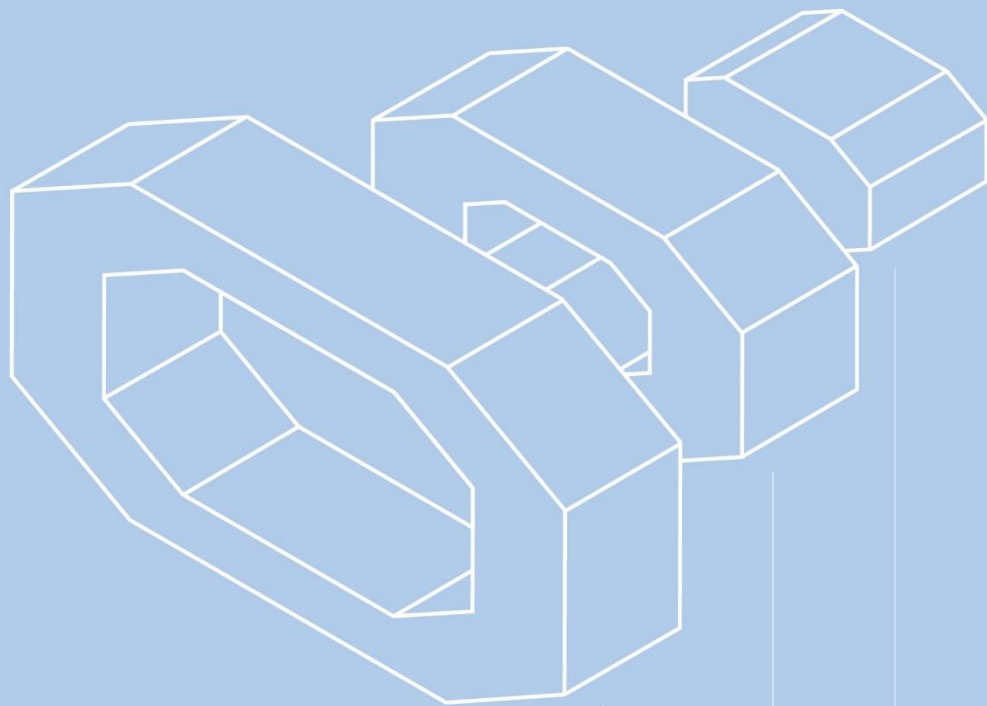


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**Interim Report**  
**Q3 2021**



**STAHL**

This report is available in German and English language. Both versions can also be found online on our corporate website [www.r-stahl.com](http://www.r-stahl.com) under Corporate/Investor Relations/Financial Reports. It contains forward-looking statements based on assumptions and estimates of R. STAHL's management. Although we assume that the expectations of these forward-looking statements are realistic, we cannot guarantee that these expectations will prove to be correct. The assumptions may involve risks and uncertainties that could cause the actual results to differ materially from the forward-looking statements. Factors that may cause such discrepancies include: changes in the macroeconomic and business environment, exchange rate and interest rate fluctuations, the roll-out of competing products, a lack of acceptance of new products or services, and changes in business strategy. R. STAHL does not plan to update these forward-looking statements nor does it accept any obligation to do so.

#### **Alternative performance indicators**

The alternative performance indicators *EBITDA pre exceptionals* and *EBITDA margin pre exceptionals* that are used in this report are not defined by international accounting standards. R. STAHL uses these indicators to improve the comparability of its business performance over time. *EBITDA pre exceptionals* is derived from earnings before interest, taxes, depreciation and amortization (EBITDA) less adjustments classified as exceptionals (restructuring charges, non-scheduled depreciation and amortization, charges for design and implementation of IT-projects, M&A costs as well as profit and loss from the disposal of non-current assets no longer required for business operations). *EBITDA margin pre exceptionals* describes *EBITDA pre exceptionals* in percentage of sales.

#### **Rounding differences and rates of change**

Percentages and figures in this report may include rounding differences. The signs used to indicate rates of change are based on economic aspects. Improvements are indicated by a "+" sign, deteriorations by a "-" sign. Rates of change >+100% are shown as >+100%, rates of change <-100% as "n/a" (not applicable).

## R. STAHL GROUP

## Key Figures

in € million	Q3 2021	Q3 2020	Change in %	9M 2021	9M 2020	Change in %
Sales	62.1	59.6	+4.3	184.8	184.4	+0.2
Germany	18.1	15.5	+16.7	49.1	47.3	+3.7
Central region <sup>1)</sup>	24.6	26.8	-8.3	81.3	84.6	-4.0
Americas	6.1	6.0	+2.2	16.1	18.6	-13.3
Asia/Pacific	13.4	11.3	+18.1	38.3	33.8	+13.4
EBITDA pre exceptionals <sup>2)</sup>	5.1	5.0	+2.3	12.3	13.6	-9.7
EBITDA margin pre exceptionals <sup>2)</sup>	8.2%	8.3%		6.6%	7.4%	
EBITDA	5.0	4.9	+2.4	11.5	13.1	-11.8
EBIT	0.8	0.8	-1.5	-0.9	0.7	n/a
Net profit	-0.1	-0.6	+83.9	-3.8	-3.2	-17.8
Earnings per share in €	-0.01	-0.09	+88.9	-0.59	-0.50	-18.0
Order intake	63.2	55.3	+14.4	192.4	194.7	-1.2
Order backlog as of March 31				68.1	74.2	-8.2
Cash flow from operating activities	1.1	7.3	-85.1	3.3	9.8	-65.9
Depreciation and amortization	4.1	4.0	+3.2	12.4	12.3	+0.6
Capital expenditures <sup>3)</sup>	3.9	3.7	+3.8	10.6	8.7	+20.8
				<b>30 Sep. 2021</b>	<b>31 Dec. 2020</b>	<b>Change in %</b>
Total assets				257.1	256.2	+0.3
Equity				49.2	48.1	+2.2
Equity ratio				19.1%	18.8%	
Net financial debt <sup>4)</sup>				17,3	5,8	>+100
Net financial debt incl. lease liabilities pursuant to IFRS 16				41.4	33.1	+25.1
Employees <sup>5)</sup>				1,679	1,690	-0.7

