



# Statement

on the first nine  
months of 2022

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## Key Figures

in m EUR	3rd quarter 2022	3rd quarter 2021	Change absolute	Change in %	9 months 2022	9 months 2021	Change absolute	Change in %
<b>Sales revenues by region</b>								
Germany	31.4	28.7	+2.7	+9	93.1	76.8	+16.3	+21
Europe (excluding Germany)	110.3	90.2	+20.1	+22	318.4	259.2	+59.2	+23
North America	65.8	35.6	+30.2	+85	150.0	103.0	+47.0	+46
Latin America	15.3	9.0	+6.3	+71	39.2	23.8	+15.4	+65
Asia	36.1	32.2	+3.9	+12	90.7	91.9	-1.2	-1
Rest of the world	15.4	11.3	+4.1	+37	40.6	31.6	+9.0	+28
Sales revenues generated abroad (in %)	89	86	+3	-	87	87	0	-
<b>Sales revenues by product group</b>								
iCombi	239.0	188.6	+50.4	+27	634.0	526.3	+107.7	+20
iVario	35.2	18.3	+16.9	+92	97.9	60.0	+37.9	+63
<b>Sales revenues and earnings</b>								
Sales revenues	274.2	206.9	+67.3	+33	731.9	586.3	+145.6	+25
Cost of sales	124.2	92.5	+31.7	+34	334.6	258.1	+76.5	+30
Gross profit	150.1	114.5	+35.6	+31	397.3	328.2	+69.1	+21
in % of sales revenues	54.7	55.3	-0.6	-	54.3	56.0	-1.7	-
Sales and service expenses	59.2	46.3	+12.9	+28	170.2	134.9	+35.3	+26
Research and development expenses	9.9	10.3	-0.4	-3	32.1	33.4	-1.3	-4
General administration expenses	11.6	9.9	+1.7	+17	34.4	29.3	+5.1	+17
Earnings before financial result and taxes (EBIT)	70.3	49.7	+20.6	+41	163.4	134.1	+29.3	+22
in % of sales revenues	25.6	24.0	+1.6	-	22.3	22.9	-0.6	-
Profit or loss after taxes	53.8	37.8	+16.0	+42	124.7	102.0	+22.7	+22
<b>Balance Sheet</b>								
Total equity and liabilities					835.6	760.9	+74.7	+10
Equity					613.2	581.3	+31.9	+5
Equity ratio (in %)					73.4	76.4	-3.0	-
<b>Cash flow</b>								
Cash flow from operating activities					114.9	145.1	-30.2	-21
Cash-effective investments					27.1	16.4	+10.7	+66
Free cash flow <sup>1</sup>					87.7	128.7	-41.0	-32
<b>Number of employees as at 30 September</b>								
					2,356	2,216	+140	+6
<b>Key figures for RATIONAL shares</b>								
Earnings per share (in EUR)					10.97	8.97	+2.00	+22
Quarter-end closing price <sup>2</sup> (in EUR)					500.50	814.60	-314.10	-39
Market capitalisation <sup>2,3</sup>					5,690.7	9,262.0	-3,571.3	-39

1 Cash flow from operating activities less capital expenditures

2 Xetra

3 As of balance sheet date

## **RATIONAL: Sales revenues up 25% after nine months – EBIT margin at 22%**

- › Sales revenues rise by 25% in the first nine months of 2022 to a new all-time high of 731.9 million euros
- › Sales revenues for the iVario expand by 63% in the nine-month period and set to break through the 100 million euro mark for the first time in 2022
- › Third quarter sees the highest sales revenues and EBIT in the company's history
- › Despite persistent cost pressure, EBIT margin at 26% in the third quarter and at 22% in the first nine months
- › Forecast for 2022: sales revenue growth of 23% to 28% and EBIT margin of 21.5% to 22.5% possible

### **Order backlog and delivery times down**

The order backlog, which had risen to record levels in the preceding quarters, and the long delivery times declined again for the first time in the third quarter. This was attributable to improvements in the supply situation of electronics components and the resulting higher number of cooking systems produced and sold. The number of Combi steamers sold in the first nine months increased slightly compared with the prior-year period. The volume of iVario cooking systems sold continued its encouraging growth, exceeding the first nine months of the previous year by almost 50%. The order book went down from around 400 million euros to around 330 million euros, a first step towards normalisation.

### **Sales revenues up 33% to new all-time high in the third quarter of 2022**

At 274.2 million euros (2021: 206.9 million euros), third-quarter sales revenues were at a new all-time high, 33% up on the prior-year quarter. In addition to improved components availability, factors contributing to the good business performance were the strong after-sales business and the price increases, which had taken effect. Positive currency movements accounted for a 5 percentage point rise in sales revenues.

