

# ANNUAL REPORT 2021

Sedus Stoll Group



## Key Indicators at a Glance

### Sedus Stoll Group

		2017		2018	
Sales revenues	EUR thousand	191,150		212,283	
of which in Germany	EUR thousand	107,897		110,536	
of which abroad	EUR thousand	83,253		101,747	
Net income for the financial year	EUR thousand	9,820		9,781	
Cash flow	EUR thousand	18,769		21,113	
Investments (excluding financial assets)	EUR thousand	9,164		15,834	
Depreciation, amortisation and write-downs (excluding financial assets and goodwill)	EUR thousand	7,740		8,254	
Balance sheet total	EUR thousand	150,512		161,524	
Equity	as a % of the balance sheet total	54.9		55.7	
Average number of employees across all quarters (excluding management boards, managing directors and trainees)		873		935	
of which in Germany		809		864	
of which abroad		64		71	

2019		2020		2021		Difference compared to previous year (PY)
						%
210,092		184,044		195,939		6.5
116,274		109,323		107,297		-1.9
93,818		74,721		88,642		18.6
7,750		2,538		2,616		3.1
16,235		10,667		11,517		8.0
13,872		10,751		14,020		30.4
8,910		8,934		9,494		6.3
168,407		163,972		171,734		4.7
56.7		58.3		56.7		–
957		936		926		-1.1
885		862		849		-1.5
72		74		77		4.1



## Structure of the Sedus Stoll Group

<b>STOLL VITA FOUNDATION</b>	60.6 %	<b>KARL BRÖCKER FOUNDATION</b>	32.3 %	<b>OTHER SHAREHOLDERS</b>	7.1 %
Waldshut-Tiengen		Lippstadt			
Main shareholder		Main shareholder			

### SEDUS STOLL AKTIENGESELLSCHAFT

Dogern

Sedus Systems GmbH	100 %
DE - Geseke	

Klöber GmbH	100 %
DE - Owingen	

Hardship Fund of Sedus Stoll	100 %
Aktiengesellschaft, Dogern e.V.	
DE - Dogern	

Sedus Digital GmbH	100 %
DE - Dogern	

### Sales companies abroad

Sedus S.A.R.L.	100 %
FR - Paris	

Sedus Stoll S.R.L.	100 %
IT - Cadorago	

Sedus Stoll Ges.m.b.H.	100 %
AT - Vienna	

Sedus Stoll Ltd.	100 %
GB - London	

Sedus Stoll BV	100 %
NL - Zoetermeer	

Sedus Stoll AG	100 %
CH - Rickenbach	

Sedus Stoll BVBA	100 %
BE - Erembodegem-Aalst	

Sedus Stoll S.A.	100 %
ES - Madrid	

Sedus Office Furniture LLC	100 %
AE - Dubai	

**sedus**

**KLÖBER** 

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The notes and management report pertaining to the individual financial statements of Sedus Stoll AG do not constitute part of the annual report. The annual closing of accounts with notes and the management report will be published in the Federal Gazette.



# SUSTAINABILITY

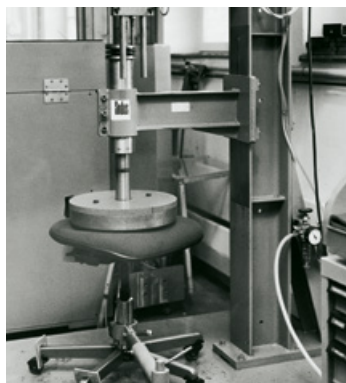
*Origins and Tradition*



sedus

Haltung. Seit 1871.





**Sedus product culture.**  
Ergonomic, aesthetically pleasing, cleverly designed and of durable quality: this specific combination of Sedus office furniture and furnishing concept features likewise dates back to the era of the Waldshut ecology and ergonomics pioneers Emma and Christof Stoll.



### **Not an option, but a must**

The primary motivation behind sustainability is protection and maintenance of the biosphere. As the source of all life it is the reason why technology-related interventions, changes and transformations are today subordinate to the paradigm of the greatest possible compatibility with humans, the environment and nature.

The onset of the 2020s has brought with it a rebalancing as regards the importance of ecological sustainability on a European and national level.

Typical terms include the 'EU Green Deal', 'EU Taxonomy Regulation' for the environmental sustainability of investments and the 'Supply Chain Act', as adopted by the German Bundestag in June 2021. All of which mark a turning point with far-reaching legal consequences for the general orientation of the manufacturing industry.

The aims of economic sustainability, environmental responsibility or compliance with the human rights proclaimed under the United Nations Global Compact will no longer be essentially voluntary commitments in future – what was an option for sustainability is now increasingly becoming a must.

### **Pioneers of sustainability**

Enjoying a clear advantage are companies such as Sedus, for whom the idea and objectives of environmental sustainability and social responsibility are literally part of the company pedigree.

This stance can be traced back to the early days of the now over 150-year-old Sedus brand. From the very outset, the ergonomics of sedentary office work, use of work-saving machine technology and social responsibility towards employees, the community and the region were incorporated by the founding generation into the way the company conducted itself.

With the following generation in the shape of Christof and Emma Stoll, this philanthropically established approach definitively became a core component of a sustainable company focus and then a permanent fixture in 1985 with the transfer of the family assets to the specially founded charitable Stoll VITA Foundation.

### **Bringing together what belongs together**

'Ecology and economy are not a contradiction, but rather indispensable elements of a greater whole.' Today this keynote statement by Christof Stoll has fundamental currency. Employee participation in operating profits (1953), the opening of a staff restaurant based on whole food cuisine (1966), the establishment of an in-house R&D department with the sector's largest and most up to date test laboratory (1971), all combined after the first Eco audit (1995) into a consistently developed, comprehensive environmental and energy management system. The current, highly ambitious focus relates directly to the company's carbon footprint, with the aim being for all Sedus locations to be climate neutral by 2025.



## SUSTAINABILITY

### *Certification*

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#### ***Signed and sealed***

New or modified materials and auxiliary supplies together with a multitude of manufacturing, processing and finishing processes all culminate today in an enormous complexity of product developments, which is reflected in the number of test and assessment methods. Ecobalances were originally limited to the analysis of products.

Nowadays, holistic processes are increasingly being employed that encompass and evaluate the life cycles of all the various environmental and climate-relevant operations. Two essential principles are to be observed when crafting ecobalances:

- all relevant and potentially harmful effects on the environmental media soil, air and water need to be considered,
- and all material flows within the specified system boundaries also have to be taken into account, including the associated upstream and downstream processes.

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#### ***No ifs or buts***

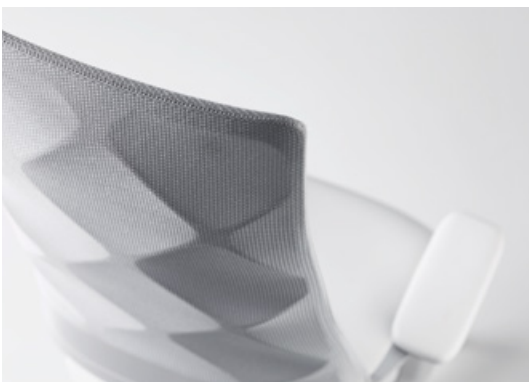
In the case of the holistic 'Sedus Green Code' life cycle analysis, the system parameters of all the various products extend from development, procurement and production right through to their utilisation and subsequent reprocessing, recycling and waste disposal. In 2021 the pioneering role of Sedus was once again recognised.

With its Gold ranking – awarded by the sustainability rating platform EcoVadis – Sedus ranks amongst the top five percent of participant companies.

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#### ***Transparency engenders trust***

As early as 1979 for example, the solvent-based wet-coating of metals was replaced by an environmentally-friendly powder-coating process; while in 1995 Sedus was the first German office furniture manufacturer to operate an environmental management system in accordance with EMAS. 2001 saw the addition of certification in accordance with



**Promoting trust.**

*Depending on the level of concentration and duration, polluted ambient air not only reduces the sense of well-being, but can also be hazardous to health. For this reason Sedus and Klöber consistently use materials, colourants, coatings and finishing agents that have demonstrably lower emission and pollutant levels.*



the international ISO 14001 standard. The Sedus environmental and energy management system has been consistently further developed ever since.

Labels and certifications providing customers with transparent substantiation of environmental performance include ISO 9001 (quality), ISO 14001 & EMAS (environment), ISO 45001 (occupational health and safety), 50001 (energy management) and PEFC (sustainable forestry).

Sedus is also planning to introduce the FEMB sustainability standard in 2022. Also of note as a guide for European designers, producers and purchasers of office and commercial furniture is the requirements catalogue encompassing four focus areas: materials, energy and atmosphere, human health and the ecosystem, and social responsibility.

**Healthy ambient air guaranteed**

In modern companies over 80 percent of time is spent indoors. How significantly these built environments and places characterise and impact upon us mentally, psychologically and physically is the subject of numerous scientific studies. Also addressed are the negative consequences of polluted indoor air.

Consequently, the latest Sedus products are tested according to 'tested for harmful substances by TÜV Rheinland' and 'GREENGUARD Indoor Air Quality Certified' criteria or are distinguished with the 'Blue Angel' eco-label. In 2021, the Mera and Connex2 swivel chairs from Klöber were also successfully registered for the 'Blue Angel' eco-label. All three labels confirm that the products are harmless to health and an ideal orientation aid in terms of sustainable purchasing.





## SUSTAINABILITY

### *Circular Economy*

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#### **Recognising and avoiding imbalances**

Dwindling natural resources, accelerated climate change and environmental pollution: the pressure for a global and national change of course is overdue in both the political and economic spheres.

This also applies on the smaller scale of regional and local responsibility. And as is so often the case, in Germany it is the medium-sized (family-run) businesses with their ideas and ingenuity that are forming the nucleus for ground-breaking technical innovation and concepts.

Sedus too is playing its role, with the sustainable circular economy model designed to maintain the economic and ecological balance between people, the environment and nature.

A specific product strategy is consequently incorporated within the DNA of Sedus, which considers, includes and

pursues the goal of sustainability throughout each and every development phase.

When procuring materials, the focus consequently lies on short distances:

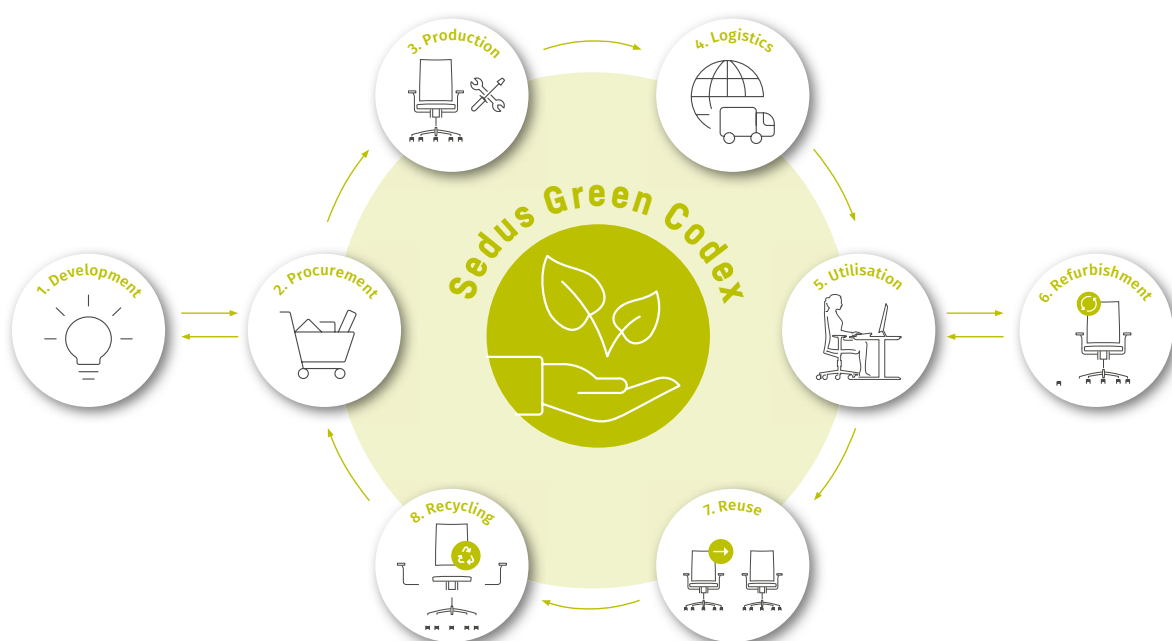
74% of materials are supplied from Germany alone, with that figure rising to 97% when expanded to Europe as a whole. Added to this is the high level of vertical manufacture at each location, incorporated into sophisticated warehouse, production, packaging and distribution logistics.

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#### **Greater efficiency, greater effectiveness**

Yet the Sedus sustainability concept is not purely focused on the cost-cutting effects. Equally important are all the various material, system and organisational measures that combine to ensure excellent product quality, continual functional reliability and separation of individual materials





**Preserving materials.**

*Use rather than consumption. Reuse rather than disposal.*

*Two maxims of the circular economy that form the basis of the Sedus Green Code model. This process views a product throughout every phase of its life cycle in order to balance and maintain energy and material use at the ecologically appropriate optimum.*

at the end of the life cycle. In Dogern and Geseke alike, the production layouts of the manufacturing cycles undergo continual analysis and optimisation to enhance the product quality, availability and individualisation of Sedus office seating and furniture.

**Sedus and Klöber: investing in the future**

The EUR 20 million dedicated to the major Futura II project at Geseke in March 2021 represents the largest individual investment in the history of the company. It is anticipated that this fully automated system for the production of carcass furniture will permanently cushion the expected growth in sales. Of special note is that the system is able to produce with a starting batch size of just 1 in accordance with individual customer needs.

Klöber too is setting new logistics standards with its 'Production Reorganisation 2021' project that commenced in June, with shorter distances and reduced material and storage area requirements in production all designed to increase efficiency and flexibility. Together with an external planning office that has previously worked successfully with Sedus, workshops were held to gather, analyse and develop all the relevant data into a concept with completely reorganised distribution and placement of the various sectors. The project is budgeted for 2022 and will begin in the spring of that year.



## SUSTAINABILITY

### *Synergy Effects*

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#### **Group strength**

In addition to Sedus Stoll AG, the Sedus Stoll Group also includes Klöber GmbH, an international manufacturer of high-quality office seating that operates independently on the market. Moreover, together with Sedus Systems GmbH, the sales companies and Sedus Digital GmbH, Sedus Stoll AG forms a subgroup that, as a full-service provider, offers both office furniture and workplace concepts as well as digital solutions for the use and management of workplaces in smart working environments.

A prerequisite of internally and externally cooperative corporate groups is the logistical networking of spatially distributed resources and competencies.

However, smooth functioning involves a high degree of cultural dependence. This is where the strength of the Sedus Stoll Group comes into its own, and not purely because the three core companies share common origins as family-run companies. A high degree of concordance also exists regarding the aims and values in relation to the relevance of the quality, ergonomics, emotionality and sustainability of 'the office of the future'. In such a coordinated system of shared values, the expertise and skills developed within the respective companies can be used to far greater strategic effect.



**Common base.**

*Diverse expertise. Shared values. United strengths. For the working environment of Sedus customers too, these principles of networked, cross-corporate cooperation are primary factors of success that combine to form FabLabs, co-working spaces or multi-generational offices.*

**Competence centres in Dogern, Geseke and Owingen**

In pursuing this approach, the development of competence centres in Dogern and Geseke has been expedited in recent years. As part of the process the tables/real wood processing product groups were moved from Dogern to Geseke, while the partitions/aluminium processing product groups have in turn been switched from Geseke to Dogern. 2021 saw an organisational shift for the first time between Sedus and Klöber, involving a warehouse area and the assembly of two Sedus products. This has allowed the entire Sedus advertising inventory to be housed at the former metal production site in Owingen, with the result that advertising logistics for the Sedus Stoll Group as a whole have now been unified at a single central location.

A further new progression within the Group is the transfer of assembly of two new Sedus products – the se:lounge chair and the SimRace models. Both products were developed on the basis of cooperation between Sedus and Klöber, with the impetus for this approach drawn from the know-how generated in Owingen during production of the WOOOM family of products. Furthermore, it was also possible to directly re-deploy the existing assembly equipment for production of the Sedus products.



# FOUNDATIONS

*A Perpetual Feature*







**Creating a sense of community.**  
Foundations combine corporate objectives with the claim of social responsibility. Both occur in the knowledge of being part of a free democratic society. This sense of charitable promotion of scientific, cultural and social goals also characterises the spirit of the Stoll VITA Foundation and the Karl Bröcker Foundation.



### **Social creative force and sustainability**

In market-economy-based democracies, foundations are an expression of a civil society founded on civil responsibility. They are able to foster innovative economic goals, as is the case with the Stoll VITA Foundation, for example, which extols a form of enterprise that maintains a balance between economic and ecological benefits. Their focus lies on the scientific promotion of education, health care, nature conservation and environmental protection. They may also devote themselves to altruistic goals, as is the case with the Karl Bröcker Foundation, which organises direct or institutional aid and support for disadvantaged children and young people in Germany and abroad.

### **A traditionally good performer**

Sedus Stoll AG is a non-listed stock corporation. The majority shareholder in the company is the Stoll VITA Foundation with a 60.6% shareholding; while the Karl Bröcker Foundation holds 32.3% of the shares. 7.1% of the shares are free-floating. Companies held by a foundation are frequently traditional family-run companies that contribute significantly to the success of the German medium-sized sector. In addition to their important charitable commitment, they also have the advantage of being able to pursue long-term corporate objectives while remaining largely independent of short-term fluctuations and constraints in the capital markets. At the same time, current research shows that despite low capital market pressure, foundation companies do not act more ponderously or conservatively in their performance, as evidenced by a comparison of average returns with listed companies.



