

Mediarelease

Gurit Reports Net Sales Growth for Continued Operations of 3.3% in CHF and 8.9% at constant exchange rates and an Operating Profit Margin of 11.2% for Fiscal Year 2020

- Net sales 2020 of CHF 578.8 million
- Operating profit margin at 11.2% of net sales
- Proposed distribution of CHF 30.00 per bearer share

Zurich, March 2, 2021 – Gurit (SIX Swiss Exchange: GUR) today reported net sales of CHF 578.8 million for the full year 2020. Gurit achieved an operating profit of CHF 64.6 million (11.2% of net sales) and net profit amounted to CHF 46.6 million in 2020.

Gurit reports sales growth of 3.3% in reported CHF and 8.9% at constant exchange rates for its Continued Operations, despite the effects of the global COVID-19 pandemic. This is largely due to the continuously strong wind energy market and the solid position Gurit has within this sector.

Composite Materials reported increased total sales with CHF 276.2 million (2019: CHF 249.7 million), a significant growth of 10.6% in reported CHF and a strong 16.1% at constant exchange rates compared to 2019. This growth has been driven by a strong global demand in the Wind Industry, including Balsa raw material and corresponding sales price increases, while the Marine and Industrial markets were hit by the pandemic.

Kitting strongly increased its sales to 225.6 million in 2020 compared with CHF 190.7 million in the previous year. The business unit grew dynamically with 18.3% in reported CHF and 25.4% at constant exchange rates compared to 2019, mainly supported by a solid market demand as well as an increased global manufacturing footprint built up during the past couple of years.

Tooling reported net sales of CHF 98.7 million compared to CHF 106.1 million in 2019 which is a 7% decline in sales in reported CHF and a small decline of 1.7% at constant exchange rates. Tooling achieved good sales in the Chinese domestic market however, the other markets saw a reduced demand. During 2020, Tooling started preparations for the new manufacturing site in South India planned to become operational in the second half of 2021.

The **Aerospace** Business Unit reported net sales of CHF 31.6 million in 2020 - a significant decline of 41.0% in reported CHF and 39.3% at constant exchange rates versus 2019. As a result of COVID-19, air traffic declined markedly and the material demand situation for Aerospace decreased accordingly. The Aerospace Business Unit now sees a stabilization at the currently low level of demand, but presently sees no signs of recovery in the global passenger aircraft market. The site consolidation of Zullwil into Kassel is finished, and production at the Zullwil plant has ceased. The Kassel site is undertaking further cost saving measures, as well. Its capacity will be well utilized once the business of the former two plants is combined into one.



Sales by geographic location in 2020 showed a further increase of 15.8% in the APAC region now reaching 43% of total sales, compared to 37.4% in 2019. APAC is by far the largest destination for Gurit goods delivered, despite slower demand from China in the fourth quarter. Deliveries to Europe accounted for 29.4% of total Group sales in 2020. Goods delivered to the Americas accounted for 22.0% of total Group sales, while supply to the rest of the world amounted to 5.6% (2019: 8.2%).

Profitability

Gurit reached an Operating Profit of CHF 64.6 million with a margin of 11.2% of net sales which is an increase of 2.2% in margin compared to the 9% margin reached in the previous year. In the Continued Operations the operating profit in 2020 reached CHF 64.1 million with an 11.1% margin to net sales, despite COVID-19 impacts. This is slightly above the 11.0% margin achieved during the fiscal year 2019. The Profit for the year 2020 amounted to CHF 46.6 million and an 8.1% margin of net sales, an increase of 33.5%. This equals to earnings per listed bearer share of CHF 100.31 in 2020 (2019: CHF 76.06).

Cash Flow and Balance Sheet

Gurit achieved a Net Cash Flow from operating activities of CHF 70.2 million (CHF million 65.9 in 2019) mainly due to higher profit in 2020 compared to 2019. Capital expenditures amounted to CHF 26.7 million in 2020 compared to CHF 24.7 million in the previous year. Major growth capacity investments were made, e.g. in PET extrusion capacities in Composite Materials, new equipment and production sites in the Kitting business and equipment renewal in Aerospace.

