



# INTERIM REPORT 2023

## KEY FACTS

Gurit saw its net sales increase by 12.8% at constant exchange rates or 4.2% in reported CHF compared to the first half of 2022. Excluding acquisition effects, total Group sales grew by 8.6% at constant exchange rates.

The Western Wind market shows cautious signs of recovery, as our customers order new blade moulds which we expect to translate into material sales in due course, while the Chinese Wind market performs solidly. Marine and other industrial markets continue to experience strong growth with an increase in demand for PET structural foam for industrial applications, particularly in Europe and North America.

Gurit reached an Operating Profit of CHF 13.0 million with an operating profit margin of 5.3%. Excluding divestment effects, restructuring and impairment charges, the adjusted operating profit significantly improved to CHF 13.6 million with an adjusted operating profit margin of 5.6%. This compares to CHF 4.6 million or 2.0% in the first half of the prior year. The adjusted operating profit margin has improved to above 10% in the businesses without the 2022 acquired Structural Profiles business, which ran a sizeable loss in its Danish operations, whilst the promising Indian site will ramp up in H2 2023. The profit improvement stems mainly from a more favourable product mix in the Manufacturing Solutions business, better performance in the newly set-up PET operations and cost saving measures undertaken in 2022 and 2023. Further, Gurit improved its Free Cash Flow by CHF 25.8 million in the first half compared to the first half of 2022 to CHF 6.5 million and was able to significantly reduce its debt position. Earnings per share are CHF 1.54 in H1 2023 (H1 2022: CHF 3.61 which includes CHF 3.91 gain per share from the sales of the Aero business).

Effective August 15, 2023, Gurit has acquired the remaining 40% shares of Fiberline Composites A/S from the minority shareholder, the founding Thorning family.

As per August 16, 2023, Rudolf Hadorn has resigned from the Board of Directors of Gurit for private reasons. Board Member Philippe Royer was elected by the Board of Directors as Chairman of Gurit until the next Annual General Meeting in 2024.

Sales in CHF million

**244.6**

+17.6%<sup>1)</sup> vs H1 2022

Free cash flow in CHF million

**6.5**

-19.3 in H1 2022

Adjusted operating profit margin

**5.6%**

2.0% in H1 2022

Net debt in CHF million

**78.0**

104.2 in June 2022

<sup>1)</sup> Net sales growth of continued operation at constant exchange rates  
For explanation of financial terms used, see pages 18-19.

## GURIT REPORTS NET SALES OF CHF 244.6 MILLION IN THE FIRST HALF OF 2023



Rudolf Hadorn, Chairman of the Board of Directors (left)  
Mitja Schulz, CEO

### Dear Shareholders,

The first half of 2023 has been auspicious for Gurit as we experienced a recovery in the wind sector, especially in the second quarter, and continued growth in the lightweighting marine and industrial sectors. This positive trend has been offset only by postponed sales of Structural Profiles, driven by delayed customer projects in India. Supply chains are returning to 'normal' levels, with the increased pricing of materials, energy and shipping starting to reverse, and logistics returning to sensible timeframes.

Western wind blade customers markedly placed new mould system orders after almost no demand in the previous year. While some Western customers continue to reduce their inventories, customers in North America and India are ramping-up their manufacturing capabilities to prepare for future increasing demands.

The Chinese Wind market remains a solid base for Gurit, with Q2 2023 demand growing compared to Q1 2023, and further growth expected in the second half of this year at similar levels. We are seeing Chinese manufacturers announcing large projects outside of China for which Gurit is well positioned due to its global footprint.

While the prospects for renewable wind energy are positive, short-term uncertainties remain. Issues like slow permitting, slow clarification and execution of public policies, inflation-driven contract renegotiations, quality problems on some newly introduced turbines may delay the foreseen ramp-up of wind energy. The main enabler will be the offshore sector, where new technologies and developments will drive demand and growth in the mid to long term, supported by governmental programmes and initiatives in the United States and the European Union.

The Marine and industrial market segments continue to experience year-on-year growth; and we see increasing customer demand for recycled structural PET in Europe and North America for industrial applications where the composite materials adoption is rising. Gurit gained market share with recycled PET structural foam in all Western material markets, supported by the successful ramp-up of our Mexican and Indian manufacturing sites.

Total Gurit Group net sales for the first half-year 2023 reached CHF 244.6 million, which is an increase of 12.8% at constant exchange rates or 4.2% in reported CHF as compared to the first half of 2022. Excluding acquisition effects, total Group sales grew by 8.6% at constant exchange rates.

