

# Half-year Financial Report 2021

December 1, 2020, to May 31, 2021

## Gerresheimer on successful growth track

- Organic revenues growth of 5.2% in core business
- Solutions for biotech drugs and high-value solutions drive increase in revenues
- Adjusted EBITDA margin of 21.0% in core business
- Adjusted earnings per share up organically by 22.3% in the first half of financial year 2021
- Guidance for the financial year 2021 confirmed

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# Key Figures for the Gerresheimer Group

In EUR m	Q2 2021	Q2 2020	Change in %		6M 2021	6M 2020	Change in %	
			Actual	Organic			Actual	Organic
<b>Results of operations</b>								
Revenues	377.0	362.9	3.9	7.5	679.8	666.8	2.0	5.8
Adjusted EBITDA	81.9	84.2	-2.8	3.9	136.1	135.3	0.6	6.1
Adjusted EBITDA margin in %	21.7	23.2	-150 bps	-70 bps	20.0	20.3	-30 bps	10 bps
Revenues in core business <sup>1)</sup>	375.5	363.0	3.4	7.1	677.2	667.5	1.5	5.2
Adjusted EBITDA in core business <sup>2)</sup>	84.8	87.7	-3.3	3.1	142.2	142.9	-0.5	4.6
Adjusted EBITDA margin in core business in %	22.6	24.2	-160 bps	-90 bps	21.0	21.4	-40 bps	-20 bps
Adjusted net income <sup>3)</sup>	40.8	37.7	8.4	-	59.4	51.2	15.9	-
Earnings per share in euros	0.90	0.92	-3.0	-	1.19	1.05	12.7	-
Adjusted earnings per share <sup>4)</sup> in euros	1.28	1.18	8.5	19.1	1.85	1.61	14.9	22.3
<b>Financial position</b>								
	Q2 2021	Q2 2020			6M 2021	6M 2020		
Cash flow from operating activities	14.2	75.7	-81.2	-	-9.6	30.6	-	-
Cash flow from investing activities	-40.0	-30.7	-30.2	-	-75.6	-63.5	-19.1	-
Free cash flow before M&A activities	-25.7	45.0	-	-	-85.2	-32.9	>100.0	-
<b>Net assets position</b>								
	May 31, 2021	Nov. 30, 2020			May 31, 2021	Nov. 30, 2020		
Equity	928.9	899.7	3.3	-	928.9	899.7	3.3	-
Equity ratio in %	35.0	34.4	60 bps	-	35.0	34.4	60 bps	-
Net working capital (reporting date)	278.2	197.9	40.6	-	278.2	197.9	40.6	-
Net financial debt	1,055.4	961.2	9.8	-	1,055.4	961.2	9.8	-
Adjusted EBITDA leverage <sup>5)</sup>	3.3	3.0	-	-	3.3	3.0	-	-
<b>Employees</b>								
	May 31, 2021	Nov. 30, 2020			May 31, 2021	Nov. 30, 2020		
Employees (reporting date)	10,032	9,880	1.5	-	10,032	9,880	1.5	-

<sup>1)</sup> Revenues in core business cover the Plastics & Devices and Primary Packaging Glass Divisions, including intercompany revenues.

<sup>2)</sup> Adjusted EBITDA in core business consists of the Plastics & Devices and Primary Packaging Glass Divisions, as well as corporate functions/consolidation.

<sup>3)</sup> Adjusted net income: Net income before amortization/impairment losses of fair value adjustments less capitalized cost components, and restructuring expenses, as well as before the balance of exceptional income and expenses and the related tax effects.

<sup>4)</sup> Adjusted earnings per share, attributable to shareholders of Gerresheimer AG, based on 31.4m shares.

<sup>5)</sup> Adjusted EBITDA leverage: The relation of net financial debt to adjusted EBITDA of the last twelve months according to the credit agreement currently in place.

# Interim Group Management Report

## Report on the Economic Position

The global economic recovery underway since the middle of last year continues unabated. Global economic growth increased by 7.1% in the third quarter of 2020, according to information from Germany's Federal Ministry for Economic Affairs and Energy (Bundesministerium fuer Wirtschaft und Energie, BMWi). In the fourth quarter, economic performance gained another 1.8% quarter on quarter. According to the BMWi's monthly report for June 2021, this trend continued in the first quarter of the current year.

The global economic recovery was therefore significantly more dynamic than most recently anticipated by the International Monetary Fund (IMF). In their outlook from October 2020, the experts still expected to see a decline of 4.4% in 2020 and an economic recovery in 2021, with growth of 5.2%. The IMF raised its assumptions substantially in its April 2021 outlook, according to which the global economy shrank by a mere 3.3% in 2020. Despite the stronger recovery, the experts also predict a significantly higher growth rate of +6.0% in 2021. The main driving factors behind this dynamic recovery are the additional fiscal support measures and progress in vaccination campaigns.

With regard to the industry trends, the volume<sup>1</sup> of the global pharma market was merely stable in 2020, according to IQVIA, an information service provider specializing in the health industry. The experts stand by their forecast for the period between 2020 and 2025 as last updated in September 2020, in which they predicted an average annual volume growth of 0.7% for the global pharma market. While industrialized nations are likely to see stable growth, the expectations for "pharmerging markets" stand at 1.5% a year.

