

SURTECO

All surfaces
covered

Half-year report 2025

At a glance

€ million	Q2			Q1-2		
	1/4/-30/6/ 2024	1//4/-30/6/ 2025	Δ %	1/1/-30/6/ 2024	1/1/-30/6/ 2025	Δ %
Sales revenues	225.2	214.0	-5	447.6	436.3	-3
EBITDA	28.7	23.8	-17	56.4	43.3	-23
EBITDA-margin in %	12.7	11.1	-1.6 pts.	12.6	9.9	-2.7 pts.
EBITDA adjusted	29.3	24.0	-18	57.0	50.6	-11
EBITDA-margin adjusted in %	13.0	11.2	-1.8 pts.	12.7	11.6	-1.1 pts.
Depreciation and amortization	-15.1	-14.4	+5	-30.3	-29.4	+3
EBIT	13.7	9.4	-31	26.1	13.9	-47
EBIT-margin in %	6.1	4.4	-1.7 pts.	5.8	3.2	-2.6 pts.
Financial result	-4	-7.6	-90	-6.6	-14.1	-114
EBT	9.7	1.7	+82	19.5	-0.2	-101
Consolidated net profit / loss	6.9	-0.4	-106	13.8	-5.5	-140
Earnings per share in €	0.45	-0.02	-106	0.89	-0.35	-140
Number of shares	15,505,731	15,505,731		15,505,731	15,505,731	

	30/6/2024	30/6/2025	Δ %
Net financial debt in € million	353.2	354.2	+0
Level of debt in %	85.8	95.7	+9.9 pts.
Equity ratio in %	38.6	38.4	-0.2 pts.
Number of employees	3,722	3,689	-1

	31/12/2024	30/6/2025	Δ %
Net financial debt in € million	339.9	354.2	+4
Level of debt in %	82.8	95.7	+12.9 pts.
Equity ratio in %	40.5	38.4	-2.1 pts.
Number of employees	3,732	3,689	-1

Interim Management Report

SURTECO Group

30 June 2025

Economic report

MACROECONOMIC AND SECTOR-SPECIFIC FRAMEWORK

Our experience indicates that the interest of consumers for purchasing durable investment goods such as furniture – one of the most important sales markets for the SURTECO Group – is linked to general economic growth. Economic expansion is currently very sluggish at national level and globally. The annual spring report of the Council of Experts (Sachverständigenrat) for assessing macroeconomic development indicates that the German economy is continuing to experience a profound state of weakness. The forecast for Germany was corrected downwards by -0.4 percent compared with the annual report issued for 2024 and stagnation for the gross domestic product is therefore expected. The Council of Experts (Sachverständigenrat) perceives the intensifying trade conflict and the unexpectedly severe price pressure exerted by the financial package as the main risk factors driving its assessment. The growth forecast was also reduced for the eurozone and is now likely to be at moderate growth of +1.1 % (November 2024: +1.3 %). Accordingly, the forecast for growth in GDP for the global economy was adjusted to +2.1 % compared with the level of +2.6 % anticipated in November 2024.¹

Furthermore, restrained purchasing behaviour continues to be evident within Germany's wood-based and furniture industry. The Federal Statistical Office reported that sales generated by German manufacturers of veneer, plywood and wood-fibre boards eased by -2.1 % during the first five months of 2025 compared with the equivalent year-earlier period. Sales transactions for manufacturers of office equipment and shop fittings experienced an even bigger drop of -6.5 % during the same period. A decline in sales has also been noticeable among manufacturers of kitchen furniture. During the first five months of 2025, sales came down by -1.5 % compared with the equivalent year-earlier period. During the months from January to May of the current year, sales turnover for the manufacture of other furniture, including furniture for lounges, dining rooms and bedrooms, was -5.0 % less than in the first five months of 2024.²

¹ Source: The Council of Experts (Sachverständigenrat) for assessing macroeconomic development, Spring Expert Report dated 21 May 2025

² Source: Destatis Federal Statistical Office. www.destatis.de Wirtschaftszweige WZ08-1621, WZ08-3101, WZ08-3102, WZ08-3109

SALES AND BUSINESS PERFORMANCE FOR THE SURTECO GROUP

During the first half year of 2025, sales revenues of the SURTECO Group decreased by -3 % to € 436.3 million (2024: € 447.6 million). Key factors influencing this development were the enduring restrained demand and consequently the general decline in sales volume that led to a slowdown in turnover. In addition, there was a corresponding drop in sales owing to the resolution agreed in March 2025 resulting in the discontinuation of business with impregnates and the closure of the production facility. As a consequence, the first half year of 2025 witnessed sales transactions in Germany falling back by -3 % compared with the previous year and there was a reduction of -1 % in the rest of Europe (not including Germany). Sales in North and South America amounted to -2 % and in Asia, Australia and other markets to -8 % in comparison with the previous year.

