



CONSOLIDATED INTERIM REPORT FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2021

# Key figures at a glance

## Financial position and results of operations

(in EUR million)

	Q1 2021	Q1 2020
Sales	138.2	130.7
Total output	151.1	130.2
Gross profit	69.7	61.3
EBITDA*	8.4	3.2
EBIT**	5.5	0.3
Cash flow from operating activities	-0.8	-0.4
Cash flow from investing activities	-2.0	-1.3

## Net assets

(in EUR million)

	31 March 2021	31 Dec. 2020
Total assets	334.4	324.7
Equity	124.2	120.8
Equity ratio %***	37.1 %	37.2 %
Working capital****	80.9	66.1
Net cash and cash equivalents*****	70.1	73.2
Employees*****	2,708	2,774

\* Consolidated net income before depreciation and amortisation, financial result and income taxes

\*\* Consolidated net income before financial result and income taxes

\*\*\* Equity plus goodwill/total assets

\*\*\*\* Inventories plus trade receivables minus trade payables

\*\*\*\*\* Net cash including securities classified as current assets minus liabilities to banks

\*\*\*\*\* Average number for the year

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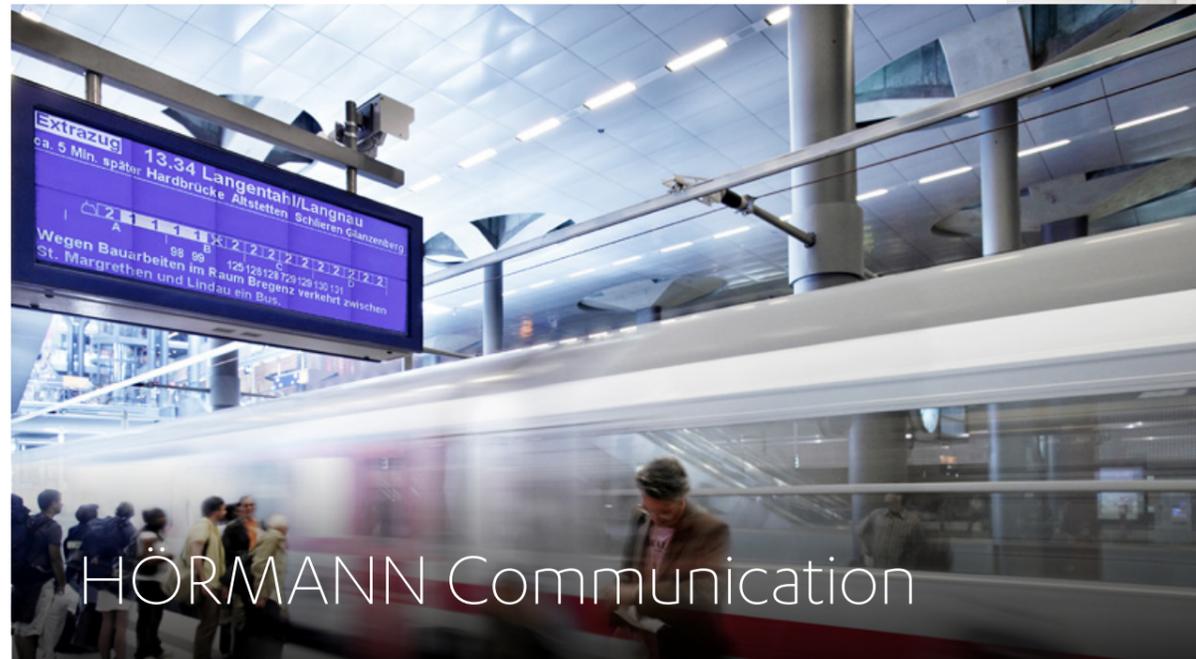
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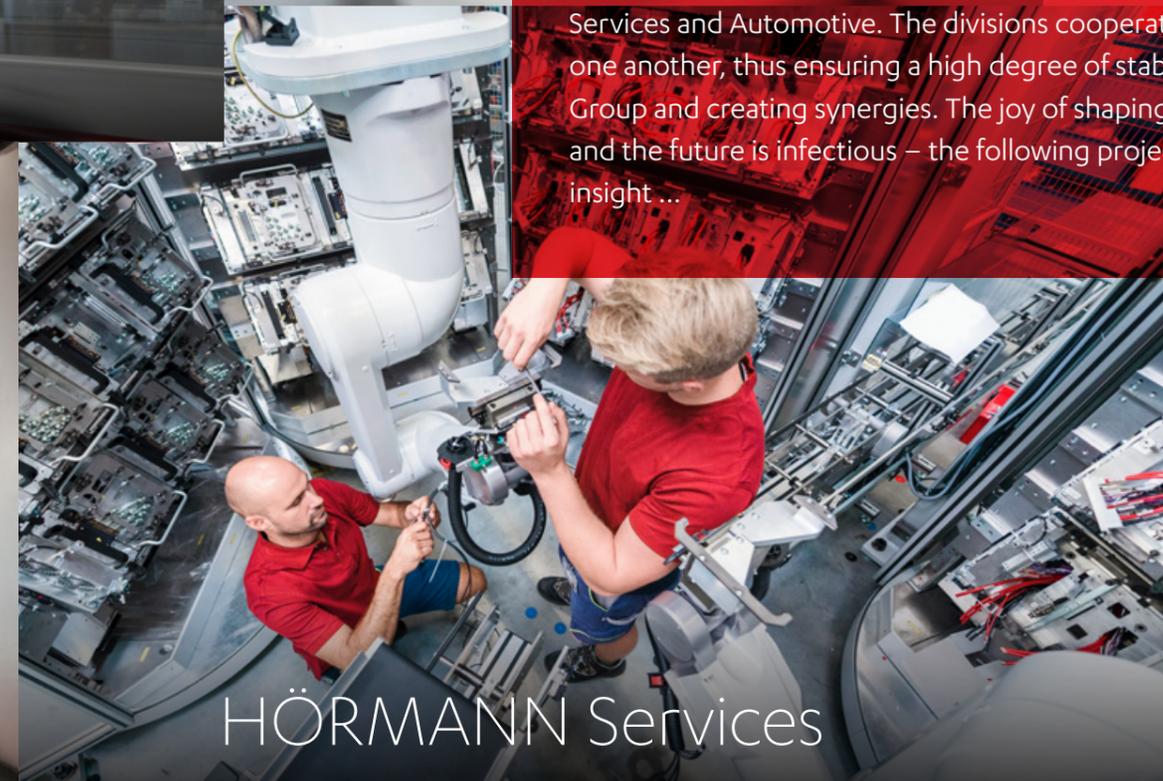
## Management Report

