Annual General Meeting of Bilfinger SE, Wednesday, May 15, 2024, 10:00 a.m

Virtual Annual General Meeting

Remarks from Dr. Thomas Schulz, Group CEO, and Matti Jäkel, Group CFO

Check against delivery.

Remarks from Dr. Thomas Schulz, Chief Executive Officer:

Dear Shareholders,
Ladies and gentlemen,

On behalf of the Executive Board, I would like to welcome you to today's Annual General Meeting.

Once again this year, we have taken the conscious decision to hold a virtual Annual General Meeting. This is in line with our commitment to ongoing digitalization and sustainability.

Current economic environment

Ladies and Gentlemen,
Bilfinger is on **a path for sustained profitable growth**. The diverse range of challenges we are facing today require efficient and sustainable solutions. As the leading industrial services provider, Bilfinger is responding to this increased demand

with a comprehensive range of high-quality services. Our success is primarily due to the outstanding efforts and tireless commitment of each and every employee.

We would like to thank our shareholders for their continued support, our customers for their trust, and particularly all our employees. Thank you very much!

At Bilfinger, we have a clear strategy to become No. 1 in enhancing the efficiency and sustainability of our customers. By consistently implementing our strategy, we will achieve our mid-term targets by 2025-2027 and we are well on our way to doing just that: Our targets include average organic growth of 4 to 5 percent per year, an increase in the EBITA margin to between 6 and 7 percent, and a cash conversion of over 80 percent. We will also continue to drive growth in our regions and industries by means of M&A activities. We are putting a **particular** focus on improving total shareholder return. The encouraging share price performance to a new 6-year high is proof that our strategy is working.

Ladies and Gentlemen,

Bilfinger is on the right path. But before we take a closer look at that, allow me to address the complex market environment in which our customers and Bilfinger operate.

Global crises such as the war in Ukraine, the conflict in the Middle East, the political and military impact on supply chains as well changing power structures present **enormous** challenges for our industries. At the same time, sustainable business practices, a shortage of skilled workers, digitalization and artificial intelligence, inflation, uncertain supply chains and increased complexity at production sites, especially in **Europe,** all mean that we must consistently increase efficiency and sustainability. High energy prices, uncertainties related to the availability of energy, excessive bureaucracy and the way that policy decisions are made present our customers in Germany with additional immense challenges. Political and media discussions often seem to take up more space than the actual implementation of decisions and solutions. In this complex environment, our customers are embarking on a fundamental transformation toward sustainable business practices. And this is where Bilfinger is their partner.

Bilfinger's business model

We ensure that industrial plants in our core industries can be operated at an increasingly efficient and sustainable level. The potential is enormous when we look at the addressable markets served by Bilfinger: a total market size of more than €50 billion in the energy sector, €30 billion in chemicals & petrochemicals, €20 billion in pharma & biopharma and €20 billion in oil & gas. As an outsourcing partner, we perform important functions for our customers in these markets, improve their efficiency and sustainability and thus make a crucial contribution to their profitability. We do this with highly qualified employees and state-of-the-art technology. We play a key role in the energy transformation and thus ensure that industry is able to increase its competitiveness despite all the challenges it faces. And we have a local international presence for our customers: In Europe, in the USA and in the Middle East. When it comes to customer relationships, we are proud to look back on relationships that span many years. Over 90 percent of our customers purchase our services more than once.

As a result, demand for our services remains stable to positive across all our regions and industries. There are, however, different requirements. In Germany in particular, the ongoing deindustrialization in key energy-intensive industries such as chemicals is clearly evident. In a global comparison, we are experiencing strong growth in regions such as the Middle East and North America. The chemical industry in North America is growing twice as fast and in the Middle East five to six times as fast as in Europe, where growth of just 0.6 percent is forecast for the next four years. The nuclear industry is experiencing a revival, but with major regional differences. In the pharma & biopharma sector, we are looking at global growth of 8 percent. In oil & gas, spending on exploration and production will increase by 2 to 5 percent, with a particular focus on sustainability. In this dynamic market environment, we partner with industry to ensure that industrial sites are developed more efficiently and sustainably and to support the relocation and new construction of industrial assets.

I would now like to take a closer look at our activities over the course of the past year and talk about some of the strategic highlights.

Strategy highlights

We presented our strategy at the Capital Markets Day 2023 and received a very positive response. The consistent implementation of the strategy is defined by two thrusts: increasing our own operational excellence and positioning ourselves as a leading provider of efficient and sustainable solutions in our markets. We are achieving these objectives by implementing three strategic levers that have already facilitated significant progress in the areas of growth, profitability and cash flow.