SURFACES

The surface activities of the Group, including melamine edgebandings in Europe and South America, are grouped together in the Segment Surfaces. The sales revenues of the segment fell to € 137.3 million in the first half year of 2025 after € 141.5 million in the equivalent year-earlier period. This fall of 3 % is due in part to the ongoing restrained purchase sentiment but a further cause is the discontinuation of the impregnate business and the resulting loss of sales.

EDGEBANDS

The Segment Edgebands comprises all the plastic edging activities of the Group in Europe and South America. As a result of the ongoing restrained customer demand, segment sales of € 72.0 million generated in the months from January to June 2025 were -6 % below the year-earlier value of € 77.0 million.

PROFILES

The Segment Profiles bundles the activities with technical extrusions (profiles), skirtings and associated products in Europe and South America. Sales of the segment in the first half year of 2025 amounting to € 69.6 million were +3 % above the value of € 67.6 million in the previous year. This was therefore the only business unit to achieve positive volume effects.

NORTH AMERICA

The Segment North America includes the activities with all the products of the Group in this region. Sales generated by the acquired divisions of Omnova are allocated to this segment and they include the manufacturing facility in Thailand. Sales for the first half of the year in North America also came down by -1 % to € 135.1 million after € 137.1 million in the first half year of 2024 owing to the sustained weak level of demand in 2025.

ASIA / PACIFIC

The Segment Asia / Pacific encompasses business with all product groups in the area of Asia, Australia and Oceania. Weak demand continued in the Asian market during the first half of 2025. As a result of this, sales dropped by -8 % to € 22.2 million (2024: € 24.3 million).

Net assets, financial position and results of operations

BALANCE SHEET / CASH FLOW STATEMENT

As at 30 June 2025, the balance sheet total of the Group amounted to € 962.4 million after € 1,012.4 million at year-end 2024. On the assets side of the balance sheet, cash and cash equivalents fell to € 49.7 million after € 71.2 million at year-end 2024, primarily due to the repayment of financial debts in the amount of € 7.1 million, interest payments of € 7.6 million and the payment of the dividend of € 4.7 million. Alongside simultaneously higher trade accounts receivable (€ 89.5 million after € 75.1 million at year-end 2024) and increased inventories (€ 154.5 million after € 148.0 million), current assets eased slightly to € 313.5 million (31 December 2024: € 319.0 million). Non-current assets fell back to € 648.9 million after € 693.4 million at year-end 2024. In this context owing to depreciation and amortization, the value of property, plant and equipment was reduced to € 279.4 million after € 299.4 million on 31 December 2024 and intangible assets came down to € 84.6 million after € 97.3 million. On the liabilities side of the balance sheet, current liabilities increased to € 160.3 million (31 December 2024: € 154.6 million) while non-current liabilities at € 432.1 million fell below the value of € 447.3 million at year-end 2024. Equity came down to € 370.0 million after € 410.5 million at year-end 2024. Consequently, the equity ratio of 40.5 % on the balance sheet date for 2024 fell back to 38.4 % on 30 June 2025. Net financial debt amounted to € 354.2 million after € 339.9 million. The level of debt (net financial debt/equity) rose to 95.7 % after 82.8 % on 31 December 2024.

Abbreviated balance sheet of the SURTECO Group

€ million	31/12/2024	30/6/2025
ASSETS		
Current assets	319.0	313.5
Non-current assets	693.4	648.9
Balance sheet total	1,012.4	962.4
LIABILITIES		
Current liabilities	154.6	160.3
Non-current liabilities	447.3	432.1
Equity	410.5	370.0
Balance sheet total	1,012.4	962.4

Cash flow from current business operations in the first half year of 2025 amounted to € 15.9 million after € 27.6 million in the previous year. This was due to negative EBT in the amount of € -0.2 million after € 19.5 million in the first six months of 2024. Cash flow from investment activities came down to € -10.2 million during the first half year of 2025 after € -15.0 million in the previous year, since payments arising from the acquisition of the Omnova divisions were still included in the year-earlier financial statements. Hence, free cash flow of € 5.7 million was recorded in the first six months of 2025 after € 12.6 million in the previous year. The payment of a dividend amounting to € -4.7 million in the first half year of 2025 after € 0.0 million in the previous year, and raising and repaying financial debts amounting to € -12.5 million after € -1.4 million in the first six months of 2024 resulted in cash flow arising from financial activities amounting to € -28.4 million after € -13.5 million in the previous year. Accordingly, the change in cash and cash equivalents amounted to € -22.7 million in the first half year of 2025 after € -0.9 million in the previous year.

