Interim Report 01-03/2021

Lenzing Group

Selected Indicators of the Lenzing Group

Key earnings and profitability figures

EUR mn	01-03/2021	01-03/2020	Change
Revenue	489.3	466.3	4.9%
EBITDA (earnings before interest, tax, depreciation and amortization)	94.5	69.1[1]	36.8%
EBITDA margin	19.3%	14.8%[1]	
EBIT (earnings before interest and tax)	55.4	29.9[1]	85.5%
EBIT margin	11.3%	6.4%[1]	
EBT (earnings before tax)	45.1	28.6	57.3%
Net profit for the year (/the period)	29.9	17.7	68.5%
Earnings per share in EUR	1.06	0.84	26.6%

Key cash flow figures

EUR mn	01-03/2021	01-03/2020	Change
Gross cash flow	84.3	38.8	117.5%
Cash flow from operating activities	111.5	31.9	249.5%
Free cash flow	(99.0)	(106.7)	(7.3)%
CAPEX	211.5	138.6	52.5%
EUR mn	**31/03/2021**	**31/12/2020**	**Change**
Liquid assets	1,200.1	1,081.1	11.0%
Unused credit facilities	843.5	1,031.4	(18.2)%

Key balance sheet figures

EUR mn	31/03/2021	31/12/2020	Change
Total assets	4,548.6	4,163.0	9.3%
Adjusted equity	1,974.1	1,907.0	3.5%
Adjusted equity ratio	43.4%	45.8%	
Net financial debt	572.4	471.4	21.4%
Net debt	675.9	575.0	17.5%
Net gearing	29.0%	24.7%	
Trading working capital	380.5	383.8	(0.9)%
Trading working capital to annualized group revenue	19.4%	21.9%	

Key stock market figures

EUR	31/03/2021	31/12/2020	Change
Market capitalization in mn	2,904.6	2,198.3	32.1%
Share price	109.40	82.80	32.1%

Employees

	31/03/2021	31/12/2020	Change
Number (headcount)	7,554	7,358	2.7%

1) Reclassification of capitalized borrowing costs, net interest from defined benefit plans and commitment fees from EBIT/EBITDA to the financial result (see footnote 1 of the consolidated income statement of the Group Interim Report Q1/2021).

The above key financial figures are derived primarily from the condensed consolidated interim financial statements and the consolidated financial statements of the previous year of the Lenzing Group. Additional details are provided in "Notes on the Financial Performance Indicators of the Lenzing Group", available at the following link https://www.lenzing.com/notes-financial-performance-indicators-lenzing-group-2021-q1, and in the condensed consolidated interim financial statements, resp. the consolidated financial statements of the previous year of the Lenzing Group. Rounding differences can occur in the presentation of rounded amounts and percentage rates.

Management Report 01-03/2021

After the historic economic downturn due to the pandemic in 2020, the International Monetary Fund expects a significant recovery in 2021 and 2022. The global economy is projected to grow by 6 percent this year and by 4.4 percent in the coming year. The outlook involves a high level of uncertainty due to COVID-19. Further economic developments depend on further containing the pandemic and rapid progress in immunization.[1]

The textile and apparel industry continued to be influenced by the COVID-19 pandemic in the first quarter of 2021. Brick-and-mortar retailers remained largely closed in a number of important markets (e.g. United Kingdom, Germany). Online business only partially compensated for the decline in revenue. First estimates indicate that retail revenues in the first two months of the year were 10 to 20 percent below the pre-crisis level of 2019. However, there were significant regional differences: In the USA and China, demand partially already exceeded the level of 2019, while sales continued to lag behind in large parts of Europe.

Growing optimism in the textile value chain regarding the progressing active immunization against COVID-19 among large population groups and a lasting recovery in retail as well as effects from increased inventories also caused clearly positive demand in the fiber market in the first quarter of 2021. Prices on the cotton market rose by 3.1 percent and amounted to about 87 US cents at the end of March 2021 according to the Cotlook-A Index, up more than 40 percent of the comparative figure of the previous year. The massive slump in demand in the previous year was followed by an unexpectedly fast recovery in most markets in the current cotton season. Based on current estimates, global consumption of raw cotton, at 24.5 mn tons, will only be 5.5 percent lower this season than in the 2018/2019 pre-crisis season.

Polyester staple fibers were temporarily traded for up to RMB 8,000 per ton in February 2021. However, at the end of the quarter the price declined to RMB 6,750 per ton in an environment of falling oil prices. Compared with the same quarter of the previous year, prices increased significantly by 13.4 percent.

