



SURTECO

All surfaces
covered

Report for the first three quarters

1 January to 30 September 2025

OVERVIEW

€ million	Q3			Q1-3		
	1/7/-30/9/ 2024	1/7/-30/9/ 2025	Δ %	1/1/-30/9/ 2024	1/1/-30/9/ 2025	Δ %
Sales revenue	214.7	203.5	-5	662.2	639.8	-3
EBITDA	19.8	22.6	+14	76.1	66.0	-13
EBITDA-margin in %	9.2	11.1	+1.9 pts.	11.5	10.3	-1.2 pts.
EBITDA adjusted	19.8	22.6	+14	76.8	73.2	-5
EBITDA-margin adjusted in %	9.2	11.1	+1.9 pts.	11.6	11.4	-0.2 pts.
Depreciation and amortization	-15.3	-14.2	+7	-45.6	-43.7	+4
EBIT	4.4	8.4	+90	30.5	22.3	-27
EBIT-margin in %	2.1	4.1	+2.0 pts.	4.6	3.5	-1.1 pts.
Financial result	-7.4	-4.1	+44	-14.0	-18.2	-30
EBT	-3.0	4.3	+241	16.5	4.1	-75
Consolidated net profit / loss	-6.0	0.3	+105	7.8	-5.2	-166
Earnings per share in €	-0.39	0.02	+105	0.50	-0.33	-166
Number of shares	15,505,731	15,505,731		15,505,731	15,505,731	

	30/9/2024	30/9/2025	Δ %
Net financial debt in € million	349.0	347.2	-1
Level of debt in %	88.3	93.7	+5.4 pts.
Equity ratio in %	38.3	38.5	+0.2 pts.
Number of employees	3,724	3,757	+1

	31/12/2024	30/9/2025	Δ %
Net financial debt in € million	339.9	347.2	+2
Level of debt in %	82.8	93.7	+10.9 pts.
Equity ratio in %	40.5	38.5	-2.0 pts.
Number of employees	3,732	3,757	+1

Quarterly release SURTECO Group

January – September 2025

Economic report

SALES AND BUSINESS PERFORMANCE FOR THE SURTECO GROUP

Over the course of the first three quarters of 2025, sales revenues of the SURTECO Group decreased by -3 % to € 639.8 million (2024: € 662.2 million). Aside from sustained weak demand in the domestic market and abroad, key factors for this were the absence of sales from the division for impregnates discontinued at the end of May 2025 and negative currency effects, particularly in relation to the US dollar and Brazilian real. The organic decline in sales derived from continuing business excluding currency effects amounted to -1 %. Overall, business transactions in Germany fell back by -3 % in the first three quarters of 2025 compared with the previous year. In the rest of Europe (not including Germany), business also fell back by -3 %. In North and South America, sales came down by -4 % compared with the previous year and they fell by -3 % in Asia, Australia and the other markets.

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 decreased in the first three quarters of 2025, falling to € 196.2 million after € 206.0 million in the year-earlier period. Significantly slack demand during August, negative effects in the mix of product and batch size and the lack of sales derived from the discontinued business with impregnates led to this fall in sales amounting to -5 %.

EDGEBANDS

The segment Edgebands comprises all the plastic edging activities of the Group in Europe and South America. Owing largely to the ongoing weak demand in Europe, segment sales of € 107.4 million generated in the months from January to September 2025 were -6 % below the year-earlier value of € 114.7 million.

PROFILES

The Segment Profiles bundles the activities with technical extrusions (profiles), skirtings and associated products in Europe and South America. As a result, this business unit operates in more specialized markets than the Group's other segments. During the business year 2025, these markets were less affected by the general weakness in demand. Consequently, the sales of the segment at € 103.8 million were 3 % above the year-earlier value of € 100.3 million during the first three quarters.

NORTH AMERICA

The Segment North America includes the activities with all the products of the Group in this region. Sales in the acquired divisions of Omnova are allocated to this segment and they include the manufacturing facility in Thailand. Primarily owing to negative foreign exchange-rate effects compared with the previous year,

segment sales fell by -3 % to € 198.7 million during the first three quarters of 2025 (2024: € 205.1 million). Constrained demand in North America was also a factor here.

ASIA / PACIFIC

The Segment Asia / Pacific encompasses business with all product groups in the area of Asia, Australia and Oceania. During the months from January to September 2025, the Asian market was similarly impacted by a downward trend in demand. As a consequence, sales eased by -7 % to € 33.6 million (2024: € 36.2 million).

