



THE STRONGEST LINK.

**STAHL**

# PIONEERING OUR WAY INTO THE FUTURE

Equity story November 2022

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

Percentages and figures may include rounding differences. The signs used to indicate rates of change are based on mathematic aspects: Rates of change >+100% are shown as >+100%, rates of change <-100% as "n/a" (not applicable).

# AGENDA

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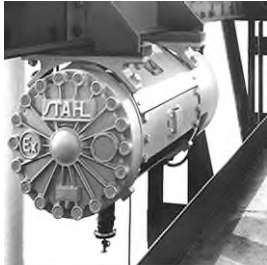
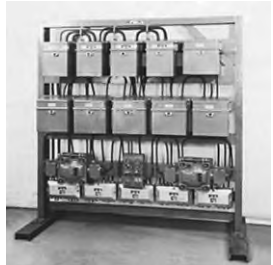
**1** **Company Overview**

2 Driving Strategy: EXcellence 2023

3 Business Update

4 Appendix

# R. STAHL HAS A TRADITION OF MORE THAN 140 YEARS IN PIONEERING MECHANICAL AND ELECTR(ON)ICAL TECHNOLOGIES



- 1876** Rafael Stahl founded the company
- 1890** World's first circular loom with electric individual drive
- 1926** Development and production of explosion-protected, electrical control switches and control devices
- 1949** Market leader in the field of explosion-protected electrical equipment
- 1953** First explosion-protected electric hoist
- 1987** World's first ICS mux fieldbus system for hazardous areas
- 2018** EXpressure® – the revolutionary new Ex d technology

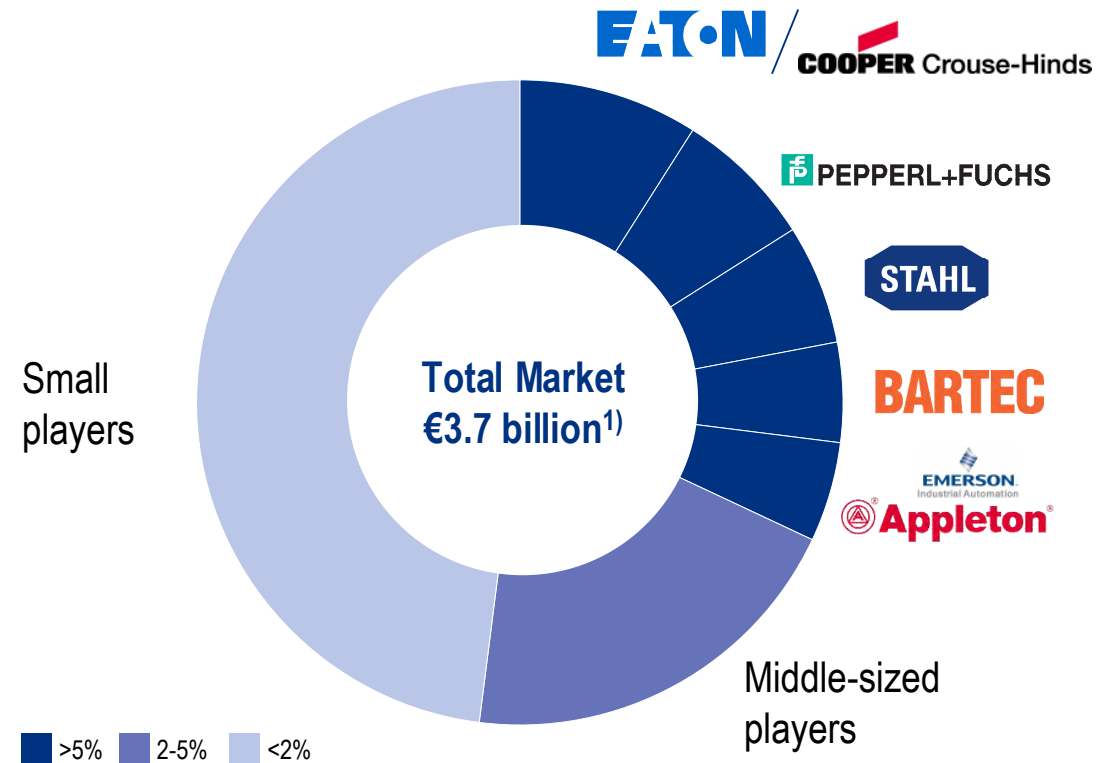


# R. STAHL TODAY – A LEADING GLOBAL PLAYER WITH A 100% FOCUS ON ELECTRICAL EXPLOSION PROTECTION



|                                |  |
|--------------------------------|--|
| <b>Market Position</b>         | #2 in Europe in explosion protection, #3 worldwide               |
| <b>Markets &amp; Customers</b> | Oil & Gas, Chemicals, Pharma, Food & Beverage, Shipbuilding      |
| <b>Production</b>              | 7 sites in Europe, America and Asia                              |
| <b>Employees</b>               | 1,672 (as of 31 Dec. 2021)                                       |
| <b>Global footprint</b>        | 18 subsidiaries in 18 countries + >50 sales offices and agencies |

Global market shares of relevant competitors<sup>1)</sup>



<sup>1)</sup> Company estimates for IECEx/ATEX certification, 2018

# EXPLOSIONS OCCUR WHEN MIXTURES OF COMBUSTIBLE SUBSTANCES AND OXYGEN MEET AN IGNITION SOURCE

Basic principle of explosions

## 1 Combustible substance

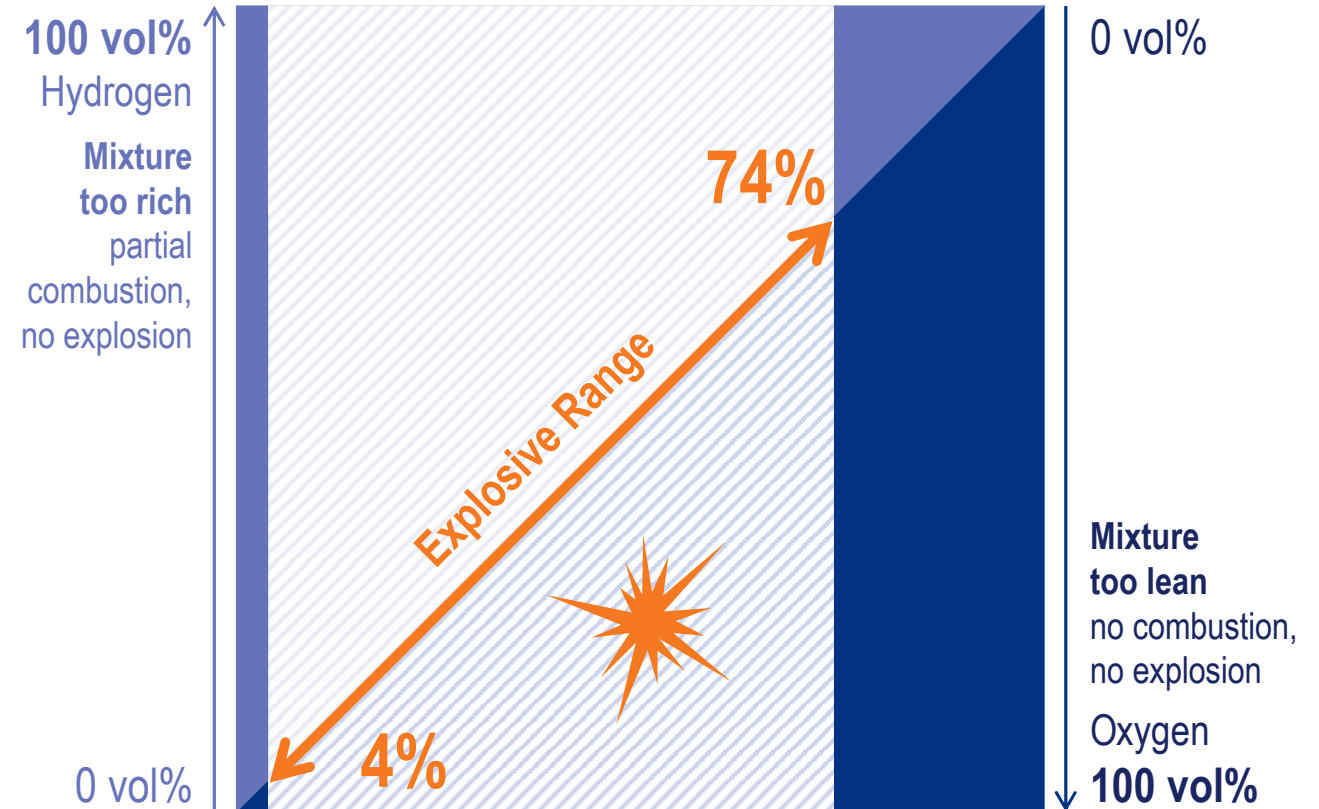
- Gases (e.g., natural gas, hydrogen, etc.)
- Liquids (e.g., gasoline, alcohol, solvents, etc.)
- Dispersed solids (e.g., sawdust, sugar, metal powder, etc.)

## 2 Ignition Source, e.g.,

- Hot surfaces/gases
- Flames
- **Electrical sparks<sup>1)</sup>**
- Adiabatic compression
- Chemical reactions
- Mechanical sparks