Working capital rose from € 130.9 million at year-end 2024 to € 150.9 million on 30 June 2025. The covenants (financial indicators with threshold values, entailing compliance or non-compliance with these values being monitored) were complied with up to the half-year-balance sheet date.

Calculation of free cash flow

€ million	1/1/-30/6/ 2024	1/1/-30/6/ 2025
Cash flow from current business operations	27.6	15.9
Payout from business combinations	-6.3	0.0
Purchase of property, plant and equipment	-9.6	-10.1
Purchase of Intangible assets	-0.1	-0.5
Inflows from disposal of property, plant and equipment	1.0	0.4
Cash flow from Investment activity	-15.0	-10.2
Free cash flow	12.6	5.7

GROUP RESULTS

In the first half year of 2025, purchase prices of the Group's most important raw materials remained on average at a stable level. On account of unfavourable effects arising from the mix of customer, product and batch size, particularly in the Segments Surfaces and Edgebands, the cost of materials ratio (cost of materials / total output) of 47.5 % in the previous year nevertheless rose to 48.9 % during the course of the reporting period. The personnel costs went up in relation to the total output on account of redundancy payments entailed by personnel measures from 25.7 % in the previous year to 27.9 % in the first half year of 2025. Conversely, the ratio of other operating expenses improved from 15.2 % in the previous year to 14.3 % in the months from January to June 2025. Overall, the expense items amounted to € -403.8 million after € -400.8 million in the previous year. On the basis of a total output of € 443.7 million (2024: € 453.1 million) and other operating income of € 3.5 million (2024: € 4.1 million), earnings before financial result, income tax and depreciation and amortization (EBITDA) fell by -23.1 % to € 43.3 million (2024: € 56.4 million). The EBITDA margin (EBITDA/Sales) amounted to 9.9 % after 12.6 % in the previous year. Taking account of one-off expenses, adjusted EBITDA amounted to € 50.6 million in the first half year of 2025 after € 57.0 million in the previous year. The corresponding margin was 11.6 % (2024: 12.7 %). Adjustments during the reporting period include other operating income of € 0.0 million after € 0.5 million in the previous year. The other operating expenses include transaction costs (€ 0.1 million after € 0.4 million in the previous year) and consultancy costs (€ 0.0 million after € 0.7 million in the previous year). Furthermore, provisions for personnel measures reflect adjustments for personnel expenses (€ 6.7 million after € 0.0 million in the previous year) and adjustments for the cost of materials (€ 0.5 million after € 0.0 million in the previous year) also include an impairment of inventories arising from the discontinuation of impregnates. Depreciation and amortization amounted to € -29.4 million after -€ 30.3 million in the previous year. As a result, earnings before financial result and income tax (EBIT) of the Group amounted to € 13.9 million in the first half year of 2025 after € 26.1 million in the previous year. As a ratio of sales, the EBIT margin was 3.2 % (2024: 5.8 %). The financial result amounted to € -14.1 million after € -6.6 million in the previous year owing to the influence of negative exchange rate effects arising from balance sheet revaluations of € -7.3 million and interest expenses in the amount of € -7.6 million. Overall, earnings before income tax (EBT) came down to € -0.2 million (2024: € 19.5 million). After deduction of € -5.3 million (2024: € -5.8 million) income and minority interests of

€ 0.0 million (2024: € 0.1 million), the consolidated net loss amounts to € -5.5 million after € 13.8 million in the previous year. On the basis of the unchanged number of 15,505,731 no-par-value shares, the earnings per share amounted to € -0.35 in the first half year of 2025 after € 0.89 in the previous year.

RESULT OF THE SEGMENTS

Half-year earnings for the Segment Surfaces were below the year-earlier value of € 15.9 million with an adjusted EBITDA of € 12.0 million owing to reduced volumes. Increased cost of materials also exerted a negative impact on earnings. The adjusted EBITDA from Edgebands at € 11.0 million was below the year-earlier level of € 14.7 million. This is essentially due to the ongoing depressed demand and an increase in the cost of materials ratio. The adjusted EBITDA in the Segment Profiles amounting to € 9.1 million was approximately at the year-earlier level of € 9.2 million. Adjusted EBITDA of the Segment North America amounting to € 18.0 million in the first half year of 2025 was also at the year-earlier level after € 18.0 million in the previous year. The adjusted EBITDA of Asia / Pacific fell back to € 3.1 million owing to volume effects after € 3.7 million in the previous year.

Risk and Opportunity Report

SURTECO GROUP SE with its segments is exposed to a large number of risks on account of global activities and intensifying competition. The detailed description of the Risk Management System is provided in the Risk and Opportunities Report in the Annual Report for 2024. The individual risk categories are also set out here. Using the following tables, the recorded individual risks are allocated to damage and probability classes based on their anticipated gross financial impact on EBT for the current and subsequent years.