## FOUNDATIONS

### *Activities*

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#### **Stoll VITA Foundation**

Alongside other support provided by the Stoll VITA Foundation, two particularly notable projects were also initiated in 2021 in the form of the 'Kinder Villa Stoll' daycare centre and the urban gardening project 'Emmas Gartenkiste'.

The daycare centre has been rehoused in the former dwelling of founders of the organisation Emma and Christof Stoll which had lain empty since 2010.

The facility is run by a private non-profit organisation, MotivationMensch gGmbH, which works according to the largely child-centred 'Reggio Emilia approach'. Wholly in line with the philosophy of the foundation's founders, the primary focus and goals centre on environmental awareness, affinity with nature and healthy nutrition. At the 'Kinder Villa Stoll' up to 45 children from the age of two months old are cared for and guided by qualified educators.

'Urban gardening' is defined by Wikipedia as 'generally small-scale horticultural use of urban spaces within settlement areas'. This concept of a plant-friendly leisure activity embracing nature has now also fallen on fertile ground in the district town of Waldshut.

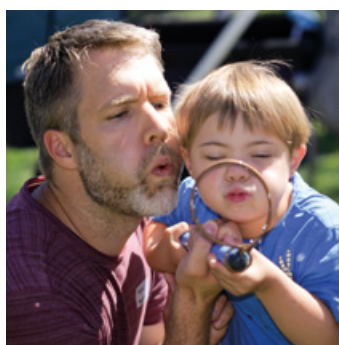
'Emmas Gartenkiste' is an urban gardening project created by the Stoll VITA Foundation that offers townspeople who lack their own garden, balcony or terrace, the opportunity to grow and pick their own fruit and vegetables. Eight raised beds have been placed in the centre of the Foundation's property that can be independently cultivated by families, couples and individuals. All under the eye of a qualified horticulturist who guides the amateur gardeners throughout the entire season.

[www.stollvitastiftung.de](http://www.stollvitastiftung.de)





**Improving early opportunities.**  
Both foundations are particularly committed to fostering the interests and needs of younger generations. The aim is to create appropriate early learning and environmental conditions for children and adolescents to help them gain greater self-confidence, strength of character and a feeling of responsibility during their personal development.



### **Karl Bröcker Foundation**

‘Future for children’: an initiative primarily devoted to children and youngsters who are disadvantaged in life by social circumstances or individual fate. 2021 saw the festive inauguration of the new Renate Bröcker Youth Centre. The new building in Geseke was supported in celebration of the 20th anniversary of the foundation and since then has been named after the foundation’s founder Renate Bröcker. Sponsored and financed by the Foundation and the town of Geseke, the building project encompasses a large-scale developed level on the ground floor. This new urban institution is practically the ideal embodiment of the aims of the Karl Bröcker Foundation: providing a solid base for the development and educational process of children and young people.

Within the walls of the Karl Bröcker Foundation, the ‘Soul-buddies e. V.’ association in Lippstadt is now able to offer

an additional point of contact for its psychotherapeutic work with children and youngsters; somewhere where children and young people suffering psychological problems can discreetly and unbureaucratically obtain sound information and psychological and/or educational advice. Of particular importance is the opportunity for short-term referral for further psychological counselling or acute psychotherapy treatment, along with help in finding available out-patient psychotherapy places and individual pedagogical support.

This year the Foundation team is especially looking forward to the summer festival now able to take place again after a two-year break. Each year the Karl Bröcker Foundation hosts a summer festival for children and young people with disabilities and their families. With a new motto on each occasion, the festival offers an unforgettable and carefree day for all.

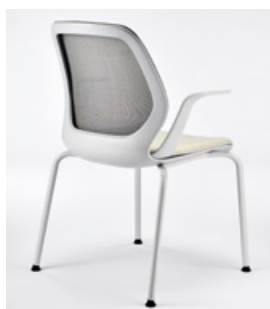
[www.karl-broecker-stiftung.de](http://www.karl-broecker-stiftung.de)

# PRODUCT LANDSCAPES

*Design Awards*







#### **Form. Perfected.**

2021 saw Sedus products distinguished with four German Design Awards. The accolade is one of the most prestigious awards worldwide for excellent performance in terms of brand, innovation and architecture management. Prize winners from left to right: se:motion swivel chair, se:flex visitor chair, se:mood multi-purpose chair and the se:lab sofa.

#### **Aesthetics of functionality**

In the design of two-dimensional media, content and meaning derive from the respective form. By contrast, in object design the function and use of physical objects is rendered accessible by the form. Moreover, the design of objects such as office furniture and furnishings is disparately more complex than the design of media. Objects require consideration of dimensions such as proportion, light, smell, texture and feel. Only where aesthetic and functional aspects form an intrinsic whole do designs emerge that stand out from the plethora of decoratively and fashionably banal objects to maintain long-lasting appeal. Ultimately, the dimension of sustainability also applies to aesthetics.

#### **Appraised and honoured**

The German Design Award, now one of the most prestigious design awards worldwide, was first presented in 2012 by the German Design Council. The German Design Council was founded in 1953 on an initiative of the German Bundestag and is today supported as a foundation by more than 340 companies.

It is the foremost German design and brand institution that regards product, communication and architectural design as central factors of competitiveness and success and which promotes, teaches and supports such as an institution.

The Sedus design team has long been a constant when it comes to the presentation of top-class design accolades and has again been distinguished in 2022 with the German Design Award for four product developments: the se:lab sofa constructed from the 15-part se:lab system range, the se:motion swivel chair with its new revolutionary kinematics, the se:flex visitor chair complementing the swivel chair; and the se:mood multi-purpose chair featuring plastic parts made from 100% recycilate material, which are also in turn fully recyclable.





## PRODUCT LANDSCAPES

### *Trade Exhibitions*

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#### ***Laboratories of the future***

In one of the most climatically exposed locations – and one year later than originally planned due to Covid – October 2021 saw the opening of the Expo 2020 in Dubai. Originally, such world expositions were primarily presentations of industrial and commercial performance in combination with technical innovations. It was not long, however, before the focus increasingly shifted towards technical, geological and socio-cultural topics of (vital) importance for the future of mankind.

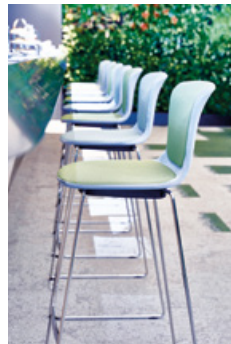
The Expo in Dubai fully embraced the goals of sustainability, as indeed did the German pavilion, which was designed, planned and built with the perspective of closed-loop systems in mind.

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#### ***Birds of a feather flock together***

The intention is that the entire German pavilion will be disassembled after the world expo and its components and furnishings either then recycled or otherwise reused. As created, the building nests interlocking box-like structures under a floating, self-supporting roof on a floor space of 4,500 square metres that, under the title Campus Germany, present three distinct themes: energy, biodiversity and future city.

The organisers of the German pavilion first approached Sedus during Orgatec 2018 with a view to participating as a sponsor of office and lounge furniture. As a result of the ensuing discussions and negotiations Sedus exclusively equipped all the primary meeting points in Campus Germany – from the offices and conference rooms to the cafeteria and VIP lounge.



**Universally encountered.**

*It speaks volumes for the reputation of two brands renowned throughout Europe and beyond that they are the official furniture suppliers of global, national and regional trade expositions and events. Sedus for the German pavilion at the Expo in Dubai, Klöber for the State Horticultural Show in Überlingen.*

“In selecting the furniture, design and functionality were not the only significant considerations, rather both the climate balance of the furniture and the sustainability concept of the manufacturer were particularly important,” explained Christian Tschersich, associate partner at LAVA – Laboratory for Visionary Architecture, which was responsible for the architecture and spatial concept. “In this respect, it was not merely the holistic thinking of Sedus Stoll AG with regard to design and furniture products that impressed us.”

**Part of the Lake Constance cultural region**

Lake Constance and the Alpine foothills rank among the most beautiful and significant European cultural landscapes and are characterised by highly developed architecture and craftsmanship. Deeply rooted in this

environment is the 85-plus years of Klöber office furniture history. With such historically focussed awareness in terms of coherently combining material, texture, colour and both ergonomic and aesthetic design, Klöber has achieved an exemplary level of quality. In this respect, the company itself speaks of ‘THE ART OF SITTING’. An ideal occasion to present such quality to a larger audience was the Baden-Wuerttemberg State Horticultural Show 2021. For Klöber, as an official sponsor, it was an opportunity to provide seating and table furniture for one of the highlights on the exhibition site. From 9 April to 17 October 2021, Klöber furnished the glazed plant house with a combination of large and small WOOOM chairs upholstered in non-woven material, complemented by WOOOM ottoman seats, Mera visitor chairs and Sedus tables.





## PRODUCT LANDSCAPES

### *Individual Freedoms*

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#### **Digital transformation**

Traditional office work is essentially geared to the administration of information – acquire, evaluate, distribute and archive. This concept also corresponds to the organisation of work within established company boundaries that generally encompass hierarchical processes and management tools. Following the globalisation of value-added chains and flows of goods, altered and decentralised methods of work have emerged in the shape of network organisations. Primary drivers behind these forms of work, which are independent of space and time constraints, are the advancements achieved in the development of hardware and software technology. A subsequent consequence has seen reproductive office work become ever-more digitalised and automated. In a counteraction, the focus of office work has moved increasingly towards the development and application of new clarification and solution know-how.

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#### **Sedus: productivity freedoms**

These changes in the requirements profile give rise to a new type of management style and office work. Key strengths now lie in self-organisation, thinking and acting in perspective, in tandem with the ability to work together across teams and disciplines. The traditional boundaries between home and office are also becoming increasingly obscure.

In 2021 Sedus added a further building block to the comprehensive se:lab furniture system range in the shape of the se:lab sofa – upholstered with a minimalist design offering maximum movement and impressive seating comfort.

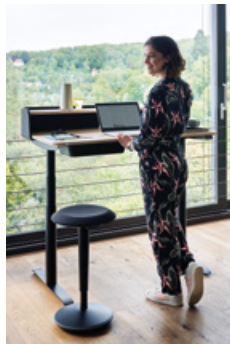
Specially designed retreats are available for open-plan offices with large numbers of staff. The Sedus se:cube series perfectly meets these needs: featuring good acoustics and a pleasant atmosphere, they are the ideal place to work unobserved and in peace. The range has





#### **Pushing limits.**

*In the face of today's competitive conditions, cooperative interdisciplinary teams stand out as the most successful drivers of innovation. For this often time- and location-spanning teamwork, the Sedus Stoll Group offers individual furniture and furnishing concepts that essentially meet the requirements of ergonomics, well-being and productivity to perfection.*



now been expanded by an additional model, the se:cube max. Launched in 2021, the se:desk home is a height-adjustable seated/standing working table that fits in any home office. The electronically height-adjustable table tracks the users working height, thereby delivering maximum ergonomic comfort – whether seated or standing. An integrated storage shelf can also be used as a second level – for an additional screen, for example.

#### **Klöver: enhanced well-being**

Through the fluid transitions between the work and private spheres, ergonomics, functionality and comfort have become equal objectives in terms of Klöver product development. Amongst other things, 2021 was defined by further detailed enhancements to the already superb comfort of Klöver seating. In the WOOOM non-woven material range, further frame variants were added to the small chairs to considerably expand the furnishing options.

As a new furnishing option, the large WOOOM lounge shell chair has been given a comfortable neckrest. The reading and working light integrated directly in the lounge shell chair that was previously app-controlled has also been enhanced with an additional 'Touch me' operation option. Brightness and light colour can now be simply and freely regulated independently of the app control. Moreover, the new side tables ultimately ensure the WOOOM range offers the ideal work setting for lounge, retreat and mid-zone areas.

As an important and successful design amongst the Klöver swivel chairs, the Mera 'Diamond' model has had a two-fold upgrade – optically and functionally – by way of the elegantly quilted diamond-shaped pattern on the backrest.



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# Supervisory Board and Board of Directors

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## SEDUS STOLL AG

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### Members of the Supervisory Board

#### *Shareholder representatives*

**Dr. Klaus Eisele**, Stuttgart  
Banker  
(Chairman of the Supervisory Board)

**Ulrich Behrens**, Wittnau  
Auditor and Tax Adviser  
(Deputy Chairman)

**Werner Blanke**, Anröchte  
Banker

**Heinz Gerteiser**, Albbbruck  
Management Consultant

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#### *Employee representatives*

**Herbert Ebner**, Höchenschwand  
Chairman of the Works Council of Sedus Stoll AG

**Wolfgang Kautz**, Geseke  
Chairman of the Works Council of Sedus Systems GmbH

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### Members of the Board of Directors

**Director of Marketing and Sales**  
(from 01.10.2021)

**Christoph Kargruber**  
A-Steinach

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#### *Director of Technology and Development*

**Daniel Kittner**  
Stutensee

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#### *Director of Finance, Human Resources and IT*

**Cornel Spohn**  
Häusern

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## Report of the Supervisory Board

Ladies and Gentlemen,  
Dear Shareholders,

The 2021 financial year, which was also the year of our 150th anniversary, was again dominated by the considerable impact of the Covid pandemic and 9-month-long vacancy for the post of sales director. Despite this situation, we still achieved a significant increase in sales along with a satisfying result. As a consequence, overall consolidation of the economic position was maintained. Additionally, the requirement for a new director of Sales following the unexpected death of Holger Jahnke in November 2020, has now been successfully resolved with the appointment of Christoph Kargruber. Christoph Kargruber has previously held executive positions in medium-sized companies in both Germany and abroad. In a further move, the extension of Daniel Kittner's contract as director for Engineering was also agreed. Continuity within the Management Board is therefore secured for the upcoming years.

In 2021, the Management Board again continuously reported to the Supervisory Board in a timely and comprehensive manner – both in written and verbal form. In doing so, the Management Board provided information on the progression of business, the company's financial and economic performance, measures taken in respect of Covid-19, as well as company risk management. Furthermore, the Supervisory Board received a monthly report from the Management Board regarding the current net assets, financial position and results of operations of the Sedus Stoll Group as well as the individual companies, including any deviations between target and actual values in addition to the corresponding comments. The Supervisory Board was also advised of the incoming orders and turnover of all of the Group's units on a weekly basis.

Four Supervisory Board meetings were held in the 2021 financial year – two in the first half and two in the second half of the calendar year. All members of the Supervisory Board and Management Board attended one meeting in person, with the three other meetings held as video conferences due to Covid restrictions.

In the four Supervisory Board meetings and by way of ongoing reporting, the Group's business development with regard to net assets, financial position and results of operations were discussed as well as the respective updates at the end of the year. A subject that also dominated in all the meetings concerned the changes in process organisation necessitated by the Covid-19 pandemic and the market performance of our customers and suppliers alike. The Supervisory Board was also extensively briefed on the focus of sales, including online sales and the market launch of new products by the new director of Sales Christoph Kargruber. Management Board member Cornel Spohn also provided a comprehensive overview of his remit covering finance, asset management, personnel and IT security issues.

Strategic issues of corporate cooperation and shareholdings were also addressed in the Supervisory Board meetings. Planned comprehensive investments in building measures and machinery facilities at the Geseke site as well as the requisite future technical orientation were additional focal points of the meetings. Further important subjects were the newly drafted guiding principles and revisions to the Code of Conduct. The Supervisory Board also discussed respective presentations with the managers of the following areas:

- regarding sales, the comprehensive theme of e-commerce was addressed,
- regarding Sedus Systems, including the building measures and new Futura II machinery facilities, a comprehensive status report was provided,
- regarding IT, the IT security strategy and commensurate security measures in the Group were presented and
- finally, a report was provided on the international alignment of sales.

In addition to the regularly scheduled meetings, the chairman and other members of the Supervisory Board discussed individual operational and strategic issues with the Management Board in various phone calls and meetings.

In the December meeting, the Management Board put forward the 2022 annual and investment plans, which were comprehensively discussed and ultimately adopted. Details of financial assets were also briefed in the December meeting. The extremely conservative approach agreed to date regarding asset management of the AG in line with the Code of Conduct was once again affirmed and stipulated.

The Investment and Personnel Committee met 21 times in the financial year 2021, for the first time on 11 January and the last time on 12 December 2021.

An essential element of 14 meetings were the discussions with HR consultants in connection with the search for a new director of Sales. To this end, interviews and in some cases multiple interviews were carried out with 9 individuals selected from all the candidates.

Additional Investment and Personnel Committee topics were investments, deliberations on corporate cooperation and shareholdings, strategic product alignment, discussions with the auditors and preliminary discussions of items for the Supervisory Board meetings. The situation in relation to both our suppliers and our customers was also repeatedly outlined and jointly discussed by the Management Board.

To the extent that approval of the Supervisory Board or its Investment and Personnel Committee was required for individual issues in accordance with the memorandum and articles of association or the rules of internal procedure, the bodies in question examined and advised on the commensurate draft resolution, and reached a decision.

In accordance with statutory provisions, the Supervisory Board issued an auditing mandate for the 2021 financial year to the auditor selected by the annual general meeting on 31 May 2021, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, Essen branch, and discussed the scope of the audit.

The Essen branch of the Frankfurt am Main-based auditing company PricewaterhouseCoopers GmbH audited the annual financial statements of Sedus Stoll AG prepared by the Management Board and the consolidated financial statements as at 31 December 2021, as well as the management report of Sedus Stoll AG and the Group management report, and issued an unqualified auditor's report in respect of each.

On 28 March 2022, the Investment and Personnel Committee discussed the annual financial statements of Sedus Stoll AG for the 2021 financial year, the consolidated financial statements and the annual financial statements of German subsidiaries with the auditor in the presence of the Management Board.

