

# Geratherm<sup>®</sup>

*SOLUTIONS FOR A  
HEALTHY WORLD*



Quarterly Statement **Q3/2021**

## GERATHERM

## AT A GLANCE

Key group figures	January - September 2021	January - September 2020	Change %
<b>Sales revenues</b>	<b>18,145 kEUR</b>	<b>19,759 kEUR</b>	<b>-8.2 %</b>
of which export share	14,172 kEUR	16,228 kEUR	-12.7 %
Export ratio	78 %	82 %	-4.9 %
Gross result for period under review (EBITDA)	2,857 kEUR	3,053 kEUR	-6.4 %
<b>EBITDA margin</b>	<b>15.7 %</b>	<b>15.5 %</b>	<b>1.3 %</b>
Amortization and depreciation	-1,115 kEUR	-913 kEUR	22.1 %
<b>Operating result (EBIT)</b>	<b>1,742 kEUR</b>	<b>2,140 kEUR</b>	<b>-18.6 %</b>
<b>EBIT margin</b>	<b>9.6 %</b>	<b>10.8 %</b>	<b>-11.1 %</b>
Financial results	-98 kEUR	-86 kEUR	13.9 %
Profit (loss) on ordinary business activities	1,644 kEUR	2,054 kEUR	-19.9 %
<b>Net earnings of the parent company's shareholders in given period</b>	<b>1,053 kEUR</b>	<b>1,536 kEUR</b>	<b>-31.4 %</b>
Long-term assets	14,724 kEUR	14,255 kEUR	3.3 %
Short-term assets	20,496 kEUR	21,245 kEUR	-3.5 %
Balance sheet total	35,220 kEUR	35,500 kEUR	-0.8 %
Equity capital	19,718 kEUR	19,249 kEUR	2.4 %
Return on equity	7.1 %	10.6 %	-33.1 %
Equity ratio	56.0 %	54.2 %	3.3 %
Cash, cash equivalents and securities	7,163 kEUR	9,247 kEUR	-22.5 %
<b>Net result per share for given period according to IFRS (EPS)**</b>	<b>EUR 0.21</b>	<b>EUR 0.31</b>	<b>-32.3 %</b>
<b>Net result per share for given period as per DVFA** (German Association for Financial Analyses and Asset Management)</b>	<b>EUR 0.21</b>	<b>EUR 0.31</b>	<b>-32.3 %</b>
Number of employees at end of period	221	237	-6.8 %
Total shares issued	4,949,999	4,949,999	0.0 %
**based on total shares issued	4,949,999	4,949,999	0.0 %

## Business Performance from 1 January to 30 September 2021

- Internationally stable demand and sales with Geratherm products in QIII
- Segments: Healthcare Diagnostic -18.7 %, Respiratory +16.0 %, Warming Systems +4.4%, Cardio/Stroke +16.0 %
- Sales revenues EUR 18.1 million, -8.2 %; QIII EUR 5.7 million, -2.8 %
- Gross result for period under review (EBITDA) EUR 2.857 million, -6.4 %, QIII EUR 1.128 million, 12.7 %
- Operating result (EBIT) EUR 1.742 million, -18.6 %, QIII 761 kEUR +10.9 %
- EBIT margin 9.6 %, QIII 13.2 %
- Results from ordinary business activities EUR 1.644 million, -19.9 % QIII 730 kEUR, +12.2 %
- Earnings per share EUR 0.21 (2020: EUR 0.31), QIII EUR 0.08

### Dear Shareholders and Parties Interested in Geratherm Medical,

Geratherm Medical managed to perform relatively well in the third quarter. Although sales dropped by -2.8 % to EUR 5.7 million compared to the very healthy prior-year quarter in 2020, they were above the last financial year prior to the coronavirus pandemic. The measures taken by management to stabilize sales and costs had an impact.

In the first nine months of 2021, the consolidated sales accumulated to EUR 18.1 million (-8.2%) so that the company performed better for the year than in 2019, i.e. prior to the coronavirus pandemic.

While the Respiratory and Cardio/Stroke business segments reported during the first nine months a double-digit growth in sales, we recorded a drop in sales in particular in Healthcare Diagnostics due to the pandemic.

At approx. EUR 13.3 million, the gross profit was just under 0.1 % above the figure posted in the same period last year. Based on sales, that corresponds to a gross margin of 73.0 % on a nine-month basis (2020: 67.0 %).

The EBITDA margin on the Group level amounted to 15.7 % during the first nine months of the business year (2020: 15.5 %). The EBIT margin amounted to 9.6 % (2020: 10.8 %). We will continue to follow with interest how costs will develop in the future, in particular on the raw materials market.

The financial results amounted to -98 kEUR (2020: -86 kEUR), which was mainly due to interest expenses (-78 kEUR). The sale of securities resulted in a profit of 282 kEUR and a contribution from the market valuation of 150 kEUR, which is directly shown in the equity capital in accordance with IFRS.

The results from ordinary business activities for the first nine months amounted to EUR 1.644 million (2020: EUR 2.054 million).

