

Geratherm®

*SOLUTIONS FOR A
HEALTHY WORLD*



Half-yearly Report **2021**

GERATHERM

AT A GLANCE

Key group figures	Jan. - June 2021	Jan. - June 2020	Change %
Sales revenues	12,401 kEUR	13,847 kEUR	-10.4%
of which export share	9,592 kEUR	11,307 kEUR	-15.2%
Export ratio	77 %	82 %	-6.1%
Gross result for period under review (EBITDA)	1,729 kEUR	2,052 kEUR	-15.7%
EBITDA margin	13.9 %	14.8 %	-6.1%
Amortisation and depreciation	-748 kEUR	-598 kEUR	25.0%
Operating result (EBIT)	981 kEUR	1,454 kEUR	-32.5%
EBIT margin	7.9 %	10.5 %	-24.8%
Financial results	-67 kEUR	-51 kEUR	33.4%
Profit (loss) on ordinary business activities	914 kEUR	1,403 kEUR	-34.8%
Net earnings of the parent company's shareholders in given period	621 kEUR	1,039 kEUR	-40.3%
Long-term assets	14,845 kEUR	13,955 kEUR	6.4%
Short-term assets	19,982 kEUR	22,362 kEUR	-10.6%
Balance sheet total	34,827 kEUR	36,317 kEUR	-4.1%
Equity capital	18,908 kEUR	20,235 kEUR	-6.6%
Return on equity	6.6 %	10.3 %	-36.0%
Equity ratio	54.3 %	55.7 %	-2.5%
Cash, cash equivalents and securities	7,266 kEUR	11,095 kEUR	-34.5%
Net result per share for given period according to IFRS (EPS)**	EUR 0.13	EUR 0.21	-38.1%
Net result per share for given period as per DVFA** (German Association for Financial Analyses and Asset Management)	EUR 0.13	EUR 0.21	-38.1%
Number of employees at end of period	234	229	2.2%
Total shares issued	4,949,999	4,949,999	0.0 %
**based on total shares issued	4,949,999	4,949,999	0.0 %

Business Performance from January 1 to June 30, 2021

- Demand for Geratherm clinical thermometers has normalised internationally
- Segments: Health Care Diagnostic -20.1 %, Respiratory +20.5 %, Cardio/Stroke +27.6 %
- Sales revenues EUR 12.4 million, -10.4 %, Q2 EUR 5.7 million
- Gross result for period under review (EBITDA) EUR 1.729 million -15.7 %, QII 679 kEUR
- Operating result (EBIT) 981 kEUR, -32.5 %, Q2 305 kEUR
- EBIT margin 7.9 %, QII 5.3 %
- Results from ordinary business activities 914 kEUR, -34.8 %, QII 269 kEUR
- Earnings per share EUR 0.13 (2020: EUR 0.21), Q2 EUR 0.04

Dear Shareholders and Parties Interested in Geratherm Medical,

The progress of the coronavirus pandemic has slowed considerably internationally and in Germany over recent months thanks to vaccination efforts. This resulted in a decline and normalisation of the demand for Geratherm clinical thermometers.

In the past three months, there was a -24.4 % drop in sales posted by the entire company compared to the same quarter last year, which was very strong.

In the first six months of 2021, the Group sales decreased by -10.4% to EUR 12.4 million. Compared to the same period last year, the sales posted for the first six months amounted to EUR 13.8 million.

While the Respiratory and Cardio/Stroke business segments reported again a double-digit growth in sales, we recorded a drop in sales in particular in Healthcare Diagnostics and Warming Systems.

The gross profit decreased by -1.2 % to EUR 8.8 million. Based on sales, that corresponds to a gross margin of 70.8 % (2020: 64.1 %).

The EBITDA margin on the Group level amounted to 13.9 % during the first half of the business year (2020: 14.8 %). The EBIT margin amounted to 7.9 % (2020: 10.5 %). Other price adjustments or transfer of costs to our customers cannot not be avoided.

The financial results amounted to -67 kEUR (2020: -51 kEUR), which was mainly due to interest expenses (-61 kEUR). The sale of securities resulted in a total profit of 329 kEUR, which is directly shown in the equity capital according to IFRS. In the second quarter, we took the opportunity and increased our share in Geratherm Respiratory by +2.31 % to a total of 67.58 %.

The results from ordinary business activities for the first six months amounted to 914 kEUR (2020: EUR 1.403 million).