Damage class	Qualitative	Quantitative
1	Slight	€ 000s 1,000 - € 000s 4,999
2	Minor	€ 000s 5,000 - € 000s 9,999
3	Moderate	€ 000s 10,000 - € 000s 14,999
4	Major	€ 000s 15,000 - € 000s 19,999
5	Threat to existence as a going concern	> € 000s 20,000

Probability class	Qualitative	Quantitative
1	Very improbable	1 % - 15 %
2	Improbable	16 % - 40 %
3	Possibly	41 % - 60 %
4	Probably	61 % - 85 %
5	Very probably	86 % - 100 %

		Damage class				
		1	2	3	4	5
Probability class	5	L	M	H	H	H
	4	L	M	M	H	H
	3	L	L	M	M	H
	2	L	L	M	M	M
	1	L	L	L	M	M

Compared to year-end 2024, an additional slight risk was identified in relation to risks resulting from information technologies. In the Segment Edgebands, however, a minor procurement risk no longer applies compared to the previous year. The probability of occurrence and damage class have changed for a number of risks as a result of the revaluation for the half year, without their being reclassified in a new category.

OVERALL RISK ASSESSMENTS

The Group regularly monitors the attainment of business targets and the risks and risk-limiting measures. The Management Board and the Supervisory Board are informed of risks at an early stage. There are no risks which alone or in combination with other risks could pose a threat to the continued existence of the company as a going concern.

The overall risks decreased as at 30 June 2025 compared with year-end 2024. In this context, the substantive influencing factors for the business activity of the SURTECO Group arise from the framework conditions for the global economy and the relevant sectors, as well as the procurement markets. Overall, the procurement markets have been stable. The economic forecasts do not hold out the prospect of any notable improvement for macroeconomic framework conditions over the remainder of the year. Nevertheless, the Association of the German Furniture Industry is projecting an improvement in consumer sentiment and an upturn in the demand for furniture in the autumn.³

³ Source: Association of the German Furniture Industry, Press Release dated 16 May 2025

Outlook for the Business Year 2025

In line with expectations, the economic environment for our sector remains challenging. Owing to the global uncertainties, consumers are holding back with making long-term investments in furniture. This is exerting an impact on the companies of the SURTECO Group as an upstream supplier. The company is countering this situation by continuing to optimize the cost structure, expand business outside Europe and leverage synergies within the Group.

Accordingly, the forecast from the Annual Report 2024 is confirmed. This projects that Group sales will be between € 850 million and € 900 million in the business year 2025 and adjusted EBITDA is targeted in the range between € 85 million and € 105 million. However, given the current economic situation, sales are likely to be at the lower end of the forecast range.

Interim Consolidated Financial Statements SURTECO Group

Income Statement for the period 1 January to 30 June

€ 000s	Q2		Q1-2	
	1/4/-30/6/ 2024	1/4/-30/6/ 2025	1/1/-30/6/ 2024	1/1/-30/6/ 2025
Sales revenues	225,243	213,990	447,552	436,282
Changes in inventories	1,284	868	4,006	6,584
Own work capitalized	987	371	1,523	856
Total output	227,514	215,229	453,081	443,722
Cost of materials	-106,644	-104,679	-215,385	-216,775
Personnel expenses	-58,919	-57,138	-116,371	-123,679
Other operating expenses	-36,127	-31,558	-69,080	-63,386
Other operating income	2,909	1,948	4,113	3,460
EBITDA	28,733	23,802	56,358	43,342
Depreciation and amortization	-15,052	-14,447	-30,275	-29,439
EBIT	13,681	9,355	26,083	13,903
Financial result	-3,972	-7,626	-6,562	-14,094
EBT	9,709	1,729	19,522	-190
Income tax	-2,876	-2,115	-5,844	-5,292
Net income	6,834	-386	13,678	-5,483
Non-controlling interests	94	0	144	0
Consolidated net profit / loss	6,928	-386	13,822	-5,483
Basic and undiluted earnings per share in €	0.45	-0.02	0.89	-0.35
Number of shares	15,505,731	15,505,731	15,505,731	15,505,731

Statement of Comprehensive Income for the period 1 January to 30 June

€ 000s	Q2		Q1-2	
	1/4/-30/6/ 2024	1/4/-30/6/ 2025	1/1/-30/6/ 2024	1/1/-30/6/ 2025
Net income	6,833	-386	13,678	-5,483
Components of comprehensive income that may be classified to the income statement				
Fair Value Measurement of Financial Instruments	151	-43	151	-131
Exchange differences for translation of foreign operations	1,664	-22,082	4,969	-30,169
Other comprehensive income	1,815	-22,125	5,120	-30,300
Comprehensive income	8,648	-22,511	18,798	-35,783
Of which:				
Owners of the parent (consolidated net profit / loss)	8,742	-22,511	18,940	-35,783
Non-controlling interests	-94	0	-142	0

