

# REPORT ON THE THIRD QUARTER 2023



## Key performance figures

in EUR million	1-9 2023	Change	1-9 2022	Q3 2023	Change	Q3 2022	2022
Revenue	547.6	-7.7%	593.4	173.4	-12.7%	198.6	779.8
EBITDA	56.8	-28.8%	79.8	13.1	-49.5%	25.9	100.5
EBITDA margin	10.4%	-3.1 PP	13.5%	7.5%	-5.5 PP	13.0%	12.9%
EBIT	30.9	-36.3%	48.5	2.4	-74.7%	9.7	62.1
EBIT margin	5.6%	-2.5 PP	8.2%	1.4%	-3.5 PP	4.9%	8.0%
Earnings after taxes	-26.8	-22.7%	-34.6	-30.7	-55.7%	-69.3	-5.6
Earnings per share (EPS) <sup>1</sup> , in EUR	-1.29	-23.5%	-1.68	-1.49	-55.7%	-3.37	-0.27
Gross cash flow	14.8	-66.2%	43.8	8.1	n.a.	-3.2	30.5
Return on equity <sup>2</sup>	-8.5%	+0.9 PP	-9.4%	-14.8%	+13.3 PP	-28.1%	-1.1%

## Balance sheet key figures

in EUR million	30.09.2023	Change	30.09 2022	30.06.2023	Change	30.06.2022	31.12.2022
Total assets	986.2	+17.2%	841.2	801.5	-17.4%	969.9	842.9
Equity	414.5	-15.9%	492.7	486.0	-12.7%	556.4	518.2
Equity ratio	42.0%	-16.5 PP	58.6%	60.6%	+3.3 PP	57.4%	61.5%
Additions to intangible assets and property, plant and equipment	213.1	n.a.	32.4	12.6	-38.1%	20.3	50.1
Employees (at reporting date)	4,594	+6.4%	4,316	4,131	-4.8%	4,338	4,269

## Sector and segment key figures

in EUR million	1-9 2023	Change	1-9 2022	Q3 2023	Change	Q3 2022	2022
<b>Semperit Industrial = SIA + SEA</b>							
Revenue	519.5	-7.0%	558.4	163.8	-12.0%	186.1	734.0
EBITDA	79.1	-21.2%	100.4	14.9	-53.9%	32.4	125.2
EBIT	55.3	-29.2%	78.1	5.0	-78.8%	23.6	95.9
<b>SIA</b>							
Revenue	264.5	-24.2%	349.1	72.2	-35.3%	111.6	450.2
EBITDA	42.7	-43.4%	75.4	7.4	-69.1%	24.0	88.0
EBIT	29.5	-50.6%	59.8	3.1	-82.1%	17.4	67.9
<b>SEA</b>							
Revenue	254.9	+21.8%	209.2	91.5	+23.0%	74.4	283.8
EBITDA	36.4	+46.1%	24.9	7.5	-10.6%	8.4	37.2
EBIT	25.8	+40.9%	18.3	1.9	-69.6%	6.1	28.1

Note: Rounding differences in the totalling of rounded amounts and percentages may arise from the use of automatic data processing.

<sup>1</sup> Earnings per share are only attributable to the core shareholders of Semperit AG Holding.

<sup>2</sup> Based on a full-year projection.

# Foreword of the Executive Board

Dear Shareholders, dear Sir or Madam,

In the first three quarters of 2023, the Semperit Group successfully implemented its planned transformation into an industrial rubber and elastomers specialist.

With the acquisition of the Rico Group as announced in April, we have taken an important growth step and completed the acquisition on 31 July. As a result, we now occupy a leading technological position in liquid silicone and high-end toolmaking and, together with Rico, will exploit the great growth potential for silicone products in Western Europe and the USA.

Exactly one month later, at the end of August, we took the first, largest step towards the sale of our medical business. Our shareholders were able to benefit from this with a special dividend of EUR 3 per share.

As part of our enhanced strategy with a focus on our industrial core business, we streamlined our organisation and introduced a powerful divisional structure based on Semperit's two main business models. The Semperit Industrial Applications (SIA) division concentrates on highly efficient production and cost leadership for industrial applications in connection with large-scale production, while the innovation- and technology-driven Semperit Engineered Applications (SEA) division focuses on customised solutions and attractive niche markets. The new set-up enables us to optimise the scaling of our business for future profitable growth.

Based on the sale of the medical business and our purely industrial focus, we have adapted our ESG goals to the new structure and our environmental activities continue to focus on reducing energy, waste and CO<sub>2</sub> emissions at all our sites. We are also prioritising the continuous improvement of our key figures in health protection and occupational safety. In addition, we are placing a new focus on diversity and inclusion, with specific goals for increasing the proportion of women in management positions. We will also take an even more ambitious approach to screening our supply chain. Against this background, we are particularly pleased that the Semperit Group recently received the highest platinum award from EcoVadis for its sustainability performance, placing it in the top one per cent of more than 100,000 companies assessed worldwide.

## Economic headwind

As expected, the Semperit Group's business performance in the first three quarters of 2023 was characterised by a challenging market environment, in which we showed a solid performance and generated revenue of EUR 547.6 million (-7.7%) in continued operations. While Industrial Applications was confronted with the general economic slowdown and continued reduction of inventories by customers, the Engineered Applications division benefited above all from continued strong demand for conveyor belts and speciality products in the Form business unit.

In anticipation of these developments, we took early countermeasures in the form of cost reductions and further intensified them in the middle of the year as a result of the downsizing of the Group following the sale of the medical business. Continued operations generated EBITDA of EUR 56.8 million (-28.8%) and earnings after tax of EUR 15.7 million (-48.8%), while the discontinued and now divested Medical Sector reported a significant loss after tax of EUR -42.4 million, as expected. Total earnings after tax thus totalled EUR -26.8 million after EUR -34.6 million in the same period of the previous year.

Looking at the year as a whole, we confirm our guidance that EBITDA from continued operations should be around EUR 70 million.

### Strategic growth initiatives

While we are countering the current economic downturn by cutting costs and increasing efficiency, we are consistently pursuing our strategic initiatives for future profitable growth, such as the construction of a highly automated, additional hydraulic hose production (DH5 project) at our site in Odry in the Czech Republic, which will strengthen our position as one of the global top players for hydraulic hoses, and the current expansions of Rico's production at the headquarters in Thalheim near Wels.

The Executive Board



**Karl Haider**  
CEO



**Helmut Sorger**  
CFO



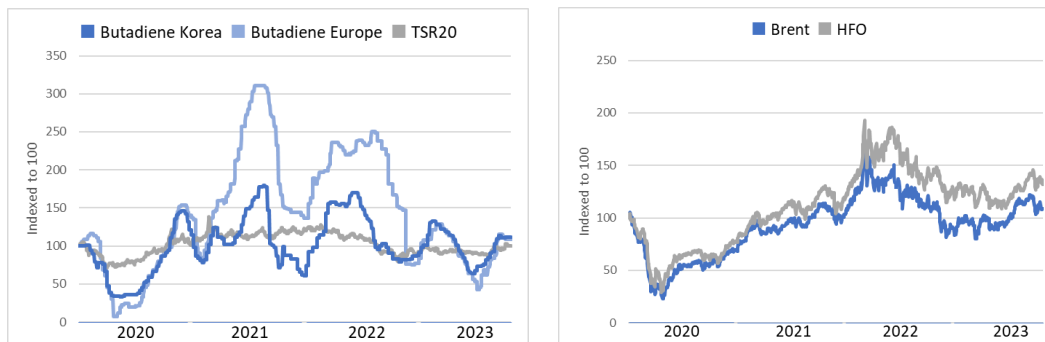
**Gerfried Eder**  
CIO

## Group management report

With effect from 1 July 2023, the planned adjustment of the organisational structure was carried out as part of the further development of the industrial strategy, and the segments of the Industrial Sector existing until then were reorganised in two divisions: The Semperit Industrial Applications (SIA) division focuses on industrial applications through highly efficient production and cost leadership; these includes hydraulic and industrial hoses (the former Semperflex segment) and profiles (formerly part of the Semperseal segment). The Semperit Engineered Applications (SEA) division focuses on customised technical solutions and comprises escalator handrails, cable car rings and other customised elastomer products (the former Semperform segment), including elastomer sheets (formerly part of the Semperseal segment) and conveyor belts (the former Sempertrans segment). The Rico Group has also been part of this division since 1 August 2023.

