

Media release

GURIT ACHIEVES NET SALES OF CHF 315.1 MILLION IN THE FIRST NINE MONTHS OF 2024, CONFIRMS ITS GUIDANCE, ANNOUNCES STRATEGIC REALIGNMENT, STREAMLINING OF OPERATIONS, AND CHANGE IN THE EXECUTIVE BOARD

Zurich, October 30, 2024 – Ad hoc announcement pursuant to Art. 53 LR

Gurit (SIX Swiss Exchange: GURN) today reports unaudited net sales results for the first nine months of 2024 at CHF 315.1 million, which is a decrease of -7.3% at constant exchange rates or -10.6% in reported CHF compared to 2023. Acknowledging that wind markets do not currently meet expectations, Gurit initiated an update of its corporate strategy and is implementing measures to benefit profitably from the wind market and to rebalance its portfolio. Mitja Schulz, Chief Executive Officer of Gurit, is leaving the company. The Board of Directors has appointed Javier Perez Freije as CEO ad interim with immediate effect.

Revenues in the third quarter of 2024 were impacted across all Wind Business Units by a lower demand, as the anticipated activity increase did not fully materialize. Despite these developments and the negative impact of the strong Swiss Franc on net sales, Gurit remains in line with the provided guidance.

During the quarter, visibility for next year wind sales increased, and the company has strengthened its position with a major strategic OEM but has seen some market players trying to leverage the overcapacity in China, in particular to benefit from cheaper carbon fibers.

Consequently, Gurit is advancing with strategic initiatives to protect margins of the wind businesses, keep its market leading position and set the business for sustainable growth in the long-term.

The marine and industrial markets kept performing as expected, and Gurit anticipates an accelerated growth trajectory in the short-term.

Wind materials achieved net sales of CHF 210.7 million for the first nine months of 2024. This represents a decrease of -6.1% at constant exchange rates compared to the first nine months of the previous year, with lower blade volumes and core kits prices on a year-over-year comparison. Gurit continued its path to maintain its market leading position with Western wind customers. Increase in market share could be agreed for 2025 with a major Western customer as part of a long-term agreement. This includes the first core kits using Gurit's newly developed Opticore technology, helping customers to optimize blade design and reduce blade weight. Structural Profiles has shipped the expected volumes from all three sites. While ongoing growth is expected for high-performing glass fiber blade root products, the carbon fiber planks market sees customers turn to China to benefit from the overcapacity-led low carbon fiber prices, impacting future market share of Western producers.

Manufacturing solutions recorded net sales of CHF 27.8 million, which represents a decline of -26.2% at constant exchange rates compared to the first nine months of the previous year. While Q3 was characterized by a low demand across all wind customers, Q4 sees a much stronger order book. Gurit could successfully secure a long-term contract for molds and equipment with a turbine OEM, which will ensure a stable revenue stream for the new plant in Chennai and strengthen the position in the Indian wind market.

Marine and industrial reported net sales of CHF 76.7 million for the first nine months of 2024. This represents a decrease of -1.5% at constant exchange rates compared to the previous-year period. After a slow first quarter, the marine markets improved as anticipated throughout Q3, with good progress made in the industrial markets with PET. Compared to last year, a decline in the agriculture segment impacted Q3 revenues.

Gurit remains focused on leveraging its core competencies in recycled-PET foam to capitalize new business opportunities and drive further growth.

NET SALES in mCHF	Q3 2024			
	2024	2023	Change in reported CHF	Change @ constant 2023 rates
Wind materials	210.7	233.6	-9.8%	-6.1%
Manufacturing solutions	27.8	39.4	-29.4%	-26.2%
Marine and industrial	76.7	79.6	-3.6%	-1.5%
Total Group	315.1	352.5	-10.6%	-7.3%

Streamlining Wind Operations

As a result of Gurit's strategic realignment, which will provide the Group with a stronger positioning across multiple markets and ensure long-term competitiveness of the wind business, its Board and Management are taking actions to right-size the wind business and to focus on accelerating growth in attractive areas. Gurit is confident that these proactive moves will enable to effectively capitalize on its core competencies in performance materials and increase value to customers and shareholders.

To drive the implementation of those initiatives, Gurit is in the process of undertaking the following strategic actions:

- **Right-sizing** wind operations and capitalizing on key competitive advantages.
- **Driving organizational efficiency** and reducing indirect costs across the company.
- **Accelerating the growth** in multiple industrial segments, leveraging significant opportunities driven by increasing energy efficiency and sustainability requirements of customers.

Change in the Executive Board

Gurit announces today that Mitja Schulz, CEO, is leaving the company by mutual agreement. The Board of Directors also announced that Javier Perez-Freije, CFO, will take on the additional responsibility of Chief Executive Officer with immediate effect on an ad interim basis until a permanent successor is appointed. The search process for the future CEO of Gurit Holding AG is being initiated and the nomination will be announced in due course.

Financial adjustments resulting from realignments

The announced right-sizing and organizational realignment measures are expected to result in restructuring expenses mostly in 2024. These right-sizing measures will be implemented in the coming months and are subject to the consultation process with social partners.

Outlook

We reiterate our latest FY 2024 guidance. We expect full year sales to be around CHF 435 million and we confirm the 5-8% adjusted operating profit margin.

Next publications

Gurit will report its preliminary and unaudited 2024 net sales results on January 30, 2025, at 07:00 a.m. CET, and will organize on the same day at 09:00 a.m. CET an online roundtable for investors, analysts and media.

All events and roadshows will be published on Gurit's website under the following link:
<https://www.gurit.com/financial-calendar/>

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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