



Fast.
Precise. Versatile.

Consistently
enhanced.



Earnings Call
Fiscal Year 2021

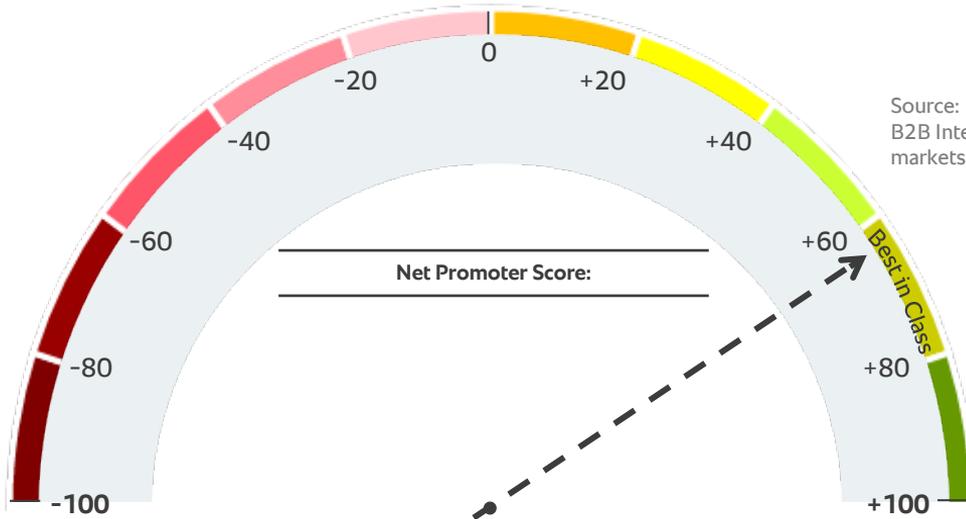
Agenda

1. Review Fiscal Year 2021
2. Current situation in Q1 2022
3. Outlook on Fiscal Year 2022
4. Q&A Session

High customer satisfaction

RATIONAL „Best in Class“ with a NPS of 61

Source:
B2B International (2021) – in 15
markets of RATIONAL AG



RATIONAL	+61
Food & Drink Average	+37
B2B Average	+32
Manufacturing Average	+30



Freson Bros.

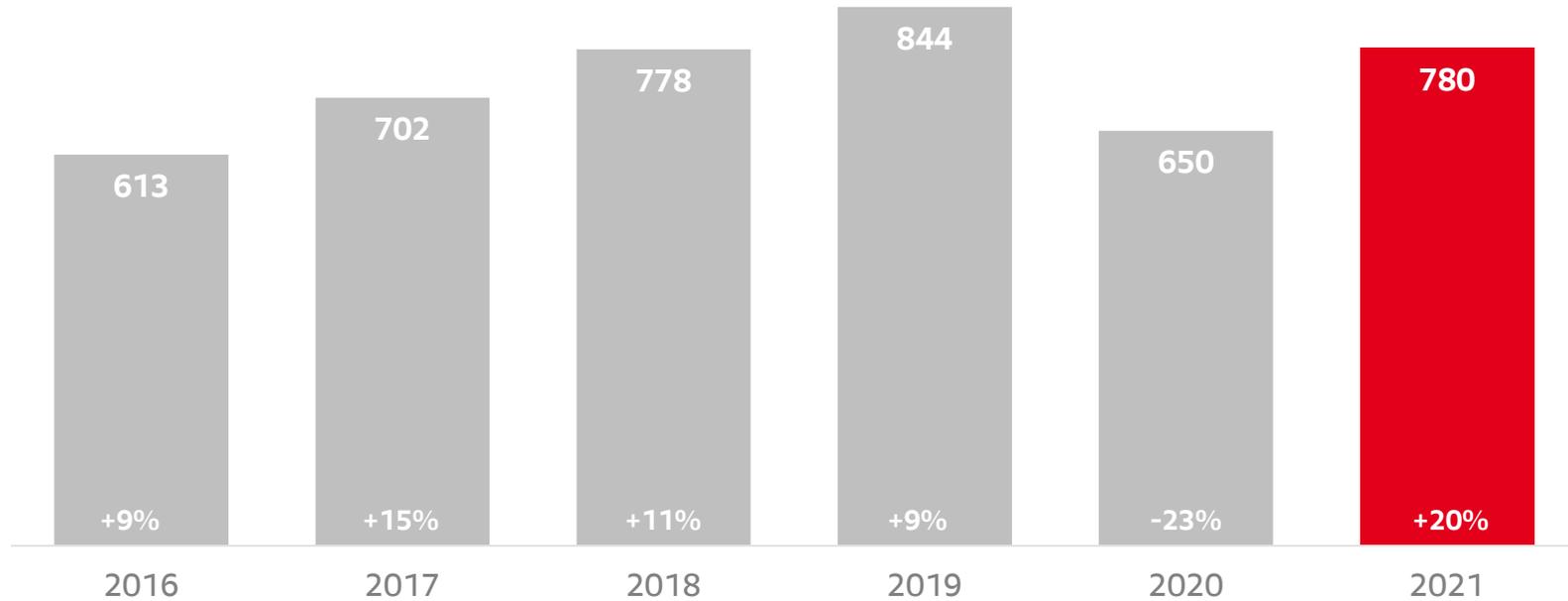
Customer Success Story

- › Freson Bros. is a chain of supermarkets that have been serving Alberta, Canada, for over 65 years.
- › In 2013, they began exploring new equipment that could help expand their hot foods offering at their various locations, and that's when they were first introduced to RATIONAL.
- › Eight years later, they now have RATIONAL combi technology installed in 15 of their locations across Alberta.
- › Their Edmonton location was the first kitchen in Canada to install both the iCombi Pro and the iVario Pro.



