

Customer Survey

2024



Dear valued business partner,

we are delighted to present you the fifth edition of our annual customer survey, showcasing the comprehensive findings of our in-depth interviews with industry experts.

In today's dynamic business landscape, understanding the economic situation of companies operating in our target industries is paramount. Initiatives like this survey provide us with crucial insights into the needs and preferences of customers, enabling us to tailor our offerings to best support you as a trusted partner.

The evaluation of your feedback has provided us with invaluable guidance, allowing us to refine our approach and optimize our solutions as both supplier and service provider. We are confident that the results of this survey will also provide you with a comprehensive overview of the prevailing industry landscape and empower you to make informed decisions that will benefit your business.

Our analysis, based on a robust dataset comprising a total of over 2,700 responses collected since April 2020, represents a diverse cross-section of relevant industries in which outstanding Ex solutions are required, ensuring relevance and reliability of our observations.

Do not hesitate to reach out to our dedicated BARTEC sales representatives for any queries or further assistance. We are just a call away, ready to offer personalized support tailored to your specific requirements.

We wish you and your company continued success.

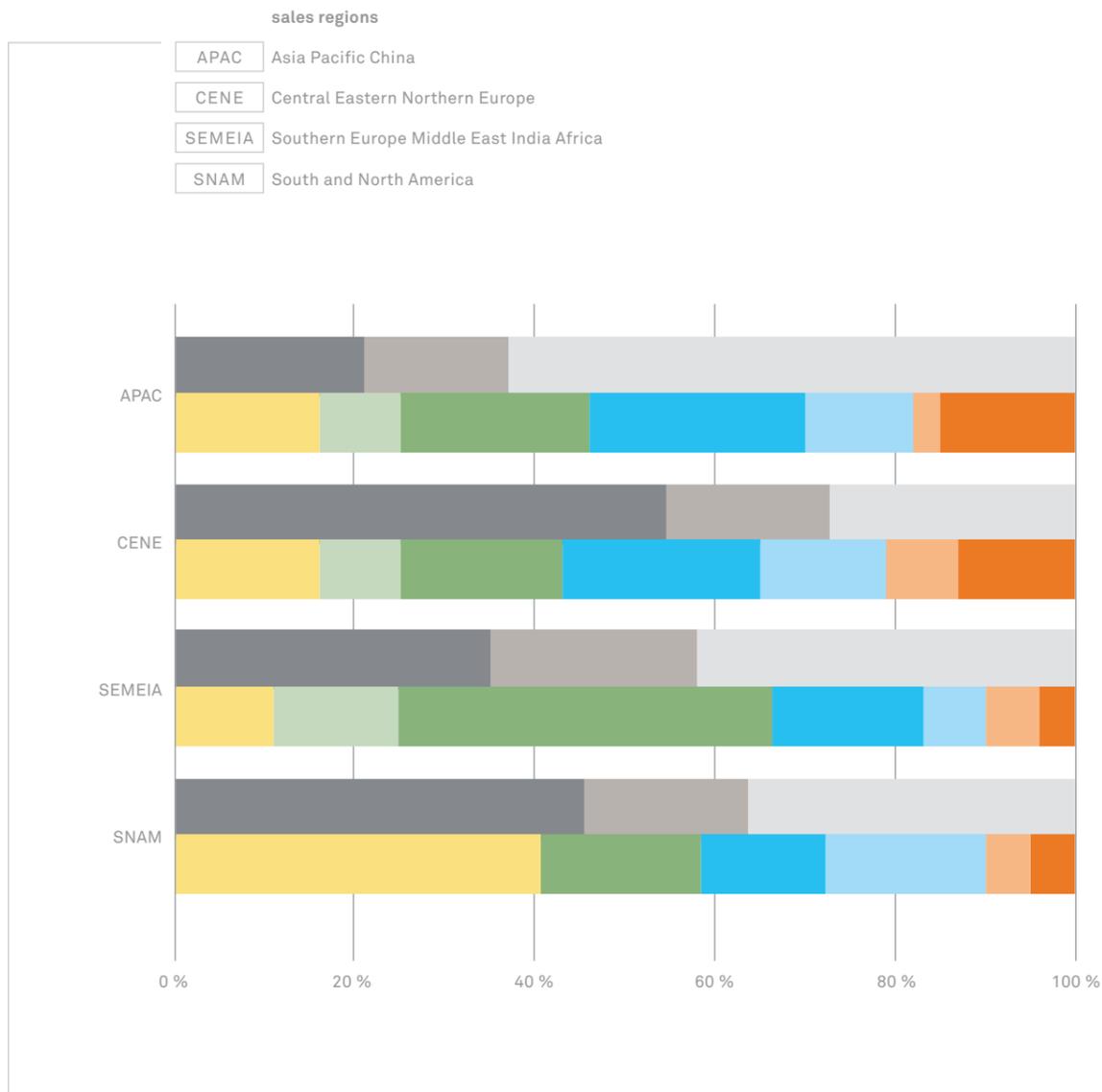
With kind regards

Your BARTEC Team

Major trends and takeaways from the interviews conducted:

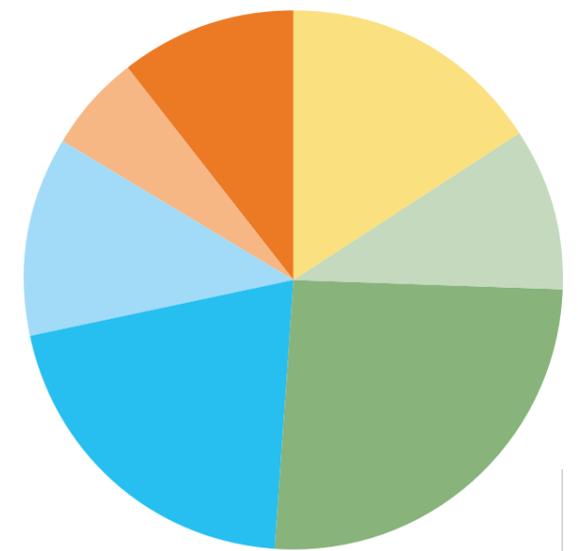
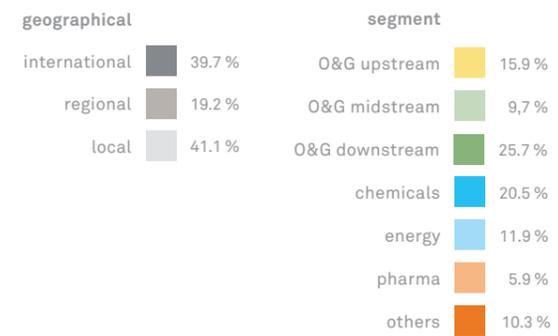
- Overall, market sentiment has improved for the third consecutive year, as customers anticipate revenue growth across all segments in CY 2024 compared to CY 2023.
- Supply chain issues and high sourcing costs remain the biggest challenges in the market. BARTEC is an excellent partner for hazardous area products and solutions.
- Offering unparalleled expertise and support, 88% of customers surveyed would (very) likely recommend our products and solutions to a colleague.
- The increasing importance of digitization in hazardous areas underscores the need for advanced solutions. BARTEC meets this demand with a comprehensive range of enterprise mobility, WiFi and IIoT systems, ensuring our customers stay at the forefront of industry innovation.

