

# SEMPERIT GROUP H1 2024 INVESTOR PRESENTATION

**Karl Haider, CEO**

**Helmut Sorger, CFO**

13 August 2024



## **Key Highlights (p.2)**

**Operational Performance (p.4)**

**Financial Performance (p.8)**

**Outlook (p.17)**

**Appendix (p.25)**



**EBITDA increased by 7.9% to EUR 47.3m in H1'24** despite challenging market environment, **EBITDA margin improved to 13.7% (+1.4 PP)**

**Cost reduction program at EUR 14.4m** substantially **exceeding original target of EUR 10m**

**Exit from gloves business fully completed – surgical operations handed over to Harps as of end Q2'24**

**Earnings after taxes more than doubled to EUR 9.6m**

**Free cash flow improved to EUR 23.6m (H1 2023: EUR 1.8m)**

**Guidance for EBITDA 2024 at EUR ~80m confirmed**



# Agenda

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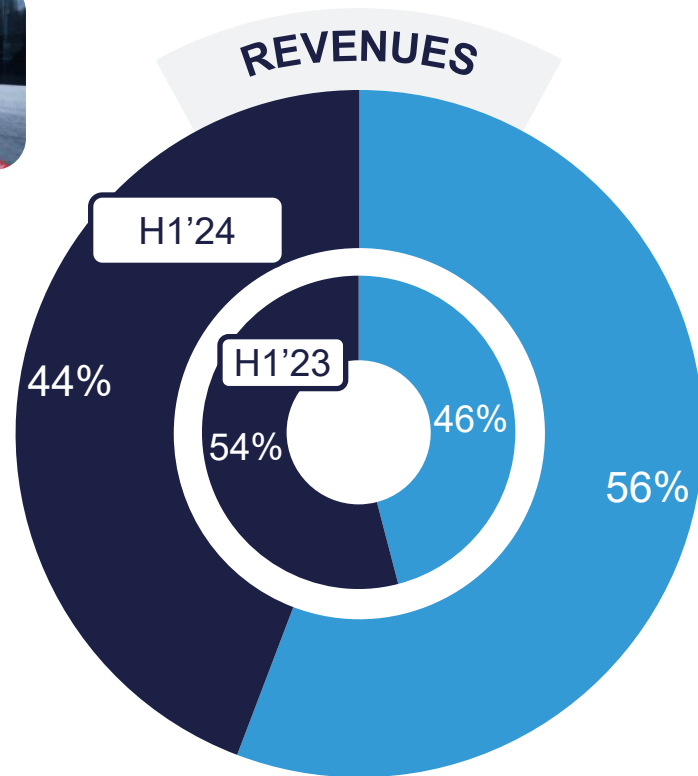
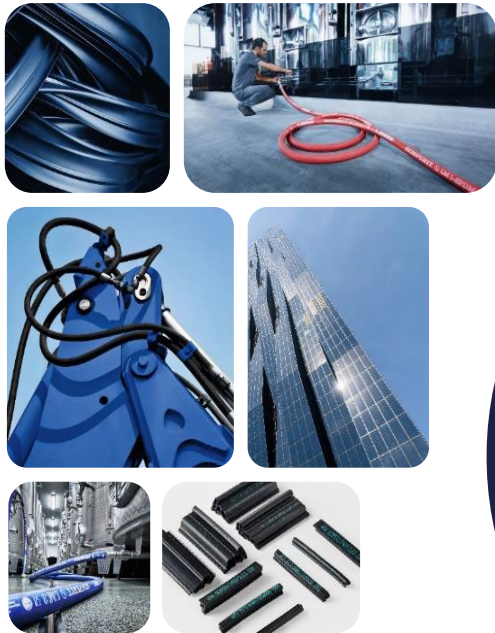
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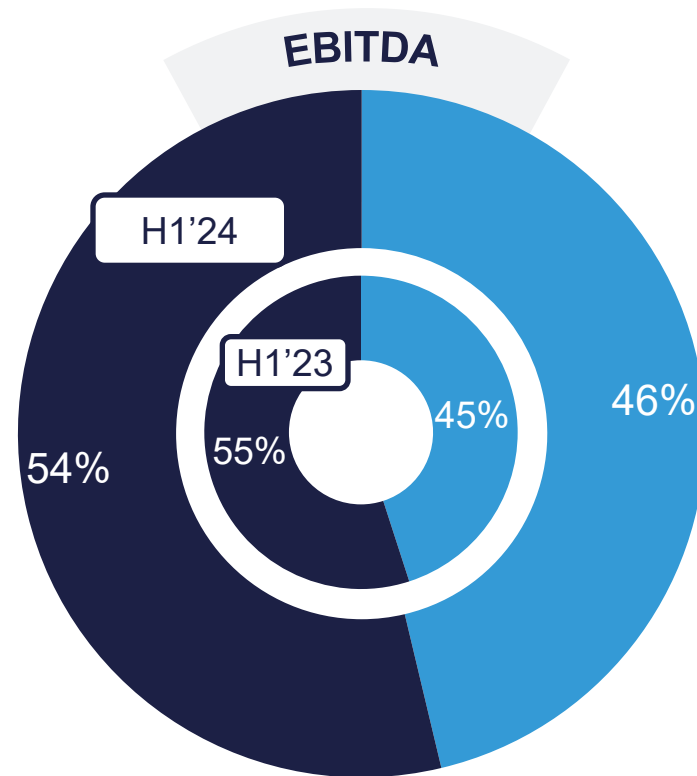


# SIA with improved margin, SEA with positive impact from recent acquisition

## Semperit Industrial Applications



## Semperit Engineered Applications

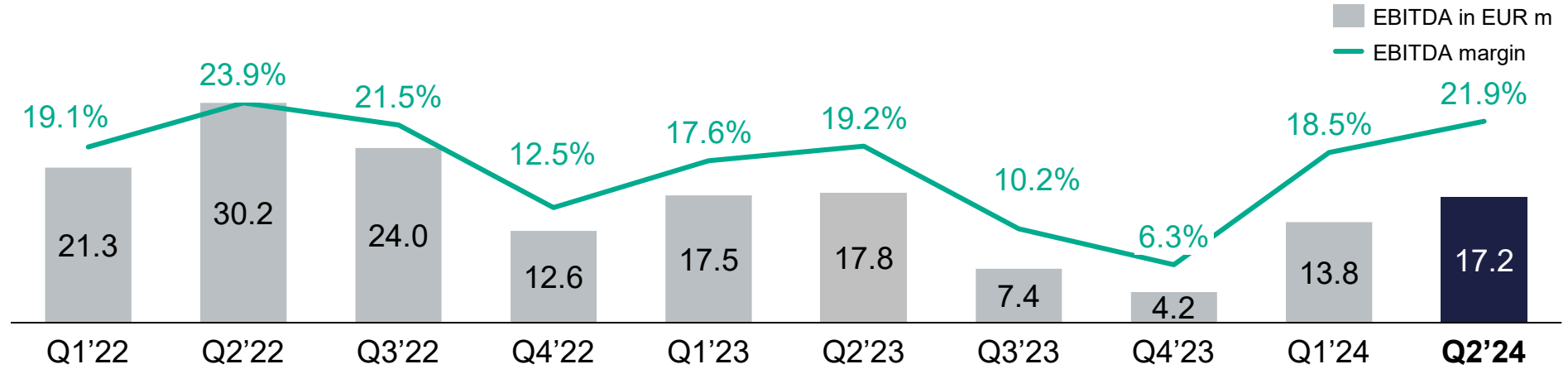


Starting Q1 2024, Surgical Operations have been part of the discontinued operations and are not included in the charts.  
 In H1'24 its revenues were at EUR 23.2m (H1'23: EUR 20.8m) and EBITDA at EUR 0.6m (H1'23: EUR -4.8m)

