

Geratherm®

*SOLUTIONS FOR A
HEALTHY WORLD*



Quarterly Statement **Q1/2020**

GERATHERM

AT A GLANCE

| Facts and figures | January- March 2020 | January- March 2019 | Change % |
|---|---------------------------|---------------------------|----------------|
| Sales revenues | 6,253 kEUR | 6,276 kEUR | -0.4 % |
| of which export share | 5,341 kEUR | 4,946 kEUR | 8.0 % |
| Export ratio | 85 % | 79 % | 7.6 % |
| Gross result for period under review (EBITDA) | 671 kEUR | 1,232 kEUR | -45.5 % |
| EBITDA margin | 10.7 % | 19.6 % | -45.4 % |
| Amortisation and depreciation | -299 kEUR | -275 kEUR | 8.9 % |
| Operating result (EBIT) | 372 kEUR | 957 kEUR | -61.1 % |
| EBIT margin | 5.9 % | 15.2 % | -61.2 % |
| Financial results | -24 kEUR | -12 kEUR | 100.0 % |
| Profit (loss) on ordinary business activities | 348 kEUR | 945 kEUR | -63.2 % |
| Net earnings of the parent company's shareholders in given period | 287 kEUR | 582 kEUR | -50.7 % |
| Long-term assets | 13,340 kEUR | 11,016 kEUR * | 21.1 % |
| Short-term assets | 20,276 kEUR | 20,143 kEUR * | 0.7 % |
| Balance sheet total | 33,616 kEUR | 31,159 kEUR * | 7.9 % |
| Equity capital | 18,665 kEUR | 20,532 kEUR * | -9.1 % |
| Return on equity | 6.2 % | 11.3 % * | -45.8 % |
| Equity ratio | 55.5 % | 65.9 % * | -15.8 % |
| Cash, cash equivalents and securities | 8,159 kEUR | 8,113 kEUR | 0.6 % |
| Net result per share for given period according to IFRS (EPS)** | EUR 0.06 | EUR 0.12 | -50.0 % |
| Net result per share for given period as per DVFA** (German Association for Financial Analyses and Asset Management) | EUR 0.06 | EUR 0.12 | -50.0 % |
| Number of employees at end of period | 211 | 207 | 1.9 % |
| Total shares issued | 4,949,999 | 4,949,999 | 0.0 % |
| ** based on total shares issued | 4,949,999 | 4,949,999 | 0.0 % |

*Last year's figures are only comparable to a limited extent, see error correction as at 31/12/2019

Business Performance from 1 January to 31 March 2020

- Sales revenues EUR 6.3 million -0.4 %
- Gross result for first quarter (EBITDA) 671 kEUR -45.5 %
- Operating result (EBIT) 372 kEUR (2019: 957 kEUR).
- EBIT margin 5.9 % (2019: 15.2 %)
- Results from ordinary activities 348 kEUR (2019: 945 kEUR).
- Relocation of Geratherm Respiratory to the new production facility completed
- Postponements in installations in hospitals and clinics abroad due to closed borders
- Earnings per share EUR 0.06 (2019: EUR 0.12)

Dear Shareholders and Parties Interested in Geratherm Medical,

We have survived the first “Corona quarter” without suffering any major bruises. In terms of sales and earnings, we were able to maintain the very healthy first quarter of the previous financial year, posting a slight decrease of -0.4 %. There were two opposing trends that occurred in the first quarter of 2020. On the one hand, we had limited options to procure products from China, and on the other hand, we increased production significantly as a result of the coronavirus pandemic in Europe. The supply bottlenecks have been rectified so that we are expecting higher domestic production.

As negative special factors, we had to take into account the strong devaluation of the Brazilian real of almost 30 % at our subsidiary in Brazil in our quarterly financial statements. The delivery of LMT’s major order to Poland was also not possible due to the closed borders. On a positive note, Geratherm Respiratory in Bad Kissingen posted a healthy growth of +35.5 % for its pulmonary function measuring devices in the first quarter and the production of clinical thermometers was expanded considerably at the Thuringia plant in mid-March.

The gross result of the overall performance was EUR 4.052 million (2019: EUR 4.214 million). The gross margin on sales was 64.8 % (2019: 67.1 %). The EBIT margin decreased to 5.9 % (2019: 15.2%). The operating result EBIT was during the first quarter 372 kEUR (2019: 957 kEUR).