Net assets, financial position and result of operations

BALANCE SHEET PERFORMANCE / CASH FLOW STATEMENT

On 30 September 2025, the balance sheet total of the Group amounted to € 962.0 million after € 1,012.4 million at year-end 2024. Current assets decreased from € 319.0 million at year-end 2024 to € 317.4 million at the end of the third quarter. Lower cash and cash equivalents resulting from repayment of financial liabilities were offset by higher trade accounts receivable and increased inventories. Non-current assets fell back primarily as a result of scheduled depreciation and amortization and currency adjustments on assets from € 693.4 million at year-end 2024 to € 644.6 million on 30 September 2025. On the liabilities side of the balance sheet, current liabilities amounting to € 154.6 million at year-end 2024 increased to € 165.7 million at the end of the third quarter of 2025 on account of repayments of financial liabilities and thus the reclassification of long-term financial liabilities to short term financial liabilities. Accordingly, non-current liabilities decreased to € 425.7 million compared with year-end figure 2024 of € 447.3 million. Equity consequently fell back from € 410.5 million at year-end 2024 to € 370.6 million and the corresponding ratio (equity / balance sheet total) decreased from 40.5 % to 38.5 % on 30 September 2025. After free cash flow of € 23.8 million in the first three quarters of the previous year, the value amounted to € 20.4 million in the reporting period.

Abbreviated balance sheet of the SURTECO Group

€ million	31/12/2024	30/9/2025
ASSETS		
Current assets	319.0	317.4
Non-current assets	693.4	644.6
Balance sheet total	1,012.4	962.0
LIABILITIES		
Current liabilities	154.6	165.7
Non-current liabilities	447.3	425.7
Equity	410.5	370.6
Balance sheet total	1,012.4	962.0

GROUP RESULTS

In the first three quarters of 2025, purchase prices of the raw materials paper, plastic, chemicals and energy developed unevenly compared with the previous year. These are the most important cost factors in the SURTECO Group. Overall, the cost of materials ratio at 48.6 % was slightly above the value of 48.3 % in the year-earlier period. Personnel costs in relation to total output went up from 25.9 % in the previous year to 27.5 % over the months January to September 2025. This is primarily due to the provisions for redundancy payments as a result of the discontinuation of the impregnates business. The ratio of other operating expenses improved from 15.2 % in the previous year to 14.5 %. Overall, the expense items amounted to € -586.0 million after € -598.6 million in the previous year. On the basis of total output of € 646.5 million (2024: € 669.5 million) and other operating income of € 5.5 million (2024: € 5.3 million), earnings before financial result, income tax and depreciation and amortization (EBITDA) fell by -13 % to € 66.0 million (2024: € 76.1 million). The EBITDA margin (EBITDA/Sales) amounted to 10.3 % after 11.5 % in the previous year. Taking account of the development of the individual quarters, an analysis demonstrates that EBITDA stabilized during the third quarter of 2025, with even an increase of 14 % compared with the same quarter in the previous year. After analysis of the one-off exceptional effects (transaction costs, restructuring costs, consultancy expenses, material write-downs arising from discontinuation of the Impregnates division, extraordinary other income), adjusted EBITDA amounted to € 73.2 million in the first three quarters of 2025 after € 76.8 million in the previous year. The corresponding margin was 11.4 % (2024: 11.6 %). Amortization and depreciation at € -43.7 million were below the year-earlier value of € -45.6 million. Hence, earnings before financial result and income tax (EBIT) of the Group amounted to € 22.3 million in the first three quarters of 2025 after € 30.5 million in the previous year. As a ratio of sales, the EBIT margin was 3.5 % (2024: 4.6 %). As a result of settlement of financial liabilities, interest expenses came down during the reporting period, although negative exchange-rate effects arising from balance-sheet revaluations led to a financial result of € -18.2 million after € -14.0 million in the previous year. Accumulated, earnings before income tax (EBT) came down to € 4.1 million (2024: € 16.5 million). After deduction of € -9.2 million (2024: € -8.9 million) for income tax and minority interests of € 0.0 million (2024: € 0.1 million), consolidated net loss amounts to € -5.2 million after consolidated net profit of € 7.8 million in the previous year. On the basis of the unchanged amount of 15,505,731 no-par value shares, the earnings per share amounted to € -0.33 in the nine months from January to September 2025 after € 0.50 in the previous year.

