils, coolants, greases (e.g. contact with electrical currents and electromagnetic fields, higher heat emission, reduction gears with less gear steps and higher input speeds)
- FUCHS is used to quickly adapting to new market demands and is working on concrete methods to meet the challenges of the future mobility

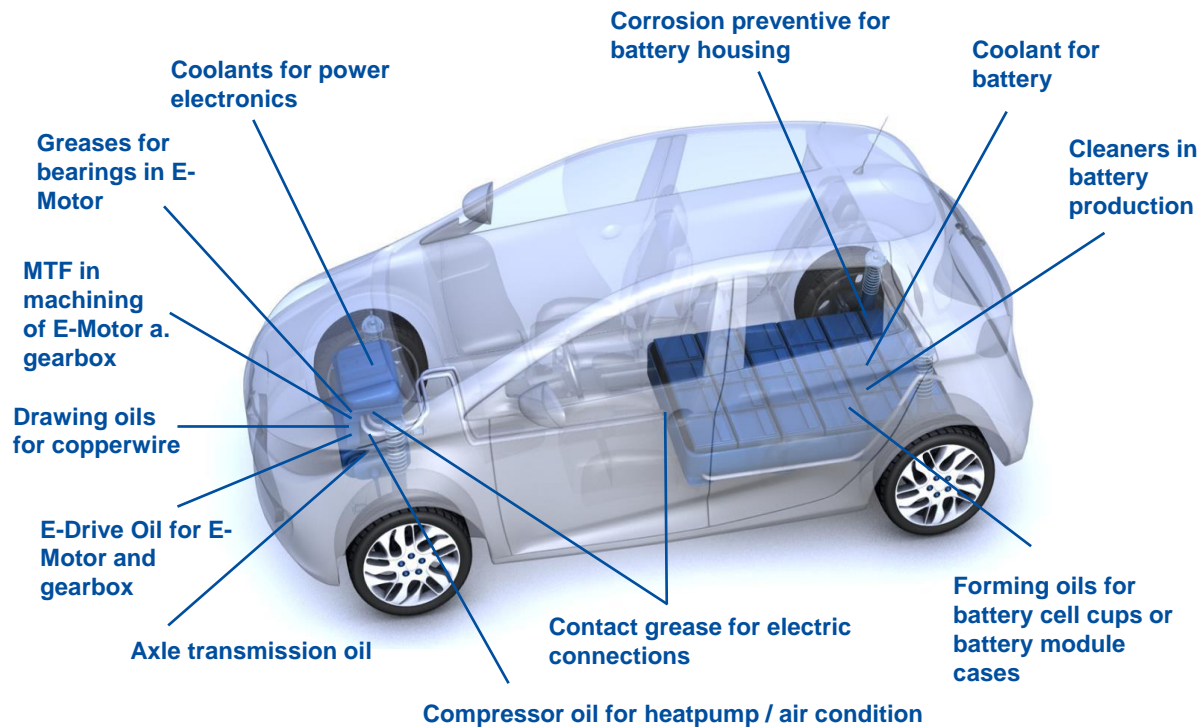
# Lubricant applications in passenger cars