All annual financial statement documents of Sedus Stoll AG, the Group and the proposal of the Management Board regarding the appropriation of profits as well as the audit reports of the auditor and the report of the Supervisory Board were made available to the Supervisory Board in a timely manner. At the Supervisory Board accounts review meeting on 26 April 2022, the Management Board elucidated the financial statements of Sedus Stoll AG and the Group in the presence of the auditor. The auditor provided information on the findings of its audit and answered the questions of the Supervisory Board members. He thereby confirmed the high level of detailed knowledge and solid risk management of the Management Board as well as the consistent notification of the Supervisory Board in a timely manner. The audits carried out by the auditor and Supervisory Board revealed no irregularities.

The conclusive findings of the Supervisory Board examination did not give rise to any objections against the consolidated financial statements or Group management report prepared by the Management Board. The Supervisory Board has approved the annual financial statements of Sedus Stoll AG and the consolidated financial statements prepared by the Management Board; the annual financial statements of Sedus Stoll AG are thus adopted. The Supervisory Board also examined the proposal regarding profit appropriation which the Management Board intends to submit to the annual general meeting for resolution.

On behalf of myself and my Supervisory Board colleagues, may I take this opportunity to express a very special thank you to all our employees for their dedicated commitment in this exceptional year. Our thanks also to the Management Board for its continued extremely successful work in a continuing difficult economic environment and for its trustworthy and open cooperation throughout the past financial year.

May we also thank our customers and suppliers. Thanks to their cooperation, many of the restrictions anticipated due to the Covid pandemic were avoided.

Dogern, 26 April 2022

The Supervisory Board



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Dr. Klaus Eisele  
(Chairman)



# Report of the Board of the Directors and Group Management Report of Sedus Stoll AG for the 2021 Financial Year

## 1. STRUCTURE, BUSINESS MODEL AND MARKET ENVIRONMENT

Sedus Stoll AG is one of the leading European manufacturers of modern office equipment and communication furniture.

The production facilities of the company, which was founded in 1871 and has its head office in Dogern, are located in Dogern and Geseke. Products bearing the Sedus brand are sold directly via the parent company in Germany, eight European subsidiaries and a company in Dubai, as well as through direct exports to over 70 countries worldwide.

The Sedus Stoll Group also includes Klöber GmbH based in Owingen on Lake Constance. The company is an internationally operating manufacturer of high-quality office seating products. Distribution occurs under the Klöber brand name in Germany and other selected European countries.

Digital solutions for the use and management of workstations in smart-working environments are offered via the subsidiary Sedus Digital GmbH, which was established in 2020 and is based in Dogern.

The Sedus Stoll Group is broadly diversified in the field of e-commerce. In addition to operating its own webshops for end-customers, Sedus provides special B2B and B2B2C solutions for internationally operative companies.

## 2. CORPORATE MANAGEMENT

Drawing on our strategic objectives, management of the Sedus Stoll Group is based on long-term target figures pertaining to the consolidated equity ratio, turnover and EBIT. The focus of operative group management centres on value drivers that impact directly on company goals and in direct correlation to strategy. The most significant control parameters are incoming orders, gross profit, including the afforded contract terms, and EBIT. To enable timely evaluation of the development of such, these parameters are continually analysed and communicated. The achievement of planned targets is constantly monitored with the aid of monthly comparison of planned and actual figures.

In addition to key indicators on the development of various capital commitment items such as tangible and financial assets, inventories, receivables and liquidity, financial management tools are also used to manage the financial situation and assets. These are used to regularly determine the liquidity requirement of group companies and cover such as cost-effectively and sustainably as possible within the scope of central group-wide cash management.

To ensure timely control of target achievement, a standard reporting system is employed by all business units.

## 3. MACROECONOMIC CONDITIONS

With the onset of the Covid-19 pandemic, the global economy fell into the most severe recession in recent years. Thanks to comprehensive political measures undertaken in 2021, the massive slump was stabilised and global gross domestic product is now projected to increase by 5.9%. Nonetheless, the entire economy has been impacted by the consequences of the crisis, notably by price increases on the purchasing side, supply chain problems and spiralling transport and energy costs.

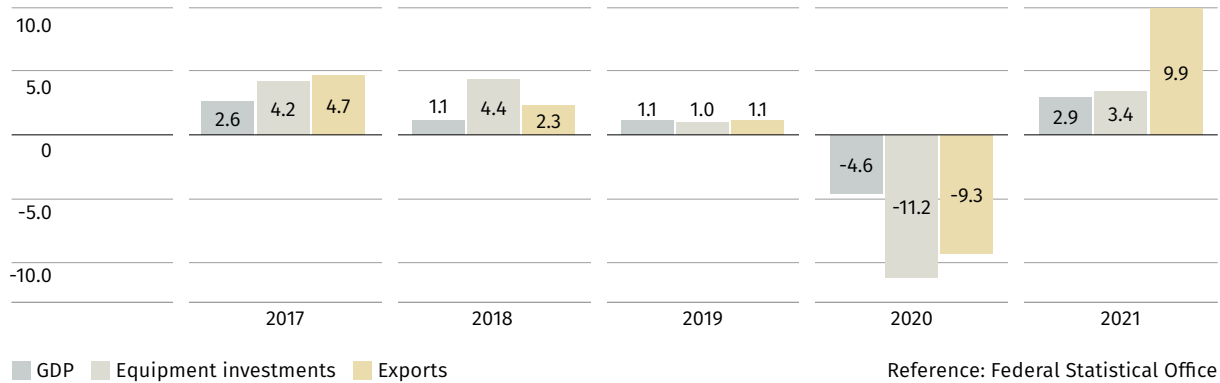
The occurrence of infection and associated Covid protection measures also shaped economic development in Germany in 2021. According to current figures, gross domestic product (GDP) rose by 2.9%. Owing to the continued pandemic and increasing supply and material bottlenecks, the pre-crisis level of 2019 has proved impossible to achieve; however, the slump in 2020 was followed by a recovery and economic performance has now risen in practically all sectors of the economy. Government consumption expenditure and exports have impacted positively in this respect.

Germany exported 9.9% more goods and services to foreign destinations than in 2020. Equipment investments likewise recorded a rise of 3.4%. Construction investment rose by just 0.7% in 2021, essentially due to a lack of materials resulting from supply bottlenecks, labour shortages and fully utilised building capacities.

The development of key economic data in Germany is illustrated in the following diagram:

#### NATIONAL ECONOMIC INDICATORS FOR GERMANY

in % from the previous year



Compared to development in Germany, with a figure of 5.2% GDP in the Eurozone achieved greater growth in 2021. However, economic performance in most states had suffered a considerably larger slump than Germany in the preceding year. A recovery to the pre-crisis level has not yet been attained in the EU as a whole or in its larger member states.

Of the major Eurozone economies, achieving between 5.0 – 7.0%, Spain, Italy and France posted somewhat higher than average growth in GDP against the previous year. The United Kingdom registered a rise of 7.5%.

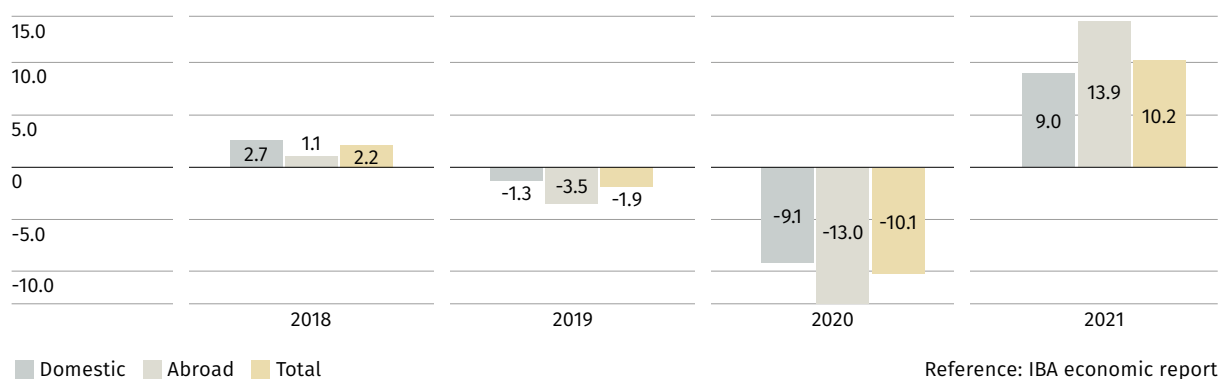
#### 4. DEVELOPMENT OF THE OFFICE FURNITURE MARKET

In essence, the working environment is changing considerably. Accelerated by the need for mobile work, trends towards home offices and hybrid forms of work are now already firm fixtures. As a result, many companies are significantly reducing their office space. To counter this, attractive concepts are being sought to encourage employees back into the office.

To mid-2021, the office furniture market registered modest performance, while in the second half of the year incoming orders rose considerably. Of particular note are the European foreign markets, which gave rise to a marked improvement in existing orders. Performance on the German market has been significantly more restrained. This extremely positive counter-movement in the European foreign markets and lower counter-reaction in Germany is commensurate with the negative performance in 2020.

#### CHANGE IN MARKET VOLUME ACC. TO BSO INCOMING ORDERS – TOTAL

in % from the previous year



The Industrieverband Büro und Arbeitswelt e.V. (German Interior Business Association – IBA) reported a total order intake for office seating and office furniture of +10.2% amongst its member companies in the reporting year. Compared to exports of +13.9%, domestic performance was somewhat more restrained with growth of +9.0%.

Corresponding sales rose by a total of +5.7% (previous year: -11.8%). Domestic growth amounted to +3.8% (previous year: -11.1%), with the international figure standing at +11.1% (previous year: -13.7%).

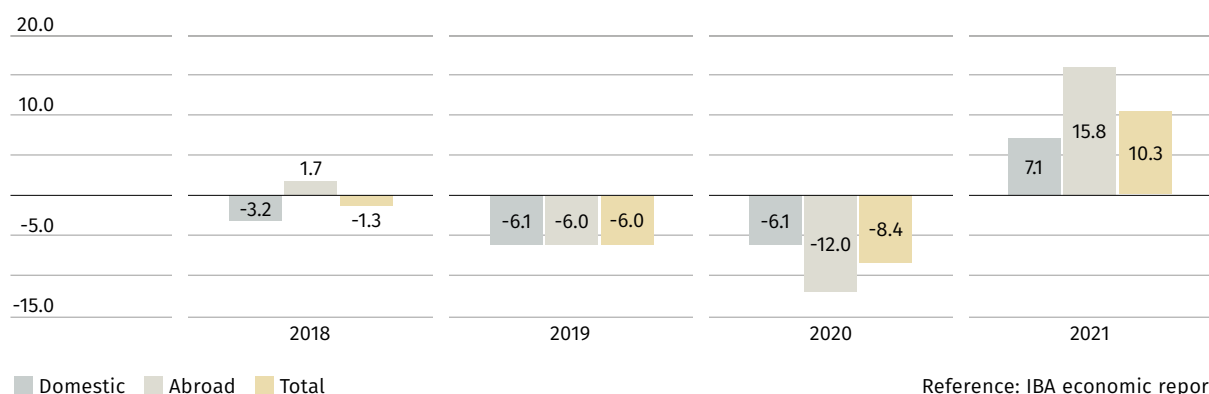
Following a reduction in the previous year of -8.4% in incoming orders for office seating furniture, 2021 registered a rise of +10.3% (domestic: +7.1%, international: +15.8%).

The market for office furniture similarly registered a rise in incoming orders of +10.2% (domestic: +10.2%, international: +10.0%).

The export ratio in turnover of IBA-member office furniture manufacturers was 26.8%, slightly above the previous year (25.7%). The corresponding ratios for the office seating and office furniture product segments were 39.7% (previous year: 38.1%) and 15.3% (previous year: 14.8%) respectively.

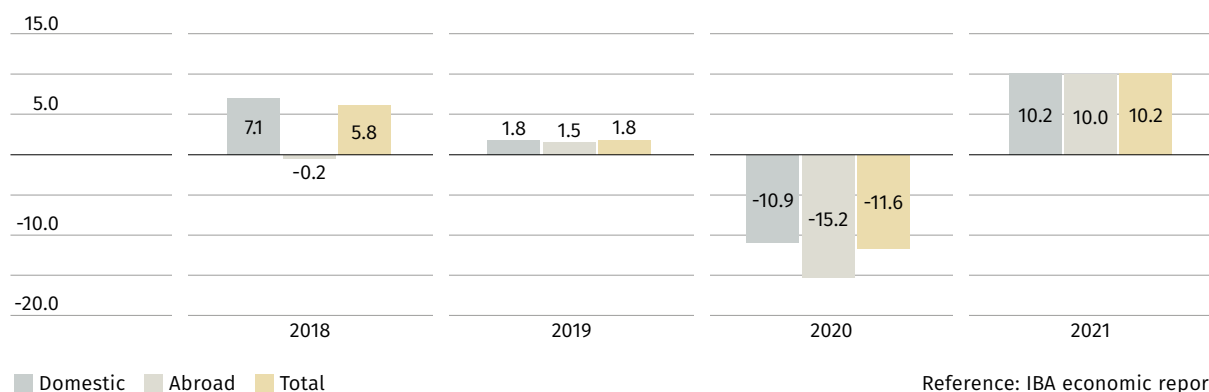
#### CHANGE IN MARKET VOLUME ACC. TO BSO INCOMING ORDERS – OFFICE SEATING FURNITURE

in % from the previous year



#### CHANGE IN MARKET VOLUME ACC. TO BSO INCOMING ORDERS – OFFICE FURNITURE

in % from the previous year



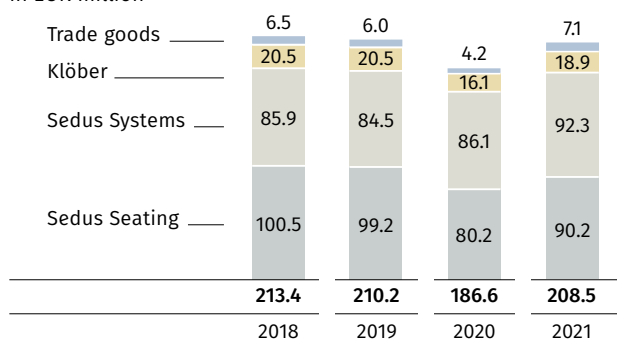


## 5. DEVELOPMENT OF THE BUSINESS UNITS

Compared to growth in the overall market volume for office seating and office furniture of +10.2% reported by the IBA, the Sedus Stoll Group registered a similarly positive performance of +10.4%.

The development of incoming orders of the Sedus Stoll Group by product areas and brands is illustrated as follows:

**INCOMING ORDERS SEDUS STOLL GROUP**  
in EUR million



### Sedus Seating

Domestic incoming orders for Sedus seating products rose by 6.2% against the previous year to EUR 48.0 million. Making a significant contribution to this figure was the success of the home office campaign at the start of the year together with the extremely positive performance of sales in e-business of 92.4% to EUR 3.5 million.

The ongoing Covid crisis again led to the postponement of numerous project decisions, with the trend for continued use of existing seating persisting.

Incoming orders for seating furniture in the international markets rose by 20.5% to EUR 42.2 million. With incoming orders of EUR 37.5 million, growth in the European subsidiaries amounted to 22.2%, with the figure for the non-European markets standing at +7.8% (EUR 4.7 million).

### Sedus Systems

With domestic incoming orders of EUR 53.8 million, the Systems segment was slightly down on the previous year's result (-2.3%).

A number of primary projects were again achieved, while purchasing behaviour remained somewhat reticent in general on account of the pandemic situation; in addition various project decisions were put on hold in the office furniture segment.

Foreign business in the office furniture segment posted growth of 23.6% to EUR 38.3 million. Accordingly, the European markets were up by 26.5% to EUR 34.9 million, while incoming orders in the non-European markets remained constant at EUR 3.4 million.

At EUR 80.5 million, the value of incoming orders for the export segment as a whole rose by 21.9% or EUR 14.5 million against the previous year.

In the wake of extremely successful market and project development, incoming orders were up by 130.9% in the UK, 103.8% in Spain, 39.6% in Italy, 26.7% in the Netherlands and 16.2% in France. In addition, a number of new international framework contract customers were gained, while business with existing ones was further expanded.

The share of exports in relation to incoming orders of the Sedus subgroup (excluding trade goods) rose by 4.4% to a figure of 44.1%.

### Klöber

2021 saw Klöber successfully continue the positive trend that emerged towards the end of 2020. The start of the year, in particular, was marked by a number of major international projects. From the second half of the year onwards, domestic incoming orders also rose to the planned level and by the mid-year point had registered a significant increase against the previous year. Despite the specific challenge of the continuing pandemic and a number of personnel changes in Sales, Klöber concluded the year with an increase in the incoming order value of 17.4% on the previous year, thereby underpinning the new thematic direction.

### Sedus Digital

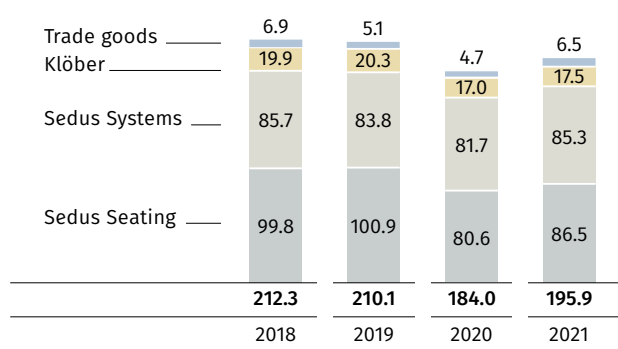
In essence, the working environment is changing considerably. Accelerated by the need for mobile work, trends towards home offices and hybrid forms of work are now already firm fixtures. As a result, many companies are significantly reducing their office space. To counter this, attractive concepts are being sought to encourage employees back into the office.