Shareholders' earnings after taxes for the first nine months of the current fiscal year amounted to EUR 1.053 million (2020: EUR 1.536 million), a minus of -31.4 % compared to the very strong corona year. The result per share for the first nine months is EUR 0.21 (2020: EUR 0.31). The overall result in the Group was EUR 1.832 million (2020: EUR 1.306 million) for the first nine months according to IFRS.

With the stable level of sales and the operational improvements as well as a receipt of already invested subsidies at apoplex, it was possible to slightly increase the result shown here in the third quarter. The operating income at the EBITDA level increased to EUR 1.128 million (2020: EUR 1.001 million). The EBIT improved in the third quarter to 761 kEUR (2020: 686 kEUR).

Together with the financial results, the results from ordinary business activities for the third quarter rose to 730 kEUR (2020: 651 kEUR). After deducting income tax, the company reported during the third quarter a consolidated net profit of 601 kEUR (2020: 484 kEUR).

After deducting the minority interests, the results after taxes for the third quarter amounted to 433 kEUR (2020: 497 kEUR) or EUR 0.08 per share (2020: EUR 0.10).

### Facts and figures

(in kEUR)

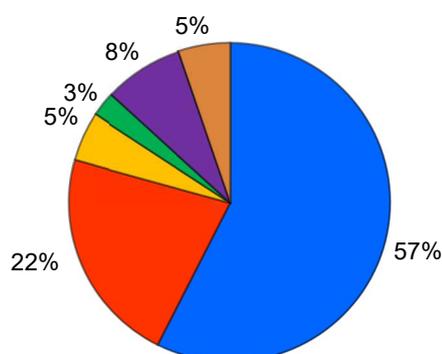
	III/21	II/21	I/21	IV/20	III/20
Sales	5,744	5,741	6,660	7,707	5,912
EBITDA margin	19.6%	11.8%	15.8%	16.8%	16.9%
EBIT	761	305	676	899	686
EPS (EUR)	0.08	0.04	0.09	0.10	0.10
Cash flow	1,190	456	1,072	1,267	1,160

### Sales development

Sales in the first nine months were on a stable level, with a -8.2 % drop compared to the very strong prior year. The Middle East region made up for the lower sales due to coronavirus restrictions and jumped dynamically by +145.6 %. In Europe, our main sales market, sales decreased by -13.2 %. On the German market, we were able to register a trend to the contrary with a 12.5 % increase in sales.

We experienced setbacks due to decreasing sales of clinical thermometers, especially on the South American market with -50.8 %, the US with -37.6 %, and Other countries with -24.1 %.

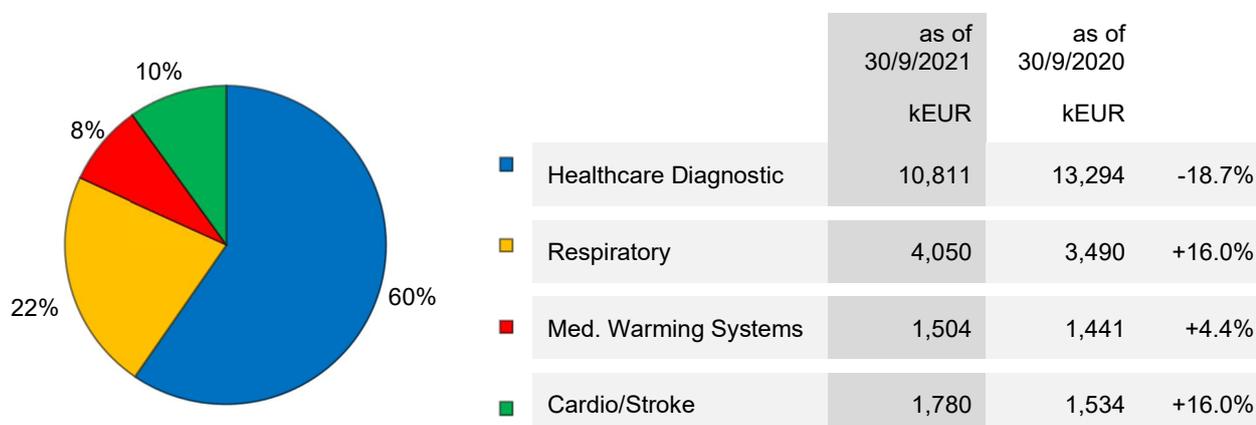
### Sales by regions 1/1 to 30/9/2021



	as of 30/9/2021 kEUR	as of 30/9/2020 kEUR	
Europe	10,422	12,010	-13.2 %
Germany	3,973	3,531	+12.5 %
USA	906	1,452	-37.6 %
South America	465	946	-50.8 %
Middle East	1,444	588	> 100.0 %
Other countries	935	1,232	-24.1 %

During the third quarter of 2021, the export quota of Geratherm Medical amounted to 78.1 % (2020: 82.1 %). Geratherm products are exported to more than 60 countries.

### Sales by segments 1/1 to 30/9/2021



In the Healthcare Diagnostic segment, where we mainly market clinical thermometers, blood pressure monitors and women's health products to pharmacies and drugstores world-wide, we noticed that sales more or less returned to normal levels by -18.7 % at EUR 10.8 million during the first nine months. We managed to record higher growth rates for the sales of blood pressure monitors and in the Women's Health segment, which unfortunately could not offset the drop posted by analog and digital clinical thermometers.