## STRATEGIC DEVELOPMENT

A year ago, Gurit took a major step in executing its strategy of broadening its wind turbine composite material offering, by entering a joint venture with Fiberline and acquiring 60% of Fiberline Composites A/S. We invested significantly in new manufacturing capacity, particularly in Chennai, India, which is now the first manufacturing plant in India to offer carbon fibre pultruded structural profiles to our wind customers. We are reporting a loss for the Structural Profile business as a major customer project in India has been delayed in volume start-up and we continue to experience operational inefficiencies and a high cost base in the plant in Denmark.

Our site in Chennai has had a successful first year of operation, being the first Gurit site combining PET extrusion, kitting, mould manufacturing and carbon fibre pultrusion at the same location. Much focus has been directed to safety and quality, with an excellent safety record exceeding our expectations. We have gradually expanded the production capabilities and successfully introduced new products. In H1 we successfully dispatched the first locally manufactured wind blade mould and completed the first export shipment of pultruded profiles.

Back in H2 2022 we set in motion a series of measures to counter the downturn of the wind market and supply chain challenges and their impact on Gurit's financial position. Those initiated measures now contribute and deliver an improved net working capital performance and better operational execution. Our Fit4Future program helped us to lower direct and indirect costs and contributed to an improved EBIT margin. We have strengthened our organisation in China which, together with our strong local manufacturing footprint and proximity of our teams to the customers, has resulted in a strong market presence and an agile responsiveness to market demands.

Our approach to increase the competitiveness of the European kitting footprint has been completed, with the successful relocation of the plant from Denmark to our facilities in Spain and Turkey.

## INITIATIVES SUPPORTING EXECUTION OF STRATEGY

During the first half of 2023, Gurit teams have made continued efforts in the fields of sustainability, human resources, and innovation, to fulfil the "One Winning Gurit Strategy". We have received a silver medal rating from EcoVadis for our diligent sustainability efforts and further driven forward the work of our dedicated ESG-related workstreams, for example focusing on resource utilisation, responsible supply chain, health & safety, the participation in industry-wide sustainability initiatives (especially in the field of circularity), as well as local community involvement. We have launched the Gurit Sustainability Awards to encourage participation, sharing of best practice and celebration of our work. The Gurit Together programme is now in full swing, with the aim of further motivating our staff to engage with the business more deeply and to both attract and retain employees.

## GURIT ACQUIRES THE REMAINING 40% SHARE OF THE STRUCTURAL PROFILES BUSINESS

As reported earlier, Gurit acquired 60% of Fiberline Composites A/S in May 2022. Immediately after this first acquisition step Gurit started setting-up the business also in India as part of its Chennai campus. This operation will go in full ramp-up in H2 2023. The existing Danish operation has been hurt by high cost and low customer demand in 2022 and markedly in 2023 and creates a significant loss in H1 2023 and the entire year.

In order to accelerate the improvement also in the Danish operations, Gurit has signed a share purchase agreement with the Thorning family over the residual 40% of the shares on August 15, 2023, earlier than originally anticipated. The closing took place on the same date. The agreement with the minority shareholder will enable Gurit to accelerate the turn-around of the business and fully leverage all synergies of the group. The purchase price for the acquisition of the 40% is maximally EUR 28.15 million and composed of a EUR 4.0 million fix cash payment at closing, a further fix cash payment of EUR 4.8 million in 2026 and a revenue dependent earn-out consideration of maximally EUR 19.35 million over the coming 6 years or earlier in time if the EUR 19.35 million was reached earlier. As of the closing of the acquisition the joint venture is dissolved, and Gurit is in charge and will fully integrate the business into its organisation.

## ON TRACK WITH INNOVATION

Innovation continues to be a key building block in our strategy, with our teams engaged daily. Whether it's on the shop floor, in the lab or in the office, Gurit employees are encouraged to proactively look for new and improved ways of doing things and contributing to the discussion around continued improvement.

Notable in H1 2023 has been the inclusion of non-food-grade PET feedstock in our production process, a process we manage from start to finish. We tested over 40 different types of recycled PET feedstocks to ensure we are procuring the most suitable recycled PET material on the market and have now successfully extended our feedstock from drink bottles to any container used for personal care and detergent products.

At the JEC World composites tradeshow in Paris, back in April 2023, Gurit presented a new modular mould design, which makes configuration conversions between blade designs simpler and faster. It also allows for energy savings and shorter mould changes and therefore cycle times.

