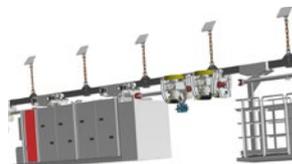


3-MONTH REPORT 2022



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SHARE INFORMATION

Share price chart



Key share data

Ticker/ISIN	S4A/DE0005751986
Number of shares including 49,477 treasury shares	5,521,456
Closing price (March 31, 2022)*	EUR 11.20
High/low* in Q1/2022	EUR 14.70/EUR 11.20
Share price performance (LTM on March 31, 2022)	+37.2%
SDAX performance (LTM on March 31, 2022)	+10.2%
Peer group portfolio performance (LTM on March 31, 2022)	-7.7%
Market capitalization excluding treasury shares (March 31, 2022)	EUR 61.3 Mio.

* Closing prices on the Xetra trading system of Deutsche Börse AG.

Financial calendar

May 17, 2022	Annual General Meeting
August 12, 2022	Half-year report 2022
November 14, 2022	9-month report 2022
December 31, 2022	Fiscal year-end

LETTER TO SHAREHOLDERS

Dear shareholders,

Following our successful business performance in 2021, we have made a good start to the new 2022 fiscal year despite the more difficult overall conditions. The effects of the coronavirus pandemic and the Ukraine war since the end of February were also challenging for the SMT Scharf Group and led to subdued activity in international markets for mining equipment. Nevertheless, SMT Scharf succeeded in increasing its consolidated revenue by 36.3% to EUR 14.7 million in the first quarter of 2022, compared with EUR 10.8 million in the first quarter of the previous year. Both the new equipment business and the profitable after-sales business contributed to the positive revenue performance. Revenue in the new equipment business, for example, increased to EUR 6.5 million. We also grew our revenue in our service and spare parts business to EUR 8.0 million.

The significant increase in Group sales and the reversal of a provision in the amount of EUR 4.2 million had a correspondingly positive impact on our earnings performance. We thus improved our profit from operating activities (EBIT) for the first quarter of 2022 to EUR 5.5 million, compared to EUR 2.0 million in the prior-year quarter, reflecting a significant year-on-year increase.

In the first quarter of 2022, we generated revenue of EUR 5.5 million in Russia, as one of our relevant mining markets, which is higher than the previous year's figure of EUR 2.3 million. However, given the Russia-Ukraine war, SMT Scharf's medium-term prospects in this market are uncertain. In April, the EU decided on further sanctions against Russia, which also affect our company.

As a consequence, SMT Scharf will be prohibited from shipping finished machines to Russia from July 10, 2022, although the supply of certain spare parts will still be possible. Since the outbreak of the war, SMT Scharf has been exposed to greater exchange rate risks and a resultant increase in the price of its own products. To largely reduce financial risk, in the second quarter we are continuing to work on minimizing negative currency effects and on achieving better payment terms.

Overall, we believe that SMT Scharf is well positioned as a specialist in the niche to be able to benefit sustainably from the megatrends in mining. These megatrends are spurring demand for transport and logistics solutions that are individual and more modern. Although we expect the market environment to remain volatile in the short term, we anticipate attractive long-term growth opportunities in our business areas arising from urban development worldwide, high demand for economically strategic raw materials, and electromobility.

We would like to take this opportunity to thank you as our investors, business partners and customers for the confidence you have invested in us, and we would be pleased to continue our cooperation into the future.

Kind regards

Hans Joachim Theiss

Wolfgang Embert

SUMMARY OF KEY DATA

In EUR		2020	2021	Q1/2021	Q1/2022
Revenue	EUR thousand	50,180	85,870	10,806	14,730
Total operating revenue	EUR thousand	56,331	85,137	17,817	19,148
EBIT	EUR thousand	-8,130	11,240	1,985	5,477
EBIT margin on total operating revenue	%	-14.4	13.1	11.1	28.6
Consolidated net profit/loss	EUR thousand	-8,054	12,582	1,725	5,789
Equity	EUR thousand	48,453	71,700	50,943	77,696
Equity ratio	%	58	59	54	62
FTEs (full-time employees)	on the reporting date	410	422	421	412