<sup>1)</sup> Africa and Europe excl. Germany

<sup>2)</sup> Exceptionals: restructuring charges, non-scheduled depreciation and amortization, charges for designing and implementing IT projects, M&A costs as well as profit and loss from the disposal of assets no longer required for business operations

<sup>3)</sup> Payments for investments in intangible assets and property, plant & equipment

<sup>4)</sup> excl. pension provisions and excluding lease liabilities

<sup>5)</sup> excl. apprentices

# INTERIM REPORT

for the period 1 January 2021 through 30 September 2021

## CONTENTS

- 2** — Key topics in the reporting period
- 3** — Group management report
- 9** — Consolidated financial statements
- 14** — Selected explanatory notes
- 16** — Financial calendar and contact

## KEY TOPICS IN THE REPORTING PERIOD

- > Prof. Dr. Peter Hofmann elected as new member of the Supervisory Board
- > Authorized capital of up to 20% of capital stock extended until 2026

### **Prof. Dr. Peter Hofmann elected as new member of the Supervisory Board**

At the 28th Annual General Meeting on 15 July 2021, Prof. Dr. Peter Hofmann was elected as new member of the Supervisory Board of R. STAHL AG. He succeeds Rudolf Meier, who stepped down from his position on the Supervisory Board with effect from 15 April 2021.

### **Authorized capital of up to 20% of capital stock extended until 2026**

At the 28th Annual General Meeting on 15 July 2021, shareholders authorized the Company to create authorized capital of up to 20% of the share capital until July 2026.

# GROUP MANAGEMENT REPORT

- > Sales increase 4.3 % or €2.6 million year-on-year to €62.1 million in Q3 2021 (Q3 2020: €59.6 million)
- > EBITDA pre exceptionals up 2.3% to €5.1 million (Q3 2020: €5.0 million)
- > Exceptionals in the third quarter 2021 of €-0.1 million at low level of previous year (Q3 2020: -€0.1 million)
- > Net profit improves by €0.5 million to €-0.1 million (Q3 2020: -€0.6 million) and earnings per share to €-0.01 (Q3 2020: €-0.09)
- > Orders received in the third quarter 2021 of €63.2 million well above prior year (Q3 2020: €55.3 million)
- > FY 2021 outlook adapted: sales now expected between €246 million to €250 million, EBITDA pre exceptionals between €14 million to €16 million

## Business Development

Buoyed by sustained global economic growth, R. STAHL's business recovery also continued in the third quarter of 2021 compared with the previous year, which was still severely impacted by the COVID 19 pandemic. A significant upturn of major investment projects in the oil and gas sector failed to materialize, however. Increasing supply bottlenecks and resulting price increases for raw materials, including electronic products and some plastic granules in particular, dampened development in sales and earnings. Higher personnel costs and lower other operating income also resulted in a slight decline in the

EBITDA margin pre exceptionals to 8.2%, despite the increase in sales.

## Sales and order intake

Sales were up 4.3% to €62.1 million in the third quarter of 2021 as compared to the previous year (Q3 2020: €59.6 million). Development in **Germany** was encouraging, increasing by 16.7% to €18.1 million (Q3 2020: €15.5 million). This development reflects the strong order situation in the chemical and pharmaceutical industries and in mechanical engineering, in particular, as well as larger deliveries for a major project. At €24.6 million, sales in the **Central Region** - which includes Africa and Europe excluding Germany - were down 8.3% in the quarter under review, well below the level of the previous year (Q2 2020: €26.8 million). This was especially attributable to a decline in business with customers in the oil processing industry. Raw material shortages and ongoing limitations to customer interaction due to the COVID-19 pandemic also contributed. In the **Americas** region, sales were slightly higher than the previous year, rising by 2.2% to €6.1 million (Q3 2020: €6.0 million), though they remained at low level. Continuing reluctance to invest in the oil and gas business were particularly prevalent here. The **Asia/Pacific** region posted significant growth, with sales increasing by 18.1% to €13.4 million (Q3 2020: €11.3 million). In addition to stronger demand from the mechanical engineering sector and growing sales with wholesale partners, a number of smaller projects entered the delivery phase.

Noticeably stronger demand in the third quarter of 2021 compared to the previous year resulted in a 14.4% increase in order intake to €63.2 million (Q3 2020: €55.3 million).

The order backlog as of 30 September 2021 remained at a continued strong level compared to the end of the previous quarter at €68.1 million (June 30, 2021: €67.9 million). The year-on-year decline (order backlog

### Sales by region

in € million	Q3 2021	Q3 2020	Change in %	9M 2021	9M 2020	Change in %	in % of Group sales
Germany	18.1	15.5	+16.7	49.1	47.3	+3.7	29
Central region	24.6	26.8	-8.3	81.3	84.6	-4.0	40
Americas	6.1	6.0	+2.2	16.1	18.6	-13.3	10
Asia/Pacific	13.4	11.3	+18.1	38.3	33.8	+13.4	21
<b>Total</b>	<b>62.1</b>	<b>59.6</b>	<b>+4.3</b>	<b>184.8</b>	<b>184.4</b>	<b>+0.2</b>	<b>100</b>

as of 30 September 2020: €74.2 million) is attributable to the unusually high prior-year figure; due to the pandemic, there were significant customer delays in the acceptance of finished products in the prior-year quarter.

In the first nine months of 2021, R. STAHL generated sales at the prior-year level of €184.8 million (9M 2020: €184.4 million). The sequential development, however, was quite different: While quarterly sales declined steadily after a good start to the year in 2020 as a result of the onset of the COVID 19 pandemic, quarterly sales increased again year-on-year in 2021 following a weak first quarter.

Order intake in the first nine months of 2021 was down slightly year-on-year by 1.2% to €192.4 million (9M 2020: €194.7 million). Reflected here, above all is the very strong demand in the first three months of 2020 which, at €78.8 million, resulted in the highest quarterly order intake since 2016. The sharp year-on-year decline in order intake in the first quarter of 2021 was ultimately nearly offset over the rest of the year by rising demand in the second and third quarters of the reporting period.

## EBITDA and EBIT

In the third quarter of 2021, sales growth also resulted in an increase in earnings before interest, taxes, depreciation and amortization (EBITDA) pre exceptionals of 2.3% to €5.1 million (Q3 2020: €5.0 million), corresponding to an EBITDA margin pre exceptionals of 8.2%

(Q3 2020: 8.3 %). At €-0.1 million (Q3 2020: €-0.1 million) exceptionals were at the level of the previous year. EBITDA generated in the reporting quarter was €5.0 million (Q3 2020: €4.9 million).