### **GURIT OBTAINS A-RATING FOR ITS ESG PERFORMANCE**

We are pleased to share that in July 2023 our Sustainability performance has been awarded with an A rating from MSCI for the first time. This achievement reflects an important recognition of our ESG management and showcases the successful execution of our sustainability strategy. An MSCI ESG rating measures a company's resilience to long-term environmental, social and governance (ESG) risks. Companies are rated according to their exposure and how well they manage those risks relative to peers.

With the A rating, Gurit is now ranking within the top tier of all rated companies in the specialty chemicals sector, indicating the company's practices of managing ESG risks and opportunities are well-aligned with shareholder interests. The MSCI ESG ranking is an important research tool and widely used benchmark by investors, helping investors to understand how Gurit adjusts its business practices towards a sustainable future.

### **MARKET ENVIRONMENT H1 2023**

#### **WIND ENERGY ON UPWARD TRAJECTORY**

Following a period of stagnation in the Western Wind sector, we are seeing cautious signs of recovery, with demand for moulds increasing from manufacturers looking to increase their production capacity. Some Western manufacturers however announced quality problems on newly introduced turbines and still continue to reduce their blade inventories and have adjusted their short-term demands accordingly.

The China Wind sector continues to be solid, with recent announcements that manufacturers are starting projects overseas, in particular in India, the Middle East, Central Asia, and South America. Gurit is well placed to service these projects through its strong customer relationships and global manufacturing and service footprint.

The Manufacturing Solutions business has seen a high share of Western blade moulds in H1 2023, providing a more sustainable customer mix. The new mould manufacturing plant in Chennai has been ramped-up successfully, with the first mould having been shipped to the customer in H1.

The demand for PET for wind turbine blades is gradually increasing, with Gurit winning market share with Western customers and maintaining a market-leading position in China.

While short-term uncertainties remain as already highlighted, the market forecasts continue to anticipate strong growth in the medium term, supported by an increased demand for renewable energy and commitments from governments to reach carbon neutrality. Technological progress supports cost-effective installation of larger offshore turbines with rotor diameters of 250m and above. The current low share of offshore wind production is expected to double, reaching 20% by 2025 and 30% by 2030.

With our unique global footprint, in particular with the newly added wind campus in Chennai, India, innovation capabilities and the product offering enhancement with structural profiles, Gurit is well positioned for the market growth ahead.

### **LIGHTWEIGHTING – MARINE/INDUSTRIAL CONTINUES TO PERFORM WELL**

Thanks to continued strong demand for leisure boats and the trend towards higher usage of composite materials in commercial vessels, Gurit has seen a strong start to the year in its Marine business, showing year-on-year growth.

The Industrial segments continue to grow, driven by an increasing demand for recycled PET for multiple applications such as construction and transportation. We are also seeing greater adoption of composites replacing conventional materials throughout the wider industrial sector. Gurit is well placed to fill this requirement by leveraging its strong history, innovative approach, broad range of advanced materials, and structural engineering expertise.

### **PROFITABILITY**

Gurit reached an Operating Profit of CHF 13.0 million with an operating profit margin of 5.3%. Excluding divestment effects, restructuring and impairment charges, the adjusted operating profit significantly improved to CHF 13.6 million with an adjusted operating profit margin of 5.6% which compares to CHF 4.6 million or 2.0% in the first half of the prior year. The adjusted operating profit has improved to above 10% in the businesses without the 2022 acquired Structural Profile business, which ran a sizeable loss in its Danish operations, whilst the promising Indian site will ramp up in H2 2023. The profit improvement stems mainly from a more favourable customer and product mix in the Manufacturing Solutions business, better performance in the newly set-up PET operations and cost saving measures undertaken in 2022 and 2023. Earnings per share are CHF 1.54 in H1 2023 (H1 2022: CHF 3.61 which includes CHF 3.91 gain per share from the sales of the Aero business).

### **CASH FLOW AND BALANCE SHEET**

Gurit significantly improved the cash flow generation from operating activities to CHF 12.5 million compared to CHF -13.1 million in the first half of the previous year. This increase is due to a higher operating profit in 2023 and many working capital improvements made in H2 2022 and 2023. Capital expenditure amounted to CHF 5.5 million during H1 2023 compared to CHF 6.7 million for the first half of the previous year. Major growth capacity investments, particularly in structural profiles, were made at the now fully operational site in Chennai, India.

