

PRESS RELEASE

Amersfoort, 23 July 2020

DROP IN REVENUE AND OPERATING PROFIT

KEY FIGURES FIRST HALF OF 2020

(in thousands of euro)	1 st half of 2020	1 st half of 2019
Net-revenue	100,588	112,813
Gross margin	55,944	56,957
Gross margin %	55.6%	50.5%
Operating profit	3,255	5,867
Net result (attributable to shareholders)	-550	3,745
Net earnings per share (in euro)	-0.43	2.91

REVENUE AND RESULTS FOR THE FIRST HALF OF 2020

At € 101 million Hydratec's revenue was 11% lower than in 2019. This figure includes the revenue of Rollepaal, which in 2019 was not the case. Revenue decreased substantially as a result of the Corona crisis, especially in the second quarter. The gross margin percentage was noticeably higher (55.6% versus 50.5%), but in absolute terms the gross margin fell by € 1.0 million compared to the first half of 2019. Due to the consolidation of Rollepaal, despite other cost savings the fixed costs were € 1.6 million higher with the utilisation of NOW (Temporary Emergency Measure Bridging for Employment). This led to operating profit (EBIT) of € 3.3 million, which was substantially lower than in 2019 (€ 5.9 million). The net result, including the deconsolidation of Stork, amounted to - € 550k (2019: € 3.7 million).

Food & Industrial Systems' revenue amounted to € 46.1 million (-8%). Due to the global measures related to the Covid-19 pandemic, projects could not be completed and new projects were postponed. This resulted in a substantial or significant drop in revenue at Pas Reform, Lan Handling Technologies and Rollepaal. The lower revenue meant operating profit throughout the first half of the year was a significantly lower € 2.2 million (5.0% of revenue).

At € 55.1 million **Plastic Components'** revenue was 14% lower than for the same period in 2019. Many automotive factories stopped production and in other markets, including the out-of-home segment of the food and drink market, orders were reduced. The relative gross margin rose slightly and costs were noticeably lower. This led to operating profit of € 1.8 million (3.4% of revenue).

Bart Aangenendt (CEO) regarding the past half year:

"The past six months have been out of the ordinary and the deconsolidation of Stork was especially painful for us. We have also noticed that our diversification and decentralised structure with independent companies has helped enable us to react quickly and effectively: Despite a sharp and acute decrease in our companies' revenues we achieved a positive operating profit over the first half of the year. The many uncertainties in the different markets mean we are unable to make a concrete statement regarding the year as a whole."

HALF YEAR REPORT 2020

The Half-year Report is available on the website www.hydratec.nl
The figures included in the Half-year Report have not been audited.

Bart Aangenendt
CEO



Profile Hydratec Industries NV

Hydratec is a stock exchange listed, globally operating specialist in industrial systems and components with two core activities:

- **Food & Industrial Systems:** The design and production of systems by:
 - Royal Pas Reform Hatchery Technologies in Zeddam
 - Lan Handling Technologies in Tilburg and Halfweg
 - Rollepaal Holding in Dedemsvaart
- **Plastic Components:** The design, production and assembly of plastic components by:
 - Timmerije in Neede
 - Helvoet Rubber & Plastics Technologies with production facilities in Hellevoetsluis (NL), Tilburg (NL), Lommel (BE), Munich (G), Pune (IN), Kaniow (PL) and Wroclaw(PL).

Hydratec Industries is listed on NYSE Euronext Amsterdam NV (ISIN NL0009391242, ticker: HYDRA.)

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