Shareholders' earnings after taxes for the first six months of the current fiscal year amounted to 621 kEUR (2020: EUR 1.039 million), representing a decrease of 40.3 %. The result per share for the first six months was EUR 0.13 (2020: EUR 0.21). The overall result in the Group was EUR 1.023 million (2020: EUR 1.054 million) for the first six months according to IFRS.

The global impact of the coronavirus pandemic between March 2020 and the beginning of 2021 resulted in a strong demand for Geratherm clinical thermometers; that level of demand did not continue during the second quarter. During the second quarter, the sales for the entire Geratherm Group reduced by -24.4 % to EUR 5.7 million.

The normalised level of sales reported during the second quarter has also led to a reduced earnings report on a quarterly basis. The operating income at the EBITDA level dropped to 679 kEUR (2020: EUR 1.381 million). The EBIT reduced in the second quarter to 305 kEUR (2020: EUR 1.082 million). The sales are thus still well above the pre-coronavirus period.

Together with the financial results, the results from ordinary business activities for the second quarter sank to 269 kEUR (2020: EUR 1.055 million). After deducting income tax, the company reported during the second quarter a consolidated net profit of 335 kEUR (2020: 867 kEUR).

After deducting the minority interests, the results after taxes for the second quarter amounted to 199 kEUR (2020: 752 kEUR) or EUR 0.04 per share (2020: EUR 0.15).

Facts and figures

(in kEUR)

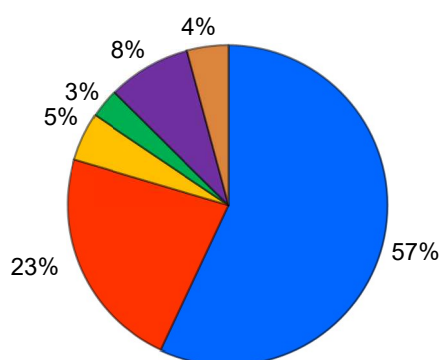
	II/21	I/21	IV/20	III/20	II/20
Sales	5,741	6,660	7,707	5,912	7,594
EBITDA margin	11.8%	15.8%	16.8%	16.9%	18.2%
EBIT	305	676	899	686	1,082
EPS (EUR)	0.04	0.09	0.10	0.10	0.15
Cash flow	456	1,072	1,267	1,160	1,531

Sales development

In the first six months, we posted a drop in sales by about 10 % across business segments and regions. In Europe, our main market, sales normalised to a level of -13.8 %. On the German market, we were able to register a trend to the contrary with a 10.6 % rise in sales.

We also recorded particularly strong growth in the Middle East, which posted a 155.8 % increase compared to the same reference period last year. We experienced setbacks due to decreasing sales of clinical thermometers, especially on the South American market with -51.1 %, the US with -37.1 %, Asia -48.6 % and Africa with -58.0 %.

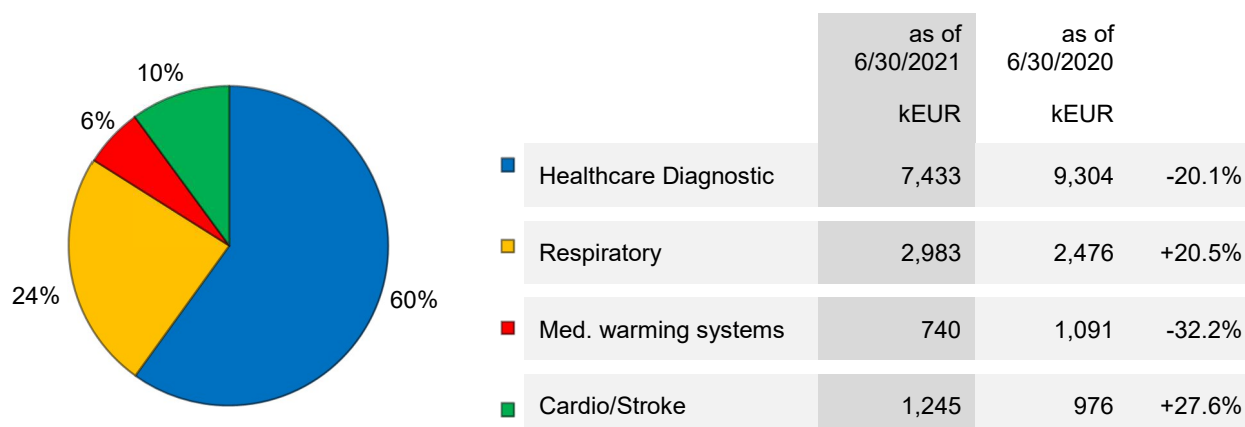
Sales by regions 1/1 to 6/30/2021



	as of 6/30/2021 kEUR	as of 6/30/2020 kEUR	
Europe	7,060	8,191	-13.8%
Germany	2,809	2,540	+10.6%
USA	606	963	-37.1%
South America	372	761	-51.1%
Middle East	1,041	407	> 100.0%
Other countries	513	985	-47.9 %

