sgl carbon

Report on the first half year 2025

Highlights H1 2025

Sales in the first half of 2025 fell by 15.8% to €453.2 million. This was primarily due to lower demand in the Graphite Solutions business unit.

Due to declining volumes, adjusted EBITDA fell by 16.2% year-on-year to €72.5 million. This decline was primarily due to lower demand for high-margin products for semiconductor customers at Graphite Solutions.

Due to restructuring expenses and negative currency effects, the equity ratio fell to 39.8% compared to the end of the last fiscal year (41.5%), while net debt rose by 6.7% to €115.5 million (December 31, 2024: €108.2 million).

Confirmation of the annual outlook for adjusted EBITDA (2025: €130–150 million). Sales forecast for 2025 adjusted on July 14, 2025, to a decline of 10%–15% year on year (previously: slight decline).

Financial Highlights H1 2025

€ million	1st Half Year 2025	2024	Change
Sales revenue	453.2	538.0	−15.8%
EBITDA pre [1]	72.5	86.5	−16.2%
EBITDA pre-margin	16.0%	16.1%	−0.1%-points
EBIT	−3.2	55.9	-
Consolidated net result (attributable to shareholders of the parent company)	−31.4	29.4	-
Free cash flow	7.3	12.4	−41.1%

€ million	Jun 30, 25	Dec 31, 24	Change
Total assets	1,250.3	1,336.9	−6.5%
Equity (attributable to the shareholders of the parent company)	497.1	554.9	−10.4%
Net financial debt	115.5	108.2	6.7%
Return on capital employed (ROCE) [2]	10.0%	11.4%	−1.4%-points
Leverage ratio [3]	0.8	0.7	-
Equity ratio	39.8%	41.5%	−1.7%-points

Share price in €	1st Half Year 2025	Financial Year 2024	Change
High	4.60	7.53	−39.0%
Low	3.01	3.86	−22.0%
Closing price at end of period	3.50	4.00	−12.5%

[1] Adjusted for one-off effects and non-recurring items. For more details, please refer to the business development section

[2] EBIT pre for the last twelve months to average capital employed (total of goodwill, other intangible assets, property, plant and equipment, investment properties, investments accounted for At-Equity and working capital)

[3] Net financial debt divided by EBITDA pre of the last 12 months

Content

Interim Group Management Report

Key events affecting business performance in the first half of 2025

On February 18, 2025, the Board of Management of SGL Carbon SE, with the approval of the Supervisory Board, decided to restructure the loss-making Carbon Fibers business unit. SGL Carbon will significantly reduce the business activities of Carbon Fibers and focus on a profitable core. Individual solutions will be developed for all Carbon Fibers sites, including the closure of unprofitable sites. The joint venture Brembo SGL Carbon Ceramic Brakes S.p.A. (BSCCB), which is allocated to the Carbon Fibers business unit for accounting purposes, is not affected by the restructuring.

A complete sale of the Carbon Fibers business unit was examined intensively but is no longer considered feasible.

The company expects the extensive restructuring to result in non-recurring items/one-offs affecting liquidity in the amount of approximately €50 million over the next two years.

Closure of the Lavradio site (Portugal)

As part of the restructuring of the Carbon Fibers business unit, the decision was made to close the Lavradio site after a detailed analysis of possible options. Production of polyacrylic fibers and SGL's own precursor was discontinued in June 2025. The site is to be completely closed by the end of 2026. SGL Carbon expects the discontinuation of the polyacrylic fibers and precursor product lines to result in a loss of sales of around €30 million.

Business Development

Group business development

Condensed consolidated income statement

€ million	2025	1st Half Year 2024	Change
Sales revenue	**453.2**	**538.0**	**−15.8%**
Cost of sales	−343.6	−407.4	−15.7%
Gross profit	**109.6**	**130.6**	**−16.1%**
Selling, administrative and R&D expenses	−68.5	−81.8	−16.3%
Other operating income/expenses	0.9	3.0	−70.0%
Result from investments accounted for At-Equity	4.7	7.7	−39.0%
EBIT pre	**46.7**	**59.5**	**−21.5%**
One-off effects/Non-recurring items	−49.9	−3.6	>100.0%
EBIT	**−3.2**	**55.9**	-

Decline in demand in three of the four operating business units weighs on Group sales

SGL Carbon generated consolidated sales of €453.2 million in the first half of 2025 (H1 2024: €538.0 million). This represents a decline of €84.8 million or 15.8% compared with the same period last year (currency-adjusted: down 15.6%).

The largest share of consolidated sales was generated by the Graphite Solutions (GS) business unit with 48.8% (H1 2024: 52.8%) and Carbon Fibers (CF) with 20.6% (H1 2024: 20.5%). The Process Technology (PT) and Composite Solutions (CS) business units contributed 15.5% (H1 2024: 13.0%) and 13.0% (H1 2024: 12.4%) to Group sales. The growth in the share of sales attributable to the Corporate segment to 2.1% (H1 2024: 1.3%) resulted from the leasing of new production buildings to the BSCCB joint venture at the Meitingen site.

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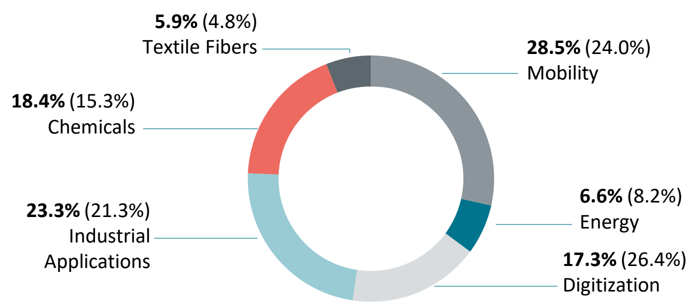
Sales revenue by market segments H1 2025 (H1 2024)



The market segments at Group level differ in part from those at business unit level. For the purposes of overall presentation, the markets of the business units are therefore split and presented according to market segments as defined by the Group.

Consolidated revenue was mainly impacted by weak demand in the “Digitization” market segment (GS business unit), which accounted for the largest share of the decline in consolidated revenue with a decrease of €63.3 million. Accordingly, this market segment's share of total revenue fell from 26.4% to 17.3% in the first half of 2025.

Sales in the “Digitization” market segment are determined in particular by demand for special graphite components from the GS business unit for semiconductor manufacturing. In the first half of 2025, past expectations regarding growth rates of around 30% per year for electric vehicles powered by batteries, the main area of application for silicon carbide-based power semiconductors, were not met. In addition, our customers have high inventories. This has had a correspondingly negative impact on demand for our products and significantly reduced the revenue attributable to GS compared with the previous year. In line with the development described above, sales in our largest business unit, GS, declined by €63.2 million (down 22.2%) to €221.0 million (H1 2024: €284.2 million).

The market segments “Industrial Applications” (down €9.1 million, or 7.9%) and “Energy” (down €14.0 million, or 31.8%) also suffered from weaker demand. Sales to our customers in the wind industry are also attributable to the “Energy” market segment. We have already reported in detail on the weak demand for carbon fibers from this industry in recent months. High overcapacities for carbon fibers, particularly in Asia, combined with an increasingly lower price level contributed to the decision to restructure the CF business unit. The “Industrial Applications” market segment comprises a wide range of product applications and consists primarily of sales to customers in the GS and CF business units.

Other important market segments are “Chemicals” and “Mobility,” whose sales remained virtually unchanged compared with the previous year. Customers of our PT business unit account for the majority of sales in the “Chemicals” market segment. Despite the difficult market environment, particularly for the chemical industry, PT managed to slightly improve its sales in the first half of 2025 to €70.2 million compared to the previous year (H1 2024: €69.9 million) thanks to its high order backlog.

The “Mobility” market segment mainly comprises sales to customers in the automotive and aerospace industries. Three of our business units (excluding PT) manufacture materials and products for a wide range of industrial applications and are important suppliers to these industries. The automotive industry is the most important sales market for our CS business unit. The early termination of a supply agreement with a North American automotive customer in the second quarter of 2024 and its impact on the first six months of 2025 reduced CS's revenue in the reporting period by €7.8 million or 11.7% to €59.1 million (H1 2024: €66.9 million).

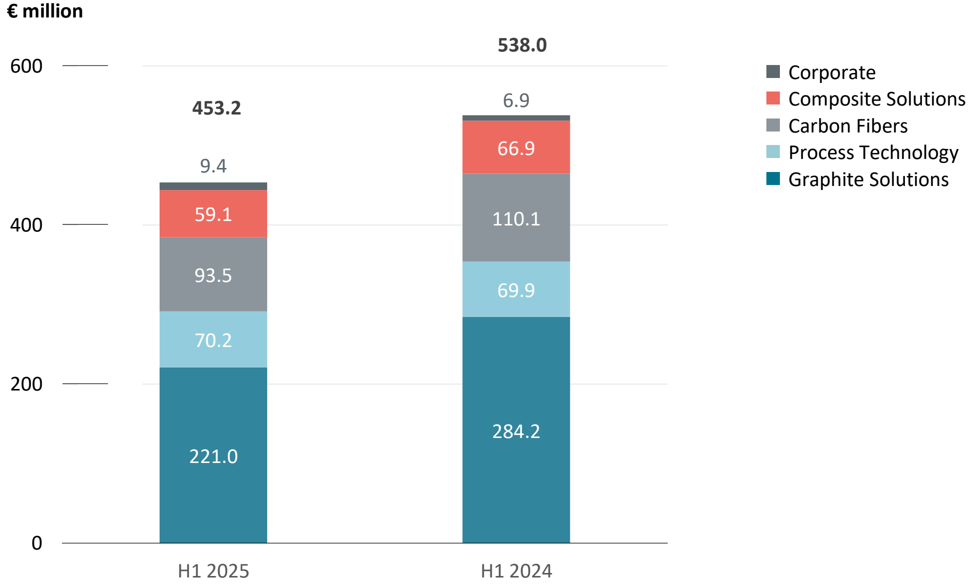
With sales of €26.8 million, “Textile Fibers” is SGL Carbon's smallest market segment and is allocated to the CF business unit. The developments described for carbon fibers also apply to textile fibers and are also affected by the restructuring of CF.