## 3 Oxygen

- Air



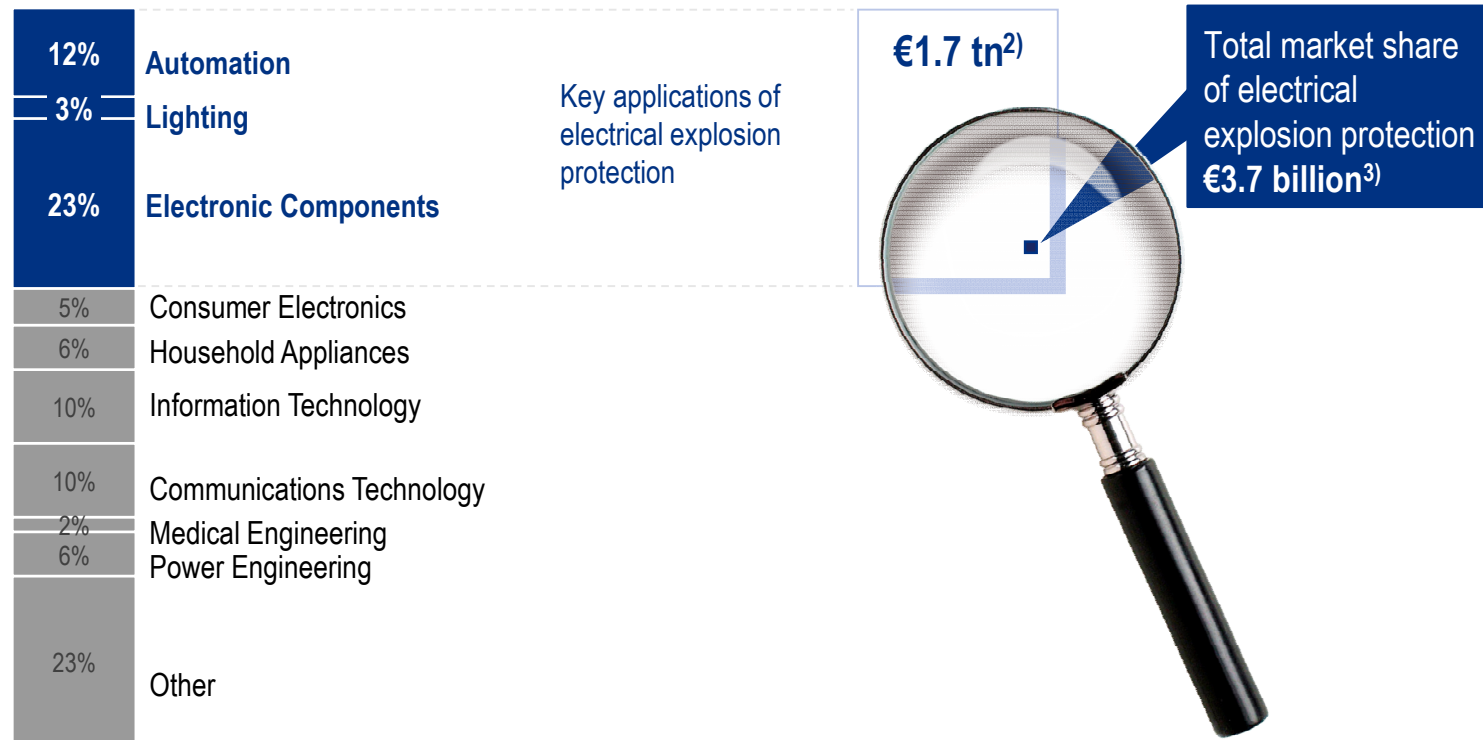
<sup>1)</sup> Focus R. STAHL

# ELECTRICAL EXPLOSION PROTECTION IS A NICHE APPLICATION WITH HIGH BARRIERS TO ENTRY



Global Electric Industry by Application

Total market €4.4 tn<sup>1)</sup>



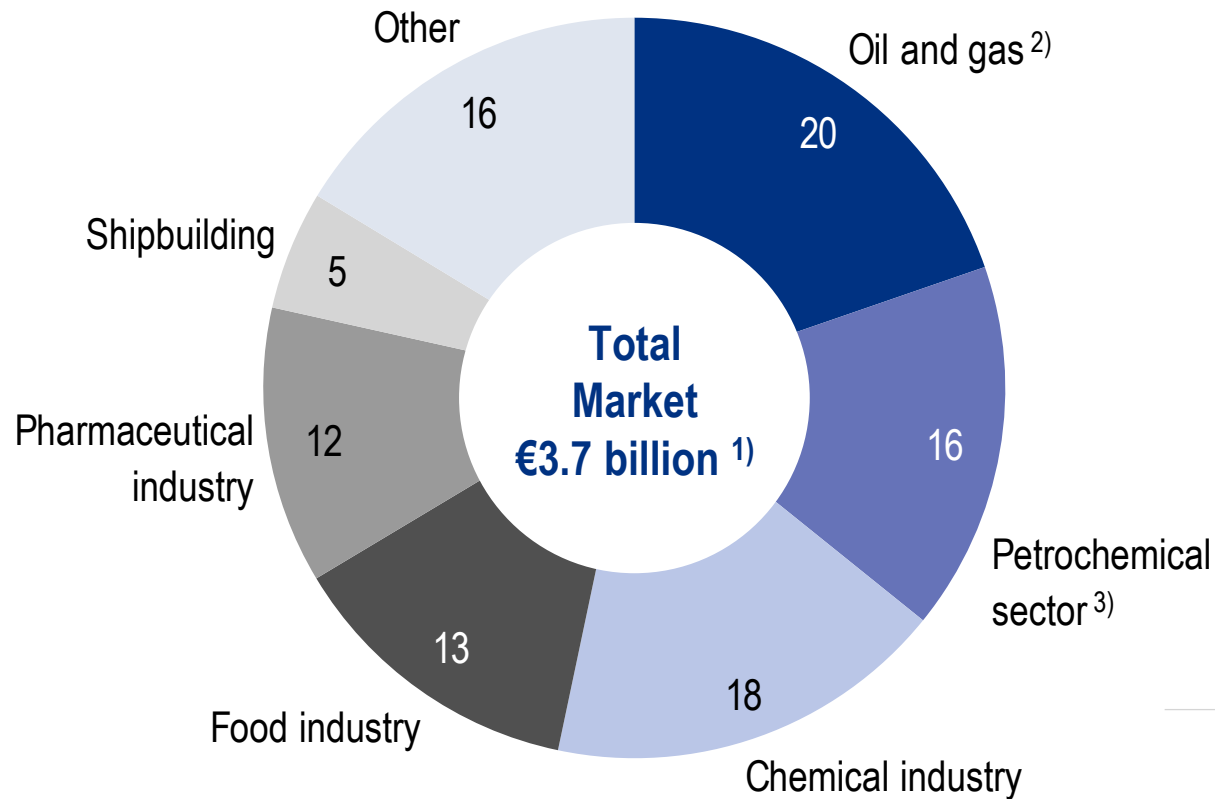
Market characteristics

- Accounts for just ~0.1% of the total global electric market
- High entry barriers
- Innovation driven
- Safety and reliability is key
- Subject to high regulation and certification
- Multiple customer industries
- High exposure to cyclical industries

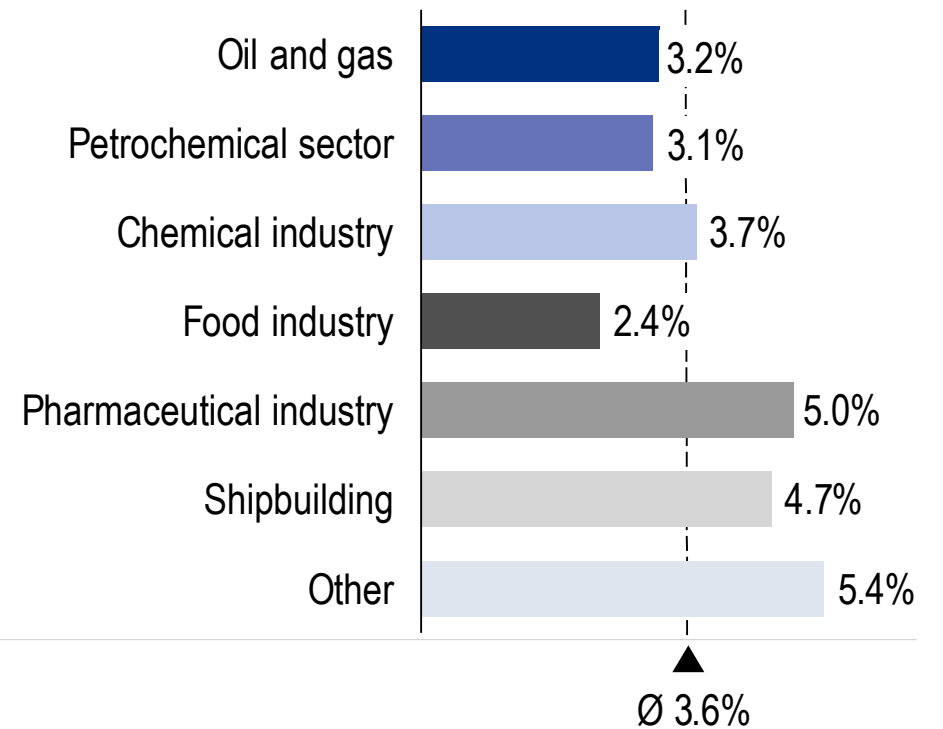
<sup>1)</sup> ZVEI, August 2020   <sup>2)</sup> Applications with potential exposure to explosion protection   <sup>3)</sup> IECEx+ATEX certification

# WE SERVE PROCESS INDUSTRIES THAT HANDLE POTENTIALLY EXPLOSIVE DUSTS, LIQUIDS AND GASES

World market by industry sectors – IECEx/ATEX 2017-2022



**CAGR<sup>4)</sup> (2021-2025e)**



<sup>1)</sup> Company estimates for IECEx/ATEX certification, 2018; Comparable NEC market ca. €1.7 billion <sup>2)</sup> Upstream <sup>3)</sup> Downstream <sup>4)</sup> Without inflation



# WE ARE EXPERTS IN ALL MAJOR TECHNOLOGIES USED IN ELECTRICAL EXPLOSION PROTECTION

| Conceptual approach  | Solution   | Technology  | Position R. STAHL |
|--|--|---|-------------------|
| 1. Prevent formation of explosive atmospheres                    | <ul style="list-style-type: none"> <li>Avoid combustible substances (replacement)</li> <li>Avoid critical concentration (e. g. dilution)</li> <li>Exclude oxygen (e. g. flushing with nitrogen)</li> </ul> |   | ✓                 |
|  | if impossible  |   |                   |
| 2. Prevent ignition of explosive atmospheres                     | <ul style="list-style-type: none"> <li>Keep electrical energy below critical level</li> <li>Suppress formation of electrical sparks</li> <li>Avoid intrusion of explosive atmospheres</li> </ul>           | Intrinsical safety (Ex i)                           | ✓                 |
|  | if impossible  | Increased safety (Ex e)                             | ✓                 |
|  |  | Fill enclosures with liquids or solids (Ex o, q, m) | ✓                 |
| 3. Confine explosion impact to a controllable and harmless level | <ul style="list-style-type: none"> <li>Encapsulate electrical devices</li> </ul>   | Flame proof enclosures (Ex d)                       | ✓                 |

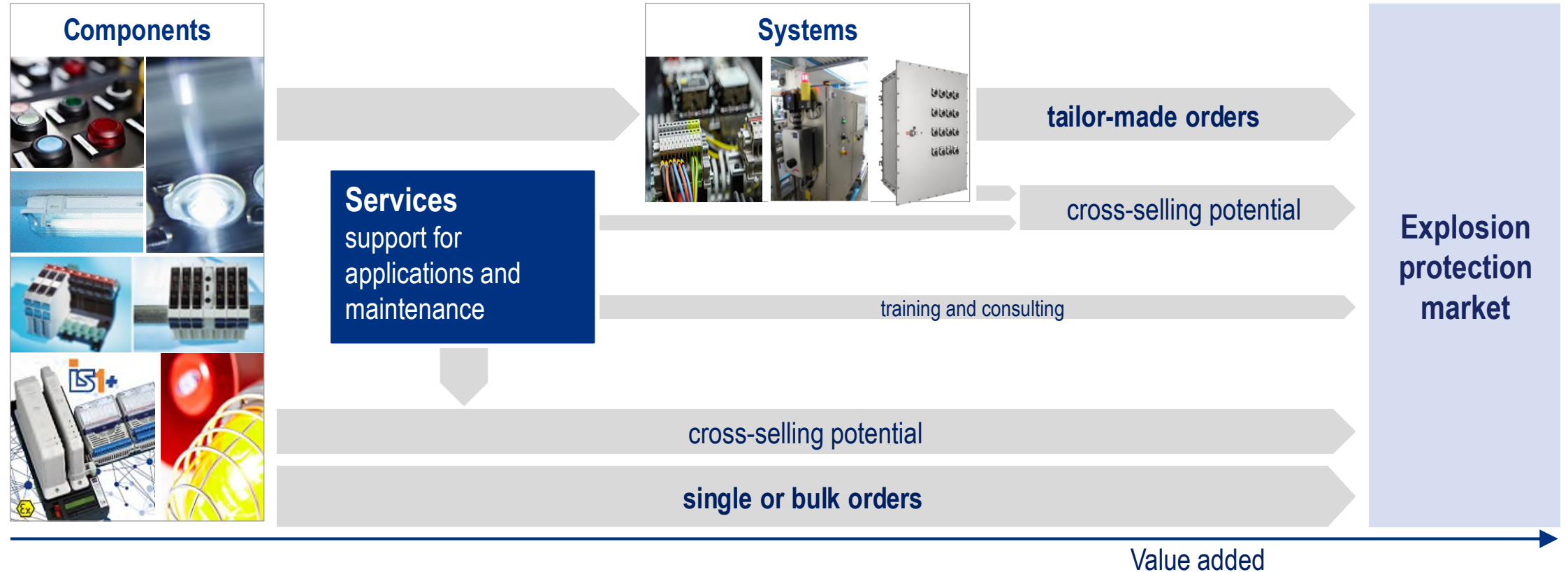
# R. STAHL OFFERS ITS CUSTOMERS A COMPLETE, INNOVATIVE AND MARKET LEADING PORTFOLIO OF EXPLOSION PROOF PRODUCTS