During the first six months of 2021, the export quota of Geratherm Medical amounted to 77.3 % (2020: 81.7%). Geratherm products are exported to more than 60 countries.

Sales by segments 1/1 to 6/30/2021



In the Healthcare Diagnostic segment, where we mainly market clinical thermometers, blood pressure monitors and women's health products to pharmacies and drugstores world-wide, we noticed that sales returned to normal levels by -20.1 % at EUR 7.4 million during the first six months. We posted higher growth rates with the sales of blood pressure monitors and pulse oximeters, which unfortunately could not fully compensate the higher drop in clinical thermometers.

Currently, the international demand for clinical thermometers has decreased significantly. As one of the major manufacturers of clinical thermometers, Geratherm's production is still working at full capacity through to the end of the year and the first orders have been received for 2022.

In the Respiratory segment, where we offer sensors and products for testing pulmonary function, we also managed to record a healthy growth in sales of +20.5 % to EUR 3.0 million due to the post-COVID syndrome. A stronger growth in sales is still limited due to procurement problems involving sensors/circuit boards and other electronic components. We do expect a significant increase in sales for the segment in the medium term. This is not only due to coronavirus-related long-term lung damage but also the pending new country registrations.

The segment sales in the Medical Warming Systems segment decreased by -32.2 % to EUR 0.7 million compared to the same period last year. The decline is due to LMT's current difficulties in procurement, which should be resolved during the second half of the year. Our medical warming systems for operating rooms are currently still in the recertification process, which should be concluded by the end of 2021.

In the Cardio/Stroke segment, we were able to boost sales by +27.6 % to EUR 1.2 million. Many orders could not be processed as a result of the coronavirus pandemic in 2020, since an in-person appointment is required by law for the start-up and instruction on the use of equipment. Fortunately, many of these appointments could be taken care of during the first six months of 2021.

Earnings situation

Earnings development during the first six months was impacted by the weak second quarter. Increased prices and difficulties on the procurement side, higher transport costs, the need to safeguard flexibility with the aid of expensive contract workers and lasting high costs due to MDR certification and TÜV audits weighed on the bottom line.

The gross profit (EBITDA) was EUR 1.729 million (2020: EUR 2.052 million), representing a decrease of 15.7 %. The EBITDA margin has hardly changed compared to the same reference period last year and is 13.9 % (2020: 14.8 %). Amortisation and depreciation increased by +25.0 % to 748 kEUR as a result of the new buildings and investments.

The operating result (EBIT) fell by -32.5 % to 981 kEUR for the first six months of the current fiscal year. The EBIT margin decreased to 7.9 % (2020: 10.5 %). Taking into account the financial results in the amount of -67 kEUR (2020: 51 kEUR), the result from ordinary business activities was 914 kEUR, representing a drop of 34.8 %.

Income taxes weighed on the result with 81 kEUR (2020: 388 kEUR). The consolidated net profit for the first six months of 2021 was 833 kEUR (2020: EUR 1.015 million). After taking into consideration the result attributable to minority interests, a net income of 621 kEUR (2020: EUR 1.039 million) was generated for the first half of the year for the

shareholders of the parent company. The result per share for the first six months is EUR 0.13 (2020: EUR 0.21).

Net assets and financial situation

Geratherm Medical continues to enjoy a stable financial situation. The balance sheet total of EUR 34.8 million is essentially formed by equity capital in the amount of EUR 18.9 million. The equity-to-assets ratio as of the reporting date was 54.3 % (2020: 55.7 %). The return on equity amounted to 6.6 % (2020: 10.3 %). The total return on investment capital for the first six months of the current fiscal year is 3.9 % (2020: 6.0 %).