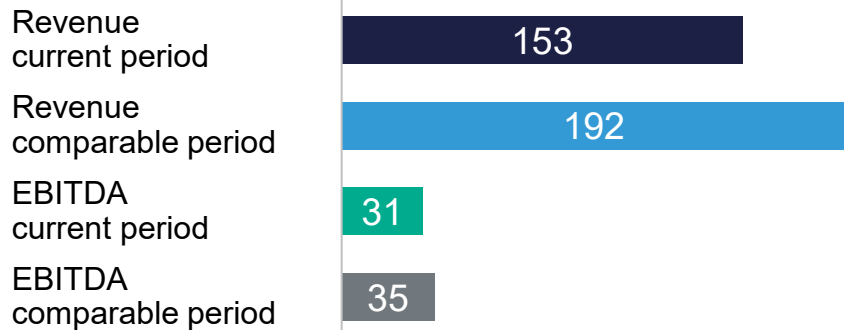


# Semperit Industrial Applications H1 2024

Reduction of overhead costs to improve future operative leverage



## H1 2024 vs. H1 2023

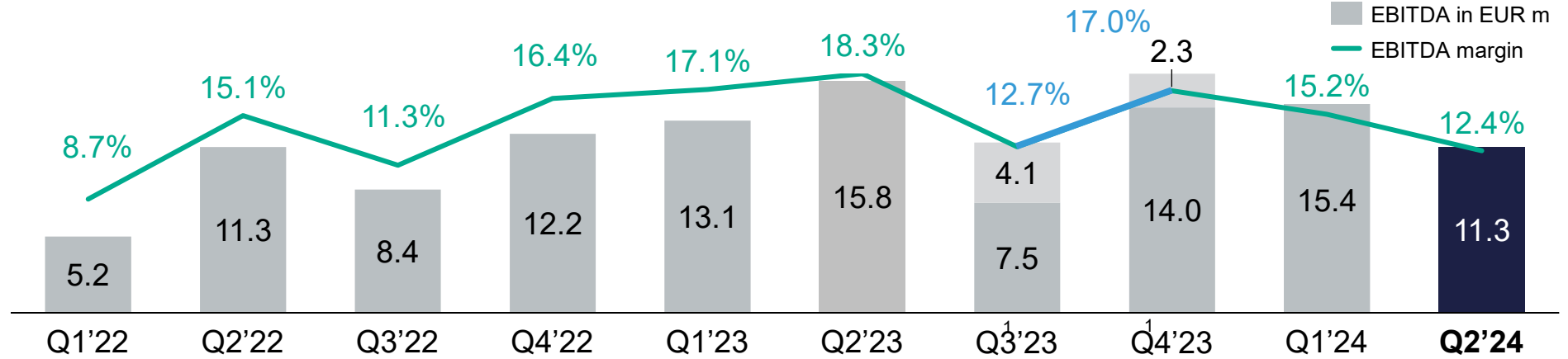
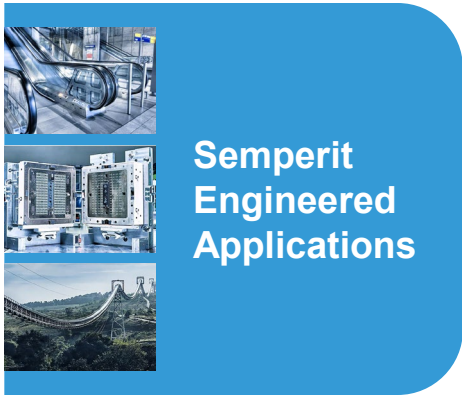


- Difficult market environment, with no immediate signs of recovery
- Hoses: market demand remains low due to inventory digestion and limited customer demand, share of wallet wins could only partly offset these effects
- Profiles: German construction industry is still subdued, but the operational efficiency program and the fix costs reduction program are yielding positive P&L impacts
- Revenues down by 21% due to lower volumes whereas EBITDA decline by only 12% due to cost measures and defensive pricing policy; with EBITDA margin increasing to 20.3%

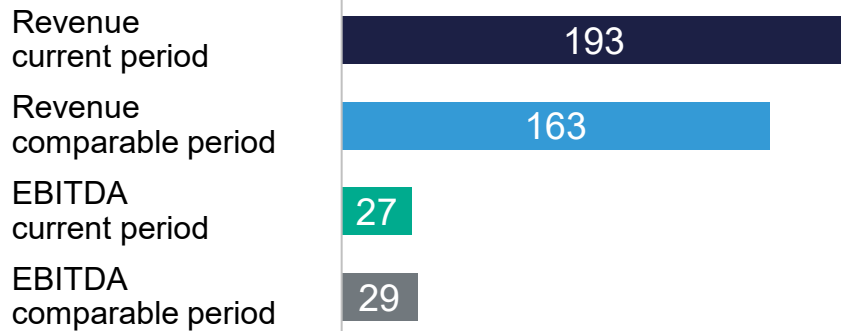


# Semperit Engineered Applications H1 2024

Growth in top line, but pressure on EBITDA – YoY impact from change in consolidation range



## H1 2024 vs. H1 2023



- Form: profitability mainly driven by handrails, transport and mountain applications while industry and construction business impacted by economic downturn
- Belting: late-cycle benefit in mining dampened by customer project delays, reduced demand from Europe and price pressure
- Rico: sales contribution of EUR 47.0m and operative EBITDA of EUR 5.8m due to lower tool shop utilization, with some call offs being delayed
- Sales up by 18% while EBITDA down by 8% due to mixed demand and economic headwinds resulting in price pressure

<sup>1</sup> EBITDA and EBITDA margin Q3 2023 and Q4 2023 adjusted by EUR 4.1m and EUR 2.3m respectively, for one off effects related to the acquisition of the Rico Group



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# Financial highlights H1 2024

Continuing strong **focus on free cash flow** for growth investments, dividends and active **working capital management**

**Free cash flow significantly increased to EUR 23.6m**



**Structural cost adjustments** to recalibrate **operating leverage** for future market recovery; on the targeted run rate of EUR 10m...

**...total of EUR 14.4m of overhead reduction achieved**



Strategic digitalization project „oneERP“ and operational digitalization through other initiatives

**Focus on smaller initiatives with payback <2 yrs**



**Closing sale of the Medical business** and **focus on core competence of industrial elastomer business**

**Net cash inflow at EUR 6.6m**



**Strong balance sheet structure** and significant **cash reserves**

**Cash at EUR 124.0m; net financial debt / EBITDA at 1.6x**





# Overview of financial KPIs H1 2024 and H1 2023

	H1 2024	H1 2023	Δ
<b>Revenues</b> in EUR m	345.5	355.7	↘ -2.9%
<b>EBITDA</b> in EUR m	47.3	43.8	↗ +7.9%
<b>EBITDA margin</b> in %	13.7	12.3	↗ +1.4PP
<b>EBIT</b> in EUR m	23.7	29.1	↘ -18.6%
<b>EBIT margin</b> in %	6.9	8.2	↘ -1.3PP
<b>Earnings after tax</b> in EUR m	9.6	3.9	↗ >100%
<b>Free cash flow<sup>1</sup>,</b> in EUR m	23.6	1.8	↗ >100%
<b>CAPEX,</b> in EUR m	38.1	21.9	↗ +73.6%