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# Broad diversification with four strong divisions



The **HÖRMANN Group** has been at the forefront of innovation for 65 years. By continuously investing in our employees' expertise and the latest technologies, the family-owned company has since expanded into 27 independent companies. Together, they are successful in four divisions: Engineering, Communication, Services and Automotive. The divisions cooperate and support one another, thus ensuring a high degree of stability for the Group and creating synergies. The joy of shaping the transition and the future is infectious – the following projects offer an insight ...



# Basic information on the Group

The Group, comprising HÖRMANN Industries GmbH and its direct and indirect subsidiaries, constitutes the industrial subgroup of the HÖRMANN Group. The Group is broken down into four business divisions to which the individual companies are allocated.

In addition, the subsidiary HÖRMANN Digital GmbH, Kirchseeon, which was acquired in 2020, acts as an overarching service provider for the development of software-based product solutions and enhancements.

The information on the course of business in the Group management report is presented in line with the business division structure of the Group.

The material equity investments are allocated to the divisions as follows:

## AUTOMOTIVE

- ♦ HÖRMANN Automotive GmbH, Kirchseeon
- ♦ HÖRMANN Automotive Gustavsburg GmbH, Ginsheim-Gustavsburg
- ♦ HÖRMANN Automotive Slovakia s.r.o., Bánovce, Slovakia
- ♦ HÖRMANN Automotive St. Wendel GmbH, St. Wendel
- ♦ HÖRMANN Automotive Saarbrücken GmbH, Saarbrücken
- ♦ HÖRMANN Automotive Wackersdorf GmbH, Wackersdorf
- ♦ HÖRMANN Automotive Eislingen GmbH, Eislingen
- ♦ HÖRMANN Automotive Assets GmbH, Kirchseeon (formerly HÖRMANN Automotive Bielefeld GmbH)

In the Automotive division, HÖRMANN Industries GmbH is a supplier of metal components, modules and systems for the European commercial vehicle, construction and agricultural machinery industries.

The division covers the entire value chain with its engineering, production and logistics services.

The largest domestic location is HÖRMANN Automotive Gustavsburg GmbH, which specialises in the production of premium chassis and body parts and attachments for commercial vehicles. It is also a manufacturer of side members.

The other locations include HÖRMANN Automotive St. Wendel GmbH, a manufacturer of components and modules for the agricultural machinery industry in particular; HÖRMANN Automotive Saarbrücken GmbH, a developer and manufacturer of interior

systems such as interior ceilings for buses, air conditioning and fuel pipes for buses and trucks and complete chassis for agricultural machinery; HÖRMANN Automotive Wackersdorf GmbH, which performs module assembly, packaging and logistics for customers; HÖRMANN Automotive Eislingen GmbH, a manufacturer of luggage compartment flaps, interior covers, fuel tanks and hydraulic tanks for commercial vehicles and agricultural and construction machinery; and HÖRMANN Automotive Slovakia s.r.o., which produces labour-intensive metal components and chassis attachments for the commercial vehicle industry. HÖRMANN Automotive Assets GmbH holds assets and operating resources for companies in the Automotive division.

Production and extensive production facilities were relocated from the Penzberg plant in the year under review and largely moved to the Bánovce plant in Slovakia without interrupting series production. The relocation and the shutdown of production at the Penzberg plant was completed on 30 June 2020 as planned. Earnings in the Automotive division were extraordinarily impacted by non-recurring expenses of around EUR 5.8 million at the level of HÖRMANN Automotive GmbH and HÖRMANN Automotive Slovakia s.r.o in connection with the relocation and the winding-up of the Penzberg plant.

## ENGINEERING

- ♦ HÖRMANN BauPlan GmbH (formerly AIC Ingenieurgesellschaft für Bauplanung Chemnitz GmbH), Chemnitz
- ♦ HÖRMANN Rawema Engineering & Consulting GmbH, Chemnitz
- ♦ HÖRMANN Logistik GmbH, Munich
- ♦ Klatt Fördertechnik GmbH, Neumarkt a. Wallersee, Austria
- ♦ HÖRMANN Vehicle Engineering GmbH, Chemnitz
- ♦ VacuTec Meßtechnik GmbH, Dresden

The Engineering division operates in the fields of industrial design, vehicle development and facility, building and factory planning, through to providing innovative solutions for intralogistics and complex high-bay warehouse systems. This service range is supplemented by the development and production of detectors for measuring ionising radiation.

HÖRMANN Bauplan GmbH provides engineering services within the construction industry, with a particular focus on commercial and residential construction and especially technical building services.

HÖRMANN Rawema Engineering & Consulting GmbH supplements the service range with general planning and realisation for new factories and the re-engineering and/or relocation of existing factories and facilities.