MANAGEMENT REPORT (UNAUDITED)

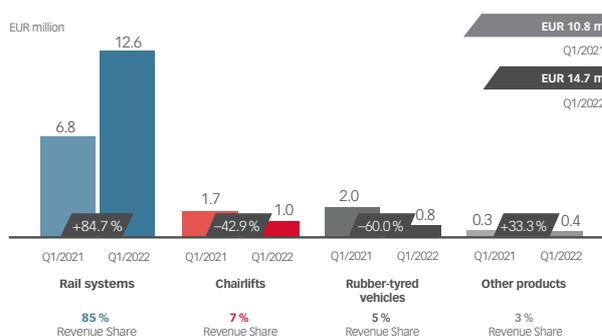
Business trends

In the first three months of the 2022 fiscal year, the SMT Scharf Group faced difficult market conditions given the effects of the coronavirus pandemic and the war in Ukraine. This also led to restrained activity in international markets for mining equipment. Nevertheless, SMT Scharf managed to expand its consolidated revenue by 36.3% to EUR 14.7 million in the first three months of 2022 (Q1/2021: EUR 10.8 million).

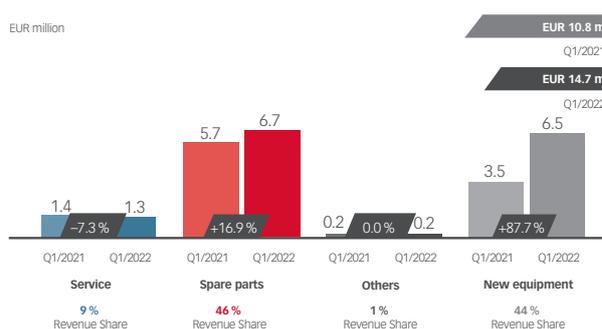
In light of the strong growth in revenue and the marked rise in other operating income due to the reversal of a penalty provision of around EUR 4.2 million, profit from operating activities (EBIT) for the first quarter of 2022 amounted to EUR 5.5 million (Q1/2021: EUR 2.0 million). This represents a significant increase of 175.9% compared with the first quarter of the previous year. Both the new equipment business and the highly profitable after-sales business contributed to the positive business performance in the reporting period. In the new equipment business, SMT Scharf generated revenue of EUR 6.5 million (Q1/2021: EUR 3.5 million). Revenue in the service and spare parts business amounted to a total of EUR 8.0 million (Q1/2021: EUR 7.1 million). Revenue of EUR 0.2 million was generated in the Other segment in the reporting period, in line with the previous year (Q1/2021: EUR 0.2 million).

In terms of segments, the largest revenue share continued to be attributable to the Coal market, which accounts for 78% of total revenue (Q1/2021: 61%), while the proportion from the Mineral Mining segment decreased to 18% in the reporting period (Q1/2021: 34%). In addition, the "Other Industries" segment achieved a share of consolidated revenue of 3% (Q1/2021: 3%). Furthermore, the Tunnel segment accounted for a 1% share of revenue (Q1/2021: 2%). With its product portfolio, SMT Scharf is fundamentally well positioned to expand its business in the individual segments. Depending on customer requirements, these include both diesel and electric-powered transport solutions for deployment in underground mining.