The prices for standard viscose continued their positive momentum from the end of 2020 into 2021 and stood at RMB 15,520 per ton at the end of the first quarter – up 33.8 percent on the beginning of the year. Robust demand, which also remained strong over the Chinese New Year's holidays, and price increases in the dissolving wood pulp market supported the standard viscose price development. The prices for wood-based specialty fibers, which also developed much more stably in the past quarters, benefited from this development as well. At the same time, the persisting strong demand for medical and hygiene products led to a positive price development for nonwovens.

The Chinese import price for dissolving wood pulp, the main raw material for the production of wood-based cellulosic fibers, rose by 50.7 percent to USD 1,100 per ton in the first quarter of 2021. In an environment of growing demand, this increase is attributable to a shortage in the market, which was caused, among other things, by low inventory levels and low local production in China, and, at times, low imports due to bottlenecks in global logistics. The price development for paper pulp was similarly to that of dissolving wood pulp during the reporting period.[2]

In order to further increase the transparency of its financial reporting and enable better comparability with international peer group companies, Lenzing presents the consolidated income statement according to the cost-of-sales method as of the 2021 financial year.[3]

The Lenzing Group had a very good start to the 2021 financial year as the market environment improved significantly. Revenue rose by 4.9 percent to EUR 489.3 mn in the first quarter of 2021. This is attributable in particular to a strong increase in demand from China and the resulting higher viscose prices. The focus on wood-based specialty fibers such as TENCEL™ and LENZING ECOVERO™ fibers, as well as the resulting improved product mix, also had a positive impact on revenue development again. The share of specialty fibers in fiber revenue rose from 72.2 percent in the first quarter of the previous year to 72.6 percent.

The earnings development also reflects the positive market development and the continued focus on structural earnings improvements in all regions reinforced this positive effect. EBITDA (earnings before interest, tax, depreciation and amortization) increased by 36.8 percent to EUR 94.5 mn in the first quarter of 2021. The EBITDA margin rose from 14.8 percent to 19.3 percent. EBIT (earnings before interest and tax) improved by 85.5 percent to EUR 55.4 mn and the EBIT margin rose from 6.4 percent to 11.3 percent. The financial result of EUR minus 10.3 mn includes the full write-down of the investment in Hygiene Austria LP GmbH and a loan to this company. EBT (earnings before tax) grew by 57.3 percent to EUR 45.1 mn. Net profit for the period amounted to EUR 29.9 mn (01-03/2020: EUR 17.7 mn) and earnings per share to EUR 1.06 (01-03/2020: EUR 0.84).

Income tax expense of EUR 15.2 mn (01-03/2020: EUR 10.9 mn) is influenced by the earnings development and currency effects.

Gross cash flow in the first quarter of 2021 increased by 117.5 percent to EUR 84.3 mn compared to the first quarter of the previous year. This increase is primarily due to the earnings development. Cash flow from operating activities more than tripled to EUR 111.5 mn. (01-03/2020: 31.9 mn). Free cash flow amounted to EUR minus 99 mn (01-03/2020: EUR minus 106.7 mn) due to investment activities related to the projects in Thailand and Brazil. CAPEX

[1] Source: IMF, World Economic Outlook, April 2021

[2] Sources: International Cotton Advisory Committee (ICAC), IMF, Cotton Outlook, CCF Group (China Chemical Fibers and Textiles Consulting), CCFEI

[3] Reclassification of capitalized borrowing costs, net interest from defined benefit plans and commitment fees from EBIT/EBITDA to the financial result (see footnote 1 of the consolidated income statement of the Group Interim Report Q1/2021).

(expenditures for intangible assets, property, plant and equipment and biological assets) rose by 52.5 percent to EUR 211.5 mn in the reporting period.

Liquid assets increased by 11 percent compared with December 31, 2020 and amounted to EUR 1.2 bn as at March 31, 2021. The Lenzing Group also had unused credit lines totaling EUR 843.5 mn at its disposal at the end of March (December 31, 2020: EUR 1.03 bn).

The Lenzing Group's total assets rose by 9.3 percent compared to December 31, 2020 and amounted to EUR 4.55 bn as at March 31, 2021. The main changes are related to an increase in property, plant and equipment due to increased investment activities.