| Electromechanical components   | Light fittings & signaling devices   | Network & automation solutions  | Human machine interfaces   |
|--|--|---|--|
|                                       |    |    |                                   |
| <ul style="list-style-type: none"><li>• Connectors</li><li>• Enclosures</li><li>• Junction and control boxes</li></ul> | <ul style="list-style-type: none"><li>• #1 in LED technology</li><li>• Signalling devices</li><li>• Emergency lights</li><li>• Battery boxes</li></ul> | <ul style="list-style-type: none"><li>• Field Bus</li><li>• Remote I/O</li><li>• Switches</li><li>• Access Points</li></ul> | <ul style="list-style-type: none"><li>• Displays</li><li>• Panel PCs</li><li>• Handhelds</li><li>• Cameras</li></ul> |

Seven global production sites

# OUR STRONG MARKET POSITION IS BASED ON OUR LEADING PRODUCTS AND VALUE ADDING SYSTEMS AND SERVICES

Product offering R. STAHL



# WE HAVE A GLOBAL PRESENCE TO SERVE OUR INTERNATIONAL CUSTOMERS

## Production and sales network of R. STAHL

Subsidiaries  
 Distributors and sales agents  
 Production sites

### Subsidiaries Germany

R. STAHL Schaltgeräte GmbH  
Waldenburg, Germany

R. STAHL HMI  
Cologne, Germany

### Subsidiaries Central region

R. STAHL Ltd.  
Birmingham, UK

R. STAHL France SAS  
Avignon, France

Electromach B.V.  
Hengelo, Netherlands

R. STAHL S.R.L.  
Peschiera Borromeo, Italy

INDUSTRIAS STAHL  
Alcobendas, Spain

INDUSTRIAS STAHL  
Lisboa, Portugal

R. STAHL Tranberg AS  
Stavanger, Norway

Zavod Goreltex  
St. Petersburg, Russia

### Subsidiaries Asia

R. STAHL Ex-Proof  
Shanghai, China

R. STAHL (P) Ltd.  
Chennai, India

R. STAHL Co. Ltd.  
Seoul, Korea

R. STAHL E & M SDN  
Selangor, Malaysia

R. STAHL Middle East  
Dubai, UAE

R. STAHL PTE LTD.  
Singapore

R. STAHL Australia  
Sutherland, Australia

### Subsidiaries Americas

R. STAHL Ltd.  
Edmonton, Canada

R. STAHL Inc.  
Houston, USA

### Headquarters

R. STAHL AG  
Waldenburg, Germany

Weimar,  
Germany

R. STAHL South Africa (PTY) LTD.  
Edenvale, South Africa

# AGENDA

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1 Company Overview

**2 Driving Strategy: EXcellence 2023**

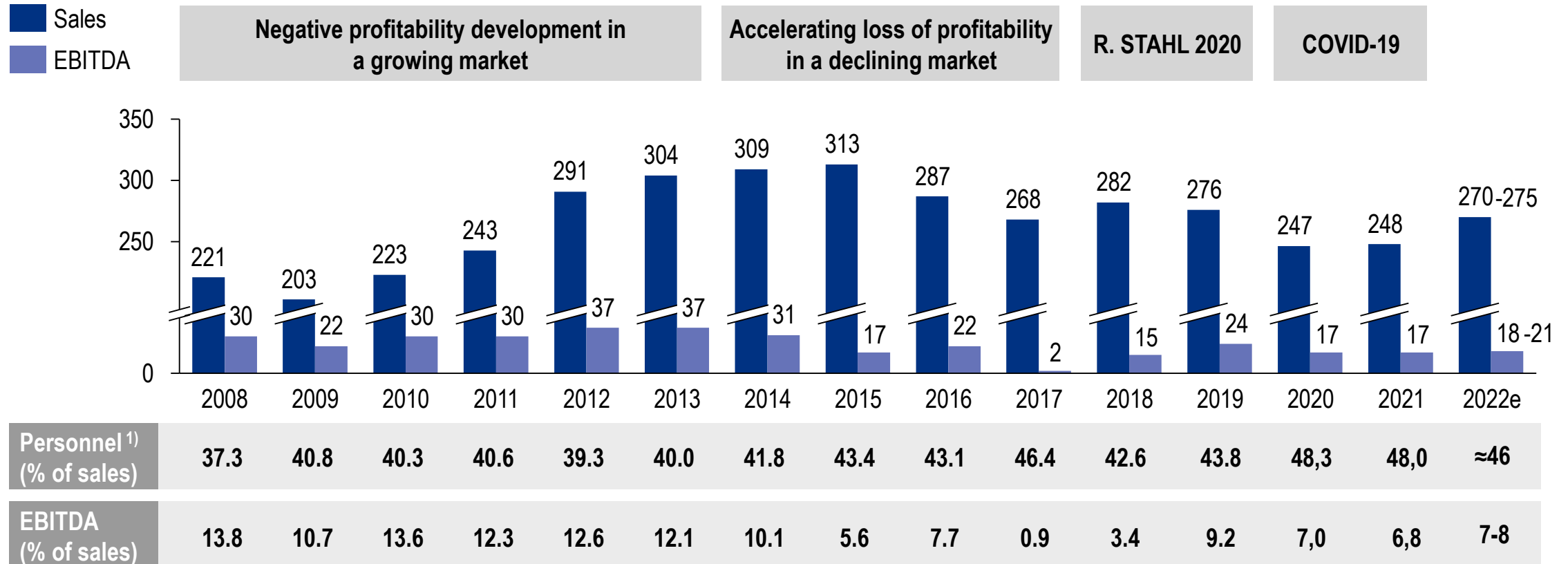
3 Business Update

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# THE POSITIVE DEVELOPMENT AFTER 2017 HAS BEEN INTERRUPTED BY THE COVID-19 CRISIS

