

SMT Scharf AG reports uptrend in Q3 2023

- **Consolidated revenue of EUR 22.4 million in Q3 2023, profit from operating activities (EBIT) up significantly to EUR 5.9 million**
- **9M/2023 consolidated revenue at EUR 54.1 million, EBIT at EUR 4.1 million**
- **Marked growth in After-Sales business, decrease in New Equipment business**
- **FY 2023 guidance upgraded**

Hamm, November 14, 2023 – SMT Scharf AG (WKN A3DRAE, ISIN DE000A3DRAE2), one of the world's leading suppliers of customised transport solutions and logistics systems for underground mining, posted consolidated revenue of EUR 54.1 million in the first nine months of the 2023 fiscal year (9M/2022: EUR 59.6 million). This corresponds to a decrease of 9.2 % compared to the previous year. In the third quarter of 2023, however, SMT Scharf recorded an upward trend, with revenue and earnings exceeded the previous year's level. The SMT Scharf Group increased its revenue slightly by 1.4 % year-on-year to EUR 22.4 million (Q3/2022: EUR 22.1 million), reflecting a brightening of the business climate in the mining markets of relevance to the Group.

Profit from operating activities (EBIT) grew significantly to EUR 5.9 million in the third quarter of 2023 (Q3/2022: EUR 3.3 million). In addition to the third-quarter revenue growth, cost savings realized across the SMT Scharf Group and currency effects exerted a positive effect. Accordingly, SMT Scharf achieved positive EBIT of EUR 4.1 million over the course of the first nine months of 2023 (9M/2022: EUR 10.3 million).

Hans Joachim Theiss, CEO of SMT Scharf AG, comments: "In the third quarter our ongoing sales activities in our core markets benefited from a brightening of the business climate. While there's currently still a certain level of hesitation in the market to invest in new systems, mining customers are showing increasing demand for spare parts to maintain and service their fleets. In our important sales market of Poland, we confirmed the growth trend and achieved significant revenue growth in the first nine months of 2023. With the D66 Vario, we have developed a monorail that enables mining companies to cope very well with specific underground coal mining conditions in Poland."

Revenue in the New Equipment business amounted to EUR 21.7 million in the first nine months of 2023, corresponding to a year-on-year decrease of 32.6 % (9M/2022: EUR 32.2 million). By contrast, revenue in the Spare Parts and Service business areas increased significantly to EUR 32.3 million in the first nine months of 2023 (9M/2022: EUR 26.4 million). Furthermore, revenue of EUR 0.1 million (9M/2022: EUR 1.0 million) was recorded in the "Others" segment.

In terms of regions, China remains SMT Scharf's most important foreign market, generating revenue of EUR 21.5 million (9M/2022: EUR 21.9 million) and reflecting a 39.7 % share of total revenue. Revenue in the foreign market of Russia was down significantly by 33.1 % to EUR 10.7 million in the reporting period. In the Polish sales market, SMT Scharf significantly increased its revenue by 86.7 % year-on-year to EUR 11.2 million (9M/2022: EUR 6.0 million). Similarly, revenue in Germany posted marked revenue growth of 36.8 % to EUR 2.6 million

(9M/2022: EUR 1.9 million). SMT Scharf also generated revenue of EUR 4.8 million in the Africa region, which was down by 34.2 % year-on-year (9M/2022: EUR 7.3 million).

New order intake amounted to a total of EUR 55.6 million in the first nine months of 2023 and was thereby considerably below the previous year's level of EUR 76.1 million. The order book position stood at EUR 24.3 million as of September 30, 2023.

On the strength of the preliminary results for the third quarter and the first nine months of 2023, SMT Scharf AG had upgraded its revenue and earnings guidance for the 2023 fiscal year on October 30, 2023. Accordingly, the Managing Board now anticipates consolidated revenue EUR 76.0 million for the 2023 fiscal year. At the same time, a profit from operating activities (EBIT) of EUR 4.5 million is expected.

The complete report for the third quarter of 2023 will be published during the course of today within the Investor Relations area of www.smtscharf.com.

Company profile

The SMT Scharf Group develops, manufactures and services transportation equipment for underground mining as well as for tunnel construction. Its main products include captivated railway systems that are deployed worldwide, primarily in hard coal mines, as well as in mines for gold, platinum, and other metals. They are needed to transport material and personnel with payloads of up to 48 tonnes and on routes with gradients of up to 30 degrees. SMT Scharf also supplies the mining sector with chairlifts. Since 2018, SMT Scharf's diverse portfolio has also included rubber-tyred diesel and electric vehicles for mining and tunnelling, including loaders, scissor lifts and underground trucks. As part of the further diversification of the business, the product range has been successfully expanded since 2019 to include electronic components and control systems for mining and other industries. Overall, the SMT Scharf Group is active with subsidiaries in seven countries, as well as commercial agencies worldwide. SMT Scharf generates a large share of its revenue in growing foreign markets such as China, Russia, Poland, and South Africa.

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