As of June 30, 2021 the company had cash, cash equivalents and securities in the amount of EUR 7.3 million (2020: EUR 11.1 million). Thus, the company has a healthy financial position to facilitate further growth. The long-term assets amounted to EUR 14.8 million (2020: EUR 14.0 million). The short-term assets amounted to EUR 20.0 million (2020: EUR 22.4 million).

Inventories increased in the fiscal year by +22.7 % to EUR 9.0 million. The reason for this is that we wanted to strategically safeguard our merchandise at an early stage as a result of the impending supply bottlenecks in order to ensure that we could still deliver to our customers during the second half of the year. The accounts receivable and other assets remained almost constant with a -2.0 % decrease at EUR 3.8 million.

The cash and cash equivalents available as June 30, 2021 amounted to EUR 2.8 million (2020: EUR 6.3 million).

The gross cash flow for the first six months dropped to EUR 1.528 million (2020: EUR 2.574 million). The cash flow from business operations amounted to 224 kEUR (2020: EUR 2.091 million). The cash flow from investments was 447 kEUR (2020: EUR -2.006 million). The cash flow from financing activities was EUR -2,761 million (2020: EUR 2.088 million).

The total consolidated income including income and expenses recognised in equity was EUR 1.023 million (2020: EUR 1.054 million) for the first six months of the current business year.

Research and development

Our research and development activities focussed primarily on the segments Respiratory, Cardio/Stroke and Warming Systems.

The aim is to continue to integrate and expand the use of artificial intelligence during technical development in the Geratherm Group.

Annual general meeting

Our annual general meeting took place virtually on June 11, 2021. All items on the agenda were adopted.

Staff

The Geratherm Group has a staff of 234 persons in total as of June 30, 2021 (2020: 229) with 222 employees in Germany.

Outlook

After showing a good first quarter in 2021, we faced increased costs in procurement and production during the second quarter. The increasing vaccination rate and the efforts to combat the pandemic have also resulted in a decrease and thus a normalisation in the demand for Geratherm clinical thermometers. We do expect good sales at a normalising level during the second six months of the year. We also expect positive financial revenues from the sale of securities. The financial participation in Protembis and Mindpeak is showing very favourable development.

Geratal, August 2021



Christian Frick
Chief Executive Officer

Consolidated profit and loss statement from January 1, 2021 to June 30, 2021

	April-June 2021 EUR	April-June 2020 EUR	Change	Jan.-June 2021 EUR	Jan.-June 2020 EUR	Change
Sales revenues	5,741,069	7,594,003	-24.4%	12,401,419	13,847,276	-10.4%
Change in inventory of finished products and work in process	299,944	-315,272	> 100.0%	611,062	-705,637	> 100.0%
Other capitalised own work	230,039	249,849	-7.9%	275,883	301,772	-8.6%
Other operating income	179,719	102,326	75.6%	385,811	274,074	40.8%
	6,450,771	7,630,906	-15.5%	13,674,175	13,717,485	-0.3%
Cost of materials						
Cost of raw materials, consumables and goods for resale	-1,971,196	-2,488,844	-20.8%	-4,283,990	-4,272,690	0.3%
Costs of purchased services	-280,108	-314,205	-10.9%	-613,626	-565,346	8.5%
	-2,251,304	-2,803,049	-19.7%	-4,897,616	-4,838,036	1.2%
Gross profit or loss	4,199,467	4,827,857	-13.0%	8,776,559	8,879,449	-1.2%
Personnel costs						
Wages and salaries	-1,914,928	-1,833,110	4.5%	-3,737,305	-3,425,651	9.1%
Social security, pension and other benefits	-382,478	-358,846	6.6%	-736,929	-689,024	7.0%
	-2,297,406	-2,191,956	4.8%	-4,474,234	-4,114,675	8.7%
Other operating expenses	-1,222,932	-1,254,578	-2.5%	-2,572,520	-2,712,751	-5.2%
Gross result (EBITDA)	679,129	1,381,323	-50.8%	1,729,805	2,052,023	-15.7%
Amortisation of intangible assets and depreciation of tangible assets	-373,349	-299,583	24.6%	-748,254	-598,496	25.0%
Operating results	305,780	1,081,740	-71.7%	981,551	1,453,527	-32.5%
Dividend income	30,000	0	-	30,000	0	-
Securities-related expenses	-36,327	-298	> 100.0%	-36,642	-620	> 100.0%
Other interest and similar income	335	160	> 100.0%	708	623	13.6%
Interests and similar expenses	-30,670	-26,199	17.1%	-61,376	-50,471	21.6%
Financial results	-36,662	-26,337	39.2%	-67,310	-50,468	33.4%
Profit (loss) on ordinary business activities	269,118	1,055,403	-74.5%	914,241	1,403,059	-34.8%
Income taxes	65,651	-188,393	> 100.0%	-81,289	-387,676	-79.0%
Consolidated profit for the period	334,769	867,010	-61.4%	832,952	1,015,383	-18.0%
Net earnings of non-controlling shareholders in given period	136,217	115,228	18.2%	212,386	-23,606	> 100.0%
Net earnings of the parent company's shareholders in given period	198,552	751,782	-73.6%	620,566	1,038,989	-40.3%
Earnings per share (undiluted)	0.04	0.15	-73.3%	0.13	0.21	-38.1%