Geographical and segment activity of study participants



BY SALES REGION

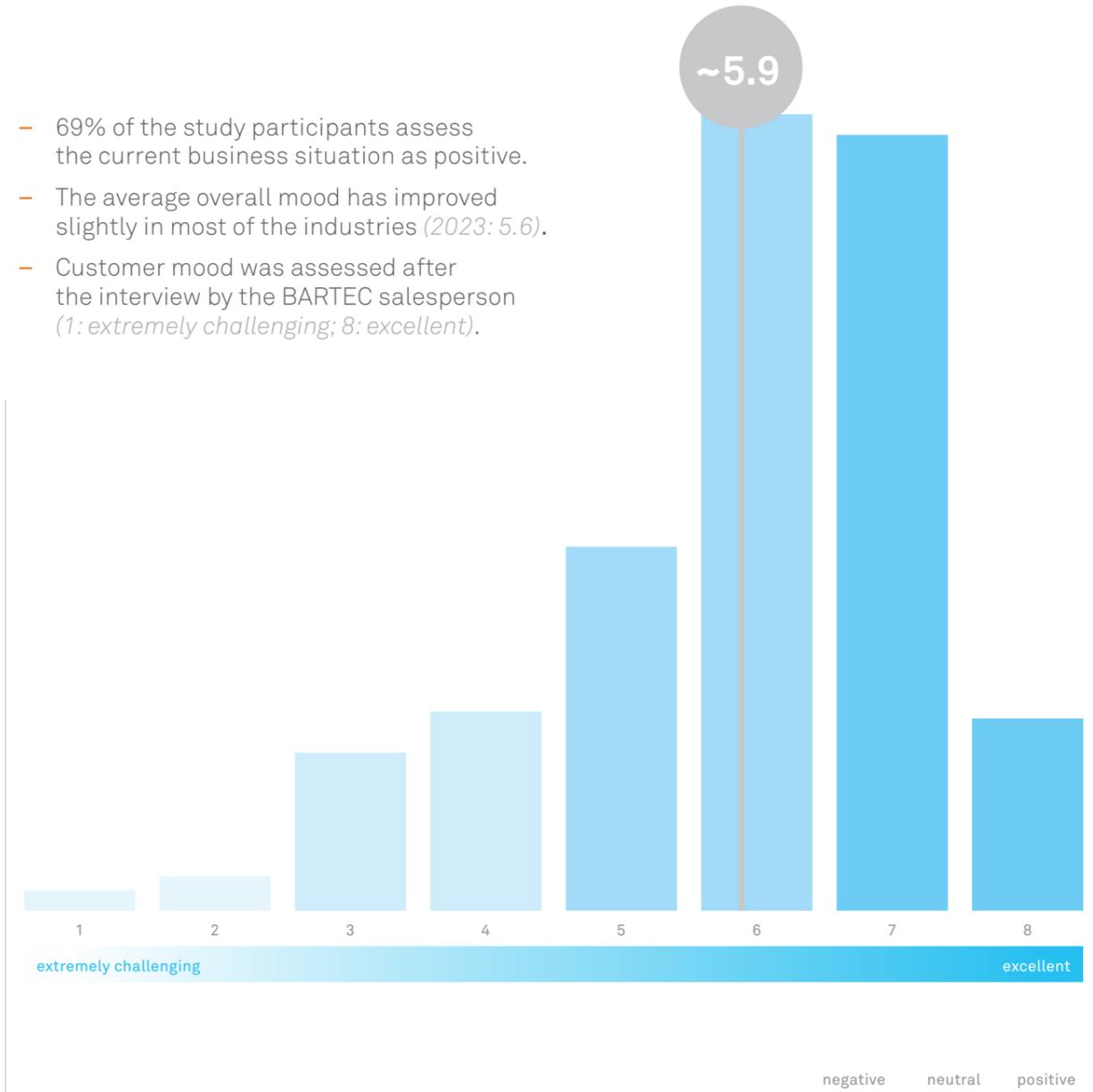
- Over the last 5 years, we have surveyed customers from 68 countries, in most of which we are represented by our own subsidiary.
- 50 % of the interviewed customers are focused on non-oil and gas industries.
- With 67% of the interviewed customers, SEMEIA region has still the strongest spotlight on O&G companies.
- CENE is the most diversified region with 58% of the interviewed customers are active in non-oil and gas sectors.



GLOBALLY

Current market situation

- 69% of the study participants assess the current business situation as positive.
- The average overall mood has improved slightly in most of the industries (2023: 5.6).
- Customer mood was assessed after the interview by the BARTEC salesperson (1: extremely challenging; 8: excellent).