The international demand for clinical thermometers has decreased significantly. The production installations of Geratherm, as one of the major clinical thermometer manufacturers, are still running at full capacity. As part of the plans to further optimize its business processes, Geratherm will push the continuous modernization and automation of production over the next few years and will invest in its Geratal location.

In the Respiratory segment, where we offer sensors and products for testing pulmonary function, we also managed to record a healthy growth in sales of +16.0 % to EUR 4.1 million as a result of post-COVID syndrome. A stronger growth in sales is still limited due to procurement problems involving electronics and other components. We do expect a significant increase in sales for the segment in the medium term.

This is not only due to long-term lung damage caused by the coronavirus but also due to the new registrations pending in particular in China and Russia.

The segment sales in the Medical Warming Systems segment increased slightly by +4.4 % to EUR 1.5 million compared to the same period last year. Although LMT still was having difficulties with procurement, it was able to deliver equipment in the meantime. Our medical warming systems for operating rooms are currently still in the time-consuming recertification process, which should be concluded during the first six months of 2022.

In the Cardio/Stroke segment, we were able to boost sales by +16.0 % to EUR 1.8 million. We were also able to collect proportionally receivable funds for investments in current developments. We managed to successfully acquire new clinics and hospitals as customers in Spain.

### Earnings situation

As a result of the balanced structure of the Geratherm Group, it was possible to keep the earnings stable in the Group in the first nine months. The generally higher prices and difficulties on the procurement side as well as the persistently high costs due to MDR certification and TÜV audits weighed on the bottom line. While special effects had a positive impact, strict cost management in all segments did not help in preventing the need to pass the increased costs on to our customers by way of price adjustments starting in January 2022.

The gross profit (EBITDA) was EUR 2.857 million (2020: EUR 3.053 million), representing a decrease of 6.4 %. The EBITDA margin has hardly changed compared to the same reference period last year and is 15.7 % (2020: 15.5 %). Investments increased the write-offs slightly by +22.1 % to EUR 1.115 million.

The operating result (EBIT) fell by -18.6% to EUR 1.742 million for the first nine months of the current fiscal year.

The EBIT margin decreased slightly to 9.6 % (2020: 10.8 %). Taking into account the financial results in the amount of -98 kEUR (2020: -86 kEUR), the result from ordinary business activities was 1,644 kEUR, representing a drop of 19.9 %.

Income taxes weighed on the result with 211 kEUR (2020: 555 kEUR). The consolidated net profit for the first nine months of 2021 was EUR 1.434 million (2020: EUR 1.499 million). After including the result attributable to minority interests, there was a net income of EUR 1.053 million (2020: EUR 1.536 million) generated for the shareholders of the parent company for the first nine months of the year. The result per share for the first nine months is EUR 0.21 (2020: EUR 0.31).

### **Net assets and financial situation**

Geratherm Medical continues to enjoy a stable financial situation. The balance sheet total of EUR 35.2 million is essentially formed by equity capital in the amount of EUR 19.7 million. The equity-to-assets ratio as of the reporting date increased slightly and was 56.0 % (2020: 54.2 %). The return on equity amounted to 7.1 % (2020: 10.6 %). The return on investment capital for the first nine months of the current fiscal year was 4.3 % (2020: 6.0 %).

As of 30 September 2021, the company had cash, cash equivalents and securities in the amount of EUR 7.2 million (2020: EUR 9.2 million). Thus, the company has a healthy financial position to facilitate further growth. The long-term assets amounted to EUR 14.7 million (2020: EUR 14.3 million). The short-term assets amounted to EUR 20.5 million (2020: EUR 21.2 million).

Inventories increased in the fiscal year by +22.4 % to EUR 8.9 million. This is due to the fact that we could not deliver certain products as a result of missing components, adversely impacting our ability to be a reliable partner to our customers with the current delivery bottlenecks. The accounts receivable and other assets posted an increase of +14.6 % to an amount of EUR 4.4 million. This included mainly tax reimbursement claims.

The cash and cash equivalents available as at 30 September 2021 amounted to EUR 2.6 million (2020: EUR 4.8 million).

The gross cash flow for the first nine months dropped to EUR 2.718 million (2020: EUR 3.734 million). The cash flow from operations was 740 kEUR (2020: EUR 2.422 million). The cash flow from investments amounted to 203 kEUR (2020: EUR -2.604 million). The cash flow from financing activities was EUR -3.220 million (2020: 966 kEUR).

The total consolidated income including income and expenses recognized in equity was EUR 1.832 million (2020: EUR 1.306 million) for the first nine months of the current business year.

### **Research and development**

Our research and development activities focused primarily on the segments Respiratory, Cardio/Stroke and Warming Systems.

The aim is to continue to integrate and expand the use of artificial intelligence during technical development in the Geratherm Group.

### **Staff**

The Geratherm Group had a staff of 221 persons in total as of 30 September 2021 (2020: 237) with 209 employees in Germany.