The results from ordinary business activities was 348 kEUR (2019: 945 kEUR). The shareholders' result after taxes was 287 kEUR for the first quarter (2019: 582 kEUR) or EUR 0.06 per share (2019: EUR 0.12)

Facts and figures (in kEUR)

| | I/20 | IV/19 | III/19 | II/19 | I/19 |
|---------------|-------|-------|--------|-------|-------|
| Sales | 6,253 | 4,503 | 4,644 | 4,428 | 6,276 |
| EBITDA margin | 10.7% | 5.0% | 13.3% | 6.3% | 19.6% |
| EBIT | 372 | -198 | 304 | -14 | 957 |
| EPS (EUR) | 0.06 | -0.04 | 0.03 | 0.00 | 0.12 |
| Cash flow | 1,043 | 694 | 536 | 345 | 1,171 |

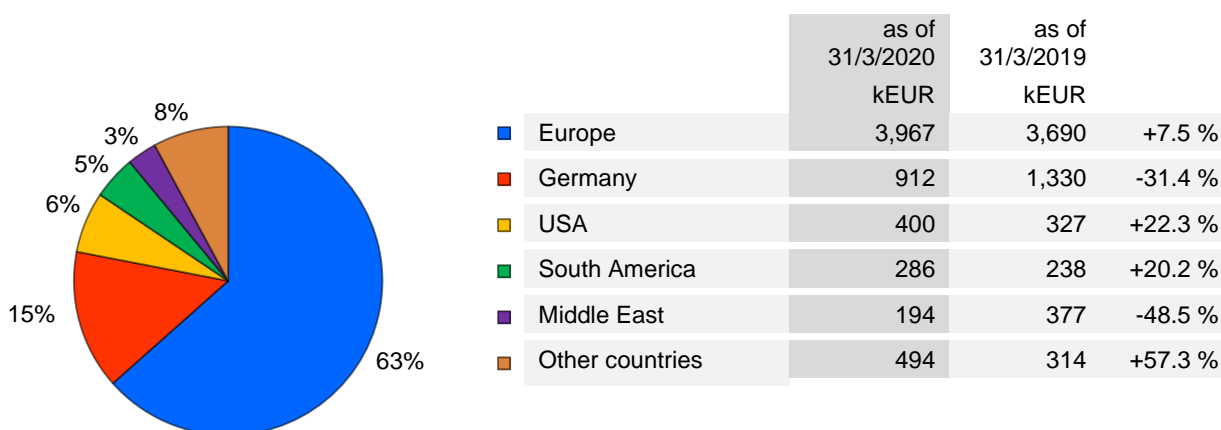
Sales development

Sales development varied considerably in the individual regions during the first quarter. This was influenced by the strong demand for Geratherm products that are produced in Germany and a non-intact supply chain in the first two months for Geratherm products that are produced in Asia. All in all, we were able to match the very healthy prior-year quarter with a slight drop in sales of 0.4 %.

Geratherm managed to post an increase in sales of +7.5 % during the first quarter on the European market. There was a -31.4 % decline in sales on the German market, which is mainly due to the slump in demand for sensors, in particular among industrial customers.

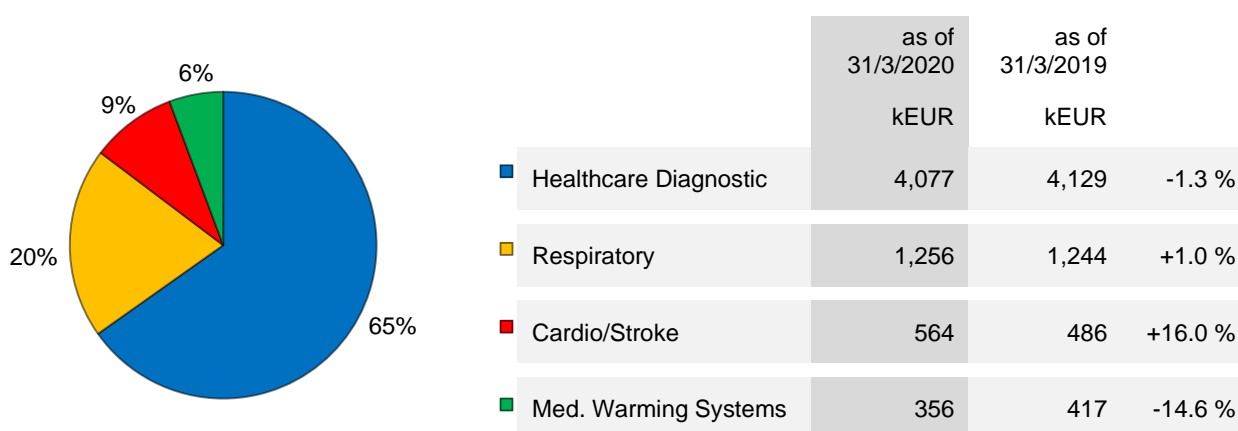
On the US market, we were able to show a +22.3 % increase in sales compared to the first quarter of the prior year. We recorded a positive trend with a +20.2 % increase in sales on the South American market, which is mainly due to the strong sales of clinical thermometers. In the Middle East there was a decrease in sales of -48.5 % as of the reporting date.