The first lever of our strategy was the efficiency program that we launched at the end of 2022 and which we completed in 2023. It will take full effect in the course of 2024. The program focused on administrative functions within the Group and envisaged cost savings of around 55 million euros. By streamlining management and administrative structures and bundling administrative tasks, we are improving organizational efficiency in a targeted manner. Part of the savings will be invested directly in the **training and development** of our employees in close consultation with our Works Council. For this purpose, we founded Bilfinger Education GmbH in October 2023, which acts as a **model** for the Bilfinger Group.

A new **functional organizational** structure was also implemented on January 1, 2024 with the aim of promoting cooperation within the company and simplifying structures. It enables future-oriented, efficient and successful collaboration with logical, transparent and consistent structures across all regions and business segments.

The second strategic lever is operational excellence which is aimed at improving the efficiency of the organization. Increased **standardization and bundling** of the Group’s single service areas serves as an important starting point. To this end, nine Global Product Center were defined and established in 2023. Their mission is to define our Bilfinger products according to **uniform standards** and ensure that they are offered professionally and at the same high level of quality in **all of the Group’s regions and markets**. A standardized process in order selection reduces **operational risks -** this is known as de-risking, which we will continue in the current financial year.

Essentially, the aim is to avoid risky project business and replace it with recurring service business. Projects are always interesting if they are linked to downstream service business. This transformation will take time and will also mean that we will **deliberately forego revenue** and **new business** in 2024 if this is too risky or if it generates insufficient margins. The repositioning of our US business is part of the de-risking efforts. You can see that this strategy is already bearing fruit in the development of the EBITA margin.

The third strategic lever is the positioning of Bilfinger as a solution partner for our customers. We help them to increase their efficiency and sustainability with a comprehensive portfolio of industrial services. We can offer our customers the **full range** of services from consulting, engineering, manufacturing, assembly and maintenance through to the expansion and plant turnarounds along with digital applications. By bundling services from a single source, we significantly increase the efficiency and sustainability effects for our customers and contribute to their **increased profitability**. The goal in this regard is to offer **all of our products** in existing markets and to serve **all potential customers**. In addition to organic growth, acquisitions can also help us to meet our strategic goals.

In this context, we acquired parts of the Stork Group, which belonged to the US-based Fluor Corporation, with effect from April 1, 2024. The transaction primarily comprises operating units in the Netherlands and Belgium as well as some units in Germany and adds over 2,700 qualified employees to our team together with annual revenue of around 530 million euros.

Significant new orders

The following three customer examples serve to illustrate our strategy:

Bilfinger was commissioned by energy company Uniper to provide engineering, procurement and construction management services for a pioneering hydrogen project in Krummhörn, a city in the German state of Lower Saxony. The objective of the research project is to develop a commercial storage solution for **green hydrogen**. Uniper's storage facility will be among the first of its kind and is also the **second research project** in which the innovative hydrogen processing technology "H2DRY" – which was developed by Bilfinger – will be used.

Bilfinger is making significant contributions to the progress of the new Hinkley Point C nuclear power plant in the UK. The highlight for 2023 was the delivery of the core meltdown stabilization system. This is a **key component** of the plant's safety concept. Hinkley Point C is just one example of how nuclear energy is a future technology inwhich the market is investing and which is crucial for emission-free energy generation in the future. At Bilfinger, we well-positioned to meet the corresponding demand.

In Lithuania, Bilfinger is supporting the energy company Ignitis Gamyba with the expansion of a pumped storage power plant. The order is being carried out in cooperation with the technology group Voith and aims to help boost the supply of **green and independent energy** in Lithuania. The expansion of the hydropower plant is part of the Baltic states' plans to be integrated into the European power grid by the end of 2025 and is a demonstration of how we are expanding our market presence in Europe into neighboring regions with existing services.

As you can see, Bilfinger enjoys great demand as a **reliable and innovative partner** to industry on the international stage. This trend is continuing in the first quarter of 2024. We published the figures earlier today and they are in line with our expectations as we move towards achieving our mid-term targets. The successful implementation of our strategy has enabled us to significantly increase our profitability. One of the most important performance indicators for us, the EBITA margin, nearly doubled compared to the same period last year.

Before we share further insights into our current business with you, I would now like to ask our CFO Matti Jäkel to outline the figures for the past financial year 2023 and the first quarter of 2024.