Adjusted equity increased by 3.5 percent in the first quarter of 2021 primarily due to the operating earnings development and amounted to EUR 1.97 bn as at March 31, 2021. The adjusted equity ratio decreased from 45.8 percent to 43.4 percent, in particular due to the higher total assets. Net financial debt rose by 21.4 percent to EUR 572.4 mn during the reporting period. This increase is attributable to the financing of the two key projects in Thailand and Brazil.

The Lenzing Group's investment activities continued to focus on expanding the internal production of pulp, increasing the share of specialty fibers and implementing the climate targets in line with the sCore TEN corporate strategy in the first quarter of 2021.

The construction of the dissolving wood pulp mill in Brazil continues to proceed according to plan despite the challenging developments related to COVID-19. The commissioning of the pulp mill is still scheduled for the first half of 2022.

Specialty fibers are Lenzing's great strength. The objective is to generate more than 75 percent of fiber revenues from business with wood-based specialty fibers such as lyocell and modal fibers by 2024. As a result, Lenzing will distinguish itself even more clearly from competitors and will be even more resilient to market volatility. The focus of this strategic target is on the speedy completion of the new state-of-the-art lyocell plant in Thailand. The investment for the new plant with a capacity of 100,000 tons amounts to roughly EUR 400 mn. Construction work started in the second half of 2019 and went according to plan in the reporting period. The recruiting and onboarding of new employees is also progressing successfully. Production is scheduled to start towards the end of 2021.

The implementation of the two key projects in Brazil and Thailand also marks an important milestone in Lenzing's climate neutrality strategy. The two major projects are designed as zero-carbon plants. Moreover, the pulp mill in Brazil will be one of the world's most productive and most energy-efficient mills and feed more than 40 percent of the electricity generated into the public grid as "green energy". In 2019, Lenzing made a commitment to reducing its greenhouse gas emissions per ton of product by 50 percent by 2030 compared with a 2017 baseline. The vision is to be climate-neutral by 2050.

Lenzing continuously seeks possibilities to increase energy efficiency at existing locations and to use renewable energy sources or sources with lower CO_2 emissions. In the first quarter of 2021, the company announced the construction of the largest ground-mounted photovoltaic plant in Upper Austria on an area of 55,000 m² at the Lenzing site. Construction is scheduled to start in the second half of 2021.

In the first quarter of 2021, the Lenzing Group enhanced sustainable offerings for the denim industry. The pioneering Indigo Color technology behind this new market offering incorporates indigo pigment directly into TENCEL™ branded modal fibers using a one-step spun-dyeing process. This delivers superior color fastness relative to conventional indigo dyeing whilst using substantially fewer resources. This innovative offering is awarded with the EU Ecolabel, a label of environmental excellence awarded to products meeting high environmental standards throughout their life cycle.[1]

In order to contribute to a long-term, scalable transition to circular fashion, Lenzing joined the Circular Fashion Partnership platform in 2021. In cooperation with more than 30 renowned fashion brands, textile manufacturers and recycling companies, Lenzing provides support in the development and implementation of new systems in Bangladesh to collect textile waste from production and return it to the production cycle. The cross-sectorial project has been initiated by Global Fashion Agenda, the leading forum for industry collaboration and public-private cooperation on fashion sustainability.

Engaging with its supply chain partners is a crucial component of Lenzing's sustainability strategy. Lenzing also closely collaborates with its suppliers to bring about systemic change. The goal to assess 80 percent of the key suppliers (by purchasing value) was met in 2019. The global environmental non-profit CDP recognized Lenzing's supplier engagement in this area in 2021. Being a member of the Supplier Engagement Leaderboard, Lenzing is ranked among the top 7 percent of all companies assessed regarding their efforts to tackle climate change.

After the allegations regarding Hygiene Austria LP GmbH became known in March 2021, Lenzing worked intensively with Palmers Textil AG to address them. The following steps were taken together: Along with a committed action plan to ensure the sound and continuing existence of the company as a going concern, the two shareholders have agreed that Lenzing's stake in Hygiene Austria will be transferred to Palmers. Lenzing waived its right to a suitable purchase price for the time being in order to ensure the continued existence of Hygiene Austria in line with its founding principle (see also Press release of Lenzing AG of 04/02/2021). The investment has now been fully written off.

Lenzing stands for strong values and an internationally recognized process and governance system. However, mistakes were made in implementing the business idea of Hygiene Austria. The Managing Board of Lenzing AG is drawing the necessary lessons for the future in consultation with the Supervisory Board. For example, a comprehensive investment management system will also be established for small projects.