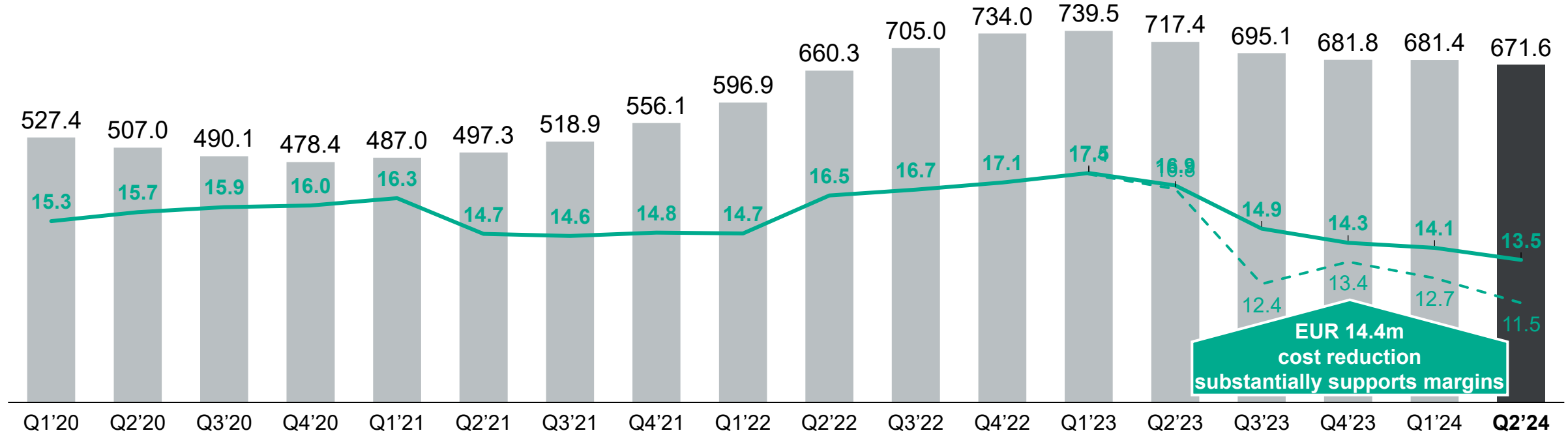
- **Revenues** down mainly due to economic headwinds and reduced demand in cyclical businesses
- Improvements in **EBITDA** and margin on the back of strict cost reduction
- **EBIT** affected by higher regular depreciation rates due to Rico inclusion
- At EUR -7.9m, **the financial result** was below the previous year's level, which is due to higher bank liabilities for the financing of growth projects
- Divested medical business no longer contributes a loss – **earnings after tax** improve significantly
- Substantial improvement in **free cash flow** due to initiatives **on working capital**
- Higher **CAPEX** due to growth projects DH5 and Rico

<sup>1</sup>Free cash flow before proceeds from sale of business and strategic growth projects



# Detail on Last Twelve Month (LTM) view – cost reduction stabilizes margins

LTM Industrial Revenue (EUR m) and operational EBITDA margin (%)



EUR 14.4m cost reduction substantially supports margins

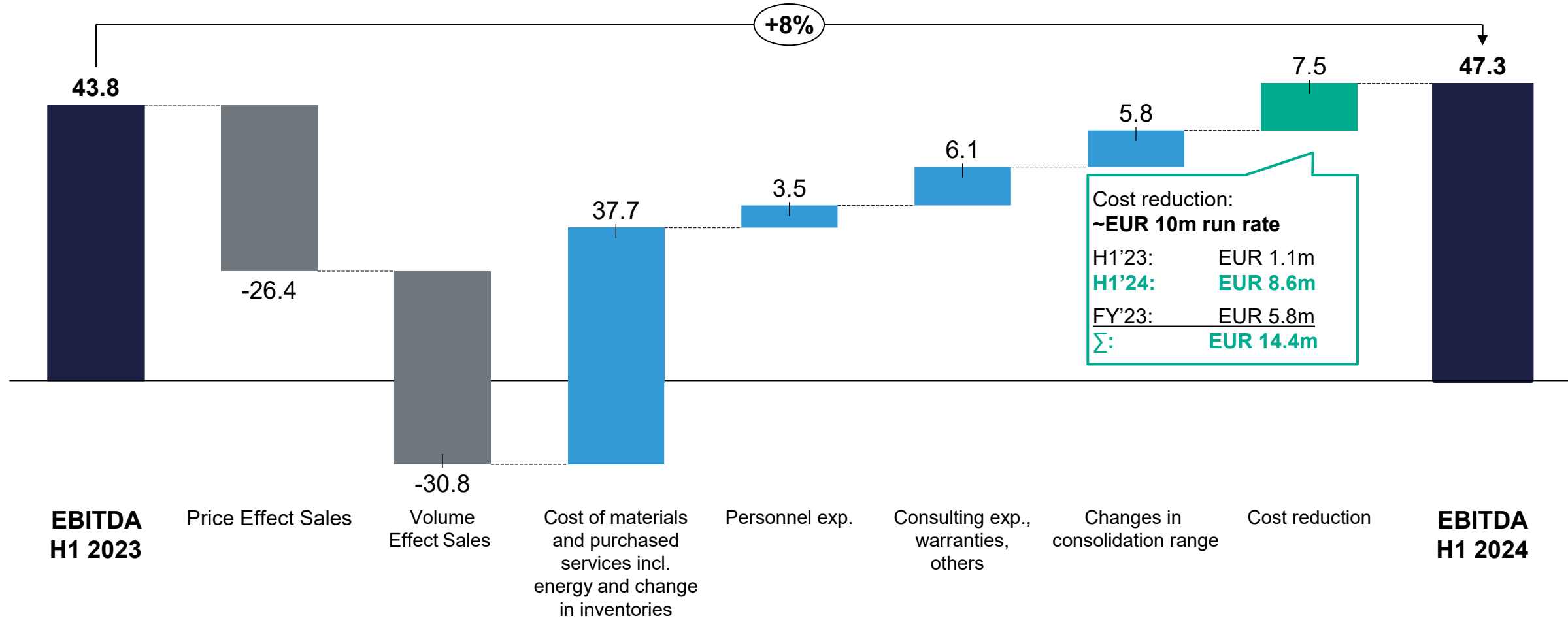
- Industrial business impacted by market cyclicalities but cost reduction effort improved margins
- Focus on what management can control - capacity adjustments, costs, investment in future growth

■ LTM Revenue in EUR m — LTM EBITDA margin in % - - LTM EBITDA margin without cost reduction measures in %



# EBITDA development: cost reduction and Rico drive positive results

in EUR m



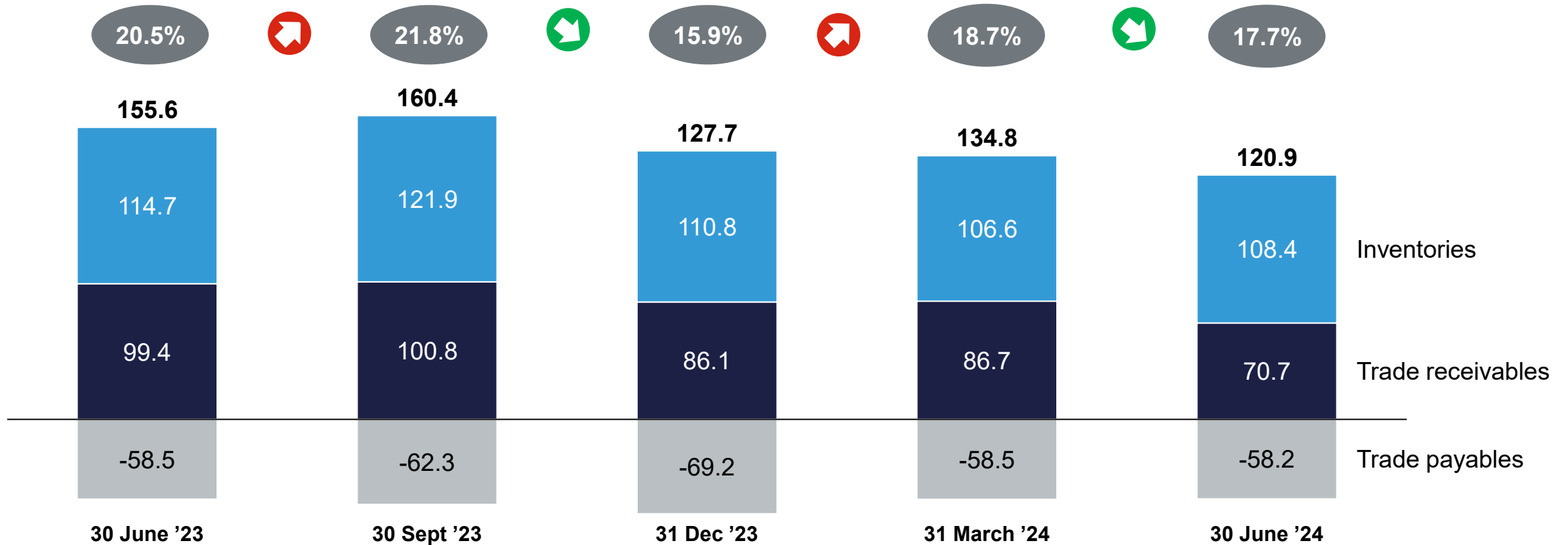
Effects from changes in consolidation range shown separately, thus price and volume effects of sales, change in inventories, cost of materials, logistics, personnel expenditures, miscellaneous and cost reduction do not include these respective figures