Consolidated Balance Sheet

€ 000s	31/12/2024	30/6/2025
ASSETS		
Cash and cash equivalents	71,186	49,680
Trade accounts receivable	75,084	89,497
Inventories	148,044	154,476
Current income tax assets	1,741	1,349
Other current non-financial assets	12,061	11,659
Other current financial assets	10,932	6,817
Current assets	319,048	313,479
Property, plant and equipment	299,440	279,367
Intangible assets	97,283	84,616
Rights of use	37,509	35,787
Goodwill	227,234	219,264
Investments in associates	404	404
Financial assets	1,798	933
Non-current income tax assets	4,507	4,396
Other non-current non-financial assets	370	507
Other non-current financial assets	997	1,052
Deferred taxes	23,812	22,544
Non-current assets	693,354	648,870
	1,012,402	962,349
LIABILITIES AND SHAREHOLDERS' EQUITY		
Short-term financial liabilities	16,743	22,784
Trade accounts payable	92,191	93,048
Income tax liabilities	1,800	2,785
Short-term provisions	4,910	9,380
Other current non-financial liabilities	3,295	3,806
Other current financial liabilities	35,695	28,444
Current liabilities	154,634	160,247
Long-term financial liabilities	394,359	381,139
Pensions and other personnel-related obligations	11,696	11,517
Long term provisions	191	78
Other non-current non-financial liabilities	23	71
Other non-current financial liabilities	1,368	1,460
Deferred taxes	39,650	37,790
Non-current liabilities	447,287	432,056
Capital stock	15,506	15,506
Capital reserve	122,755	122,755
Retained earnings	263,807	237,268
Consolidated net profit	8,413	-5,483
Equity	410,481	370,046
	1,012,402	962,349

Consolidated Cash Flow Statement

€ 000s	Q1-2	
	1/1/-30/6/ 2024	1/1/-30/6/ 2025
Earnings before income tax	19,522	-190
Payments for income tax	-2,620	-4,152
Reconciliation of cash flow from current business operations	35,392	39,027
Internal financing	52,294	34,684
Changes in assets and liabilities (net)	-24,649	-18,794
CASH FLOW FROM CURRENT BUSINESS OPERATIONS	27,645	15,890
Payout from business combinations	-6,270	0
Purchase of property, plant and equipment	-9,593	-10,124
Purchase of intangible assets	-151	-514
Inflows from the disposal of property, plant and equipment	957	409
CASH FLOW FROM INVESTMENT ACTIVITIES	-15,057	-10,230
Dividend paid to shareholders	0	-4,652
Repayment of lease obligations	-3,808	-4,123
Proceeds from borrowings	-1,376	-12,539
Interest received	1,782	530
Interest paid	-10,074	-7,608
CASH FLOW FROM FINANCIAL ACTIVITIES	-13,475	-28,392
Change in cash and cash equivalents	-887	-22,731
Cash and cash equivalents		
1 January	11,811	71,186
Effects of changes in the exchange rate on cash and cash equivalents	874	1,225
30 June	11,798	49,680

Consolidated Statement of Changes in Equity

€ 000s	Capital stock	Capital reserve	Other comprehensive income	Currency translation adjustments	Other retained earnings	Consolidated net profit/loss	Minorities	Total
1 January 2024	15,506	122,755	-1,150	-24,071	291,879	-12,289	270	392,900
Consolidated net profit from P & L	0	0	0	0	0	13,822	-144	13,678
Other comprehensive income	0	0	151	4,967	0	0	2	5,120
Allocation to retained earnings	0	0	0	0	-12,289	12,289	0	0
30 June 2024	15,506	122,755	-998	-19,104	279,590	13,822	128	411,699
1 January 2025	15,506	122,755	-2,169	-13,578	279,554	8,413	0	410,481
Consolidated net profit from P & L	0	0	0	0	0	-5,483	0	-5,483
Other comprehensive income	0	0	-131	-30,169	0	0	0	-30,300
Reclassification	0	0	-72	-6	78	0	0	0
Allocation to retained earnings	0	0	0	0	8,413	-8,413	0	0
Dividend payout SURTECO GROUP SE	0	0	0	0	-4,652	0	0	-4,652
30 June 2025	15,506	122,755	-2,372	-43,753	283,393	-5,483	0	370,046

Notes to the Consolidated Financial Statements as at 30 June 2025

I. Accounting principles

SURTECO GROUP SE (Societas Europaea) is a company listed on the stock exchange under European law and is based in Bittenwiesen, Germany. The company is the ultimate parent company of the Group and is registered in the Company Register of the Local Augsburg Court (Amtsgericht Augsburg) under HRB 23000. The purpose of the companies consolidated in the SURTECO Group is the development, production and sale of coated surface materials based on paper and plastic.

