

## Media release

# GURIT ACHIEVES NET SALES OF CHF 213.5 MILLION, AN ADJUSTED OPERATING PROFIT MARGIN OF 5.4% IN THE FIRST HALF OF 2024 AND CONFIRMS THE ADJUSTED OPERATING PROFIT MARGIN GUIDANCE FOR 2024.

Zurich, August 19, 2024 – Ad hoc announcement pursuant to Art. 53 LR

**Gurit (SIX Swiss Exchange: GURN) today reports unaudited net sales for the first half of 2024 at CHF 213.5 million, which is a decrease of -8.8% at constant exchange rates or -12.7% in reported CHF compared to the first half of 2023. Gurit reached an adjusted operating profit of CHF 11.6 million with an adjusted operating profit margin of 5.4%. This compares to CHF 13.6 million or 5.6% in the first half of the prior year. After restructuring charges, the operating profit is CHF 9.9 million with an operating profit margin of 4.6%.**

There were no major changes in the markets where Gurit operates in the first half of 2024: the wind market remains short-term flat and cautious in the Western world, with positive news coming from strong permitting and auctions improvements in Germany, renewed interest for onshore wind in the UK, and the IRA-linked restart of many production sites in the USA. In China wind installations stay at a high level, still significantly lower than built capacities, leading to a continuous price pressure, on turbines, turbine components and materials. After some weakness at the beginning of the year the marine markets resumed their growth, and industrial markets continued to offer multiple opportunities.

In this context, Gurit continued its path to:

- adapt to customer demand, selecting profitable opportunities only and decreasing costs in the wind market segments. It is noticeable that the structural profiles business is almost at break-even.
- extend technical capabilities in the marine and industrial markets, at our Canadian Corecell™ site and with the successful integration of the newly acquired FX Composites in the USA.
- deleverage the company, with net debt down to CHF 63 million at the end of June.

**Wind materials** achieved net sales of CHF 141.0 million for the first half of 2024. This represents a decrease of -7.6% at constant exchange rates compared to the first half of 2023. Short-term market issues remain, as several OEMs need time to solve quality issues and stopped or reduced production until root causes are clear and inventories are inspected. Most OEMs are trending below their yearly forecast, so Gurit's wind order intake is still subdued. Plants activity is flat year on year, higher in pultruded sheets with positive developments in India, and somewhat lower in core kits, nevertheless helped by the integrated core supply strategy, with Gurit sourcing at its own plants most of the kitted core materials.

**Manufacturing solutions** saw sales levels similar to the second half of 2023, at CHF 21.0 million. Still, this is a decrease in the first half of 2024 net sales by -27.0% at constant exchange rates compared to the prior year at CHF 30.7 million.

Western OEMs decided to slow down the introduction of new turbine platforms and increase the lifetime of existing turbines, which has led to a shift in orders, even though otherwise anticipated. Thanks to the extension of our footprint to build blade molds in Chennai, we strengthened our local market presence in India while simultaneously safeguarding our position against Chinese competitors. Having a local presence in India further strengthens our ability to attract new global business, by ensuring supply security and mitigating geopolitical concerns.

**Marine and industrial** reported net sales of 51.5 million in the first half of 2024. This represents a decrease of -1.9% at constant exchange rates compared to the previous half-year. After some weakness at the beginning of the year the marine markets resumed their growth, and industrial markets continued to offer multiple opportunities. Overall, the marine and industrial business is performing in 2024 as expected.

#### KEY FINANCIAL FIGURES

IN MCHF	H1 2024	H1 2023	CHANGE IN REPORTED CHF	CHANGE AT CONSTANT H1 2023 RATES
<b>NET SALES BY SEGMENTS</b>				
Wind materials	141.0	160.0	- 11.8%	- 7.6%
Manufacturing solutions	21.0	30.7	- 31.6%	-27.0%
Marine and industrial	51.5	54.0	- 4.6%	- 1.9%
<b>TOTAL GROUP</b>	<b>213.5</b>	<b>244.6</b>	<b>- 12.7%</b>	<b>- 8.8%</b>
EBITDA	17.4	20.3		
EBITDA margin	8.2%	8.3%		
Operating profit	9.9	13.0		
Operating profit margin	4.6%	5.3%		
Adjusted operating profit*	11.6	13.6		
Adjusted operating profit margin	5.4%	5.6%		
Result for the period	0.0	4.4		
Operating cashflow	5.2	12.5		
Capital expenditures	5.2	5.5		
Net debt	63.4	78.0		
Equity in % of total assets	26.2%	33.8%		

\* Alternative GAAP measure: please refer to page 18 in the half-year report

#### Organization

On August 15, 2024, Gurit decided to close its Structural Profile production site in Middelfart, Denmark. The production volumes will gradually be shifted to Gurit sites in Chennai, India and Tianjin, China. There, Gurit already has the full range of the Group's wind market offerings and can fully capitalize on its production capabilities.

