

**Media Release**

Rieter Holding Ltd.  
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Winterthur – January 27, 2021

**First Information on the Financial Year 2020****Order Intake Continued to Recover in the Fourth Quarter of 2020**

- Order intake increased to CHF 215.1 million in the fourth quarter of 2020 and reached a total of CHF 640.2 million in the 2020 financial year
- As expected, sales of CHF 573.0 million in the 2020 financial year were significantly down on the previous year
- EBIT margin of around -15% and net profit of around -16% of sales expected
- First half of 2021 still heavily impacted by the COVID-19 pandemic
- Change to the Group Executive Committee

Rieter posted a globally and broadly supported order intake of CHF 215.1 million in the fourth quarter of 2020. Thus, the recovery that began in the third quarter of 2020 after the slump in demand in the second quarter continued (order intake second quarter: CHF 45.7 million, third quarter: CHF 174.4 million). Overall, Rieter's annual order intake for the 2020 financial year totaled CHF 640.2 million, which corresponds to a decrease of 31% compared to the previous year.

At the end of 2020, the company had an order backlog of about CHF 560 million (December 31, 2019: about CHF 500 million).

As expected, as a consequence of the economic effects of the COVID-19 pandemic, the Rieter Group closed the 2020 financial year with considerably lower sales than in the previous year. According to the first, as yet unaudited figures, total sales of CHF 573.0 million were achieved, which corresponds to a decrease of 25% compared to the previous year (2019: CHF 760.0 million).

Rieter will publish the full annual financial statements and the 2020 Annual Report on March 9, 2021.

**Order Intake by Business Group**

All three business groups were affected by the slump in demand in the second quarter of 2020 due to the COVID-19 pandemic. Despite the recovery in order intake in the third and fourth quarters of 2020, the weak second quarter was only partially offset.

The Business Group Machines & Systems was particularly hard hit by the effects of the pandemic, with a year-on-year decline of 35%. The Business Groups Components and After Sales each recorded a 24% reduction in order intake.

CHF million (unaudited)	2020	2019	Difference	Difference in local currency
<b>Rieter</b>	<b>640.2</b>	<b>926.1</b>	-31%	-29%
Machines & Systems	363.9	562.8	-35%	-34%
Components	169.1	222.0	-24%	-22%
After Sales	107.2	141.3	-24%	-21%

### Sales by Business Group

The exceptional market situation in 2020 gave rise to a significant decline in sales in all three business groups. Accordingly, reluctance to invest and deferred deliveries by customers caused sales in the Business Group Machines & Systems to decline by 24% compared to the previous year.

Due to COVID-19, a large number of spinning mills stopped production worldwide. This led to low demand for spare parts and wear parts, especially in the second and third quarters of 2020. Accordingly, compared to the previous year, sales in the Business Groups Components and After Sales fell by 24% and 27% respectively in the 2020 financial year.

CHF million (unaudited)	2020	2019	Difference	Difference in local currency
<b>Rieter</b>	<b>573.0</b>	<b>760.0</b>	-25%	-23%
Machines & Systems	295.8	389.0	-24%	-23%
Components	174.3	230.2	-24%	-23%
After Sales	102.9	140.8	-27%	-24%

### Sales by Region

With the exception of Turkey, all regions were affected by the low demand as a consequence of the COVID-19 pandemic. In Turkey, thanks to the innovative range of products and services, Rieter benefited from customers' willingness to invest in the year under review, increasing sales by 83% to CHF 122.0 million.

CHF million (unaudited)	2020	2019	Difference	Difference in local currency
<b>Rieter</b>	<b>573.0</b>	<b>760.0</b>	-25%	-23%
Asian countries <sup>1</sup>	184.8	293.5	-37%	-37%
China	92.8	136.7	-32%	-30%
India	50.8	99.9	-49%	-47%
Turkey	122.0	66.8	83%	84%

CHF million (unaudited)	2020	2019	Difference	Difference in local currency
North and South America	66.4	105.8	-37%	-35%
Europe	38.4	41.2	-7%	-5%
Africa	17.8	16.1	11%	11%

<sup>1</sup> without China, India, Turkey

### **EBIT Margin and Net Profit**

In the 2020 financial year, Rieter anticipates an EBIT margin of around -15% (2019: 11.2%) and net profit of around -16% of sales (2019: 6.9%). As of December 31, 2020, Rieter had liquid funds of exceeding CHF 280 million and unused credit lines in the mid three-digit million range.

