

SURTECO

All surfaces
covered

Report for the first three month 2025

AT A GLANCE

€ million	Q1		
	1/1/-31/3/ 2024	1/1/-31/3/ 2025	Δ %
Sales revenue	222.3	222.3	-
EBITDA	27.6	19.5	-29
EBITDA-margin in %	12.4	8.8	-3.6 pts.
EBITDA adjusted	27.6	26.7	-3
EBITDA-margin adjusted in %	12.4	12.0	-0.4 pts.
Depreciation and amortization	-15.2	-15.0	-2
EBIT	12.4	4.5	-64
EBIT-margin in %	5.6	2.0	-3.6 pts.
Financial result	-2.6	-6.5	+150
EBT	9.8	-1.9	-120
Consolidated net profit / loss	6.9	-5.1	-174
Earnings per share in €	0.44	-0.33	-174
Number of shares	15,505,731	15,505,731	

	31/3/2024	31/3/2025	Δ %
Net financial debt in € million	351.2	339.3	-3.4
Level of debt in %	87.1	85.4	-1.7 pts.
Equity ratio in %	37.5	39.1	+1.6 pts.
Number of employees	3,694	3,726	+0.9

	31/12/2024	31/3/2025	Δ %
Net financial debt in € million	339.9	339.3	-0.2
Level of debt in %	82.8	85.4	+2.6 pts.
Equity ratio in %	41.0	39.1	-1.9 pts.
Number of employees	3,732	3,726	-0.2

Interim Management Report as at 31 March 2025

Economic report

SURTECO GROUP

Against the background of persistent restrained demand, sales revenues of the SURTECO Group during the first quarter of 2025 remained virtually unchanged at € 222.3 million compared with the year-earlier period. The adjusted earnings before financial result, income tax and depreciation and amortization (adjusted EBITDA) of the Group came down by -3 % in the first three months of 2025 to € 26.7 million after € 27.6 million in the previous year. Key influencing factors impacting on earnings were rather higher cost of materials by comparison with the year-earlier quarter, in particular for paper. Reported EBITDA amounted to € 19.5 million after € 27.6 million in the first quarter of 2024. This is made up of provisions for personnel measures in connection with the decision taken during the first quarter of 2025 to discontinue the business with impregnates and footprint optimizations in Edgebands.

SURFACES

The Segment Surfaces encompasses all the surface activities of the Group including melamine edgebandings in Europe and South America. The sales of the segment at € 70.7 million were -1 % below the level of the first quarter in 2024 (€ 71.6 million). Adjusted EBITDA for the segment with a value of € 6.8 million in the first quarter of 2025 fell below the year-earlier amount of € 8.1 million. This was primarily due to the increased cost of materials.

EDGEBANDS

The Segment Edgebands comprises all the plastic edging activities of the Group in Europe and South America. On the basis of sales amounting to € 39.0 million in the first quarter of 2024, sales at € 36.9 million fell back by -5 % in the first three months of 2025. Adjusted EBITDA at € 6.2 million was also below the year-earlier value of € 7.2 million owing to increased prices for raw materials.

PROFILES

The Segment Profiles bundles the activities with technical extrusions (profiles), skirtings and associated products in Europe and South America. Sales for the first three months of 2025 in the amount of € 35.5 million were 2 % above the sales amounting to € 34.7 million in 2024. Adjusted EBITDA at € 4.5 million was slightly below the value of € 4.9 million in the first quarter of 2024.

NORTH AMERICA

The Segment North America includes the activities with all the products of the Group in this region. Sales in the divisions of Omnova in Thailand are also allocated to this segment. Sales of the segment increased in the first quarter of 2025 by 4 % to € 68.5 million after sales of € 65.9 million in the previous year. Adjusted EBITDA increased to € 8.8 million after € 7.7 million in the previous year.

ASIA / PACIFIC

The Segment Asia / Pacific encompasses business with all product groups in the area of Asia, Australia and Oceania. On the basis of sales amounting to € 11.1 million in the previous year, sales in this segment came down by -4 % to € 10.7 million. Adjusted EBITDA amounted to € 1.4 million after € 1.7 million in the first three months of 2024.

Net assets, financial positions and results of operations

The balance sheet total of the Group increased slightly from € 1,012.4 million at year-end 2024 to € 1,017.0 million on 31 March 2025. Current assets went up as a result of a rise in trade accounts receivable and higher inventories from € 319.0 million at year-end 2024 to € 340.4 million, while non-current assets eased slightly from € 693.4 million to € 676.6 million. On the liabilities side of the balance sheet, current liabilities increased on the balance sheet date of the first quarter of 2025 to € 180.1 million (31/12/2024: € 154.6 million). Non-current liabilities at € 439.5 million remained stable around the level reached at the end of 2024 (€ 447.3 million) and equity fell to € 397.4 million (31/12/2024: € 410.5 million). The equity ratio went down from 41.0 % at year-end 2024 to 39.1 %. Net financial debt came down slightly from € 339.9 million to € 339.3 million, which led to a level of debt of 85.4 % (31/12/2024: 82.8 %).