In its Sustainability Report 2020 featuring the title "Stand up for future generations", Lenzing once again emphasized its commitment

[1] http://ec.europa.eu/environment/ecolabel/index_en.htm

to taking responsibility beyond the products it makes. The non-financial report, prepared in accordance with the reporting standards of the Global Reporting Initiative (GRI) and the Austrian Sustainability and Diversity Improvement Act (NaDiVeG) and reviewed by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, illustrates how the company is responding to the global challenges of our time.

Lenzing announced the #checkwhatsgood social media campaign of the TENCEL™ brand to celebrate this year's Earth Day. In a year in which a key focus is to restore life to the way it should be, the company has launched this campaign aiming to bring attention to sustainable fashion and purchase habits alongside a variety of global and regional brands, designers and influencers. In addition, the TENCEL™ brand will continue its partnership with One Tree Planted for the third consecutive year and develop new partnerships with NGOs to drive consumer actions.

The 77th Annual General Meeting of Lenzing AG was again held virtually via livestream due to the COVID-19 pandemic. The Managing Board of Lenzing AG presented the business development of the year 2020, a strategic outlook and sustainability strategy including the relevant roadmap to achieve climate targets to the participating shareholders. The resolution adopted by the Annual General Meeting to link the remuneration policy for the multi-year, performance-based remuneration of the Managing Board to non-financial sustainability criteria (ESG) in addition to financial performance criteria once again demonstrates Lenzing's strong commitment to sustainable and responsible management.

Outlook

The International Monetary Fund expects global growth of 6 percent for 2021. However, the economic recovery after the deep recession caused by COVID-19 is subject to risks and largely depends on the vaccination progress and successful containment of the pandemic. The currency environment is expected to remain volatile in the regions relevant to Lenzing.

The global fiber and pulp markets came under considerable pressure as a result of the COVID-19 crisis. The significant recovery of demand from the third quarter of 2020 onwards, starting in China, continued into the first quarter of 2021. In February/March of this year, the market turned again and has since moved sideways. In the cotton market, a shortage in production volume is anticipated in the current 2020/2021 harvest and, consequently, a slightly decline in inventory levels. The prices for dissolving wood pulp remain at a high level.

Lenzing expects a continued increase in demand for sustainably produced fibers for the textile and apparel industry as well as for the hygiene and medical industry. This trend is likely to continue unabated after the COVID-19 pandemic, not least due to a number of legislative initiatives.

With the prospect of a progressing active immunization of a broad population against COVID-19, optimism and confidence in an early return to normality are also growing within the textile value chain. However, the currently positive environment is still characterized by a high level of uncertainty, also due to the increased occurrence of virus mutations and the extreme occurrence of infections in countries such as Brazil and India. Therefore, the visibility remains limited.

Taking into account the above factors, the Lenzing Group expects the operating result in 2021 to reach at least the level of the pre-crisis year 2019.

In view of these developments, Lenzing considers itself well-positioned with its sCore TEN corporate strategy, and will continue to drive the completion of the major strategic projects, which will make a significant contribution to earnings from 2022. In addition to its targets for EBITDA (EUR 800 mn) and ROCE (>10 %[1]), Lenzing also confirms its four other medium-term targets for 2024: net debt/EBITDA (<2.5 x), share of specialty fibers (>75 % of fiber revenue), internal production of dissolving wood pulp (>75 %), decarbonization (>40 % fewer CO_2 emissions per ton of product).

Lenzing, April 30, 2021
Lenzing Aktiengesellschaft

The Managing Board

Stefan Doboczky
Chief Executive Officer

Thomas Obendrauf
Chief Financial Officer

Robert van de Kerkhof
Member of the Managing Board

Stephan Sielaff
Member of the Managing Board

Christian Skilich
Member of the Managing Board

[1] To be adjusted for assets under construction

Lenzing AG

Consolidated Income Statement (condensed)

for the period from January 1 to March 31, 2021

EUR mn	01-03/2021	01-03/2020
Revenue	489.3	466.3
Cost of sales	(368.8)	(375.5)[1]
Gross profit	**120.6**	**90.7**
Other operating income	15.5	15.9
Selling expenses	(49.0)	(41.2)
Administrative expenses	(26.3)	(27.6)[1]
Research and development expenses	(5.4)	(4.9)
Other operating expenses	0.0	(3.1)
Earnings before interest and tax (EBIT)	**55.4**	**29.9**[1]
Financial result	(10.3)	(1.2)[1]
Earnings before tax (EBT)	**45.1**	**28.6**
Income tax expense	(15.2)	(10.9)
Net profit/loss for the period	**29.9**	**17.7**
Attributable to:		
Shareholders of Lenzing AG	28.1	22.2
Non-controlling interests	(5.4)	(4.5)
Share planned for hybrid capital owners	7.2	0.0
Earnings per share	EUR	EUR
Diluted = basic	1.06	0.84