HÖRMANN Logistik GmbH is a general contractor that builds turnkey material flow systems. With intelligent workflow concepts and complex storage strategies, HÖRMANN Logistik GmbH realises the most economical intralogistics solutions for individual requirements, thereby enabling its international customers from a wide range of industries to generate significant productivity and efficiency improvements. The acquisition of a majority interest (51%) in Klatt Fördertechnik GmbH in the previous year expanded the general contractor portfolio to include the conveyor systems developed, planned, manufactured and assembled by Klatt Fördertechnik GmbH. Klatt Fördertechnik GmbH has developed into a European provider for industry, airports, mail sorting centres, waste disposal and hospitals.

In addition, HÖRMANN Vehicle Engineering GmbH provides expertise and resources in high-tech design engineering for the development of rail and road vehicles.

VacuTec Meßtechnik GmbH develops, produces and markets a broad range of detectors for measuring ionising radiation for use in medicine, industrial metrology and environmental monitoring.

## COMMUNICATION

- ♦ Funkwerk AG, Köllda
- ♦ Funkwerk Technologies GmbH, Köllda
- ♦ FunkTech GmbH, Köllda
- ♦ Funkwerk Systems GmbH, Köllda
- ♦ Funkwerk Systems Austria GmbH, Vienna, Austria
- ♦ Funkwerk video systeme GmbH, Nuremberg
- ♦ Funkwerk IoT GmbH, Bremen
- ♦ HÖRMANN Kommunikation & Netze GmbH, Kirchseeon
- ♦ HÖRMANN Warnsysteme GmbH, Kirchseeon
- ♦ HÖRMANN – KMT Kommunikationen – und Meldetechnik GmbH, Salzburg, Austria

Funkwerk AG and its subsidiaries (the Funkwerk Group) are a technologically leading provider of innovative communication, information and security systems. It focuses on professional hardware and software concepts for railway companies, public transportation, inland shipping and airports in addition to smart electronic security systems to protect buildings, public spaces, industrial properties, transport and people. As the market leader for railway communication, Funkwerk offers tailored solutions for voice and data communication using analogue and digital mobile networks (LTE, GSM-R) on the railways.

HÖRMANN Kommunikation & Netze GmbH is a provider of infrastructure services related to railway traffic and communication technology as well as energy supply. HÖRMANN Kommunikation & Netze GmbH was reassigned from the Services division to the Communication division in an internal transaction with effect from 1 January 2020.

HÖRMANN Warnsysteme GmbH and HÖRMANN – KMT Kommunikationen – und Meldetechnik GmbH, Salzburg, Austria, bundle our state-of-the-art siren warning systems for alerting the fire brigade or warning the population about disasters. The project-specific solutions are performed from a single source, from planning, development and realisation to long-term maintenance.

## SERVICES

- ♦ HÖRMANN Services GmbH, Kirchseeon
- ♦ HÖRMANN Industrieservice GmbH, Lehre/Wolfsburg
- ♦ HÖRMANN Automationservice GmbH, Salzgitter
- ♦ MAT Maschinentechnik GmbH, Salzgitter

In the Services division, the Group offers a range of technical services in the industrial environment of automation and complex production facilities. The industrial service units HÖRMANN Industrieservice GmbH, HÖRMANN Automationservice GmbH and MAT Maschinentechnik GmbH focus on plant maintenance related to electrical, mechanical, control, robot, welding and conveyor technology, pneumatic and hydraulic systems as well as shift-accompanying maintenance of process technology, the assembly and commissioning of machining centres and the relocation of complete production plants, primarily for customers in the automotive industry and mechanical engineering.

# Economic report

## GENERAL ECONOMIC AND INDUSTRY CONDITIONS

According to the German Federal Statistical Office (Destatis), adjusted for inflation, seasonal and calendar effects, gross domestic product (GDP) declined by 1.7 % in the first quarter of 2021 as against the fourth quarter of 2020. Adjusted for inflation and calendar effects, the decline as against the first quarter of 2020 was 3.0 %. While the German economy had initially recovered somewhat in the second half of 2020 (according to the latest calculations from the end of April 2021 by 8.7 % in the third quarter and 0.5 % in the fourth quarter compared to the respective previous quarter), the coronavirus crisis and an associated second lockdown have triggered a renewed decline in economic performance since the start of 2021. Private consumer spending has been hit especially hard, while industrial production and exports have been supporting the economy<sup>1</sup>.

According to Destatis, the current shortage of raw materials and the price increases this entails are also preventing a more rapid recovery in industry. Copper (up 53.8 %), iron ores (up 51.6 %), non-ferrous metal ores (up 37.2 %) and pig iron, steel and ferroalloys (up 17.8 %) especially have become significantly more expensive as compared to March 2020. The main reason for the sharp increase in prices is presumably the strong global demand. The rising cost of iron ore in particular is having a knock-on effect on prices for pig iron, steel and ferroalloys<sup>2</sup>.

Nonetheless, there are also indications of an economic recovery. According to Destatis, in March 2021, incoming orders in manufacturing rose by 3.0 % in real terms (adjusted for inflation) as against the previous month (adjusted for seasonal and calendar effects). Compared to February 2020, the month before the start of COVID-19 restrictions in Germany, incoming orders adjusted for seasonal and calendar effects were 9.1 % higher. Both German orders (up 4.9 %) and international orders (up 1.6 %) contributed to growth. In the latter category, orders from outside the EU were up particularly, by 2.2 % as against the previous month<sup>3</sup>.

<sup>1</sup> Destatis press release 211, 30 April 2021

<sup>2</sup> Destatis press release 207, 29 April 2021

<sup>3</sup> Destatis press release 214, 6 May 2021

## FINANCIAL PERFORMANCE

HÖRMANN Industries GmbH generated sales of EUR 138.2 million in the first three months of 2021, rising by EUR 7.5 million or 5.7 % as against the first quarter of 2020 (EUR 130.7 million). This increase in sales largely results from the Automotive and Communication divisions.