### **First Half of 2021 Still Heavily Impacted by the COVID-19 Pandemic**

Thanks to the improved capacity utilization, Rieter is planning short-time working in only a few areas in the first half of 2021. Nevertheless, Rieter expects sales in the first half of 2021 to be below the break-even point.

Rieter will issue an outlook for the 2021 financial year at the Results Press Conference on March 9, 2021.

### **Change to the Group Executive Committee**

With effect from March 1, 2021, the Board of Directors of Rieter Holding Ltd. has appointed Roger Albrecht as Head of the Business Group Machines & Systems and a member of the Group Executive Committee.

Roger Albrecht is 38 years old and a Swiss citizen. He has a degree in Business Economics (FH) and a master's degree in Accounting and Finance from the University of St. Gallen. Roger Albrecht has been employed at Hilti Group in Liechtenstein and Canada from 2008 to 2015. In 2015 he was appointed to the position of Business Group Controller in the Business Group Components at Rieter, and since 2017 has been Managing Director of Spindelfabrik Suessen GmbH in Süssen (Germany).

Roger Albrecht will take over the position from Carsten Liske, who has carried out this function since January 1, 2019, and has been a member of the Executive Committee since 2015. The Board of Directors thanks Carsten Liske for his many years of successful work and his great contribution to the further development of Rieter and wishes him every success and all the best for the future, both professionally and personally.

### **Annual General Meeting April 15, 2021**

The 2021 Annual General Meeting of Rieter Holding Ltd. will take place in Winterthur on April 15, 2021. Proposals regarding the agenda must be submitted in writing, accompanied by information concerning the relevant motions and evidence of the necessary shareholdings (with a par value of CHF 0.5 million as stipulated by Article 699 of the Swiss Code of Obligations (OR) and Article 9 of the Articles of Association), by no later than February 19, 2021, to Rieter Holding Ltd., Office of the Company Secretary, Klosterstrasse 32, CH-8406 Winterthur, Switzerland.

### Telephone Conference for Media and Investors

The telephone conference for media and investors will take place **today, January 27, 2021, at 09.00 am (CET)**.

#### Dial-in details:

Europe	+41 58 310 50 00
UK	+44 207 107 06 13
USA	+1 631 570 56 13
China	+86 400 120 23 19
India	+91 446 688 60 46

### Presentation Material

The media and investor presentation as well as the media release can be found at:  
<https://www.rieter.com/media/media-kit/>

### Forthcoming Dates

- |   |                   |
|---|-------------------|
| • Deadline for proposals regarding the agenda of the Annual General Meeting | February 19, 2021 |
| • Results Press Conference 2021   | March 9, 2021     |
| • Annual General Meeting 2021   | April 15, 2021    |
| • Semi-Annual Report 2021   | July 15, 2021     |

For further information please contact:

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### About Rieter

Rieter is the world's leading supplier of systems for short-staple fiber spinning. Based in Winterthur (Switzerland), the company develops and manufactures machinery, systems and components used to convert natural and manmade fibers and their blends into yarns. Rieter is the only supplier worldwide to cover both spinning preparation processes and all four end spinning processes currently established on the market. Furthermore, Rieter is a leader in the field of precision winding machines. With 16 manufacturing locations in ten countries, the company employs a global workforce of some 4 420, about 21% of whom are based in Switzerland. Rieter is listed on the SIX Swiss Exchange under ticker symbol RIEN. [www.rieter.com](http://www.rieter.com)

#### Disclaimer

All statements in this report which do not refer to historical facts are forecasts which offer no guarantee whatsoever with respect to future performance; they embody risks and uncertainties which include – but are not confined to – future global economic conditions, exchange rates, legal provisions, market conditions, activities by competitors and other factors which are outside the company's control. All figures are unaudited.