

Our First Six Months of 2021

- Operating income (EBITDA) up sharply year-over-year at €74.4 million
- Recovery effects of the first quarter continue in the second quarter
- Income forecast for the year as a whole adjusted to at least €115.0 million

H&R GMBH & CO. KGAA IN FIGURES

IN € MILLION	1/1-6/30/2021	1/1-6/30/2020	Change (absolute)
Sales revenue	558.4	441.8	116.6
Operating income (EBITDA)*	74.4	16.6	57.8
EBIT	49.1	-8.7	57.8
EBT	44.5	-12.7	57.2
Consolidated net income	33.0	-13.3	46.3
Consolidated income attributable to shareholders	31.0	-13.6	44.6
Consolidated income per share (undiluted) in €	0.83	-0.37	1.20
Cash flow from operating activities	1.1	39.4	-38.3
Cash flow from investing activities	-25.5	-25.8	0.3
Free cash flow	-24.4	13.6	-38.0
Cash flow from financing activities	17.4	-21.5	38.9
	6/30/2021	6/30/2020	
Balance sheet total	855.6	745.7	109.9
Net working capital	188.5	106.9	81.6
Equity	385.0	346.9	38.1
Equity ratio (in %)	45.0	46.5	-1.5
No. of employees	1,585	1,585	0

THE SEGMENTS IN FIGURES

IN € MILLION	1/1-6/30/2021	1/1-6/30/2020	Change (absolute)
Chemical-Pharmaceutical Raw Materials Refining			
Sales	352.0	276.9	75.1
EBITDA	58.9	7.0	51.9
Chemical-Pharmaceutical Raw Materials Sales			
Sales	190.7	150.9	39.8
EBITDA	15.2	11.4	3.8
Plastics			
Sales	21.5	18.2	3.3
EBITDA	1.8	-0.1	1.9
Reconciliation			
Sales	-5.6	-4.2	-1.4
EBITDA	-1.5	-1.7	0.2

* EBITDA - consolidated income before income taxes, other financial income and expenses, depreciation, amortization and impairment, and appreciation of fixed assets and property, plant and equipment.

Letter from the Executive Board

Dear Shareholders,

Dear Business Partners,

When we welcomed you to our 2021 Annual Shareholders' Meeting a few weeks ago, we did so with mixed feelings.

The fact that we had to forgo a physical event for another year depressed the mood slightly. Our virtual Annual Shareholders' Meeting, which once again came with considerable technical requirements, was held with a generally moderate turnout. Over 77% of the share capital was represented. This, at least, was once again at the same level as in the previous years. However, the number of activated video streams was clear evidence of your preference for on-site events with the opportunity for direct dialogue between the investors and the Executive Board.

We believe there really are next to no advantages of a virtual Annual Shareholders' Meeting for small companies. We therefore wish to return to the usual format as soon as the circumstances allow this.

We would have been delighted to be able to report to you in person on another successful start to the year in 2021 and a very successful business trend to date. The total comprehensive income in financial year 2020 and the forecast for 2021 as published in the 2020 annual report indicated that we had more optimistic plans for the current financial year and were confident that we could take the momentum in the closing phase of 2020 into the new year, too.

Considering the half-year figures for 2021, we did indeed impressively achieve this. In the first six months of 2021, H&R GmbH & Co. KGaA benefited considerably from the macroeconomic recovery effects and the sustained positive developments in demand for and the prices of chemical-pharmaceutical specialty products. Consolidated operating income (EBITDA) came to €48.7 million in the second quarter (Q2/2020: €5.9 million) and therefore improved further significantly, including in comparison to the good start to the year. EBITDA totaled €74.4 million in the first half of the year. We most recently adjusted the full-year forecast, which had already been updated in the course of the year, to operating income of at least €115.0 million.

As such, H&R is heading overall for a good and possibly even a record result. However, we have never relied solely on the markets and their development in the past.

It goes without saying that our currently very positive development is directly related to the events of the past year. We are currently benefiting, for example, from a bolstered macroeconomic situation in which more and more of our customer industries are returning to precrisis levels.

At the same time, the effects of the pandemic seen over the past year – less commuter traffic on the roads and, in particular, in the air – resulted in lower fuel production volumes. The base oil capacities attached to such refineries by major oil companies in particular were massively reduced and we therefore continue to see high demand for base oils and very decent prices for these commodity products. Going forward, however, it will be virtually impossible to stop the transformation of the automotive industry in the direction of alternative propulsion models – resulting in a drop in demand for traditional fuels and lubricants. Our business model will adapt to this development, too. Anyone who has been following our story for a few years will be aware that we are rising to this challenge by making our processes more flexible and, above all, by expanding our raw materials portfolio. Recycled, bio-based, and

synthesized raw materials will be used as a way for us to continue to produce and sell hydrocarbons as the core activity within our application-oriented specialties marketing and production.

In this context, the source of the carbon is important, it ideally not being a fossil source. Our plans to produce synthesis gases using green hydrogen and green carbon dioxide for further use in our processing systems are recognized both within politics (e.g. winning the Living Labs ideas competition) and within the industry (e.g. H2-Region Emsland), where our company is championing a sustainable hydrogen infrastructure and a climate-neutral chemical industry as part of the societal and economic policy solution approaches.

Realization of the vision of producing our products using wind and water rather than crude oil is therefore now within reach. Accordingly, we also aspire to developing dynamically and to being able to offer around 70% of our products on the basis of renewable raw materials by 2030.

The requirements of society and of the lawmakers regarding environmentally friendly production processes within the chemical industry will continue to increase. Not least because of this, our innovative capacity when it comes to sustainable production processes will be especially important.

The challenges that a medium-sized enterprise such as H&R needs to rise to are vast, both economically and operationally, and in terms of staff. H&R therefore took matters into its own hands very early on and worked with partners to drive developments forward. We will resolutely continue on this path in the future.

Although we may face burdens in the short and medium term at H&R, we are very confident about the financial year 2021 overall. And, more importantly, we believe we are ready for many successful years ahead.

Thank you for your continued loyalty and, above all, stay safe!

Hamburg, August 2021

Sincerely yours,



Niels H. Hansen
Managing Director

Interim Consolidated Management Report

- 4 Group Structure
- 5 Subscribed Capital and Shareholder Structure
- 6 Economic Environment
- 7 Share and Share Price Trend
- 8 Net Assets, Financial Position and Results of Operations
- 13 Report on Opportunities and Risks
- 13 Key Events Following the Reporting Date
- 13 Outlook

Group Structure

Sectors and Organizational Structure

The H&R Group organizes its operating activities into two business divisions: Chemical-Pharmaceutical Raw Materials and Plastics.

We also have three business segments: ChemPharm Refining, ChemPharm Sales and Plastics.

Our business segment with the highest sales is the ChemPharm Refining segment. This includes the two German specialty production sites in Hamburg and Salzbergen. We manage these sites with the aim of achieving as high a percentage as possible of output consisting of hydrocarbon-based specialty products such as label-free plasticizers, paraffins and white oils, while keeping the percentage of lubricants as low as possible. As part of our production processes in this business segment, we create 800 different products that are used in almost every area of life.

Our ChemPharm Sales segment is comprised of numerous plants for additional processing as well as our distribution sites worldwide.

Our Plastics segment primarily produces precision plastic parts. In addition to the main production site in Coburg, Germany, we also operate production sites in Eastern Europe and Asia. The customers buying our Plastics products include the automotive industry, the medical technology industry and other traditional industrial sectors.

Group's Legal Structure

As the Group's holding company, H&R GmbH & Co. KGaA (hereinafter referred to as H&R) is in charge of the management of our business operations. The holding company determines the company's strategic focus, is responsible for Group financing activities and provides various management functions and services for our subsidiaries.

