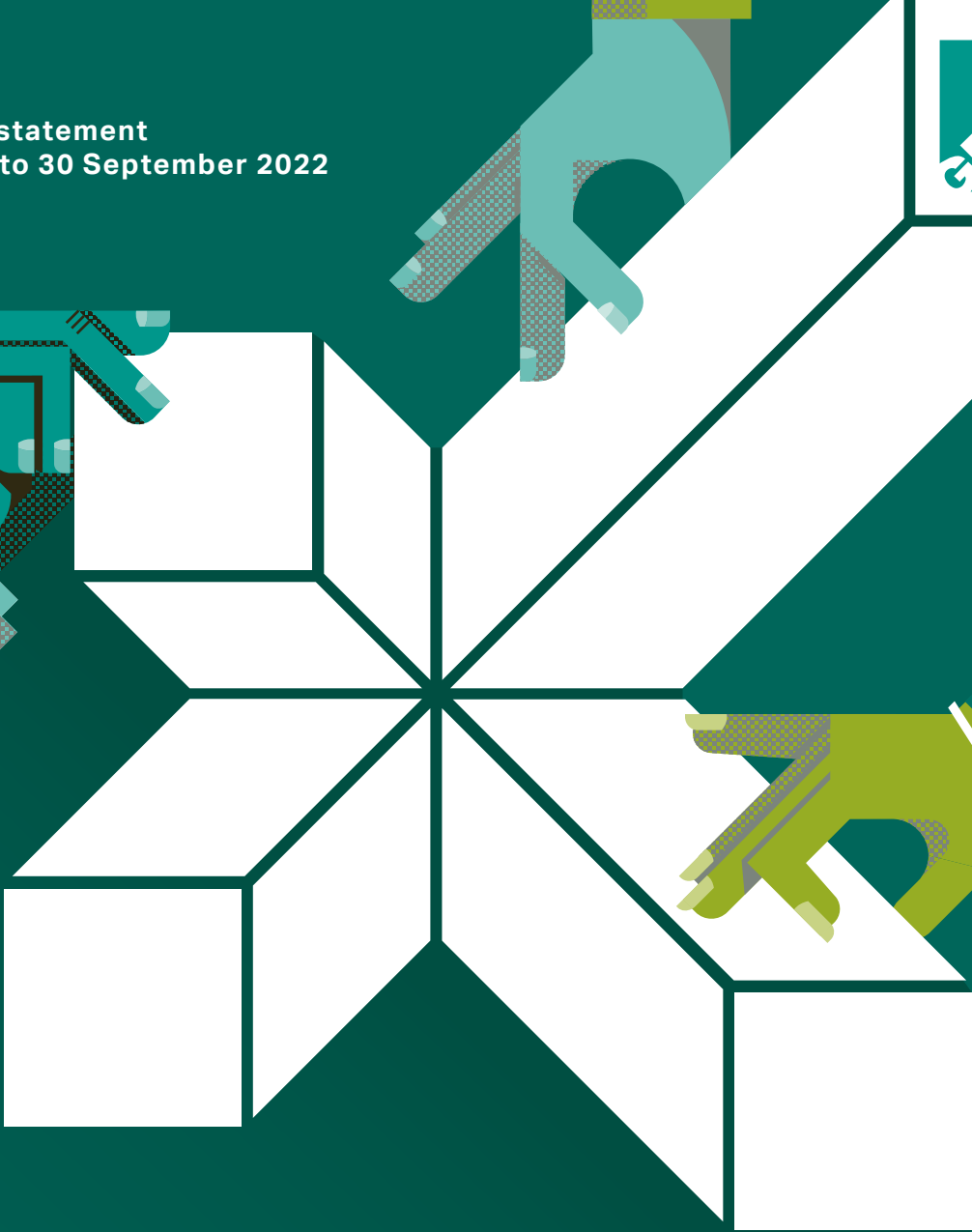


GESCO AG  
Quarterly statement  
1 January to 30 September 2022



**Q3**  
**2022**

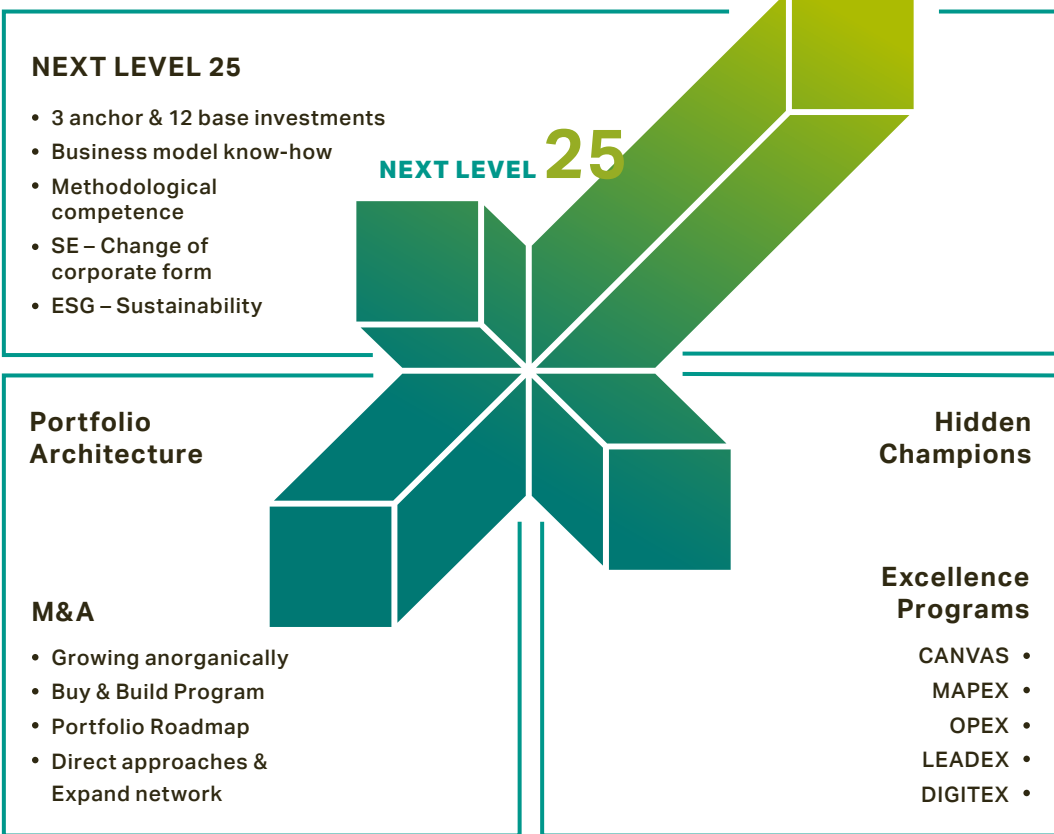
# NEXT LEVEL 25 Strategy – In Leadership

Based on a jointly developed vision for GESCO as a group of “hidden champions”, the strategy defines key directions for the strategic and operational development of the Group in the coming years.

In 2022, GESCO expanded the strategy framework with the NEXT LEVEL 25 strategy and specified the targets to be achieved by 2025: Group sales are to be developed to € 1 billion with a 10 % EBIT margin. This increase in sales is to be achieved through both organic and inorganic growth. By 2025, the investment portfolio is to be expanded to 3 anchor investments and 12 basic investments.

In addition to the established excellence programmes to expand market share and increase operating performance, the digitalisation of GESCO Group will continue to drive performance in the future. In this context, both digital business models and digital workflows will be increasingly focused on to increase efficiency. The second key element is our ESG strategy, which will take on increasing importance both at GESCO and in the markets we address.

## The strategy as an integrated concept



... € 1 billion sales with 10 % EBIT

# The essentials at a glance

- Positive business development continued in Q3