Gurit could also significantly reduce the net debt by CHF 26.2 million from CHF 104.2 million in June 2022 to CHF 78.0 million in June 2023.

## ORGANIZATIONAL CHANGE IN THE BOARD OF DIRECTORS

Effective 16.8.2023 Rudolf Hadorn has resigned from the Board of Directors of Gurit for private reasons. He will fully dedicate himself to pursue his various private business activities. The Board of Directors thanks Rudolf Hadorn for the almost 16 years of service as a CEO and member of the Board of Directors and wishes him all the best. Board Member Philippe Royer was elected by the Board of Directors as Chairman of Gurit until the next Annual General Meeting in 2024.

## OUTLOOK

After a better than expected first half performance, we anticipate the good business environment in both Wind and Marine & Industrial to continue, while we expect short-term uncertainties to remain in Wind. Gurit raises the adjusted operating profit guidance for the full year of 2023 on the operating profit margin from a range of 2-5% so far to 3-6% and continues to expect net sales in the range of CHF 460-490 million.

Yours sincerely, Gurit Holding AG



Rudolf Hadorn  
Chairman of the  
Board of Directors



Mitja Schulz  
Chief Executive Officer

Zurich, August 2023

## CONSOLIDATED INCOME STATEMENT

IN CHF 1000	NOTE	HALF-YEAR ENDED JUNE 30, 2023 UNAUDITED	HALF-YEAR ENDED JUNE 30, 2022 UNAUDITED
NET SALES	4	244 626	234 836
Cost of goods sold		– 202 784	– 203 925
GROSS PROFIT		41 842	30 911
Research and development expense		– 4 826	– 4 100
Selling expense		– 6 293	– 7 474
Administrative expense		– 17 206	– 15 304
Other operating income	9	196	18 778
Other operating expense	5	– 698	– 3 002
OPERATING PROFIT		13 015	19 809
Finance expense		– 5 823	– 2 303
Finance income		725	692
PROFIT BEFORE TAX		7 917	18 198
Income tax expense		– 3 529	– 1 580
<b>PROFIT FOR THE HALF-YEAR</b>		<b>4 388</b>	<b>16 618</b>
Thereof attributable to shareholders of Gurit		7 188	16 859
Thereof attributable to minority interests		– 2 800	– 241
<b>BASIC AND DILUTED EARNINGS PER SHARE</b>		<b>CHF 1.54</b>	<b>CHF 3.61</b>

The accompanying notes form an integral part of these interim consolidated financial statements.

## CONSOLIDATED BALANCE SHEET

IN CHF 1000	AT JUNE 30, 2023 UNAUDITED	AT DECEMBER 31, 2022 AUDITED	AT JUNE 30, 2022 UNAUDITED
<b>ASSETS</b>			
Cash and cash equivalents	12 117	27 189	32 136
Derivative financial instruments	74	243	31
Trade receivables	82 862	88 241	96 083
Other receivables	10 206	13 565	17 471
Prepayments and accrued income	21 135	17 826	23 231
Inventories	80 508	92 034	95 993
<b>CURRENT ASSETS</b>	<b>206 902</b>	<b>239 098</b>	<b>264 945</b>
Other receivables	1 919	1 674	1 149
Deferred income tax assets	7 864	7 759	11 230
Property, plant and equipment	102 885	107 845	116 598
Intangible assets	6 735	7 167	7 731
<b>NON-CURRENT ASSETS</b>	<b>119 403</b>	<b>124 445</b>	<b>136 708</b>
<b>TOTAL ASSETS</b>	<b>326 305</b>	<b>363 543</b>	<b>401 653</b>
<b>LIABILITIES AND EQUITY</b>			
Borrowings	21 940	8 441	5 748
Derivative financial instruments	463	285	148
Trade payables	68 962	85 456	76 668
Other payables	7 184	9 984	11 634
Accrued liabilities and deferred income	40 692	35 002	30 645
Provisions	2 852	3 221	3 966
<b>CURRENT LIABILITIES</b>	<b>142 093</b>	<b>142 389</b>	<b>128 809</b>
Borrowings	68 205	102 768	130 572
Derivative financial instruments	-	-	205
Deferred income tax liabilities	1 963	1 689	1 358
Provisions	3 790	4 028	4 323
<b>NON-CURRENT LIABILITIES</b>	<b>73 958</b>	<b>108 485</b>	<b>136 458</b>
<b>TOTAL LIABILITIES</b>	<b>216 051</b>	<b>250 874</b>	<b>265 267</b>
Share capital	23 400	23 400	23 400
Capital reserve	330	330	330
Treasury shares	- 579	- 579	- 579
Retained earnings	90 518	89 807	109 992
<b>EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF GURIT</b>	<b>113 669</b>	<b>112 958</b>	<b>133 143</b>
Minority interests	- 3 415	- 289	3 243
<b>TOTAL EQUITY</b>	<b>110 254</b>	<b>112 669</b>	<b>136 386</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>326 305</b>	<b>363 543</b>	<b>401 653</b>