In the Automotive division, sales rose by EUR 16.5 million year-on-year from EUR 72.1 million to EUR 88.6 million in the first quarter of 2021, thanks to the strong rise in demand in the trucks and agricultural machinery product segments. In the previous year, owing to the unexpected outbreak of coronavirus and the associated widespread shutdowns of production capacity in the automotive industry from the middle of March 2020, production was disrupted at the German plants of the Automotive division, thereby impairing sales performance in the first quarter of the previous year. The production volume expanded by more than 20 % in the first quarter of 2021. This strong in demand increase was driven firstly by government investment subsidy programmes (including the “scrapping premium” for old trucks) and the higher standards for truck exhaust quality. Furthermore, the economic recovery with rising transport volumes, combined with a further push to relocate industrial value added to Eastern Europe, is having a corresponding effect. This positive trend in demand is being offset by the growing shortage of materials. In the first quarter of 2021, production downtime and cancelled deliveries were only prevented by intensive efforts on the part of Procurement in close cooperation with customers and suppliers. The occasionally massive increases in the prices of materials and labour costs to ensure delivery capability weighed heavily on the results for the quarter.

At EUR 12.9 million, as anticipated, sales in the Engineering division were significantly lower than in the same quarter of the previous year (EUR 27.9 million). The enormous uncertainty and the economic repercussions of the COVID-19 pandemic caused severe delays in order placement in 2020. The late-cycle effects of the crisis are therefore still being felt in the 2021 financial year and causing sales to decline in the Engineering division. Orders expected to be placed in the first half of 2020 have been postponed until the fourth quarter of 2020 and first quarter of 2021, which means that longer-running projects cannot be invoiced until the end of 2021 or in 2022.

The Communication division reported sales growth of around 26.4 % to EUR 34.1 million (previous year: EUR 27.0 million). This division is benefiting from government stimulus programmes and additional state investment in the accelerated expansion of European Train Control System (ETCS), and from the efforts to enhance the efficiency of the network infrastructure for digitization in railway transport (Digitale Schiene Deutschland). In addition, high demand for qualified electrical planning and installation services, for mechanical assembly and maintenance for the ongoing energy turnaround and high investments in the expansion of railway transport are supporting the division’s positive performance.

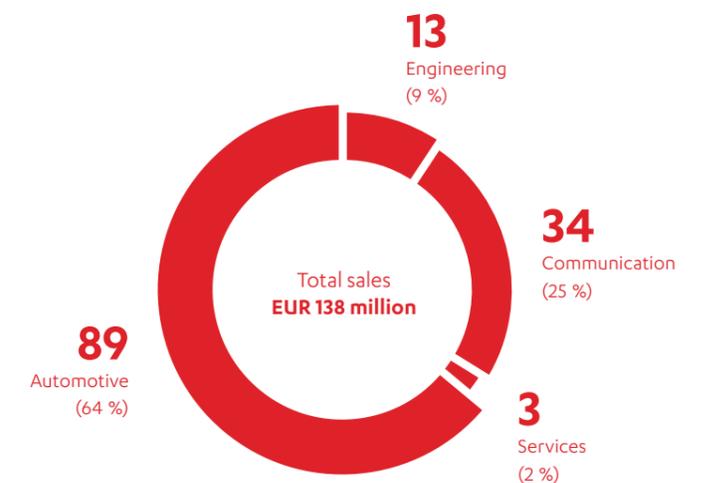
The Services division, which was also affected by the economic downturn in the automotive industry and the COVID-19 pandemic, generated sales of EUR 3.0 million (previous year: EUR 3.7 million). The business performance of the young business unit in the first quarter of 2021 continued to be impacted by the fact that travel restrictions are still in place and a lingering reluctance among automotive and mechanical engineering sectors to place orders continued. The focus is therefore on customer acquisition in non-automotive areas thanks to expertise in automation and maintenance. The Automation division of SAV GmbH, Mittweida, and its 11 employees were acquired effective 1 January 2021, thereby augmenting the automation technology expertise of HÖRMANN Automationservice GmbH.

**Other operating income** of EUR 1.4 million (previous year: EUR 1.7 million) includes EUR 0.4 million in income from investment and research grants, EUR 0.4 million in payments in kind and prior-period income of EUR 0.1 million.

Taking into account an increase in inventories of EUR 11.4 million, **total output** amounted to EUR 151.1 million, up by EUR 20.9 million or 16.1 % on the same period of the previous year (previous year: EUR 130.2 million).

The **cost of materials** of EUR 81.4 million (previous year EUR 68.9 million) included costs of raw materials, consumables and supplies, and of purchased goods, of EUR 65.5 million (previous year: EUR 56.0 million) and costs of purchased services of EUR 16.0 million (previous year: EUR 12.9 million). The ratio of cost of materials to total output corresponded to 53.9 % and was therefore slightly higher than in the previous year (52.9 %), which is essentially due to the higher cost of raw materials.

Breakdown of sales by business division for Q1 2021 in EUR million



At EUR 69.7 million, the **gross profit** rose by EUR 8.4 million as against the previous year’s figure of EUR 61.3 million, bringing the gross profit margin to 46.1 % (previous year: 47.1 %).

**Personnel expenses** were up by EUR 1.7 million at EUR 42.2 million (previous year: EUR 40.5 million), essentially on account of the high production utilisation in the Automotive division. The ratio of personnel expenses to total output was 27.9 % (previous year: 31.1 %). On average, HÖRMANN Industries GmbH employed 2,708 people in the first quarter (31 December 2020: 2,798), not including trainees.