- Solid order intake and increase in sales
- Significant increase in Group earnings

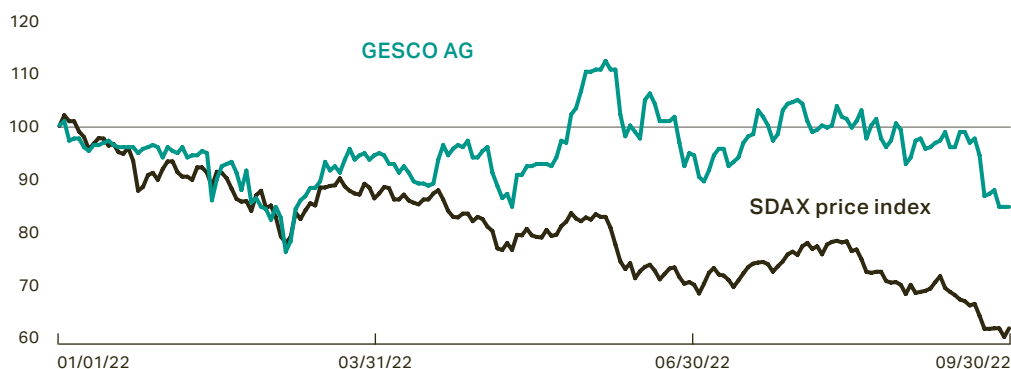
## GESCO Group at a glance

Key figures

T€	01/01/2022 – 09/30/2022	01/01/2021 – 09/30/2021 (continued)	Change (in %)
Incoming orders	459,306	421,039	9.1
Sales	435,422	351,012	24.0
EBITDA	54,367	40,728	33.5
EBIT	40,838	27,769	47.1
EBIT margin (in %)	9.4	7.9	147 bp
EBT	41,114	26,811	53.3
Group result <sup>1)</sup>	26,323	15,179	73.6
Earnings per share (in €)	2.43	1.40	73.6
Closing price (in €) <sup>2)</sup>	21.50	25.00	- 14.0
Employees <sup>3)</sup>	1,841	1,789	2.9

<sup>1)</sup> After minority interests. <sup>2)</sup> XETRA closing price on the balance sheet date. <sup>3)</sup> Number as at the balance sheet date.

## Share price development in the reporting period



Source: Bloomberg, share price developments indexed, in %.

# Letter to the shareholders

**Dear shareholders, ladies and gentlemen,**

GESCO Group can look back on a successful third quarter despite the challenging general conditions. The timely passing on of inflation and the simultaneous successful stabilisation of the supply chains, as well as positive effects from the Excellence programmes, played an important role in this. The good business result is particularly due to the entire GESCO team, which is implementing GESCO Group's strategy in a forward-looking manner in this difficult macroeconomic environment.