Due to persistently weak demand, the shutdown of unused production capacities and the decision to discontinue loss-making business activities, sales in the CF business unit fell by €16.6 million or 15.1% to €93.5 million compared with the same period last year (H1 2024: €110.1 million).

The decline in Group revenue is mainly attributable to negative volume effects, while currency and price effects played only a minor role in revenue development. In addition to market-specific developments such as sales of electric vehicles, the weak economic environment and the high level of uncertainty surrounding global trade relations had a particularly negative impact on demand for our products.

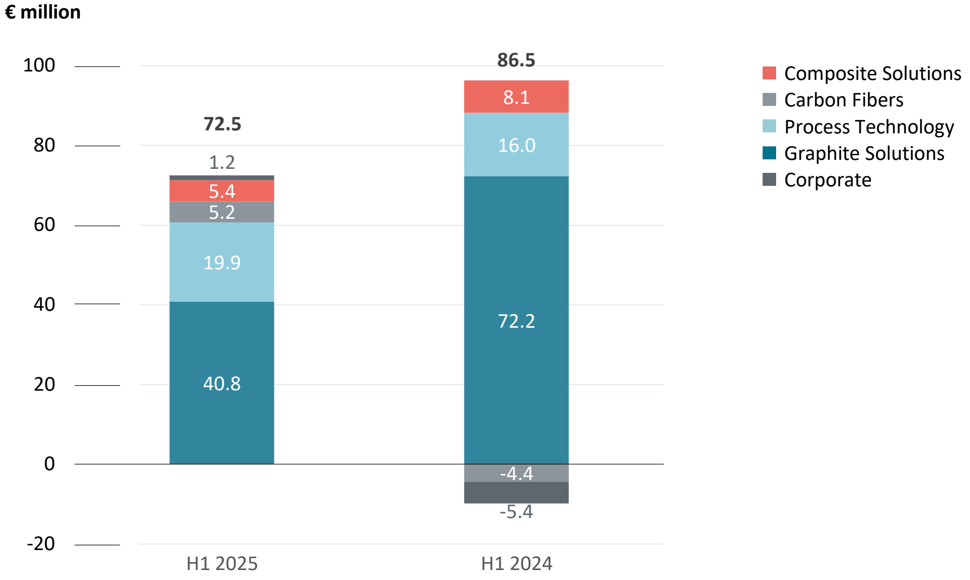
Further details on the revenue performance of the business units can be found in the segment reporting in this half-year report.

Group sales development



Earnings situation of the Group

Earnings development – EBITDA pre



Based on the significantly lower sales, particularly of higher-margin products for the semiconductor industry, SGL Carbon's adjusted EBITDA decreased by 16.2% to €72.5 million compared to the first half of the previous year (H1 2024: €86.5 million). The adjusted EBITDA margin remained virtually unchanged at 16.0% compared with the previous year (H1 2024: 16.1%).

The decline in adjusted EBITDA at the GS business unit, due to the lack of earnings contribution from sales to semiconductor customers, had a particularly negative impact on the Group's profitability. After €72.2 million in the first half of 2024, GS generated adjusted EBITDA of €40.8 million in the first six months of 2025. This corresponds to a decline of €31.4 million or 43.5%.

In contrast, the positive earnings trend in the PT business unit continued. Adjusted EBITDA in the first half of 2025 increased by €3.9 million to €19.9 million, corresponding to an increase of 24.4% (H1 2024: €16.0 million).

Against the backdrop of capacity adjustment measures as part of the restructuring decided at the beginning of the year, combined with staff reductions and strict cost management, adjusted EBITDA improved from minus €4.4 million in the first half of 2024 to €5.2 million in the half-year under review.

Increasingly short-term and cautious demand from the automotive industry and the expiry of a contract with an automotive customer weighed on both sales and earnings in the CS business unit in the first half of 2025. Adjusted EBITDA declined by 33.3% to €5.4 million (H1 2024: €8.1 million) compared with the same period of the previous year.

Further information on the development of adjusted EBITDA for all four operating business units can be found in the segment reporting in this half-year report.

The **income statement** of SGL Carbon shows the following developments:

- The cost of sales declined by 15.7% in line with the sales trend to €343.6 million (H1 2024: €407.4 million), mainly due to lower factor costs (primarily energy and raw materials) and restructuring-related reductions in personnel expenses. As a result, the gross margin decreased slightly to 24.2% compared to the same period of the previous year (H1 2024: 24.3%).

- Sales, administrative, and R&D expenses decreased by 16.3% to €68.5 million, slightly disproportionate to the decline in sales. The main factors here were the discontinuation of activities in the graphite anode material business, which led to lower research and development expenses, and lower administrative expenses due to reduced variable compensation components.

- As expected, the balance of other operating income and expenses decreased significantly in a half-year comparison from €3.0 million to €0.9 million in the first half of 2025. This was due to lower government grants totaling €0.9 million (H1 2024: €2.8 million).

- The result from investments accounted for At-Equity deteriorated by €3.0 million year-on-year (H1 2024: €7.7 million) due to lower earnings contributions from BSCCB.

The following table shows the reconciliation from adjusted EBITDA to EBIT:

	1st Half Year		
€ million	2025	2024	Change
EBITDA pre	**72.5**	**86.5**	**−16.2%**
Depreciation and amortization	−25.8	−27.0	−4.4%
EBIT pre	**46.7**	**59.5**	**−21.5%**
Restructuring expenses	−47.0	−1.8	>100%
Impairment and PPA-Effects	−0.5	−0.6	−16.7%
One-off effects	−2.4	−1.2	100.0%
EBIT	**−3.2**	**55.9**	-

Non-recurring items and one-off effects not included in adjusted EBITDA and adjusted EBIT totaled minus €49.9 million (H1 2024: minus €3.6 million). Restructuring expenses in the first half of 2025 amounted to €45.3 million and relate to the restructuring of the Carbon Fibers business unit announced on February 18, 2025. For further details on restructuring expenses and one-off effects, please refer to the notes to the condensed interim consolidated financial statements.

Overall, EBIT declined significantly in the reporting period to minus €3.2 million (H1 2024: €55.9 million).

Financial result improved by lower financial debt

	1st Half Year		
€ million	2025	2024	Change
Interest income	1.6	2.7	−40.7%
Interest on financial liabilities and other interest expense	−6.5	−9.5	−31.6%
Imputed interest convertible bonds	−2.9	−2.8	3.6%
Imputed interest on lease liabilities/contract liabilities	−3.3	−3.6	−8.3%
Interest component of additions to provisions for pensions	−3.2	−3.4	−5.9%
Interest expense, net	**−14.3**	**−16.6**	**−13.9%**
Amortization of refinancing costs	−0.7	−0.8	−12.5%
Foreign currency valuation of intercompany loans	1.6	−0.1	-
Other operating expense/income	−0.1	0.2	-
Other financial result	**0.8**	**−0.7**	-
Financial result	**−13.5**	**−17.3**	**−22.0%**

The financial result for the first half of 2025 amounted to minus €13.5 million, an improvement of 22.0% compared with the same period of the previous year. This was mainly due to net interest expense of minus €14.3 million (H1 2024: minus €16.6 million) as a result of lower interest on the reduced financial liabilities. Lower interest income from the investment of liquid funds at short-term interest rates of €1.6 million (H1 2024: €2.7 million) had a slightly offsetting effect. Other financial income increased to €0.8 million (H1 2024: minus €0.7 million) due to better foreign currency translation effects.

Condensed consolidated income statement (continued)

€ million	1st Half Year 2025	2024	Change
EBIT	**−3.2**	**55.9**	-
Financial result	−13.5	−17.3	−22.0%
Result before income taxes	**−16.7**	**38.6**	-
Income tax expense	−14.2	−8.8	61.4%
Net result for the period	**−30.9**	**29.8**	-
Attributable to:			
Non-controlling interests	0.5	0.4	25.0%
Consolidated net result (attributable to shareholders of the parent company)	−31.4	29.4	-
Earnings per share - basic and diluted (in €)	−0.26	0.24	-

Earnings before income taxes and consolidated net result

Due to the business development in the first half of 2025 and the non-recurring items and one-off effects, EBIT declined significantly year-on-year. With an improved financial result of minus €13.5 million, result before income taxes in the reporting period amounted to minus €16.7 million (H1 2024: €38.6 million).

The tax expense for the reporting period includes a negative valuation adjustment of deferred tax assets in the amount of €9.6 million, which is based on the reassessment of deferred tax assets in the US. This is due to a significant reduction in the forecasts for future tax results compared with the last budget. The adjustment to the earnings outlook is primarily due to measures under the restructuring program at CF, which have now been sufficiently specified. Taking into account income tax expense of €14.2 million, net result for the period amounted to a loss of €30.9 million (H1 2024: profit of €29.8 million).

Consolidated net result attributable to the shareholders of the parent company amounted to a loss of €31.4 million, resulting in a loss per share of €0.26 (H1 2024: profit of €0.24).

