

innovation

Report for the 3rd Quarter 2019

Interim Report as of September 30, 2019
(unaudited)

SINGULUS 

Report for the 3rd Quarter 2019

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Business Trends and Situation of the SINGULUS TECHNOLOGIES Group

- *Sales at € 61.5 million below prior-year level*
- *Gross profit margin above prior-year level*
- *Positive EBIT in the amount of € 0.3 million*
- *Signing Ceremony in the course of CIIE fair in Shanghai, China – agreement over essential contractual parameters for additional CIGS production sites*
- *Order intake with a volume of around € 57 million by CNBM still expected for the fourth quarter*

During the first nine months of the current business year the SINGULUS TECHNOLOGIES AG (SINGULUS TECHNOLOGIES) achieved sales in the amount

of € 61.5 million (previous year: € 91.0 million). Sales in the third quarter came to € 17.4 million, which is also below the prior-year level (previous year: € 44.6 million). The EBIT in the first nine months was positive and stood at € 0.3 million (previous year: € 4.0 million). In the third quarter the EBIT came to € -1.3 million (previous year: € 5.2 million).

During the first nine months of the business year 2019 the order intake came to € 33.9 million, below the prior-year level of € 74.6 million achieved in 2018. In the quarter under review the order intake came to € 6.8 million (previous year: € 9.6 million). The order backlog amounted to € 38.5 million as of September 30, 2019 (previous year: € 90.3 million). Overall, the financial key figures of the current business year up to now were to a great

extent impacted by delays in the conclusion of expected, extensive business contracts in the Solar segment.

In the course of the China International Import Expo CIIE) in Shanghai a signing ceremony took place between the subsidiaries of the Chinese state-owned group CNBM Group, Beijing, and the SINGULUS TECHNOLOGIES AG. The goal was the confirmation of both parties regarding the agreement of the essential parameters for the delivery of

production machines of the first expansion stage with 150 MW for the next factory for CIGS solar modules in the town of Xuzhou, China. The legally binding contracts should now be concluded between the operatingly involved companies in the near future. The expected project volume currently amounts to approximately € 57 million. After the conclusion of the contracts, the agreed prepayments and the corresponding project start is expected shortly afterwards.

During the first nine months of the business year 2019 the gross profit margin remained at a high level of 31.4 % (previous year: 30.1 %). The gross profit margin in the third quarter 2019 stood at 29.0 % (previous year: 31.4 %). As of September 30, 2019, the available liquid funds amounted to € 11.8 million (December 31, 2018: € 13.5 million).

The headcount within the SINGULUS TECHNOLOGIES Group increased slightly to 358 employees as of September 30, 2019 (December 31, 2018: 343 employees).

SINGULUS TECHNOLOGIES' booth at the China International Import Expo 2019



New segmental structure

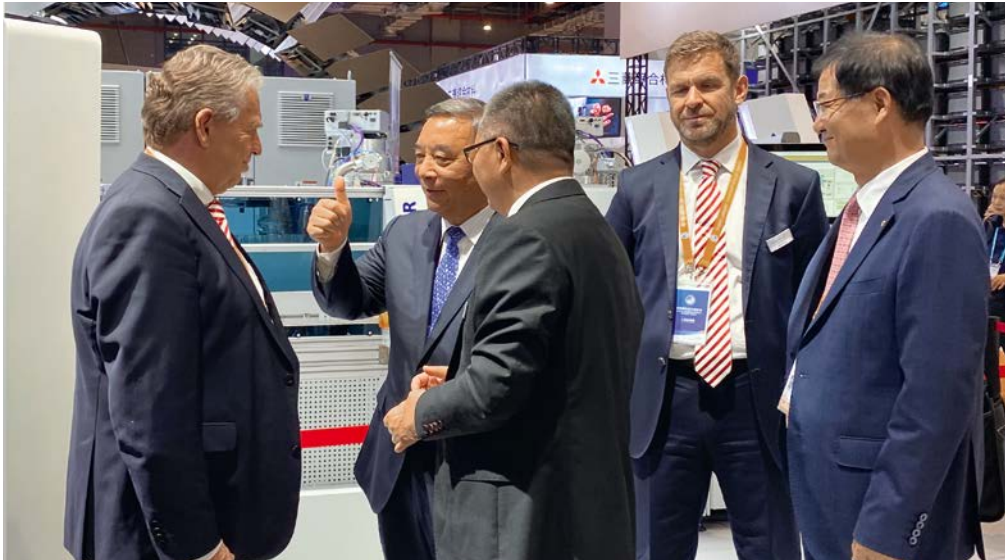
As of January 1, 2019 SINGULUS TECHNOLOGIES has adjusted the segmental structure to the new positioning as well as the increasing importance of the new work areas as follows: the new segment Life Science includes the business activities in the areas of Medical Technology, Decorative Coatings as well as Optical Disc. In addition, the company continues to report the segments Solar and Semiconductor.

Solar Segment

According to analyses by IHS Markit, the market expectations for the photovoltaics build-up are very positive. For the year 2019 IHS Markit projects an increase in the amount of 18 % to then 123 GW newly installed photovoltaic output. Also the experts from SolarPower Europe assume a significant growth for the current year.

In the Solar division SINGULUS TECHNOLOGIES sees great potential in particular for CIGS thin-film solar modules as well as for heterojunction technology (HJT). The signing of supply contracts to implement major CIGS projects is expected later this year.

In the market for HJT solar cells new projects are announced internationally, for which SINGULUS TECHNOLOGIES is in talks with the corresponding



Visit of Mr. Song Zhiping (2nd from left), Chairman of the Board / Ph.D, China National Building Materials Group Corporation, Beijing, China, at the booth in Shanghai

customers. For example, the expansion of existing production capacities for HJT solar cells is currently discussed with customers at different locations such as Italy and Eastern Europe.

Life Science Segment

In the new segment Life Science SINGULUS TECHNOLOGIES combines the product solutions for Medical Technology, Decorative Coatings as well as machine and service solutions within the Optical Disc segment.