All key performance indicators improved again compared to the same period of the previous year, even taking into account the UMT holding company that joined the Group in June 2021. Sales increased by 24.0% compared to the same period of the previous year (Q3/2022: € 435.4 million; Q3/2021: € 351.0 million). The increase is due to price increases on the one hand and volume growth on the other.

Order intake (Q3/2022: € 459.3 million; Q3/2021: € 421.0 million) increased by 9.1% in the same period, in line with the deteriorating economic situation. At € 26.3 million, Group earnings already reached the level of the entire 2021 financial year in Q3/2012.

The fourth quarter will be characterised by strong sales of our machine builders as well as the processing of the order backlog, which has increased minimally compared to Q2/2022. Due to the increased probability of realising the projects still in Q4/2022, we have raised our forecast for this year's financial year on 17 October 2022. We now expect Group earnings for 2022 in the range of € 30.7 – 32.2 million with consolidated sales in the range of € 575 – 585 million.

## **Successful Annual General Meeting 2022**

GESCO invited its shareholders to this year's Annual General Meeting on 24 August 2022 at the Stadthalle Wuppertal. We were pleased to welcome around 200 shareholders, guests and representatives of the press to the face-to-face event. The large number of people who attended this format confirms our assumption that the majority of our shareholders prefer a presence event to a virtual one.

All of the Management's proposed resolutions were approved by you with a large majority; including the distribution of a dividend of Euro 0.98 per share, as well as the approval of the conversion of GESCO AG into an SE.

At this year's Annual General Meeting, our managing directors presented the business models of our subsidiaries for the first time in the form of a "market place". The great response confirms that we will continue to expand this format for next year's Annual General Meeting.

### **New CFO: Andrea Holzbaur**

Andrea Holzbaur joined the GESCO Executive Board as the new CFO at the end of the third quarter. She comes from a hidden champion in heat transfer technology with numerous international locations, where she was most recently Chief Financial Officer. In addition to her experience from various senior financial positions at international industrial companies, she also brings to her new position an enthusiasm for hidden champions such as those gathered under the GESCO umbrella.

One focus of her work will also be the implementation and support of our digitalisation strategy throughout GESCO Group. With her experience as the managing director of an IT and digitalisation company, among other things, she brings not only the relevant expertise but also the necessary passion for the DIGITEX strategy component.

### **High adjustment speed: GESCO**

The current positive business figures do not hide the fact that political and economic risks will continue to accompany us in 2023. It can be assumed that the challenges in the coming years will be characterised by high volatility and disruption. For a future-proof positioning of our hidden champions, we continue to work on increasing our speed of adaptation. That is why we are consistently continuing our Excellence Programmes.

While we can already see the successes of our introduced programmes CANVAS, MAPEX and OPEX in the operational figures, we are still in the rollout phase for the two newer programmes LEADEX and DIGITEX and expect the effects to be felt from 2023 onwards. For both LEADEX and DIGITEX, the necessary foundations have been worked out and the rollout defined. With DIGITEX, we are striving for digital business models as well as efficiency improvements in internal processes.

We are launching our Leadership Excellence Programme (LEADEX) with the “Teams” module developed in 2022. It forms the basis for our high-performance teams and aims to create team structures for particularly successful teams. The module will be rolled out to all subsidiaries in the 2023 business year. The other modules are planned for the 2024 ff financial years. The foundations for a successful future have thus been laid.

We thank you very much for the trust you have placed in us and look forward to continuing our journey together with you.

Wuppertal, November 2022



Ralph Rumberg  
CEO



Andrea Holzbaur  
CFO

## Changes in the scope of consolidation

In June 2021, GESCO AG acquired 100 % of the shares in United MedTec Holding GmbH, Bückeberg, with its subsidiaries W. Krömker GmbH and Tragfreund GmbH (together UMT Group). In the same period of the previous year, UMT Group was included in the income statement for one month; in the reporting period, it was included for a full period for the first time.

With effect from 1 January 2022, the stainless steel specialist HUBL GmbH was reorganised into the former Production Process Technology segment. In order to underpin the associated focus on process technology, the Production Process Technology segment was consequently renamed Process Technology. HUBL GmbH was previously assigned to the Health and Infrastructure Technology segment.

In February 2022, GESCO AG acquired the shares in the inactive "Blitz 21-339 GmbH, Munich". The company was subsequently renamed INEX-solutions GmbH. In March 2022, GESCO AG transferred its shares in the companies Hubl GmbH, Vaihingen Enz, Sommer & Strassburger Edeltahlanlagenbau GmbH & Co. KG, Bretten and So-Stra Verwaltungs-GmbH, Bretten to INEX-solutions GmbH.

In March 2022, GESCO AG took over the 5 % share in Dörrenberg Edelstahl GmbH held by Dr Frank Stahl, who had been the managing partner for many years and had left the company.

In August 2022, GESCO AG acquired the 10 % share in Kesel Group from the former managing partner Martin K. Klug.

UMT Holding established a subsidiary in the USA in June 2022. Consolidation will take place with the 2022 annual financial statements.

**€ 435.4 million**

**sales were generated by the GESCO Group in the reporting period, 24 % more than in the same period of the previous year.**

## Business performance, sales and earnings development in the Group

# € 54.4 million

The positive business development at GESCO Group companies continued in the third quarter.