## Outlook

After a challenging first six months of 2021, we were able to focus our efforts on stabilizing during the third quarter. The increased cost pressure resulting from procurement and production as well as the general inflation and employee recruitment will continue to be a matter of concern for us. We will rise to these challenges and face them. We will continue to invest consistently in our production technology, structure and employees in order to strengthen our position on the market. We do expect good sales on a stabilizing level during the fourth quarter of the year.

Geratal, November 2021



Christian Frick  
Chief Executive Officer

## Consolidated profit and loss statement from 1 January to 30 September 2021

	Jul.-Sept. 2021 EUR	Jul.-Sept. 2020 EUR	Change	Jan.-Sept. 2021 EUR	Jan.-Sept. 2020 EUR	Change
Sales revenues	5,743,111	5,911,288	-2.8%	18,144,530	19,758,564	-8.2%
Change in inventory of finished products and work in process	36,887	16,964	> 100.0%	647,949	-688,673	> 100.0%
Other capitalized own work	132,993	206,826	-35.7%	408,876	508,598	-19.6%
Other operating income	428,692	153,074	> 100.0%	814,503	427,148	90.7%
	6,341,683	6,288,152	0.9%	20,015,858	20,005,637	0.1%
Cost of materials						
Cost of raw materials, consumables and goods for resale	-1,593,673	-1,617,683	-1.5%	-5,877,663	-5,890,373	-0.2%
Costs of purchased services	-272,845	-313,355	-12.9%	-886,471	-878,701	0.9%
	-1,866,518	-1,931,038	-3.3%	-6,764,134	-6,769,074	-0.1%
<b>Gross profit or loss</b>	<b>4,475,165</b>	<b>4,357,114</b>	<b>2.7%</b>	<b>13,251,724</b>	<b>13,236,563</b>	<b>0.1%</b>
Personnel costs						
Wages and salaries	-1,743,950	-1,761,822	-1.0%	-5,481,255	-5,187,473	5.7%
Social security, pension and other benefits	-339,040	-327,758	3.4%	-1,075,969	-1,016,782	5.8%
	-2,082,990	-2,089,580	-0.3%	-6,557,224	-6,204,255	5.7%
Other operating expenses	-1,264,484	-1,266,558	-0.2%	-3,837,004	-3,979,309	-3.6%
<b>Gross result (EBITDA)</b>	<b>1,127,691</b>	<b>1,000,976</b>	<b>12.7%</b>	<b>2,857,496</b>	<b>3,052,999</b>	<b>-6.4%</b>
Amortization of intangible assets and depreciation of tangible assets	-367,138	-314,897	16.6%	-1,115,392	-913,393	22.1%
<b>Operating results</b>	<b>760,553</b>	<b>686,079</b>	<b>10.9%</b>	<b>1,742,104</b>	<b>2,139,606</b>	<b>-18.6%</b>
Dividend income	0	0	-	30,000	0	-
Securities-related expenses	-323	-298	8.4%	-36,965	-918	> 100.0%
Other interest and similar income	411	344	19.5%	1,119	967	15.7%
Interests and similar expenses	-30,433	-35,283	-13.7%	-91,809	-85,754	7.1%
<b>Financial results</b>	<b>-30,345</b>	<b>-35,237</b>	<b>-13.9%</b>	<b>-97,655</b>	<b>-85,705</b>	<b>13.9%</b>
<b>Profit (loss) on ordinary business activities</b>	<b>730,208</b>	<b>650,842</b>	<b>12.2%</b>	<b>1,644,449</b>	<b>2,053,901</b>	<b>-19.9%</b>
Income taxes	-129,363	-167,291	-22.7%	-210,652	-554,967	-62.0%
<b>Consolidated profit for the period</b>	<b>600,845</b>	<b>483,551</b>	<b>24.3%</b>	<b>1,433,797</b>	<b>1,498,934</b>	<b>-4.3%</b>
Net earnings of non-controlling shareholders in given period	167,995	-13,785	> 100.0%	380,381	-37,391	> 100.0%
<b>Net earnings of the parent company's shareholders in given period</b>	<b>432,850</b>	<b>497,336</b>	<b>-13.0%</b>	<b>1,053,416</b>	<b>1,536,325</b>	<b>-31.4%</b>
<b>Earnings per share (undiluted)</b>	<b>0.08</b>	<b>0.10</b>	<b>-20.0%</b>	<b>0.21</b>	<b>0.31</b>	<b>-32.3%</b>