One of the structural growth trends within the pharma industry is the development of biological drugs, which have increasingly gained importance over the past few years. This trend is expected to continue in the years ahead. On this basis, the experts from IQVIA are optimistic and assume in their market estimate for the period from 2019 to 2024 that syringes and glass vials for biotech drugs should achieve annual growth rates of ~13% and ~10%, respectively.

## Results of Operations

### Plastics & Devices

In EUR m	Q2 2021	Q2 2020	Change in %	
			Actual	Organic
Revenues <sup>1)</sup>	201.8	200.6	0.6	4.4
Adjusted EBITDA	52.5	56.0	-6.2	-0.9
Adjusted EBITDA margin in %	26.0	27.9	-190 bps	-

In EUR m	6M 2021	6M 2020	Change in %	
			Actual	Organic
Revenues <sup>1)</sup>	357.1	358.6	-0.4	3.8
Adjusted EBITDA	86.7	87.4	-0.8	4.0
Adjusted EBITDA margin in %	24.3	24.4	-10 bps	-

<sup>1)</sup> The revenues of the divisions include intercompany revenues.

At EUR 357.1m, revenues for the first six months of the financial year 2021 were virtually on par with the prior year in the Plastics & Devices Division. On an organic basis—meaning without exchange rate effects—revenues increased by 3.8%. The foreign exchange effects resulted mainly from the change in the dollar against the euro.

Compared with the same period in the prior year, demand for plastic packaging and the syringes business both developed positively. This positive trend made a considerable contribution to the development of revenues and the rise in adjusted EBITDA. Moderate price increases helped to at least somewhat compensate for the higher procurement costs, in particular for plastic.

<sup>1</sup> Global Medicine Spending and Usage Trends (Outlook 2025), April 2021.

### Primary Packaging Glass

In EUR m	Q2 2021	Q2 2020	Change in %	
			Actual	Organic
Revenues <sup>1)</sup>	173.6	162.4	6.9	10.3
Adjusted EBITDA	38.2	37.8	1.1	7.8
Adjusted EBITDA margin in %	22.0	23.3	-130 bps	-

In EUR m	6M 2021	6M 2020	Change in %	
			Actual	Organic
Revenues <sup>1)</sup>	320.1	308.9	3.6	6.9
Adjusted EBITDA	64.5	67.3	-4.1	0.4
Adjusted EBITDA margin in %	20.1	21.8	-170 bps	-

<sup>1)</sup> The revenues of the divisions include intercompany revenues.

In an economic environment that remained challenging and was influenced by the Covid-19 pandemic, the Primary Packaging Glass Division raised its revenues by 3.6% to EUR 320.1m in the first half of the financial year. Adjusted for exchange rate effects, revenues were up by 6.9% year on year.

Development was positive in all business units. The pharma and food business was able to continue to grow year on year. The pharma business benefited to a particularly large extent from the growing demand for our biological solutions and for injection vials. Following a sharp drop as a result of the Covid-19 pandemic, demand in the cosmetics business recovered in the second quarter of the financial year 2021 and was higher overall year on year.

Adjusted EBITDA increased by 0.4% year on year (currency-adjusted). It is worth noting that the furnace expansion at our plant in Lohr (Germany) led to a temporary decrease in adjusted EBITDA in the mid-single-digit euro millions. Higher costs for energy and CO<sub>2</sub> certificates also had a negative impact on income in the first half of the financial year 2021. The income includes the insurance indemnification payment made in the low single-digit million range in the first quarter of the financial year 2021 for the financial losses incurred in connection with the furnace leakage at our plant in the US. In the second quarter the sale of surplus inventories of precious metals required to build a furnace had a positive impact on income measuring in the low single-digit millions.

### Advanced Technologies

In EUR m	Q2 2021	Q2 2020	Change in %	
			Actual	Organic
Revenues <sup>1)</sup>	1.9	1.2	70.0	70.0
Adjusted EBITDA	-2.9	-3.4	15.4	15.4
Adjusted EBITDA margin in %	-	-	-	-

In EUR m	6M 2021	6M 2020	Change in %	
			Actual	Organic
Revenues <sup>1)</sup>	3.7	2.0	86.9	86.9
Adjusted EBITDA	-6.1	-7.6	20.1	20.1
Adjusted EBITDA margin in %	-	-	-	-

<sup>1)</sup> The revenues of the divisions include intercompany revenues.

In the Advanced Technologies Division, the increase in revenues was mainly due to the sale of micro pump systems for the treatment of Parkinson's disease.

The development of adjusted EBITDA is also the consequence of the continuation of the development projects as planned.

### Reconciliation of adjusted EBITDA

In EUR m	6M 2021	6M 2020	Change in %	
			Actual	Organic
Plastics & Devices	86.7	87.4	-0.8	4.0
Primary Packaging Glass	64.5	67.3	-4.1	0.4
Corporate functions/consolidation	-9.0	-11.8	23.1	-
<b>Core business</b>	<b>142.2</b>	<b>142.9</b>	<b>-0.5</b>	<b>4.6</b>
Advanced Technologies	-6.1	-7.6	20.1	20.1
<b>Adjusted EBITDA</b>	<b>136.1</b>	<b>135.3</b>	<b>0.6</b>	<b>6.1</b>

The change in the "Corporate functions/consolidation" item is driven by a number of factors, mainly the positive result from the sale of leasehold land in Germany in the first quarter of the financial year. There were no comparable circumstances in the same period in the prior year.

The following table shows the reconciliation of adjusted EBITDA to net income and adjusted net income after non-controlling interests.