At the end of the reporting period, there were 45 consolidated subsidiaries (June 30, 2020: 42).

Our subsidiaries can be found in the list of shareholdings in the Notes to the Consolidated Financial Statements in the 2020 annual report under "Scope of Consolidation and Holdings".

Employees

As of June 30, 2021, the number of people employed by the H&R Group remained unchanged compared to the reporting date at 1,585 (December 31, 2020: 1,585 employees). The employee headcount in Germany has increased by 11 since the beginning of the year to 907. Internationally, there were 678 employees, equating to a drop of 11.

The changes in the business segments are as follows: In the ChemPharm division, the employee headcount at the midyear point was 15 less than at the end of the year at 1,168 (December 31, 2020: 1,153). A further nine employees related to the Refining segment (December 31, 2020: 708 employees). The Sales segment saw an increase of six employees compared with year-end, taking the headcount to 460 (December 31, 2020: 454). In the Plastics segment, H&R KGaA employed 18 fewer staff members than at year-end 2020, which reduced the headcount to 364 (December 31, 2020: 382).

The number of employees working in other activities had increased by three as of the half-year reporting date, taking the total to 53.

Subscribed Capital and Shareholder Structure

The share capital of H&R GmbH & Co. KGaA amounted to €95,155,882.68 as of June 30, 2021. It is divided into 37,221,746 ordinary no-par bearer shares. This corresponds to a notional value of €2.56 per share. There are no distinct classes of shares; they are all ordinary shares. Each share entitles the holder to one vote.

We were not informed of any changes in the shareholdings of our majority shareholder in the financial year under review. According to an informal notification, the share of the company's share capital that is attributable to the Hansen family corresponds to 61.44% of the voting rights.

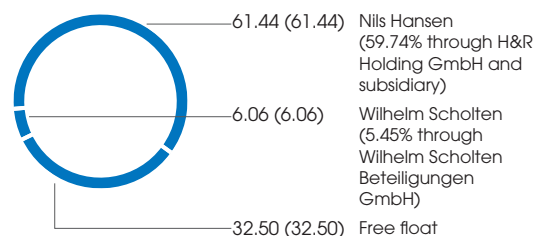
According to an informal notification, the stake in the share capital held by our anchor shareholder Mr. Wilhelm Scholten on June 30, 2020, was unchanged at 6.06%, 5.45% of which was held via Wilhelm Scholten Beteiligungen GmbH and the

remaining 0.61% of which was held via Ölfabrik Wilhelm Scholten GmbH and subsidiaries.

The remaining 32.50% of H&R shares were in free float as of June 30, 2021. Of these, around 5.0% were in turn held by institutional investors.

SHAREHOLDER STRUCTURE AS OF 6/30/2021

IN % (VALUES AT THE END OF THE PREVIOUS YEAR)



Economic Environment

Macroeconomic Conditions

In its report at the end of June 2021, the Kiel Institute for the World Economy (IfW) gave a positively optimistic forecast for the German economy's further development. The experts anticipate that the precrisis level will be achieved in the third quarter of 2021. They are forecasting growth in the gross domestic product (GDP) of 3.9% in 2021 and 4.8% in 2022. According to their analyses, a stronger upswing will be prevented above all by bottlenecks in the supply of many important raw materials and by-products.

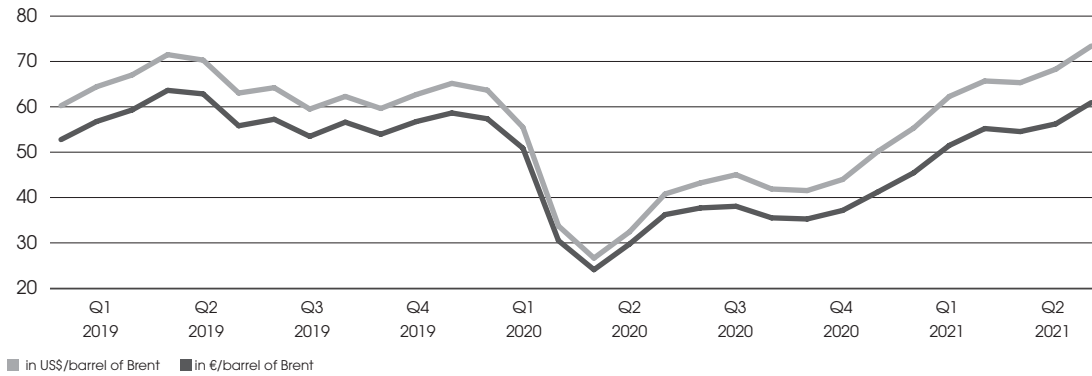
According to a European Commission forecast, the euro area's economic output will likewise

have returned to the precrisis level by the end of the year. The Brussels-based authority anticipates growth of 4.8% this year. The forecast for next year is growth of 4.5%.

The IfW says that global trade is currently characterized by supply shortages and logistical problems. This is reflected not least in the sharp increases in the prices of raw materials, intermediate goods and transport services. At the same time, the high demand is being further stoked by spending programs in the USA and the EU as well as by monetary policy which remains expansionary. Overall, the global economy is therefore heading toward a boom, the IfW says. Global output is likely to increase by 6.7% in 2021 and by 4.8% in 2022, making both years stronger than the medium-term trend.

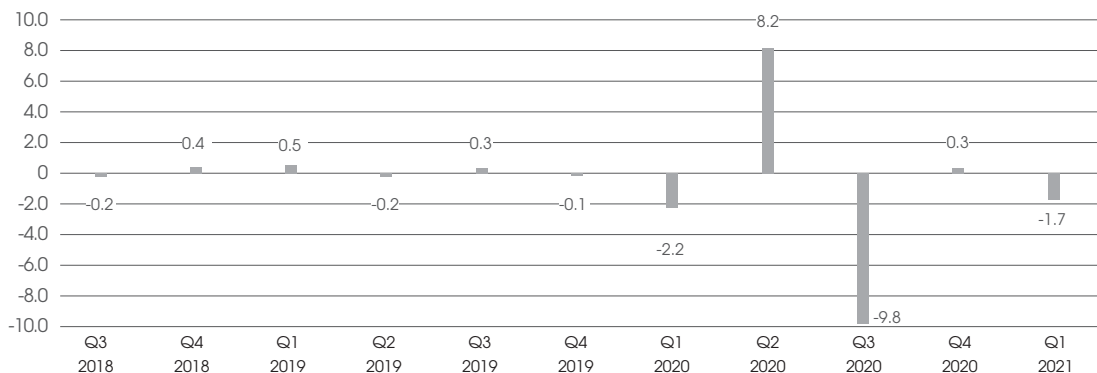
OIL PRICES, Q1/2019 TO Q2/2021

(AVERAGE MONTHLY PRICES)



ECONOMIC GROWTH IN GERMANY¹⁾

GROWTH IN PREVIOUS QUARTER IN %, SOURCE: FEDERAL STATISTICAL OFFICE (DESTATIS); DIW BERLIN



¹⁾ Gross domestic product (adjusted for season, price and calendar)

Industry-specific Climate

The chemical-pharmaceutical industry got off to a good start in 2021. According to the German Chemical Industry Association (VCI), pharmaceuticals production in particular significantly gathered pace in the first three months of the year. Following the good start to the year, the VCI is forecasting growth of 4.5% in chemical production in 2021. As prices are likewise likely to increase by 3.5%, industry sales will increase by 8.0% to around €206 billion.

The effects of the outlined macroeconomic and industry-specific logistics problems and supply bottlenecks on H&R varied in magnitude. While our German production sites were largely still able to cater to customers' high demand for specialty products, the transport crisis in Asia had a significantly greater impact on the production and supply processes. Our plastics production was affected, too – directly in terms of raw material supplies and indirectly due to difficulties in supplying German automobile manufacturers with the necessary chips.