At the beginning of April 2019 SINGULUS TECHNOLOGIES received a new order from a European customer for the delivery of two processing machines for the cleaning of medical products. SINGULUS TECHNOLOGIES is thus able to further establish itself in the market for medical technology. The company works on also introducing vacuum coating machines for various applications in the area of medical technology.

In the period under review the orders for a production line of the DECOLINE II type for the finishing of three-dimensional components as well as for several vacuum coating machines of the POLYCOATER type were received. For the cosmetics sector the POLYCOATER offers the ability to finish a wide range of products due to its flexibility. With the POLYCOATER SINGULUS TECHNOLOGIES offers a technological and



SINGULUS TECHNOLOGIES presents the POLYCOATER coating system for 3D components at the K trade fair in Dusseldorf

resource-efficient process for the chrome(VI)-free coating of packaging and components. In addition to applications in the cosmetics sector, this process can also be used by supplier companies to the automotive industry for components in chrome appearance for control elements. In general, the company is experiencing increasing interest in new, environmentally-friendly and cost-efficient solutions for the finishing of surfaces in the automotive, consumer goods and packaging

sectors. The orders for the new work areas Decorative Coating and Medical Technology show that SINGULUS TECHNOLOGIES consistently implements its plans for additional diversification.

In the quarter under review several production machines of the BLULINE II type were sold. The machines are currently modified for their final acceptance. This includes the set-up of a disc production for rewritable Blu-ray Discs in Asia.

Semiconductor Segment

In the semiconductor market SINGULUS TECHNOLOGIES operates as a provider for specialized machines and offers the machine platforms TIMARIS and ROTARIS and now has also included the process solutions for the cleaning of electronic components and semiconductor applications in this segment. For the growth areas of applications of sensory equipment as well as for semiconductor-based capacitors the company experiences increasing interest in the developed machine concepts and expects the first successes in the market in the coming months.



SINGULUS TECHNOLOGIES presents its product solutions for semiconductor technology at the SEMICON Europa 2019 in Munich

Key financial figures

Order intake and order backlog

During the first nine months of the business year 2019 the order intake of € 33.9 million was significantly below the comparable result one year ago (previous year: € 74.6 million). The reason for the order intake in the previous year was the delivery contract for the expansion of the production capacities in Bengbu. In the quarter under review the order intake came

to € 6.8 million (previous year: € 9.6 million). The order backlog amounted to € 38.5 million as of September 30, 2019 (previous year: € 90.3 million).

Sales and earnings

The sales in the amount of € 61.5 million for the first nine months of the current business year 2019 are below the prior-year level of € 91.0 million. Specifically, sales in the first nine months of 2019 are split into € 37.2 million in the Solar

segment (previous year: € 66.1 million), Life Science at € 21.0 million (previous year: 18.7 million) and Semiconductor at € 3.3 million (previous year: € 6.2 million). Sales in the quarter under review are split into € 8.2 million in the Solar segment (previous year: € 31.6 million), Life Science at € 8.2 million (previous year: 9.4 million) and Semiconductor at € 1.0 million (previous year: € 3.6 million).

Segment Reporting from January 1 to September 30, 2019 and 2018

	Segment Solar		Segment Life Science		Segment Semiconductor		SINGULUS TECHNOLOGIES Group	
	2019 million €	2018 million €	2019 million €	2018 million €	2019 million €	2018 million €	2019 million €	2018 million €
9-month figures								
Sales (gross)	37.2	66.1	21.0	18.7	3.3	6.2	61.5	91.0
Sales deduction and individual selling expenses	-0.1	-0.1	-0.8	-1.0	-0.1	-0.1	-1.0	-1.2
Sales (net)	37.1	66.0	20.2	17.7	3.2	6.1	60.5	89.8
Write-offs and amortization	-2.0	-1.4	-0.8	-0.2	-0.2	-0.1	-3.0	-1.7
Operating result (EBIT)	1.0	4.1	0.8	-0.6	-1.5	0.5	0.3	4.0
Financial result							-1.6	-1.6
Earnings before taxes							-1.3	2.4
3rd Quarter								
Sales (gross)	8.2	31.6	8.2	9.4	1.0	3.6	17.4	44.6
Sales deduction and individual selling expenses	0.0	0.0	-0.4	-0.5	-0.1	-0.1	-0.5	-0.6
Sales (net)	8.2	31.6	7.8	8.9	0.9	3.5	16.9	44.0
Write-offs and amortization	-0.6	-0.6	-0.3	-0.1	-0.1	-0.1	-1.0	-0.8
Operating result (EBIT)	-0.8	3.5	0.1	1.2	-0.6	0.5	-1.3	5.2
Financial result							-0.5	-0.5
Earnings before taxes							-1.8	4.7

For the first nine months of 2019 the percentage regional breakdown of sales was as follows: Asia 60.2 % (previous year: 67.6 %), Europe 22.1 % (previous year: 23.1 %), North and South America 17.4 % (previous year: 8.5 %) as well as Africa and Australia 0.3 % (previous year: 0.8 %). The percentage regional breakdown of sales for the 3rd quarter 2019 was as follows: Asia 44.2 % (previous year: 74.9 %), Europe 34.5 % (previous year: 17.7 %), North and South America 20.7 % (previous year: 7.0 %) as well as Africa and Australia 0.6 % (previous year: 0.4 %).

During the first nine months of 2019 the gross profit margin slightly improved by 1.3 percentage points compared with the prior-year level and amounted to 31.4 % (previous year: 30.1 %). The gross profit margin in the

third quarter 2019 stood at 29.0 % (previous year: 31.4 %).

The operating expenses (excluding other operating expenses/income) in the first nine months of 2019 amounted to € 18.7 million and were significantly below the comparable prior-year level of € 22.7 million. The reason for the development were declining variable personnel expenses in connection with outstanding phantom stocks for the management of the company due to the lower share price as well as lower expenses for research and development. The other operating expenses in the amount of € 0.3 million were lower than in the prior-year period (previous year: € 1.1 million). In the previous year, the other operating expenses were impacted by exchange-rate effects. The

other operating income declined by € 0.4 million and amounted to € 0.4 million during the first nine months (previous year: € 0.8 million).