In modern cars there are more than 30 different types of greases



# Lubricant applications in passenger cars

Electrification brings a variety of opportunities for FUCHS



1<sup>st</sup> Fill  
engine oils  
& gear oils

~10% of  
sales

Products, which are needed independent from propulsion type are not shown

## Powertrain Applications

ICE

HEV

BEV



Engine oil

✓

✓

–

Transmission oil

✓

✓

✓ / –

Greases

✓

✓

✓

Specialty greases

✓

+

+

Lubricants for  
Auxiliary systems

✓

+

+

Cooling &  
functional liquids

✓

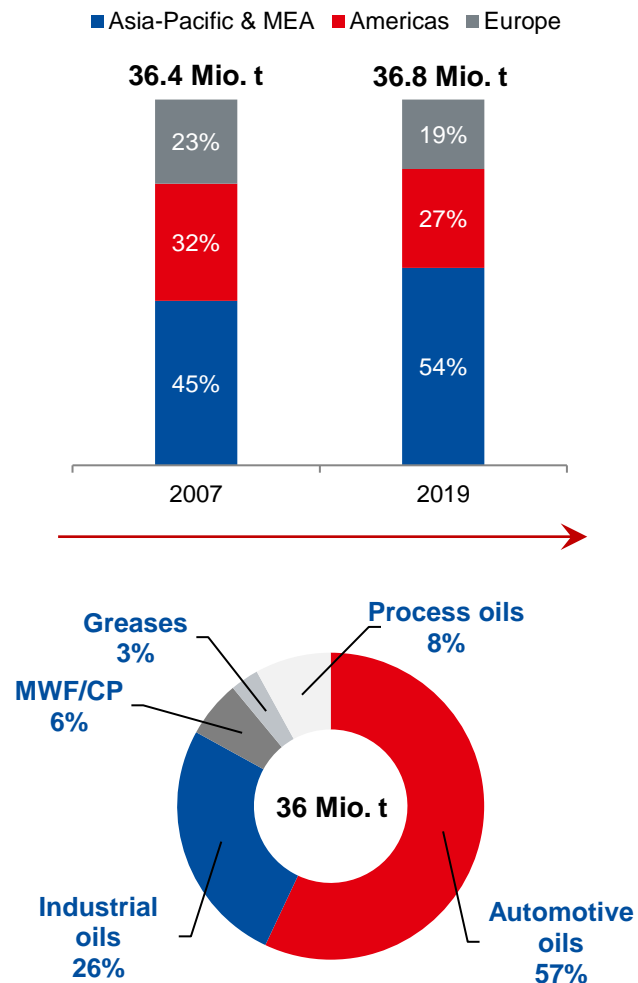
+

+

– Omitted    ✓ Required    + Increased

# FUCHS DrivElectric

## Does DrivElectric Damage Demand?

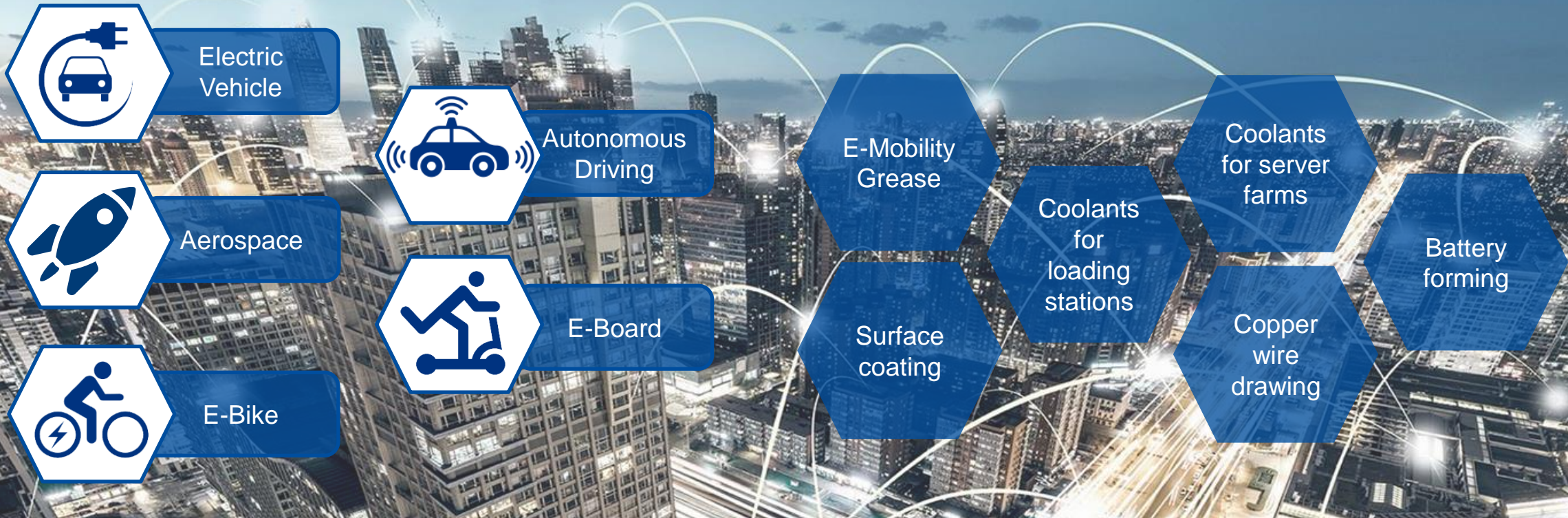


### No! DriveElectric Diverts Demand!

		Impact (%) until 2035
<b>EU 28</b>	Automotive	-10 to -20%
	Metalprocessing	-30%
	Industrial	stable
	<b>Total Market</b>	<b>-10%</b>
<b>USA</b>	<b>Efficiency/E-Mobility</b>	<b>-20%</b>
<b>China</b>	Automotive	15-20%
	Metalprocessing/Industrial	Stable
	<b>Total Market</b>	<b>10%</b>
<b>World</b>		<b>-2 to -3%</b>

# New Mobility: Even more fields of expertise needed

New Mobility applications foster to pioneer new fields of expertise within Fuchs technology matrix



- Three global R&D hubs are the main driver for exploring new fluid performances & methods
- FUCHS has built industry networks and strategic partnerships with customers for advanced R&D collaboration
- Successful E-Mobility OEM projects prove that FUCHS plays a role in improving future mobility

## Long-term objective: Focus on Shareholder Value



### Drive returns

- Organic growth through strict customer focus, geographic expansion and product innovation
- Improve operating profitability through margin and mix management, operating cost management and efficiency improvements