Consolidated balance sheet as at June 30, 2021

Assets	6/30/2021 EUR	12/31/2020 EUR	Change
A. Long-term assets			
I. Intangible assets			
1. Development costs	3,030,328	2,783,213	8.9%
2. Other intangible assets	295,807	296,006	-0.1%
3. Goodwill	1	1	0.0%
	3,326,136	3,079,220	8.0%
II. Tangible assets			
1. Land, land rights and buildings	5,217,416	5,238,519	-0.4%
2. Technical equipment and machinery	3,233,223	3,161,023	2.3%
3. Other equipment, factory and office equipment	330,195	330,048	0.0%
4. Construction in process	283,849	371,672	-23.6%
	9,064,683	9,101,262	-0.4%
III. Rights of use	582,402	576,346	1.1%
IV. Financial assets accounted on basis of equity method	296,609	296,609	0.0%
V. Other financial assets	1,470,151	1,420,401	3.5%
VI. Other long-term receivables	105,035	117,838	-10.9%
	14,845,016	14,591,676	1.7%
B. Short-term assets			
I. Inventories			
1. Raw materials and supplies	2,335,996	2,182,687	7.0%
2. Unfinished goods	1,413,873	1,160,668	21.8%
3. Finished goods and merchandise	5,211,030	3,961,995	31.5%
	8,960,899	7,305,350	22.7%
II. Receivables and other assets			
1. Trade receivables	2,773,465	3,205,412	-13.5%
2. Receivables from current income taxes	284,101	62,075	> 100.0%
3. Receivables from other taxes	289,658	187,843	54.2%
4. Other assets	407,557	376,021	8.4%
	3,784,781	3,831,351	-2.0%
III. Securities	4,476,297	5,407,190	-17.2%
IV. Cash and cash equivalents	2,790,136	4,854,893	-42.5%
	19,982,113	21,398,784	-6.6%
	34,827,129	35,990,460	-3.2%
Equity and liabilities			
A. Equity capital			
I. Subscribed capital	4,949,999	4,949,999	0.0%
II. Capital reserve	12,174,192	12,174,192	0.0%
III. Other reserves	2,051,333	3,177,349	-35.4%
Assignable to the shareholders of the parent company	19,175,524	20,301,540	-5.5%
Shareholders of minority interests	-267,105	-376,082	-29.0%
	18,908,419	19,925,458	-5.1%
B. Non-current liabilities			
1. Liabilities to banks	5,642,709	6,194,638	-8.9%
2. Accrued investment subsidies	1,177,014	1,233,669	-4.6%
3. Long-term leasing liabilities	288,107	331,372	-13.1%
4. Other long-term liabilities	424,953	424,492	0.1%
5. Deferred taxes	30,824	53,401	-42.3%
	7,563,607	8,237,572	-8.2%
C. Current debts			
1. Liabilities to banks	3,249,406	3,200,202	1.5%
2. Trade accounts payables	1,327,425	1,503,391	-11.7%
3. Current provisions	34,000	32,400	4.9%
4. Short-term leasing liabilities	302,166	251,787	20.0%
5. Liabilities from current income taxes	30,143	84,576	-64.4%
6. Contractual liabilities	1,522,347	888,279	71.4%
7. Other tax liabilities	473,980	499,268	-5.1%
8. Other short-term liabilities	1,415,636	1,367,527	3.5%
	8,355,103	7,827,430	6.7%
	34,827,129	35,990,460	-3.2%