Sales revenues grow by 20% compared to previous year

Recovery slowed down by components' shortage in Q4

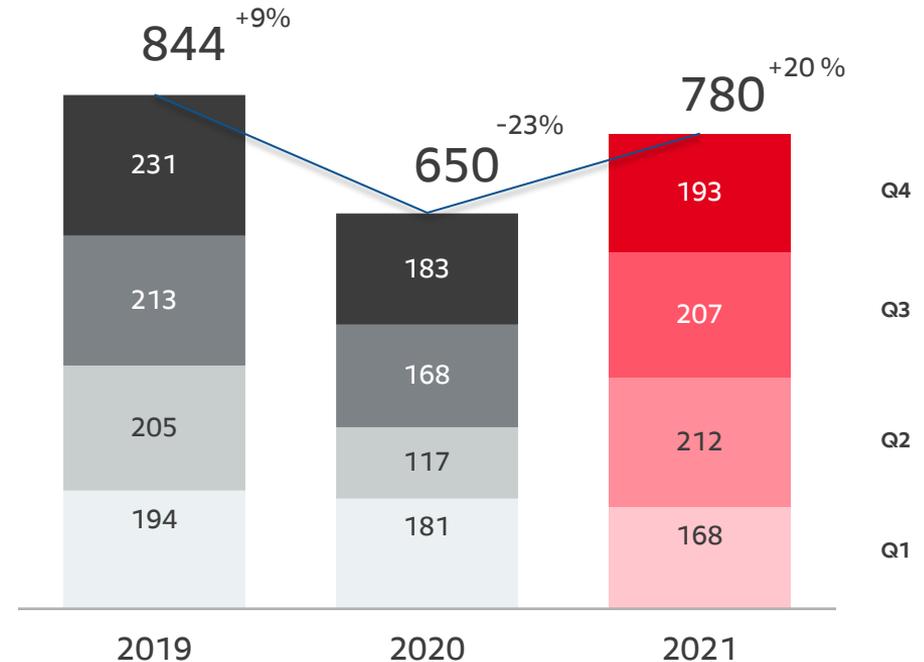


Sales revenues in mEuro
Sales revenue growth in %

Q2 and Q3 back on pre-Covid-level

Q1 impacted by Covid – Q4 by shortage in components

- › Business started off on a subdued note in January and February 2021.
- › We recorded an unexpectedly large increase in orders and sales in March.
- › Q2 and Q3 2021 were at or above pre-crisis level.
- › Recovery interrupted due to material shortages in Q4 2021.



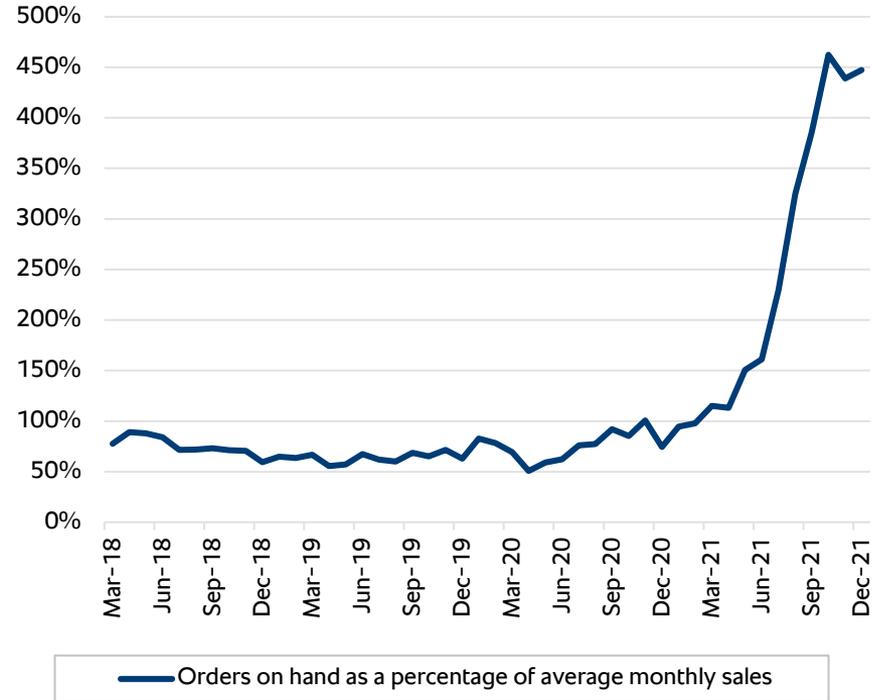
Sales revenues in mEuro
Sales revenue growth in %

Individual values and totals may differ
in some cases due to rounding.