# Working Capital overview

## Components of Working Capital<sup>1</sup>

in EUR m



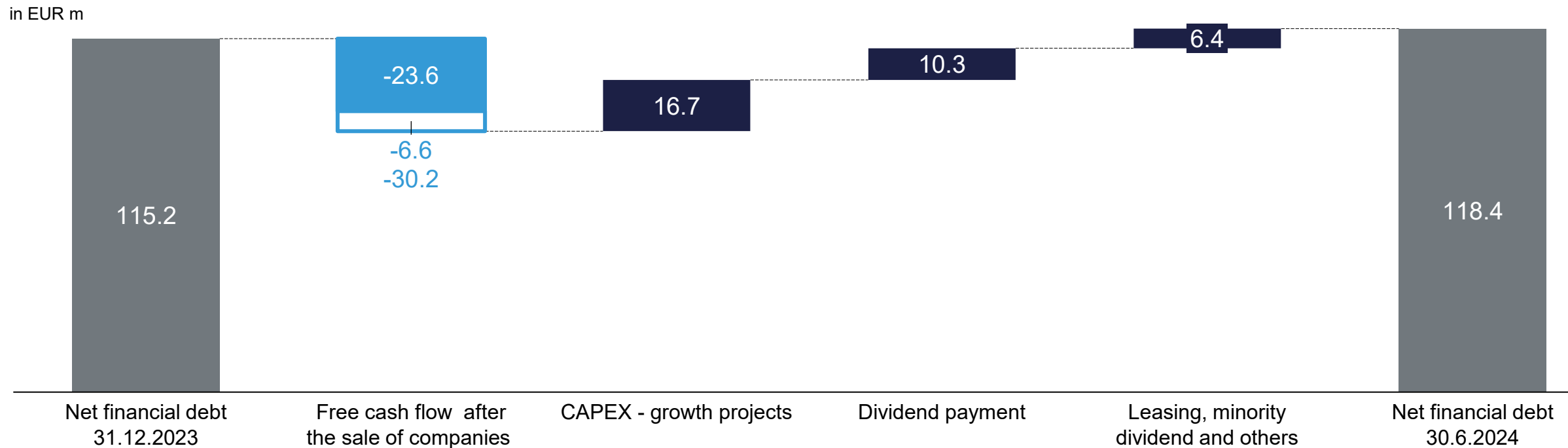
● Trade Working Capital in % of LTM revenues;

<sup>1</sup> Since 30 September 2023 including Rico, as of 31 March 2024 excluding Surgical Operations



## Free cash flow, CAPEX and net financial debt

- Free cash flow significantly increased to EUR 23.6m (H1'23: EUR 1.8m)
- Total CAPEX increased to EUR 38.1m (from EUR 21.9m in H1'23) – with growth CAPEX at EUR 16.7m
- Net financial debt / EBITDA multiple stable at very solid 1.6x
- EUR 100m unused credit facility

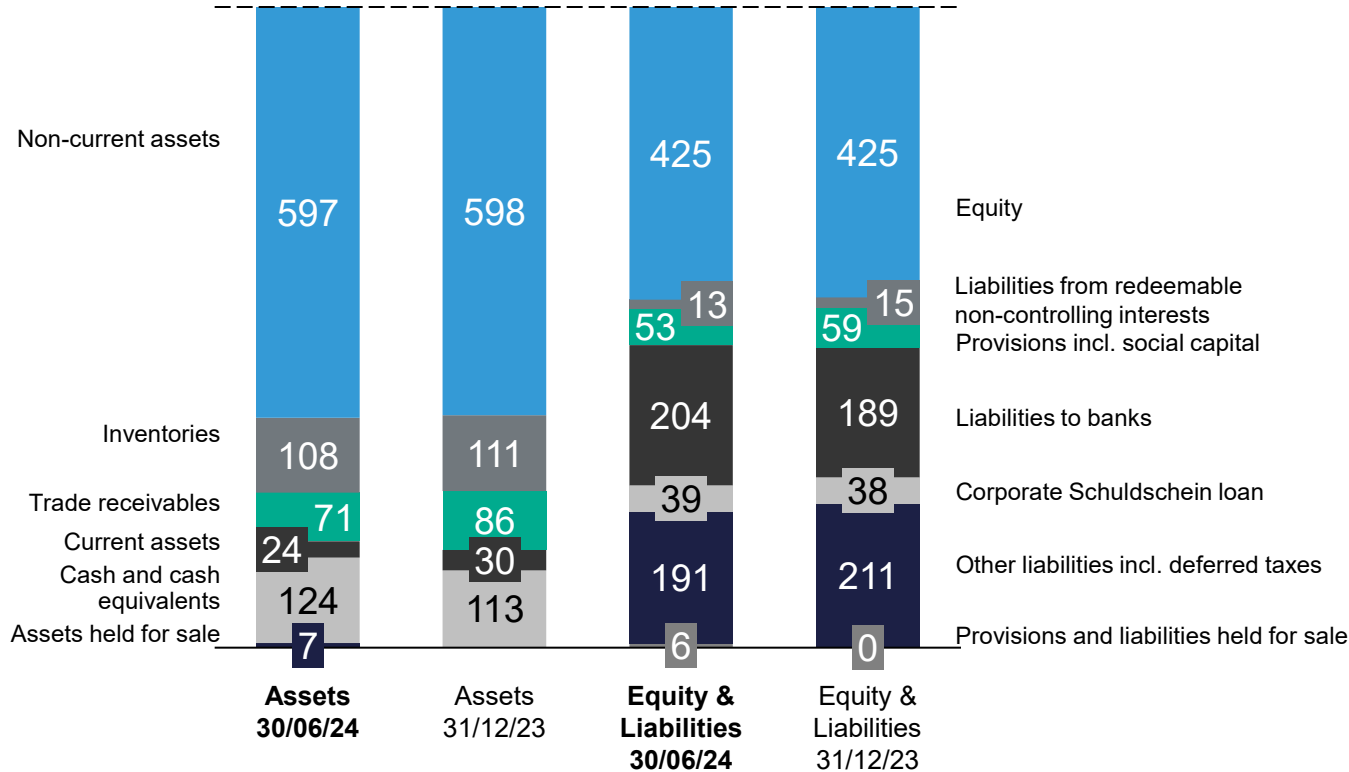




# Robust balance sheet structure and financial profile

## Balance sheet structure

**Balance sheet 30/06/2024: EUR 930m**  
 Balance sheet 31/12/2023: EUR 938m



## Financial profile as of 30 June 2024

- **Cash and cash equivalents** at EUR 124.0m
- **Financial liabilities** at EUR 242.4m, increase (6%) due to financing of capacity expansion in Odry (DH5) – as of July 30, early repayment of EUR 10m
- **Net financial debt** at EUR 118.4m after EUR 115.2m at YE'23
- **Equity ratio** of 45.7% (YE'23: 45.3 %)
- **Dividend of EUR 0.50 per share paid** on April 30