In line with sales, total operating performance in the third quarter of 2021 increased by 4.4% year-on-year to €63.4 million (Q3 2020: €60.7 million).

The cost of materials increased by 7.6% in the reporting period to €-21.9 million (Q3 2020: €-20.4 million) and thus noticeably stronger than total performance, resulting in an increase in the cost of materials ratio to 34.6% of total operating performance (Q3 2020: 33.6% of total operating performance). In addition to lower-margin major orders in the reporting period, this development was also due in part to significantly higher raw material costs.

There was a 2.2% increase in personnel expenses in the reporting period to €-28.0 million (Q3 2020: €-27.3 million), driven for the most part by negotiated wage increases and the payment of collectively agreed special payments, as well as lower utilization of short-time work.

The balance of other operating income and other operating expenses decreased by 4.6 % to €-8.5 million in the third quarter of 2021 (Q3 2020: €-8.1 million). While – in contrast to the previous year – changes in foreign exchange rates had a positive impact in the reporting period, as did write-downs on receivables, transport costs, general service expenses, travel expenses and marketing expenses were higher than in the previous year.

### Reconciliation of EBITDA pre to EBIT

in € million	Q3 2021	Q3 2020	Change	9M 2021	9M 2020	Change	included in income statement under
<b>EBITDA pre exceptionals</b>	<b>5.1</b>	<b>5.0</b>	<b>+0.1</b>	<b>12.3</b>	<b>13.6</b>	<b>-1.3</b>	
<b>Exceptionals <sup>1)</sup></b>	<b>-0.1</b>	<b>-0.1</b>	<b>+0.0</b>	<b>-0.8</b>	<b>-0.5</b>	<b>-0.2</b>	
<b>Restructuring charges</b>	<b>-0.1</b>	<b>-0.1</b>	<b>+0.0</b>	<b>-0.8</b>	<b>-0.5</b>	<b>-0.2</b>	
Severance pay	-0.1	-0.1	+0.0	-0.7	-0.4	-0.4	Personnel costs
Legal and consulting costs	0	0.0	-0.0	-0.0	-0.1	+0.1	Other operating expenses
Other	0	0.0	+0.0	0	-0.0	+0.0	Other operating expenses
<b>EBITDA</b>	<b>5.0</b>	<b>4.9</b>	<b>+0.1</b>	<b>11.5</b>	<b>13.1</b>	<b>-1.5</b>	
<b>Depreciation and amortization</b>	<b>-4.1</b>	<b>-4.0</b>	<b>-0.1</b>	<b>-12.4</b>	<b>-12.3</b>	<b>-0.1</b>	
<b>EBIT</b>	<b>0.8</b>	<b>0.8</b>	<b>-0.0</b>	<b>-0.9</b>	<b>0.7</b>	<b>-1.6</b>	

<sup>1)</sup> Exceptionals: restructuring charges, non-scheduled depreciation and amortization, charges for design and implementation of IT-projects, M&A costs as well as profit and loss from the disposal of non-current assets no longer required for business operations

Depreciation and amortization in the reporting period of €-4.1 million was slightly higher (Q3 2020: €-4.0 million).

Overall, EBIT in the third quarter of 2021 of €0.8 million remained at the level of the previous year (Q2 2020: €0.8 million).

In the first nine months of 2021, EBITDA pre exceptionals declined by €1.3 million or 9.7% to €12.3 million (9M 2020: €13.6 million). This corresponds to an EBITDA margin pre exceptionals of 6.6 % (9M 2020: 7.4 %). Higher severance payments led to an increase in exceptionals in the reporting period to €-0.8 million (9M 2020: €-0.5 million). EBITDA in the reporting period decreased by €1.5 million to €11.5 million (9M 2020: €13.1 million).

Total performance fell by 2.5 % to €187.9 million in the first nine months of 2021 (9M 2020: €192.7 million). While inventories of finished goods and work in progress were reduced by €-0.8 million in the reporting period, they had increased by a significant €5.0 million in the previous year due to COVID 19 pandemic-related delays in acceptance on the part of customers.

The cost of materials declined by 2.2 % to €-64.1 million in the first nine months of 2021 (9M 2020: €-65.5 million) in line with the lower total operating performance. The

cost of materials ratio increased slightly to 34.1% (9M 2020: 34.0 %).

At €-88.3 million, personnel expenses remained almost constant compared with the prior-year period (9M 2020: €-88.2 million). Cost-reducing effects from selective employee reductions were offset by the additional expenses described in the third quarter of 2021.

The balance of other operating income and other operating expenses improved by 7.2 % or €1.9 million in the reporting period to €-24.0 million (9M 2020: €-25.8 million). In addition to favorable changes resulting from foreign exchange rates, low expenses for temporary workers also had a positive impact here.

Depreciation and amortization of €-12.4 million remained at the level of the previous year (9M 2020: €-12.3 million).

Overall, developments described above resulted in an EBIT of €-0.9 million in the first nine months, which corresponds to a year-on-year decline of €1.6 million (9M 2020: €0.7 million).

## Reconciliation of EBIT to earnings per share

in € million	Q3 2021	Q3 2020	Change	9M 2021	9M 2020	Change
<b>EBIT</b>	<b>0.8</b>	<b>0.8</b>	<b>-0.0</b>	<b>-0.9</b>	<b>0.7</b>	<b>-1.6</b>
Financial result	-0.3	-0.3	-0.0	-1.2	-1.2	+0.1
<b>Earnings before income taxes</b>	<b>0.5</b>	<b>0.5</b>	<b>-0.0</b>	<b>-2.1</b>	<b>-0.5</b>	<b>-1.6</b>
Income taxes	-0.6	-1.1	+0.5	-1.8	-2.8	+1.0
<b>Net profit</b>	<b>-0.1</b>	<b>-0.6</b>	<b>+0.5</b>	<b>-3.8</b>	<b>-3.2</b>	<b>-0.6</b>
thereof						
attributable to other shareholders	-0.0	+0.0	-0.0	-0.0	-0.0	-0.0
attributable to shareholders of R. STAHL AG	-0.1	-0.6	+0.5	-3.8	-3.2	-0.6
<b>Earnings per share (in €)</b>	<b>-0.01</b>	<b>-0.09</b>	<b>+0.08</b>	<b>-0.59</b>	<b>-0.50</b>	<b>-0.09</b>
Average number of shares outstanding (weighted, in million units)	6.44	6.44	0	6.44	6.44	0

## Financial result

The financial result was unchanged at €-0.3 million in the third quarter of 2021 (Q3 2020: €-0.3 million). A lower contribution to earnings from the investment in ZAVOD Goreltex was offset by lower interest expenses in connection with lower pension provisions.