Global electrical component shortage

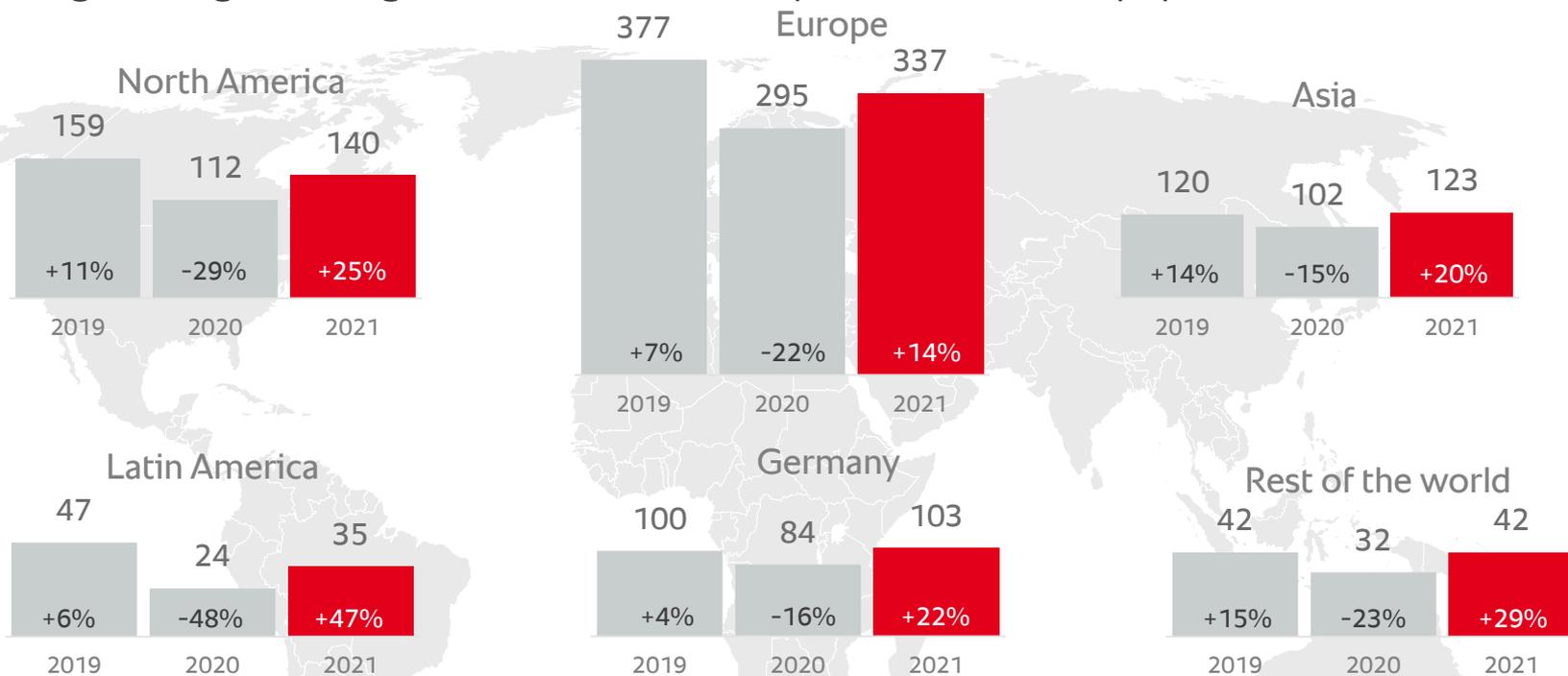
Overall situation remains challenging and unpredictable.

- › Normal level of order backlog used to be below 1 month.
- › Due to high order intake and limited availability of electrical components, order backlog rose to 300 m EUR or 35,000 units at the end of 2021.
- › Delivery times on extraordinary high level.
- › End of 2021 around 9,500 units pre-assembled and ready to be fully-assembled.



Fiscal Year 2021 – Sales revenue by region

All regions growing – Asia, Germany and RoW top pre-Covid19 level



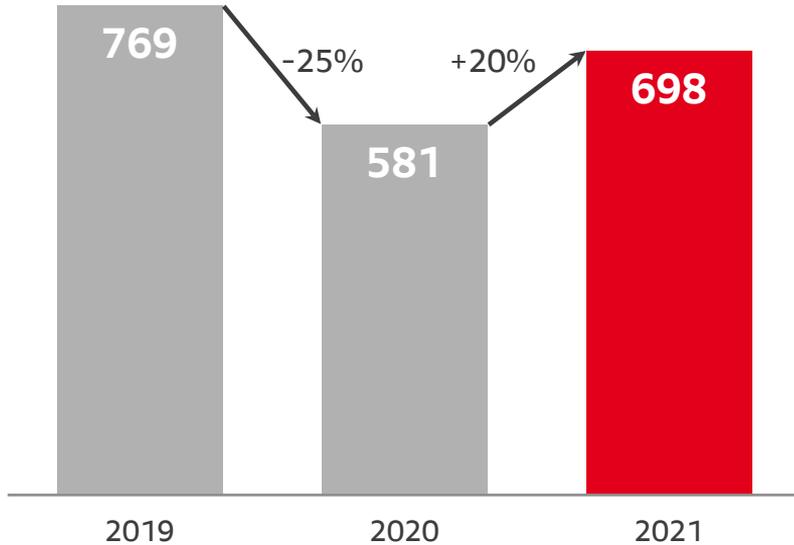
Sales revenues in mEUR
Sales revenues growth compared to previous year

Individual values and totals may differ in some cases due to rounding.