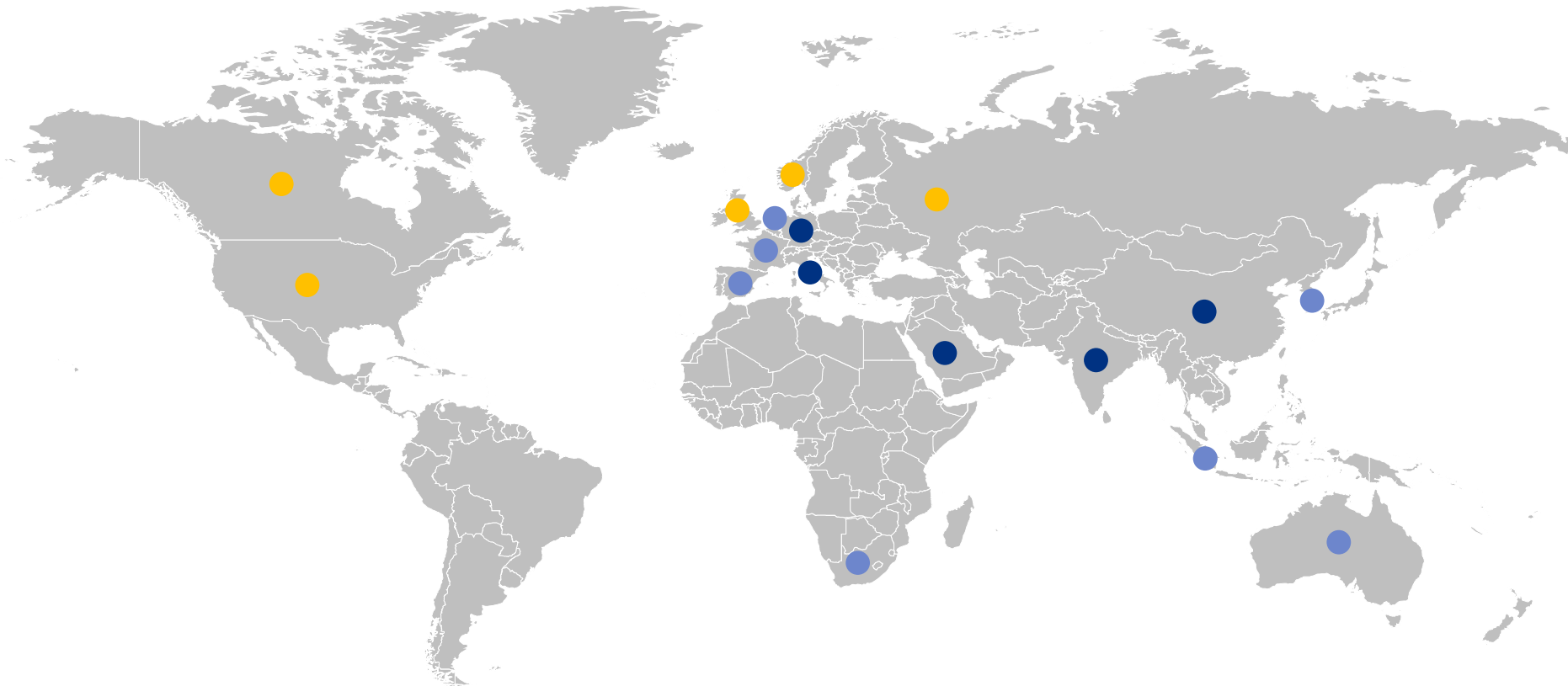
Development of R. STAHL 2008-2022



1) incl. temporary workers

# OUR LONG-TERM STRATEGY IS WORKING IN COUNTRIES WITH BROADLY DIVERSIFIED CUSTOMER STRUCTURES

R. STAHL sales 2021 vs. 2019 by countries



## Growth rates

- > 0 %
- 0 % to -10 %
- < -10 %

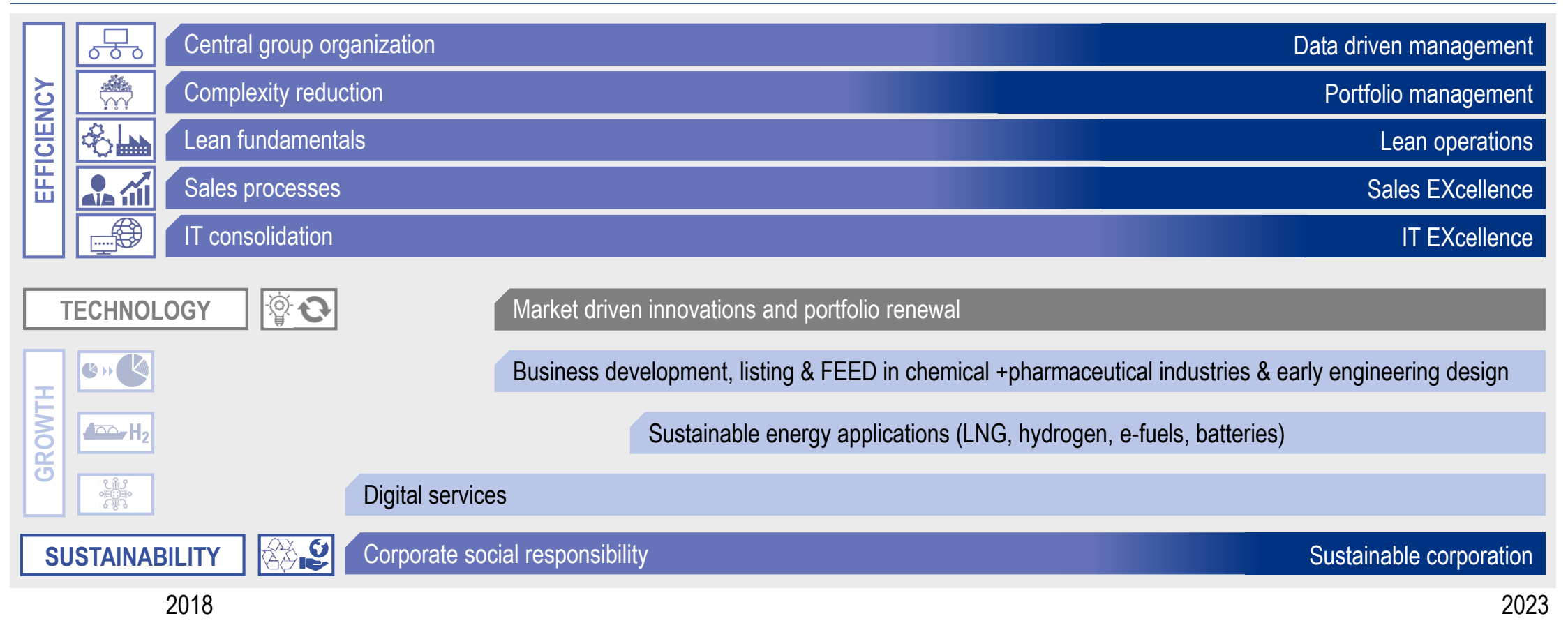
**> 100% of all sales losses between 2019 and 2021 arose in countries dominated by the oil, gas and petrochemical business**

# WHILE WE CONTINUE TO DRIVE EFFICIENCY AT ALL LEVELS FOCUS IS INCREASINGLY ON TECHNOLOGY AND A RETURN TO GROWTH

R. STAHL 2020:  
Consolidation & realignment



EXcellence 2023:  
Growth & strategic development

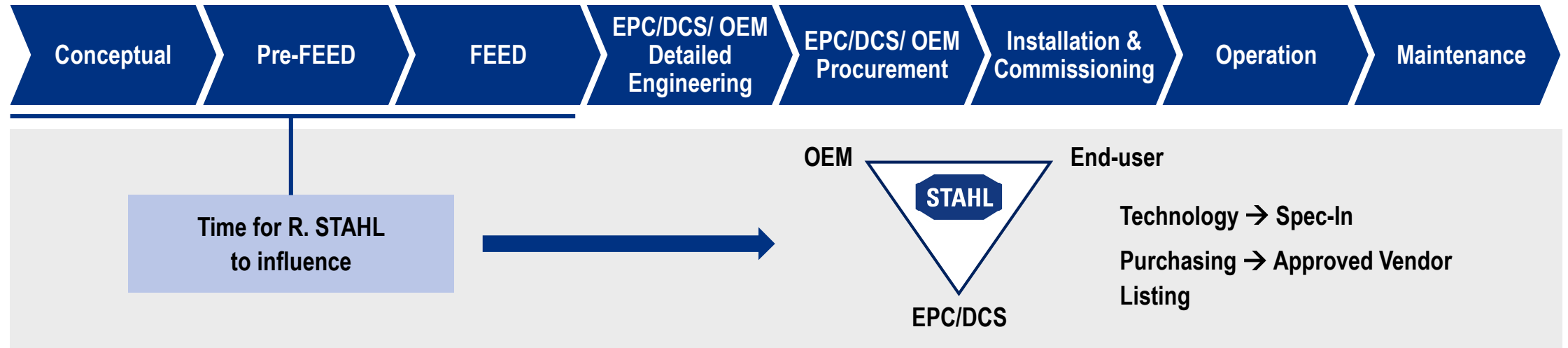


2018

2023

# BDM, LISTING & FEED: STRATEGICALLY PREPARING OUR MARKETS

Project Lifecycle



## Project

- Active Team of SALES (RSD, Local Sales and Agents) and BU (BDM and PM)
- Focus on complex system and engineering solutions







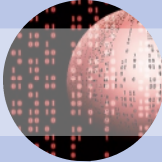

## TO DO:

Identify projects & relevant end-users

Identify EPC / DCS & OEM

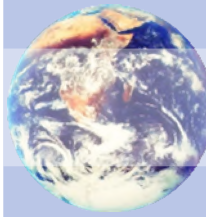
Define potential products, systems & services of relevance

# MEGATRENDS DRIVE TECHNOLOGIES AND GROWTH IN OUR INDUSTRY

| Trends  | Needs  | Opportunities for R. STAHL  |
|---|--|---|
|  <b>Population &amp; prosperity growth</b> | <b>Growing need for energy and food:</b> <ul style="list-style-type: none"> <li>• Rising number of people</li> <li>• Higher standards of living</li> </ul>               | <ul style="list-style-type: none"> <li>• Oil expected to reach its peak beyond 2030</li> <li>• Growth in chemicals, pharma and food &amp; beverage</li> </ul>    |
|  <b>Climate Change</b>                     | <b>Reduction of CO<sub>2</sub> emissions:</b> <ul style="list-style-type: none"> <li>• Near-term: low-carbon fossils</li> <li>• Long-term: carbon-free energy</li> </ul> | <ul style="list-style-type: none"> <li>• Limited risk: no exposure to coal and mining</li> <li>• Strong market position in growing LNG market</li> <li>• H<sub>2</sub> + e-fuels as energy carrier of the future</li> </ul>  |
|  <b>Increasing Mobility</b>               | <b>Socio-economic changes:</b> <ul style="list-style-type: none"> <li>• Growing number of vehicles</li> <li>• Trend towards electric vehicles</li> </ul>                 | <ul style="list-style-type: none"> <li>• Fuel consumption</li> <li>• New battery manufacturing (and recycling) facilities</li> <li>• Build-up of H<sub>2</sub> infrastructure (storage, distribution etc.)</li> </ul>        |
|  <b>Digitalization</b>                   | <b>Equipment and services:</b> <ul style="list-style-type: none"> <li>• Automation</li> <li>• Digital business models</li> </ul>   | <ul style="list-style-type: none"> <li>• Strong market position in automation</li> <li>• Growth in semiconductors</li> <li>• Unmanned platforms and autonomous ships</li> </ul>    |



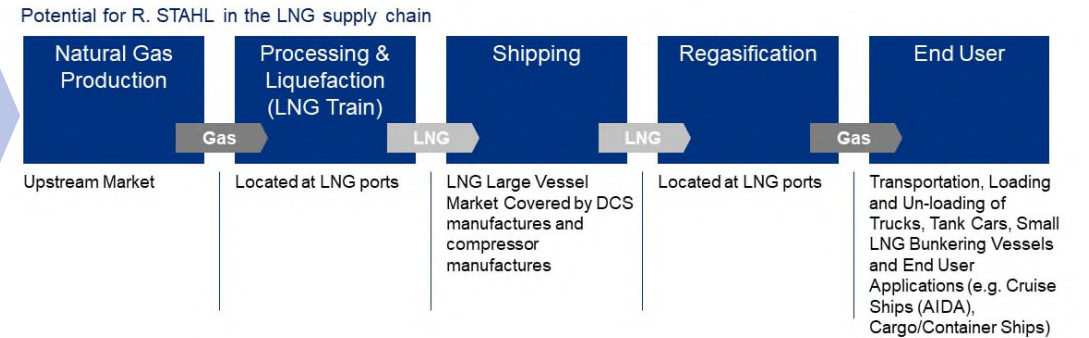
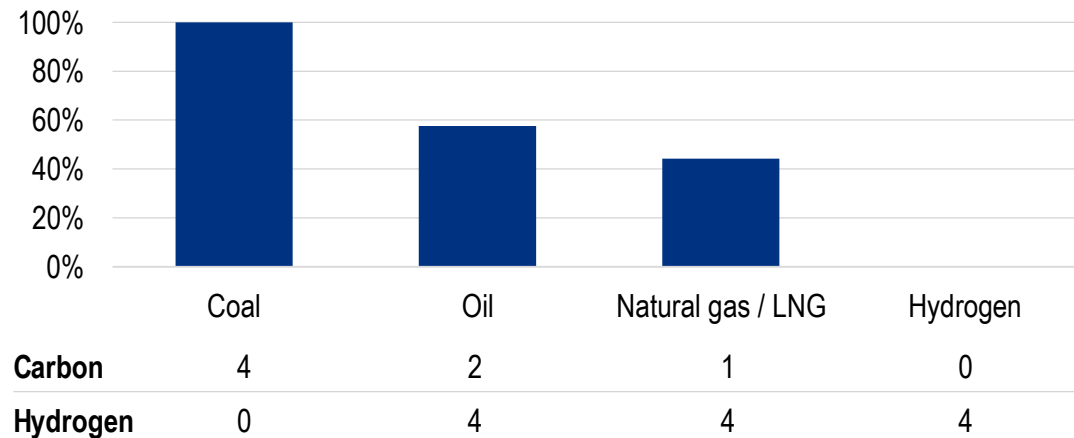
# NATURAL GAS IS THE MOST ECO-FRIENDLY FOSSIL FUEL – AND LNG IS SET TO BECOME THE DOMINATING DELIVERY MECHANISM