## Consolidated balance sheet as at 30 September 2021

Assets	30/9/2021 EUR	31/12/2020 EUR	Change
<b>A. Long-term assets</b>			
<b>I. Intangible assets</b>			
1. Development costs	3,137,717	2,783,213	12.7%
2. Other intangible assets	269,022	296,006	-9.1%
3. Goodwill	1	1	0.0%
	<b>3,406,740</b>	<b>3,079,220</b>	<b>10.6%</b>
<b>II. Tangible assets</b>			
1. Land, land rights and buildings	5,188,898	5,238,519	-0.9%
2. Technical equipment and machinery	3,144,783	3,161,023	-0.5%
3. Other equipment, factory and office equipment	325,722	330,048	-1.3%
4. Construction in process	259,937	371,672	-30.1%
	<b>8,919,340</b>	<b>9,101,262</b>	<b>-2.0%</b>
<b>III. Rights of use</b>	528,647	576,346	-8.3%
<b>IV. Financial assets accounted on basis of equity method</b>	296,609	296,609	0.0%
<b>V. Other financial assets</b>	1,470,151	1,420,401	3.5%
<b>VI. Other long-term receivables</b>	102,437	117,838	-13.1%
	<b>14,723,924</b>	<b>14,591,676</b>	<b>0.9%</b>
<b>B. Short-term assets</b>			
<b>I. Inventories</b>			
1. Raw materials and supplies	2,084,422	2,182,687	-4.5%
2. Unfinished goods	1,502,245	1,160,668	29.4%
3. Finished goods and merchandise	5,355,733	3,961,995	35.2%
	<b>8,942,400</b>	<b>7,305,350</b>	<b>22.4%</b>
<b>II. Receivables and other assets</b>			
1. Trade receivables	3,103,705	3,205,412	-3.2%
2. Receivables from current income taxes	445,798	62,075	> 100.0%
3. Receivables from other taxes	189,779	187,843	1.0%
4. Other assets	650,888	376,021	73.1%
	<b>4,390,170</b>	<b>3,831,351</b>	<b>14.6%</b>
<b>III. Securities</b>	4,540,382	5,407,190	-16.0%
<b>IV. Cash and cash equivalents</b>	2,623,081	4,854,893	-46.0%
	<b>20,496,033</b>	<b>21,398,784</b>	<b>-4.2%</b>
	<b>35,219,957</b>	<b>35,990,460</b>	<b>-2.1%</b>
<b>Equity and liabilities</b>			
<b>A. Equity capital</b>			
I. Subscribed capital	4,949,999	4,949,999	0.0%
II. Capital reserve	12,174,192	12,174,192	0.0%
III. Other reserves	2,623,092	3,177,349	-17.4%
Assignable to the shareholders of the parent company	19,747,283	20,301,540	-2.7%
Shareholders of minority interests	-29,764	-376,082	-92.1%
	<b>19,717,519</b>	<b>19,925,458</b>	<b>-1.0%</b>
<b>B. Non-current liabilities</b>			
1. Liabilities to banks	5,100,296	6,194,638	-17.7%
2. Accrued investment subsidies	1,148,686	1,233,669	-6.9%
3. Long-term leasing liabilities	259,153	331,372	-21.8%
4. Other long-term liabilities	473,971	424,492	11.7%
5. Deferred taxes	105,182	53,401	97.0%
	<b>7,087,288</b>	<b>8,237,572</b>	<b>-14.0%</b>
<b>C. Current debts</b>			
1. Liabilities to banks	3,308,615	3,200,202	3.4%
2. Trade accounts payables	1,416,661	1,503,391	-5.8%
3. Current provisions	34,000	32,400	4.9%
4. Short-term leasing liabilities	278,054	251,787	10.4%
5. Liabilities from current income taxes	33,496	84,576	-60.4%
6. Contractual liabilities	1,564,722	888,279	76.2%
7. Other tax liabilities	414,287	499,268	-17.0%
8. Other short-term liabilities	1,365,315	1,367,527	-0.2%
	<b>8,415,150</b>	<b>7,827,430</b>	<b>7.5%</b>
	<b>35,219,957</b>	<b>35,990,460</b>	<b>-2.1%</b>

## Consolidated statement of cash flows from 1 January to 30 September 2021

	Jan.- Sept. 2021 KEUR	Jan.- Sept. 2020 KEUR
Consolidated profit for the period	1,434	1,499
Non-cash expenses and income of Geratherm do Brasil Ltda.	30	-233
Other non-cash expenses	-79	1,000
Interest earnings	0	-1
Interest expenses	92	86
Increase in deferred taxes	52	1
Income tax expenditure	159	554
Depreciation of fixed assets	884	694
Amortization of usage rights	231	219
Amortization of public grants and subsidies	-85	-85
<b>Gross cash flow</b>	<b>2,718</b>	<b>3,734</b>
Increase/decrease in inventories	-1,637	478
Increase in trade receivables and other assets	-159	-1,517
Increase in current liabilities and other liabilities	504	78
Cash inflow from interest	0	1
Cash outflow from interest	-92	-86
Cash outflow for taxes	-594	-266
<b>Cash flow from operations</b>	<b>740</b>	<b>2,422</b>
Cash outflow for investments in intangible assets (without capitalized development costs) and tangible assets	-548	-1,604
Additions to capitalized development costs	-498	-652
Cash inflow from funding sources for investments	0	0
Acquisition of equity holdings	-50	0
Cash inflow based on financial assets	1,299	0
Cash outflow based on financial assets	0	-348
<b>Cash flow from investments</b>	<b>203</b>	<b>-2,604</b>
Cash outflow for leasing liabilities	-60	0
Share acquisition from shareholders of minority interests	-229	-219
Dividend payments	-1,980	-1,237
Cash inflow from taking out loan liabilities	0	3,060
Cash outflow for repayment of loan liabilities	-1,000	-638
Increase in long-term liabilities	49	0
<b>Cash flow from financing activities</b>	<b>-3,220</b>	<b>966</b>
<b>Change in cash and cash equivalents</b>	<b>-2,277</b>	<b>784</b>
<b>Cash and cash equivalents at beginning of reporting period</b>	<b>4,855</b>	<b>4,139</b>
<b>Exchange rate difference</b>	<b>45</b>	<b>-53</b>
<b>Cash and cash equivalents at end of reporting period</b>	<b>2,623</b>	<b>4,870</b>