# Capital allocation and usage of cash

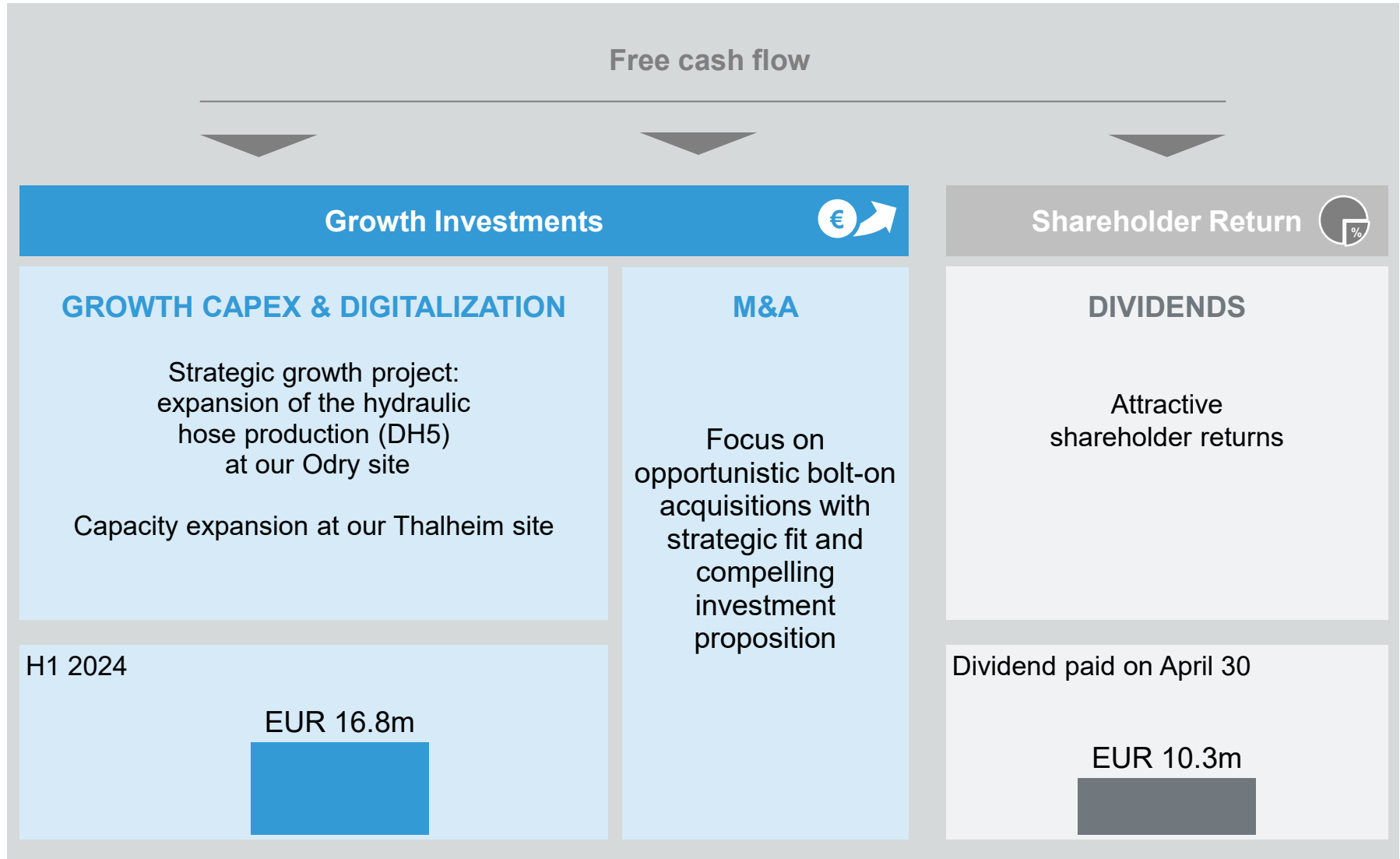
## Normal Investments

**MAINTENANCE CAPEX**

Commitment to maintaining and enhancing our industrial base and safety of our workforce

H1 2024

EUR 21.3m







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- Current cyclical downturn impacts commodity business (SIA) more due to weak construction and yellow goods industries (construction and agriculture)
- Diversified markets with different dynamics for SEA – thus more resilient and stable with focus on technology and industrial solutions (e.g. mountain applications, mobility, healthcare) despite partially renewed price pressure
- Challenging market conditions continue into 2025



- Relentless pursuit of industrial strategy with profitable growth, customer intimacy and technological leadership
- Distinctive industrial focus on two competitive business models
- Managing the downturn through costs, share-of-wallet gains and capacity adjustments
- Complexity reduction, lean management and operational efficiency



Unchanged

**2024: EBITDA** expected at  
**~EUR 80m**

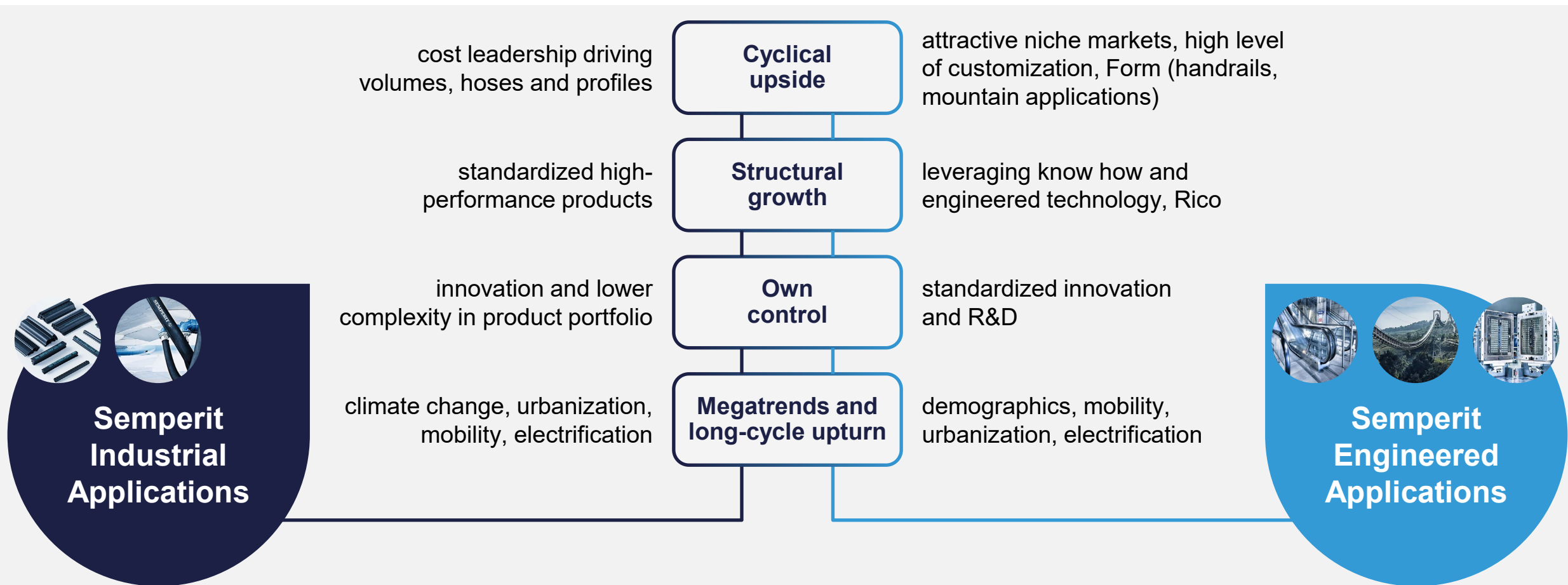
**2024: CAPEX** expected at  
**~EUR 70m**

