

# MS INDUSTRIE AG

ISIN: DE0005855183

## Voluntary Quarterly Release - Key Figures Quarter 1-2021

MS Industrie Group with EAT in Quarter 1-2021  
amounting up to Mio. EUR 0,8 - positive annual forecast

Overview of key figures Quarter 1-2021 and previous years period (for comparison purposes)

MS Industrie Group,  
IFRS in Mio. EUR (EpS in EUR)

Group Sales

EBITDA

EBIT

EBT

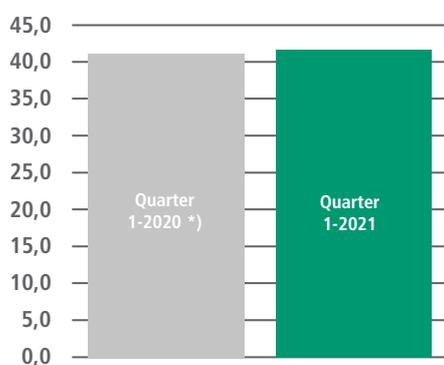
EAT

EpS

	Quarter 1-2020 (unaudited)	Quarter 1-2021 (unaudited)
Group Sales	41,1	41,7
EBITDA	0,6	4,7
EBIT	-2,7	0,9
EBT	-3,2	0,5
EAT	-2,4	0,8
EpS	-0,08	0,03

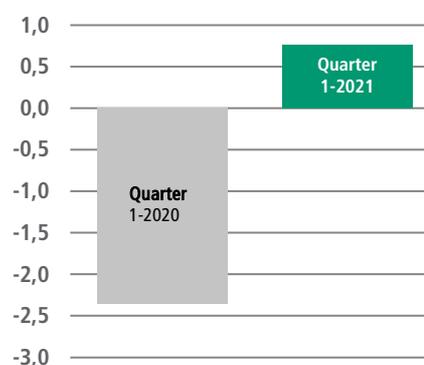
### Group Sales

in Mio. EUR



### Earnings after tax

after non-controlling-interests (EAT) in Mio. EUR



\*) Inkl. Mio. EUR 4,7 EMGR in prev. period 2020



Munich, May 18, 2021

Dear Shareholders, dear Employees and Business Partners,

MS Industrie AG, Munich (ISIN: DE0005855183), based on the audited key figures of overall fiscal year 2020, published on April 30, 2021, presents on a voluntary base, selected unaudited quarterly IFRS-figures for Q1-2021, showing expectedly a satisfactory development, reflecting the impacts of the economic crisis, caused by the Covid 19-Pandemic.

In total, the sales revenues of the individual companies, without the previous years revenues of Elektromotorenwerk Grünhain GmbH (sold end of previous year) are around 7 % above the previous year's figures, primarily due to the lack of the previous years direct negative economic impact of the Covid 19-Pandemic. In total, the sales revenues of the individual companies are indeed slightly lower than the planned figures.

Both in the **Powertrain Technology Group**, also briefly: "**Powertrain**", and in the **Ultrasonic Technology Group**, also briefly: "**Ultrasonic**", the sales development in Q1 was different. Turnover of business segment "**Powertrain**" on the one hand is approximately +7 % slightly above the sales of the previous year's period. Excluding the previous year's turnover of the "Powertrain Electric"-sub-segment, which has been sold and deconsolidated as of December 31, 2020, the sales of the "**Powertrain**" segment are even significantly higher than the previous year's sales at around +27 %. Turnover of business segment "**Ultrasonic**" on the other hand - due to delivery fluctuations - is around -10 % below the sales of the previous year's period.

Sales revenues of the business segment "Powertrain" contribute a percentage of around 73 % and sales revenues of business segment "Ultrasonic" make for a percentage of around 27 % to the total consolidated group sales in Q1-2021.

**Order backlogs** end of March 2021 amounted to a total of around Mio. EUR 98; in the "Ultrasonic"-segment about 4 % above and in the "Powertrain"-segment about 10 % above the average order backlog in the previous year.

The performance of MS Industrie-Group in Q1-2021 was satisfactory in terms of the essential earnings indicators, particularly **earnings before interest, taxes, depreciation and amortization – EBITDA** -, **operating earnings before interest and tax - EBIT** -, **earnings before tax - EBT** -, **earnings after tax - EAT** - and last but not least "**Earnings per Share**" – "**EPS**" -.

This against the background of a rapidly improving European commercial vehicle market with a step up in registrations of +21,6 % in the first quarter of 2021 compared to the same quarter of the previous year (increase in registrations in Germany: +4,9 %) and an even sharper increase of +34,2 % in March 2021 compared to the same month of the previous year, as confirmed by the current, periodic evaluations, status: 29. April 2021, of "ACEA" ("Association des Constructeurs Européens d'Automobiles", Brussels). The European market for heavy commercial vehicles over 16 tonnes has developed even less favourably throughout Europe, with an increase in registrations of +15,3 % in the first quarter of 2021 compared to the same quarter of the previous year (increase in registrations in Germany: +7,1 %) (source also: "ACEA", as of 29. April 2021). These figures are positive, therefore we expect a positive development of the truck economy in the second half of 2021.