A similarly encouraging picture emerged for the first nine months of 2022. After three strong quarters, accumulated sales revenues stood at 731.9 million euros, 25% more than in the previous year (2021: 586.3 million euros). Adjusted for changes in exchange rates, the growth in sales revenues was 21% compared with the previous year.

### **Growth in North America particularly strong – Asia stagnates due to poor China business**

From a regional perspective, all countries performed well, with only few exceptions. Sales revenue growth in the nine-month period was particularly encouraging in North America, where a year-on-year increase of 46% was recorded. Latin America was also significantly up on the previous year, expanding by 65%. Germany and the rest of Europe also ended the first nine months of 2022 on a positive note, up 21% and 23% respectively. Nine-month sales revenues in the rest of the world were 28% higher than in the previous year. Only in Asia did sales revenues decline slightly by 1% compared with the prior-year period. The main reason was subdued sales revenues in China due to coronavirus-related lockdowns in many cities. China's contribution to sales revenues in Asia is around 40%.

### **Strong growth course for the iVario continues – easing in parts supplies in iCombi business**

Both product groups performed well. In the iCombi product group, sales revenues were up 20% year-on-year in the first nine months of 2022, at 634.0 million euros (2021: 526.3 million euros). While after six months the number of Combi steamers was still at the prior-year level, the almost full recovery of the supply side in the third quarter helped the number of cooking systems sold increase by around 6%.

In the iVario product group, sales revenues rose by 63% year-on-year to 97.9 million euros in the first nine months of 2022 (2021: 60.0 million euros). The number of iVario appliances sold in the first half of the year was 40% up on the prior-year period, and the third quarter of 2022 exceeded the previous year's figure by an even more significant 70%. The iVario was less affected by shortages of electronics components. Demand for the iVario was particularly buoyant among European customers, but the iVario was also increasingly popular with customers in North America, where sales revenues tripled.

### **54.3% gross margin in the first nine months of 2022**

Cost of sales increased faster than sales revenues in the first nine months, up 30% to 334.6 million euros (2021: 258.1 million euros). As a result, the gross margin amounted to 54.3% in this period (2021: 56.0%). This is attributable to the higher purchase prices for components, commodities and logistics. The gross margin improved compared with the second quarter of 2022. In addition to the higher volume, this was primarily due to price increases coming into effect, positive currency effects, as well as initial signs that the commodities and components markets are stabilising.

The third quarter's gross margin was 54.7% (2021: 55,3%).

### **22.3% EBIT margin after nine months**

EBIT (earnings before financial result and taxes) in the first nine months of the current fiscal year was 163.4 million euros, up around 22% on the previous year (2021: 134.1 million euros). An EBIT margin of 22.3% was achieved in this period (previous year: 22.9%). The EBIT of 70.3 million euros generated in the third quarter of 2022 (2021: 49.7 million euros) was the highest for a quarter in the company's history. The EBIT margin of the third quarter stood at 25.6% (2021: 24.0%).

This year's EBIT margin in the first nine months benefited from the very healthy sales revenue performance in combination with cost levels that increased more slowly than sales revenues. While sales revenues rose by 25% year-on-year, operating costs were only 20% above the prior-year period. Total operating costs amounted to 236.7 million euros in the first nine months of 2022 (2021: 197.6 million euros).

Operating costs in sales and service stood at 170.2 million euros in the first nine months of 2022 (2021: 134.9 million euros), a year-on-year increase of 26%. In particular international logistics costs rose, driven by higher deliveries and high freight charges. There was also a targeted increase in costs for sales activities and for travel expenses. Research and development expenses were slightly down year-on-year in the same period, at 32.1 million euros (2021: 33.4 million euros). Administration expenses went up by 17% to 34.4 million euros (2021: 29.3 million euros).

### **115 million euros in operating cash flow**

In the first nine months of the current fiscal year, the cash flow from operating activities was 114.9 million euros (2021: 145.1 million euros). The decline in the cash flow is mainly attributable to changes in trade accounts receivable and higher inventories.

The cash flow from investing activities includes investments in property, plant and equipment and in intangible assets. In the first three quarters, these investments amounted to 27.1 million euros (2021: 16.4 million euros). The main drivers are investments in the expansion of the Wittenheim location.

The cash flow from financing activities, a net outflow of 121.2 million euros, mainly reflects the dividend payment of 113.7 million euros, the repayment of principal and interest in connection with bank loans (−0.9 million euros) and payments for lease liabilities in accordance with IFRS 16 (−6.8 million euros).