In EUR m	6M 2021	6M 2020	Change
<b>Adjusted EBITDA</b>	<b>136.1</b>	<b>135.3</b>	<b>0.8</b>
- Depreciation/ amortization and impairment losses	-48.0	-54.6	6.6
+/- Exceptional income and expenses	-8.7	-5.5	-3.2
- Amortization and impairment losses of fair value adjustments	-17.9	-16.9	-1.0
<b>= Operating income</b>	<b>61.5</b>	<b>58.3</b>	<b>3.2</b>
- Financial result	-8.6	-10.5	1.9
- Income taxes	-14.3	-14.1	-0.2
<b>= Net income</b>	<b>38.6</b>	<b>33.7</b>	<b>4.9</b>
+/- Exceptional income and expenses	8.7	5.5	3.2
+ Amortization and impairment losses of fair value adjustments	17.9	16.9	1.0
+/- Exceptional expenses on financial result	-	0.1	-0.1
- Tax effects	5.8	5.0	0.8
<b>= Adjusted net income</b>	<b>59.4</b>	<b>51.2</b>	<b>8.2</b>
Non-controlling interests	1.3	0.6	0.7
<b>= Adjusted net income attributable to shareholders of Gerresheimer AG</b>	<b>58.1</b>	<b>50.6</b>	<b>7.5</b>
<b>= Adjusted earnings per share attributable to shareholders of Gerresheimer AG (in EUR)</b>	<b>1.85</b>	<b>1.61</b>	<b>0.24</b>

To a large extent, the exceptional income and expenses include costs in connection with the Covid-19 pandemic and the introduction of the new corporate design.

## Net Assets Position

### Consolidated Balance Sheet (summary)

In EUR m	May 31, 2021	Nov. 30, 2020	Change
<b>Assets</b>			
Intangible assets	1,254.2	1,274.4	-20.2
Property, plant and equipment as well as investment property	791.0	766.7	24.3
Investment accounted for using the equity method	0.3	0.3	-
Other assets	25.7	23.8	1.9
<b>Non-current assets</b>	<b>2,071.2</b>	<b>2,065.2</b>	<b>6.0</b>
Inventories	237.0	190.0	47.0
Trade receivables and contract assets	219.1	229.6	-10.5
Other assets	130.3	131.8	-1.5
<b>Current assets</b>	<b>586.4</b>	<b>551.4</b>	<b>35.0</b>
<b>Total assets</b>	<b>2,657.6</b>	<b>2,616.6</b>	<b>41.0</b>
<b>Equity and liabilities</b>			
<b>Equity</b>	<b>928.9</b>	<b>899.7</b>	<b>29.2</b>
Provisions	161.1	165.2	-4.1
Financial debt	837.5	837.8	-0.3
Other liabilities	132.9	134.5	-1.6
<b>Non-current liabilities</b>	<b>1,131.5</b>	<b>1,137.5</b>	<b>-6.0</b>
Provisions	39.2	53.0	-13.8
Financial debt	297.0	211.3	85.7
Trade payables and contract liabilities	175.2	219.1	-43.9
Other liabilities	85.8	96.0	-10.2
<b>Current liabilities</b>	<b>597.2</b>	<b>579.4</b>	<b>17.8</b>
<b>Total equity and liabilities</b>	<b>2,657.6</b>	<b>2,616.6</b>	<b>41.0</b>

Total assets increased by EUR 41.0m compared to November 30, 2020, to stand at EUR 2,657.6m. The change mainly reflects the increase in property, plant and equipment, as well as the expansion of net working capital and financial debt. The decline in intangible assets had the opposite effect.

The change in the Gerresheimer Group's equity includes a variety of effects, some of them contradictory. At EUR 38.6m, the net income for the first six months of the financial year had a positive effect. The effects from currency translation, which are accounted for in equity, reduced equity. The equity ratio, or equity as a percentage of total assets, stood at 35.0% (November 30, 2020: 34.4%).

## Financial Position

### Capital Structure

The capital structure of the Gerresheimer Group was as follows as of May 31, 2021:

In % of total assets	May 31, 2021	Nov. 30, 2020
Non-current assets	77.9	78.9
Current assets	22.1	21.1
Equity	35.0	34.4
Financial debt	42.7	40.1
Other non-current liabilities	11.0	11.5
Other current liabilities	11.3	14.0

### Financial Debt and Credit Facilities

Net financial debt changed as follows as of the balance sheet date:

In EUR m	May 31, 2021	Nov. 30, 2020	Change
Promissory loans – November 2015 (nominal)	235.5	235.5	–
Promissory loans – September 2017 (nominal)	250.0	250.0	–
Promissory loans – September 2020 (nominal)	325.0	325.0	–
Revolving credit facility	236.7	162.6	74.1
Local credit facilities and used overdraft facilities	44.4	36.5	7.9
Liabilities to banks from factoring	0.7	–	0.7
Lease liabilities	41.3	38.2	3.1
Installment purchase liabilities	0.9	1.4	-0.5
<b>Financial debt</b>	<b>1,134.5</b>	<b>1,049.2</b>	<b>85.3</b>
Less cash and cash equivalents	79.1	88.0	-8.9
<b>Net financial debt</b>	<b>1,055.4</b>	<b>961.2</b>	<b>94.2</b>

The change in net financial debt resulted mainly from the higher use of the revolving credit facility. The funds borrowed were primarily used to finance our capital expenditure in the core business and net working capital.