## Consolidated statement of change to the shareholders' equity as at 30 September 2021

	Subscribed capital	Capital reserve	Other reserves			Assignable to the shareholders of the parent company	Non-controlling interests	Equity capital
			Market valuation reserve	Currency conversion reserve	Accumulated earnings			
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
<b>as of 1 January 2020</b>	<b>4,949,999</b>	<b>12,174,192</b>	<b>1,929,289</b>	<b>313,599</b>	<b>460,339</b>	<b>19,827,418</b>	<b>-646,636</b>	<b>19,180,782</b>
Dividend paid to shareholders	0	0	0	0	-1,237,500	-1,237,500	0	-1,237,500
<b>Transactions with shareholders and member partners</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1,237,500</b>	<b>-1,237,500</b>	<b>0</b>	<b>-1,237,500</b>
Consolidated earnings in period concerned	0	0	0	0	1,536,325	1,536,325	-37,391	1,498,934
Unrealized profits and losses from valuation of securities	0	0	-1,127,436	0	0	-1,127,436	0	-1,127,436
Currency translation in the Group	0	0	0	475,306	0	475,306	458,784	934,090
<b>Total consolidated income</b>	<b>0</b>	<b>0</b>	<b>-1,127,436</b>	<b>475,306</b>	<b>1,536,325</b>	<b>884,195</b>	<b>421,393</b>	<b>1,305,588</b>
<b>as of 30 September 2020</b>	<b>4,949,999</b>	<b>12,174,192</b>	<b>801,853</b>	<b>788,905</b>	<b>759,164</b>	<b>19,474,113</b>	<b>-225,243</b>	<b>19,248,870</b>
<b>as of 1/1/2021</b>	<b>4,949,999</b>	<b>12,174,192</b>	<b>1,171,470</b>	<b>737,712</b>	<b>1,268,167</b>	<b>20,301,540</b>	<b>-376,082</b>	<b>19,925,458</b>
Purchase of shares in the subsidiary Geratherm Respiratory GmbH from shareholders of minority interests	0	0	0	0	-45,000	-45,000	-15,000	-60,000
Dividend paid to shareholders	0	0	0	0	-1,979,999	-1,979,999	0	-1,979,999
<b>Transactions with shareholders and member partners</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-2,024,999</b>	<b>-2,024,999</b>	<b>-15,000</b>	<b>-2,039,999</b>
Consolidated earnings in period concerned	0	0	0	0	1,053,416	1,053,416	380,381	1,433,797
Unrealized profits and losses from valuation of securities	0	0	432,387	0	0	432,387	0	432,387
Currency translation in the Group	0	0	0	-15,061	0	-15,061	-19,063	-34,124
<b>Total consolidated income</b>	<b>0</b>	<b>0</b>	<b>432,387</b>	<b>-15,061</b>	<b>1,053,416</b>	<b>1,470,742</b>	<b>361,318</b>	<b>1,832,060</b>
<b>as of 30 September 2021</b>	<b>4,949,999</b>	<b>12,174,192</b>	<b>1,603,857</b>	<b>722,651</b>	<b>296,584</b>	<b>19,747,283</b>	<b>-29,764</b>	<b>19,717,519</b>

## Consolidated statement of comprehensive income as per IFRS for the period from 1 January to 30 September 2021

	1/1 - 30/9/2021 EUR	1/1 - 30/9/2020 EUR
<b>Consolidated profit for the period</b>	<b>1,433,797</b>	<b>1,498,934</b>
<b>Income and expenses directly recognized in equity, which are not reclassified to profit or loss:</b>		
Profits or losses from valuation of investments according to IFRS 9	0	0
Profits or losses from valuation of securities according to IFRS 9	432,387	-1,127,436
	<b>432,387</b>	<b>-1,127,436</b>
<b>Income and expenses directly recognized in equity, which are reclassified to profit or loss under specific conditions:</b>		
Difference resulting from currency translation	-34,124	934,090
	<b>-34,124</b>	<b>934,090</b>
<b>Other income</b>	<b>398,263</b>	<b>-193,346</b>
<b>Overall result</b>	<b>1,832,060</b>	<b>1,305,588</b>
of which assignable to shareholders of minority interest	361,318	421,393
of which assignable to shareholders of parent company	1,470,742	884,195