The accompanying notes form an integral part of these interim consolidated financial statements.

## CONSOLIDATED CASH FLOW STATEMENT

IN CHF 1000	NOTE	HALF-YEAR ENDED JUNE 30, 2023 UNAUDITED	HALF-YEAR ENDED JUNE 30, 2022 UNAUDITED
<b>PROFIT FOR THE HALF-YEAR</b>			
Impairment		4 388	16 618
Depreciation and amortisation		-	825
Finance income and expense, net		7 302	7 499
Income tax expense		5 098	1 611
Net losses from disposal of fixed assets and intangible assets		3 529	1 580
(Profit) on disposal of subsidiaries	9	86	12
Other non-cash items		-	- 18 296
Change in trade receivables		2 011	1 181
Change in inventories		915	- 11 829
Change in other receivables and prepayments and accrued income		8 641	- 1 954
Change in trade payables		- 2 227	- 10 882
Change in other payables and accrued liabilities and deferred income		- 12 835	6 066
Change in provisions		615	- 4 121
Finance cost, net paid		- 482	2 784
Income tax paid		- 3 219	- 1 066
		- 1 344	- 3 108
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>12 478</b>	<b>- 13 080</b>
Purchase of property, plant and equipment		- 5 463	- 6 153
Proceeds from sale of property, plant and equipment		14	595
Purchase of intangible assets		- 550	- 678
Investments in loans receivable		- 24	- 387
Proceeds from repayments of loans receivable		-	108
Business acquisition	8	-	- 42 827
Proceeds from disposal of subsidiaries	9	-	34 674
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>- 6 023</b>	<b>- 14 668</b>
Changes in current borrowings, net		- 2 693	- 17 267
Changes in non-current borrowings, net		- 18 217	53 946
Distribution to shareholders	7	-	- 3 273
Purchase of treasury shares		-	- 2 115
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>- 20 910</b>	<b>31 291</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>		<b>- 14 455</b>	<b>3 543</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE HALF-YEAR</b>			
Net change in cash and cash equivalents		27 189	29 013
Exchange (losses) / gains on cash		- 14 455	3 543
		- 617	- 420
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE HALF-YEAR</b>		<b>12 117</b>	<b>32 136</b>

The accompanying notes form an integral part of these interim consolidated financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