**Depreciation and amortisation** were up EUR 0.2 million year-on-year at EUR 3.0 million (EUR 2.8 million). This included goodwill amortisation of EUR 0.4 million (previous year: EUR 0.5 million).

**Other operating expenses** rose by EUR 1.3 million year-on-year to EUR 18.7 million (EUR 17.4 million). EUR 3.5 million of this related to the cost of buildings and premises, EUR 4.8 million to administrative expenses and EUR 6.6 million to operating and selling expenses. Other operating expenses amounted to 12.4 % of total output (previous year: 13.3 %).

With an **operating result** of EUR 5.9 million (previous year: EUR 0.6 million), there was a significant improvement in financial performance in the first quarter of 2021 thanks to the ongoing economic recovery in large parts of the Automotive division and the good

performance of the Communication division. After deducting other taxes of EUR 0.4 million, **EBIT** for the first quarter of 2021 amounted to EUR 5.5 million (previous year: EUR 0.3 million).

The **financial result** declined by EUR 0.2 million as against the previous year (EUR -0.7 million) to EUR -0.9 million. In the first quarter of 2021, loan commitment interest and similar expenses of EUR 1.0 million (previous year: EUR 0.8 million) were incurred for the bond issued in 2019 and the tranche from the KfW entrepreneur loan of EUR 10 million drawn as a precaution in October 2020.

The **income tax expense** for trade and corporation tax amounted to EUR 1.1 million (previous year: EUR 0.6 million).

The first quarter of 2021 ended with consolidated net income of EUR 3.5 million (previous year: EUR -1.0 million).

HÖRMANN Industries GmbH's sales and earnings therefore developed in line with planning at the start of 2021.

## FINANCIAL POSITION

### Capital structure

The Group's **equity base** including non-controlling interests amounted to EUR 124.2 million as of 31 March 2021 (31 December 2020: EUR 120.8 million). Despite the increase in total assets, thanks to the positive financial performance, the equity ratio therefore remained at virtually the same level as in the previous year at 37.1% (31 December 2020: 37.2%) as of 31 March 2021.

Total assets increased by EUR 9.7 million from EUR 324.7 million to EUR 334.4 million, essentially as a result of the increase in working capital as against the end of the previous year, which in turn was mainly caused by the growth in total output.

Including inventories of EUR 60.1 million and trade receivables of EUR 57.8 million and less trade payables of EUR 37.0 million, working capital increased from EUR 66.1 million as of 31 December 2020 to EUR 80.9 million as of the end of the quarter under review. This development was essentially due to the year-on-year increase in trade receivables from EUR 42.8 million to EUR 57.8 million. The level of advance payments rose again in the first quarter of 2021. Payments received from customers on account of projects and orders already underway amounted to EUR 84.2 million as of 31 March 2021 (31 December 2020: EUR 74.6 million).

Liabilities in connection with **bonds** amounted to EUR 50.0 million as of 31 March 2021 (31 December 2020: EUR 50.0 million). The bond issued in June 2019 by HÖRMANN Industries GmbH has a volume of EUR 50.0 million, a coupon of 4.5% and a term of five years ending in June 2024.

There were **liabilities to banks** of EUR 10.0 million as of 31 March 2021 (31 December 2020: EUR 10.0 million). At the end of July 2020, HÖRMANN Industries obtained approval for a EUR 40.0 million KfW entrepreneur loan it had applied for, as a precautionary measure, as part of the German Federal government's package of measures to mitigate the economic impact of the COVID-19 pandemic. In September 2020, the federal government contractually agreed the loan facility granted under the terms of the KfW Special Programme 2020 for large companies with the existing syndicate of banks as the financing partner assuming 80% of the risk. The loan has a term of five years with 16 quarterly repayment instalments beginning in the second year. HÖRMANN Industries GmbH utilised EUR 10.0 million of this in October 2020 as a precaution.

Under the five-year syndicated loan agreement with a two-year extension option concluded with a banking syndicate comprising SaarLB, HeLaBa, Commerzbank AG and Oberbank AG in December 2019, the Group has a credit facility of up to EUR 40.0 million, up to EUR 15.0 million of which can be used as an overdraft and up to EUR 25.0 million as a revolving EURIBOR line. This loan had not been utilised as of 31 March 2021.

Conditions have not deteriorated year-on-year as a result of the company's credit standing and are in line with market developments.

### Liquidity

**Bank balances** including **securities classified as current assets** amounted to EUR 80.1 million as of 31 March 2021 (31 December 2020: EUR 83.2 million).

There were credit facilities of EUR 72.5 million available as of 31 March 2021 (31 December 2020: EUR 72.5 million).

HÖRMANN Industries GmbH had net **cash and cash equivalents** of EUR 70.1 million as of the reporting date (31 December 2020: EUR 73.2 million). Net cash and cash equivalents are calculated as cash in hand and bank balances plus securities classified as current assets, less liabilities to banks.

### Cash flow statement

The cash flow statement is structured in accordance with GAS 21. In the first quarter of 2021, the cash flow from operating activities was virtually unchanged as against the same quarter of the previous year at EUR -0.8 million (previous year: EUR -0.4 million). Cash flow from investing activities declined by EUR 0.7 million from EUR -1.3 million to EUR -2.0 million as a result of higher payments for purchases of tangible assets. Cash flow from financing activities amounted to EUR -0.4 million (previous year: EUR 10.0 million). The figure for the previous year was due to the borrowing of a tranche under the existing syndicated credit facility.

Group companies were able to meet their payment obligations at all times.

### Assets and liabilities

At EUR 2.5 million (previous year: EUR 1.8 million), additions to **tangible** and **intangible assets** were lower than depreciation and amortisation on fixed assets (EUR 3.0 million).