The office of the future will place greater emphasis on communication, collaboration and project work. Commensurate digital projects required to support such workplace organisation are increasingly a subject of discussion and demand. In addition to a rise in specific orders, many large companies are currently in the 'proof-of-concept' phase. Initial orders were successfully gained towards the end of the year.

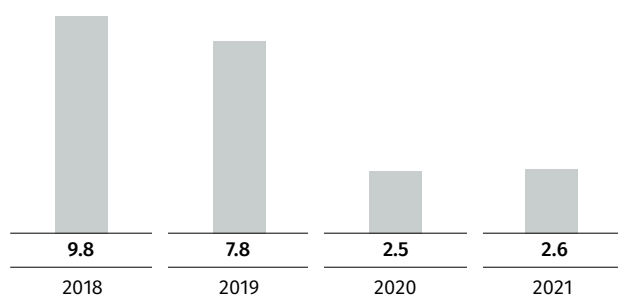
## 6. EARNINGS

Turnover of the Sedus Stoll Group (including trade goods) for 2021 stood at EUR 195.9 million, up 6.5% (EUR 11.9 million) on the previous year. Particularly affected by a disproportionate rise in the cost of materials, this resulted in a consolidated net income for the year of EUR 2.6 million (previous year: EUR 2.5 million).

### SALES SEDUS STOLL GROUP (less prompt payment discounts) in EUR million

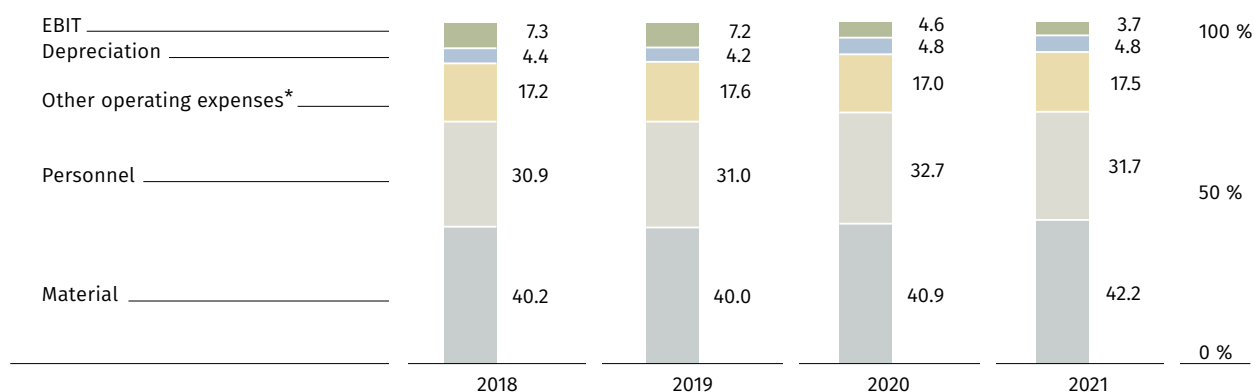


### ANNUAL SURPLUS FOR THE SEDUS STOLL GROUP in EUR million



### PROFIT AND LOSS STATEMENT STRUCTURE

Ratio of expenses/EBIT to total operating revenue



\* Other operating income netted against other operating expenses.

Other operating income amounting to EUR 3.0 million (previous year: EUR 3.7 million) primarily includes income from the sale and value recovery of securities (EUR 1.2 million), income from the reversal of provisions (EUR 0.5 million) and income from currency translation (EUR 0.5 million).

Owing to the increase in overall performance, the cost of materials rose to EUR 83.6 million as at 31 December 2021, or 10.4% against the previous year. The gross profit margin stood at 59.3% (previous year: 61.6%), essentially influenced by purchase price increases and a higher material share in the product portfolio.

Personnel costs increased by EUR 2.2 million compared to the previous year, primarily impacted by lower reimbursement claims due to the temporary introduction of short-time working and higher variable remuneration in line with orders. In addition, a higher 'special Covid payment' was paid to employees in December 2021.

At EUR 9.5 million, the provisions for depreciation, amortisation and write-downs were EUR 0.6 million higher than the previous year owing to increased investment in technical plant and machinery.

Other operating expenses rose in comparison to the previous year by EUR 2.2 million (6.3%), primarily as a result of increased outgoing freight (EUR 1.4 million), greater expenditure on temporary workers (EUR 0.7 million) and higher energy costs (EUR 0.6 million).

Dividends and interest income from financial asset securities remained essentially unchanged at EUR 0.2 million.

Interest and similar expenses totalled EUR 3.8 million (previous year: EUR 3.6 million). This amount largely consists of expenses from accrued interest on non-current pension provisions of EUR 0.9 million and a commensurate change in interest rate costs of EUR 2.6 million.

## 7. APPROPRIATION OF PROFITS

Sedus Stoll AG achieved a net income for the financial year of EUR 3.2 million in 2021. At the annual general meeting on 30 May 2022 the Management Board and Supervisory Board will propose a dividend payout of EUR 5.00 per share totalling EUR 1.5 million from net retained profits of EUR 3.7 million as at 31 December 2021, in addition to the transfer of EUR 1.5 million to other revenue reserves and that the remaining sum of EUR 0.7 million be carried forward to new account.

## 8. ASSET AND CAPITAL STRUCTURE

The balance sheet total rose in comparison with the previous year by EUR 7.9 million to EUR 171.7 million (previous year: EUR 164.0 million).

Fixed assets also rose in comparison with the previous year by a total of EUR 14.9 million, primarily as a result of prepayments for the new construction of a production facility in Geseke currently being built (EUR 9.1 million) and the increase in financial assets (EUR 10.8 million).

Inventories increased by EUR 6.3 million, with the largest item being raw materials, consumables and supplies of EUR 14.1 million, which increased due to price and quantity factors.

Trade receivables rose in comparison to the previous year by a total of EUR 11.8 million, influenced by a commensurate increase in sales of 6.5%.

Liquid funds reduced by EUR -29.0 million, primarily due to investments in financial assets (EUR 10.1 million) and prepayments for investments at Sedus Systems GmbH (EUR 8.5 million).

Equity stood at EUR 97.3 million, increasing by EUR 1.6 million due to the rise in annual net income against the previous year. The equity ratio reduced in comparison with the previous year by -1.6% to 56.7% as a result of the increased balance sheet total.

Provisions rose by EUR 1.7 million, amounting to EUR 54.6 million as at the reporting date. Pension provisions include the usual increases for the workforce.

Other provisions reduced essentially due to lower variable remuneration in line with performance.

Liabilities increased as compared to the previous year by a total of EUR 4.5 million to EUR 19.9 million, primarily due to the increase as at the balance sheet date and price rises in trade payables (EUR 3.6 million).

## BALANCE SHEET STRUCTURE

in EUR million

### Assets

Tangible assets/ intangible assets	62.0	66.0
Financial assets	18.0	28.8
Inventories	14.6	20.9
Receivables/other assets	31.0	46.7
Liquid funds	38.4	9.4
	<b>164.0</b>	<b>171.8</b>
	2020	2021

### Liabilities

95.7	97.3	Equity
52.9	54.7	Provisions
15.4	19.8	Liabilities/ other liabilities
<b>164.0</b>	<b>171.8</b>	
2020	2021	



## 9. GROSS CASH FLOW AND CASH FLOW STATEMENT

Reported cash flow of the Sedus Stoll Group amounted to EUR 11.5 million. The increase of EUR 0.9 million against the previous year's figure primarily results from higher depreciation of tangible fixed assets (EUR 0.6 million) and higher write-downs of financial assets (EUR 0.4 million).

Current business operations resulted in a reduction of cash flow by EUR -14.6 million as compared to the previous year due to the following effects: EUR 11.8 million increase in trade receivables, EUR 4.5 million increase in stockpiling, EUR 1.8 million increase in inventory and, in a counter direction, a EUR 3.6 million increase in various liability items.

At EUR -13.0 million, the cash outflow from investment activities was markedly above the figure for the previous year (EUR -1.1 million). Primarily, cash outflows are determined by investments in tangible and financial assets (EUR 40 million). Countering this are inflows from disposals (EUR 15 million) and fixed-term deposits (EUR 12 million).

Cash outflow from financing activities of EUR -1.8 million represented a change in comparison with the previous year of EUR 2.2 million, primarily due to a EUR 0.8 million lower repayment of liabilities to financial institutions and a reduction of EUR 0.9 million in dividend payout. Overall, cash and cash equivalents fell by EUR -17.6 million to EUR 9.4 million in the financial year.

CASH FLOW STATEMENT	2020	2021
in EUR million		
Cash inflow from operating activities	10.7	-3.0
Cash outflow from investment activities	-1.1	-13.0
Cash outflow/inflow from financing activities	-4.0	-1.8
Currency differences	-0.1	0.2
Change in cash and cash equivalents	5.5	-17.6

## 10. INVESTMENTS

Investments by the Sedus Stoll Group in intangible and tangible fixed assets in the 2021 financial year amounted to EUR 14.0 million, up by EUR 3.2 million on the previous year's level.

Sedus Stoll AG investments in intangible assets and tangible fixed assets totalled EUR 4.2 million. One focus in respect of intangible assets was the capitalisation of various marketing projects, including online platforms, films and video shootings.

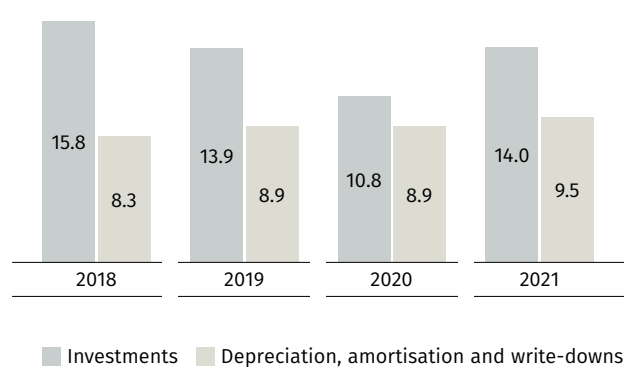
EUR 1.4 million was invested in technical plant, machines and tools, of which EUR 0.6 million related to product tools.

Prepayments and assets under construction primarily related to reconstruction of the administration facilities in Dogern.

Sedus Systems GmbH invested a total of EUR 9.9 million in tangible fixed assets in 2021, most of which related to prepayments for the hall construction and production facility – Futura II (EUR 8.5 million).

Investments in various areas of EUR 0.5 million were made at Klöber GmbH, with a major focus being the procurement of tools for new products amounting to EUR 0.2 million.

## INVESTMENTS AND DEPRECIATION, AMORTISATION AND WRITE-DOWNS (excluding financial assets) in EUR million



## 11. QUALITY MANAGEMENT

Since 1994 both Sedus Stoll AG and the production sites have been audited and certified in accordance with the DIN EN ISO 9001 standard in the applicable form. As in previous years, in 2021 this process was assessed within the scope of a monitoring audit conducted by TÜV and confirmed without anomaly in respect of all production sites of the Sedus Stoll Group.

Quality performance of the Sedus Stoll Group is constantly checked and evaluated both internally and externally within the scope of our market monitoring. The robustness of measures introduced in previous years to ameliorate our complaint rate is apparent in the improvement in our quality performance. Despite pandemic-related internal disruptions and problems in supply chains, these have been successfully limited to a drop of just 0.16% at Sedus and 0.1% at Klöber. Regardless of the various difficulties, delivery quality from suppliers again improved throughout the entire Sedus Stoll Group.

## 12. ENVIRONMENTAL MANAGEMENT

In the 2021 reporting year, the external monitoring audits for the energy and environmental management systems in accordance with DIN ISO 14001 (environmental management) and DIN ISO 50001 (energy management) were conducted at all German locations of the Sedus Stoll Group, while PEFC certification (sustainable forest management) was carried out at the location in Geseke. In addition, validation in accordance with EMAS III (environmental management) was also conducted (at Sedus Stoll AG only). In this connection, all locations have demonstrated that a functioning management system in accordance with the requirements of the pertinent regulations and standards has been implemented and maintained. Achievement of the objectives of the environmental management system in accordance with DIN ISO 14001, the energy management system in accordance with DIN ISO 50001 and all pertinent legislation was confirmed by the external appraisers. The same applies to the continuous improvement of energy and environmental performance.

## 13. SUSTAINABILITY MANAGEMENT

Sedus focuses on long-term economic success, whereby ecological and social aspects play an important role. We endeavour to ensure careful use of natural resources and accept our social responsibility, including as part of our corporate principles. The requirements and expectations of our stakeholder groups are determined periodically and updated if necessary.

In an initial step, life cycle assessments were prepared for the products of the Sedus Stoll Group, which were then published in the form of environmental product information sheets for the various products. On this basis, we have now been able to create the first life cycle assessments for entire customer projects and consequently provide details of the environmental impact of all the products involved, including transport. In addition, the ambitious goal of achieving climate neutrality by 2025 has been set. To this end, a climate footprint has been created for the Sedus Stoll Group and verified by our environmental auditor. The Sedus Stoll Group is therefore intent on becoming climate neutral by the end of 2025, reducing its commensurate footprint by 30% by the end of that year and by 50% by the end of 2030. Amongst other things, climate concepts at our various locations have been reviewed and endeavours to make greater use of secondary raw materials for our products intensified.

Within the scope of participation in the United Nations Global Compact, the fourth progress report (COP) has been published, which reports to the United Nations on the actions and progress achieved on the issues of human rights, labour standards, the environment and anti-corruption.

## 14. DEVELOPMENT OF NEW PRODUCTS 2021 AND DESIGN AWARDS

### Sedus Seating

2021 was marked by expansions in the product portfolio.

At the start of the year, the well-proven Sedo-Lift mechanism was complemented by a completely redeveloped design. The Sedo-Lift III offers the same unparalleled comfort as the tried and tested Sedo-Lift II, but with considerably reduced dimensions and a greater range of adjustment.

In spring, the black dot swivel chair range was complemented by two particularly ergonomic additions in the shape of the black dot+ and black dot+ ID. Along with the special anatomical armrest design, the black dot+ ID has what we consider to be a market first and unique selling proposition in the form of a contoured back that can be individually adjusted to the user and also takes into account certain deformities and orthopaedic symptoms. With the matching cushioned upholstery, the backrest represents a customised item.

As a matching complement to the se:lab furniture system range, spring also saw the introduction of the compatible se:lab sofa – a lightweight, mobile and generously upholstered design for agile workshop situations.

In combination with the minimalist frame, the structural composition of membrane with upholstered cushion offers enhanced mobility with impressive seating comfort. Thanks to the reduction in structure and material use, the sofa combines sustainability with economy to a special degree.

The easy screen partition range has been expanded to include an acoustic model, primarily manufactured from renewable raw materials and with outstanding sound insulation values to significantly contribute to perfect spatial acoustics in the office.

Launched in 2020, the compact home-office workstation secretair home has been expanded into a range of products, allowing for the selection of various desktop dimensions, surfaces and sizes.

The se:works lounge furniture system has also been comprehensively revamped. Aside from the addition of numerous functional elements, a particular focus of the redesign centred on assembly time and serviceability.

### **Sedus Systems**

The focus of new developments at Sedus Systems in 2021 lay, amongst other things, on logical additions to the se:cube family; with expansion of the range in the shape of the se:cube max, which represents a new product on the market in terms of form and function.

This product provides for expansion of the se:cube family up to formats of 4.0m x 4.0m, with a particular plus being the scalability and quick assembly time on site. The se:cube max enables floor-levelling of up to 2.5cm and because it is not fixed to walls also ensures free accessibility. Moreover, the excellent acoustic effectiveness of this room-in-room cell has been confirmed by an independent institute.

In addition, the successfully launched se:lab family has also been complemented with further application solutions and formats.

The GrandSlam storage cupboard range has also been updated with the construction of new lockers in various sizes, additional contemporary handles and recurrent customer variants included within the range.

### **Klöver**

The WOOOM family was supplemented in 2021 with a number of frame variants for the small WOOOM shell chair, offering perfect comfort across an even greater range of areas.

While for the larger WOOOM lounge shell chair, a comfortable neck support has been developed. The existing workstation light, which is elegantly integrated into the chair and was previously operated via an app, has also been given an intuitive touch control. Brightness and light colour can now be simply and freely regulated independently of the app control.

Moreover, with the addition of new matching side tables, the WOOOM family offers the definitive lounge, retreat and mid-zone work-setting.

On another note, the Mera and Connex product ranges were awarded 'Blue Angel' certification for the first time.

### **Design Awards**

2021 again saw numerous Sedus products distinguished with design awards:

#### **iF Award 2021**

se:spot stool  
se:lab  
se:motion net  
se:mood  
TAKEoSEAT

#### **red dot award 2021**

se:spot stool  
se:lab  
se:motion net  
se:mood  
on spot cosy  
se:flex visitor chair



## 15. TRADE FAIR ATTENDANCE AND EVENTS

As a result of the pandemic, only a limited number of trade or consumer fairs were held in the office furniture sector in 2021.

### Sedus

In celebration of the 150th anniversary of the company, in June Sedus held a live online event at its facility in Dogern under the theme 'New Horizons'. The broadcast was transmitted live to a global audience. In addition to new developments for the working environment, Sedus presented furniture solutions featuring the product innovations. The online event was accompanied by a series of webinars on current on-trend themes, such as home offices, the hybrid workplace model, agile working and the phygital office.

At the same time Sedus supported the WIA (Women in Architecture) BERLIN 2021 festival. The newly designed showroom offered the perfect platform for discussions on new flexible working environments, furnishings, colour schemes, culture and architecture.

As a premium consortium partner focusing on sustainability at Expo Dubai 2020, Sedus exclusively equipped the entire CAMPUS GERMANY German pavilion; from the offices and conference rooms to the cafeteria, VIP lounge and all major meeting points. Due to the Coronavirus pandemic Expo Dubai was rescheduled from 2020 to 2021.