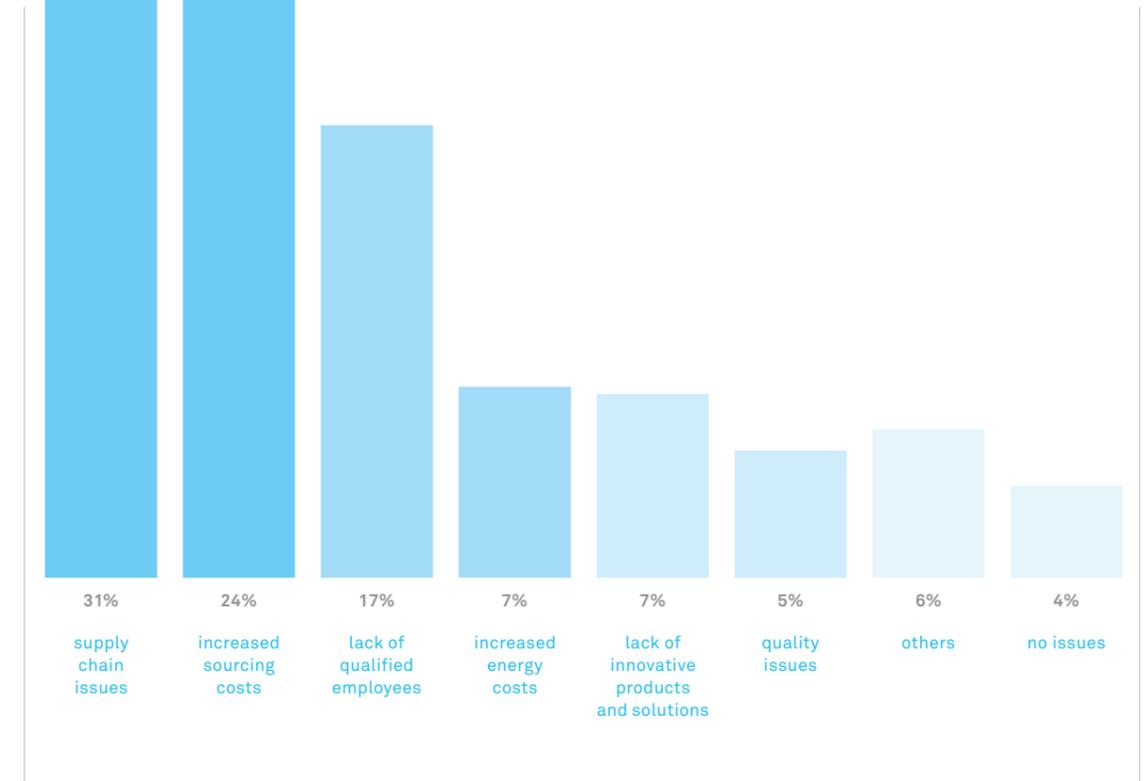
GENERAL MOOD OF CUSTOMERS IN 2024

| | negative | | neutral | | positive | | |
|-----------------|----------|-----|---------|-----|----------|-----|---|
| O&G upstream | 5% | 4% | 14% | 22% | 81% | 75% | ➔ |
| O&G midstream | 8% | 7% | 36% | 35% | 56% | 59% | ➔ |
| O&G downstream | 6% | 13% | 21% | 32% | 73% | 55% | ➤ |
| chemicals | 5% | 15% | 28% | 39% | 67% | 47% | ➤ |
| energy | 9% | 6% | 14% | 32% | 77% | 62% | ➤ |
| pharmaceuticals | 18% | 0% | 27% | 29% | 55% | 71% | ➤ |
| others | 18% | 9% | 21% | 27% | 61% | 64% | ➤ |