Total inventories (after deducting payments received on account of orders) declined by EUR 1.0 million to EUR 60.1 million as against 31 December 2020. The increase in payments received on account of orders to EUR 84.2 million (previous year: EUR 74.6 million), the reduction in raw materials, consumables and supplies to EUR 27.5 million (previous year: EUR 31.3 million) and the reduction in finished goods and merchandise to EUR 12.2 million (previous year: EUR 12.5 million) fully covered the increase in unfinished goods and services to EUR 90.7 million (previous year: EUR 77.9 million). The range of inventories to sales declined to 39.1 days (previous year: 42.2 days). Daily sales were calculated by dividing inventories as of 31 March 2021 by the average sales per day in the period under review.

**Trade receivables** increased from EUR 42.8 million to EUR 57.8 million, corresponding to 37.7 days (previous year: 29.6 days). Daily sales were calculated by dividing receivables as of 31 March 2021 by the average sales per day in the period under review.

**Other assets** declined slightly from EUR 19.0 million to EUR 18.5 million.

**Deferred taxes** are taken over from the single-entity financial statements. Deferred tax assets mainly result from differences between the amounts recognised for provisions in the financial accounts and the tax accounts, and from tax loss carryforwards that could be used at a future date. Deferred tax assets were unchanged as of 31 March 2021 at EUR 14.3 million.

**Pension provisions** were remeasured as of 31 December 2020, and were practically the same as in the previous year at EUR 21.1 million as of 31 March 2021 (31 December 2020: EUR 21.2 million).

**Provisions for taxes** amounted to EUR 3.6 million as of 31 March 2021 and were unchanged year-on-year.

**Trade payables** were virtually unchanged as of the reporting date at EUR 37.0 million (31 December 2020: EUR 37.8 million). The utilisation of trade credit for the cost of materials and other operating expenses was reduced from an average of 38.5 days to 37.7 days as a result of the higher expenses. The average duration of credit utilisation is calculated by dividing trade payables as of 31 March 2021 by the total of the average cost of materials and other operating expenses per day in the period under review.

# Outlook

## GENERAL ECONOMIC CONDITIONS

The global economy is still suffering to an unprecedented extent from the repercussions of the coronavirus outbreak. Forecasts by experts are therefore subject to a high degree of uncertainty regarding the remaining duration and severity of the pandemic. A reliable forecast of the economic consequences and the associated economic and financial crisis is possible only to a limited extent at the time of preparing this interim report. All available forecasts by the economic research institutes also cite the enormous uncertainty of future developments.

The pandemic spread across the world more rapidly than initially expected, and extensive measures were taken to contain it. A sustained decline in the number of new cases and a gradual easing of restrictions imposed in Germany and by key trade partners for public health reasons are creating the groundwork for economic recovery throughout the remainder of 2021. The financial support measures and the economic stimulus programmes approved are also having a positive effect.

In its April 2021 World Economic Outlook, the International Monetary Fund (IMF) is projecting global economic growth of 6.0% for the current year as a whole, 0.5 percentage points higher than in its forecast from January 2021. An increase of 5.1% has been forecast for the industrialised nations. The economy in the euro area is set to grow by 4.4% in the current year. Economic growth of 3.6% is expected in Germany<sup>4</sup>.

Despite this positive outlook for future economic development, there still remains the uncertainty described above as to the how the COVID-19 pandemic will develop further and whether the economy will be hit by a third wave.

## FORECAST FOR HÖRMANN INDUSTRIES GMBH

Economic and industry developments will continue to influence HÖRMANN Industries GmbH's operating and financial performance in the 2021 financial year. The Group's forecasts for its expected business performance are based on certain assumptions regarding the development of the economy in Germany, the euro area and specific industries, and on an optimistic assessment of the how the COVID-19 pandemic will continue to unfold.

Given the ongoing uncertainty at the time of preparing this report regarding the further course of the COVID-19 pandemic and the economic and financial effects of this crisis in the euro area, HÖRMANN Industries GmbH assumes that the COVID-19 pandemic will have a significant impact on the sales and earnings performance of the company in 2021 as well. However, the company expects that the overall economic situation will continue to recover in 2021 in line with forecasts.

The current shortage of raw materials described above and the associated price increases could negatively affect ongoing developments<sup>5</sup>.



The Group's positive business performance in 2021 could be negatively impacted by the high demand from the commercial vehicle industry that has been ongoing since the end of 2020 and the current escalation in material availability problems, which are going hand-in-hand with significant price increases.

At Group level, based on an assessment of the current order situation in its individual divisions, HÖRMANN Industries GmbH is forecasting total sales in 2021 of between EUR 540 and EUR 560 million (2020: EUR 521.5 million). Taking this sales forecast and the higher

costs of materials described above into account, the company is aiming for operating EBIT of around EUR 20 million (2020: EUR 12.6 million).

HÖRMANN Industries GmbH notes that its actual results may differ from these forecasts. Please refer to the Group management report for the 2020 financial year for the report on risks and opportunities.