Balance Sheet Structure

ASSETS € million	Jun 30, 25	Dec 31, 24	Change
Non-current assets	616.1	663.0	−7.1%
Current assets	634.2	673.9	−5.9%
Total assets	**1,250.3**	**1,336.9**	**−6.5%**

EQUITY AND LIABILITIES € million			
Equity attributable to the shareholders of the parent company	497.1	554.9	−10.4%
Non-controlling interests	9.5	9.7	−2.1%
Total equity	**506.6**	**564.6**	**−10.3%**
Non-current liabilities	506.2	529.0	−4.3%
Current liabilities	237.5	243.3	−2.4%
Total equity and liabilities	**1,250.3**	**1,336.9**	**−6.5%**

As of June 30, 2025, total assets fell by €86.6 million or 6.5% to €1,250.3 million compared to December 31, 2024. The decline is due in particular to impairment losses on property, plant and equipment and inventories totaling €12.1 million as a result of the ongoing restructuring of the CF business unit, as well as negative currency effects of €55.6 million, primarily as a result of the weaker US dollar. In addition, trade receivables and contract assets decreased by €8.8 million, mainly due to currency effects.

Non-current liabilities decreased by €22.8 million, mainly due to a €14.7 million reduction in pension provisions, which is primarily related to higher actuarial interest rates in Germany (€8.1 million).

The €5.8 million decrease in current liabilities is mainly the result of a €9.3 million fall in trade payables, which, in addition to currency effects, also declined due to the lower level of business activity at CF, as well as a €6.1 million reduction in personnel-related provisions, which is mainly due to the payment of bonuses for the previous year. Miscellaneous other provisions decreased by €6.5 million due to utilization.

The €22.3 million increase in restructuring provisions in the CF business unit had an offsetting effect.

Working Capital

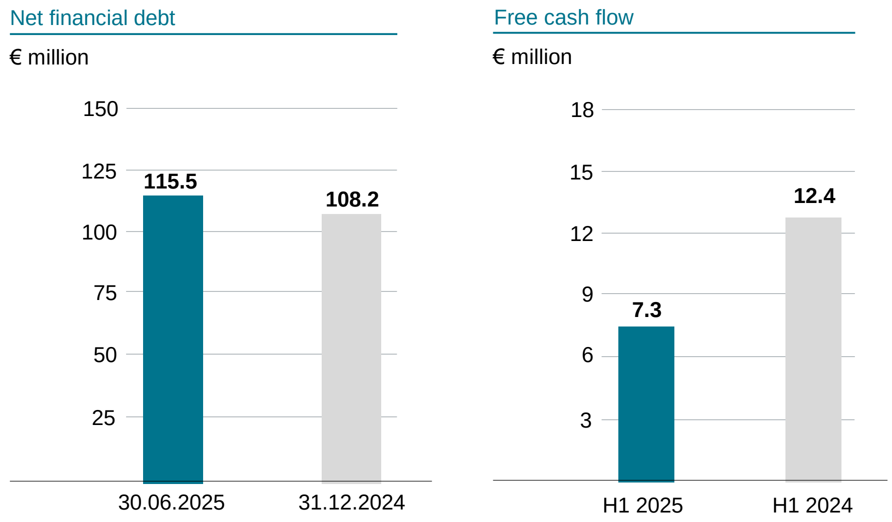
€ million	Jun 30, 25	Dec 31, 24	Change
Inventories	331.9	345.6	–4.0%
Trade receivables and contract assets	137.3	146.1	–6.0%
Trade payables and contract liabilities	–191.2	–208.5	–8.3%
Working Capital	**278.0**	**283.2**	**–1.8%**

As of June 30, 2025, working capital of €278.0 million was almost unchanged compared to the end of 2024. Trade receivables and contract assets decreased by €8.8 million to €137.3 million (-6.0%), with the factoring volume falling by €10.3 million. All operating business units, with the exception of Composite Solutions (CS), contributed to the decline in trade receivables. This reflects the currency effects and the lower sales volume in Q2 2025. The corresponding decrease in trade payables is mainly due to the use of advance payments from customers.

Decrease in equity

As of June 30, 2025, the equity attributable to shareholders of the parent company decreased by €57.8 million (-10.4%) to €497.1 million (December 31, 2024: €554.9 million). The decrease is mainly due to negative currency effects (€36.5 million) and the consolidated net result of minus €31.4 million. In contrast, positive effects from the revaluation of pension provisions in Germany totaling €8.1 million partially compensated for the decline in equity. The equity ratio as at June 30, 2025 was 39.8% (December 31, 2024: 41.5%).

Net financial debt/Free cash flow



Net financial debt

€ million	Jun 30, 25	Dec 31, 24	Change
Carrying amount of current and non-current financial liabilities	233.2	231.3	0.8%
Remaining imputed interest for the convertible bonds	19.0	21.9	–13.2%
Accrued refinancing cost	2.5	3.0	–16.7%
Total financial debt (nominal amount)	**254.7**	**256.2**	**–0.6%**
Liquidity	**139.2**	**148.0**	**–5.9%**
Net financial debt	**115.5**	**108.2**	**6.7%**

SGL Carbon's net financial debt increased by €7.3 million (+6.7%) to €115.5 million as at June 30, 2025. This increase is mainly due to the negative balance from the positive free cash flow of €7.3 million on the one hand and the interest- (€8.4 million) and lease payments (€4.9 million) on the other. The exchange rate-related change in cash and cash equivalents amounted to minus €1.0 million in the first half of 2025.

Free cash flow

€ million	1st Half Year 2025	2024
EBIT	−3.2	55.9
Restructuring expenses	47.0	1.8
Depreciation/amortization expense	25.8	27.0
Changes in working capital	−18.0	−16.7
Changes in provisions	−28.6	−14.2
Miscellaneous items	1.3	−7.3
Cash flow from operating activities	**24.3**	**46.5**
Payments to purchase intangible assets, property, plant & equipment and investment property	−26.3	−44.2
Proceeds from the sale of intangible assets and property, plant & equipment	0.3	0.1
Dividends received including capital repayments from investments accounted for At-Equity	9.0	10.0
Cash flow from investing activities	**−17.0**	**−34.1**
Free cash flow	**7.3**	**12.4**

Cash flow from operating activities reflects the weaker operating result in the first six months of 2025 and decreased by €22.2 million from €46.5 million in the same period of the previous year to €24.3 million.

Cash flow from investing activities improved significantly from minus €34.1 million in the same period of the previous year to minus €17.0 million in the reporting period, mainly due to lower capital expenditure in property, plant and equipment of €17.9 million. In the first half of 2025, there was also a cash inflow of €4.0 million from the repayment of a loan from an associated company. This was offset by the lower cash proceeds from the dividend of €5.0 million from BSCCB (H1 2024: €10.0 million) compared to the same period of the previous year.

Overall, the free cash flow of €7.3 million in the reporting period was €5.1 million below the previous year's level (H1 2024: €12.4 million).

Employees

As of June 30, 2025, the number of employees worldwide was 4,112 (December 31, 2024: 4,394), representing a decrease of 282 employees compared to the previous year. The decline is primarily attributable to capacity adjustments and the associated reduction in the workforce.

Headcount	Jun 30, 25	Dec 31, 24	Change
Graphite Solutions	2,338	2,477	−5.6%
Process Technology	489	485	0.8%
Carbon Fibers	836	937	−10.8%
Composite Solutions	371	388	−4.4%
Corporate	78	107	−27.1%
Total SGL Carbon	**4,112**	**4,394**	**−6.4%**

Headcount	Jun 30, 25	Dec 31, 24	Change
Germany	1,889	1,953	−3.3%
Europe excluding Germany	1,101	1,214	−9.3%
USA	657	754	−12.9%
Asia	465	473	−1.7%
Total SGL Carbon	**4,112**	**4,394**	**−6.4%**

Segment reporting

Reporting segment Graphite Solutions

€ million	1st Half Year 2025	2024	Change
Sales revenue	221.0	284.2	−22.2%
EBITDA pre	40.8	72.2	−43.5%
EBITDA pre-margin	18.5%	25.4%	−6.9%-points
EBIT pre	24.8	57.1	−56.6%
EBIT	23.7	54.4	−56.4%

The **Graphite Solutions (GS)** business unit reported revenue of €221.0 million in the first half of 2025, down 22.2% on the same period of the previous year (H1 2024: €284.2 million). This significant decline in sales is primarily attributable to the slowdown in demand from the “Semiconductor & LED“ market segment, which recorded a significant decrease in sales of €63.4 million, or 44.7%, to €78.4 million (H1 2024: €141.8 million). Due to the significant decline, the share of the still largest market segment in GS's revenue decreased from 49.9% in the same period of the previous year to 35.5% in the first half of the reporting period. The “Semiconductor & LED“ market segment also includes our customers in the silicon carbide-based semiconductor sector, who demanded significantly fewer products in the first half of 2025 than in the same period of the previous year. Lower-than-expected sales figures for electric vehicles in 2024, which are the main users of SiC semiconductors, and lower growth expectations for the coming years have led to high inventories among our customers. In addition, Western electric vehicle manufacturers in particular have postponed the market launch of new vehicle models with SiC semiconductor structures. We generally expect demand to pick up again once our customers have reduced their inventories, although it will continue to be driven by electric vehicle sales figures in the future. The share of revenue in the “Semiconductors/LED” market segment with customers from the SiC semiconductor industry was 60% in H1 2025, compared with 69% in the same period of the previous year. By contrast, the share of sales generated by customers in the silicon semiconductor industry rose from 23% in H1 2024 to 36% in the reporting period.

The second-largest market segment in terms of revenue, “Industrial Applications,” manufactures a wide variety of graphite products for a large number of industries. Due to the continuing difficult and uncertain economic conditions in many of our sales markets, revenue from these customers declined slightly by €5.7 million, or 7.1%, to €74.3 million compared to the same period last year.

Business with “Battery Materials,” both with gas diffusion layers for fuel cell customers and, to a lesser extent, with anode material (GAM) for the lithium-ion battery industry, increased significantly overall in the first half of 2025. Sales increased by €6.8 million from a low prior-year level (H1 2024: €15.4 million) to €22.2 million. The higher demand is primarily attributable to customers in the fuel cell industry. However, the closure of the production facilities for GAM in the second quarter of 2025 also led to an increase in demand, particularly in the first quarter of 2025, as customers who require this material covered their foreseeable needs before our production line was shut down.