IN CHF 1000	NOTE	SHARE CAPITAL	CAPITAL RESERVE	TREASURY SHARES	CURRENCY TRANSLATION ADJUSTMENTS	OFFSET GOODWILL	OTHER RETAINED EARNINGS	TOTAL RETAINED EARNINGS	EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF GURIT	MINORITY INTERESTS	TOTAL EQUITY
<b>BALANCE AT JANUARY 1, 2022</b>		23 400	270	- 608	- 54 643	- 118 123	322 615	149 849	172 911	- 2 629	170 282
Profit for the half-year		-	-	-	-	-	16 859	16 859	16 859	- 241	16 618
Currency translation adjustments		-	-	-	1 506	-	-	1 506	1 506	- 491	1 015
<b>TOTAL INCOME AND EXPENSE FOR THE HALF-YEAR</b>		-	-	-	1 506	-	16 859	18 365	18 365	- 732	17 633
Distribution to shareholders	7	-	-	-	-	-	- 3 273	- 3 273	- 3 273	-	- 3 273
Usage of treasury shares for share-based compensation		-	60	2 144	-	-	- 2 298	- 2 298	- 94	-	- 94
Share-based compensation		-	-	-	-	-	662	662	662	-	662
Purchase of treasury shares		-	-	- 2 115	-	-	-	-	- 2 115	-	- 2 115
<b>TOTAL TRANSACTIONS WITH SHAREHOLDERS</b>		-	60	29	-	-	- 4 909	- 4 909	- 4 820	-	- 4 820
MINORITY INTEREST ON ACQUISITION OF SUBSIDIARY		-	-	-	-	-	-	-	-	6 604	6 604
GOODWILL DIRECTLY OFFSET WITH EQUITY		-	-	-	-	- 53 313	-	- 53 313	- 53 313	-	- 53 313
<b>BALANCE AT JUNE 30, 2022</b>		23 400	330	- 579	- 53 137	- 171 436	334 565	109 992	133 143	3 243	136 386
Profit for the half-year		-	-	-	-	-	- 7 611	- 7 611	- 7 611	97	- 7 514
Currency translation adjustments		-	-	-	- 10 678	-	-	- 10 678	- 10 678	- 24	- 10 702
<b>TOTAL INCOME AND EXPENSE FOR THE HALF-YEAR</b>		-	-	-	- 10 678	-	- 7 611	- 18 289	- 18 289	73	- 18 216
Share-based compensation		-	-	-	-	-	- 664	- 664	- 664	-	- 664
<b>TOTAL TRANSACTIONS WITH SHAREHOLDERS</b>		-	-	-	-	-	- 664	- 664	-	-	- 664
MINORITY INTEREST ON ACQUISITION OF SUBSIDIARY		-	-	-	-	-	-	-	-	- 738	- 738
ACQUISITION OF MINORITY INTERESTS		-	-	-	-	-	- 126	- 126	- 126	- 2 867	- 2 993
GOODWILL DIRECTLY OFFSET WITH EQUITY		-	-	-	-	- 1 106	-	- 1 106	- 1 106	-	- 1 106
<b>BALANCE AT DECEMBER 31, 2022</b>		23 400	330	- 579	- 63 815	- 172 542	326 164	89 807	112 958	- 289	112 669
Profit for the half-year		-	-	-	-	-	7 188	7 188	7 188	- 2 800	4 388
Currency translation adjustments		-	-	-	- 7 110	-	-	- 7 110	- 7 110	- 326	- 7 436
<b>TOTAL INCOME AND EXPENSE FOR THE HALF-YEAR</b>		-	-	-	- 7 110	-	7 188	78	78	- 3 126	- 3 048
Share-based compensation		-	-	-	-	-	633	633	633	-	633
<b>TOTAL TRANSACTIONS WITH SHAREHOLDERS</b>		-	-	-	-	-	633	633	633	-	633
<b>BALANCE AT JUNE 30, 2023</b>		23 400	330	- 579	- 70 925	- 172 542	333 985	90 518	113 669	- 3 415	110 254

The accompanying notes form an integral part of these interim consolidated financial statements.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

Gurit Holding AG is a public limited company incorporated and domiciled in Switzerland whose shares are listed on SIX Swiss Exchange.

### 2. BASIS FOR PREPARATION AND ACCOUNTING POLICIES

These unaudited interim consolidated financial statements of the Group for the half-year ended June 30, 2023, have been prepared in accordance with the Swiss Accounting and Reporting Recommendations (Swiss GAAP FER). They comply with the complementary recommendation for listed companies relating to interim reporting (Swiss GAAP FER 31, paragraphs 9 to 12). The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at December 31, 2022. The accounting policies are consistent with those of the annual financial statements for the year ended December 31, 2022.

These unaudited interim consolidated financial statements were approved by the Board of Directors on August 15, 2023.

### 3. EXCHANGE RATES

The principal exchange rates versus the Swiss franc were as follows:

	JUNE 30, 2023	DECEMBER 31, 2022	JUNE 30, 2022	Ø HALF-YEAR 1 2023	Ø HALF-YEAR 1 2022
1 British Pound	1.1365	1.1102	1.1698	1.1244	1.2260
1 Canadian dollar	0.6778	0.6819	0.7446	0.6767	0.7423
1 Chinese yuan renminbi	0.1240	0.1338	0.1427	0.1317	0.1457
1 Danish Krone	0.1319	0.1324	0.1358	0.1324	0.1388
1 Euro	0.9822	0.9847	1.0101	0.9857	1.0324
100 Indian rupee	1.0944	1.1168	1.2110	1.1096	1.2389
1 US dollar	0.8979	0.9232	0.9564	0.9123	0.9436

