The background of the entire page is a long-exposure, aerial photograph of a complex highway interchange at night. The image is dominated by vibrant light trails from cars, creating a sense of motion and energy. The colors range from cool blues and purples to warm whites and reds. In the center of the image, a dark silhouette of an airplane is superimposed, flying horizontally across the frame. The overall composition is dynamic and modern, suggesting a focus on infrastructure and transportation.

# POSITION REPORT

Interim Report  
Q1 2021

# Q1 2021 - HIGHLIGHTS

Global air traffic continues to recover – with large regional disparities

National travel volumes in China remain stable at pre-crisis levels

Tourist travel within the USA shows strong signs of recovery in the first quarter of 2021

US developments prove that rapid vaccination progress is the most important instrument to achieve a sustained recovery

Aviation industry continues to stabilize - FACC revenues in Q1 reflect stable OEM forecasts

Operating cash flow and net debt in Q1 2021 impacted by repayment of total deferred taxes and social security contributions (approx. EUR 20 million)

FACC continues to consistently implement efficiency and cost reduction programs

Balanced Group EBIT in Q1

Start of construction of new manufacturing plant in Croatia

With its registered vaccination line and medical teams, FACC is ready for the roll-out of a corporate vaccination program

FACC innovations: Wing of Tomorrow and PURE CABIN

# Selected Group Key Performance Indicators

	01.01.2020 - 31.03.2020 <sup>2)</sup> in EUR million	01.01.2021 - 31.03.2021 in EUR million
Revenues	195.4	118.1
thereof Aerostructures	70.3	39.9
thereof Engines & Nacelles	46.3	28.3
thereof Interiors	78.7	49.9
Earnings before interest, taxes, depreciation and amortisation (EBITDA) <sup>1)</sup>	22.6	10.1
Earnings before interest and taxes (EBIT)	11.3	0.4
thereof Aerostructures	4.9	-0.8
thereof Engines & Nacelles	2.2	2.0
thereof Interiors	4.2	-0.8
EBIT margin	5.8%	0.3%
Earnings after taxes	7.2	-0.7
Earnings per share (in EUR)	0.16	-0.02
	31.03.2020 <sup>2)</sup> in EUR million	31.03.2021 in EUR million
Cash flow from operating activities	-1.7	-9.1
Cash flow from investing activities	-5.4	-2.0
	31.03.2020 <sup>2)</sup> in EUR million	31.03.2021 in EUR million
Net Working Capital	170.7	167.6
Net financial debt	222.9	246.9
Equity ratio	39.4%	38.4%
Balance sheet total	792.2	614.5
Headcount (at the balance sheet date)	3,361	2,528
	01.01.2020 - 31.03.2020	01.01.2021 - 31.03.2021
Trading volume	13,996,470	11,381,622
Average daily trading volume	218,695	180,661
High of period	12.86	11.98
Low of period	5.18	5.09
Closing price	7.80	8.35
Performance of period	-33.9%	6.9%
Market capitalization	356.9	415.8

<sup>1)</sup> The EBITDA is calculated as the sum of the EBIT plus depreciation and impairment as well as amortization and impairment of the contract performance costs.

<sup>2)</sup> Due to an error correction in accordance with IAS 8, the previous year's figures were adjusted retrospectively (see Note 3 – Correction of errors, Annual Report 2020).

# Revenues and earnings development

	Q1 2020 <sup>1)</sup> in EUR million	Q1 2021 in EUR million	Change
Revenues	195.4	118.1	-39.6%
Earnings before interest and taxes (EBIT)	11.3	0.4	-96.8%
EBIT margin	5.8%	0.3%	-94.7%
Assets	792.2	614.5	-22.4%
Investments of the period	5.4	2.0	-63.7%

<sup>1)</sup> Due to an error correction in accordance with IAS 8, the previous year's figures were adjusted retrospectively (see Note 3 – Correction of errors, Annual Report 2020).

The first quarter of the 2021 financial year (January 1 - March 31) was largely in line with management expectations due to the further stabilization of the market and customer demand. The implemented cost reduction and efficiency enhancement measures are taking effect. FACC's cost structures have been successfully adjusted to the new market conditions and, based on the currently available customer demand, allow for a balanced result.