In the quarter under review the expenses for research and development amounted to € 1.7 million (previous year: € 2.5 million), for sales & marketing and customer services to € 2.4 million (previous year: € 4.5 million) and general & administrative expenses to € 2.3 million (previous year: € 1.5 million). The other operating expenses came to € 0.1 million (previous year: € 0.3 million), the other operating income stood at € 0.3 million (previous year: € 0.2 million).

In the first nine months of 2019 earnings before interest and taxes (EBIT) came to € 0.3 million (previous year: € 4.0 million). The

EBIT amounted to € -1.3 million (previous year: € 5.2 million) in the quarter under review.

In the first nine months of the current business year the financial result came to € -1.6 million (previous year: € -1.6 million). The net profit in the first nine months of 2019 stood at € -1.9 million (previous year: € 2.3 million).

Balance sheet and liquidity

In the period under review the short-term assets totaled € 63.4 million (December 31, 2018: € 80.4 million). The reason for this development is mainly the decline in accounts receivable from production orders by € 9.7 million to € 10.7 million (December 31, 2018: € 20.4 million) as well as restricted funds by € 6.4 million to € 7.9 million (December 31, 2018: € 14.3 million).

The long-term assets amounted to € 29.9 million as of September 30, 2019, above the level of the prior period (December 31, 2018: € 23.7 million). This increase is mainly due to the capitalization of the leasing contract for the office and production building in Fürstenfeldbruck following the first-time application of IFRS 16 – Leases.

The short-term debt declined compared with the level at the end of 2018 and amounted to € 37.6 million as of September 30, 2019 (December 31, 2018: € 50.2 million). In this context, the accounts payable decreased by € 7.8 million to € 10.7 million (December 31, 2018: € 18.5 million) due to a decline in business activities. Furthermore, the accounts payable from production orders also declined by € 6.3 million to € 8.5 million (December 31, 2018:

€ 14.8 million). This trend is mainly due to the further run-down of the production orders in the Solar and Life Science segments.

The long-term liabilities amounted to € 37.4 million as of September 30, 2019, similar to the level of the prior period (December 31, 2018: € 34.2 million). This increase is mainly due to the capitalization of the leasing contract for the office and production building in Fürstenfeldbruck following the first-time application of IFRS 16 – Leases.

Shareholders' equity

Pursuant to IFRS in the period under review the equity within the Group declined slightly by € 1.4 million due to the negative net income and amounted to € 18.3 million as of September 30, 2019, which is entirely attributable to the shareholders of the parent company (December 31, 2018: € 19.7 million).

Cash flow

In the first nine months of 2019 the operating cash of the Group was negative at € -6.3 million and therefore significantly below the prior-year period (previous year: € 13.9 million). The cash flow from investing activities came to € -3.4 million (previous year: € -3.3 million) and was mainly characterized by capital spending for development activities. The cash flow from financing activities came to € 7.8 million overall (previous year: € -10.4 million) mainly due to declines in restricted funds in the amount of € 6.4 million. Overall, the amount of cash and cash equivalents declined by € 1.7 million in the first nine months of 2019 to currently € 11.8 million (December 31, 2018: € 13.5 million).

Risk Report

Within the risk report for the business year 2018, the project and sales market risks for the Solar segment as well as the liquidity risk were deemed essential risks for the Group.

Due to the decline in the order situation since the end of the previous business year, the market risk in the Solar segment is rated with a relevance score of 5. Due to the sustained delays in contract conclusions in the Solar segment in the third quarter 2019 the probability of occurrence is still assessed to be high. Accordingly, the risk is still rated to be existential. In particular, there is a sustained high level of dependence on the customer CNBM as well as its additional demand for CIGS

production equipment. As of today, the majority of the order backlog is already targeted for the Chinese market. If the assumed order intake in this segment falls short of expectations in the following business years, this would threaten the continuation of the company.

With respect to the project risk, in particular the order progress for the delivery and installation of machines for the manufacturing of CIGS solar modules for the customer CNBM as planned is of essential importance for the continuation of the company. Currently, we still rate the project risk unchanged with a relevance score of 5. The probability of occurrence is still assessed as being medium, unchanged from

the end of the previous business year. After significant delays the respective machines for the first expansion stage of the factory in Bengbu, China, are currently in the process towards final acceptance. The final acceptance for parts of the machines was already received after the period under review. From today's point of view, we expect to achieve the contractually agreed acceptance criteria for the remaining machines in the next couple of months.

Currently, we still rate the liquidity risk unchanged with a relevance score of 5. Despite the receipt of additional partial payments of the customers CNBM and Hanergy during the period under review and during the period of

preparation, we still reassess the probability of occurrence as high, changed from the end of the past business year. With the signing of the delivery contracts agreed on part of the Chinese state-owned group CNBM Group, Beijing, in the fourth quarter 2019, a timely receipt of a first partial payment will be made. In this connection we also point out the existing necessity to expand the financing commitments from banks and insurers and the reduction of required cash deposits for necessary guarantees for the financing of future projects. Furthermore, in particular the receipt of additional partial payments of key customers as planned will be required.

During the first nine months of the business year 2019 there were no material changes regarding the risks depicted in the combined status report within the Annual Report for the year 2018.

Development of costs and prices

From our point of view the sales prices developed as planned during the first nine months of the business year. Material and personnel expenses also developed as planned. However, the price situation in the Solar segment strongly depends on the future developments of demand in this market.



SINGULUS TECHNOLOGIES booth during the CIIE in Shanghai

Research and development

At € 9.9 million the expenditures for developments in the first nine months of the current business year were slightly above the prior-year level (previous year: € 9.0 million). The expenditures for development activities came to € 3.7 million (previous year: € 4.2 million) in the quarter under review.

Employees

The headcount within the SINGULUS TECHNOLOGIES Group increased slightly to 358 employees as of September 30, 2019 (December 31, 2018: 343 employees). This increase

is mainly due to the expansion of the service as well as marketing and sales staff at our site in Shanghai, China.