The subsidiary in Austria celebrated its 50th anniversary in 2021. In the presence of 50 leading Austrian architects, the new showroom was opened at the start of October 2021 within the scope of a special event.

In the same month, Workspace Expo 2021 was held in Paris. The trade fair was devoted to the design and administration of offices, with special attention paid to new requirements. In this connection, Sedus exhibited product innovations such as the se:lab range, boasting a flexibility and versatility particularly suited to new agile working methods.

### Klöber

Klöber supported several events in Überlingen and the surrounding region: Klöber was the main sponsor of the 'Beach Days' sporting event in Überlingen in August. In the same month, the 'Überlingen Open' played host to tennis players on the world ranking list, with Klöber providing seating for the event in and around the tennis courts. Klöber also supported the Überlingen State Horticultural Show and created the Klöber oasis in the new glazed plant house. The site also provided the location for the company party held within the scope of the 150th anniversary celebrations of the Sedus

Stoll Group. Klöber also attended the Hegau-Bodensee-Turngau association sporting event 'GoSports Meersburg' as a platinum sponsor.

A national event supplemented the various regional events. In October, Klöber invited architects from throughout Germany to the 'Forum of Excellence' in Hamburg, where the 30 participants in the 'Hamburger Ding' co-working space created new impetus under the theme 'Effectively shaping spaces with colour and materials'.

Klöber gained an international profile at events in the Netherlands, France and Austria; also participating in the Design District exhibition in Rotterdam. In Schladming Klöber furnished the lounge at the 'Art of Cart' international sport and business event. While at the Klöber Rencontre in Paris, 30 architects, end-customers and trade partners convened at a get-together that included an after-work party with a keynote speech on 'Design Thinking'.

## 16. EMPLOYEES AND TRAINING

The average number of employees in the Sedus Stoll Group saw a slight reduction of 1.07% compared to the previous year. Based on the average number of employees across all quarters, 926 staff (excluding board members, managing directors and trainees) worked in the Group in comparison to 936 in the previous year.

### EMPLOYEES SEDUS STOLL GROUP

Average number of employees (excluding management boards, managing directors and trainees)

Klöber GmbH	110	113	109	100
Sedus Systems GmbH	292	296	284	286
Sedus Stoll AG and foreign sales companies	533	548	543	540
	<b>935</b>	<b>957</b>	<b>936</b>	<b>926</b>
	2018	2019	2020	2021

2021 was also decisively dominated by the Coronavirus, with the Sedus Stoll Group making every possible effort to minimise the risk of infection.

Accelerated by the omnipresent pandemic, the company agreement on mobile working had been introduced at the end of the previous year. Many employees have welcomed the flexibility of mobile work on individual weekdays.

The pandemic and increased mobility at work are pushing the pace of digitalisation in the workplace. Virtual meetings, video chats and conferences are now part and parcel of the daily routine. In conjunction with the IT department, workshops on paperless offices and dealing with digital platforms have been offered.

To expedite the path to paperless offices, preparations for introduction of rexx personnel software throughout the Sedus Stoll Group are running at full tilt. rexx offers an all-in-one solution in terms of HR measures: personnel management, digital personnel files, time management, onboarding, performance management, compensation and benefits, successor and career planning. The HR software will contribute decisively to the optimisation of workflows and transparency within HR processes.

Furthermore, great importance has traditionally been placed on vocational training. In total, 56 apprentices and 4 cooperative state university students have prepared for their careers in various qualified training or degree courses. The new Digital Business Management dual degree course in business administration, which focuses teaching on digital skills in addition to business administration content, is intended to support companies in adapting to the digital world. Following three years of study split into theory and practical blocks, students are awarded a Bachelor of Arts degree.

In addition to providing an opportunity for Covid vaccinations to be administered at work, the annual health day and options for skin and vein screening were all successfully carried out within the occupational health management programme (OHM). The OHM programme was also supplemented by online health presentations in cooperation with the AOK statutory health insurance service. Adapted in line with the pandemic, the Sedus Run was held in our anniversary year via a digital run app.

A working group comprised of both Marketing and Personnel staff examined the issue of what arguments the company is able to put forward as fully convincing reasons that would encourage potential candidates to apply to the company and also what makes our staff proud to work for the Sedus Stoll Group. The idea behind the claim #SedusBewegt (#SedusOnTheMove) is to succinctly express in just a few words what exactly Sedus stands for as an employer and what is important to the company.

The average age and period of employment in all companies remain relatively unchanged.

	Sedus Stoll AG	Sedus Systems GmbH	Klöber GmbH	Total
Average age	44.4	44.4	46.5	45.1
Years of company service	14.8	12.7	19.0	15.5

## 17. OVERALL STATEMENT FROM THE BOARD OF DIRECTORS

The era of the Covid pandemic has presented Sedus with both challenges and opportunities. We aim to continue with our disciplined cash management strategy, further increase operative effectiveness and use this period, in particular, to implement the very high level of planned investment. The basis of a solid and healthy balance sheet will aid us in exploiting market recovery and growth opportunities.

Sales performance in the 2021 financial year demonstrated positive development in line with planning, despite a number of significant regional differences. While Germany grew somewhat more reticently on the back of more stable development in the 2020 financial year, our European subsidiaries posted rapid growth.

The difference in sales figure performance is reflected in the level of incoming orders. Foreign sales of seating products (+20.5% as against last year) and systems products (+23.6% as against last year) both showed a marked increase in comparison with the previous year. Development of incoming orders in Germany (seating +6.2%, systems -2.3% as against last year) was considerably more restrained. In all, planning in terms of incoming orders was exceeded by 5%.

Following the general trend of increasing costs, transport, freight and energy costs also rose considerably at Sedus in comparison with the previous year. This development was countered with a price increase of 1.5% as of 1 January 2021 and a further mark-up of 3.9% with effect from 1 July 2021.

In addition to a wage and salary increase as of 1 January 2021, personnel costs also included the special Covid payment of EUR 400 per employee.

With specific regard to material costs, prudent cost management facilitated an improvement in the cost ratio pro rata to overall performance, despite high investment. Investments in the new production hall and machinery at the Geseke location are running to plan and are provided for in the figures, along with numerous IT measures.

Sedus Stoll AG achieved a net income before taxes for the financial year of EUR 3.6 million (previous year: EUR 4.9 million), thereby concluding the financial year slightly down on plan. The figure for orders on hand as at the year-end was extremely high in comparison with previous years, owing to the considerable increase in order volumes in the second half of the year. Consequently, a high order backlog was unable to be invoiced in the 2021 financial year.

Posting a consolidated equity ratio of 56.7%, the financial situation remains extremely solid, meaning future investments can be financed from own funds.

## 18. RISK AND OPPORTUNITY REPORT

Thanks to the Group's uniform risk management system, risks and opportunities within the Sedus Stoll Group are identified, reported and assessed at an early stage. Given the uncertainty of future developments, all business activity incurs both opportunities and risks. The aim of risk management is to exploit opportunities to increase profit while at the same time minimising risks through appropriate measures.

Opportunities presented serve to safeguard and enhance the competitiveness of the Sedus Stoll Group. New products, product modifications and improvements as well as the development of global account management are all aimed at increasing market shares and gaining new customers. These stated opportunities form an integral element of operative planning and are monitored throughout the year by means of periodic reporting and ongoing performance analysis.

The objective is to recognise impending risks at an early stage and avoid such risks wherever possible. To this end, Controlling promptly and consistently notifies the Management Board of identified risks and the development of commensurately anticipated levels of loss within the Group. The expected level of loss is established on the basis of the probability of occurrence and the potential level of loss. As a rule, the level of loss in this respect is determined by the effect on the operating result. Risk reports produced by risk managers that are updated on a quarterly basis provide the foundation for risk management.

In relation to unexpectedly occurring risks, in addition to regular quarterly reporting, an intragroup reporting obligation also applies.

Assessment of the potential financial impact of expected levels of loss is based on quantitatively defined characteristics as listed below.

Risk factor	Potential financial impact
Watch	< EUR 0.4 million
Monitor	EUR 0.4 million to EUR 1.5 million
Constantly monitor	> EUR 1.5 million

In line with trends towards working from home and hybrid working models, many companies are significantly reducing their office space. To counter this, attractive concepts are being sought to encourage employees back into the office.

This represents both a risk and an opportunity. On the one hand, the reduction of space combined with greater mobility in working methods, on the other hand, new forms of cooperation and new concepts. The office of the future will place greater emphasis on communication, collaboration and project work. As such, digital projects required to support such workplace organisation are increasingly a subject of discussion and demand.

Differentiated according to the relevant risk categories, the overall situation of the Sedus Stoll Group at the time of reporting is as follows:

Description	Risk factor
Supplier risk – Defective purchased parts – Loss of supplier – Purchase price increases	Constantly Monitor
Customer risk – Incoming orders risk – Currency risk – Debtor risk/Insolvency risk	Monitor
Competitive risk – Discount risk – Competitive environment	Monitor
Business process and project risk – Environmental requirements – Machine downtime – Development of defective series products	Monitor
Financial risk – Impairment of financial assets	Observe

An examination of the risks to the Group as at 31 December 2021 has ascertained that there are no risks threatening the continued existence of the company and that no future risks threatening its existence are currently evident.

The continuing and long-term impact of the Covid-19 pandemic on the entire economy and therefore also the Sedus Stoll Group has accordingly further increased expected levels of loss. A supplier risk currently subject to constant monitoring primarily results from increases in the purchase prices of certain product groups.

A customer risk to be monitored exists in connection with the dependence on turnover generated under framework contracts and project business with major customers, as well as in connection with possible major customer losses in Germany and abroad. Risks arising from currency developments are monitored and to some extent covered by forward exchange transactions.

Also being monitored in the light of continued difficulties in the market situation are competitive risks, which primarily materialise in an escalating number of reductions in revenues within project development and day-to-day business.

Owing to current interest-rate development, financial risks are considered to be without significance for the Sedus Stoll Group. The investment of liquid funds in securities held as fixed assets is subject to capital market fluctuations. Accordingly, the resulting impairment risk is duly monitored and included in ongoing financial reporting.

The risk of cyber attack has increased significantly in recent years. We are confronting this risk on a group-wide basis with a comprehensive strategy encompassing all the key areas of our IT infrastructure.

The current crisis in Russia and Ukraine is giving rise to major uncertainty. In terms of turnover and therefore sales, we do not anticipate any considerable negative effects given that these regions do not form part of our core markets. In terms of procurement, problems resulting from material and energy price rises may occur and are being intensively monitored.

## 19. FORECAST REPORT

Despite numerous restrictions and problems resulting from the Coronavirus, the elapsed 2021 financial year can nonetheless be considered a good business year. Our important forward-looking investments, notably the new building at the Geseke location, have progressed on schedule and form the basis for our future growth strategy.

In the course of the 2021 business year, the working world has learnt to live with the Coronavirus. Nevertheless, many long-standing difficulties of the crisis remain in evidence. Energy, freight and transport costs continue to register rapid rises. Added to this is the war in Ukraine and its consequences, which are as yet totally unclear. Specifically with regard to the development of energy prices and supply chains, further negative effects may well emerge. Consequences for the transport industry could also ensue. With an eye on turnover, we do not anticipate any direct decline given that business with Russian and Ukrainian companies is negligible.

Nevertheless, in terms of planning we anticipate further increases in turnover and incoming order figures slightly above the level of the previous year. In our European foreign markets in particular, we are registering positive developments with numerous projects. Gross profit, on the one hand, is being hampered by price increases in raw materials, consumables and supplies as well as in freight and assembly. However, on the other hand, we are endeavouring to maintain stable margins at last year's level through various optimisation initiatives and price increases of our own. EBIT represents a further important key figure, in relation to which we anticipate a slight rise in comparison to the previous year.

Overall, the current view of operative business shows that Sedus has successfully achieved a considerable increase in incoming orders as compared to the preceding months and is able to post a very high level of orders on hand. On the basis of our business model and 2025 strategy, we will continue to exploit future opportunities to remain successful in the long term.

Dogern, 28 March 2022

Sedus Stoll Aktiengesellschaft

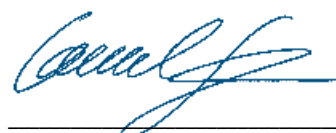
**The Board of Directors**



Christoph Karguber



Daniel Kittner



Cornel Spohn





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# Consolidated Annual Financial Statements

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SEDUS STOLL GROUP

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2021

# Sedus Stoll Group, Balance Sheet

## to 31 December 2021

ASSETS	31/12/2021		31/12/2020	
	EUR thousand	%	EUR thousand	%
<b>A. Fixed assets</b>				
<i>I. Intangible assets</i>				
1. Concessions, industrial property rights and similar rights and assets and licences in such rights and assets	3,141	1.9	3,799	2.3
2. Goodwill	0	0.0	0	0.0
3. Prepayments	256	0.1	10	0.0
	3,397	2.0	3,809	2.3
<i>II. Tangible assets</i>				
1. Real estate and buildings, including buildings on third-party land	35,442	20.6	36,880	22.5
2. Technical equipment and machinery	11,078	6.5	13,189	8.0
3. Other equipment, business stationery	7,032	4.1	7,202	4.4
4. Prepayments and assets under construction	9,059	5.3	875	0.6
	62,611	36.5	58,146	35.5
<i>III. Financial assets</i>				
1. Securities held as fixed assets	28,864	16.8	18,036	11.0
	<b>94,872</b>	<b>55.2</b>	<b>79,991</b>	<b>48.8</b>
<b>B. Current assets</b>				
<i>I. Inventories</i>				
1. Raw materials, consumables and supplies	14,084	8.2	9,869	6.0
2. Work in progress	1,399	0.8	1,414	0.9
3. Finished goods and merchandise	5,161	3.0	3,104	1.9
4. Prepayments	266	0.2	175	0.1
	20,910	12.2	14,563	8.9
<i>II. Receivables and other assets</i>				
1. Trade receivables	35,203	20.5	23,383	14.2
2. Other assets	5,920	3.4	2,974	1.8
	41,123	23.9	26,357	16.0
<i>III. Cash in hand, bank balances and cheques</i>				
	9,395	5.5	38,383	23.4
	<b>71,428</b>	<b>41.6</b>	<b>79,303</b>	<b>48.3</b>
<b>C. Prepaid expenses</b>	<b>1,199</b>	<b>0.7</b>	<b>1,295</b>	<b>0.8</b>
<b>D. Deferred tax assets</b>	<b>4,235</b>	<b>2.5</b>	<b>3,383</b>	<b>2.1</b>
	<b>171,734</b>	<b>100.0</b>	<b>163,972</b>	<b>100.0</b>

LIABILITIES	31/12/2021		31/12/2020	
	EUR thousand	%	EUR thousand	%
<b>A. Equity</b>				
I. <i>Subscribed capital</i>	15,255	8.9	15,255	9.3
II. <i>Capital reserve</i>	27,019	15.7	27,019	16.5
III. <i>Revenue reserves</i>	21,084	12.3	21,084	12.8
IV. <i>Difference in equity from exchange rate conversion</i>	83	0.0	-134	-0.1
V. <i>Net retained profits</i>	33,862	19.7	32,467	19.8
	<b>97,302</b>	<b>56.7</b>	<b>95,691</b>	<b>58.3</b>
<b>B. Provisions</b>				
1. Provisions for pensions and similar obligations	45,162	26.3	42,600	26.0
2. Provisions for taxes	414	0.2	326	0.2
3. Other provisions	8,974	5.2	9,937	6.0
	<b>54,550</b>	<b>31.8</b>	<b>52,863</b>	<b>32.2</b>
<b>C. Liabilities</b>				
1. Liabilities to financial institutions	212	0.1	486	0.3
2. Prepayments received on account of orders	1,818	1.1	1,230	0.8
3. Trade payables	9,280	5.4	5,688	3.5
4. Other liabilities (of which from taxes EUR 2,130 thousand; previous year EUR 1,671 thousand) (including social security payments of EUR 292 thousand; previous year EUR 204 thousand)	8,569	5.0	8,012	4.9
	<b>19,880</b>	<b>11.6</b>	<b>15,416</b>	<b>9.5</b>
<b>D. Prepaid expenses</b>	<b>2</b>	<b>0.0</b>	<b>2</b>	<b>0.0</b>
	<b>171,734</b>	<b>100.0</b>	<b>163,972</b>	<b>100.0</b>



# Sedus Stoll Group, Changes in Fixed Assets

from 1 January to 31 December 2021

FIXED ASSETS	Gross values acquisition/production costs					
	01/01/2021	Additions	Reclassifications	Disposals	Exchange rate differences	31/12/2021
in EUR thousand						
<b>I. Intangible assets</b>						
1. Concessions, industrial property rights and similar rights and assets as well as licences for such rights and assets	13,988	563	0	181	0	14,370
2. Goodwill	27,204	0	0	0	0	27,204
3. Prepayments	10	256	0	10	0	256
	<b>41,202</b>	<b>819</b>	<b>0</b>	<b>191</b>	<b>0</b>	<b>41,831</b>
<b>II. Tangible assets</b>						
1. Real estate and buildings, including buildings on third-party land	96,312	504	72	869	8	96,026
2. Technical equipment and machinery	77,478	2,169	2	3,623	0	76,026
3. Other equipment, business stationery	22,456	2,223	17	2,201	24	22,518
4. Prepayments and assets under construction	875	8,304	-90	31	0	9,059
	<b>197,121</b>	<b>13,201</b>	<b>0</b>	<b>6,723</b>	<b>32</b>	<b>203,630</b>
<b>III. Financial assets</b>						
1. Securities held as fixed assets	18,182	26,041	0	14,878	0	29,345
	<b>256,505</b>	<b>40,061</b>	<b>0</b>	<b>21,792</b>	<b>33</b>	<b>274,805</b>