The other market segments, “Automotive & Transportation” and “Chemical” Industry, saw a slight increase in sales, while sales to “Solar” customers continued to decline.

The significant decline in sales had a negative impact on the GS's adjusted EBITDA. Year-on-year, adjusted EBITDA for the business unit declined by 43.5% to €40.8 million (H1 2024: €72.2 million). This was mainly due to the decline in demand for high-margin products for the semiconductor industry and the resulting lower capacity utilization of our production facilities. Lower costs, primarily for personnel and energy, only partially offset the volume-related decline. The adjusted EBITDA margin decreased significantly to 18.5% in a six-month comparison (H1 2024: 25.4%).

In line with the business performance described above, GS's EBIT after non-recurring items and one-off effects declined by 56.4% to €23.7 million (H1 2024: €54.4 million). This includes negative non-recurring items totaling €1.1 million resulting from restructuring expenses in the Battery Solutions product area and staff reductions. On the other hand, the reversal of a restructuring provision recognized in income had a positive impact. The first half of the previous year included non-recurring items of minus €2.7 million from an impairment of production facilities and inventories as a result of the discontinuation of R&D activities and the closure of the battery application laboratory.

Reporting segment Process Technology

€ million	1st Half Year 2025	2024	Change
Sales revenue	70.2	69.9	0.4%
EBITDA pre	19.9	16.0	24.4%
EBITDA pre-margin	28.3%	22.9%	+5.4%-points
EBIT pre	19.1	15.3	24.8%
EBIT	19.1	15.3	24.8%

With sales of €70.2 million, slightly up on the same period of the previous year (H1 2024: €69.9 million), the **Process Technology (PT)** business unit confirmed the stability of its business activities. Sales in this business unit are generated primarily with customers in the chemical industry. PT benefited above all in the first quarter of 2025 from its global customer base, particularly from large-scale projects delivered. In the second quarter of 2025, the slowdown in order intake that had already begun in the second half of 2024 led to a slight weakening in business performance. Due to the current economic conditions and ongoing high uncertainty in the chemical industry, PT's order intake is below the prior-year period. This is mainly attributable to the postponement of major projects.

The completion of several major projects and the associated positive development of PT is also reflected in adjusted EBITDA. This increased from €16.0 million in the same period of the previous year to €19.9 million. Higher capacity utilization and positive cost effects for raw materials led to an improvement in the adjusted EBITDA margin from 22.9% in the first half of 2024 to 28.3% in the first half of 2025.

Reporting segment Carbon Fibers

€ million	1st Half Year 2025	2024	Change
Sales revenue	93.5	110.1	−15.1%
EBITDA pre	5.2	−4.4	-
EBITDA pre-margin	5.6%	−4.0%	+9.6%-points
EBIT pre	3.0	−9.1	-
EBIT	−42.3	−11.4	>100%

The restructuring measures initiated in March 2025 began to bear fruit in the first half of 2025, with the **Carbon Fibers (CF)** business unit reporting positive adjusted EBITDA. Although the discontinuation of loss-making business activities resulted in a 15.1% decline in sales to €93.5 million in the first half of 2025 (H1 2024: €110.1 million), it also led to an increase in adjusted EBITDA for CF from minus €4.4 million to €5.2 million.

Weak demand from our core markets, such as the wind industry, global overcapacity and poor prospects for European carbon fibers led to the decision at the beginning of the year to comprehensively restructure the CF business unit. As part of the restructuring, production capacities were further reduced in the first half of 2025 and initial restructuring measures were implemented. These measures primarily affected our site in Lavradio (Portugal), where polyacrylic fibers and precursors for carbon fibers were mainly produced. Production and thus also our business activities in the polyacrylic fibers and precursors product areas were completely discontinued at the end of June 2025. In the future, CF will focus on profitable products with higher differentiation features compared to the international competition.

The decision to discontinue product areas led to a reduction in sales on the one hand and a shift in the distribution of sales by market segment on the other. While wind energy, as one of the customers for carbon fibers, still accounted for around 20% of sales in the CF business unit in the first half of 2024, this figure was only around 3% in H1 2025. The automotive market segment, on the other hand, as did textile fibers recorded a slight increase in sales of 9.1% and 3.9%, respectively, which was mainly attributable to the delivery of the last fiber volumes and the sale of inventories. Accordingly, sales to automotive customers accounted for 32.1% (H1 2024: 25.0%) of CF sales, and textile fibers accounted for 28.7% (H1 2024: 23.4%).

The restructuring measures implemented have led to a significant reduction in logistics, personnel, and energy costs, which contributed to an improvement in adjusted EBITDA of €9.6 million to €5.2 million (H1 2024: minus €4.4 million).

The investments accounted for At-Equity, primarily Brembo SGL Carbon Ceramic Brakes (BSCCB), the joint venture with Brembo for the production of carbon-ceramic brake discs, contributed €4.7 million to the adjusted EBITDA of the CF reporting segment in the first half of 2025 (H1 2024: €7.7 million). The main reasons for the decline in BSCCB's earnings can be attributed to two effects: (i) Costs for expanding production capacity and relocating equipment to the newly constructed production hall at the Meitingen site (ii) Despite BSCCB's positioning as a premium product manufacturer, the company has not been completely unaffected by the current weak demand in the automotive industry and, above all, to the postponement of the introduction of new vehicle models. Excluding the earnings contribution of BSCCB, which is accounted for using the equity method, CF's adjusted EBITDA would have been €0.5 million (H1 2024: minus €12.3 million).

Taking into account lower depreciation and amortization (€2.2 million in H1 2025 vs. €4.7 million in the same period of the previous year), resulting from the impairment carried out in fiscal year 2024 and the non-recurring items, EBIT for the first half of 2025 amounted to minus €42.3 million (H1 2024: minus €11.4 million). In H1 2025, EBIT includes non-recurring items of minus €45.3 million for restructuring expenses. Measures related to the closure of the Lavradio site account for approximately two-thirds of these restructuring expenses. Further restructuring expenses result from a compensation payment for the early termination of a supplier agreement and restructuring measures at the other CF sites.

Reporting segment Composite Solutions

	1st Half Year		
€ million	2025	**2024**	**Change**
Sales revenue	59.1	66.9	−11.7%
EBITDA pre	5.4	8.1	−33.3%
EBITDA pre-margin	9.1%	12.1%	−3.0%-points
EBIT pre	2.6	4.9	−46.9%
EBIT	2.1	4.4	−52.3%

Sales in the **Composite Solutions (CS)** business unit declined significantly in the first half of 2025, falling by 11.7% to €59.1 million (H1 2024: €66.9 million). The decline is primarily attributable to the expiry of a project-related supply contract with an automotive customer in the second quarter of the previous year. Furthermore, demand from automotive customers is characterized by high uncertainty due to the current economic and geopolitical environment and the postponement of new vehicle models. The business unit develops and produces customized vehicle components from various composite materials for customers in Europe and North America, among other things.

The automotive market segment is the dominant customer segment, accounting for around 93% of CS's half-year revenue. The remaining 7% is divided equally between the aerospace and industrial applications market segments.

As a result of lower volumes and the associated lower capacity utilization, CS's adjusted EBITDA decreased by €2.7 million or 33.3% to €5.4 million (H1 2024: €8.1 million) compared to the same period last year. Slightly higher energy and personnel costs had only a very minor impact on the decline in earnings on the revenue side. Based on the loss of the high-margin customer contract, lower demand volumes from the automotive industry and increasing price pressure from customers, the adjusted EBITDA margin declined from 12.1% in the prior-year period to 9.1% in H1 2025.

EBIT of €2.1 million in the reporting period includes non-recurring items of minus €0.5 million resulting from purchase price amortization.

Reporting segment Corporate

€ million	1st Half Year 2025	2024	Change
Sales revenue	9.4	6.9	36.2%
EBITDA pre	1.2	−5.4	-
EBIT pre	−2.8	−8.7	−67.8%
EBIT	−5.8	−6.8	−14.7%

Sales in the **Corporate** reporting segment increased by 36.2% from €6.9 million in the first half of 2024 to €9.4 million in the reporting period. This increase is mainly attributable to higher income from the leasing of production buildings. At the end of 2024, the new production buildings for expanding the capacity of the BSCCB joint venture were completed on the SGL site in Meitingen and leased to BSCCB.

Adjusted EBITDA for the Corporate segment improved from minus €5.4 million in the same period of the previous year to €1.2 million. This increase of €6.6 million is primarily attributable to strict cost management, lower provisions for variable salary components, and the higher rental income already mentioned.

One-off effects of minus €3.0 million, mainly for consulting services, are included in the reported EBIT for H1 2025 of minus €5.8 million. In H1 2024, there were one-off effects of minus €1.9 million resulting from one-time expenses from the review of strategic options for the CF business unit, which were partially offset by the reversal of a provision for the dismantling and disposal of the former Frankfurt-Griesheim site.

Opportunities and Risks

With regard to existing opportunities and risks, we refer to the detailed statements made in the 2024 Annual Report, which we supplement as follows.

Based on developments since the publication of the Annual Report, we have updated our risk assessment.

Increasing geopolitical tensions and growing trade barriers worldwide, particularly as a result of the US tariff policy, some of which has already been implemented and announced, are having a negative impact on the business performance of our customers and sales markets. Due to the high level of uncertainty, customer projects may be postponed and order volumes reduced or canceled altogether. This could have a negative impact on our production volumes and, accordingly, on SGL Carbon's revenue and earnings performance.