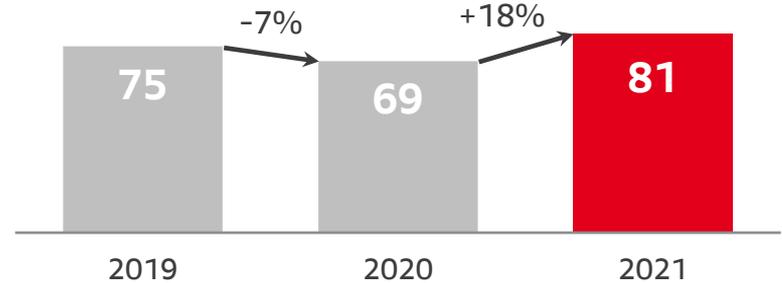
iCombi up 20% - iVario grows by 18%

iCombi and iVario set new standards in the markets

Sales revenues iCombi



Sales revenues iVario



Sales revenues in mEUR
Sales revenue growth in %

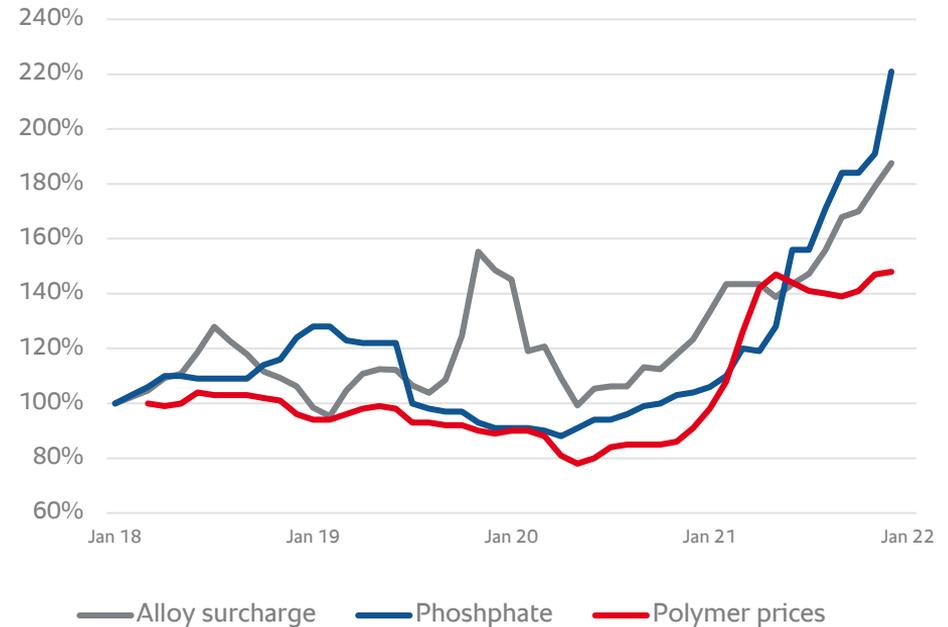
Prices on raw materials continued to rise in Q4 2021

Cost pressure on suppliers and RATIONAL is constantly increasing.

- › Price increases are reflected in many different areas such as alloy surcharge, chemistry and plastics.
- › RATIONAL increased prices by 6% in November 2021 starting in the overseas markets.

Price development¹

Jan 2018 - Dec 2021



¹The raw materials chosen are not exclusively responsible for the higher costs but are intended to reflect the general trend.

4%-points EBIT margin improvement in 2021

Material shortages interrupt further recovery of EBIT.