Adjusted EBITDA leverage on the basis of the applicable credit agreements stood at 3.3x as of the reporting date (November 30, 2020: 3.0x).

### Capital Expenditure

Capital expenditure accounted for on a cash basis in the first six months of the financial year breaks down by division as follows:

In EUR m	6M 2021	6M 2020	Change
Plastics & Devices	29.6	30.8	-1.2
Primary Packaging Glass	50.1	26.1	24.0
Advanced Technologies	3.6	6.3	-2.7
Corporate functions	1.0	0.5	0.5
<b>Capital expenditure</b>	<b>84.3</b>	<b>63.7</b>	<b>20.6</b>

Capital expenditure in the Plastics & Devices Division focused in particular on the expansion of our syringe capacities and the construction work at our plants in the Republic of North Macedonia and in North America. Our plant at the location in Skopje (Republic of North Macedonia) opened officially in April 2021. In Skopje, we produce medical plastic systems for both the pharma industry and the medical technology sector. The products are manufactured using new, state-of-the-art equipment under clean-room conditions at a 12,500 m<sup>2</sup> production site. The location is slated for expansion to accommodate the production of prefilled syringes. In addition, production capacity for pharmaceutical and medical technology products at the location in Pfreimd (Germany) is being expanded, with completion scheduled for August 2021.

Capital expenditure in the Primary Packaging Glass Division related mainly to the furnace expansion at the locations in Lohr (Germany) and Kosamba (India). We also invested in expanding production capacity for injection vials, particularly at our plants in North America and Europe.

### Free Cash Flow

The free cash flow before acquisitions and divestments was as follows:

In EUR m	6M 2021	6M 2020	Change
<b>Cash flow from operating activities</b>	<b>-9.6</b>	<b>30.6</b>	<b>-40.2</b>
Net capital expenditure (before M&A activities)	-75.6	-63.5	-12.1
<b>Free cash flow before M&amp;A activities</b>	<b>-85.2</b>	<b>-32.9</b>	<b>-52.3</b>
Payments for lease and installment purchase liabilities	-6.0	-5.3	-0.7
<b>Free cash flow</b>	<b>-91.2</b>	<b>-38.2</b>	<b>-53.0</b>

The change in free cash flow before M&A activities was largely due to the higher cash outflow from tax payments compared to the same period in the prior year as well as higher capital expenditures in future growth. In the same period of the prior year, one-off items resulted in lower tax payments by comparison.

Net capital expenditure includes payments received from the disposal of non-current assets, alongside the measures described under "Capital expenditure."

## Opportunities and Risks

Gerresheimer continues to focus on growth in pharmaceutical primary packaging and drug delivery devices in the financial year 2021. Global economic trends, exchange rate factors and rising commodity and energy prices, as well as uncertainties regarding the future development of national healthcare systems and customer orders, are risks that may affect the course of business in the long term. Increasing raw material and energy prices have a negative impact on our adjusted EBITDA margin. However, in our overall assessment we consider the operational risks from energy and raw material prices to be moderate, as described in our Annual Report 2020. We consistently implement countermeasures such as price escalation clauses in a number of contracts with customers and hedging. In case the sharp price increases continue in the current fiscal year such negative impact on our business will at most be temporary. We are conscious of these risks and carefully monitor their impact on our business.

At the present time, no risks are identifiable that raise doubt about the ability of the Gerresheimer Group to continue as a going concern. There have been no material changes to the statements made in our Annual Report for the financial year 2020 in the chapter entitled "Opportunities and Risks."

## Forecast for 2021

For the financial year 2021 we continue to anticipate:

Key performance indicator	Forecast 2021 currency-adjusted
Revenues in core business	Growth in the mid single-digit percentage range
Adjusted EBITDA margin in core business	Between 22% and 23%
Adjusted earnings per share in euros	Increase by at least 10%

# Interim Consolidated Financial Statements of Gerresheimer AG

## Consolidated Income Statement

for the period from December 1, 2020, to May 31, 2021

In EUR k	Q2 2021	Q2 2020	6M 2021	6M 2020
Revenues	376,997	362,934	679,842	666,799
Cost of sales	-258,840	-242,084	-480,971	-466,296
<b>Gross profit on sales</b>	<b>118,157</b>	<b>120,850</b>	<b>198,871</b>	<b>200,503</b>
Selling and general administrative expenses	-71,485	-70,730	-136,778	-138,283
Research and development expenses	-2,451	-4,320	-5,257	-5,311
Other operating income	6,106	6,911	17,675	12,055
Other operating expenses	-7,951	-6,253	-12,974	-10,643
<b>Operating income</b>	<b>42,376</b>	<b>46,458</b>	<b>61,537</b>	<b>58,321</b>
Interest income	297	391	612	812
Interest expenses	-4,901	-5,118	-9,773	-9,896
Other financial result	642	-918	512	-1,462
<b>Financial result</b>	<b>-3,962</b>	<b>-5,645</b>	<b>-8,649</b>	<b>-10,546</b>
<b>Income before income taxes</b>	<b>38,414</b>	<b>40,813</b>	<b>52,888</b>	<b>47,775</b>
Income taxes	-9,541	-11,311	-14,306	-14,057
<b>Net income</b>	<b>28,873</b>	<b>29,502</b>	<b>38,582</b>	<b>33,718</b>
Shareholders of Gerresheimer AG	28,130	28,987	37,330	33,126
Non-controlling interests	743	515	1,252	592
<b>Basic and diluted earnings per share (in euros)</b>	<b>0.90</b>	<b>0.92</b>	<b>1.19</b>	<b>1.05</b>