Balance sheet structure of the SURTECO Group

€ million	31/12/2024	31/3/2025
ASSETS		
Current assets	319.0	340.4
Non-current assets	693.4	676.6
Balance sheet total	1,012.4	1,017.0
LIABILITIES		
Current liabilities	154.6	180.1
Non-current liabilities	447.3	439.5
Equity	410.5	397.4
Balance sheet total	1,012.4	1,017.0

As a result of the lower pre-tax result, the cash flow from current operations in the first quarter of 2025 amounted to € 11.5 million after € 19.0 million in the year-earlier quarter. Less cash flow from investment activities amounting to € -5.9 million in the first quarter of 2025 (2024: € -3.8 million), free cash flow hence amounts to € 5.6 million in the first three months of 2025 after € 15.2 million in the previous year.

Calculation of free cash flow

€ million	1/1/-31/3/ 2024	1/1/-31/3/ 2025
Cash flow from current business operations	19.0	11.5
Purchase of property, plant and equipment	-4.2	-5.8
Purchase of Intangible assets	0.0	-0.3
Proceeds from disposal of property, plant and equipment	0.4	0.2
Cash flow from Investment activity	-3.8	-5.9
Free cash flow	15.2	5.6

The total output of the Group went up by 1 % in the first quarter of 2025 compared with the previous year to € 228.5 million (Q1-2024: € 225.6 million). The cost of materials increased from € -108.7 million in the previous year to € -112.1 million owing to increased costs of raw materials. In relation to the total output, the ratio went up from 48.2 % in the previous year to 49.1 %. Personnel expenses increased from € -57.5 million in the previous year to € -66.5 million in the first quarter of 2025. This is essentially due to extraordinary expenses for personnel measures following discontinuation of the impregnates business and footprint optimizations in Edgebands. In relation to the total output, personnel expenses increased to 29.1 % (2024: 25.5 %). Other operating expenses at € -31.8 million fell slightly below the year-earlier level (€ -33.0 million). Proportionally, they dipped from 14.6 % to 13.9 %. Overall, EBITDA therefore came down to € 19.5 million after € 27.6 million in the previous year. Adjusted by one-off expenses in personnel expenses, adjusted EBITDA amounted to € 26.7 million in the first quarter of 2025 after € 27.6 million in the year-earlier period. Depreciation and amortization amounted to € -15.0 million after € -15.2 million at the year-earlier level. This results in an EBIT for the Group of € 4.5 million (2024: € 12.4 million). Subject to the strong influence of foreign exchange rate effects, the financial result amounted to € -6.5 million after € -2.6 million in the previous year. Hence, the pre-tax result came down to € -1.9 million after € 9.8 million in the previous year. After deduction of income tax amounting to € -3.2 million (2024: -3.0 million), the net loss amounted to € -5.1 million in the first quarter of 2025 after net income for the year amounting to € 6.8 million in in 2024.

Outlook for the business year 2025

Business performance during the first quarter of 2025 is within the anticipated parameters. Consequently, the forecast in the Annual Report 2024 is confirmed. Group sales for the full year 2025 should therefore be in the range between € 850 million and € 900 million. Adjusted EBITDA for the Group at year-end is expected to lie between € 85 million and € 105 million.

Income Statement for the period 1 January to 31 March 2025

€ 000s	Q1	
	1/1/-31/3/ 2024	1/1/-31/3/ 2025
Sales revenues	222,309	222,292
Changes in inventories	2,723	5,716
Own work capitalized	536	485
Total output	225,567	228,493
Cost of materials	-108,740	-112,096
Personnel expenses	-57,452	-66,541
Other operating expenses	-32,954	-31,828
Other operating income	1,204	1,512
EBITDA	27,625	19,540
Depreciation and amortization	-15,223	-14,991
EBIT	12,402	4,548
Financial result	-2,589	-6,468
EBT	9,813	-1,919
Income tax	-2,968	-3,177
Net income	6,845	-5,097
Non-controlling interests	50	0
Consolidated net profit / loss	6,895	-5,097
Basic and undiluted earnings per share in €	0.44	-0.33
Number of shares	15,505,731	15,505,731