Share and Share Price Trend

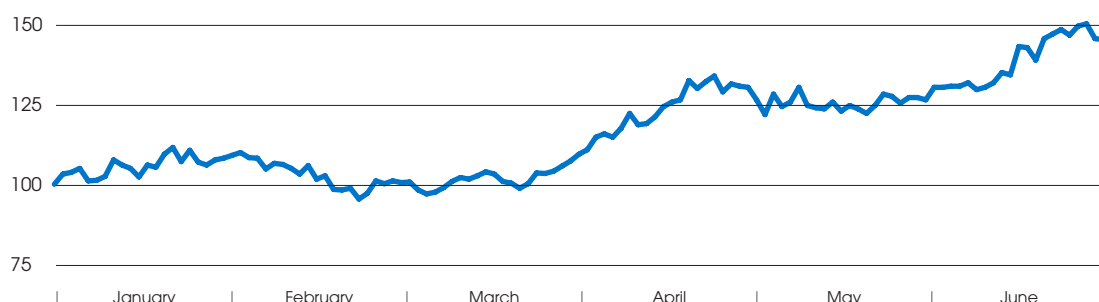
It became apparent last year that the stock markets were only temporarily adversely affected by the impact of the pandemic on society and the lockdown situations, and they soon returned to their precrisis levels. After hitting an all-time low, the H&R share likewise succeeded in recovering to approximately €5.50 and started the current stock market year at this price level.

nificantly and passed the €6.00 and €7.00 marks consecutively in the second quarter of 2021, before ending trading on June 30 at €8.18. As of the editorial deadline, the share price had comfortably increased from this level to as much as €9.60.

The improved expectations in the first half of the year regarding developments in 2021 gave the stock markets a lift and this was further supported by hard facts, with the guidance range being increased twice and good figures for Q1 and Q2 being published. Unlike in some years, the business trend in 2021 also reflected the share price trend. The H&R KGaA share rose sig-

PERFORMANCE OF THE H&R SHARE

(INDEX 1/2/2021 = 100)



KEY H&R SHARE PERFORMANCE INDICATORS

	1/1-6/30/2021	1/1-6/30/2020	Change (absolute)
Number of shares as of reporting date	37,221,746	37,221,746	-
Earnings per share, in €	0.83	-0.37	1.20
Maximum price during reporting period, in € ¹⁾	8.40	6.23	2.17
Lowest price during reporting period, in € ¹⁾	5.31	3.56	1.75
Price as of reporting date, in € ¹⁾	8.12	5.75	2.37
Market capitalization as of reporting date, in € million¹⁾	302.2	214.03	88.17

¹⁾ XETRA closing price in each case.

Net Assets, Financial Position and Results of Operations

Results of Operations

Impact of Coronavirus Significantly Greater in Q2 2021 Than in First Quarter

H&R generated consolidated sales of €558.4 million in the first half of the 2021 financial year. This was approximately €116.6 million higher than in the same period in 2020. Our Chemical-Pharmaceutical business, which is composed of the ChemPharm Refining (62.1%) and ChemPharm Sales (34.1%) segments, contributed 96.2% or €537.0 million to sales. The Plastics division contributed €21.5 million to sales, which corresponds to a share of 3.8%.

The regional focus of our business activities continues to be Germany, where 57.6% of sales were generated. Of the remaining sales, other European countries accounted for 10.4%, while sales from outside of Europe contributed 32.0%. Sales development was primarily driven by raw materials prices and reflects the higher Brent Crude price in comparison to the same period in the previous year.

At the end of the first six months of 2021, the company is looking extremely profitable in spite of the higher cost of raw materials and generally more muted uptake of quantities. The H&R Group generated operating income (EBITDA) of €74.4 million over the first six months of the current year (first half of 2020: €16.6 million) and was therefore significantly up year-over-year. In addition, at €48.7 million, the second quarter made a contribution to EBITDA which was a significant improvement on the start of the year.

In a year-over-year comparison, depreciation and amortization remained unchanged at €25.3 million, meaning there were significant improvements in the results at all other levels, too. For example, consolidated income before interest and taxes (EBIT) increased to €49.1 million (first half of 2020: €-8.7 million), while income before tax (EBT) improved from €-12.7 million to €44.5 million.

Although the better company results overall led to higher income tax expense, the consolidated income attributable to shareholders nevertheless improved from €-13.6 million to €31.0 million. Earnings per share closed at €0.83, compared with €-0.37 in the first six months of 2020.

CHANGES IN SALES AND INCOME

IN € MILLION	1/1-6/30/2021	1/1-6/30/2020	Change (absolute)
Sales revenue	558.4	441.8	116.6
EBITDA	74.4	16.6	57.8
EBIT	49.1	-8.7	57.8
EBT	44.5	-12.7	57.2
Consolidated income attributable to shareholders	31.0	-13.6	44.6
Consolidated income per share (undiluted), €	0.83	-0.37	1.20

Segment Results Consistently Better

ChemPharm Refining. Brent crude oil, the price indicator for the raw materials used in our refineries, was trading at US\$55 at the beginning of the year. This had increased to around US\$73 by the end of June. Our cost of materials generally increased in line with the oil price, as did our sales accordingly.

The swift decline in the price of oil at the end of the first quarter can generally lead to windfall losses, for example, due to it only being possible to pass on higher raw material prices to the customers with a delay. Unlike in some years, however, the ratio of supply to demand for products made at our production plants was very much shifted in the direction of demand (e.g. due to international refinery closures), meaning the typical windfall loss effects were considerably less noticeable due to prices being adjusted almost simultaneously.

All in all, sales in the Group's biggest segment came to €352.0 million in the first six months of 2021 (first half of 2020: €276.9 million).

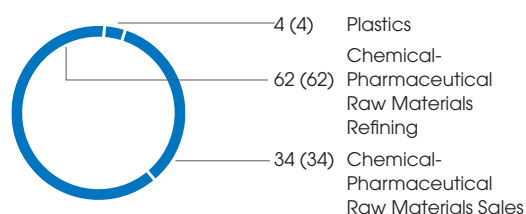
At €58.9 million, operating income (EBITDA) in the segment was more than eight times higher than the prior-year figure (first half of 2020: €7.0 million). With prices generally being good, it was first and foremost the base oil volumes in demand in the market which had a favorable impact on income. This and the fact that the majority of EBITDA was generated in the second quarter of 2021 (€41.4 million) currently give us hope that demand will be maintained and that the remainder of the year will be stable.

ChemPharm Sales. In the internationally operating Sales segment, sales increased by 26.4% to €190.7 million (first half of 2020: €150.9 million). Its income recovered, too, albeit not as markedly as that of German specialty production – overall, its EBITDA improved by a third from €11.4 million to €15.2 million.