### 4. SEGMENT INFORMATION

IN CHF 1000	HALF-YEAR ENDED JUNE 30, 2023 UNAUDITED	HALF-YEAR ENDED JUNE 30, 2022 UNAUDITED
<b>NET SALES BY SEGMENTS</b>		
Composite Materials	160 805	141 439
Kitting	71 136	71 635
Manufacturing Solutions	30 730	32 363
Inter-segment elimination	- 18 045	- 20 171
<b>TOTAL CONTINUED OPERATIONS</b>	<b>244 626</b>	<b>225 266</b>
Aerospace	-	9 570
<b>TOTAL GROUP</b>	<b>244 626</b>	<b>234 836</b>

Gurit disclaims the disclosure of segment financial operating results as such disclosure would bear the risk of significant competitive disadvantages. The target markets in which most Business Units operate, are relatively confined market niches and the product offering of these units is relatively homogeneous. Most of the main direct competitors in the markets in which those segments operate are either not stock exchange-listed or do not disclose the relevant comparable segment information. As a result, disclosure of the performance of these segments would lead to significant competitive disadvantages.

IN CHF 1000	HALF-YEAR ENDED JUNE 30, 2023 UNAUDITED	HALF-YEAR ENDED JUNE 30, 2022 UNAUDITED
<b>NET SALES BY REGIONS OF DESTINATION</b>		
Europe	105 041	78 585
Asia	68 948	98 821
Americas	55 267	41 043
Rest of the world	15 370	16 387
<b>TOTAL NET SALES</b>	<b>244 626</b>	<b>234 836</b>



## 5. OTHER OPERATING EXPENSE

IN CHF 1000	HALF-YEAR ENDED JUNE 30, 2023 UNAUDITED	HALF-YEAR ENDED JUNE 30, 2022 UNAUDITED
Change in provision for impairment of trade receivables	54	– 135
Restructuring expenses	633	2 312
Impairment charges	–	825
Other operating expenses	11	–
<b>TOTAL OTHER OPERATING EXPENSE</b>	<b>698</b>	<b>3 002</b>

Restructuring expenses in the first half year 2023 relate to the reduction in work force in the Danish pultruded structural profiles factory. Restructuring expenses in the first half year 2022 related mainly to the right-sizing of the organisation to the reduced demand in the Wind market.

## 6. ADDITIONAL INFORMATION BY NATURE OF EXPENSE

IN CHF 1000	HALF-YEAR ENDED JUNE 30, 2023 UNAUDITED	HALF-YEAR ENDED JUNE 30, 2022 UNAUDITED
Depreciation	6 573	6 849
Amortisation	729	650
Personnel expense	53 087	55 742

## 7. DIVIDENDS

In accordance with the resolution of the Annual General Meeting of Shareholders held on April 24, 2023, no dividends are distributed in 2023. In 2022, a dividend of CHF 3 276 000 has been distributed to the shareholders on April 26, 2022.

## 8. BUSINESS ACQUISITION

On May 5, 2022, Gurit Holding AG acquired 60% of the shares of Fiberline Composites A/S, Denmark at a purchase price of CHF 58 070 000.

## 9. BUSINESS DIVESTMENT

On April 13, 2022, Gurit sold all of its shares in Gurit (Kassel) GmbH. At the time, the aerospace prepreg production site in Kassel employed 80 people. In the first half year 2022, up to the date of disposal, the Aerospace business unit generated net sales of CHF 9 570 000 and an operating profit of CHF 401 000.

The net gain from this transaction amounted to CHF 18 296 000 and is recorded in the income statement of the first half year 2022 within Other operating income.

## 10. SUBSEQUENT EVENTS

Effective August 15, 2023, Gurit acquired the remaining 40% shares of Fiberline Composites A/S from the minority shareholder. The purchase price for the acquisition of the 40% is maximally EUR 28 150 000 (equivalent to CHF 27 650 000, at the exchange rate as of June 30, 2023). The maximum purchase price composes of a EUR 4 000 000 fix cash payment at closing, a further fix cash payment of EUR 4 800 000 in 2026 and a revenue dependent earn-out consideration of maximally EUR 19 350 000 over the coming six years or earlier in time if the EUR 19 350 000 was reached earlier.