* value as of 4/2023

Current market challenges

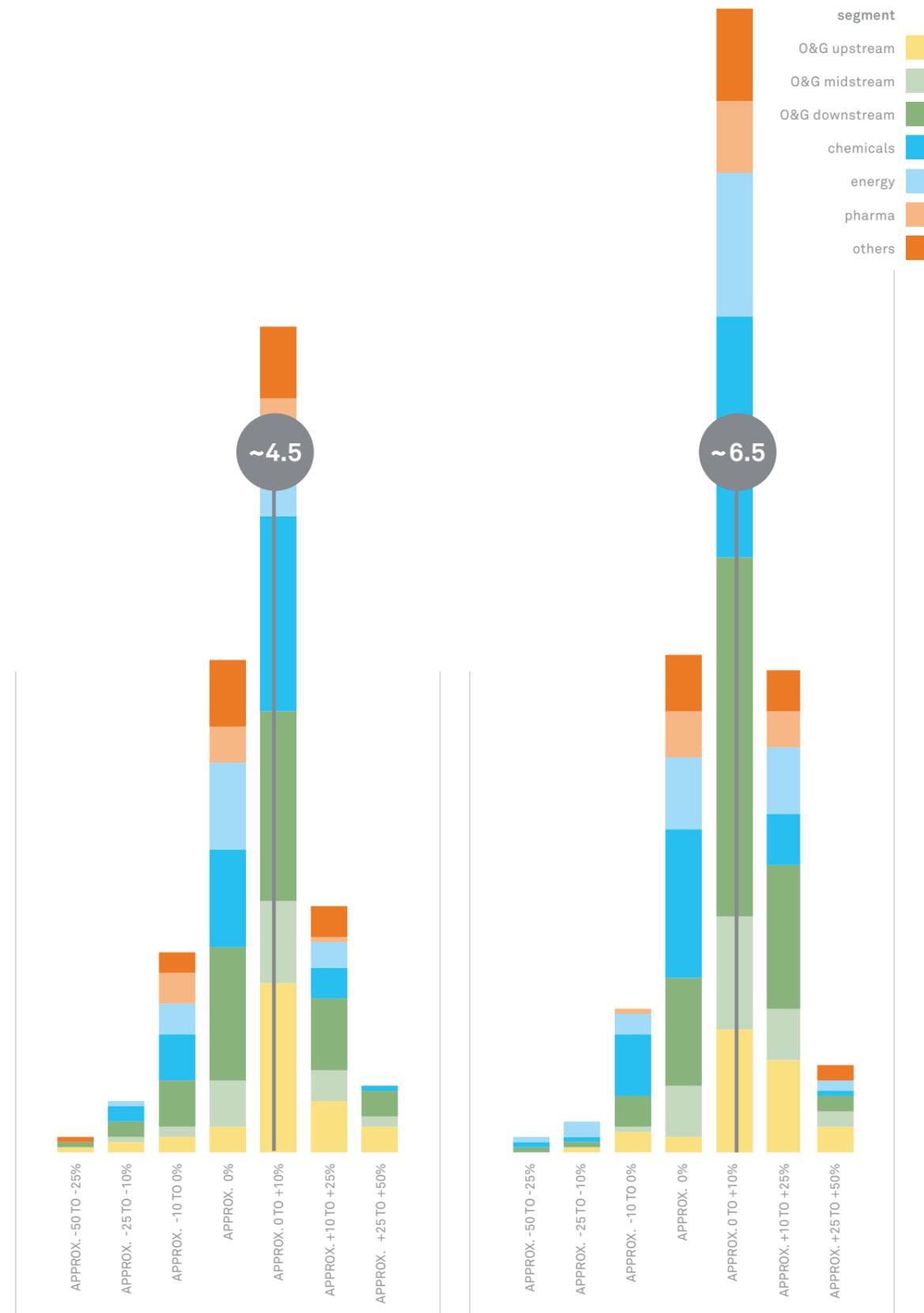
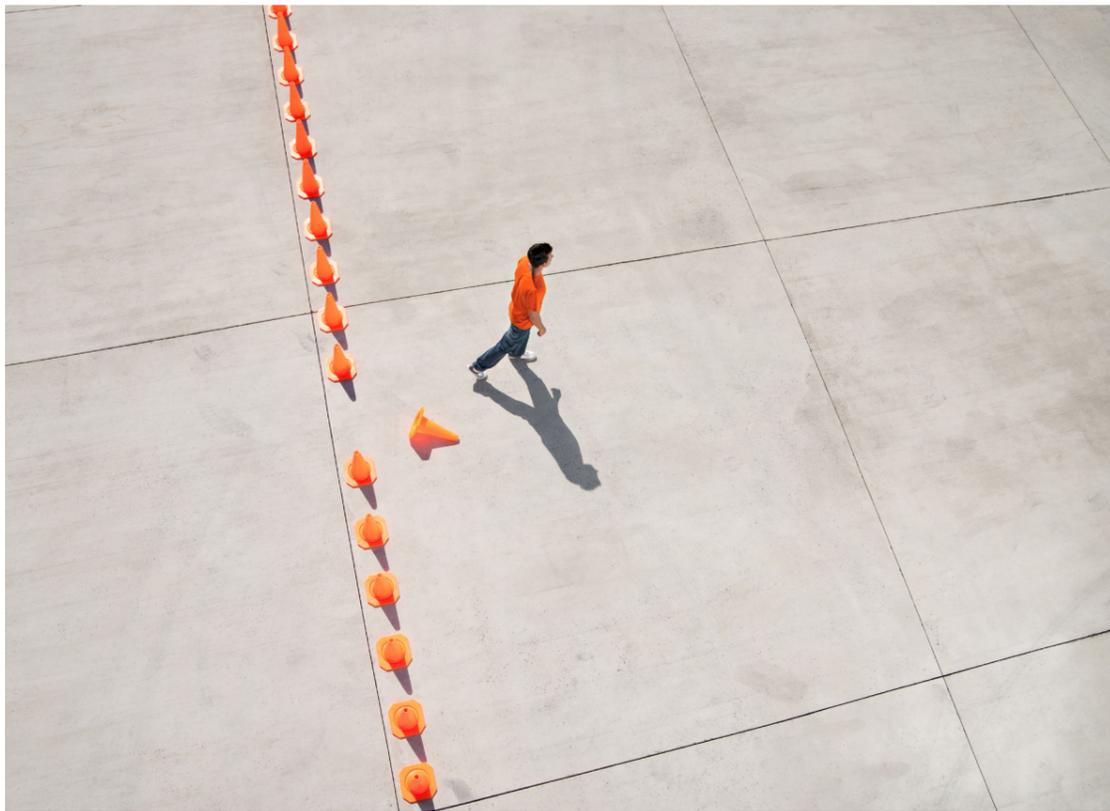
- Supply chain issues remain the biggest challenge (31%) of the interviewed customers, followed by increased sourcing costs (24%).
- The challenge of finding qualified employees (17%) has more than doubled compared to CY 2023.