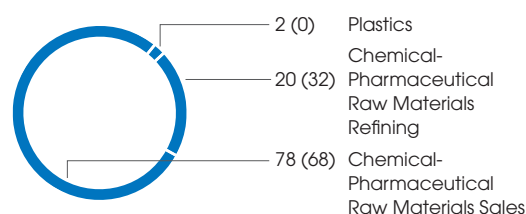
Plastics. The situation in the automotive industry, a hugely important customer sector for the Plastics division, remained challenging once again in the first quarter. Chips urgently needed for the electronic control systems in vehicles remained stranded in Asian ports due to massive transport

SALES BY SEGMENT IN THE FIRST HALF OF 2021

IN % (FIRST HALF OF 2020)

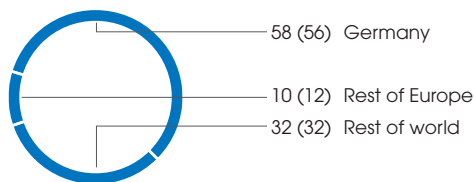
**OPERATING INCOME BY SEGMENT IN THE FIRST HALF OF 2021**

IN % (FIRST HALF OF 2020)

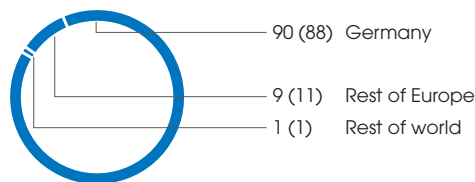


**SALES BY REGION
IN THE FIRST HALF OF 2021**

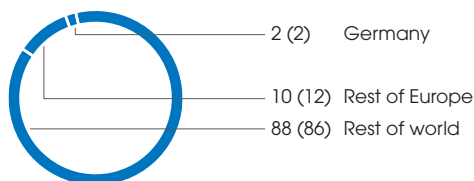
IN % (FIRST HALF OF 2020)


**SALES BY REGION
IN THE CHEMPHARM REFINING
SEGMENT IN THE FIRST HALF OF 2021**

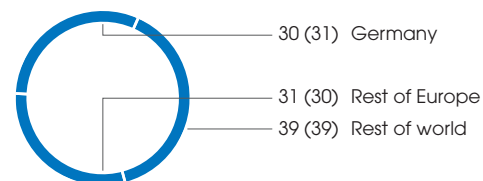
IN % (FIRST HALF OF 2020)


**SALES BY REGION
IN THE CHEMPHARM SALES
SEGMENT IN THE FIRST HALF OF 2021**

IN % (FIRST HALF OF 2020)


**SALES BY REGION
IN THE PLASTICS SEGMENT
IN THE FIRST HALF OF 2021**

IN % (FIRST HALF OF 2020)



capacity limitations, resulting in interrupted production workflows at the plants in Europe. At the same time, there was a shortage of granulated raw materials for the production of plastic and housing parts. GAUDLITZ GmbH nevertheless achieved a degree of success with a sales increase of more than 18% to €21.5 million and a €1.9 million improvement in EBITDA to €1.8 million (first half of 2020: €-0.1 million).

Sales Volumes and Order Situation

The sales volumes of core products and by-products in the Chemical-Pharmaceutical Raw Materials division recovered in the first half of 2021 and eclipsed the previous year's figure. However, they have not yet returned to the pre-crisis level. The effects of the pandemic seen over the past year – less commuter traffic on the roads and, in particular, in the air – resulted in lower fuel production volumes. The base oil capacities attached to such refineries by major oil companies in particular were reduced accordingly and we therefore continue to see high demand for base oils and decent prices for these commodity products. This is buoying German production in par-

ticular. We are registering a sound order situation in international business, but are nevertheless noticing the difficulties that Asia is having in its endeavors as a region to definitively contain the pandemic. This is resulting in ongoing lockdowns in a number of countries. The global movement of goods was massively obstructed at the ports in southern China. High container and freight prices are increasingly affecting our customers' demand behavior.

Trends in the Main Items on the Income Statement

Our cost of materials increased to €420.7 million in the first six months of the year as a result of the higher price of raw materials coupled with higher sales (first half of 2020: €332.8 million). The material expense ratio fell to 72.1%, compared with the previous year's 78.8%. Personnel expenses climbed by 7.8% to €44.3 million, compared with €41.1 million in the prior-year period.

Depreciation and amortization remained unchanged year-over-year at €25.3 million. Overall, the company posted operating income

of €74.4 million and income before tax (EBT) of €44.5 million, compared with €-12.7 million in the first half of 2020.

The markedly improved income translated into noticeably higher income tax expense in the first half of 2021. As of June 30, 2021, consolidated income attributable to shareholders totaled €31.0 million (first half of 2020: €-13.6 million).

Net Assets and Financial Position

Analysis of the Cash Flow Statement

In the first six months of 2021, the Group generated a cash flow from operating activities of €1.1 million based on significantly higher consolidated income (first half of 2020: €39.4 million).

This generally muted cash flow result was primarily influenced by two factors. Firstly, no use was made in the first half of 2021 of the Federal Ministry of Finance's protective measures as part of the coronavirus tax aid legislation, in particular the option of delaying tax return submission. Consequently, the positive effects of reporting other net assets in this year were not felt. Secondly, the changes in net working capital of €-77.9 million (first half of 2020: €-11.2 million) were more significant as the higher raw material price called for a considerably greater use of funds.

Our investments in maintenance and modernization measures as well as in innovative projects to ensure the future viability of our sites remained virtually unchanged year-over-year. Overall, cash flow from investing activities totaled €-25.5 mil-

lion, compared to €-25.8 million in the first half of 2020.

The free cash flow (the sum of cash flow from investing activities and operating activities) likewise reflects the outlined drop, falling from €13.6 million in the first half of the previous year to €-24.4 million in the first six months of 2021.

The cash flow from financing activities showed an overall inflow of €17.4 million (first half of 2020: €-21.5 million). Both the redemption of financial liabilities in the amount of €-80.0 million and cash inflows from new financial liabilities totaling €97.3 million were higher year-over-year.

Cash and cash equivalents were significantly lower at the beginning of the period at €55.0 million (2020: €94.8 million) and had dwindled to €48.7 million by the end of June 2021 (June 30, 2020: €85.0 million). The H&R Group's long-term liquidity continues to be guaranteed by the available cash and cash equivalents and the credit lines granted to us.

Analysis of the Statement of Financial Position

The H&R Group's balance sheet total increased by a considerable 14.7% to €855.6 million up to the end of the first half of the year (December 31, 2020: €745.7 million).

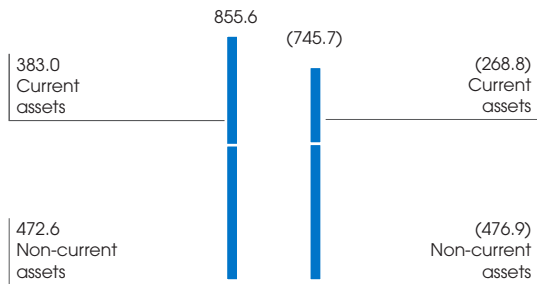
On the assets side, cash and cash equivalents fell by 11.5% to €48.7 million, compared to €55.0 million at the end of the prior year. Trade receivables had increased by 54.8% to €126.3 million by the end of the reporting period. Inventories likewise increased significantly and were around

FINANCIAL POSITION

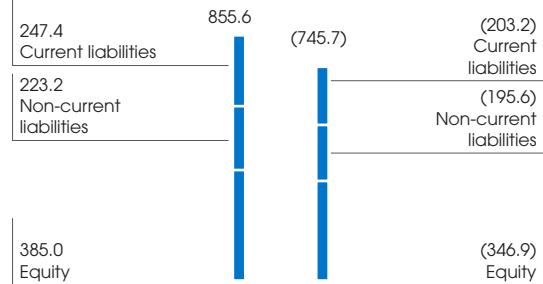
IN € MILLION	1/1-6/30/2021	1/1-6/30/2020	Change (absolute)
Cash flow from operating activities	1.1	39.4	-38.3
Cash flow from investing activities	-25.5	-25.8	0.3
Free cash flow	-24.4	13.6	-38.0
Cash flow from financing activities	17.4	-21.5	38.9
Cash and cash equivalents as of June 30	48.7	85.0	-36.3

ASSETS AS OF 6/30/2021

IN € MILLION (PREVIOUS YEAR'S FIGURES AS OF 12/31/2020)

**LIABILITIES AND SHAREHOLDERS' EQUITY AS OF 6/30/2021**

IN € MILLION (PREVIOUS YEAR'S FIGURES AS OF 12/31/2020)



60.7% higher than at the end of the year at €170.0 million (December 31, 2020: €105.8 million).

