

RINGMETALL SE
(formerly RINGMETALL AG)

INTERIM REPORT
1ST HALF YEAR 2021



RINGMETALL SE
(formerly RINGMETALL AG)

INTERIM FINANCIAL REPORT 2021

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TO THE SHAREHOLDER

KEY FIGURES OF THE GROUP

P&L KEY FIGURES	H1 2021	H1 2020	Δ	Δ %
EUR '000				
Group Revenues	78,289	62,320	15,969	25.6%
Total Output	79,070	63,066	16,004	25.4%
Gross Profit	37,369	30,169	7,200	23.9%
EBITDA	11,302	6,495	4,807	74.0%
EBIT	8,212	3,370	4,842	143.7%
Consolidated Net Profit	6,000	1,792	4,208	234.8%

BALANCE SHEET KEY FIGURES	30.06.2021	31.12.2020	Δ	Δ %
EUR '000				
Fixed assets	70,841	66,021	4,820	7.3%
Current assets	51,246	35,392	15,854	44.8%
Equity	54,016	49,589	4,427	8.9%
Equity ratio	43.5 %	47.9 %		
Liabilities	60,757	47,152	13,605	28.9%
Balance sheet total	124,182	103,547	20,635	19.9%

OTHER KEY FIGURES	30.06.2021	30.6.2020	Δ	Δ %
Employees (average of period)	726	701	25	3.6%

Gross profit: Temporary staff are reported under personnel expenses and not under cost of materials, as this is more in line with the Group's economic approach.

LETTER FROM THE MANAGEMENT BOARD

Dear Shareholders,

Dear customers and business partners,

COVID-19 and the global impact of the pandemic will continue to determine large parts of our lives and business processes in 2021. However, unlike in 2020, we are all now better able to accept the imponderables of the pandemic as an unchangeable part of our lives and to cope with this new environment as well as possible.

For us - the Ringmetall Group - too, COVID-19 brought hard cuts, to which we had to react resolutely and not without privations. Nevertheless, we have managed to master this extraordinary challenge extremely well up to the present time. We have adapted our production to the new conditions and implemented a large number of efficiency enhancement measures to become more flexible and effective. We have therefore been able to largely dispense with short-time working in the course of the pandemic so far. What's more, the number of employees in the Group has grown further, not least as a result of the acquisition of HOSTO Stolz GmbH & Co. KG in May of this year.

With the acquisition of HOSTO, we have further consolidated our position as the world's leading manufacturer of drum closure systems and at the same time expanded our production know-how. The company was previously our largest competitor in the field of clamping ring production for the tinsplate industry in Europe. The company's products are generally considered to be of very high quality. In recent years, HOSTO has generated annual revenues of EUR 8 to 10 million with a single-digit EBITDA margin and around 80 employees. The integration of the new company as an additional production site, mainly into the Group subsidiary Berger Global, is proceeding according to plan. In the process, individual production areas are being reallocated between Ringmetall Group company locations in order to realize production synergies and optimize production processes and capacity utilization.

In addition to our operational efforts and the successful adaptation of processes and workflows, significantly rising steel prices and exchange rates developing in our favor have given us a tailwind. All this has resulted in record sales and earnings in the 1st half 2021. Our consolidated revenues increased significantly by 25.6 percent to EUR 78.3 million. We also achieved strong organic growth of 9.9 percent. In terms of earnings before interest, taxes, depreciation and amortization, we succeeded in achieving significantly disproportionate growth. At EUR 11.3 million, it was 74.0 percent higher than in the previous year. At 14.3 percent, our EBITDA margin was close to our medium-term development target of 15 percent.

At the 2021 Annual General Meeting on 16 June, our shareholders almost unanimously approved the change of legal form of Ringmetall AG to a European Company (Societas Europaea, SE) and the simultaneous conversion of bearer shares to registered shares. This was successfully completed in August. As Ringmetall SE, we are now even more clearly committed to our international structure and, via the information from our share register, we will be able to enter into dialog with our shareholders even more easily in the future.

The business performance to date in the 3rd quarter makes us confident that we will also be operationally successful in the 2nd half of 2021. In view of the unchanged high momentum in business development, we are

again raising our forecast for the full year 2021. Based on a conservative estimate, we now expect consolidated revenues of between EUR 150 and 160 million and EBITDA of between EUR 17 and 19 million.

It remains to be hoped that we all manage to weather the further course of the pandemic well, given the circumstances. We believe that the Ringmetall Group is currently well prepared. Even if the future should present us with a bumpy road in the longer term.

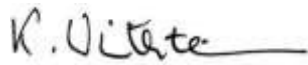
We would therefore like to thank you for continuing to accompany us on our journey and wish you personally all the best. Stay healthy!

Yours sincerely

The Management Board of Ringmetall SE



Christoph Petri



Konstantin Winterstein

BUSINESS MODEL AND STRUCTURE

As a leading global specialist supplier in the packaging industry, Ringmetall concentrates on the market for packaging elements for industrial drums. While the focus is on the market for drum clamping rings, the Group is consistently expanding its influence into adjacent business areas. The aim is to hold a market-leading position in all areas of the core business.

The company emerged from its predecessor company, H.P.I. Holding AG, in 2015 by changing its name and adapting its business model. This in turn was founded in 1997 as an investment company. Since renaming the company and adapting the business model, Ringmetall has been operating as a specialized industrial holding company in the two business segments Industrial Packaging and Industrial Handling. Ringmetall develops, produces and markets packaging solutions for use in the chemical, petrochemical and pharmaceutical industries, the food industry as well as products for warehouse logistics and the agricultural sector.

In the Industrial Packaging division, Ringmetall Group manufactures packaging elements for industrial drums and multi-component systems. The product range in the Industrial Packaging division primarily includes closure clamping rings as well as inner sleeves - so-called inliners - and bag-in-box systems. In addition, the company also produces drum lids, seals, handles, complex closure units and special components to customer specifications with a wide range of dimensions, quality levels and usage profiles. The product group of clamping rings represents the proportionally largest sales driver of the Ringmetall Group, followed by inliners and bag-in-box systems. In total, Ringmetall produces over 2,500 different variants of clamping rings and over 4,000 different variants of inliners.

In the market for industrial drums, the company focuses primarily on the special requirements of so-called open top drums and here specifically steel drums, plastic drums, fiber drums and pails. In 2019, the company also entered the market for inner liners for industrial drums and multi-component systems. Since then, the Group has also offered product solutions in the field of closed top drums and for bag-in-box systems, a special packaging particularly for food products.

In the Industrial Handling business unit, the Ringmetall Group manufactures vehicle attachments for special vehicles in freight and warehouse logistics as well as in the agricultural sector. In addition to attachments for tractors, agricultural machinery and trucks, these include above all those for industrial trucks. The product range mainly includes restraint systems and trailer hitch systems. However, lift mast parts, clutch and brake pedals with special requirement profiles, hydraulic components and complex welding assemblies are also part of the product range.

