

INTERIM  
REPORT  
Q1

2022

STAHL

This report is available in German and English. 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 macro-economic 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 mathematical aspects: improvements are indicated by a plus "+" sign, deteriorations by a "-" sign. Rates of change > +100% are shown as >+100%, rates of change < -100% as "n/a" (not applicable).

# KEY FIGURES

in € million	Q1 2022	Q1 2021	Change in %
Sales	61.0	58.2	+4.8
Germany	16.9	14.6	+15.5
Central region <sup>1)</sup>	28.2	28.2	-0.1
Americas	6.4	4.8	+33.9
Asia/Pacific	9.5	10.5	-9.8
EBITDA pre exceptionals <sup>2)</sup>	3.0	2.7	+14.4
EBITDA margin pre exceptionals <sup>2)</sup>	5.0%	4.6%	
EBITDA	2.9	2.6	+11.7
EBIT	-1.1	-1.5	+24.0
Net profit	-5.4	-2.5	n/a
Earnings per share (in €)	-0.84	-0.39	n/a
Order intake	75.1	63.9	+17.5
Order backlog as of 31 March	86.6	68.9	+25.6
Cash flow from operating activities	-7.1	-1.3	n/a
Depreciation and amortization	4.1	4.1	-1.4
Capital expenditures	3.5	3.2	+9.9
	<b>31 March 2022</b>	<b>31. Dec. 2021</b>	<b>Change in %</b>
Balance sheet total	257.6	246.0	+4.7
Equity	52.3	49.8	+5.2
Equity ratio	20.3%	20.2%	
Net financial debt <sup>3)</sup>	27.1	18.3	+48.6
Net financial debt incl. lease liabilities	50.4	41.4	+21.6
Employees <sup>4)</sup>	1,662	1,672	-0.6

<sup>1)</sup> Africa and Europe without 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> Without pension provisions and without lease liabilities.

<sup>4)</sup> Without apprentices.

# INTERIM REPORT

OF R. STAHL AKTIENGESELLSCHAFT  
FOR THE PERIOD 1 JANUARY 2022 THROUGH 31 MARCH 2022

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# KEY TOPICS IN THE REPORTING PERIOD

## **Write-down on the 25% investment in ZAVOD Goreltex Ltd, Saint Petersburg, Russia**

Due to the current Russia-Ukraine conflict and the downgrading of Russia's credit rating to non-investment grade, the 25% shareholding in ZAVOD Goreltex Ltd, Saint Petersburg, Russia, was partially written down by € 3.1 million.

# GROUP MANAGEMENT REPORT

OF THE R. STAHL GROUP AND R. STAHL AG

- Sales of € 61.0 million in Q1 2022 – 4.8% or € 2.8 million above prior year (Q1 2021: € 58.2 million).
- EBITDA pre exceptionals increases by € 0.4 million to € 3.0 million (Q1 2021: € 2.6 million).
- Net income is heavily impacted by the partial impairment of the 25% stake in ZAVOD Goreltex and declines of € 2.9 million to € -5.4 million (Q1 2021: € -2.5 million). Earnings per share decrease to € -0.84 (Q1 2021: € -0.39).
- Negative net profit and higher working capital lead to an increase in net financial liabilities to € 27.1 million.
- Order intake increases by 17.5% to € 75.1 million compared to the previous year.

The development was positive in all regions except Asia/Pacific and Central region. Sales of € 16.9 million were generated in **Germany** (Q1 2021: € 14.6 million), an increase of 15.5%. In particular, sales to the chemical and mechanical engineering industries increased further year-on-year. Sales in the **Central region** – which consists of Africa and Europe excluding Germany – were nearly identical to the prior year at € 28.2 million (Q1 2021: € 28.2 million). The chemical industry in particular contributed to stable sales. The markets in the **Americas** region showed a significant recovery. Sales increased by 33.9% to € 6.4 million (Q1 2021: € 4.8 million), with wholesale sales for the oil and gas industry in particular posting strong growth. In the **Asia/Pacific** region, sales fell by almost 10% to € 9.5 million (Q1 2021: € 10.5 million).