Calculation of free cash flow

€ million	1/1/-30/9/ 2024	1/1/-30/9/ 2025
Cash flow from current business operations	44.4	38.1
Payout from business combinations	-6.3	0.0
Sale of business	0.0	0.7
Purchase of property, plant and equipment	-15.3	-18.3
Purchase of Intangible assets	-0.6	-1.8
Inflows from disposal of property, plant and equipment	1.6	1.7
Cash flow from Investment activity	-20.6	-17.7
Free cash flow	23.8	20.4

RESULT OF THE SEGMENTS

Adjusted EBITDA of € 16.3 million meant that earnings for the Segment Surfaces during the first three quarters of 2025 were below the year-earlier value of € 21.2 million owing to the reduction in sales volume and slightly increased cost of materials. These reasons accounted for adjusted EBITDA for Edgebands at € 17.4 million being below the level of € 21.4 million from the previous year. Conversely, adjusted EBITDA for Profiles at € 14.7 million was slightly above the year-earlier level of € 14.0 million. Primarily due to improvements in other operating expenses, adjusted EBITDA for the Segment North America increased from € 21.7 million in the previous year to € 23.4 million during the first three quarters of 2025, in spite of a lower volume of sales. A counterpoint was that adjusted EBITDA for Asia / Pacific eased to € 4.7 million (2024: € 5.4 million), primarily owing to volume effects and slightly increased cost of materials.

Outlook for the business year 2025

According to the ifo Business Climate Index* published by the ifo Institute for Economic Research, sentiment among companies in Germany has declined once more. It is now at a sustained low level overall. This mood can also be detected in the Group's important sales markets, since experience indicates that the economy of the furniture industry correlates overall with the general economic development. Even if the mood in the main construction sector is undergoing a modest improvement, significant momentum in the downstream purchase of furniture and fittings is unlikely over the short term.

Since restrained demand was anticipated for the current business year and the SURTECO Group is continuing to maintain its strict cost discipline, the earnings forecast given in the Annual Report 2024 (adjusted EBITDA between € 85 million and € 105 million) is confirmed with the target being attained at the lower end of the range. The forecast sales of € 850 million to € 900 million are anticipated at the lower end of the range or slightly below this, on the basis of the ongoing weak demand and negative exchange-rate effects.

*Source: ifo Economic Survey, September 2025

Income Statement

	Q3		Q1-3	
€ 000s	1/7/-30/9/ 2024	1/7/-30/9/ 2025	1/1/-30/9/ 2024	1/1/-30/9/ 2025
Sales revenues	214,683	203,497	662,235	639,779
Changes in inventories	878	-1,576	4,884	5,007
Own work capitalized	826	838	2,349	1,695
Total output	216,387	202,759	669,468	646,481
Cost of materials	-108,187	-97,282	-323,572	-314,057
Personnel expenses	-56,885	-54,308	-173,255	-177,987
Other operating expenses	-32,710	-30,565	-101,790	-93,951
Other operating income	1,143	2,010	5,256	5,469
EBITDA	19,749	22,614	76,107	65,955
Depreciation and amortization	-15,338	-14,227	-45,613	-43,665
EBIT	4,411	8,387	30,494	22,290
Interest Income	821	244	2,602	774
Interest expenses	-4,991	-5,350	-15,065	-12,958
Other financial expenses and income	-3,265	968	-1,534	-6,047
Financial result	-7,435	-4,138	-13,997	-18,231
EBT	-3,024	4,249	16,497	4,059
Income tax	-3,018	-3,935	-8,862	-9,227
Net income	-6,042	314	7,635	-5,168
Non-controlling interests	0	0	144	0
Consolidated net profit / loss	-6,042	314	7,779	-5,168
Basic and undiluted earnings per share in €	-0.39	0.02	0.50	-0.33
Number of shares	15,505,731	15,505,731	15,505,731	15,505,731

Consolidated Balance Sheet

€ 000s	31/12/2024	30/9/2025
ASSETS		
Cash and cash equivalents	71,186	55,133
Trade accounts receivable	75,084	88,094
Inventories	148,044	152,098
Current income tax assets	1,741	1,376
Other current non-financial assets	12,061	14,835
Other current financial assets	10,932	5,909
Current assets	319,048	317,445
Property, plant and equipment	299,440	277,691
Intangible assets	97,283	82,330
Rights of use	37,509	36,748
Goodwill	227,234	219,254
Investments in associates	404	404
Financial assets	1,798	151
Non-current income tax assets	4,507	4,293
Other non-current non-financial assets	370	527
Other non-current financial assets	997	1,015
Deferred taxes	23,812	22,164
Non-current assets	693,354	644,577
	1,012,402	962,022
LIABILITIES AND SHAREHOLDERS' EQUITY		
Short-term financial liabilities	16,743	26,253
Trade accounts payable	92,191	93,544
Income tax liabilities	1,800	3,822
Short-term provisions	4,910	7,586
Other current non-financial liabilities	3,295	4,394
Other current financial liabilities	35,695	30,118
Current liabilities	154,634	165,717
Long-term financial liabilities	394,359	376,047
Pensions and other personnel-related obligations	11,696	11,156
Long term provisions	191	78
Other non-current non-financial liabilities	23	70
Other non-current financial liabilities	1,368	846
Deferred taxes	39,650	37,461
Non-current liabilities	447,287	425,658
Capital stock	15,506	15,506
Capital reserve	122,755	122,755
Retained earnings	263,807	237,554
Consolidated net profit/loss	8,413	-5,168
Equity	410,481	370,647
	1,012,402	962,022