The SINGULUS TECHNOLOGIES stock

During the period under review in the year 2019 the stock price of SINGULUS TECHNOLOGIES shares traded considerably lower than in the same period one year ago. On November 12, 2019 the shares traded at € 5.04.

The freefloat of the SINGULUS TECHNOLOGIES shares currently amount to approx. 68 %.

The SINGULUS TECHNOLOGIES corporate bond

The bond of the SINGULUS TECHNOLOGIES AG with a nominal value of € 12.0 million is trading at the Open Market of Deutsche Boerse AG at the Frankfurt Stock Exchange since July 2016 under the security identification number WKN A2AA5H (ISIN DE000A2AA5H5 - ticker symbol SNGB). The bond is collateralized, has a term to maturity of five years and provides for annually increasing interest payments. However, the price of the bond was under pressure during the period under review and stood at 91.0 % in Frankfurt at the day of the printing deadline on November 12, 2019.

Outlook for the business year 2019

In the course of an announcement pursuant to Art. 17 MAR, SINGULUS TECHNOLOGIES already informed the financial market on September 8, 2019 that due to the delays in contract conclusions for the further expansion of the production capacities for CIGS thin-film solar modules, the previously published sales and earnings (EBIT) targets for the business year 2019 could not be achieved.

In the course of the China International Import Expo (CIIE) in Shanghai a signing

ceremony took place between subsidiaries of the Chinese state-owned group CNBM Group, Beijing, and the SINGULUS TECHNOLOGIES AG. The goal was the confirmation of the agreement between both parties regarding the relevant parameters for the delivery of production machines of the first expansion stage of 150 MW for the next factory for CIGS solar modules in the town Xuzhou, China. The legally binding contracts are now to be concluded within the coming period between the companies involved in the operation. The expected project volume currently amounts to approximately € 57 million. After

the conclusion of the contracts the agreed prepayments and the corresponding project start are expected shortly afterwards. Since a specific point in time was not mentioned and accordingly, the detailed impact on the sales and earnings targets cannot be determined, the company refrains from publishing a new forecast for the business year 2019.

Best regards,

The Executive Board

SINGULUS TECHNOLOGIES AG



Signing Ceremony at the Chinese fair CIIE in Shanghai

SINGULUS TECHNOLOGIES Group

Balance Sheet

from September 30, 2019 to December 31, 2018

ASSETS	09/30/2019	12/31/2018
	[million €]	[million €]
Cash and cash equivalents	11.8	13.5
Restricted cash	7.9	14.3
Trade receivables	5.0	6.1
Receivables from construction contracts	10.7	20.4
Other receivables and other assets	9.5	9.0
Total receivables and other assets	25.2	35.5
Raw materials, consumables and supplies	8.8	7.9
Work in process	9.7	9.2
Total inventories	18.5	17.1
Total current assets	63.4	80.4
Property, plant and equipment	14.6	10.7
Capitalized development costs	8.2	6.0
Goodwill	6.7	6.7
Other intangible assets	0.4	0.3
Deferred tax assets	0.0	0.0
Total non-current assets	29.9	23.7

Total assets

93.3

104.1

EQUITY AND LIABILITIES	09/30/2019	12/31/2018
	[million €]	[million €]
Trade payables	10.7	18.5
Prepayments received	1.3	1.0
Liabilities from construction contracts	8.5	14.8
Financing liabilities from the issuance of loans	4.0	0.0
Financing liabilities from the issuance of bonds	0.6	0.9
Current leasing liabilities	2.4	1.1
Other current liabilities	7.4	11.3
Provisions for restructuring measures	0.2	0.6
Tax provisions	0.4	0.5
Other provisions	2.1	1.5
Total current liabilities	37.6	50.2
Financing liabilities from the issuance of bonds	12.0	12.0
Non-current leasing liabilities	8.0	3.8
Provisions for restructuring measures	0.0	1.5
Pension provisions	13.9	13.9
Deferred tax liabilities	3.5	3.0
Total non-current liabilities	37.4	34.2
Total liabilities	75.0	84.4
Subscribed capital	8.9	8.9
Capital reserves	19.8	19.8
Reserves	4.1	3.6
Loss carryforward	-14.5	-12.6
Equity attributable to owners of the parent	18.3	19.7
Total equity	18.3	19.7
Total equity and liabilities	93.3	104.1

SINGULUS TECHNOLOGIES Group

Income Statement

from January 1 to September 30, 2019 and 2018

	3 rd Quarter				01/01 - 09/30			
	2019		2018		2019		2018	
	[million €]	[in %]	[million €]	[in %]	[million €]	[in %]	[million €]	[in %]
Revenue (gross)	17.4	103.0	44.6	101.4	61.5	101.7	91.0	101.3
Sales deductions and direct selling costs	-0.5	-3.0	-0.6	-1.4	-1.0	-1.7	-1.2	-1.3
Revenue (net)	16.9	100.0	44.0	100.0	60.5	100.0	89.8	100.0
Cost of sales	-12.0	-71.0	-30.2	-68.6	-41.5	-68.6	-62.8	-69.9
Gross profit on sales	4.9	29.0	13.8	31.4	19.0	31.4	27.0	30.1
Research and development	-1.7	-10.1	-2.5	-5.7	-4.7	-7.8	-5.3	-5.9
Sales and customer service	-2.4	-14.2	-4.5	-10.2	-7.6	-12.6	-10.4	-11.6
General administration	-2.3	-13.6	-1.5	-3.4	-6.5	-10.7	-7.0	-7.8
Other operating expenses	-0.1	-0.6	-0.3	-0.7	-0.3	-0.5	-1.1	-1.2
Other operating income	0.3	1.8	0.2	0.5	0.4	0.7	0.8	0.9
Total operating expenses	-6.2	-36.7	-8.6	-19.5	-18.7	-30.9	-23.0	-25.6
Operating result (EBIT)	-1.3	-7.7	5.2	11.8	0.3	0.5	4.0	4.5
Finance income	0.1	0.6	0.0	0.0	0.1	0.2	0.0	0.0
Finance costs	-0.6	-3.6	-0.5	-1.1	-1.7	-2.8	-1.6	-1.8
EBT	-1.8	-10.7	4.7	10.7	-1.3	-2.1	2.4	2.7
Tax income	-0.1	-0.6	0.0	0.0	-0.6	-1.0	-0.1	-0.1
Profit or loss for the period	-1.9	-11.2	4.7	10.7	-1.9	-3.1	2.3	2.6
Thereof attributable to:								
Owners of the parent	-1.9		4.7		-1.9		2.3	
Non-controlling interests	0.0		0.0		0.0		0.0	
	[in €]		[in €]		[in €]		[in €]	
Basic earnings per share based on the profit for the period (in EUR) attributable to owners of the parent	-0.21		0.53		-0.21		0.26	
Diluted earnings per share based on the profit for the period (in EUR) attributable to owners of the parent	-0.21		0.53		-0.21		0.26	
Basic number of shares, pieces	8,896,527		8,896,527		8,896,527		8,896,527	
Diluted number of shares, pieces	8,896,527		8,896,527		8,896,527		8,896,527	