### Optimize capital

- Capex with returns above WACC
- Manage NOWC



### Strengthen portfolio

- Reinvest in the business
- Acquisitions

# Cash allocation priority



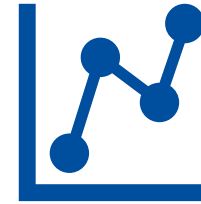
## Reinvest in the business



**Capex**



**Acquisitions**



## Shareholder value-oriented



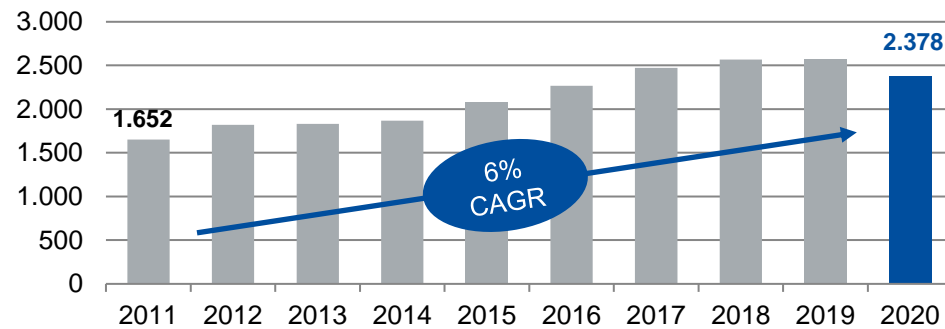
**Stable Dividends**



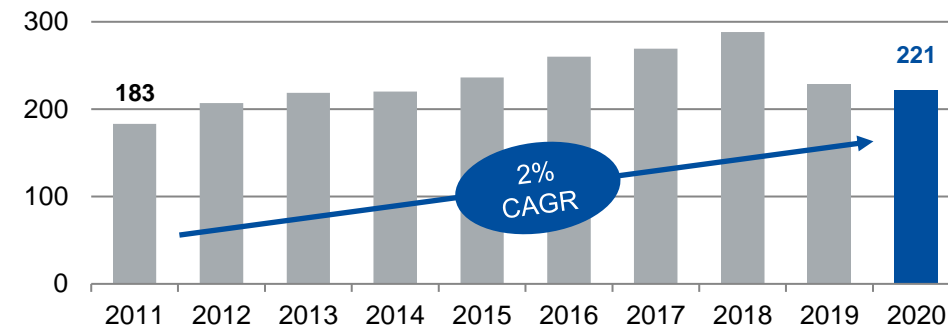
**Share Buyback**

# Unique track record for continued profitability and added value

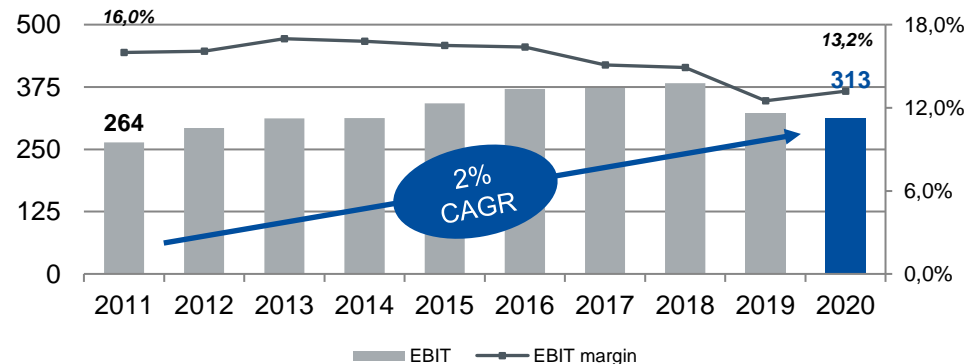
Sales (in € mn)



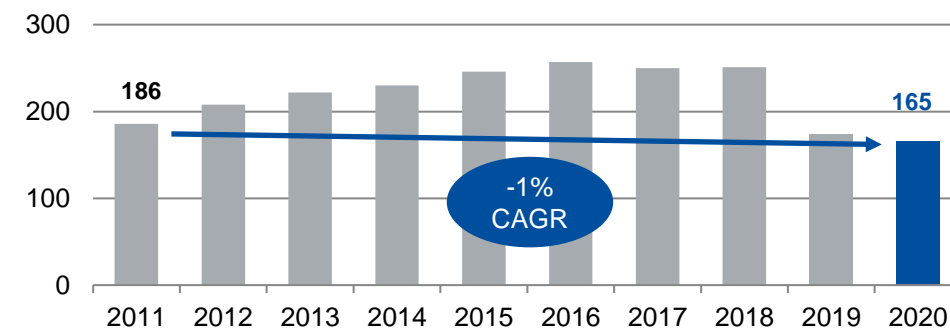
Earnings After Tax (in € mn)



