



Fast.  
Precise. Versatile.

Consistently  
enhanced.



Earnings Call  
HY 2022

# Firmament, Vorarlberg, Austria

200 seats restaurant, 143 rooms, events for 800 participants

*“iCombi and iVario are great production machines. You can pre-produce, cook overnight. You can work efficiently - that's it in a nutshell.”*

Ernst Seidl,  
Founder of Firmament



You can watch the whole video [here](#).

# Hibernian Football Club, Edinburgh, Scotland

Feeding 'hungry Hibeers' – the greenest football club

*"If I were giving advice to anyone developing a catering operation right now, it would be to see what the iCombi Pro can do. I guarantee once you see it in action, you'll want to install one in your kitchen. I've got complete confidence in the product and the RATIONAL Team."*

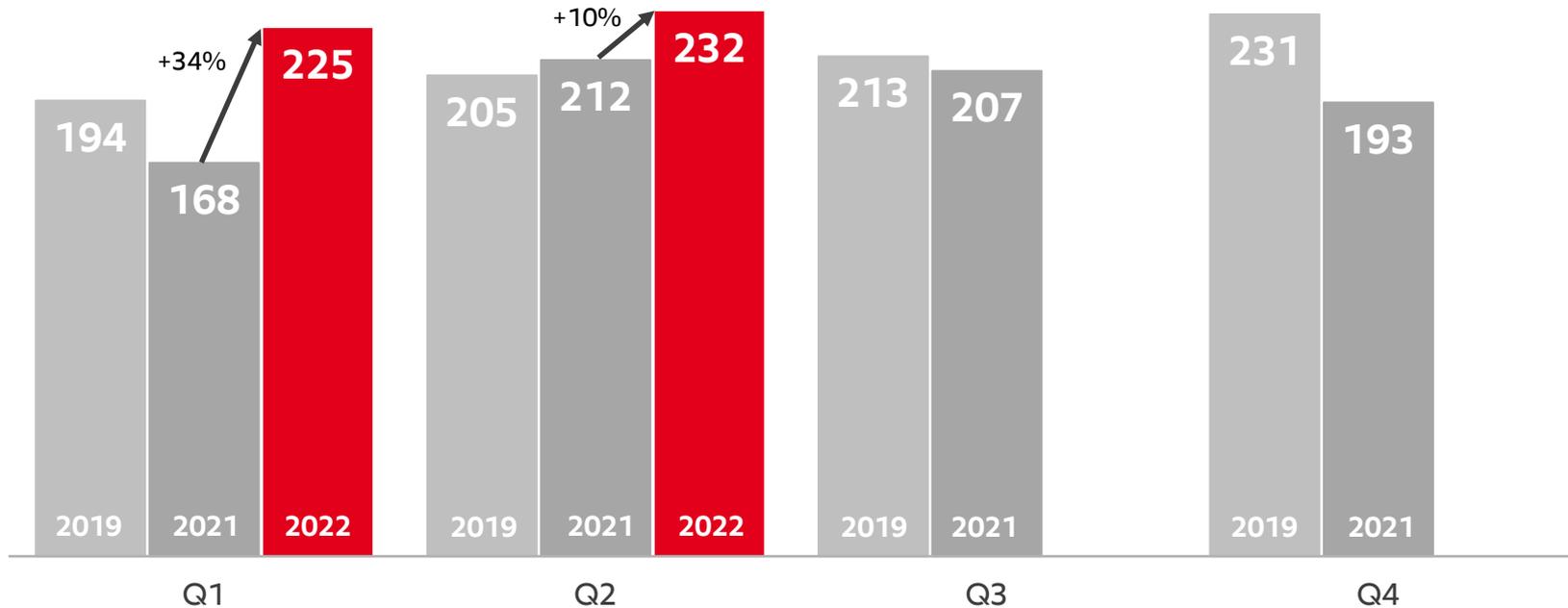
Gordon Halladay,  
Kiosk Manager Hibernian Football Club



You can watch the whole video [here](#).