Go ahead, Matti.

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Remarks from Matti Jäkel, Chief Financial Officer:

Thank you, Thomas.

Dear Shareholders, Ladies and Gentlemen,

Business performance in the past year 2023 and in the first quarter of 2024 show that our business model of improving efficiency and sustainability is generating strong demand from our customers and that we are using the right strategic levers to achieve our key figures.

Allow me to elaborate a little on this.

Starting with the financial year 2023 - and allow me to make a preliminary remark here: We have **repositioned** our business in the USA. As part of this repositioning, we are deliberately and specifically focusing only on new orders and revenue that secures an acceptable risk profile and the desired profit margin. Group-wide, we have achieved significant growth in **all key figures**. With the implementation of the strategy, **all 2023 targets** were achieved or exceeded. In the E&M International segment, which includes the USA, we recorded declines in orders received and revenue - although we are already seeing an improvement in the EBITA margin here. Given the fact that we have this effect on several key figures, I will explain this in advance so as not to bore you, ladies and gentlemen.

But now to the figures themselves:

Orders received

Orders received for the Bilfinger Group in the financial year 2023 increased by 3 percent to more than 4.7 billion euros. There was a decline in the E&M International segment, as described above, while the other two segments **increased significantly**. The order backlog increased by 5 percent to 3.4 billion euros. The book-to-bill ratio was 1.06.

Revenue and gross profit

Group revenue increased by 4 percent to 4.5 billion euros. Gross profit increased by **6 percent** to 463 million euros. Gross margin as a percentage of revenue was 10.3 percent. At 298 million euros, selling and administrative expenses were lower than in the previous year despite higher revenue and the ever-present inflation in 2023. The share of selling and administrative expenses as a percentage of revenue fell further to 6.6 percent. Our **strict cost discipline** is paying off here.

EBITA

Bilfinger generated EBITA of 191 million euros in the reporting year. The figure from the previous year was only 75 million euros. We **more than doubled** the EBITA margin from 1.8 percent in the previous year to 4.3 percent. It should be noted, however, that in the previous year provisions for the efficiency program burdened earnings by 62 million euros.

Cash flow

Ladies and Gentlemen,

In addition to the EBITA margin, free cash flow is the second key performance indicator that we use to manage the Bilfinger Group. This is because free cash flow shows how well we are actually able **to generate cash** from our earnings.

Free cash flow amounted to 122 million euros and was thus in line with our expectations. 59 million euros were used for investments in property, plant and equipment and 51 million euros were used for dividends. Net liquidity including lease liabilities decreased to 120 million euros.

At this point, I would like to give you an overview of developments in our three segments.

E&M Europe segment

At the Engineering & Maintenance Europe segment, orders received increased by 6 percent to 3.1 billion euros. Demand for services to enhance customers' efficiency and sustainability remains strong. On this basis, **revenue was up** 7 percent to nearly 3.0 billion euros. The book-to-bill ratio was 1.04. EBITA rose to 161 million euros in the reporting year due to higher revenue and a strong operating performance. The EBITA margin was increased to 5.4 percent.

E&M International segment

Orders received at the Engineering & Maintenance International segment fell by 12 percent to 733 million euros due to the repositioning of the US business. Revenue was down 15 percent to 682 million euros, a development that is attributable to the completion of assembly projects in the US in the course of the reporting year. In contrast, revenue in the Middle East **continued to grow**. The segment's book-to-bill ratio amounted to 1.08. EBITA was back in **positive territory** at 3 million euros, corresponding to an EBITA margin of 0.4 percent. By continuing to de-risking, we will significantly improve the business figures in this segment in the current year.

Technologies segment

In the Technologies segment, orders received were **up 16 percent** to 777 million euros. This segment is benefiting from strong demand in both pharma and biopharma business line as well as its nuclear business line. Revenue grew in line with this development by 24 percent to 737 million euros. The book-to-bill ratio was 1.05. The segment's EBITA rose to 33 million euros, while the EBITA margin increased to 4.5 percent.

Net profit

Net profit increased **significantly to 181 million euros**, taking earnings per share from €0.71 to **€4.84**. The return on capital employed (ROCE) after taxes increased to 12.1 percent. In addition to the improved operating performance, capitalization of deferred taxes in the amount of 61 million euros contributed to the increase in net profit. Net profit adjusted for special items and calculated using a normalized tax rate increased to 117 million euros and was thus significantly higher than the prior year's figure of 82 million euros.