Sales by regions 1/1 to 31/3/2020



Geratherm Medical's products are primarily marketed internationally. 85.4 % (2019: 78.8 %) of Geratherm products were exported in the first quarter.

Sales by segments 1/1 to 31/3/2020



In the Healthcare Diagnostic segment, where we primarily market clinical thermometers, blood pressure monitors and women's health products to pharmacies and drugstores world-wide, we showed a slight drop of -1.3 % in sales. The environmentally friendly Gallium-based glass thermometer manufactured in Germany managed to post a growth of +6.7 %. The clinical "non-contact" thermometers showed a sales expansion of +97.2 %. The sales of blood pressure monitors had to post a -38.0 % drop in sales as a result of change in customer priority. The same applies to the Women Health segment that posted a -51.8 % drop in sales in the first quarter. The Healthcare Diagnostic segment accounted for 65.2 % of the Geratherm Group (2019: 65.8 %)

In the Respiratory segment, where we offer sensors and products for testing pulmonary function, we managed to also record a slight growth in segment sales of +1.0 %. Sensor Systems which were included in the segment sales had posted a drop of -29.2 % as a result of the lower demand for sensors. The sales of medical products for measuring pulmonary function showed very dynamic development with an increase in sales of +35.5 % over the prior-year quarter.

The rate of growth in the Cardio/Stroke segment was also maintained during the course of the first quarter. The segment managed to report once again a double-digit increase in sales of +16.0 % during the first three months.

Sales in the Medical Warming Systems segment had declined in the period under review, as in the quarters of the previous year. All in all, we had to show another decline in sales of -14.6 %. The warming systems for operating rooms are still in the recertification process and LMT products could not be installed in hospitals and clinics due to closed borders, especially in Poland.

Earnings situation

Despite the challenging underlying conditions, we were able to conclude the first three months with a positive consolidated result. With an almost steady level of sales, extraordinary charges arose as a result of the significant devaluation of the Brazilian real at the end of the quarter as well as the negative profit contribution on part of LMT Medical and Warming Systems, while higher personnel expenses led to a lower operating result. With an EBITDA margin of 10.7 % and an EBIT margin of 5.9 %, we did not meet our earnings expectations in the first quarter.

The gross profit margin of sales during the first three months amounted to 64.8 % (2019: 67.1 %). The gross profit of EUR 4.052 million was with a decrease of 3.8 % slightly below the prior-year's level.

The EBITDA decreased to 671 kEUR (EUR 1.232 million) as a result of +5.1 % higher personnel expenses and considerably higher other operating expenses. The write-offs increased by +8.9 % to 299 kEUR.

The operating result (EBIT) decreased by -61.1 % to 372 kEUR. The financial results amounted to -24 kEUR (2019: 12 kEUR). The result from ordinary business activities during the first three months amounted to 348 kEUR (2019: 945 kEUR).

Taxes on profit decreased by -38.4 % to 199 kEUR. A consolidated net profit for the first three months amounted to 148 kEUR (2019: 622 kEUR).

After including the result attributable to minority interests, there was a net income of 287 kEUR (2019: 582 kEUR) generated for the shareholders of the parent company for the first three months.

The result per share for the first three months is EUR 0.06 (2019: EUR 0.12).

Net assets and financial situation

Geratherm Medical enjoys a favourable asset situation. The balance sheet total of EUR 33.6 million is essentially formed by equity capital in the amount of EUR 18.7 million. The equity-to-assets ratio as of the reporting date was 55.5 % (2019: 65.9 %). The return on equity amounted to 6.2 % (2019: 11.3 %).

As of 31 March 2020, the company had cash, cash equivalents and securities in the amount of EUR 8.2 million (2019: EUR 8.1 million). Thus, the company still has a solid financial position.

The long-term assets amounted to EUR 13.3 million (2019: EUR 12.5 million). The increase is due to the completion of the new production building at the Bad Kissingen location.

The short-term assets decreased slightly by -2.5 % to EUR 20.3 million. Inventories dropped by -3.2 % to EUR 7.6 million. Due to the strong sales resulting from the corona pandemic as of mid-March, trade accounts receivables increased considerably by +40.5 % to EUR 3.5 million. All in all, the "Receivables and other assets" item increased by +33.2 % to EUR 4.5 million.