**Climate Change**

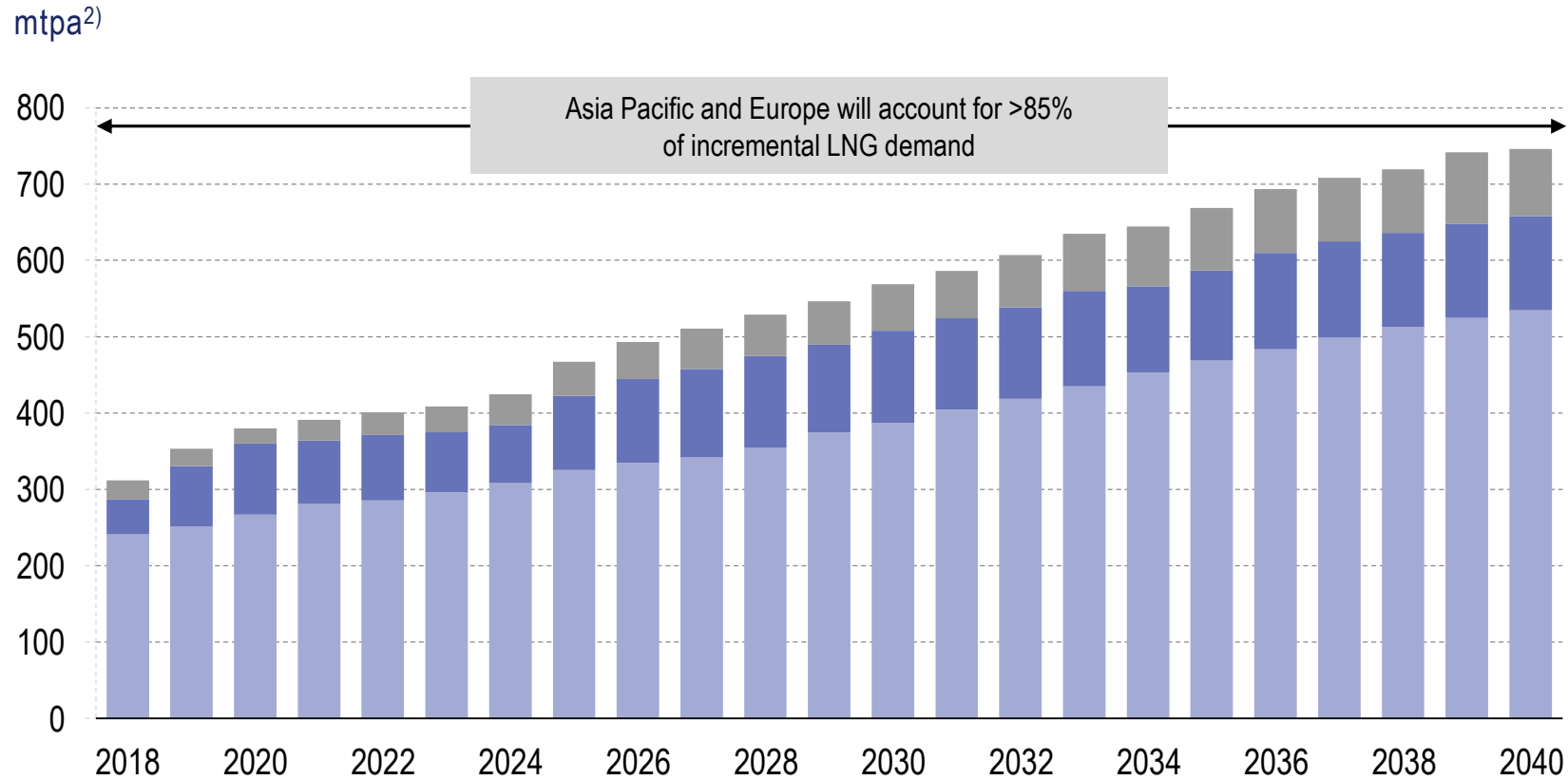
**Reduction of CO<sub>2</sub> emissions:**  
Near-term: low-carbon fossils

**Relative CO<sub>2</sub> emissions by energy source**  
(at equal combustion energy)



# THE GLOBAL LNG MARKET OFFERS SIGNIFICANT GROWTH POTENTIAL OVER THE NEXT TWO DECADES

Projected global LNG demand until 2040<sup>1)</sup>



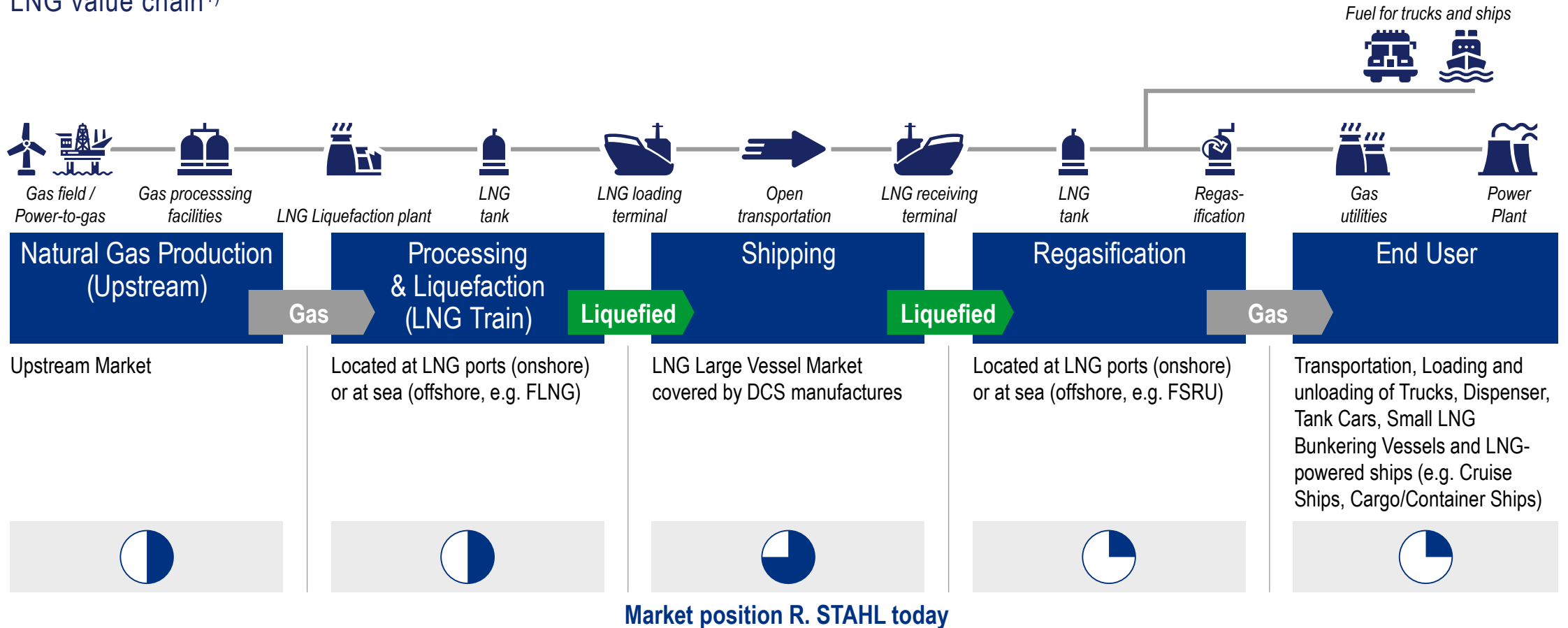
|              | CAGR<br>2018-2040 |
|--------------|-------------------|
| Global       | 4.0%              |
| Other        | 5.9%              |
| Europe       | 4.5%              |
| Asia Pacific | 3.7%              |



<sup>1)</sup> Source: Novatek, June 2020 <sup>2)</sup> million tons per annum

# WE AIM TO LEVERAGE OUR STRONG POSITION IN LNG SHIPPING TO OUTGROW THE OVERALL LNG MARKET

LNG value chain<sup>1)</sup>



<sup>1)</sup> Source: EIC Research (2019), SHELL Research (2019)

# DUE TO THE UNIQUE HAZARDOUS PROPERTIES OF HYDROGEN, EXPLOSION PROTECTION IS KEY TO THIS TECHNOLOGY'S SAFETY



Climate Change

Reduction of CO<sub>2</sub> emissions:  
Long-term: carbon-free energy

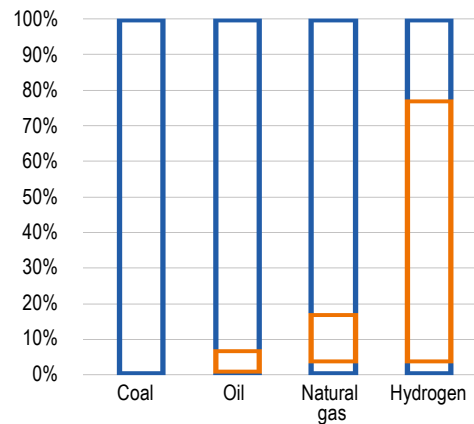
H<sub>2</sub> + e-fuels as sustainable source of energy of the future



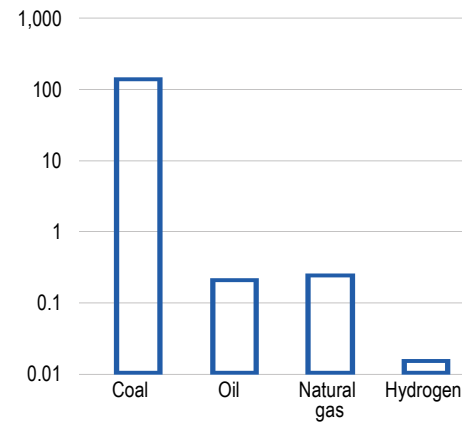
## Safety aspects of hydrogen vs. fossil fuels

Ratios of mixtures with air (vol-%)

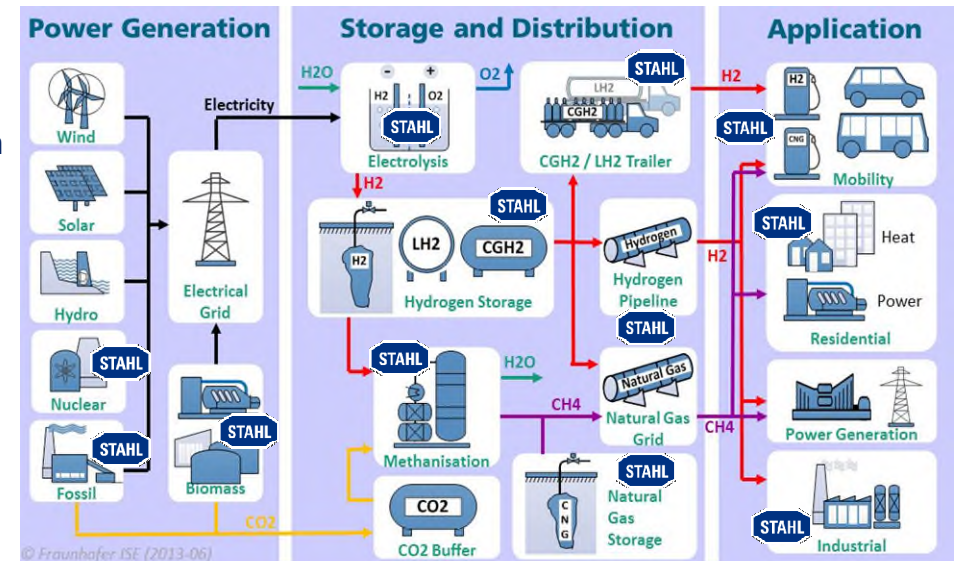
— Combustion  
— Explosion



Minimum ignition energy (mJ)



Value Chain of Green Hydrogen



Source: <https://www.ise.fraunhofer.de>

# EXAMPLE: HYDROGEN FUELING STATION WITH SAFETY CONCEPT AND EQUIPMENT BY R. STAHL

Container solution and functional safety concept

## Service Concept

- Engineering Service
- SIL (safety integrity level) verification
- Software assistance
- Design and engineering of components (system concept)