Outlook 2021

Gurit currently expects to achieve a sales revenue in the range of CHF 530–580 million and an operating profit margin between 9–11% for 2021. Revenue will be impacted by decreasing Balsa raw material costs and corresponding lower sales prices. We expect a temporarily reduced demand for China in 2021 as a result of the expiry of the Chinese wind feed-in tariffs by year-end 2020, followed by strong growth in the future years driven by increased demand for renewable energy. We anticipate a rebound of the Marine and Industrial markets in 2021 on and above pre-COVID levels. The Aerospace market has stabilized, and we expect a gradual recovery over the coming years.

Gurit announces climate neutrality commitment for 2021

In line with its company vision “With passion for a sustainable future”, Gurit has analysed its greenhouse gas emissions and will set up workstreams with the objective to reduce its emissions and greenhouse gas footprint. As of 2021, Gurit will be climate neutral except for sourced materials and related transportation. Further details are disclosed in Gurit’s Sustainability Report available at www.gurit.com/sustainability

Key financial figures in CHF million	2020	2019	Change in reported CHF	Change @ constant 2019 rates
Net sales by markets:				
Composite Materials	276.2	249.5	10.7%	16.2%
Kitting	225.6	190.7	18.3%	25.4%
Tooling	98.7	106.1	-7.0%	-1.7%
Aerospace	31.6	53.5	-41.0%	-39.3%
<i>Elimination</i>	-55.3	-41.6		
Total Continued Operations	576.7	558.3	3.3%	8.9%
Composite Components (Discontinued Operations)	2.1	18.1	-88.4%	-87.9%
Total Group	578.8	576.4	0.4%	5.8%
Operating profit	64.6	51.9		
Profit for the year	46.6	34.9		
Operating Cashflow	70.2	65.9		
Capital expenditures	26.7	24.7		
Equity in % of total assets	45.7%	40.2%		
Thereof Continued Operations:				
Net Sales	576.7	558.3		
Operating Profit	64.1	61.5		
Profit for the year	46.2	44.6		

Annual General Meeting of Shareholders on April 14, 2021

The Board of Directors will propose to the Annual General Meeting of Shareholders (AGM), scheduled for April 14, 2021, to distribute a total of CHF 14.0 million to shareholders – a dividend of CHF 30.00 per listed bearer share. The full invitation to the AGM including all motions proposed by the Board of Directors will be available for download from March 17, 2021 onwards at: <http://www.gurit.com/Investors/AGM>

Online publication of Annual Report 2020 and Media/Analyst Webcast on March 2, 2021

The Gurit **Annual Report 2020** is available online at www.gurit.com/investors/reports

The **Sustainability Report 2020** is available as a part of the Annual Report or also on the Gurit website at www.gurit.com/sustainability



Management will discuss the results in further detail at a **joint media and analyst conference**, held virtually at 09:00 a.m. CET on March 2, 2021. As always, the presentations will be held in English and can be accessed on the following URL. An archived version will later be made available on the same link: <http://www.gurit.com/Investors/Webcasts>

Financial Analysts and Media Representatives who wish to join the **private Q&A** conference call after the public webcast may do so **upon prior registration** via e-mail at investor@gurit.com

About Gurit

The subsidiaries of Gurit Holding AG, Wattwil/Switzerland, (SIX Swiss Exchange: GUR) are specialized on the development and manufacture of advanced composite materials, composite tooling equipment and core kitting services. The product range comprises structural core materials, fibre reinforced preregs, formulated products such as adhesives, resins as well as structural composite engineering. Gurit supplies global growth markets such as the wind turbine industry, aerospace, marine, rail and many more. Gurit operates production sites and offices in Australia, Canada, China, Denmark, Ecuador, Germany, Indonesia, India, Italy, New Zealand, Poland, Spain, Switzerland, Turkey, United Kingdom and the United States.
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