There are also market-specific risks. One of our most important sales markets is the semiconductor industry, especially the market for silicon carbide-based semiconductors. These are used in particular in electromobility, and demand for them is therefore directly linked to sales figures for electric vehicles. Restrained demand for electric vehicles on the part of end consumers could continue to have a negative impact on our sales figures for specialty graphite products in the GS business unit. There were changes in the risks arising from the restructuring of the CF business unit compared with the end of the year. These risks are no longer classified as serious in the 2025 half-year financial report, but as significant. This new assessment is mainly due to the fact that the measures for restructuring the CF business unit became more concrete during the reporting period.

Based on the potential consequences for our business model described above, further negative valuation adjustments to the carrying amount of deferred tax assets could arise depending on future earnings development.

The US government's customs policy has further increased trade risks. A tightening of protectionist measures, including in the form of counter-tariffs from the EU and China, could further increase trade tensions and lead to a slowdown in global economic growth. If the mutual trade barriers are implemented, SGL Carbon could be confronted with the risk (opportunity and risk class: high) that costs resulting from tariffs and/or duties cannot be passed on to customers, or only partially. There is uncertainty in this assessment with regard to the timing and amount of the introduction and the products affected. To counter this risk, we are constantly monitoring and evaluating trade policy announcements and their potential impact on our business. Indirect effects that may result from new trade barriers, such as burdens and lower demand on the part of our customers, are currently difficult to assess. No further significant changes have occurred.

Based on the information currently available, we do not believe that there are any significant individual risks that could jeopardize the company's continued existence, either now or in the foreseeable future. Even when considered cumulatively, the current individual risks do not jeopardize SGL Carbon's continued existence.

Outlook

Experts continue to forecast moderate growth for the global economy in 2025, although uncertainties remain due to trade tensions and inflation. In its “Summer Forecast” published in June 2025, the German ifo Institute assumes that the global economy will slow down as a result of the trade conflict and that global economic output will grow by only around 2.1% in 2025.

In the eurozone, the economy showed a slight upward trend at the beginning of 2025, mainly due to advance exports to the US and lower interest rates by the European Central Bank. However, repeated threats of high US tariffs on EU imports are increasing economic uncertainty and dampening growth expectations.

The ifo Institute expects gross domestic product in Germany to grow by 0.3%. However, US tariff increases could significantly curb this development. The growth forecast is supported by the German government's financial package for defense and infrastructure.

However, increasing protectionism in individual regions and countries and the associated rise in trade barriers are weighing on global trade and thus on global economic development. In view of the rapidly changing geopolitical situation and the US tariff decisions that were still pending at the time this half-year report was prepared, it is still too early to conclusively assess the global impact of possible tariff increases and to evaluate the direct and indirect effects on SGL Carbon's business development.

Assuming that economic and geopolitical conditions do not deteriorate further, and based on the business performance in the first half of 2025 and our expectations for the further business development in the second half of 2025, we have reviewed our sales and earnings expectations from March 20, 2025. The second half of 2025 will be increasingly influenced by the successful restructuring measures in the CF business unit and the continuing weak demand for specialty graphite components from our semiconductor customers (GS business unit). We therefore adjusted our sales forecast for fiscal 2025 on July 14, 2025.

For fiscal year 2025, we now expect consolidated sales to be 10% to 15% below the previous year (previous forecast: slightly below the previous year's level). Our expectations for adjusted EBITDA (between €130 million and €150 million) and the other key figures forecast for 2025 at Group level remain unchanged. Accordingly, we expect free cash flow at the end of fiscal year 2025 to be significantly below the previous year's level but positive. In terms of return on capital employed, we continue to expect ROCE to be between 9% and 10%.

Group financial targets

€ million	Actual 2024	Outlook 2025	Updated outlook 2025
Sales revenue	1,026.4	slightly below prior year	minus 10%-15%
EBITDA pre	162.9	130 - 150	unchanged
Return of capital employed (ROCE $_{EBIT}$)	11.4%	9 - 10%	unchanged
Free cash flow	38.7	significantly below prior year level, however positive	unchanged

"Slight" indicates a variation of up to 10%; "significant" indicates a variation of more than 10%

Business units

Based on the restructuring measures already successfully implemented and planned for the second half of 2025 in Carbon Fibers, as well as our market expectations for the key sales markets of our business units, we have reviewed and updated the qualitative forecast for our business units.

In the GS business unit, we do not expect a significant recovery in our core market, the semiconductor industry, in the second half of 2025. Demand for electric vehicles, which continues to fall short of expectations, a lower adoption rate of silicon carbide-based semiconductors in many Asian vehicle models, and continued high inventory levels at our customers are weighing on demand for GS's specialty graphite components. We therefore expect the business environment to remain difficult and anticipate a significant decline in both sales and adjusted EBITDA compared with the previous year (previous forecast: slight decline in both sales and adjusted EBITDA).

The expectations for PT's business development remain unchanged. We are therefore confirming our previous sales forecast (slight deterioration compared with the previous year), but are raising our expectations for adjusted EBITDA slightly due to strict cost management, so that we now only expect a slight decline (previous forecast: significant deterioration).

The restructuring successfully initiated in the CF business unit and the associated discontinuation of business activities and cost-saving measures will have a negative impact on revenue, so that we expect a significant deterioration in CF revenue for fiscal year 2025 (previous forecast: slight deterioration). In return, we expect the restructuring measures to have a significantly positive impact on CF earnings, so that we anticipate a significant improvement in adjusted EBITDA for CF (previous forecast: slight improvement).

At CS, a persistently challenging business environment, particularly with customers in the automotive industry (strong competition, postponement of projects), has led us to adjust our revenue forecast. We had previously assumed revenue would be at the previous year's level, but now expect a slight decline. The significant deterioration in adjusted EBITDA expected for 2025 remains unchanged.

The expectations for the Corporate reporting segment also remain unchanged.

Segment	KPI	Actual 2024	Outlook 2025	Updated outlook 2025
GS	Sales revenue	539.0	slight decline	significant decline
	EBITDA pre	131.0	slight decline	significant decline
PT	Sales revenue	138.3	slight decline	unchanged
	EBITDA pre	33.0	significant decline	slight decline
CF	Sales revenue	209.8	slight decline	significant decline
	EBITDA pre	−11.0	slight improvement	significant improvement
CS	Sales revenue	124.6	constant	slight decline
	EBITDA pre	18.2	significant decline	unchanged
Corporate	EBITDA pre	−8.3	significant decline	unchanged

"Slight" indicates a variation of up to 10%; "significant" indicates a variation of more than 10%

Restructuring of the Carbon Fibers (CF) business unit

On February 18, 2025, we announced the restructuring of the loss-making CF business unit. This includes a significant reduction in CF's business activities and a focus on a profitable core. Individual solutions are being developed for all CF sites, including the closure of unprofitable sites. The BSCCB joint venture, which is allocated to the CF business unit for accounting purposes, is not affected by the restructuring.

In line with the declining demand situation and lack of future prospects for the loss-making business activities of CF, comprehensive adjustments to production capacities were made in the first few months of the fiscal year, among other places in Moses Lake (USA) and Muir of Ord (United Kingdom). As part of the restructuring, the decision was also made to idle production at the Moses Lake site at the beginning of August 2025. Personnel requirements and cost structures were adjusted to current capacities.

Following a detailed analysis, we announced the closure of the production site in Lavradio (Portugal) on May 5, 2025. Lavradio mainly produced acrylic fibers and precursors, i.e., precursors for carbon fibers. The closure of the site is necessary because demand for fiber products has declined significantly in recent years. In addition, there is considerable global overcapacity for acrylic and carbon fibers, combined with an enormous drop in prices, which makes fiber production in Europe unprofitable. Production in Lavradio was therefore discontinued at the end of June 2025. The final measures for the complete closure of the site are to be completed by the end of 2026. The closure of the Lavradio site and the associated discontinuation of unprofitable business activities will result in a decline in revenue of around €30 million in fiscal year 2025. In return, we expect the profitability of the business unit to improve through restructuring and a reduction in the CF cost structure.

Wiesbaden, August 7, 2025

SGL Carbon SE

The Board of Management of SGL Carbon SE

Andreas Klein **Dr. Stephan Bühler** **Thomas Dippold**

Condensed Interim Financial Statements

Consolidated Income Statement

	2nd Quarter			1st Half Year		
€ million	2025	**2024**	**Change**	2025	**2024**	**Change**
Sales revenue	**218.9**	**265.4**	**−17.5%**	**453.2**	**538.0**	**−15.8%**
Cost of sales	−164.8	−198.1	−16.8%	−345.9	−408.0	−15.2%
Gross profit	**54.1**	**67.3**	**−19.6%**	**107.3**	**130.0**	**−17.5%**
Selling expenses	−21.0	−23.5	−10.6%	−43.0	−47.3	−9.1%
Research and development costs	−4.9	−7.0	−30.0%	−10.6	−14.6	−27.4%
General and administrative expenses	−7.3	−10.8	−32.4%	−14.9	−19.9	−25.1%
Other operating income	2.9	2.3	26.1%	5.9	5.8	1.7%
Other operating expenses	−3.1	−2.3	34.8%	−5.6	−4.0	40.0%
Result from investments accounted for At-Equity	3.1	3.3	−6.1%	4.7	7.7	−39.0%
Restructuring expenses	−30.4	0.0	-	−47.0	−1.8	>100%
Operating profit/loss	**−6.6**	**29.3**	**-**	**−3.2**	**55.9**	**-**
Interest income	0.7	1.3	−46.2%	1.6	2.7	−40.7%
Interest expense	−8.0	−9.1	−12.1%	−15.9	−19.3	−17.6%
Other financial result	0.6	−0.4	-	0.8	−0.7	-
Result before income taxes	**−13.3**	**21.1**	**-**	**−16.7**	**38.6**	**-**
Income tax expense	−11.7	−4.2	>100%	−14.2	−8.8	61.4%
Net result for the period	**−25.0**	**16.9**	**-**	**−30.9**	**29.8**	**-**
Thereof attributable to:						
Non-controlling interests	0.3	0.1	>100%	0.5	0.4	25.0%
Consolidated net result (attributable to shareholders of the parent company)	−25.3	16.8	-	−31.4	29.4	-
Earnings per share, basic and diluted (in€)	−0.21	0.14	-	−0.26	0.24	-