Geratherm holds securities in the amount of EUR 4.2 million. As of the reporting date, the valuation basis decreased by -22.1 %. The cash and cash equivalents available as at 31 March 2020 amounted to EUR 3.9 million (2019: EUR 4.1 million).

The gross cash flow for the first three months decreased to EUR 1.043 million (2019: EUR 1.171 million). The cash flow from operations increased to 721 kEUR (2019: 256 kEUR). The cash flow from investments amounted to -EUR 1.198 million (2019: -EUR 1.070 million). The cash flow from financing activities was 263 kEUR (2019: 139 kEUR).

Research and development

Our research and development activities are currently concentrated in the Respiratory and Medical heat Systems, in particular at LMT, as well as on the Cardio/Stroke segment.

Staff

The Geratherm Group had a staff of 211 persons in total as of 31 March 2020 (2019: 207) with 199 employees in Germany.

Outlook

Since the beginning of March, the coronavirus pandemic has led to a significant increase in the international demand especially for clinical thermometers and pulmonary function measuring devices. We therefore assume that we will have a very strong second quarter thanks to the orders received. In April 2020, the Diagnostic segment was considerably higher with a +94,4 % increase in sales than the same month of the prior year. LMT's project sales are also expected to increase during the second quarter due to the opening of borders, in particular with Poland.

Despite certain residual risks we are planning to hold this year's annual general meeting of Geratherm Medical on 12 June 2020, 2 PM in the "Grandhotel Hessischer Hof" in Frankfurt am Main, while taking into account the appropriate hygiene measures.

Geratal, May 2020



Dr. Gert Frank
Chief Executive Officer

Consolidated profit and loss statement from 1 January to 31 March 2020

| | January- March 2020 EUR | January- March 2019 EUR | Change |
|---|-------------------------------|-------------------------------|-------------------|
| Sales revenues | 6,253,273 | 6,276,197 | -0.4% |
| Change in inventory of finished products and work in process | -390,365 | 88,244 | >100.0% |
| Other capitalised own work | 51,923 | 59,500 | -12.7% |
| Other operating income | 171,748 | 116,165 | 47.8% |
| | 6,086,579 | 6,540,106 | -6.9% |
| Cost of materials | | | |
| Cost of raw materials, consumables and goods for resale | -1,783,846 | -2,009,965 | -11.2% |
| Costs of purchased services | -251,141 | -315,943 | -20.5% |
| | -2,034,987 | -2,325,908 | -12.5% |
| Gross profit or loss | 4,051,592 | 4,214,198 | -3.9% |
| Personnel costs | | | |
| Wages and salaries | -1,592,541 | -1,508,566 | 5.6% |
| Social security, pension and other benefits | -330,178 | -321,364 | 2.7% |
| | -1,922,719 | -1,829,930 | 5.1% |
| Other operating expenses | -1,458,173 | -1,152,825 | 26.5% |
| Gross profit (EBITDA) | 670,700 | 1,231,443 | -45.5% |
| Amortisation of intangible assets and depreciation of tangible assets | -298,913 | -274,525 | 8.9% |
| Operating results | 371,787 | 956,918 | -61.1% |
| Securities-related expenses | -322 | -1,236 | -73.9% |
| Other interest and similar income | 463 | 367 | 26.2% |
| Interests and similar expenses | -24,272 | -10,904 | >100.0% |
| Financial results | -24,131 | -11,773 | >100.0% |
| Profit (loss) on ordinary business activities | 347,656 | 945,145 | -63.2% |
| Income taxes | -199,283 | -323,255 | -38.4% |
| Consolidated profit for the period | 148,373 | 621,890 | -76.1% |
| Result of non-controlling shareholders | -138,834 | 39,786 | >100.0% |
| Profits of the parent company's shareholders | 287,207 | 582,104 | -50.7% |
| Earnings per share (undiluted) | 0.06 | 0.12 | -50.0% |