Kirchseeon, May 2021

HÖRMANN Industries GmbH

The Management

Dr.-Ing. Michael Radke

Johann Schmid-Davis

<sup>4</sup> IMF World Economic Outlook, April 2021

<sup>5</sup> Destatis press release 207, 29 April 2021

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# Consolidated Balance Sheet

ASSETS (EUR thousand)	31 Mar 2021	31 Dec 2020
<b>A. FIXED ASSETS</b>	<b>89,155</b>	<b>90,087</b>
<b>I. Intangible assets</b>	<b>13,921</b>	<b>14,380</b>
1. Purchased concessions, industrial property rights and similar rights and assets and licenses in such rights and assets	2,206	2,243
2. Goodwill	11,137	11,578
3. Advance payments made on intangible assets	579	559
<b>II. Tangible assets</b>	<b>54,055</b>	<b>54,550</b>
1. Land, leasehold rights and buildings	11,840	11,906
2. Technical equipment and machinery	25,807	26,693
3. Other equipment, factory and office equipment	9,108	9,483
4. Advance payments and assets under construction	7,300	6,468
<b>III. Long-term financial assets</b>	<b>21,179</b>	<b>21,157</b>
1. Equity investments in associated companies	25	0
2. Equity investments	305	304
3. Securities held as fixed assets	204	204
4. Other loans	20,646	20,649
<b>B. CURRENT ASSETS</b>	<b>226,895</b>	<b>216,975</b>
<b>I. Inventories</b>	<b>60,069</b>	<b>61,084</b>
1. Raw materials, consumables and supplies	27,537	31,282
2. Work in progress	90,719	77,906
3. Finished goods and merchandise	12,165	12,538
4. Advance payments	13,839	13,965
5. Payments received on account of orders	-84,191	-74,607
<b>II. Receivables and other assets</b>	<b>86,754</b>	<b>72,682</b>
1. Trade receivables	57,802	42,835
2. Receivables from associated companies	10,457	10,860
4. Other assets	18,495	18,987
<b>III. Securities</b>		
Other securities	182	182
<b>IV. Cash-in-hand and bank balances</b>	<b>79,890</b>	<b>83,027</b>
<b>C. PREPAID EXPENSES</b>	<b>3,641</b>	<b>2,964</b>
<b>D. DEFERRED TAX ASSETS</b>	<b>14,337</b>	<b>14,333</b>
<b>E. EXCESS OF PLAN ASSETS OVER PENSION LIABILITIES</b>	<b>416</b>	<b>381</b>
<b>Total assets</b>	<b>334,444</b>	<b>324,740</b>

# Consolidated Balance Sheet

EQUITY AND LIABILITIES (EUR thousand)	31 Mar 2021	31 Dec 2020
<b>A. EQUITY</b>	<b>124,233</b>	<b>120,749</b>
<b>I. Subscribed capital</b>	<b>200</b>	<b>200</b>
<b>II. Capital reserve</b>	<b>43,422</b>	<b>43,422</b>
<b>III. Consolidated balance sheet profit</b>	<b>64,561</b>	<b>62,112</b>
<b>IV. Non-controlling interests</b>	<b>16,050</b>	<b>15,015</b>
<b>B. SPECIAL ITEM FOR INVESTMENT GRANTS</b>	<b>3</b>	<b>0</b>
<b>C. PROVISIONS</b>	<b>101,875</b>	<b>94,391</b>
1. Pension provisions and similar obligations	21,085	21,228
2. Tax provisions	3,597	3,601
3. Other provisions	77,193	69,562
<b>D. LIABILITIES</b>	<b>108,015</b>	<b>109,593</b>
1. Bonds	50,000	50,000
2. Liabilities to banks	10,002	10,013
3. Trade payables	36,991	37,811
4. Liabilities to associated companies	1,299	1,794
5. Other liabilities	9,723	9,975
<b>E. DEFERRED INCOME</b>	<b>318</b>	<b>7</b>
<b>Total equity and liabilities</b>	<b>334,444</b>	<b>324,740</b>

# Consolidated Income Statement

(EUR thousand)	1 Jan – 31 Mar 2021		1 Jan – 31 Mar 2020	
1. Sales revenues		138,182		130,734
2. Increase in finished goods and work in progress		11,429		-2,306
3. Other internally produced and capitalised assets		121		0
4. Other operating income		1,405		1,726
5. Cost of materials				
a) Expenses for raw materials, consumables and supplies and purchased goods		65,449		55,979
b) Cost of purchased services		15,974	81,423	12,877
<b>Gross profit</b>		<b>69,714</b>		<b>61,298</b>
6. Personnel expenses				
a) Wages and salaries		35,412		33,935
b) Social contributions and expenses for pensions and social welfare		6,774	42,186	6,572
7. Depreciation and amortisation on tangible and intangible assets		2,953		2,843
8. Other operating expenses		18,724		17,356
		<b>5,851</b>		<b>592</b>
9. Other interest and similar income		83		97
10. Interest and similar expenses		977		822
11. Taxes on income		1,098		635
12. Deferred taxes		-5		-35
<b>13. Earnings after taxes</b>		<b>3,864</b>		<b>-736</b>
14. Other taxes		380		253
<b>15. Consolidated net income</b>		<b>3,484</b>		<b>-989</b>
16. Non-controlling interests		-1,035		-414
<b>17. Consolidated net profit</b>		<b>2,449</b>		<b>-1,403</b>
18. Profit carried forward from the previous year		62,112		65,775
<b>19. Consolidated balance sheet profit</b>		<b>64,561</b>		<b>64,372</b>

