

## Press release

### FUCHS with a good start into the year - outlook adjusted

- Sales revenues up 16% or EUR 111 million year-on-year at EUR 808 million (697)
- Growth mainly driven by prices
- Earnings (EBIT) of EUR 93 million (101) at the level of the first quarter of the previous peak year 2018, but down 8% or EUR 8 million from the exceptionally strong quarter of the previous year
- Full year development difficult to be estimated due to high external uncertainties
- Adjusted forecast with the assumption of no further aggravation of the situation: EBIT for the 2022 financial year at the level of the previous year and thus at the lower end of the range of EUR 360 – 390 million

### FUCHS at a glance

in EUR million	Q1 2022	Q1 2021	Change	Change in %
<b>Sales revenues <sup>1</sup></b>	<b>808</b>	<b>697</b>	<b>111</b>	<b>16</b>
Europe, Middle East, Africa	481	419	62	15
Asia-Pacific	237	213	24	11
North and South America	141	111	30	27
Consolidation	-51	-46	-5	-
<b>EBIT</b>	<b>93</b>	<b>101</b>	<b>-8</b>	<b>-8</b>
<b>Earnings after tax</b>	<b>67</b>	<b>71</b>	<b>-4</b>	<b>-6</b>
<b>Capital expenditure</b>	<b>11</b>	<b>15</b>	<b>-4</b>	<b>-27</b>
<b>Free cash flow before acquisitions</b>	<b>13</b>	<b>31</b>	<b>-18</b>	<b>-58</b>
<b>Earnings per share in EUR</b>				
Ordinary share	0,48	0,51	-0,03	-6
Preference share	0,48	0,51	-0,03	-6
<b>Employees as at March 31</b>	<b>6.013</b>	<b>5.742</b>	<b>271</b>	<b>5</b>

(1)By company location

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“In a continuing difficult market environment FUCHS increased its sales revenues in the first three months by 16% year-on-year to EUR 808 million. Our consistent sales price adjustments over the past few months play a particular role in this regard. Despite unprecedented price increases on the purchasing side, we managed to improve our gross profit slightly compared to the previous year. However, other, often inflation-related increases of costs, such as freight, energy, wages and salaries, could not yet be fully covered. Compared to the previous year, it should be noted that the start of 2021 was exceptionally good, as a result of post-pandemic catch-up effects and tail wind regarding raw material costs

The growth of China, which has been a strong driver over the last years, weakened in the first quarter of 2022. The war in Ukraine and the sanctions against Russia did not yet have a significant impact on our business in the first quarter. As these two entities play a negligible role in the overall results of the group, the direct impact on FUCHS is small. The indirect impact on the global economy cannot be estimated at this stage. At the same time, China’s extensive pandemic-related lockdowns are weighing on the local and therefore also on the global economy. In addition, we expect high raw material price increases and cost inflation to continue to weigh on us for the rest of the year. Furthermore, the supply chain problems that have existed for 18 months will be tightened by the geopolitical crises. Particularly, we are concerned about the availability of raw materials. This also affects our customers and impacts their demand for our products. We are very well positioned to meet all these challenges and, based on current knowledge, expect EBIT for the financial year 2022 to be at the same level as the previous year.”

Stefan Fuchs, Chairman of the Executive Board FUCHS PETROLUB SE

### **Business Development in the Group**

In the first three months of 2022, FUCHS achieved sales revenues of EUR 808 million (697), which were 16% above the same period of the previous year. Growth in all regions was predominantly price-driven, with the North and South America and Asia-Pacific regions also benefiting from positive currency effects.

EBIT fell by EUR 8 million or 8% to EUR 93 million compared to the same period last year. It deteriorated in relation to sales from 14.5% to 11.5% due to inflation effects on sales. In absolute terms, EBIT was at the level of

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the first quarter of the previous peak year 2018. Within the regions, only North and South America slightly improved its EBIT by EUR 1 million. Profit after tax decreased by 6% to EUR 67 million (71). Earnings per ordinary share as well as per preference share amounted to EUR 0.48 (0.51). Free cash flow before acquisitions was EUR 13 million (31). It was burdened by the lower result after taxes and an increase in funds tied up in net working capital due to rising raw material prices.