The Ringmetall Group has a holding structure in which the subsidiaries assigned to the two divisions are linked to the parent company. This Munich-based holding company, Ringmetall SE, combines central group functions. These include above all the areas of finance and group financing, investor relations, IT, strategy and corporate development, as well as the preparation and implementation of corporate acquisitions. In addition to the holding company, the Group consisted of a total of 24 companies at the end of June 2021. Of these, 16 companies are operationally active, three companies are purely interim holding companies, four companies operate as administrative units and one company is dormant.

ECONOMIC REPORT FOR THE HALF YEAR 2021

GENERAL ECONOMIC SITUATION

Following the heavy burdens caused by the course of the COVID 19 pandemic, the German economy benefited from a recovery in the economic environment in the 2nd quarter. According to initial reports from the Federal Statistical Office, gross domestic product increased by 1.5 percent. Nevertheless, the recovery was split into two parts: while service sectors benefited from the easing of pandemic containment measures, industrial sectors were impacted by supply bottlenecks for a large number of products and raw materials.

Accordingly, industrial production declined again in June, mainly due to supply bottlenecks for semiconductors for the automotive industry. In the construction sector, the shortage of lumber led to reduced momentum. The outlook for the industrial economy as a whole remains cautiously optimistic in view of continuing high demand.

The inflation rate increased sharply from June to July. This development is mainly attributable to a base effect due to the temporary reduction in sales tax rates a year earlier. The inflation rate had already risen significantly since the beginning of the year due to other special factors (increase in raw material prices and CO2 pricing). At the beginning of 2022, however, the inflation rate is expected to fall again significantly once the special effects have expired.

The positive trend on the labor market since the end of the third pandemic wave continues. Unemployment fell sharply in July on a seasonally adjusted basis, and employment increased again on a seasonally adjusted basis in June. Short-time working also decreased further in the middle of the year.

According to statista, the global macroeconomic situation continued to develop positively over the course of the 1st half and gained momentum. However, in August 2021 the general economic situation deteriorated for the first time in over a year. General expectations for the rest of the year also deteriorated noticeably.

BUSINESS DEVELOPMENT AND SITUATION OF THE RINGMETALL GROUP

General business development

Despite noticeable imponderables due to COVID-19, the global economy proved surprisingly robust in the 1st half of the year. Demand for the products of the Ringmetall Group therefore increased significantly in a large number of customer industries. As a system supplier to the packaging industry, the company benefited noticeably from a broad economic upturn, particularly in the 2nd quarter. In the Industrial Handling business, which is much more sensitive to changes in the general economic situation, demand for product solutions for both industrial trucks and agricultural machinery also increased significantly.

Supported by substantially rising steel prices and exchange rates moving in the company's favor - especially between the U.S. dollar and the euro - the Group's revenues increased significantly by 25.6 percent to EUR 78.3 million, compared to EUR 62.3 million in the previous year. The percentage contribution to revenues made by the HOSTO acquisition, which was consolidated for the first time as of 31 May 2021, amounted to just 1.8 percent. Earnings before interest, taxes, depreciation and amortization (EBITDA) showed growth of around three times this amount. It increased by 74.0 percent to EUR 11.3 million (H1 2020: EUR 6.5 million). The EBITDA

margin rose accordingly from 10.3 percent in the previous year to 14.3 percent, marking a new historic high in the company's development to date.

Net assets, financial position and results of operations

The Group's total assets of EUR 124.2 million as of 30 June 2021, increased significantly by EUR 20.6 million compared to year-end 2020 (31 December 2020: EUR 103.5 million). One of the reasons for this development is the acquisition of HOSTO. Furthermore, the significant increase in steel prices led to a substantially higher valuation of inventories in particular. Inventories were also selectively built up in the 1st half due to the shortage of raw materials on the world markets and to ensure supply capability. As a result, both trade accounts receivable and trade accounts payable also increased significantly. Equity increased by EUR 4.4 million to EUR 54.0 million. At 43.5 percent, the equity ratio was significantly lower than in the previous year (31 December 2020: 47.9 percent) as a consequence of the sharp increase in total assets, despite the significant increase in profit for the period.

With regard to the acquisition of HOSTO, the preliminary purchase price allocation (IFRS 3) shows net assets of EUR 5.2 million and goodwill of EUR 0.9 million. In total, this acquisition results in an increase in assets of EUR 8.7 million as of 30 June 2021.

In terms of individual items, the strongest increase on the assets side compared to the end of 2020 was in trade receivables (increase of EUR 10.1 million) and inventories (increase of EUR 5.1 million). This development is evident at all Group companies, to a greater or lesser extent. Cash and cash equivalents remained almost unchanged at EUR 6.3 million (31 December 2020: EUR 6.2 million).

At EUR 0.9 million, cash outflows for investments in non-current assets were slightly lower than in H1 2020. However, cash outflows for additions to the scope of consolidation of EUR 4.1 million were significantly higher (H1 2020: EUR 0.0 million), resulting in a total cash outflow from investing activities that was EUR 3.8 million higher. In terms of cash flow from financing activities, there was an inflow of EUR 1.2 million, compared to an outflow of EUR 2.1 million in H1 2020. Due to COVID-19, the Annual General Meeting was postponed to August in 2020, whereas in 2021 the dividend payment in the volume of EUR 2.0 million was already made in June. Against the backdrop of the completed acquisition, there was a significantly higher balance of EUR 4.7 million from cash inflows and outflows from financial loans compared to the previous year (H1 2020: EUR -0.3 million). The cash flow from operating activities of EUR 3.7 million (H1 2020: EUR 5.3 million) is characterized by the significantly improved result for the period combined with a significant increase in assets, especially current assets.

Within non-current and current liabilities, there were significant changes in financial liabilities, other provisions and trade payables. As a result of the HOSTO acquisition, non-current bank loans increased from EUR 15.5 million to EUR 21.5 million. Current other provisions of EUR 6.3 million showed a higher balance than at the end of the year (December 31, 2020: EUR 3.6 million), as is usual at mid-year. This is due in particular to the personnel-related provisions. EUR 0.5 million of the increase here is attributable to the acquisition of HOSTO. In addition to HOSTO, the increase of EUR 6.4 million to EUR 16.5 million in trade payables is mainly due to the above-mentioned effects of steel price developments, the deliberate increase in inventories and the reporting date approach. Overall, Ringmetall continues to have a solid financing structure which will secure its further organic and inorganic growth.

Both Industrial Packaging and Industrial Handling were able to significantly increase revenues compared to the 1st half of 2020. Overall, revenues increased from EUR 62.3 million to EUR 78.3 million. Organic growth, i.e. growth excluding effects from acquisitions and raw material prices, amounted to 9.9 percent in the Industrial Packaging segment.