In the first nine months of 2021, the financial result of €-1.2 million was at the level of the previous year (9M 2020: €-1.2 million). A lower earnings contribution from ZAVOD Goreltex was offset by lower interest expenses in connection with pension provisions, lease liabilities and loans.



## Earnings before taxes

Earnings before taxes in the third quarter of 2021 were unchanged as compared to the previous year at €0.5 million (Q3 2020: €0.5 million).

In the first nine months of the reporting year, earnings before taxes of €-2.1 million were generated (9M 2020: €-0.5 million), a decrease of €-1.6 million over the previous year.

## Income taxes

Income taxes amounted to €-0.6 million in the third quarter of 2021 (Q3 2020: €-1.1 million). Of that amount, €-0.3 million related to effective taxes and €-0.3 million to deferred taxes.

In the first nine months of 2021, income taxes of €-1.8 million were generated (9M 2020: €-2.8 million). These are divided into €-0.7 million in effective taxes and €-1.1 million in deferred taxes.

## Net profit / earnings per share

Due to the lower income tax expense, net profit in the third quarter of 2021 increased by €0.5 million year-on-year to €-0.1 million (Q3 2020: €-0.6 million). This corresponds to earnings per share of €-0.01 (Q3 2020: €-0.09).

Net profit declined by €0.6 million to €-3.8 million in the first nine months of the reporting year (9M 2020: €-3.2 million). This corresponds to earnings per share of €-0.59 (9M 2020: €-0.50).

## Net assets and financial position

### Balance sheet structure

The R. STAHL Group's balance sheet total increased slightly to €257.1 million as of 30 September 2021, compared to the end of the previous year (31 December 2020: €256.2 million).

A €2.5 million decrease in deferred tax assets, due in particular to the increase in the discount rate used to measure pension provisions, and scheduled depreciation and amortization of €2.6 million led to a reduction in non-current assets. By contrast, intangible assets increased by €2.6 million, mainly as a result of the capitalization of development costs.

For current assets, there was an increase of €2.2 million to €105.4 million as of 30 September 2021, compared with the end of the previous year (31 December 2020: €103.2 million), due in particular to an increase in inventories and trade receivables.

Non-current liabilities decreased by €9.0 million to €128.8 million at the end of the reporting period (31 December 2020: €137.8 million), mainly due to lower provisions for pension obligations, which decreased by €-5.0 million in the period under review as a result of an increase in the discount rate. Lease liabilities were also reduced by €3.0 million and interest-bearing loans by €1.0 million.

In line with this development, current liabilities increased by €8.9 million to €79.1 million as of 30 September 2021, compared with the beginning of the year (31 December 2020: €70.3 million). This mainly reflects the higher utilization of short-term loans and an increase in accrued liabilities.

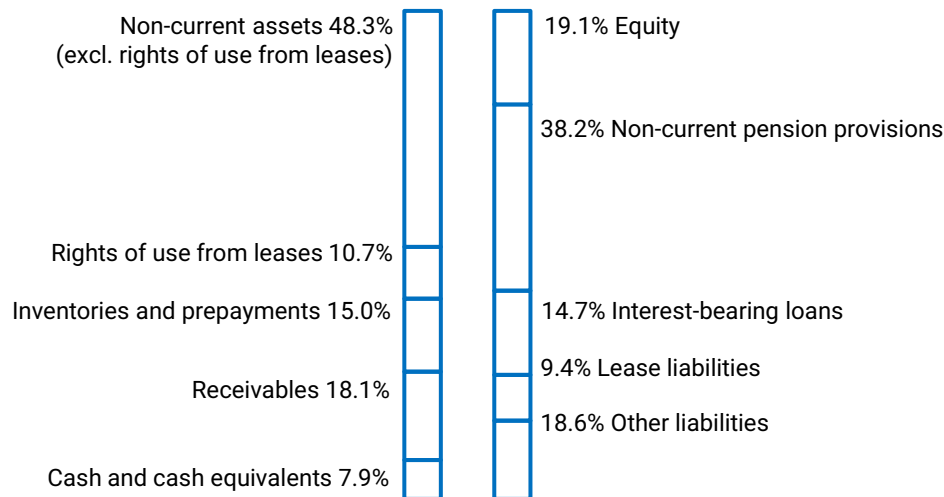
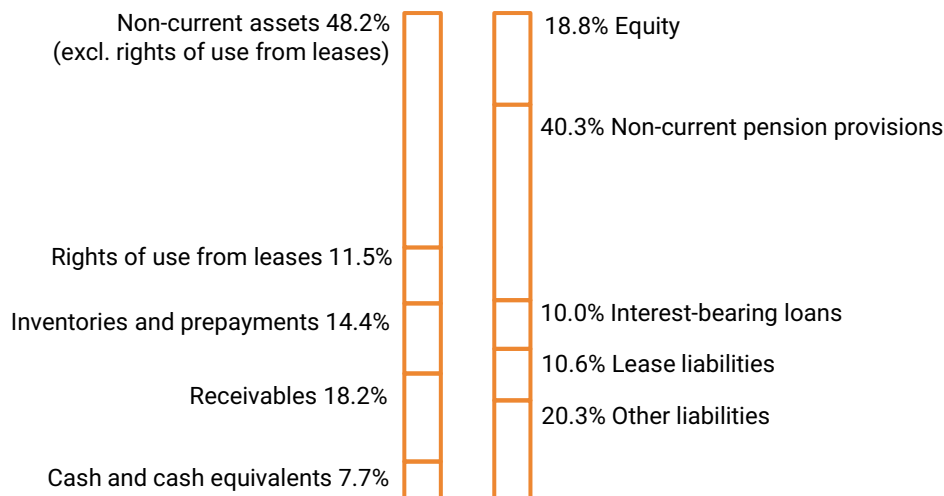
Despite the negative net profit, equity improved by €1.0 million compared with the end of the previous year to €49.2 million (31 December 2020: €48.1 million). The primary positive factors here included beneficial effects from changes in foreign exchange rates and unrealized gains from pensions (including deferred taxes). As a result, the equity ratio increased slightly to 19.1% (31 December 2020: 18.8%).