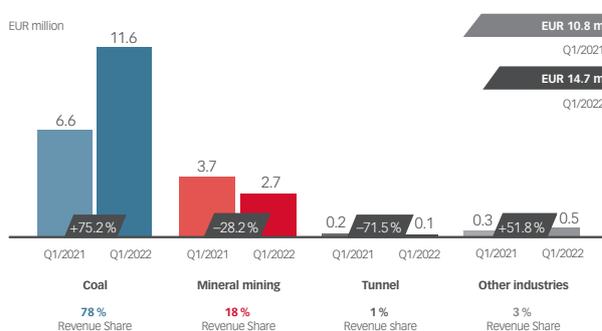
Revenue by product



Revenue by business type



Revenue by segment



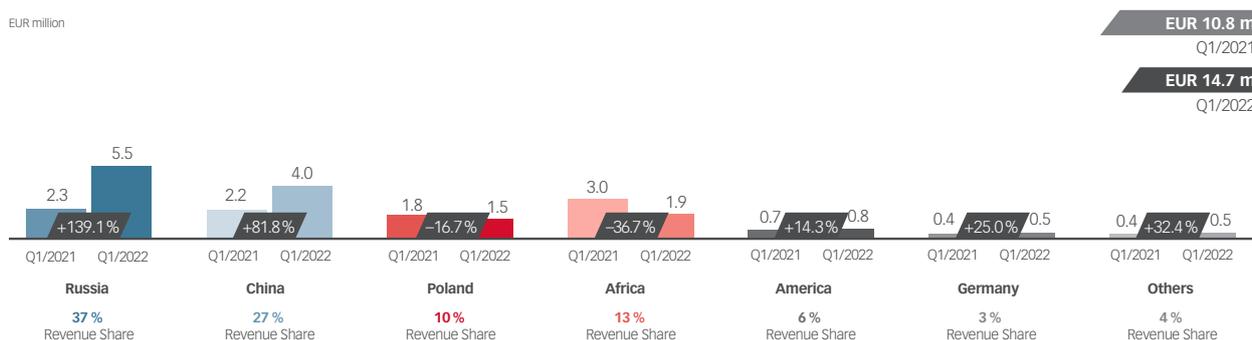
New order intake in the first quarter of 2022 amounted to EUR 21.7 million, down slightly compared with the prior-year period (Q1/2021: EUR 22.5 million). The order book position amounted to EUR 33.8 million as of March 31, 2022, representing a decrease of EUR 14.5 million compared to the extraordinarily strong prior-year figure (Q1/2021: EUR 48.3 million). The significant year-on-year reduction is due to the delayed

recognition of revenue from China III orders, as final approval by the Chinese regulatory authorities was not yet available in the first quarter of the previous year, resulting in an exceptionally high order book position.

The number of full-time employees (FTEs) stood at 412 as of the March 31, 2022 reporting date (prior-year period: 421 FTEs).

Revenue by region

EUR million



Economic and business report

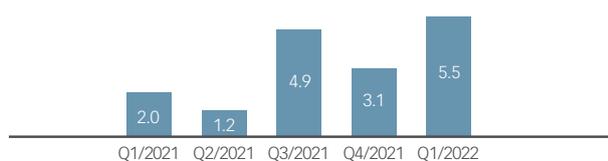
Consolidated revenue

EUR million



Operating result

EUR million



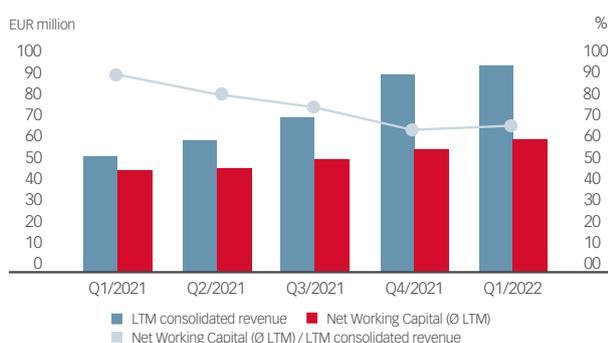
New order intake

EUR million



Net working capital

EUR million



- The last twelve months' (LTM) rolling consolidated revenue amounted to EUR 89.8 million as of the March 31, 2022 reporting date. The positive trend in the new equipment and after-sales business led to an increase in revenue to EUR 14.7 million in the first quarter of 2022.

- In the first quarter of 2022, the most significant contributions to consolidated revenue derived from Russia with EUR 5.5 million and China with EUR 4.0 million. Revenue in Germany amounted to EUR 0.5 million, slightly above the previous year's level of EUR 0.4 million.

- EBIT in the first quarter of 2022 improved significantly year-on-year to EUR 5.5 million (Q1/2021: EUR 2.0 million). This was particularly due to the higher level of total operating revenue and the significant year-on-year rise in other operating income as a consequence of the reversal of a penalty provision in an amount of around EUR 4.2 million.