Consolidated balance sheet as at 31 March 2020

| Assets | 31 March 2020 EUR | 31 December 2019 EUR | Change |
|---|----------------------|-------------------------|--------------|
| A. Long-term assets | | | |
| I. Intangible assets | | | |
| 1. Development costs | 2,139,086 | 1,952,094 | 9.6% |
| 2. Other intangible assets | 231,321 | 244,432 | -5.4% |
| 3. Goodwill | 1 | 1 | - |
| | 2,370,408 | 2,196,527 | 7.9% |
| II. Tangible assets | | | |
| 1. Land, land rights and buildings | 3,368,392 | 3,396,137 | -0.8% |
| 2. Technical equipment and machinery | 3,259,746 | 3,310,947 | -1.5% |
| 3. Other equipment, factory and office equipment | 243,848 | 252,301 | -3.4% |
| 4. Construction in process | 1,901,838 | 1,323,247 | 43.7% |
| | 8,773,824 | 8,282,632 | 5.9% |
| III. Rights of use | 361,768 | 346,142 | 4.5% |
| IV. Financial assets accounted on basis of equity method | 350,000 | 350,000 | 0.0% |
| V. Other financial assets | 1,370,650 | 1,173,731 | 16.8% |
| VI. Other long-term receivables | 113,112 | 127,437 | -11.2% |
| | 13,339,762 | 12,476,469 | 6.9% |
| B. Short-term assets | | | |
| I. Inventories | | | |
| 1. Raw materials and supplies | 2,417,163 | 2,318,131 | 4.3% |
| 2. Unfinished goods | 1,280,331 | 1,252,899 | 2.2% |
| 3. Finished goods and merchandise | 3,916,287 | 4,293,693 | -8.8% |
| | 7,613,781 | 7,864,723 | -3.2% |
| II. Receivables and other assets | | | |
| 1. Trade receivables | 3,521,282 | 2,505,893 | 40.5% |
| 2. Receivables from current income taxes | 328,860 | 360,385 | -8.7% |
| 3. Receivables from other taxes | 240,043 | 167,827 | 43.0% |
| 4. Other assets | 412,659 | 346,794 | 19.0% |
| | 4,502,844 | 3,380,899 | 33.2% |
| III. Securities | 4,209,945 | 5,403,538 | -22.1% |
| IV. Cash and cash equivalents | 3,949,332 | 4,138,814 | -4.6% |
| | 20,275,902 | 20,787,974 | -2.5% |
| | 33,615,664 | 33,264,443 | 1.1% |
| Equity and liabilities | | | |
| A. Equity capital | | | |
| I. Subscribed capital | 4,949,999 | 4,949,999 | 0.0% |
| II. Capital reserve | 12,174,192 | 12,174,192 | 0.0% |
| III. Other reserves | 2,018,046 | 2,703,227 | -25.3% |
| Assignable to the shareholders of the parent company | 19,142,237 | 19,827,418 | -3.5% |
| Shareholders of minority interests | -477,076 | -646,636 | -26.2% |
| | 18,665,161 | 19,180,782 | -2.7% |
| B. Non-current liabilities | | | |
| 1. Liabilities to banks | 5,383,329 | 5,208,328 | 3.4% |
| 2. Accrued investment subsidies | 1,319,518 | 1,347,995 | -2.1% |
| 3. Long-term leasing liabilities | 108,980 | 63,011 | 73.0% |
| 4. Other long-term liabilities | 409,989 | 409,989 | 0.0% |
| | 7,221,816 | 7,029,323 | 2.7% |
| C. Deferred taxes | 35,963 | 30,733 | 17.0% |
| C. Current debts | | | |
| 1. Liabilities to banks | 2,004,302 | 2,057,920 | -2.6% |
| 2. Trade accounts payables | 1,730,662 | 1,410,724 | 22.7% |
| 3. Short-term leasing liabilities | 259,660 | 290,301 | -10.6% |
| 4. Liabilities from current income taxes | 12,954 | 41,016 | -68.4% |
| 5. Contractual liabilities | 1,508,317 | 1,267,167 | 19.0% |
| 6. Other tax liabilities | 465,386 | 520,155 | -10.5% |
| 7. Other short-term liabilities | 1,711,443 | 1,436,322 | 19.2% |
| | 7,692,724 | 7,023,605 | 9.5% |
| | 33,615,664 | 33,264,443 | 1.1% |