### Development in the raw material markets

Various raw materials, such as butadiene, carbon black and natural rubber, are important basic components for manufacturing polymer products. Following supply shortages for a number of raw materials and sharp price increases in the first three quarters of 2022 due to the geopolitical environment, the first three quarters of 2023 were characterised by an easing of the situation. The exceptions were carbon black prices, which were mainly impacted by a supply shortage and energy and CO<sub>2</sub> surcharges. The following charts show an overview of the most important raw materials:



Indexed to 1 January 2020; source: Reuters, Refinitiv Eikon;  
 Brent Crude, LCOc1 ICE Europe Brent Crude Electronic Energy Future (USD/bbl)  
 HFO, Heavy Fuel Oil 1% NWE (USD/t)  
 Butadiene, PHAKE00 BD Korea, PHAKG00 BD Europe (USD/t)  
 Technically Specified Rubber, TSR20 SICOM (Us\$/kg)

Crude oil is an important starting material for synthetic rubber feedstocks such as butadiene, but also for carbon black. In parallel with the decline in crude oil prices, average prices for the basic raw material butadiene, which is relevant for both divisions, were lower in the first nine months of the year than in the same period of the previous year in both Asia (by around 20%) and Europe (by around 30%). This was also reflected in the price development for butadiene derivatives.

In the past, prices for carbon black, a filler used in both divisions, have generally correlated strongly with the development of heavy fuel oil (HFO), which was 22% cheaper on average in the first nine months of 2023 than in the same period of the previous year. However, there has been a decoupling, as the Russia-Ukraine conflict and energy and CO<sub>2</sub> surcharges have had a significant impact in the past 18 months. Overall, carbon black prices were therefore significantly higher in the current 2023 reporting period than in the previous year.

Natural rubber, which is particularly relevant for the Belting business, was traded on the commodity exchanges in Asia at around 17% lower prices in the first nine months of 2023 compared to the same period of the previous year.

The price for iron ore, which is used in wire rod, was 9% lower than in previous year's level, but still 5% above the five-year average.

## Revenue and earnings performance

### Key figures Semperit Group

in EUR million	1-9 2023	Change	1-9 2022	2022
Revenue	547.6	-7.7%	593.4	779.8
EBITDA	56.8	-28.8%	79.8	100.5
EBITDA margin	10.4%	-3.1 PP	13.5%	12.9%
EBIT	30.9	-36.3%	48.5	62.1
EBIT margin	5.6%	-2.5 PP	8.2%	8.0%
Earnings after taxes from continued operations	15.7	-48.8%	30.7	38.4
Earnings after taxes from discontinued operations	-42.4	-35.0%	-65.3	-44.0
Earnings after taxes	-26.8	-22.7%	-34.6	-5.6
Additions to intangible assets and property, plant and equipment	213.1	n/a	32.4	50.1
Employees (at reporting date)	4,594	+6.4%	4,316	4,269

In the first nine months of the year, the Semperit Group held its ground solidly in a challenging market environment characterised by high inflation and a weak economy. Revenue of EUR 547.6 million was generated, which was -7.7% below the comparable figure for the previous year. Positive price effects could not compensate for lower sales volumes, as customers reduced their inventories and were more cautious in placing orders due to the economic situation – especially in the Semperit Industrial Applications division. Cost-cutting programmes were introduced in anticipation of this development. EBITDA from continued operations totalled EUR 56.8 million (1-9 2022: EUR 79.8 million), including one-time expenses for the acquisition of around EUR 6.6 million from the transaction costs for the acquisition of the Rico Group, from profits recognised in advance in the purchase price allocation as well as severance payments for changes to the Executive Board and in connection with a reduction in headcount. Earnings after tax from continued operations were positive at EUR 15.7 million, while earnings from the discontinued Sempermed division were negative as expected. Total earnings after taxes thus totalled EUR -26.8 million.

In the first nine months of 2023, the continued operations of the Semperit Group recorded revenue of EUR 547.6 million (-7.7%). The two divisions, in which the former Industrial Sector has been reorganised, developed differently. While the difficult economic market environment resulted in a decline in revenue of -24.2% to EUR 264.5 million in the Semperit Industrial Applications division (SIA, comprising Hoses and Profiles) in the first three quarters, the Semperit Engineered Applications division (SEA, comprising Form, Belting and Rico) benefited above all from the continued strong special economic situation for mining products and the related demand for conveyor belts as well as the demand for speciality products in the Form business. Revenue in the SEA division thus increased by 21.8% to EUR 254.9 million, of which EUR 16.0 million was attributable to Rico (for the months of August and September 2023 since initial consolidation). In Surgical Operations (production of surgical gloves in Wimpassing including packaging in Sopron), revenue decreased by 25.1% to EUR 31.0 million as expected.

Inventories of own products decreased by EUR 5.7 million in the first nine months of 2023 (1-9 2022: increase by EUR 20.5 million).

Other operating income rose from EUR 1.5 million to EUR 4.3 million, mainly due to income from the sale of emission certificates and from insurance compensation.

Cost of materials (including energy and purchased services) decreased by EUR 64.7 million, or 20.4%, to EUR 253.3 million, primarily as a result of lower production volumes in the SIA division.

Personnel expenses increased to EUR 162.3 million (+9.1%) in the first nine months of 2023, mainly due to inflation-related wage and salary increases, which were partly offset by capacity-related adjustments to the headcount, as well as one-time severance payments in connection with the changes to the Executive Board and the measures currently being implemented to reduce overheads in the personnel area.

At EUR 75.5 million, other operating expenses were +5.5% higher than in the same period of the previous year (1-9 2022: EUR 71.5 million). This is attributable in particular to one-time expenses in connection with the acquisition of the Rico Group (EUR 3.0 million) and a warranty claim for conveyor belts. In addition, there were higher maintenance costs as well as increased travel costs as business travel picked up again after the corona pandemic.

The cost-cutting programmes introduced have already cut down expenses by a total of EUR 2.7 million, of which around 85% was attributable to personnel expenses and the remainder to other operating expenses.

EBITDA in continued operations amounted to EUR 56.8 million (-28.8%), while the EBITDA margin was 10.4% (1-9 2022: 13.5%). Rico's operating contribution to EBITDA totalled around EUR 3.6 million. However, the anticipation of profits from the first two months as part of the purchase price allocation totalling EUR 1.1 million and the transaction costs of EUR 3.0 million initially reduced this contribution to around EUR -0.5 million.

Depreciation and amortisation in continued operations increased to EUR 25.9 million in the first nine months (1-9 2022: EUR 22.8 million), which was primarily due to EUR 3.1 million from the first-time consolidation of the Rico Group. EBIT in continued operations thus amounted to EUR 30.9 million (1-9 2022: EUR 48.5 million).

The financial result improved to EUR -4.8 million (1-9 2022: EUR -6.7 million); this is due to the change in the result attributable to redeemable non-controlling interests – despite higher financing expenses.

Tax expenses amounted to EUR 10.4 million (1-9 2022: EUR 11.1 million). In the first nine months of 2023, the effective tax rate of continued operations was therefore 36.6% compared to 23.7% in the same period of the previous year. The effective tax rate is comparatively high due to the recognition of taxes, including from previous periods, as a result of changes in the Polish corporate income tax regime and the non-recognition of deferred tax assets on tax losses of Group companies in the first nine months of 2023. The effective tax rate refers to income taxes in relation to earnings before taxes less profit or loss attributable to redeemable non-controlling interests.

Earnings after taxes from continued operations were EUR 15.7 million (1-9 2022: EUR 30.7 million). Earnings after tax from discontinued operations amounted to EUR -42.4 million (1-9 2022: EUR -65.3 million). The latter included a reclassification of historical currency translation differences in the amount of EUR -23.5 million due to deconsolidation.

Overall, earnings after taxes (from continued and discontinued operations) were negative at EUR -26.8 million (1-9 2022: EUR -34.6 million). Earnings per share attributable to the shareholders of Semperit AG Holding amounted therefore to EUR -1.29 for the first nine months of 2023 (1-9 2022: EUR -1.68).



**Discontinued operations**

Discontinued operations were deconsolidated as of 31 August 2023 following the (first) closing of the sale of the medical business. Following the pandemic-related special cycle with comparatively high demand and price development, revenue from discontinued operations decreased significantly to EUR 108.4 million in the reporting period (1-9 2022: EUR 271.2 million).

EBITDA amounted to EUR –21.7 million, EBIT to EUR –20.1 million and earnings after taxes from discontinued operations to EUR –42.4 million (1-9 2022: EUR 6.1 million, EUR –57.4 million and EUR –65.2 million, respectively).