The consolidated financial statements of the SURTECO Group for the period ended 31 December 2024 were prepared in accordance with the regulations of the International Financial Reporting Standards (IFRS) as they were adopted by the EU, in the version valid on the closing date for the accounting period. As a matter of principle, the same accounting and valuation principles were used for the preparation of these abbreviated consolidated interim financial statements as at 30 June 2025, as in the preparation of the consolidated financial statements for the fiscal year 2024.

The objective and purpose of interim reporting is to provide a constructive information tool building on the consolidated financial statements. We therefore refer to the standards and interpretations applied in the valuation and accounting methods used in the preparation of the consolidated financial statements of the SURTECO Group for the period ending 31 December 2024 for further information. The comments included in that report also apply to the quarterly financial statements for the year 2025 if no explicit reference is made to them.

The regulations of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" for abbreviated interim financial statements and the German Accounting Standard (DRS) 16 "Interim Reporting (*Zwischenberichterstattung*)" have been applied for this interim report.

The preparation of the abbreviated consolidated interim financial statements requires assumptions and estimates to be made by the management. This means that there may be deviations between the values reported in the interim report and the actual values attained.

The overall business activities of the SURTECO Group are typically not subject to significant seasonal variation.

The Group currency is denominated in euros (€). All amounts are specified in thousand euros (€ 000s), unless otherwise indicated.

Rounding differences of +/- one unit may arise for computational reasons.

These interim financial statements and the interim report have not been audited and they have not been subject to an audit review by an auditor.

II. Group of consolidated companies

In March 2025, the Management Board passed a resolution to discontinue the production of impregnates in Germany on 30 May 2025 and to close the relevant production company Dakor Melamin Imprägnierungen GmbH. In the fiscal year 2024, sales of € 18.6 million were generated with impregnates. The adjusted EBITDA amounted to € -2.5 million. At year-end 2024, the investment book value of the company was already written down in full. The company is fully consolidated in the consolidated financial statements for the current reporting period.

During the first half year of 2025, expenses in the amount of € 000s 4,836 were incurred, which brought about a corresponding increase in personnel expenses during the reporting period. A provision in the amount of € 000s 4,489 continues to remain in place on the reporting date.

Otherwise, there were no changes in the group of consolidated companies during the reporting period. We therefore refer to the consolidated financial statements of the SURTECO Group as at 31 December 2024 with respect to the composition of the group of consolidated companies.

III. Financial Liabilities

Financial liabilities essentially comprise the promissory note loans raised in the fiscal years 2017 and 2022 and they amount to € 184.5 million (31 December 2024: € 184.5 million) on the balance sheet date. These liabilities are divided into tranches with different terms of five to ten years. The interest rates for the promissory note loans are in a range between 1.48 % and 2.86 %. Furthermore, after scheduled repayment on the balance sheet date, there is a syndicated loan in the amount of € 190.0 million (31 December 2024: € 195.0 million), which represents financing for the Omnova acquisition from the year 2023.

The financial liabilities are made up as follows:

€ 000s	31/12/2024	30/6/2025
Long-term financial liabilities to banks	369,062	357,020
Long-term financial liabilities for leases	25,297	24,119
Long-term financial liabilities	394,359	381,139
Short-term financial liabilities to banks	9,700	16,641
Short-term financial liabilities for leases	7,042	6,143
Short-term financial liabilities	16,743	22,784
Financial liabilities	411,102	403,923

1. Valuations of financial instruments

The calculation and recognition of the fair values of financial instruments is based on a **fair value hierarchy** which takes account of the significance of the input data used for the valuations and classifies it as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities, where the entity drawing up the financial statements must have access to these active markets on the valuation date.

Level 2 – Directly or indirectly observable input factors which cannot be classified under Level 1.

Level 3 – Unobservable inputs.

The following table shows the **book values and fair values** of financial assets and financial liabilities including their levels in the fair value hierarchy.

In accordance with IFRS 7.29, no fair value reporting is carried out for short-term financial instruments or financial instruments reported at acquisition costs.