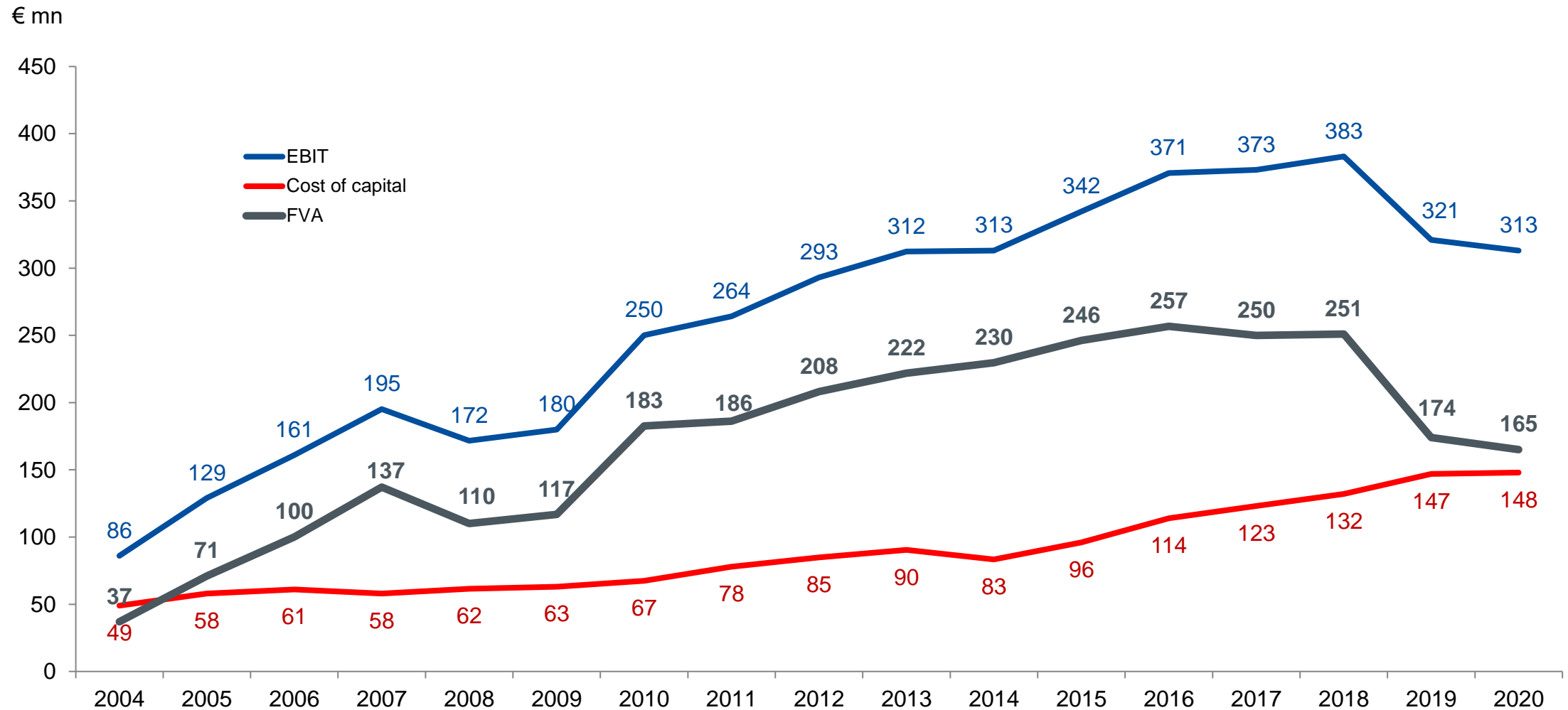
EBIT (in € mn)



FVA (in € mn)



# Development EBIT – Cost of Capital – FVA



Cost of Capital = CE x WACC

# Sales development

€ mn	2016	2017	2018	2019	2020	Δ 19/20
<b>Sales</b>	<b>2,267</b>	<b>2,473</b>	<b>2,567</b>	<b>2,572</b>	<b>2,378</b>	<b>-7.5%</b>
Gross Profit	851	882	899	890	854	-4.0%
Gross Profit margin	37.5%	35.7%	35.0%	34.6%	35.9%	+1.3%-points
Other function costs	-499	-526	-542	-580	-551	5.0%
<b>EBIT before at Equity</b>	<b>352</b>	<b>356</b>	<b>357</b>	<b>310</b>	<b>303</b>	<b>-2.3%</b>
EBIT margin before at Equity	15.5%	14.4%	13.9%	12.1%	12.7%	+0.6%-points
At Equity	19	17	26	11	10	-9.1%
<b>EBIT</b>	<b>371</b>	<b>373</b>	<b>383</b>	<b>321</b>	<b>313</b>	<b>-2.5%</b>
EBIT margin	16.4%	15.1%	14.9%	12.5%	13.2%	+0.7%-points
<b>EBITDA</b>	<b>418</b>	<b>432</b>	<b>441</b>	<b>400</b>	<b>393</b>	<b>-9.3%</b>
EBITDA margin	18.4%	17.5%	17.2%	15.6%	16.5%	+0.9%-points

## Solid Balance Sheet and strong cash flow generation

€ mn	2020	2019	2018	2017	2016
Total assets	2,120	2,023	1,891	1,751	1,676
Goodwill	236	175	174	173	185
Equity	1,580	1,561	1,456	1,307	1,205
Equity ratio	75%	77%	77%	75%	72%

€ mn	2020	2019	2018	2017	2016
Net liquidity	179	193	191	160	146
Operating cash flow	360	329	267	242	300
Capex	122	154	121	105	93
Free cash flow before acquisitions <sup>1</sup>	238	175	147	142	205
Free cash flow	124	162	159	140	164