## Third quarter of 2023

### Key figures Semperit Group

in EUR million	Q3 2023	Change	Q3 2022
Revenue	173.4	-12.7%	198.6
EBITDA	13.1	-49.5%	25.9
EBITDA margin	7.5%	-5.5 PP	13.0%
EBIT	2.4	-74.7%	9.7
EBIT margin	1.4%	-3.5 PP	4.9%
Earnings after taxes	-2.2	n.a.	3.5
Additions to intangible assets and property, plant and equipment	10.7	-11.6%	12.1
Employees (at reporting date)	4,594	+6.4%	4,316

The Semperit Group generated revenue of EUR 173.4 million in Q3 2023 (-12.7% below the previous year's figure). EUR 16.0 million of this is attributable to the first-time consolidation of the Rico Group (for the months of August and September 2023 since the initial consolidation). The Semperit Industrial Applications division recorded a market- and demand-related decline in revenue of -35.3% to EUR 72.2 million, while the Semperit Engineered Applications division achieved growth of 23.0% to EUR 91.5 million, primarily as a result of the Rico consolidation. The Surgical Operations switched to contract manufacturing agreed with the buyer of the glove business at the beginning of September. As expected, EBITDA from deliveries based on the contract manufacturing agreement was almost balanced for September 2023.

Cost of materials decreased by 31.3% to EUR 72.5 million in Q3 2023 compared to the same period of the previous year. The change was largely due to lower production volumes in the SIA division.

Personnel expenses increased by 15.8% to EUR 54.7 million compared to the same period of the previous year. This is primarily a result of one-time severance payments in connection with the personnel savings currently being implemented and the initial consolidation of the Rico Group.

Other operating expenses increased slightly to EUR 25.4 million in Q3 2023 (Q3 2022: EUR 24.5 million). Higher warranty, maintenance and travel expenses were partially offset by lower freight costs and cost savings.

EBITDA thus amounted to EUR 13.1 million in the third quarter of 2023 (Q3 2022: EUR 25.9 million).

### Dividend

At the 134th Annual General Meeting on 25 April 2023, the shareholders approved the dividend proposal of Semperit AG Holding and resolved to distribute a basic dividend of EUR 1.50 per share plus a conditional additional dividend of EUR 3.00 per share for the 2022 financial year. The payment of the basic dividend was already completed in May. The additional dividend was also paid out on 14 September 2023 following the fulfilment of the conditions precedent in connection with the (first) closing of the sale of the medical business.

## Assets and financial position

### Balance sheet

The development of the balance sheet structure as of 30 September 2023 can be summarized as follows:

in EUR million	30.09.2023	Share	31.12.2022	Share	Change
Non-current assets	570.0	58%	316.6	38%	+80.0%
Current assets	416.3	42%	338.4	40%	+23.0%
Assets held for sale	0.0	0%	187.9	22%	-100.0%
<b>ASSETS</b>	<b>986.2</b>	<b>100%</b>	<b>842.9</b>	<b>100%</b>	<b>+17.0%</b>
Equity <sup>1</sup>	414.5	42%	519.1	62%	-20.1%
Non-current provisions and liabilities	379.1	38%	115.9	14%	n.a.
Current provisions and liabilities	188.5	19%	161.0	19%	+17.1%
Provisions and liabilities held for sale	4.1	0%	46.9	6%	-91.3%
<b>EQUITY AND LIABILITIES</b>	<b>986.2</b>	<b>100%</b>	<b>842.9</b>	<b>100%</b>	<b>+17.0%</b>

<sup>1</sup> incl. non-controlling interests

The balance sheet as of 30 September 2023 is influenced by the first-time consolidation of the Rico Group. Non-current assets increased by 80% to EUR 570.0 million, which was primarily driven by additions to non-current assets totalling EUR 270.8 million, of which EUR 242.0 million was attributable to the first-time consolidation of Rico. The additions to intangible assets included in this figure (including goodwill of EUR 44.0 million) amounted to EUR 105.1 million in total. Scheduled depreciation and amortisation amounted to EUR 25.9 million.

Current assets increased by +23.0% or EUR 77.9 million to EUR 416.3 million compared to 31 December 2022. This is primarily due to an increase in cash and cash equivalents of EUR 53.2 million to EUR 159.8 million following the sale of Sempermed and the payment of the additional dividend. Inventories decreased by EUR 6.3 million to EUR 121.9 million, while trade receivables increased by EUR 12.0 million to EUR 100.8 million and other assets by EUR 17.9 million to EUR 29.2 million.

Equity primarily reflects the dividend payments made in May and September amounting to EUR 92.6 million.

The increase in non-current liabilities and provisions resulted primarily from a EUR 201.3 million increase in liabilities to banks for the expansion investment in the Czech Republic (DH5) and the acquisition of the Rico Group. In addition, as a result of the acquisition of the Rico Group, non-current other financial liabilities also increased by the lease liabilities of the Rico Group and the present value of the deferred purchase price amounting to EUR 3.8 million.

Current liabilities and provisions increased by EUR 27.5 million or 17.1% to EUR 188.5 million, which is primarily a consequence of the first-time consolidation of the Rico Group: The remaining amount of the non-deferred expected purchase price of EUR 17.8 million was recognised here, as were the contract liabilities of the Rico Group. In addition, one-time severance payments and deferrals for service leave recognised as liabilities led to an increase in current liabilities and provisions, as did a repayment amount of EUR 2.4 million resulting from the expected final purchase price calculation in connection with the (first) closing of the sale of the medical business.

As of 30 September 2023, the Semperit Group exhibited a net debt of EUR 98.5 million, as financial liabilities (EUR 258.3 million) exceeded cash and cash equivalents (EUR 159.8 million) (31 December 2022: net cash surplus of EUR 54.2 million).

New bank financing – totalling up to EUR 360 million – was concluded with effect from 31 March 2023. A financing agreement totalling EUR 250 million consists of a loan of up to EUR 150 million and a framework credit line of EUR 100 million. In this financing agreement, Semperit AG Holding has committed itself to compliance with three ESG key figures, which are also part of the sustainability strategy. This financing is provided by a group of six Austrian and international banks and replaces an earlier framework credit line amounting to EUR 75 million. In July 2023, the loan amounting to EUR 150 million was drawn for the completion of the acquisition of the Rico Group. The second agreement amounting to EUR 110 million was concluded particularly for the expansion investment at the Odry site. Of this amount, EUR 15 million was drawn during the reporting period.

### Cash flow

The cash flow statement is prepared jointly for the continued and discontinued operations; no distinction is made between the cash flows of the individual business units. The cash flows from operating, investing and financing activities of the discontinued operation are disclosed in the notes.

The development of the liquidity situation in the first nine months of 2023 can be summarised as follows:

in EUR million	1-9 2023	Change	1-9 2022
Cash flow from operating activities	41.7	n.a.	20.2
Cash flow from investing activities	-93.2	n.a.	-39.8
Cash flow from financing activities	55.4	n.a.	-80.9
Net increase/decrease in cash and cash equivalents	1.9	n.a.	-91.4
Free cash flow before strategic growth investments	111.0	n.a.	-19.6

In the first nine months of 2023, cash flow from operating activities developed quite positively despite the lower earnings. This was mainly due to a reduction in inventories in the reporting period.

At EUR 38.0 million, cash expenditures in intangible assets and property, plant and equipment in the first nine months of 2023 were below the prior-year level (1-9 2022: EUR 41.8 million). The largest investments were made in the Czech Republic with EUR 16.0 million (1-9 2022: EUR 4.0 million), Austria with EUR 10.6 million (1-9 2022: EUR 11.4 million), Germany with EUR 2.8 million (1-9 2022: EUR 1.8 million) and Poland with EUR 2.8 million (1-9 2022: EUR 2.7 million). The comparative figure for the previous year included investments in Malaysia amounting to EUR 15.2 million.

Cash flow from investing activities amounted to EUR -93.2 million (1-9 2022: EUR -39.8 million) and was particularly influenced by the major corporate transactions (sale of the medical business and acquisition of Rico) in the first nine months of 2023.

Cash flow from financing activities in the first nine months of 2023 included in particular the dividends to the shareholders of Semperit AG Holding in the amount of EUR 92.6 million (1-9 2022: EUR 30.9 million), dividends to redeemable non-controlling interests in subsidiaries in the amount of EUR 6.4 million (1-9 2022: EUR 5.7 million), the repayment of lease liabilities with a volume of EUR 3.2 million (1-9 2022: EUR 2.5 million) and the raising of financial liabilities of EUR 161.0 million.