Consolidated statement of cash flows from January 1 to June 30, 2021

	January- June 2021 KEUR	January- June 2020 KEUR
Consolidated profit for the period	833	1,015
Non-cash expenses and income of Geratherm do Brasil Ltda.	65	-178
Other non-cash expenses	-203	760
Interest earnings	0	0
Interest expenses	61	48
Decrease in deferred taxes	-23	-1
Income tax expenditure	104	388
Depreciation of fixed assets	591	453
Amortisation of usage rights	157	146
Amortisation of public grants and subsidies	-57	-57
Gross cash flow	1,528	2,574
Increase/decrease in inventories	-1,656	1,099
Decrease/increase in trade receivables and other assets	314	-1,301
Increase/decrease in current liabilities and other liabilities	482	-13
Cash inflow from interest	0	0
Cash outflow from interest	-61	-48
Cash outflow for taxes	-383	-220
Cash flow from operations	224	2,091
Cash outflow for investments in intangible assets (without capitalised development costs) and tangible assets	-460	-1,339
Additions to capitalised development costs	-342	-369
Cash inflow from funding sources for investments	0	0
Acquisition of equity holdings	-50	0
Cash inflow based on financial assets	1,299	0
Cash outflow based on financial assets	0	-298
Cash flow from investments	447	-2,006
Cash outflow for leasing liabilities	-154	-146
Share acquisition from shareholders of minority interests	-60	0
Dividend payments	-1,980	0
Cash inflow from taking out loan liabilities	0	2,659
Cash outflow for repayment of loan liabilities	-567	-425
Decrease/ increase in long-term liabilities	0	0
Cash flow from financing activities	-2,761	2,088
Change in cash and cash equivalents	-2,090	2,173
Cash and cash equivalents at beginning of reporting period	4,855	4,139
Exchange rate difference	25	4
Cash and cash equivalents at end of reporting period	2,790	6,316

Consolidated statement of change to the shareholders' equity as at June 30, 2021

	Subscribed capital	Capital reserve	Other reserves			Assignable to the shareholders of the parent company	Non-controlling interests	Equity capital
			Market valuation reserve	Currency conversion reserve	Accumulated earnings			
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
as of 1/1/2020	4,949,999	12,174,192	1,929,289	313,599	460,339	19,827,418	-646,636	19,180,782
Dividend paid to shareholders	0	0	0	0	0	0	0	0
Transactions with shareholders and member partners	0	0	0	0	0	0	0	0
Consolidated earnings in period concerned	0	0	0	0	1,038,989	1,038,989	-23,606	1,015,383
Unrealised profits and losses from valuation of securities	0	0	-725,208	0	0	-725,208	0	-725,208
Currency translation in the Group	0	0	0	389,422	0	389,422	374,610	764,032
Total consolidated income	0	0	-725,208	389,422	1,038,989	703,203	351,004	1,054,207
as of 6/30/2020	4,949,999	12,174,192	1,204,081	703,021	1,499,328	20,530,621	-295,632	20,234,989
as of 1/1/2021	4,949,999	12,174,192	1,171,470	737,712	1,268,167	20,301,540	-376,082	19,925,458
Purchase of shares in the subsidiary Geratherm Respiratory GmbH from shareholders of minority interests	0	0	0	0	-45,000	-45,000	-15,000	-60,000
Dividend paid to shareholders	0	0	0	0	-1,979,999	-1,979,999	0	-1,979,999
Transactions with shareholders and member partners	0	0	0	0	-2,024,999	-2,024,999	-15,000	-2,039,999
Consolidated earnings in period concerned	0	0	0	0	620,566	620,566	212,386	832,952
Unrealised profits and losses from valuation of securities	0	0	368,302	0	0	368,302	0	368,302
Currency translation in the Group	0	0	0	-89,885	0	-89,885	-88,409	-178,294
Total consolidated income	0	0	368,302	-89,885	620,566	898,983	123,977	1,022,960
as of 6/30/2021	4,949,999	12,174,192	1,539,772	647,827	-136,266	19,175,524	-267,105	18,908,419

Consolidated statement of comprehensive income as per IFRS for the period from January 1 to June 30, 2021

	1/1 – 6/30/2021 EUR	1/1 – 6/30/2020 EUR
Consolidated profit for the period	832,952	1,015,383
Income and expenses directly recognised in equity, which are not reclassified to profit or loss:		
Profits or losses from valuation of investments according to IFRS 9	0	0
Profits or losses from valuation of securities according to IFRS 9	368,302	-725,208
	368,302	-725,208
Income and expenses directly recognised in equity, which are reclassified to profit or loss under specific conditions:		
Difference resulting from currency translation	-178,294	764,032
	-178,294	764,032
Other income	190,008	38,824
Overall result	1,022,960	1,054,207
of which assignable to shareholders of minority interest	123,977	351,004
of which assignable to shareholders of parent company	898,983	703,203