Cumulative depreciation, amortisation and write-downs								Book values	
01/01/2021	Additions	Write-downs	Reclassifications	Disposals	Exchange rate differences	31/12/2021		31/12/2021	31/12/2020
10,188	1,259	0	0	218	0	11,230		3,141	3,799
27,204	0	0	0	0	0	27,204		0	0
0	0	0	0	0	0	0		256	10
<b>37,392</b>	<b>1,259</b>	<b>0</b>	<b>0</b>	<b>218</b>	<b>0</b>	<b>38,433</b>		<b>3,397</b>	<b>3,809</b>
59,432	1,796	0	0	651	8	60,584		35,442	36,880
64,289	4,210	0	0	3,551	0	64,948		11,078	13,189
15,253	2,229	0	0	2,012	16	15,487		7,032	7,202
0	0	0	0	0	0	0		9,059	875
<b>138,974</b>	<b>8,235</b>	<b>0</b>	<b>0</b>	<b>6,214</b>	<b>24</b>	<b>141,019</b>		<b>62,611</b>	<b>58,146</b>
147	476	142	0	0	0	481		28,864	18,036
<b>176,513</b>	<b>9,970</b>	<b>142</b>	<b>0</b>	<b>6,432</b>	<b>23</b>	<b>179,934</b>		<b>94,872</b>	<b>79,991</b>

# Sedus Stoll Group, Profit and Loss Statement

from 1 January to 31 December 2021

PROFIT AND LOSS STATEMENT		2021		2020	
		EUR thousand	%	EUR thousand	%
1.	Sales revenues	195,939	99.0	184,044	99.3
2.	Increase or decrease in finished goods inventories and work in progress	1,808	0.9	1,046	0.6
3.	Other own work capitalised	273	0.1	149	0.1
	<b>Total operating revenue</b>	<b>198,020</b>	<b>100.0</b>	<b>185,239</b>	<b>100.0</b>
4.	Other operating income (of which from exchange rate conversion EUR 533 thousand; previous year EUR 491 thousand)	3,034	1.5	3,728	2.0
5.	Cost of materials				
	a) Cost of raw materials, consumables and supplies and for externally sourced goods	-79,409	-40.1	-72,045	-38.9
	b) Cost of purchased services	-4,218	-2.1	-3,703	-2.0
		-83,627	-42.2	-75,748	-40.9
6.	Personnel expenses				
	a) Wages and salaries	-51,121	-25.8	-49,468	-26.7
	b) Social security payments and pension-related and support costs (including for old age pensions EUR 1,131 thousand; previous year EUR 892 thousand)	-11,722	-5.9	-11,183	-6.0
		-62,843	-31.7	-60,651	-32.7
7.	Depreciation of intangible assets relating to fixed assets and tangible assets	-9,494	-4.8	-8,934	-4.8
8.	Other operating expenses (of which from exchange rate conversion EUR 405 thousand; previous year EUR 679 thousand)	-37,523	-18.9	-35,295	-19.1
9.	Income from other securities and loans from financial assets	247	0.1	198	0.1
10.	Other interest and similar income	3	0.0	16	0.0
11.	Amortisation of financial assets	-476	-0.2	-108	-0.1
12.	Interest and similar expenses (including from the interest levied on provisions/accruals EUR 3,526 thousand; previous year EUR 2,756 thousand)	-3,784	-1.9	-3,574	-1.9
13.	Taxes on income (including earnings from changes in deferred taxes EUR 852 thousand; previous year cost of EUR 654 thousand)	-560	-0.3	-1,977	-1.1
14.	<b>Result after taxes</b>	<b>2,997</b>	<b>1.5</b>	<b>2,894</b>	<b>1.6</b>
15.	Other taxes	-382	-0.2	-357	-0.2
16.	<b>Consolidated net income</b>	<b>2,616</b>	<b>1.3</b>	<b>2,538</b>	<b>1.4</b>
17.	Net retained profit from previous year	32,467		32,053	
18.	Dividend	-1,220		-2,136	
19.	<b>Profit carried forward</b>	<b>31,246</b>		<b>29,917</b>	
20.	Withdrawal from other revenue reserves (previous year appropriation to other revenue reserves)	0		12	
21.	<b>Net retained profits</b>	<b>33,862</b>		<b>32,467</b>	

# Notes to the Consolidated Financial Statements

## of Sedus Stoll AG for the 2021 Financial Year

### 1. GENERAL INFORMATION

Sedus Stoll AG has its headquarters in Dogern and is registered in the commercial register at Freiburg i. Br. district court (Amtsgericht) (HRB 621114).

### 2. SCOPE OF CONSOLIDATION

Sedus Stoll AG holds majority direct equity interests (capital rights and voting rights) in four Group companies in Germany and nine foreign Group companies. In addition to Sedus Stoll AG, also included domestically in the consolidated financial statements in accordance with the provisions governing full consolidation are Klöber GmbH, Owingen

(since 1999), and Sedus Systems GmbH, Geseke (since 2002). The Hardship Fund (Fürsorgestiftung) of Sedus Stoll AG e.V., Dogern, is included in the consolidated financial statements as a fully consolidated special purpose company as the majority of risks and opportunities to affect the Hardship Fund (Fürsorgestiftung) of Sedus Stoll AG e.V., Dogern, are attributable to Sedus Stoll AG. Initial consolidation took place on 31 December 2012 and did not result in any consolidation differences.

The consolidated financial statements are published in the Bundesanzeiger (Federal Gazette).

### COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT IN LINE WITH FULL CONSOLIDATION PRINCIPLES

	Capital share to 31/12/2021	Equity to 31/12/2021
	%	EUR thousand
1. Sedus Stoll AG, Dogern	–	68,708
2. Klöber GmbH*, Owingen	100.0	5,000
3. Sedus Systems GmbH*, Geseke	100.0	21,234
4. Sedus Digital GmbH, Dogern	100.0	32
5. Hardship Fund of Sedus Stoll AG e.V., Dogern	0.0	0
6. Sedus Stoll S.A.R.L., Paris, France	100.0	6,546
7. Sedus Stoll S.R.L., Cadorago, Italy	100.0	9,578
8. Sedus Stoll Ges.m.b.H., Vienna, Austria	100.0	3,742
9. Sedus Stoll B.V., Zoetermeer, Netherlands	100.0	467
10. Sedus Stoll AG, Rickenbach, Switzerland	100.0	4,395
11. Sedus Stoll Ltd., London, Great Britain	100.0	2,252
12. Sedus Stoll BVBA, Erembodegem-Aalst, Belgium	100.0	1,258
13. Sedus Stoll S.A., Madrid, Spain	100.0	512
14. Sedus Office Furniture LLC, Dubai, UAE	100.0**	473

\* Pursuant to Section 264 (3) HGB, Klöber GmbH, Owingen, and Sedus Systems GmbH, Geseke, are not required to prepare, submit for audit and publish annual financial statements prepared in accordance with the German Commercial Code and a management report pursuant to the applicable regulations for stock corporations.

\*\* Of which 49,000 % directly and 51,000 % indirectly via a nominee shareholder.



### 3. GENERAL INFORMATION ON THE CONSOLIDATED FINANCIAL STATEMENTS, ACCOUNTING POLICIES AND CONSOLIDATION METHODS

#### 3.1. Accounting Policies

The regulations of the German Commercial Code (Handels-gesetzbuch – HGB) for corporations regarding the classification and presentation of balance sheet and profit and loss items as per the German Accounting Directive Implementation Act (BilRUG) as well as the pertinent regulations of the German Stock Corporation Act (AktG) were applied in the preparation of the consolidated financial statements of Sedus Stoll AG for the 2021 financial year.

Assets and liabilities are valued according to HGB regulations for corporations and the generally accepted principles of accounting.

The profit and loss statement is essentially structured in accordance with the provisions of Section 275 (2) HGB and therefore the total cost (nature of expense) method.

The accounts of subsidiaries and the parent company were uniformly balanced and evaluated in accordance with the following specified principles.

The consolidated financial statement is presented in EUR thousand.

Valuation methods remain unchanged against the previous year.

#### 3.2. Consolidation Methods, Exchange Rate Conversion Consolidation Methods

The financial statements of the companies included in the consolidated financial statements were prepared as at the date of the consolidated financial statements. The financial year is the calendar year.

In the past, capital consolidation for Group companies used the book value method in accordance with Section 301 of the HGB (old version). The new valuation method has been used since 2010 in accordance with Section 301 of the HGB.

The foreign subsidiaries, with the exception of Sedus Office Furniture LLC, were initially consolidated as at 1 January 1995 when the consolidated financial statements were prepared for the first time. Initial consolidation of Sedus Office Furniture LLC was effected on 1 June 2019. Reflecting its nature as a net loss carry forward, positive goodwill resulting from consolidation is accordingly offset against Group reserves. Any negative goodwill is added to the Group's reserves to reflect its nature as a retained profit and revenue reserve.

Receivables and liabilities and income and expenses between consolidated companies are mutually offset. Intragroup results were eliminated.

The Klöber companies acquired as at 1 January 1999 were initially consolidated on the date the shares were acquired. This resulted in carrying amounts in excess of the parent's share of equity amounting to EUR 23,010 thousand. Proportionate hidden reserves of EUR 3,715 thousand were realised, allocated to the relevant assets and written down with those assets over the anticipated useful life of 20 years. The remaining difference amounting to EUR 19,295 thousand was reported as goodwill and reduced by straight-line amortisation over the expected useful life of 15 years.

Sedus Stoll AG acquired the remaining 30% interest in Klöber Holding GmbH in the 2003 financial year, effective 1 January 2003. The proportionate remaining 30% in hidden reserves of EUR 1,592 thousand was also realised in this connection. Write-downs on the additionally resulting goodwill from this first consolidation of EUR 2,300 thousand and the additionally uncovered hidden reserves of EUR 1,592 thousand were distributed on a scheduled straight-line basis over the anticipated residual useful life of 20 years and fully written down as an unscheduled item in the 2018 financial year. Klöber Holding GmbH was merged with Sedus Stoll AG in the 2008 financial year.

Sedus Systems GmbH, Geseke, acquired as at 1 January 2002, was initially consolidated on the date the shares were acquired. This resulted in carrying amounts in excess of the parent's share of equity amounting to EUR 11,233 thousand. Proportionate hidden reserves of EUR 3,896 thousand were realised on the land and on industrial and administrative buildings, allocated to the relevant assets and written down with those assets over the anticipated useful life of 20 years. The remaining difference amounting to EUR 7,337 thousand was reported as goodwill and reduced by straight-line amortisation over the expected useful life of 15 years.

Sedus Digital GmbH, established in 2020, was included the consolidated financial statements for the first time in the 2021 financial year. This change to the companies included in the consolidated financial statement is insignificant with regard to the total sum and individual factors. Therefore, it is still possible to compare the consolidated financial statement with that of the previous year.

### Exchange Rate Conversion

Transactions in foreign currencies are generally recorded at the historical exchange rate at the time of initial booking. Foreign currency receivables and liabilities are valued at the average market price or the respective less favourable rate on the reporting date. With terms of up to one year, the implementation and purchase cost principles are not applied in the valuation in accordance with Section 256a of the HGB. To the extent that foreign currency positions are hedged, valuation is at the corresponding hedging rate.

Financial statements of foreign Group companies that are not prepared in euros are translated at the relevant average spot exchange rate on the balance sheet date for balance sheet items or, in the case of equity, at the relevant historical rates. The balances of other income and expenses in the profit and loss statement were translated at averaged annual exchange rates. Differences arising from the translation of balance sheets following the translation of equity at historical exchange rates or the translation of the annual result at average exchange rates are recorded as a separate equity item not recognised in profit or loss in accordance with Section 308a HGB. Currency differences arising from the elimination of intercompany profits were recognised directly in equity.

### 3.3. Fixed Assets

Acquired intangible assets are charged to assets at acquisition cost and, if subject to wear and tear, adjusted in accordance with their anticipated useful life and scheduled amortisation (straight-line method) or are reduced by unscheduled write-downs in the case of expected permanent impairment. Amortisation in the year of acquisition is calculated pro rata temporis.

Goodwill is amortised based on long-term utilisation using the straight-line method over the anticipated useful life of 15 years. Unscheduled write-downs are charged to the lower of cost or market/fair value in the event of expected permanent impairment.

Tangible assets are valued at acquisition or production costs less scheduled depreciation or unscheduled depreciation in the event of expected permanent impairment. Scheduled write-downs take account of the technical and economic loss of value due to wear and tear. Capital additions after 1 January 2010 are essentially written down on a straight-line basis pro rata temporis. Until 31 December 2018, minor assets with a value of EUR 251 to EUR 1,000 were grouped into an annual summary item that was depreciated at the rate of one fifth in the year set up, and by a further fifth over each of the next four financial years. Starting on 1 January 2019, minor assets with a value of EUR 250 to EUR 800 will be immediately depreciated in the year of their purchase. Assets with a value of up to EUR 250 are recognised directly as an expense in the year of acquisition or production.

The straight-line depreciation method is exclusively used for movable tangible assets.

Prepayments for intangible and tangible assets are carried at the respective nominal amount.

Securities held as fixed assets are carried at acquisition cost or the lower current fair value. In the case of securities held as fixed assets, unscheduled depreciation is also applied in the event of a temporary reduction in value.

Valuation of assets is not effected by means of offsetting transferred tax-free reserves where an alternative option is exercised.

The regular useful lives are as follows:

Asset class	Useful life in years
Land and buildings	15 – 33
Technical equipment and machinery	4 – 15
Operating and business equipment	8 – 13
Software	4 – 7

### 3.4. Current Assets

Current assets are carried at the lower of cost or market value.

Raw materials, consumables and supplies are valued at moving average prices as per the Lifo method (period lifo) pursuant to Section 256 HGB under application of the lower of cost or market value principle. In accordance with Section 284 (2), no. 4 HGB, the Lifo reserve as at 31 December 2021 amounted to EUR 1,168 thousand, with EUR 634 thousand accounted for by Sedus Stoll AG, EUR 110 thousand by Klöber GmbH and EUR 424 thousand by Sedus Systems GmbH.

Finished goods and work in progress are uniformly measured at the capitalised cost of manufacturing pursuant to Section 255 (2) HGB. In addition to individual material costs, they include proportional material overheads and direct labour costs plus manufacturing overheads (cost of own work). As in the previous year, discounts for non-marketability as per the range of coverage procedure were applied for work in progress. To determine the loss-free valuation, fair value is applied to the finished products in so far as this is lower. As at 31 December 2021, the Lifo reserve amounted to EUR 5 thousand and was furnished by Klöber GmbH.

The average cost method is applied to determine the acquisition cost of goods.

Prepayments for inventories are carried at the respective nominal amount.

Adequate write-downs are charged for slow-moving and technically obsolete inventories.

Receivables and other assets are carried at their nominal value less appropriate valuation allowances. A global valuation allowance of 1% for both domestic and foreign receivables was applied for trade receivables not covered by credit insurance to cover the general default and credit risk. Non-interest bearing medium- or long-term receivables are discounted at the cash value. Pension liability insurance entitlements that are accessible to external third parties are valued on the basis of information from the insurer with the respective asset value (coverage capital) on the reporting date.

Liquid funds are carried at nominal value. Foreign currency bank balances are translated at the average spot exchange rate as at the balance sheet date.

### 3.5. Prepaid Expenses

Accrued expenses in particular are reported under prepaid expenses.

### 3.6. Deferred Taxes

Deferred taxes are determined for timing differences between commercial accounting and tax accounting valuations of respective balance sheet items and expected tax loss carryforwards that can be used within the next five years. Additional deferred taxes arise from consolidation. Deferred taxes are determined on the basis of the earnings tax rate applicable for the respective individual company. A significant proportion of deferred taxes relate to Sedus Stoll AG with a tax rate of 28.4% and Sedus Systems GmbH with a commensurate rate of 30.8%. The combined earnings tax rate comprises corporation tax, solidarity surcharge and business tax. Deferred tax assets were generated in the financial year.

### 3.7. Equity

Subscribed capital is carried at nominal value.

### 3.8. Provisions

Provisions for pensions and similar obligations cover the obligations arising from entitlements and current pensions on the basis of company agreements and individual commitments to former shareholders and members of the management board, as well as capital provision obligations based on individual commitments to employees and the management board on the basis of deferred compensation. The pension provisions have been valued on the basis of actuarial calculations, taking account of the guideline tables 2018 G by Prof. Dr. Heubeck. The projected unit credit method was used as the valuation procedure for the active beneficiaries. For the beneficiaries and pensioners who have left with vested entitlements, the settlement amount applied is the cash value of the future pension payment. Provisions for obligations similar to pensions were discounted on a flat-rate basis using the published average market interest rate of the past seven years resulting from an assumed residual term of 15 years (Section 253 (2), sentence 2 HGB). The inventory date for pension obligations is 30 November 2021. As at the inventory date for pension obligations, a projected interest rate on 31 December of 1.87% was used for measurement of the pension obligations. As at 31 December 2021, the interest rate remained unchanged. In determining the provisions for pensions and similar obligations, annual adjustments to current pensions pursuant to Section 16 BetrAVG (Occupational Pensions Act) of 1.0% or 1.75% and annual income increases of 2.25% are applied.

Pursuant to Art. 75 (6) EGHGB rev. (Introductory Act to the Commercial Code), the revised version of Section 253 HGB is applicable for the first time in the annual financial statement of the company to 31 December 2016. As at 31 December 2021 this amounts to provisions for pensions of EUR 45,162 thousand. This amount is EUR 3,303 thousand (difference) below the pension provision value that would have resulted to 31 December 2021 under application of the seven-year average interest rate.

As at the reporting date of 31 December 2021, the freely available provisions plus profits carried forward exceed the total figure excluded from distribution (difference). Accordingly, a limit on dividend payouts does not apply.