## BUSINESS DEVELOPMENT

### SALES AND ORDER INTAKE

R. STAHL's business development in the first quarter of 2022 was – as already indicated in the two preceding quarters – increasingly characterized by disrupted supply chains and the associated price increases. This was further exacerbated by the Russia-Ukraine conflict which began in February 2022. The price increases could be compensated by price adjustments. Sales nevertheless increased by 4.8% to € 61.0 million compared to the previous year, which was heavily impacted by COVID-19 (Q1 2021: € 58.2 million). Higher sales were achieved in the chemical and pharmaceutical industries in particular.

Order intake in the first quarter of 2022 developed just as positively as sales. Orders rose to € 75.1 million in the first quarter (Q1 2021: € 63.9 million), an increase of 17.5%. This development was primarily driven by the noticeable recovery in demand across all regions and industries. As a result, order back-log increased to € 86.6 million compared with the level at the beginning of the year (31 December 2021: € 72.2 million).

**SALES BY REGION**

€ million	Q1 2022	Q1 2021	Change in %	Share of Group sales in %
Germany	16.9	14.6	+15.5	28
Central Region	28.2	28.2	-0.1	46
Americas	6.4	4.8	+33.9	10
Asia/Pacific	9.5	10.5	-9.8	16
<b>Total</b>	<b>61.0</b>	<b>58.2</b>	<b>+4.8</b>	<b>100</b>

**EBITDA UND EBIT**

The sales growth of 4.8% to € 61.0 million with simultaneously increased cost items led to earnings before interest, taxes, depreciation and amortization (EBITDA) pre exceptionals of € 3.0 million and thus to an improvement of € 0.4 million compared to the previous year (Q1 2021: € 2.7 million). This resulted in an EBITDA margin pre exceptionals of 5.0% (Q1 2021: 4.6%). At € -0.1 million, exceptionals remained at a low level, resulting in EBITDA of € 2.9 million in the reporting quarter (Q1 2021: € 2.6 million).

Total operating performance decreased by 8.5% to € 66.5 million in the first quarter of 2022 (Q1 2021: € 61.3 million). Reflected here is the increase in inventories of finished and unfinished goods of € 4.1 million as a result of order in progress and orders pending delivery.

Due to the increase in inventories of € 4.0 million, the cost of materials increased by 10.0% to € -23.6 million in the reporting period (Q1 2021: € -21.4 million). Because of the higher total operating performance and the price adjustment made, cost of materials ratio remained almost unchanged at 35.4% of total performance compared to the previous year (Q1 2021: 35.0% of total performance).

Personnel expenses were up 5.7% to € -31.8 million in the reporting period (Q1 2021: € -30.0 million), mainly due to higher capacities and a temporary increase in working hours at the Waldenburg site.

The balance of other operating income and other operating expenses increased by € 1.1 million to € -8.3 million in the first quarter of 2022 (Q1 2021: € -7.2 million). While other operating expenses remained unchanged at the level of the previous year at € -10.4 million, other operating income decreased by € 1.0 million to € 2.1 million (Q1 2021: € 3.1 million) due to lower exchange rate gains and other non-recurring effects (Q1 2021: higher release of provisions).

At € 4.1 million, amortization of intangible assets and depreciation of property, plant and equipment in Q1 2022 were at the level of the prior-year period.

EBIT in the reporting period improved by € 0.4 million to € -1.1 million (Q1 2021: € -1.5 million).

**RECONCILIATION OF EBITDA PRE TO EBIT**

€ million	Q1 2022	Q1 2021	Change	included in income statement under
<b>EBITDA pre exceptionals<sup>1)</sup></b>	3.0	2.7	+0.4	
<b>Exceptionals<sup>1)</sup></b>	-0.1	0.0	-0.1	
<b>Restructuring charges</b>	-0.1	0.0	-0.1	
Serverance pay	-0.1	0.0	-0.1	Personnel costs
Legal and consulting costs	0.0	0.0	0.0	Other operating expenses
Others	0.0	0.0	0.0	Other operating expenses
<b>EBITDA</b>	2.9	2.6	+0.3	
Depreciation and amortization	-4.1	-4.1	+0.1	
<b>EBIT</b>	-1.1	-1.5	+0.4	

<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.