WHAT IS CURRENTLY THE BIGGEST CHALLENGE?

Customers' revenue is expected to increase

- The expected average revenue growth for calendar year 2024 is +4.5% compared to CY 2023. In the CY 2023 survey, our customers expected an increase of 6.5% compared to CY 2022.
- The interviewed customers in SNAM are the most optimistic, anticipating an average revenue increase of 10.5% for the current CY.



EXPECTED REVENUE DEVELOPMENT FOR CY 2024 COMPARED TO CY 2023

value as of 4/2024

EXPECTED REVENUE DEVELOPMENT FOR CY 2023 COMPARED TO CY 2022

value as of 4/2023

Shaping BARTEC's Future with Digital Product Innovation

Interview with **Dr. Martin U. Schefter** (CEO), **Janis Wagner** (Head of Corporate Development & M&A), **Andrej Sonkin** (Senior Vice President, Enterprise Mobility Business Unit), and **Per-Erik Nilsen** (Global Head of Connectivity & IoT)

Martin, digitalization is a big "buzzword" within the industry. Why is digitalization also a topic within hazardous areas?

MARTIN: Our industry has always been more conservative than traditional industrial areas. However, we have seen a significant increase in the digitalization of the process industry during the last few years: Smart phones and tablets are commonly used to do maintenance, Wi-Fi is available almost everywhere, and data is used to optimize processes and work tasks. Knowing that the hazardous areas usually follow these industry trends, we believe that the time is now to help our customers to benefit from and implement these available technologies – as a trusted partner!

What is your personal vision for digitalization for BARTEC?

MARTIN: My personal vision for the company is that we successfully manage to be at the forefront of digitalization within the hazardous areas. That is because I see a lot of growth potential based on interesting new business models in there. which we will approach with our digital agenda. However, coming to these opportunities is unknown to us as these require proactive problem detection together with the end-user and new technological capabilities that are far more software-related than in hardware engineering. I am very excited and full of motivation to shape the digital leading EX company.

Janis, what is the digital agenda of BARTEC?

JANIS: Firstly, we want to expand our superior market position of providing hardware connectivity solutions for hazardous areas. Secondly, we want to extend the value of our products by both allowing collecting data and connectivity as well as offering unique digital data-based add-on services. Thirdly, we would like to support our customers to make use of established digital technologies within the EX areas.

Per-Erik, you are the head of the product line "Connectivity". What are the current trends within the sites of your customers?

PER-ERIK: A regular Wi-Fi connection has been around in the EX industry for many years already. However, the expectations from our customer of having high speed and reliable networks are now much higher. This also put pressure on us to always look for new solutions to keep up with the fast change of technology from the major access points vendors. The customers, who still uses pen and paper is looking for Wi-Fi as basic connectivity and early adopter of Wi-Fi is now starting to deploy and the implement the latest 5G technology as their next step towards a digital future.