SINGULUS TECHNOLOGIES Group

Statement of Comprehensive Income

from January 1 to September 30, 2019 and 2018

	3 rd Quarter		01/01 - 09/30	
	2019	2018	2019	2018
	[million €]	[million €]	[million €]	[million €]
Profit or loss for the period	-1.9	4.7	-1.9	2.3
Items that will never be reclassified to profit and loss:				
Deconsolidation of non-controlling interests	0.0	-0.7	0.0	-0.7
Items that may be reclassified to profit and loss:				
Exchange differences in the fiscal year	0.4	0.8	0.5	0.5
Total income and expense recognized directly in other comprehensive income	0.4	0.1	0.5	-0.2
Total comprehensive income	-1.5	4.8	-1.4	2.1
Thereof attributable to:				
Owners of the parent	-1.5	4.8	-1.4	2.1
Non-controlling interests	0.0	0.0	0.0	0.0

SINGULUS TECHNOLOGIES Group

Statement of Changes in Equity

as of September 30, 2019 and 2018

	Equity attributable to owners						Non-controlling interests	Equity	
	Subscribed capital	Capital reserves	Reserves		Loss carryforward				Total
	[million €]	[million €]	Currency translation reserves [million €]	Reserves from hedging transactions [million €]	Actuarial gains and losses from pension commitments [million €]	Other reserves [million €]			[million €]
As of January 1, 2018	8.9	19.8	3.5	0.0	-5.2	-7.5	19.5	0.7	20.2
Profit or loss for the period	0.0	0.0	0.0	0.0	0.0	2.3	2.3	0.0	2.3
Other comprehensive income	0.0	0.0	0.5	0.0	0.0	0.0	0.5	0.0	0.5
Changes in the scope of consolidation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.7	-0.7
Total comprehensive income	0.0	0.0	0.5	0.0	0.0	2.3	2.8	-0.7	2.1
As of September 30, 2018	8.9	19.8	4.0	0.0	-5.2	-5.2	22.3	0.0	22.3
As of January 1, 2019	8.9	19.8	3.6	0.0	-5.9	-6.7	19.7	0.0	19.7
Profit or loss for the period	0.0	0.0	0.0	0.0	0.0	-1.9	-1.9	0.0	-1.9
Other comprehensive income	0.0	0.0	0.5	0.0	0.0	0.0	0.5	0.0	0.5
Changes in the scope of consolidation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total comprehensive income	0.0	0.0	0.5	0.0	0.0	-1.9	-1.4	0.0	-1.4
As of September 30, 2019	8.9	19.8	4.1	0.0	-5.9	-8.6	18.3	0.0	18.3

SINGULUS TECHNOLOGIES Group

Statement of Cash Flows

from January 1 to September 30, 2019 and 2018

	01/01 - 09/30			
	2019		2018	
	[million €]		[million €]	
Cash flows from operating activities				
Profit or loss for the period		-1.9		2.3
Adjustment to reconcile profit or loss for the period to net cash flow				
Amortization, depreciation and impairment of non-current assets	3.0		1.7	
Contribution to the pension provisions	0.3		0.1	
Other non-cash expenses/income	-1.4		-5.7	
Net finance costs	1.6		1.6	
Net tax expense	0.6		0.2	
Change in trade receivables	1.2		-1.6	
Change in construction contracts	3.4		1.7	
Change in other receivables and other assets	-0.6		2.7	
Change in inventories	-1.2		1.1	
Change in trade payables	-7.7		7.5	
Change in other liabilities	2.8		4.3	
Change in prepayments	0.3		0.0	
Change in provisions from restructuring measures	-1.9		-0.3	
Change in further provisions	0.2		-1.3	
Interest paid	-0.1	-4.4	-0.4	11.6
Net cash from/used in operating activities		-6.3		13.9

	01/01 - 09/30			
	2019		2018	
	[million €]		[million €]	
Cash flows from investing activities				
Cash paid for investments in development projects	-3.1		-2.6	
Cash paid for investments in other intangible assets and property, plant and equipment	-0.3		-0.7	
Net cash from/used in investing activities		-3.4		-3.3
Cash flows from financing activities				
Bond interest payments	-0.9		-0.8	
Loan payments	3.9		0.0	
Redemption of loans payments	0.0		-4.1	
Loan interest payments	-0.2		-0.2	
Auszahlungen für Finanzierungs-Leasingverbindlichkeiten	-1.4		0.0	
Cash used to pay leasing liabilities	6.4		-5.3	
Net cash from/used in financing activities		7.8		-10.4
Increase/decrease in cash and cash equivalents		-1.9		0.2
Effect of exchange rate changes		0.2		0.0
Cash and cash equivalents at the beginning of the reporting period		13.5		27.2
Cash and cash equivalents at the end of the reporting period		11.8		27.4

Annotations to the interim report

The SINGULUS TECHNOLOGIES Aktiengesellschaft (in the following also “SINGULUS” or the „company“) is an exchange-listed capital company domiciled in Germany. The consolidated financial accounts presented for the interim reporting of the SINGULUS TECHNOLOGIES AG and its subsidiaries (the “Group”) for the first nine months of the business year 2019 were approved for publication by decision of the Executive Board as of November 13, 2019.

