

## **SMT Scharf AG releases final figures for the 2023 financial year**

- **Consolidated revenue of EUR 73.2 million in 2023**
- **Operating result (EBIT) at EUR 4.0 million, EBIT margin of 4.9 %**
- **Significant revenue growth in spare parts and service business offset by noticeable decline in new systems business**
- **Forecast for 2024: Based on conservative assumptions, consolidated revenue expected to be between EUR 74 million and EUR 79 million with EBIT between EUR 1.5 million and EUR 2.5 million**

Hamm, 10 April 2024 – SMT Scharf AG (WKN A3DRAE; ISIN DE000A3DRAE2), a leading global provider of bespoke transport solutions and logistics systems for underground mining, recorded revenue of EUR 73.2 million in the 2023 financial year (2022: EUR 93.7 million). The spare parts business (+22.5 %) and service business (+20.8 %) posted significant growth while new business (-48.1 %) in 2023 reported a marked decline. The decline in revenues compared with the previous year is primarily due to mine operators' reluctance to invest in new systems as well as to the postponement of project revenues until 2024.

Volker Weiss, CFO of SMT Scharf AG, commented as follows on the performance of the business in 2023: "We registered strong demand for spare parts and services in our core markets as mining customers focused on servicing and maintaining their fleets. This led to strong revenue growth in this segment. Besides continuing our sales activities in our important core markets around the world, we concentrated on further optimising our processes within the SMT Scharf Group. Our initiatives here were aimed at driving our own product development, making collaboration within the Group more efficient and counteracting general cost increases."

The result from operating activities (EBIT) amounted to EUR 4.0 million in the 2023 financial year after an EBIT of EUR 14.3 million had been achieved in the previous year. Besides the year-on-year decline in sales revenue which was in line with expectations, one of the main reasons for this decline was the impairment of goodwill caused by the delay in bringing electric commercial vehicles to market. On the other hand, investment income of EUR 4.6 million made a positive contribution which surpassed operating earnings by around EUR 0.6 million. Accordingly, the EBIT margin (in relation to total operating revenue) fell to 4.9 % (2022: 14.9 %). Earnings per share amounted to EUR 0.89 (2022: EUR 2.75).

With a revenue contribution of EUR 60.1 million in the reporting year, the Coal mining segment contributed the largest share of SMT Scharf's consolidated revenues, with a figure of 82 % (2022: EUR 76.2 million or 81 %). Sales revenues in the coal segment fell by 21.1 % which reflected sluggish demand for new systems in important sales markets. Mineral mining generated the second largest share of consolidated sales revenue with EUR 8.8 million or 12 % (2022: EUR 12.4 million or 13 %), thus posting a year-on-year decline of 29.1 %. The Tunnel Logistics business recorded revenues of EUR 1.0 million, contributing 1 % of consolidated revenue (2022: EUR 2.9 million or 3 %). Nevertheless, SMT Scharf takes an optimistic view of

further growth in the Tunnel Logistics segment given the tunnel orders already won in the Middle East and Germany in 2024. In the fourth segment, Other Industries, which represents the business of the subsidiary ser elektronik, revenue grew by 47.8 % to EUR 3.3 million in 2023 (5 % share of consolidated revenue) (2022: EUR 2.2 million or 3 %).

With respect to the distribution of revenues by region, China remained the most important sales market for SMT Scharf. Here sales revenue of EUR 26.6 million was generated, making up 36 % of consolidated revenue (2022: EUR 43.4 million or 46 %). The second largest share of consolidated revenue was achieved in Poland with EUR 17.0 million or 23 % (2022: EUR 9.5 million or 10 %) as a result of which this EU country has gained in importance for SMT Scharf. The strong growth in sales revenue there of 78.9 % was driven by the Polish government's energy policy which is aiming to diversify the energy supply. In Russia, sales revenue of EUR 12.1 million was generated, making up 17 % of consolidated revenue (2022: EUR 20.6 million or 22 %). In the region of Africa where South Africa, in particular, represents an important country for sales, SMT Scharf recorded revenue of EUR 6.6 million or 9 % of consolidated revenue (2022: EUR 9.9 million or 11 %). Furthermore, SMT Scharf succeeded in boosting revenue in Germany by a significant 75.9 % to EUR 5.1 million (7 % of consolidated revenue), following EUR 2.9 million or a revenue share of 3 % in the previous year.

The order intake in the reporting year of 2023 totalled EUR 72.9 million (2022: EUR 89.7 million). As of the reporting date of 31 December 2023, the SMT Scharf Group's order book stood at EUR 22.6 million (31 December 2022: EUR 22.9 million).

Reinhard Reinartz, CEO of SMT Scharf, views the current year with optimism: "We expect the challenging environment in the market for mining equipment to persist in 2024. Nevertheless, we continue to see attractive growth opportunities for our company. For example, there is high demand for innovative, low emission transport and logistics solutions in the Chinese market thanks to the creation of new, high-tech mines. In this context, we welcome the fact that a strategic investor in the shape of Yankuang Energy Group which has strong roots in the local market and is able to leverage extensive synergy effects, intends to acquire a majority interest in SMT Scharf AG."

For the 2024 financial year, based on conservative assumptions, the Managing Board of SMT Scharf AG is expecting consolidated revenue between EUR 74 million and EUR 79 million. Additionally, the Managing Board is expecting a profit from operating activities (EBIT) of between EUR 1.5 million and EUR 2.5 million.

The full 2023 annual report will be published in the course of today at [www.smtscharf.com](http://www.smtscharf.com) in the Investor Relations section.

### Company profile

The SMT Scharf Group develops, manufactures and services transportation equipment for underground mining as well as for tunnel construction. The 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. In addition, SMT Scharf 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.

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