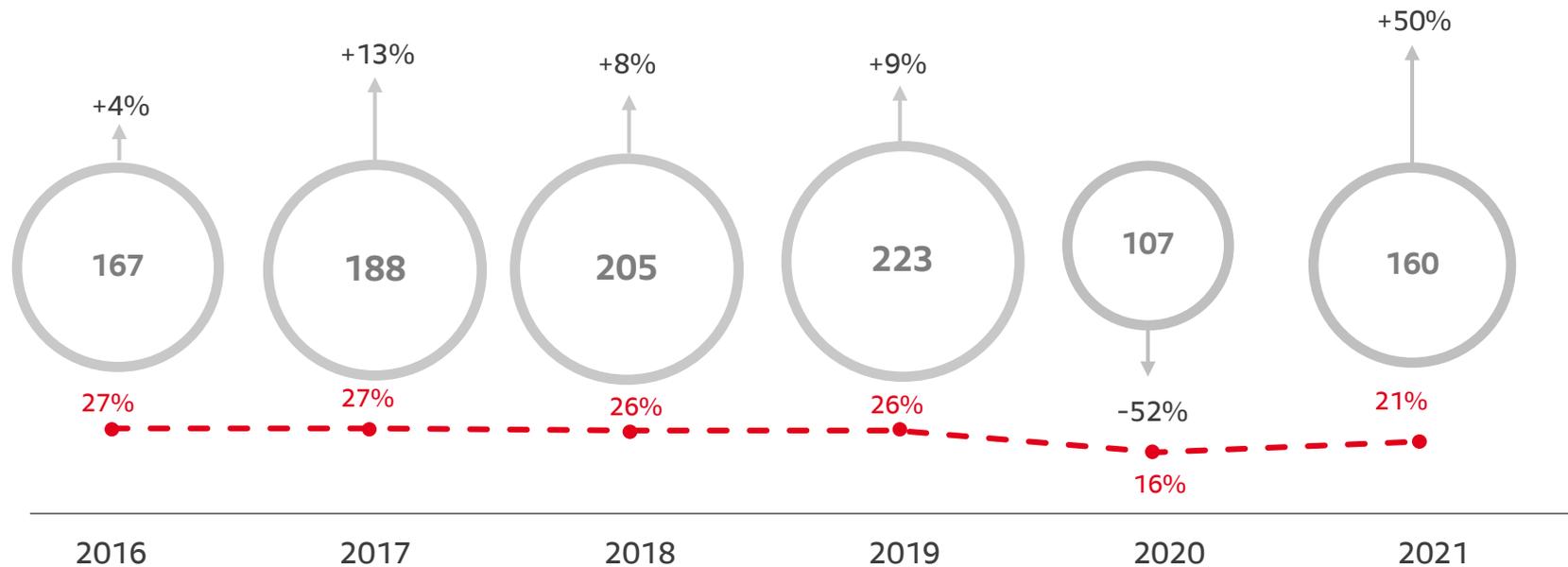
in mEUR	2021	2020	2019	2021 vs. 2020	
				Change	Margin Impact ¹
sales revenue	780	650	844	+20%	---
COGS	-350	-289	-346	+21%	-0,4%
Gross Profit	429	360	498	+19%	---
Gross Margin	55,1%	55,4%	59,0%	---	---
Sales and Service	-188	-167	-198	+12%	+1,6%
R&D	-45	-42	-42	+8%	+0,6%
Administration	-40	-37	-37	+9%	+0,5%
Operating Expenses	-273	-245	-277	+11%	+2,8%
Other operating inc./exp.	2	1	1	---	+0,0%
Currency Result	2	-9	2	---	+1,7%
EBIT	160	107	223	+50%	---
EBIT Margin	20,5%	16,4%	26,5%	---	+4,1%

¹in percentage points

- > **COGS:** higher component and raw material prices.
- > **Sales and Service:** still low personnel and marketing costs but increasing freight and delivery costs.
- > **R&D:** stable investments in the future of RATIONAL.
- > **FX:** vs. 2020 positive development with high margin effect.

EBIT margin significantly increased

EBIT margin at 21% in fiscal year 2021

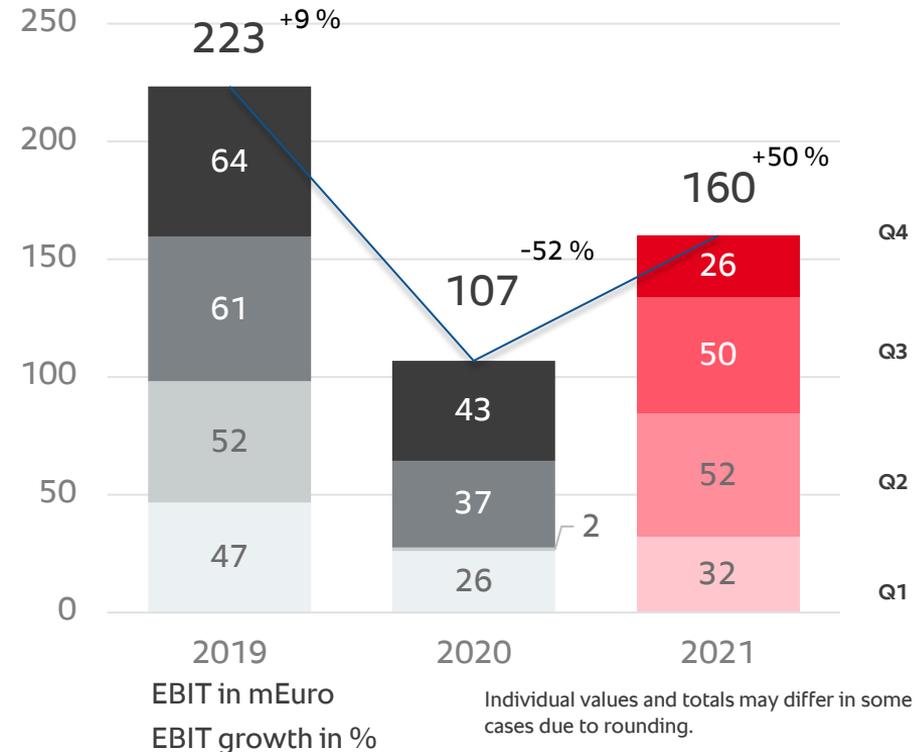


EBIT in mEUR
EBIT growth in %
EBIT margin in %

EBIT grows by 50% in 2021

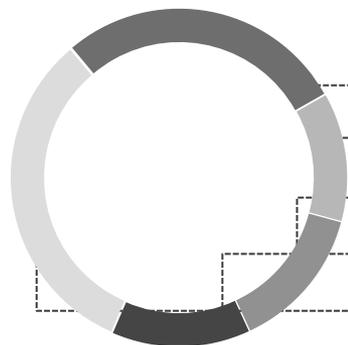
Earnings in Q2 and Q3 near pre-crisis level

- › Q1 2021 earnings were still affected by Covid-19 related restrictions
- › Q2 2021 was on pre crisis level both in sales and EBIT
- › Higher material and component costs and the bottleneck of CPUs and I/O boards negatively impacted Q3 and Q4.