# Sales revenues exceed all time high at 458 mEUR in HY1

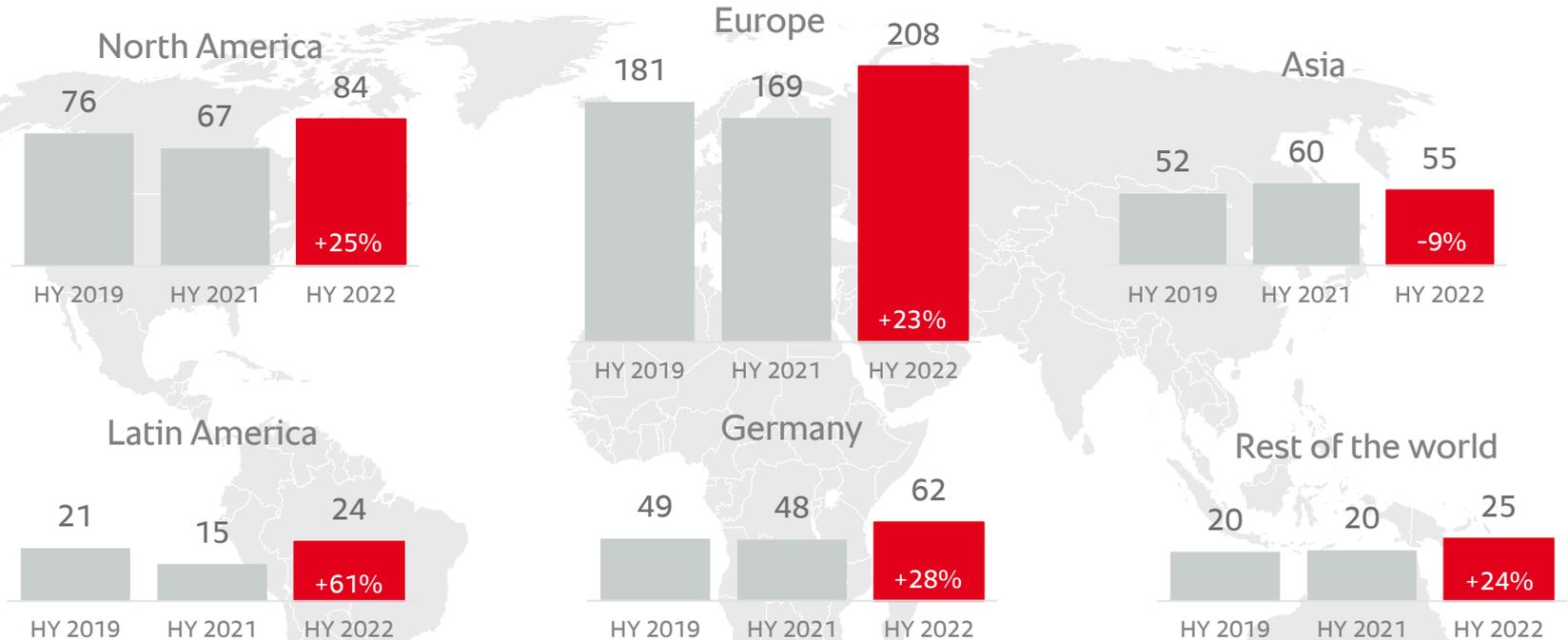
Sales above previous year – Q2 and half year new all time high



Sales revenues in mEUR  
Sales revenues growth in %

# HY 2022 – sales revenue by region

All regions above 2019 - Asia slightly below previous year



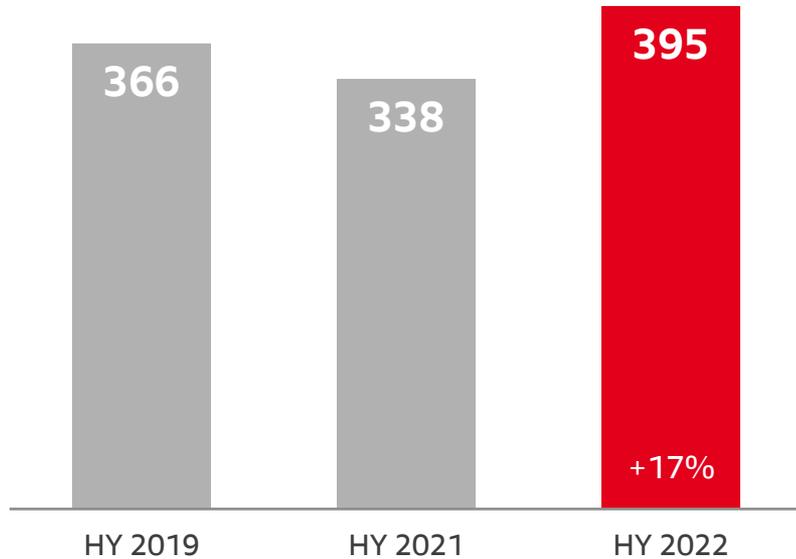
Sales revenues in mEUR  
Sales revenues growth compared to previous year

