

# FUCHS GROUP

## Financial Results H1 2023

| Analyst's Conference, 28<sup>th</sup> July 2023

| Isabelle Adelt, CFO

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# HIGHLIGHTS H1 2023

FUCHS SUCCESSFULLY CONCLUDES FIRST HALF-YEAR

**€1,822 mn**

Sales up 11% yoy

**€200 mn**

EBIT up 11% yoy

**€164 mn**

FCF bef. acq. sig. up

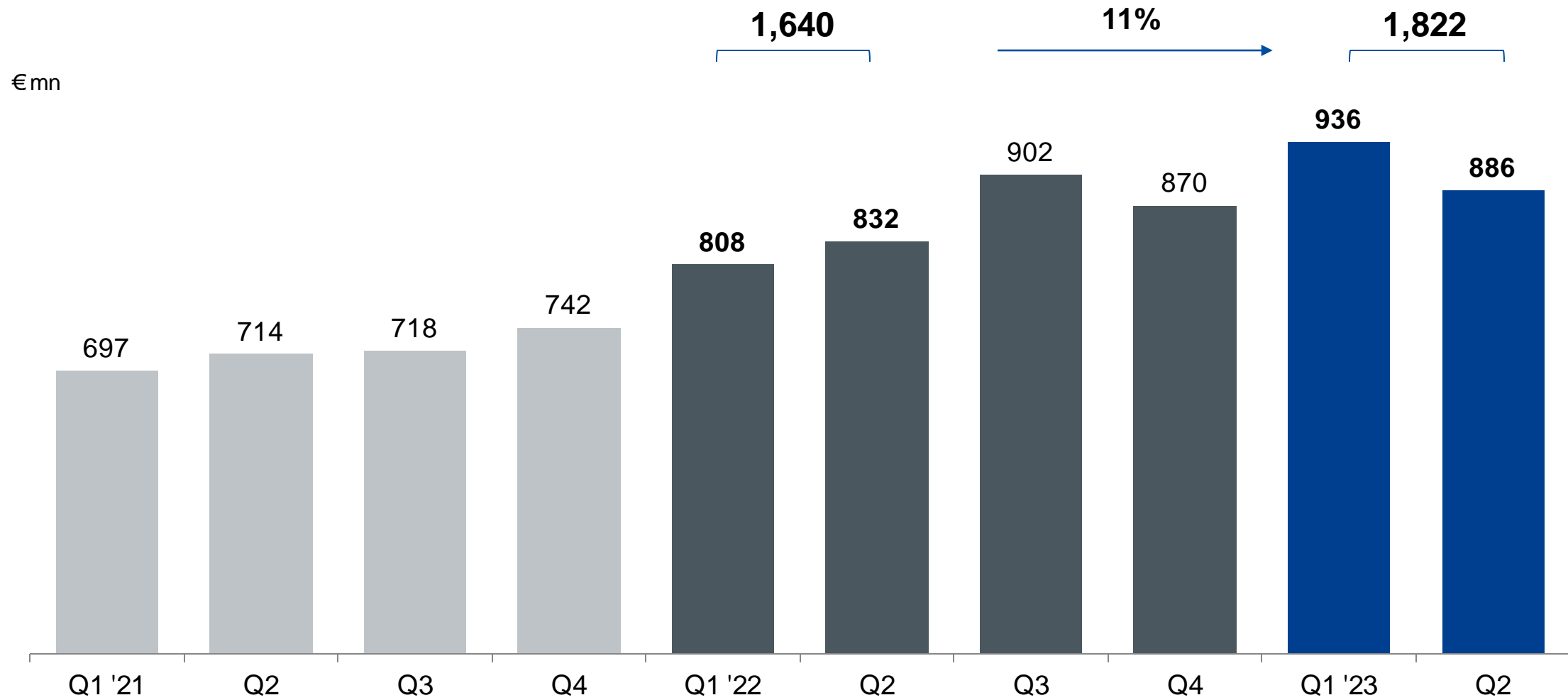
## H1 2023

- Sales development strongly price-driven
- Implemented price increases from 2022 drive H1 2023 EBIT
- EBIT margin at 11.0%
- FCF bef. acq. sig. higher due to lower NOWC build-up yoy