**EBITDA generated GESCO Group, a third more than in the same period of the previous year.**

The main drivers are the business with stainless steel products for biotechnology, the semiconductor industry and the supply for biogas plants. Also worth mentioning is the further expansion of the Setter Group's business with paper sticks to avoid plastic waste. However, our machine builders also expanded their business significantly compared to the same period last year. Overall, all segments recorded a positive development.

GESCO Group's incoming orders reached € 459.3 million in the reporting period and were thus above the previous year's figure of € 421.0 million (+ 9.1% vs. Q3/2021). Group sales increased by 24% to € 435.4 million compared to the same period of the previous year (Q3/2021: € 351.0 million).

Due to the partly considerable increase in material prices, this resulted in an increased cost of materials ratio of 59.4% (same period of the previous year 56.3%), with inflation being passed on to customers at the same time. We were able to realise the increase in volume with an increase in staff of only 2.9%. Consequently, the personnel expense ratio decreased from 23.9% to 21.0%, with absolute personnel expenses rising 9.2%. Other operating income was slightly above the comparable period. Other operating expenses increased by just under € 6.2 million to € 46.8 million, but developed disproportionately low compared to sales. In view of the sanctions introduced in connection with the Ukraine conflict, the corresponding receivables from affected orders of the subsidiaries were partially written off. EBITDA reached a total of € 54.4 million in the reporting period (Q3/2021: € 40.7 million).



Depreciation increased moderately in absolute terms, but remained proportionately below the previous year. There was no unscheduled depreciation. At € 40.8 million, EBIT in the reporting period was significantly higher than in the same period of the previous year (Q3/2021: € 27.8 million). The margin rose by 1.5 percentage points to 9.4% (Q3/2021: 7.9%).

The tax rate was reduced to 31.0% (Q3/2021: 36.8%) due to the optimised Group structure in 2021 and a newly concluded profit and loss transfer agreement of the Setter Group.

Group earnings after minority interests reached € 26.3 million, almost matching earnings for the 2021 financial year, an increase of € 11.1 million compared to the previous year (Q3/2021: € 15.2 million). As a result, earnings per share for continuing operations rose to € 2.43 (Q3/2021: € 1.40).

# € 26.3 million

**Group earnings after minority interests were achieved (Q3/2021: € 15.2 million).**

## Development of the segments

GESCO AG reclassified the stainless steel specialist HUBL GmbH into the former Production Process Technology segment with effect from 1 January 2022. In order to underpin the associated focus on process technology, the Production Process Technology segment was consequently renamed Process Technology. Previously, HUBL GmbH was assigned to the Health and Infrastructure Technology segment. The comparative figures for the previous year were adjusted accordingly in the (Production) Process Technology and Health and Infrastructure Technology segments.

The **Process Technology segment** achieved an order intake of € 92.4 million in the reporting period, which led to a significantly increased order backlog of € 71.8 million as of the reporting date (Q3/2021: € 60.6 million). Segment revenue increased by 27.5% from € 59.9 million in the first three quarters of the previous year to € 76.3 million. As is usual in this segment, the production of machines and plants was started in the first half of the year, which will only be completed in the further course of the year and thus have an effect on sales and earnings. Compared to previous years, a more balanced distribution over the entire year could already be achieved through optimised planning processes. EBIT reached € 9.2 million in the reporting period, compared to € 6.1 million in the same period of the previous year (Q3/2021), which corresponds to an EBIT margin of 12.1% (Q3/2021: 10.2%) All companies of Process Technology supported the significant increase in sales and the positive development of earnings. For the full year 2022, we continue to see a solid development in the machinery and

plant-engineering sector supported by the high order backlog. Compared to the previous year, we expect an increase in sales and earnings for the segment for the full year.



**For the full year 2022, we continue to see a solid development in the machinery and plant-engineering sector supported by the high order backlog.**

The **Resources Technology** segment also performed well in the reporting period, with material price increases having a significant impact on the key figures. Order intake amounted to € 256.0 million and increased by 14.0% compared to the same period of the previous year (Q3/2021). Sales grew by 24.5% from €199.6 million (Q3/2021) to € 248.6 million. Segment EBIT amounted to € 30.2 million after € 23.2 million in the comparable period. The segment's EBIT margin increased accordingly from 11.6% (Q3/2021) to 12.1%.

The good demand and material price effects in the tool and strip steel segment have so far had a considerably greater influence than the sanction-related impairments as well as the continuing supply bottlenecks on the development of sales and earnings, so that we expect a pleasing increase in sales and earnings for the year as a whole compared to the previous year.



**The Resources Technology segment also performed well in the reporting period, with material price increases having a significant impact on the key figures.**

The **Health and Infrastructure Technology segment** was characterised by different influences in the first three quarters of 2022. While paper processing continued to benefit strongly from the sustainability development, series producers were influenced by material price increases and price pass-through despite a good order situation. The continuing reluctance to invest in operating rooms and intensive care units in hospitals led to a weak order intake. We are making intensive use of this temporary market situation to merge the former Haseke and Krömker sites under UMT. This is progressing well and will be completed by the end of the year, with a one-time burden on earnings due to non-recurring effects.

Against this backdrop, order intake in the segment was generally mixed and improved by only 3.7% to € 110.9 million compared to the same period of the previous year. The order backlog at the end of the reporting period fell slightly to € 48.7 million (Q3/2021: € 51.3 million).