Free cash flow before strategic growth investments is the net cash flow available for strategic growth investments and servicing equity and debt. In the first nine months of 2023, this amounted to EUR 111.0 million (1-9 2022: EUR –19.6 million), driven primarily by the proceeds from the sale of the medical business, and was used in particular for strategic growth investments in property, plant and equipment totalling EUR 17.5 million (expansion investments for the DH5 plant in Odry and the Rico plant expansion in Thalheim), the acquisition of the Rico Group and the payment of dividends.

## Performance of divisions

### Semperit Industrial Applications (SIA) division

#### Key figures Semperit Industrial Applications

in EUR million	1-9 2023	Change	1-9 2022	Q3 2023	Change	Q3 2022	2022
Revenue	264.5	-24.2%	349.1	72.2	-35.3%	111.6	450.2
EBITDA	42.7	-43.4%	75.4	7.4	-69.1%	24.0	88.0
EBITDA margin	16.1%	-5.5 PP	21.6%	10.2%	-11.2 PP	21.5%	19.6%
EBIT	29.5	-50.6%	59.8	3.1	-82.1%	17.4	67.9
EBIT margin	11.2%	-6.0 PP	17.1%	4.3%	-11.3 PP	15.6%	15.1%
Additions to intangible assets and property, plant and equipment	16.0	+35.2%	11.9	7.9	+52.4%	5.2	23.0

- The SIA division's business performance reflects the challenging economic environment. As expected, the effects of the recession have intensified over the course of the year, leading to a significant decline in revenue – mainly due to significantly lower sales volumes – and earnings.
- Demand for hydraulic and industrial hoses as well as order intake were also affected by high inventory levels and ongoing inventory reduction by customers. Ordering behaviour is restrained, and customers are under no pressure to order well in advance due to short delivery times.
- Demand for elastomer and sealing profiles also declined as a result of the weak construction sector.
- The lower order intake led to a persistently declining order book for the first nine months of 2023.
- Adjustments to personnel capacities were initiated at an early stage and have already been implemented for the most part. In addition, further savings were identified as part of an overhead cost project, and implementation has begun. This relates to third-party costs and, above all, further personnel costs.

### Semperit Engineered Applications (SEA) division

#### Key figures Semperit Engineered Applications

in EUR million	1-9 2023	Change	1-9 2022	Q3 2023	Change	Q3 2022	2022
Revenue	254.9	+21.8%	209.2	91.5	+23.0%	74.4	283.8
EBITDA	36.4	+46.1%	24.9	7.5	-10.6%	8.4	37.2
EBITDA margin	14.3%	+2.4 PP	11.9%	8.2%	-3.1 PP	11.3%	13.1%
EBIT	25.8	+40.9%	18.3	1.9	-69.6%	6.1	28.1
EBIT margin	10.1%	+1.4 PP	8.7%	2.0%	-6.2 PP	8.2%	9.9%
Additions to intangible assets and property, plant and equipment	196.0	n.a.	5.5	192.3	n.a.	2.6	9.2

- Business development in the SEA division benefited from the ongoing favourable economic situation for mining products and, as a result, from the high demand for conveyor belts as well as positive deviations compared to the previous year's sales price level. In addition, particularly the figures for the isolated Q3 2023 reflect the first-time consolidation of the Rico Group. The Rico Group's revenue contribution to the Semperit Group's revenue totalled EUR 16.0 million for the months of August and September 2023. Rico's operating contribution to EBITDA amounted to around EUR 3.6 million. However, the anticipation of profits from the first two months as part of the purchase price allocation totalling EUR 1.1 million and the transaction costs of EUR 3.0 million initially reduced this contribution to around EUR –0.5 million.
- Good capacity utilisation and the associated higher operating leverage led to an increase in margins in the first nine quarters of the year.
- Demand in the late-cycle business with conveyor belts (Belting) in the first nine months of 2023 continued to be driven by the positive effects of the favourable price trend for mining products and the resulting high demand for conveyor and transport belts. Order intake continued to develop very well, exceeding the high level of the same period in 2022. As a result, the high order backlog was maintained at a stable level.
- Overall, demand for the individual products of the Form business showed a mixed picture. The railway business remained stable at a high level, while the construction industry and related sectors such as piping, sanitary and household recorded a decline. Overall, incoming orders were just below the previous year's level. Sales volumes were down, but the product mix showed significantly higher margins.
- Demand for the Rico Group's products also varied depending on the product group. While demand from the healthcare and food sectors was stable and strong, and remained at a high level in the mobility sector, the sectors assigned to construction showed significant declines in some cases.

## Surgical Operations

### Key figures Surgical Operations

in EUR million	1-9 2023	Change	1-9 2022	Q3 2023	Change	Q3 2022	2022
Revenue	31.0	-25.1%	41.3	10.1	-33.1%	15.1	54.9
EBITDA	-6.8	n.a.	0.1	-1.9	n.a.	-0.2	-3.3
EBITDA margin	-21.9%	-22.1 PP	0.2%	-19.1%	-17.4 PP	-1.6%	-6.0%
EBIT	-7.3	+2.2%	-7.1	-2.2	-68.4%	-6.9	-9.9
EBIT margin	-23.5%	-6.3 PP	-17.2%	-21.4%	+23.9 PP	-45.3%	-18.0%
Additions to intangible assets and property, plant and equipment	0.8	-53.5%	1.8	0.4	-68.5%	1.1	2.5

Following the first closing of the sale of the medical business at the end of August 2023 (see Note 2), only the time-limited contract production agreed with the buyer (production and packaging of surgical gloves) will be recognised in Surgical Operations in future.



## Employees

As of 30 September 2023, the total number of employees in continued operations was 4,594 (FTE, full-time equivalent), up on the level as of 30 September 2022 (4,316). The number of employees fell to 4,112 by the end of July due to capacity adjustments. The year-on-year increase is therefore due to the first-time consolidation of the Rico Group

## Executive and Supervisory Board matters

At the 134th Annual General Meeting on 25 April 2023, the shareholders elected Thomas Cord Prinzhorn and Marion Weissenberger-Eibl as new members of the Supervisory Board until the end of the Annual General Meeting which resolves on the ratification of actions for the 2025 financial year.

Claus Möhlenkamp and Klaus Erkes were re-elected as Supervisory Board members until the end of the Annual General Meeting which will decide on the discharge for the 2026 financial year.

At the constituent meeting of the Supervisory Board held after the Annual General Meeting, Thomas Cord Prinzhorn was elected Chairman and Stefan Fida Deputy Chairman of the Supervisory Board. Stefan Fida had previously chaired the supervisory body on an interim basis since December 2022.

On 20 June 2023, the Supervisory Board appointed Gerfried Eder as a member of the Executive Board (Chief Industrial Officer), effective as of 1 July 2023. He has worked for Semperit since 2000 and was most recently responsible for the former Semperflex segment (hydraulic and industrial hoses, now part of the SIA division) as Managing Director & Director Sales. Also on 20 June 2023, the Supervisory Board approved the early termination of Kristian Brok's Executive Board contract as of 30 June 2023. Kristian Brok left the company at his own request to pursue a new professional challenge. He had been a member of the Executive Board since January 2020.

In Semperit's new organisational structure, which focuses on two business areas, CEO Karl Haider is responsible for the SEA division and CIO Gerfried Eder for the SIA division. The responsibilities of CFO Helmut Sorger remain largely unchanged.

## Outlook

After a solid performance in continued operations in the first nine months of 2023, the Executive Board of the Semperit Group expects the market environment to remain challenging in the coming months. For the SIA division, no significant recovery in demand is expected in the short term, as the reduction of increased customer inventories will extend into the first half of 2024, as expected, and the leading indicators for the construction industry (e.g., building permits in Germany) continue to decline. For the SEA division, the good demand from the mining industry, healthcare and food sectors as well as the railway sector should continue, while demand for products linked to the construction industry and related sectors will be lower.

In addition, uncertainties due to geopolitical conflicts are still present and may quickly lead to adverse effects on the market environment.

### Guidance confirmed

In anticipation of this development, countermeasures have already been introduced. These include improvements to the product mix, cost reduction programmes and a streamlining of processes, accompanied by an increase in operating efficiency in order to be able to react flexibly to further market fluctuations. Defined and already established measures for savings include a run-rate of more than EUR 10 million. Against this backdrop, the outlook for the 2023 financial year is confirmed, with EBITDA from continued operations expected at the lower end of the original guidance range at around EUR 70 million.

### Note

This outlook is based on the assessments of the Executive Board as of 7 November 2023 and does not take into account the impact of potential acquisitions, divestments, or other unforeseeable structural and economic changes during the remainder of 2023. These assessments are subject to both known and unknown risks and uncertainties, which may result in actual events and outcomes differing from the statements made here.