**FINANCIAL RESULT**

The financial result decreased by € 3.1 million to € -3.5 million in the first quarter of 2022 (Q1 2021: € -0.5 million). This mainly includes the partial write-down of our investment in ZAVOD Goreltex in the amount of € 3.1 million. The earnings of ZAVOD Goreltex included using the equity method amounted to € 0.3 million in the first quarter of 2022 (Q1 2021: € 0.2 million). Interest income and interest expenses of € -0.8 million (Q1 2021: € -0.7 million) are included in the financial result.

**EARNINGS BEFORE INCOME TAXES**

Compared to the prior year, earnings before income taxes decreased by € 2.7 million to € -4.7 million in the first quarter of 2022 (Q1 2021: € -2.0 million).

**INCOME TAXES**

Income taxes amounted to € -0.7 million in the first quarter of 2022 (Q1 2021: € -0.6 million). Of that amount, € -0.2 million related to effective taxes and € -0.5 million to deferred taxes.

**NET PROFIT/EARNINGS PER SHARE**

Net profit decreased by € 2.9 million to € -5.4 million in the first quarter of 2022 (Q1 2021: € -2.5 million). This corresponds to earnings per share of € -0.84 (Q1 2021: € -0.39).



**RECONCILIATION OF EBIT TO EARNINGS PER SHARE**

€ million	Q1 2022	Q1 2021	Change
<b>EBIT</b>	<b>-1.1</b>	<b>-1.5</b>	<b>+0.4</b>
Financial result	-3.5	-0.5	-3.0
<b>Earnings before income taxes</b>	<b>-4.7</b>	<b>-2.0</b>	<b>-2.7</b>
Income taxes	-0.7	-0.6	-0.1
<b>Net profit</b>	<b>-5.4</b>	<b>-2.5</b>	<b>-2.9</b>
thereof			
attributable to other shareholders	-0.0	-0.0	-0.0
attributable to shareholders of R. STAHL AG	-5.4	-2.5	-2.9
<b>Earnings per share (in €)</b>	<b>-0.84</b>	<b>-0.39</b>	<b>-0.45</b>
Average number of shares outstanding (weighted, in million units)	6.44	6.44	0

**ASSET POSITION****BALANCE SHEET STRUCTURE**

The R. STAHL Group's balance sheet total increased slightly to € 257.6 million as of 31 March 2022, compared to the end of the previous year (31 December 2021: € 246.0 million).

Non-current assets decreased by € 8.2 million as of the balance sheet date. The decrease is mainly due to deferred tax assets resulting from the change in the discount rate used to measure pension obligations, the partial write-down on our Russian investment and the reversal of non-current financial assets.

Current assets increased by € 19.9 million to € 111.1 million as of 31 March 2022, compared with the end of the previous year (31 December 2021: € 91.2 million). In addition to increased inventories of critical raw materials and an increase in inventories of work

in progress and finished goods, higher cash and cash equivalents also led to an increase in current assets.

Non-current liabilities decreased by € 11.1 million to € 109.4 million as of the end of the reporting period (31 December 2021: € 120.4 million), mainly due to lower provisions for pension obligations, which decreased by € 10.6 million in the reporting period due to an increase in the discount rate to an average of 2.09%.

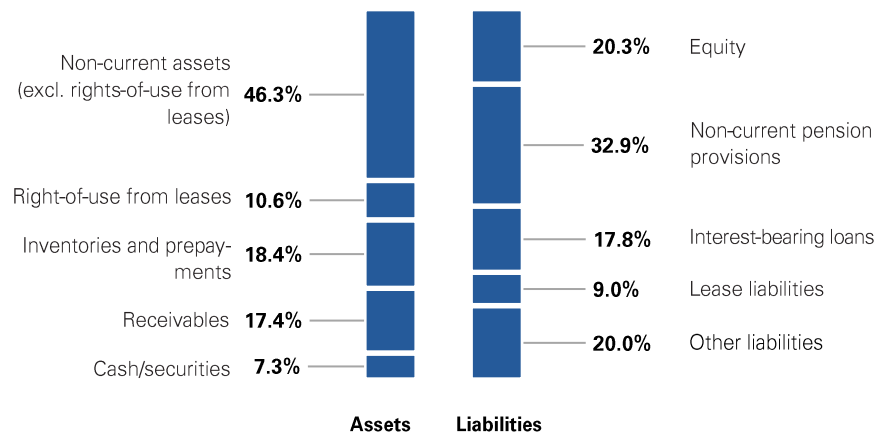
There was an increase of € 20.1 million in current liabilities to € 95.9 million as of 31 March 2022 compared with the end of the previous year (31 December 2021: € 75.8 million). This was mainly due to an increase in the utilization of loans and higher accrued liabilities. This was partially offset by a reduction of € 4.2 million in trade accounts payable.