Consolidated Statement of Comprehensive Income

	2nd Quarter		1st Half Year	
€ million	2025	2024	2025	2024
Net result for the period	**−25.0**	**16.9**	**−30.9**	**29.8**
Items that may be reclassified subsequently to profit or loss				
Cash flow hedges[1]	1.0	−0.2	2.0	−1.4
Currency translation[1]	−24.8	2.7	−36.7	11.4
Items that will not be reclassified to profit or loss				
Actuarial gains/losses on pensions and similar obligations[1]	−0.1	10.7	8.1	10.7
Other comprehensive income	**−23.9**	**13.2**	**−26.6**	**20.7**
Comprehensive income	**−48.9**	**30.1**	**−57.5**	**50.5**
Thereof attributable to:				
Non-controlling interests	0.2	0.1	0.3	0.4
Consolidated net result (attributable to shareholders of the parent company)	−49.1	30.0	−57.8	50.1

[1] Includes tax effects of € 0.0 million in the first half year of 2025 and 2024

Consolidated Balance Sheet

ASSETS € million	Jun 30, 25	Dec 31, 24	Change
Goodwill	21.5	23.6	−8.9%
Other intangible assets	9.7	10.9	−11.0%
Property, plant and equipment	439.9	461.3	−4.6%
Investment property	39.5	40.5	−2.5%
Investments accounted for At-Equity	60.9	65.3	−6.7%
Other non-current assets	4.7	5.8	−19.0%
Deferred tax assets	39.9	55.6	−28.2%
Total non-current assets	**616.1**	**663.0**	**−7.1%**
Inventories	331.9	345.6	−4.0%
Trade receivables and contract assets	137.3	146.1	−6.0%
Other receivables and other assets	25.8	34.2	−24.6%
Liquidity	139.2	148.0	−5.9%
Time deposits	*17.8*	*17.8*	*0.0%*
Cash and cash equivalents	*121.4*	*130.2*	*−6.8%*
Total current assets	**634.2**	**673.9**	**−5.9%**
Total assets	**1,250.3**	**1,336.9**	**−6.5%**

EQUITY AND LIABILITIES € million	Jun 30, 25	Dec 31, 24	Change
Issued capital	313.2	313.2	0.0%
Capital reserves	1,067.8	1,067.8	0.0%
Accumulated losses	−883.9	−826.1	7.0%
Equity attributable to the shareholders of the parent company	**497.1**	**554.9**	**−10.4%**
Non-controlling interests	9.5	9.7	−2.1%
Total equity	**506.6**	**564.6**	**−10.3%**
Provisions for pensions and similar employee benefits	180.9	195.6	−7.5%
Other provisions	6.2	2.9	>100%
Interest-bearing loans	225.6	226.1	−0.2%
Contract liabilities	78.1	86.1	−9.3%
Other financial liabilities	14.6	16.7	−12.6%
Deferred tax liabilities	0.8	1.6	−50.0%
Total non-current liabilities	**506.2**	**529.0**	**−4.3%**
Other provisions	83.0	73.8	12.5%
Current portion of interest-bearing loans	7.6	5.2	46.2%
Trade payables and contract liabilities	113.1	122.4	−7.6%
Other financial liabilities	9.1	13.4	−32.1%
Other liabilities	24.7	28.5	−13.3%
Total current liabilities	**237.5**	**243.3**	**−2.4%**
Total equity and liabilities	**1,250.3**	**1,336.9**	**−6.5%**

Consolidated Cash Flow Statement

€ million	1st Half Year 2025	2024
Result before income taxes	−16.7	38.6
Adjustments to reconcile the result before income taxes to cash flow from operating activities:		
Interest expense (net)	14.3	16.6
Changes in the value of contract assets (IFRS 15)	2.3	0.4
Result from the disposal of property, plant and equipment	−0.1	0.2
Depreciation/amortization expense	26.3	27.6
Result from investments accounted for At-Equity	−4.7	−7.7
Restructuring expenses	47.0	1.8
Other financial result	−0.8	0.7
Interest received	1.3	1.9
Income taxes paid	−4.7	−7.9
Changes in provisions, net	−28.6	−14.2
Changes in working capital		
Inventories	−4.4	−0.2
Trade receivables	−4.6	−11.3
Trade payables and contract liabilities	−9.0	−5.2
Changes in other operating assets/liabilities	6.7	5.2
Cash flow from operating activities	**24.3**	**46.5**
Payments to purchase intangible assets, property, plant & equipment and investment property	−26.3	−44.2
Proceeds from the sale of intangible assets and property, plant & equipment	0.3	0.1
Dividends received including capital repayments from investments accounted for At-Equity	9.0	10.0
Cash flow from investing activities	**−17.0**	**−34.1**
Proceeds from issuance of financial liabilities	5.2	
Repayment of financial liabilities	−6.5	−26.5
Redemption payments for lease liabilities	−4.9	−4.3
Interest paid	−8.4	−11.2
Other financing activities	−0.5	−0.5
Cash flow from financing activities	**−15.1**	**−42.5**
Effect of foreign exchange rate changes	−1.0	0.0
Net change in cash and cash equivalents	**−8.8**	**−30.1**
Cash and cash equivalents at beginning of period	130.2	134.4
Cash and cash equivalents at end of period	**121.4**	**104.3**
Time deposits at end of period	*17.8*	*65.0*
Liquidity	**139.2**	**169.3**

Consolidated Statement of Changes in Equity

	Equity attributable to the shareholders of the parent company								
			Accumulated losses						
				Accumulated other comprehensive income					
€m	Issued capital	Capital reserves	Accumulated profit/loss	Currency translation	Cashflow hedges (net)	Accumulated losses	Equity attributable to the shareholders of the parent company	Non-controlling interests	Total equity
Balance at Dec 31, 24	**313.2**	**1,067.8**	**−808.0**	**−17.5**	**−0.6**	**−826.1**	**554.9**	**9.7**	**564.6**
Net result for the period			−31.4			−31.4	−31.4	0.5	−30.9
Other comprehensive income			8.1	−36.5	2.0	−26.4	−26.4	−0.2	−26.6
Comprehensive income			**−23.3**	**−36.5**	**2.0**	**−57.8**	**−57.8**	**0.3**	**−57.5**
Dividends							0.0	−0.5	−0.5
Balance at Jun 30, 25	**313.2**	**1,067.8**	**−831.3**	**−54.0**	**1.4**	**−883.9**	**497.1**	**9.5**	**506.6**
Balance at Dec 31, 23	**313.2**	**1,067.8**	**−736.1**	**−41.0**	**1.4**	**−775.7**	**605.3**	**9.6**	**614.9**
Net result for the period			29.4			29.4	29.4	0.4	29.8
Other comprehensive income			10.7	11.4	−1.4	20.7	20.7		20.7
Comprehensive income			**40.1**	**11.4**	**−1.4**	**50.1**	**50.1**	**0.4**	**50.5**
Dividends							0.0	−0.5	−0.5
Balance at Jun 30, 24	**313.2**	**1,067.8**	**−696.0**	**−29.6**	**0.0**	**−725.6**	**655.4**	**9.5**	**664.9**

Notes to the Condensed Interim Financial Statements

Basis of Preparation

SGL Carbon prepares the Condensed Interim Consolidated Financial Statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). The Condensed Interim Financial Statements as of June 30, 2025 have been prepared in accordance with the regulations for interim financial reporting. They should be read in conjunction with the IFRS consolidated financial statements of SGL Carbon as of December 31, 2024. The accounting policies applied in the condensed interim consolidated financial statements are the same as those applied in the consolidated financial statements for fiscal year 2024.

The results achieved in the interim reporting period are not necessarily indicative of future business performance.

Income tax expenses are calculated in the interim reporting periods on the basis of SGL Carbon's currently expected effective tax rate for the year as a whole.

The interim consolidated financial statements are unaudited. They were authorized for issue by the Board of Management on August 7, 2025.

Change in the scope of consolidation

In the first half of 2025, there was no change in the scope of consolidation of SGL Carbon.

Other disclosures

Provisions for pensions and similar employee benefits
In the reporting period, SGL Carbon adjusted the discount rate used to calculate the estimated present value of the pension plans in Germany. The long-term interest rate level has increased by 0.4 percentage points. On June 30, 2025, the actuarial interest rate was 3.8% (December 31, 2024: 3.4%). The adjustment of the discount rates and the revaluation of plan assets resulted in actuarial gains totaling €8.1 million (excluding tax effect), which were fully recognized in other comprehensive income, increasing equity.

Restructuring expenses
In 2025, SGL Carbon decided to restructure the business unit Carbon Fibers (CF). In this context, the closing of the production site in Lavradio, Portugal, was announced. Restructuring expenses totaling €45.3 million were incurred in the business unit CF, thereof €12.4 million relating to personnel measures, €5.6 million to the impairment of property, plant and equipment and €6.5 million to the impairment of inventories. Furthermore, an amount of €11.7 million was recognized for contractual obligations from an early contract cancellation as well as €8.0 million for dismantling costs for the discontinued production site and lastly, €1.1 million for other miscellaneous restructuring expenses.
Further restructuring expenses amounting to €2.4 million mainly resulted from consulting services received in the Corporate business unit.
An offsetting effect amounting to €1.7 million derived from the release of the restructuring provision in the business unit GS recognized in the previous year as a more favorable agreement was concluded with a supplier. Additionally, the restructuring expenses for GS contain follow-up costs from prior year’s restructuring program GAM in a total of €1.0 million.