In terms of net debt (excluding pension provisions and lease liabilities), there was an increase to €17.3 million as of 30 September 2021 due to the negative free cash flow in the reporting period (31 December 2020: €5.8 million).

## Financial position and investments

Despite an improvement in earnings, cash flow in the third quarter of 2021 was down slightly year-on-year at €4.3 million (Q3 2020: €4.5 million). This was primarily attributable to higher deferred taxes and other non-cash income and expenses. Working capital increased by €3.2 million (Q3 2020: Decline of €2.9 million), mainly as a result of the reduction in trade payables. In the previous year, COVID 19 pandemic-related delays in acceptance on the part of customers resulted in a significant increase in inventories, but this was more than offset by higher advance payments received in connection with major projects.

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**Asset and capital structure**
**30 September 2021****Balance sheet total €257.1 million****31 December 2020****Balance sheet total €256.2 million**

Overall, the third quarter of 2021 saw an decrease in cash flow from operating activities of €6.3 million to €1.1 million (Q3 2020: €7.3 million).

Expenses for innovation projects were up slightly in the quarter under review as compared to the previous year by €0.2 million to €2.5 million (Q3 2020: €2.3 million). Combined with investments in property, plant and equipment of €1.4 million (Q3 2020: € 1.5 million), this led to cash flow from investing activities of €3.7 million in the third quarter of 2021 (Q3 2020: €3.7 million). Overall, this resulted in a

significant year-on-year decline in free cash flow of €6.2 million to €-2.6 million (Q3 2020: €3.6 million).

Cash flow from financing activities increased by €5.1 million in the third quarter of 2021 to €1.0 million (Q3 2020: -€4.1 million) mainly due to higher utilization of short-term loans.

As of 30 September 2021, R. STAHL Group had cash and cash equivalents of €20.4 million available (31 December 2020: €19.9 million). Compared to the previous year,

cash and cash equivalents thus increased by €2.5 million (Q3 2020: €18.0 million).

In the first nine months of the reporting year, cash flow decreased by €1.9 million to €9.3 million as a result of lower net profit and lower other non-cash income and expenses (9M 2020: €11.2 million). Working capital increased by €5.9 million (9M 2020: increase of €1.4 million), mainly due to the reduction in trade payables. This resulted in a cash flow from operating activities of €3.3 million (9M 2020: €9.8 million). Combined with increased cash flow from investing activities of €-10.4 million (9M 2020: -€8.3 million), this led to free cash flow of €-7.1 million in the first nine months of the reporting year (9M 2020: €1.6 million).

The higher utilization of loans compared with the prior-year period resulted in an increase in cash flow from financing activities to €7.1 million in the first nine months of 2021 (9M 2020: €2.2 million).

## Opportunities and risks

All R. STAHL subsidiaries regularly prepare an opportunity and risk report that takes into account the opportunities and risks of the company. Managing directors are required to inform the department responsible for opportunity and risk management of any significant events, including those that occur during the quarter. The relevant statements made in the Annual Report 2020 starting on page 45 continue to apply unchanged.

## Outlook

We first presented our assessment of R. STAHL Group's expected development in the current year in detail in the forecast beginning on page 75 of the Annual Report

2020, which was published on 16 April 2021. Accordingly, supported by a significant recovery in all relevant key markets, we anticipated year-on-year sales growth in the low single-digit percentage range for 2021, a development that should gain momentum in the course of the year. With respect to EBITDA pre exceptionals, we expected a slight year-on-year decline, leading to a slight reduction in the equity ratio for the year as a whole if the valuation of our pension obligations remains unchanged. We did not anticipate any significant change with regard to the very comfortable liquidity position we had at the beginning of the year.

With the presentation of our interim report for the first quarter of 2021 on 11 May 2021, we specified our full-year guidance for 2021 to sales in the range of €250 million to €256 million, EBITDA pre exceptionals of between €17 million and €19 million, free cash flow of around €6 million and an equity ratio of more than 18%.

In the course of our unscheduled price adjustment effective 1 July 2021, we raised our sales forecast for 2021 to a range between €254 million and €260 million on 10 June 2021 at an unchanged earnings forecast, provided that the already increasing procurement risks for some raw materials do not worsen and lead to an additional negative impact on our supply capability.

In contrast to the above mentioned assumptions, market and procurement risks as well as cost increases accelerated in the quarter under review. Against this backdrop, we adapted our FY 2021 outlook on 5 November 2021 to sales in the range of €246 million and €250 million and to an EBITDA pre exceptionals of €14 million to €16 million. This was primarily driven by shortages of raw materials and the resurgence of the COVID-19 pandemic in key sales regions which both affected the development of sales and order intake at levels that have not been foreseeable until recently. Moreover, higher costs for raw materials, energy and transport will additionally weigh on earnings. We therefore expect an even free cash flow for FY 2021 and an equity ratio of around 18% until year-end 2021.

### Outlook FY 2021

in € million	November 2021	July 2021	May 2021	April 2021	2020
<b>Sales</b>	<b>246 – 250</b>	254 – 260	250 – 256	low single-digit percentage growth	<b>246.5</b>
<b>EBITDA pre exceptionals</b>	<b>14 – 16</b>	17 – 19	17 – 19	slightly declining	<b>19.0</b>
Free cash flow	~0	~6	~6	stable	5.7
Equity ratio	~18 %	>18%	>18%	slightly declining	18.8%