Equity improved by € 2.6 million year-on-year to € 52.3 million (31 December 2021: € 49.8 million). The positive equity effect from lower provisions for pension obligations compensated for the negative net profit. This resulted in an equity ratio of 20.3% compared with 20.2% as of 31 December 2021.

**ASSET AND CAPITAL STRUCTURE**

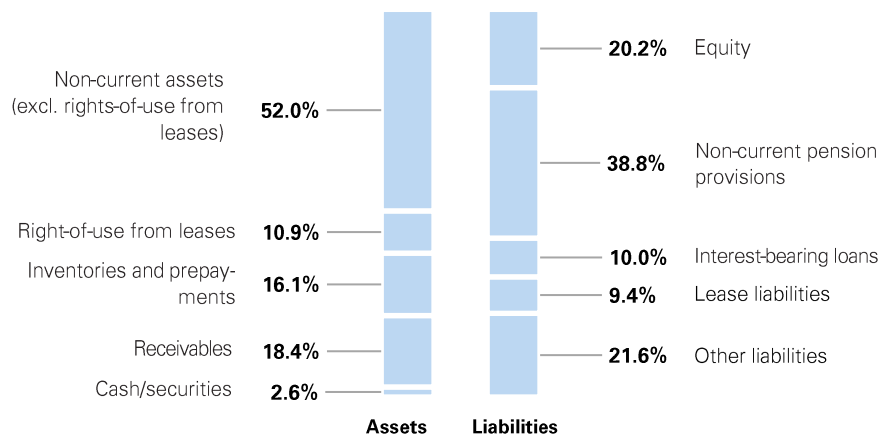
**31 March 2022**

**Balance sheet total € 257.6 million**



**31 December 2021**

**Balance sheet total € 246.0 million**



## FINANCIAL POSITION

Cash flow the reporting period improved by € 0.9 million to € 2.7 million (Q1 2021: € 1.8 million). The expansion of the inventory position in particular led to a significant increase in working capital and resulted in a decrease in cash flow from operating activities of € 6.6 million to € -9.7 million in the first quarter of 2022 (Q1 2021: € -3.1 million).

The liquidation of a non-current financial investment, accompanied by a slight increase in investments in intangible assets and property, plant and equipment, led to a decrease in cash flow from investment activities of € 3.0 million to € -0.2 million (Q1 2021: € -3.2 million). Overall, free cash flow in the reporting quarter was € -7.3 million – € 2.8 million below the prior-year figure (Q1 2021: € -4.5 million).

Cash flow from financing activities increased year-on-year to € 19.7 million in Q1 2022, mainly due to higher borrowings of interest-bearing financial liabilities (Q1 2021: € 1.5 million). The repayment of lease liabilities of € -1.6 million was at the level of the previous year.

As of 31 March 2022, the R. STAHL Group had cash and cash equivalents of € 18.8 million available (31 December 2021: € 6.3 million). Compared to the previous year, cash and cash equivalents thus increased by € 1.5 million (Q1 2021: € 17.2 million).

As a result of the negative free cash flow, net debt (excluding pension provisions and lease liabilities) increased by € 8.9 million to € 27.1 million as of 31 March 2022 compared with the level at the beginning of the year (31 December 2021: € 18.3 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 2021 starting on page 39 continue to apply unchanged.

## FORECAST

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 2021, which was published on 13 April 2021. Accordingly, based on the economic development forecast and the recent increase in order intake, we expect sales growth in 2022 to be in the low double-digit percentage range compared with the previous year. Against the backdrop of higher material prices and the difficult supply chain situation, we do not expect to be able to fully pass on the resulting burdens to customers, which is why EBITDA pre exceptionals should also improve by a low double-digit percentage in the financial year. Developments in the Russia-Ukraine conflict may lead to impairments in large gas projects in particular and reduce expected sales and earnings growth. The partial write-down of our 25% investment in ZAVOD Goreltex and the continuing uncertainties may result in negative net profit in the higher single-digit million range. Assuming a constant interest rate level for the valuation of the pension provisions, we expect a slight decrease overall in the equity ratio. Positive effects from the increase in interest rates for the measurement of pension obligations are partially offset by earnings risks from the write-down on the Russian investment. Due to increasing capital expenditures for both property, plant and equipment and development projects, we expect a moderately negative free cash flow and an increase in net debt. We remain committed to this assessment.

