

PRESS RELEASE

Muehlhan AG publishes results for financial year 2020

- Performance seriously hit by COVID-19 pandemic
- Revenues of €260.4 million, EBIT of €3.0 million
- Dividend of €0.12 per share proposed
- Orders on hand of €272 million
- Revenues and EBIT for 2021 dependent on progression of pandemic

Hamburg, April 1, 2021—For Muehlhan AG (Open Market; ISIN DE000A0KD0F7), the year 2020 was dominated by the COVID-19 pandemic and its impact on business. Early action taken at all levels and some major projects that continued during the pandemic under more difficult conditions were able to prevent a loss in this exceptionally negative year. Revenues fell by 11.8% to €260.4 million. EBIT went down by 75.5% from €12.4 million to €3.0 million and the EBIT margin contracted accordingly from 4.2% to 1.2%. Consolidated income dropped by 79.6% to €1.3 million, compared with €6.3 million in the previous year. After deducting minority interests, income of €0.3 million is attributable to Muehlhan's shareholders. Cash flow from operating activities of €11.8 million was gratifying by contrast.

A business-segment-based review shows that sales revenues in the **Ship** business segment declined slightly by €3.8 million to €65.6 million. EBIT in the segment fell by half to €3.6 million. The **Oil & Gas** segment had serious problems as a result of the COVID-19 pandemic as well as low oil prices, and reported a fall in revenues of €18.0 million to €60.4 million. EBIT of €0.3 million was still positive. In the **Renewables** business segment, revenues increased year-over-year by €17.9 million to €63.5 million, primarily due to the expansion of business in the area of wind turbine maintenance. EBIT came to €6.1 million following a negative figure in the previous year. The **Industry/Infrastructure** business suffered worst from the effects of the COVID-19 pandemic. Project interruptions and postponements due to numerous restrictions caused revenues to fall by €31.1 million to €71.0 million. EBIT of €-4.2 million was significantly negative (previous year: €3.8 million).

A geographic review shows that revenues in **Europe** increased by 2.3% to €238.8 million despite the COVID-19 pandemic. A key factor for the increase was the successful expansion of wind service activities. EBIT fell by €2.2 million to €8.6 million since most of the European companies were hit by the effects of the pandemic. By contrast, in the **Middle East** revenues fell significantly by €8.5 million to €14.3 million. This decline was caused by the effects of the pandemic, lower

investments generally and selective project screening. EBIT was negatively affected by impairments of trade receivables and retentions and came in at a very low €-2.6 million. Business in **North America** came to a virtual standstill due to the pandemic. Revenues came to just €4.6 million compared with €24.4 million in the previous year. EBIT fell to €-2.3 million compared with an above-average €3.5 million the previous year for project-related reasons. The situation in the **Rest of the World** was similar. Travel restrictions and platform closures made it virtually impossible to complete oil and gas projects. As a result, revenues were down by €11.7 million to €3.9 million and EBIT was negative at €-1.0 million (previous year: €1.6 million).

Revenues in the **Energy** segment of €113.6 million in the reporting year were almost constant compared with €114.5 million the previous year. At €5.5 million, EBIT also remained virtually constant compared with the previous year (€5.9 million). Although revenues and earnings fell significantly in the oil and gas business, the Renewables segment reported a significant increase in revenues and earnings. The **Marine & Construction** segment reported revenues of €148.6 million, which was €34.6 million down on the year 2019. EBIT fell from €10.1 million to €0.9 million, partly due to the pandemic and partly to loss allowances on receivables.

With the Supervisory Board's approval, the Executive Board is proposing a **dividend** of €0.12 per share for the 2020 financial year in view of the stable financial position of the Muehlhan Group, following no dividend being paid from 2019 earnings in the previous year due to the unpredictable development of the pandemic.

The **forecast** for 2021 depends to a large extent on the further course of the pandemic. The Executive Board and Supervisory Board of Muehlhan are expecting revenues and earnings for 2021 to be similar to 2020 if there is no significant improvement in the status of the pandemic. Even if all the restrictions are lifted in the short term, it will scarcely be possible to match 2019 revenues and earnings in 2021 because it takes time to resume all economic activities in full and at the time of writing this report almost three months have already passed under lockdown.

The company's key performance indicators are shown in the following table:

in kEUR		2020	2019
Results			
Revenues		260,383	295,269
Earnings from operations before depreciation and amortization (EBITDA)		14,403	24,505
Earnings from operations (EBIT)		3,035	12,400
Earnings before taxes (EBT)		1,336	10,513
Consolidated income attributable to shareholders of Muehlhan AG		305	6,323
Earnings per share from continuing operations	in EUR	0.02	0.33
Cash inflow/outflow from operating activities		11,759	10,888
Investments in property, plant and equipment (not incl. leases)		4,311	8,129
Balance sheet			
		12/30/2020	12/31/2019
Total assets		161,596	175,370
Fixed assets ¹		63,490	68,634
Equity		69,164	71,761
Equity ratio	in %	42.8	40.9
Employees			
		2020	2019
Employees (annual average)	number	2,790	3,103

¹ Fixed assets: total of non-current assets less deferred tax assets

About Muehlhan: Worldwide, **Muehlhan Group** is a reliable partner in industrial services. As one of the few full-service providers, we offer our customers a broad spectrum of industrial services with professional industrial quality standards. Our customers benefit from our exceptional organizational skills, on-time delivery, the technical expertise that differentiates us from our competitors, and our more than 135 years of experience. We have an established market presence in the four business segments in which we operate: Ship, Renewables, Oil & Gas and Industry/Infrastructure. **Muehlhan AG** is a listed company and is traded on the Open Market under ISIN DE000A0KD0F7.

You can find additional information at www.muehlhan.com

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