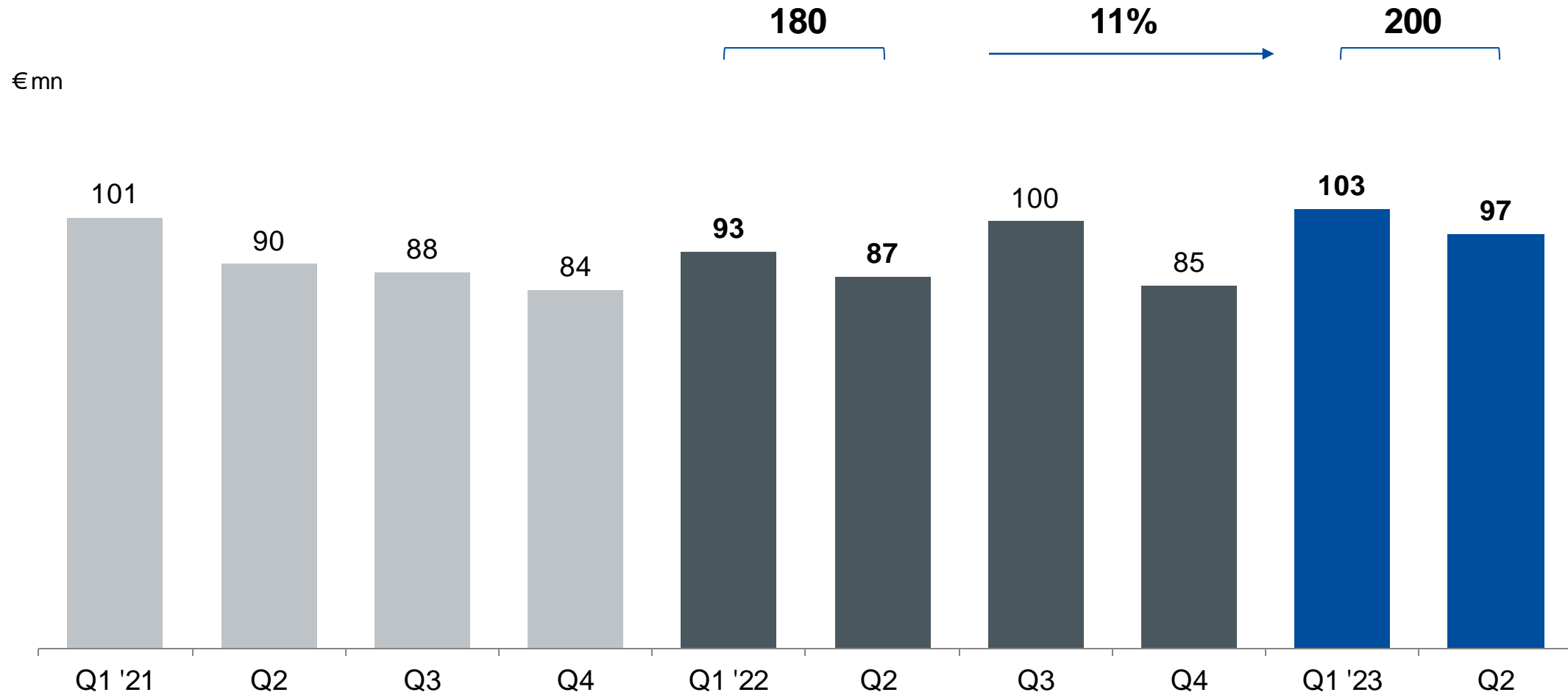
## Outlook for FCF bef. acq. raised

- Sales: ~ €3.6 bn
- EBIT: ~ €390 mn
- FVA: above prior year (€172 mn)
- FCF bef. acq.: ~ €300 mn (before: ~ €250 mn)