## Components (R. STAHL products)

- Terminal boxes, cable glands, plugs

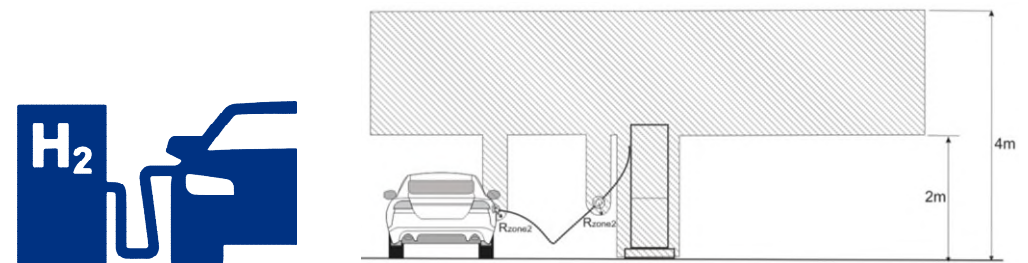


Picture source: <https://www.resato.com/en/hydrogen>

## Example illustration of permanent and temporary hazardous areas

### Sales potentials

- Short term focus on H2 fueling stations
- R. STAHL products for compressed gas vessels, pipelines, electrolyzer, tank systems
- Safety concepts (SIL)
- Engineering and designing concepts
- Consulting service





# THE NEW SOLAR PARK IN WALDENBURG WILL BE AN IMPORTANT BUILDING BLOCK IN OUR HYDROGEN AS WELL AS IN OUR SUSTAINABILITY STRATEGY



- Investment approx. 4 million €; financing from WürthLeasing; payback approx. 5 years
- With the operation of the solar park our global operations will be carbon neutral

# OUR STRATEGY ADDRESSES THE FULL POTENTIAL THAT DIGITALIZATION OFFERS TO OUR BUSINESS AND CUSTOMERS

## Margin potential from efficiency gains

### Digital infrastructure and processes

- Harmonization of IT systems (hardware and software)
- Implementation of global and standardized value levers/KPIs and automated reports
- Digitalization of lean processes

### Digital Production, e. g.

- RFID for serial number recording
- Mobile data logging in logistics
- Digital manufacturing documents in conjunction with CAE project
- Assistance systems for assembly



Digitalization  
of R. STAHL

## Growth potential from market trends



### Digital products

Extend and complement the product portfolio along the digital value chain: from data gathering to data transmission, processing and ...

... data management:

### Digital Services

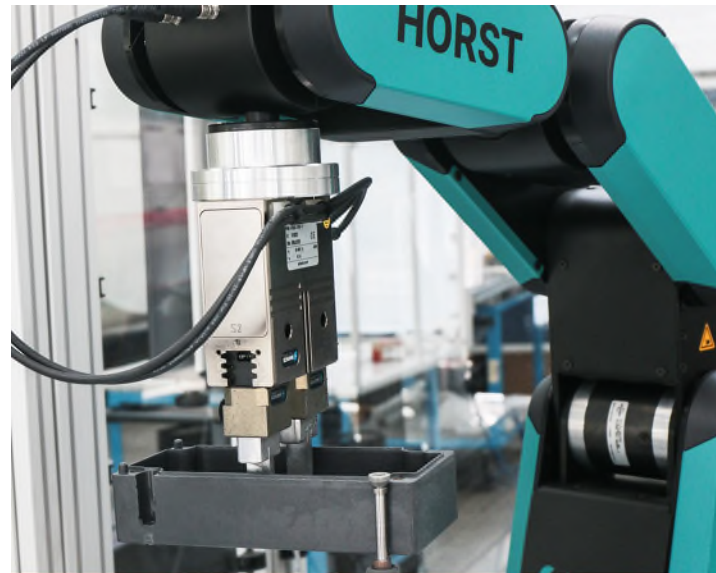




# WE ARE DRIVING THE DEVELOPMENT OF KEY COMPETENCIES AS WELL AS THE DIGITIZATION AND AUTOMATION OF PROCESSES

## Investing in key competencies

Deburring of plastic enclosures



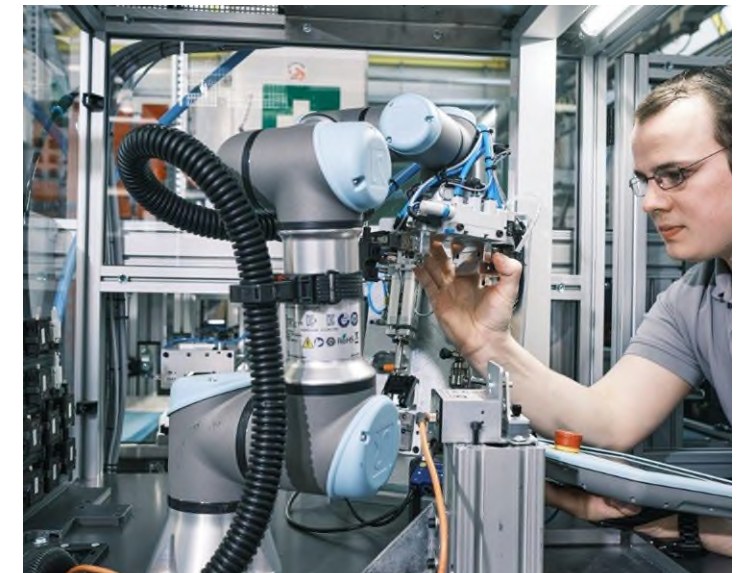
## Digitalization of processes

Final assembly with digital worker guidance



## Automation of processes

Automated pressure testing of components



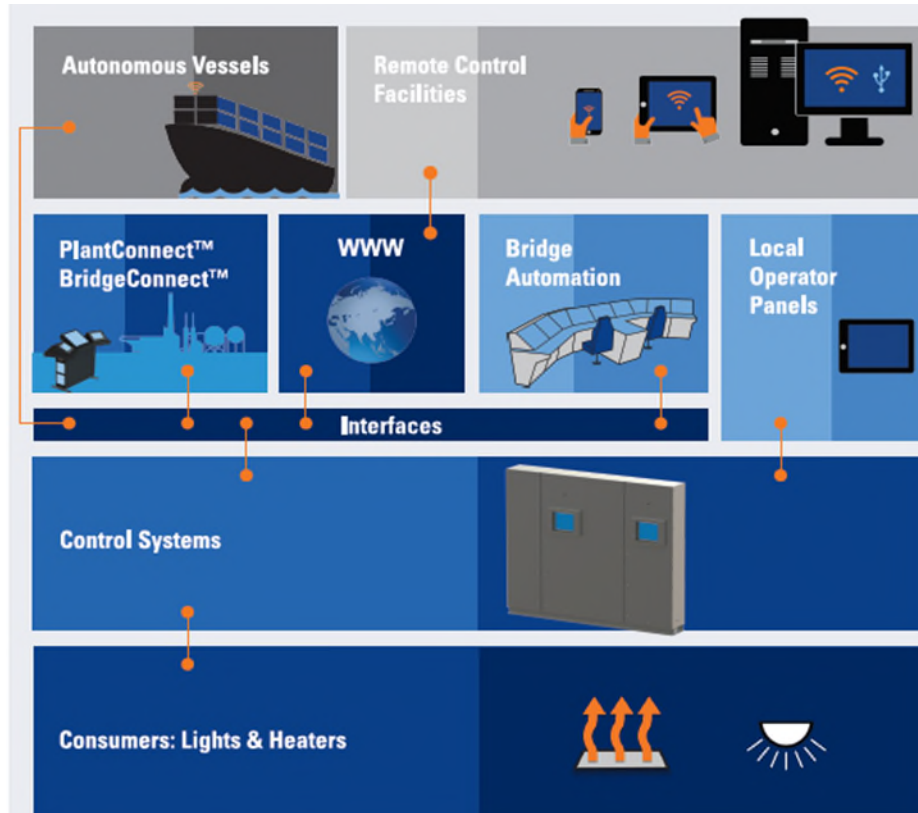
# DIGITALIZATION: WE ALREADY HAVE A WIDE RANGE OF DIGITAL SOLUTIONS

Examples of R. STAHL's solutions today

|  |   |  |
|--|---|--|
| <b>Control and visualization of process or integration in existing Asset Management System (AMS)</b>   |    | <b>Communication protocols</b> <ul style="list-style-type: none"><li>• Profinet</li><li>• ModbusTCP</li><li>• EthernetIP</li><li>• Others</li></ul>            |
| <b>Connectivity infrastructure</b>   |     | <b>Physical layer:</b> <ul style="list-style-type: none"><li>• Wireless</li><li>• Wired</li><li>• Fibre optics</li></ul>                                       |
| <b>Sensoric and communication</b>  |    | <b>Sensors:</b> <ul style="list-style-type: none"><li>• Temperature, humidity, current, arcing, etc.</li><li>• Sensors or communication with devices</li></ul> |
| <b>Energy distribution panel e.g.</b> <ul style="list-style-type: none"><li>• Lighting distribution</li><li>• Heat trace panels</li><li>• Socket outlet distribution</li></ul> |   |  |
| <b>Connected devices (e.g. luminaires, heating cable, ...)</b>   |  |  |

# R. STAHL ALREADY OFFERS DIGITAL SOLUTIONS TO CONTROL LIGHT AND HEATING SYSTEMS

Example: X-Connect (R. STAHL Tranberg)



- R. STAHL is supplier for Yara Birkeland, the first fully electric and autonomous container ship without emissions
- Fully automated control of light and heating systems
- Control staff can be located anywhere to control and operate systems remotely