Revenues in the first three months of 2021 amount to EUR 118.1 million (comparative period 2020: EUR 195.4 million). The significant decline of 39.6% compared to the same period of the previous year is based on negative adjustments of production rates for all of FACC's key aircraft programs as a result of the COVID 19 pandemic.

The comparability of the first quarter of 2020 with the current quarter is limited, as this period was not yet affected by the COVID-19 pandemic.

The gross profit margin for the first three months of 2021 is 6.8% (comparative period 2020: 10.7%).

Reported earnings before interest and taxes (EBIT) amounted to EUR 0.4 million in the first three months of 2021 (comparative period 2020: EUR 11.3 million) and do not include any material COVID-19-related one-off effects.

## SEGMENT REPORTING

The development of continental and intercontinental travel is currently very different, with continental air traffic developing rapidly and positively in China and, in recent weeks, also in the USA. International travel is still very limited due to travel restrictions and regional differences in COVID-19 development. Consequently, the market for short- and medium-haul aircraft (A320, A220, B737) is less affected by the reduction in production rates than the market

for long-haul aircraft (A330, A350, B787, B777). The revenue share of products on long-haul aircraft is higher in FACC's Aerostructures and Engines & Nacelles segments than in the Cabin Interiors segment. For this reason, the decline in revenue in the Cabin Interiors segment is relatively smaller. In addition, the good market development in the area of business jets has a supporting effect.

### Aerostructures

	Q1 2020 <sup>1)</sup> in EUR million	Q1 2021 in EUR million	Change
Revenues	70.3	39.9	-43.2%
Earnings before interest and taxes (EBIT)	4.9	-0.8	-117.2%
EBIT margin	7.0%	-2.1%	-130.0%
Assets	334.8	259.3	-22.5%
Investments of the period	2.4	1.2	-51.0%

<sup>1)</sup> Due to an error correction in accordance with IAS 8, the previous year's figures were adjusted retrospectively (see Note 3 – Correction of errors, Annual Report 2020).

Revenues in the Aerostructures segment amounted to EUR 39.9 million in the first three months of 2021 (comparative period 2020: EUR 70.3 million).

Earnings before interest and taxes (EBIT) amounted to EUR -0.8 million in the first three months of 2021 (comparative period 2020: EUR 4.9 million).

## Engines & Nacelles

	Q1 2020 <sup>1)</sup> in EUR million	Q1 2021 in EUR million	Change
Revenues	46.3	28.3	-38.9%
Earnings before interest and taxes (EBIT)	2.2	2.0	-9.1%
EBIT margin	4.9%	7.2%	48.8%
Assets	164.3	123.8	-24.7%
Investments of the period	1.2	0.3	-77.9%

<sup>1)</sup> Due to an error correction in accordance with IAS 8, the previous year's figures were adjusted retrospectively (see Note 3 – Correction of errors, Annual Report 2020).

Revenues in the Engines & Nacelles segment amounted to EUR 28.3 million in the first three months of 2021 (comparative period 2020: EUR 46.3 million).

Earnings before interest and taxes (EBIT) in the Engines & Nacelles segment amounted to EUR 2.0 million in the first three months of 2021 (comparative period 2020: EUR 2.2 million).

## Cabin Interiors

	Q1 2020 <sup>1)</sup> in EUR million	Q1 2021 in EUR million	Change
Revenues	78.7	49.9	-36.6%
Earnings before interest and taxes (EBIT)	4.2	-0.8	-120.1%
EBIT margin	5.3%	-1.7%	-131.7%
Assets	293.1	231.3	-21.1%
Investments of the period	1.9	0.6	-70.6%

<sup>1)</sup> Due to an error correction in accordance with IAS 8, the previous year's figures were adjusted retrospectively (see Note 3 – Correction of errors, Annual Report 2020).

Revenues in the Cabin Interiors segment amounted to EUR 49.9 million in the first three months of 2021 (comparative period 2020: EUR 78.7 million).

Earnings before interest and taxes (EBIT) in the Cabin Interiors segment amounted to EUR -0.8 million in the first three months of 2021 (comparative period 2020: EUR 4.2 million).

# Financial Position

Inventories at the end of the first quarter 2021 stood at EUR 98.4 million (31 December 2020: EUR 105.6 million). This decrease is attributable to the focused implementation of the project to improve working capital.