Solid balance sheet provides security and flexibility

High equity ratio and liquidity



in mEUR

Non-current assets

Inventories

Trade receivables

Other assets

Liquid funds

Total assets

2021

2020

219

217

97

79

109

99

105

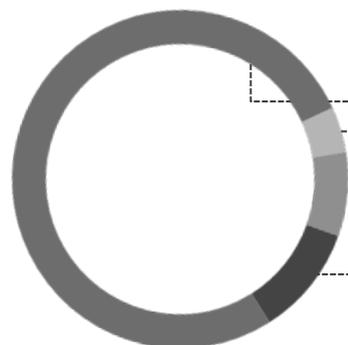
45

254

231

784

671



Equity

Non-current liabilities

Current provisions

Current liabilities

Equity & liabilities (total)

603

535

34

34

63

40

84

62

784

671

Investing in the future of RATIONAL

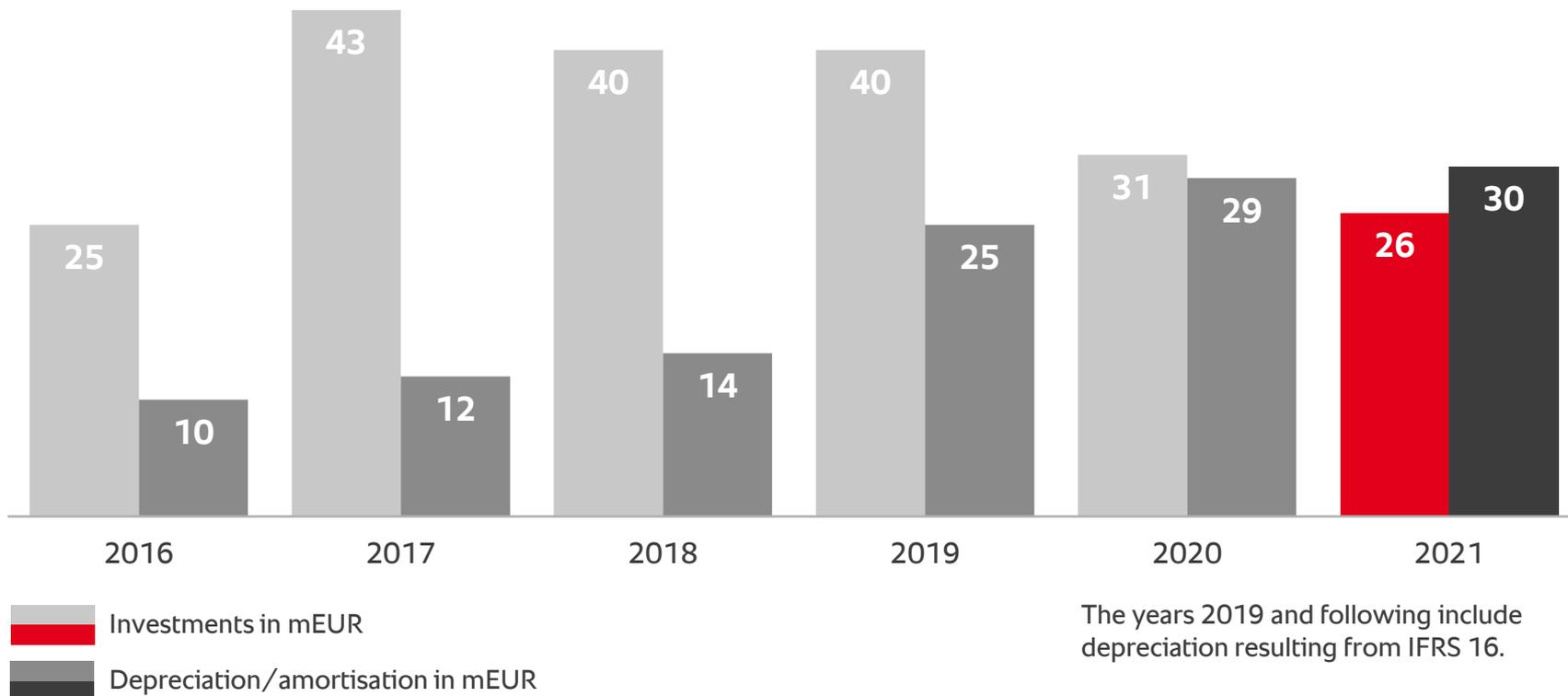
The new home of the iVario

- › Construction of the new customer centre, administration building, and production facility started in April 2021.
- › Total investment volume until 2023 will be 31 million EUR.
- › The new energy-efficient buildings allow us to create an ergonomic and environment-friendly workplace.
- › The planned production capacity is around 25,000 iVario per year. Further expansions are easily possible.