# CONSOLIDATED FINANCIAL STATEMENTS R. STAHL

## Income statement

1 January through 30 September

in €000	Q3 2021	Q3 2020	Change in %	9M 2021	9M 2020	Change in %
<b>Sales</b>	<b>62,139</b>	<b>59,588</b>	<b>+4.3</b>	<b>184,843</b>	<b>184,420</b>	<b>+0.2</b>
Change in finished and unfinished products	39	-13	n/a	-763	4,970	n/a
Other own work capitalized	1,174	1,130	+3.9	3,776	3,292	+14.7
<b>Total operating performance</b>	<b>63,352</b>	<b>60,705</b>	<b>+4.4</b>	<b>187,856</b>	<b>192,682</b>	<b>-2.5</b>
Other operating income	1,629	2,033	-19.9	6,379	7,681	-17.0
Cost of materials	-21,926	-20,380	-7.6	-64,107	-65,535	+2.2
Personnel costs	-27,959	-27,349	-2.2	-88,253	-88,233	-0.0
Other operating expenses	-10,127	-10,157	+0.3	-30,346	-33,518	+9.5
<b>Earnings before financial result, income taxes and depreciation and amortization (EBITDA)</b>	<b>4,969</b>	<b>4,852</b>	<b>+2.4</b>	<b>11,529</b>	<b>13,077</b>	<b>-11.8</b>
Depreciation and amortization	-4,143	-4,013	-3.2	-12,416	-12,345	-0.6
<b>Earnings before financial result and income taxes (EBIT)</b>	<b>826</b>	<b>839</b>	<b>-1.5</b>	<b>-887</b>	<b>732</b>	<b>n/a</b>
Result from companies consolidated using the equity method	363	468	-22.4	928	1,275	-27.2
Investment result	0	0	0	0	0	0
Interest and similar income	32	38	-15.8	67	113	-40.7
Interest and similar expenses	-722	-825	+12.5	-2,163	-2,608	+17.1
<b>Financial result</b>	<b>-327</b>	<b>-319</b>	<b>-2.5</b>	<b>-1,168</b>	<b>-1,220</b>	<b>+4.3</b>
<b>Earnings before income taxes</b>	<b>499</b>	<b>520</b>	<b>-4.0</b>	<b>-2,055</b>	<b>-488</b>	<b>n/a</b>
Income taxes	-598	-1,136	+47.4	-1,761	-2,752	+36.0
<b>Net profit</b>	<b>-99</b>	<b>-616</b>	<b>+83.9</b>	<b>-3,816</b>	<b>-3,240</b>	<b>-17.8</b>
thereof attributable to other shareholders	-13	1	n/a	-25	-7	n/a
thereof attributable to shareholders of R. STAHL AG	-86	-617	+86.1	-3,791	-3,233	-17.3
<b>Earnings per share in €</b>	<b>-0.01</b>	<b>-0.09</b>	<b>+88.9</b>	<b>-0.59</b>	<b>-0.50</b>	<b>-18.0</b>

## CONSOLIDATED FINANCIAL STATEMENTS R. STAHL

### Statement of comprehensive income

1 January through 30 September

in €000	Q3 2021	Q3 2020	Change in %	9M 2021	9M 2020	Change in %
<b>Net profit</b>	<b>-99</b>	<b>-616</b>	<b>+83.9</b>	<b>-3,816</b>	<b>-3,240</b>	<b>-17.8</b>
Gains/losses from currency translation of foreign subsidiaries, recognized in equity	367	-436	n/a	1,165	-2,818	n/a
Deferred taxes on gains/losses from currency translation	0	0	n/a	0	0	n/a
<b>Currency translation differences after taxes</b>	<b>367</b>	<b>-436</b>	<b>n/a</b>	<b>1,165</b>	<b>-2,818</b>	<b>n/a</b>
<b>Other comprehensive income with reclassifications to profit for the period</b>	<b>367</b>	<b>-436</b>	<b>n/a</b>	<b>1,165</b>	<b>-2,818</b>	<b>n/a</b>
Gains/losses from the subsequent measurement of pension obligations, recognized in equity	-1,416	-5,299	+73.3	4,975	-2,714	n/a
Deferred taxes from pension obligations	418	1,547	-73.0	-1,282	792	n/a
<b>Other comprehensive income without reclassifications to profit for the period</b>	<b>-998</b>	<b>-3,752</b>	<b>+73.4</b>	<b>3,693</b>	<b>-1,922</b>	<b>n/a</b>
<b>Other comprehensive income (valuation differences recognized directly in equity)</b>	<b>-631</b>	<b>-4,188</b>	<b>+84.9</b>	<b>4,858</b>	<b>-4,740</b>	<b>n/a</b>
thereof attributable to other shareholders	-7	-3	n/a	6	8	-25.0
thereof attributable to shareholders of R. STAHL AG	-624	-4,185	+85.1	4,852	-4,748	n/a
<b>Total comprehensive income after taxes</b>	<b>-730</b>	<b>-4,804</b>	<b>+84.8</b>	<b>1,042</b>	<b>-7,980</b>	<b>n/a</b>
thereof attributable to other shareholders	-20	-2	n/a	-19	1	n/a
thereof attributable to shareholders of R. STAHL AG	-710	-4,802	+85.2	1,061	-7,981	n/a

# CONSOLIDATED FINANCIAL STATEMENTS R. STAHL

## Balance sheet

in €000	30 Sep. 2021	31 Dec. 2020	Change
<b>ASSETS</b>			
Intangible assets	45,836	43,260	+2,576
Property, plant & equipment	77,737	80,348	-2,611
Investments in associated companies	10,731	9,803	+928
Other financial assets	31	32	-1
Other assets	1,899	1,497	+402
Investment property	4,551	4,707	-156
Deferred taxes	10,893	13,358	-2,465
<b>Non-current assets</b>	<b>151,678</b>	<b>153,005</b>	<b>-1,327</b>
Inventories and prepayments	38,454	36,938	+1,516
Trade receivables	38,040	36,718	+1,322
Contract receivables	70	637	-567
Income tax claims	184	471	-287
Other receivables and other assets	8,263	8,614	-351
Cash and cash equivalents	20,410	19,854	+556
<b>Current assets</b>	<b>105,421</b>	<b>103,232</b>	<b>+2,189</b>
<b>Total assets</b>	<b>257,099</b>	<b>256,237</b>	<b>+862</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	16,500	16,500	0
Capital reserves	13,457	13,457	0
Retained earnings	56,255	60,046	-3,791
Accumulated other comprehensive income	-37,242	-42,094	+4,852
<b>Equity attributable to shareholders of R. STAHL AG</b>	<b>48,970</b>	<b>47,909</b>	<b>+1,061</b>
Non-controlling interests	215	234	-19
<b>Equity</b>	<b>49,185</b>	<b>48,143</b>	<b>+1,042</b>
Pension provisions	98,146	103,149	-5,003
Other provisions	2,076	2,048	+28
Interest-bearing financial liabilities	7,763	8,781	-1,018
Lease liabilities	18,079	21,050	-2,971
Other liabilities	66	64	+2
Deferred taxes	2,646	2,729	-83
<b>Non-current liabilities</b>	<b>128,776</b>	<b>137,821</b>	<b>-9,045</b>
Provisions	7,342	8,632	-1,290
Trade payables	12,032	13,805	-1,773
Interest-bearing financial liabilities	29,976	16,913	+13,063
Lease liabilities	5,967	6,189	-222
Deferred liabilities	15,520	12,394	+3,126
Income tax liabilities	592	772	-180
Other liabilities	7,709	11,568	-3,859
<b>Current liabilities</b>	<b>79,138</b>	<b>70,273</b>	<b>+8,865</b>
<b>Total equity and liabilities</b>	<b>257,099</b>	<b>256,237</b>	<b>+862</b>