Trade receivables increased from EUR 61.4 million to EUR 78.7 million as of 31 March 2021. The stabilization of the market has given rise to more steady production volumes and monthly sales at FACC, which translate into an increase of both trade receivables and trade payables.

Cash and cash equivalents amounted to EUR 42.4 million as of 31 March 2021 (31 December 2020: EUR 92.5 million). This sharp decrease in the first quarter is the result of two significant effects: In January 2021, all deferrals of taxes and social security contributions granted in connection with COVID-19 and still outstanding against Austrian entities were repaid. In addition, debtors were excluded from an existing factoring program by a FACC financial partner in the first quarter for reasons of business policy. FACC will compensate for this decline in factoring volumes in the second half of the year, and roll out a factoring program with a second partner. The negotiations on this have almost been completed. Both effects mentioned above contributed to a negative operating cash flow of EUR -9.1 million in the first quarter of 2021 (comparative period 2020: EUR -1.7 million).

Investments in the first three months of 2021 amounted to EUR 2.0 million (comparative period 2020: EUR 5.4 million). This decrease reflects the strict investment control pursued by the company as well as the current focus on investments in projects, technologies and innovation.

The company's net financial debt totaled EUR 246.9 million as of 31 March 2021 (31 December 2020: EUR 222.9 million). This increase relative to the 2020 balance sheet date is mainly attributable to the aforementioned repayments of deferred taxes and social security contributions.

The share capital of the company amounts to EUR 45.8 million and is fully paid up. It is divided into 45,790,000 no-par value shares with a nominal value of EUR 1.00 each.

In August 2018, FACC Operations GmbH subscribed to a syndicated loan of EUR 225 million with seven participating banks. FACC AG serves as guarantor. As of 30 June 2020, the loan volume was increased by a further EUR 60 million (KRR COVID-19 framework loan for large enterprises of the Austrian Kontrollbank). All syndicate banks participated according to their quotas.

A net financial debt/EBITDA ratio of < 3.5 was defined as a financial covenant in August 2018. Due to the proven impact of changed accounting standards (IFRS 15, IFRS 16), the limit was increased from 3.5 to 4.0 in agreement with the syndicate banks with effect from 31 August 2019. Owing to the COVID-19 pandemic, a suspension of the ratio for the test dates of 31 December 2020 and 30 June 2021 was agreed with the lenders on 21 December 2020. The next test of the ratio will now take place on 31 December 2021, where FACC must attain a net financial debt/EBITDA ratio of less than, or equal to, 5.25.

# Outlook

With the intensification of global vaccination programs, a further recovery of air traffic volumes as well as a continued stabilization of the aviation industry could be observed in the first quarter of 2021. FACC expects this trend to continue in the following quarters, with European travel gradually following the noticeable trend in American and Chinese air traffic from the third quarter onwards.

The measures of key importance to FACC in the 2021 financial year will continue to be implemented as scheduled:

The implementation of the planned projects for the vertical integration of strategically important manufacturing competences (metallic components) and component groups in the area of high-quality aircraft fittings is being driven forward.

The consolidation of the FACC supply chain is well underway. The supplier portfolio was analyzed and partially restructured. Strategic measures were taken to decrease the portfolio size, and to

strengthen existing and strategically important suppliers by re-locating freed-up volumes.

The project aiming at reducing inventories and thus releasing tied liquidity is proceeding according to plan, and contributed to improving operating cash flow in the first quarter. Further activities with additional effects expected in the second, third and fourth quarters of 2021 are underway.

Construction of the new manufacturing plant in Croatia was commenced in the first quarter of this year. The construction work will be completed by the end of 2021, meaning that the first products will be ready for series production at the beginning of the 2022 financial year.

The implementation of financial measures to optimize working capital is also progressing as planned: FACC will be rolling out an

additional factoring program as well as a supply chain finance program with an existing financial partner in the second half of the year 2021.

In spite of strict investment controls, important innovation programs such as the "Wing of Tomorrow" technology project and the market launch of the "PURE CABIN" COVID-19 protection program are being vigorously advanced.