40% growth – 60% maintenance and small growth projects



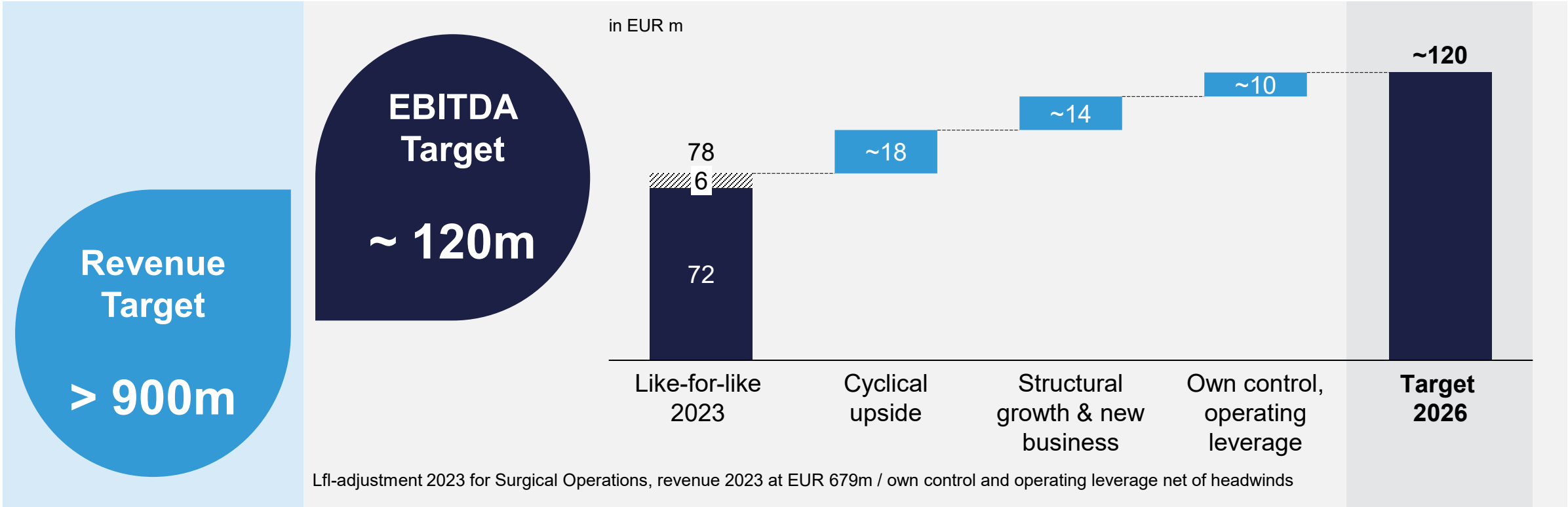
# Mid-term Targets for 2026 – Outperforming the Market

Committed to strong organic growth, operating leverage and cost optimization





# Financial targets for 2026 – continuation of profitable growth



## UNDERLYING ASSUMPTIONS

- GDP growth at ~2.6% p.a. until 2026
- Inflation to normalize at ~2.5% until 2026
- Cyclical upside based on assumption of recovery of building industry, construction and agricultural machinery, among others
- No further escalation of geopolitical conflicts, trade sanctions



## Five reasons to invest in Semperit

- ▲ 1 Leading global market position in elastomer applications with strong industrial base
- ▲ 2 Relentless focus on innovation and technology,
- ▲ 3 Resilient business model driven by operating leverage and cost leadership
- ▲ 4 Strong balance sheet and cash generation capacity
- ▲ 5 Value play with recalibrated global platform for future growth



## Contact and financial calendar

### Investor Relations Semperit

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1100 Vienna, Austria

### Financial Calendar 2024

**13.08.2024**

**07.11.2024**

Half-year financial report 2024

Report on 1-9 2024

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# Divisions & Group:

in EUR m

## INDUSTRIAL APPLICATIONS (SIA)

## ENGINEERED APPLICATIONS (SEA)

## SEMPERIT GROUP

	H1 2024	H1 2023	%	H1 2024	H1 2023	%	H1 2024	H1 2023	%
<b>Revenue</b>	<b>152.8</b>	192.3	-20.6%	<b>192.8</b>	163.4	18.0%	<b>345.5</b>	355.7	-2.9%
<b>EBITDA</b>	<b>31.0</b>	35.3	-12.1%	<b>26.7</b>	28.9	-7.6%	<b>47.3</b>	43.8	7.9%
EBITDA margin	<b>20.3%</b>	18.3%	+2.0 PP	<b>13.9%</b>	17.7%	-3.8 PP	<b>13.7%</b>	12.3%	+1.4 PP
<b>EBIT</b>	<b>21.7</b>	26.4	-18.0%	<b>13.2</b>	23.9	-44.6%	<b>23.7</b>	29.1	-18.6%
EBIT margin	<b>14.2%</b>	13.7%	+0.5 PP	<b>6.9%</b>	14.6%	-7.8 PP	<b>6.9%</b>	8.2%	-1.3 PP
Earnings after taxes from continued operations	-	-	-	-	-	-	<b>9.5</b>	18.6	-48.9%
Earnings after taxes from discontinued operations	-	-	-	-	-	-	<b>0.1</b>	-14.7	n/a
<b>Earnings after tax</b>	-	-	-	-	-	-	<b>9.6</b>	3.9	>100%
Earnings after tax adjusted	-	-	-	-	-	-	<b>9.5</b>	18.6	-48.9%
<b>Earnings per share in EUR</b>	-	-	-	-	-	-	<b>0.46</b>	0.92	-49.4%
<b>Additions in tangible and intangible assets</b>	<b>19.9</b>	8.2	n/a	<b>9.9</b>	3.7	n/a	<b>30.5</b>	13.5	n/a



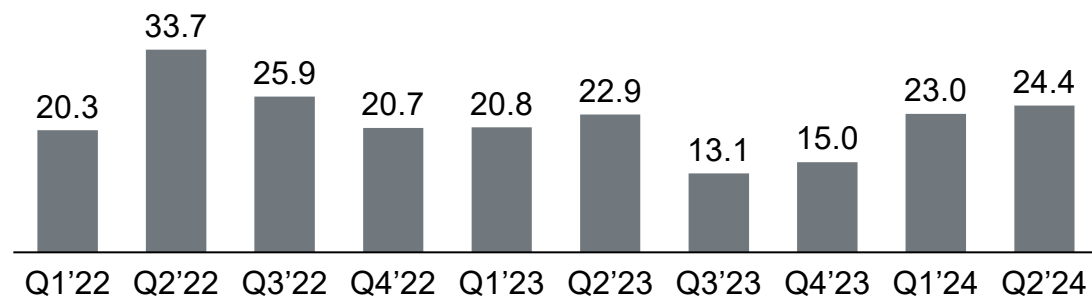
# Semperit Group (continued operations)

in EUR m

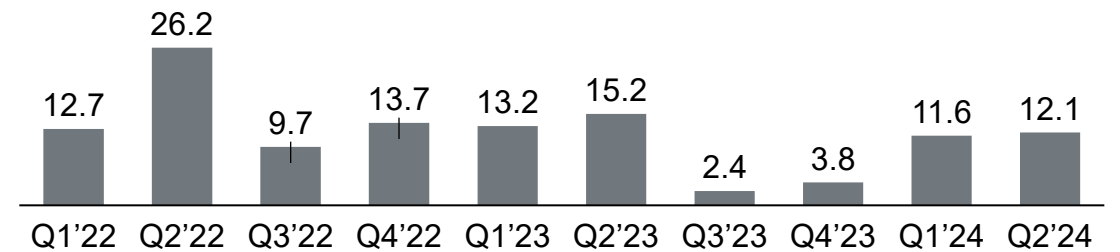
## SEMPERIT GROUP

	FY 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024
<b>Revenue</b>	<b>601.8</b>	181.5	213.3	198.6	186.4	<b>779.8</b>	185.2	189.0	173.4	173.4	<b>721.1</b>	176.0	169.5
<b>EBITDA</b>	<b>54.0</b>	20.3	33.7	25.9	20.7	<b>100.5</b>	20.8	22.9	13.1	15.0	<b>71.8</b>	23.0	24.4
EBITDA margin	<b>9.0%</b>	11.2%	15.8%	13.0%	11.1%	<b>12.9%</b>	11.2%	12.1%	7.5%	8.7%	<b>10.0%</b>	13.0%	14.4%
<b>EBIT</b>	<b>25.2</b>	12.7	26.2	9.7	13.7	<b>62.1</b>	13.2	15.2	2.4	3.8	<b>34.6</b>	11.6	12.1
EBIT margin	<b>4.2%</b>	7.0%	12.3%	4.9%	7.3%	<b>8.0%</b>	7.1%	8.1%	1.4%	2.2%	<b>4.8%</b>	6.6%	7.2%

### EBITDA



### EBIT



2021-2023 relate to historic numbers, thus include results of Surgical Operations.