## Consolidated income statement

in EUR thousand	Note	1-9 2023	1-9 2022 <sup>1</sup>	Q3 2023	Q3 2022 <sup>1</sup>
Revenue	2.2	547,631	593,421	173,401	198,577
Changes in inventories		-5,736	20,544	-9,563	3,591
Own work capitalised		1,751	1,945	644	623
<b>Operating revenue</b>		<b>543,646</b>	<b>615,910</b>	<b>164,483</b>	<b>202,791</b>
Other operating income		4,317	2,243	1,118	413
Cost of material and purchased services	2.3	-253,313	-318,048	-72,485	-105,573
Personnel expenses	2.4	-162,348	-148,749	-54,650	-47,203
Other operating expenses	2.5	-75,485	-71,530	-25,382	-24,531
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>	<b>2.1</b>	<b>56,817</b>	<b>79,825</b>	<b>13,084</b>	<b>25,897</b>
Depreciation and amortisation of intangible assets and property, plant and equipment		-25,943	-22,812	-10,640	-7,697
Impairment of intangible assets and property, plant and equipment		0	-8,545	0	-8,545
<b>Earnings before interest and taxes (EBIT)</b>	<b>2.1</b>	<b>30,874</b>	<b>48,468</b>	<b>2,444</b>	<b>9,656</b>
Finance income		1,260	311	504	170
Finance expenses		-3,808	-2,044	-2,583	-608
Profit / loss attributable to redeemable non-controlling interests		-2,267	-5,053	-664	-1,964
Other financial result		-12	44	313	-119
<b>Financial result</b>		<b>-4,827</b>	<b>-6,742</b>	<b>-2,430</b>	<b>-2,520</b>
<b>Earnings before taxes</b>		<b>26,047</b>	<b>41,726</b>	<b>14</b>	<b>7,135</b>
Income taxes		-10,367	-11,076	-2,235	-3,639
<b>Earnings after taxes from continued operations</b>		<b>15,680</b>	<b>30,650</b>	<b>-2,221</b>	<b>3,497</b>
Earnings after taxes from discontinued operations	2.6	-42,446	-65,266	-28,486	-72,827
<b>Earnings after taxes</b>		<b>-26,766</b>	<b>-34,616</b>	<b>-30,707</b>	<b>-69,330</b>
thereof attributable to the shareholders of Semperit AG Holding – from ordinary shares		-26,500	-34,629	-30,648	-69,261
thereof attributable to non-controlling interests		-266	13	-59	-69
<b>Earnings per share in EUR (basic and diluted)<sup>2</sup></b>		<b>-1.29</b>	<b>-1.68</b>	<b>-1.49</b>	<b>-3.37</b>
of which earnings per share in EUR from continued operations (basic and diluted)		0.76	1.49	-0.11	0.17
of which earnings per share in EUR from discontinued operations (basic and diluted)		-2.05	-3.17	-1.38	-3.54

<sup>1</sup> The comparative figures were adjusted (see section 2.6).

<sup>2</sup> Earnings per share only concern the ordinary shareholders of Semperit AG Holding.

## Consolidated statement of comprehensive income

in EUR thousand	Note	1-9 2023	1-9 2022	Q3 2023	Q3 2022
<b>Earnings after taxes</b>		<b>-26,766</b>	<b>-34,616</b>	<b>-30,707</b>	<b>-69,330</b>
<b>Other comprehensive income that will not be recognised through profit and loss in future periods</b>		<b>0</b>	<b>-286</b>	<b>0</b>	<b>0</b>
Remeasurements of defined benefit plans		0	0	0	0
Income tax thereon		0	-286	0	0
<b>Other comprehensive income that will be recognised through profit and loss in future periods</b>		<b>14,741</b>	<b>18,385</b>	<b>20,278</b>	<b>5,590</b>
Currency translation differences		14,742	18,385	20,279	5,589
thereof reclassification to profit or loss for the period	2.6	23,541	0	23,541	0
<b>Other comprehensive income - total</b>		<b>14,741</b>	<b>18,099</b>	<b>20,278</b>	<b>5,590</b>
<b>Comprehensive income</b>		<b>-12,025</b>	<b>-16,517</b>	<b>-10,429</b>	<b>-63,740</b>
thereof on earnings attributable to the shareholders of Semperit AG Holding – from ordinary shares		-11,055	-16,573	-9,577	-63,740
thereof on earnings attributable to non-controlling interests		-970	55	-852	-1

## Consolidated cash flow statement

in EUR thousand	Note	1-9 2023	1-9 2022 <sup>1</sup>
Earnings before taxes		26,047	41,726
Earnings before taxes from discontinued operations after deduction of transaction costs <sup>2</sup>	2.6	-20,499	-57,650
Depreciation, amortisation, impairment and reversal of impairment of intangible assets and property, plant and equipment		24,373	94,819
Gain / loss from disposal of assets (including current and non-current financial assets)		241	221
Change in non-current provisions		-2,823	-56
Profit / loss attributable to redeemable non-controlling interests		2,267	5,053
Net interest income (including income from securities)		2,334	1,328
Income taxes paid		-16,356	-49,445
Other non-cash income / expense		-791	7,806
<b>Gross cash flow</b>		<b>14,794</b>	<b>43,803</b>
Change in inventories		33,524	-10,189
Change in trade receivables		5,439	-29,403
Change in other receivables and assets		-3,490	8,832
Change in trade payables		-4,368	7,143
Change in other liabilities and current provisions		-4,174	9
<b>Cash flows from operating activities</b>		<b>41,724</b>	<b>20,194</b>
Proceeds from sale of property, plant and equipment		343	537
Purchases of intangible assets and property, plant and equipment		-38,023	-41,761
Interest received		1,405	748
Investment grants received		369	102
Proceeds from the repayment of financial assets		0	1,282
Business acquisitions net of cash acquired	5	-144,889	0
Proceeds from business disposals net of cash disposed of	2.6	87,632	0
Acquisition of financial assets		0	-729
<b>Cash flows from investing activities</b>		<b>-93,163</b>	<b>-39,820</b>
Cash receipts and repayment from non-current financial liabilities	4.1	160,963	0
Repayment of current and non-current financial liabilities		-859	-38,933
Repayment of lease liabilities		-3,239	-2,485
Dividend to shareholders of Semperit AG Holding	3.1	-92,580	-30,860
Dividends to redeemable non-controlling interests in subsidiaries		-6,363	-5,707
Repayment of liabilities from capital repayment to non-controlling interests in subsidiaries		0	-349
Interest paid		-2,568	-2,607
<b>Cash flows from financing activities</b>		<b>55,354</b>	<b>-80,942</b>
Currency translation differences		-2,020	9,145
<b>Net change in cash and cash equivalents</b>		<b>1,895</b>	<b>-91,423</b>
Cash and cash equivalents at the beginning of the period related to continued operations		106,631	109,416
Plus cash and cash equivalents related to discontinued operations		51,274	126,123
<b>Cash and cash equivalents at the beginning of the period (consolidated balance sheet value)</b>		<b>157,906</b>	<b>235,539</b>
Cash and cash equivalents at the end of the period		159,800	144,116
Less cash and cash equivalents related to discontinued operations		0	73,851
<b>Cash and cash equivalents at the end of the period related to continued operations (consolidated balance sheet value)</b>		<b>159,800</b>	<b>70,266</b>

<sup>1</sup> The comparative figures were adjusted (see section 2.6).