Sales increased by 20.8% to € 110.5 million in the reporting period (Q3/2021: € 91.5 million). EBIT improved by 11.9% to € 10.3 million (Q3/2021: € 9.2 million); however, due to material price effects, the segment's EBIT margin declined to 9.3% (Q3/2021: 10.1%). For the year as a whole, there are signs of an increase in sales and stable earnings influenced by non-recurring effects.



**Against this backdrop, order intake in the segment was generally mixed and improved by only 3.7% to € 110.9 million compared to the same period of the previous year.**

## Financial and asset position

As of the balance sheet date, the balance sheet total of € 494.94 million was 10.1% above the level at the beginning of the financial year of € 449.5 million. Non-current assets remained almost unchanged, while current assets increased by around 19.1% from € 260.0 million to € 309.6 million. Trade receivables increased in proportion to sales by 23%. The increase in other assets is mainly due to tax receivables. At € 30.1 million, cash and cash equivalents recorded a decline of € 27.6 million. The main reasons for this decrease are the material price effect, the build-up of inventories due to volume growth and the securing of supply chains. Furthermore, the distribution of the dividend of € 0.98 per share for the 2021 financial year had a liquidity-reducing effect.

The balance sheet ratios remain extremely solid and the gearing ratio low. The equity ratio of 54.6% as of the reporting date was slightly below the figure as of 31 December 2021 (56.9%), despite an increase in equity, due to the increase in total assets by around 10%. Non-current liabilities were reduced by 12.6%; this was due to the repayment of liabilities to banks and lower provisions for pensions.

Along with the significant increase in orders backlog and sales, current liabilities also increased by 31.6% to € 164.7 million. Trade payables (+ 56.0%) and other liabilities (+ 34.0%) had a major influence here.

## Staff

As at the reporting date, GESCO Group employed a total of 1,841 people in its continuing operations (continuing operations as at 30 September 2021: 1,789). Compared to the figure of 1,783 as at 31 December 2021, the Group workforce thus increased by 2.9% in the reporting period.

The workforce in the Resources Technology segment increased by just under 2% compared to the previous year's reporting date. There was an increase of 3% in the Health and Infrastructure Technology segment and 4% in the Process Technology segment.

## Opportunities and risks

The general statements on opportunities and risks as well as the presentation of specific individual risks in the consolidated financial statements as at 31 December 2021 essentially remain valid and we therefore refer to the detailed presentation in the annual report for the 2021 financial year. The report can be found on the Internet at [www.gesco.de/en/investor-relations/financial-reports](http://www.gesco.de/en/investor-relations/financial-reports).

Uncertainties due to the macroeconomic framework conditions in 2022 have further increased.

The imponderables include in particular the war in Ukraine and its possible effects, the globally strained supply chains and the further course of the Corona pandemic. Added to this are rising inflation rates and rising interest rates. A recession in the global economy is another risk. All these factors could have a greater impact on business development than previously assumed. The exact extent of the factors as well as the interactions can hardly be estimated. The resulting overall risk is therefore difficult to calculate.

# 1,841

people were employed in the continuing operations of GESCO Group as at the reporting date.

Despite the deteriorating macroeconomic and still volatile geopolitical conditions, GESCO subsidiaries were able to leverage their market position and opportunities. The forecast for Group earnings in 2022 was therefore increased in October 2022.

## Outlook

The current development of the business figures is supported by the high adjustment speed in the passing on of inflation and the simultaneous successful stabilisation of the supply chains. In addition, there are further positive effects from the efficiency programmes.

We confirm the communicated outlook for the full year 2022 with expected Group sales in the range of € 575 – 585 million. We expect Group earnings for 2022 to be in the range of € 30.7 – 32.2 million, which will significantly exceed the best financial year to date in 2021 (€ 26.9 million).

The actual business performance of GESCO Group may deviate from current expectations against the backdrop of the numerous uncertainties and due to the opportunities and risks already explained above. Intended acquisitions are not taken into account in this forecast.

## Events after the end of the reporting period

On 10 November 2022, GESCO announced that its subsidiary SVT GmbH had acquired the steel construction division of its long-standing Hungarian supplier BAV Tatabánya Kft as part of GESCO Group's M&A strategy.

Beyond that, no other events of particular significance occurred after the end of the reporting period.

# GESCO Group balance sheet

T€	09/30/2022	12/31/2021
<b>Assets</b>		
<b>A. Non-current assets</b>		
I. Intangible assets		
1. Industrial property rights and similar rights and assets as well as licences to such rights and assets	25,702	28,002
2. Goodwill	39,143	38,806
3. Prepayments	0	146
	<b>64,845</b>	<b>66,954</b>
II. Tangible assets		
1. Land and buildings	57,551	59,361
2. Technical plant and machinery	27,149	28,800
3. Other plant, fixtures and fittings	14,804	15,616
4. Prepayments and assets under construction	4,978	2,589
	<b>104,482</b>	<b>106,366</b>
III. Financial investments		
1. Shares in affiliated companies	0	0
2. Shares in companies recognised at equity	2,395	2,123
3. Investments	156	156
4. Other loans	9,371	9,371
	<b>11,922</b>	<b>11,650</b>
IV. Other assets	11	183
V. Deferred tax assets	4,094	4,410
	<b>185,354</b>	<b>189,563</b>
<b>B. Current assets</b>		
I. Inventories		
1. Raw materials, supplies and consumables	47,562	36,953
2. Unfinished products and services	32,293	26,883
3. Finished products and goods	99,030	60,243
4. Prepayments	789	758
	<b>179,674</b>	<b>124,837</b>
II. Receivables and other assets		
1. Trade receivables	84,319	68,433
2. Amounts owed by affiliated companies	1,998	2,098
3. Amounts owed by companies recognised at equity	601	364
4. Other assets	11,397	5,469
	<b>98,315</b>	<b>76,364</b>
III. Cash and credit with financial institutions	30,065	57,714
IV. Accounts receivable and payable	1,518	1,057
	<b>309,572</b>	<b>259,972</b>
	<b>494,926</b>	<b>449,535</b>