# Semperit Industrial Applications, Semperit Engineered Applications & Corporate

in EUR m

## SEMPERIT INDUSTRIAL APPLICATIONS (SIA)

	FY 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024
Revenue	341.9	111.1	126.4	111.6	101.1	450.2	99.4	93.0	72.2	66.2	330.8	74.5	78.3
EBITDA	59.2	21.3	30.2	24.0	12.6	88.0	17.5	17.8	7.4	4.2	46.9	13.8	17.2
EBITDA margin	17.3%	19.1%	23.9%	21.5%	12.5%	19.6%	17.6%	19.2%	10.2%	6.3%	14.2%	18.5%	21.9%
EBIT	42.1	16.6	25.7	17.4	8.1	67.9	12.9	13.5	3.1	0.2	29.7	9.4	12.3
EBIT margin	12.3%	14.9%	20.4%	15.6%	8.0%	15.1%	13.0%	14.5%	4.3%	0.3%	9.0%	12.6%	15.7%

## SEMPERIT ENGINEERED APPLICATIONS (SEA)

	FY 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024
Revenue	214.1	59.8	75.0	74.4	74.6	283.8	77.1	86.3	91.5	96.0	351.0	101.5	91.3
EBITDA	22.9	5.2	11.3	8.4	12.2	37.2	13.1	15.8	7.5	14.0	50.5	15.4	11.3
EBITDA margin	10.7%	8.7%	15.1%	11.3%	16.4%	13.1%	17.1%	18.3%	8.2%	14.6%	14.4%	15.2%	12.4%
EBIT	14.7	3.0	9.1	6.1	9.8	28.1	10.7	13.2	1.9	7.5	33.2	8.9	4.4
EBIT margin	6.9%	5.1%	12.2%	8.2%	13.1%	9.9%	13.9%	15.3%	2.0%	7.8%	9.5%	8.7%	4.8%

## CORPORATE

	FY 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024
EBITDA	-21.5	-3.2	-5.1	-2.2	-8.8	-19.4	-7.3	-8.6	-1.7	-3.3	-21.0	-4.9	-7.7
EBIT	-22.7	-3.5	-5.4	-2.5	-9.2	-20.6	-7.7	-9.0	-2.1	-3.6	-22.4	-5.2	-8.4



# Key figures 2012-2023

in EUR m

## KEY PERFORMANCE FIGURES

	2012	2013	2014 <sup>1</sup>	2015 <sup>1</sup>	2016 adj. <sup>2</sup>	2017 adj. <sup>3</sup>	2018 adj. <sup>4</sup>	2019 adj. <sup>5</sup>	2020 adj. <sup>6</sup>	2021 <sup>7</sup>	2022 adj. <sup>7</sup>	2023 adj. <sup>8</sup>
<b>Revenue</b>	828.6	906.3	858.3	914.7	852.4	874.2	875.5	840.6	927.5	601.8	779.8	721.1
<b>EBITDA</b>	108.7	132.5	101.9	96.2	74.7	35.8	50.3	63.8	208.6	54.0	95.8	81.7
EBITDA margin	13.1%	14.6%	11.9%	10.5%	8.8%	4.1%	5.7%	7.6%	22.5%	9.0%	12.3%	11.3%
<b>EBIT</b>	72.5	87.8	63.8	66.7	41.1	-0.8	15.4	28.2	171.4	25.2	65.4	44.5
EBIT margin	8.8%	9.7%	7.4%	7.3%	4.8%	-0.1%	1.7%	3.6%	18.5%	4.2%	8.4%	6.2%
<b>Earnings after tax</b>	46.1	54.9	37.8	46.4	15.2	-473.9	-17.3	-0.2	121.9	3.6	10.9	-8.1
<b>EPS, in EUR</b>	2.25	2.65	1.85	2.26	0.74	-2.08	-1.06	-0.33	5.53	10.8	-0.27	-0.82
<b>Gross cash flow</b>	85.6	116.2	89.9	55.7	48.1	32.2	37.4	46.7	193.7	323.4	30.5	24.4
<b>Return on equity</b>	11.4%	13.3%	8.6%	12.8%	4.6%	-15.8%	-4.2%	-16.3%	58.0%	45.7%	-1.1%	-4.0%

## BALANCE SHEET KEY FIGURES

	2012	2013	2014 <sup>2</sup>	2015 <sup>2</sup>	2016	2017	2018	2019	2020	2021 <sup>7</sup>	2022 <sup>7</sup>	2023 <sup>8</sup>
<b>Balance sheet total</b>	824.5	852.1	826.3	937.8	1,034.5	853.2	768.8	701.8	764.4	958.6	842.9	937.9
<b>Equity</b>	406.2	411.5	443.8	363.3	329.3	278.5	329.5	237.4	332.3	540.1	518.2	425.3
<b>Equity ratio</b>	49.3%	48.3%	53.7%	38.7%	31.8%	32.6%	42.9%	39.0%	43.5%	56.3%	61.5%	45.3%
<b>Investments in tangible and intangible assets</b>	41.2	49.7	67.4	71.8	65.1	74.5	80.8	31.9	26.4	34.6	37.6	277.0
<b>Employees, at balance sheet date, FTEs</b>	9,577	10,276	6,888	7,053	6,974	6,838	6,773	6,902	6,943	n.a.	4,269	4,576