Overall, current assets increased by 42.5% to €383.0 million (December 31, 2020: €268.8 million), increasing their percentage of the balance sheet total from 36.0% to 44.8%.

Non-current assets changed by -0.9% to €472.6 million in total as against the previous year-end figure of €476.9 million. As a percentage of the balance sheet total, they fell from 64.0% as of December 31, 2020, to 55.2% at the end of the reporting period.

On the liabilities side, current liabilities changed by around 21.8% overall, amounting to €247.4 million (December 31, 2020: €203.2 million). The key items here are trade payables, which were up €27.3 million (December 31, 2020: €80.4 million) and other liabilities, which rose by €14.2 million to €25.2 million (December 31, 2020: €10.9 million). As a percentage of the balance sheet total, current liabilities changed from 27.2% at the end of 2020 to 28.9% at the end of the first half of the year.

At €223.2 million, non-current liabilities were approximately 14.1% up on the year-end figure (December 31, 2020: €195.6 million) as a result of higher liabilities to banks. At 26.1% on June 30, 2021, their percentage of the balance sheet total was approximately on a par with the prior-year level (December 31, 2020: 26.2%).

Retained earnings including consolidated income increased significantly by 20.7% to €196.3 million (December 31, 2020: €162.7 million). As of June 30, 2021, equity totaled €385.0 million and was 11.0% or €38.1 million higher than on the reporting date. Taking into account the higher balance sheet total, however, this corresponds to a slightly lower equity ratio of 45.0% (December 31, 2020: 46.5%).

There have been no material changes in unrecognized assets since year-end 2020, nor have any unrecognized financing instruments been used.

In March 2021, H&R GmbH & Co. KGaA sold the 50% stake in HRI IT Service GmbH, Berlin. Furthermore, in May 2021, additional 50% of the shares in HRI IT Consulting GmbH, Münster, were acquired, increasing the stake in the company to 100%.

Report on Opportunities and Risks

Please refer to the section starting on page 63 of our 2020 annual report for a discussion of the potential opportunities of the H&R Group. On the same page, you will also find a description of our opportunity management system.

For a description of existing risks and the risk management system, please consult pages 54 to 63 of the 2020 annual report. In the Executive Board’s view, there continue to be no risks of a magnitude that could pose an existential threat to the company as a going concern.

Key Events Following the Reporting Date

Between June 30, 2021, and the editorial deadline for this report, there were no events with a mate-

rial impact on the net assets, financial position or results of operations.

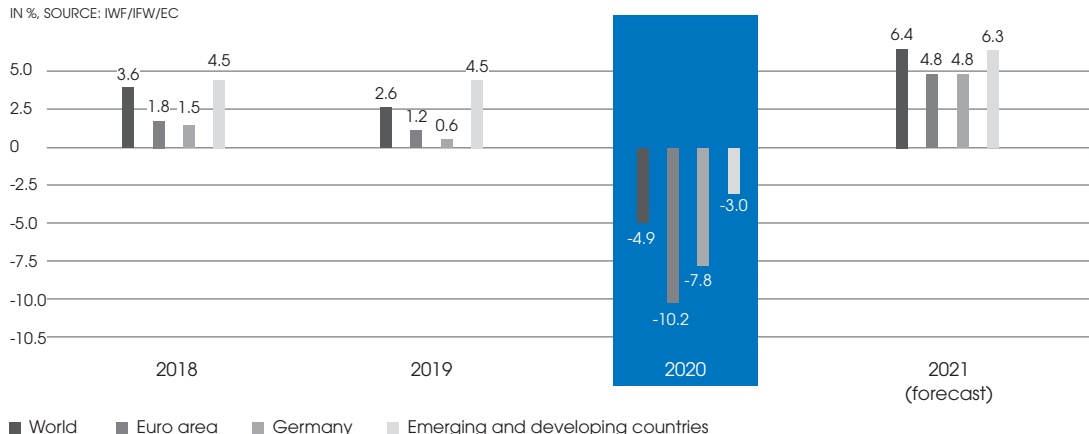
Outlook

As presented in our remarks regarding the economy as a whole, the majority of economic experts see a positive future for our markets and are anticipating increasing momentum in the key economic regions. H&R itself got off to a good start this year and has been able to make the most of the positive momentum seen in the spring beyond the midyear point, too.

We currently expect to see this development continue in the second half of the year. This includes the assumption that the infection numbers will not exceed expectations and that the economic recovery effects will continue. The Executive Board has consequently raised the guidance for the year as a whole to EBITDA of at least €115.0 million.

GLOBAL ECONOMIC GROWTH FORECAST

IN %, SOURCE: IWF/IFW/EC



Condensed Consolidated Financial Statements

- 15 Consolidated Statement of Financial Position
- 17 Consolidated Income Statement
- 18 Consolidated Statement of Comprehensive Income
- 19 Consolidated Statement of Changes in Equity
- 20 Consolidated Cash Flow Statement
- 21 Selected Explanatory Notes

Consolidated Statement of Financial Position of H&R GmbH & Co. KGaA

as of June 30, 2021

ASSETS		
IN € THOUSAND	6/30/2021	12/31/2020
Current assets		
Cash and cash equivalents	48,682	55,029
Trade receivables	126,283	81,578
Income tax refund claims	440	72
Contract assets	-	476
Inventories	170,030	105,758
Other financial assets	23,409	17,821
Other assets	14,127	8,080
Current assets	382,971	268,814
Non-current assets		
Property, plant and equipment	418,160	412,246
Goodwill	17,637	17,376
Other intangible assets	13,603	14,265
Shares in holdings valued at equity	971	2,922
Other financial assets	10,422	11,578
Other assets	1,906	1,355
Deferred tax assets	9,923	17,159
Non-current assets	472,622	476,901
Total assets	855,593	745,715

LIABILITIES AND SHAREHOLDERS' EQUITY

IN € THOUSAND	6/30/2021	12/31/2020
Current liabilities		
Liabilities to banks	74,049	87,449
Trade payables	107,800	80,453
Income tax liabilities	6,389	2,663
Contract liabilities	2,423	2,210
Other provisions	13,149	9,351
Other financial liabilities	18,430	10,173
Other liabilities	25,189	10,945
Current liabilities	247,429	203,244
Non-current liabilities		
Liabilities to banks	77,042	43,006
Pension provisions	78,472	82,211
Other provisions	3,615	3,535
Other financial liabilities	35,652	37,678
Other liabilities	25,078	25,819
Deferred tax liabilities	3,305	3,340
Non-current liabilities	223,164	195,589
Equity		
Subscribed capital	95,156	95,156
Capital reserve	46,427	46,867
Retained earnings	196,299	162,702
Other reserves	4,436	2,858
Equity of H&R GmbH & Co. KGaA shareholders	342,318	307,583
Non-controlling interests	42,682	39,299
Equity	385,000	346,882
Total liabilities and shareholders' equity	855,593	745,715