## Group segment report for the period from 1 January to 30 September 2021

By product groups	Healthcare Diagnostic	Respiratory	Medical Warming Systems	Cardio/Stroke	Consolidation	Reconciliation	Total
	Jan.-Sept. kEUR	Jan.-Sept. kEUR	Jan.-Sept. kEUR	Jan.-Sept. kEUR	Jan.-Sept. kEUR	Jan.-Sept. kEUR	Jan.-Sept. kEUR
<b>2021</b>							
<b>Segment sales</b>	<b>11,969</b>	<b>3,926</b>	<b>1,535</b>	<b>1,807</b>	<b>-1,113</b>	<b>21</b>	<b>18,145</b>
<b>Operating results</b>	<b>939</b>	<b>304</b>	<b>-99</b>	<b>745</b>	<b>-40</b>	<b>-107</b>	<b>1,742</b>
including:							
Amortization and depreciation of intangible and tangible assets	491	122	113	108	87	194	1,115
<b>Interest income</b>	<b>-23</b>	<b>-56</b>	<b>-2</b>	<b>-10</b>	<b>0</b>	<b>0</b>	<b>-91</b>
<b>Segment assets</b>	<b>15,112</b>	<b>4,705</b>	<b>3,971</b>	<b>4,005</b>	<b>0</b>	<b>7,427</b>	<b>35,220</b>
Of which long-term assets	6,802	2,546	1,447	2,459	0	1,470	14,724
<b>Segment debts</b>	<b>9,606</b>	<b>2,821</b>	<b>1,428</b>	<b>1,647</b>	<b>0</b>	<b>0</b>	<b>15,502</b>

By product groups	Healthcare Diagnostic	Respiratory	Medical Warming Systems	Cardio/Stroke	Consolidation	Reconciliation	Total
	Jan.-Sept. kEUR	Jan.-Sept. kEUR	Jan.-Sept. kEUR	Jan.-Sept. kEUR	Jan.-Sept. kEUR	Jan.-Sept. kEUR	Jan.-Sept. kEUR
<b>2020</b>							
<b>Segment sales</b>	<b>14,576</b>	<b>3,437</b>	<b>1,444</b>	<b>1,406</b>	<b>-1,104</b>	<b>0</b>	<b>19,759</b>
<b>Operating results</b>	<b>1,996</b>	<b>83</b>	<b>-308</b>	<b>267</b>	<b>124</b>	<b>-22</b>	<b>2,140</b>
including:							
Amortization and depreciation of intangible and tangible assets	474	102	132	50	89	66	913
<b>Interest income</b>	<b>31</b>	<b>47</b>	<b>2</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>85</b>
<b>Segment assets</b>	<b>13,856</b>	<b>4,889</b>	<b>3,855</b>	<b>3,193</b>	<b>0</b>	<b>9,707</b>	<b>35,500</b>
Of which long-term assets	7,002	2,493	1,568	1,772	0	1,420	14,255
<b>Segment debts</b>	<b>11,025</b>	<b>2,987</b>	<b>684</b>	<b>1,524</b>	<b>0</b>	<b>0</b>	<b>16,220</b>

By region	Europe	South America	Germany	Middle East	USA	Other	Total
	Jan.-Sept. kEUR						
<b>2021</b>							
<b>Sales revenues</b>	<b>10,422</b>	<b>549</b>	<b>5,002</b>	<b>1,444</b>	<b>906</b>	<b>935</b>	<b>19,258</b>
Elimination of intragroup sales	0	-84	-1,029	0	0	0	-1,113
<b>Sales revenues on third parties</b>	<b>10,422</b>	<b>465</b>	<b>3,973</b>	<b>1,444</b>	<b>906</b>	<b>935</b>	<b>18,145</b>
<b>Gross profit or loss</b>	<b>7,476</b>	<b>298</b>	<b>3,123</b>	<b>1,035</b>	<b>650</b>	<b>670</b>	<b>13,252</b>
<b>Operating results</b>	<b>1,043</b>	<b>-65</b>	<b>436</b>	<b>144</b>	<b>91</b>	<b>93</b>	<b>1,742</b>
including:							
Amortization and depreciation of intangible and tangible assets	628	27	262	87	55	56	1,115
Amortization of public grants and subsidies	50	0	19	7	4	5	85
<b>Interest income</b>	<b>0</b>	<b>1</b>	<b>-92</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-91</b>
<b>Acquisition costs of fixed assets for the period</b>	<b>0</b>	<b>1</b>	<b>1,029</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,030</b>
<b>Segment assets</b>	<b>0</b>	<b>559</b>	<b>34,248</b>	<b>0</b>	<b>413</b>	<b>0</b>	<b>35,220</b>
Of which long-term assets	0	156	14,568	0	0	0	14,724

By region	Europe	South America	Germany	Middle East	USA	Other	Total
	Jan.-Sept. kEUR						
<b>2020</b>							
<b>Sales revenues</b>	<b>12,010</b>	<b>990</b>	<b>4,591</b>	<b>588</b>	<b>1,452</b>	<b>1,232</b>	<b>20,863</b>
Elimination of intragroup sales	0	-44	-1,060	0	0	0	-1,104
<b>Sales revenues on third parties</b>	<b>12,010</b>	<b>946</b>	<b>3,531</b>	<b>588</b>	<b>1,452</b>	<b>1,232</b>	<b>19,759</b>
<b>Gross profit or loss</b>	<b>7,920</b>	<b>490</b>	<b>2,669</b>	<b>388</b>	<b>958</b>	<b>812</b>	<b>13,237</b>
<b>Operating results</b>	<b>1,435</b>	<b>-170</b>	<b>484</b>	<b>70</b>	<b>174</b>	<b>147</b>	<b>2,140</b>
including:							
Amortization and depreciation of intangible and tangible assets	552	25	176	27	67	57	904
Amortization of public grants and subsidies	54	0	16	3	7	5	85
<b>Interest income</b>	<b>0</b>	<b>0</b>	<b>-85</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-85</b>
<b>Acquisition costs of fixed assets for the period</b>	<b>0</b>	<b>0</b>	<b>2,256</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,256</b>
<b>Segment assets</b>	<b>0</b>	<b>678</b>	<b>34,727</b>	<b>0</b>	<b>95</b>	<b>0</b>	<b>35,500</b>
Of which long-term assets	0	211	14,044	0	0	0	14,255