## Consolidated balance sheet

in EUR thousand	Note	30.09.2023	31.12.2022
Intangible assets		110,051	6,283
Property, plant and equipment		433,770	293,531
Trade receivables		64	0
Other financial assets		6,119	5,628
Other assets		15,208	5,842
Deferred tax assets		4,754	5,344
<b>Non-current assets</b>		<b>569,965</b>	<b>316,628</b>
Inventories		121,871	128,214
Trade receivables		100,822	88,861
Other financial assets		2,288	2,457
Other assets		29,185	11,241
Current tax receivables		2,306	1,010
Cash and cash equivalents		159,800	106,631
<b>Current assets</b>		<b>416,272</b>	<b>338,414</b>
<b>Assets held for sale</b>		<b>0</b>	<b>187,875</b>
<b>ASSETS</b>		<b>986,237</b>	<b>842,917</b>
Share capital		21,359	21,359
Capital reserves		21,503	21,503
Retained earnings		363,056	482,136
Currency translation reserve		8,622	-6,825
<b>Equity attributable to the shareholders of Semperit AG Holding</b>		<b>414,540</b>	<b>518,174</b>
Non-controlling interests		0	970
<b>Equity</b>		<b>414,540</b>	<b>519,145</b>
Provisions		33,211	32,134
Liabilities from redeemable non-controlling interests		13,835	12,162
Financial liabilities	4.1	239,314	37,956
Trade payables		510	52
Other financial liabilities		48,235	18,925
Other liabilities		5,683	1,995
Deferred tax assets		38,362	12,629
<b>Non-current provisions and liabilities</b>		<b>379,149</b>	<b>115,854</b>
Provisions		23,835	23,442
Liabilities from redeemable non-controlling interests		0	6,745
Financial liabilities	4.1	18,939	14,503
Trade payables		62,261	63,890
Other financial liabilities		38,578	9,553
Other liabilities		39,850	35,289
Current tax liabilities		5,005	7,586
<b>Current provisions and liabilities</b>		<b>188,467</b>	<b>161,009</b>
<b>Provisions and liabilities held for sale</b>		<b>4,081</b>	<b>46,909</b>
<b>EQUITY AND LIABILITIES</b>		<b>986,237</b>	<b>842,917</b>

## Consolidated statement of the changes in equity

in EUR thousand	Note	Share capital	Capital reserves	Retained earnings	Currency translation reserve	Total	Non-controlling interests	Total equity
<b>As at 01.01.2022</b>		<b>21,359</b>	<b>21,503</b>	<b>512,216</b>	<b>-14,956</b>	<b>540,122</b>	<b>1,028</b>	<b>541,151</b>
Earnings after taxes		0	0	-34,629	0	-34,629	13	-34,616
Other comprehensive income		0	0	-286	18,343	18,056	43	18,099
Comprehensive income		0	0	-34,915	18,343	-16,573	55	-16,517
Dividend	3.1	0	0	-30,860	0	-30,860	0	-30,860
<b>As at 30.09.2022</b>		<b>21,359</b>	<b>21,503</b>	<b>446,441</b>	<b>3,386</b>	<b>492,690</b>	<b>1,084</b>	<b>493,773</b>
<b>As at 01.01.2023</b>		<b>21,359</b>	<b>21,503</b>	<b>482,136</b>	<b>-6,825</b>	<b>518,174</b>	<b>970</b>	<b>519,145</b>
Earnings after taxes		0	0	-26,500	0	-26,500	-266	-26,766
Other comprehensive income		0	0	0	15,446	15,446	-705	14,742
Comprehensive income		0	0	-26,500	15,446	-11,054	-970	-12,024
Dividend	3.1	0	0	-92,580	0	-92,580	0	-92,580
<b>As at 30.09.2023</b>		<b>21,359</b>	<b>21,503</b>	<b>363,056</b>	<b>8,622</b>	<b>414,540</b>	<b>0</b>	<b>414,540</b>

# Notes to the interim group financial statements (condensed)

## 1. General

### 1.1. Basic preparation principals

The interim group financial report has been prepared in accordance with International Financial Reporting Standards (IFRSs) and is based on the regulations for interim financial statements (IAS 34).

For more information on accounting and valuation methods of the Semperit Group, please see the consolidated financial statements as at 31 December 2022, which in this regard form the basis for this interim group financial report.

The reporting currency is the euro, with figures rounded to the nearest thousand, unless expressly stated otherwise. Rounding differences in the totalling of rounded amounts and percentages may arise from the automatic processing of data.

On 16 December 2022, the management of the Semperit Group reached an agreement with the Southeast Asian glove producer, HARPS GLOBAL PTE. LTD., which is based in Singapore and runs manufacturing operations in Malaysia, on the sale of the Sempermed segment. As far as the production of examination gloves and the associated sales organisation are concerned, the conditions for presentation as discontinued operations were given; for the time being, however, the production of surgical gloves will remain with the Semperit Group and thus will be presented in continued operations. The (first) closing of the sale of the medical business took place on 31 August 2023; the Group companies of the discontinued operation were deconsolidated on this date.

The interim group financial report of the Semperit Group as at 31 March 2023 have not been fully audited or reviewed by the Group's auditor.

### 1.2. New and amended accounting standards

The following new/revised Standards and Interpretations were applied for the first time in the first nine months of 2023:

		Endorsement	Mandatory application for the Semperit Group	Effects on the Semperit Group
<b>New standards and interpretations</b>				
IFRS 17	Insurance Contracts	19 November 2021	1 January 2023	no
<b>Amended standards</b>				
IAS 1	Amendments to the presentation of the financial statement: disclosure of accounting standards	2 March 2022	1 January 2023	no
IAS 8	Amendments to accounting policies, amendments to accounting estimates and errors: definition of accounting estimates	2 March 2022	1 January 2023	no
IAS 12	Amendments to deferred taxes related to assets and liabilities arising from a single transaction	11 August 2022	1 January 2023	no
Miscellaneous	Amendments to the initial application of IFRS 17 and IFRS 9 – comparative information	8 September 2022	1 January 2023	no



## 2. Performance

### 2.1. Segment reporting

Moving forward with the industrial strategy, the Management Board and Supervisory Board of the Semperit Group restructured the organisation with effect from 1 July 2023 and divided the existing segments of the Industrial Sector into two divisions, each focusing on different customer groups and their specific technical and organisational requirements:

- The Semperit Industrial Applications division will focus on industrial applications with highly efficient manufacturing and cost leadership; this includes hydraulic and industrial hoses (previously part of the Semperflex segment) as well as profiles (previously part of the Semperseal segment).
- The Semperit Engineered Applications division will focus on customised technical solutions and comprise escalators, cable car rings and other customised elastomer products (previously part of the Semperform segment) as well as elastomer sheeting (previously part of the Semperseal segment) and conveyor belts (previously part of the Sempertrans segment); the newly acquired Rico Group (see Section 3) is part of this division as well.

In the internal segment reporting (see below), the former Medical Sector – the Sempermed segment – is now divided into the Surgical Operations and Examination Operations divisions. Neither the presentation nor the measurement requirements of IFRS 5 for discontinued operations were applied in the internal segment reporting.

1-9 2023 in EUR thousand	Semperit Industrial Applications	Semperit Engineered Applications <sup>2</sup>	Surgical Operations	Examination Operations <sup>3</sup>	Corporate	Group Eliminations	Total
Revenue	264,549	254,931	30,955	81,327	0	0	631,762
Revenue with other segments	220	128	0	0	0	-348	0
EBITDA	42,662	36,438	-6,770	-41,917	-17,661	0	12,751
EBIT	29,522	25,779	-7,278	-40,914	-18,732	0	-11,622
Depreciation and amortisation of intangible assets and property, plant and equipment	-13,139	-10,659	-508	-7,625	-1,071	0	-33,002
Reversal of impairment losses of intangible assets and property, plant and equipment	0	0	0	1,570	0	0	1,570
Trade working capital	69,577	86,838	8,325	-2	-6,983	0	157,755
Additions to intangible assets and property, plant and equipment <sup>1</sup>	16,035	196,003	832	1,729	287	0	214,885

<sup>1</sup> Excluding right-of-use assets in accordance with IFRS 16

<sup>2</sup> EBITDA and EBIT includes the transaction costs of EUR 3,025 thousand for the acquisition of the Rico Group.

<sup>3</sup> EBITDA and EBIT includes the transaction costs, the deconsolidation result and the reclassification of other results from (historical) exchange difference to profit or loss for the discontinued operation, see section 2.6.