## Consolidated Statement of Comprehensive Income

for the period from December 1, 2020, to May 31, 2021

In EUR k	Q2 2021	Q2 2020	6M 2021	6M 2020
<b>Net income</b>	<b>28,873</b>	<b>29,502</b>	<b>38,582</b>	<b>33,718</b>
Revaluation of defined benefit plans	-	-529	-	-529
<b>Other comprehensive income that will not be reclassified subsequently to profit or loss</b>	<b>-</b>	<b>-529</b>	<b>-</b>	<b>-529</b>
Changes in the fair value of available-for-sale financial assets	-	-1	-	-1
Currency translation	2,769	-37,456	-9,326	-41,269
<b>Other comprehensive income that will be reclassified to profit or loss when specific conditions are met</b>	<b>2,769</b>	<b>-37,457</b>	<b>-9,326</b>	<b>-41,270</b>
<b>Other comprehensive income</b>	<b>2,769</b>	<b>-37,986</b>	<b>-9,326</b>	<b>-41,799</b>
<b>Total comprehensive income</b>	<b>31,642</b>	<b>-8,484</b>	<b>29,256</b>	<b>-8,081</b>
Shareholders of Gerresheimer AG	30,759	-8,461	27,799	-8,231
Non-controlling interests	883	-23	1,457	150

## Consolidated Balance Sheet

as of May 31, 2021

In EUR k	May 31, 2021	Nov. 30, 2020
<b>Assets</b>		
Intangible assets	1,254,166	1,274,399
Property, plant and equipment	789,299	763,101
Investment property	1,648	3,601
Investment accounted for using the equity method	332	332
Income tax receivables	1,985	766
Other financial assets	8,525	8,342
Other receivables	1,726	1,860
Deferred tax assets	13,483	12,805
<b>Non-current assets</b>	<b>2,071,164</b>	<b>2,065,206</b>
Inventories	237,038	189,982
Trade receivables	207,430	215,459
Contract assets	11,628	14,178
Income tax receivables	2,455	1,923
Other financial assets	12,013	13,899
Other receivables	36,717	27,976
Cash and cash equivalents	79,131	87,950
<b>Current assets</b>	<b>586,412</b>	<b>551,367</b>
<b>Total assets</b>	<b>2,657,576</b>	<b>2,616,573</b>
<b>Equity and liabilities</b>		
Subscribed capital	31,400	31,400
Capital reserve	513,827	513,827
Accumulated other comprehensive income	-144,681	-135,150
Retained earnings	511,086	473,756
<b>Shareholders of Gerresheimer AG</b>	<b>911,632</b>	<b>883,833</b>
Non-controlling interests	17,288	15,831
<b>Equity</b>	<b>928,920</b>	<b>899,664</b>
Provisions for pensions and similar obligations	147,003	150,817
Other provisions	14,123	14,339
Financial debt	837,465	837,761
Trade payables	-	152
Contract liabilities	2,704	2,458
Other liabilities	3,442	543
Deferred tax liabilities	126,761	131,380
<b>Non-current liabilities</b>	<b>1,131,498</b>	<b>1,137,450</b>
Provisions for pensions and similar obligations	12,217	12,382
Other provisions	26,970	40,590
Financial debt	297,022	211,416
Trade payables	166,308	211,619
Contract liabilities	8,869	7,454
Income tax liabilities	7,235	11,265
Other liabilities	78,537	84,733
<b>Current liabilities</b>	<b>597,158</b>	<b>579,459</b>
<b>Total equity and liabilities</b>	<b>2,657,576</b>	<b>2,616,573</b>

### Consolidated Statement of Changes in Equity

for the period from December 1, 2020, to May 31, 2021

In EUR k	Accumulated other comprehensive income					Retained earnings	Equity attributable to shareholders of Gerresheimer AG	Non-controlling interests	Equity
	Subscribed capital	Capital reserve	Equity instruments	Currency translation reserve					
<b>As of December 1, 2019</b>	<b>31,400</b>	<b>513,827</b>	<b>3,094</b>	<b>-50,657</b>	<b>427,439</b>	<b>925,103</b>	<b>16,454</b>	<b>941,557</b>	
Net income	-	-	-	-	33,126	33,126	592	33,718	
Other comprehensive income	-	-	-	-40,827	-530	-41,357	-442	-41,799	
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-40,827</b>	<b>32,596</b>	<b>-8,231</b>	<b>150</b>	<b>-8,081</b>	
Dividend payments	-	-	-	-	-	-	-1,640	-1,640	
<b>As of May 31, 2021</b>	<b>31,400</b>	<b>513,827</b>	<b>3,094</b>	<b>-91,484</b>	<b>460,035</b>	<b>916,872</b>	<b>14,964</b>	<b>981,836</b>	
<b>As of December 1, 2020</b>	<b>31,400</b>	<b>513,827</b>	<b>4,181</b>	<b>-139,331</b>	<b>473,756</b>	<b>883,833</b>	<b>15,831</b>	<b>899,664</b>	
Net income	-	-	-	-	37,330	37,330	1,252	38,582	
Other comprehensive income	-	-	-	-9,531	-	-9,531	205	-9,326	
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-9,531</b>	<b>37,330</b>	<b>27,799</b>	<b>1,457</b>	<b>29,256</b>	
<b>As of May 31, 2021</b>	<b>31,400</b>	<b>513,827</b>	<b>4,181</b>	<b>-148,862</b>	<b>511,086</b>	<b>911,632</b>	<b>17,288</b>	<b>928,920</b>	