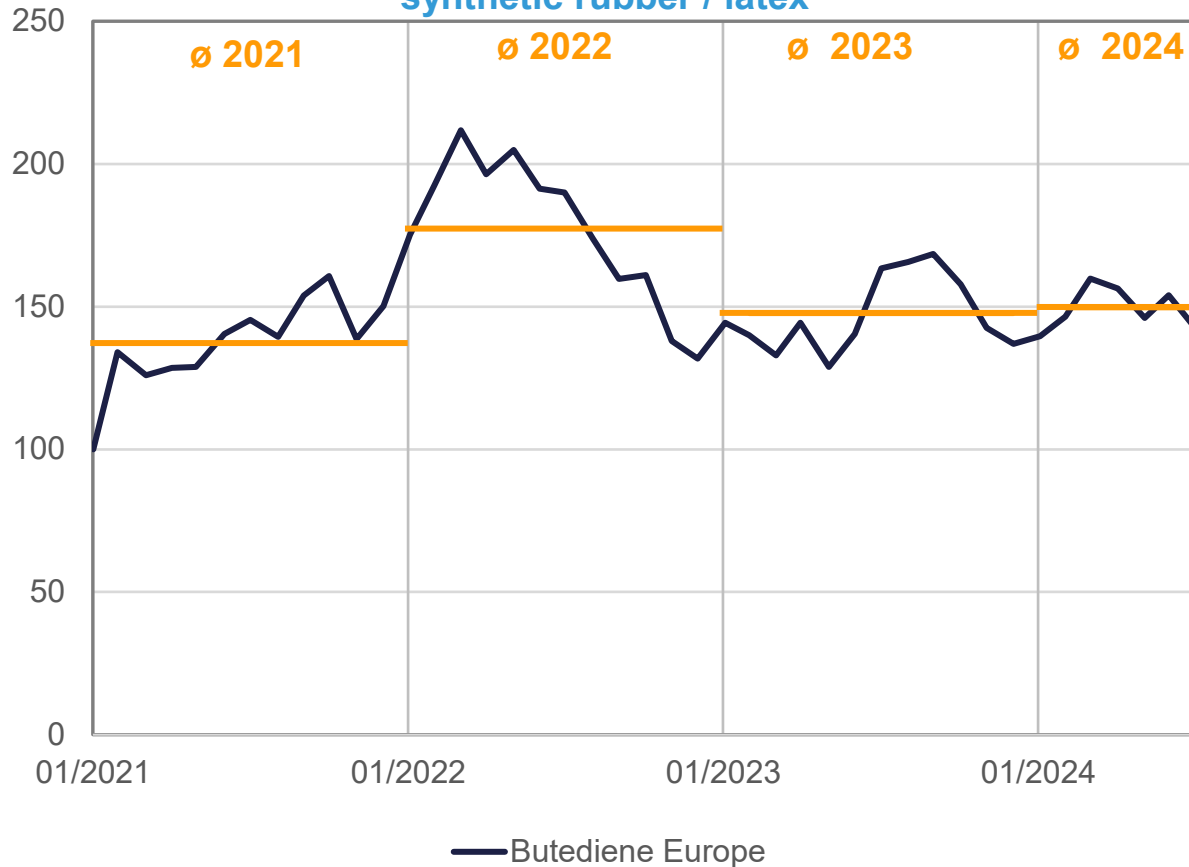
<sup>1</sup> 2014 & 2015 restated. <sup>2</sup> 2016 without profit contribution from SSC / Thai glove JV, impairment Sempermed and trade tax / levies in Brazil. <sup>3</sup> 2017 adjusted for positive one-off effects from JV transaction of EUR 85m (EUR 65m for net profit) and negative one-off effects from impairment at Sempermed (EUR 26m adj. EBIT, EAT only), from restructuring expenses in France (EUR 11m), valuation adjustment in IT (EUR 4m EBITDA, EUR 3m EBIT) & expenses resulting from tax audit in Austria (EUR 5m, mainly for refund of energy supply charge). <sup>4</sup> 2018 adjusted for negative one-off effects from closure of Sempertrans site in China (EUR 4m for EBITDA, EUR 8m for EBIT and EAT) and for impairment of Sempermed of EUR 55m (adj. for EBIT and EAT only). <sup>5</sup> FY 2019 adjusted for positive one-off effects of EUR 4m (EBITDA, EBIT, EAT) due to release of provision in Sempermed for Brazilian court case for tax liabilities and for negative one-off effects of EUR 48.8m from impairment at Sempermed from impairment of Sempermed (adj. for EBIT and EAT). <sup>6</sup> 2020 adjusted for the positive one-off effect from the reversal of impairment in the Sempermed segment (EBIT effect: +86.2m EUR; earnings after tax effect: EUR +88.8m) and for the negative one-off effect of the impairment in the Sempertrans segment (EBIT effect EUR -19.8m; earnings after taxes effect: EUR -16.1m) <sup>7</sup> Numbers in 2021 and 2022 refer to new Group-structure, i.e reflect the sale of Sempermed; 2022 adjusted for the one-off effect of the net proceeds from the property sale in France (2022: EBITDA, EBIT: EUR 4.7m; EAT: EUR 4.0m), for net impairments (2022: EBIT: EUR -7.9m; EAT: EUR -12.3m) and for the transaction costs (2022: EAT: EUR -8.2m). <sup>8</sup> 2023 adjusted for one-off severance payments for changes to the Executive Board and for reductions in headcount (2023: EBITDA, EBIT: EUR -2.2m; EAT: EUR -2.1m), one-off effects from the sale of the medical business (2023: EBITDA, EBIT: EUR -1.3m; EAT: EUR -1.3m), transaction costs for Rico (2023: EBITDA, EBIT: EUR -3.3m, EAT: EUR -3.2m) and from profits of the Rico Group anticipated in the purchase price allocation (2023: EBITDA, EBIT: EUR -3.0m; EAT: EUR -2.3m).



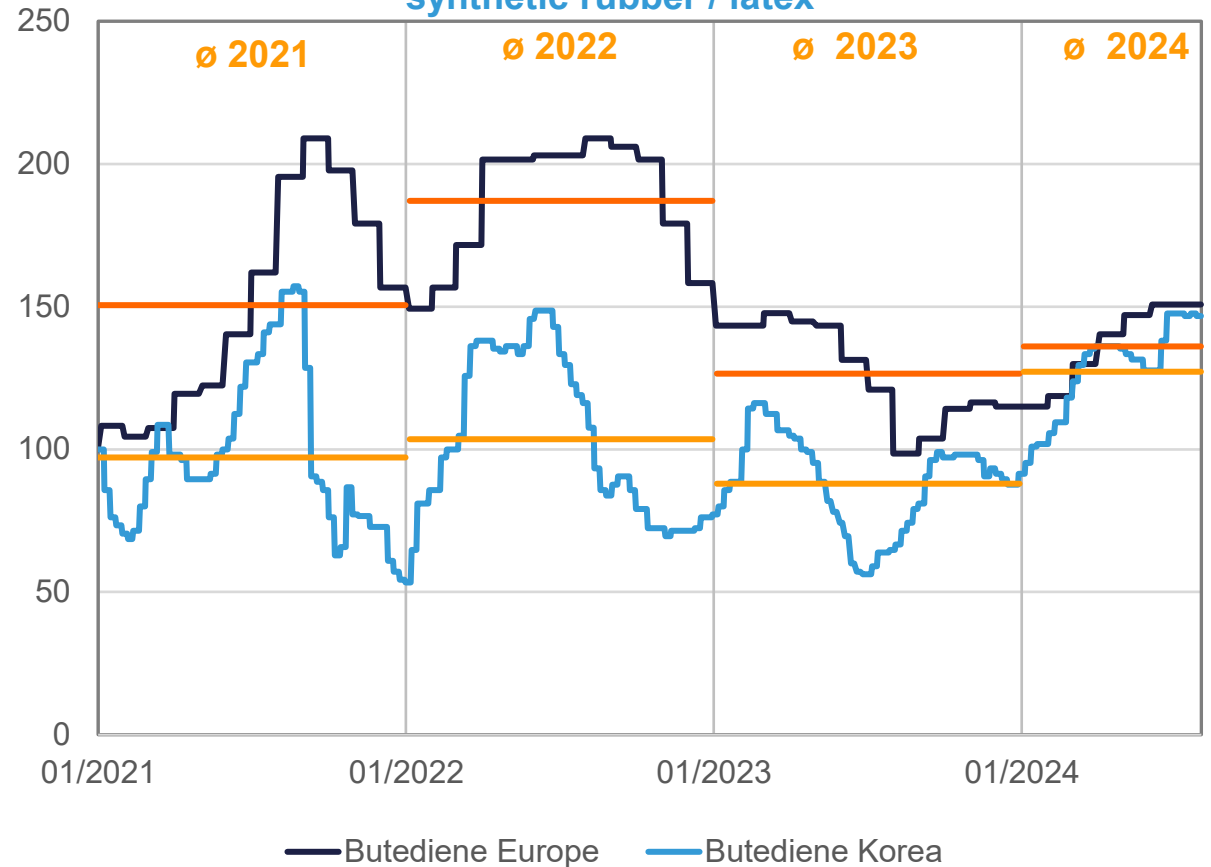
# Overview price indices LFO-F-NEW / Butadiene

Significant increase for raw material<sup>1</sup> used in industrial segments

Price indices Butadiene as main raw material for synthetic rubber / latex



Price indices Butadiene as main raw material for synthetic rubber / latex



<sup>1</sup> Selected raw materials are shown for illustration purposes only. Indices based on 01/01/2021 = 100.0



# ESG targets in line with new Group structure

**ESG Ratings:** EcoVadis platinum award for **second year** in a row

**CDP -Climate Change improved** to C (after C-), first rating for Forest (C)

**Diversity & Inclusion (D&I) as focus point** introduced while also applying new targets

More **ambitious goal** set **for supply chains** to expand positive impact on Semperit's total sustainability footprint

## Energy<sup>1,2</sup>:

**5%** reduction by 2030



## Waste<sup>2</sup>:

**7%** reduction by 2030



## Emissions<sup>2</sup>:

**10%** reduction by 2030



## Incidence rate<sup>1,2</sup>:

**8%** reduction year over year



## D&I Gender:

**0.5%** overall female increase  
**1%** female leadership increase  
**1%** higher senior leadership (annual change in each case)



## Supply chain<sup>1</sup>:

**75%** of total spend to be covered by EcoVadis by 2030



1 Part of the ESG-based financing as of 31.8.2023

2 Baseline 2023, including Rico and Surgical