Group segment report for the period from January 1 to June 30, 2021

By product groups 2021	Healthcare Diagnostic Jan.-June kEUR	Respiratory Jan.-June kEUR	Medical Warming Systems Jan.-June kEUR	Cardio/ Stroke Jan.-June kEUR	Consolidation Jan.-June kEUR	Reconciliation Jan.-June kEUR	Total Jan.-June kEUR
Segment sales	8,277	2,843	762	1,258	-739	0	12,401
Operating results	742	202	-248	376	-57	-34	981
including:							
Amortisation/ depreciation of intangible and tangible assets	328	97	139	66	66	52	748
Interest income	-24	-28	-2	-7	0	0	-61
Segment assets	15,344	4,464	3,778	3,614	0	7,627	34,827
of which long-term assets	6,840	2,568	1,592	2,375	0	1,470	14,845
Segment debts	10,095	2,799	1,396	1,629	0	0	15,919

By product groups 2020	Healthcare Diagnostic Jan.-June kEUR	Respiratory Jan.-June kEUR	Medical Warming Systems Jan.-June kEUR	Cardio/ Stroke Jan.-June kEUR	Consolidation Jan.-June kEUR	Reconciliation Jan.-June kEUR	Total Jan.-June kEUR
Segment sales	10,056	2,329	1,096	983	-617	0	13,847
Operating results	1,321	55	-132	231	119	-140	1,454
including:							
Amortisation/ depreciation of intangible and tangible assets	315	68	22	35	133	25	598
Interest income	-16	-30	-1	-3	0	0	-50
Segment assets	13,794	4,573	3,448	2,770	0	11,732	36,317
of which long-term assets	7,310	2,402	1,262	1,611	0	1,370	13,955
Segment debts	11,366	2,834	713	1,139	0	0	16,052

By region	Europe	South America	Germany	Middle East	USA	Other	Total
2021	Jan.-June kEUR	Jan.-June kEUR	Jan.-June kEUR	Jan.-June kEUR	Jan.-June kEUR	Jan.-June kEUR	Jan.-June kEUR
Sales revenues	7,060	404	3,516	1,041	606	513	13,140
Elimination of intragroup sales	0	-32	-707	0	0	0	-739
Sales revenues on third parties	7,060	372	2,809	1,041	606	513	12,401
Gross profit or loss	4,890	267	2,124	721	420	355	8,777
Operating results	504	105	219	74	43	36	981
including:							
Amortisation and depreciation of intangible and tangible assets	420	18	182	62	36	30	748
Amortisation of public grants and subsidies	33	0	13	5	3	3	57
Interest income	0	0	-61	0	0	0	-61
Acquisition costs of fixed assets for the period	0	0	802	0	0	0	802
Segment assets	0	523	33,957	0	347	0	34,827
of which long-term assets	0	241	14,602	0	2	0	14,845

By region	Europe	South America	Germany	Middle East	USA	Other	Total
2020	Jan.-June kEUR	Jan.-June kEUR	Jan.-June kEUR	Jan.-June kEUR	Jan.-June kEUR	Jan.-June kEUR	Jan.-June kEUR
Sales revenues	8,191	796	3,122	407	963	985	14,464
Elimination of intragroup sales	0	-35	-582	0	0	0	-617
Sales revenues on third parties	8,191	761	2,540	407	963	985	13,847
Gross profit or loss	5,175	415	1,801	257	608	623	8,879
Operating results	1,006	-192	350	50	119	121	1,454
including:							
Amortisation and depreciation of intangible and tangible assets	355	17	124	18	42	42	598
Amortisation of public grants and subsidies	36	0	11	2	4	4	57
Interest income	0	0	-24	0	0	0	-24
Acquisition costs of fixed assets for the period	0	0	1,708	0	0	0	1,708
Segment assets	0	886	35,323	0	108	0	36,317
of which long-term assets	0	232	13,723	0	0	0	13,955

Notes on Interim Consolidated Financial Statements for the Period from January 1, 2021 to June 30, 2021

Accounting and valuation methods

The interim consolidated financial statements of Geratherm Medical AG were prepared for the first six months of the 2021 business year in accordance with the rules of the International Financial Reporting Standards (IFRS) valid on the date of the financial statements and in consideration of the guidance provided by the International Financial Reporting Interpretations Committee (IFRIC), as is mandatory in the European Union.