## Notes on Interim Consolidated Financial Statements for the Period from 1 January 2021 to 30 September 2021

### Accounting and valuation methods

The interim consolidated financial statements of Geratherm Medical AG were prepared for the nine months of the 2021 fiscal year in accordance with the rules of the International Financial Reporting Standards (IFRS) valid on the date of the financial statements and in consideration of the guidance provided by the International Financial Reporting Interpretations Committee (IFRIC), as is mandatory in the European Union.

The accounting, evaluation and consolidation principles were maintained, as shown in the Notes to Consolidated Financial Statements for 2020 Fiscal Year. The valuation of assets and liabilities is based in part on estimates and/or assumptions about future developments. The estimates are based on past experience and other knowledge of the business transactions which are to be accounted for. For instance, the assessment of capitalization requirements for development projects, the statements on economic useful lives for long-term intangible and tangible assets are based in particular on estimates and assumptions. In addition, the assessment of assets of the "hold and sell" category, which are not traded on an active market, is based on the corporate planning, which of course involves uncertainties such that the actual values may deviate in individual cases from the made assumptions and estimates. There are also estimates and assumptions relating to the contractual term of the leased office and storage space of subsidiaries. Estimates and the underlying assumptions are regularly checked and evaluated with regard to possible impact on accounting. There are also estimates relating to the loan obligations of the Brazilian subsidiary, which is currently in bankruptcy protection under Brazilian law. Estimates are also made when evaluating the valuation allowance due to the expected credit losses on trade accounts receivable and contractual assets as well as the recognition of deferred tax assets in relation to the availability and future taxable results, against which deductible temporary differences and tax losses carried forward can be used.

### Consolidated Group

The changes occurred in the consolidation group as of 30 September 2021:

Company	Share quota 30/9/2021	Share quota 31/12/2020
GME Rechte und Beteiligungen GmbH, Geschwenda, Germany	100.00 %	100.00 %
apoplex medical technologies GmbH, Pirmasens, Germany	53.42 %	53.42 %
Geratherm Respiratory GmbH, Bad Kissingen, Germany	67.58 %	65.27 %
Geratherm Medical do Brasil Ltda., Sao Paulo, Brazil	51.00 %	51.00 %
Sensor Systems GmbH, Steinbach Hallenberg, Germany	100.00 %	100.00 %
Capillary Solutions GmbH, Geschwenda, Germany	100.00 %	100.00 %
LMT Medical Systems GmbH, Lübeck, Germany <i>Subsidiary of LMT Lübeck</i> <i>LMT Medical Systems Inc., Ohio, USA</i>	80.00 %  100.00%	80.00 %  100.00 %

With the notarized purchase agreement from 19 May 2021, Geratherm Medical AG took over additional nominal capital shares of minority interests in Geratherm Respiratory GmbH at a purchase price of 60 kEUR. As a result, the participation in the nominal capital of Geratherm Respiratory GmbH increased by +2.31 % (15 kEUR). The purchase price difference in the amount of 45 kEUR was shown as revenue reserve in equity capital of the Group.

### Equity capital

The development of the equity capital is shown in the consolidated statement of change to the shareholders' equity. The subscribed capital of Geratherm Medical AG amounted all in all to EUR 4,949,999 as at 30 September 2021 (2020: EUR 4,949,999) and is divided into 4,949,999 (2020: 4,949,999) share certificates issued to the bearers. The subscribed capital has been paid in full. As of the reporting date there were no shares held by the company.

These interim consolidated financial statements as at 30 September 2021 were not audited or reviewed by the company's auditors.

Geratal, November 2021

A handwritten signature in blue ink, appearing to read 'C. Frick', is positioned above the name of the signatory.

Christian Frick  
Chief Executive Officer

## COMPANY CALENDAR 2021

Quarterly report Q1/2021	20 May ✓
Semi-annual report 2021	25 August ✓
Quarterly report Q3/2021	24 November ✓

## COMPANY CALENDAR 2022

2021 Annual financial statements	27 April
Quarterly report Q1/2022	25 May
Annual General Meeting	24 June
Semi-annual report 2022	24 August
Quarterly report Q3/2022	23 November

**Geratherm Medical AG**  
Fahrenheitstraße 1  
99331 Geratal  
Phone: +49 36205 980  
Fax.: +49 36205/98 115  
e-mail: [info@geratherm.com](mailto:info@geratherm.com)  
Internet: [www.geratherm.com](http://www.geratherm.com)