# SALES DEVELOPMENT

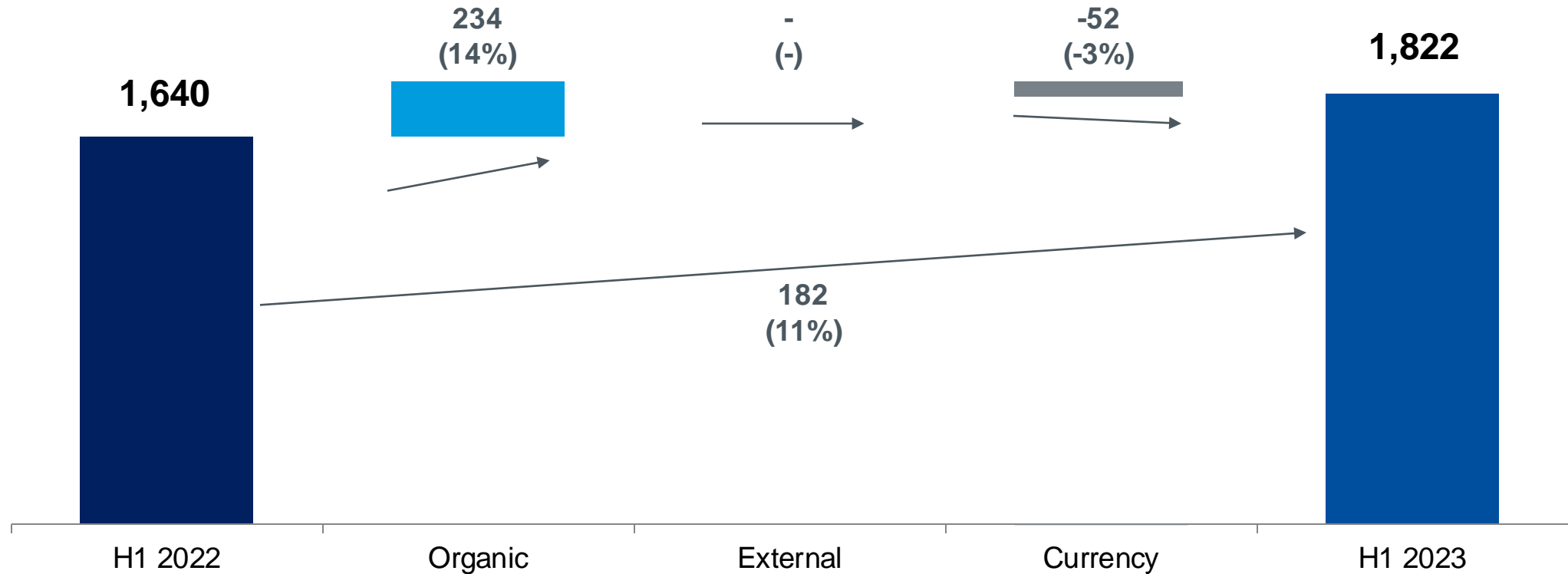


# EBIT DEVELOPMENT



# H1 2023 GROUP SALES

€mn



# H1 2023 KPI SUMMARY

KPI in €mn	H1 2023	H1 2022
<b>Sales</b>	<b>1,822</b>	<b>1,640</b>
Cost of sales	-1,248	-1,116
Gross profit	574	524
Other function costs	-378	-346
<b>EBIT bef. at Equity</b>	<b>196</b>	<b>178</b>
<b>EBIT</b>	<b>200</b>	<b>180</b>
CAPEX	-31	-24
NOWC	-2	-147
<b>FCF bef. acq.</b>	<b>164</b>	<b>0</b>

- Sales price-driven up 11%
- Gross profit up 10% by compensation of sig. cost inflation through higher selling prices in 2022, however margin of 31.5% 0.5%-pts. lower yoy
- Other function costs 9% up, driven by higher freight and energy costs and sig. higher personnel costs
- EBIT up 11%; EBIT margin at 11.0%
- CAPEX above prior year level
- Sig. lower NOWC build-up yoy
- FCF bef. acq. sig. higher due to lower NOWC build-up yoy

# EUROPE, MIDDLE EAST, AFRICA

KPI in € mn	H1 2023	H1 2022
<b>Sales</b>	<b>1,067</b>	<b>987</b>
Organic growth	103 (10%)	131 (15%)
External growth	-	1 (0%)
FX effects	-23 (-2%)	5 (1%)
<b>EBIT bef. at Equity</b>	<b>95</b>	<b>82</b>
<b>EBIT</b>	<b>99</b>	<b>84</b>

- Sales price-driven 8% up
- Almost all entities with double-digit growth rates; particularly high absolute and relative increases in Great Britain, Poland and Ukraine
- Negative currency effects mainly from South Africa, Great Britain, Sweden and Ukraine
- Significant earnings contribution from almost all entities, especially in Sweden