The consolidated financial accounts were drawn up in Euro (€). If not stated otherwise, all figures are in millions of Euro (million €). Due to statements in million € differences in rounding may occur.

Accounting and valuation principles

The preparation of the abbreviated consolidated interim results for the period from January 1 to September 30, 2019 was made pursuant to IAS 34 “Interim Financial Reporting”. The abbreviated consolidated interim results do not include all of the notes and information required for the reporting for the full business year and should be read in conjunction with the consolidated financial accounts as of December 31, 2018. The interim financial accounts were neither audited nor reviewed by auditors.

The preparation of the interim results pursuant to IAS 34 requires estimates and assumptions by the management, affecting the level of the reported assets, liabilities, income, expenses as well as contingent liabilities. These assumptions and estimates mainly affect the Group-consistent determination of useful life expectancy, the write-offs of assets, the valuation of provisions, the recoverability of receivables, the determination of realizable terminal values with regards to inventories as well as the realizability of future tax relieves. The actual values can differ from the assumptions and estimates made on a case by case basis. Changes are recognized affecting earnings at the time of the knowledge gained. The accounting and valuation methods applied for the consolidated accounts for the interim reporting correspond to those applied for the most recent consolidated financial report as of the end of the business year 2018. For a detailed description of the accounting principles please refer to the notes of the consolidated financial statements of our Annual Report 2018.

In the course of the extraordinary general meeting on November 29, 2017, the Executive Board reported on the loss of 50 % of the nominal capital pursuant to Art. 92 Para. 1 AktG. As of the balance sheet date September 30, 2019, the SINGULUS TECHNOLOGIES AG reported a loss not covered by shareholders’ equity pursuant to HGB. In particular the machines for the first factory for thin-film solar cells in China will mainly be finally accepted in the

coming months and then strengthen the shareholders' equity accordingly. The final acceptance for parts of the machines was already received after the period under review. A long-term recovery of the shareholders' equity is only expected by the Executive Board in the next business year. However, from today's point of view, the company has sufficient available liquid funds to safeguard the course of business and therefore draws up the financial statement according to the going concern assumptions. This assumes the course of business and receipt of partial payments for the expected projects as planned. Furthermore, the cash deposits for counter guarantees are expected to be reduced.

Effects from the first-time application of IFRS 16

The Group opts for the modified retrospective approach, so that the prior-year periods in the consolidated financial statements are not adjusted retrospectively.

The following table summarizes the impacts of the first-time application of the new accounting standard IFRS 16 "Leases". Overall, the liabilities from leases following the first-time application of IFRS 16 increased by approximately € 6.9 million as of January 1, 2019.

The leasing obligations now also include provisions for restructuring measures from obligations resulting from operating lease agreements.

The expenses for lease obligations are split into write-offs on fixed assets and financing expenses. Due to this effect, the EBIT increased by € 0.2 million during the period under review and at the same time the financial result is charged by an equal amount. The net profit remains unchanged from these adjustments.

in million €	Pursuant to balance sheet, as reported, with adaption of IFRS 16	Adjustment	Balance sheet w/o adaption of IFRS 16
Property, plant & equipment	14.6	-4.6	10.0
Others	78.7	-	78.7
Total Assets	93.3	-4.6	88.7
Short-term leasing liabilities	2.4	-1.4	1.0
Short-term provisions for restructuring measures	0.2	0.4	0.6
Long-term leasing liabilities	8.0	-4.8	3.2
Long-term provisions for restructuring measures	0.0	1.2	1.2
Others	82.7	-	82.7
Total liabilities and shareholders' equity	93.3	-4.6	88.7
in million €	Pursuant to P&L, as reported, with adaption of IFRS 16	Adjustment	P&L w/o adaption of IFRS 16
Operating expenses	-18.7	-0.2	-18.9
EBIT	0.3	-0.2	0.1
Financing expenses	-1.6	0.2	-1.4
Net profit/loss	-1.9	0.0	-1.9
Depreciations and amortizations	-3.0	0.8	-2.2
EBITDA	3.3	-1.0	2.3

Segmental reporting

The new work areas Medical Technology and Decorative Coatings, which were defined in previous years, were regrouped to the segments Solar and Optical Disc at the end of the business year 2018 on the basis of the technologic characteristics of the products.

Due to the increasing importance of these new work areas, the company has adjusted the internal reporting in 2019. Accordingly, the new segment Life Science includes the business activities in the areas of Medical Technology, Decorative Coatings as well as Optical Disc. In addition, the company continues to report the segments Solar and Semiconductor.

The comparable information for the previous periods is adjusted to the new segmental reporting pursuant to IFRS 8.29.

Scope of consolidation

In addition to the SINGULUS TECHNOLOGIES AG, the consolidated financial statements include all companies, which are legally or factually controlled by the company. In the interim report as of September 30, 2019, in addition to the SINGULUS TECHNOLOGIES AG two domestic and ten foreign subsidiaries were included overall. The liquidation of the SINGULUS TECHNOLOGIES ITALIA S.R.L. was concluded in the period under review. The company is thus excluded from the scope of consolidation.

Accounts receivable and receivables from production orders

The accounts receivable and production receivables as of September 30, 2019 are split as follows:

	Sept. 30, 2019	Dec. 31, 2018
	in million €	in million €
Accounts receivable - short-term	6.1	7.3
Receivables from production orders	10.7	20.4
Less write-offs	-1.1	-1.2
	15.7	26.5

Intangible assets

Capitalized development expenses, goodwill, customer bases as well as concessions, intellectual property rights and other intangibles are included under intangible assets. As of September 30, 2019, the capitalized development expenses amounted to € 8.2 million (December 31, 2018: € 6.0 million). In the first nine months of 2019 the investments in developments totaled € 3.1 million (previous year: € 2.6 million). Scheduled write-offs and amortization on capitalized development expenses amounted to € 1.0 million (previous year: € 0.8 million). In the quarter under review development expenses amounted to € 1.3 million (previous year: € 1.3 million), the scheduled amortization amounted to € 0.4 million (previous year: € 0.3 million).