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

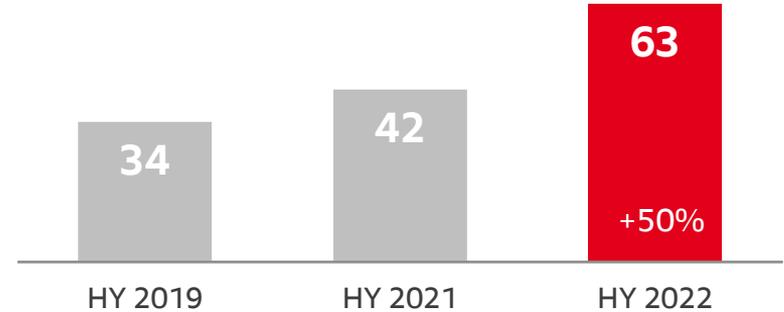
# iVario continues growth story with +50% in sales in HY 2022

Both product groups were in strong demand

Sales revenues iCombi



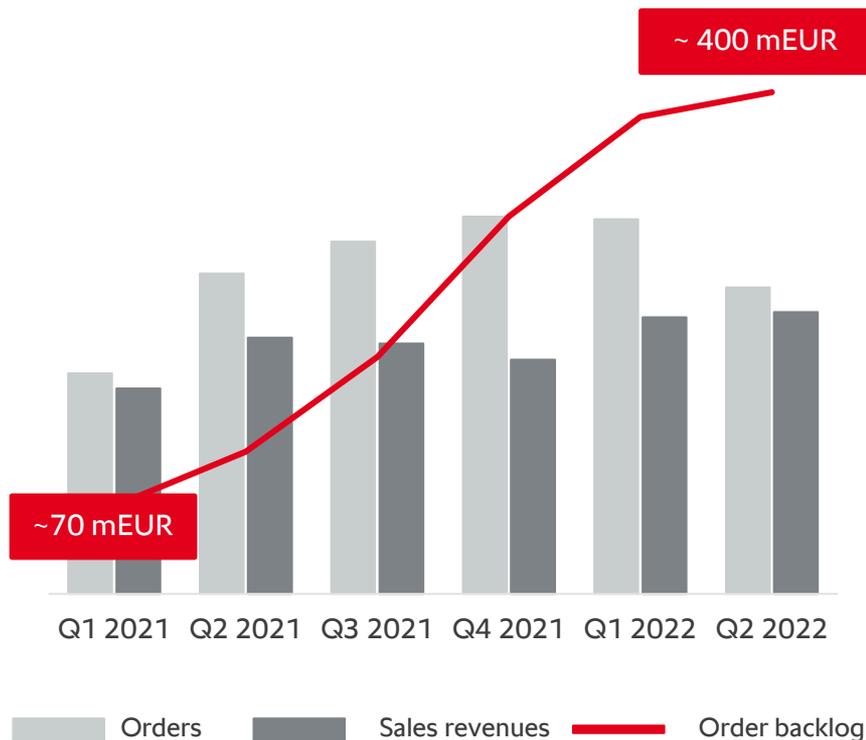
Sales revenues iVario



Sales revenues in mEUR  
Sales revenue growth in %

# Order backlog stabilising – extraordinary high orders in March

400 mEUR or 44,000 units in order backlog end of Q2



- › Around 400 mEUR or 44,000 units in order backlog end of June 2022.
- › Delivery times in the industry unchanged on extraordinary high level.
- › Orders in March were nearly twice as high as usual, due to price increase in April.
- › Orders have normalised since April. No significant slump in orders is currently foreseeable.
- › iVario is less affected by component shortages (Delivery times of around 12 weeks).
- › Order entry in Q2 still 9% above sales level.