# CONSOLIDATED FINANCIAL STATEMENTS R. STAHL

## Cash flow statement

1 January through 30 September

in €000	Q3 2021	Q3 2020	Change	9M 2021	9M 2020	Change
<b>Net profit</b>	<b>-99</b>	<b>-616</b>	<b>+517</b>	<b>-3,816</b>	<b>-3,240</b>	<b>-576</b>
Depreciation, amortization and impairment of non-current assets	4,143	4,013	+130	12,416	12,345	+71
Changes in long-term provisions	11	0	+11	0	-163	+163
Changes in deferred taxes	298	636	-338	1,107	1,496	-389
Equity valuation	-363	-468	+105	-928	-690	-238
Other income and expenses without cash flow impact	321	936	-615	571	1,590	-1,019
Result from the disposal of non-current assets	-36	-17	-19	-59	-149	+90
<b>Cash flow</b>	<b>4,275</b>	<b>4,484</b>	<b>-209</b>	<b>9,291</b>	<b>11,189</b>	<b>-1,898</b>
Changes in short-term provisions	-299	187	-486	-1,322	-542	-780
Changes in inventories, trade receivables and other non-capex or non-financial assets	28	-1,180	+1,208	-1,667	-2,852	+1,185
Changes in trade payables and other non-capex or non-financial liabilities	-2,909	3,854	-6,763	-2,958	2,023	-4,981
<b>Changes in working capital</b>	<b>-3,180</b>	<b>2,861</b>	<b>-6,041</b>	<b>-5,947</b>	<b>-1,371</b>	<b>-4,576</b>
<b>Cash flow from operating activities</b>	<b>1,095</b>	<b>7,345</b>	<b>-6,250</b>	<b>3,344</b>	<b>9,818</b>	<b>-6,474</b>
Cash outflow for capex in intangible assets	-2,453	-2,250	-203	-6,773	-5,139	-1,634
Cash inflow from the disposals of non-current intangible assets	0	0	0	0	32	-32
Cash outflow for capex on property, plant & equipment	-1,432	-1,493	+61	-3,787	-3,603	-184
Cash inflow from the disposals of property, plant & equipment and real estate held as a financial investment	164	9	+155	151	442	-291
Cash outflow for the purchase of shares in associated companies excluding acquired cash and cash equivalents	1	0	+1	2	0	+2
Increase (-) / decrease (+) of current financial assets	2	0	+2	2	0	+2
<b>Cash flow from investing activities</b>	<b>-3,718</b>	<b>-3,734</b>	<b>+16</b>	<b>-10,405</b>	<b>-8,268</b>	<b>-2,137</b>
<b>Free cash flow</b>	<b>-2,623</b>	<b>3,611</b>	<b>-6,234</b>	<b>-7,061</b>	<b>1,550</b>	<b>-8,611</b>
Distribution to/contribution from minority shareholders	0	0	0	0	-226	+226
Cash outflow for repayment of lease liabilities	-1,628	-1,637	+9	-4,908	-5,097	+189
Cash inflow from interest-bearing financial debt	3,516	0	+3,516	13,117	12,204	+913
Cash outflow for repayment of interest-bearing financial debt	-865	-2,489	+1,624	-1,072	-4,698	+3,626
<b>Cash flow from financing activities</b>	<b>1,023</b>	<b>-4,126</b>	<b>+5,149</b>	<b>7,137</b>	<b>2,183</b>	<b>+4,954</b>
Changes in cash and cash equivalents	-1,600	-515	-1,085	76	3,733	-3,657
Foreign exchange and valuation-related changes in cash and cash equivalents	145	-274	+419	480	-743	+1,223
Cash and cash equivalents at the beginning of the period	21,865	18,745	+3,120	19,854	14,966	+4,888
<b>Cash and cash equivalents at the end of the period</b>	<b>20,410</b>	<b>17,956</b>	<b>+2,454</b>	<b>20,410</b>	<b>17,956</b>	<b>+2,454</b>

# CONSOLIDATED FINANCIAL STATEMENTS R. STAHL

## Statement of changes in equity

1 January through 30 September

in €000	Equity attributable to shareholders								Equity
	Accumulated other comprehensive income							Non-controlling interests	
	Subscribed capital	Capital reserves	Retained earnings	Currency translation	Unrealized gains/losses from pensions	Total accumulated other comprehensive income	Total		
<b>1 Jan. 2020</b>	<b>16,500</b>	<b>13,457</b>	<b>63,555</b>	<b>-3,358</b>	<b>-32,163</b>	<b>-35,521</b>	<b>57,991</b>	<b>449</b>	<b>58,440</b>
Net profit			-3,233				-3,233	-7	-3,240
Accumulated other comprehensive income				-2,826	-1,922	-4,748	-4,748	8	-4,740
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-3,233</b>	<b>-2,826</b>	<b>-1,922</b>	<b>-4,748</b>	<b>-7,981</b>	<b>1</b>	<b>-7,980</b>
Changes in minority interests			-8				-8	-218	-226
<b>30 September 2020</b>	<b>16,500</b>	<b>13,457</b>	<b>60,314</b>	<b>-6,184</b>	<b>-34,085</b>	<b>-40,269</b>	<b>50,002</b>	<b>232</b>	<b>50,234</b>
<b>1 Jan. 2021</b>	<b>16,500</b>	<b>13,457</b>	<b>60,046</b>	<b>-6,197</b>	<b>-35,897</b>	<b>-42,094</b>	<b>47,909</b>	<b>234</b>	<b>48,143</b>
Net profit			-3,791				-3,791	-25	-3,816
Accumulated other comprehensive income				1,159	3,693	4,852	4,852	6	4,858
<b>Total comprehensive income</b>			<b>-3,791</b>	<b>1,159</b>	<b>3,693</b>	<b>4,852</b>	<b>1,061</b>	<b>-19</b>	<b>1,042</b>
Changes in minority interests							0		0
<b>30 September 2021</b>	<b>16,500</b>	<b>13,457</b>	<b>56,255</b>	<b>-5,038</b>	<b>-32,204</b>	<b>-37,242</b>	<b>48,970</b>	<b>215</b>	<b>49,185</b>