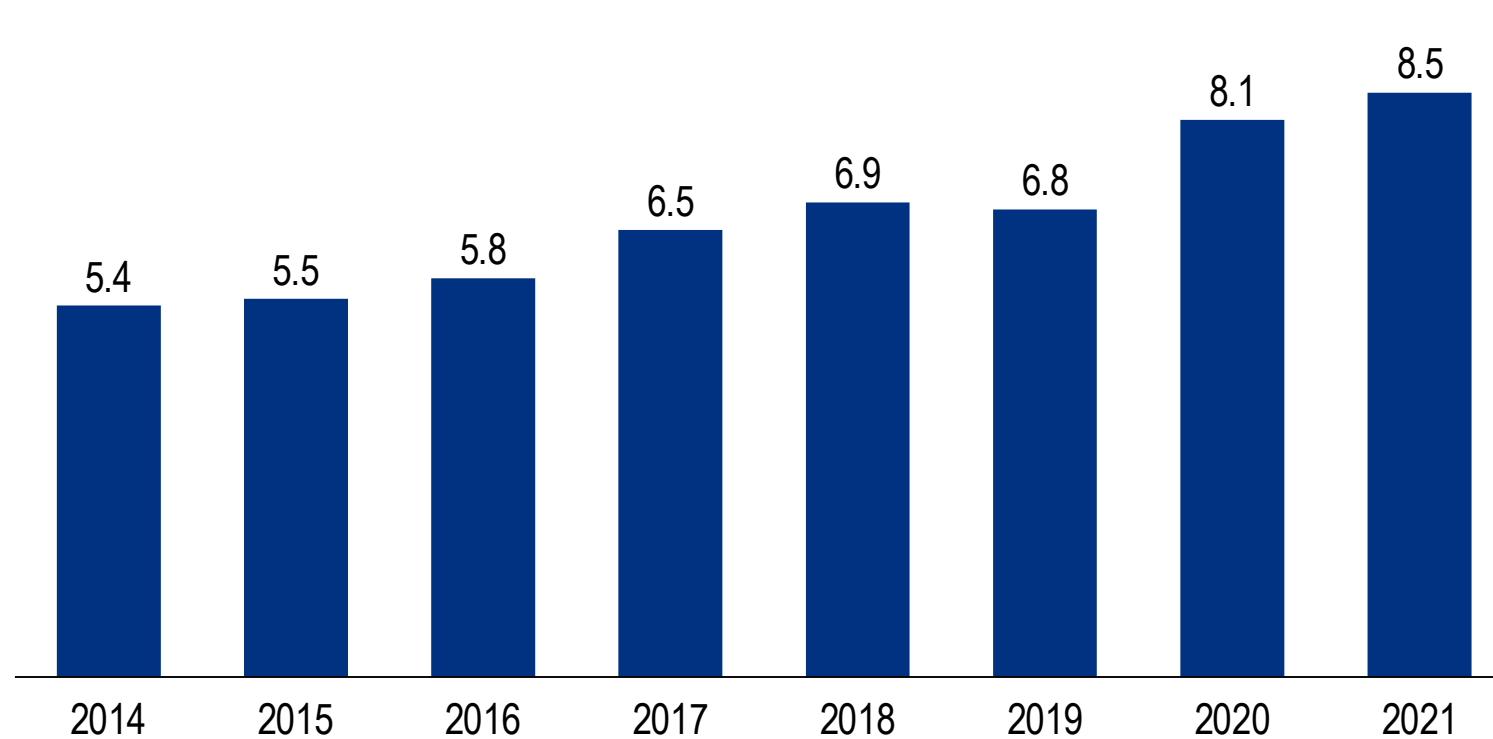


# IN ORDER TO ADDRESS MARKET NEEDS, INVESTMENT LEVELS MUST BE INCREASED FURTHER

R&D Investments of R. STAHL 2014–2021, as % of sales

Industry Benchmark: 9-10%

Comments



- R&D activities strengthened despite Covid-19 crisis
- Ongoing megatrends will require further investments in R&D



# WE ARE PRESSING AHEAD WITH THE TARGETED DEVELOPMENT OF OUR PRODUCT PORTFOLIO WHILE SIMULTANEOUSLY REDUCING THE COMPLEXITY OF OUR PRODUCTS

Automation platform "Orca"



Modular platform replaces 3 complete series

Covers all in-door applications in our key industries (chemical, pharmaceutical, LNG, hydrogen, ...)

Makes state-of-the-art hardware and software available in Ex Zones

Modularity guarantees a high degree of reliability with regard to the future

# WE ARE SETTING NEW STANDARDS WITH OUR PRODUCTS

New miniCon connection system



Patented locking system for disconnecting and connecting in hazardous areas under load

Use for applications from Industry 4.0 (data) to distribution systems (energy)

Can be used in extreme environmental conditions from - 60 °C to + 75 °C

# AGENDA

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1 Company Overview

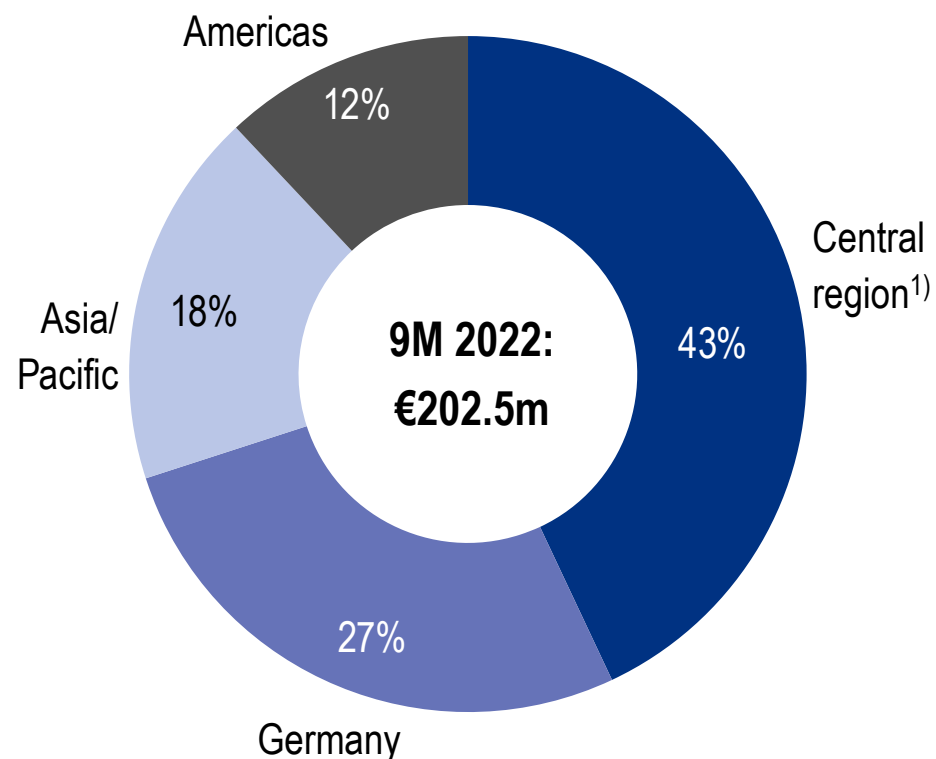
2 Driving Strategy: Excellence 2023

**3 Business Update**

4 Appendix

# SALES IN 9M 2022 UP ALMOST 10% – STRONG GROWTH IN AMERICAS

Sales R. STAHL 9M 2022 vs. 9M 2021 by region

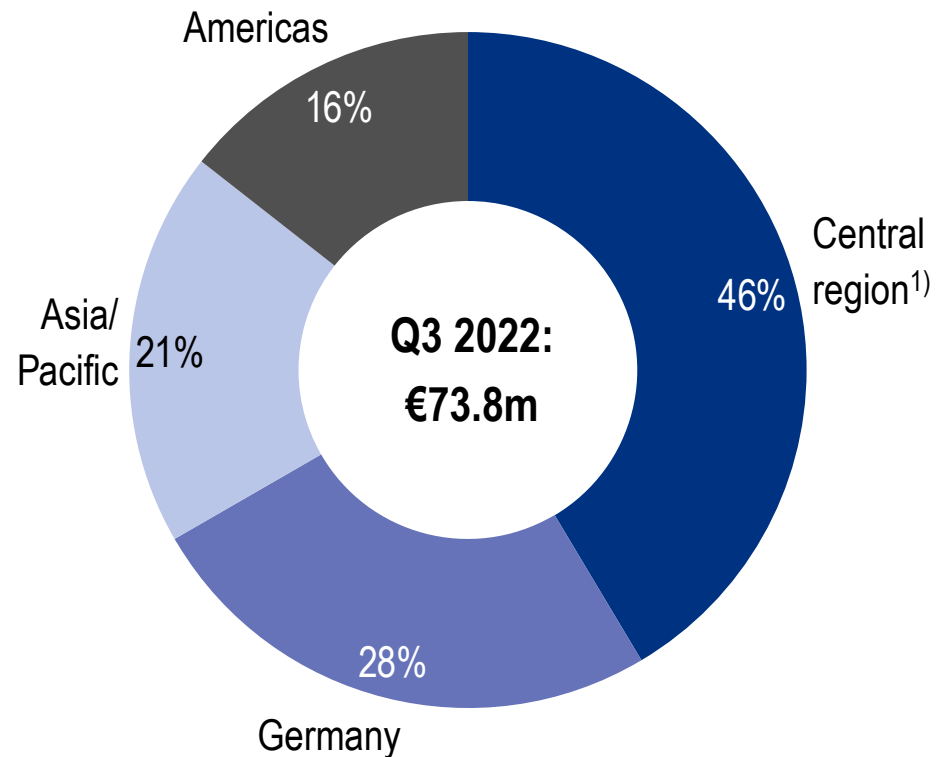


<sup>1)</sup> Central region: Africa and Europe excl. Germany.

| Regions, €m                  | 9M 2022      | 9M 2021      | Change       |
|------------------------------|--------------|--------------|--------------|
| Germany                      | 54.6         | 49.1         | +11.2%       |
| Central region <sup>1)</sup> | 87.0         | 81.3         | +7.1%        |
| Americas                     | 23.7         | 16.1         | +46.7%       |
| Asia/Pacific                 | 37.2         | 38.3         | -3.0%        |
| <b>Total</b>                 | <b>202.5</b> | <b>184.8</b> | <b>+9.6%</b> |

# IMPROVED SALES IN ALL REGIONS IN Q3

Sales R. STAHL Q3 2022 vs. Q3 2021 by region



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

| Regions, €m                  | Q3 2022     | Q3 2021     | Change        |
|------------------------------|-------------|-------------|---------------|
| Germany                      | 19.9        | 18.1        | +10.1%        |
| Central region <sup>1)</sup> | 29.8        | 24.6        | +21.0%        |
| Americas                     | 8.7         | 6.1         | +43.5%        |
| Asia/Pacific                 | 15.4        | 13.4        | +15.3%        |
| <b>Total</b>                 | <b>73.8</b> | <b>62.1</b> | <b>+18.8%</b> |

# IMPROVED EBIT AS RESULT OF STRONG Q3 FIGURES – GORELTEX IMPAIRMENT PREVENTS POSITIVE NET INCOME

## Key data of Income Statement

| €m                                 | 9M 2022      | 9M 2021 | Change     |
|------------------------------------|--------------|---------|------------|
| <b>Sales</b>                       | <b>202.5</b> | 184.8   | +9.6%      |
| <b>Total operating performance</b> | <b>209.8</b> | 187.9   | +11.7%     |
| Other operating income / expenses  | <b>-26.8</b> | -24.0   | -11.9%     |
| Cost of materials                  | <b>-73.7</b> | -64.1   | -14.9%     |
| Personnel cost                     | <b>-93.8</b> | -88.3   | -6.3%      |
| Depreciation                       | <b>-12.3</b> | -12.4   | +1.3%      |
| <b>EBIT</b>                        | <b>3.2</b>   | -0.9    | <i>n/a</i> |
| Financial result                   | <b>-3.2</b>  | -1.2    | <i>n/a</i> |
| <b>EBT</b>                         | <b>0.1</b>   | -2.1    | <i>n/a</i> |
| Income taxes                       | <b>-1.1</b>  | -1.8    | +35.8%     |
| <b>Net profit</b>                  | <b>-1.1</b>  | -3.8    | +72.2%     |
| Earnings per share in €            | <b>-0.17</b> | -0.59   | +71.2%     |
| EBITDA                             | <b>15.5</b>  | 11.5    | +34.4%     |
| <b>EBITDA pre<sup>1)</sup></b>     | <b>16.6</b>  | 12.3    | +35.3%     |

## Comments

- Impairment of at-equity investment ZAVOD Goreltex of €3.1m in Q1

<sup>1)</sup> EBITDA pre: EBITDA pre exceptionals: restructuring charges, unscheduled 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).