The gross profit margin, i.e. total output less cost of materials in relation to total output, was on a par with the previous year at 47.3 percent (H1 2020: 47.8 percent). While the gross profit margin in the Industrial Packaging Segment declined slightly, it increased slightly in the Industrial Handling Segment in the same period.

In absolute terms, personnel expenses increased from EUR 16.6 million to EUR 18.2 million. In relation to total output, however, there was a substantial decrease from 26.3 percent in the previous year to 23.0 percent. In addition to the price-related increases in total output caused by raw materials, further optimization and thus efficiency improvements are responsible for the positive development. In this context, Ringmetall continues to rely to a certain extent on the use of temporary and contract workers in order to be able to respond as flexibly as possible to fluctuations in demand. Expenses for temporary workers increased from EUR 1.6 million to EUR 2.0 million compared to the same period of the previous year.

In line with personnel expenses, other expenses increased in absolute terms, but fell as a proportion of total operating performance from 11.6 percent in the previous year to 10.6 percent. There was a significant increase in particular in expenses for external services and consultancy. This is due to the further optimization of the IT infrastructure and the change in legal form from an AG to an SE.

Summarizing overall statement

Against the backdrop of a general economic recovery, the Ringmetall Group was able to significantly increase revenues and earnings. Group revenues increased by 25.6 percent to EUR 78.3 million (H1 2020: EUR 62.3 million). In addition to a significant increase in steel prices, which the company was able to pass on to its customers to a large extent, an increase in sales volumes in the clamping ring business was also decisive for the sales growth. At the same time, the company benefited from the development of the US dollar against the euro and a significant revival in demand in the Industrial Handling business. Accordingly, earnings before interest, taxes, depreciation and amortization (EBITDA) increased disproportionately by 74.0 percent to EUR 11.3 million (H1 2020: EUR 6.5 million). The EBITDA margin rose accordingly from 10.3 percent in the previous year to 14.3 percent, marking a new historic high in the company's development to date.

RISK AND OPPORTUNITY REPORT

Taking into account the respective probabilities of occurrence and the potential financial impact of the risks explained in the Annual Report 2020 and against the backdrop of the current business outlook, the Management Board does not expect any substantial threat to or impairment of the Company's ability to continue as a going concern.

Against the backdrop of the pandemic course in fiscal year 2021 to date, the Management Board continues to consider the precautions and measures outlined in the Annual Report 2020 to be appropriate in terms of their nature and scope. This also applies in view of a more severe course of the fourth wave of the pandemic becoming apparent. Despite the currently very positive business performance and the now high vaccination

coverage rates in most industrialized nations, the Management Board continues to pay increased attention to possible future risks from the pandemic. Therefore, these risks continue to be classified as "medium".

Overall, the Management Board considers the Company's profitability to remain solid. It provides an optimal basis for continued positive business development and secures the necessary resources for the company to take advantage of operating opportunities as they arise. The Group's risk profile therefore remains unchanged from the assessment in the 2020 Annual Report.

OUTLOOK

The original forecast for the current fiscal year 2021 was published by the company on 9 February 2021, together with the preliminary figures for business performance in 2020. As a result of the positive business performance in the 1st quarter and the acquisition of HOSTO, this forecast was raised for the first time on 17 May 2021. Against the background of continuing dynamic business development, this forecast was raised again on 16 August 2021 on the basis of initial figures available on business performance in the 1st half of 2021.

Accordingly, the Management Board now expects consolidated revenues of between EUR 150 and 160 million (previously: EUR 135 to 145 million) and EBITDA of between EUR 17 and 19 million (previously: EUR 13 to 15 million). Organic growth is expected to continue in the clamping rings product area in particular, although it is likely to be lower in the 2nd half than in the 1st half. The adjusted forecast includes the effects expected for the first nine months of 2021 from changes in raw material prices and in the exchange rates of the euro to the US dollar, the Turkish lira and the British pound compared with the end of the year. Also included are effects expected to date from the acquisition of HOSTO. For the 4th quarter 2021, possible effects from changes in raw material prices, the aforementioned exchange rates and possible further acquisitions are explicitly not part of the adjusted forecast.

DECLARATION OF THE LEGAL REPRESENTATIVES

To the best of our knowledge, and in accordance with the applicable reporting 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 interim management report of the Group 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.

These condensed interim financial statements were authorized for issue by the Management Board on 16 September 2021.

THE RINGMETALL GROUP

CONSOLIDATED BALANCE SHEETS ASSETS

ASSETS EUR '000	Notes	30.06.2021	31.12.2020
Non-current assets			
Intangible assets		3,261	2,915
Goodwill	7	33,425	32,300
Property, plant and equipment		33,991	30,604
Investments accounted for using the equity method		48	66
Other non-current assets		115	136
Deferred tax assets		2,096	2,134
Total non-current assets		72,936	68,155
Current assets			
Inventories		17,326	12,202
Trade receivables		25,241	15,150
Contract assets		595	435
Other current assets		1,366	870
Current tax receivables		402	510
Cash and cash equivalents		6,316	6,225
Total current assets		51,246	35,392
Total assets		124,182	103,547

CONSOLIDATED BALANCE SHEETS LIABILITIES

LIABILITIES			
EUR '000	Notes	30.6.2021	31.12.2020
Equity			
Share capital		29,069	29,069
Capital reserves		16,664	16,664
Currency translation differences recognized outside profit or loss		-1,315	-1,765
Revaluation of severance payment obligations and others		63	39
Retained earnings		8,707	4,713
Non-controlling interests		828	869
Total equity		54,016	49,589
Non-current liabilities			
Provisions for post-employment benefits		809	844
Financial liabilities	8	32,434	26,855
Deferred tax liabilities		2,342	2,352
Total non-current liabilities		35,585	30,051
Current liabilities			
Other provisions		6,258	3,610
Current tax liabilities		1,018	789
Financial liabilities	8	8,370	7,330
Trade payables	9	16,500	10,153
Other liabilities		2,435	2,025
Total current liabilities		34,581	23,907
Total liabilities		70,166	53,958
Total assets		124,182	103,547

CONSOLIDATED PROFIT AND LOSS STATEMENT

EUR '000	Notes	H1 2021	H1 2020
Revenue	11	78,289	62,320
Other income		657	391
Change in inventories of finished goods and work in progress		781	746
		79,727	63,457
Cost of materials	12	-41,701	-32,897
Cost of personnel	12	-18,191	-16,595
Other expenses	12	-8,390	-7,304
Other taxes		-126	-135
Result from investments accounted for using the equity method	13	-17	-31
Earnings before interest, taxes, depreciation and amortization (EBITDA)		11,302	6,495
Depreciation		-3,090	-3,125
Earnings before interest and taxes (EBIT)		8,212	3,370
Finance income		14	14
Finance costs		-427	-764
Net income for the period from 01.01. to 30.06. from continuing operations before taxes		7,799	2,620
Income tax expense	15	-1,799	-828
Consolidated net income for the period from 01.01. to 30.06.		6,000	1,792
Of the consolidated net income for the period, the following are attributable to:			
Shareholders of Ringmetall AG		5,738	1,611
Non-controlling interests		262	181
Earnings per share	16		
Basic earnings per share (EUR)		0.20	0.06
Diluted earnings per share (EUR)		0.20	0.06