# Consolidated Cash Flow Statement

(EUR thousand)	1 Jan – 31 Mar 2021		1 Jan – 31 Mar 2020	
+ Consolidated income (Consolidated net income/loss including income/loss attributable to non-controlling interests)		3,484		-989
+/- (+) Depreciation/(-) write-ups on fixed assets		2,953		2,843
+/- (+) Increase/(-) Decrease in provisions		7,529		3,416
+/- Other non-cash expenses/income		-602		432
+/- (+) Decrease (-) Increase in inventories, trade receivables and other assets that are not attributable to investing or financing activities		-13,769		-1,193
+/- (-) Decrease (+) Increase in liabilities from trade payables and other liabilities that are not attributable to investing or financing activities		-1,253		-3,945
+/- (-) Gain/(+) Loss from disposal of fixed assets		-23		36
+/- Interest expenses/income		894		726
+/- Income tax expenses/income		1,094		601
+/- Income tax payments		-1,088		-2,309
<b>= Cash flow from operating activities</b>		<b>-781</b>		<b>-381</b>
+ Proceeds from the disposal of intangible and fixed assets		0		2
- Payments for intangible assets		-187		-202
+ Proceeds from sales of property, plant and equipment		528		413
- Payments for property, plant and equipment		-2,318		-1,322
+ Proceeds from the disposal of non-current financial assets		4		0
- Payments for investments in non-current financial assets		0		-250
- Payments for additions to the consolidated group		-25		0
+ Interests received		7		35
<b>= Cash flow from investing activities</b>		<b>-1,991</b>		<b>-1,323</b>
- Payments for redemption of (financial) loans		-11		0
- Interests paid		-354		-38
- Proceeds from (financial) borrowings		0		9,999
<b>= Cash flow from financing activities</b>		<b>-365</b>		<b>9,961</b>
<b>Decrease (previous year increase) of cash flow</b>		<b>-3,137</b>		<b>8,257</b>
<b>Liquid funds at the start of the period</b>		<b>83,027</b>		<b>64,639</b>
<b>Liquid funds at the end of the period</b>		<b>79,890</b>		<b>72,896</b>

# Consolidated Statement of Changes in Fixed Assets

(EUR thousand)

A. FIXED ASSETS	ACQUISITION OR CONSTRUCTION COSTS					DEPRECIATION					BOOK VALUES	
	As of 1 Jan 2021	Addition	Disposal	Transfers	As of 31 Mar 2021	As of 1 Jan 2021	Addition	Disposal	Transfers	As of 31 Mar 2021	Book value 31 Mar 2021	Book value 31 Dec 2020
<b>I. Intangible Assets</b>												
1. Purchased concessions, industrial property rights and similar rights and assets and licenses in such rights and assets	4,892	167	-76	18	5,001	2,650	204	-76	18	2,795	2,206	2,243
2. Goodwill	37,330	0	0	0	37,330	25,752	441	0	0	26,193	11,137	11,578
3. Advance payments	559	19	0	0	578	0	0	0	0	0	578	559
<b>Total intangible assets</b>	<b>42,782</b>	<b>187</b>	<b>-76</b>	<b>18</b>	<b>42,909</b>	<b>28,402</b>	<b>646</b>	<b>-76</b>	<b>18</b>	<b>28,989</b>	<b>13,921</b>	<b>14,380</b>
<b>II. Tangible assets</b>												
1. Land, leasehold rights and buildings	14,826	240	0	2	15,068	2,920	340	0	-32	3,228	11,840	11,906
2. Technical equipment and machinery	35,370	649	-479	224	35,764	8,677	1,274	-4	10	9,957	25,807	26,693
3. Other equipment, factory and office equipment	12,979	540	-303	-163	13,053	3,495	694	-255	11	3,944	9,108	9,483
4. Advance payments and assets under construction	6,468	889	0	-42	7,315	0	0	-17	32	15	7,300	6,468
<b>Total tangible assets</b>	<b>69,643</b>	<b>2,318</b>	<b>-781</b>	<b>21</b>	<b>71,200</b>	<b>15,093</b>	<b>2,307</b>	<b>-276</b>	<b>21</b>	<b>17,144</b>	<b>54,055</b>	<b>54,550</b>
<b>III. Long-term financial assets</b>												
1. Shares in associated companies	0	25	0	0	25	0	0	0	0	0	25	0
3. Equity investments	6,130	0	0	0	6,130	5,825	0	0	0	5,825	305	304
4. Securities held as fixed assets	789	0	0	0	789	585	0	0	0	585	204	204
5. Other loans	20,649	0	-4	0	20,645	0	0	0	0	0	20,645	20,649
<b>Total long-term financial assets</b>	<b>27,567</b>	<b>25</b>	<b>-4</b>	<b>0</b>	<b>27,589</b>	<b>6,410</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,410</b>	<b>21,179</b>	<b>21,158</b>
<b>Total Fixed Assets</b>	<b>139,993</b>	<b>2,530</b>	<b>-861</b>	<b>38</b>	<b>141,698</b>	<b>49,905</b>	<b>2,953</b>	<b>-353</b>	<b>38</b>	<b>52,542</b>	<b>89,155</b>	<b>90,087</b>

# Consolidated Statement of Equity Changes

(EUR thousand)

	EQUITY OF THE PARENT COMPANY				NON-CONTROLLING INTERESTS	EQUITY	
	Reserves			IV. Consolidated balance sheet profit			Profit / loss attributable to non-controlling interests
	I. Subscribed capital	II. Capital reserve	III. Retained earnings Other retained earnings				
<b>Balance at 1 Jan 2020</b>	<b>200</b>	<b>43,422</b>	<b>65,775</b>	<b>109,397</b>	<b>11,782</b>	<b>121,179</b>	
Consolidated annual result			-2,163	-2,163	<b>5,387</b>	<b>3,224</b>	
Distributions			-1,500	-1,500	<b>-2,154</b>	<b>-3,654</b>	
<b>Balance at 31 Dec 2020</b>	<b>200</b>	<b>43,422</b>	<b>62,112</b>	<b>105,734</b>	<b>15,015</b>	<b>120,749</b>	
<b>Balance at 1 Jan 2021</b>	<b>200</b>	<b>43,422</b>	<b>62,112</b>	<b>105,734</b>	<b>15,015</b>	<b>120,749</b>	
Consolidated annual result			2,449	2,449	<b>1,035</b>	<b>3,484</b>	
<b>Balance at 31 Mar 2021</b>	<b>200</b>	<b>43,422</b>	<b>64,561</b>	<b>108,183</b>	<b>16,050</b>	<b>124,233</b>	

## Imprint

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