From today's perspective, the outlook for the 2021 financial year given by FACC upon publication of the 2020 Annual Report on 24 March 2021 therefore remains unchanged. Given the expected revenue development as well as the already initiated, and additionally planned, cost reduction measures, FACC management anticipates a balanced EBIT for the full year 2021. In particular, weak revenue months are likely to have a stronger impact on earnings, so that a stable positive result is not expected until the fourth quarter of 2021.

# Consolidated Profit and Loss Statement

for the period from 1 January 2021 to 31 March 2021

	01.01.2020 – 31.03.2020 <sup>1)</sup> EUR'000	01.01.2021 – 31.03.2021 EUR'000
Revenues	195,423	118,102
COGS - Cost of goods sold	-174,460	-110,069
<b>Gross profit</b>	<b>20,963</b>	<b>8,034</b>
Research and development expenses	-190	-525
Selling expenses	-2,043	-1,325
Administration expenses	-8,724	-7,327
Other operating income	1,566	1,733
Other operating expenses	-251	-227
<b>Earnings before interest and taxes (EBIT)</b>	<b>11,321</b>	<b>363</b>
Financing expenses	-2,671	-1,419
Other financial result	418	413
<b>Financial result</b>	<b>-2,253</b>	<b>-1,006</b>
<b>Earnings before taxes (EBT)</b>	<b>9,068</b>	<b>-643</b>
Income taxes	-1,904	-55
<b>Earnings after taxes</b>	<b>7,165</b>	<b>-698</b>
of which attributable to non-controlling interests	6	0
of which attributable to shareholders of the parent company	7,158	-698
<b>Diluted (=undiluted) earnings per share (in EUR)</b>	<b>0.16</b>	<b>-0.02</b>
<b>Issued shares (in shares)</b>	<b>45,790,000</b>	<b>45,790,000</b>

<sup>1)</sup> Due to an error correction in accordance with IAS 8, the previous year's figures were adjusted retrospectively (see Note 3 - Correction of errors, Annual Report 2020)

# Consolidated Statement of Comprehensive Income

for the period from 1 January 2021 to 31 March 2021

	01.01.2020 – 31.03.2020 <sup>1)</sup> EUR'000	01.01.2021 – 31.03.2021 EUR'000
<b>Earnings after taxes</b>	<b>7,165</b>	<b>-698</b>
Currency translation differences from consolidation	-105	203
Cash flow hedges	-6,901	-8,725
Tax effect	1,725	2,181
<b>Items subsequently reclassified to profit and loss</b>	<b>-5,281</b>	<b>-6,341</b>
Revaluation effects of termination benefits	-20	5
Fair value measurement of securities (fair value through other comprehensive income)	-27	-1
Tax effect	12	-1
<b>Items not subsequently reclassified to profit and loss</b>	<b>-35</b>	<b>3</b>
<b>Other comprehensive income after taxes</b>	<b>-5,316</b>	<b>-6,338</b>
<b>Total comprehensive income</b>	<b>1,849</b>	<b>-7,035</b>
of which attributable to non-controlling interests	6	0
of which attributable to shareholders of the parent company	1,842	-7,035

<sup>1)</sup> Due to an error correction in accordance with IAS 8, the previous year's figures were adjusted retrospectively (see Note 3 - Correction of errors, Annual Report 2020)

# Consolidated Statement of Financial Position

as of 31 March 2021

ASSETS	As of 31.12.2020 EUR'000	As of 31.03.2021 EUR'000
Intangible assets	4,468	4,584
Property, plant and equipment	167,890	167,457
Receivables from customer-related engineering	32,968	28,792
Contract assets	3,021	2,796
Contract costs	95,887	95,066
Other financial assets	501	499
Receivables from related companies	5,416	5,668
Derivative financial instruments	2,109	0
Other receivables	9,405	9,503
Deferred taxes	5,187	7,321
<b>Non-current assets</b>	<b>326,852</b>	<b>321,687</b>
Inventories	105,571	98,366
Customer-related engineering	5,566	6,548
Trade receivables	61,374	78,693
Receivables from related companies	18,610	17,672
Current tax income receivables	263	243
Derivative financial instruments	14,362	5,109
Other receivables and deferred items	24,376	43,754
Cash and cash equivalents	92,548	42,442
<b>Current assets</b>	<b>322,670</b>	<b>292,827</b>
<b>Balance sheet total</b>	<b>649,522</b>	<b>614,515</b>