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR '000	Notes	H1 2021	H1 2020
Consolidated result for the period from 01.01. to 30.06.		6,000	1,792
Items in other comprehensive income that could affect expenses or income in the future:			
Foreign business currency translation differences		457	62
Items of other comprehensive income that will not be recognized as expenses or income in the future:			
Result from the revaluation of the severance payment obligation		31	-5
		-7	3
Other comprehensive income		481	60
Total comprehensive income from 01.01. bis 30.06.		6,481	1,852
Total comprehensive income attributable to:			
Shareholders of Ringmetall AG		6,212	1,700
Non-controlling interests		269	152

CONSOLIDATED STATEMENT OF CASH FLOWS (SHORT)

TEUR	H1 2021	H1 2020
1. Cash flow from operating activities		
Cash flow before interest, taxes and refinancing	11,211	6,522
Cash flow before interest and taxes	5,275	5,984
Cash flow from income taxes	-1,607	-659
Cash flow from operating activities	3,668	5,325
2. Cash flow from investment activities		
Inflows from the disposal of property, plant and equipment	92	-
Outflows for investments in property, plant and equipment	-668	-807
Outflows for investments in intangible asset	-183	-228
Outflows for additions to the scope of consolidation in the current financial year	-4,049	0
Other Inflow/ Outflow for investments	-	7
Cash flow from investment activities	-4,808	-1,028
3. Cash flow from financing activities		
Deposits from taking out financial loans	6,124	2,844
Payments from the repayment of financial loans	-1,471	-3,118
Payments from the repayment of financial leasing	-1,103	-1,136
Payments to shareholders (dividend payment)	-2,026	-265
Interest paid (*)	-372	-408
Interest received (*)	14	7
Cash flow from financing activities (**)	1,166	-2,076
4. Cash at the end of the period		
Cash-effective change in cash and cash equivalents	26	2,221
Influence of exchange rate effects on the means of payment	65	-74
Changes in cash and cash equivalents due to changes in the scope of consolidation	0	-
Financial funds at the beginning of the period	6,225	3,591
Cash at the end of the period	6,316	5,738
5. Composition of Cash		
Cash and cash equivalents	6,316	5,738
Current liabilities to banks	0	0
Cash at the end of the period	6,316	5,738

(*) Due to a better presentation, interest paid and received has been reported under cash flow from financing activities and not under cash flow from operating activities.

(**) Of the cash and cash equivalents, an amount of EUR 419 k (31 Dec. 2020: EUR 359 thousand) relates to non-controlling interests.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR '000	Notes	Share capital	Capital reserves	Currency translation reserve	Revaluation of severance obligation	Effect of first-time adoption of IFRS 15	Consolidated result carryforward	Total	Non-controlling interests	Total equity
As of 1.1.2020 (IFRS)		29,069	16,664	-890	1	22	4,069	48,935	1,064	49,999
Consolidated result for the period from 01.01. to 30.06.	16						1,611	1,611	181	1,792
Capital increase								0	-328	-328
Other comprehensive income				91	-2			89	-29	60
Change in scope of consolidation								0		0
Total transactions with owners of the company		0	0	91	-2	0	1,611	1,700	-176	1,524
As of 30.06.2020 (IFRS)		29,069	16,664	-799	-1	22	5,680	50,635	888	51,523

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR '000	Notes	Share capital	Capital reserves	Currency translation reserve	Revaluation of severance obligation	Effect of first-time adoption of IFRS 15	Consolidated result carryforward	Total	Non-controlling interests	Total equity
As of 1.1.2021 (IFRS)		29,069	16,664	-1,765	17	22	4,713	48,720	869	49,589
Consolidated result for the period from 01.01. to 30.06.	16						5,738	5,738	262	6,000
Capital increase							-1,744	-1,744	-310	-2,054
Other comprehensive income				450	24			474	7	481
Change in scope of consolidation								0		0
Total transactions with owners of the company		0	0	450	24	0	3,994	4,468	-41	4,427
As of 30.06.2021 (IFRS)		29,069	16,664	-1,315	41	22	8,707	53,188	828	54,016

SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. General information

Ringmetall SE (hereinafter: "Ringmetall") is a leading specialist supplier in the packaging industry with production and sales locations worldwide. The main activities of Ringmetall and its subsidiaries are assigned to the business areas Industrial Packaging and Industrial Handling. Ringmetall assumes a superordinate function in the organizational structure as the managing holding company. It combines central Group functions.

It was entered in the Munich Commercial Register (HRB 118683) of the Munich Local Court as H.P.I. Holding Aktiengesellschaft on 2 December 1997. With the entry of 2 August 2021, thus between the reporting date and the date of preparation, in the Commercial Register B of the Local Court of Munich, the change of legal form of Ringmetall AG into Ringmetall SE took place. The registered office of the Company is Munich. The address is Innere Wiener Straße 9, 81667 Munich.

The interim consolidated financial statements of Ringmetall are prepared in euros. Unless otherwise stated, figures are given in EUR thousand. Amounts are rounded in accordance with standard commercial practice.

2. Basics of accounting

These unaudited interim financial statements of the Ringmetall Group comprise the condensed interim consolidated financial statements and the interim group management report. The condensed interim consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), taking into account IAS 34 Interim Financial Reporting, which were effective as of the reporting date 30 June 2021, and as adopted by the European Union. The interim financial statements also comply with German Accounting Standards (GASs) in compliance with GAS 16 Interim Financial Reporting, which were effective and applicable at the reporting date of 30 June 2021.

The standards and interpretations required to be applied for the first time as of 1 January 2021 had no impact on the Group's net assets, financial position and results of operations and therefore there was no need for retrospective adjustments. Further information on the amendments is presented in the notes to the consolidated financial statements in the annual report as of 31 December 2020, 6.1 "Amendments to standards whose application was not yet mandatory in the financial year" p. 78 f.

The interim consolidated financial statements are based on the reporting period from 1 January to 30 June 2021.

This interim report should be read in conjunction with the annual report for the financial year 2020, which contains a detailed presentation of the Group's operations and explanatory notes on the Group's accounting policies applied in the reporting period. The accounting policies have remained fundamentally unchanged from the prior year.

3. List of subsidiaries

All subsidiaries of Ringmetall SE are listed below.