What is our current offering and what differentiates it from other solutions on the market?

PER-ERIK: BARTEC is one of the key players within connectivity for hazardous areas. Our product range consists of enclosures and antennas for wireless networks, and IoT sensors for predictive maintenance. BARTEC has several innovative solutions such as the new EXgate360 where we as the only company on the market can offer a Zone 1 solution for devices with internal antennas. This is preferred on oil rigs where physical size and weight of the enclosure play a crucial role for the customer. Now, with Extronics on board, BARTEC has the broadest connectivity solution range on the market for all wireless technologies including Wi-Fi, LTE and 5G.

Andrej, we have talked very much about infrastructure needed to go digital in our customer sites. The products of Enterprise Mobility go a step further and allow mobile communication in the EX areas. Why is this beneficial in the EX areas and what is special about your products?

ANDREJ: The big trends driving the need for EX-certified mobile devices include shift from pen- and paper-based working to digitalization of core tasks and processes, as well as regulation that evolves to ensure safety in the workplace. The specialized know-how that is needed to build and certify EX devices takes years to build, and BARTEC is a pioneer in this market with decades of experience.



Per-Erik Nilsen, Head of Global Connectivity & IIoT



Andrej Sonkin, Senior Vice President, Enterprise Mobility Business Unit



Janis Wagner, Head of Corporate Development and M&A

I hear you often talking about the "digital worker". Could you briefly describe what you mean by that?

ANDREJ: Today it might be enough to just say 'Worker', as using devices such as mobile phones, tablets and scanners is already commonplace. For our customers, digital means fewer manual activities, faster way to achieve the tasks at hand, and a way to manage information in an effective and secure way. The use cases can vary from taking pictures in an oil platform to managing material flows in a manufacturing site. We are also seeing that companies are realizing that they need to move from regular consumer devices to EX devices in certain areas of their operations, and this means the users expect the EX devices to be similar to what they are used to in terms of function and appearance.

How does BARTEC actively address these requirements and what can we expect from your BU in the next years?

ANDREJ: Security and safety are at the heart of what we do, and we don't cut corners in delivering against that promise. Focus needs to be firmly also on the end-user satisfaction to the products we create, from device to its accessories

and lifecycle services. The digital market keeps evolving, and we keep pushing the boundaries of what the world has seen in the EX device market to earn our business and success every day. We recently announced the launch of the BARTEC SP9^{EX1} smartphone and BARTEC SC9^{EX1} smart scanner, which will be available across our target markets, starting in Q2 2024. We are thus driving forward the digitalization of hazardous areas in a way never seen before in the industry.

It is great to hear that we at BARTEC have a very complementary offering in terms of connectivity and mobile communication. Thank you very much!

Matthias Eder, Corporate Communications, as a summary of the interview



BARTEC

brand reputation

91%

of customers surveyed confirm that our products and solutions meet or exceed expectations