Related party disclosures
The following table shows the volume of transactions with related companies:

H1 2025

	Sale of goods	Sale of services	Purchase of goods	Purchase of services	Dividends received	Receivables at Jun 30	Loans at Jun 30	Liabilities at Jun 30
Joint ventures	14.5	7.8	0.0	0.0	5.0	5.4	0.0	
Associates	0.0	0.0	2.0	0.0			0.0	−0.1
Total	**14.5**	**7.8**	**2.0**	**0.0**	**5.0**	**5.4**	**0.0**	**−0.1**

H1 2024

	Sale of goods	Sale of services	Purchase of goods	Purchase of services	Dividends received	Receivables at Jun 30	Loans at Jun 30	Liabilities at Jun 30
Joint ventures	13.2	6.0	0.0	0.0	10.0	4.0	0.0	
Associates	0.0	0.2	5.8	0.0		0.1	0.0	−1.2
Total	**13.2**	**6.2**	**5.8**	**0.0**	**10.0**	**4.1**	**0.0**	**−1.2**

As of June 30, 2025, SKion GmbH, as the largest shareholder of SGL Carbon, holds a nominal amount of €25 million in the convertible bond 2023/2028, unchanged from 31.12.2024.

Investments accounted for At-Equity

The main joint venture accounted for At-Equity is BSCCB. BSCCB develops and produces carbon-ceramic brake discs especially for sports cars and luxury vehicles. The share of SGL Carbon in the net assets and the share in the net result of the period are allocated to the reporting segment CF. The table below provides the result of operations and the financial position of BSCCB, as reported in its financial statements (taking into account IFRS 15 effects).

	1st Half Year	
€ million	2025	**2024**
Ownership interest	**50%**	**50%**
Income Statement[1)]		
Sales revenue	138.9	134.5
Amortization/depreciation on intangible assets and property, plant and equipment	−7.9	−5.9
Operating profit	14.9	22.2
Interest income	0.2	0.5
Interest expense	−2.1	−0.8
Income tax expense	−3.8	−6.3
Net result for the period	9.4	15.8
Share of SGL Carbon in the net result for the period (50%)	4.7	7.9

€ million	Jun 30, 25	Dec 31, 24
Balance Sheet[1]		
Non-current assets	169.4	147.5
Current assets	110.8	93.3
Thereof cash and cash equivalents	14.7	9.4
Non-current liabilities	73.9	62.8
Thereof financial debt	67.3	56.4
Current liabilities	97.1	68.1
Thereof financial debt	51.4	19.9
Net assets	**109.2**	**109.9**
Share of SGL Carbon in net assets (50%)	54.6	55.0
Goodwill/customer base	3.6	3.6
Carrying amount of material joint venture	**58.2**	**58.6**

[1] 100% values of the company

The other investments accounted for At-Equity have a total carrying amount of €2.7 million (December 31, 2024: €6.7 million) and did not contribute to the result from investments accounted At-Equity (H1 2024: minus €0.2 million). The decrease of the carrying amount is due to the repayment of capital during the reporting period.

Additional disclosures on financial instruments

The following table assigns the individual balance sheet items for the financial instruments to classes and measurement categories:

€ million	Measurement category under IFRS 9	Carrying amount Jun 30, 25	Carrying amount Dec 31, 24
Financial assets			
Cash and cash equivalents	1)	121.4	130.2
Time deposits	1)	17.8	17.8
Trade receivables	1)	68.1	73.1
Trade receivables	2)	4.6	3.8
Marketable securities and similar investments	2)	4.3	5.1
Other financial assets	1)	1.3	7.1
Derivative financial assets			
Derivatives without a hedging relationship	3)	0.5	0.2
Derivatives with a hedging relationship	n.a.	1.5	0.0
Financial liabilities			
Convertible bonds	4)	201.6	198.7
Bank loans, overdrafts and other financial liabilities	4)	34.1	35.6
Refinancing costs	4)	−2.5	−3.0
Lease liabilities	n.a.	21.8	24.8
Trade payables	4)	66.4	67.3
Miscellaneous other financial liabilities	4)	1.8	4.7
Derivative financial liabilities			
Derivatives without a hedging relationship	5)	0.0	0.0
Derivatives with a hedging relationship	n.a.	0.0	0.6
Thereof aggregated by measurement category in accordance with IFRS 9			
1) Financial assets measured at amortized costs		208.6	228.2
2) Financial assets measured at fair value through profit and loss		8.9	8.9
3) Other financial assets measured at fair value through profit and loss		0.5	0.2
4) Financial liabilities measured at amortized costs		301.4	303.3
5) Financial liabilities measured at fair value through profit and loss		0.0	0.0

n.a.=not applicable

The following table shows the breakdown of the assets and liabilities measured at fair value into the three levels of fair value hierarchy:

		Jun 30, 25		
€ million	**Level 1**	**Level 2**	**Level 3**	Total
Marketable securities and similar investments	4.3			4.3
Trade receivables			4.6	4.6
Derivative financial assets		2.0		2.0
Derivative financial liabilities		0.0		0.0

		Dec 31, 24		
€ million	**Level 1**	**Level 2**	**Level 3**	Total
Marketable securities and similar investments	5.1			5.1
Trade receivables			3.8	3.8
Derivative financial assets		0.2		0.2
Derivative financial liabilities		0.6		0.6

The market values of the 2023/2028 and 2022/2027 convertible bonds recognized at amortized cost amounted to €114.7 million and €101.0 million respectively as of 30 June 2025 (31 December 2024: €114.7 million and €99.5 million respectively). As the market values can be derived directly from the stock market price, these are level 1 financial instruments.

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Receivables management

The volume of receivables sold amounted to €38.1 million as at the reporting date (December 31, 2024: €48.4 million) and reduced the carrying amount of trade receivables.

Seasonality of operations

In all reporting segments, customer order patterns primarily follow overall global trends of the underlying industries and depend on the product availability and current price levels. The overall economic environment is usually a first indicator for any developments in the customers' demand. In addition, individual large projects can significantly impact the business development and overlap regular seasonality.

Other additional information

The subscribed capital of SGL Carbon SE on June 30, 2025 amounts to €313.2 million and is unchanged from December 31, 2024. It is divided into 122,341,478 ordinary bearer shares with no par value, each with a pro rata amount of €2.56. No new shares were issued from the authorized capital in H1 2025. SGL Carbon SE held a total of 70,501 treasury shares. Based on an average number of 122.3 million shares, basic earnings per share amounted to minus €0.26 in the first half of 2025 (H1 2024: €0.24).

The calculation of diluted earnings per share is based on the assumption that outstanding debt instruments are converted into shares (convertible bonds). The above-mentioned financial instruments are only considered in the calculation of diluted earnings per share if they have a dilutive effect in the respective reporting period. Accordingly, diluted earnings per share remained unchanged at minus €0.26 in H1 2025 (H1 2024: €0.24).

Segment information

€ million 1st Half Year 2025	Graphite Solutions	Process Technology	Carbon Fibers	Composite Solutions	Corporate	Consolidation	SGL Carbon
External sales revenue	221.0	70.2	93.5	59.1	9.4	0.0	453.2
Intersegment sales revenue	3.3	1.4	4.8	0.7	12.9	−23.1	0.0
Total sales revenue	**224.3**	**71.6**	**98.3**	**59.8**	**22.3**	**−23.1**	**453.2**
Timing of revenue recognition							
Products transferred at point in time	64.1	0.0	58.0	14.8	9.4	0.0	146.2
Products and services transferred over time	156.9	70.2	35.5	44.3	0.0	0.0	307.0
Total sales revenue	**221.0**	**70.2**	**93.5**	**59.1**	**9.4**	**0.0**	**453.2**
Sales revenue by Group market segments							
Mobility	27.6	-	34.8	57.1	9.4	0.0	128.9
Energy	27.5	-	2.5	-	-	0.0	30.0
Industrial Applications	74.3	-	29.4	2.0	-	0.0	105.7
Chemicals	13.2	70.2	-	-	-	0.0	83.4
Digitization	78.4	-	-	-	-	0.0	78.4
Textile Fibers	-	-	26.8	-	-	0.0	26.8
Total sales revenue	**221.0**	**70.2**	**93.5**	**59.1**	**9.4**	**0.0**	**453.2**
EBITDA pre [1)]	40.8	19.9	5.2	5.4	1.2	0.0	72.5
Amortization/depreciation on intangible assets, property, plant and equipment and investment property	16.0	0.8	2.2	2.8	4.0	0.0	25.8
EBIT pre	24.8	19.1	3.0	2.6	−2.8	0.0	46.7
One-off effects/Non-recurring items	−1.1	0.0	−45.3	−0.5	−3.0	0.0	−49.9
EBIT	23.7	19.1	−42.3	2.1	−5.8	0.0	−3.2
Capital expenditure [2)]	21.4	0.4	0.4	2.3	1.8	0.0	26.3
Working capital [3)]	165.9	27.8	92.4	35.3	−43.4	0.0	278.0
Capital employed [4)]	481.4	41.7	179.1	85.9	61.4	0.0	849.5
Cash Generation [5)]	17.9	16.4	20.2	0.6	−10.3	0.0	44.8
Result from investments accounted for At-Equity	-	-	4.7	-	-	0.0	4.7
Total sales revenue of investments accounted for At-Equity [6)]	-	-	141.8	-	-	-	141.8

The main one-off effects/non-recurring items include restructuring expenses of €47.0 million, one-off effects of minus €2.4 million as well as effects deriving from capitalized amounts relating to the purchase price allocation of the SGL Composites companies amounting to minus €0.5 million. The composition of the restructuring expenses has been explained in the section "restructuring expenses". The main one-off effect contains personal measures for GS and Corporate amounting to minus €1.9 million and minus €0.3 million, respectively, which do not fulfill the definition of restructuring.