The consolidated financial statements as of 30 June 2021 include all entities over which Ringmetall SE can exercise direct or indirect control over the financial and operating policies. Subsidiaries are included in the consolidated financial statements by way of full consolidation from the date on which control is transferred to the Group. They are deconsolidated from the date on which control ceases.

The following subsidiaries are held by Ringmetall SE (directly / indirectly) and are fully consolidated in the interim consolidated financial statements as of 30 June 2021:

NAME OF THE COMPANY	Office	Country	Share in capital (%)
August Berger Metallwarenfabrik GmbH	Berg	Germany	100.00
Berger Closing Rings (Changshu) Co., Ltd.	Changshu	China	100.00
Berger Group Europe Iberica, S.L.	Reus	Spain	100.00
Berger Group US Inc. (formerly Berger US Inc.)	Birmingham	USA	100.00
Berger Italia S.r.l.	Valmadrera	Italy	100.00
Berger US Inc. (formerly Self Industries Inc.)	Birmingham	USA	100.00
Cemsan Metal Parts Manufacturing Industry Trade Ltd. Company	Gebze-Kocaeli	Turkey	100.00
Fidum Verwaltungs GmbH	Munich	Germany	100.00
Fieder Verwaltungs GmbH	Munich	Germany	100.00
Hollandring B.V.	Vaassen	Netherlands	100.00
HOSTO Stolz GmbH & Co. KG	Neunkirchen	Germany	100.00
HOSTO Stolz Verwaltungs GmbH	Neunkirchen	Germany	100.00
HSM GmbH & Co. KG	Ernsgraben	Germany	100.00
Latza GmbH	Attendorn	Germany	100.00
Nittel Halle GmbH	Halle (Saale)	Germany	100.00
Tesseraux Spezialverpackungen GmbH	Bürstadt	Germany	100.00
Berger Hong Kong Limited	Hong Kong	China	80.00
Nittel B.V.	Moerdijk	Netherlands	80.00
Nittel France SARL	Merignac	France	80.00
S.G.T. S.r.l.	Albavilla	Italy	80.00
Berger Closures Limited	Peterlee	UK	75.57

If non-controlling interests are held in one of the subsidiaries listed above, Ringmetall refers to the disclosures in the consolidated income statement with regard to the share of profit or loss. Further financial data are not disclosed as they are of minor importance for the Group as a whole.

As of 30 June 2021, the following company is included at equity due to significant influence:

NAME AND REGISTERED OFFICE OF THE COMPANY	Office	Country	Share in capital (%)
Nittel UK Ltd.	Southport	UK	50.00

The following subsidiaries are not included by Ringmetall SE in the interim consolidated financial statements as of 30 June 2021 due to their minor significance for the net assets, financial position and results of operations:

COMPANY	Office	Country	Share in capital (%)
Berger Verwaltung GmbH i.L.*	Berg	Germany	100.00
HSM Verwaltungs GmbH	Ernsgaden	Germany	100.00

*The company is no longer operational and is in liquidation.

4. Expansion of the scope of consolidation / acquisition of assets

Acquisition HOSTO

In May 2021, the Ringmetall Group concluded negotiations on the purchase and acquired 100 percent of the limited partner's shares in HOSTO Stolz GmbH & Co. KG as well as 100 percent of the shares in HOSTO Stolz Verwaltungs GmbH.

Furthermore, the movable assets leased by HOSTO Stolz GmbH & Co. KG as well as the land on which the production facilities are located.

A total purchase price of EUR 6,150 thousand was agreed, of which a partial amount is payable as a vendor loan.

As of 19 May 2021, Ringmetall obtained domination and control over HOSTO Stolz GmbH & Co. KG and has been the beneficial owner since then. However, for simplification and materiality reasons (substance over form and materiality), the initial consolidation took place as of 31 May 2021.

With HOSTO Stolz GmbH & Co. KG Ringmetall strengthens its market position and expands its production know-how. HOSTO Stolz GmbH & Co. KG has its production site in Neunkirchen. With around 80 employees, the company produces mainly tension and retaining rings of around 11 million pieces per year, in addition to a wide range of different wire and strip bending parts and eyelets. The HOSTO companies have been allocated to the Industrial Packaging segment. The acquisition of HOSTO represents a single business combination as defined by IFRS 3. The identifiable assets acquired and liabilities assumed are measured at their fair values. All hidden

reserves and liabilities were disclosed in this purchase price allocation. The purchase price allocation essentially involves determining the fair value of all acquired assets and liabilities. The difference between the identifiable assets acquired and the liabilities assumed resulted in the total identifiable net assets acquired. Goodwill of EUR 916 thousand resulted as a positive difference between the purchase price and the total identifiable net assets acquired.

Total payments of EUR 4,049 thousand were made up to 30 June 2021, excluding interest. The goodwill results mainly from the expected synergies in market development and from the expected earnings potential of the newly acquired production site in Neunkirchen. In accordance with IFRS 3.45, the purchase price allocation is provisional. Adjustments may still be made to the items intangible assets and property, plant and equipment as well as goodwill.

Acquisition HOSTO EUR '000	Carrying amount before purchase price allocation	Fair value according to purchase price allocation
Intangible assets and propriety, plant and equipment	4,663	5,274
Inventory	1,274	1384
Receivables and other assets	4,368	4,448
Financial liabilities	-874	-874
Other provision	-624	-624
All other liabilities	-4,302	-4,302
Deferred taxes	35	-71
Total identifiable net assets	4,540	5,235
Goodwill		
Purchase price		6,150
Total identifiable net assets		5,234
Positive difference		916
Net paid cash		-4,049

5. Foreign currency

Ringmetall translates the assets and liabilities of foreign subsidiaries whose functional currency is not the euro at the average spot exchange rate as of 30 June 2021. The exchange rates of the major currencies used for translation in the Group for the reporting period are as follows:

		Balance sheet closing rate		P&L average rate	
1 EURO		30.6.2021	31.12.2020	H1 2021	H1 2020
Great Britain	GBP	0.8585	0.9046	0.8684	0.9109
China	CNY	7.6711	8.0154	7.7979	7.9384
Turkey	TRY	10.3423	9.0506	9.5129	7.6947
USA	USD	1.1879	1.2283	1.2057	1.1229

6. Business segments

The Management Board is the chief operating decision maker in accordance with IFRS 8. For management purposes, the Group is divided into the Industrial Packaging and Industrial Handling operating segments, based on the products offered by the segments. Both segments also represent the reportable segments.

The Industrial Packaging business segment specializes in the development, production and marketing of packaging elements for the drum industry. The product range, which focuses exclusively on industrial drums, includes not only the clamping ring, the lid and the seal, but also handles, closure units and requirement-specific special components. Since 2019, the product portfolio has also included the manufacture and sale of drum inner sleeves.