88%

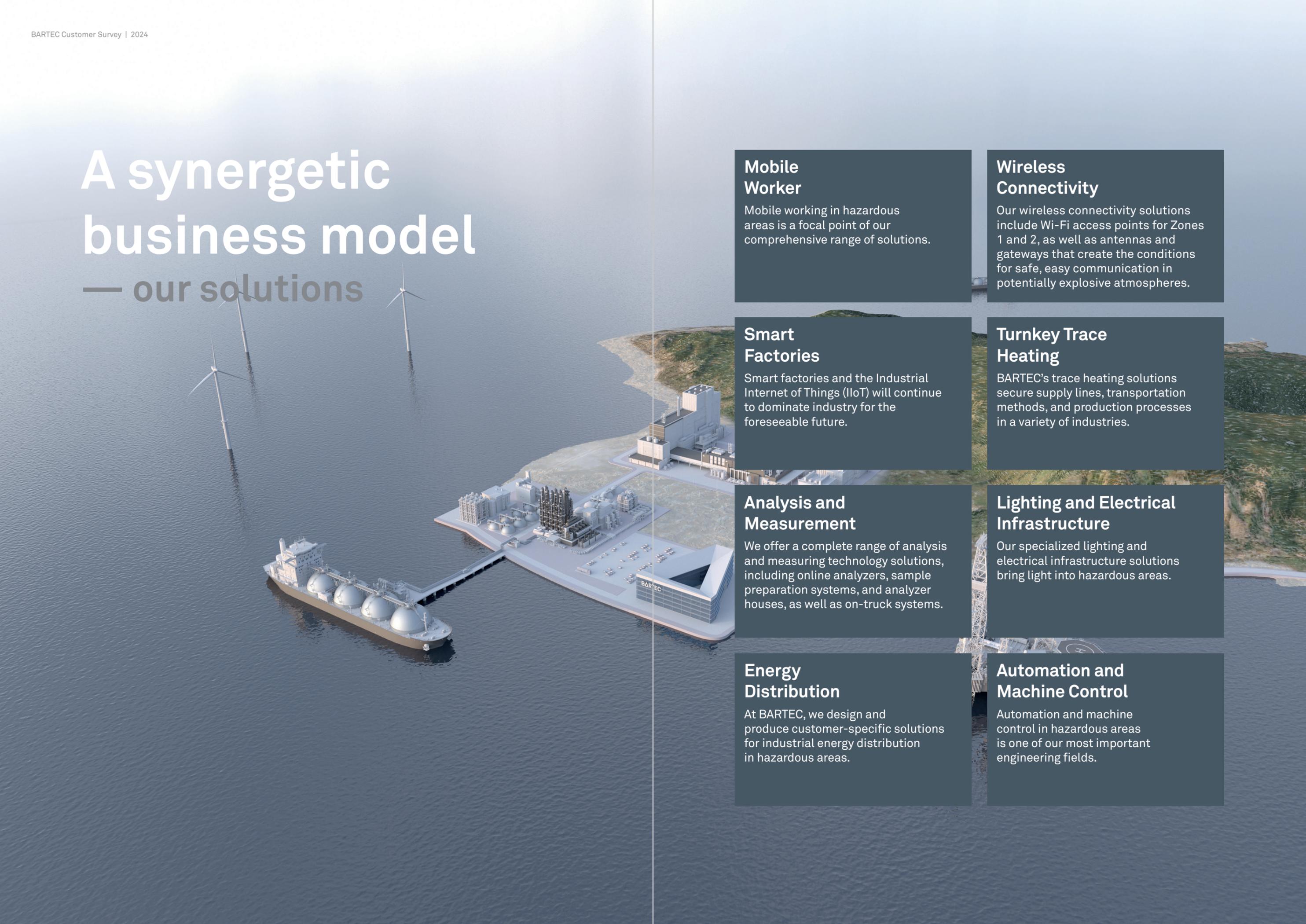
of customers surveyed would (very) likely recommend our products and solutions

54%

of customers surveyed first learn about us from word-of-mouth or recommendations



A synergetic business model — our solutions

An aerial photograph of an offshore industrial facility, likely an oil or gas platform, situated in the middle of the ocean. The facility consists of several interconnected structures, including a large central building with the 'BARTEC' logo, various storage tanks, and processing units. A supply ship with several large spherical tanks is docked at a pier connected to the main structure. In the background, several wind turbines are visible, suggesting a focus on sustainable energy or remote operations. The sky is clear and blue, and the water is a deep blue-grey.

Mobile Worker

Mobile working in hazardous areas is a focal point of our comprehensive range of solutions.

Wireless Connectivity

Our wireless connectivity solutions include Wi-Fi access points for Zones 1 and 2, as well as antennas and gateways that create the conditions for safe, easy communication in potentially explosive atmospheres.

Smart Factories

Smart factories and the Industrial Internet of Things (IIoT) will continue to dominate industry for the foreseeable future.

Turnkey Trace Heating

BARTEC's trace heating solutions secure supply lines, transportation methods, and production processes in a variety of industries.

Analysis and Measurement

We offer a complete range of analysis and measuring technology solutions, including online analyzers, sample preparation systems, and analyzer houses, as well as on-truck systems.

Lighting and Electrical Infrastructure

Our specialized lighting and electrical infrastructure solutions bring light into hazardous areas.

Energy Distribution

At BARTEC, we design and produce customer-specific solutions for industrial energy distribution in hazardous areas.

Automation and Machine Control

Automation and machine control in hazardous areas is one of our most important engineering fields.

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