T€	09/30/2022	12/31/2021
<b>Equity and liabilities</b>		
<b>A. Equity</b>		
I. Subscribed capital	10,839	10,839
II. Capital reserves	72,398	72,398
III. Revenue reserves	177,040	164,479
IV. Own shares	- 865	0
V. Other comprehensive income	750	- 4,448
VI. Minority interests (incorporated companies)	10,080	12,466
	<b>270,242</b>	<b>255,734</b>
<b>B. Non-current liabilities</b>		
I. Minority interests (partnerships)	0	51
II. Provisions for pensions	8,048	11,932
III. Other non-current provisions	505	494
IV. Liabilities to financial institutions	25,408	32,343
V. Lease liabilities	15,558	16,034
VI. Other liabilities	774	996
VII. Deferred tax liabilities	9,665	6,761
	<b>59,958</b>	<b>68,611</b>
<b>C. Current liabilities</b>		
I. Other provisions	8,297	8,508
II. Liabilities		
1. Liabilities to financial institutions	62,160	43,997
2. Lease liabilities	3,354	3,238
3. Trade payables	24,541	15,735
4. Payments received on account of orders	17,651	16,822
5. Liabilities to affiliated companies	253	1,391
6. Liabilities to companies recognised at equity	0	0
7. Other liabilities	47,348	35,344
	<b>155,307</b>	<b>116,527</b>
III. Accounts receivable and payable	1,122	155
	<b>164,726</b>	<b>125,190</b>
	<b>494,926</b>	<b>449,535</b>

## GESCO Group Profit and Loss account for the nine months period (01/01 to 09/30)

T€	01/01/2022 – 09/30/2022	01/01/2021 – 09/30/2021
<b>CONTINUING OPERATIONS</b>		
<b>Sales revenues</b>	<b>435,422</b>	<b>351,012</b>
Change in stocks of finished and unfinished products	11,537	6,631
Other company-produced additions to assets	460	381
Other operating income	5,744	5,118
<b>Total income</b>	<b>453,163</b>	<b>363,142</b>
Material expenses	- 258,703	- 197,723
Personnel expenses	- 91,654	- 83,965
Other operating expenses	- 46,817	- 40,656
Impairment losses on financial assets	- 1,622	- 70
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>	<b>54,367</b>	<b>40,728</b>
Amortisation of intangible assets and depreciation on property, plant and equipment	- 13,529	- 12,959
<b>Earnings before interest and tax (EBIT)</b>	<b>40,838</b>	<b>27,769</b>
Earnings from investments	1,034	0
Earnings from companies valued at equity	521	401
Income from lending financial assets	270	0
Other interest and similar income	7	274
Interest and similar expenses	- 1,578	- 1,552
Third-party profit share in partnerships	22	- 81
<b>Financial result</b>	<b>276</b>	<b>- 958</b>
<b>Earnings before tax (EBT)</b>	<b>41,114</b>	<b>26,811</b>
Taxes on income and earnings	- 12,749	- 9,877
<b>Earnings from continuing operations</b>	<b>28,365</b>	<b>16,934</b>
<b>Earnings from discontinued operations</b>	<b>0</b>	<b>- 19</b>
<b>Consolidated earnings</b>	<b>28,365</b>	<b>16,915</b>
of which:		
<b>Shares held by third parties in incorporated companies</b>		
Earnings from continuing operations	2,042	1,755
Earnings from discontinued operations	0	- 6
	<b>2,042</b>	<b>1,749</b>
<b>Shares held by GESCO shareholders</b>		
Earnings from continuing operations	26,323	15,179
Earnings from discontinued operations	0	- 13
	<b>26,323</b>	<b>15,166</b>
<b>Earnings per share (€)</b>		
From continuing operations	2.43	1.40
From continuing and discontinued operations	2.43	1.40