The second Industrial Handling business segment produces and markets application-oriented vehicle attachments for special vehicles in freight logistics and warehouse logistics. This segment develops and produces restraint systems, lift mast parts, and clutch and brake pedals for tractors, trucks, and above all industrial trucks. However, complex welded assemblies and trailer coupling systems as well as hydraulic components are also part of the product range.

The Management Board assesses the operating segments on the basis of EBITDA. EBITDA represents earnings before interest, taxes, depreciation and amortization.

6.1 Revenues

Sales between the segments are carried out at market prices. Sales to external customers, which are reported to the Management Board, are measured using the same principles as in the income statement.

EUR '000	H1 2021			H1 2020		
	Segment revenues	Intersegmental revenues	Revenues from external clients	Segment revenues	Intersegmental revenues	Revenues from external clients
Industrial Packaging	78,153	5,882	72,271	62,260	5,319	56,941
Industrial Handling	6,018	-	6,018	5,379	-	5,379
Other	421	421	-	382	382	-
Total	84,592	6,303	78,289	68,021	5,701	62,320

For further information on sales, please refer to Note 11.

6.2 Segment results

EUR '000	H1 2021	H1 2020
Industrial Packaging	12,572	7,406
Industrial Handling	693	184
Other	-1,963	-1,089
EBITDA before consolidation	11,302	6,501
Consolidation effects on EBITDA	-	-6
EBITDA	11,302	6,495
Depreciation Property, plant and equipment and intangible assets	-3,090	-3,125
EBIT	8,212	3,370
Financing result	-413	-750
Earnings before income taxes	7,799	2,620
Income tax expense	-1,799	-828
Net results	6,000	1,792

The assets and liabilities of the segments have developed in line with the business performance of the segments. There were no significant changes compared with 31 December 2020.

6.3 Group-wide information

The regional breakdown of sales to non-Group customers is as follows:

EUR '000	H1 2021				H1 2020			
	Germany	USA	Italy / UK	Rest	Germany	USA	Italy / UK	Rest
Industrial Packaging	17,945	21,283	10,490	22,553	14,669	16,823	2,990	22,459
Industrial Handling	5,685	0	0	333	5,045	0	0	334
Total	23,630	21,283	10,490	22,886	19,714	16,823	2,990	22,793

In the amount of EUR 28,210 thousand (H1 2020: EUR 21,924 thousand), revenues are based on transactions with two customers.

7. Goodwill

7.1 Reconciliation of the book value

TEUR	30.06.2021	31.12.2020
Acquisition cost	34,738	33,613
Accumulated impairment losses	-1,313	-1,313
	33,425	32,300
Acquisition cost		
Balance at beginning of year	33,613	34,759
Additional amounts recognized from business combinations	916	-
Effects of exchange rate differences	209	-1,146
Balance at end of year	34,738	33,613
Accumulated impairment losses		
Balance at beginning of year	1,313	1,842
Impairment losses recognized during the year	-	-
Effects of exchange rate differences	-	-529
Balance at end of year	1,313	1,313

7.2 Assignment of goodwill to cash-generating units

Goodwill arising from a business combination is carried at cost less any necessary impairment losses and is presented separately in the consolidated statement of financial position. For the purpose of impairment testing, goodwill is allocated on acquisition to each of the Group's cash-generating units (CGU) that are expected to benefit from the synergies of the combination.

At each measurement date, the recoverable amount of each cash-generating unit is determined based on a value-in-use calculation using cash flow projections based on financial budgets determined and approved by management. This was based on a detailed plan for one year, which was extrapolated in a simplified extrapolation with an average growth potential of 1.5 percent to 10.0 percent for two further years (depending on how severely a country or business area was or is affected by the COVID-19 pandemic). Periods not included in the planning calculations are represented by recognizing the residual value (terminal value). Cash flows after the three-year period are assumed to be subject to a growth rate of 0.0 percent (31 December 2020: 0.0 percent). The cash flows are discounted using the risk-adjusted interest rate of the respective cash-generating units, which is based on the weighted average cost of capital (WACC). The calculation is based on the capital asset pricing model (CAPM), taking into account current market expectations. Specific peer group information for beta factors, capital structure data and borrowing cost rates were used to determine the risk-adjusted interest rates for impairment testing purposes.

The number of CGUs as of 30 June 2021 has increased compared to the last consolidated financial statement reporting date due to the acquisition of HOSTO (see also under 5. "Acquisition of HOSTO").

Goodwill as of 30 June 2021, is composed as follows:

EUR '000	30.06.2021	31.12.2020
August Berger Metallwarenfabrik GmbH	834	834
Berger Closures Limited	176	176
Berger Italia S.r.l.	2,658	2,658
Berger US Inc.	12,413	12,204
HOSTO Stolz GmbH & Co. KG	916	-
HSM GmbH & Co. KG	3,973	3,973
Latza GmbH	1,261	1,261
Nittel Gesellschaften	-	-
Packaging Inliner	9,332	9,332
S.G.T. S.r.l.	1,862	1,862
Tesseraux Spezialverpackungen GmbH	-	-
Total	33,425	32,300

8. Financial liabilities

8.1 Terms and liabilities

EUR '000	30.06.2021	31.12.2020
Non-current liabilities		
Bank loans	21,471	15,514
Other loans	300	-
Liabilities from leasing agreements	10,663	11,341
Total	32,434	26,855
Current liabilities		
Bank loans	4,395	5,181
Other loans	1,801	-
Liabilities from leasing agreements	2,174	2,149
Total	8,370	7,330

The breakdown of liabilities into current and non-current is made in accordance with the deposited repayment schedules.

Other current loans include the purchase price liability (EUR 1,500 thousand) for the land and buildings of HOSTO Stolz GmbH & Co. KG is included. Due to conditions precedent in the purchase agreement, the events of which did not occur until the beginning of July 2021, the conveyance and consequently the corresponding payment were not made until after the balance sheet date.

Furthermore, other loans include vendor loans from the acquisition of the limited partner's shares in HOSTO Stolz GmbH & Co. KG in the amount of EUR 156 thousand and the remaining amount from the purchase of movable assets in the amount of EUR 445 thousand. Further information on the acquisition of HOSTO can be found in Note 4.