Consolidated Income Statement of H&R GmbH & Co. KGaA

January 1 to June 30, 2021

IN € THOUSAND	1/1- 6/30/2021	1/1- 6/30/2020	4/1- 6/30/2021	4/1-6/30/2020
Sales revenue	558,418	441,838	317,067	182,426
Changes in inventories of finished and unfinished goods	18,284	-15,492	5,955	-6,377
Other operating income	15,246	10,702	8,054	4,758
Cost of materials	-420,712	-332,799	-231,810	-133,899
Personnel expenses	-44,347	-41,138	-22,582	-19,954
Depreciation, impairments and amortization of intangible assets and property, plant and equipment	-25,303	-25,291	-12,744	-12,597
Other operating expenses	-52,376	-46,876	-27,935	-21,243
Operating result	49,210	-9,056	36,005	-6,886
Income from holdings valued at equity	-78	341	-46	202
Financing income	532	362	452	-183
Financing expenses	-5,205	-4,322	-3,238	-2,128
Income before tax (EBT)	44,459	-12,675	33,173	-8,995
Income taxes	-11,507	-670	-8,233	-120
Consolidated income	32,952	-13,345	24,940	-9,115
of which attributable to non-controlling interests	-1,988	276	-1,211	-234
of which attributable to shareholders of H&R GmbH & Co. KGaA	30,964	-13,621	23,729	-8,881
Earnings per share (undiluted), €	0.83	-0.37	0.64	-0.24
Earnings per share (diluted), €	0.83	-0.37	0.64	-0.24

Consolidated Statement of Comprehensive Income of H&R GmbH & Co. KGaA

January 1 to June 30, 2021

IN € THOUSAND	1/1- 6/30/2021	1/1- 6/30/2020	4/1- 6/30/2021	4/1-6/30/2020
Consolidated income	32,952	-13,345	24,940	-9,115
of which attributable to non-controlling interests	-1,988	276	1,211	-234
of which attributable to total comprehensive income of shareholders of H&R GmbH & Co. KGaA	30,964	-13,621	23,729	-8,881
Positions that will not be reclassified into profit or loss				
Remeasurement of defined-benefit pension plans	3,732	4,705	609	-3,820
Deferred taxes	-1,099	-1,373	-179	1,116
Total remeasurement of defined-benefit pension plans	2,633	3,332	430	-2,704
Total positions that will not be reclassified into profit or loss	2,633	3,332	430	-2,704
Positions that may subsequently be reclassified into profit or loss				
Changes in the fair value of derivatives held for hedging purposes	-348	-	321	-
Deferred taxes	102	-	-95	-
Change in the amount included in equity	-246	-	226	-
Changes in the currency translation adjustment item	3,642	-6,671	-1,692	722
Total positions that may subsequently be reclassified into profit or loss	3,396	-6,671	-1,466	722
Other comprehensive income	6,029	-3,339	-1,036	-1,982
of which attributable to non-controlling interests	1,818	-425	48	-743
of which attributable to shareholders of H&R GmbH & Co. KGaA	4,211	-2,914	-1,084	-1,239
Total comprehensive income	38,981	-16,684	23,904	-11,097
of which attributable to non-controlling interests	3,806	-149	1,259	-977
of which attributable to shareholders of H&R GmbH & Co. KGaA	35,175	-16,535	22,645	-10,120

Consolidated Statement of Changes in Group Equity of H&R GmbH & Co. KGaA

as of June 30, 2021

2021

IN € THOUSAND	Subscribed capital	Capital reserve	Retained earnings	Other reserves/cumulative other comprehensive income			Equity share attributable to shareholders of H&R GmbH & Co. KGaA	Non-controlling interests	Total
				Equity instruments	Derivative financial instruments	Currency translation adjustment			
1/1/2021	95,156	46,867	162,702	6,096	-	-3,238	307,583	39,299	346,882
Capital reduction	-	-440	-	-	-	-	-440	-423	-863
Consolidated income	-	-	30,964	-	-	-	30,964	1,988	32,952
Other comprehensive income	-	-	2,633	-	-246	1,824	4,211	1,818	6,029
Total comprehensive income	-	-	33,597	-	-246	1,824	35,175	3,806	38,981
6/30/2021	95,156	46,427	196,299	6,096	-246	-1,414	342,318	42,682	385,000

2020

IN € THOUSAND	Subscribed capital	Capital reserve	Retained earnings	Other reserves/cumulative other comprehensive income			Equity share attributable to shareholders of H&R GmbH & Co. KGaA	Non-controlling interests	Total
				Equity instruments	Currency translation adjustment				
1/1/2020	95,156	46,867	170,069	6,534	5,776	324,402	39,044	363,446	
Consolidated income	-	-	-13,621	-	-	-13,621	276	-13,345	
Other comprehensive income	-	-	3,332	-	-6,246	-2,914	-425	-3,339	
Total comprehensive income	-	-	-10,289	-	-6,246	-16,535	-149	-16,684	
6/30/2020	95,156	46,867	159,780	6,534	-470	307,867	38,895	346,762	

Consolidated Cash Flow Statement of H&R GmbH & Co. KGaA

January 1 to June 30, 2021

IN € THOUSAND		1/1- 6/30/2021	1/1- 6/30/2020	4/1- 6/30/2021	4/1-6/30/2020
1.	Consolidated income	32,952	-13,345	24,940	-9,115
2.	Income taxes	11,507	670	8,233	120
3.	Net interest income	3,543	3,960	1,656	2,311
4.	+/- Depreciation and amortization/appreciation on fixed assets and intangible assets	26,434	25,238	13,875	12,544
5.	+/- Increase/decrease in non-current provisions	-406	-940	128	-369
6.	+ Interest received	532	362	452	-183
7.	- Interest paid	-3,505	-4,652	-1,573	-1,786
8.	+/- Income tax received/paid	-3,029	2,433	-1,468	-65
9.	+/- Other non-cash expenses/income	-413	599	-157	358
10.	+/- Increase/decrease in current provisions	3,660	472	852	-2,389
11.	-/+ Gain/loss from the disposal of intangible assets	572	7	569	-1
12.	-/+ Changes in net working capital	-77,880	-11,189	-50,477	19,911
13.	+/- Changes in remaining net assets/other non-cash items	7,119	35,741	8,098	15,114
14.	= Cash flow from operating activities (sum of items 1 to 13)	1,086	39,356	5,128	36,450
15.	+ Proceeds from disposals of property, plant and equipment	3	1	2	-
16.	- Payments for investments in property, plant and equipment	-24,969	-25,481	-16,907	-439
17.	- Payments for investments in intangible assets	-455	-289	-56	-219
18.	+ Proceeds from disposals of financial assets	240	-	-	-
19.	- Payments for investments in financial assets	-350	-	-350	-
20.	= Cash flow from investing activities (sum of items 15 to 19)	-25,531	-25,769	-17,311	-658
21.	= Free cash flow (sum of items 14 and 20)	24,445	13,587	-12,183	35,792
22.	- Dividends received from holdings valued at equity	153	-	153	-
23.	+ Payments for settling financial liabilities	-80,003	-50,009	-38,914	-21,455
24.	+ Proceeds from taking up financial liabilities	97,273	28,555	27,886	5,098
25.	= Cash flow from financing activities (sum of items 22 to 24)	17,423	-21,454	-10,875	-16,357
26.	+/- Changes in cash and cash equivalents (sum of items 14, 20 and 25)	-7,022	-7,867	-23,058	19,435
27.	+ Cash and cash equivalents at the beginning of the period	55,029	94,794	72,545	64,682
26.	+/- Changes in cash and cash equivalents due to changes in exchange rates	675	-1,938	-805	872
27.	= Cash and cash equivalents at the end of the period	48,682	84,989	48,682	84,989

Selected Explanatory Notes

as of June 30, 2021

General Information

These condensed interim consolidated financial statements of H&R GmbH & Co. KGaA (shortened form: H&R KGaA) as of June 30, 2021, were prepared, as were the annual consolidated financial statements as of December 31, 2020, in accordance with International Financial Reporting Standards (IFRS) that were applicable and mandatory on the reporting date; in particular, the provisions governing interim reporting set out in IAS 34 were applied. This quarterly report and the accompanying interim consolidated management report have not been subjected to any review or check and have not been audited in accordance with Section 317 of the German Commercial Code (HGB).