1) As of the 2021 financial year, the Lenzing Group prepares the consolidated income statement according to the cost-of-sales method rather than the total cost method, thus increasing international comparability with peer group companies. To this end, some amounts previously recognized in EBIT/EBITDA are reclassified to the financial result (capitalized borrowing costs of EUR 5.1 mn, 1-3/2020: EUR 1.4 mn, net interest from defined benefit plans of EUR -0.4 mn, 1-3/2020: EUR -0.6 mn and commitment fees of EUR -0.6 mn, 1-3/2020: EUR -0.3 mn). All amounts are adjusted retrospectively.

Consolidated Statement of Comprehensive Income (condensed)

for the period from January 1 to March 31, 2021

EUR mn

	01-03/2021	01-03/2020
Net profit/loss for the period as per consolidated income statement	29.9	17.7
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of defined benefit liability	0.0	4.7
Financial assets measured at fair value through other comprehensive income	0.7	(1.0)
Income tax relating to these components of other comprehensive income	(0.2)	(0.9)
	0.5	2.8
Items that may be reclassified to profit or loss		
Foreign operations – foreign currency translation differences	49.9	(17.1)
Financial assets measured at fair value through other comprehensive income	0.1	0.0
Cash flow hedges	(31.5)	(138.8)
Income tax relating to these components of other comprehensive income	(0.6)	9.6
Investments accounted for using the equity method - share of other comprehensive income (net of tax)	(0.9)	(4.7)
	17.0	(151.0)
Other comprehensive income (net of tax)	17.5	(148.2)
Total comprehensive income	47.3	(130.5)
Attributable to:		
Shareholders of Lenzing AG	50.0	(81.1)
Non-controlling interests	(9.8)	(49.4)
Share planned for hybrid capital owners	7.2	0.0

Consolidated Statement of Financial Position (condensed)

as at March 31, 2021

EUR mn

Assets	31/03/2021	31/12/2020
Intangible assets, property, plant and equipment, right-of-use assets and biological assets	2,478.5	2,247.7
Investments accounted for using the equity method and financial assets	59.9	70.0
Deferred tax assets	3.1	2.4
Other non-current assets	45.1	41.1
Non-current assets	2,586.6	2,361.2
Inventories	349.2	329.4
Trade receivables	284.6	249.7
Other current assets	138.9	152.8
Cash and cash equivalents	1,189.3	1,070.0
Current assets	1,962.0	1,801.8
Total assets	**4,548.6**	**4,163.0**

Equity and liabilities	31/03/2021	31/12/2020
Equity attributable to shareholders of Lenzing AG	1,796.5	1,732.9
Non-controlling interests	152.5	148.5
Equity	1,949.0	1,881.4
Financial liabilities	1,619.5	1,446.9
Deferred tax liabilities	45.7	42.4
Provisions	120.2	120.4
Other non-current liabilities	177.8	181.4
Non-current liabilities	1,963.3	1,791.1
Financial liabilities	153.0	105.6
Trade payables	253.3	195.2
Provisions	27.3	25.7
Other current liabilities	202.8	164.0
Current liabilities	636.3	490.5
Total equity and liabilities	**4,548.6**	**4,163.0**

Consolidated Statement of Changes in Equity (condensed)

for the period from January 1 to March 31, 2021

EUR mn

	Share capital	Capital reserves	Hybrid capital	Other reserves	Retained earnings	Equity attributable to shareholders of Lenzing AG and to hybrid capital owners	Non-controlling interests	Equity
As at 01/01/2020	27.6	133.9	0.0	28.7	1,322.9	1,513.0	24.9	1,537.9
Total comprehensive income	0.0	0.0	0.0	(103.3)	22.2	(81.1)	(49.4)	(130.5)
Acquisition/disposal of non-controlling interests and other changes in the scope of consolidation	0.0	0.0	0.0	0.0	(84.3)	(84.3)	100.2	15.9
Measurement of puttable non-controlling interest recognized directly in equity	0.0	0.0	0.0	0.0	34.7	34.7	0.0	34.7
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0	(0.2)	(0.2)
As at 31/03/2020	27.6	133.9	0.0	(74.6)	1,295.4	1,382.3	75.5	1,457.8
As at 01/01/2021	27.6	133.9	496.6	(117.9)	1,192.8	1,732.9	148.5	1,881.4
Total comprehensive income	0.0	0.0	0.0	21.9	35.3	57.2	(9.8)	47.3
Hedging gains and losses and cost of hedging transferred to the cost of non-current assets and cost of inventory	0.0	0.0	0.0	13.8	0.0	13.8	14.0	27.8
Acquisition/disposal of non-controlling interests and other changes in the scope of consolidation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Measurement of puttable non-controlling interest recognized directly in equity	0.0	0.0	0.0	0.0	(7.4)	(7.4)	0.0	(7.4)
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0	(0.2)	(0.2)
As at 31/03/2021	**27.6**	**133.9**	**496.6**	**(82.2)**	**1,220.7**	**1,796.5**	**152.5**	**1,949.0**