Consolidated statement of cash flows from 1 January to 31 March 2020

| | January- March 2020 kEUR | January- March 2019 kEUR |
|---|-----------------------------|-----------------------------|
| Consolidated profit for the period | 148 | 622 |
| Non-cash expenses and income of Geratherm do Brasil Ltda. | -205 | 0 |
| Other non-cash expenses | 606 | -46 |
| Interest earnings | 0 | 0 |
| Interest expenses | 24 | 11 |
| Increase in deferred taxes | 5 | 109 |
| Income tax expenditure | 194 | 229 |
| Depreciation of fixed assets | 224 | 209 |
| Amortisation of usage rights | 75 | 66 |
| Amortisation of public grants and subsidies | -28 | -29 |
| Gross cash flow | 1,043 | 1,171 |
| Decrease/ increase in inventories | 251 | -331 |
| Increase in trade receivables and other assets | -1,149 | -830 |
| Increase in current liabilities and other liabilities | 781 | 362 |
| Cash inflow from interest | 0 | 0 |
| Cash outflow from interest | -24 | -11 |
| Cash outflow from taxes | -181 | -105 |
| Cash flow from operations | 721 | 256 |
| Cash outflow for investments in intangible assets (without capitalised development costs) and tangible assets | -711 | -351 |
| Additions to capitalised development costs | -190 | -114 |
| Cash inflow from funding sources for investments | 0 | 0 |
| Cash inflow based on financial assets | 0 | 0 |
| Cash outflow based on financial assets | -297 | -605 |
| Cash flow from investments | -1,198 | -1,070 |
| Cash outflow for rental and lease liabilities | -75 | -66 |
| Dividend payments | 0 | 0 |
| Cash inflow from taking out loan liabilities | 550 | 205 |
| Cash outflow for repayment of loan liabilities | -212 | 0 |
| Decrease/ increase in long-term liabilities | 0 | 0 |
| Cash flow from financing activities | 263 | 139 |
| Change in cash and cash equivalents | -214 | -675 |
| Cash and cash equivalents at beginning of reporting period | 4,139 | 5,361 |
| Exchange rate difference | 24 | 15 |
| Cash and cash equivalents at end of reporting period | 3,949 | 4,701 |

Consolidated statement of change to the shareholders' equity as at 31 March 2020

| | Subscribed capital | Capital reserve | Other reserves | | | Assignable to the shareholders of the parent company | Non-controlling interests | Equity capital |
|--|--------------------|-------------------|--------------------------|-----------------------------|----------------------|--|---------------------------|-------------------|
| | | | Market valuation reserve | Currency conversion reserve | Accumulated earnings | | | |
| | EUR | EUR | EUR | EUR | EUR | EUR | EUR | EUR |
| as of 1 January 2019 | 4,949,999 | 12,174,192 | 703,276 | 288,383 | 1,837,808 | 19,953,658 | -357,718 | 19,595,940 |
| Dividend paid to shareholders | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transactions with shareholders and member partners | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Consolidated earnings in period concerned | 0 | 0 | 0 | 0 | 582,104 | 582,104 | 39,786 | 621,890 |
| Unrealised profits and losses from valuation of securities | 0 | 0 | 345,406 | 0 | 0 | 345,406 | 0 | 345,406 |
| Currency translation in the Group | 0 | 0 | 0 | -15,453 | 0 | -15,453 | -15,374 | -30,827 |
| Total consolidated income | 0 | 0 | 345,406 | -15,453 | 582,104 | 912,057 | 24,412 | 936,469 |
| as of 31 March 2019 | 4,949,999 | 12,174,192 | 1,048,682 | 272,930 | 2,419,912 | 20,865,715 | -333,306 | 20,532,409 |
| as of 1 January 2020 | 4,949,999 | 12,174,192 | 1,929,289 | 313,599 | 460,339 | 19,827,418 | -646,636 | 19,180,782 |
| Dividend paid to shareholders | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transactions with shareholders and member partners | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Consolidated earnings in period concerned | 0 | 0 | 0 | 0 | 287,207 | 287,207 | -138,834 | 148,373 |
| Unrealised profits and losses from valuation of securities | 0 | 0 | -1,294,108 | 0 | 0 | -1,294,108 | 0 | -1,294,108 |
| Currency translation in the Group | 0 | 0 | 0 | 321,720 | 0 | 321,720 | 308,394 | 630,114 |
| Total consolidated income | 0 | 0 | -1,294,108 | 321,720 | 287,207 | -685,181 | 169,560 | -515,621 |
| as of 31 March 2020 | 4,949,999 | 12,174,192 | 635,181 | 635,319 | 747,546 | 19,142,237 | -477,076 | 18,665,161 |

Consolidated statement of comprehensive income as per IFRS for the period from 1 January to 31 March 2020

| | 1/1-31/12/2020 EUR | 1/1-31/3/2019 EUR |
|---|-----------------------|----------------------|
| Consolidated profit for the period | 148,373 | 621,890 |
| Income and expenses directly recognised in equity, which are not reclassified to profit or loss: | | |
| Profits or losses from valuation of investments according to IFRS 9 | 0 | 0 |
| Profits or losses from valuation of securities according to IFRS 9 | -1,294,108 | 345,406 |
| | -1,294,108 | 345,406 |
| Income and expenses directly recognised in equity, which are reclassified to profit or loss under specific conditions: | | |
| Profits or losses from valuation of securities according to IAS 39 | 0 | 0 |
| Difference resulting from currency translation | 630,114 | -30,827 |
| | 630,114 | -30,827 |
| Income and expenses directly included in equity capital | -663,994 | 314,579 |
| Total consolidated income | -515,621 | 936,469 |
| of which assignable to shareholders of minority interest | 169,560 | 24,412 |
| of which assignable to shareholders of parent company | -685,181 | 912,057 |