€ million 1st Half Year 2024	Graphite Solutions	Process Technology	Carbon Fibers	Composite Solutions	Corporate	Consolidation	SGL Carbon
External sales revenue	284.2	69.9	110.1	66.9	6.9	0.0	538.0
Intersegment sales revenue	2.6	1.0	5.8	0.5	17.3	−27.2	0.0
Total sales revenue	**286.8**	**70.9**	**115.9**	**67.4**	**24.2**	**−27.2**	**538.0**
Timing of revenue recognition							
Products transferred at point in time	89.3	0.0	78.4	15.9	6.9	0.0	190.5
Products and services transferred over time	194.9	69.9	31.7	51.0	0.0	0.0	347.5
Total sales revenue	**284.2**	**69.9**	**110.1**	**66.9**	**6.9**	**0.0**	**538.0**
Sales revenue by Group market segments							
Mobility	27.0	-	32.2	64.2	5.7	0.0	129.1
Energy	22.8	-	21.2	-	-	0.0	44.0
Industrial Applications	80.0	-	30.9	2.7	1.2	0.0	114.8
Chemicals	12.6	69.9	-	-	-	0.0	82.5
Digitization	141.8	-	-	-	-	0.0	141.8
Textile Fibers	-	-	25.8	-	-	0.0	25.8
Total sales revenue	**284.2**	**69.9**	**110.1**	**66.9**	**6.9**	**0.0**	**538.0**
EBITDA pre [1]	72.2	16.0	−4.4	8.1	−5.4	0.0	86.5
Amortization/depreciation expense on other intangible assets, property plant and equipment and investment property	15.1	0.7	4.7	3.2	3.3	0.0	27.0
EBIT pre	57.1	15.3	−9.1	4.9	−8.7	0.0	59.5
One-off effects/Non-recurring items	−2.7	0.0	−2.3	−0.5	1.9	0.0	−3.6
EBIT	54.4	15.3	−11.4	4.4	−6.8	0.0	55.9
Capital expenditure [2]	28.6	0.4	1.4	3.5	10.3	0.0	44.2
Working Capital (31.12.) [3]	164.3	24.7	114.4	32.9	−53.1	0.0	283.2
Capital employed (31.12.) [4]	491.5	39.2	214.7	84.6	54.8	0.0	884.8
Cash Generation [5]	85.8	27.8	−12.4	21.8	−48.0	0.0	75.0
Result from investments accounted for At-Equity	-	-	7.7	-	-	-	7.7
Total sales revenue of investments accounted for At-Equity [6]	-	-	141.7	-	-	-	141.7

[1] EBITDA adjusted by one-off effects and non-recurring items
[2] Defined as sum of capital expenditure in other intangible assets, property, plant and equipment and investment property
[3] Defined as sum of inventories, trade receivables and contract assets less trade payables and contract liabilities
[4] Defined as the sum of goodwill, other intangible assets, property, plant and equipment, investment property, investments accounted for At-Equity, and working capital
[5] Defined as total of EBITDA pre plus change in working capital minus capital expenditure
[6] Aggregated, unconsolidated 100% values for investments accounted for At-Equity

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Events after the balance sheet date

On July 14, 2025, the company announced that it was adjusting its sales forecast for fiscal year 2025. SGL Carbon now expects sales to be 10% to 15% below the previous year (2024: €1,026.4 million). Previously, the company had anticipated a decline in sales of up to 10% compared with the previous year. The forecast for adjusted EBITDA in fiscal year 2025 remains unchanged in the range of €130 million to €150 million.

As part of the restructuring, the decision was also made to idle production at the Moses Lake site (USA) at the beginning of August 2025.

Wiesbaden, August 7, 2025

SGL Carbon SE
The Board of Management SGL Carbon SE

Andreas Klein **Dr. Stephan Bühler** **Thomas Dippold**

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim Group Management Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Wiesbaden, August 7, 2025

SGL Carbon SE
The Board of Management of SGL Carbon SE

Andreas Klein **Dr. Stephan Bühler** **Thomas Dippold**

Other Information

Quarterly Sales Revenue and EBITDA pre by Reporting Segment

€ million	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Full Year 2024	Q1 2025	Q2 2025	1st Half 2025
Sales revenue								
Graphite Solutions	141.3	142.9	128.3	126.5	539.0	116.7	104.3	221.0
Process Technology	33.0	36.9	36.3	32.1	138.3	36.5	33.7	70.2
Carbon Fibers	57.6	52.5	47.0	52.7	209.8	46.7	46.8	93.5
Composite Solutions	37.1	29.8	28.9	28.8	124.6	29.9	29.2	59.1
Corporate	3.6	3.3	3.4	4.4	14.7	4.5	4.9	9.4
SGL Carbon	**272.6**	**265.4**	**243.9**	**244.5**	**1,026.4**	**234.3**	**218.9**	**453.2**

€ million	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Full Year 2024	Q1 2025	Q2 2025	1st Half 2025
EBITDA pre								
Graphite Solutions	36.6	35.6	32.1	26.7	131.0	21.6	19.2	40.8
Process Technology	6.9	9.1	9.6	7.4	33.0	11.0	8.9	19.9
Carbon Fibers	−5.2	0.8	−3.5	−3.1	−11.0	−1.2	6.4	5.2
Composite Solutions	5.5	2.6	2.6	7.5	18.2	2.7	2.7	5.4
Corporate	−1.7	−3.7	0.3	−3.2	−8.3	−0.6	1.8	1.2
SGL Carbon	**42.1**	**44.4**	**41.1**	**35.3**	**162.9**	**33.5**	**39.0**	**72.5**

Quarterly Consolidated Income Statement

€ million	Q1	Q2	Q3	Q4	2024 Full Year	Q1	Q2	2025 1st Half
Sales revenue	**272.6**	**265.4**	**243.9**	**244.5**	**1,026.4**	**234.3**	**218.9**	**453.2**
Cost of sales	−209.6	−197.8	−187.4	−198.8	−793.6	−180.8	−162.8	−343.6
Gross profit	**63.0**	**67.6**	**56.5**	**45.7**	**232.8**	**53.5**	**56.1**	**109.6**
Selling, administrative, R&D and other operating income/expense	−38.3	−40.5	−33.3	−32.3	−144.4	−34.4	−33.2	−67.6
Result from investments accounted for At-Equity	4.4	3.3	3.9	4.2	15.8	1.6	3.1	4.7
EBIT pre	**29.1**	**30.4**	**27.1**	**17.6**	**104.2**	**20.7**	**26.0**	**46.7**
One-off effects/Purchase price allocation effects	−0.7	−1.1	−12.9	6.4	−8.3	−0.7	−2.2	−2.9
Restructuring expenses/impairment losses	−1.8	0.0	−1.8	−106.6	−110.2	−16.6	−30.4	−47.0
EBIT	**26.6**	**29.3**	**12.4**	**−82.6**	**−14.3**	**3.4**	**−6.6**	**−3.2**
Financial result	−9.1	−8.2	−7.0	−8.3	−32.6	−6.8	−6.7	−13.5
Result before income taxes	**17.5**	**21.1**	**5.4**	**−90.9**	**−46.9**	**−3.4**	**−13.3**	**−16.7**
Income tax expense	−4.6	−4.2	−1.8	−21.9	−32.5	−2.5	−11.7	−14.2
Net result for the period	**12.9**	**16.9**	**3.6**	**−112.8**	**−79.4**	**−5.9**	**−25.0**	**−30.9**
Thereof attributable to:								
Non-controlling interests	0.3	0.1	0.2	0.3	0.9	0.2	0.3	0.5
Consolidated net result (attributable to shareholders of the parent company)	12.6	16.8	3.4	−113.1	−80.3	−6.1	−25.3	−31.4

Financial Calender

November 6, 2025

- Statement on the First Nine Months 2025
- Conference call for investors and analysts

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Important Note

This interim report contains statements relating to certain projections and business trends that are forward-looking, including statements with respect to SGL Carbon's outlook and business development, including developments in SGL Carbon's Graphite Solutions, Process Technology, Carbon Fibers and Composite Solutions businesses, expected customer demand, expected industry trends and expected trends in the business environment, statements related to SGL Carbon's cost savings programs. You can generally identify these statements by the use of words like "may", "will", "could", "should", "project", "believe", "anticipate", "expect", "plan", "estimate", "forecast", "potential", "intend", "continue" and variations of these words or comparable words. These statements are not historical facts, but rather are based on current expectations, estimates, assumptions and projections about SGL Carbon's businesses and future financial results, and readers should not place undue reliance on them. Forward-looking statements do not guarantee future performance and involve risks and uncertainties. These risks and uncertainties include, without limitation, changes in political, economic, legal and business conditions, particularly relating to SGL Carbon's main customer industries, competitive products and pricing, the ability to achieve sustained growth and profitability in SGL Carbon's Graphite Solutions, Process Technology, Carbon Fibers and Composite Solutions businesses, the impact of any manufacturing efficiencies and capacity constraints, widespread adoption of carbon fiber products and components in key end-markets of SGL Carbon, including the automotive and aerospace industries, the inability to execute additional cost savings or restructuring measures, availability of raw materials and critical manufacturing equipment, trade environment, changes in interest rates, exchange rates, tax rates, and regulation, available cash and liquidity, SGL Carbon's ability to refinance its indebtedness, development of the SGL Carbon pension obligations, share price fluctuation may have on SGL Carbon's financial condition and results of operations and other risks identified in SGL Carbon's financial reports. These forward-looking statements are made only as of the date of this document. SGL Carbon does not undertake to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

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