## Employees

As a sustainable company, RATIONAL took the decision, if possible, to retain its entire workforce throughout the coronavirus crisis. We were therefore ready to deal with the rise in demand in recent quarters and able to counteract shortages of skilled professionals. The past two years have been very demanding on our entrepreneurs in the company (U.i.U.s), and this success would not have been possible without their unprecedented efforts and commitment. The satisfaction of our employees is the basis for our long-term success. To determine and improve employee satisfaction, we regularly survey our U.i.U.s in the U.i.U. Compass. We have for many years delivered proof that our U.i.U. principle boosts employee satisfaction, making it an important pillar of the company's success. Even in these turbulent and unprecedentedly challenging times, 87% of our U.i.U.s are proud to work for RATIONAL. Employees also indicated to a greater extent that work and stress levels had increased. At the end of September 2022, the RATIONAL Group employed 2,356 people worldwide. Of this total, around 1,370 were employed in Germany.

## Forecast

More stable availability of materials, the increasing effect of the price rises, and the beneficial impact of currency movements have driven our sales revenues to all-time highs in each of this year's quarters. The company's further performance in the current fiscal year will essentially depend on the following factors. First, the situation as regards materials procurement and logistics is still strained. On the supplier side, there are not only the lockdowns due to the coronavirus, such as in China in the spring of 2022, but also the risk that production at suppliers will be impacted by rising energy costs or staff shortages. Moreover, it is currently difficult to predict how the economy as a whole will perform.

If the supply situation and business performance remain stable, sales revenue growth of 23% to 28% can be achieved in 2022. Assuming a similar cost base, the increase in sales revenues will also have a positive impact on the EBIT margin. In this scenario, it will probably be between 21.5% to 22.5% at the end of the year.

# Statement of Comprehensive Income

## RATIONAL Group

in kEUR	3rd quarter 2022	3rd quarter 2021	9 months 2022	9 months 2021
Sales revenues	274,239	206,940	731,914	586,277
Cost of sales	-124,151	-92,459	-334,642	-258,102
<b>Gross profit</b>	<b>150,088</b>	<b>114,481</b>	<b>397,272</b>	<b>328,175</b>
Sales and service expenses	-59,170	-46,287	-170,198	-134,904
Research and development expenses	-9,918	-10,275	-32,111	-33,376
General administration expenses	-11,561	-9,880	-34,367	-29,302
Other operating income	9,212	3,256	25,613	9,368
Other operating expenses	-8,343	-1,573	-22,771	-5,836
<b>Earnings before financial result and taxes (EBIT)</b>	<b>70,308</b>	<b>49,722</b>	<b>163,438</b>	<b>134,125</b>
Interest income	145	71	295	198
Interest expenses	-177	-146	-482	-493
Other financial result	69	-200	-247	-494
<b>Earnings before taxes (EBT)</b>	<b>70,345</b>	<b>49,447</b>	<b>163,004</b>	<b>133,336</b>
Income taxes	-16,530	-11,620	-38,307	-31,334
<b>Profit or loss after taxes</b>	<b>53,815</b>	<b>37,827</b>	<b>124,697</b>	<b>102,002</b>
Items that may be reclassified to profit and loss in the future:				
Differences from currency translation	-512	-382	-1,178	-1,261
<b>Other comprehensive income</b>	<b>-512</b>	<b>-382</b>	<b>-1,178</b>	<b>-1,261</b>
<b>Total comprehensive income</b>	<b>53,303</b>	<b>37,445</b>	<b>123,519</b>	<b>100,741</b>
Average number of shares (undiluted/diluted)	11,370,000	11,370,000	11,370,000	11,370,000
Earnings per share (undiluted/diluted) in euros, based on profit or loss after taxes and the number of shares	4.73	3.33	10.97	8.97

# Balance Sheet

## RATIONAL Group

### Assets

in kEUR	30 Sep 2022	30 Sep 2021	31 Dec 2021
<b>Non-current assets</b>	<b>233,555</b>	<b>215,801</b>	<b>218,569</b>
Intangible assets	14,000	6,653	8,303
Property, plant and equipment	203,182	194,588	196,078
Other financial assets	1,102	1,122	1,040
Deferred tax assets	12,985	11,536	9,973
Other assets	2,286	1,902	3,175
<b>Current assets</b>	<b>602,006</b>	<b>545,114</b>	<b>565,269</b>
Inventories	101,240	77,057	97,288
Trade accounts receivable	162,850	116,610	108,787
Other financial assets	56,800	17,011	84,877
Income tax receivables	8,410	8,504	7,691
Other assets	20,490	18,710	12,931
Cash and cash equivalents	252,216	307,222	253,695
<b>Total equity and liabilities</b>	<b>835,561</b>	<b>760,915</b>	<b>783,838</b>