Gurit expects the relocation to be finalized by July 2025 and to incur total impairment charges, restructuring and relocation expenses in the amount of approximately CHF 10 million primarily in the second half of 2024. The total cash out is estimated at approximately CHF 6 million. Thereof, less than CHF 1 million is expected to be incurred in 2024.

#### Profitability

In the first half-year of 2024, Gurit achieved an adjusted operating profit margin of 5.4% and including restructuring charges, an operating profit margin of 4.6%. In comparison, the first half of 2023 saw an adjusted operating profit margin of 5.6% and an operating profit margin of 5.3% including restructuring costs. The margin decrease is attributable to low tooling activity.

Gurit successfully reduced the net debt to CHF 63.4 million, compared to CHF 78.0 million in the first half-year of 2023.

The half-year result was negatively impacted by an unfavorable financial result, mainly due to the EUR/CHF exchange rate, increasing financing costs, and unrecognized tax losses. In the first half of 2024, our earnings per share were CHF -0.02, compared to CHF 1.54 in the same period last year.

#### Cash Flow and Balance Sheet

Gurit generated a net cash flow from operating activities of CHF 5.2 million in the first half-year of 2024, compared to CHF 12.5 million in the same period of the previous year.

This decrease is caused by the lower profit in the first half-year 2024. Additionally, changes in the working capital negatively impacted the cash flow primarily due to stronger sales in the second quarter, leading to higher receivables and increased stock levels.

Capital expenditure reached CHF 5.2 million during the first half-year 2024, compared to CHF 5.5 million in the first half of the previous year. Significant investments were made in Chennai, India, to ramp-up production capacity.

## Outlook

After the expected slow start to the year with low sales in the first quarter, we saw a stronger second quarter driven by ramp-up of new wind blades and higher demand in the non-wind markets. Considering the latest wind customer forecasts for the remaining year, we expect full year sales to be around the lower end of our guidance of CHF 435-485 million and confirm the 5-8% adjusted operating profit margin. This considers that no further delays will intervene in wind core materials and tooling orders.

Gurit anticipates maintaining a strong market-leading position with Western wind customers, despite the dynamic, volatile, and uncertain market conditions and increased competition from Chinese suppliers. In parallel accelerating product substitution and improved technical capabilities will support profitable growth in marine and industry. Gurit will continue to adapt its global footprint and capacities and maintain its advantageous position in the supply chain.

## Online publication of Half-Year Results and media/analyst online conference

On Monday, 19 August 2024, Gurit Management will discuss the results of the first half year 2024 interim report in a public **webcast at 09:00 AM CEST**. The presentation will be held in English and is accessible at <https://www.gurit.com/investors/reports>. An archived version will later be made available on the same link.

The half-year report 2024 is available under the following link: <https://www.gurit.com/investors/reports>

## Roadshow

On August 27, 2024, Gurit CEO Mitja Schulz and CFO Javier Perez-Freije will be available to meet investors at a roadshow at the premises of UBS in Zurich, Talacker 24.

A Capital Markets Day will be held at a later time and not on October 9, 2024, as previously announced in the media release on March 4, 2024.

### About Gurit

The subsidiaries of Gurit Holding AG, Wattwil/Switzerland, (SIX Swiss Exchange: GURN) are specialized in the development and manufacture of advanced composite materials, composite tooling equipment and core kitting services. The product range comprises structural core materials, structural profiles, prepregs, formulated products such as adhesives and resins as well as structural composite engineering. Gurit supplies global growth markets such as the wind turbine industry, marine, building and many more. Gurit operates production sites and offices in Australia, Canada, China, Denmark, Ecuador, India, Italy, Mexico, New Zealand, Poland, Spain, Switzerland, Turkey, United Kingdom, and the United States.  
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