# ASIA-PACIFIC



KPI in € mn	H1 2023	H1 2022
<b>Sales</b>	<b>491</b>	<b>454</b>
Organic growth	63 (14%)	-1 (0%)
External growth	-	-
FX effects	-26 (-6%)	31 (7%)
<b>EBIT bef. at Equity</b>	<b>52</b>	<b>55</b>
<b>EBIT</b>	<b>52</b>	<b>55</b>

- Sales up 8% driven by prices despite negative currency effects
- Australia and South-East Asia showing strong increases, thanks to positive business development and price increases
- China still affected by a moderate economic recovery, but primarily driven by prices also significantly higher than in the previous year
- EBIT slightly lower due to lower contribution from China, while Southeast Asia and Australia posted earnings growth; negative currency effects from all regions

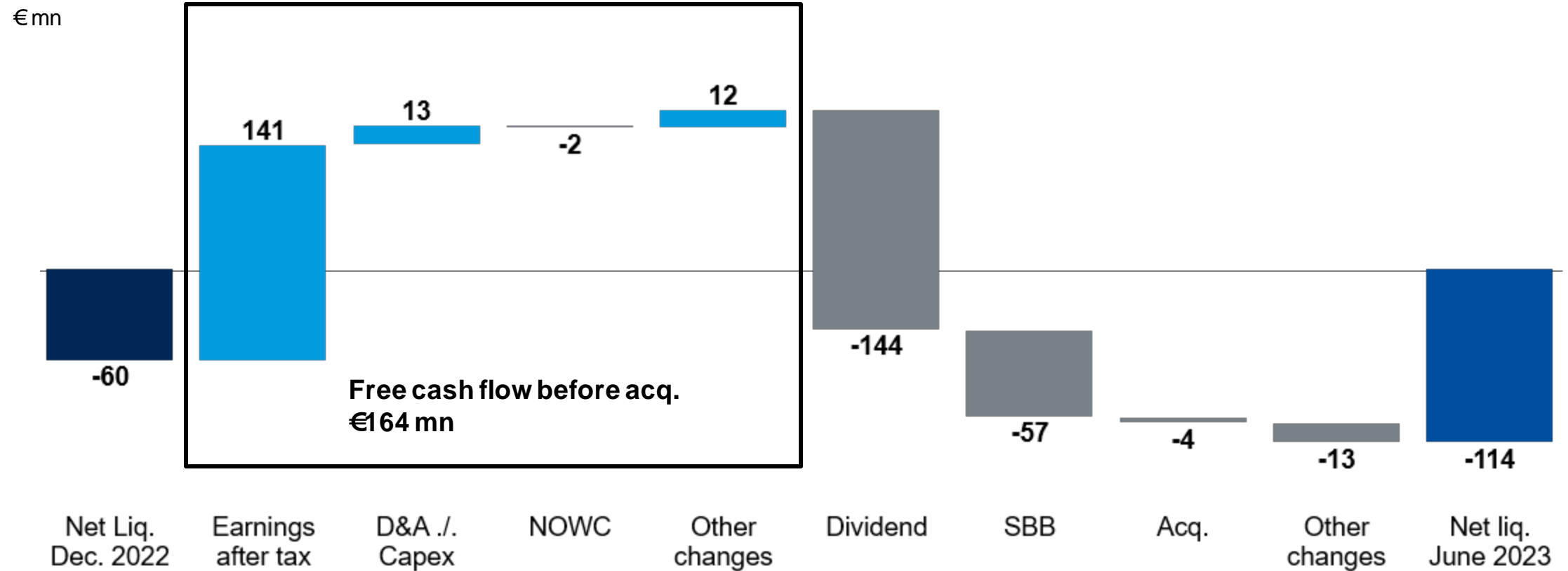


# NORTH AND SOUTH AMERICA

KPI in € mn	H1 2023	H1 2022
<b>Sales</b>	<b>352</b>	<b>300</b>
Organic growth	55 (18%)	48 (21%)
External growth	-	-
FX effects	-3 (-1%)	28 (13%)
<b>EBIT bef. at Equity</b>	<b>39</b>	<b>35</b>
<b>EBIT</b>	<b>39</b>	<b>35</b>