1-9 2023 in EUR thousand	Total	Adjustments	Discontinued + continued operations	Discontinued operations	Continued operations
Revenue	631,762	24,245	656,007	108,376	547,631
Revenue with other segments	0	0	0	0	0
EBITDA	12,751	22,385	35,136	-21,681	56,817
EBIT	-11,622	22,385	10,763	-20,111	30,874
Depreciation and amortisation of intangible assets and property, plant and equipment	-33,002	7,059	-25,943	0	-25,943
Reversal of impairment losses of intangible assets and property, plant and equipment	1,570	0	1,570	1,570	0
Trade working capital	157,755	0	157,755	-2,677	160,432
Additions to intangible assets and property, plant and equipment <sup>1</sup>	214,885	0	214,885	1,752	213,134

<sup>1</sup> Excluding right-of-use assets in accordance with IFRS 16

1-9 2022 in EUR thousand	Semperit Industrial Applications	Semperit Engineered Applications	Surgical Operations	Examination Operations	Corporate	Group Elimina- tions	Total
Revenue	349,138	209,229	41,302	229,930	0	0	829,598
Revenue with other segments	200	775	0	0	0	-975	0
EBITDA	75,437	24,939	96	-4,088	-10,531	0	85,852
EBIT	59,773	18,300	-6,749	-68,841	-11,451	0	-8,968
Depreciation and amortisation of intangible assets and property, plant and equipment	-13,561	-6,639	-326	-19,500	-920	0	-40,946
Impairments of intangible and tangible assets	-2,103	0	-6,518	-45,252	0	0	-53,873
Trade working capital	115,140	61,962	11,428	52,834	-3,997	0	237,366
Additions to intangible assets and property, plant and equipment <sup>1</sup>	11,861	5,461	1,791	11,079	2,226	0	32,418

<sup>1</sup> Excluding right-of-use assets in accordance with IFRS 16

1-9 2022 in EUR thousand	Total	Adjustments	Discontinued + continued operations	Discontinued operations	Continued operations
Revenue	829,598	35,037	864,636	271,214	593,421
Revenue with other segments	0	0	0	0	0
EBITDA	85,852	62	85,914	6,089	79,825
EBIT	-8,968	62	-8,906	-57,374	48,468
Depreciation and amortisation of intangible assets and property, plant and equipment	-40,946	0	-40,946	-18,133	-22,812
Impairments of intangible and tangible assets	-53,873	0	-53,873	-45,329	-8,545
Trade working capital	237,366	0	237,366	60,839	176,527
Additions to intangible assets and property, plant and equipment <sup>1</sup>	32,418	0	32,418	11,083	21,334

<sup>1</sup> Excluding right-of-use assets in accordance with IFRS 16

The former Sempermed segment essentially comprised the production of examination gloves and the manufacture of porcelain dipping moulds for producing gloves in Malaysia, along with the worldwide sales and distribution units (Examination Operations), plus the production of surgical gloves in Wimpassing, Austria, by Semperit Technische Produkte GmbH ("STP"), and their packaging in Sopron, Hungary (Surgical Operations). The (first) closing for the sale of the medical business took place with effect from 31 August 2023. The Semperit Group has therefore now divested the Sempermed segment, with the exception of Surgical Operations for the time being. The Semperit Group will continue these operations as a contract manufacturer for HARPS GLOBAL PTE. LTD. for up to five years until the final sale in a separate (second) closing. Surgical Operations will therefore remain in the continued operations for the time being. As of 1 September 2023, STP has been selling pre-packaged surgical gloves to Singapore-based Semperit Investments Asia Pte Ltd ("SIA", formerly a Group company), which continues to sell the surgical gloves to external customers. In the first eight months of 2023, the revenue for this between STP and SIA totalled EUR 24,245 thousand (1-9 2022: EUR 35,037 thousand). As the revenue (from continued operations) and the cost of materials (of the discontinued operations) from this supply relationship are still ongoing, the associated consolidation of income and expenses was not retained in the presentation. Taking into account the previous transfer prices until 31 August 2023, this adjustment provides a corresponding recognition of earnings in the respective divisions.

In other respects, intracompany offsetting between continued and discontinued operations remains fully eliminated until deconsolidation. The primary expenses on which the intracompany charges are based were allocated to the business units in accordance with the current contractual agreements with HARPS GLOBAL PTE. LTD.

## 2.2. Revenue

1-9 2023 in EUR thousand	Industrial Applications	Engineered Applications	Surgical Operations	Group
Western Europe	173,302	123,359	0	296,661
Asia	16,615	49,666	28,152	94,433
Eastern Europe	38,832	26,878	0	65,710
North America	33,361	30,488	0	63,848
Africa	676	14,848	0	15,524
Central and South America	879	8,874	0	9,753
Australia and Oceania	884	819	0	1,703
<b>Revenue</b>	<b>264,549</b>	<b>254,931</b>	<b>28,152</b>	<b>547,631</b>

1-9 2022 in EUR thousand	Industrial Applications	Engineered Applications	Surgical Operations	Group
Western Europe	227,098	104,687	17	331,802
Asia	18,838	43,697	35,037	97,572
Eastern Europe	49,755	27,402	0	77,157
North America	46,597	15,811	0	62,408
Africa	1,947	8,135	0	10,082
Central and South America	3,541	7,096	0	10,637
Australia and Oceania	1,362	2,402	0	3,764
<b>Revenue</b>	<b>349,138</b>	<b>209,229</b>	<b>35,054</b>	<b>593,421</b>

Revenue for Surgical Operations for the first nine months of 2023 include the revenue from the supply of surgical gloves from STP to SIA on the basis of the contract manufacturing agreement with HARPS GLOBAL PTE. LTD. effective September 1, 2023 in the amount of EUR 3,907 thousand (1-9 2022: n. a.).

## 2.3. Cost of materials and purchased services

in EUR thousand	1-9 2023	1-9 2022
Cost of materials	217,207	276,796
Energy expenses	24,980	30,220
Production-related maintenance costs	6,875	6,464
Purchased services	4,252	4,568
<b>Total</b>	<b>253,313</b>	<b>318,048</b>

## 2.4. Personnel expenses

in EUR thousand	1-9 2023	1-9 2022
Wages	60,640	58,419
Salaries	64,675	60,265
Severance payments	3,541	1,020
Retirement benefit expenses	952	618
Statutory social security expenses and other compulsory wage-related payments	30,188	26,163
Other social security expenses	2,352	2,266
<b>Total</b>	<b>162,348</b>	<b>148,749</b>

The increase in expenses for severance payments is mainly due to one-off severance payments that were or will be granted to the COO (Kristian Brok, who left the company on 30 June 2023) upon the early termination of his Executive Board contract, and to managers and employees who are leaving the company as part of the organisational restructuring and the measures currently in progress to reduce overheads.

## 2.5. Other operating expenses

in EUR thousand	1-9 2023	1-9 2022
Outgoing freight	17,844	23,523
Maintenance and external services	11,217	7,613
Legal, consulting and auditing fees	9,936	9,070
Insurance premiums	4,380	3,673
Travel expenses	3,933	2,951
Complaint costs	3,761	-1,477
Energy costs unrelated to production	3,192	2,877
Commission and advertising expenses	2,794	1,918
Software licence expenses	2,055	3,987
Other taxes	1,892	1,279
Rental and lease expenses	1,734	1,968
Waste disposal	1,676	1,542
Fees, subscriptions and donations	905	875
Office equipment	701	802
Communications	590	542
Training and education expenses	503	547
Bank expenses and hedging costs	233	228
Valuation allowances (+) / income from the release of valuation allowances (-)	-63	-290
Miscellaneous	8,202	9,904
<b>Total</b>	<b>75,485</b>	<b>71,530</b>

The other operating expenses include a total of EUR 2,852 thousand (1-9 2022: EUR 0 thousand) in connection with the acquisition of the Rico Group. Legal, consulting, and auditing expenses account for a total of EUR 2,687 thousand (1-9 2022: EUR 0 thousand) of this amount. This expenses were recognised in the Semperit Engineered Applications division.

The increase in complaint costs during the first nine months of 2023 is due mainly to warranty claims affecting conveyor belts in the Semperit Engineered Applications division.

## 2.6. Earnings after taxes from discontinued operations

The income statement for the discontinued operations is presented below:

in EUR thousand	1-9 2023	1-9 2022
Revenue	108,376	271,214
Changes in inventories	-3,774	-30,608
Own work capitalised	216	617
<b>Operating revenue</b>	<b>104,817</b>	<b>241,223</b>
Other operating income	400	285
Cost of material and purchased services	-93,620	-176,143
Personnel expenses	-19,178	-27,810
Other operating expenses	-14,100	-31,467
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>	<b>-21,681</b>	<b>6,089</b>
Depreciation and amortisation of intangible assets and property, plant and equipment	0	-18,133
Impairment of intangible assets and property, plant and equipment	0	-45,329
Reversal of impairment of intangible assets and property, plant and equipment	1,570	0
<b>Earnings before interest and taxes (EBIT)</b>	<b>-20,111</b>	<b>-57,374</b>
Finance income	189	436
Finance expenses	-40	-34
Other financial result	141	-616
<b>Financial result</b>	<b>289</b>	<b>-214</b>
<b>Earnings before taxes</b>	<b>-19,822</b>	<b>-57,588</b>
Income taxes	-239	-7,616
<b>Earnings after taxes</b>	<b>-20,061</b>	<b>-65,204</b>
Transaction costs recognized	-677	-62
Income taxes on transactions costs recognized	0	0
Result from deconsolidation	1,833	0
Reclassification of other income to profit/loss for the period	-23,541	0
<b>Subtotal</b>	<b>-22,385</b>	<b>-62</b>
<b>Result from discontinued operations</b>	<b>-42,446</b>	<b>-65,266</b>
thereof earnings attributable to the shareholders of Semperit AG	-42,180	-65,279
thereof attributable to non-controlling interests	-266	13

Earnings after taxes arising from the fair-value measurement less costs to sell correspond to the reversal of impairment losses on intangible assets and property, plant and equipment plus the deconsolidation result.

