

REPORT FOR THE 1ST QUARTER 2021

Quarterly Report as of March 31, 2021 (unaudited)



Innovations for sustainable technologies



Quarterly Report Q1-2021

SINGULUS TECHNOLOGIES Reports Financial Key Figures (Unaudited) For the 1st Quarter of 2021

The SINGULUS TECHNOLOGIES AG (SINGULUS TECHNOLOGIES) reports preliminary financial results for the first quarter of 2021. Accordingly, sales generated by SINGULUS TECHNOLOGIES amounted to approx. € 14.6 million in the first quarter 2021, above the prior-year level of € 10.9 million. Compared with the previous year, the earnings before interest and taxes (EBIT) developed positively to around € -3.3 million (previous year: -5.8 million). The gross profit margin in the first three months of the business year increased to 28.8 % from 8.4 % one year ago. Accordingly, the key financial results were slightly improved in comparison with the results from the first quarter one year ago.

Due to a major order in the Solar segment the order intake in the first quarter 2020 had amounted to € 63.6 million. In the first quarter 2021, € 7.9 million were achieved. The order backlog amounted to € 69.8 million (March 31, 2020: € 79.0 million). During the period of drawing up the accounts until the end of April the segment Life Science received additional orders in the amount of approx. € 25 million for Decorative Coatings and Medical Technology.

The level of cash and cash equivalents as of March 31, 2021 amounted to € 5.9 million. During the months of April and May 2021 after the balance sheet date, the level of liquid funds increased due to the operating incoming payments. The reason for this is the high order backlog and the respective payments due to the contractual terms and conditions.

In July 2016 the SINGULUS TECHNOLOGIES AG had issued a bond with the ISIN DE000A2AA5H5 / WKN A2AA5H and with a term to maturity of five years. This bond would have become due for redemption in this year's July. SINGULUS TECHNOLOGIES approached the bearers of the bond with the proposal to extend the term by additional five years until July 2026 and with amended interest and redemption terms. In the course of the second assembly of the bearers of the bonds, with a quorate quorum of around 34.37 % of the bonds present and represented, the bond's new terms and conditions were approved on May 6, 2021. Overall, the resolution proposal to extend the term to maturity was approved with 98.9 %. The extension of the corporate bond will provide SINGULUS TECHNOLOGIES with planning security for the next couple of years. In addition, due to the resolutions of the bondholders, the recurring interest payments of 4.5 % p.a. were significantly reduced for SINGULUS TECHNOLOGIES in the coming years compared with the prior interest to be paid.

The bond's new terms and conditions are as follows:

1. Extension of term to maturity

The term to maturity shall be extended by five years from July 22, 2021 to July 22, 2026. Accordingly, the scheduled redemption of the bond shall take place on July 22, 2026.

2. Adjustment of the interest rate

The bond shall offer an interest rate of 4.5 % p.a. from July 22, 2021. The semi-annual payment of interest shall be maintained.

3. Increase of the redemption amount

The redemption amount per corporate bond with a nominal amount of € 100.00 shall be increased by € 5.00 to € 105.00. This increase shall also apply in cases of an early redemption of the bond and termination of the bond by the bondholders.

The attestation by the responsible auditing company for the annual accounts for the business year 2020 drawn up by SINGULUS TECHNOLOGIES is currently still pending. Amongst others, the attestation materially depends on the successful refinancing and the extension of the outstanding, interest-bearing liabilities and thus also on the successful resolution with respect to the bond's new terms and conditions as of May 6, 2021.

Following the implementation of the resolutions with regards to the amendment of the bond and the additional financing as well as subject to the economic development for the company, the Executive Board expects the company to receive the attestation.

Summary of risks and opportunities

The project and the sales market risk for the Solar segment as well as the liquidity risk are still the material risks within the Group from today's point of view.

The Solar division is expected to provide the largest proportion of sales and earnings contributions in the current business year. Also against the background of establishing new business areas, the development of the solar market remains a critical criterion for the future continuation of the company. In addition, the company

anticipates a significant increase in the business activities in the Life Science segment. If the forecast sales for these segments will not materialize in the coming years, this would have negative impacts on the asset, financial and earnings situation of SINGULUS TECHNOLOGIES.