# IMPROVED SALES AND POSITIVE FINANCIAL RESULT GIVE A STRONG BOOST TO NET PROFIT

## Key data of Income Statement

| €m                                 | Q3 2022      | Q3 2021 | Change |
|------------------------------------|--------------|---------|--------|
| <b>Sales</b>                       | <b>73.8</b>  | 62.1    | +18.8% |
| <b>Total operating performance</b> | <b>76.0</b>  | 63.4    | +19.9% |
| Other operating income / expenses  | <b>-9.6</b>  | -8.5    | -13.0% |
| Cost of materials                  | <b>-26.9</b> | -21.9   | -22.6% |
| Personnel cost                     | <b>-30.4</b> | -28.0   | -8.7%  |
| Depreciation and amortization      | <b>-4.1</b>  | -4.1    | +1.5%  |
| <b>EBIT</b>                        | <b>5.0</b>   | 0.8     | >+100  |
| Financial result                   | <b>0.4</b>   | -0.3    | n/a    |
| <b>EBT</b>                         | <b>5.4</b>   | 0.5     | >+100  |
| Income taxes                       | <b>-0.2</b>  | -0.6    | +63.2% |
| <b>Net profit</b>                  | <b>5.2</b>   | -0.1    | n/a    |
| Earnings per share in €            | <b>0.80</b>  | -0.01   | n/a    |
| EBITDA                             | <b>9.1</b>   | 5.0     | +83.1% |
| <b>EBITDA pre<sup>1)</sup></b>     | <b>9.7</b>   | 5.1     | +89.7% |

## Comments

- Supply issues as well as high inflation led to higher cost of material ratio of 35.4%
- Increased personnel cost influenced by salary adjustments and a selective approach to recruiting
- Financial result improved by very strong performance of Russian ZAVOD Goreltex

<sup>1)</sup> EBITDA pre: EBITDA pre exceptionals: restructuring charges, unscheduled 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).

# ONGOING HIGH WORKING CAPITAL REQUIREMENTS LED TO DECREASE OF FREE CASH FLOW

Key data of Cash Flow Statement

| €m  | 9M 2022      | 9M 2021      | Change       | Comments   |
|---|--------------|--------------|--------------|--|
| <b>Net profit</b>                           | <b>-1.1</b>  | -3.8         | -2.8         | <ul style="list-style-type: none"> <li>• Reversal of long-term financial investment led to decrease of investing activities</li> <li>• Increase of cash flow from financing activities due to higher net debt</li> </ul> |
| Depreciation and amortization               | 15.3         | 12.4         | +2.9         |  |
| Other items without cash flow impact        | -1.6         | 0.7          | -2.3         |  |
| <b>Cash flow</b>                            | <b>12.6</b>  | 9.3          | +3.3         |  |
| Changes in working capital                  | -17.9        | -5.9         | -11.9        |  |
| <b>Cash flow from operating activities</b>  | <b>-5.2</b>  | <b>3.3</b>   | <b>-8.6</b>  |  |
| <b>Cash flow from investing activities</b>  | <b>-6.3</b>  | <b>-10.4</b> | <b>+4.1</b>  |  |
| <b>Free cash flow</b>                       | <b>-11.6</b> | <b>-7.1</b>  | <b>-4.5</b>  |  |
| <b>Cash flow from financing activities</b>  | <b>22.8</b>  | <b>7.1</b>   | <b>+15.7</b> |  |
| Cash and cash equivalents (30 September)    | 18.4         | 20.4         | -2.0         |  |
| <b>Net debt<sup>1)</sup> (30 September)</b> | <b>33.7</b>  | <b>17.3</b>  | <b>+16.4</b> |  |

<sup>1)</sup> Excl. lease liabilities and pensions.

# HIGHER WORKING CAPITAL REQUIREMENTS RESULT IN NEGATIVE FREE CASH FLOW

Key data of Cash Flow Statement

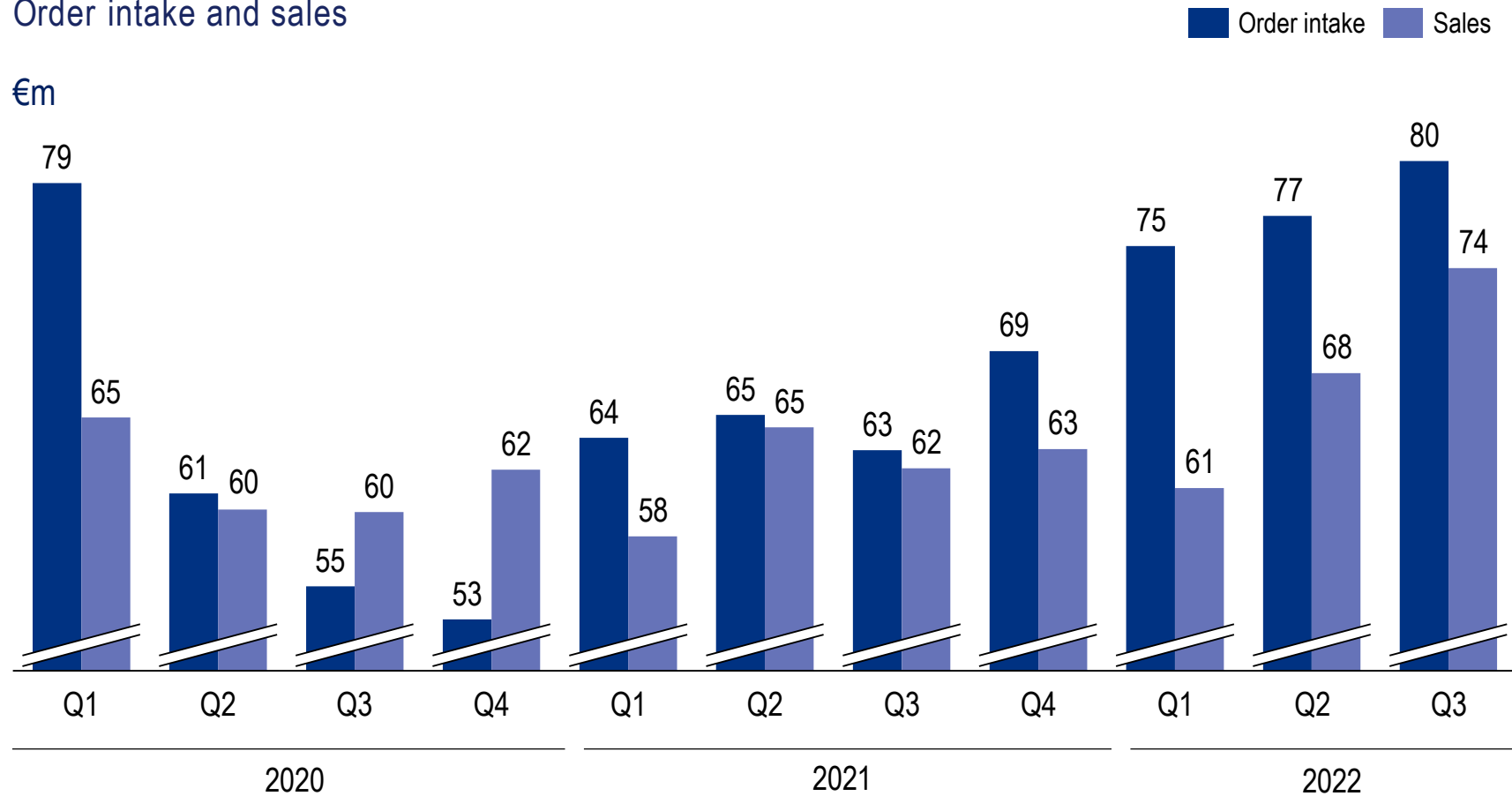
| €m  | Q3 2022     | Q3 2021     | Change      | Comments   |
|---|-------------|-------------|-------------|--|
| <b>Net profit</b>                           | <b>5.2</b>  | -0.1        | +5.3        | <ul style="list-style-type: none"> <li>• Cash flow increase driven by improved net income</li> <li>• Higher inventories due to material shortages with negative impact on operating cash flow</li> <li>• Decrease of cash flow from financing activities due to higher utilization of interest-bearing debt</li> </ul> |
| Depreciation and amortization               | 4.1         | 4.1         | -0.1        |  |
| Other items without cash flow impact        | 0.4         | 0.2         | +0.1        |  |
| <b>Cash flow</b>                            | <b>9.7</b>  | 4.3         | +5.4        |  |
| Changes in working capital                  | -16.2       | -3.2        | -13.0       |  |
| <b>Cash flow from operating activities</b>  | <b>-6.5</b> | <b>1.1</b>  | <b>-7.6</b> |  |
| <b>Cash flow from investing activities</b>  | <b>-3.1</b> | <b>-3.7</b> | <b>+0.7</b> |  |
| <b>Free cash flow</b>                       | <b>-9.6</b> | <b>-2.6</b> | <b>-6.9</b> |  |
| <b>Cash flow from financing activities</b>  | <b>7.0</b>  | <b>1.0</b>  | <b>+5.9</b> |  |
| Cash and cash equivalents (30 September)    | 18.4        | 20.4        | -2.0        |  |
| <b>Net debt<sup>1)</sup> (30 September)</b> | <b>33.7</b> | 17.3        | +16.4       |  |

<sup>1)</sup> Excl. lease liabilities and pensions.

# POSITIVE SALES DEVELOPMENT REMAIN DAMPENED BY SHORTAGES OF ELECTRONIC SUPPLIES

Order intake and sales

€m



## Comments

- Ongoing strong order intake establishes sound base for strong top-line in coming quarters
- Turning orders into sales still dependent on shortages of electronic supplies

# GUIDANCE CONFIRMED – DESPITE CHALLENGING MARKET CONDITIONS

Guidance FY 2022

**Sales** expected in the €270m and €275m corridor

**EBITDA pre<sup>1)</sup>** between €18m and €21m expected

**Free cash flow** to be a low double digit negative € million amount at year-end

Significant increase of **equity ratio** as interest rate level for valuation of pension provisions are rising

<sup>1)</sup> EBITDA pre: EBITDA pre exceptionals: restructuring charges, unscheduled 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)

## RISKS



- Russia/Ukraine crisis
- Ongoing supply chain issues
- Another Covid-19 wave

# AGENDA

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1 Company Overview

2 Driving Strategy: Excellence 2023

3 Business Update

**4 Appendix**



# ISSUER, CONTACT AND ADDITIONAL INFORMATION

## ISSUER AND CONTACT

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## ADDITIONAL INFORMATION

|                         |   |
|-------------------------|---|
| <b>ISIN</b>             | DE000A1PHBB5                                  |
| <b>WKN</b>              | A1PHBB  |
| <b>Deutsche Boerse</b>  | RSL2  |
| <b>Ticker Bloomberg</b> | RSL2  |
| <b>Ticker Reuters</b>   | RSL2.DE                                       |
| <b>Listing</b>          | Frankfurt Stock<br>Exchange<br>Prime Standard |

## FINANCIAL CALENDAR 2022/2023

|                  |   |
|------------------|---|
| <b>Nov 28/29</b> | German Equity Forum                     |
| <b>Feb 16</b>    | Preliminary figures FY 2022             |
| <b>Apr 27</b>    | Annual Report FY 2022                   |
| <b>May 10</b>    | Interim Report Q1 2023                  |
| <b>June 29</b>   | 30 <sup>th</sup> Annual General Meeting |
| <b>Aug 9</b>     | Interim Report H1 2023                  |
| <b>Nov 9</b>     | Interim Report Q3 2023                  |

THE STRONGEST LINK.

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