

Press Information

Semperit with revenue growth and stable earnings despite economic slowdown

- First quarter 2023 shows revenue increase by 2.0% to EUR 185.2 million in continued operations
- Revenue in the Industrial Sector increased by 3.2% to EUR 176.4 million, while revenue of continued operations in the Medical Sector fell to EUR 8.8 million
- EBITDA in continued operations increased slightly to EUR 20.8 million, EBITDA margin remained unchanged at 11.2%
- At EUR 13.2 million, EBIT slightly above the comparable period of the previous year, EBIT margin slightly improved to 7.1%
- Distribution of a basic dividend of EUR 1.50 per share and a conditional additional dividend of EUR 3.00 per share following the sale of Sempermed

Vienna/Austria, 10 May 2023 – The publicly listed Semperit Group recorded a slight increase in revenue and higher earnings in continued operations in a difficult market environment, which was impacted by high inflation and a growing economic slowdown.

CEO Karl Haider commented on the quarterly results: “I am satisfied that we delivered a good performance in the first quarter of 2023 under the given global conditions. We look forward to the full year with optimism, although we expect business development to be subdued.”

Sales prices raised in 2022 led to revenue increase in the first quarter 2023

The higher Group revenue in the first quarter 2023 compared to the previous year's period was boosted in particular by the increase in average selling prices in the Industrial Sector – the price effect being in a range between 15.2% and 29.0% – in the course of the 2022 financial year, which means that the price increases on the input factor side could be passed on. Sales volumes declined in all industrial segments except Sempertrans, where a positive market environment and rising demand led to volume growth of +22.9%. The significant Sempertrans plus was largely responsible for the positive revenue development of +3.2% to EUR 176.4 million in the Industrial Sector. The part of the Medical Sector remaining in continued operations, the production of surgical gloves in Wimpassing and Sopron, recorded a decline in revenue of –16.9% to EUR 8.8 million; as a result, revenue of the entire continued operations increased by only 2.0% to EUR 185.2 million.

Stable earnings in the Industrial Sector with adjustment of capacities

The revenue increase, but also the lower costs resulting from lower production volumes in the Semperflex, Semperséal and Semperform segments and the related reduction in material costs (–5.8% or EUR 5.9 million including energy and purchased services) helped to offset the +5.7% or EUR 2.8 million increase in personnel expenses and the +9.5% or EUR 2.1 million rise in other operating expenses (higher maintenance expenses, travel expenses and costs in connection with the planned acquisition of the RICO Group). As a result, EBITDA in continued operations increased slightly to EUR 20.8 million. The EBITDA margin remained unchanged at 11.2%. At EUR 13.2 million, EBIT from continued operations was also slightly higher than in the same period of the previous year (1-3 2022: EUR 12.7 million). The EBIT margin was 7.1% (1-3 2022: 7.0%).

Earnings after tax from continued operations amounted to EUR 8.3 million in the first quarter 2023. The net result after tax (continued and discontinued operations combined) amounted to EUR 0.4 million (1-3 2022: EUR 15.5 million). The balance is attributable to the adverse business development of the discontinued operations (examination gloves) with earnings after tax of EUR –7.9 million (1-3 2022: EUR 8.2 million). Earnings per share attributable to the shareholders of Semperit AG Holding amounted to EUR 0.02 (1-3 2022: EUR 0.75).

In first quarter 2023, cash expenditures in intangible assets and property, plant and equipment were below the level of the previous year at EUR 14.5 million (1-3 2022: EUR 17.2 million). Free cash flow amounted to EUR 7.1 million (1-3 2022: EUR –0.1 million).

Outlook

The management of the Semperit Group expects a decline in earnings from continued operations in the 2023 financial year. The overall economic slowdown is expected to have a noticeable impact on the Industrial Sector in the second and third quarter 2023. Customers' inventory optimisation programmes are already leading to restrained ordering behaviour as expected. As a result, lower sales volumes and increased pressure on margins are to be expected. The option to pass on potential further cost increases to customers will depend on the price sensitivity of the respective customers and the dynamics in the segment-specific product markets.

Against this backdrop, the Executive Board confirms the outlook for the 2023 financial year with EBITDA from continued operations of between EUR 70 and 90 million, but from today's perspective expects the result to be at the lower end of the range.

With regard to the sale of the medical business, a first closing is expected in mid-2023 or in the following months, depending on the regulatory approval procedures currently underway. The Medical Sector is still expected to have a negative impact on earnings after taxes.