Group segment report for the period from 1 January to 31 March 2020

| By product groups | Healthcare Diagnostic Jan.-Mar. kEUR | Respiratory Jan.-Mar. kEUR | Medical Warming Systems Jan.-Mar. kEUR | Cardio/Stroke Jan.-Mar. kEUR | Consolidation Jan.-Mar. kEUR | Reconciliation Jan.-Mar. kEUR | Total Jan.-Mar. kEUR |
|---|--|----------------------------------|--|------------------------------------|------------------------------------|-------------------------------------|----------------------------|
| 2020 | | | | | | | |
| Segment sales | 4,400 | 1,378 | 359 | 519 | -403 | 0 | 6,253 |
| Operating results | 364 | 42 | -240 | 131 | 107 | -32 | 372 |
| including: | | | | | | | |
| Amortisation/depreciation of intangible and tangible assets | 158 | 35 | 12 | 17 | 60 | 17 | 299 |
| Segment assets | 6,975 | 2,398 | 2,127 | 851 | 0 | 7,925 | 20,276 |
| Segment debts | 6,692 | 2,283 | 1,419 | 1,575 | 0 | 1,371 | 13,340 |

| Based on product groups | Healthcare Diagnostic Jan.-Mar. kEUR | Respiratory Jan.-Mar. kEUR | Medical Warming Systems Jan.-Mar. kEUR | Cardio/Stroke Jan.-Mar. kEUR | Consolidation Jan.-Mar. kEUR | Reconciliation Jan.-Mar. kEUR | Total Jan.-Mar. kEUR |
|---|--|----------------------------------|--|------------------------------------|------------------------------------|-------------------------------------|----------------------------|
| 2019 | | | | | | | |
| Segment sales | 4,273 | 1,232 | 416 | 486 | -215 | 84 | 6,276 |
| Operating results | 853 | 180 | -152 | 52 | -213 | 237 | 957 |
| including: | | | | | | | |
| Amortisation/depreciation of intangible and tangible assets | 148 | 26 | 39 | 15 | 9 | 38 | 275 |
| Segment assets | 13,988* | 2,984 | 3,162* | 2,385* | 0 | 8,416 | 30,935* |
| Segment debts | 8,335* | 1,081 | 619* | 483* | 0 | 0 | 10,518* |

*Last year's figures are only comparable to a limited extent, see error correction as at 31/12/2019

| By region | Europe | South America | Germany | Middle East | USA | Other | Total |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Jan.-Mar. kEUR | Jan.-Mar. kEUR | Jan.-Mar. kEUR | Jan.-Mar. kEUR | Jan.-Mar. kEUR | Jan.-Mar. kEUR | Jan.-Mar. kEUR |
| 2020 | | | | | | | |
| Sales revenues | 3,967 | 320 | 1,281 | 194 | 400 | 494 | 6,656 |
| Elimination of intragroup sales | 0 | -34 | -369 | 0 | 0 | 0 | -403 |
| Sales revenues on third parties | 3,967 | 286 | 912 | 194 | 400 | 494 | 6,253 |
| Gross profit or loss | 2,594 | 114 | 632 | 127 | 261 | 323 | 4,051 |
| Operating results | 399 | -234 | 97 | 20 | 40 | 50 | 372 |
| including: | | | | | | | |
| Amortisation and depreciation of intangible and tangible assets | 191 | 10 | 46 | 9 | 19 | 24 | 299 |
| Amortisation of public grants and subsidies | 19 | 0 | 4 | 1 | 2 | 2 | 28 |
| Acquisition costs of fixed assets for the period | 0 | 0 | 901 | 0 | 0 | 0 | 901 |
| Segment assets | 0 | 917 | 32,612 | 0 | 87 | 0 | 33,616 |