Consolidated Balance Sheet

€ 000s	31/12/2024	31/3/2025
ASSETS		
Cash and cash equivalents	71,186	67,942
Trade accounts receivable	75,084	90,245
Inventories	148,044	157,760
Current income tax assets	1,741	1,289
Other current non-financial assets	12,061	13,139
Other current financial assets	10,932	10,014
Current assets	319,048	340,389
Property, plant and equipment	299,440	292,578
Intangible assets	97,283	91,353
Rights of use	37,509	36,394
Goodwill	227,234	224,760
Investments in associates	404	404
Financial assets	1,798	1,784
Non-current income tax assets	4,507	4,401
Other non-current non-financial assets	370	423
Other non-current financial assets	997	1,078
Deferred taxes	23,812	23,418
Non-current assets	693,354	676,593
	1,012,402	1,016,982
LIABILITIES AND SHAREHOLDERS' EQUITY		
Short-term financial liabilities	16,743	19,841
Trade accounts payable	92,191	106,541
Income tax liabilities	1,800	2,346
Short-term provisions	4,910	10,163
Other current non-financial liabilities	3,295	3,234
Other current financial liabilities	35,695	38,026
Current liabilities	154,634	180,150
Long-term financial liabilities	394,359	387,430
Pensions and other personnel-related obligations	11,696	11,589
Long term provisions	191	147
Other non-current non-financial liabilities	23	75
Other non-current financial liabilities	1,368	1,181
Deferred taxes	39,650	39,041
Non-current liabilities	447,287	439,464
Capital stock	15,506	15,506
Capital reserve	122,755	122,755
Retained earnings	263,807	264,203
Consolidated net profit/loss	8,413	-5,097
Equity	410,481	397,367
	1,012,402	1,016,982

Consolidated Cash Flow Statement

€ 000s	Q1	
	1/1/-31/3/ 2024	1/1/-31/3/ 2025
Earnings before income tax	9,813	-1,919
Reconciliation of cash flow from current business operations	19,433	18,905
Internal financing	29,246	16,986
Changes in assets and liabilities (net)	-10,193	-5,524
Cash flow from current business operations	19,053	11,462
Cash flow from investment activities	-3,812	-5,907
Cash flow from financial activities	-6,981	-8,758
Change in cash and cash equivalents	8,260	-3,203
Cash and cash equivalents		
1 January	111,811	71,186
Effects of changes in the exchange rate on cash and cash equivalents	211	-41
31 March	120,282	67,942

Segment reporting

Segment information € 000s	BU Surfaces	BU Edgebands	BU Profiles	BU North America	BU Asia Pacific	Reconcili- ation	SURTECO Group
1/1/-31/3/2025							
External sales	70,708	36,936	35,454	68,491	10,703	0	222,292
Internal sales with the SURTECO Group	4,330	368	8	0	180	-4,886	0
Total sales	75,038	37,304	35,462	68,491	10,883	-4,886	222,292
Segment earnings (EBITDA)	6,767	6,190	4,484	8,830	1,365	-975	26,661
1/1/-31/3/2024							
External sales	71,570	39,040	34,659	65,903	11,137	0	222,309
Internal sales with the SURTECO Group	4,116	291	17	0	0	-4,424	0
Total sales	75,686	39,331	34,676	65,903	11,137	-4,424	222,309
Segment earnings (EBITDA)	8,127	7,207	4,932	7,665	1,656	-1,962	27,625

Calculation of indicators

EBITDA adjusted	Earnings before financial result, income tax and depreciation and amortization less extraordinary income, acquisition and integration costs, consultancy costs and provisions for staff measures
EBITDA	Earnings before financial result, income tax and depreciation and amortization
Cost of materials ratio in %	Cost of materials/Total output
EBITDA adjusted margin in %	EBITDA adjusted/Sales
Debt-service coverage in %	(Consolidated net profit + Depreciation and amortization) / Net debt
Earnings per share in €	Consolidated net profit/Weighted average of the issued shares
EBIT margin in %	EBIT/Sales
EBITDA margin in %	EBITDA/Sales
Leverage	Net debt/EBITDA adjusted for the last 12 month
Equity ratio in %	Equity/Total equity (= balance sheet total)
Free cash flow in €	Cash flow from current business operations - (Acquisition of property, plant and equipment + Acquisition of intangible assets + Acquisition of companies + Proceeds from disposal of property, plant and equipment + Dividends received)
Interest cover factor	EBITDA/Interest (net) (Interest income – Interest expenses)
Level of debt in %	Net debt/Equity
Net debt in €	Short-term financial liabilities + Long-term financial liabilities – Cash and cash equivalents
Personnel expense ratio in %	Personnel expenses/Total output
Working Capital in €	(Trade accounts receivable + Inventories) – Trade accounts payable

Contact

Martin Miller
Investor Relations
T: +49 8274 9988-508
ir@surteco.com

SURTECO GROUP SE
Johan-Viktor-Bausch-Straße 2
86647 Buttenwiesen
Germany

ISIN: DE0005176903

www.surteco.com