Gross domestic product (GDP) fell by -1,7 % in Q1-2021 compared to Q4-2020 - adjusted for price, seasonal and calendar effects. After the German economy initially recovered somewhat in the 2nd half of 2020 (according to the latest calculations +8.7 % in the 3rd quarter of 2020 and +0.5 % in the 4th quarter of 2020), the Corona crisis led to a renewed decline in economic output at the beginning of 2021. This particularly affected private consumption, while exports of goods supported the economy, as the Federal Statistical Office announced in Wiesbaden on April 30. The German mechanical engineering industry seems to have recovered from the Corona crisis that hit it at the end of the 1st quarter last year. New orders in March rose by +29 % compared to the same period last year, adjusted for price increases (in real terms). There was a significant increase of +34 % in foreign orders, as the industry association "VDMA" announced in Frankfurt on May 10, +30 % higher orders came from the non-euro countries. For the entire 1st quarter of 2021, this results in a real growth in incoming orders of +9 % compared to the previous year. Domestic orders remained unchanged in this period, while foreign orders increased by +15 %. An increase of +18 % was recorded from the euro countries, and +13 % more orders came from the non-euro countries. A positive aspect is that the utilisation of machine capacities is clearly increasing again with the orders. While the value in January was 79,9 %, it reached 86,3 % in April. At the same time, however, production constraints increased due to supply bottlenecks.

The subsidiary MS Ultraschall Technologie GmbH – in spite of the challenges of the Covid 19-pandemic - is establishing a new competence center in Ettlingen, a location in the Karlsruhe district. From the 4th quarter of 2021, the rented new space of around 1,800 sqm will house a team for research and development in connection with the continuous joining, embossing and perforating of fleece fabric as well as the sealing of packaging material. The existing product range, consisting of ultrasonic special machines, ultrasonic series machines as well as systems and components for the packaging industry, is thus extended to include the area of systems and components for the processing of so-called "nonwovens". These fleece fabrics are used, for example, in the manufacture of respiratory masks, protective suits,

wound pads and all kinds of hygienic items. This expansion of the application portfolio and the entry into new market segments will underpin the sustainable growth of MS Ultraschall Technologie GmbH in the future.

**Key figures for Q1-2021 (January to March 2021) are as follows:**

In the actual reporting period Q1-2021 and in the previous year's period there have been no non-recurring items with a significant influence on profit and loss, therefore no adjustments have been made.

Total **Consolidated Revenues** for Q1-2021 are at **Mio. EUR 41,7** (prev. Mio. EUR 41,1), with +1,5 % - despite the discontinuation of the previous year's sales of the Elektromotorenwerk Grünhain-Group in the amount of approximately Mio. EUR 4,7 - being slightly above the previous year's first quarter.

Total **Factory Output**, including positive changes in inventory, totaling to around **Mio. EUR 1,6** (prev. Mio. EUR 0,3), is around **Mio. EUR 45,4** (prev. Mio. EUR 42,2) and so as well with +7,4 % slightly above previous year's period output and without the previous year's sales of the Elektromotorenwerk Grünhain-Group with +21,1 %, significantly above the previous year's period output.

In the regional sales-market **USA / Canada ("North America")** the achieved revenues in Q1-2021 are totaling to **Mio. EUR 5,4** (prev. Mio. EUR 4,3). Thus around **12,9 %** (prev. 10,5 %) of consolidated total revenues of MS Industrie-Group in Q1-2021 have again been achieved in the North American market, this means a turnover-increase in the regional sales-market USA / Canada ("North America") by around **25,0 %** compared to previous year.

**Gross profit** amounts with **Mio. EUR 23,4** (prev. Mio. EUR 21,5) slightly above previous year's period. The **gross profit margin** has increased by 3,7 percentage points from 52,3 % to **56,0 %**.

Earnings before interest, taxes, depreciation and amortization - **EBITDA** - in Q1 amount to **Mio. EUR 4,7** (prev. Mio. EUR 0,6), operating profits before interest and tax - **EBIT** - amount to **Mio. EUR 0,9** (prev. Mio. EUR -2,7).

The Group's profit before income tax - **EBT** - in Q1 amounts to around **Mio. EUR 0,5** (prev. Mio. EUR -3,2). The result after taxes and minority interests - **EAT** - in Q1 amounts to around **Mio. EUR 0,8** (prev. Mio. EUR -2,4).