Capex targeted for growth and efficiency

Projects postponed in 2021 will be made up in 2022



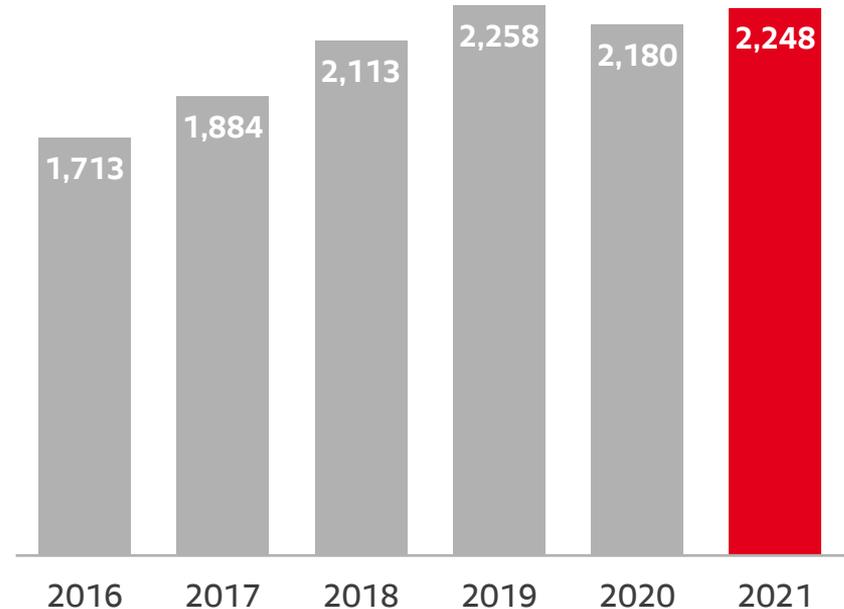
Stable headcount important building block for quick recovery

Headcount almost back at pre-crisis level

Keeping the qualified and motivated team during the crisis enables us to recover quickly.

In the sales process, we increase real visits and cooking live events.

Software specialists help us to become more digital and deliver customer benefits through software services.



Dividend 2021

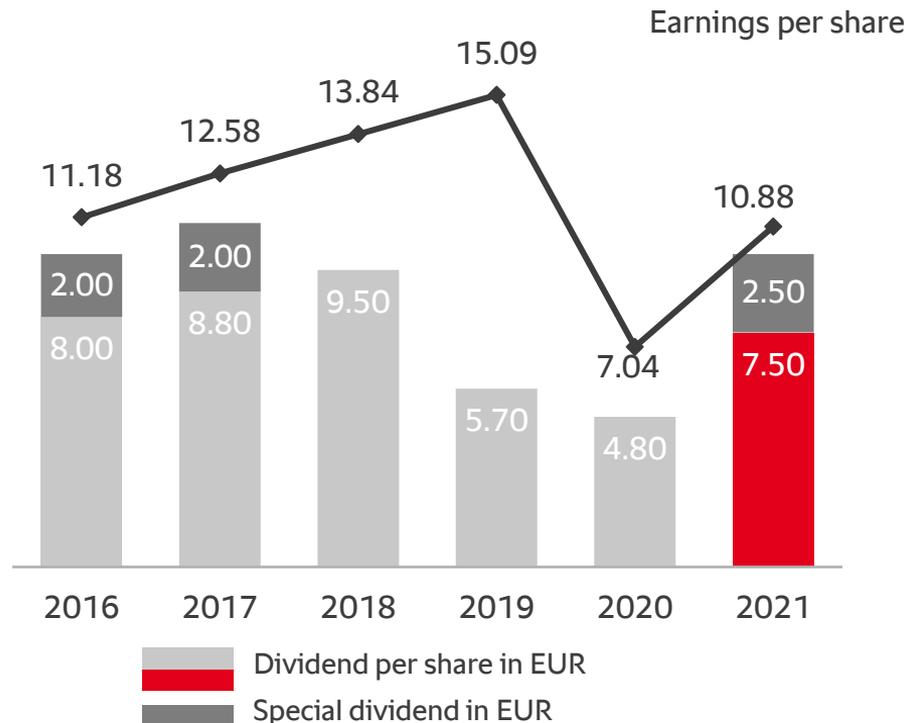


Dividend of 7.50 Euros and special dividend of 2.50 Euros proposed

The basic dividend represents a return to the traditionally high payout ratio of around 70% of net profits.

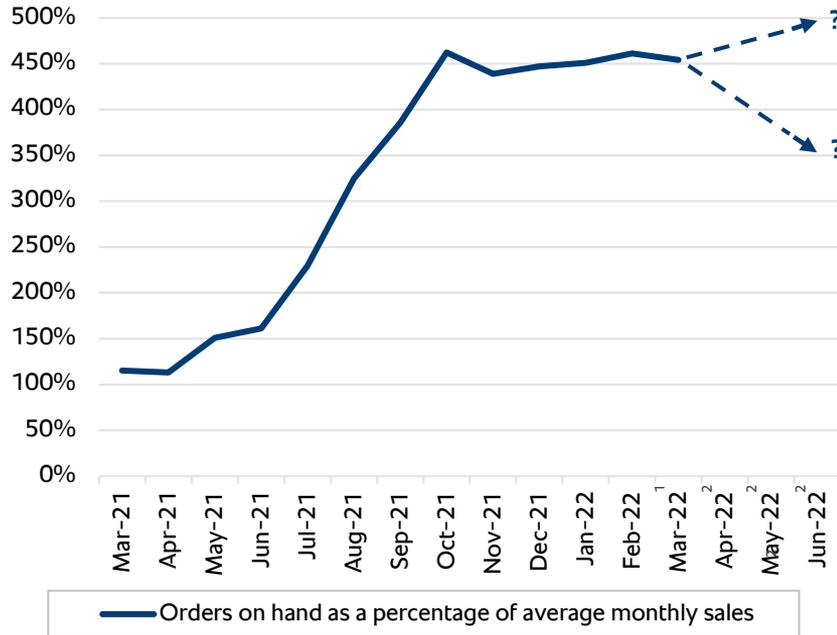
The special dividend is intended to compensate shareholders partially for the reduction in the dividend in fiscal year 2020.