The accounting, evaluation and consolidation principles were maintained, as shown in the Notes to Consolidated Financial Statements for 2020 Fiscal Year. The valuation of assets and liabilities is based in part on estimates and/or assumptions about future developments. The estimates are based on past experience and other knowledge of the business transactions which are to be accounted for. For instance, the assessment of capitalisation requirements for development projects, the statements on economic useful lives for long-term intangible and tangible assets are based in particular on estimates and assumptions. In addition, the assessment of assets of the "hold and sell" category, which are not traded on an active market, is based on the corporate planning, which of course involves uncertainties such that the actual values may deviate in individual cases from the made assumptions and estimates. There are also estimates and assumptions relating to the contractual term of the leased office and storage space of subsidiaries. Estimates and the underlying assumptions are regularly checked and evaluated with regard to possible impact on accounting. There are also estimates relating to the loan obligations of the Brazilian subsidiary, which is currently in bankruptcy protection under Brazilian law. Estimates are also made when evaluating the valuation allowance due to the expected credit losses on trade accounts receivable and contractual assets as well as the recognition of deferred tax assets in relation to the availability and future taxable results, against which deductible temporary differences and tax losses carried forward can be used.

Consolidated group

No changes occurred in the consolidation group as at June 30, 2021:

Company	Share quota 6/30/2021	Share quota 12/31/2020
GME Rechte und Beteiligungen GmbH, Geschwenda, Germany	100.00 %	100.00 %
apoplex medical technologies GmbH, Pirmasens, Germany	53.42 %	53.42 %
Geratherm Respiratory GmbH, Bad Kissingen, Germany	67.58 %	65.27 %
Geratherm Medical do Brasil Ltda., Sao Paulo, Brazil	51.00 %	51.00 %
Sensor Systems GmbH, Steinbach Hallenberg, Germany	100.00 %	100.00 %
Capillary Solutions GmbH, Geschwenda, Germany	100.00 %	100.00 %
LMT Medical Systems GmbH, Lübeck, Germany <i>Subsidiary of LMT Lübeck</i> <i>LMT Medical Systems Inc., Ohio, USA</i>	80.00 % 100.00%	80.00 % 100.00 %

As of June 30, 2021, Geratherm Medical AG's share in the nominal capital of Geratherm Respiratory GmbH had changed. With the purchase agreement from May 19, 2021, Geratherm Medical AG took over additional nominal capital shares of minority interests in Geratherm Respiratory GmbH at a purchase price of 60 kEUR. As a result, the participation in the nominal capital of Geratherm Respiratory GmbH increased by +2.31 % (15 kEUR). The purchase price difference in the amount of 45 kEUR was shown as revenue reserve in equity capital of the Group.

Equity capital

The development of the equity capital is shown in the consolidated statement of change to the shareholders' equity. The subscribed capital of Geratherm Medical AG amounted all in all to EUR 4,949,999 as at June 30, 2021 (2020: EUR 4,949,999) and is divided into 4,949,999 (2020: 4,949,999) share certificates issued to the bearers. The subscribed capital has been paid in full. As of the reporting date, there were no own shares held by the company.

The shareholders of Geratherm Medical have agreed during the annual general meeting of the company on June 11, 2021 in Frankfurt to distribute a dividend of EUR 0.40 per individual share.

The dividend was distributed in the amount of EUR 1,979,999.60 on June 16, 2021.

These interim consolidated financial statements as at June 30, 2021 were not audited or reviewed by an auditing company.

Financial statement affidavit

To the best of my knowledge, and in accordance with the applicable accounting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group interim management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Geratal, August 2021



Christian Frick
Chief Executive Officer

COMPANY CALENDAR 2021

Quarterly report Q1/2021

May 20 ✓

Half-yearly report 2021

August 25 ✓

Quarterly report Q3/2021

November 24

Analyst event

May 17 ✓

Annual general meeting

June 11 ✓

Geratherm Medical AG
Fahrenheitstraße 1
99331 Geratal
Phone: +49 36205 980
Fax.: +49 36205/98 115
e-mail: info@geratherm.com
Internet: www.geratherm.com