<sup>1</sup> Including divestments

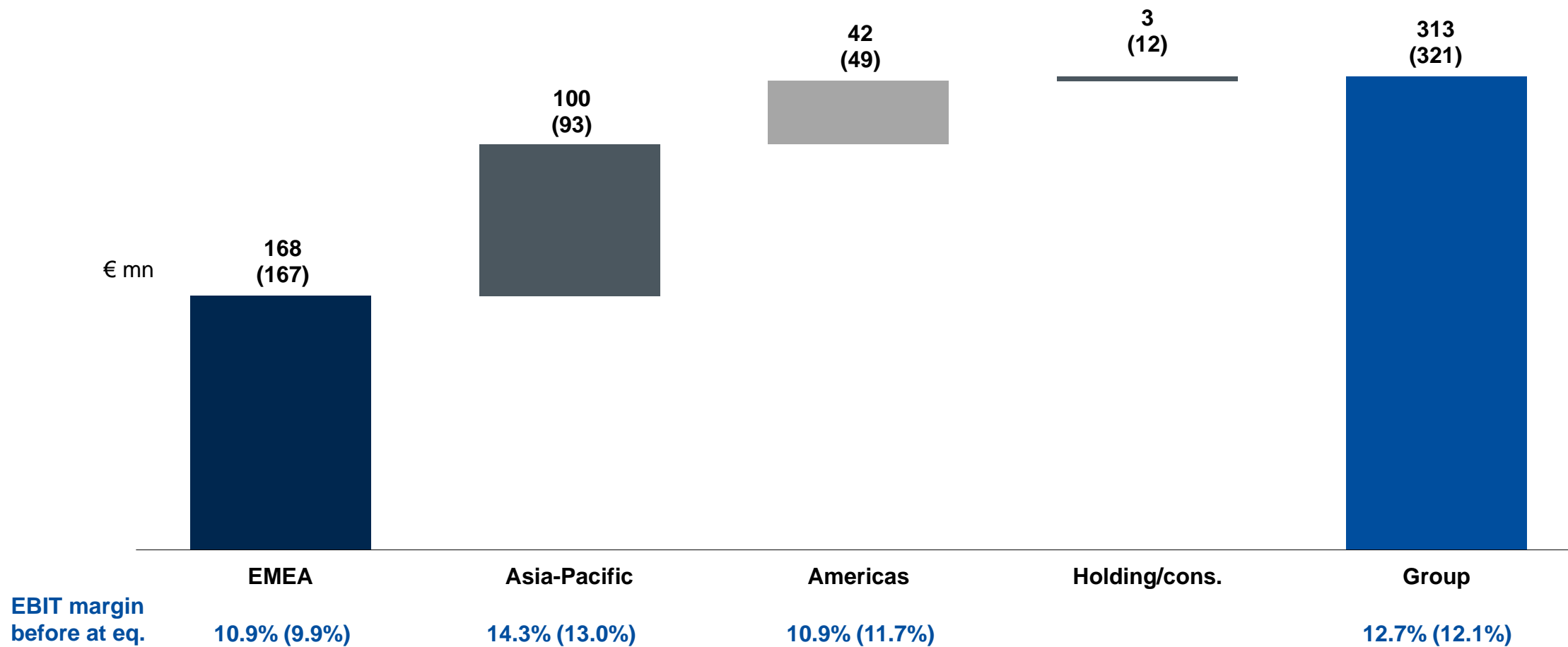
## Regional sales 2020

Covid-19-related lower sales in all regions

	2020 (€ mn)	2019 (€ mn)	Growth	Organic	External	FX
EMEA	1,446	1,579	-8%	-7%	0%	-1%
Asia-Pacific	698	718	-3%	-1%	0%	-2%
Americas	387	418	-7%	-14%	11%	-4%
Consolidation	-153	-143	-	-	-	-
<b>Total</b>	<b>2,378</b>	<b>2,572</b>	<b>-8%</b>	<b>-7%</b>	<b>2%</b>	<b>-3%</b>

# EBIT by regions

FY 2020 (FY 2019)