# CONSOLIDATED FINANCIAL STATEMENTS

## CONSOLIDATED INCOME STATEMENT

1 January to 31 March

€ 000	Q1 2022	Q1 2021	Change in %
<b>Sales</b>	<b>60,986</b>	<b>58,173</b>	<b>+4.8</b>
Change in finished and unfinished products	4,055	1,832	>+100
Own work capitalized	1,494	1,300	+14.9
<b>Total operating performance</b>	<b>66,535</b>	<b>61,305</b>	<b>+8.5</b>
Other operating income	2,136	3,139	-32.0
Cost of materials	-23,568	-21,432	-10.0
Personnel costs	-31,755	-30,048	-5.7
Depreciation and amortization	-4,055	-4,113	+1.4
Other operating expenses	-10,439	-10,359	-0.8
<b>Earnings before financial result and income tax (EBIT)</b>	<b>-1,146</b>	<b>-1,508</b>	<b>+24.0</b>
Result from companies consolidated using the equity method	336	221	+52.0
Investment result	-3,071	0	n/a
Interest and similar income	6	24	-75.0
Interest and similar expense	-808	-706	-14.4
<b>Financial result</b>	<b>-3,537</b>	<b>-461</b>	<b>n/a</b>
<b>Earnings before taxes</b>	<b>-4,683</b>	<b>-1,969</b>	<b>n/a</b>
Income taxes	-739	-552	-33.9
<b>Net profit/loss</b>	<b>-5,422</b>	<b>-2,521</b>	<b>n/a</b>
thereof attributable to other shareholders	-13	-12	-8.3
thereof attributable to shareholders of R. STAHL AG	-5,409	-2,509	n/a
<b>Earnings per share in €</b>	<b>-0.84</b>	<b>-0.39</b>	<b>n/a</b>

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

1 January to 31 March

€ 000	Q1 2022	Q1 2021	Change in %
<b>Net profit</b>	<b>-5,422</b>	<b>-2,521</b>	<i>n/a</i>
Gains/losses from currency translations of foreign subsidiaries, recognized in equity	498	1,344	-62.9
Deferred taxes on gains/losses from currency translations	0	0	<i>n/a</i>
<b>Currency translation differences after taxes</b>	<b>498</b>	<b>1,344</b>	<b>-62.9</b>
<b>Other comprehensive income with reclassification of profit for the period</b>	<b>498</b>	<b>1,344</b>	<b>-62.9</b>
Gains/losses from the subsequent measurement of pension obligations, recognized in equity	10,639	5,961	+78.5
Deferred taxes from pension obligations	-3,146	-1,573	-100.0
<b>Other comprehensive income without reclassification to profit for the period</b>	<b>7,493</b>	<b>4,388</b>	<b>+70.8</b>
<b>Other comprehensive income (valuation differences recognized directly in equity)</b>	<b>7,991</b>	<b>5,732</b>	<b>+39.4</b>
thereof attributable to other shareholders	24	8	>+100
thereof attributable to shareholders of R. STAHL AG	7,967	5,724	+39.2
<b>Total comprehensive income after tax</b>	<b>2,569</b>	<b>3,211</b>	<b>-20.0</b>
thereof attributable to other shareholders	11	-4	<i>n/a</i>
thereof attributable to shareholders of R. STAHL AG	2,558	3,215	-20.4