Bilfinger share

Ladies and Gentlemen,

I would now like to draw your attention to a chapter that I am sure you are currently enjoying as much as we are: The Bilfinger share started on December 30, 2022 with a closing price of €27.08, which also corresponded to the low for the year. In the early months of 2023, the share price made **significant gains**, particularly following the presentation of the Group's strategic development prospects and the midterm targets formulated as part of this during the Capital Markets Day on February 14, 2023. The share price reached its high for the year of € 39.78 on March 30, 2023. The year-end price on December 29, 2023 was €34.82, a figure that corresponded to a **total shareholder return of 33 percent**. This puts us well ahead of our international peer group of listed companies, which achieved a total shareholder return of almost 20 percent.

The Bilfinger share price climbed steadily in the first few months of 2024. We have now reached a level of €45. The significantly higher market capitalization coupled with a higher free float made it possible for Bilfinger shares **to return to the MDAX** on March 18 of this year. This confirms that the capital market also strongly supports the course Bilfinger has taken.

Dividend

Ladies and Gentlemen,

As you can see, Bilfinger is on the right track. With our strategy, we have now identified the levers that will make our company even more successful in the future. Today, the Executive Board and the Supervisory Board therefore propose that an increased dividend of €1.80 per share will be distributed for the financial year 2023. In this way, we want you, our shareholders, to participate in Bilfinger's positive operational development. In relation to the share price at the end of 2023, this represents a dividend yield of 5.2 percent. The payout ratio for the financial year 2023 in relation to adjusted net profit is around 60 percent and is thus at the **upper end** of the range for Bilfinger's dividend policy. This policy calls, depending on the foreseeable mid-term development of the company, for a distribution of between 40 and 60 percent of adjusted net profit and **continuous dividend growth**.

Overview of the first quarter of 2024:

Ladies and Gentlemen,

As Thomas Schulz already mentioned, we also published our financial figures for the first quarter of 2024 today. Bilfinger continues to **perform well**. In particular, we are seeing a stabilization of the positive figures in the operating business. Please allow me to point out a few details:

Orders received reached over 1.1 billion euros. This figure is below the high figure for orders received in the same period of the previous year. At that time, positive effects from major orders, inflation-related price adjustments and higher revenue expectations for framework agreements led to an **exceptionally high level of orders** received. In this respect, orders received for this year have remained at a normalized level. This is also reflected in the book-to-bill ratio, which at 1.05 shows a stable to positive market situation in all our markets.

Revenue was up 3 percent to just under 1.1 billion euros – despite the aforementioned decline in the US. **Growth** was recorded **across the board** on the European markets and in the Middle East.

But the highlight of the first quarter was clearly the **very good development** of the EBITA margin: It **nearly doubled** compared to the same period last year and stands at 4.0 percent. This reflects the positive effects of our de-risking efforts, improved capacity utilization and the first noticeable effects of the efficiency program completed at the end of 2023.

The second important performance indicator for us, free cash flow, also developed well compared to the previous year as a result of the improved earnings: A negative figure of 26 million euros in the previous year turned into a plus of 24 million euros - an improvement of 50 million euros.

Ladies and Gentlemen,

Are we satisfied with the results from the first quarter? **Yes**, because it shows that we are using the **right** strategic levers to put Bilfinger on a **sustainable profitable** growth course.

This also holds true with regard to our mid-term targets, which we defined last year and which still apply: In the mid-term, the EBITA margin will continue to rise to a level of 6 percent to 7 percent. Organic revenue growth will exceed market growth and average between 4 percent and 5 percent per year. On this basis, we will continuously increase net profit. A clear objective is to increase the dividend year on year in line with this. In doing so, we will pay careful attention to the sound financial position of our Group. Our goal of achieving an investment grade **credit rating** remains unchanged.

In the first quarter of 2024, we once again made **good progress** towards achieving our forecast for 2024 and our mid-term targets. In order to continue our profitable growth and become No. 1 for our customers in increasing efficiency and sustainability, we still have **a number of topics** on the agenda for the current year. These will now be presented to you by Thomas Schulz, who I would now like to hand over to.

Back to you, Thomas!

<u>Remarks from Dr. Thomas Schulz, Chief Executive Officer:</u>

Thank you very much, Matti!

Ladies and Gentlemen,

Bilfinger has a sound financial basis and a clear set of goals. Our strategy determines what we do, and **what we do** is, in sum, our strategy.