## EXPLANATION OF FINANCIAL TERMS USED

AMOUNTS IN CHF MILLION	REFERENCE	HALF-YEAR ENDED JUNE 30, 2023	HALF-YEAR ENDED JUNE 30, 2022
Operating profit	Consolidated Income Statement	13.0	19.8
+ Restructuring expenses	Note 5	0.6	2.3
+ Impairment charges	Note 5	–	0.8
– Gain on disposal of subsidiary	Note 9	–	– 18.3
<b>= ADJUSTED OPERATING PROFIT (EXCLUDING ONE-OFF ITEMS)</b>		<b>13.6</b>	<b>4.6</b>
÷ Net Sales	Consolidated Income Statement	244.6	234.8
<b>= ADJUSTED OPERATING PROFIT % OF NET SALES</b>		<b>5.6%</b>	<b>2.0%</b>
Operating profit	Consolidated Income Statement	13.0	19.8
– Depreciation	Note 6	6.6	6.8
– Amortisation	Note 6	0.7	0.7
– Impairment	Note 5	–	0.8
<b>= EBITDA</b>		<b>20.3</b>	<b>28.1</b>
Net cash flow from operating activities	Consolidated Cash Flow Statement	12.5	– 13.1
– Purchase of property, plant and equipment	Consolidated Cash Flow Statement	– 5.5	– 6.2
– Purchase of intangible assets	Consolidated Cash Flow Statement	– 0.6	– 0.7
+ Proceeds from sale of property, plant and equipment	Consolidated Cash Flow Statement	–	0.6
<b>= FREE CASH FLOW</b>		<b>6.5</b>	<b>– 19.3</b>
Purchase of property, plant and equipment	Consolidated Cash Flow Statement	5.5	6.2
+ Purchase of intangible assets	Consolidated Cash Flow Statement	0.6	0.7
+ Capital expenditures already invoiced but not yet paid		0.4	1.1
– Capital expenditures invoiced in prior year but paid in current year		– 1.0	– 1.3
<b>= CAPITAL EXPENDITURES</b>		<b>5.5</b>	<b>6.7</b>
Current borrowings	Consolidated Balance Sheet	21.9	5.7
+ Non-current borrowings	Consolidated Balance Sheet	68.2	130.6
<b>= TOTAL GROSS DEBT</b>		<b>90.1</b>	<b>136.3</b>
– Cash	Consolidated Balance Sheet	– 12.1	– 32.1
<b>= NET DEBT</b>		<b>78.0</b>	<b>104.2</b>
Total gross debt	as above	90.1	136.3
÷ EBITDA last 12 months		31.9	41.9
<b>= GROSS DEBT / EBITDA RATIO</b>		<b>2.82</b>	<b>3.25</b>
Equity	Consolidated Balance Sheet	110.3	136.4
÷ Total assets	Consolidated Balance Sheet	326.3	401.7
<b>= EQUITY IN % OF TOTAL ASSETS</b>		<b>33.8%</b>	<b>34.0%</b>

## EXPLANATION OF FINANCIAL TERMS USED (CONTINUED)

AMOUNTS IN CHF MILLION	HALF-YEAR 2023 AT HALF-YEAR 2022 EXCHANGE RATES	HALF-YEAR ENDED JUNE 30, 2022	CURRENCY ADJUSTED GROWTH
Net Sales			
Composite Materials	171.1	141.4	21.0%
Kitting	79.1	71.6	10.4%
Manufacturing Solutions	34.0	32.4	5.1%
Inter-segment elimination	– 19.2	– 20.2	–
<b>TOTAL CONTINUED OPERATIONS</b>	<b>265.0</b>	<b>225.3</b>	<b>17.6%</b>
Aerospace	–	9.6	– 100.0%
<b>TOTAL GROUP</b>	<b>265.0</b>	<b>234.8</b>	<b>12.8%</b>

## INVESTOR RELATIONS

### SHARE CAPITAL

The share capital of Gurit Holding AG is divided into:

4 680 000 registered shares at CHF 5.00 par value

Securities No. 117 356 711

### STOCK MARKET TRADING

The shares are listed on SIX Swiss Exchange. Prices are published in the Swiss daily and financial press as well as in electronic price information systems under the following symbols or numbers:

Reuters

GURN.S

Telekurs

GURN

Securities no.

117 356 711

ISIN

CH1173567111

### IMPORTANT DATES

The most important dates for publications this year and next are shown below:

October 18, 2023

Press release on Q3 2023 net sales

January 31, 2024

Press release on FY 2023 net sales

March 4, 2024

Presentation full-year results 2023  
Analyst/Media Conference  
Publication of Annual Report 2023 and  
Sustainability Report 2023

April 18, 2024

Annual General Meeting 2024  
Press release on Q1 2024 net sales

The key dates are continuously updated at [www.gurit.com/Investors/Events](http://www.gurit.com/Investors/Events)

### INTERNET/EMAIL ALERTS

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