Property, plant & equipment

In the first nine months of the business year 2019 € 0.1 million were invested in property, plant & equipment (previous year: € 0.2 million). During the same period scheduled depreciation amounted to € 2.0 million (previous year: € 0.8 million).

The scheduled depreciation for the quarter under review amounted to € 0.6 million (previous year: € 0.4 million).

Breakdown of sales

The following matrix splits sales in the period under review according to the individual segments and selected categories.

January 1 to September 30, 2019	Solar in million €	Life Science in million €	Semiconductor in million €	Total in million €
Sales by country of destination				
Germany	2.9	0.8	0.0	3.7
Rest of Europe	1.4	6.9	1.8	10.1
North and South America	3.1	7.1	0.5	10.7
Asia	29.8	6.0	1.0	36.8
Africa & Australia	0.0	0.2	0.0	0.2
	37.2	21.0	3.3	61.5
Sales by country of origin				
Germany	35.6	13.6	1.7	50.9
Rest of Europe	0.0	0.3	0.2	0.5
North and South America	1.4	6.3	1.2	8.9
Asia	0.2	0.8	0.2	1.2
Africa & Australia	0.0	0.0	0.0	0.0
	37.2	21.0	3.3	61.5
Products and services				
Production equipment	34.8	11.5	1.6	47.9
Service and replacement parts	2.4	9.5	1.7	13.6
	37.2	21.0	3.3	61.5
Time of sales realization				
Sales realization extending one period	34.6	11.0	1.3	46.9
Sales realization for one period	2.6	10.0	2.0	14.6
	37.2	21.0	3.3	61.5

January 1 to September 30, 2018	Solar in million €	Life Science in million €	Semiconductor in million €	Total in million €
Sales by country of destination				
Germany	7.6	2.0	0.0	9.6
Rest of Europe	3.5	2.9	5.1	11.5
North and South America	0.8	6.9	0.0	7.7
Asia	54.2	6.2	1.1	61.5
Africa & Australia	0.0	0.7	0.0	0.7
	66.1	18.7	6.2	91.0
Sales by country of origin				
Germany	65.1	11.8	5.8	82.7
Rest of Europe	0.0	0.3	0.1	0.4
North and South America	0.8	5.9	0.2	6.9
Asia	0.2	0.7	0.1	1.0
Africa & Australia	0.0	0.0	0.0	0.0
	66.1	18.7	6.2	91.0
Products and services				
Production equipment	64.7	8.4	5.5	78.6
Service and replacement parts	1.4	10.3	0.7	12.4
	66.1	18.7	6.2	91.0
Time of sales realization				
Sales realization extending one period	64.7	7.8	5.5	78.0
Sales realization for one period	1.4	10.9	0.7	13.0
	66.1	18.7	6.2	91.0

Sales reductions and individual selling expenses

The sales reductions include cash discounts granted. The individual selling expenses are mainly composed of expenses for packaging, freight and commissions.

General administrative expenses

The administrative expenses include the expenses for the management, personnel expenses, the finance and accounting departments as well as the corresponding expenses for rent and company cars. Furthermore, they include the ongoing IT expenses, legal and consulting fees, expenses for investor relations activities, the ordinary

Annual General Meeting as well as the annual financial statements.

Research and development expenses

In addition to the research expenses and non-capitalizable development expenses, the research and development expenses in the first nine months of 2019 still include the scheduled amortization of capitalized development efforts in the amount of € 1.0 million (previous year: € 0.8 million). During the 3rd quarter of 2019 write-offs on capitalized development activities amounted to € 0.4 million (previous year: € 0.3 million).

Financial instruments

The following table displays the book values and the corresponding time values of all financial instruments included in the consolidated financial statement by class.

	Valuation method	Book value		Attributable time value	
		Sept. 30, 2019 in million €	Dec. 31, 2018 in million €	Sept. 30, 2019 in million €	Dec. 31, 2018 in million €
Financial assets					
Cash and cash equivalents **	AC	11.8	13.5	11.8	13.5
Restricted financial assets**	AC	7.9	14.3	7.9	14.3
Derivatives, Hedging derivatives **	HD	–	–	–	–
Accounts receivable **	AC	5.0	6.1	5.0	6.1
Receivables from production orders **	AC	10.7	20.4	10.7	20.4
Financial liabilities					
Bond *	AC	12.6	12.9	11.3	12.9
Liabilities from the issuance of loans	AC	4.0	0.0	4.0	0.0
Derivatives, Hedging derivatives**	HD	–	–	–	–
Accounts payable**	AC	10.7	18.5	10.7	18.5
Total	AC	62.7	85.7	61.4	85.7
Total	HD	0.0	0.0	0.0	0.0

* The valuation at attributable time value was accounted for as Level 1 attributable time value, based on the input factors of the applied valuation procedures.

** The valuations at attributable time value were accounted for as Level 2 attributable time values, based on the input factors of the applied valuation procedures.

Annotations to the abbreviations:

AC: Amortized Cost (financial assets or liabilities valued at net acquisition costs)

HD: Hedging Derivative

Cash and cash equivalents, restricted funds as well as accounts payable regularly have a short term to maturity. The balance sheet values are approximately the attributable time values. The same holds true for short-term accounts receivables and other assets.

The attributable time values of long-term accounts receivable corresponds to the present values corresponding to the payments of the assets subject to the relevant interest rate parameters.

As a valuation price for the foreign exchange forwards concluded, for cash rates the ECB reference prices and for forward rates the relevant forward rate prices of the relevant commercial banks are used.

The attributable time value of the exchange-listed bonds corresponds to the exchange price at the balance sheet date plus the book value of the accrued interest liabilities as of the balance sheet date.