# Prices on raw materials could stabilise in second half 2022

Cost pressure on suppliers and RATIONAL still unchanged

- › Price increases in many areas such as alloy surcharge, chemistry and plastics.
- › For stainless steel (about 10% of COGS), there was a price increase of about 20% effective beginning of April.
- › However, alloy surcharge in June was falling for the first time since May 2021.
- › We do not expect to feel decreasing material prices short-term.
- › Instead, inflation of wages and rising energy costs are driving input prices further.



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

# Pressure on gross margin despite sales price increases

OPEX deliver some positive impact on EBIT margin

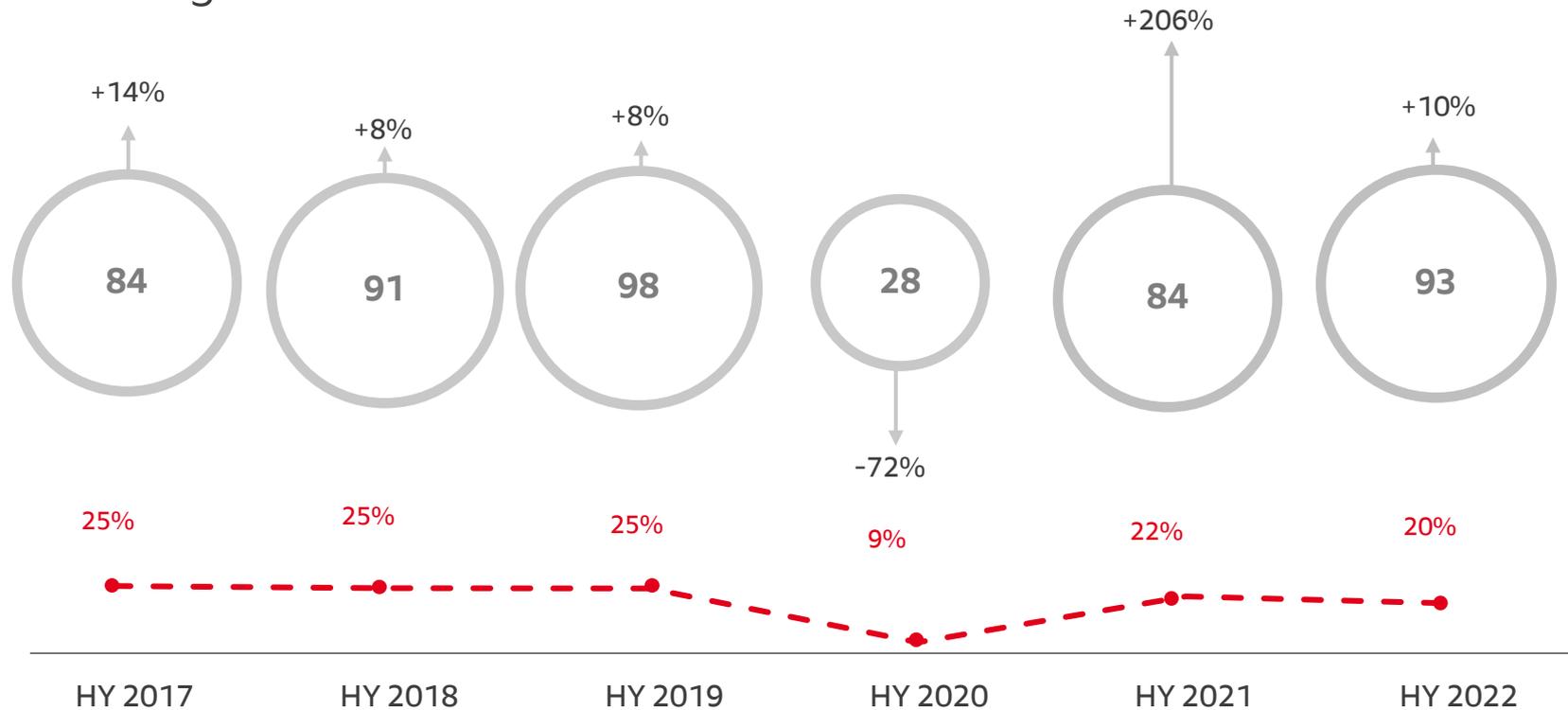
in mEUR			HY 2022 vs. HY 2021	
	HY 2022	HY 2021	Change	Margin Impact <sup>1</sup>
<b>sales revenue</b>	458	379	+21%	---
COGS	-210	-166	+27%	-2,3%
<b>Gross Profit</b>	<b>247</b>	<b>214</b>	<b>+16%</b>	---
<b>Gross Margin</b>	<b>54,0%</b>	<b>56,3%</b>	---	---
Sales and Service	-111	-89	+25%	-0,9%
R&D	-22	-23	-4%	+1,2%
Administration	-23	-19	+17%	+0,1%
<b>Operating Expenses</b>	<b>-156</b>	<b>-131</b>	<b>+19%</b>	<b>+0,5%</b>
Other operating inc./exp.	1	1	---	+0,1%
Currency Result	1	1	---	-0,2%
<b>EBIT</b>	<b>93</b>	<b>84</b>	<b>+10%</b>	---
<b>EBIT Margin</b>	<b>20,3%</b>	<b>22,3%</b>	---	<b>-2,0%</b>