## EQUITY AND LIABILITIES

	As of 31.12.2020 EUR'000	As of 31.03.2021 EUR'000
Share capital	45,790	45,790
Capital reserve	221,459	221,459
Currency translation reserve	-954	-751
Other reserves	5,551	-990
Retained earnings	-28,757	-29,443
<b>Equity attributable to shareholders of the parent company</b>	<b>243,089</b>	<b>236,066</b>
Non-controlling interests	68	0
<b>Equity</b>	<b>243,157</b>	<b>236,066</b>
Promissory note loans	70,000	70,000
Lease liabilities	77,192	76,484
Other financial liabilities	13,209	14,162
Derivative financial instruments	0	295
Investment grants	9,125	9,051
Employee benefit obligations	9,658	9,845
Other liabilities	63	63
Deferred tax liabilities	384	401
<b>Non-current liabilities</b>	<b>179,630</b>	<b>180,300</b>
Lease liabilities	5,011	6,505
Other financial liabilities	159,219	122,219
Derivative financial instruments	0	1,069
Contract liabilities from customer-related engineering	6,026	5,546
Trade payables	26,956	34,763
Liabilities from related companies	8,479	5,965
Investment grants	858	858
Income tax liabilities	271	286
Other provisions	2,182	2,287
Other liabilities and deferred items	17,734	18,652
<b>Current liabilities</b>	<b>226,735</b>	<b>198,148</b>
<b>Balance sheet total</b>	<b>649,522</b>	<b>614,515</b>

# Consolidated Statement of Changes in Equity

for the period from 1 January 2021 to 31 March 2021

	Attributable to shareholders of the parent company		
	Share capital	Capital reserve	Currency translation reserve
	EUR'000	EUR'000	EUR'000
As of 1 January 2020	45,790	221,459	-621
Error correction according to IAS 8	0	0	0
<b>As of 1 January 2020</b>	<b>45,790</b>	<b>221,459</b>	<b>-621</b>
Earnings after taxes	0	0	0
Other comprehensive income after taxes	0	0	-105
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-105</b>
<b>As of 31 March 2020</b>	<b>45,790</b>	<b>221,459</b>	<b>-726</b>
<b>As of 1 January 2021</b>	<b>45,790</b>	<b>221,459</b>	<b>-954</b>
Derecognition of non-controlling interests	0	0	0
Earnings after taxes	0	0	0
Other comprehensive income after taxes	0	0	203
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>203</b>
<b>As of 31 March 2021</b>	<b>45,790</b>	<b>221,459</b>	<b>-751</b>

Attributable to shareholders of the parent company							
Other reserves							
Securities - fair value through other comprehensive income EUR'000	Cash flow hedges EUR'000	Reserves IAS 19 EUR'000	Retained earnings EUR'000	Total EUR'000	Non-controlling interests EUR'000	Total equity EUR'000	
9	-1,026	-3,401	53,868	316,078	49	316,127	
0	0	0	-5,535	-5,535	0	-5,535	
9	-1,026	-3,401	48,332	310,543	49	310,591	
0	0	0	7,158	7,158	6	7,165	
-20	-5,176	-15	-97	-5,413	0	-5,413	
-20	-5,176	-15	7,061	1,745	6	1,752	
-11	-6,202	-3,416	55,394	312,288	55	312,343	
10	8,699	-3,159	-28,757	243,089	68	243,157	
0	0	0	12	12	-68	-56	
0	0	0	-698	-698	0	-698	
-1	-6,544	4	0	-6,338	0	-6,338	
-1	-6,544	4	-685	-7,023	-68	-7,091	
10	2,155	-3,155	-29,443	236,066	0	236,066	