**CONSOLIDATED BALANCE SHEET**

€ 000	<b>31 March 2022</b>	<b>31 Dec. 2021</b>	<b>Change</b>
<b>ASSETS</b>			
Intangible assets	47,457	46,512	+945
Property, plant & equipment	78,392	78,039	+353
Investments in associated companies	8,445	11,180	-2,735
Other financial assets	30	3,307	-3,277
Other assets	2,059	1,801	+258
Investment property	4,447	4,499	-52
Deferred taxes	5,706	9,418	-3,712
<b>Non-current assets</b>	<b>146,536</b>	<b>154,756</b>	<b>-8,220</b>
Inventories and prepayments	47,395	39,635	+7,760
Trade receivables	34,144	35,879	-1,735
Contract receivables	142	520	-378
Income tax claims	334	392	-58
Other receivables and other assets	10,326	8,480	+1,846
Cash and cash equivalents	18,757	6,342	+12,415
<b>Current assets</b>	<b>111,098</b>	<b>91,248</b>	<b>+19,850</b>
<b>Total assets</b>	<b>257,634</b>	<b>246,004</b>	<b>+11,630</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	16,500	16,500	0
Capital reserve	13,457	13,457	0
Retained earnings	49,730	55,139	-5,409
Accumulated other comprehensive income	-27,576	-35,543	+7,967
<b>Equity attributable to shareholders of R. STAHL AG</b>	<b>52,111</b>	<b>49,553</b>	<b>+2,558</b>
Non-controlling interests	224	213	+11
<b>Equity</b>	<b>52,335</b>	<b>49,766</b>	<b>+2,569</b>
Pension provisions	84,848	95,485	-10,637
Other provisions	2,534	2,522	+12
Interest-bearing financial liabilities	2,085	2,424	-339
Lease liabilities	17,255	17,322	-67
Other liabilities	64	63	+1
Deferred taxes	2,589	2,611	-22
<b>Non-current liabilities</b>	<b>109,375</b>	<b>120,427</b>	<b>-11,052</b>
Provisions	7,764	8,193	-429
Trade payables	14,677	18,896	-4,219
Interest-bearing financial liabilities	43,802	22,177	+21,625
Lease liabilities	5,993	5,858	+135
Deferred liabilities	16,125	12,417	+3,708
Income tax liabilities	557	599	-42
Other liabilities	7,006	7,671	-665
<b>Current liabilities</b>	<b>95,924</b>	<b>75,811</b>	<b>+20,113</b>
<b>Total equity and liabilities</b>	<b>257,634</b>	<b>246,004</b>	<b>+11,630</b>

**CONSOLIDATED CASH FLOW STATEMENT**

1 January to 31 March

€ 000	Q1 2022	Q1 2021	Change
<b>Net profit</b>	<b>-5,422</b>	<b>-2,521</b>	<b>-2,901</b>
Depreciation, amortization and impairment of non-current assets	7,126	4,113	+3,013
Changes in non-current provisions	10	-2	+12
Changes in deferred taxes	559	379	+180
Equity valuationg	-336	-221	-115
Other income and expenses without cash flow impact	688	58	+630
Result from the disposal of non-current assets	31	-4	+35
<b>Cash flow</b>	<b>2,656</b>	<b>1,802</b>	<b>+854</b>
Changes in current provisions	-450	-737	+287
Changes in inventories, trade receivables and other non-capex or non-financial assets	-7,898	-2,370	-5,528
Changes in trade payables and other non-capex or non-financial liabilities not attributable to investing or financing activities	-1,403	-34	-1,369
<b>Changes in working capital</b>	<b>-9,751</b>	<b>-3,141</b>	<b>-6,610</b>
<b>Cash flow from operating activities</b>	<b>-7,095</b>	<b>-1,339</b>	<b>-5,756</b>
Cash outflow for capex on intangible assets	-2,106	-1,955	-151
Cash outflow for capex on property, plant & equipment	-1,431	-1,264	-167
Cash inflow from disposals of property, plant & equipment and investment property	19	20	-1
Cash inflow from disposals of non-current financial assets	3,270	0	+3,270
<b>Cash flow from investing activities</b>	<b>-248</b>	<b>-3,199</b>	<b>+2,951</b>
<b>Free cash flow</b>	<b>-7,343</b>	<b>-4,538</b>	<b>-2,805</b>
Cash outflow for the down payment of lease liabilities	-1,585	-1,669	+84
Cash inflow from interest-bearing liabilities	21,728	7,053	+14,675
Cash outflow for repayment of interest-bearing liabilities	-443	-3,856	+3,413
<b>Cash flow from financing activities</b>	<b>19,700</b>	<b>1,528</b>	<b>+18,172</b>
Changes in cash and cash equivalents	12,357	-3,010	+15,367
Foreign exchange and valuation-related changes in cash and cash equivalents	58	400	-342
Cash and cash equivalents at the beginning of the period	6,342	19,854	-13,512
<b>Cash and cash equivalents at the end of the period</b>	<b>18,757</b>	<b>17,244</b>	<b>+1,513</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