If the risk of the order completion of current and future large projects materializes, this could have material negative impacts on the overall business operations of the company.

A sufficient level of liquidity of the company in the business years 2021 and 2022 can only be maintained, if the plans in the next two years are realized. The essential prerequisites for the plans are that the partial payments of the customers, which are payable due to the already contracted large orders, are actually made without material delays. Moreover, a sufficient order intake as well as winning an additional large order or a combination of equivalent alternative projects in the current business year is required. In addition, the implementation of the resolutions with respect to the extension of the term to maturity of the corporate bond as well as subject to the further course of business the conclusion of a working capital line of credit are essential components of the going-concern assumption.

The aforementioned events and conditions indicate the existence of substantial uncertainty, which can cast significant doubt on the company's ability to continue its business operations and which pose an existence-threatening risk. However, from today's point of view, the company has sufficient freely available liquid funds to safeguard the business operations.

Segments

SINGULUS TECHNOLOGIES is constantly working on further developing the core technologies in the three segments and the resulting machine types.

Solar Segment

In the past couple of years, SINGULUS TECHNOLOGIES has attained a leading position for thin-film solar module – both for CIGS and for CdTe. The projects are currently implemented in China and concern high-volume investments. SINGULUS TECHNOLOGIES expects to continue to supply essential components for machines for the future factories involving the thin-film solar technology for CIGS and CdTe. The customer CNBM invests in factories for the production based on both the CIGS and the CdTe technology. According to

information, the company unabatedly continues its plans to expand the CIGS technology in China and the company has become the largest manufacturer of CIGS solar in the meantime. At the same time, the company prepared for the setup of factories for the production of CdTe solar modules at several sites in China. In this context, SINGULUS TECHNOLOGIES was able to conclude a development contract with CNBM to develop production machines with the latest technology and to offer them to the market later on.

An additional focus of activities in the Solar segment is set on new production sites for heterojunction (HJT) solar cells. The market volume for HJT solar cells is expected to more than double by 2023. There are several initiatives



*GENERIS PECVD:
New PECVD (Plasma-Enhanced
Chemical Vapour) system for the
production of PERC/TopCon solar cells.*

in Europe based on this technology to plan the cell production at a gigawatt scale. SINGULUS TECHNOLOGIES has developed proprietary machines for the HJT cell production and globally active in the offer process for numerous projects as a supplier for production machines. The company's goal is to establish itself as a technologic leader for the key process steps used in the production of highly efficient cells.

From SINGULUS TECHNOLOGIES' perspective, all of the framework conditions are in favor of long-term growth in the solar sector. The cost of electricity generation by solar technology continues to decline. Research studies show that photovoltaic is already the most efficient way of electricity generation in many parts of the world.

Consequently, in the meantime the setup of solar parks is more cost efficient than the commissioning of coal power plants. Solar energy is thus the decisive factor for the setup of a secure and sustainable energy system. The solar market will remain the key market for our company in the coming years.

Semiconductor Segment

The company is offering the machine systems TIMARIS and ROTARIS for special application areas in the semiconductor market. At a nano scale, extremely thin layers are applied for application in the semiconductor industry. These processes are used for modern sensory technology, energy management on the ICs, in the medical sector as well as for piezoelectric materials for mobile phone technology. Based on our existing



*TIMARIS III:
New ultra-high vacuum coating
system for the manufacturing of
300 mm semiconductor wafer.*

platforms correspondingly modified production systems are offered. For example, in the business year 2020, based on the machine platform TIMARIS, a production machine for the manufacturing for 300 mm wafer technology was introduced to the market and sold.

This shows the already present expertise in the development of coating processes for semiconductor applications and the reliability of the machines in the environment of a modern factory for 300 mm semiconductor wafers. In the coming quarters, SINGULUS TECHNOLOGIES will significantly ramp up research and development in this fast-growing market and expand its product offering.