8.2 Secured bank loans

The outstanding loans have the following conditions:

EUR '000		Currency	Interest rate	Maturity year	30.6.2021		31.12.2020	
					Nominal value	Book value	Nominal value	Book value
Ringmetall SE	A	EUR			13,500	13,500	-	-
	B / C	EUR	2.00%	2021-2025	10,717	10,717	7,304	7,304
		EUR	7.50%	2021	-	-	487	487
August Berger Metallwarenfabrik GmbH	A	EUR			-	-	9,000	9,000
	B	EUR	EURIBOR		-	-	575	575
	C	EUR	+1,75%	2021-2025	-	-	337	337
Berger US Inc.		USD	1.00%	2022	804	804	777	777
Cemsan Metal Parts Manufacturing Industry Trade Ltd. Company		TRY / EUR	18.00%	2021	168	168	192	192
SGT s.r.l.		EUR	2.50%	2023	84	84	110	110
		EUR	1.00%	2021	-	-	163	163
HOSTO Stolz GmbH & Co. KG		EUR	4.50%	REVOLVING	103	103	-	-
		EUR	2.40%	2026	98	98	-	-
		EUR	1,95-2,40%	2026	250	250	-	-
Berger Closing Rings (Changshu) Co., Ltd.		CNY / EUR	5.45%	2021-2022	137	137	277	277
Berger Italia s.r.l.		EUR	0.60%	REVOLVING	-	-	-	-
Nittel Halle GmbH		EUR	1.85%	2021	5	5	10	10
		EUR	EURIBOR +4,25%	2021-2025	-	-	963	963
Tesseraux Spezialverpackungen GmbH		EUR	EURIBOR +1,80%	2021	-	-	500	500
Total					25,866	25,866	20,695	20,695

The bank loans are secured by land and buildings in the amount of EUR 1,742 thousand (31 December 2020: EUR 1,487 thousand), as well as by other non-current assets in the amount of EUR 2,559 thousand (31 December 2020: EUR 2,483 thousand) and current assets in the amount of EUR 13,320 thousand (31 December 2020: EUR 9,656 thousand). The values stated correspond to the carrying amounts from the separate financial statements.

9. Trade payables and other liabilities

CURRENT: EUR '000	30.06.2021	31.12.2020
Trade payables	16,500	10,153
Other liabilities	2,435	2,025
Total	18,935	12,178

The increase in trade accounts payable as of 30 June 2021 is due to the reporting date.

10. Other financial obligations and contingent liabilities

The Group has the following financial obligations that are not included in the consolidated statement of financial position:

EUR '000	30.06.2021			31.12.2020		
	< 1 year	1 to 5 years	> 5 Years	< 1 year	1 to 5 years	> 5 Years
Obligation from outstanding order	10,158	-	-	6,547	-	-
Service contracts, etc.	504	847	4	458	1,065	32
Short-term low value lease	34	17	-	22	16	-
Total	10,696	864	4	7,027	1,081	32

NOTES TO THE CONSOLIDATED PROFIT AND LOSS STATEMENT AND OTHER RESULTS

11. Revenues

EUR '000	H1 2021	H1 2020
Clamping rings, lids, etc.	62,845	46,772
Drum liners	9,426	10,169
Vehicle attachment parts, etc	6,018	5,379
Total	78,289	62,320

The Group's principal activity is the manufacture and sale of clamping rings, related closures and, since 2019, also drum liners (Industrial Packaging segment) and the production and marketing of vehicle attachments for special vehicles used in logistics and warehouse logistics as well as agriculture (Industrial Handling segment).

The Group generated revenues from contracts with customers in accordance with IFRS 15 in the amount of EUR 78,289 thousand (H1 2020: EUR 62,320 thousand). All revenues in both segments are generated and recognized on a point-in-time basis in the reporting year, as in the previous year.

As of 30 June 2021, assets from customer contracts designated as trade receivables totaling EUR 25,241 thousand (31 December 2020: EUR 15,150 thousand) are recognized in the statement of financial position, of which EUR 24,040 thousand (31 December 2020: EUR 14,492 thousand) are attributable to the Industrial Packaging segment and EUR 1,201 thousand (31 December 2020: EUR 658 thousand) to the Industrial Handling segment.

The contract assets recognized in the balance sheet are those assets from customer contracts that have not yet been invoiced to customers. They result from deliveries of Ringmetall products to customers' consignment stocks. The contract assets relate entirely to the Industrial Packaging segment.

12. Operating expenses

12.1 Cost of materials

EUR '000	H1 2021	H1 2020
Cost of raw materials and supplies	39,482	29,411
Cost of purchased services	2,219	3,486
Total	41,701	32,897

The cost of purchased services includes in particular expenses for energy and external work.

12.2 Personnel expenses

EUR '000	H1 2021	H1 2020
Wages and salaries	13,203	12,283
Social security contributions	2,958	2,766
Temporary workers	2,030	1,546
Total	18,191	16,595

Temporary employees are reported under personnel expenses. This corresponds to the economic view from the Group's perspective.

The average number of employees in the 1st half of 2021 is 726 and has increased compared with the 1st half of 2020 with 701 average employees, mainly due to the acquisition of HOSTO.

An average of 119 temporary workers were employed in the 1st half of 2021, compared with 85 temporary workers in the 1st half of 2020.

12.3 Other operating expenses and other tax

EUR '000	H1 2021	H1 2020
Expenses for the issue of goods	2,682	2,520
Expenses for administration and EDP	2,110	866
Expenses for consultancy and other external services	1,578	750
Expenses for machinery and tools	1,124	1,182
Expenses related to buildings	803	1,673
Other expenses	87	191
Expenses for Exchange variation	6	122
Other tax	126	135
Total	8,516	7,439

13. At Equity

The result from investments accounted for using the equity method in the amount of EUR -17 thousand results from the associated company Nittel UK Ltd.

Accordingly, the carrying amount of the investment accounted for using the equity method of EUR 66 thousand as of 31 December 2020 has also decreased to EUR 48 thousand as of 30 June 2021.

14. Investment income and financial result

Interest income of EUR 14 thousand is reported at the same level as in the comparative period. Interest expense decreased by EUR 337 thousand to EUR 427 thousand.

15. Income taxes

Ringmetall SE is subject to domestic corporate income tax and trade tax. The corporate income tax rate applicable for the 1st half of 2021 as well as the 1st half of 2020 is 15.0 percent. In addition, a solidarity surcharge of 5.5 percent is levied. Depending on the individual assessment rate, trade income tax is between 10.5 percent and 17.2 percent of taxable income.

There have been no significant changes to the tax framework compared with the consolidated financial statements as of 31 December 2020. Overall, income taxes of EUR 1,799 thousand (H1 2020: EUR 828 thousand) were recognized within the income statement as of the interim financial statements. No income taxes were recognized directly in equity in the first half of the year.

16. Explanations to the statement of comprehensive income

16.1 Consolidated profit for the period from continuing operations

EUR '000	H1 2021	H1 2020
Shareholders of the parent company	5,738	1,611
Non-controlling shareholders	262	181
Consolidated result for the period from 01.01. bis 30.06.	6,000	1,792

16.2 Earnings per share

Basic and diluted earnings per share are calculated by dividing the Group's net income (excluding minority interests) by the weighted average number of shares outstanding and admitted to trading during the respective reporting period. No stock options or convertible bonds were issued by the Company until 30 June 2021, which would lead to a dilution of the earnings per share, so that the basic earnings per share correspond to the diluted earnings per share.