- The EBIT margin (based on total operating revenue) stood at 28.6% in the first quarter of 2022 (Q1 2021: 11.1%).

- The last twelve months' (LTM) rolling EBIT amounted to EUR 14.7 million as of the March 31, 2022 reporting date.

- New order intake in the first quarter of 2022 amounted to EUR 21.7 million, down slightly (by 3.6%) year-on-year (Q1/2021: EUR 22.5 million).

- The order book position as of March 31, 2022 stood at EUR 33.8 million (March 31, 2021: EUR 48.3 million). The subsequent recognition of revenue following receipt of the China III approval had led to a noticeably lower order book position in the third and fourth quarters of 2021.

- Net working capital is defined as the sum of inventories, trade receivables and other assets, less current provisions, trade payables, current bank borrowings and other liabilities and advance payments as of the respective reporting date.

- Average net working capital of EUR 57.8 million for the last twelve months as of the March 31, 2022 reporting date (LTM, calculated from quarterly figures) in relation to the last twelve months' (LTM) rolling consolidated revenue as of the reporting date of EUR 89.8 million reflects a net working capital intensity of 64.3%.

Events after the balance sheet date

Business activities in Russia

Russia is one of the SMT Scharf Group's relevant core markets. Business activity there has been impacted by the Ukraine war since the end of February. The EU approved further sanctions against Russia in April, which also affect the SMT Scharf Group. Accordingly, the company is prohibited from shipping finished machines to Russia as of July 10, 2022. It will still be possible to supply certain spare parts. The extent to which the effects of the war in Ukraine will affect the SMT Scharf Group's future business activities cannot yet be assessed in full.

Outlook

The Ukraine war, which has been ongoing since the end of February, has noticeably changed the outlook for the global economy compared with the situation at the start of 2022. In its latest World Economic Outlook published in April 2022, the International Monetary Fund (IMF) expects global growth to probably slow from an estimated 6.1% in 2021 to 3.6% in 2022 and 2023. In January, the IMF had still expected growth of 4.4% for 2022 – a level 0.8 percentage points higher, in other words. For example, the IMF forecasts that the Ukraine war will contribute to a significant slowdown in global growth in 2022 and will drive inflation up. Prices for fuel and food have risen rapidly, hitting vulnerable populations in low-income countries the hardest, according to the IMF.

SMT Scharf will continue to focus on its core markets in the current fiscal year. For China, the IMF expects significantly weaker growth of 4.4% in 2022, following estimated growth of 8.1% last year. The Polish economy is expected to expand by 3.7% in 2022. The IMF also expects economic momentum in South Africa to slow noticeably, with economic growth of just 1.9% forecast for 2022.

Russia is also one of the SMT Scharf Group's relevant markets. Given the impact of the Ukraine war, the IMF forecasts that the Russian economy will contract by 8.5% in 2022. This forecast sharp reduction reflects the impact of sanctions with the breakdown of trade relations, severely impaired domestic financial intermediation, and the loss of confidence.

In April of this year, the EU approved further sanctions against Russia. The SMT Scharf Group is also affected by this. Accordingly, the company is prohibited from shipping finished machines to Russia as of July 10, 2022. It will still be possible to supply certain spare parts. The extent to which the effects of the war in Ukraine will impact the SMT Scharf Group's future business activities cannot yet be assessed in full. SMT Scharf was exposed to greater exchange rate risks in the first quarter as a consequence of the Ukraine crisis as well as a resultant increase in the price of its own products. In order to reduce its financial risk to a large extent, in the second quarter SMT Scharf is continuing to work on minimizing negative currency effects and achieving better payment terms, such as by paying in advance for machines that have not yet been sold and shortening payment terms for existing orders.

Given the continuing geopolitical tensions in Eastern Europe and the risk of recession in Russia, the ongoing coronavirus pandemic and associated continued restrictions on the SMT Scharf Group's business activities worldwide, as well as the tense situation in procurement markets, SMT Scharf continues to identify considerable uncertainties for its business that make planning difficult. The economic impact of these factors on SMT Scharf's business activities is being examined on an ongoing basis, but cannot be quantified conclusively at present. For this reason, for the time being the Managing Board of SMT Scharf AG is continuing to refrain from issuing quantitative guidance for the current 2022 fiscal year until sufficient visibility exists and valid statements about further business growth can be made.