**Total comprehensive income** for Q1-2021 amounts to **Mio. EUR 0,9** (prev. Mio. EUR -2,3). The difference between earnings after tax (EAT) and total comprehensive income after income taxes in Q1 primarily results mainly from positive foreign currency translation differences (EUR-USD) recognized in other comprehensive income ("OCI") without profit impact in a total amount of Mio. EUR +0,1 (prev. Mio. EUR +0,1).

**Earnings per share - "EPS"** - attributable to the shareholders of the parent company MS Industrie AG - based on the weighted average number of shares issued until March 31, 2021 (on average 29,9 million shares) - in accordance with IAS 33 (basic and diluted) amount to **EUR 0,03** (prev. basic and diluted: EUR -0,08 based on 29,9 million shares).

As of March 31, 2021, **Cash and cash equivalents** in the group in total amount to **Mio. EUR 7,0** (Dec. 31, 2020: Mio. EUR 4,5). **Liquid funds** as of March 31, 2021 amount to **Mio. EUR -13,9** (Dec. 31, 2020: Mio. EUR -0,2), this means a decrease compared to the ending balance of 2020 by Mio. EUR -13,7. The decrease in liquid funds is mainly due to negative cash flows from operating (mainly due to working capital-increase) and financing activities.

The Group's **Equity Ratio** has slightly decreased compared to December 31, 2020 and now amounts to **38,3 %** (December 31, 2020: 40,0 %), while total assets have slightly increased.

**Equity and non-controlling interests** have slightly increased by Mio. EUR 1,0 in absolute figures to **Mio. EUR 69,6** as at March 31, 2021 (December 31, 2020: Mio. EUR 68,6) mainly due to the positive total comprehensive income.

The number of **Employees** in the group continued to decrease according to plan to a number of **718 permanent employees** on March 31, 2021, compared to 749 permanent employees as at December 31, 2020.

In Q1-2021 there have been no changes in the consolidated group structure compared to December 31, 2020.

Overall, significantly higher industrial Group sales of around Mio. EUR 180 are expected again for the 2021 financial year - compared with the adjusted prior-year figures - with operating EBITDA rising significantly, while operating EBIT and EBT should also increase significantly, so that we ultimately expect positive consolidated operating profit for the year, significantly above the level of the previous year. According to the Group's projections, the gross profit margin (cost of materials as a percentage of sales) should develop slightly positively and the EBIT margin from operating business significantly positively, with significantly improved, positive operating earnings per share. Based on the expected positive annual result, Group equity is expected to increase slightly in 2021. Cash flow from operating activities is expected to develop significantly worse than in the previous year due to the growth-related increase in working capital. With regard to cash flow from financing activities, we expect slightly positive changes compared to 2020. Based on the expected developments, the gearing ratio should decrease further and the equity ratio increase slightly.

This voluntary quarterly release contains forward-looking statements based on current estimates of the management regarding future developments. Such statements are subject to uncertainties and risks, in particular also due to the Covid 19-pandemic, which cannot be influenced by MS Industrie AG. If such risks or uncertainties materialize, or assumptions on which these forward-looking statements are based should prove incorrect, then actual results may be materially different from the results in these statements explicitly defined or implicitly contained. It is neither intended by MS Industrie AG, nor does MS Industrie AG assume any obligation to update any forward-looking statements to reflect events or circumstances after the date of this quarterly release. Neither MS Industrie AG nor a company affiliated with MS Industrie AG nor directors, managing directors, board members, employees or consultants of the Company, nor any other person assumes express or implied representations or warranties as to the completeness of the data contained in this quarterly release. Neither MS Industrie AG nor one of its affiliated companies nor an aforementioned person shall have any liability whatsoever for any losses arising directly or indirectly from the use of this quarterly release. Possible errors or incompleteness of the information do not constitute warranties, either with regard to direct or indirect damage or consequential damages. While all reasonable care has been taken to ensure that the facts set out above are correct and views expressed herein are fair and reasonable, this interim report is selective. If information and statistics are quoted from external sources, such information and statistics are not to be interpreted that they were adopted or confirmed correct by the company. This document constitutes neither an offer to sell nor a solicitation of an offer to buy or subscribe for shares of MS Industrie AG.

MS Industrie AG, headquartered in Munich, Germany, is the listed parent company of a focused industrial group with two strategic core business areas: **Powertrain-technology** ("Powertrain Technology Group": Systems and components for heavy-duty combustion engines and gearbox housings) and **Ultrasonic-technology** ("Ultrasonic Technology Group": Special and standard machines and ultrasonic systems and components). The key customer industries include the global commercial vehicle and car industry, followed by the packaging machine industry, medical technology and other plastics processing industries, as well as and the general mechanical and plant engineering. As part of its strategy, MS Industrie AG concentrates primarily on organic growth and investments within the existing industrial core competencies, flanked by mainly minority involvements in the industrial real estate sector as well as complementary services. The Group presently generates sales of around Mio. EUR 180 with over 750 employees at five production sites, two of them in Germany and one each in the USA, Brazil and China.

Best regards

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