Obligations arising from pensions and similar obligations are offset against those assets that are exclusively intended for the fulfilment of pension and similar obligations and are not accessible to external third parties (so-called covered funds). The committed, pledged and insolvency-proof covered funds are valued at the current fair value. The fair values of the covered funds are valued on the basis of information from the insurer with the respective asset value (coverage capital) on the reporting date.

Foreign companies effected pension provisions in accordance with similar principles, taking national regulations into account. A revaluation of foreign provisions according to German principles was not undertaken in view of the marginal volume.

With effect to the reporting date of 30 November 2021, obligations pertaining to anniversary bonuses, partial retirement and capital obligations resulting from deferred compensation were also calculated.

The average market interest rate over the past seven years of 1.35% p.a. on 31 December 2021 set by the German Bundesbank was used as a basis for the valuation of the anniversary provisions effected in accordance with the projected unit credit method, under application of an assumed residual term of 15 years. In addition, a future annual rise in income of 2.25% and an annual rise in the statutory contribution ceiling of 1.75% has been assumed. The probability of fluctuation was also considered.

The calculation of provisions for obligations from part-time employment prior to retirement following the IDW RS HFA 3 statement of 19 June 2013 assumes an average market interest rate of 0.30% and an annual income movement of 2.25%.

Provisions for taxes and other provisions were calculated in consideration of recognised risks and uncertain liabilities. Valuation is based on the settlement amount required to cover future payment obligations as established by reasonable commercial assessment. Future price and cost increases are considered insofar as sufficient objective indication of the occurrence of such exists.

### **3.9. Liabilities**

Liabilities are carried at the settlement amount. Prepayments for orders are carried at the respective nominal amount.

### **3.10. Prepaid Expenses**

Income accruals in particular are reported under prepaid expenses.

## **4. BALANCE SHEET AND PROFIT AND LOSS STATEMENT DISCLOSURES**

### **4.1. Fixed Assets**

The development of fixed assets from 1 January 2021 to 31 December 2021, including the cumulative cost of acquisition and production and the cumulative write-downs is set out in the expanded description of the movement schedule.

Additions to acquisition and manufacturing costs do not contain any capitalised interest on borrowed capital in the 2021 financial year.



## 4.2. Current Assets

### Receivables and Other Assets

The following receivables are due by 31 December 2021:

TRADE RECEIVABLES AND OTHER ASSETS	Remaining term up to 1 year	Remaining term more than 1 year	In total 2021	In total 2020
in EUR thousand				
1. Trade receivables	35,127	76	35,203	23,383
2. Other assets	5,803	117	5,920	2,974
	<b>40,930</b>	<b>193</b>	<b>41,123</b>	<b>26,357</b>

Other assets comprised the following items as at the balance sheet date:

OTHER ASSETS	2021	2020
in EUR thousand		
Business tax credit	2,200	1,025
Corporation tax credits	1,997	445
Creditors with debit accounts	379	252
Rental deposits	296	306
VAT refund	225	134
Supplier bonuses	193	105
Capitalised surrender values of pension liability insurance policies	116	118
Other assets	514	589
<b>Total</b>	<b>5,920</b>	<b>2,974</b>

### Liquid Funds

Liquid funds of EUR 9,395 thousand (previous year: EUR 38,383 thousand) comprise a figure of EUR 5,859 thousand in relation to Sedus Stoll AG, EUR 3,036 thousand in relation to domestic and foreign subsidiaries, EUR 482 thousand in relation to Sedus Systems GmbH and EUR 18 thousand in relation to Klöber GmbH.

### 4.3. Deferred Tax Assets

As at the reporting date, after netting deferred tax assets and liabilities (total difference analysis) the deferred tax asset surplus amounted to EUR 4,235 thousand. The differences between the commercial and tax balance sheets, and from the consolidation which produced the deferred tax liabilities, resulted predominantly from divergent depreciation,

amortisation and write-downs and from realised hidden reserves (properties and buildings). Deferred tax liabilities on the realised hidden reserves were created following the first-time application of BilMoG on 1 January 2010 for the amount of EUR 1,400 thousand and result from the initial consolidation of Sedus Systems GmbH and Klöber GmbH. These deferred taxes were offset against revenue reserves without recognition in profit or loss in accordance with Art. 67 (6), sentence 1 EGHGB. The reversal of deferred taxes in income was undertaken in correspondence with the amortisation of the hidden reserves and amounted to EUR 87 thousand in the 2021 financial year. Recognised deferred tax assets on tax loss carryforwards of subsidiaries amounting to EUR 130 thousand were taken into account.

Deferred taxes were balanced as follows:

<b>BALANCE OF DEFERRED TAXES</b>	31/12/2021	31/12/2020
in EUR thousand		
Deferred tax assets	4,962	4,218
Deferred tax liabilities	-727	-835
<b>Balance</b>	<b>4,235</b>	<b>3,383</b>

#### 4.4. Equity

The share capital of Sedus Stoll AG as at 31 December 2021 stood at EUR 15,255 thousand and is divided into 305,105 registered ordinary shares/no-par value shares with a nominal value of EUR 50.00/share. Share certificates have not yet been issued; the company has given the shareholders interim certificates.

The revenue reserve amounts to EUR 27,019 thousand.

Revenue reserves exclusively concern other revenue reserves and are composed of the following:

<b>REVENUE RESERVES</b>	31/12/2021	31/12/2020
in EUR thousand		
Revenue reserves for Sedus Stoll AG	22,718	22,718
Deferred tax liabilities Taxes based on BilMoG	-1,400	-1,400
Goodwill resulting from initial consolidation	-223	-223
Legal reserve	-11	-11
<b>Revenue reserves of the Group</b>	<b>21,084</b>	<b>21,084</b>

Changes in net retained profits were as follows:

<b>NET RETAINED PROFITS</b>	31/12/2021	31/12/2020
in EUR thousand		
Net retained profits / net accumulated losses 1 January	32,467	32,053
Dividend	-1,220	-2,136
Net income for the financial year	2,616	2,538
Appropriation to other revenue reserves	0	12
<b>Net retaining profits to 31 Dec.</b>	<b>33,863</b>	<b>32,467</b>

A proposal will be made to the annual general meeting for distribution of EUR 1,526 thousand from Sedus Stoll AG's net profit for the year of EUR 3,717 thousand reported as at 31 December 2021, with EUR 1,526 thousand to be transferred to other revenue reserves. The remaining EUR 655 thousand should be carried forward.

#### 4.5. Provisions

##### Provisions for Pensions and Similar Obligations

The requisite settlement amount calculated in accordance with the projected unit credit method for the pension liabilities financed through the pension fund amounted to EUR 9,833 thousand as at 31 December 2021. The settlement amount exceeded fund assets as at 31 December 2021 by EUR 3,257 thousand, in turn giving rise to a shortfall of indirect pension commitments of EUR 6,576 thousand as at 31 December 2021.

Other provisions essentially comprise provisions for personnel expenses (EUR 5,912 thousand), guarantees (EUR 877 thousand) and incoming invoices (EUR 922 thousand).

#### 4.6. Liabilities

The remaining terms of liabilities are as follows:

LIABILITIES	Remaining term up to 1 year	Remaining term more than 1 year	Remaining term > 5 years	In total 2021
in EUR thousand (previous-year values are given in brackets)				
1. Liabilities to financial institutions	0 (86)	212 (400)	0 (0)	212 (486)
2. Prepayments received on account of orders	1,818 (1,230)	0 (0)	0 (0)	1,818 (1,230)
3. Trade payables	9,280 (5,688)	0 (0)	0 (0)	9,280 (5,688)
4. Other liabilities	4,410 (4,076)	4,159 (3,936)	924 (918)	8,569 (8,012)
<b>Total</b>	<b>15,508 (11,080)</b>	<b>4,371 (4,336)</b>	<b>924 (918)</b>	<b>19,879 (15,416)</b>

Liabilities to financial institutions totalling EUR 212 thousand are secured by land charges on the Dogern and Geseke production sites.

Standard retention of title applies to liabilities to suppliers.

Other liabilities breakdown as follows:

OTHER LIABILITIES	in EUR thousand
Sedus Stoll AG	5,109
Foreign subsidiaries	2,562
Sedus Systems GmbH	781
Klöber GmbH	117
<b>Total</b>	<b>8,569</b>

Of the total amount of other liabilities, EUR 2,130 thousand relate to tax liabilities (previous year: EUR 1,671 thousand) and EUR 292 thousand for social security obligations (previous year: EUR 204 thousand).

Obligations arising from staff loans, profit sharing and management bonuses totalling EUR 3,908 thousand listed under other liabilities and the corresponding obligations posted under pension provisions of EUR 6,061 thousand are secured by land charges on the Dogern production site as well as a partial pledging of fixed-term deposits.

#### 4.7. Contingent Liabilities and Other Financial Obligations

##### Contingent Liabilities

In accordance with Section 298 (1) in conjunction with Sections 251 and 268 (7) HGB, there are no contingent liabilities that are not reported in the consolidated balance sheet or disclosed elsewhere.

##### Other Financial Obligations

The total amount of other financial obligations under rental and lease agreements stood at EUR 4,105 thousand, with EUR 391 thousand attributable to Sedus Stoll AG, EUR 23 thousand to Sedus Systems GmbH, EUR 96 thousand to Klöber GmbH and EUR 3,595 thousand to foreign subsidiaries.

#### 4.8. Financial Instruments

To hedge against foreign currency risks arising from planned sales transactions denominated in GBP, CHF, AED and USD, forward exchange transactions are concluded on a case by case basis. The purpose of these transactions is the reduction of the market risk arising from the changes in currency movements for the payment streams running in foreign currency. Derivative financial instruments are not used for commercial or speculative purposes. We assume with great probability that the hedged transactions will occur, as these are routine transactions and the hedge is significantly less than the planned total volume of incoming foreign currency. Furthermore, the use of derivative financial instruments is subject to clearly defined rules and strict internal controls.

The nominal volume of forward exchange transactions concluded to hedge foreign currency transactions amounted to EUR 6,531 thousand as at 31 December 2021, with current fair values of EUR 6,459 thousand (negative market values of EUR 72 thousand). Hedged forward exchange operations to 31 December 2021 relate to scheduled forward exchange sales in pound sterling, Swiss francs and US dollars.

Current fair values of the derivative financial instruments are determined using valuation methods customary in the market, taking into account the available market data (market values) on the valuation date. Foreign exchange contracts are valued individually on the basis of the exchange amount at the current forward market rates on the reporting date compared to the agreed forward and contract rates. The forward market rates are determined by the spot price, taking account of the forward premiums and discounts.

#### 4.9. Cash flow Statement

The cash flow statement was prepared under application of accounting standard No. 21 'Cash flow statement' (DRS 21). Investments impacting on cash flow primarily comprise investments in intangible assets (EUR 819 thousand), investments in buildings, technical plant and machinery (EUR 13,201 thousand), investments and asset management (EUR 26,041 thousand) and inflows from fixed-term deposits of EUR 11,400 thousand. Repayment of borrowings accounted for a total of EUR 273 thousand and the dividend payout to shareholders of Sedus Stoll AG was EUR 1,220 thousand. Cash and cash equivalents comprise liquid funds less fixed-term deposits with an original term of > 3 months:

FINANCIAL RESOURCE FUND	31/12/2021	31/12/2020
in EUR thousand		
Financial resource funds in acc. with DRS 21	9,395	26,983
Fixed deposits with an original term > 3 months	0	11,400
<b>Liquid funds acc. to balance sheet</b>	<b>9,395</b>	<b>38,383</b>

#### 4.10. Breakdown of Sales Revenues According to Region

Consolidated sales revenues break down regionally as follows:

SALES REVENUES	2021	2020
in EUR thousand		
<b>Germany</b>	<b>107,297</b>	<b>109,323</b>
France	17,104	16,227
Italy	18,447	14,243
Austria	11,158	9,764
Netherlands	4,816	3,903
Switzerland	7,575	7,059
Great Britain	6,628	3,643
Belgium	10,713	8,688
Spain	2,120	1,818
Dubai	2,036	2,912
Other abroad	8,045	6,464
Exports	88,642	74,721
<b>Total</b>	<b>195,939</b>	<b>184,044</b>

The export ratio amounts to 45.2% (previous year: 40.6%).

#### 4.11. Breakdown of Sales Revenues According to Business Unit

Consolidated sales revenues break down according to business unit as follows:

SALES REVENUE ACCORDING TO BUSINESS UNIT	2021	2020
in EUR thousand		
Sedus Seating	86,534	80,634
Sedus Systems	85,337	81,714
Klöber	17,518	16,953
Trade goods	6,550	4,743
<b>Total</b>	<b>195,939</b>	<b>184,044</b>



**4.12. Other Operating Income**

The other operating costs are made up as follows:

<b>OTHER OPERATING INCOME</b>	2021	2020
in EUR thousand		
Income from the sale and value recovery of securities from financial assets	1,186	745
Reversal of provisions	509	1,290
Profits from exchange rate conversion	534	491
Reversal of specific and global valuation allowances	310	231
Income from previous years	236	145
Refund of employer social security contributions within the scope of short-time work remuneration	129	341
Income from write ups of tangible fixed assets	0	210
Other miscellaneous income	130	275
<b>Total</b>	<b>3,034</b>	<b>3,728</b>

Prior-period income amounting to EUR 745 thousand is included in other operating income (previous year: EUR 1,435 thousand).

**4.13. Depreciation, Amortisation and Write-Downs**

Scheduled amortisation on intangible assets and depreciation on tangible assets amounted to EUR 9,494 thousand (previous year: EUR 8,934 thousand).

This includes scheduled amortisation of hidden reserves of EUR 151 thousand (previous year: EUR 151 thousand) realised in connection with initial consolidation.

**4.14. Other Operating Expenses**

Other operating expenses amounting to EUR 37,523 thousand (previous year: EUR 35,295 thousand) are primarily attributable to the following:

<b>OTHER OPERATING EXPENSES</b>	2021	2020
in EUR thousand		
Operating costs	15,912	14,162
Selling costs	14,693	12,963
Administrative costs	3,787	3,480
Incidental staff costs	1,811	2,486
Expenses resulting from exchange rate conversion	405	679
Loss from disposal of securities held as financial assets	111	614
Expenses VV bank charges and costs	334	97
Other miscellaneous expenses	470	814
<b>Total</b>	<b>37,523</b>	<b>35,295</b>

Other operating expenses include prior-period expenses of EUR 331 thousand (previous year: EUR 313 thousand).

**4.15. Research and Development Expenses**

The costs for research and development amounted to EUR 5,051 thousand (previous year: EUR 5,154 thousand) in the financial year.

**4.16. Income from other Securities and Loans from Financial Assets**

The income relates to dividends and interest income generated within the scope of asset management.

**4.17. Amortisation of Financial Assets**

In the 2021 financial year, unscheduled amortisation as per Section 253 (3) sentence 6 HGB of EUR 476 thousand (previous year: EUR 108 thousand) applied to securities held as fixed assets to effect adjustment to market and exchange prices on the reporting date.

#### 4.18. Interest and Similar Expenses

Costs associated with reduction of the assumed interest rate for the valuation of pension and anniversary provisions have been listed since the previous year under interest and similar expenses. As a result of the reduction of the assumed interest rate from 2.31% to 1.87%, expenses of EUR 2,619 thousand were accrued in the reporting year.

#### 4.19. Taxes on Income

These taxes include corporation tax, trade tax and the solidarity surcharge within Germany, and the equivalent income-related taxes abroad. They are calculated according to the pertinent tax regulations applicable to each company.

Furthermore, on balance, income from deferred tax effects of EUR 852 thousand (previous year EUR 654 thousand) was generated in the 2021 financial year. This resulted from the elimination of inter-company profits and losses affecting the operating result, the annual reversal of deferred tax liabilities relating to divergent depreciation, amortisation and write-downs and realised hidden reserves (buildings) and other recognition differences under commercial and tax law.

#### 4.20. Other Taxes

Other taxes include real estate tax and vehicle tax, as well as flat-rate wage tax assumed by the employer.

#### 5. EMPLOYEES

The average number of employees (excluding board members and managing directors) in the Sedus Group across all quarters is as follows:

NUMBER OF EMPLOYEES	2021	2020
<b>Sedus Stoll AG, Dogern</b>		
Salaried employees	231	229
Hourly-paid employees	228	240
Trainees	40	39
	<b>499</b>	<b>508</b>
<b>Klöber GmbH, Owingen</b>		
Salaried employees	62	68
Hourly-paid employees	38	41
Trainees	6	7
	<b>106</b>	<b>116</b>
<b>Sedus Systems GmbH, Geseke</b>		
Salaried employees	106	105
Hourly-paid employees	180	179
Trainees	14	13
	<b>300</b>	<b>297</b>
<b>Consolidated foreign Group companies</b>		
Salaried employees	81	74
	<b>81</b>	<b>74</b>
<b>Sedus Stoll Group</b>	<b>986</b>	<b>995</b>

## 6. ADDITIONAL INFORMATION

### 6.1. Members of the Board of Directors

- Daniel Kittner, Stutensee (Engineering/Development)
- Cornel Spohn, Häusern (Finance/Personnel/IT)
- Christoph Kargruber, A-Steinach (Marketing/Sales) from 1.10.2021

The Management Board's total remuneration for the 2021 financial year was EUR 823 thousand. A provision of EUR 8,792 thousand is held for pension obligations to retired members of Sedus Stoll AG's Management Board and their surviving relatives. Total payments to this group amounted to EUR 328 thousand in financial year 2021.

### 6.2. Members of the Supervisory Board

#### Chairman of the Supervisory Board:

- Dr. Klaus Eisele, Stuttgart (Banker)

#### Shareholder Representatives:

- Ulrich Behrens, Wittnau (Auditor and Tax Advisor) (Deputy Chair)
- Werner Blanke, Anröchte (Banker)
- Heinz Gerteiser, Albbuck (Management consultant)

#### Employee Representatives:

- Herbert Ebner, Höchenschwand (Chairman of the Works Council of Sedus Stoll AG)
- Wolfgang Kautz, Geseke (Chairman of the Works Council of Sedus Systems GmbH)

Total remuneration for the Supervisory Board in the 2021 financial year was EUR 183 thousand.