Overall payout ratio is 92%.



Global electrical component shortage continues

Latest developments increase uncertainty in the supply chain.



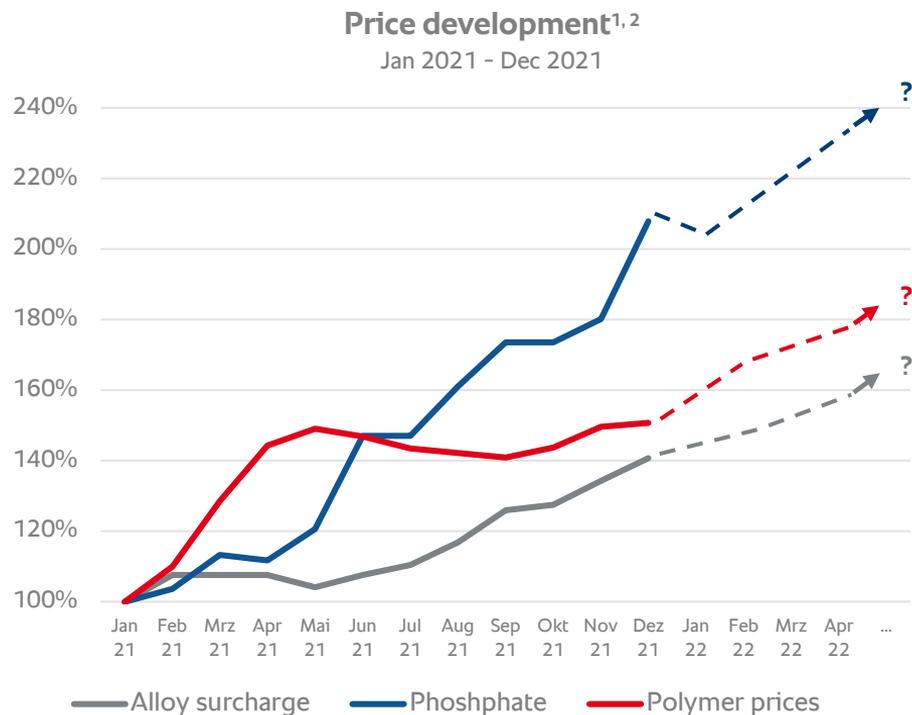
¹ Expected/extrapolated value for March 2022

² Dotted lines do not show real predictions

- › First quantities of second supplier for processors in March – higher quantities from April onwards.
- › Currently 11,000 units pre-assembled and ready to be fully-assembled.
- › More than 345 m EUR or 39,000 units in order backlog.
- › The global supply of chips is still affected by new lockdowns in China.
- › Delivery times in the industry unchanged on extraordinary high level.

Prices on raw materials continued to rise in 2022

Further development is difficult to predict.



¹The raw materials chosen are not exclusively responsible for the higher costs but are intended to reflect the general trend.

²The dotted lines do not show predicted price developments of materials.

- › Price increases are reflected in many different areas such as alloy surcharge, chemistry and plastics.
- › Second price increase (6% on units, 9% on accessories and 15% on cleaners) was announced in March 2022.
- › Price increase should cover foreseeable price effects from raw materials.
- › Further development of future prices difficult/impossible to predict.

Geopolitical risks



The current situation in Ukraine and Russia

- › Our thoughts and prayers are with everyone which is affected by this humanitarian catastrophe in the Ukraine. Several aid initiatives under way.
- › We reacted quickly and moved the families of our Ukrainian employees to safety at our Polish location.
- › We stopped deliveries to the Ukraine, Russia and Belarus. Business operations in our subsidiary in Russia can continue with actual inventories.
- › Ukraine and Russia account for roughly 2 to 3% of total sales.
- › At this time, we can not yet assess the risks of collateral effects (supply chain, energy supply and prices, material prices, embargos...).

Outlook 2022

Growth path expected to continue despite overall challenges

- › In response to a significant rise in prices for commodities, components and logistics, we announced an increase of prices for units, accessories and cleaners in March.
- › We expect sales to grow by 10 to 15% compared to previous year's sales.
- › Gross margin is expected to be at a level similar to that of 2021.
- › With operating costs rising slightly more slowly than revenues RATIONAL expects an EBIT-margin somewhat above 2021 level.
- › If the risks in the supply chain or geopolitically materialise, we expect sales revenues to increase more slowly and the EBIT margin to come in below the level recorded in 2021.



Please send your questions to
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