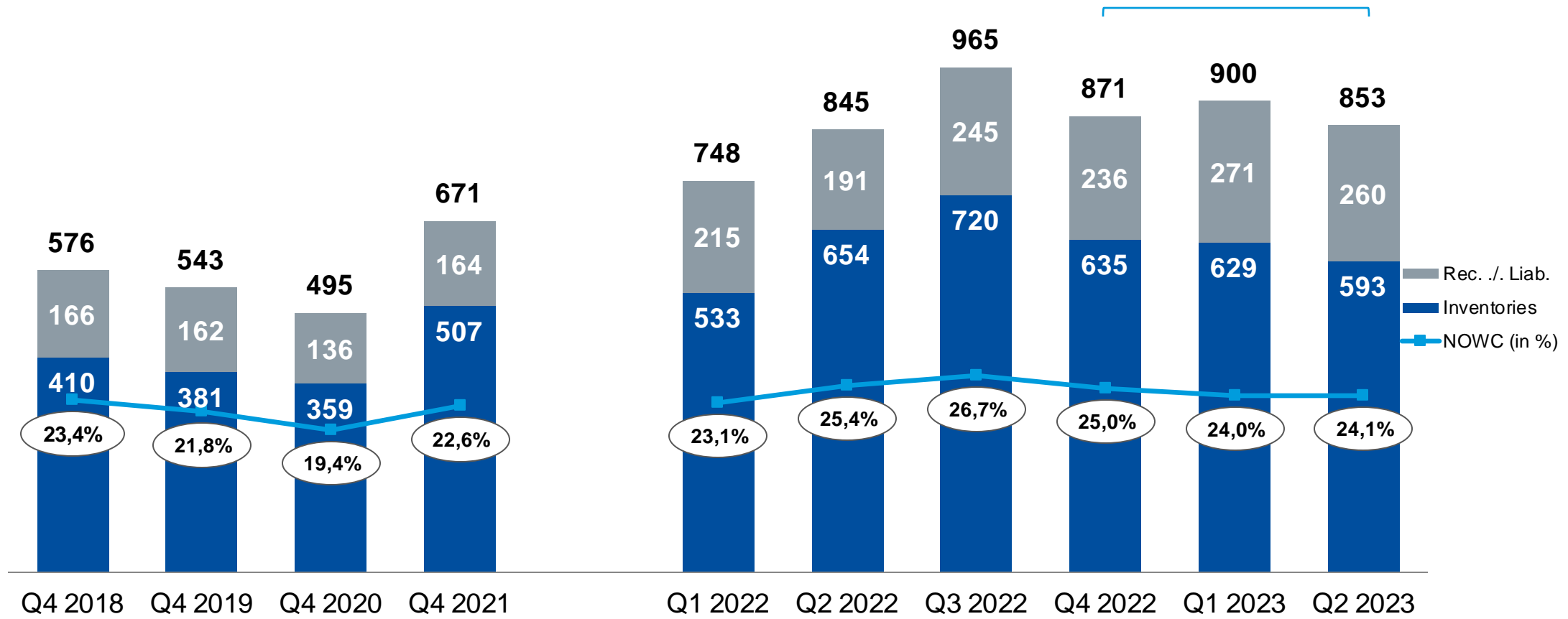
- Sales up 17% due to price increases and positive business development
- Positive currency effects overcompensated by negative currency effects from Argentina
- Especially US and Brazil with positive business development and earnings improvement