The expenses for material and purchased services comprise the following:

in EUR thousand	1-9 2023	1-9 2022
Cost of materials	68,032	135,929
Energy expenses	23,849	37,828
Production-related maintenance costs	1,531	2,166
Purchased services	209	220
<b>Total</b>	<b>93,620</b>	<b>176,143</b>

The other operating expenses comprise the following:

in EUR thousand	1-9 2023	1-9 2022
Outgoing freight	6,228	21,881
Legal, consulting and auditing fees	2,297	898
Maintenance and external services	1,308	1,112
Miscellaneous	4,684	7,637
<b>Total</b>	<b>14,517</b>	<b>31,529</b>

#### Cash flows from the operating, investing and financing activities of the discontinued operation

in EUR thousand	1-9 2023	1-9 2022
Cash flows from operating activities	-11,934	47,114
Cash flows from investing activities	-1,091	-10,884
Cash flows from financing activities	-290	-5,534

At the time of the (first) closing on 31 August 2023, the preliminary purchase price of EUR 126,614 thousand was transferred by HARPS GLOBAL PTE. LTD. The cash and cash equivalents of the deconsolidated companies totalled EUR 38,982 thousand on this date. The net proceeds from the sale of the companies therefore totalled EUR 87,632 thousand. The expected final purchase price was EUR 124,234 thousand. A liability towards HARPS GLOBAL PTE. LTD from the overpayment of EUR 2,380 thousand was therefore recognised as at 30 September 2023.

## 3. Equity

### 3.1. Dividend

For financial year 2022, a dividend of EUR 1.50 per share (1-9 2022: EUR 1.50 per share) and a conditional additional dividend of EUR 3.00 per share (1-9 2022: EUR 0.00 per share) were distributed in financial year 2023. The entitlement to the additional dividend and the payment were subject to the following conditions precedent: the conditions precedent governing the sale of the medical business shall be fulfilled by 16 September 2023, the transfer of the medical business to HARPS GLOBAL PTE. LTD. shall be completed by 31 October 2023 and the Semperit Group shall receive the full (preliminary) purchase price payable on the date of this closing. The conditions were met as at 30 September 2023.

## 4. Liabilities

### 4.1. Financial liabilities

New bank financing of up to EUR 360,000 thousand was concluded with effect from 31 March 2023. A financing agreement totalling EUR 250,000 thousand consists of a loan of up to EUR 150,000 thousand and a credit line of EUR 100,000 thousand. In this financing agreement, Semperit AG Holding has undertaken to comply with three ESG KPIs, which are also part of the "30 by 2030" sustainability strategy. The financing is provided by a consortium of six Austrian and international banks and replaces the old credit line of EUR 75,000 thousand. The second financing agreement totalling EUR 110,000 thousand was concluded in particular to finance the expansion investment in Odry. As at 30 September 2023, EUR 15,000 thousand of this loan had been drawn down.

## 5. Acquisition of the Rico Group

On 17 April 2023 Semperit AG Holding came to an agreement with the owners of Upper Austrian RICO Group GmbH regarding the acquisition of 100% of the equity interests in the Rico Group. As a one-stop-shop (OSS) provider of individual synthetics and elastomer projects, the product portfolio of the Rico Group ranges from the manufacture of injection moulding tools, to consulting on component development, all the way to mass production of customer-specific components. The Group focuses on the processing of elastomers, especially liquid and solid silicone. This involves producing the components in single-, double- or multi-shot component injection moulding processes. The technological market leadership of the Rico Group in the processing of liquid and solid silicone, the Group's strong toolmaking expertise in the development of high-precision and highly complex customer solutions, its access to attractive markets as well as its presence in the USA are the main reasons for this business combination.

The acquisition of 100% of the voting shares of the Rico Group gives Semperit AG Holding full control over the following entities:

- RICO Group GmbH, Thalheim bei Wels, Österreich
- RICO - Elastomere Projecting GmbH, Thalheim bei Wels, Österreich
- Härtereitechnik Rosenblattl GmbH, Thalheim bei Wels, Österreich
- Silcoplast AG, Wolfhalden, Schweiz
- SIMTEC Silicone Parts, LLC, Miramar, Florida, USA



The purchase price (cash and debt free) is EUR 197,500 thousand and is subject to a customary price adjustment mechanism at the time the transaction is effected. The investment pay-out for the plant expansion currently under construction in Thalheim (Upper Austria) is also covered by the purchase price. The expected purchase price subject to price adjustments is EUR 181,463 thousand.

According to the contractual agreements, EUR 4,500 thousand of this is to be paid three years after closing; 90% of a non-deferred preliminary purchase price, i.e. EUR 159,868 thousand, was paid on 31 July 2023. The remaining amount of the non-deferred purchase price, i.e. EUR 17,763 thousand, is due in the fourth quarter of 2023 and was recognised as current other financial liability. In the purchase price allocation, a present value of EUR 3,832 thousand was recognised in the deferred purchase price which was recognised as non-current other financial liability. The transaction costs were EUR 3,025 thousand.

So far the purchase price allocation pursuant to IFRS 3 as at 30 September 2023 is still preliminary due to the size and complexity of the acquisition. For the time being the assets and liabilities of the Rico Group are as follows:

in EUR thousand	Fair value at time of acquisition (preliminary)
Non-current assets	199,219.3
Current assets	59,142.2
thereof cash	14,978.8
<b>Total assets acquired</b>	<b>258,361.5</b>
Non-current provisions and liabilities	86,232.2
<b>Current provisions and liabilities</b>	<b>34,696.0</b>
Total liabilities assumed	120,928.2
<b>Total identifiable net assets at fair value</b>	<b>137,433.3</b>
Goodwill	44,030.0
<b>Total amount of consideration (preliminary)</b>	<b>181,463.3</b>
of which deferred purchase price	3,832.3
Revenue 1-9 2023 <sup>1</sup>	67,366.1
Revenue 8-9 2023	16,023.4
Earnings after taxes 1-9 2023 <sup>1</sup>	522.1
Earnings after taxes 8-9 2023	-729.6

<sup>1</sup> Revenue and earnings after taxes were derived from preliminary interim financial statements prepared in accordance with local accounting rules and for internal reporting purposes.

<sup>2</sup> The earnings after taxes were determined in accordance with IFRS and considering the continuation of the carrying amounts from the purchase price allocation.

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### Disclaimer

The terms "Semperit" or "Semperit Group" in this report refer to the group; "Semperit AG Holding" or "Semperit Aktiengesellschaft Holding" is used to refer to the parent company (individual company).

We have prepared this report and verified the information it contains with the greatest possible care. Nevertheless, rounding, typesetting and printing errors cannot be ruled out. Rounding of differences in the summation rounded amounts and percentages may arise from the automatic processing of data.

The forecasts, plans and forward-looking statements contained in this report are based on the knowledge and information available and the assessments made at the time that this report was prepared (editorial deadline: 07 November 2023). As is true of all forward-looking statements, these statements are subject to risk and uncertainties. As a result, actual events may deviate significantly from these expectations. No liability whatsoever is assumed for the accuracy of projections or for the achievement of planned targets or for any other forward-looking statements. Words such as "expect," "want," "believe," "anticipate," "includes," "plan," "assumes," "estimate," "projects," "intends," "should," "will," "shall," or variations of such words are generally part of forward-looking statements.

Furthermore, there is no guarantee that the contents are complete.

Statements referring to people are valid for both men and women.

This report has been written in German and English. In case of doubt, the German version shall take precedence.

### Financial Calendar 2023 / 2024

08.11.2023	Report on Q1-3 2023
19.03.2024	Publication of 2023 annual financial statements
13.04.2024	Record Date Annual General Meeting
23.04.2024	Annual General Meeting, Vienna
25.04.2024	Ex-dividend day
26.04.2024	Record Date Dividend (= day, on which settled positions are struck at CSD Austria at close of business to determine the entitlement)
30.04.2024	Dividend payment day
15.05.2024	Report on Q1 2024
13.08.2024	Half-year financial report 2024
07.11.2024	Report on Q1-3 2024