Life Science Segment

In this segment the work areas Medical Technology, Decorative Coatings and Data Storage are combined. In the past couple of years, in particular the activities in the divisions Decorative Coatings and Medical Technology were extensively expanded.

Following successful projects in Medical Technology in the past couple of years, a customer, who already operates several machines of the MEDLINE type for its production, has made a new order for several production lines for contact lenses in April 2021. In this market, SINGULUS TECHNOLOGIES still expects more order intake in the current business year.



DECOLINE II:
Manufacturing line for sustainable coating of 3-dimensional parts. This manufacturing solution is interesting for automotive, consumer goods, sanitary parts, mobile phones and packaging used in the cosmetics or beverage industry. Decorative coatings will address many new applications.



MEDLINE:
Production line for cleaning and coating of contact lenses.

For the application of decorative layers, SINGULUS TECHNOLOGIES has also already received several orders in the current year 2021 and expects a promising development. With the machines by SINGULUS TECHNOLOGIES, the coating of consumer goods and automotive parts is significantly more environmentally-friendly than the traditional galvanic processes.

In addition to photovoltaics, this is another example of how SINGULUS TECHNOLOGIES is successfully positioned for the future with its environmentally-friendly processes and coating machines.

Outlook

As an internationally operating company SINGULUS TECHNOLOGIES is monitoring the current developments in connection with the COVID-19 pandemic in the business year 2021 as well. The Executive Board of SINGULUS TECHNOLOGIES expects that the impacts of the COVID-19 pandemic will still be felt by the company until the end of the first half of 2021.

A forecast for the key financial results for the current business year cannot be accurately made for this reason. The further economic development of the company materially depends on the global business activities in all segments, the order intake as well as the resulting payments. In the past couple of weeks, positive changes have already resulted in an increasing order backlog. This partially prepaid order intake already exceeded € 90 million at the time of writing this report. This will result in a pick up of business operations for the entire year 2021 compared with the prior year and consequently have a positive impact on the company after all. We expect that the remaining issues with respect to a sufficient financing of the company will be resolved soon and that the major part of the existing order backlog will be realized as sales in 2021.

Best regards,

The Executive Board

SINGULUS TECHNOLOGIES AG

Overview Financia Key Figures

(preliminary and unaudited)

		2020	2021
Revenue (gross)	million €	10.9	14.6
Order intake	million €	63.6	7.9
Order backlog (03/31)	million €	79.0	69.8
EBIT	million €	-5.8	-3.3

SINGULUS TECHNOLOGIES – Technologies for a Sustainable World

Responsible and sustainable corporate governance is very important to SINGULUS TECHNOLOGIES. SINGULUS TECHNOLOGIES develops and assembles innovative machines and systems for efficient and resource-saving production processes, which are used worldwide in the solar/hydrogen, semiconductor, medical technology, consumer goods and data storage sectors. SINGULUS TECHNOLOGIES regards sustainability as an opportunity to position itself with innovative products that follow this spirit.

In the focus are:

- environmental awareness
- efficient use of resources
- avoidance of unnecessary CO₂ pollution

The company's core competencies include various processes of coating technology, surface treatment and wet-chemical and thermal production processes.

Corporate Calendar 2021

May 2021

Interim Report Q1/2021 05/31

July/August 2021

Quiet Period: Ahead of the report of the quarterly and annual results SINGULUS TECHNOLOGIES only conducts limited communication with the capital market. 07/07 to 08/04

August 2021

Half Year Report 2021 08/05

September 2021

Annual General Meeting
DVFA Deutsche Vereinigung für
Finanzanalyse und Asset Management GmbH
Mainzer Landstrasse 37, 60329 Frankfurt am Main 09/15

November 2021

Interim Report Q3/2021 11/11

Future-oriented Statements and Forecasts

This report contains future-oriented statements based on the current expectations, assessments and forecasts of the Executive Board as well as on the currently available information to them. Known as well as unknown risks, uncertainties and impacts could cause the actual results, the financial situation or the development to differ from the statements made in this report. We assume no obligation to update the future-oriented statements made in this report.



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