The management is consistently pursuing the implementation of the strategy and is focusing on organic and inorganic growth projects. In this context, the next successful step was taken: on 17 April 2023, the Semperit Group announced that it would acquire 100% of the Austrian RICO Group GmbH (RICO), a leading global supplier of silicone injection moulding tools and producer of liquid silicone components. Closing is expected in the third quarter of 2023. The long-term potential of the transaction for the Semperit Group lies primarily in high-quality tooling for high-precision and complex solutions and the automation of production steps for the manufacture of large volumes. Furthermore, the acquisition will strengthen market access to North America, where RICO has had its own production facilities for many years.

For an overview of the key performance indicators at Group and segment level, please refer to the table on page 3.

Contact:

Alexander Kleedorfer
Director Group Brand Management (Interim),
Corporate Spokesperson
+43 676 8715 8464
alexander.kleedorfer@semperitgroup.com

Judit Helenyi
Director Investor Relations

+43 676 8715 8310
judit.helenyi@semperitgroup.com

www.semperitgroup.com

www.linkedin.com/company/semperit-ag

About Semperit

The publicly listed company Semperit AG Holding is an internationally oriented group that develops and produces polymer products for the industrial and medical sectors, selling them in over 100 countries around the world: hydraulic and industrial hoses, conveyor belts, escalator handrails, construction profiles, cable car rings, products for railway superstructures, and examination and surgical gloves. Founded in 1824, this long-standing Austrian company has its headquarters in Vienna, Austria. The Semperit Group employs around 6,500 people worldwide in its continued and discontinued operations, including some 3,100 in Asia and approximately 900 in Austria (Vienna and production site Wimpassing, Lower Austria). The Group has 16 manufacturing facilities worldwide and numerous sales offices in Europe, Asia, Australia, and America. In the 2022 financial year, the Group generated revenue of EUR 779.8 million and an EBITDA of EUR 100.5 million in continued operations.

Overview of the main financial figures of the first quarter of 2023

Key figures of the Semperit-Group, in EUR million	1-3 2023	Change	1-3 2022
Revenue	185.2	+2.0 %	181.5
EBITDA	20.8	+2.7 %	20.3
EBITDA margin	11.2 %	+0.1 PP	11.2 %
EBIT	13.2	+4.2 %	12.7
EBIT margin	7.1 %	+0.1 PP	7.0 %
Earnings after tax	0.4	-97.4 %	15.5
Earnings per share (EPS), in EUR	0.02	-96.7 %	0.75
Gross cash flow	10.1	-65.8 %	29.6
Free cash flow	7.1	+20.0 %	-0.1

Balance sheet key figures, in EUR million	31.03.2023	Change	31.12.2022
Total assets	847.6	+0.6 %	842.9
Equity	518.0	-0.0 %	518.2
Net debt (+) / Net cash (-)	-66.1	+22.0 %	-54.2
Net debt to EBITDA	n/a	n/a	n/a
Additions to tangible and intangible assets	5.4	-89.3 %	50.1

ESG	1-3 2023	Change	1-3 2022
Employees (at balance sheet date)	6,510	-7.1 %	7,007

Sector and segment key figures, in EUR million		1-3 2023	Change	1-3 2022
Industrial Sector	Revenue	176.4	+3.2 %	171.0
	EBITDA	30.6	+15.7 %	26.4
	EBIT	23.7	+20.6 %	19.6
Semperflex	Revenue	72.6	-9.0 %	79.8
	EBITDA	16.7	-14.6 %	19.6
	EBIT	13.6	-18.1 %	16.6
Semperseal	Revenue	32.0	-12.7 %	36.6
	EBITDA	1.6	-33.1 %	2.4
	EBIT	0.0	-98.9 %	0.5
Sempertrans	Revenue	43.0	+52.0 %	28.3
	EBITDA	7.3	n/a	1.3
	EBIT	6.2	n/a	0.3
Semperform	Revenue	28.8	+9.8 %	26.2
	EBITDA	5.0	+54.3 %	3.2
	EBIT	3.9	+79.7 %	2.1
Medical Sector (Sempermed)	Revenue	39.6	-62.7 %	106.1
	EBITDA	-11.6	n/a	13.3
	EBIT	-13.5	n/a	7.6

For further details please see the Semperit Group's Report on the first quarter of 2023.