Book value at 30/06/2025								
€ 000s	Category acc. IFRS 9	Book value	(amor- tized) Acquisi- tion costs	Fair value	Carrying amount acc. IFRS 16	Fair value (IFRS 13)	Level	
				not affecting income	affecting income			
Assets								
Cash and cash equivalents	AC	49,680	49,680	-	-	-	-	-
Trade accounts receivable (not including factoring)	AC	105,732	105,732	-	-	-	-	-
Trade accounts receivable								
- Open receivables from factoring	AC	-16,418	-16,418	-	-	-	-	-
- Continuing Involvement	AC	183	183	-	-	-	-	-
Other current financial assets								
- Receivables from payment of residual purchase price factor	AC	1,638	1,638	-	-	-	-	-
- Other current financial assets								
of which in the scope of IFRS 7	AC	5,114	5,114	-	-	-	-	-
of which not in the scope of IFRS 7	n.a.	66	66	-	-	-	-	-
Financial assets								
- Participations	FVPL	916	-	-	916	-	-	-
- Other loans	AC	16	16					
Other non-current financial assets								
- Miscellaneous other non-current financial assets	AC	1,052	1,052	-	-	-	-	-
Liabilities								
Short-term financial liabilities								
- Liabilities to financial institutions	AC	16,641	16,641	-	-	-	16,924	2
- Liabilities acc. to IFRS 16	n.a.	6,143		-	-	6,143	-	-
Trade accounts payable	AC	93,048	93,048					
Other current financial liabilities								
- Liability to factor	AC	1,310	1,310	-	-	-	-	-
- Continuing Involvement	AC	183	183	-	-	-	-	-
Other current financial liabilities								
of which not in the scope of IFRS 7	n.a.	21,055	21,055	-	-	-	-	-
of which in the scope of IFRS 7	AC	5,896	5,896	-	-	-	-	-
Long-term financial liabilities								
- Liabilities acc. to IFRS 16	n.a.	24,119		-	-	24,119	-	-
- Liabilities to credit institutions	AC	357,020	357,020	-	-	-	358,248	2
Other non-current financial liabilities								
- Liabilities from financial derivatives	FVOCI	1,460		1,460				

Book value at 31/12/2024								
€ 000s	Category acc. IFRS 9	Book value	(amor- tized) Acquisition costs	Fair value	Carrying amount acc. IFRS 16	Fair value (IFRS 13)	Level	
				not affecting income	affecting income			
Assets								
Cash and cash equivalents	AC	71,186	71,186	-	-	-	-	-
Trade accounts receivable (not including factoring)	AC	85,989	85,989	-	-	-	-	-
Trade accounts receivable								
- Open receivables from factoring	FVPL	-11,088	-11,088	-	-	-	-	-
- Continuing Involvement	n.a.	183	183	-	-	-	-	-
Other current financial assets								
- Receivables from payment of residual purchase price factor	n.a.	1,979	1,979	-	-	-	-	-
- Other current financial assets								
of which in the scope of IFRS 7	AC	8,729	8,729	-	-	-	-	-
of which not in the scope of IFRS 7	n.a.	223	223	-	-	-	-	-
Financial assets								
- Participations	FVPL	1,779	-	-	1,779	-	-	-
- Other loans	AC	19	19					
Other non-current financial assets								
- Miscellaneous other non-current financial assets	AC	997	997	-	-	-	-	-
Liabilities								
Short-term financial liabilities								
- Liabilities to financial institutions	AC	9,700	9,700	-	-	-	10,079	2
- Liabilities acc. to IFRS 16	n.a.	7,042		-	-	7,042		
Trade accounts payable	AC	92,191	92,191	-	-	-	-	-
Other current financial liabilities								
- Liability to factor	AC	8,703	8,703	-	-	-	-	-
- Continuing Involvement	AC	183	183	-	-	-	-	-
Other current financial liabilities								
of which not in the scope of IFRS 7	n.a.	19,282	19,282	-	-	-	-	-
of which in the scope of IFRS 7	AC	7,527	7,527	-	-	-	-	-
Long-term financial liabilities								
- Liabilities acc. to IFRS 16	n.a.	25,297		-	-	25,297	-	-
- Liabilities to credit institutions	AC	369,062	369,062	-	-	-	380,538	2
Other non-current financial liabilities								
- Liabilities from financial derivatives	FVOCI	1,368		1,368				
Key to abbreviations								
AC	Amortised Cost							
FVPL	At Fair Value through Profit & Loss							

Cash and cash equivalents, trade accounts receivable (not including those receivables which are assigned within the framework of a factoring programme), loans to associated companies and components of other current financial assets and current financial liabilities, trade accounts payable and other financial liabilities that primarily have short residual terms are recognized at "Amortized Cost" (AC). The values reported therefore correspond approximately to the fair values on the reporting date.

The trade accounts receivable that are assigned within the framework of the factoring programme are recognized at fair value through profit and loss.