The attributable time value of the liabilities from the issuance of loans corresponds to the redemption amount of the loans at the balance sheet date.

The maximum credit risk is reflected by the book values of the financial assets and liabilities.

Financial income and financing expenses

The interest income/ expenses are composed as follows:

	Sept. 30, 2019	Sept. 30, 2018
	in million €	in million €
Financing expenses from issuance of bond	-0.6	-0.6
Interest expenses from capitalized leasing contracts	-0.4	-0.1
Interest expenses from the discounting of pension provisions	-0.2	-0.2
Other financing expenses	-0.5	-0.7
Other financial income	0.1	0.0
	-1.6	-1.6

Earnings per share

For the calculation of the undiluted earnings per share the earnings attributable to the bearers of the common shares of the parent company are divided by the weighted average number of shares in circulation during the period under review.

For the calculation of the diluted earnings per share the earnings attributable to the bearers of the common shares of the parent company are divided by the weighted average number of common shares in circulation during the period under review in addition to the weighted average number of shares resulting from the conversion of all potential common shares with dilution effect into common shares.

Dilution effects were neither recorded in the quarter under review nor in the same period one year ago. In the period from the balance sheet date until the drawing up of the consolidated financial statements there were no transactions of common shares or potential common shares.

Financing liabilities from issuance of bond

The secured bond (ISIN DE000A2AA5H5) with a volume of € 12.0 million was issued in July 2016 and has a term to maturity of five years as well as an annually increasing coupon. The initial interest rate amounted to 3.0 %. It increases annually, subject to an early repayment by the company, in steps to 6.0 %, 7.0 %, 8.0 % up to 10.0% p.a.. The effective interest rate amounts to 6.70 % p.a.. Cash, receivables, inventories, fixed assets and intangible assets of the SINGULUS TECHNOLOGIES AG serve primarily as collateral for the bond.

Liabilities from the issuance of loans

According to the bond's terms and conditions pursuant to Art. 8 (a) (iv) in connection with Art. 3 (e) the company is authorized to take out financial debt in the form of a senior secured load up to a maximum amount of € 4.0 million. To improve the operating liquidity and to finance pending orders, the company already made use of this during the first quarter. In this context, the already existing bond collateral is also used for securing the loan. The latter is senior ranking compared with the bondholders. The term of the loans is one year. The effective interest rate amounts to 9.34 % per year.

Events after the Balance Sheet Date

On November 9, 2019, in the course of the China International Import Expo (CIIE) in Shanghai, SINGULUS TECHNOLOGIES has come to an agreement with subsidiaries of the Chinese state-owned group CNBM Group, Beijing, on essential parameters for the delivery of production machines of the first expansion stage for the next factory for CIGS solar modules in the Chinese town of Xuzhou. The expected project volume is around € 57 million. The legally binding contracts are to be closed by the end of the year.

There were no other material events after the balance sheet date.

Shareholdings of Board members

As of the balance sheet date, the members of the Executive and Supervisory Boards of the SINGULUS TECHNOLOGIES AG held the following number of shares, convertible bonds and stock options: The Chairman of the Supervisory Board, Dr.-Ing. Lechnitz, held 245 shares of the company in total as of September 30, 2019.

Furthermore, at the end of the quarter under review members of the Executive Board had themselves purchased the following number of shares of the SINGULUS TECHNOLOGIES AG:

	Sept. 30, 2019
	shares
Dr.-Ing. Stefan Rinck, CEO	122
Markus Ehret, CFO	43
	165

Affirmation of the Legal Representatives

“We assert to our best knowledge and belief that pursuant to the applicable accounting principles for the interim financial reporting the consolidated financial statements reflect the true situation of the asset, financial and earnings situation of the Group. The consolidated interim status report depicts the course of business including the financial results and the situation of the Group in a way reflecting the true situation and describing the material opportunities and risks of the foreseeable developments of the Group during the remainder of the business year.”

Kahl am Main, November 2019

The Executive Board

At a glance –

Consolidated Key Figures 3rd Quarter 2017-2019

		2017	2018	2019
Revenue (gross)	million €	15.3	44.6	17.4
Order intake	million €	27.3	9.6	6.8
EBIT	million €	-2.1	5.2	-1.3
EBITDA	million €	-1.7	6.0	-0.3
Earnings before taxes	million €	-2.7	4.7	-1.8
Profit/loss for the period	million €	-2.8	4.7	-1.9
Research & development expenditures	million €	2.4	4.2	3.7

Consolidated Key Figures 9 Months 2017-2019

		2017	2018	2019
Revenue (gross)	million €	63.6	91.0	61.5
Order intake	million €	53.4	74.6	33.9
Order backlog (09/30)	million €	99.7	90.3	38.5
EBIT	million €	0.4	4.0	0.3
EBITDA	million €	1.8	5.7	3.3
Earnings before taxes	million €	-1.0	2.4	-1.3
Profit/loss for the period	million €	-1.1	2.3	-1.9
Operating cash flow	million €	-18.2	13.9	-6.3
Shareholders' equity (09/30)	million €	11.9	22.3	18.3
Balance sheet total (09/30)	million €	74.4	101.0	93.3
Research & development expenditures	million €	6.5	9.0	9.9
Employees (09/30)		313	343	358
Weighted number of shares, basic		8,087,752	8,896,527	8,896,527
Earnings per share, basic	€	-0.14	0.26	-0.21

Corporate Calendar

November 2019 11/14 Q3/2018 Report

March 2020 03/24 Annual Press Conference, Analyst Conference

May 2020 05/12 Q1/2020 Report
05/20 Annual Shareholders Meeting

August 2020 08/12 Half Year Report 2020

November 2020 11/13 Q3/2020 Report

Future-oriented statements and forecasts

This report contains future-oriented statements based on the current expectations, assessments and forecasts of the Executive Board as well as on the currently available information to them. Known as well as unknown risks, uncertainties and impacts could cause the actual results, the financial situation or the development to differ from the statements made in this report. We assume no obligation to update the future-oriented statements made in this report.

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