### 6.3. Other Disclosures

Transactions with associated persons were handled under the customary terms.

Auditors' fees for the Sedus Stoll Group amounted to EUR 275 thousand (previous year: EUR 345 thousand), with EUR 199 thousand (previous year: EUR 175 thousand) relating to audit services and EUR 121 thousand (previous year: EUR 170 thousand) relating to tax advisory services.

### 6.4. Events Occurring After the Reporting Date (Supplementary Statement)

The consequences of current developments in Ukraine after the balance sheet date remain unclear. We do not anticipate any major consequences on the turnover side; however, ensuing problems may arise as result of material and energy price rises that cannot currently be assessed in terms of level. No other events of any significance have occurred.

Dogern, 28 March 2022

Sedus Stoll Aktiengesellschaft

**The Board of Directors**



Christoph Kargruber



Daniel Kittner



Cornel Spohn

## STATEMENT OF CHANGES IN EQUITY TO 31/12/2021

	As at 31/12/2020	Group annual profit 2021	Currency changes	Other changes	Profit-related dividend	As at 31/12/2021
in EUR thousand						
Subscribed capital of Sedus Stoll AG	15,255	-	-	-	-	15,255
Capital reserve of Sedus Stoll AG	27,019	-	-	-	-	27,019
Revenue reserve	20,824	-	-	-	-	20,824
Goodwill from initial consolidation	261	-	-	-	-	261
Difference in equity from exchange rate conversion	-134	-	217	-	-	83
Net retained profits/ net accumulated losses	32,467	2,616	-	-	-1,220	33,862
Equity pertaining to parent company	95,691	2,616	217	-	-1,220	97,303
Non-controlling interests	-	-	-	-	-	-
<b>Group equity</b>	<b>95,691</b>	<b>2,616</b>	<b>217</b>	<b>0</b>	<b>-1,220</b>	<b>97,303</b>

## STATEMENT OF CHANGES IN EQUITY TO 31/12/2020

	As at 31/12/2019	Group annual profit 2020	Currency changes	Other changes	Profit-related dividend	As at 31/12/2020
in EUR thousand						
Subscribed capital of Sedus Stoll AG	15,255	-	-	-	-	15,255
Capital reserve of Sedus Stoll AG	27,019	-	-	-	-	27,019
Revenue reserve	20,836	-	-	-12	-	20,824
Goodwill from initial consolidation	261	-	-	-	-	261
Difference in equity from exchange rate conversion	-8	-	-126	-	-	-134
Net retained profits/ net accumulated losses	32,053	2,538	-	12	-2,136	32,467
Equity pertaining to parent company	95,415	2,538	-126	0	-2,136	95,691
Non-controlling interests	-	-	-	-	-	-
<b>Group equity</b>	<b>95,415</b>	<b>2,538</b>	<b>-126</b>	<b>0</b>	<b>-2,136</b>	<b>95,691</b>



### Cash flow Statement

The cash flow statement shows how the Sedus Group's cash and cash equivalents have changed during the year under review as a result of inflows and outflows of funds. In this

cash flow statement, cash flows are divided into operating activities, investment activities and financing activities.

CASH FLOW STATEMENT		2021	2020
		EUR thousand	EUR thousand
1.	Net income for the financial year	2,616	2,538
2.	+ Depreciation, amortisation and write-downs of fixed assets	9,970	9,042
3.	- Appreciation on fixed assets	-142	-448
4.	+ Increase in provisions for pensions	-926	-466
	<b>Cash flow</b>	<b>11,517</b>	<b>10,667</b>
5.	+/- Increase/decrease in other provisions	-301	-1,664
6.	-/+ Increase/decrease in inventories	-6,347	-867
7.	-/+ Increase/decrease in trade receivables	-11,820	5,348
8.	-/+ Increase/decrease in other assets that cannot be assigned to investment or financing activity	-2,851	-993
9.	+/- Increase/decrease in trade payables and in other liabilities that cannot be assigned to investment or financing activity	4,125	-4,301
10.	-/+ Profit/loss from the disposal of fixed assets	-8	-86
11.	+/- Interest charges/Interest income	3,535	3,360
12.	+/- Income tax expenses/income	560	1,977
13.	- Taxes paid on earnings	-1,411	-2,631
14.	<b>Net cash provided by operating activities (rows 1 – 13)</b>	<b>-3,002</b>	<b>10,809</b>
15.	+ Proceeds from disposal of intangible fixed assets and tangible fixed assets	487	241
16.	+ Proceeds from disposal of financial assets	14,878	11,873
17.	- Payments on investments in intangible assets	-819	-1,797
18.	- Payments on investments in fixed assets	-13,201	-8,954
19.	- Outpayments for investments in financial assets	-26,041	-5,726
20.	+/- Proceeds/payments due to financial investments associated with short-term finance availability	11,400	3,000
21.	+ Interest received	250	214
22.	<b>Net cash used in investing activities (rows 15 – 21)</b>	<b>-13,046</b>	<b>-1,149</b>
23.	- Repayment of borrowings	-273	-1,035
24.	- Interest paid	-259	-818
25.	- Dividends paid to shareholders of Sedus Stoll AG	-1,220	-2,136
26.	<b>Cash inflow and outflow from financial activities (rows 23 – 25)</b>	<b>-1,752</b>	<b>-3,989</b>
27.	= Payment-related changes in financial resource fund (total from rows 14, 22 and 26)	-17,800	5,671
28.	- Exchange rate-related change in financial resource fund	212	-124
29.	Opening balance of financial resource fund	26,982	21,436
30.	<b>Closing balance of financial resource fund</b>	<b>9,395</b>	<b>26,983</b>



## INDEPENDENT AUDITOR'S REPORT

### *Audit opinions*

We have audited the consolidated financial statements prepared by Sedus Stoll Aktiengesellschaft, Dogern, and its subsidiaries (the Group), comprising the consolidated balance sheet as at 31 December 2021, the consolidated profit and loss statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the financial year from 1 January to 31 December 2021. We also audited the notes to the consolidated financial statements and the presentation of accounting and valuation principles. In addition, we have audited the Group management report prepared by Sedus Stoll Aktiengesellschaft for the financial year from 1 January to 31 December 2021.

In our opinion, based on the findings of our audit,

- in all material aspects, the attached consolidated financial statements comply with the provisions of German commercial law, and, in accordance with German principles of proper accounting, give a true and fair view of the net assets and financial position of the Group on 31 December 2021 as well as the results of operations for the financial year from 31 January to 31 December 2021 and
- the enclosed Group management report provides an accurate presentation of the Group's position as a whole. In all material aspects, this Group management report is consistent with the consolidated financial statements, complies with German statutory provisions and accurately illustrates the opportunities and risks of future development.

In accordance with Section 322 (3) sentence 1 HGB, we hereby declare that our audit has not given rise to any reservations regarding the accuracy of the consolidated financial statements and the Group management report.

### *Basis for our audit opinions*

We conducted our audit of the consolidated financial statements and the Group management report in accordance with Section 317 of the German Commercial Code (HGB) and German principles of proper auditing promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany, IDW). Our responsibilities with regard to these laws and principles is described in greater detail in the "Responsibility of the auditor for the audit of the consolidated financial statements and the Group management report" section of our audit report. In accordance with provisions of German commercial law and our professional Code of Conduct, we are independent of the Group companies and

have fulfilled our other professional obligations in Germany according to these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to serve as a basis for our audit opinions regarding the consolidated financial statements and the Group management report.

### *Responsibility of the legal representatives and the Supervisory Board for the consolidated financial statements and the Group management report*

The legal representatives are responsible for the preparation of consolidated financial statements that comply with German commercial law in all material aspects, and they must ensure that the consolidated financial statements provide a true and fair presentation of the net assets, financial position and results of operations of the Group in accordance with German principles of proper accounting. The legal representatives are also responsible for the internal controls they deem necessary in accordance with German principles of proper accounting in order to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

In the preparation of the consolidated financial statements, the legal representatives are responsible for assessing the ability of the Group to continue its business activities. Furthermore, they are responsible for providing information on pertinent issues that are related to continuing the Group's business activities. In addition, they are responsible for preparing a balance sheet for the continuation of business activities on the basis of the accounting policy, provided no legal or factual reasons to prevent this apply.

The legal representatives are also responsible for the preparation of a Group management report that provides an accurate presentation of the Group's position as a whole, is consistent with the consolidated financial statements in all material aspects, complies with German law and accurately illustrates the opportunities and risks regarding future development. Furthermore, the legal representatives are responsible for the provisions and measures (systems) deemed necessary on their part to facilitate the preparation of a Group management report in accordance with the applicable German statutory provisions and to provide sufficiently suitable evidence for the statements made in the Group management report.

The Supervisory Board is responsible for monitoring the accounting processes the Group used for the preparation of the consolidated financial statements and the Group management report.

*Responsibility of the auditor for auditing the consolidated financial statements and the Group management report*

Our objective is to obtain adequate assurance that the consolidated financial statements as a whole are free from material misstatements, whether due to fraud or error, and that the Group management report provides an accurate presentation of the Group's position as a whole and is consistent with the consolidated financial statements and the findings of the audit in all material aspects, complies with German law and accurately illustrates the opportunities and risks regarding future development, and to issue an audit report that contains our audit opinions on the consolidated financial statements and the Group management report.

Adequate assurance is a high degree of assurance, but does not guarantee that an audit performed in compliance with Section 317 HGB and the German principles of proper auditing promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany, IDW) will uncover a material misrepresentation in all instances. Misrepresentations can be the result of infringements or misstatements and are deemed material where, either individually or as a whole, they may reasonably be expected to influence the economic decisions taken by recipients on the basis of these consolidated financial statements and this Group management report.

During the audit due discretion and a critical tenor is exercised on our part. In addition

- we identify and assess the risks of intentional or unintentional material representations in the consolidated financial statements and the Group management report, plan and perform audit procedures in response to these risks, and obtain audit evidence that is sufficient and appropriate to serve as the basis for our audit opinions. The risk that material misrepresentations are not discovered is greater in the case of infringements than misstatements since infringements may include fraudulent collaborations, forgeries, intentionally incomplete information, misleading misrepresentations or the abrogation of internal controls.

- we gain an understanding of the internal control system relevant for auditing the consolidated financial statements and the relevant provisions and measures required for auditing the Group management report, in order to plan audit procedures that are appropriate in the given circumstances, however not with the aim of providing an audit opinion on the effectiveness of these systems.
- we assess the appropriateness of the accounting policies applied by the legal representatives as well as the justifiability of the estimated values and the associated information presented by the legal representatives.
- we draw conclusions regarding the appropriateness of the accounting policy applied by the legal representatives for the continuation of business activities and also ascertain on the basis of the obtained audit evidence whether there is any material uncertainty associated with events and conditions that would raise significant doubts about the ability of the Group to continue its business activities. In the event we consider material uncertainty exists, we are obliged to call attention to the corresponding information in the consolidated financial statements and the Group management report in our audit report, or, should this information be unreasonable, to amend our respective audit opinion. We reach our conclusions on the basis of the audit evidence obtained by us up to and including the date of our audit report. Future events or conditions could result in the Group being unable to continue its business activities.
- we evaluate the overall presentation, the structure and content of the consolidated financial statements, including the information on whether the consolidated financial statements portray the underlying business transactions and events in a way that ensures the consolidated financial statements accurately convey the net assets, financial position and results of operations of the Group in accordance with German principles of proper accounting.
- in order to provide audit opinions on the consolidated financial statements and the Group management report, we obtain sufficiently suitable audit evidence to support the accounting information relating to Group companies and business activities. We are responsible for the guidance, monitoring and execution of the audit of the consolidated financial statements. We are solely responsible for our audit opinions.

- we evaluate the consistency of the consolidated financial statements and the Group management report, their compliance with the law and the picture they convey with regard of the state of the Group.
- we perform audit tasks in relation to the future-oriented statements furnished by the legal representatives in the Group management report. In doing so, on the basis of sufficiently suitable audit evidence, we specifically retrace the material assumptions on which the future-oriented statements provided by the legal representatives are based and assess whether the commensurate statements were properly derived from these assumptions. We do not provide an independent audit opinion on the future-oriented statements or the underlying assumptions. There is a considerable, unavoidable risk that future events will deviate substantially from the future-oriented statements.

The intended scope and timetable of the audit as well as significant audit findings, including potential deficiencies in the internal control system revealed during our audit, are discussed together with the persons responsible for monitoring.

Essen, 28 March 2022

PricewaterhouseCoopers GmbH  
Auditing company

Heike Böhle  
Auditor

ppa. Holger Brauner  
Auditor





# Multi-Year Summary

## Sedus Stoll Group

		2017		2018	
FROM THE PROFIT AND LOSS STATEMENT		% of turnover		% of turnover	
Turnover	EUR thousand	191,150	100.0	212,283	100.0
Variance	%	1.4	—	11.1	—
of which in Germany	EUR thousand	107,897	56.4	110,536	52.1
of which abroad	EUR thousand	83,253	43.6	101,747	47.9
Cost of materials	EUR thousand	74,572	39.0	85,328	40.2
Personnel expenses	EUR thousand	61,450	32.1	65,506	30.9
Development costs	EUR thousand	5,087	2.7	5,670	2.7
Net income for the financial year	EUR thousand	9,820	5.1	9,781	4.6
Dividend	EUR thousand	2,441 <sup>5)</sup>	—	2,441 <sup>5)</sup>	—
Dividend per no-par value share	EUR	8.00 <sup>5)</sup>	—	8.00 <sup>5)</sup>	—
Return on sales	%	5.1	—	4.6	—
FROM THE BALANCE SHEET		% of balance sheet total		% of balance sheet total	
Balance sheet total	EUR thousand	150,512	100.0	161,524	100.0
Fixed assets	EUR thousand	47,795	31.8	78,030	48.3
Current assets and prepaid expenses	EUR thousand	102,717	68.2	83,494	51.7
Equity	EUR thousand	82,648	54.9	89,985	55.7
Share capital of Sedus Stoll AG	EUR thousand	15,255	10.1	15,255	9.4
Reserves of the Group	EUR thousand	46,623	31.0	47,711	29.5
Consolidated net retained profits/ net accumulated losses	EUR thousand	20,770	13.8	26,745	16.6
Debt and debt-like items	EUR thousand	67,864	45.1	71,539	44.3
Debt-to-equity ratio <sup>1)</sup>	%	82.1	—	79.5	—
Equity-to-fixed-assets ratio <sup>2)</sup>	%	172.9	—	115.3	—
Equity return <sup>3)</sup>	%	11.9	—	10.9	—
Return on assets <sup>4)</sup>	%	7.4	—	6.9	—
FROM THE CASH FLOW STATEMENT		% of turnover		% of turnover	
Depreciation, amortisation and write-downs (incl. goodwill amortisation)	EUR thousand	7,740	4.0	9,364	4.4
Investments (excluding financial assets)	EUR thousand	9,164	4.8	15,834	7.5
Cash flow	EUR thousand	18,769	9.8	21,113	9.9
AVERAGE NUMBER OF EMPLOYEES ACROSS ALL QUARTERS					
(excluding trainees)		873	—	935	—
of which in Germany		809	—	864	—
of which abroad		64	—	71	—

<sup>1)</sup> Ratio of third-party capital and equity

<sup>2)</sup> Ratio between equity and current assets

<sup>3)</sup> Ratio between annual surplus/deficit to equity

<sup>4)</sup> Ratio between total from annual surplus/deficit and third-party capital interest changes on the balance sheet total

<sup>5)</sup> Subject to approval of the annual general meeting of 30 May 2022

2019		2020		2021	
	% of turnover		% of turnover		% of turnover
210,092	100.0	184,044	100.0	195,939	100.0
-1.0	—	-12.4	—	6.5	—
116,274	55.3	109,323	59.4	107,297	54.8
93,818	44.7	74,721	40.6	88,642	45.2
83,867	39.9	75,748	41.2	83,627	42.7
65,071	31.0	60,651	33.0	62,843	32.1
5,419	2.6	5,154	2.8	4,989	2.5
7,750	3.7	2,538	1.4	2,616	1.3
2,136 <sup>5)</sup>	—	1,220	—	1,220	—
7.00 <sup>5)</sup>	—	4.00 <sup>5)</sup>	—	5.00 <sup>5)</sup>	—
3.7	—	1.4	—	1.3	—
	% of balance sheet total		% of balance sheet total		% of balance sheet total
168,407	100.0	163,972	100.0	171,903	100.0
84,139	50.0	79,991	48.8	94,872	55.2
84,268	50.0	83,981	51.2	77,031	44.8
95,415	56.7	95,691	58.3	97,302	56.6
15,255	9.1	15,255	9.3	15,255	8.9
48,106	28.6	47,969	29.3	48,185	28.0
32,053	19.0	32,467	19.8	33,862	19.7
72,992	43.3	68,281	41.6	74,601	43.4
76.5	—	71.4	—	76.7	—
113.4	—	119.6	—	102.6	—
8.1	—	2.7	—	2.7	—
5.4	—	2.3	—	2.3	—
	% of turnover		% of turnover		% of turnover
8,910	4.2	9,043	4.9	9,970	5.1
13,872	6.6	10,751	5.8	14,020	7.2
16,235	7.7	10,667	5.8	11,517	5.9
957	—	936	—	926	—
885	—	862	—	849	—
72	—	74	—	77	—

## Date for 2022

### **General meeting**

Dogern Headquarters

30 May 2022

17.00 hrs (5 p.m.)

Sedus Stoll Aktiengesellschaft

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