	H1 2021	H1 2020
Result for the period in EUR '000	5,738	1,611
Weighted average number of shares	29,069,040	29,069,040
Earnings per share (basic and diluted, in EUR)	0.20	0.06

17. Capital management

The Group's objective is to maintain a strong capital base in order to maintain the confidence of investors, creditors and the markets and to ensure the sustainable development of the Company. The Executive Board aims to achieve a balance between increasing returns, while optimizing the ratio of equity to debt, and the benefits of a stable capital base.

The Group monitors capital using a ratio of adjusted net debt to equity. Adjusted net debt principally comprises interest-bearing liabilities to banks less cash and cash equivalents. The ratio of equity to total assets is as follows:

EUR '000	30.06.2021	31.12.2020
Interest-bearing loans and bonds	25,866	20,695
Less cash and cash equivalents	-6,316	-6,225
Net debt	19,550	14,470
Equity	54,016	49,589
Balance sheet total	124,182	103,547
Equity ratio	43.5%	47.9%

18. Financial Instruments - Fair Values and Risk Management

18.1 Classifications and fair values

The hedging instruments entered into by Ringmetall serve exclusively for economic hedging purposes of interest rate risks. Derivatives are concluded with the German banks or financial institutions with which the floating-rate loans were also agreed. The classification of the existing interest rate swaps into their levels in the fair value hierarchy is unchanged as of 31 December 2020. There is an assumption that for current assets and liabilities the fair value corresponds to the carrying amount.

The following table shows the carrying amounts and classification of financial assets and financial liabilities in accordance with IFRS 9.

EUR '000	IFRS 9 Valuation category	IFRS 9 Book value 30.06.2021	IFRS 9 Book value 31.12.2020
Assets			
Other non-current financial assets	AC	115	136
Trade receivables	AC	25,241	15,150
Contract assets	AC	595	435
Cash and cash equivalents	AC	6,316	6,225
Total		32,267	21,946
Liabilities			
Non-current financial liabilities	FLAC	32,434	26,855
Trade payables	FLAC	16,500	10,153
Current financial liabilities	FLAC	8,370	7,330
Total		57,304	44,338

18.2 Derivative financial instruments

As of 30 June 2021, the Ringmetall Group does not use any derivative financial instruments, as was the case on the comparative reporting date of 31 December 2020.

18.3 Determination of fair value

Valuation techniques and significant unobservable input factors

The following tables show the valuation techniques used in determining Level 2 and Level 3 fair values and the significant unobservable inputs used:

Financial instruments measured at fair value

Kind	Valuation Method
Interest rate swaps	Market comparison procedure: The fair values are based on standardized calculations by a reputed German bank, whereby only observable market inputs are used.

Financial instruments not measured at fair value

Kind	Valuation Method	Significant unobservable inputs
Other financial liabilities*	Discounted cash flows in a DCF method using market interest rates and term of the liability	Margin surcharge on interest

* Other financial liabilities include secured and unsecured bank loans, unsecured bonds and finance lease liabilities. As the fair value corresponds to the carrying amount of financial instruments that are not measured at fair value, no further disclosures are made.

19. Related companies and persons

At Ringmetall, the shareholders are generally considered to be the Ultimate Controlling Party.

Due to the syndicate agreement existing between the main shareholders, the two main shareholders together constitute the Ultimate Controlling Party of Ringmetall.

Related parties are non-consolidated subsidiaries and persons who can exercise significant influence on the financial and operating policies of the Ringmetall Group. The latter include all persons in key positions as well as their close family members. In the Ringmetall Group, these are the members of the Management Board and the Supervisory Board.

The group of related parties has not changed within the first six months of fiscal year 2021 compared to 31 December 2020. In the reporting period, no new contracts were concluded with key management personnel, members of the Supervisory Board or other related parties, nor were any significant changes made to existing contracts that have a material impact on the net assets, financial position or results of operations of the company.

For further information, please refer to the comments in the Annual Report as of 31 December 2020, under 30 "Related parties" on p. 137 ff.

20. Employees

In H1 2021, the Group employed an average of 726 employees (H1 2020: 701 employees).

21. Events after the balance sheet date

With the entry of 2 August 2021 in the Commercial Register B of the Local Court of Munich, the change of legal form of Ringmetall AG into Ringmetall SE has taken place.

22. Declaration by the legal representatives

To the best of our knowledge, and in accordance with the applicable reporting 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 interim management report of the Group 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.

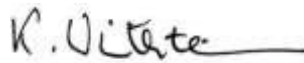
Munich, 16 September 2021

The Management Board



Christoph Petri

Spokesperson of the
Management Board



Konstantin Winterstein

Member of the
Management Board

FORWARD-LOOKING STATEMENTS

This interim report contains explicit or implicit forward-looking statements that refer to the future business performance of Ringmetall AG and concern its operations. Such statements can be identified by words such as "expect", "want", "will", "plan" or similar expressions.

Such statements are not historical facts. These statements are based on the current expectations and assumptions of Ringmetall's management, many of which are beyond Ringmetall's control. Therefore, they are subject to a number of uncertainties and risks. Ringmetall's actual results, performance or achievements could differ materially (negatively or positively) from those expressed or implied by such forward-looking statements due to the realization of risks, uncertainties or other factors, the failure of underlying expectations to materialize or the incorrectness of assumptions.

SUPPLEMENTARY INFORMATION

REFERENCE

Bundesministerium für Wirtschaft und Energie - The economic situation in Germany in August 2021.

Statista GmbH - Global Economic Sentiment Index, Abstract Website

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Review Report

To Ringmetall SE (formerly Ringmetall AG), Munich, Germany

We have reviewed the condensed interim consolidated financial statements – comprising the balance sheet, the statement of profit or loss, the statement of other comprehensive income, the condensed statement of cash flows, the statement of changes in equity and selected explanatory notes – together with the interim group management report of Ringmetall AG (formerly Ringmetall AG), Munich, for the period from January 1, 2021 to June 30, 2021 that are part of the consolidated half-year financial report pursuant to § (Article) 115 WpHG (“Wertpapierhandelsgesetz”: “German Securities Trading Act”). The preparation of the condensed interim consolidated financial statements in accordance with the IFRS as adopted by the EU and of the interim consolidated group management report in accordance with the requirements of the German Securities Trading Act applicable to interim consolidated group management reports is the responsibility of the Company’s legal representatives. Our responsibility is to issue a review report on the condensed interim consolidated financial statements and on the interim group management report of the Group based on our review.

We conducted our review of the condensed interim consolidated financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, and that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor’s report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the German Securities Trading Act applicable to interim group management reports.

Nuremberg, September 16, 2021

Baker Tilly GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Dittus
Wirtschaftsprüferin
(German Public Auditor)

Prof. Dr. Uebensee
Wirtschaftsprüfer
(German Public Auditor)

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