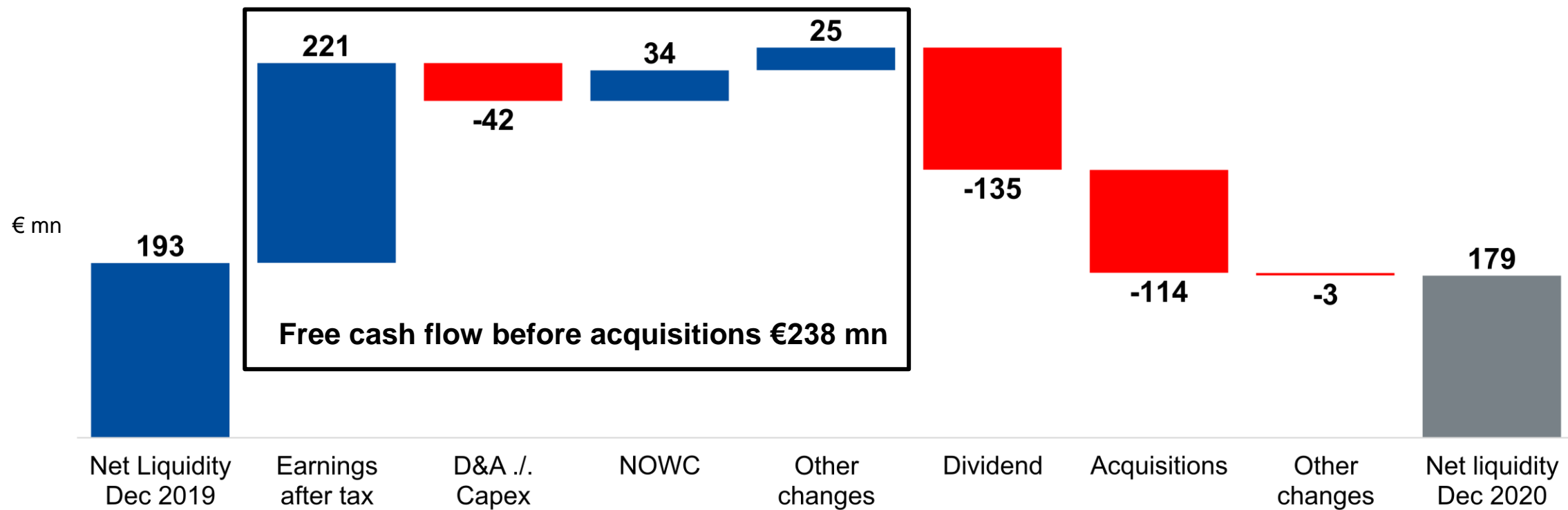


# Cash flow FY 2020

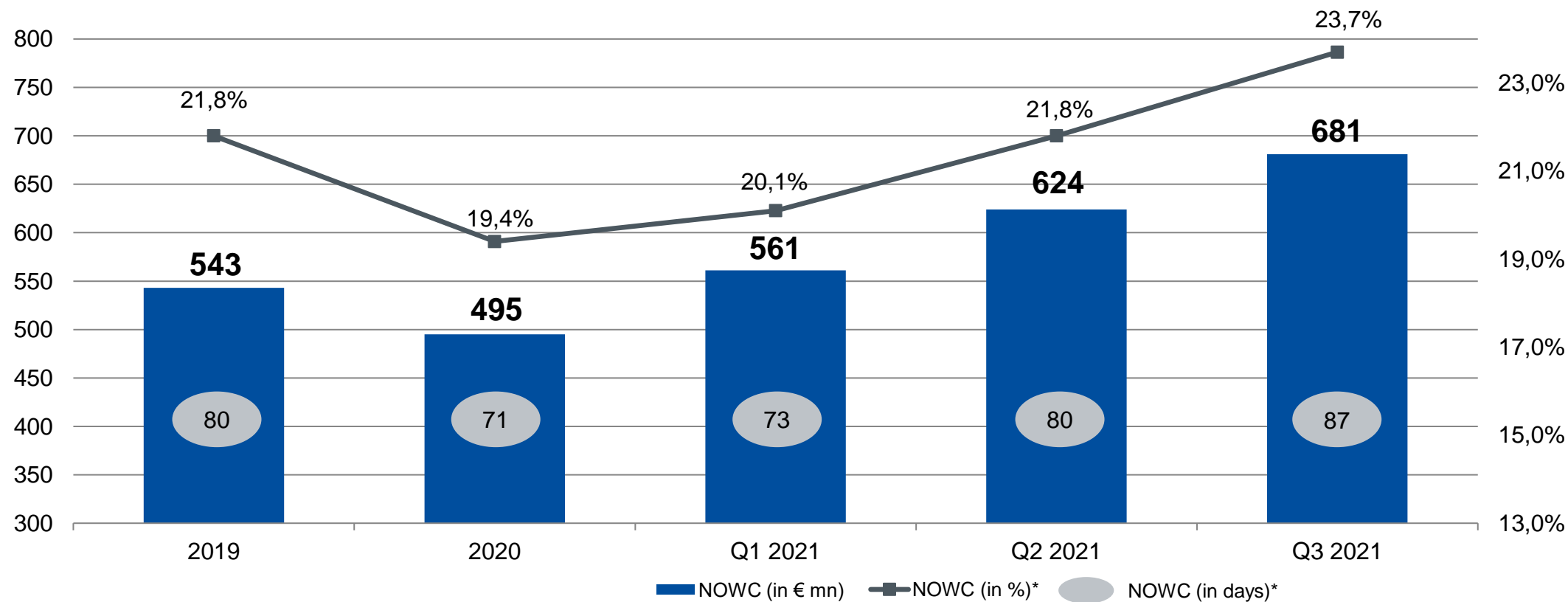
€ mn	2020	2019	Δ in € mn	Δ in %
<b>Earnings after tax</b>	<b>221</b>	<b>228</b>	<b>-7</b>	<b>-3</b>
Amortization/Depreciation	80	79	1	1
Changes in net operating working capital (NOWC)	34	45	-11	-24
Other changes	25	-23	48	-
Capex	-122	-154	32	21
<b>Free cash flow before acquisitions<sup>1</sup></b>	<b>238</b>	<b>175</b>	<b>63</b>	<b>36</b>
Acquisitions	-114	-13	-101	>100
<b>Free cash flow</b>	<b>124</b>	<b>162</b>	<b>-38</b>	<b>-23</b>

<sup>1</sup> Free cash flow before cash paid for acquisitions and before cash acquired through acquisitions