**Consolidated Statement of Cash Flows**

for the period from December 1, 2020, to May 31, 2021

In EUR k	6M 2021	6M 2020
Net income	38,582	33,718
Income taxes	14,306	14,057
Financial result	8,649	10,546
Amortization/depreciation/impairment losses	68,236	71,468
Change in provisions	-10,512	-1,592
Result of disposals of non-current assets/liabilities	-3,942	-58
Interests paid	-4,280	-5,080
Interests received	313	418
Income taxes paid	-27,329	-16,628
Income taxes received	1,623	7,120
Change in inventories	-47,200	-33,773
Change in trade receivables as well as contract assets	9,458	20,006
Change in trade payables as well as contract liabilities	-40,408	-61,895
Change in Net Working Capital	-78,149	-75,662
Change in other assets and liabilities	-14,155	-5,837
Other non-cash expenses/income	-2,942	-1,873
<b>Cash flow from operating activities</b>	<b>-9,601</b>	<b>30,597</b>
Cash received from disposals of non-current assets	8,745	165
Cash paid for capital expenditure in intangible assets and property, plant and equipment	-83,486	-63,163
Cash paid for capital expenditure in fully consolidated companies as well as other equity investments	-855	-500
<b>Cash flow from investing activities</b>	<b>-75,596</b>	<b>-63,498</b>
Dividend payments to third parties	-	-1,632
Raising of loans	118,352	113,620
Repayment of loans	-41,615	-50,989
Cash paid for leases and installment purchase liabilities	-6,045	-5,338
Other issues from financing activities	720	-
<b>Cash flow from financing activities</b>	<b>71,412</b>	<b>55,661</b>
<b>Changes in financial resources</b>	<b>-13,785</b>	<b>22,760</b>
Effect of exchange rate changes on financial resources	-212	-3,609
Financial resources at the beginning of the period	58,394	51,105
<b>Financial resources at the end of the period</b>	<b>44,397</b>	<b>70,256</b>
<b>Components of the financial resources</b>		
Cash and cash equivalents	79,131	93,973
Overdraft facilities	-34,733	-23,717
<b>Financial resources at the end of the period</b>	<b>44,398</b>	<b>70,256</b>

# Notes to the Interim Consolidated Financial Statements

## (1) General information

The Gerresheimer Group is a globally leading provider of high-quality primary packaging, drug delivery devices and solutions for the international pharma, healthcare and cosmetics industry. Gerresheimer AG is a stock corporation (Aktiengesellschaft) under German law. The Company has its registered office at Klaus-Bungert-Strasse 4, 40468 Duesseldorf (Germany). It is entered in the commercial register of Duesseldorf Local Court (Amtsgericht) as HRB 56040.

Gerresheimer AG shares are traded on the regulated market in the Prime Standard segment of the Frankfurt Stock Exchange under the stock symbol GXI and ISIN DE000A0LD6E6.

These condensed Interim Consolidated Financial Statements were prepared in accordance with the applicable provisions of the International Financial Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the European Union, as well as the regulations under commercial law as set forth in § 315e (1) of the German Commercial Code (Handelsgesetzbuch, HGB) and in accordance with IAS 34 "Interim Financial Reporting." Accordingly these Interim Consolidated Financial Statements do not contain all information and notes that are required by the IFRS for Consolidated Financial Statements as of the end of the financial year and should be read in conjunction with the Consolidated Financial Statements as of November 30, 2020.

For the sake of clarity and the information value of the Consolidated Financial Statements, certain items are combined in the Consolidated Balance Sheet and the Consolidated Income Statement and presented separately in the Notes to the Consolidated Financial Statements. The Consolidated Income Statement has been prepared using the function of expense method.

The Consolidated Financial Statements are presented in euros, the functional currency of the parent company. Both the individual and cumulative values reflect the value with the smallest rounding difference. Consequently, minor differences to subtotal values can occur when adding up reported individual values.

## (2) Changes in accounting principles and new accounting standards

The accounting principles are consistent with the prior year, except for the following new and revised standards and interpretations, which were adopted for the first time.

- › Framework, Amendments to References to the Conceptual Framework in IFRS standards
- › Amendments to IFRS 3: Definition of a Business
- › Amendment to IFRS 16: Covid-19-related Rent Concessions
- › Amendments to IFRS 9, IAS 39 and IFRS 7: Interest Rate Benchmark Reform
- › Amendments to IAS 1 and IFRS 8: Definition of Material

The first-time adoption of the interpretations and amendments did not have a significant effect on the Interim Consolidated Financial Statements.

At the start of the financial year, the useful lives of various technical equipment and machinery was changed from ten to twelve years on average due to new economic estimates. This extension of the useful lives reduced depreciation by EUR 6.2m in the reporting period.

## (3) Seasonal influence on business activity

The business is subject to seasonal effects, meaning that revenues and cash flow are usually lowest during the holiday period in December and January and during the summer months in Europe and North America.

## (4) Revenues

Revenues mainly result from the sale of goods. Revenues of EUR 17,168k were recorded from customer-specific contracts in the first half of the financial year (H1 2020: EUR 18,579k).

An analysis of revenues by division and region is provided in Note (11) as part of the segment reporting.