- > **COGS:** Higher component and raw material prices pressuring gross margin, however positive trend in June.
- > **Sales and Service:** Increasing marketing expenses, customer visits and travelling activities.
- > **R&D:** Expenses slightly below 2021.
- > **FX:** Weak EUR is helping to grow EBIT. On comparable FX-rates EBIT on same level vs. last year.

<sup>1</sup>in percentage points

# EBIT further stabilising, growing by 10%

EBIT margin at 20% in HY 2022



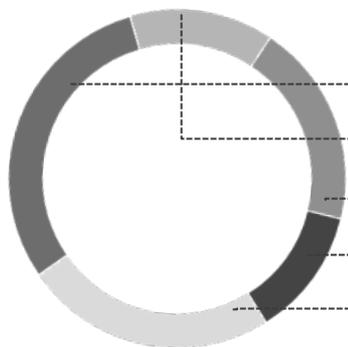
EBIT in mEUR

EBIT margin in %

EBIT growth in %

# 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**

HY 2022

HY 2021

226

217

103

78

146

122

92

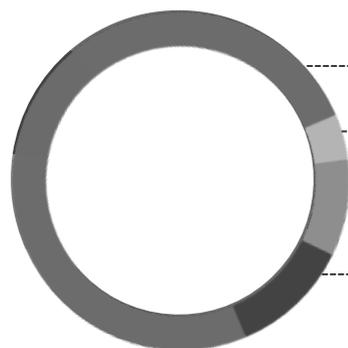
51

181

242

**748**

**710**



Equity

Non-current liabilities

Current provisions

Current liabilities

**Equity & liabilities (total)**

560

544

33

34

69

54

86

78

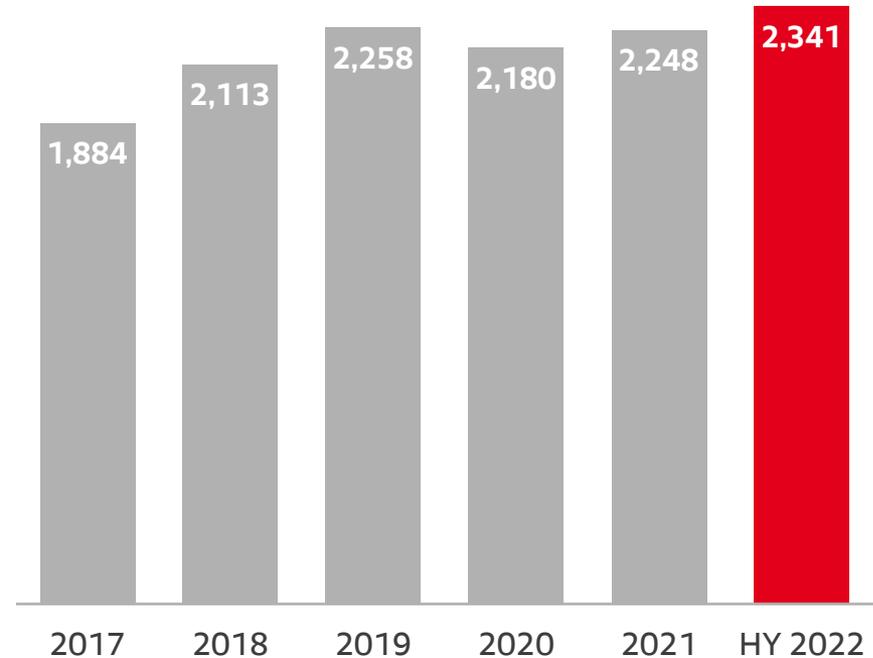
**748**

**710**

## Further investment with additional members in our team

Inflationary environment reason for comparably high salary increase

- › Our employees are the foundation of our success.
- › RATIONAL was awarded best Employer Brand by TalentAttract.
- › Due to the high inflation, we have adjusted the salaries on a record level compared to previous years.
- › For example, from July 2022, salaries will increase by +5,1% in Germany.



## Outlook 2022 confirmed

Growth path expected to continue despite overall challenges

- › We expect sales to grow by 10 to 15% compared to previous year's sales.
- › With costs increasing less than revenues and positive FX impacts RATIONAL expects an EBIT margin on 2021 level.
- › Should supply chain or geopolitical risks materialise, we expect a slower increase in sales and an EBIT margin below the 2021 level.
- › If risks do not materialise, FX and pricing effects remain strong, sales could be at or a bit above expectation. Due to cost increases we see absolute EBIT guidance also in this scenario as realistic.

# **RATIONAL to exit the Russian market by the end of 2022**

- › We suspended the supply of cooking systems to Russia because of government sanctions.
- › Business operations in Russia will be terminated by the end of 2022.
- › Sales in Russia and Belarus accounted for around 2% of total sales in FY 2021.