The fair value of liabilities to banks is determined as a present value taking account of the payments associated with the liabilities based on the relevant interest structure curve in each case and the credit spread curve differentiated according to currencies.

During this fiscal year and the previous fiscal year, there were no reclassifications between the measurement categories or reclassifications within the fair value hierarchy. The SURTECO Group decides as necessary with reference to the date of the event or the change in circumstances which have caused a regrouping whether a reclassification is necessary.

IV. Segment reporting

With effect from the fiscal year 2023, the management of the company and hence the segment reporting will be carried out through the segments “Surfaces”, “Edgebands” and “Profiles”, which encompass the regions Europe and South America, and through the regional segments “North America” and “Asia / Pacific”. The segments are organized across the companies on the basis of the sales markets. Consequently, Surfaces encompasses all surface activities including melamine edgings in Europe and South America. The Segment Edgebands bundles the activities with plastic edgebandings in these regions, while the Segment Profiles concentrates on skirtings and technical extrusions (profiles). The regional segments comprise all activities in the relevant geographical markets irrespective of the specific products.

Segment Information

€ 000s	BU Surfaces	BU Edgebands	BU Profiles	BU North America	BU Asia Pacific	Reconcili- ation	SURTECO Group
1/1/-30/6/2025							
External sales	137,321	72,038	69,574	135,138	22,211	0	436,282
Internal sales with the SURTECO Group	8,949	2,197	6	0	222	-11,374	0
Total sales	146,270	74,235	69,580	135,138	22,433	-11,374	436,282
Segment earnings (EBITDA adjusted)	12,004	10,992	9,114	18,032	3,127	-2,624	50,645
1/1/-30/6/2024							
External sales	141,526	76,980	67,645	137,143	24,258	0	447,552
Internal sales with the SURTECO Group	9,334	835	69	0	0	-10,238	0
Total sales	150,860	77,815	67,714	137,143	24,258	-10,238	447,552
Segment earnings (EBITDA adjusted)	15,881	14,691	9,191	18,048	3,717	-4,572	56,956

Segment information by regional markets

Sales revenues € 000s	BU Surfaces	BU Edgebands	BU Profiles	BU North America	BU Asia Pacific	SURTECO Group
1/1/-30/6/2025						
Germany	36,666	13,480	32,648	0	0	82,794
Rest of Europe	95,647	30,701	36,553	1,074	0	163,975
America	2,149	23,803	16	123,471	215	149,654
Asia, Australia, Others	2,859	4,054	357	10,593	21,996	39,859
	137,321	72,038	69,574	135,138	22,211	436,282
1/1/-30/6/2024						
Germany	40,686	13,727	30,734	0	0	85,147
Rest of Europe	95,357	33,280	36,458	528	285	165,908
America	1,839	25,751	0	125,546	0	153,136
Asia, Australia, Others	3,644	4,222	453	11,069	23,973	43,361
	141,526	76,980	67,645	137,143	24,258	447,552

V. Supplementary information

Explanations of the main changes in the abbreviated balance sheet and the abbreviated income statement.

The explanations of the most important changes concerning items in the balance sheet and income statement, and concerning the development in the reporting period are presented in the interim report.

Dividend payout for the fiscal year 2024

The Annual General Meeting of SURTECO GROUP SE resolved on 11 June 2025 to pay out a dividend for the fiscal year 2024 amounting to € 0.30 per no-par-value share. The payout amount of € 4,651,719.30 was payable on 16 June 2025. Furthermore, the Annual General Meeting also resolved an allocation to the retained earnings of € 12,434,097.19.

Events after the balance sheet date.

Up until 31 July 2025, there were no events or developments that would be likely to lead to a significant change in the recognition or valuation of the individual assets or liabilities as at 30 June 2025.

Approval of the interim consolidated financial statements for publication.

The Management Board has approved this set of interim consolidated financial statements for publication as a result of the resolution of 29 July 2025.

VI. 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 material opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

Buttenwiesen, 29 July 2025

The Management Board

Wolfgang Moyses

Andreas Pötz

Calculation of indicators

EBITDA adjusted	Earnings before financial result, income tax and depreciation and amortization less extraordinary income, acquisition costs, consultancy costs, depreciation of material stocks from the discontinuation of impregnates and provision for staff measures
EBITDA	Earnings before financial result, income tax and depreciation and amortization
EBIT	Earnings before financial result and income tax
Cost of materials ratio in %	Cost of materials/Total output
Debt-service coverage in %	$(\text{Consolidated net profit} + \text{Depreciation and amortization}) / \text{Net debt}$
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 - (Payout from business combinations, Purchase of property, plant and equipment + Purchase of intangible assets + Inflows 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

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