CONSOLIDATED BALANCE SHEET AS OF MARCH 31, 2022

EUR thousand	31/03/2022	31/03/2021	31/12/2021
Assets			
Intangible assets	7,310	4,846	6,982
Property, plant and equipment	7,264	8,914	7,559
Loans	701	637	694
Equity accounted investments	14,040	8,908	13,418
Other investments	7	7	7
Deferred tax assets	3,861	2,946	3,367
Non-current lease receivables	96	0	116
Other non-current non-financial assets	5	9	5
Non-current assets	33,284	26,267	32,150
Inventories	38,737	39,101	32,943
Trade receivables	36,208	16,643	41,897
Contract assets	264	2,711	382
Current lease receivables	79	390	163
Other current non-financial assets	7,616	4,747	4,193
Other current non-financial assets in connection with employee benefit entitlements	50	160	47
Cash and cash equivalents	8,731	4,921	9,512
Current assets	91,685	68,673	89,138
Total assets	124,969	94,940	121,288

EUR thousand	31/03/2022	31/03/2021	31/12/2021
Equity and liabilities			
Subscribed share capital	5,472	4,571	5,472
Capital reserve	24,061	16,867	24,028
Revenue reserves	51,110	34,358	45,259
Other reserves	-4,427	-6,243	-4,507
Non-controlling interests	1,480	1,390	1,449
Equity	77,696	50,943	71,700
Provisions for pensions	3,063	3,391	3,067
Other non-current provisions	234	195	235
Deferred tax liabilities	853	510	902
Contract liabilities	265	0	259
Leasing liabilities	2,252	2,327	2,203
Non-current financial liabilities	1,899	2,763	1,844
Other non-current financial liabilities	2,969	1,786	2,993
Non-current provisions and liabilities	11,535	10,972	11,503
Current income tax	398	225	1,174
Other current provisions	6,663	5,105	10,572
Contract liabilities	1,723	1,659	1,619
Trade payables	6,557	4,496	5,013
Leasing liabilities	578	711	593
Current financial liabilities (cash and cash equivalents)	16,935	16,861	15,433
Current financial liabilities (not cash and cash equivalents)	1,513	1,752	1,718
Other current non-financial liabilities	1,372	2,216	1,963
Current provisions and liabilities	35,738	33,025	38,085
Total equity and liabilities	124,969	94,940	121,288

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR thousand	Q1/2022	Q1/2021
Revenue	14,730	10,806
Changes in inventories	4,418	7,011
Total operating revenue (100 %)	19,148	17,817
Other operating income	6,759	1,679
Cost of materials	11,982	10,768
Personnel expenses	4,709	4,381
Depreciation, amortization and impairment losses	561	647
Other operating expenses	3,178	1,715
Profit from operating activities (EBIT)	5,477	1,985
Result from equity accounted investments	329	-16
Interest income	106	25
Interest expenses	227	218
Financial result	208	-209
Profit before tax	5,685	1,776
Income taxes	-104	51
Consolidated net profit	5,789	1,725
of which, share of consolidated net profit attributable to shareholders of SMT Scharf AG	5,852	1,794
of which, share of consolidated net profit attributable to non-controlling interests	-63	-69
Other comprehensive income items recycled later to profit or loss:		
Currency differences from translation of foreign financial statements	-120	-3,881
Share of other comprehensive income attributable to equity accounted investments	294	-241
Other comprehensive income items not recycled later to profit or loss:		
Actuarial gains/losses	0	0
Deferred taxes	0	0
Other comprehensive income	174	-4,122
of which, share of other comprehensive income attributable to shareholders of SMT Scharf AG	80	-3,950
of which, share of other comprehensive income attributable to non-controlling interests	94	-172
Total comprehensive income	5,963	-2,397
of which, share of total comprehensive income attributable to shareholders of SMT Scharf AG	5,931	-2,155
of which, share of total comprehensive income attributable to non-controlling interests	32	-242
Earnings per share (in EUR)		
Undiluted (basic)	1.05	0.36
Diluted	1.05	0.36
Average number of shares	5,471,979	4,570,523