# GESCO Group Statement of Income for the third quarter (07/01 to 09/30)

T€	07/01/2022 – 09/30/2022	07/01/2021 – 09/30/2021
<b>CONTINUING OPERATIONS</b>		
<b>Sales revenues</b>	<b>144,058</b>	<b>122,933</b>
Change in stocks of finished and unfinished products	7,994	6,003
Other company-produced additions to assets	134	131
Other operating income	1,476	2,502
<b>Total income</b>	<b>153,662</b>	<b>131,569</b>
Material expenses	- 88,211	- 70,728
Personnel expenses	- 30,549	- 28,929
Other operating expenses	- 15,277	- 14,571
Impairment losses on financial assets	- 100	- 24
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>	<b>19,525</b>	<b>17,317</b>
Amortisation of intangible assets and depreciation on property, plant and equipment	- 4,560	- 4,783
<b>Earnings before interest and tax (EBIT)</b>	<b>14,965</b>	<b>12,534</b>
Earnings from companies valued at equity	41	215
Income from lending financial assets	90	0
Other interest and similar income	2	93
Interest and similar expenses	- 540	- 524
Third-party profit share in partnerships	0	- 78
<b>Financial result</b>	<b>- 407</b>	<b>- 294</b>
<b>Earnings before tax (EBT)</b>	<b>14,558</b>	<b>12,240</b>
Taxes on income and earnings	- 4,509	- 4,576
<b>Earnings from continuing operations</b>	<b>10,049</b>	<b>7,664</b>
<b>Group result</b>	<b>10,049</b>	<b>7,664</b>
of which:		
<b>Shares held by third parties in incorporated companies</b>		
Earnings from continuing operations	543	721
	<b>543</b>	<b>721</b>
<b>Shares held by GESCO shareholders</b>		
Earnings from continuing operations	9,506	6,943
	<b>9,506</b>	<b>6,943</b>
<b>Earnings per share (€)</b>		
From continuing operations	0.88	0.64
From continuing and discontinued operations	0.88	0.64

## GESCO Group Statement of Comprehensive Income for the nine months period (01/01 to 09/30)

T€	01/01/2022 – 09/30/2022	01/01/2021 – 09/30/2021
<b>Consolidated earnings</b>	<b>28,365</b>	<b>16,915</b>
<b>Revaluation of benefit obligations not impacting income</b>	<b>2,619</b>	<b>494</b>
<b>Items not reclassifiable to the Profit and Loss account</b>	<b>2,619</b>	<b>494</b>
<b>Difference from currency translation</b>		
a) Reclassification to the Profit and Loss account	0	- 6
b) Change in value not affecting profit or loss	2,602	1,463
<b>Difference from currency translation from companies valued at equity</b>		
a) Reclassification to the Profit and Loss account	0	0
b) Change in value not affecting profit or loss	- 249	- 164
<b>Market valuation of hedging instruments</b>		
a) Reclassification to the Profit and Loss account	0	0
b) Change in value not affecting profit or loss	289	- 185
<b>Items reclassifiable to the Profit and Loss account</b>	<b>2,642</b>	<b>1,108</b>
<b>Other comprehensive income</b>	<b>5,261</b>	<b>1,602</b>
<b>Comprehensive income for the period</b>	<b>33,626</b>	<b>18,517</b>
of which shares held by third parties in incorporated companies	1,967	2,013
of which shares held by GESCO shareholders	31,659	16,504

# GESCO Group Cash Flow Statement for the nine months period (01/01 to 09/30)

T€	01/01/2022 – 09/30/2022	01/01/2021 – 09/30/2021
<b>Group net loss / income for the period (including share attributable to minority interests in incorporated companies)</b>	<b>28,365</b>	<b>16,915</b>
Amortisation of intangible assets and depreciation on property, plant and equipment	13,529	12,959
Earnings from companies valued at equity	- 521	- 401
Share attributable to minority interests in partnerships	- 22	81
Decrease in non-current provisions	- 272	- 131
Other non-cash income	15	329
<b>Cash flow for the period</b>	<b>41,094</b>	<b>29,752</b>
Losses from the disposal of tangible / intangible assets	279	36
Gains from the disposal of tangible / intangible assets	- 102	- 62
Gains from the disposal of financial assets	0	- 290
Decrease / increase in inventories, trade receivables and other assets	- 74,649	- 19,160
Increase in trade payables and other liabilities	21,508	30,970
<b>Cash flow from ongoing business activity</b>	<b>- 11,870</b>	<b>41,246</b>
Incoming payments from disposals of tangible / intangible assets	755	89
Disbursements for investments in tangible assets	- 6,197	- 4,937
Disbursements for investments in intangible assets	- 1,026	- 569
Incoming payments from disposals of financial assets	0	352
Disbursements for the acquisition of consolidated companies and other business units	0	- 27,814
Incoming payments from the sale of consolidated companies and other business operations	0	3,500
<b>Cash flow from investment activity</b>	<b>- 6,468</b>	<b>- 29,379</b>
Disbursements to shareholders (dividend)	- 10,601	0
Disbursements for the purchase of treasury shares	- 865	- 720
Disbursements to minority interests	- 1,049	- 1,305
Disbursements for the purchase of non-governing shares	- 6,639	- 1,424
Incoming payments from taking out (financial) loans	21,479	7,000
Disbursements for the repayment of (financial) loans	- 10,251	- 14,241
Disbursements for the repayment of leasing liabilities	- 1,685	- 1,701
<b>Cash flow from funding activity</b>	<b>- 9,611</b>	<b>- 12,391</b>
<b>Changes in cash and cash equivalents</b>	<b>- 27,949</b>	<b>- 524</b>
<b>Exchange rate-related changes in cash and cash equivalents</b>	<b>300</b>	<b>148</b>
Cash and cash equivalents on 01/01	57,714	49,226
<b>Cash and cash equivalents on 09/30</b>	<b>30,065</b>	<b>48,850</b>