# Net Liquidity



# Net operating working capital (NOWC)



\* In relation to the annualized sales revenues of the last quarter

# Quarterly income statement

€ mn	2018				2019				2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Sales</b>	<b>643</b>	<b>668</b>	<b>642</b>	<b>614</b>	<b>643</b>	<b>653</b>	<b>656</b>	<b>620</b>	<b>616</b>	<b>504</b>	<b>620</b>	<b>638</b>	<b>697</b>	<b>714</b>	<b>718</b>	
Gross Profit	225	239	222	213	217	224	231	218	218	172	225	239	255	242	238	
<i>Gross Profit margin (in %)</i>	<i>35.0</i>	<i>35.8</i>	<i>34.6</i>	<i>34.7</i>	<i>33.7</i>	<i>34.3</i>	<i>35.2</i>	<i>35.2</i>	<i>35.4</i>	<i>34.1</i>	<i>36.3</i>	<i>37.5</i>	<i>36.6</i>	<i>33.9</i>	<i>33.1</i>	
Other function costs	-136	-140	-134	-132	-142	-147	-144	-147	-148	-134	-137	-132	-156	-154	-153	
<b>EBIT before at Equity</b>	<b>89</b>	<b>99</b>	<b>88</b>	<b>81</b>	<b>75</b>	<b>77</b>	<b>87</b>	<b>71</b>	<b>70</b>	<b>38</b>	<b>88</b>	<b>107</b>	<b>99</b>	<b>88</b>	<b>85</b>	
<i>EBIT margin before at Equity (in %)</i>	<i>13.8</i>	<i>14.8</i>	<i>13.7</i>	<i>13.2</i>	<i>11.7</i>	<i>11.8</i>	<i>13.3</i>	<i>11.5</i>	<i>11.4</i>	<i>7.5</i>	<i>14.2</i>	<i>16.8</i>	<i>14.2</i>	<i>12.3</i>	<i>11.8</i>	
At Equity	3	2	16	5	2	3	2	4	2	2	3	3	2	2	3	
<b>EBIT</b>	<b>92</b>	<b>101</b>	<b>104</b>	<b>86</b>	<b>77</b>	<b>80</b>	<b>89</b>	<b>75</b>	<b>72</b>	<b>40</b>	<b>91</b>	<b>110</b>	<b>101</b>	<b>90</b>	<b>88</b>	
<i>EBIT margin (in %)</i>	<i>14.3</i>	<i>15.1</i>	<i>16.2</i>	<i>14.0</i>	<i>12.0</i>	<i>12.3</i>	<i>13.6</i>	<i>12.1</i>	<i>11.7</i>	<i>7.9</i>	<i>14.7</i>	<i>17.2</i>	<i>14.5</i>	<i>12.6</i>	<i>12.3</i>	
<b>EBITDA</b>	<b>106</b>	<b>115</b>	<b>118</b>	<b>102</b>	<b>95</b>	<b>98</b>	<b>107</b>	<b>100</b>	<b>92</b>	<b>60</b>	<b>110</b>	<b>131</b>	<b>122</b>	<b>111</b>	<b>109</b>	
<i>EBITDA margin (in %)</i>	<i>16.5</i>	<i>17.2</i>	<i>18.4</i>	<i>16.6</i>	<i>14.8</i>	<i>15.0</i>	<i>16.3</i>	<i>16.1</i>	<i>14.9</i>	<i>11.9</i>	<i>17.7</i>	<i>20.5</i>	<i>17.5</i>	<i>15.5</i>	<i>15.2</i>	

## Quarterly figures by region

2020	EMEA					Asia-Pacific					North and South America				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Sales by company location	401	289	370	386	1,446	146	174	189	189	698	110	71	100	106	387
EBIT before at equity income	41	11	43	63	158	17	24	29	30	100	12	2	15	13	42
<i>in % of sales</i>	10.2	3.8	11.6	16.3	10.9	11.6	13.8	15.3	15.9	14.3	10.9	2.8	15.0	12.3	10.9
Income from at equity companies	2	2	3	3	10	-	-	-	-	-	-	-	-	-	-
Segment earnings (EBIT)	43	13	46	66	168	17	24	29	30	100	12	2	15	13	42
<i>in % of sales</i>	10.7	4.5	12.4	17.9	11.6	11.6	13.8	15.3	15.9	14.3	10.9	2.8	15.0	12.3	10.9

2021	EMEA					Asia-Pacific					North and South America				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Sales by company location	419	431	426			213	211	213			111	113	120		
EBIT before at equity income	47	42	35			34	29	30			16	15	15		
<i>in % of sales</i>	11.2	9.7	8.2			16.0	13.7	14.1			14.4	13.3	12.5		
Income from at equity companies	2	2	3			-	-	-			-	-	-		
Segment earnings (EBIT)	49	44	38			34	29	30			16	15	15		
<i>in % of sales</i>	11.7	10.2	8.9			16.0	13.7	14.1			14.4	13.3	12.5		

# Quarterly sales & EBIT by regions

Sales (€ mn)	2019					2020					2021				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
EMEA	400	399	402	378	1,579	401	289	370	386	1,446	419	431	426		
Δ Y-o-Y in %	-4	-4	-1	-1	-2	0	-28	-8	2	-8	5	49	15		
Asia-Pacific	171	184	180	183	718	146	174	189	189	698	213	211	213		
Δ Y-o-Y in %	-4	-4	4	12	2	-14	-5	5	3	-3	46	21	13		
Americas	106	106	108	98	418	110	71	100	106	387	111	113	120		
Δ Y-o-Y in %	12	2	3	-7	2	4	-33	-7	8	-7	1	59	20		
Holding/consolidation	-34	-36	-34	-39	-143	-41	-30	-39	-43	-153	-46	-41	-41		
<b>FUCHS Group</b>	<b>643</b>	<b>653</b>	<b>656</b>	<b>620</b>	<b>2,572</b>	<b>616</b>	<b>504</b>	<b>620</b>	<b>638</b>	<b>2,378</b>	<b>697</b>	<b>714</b>	<b>718</b>		
Δ Y-o-Y in %	0	-2	2	1	0	-4	-23	-5	3	-8	13	42	16		