**(5) Other operating income**

In EUR k	6M 2021	6M 2020
Income from refund claims against third parties	4,228	6,973
Income from disposal of intangible assets and property, plant and equipment	4,060	78
Income from derecognition of liabilities	2,440	1,747
Exceptional income	1,330	65
Income from reversal of provisions	1,272	1,034
Other miscellaneous income	4,345	2,158
<b>Other operating income</b>	<b>17,675</b>	<b>12,055</b>

Other operating income includes income of EUR 4,060k from the sale of leasehold land in the first quarter of the financial year 2021 and excess stocks of precious metals that were needed to build a furnace in the Primary Packaging Glass Division in the second quarter of 2021.

**(6) Other operating expenses**

In EUR k	6M 2021	6M 2020
Exceptional expenses	-10,057	-5,617
Supervisory Board remuneration and expense reimbursement	-718	-725
Addition to bad debt allowances and loss from derecognition of receivables	-351	-468
Currency losses	-	-915
Other miscellaneous expenses	-1,848	-2,918
<b>Other operating expenses</b>	<b>-12,974</b>	<b>-10,643</b>

The exceptional expenses largely consist of costs in connection with the Covid-19 pandemic, which were primarily attributable to ensuring the ability to make deliveries, compliance with safety concepts and special payments for employees. Expenses for the new corporate design are also included.

**(7) Income taxes**

The tax rate in the first half of the financial year 2021 stood at 27.0% (H1 2020: 29.4%).

**(8) Inventories**

Write-downs of inventories totaling EUR 5,443k were recognized as an expense in the first six months of the financial year (H1 2020: EUR 4,476k). The write-down is reversed when the circumstances that led to it no longer exist. Reversals of write-downs amounted to EUR 843k in the reporting period (H1 2020: EUR 904k) and were mainly attributable to the increase of the net realizable value of the raw materials, consumables, and supplies originally written down (H1 2020: finished goods and merchandise).

**(9) Reporting on financial instruments**

The Gerresheimer Group has many financial instruments that are not recognized at fair value in the balance sheet. Due to the predominantly short terms, the fair values of the trade receivables and trade payables, the other financial assets and liabilities, and the cash and cash equivalents are not fundamentally different than the carrying amounts. The same applies to the promissory loans and the revolving credit facility on account of the largely variable interest rates.

The classification of the financial assets and liabilities by class and category to the respective hierarchy levels is presented in the following table:

In EUR k	May 31, 2021		Nov. 30, 2020	
	Level 1	Level 2	Level 1	Level 2
Equity investments designated at fair value through other comprehensive income	72	4,338	72	4,339
Equity investments designated at fair value through profit and loss	-	1,149	-	808
Derivative financial assets designated at fair value through profit and loss	-	146	-	1,099
Derivative financial liabilities designated at fair value through profit and loss	-	54	-	491

### (10) Other financial obligations

As of May 31, 2021, the obligations to buy property, plant and equipment stood at EUR 63,499k (November 30, 2020: EUR 35,598k).

### (11) Segment reporting

The Gerresheimer Group is divided into the three reportable divisions **Plastics & Devices**, **Primary Packaging Glass** and **Advanced Technologies**.

Our product portfolio in the **Plastics & Devices** Division consists of complex, customer-specific products for simple and safe drug delivery, along with system packaging for liquid and solid medicines plus services.

In the **Primary Packaging Glass** Division, we produce primary glass packaging for the pharma and cosmetics industries, as well as special small-volume glass containers for the food and beverage industry.

The **Advanced Technologies** Division is our innovation center and hub for smart devices. The division develops smart drug delivery systems for pharma and biotech companies. Its portfolio currently comprises patented micro pumps, which are used to self-administer medication for Parkinson's disease or heart failure, for example. In addition, a platform for smart inhalation measurement is currently under development.

The effects of services of Gerresheimer AG, consolidation measures and inter-segment reconciliations are presented in the segment reporting in the column "Corporate functions/consolidation." The measurement principles for segment reporting are based on the IFRSs applied in the consolidated financial statements.

Segmental performance is assessed and calculated according to the following criteria:

- › Intercompany revenues are measured on an arm's length basis. There were no revenues with key accounts amounting to more than 10% of Gerresheimer Group revenues neither in the financial year 2021 nor in the prior year.
- › Adjusted EBITDA represents a key performance indicator for the Gerresheimer Group but is not defined in International Financial Reporting Standards. Adjusted EBITDA is income before income taxes, financial result, amortization and impairment losses of fair value adjustments less capitalized cost components, depreciation and amortization, impairment losses (including impairment losses on goodwill), restructuring expenses and exceptional income and expenses.
- › Net working capital is defined as inventories plus trade receivables, contract assets and prepayments made, less contract liabilities and trade payables.
- › Capital expenditure accounted for on a cash basis comprises all payments for additions to intangible assets and property, plant and equipment measured at cost, as well as payments for investments in shares of fully consolidated companies and other equity investments.
- › Non-current assets do not include financial instruments, deferred tax assets, post-employment benefits or rights arising from insurance contracts.