CONSOLIDATED CASH FLOW STATEMENT

EUR thousand	Q1/2022	Q1/2021
Consolidated net profit	5,789	1,725
-/+ Income/expense from equity accounted investments	-329	16
+ Depreciation, amortization and impairment losses relating to non-current assets	561	647
-/+ Gain/loss from disposal of non-current assets	32	32
+/- Decrease/increase in provisions	-3,994	1,806
-/+ Increase/decrease in inventories, trade receivables and other assets not allocable to investing or financing activities	-3,476	-9,730
+/- Increase/decrease in trade payables and other liabilities not allocable to investing or financing activities	546	-1,079
+/- Other non-cash expenses/income	34	32
+/- Income tax	-104	51
+/- Financial expenses	121	193
-/+ Income taxes paid	-748	-370
Cash flow from operating activities	-1,568	-6,709
- Capital expenditure on property, plant and equipment	-112	-249
- Capital expenditure on intangible assets	-317	-426
+ Interest received	132	25
Cash flow from investing activities	-297	-650
- Cash outflows for the repayment of leasing liabilities	-141	-195
+ Cash inflows from sale-and-leaseback agreements	204	332
- Cash outflows for the repayment of loans	-25	-372
- Interest paid	-121	-117
Cash flow from financing activities	83	-352
Net change in cash and cash equivalents	-1,948	-7,711
Changes in cash and cash equivalents due to effects from exchange rates and the consolidation Group	-334	-101
Cash and cash equivalents at start of period	-5,922	-4,128
Cash and cash equivalents at end of period	-8,204	-11,940

SELECTED NOTES TO THE FINANCIAL STATEMENTS

Segment report

The business of the SMT Scharf Group is divided into four operating segments. Intersegment revenues and inputs are of minor significance, and are not reported separately.

Segment reporting as of March 31, 2022:

EUR thousand	Coal mining		Mineral mining		Tunnel		Other industries		Not allocated		SMT Scharf Group	
	Q1/ 2022	Q1/ 2021	Q1/ 2022	Q1/ 2021	Q1/ 2022	Q1/ 2021	Q1/ 2022	Q1/ 2021	Q1/ 2022	Q1/ 2021	Q1/ 2022	Q1/ 2021
Revenue	11,562	6,653	2,655	3,675	57	167	456	311	-	-	14,730	10,806
of which new equipment	4,884	1,325	1,275	2,124	49	110	363	219	-	-	6,571	3,778
of which spare parts	5,280	4,145	1,281	1,467	6	57	92	2	-	-	6,659	5,671
of which service	1,163	952	99	84	2	-	-	90	-	-	1,264	1,126
of which others	235	231	-	-	-	-	-	-	-	-	235	231
Operating result (EBIT)	5,357	1,479	93	563	32	40	(5)	(98)	-	-	5,477	1,985
Earnings from equity accounted companies	329	(16)	-	-	-	-	-	-	-	-	329	(16)
Segment assets	109,005	77,682	9,746	11,591	381	1,040	1,976	1,681	3,861	2,946	124,969	94,940
Segment liabilities	38,632	34,653	7,783	7,361	163	455	(158)	1,018	853	510	47,273	43,997
Segment investments	112	256	20	53	-	-	10	-	-	-	142	309
of which IFRS 16	8	60	-	-	-	-	-	-	-	-	8	60
Interests in equity accounted companies	14,040	8,908	-	-	-	-	-	-	-	-	14,040	8,908
Scheduled amortisation	451	534	74	91	1	3	35	19	-	-	561	647
Unscheduled amortisation	-	-	-	-	-	-	-	-	-	-	-	-
FTE	337	349	51	49	5	5	19	18	-	-	412	421

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Disclaimer

The Report for the first quarter is also available in English. In case of differences the German version prevails. The digital version of the Annual Report and the Interim Reports are available at www.smtscharf.com in the Investor Relations section.