All interim financial statements of the companies included in the interim consolidated financial statements were prepared in accordance with uniform accounting and valuation methods, which were also taken as the basis for the annual consolidated financial statements as of December 31, 2020.

Please refer to the notes to the annual consolidated financial statements for more information on the accounting, valuation and consolidation methods used, as well as a detailed explanation of the exercise of the options under IFRS, keeping in mind that interim reporting is an informative tool that builds on the consolidated financial statements. These methods apply accordingly, with the exception of those accounting regulations that are applied for the first time in the current financial year.

Standards and Interpretations to be Applied for the First Time in the Current Financial Year

Application of changes to the following standards as published by the International Accounting Standards Board (IASB) became mandatory for the first time in the current financial year:

STANDARDS AND INTERPRETATIONS TO BE APPLIED FOR THE FIRST TIME

Standard/ interpretation	Title	IASB effective date	Date of EU endorsement	EU effective date	Material impact on H&R KGaA
Amendments to IFRS 4	Insurance Contracts – deferral of the application of IFRS 9	1/1/2021	12/15/2020	1/1/2021	none
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, IFRS 16	Interest Rate Benchmark Reform (Phase 2)	1/1/2021	1/13/2021	1/1/2021	none

Application of the new accounting regulations had no material impact on the presentation of the net assets, financial position and results of operations or on earnings per share.

Changes in Core Parameters

Changes in the underlying core parameters primarily involve exchange rates and the interest rates used to calculate pension commitments.

The exchange rates used for currency translation have changed as follows:

EXCHANGE RATES FOR THE MAIN CURRENCIES

€1/	Closing rate 6/30/2021	Closing rate 6/30/2020	Closing rate 12/31/2020	Average rate 2021	Average rate 2020
US dollar	1.1884	1.1198	1.2271	1.2057	1.1015
British pound	0.85800	0.91240	0.8990	0.86844	0.87432
Australian dollar	1.5853	1.6344	1.5896	1.5629	1.6775
South African rand	17.0114	19.4425	18.0219	17.5333	18.3318
Thai baht	38.118	36.624	36.727	37.147	34.825
Chinese renminbi	7.6742	7.9219	8.0225	7.7980	7.7481

The discount rate used to calculate the present value of pension commitments as of June 30, 2021, is 1.40% (December 31, 2020: 1.10%).

Seasonal and Business Cycle Factors

Business cycle and seasonal factors are described in detail in the interim consolidated management report sections entitled “Economic Environment” and “Net Assets, Financial Position and Results of Operations”.

Scope of Consolidation

The table below shows the changes to H&R KGaA’s consolidated group during the financial year:

CHANGE IN THE NUMBER OF CONSOLIDATED COMPANIES

H&R KGaA and consolidated companies	Germany	Abroad	Total
1/1/2020	20	24	44
Additions	1	-	-
Disposals	-	-	-
6/30/2021	21	24	45

H&R KGaA acquired a further 50% of the shares in HRI IT Consulting GmbH, Münster, for €350 thousand with effect from May 17, 2021, increasing its previous share to 100%. The company previously accounted for using the equity method is therefore included in H&R KGaA as a subsidiary. Due to a reassessment on the acquisition date, the equity interest in the share of HRI IT Consulting GmbH already held was impaired by €1,130 thousand and totaled €350 thousand at the time of acquisition. The impairment amount is included in the financing expenses item in the income statement. The company is part of the other segment.

The assets and liabilities at the time of first-time consolidation are presented in the table below.

IN € THOUSAND	5/17/2021
Intangible assets	56
Property, plant and equipment	484
Liability insurance	334
Trade receivables	186
Cash	254
Miscellaneous assets	383
Trade payables	77
Financial liabilities	425
Pension provision	596
Miscellaneous liabilities	160
Net assets acquired	439
Fair value of shares	700
Balance	261

First-time consolidation resulted in a goodwill in the amount of €261 thousand. This is not tax-deductible and essentially represents the anticipated benefits of the synergy effects expected from the acquisition of HRI IT Consulting GmbH.

Purchase price allocation has not yet been concluded as not all the information required for measurement is available yet. Changes may occur

in particular due to adjustments to the fair value of the intangible assets, property, plant and equipment and the deferred taxes incurred for these.

As of June 30, 2021, the acquired company had contributed €-47 thousand to income. Had the company been consolidated for the first time on January 1, 2021, income would have been €86 thousand lower.

In addition, the 50% stake in HRI IT Service GmbH, Berlin, was divested in March 2021 for €240 thousand. The number of companies consolidated using the equity method therefore fell from four to two compared to December 31, 2020.

Earnings per Share

Earnings per share are calculated according to IAS 33 by dividing consolidated income by the average number of outstanding ordinary shares during the reporting period. The average number of ordinary shares in circulation across all reporting periods is 37,721,746, resulting in earnings per share as follows:

	1/1-6/30/2021	1/1-6/30/2020	4/1-6/30/2021	4/1-6/30/2020
Consolidated income attributable to shareholders in € thousand	30,964	-13,621	23,729	-8,881
Average number of shares in circulation	37,221,746	37,221,746	37,221,746	37,221,746
Earnings per ordinary share (undiluted) in €	0.83	-0.37	0.64	-0.24
Earnings per ordinary share (diluted) in €	0.83	-0.37	0.64	-0.24

The diluted earnings per share ratio is equal to the basic earnings per share ratio, because H&R KGaA has not issued any potentially dilutive equity instruments.

Segment Reporting

January 1 to June 30, 2021

IN € THOUSAND	Chemical-Pharmaceutical Raw Materials			
	ChemPharm Refining		ChemPharm Sales	
	2021	2020	2021	2020
External sales revenue	346,288	272,754	190,662	150,849
Consolidated sales revenue	5,676	4,187	2	59
Sales revenue by segment	351,964	276,941	190,664	150,908
Earnings before income tax	37,639	-14,937	9,456	4,929
EBIT	40,610	-11,355	10,152	6,114
EBITDA	58,871	7,003	15,160	11,371
Capital expenditure	12,868	7,478	11,066	1,814

The following table shows how external sales revenue is broken down by region, products and services:

IN € THOUSAND	ChemPharm Refining		ChemPharm Sales	
	2021	2020	2021	2020
Germany	311,258	239,930	3,852	3,169
Rest of Europe	32,773	29,944	18,539	18,078
Rest of world	2,257	2,880	168,271	129,602
Total	346,288	272,754	190,662	150,849
Chemical-pharmaceutical products – core products	196,875	140,116	190,491	150,210
Chemical-pharmaceutical products – by-products	105,682	90,386	171	337
Precision plastics	-	-	-	-
Provision of services	43,731	42,252	-	302
Total	346,288	272,754	190,662	150,849

The table below shows the reconciliation of operating income to consolidated income:

RECONCILIATION OF OPERATING INCOME TO CONSOLIDATED INCOME		
IN € THOUSAND	2021	2020
Operating income of segments (EBITDA)	75,858	18,253
Reconciliation	-1,423	-1,677
Operating income (EBITDA) of H&R KGaA	74,435	16,576
Depreciation, impairments and amortization of intangible assets and property, plant and equipment	-25,303	-25,291
Financing income	532	362
Financing expenses	-5,205	-4,322
Income taxes	-11,507	-670
Consolidated income	32,952	-13,345

	Plastics		Other activities		Reconciliation		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	21,468	18,235	-	-	-	-	558,418	441,838
	-	-	-	-	-5,678	-4,246	-	-
	21,468	18,235	-	-	-5,678	-4,246	558,418	441,838
	344	-1,880	-2,909	-757	-71	-30	44,459	-12,675
	609	-1,609	-2,137	-1,824	-102	-41	49,132	-8,715
	1,827	-121	-1,321	-1,636	-102	-41	74,435	16,576
	890	390	3,699	17	-	-	28,523	9,699

	Plastics		Other		Total	
	2021	2020	2021	2020	2021	2020
	6,476	5,598	-	-	321,586	248,697
	6,704	5,531	-	-	58,016	53,553
	8,288	7,106	-	-	178,816	139,588
	21,468	18,235	-	-	558,418	441,838
	-	-	-	-	387,366	290,326
	-	-	-	-	105,853	90,723
	21,466	17,565	-	-	21,466	17,565
	2	670	-	-	43,733	43,224
	21,468	18,235	-	-	558,418	441,838

Financial Instruments

The table below shows the carrying amounts of the separate financial assets and liabilities for each category of financial instrument.