| By region | Europe | South America | Germany | Middle East | USA | Other | Total |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Jan.-Mar. kEUR | Jan.-Mar. kEUR | Jan.-Mar. kEUR | Jan.-Mar. kEUR | Jan.-Mar. kEUR | Jan.-Mar. kEUR | Jan.-Mar. kEUR |
| 2019 | | | | | | | |
| Sales revenues | 3,690 | 238 | 1,545 | 377 | 327 | 314 | 6,491 |
| Elimination of intragroup sales | 0 | 0 | -215 | 0 | 0 | 0 | -215 |
| Sales revenues on third parties | 3,690 | 238 | 1,330 | 377 | 327 | 314 | 6,276 |
| Gross profit or loss | 2,473 | 129 | 930 | 252 | 219 | 211 | 4,214 |
| Operating results | 539 | 66 | 203 | 55 | 48 | 46 | 957 |
| including: | | | | | | | |
| Amortisation and depreciation of intangible and tangible assets | 166 | 1 | 62 | 17 | 15 | 14 | 275 |
| Amortisation of public grants and subsidies | 18 | 0 | 6 | 2 | 2 | 1 | 29 |
| Acquisition costs of fixed assets for the period | 0 | 58 | 407 | 0 | 0 | 0 | 465 |
| Segment assets | 0 | 864 | 29,987* | 0 | 84 | 0 | 30,935* |

*Last year's figures are only comparable to a limited extent, see error correction as at 31/12/2019

Notes on interim consolidated financial statements for the period from 1 January 2020 to 31 March 2020

Accounting and valuation methods

The interim consolidated financial statements of Geratherm Medical AG as at 31 March 2020 were prepared in accordance with the rules of the International Financial Reporting Standards (IFRS) valid on the date of the financial statements and in consideration of the guidance provided by the International Financial Reporting Interpretations Committee (IFRIC), as is mandatory in the European Union.

The accounting, evaluation and consolidation principles were maintained, as shown in the Notes to Consolidated Financial Statements for 2019 Fiscal Year.

The valuation of assets and liabilities is based in part on estimates and/or assumptions about future developments. The estimates are based on past experience and other knowledge of the business transactions which are to be accounted for. For instance, the assessment of capitalisation requirements for development projects, the statements on economic useful lives for long-term intangible and tangible assets are based in particular on estimates and assumptions. In addition, the assessment of assets of the "hold and sell" category, which are not traded on an active market, and the impairment tests of the cash-generating units and assets is based on corporate planning, which of course involves uncertainties such that the actual values may deviate in individual cases from the made assumptions and estimates. There are also estimates and assumptions relating to the contractual term of the leased office and storage space of subsidiaries. Estimates and the underlying assumptions are regularly checked and evaluated with regard to possible impact on accounting. There are also estimates relating to the loan obligations of the Brazilian subsidiary, which is currently in bankruptcy protection under Brazilian law. Exercise of substantial discretionary powers is not available.

Consolidated group

No changes occurred in the consolidation group as at 31 March 2020:

| Company | Share quota 31/3/2020 | Share quota 31/12/2019 |
|--|--------------------------|---------------------------|
| GME Rechte und Beteiligungen GmbH, Geschwenda, Deutschland | 100.00% | 100.00 % |
| apoplex medical technologies GmbH, Pirmasens, Germany | 53.42% | 53.42 % |
| Geratherm Respiratory GmbH, Bad Kissingen, Germany | 65.27% | 65.27 % |
| Geratherm Medical do Brasil Ltda., Sao Paulo, Brazil | 51.00% | 51.00 % |
| Sensor Systems GmbH, Steinbach Hallenberg, Germany | 100.00% | 100.00 % |
| Capillary Solutions GmbH, Geschwenda, Germany | 100.00% | 100.00 % |
| LMT Medical Systems GmbH, Lübeck, Germany <i>Subsidiary of LMT Lübeck</i> | 80.00% | 80.00 % |
| <i>LMT Medical Systems Inc., Ohio, USA</i> | <i>100.00%</i> | <i>100.00 %</i> |

Equity capital

The development of the equity capital is shown in the consolidated statement of change to the shareholders' equity. The subscribed capital of Geratherm Medical AG amounted all in all to EUR 4,949,999 as at 31 March 2020 (2019: EUR 4,949,999) and is divided into 4,949,999 (2019: 4,949,999) share certificates issued to the bearers. The subscribed capital has been paid in full. As of the reporting date, there were no shares held by the company.

These interim consolidated financial statements as at 31 March 2020 were not audited or reviewed by the company's auditors.

Geratal, May 2020



Dr. Gert Frank
Chief Executive Officer

COMPANY CALENDAR 2020

| | |
|--|-------------|
| Quarterly statement Q1/2020 | 20 May ✓ |
| Annual general meeting in Frankfurt am Main "Grandhotel Hessischer Hof" | 12 June |
| Quarterly statement Q2/2020 | 20 August |
| Quarterly statement Q3/2020 | 19 November |

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