# SELECTED EXPLANATORY NOTES

## 1. Accounting in accordance with International Financial Reporting Standards (IFRS)

The interim financial statements for the R. STAHL Group have been prepared in accordance with International Financial Reporting Standards (IFRS), as applicable in the EU and in compliance with IAS 34 "Interim Financial Reporting". The interim consolidated financial statements have not been audited.

## 2. Scope of consolidation

In addition to R. STAHL AG, the interim consolidated financial statements include 31 domestic and foreign companies for which it is possible for R. STAHL AG to exercise a controlling influence.

Enterprises over which the Company can exercise substantial influence are included in the consolidated financial statements as associates using the equity method. Since 2016, ZAVOD Goreltex Co. Ltd, Saint Petersburg, Russia, has been included in the consolidated financial statements as an associate using the equity method. The scope of consolidation is unchanged over 31 December 2020.

## 3. Accounting and measurement methods

### General information

The interim consolidated financial statements and the comparative figures for the prior-year period were generally prepared on the basis of the accounting and measurement methods applied in the consolidated financial statements for 2020. A description of these principles is published in the notes to the consolidated financial statements 2020. This can be viewed on the Internet at [www.r-stahl.com](http://www.r-stahl.com).

The Group's functional currency is the euro. Unless indicated otherwise, all amounts are stated in thousands of euros (€000).

The consolidated financial statements have been prepared using the cost principle. Accounting for derivative financial instruments is the exception to this rule, as these must be accounted for at fair value.

The carrying amounts of cash and cash equivalents, as well as current account loans closely approximate their fair values given the short maturity of these financial instruments. The carrying values of receivables and liabilities are based on historical costs, subject to usual trade credit terms, and also closely approximate their fair values.

The fair value of non-current liabilities is based on currently available interest rates for borrowing with the same maturity and credit rating profiles. The fair values of external liabilities is currently deviate only slightly from the carrying amounts.

To present the reliability of the valuation of financial instruments at fair value in a comparable manner, IFRS introduced a fair-value-hierarchy with the following three levels:

- > Valuation on the basis of exchange price or market price for identical assets or liabilities (Level 1)
- > Valuation on the basis of exchange price or market price for similar instruments or on the basis of assessment models that are based on market observable input parameters (Level 2)
- > Valuation on the basis of assessment models with significant input parameters that are not observable on the market (Level 3)

The derivative financial instruments measured at fair value of the R. STAHL Group are valued exclusively in accordance with the fair value hierarchy Level 2.

In the first nine months of 2021, there were no re-classifications among the individual fair value hierarchies.

### Cash flow statement

In accordance with IAS 7, the cash flow statement shows how the R. STAHL Group's flow of funds developed over the reporting period.

Cash and cash equivalents shown in the cash flow statement comprise cash on hand, cheques, and credit balances with banks. The item also includes securities with original maturities of up to three months.

### Earnings per share

Earnings per share are calculated by dividing consolidated net profit – excluding non-controlling interests – by the average number of shares. Diluted earnings per share correspond to earnings per share.

#### 4. Sales in accordance with IFRS 15

Sales presented in the income statement includes both sales from contracts with customers and sales not within the scope of IFRS 15.

A breakdown of sales by sales source is shown below:

€000	9M 2021	9M 2020
Sales from contracts with customers	184,082	183,625
Rental income from real estate held as financial investments	761	795
<b>Total</b>	<b>184,843</b>	<b>184,420</b>

A breakdown of sales by time of recognition is shown below:

€000	9M 2021	9M 2020
At a specific time	176,233	176,438
Over a specific period	8,610	7,982
<b>Total</b>	<b>184,843</b>	<b>184,420</b>

Sales are recognized over a specified period with a high probability of occurrence within a period of one to two months.

#### 5. Financial instruments

R. STAHL mainly accounts for derivative financial instruments at fair value. For this reason, a detailed reconciliation statement for the carrying amounts and fair

values for the individual classes is not provided for reasons of materiality.

The fair values of derivative financial instruments are as follows:

€000	30 Sep. 2021	31 Dec. 2020
<b>Positive market values</b>		
Currency derivatives without hedging relationship	16	130
<b>Negative market values</b>		
Currency derivatives without hedging relationship	-5	-16

#### 6. Number of employees

The number of employees at the 30 September 2021 reporting date was 1,679 (31 December 2020: 1,690) not including apprentices.

#### 7. Contingent liabilities and other financial obligations

There have been no significant changes to contingent liabilities and other financial obligations compared with 31 December 2020.

#### 8. Report on significant related party transactions

There were no significant transactions with related parties in the reporting period.

Waldenburg, 10 November 2021

R. Stahl Aktiengesellschaft

**Dr. Mathias Hallmann**

Chairman of the Executive Board

**Bernardo Kral**

Member of the Executive Board

## FINANCIAL CALENDAR 2021

### **22 – 23 November**

Deutsches Eigenkapitalforum (virtual)

## FINANCIAL CALENDAR 2022

### **16 February**

Preliminary figures for FY 2021

### **13 April**

Annual Report FY 2021

### **12 May**

Interim Report Q1 2022

### **13 July**

29<sup>th</sup> Annual General Meeting

### **11 August**

Interim Report H1 2022

### **10 November**

Interim Report Q3 2022

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