IN € THOUSAND	Valuation category according to IFRS 9	6/30/2021		12/31/2020	
		Carrying amount	Fair value (for information)	Carrying amount	Fair value (for information)
Financial assets					
Cash and cash equivalents	Measured at amortized cost	48,682	48,682	55,029	55,029
Trade receivables	Measured at amortized cost	116,240	116,240	78,902	78,902
Trade receivables	Measured at fair value through profit or loss	10,043	10,043	2,676	2,676
Other financial assets					
Investments in	Measured at fair value through other comprehensive income				
Equity instruments	Measured at fair value through other comprehensive income	7,237	7,237	7,237	7,237
Derivatives with hedge accounting item	Measured at fair value through profit or loss	5,538	5,538	-	-
Derivatives without hedge accounting item	Measured at fair value through profit or loss	105	105	12	12
Other current securities	Measured at fair value through profit or loss	41	41	41	41
Other financial assets	Measured at amortized cost	20,910	20,910	22,109	22,109
Financial liabilities					
Trade payables	Measured at amortized cost	107,800	107,800	80,453	80,453
Liabilities to banks	Measured at amortized cost	151,091	151,277	130,455	131,125
Other financial liabilities					
Lease liabilities	Measured at amortized cost	48,038	48,038	47,065	47,065
Derivatives with hedge accounting item	Measured at fair value through profit or loss	5,447	5,447	-	-
Derivatives without hedge accounting item	Measured at fair value through profit or loss	226	226	75	75
Miscellaneous financial liabilities	Measured at amortized cost	5,818	5,818	711	711

At the first level, fair value measurement is based on quoted prices in active markets for identical assets or liabilities. If this is not possible, second-level measurement is based on observable market transactions for comparable assets or liabilities. At the third and last level, fair values are measured by models that use parameters that

are based on non-observable market data to value assets and liabilities.

The financial instruments of H&R KGaA measured at fair value are allocated to the levels described above by category as follows:

IN € THOUSAND	6/30/2021			12/31/2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at fair value through other comprehensive income	-	-	7,237	-	-	7,237
Financial assets measured at fair value through profit or loss	10,084	-	-	2,717	-	-
Derivatives with hedge accounting item	-	5,538	-	-	-	-
Derivatives without hedge accounting item	-	105	-	-	12	-
Total	10,084	5,643	7,237	2,717	12	7,237
Liabilities and shareholders' equity	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Derivatives with hedge accounting item	-	5,447	-	-	-	-
Derivatives without hedge accounting item	-	226	-	-	75	-
Total	-	5,673	-	-	75	-

The Level 2 financial instruments are foreign exchange swaps and swaps based on raw materials prices which are carried on the statement of financial position at their fair value. The fair values are determined using parameters that are observable on the market. The Level 3 financial asset is an equity instrument. There were no reclassifications among the individual levels in financial year 2021.

Other Financial Liabilities

The other financial liabilities for order commitments for investments came to €10,876 thousand as of June 30, 2021 (December 31, 2020: €7,952 thousand).

Disclosures of Relationships With Related Parties

Related party transactions were carried out at arm's length. There were no transactions of material significance with unconsolidated subsidiaries.

Most transactions with related parties involve the companies of the Hansen family (hereinafter referred to as Hansen & Rosenthal) and with joint ventures.

There is a mutual business relationship with Hansen & Rosenthal. The supply of goods for chemical-pharmaceutical products from the Salzbergen site takes place under a long-term distribution and supply contract, by which the relevant Hansen & Rosenthal company purchases the products and then resells them to its end customers in its own name and for its own account. Furthermore, deliveries are made on the basis of a long-term commission contract for the marketing of certain products from the Hamburg site, for which Hansen & Rosenthal receives a commission. Moreover, H&R KGaA subsidiaries provide

production, IT and staffing services to the Hansen & Rosenthal Group.

Sales revenue from goods and services to Hansen & Rosenthal totaled €267,568 thousand in the first six months of 2021 (previous year: €210,771 thousand). Most of this amount was for supplies of chemical-pharmaceutical products (€223,758 thousand; previous year: €169,040 thousand) and for contract manufacturing services (€41,020 thousand; previous year: €38,672 thousand). Goods and services purchased from Hansen & Rosenthal in the first half of 2021 amounted to €49,976 thousand (previous year: €45,437 thousand). The bulk of this amount was for purchases of chemical-pharmaceutical products (€45,932 thousand; previous year: €41,974 thousand).

As of June 30, 2021, receivables due from Hansen & Rosenthal amounted to €54,021 thousand (December 31, 2020: €28,917 thousand); liabilities owed to Hansen & Rosenthal came to €18,255 thousand (December 31, 2020: €14,031 thousand).

Goods and services provided to joint ventures generated €784 thousand in sales revenue in the first six months of 2021 (previous year: €413 thousand). Goods and services purchased from joint ventures in the first half of 2021 amounted to €1,122 thousand (previous year: €1,470 thousand). These relate primarily to the purchase of energy and IT services.

As of June 30, 2021, receivables due from joint ventures totaled €158 thousand (December 31, 2020: €50 thousand), while liabilities to joint ventures came to €0 thousand (December 31, 2020: €247 thousand).

Events After the Reporting Date

Between June 30, 2021, and the editorial deadline for this report, there were no events with a material impact on the net assets, financial position or results of operations of H&R KGaA.

Attestation by the Legal Representatives

To the best of our knowledge, and in accordance with the applicable reporting principles for interim reporting, the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group. Furthermore, the interim consolidated management report provides a true and fair view of the Group's business development and performance, including the business income and situation of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the rest of the financial year.

Salzbergen, August 2021

The Executive Board

Forward-Looking Statements

This document contains forward-looking statements that reflect management's current views with respect to future events. These statements are subject to risks and uncertainties that are beyond H&R KGaA's ability to control or estimate precisely, such as future market and economic conditions, the behavior of other market participants, the ability to successfully integrate acquired businesses and achieve anticipated synergies, and the actions of government regulators.

If any of these or other risks and uncertainties occur or if the assumptions underlying any of these statements prove incorrect, the actual results may be materially different from those expressed or implied by such statements. H&R KGaA does not intend to or assume any separate obligation to update forward-looking statements to reflect events or developments occurring after the publication of this interim report.

Financial Calendar

November 13, 2021

Publication of Q3/2021

Contact

If you have questions or would like further information, please contact:

[H&R GmbH & Co. KGaA](#)

Investor Relations
Am Sandtorkai 50
20457 Hamburg
www.hur.com

[Ties Kaiser](#)

Phone: +49 (0)40-43218-321
Fax: +49 (0)40-43218-390
E-mail: ties.kaiser@hur.com

[Tanja Passlack](#)

Phone: +49 (0)40-43218-301
Fax: +49 (0)40-43218-390
E-mail: tanja.passlack@hur.com

H&R GmbH & Co. KGaA
Neuenkirchener Straße 8
48499 Salzbergen
Germany

Phone: +49 (0)5976-945-0
Fax: +49 (0)5976-945-308

E-mail: info@hur.com
Website: www.hur.com