Consolidated Cash Flow Statement

€ 000s	Q1-3	
	1/1/-30/9/ 2024	1/1/-30/9/ 2025
Earnings before income tax	16,498	4,059
Reconciliation of cash flow from current business operations	49,587	51,092
Internal financing	66,085	55,151
Changes in assets and liabilities (net)	-21,711	-17,071
Cash flow from current business operations	44,374	38,080
Cash flow from investment activities	-20,622	-17,699
Cash flow from financial activities	-32,909	-37,477
Change in cash and cash equivalents	-9,157	-17,096
Cash and cash equivalents		
1 January	111,811	71,186
Effects of changes in the exchange rate on cash and cash equivalents	498	1,043
30 September	103,152	55,133

Segment reporting

With effect from the business 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. 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.

€ 000s	BU Surfaces	BU Edgebands	BU Profiles	BU North America	BU Asia Pacific	Reconcili- ation	SURTECO Group
1/1/-30/9/2025							
External sales	196,225	107,429	103,784	198,739	33,602	0	639,779
Internal sales with the SURTECO Group	13,650	2,474	22	8	222	-16,376	0
Total sales	209,875	109,903	103,806	198,747	33,824	-16,376	639,779
Segment earnings (EBITDA adjusted)	16,341	17,438	14,749	23,399	4,742	-3,476	73,193
1/1/-30/9/2024							
External sales	206,032	114,691	100,290	205,065	36,157	0	662,235
Internal sales with the SURTECO Group	13,367	1,339	83	0	0	-14,789	0
Total sales	219,399	116,030	100,373	205,065	36,157	-14,789	662,235
Segment earnings (EBITDA adjusted)	21,171	21,387	13,981	21,680	5,398	-6,824	76,793

Segment reporting by regional markets

Sales revenues € 000s	BU Surfaces	BU Edgebands	BU Profiles	BU North America	BU Asia Pacific	SURTECO Group
1/1/-30/9/2025						
Germany	53,599	19,961	48,055	0	0	121,615
Rest of Europe	135,089	43,395	55,185	1,600	0	235,269
America	3,257	36,994	88	181,067	378	221,784
Asia, Australia, Others	4,280	7,079	456	16,072	33,224	61,111
	196,225	107,429	103,784	198,739	33,602	639,779
1/1/-30/9/2024						
Germany	58,836	19,856	46,180	0	0	124,872
Rest of Europe	140,004	48,613	53,355	1,272	0	243,244
America	2,631	40,041	5	188,274	285	231,236
Asia, Australia, Others	4,561	6,181	750	15,519	35,872	62,883
	206,032	114,691	100,290	205,065	36,157	662,235

Calculation of indicators

EBITDA adjusted	Earnings before financial result, income tax and depreciation and amortization less extraordinary income, acquisition costs, consultancy expenses, material write-down arising from discontinuation of impregnates and restructuring costs
EBITDA	Earnings before financial result, income tax and depreciation and amortization
EBIT	Earnings before financial result and income tax
EBIT margin in %	EBIT/Sales
EBITDA margin in %	EBITDA/Sales
Equity ratio in %	Equity/Total equity (= balance sheet total)
Earnings per share in €	Consolidated net profit/Weighted average of the issued shares
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)
Leverage	Net debt/EBITDA adjusted for the last 12 month
Cost of materials ratio in %	Cost of materials/Total output
Net debt in €	Short-term financial liabilities + Long-term financial liabilities – Cash and cash equivalents
Debt-service coverage in %	(Consolidated net profit + Depreciation and amortization) / Net debt
Personnel expense ratio in %	Personnel expenses/Total output
Level of debt in %	Net debt/Equity
Working Capital in €	(Trade accounts receivable + Inventories) – Trade accounts payable
Interest cover factor	EBITDA/Interest (net) (Interest income – Interest expenses)

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