Consolidated Statement of Cash Flows (condensed)

for the period from January 1 to March 31, 2021

EUR mn

		01-03/2021	01-03/2020
Net profit/loss for the period		**29.9**	**17.7**
+	Amortization of intangible assets and depreciation of property, plant and equipment and right-of-use assets	39.6	39.7
−/+	Other non-cash income / expenses	14.8	(18.7)
Gross cash flow		**84.3**	**38.8**
+/−	Change in inventories	(9.7)	11.3
+/−	Change in receivables	(25.4)	10.0
+/−	Change in liabilities	62.2	(28.2)
Change in working capital		**27.1**	**(6.9)**
Cash flow from operating activities		**111.5**	**31.9**
−	Acquisition of intangible assets, property, plant and equipment and biological assets (CAPEX)	(211.5)	(138.6)
−	Acquisition of financial assets and investments accounted for using the equity method	0.0	(0.2)
+	Proceeds from the sale of intangible assets, property, plant and equipment and biological assets	1.0	0.0
+	Proceeds from the sale/repayment of financial assets and the sale of investments accounted for using the equity method	5.0	0.9
Cash flow from investing activities		**(205.5)**	**(137.9)**
−	Dividends paid	(0.2)	(0.2)
+	Increase of bonds and private placements	0.0	83.8
+	Increase in other financial liabilities	219.6	54.9
−	Repayment of bonds and private placements	0.0	0.0
−	Repayment of other financial liabilities	(16.0)	(35.5)
Cash flow from financing activities		**203.4**	**103.0**
Total change in liquid funds		**109.3**	**(3.0)**
Liquid funds at the beginning of the year		1,070.0	571.5
Currency translation adjustment relating to liquid funds		10.0	(5.1)
Liquid funds at the end of the period		**1,189.3**	**563.4**
Additional information on payments in the cash flow from operating activities:			
Interest payments received		0.6	0.9
Interest payments made		2.6	2.0
Income taxes paid		8.6	12.7

The condensed consolidated interim financial statements as at March 31, 2021 were prepared based on IAS 34 (Interim Financial Reporting). They are based on the consolidated financial statements as at December 31, 2020 and should therefore always be read in conjunction with these statements.

The reporting currency is euro (EUR). The figures shown in these condensed consolidated interim financial statements and in the notes, unless stated otherwise, have been rounded up to the next million ("mn") to one decimal place. Arithmetic differences due to rounding effects can occur when adding up rounded amounts and percentages using automatic tools.

These condensed consolidated interim financial statements of the Lenzing Group have undergone neither a full audit nor a review by an auditor..

Innovative by nature

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Note:
This English translation of the condensed interim report was prepared for the company´s convenience only. It is a non-binding translation of the German condensed interim report. In the event of discrepancies between this English translation and the German original the latter shall prevail.

This condensed interim group report also contains forward-looking statements based on current assessment and assumptions made by Lenzing Group to the best of its knowledge. Statements using the words “should”, “may”, “will”, “expected”, “intended”, “assume”, “suppose”, “estimate”, “plan”, “anticipate”, “is of the opinion”, “to my knowledge”, “in my estimation” or similar formulations indicate such forward-looking statements. The forecasts relating to the future development of the Lenzing Group are estimates based on the information available at the time of this condensed interim group report going to print. If the assumptions on which the forecasts are based do not occur or risks arise at a level that was not anticipated, actual results may deviate from forecasts.

Rounding differences can occur when adding up rounded amounts and percentages. The condensed interim group report was prepared with the utmost care to ensure the accuracy and completeness of information in all sections. Nonetheless, errors due to rounding, typesetting and printing cannot be completely ruled out.