# NET LIQUIDITY



# NET OPERATING WORKING CAPITAL (NOWC)

Q4 22 vs Q2 23: Inventories - €42 mn  
 Rec. ./ Liab. + €24 mn



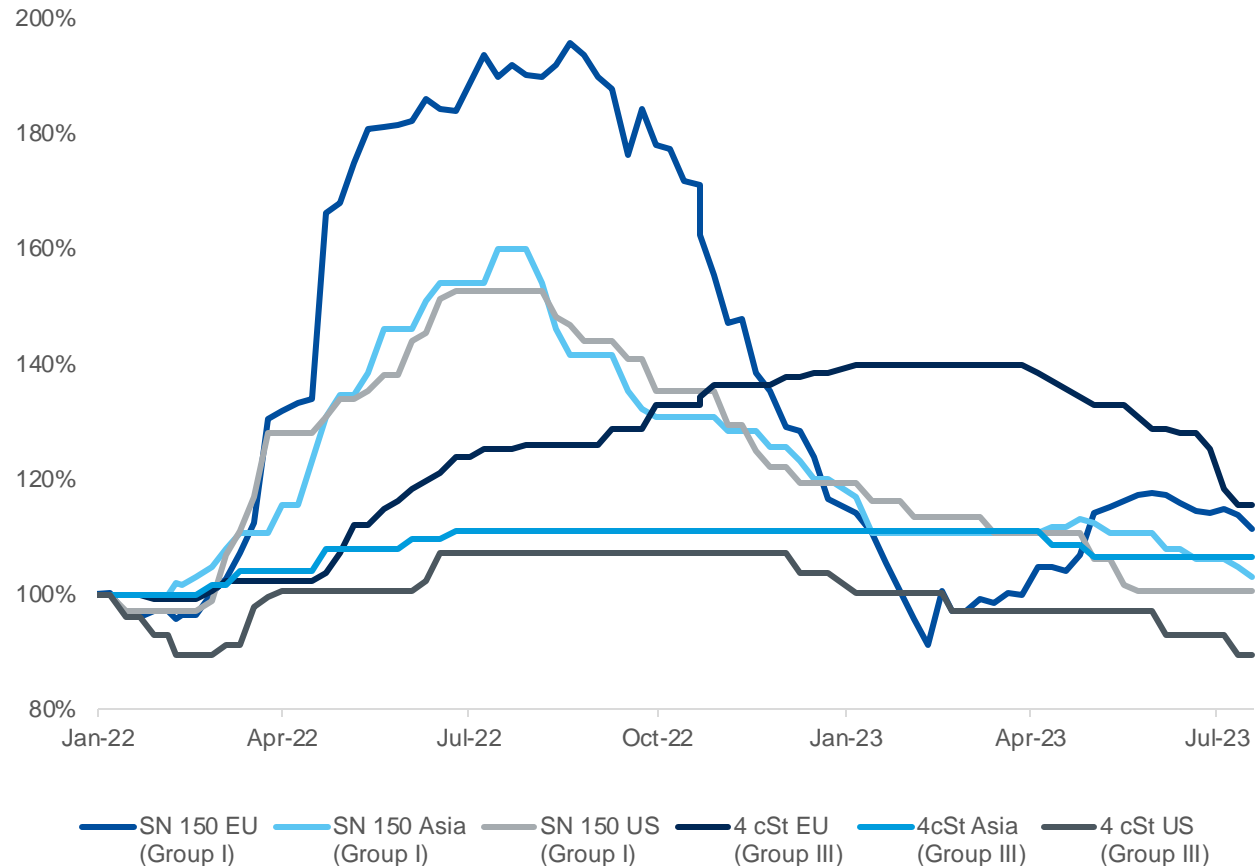
# 2023 OUTLOOK MARKING A STEP TOWARDS EBIT TARGET 2025

STRIVING FOR ALL-TIME HIGHS IN SALES, EBIT AND FCF BEF. ACQUISITIONS

KPI* in €mn	2022	March, 8 <sup>th</sup> 2023	July, 28 <sup>th</sup> 2023	
	Sales	3,412	~ 3,600	
EBIT	365	~ 390	~ 390	Strict cost management vs. cost inflation (esp. personnel, freight)
FVA	172	above prior year	above prior year	Higher earnings vs. slightly higher capital employed
FCF bef. acq.	61	~ 250	~ 300	Higher earnings, sig. lower NOWC build-up compared to 2022

\* The impact of the ongoing tense geopolitical situation on the global economy and FUCHS cannot be estimated at this time. In addition, the further development of raw material prices remains a matter of great uncertainty.

# DIFFERENT PRICE DEVELOPMENTS FOR RAW MAT. BASKET



## Market Development Q2

- **Base oil group I and II** further decreased globally with a temporary uptick in Europe
- **Base oil group III** remained substantially higher, however with decreases as well
- Slight price reductions for **additive packages** and **other raw mat.** perceptible, but overall price level above long-term avg.

## Outlook Q3 & beyond

- **Base oils:** Pressure on prices is anticipated to remain with a higher downward potential in the Americas than in the other regions
- **Additive packages & other raw materials:** Prices expected to decrease slowly

Data as at July 18<sup>th</sup>, 2023  
%-changes vs. Dec. 31st, 2021

# FINANCIAL CALENDAR & CONTACT

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## Financial Calendar 2023/2024

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<b>October 27, 2023</b>	Quarterly Statement 9M 2023
<b>March 12, 2024</b>	Annual Report 2023

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The financial calendar is updated regularly. You find the latest dates on the webpage at [www.fuchs.com/financial-calendar](http://www.fuchs.com/financial-calendar)

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