1 January to 31 March

€ 000	Equity attributable to shareholders								Equity
	Share capital	Capital reserves	Retained earnings	Accumulated other comprehensive income			Total	Non-controlling interests	
				Currency translation	Unrealized gains/losses from pensions	Total accumulated other comprehensive income			
<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/loss			-2,509				-2,509	-12	-2,521
Accumulated other comprehensive income				1,336	4,388	5,724	5,724	8	5,732
<b>Total comprehensive income</b>			<b>-2,509</b>	<b>1,336</b>	<b>4,388</b>	<b>5,724</b>	<b>3,215</b>	<b>-4</b>	<b>3,211</b>
Dividend distribution							0		0
<b>31 March 2021</b>	<b>16,500</b>	<b>13,457</b>	<b>57,537</b>	<b>-4,861</b>	<b>-31,509</b>	<b>-36,370</b>	<b>51,124</b>	<b>230</b>	<b>51,354</b>
<b>1 Jan. 2022</b>	<b>16,500</b>	<b>13,457</b>	<b>55,139</b>	<b>-4,474</b>	<b>-31,069</b>	<b>-35,543</b>	<b>49,553</b>	<b>213</b>	<b>49,766</b>
Net profit/loss			-5,409				-5,409	-13	-5,422
Accumulated other comprehensive income				474	7,493	7,967	7,967	24	7,991
<b>Total comprehensive income</b>			<b>-5,409</b>	<b>474</b>	<b>7,493</b>	<b>7,967</b>	<b>2,558</b>	<b>11</b>	<b>2,569</b>
Dividend distribution							0		0
<b>31 March 2022</b>	<b>16,500</b>	<b>13,457</b>	<b>49,730</b>	<b>-4,000</b>	<b>-23,576</b>	<b>-27,576</b>	<b>52,111</b>	<b>224</b>	<b>52,335</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 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 2021.

## 3. ACCOUNTING AND MEASURE- MENT 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 2021. A description of these principles is published in the notes to the consolidated financial statements 2021. This can be viewed on our website [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 three months of 2022, 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	3M 2022	3M 2021
Sales from contracts with customers	60,732	57,919
Rental income from investment property	254	254
<b>Total</b>	<b>60,986</b>	<b>58,173</b>

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

€ 000	3M 2022	3M 2021
At a specific time	58,001	55,293
Over a specific period	2,985	2,880
<b>Total</b>	<b>60,986</b>	<b>58,173</b>

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

## 5. FINANZINSTRUMENTE

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	31 March 2022	31 Dec. 2021
<b>Positive market values</b>		
Currency derivatives without hedging relationship	14	0
<b>Negative market values</b>		
Currency derivatives without hedging relationship	-54	-49

## 6. NUMBER OF EMPLOYEES

The number of employees at the 31 March 2022 reporting date 1,662 (31 December 2021: 1,672) 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 2021.

## 8. REPORT ON SIGNIFICANT RELATED PARTY TRANSACTIONS

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

Waldenburg, 12 May 2022

R. Stahl Aktiengesellschaft

**Dr. Mathias Hallmann**  
Chief Executive Officer  
(CEO)

**Bernardo Kral**  
Chief Operating Officer  
(COO)

# FINANCIAL CALENDER 2022

**13 July**

29. Annual General Meeting

**11 August**

Interim report as of 30 June 2022

**10 November**

Interim report as of 30 September 2022

## CONTACT/ IMPRINT

Judith Schäuble  
Investor Relations  
T: +49 7942 943 13 96  
F: +49 7942 943 40 13 96  
[investornews@r-stahl.com](mailto:investornews@r-stahl.com)

R. STAHL Aktiengesellschaft  
Am Bahnhof 30  
74638 Waldenburg (Württ.)  
[www.r-stahl.com](http://www.r-stahl.com)