Strategic focus 2024

A central focus of the strategy implementation for 2024 is on the de-risking in Bilfinger's business. We are consistently pressing ahead with the **transformation** from **project business** to **product business**. With this in mind, we have categorized and standardized our services for our customers into nine product groups. This step enables us to offer our **entire service portfolio** more easily in all of our markets and regions and to expand our market activities.

We began the integration of Stork immediately after the closing on April 1, 2024. This addition will **significantly** strengthen the Bilfinger Group. The transaction also serves as **a blueprint** for our acquisition strategy: We intend to grow primarily in markets where we already operate and with products that we already offer, thereby taking a targeted approach to expanding our core business.

2024 will also be the year in which we make good on our promise to invest a significant portion of the savings from our efficiency program in the training and development of our employees. This applies in particular to the **young people** who join us as apprentices. We have noticed that they often lack the basic skills that should actually be taught at school. As a company, this is something we also have to compensate for. It is also a challenge to reconcile the different cultural backgrounds of our apprentices. This is why we also teach fundamental values, such as **respectful** and **democratic** coexistence in our society. This in turn also entails special requirements for our trainers, who we are also constantly training.

So you see, socially responsible corporate governance at Bilfinger starts at the grassroots level. We provide all our employees with the opportunity for further training and the chance to maintain their knowledge at the **cutting edge** of technology.

Sustainability

Anyone whose business model is to improve the efficiency and sustainability of their customers must bring these issues to **life** in a credible manner.

Sustainability is a **key component** of our corporate strategy. This is also reflected in the specific targets that we have defined in the three sustainability categories of environment, social and governance.

In the financial year 2024, Bilfinger will be **expanding** its sustainability reporting – thus doing even more justice to **its own claim** to efficiency and sustainability. In the environmental area, we were able to significantly reduce carbon emissions in accordance with GHG Protocol Scope 1 and 2 by 9 percent despite the growth in revenue. Scope 3 emissions were also recorded upstream for the first time in the financial year 2023. These include carbon emissions generated by our suppliers' activities. Scope 3 emissions downstream, which are generated by services or the use of our products in the downstream value chain at our customers, will be reported from 2024. This will provide customers, investors and the public with a far greater degree of transparency.

In the financial year 2023, further steps were taken in the Group's segments to reduce their respective emissions. The combination of various measures for the next few years includes a shift from purchased electricity to renewable sources, gradually replacing the passenger vehicle fleet with electric vehicles as well as installing photovoltaic systems and the **implementation** of **energy efficiency initiatives** at our sites.

In the social category, we are strongly committed to avoiding as many work-related accidents as possible. We are undertaking considerable efforts to achieve this goal. In addition, we are investing **at least** 0.5 percent of Group revenue each year in the training and development of Bilfinger employees. Beginning this year, we will allocate a quarter of the savings from the efficiency program implemented by the end of 2023 to this in addition to the previous expenses.

In the area of governance, we have set the goal of conducting **at least 600** internal supplier audits per year in accordance with defined standards from financial year 2023 onwards. We have already significantly exceeded this target in the past reporting year with **well over** 1,000 audits.

Bilfinger's commitment is also confirmed by the current EcoVadis rating: The world's largest provider of sustainability ratings for companies has once again presented Bilfinger with a Gold Award for sustainable, ethical and responsible action. This puts Bilfinger in the **top 5 percent** of all companies assessed.

Outlook

Ladies and Gentlemen,

Our vision is clear: we want to become **No. 1 in efficiency and sustainability** for our customers. Technology will provide **decisive solutions** for a sustainable future. We here at Bilfinger are making our contribution to achieving this goal.

We have therefore confirmed our outlook for the 2024 financial year published in February. We are adhering to our mid-term targets, which call for an EBITA margin of 6 to 7 percent and average annual revenue growth of 4 to 5 percent by 2027. We will present the specific forecast, including the Stork figures for the current financial year, at our Capital Markets Day, which will be held in Frankfurt on June 12, 2024.

Thanks to employees and shareholders

To wrap up my remarks, I would once again like to express my **sincere appreciation** to our employees in all business segments and all countries in which we operate. With the implementation of our strategy and the efficiency program, we have asked a great deal of them in addition to the operational business. They have **mastered** these tasks **exceptionally** well and they deserve a **great deal of recognition**.

I would also like to thank you, our shareholders, for your **trust** and your **continued constructive** support. In the current year, we will once again do everything in our power to vindicate this trust and make your investment in Bilfinger a worthwhile one.

And with that, I would like to hand the floor back to our Supervisory Board Chairman, Dr. Cordes.