## GESCO Group Statement of Changes in Equity

T€	Subscribed capital	Capital reserves	Revenue reserves	Own shares
<b>As at 01/01/2021</b>	<b>10,839</b>	<b>72,364</b>	<b>137,871</b>	<b>0</b>
Dividends			0	
Acquisition of own shares				- 720
Sale of own shares			0	
Acquisition of shares in subsidiaries			- 281	
Sale of shares in subsidiaries			- 165	
Group net loss / income for the period			15,166	0
<b>As at 09/30/2021</b>	<b>10,839</b>	<b>72,364</b>	<b>152,591</b>	<b>- 720</b>
<b>As at 01/01/2022</b>	<b>10,839</b>	<b>72,398</b>	<b>164,479</b>	<b>0</b>
Dividends			- 10,601	
Acquisition of own shares				- 865
Sale of own shares		0	0	0
Acquisition of shares in subsidiaries			- 3,161	
Sale of shares in subsidiaries			0	
Group net loss / income for the period			26,323	0
<b>As at 09/30/2022</b>	<b>10,839</b>	<b>72,398</b>	<b>177,040</b>	<b>- 865</b>

## GESCO Group segment report for the nine months period (01/01 to 09/30)

T€	Process Technology		Resource Technology		Healthcare and Infrastructure Technology	
	01/01/2022– 09/30/2022	01/01/2021– 09/30/2021 (adjusted)	01/01/2022– 09/30/2022	01/01/2021– 09/30/2021	01/01/2022– 09/30/2022	01/01/2021– 09/30/2021 (adjusted)
Order backlog	71,754	60,571	121,218	110,619	48,716	51,250
Incoming orders (consolidated)	92,352	89,525	256,017	224,494	110,937	107,020
Sales revenues	76,332	59,866	248,564	199,643	110,533	91,533
of which with other segments	0	15	7	3	0	12
Depreciation and amortisation	1,371	1,442	3,725	3,806	3,085	2,942
EBIT	9,200	6,089	30,192	23,151	10,297	9,202
Investments	1,498	1,280	2,893	1,300	2,791	2,893
Employees (number / reporting date)	537	514	739	726	543	527

	Exchange equalisation items	Revaluation of pensions	Hedging instruments	Total	Minority interests (incorporated companies)	Equity
	-2,220	-3,386	174	215,642	12,128	227,770
				0	-1,399	-1,399
		0		-720	0	-720
		0		0	0	0
				-281	0	-281
		165		0	-995	-995
	1,058	465	-185	16,504	2,013	18,517
	-1,162	-2,756	-11	231,145	11,747	242,892
	-1,219	-3,215	-14	243,268	12,466	255,734
				-10,601	-1,013	-11,614
				-865		-865
				0		0
	-21	-117		-3,299	-3,340	-6,639
		0		0	0	0
	2,501	2,546	289	31,659	1,967	33,626
	1,261	-786	275	260,162	10,080	270,242

	GESCO AG / other companies		Reconciliation		Group	
	01/01/2022–09/30/2022	01/01/2021–09/30/2021	01/01/2022–09/30/2022	01/01/2021–09/30/2021	01/01/2022–09/30/2022	01/01/2021–09/30/2021
	0	0	0	0	241,688	222,440
	0	0	0	0	459,306	421,039
	1,340	1,075	-1,347	-1,105	435,422	351,012
	1,340	1,075	-1,347	-1,105	0	0
	75	99	5,273	4,670	13,529	12,959
	-6,655	-5,686	-2,196	-4,987	40,838	27,769
	43	35	1,339	5,544	8,564	11,052
	22	22	0	0	1,841	1,789

# Explanatory information

## Accounts, accounting and valuation methods

The report on the nine-month period (1 January to 30 September 2022) of the financial year 2022 (1 January to 31 December 2022) of GESCO Group was prepared based on the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB). It has been prepared in accordance with IAS 34. Unless otherwise stated, the accounting policies applied correspond to those of the consolidated financial statements as at 31 December 2021. The preparation of the financial statements is influenced by recognition and measurement methods as well as assumptions and estimates that affect the amount and presentation of recognised assets, liabilities and contingent liabilities as well as income and expense items. Sales-related items are accrued during the year. The previous year's figures were adjusted due to the segment change of Hubl GmbH.

## Financial calendar

### 14 November 2022

Publication of Quarterly Statement/CC  
on Q3 2022

### 15 – 16 November 2022

Munich Capital Markets Conference  
(MCK, Munich)

### 22 – 23 November 2022

Roadshow Scandinavia

### 28 – 30 November 2022

Eigenkapitalforum  
(German Equity Forum, Frankfurt)

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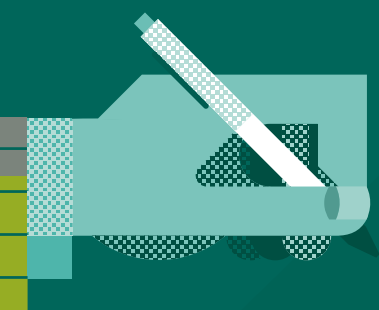
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## **Important notice:**

This 9-month report contains forward-looking statements based on current assumptions and forecasts made by the Executive Board of GESCO AG. These statements are therefore subject to risks and uncertainties. The actual results and business development of GESCO AG and GESCO Group may differ materially from the estimates made in this interim report. GESCO AG assumes no obligation to update such forward-looking statements or to conform them to future events or developments.

This 9-month report is the translation of the German report; in case of any discrepancies, the German version of the interim report shall prevail.



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