### Sales and earnings in the regions

At EUR 481 million (419), sales revenues in the Europe, Middle East, Africa (EMEA) region were 15% higher than in the first three months of 2021. EBIT decreased by 10% to EUR 44 million (49). The decline in results is mainly caused by Germany and Southern Europe. The Asia-Pacific region increased sales revenues by 11% to EUR 237 million (213). Due to a difficult start to the year in China, EBIT of EUR 29 million (34) was 15% below the very strong quarter of the previous year. North and South America recorded the highest sales revenues growth of 27% to EUR 141 million (111). The entire region benefited from price increases and positive currency effects. EBIT increased slightly to EUR 17 million (16), due to the positive development in South America.

### Outlook

FUCHS is currently operating in a volatile environment. Geopolitical tensions, including the war in Ukraine and the sanctions against Russia, heighten the uncertainties. Increasing pandemic-related lockdowns of entire cities in China carry a high-risk potential for the local and therefore also the global economy. Raw material price increases and the general inflation-related rise in costs, e. g. for energy and logistics, continue to affect us in the further course of the year. The global supply chain problems continue, as do supply bottlenecks, putting a strain on us and our customers and thus on production and demand. Assuming no further aggravation of the situation, for the 2022 financial year we expect:

- Sales revenues between EUR 3.0 – EUR 3.3 billion (unchanged)
- EBIT at the same level as last year, at the lower end of the range of EUR 360 – EUR 390 million.
- FVA due to adjusted EBIT forecast below the prior-year level (EUR 205 million)

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- Free cash flow before acquisitions due to sharp increase in raw material costs and disrupted supply chains significantly below the initial forecast of around EUR 220 million

Our global track record and solid financial base remain robust, and FUCHS continues to focus on profitable growth and the implementation of FUCHS2025.

### ***MOVING YOUR WORLD***

At the end of April, FUCHS launched *MOVING YOUR WORLD*, a new emotional statement. It is the visible expression of the ongoing FUCHS2025 future strategy and clarifies the unique added value of the Group. It describes as a corporate purpose why FUCHS exists: Keeping the world moving. Stefan Fuchs adds "Keeping the world moving. That is what drives us. Together with our customers, we develop new ways and give impulses so that they can act more efficiently and sustainably. To this end, we not only supply individual lubricants, but also efficient lubricant solutions. We do all this in an unconditionally reliable way. That is what sets us apart. For this, we need a strong brand that communicates and accompanies our FUCHS2025 transformation. *MOVING YOUR WORLD* is the core of this.

Mannheim, April 29, 2022

## Press release

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**Image and video material:** <https://www.fuchs.com/gb-en/photo-gallery/>

### **About FUCHS**

The FUCHS Group develops, produces and markets high-grade lubricants and related specialties for virtually all industries and areas of application. The company, which was founded in Mannheim in 1931, employs over 6,000 people worldwide at 58 operating companies. FUCHS is the world's largest independent lubricant manufacturer. Its most important markets in terms of sales revenues are Western Europe, Asia and North America.

### **Important note**

This press release contains statements about future developments that are based on assumptions and estimates by the management of FUCHS PETROLUB SE. Even if the management is of the opinion that these assumptions and estimates are accurate, actual future developments and results can differ significantly from these assumptions and estimates due to a variety of factors. These factors can, for example, include changes in the overall economic climate, changes in procurement prices, changes in exchange rates and interest rates, and changes within the lubricants industry. FUCHS PETROLUB SE provides no guarantee that future developments and the results actually achieved in the future will match the assumptions and estimates set out in this press release and assumes no liability for such.