# Consolidated Statement of Cash Flows

as of 31 March 2021

	01.01.2020 – 31.03.2020 <sup>1)</sup> EUR'000	01.01.2021 – 31.03.2021 EUR'000
Earnings before taxes (EBT)	9,068	-643
Plus financial result	2,253	1,006
Earnings before interest and taxes (EBIT)	11,321	363
<b>Plus/minus</b>		
Depreciation, amortisation and impairment	6,003	5,801
Amortisation contract costs	5,237	3,942
Income from the reversal of investment grants	-54	-74
Change in employee benefit obligations	239	192
Other non-cash expenses/income	-7,141	-3,059
	15,605	7,164
<b>Change in working capital</b>		
Change in inventory and customer-related engineering	-12,243	6,804
Change in trade receivables and other receivables, receivables from customer-related engineering and contract assets	-8,761	-28,992
Change in trade payables and other liabilities	2,543	5,781
Change in current provisions	1,109	105
<b>Cash flow from ongoing activities</b>	<b>-1,746</b>	<b>-9,137</b>
Interest received	74	14
Income taxes paid	-22	-15
<b>Cash flow from operating activities</b>	<b>-1,693</b>	<b>-9,138</b>
Payments for the acquisition of non-current assets	-5,439	-1,975
Proceeds from the disposal of non-current assets	59	0
<b>Cash flow from investing activities</b>	<b>-5,380</b>	<b>-1,975</b>
Proceeds from interest-bearing liabilities	50,927	770
Repayments of interest-bearing liabilities	-9,044	-36,817
Outflows from leasing agreements	-1,848	-2,062
Interest paid	-2,724	-1,658
<b>Cash flow from financing activities</b>	<b>37,311</b>	<b>-39,767</b>
<b>Net changes in cash and cash equivalents</b>	<b>30,238</b>	<b>-50,880</b>
Cash and cash equivalents at the beginning of the period	75,790	92,548
Effects from foreign exchange rates	3,146	774
<b>Cash and cash equivalents at the end of the period</b>	<b>109,174</b>	<b>42,442</b>

<sup>1)</sup> Due to an error correction in accordance with IAS 8, the previous year's figures were adjusted retrospectively (see Note 3 - Correction of errors, Annual Report 2020)

# Selected Notes

To the Consolidated Financial Statements for the 1<sup>st</sup> quarter 2021

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## NOTE

The condensed Consolidated Interim Financial Statement as of 31 March 2021 has been prepared in accordance with the rules and regulations of "Prime market - Section Interim Reports" of the Vienna Stock Exchange.

The reporting currency is Euro (EUR). All figures presented in the condensed Consolidated Interim Financial Statement are quoted in thousands of euros (EUR'000), unless otherwise stated.

Rounding errors may occur when adding rounded amounts and percentages due to the use of automated invoicing aids.

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## WAIVER OF AUDIT REVIEW

The present consolidated interim financial statement has neither been audited nor reviewed.

Ried im Innkreis, 5 May 2021

Robert Machtlinger m. p.  
Chairman of the Management  
Board

Andreas Ockel m. p.  
Member of the Management  
Board

Aleš Stárek m. p.  
Member of the Management  
Board

Yongsheng Wang m. p.  
Member of the Management  
Board

# Investor Relations

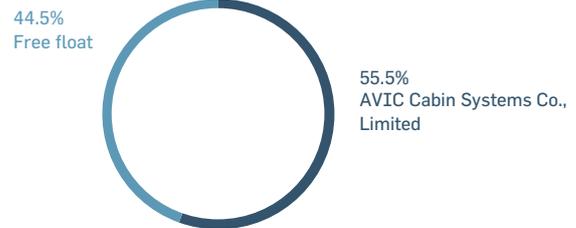
## BASIC INFORMATION ABOUT THE FACC SHARE

International Securities Identification Number (ISIN)	AT00000FACC2
Currency	EUR
Stock market	Vienna (XETRA)
Market segment	Prime market (official trading)
Initial listing	25.06.2014
Issue price	9.5 EUR
Paying agent	ERSTE GROUP
Indices	ATX, ATX GP, ATX IGS, ATX Prime, WBI
Share class	Ordinary shares
Ticker symbol	FACC
Reuters symbol	FACC.VI
Bloombergs symbol	FACC AV
Shares outstanding	45,790,000 shares

## SHAREHOLDER STRUCTURE AND SHARE CAPITAL

FACC AG's share capital amounts to EUR 45,790,000 and is divided into 45,790,000 no-par value shares. The Aviation Industry Corporation of China holds 55.5% of voting rights of FACC AG via AVIC Cabin System Co., Ltd (previously FACC International). The remaining 44.5% of shares represent free float and are held by both international and Austrian investors.

FACC AG did not hold any treasury shares at the end of the reporting period.



## CONTACT

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