In the following, the key indicators used by Gerresheimer AG for assessing the performance of the divisions, as well as additional indicators by region, are shown:

### Segment data by division

In EUR k	Plastics & Devices		Primary Packaging Glass		Advanced Technologies		Corporate functions/ consolidation		Group	
	6M 2021	6M 2020	6M 2021	6M 2020	6M 2021	6M 2020	6M 2021	6M 2020	6M 2021	6M 2020
Segment revenues	357,122	358,627	320,098	308,886	3,664	1,960	–	–	680,884	669,473
Thereof intercompany revenues	1,042	2,674	–	–	–	–	-1,042	-2,674	–	–
<b>Revenues with third parties</b>	<b>356,080</b>	<b>355,953</b>	<b>320,098</b>	<b>308,886</b>	<b>3,664</b>	<b>1,960</b>	–	–	<b>679,842</b>	<b>666,799</b>
Adjusted EBITDA	86,742	87,442	64,499	67,259	-6,106	-7,644	-9,046	-11,766	136,089	135,291
Adjusted EBITDA margin in %	24.3	24.4	20.1	21.8	–	–	–	–	20.0	20.3
Net working capital	148,647	130,256	128,040	124,150	3,200	7,181	-1,672	-2,079	278,215	259,508
Cash-effective capital expenditure	29,591	30,759	50,146	26,050	3,628	6,298	976	556	84,341	63,663
Employees (average)	4,449	4,459	5,232	5,178	100	108	137	124	9,918	9,869

### Key indicators by region

In EUR k	Germany		Other Europe		North America		Emerging markets <sup>1)</sup>		Other regions		Group	
	6M 2021	6M 2020	6M 2021	6M 2020	6M 2021	6M 2020	6M 2021	6M 2020	6M 2021	6M 2020	6M 2021	6M 2020
Revenues by location of the customer	136,780	154,079	257,942	239,621	177,592	174,340	89,224	79,949	18,304	18,810	679,842	666,799
Revenues by location of the company	265,778	268,102	155,614	147,003	162,485	164,759	95,965	86,935	–	–	679,842	666,799
Non-current assets	783,691	730,226	497,000	476,620	617,479	701,590	150,948	142,500	38	48	2,049,156	2,050,984
Employees (average)	3,604	3,616	2,334	2,323	1,033	1,079	2,947	2,847	–	–	9,918	9,865

<sup>1)</sup> In the 2021 financial year, Gerresheimer defined the emerging markets for itself. This includes the countries with the highest revenues for Gerresheimer, Brazil, China, India and Mexico. Correspondingly, we have updated our reporting to this adjusted definition and changed prior-year figures.

Reconciliation from adjusted EBITDA to net income is shown in the following table:

In EUR k	6M 2021	6M 2020
<b>Adjusted EBITDA</b>	<b>136,089</b>	<b>135,291</b>
Amortization/depreciation and impairment losses	-47,935	-54,554
Exceptional income and expenses	-8,727	-5,552
Amortization and impairment losses of fair value adjustments	-17,890	-16,864
<b>Operating income</b>	<b>61,537</b>	<b>58,321</b>
Financial result	-8,649	-10,546
Income taxes	-14,306	-14,057
<b>Net income</b>	<b>38,582</b>	<b>33,718</b>

### (12) Related-party transactions

The transactions with related parties in the first half of the financial year had no material influence on the net assets position, financial position and results of operations of the Gerresheimer Group.

### (13) Subsequent events

There were no subsequent events after May 31, 2021, with a material impact on the net assets position, financial position or results of operations of the Gerresheimer Group.

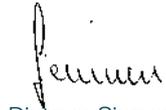
# Additional Information

## Responsibility Statement

To the best of our knowledge, we ensure that the Interim Consolidated Financial Statements give a true and fair view of the net assets position, financial position and results of operations of the Group in accordance with the applicable reporting principles for interim financial reporting and that the interim management report of the Group presents the performance of the business, including the results of business activities, and the position of the Group in such a manner that they convey a true and fair view of the actual developments and describes the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Duesseldorf (Germany), July 12, 2021

### The Management Board



Dietmar Siemssen



Dr. Lukas Burkhardt



Dr. Bernd Metzner

## Financial Calendar

October 12, 2021	Publication 3 <sup>rd</sup> Quarter 2021
February 17, 2022	Publication Annual Report 2021
April 7, 2022	Publication 1 <sup>st</sup> Quarter 2021
July 13, 2022	Publication Half-year Financial Report 2 <sup>nd</sup> Quarter 2022

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## Disclaimer

This Half-year Financial Report contains certain future-oriented statements. Future-oriented statements include all statements that do not relate to historical facts and events and contain future-oriented expressions such as “believe,” “estimate,” “assume,” “expect,” “forecast,” “intend,” “could” or “should,” or expressions of a similar kind. Such future-oriented statements are subject to risks and uncertainties, since they relate to future events and are based on the Company’s current assumptions, which may not take place or be fulfilled as expected in the future. The Company points out that such future-oriented statements provide no guarantee for the future and that actual events, including the financial position and profitability of the Gerresheimer Group and developments in the economic and regulatory fundamentals, may vary substantially (particularly on the down side) from those explicitly or implicitly assumed or described in these statements. Even if the actual results for the Gerresheimer Group, including its financial position and profitability and the economic and regulatory environment, are in accordance with such future-oriented statements in this Half-year Financial Report, no guarantee can be given that this will continue to be the case in the future.

## Note regarding the rounding of figures

Due to the commercial rounding of figures and percentages, small deviations may occur.

## Remarks on calculation

All changes in percent were calculated on a thousand-euro basis. Slight deviations may therefore occur when stating figures in millions of euros in the tables.

## Note regarding the translation

This Half-year Financial Report is the English translation of the original German version; in case of deviations between these two, the German version prevails.