### Equity and liabilities

in kEUR	30 Sep 2022	30 Sep 2021	31 Dec 2021
<b>Equity</b>	<b>613,182</b>	<b>581,256</b>	<b>603,330</b>
Subscribed capital	11,370	11,370	11,370
Capital reserves	28,058	28,058	28,058
Retained earnings	580,407	547,716	569,377
Other components of equity	-6,653	-5,888	-5,475
<b>Non-current liabilities</b>	<b>32,618</b>	<b>35,125</b>	<b>34,345</b>
Pension and similar obligations	5,891	6,873	5,785
Other provisions	11,065	11,454	10,780
Financial debt	236	1,181	944
Other financial liabilities	12,325	14,379	13,963
Deferred tax liabilities	1,847	34	677
Income tax liabilities	820	820	1,532
Other liabilities	434	384	664
<b>Current liabilities</b>	<b>189,761</b>	<b>144,534</b>	<b>146,163</b>
Other provisions	85,055	66,563	63,041
Financial debt	1,642	2,184	1,181
Trade accounts payable	35,590	24,748	28,440
Other financial liabilities	16,400	9,136	15,923
Income tax liabilities	19,088	9,838	9,077
Other liabilities	31,986	32,065	28,501
<b>Liabilities</b>	<b>222,379</b>	<b>179,659</b>	<b>180,508</b>
<b>Total equity and liabilities</b>	<b>835,561</b>	<b>760,915</b>	<b>783,838</b>



# Cash Flow Statement

## RATIONAL Group

in kEUR	9 months 2022	9 months 2021
Earnings before taxes (EBT)	163,004	133,336
<b>Cash flow from operating activities</b>	<b>114,891</b>	<b>145,060</b>
Capital expenditures in intangible assets and property, plant and equipment including proceeds from asset disposals	-27,146	-16,356
Cash flow from financial investments	29,741	8,895
<b>Cash flow from investing activities</b>	<b>2,595</b>	<b>-7,461</b>
<b>Cash flow from financing activities</b>	<b>-121,197</b>	<b>-62,387</b>
Effects of exchange rate fluctuations in cash and cash equivalents	2,232	882
<b>Change in cash and cash equivalents</b>	<b>-1,479</b>	<b>76,094</b>
<b>Cash and cash equivalents as at 1 January</b>	<b>253,695</b>	<b>231,128</b>
<b>Cash and cash equivalents as at 30 September</b>	<b>252,216</b>	<b>307,222</b>

# Statement of Changes in Equity

## RATIONAL Group

in kEUR	Subscribed capital	Capital reserves	Retained earnings	Other components of equity		Total
				Differences from currency translation	Actuarial gains and losses	
<b>Balance as at 1 January 2021</b>	<b>11,370</b>	<b>28,058</b>	<b>500,290</b>	<b>-3,078</b>	<b>-1,549</b>	<b>535,091</b>
Dividend	-	-	-54,576	-	-	-54,576
Profit or loss after taxes	-	-	102,002	-	-	102,002
Other changes	-	-	-	-	-	-
Other comprehensive income	-	-	-	-1,261	-	-1,261
<b>Balance as at 30 September 2021</b>	<b>11,370</b>	<b>28,058</b>	<b>547,716</b>	<b>-4,339</b>	<b>-1,549</b>	<b>581,256</b>
<b>Balance as at 1 January 2022</b>	<b>11,370</b>	<b>28,058</b>	<b>569,377</b>	<b>-4,630</b>	<b>-845</b>	<b>603,330</b>
Dividend	-	-	-113,700	-	-	-113,700
Profit or loss after taxes	-	-	124,697	-	-	124,697
Other changes	-	-	33	-	-	33
Other comprehensive income	-	-	-	-1,178	-	-1,178
<b>Balance as at 30 September 2022</b>	<b>11,370</b>	<b>28,058</b>	<b>580,407</b>	<b>-5,808</b>	<b>-845</b>	<b>613,182</b>

Key Figures	／	RATIONAL: Sales revenues up 25% after nine months	／	Statement of Comprehensive Income	／	Balance Sheet	／	Cash Flow Statement	／	Statement of Changes in Equity	／	Legal Notice/Disclaimer
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