# Appointment of Dr-Ing Martin Hermann as CTO

Successor to Peter Wiedemann starts on 1 September 2022

- › Previous Member of the Board and CTO/COO at Hauni Maschinenbau GmbH Hamburg from 2012 to 2020 with global responsibility for R&D as well as for production, supply chain and quality management.
- › Before joining Hauni GmbH, Dr. Hermann was Managing Director Technology at H. Stoll GmbH & Co. KG, a company for textile and flat knitting machines.
- › He will gradually succeed Mr Peter Wiedemann.



Dr-Ing Martin Hermann

## **New format – RATIONAL IR talks**

### Regular Investor Relations communication in turbulent times

- › The format will be comparable with the fireside chats that became very popular in the last two years.
- › In order to give all interested people the chance to get in touch with us on a regular basis, we have set up these events.
- › Basic insights into the business model of RATIONAL.
- › Specialised events planned for the future e.g. sales process, iVario, ConnectedCooking ...
- › Q&A during the call.
- › We will not talk about preliminary figures in these calls.

**Next IR Talks:** 11.8. / 8.9. / 13.10. / 26.10. / 24.11. / 15.12.2022



Please send your questions to  
[ir@rational-online.com](mailto:ir@rational-online.com)

# Disclaimer

This presentation serves the single purpose of introducing the RATIONAL Group and providing a brief overview. The information contained is not intended to be exhaustive and does not provide a basis for corporate decisions or serve as investment advice.

We assume no warranty, guarantee or liability for the completeness of the information, statements, estimates and projections given in this presentation, in particular with regard to the future development of the companies of the RATIONAL Group. This presentation contains assessments of the future based on the assumptions and estimates of the Executive Board of RATIONAL AG. Even though the Executive Board is convinced that these assumptions and plans are correct, the actual development and future results may significantly deviate from these assumptions and estimates. RATIONAL AG does not assume warranty or liability for future developments and future results corresponding to the assumptions and estimates made in this presentation.

© RATIONAL 2022