EBIT (€ mn)	2019					2020					2021				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
EMEA	38	42	50	37	167	43	13	46	66	168	49	44	38		
Δ Y-o-Y in %	-24	-18	-18	-24	-21	13	-69	-8	78	1	14	239	8		
Asia-Pacific	21	23	23	26	93	17	24	29	30	100	34	29	30		
Δ Y-o-Y in %	-25	-18	-4	18	-9	-19	4	26	15	8	100	21	3		
Americas	14	15	12	8	49	12	2	15	13	42	16	15	15		
Δ Y-o-Y in %	8	-12	-20	-43	-17	-14	-87	25	63	-14	33	650	-		
Holding/consolidation	4	0	4	4	12	0	1	1	1	3	2	2	4		
<b>FUCHS Group</b>	<b>77</b>	<b>80</b>	<b>89</b>	<b>75</b>	<b>321</b>	<b>72</b>	<b>40</b>	<b>91</b>	<b>110</b>	<b>313</b>	<b>101</b>	<b>90</b>	<b>88</b>		
Δ Y-o-Y in %	-16	-21	-14	-13	-16	-6	-50	2	47	-3	40	125	-3		

# Quarterly sales development split by regions

Organic Growth (in %)	2019					2020					2021				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
EMEA	-3	-3	-1	-1	-2	0	-26	-6	5	-7	6	48	14		
Asia-Pacific	-5	-6	-1	8	-1	-16	-3	8	5	-1	46	20	8		
Americas	8	-2	-1	-7	-1	-6	-42	-11	3	-14	6	75	19		
<b>FUCHS Group</b>	<b>-1</b>	<b>-3</b>	<b>-</b>	<b>-</b>	<b>-1</b>	<b>-6</b>	<b>-23</b>	<b>-4</b>	<b>4</b>	<b>-7</b>	<b>15</b>	<b>43</b>	<b>13</b>		

External Growth (in %)	2019					2020					2021				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
EMEA	-	-	-	-	-	-	-	-	-	-	-	-	-		
Asia-Pacific	-	3	4	3	2	3	-	-	-	-	-	-	-		
Americas	-	-	-	1	-	10	10	10	15	11	7	1	2		
<b>FUCHS Group</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>1</b>		

FX Effects (in %)	2019					2020					2021				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
EMEA	-1	-1	-	-	-	-	-2	-2	-3	-1	-1	1	1		
Asia-Pacific	1	-1	1	1	1	-1	-2	-3	-2	-2	-	1	5		
Americas	4	4	4	-1	3	-	-1	-6	-10	-4	-12	-17	-1		
<b>FUCHS Group</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-2</b>	<b>-3</b>	<b>-4</b>	<b>-3</b>	<b>-3</b>	<b>-1</b>	<b>2</b>		

# The Executive Board



**Stefan Fuchs**

CEO; Corporate Group Development, HR, PR & Marketing, Strategy, Automotive Aftermarket Division



**Dr. Lutz Lindemann**

CTO; R&D, Technology, Product Management, Supply Chain, Sustainability, Mining Division, OEM Division



**Dr. Timo Reister**

Asia-Pacific, Americas, Industry Division



**Dr. Ralph Rheinboldt**

Europe, Middle East & Africa,  
FUCHS LUBRITECH Division



**Dagmar Steinert**

CFO; Finance, Controlling, Investor Relations, Compliance,  
Internal Audit, Digitalization (IT, ERP systems, Big Data etc.),  
Legal, Taxes

# Executive Compensation & FUCHS Shares

## Executive Board

---

**50%**

of multi-year variable compensation (LTI)

must be invested in FUCHS preference shares  
with a lock-up period of 4 years

LTI  $\triangleq$  55% of total variable compensation

## Supervisory Board

---

**50%**

of variable compensation

must be invested in FUCHS preference shares  
with a lock-up period of 4 years

## Download: Key documents for our shareholders



### Our added value



**Transparency**



**Shareholder-oriented**



**Well informed**

H1 2021  
Factsheet

Financial  
Reports

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# FUCHS CAPITAL MARKETS DAY 2022



## >>>SAVE THE DATE<<<



June 28<sup>th</sup> 2022



Mannheim



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# Financial Calendar & Contact

## Financial Calendar 2022

<b>March 18, 2022</b>	Annual report 2021
<b>April 29, 2022</b>	Quarterly statement Q1 2022
<b>May 3, 2022</b>	Annual General Meeting 2022
<b>June 28, 2022</b>	FUCHS Capital Markets Day
<b>July 29, 2022</b>	Financial Report H1 2022
<b>October 28, 2022</b>	Quarterly Statement Q3 2022

The financial calendar is updated regularly. You find the latest dates on the webpage at [www.fuchs.com/financial-calendar](http://www.fuchs.com/financial-calendar)

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